

HEIDELBERGCEMENT FINANCE B.V.

ANNUAL REPORT

2009

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REPORT OF THE MANAGEMENT BOARD

The Management Board of HeidelbergCement Finance B.V. (hereinafter “the Company”) submits the annual report and the financial statements of the Company for the year ended 31 December 2009.

Statement by Management Board

The Management Board has declared that to the best of their knowledge:

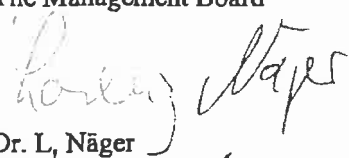
1. the financial statements give a true and fair view of the assets, the liabilities, the financial position and the results of the Company and
2. the management report gives a true and fair view of the Company’s situation as at the balance sheet date, the events that occurred during the year and the risks to which the Company is exposed

Audit Committee

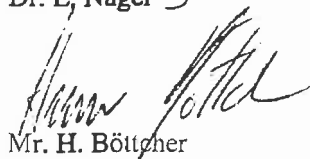
The Company is not required to establish an Audit Committee under Article 3a Royal Decree dated July 26, 2008. Supervision over the financial reporting process, the statutory audit of the annual report and the risk management system of the company is carried out by treasury and consolidation department of HeidelbergCement AG including its audit committee.

‘s-Hertogenbosch, 12 April 2010

The Management Board



Dr. L. Näger




Mr. H. Böttcher



Mrs. W.J.M. Baten



Mr. M.C.M. Cremers



Mr. I.G.C. Pleijers

BALANCE SHEET AS AT 31 DECEMBER 2009

(Before appropriation of result)

(x EUR 1.000)

	2009	2008
<u>ASSETS</u>		
FIXED ASSETS		
Loans to shareholder	612.738	1.126.367
Loans to group entities	3.450.968	7.387.601
	4.063.706	8.513.968
CURRENT ASSETS		
Loans to shareholder	0	66.561
Loans to group entities	1.490.276	1.194.504
Other amounts due from shareholder	3.060	136.707
Other amounts due from group entities	387.951	316.940
Taxation	299	0
Cash at bank	0	5
	1.881.586	1.714.717
	5.945.292	10.228.685
<u>SHAREHOLDER'S EQUITY AND LIABILITIES</u>		
CAPITAL AND RESERVES		
Issued share capital	18	18
Share premium reserve	1.316	1.316
General reserve	734	749
Net income	1.874	2.985
	3.942	5.068
LONG TERM LIABILITIES		
Bonds and notes	1.627.417	1.620.903
Loans from third parties	2.442.712	6.024.662
Other financial liabilities group entities	0	1.490.276
	4.070.129	9.135.841
SHORT TERM LIABILITIES		
Bonds and notes	0	326.435
Loans from third parties	0	603.811
Interest due to third parties	107.597	114.819
Loans from shareholder	240.685	35.770
Loans from group entities	1.490.276	0
Interest due to shareholder	158	399
Interest due to group entities	4.900	3.258
Other financial liabilities shareholder	27.254	2.465
Taxation	0	760
Other creditors	351	59
	1.871.221	1.087.776
	5.945.292	10.228.685

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

(x EUR 1.000)	2009	2008
Interest and similar income shareholder	41.359	84.319
Interest and similar income group companies	546.701	519.612
Interest and similar income third parties	<u>25</u>	<u>240</u>
Turnover	588.085	604.171
Interest and similar expenses shareholder	-23.346	-43.437
Interest and similar expenses group companies	-74.474	-59.652
Interest and similar expenses third parties	<u>-487.318</u>	<u>-496.720</u>
Cost of Turnover	-585.138	-599.809
Gross Profit	<u>2.947</u>	<u>4.362</u>
General and Administrative expenses	<u>-366</u>	<u>-358</u>
RESULT BEFORE TAXATION	2.581	4.004
Corporate income tax	<u>-707</u>	<u>-1.019</u>
RESULT AFTER TAXATION	<u>1.874</u>	<u>2.985</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

(x EUR 1.000)	2009	2008
Net income	1.874	2.985
Taxes on income	707	1.019
Interest income/expense	-5.908	-7.823
Interest paid/received	126.156	-67.872
Taxes paid	-1.767	-427
Non- cash items	2.952	3.445
Cashflow	124.014	-68.673
Changes in working capital	291	24
Cash flow from operating activities	124.305	-68.649
Investments (cash outflow)	-5.580.560	-3.213.776
Proceeds from fixed asset disposals	9.764.167	3.808.319
Cash flow from investing activities	4.183.607	594.543
Capital increase	0	0
Dividend payments	-3.000	-1.300
Proceeds from bond issuance and loans	5.580.560	3.213.776
Repayment of bonds and loans	-9.885.477	-3.738.369
Cash flow from financing activities	-4.307.917	-525.893
Changes in cash and cash equivalents	-5	1
Effect of exchange rate changes	0	0
Cash and cash equivalents at the beginning of the year	5	4
Cash and cash equivalents at the end of the year	0	5

NOTES TO THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

GENERAL

Group affiliation and principal activities

HeidelbergCement Finance B.V. (“the Company”), a corporation with limited liability, having its statutory seat in ‘s-Hertogenbosch, The Netherlands, was incorporated under the laws of The Netherlands on 11 October 1991. The Company considers HeidelbergCement AG, Germany, to be its ultimate parent company.

ACCOUNTING POLICIES

Basis of presentation

The accompanying annual accounts have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in the Netherlands.

Financial assets and liabilities

Financial assets and liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition the financial assets and liabilities are measured at amortised cost using the effective interest method. The financial assets are not quoted in an active market.

Other Balance sheet items

Other items in balance sheet are valued at their nominal value.

Foreign currency translation

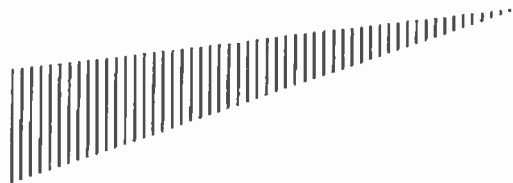
Assets and liabilities denominated in other currencies are translated into euros at the rates of exchange prevailing on the balance sheet date. Transactions in foreign currencies have been translated at the rates of exchange prevailing on the date of the transactions. Exchange results are reflected in the profit and loss account.

Recognition of income and expenses

All revenues and expenses are accounted for under the accrual method. Premiums, discounts and issue expenses arising from the issue of long term loans are accounted for in the balance sheet as long term liability or financial fixed assets. These premiums, discounts and expenses are recognized as interest and similar income or interest and similar expenses in proportion to the remaining term.

Cash flow statement

The cash flow statement is prepared according the indirect method. The cash items disclosed in the cash flow statement are comprised of cash and cash equivalent. Interest paid and received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities.



To: HeidelbergCement Finance B.V.

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements 2009 of HeidelbergCement Finance B.V., 's-Hertogenbosch, which comprise the balance sheet as at December 31, 2009, the profit and loss account for the year then ended and the notes.

Management's responsibility

Management of the company is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of HeidelbergCement Finance B.V. as at December 31, 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

's-Hertogenbosch, April 12, 2010

Ernst & Young Accountants LLP

M. Hartkorn

