



# H1 2021 RESULTS

JAN JENISCH | CEO

GÉRALDINE PICAUD | CFO

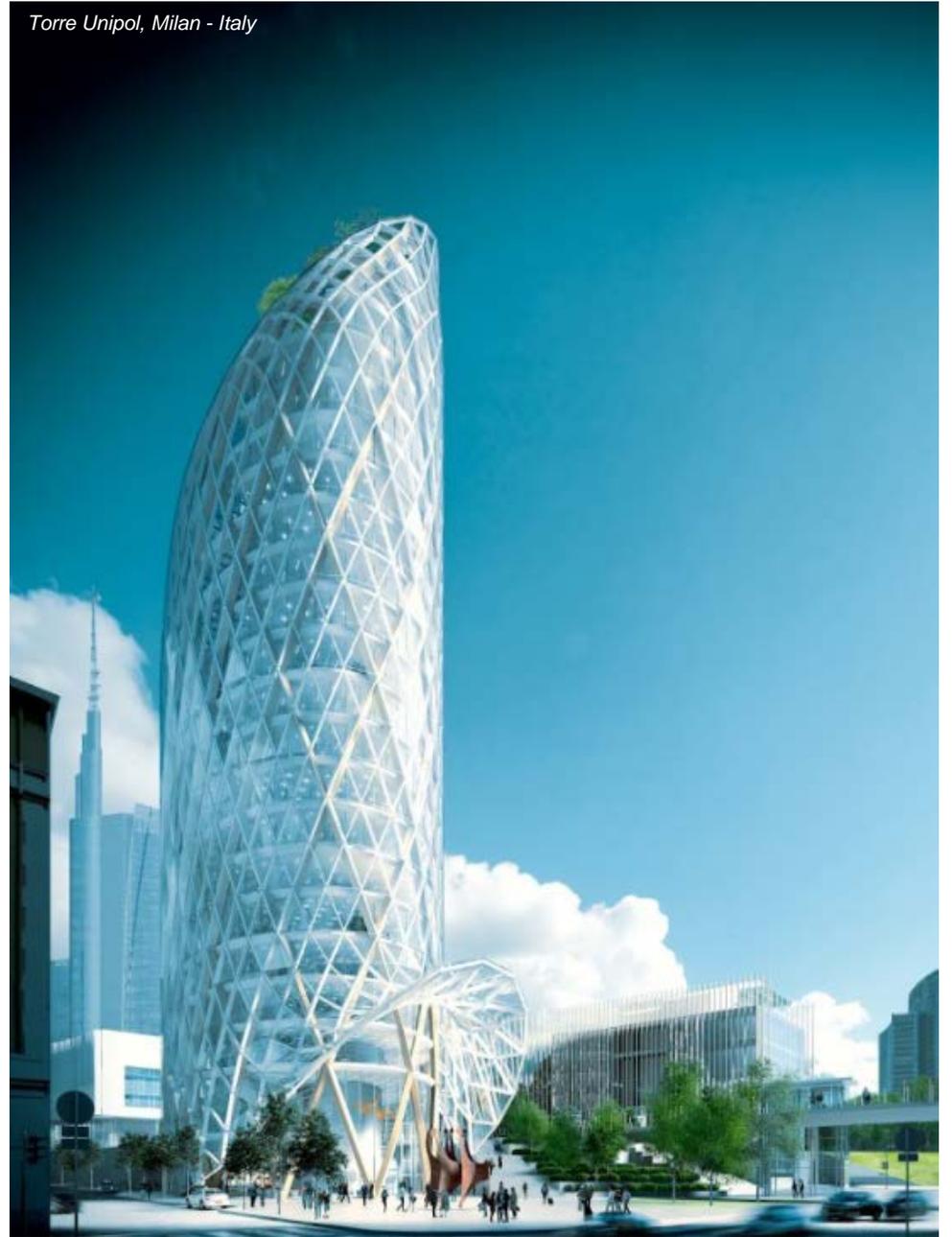
JULY 30, 2021



# 01. HIGHLIGHTS AND KEY DEVELOPMENTS

JAN JENISCH | CHIEF EXECUTIVE OFFICER

*Torre Unipol, Milan - Italy*



# H1 2021 KEY DEVELOPMENTS

## PROFITABLE GROWTH CONTINUES, RECORD RESULTS

Growth momentum continues,  
**Net Sales** up **16.6%** LFL

Significant margin increase in all regions & segments  
**Recurring EBIT** up **72.2%** LFL  
Strong over-proportional growth

Record Cash generation, robust balance sheet  
**Free Cash Flow** of **CHF 814 m, +9%**

Future growth fueled with **7 bolt-on**  
acquisitions  
Successful start of **Firestone Building**  
**Products**

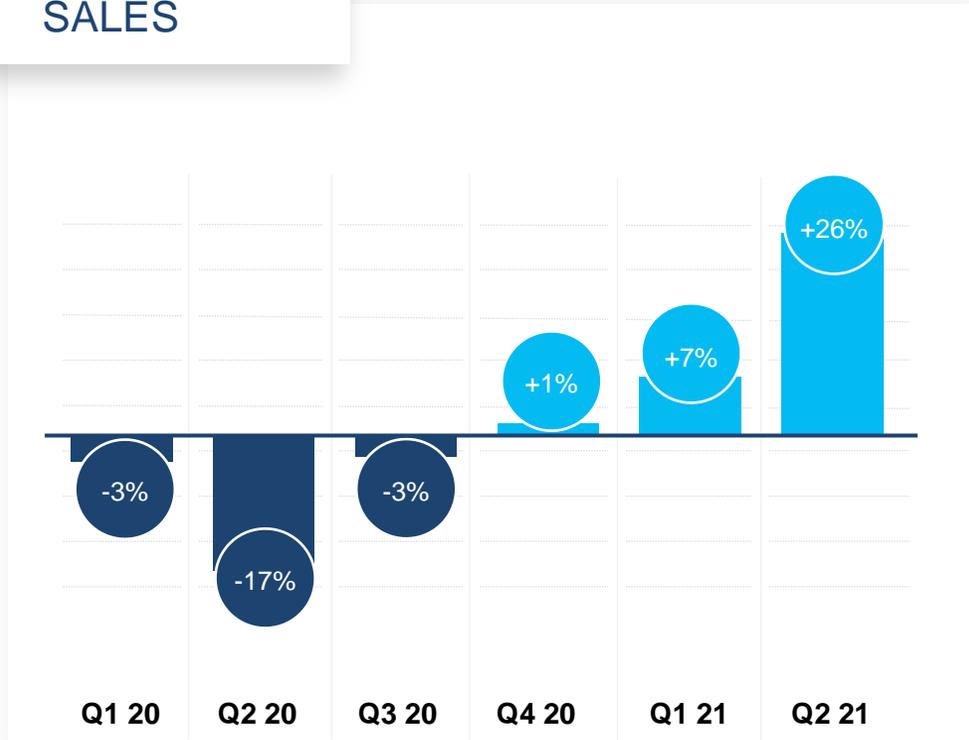
At the forefront of  
**innovative and sustainable**  
**building solutions**

Growth trends expected to continue in 2021  
**Guidance upgraded**  
FY 2021 recurring EBIT growth of at least **18%** LFL

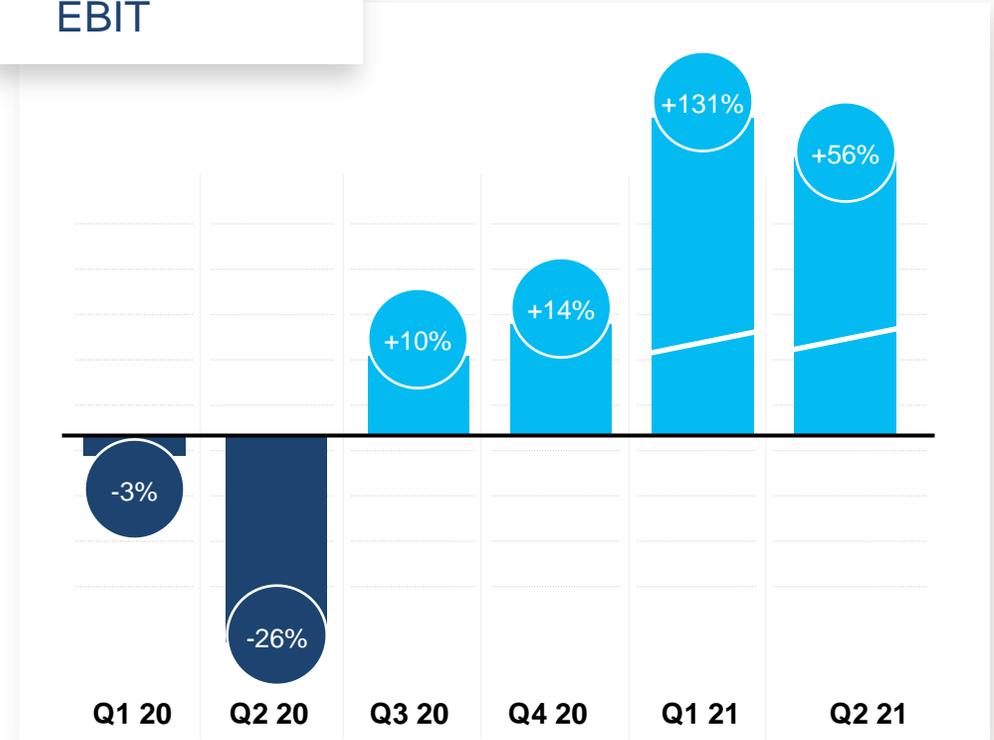
# H1 2021 KEY PERFORMANCE

## PROFITABLE GROWTH CONTINUES, RECORD RESULTS

### NET SALES



### RECURRING EBIT



 % LFL

# FIRESTONE BUILDING PRODUCTS

## A SUCCESSFUL START AS OF APRIL 1<sup>ST</sup>, 2021

### Strong market **DEMAND**

Growth in all product lines and all regions

Volumes up 21% in Q2



Thammasat University Rooftop Farm, Thailand  
Asia's largest rooftop farm with UltraPly TPO covering 20'000 m<sup>2</sup> green roof

### Expansion in **LATAM**

Holcim GacoFlex TechoProtec launched in Mexico



GacoFlex "TechoProtec" liquid applied waterproofing and roofing solutions for residential and commercial applications

### Industry leader in **INNOVATION**

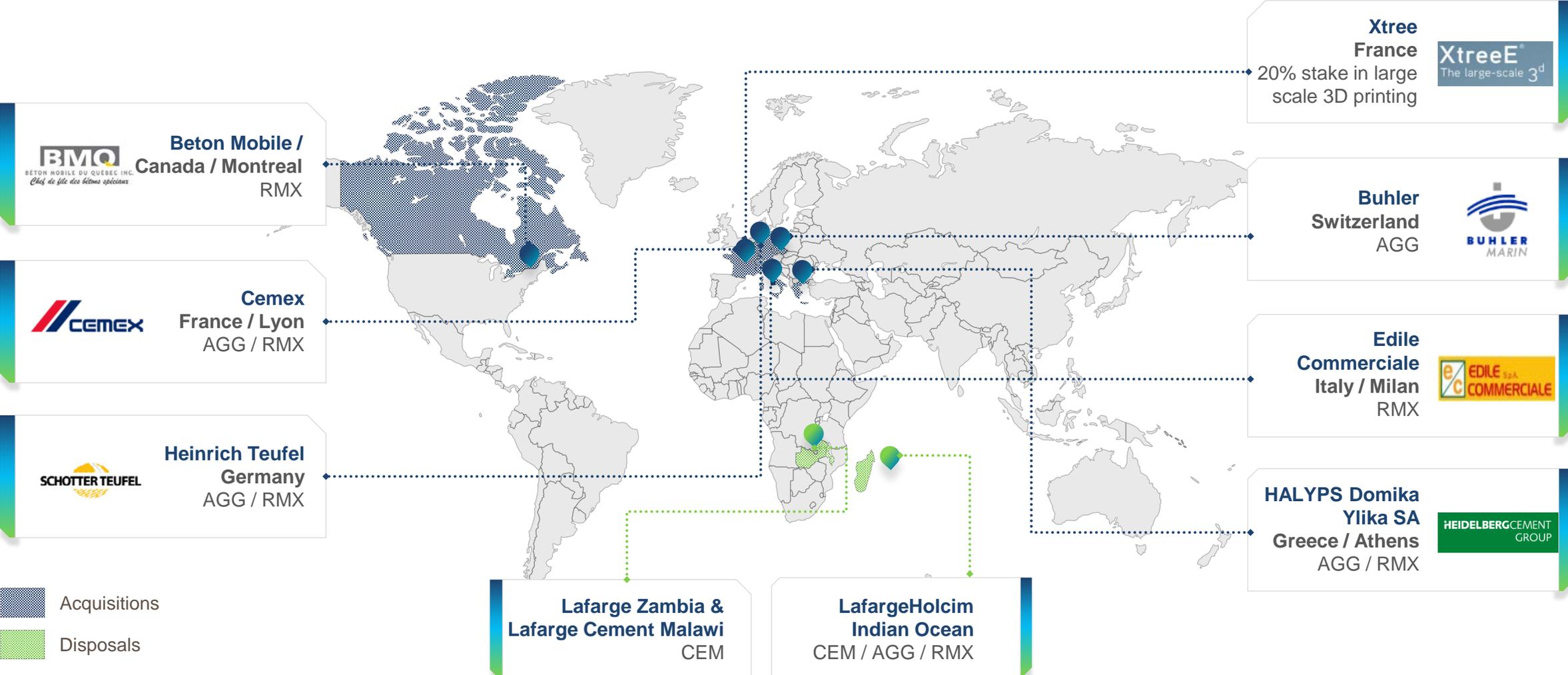
Environmental and energy efficient solutions



New FullForce highly reflective, self-adhering membrane

# BOLT-ON ACQUISITIONS AND ASSET DIVESTMENTS

## FUTURE GROWTH FUELED WITH 7 BOLT-ON ACQUISITIONS



# AT THE FOREFRONT OF INNOVATIVE AND SUSTAINABLE BUILDING SOLUTIONS FURTHER STRENGTHENING OUR LEADERSHIP



Holcim achieves

**Highest rating of A1+**  
**Top 2%** ranking worldwide  
**Best Energy Transition**  
score within the industry by Vigeo



**3D printing**, a new language for concrete that is **digital and environmental**, from complex infrastructure to affordable housing

**Striatus** in Venice, **3D printed school** in Malawi, **wind turbine tower** with GE

## ECOPact

**ECOPact** now available in **24 markets**, across all five regions just one year since global launch

Holcim to offer **ECOPact Zero** in all **countries by 2030**



**5 CCUS** advanced pilot projects in Europe and North America

**Westküste 100** in Germany, **CO2MENT** project in Canada & the US, **Carbon2Product** in Austria, **ECCO2** in Spain



Holcim deploys its **industry-leading Transport Analytics Center (TAC)** to optimize its logistics for **enhanced efficiency, safety and sustainability**

## ECOPlanet

Holcim launches

**ECOPlanet**, the first **global range of green cement**

Offers at least **30% lower carbon footprint** with no compromise on performance

# AT THE FOREFRONT OF INNOVATIVE AND SUSTAINABLE BUILDING SOLUTIONS GLOBAL ROLL OUT OF ECOPACT ACCELERATING

# ECOPact

THE GREEN CONCRETE



## North America

**2020**  
US | CANADA

## Europe

**2020**  
SWITZERLAND |  
GERMANY | FRANCE | UK

**2021**  
BELGIUM | ROMANIA |  
SPAIN | ITALY | POLAND  
GREECE | SERBIA | AUSTRIA

## Middle East Africa

**2021**  
QATAR | JORDAN

## Latin America

**2020**  
COLOMBIA | MEXICO |  
ECUADOR

**2021**  
EL SALVADOR |  
ARGENTINA | BRAZIL

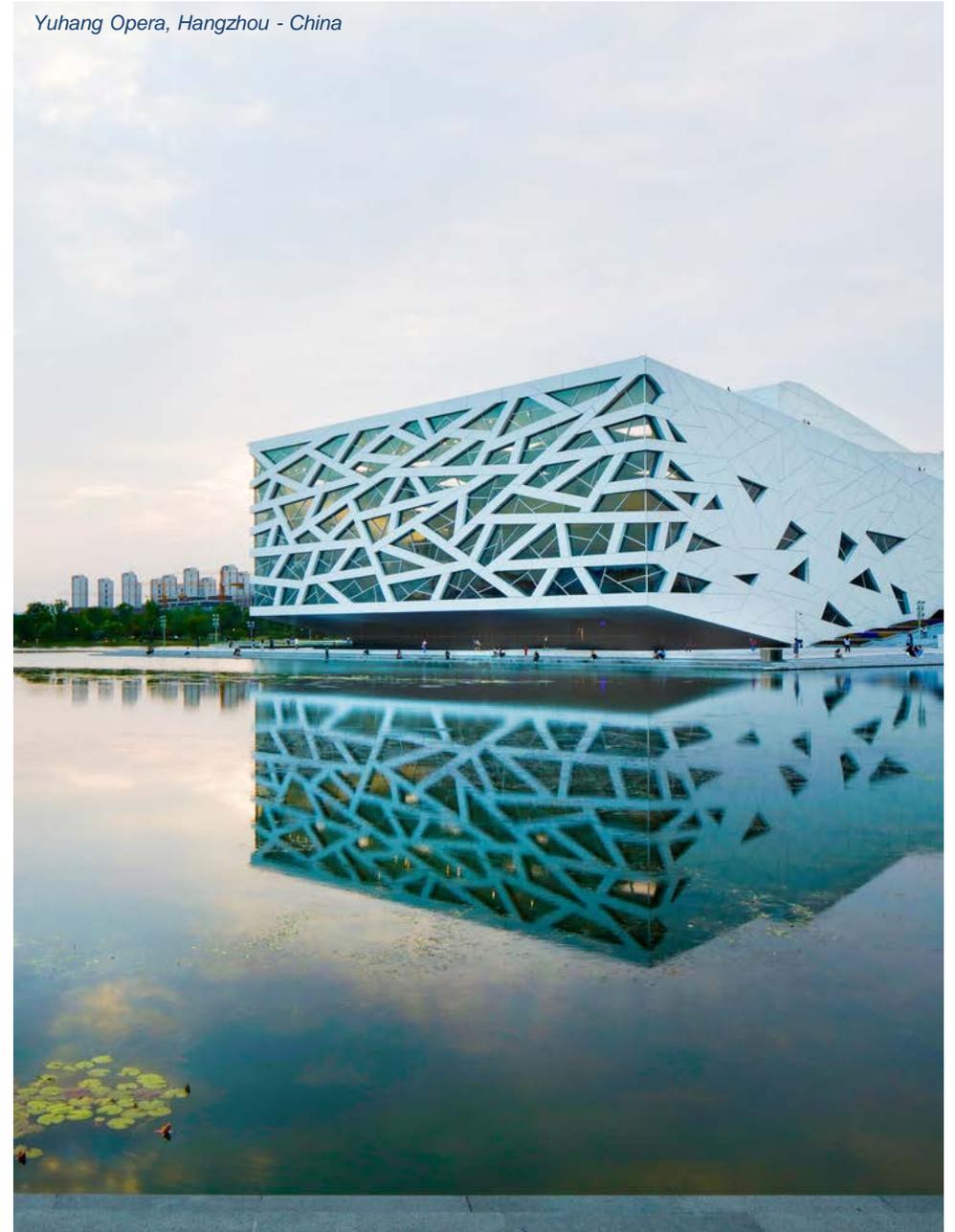
## Asia Pacific

**2021**  
INDIA | AUSTRALIA

# 02. FINANCIAL HIGHLIGHTS

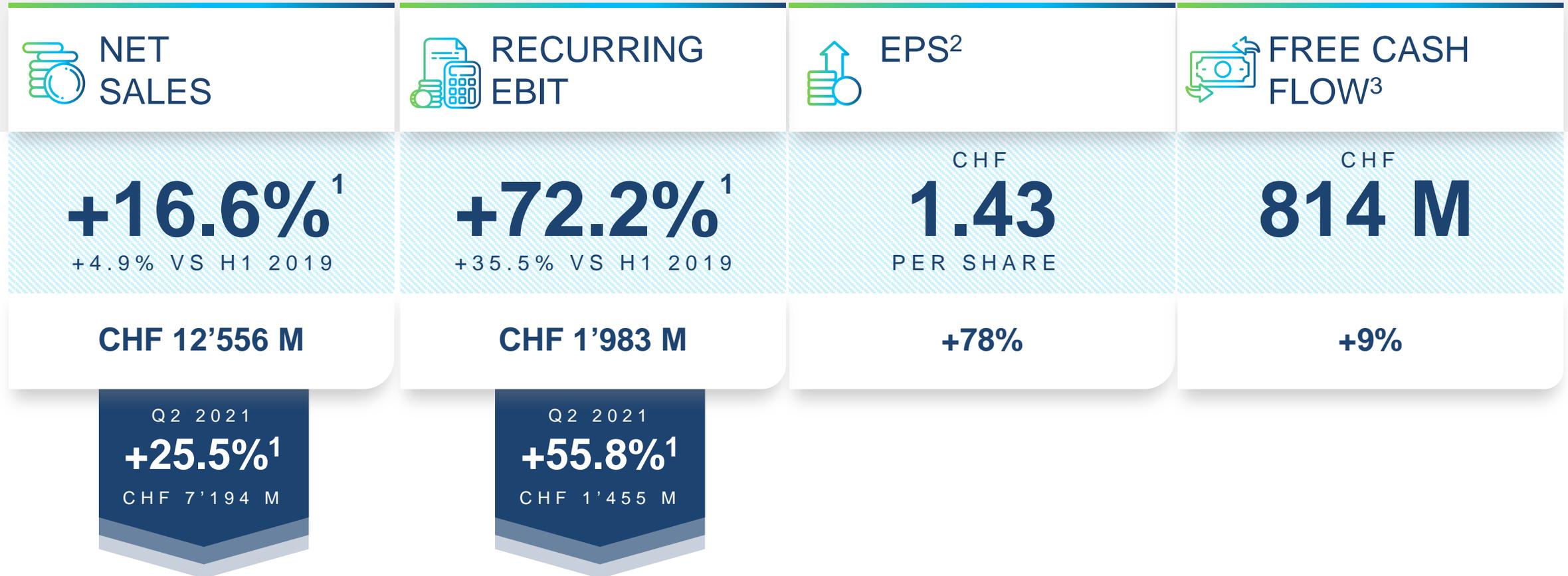
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*Yuhang Opera, Hangzhou - China*



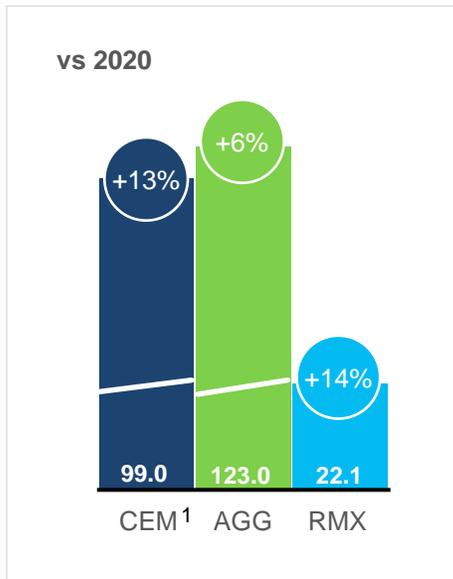
# H1 2021 PERFORMANCE HIGHLIGHTS

## RECORD RECURRING EBIT, EPS AND FREE CASH FLOW GROWTH IN H1

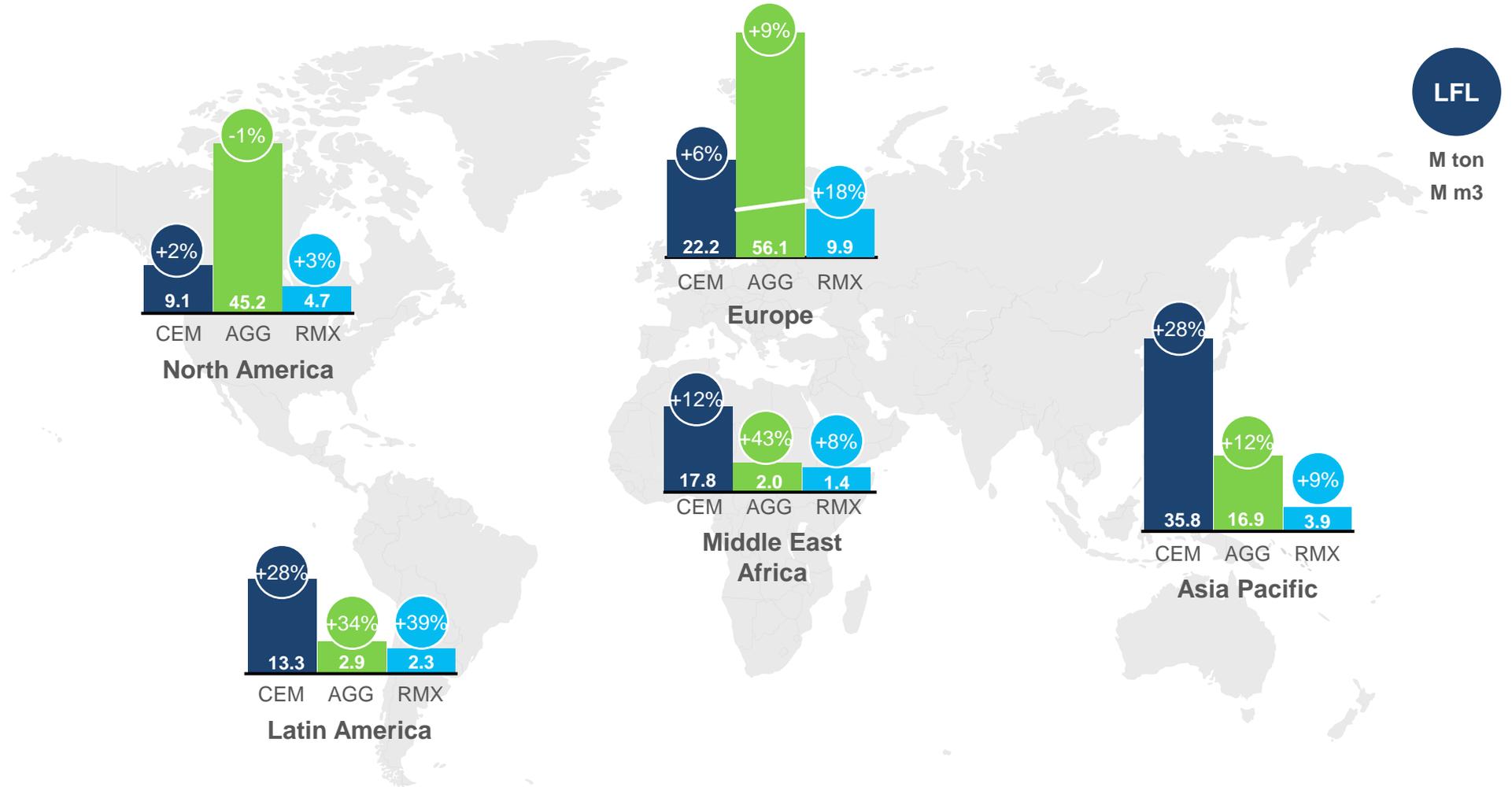


# H1 2021 VOLUMES DEVELOPMENT

## VOLUMES GROWTH IN ALL REGIONS

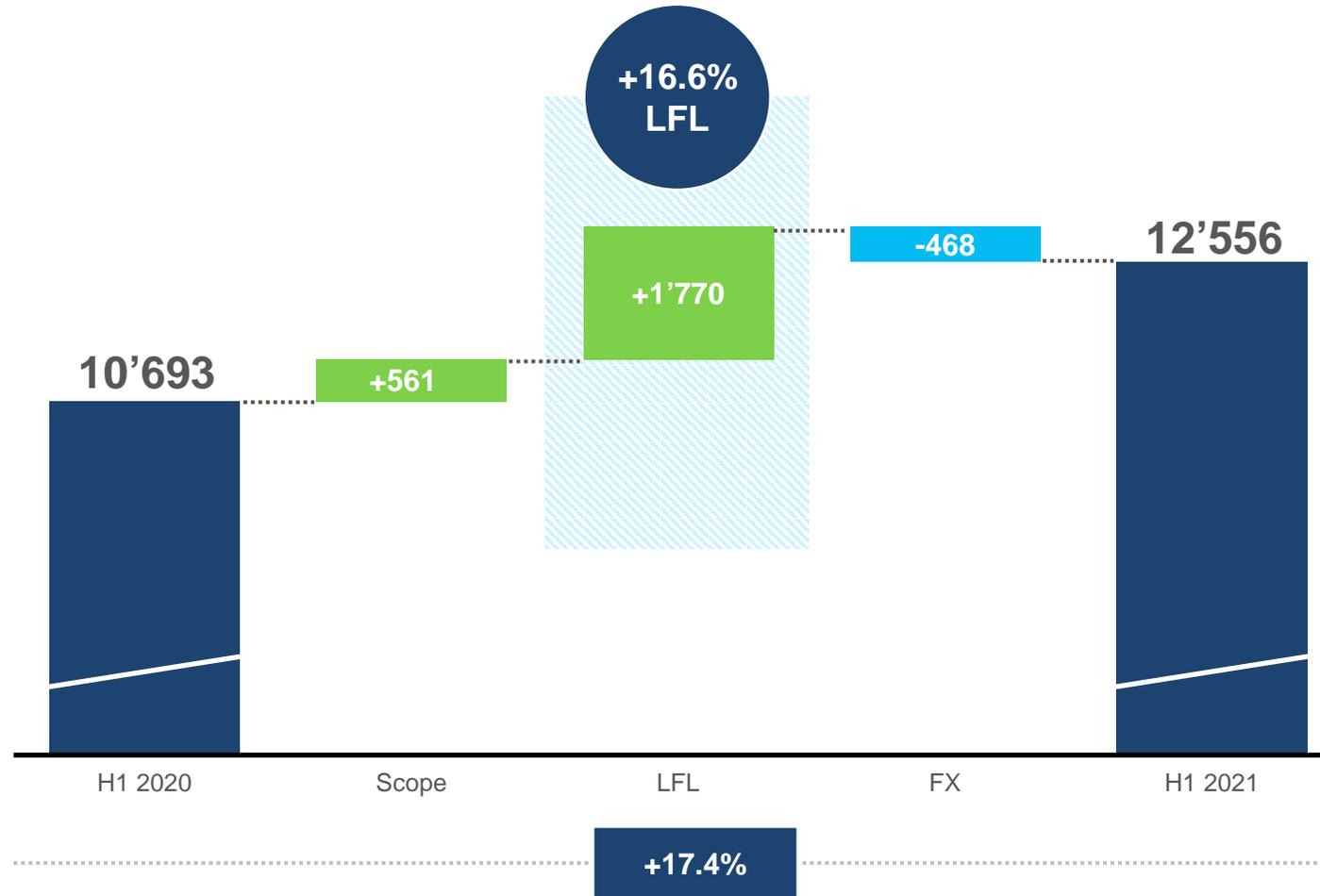


<sup>1</sup> Includes volumes from trading activities



# H1 2021 NET SALES BRIDGE

## STRONG INCREASE IN NET SALES



CHF M |

# H1 2021 RECURRING EBIT BRIDGE

## RECORD RECURRING EBIT, INCREASE OF 72.2% LFL



CHF M |

# H1 2021 NET SALES AND RECURRING EBIT BY SEGMENT

## SIGNIFICANT MARGIN IMPROVEMENT IN ALL BUSINESS SEGMENTS

	 CEMENT	 AGGREGATES	 RMX	 SOLUTIONS & PRODUCTS <sup>1</sup>
CHF M				
Net Sales	7'932 +20.3% LFL	1'864 +7.2% LFL	2'462 +14.3% LFL	1'423 +8.7% LFL
Recurring EBITDA after leases	2'343 +36.1% LFL	357 +42.1% LFL	108 +414.3% LFL	121 +32.5% LFL
Recurring EBIT	1'654 CHF +655 m LFL +57.5% LFL	217 CHF +108 m LFL +107.0% LFL	40 CHF +87 m LFL +183.9% LFL	72 CHF +15 m LFL n.m.

<sup>1</sup> Including Firestone Building Products



# SOLUTIONS AND PRODUCTS BUSINESS UNIT

## SIGNIFICANT STEP ACHIEVED WITH NEW ROOFING SYSTEMS PLATFORM



### Roofing systems

Net Sales of  
**CHF 499 m** in Q2

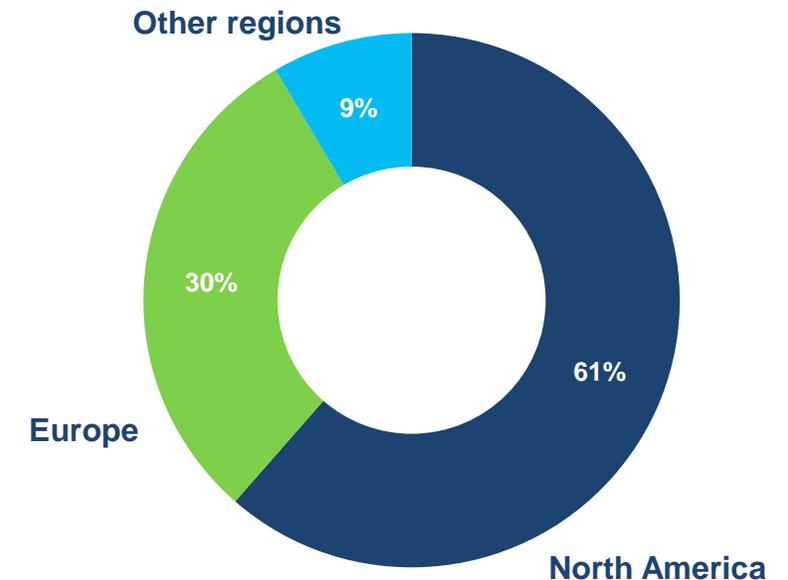
Volumes up  
**21%** in Q2



### Concrete Products, Asphalt, Contracting & Services

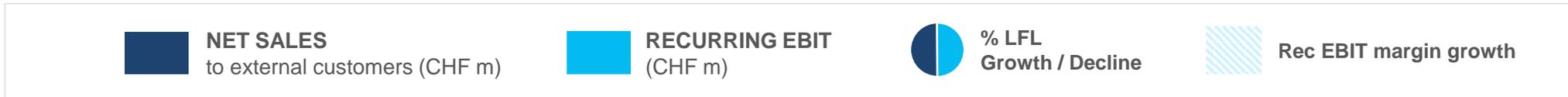
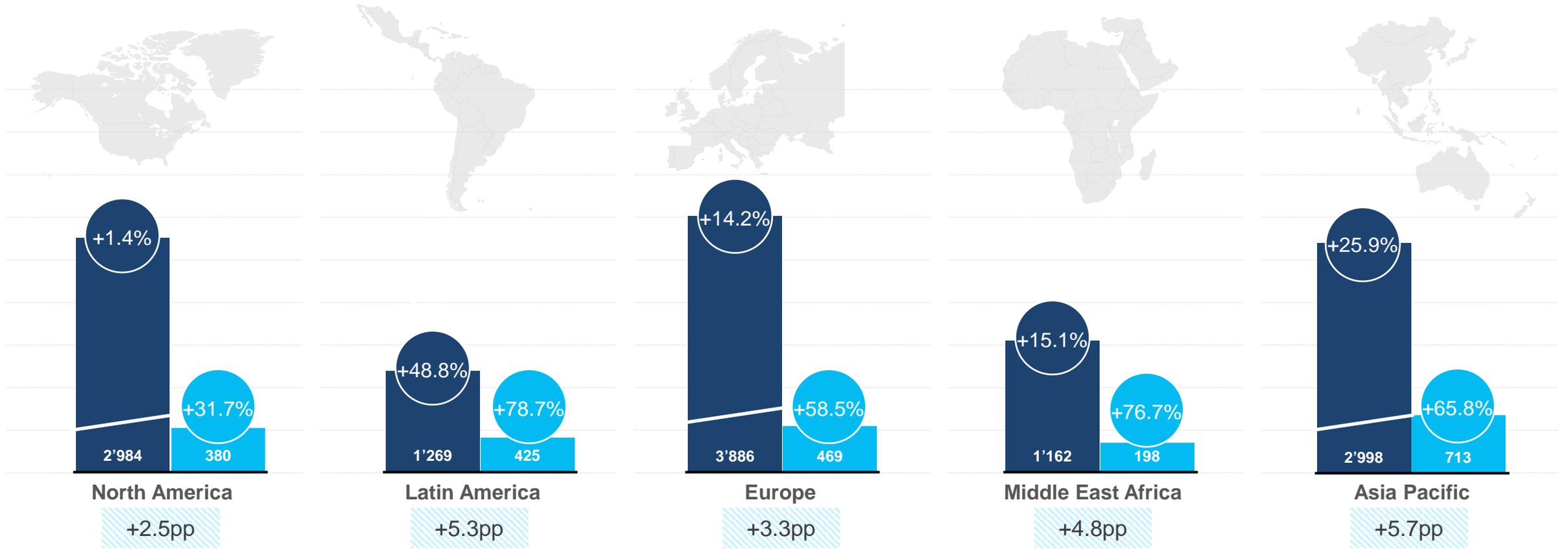
Net Sales of  
**CHF 560 m** in Q2,  
**+19%** LFL

Q2 2021 Net Sales  
Solutions and Products



# H1 2021 REGIONAL PERFORMANCE

## SIGNIFICANT MARGIN IMPROVEMENT IN ALL REGIONS



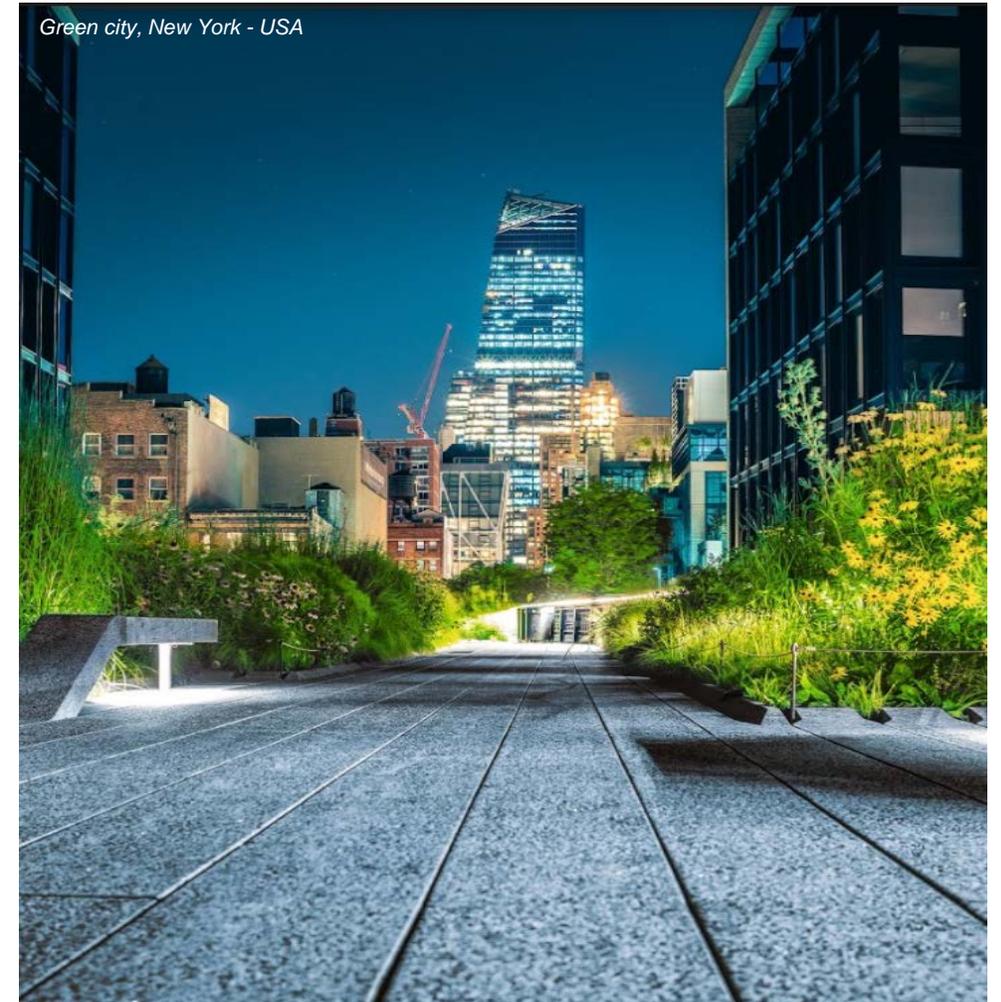
# NORTH AMERICA

## GOOD MOMENTUM AND STRONG OPERATING LEVERAGE

CHF M	Q2 2021	H1 2021
Net Sales <sup>1</sup>	2'071 +6.6% LFL	2'984 +1.4% LFL
Recurring EBIT	433 +18.3% LFL	380 +31.7% LFL

<sup>1</sup> Net Sales to external customers

- Strong market demand in the US, good recovery in Canada West
- Demand growth in Canada East supported by key projects in Montreal and Toronto
- Volumes growth in all business segments in Q2, positive pricing
- Continued strong operating leverage



# LATIN AMERICA

## ANOTHER QUARTER OF OUTSTANDING PERFORMANCE

CHF M	Q2 2021	H1 2021
Net Sales <sup>1</sup>	655 +72.5% LFL	1'269 +48.8% LFL
Recurring EBIT	202 +92.1% LFL	425 +78.7% LFL

<sup>1</sup> Net Sales to external customers

- Outstanding volumes growth in all business segments
- New grinding station started in Merida, Mexico, to capture the market growth
- Strong recurring EBIT margin improvement
- Expansion of Firestone business in Latin America



Affordable housing project - Ecuador

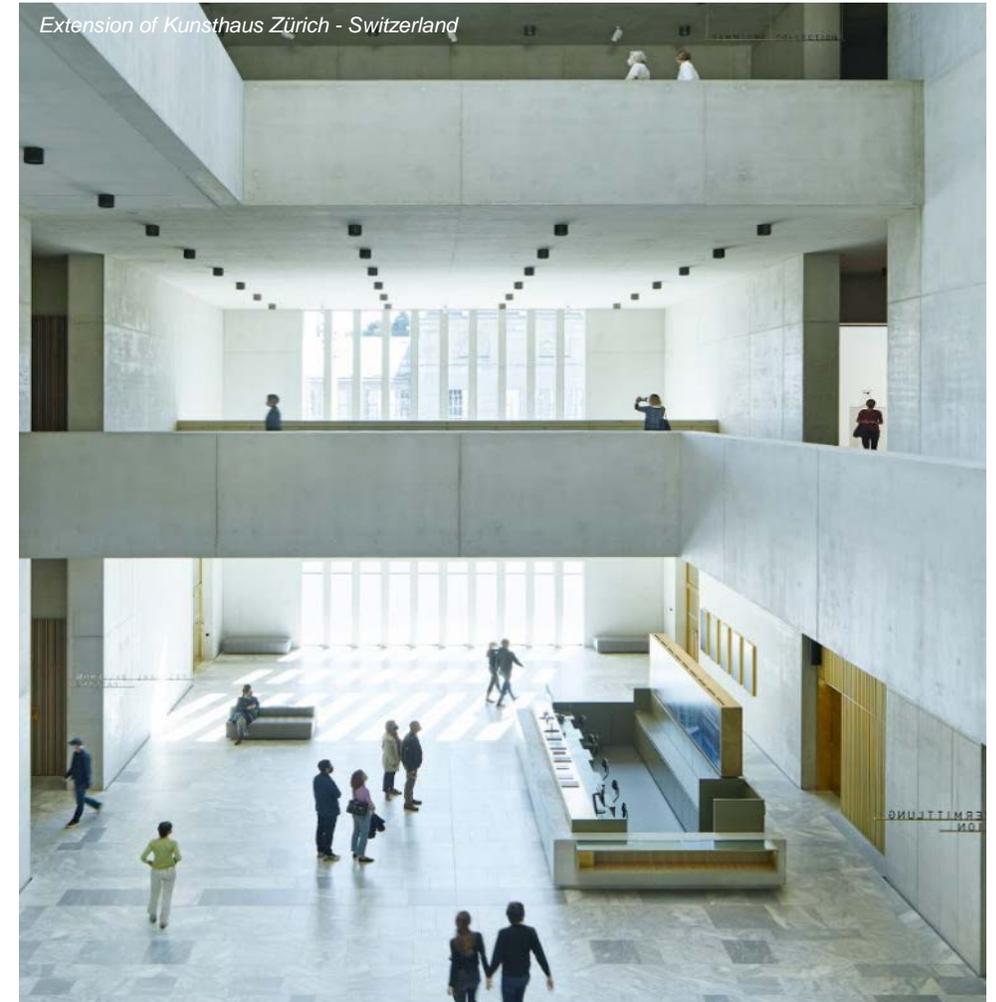
# EUROPE

## GOOD MOMENTUM CONTINUES

CHF M	Q2 2021	H1 2021
Net Sales <sup>1</sup>	2'243 +24.0% LFL	3'886 +14.2% LFL
Recurring EBIT	412 +53.9% LFL	469 +58.5% LFL

<sup>1</sup> Net Sales to external customers

- Strong recovery in the UK, solid demand in France, continuous growth in Eastern European markets
- Robust market demand across all business segments
- Significant over-proportional recurring EBIT growth
- Plant modernization of Martres, France, on track



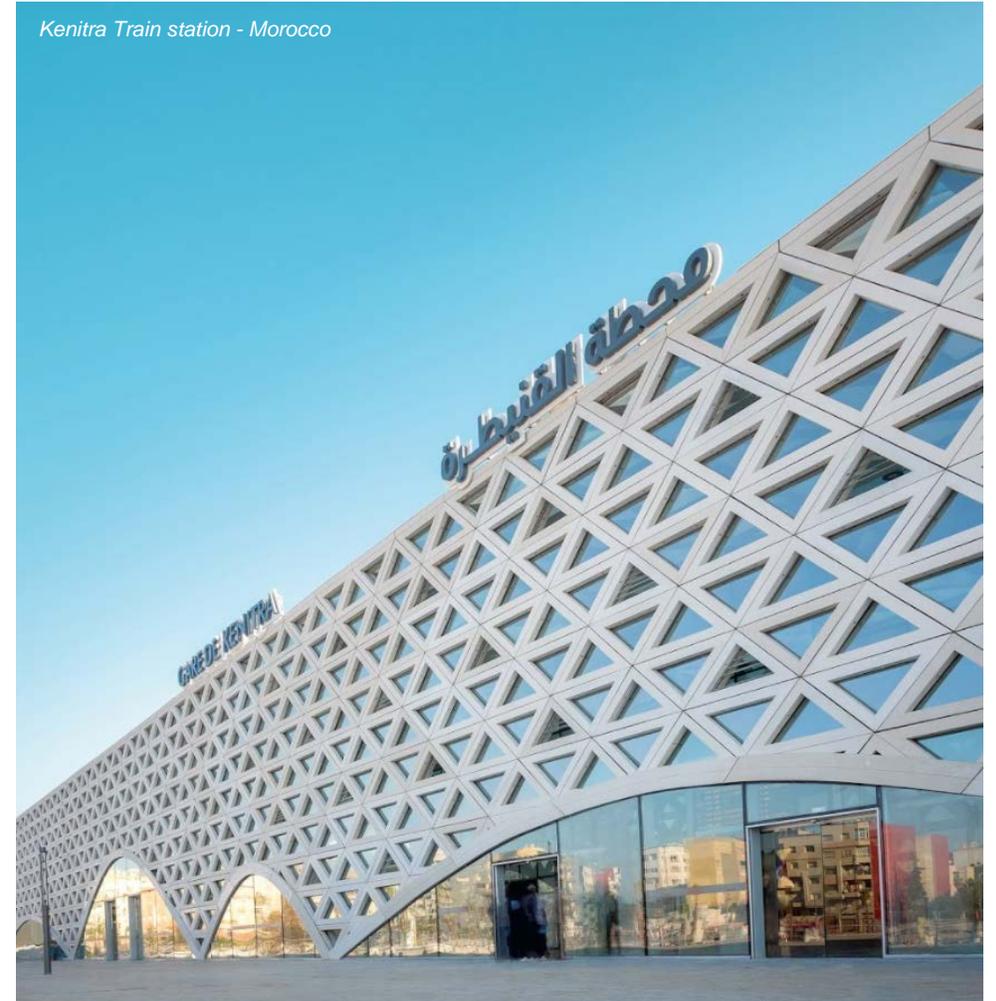
# MIDDLE EAST AFRICA STRONG PERFORMANCE

CHF M	Q2 2021	H1 2021
Net Sales <sup>1</sup>	599 +27.3% LFL	1'162 +15.1% LFL
Recurring EBIT <sup>2</sup>	111 +110.2% LFL	198 +76.7% LFL

<sup>1</sup> Net Sales to external customers

<sup>2</sup> Contribution from share of net income from JVs: CHF 35 m in H1 2021 vs. CHF 18 m in H1 2020

- Strong volumes growth across all business segments
- Strong market demand in Nigeria and Iraq
- Kenya benefitting from infrastructure spending, recovery in East Africa
- Record recurring EBIT margin improvement



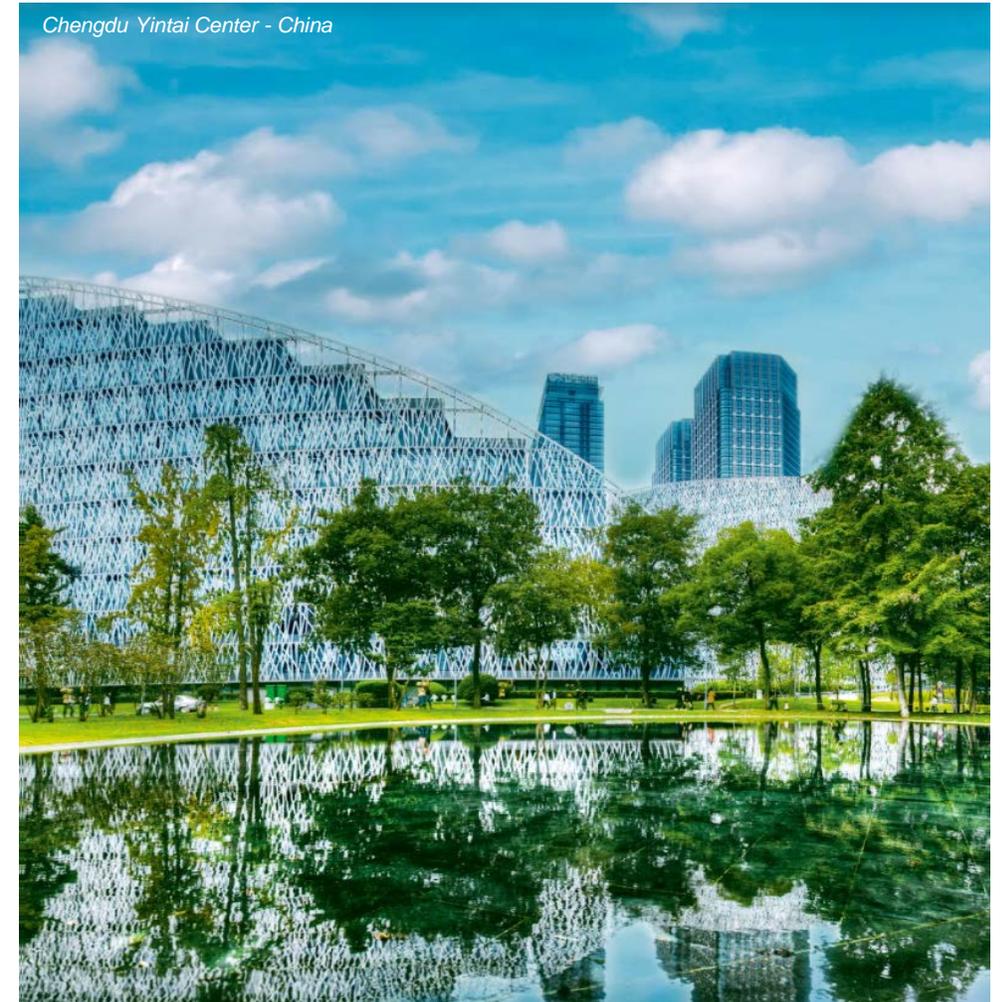
# ASIA PACIFIC REGION WITH THE HIGHEST MARGIN EXPANSION IN H1

CHF M	Q2 2021	H1 2021
Net Sales <sup>1</sup>	1'490 +36.8% LFL	2'998 +25.9% LFL
Recurring EBIT <sup>2</sup>	410 +53.1% LFL	713 +65.8% LFL

<sup>1</sup> Net Sales to external customers

<sup>2</sup> Contribution from share of net income from JVs: CHF 167 m in H1 2021 vs. CHF 160 m in H1 2020

- Robust volume growth in the region
- Good performance in Australia, benefitting from stimulus programs
- Outstanding margin improvement in India despite 2<sup>nd</sup> Covid-19 wave and inflationary pressure
- Marwar Mundwa cement capacity expansion in India to commence operations in Q3 2021



# H1 2021 FINANCIAL PERFORMANCE

## RECORD EPS INCREASE OF 78%

CHF M	H1 2020 Before impairment & divestments	H1 2021 Before impairment & divestments	Change
Net Sales	10'693	12'556	1'863
<b>RECURRING EBITDA after leases</b>	<b>2'152</b>	<b>2'928</b>	<b>777</b> <b>+36%</b>
Depreciation & amortization	-958	-945	12
<b>RECURRING EBIT</b>	<b>1'194</b>	<b>1'983</b>	<b>789</b> <b>+66%</b>
Restructuring, litigation and others	-39	-175	-137
<b>OPERATING PROFIT (EBIT)</b>	<b>1'156</b>	<b>1'808</b>	<b>652</b>
Profit/loss on disposals and other non-operating items	-32	-11	21
Share of profit of associates	4	-19	-23
Net financial expenses	-316	-272	45
<b>NET INCOME BEFORE TAXES</b>	<b>812</b>	<b>1'506</b>	<b>694</b>
Income taxes	-212	-391	-179
Effective Tax Rate	26.0%	26.0%	
<b>NET INCOME</b>	<b>601</b>	<b>1'114</b>	<b>513</b>
Net Income, Non-controlling interests	100	233	133
<b>NET INCOME GROUP SHARE</b>	<b>501</b>	<b>881</b>	<b>380</b>
<b>EPS (CHF per share)</b>	<b>0.80</b>	<b>1.43</b>	<b>0.63</b> <b>+78%</b>

# H1 2021 FREE CASH FLOW<sup>1</sup>

## RECORD FREE CASH FLOW OF CHF 814 M

CHF M

	H1 2020	H1 2021	Change
<b>RECURRING EBITDA after leases</b>	<b>2'152</b>	<b>2'928</b>	<b>777</b>
Right of use assets	184	176	-8
Change in net working capital	-314	-879	-565
Income taxes paid	-254	-328	-75
Net financial expenses paid & FX	-264	-217	46
Share of profit of JVs, net of dividends received	-138	-51	87
Others incl. employee benefits	-36	-172	-135
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1'330</b>	<b>1'457</b>	<b>127</b>
CAPEX net	-412	-468	-56
Repayment of long-term lease liabilities	-169	-176	-7
<b>FREE CASH FLOW after leases</b>	<b>749</b>	<b>814</b>	<b>65</b>

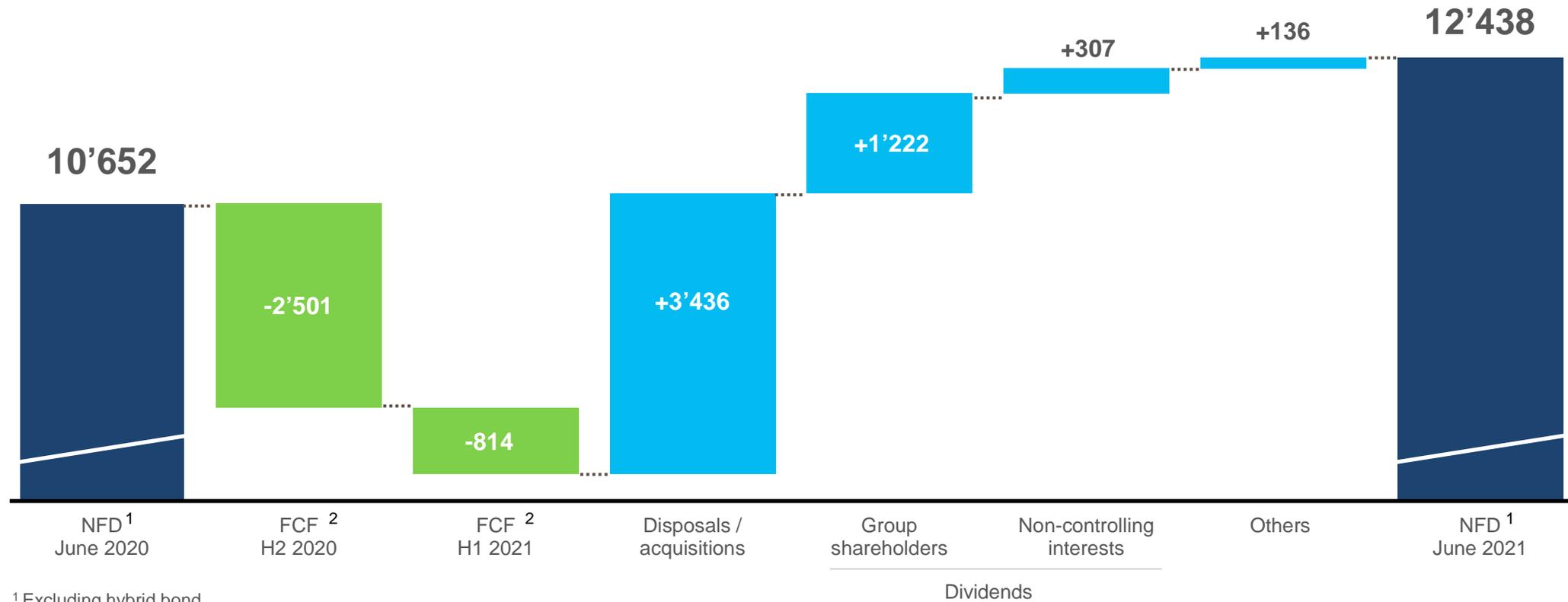
+9%

<sup>1</sup> After leases

# NET FINANCIAL DEBT BRIDGE

## STRONG FREE CASH FLOW SUPPORTING FIRESTONE ACQUISITION

CHF M



<sup>1</sup> Excluding hybrid bond

<sup>2</sup> After leases

# 03. OUTLOOK AND GUIDANCE 2021

JAN JENISCH | CHIEF EXECUTIVE OFFICER



*Cepovett head office -- France - Architect: Agence AUM Pierre Minassian / Photo: ©Studio Erick Salliet*

# OUTLOOK AND TARGETS 2021

## GROWTH TRENDS TO CONTINUE IN 2021, GUIDANCE UPGRADED



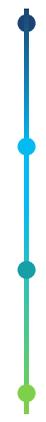
- **Growth momentum continues in all regions, supported as of H2 2021 by various stimulus programs**
- **Unleash Firestone growth platform, continue acceleration of bolt-on acquisitions**
- **Accelerated progress towards 2030 sustainability targets**
- **Over-proportional growth in recurring EBIT of at least 18% LFL (from at least 10% LFL previously)**
- **Capex less than CHF 1.4 bn**
- **ROIC of above 8%**
- **Strategy 2022 targets to be achieved one year in advance**

# STRATEGY 2022

## TARGETS TO BE ACHIEVED ONE YEAR IN ADVANCE

	STRATEGY 2022	2021 OUTLOOK	
	<b>NET SALES</b>	<b>3%-5% LFL</b> P.A.	
	<b>RECURRING EBIT</b>	<b>AT LEAST 7%</b> <b>LFL</b> P.A.	
	<b>CASH CONVERSION</b>	<b>&gt; 40%</b>	
	<b>ROIC</b>	<b>&gt; 8%</b>	
	<b>LEVERAGE</b>	<b>BELOW 2X</b>	

# UPCOMING EVENTS



<b>OCTOBER 29, 2021</b>	Q3 2021 Trading Update
<b>NOVEMBER 18, 2021</b>	Capital Markets Day
<b>FEBRUARY 25, 2022</b>	Full-Year 2021 Results
<b>APRIL 22, 2022</b>	Q1 2022 Trading Update

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