Buzzi Unicem

PRESS RELEASE

Results approved for the year ended December 31, 2015

- **Steady expansion phase in the United States, profitability reaffirmed in Central Europe, weak trading in Italy, falling demand and highly penalizing exchange rate effect in Russia and Ukraine**
- **Ebitda up 11.9% to €473 million (+2.9% over 2014 like for like) in a context of moderate cost inflation**
- **Growing Ebit and net profit, thanks to lower impairment losses and despite unfavorable variance of net interest cost and income tax**
- **Net debt slightly down, after capital expenditures of €304 million, €164 million thereof for expansion projects**
- **Dividend proposal: €0.075 per ordinary and savings share (€0.05 in 2014)**

Consolidated data		**2015**	**2014**	**% 15/14**
Cement sales	m ton	25.6	25.1	+1.7
Ready-mix sales	m m^3	11.9	12.0	-0.9
Net sales	€m	2,662.1	2,506.4	+6.2
Ebitda	€m	473.2	422.7	+11.9
Ebitda recurring	€m	478.8	404.8	+18.3
Net profit	€m	128.1	120.5	+6.3
Consolidated net profit	€m	125.3	116.6	+7.5
		Dec 15	**Dec 14**	**Change**
Net debt	€m	1,029.7	1,062.7	(33.0)

The Board of Directors of Buzzi Unicem SpA met today to examine the statutory and consolidated financial statements for the year ended 31 December 2015.

World economy growth during 2015 was modest and uneven: in mature economies the activity expansion was slightly improving and strengthened at the turn of the year, despite some signs of a slowdown in the United States, while in the emerging market economies as a whole the trends remained overall disappointing. International trade was weak and below expectations in the first half of the year, while in the second one, if in the advanced countries a slow recovery in global trade strengthened thanks to some momentum, in the emerging markets the contraction was still confirmed.

In the United States of America the expansion of economic activity in the fourth quarter attenuated, after the solid GDP growth in the second and third quarter of the year, which was higher than expected. Retail sales showed some signs of deceleration, as well as some indicators of the manufacturing sector, while adverse external factors such as the modest global growth and the dollar appreciation continue to weigh on exports. Nonetheless, the continuous strong improvements in the labor market and the macroeconomic fundamentals confirm the general strength, thus reminding that the recent weakening in domestic demand should be largely temporary.

In Europe private consumption offset the rapid weakening of boosting exports, thus being the main factor of a recovery that has been continuing gradually. The situation of the labor market showed some signs of awakening, but investment growth remained weak and overall inflation was affected by new downward pressure due to the further decline in oil prices. To support and strengthen the development of economic activity as a whole, the ECB's governing council further enhanced the monetary stimulus and, although the consolidation of balance sheets in the bank industry and the level of non-performing loans, still high in certain jurisdictions, continued to hinder its growth, the loan supply to the private sector further improved.

In Italy, in 2015 the sign of GDP variance, though modest and below expectations for the first time since 2011, is back into positive territory. The slow and gradual expansion of the business, since last summer, was supported by domestic consumption, which replaced the boost from exports. The recovery of the manufacturing cycle was accompanied by signals of improvement in the services and, after a dramatic and sustained decrease, of stabilization in construction activities.

Inflation remained at low levels in most advanced countries and China, while some major economies, including Russia, Brazil and Turkey, recorded significantly higher levels. In the context of an oil market characterized by excess supply and weaker demand, the Brent crude oil prices have continued to slow down since mid-October until dropping below US$30 in January 2016, with futures contracts indicating that price rises are expected to be very limited in the coming months. Such developments, together with the raw materials trends, are intended to further curb inflationary pressures. At year end, the interest rate hike in the United States, accompanied by the announcement that monetary conditions would remain accommodative, was started without unfavorable outcomes.

Looking more closely at our core markets, we point out that investments in buildings, to which the cement and concrete demand is closely related, maintained a good growth rate in the United States, particularly in the commercial and residential sector. In Germany investment in construction normalized, after the previous year's growth. In Italy construction investments ended the year with a further contraction in all segments, except for the renovation of residential properties. Developments in Eastern European countries continued to be unequal: in Russia the recessionary environment led to a decline in the construction activity level; in Poland the economic growth and the level of investments in construction continued to be favorable; in the Czech Republic the phase of economic recovery carried on, with improving production levels in constructions; in Ukraine finally, in the context of a severe recession and contraction in capital expenditures, the level of activity in the western regions, where our group operates, maintained a better performance than that of the eastern portion.

In 2015 the group sold 25.6 million tons of cement (+1.7% compared to 2014) and 11.9 million cubic meters of ready-mix concrete (-0.9%). In the various markets where we are present the year 2015 was characterized by diversified operating conditions. In Italy the economy started slowly to expand again, but the less brilliant dynamics of exports, which were affected by the slowdown in emerging countries, took momentum away from GDP growth. The higher support of domestic consumption led to a growth only marginally positive during the last two quarters of the year. The consolidation of economic activity affected all major sectors except construction, where nevertheless the prolonged recession phase stopped. Domestic cement consumption was still falling and, in many areas of the country, the production facilities did not reach a sustainable level of capacity utilization.
In Central European countries the growth in domestic demand more than offset the weakening of investments and the slowdown in exports. The construction industry maintained, on the whole, a slightly positive trend.
Developments in Eastern European countries continued to be unequal. In Russia the recessive dynamics resulted in a decline in domestic demand and investment, which led to a slowdown in the construction activity level and consequently in cement consumption. In Poland, where the economy development was still favorable, with investment in construction and cement consumption both increasing, our business maintained a regular pattern throughout the year. In the Czech Republic the favorable economic environment confirmed the positive performance of construction investments and our cement sales recorded as good levels as the ones achieved in the previous year. In Ukraine despite the significant contraction in GDP and investment, our industrial activities maintained a quite regular progress. In the United States the expansion phase was confirmed, despite some signs of slowdown later this year, and investments in the construction sector reported a higher growth than in 2014, especially in the commercial and residential building segments.

Consolidated net sales increased by 6.2% to €2,662.1 million versus €2,506.4 million in 2014. Changes in scope led to a net sales increase of €28.8 million and the exchange rate effect had a positive impact of €100.5 million. Like for like in 2015 net sales would have increased by 1.0% compared to 2014.
Ebitda increased by 11.9%, from €422.7 million to €473.2 million. Changes in scope of consolidation were positive for €3.6 million and foreign exchange effect was positive for €34.5 million. The figure for the year under review includes net non-recurring costs of €5.6 million, €5.6 million thereof with positive sign, referred to the partial release of provisions for antitrust risks and, with negative sign €6.9 million related to the dismantling and transportation of equipment within the group, €4.1 million for restructuring expenses and €0.3 million for provisions for legal claims. In 2014 a net non-recurring income for €18.0 million was achieved. Excluding non-recurring items Ebitda rose from €404.8 million to €478.8 million (+18.3%), with Ebitda to sales margin at 18.0% (16.1% in 2014). The rise was marked in the United States of America, where the good operating performance was also associated with the significant positive thrust of the exchange rate. In Central Europe operating profitability was slightly improved, particularly in Benelux. In Eastern Europe, Ebitda weakened mainly due to the very unfavorable exchange rate in Russia and Ukraine; within the division instead the Czech

Republic and Poland improved. In Italy falling prices in the context of a further decline in demand resulted in a still negative operating cash flow, below last year level.
Amortizations and depreciations amounted to €209.2 million, compared to €244.0 million of 2014. The figure for the year under review includes impairment losses on fixed assets amounting to €14.1 million (€55.9 million in the previous year), mainly due to write-downs of property, plant and equipment in Italy. Ebit stood at €264.0 million compared to €178.7 million in 2014. Net finance costs almost doubled to €105.1 million from €53.1 million in the previous year, mainly due to the unfolding of non-cash items that fall into this category, such as unrealized exchange rate differences and valuation of derivative financial instruments. Gains on sale of investments contributed for €5.7 million, while equity in earnings of associates, among which our joint venture operating in Mexico stands out, improved the contribution on the previous year (€57,4 million compared to €49.9 million in 2014). Due to the impact of the factors outlined above, profit before tax amounted to €222.1 million versus €175.6 million in 2014. The tax charge for the year, nominally amounting to about 42%, in comparison with the previous period was mainly affected by the assessments of deferred tax assets on tax losses in certain jurisdictions, which are unrelated to the taxable income of the period. Therefore, after income taxes of €94.0 million (€55.1 million in 2014) the income statement for 2015 closed with a profit of €128.1 million (€120.5 million in 2014). Net profit attributable to the owners of the company increased from €116.6 million in 2014 to €125.3 million during the year under review.

Rough cash flow for the year 2015, inclusive of non-recurring positive and/or negative items, was equal to €337.3 million, compared to €364.5 million in 2014. Net debt of the group as at 31 December 2015 stood at €1,029.7 million, down €33.0 million on €1,062.7 million at year-end 2014. In 2015 the group distributed dividends of €10.3 million and paid total capital expenditures of €304.2 million, €164.3 million thereof allocated to capacity expansion or special projects, almost entirely relating to the renovation of the Maryneal plant (Texas).

As at 31 December 2015, total equity, inclusive of non-controlling interests, stood at €2,579.4 million vs. €2,362.1 million at 2014 year-end. Consequently debt/equity ratio decreased to 0.40 from 0.45.

For the financial year ended 31 December 2015 the parent company Buzzi Unicem SpA reported a net loss of €58.5 million (net loss of €36.6 million in 2014) and a negative cash flow of €22.2 million.

Italy

Our cement and clinker volumes decreased by 2.3%, with higher export quota, which partially mitigated the decline in the domestic market. Selling prices posted a decline of 3.7%, slightly up compared to the minimum levels achieved in the summer. In the ready-mix concrete sector the sales trend was in line with the previous period (+1.2%), with stable prices (+0.2%). With such volume and price development turnover achieved a level of €381.1 million, down 2.7% (€391.5 million in 2014). The unit production costs were stable thanks to the favorable trend in fuels, which more than offset the increase in electric power. No improvement occurred in the level of capacity utilization. In the ready-mix concrete sector some unexpected serious insolvency situations were again recorded, which exceeded the level considered normal in the situation of severe crisis of the sector and led to losses on trade receivables equal to €6.5 million (compared with €3.7 million in 2014). Ebitda remained negative at -€37.2 million (-€18.7 million in 2014). However it must be pointed out that the 2015 figure includes non-recurring income of €5.6 million referred to the partial release of provisions for antitrust risks, that staff costs include non-recurring restructuring expenses of €3.6 million and that non-recurring costs for dismantling and the transportation of equipment to other group's locations of €2.4 million as well as provisions for legal claims of €0.3 million were incurred. Recurring Ebitda amounted, therefore, to -€36.5 million compared to -€18.3 million in 2014. Moreover last year the company achieved other operating revenues of €0.6 million resulting from the sale or swap of CO_2 emission rights (€10.8 million in 2014).

Central Europe

In Germany our cement deliveries, despite the recovery in the last part of the year, were penalized mainly by the weaker oil well cement demand and closed with a decrease of 2.8%, with prices marginally down (-1.1%). Ready-mix concrete sales showed a more marked decrease (-5.1%), with poor prices (-1.3%). Overall net sales therefore declined from €603.4 million to €573.6 million (-4.9%) and Ebitda decreased from €88.6 million to €72.1 million (-18.6%). It should be noted that the figure for 2014 included non-recurring net income of €20.0 million. Net of non-recurring items, Ebitda increased by €3.5 million (+5.1%). The unit production costs remained stable, with favorable trends for both fuels and electric power, which offset the increase in fixed costs. During this period the company incurred other operating costs of €3.1 million from the purchase of CO_2 emission rights.

In Luxembourg and the Netherlands our cement volumes, inclusive of internal sales and export, were affected by the slowdown in neighboring countries; however, thanks to some recovery in the last quarter, they closed down 1.8% only, with stable average prices. Ready-mix concrete output recorded a significant increase (+15.7%), but lacking price momentum. Net sales amounted to €169.0 million, up 3.3% from the previous year (€163.5 million). Ebitda came in at €19.7 million (€15.9 million in 2014), mainly due to the results of the Netherlands, which were back to positive territory. The unit production costs showed an unfavorable change, following a reduction in fuels, the stability of electric power and some increases in the fixed and overhead costs of the plant. However it must be pointed out that in 2015, staff costs include non-recurring restructuring expenses of €0.5 million (€1.2 million of net non-recurring costs in 2014). Net of non-recurring items, Ebitda increased by €3.1 million. Moreover during the year the company achieved other operating revenues of €0.4 million from the sale or swap of CO_2 emission rights.

Eastern Europe

In Poland our business maintained a regular trend, which was more consistent with the geographical positioning and the potential than with the result of the previous year. Cement volumes sold by our plant increased by 21.1% compared to 2014, although with a decline in prices in local currency (-11.7%). Ready-mix concrete output was also up (+9.8%), in a scenario of always competitive prices (-3.1%). Net sales increased from €89.0 million to €96.8 million (+8.7%), with no exchange rate effect thanks to the zloty stability. Ebitda improved from

€18.2 million to €21.9 million (+20.8%), with Ebitda to sales margin rising from 20.4% to 22.7%. Some benefit was achieved in the unit production costs in local currency thanks to the reduction of fuels and, as regards fixed costs, to the operating leverage effect, despite an increase in electric power. Moreover during the year the company achieved other operating revenues of €1.7 million from the sale or swap of CO_2 emission rights.

In the Czech Republic our cement sales were in line with the good levels achieved in 2014 (+0.9%) with stable average prices (+0.1%). The ready-mix concrete sector, which also includes Slovak operations, showed signs of improvement, with sales (+3.0%) and prices (+2.1%) up. Consolidated net sales increased from €133.6 million to €135.6 million (+1.5%), and Ebitda from €27.0 million to €32.6 million (+20.5%). Ebitda to sales margin, showing a further progress, increased from 20.2% to 24.0%. The slight strengthening of the Czech koruna had a favorable impact on the translation of results into euro; net of foreign exchange rate, turnover and Ebitda would have increased respectively by 0.7% and +19.5%. The unit production costs in local currency were virtually unchanged, with favorable trends for fuels and electric power, thus offsetting the increase in the main fixed costs. Moreover during the year the company achieved other operating revenues of €1.2 million from the sale or swap of CO_2 emission rights.

In Ukraine cement volumes sold were in line with the previous year (+0.6%), with prices in local currency dragged upwards by the galloping inflation (+19.5%). Net sales were equal to €69.8 million, compared to €88.1 million achieved in 2014 (-20.8%). Ebitda amounted to €4.0 million compared to €11.0 million in 2014 (-63.8%), with Ebitda to sales margins down (5.7% versus 12.5% in 2014). The strong depreciation of the local currency had a very negative impact on the translation of results into euro; at constant exchange rates net sales would have increased by 21.3% and Ebitda would have been down 44.6%. The strong increase (more than 30%) in unit production costs in local currency, particularly of fuels and electric power, reflects the high inflation rate in the country.

In Russia sales volumes, which benefited from the Korkino plant entering the consolidation scope, showed an increase of 8.4% compared to 2014; like for like sales volumes would have been lower by 14.3%. The category of oil well cements, devoted to the extraction industry, showed a good resilience. The average prices in local currency were in line with last year (-1.0%); it should be remembered, though, that the products delivered by the Korkino cement plant are in lower range compared to the mix of the Suchoi Log plant. Net sales totaled €166.7 million, compared to €209.9 million in the previous year (-20.6%). The devaluation of the ruble (-33.6%) had a negative impact on sales of €46.3 million; on a like-for-like basis net revenues would have decreased by 12.3%. Ebitda stood at €48.4 million against €73.4 million in 2014, down 34.1%; in local currency it would have been down 12.0%. It should be noted that the figure for 2014 included non-recurring expenses of €3.9 million. Our operations in the country, even if penalized by the exchange rate effect, have still maintained an excellent Ebitda to sales margin within the group (29.0%), although much lower than the previous year (36.9%). The unit production costs in local currency increased less than inflation, with an unfavorable variance for fuels and essentially stable electric power. The year was mainly dedicated to the integration process between the two plants as well as to the identification and creation of the best production and management organization for the country as a whole. We think we have identified all possible synergies and we expect that from this process additional benefits and efficiencies will arise in the near future.

United States of America

Our hydraulic binders sales increased by 2.4%, thanks to the good performance in the Midwest regions and despite a significant contraction in deliveries of oil well special products. Ready-mix concrete output, mainly located in the South-West, was lower than the previous year (-5.2%). The trend of selling prices in local currency was favorable, resulting in an increase of 7.7% in the cement sector and of 9.7% in the ready-mix concrete one. Overall net sales increased from €856.1 million to €1,108.7 million (+29.5%). The development of Ebitda was very satisfactory, from €207.3 million to €311.7 million (+50.4%). The stronger US dollar (+16.5%) significantly impacted the trend in sales and Ebitda. The figure for the year also includes non-recurring costs of €4.5 million for the disassembling and dismantling of equipment (in 2014 a non-recurring income of €3.5 million was recorded). Net of foreign exchange and non-recurring items, net sales and Ebitda would have increased by respectively 8.2% and 29.6%. The growth in volumes and selling prices allowed to improve the Ebitda to sales margin from 23.8% to 28.5%. The unit production costs in local currency remained stable, with favorable developments for fuels and an unchanged trend for electric power. Since July the distribution network was expanded to markets which were not served yet, thanks to the acquisition of the terminals in Rock Island (Illinois), Grandville (Michigan) and Elmira (Michigan).

Mexico (valued by the equity method)

The trend of cement sales of the associate Corporación Moctezuma was brilliant for the whole of the year, with average prices in local currency higher than the previous year. Ready-mix concrete production showed similar trends. Net sales and Ebitda, in local currency, increased by respectively 19.7% and 36.1%. The Mexican peso maintained its value during the year: with reference to 100% of the associate, net sales amounted to €625.9 million (+19.9%) and Ebitda improved from €187.8 to €256.1 million (+36.4%). Thanks to the favorable trend of energy factors and the reduced incidence of fixed costs (high level of capacity utilization), the unit production costs could be further optimized. During the year in the cement plant of Apazapan (Veracruz) the works to double the production capacity progressed as scheduled, with completion expected in 2016. The share of earnings referring to Mexico, which are included in the line item that encompasses the investments valued by the equity method, amount to €54.4 million (€38.8 million in 2014).

Outlook

In Italy the expected investment trend in the construction sector shows some improvement in the civil works and in the commercial segment. Moreover the drop in the new residential buildings should attenuate. Our extraordinary initiative aimed at the consolidation of the offer (acquisition of the SACCI business unit) found obstacles in its path that hindered a successful conclusion, therefore further efforts to find solutions of industrial rationalization and

improvement of efficiency become necessary in order to return to a sustainable economic situation. The profitability trend will depend largely on the development of selling prices, which could start to increase again only with a proper demand strengthening. Otherwise no significant improvements in operating results are expected.
In Central Europe we expect stable volumes and modest favorable price changes in Germany and the Benelux. The operating results should be basically in line with the previous year.
The forecast for Poland and the Czech Republic is of an improvement for both volumes and prices, which should at least translate into similar operating results versus the ones achieved in 2015.
In Ukraine, despite a very challenging economic and political context, in the western regions, where our group operates, we expect a normalization of our business operations, with a favorable variance of volumes and prices. The economic results, assuming that the exchange rate effect is not too penalizing, are expected slightly better.
In the Russian market the exit from economic recession is not predictable yet and the investment climate in construction should confirm some weakness. We expect a slowdown in demand for grey cement, and if the subdued values of oil prices continue, a decline in the oil well products. The depreciation of the ruble, if confirmed, restate a further significant penalization due to the translation effect. Although some additional benefits for production and commercial synergies between the Suchoi Log and the Korkino cement plants are likely to appear, the expectations are of a worsening of operating results expressed in euro. Should the currently outstanding economic sanctions be lifted, such a prospect would be favorably influenced.
The strength of the recovery in the United States of America and the forecast of investment resilience in the three main activity sectors (residential, commercial and public works) allow some optimism about a further favorable trend in volumes and prices despite more uncertain prospects for the South-West regions and the weak demand in special oil well cements. We expect an improved result, that will also be influenced by the contribution of the three additional terminals acquired in the region of the Great Lakes as well as, for a good part of the year, by the higher efficiency of the new production line at Maryneal (Texas).
The foregoing considerations outline for the current year a profitability level increasing in the United States and a substantial stability in Central Europe. In Eastern European countries, Russia excluded, we expect slightly improved results on the previous year. In Russia, the weak demand and the penalizing exchange rate effect will negatively affect the profitability while in Italy the prospects for improvement are very uncertain and basically related to a positive development of the volumes/prices combination, which is not visible to the start of the year.
In conclusion, we estimate that at consolidated level the recurring Ebitda for the whole of 2016 may be able to achieve a slightly favorable variance versus the previous year.

The Board of Directors will propose to the Annual General Meeting, convened in first call for May 6, 2016:

- to cover the loss for the year by drawing on part of the corresponding reserve “Retained earnings”,

- to distribute out of reserves available, a dividend of €0.075 euro per ordinary share and per savings share.

The dividend is the same for both categories of shares since it is distributed out of reserves available, pursuant to art. 28 of the Bylaws. The dividend payment, if approved by the Shareholders' Meeting, will be effected as from May 25, 2016 (with coupon detachment on May 23, 2016 and record date on May 24, 2016).

The Shareholders' Meeting has also been convened to take the required resolutions on the report on remuneration ex per article 123 ter of Legislative Decree n. 58/1998.

Treasury shares

The Board of Directors resolved to ask the Shareholders' Meeting to authorize (and thus revoke the authorization adopted on May 8, 2015 to the extent of the non-used portion) the buy-back of a maximum of additional #4,000,000 ordinary and/or savings shares. The authorization is asked also for the sale of the treasury shares held by the company.

The above authorization to the purchase, as well as to the disposal of treasury shares is required to allow the company to intervene in case of fluctuation of the shares price beyond the normal market volatility, within the extent allowed by the law and the market rules, as well as to give the company an instrument for liquidity investment. The authorization is also required to allow the company to purchase treasury shares in order to use them as a payment in extraordinary transactions, also of equity interest swap, or of conversion of bonds already issued or of possible future issuance, or for distribution, for a consideration or without consideration, to directors and employees of the company or its subsidiaries as well as for allocation to shareholders without consideration.

The authorization is asked for a length of 18 months as from the Shareholders' Meeting approval.

The proposed purchase price, inclusive of additional charges, ranges from a minimum of €0.60, equal to par value, to a maximum of €14 for savings shares and from a minimum of €0.60, equal to par value, to a maximum of €22 for ordinary shares, or at the highest price allowed by the market general rules approved by Consob by resolution no. 16839 of 19 March 2009, in case these rules are adopted by the company.

The maximum possible purchase expense is equal to €88 million.

The treasury shares shall be purchased on the market, according to Borsa Italiana rules. Moreover the company can avail itself also of the procedure provided by the market rules approved by Consob by resolution no. 16839 of 19 March 2009.

Treasury shares selling transactions can be effected at any time, wholly or partly, in one or several transactions, through sale of the same or as a payment in extraordinary transactions, also of equity interest swap, or of conversion of bonds already issued or of possible future issuance, or for distribution, for a consideration or without consideration, to directors and employees of the company or its subsidiaries ex art. 2359 of the civil code as well as for allocation to shareholders without consideration.

Based on the previous authorization of the ordinary Shareholders' Meeting of May 8, 2015, as of today no purchasing or selling transactions have been effected on treasury shares.

As of today the company owns #500,000 ordinary treasury shares and #29,290 savings treasury shares equal to 0.26% of capital stock.

Corporate Governance

The Board of Directors approved the annual report on the company's Corporate Governance system, which will be made available at the same time as the draft of the statutory financial statements and the consolidated financial statements of the year 2015.

The Board of Directors has also assessed that Directors Oliviero Maria Brega, York Dyckerhoff, Elsa Fornero, Aldo Fumagalli Romario, Linda Orsola Gilli, Gianfelice Rocca and Maurizio Sella meet the criteria of independence as per Code of Conduct approved by Borsa Italiana (such as applied by the company as stated in the Report on corporate governance and ownership structure).

Senior Notes and Bonds

In the period from January 1 to December 31, 2015, no new bonds were issued.

In the 18 months subsequent to 31 December 2015, the following repayments of bond principals shall be effected:

- on 1 April 2016, $86.6 million referred to the Senior Notes Series A and B issued by the subsidiary RC Lonestar Inc. in 2010;
- on 12 September 2016, $80.0 million referred to the Senior Notes Series A and B issued by the subsidiary RC Lonestar Inc. in 2003;
- on 9 December 2016, €350.0 million referred to the Eurobond "Buzzi Unicem €350.000.000 5,125% Notes due 2016" issued by the parent company Buzzi Unicem SpA in 2009;
- on 30 May 2017, $35.0 million referred to the Senior Notes Series C issued by the subsidiary RC Lonestar Inc. in 2003.

The manager responsible for preparing the company's financial reports, Silvio Picca, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Casale Monferrato, March 24, 2016

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The Buzzi Unicem 2015 financial statements will be illustrated during a **conference call** to be held on Thursday, March 24 at 16:30 am Italian time.

To join the conference, dial +39 02 805 88 11.

BUZZI UNICEM SPA

CONSOLIDATED BALANCE SHEET (in thousands of euro)

	31.12.2015	31.12.2014
ASSETS		
Non-current assets		
Goodwill	544.071	571.213
Other intangible assets	41.120	10.326
Property, plant and equipment	3.090.889	2.835.410
Investment property	22.786	23.822
Investments in associates and joint ventures	373.335	371.914
Available-for-sale financial assets	2.134	2.377
Deferred income tax assets	50.688	61.470
Derivative financial instruments	4.103	4.204
Other non-current assets	36.083	44.561
	4.165.209	**3.925.297**
Current assets		
Inventories	377.682	377.003
Trade receivables	364.342	360.499
Other receivables	88.127	87.982
Available-for-sale financial assets	2.890	3.595
Derivative financial instruments	7.714	-
Cash and cash equivalents	503.454	412.590
	1.344.209	**1.241.669**
Assets held for sale	11.400	2.636
Total Assets	**5.520.818**	**5.169.602**
EQUITY		
Equity attributable to owners of the company		
Share capital	123.637	123.637
Share premium	458.696	458.696
Other reserves	149.222	46.465
Retained earnings	1.826.238	1.711.064
Treasury shares	(4.768)	(4.768)
	2.553.025	**2.335.094**
Non-controlling interests	26.393	27.038
Total Equity	**2.579.418**	**2.362.132**
LIABILITIES		
Non-current liabilities		
Long-term debt	970.509	1.304.359
Derivative financial instruments	47.740	18.588
Employee benefits	432.263	441.569
Provisions for liabilities and charges	86.916	86.959
Deferred income tax liabilities	455.208	402.882
Other non-current liabilities	18.063	19.137
	2.010.699	**2.273.494**
Current liabilities		
Current portion of long-term debt	527.733	158.156
Short-term debt	1.701	-
Derivative financial instruments	-	2.687
Trade payables	245.237	226.399
Income tax payables	19.502	8.240
Provisions for liabilities and charges	21.267	17.266
Other payables	114.749	120.018
	930.189	**532.766**
Liabilities held for sale	512	1.210
Total Liabilities	**2.941.400**	**2.807.470**
Total Equity and Liabilities	**5.520.818**	**5.169.602**

CONSOLIDATED INCOME STATEMENT	**2015**	**2014**
Net sales	**2.662.071**	**2.506.354**
Changes in inventories of finished goods and work in progress	(9.035)	(5.519)
Other operating income	65.150	101.787
Raw materials, supplies and consumables	(1.066.726)	(1.037.483)
Services	(650.420)	(633.134)
Staff costs	(454.518)	(426.087)
Other operating expenses	(73.323)	(83.200)
Operating cash flow (EBITDA)	**473.199**	**422.718**
Depreciation, amortization and impairment charges	(209.160)	(244.035)
Operating profit (EBIT)	**264.039**	**178.683**
Equity in earnings of associates and joint ventures	57.428	49.914
Gains on disposal of investments	5.733	123
Finance revenues	54.712	112.928
Finance costs	(159.788)	(166.025)
Profit before tax	**222.124**	**175.623**
Income tax expense	(94.006)	(55.131)
Profit for the year	**128.118**	**120.492**
Attributable to		
Owners of the company	125.330	116.588
Non-controlling interests	2.788	3.904

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit for the year	**128.118**	**120.492**
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on post-employment benefits	10.996	(49.988)
Income tax relating to items that will not be reclassified	(1.924)	15.195
Total items that will not be reclassified to profit or loss	**9.072**	**(34.793)**
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	102.226	(14.221)
Income tax relating to items that may be reclassified	-	8.643
Total items that may be reclassified subsequently to profit or loss	**102.226**	**(5.578)**
Other comprehensive income for the year, net of tax	**111.298**	**(40.371)**
Total comprehensive income for the period	**239.416**	**80.121**
Attributable to		
Owners of the company	238.855	87.845
Non-controlling interests	561	(7.774)

Figures as at December 31, 2015 have been approved by the Board of Directors but they have not been examined by the Auditors yet.

BUZZI UNICEM SPA

BALANCE SHEET (in thousands of euro)

	31.12.2015	31.12.2014
ASSETS		
Non-current assets		
Goodwill	40.500	40.500
Other intangible assets	1.475	1.580
Property, plant and equipment	232.943	252.540
Investment property	8.529	8.246
Investments in subsidiaries, associates and joint ventures	2.297.689	2.241.372
Available-for-sale financial assets		
Deferred income tax assets	18.676	14.784
Derivative financial instruments	4.103	4.204
Other non-current assets	644	1.765
	2.604.559	**2.564.991**
Current assets		
Inventories	74.487	76.780
Trade receivables	79.661	81.408
Other receivables	47.021	70.998
Available-for-sale financial assets		
Derivative financial instruments	7.714	
Cash and cash equivalents	131.496	96.207
	340.379	**325.393**
Assets held for sale	6.228	10.214
Total Assets	**2.951.166**	**2.900.598**
EQUITY		
Share capital	123.637	123.637
Share premium	458.696	458.696
Other reserves	414.463	416.167
Retained earnings	558.472	625.027
Treasury shares	(4.768)	(4.768)
Total Equity	**1.550.500**	**1.618.759**
LIABILITIES		
Non-current liabilities		
Long-term debt	713.712	996.325
Derivative financial instruments	47.740	18.588
Employee benefits	15.088	17.089
Provisions for liabilities and charges	9.577	10.503
Deferred income tax liabilities		
Other non-current liabilities	7.836	7.422
	793.953	**1.049.927**
Current liabilities		
Current portion of long-term debt	444.348	79.830
Short term debt	54.639	50.096
Derivative financial instruments		
Trade payables	70.390	67.917
Income tax payables		
Provisions for liabilities and charges	11.858	1.000
Other payables	25.478	27.324
	606.713	**226.167**
Liabilities held for sale	0	5.745
Total Liabilities	**1.400.666**	**1.281.839**
Total Equity and Liabilities	**2.951.166**	**2.900.598**

INCOME STATEMENT	**2015**	**2014**
Net sales	**252.767**	**264.925**
Changes in inventories of finished goods and work in progress	(4.456)	(7.780)
Other operating income	8.295	28.525
Raw materials, supplies and consumables	(121.036)	(119.409)
Services	(78.632)	(78.953)
Staff costs	(60.508)	(62.094)
Other operating expenses	(7.862)	(14.958)
Operating cash flow (EBITDA)	**(11.432)**	**10.256**
Depreciation, amortization and impairment charges	(36.320)	(57.278)
Operating profit (EBIT)	**(47.752)**	**(47.022)**
Gains (losses) on disposal of investments	8.926	739
Finance revenues	111.736	149.599
Finance costs	(135.147)	(131.161)
Profit (loss) before tax	**(62.237)**	**(27.845)**
Income tax expense	3.749	(8.719)
Profit (loss) for the year	**(58.488)**	**(36.564)**

STATEMENT OF COMPREHENSIVE INCOME

Profit (loss) for the year	**(58.488)**	**(36.564)**
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on post-employment benefits	735	(1.321)
Income tax relating to items that will not be reclassified	(238)	363
Total items that will not be reclassified to profit or loss	**497**	**(958)**
Total items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year, net of tax	**497**	**(958)**
Total comprehensive income for the year	**(57.991)**	**(37.522)**

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