

Interim Report
January to
September 2009



- OIBD-margin up to 25.5% (previous year: 22.5%) in Q3; cost reduction programmes show effect
- Group turnover declined to EUR 8.4 billion (-22 % compared to previous year) due to adverse volume effects. Notably positive market development in Asia
- Net debt fell to below EUR 9 billion
- Financing structure after capital increase and bonds issue significantly improved
- Free float >75%; good prospects for entry into German DAX index in 2010
- Focus on liquidity, ambitious cost saving programmes and disposals are consistently pursued

Overview January - September 2009	July - Septe	mber	January - September		
EURm	20081)	2009	20081)	2009	
Turnover	3,881	3,021	10,809	8,391	
Operating income before depreciation (OIBD)	871	770	2,161	1,606	
in % of turnover	22.5%	25.5 %	20.0%	19.1%	
Operating income	671	571	1,572	1,028	
Additional ordinary result	17	-35	44	11	
Result from participations	17	27	51	48	
Earnings before interest and income taxes (EBIT)	706	563	1,667	1,087	
Profit before tax	513	281	1,092	442	
Net income from continuing operations	359	209	818	537	
Net income / loss from discontinued operations	-10	-6	1,261	-15	
Profit for the financial year	349	203	2,079	522	
Group share of profit	310	149	1,985	419	
Investments	274	128	799	419	

 $^{^{\}circ}$ Figures have been restated following the reclassification of the unwinding of discount to the other financial result

Ladies and Gentlemen,

The deterioration of economic performance has slowed during the past months all over the world and seems to have bottomed out in numerous countries. Key indicators point towards a stabilisation but individual countries and markets develop differently and, with the exception of the Asian emerging countries, the overall recovery remains rather hesitant.

Market development remains problematic

In the first nine months of 2009, cement and clinker sales volumes of HeidelbergCement reached 59.2 million tonnes (previous year: 68.5) and were 13.5% below the previous year's level. Sales volumes improved in the Asia-Australia-Africa Group area in the third quarter, driven by a strong demand in China and a favourable development in Bangladesh. Tanzania benefits from the successful capacity expansion. During the last few months, the development in sales volumes of individual Eastern European countries, e.g. Poland, indicates improving prospects. The sales volumes for aggregates decreased by 21.9% to 178.7 million tonnes (previous year: 228.9) in the first nine months. The reduction in deliveries of ready-mixed concrete also slowed down only slightly and the total volume of 26.1 million m³ (previous year: 33.7) meant a decrease of 22.5% in the first nine months. The development of deliveries of asphalt, which fell by 8.8% to 7.6 million tonnes (previous year: 8.3), continues to be supported by new activities in the infrastructure sector.

Group turnover reached EUR 8,391 million (previous year: 10,809) during the first nine months, a decline of 22.4% compared to the previous year. Excluding exchange rate and consolidation effects, turnover decreased by 21.8%. The increase in turnover in Asian emerging countries could not offset the decline in other Group areas. However, results developed more successfully and the effects of our comprehensive cost reduction programmes are now becoming increasingly apparent. The operating income before depreciation (OIBD) fell by 25.7% to EUR 1,606 million (previous year: 2,161) and the operating income dropped to EUR 1,028 million (previous year: 1,572), which corresponds to a decline of 34.6%. OIBD margin for the third quarter of 2009 amounted to 25.5% and was noticeably above the level of the previous year (22.5%).

The reduction in the additional ordinary result by EUR 32.4 million to EUR 11.4 million (previous year: 43.8) is primarily attributable to restructuring measures and the related depreciation. The results from participations of EUR 47.6 million (previous year: 51.0) remains almost unchanged.

The deterioration of the financial results by EUR 69.1 million to EUR -644.3 million (previous year: -575.2) is mainly the result of the reversal of capitalized financing costs. The reversal took place in connection with the reduction of net indebtedness after the capital increase. The decrease in interest expenses was offset by negative exchange rate effects to the amount of EUR 24.7 million.

The economy-induced decline in operating income with persistently high financing costs resulted in profit before tax from continuing operations to the amount of EUR 442.4 million (previous year: 1,091.6).

The liquidation of provisions, which was partly possible due to the conclusion of tax audits in Australia and the United Kingdom, yielded positive results amounting to EUR 94.8 million (previous year: -273.2) with respect to taxes on income. Profit after tax from continuing operations amounted to EUR 537.2 million (previous year: 818.4).

The profit for the financial year amounted to EUR 521.6 million (previous year: 2,079.2) for the first nine months. Last year's result was affected by the high book profit amounting to EUR 1,276.9 million from the sale of maxit Group. The Group share of profit amounted to EUR 419.3 million (previous year: 1,984.7).

In the first nine months, the balance sheet total fell by EUR 0.6 billion to EUR 25.7 billion. The decrease in fixed assets by EUR 0.2 billion to EUR 20.5 billion is largely due to exchange rate effects. In the context of our "Cash is king" initiative, stocks were decreased by EUR 0.3 billion to EUR 1.4 billion; the trade receivables remained almost unchanged at the amount of EUR 1.7 billion. Cash and cash equivalents amounted to EUR 0.7 billion. Net debt fell

to below EUR 9 billion; apart from the proceeds from the capital increase conducted in September, the cost reduction programmes, the operating cash flow and the divestment of non-strategic business units have significantly contributed to the debt reduction.

Successful capital markets transactions

After refinancing its bank liabilities in June 2009, HeidelbergCement successfully completed a rights issue together with a placement of existing shares in September. By making use of the authorized capital, the company's subscribed share capital has increased by 50% through the issue of 62.5 million new shares in return for cash contributions. The subscription price for the new shares and the offer price for the previous, private placement of the new shares solely with institutional investors was set at EUR 37 per share. The company received net proceeds of EUR 2.25 billion from the rights issue, which were used to repay existing liabilities to banks. Until 30 September 2009, the company received EUR 1.98 billion; after the end of the subscription period, we obtained the outstanding amount of EUR 0.27 billion on 9 October. The share offering, which was oversubscribed several times, brought HeidelbergCement a number of qualified institutional investors, mainly from the US and the United Kingdom.

At the same time as the placement of the new shares, the company's majority shareholders, amongst others Spohn Cement GmbH and VEM Vermögensverwaltung GmbH as well as certain banks, sold 57.2 million existing shares solely to qualified institutional investors.

By the completion of the capital increase, free float rose to 75.6%. This includes investments of around 3.5% held by the state of Norway and of around 3% held by FMR LLC, Boston (USA) and Gartmore Investment Ltd, London (United Kingdom). According to information available to the company, Ludwig Merckle now holds 24.4% of the shares. The notifications on securities transactions we received in the course of the capital increase according to § 15a of the German Securities Trading Act (Directors' Dealings) are available on our website www.heidelbergcement.com under 'Investor Relations'.

As a result of the rights issue and the placement of existing shares, HeidelbergCement's free float market capitalisation and daily share trading turnover have increased significantly. Therefore there are good prospects for Heidelberg-Cement to be included in the German DAX 30 index in 2010.

In October, HeidelbergCement issued three Euro-Bonds to national and foreign institutional investors with a total issue volume of EUR 2.5 billion: One bond of EUR 1 billion with a term of 5 years, a second of EUR 1 billion with a term of 7 years and a third of EUR 500 million with a term of 10 years. The bonds were well received by investors and oversubscribed several times. The proceeds from the issue were exclusively used to partly repay the syndicated loan. Together with the proceeds from the capital increase, from disposals and the operating cash flow, the Group's bank debts have been reduced by more than EUR 4 billion; at the same time, the maturity structure of our liabilities has improved accordingly. The remaining maturities in 2011 and 2012 have been reduced to a manageable size and will further decrease through the operating cash flow, disposal of assets and capital markets activities in 2010 and 2011.

After the successful completion of the capital markets transactions, the rating agencies Standard & Poor's and Fitch increased their credit rating assessment of HeidelbergCement by two notches to B+ and BB- with a positive outlook.

Share capital HeidelbergCement AG	Share capital EUR '000s	Number of shares
1 January 2009	375,000	125,000,000
Cash capital increase (22 September 2009)	187,500	62,500,000
30 September 2009	562,500	187,500,000

HeidelbergCement interim accounts

Notes

Employees

At the end of September 2009, the number of employees in HeidelbergCement's continuing operations was 55,796 (previous year: 64,638). The decrease in the number of employees by 8,842 results to a large part from the location optimisations and capacity adjustments in North America and the United Kingdom that were initiated at an early stage.

Investments cut back

In the first nine months, cash flow investments in continuing operations were reduced by 48% to EUR 419 million (previous year: 799). Of this amount, EUR 401 million (previous year: 697) were accounted for investments in tangible fixed assets that were primarily related to maintenance, optimisation and environmental measures at our production sites. The investments in financial fixed assets amounted to EUR 18 million (previous year: 102); these were, in particular, smaller bolt-on acquisitions of shareholdings.

Europe: Signs of slight improvement

A degree of stabilisation in the economy was clearly noticeable in Europe in the third quarter, albeit at different levels in individual countries. Owing to the sharp decline at the beginning of the year, the economic research institutes' autumn reports now expect gross domestic product to shrink by 3.9% over the whole year.

The reduction in deliveries of cement and clinker slowed down further during the last few months, but in most countries, the overall sales volumes lay noticeably below those of the previous year. The slowdown of the decline was particularly noticeable in some Eastern European countries, such as Poland, Romania and Bosnia. In the United Kingdom, stabilisation trends on a low level are noticeable. Overall, our cement and clinker sales volumes in Europe fell by 18.7 % to 27.2 million tonnes (previous year: 33.5).

Deliveries of aggregates decreased by 21.4% to 74.9 million tonnes (previous year: 95.3) in the first nine months. A slight improvement due to slowly increasing demand for aggregates can mainly be seen in the Czech Republic, Hungary, Poland, Benelux and Norway. The asphalt operating line's sales volumes of 3.2 million tonnes (previous year: 3.2) remained at the same level as last year, mainly due to the British Government's economic stimulus programme. Sales volumes of ready-mixed concrete shrunk by 22.5% to 14.3 million m³ (previous year: 18.4) by the end of September. However, deliveries of ready-mixed concrete in Germany are starting to increase again due to recently initiated infrastructural projects. In the course of the divestment programme of non-strategic business units, HeidelbergCement agreed to the sale of its activities in Israel, which includes the production of aggregates, ready-mixed concrete and asphalt. The transaction is expected to be completed by the end of this year.

In the building products business line, which mainly comprises Hanson's building products in the United Kingdom, the continuing weakness of the British residential construction sector resulted in a substantial decrease in volumes, particularly with regard to bricks and lightweight blocks. In Measham (Leicestershire), we have commissioned Europe's leading-edge brick plant. With this highly efficient installation, we are now fully prepared for a recovery in activities in the residential construction sector.

The turnover of the Europe Group area fell by 28.6% to EUR 4,006 million (previous year: 5,610); the operational decrease amounted to 20.6%. Whilst no significant consolidation effects were recorded, turnover was clearly affected by the development of exchange rates: The negative effect of the weakening of the British pound, the Swedish and the Norwegian crowns as well as the Eastern European currencies amounted to EUR 559 million.

North America: Hesitant recovery

In North America, HeidelbergCement is represented in the US and Canada. In the US, the growth of the gross domestic product in the third quarter points to an end of the downturn. The rise in the number of planning permissions and new housing is the first sign of an easing in the residential market. In addition, the housing prices recuperated slightly, although at low levels. However, the recovery process in the US and Canada is hampered mainly by the high unem-

ployment rate and the deterioration of consumer climate that accompanies it.

The cement sales volumes of our North American plants fell by 26.7 % to 7.8 million tonnes (previous year: 10.7) in the first nine months. This means that the decline has slowed down somewhat but there is no clear improvement trend discernable as yet. Nearly half the consumption of concrete in the US is generated by public building projects resulting from the economic stimulus programme. Owing to the delay in the allocation of public funds, numerous approved infrastructural projects have been postponed to the coming year.

The decrease in sales volumes also continued in the aggregates and concrete business lines in comparison with the previous year. The deliveries of aggregates fell by 25.7% and reached 78.2 million tonnes (previous year: 105.2) in the first nine months, whereas the sales volumes of asphalt dropped by 15.6% to 2.6 million tonnes (previous year: 3.1) and ready-mixed-concrete by 38.5% to 4.4 million m³ (previous year: 7.2).

Since the building products business line strongly depends on the residential construction sector, the sales volumes of roof tiles and bricks have been particularly affected during the reporting period. We prepared ourselves very early for these difficult market conditions with drastic capacity adjustments.

Total turnover in North America decreased by 24.1% to EUR 2,277 million (previous year: 3,000). Operationally, i.e. excluding exchange rate effects, the decline amounted to 31.9%.

Asia-Australia-Africa: Good development

The national economies in the Asia-Australia-Africa Group area are recovering faster than expected. Spurred on by massive government economic stimulus programmes, the growth of the Chinese gross domestic product accelerated to 8.9% in the third quarter, according to the national statistic office. India and Indonesia are exhibiting solid domestic figures and the Australian economy is also proving to be very robust.

The cement and clinker sales volumes in the Asia-Australia-Africa Group area fell by 0.6% to 24.2 million tonnes (previous year: 24.4) in the first nine months and thus dropped only slightly in comparison with the same period last year. Whilst the decrease still amounted to 1.4% in the first half of the year, we observed a slight increase of 0.6% in the course of the third quarter. In Indonesia, cement demand recovered in the third quarter after a noticeable weakening during the first six months. Cement and clinker sales volumes of our subsidiary Indocement lay at the end of September markedly below the previous year's level. Thanks to significant cost reductions and a margin-oriented pricing policy, Indocement was able to achieve a considerable increase in results. In China, our joint ventures in the provinces Guangdong and Shaanxi profited from the strong demand resulting from the government infrastructural package. Sales volumes of our plants increased by 65%; this was, in part, also the result of the commissioning of two new production lines in Shaanxi at the end of 2008. The deliveries of our cement plants in India reached the previous year's level and results increased substantially. Because of the good growth prospects, we will expand our cement capacities in India by around 2.8 million tonnes to slightly above 6 million tonnes. In Bangladesh, both the sales volumes and the results increased satisfactorily. As a result of the declining market in Turkey, cement and clinker sales volumes of our joint venture Akçansa fell by 5.0% despite increased export deliveries. In Africa, Tanzania stood out particularly, where our subsidiary TPCC achieved an increase in sales volumes of 36%. In addition to the favourable market development, the completion of our new production line in our plant near Dar es Salaam also contributed to the result. Without taking into account the participations in Nigeria and Niger, which were sold in March 2008, sales volumes of our African cement plants fell only slightly below the previous year's level.

Aggregates sales volumes dropped by 10.0 % to 25.6 million tonnes (previous year: 28.4). The asphalt business also showed a decline. Ready-mixed concrete deliveries fell by 8.1 % to 7.4 million m³ (previous year: 8.1).

The turnover of the Asia-Australia-Africa Group area only reached EUR 2,054 million (previous year: 2,109), a decline of 2.6% compared with the previous year. Excluding consolidation and exchange rate effects, the decline amounted to 5.1%.

HeidelbergCement interim accounts

Notes

Group Services

The trade volume of our subsidiary HC Trading decreased by 18.6% to 6.4 million tonnes (previous year: 7.9) in the first nine months. Despite a significant increase in cement deliveries, the substantial decline in the clinker trade volume could not be offset.

The turnover of our subsidiary HC Fuels, which is responsible for the purchase of fossil fuels, sharply decreased as a result of falling prices and the lower demand for fuels. Overall, the turnover of Group Services fell by 30.7% to EUR 380 million (previous year: 548).

Prospects for 2009

Key indicators point to a gradual stabilisation of the world economy and a slow recovery to which expansive economic policy measures substantially contributed. However, in the current year, economic performance in most European countries and North America will still noticeably lag behind that of last year. The economies in the large emerging countries of Asia begin to gain momentum. Overall, the recovery still remains fragile and it is difficult to assess the development for the coming months.

Therefore, HeidelbergCement will unremittingly continue with its comprehensive cost saving programmes. Cash flow orientation also remains a key issue and will be complemented with specific measures. Even after the successful steps taken in 2009, debt reduction still remains a main focus. The sale of non-strategic business units at acceptable conditions will continue.

HeidelbergCement expects turnover also for the last quarter of 2009 to decrease. The upturn in the Asian markets will not be able to offset the persistent weakness in the remaining Group areas. Operating income, which is supported by our massive cost saving measures, will also fall behind last year's results. We expect a further substantial reduction in total debt by the end of 2009.

With its significantly improved financing and cost structure, HeidelbergCement is well placed to emerge from the current economic crisis in a stronger position in 2010.

Heidelberg, 4 November 2009

Yours sincerely,

Dr. Bernd Scheifele

Chairman of the Managing Board

Bernd Scheifele

Group profit and loss accounts

various state and large assessments	L.L. C	m t a ma la - :-	law: (Sambar-l	
roup profit and loss accounts JR '000s	July - Se 2008²		January - September 2008 ²⁾ 200		
IN UUUS		2007	2000	200	
Turnover	3,881,411	3,020,641	10,809,158	8,390,57	
Change in stock and work in progress	10,844	-45,737	17,440	-199,81	
Own work capitalised	1,280	2,419	2,477	5,90	
Operating revenue	3,893,535	2,977,323	10,829,075	8,196,66	
Other operating income	49,024	137,219	164,742	271,02	
Material costs	-1,575,531	-1,124,807	-4,282,627	-3,206,14	
Employee and personnel costs	-572,898	-493,650	-1,744,316	-1,536,03	
Other operating expenses	-922,637	-726,077	-2,805,520	-2,119,28	
Operating income before depreciation (OIBD)	871,493	770,008	2,161,354	1,606,22	
Depreciation of tangible fixed assets	-193,558	-193,230	-570,617	-559,66	
Amortisation of intangible assets	-6,993	-5,992	-18,644	-18,84	
Operating income	670,942	570,786	1,572,093	1,027,72	
Additional ordinary income	52,049	-10,707	128,399	95,47	
Additional ordinary expenses	-34,794	-24,646	-84,637	-84,11	
Additional ordinary result	17,255	-35,353		11,35	
Result from associated companies 1)	15,714	25,979		44,51	
Result from other participations	1,728	1,442	6,337	3,03	
Earnings before interest and taxes (EBIT)	705,639	562,854	1,666,815	1,086,63	
Interest income	16,489	15,986	43,377	37,38	
Interest expenses	-194,449	-143,582	-588,980	-455,59	
Foreign exchange gains and losses	-219	-13,615	7,206	-24,69	
Other financial result	-14,646	-141,142	-36,818	-201,37	
Profit before tax from continuing operations	512,814	280,501	1,091,600	442,35	
Taxes on income	-154,175	-71,277	-273,176	94,83	
Net income from continuing operations	358,639	209,224	818,424	537,18	
Net income / loss from discontinued operations	-10,005	-5,950	1,260,781	-15,62	
Profit for the financial year	348,634	203,274	2,079,205	521,55	
Thereof minority interests	38,224	53,970	94,461	102,24	
Thereof Group share of profit	310,410	149,304	1,984,744	419,31	
Earnings per share in EUR (IAS 33)					
Earnings per share attributable to the parent entity	2.46	1.15	16.00	3.3	
Earnings per share – continuing operations	2.58	1.19	5.84	3.4	
Earnings per share – discontinued operations	-0.12	-0.04	10.16	-0.1	
Net results from associated companies	14,322	21,167	38,507	35,87	

 $^{^{2)}}$ Figures have been restated following the reclassification of the unwinding of discount to the other financial result

Notes

Group cash flow statement

Group cash flow statement	January - Se	eptember
UR '000s	2008	2009
Net income from continuing operations	818,424	537,188
Taxes on income	273,176	-94,832
Interest income/expenses	545,603	418,21
Dividends received	32,648	18,95
Interest paid	-532,120	-720,35
Taxes paid	-254,740	-132,80
Elimination of non-cash items	613,437	647,12
Cash flow	1,496,428	673,48
Changes in operating assets	-821,929	148,84
Changes in operating liabilities	53,402	-173,24
Changes in working capital	-768,527	-24,39
Decrease in provisions through cash payments	-191,957	-162,98
Cash flow from operating activities – continuing operations	535,944	486,10
Cash flow from operating activities – discontinued operations	-30,434	
Cash flow from operating activities	505,510	486,10
Intangible fixed assets	-15,804	-8,76
Tangible fixed assets	-680,528	-391,74
Financial fixed assets	-102,341	-18,05
Investments (cash outflow)	-798,673	-418,56
Proceeds from fixed asset disposals	2,248,685	404,24
Cash from changes in consolidation scope	-7,824	-4,95
Cash flow from investing activities – continuing operations	1,442,188	-19,27
Cash flow from investing activities – discontinued operations	-5,891	
Cash flow from investing activities	1,436,297	-19,27
Capital increase	512,500	1,984,80
Dividend payments – HeidelbergCement AG	-162,500	-15,00
Dividend payments – minority shareholders	-26,042	-36,91
Proceeds from bond issuance and loans	2,880,671	9,035,49
Repayment of bonds and loans	-4,985,496	-11,545,19
Cash flow from financing activities – continuing operations	-1,780,867	-576,80
Cash flow from financing activities – discontinued operations	40,802	
Cash flow from financing activities	-1,740,065	-576,80
Net change in cash and cash equivalents – continuing operations	197,265	-109,96
Net change in cash and cash equivalents – discontinued operations	4,477	
Net change in cash and cash equivalents	201,742	-109,96
Effect of exchange rate changes	-23,777	8,54
Cash and cash equivalents at 1 January	845,736	843,64
Cash and cash equivalents at 30 September	1,023,701	742,22
Reclassification of cash and cash equivalents according to IFRS 5		-21,71
Cash and cash equivalents presented in the balance sheet at 30 September	1,023,701	720,50

Group balance sheet

ssets		
JR '000s	31 Dec. 2008	30 Sept. 200
Long-term assets		
Intangible assets	10,150,990	10,054,48
Tangible fixed assets		
Land and buildings	4,622,182	4,633,43
Plant and machinery	4,299,917	4,168,12
Fixtures, fittings, tools and equipment	237,434	241,14
Payments on account and assets under construction	775,944	694,09
·	9,935,477	9,736,80
Financial fixed assets		
Investments in associates	540,016	593,95
Financial investments	81,631	84,80
Loans to participations	48,631	49,43
Other loans and derivative financial instruments	24,198	24,83
	694,476	753,02
Fixed assets	20,780,943	20,544,31
Deferred taxes	129,489	153,14
Other long-term receivables	365,715	329,5
Long-term tax assets	18,410	16,73
	21,294,557	21,043,70
Short-term assets		
Stock		
Raw materials and consumables	734,766	604,22
Work in progress	183,294	142,59
Finished goods and goods for resale	788,254	633,32
Payments on account	24,706	21,23
,	1,731,020	1,401,37
Receivables and other assets		
Short-term financial receivables	160,222	143,90
Trade receivables	1,544,701	1,678,84
Other short-term operating receivables	382,168	356,45
Current tax assets	158,125	170,67
	2,245,216	2,349,88
Financial investments and derivative financial instruments	173,679	26,01
Cash at bank and in hand	843,646	720,50
	4,993,561	4,497,77
Disposal groups held for sale		148,61

iabilities		
JR '000s	31 Dec. 2008	30 Sept. 200
Shareholders' equity and minority interests		
Subscribed share capital	375,000	562,50
Share premium	3,470,892	5,268,19
Profit and loss reserve	6,316,797	6,678,4
Currency translation	-2,442,548	-2,300,3
Equity attributable to shareholders	7,720,141	10,208,7
Minority interests	540,703	736,1
	8,260,844	10,944,9
Long-term provisions and liabilities		
Provisions		
Provisions for pensions	651,973	716,5
Deferred taxes	966,569	844,6
Other long-term provisions	1,062,630	1,021,3
	2,681,172	2,582,5
Liabilities		
Debenture loans	3,055,379	2,509,8
Bank loans	7,525,359	5,889,8
Other long-term financial liabilities	286,827	287,5
	10,867,565	8,687,3
Other long-term operating liabilities	196,014	183,6
Long-term tax liabilities	243,214	123,6
	11,306,793	8,994,6
	13,987,965	11,577,1
Short-term provisions and liabilities		
Provisions	323,793	274,3
Liabilities		
Debenture loans (current portion)	430,382	582,9
Bank loans (current portion)	1,017,629	205,2
Other short-term financial liabilities	317,563	292,9
	1,765,574	1,081,2
Trade payables	991,308	767,5
Current income taxes payable	198,078	213,8
Other short-term operating liabilities	760,556	789,9
	3,715,516	2,852,5
	4,039,309	3,126,9
Provisions and liabilities associated with disposal groups		41,0
Total liabilities	18,027,274	14,745,1
Balance sheet total	26,288,118	25,690,0

[&]quot; Capital increase (see notes)

Includes puttable minorities with an amount of EUR '000s 51,087 (previous year: 50,251)

Statement of recognised income and expense

tatement of recognised ncome and expense UR '000s	July - September 2008		July - September 2009		January - September 2008		January - September 2009	
Profit for the financial year		348,634		203,274		2,079,205	20	521,559
IAS 19 Actuarial gains and losses	4.904			203,274	4.904	2,079,203	-75,196	92 1,993
Income taxes	984		-20		984		21,561	
meerine taxes		5,888		-20		5,888	21,301	-53,63
IAS 39 Cash flow hedges	-17,465		3,732		-1,065		-2,416	
Income taxes	3,717		-935		-901		735	
		-13,748		2,797		-1,966		-1,68
IAS 39 Available for sale assets	545		5,268		-11,655		4,146	
Income taxes	253		-483		443		732	
		798		4,785		-11,212		4,87
IFRS 3 Business combinations	-218		-70		-290		9,595	
Income taxes	1		-33		28		-3,215	
		-217		-103		-262		6,38
Other	-1,731		959		-1,051		409	
Income taxes	8		55		-163		717	
		-1,723		1,014		-1,214		1,12
Currency translation		606,754		-323,892		-347,972		168,04
Other comprehensive income		597,753		-315,419		-356,738		125,10
Total comprehensive income		946,387		-112,145		1,722,468		646,66
Relating to minority interests		64,507		92,434		112,860		127,869
Relating to HeidelbergCement AG shareholders		881,880		-204,579		1,609,608		518,79

Notes

Reconciliation of changes in total equity

Total equity	,	Equity attri- butable to shareholders	Currency translation	Asset revaluation reserve	AfS reserve	Cash flow hedge reserve	Retained earnings	Share premium	Subscribed share capital	Reconciliation of changes in total equity EUR '000s
7,518,825	521,861	6,996,964	-1,098,404	4,946	26,567	9,734	4,720,729	2,973,392	360,000	1 January 2008
2,079,205	94,461	1,984,744					1,984,744			Profit for the financial year
-8,766	45	-8,810		-262	-11,212	-2,335	4,999			Other compre- hensive income 1)
-347,972	18,354	-366,326	-366,326		46	143	-189			Exchange rate
1,722,468	112,860	1,609,608	-366,326	-262	-11,166	-2,192	1,989,554			Total compre- hensive income
-40,038	-40,038									Changes in con- solidation scope
512,500		512,500						497,500	15,000	Capital increase from issuance of new shares
-188,542	-26,042	-162,500					-162,500			Dividends
9,525,213	568,641	8,956,572	-1,464,730	4,684	15,401	7,542	6,547,783	3,470,892	375,000	30 Sept. 2008
8,260,844	540,703	7,720,141	-2,442,548	4,901	9,166	-14,234	6,316,964	3,470,892	375,000	1 January 2009
521,559	102,244	419,315					419,315			Profit for the financial year
-42,932	-239	-42,693		6,380	4,878	-1,442	-52,509			Other compre- hensive income 1)
168,041	25,864	142,177	142,177							Exchange rate
646,668	127,869	518,799	142,177	6,380	4,878	-1,442	366,806			Total compre- hensive income
104,529	104,529									Changes in con- solidation scope
1,984,807		1,984,807						1,797,307	187,500	Capital increase from issuance of new shares ²⁾
-51,913	-36,913	-15,000					-15,000	· · · · · · · · · · · · · · · · · · ·		Dividends
10,944,935	736,188	10,208,747	-2,300,371	11,281	14,044	-15,676	6,668,770	5,268,199	562,500	30 Sept. 2009

¹⁾ Without currency translation

²⁾ The capital increase from issuance of new shares was reduced by net transaction costs of EUR '000s 33,381 in accordance with IAS 32.37 (see notes)

Segment reporting / Notes

oup areas January - September 2009				
Rm	Europ	e	North Am	erica
	2008	2009	2008	2009
External turnover	5,564	3,963	3,000	2,277
Inter-Group areas turnover	46	42		
Turnover Change to previous year in %	5,610	4,005 -28.6%	3,000	2,277 -24.1 %
Operating income before depreciation (OIBD)	1,208	776	475	280
as % of turnover	21.5%	19.4%	15.9%	12.3 %
Depreciation	-301	-271	-186	-201
Operating income	907	505	290	79
as % of turnover	16.2%	12.6%	9.7%	3.5 %
Result from participations	28	24	2	3
Additional ordinary result				
Earnings before interest and taxes (EBIT)	935	529	292	82
Capital expenditures 1)	374	271	136	74
Segment assets ²⁾	9,700	8,469	8,063	7,878
OIBD as % of segment assets	12.5%	9.2%	5.9%	3.6%
Number of employees as at 30 September	28,873	24,703	17,970	14,671
Average number of employees	28,524	25,275	18,164	14,381

Description of the property of the segment columns: tangible fixed assets and intangible assets investments; in the reconciliation column: financial fixed assets investments assets = tangible fixed assets and intangible assets and intangible assets = tangible fixed assets and intangible assets and intangible assets = tangible fixed assets and intangible assets = tangible fixed assets = t

HeidelbergCement interim accounts

Note

Asia-Australia-Africa		Group S	Group Services		Reconciliation		Continuing Operations		Discontinued Operations	
2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	
2,054	1,999	192	152			10,809	8,391	176		
54	56	356	228	-456	-326					
2,109	2,054 -2.6%	548	380 -30.7 %	-456	-326	10,809	8,391 -22.4%	176		
463 22.0%	522 25.4%	15 2.7 %	28 7.3 %			2,161 20.0%	1,606 19.1 %	14 8.0%		
-102	-106	0	-1			-589	-579	-10		
361	416	14	27			1,572	1,028	4		
17.1 %	20.3 %	2.6%	7.2 %			14.5%	12.2%	2.5%		
21	17		3			51	48	0		
				44	11	44	11			
382	434	14	30	44	11	1,667	1,087	4		
187	56			102	18	799	419			
3,476 13.3%	3,408 15.3 %	34 43.0%	36 77.5 %			21,273 10.2 %	19,791 8.1 %			
17,739	16,372	56	50			64,638	55,796			
17,743	16,592	56	51			64,487	56,299			

Notes to the interim report

Accounting and consolidation principles

The interim Group accounts for HeidelbergCement AG as of 30 September 2009 were prepared according to the International Financial Reporting Standards (IFRS) for interim reporting as applicable in the European Union.

The same accounting and valuation methods were principally applied as in the preparation of the Group annual accounts as of 31 December 2008, as well as IAS 34 "Interim Financial Reporting". The standards and interpretations of the IASB, to be applied for the first time in this financial year, did not bear any impact on the assets, financial and earnings position of the Group. The changes resulting from the revision of IAS 1 (Presentation of Financial Statements) and from the first-time application of IFRS 8 (Operating Segments) solely pertain to the presentation and to the extent of the information disclosed.

Results from participations comprise both income from other participations and amounts written off financial fixed assets.

The interim Group accounts as of 30 September 2009 were not subjected to any audits or reviews.

Seasonal nature of the business

The production and sales of building materials are seasonal due to the regional weather patterns. Particularly in our important markets of Europe and North America, business figures of the first and fourth quarters are adversely affected by the winter months, whereas the warmer months contribute to higher sales and profit numbers in the second and third quarters.

Goodwill

An impairment test on goodwill is performed annually within the HeidelbergCement Group in the fourth quarter once the operating three-year plan has been prepared, or if there are reasons to suspect impairment. On 30 June 2009, management conducted sensitivity analyses with respect to the discount rates for those units that, as already indicated in the 2008 Annual Report, exhibit a less extensive scope for assessment.

Changes in the consolidation scope and divestments

HeidelbergCement sold 520.5 million shares of the Indonesian cement manufacturer PT Indocement Tunggal Prakarsa to international institutional investors on 10 June 2009. This equals a proportion of 14.1% of the former total percentage of shares of Indocement of 65.1%.

On 14 May 2009, HeidelbergCement sold its asphalt operating line in Australia. The 50% stake in the Australian joint venture Pioneer Road Service (PRS) and the Specialised Tanker Transport division of Hanson Australia Construction Materials Pty Ltd were acquired by Fulton Hogan, a civil contracting quarrying and asphalt producing company in Australia.

Proceeds of EUR 404 million were generated in connection with the sales of tangible fixed assets and company shares and rights.

On 30 July 2009, HeidelbergCement divested its activities in Israel. The company's operations there include production facilities for ready-mixed concrete, aggregates and asphalt. Until final closing, the assets and liabilities of the disposal group are classified as held for sale in the Group balance sheet, in accordance with IFRS 5.

In addition, the assets and liabilities of Industry Petrobeton OOO, St. Petersburg/Russia are classified as held for sale in the Group balance sheet, in accordance with IFRS 5.

Notes

Turnover development by Group areas and business lines January to September 2009 Aggregates Building Intra Group Cement and concrete products eliminations Total												
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009		
Europe	2,709	1,960	2,691	1,944	539	408	-330	-306	5,610	4,005		
North America	864	669	1,586	1,144	687	572	-137	-108	3,000	2,277		
Asia-Australia-Africa	1,296	1,304	799	757	48	23	-35	-30	2,109	2,054		
Total	4,869	3,934	5,077	3,845	1,273	1,002	-501	-444	10,718	8,337		
Group Services									548	380		
Inter-Group area turnover									-456	-326		
Continuing operations									10,809	8,391		

Exchange	e rates	Exchange rates a	at reporting day	Average exch	ange rates
		31 Dec. 2008	30 Sept. 2009	01-09/2008	01-09/2009
		EUR	EUR	EUR	EUR
USD	US	1.3978	1.4635	1.5219	1.3668
AUD	Australia	1.9762	1.6567	1.6684	1.8129
CAD	Canada	1.7004	1.5645	1.5500	1.5977
CNY	China	9.5365	9.9899	10.6358	9.3375
GBP	Great Britain	0.9557	0.9145	0.7816	0.8852
GEL	Georgia	2.3231	2.4416	2.2288	2.2705
GHC	Ghana	1.7256	2.1528	1.5642	1.9298
HKD	Hong Kong	10.8328	11.3415	11.8656	10.5944
IDR	Indonesia	15,305.91	14,168.14	14,032.60	14,555.97
INR	India	67.9051	69.8382	63.4100	66.7847
KZT	Kazakhstan	169.0499	220.8714	183.1331	200.8014
MYR	Malaysia	4.8224	5.0622	4.9587	4.8687
NOK	Norway	9.7081	8.4428	7.9966	8.8633
PLN	Poland	4.1389	4.1988	3.4301	4.3843
RON	Romania	4.0286	4.2191	3.6401	4.2313
RUB	Russia	42.6679	43.9395	36.6026	44.3794
SEK	Sweden	10.9175	10.1841	9.4178	10.7343
CZK	Czech Republic	26.7175	25.1795	24.8287	26.6534
HUF	Hungary	263.2057	268.7718	247.5584	283.6873
TZS	Tanzania	1,789.60	1,925.79	1,793.33	1,801.35
TRY	Turkey	2.1526	2.1699	1.8651	2.1510
				100	

Related parties disclosures

The following reportable transactions with affiliated companies or persons occurred in the reporting period. Spohn Cement GmbH, Norderfriedrichskoog, currently holds a 24.06% share in HeidelbergCement AG. HeidelbergCement prepared the Spohn Cement 2008 Group annual accounts and charged EUR 50,000 (gross) in return. On 8 September 2009, HeidelbergCement AG reached a co-operation agreement with the following companies that are affiliated with the Merckle Group: Spohn Cement GmbH, VEM Vermögensverwaltung GmbH, HC Treuhand GmbH and VEM erste Treuhand GmbH. The co-operation agreement was concluded to properly handle the placement of HeidelbergCement shares in connection with the capital measures of HeidelbergCement AG.

Contingent liabilities

Since 31 December 2008, there have been no significant changes in contingent liabilities.

Capital increase

After refinancing its bank liabilities in June 2009, HeidelbergCement successfully completed a rights issue together with a placement of existing shares in September. By making use of the authorised capital, the company's subscribed share capital has increased by 50% through the issue of 62.5 million new shares in return for cash contributions. The subscription price for the new shares and the offering price for the previous private placement of new shares solely with institutional investors was set at EUR 37 per share. The capital increase was recorded in the commercial register on 22 September 2009. The net emission proceeds of EUR 2.25 billion were used to repay existing liabilities to banks. After deduction of EUR 33.4 million in net transaction costs, an inflow of EUR 1.98 billion was recorded by 30 September 2009. The outstanding amount of EUR 0.27 billion was received on 9 October 2009, after expiry of the subscription period.

Events after the balance sheet date

In October 2009, HeidelbergCement issued three Euro-Bonds to national and foreign institutional investors with a total issue volume of EUR 2.5 billion: One bond of EUR 1 billion with a coupon of 7.5% p.a. and a term of 5 years, a second of EUR 1 billion with a coupon of 8.0% p.a. and a term of 7 years and a third of EUR 500 million with a coupon of 8.5% p.a. and a term of 10 years. The proceeds from the issue were exclusively used to partly repay the syndicated loan. Together with the proceeds from the capital increase, from disposals and the operating cash flow, the Group's bank debts have been reduced by more than EUR 4 billion; at the same time, the maturity structure of our liabilities has improved accordingly.

After the successful completion of the capital markets transactions, the rating agencies Standard & Poor's and Fitch increased their credit rating assessment of HeidelbergCement by two notches to B+ and BB- with a positive outlook.

Financial calendar	
First financial highlights for the 2009 financial year	February 2010
Press and analysts' conference on annual accounts	18 March 2010
Interim Report January to March 2010	6 May 2010
Annual General Meeting 2010	6 May 2010

HeidelbergCement AG

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