



# Capital Markets Day 2016

## Commercial Transformation

Pascal Casanova, North America & Mexico



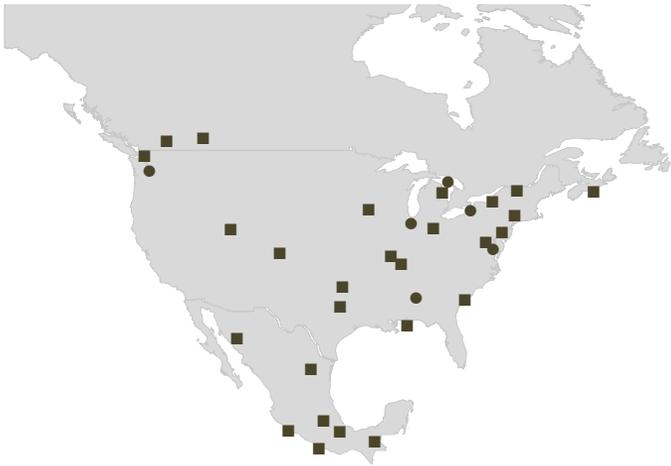
# North America

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- ➔ **A major leading position in a steadily growing market**
- ➔ **where we are implementing a successful pricing strategy**
- ➔ **and a differentiated market approach to create more customer value and grow faster**

# Leading market position in a steadily growing market (+3%)

## North America including Mexico



## Situation<sup>1</sup>

Net sales	CHF 6.6 bn
Operating EBITDA adj.	CHF 1.6 bn
# of FTEs (YTD 2016)	~16 000

1) Trailing twelve months from Sep 2016

## Strengths

- US
  - › #1 Cement Producer with a modern asset base
  - › Unrivalled logistics network
  - › 8Mt available capacity in US and Canada border
- Canada: fully integrated building material positions in Cement, Aggregates, RMX, Asphalt, Paving and Concrete Products
- Mexico: national coverage with competitive assets in all key markets

## Opportunities

- Market growth in housing and infrastructure
- Synergies ahead of plan
- Successful price and margin management strategy

# Maximizing value through Price and Margin management

## Cement US



**Develop price & margin analysis notably for micro market**

*Benefits: continue to outperform inflation*

## ACM US



**Align margin optimization processes and tools**

*Benefits: review margin management and customer portfolio on a weekly basis*

## USA & Canada



**Pilot Sales academy for all Group's salesforce**

*Benefits: improve the win rate for new and existing customers, focusing on Customer Value creation*

## Mexico



**Weekly price & margin management committee**

*Benefits: continue to focus on ambitious pricing, while avoiding volume volatility*

# Sustaining value creation through a market segment-driven commercial approach

USA



## Road Integrated Offer / Infrastructure Solutions

- **Use of extended-life concrete** to build longer-lasting, low-maintenance bridges and roads
- *Portable Ready Mix offer as the anchor for a value added selling*

Canada



## Mining Offer through the whole life-cycle

- **Opening / Exploitation / Closure**
- *Infrastructure / Stabilization / Backfill / Soil Remediation*

Mexico



## New commercial organization

- **Distribution / Industrial / Building / Infrastructure** Specialized sales force
- *Targeted marketing / Product Innovation / Partnerships / Projects*

Mexico



## RMX allies

- *Market share in supplying RMX doubled with an **Asset Light strategy***
- *Offering technical certification and mix design to our allies*

# Concluding remarks

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- ➔ **Clear leadership position in North America with broadest market access and upside**
- ➔ **In a strong position to benefit from a higher infrastructure spend**
- ➔ **Continuous and decisive focus on Pricing as a key profitability lever**
- ➔ **Implementation of a market segment-driven commercial approach to accelerate customer value creation**
- ➔ **Extremely well positioned to capture the expected market growth in a profitable way**