



# Capital Markets Day 2016

## Central Europe West

Gerd Aufdenblatten, CEO Central Europe



# Central Europe West – optimized plant network across 5 market regions



Germany (South)

France (Haut-Rhin)

Switzerland

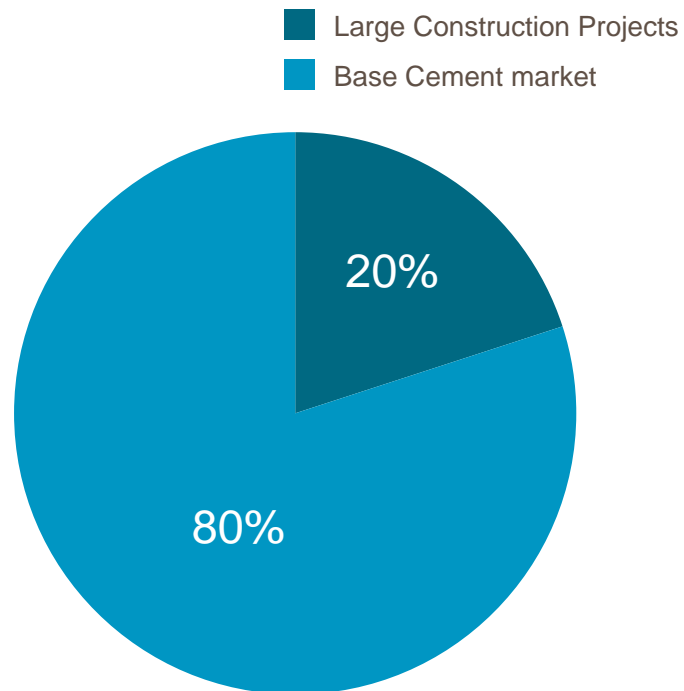
Italy

## Strengths

- Strong integrated positions in all market areas
- Strong expertise and wide experience in large construction projects (e.g. NEAT) and integrated solutions
- Material life cycle focus for plan 2030

# Central Europe West – Large construction projects count for approx. 20% of the total cement sales volume

## Cement Sales Volume Composition CEW 2016



## Past and Current Large Infrastructure Projects in Central Europe West

### Switzerland

- Gotthard tunnel
- Ceneri tunnel
- Power station Linth-Limmern & Hydropower plant Nant de Drance
- Various tunnels in Switzerland (Albula, Belchen, Eppenbergl, etc.)

### Italy

- Metro Line 4 in Milano
- Libeskind Tower

### South Germany

- Daimler in Immendingen I
- Albvorlandtunnel (part of Stuttgart 21 & new railway system Wendingen- Ulm)

### Austria

- Pumped-storage power plant Obervermunt II

# Gotthard – from a product based offering before 2000 ...

## Project description<sup>1</sup>

- Gotthard Base Tunnel: two 57-kilometres-long single-track tubes
- Total length of the tunnel system: over 152 km, including all cross-passages, access tunnels and shafts
- The world's longest and deepest, railway tunnel constructed to date with a rock overburden of up to 2 300 meters
- Challenges: Tight time schedule, high temperatures, water containing sulphate, recycling of excavation material in RMX, 100 year useful life of RMX requested
- Opening ceremony held on June 1, 2016, on time and in budget



Haupttöhre im Bereich Multifunktionsstelle.  
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Kaverne am Schachtflus bei Seehaus.  
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Das künftige Nordportal des Gotthard-Basistunnels.  
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## LH key success factors

- Development of a new RMX recipe based on a unique cement and additives with the target to go through a pre-qualification procedure
- Different recipes were tested in a specially designed underground testing tunnel under supervision of client representation
- Prequalified RMX was pre-requisite for the construction company

## → Prescriptive product selling



Das von Holcim betriebene Kieswerk in Armutz.  
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Boden: Beschicken eines Bauszugs mit Beton



Der Installationsplatz bei Sigirio.  
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# ... to a need based cross-country offering for Albvorlandtunnel in Germany in 2015

## Project description

- Railway tunnel with 2 tubes à 8 km
- 2 tunnel boring machine drill from 2016 to 2020
- Approx. 0.5Mio. m<sup>3</sup> RMX & approx. 4.5 Mio. t landfill
- Challenge: Due to two tunnel boring machine at once, very high daily landfill volumes



## LH key success factors

- **Large Construction Projects** approach of Switzerland was applied to the South German market
- Early object study identified solution for landfill as key success factor, Holcim secured landfill volume in an early stage with a partner (Letter of Intent)
- The bundling of RMX production on job site and the logistic and landfilling capacity was a strong value proposition and a clear differentiation factor
- Management decision to offer solution to Implenia, strong Key Account in Switzerland, with the ambition to acquire the project as partners. Strong basis for further Projects
- Strong expertise in tunnels leveraged



# Central Europe West – tailor-made solutions for our customers



Tailor-made underground RMX plants (24h delivery)



Partner for the tunnel construction and not merely CEM supplier



Excavation material handling

AGG/CEM rail transports

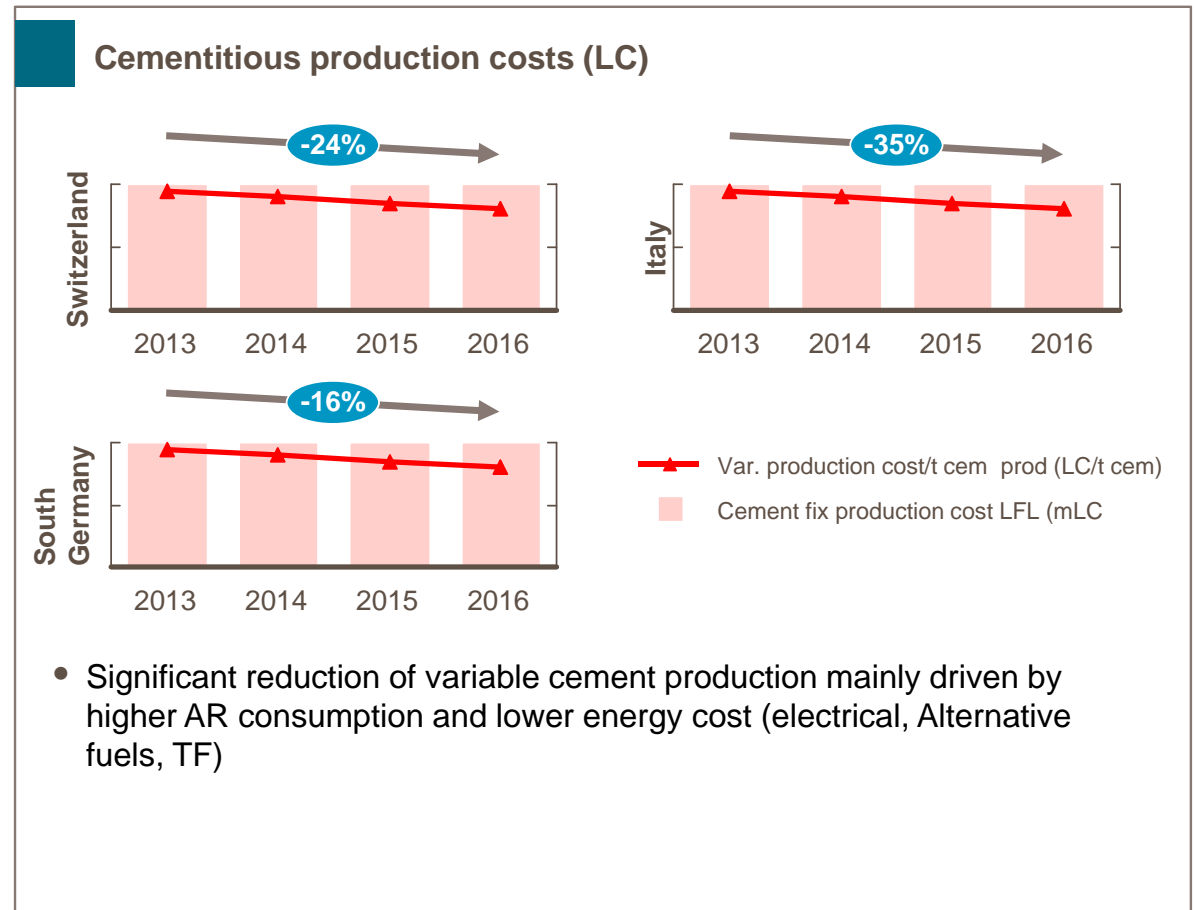
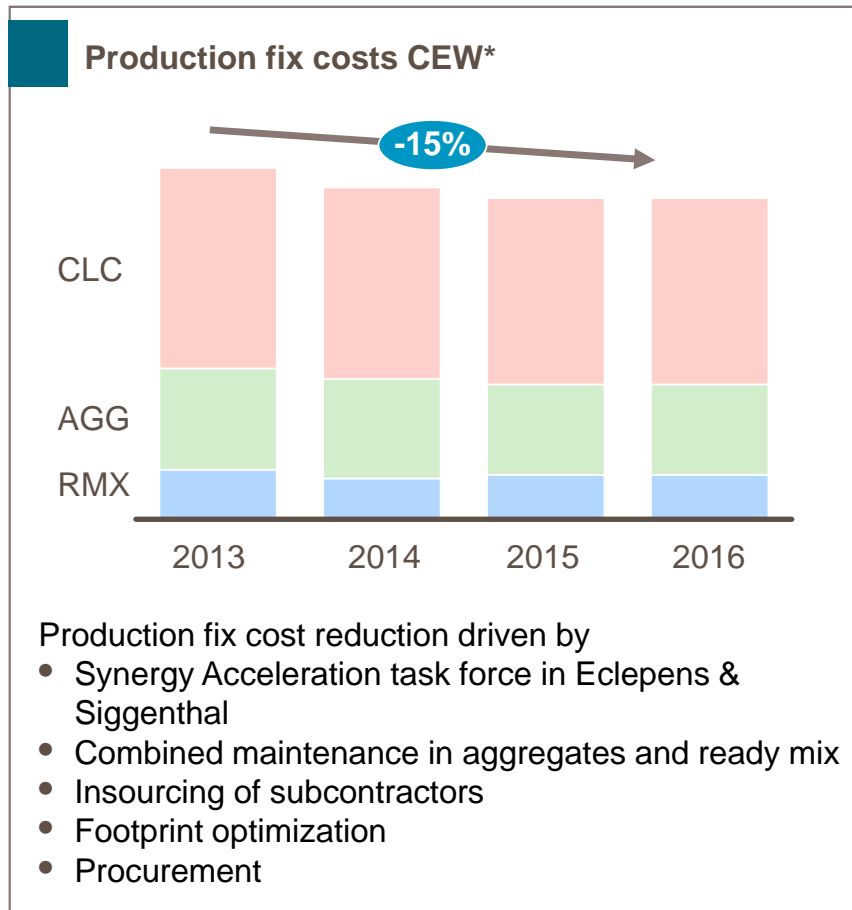


Innovation: New CEM type for special LCPs



QA on job site

# Central Europe West – Focus on key cost drivers allows for continuous, sustainable cost improvements



# Central Europe West – Need based offering as key success factor; cost leadership a must

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Large Construction Projects with further growth potential ⇨ Infrastructure, high-density building areas

Need based offering key to win further projects and extract value



Knowledge sharing across countries as competitive advantage

Cost leadership a must – countries benefiting from group initiatives

Empowered countries with full accountability