

AGM 2021

CEO Key Messages

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MATERIAL
TO BUILD OUR FUTURE

Key messages Annual General Meeting 2021

- Record result 2020 despite Corona
- Return to progressive dividend
- Q1 2021 result clearly above expectations
- High financial strength thanks to debt reduction
- Major progress on CO₂ roadmap
- Optimistic outlook for 2021

1. We exceeded our forecast for all key figures

- Results from operations before depreciation (RCOBD) +6.1% on a comparable basis
- Net financial debt below €7 billion (€6.9 billion)
- Leverage ratio below 2.0x (1.86x)
- Savings >€1 billion (€1.3 billion)

2. We achieved record values in most of the important key figures

- Revenue € 17.6 billion (-7%)
- Results from operations before depreciation (RCOBD) € 3.7 billion (+4%)
- Result (RCO) € 2.4 billion (+8%)
- Adjusted earnings per share € 6.90 (+8%)
- Return on invested capital (ROIC) 7.9% (+1.4% points)

3. We significantly reduced net financial debt through high free cash flow

- Free cash flow €2.2 billion (+28%)
- Debt of € 6.9 billion (-18%); leverage ratio of 1.86x (-0.49x) within our target range of 1.5x-2.0x
- Upgraded by both rating agencies S&P (from BBB- to BBB) and Moody's (from Baa3 to Baa2)
- We adjusted the balance sheet with a special impairment of €3.4 billion

4. We return to our progressive dividend policy earlier than expected

- 2.20 per share (PY: 0.60 per share); +5% vs 2019

5. Our Q1 2021 result is significantly above the previous year and market expectations

- Revenue € 4 billion (+1%)
- Results from operations before depreciation € 538 million (+33%)
- Result € 223 million (+280%)

6. The building materials industry will continue to grow

- Population growth & urbanisation
- Sustainable, innovative building materials in demand
- Digitalisation and automation open up new business models

7. Strategy Beyond 2020: We have set ourselves ambitious goals until 2025

- RCOBD: +3%-pts
- ROIC: clearly >8%
- Leverage ratio: 1.5x-2.0x
- CO₂ reduction: -30% vs 1990 to 525kg CO₂/t of cementitious material
- Digital transformation: >75% of global sales volume covered by HConnect

8. Milestones Beyond 2020

- Portfolio simpler and more profitable
- Accelerating the reduction of our CO₂ emissions
- Embedding CO₂ reduction targets in the remuneration system worldwide
- Researching new CO₂ capture technologies
- Global pioneer in the implementation of CCU/S projects
- Continuous expansion of our range of sustainable product solutions
- Development partner in innovative 3D concrete printing technology
- Good progress in digital transformation
- Very well on track to achieve our 2025 targets

9. Optimistic forecast for 2021

- Slight increase in turnover, RCOBD and RCO
- Net capital expenditure approx. € 1.2 billion
- ROIC above 8%
- Leverage ratio between 1.5 and 2.0x