HALF-YEAR FINANCIAL REPORT JANUARY TO JUNE 2014

HEIDELBERGCEMENT

- **Strong operating performance compared with previous year:**
  - **Increased sales volumes in all business lines**
  - **Group revenue rose by 2.1 % to €6.3 billion (like-for-like*) +10.7 %)**
  - **Operating income improved by 8.0 % to €566 million despite negative exchange rate effects (like-for-like*) +28.3 %)**

- **Operating cash flow improved significantly and net debt reduced**

- **Prospects for 2014 confirmed:**
  - **Positive outlook for global economy due to recovery in the mature markets of North America and Northern Europe, esp. USA and UK**
  - **Growth in sales volumes of cement, aggregates, and ready-mixed concrete**
  - **Increase in revenue, operating income, and profit for the financial year before exchange rate, consolidation and one-time effects**

*) like-for-like: excluding exchange rate and consolidation effects

Overview January to June 2014	April - June		January - June	
€m	2013 1)	**2014**	2013 1)	**2014**
Revenue	3,585	**3,568**	6,187	**6,318**
Result from joint ventures	27	**38**	34	**60**
Operating income before depreciation (OIBD)	710	**699**	908	**928**
OIBD margin in %	19.8 %	**19.6 %**	14.7 %	**14.7 %**
Operating income	515	**516**	524	**566**
Additional ordinary result	-15	**1**	-46	**12**
Result from participations	11	**10**	10	**6**
Earnings before interest and income taxes (EBIT)	511	**527**	487	**584**
Loss before tax	368	**380**	204	**276**
Net loss from continuing operations	332	**291**	145	**186**
Net loss from discontinued operations	96	**-2**	96	**-3**
Loss for the period	428	**290**	241	**182**
Group share of loss	368	**233**	133	**87**
Investments	297	**180**	711	**436**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11

Due to rounding, numbers presented in the Half-Year Financial Report may not add up precisely to the totals provided.

Interim Group management report

Business trend January to June 2014

Economic environment

The recovery of the global economy is continuing, albeit at a somewhat subdued manner. The national economies of Asia and the African countries south of the Sahara remain on a growth trajectory. In Europe, the continuing economic recovery was supported by favourable weather conditions in the first quarter of 2014. In the USA, economic recovery is continuing after the first-quarter setback caused by the harsh winter.

Sales volumes benefit from mild winter in Europe, recovery in North America and Europe, as well as growth in Asia

In the first half of the year, the mild winter weather and the positive development of the economy in Heidelberg-Cement's markets have led to a significant increase in sales volumes in all business lines in Europe. In North America, our sales volumes were affected by the cold and snowy winter, but were above the previous year's level in all business lines at the end of the first six months. The markets in Asia and Africa continued to develop positively. Overall, sales volumes rose in all business lines.

The Group's cement and clinker sales volumes rose by 6.7 % to 39.8 million tonnes (previous year: 37.3). The strongest growth was achieved in the Eastern Europe-Central Asia Group area, followed by Western and Northern Europe and North America. In Africa, our cement shipments were slightly below the previous year's level due to the sale of our Gabon activities and declining exports from Togo. Asia, however, was able to build on the positive development in sales volumes of the previous years.

Deliveries of aggregates across the Group amounted to 108.6 million tonnes (previous year: 102.0), an increase of 6.5 %. Ready-mixed concrete deliveries rose by 5.2 % to 17.2 million cubic metres (previous year: 16.4). Asphalt sales volumes grew by 17.2 % to 3.8 million tonnes (previous year: 3.3).

Sales volumes	April - June			January - June		
	2013 [1]	**2014**	Change	2013 [1]	**2014**	Change
Cement and clinker (million tonnes)	21.4	**22.3**	4.3 %	37.3	**39.8**	6.7 %
Aggregates (million tonnes)	62.1	**64.3**	3.5 %	102.0	**108.6**	6.5 %
Asphalt (million tonnes)	2.1	**2.3**	10.8 %	3.3	**3.8**	17.2 %
Ready-mixed concrete (million cubic metres)	9.5	**9.5**	0.9 %	16.4	**17.2**	5.2 %

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11

Relevant Changes in Accounting

Since the first quarter of 2014 HeidelbergCement has applied the new IFRS standards 10 and 11. According to the new rules the proportionate consolidation is abolished. Instead, joint ventures are to be accounted for using the equity method. Assets and liabilities as well as income and expenses of joint ventures will no longer be shown proportionately in the relevant balance sheet or income statement items, but will only be shown in a separate line using the equity method: the carrying amount in the balance sheet and the result from joint ventures in the income statement. Among the joint ventures of HeidelbergCement are important operations in Turkey, China, Hungary, Bosnia and the USA (Texas), which have contributed significant results to the operating income in the past. In order to continue with a comprehensive presentation of the operational performance, HeidelbergCement has included the result from joint ventures in operating income before depreciation since the first quarter of 2014.

Development of revenue and results

Group revenue for the period of January to June 2014 rose by 2.1 % to €6,318 million (previous year: 6,187). Excluding consolidation and exchange rate effects, the increase amounted to 10.7 %. This primarily reflects the positive development of sales volumes in all business lines and the successfully implemented price increases in major markets. While positive effects from changes in the consolidation scope to the amount of €4 million were negligible, the weakening of numerous currencies against the euro amounting to €482 million had a considerable negative impact on the development of revenue.

In the reporting period, material costs rose by 2.7 % to €2,663 million (previous year: 2,593). While expenses for energy (-4.5 %) declined and expenses for raw materials (+0.1 %) were only marginally above the previous year's level, expenses for repair (+5.4 %) and particularly for gods purchased for resale (+16.9 %) rose strongly. Other operating expenses and income were 1.9 % above the previous year's level at €-1,642 million (previous year: -1,611). At €1,128 million (previous year: 1,113), personnel costs remained almost unchanged. Income from joint ventures rose by 78.1 % to €60 million (previous year: 34), primarily due to a positive business development in Turkey and China.

Operating income before depreciation (OIBD) improved by 2.1 % to €928 million (previous year: 908). Operating income rose by 8.0 % to €566 million (previous year: 524).

The additional ordinary result improved by €59 million to €12 million (previous year: -46). The overall results of €22 million originate for the most part from the sale of subsidiaries and other business units. Expenses of €10 million mainly related to impairment losses of property, plant, and equipment and losses on the disposal of a subsidiary. Besides the profits from the sale of other business units, expenses arose in the previous year that were mainly owing to a preliminary assessment due to a gradual business acquisition and the decision of the German Federal Court of Justice in the German antitrust proceedings.

The financial result changed by €24 million to €-308 million (previous year: -284). The main reasons for this development were the non-recurring depreciation of the transaction fee for the early refinanced syndicated facility agreement and non-recurring currency losses.

Profit before tax from continuing operations rose by €72 million to €276 million (previous year: 204). Expenses relating to taxes on income increased by €31 million to €90 million (previous year: 59). This corresponds to an effective tax rate of 32.7 % (previous year: 28.9 %). In the previous year, results from the capitalisation of deferred current income tax assets, in particular, had a positive impact on losses carried forward in the United States, which were offset by tax expenses resulting from discontinued operations.

As a result, net income from continuing operations improved to €186 million (previous year: 145).

Income from discontinued operations decreased by €99 million to €-3 million (previous year: 96). The income in the same period of the previous year resulted principally from the set-up of receivables against primary insurers based on a positive court ruling.

Overall, the profit for the period amounts to €182 million (previous year: 241). The profit attributable to non-controlling interests fell by €12 million to €96 million (previous year: 108). The Group share therefore amounts to €87 million (previous year: 133).

Earnings per share – Group share – in accordance with IAS 33 changed to €0.46 (previous year: 0.71).

Excluding the one-off effect from the set-up of receivables against primary insurers and the capitalization of deferred tax, profit, Group share and earnings per share have improved compared with the previous year.

The statement of comprehensive income and the derivation of the earnings per share are shown in detail in the Notes.

Margin improvement initiatives "PERFORM", "CLIMB Commercial", and "LEO" progressing according to plan – Continuous Improvement Program (CIP) launched

The projects launched in order to improve margins – "PERFORM" for cement, "CLIMB Commercial" for aggregates, and "LEO" to reduce logistics costs – are progressing according to plan and have contributed to margin improvements.

In June, HeidelbergCement launched the CIP (Continuous Improvement Program) for the continuous improvement of work processes in cement production. The new programme aims to introduce a systematic approach in 65 cement plants around the world to generate, prioritise, and implement employee ideas. Process improvements are expected to achieve a sustainable improvement in results of at least €120 million by the end of 2017.

Statement of cash flows

In the first half of 2014, operating activities generated a cash inflow totalling €77 million (previous year: cash outflow of 286). The improvement in operating cash inflow was mainly due to a reduction of €54 million in income tax payments to €187 million (previous year: 241) as well as a decrease of €165 million in provision payments to €92 million (previous year: 257), which mainly related to the fine of €161 million in the second quarter of 2013 for antitrust violations from 1990 to 2002. Interest proceeds rose by €18 million to €82 million (previous year: 64), whereas interest payments increased by €19 million to €351 million (previous year: 332) due to non-recurring refinancing costs. At €65 million, dividend proceeds remained the same as in the previous year. Changes in working capital decreased by €73 million to €-370 million (previous year: -297), which is largely attributable to the revenue-related rise in trade receivables.

Cash flow from investing activities declined by €247 million to €357 million (previous year: 604). The decrease is mainly attributable to the previous year's acquisition of an additional 25 % in the Australian company Cement Australia within the context of other financial assets.

Financing activities generated a cash inflow of €275 million (previous year: 859) in the reporting period. Proceeds from and repayments of bonds and loans primarily include the issue a new bond with a volume of €500 million in the first quarter. In the previous year, this item primarily included drawings as part of the syndicated facility agreement as well as the repayment of a US$750 million bond. The changes in current financial liabilities relate mainly to inflows from the issue of commercial papers and the repayment of current bank loans. The cash outflow of €107 million from the rise in ownership interests in subsidiaries in the previous year was due to the increase in the participation in the Russian cement company CJSC "Construction Materials" from 51 % to 100 %. Dividend payments led to a cash outflow of €270 million (previous year: 165), with HeidelbergCement AG dividend payments making up €113 million (previous year: 88) of this figure.

Investments

Cash flow investments decreased in the first half of the year to €436 million (previous year: 711). Investments in property, plant, and equipment, including intangible assets, which primarily related to optimisation and environmental protection measures at our production sites, but also expansion projects in growing markets, accounted for €345 million (previous year: 346) of this total. Investments in financial assets and other business units fell to €91 million (previous year: 365); these related primarily to the increase in shares in the Belgian Cimescaut Group and the acquisition of Espabel NV, which is also based in Belgium, as well as smaller acquisitions to round off shareholdings.

Balance sheet
The balance sheet total rose by €782 million to €27,219 million (previous year: 26,437) as at 30 June 2014.

Non-current assets increased by €309 million to €22,261 million (previous year: 21,953). The increase of €291 million in fixed assets to €21,304 million (previous year: 21,013) is mainly owing to additions from business combinations and exchange rate effects amounting to €174 million. The rise of €191 million in goodwill to €9,961 million (previous year: 9,770) was primarily related to currency exchange fluctuations of €131 million in addition to acquisitions of €59 million. The change of €42 million in property, plant, and equipment to €9,750 million (previous year: 9,708) is largely attributable to exchange rate effects of €37 million. Additions of €345 million to property, plant, and equipment were offset by depreciation and amortisation of €349 million. The change of €54 million in financial assets to €1,343 million (previous year: 1,289) primarily resulted from the increased shares in joint ventures amounting to €41 million.

Current assets rose by €504 million to €4,958 million (previous year: 4,454). As a result of seasonal factors, trade receivables grew by €341 million to €1,478 million (previous year: 1,137). Cash and cash equivalents remained almost constant at €1,350 million (previous year: 1,352). The changes are explained in the Statement of cash flows section.

On the equity and liabilities side, equity increased by €101 million to €12,624 million (previous year: 12,523). This is essentially attributable to the comprehensive income of €344 million, which is composed of the €182 million profit for the period, as well as of the considerable currency translation differences of €226 million recognised in other comprehensive income and actuarial losses of €65 million. The capital increase in return for contributions in kind of €1.25 million and the related conversion of a purchase price liability in retained earnings to the amount of €22 million also led to an increase in equity, whereas dividend payments of €113 million to the shareholders of HeidelbergCement AG and €157 million to non-controlling shareholders reduced equity by a total of €270 million.

The rise of €612 million in interest-bearing liabilities to €9,441 million (previous year: 8,829) primarily resulted from the issuance of a new bond of €500 million. The increase in provisions by €38 million to €2,150 million (previous year: 2,112) related to €50 million for pension provisions, while other provisions decreased by €12 million. The increase of €46 million in operating liabilities to €2,508 million (previous year: 2,462) relates mainly to trade payables. The changes are explained in more detail in the Statement of cash flows section.

Financing
On 25 February 2014, HeidelbergCement signed a new €3 billion syndicated credit facility with a term of five years to refinance the existing credit facility which would have expired in December 2015. The revolving credit line was early refinanced due to favourable market conditions. The new multicurrency credit facility is intended as liquidity back-up and can be used for cash drawdowns as well as for letters of credit and guarantees.

Out of the box margin is reduced from 125 to 95 basis points. In addition, formerly existing upstream guarantees and share pledges could be removed.

The new syndicated credit facility agreement secures sufficient liquidity back-up for our company until 2019 at clearly better conditions. The fact that we were able to maintain the same banking group while securing better terms and conditions without any security reiterates the excellent reputation of HeidelbergCement in the banking sector and reflects the strength of our relationships with the banks. The removal of all securities and upstream guarantees is another important milestone on our way back to improved credit ratings and benefits all bondholders who now rank pari passu with all bank lenders.

The following banks were mandated as bookrunners and Mandated Lead Arrangers in this transaction: Bank of America Merrill Lynch, Bayern LB, BNP Paribas, Citigroup, Commerzbank, Danske Bank, Deutsche Bank, Svenska Handelsbanken, Helaba, ING Bank, Intesa Sanpaolo, LBBW, Mediobanca, Morgan Stanley, Nordea, RBI, RBS, SEB and Standard Chartered. Deutsche Bank is acting as documentation and facility agent.

On 12 March 2014, HeidelbergCement issued a Eurobond under its €10 billion EMTN Programme with an issue volume of €500 million and a maturity date of 12 March 2019. The 5 year bond bears a fixed coupon of 2.25 % p.a. The issue price was at 98.84 %, resulting in a yield to maturity of 2.50 %. The bond is unsecured and ranks pari passu with all other financial liabilities. The proceeds of the transaction will be used for general corporate purposes.

According to the terms and conditions of all the bonds issued since 2009 (including the new bond issued on 12 March 2014) and the debt certificate issued in December 2011, there is a limitation on incurring additional debt if the consolidated coverage ratio (i.e. the ratio of the aggregate amount of the consolidated EBITDA to the aggregate amount of the consolidated interest expense) of the HeidelbergCement Group is below 2. The consolidated EBITDA of €2,368 million and the consolidated interest expense of €560 million are calculated on a pro forma basis in accordance with the terms and conditions of the bonds. As at 30 June 2014, the consolidated coverage ratio amounted to 4.23.

Net debt decreased by €27 million in comparison with 30 June 2013, amounting to €8,018 million (previous year: 8,045) as at 30 June 2014. The increase of €613 million in comparison with the end of 2013 is primarily due to the rise in working capital, related to seasonal factors.

The available liquidity from cash and cash equivalents, liquidable financial investments and derivative financial instruments, and unused credit lines amounted to €4,139 million as at the end of June 2014.

Capital increase against contributions in kind

In February 2014, HeidelbergCement AG increased its share capital in return for contributions in kind when it raised its participation from 30 % to 100 % in the logistics company Kerpen & Kerpen GmbH & Co. KG. The issuance of 416,477 new shares resulted from the Authorised Capital II excluding the subscription right of shareholders. The Company's subscribed share capital rose slightly by €1,249,431 (equivalent to 0.22 %) to €563,749,431. The implementation of the capital increase was recorded in the commercial register on 13 February 2014.

Western and Northern Europe

The economic recovery in Germany and the Nordic countries Sweden and Norway is continuing. The German economy clearly lost momentum in the second quarter. However, a continuation of the upturn is expected for the remainder of the year. Belgium and the Netherlands are showing increasing signs of a recovery in the economic situation and construction activities. In the second quarter of 2014, the British economy expanded for the fifth quarter in a row; gross domestic product grew significantly by 0.8 %.

While the construction industry across the entire Group area suffered from the prolonged cold winter weather in the first half of 2013, construction activities benefited from the unusually mild winter weather in the first half of 2014.

In the cement business line, all Group countries experienced positive development in sales volumes during the first half of the year. Our plants in Germany and the Baltic States achieved the highest growth in volumes with an increase of over 10 %, respectively. Our deliveries in Benelux, Norway, and the United Kingdom also benefited from the continuing strong demand. In Sweden, our domestic sales volumes were adversely affected by rising imports, whereas export deliveries rose sharply. Overall, our cement and clinker sales volumes in the Western and Northern Europe Group area increased by 7.4 % in the first six months to 10.4 million tonnes (previous year: 9.7). In January 2014, HeidelbergCement acquired the Belgian cement company Espabel NV, which operates a cement grinding plant in Ghent.

In the aggregates business line, all countries recorded a significant growth in sales volumes, except for Norway where our exports declined. The largest increase in volumes was recorded by the Baltic States, followed by the United Kingdom and Sweden. The Group area's deliveries of aggregates rose by 11.5 % overall to 31.1 million tonnes (previous year: 27.8). Excluding consolidation effects, the growth amounted to 3.4 %. To strengthen the market position in the field of aggregates, HeidelbergCement purchased an additional 62.91 % of shares in the Cimescaut Group, Tournai, Belgium – previously accounted for at equity – on 15 January 2014, thereby raising its shareholding to 96.93 %.

Our deliveries in the ready-mixed concrete operating line were above the previous year's level in all countries. Overall, ready-mixed concrete sales volumes rose by 10.8 % to 6.2 million cubic metres (previous year: 5.6). Excluding consolidation effects, the increase in volumes amounted to 12.1 %. The sales volumes of the asphalt operating line were 39.5 % higher than the previous year. Excluding consolidation effects, the growth amounted to 6.5 %.

The building products business line, which consists primarily of the building products from Hanson in the United Kingdom and is heavily dependent on residential construction, benefited from the recovery in British residential construction. Whilst there was a slight decline in the sales volumes of precast concrete parts and masonry blocks, the deliveries of bricks saw a slight upturn and the lightweight blocks and concrete paving blocks operating lines achieved pleasing increases in volumes.

Revenue of the Western and Northern Europe Group area rose by 10.1 % to €2,060 million (previous year: 1,872); excluding consolidation and exchange rate effects, the increase amounted to 8.8 %.

Eastern Europe-Central Asia

In the first six months, favourable weather conditions at the beginning of the year encouraged construction activity in large parts of the Group area. Furthermore, the economic recovery in several countries, such as the Czech Republic and especially Poland, has had a positive impact on the construction industry. The Ukraine crisis is increasingly impairing the Ukrainian and Russian economies, in particular due to capital outflow resulting in weak investment activities and the depreciation of the currencies in both countries, but has not yet had a significant impact on the operating activities of HeidelbergCement in these two countries.

In the cement business line, most Group countries recorded double-digit percentage increases in sales volumes. In Russia, our cement deliveries were also above the previous year's level. We achieved our strongest growth in sales volumes in Poland. Favourable weather conditions and the continuing recovery of the construction industry contributed to this development. Only the Ukraine recorded volume losses as a result of the unstable situation in the eastern part of the country. Overall, the cement and clinker sales volumes of the Group area grew by 13.3 % to 5.0 million tonnes (previous year: 4.4) in the first half of the year.

The construction of the new Caspi Cement plant in western Kazakhstan has been completed. The plant with a capacity of 0.8 million tonnes will strengthen our nationwide presence and allow us to supply the oil- and gas-rich region on the Caspian Sea more cost-effectively. The official opening will take place in autumn 2014.

In the aggregates business line, our deliveries in all countries with the exception of Romania benefited from a significant increase in demand. The strongest growth was recorded by Kazakhstan, where our volumes more than doubled, and the Ukraine. In Russia, our deliveries were below the previous year's level due to a divestment: In February 2014, HeidelbergCement sold its stake in the Russian aggregates company OAO Voronezhskoe Rudoupravlenije in the Voronezh region. Overall, deliveries of aggregates in the Group area rose by 21.5 % to 8.1 million tonnes (previous year: 6.7). Excluding consolidation effects, the increase in volumes amounted to 26.1 %.Deliveries of ready-mixed concrete increased by 9.6 % to 1.2 million cubic metres (previous year: 1.1).

Revenue of the Eastern Europe-Central Asia Group area rose by 3.8 % to €535 million previous year: 515); excluding consolidation and exchange rate effects, the increase amounted to 17.2 %.

North America

In the North America Group area, HeidelbergCement is represented in the USA and Canada. In the USA, economic recovery is continuing after the first-quarter setback caused by the harsh winter. The unemployment rate decreased to 6.1 % in June and significantly more new jobs were created than expected. Residential construction is further recovering: Housing starts in June were at an annual rate of 893,000. This is 9.3 % below the previous month rate, but is 7.5 % above the June 2013 rate. Building permits were 4.2 % below the May rate, but were 2.7 % above the June 2013 rate.

In the first half of 2014, construction activities and the ensuing demand for our building materials in North America were adversely affected by the long, cold winter, particularly in the eastern and northern United States as well as in Canada. The cement sales volumes of our North American plants rose by 4.6 % in the first half of the year to 5.5 million tonnes (previous year: 5.3). In the Canada market region, the second-quarter increase in sales volumes could not yet fully offset the winter-related volume losses in the first three months. The North region, however, already achieved a slight volume increase in the first half of the year due to the strong demand in the second quarter. The West and South regions benefited from the strong market growth, in particular in California, Texas and Florida. Successfully implemented price increases contributed to an improvement in results in both the United States and in Canada.

In the aggregates business line, increases in sales volumes in the West and South regions were likewise able to offset slight volume losses in the North region and Canada. Overall, aggregates sales volumes rose by 2.3 % in the first half of the year to 46.4 million tonnes (previous year: 45.3). In the ready-mixed concrete operating line, the West region benefited from a strong demand in Arizona and Southern California. The strong rise in sales volumes achieved in this region and volume increases in the North and Canada were able to more than offset the decrease in volumes in the South region. Overall, ready-mixed concrete sales volumes increased by 3.9 % to 2.9 million cubic metres (previous year: 2.7). Asphalt deliveries rose by 5.8 % to 1.1 million tonnes (previous year: 1.0); the increase in sales volumes in the North region could more than offset the volume decline in the West region.

In the building products business line, which is heavily dependent on infrastructural as well as residential construction, the bricks, pressure pipes, and roof tiles operating lines partly recorded significant decreases in volumes. In contrast, the sales volumes of precast concrete parts were above the level of the previous year, and the concrete pipes operating line experienced strong growth. Thanks to the cost reduction programmes, the business line’s results have improved significantly in comparison with the previous year.

Total revenue in North America increased by 0.8 % to €1,503 million (previous year: 1,491); excluding exchange rate effects, it rose by 7.1 %.

Asia-Pacific

The emerging countries of Asia remain on course for growth even though the International Monetary Fund expects a slight slowdown in economic momentum for the current year. While the Chinese economy has slowed down noticeably, the increase of 7.5 % in gross domestic product in the second quarter was higher than expected. A slight economic upturn is anticipated in India following the weak growth of the previous year. The Indonesian economy continues on its expansion course, but its growth is affected by the high interest rates. Australia is showing robust economic development albeit the overall economic dynamic is being curbed by declining investments in the raw materials sector.

During the first half of the year, cement and clinker deliveries of the Asia-Pacific Group area grew by 3.5 % to 13.1 million tonnes (previous year: 12.6). Excluding consolidation effects, the rise amounted to 5.6 %. In Indonesia, domestic cement consumption increased in the first six months of 2014 by 4.0 % in comparison with the previous year. Indocement's domestic sales volumes rose by 2.7 %. Indocement's lower growth was due to the entry of new cement capacities and an increase in imports, which have led to pricing pressure in the market. In order to protect its margins, Indocement decided not to reduce the prices. In the first half of 2014, Indocement's sales prices were higher than those of the previous year due to successful price increases. As Indocement focuses on domestic demand, low-margin export deliveries remained at a very low level, as in the previous year. Overall, Indocement's cement and clinker sales volumes rose by 2.3 %. Due to the ongoing promising growth prospects in Indonesia, Indocement is continuing to expand its cement capacity. The construction of an additional cement grinding facility at the Citeureup plant was completed and test runs were started at the end of 2013. The grinding installation with a capacity of 1.9 million tonnes was put into operation in May 2014. In addition, further expansion of the Citeureup plant has begun. At the beginning of October 2013, the foundation stone was laid for the construction of a new integrated production line with a cement capacity of 4.4 million tonnes, which is to be completed by 2015.

Under the new accounting standard IFRS 11, our Chinese joint ventures in the provinces of Guangdong and Shaanxi are to be accounted for using the equity method as of 1 January 2014. In the first six months, the sales volumes of our joint ventures remained below the previous year. While our deliveries in Shaanxi recovered significantly in the second quarter, a considerable decrease in volumes was recorded in Guangdong due to inclement weather. However, the substantially higher sales prices in Guangdong, in comparison with the previous year, more than offset the decline in sales volumes.

In India, construction activity and cement demand continue to be adversely affected by insufficient investment in infrastructural projects as well as by high interest rates. Nonetheless, deliveries of our Indian cement plant rose significantly by 8.2 % in the first half of the year, mainly as a result of the expansion of our cement capacities in central India by 2.9 million tonnes. After carrying out successful test runs between November 2012 and January 2013, we officially commissioned the new facilities at our Damoh plant in the state of Madya Pradesh and at our Jhansi plant in the state of Uttar Pradesh in February 2013. Subsequently, the production was ramped up. The sale of the Raigad cement grinding plant in the western Indian state of Maharashtra, which was initiated in 2013, was completed on 3 January 2014. HeidelbergCement now has a total annual cement capacity of 5.6 million tonnes in India. Excluding the consolidation effect, cement sales volumes rose by 25.2 % in the first quarter.

In Bangladesh, our cement deliveries recorded a pleasing increase, even though sales prices were below the previous year's level.

In Australia, our joint operation Cement Australia achieved a moderate growth in sales volumes. After the successful completion of grinding tests, the new grinding facility in Port Kembla with a capacity of 1.1 million tonnes is now currently in the final commissioning phase.

In the aggregates business line, our deliveries in Malaysia almost reached the previous year's level, while Australia and Indonesia, in particular, recorded a significant increase in volumes. Overall, sales volumes of aggregates rose by 5.9 % to 18.3 million tonnes (previous year: 17.3). Excluding consolidation effects, the rise amounted to 6.5 %. In the asphalt operating line, strong demand from infrastructural construction in Malaysia led to an increase in sales volumes of 14.5 %. Deliveries of ready-mixed concrete remained at the level of the previous year with 5.5 million cubic metres (previous year: 5.5); while our deliveries declined slightly in Malaysia and a significant decrease in volumes was recorded in Indonesia in the run-up to the elections and due to heavy rainfalls, our ready-mixed concrete activities in Australia achieved a strong growth in sales volumes.

Revenue of the Asia-Pacific Group area declined by 10.5 % to €1,448 million (previous year: 1,618); excluding consolidation and exchange rate effects, revenue rose by 7.4 %.

Africa-Mediterranean Basin

The African countries south of the Sahara are continuing to experience solid economic development and lively construction activity. A slowdown in the growth of the Turkish economy is expected for the current year, mainly due to weak domestic demand, high inflation, and rising interest rates. While the economy has come out of recession in Spain, construction activity is still suffering as a result of the property crisis, high unemployment, and the government's budget cuts, which resulted in a considerable reduction in infrastructure expenditure in the current year.

In Africa, our cement deliveries declined by 2.0 % to 3.2 million tonnes in the first half of the year (previous year: 3.3). The decline is primarily attributable to the heavy decline in export deliveries from Togo, whereas we achieved a significant growth in volumes in the domestic market. Our main market regions, Ghana and Tanzania, recorded a pleasing increase in sales volumes, as did Liberia and Sierra Leone. At the end of March 2014, we sold our participation in the cement company Cimgabon S.A. in Gabon as part of the portfolio optimization. Excluding this consolidation effect, decline in volumes amounted to 0.7 %.

In light of the positive growth prospects, HeidelbergCement is expanding its activities in Africa. In Togo, the commissioning of our new clinker plant is expected for the last quarter of 2014. The plant, with an annual capacity of 1.5 million tonnes, is located near the town of Tabligbo, around 80 km to the northeast of the capital, Lomé. Moreover, we are constructing a cement grinding facility with a capacity of around 250,000 tonnes in the North of the country which is scheduled for commissioning towards the end of 2016. We are expanding our cement production capacity in Tanzania with the construction of a new cement mill at our Tanzania Portland Cement plant. The commissioning of the mill with a capacity of 0.7 million tonnes is ongoing and will increase our cement capacity in Tanzania to 2 million tonnes. We are also expanding our cement capacity in Ghana. With the scheduled commissioning of a new cement mill with a capacity of 0.8 million tonnes at the Takoradi plant by the end of 2014, our total cement grinding capacity in Ghana will increase to 4.4 million tonnes. In the last quarter of 2014, a new cement grinding plant in Burkina Faso with a capacity of 650,000 tonnes is to go into operation near the capital of Ouagadougou. We are also evaluating options for capacity expansions in other African countries.

Under the new accounting standard IFRS 11, our Turkish joint venture Akçansa is to be accounted for using the equity method as of 1 January 2014. The cement and clinker sales volumes of Akçansa increased in the first half of the year by 7.9 % compared with the previous year.

Since the sales volumes of Akçansa are no longer proportionally included in the Group sales volumes, cement and clinker sales volumes of the Africa-Mediterranean Basin Group area only include the deliveries of our African subsidiaries. Consequently, cement and clinker sales volumes of the Group area declined by 2.0 % to 3.2 million tonnes (previous year: 3.3). Excluding consolidation effects, volumes decreased by 0.7 %.

In the aggregates business line, the decline in volumes in Israel could not be fully offset by the increase in sales volumes in Spain. As a whole, the deliveries of aggregates fell by 3.6 % to 5.4 million tonnes (previous year: 5.6). Asphalt activities recorded a decrease of 17.4 % in sales volumes. Ready-mixed concrete deliveries increased by 4.1 % to 1.5 million cubic metres (previous year: 1.5); while sales volumes in Spain continued to decline slightly, our ready-mixed concrete activities in Israel experienced a moderate increase in volumes.

Revenue of the Africa-Mediterranean Basin Group declined by 5.4 % to €449 million (previous year: 474); excluding consolidation and exchange rate effects, revenue rose by 10.6 %.

Group Services

Group Services comprises the activities of our subsidiary HC Trading, one of the largest international trading companies for cement and clinker. The company is also responsible for purchasing and delivering coal and petroleum coke via sea routes to our own locations and to other cement companies around the world.

HC Trading's trading activities in cement, clinker, and other building materials such as lime and dry mortar increased by 24.3 % to 7.6 million tonnes in the first half of the year (previous year: 6.1). Deliveries of coal and petroleum coke rose by 44.5 % to 3.0 million tonnes (previous year: 2.1).

Revenue of the Group Services business unit rose by 27.2 % to €533 million (previous year: 419); excluding exchange rate effects, revenue increased by 32.8 %.

Employees
At the end of the first half of 2014, the number of employees at HeidelbergCement stood almost unchanged in comparison with the previous year at 50,884 (previous year: 50,869). In the last twelve months, two opposing developments were recorded: on the one hand, around 300 jobs were cut in some Eastern European countries, in Benelux, and in India in connection with efficiency increases in sales and administration as well as location optimisations. Furthermore, the number of employees was reduced by around 1,400 due to the sale of the cement grinding plant in Raigad, India, the Russian aggregates company OAO Voronezhskoe Rudoupravlenije, and our participation in the cement company Cimgabon S.A. in Gabon as well as a result of further portfolio optimizations. On the other hand, around 700 new employees were hired in growth markets such as Indonesia and Central Asia. In the United Kingdom, Germany, North America, and Australia, the workforce grew by more than 900 employees as a result of the good market development. Moreover, our number of employees increased by around 100 due the increase in shares in January 2014 in Cimescaut Group, Belgium, which was previously accounted for at equity.

Changes to the Supervisory Board
With the conclusion of the Annual General Meeting on 7 May 2014, the term of office of the former Supervisory Board came to an end and that of the new Supervisory Board, elected by the Annual General Meeting and the employees respectively, commenced. No longer member of the Supervisory Board as employee representative is Mr. Robert Feiger, who did not stand for reelection in view of the tasks resulting from taking over as national chairman of IG Bauen-Agrar-Umwelt. He is succeeded by Mrs. Gabriele Kailing, DGB Regional Chairperson Hesse-Thuringia. Dr. Jürgen M. Schneider, former Chief Financial Officer of Bilfinger SE and since 2010 Dean of the Business School of the University of Mannheim, was elected as a new shareholder representative to HeidelbergCement's Supervisory Board; he succeeded Mr. Max Dietrich Kley, who did not stand for reelection after having reached the standard retirement age. As before, Mr. Fritz-Jürgen Heckmann remains Chairman of the Supervisory Board. Mr. Heinz Schmitt was reelected as Deputy Chairman of the Supervisory Board.

Events after the balance sheet date
After the balance sheet date, there were no reportable events.

Outlook

In its latest forecast, the International Monetary Fund (IMF) lowered again slightly the growth rates for the global economy, but continues to expect an acceleration in economic growth compared with the previous year. The slowdown is solely attributable to weaker performance in the emerging countries and the effects of the harsh winter in the United States in the first quarter. In the mature markets, the growth rates were even slightly raised in part, e.g. for Germany and the United Kingdom. However, the necessary budgetary consolidation measures in the industrial countries and their effects on the emerging countries continue to threaten the development of the global economy. The tapering of the US Federal Reserve led to capital outflows and exchange rate adjustments in the last twelve months. In addition, the political tensions in the Middle East and the Ukraine pose risks to the economic development.

In North America, HeidelbergCement expects a continuing economic recovery and consequently a further growth in demand for building materials. Besides residential construction, commercial and infrastructural construction are increasingly making a contribution to this growth. A stabilisation of the Eastern European market is anticipated following the weak phase experienced during 2013. Poland is the first country in this Group area to profit from an incipient recovery. We project a further rise in demand for building materials in Central Asia. To date, the crisis in Ukraine has not had any significant impact on operating activities in Ukraine and Russia. However, the currencies of both countries have depreciated considerably against the euro since the crisis began. In Western and Northern Europe, positive market development is expected in all countries. This is based on the healthy economic development in Germany and Northern Europe, as well as a recovery in the United Kingdom and Benelux. In Asia and Africa, the Group still counts on sustained growth in demand. In view of the positive development of demand and the commissioning of new capacities, HeidelbergCement anticipates an increase in the overall sales volumes of the core products cement, aggregates, and ready-mixed concrete. The negative impact of exchange rate effects on revenue and results should ease noticeably in the second half of the year due to base effects.

In terms of costs, the Group expects a light to moderate rise in the cost base for energy, raw materials, and personnel. The objective is to offset this increase by means of suitable measures and to improve our margins in the cement and aggregates business lines, bringing them back to pre-crisis levels. To this end, Heidelberg Cement will continue pursuing its two price initiatives "PERFORM" for the cement business in the United States and Europe, and "CLIMB Commercial" for the aggregates business. Another area of focus in 2014 will be to not only safeguard but continuously improve the cost savings and efficiency increases in cement and aggregates that were achieved in the past few years with "OPEX" and "CLIMB". For this purpose, the CIP (Continuous Improvement Program) was launched for the cement business. Moreover, the "LEO" programme aims to optimise logistics with the goal of reducing costs by €150 million over the next few years. Despite the higher level of net debt at the start of the year, HeidelbergCement projects for 2014 a slight decline in financing costs due to the improved financing structure.

On the basis of these assumptions, the Managing Board has set the goal of further increasing revenue, operating income, and profit for the financial year in 2014 on a like-for-like basis, i.e. adjusted for exchange rate, consolidation, and non-recurring effects.

Considering the positive development in the second quarter, we confirm our earnings outlook for 2014. We will continue to pursue the objective of improving our key financial ratios in order to qualify again for an investment grade credit rating. To this end, we will continue to be very disciplined in our spending and focus more intensively on the sale of the building products business line in the United Kingdom, the United States, and Eastern Canada, as well as other assets that do not belong to our core business. At the same time, we will remain on course with our successful strategy of targeted expansion of our cement capacities in growth markets. Furthermore, we will move along unabated with our existing programmes for margin improvement and simultaneously gather and implement new ideas from our employees to improve our business processes with the help of the Continuous Improvement Program (CIP).

In 2014, we will benefit from the economic development in the industrial countries, particularly in North America, the United Kingdom, Germany, and Northern Europe. These countries generate almost 50 % of our revenue. Furthermore, we are improving our market position in growth markets with the commissioning of modern production facilities. In view of these factors as well as our high operational efficiency, we consider ourselves well-equipped to benefit over-proportionally from the accelerating economic growth in the interests of our shareholders.

Additional statements on the outlook

The Managing Board of HeidelbergCement has not seen evidence of developments beyond those mentioned in the previous paragraph that would suggest changes for the business year 2014 regarding the forecasts and other statements made in the 2013 Annual Report in the Outlook chapter on page 101 ff. on the expected development of HeidelbergCement and its business environment.

The expected future development of HeidelbergCement and the business environment over the course of 2014 is described in the outlook. As such, please note that this Half-Year Financial Report contains forward-looking statements based on the information currently available and the current assumptions and forecasts of the Managing Board of HeidelbergCement. Such statements are naturally subject to risks and uncertainties and may therefore deviate significantly from the actual development. HeidelbergCement undertakes no obligation and furthermore has no intention to update the forward-looking statements made in this Half-Year Financial Report.

Risk and opportunity report

HeidelbergCement's risk policy is based on the business strategy, which focuses on safeguarding the Group's existence and sustainably increasing its value. Entrepreneurial activity is always forward-looking and therefore subject to certain risks. Identifying risks, understanding them, and reducing them systematically is the responsibility of the Managing Board and a key task for all managers. HeidelbergCement is subject to various risks that are not fundamentally avoided, but instead accepted, provided they are consistent with the legal and ethical principles of entrepreneurial activity and are well balanced by the opportunities they present. Opportunity and risk management at HeidelbergCement is closely linked by Group-wide planning and monitoring systems. Opportunities are recorded in the annual operational plan and followed up as part of monthly financial reporting. Operational management in each country and the central Group departments are directly responsible for identifying and observing opportunities at an early stage.

In a holistic view of individual risks and the overall risk situation, there are, from today's perspective, no identifiable risks that could threaten the existence of the Group or any other apparent significant risks. Our control and risk management system standardised across the Group ensures that major risks, which, if they occurred, would lead to a considerable deterioration of the Group's economic position, are identified at an early stage.

Risks that may have a significant impact on our financial position and performance in the 2014 financial year and in the foreseeable future as well as the opportunities are described in detail in the 2013 Annual Report in the risk and opportunity report chapter on page 109 ff.

The risks arising from volatile energy and raw material prices as well as from exchange rates remain high. Although the International Monetary Fund (IMF) has only slightly lowered the 2014 growth rate for the global economy in its latest forecast, ongoing development is subject to uncertainties and risks, amongst other things, due to the armed conflicts in the Ukraine and in the Middle East. In the industrialised countries, the most pressing task is to consolidate state finances, reform the financial sector and tackle unemployment. The emerging countries face the challenge of slowing growth rates and risks of further capital outflows and currency depreciation. Uncertainties still remain with regard to the stability of the global financial system.

Interim consolidated financial statements

Consolidated income statement

	April - June		January - June	
€m	2013 [1]	2014	2013 [1]	2014
Revenue	3,585.4	**3,568.1**	6,187.0	**6,318.0**
Change in finished goods and work in progress	-31.4	**19.1**	-0.5	**-21.6**
Own work capitalised	2.8	**2.0**	5.0	**3.8**
Operating revenue	3,556.9	**3,589.2**	6,191.5	**6,300.2**
Other operating income	66.3	**70.7**	136.9	**138.0**
Material costs	-1,420.6	**-1,455.7**	-2,593.2	**-2,663.4**
Employee and personnel costs	-574.5	**-590.1**	-1,112.5	**-1,127.5**
Other operating expenses	-944.2	**-953.6**	-1,748.1	**-1,779.7**
Result from joint ventures	26.6	**38.4**	33.7	**60.0**
Operating income before depreciation (OIBD)	710.4	**698.8**	908.3	**927.6**
Depreciation and amortisation	-195.6	**-183.0**	-384.2	**-361.4**
Operating income	514.8	**515.8**	524.1	**566.2**
Additional ordinary income	42.3	**3.8**	46.8	**22.0**
Additional ordinary expenses	-57.0	**-2.9**	-93.3	**-9.9**
Additional ordinary result	-14.7	**0.9**	-46.4	**12.2**
Result from associates	9.7	**8.9**	5.8	**5.4**
Result from other participations	1.4	**0.9**	3.7	**0.3**
Result from participations	11.2	**9.8**	9.5	**5.7**
Earnings before interest and taxes (EBIT)	511.2	**526.6**	487.1	**584.0**
Interest income	19.6	**26.8**	37.4	**49.4**
Interest expenses	-141.9	**-137.0**	-290.2	**-294.1**
Foreign exchange gains and losses	-1.6	**-9.3**	2.6	**-10.7**
Other financial result	-19.4	**-27.1**	-33.5	**-53.0**
Financial result	-143.3	**-146.7**	-283.6	**-308.4**
Profit before tax from continuing operations	367.9	**379.9**	203.5	**275.6**
Income taxes	-35.9	**-88.4**	-58.8	**-90.1**
Net income from continuing operations	332.0	**291.4**	144.7	**185.5**
Net income / loss from discontinued operations	96.2	**-1.6**	96.1	**-3.2**
Profit for the period	428.1	**289.9**	240.9	**182.3**
Thereof non-controlling interests	60.0	**56.5**	107.7	**95.5**
Thereof Group share of profit	368.1	**233.4**	133.2	**86.8**
Earnings per share in € (IAS 33)				
Earnings per share attributable to the parent entity	1.96	**1.24**	0.71	**0.46**
Earnings per share – continuing operations	1.45	**1.25**	0.20	**0.48**
Earnings / loss per share – discontinued operations	0.51	**-0.01**	0.51	**-0.02**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Consolidated statement of comprehensive income

	April - June		January - June	
€m	2013 [1]	2014	2013 [1]	2014
Profit for the period	428.1	**289.9**	240.9	**182.3**
Other comprehensive income:				
Items not being reclassified to profit or loss in subsequent periods				
Remeasurement of the defined benefit liability (asset)	85.4	**-58.7**	172.6	**-95.4**
Income taxes	-14.0	**17.3**	-34.4	**29.7**
	71.4	**-41.4**	138.3	**-65.7**
Items that may be reclassified subsequently to profit or loss				
Cash Flow Hedges - change in fair value	1.6	**3.3**	2.1	**-1.7**
Reclassification adjustments for gains / losses included in profit or loss	1.0	**0.1**	3.0	**-1.0**
Income taxes	-0.4	**-0.8**	-0.9	**0.6**
	2.2	**2.6**	4.3	**-2.1**
Currency translation	-835.0	**211.5**	-597.5	**218.7**
Income taxes	10.3	**3.5**	14.3	**1.4**
	-824.8	**215.0**	-583.2	**220.0**
Net gains / losses arising during the period from equity method investments	-2.6	**8.5**	9.5	**9.9**
	-825.2	**226.0**	-569.5	**227.8**
Other comprehensive income	-753.8	**184.6**	-431.2	**162.1**
Total comprehensive income	-325.7	**474.4**	-190.3	**344.4**
Relating to non-controlling interests	25.6	**56.5**	97.3	**135.8**
Relating to HeidelbergCement AG shareholders	-351.2	**417.9**	-287.7	**208.6**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Consolidated statement of cash flows

	April - June		January - June	
€m	2013 [1]	2014	2013 [1]	2014
Net income from continuing operations	332.0	**291.4**	144.7	**185.5**
Income taxes	35.9	**88.4**	58.8	**90.1**
Interest income/ expenses	122.3	**110.2**	252.7	**244.7**
Dividends received	32.3	**33.9**	65.2	**65.4**
Interest received	34.6	**38.1**	64.1	**82.3**
Interest paid	-180.7	**-166.1**	-332.2	**-351.2**
Income taxes paid	-154.8	**-106.2**	-241.3	**-186.7**
Depreciation, amortisation, and impairment	196.0	**185.5**	382.8	**365.7**
Elimination of other non-cash items	-100.4	**10.5**	-127.1	**43.1**
Cash flow	317.3	**485.8**	267.7	**539.0**
Changes in operating assets	-264.4	**-299.8**	-281.9	**-431.0**
Changes in operating liabilities	220.8	**250.5**	-15.1	**61.0**
Changes in working capital	-43.6	**-49.4**	-297.0	**-370.0**
Decrease in provisions through cash payments	-209.9	**-43.2**	-256.8	**-92.3**
Cash flow from operating activities	63.8	**393.3**	-286.1	**76.8**
Intangible assets	-2.0	**-0.7**	-4.0	**-1.7**
Property, plant and equipment	-222.8	**-169.1**	-342.2	**-343.1**
Subsidiaries and other business units	-39.4	**-2.7**	-60.4	**-80.2**
Other financial assets, associates and joint ventures	-32.5	**-7.1**	-304.3	**-11.2**
Investments (cash outflow)	-296.7	**-179.5**	-710.9	**-436.3**
Subsidiaries and other business units			2.4	**16.8**
Other fixed assets	71.3	**17.3**	95.2	**42.3**
Divestments (cash inflow)	71.3	**17.3**	97.5	**59.1**
Cash from changes in consolidation scope	8.2	**-1.3**	9.9	**20.5**
Cash flow from investing activities	-217.1	**-163.6**	-603.5	**-356.7**
Dividend payments - HeidelbergCement AG	-88.1	**-112.5**	-88.1	**-112.5**
Dividend payments - non-controlling shareholders	-75.3	**-155.2**	-77.3	**-157.1**
Increase in ownership interests in subsidiaries	-107.0	**-3.4**	-107.0	**-9.1**
Proceeds from bond issuance and loans	502.7	**45.4**	1,212.8	**567.9**
Repayment of bonds and loans	-407.2	**-45.9**	-1,004.4	**-65.6**
Changes in short-term interest-bearing liabilities	298.0	**131.3**	923.0	**51.0**
Cash flow from financing activities	123.1	**-140.3**	858.9	**274.6**
Net change in cash and cash equivalents	-30.3	**89.4**	-30.6	**-5.3**
Effect of exchange rate changes	-41.2	**-27.6**	-15.7	**3.3**
Cash and cash equivalents at the beginning of period	1,392.9	**1,287.6**	1,367.7	**1,351.5**
Cash and cash equivalents at period end	1,321.4	**1,349.5**	1,321.4	**1,349.5**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Consolidated balance sheet

Assets			
€m	30 June 2013 [1]	31 Dec. 2013 [1]	30 June 2014
Non-current assets			
Intangible assets			
Goodwill	10,172.8	9,770.1	**9,960.8**
Other intangible assets	262.9	245.9	**249.5**
	10,435.7	10,016.0	**10,210.3**
Property, plant and equipment			
Land and buildings	4,953.4	4,764.1	**4,801.9**
Plant and machinery	4,060.9	3,787.9	**3,747.2**
Other operating equipment	309.7	295.6	**300.1**
Prepayments and assets under construction	771.9	860.1	**901.0**
	10,096.0	9,707.7	**9,750.2**
Financial assets			
Investments in joint ventures	902.2	818.3	**859.6**
Investments in associates	279.1	287.2	**271.2**
Financial investments	59.2	56.8	**53.4**
Loans and derivative financial instruments	122.9	126.9	**159.0**
	1,363.4	1,289.2	**1,343.2**
Fixed assets	21,895.1	21,012.8	**21,303.7**
Deferred taxes	382.6	396.3	**434.1**
Other non-current receivables	488.1	527.5	**506.9**
Non-current income tax assets	26.0	15.9	**16.4**
Total non-current assets	22,791.8	21,952.5	**22,261.1**
Current assets			
Inventories			
Raw materials and consumables	668.9	596.3	**628.2**
Work in progress	189.3	171.9	**165.0**
Finished goods and goods for resale	667.3	648.9	**662.5**
Prepayments	28.0	18.1	**35.6**
	1,553.4	1,435.1	**1,491.3**
Receivables and other assets			
Current interest-bearing receivables	116.6	109.4	**117.5**
Trade receivables	1,520.0	1,136.9	**1,478.2**
Other current operating receivables	374.3	348.7	**384.5**
Current income tax assets	70.8	45.1	**83.8**
	2,081.7	1,640.1	**2,064.1**
Derivative financial instruments	23.2	27.1	**53.3**
Cash and cash equivalents	1,321.4	1,351.5	**1,349.5**
Total current assets	4,979.8	4,453.9	**4,958.1**
Disposal groups held for sale		30.6	
Balance sheet total	27,771.5	26,436.9	**27,219.2**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Equity and liabilities			
€m	30 June 2013 [1)]	31 Dec. 2013 [1)]	30 June 2014
Shareholders' equity and non-controlling interests			
Subscribed share capital	562.5	562.5	**563.7**
Share premium	5,539.4	5,539.4	**5,539.4**
Retained earnings	6,762.8	7,357.5	**7,282.5**
Other components of equity	-720.4	-1,874.0	**-1,687.3**
Equity attributable to shareholders	12,144.3	11,585.3	**11,698.3**
Non-controlling interests	1,049.2	938.0	**925.4**
Total equity	13,193.4	12,523.4	**12,623.6**
Non-current liabilities			
Bonds payable	6,513.1	6,262.8	**6,809.9**
Bank loans	1,445.0	233.2	**281.2**
Other non-current interest-bearing liabilities	78.2	81.9	**52.1**
	8,036.4	6,577.9	**7,143.2**
Pension provisions	901.4	866.5	**915.8**
Deferred taxes	568.3	503.4	**497.6**
Other non-current provisions	967.0	941.1	**943.9**
Other non-current operating liabilities	77.8	61.4	**66.4**
Non-current income tax liabilities	62.5	50.0	**55.3**
	2,577.1	2,422.4	**2,479.0**
Total non-current liabilities	10,613.4	9,000.3	**9,622.2**
Current liabilities			
Bonds payable (current portion)	118.8	1,140.4	**1,129.1**
Bank loans (current portion)	218.9	418.6	**303.7**
Other current interest-bearing liabilities	1,015.3	647.3	**844.4**
	1,353.0	2,206.2	**2,277.3**
Non-controlling interests with put options	37.9	44.5	**20.1**
	1,390.9	2,250.8	**2,297.4**
Pension provisions (current portion)	85.7	94.8	**95.8**
Other current provisions	179.3	209.1	**194.2**
Trade payables	1,284.5	1,335.2	**1,399.9**
Other current operating liabilities	929.1	896.3	**913.8**
Current income tax liabilities	95.1	119.4	**72.4**
	2,573.8	2,654.8	**2,676.0**
Total current liabilities	3,964.7	4,905.6	**4,973.4**
Liabilities associated with disposal groups		7.7	
Total liabilities	14,578.1	13,913.5	**14,595.6**
Balance sheet total	27,771.5	26,436.9	**27,219.2**

Consolidated statement of changes in equity

€m	Subscribed share capital	Share premium	Retained earnings [1]	Cash flow hedge reserve
1 January 2013	562.5	5,539.4	6,668.1	-3.7
Adjustments IFRS 10 / IFRS 11			-29.9	
1 January 2013 (restated)	562.5	5,539.4	6,638.1	-3.7
Profit for the period			133.2	
Other comprehensive income			138.2	3.6
Total comprehensive income			271.4	3.6
Changes in non-controlling interests with put options			-1.0	
Changes in ownership interests in subsidiaries and other changes			-57.6	
Dividends			-88.1	
30 June 2013	562.5	5,539.4	6,762.8	-0.1
1 January 2014	562.5	5,539.4	7,357.5	6.5
Profit for the period			86.8	
Other comprehensive income			-65.5	-1.5
Total comprehensive income			21.3	-1.5
Changes in non-controlling interests with put options				
Changes in ownership interests in subsidiaries and other changes			-6.1	
Capital increase from issuance of new shares	1.2			
Capital increase from loan conversion			22.3	
Dividends			-112.5	
30 June 2014	563.7	5,539.4	7,282.5	5.0

1) Amounts of the financial year 2013 were adjusted due to the retrospective application of IFRS 10 and IFRS 11.

2) The accumulated currency translation differences included in non-controlling interests increased in the first half of 2014 by € 41.1 million (previous year: -11.1) to € -226.0 million (previous year: -72.3). The total currency translation differences recognised in equity thus amount to € -1,980.3 million (previous year: -856.1).

Other components of equity							
	Available for sale reserve	Asset revaluation reserve	Currency translation [1]	Total other components of equity [1]	Equity attributable to shareholders [1]	Non-controlling interests [1] [2]	**Total equity [1]**
	22.3	34.0	-213.4	-160.8	12,609.2	1,098.3	**13,707.5**
					-29.9	-21.4	**-51.3**
	22.3	34.0	-213.4	-160.8	12,579.2	1,077.0	**13,656.2**
					133.2	107.7	**240.9**
	7.7		-570.4	-559.0	-420.8	-10.4	**-431.2**
	7.7		-570.4	-559.0	-287.7	97.3	**-190.3**
					-1.0	1.9	**0.9**
		-0.6		-0.6	-58.2	-49.7	**-107.9**
					-88.1	-77.3	**-165.5**
	30.0	33.4	-783.8	-720.4	12,144.3	1,049.2	**13,193.4**
	26.4	32.8	-1,939.6	-1,874.0	11,585.3	938.0	**12,523.4**
					86.8	95.5	**182.3**
	3.6		185.3	187.3	121.8	40.3	**162.1**
	3.6		185.3	187.3	208.6	135.8	**344.4**
						1.0	**1.0**
		-0.7		-0.7	-6.7	7.6	**0.8**
					1.2	0.1	**1.3**
					22.3		**22.3**
					-112.5	-157.1	**-269.6**
	29.9	32.1	-1,754.3	-1,687.3	11,698.3	925.4	**12,623.6**

Segment reporting / Notes

Group areas January - June	Western and Northern Europe		Eastern Europe-Central Asia		North America	
€m	2013 [1]	2014	2013 [1]	2014	2013 [1]	2014
External revenue	1,840	**2,025**	515	**535**	1,491	**1,503**
Inter-Group areas revenue	32	**35**				
Revenue	1,872	**2,060**	515	**535**	1,491	**1,503**
Change to previous year in %		**10.1 %**		**3.8 %**		**0.8 %**
Result from joint ventures	-2	**1**	-1	**3**	12	**14**
Operating income before depreciation (OIBD)	164	**243**	60	**75**	213	**213**
as % of revenue	8.8 %	**11.8 %**	11.7 %	**14.0 %**	14.3 %	**14.2 %**
Depreciation	-121	**-120**	-55	**-50**	-113	**-107**
Operating income	43	**124**	5	**25**	101	**106**
as % of revenue	2.3 %	**6.0 %**	1.1 %	**4.6 %**	6.7 %	**7.1 %**
Result from associates	4	**3**	0	**0**	-2	**-1**
Result from other participations	1	**0**	0	**0**	0	**0**
Result from participations	5	**2**	0	**0**	-2	**-1**
Additional ordinary result						
Earnings before interest and taxes (EBIT)	49	**126**	5	**24**	98	**105**
Capital expenditures [2]	57	**67**	47	**41**	79	**94**
Segment assets [3]	6,298	**6,368**	2,089	**1,916**	7,812	**7,434**
OIBD as % of segment assets	2.6 %	**3.8 %**	2.9 %	**3.9 %**	2.7 %	**2.9 %**
Number of employees as at 30 June	13,003	**13,646**	8,984	**8,769**	11,702	**11,955**
Average number of employees	13,029	**13,519**	8,880	**8,684**	11,389	**11,557**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

2) Capital expenditures = in the segment columns: property, plant and equipment as well as intangible assets investments; in the reconciliation column: investments in financial fixed assets and other business units

3) Segment assets = property, plant and equipment as well as intangible assets

4) Includes corporate functions, eliminations of intra-Group relationships between the segments and additional ordinary result.

Asia-Pacific		Africa-Mediterranean Basin		Group Services		Reconciliation [4]		Continuing operations	
2013 [1]	**2014**	2013 [1]	**2014**	2013 [1]	**2014**	2013 [1]	**2014**	2013 [1]	**2014**
1,614	**1,445**	474	**453**	252	**357**			6,187	**6,318**
4	**3**	0	**-4**	167	**176**	-203	**-210**		
1,618	**1,448**	474	**449**	419	**533**	-203	**-210**	6,187	**6,318**
	-10.5 %		**-5.4 %**		**27.2 %**				**2.1 %**
14	**23**	11	**18**					34	**60**
422	**347**	102	**102**	10	**15**	-64	**-68**	908	**928**
26.1 %	**24.0 %**	21.5 %	**22.8 %**	2.5 %	**2.8 %**	31.4 %	**32.4 %**	14.7 %	**14.7 %**
-75	**-65**	-14	**-13**	0	**0**	-6	**-6**	-384	**-361**
347	**282**	88	**89**	10	**15**	-70	**-74**	524	**566**
21.4 %	**19.5 %**	18.5 %	**19.8 %**	2.5 %	**2.8 %**	34.4 %	**35.1 %**	8.5 %	**9.0 %**
4	**4**	0	**0**					6	**5**
2	**0**		**0**					4	**0**
6	**5**	0	**0**					10	**6**
						-46	**12**	-46	**12**
353	**287**	88	**89**	10	**15**	-116	**-62**	487	**584**
126	**95**	37	**48**	0	**0**	365	**91**	711	**436**
3,718	**3,561**	577	**645**	38	**36**			20,532	**19,961**
11.3 %	**9.8 %**	17.7 %	**15.8 %**	27.5 %	**41.2 %**			4.4 %	**4.6 %**
14,247	**13,786**	2,875	**2,655**	58	**73**			50,869	**50,884**
14,210	**14,288**	2,879	**2,705**	58	**67**			50,443	**50,820**

Notes to the interim consolidated financial statements

Accounting and valuation principles
The interim consolidated financial statements of HeidelbergCement AG as of 30 June 2014 were prepared on the basis of IAS 34 (Interim Financial Reporting). All International Financial Reporting Standards (IFRSs), including the interpretations of the IFRS Interpretations Committee (IFRIC), that were binding as at the reporting date and had been adopted into European law by the European Commission were applied.

In accordance with the regulations of IAS 34, a condensed report scope in comparison with the consolidated financial statements as at 31 December 2013, with selected explanatory notes, was chosen. The accounting and valuation principles applied in the preparation of the interim financial statements correspond in principle to those of the consolidated financial statements as at 31 December 2013. Detailed explanations can be found on pages 166 f. in the Notes to the 2013 Annual Report, which forms the basis for these interim financial statements.

In accordance with IAS 34, the income taxes in the reporting period were accrued on the basis of the tax rate expected for the whole financial year.

The interim consolidated financial statements were not subject to any audits or reviews.

The following new or amended IASB standards and interpretations were applied for the first time in these interim consolidated financial statements:

First-time application of accounting standards

Title
IFRS 10 Consolidated Financial Statements
IFRS 11 Joint Arrangements
IFRS 12 Disclosure of Interests in Other Entities
Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities
IFRIC 21 Levies

- **IFRS 10 Consolidated Financial Statements** establishes a single definition of the term control and sets out the existence of parent-subsidiary relationships in concrete terms. Control exists when an investor has decision-making powers, is exposed to variable returns, and is able to influence the level of the variable returns as a result of the decision-making powers. IFRS 10 replaces the requirements of IAS 27 (Consolidated and Separate Financial Statements), related to consolidated financial statements, and SIC-12 (Consolidation – Special Purpose Entities). On the basis of the revised control term, one of the companies that were previously proportionally consolidated as joint ventures is now included in the consolidated financial statements as a subsidiary.

- **IFRS 11 Joint Arrangements** replaces both IAS 31 (Interests in Joint Ventures) as well as SIC 13 (Jointly Controlled Entities – Non-Monetary Contributions by Venturers) and describes the accounting for situations where a company either exercises joint control over a joint venture or a joint operation. The economic substance of the arrangement, not its legal form, is the decisive factor in its classification. Joint ventures are characterised by the fact that the parties that have joint control participate in the net assets of the company by virtue of their position as shareholders. In joint operations, however, the parties with joint control have direct rights to the assets and liabilities or income and expenses of the company. For HeidelbergCement, the most significant effect of the new standard is the abolition of proportionate consolidation for joint ventures: pursuant to the amended version of IAS 28 (Investments in Associates and Joint Ventures), all joint ventures are to be accounted for using the equity method. This applies particularly to our joint ventures in Turkey, North America, China, Hong Kong, and Hungary, as well as the Mibau Group.

The assets and liabilities as well as income and expenses of joint operations will continue to be included proportionately in the consolidated financial statements. A significant joint operation within the HeidelbergCement Group is Cement Australia Pty Ltd., which we will continue to proportionately account for as a 50 % joint operation.

The retrospective application of IFRS 10 and IFRS 11 resulted in adjustments to the figures of the previous year. Furthermore, in the interests of uniformity, the proportionate tax expense of associates that was previously recorded under income taxes is now shown in the result from associates. The adjustments to the figures of the previous year are presented in the tables starting on page 24. In the explanations in the notes, we refer to the adjusted figures of the previous year.

- **IFRS 12 Disclosure of Interests in Other Entities** includes all of the disclosure requirements for subsidiaries, joint arrangements, and associated companies, which were previously included in IAS 27, IAS 31, and IAS 28, and extends the disclosure requirements in relation to the scope of consolidation and subsidiaries with non-controlling interests.

- The **Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities** clarify details concerning the netting of financial assets and liabilities. Therefore, the right to netting must be enforceable not only in the ordinary course of business, but also in the event of a payment default and insolvency of all contract parties. The amendment did not have any impact on the consolidated financial statements of HeidelbergCement.

- **IFRIC 21 Levies** clarifies that a company is to recognise a liability for public levies as soon as a statutory activity occurs that triggers a corresponding payment obligation. IFRIC 21 further highlights that liabilities for levy obligations that are linked to reaching a threshold value are only to be recognised when the defined threshold has been reached. The first-time application of the IFRIC 21 had no impact on the financial position and performance of the Group.

A detailed description of the further pronouncements adopted by the IASB but not applicable until a later date is given in the Notes to the 2013 Annual Report on pages 179 f.

Furthermore, the IASB issued **IFRS 15 Revenue from Contracts with Customers** on 28 May 2014. The objective of IFRS 15 is to consolidate the wide range of regulations for revenue recognition that have been set out in various standards and interpretations to date and to establish uniform basic principles that are applicable to all industries and all categories of revenue transactions. IFRS 15 determines when and to what extent revenue is recognised. The basic principle is that revenue is recognised with the transfer of goods and services to the amount of the expected consideration (payment). IFRS 15 also includes extended guidelines on multiple element arrangements as well as new regulations concerning the treatment of service contracts and contract adjustments. IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts as well as the interpretations IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers, and SIC 31 Revenue-Barter Transactions Involving Advertising Services. The new regulations are mandatory for financial years beginning on or after 1 January 2017.

Consolidated income statement – Retrospective adjustments IFRS 10 and IFRS 11

	April - June 2013			January - June 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Revenue	3,799.3	-213.9	**3,585.4**	6,559.8	-372.8	**6,187.0**
Change in finished goods and work in progress	-35.1	3.7	**-31.4**	0.2	-0.7	**-0.5**
Own work capitalised	2.8		**2.8**	4.9	0.1	**5.0**
Operating revenue	3,767.0	-210.1	**3,556.9**	6,565.0	-373.5	**6,191.5**
Other operating income	70.0	-3.7	**66.3**	143.3	-6.4	**136.9**
Material costs	-1,521.1	100.5	**-1,420.6**	-2,774.7	181.5	**-2,593.2**
Employee and personnel costs	-592.2	17.7	**-574.5**	-1,149.3	36.8	**-1,112.5**
Other operating expenses	-989.5	45.3	**-944.2**	-1,831.3	83.2	**-1,748.1**
Result from joint ventures		26.6	**26.6**		33.7	**33.7**
Operating income before depreciation (OIBD)	734.2	-23.8	**710.4**	953.1	-44.8	**908.3**
Depreciation and amortisation	-209.8	14.2	**-195.6**	-413.1	28.9	**-384.2**
Operating income	524.4	-9.6	**514.8**	540.0	-15.9	**524.1**
Additional ordinary income	42.4	-0.1	**42.3**	46.9	-0.1	**46.8**
Additional ordinary expenses	-15.3	-41.7	**-57.0**	-51.6	-41.7	**-93.3**
Additional ordinary result	27.1	-41.8	**-14.7**	-4.7	-41.7	**-46.4**
Result from associates	11.9	-2.2	**9.7**	7.2	-1.4	**5.8**
Result from other participations	1.5	-0.1	**1.4**	5.7	-2.0	**3.7**
Result from participations	13.5	-2.3	**11.2**	12.9	-3.4	**9.5**
Earnings before interest and taxes (EBIT)	565.0	-53.8	**511.2**	548.2	-61.1	**487.1**
Interest income	19.4	0.2	**19.6**	37.5	-0.1	**37.4**
Interest expenses	-145.4	3.5	**-141.9**	-296.8	6.6	**-290.2**
Foreign exchange gains and losses	-3.8	2.2	**-1.6**	-1.2	3.8	**2.6**
Other financial result	-19.4		**-19.4**	-33.6	0.1	**-33.5**
Financial result	-149.3	6.0	**-143.3**	-294.2	10.6	**-283.6**
Profit before tax from continuing operations	415.7	-47.8	**367.9**	254.0	-50.5	**203.5**
Income taxes	-43.0	7.1	**-35.9**	-65.7	6.9	**-58.8**
Net income from continuing operations	372.7	-40.7	**332.0**	188.3	-43.6	**144.7**
Net income from discontinued operations	96.2		**96.2**	96.1		**96.1**
Profit for the period	468.9	-40.8	**428.1**	284.5	-43.6	**240.9**
Thereof non-controlling interests	59.0	1.0	**60.0**	109.5	-1.8	**107.7**
Thereof Group share of profit	409.9	-41.8	**368.1**	175.0	-41.8	**133.2**
Earnings per share in € (IAS 33)						
Earnings per share attributable to the parent entity	2.19	-0.22	**1.96**	0.93	-0.22	**0.71**
Earnings per share – continuing operations	1.67	-0.22	**1.45**	0.42	-0.22	**0.20**
Earnings per share – discontinued operations	0.51		**0.51**	0.51		**0.51**

Consolidated statement of cash flows – Retrospective adjustments IFRS 10 and IFRS 11

	April - June 2013			January - June 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Net income from continuing operations	372.7	-40.7	**332.0**	188.3	-43.6	**144.7**
Income taxes	43.0	-7.1	**35.9**	65.7	-6.9	**58.8**
Interest income/ expenses	126.1	-3.8	**122.3**	259.3	-6.6	**252.7**
Dividends received	7.6	24.7	**32.3**	8.1	57.1	**65.2**
Interest received	34.5	0.1	**34.6**	64.8	-0.7	**64.1**
Interest paid	-184.3	3.6	**-180.7**	-338.4	6.2	**-332.2**
Income taxes paid	-157.6	2.8	**-154.8**	-248.6	7.3	**-241.3**
Depreciation, amortisation, and impairment	210.2	-14.2	**196.0**	411.7	-28.9	**382.8**
Elimination of other non-cash items	-115.7	15.3	**-100.4**	-130.2	3.1	**-127.1**
Cash flow	336.5	-19.2	**317.3**	280.6	-12.9	**267.7**
Changes in operating assets	-276.1	11.7	**-264.4**	-306.6	24.7	**-281.9**
Changes in operating liabilities	240.3	-19.5	**220.8**	2.9	-18.0	**-15.1**
Changes in working capital	-35.8	-7.8	**-43.6**	-303.7	6.7	**-297.0**
Decrease in provisions through cash payments	-210.4	0.5	**-209.9**	-257.6	0.8	**-256.8**
Cash flow from operating activities	90.3	-26.5	**63.8**	-280.7	-5.4	**-286.1**
Intangible assets	-2.2	0.2	**-2.0**	-5.3	1.3	**-4.0**
Property, plant and equipment	-228.5	5.7	**-222.8**	-352.3	10.1	**-342.2**
Subsidiaries and other business units	-39.4	0.0	**-39.4**	-60.4	0.0	**-60.4**
Other financial assets, associates and joint ventures	-32.1	-0.4	**-32.5**	-301.9	-2.4	**-304.3**
Investments (cash outflow)	-302.2	5.5	**-296.7**	-720.0	9.1	**-710.9**
Subsidiaries and other business units	0.0	0.0	**0.0**	2.5	-0.1	**2.4**
Other fixed assets	74.7	-3.4	**71.3**	96.7	-1.5	**95.2**
Divestments (cash inflow)	74.7	-3.4	**71.3**	99.1	-1.6	**97.5**
Cash from changes in consolidation scope	4.1	4.1	**8.2**	5.1	4.8	**9.9**
Cash flow from investing activities	-223.5	6.4	**-217.1**	-615.7	12.2	**-603.5**
Dividend payments - HeidelbergCement AG	-88.1		**-88.1**	-88.1		**-88.1**
Dividend payments - non-controlling shareholders	-75.9	0.6	**-75.3**	-78.3	1.0	**-77.3**
Increase in ownership interests in subsidiaries	-107.0	0.0	**-107.0**	-107.0	0.0	**-107.0**
Proceeds from bond issuance and loans	506.9	-4.2	**502.7**	1,225.5	-12.7	**1,212.8**
Repayment of bonds and loans	-418.7	11.5	**-407.2**	-1,019.5	15.1	**-1,004.4**
Changes in short-term interest-bearing liabilities	286.8	11.2	**298.0**	926.3	-3.3	**923.0**
Cash flow from financing activities	103.9	19.2	**123.1**	858.9	0.0	**858.9**
Net change in cash and cash equivalents	-29.3	-1.0	**-30.3**	-37.5	6.9	**-30.6**
Effect of exchange rate changes	-41.9	0.7	**-41.2**	-14.0	-1.7	**-15.7**
Cash and cash equivalents at the beginning of period	1,494.5	-101.6	**1,392.9**	1,474.8	-107.1	**1,367.7**
Cash and cash equivalents at period end	1,423.3	-101.9	**1,321.4**	1,423.3	-101.9	**1,321.4**

Consolidated balance sheet – Retrospective adjustments IFRS 10 and IFRS 11

Assets	30 June 2013			31 December 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Non-current assets						
Intangible assets						
Goodwill	10,531.3	-358.5	**10,172.8**	10,055.1	-285.0	**9,770.1**
Other intangible assets	292.6	-29.7	**262.9**	274.7	-28.8	**245.9**
	10,823.9	-388.2	**10,435.7**	10,329.8	-313.8	**10,016.0**
Property, plant and equipment						
Land and buildings	5,197.4	-244.0	**4,953.4**	4,990.9	-226.8	**4,764.1**
Plant and machinery	4,343.3	-282.4	**4,060.9**	4,055.8	-267.9	**3,787.9**
Other operating equipment	322.5	-12.8	**309.7**	307.4	-11.8	**295.6**
Prepayments and assets under construction	788.1	-16.2	**771.9**	868.8	-8.7	**860.1**
	10,651.3	-555.3	**10,096.0**	10,222.9	-515.2	**9,707.7**
Financial assets						
Investments in joint ventures		902.2	**902.2**		818.3	**818.3**
Investments in associates	385.9	-106.8	**279.1**	391.8	-104.6	**287.2**
Financial investments	89.6	-30.4	**59.2**	79.7	-22.9	**56.8**
Loans and derivative financial instruments	105.3	17.6	**122.9**	109.7	17.2	**126.9**
	580.8	782.6	**1,363.4**	581.3	707.9	**1,289.2**
Fixed assets	22,056.0	-160.9	**21,895.1**	21,133.9	-121.1	**21,012.8**
Deferred taxes	395.6	-13.0	**382.6**	408.5	-12.2	**396.3**
Other non-current receivables	495.6	-7.5	**488.1**	533.6	-6.1	**527.5**
Non-current income tax assets	26.0		**26.0**	15.9		**15.9**
Total non-current assets	22,973.2	-181.4	**22,791.8**	22,091.9	-139.4	**21,952.5**
Current assets						
Inventories						
Raw materials and consumables	720.3	-51.4	**668.9**	642.6	-46.3	**596.3**
Work in progress	202.2	-12.9	**189.3**	183.7	-11.8	**171.9**
Finished goods and goods for resale	686.3	-19.0	**667.3**	664.3	-15.4	**648.9**
Prepayments	31.0	-3.0	**28.0**	20.1	-2.0	**18.1**
	1,639.8	-86.4	**1,553.4**	1,510.7	-75.6	**1,435.1**
Receivables and other assets						
Current interest-bearing receivables	93.3	23.3	**116.6**	89.5	19.9	**109.4**
Trade receivables	1,643.4	-123.4	**1,520.0**	1,241.3	-104.4	**1,136.9**
Other current operating receivables	388.9	-14.6	**374.3**	364.0	-15.3	**348.7**
Current income tax assets	73.9	-3.1	**70.8**	45.7	-0.6	**45.1**
	2,199.5	-117.8	**2,081.7**	1,740.6	-100.5	**1,640.1**
Derivative financial instruments	23.2		**23.2**	27.1		**27.1**
Cash and cash equivalents	1,423.3	-101.9	**1,321.4**	1,464.9	-113.4	**1,351.5**
Total current assets	5,285.7	-305.9	**4,979.8**	4,743.3	-289.4	**4,453.9**
Disposal groups held for sale				30.6		**30.6**
Balance sheet total	28,258.9	-487.4	**27,771.5**	26,865.8	-428.9	**26,436.9**

Equity and liabilities	30 June 2013			31 December 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Shareholders' equity and non-controlling interests						
Subscribed share capital	562.5		**562.5**	562.5		**562.5**
Share premium	5,539.4		**5,539.4**	5,539.4		**5,539.4**
Retained earnings	6,834.6	-71.8	**6,762.8**	7,397.3	-39.8	**7,357.5**
Other components of equity	-728.8	8.4	**-720.4**	-1,876.9	2.9	**-1,874.0**
Equity attributable to shareholders	12,207.7	-63.4	**12,144.3**	11,622.2	-36.9	**11,585.3**
Non-controlling interests	1,072.1	-22.9	**1,049.2**	959.3	-21.3	**938.0**
Total equity	13,279.8	-86.4	**13,193.4**	12,581.6	-58.2	**12,523.4**
Non-current liabilities						
Bonds payable	6,513.1		**6,513.1**	6,262.8		**6,262.8**
Bank loans	1,519.9	-74.9	**1,445.0**	323.7	-90.5	**233.2**
Other non-current interest-bearing liabilities	113.1	-34.9	**78.2**	115.3	-33.4	**81.9**
	8,146.1	-109.7	**8,036.4**	6,701.8	-123.9	**6,577.9**
Pension provisions	905.7	-4.3	**901.4**	870.0	-3.5	**866.5**
Deferred taxes	579.0	-10.7	**568.3**	511.3	-7.9	**503.4**
Other non-current provisions	972.8	-5.8	**967.0**	946.1	-5.0	**941.1**
Other non-current operating liabilities	78.8	-1.0	**77.8**	62.3	-0.9	**61.4**
Non-current income tax liabilities	62.5		**62.5**	50.0		**50.0**
	2,598.8	-21.7	**2,577.1**	2,439.8	-17.4	**2,422.4**
Total non-current liabilities	10,744.9	-131.5	**10,613.4**	9,141.6	-141.3	**9,000.3**
Current liabilities						
Bonds payable (current portion)	118.8		**118.8**	1,140.4		**1,140.4**
Bank loans (current portion)	343.2	-124.3	**218.9**	510.2	-91.6	**418.6**
Other current interest-bearing liabilities	1,036.9	-21.6	**1,015.3**	662.4	-15.1	**647.3**
	1,498.9	-145.9	**1,353.0**	2,312.9	-106.7	**2,206.2**
Non-controlling interests with put options	44.1	-6.2	**37.9**	50.6	-6.1	**44.5**
	1,543.0	-152.1	**1,390.9**	2,363.5	-112.7	**2,250.8**
Pension provisions (current portion)	85.9	-0.2	**85.7**	95.1	-0.3	**94.8**
Other current provisions	180.5	-1.2	**179.3**	210.6	-1.5	**209.1**
Trade payables	1,358.6	-74.1	**1,284.5**	1,410.7	-75.5	**1,335.2**
Other current operating liabilities	967.4	-38.3	**929.1**	929.5	-33.2	**896.3**
Current income tax liabilities	98.9	-3.8	**95.1**	125.5	-6.1	**119.4**
	2,691.3	-117.5	**2,573.8**	2,771.5	-116.7	**2,654.8**
Total current liabilities	4,234.3	-269.6	**3,964.7**	5,134.9	-229.3	**4,905.6**
Liabilities associated with disposal groups				7.7		**7.7**
Total liabilities	14,979.2	-401.1	**14,578.1**	14,284.2	-370.7	**13,913.5**
Balance sheet total	28,258.9	-487.4	**27,771.5**	26,865.8	-428.9	**26,436.9**

Consolidated statement of comprehensive income – Retrospective adjustments IFRS 10 and IFRS 11

	April - June 2013			January - June 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Profit for the period	468.9	-40.8	**428.1**	284.5	-43.6	**240.9**
Other comprehensive income:						
Items not being reclassified to profit or loss in subsequent periods						
Remeasurement of the defined benefit liability (asset)	85.4		**85.4**	172.6		**172.6**
Income taxes	-14.0		**-14.0**	-34.4		**-34.4**
	71.4		**71.4**	138.3		**138.3**
Items that may be reclassified subsequently to profit or loss						
Cash Flow Hedges - change in fair value	1.6		**1.6**	2.1		**2.1**
Reclassification adjustments for gains / losses included in profit or loss	1.0		**1.0**	3.0		**3.0**
Income taxes	-0.4		**-0.4**	-0.9		**-0.9**
	2.2		**2.2**	4.3		**4.3**
Available for sale assets - change in fair value	4.1	-4.1		8.1	-8.1	
Income taxes	-0.2	0.2		-0.4	0.4	
	3.9	-3.9		7.7	-7.7	
Currency translation	-851.1	16.0	**-835.0**	-603.5	6.0	**-597.5**
Income taxes	10.3		**10.3**	14.3		**14.3**
	-840.8	16.0	**-824.8**	-589.2	6.0	**-583.2**
Net gains / losses arising during the period from equity method investments		-2.6	**-2.6**		9.5	**9.5**
	-834.7	9.5	**-825.2**	-577.2	7.7	**-569.5**
Other comprehensive income	-763.3	9.5	**-753.8**	-438.9	7.7	**-431.2**
Total comprehensive income	-294.4	-31.2	**-325.7**	-154.5	-35.9	**-190.3**
Relating to non-controlling interests	24.2	1.4	**25.6**	99.7	-2.3	**97.3**
Relating to HeidelbergCement AG shareholders	-318.6	-32.6	**-351.2**	-254.1	-33.5	**-287.7**

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 in 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.

Exchange rates

The following table contains the key exchange rates used in the translation of the separate financial statements denominated in foreign currencies into euro.

Exchange rates		Exchange rates at reporting date		Average exchange rates	
EUR		31 Dec. 2013	30 June 2014	01-06/2013	01-06/2014
USD	USA	1.3746	**1.3692**	1.3131	**1.3710**
AUD	Australia	1.5412	**1.4516**	1.2953	**1.4990**
CAD	Canada	1.4600	**1.4611**	1.3335	**1.5035**
GBP	Great Britain	0.8303	**0.8005**	0.8506	**0.8215**
IDR	Indonesia	16,755.00	**16,387.95**	12,810.71	**16,081.33**

Business combinations in the reporting period
To strengthen the market position in the field of aggregates, HeidelbergCement purchased an additional 62.91 % of shares in the Cimescaut Group, Tournai, Belgium – previously accounted for at equity – on 15 January 2014, thereby raising its shareholding to 96.93 %. The purchase price amounted to €47.9 million and was paid in cash. The fair value of the previously held equity interest amounted to €21.4 million as at the acquisition date. The revaluation of the interest resulted in a gain of €5.6 million, which was recognised in the additional ordinary income. The non-controlling interests of €1.3 million were measured on the basis of their proportionate interest in the fair value of the identifiable net assets. The purchase price allocation has not yet been completed, as not all valuations are available. There may be adjustments concerning the valuation of mineral reserves, property, plant and equipment, and the associated deferred taxes. The provisionally recognised goodwill of €28.9 million, which is not tax-deductible, represents synergy effects. As part of the business combination, receivables with a fair value of €17.2 million were acquired. These concern trade receivables amounting to €6.0 million, loan receivables amounting to €2.0 million, and other receivables to the amount of €9.2 million. The gross value of the receivables is €17.6 million, of which €0.4 million is likely to be irrecoverable.

On 20 January 2014, HeidelbergCement acquired 100 % of the shares in Espabel NV, Gent, Belgium. Espabel operates a cement grinding plant. With this acquisition, HeidelbergCement aims to enhance its market position in cement activities and realise cost savings in production and sales. The purchase price of €35.6 million is made up of a cash payment of €29.6 million and a liability for a contingent consideration, which was recognised at a fair value of €6.0 million. The provisionally recognised goodwill of €27.9 million, which is not tax-deductible, represents synergy effects. The purchase price allocation is provisional, as not all valuations have been completed. There may be adjustments concerning the valuation of property, plant and equipment, and the associated deferred taxes. Trade receivables with a fair value of €3.3 million were acquired. The gross value amounts to €3.4 million, of which €0.1 million is expected to be irrecoverable.

The following table shows the provisional fair values of the identifiable assets and liabilities of the business combinations as at the acquisition date.

Preliminary fair values recognised as at the acquisition date

€m	Cimescaut	Espabel	Total
Intangible assets	0.0	1.0	**1.1**
Property, plant and equipment	11.6	33.1	**44.7**
Financial fixed assets	10.4	0.0	**10.4**
Inventories	3.2	2.7	**5.8**
Trade receivables	6.0	3.3	**9.3**
Cash and cash equivalents	22.9	0.2	**23.1**
Other assets	9.9	0.3	**10.2**
Total assets	63.9	40.7	**104.6**
Provisions	1.4		**1.4**
Liabilities	18.8	32.8	**51.6**
Deferred taxes	2.0	0.3	**2.3**
Total liabilities	22.2	33.0	**55.3**
Net assets	41.7	7.7	**49.4**

Furthermore, in the second quarter of 2014, HeidelbergCement effected business combinations in Germany in the area of ready-mixed concrete that were of minor importance for the presentation of the financial position and performance of the Group.

Business combinations in the same period of the previous year

To strengthen the market position in the field of ready-mixed concrete, HeidelbergCement acquired the outstanding 50 % share in the joint venture BLG Transportbeton GmbH & Co. KG (BLGT), Munich, on 1 January 2013. The purchase price amounted to €6.8 million and was paid in cash. Thus far the company has been accounted for at equity in the consolidated financial statements. The fair value of the previously held shares amounted to €6.8 million. The revaluation of the previous shareholding resulted in a profit of €2.4 million, which was recognised in the additional ordinary income. The purchase price allocation has not been completed as at 30 June 2013. The valuation of tangible fixed assets may be revised. The provisionally recognised goodwill of €6.1 million, which is not deductible for tax purposes, reflects the synergy potential arising from the business combination.

On 2 April 2013, HeidelbergCement acquired the remaining 50 % of the shares in the joint venture Midland Quarry Products Limited (MQP), Whitwick, within the scope of a business combination. The acquired company is one of the leading suppliers of aggregates and asphalt for the construction industry and rail industry in the United Kingdom. The purchase price amounted to €39.4 million and was paid in cash. Thus far the company has been consolidated at equity. The provisional fair value of the previously held equity interest in the company amounted to €33.4 million as at the acquisition date. The revaluation of the shares resulted in a loss of €53.3 million, which was recognised in the additional ordinary expenses. The purchase price allocation has not been completed as at 30 June 2013. The valuations of the acquired property, plant and equipment, as well as the associated deferred taxes are essentially outstanding. The provisionally recognised goodwill representing synergies amounted to €6.3 million and is not deductible for tax purposes.

The following table shows the provisional fair values of the identifiable assets and liabilities of the business combinations as at the acquisition date.

Preliminary fair values recognised as at the acquisition date

€m	BLGT	MQP	Total
Intangible assets	0.1		**0.1**
Property, plant and equipment	9.1	48.1	**57.2**
Inventories	0.3	6.8	**7.1**
Trade receivables	0.2	14.0	**14.2**
Cash and cash equivalents	1.0	8.3	**9.3**
Other assets	0.4	15.3	**15.6**
Total assets	11.1	92.5	**103.6**
Provisions	0.4	1.4	**1.7**
Liabilities	2.7	15.5	**18.2**
Deferred taxes	0.7	9.1	**9.7**
Total liabilities	3.7	26.0	**29.7**
Net assets	7.4	66.5	**73.9**

Divestments in the reporting period

The agreement dated 5 October 2013 obliged HeidelbergCement to dispose of the grinding facility in Raigad, India. The approval of the local authorities and the transfer of assets and liabilities took place on 3 January 2014. The sales price of €19.6 million is made up of a cash payment of €11.8 million and a receivable of €7.8 million.

On the basis of an agreement dated 23 December 2013, HeidelbergCement was obliged to dispose of its shares in the participation OAO Voronezhskoe Rudoupravlenije, Strelica, Russia. The notarial transfer of the shares to the purchaser occurred after approval was given by the local competition authorities on 3 February 2014. The sales price of €5.0 million was paid in cash.

On 28 March 2014, HeidelbergCement sold its shares in Cimgabon S.A., Libreville, Gabon. The resulting purchase price receivable from the disposal amounted to €1.4 million.

The following table shows the assets and liabilities as at the date of deconsolidation.

Assets and liabilities at date of disposal

€m	India	Russia	Gabon	Total
Property, plant and equipment			3.7	**3.7**
Inventories			8.0	**8.0**
Cash and cash equivalents			1.3	**1.3**
Other assets			8.6	**8.6**
Disposal groups held for sale	15.5	10.5		**26.0**
Total assets	15.5	10.5	21.6	**47.6**
Provisions			16.6	**16.6**
Liabilities			43.7	**43.7**
Liabilities associated with disposal groups	3.6	3.8		**7.4**
Total liabilities	3.6	3.8	60.4	**67.7**
Net assets	12.0	6.7	-38.8	**-20.2**

The results from deconsolidation are shown in the additional ordinary result.

Divestments in the same period of the previous year

HeidelbergCement did not effect any significant divestments in the first half of 2013.

Revenue development by Group areas and business lines

January - June	Cement		Aggregates		Building products		Concrete-service-other		Intra Group eliminations		Total	
€m	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**
Western and Northern Europe	812	**864**	354	**400**	206	**244**	794	**877**	-294	**-324**	1,872	**2,060**
Eastern Europe-Central Asia	437	**457**	40	**42**			67	**66**	-29	**-30**	515	**535**
North America	481	**482**	460	**465**	302	**287**	407	**414**	-158	**-146**	1,491	**1,503**
Asia-Pacific	979	**856**	277	**252**	13	**14**	559	**524**	-210	**-199**	1,618	**1,448**
Africa-Mediterranean Basin	344	**305**	42	**43**			117	**121**	-30	**-20**	474	**449**
Group Services							419	**533**			419	**533**
Inter-Group area revenue within business lines	-8	**-31**									-8	**-31**
Total	3,045	**2,932**	1,174	**1,201**	522	**546**	2,363	**2,536**	-721	**-719**	6,382	**6,497**
Inter-Group area revenue between business lines									-195	**-179**	-195	**-179**
Total									-917	**-898**	6,187	**6,318**

Earnings per share

Earnings per share	January - June	
€m	2013	2014
Profit for the period	240.9	**182.3**
Non-controlling interests	107.7	**95.5**
Group share of profit	133.2	**86.8**
Number of shares in '000s (weighted average)	187,500	**187,916**
Earnings per share in €	0.71	**0.46**
Net income from continuing operations – attributable to the parent entity	37.0	**90.0**
Earnings per share in € – continuing operations	0.20	**0.48**
Net income / loss from discontinued operations – attributable to the parent entity	96.1	**-3.2**
Earnings / loss per share in € – discontinued operations	0.51	**-0.02**

The basic earnings per share are calculated in accordance with IAS 33 (Earnings per Share), by dividing the Group share of profit for the financial year by the weighted average of the number of issued shares. The diluted earnings per share indicator takes into account not only currently issued shares but also shares potentially available through option rights. The earnings per share were not diluted in the reporting period in accordance with IAS 33.30.

Consolidated statement of comprehensive income

The Group share in total comprehensive income amounts to €208.6 million (previous year: -287.7). The profit for the period decreased by €46.4 million to €86.8 million (previous year: 133.2). Other comprehensive income amounts to €121.8 million (previous year: -420.8). The actuarial losses of €-65.5 million (after income taxes) recognised in other comprehensive income are primarily due to changes in interest rates. In the same period of the previous year, gains of €138.2 million were recorded. The negative changes in the cash flow hedge reserve of €-1.5 million (previous year: 3.6) during the reporting period result primarily from currency swaps. Currency translation resulted in gains of €178.9 million (previous year: losses of -572.1) in the reporting period, which primarily resulted from the appreciation of the British pound and the Australian dollar against the euro since 31 December 2013. The changes of the other comprehensive income of joint ventures and associates accounted for using the equity method total €9.9 million (previous year: 9.4) and result from the market valuation of available-for-sale assets amounting to €3.6 million (previous year: 7.7) and the currency translation of €6.4 million (previous year: 1.7).

Non-controlling interests in the total comprehensive income of €135.8 million are essentially composed of the non-controlling interest in the profit for the period of €95.5 million, which results in particular from the positive contributions to profits made by our Indonesian and African subsidiaries, as well as a positive result from currency translation of €41.1 million, which is mainly due to the appreciation of the Indonesian rupiah against the euro.

Goodwill

An impairment test on goodwill in accordance with IAS 36 (Impairment of Assets) is generally performed annually within the HeidelbergCement Group in the fourth quarter once the operational three-year plan has been prepared, or if there are indications of impairment. In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with the recoverable amount of this group of CGUs. As at 30 June 2014, there were no events giving rise to or indications of a possible impairment requirement and therefore no impairment needed to be recognised.

Statement of changes in equity
The subscribed capital was increased by €1.25 million to €563.75 million as part of an authorised capital increase (Authorised Capital II) through the issuance of 416,477 no-par value shares. The number of no-par value bearer shares was raised to 187,916,477. As of 1 January 2014, the new shares are entitled to profit participation and were admitted to trading immediately after the Annual General Meeting on 7 May 2014. The nominal value of each share is €3.00, which corresponds to a proportionate amount of the subscribed share capital. The share premium of €5,539.4 million (unchanged from 31 December 2013) was essentially created from the premium from capital increases. As at the reporting date, the company has no treasury shares.

At the reporting date, the retained earnings amounted to €7,282.5 million (previous year: 7,357.5). They were increased in the reporting period by the total comprehensive income of €21.3 million, which is composed of the profit for the period of €86.8 million and the actuarial gains and losses of €-65.5 million recognised in other comprehensive income. The changes in ownership interests in subsidiaries amounting to €-6.1 million resulted mainly from the acquisition of the remaining 18 % of shares in the Georgian cement manufacturer LLC Kartuli Cementi, Tiblisi. Furthermore, retained earnings rose by €22.3 million due to the capital increase from the conversion of a purchase price liability from the acquisition of the remaining 70 % of the shares in Kerpen & Kerpen GmbH & Co. KG, Ochtendung. Dividends of €112.5 million (€0.60 per share) were paid to the shareholders of HeidelbergCement AG.

The other components of equity were increased by a total of €186.7 million. Of this amount, €185.3 million related to currency translation gains, €3.6 million to positive changes in the fair value of cash flow hedges, €-1.5 million to assets available for sale, and €-0.7 million to the transfer from the revaluation reserve in retained earnings (other changes).

Non-controlling interests amounted to €925.4 million (previous year: 938.0) as at the reporting date. This includes the increase from the profit for the period of €95.5 million, and other comprehensive income for the period of €40.3 million. Other comprehensive income primarily relates to currency translation differences which have improved since 31 December 2013 by €41.1 million from €-267.1 million to €-226.0 million. Changes in ownership interests in subsidiaries and other changes increased the non-controlling interests by €7.6 million. During the reporting period, dividend payments of €157.1 million were made to non-controlling interests. Major payments were made to the non-controlling shareholders of our Indonesian subsidiary PT Indocement.

Changes in estimates for pension provisions
The actuarial gains and losses were adjusted on the basis of the interest rates for the key countries applicable at the reporting date. The decrease in interest rates by around 0.4 percentage points led to an increase in the provisions for pensions and similar obligations by €95.4 million.

Disclosures on financial instruments
The following table assigns the individual balance sheet items for the financial instruments to classes and valuation categories. In addition, the aggregate carrying amounts for each measurement category and the fair values for each class are shown.

Carrying amounts, measurement and fair values by measurement categories

€m	Category of IAS 39 [1]	Amortised cost	Cost	Fair value with P/L effect	Fair value without P/L effect	Carrying amount	Fair value
30 June 2014							
Assets							
Financial investments – available for sale at cost	AfS		53.4			**53.4**	
Loans and other interest-bearing receivables	LaR	210.8				**210.8**	**213.5**
Trade receivables and other operating receivables	LaR	2,029.1				**2,029.1**	**2,029.1**
Cash and cash equivalents	LaR	1,349.5				**1,349.5**	**1,349.5**
Derivatives – hedge accounting	Hedge				52.6	**52.6**	**52.6**
Derivatives – held for trading	HfT			66.4		**66.4**	**66.4**
Liabilities							
Bonds payable, bank loans, and miscellaneous financial liabilities	FLAC	9,380.7				**9,380.7**	**10,337.1**
Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities	FLAC	2,185.0				**2,185.0**	**2,185.0**
Liabilities from finance lease	FLAC	11.7				**11.7**	**11.7**
Derivatives – hedge accounting	Hedge				4.2	**4.2**	**4.2**
Derivatives – held for trading	HfT			23.8		**23.8**	**23.8**
Non-controlling interests with put options	FLAC	20.1				**20.1**	**20.1**
31 December 2013							
Assets							
Financial investments – available for sale at cost	AfS		56.8			**56.8**	
Loans and other interest-bearing receivables	LaR	200.8				**200.8**	**203.4**
Trade receivables and other operating receivables	LaR	1,687.4				**1,687.4**	**1,687.4**
Cash and cash equivalents	LaR	1,351.5				**1,351.5**	**1,351.5**
Derivatives – hedge accounting	Hedge				11.5	**11.5**	**11.5**
Derivatives – held for trading	HfT			51.1		**51.1**	**51.1**
Liabilities							
Bonds payable, bank loans, and miscellaneous financial liabilities	FLAC	8,748.0				**8,748.0**	**9,711.2**
Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities	FLAC	2,145.7				**2,145.7**	**2,145.7**
Liabilities from finance lease	FLAC	9.8				**9.8**	**9.8**
Derivatives – hedge accounting	Hedge				14.1	**14.1**	**14.1**
Derivatives – held for trading	HfT			12.2		**12.2**	**12.2**
Non-controlling interests with put options	FLAC	44.5				**44.5**	**44.5**

1) AfS: Available for sale, LaR: Loans and receivables, Hedge: Hedge accounting, HfT: Held for trading, FLAC: Financial liabilities at amortised cost

Available for sale at cost investments are equity investments measured at cost, for which no listed price on an active market exists and whose fair values cannot be reliably determined. Therefore, no fair value is indicated for these instruments. Derivative financial instruments, both those designated as hedges and those held for trading, are also measured at fair value. In these items, the fair value always corresponds to the carrying amount.

The fair values of the long-term loans, other long-term operating receivables, bank loans, finance lease liabilities, and other long-term interest-bearing and operating liabilities correspond to the present values of the future payments, taking into account the interest parameters at the time of payment.

The fair values of the listed bonds correspond to the nominal values multiplied by the price quotations on the reporting date. For the financial instruments with short-term maturities, the carrying amounts on the reporting date represent reasonable estimates of the fair values.

All financial assets and liabilities which are measured at fair value are classified into Level 2 of the fair value hierarchy of IFRS 13.

Related parties disclosures
No reportable transactions with related parties took place in the reporting period beyond normal business relations.

Contingent liabilities and other financial commitments
As at the reporting date, there were contingent liabilities of €54.4 million (previous year: 52.0) mainly related to tax-related risks. The timing of the possible cash outflows for the contingent liabilities is uncertain because they depend on various external factors that remain outside HeidelbergCement's control. The application of taxation regulations may not yet be determined at the time that current income tax assets and liabilities are calculated. The calculation of tax items is based on the regulations most likely to be applied in each case. Regardless of this, the fiscal authorities may be of a deviating opinion, which may give rise to additional tax liabilities.

The total future minimum lease payments for operating leases as at the reporting date are shown in the following table.

Other financial commitments

€m	31 Dec. 2013	30 June 2014
Future minimum lease payments under non-cancellable operating leases		
Due within one year	144.2	**134.5**
Due between one and five years	321.4	**342.6**
Due after five years	406.1	**405.7**
	871.7	**882.8**

Events after the balance sheet date
After the balance sheet date, there were no reportable events.

Responsibility statement
To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Heidelberg, 30 July 2014

HeidelbergCement AG

The Managing Board

The Company has its registered office in Heidelberg, Germany.
It is registered with the Commercial Register at the Local Court
of Mannheim (Amtsgericht Mannheim) under HRB 330082.

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The Half-Year Financial Report January to June 2014 was published on 30 July 2014.

Financial calendar	
Interim Financial Report January to September 2014	6 November 2014
Annual General Meeting 2015	7 May 2015

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