**PRESS RELEASE**

**Interim results at June 30, 2020**

- **Cement and clinker sales down in the first half of 2019 (-3.4%). Drop in volumes concentrated in Italy and Eastern Europe, due to the spread of the pandemic and to the associated restrictions on economic activity. In Central Europe shipments only slightly below the level reached in the same period of 2019. Good performance in the United States, despite the increasing challenges posed by Covid-19**

- **Interim results improving over 2019. The unfavorable changes in sales volumes were offset by the positive price effect and the generally favorable trend in production costs**

- **Net sales at €1,520 million (2019: €1,519 million) and Ebitda at €314 million (+8.3% like for like). Positive exchange rate effect of €11 million on net sales and of €3 million on Ebitda, thanks to the strengthening of the dollar and the hryvnia**

- **For the full year 2020 recurring Ebitda expected to contract between 5% and 10%**

| **Consolidated data** | | **Jan-Jun 20** | **Jan-Jun 19** | **% 20/19** |
|---|---|---|---|---|
| Cement sales | t/000 | 13,396 | 13,869 | -3.4 |
| Ready-mix sales | $m^3$/000 | 5,462 | 5,830 | -6.3 |
| Net sales | €m | 1,520.1 | 1,518.7 | +0.1 |
| Ebitda | €m | 313.9 | 288.6 | +8.8 |
| Net profit | €m | 216.7 | 134.7 | +60.9 |
| Consolidated net profit | €m | 216.5 | 134.6 | +60.8 |
| | | **Jun 20** | **Dec 19** | **Change** |
| Net debt | €m | 385.1 | 567.8 | (182.7) |

The Board of Directors of Buzzi Unicem SpA has met today to examine the interim financial report as at 30 June 2020.

The Covid-19 pandemic, whose intensity is slowing down in Europe but not yet in the emerging countries and in the United States, after causing in the early months of 2020 a sharp contraction in economic activity and having wide repercussions on international trade, during the second quarter led to a rapid deterioration in development and prospects, particularly in the economies of advanced countries.

The number of new daily infections worldwide, currently above 150,000, continues to remain high. The severity and composition of the containment measures adopted were very differentiated between the various countries, in relation to the intensity and spread of the infections. In most cases the measures adopted by government authorities aimed primarily at reducing contacts between the population, with limitation to national and international movements and travel, closing of schools and production activities, as well as indications of social distancing. These measures were generally able to stop the exponential increase in infections.
In Europe the spread of the epidemic started to decrease within three weeks from the introduction of the containment measures. In the United States, following the drop in infections in April, the number of new infections has started to rise again since June, with a different geographical distribution, while in Brazil and Mexico the infection trend does not yet seem to have peaked. Some countries, where the epidemiological picture has improved, have eased containment measures since May. However, measures to encourage social distancing remain in force almost everywhere, such as the partial closure of schools, presence limits in public places and the use of remote working.

Following such developments and the resulting restrictions, the economic prospects for the current year were repeatedly revised downwards, and in recent updates they foresee a decrease in global GDP of 4.9% as well as a contraction of international trade by 14%. In the United States of America, GDP contraction in the first quarter, mainly due to the drop in consumption, was greater than 5%, while in April industrial production declined by approximately 10 percentage points. In Europe, the sharp contraction in business activity in the first quarter was followed by an even more marked decline in the second one, due to the particularly unfavorable trend in April, when, in most countries, the peak in the infection curve and the following entry into force of severe containment measures were recorded, while the trend in May and June anticipates indications of partial recoveries. Furthermore, thanks to the widespread use of wage integration tools, the effects on the labor market remained limited. Among emerging countries, in China, after a first quarter severely penalized by the effects of the pandemic, industrial production returned to growth in April, further strengthening in May. In Latin America - Mexico and Brazil in particular, the epidemic has intensified its spread since May, putting public health response capacity in serious difficulty and increasing uncertainty about the development prospects.

Consumer price index, which has sharply decreased since the beginning of the year, declined below 1% in April in all the major advanced economies, while oil prices, after bottoming out and recording $19 a barrel in mid-April, partially recovered, reaching $43 in early July.

Looking ahead, negative global growth expectations for the current year are associated with downside risks deriving from a possible second wave of infections, which would have repercussions on consumer and investment confidence and decisions. Furthermore, the continuation for a long time of the crisis could have more persistent effects on economic activity and international trade.

Net sales achieved in the half year were substantially stable (+0.1% over 2019) amounting to €1,520.1 million compared to €1,518.7 million in 2019, while Ebitda increased by 8.8%, from €288.6 to €313.9 million. The price effect in local currency showed a favorable or neutral change in all countries where the group operates. The currency trend had a positive net impact of €11.3 million on net sales and of €2.9 million on Ebitda. On a like-for-like basis, net sales would have decreased by 1.4% while Ebitda would have increased by 8.3%. After amortization and depreciation of €128.4 million (€123.0 million in the previous year), Ebit came in at €185.5 million (€165.6 million in 2019). The income statement for the half year closed with a net profit of €216.7 million, compared to €134.7 million in the same period of 2019.

**Operating and financial results**

Cement sales of the group in the first six months of 2020 stood at 13.4 million tons, down compared to the same period of 2019 (-3.4%). After a stable quarter, despite the first impacts of the disease and of the containment measures adopted in March, April sales were strongly affected, particularly in Italy and Luxembourg, where, on the initiative of the government authorities, measures have been introduced to stop production and commercial activities. Starting from May, at the same time as the easing of restrictive measures in most countries where we operate, the first signs of recovery in demand began to emerge and further strengthened in June. Considering the trend in cement sales volumes in the first six months as a whole, changes were favorable in the United States of America, facilitated by a comparison with the results for the month of June of the previous year, which had been conditioned by considerable difficulties in production and logistics due to the exceptional flood of the Mississippi River and, albeit less clearly, in the Czech Republic. Changes in the other countries were instead unfavorable, particularly in Italy, Ukraine, Poland and Russia. Ready-mix concrete output recorded a more marked decline, reaching 5.5 million cubic meters, down 6.3% compared to the previous year. In this sector, some progress was recorded in Germany, mainly thanks to the changes in the consolidation area, a moderate positive variation in the Czech Republic and a negative one in the United States of America, while production decreased visibly in Benelux, Italy, Poland and Ukraine.

Consolidated Ebitda came in at €313.9 million, increasing (+8.8%) compared to €288.6 million in 2019. Changes in exchange rates had a favorable net impact essentially due to the strengthening of the dollar and the hryvnia. Like for like the recurring Ebitda in the first half of 2020 would have increased by 8.3%.
The recurring Ebitda to sales margin of the group during the first six months of 2020 improved, particularly in Poland, the United States of America, the Czech Republic, Russia and Germany, while Italy, Luxembourg and Ukraine performed unfavorably compared to the previous period.

After amortization and depreciation of €128.4 million (€123.0 in the first half of 2019), Ebit amounted to €185.5 million (€165.6 million in June 2019). Profit before tax stood at €279.4 million (€170.8 million in 2019), considering a contribution of €145.3 million from equity earnings (€33.9 million in 2019), of which €108.1 million related to the asset sale carried out by Kosmos Cement, gains on the disposal of investments for €3.6 million (€0.3 million in 2019) and net financial charges of €55.0 million (€29.0 million in 2019), the variation of which was influenced by the fair value estimation of derivative financial instruments. After income taxes of €62.7 million (€36.1 million in 2019), the income statement closed with a net profit of €216.7 million, compared to €134.7 million in the first half of 2019. Net profit attributable to the owners of the company increased from €134.6 million in 2019 to €216.5 million in the period under review.
Net debt as at 30 June 2020 amounted to €385.1 million, up €182.7 million compared to €567.8 million at 31 December 2019. In the six months under review the group collected dividends amounting to $162 million from the associate Kosmos Cement (following the extraordinary disposal of the company's assets), distributed dividends to the owners of the company for €31.8 million, purchased treasury shares for €7.3 million and incurred capital expenditures for a total of €126.6 million. Investments in property, plant and equipment referring to expansion or special projects totaled €2.5 million, largely attributable to the modernization of the finish mill at Korkino plant (Russia).

**Italy**
Our sales of hydraulic binders and clinker closed the first six months inevitably declining over the same period of the previous year (-12.2%), however associated with a favorable change of selling prices. The ready-mix concrete sector recorded an even higher contraction (-22.6%) also with prices improving. Net sales in Italy stood at €220.8 million, down 12.9% from €253.4 million in 2019). Ebitda of the first six months reached €8.8 million, clearly decreasing compared to €32.1 million of 2019. On a like-for-like basis, net sales and Ebitda would have decreased by 15.6% and 66.2% respectively. However, during the period no other operating revenues were generated following the sale within the group of $CO_2$ emission rights (€15.0 million in 2019). Unit production costs recorded a favorable trend, mainly due to the deflation related to electricity and fuels, as well as to the postponement of maintenance programs following the shutdown of the plants.

**Central Europe**

In **Germany**, after the slight progress in sales volumes achieved during the first quarter, shipments of hydraulic binders slowed down considerably during the months of April and May, while in June there was a promising recovery. Overall, in the first six months of 2020, our cement plants posted slightly declining sales (-1.2%) compared to 2019, with average prices strengthening. The ready-mix concrete sector showed a growing production (+5.6%) compared to the same period of 2019, also thanks to the additional contribution of the plants acquired last year in Düsseldorf, with prices also improving.

Overall net sales came in at €339.4 million (€322.4 million in 2019), up 5.3%, while Ebitda stood at €51.8 million (€42.1 million in 2019, +23.1%). Like for like net sales and Ebitda would have been up 3.8% and 22.1% respectively. The unit production costs were in line with the same period of 2019, in return for considerable savings in fuel costs, more than offset by the unfavorable change in electric power and fixed costs.

In **Luxembourg** and the **Netherlands**, our cement deliveries, inclusive of exports, after a promising start to the year suffered a setback in April due to the interruption of the production and commercial activities of our plant, caused by the entry into force of the containment measures. The half year closed down (-4.0%), despite the recovery in demand in May and June, which allowed a good pick-up, albeit partial. Prices maintained a favorable performance. Production volumes in the ready-mix concrete sector were more penalized (-13.3%), however with prices progressing. Net sales amounted to €91.2 million, slowing down compared to the previous year (€96.7 million). Ebitda decreased by €2.6 million, from €9.0 million in 2019 to €6.4 million in the period under review. The unit production costs performed unfavorably, mainly due to the worsening in fixed costs, associated with a decline in productivity and despite the savings achieved in the purchase of fuels.

**Eastern Europe**

In the **Czech Republic**, cement sales recorded in the first six months of the year were slightly up (+1.7%), also thanks to the fact that the construction sector did not experience any restrictions on operations, with average prices in local currency improving. The ready-mix concrete sector, which includes **Slovakia**, also showed slightly progressing production levels (+1.6%), with prices in local currency improving.

Overall net sales, marginally penalized by the negative exchange rate effect, stood at €75.2 million, compared to €74.9 million in 2019 (+0.4%), while Ebitda increased by €2.1 million, from €17.7 million in 2019 to €19.7 million in the period under review. At constant exchange rates, net sales and Ebitda would have increased by 2.6% and 14.4% respectively. The unit production costs in local currency visibly decreased, thanks to the savings recorded in fuel and $CO_2$ emission rights costs, while electric power remained unchanged.

In **Poland**, cement volumes sold by our plant, after a not particularly brilliant first quarter, closed the semester still clearly declining (-9.6%) compared to the volumes achieved in the same period of the previous year. Particularly in May and April, this figure was influenced by the containment measures adopted, which caused some difficulties in the supply of raw materials, as well as by unfavorable weather conditions in some areas of the country. However, the average price level, in local currency, markedly progressed. Ready-mix concrete output showed an even more marked decrease (-19.2%), moreover accompanied by a recovery in prices in local currency. Following these market dynamics, net sales came in at €55.2 million, down (-5.2%) compared to €58.2 million in 2019 and Ebitda increased from €12.5 to €15.4 million (+23.4%). However, it should be remembered that the slight weakening of the zloty (-2.8%) led to a negative exchange rate effect: on a like-for-like basis, net sales would have increased by 2.6% and Ebitda by 26.9%. The unit production costs in local currency recorded a favorable change, in particular thanks to the trend in fuel costs, although fixed costs suffered from the decrease in the operating leverage effect.

In **Ukraine**, in the first six months of the year cement volumes sold by our production plants showed a sharp decline (-11.5%), the causes of which are due to both the epidemic emergency and the sudden increase in imports from Turkey, mainly in the Southern area of the country. Average prices in local currency remained upwards, driven by inflation. Overall net sales amounted to €51.7 million, down 2.3% from €52.9 million in 2019, while Ebitda stood at €6.7 million compared to €7.1 million in the first half of 2019 (-5.4%). The appreciation of the local currency (+5.9%) had a favorable impact on the translation of the results into euros: net of the exchange rate effect, net sales and Ebitda would have been down 8.1% and 11.0% (-€0.8 million) respectively. Despite the decrease in the cost of energy factors, the higher incidence of fixed costs due to the decline in the activity level led to a worsening of the unit production costs in local currency.

In **Russia**, the sales recorded in the first half showed a negative trend (-6.8%) compared to the volumes reached in the previous year, due to the evident contraction that occurred in April and May, as a consequence of the measures to contain the infections, although some signs of recovery emerged in June. Average unit prices, in local currency, showed a favorable change. The decline in oil prices led to a marked contraction in the demand for special oil well cements, being particularly evident in the second quarter. Net sales stood at €92.9 million, down 7.7% from €100.6 million in the same period of 2019, while Ebitda was substantially stable at €24.8 million (€24.6 million in 2019). The weakening of the ruble (-4.0%) negatively influenced the translation of the results into euros. Net of the exchange rate effect, net sales would have been down 4.0% and Ebitda up 5.0%. Among the main operating costs in local currency, electric power and fuels had an unfavorable trend, albeit lower than inflation rate, and fixed costs were well under control.

**United States of America**

Our sales of hydraulic binders, after an excellent first quarter, suffered some slowdown in April and May, particularly significant in the case of the Stockertown (PA) plant, which is located in the geographical area being most hit by the epidemic during the first wave. In June the market performed very well thanks to the regular operation of the construction sector in almost all areas where we operate and to the comparison with the first half of the previous year, which had been penalized by the floods in the regions along the Mississippi river and by the associated logistic difficulties due to the distribution by means of barges and train. Therefore, the whole first half 2020 showed volumes up 4.5% compared to the levels of the previous year, with selling prices in local currency with no relevant changes. Ready-mix concrete output, mainly present in Texas, closed the first half slightly down (-2.0%) compared to the same period of 2019, with selling prices in local currency improving. In this context, net revenues came in at €611.6 million, up 6.0% compared to €577.1 million in the first six months of 2019, positively influenced by the strengthening of the dollar (+2.5%). Ebitda increased by 25.9%, from €143.0 to €180.1 million. Net of the exchange rate effect, net sales and Ebitda would have been up 3.4% and 22.8% respectively.

The unit costs of the cement produced had a very favorable trend, mainly thanks to the deflation that affected electric power and even more fuels. Furthermore, they benefited from the forced postponement of some maintenance operations compared to the initial plans and to those of the previous period.

**Mexico** (valued by the equity method)

Government authorities identified a wide range of infrastructure works that are considered to have strategic and essential value: this allowed the regular continuation of the production and commercial activities in the plants of our joint venture as well as to close the first half with sales volumes slightly progressing (+1.0%), with selling prices in local currency showing a small decline. On the other hand, ready-mix concrete output significantly decreased, with a change in prices in local currency negative too.

Net sales and Ebitda, in local currency, decreased by 3.3% and 4.9% respectively. The depreciation of the Mexican peso (-10.1%) penalized the translation of the results into euros. With reference to 100% of the associate, net sales stood at €266.8 million, down €36.9 million (-12.2%) and Ebitda decreased from €132.6 to €126.4 million (-4.7%). The equity earnings referring to Mexico, which are included in the line item that encompasses the investments valued by the equity method, amount to €29.5 million (€28.1 million in 2019).

**Brazil** (valued by the equity method)

In the first six months of 2020, the effects of the pandemic did not affect the business of our joint venture: cement and clinker sales volumes achieved some progress (+7.7%) compared to the levels of the previous year, with selling prices, in local currency, also improving. Net sales, with reference to 100% of the associate, stood at €61.2 million, down 6.5% compared to €65.5 million in 2019, while Ebitda came in at €16.5 million versus €7.5 million in 2019. The sizeable depreciation of the Brazilian real (-25% approximately) impacted the translation of the results into euros: at constant exchange rates, net sales would have increased by 16.5%, while Ebitda would have been 2.5 times higher than the 2019 figure. The equity earnings referring to Brazil, which are included in the line item that encompasses the investments valued by the equity method, amount to €0.3 million (-€2.0 million in 2019).

**Outlook**

The operating performance of the first six months of 2020, for the group as a whole, after the good start to the year was influenced by the effects of the pandemic that resulted, in all the markets where we operate except the United States of America, in a more or less pronounced contraction in sales volumes during the second quarter, particularly in April, followed by some first signs of recovery in May and more encouraging ones in June.

In Italy, in the second half of the year, we believe the demand will continue to recover moderately, although this will only partially offset the loss in volumes suffered during the so-called lockdown period. The economy of the business should be supported both by the confirmation of the favorable price effect and by the savings in energy factors. Therefore, the full year should post operating results higher than the previous year, net of other operating revenues resulting from the sale of $CO_2$ emission rights within the group, which are not expected for the current year.

In Central Europe, we expect some marginal slowdown in demand in the second half of the year, but we believe that operating results will still be in line with 2019.

In Eastern Europe, we think that also during the second quarter demand will remain rather weak, penalized by the continuing criticality of the epidemiological picture and by the following greater uncertainties regarding the timing of the economic recovery. Despite the support deriving from the price effect and by the deflation of energy factors, the development of operating results is expected to worsen.

In the United States of America, the very critical developments in the epidemiological picture raise concerns and growing uncertainties on the evolution of demand, which is expected to contract in the second half of the current year, also due to the challenging comparison with the excellent levels achieved in the second part of 2019. We expect that operating results in local currency will tend to deteriorate and close down in comparison with the previous year.

The outlines of the pandemic, which in some countries has not yet reached the phase of controlled circulation, as well as the intensity of global recession and the demand for building materials may be characterized by further sudden developments in the coming months. Visibility for the second half of the year continues to be very limited and our forecasts are based on a scenario of gradual mitigation of the infections and related restrictions on economic activity, in the geographical areas where the group operates. To conclude, following all the above considerations, we expect the recurring Ebitda to possibly close the year down between 5% and 10% compared to the 2019 result.

**Senior Notes and Bonds**

In the period from 1 January 1 to 30 June 2020 no new bonds were issued.
In the 18 months subsequent to 30 June 2020 no principal repayments of bonds shall be effected.

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*The manager responsible for preparing the company's financial reports, Elisa Bressan, 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, 4 August 2020

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Buzzi Unicem H1 2020 results will be illustrated during a **conference call** to be held today, Tuesday 4 August, at 04:30 pm CEST.
To join the conference, please dial +39 02 805 8811, from UK +44 1212 818 003, from USA +1 718 7058 794.

**BUZZI UNICEM SPA**

**CONSOLIDATED INCOME STATEMENT** (in thousands of euro)

| | 1H 2020 | 1H 2019 |
|---|---|---|
| **Net sales** | **1,520,095** | **1,518,723** |
| Changes in inventories of finished goods and work in progress | (24,689) | (15,383) |
| Other operating income | 18,913 | 22,034 |
| Raw materials, supplies and consumables | (549,731) | (580,082) |
| Services | (361,665) | (368,597) |
| Staff costs | (255,992) | (252,680) |
| Other operating expenses | (33,018) | (35,417) |
| **EBITDA** | **313,913** | **288,598** |
| Depreciation, amortization and impairment charges | (128,422) | (122,950) |
| **Operating profit** | **185,491** | **165,648** |
| Equity in earnings of associates and joint ventures | 145,336 | 33,856 |
| Gains on disposal of investments | 3,610 | 302 |
| Finance revenues | 38,349 | 23,645 |
| Finance costs | (93,395) | (52,674) |
| **Profit before tax** | **279,391** | **170,777** |
| Income tax expense | (62,735) | (36,085) |
| **Profit for the period** | **216,656** | **134,692** |
| **Attributable to** | | |
| Owners of the company | 216,518 | 134,615 |
| Non-controlling interests | 138 | 77 |

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| | | |
|---|---|---|
| **Profit for the period** | **216,656** | **134,692** |
| **Items that will not be reclassified to profit or loss** | | |
| Actuarial gains (loss) on post-employment benefits | (18,514) | (31,579) |
| Fair value changes of equity investments | 380 | 179 |
| Income tax relating to items that will not be reclassified | 4,623 | 9,029 |
| **Total items that will not be reclassified to profit or loss** | **(13,511)** | **(22,371)** |
| **Items that may be reclassified subsequently to profit or loss** | | |
| Currency translation differences | (70,010) | 61,380 |
| Share of currency translation differences of associates and joint ventures valued by the equity method | (77,505) | 6,016 |
| **Total items that may be reclassified subsequently to profit or loss** | **(147,515)** | **67,396** |
| **Other comprehensive income for the period, net of tax** | **(161,026)** | **45,025** |
| **Total comprehensive income for the period** | **55,630** | **179,717** |
| **Attributable to** | | |
| Owners of the company | 55,230 | 179,301 |
| Non-controlling interests | 400 | 416 |

**CONSOLIDATED BALANCE SHEET**

| | 30.06.2020 | 31.12.2019 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Goodwill | 612,623 | 619,002 |
| Other intangible assets | 65,235 | 70,814 |
| Right-of-use assets | 98,857 | 99,247 |
| Property, plant and equipment | 3,108,257 | 3,149,997 |
| Investment property | 19,683 | 20,796 |
| Investments in associates and joint ventures | 414,874 | 517,920 |
| Equity investments at fair value | 12,243 | 12,204 |
| Deferred income tax assets | 83,630 | 72,823 |
| Other non-current assets | 23,759 | 21,932 |
| | **4,439,161** | **4,584,735** |
| **Current assets** | | |
| Inventories | 487,880 | 489,299 |
| Trade receivables | 438,273 | 414,468 |
| Other receivables | 73,768 | 70,514 |
| Cash and cash equivalents | 1,041,862 | 837,403 |
| | **2,041,783** | **1,811,684** |
| Assets held for sale | 3,645 | 6,145 |
| **Total Assets** | **6,484,589** | **6,402,564** |
| **EQUITY** | | |
| **Equity attributable to owners of the company** | | |
| Share capital | 123,637 | 123,637 |
| Share premium | 458,696 | 458,696 |
| Other reserves | (43,765) | 116,798 |
| Retained earnings | 3,160,950 | 2,986,360 |
| Treasury shares | (7,699) | (373) |
| | **3,691,819** | **3,685,118** |
| Non-controlling interests | 5,508 | 5,703 |
| **Total Equity** | **3,697,327** | **3,690,821** |
| **LIABILITIES** | | |
| **Non-current liabilities** | | |
| Long-term debt | 1,236,516 | 1,235,628 |
| Lease liabilities | 75,073 | 74,665 |
| Derivative financial instruments | 53,169 | 1,412 |
| Employee benefits | 458,398 | 442,610 |
| Provisions for liabilities and charges | 90,061 | 87,104 |
| Deferred income tax liabilities | 355,382 | 366,442 |
| Other non-current liabilities | 9,524 | 9,267 |
| | **2,278,123** | **2,217,128** |
| **Current liabilities** | | |
| Current portion of lease liabilities | 26,106 | 26,414 |
| Short-term debt | 9,735 | 13,737 |
| Current portion of lease liabilities | 22,508 | 22,527 |
| Trade payables | 202,983 | 235,365 |
| Deferred income tax liabilities | 98,592 | 34,398 |
| Provisions for liabilities and charges | 31,122 | 28,479 |
| Other payables | 118,093 | 133,695 |
| | **509,139** | **494,615** |
| **Total Liabilities** | **2,787,262** | **2,711,743** |
| **Total Equity and Liabilities** | **6,484,589** | **6,402,564** |

**CONSOLIDATED STATEMENT OF CASH FLOWS**

| | 1H 2020 | 1H 2019 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Cash generated from operations | 256,154 | 195,249 |
| Interest paid | (18,266) | (19,312) |
| Income tax paid | (23,458) | (27,502) |
| **Net cash generated from operating activities** | **214,430** | **148,435** |
| **Cash flows from investing activities** | | |
| Purchase of intangible assets | (1,966) | (2,026) |
| Purchase of property, plant and equipment | (105,605) | (124,233) |
| Purchase of other equity investments | 222 | (300) |
| Proceeds from sale of property, plant and equipment | 4,692 | 5,276 |
| Proceeds from sale of equity investments | 5,700 | 471 |
| Changes in financial receivables | (1,506) | 5,984 |
| Dividends received from associates | 171,034 | 49,050 |
| Interest received | 6,391 | 771 |
| **Net cash generated (used) in investing activities** | **78,962** | **(65,007)** |
| **Cash flows from financing activities** | | |
| Proceeds from long-term debt | - | 49,850 |
| Repayments of lease liabilities | (706) | (9,392) |
| Net change in short-term debt | (3,967) | 99,986 |
| Repayments of lease liabilities | (11,678) | (10,467) |
| Changes in other financial payables | 5,285 | 4,928 |
| Changes in ownership interests without loss of control | (19,219) | (219) |
| Purchase of treasury shares | (7,326) | - |
| Dividends paid to owners of the company | (31,802) | (26,559) |
| Dividends paid to non-controlling interests | (96) | (256) |
| **Net cash generated (used) in financing activities** | **(69,509)** | **107,871** |
| **Increase in cash and cash equivalents** | **223,883** | **191,299** |
| Cash and cash equivalents at beginning of period | 837,403 | 440,499 |
| Translation differences | (19,424) | 2,484 |
| **Cash and cash equivalents at end of period** | **1,041,862** | **634,282** |

The interim report for the six months ended 30 June 2020 has been endorsed by the Board of Directors and is being revised by the independent auditors.

## Alternative performance measures

Buzzi Unicem uses in its financial disclosure some alternative performance measures that, although widespread, are not defined or specified by the accounting standards applicable to the preparation of the annual financial statements or interim consolidated reports.
Pursuant to Consob Communication no. 92543/2015 and the guidelines ESMA/2015/1415 set out below are the definitions of such measures.

- **EBITDA**: subtotal presented in the financial statements; please refer to the consolidated income statement for the calculation.

- **EBITDA recurring**: it is calculated starting from the subtotal presented in the financial statements named EBITDA and applying to it the following adjustments (non-recurring income/expense):

  - restructuring costs, in relation to defined and significant plans
  - write downs/ups of current assets except trade receivables greater than €1 million
  - addition to/release of provisions for legal, fiscal or environmental risks greater than €1 million
  - dismantling costs greater than €1 million
  - gains/losses from the sales of fixed assets and non-instrumental real estate greater than €3 million
  - other sizeable non-recurring income or expense (greater than €3 million), that is attributable to significant events unrelated to the usual business.

In the first half of 2020, no non-recurring charges and/or income were accounted for. Non-recurring income of the first half of 2019 amounting to €12.3 million, referring to the adoption of IFRS 16, is no longer considered as such since the standard has become fully operational.

- **Operating profit (EBIT)**: subtotal presented in the financial statements; please refer to the consolidated income statement for the calculation.

- **Net debt**: it is a measure of the capital structure determined by the difference between financial liabilities and assets, both short and long term; under such items are included all interest-bearing liabilities or assets and those connected to them, such as derivatives and accruals.