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## Holcim Ltd

A company limited by shares incorporated and organized under the laws of Switzerland  
with a share capital of CHF654,172,752 divided into 327,086,376 registered shares with a nominal value of CHF2.00 each  
and with registered offices at Zürcherstrasse 156, 8645 Jona, Switzerland

## Securities Note

This securities note (the “**Securities Note**”) is published in connection with the admission to listing and trading on the regulated market of Euronext Paris (the “**Listing**”) of (i) all of the 327,086,376 existing registered shares of Holcim Ltd (“**Holcim**”) with a nominal value of CHF2.00 per share (the “**Existing Holcim Shares**”), on July 9, 2015, (ii) up to 264,006,013 new registered shares to be issued by Holcim (the “**New Holcim Shares**”, and together with the Existing Holcim Shares, the “**Holcim Shares**” and after renaming, the “**LafargeHolcim Shares**”) in consideration for the shares of Lafarge (the “**Lafarge Shares**”) tendered to the Exchange Offer, on July 14, 2015, subject to the successful closing of the Exchange Offer, (iii) up to 132,118,700 LafargeHolcim Shares, on August 6, 2015, subject to the successful closing, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out, and (iv) up to 29,566,188 LafargeHolcim Shares in connection with the distribution of the scrip dividend.

The prospectus (the “**Prospectus**”) approved by the Autorité des Marchés Financiers is composed of:

- the Registration Document registered by the AMF on May 11, 2015 under number I.15-034;
- this Securities Note; and
- the summary of the Prospectus (included in this Securities Note).

**This Prospectus does not constitute an offer of securities by or for Holcim. For more information on the Exchange Offer, please refer to Holcim’s offer document and Lafarge’s reply document both dated May 28, 2015 are available on Holcim’s website ([www.holcim.com](http://www.holcim.com)), Lafarge’s website ([www.lafarge.com](http://www.lafarge.com)) and on the AMF’s website ([www.amf-france.org](http://www.amf-france.org)).**

On May 27, 2015, Euronext Paris approved Holcim’s application for the Listing. Trading in the Existing Holcim Shares on Euronext Paris is expected to start on July 9, 2015 under the symbol “LHN”. The Existing Holcim Shares are expected to start trading on Euronext Paris at the closing price at which the Existing Holcim Shares traded on the SIX Swiss Exchange upon close of trading on July 8, 2015, which price will be converted into Euros using the Euro/Swiss Franc exchange reference rate published by the European Central Bank on July 8, 2015. Holcim has appointed Société Générale as its listing agent (“**Listing Agent**”). Neither Holcim, the Listing Agent or Euronext Paris accepts any responsibility or liability with respect to any person in case of the withdrawal of the Listing.

Copies of the Prospectus and any supplement thereto may be obtained free of charge from Holcim’s registered office (Zürcherstrasse 156, 8645 Jona, Switzerland) and can be downloaded from Holcim’s website ([www.holcim.com](http://www.holcim.com)). Copies of the Prospectus and any supplement thereto may be obtained free of charge from Lafarge’s registered office (61, rue des Belles Feuilles, 75116 Paris, France) and can be downloaded from Lafarge’s website ([www.lafarge.com](http://www.lafarge.com)) and from the AMF’s website ([www.amf-france.org](http://www.amf-france.org)).



Pursuant to Articles L. 412-1 et L. 621-8 of the Monetary and Financial Code and to its General Regulation, in particular Articles 211-1 to 216-1, the Autorité des Marchés Financiers (AMF) affixed the visa No. 15-233 on May 28, 2015 on the Prospectus. This Prospectus was prepared by Holcim Ltd and Lafarge S.A., whose respective signatories are taking responsibility for it.

Pursuant to Article L. 621-8-1-I of the Monetary and Financial Code, this visa was granted after the AMF verified that the Prospectus is exhaustive and comprehensible and that the information contained in it is consistent. It does not imply that the AMF has approved the appropriateness of the transaction or authenticated the accounting and financial information presented herein.

This Securities Note has been prepared by Holcim together with:



**Lafarge S.A.**

## PRELIMINARY NOTE

On April 7, 2014, Holcim and Lafarge announced their intention to combine the two companies through a merger of equals (the “**Merger**”) to be effected by way of a public exchange offer with an exchange ratio which was initially one registered share of Holcim for one Lafarge share. The Merger has been unanimously approved by their respective Board of Directors and supported by the anchor shareholders of both companies, Schweizerische Cement-Industrie-Aktiengesellschaft, Groupe Bruxelles Lambert and NNS Holding S.à.r.l, in the undertaking agreements dated April 6, 2014. On March 20, 2015, the Boards of Directors of Holcim and Lafarge reached an agreement to amend certain terms of the Merger, including the exchange ratio which has been modified to nine registered shares of Holcim for every ten Lafarge Shares (as defined below). The anchor shareholders of both companies confirmed their undertakings in confirmation undertaking agreements dated March 19, 2015. The Combination Agreement entered into between Holcim and Lafarge S.A. on July 7, 2014 and amended on March 20, 2015 (the “**Combination Agreement**”) provides that Holcim shall initiate a public exchange offer with an exchange ratio of nine registered shares of Holcim for every ten Lafarge Shares (the “**Exchange Offer**”).

The Exchange Offer is subject to the conditions (i) that Lafarge Shares, together with the Lafarge Shares held by Lafarge or its affiliates, representing at least two-thirds (2/3) of the share capital or voting rights of Lafarge (taking into account the loss of double voting rights of Lafarge Shares tendered to the Exchange Offer) as of the end date of the Exchange Offer acceptance period, be tendered to the Exchange Offer and (ii) of approval of the issuance of the Holcim Shares (as defined below) by the Holcim shareholders, and the subsequent registration of the amended Articles of Association of Holcim and all such Holcim Shares to be issued as consideration for the Lafarge Shares tendered to the Exchange Offer, with the commercial register of St. Gallen.

On May 8, 2015, Holcim Shareholders’ Meeting approved all the resolutions submitted to it, including the resolutions on the capital increase required for the Exchange Offer, the change of the corporate name of Holcim Ltd to LafargeHolcim Ltd, the appointment of new members of the Board of Directors (see Registration Document – Section 2.5.2 of Part I), as well as the resolutions on the maximum amount of compensation for the members of the Board of Directors and of the Executive Management (see Registration Document – Section 2.5.9 of Part I). All resolutions are subject to the successful closing of the Exchange Offer.

In accordance with Swiss law, the resolution relating to the share capital increase is valid for three months. Accordingly, all decisions and actions needed to be taken by the Board of Directors of Holcim in order to proceed with the issuance of the Holcim Shares to be remitted as consideration for the Lafarge Shares tendered to the Exchange Offer, and the filing of the application for the registration of the capital increase with the commercial register of St. Gallen will have to take place within three months from the date of the respective shareholders’ meeting at the latest. As a consequence, if the application for the registration of the capital increase, together with all required information, cannot be deposited with the commercial register of St. Gallen on or before August 8, 2015, a new shareholders’ meeting would have to be convened to resolve on the share capital increase for the issuance of such Holcim Shares. In such a case, the Exchange Offer will be subject to the approval by such new Shareholders’ Meeting of Holcim of the ordinary share capital increase in Holcim’s share capital in such a maximum amount as may be necessary to issue the Holcim Shares to be remitted as consideration for the Lafarge Shares tendered to the Exchange Offer (and the registration with the commercial register as described in this article). The Holcim Board of Directors has undertaken to convene such additional shareholders’ meeting in the event the corresponding resolution adopted on May 8, 2015 lapses prior to closing of the Exchange Offer.

Holcim and Lafarge will divest (the “**Divestiture**”), subject to certain conditions, certain entities and businesses as part of a rebalancing of the global portfolio of the Combined Group resulting from the Merger and to address regulatory concerns. All competition approvals required prior to the closing of the transaction have been obtained. The Divestiture will be as soon as practicable after the conditions precedent are satisfied, which is

currently expected to occur in July 2015. Both companies will continue to cooperate with the relevant authorities to satisfy regulatory requirements. Please see the Registration Document – Section 2.6 of Part I for more information on the Divestiture.

In accordance with articles 237-14 et seq. of the AMF General Regulations, Holcim reserves its right to request the AMF that a squeeze-out be implemented within three (3) months from the end of the Exchange Offer acceptance period for the Lafarge Shares not tendered to the Exchange Offer or the re-opened Exchange Offer, if such Lafarge Shares do not represent more than 5 per cent. of the share capital or the voting rights of Lafarge. In such case, the squeeze-out would be subject to the control of the AMF which would assess its conformity, in particular with respect to the valuation of the Lafarge Shares provided by Holcim and to the report by the independent expert appointed pursuant to the provisions of article 261-1 II of the AMF General Regulations. In such a case, Holcim intends to offer to the shareholders of Lafarge, as consideration under the squeeze-out, an alternative in cash or in shares, the consideration in shares being equal to the terms and conditions of the Exchange Offer. The shareholders of Lafarge who would not have expressed themselves or would not have expressly indicated their choice in a time period which would be further determined under the control of the AMF would be considered as having chosen the cash consideration.

Holcim reserves its right, in the event it would hold, directly or indirectly, at least 95 per cent. of the voting rights of Lafarge and if a squeeze-out is not implemented under the conditions described above, to file with the AMF a draft buyout offer, followed by a squeeze-out transaction (pursuant to article 236-3 of the AMF General Regulations) targeting the Lafarge Shares which would not be directly or indirectly held by Holcim (except the treasury shares). In such case, the buyout would be subject to the control of the AMF which would assess its conformity, in particular with respect to the valuation of the Lafarge Shares provided by Holcim and to the report by the independent expert appointed pursuant to the provisions of article 261-1 II of the AMF General Regulations.

In addition, Holcim reserves its right, in the event it could not implement a squeeze-out at the time of the closing of the Exchange Offer, to request that Euronext Paris delist the Lafarge Shares from the Euronext Paris market, subject to Euronext Paris market rules.

If more or less than 95 per cent. of the share capital or voting rights of Lafarge shall have been acquired by Holcim in the context of the Exchange Offer, Holcim reserves the right to contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Lafarge. There is currently no intention to effect a statutory merger of Holcim and Lafarge after the closing of the Exchange Offer.

Pursuant to the Combination Agreement, Holcim and Lafarge shall pay a break-up fee of EUR 350,000,000 to each other under the following conditions:

- a break-up fee shall be payable by Lafarge to Holcim in case of (i) a third party announces an offer to Lafarge relating to an alternative transaction (a) resulting in a change of the Lafarge Board of Directors' recommendation or support in respect of the Exchange Offer or (b) followed by a failure of the Exchange Offer (whether or not filed) and the execution of an alternative transaction agreement, or the approval or recommendation by Lafarge of an alternative transaction to the Lafarge shareholders, within nine (9) months after termination of the Combination Agreement, (ii) a failure to provide a required recommendation of the Lafarge Board of Directors or a change in the Lafarge Board of Directors' recommendation or support, (iii) a recommendation of an alternative transaction by the Lafarge Board of Directors, or (iv) any action taken by Lafarge to frustrate the Exchange Offer.
- a break-up fee shall be payable by Holcim to Lafarge in case of (i) (a) a third party offer to Holcim relating to an alternative transaction resulting in a support to such alternative transaction or change of the Holcim Board of Directors' recommendation and (b) a termination of the Combination Agreement by Lafarge pursuant to condition (a) above or a termination either by Holcim or Lafarge if the shareholders' resolutions at the relevant Holcim general meetings required to complete the Exchange

Offer are not approved, (ii) a third party offer to Holcim relating to an alternative transaction resulting in the Holcim general meeting failing to take a required shareholders' resolution, and the execution of an alternative transaction agreement, or the approval or recommendation by Holcim of an alternative transaction to the Holcim shareholders, within nine (9) months after termination of the Combination Agreement, (iii) a failure to provide a required recommendation of the Holcim Board of Directors or a change in the Holcim Board of Directors' recommendation or support, (iv) a recommendation of an alternative transaction by the Holcim Board of Directors, or (v) any action taken by Holcim to frustrate the transaction or the votes of shareholders at the relevant Holcim general meetings required to complete the Exchange Offer.

Independently of the circumstances described above, no break-up fee shall be payable by Holcim to Lafarge and conversely if the Combination Agreement is terminated as a result of a material adverse effect event occurring prior to any of the events listed in (i) and (ii) above or if a condition to the Exchange Offer (as provided above) is not satisfied.

The Prospectus has been prepared for the purpose of the listing and trading on the regulated market of Euronext Paris of (i) all of the 327,086,376 existing registered shares of Holcim with a nominal value of CHF2.00 per share (the “**Existing Holcim Shares**”), (ii) up to 264,006,013 new registered shares to be issued by Holcim (the “**New Holcim Shares**”, and together with the Existing Holcim Shares, the “**Holcim Shares**” and after renaming, the “**LafargeHolcim Shares**”) in consideration for the shares of Lafarge (the “**Lafarge Shares**”) tendered to the Exchange Offer, subject to the successful closing of the Exchange Offer, (iii) up to 132,118,700 LafargeHolcim Shares, subject to the successful closing, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out, and (iv) up to 29,566,188 LafargeHolcim Shares in connection with the distribution of the scrip dividend.

In the Prospectus:

- “**Holcim**” means Holcim Ltd, the issuer of the New Holcim Shares and the Existing Holcim Shares to be listed on Euronext Paris and the parent company of the Holcim Group. The Existing Holcim Shares are already listed on the SIX Swiss Exchange.
- “**Holcim Group**” means Holcim Ltd and its consolidated subsidiaries.
- “**Lafarge**” means Lafarge S.A., the issuer of the Lafarge Shares to be tendered in the Exchange Offer.
- “**Lafarge Group**” means Lafarge and its consolidated subsidiaries.
- “**LafargeHolcim Ltd**” means Holcim Ltd after renaming and the completion of the Exchange Offer, the parent company of the Combined Group.
- “**LafargeHolcim**”, the “**LafargeHolcim Group**” and the “**Combined Group**” mean the combined Holcim Group and Lafarge Group.

## FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements that reflect Holcim's, Lafarge's and LafargeHolcim's views with respect to future events and financial performance. The words “believes”, “expects”, “intends”, “aims”, “plans”, “projects”, “anticipates”, “estimates” and similar expressions commonly identify these forward-looking statements. Examples of forward-looking statements in the Prospectus that are not historical in nature include information relating to the objectives of Holcim, Lafarge and LafargeHolcim, including those relating to financial performance, dividends and potential synergies and estimated benefits of the Merger. Holcim, Lafarge and LafargeHolcim caution investors not to place undue reliance of its forward-looking statements. They involve known and unknown risks, uncertainties and other factors, which may cause its actual results, performance

or achievement, or its industry's results, to be materially different from any future results, performance or achievements expressed or implied in the Prospectus.

Furthermore, there can be no assurance that the Merger will be completed or that the synergies and potential estimated benefits of the Merger will be achieved in a timely manner or at all.

Accordingly, all forward-looking statements should be evaluated with the understanding of their inherent uncertainty and after taking into consideration among others, the risk factors described in the Registration Document under Section 3 of Part I and Section 2 of Part II, in Section 5.1 of the Lafarge 2014 Document de Référence incorporated by reference to the Registration Document and in Section 2 of this Securities Note.

Holcim's, Lafarge's and LafargeHolcim's forward-looking statements speak only as of the date on which they are made. Each of Holcim, Lafarge and LafargeHolcim expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in the Prospectus to reflect any change in its expectations or any change in events, conditions or circumstances, on which any forward-looking statement contained in the Prospectus is based.

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## SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A to E (A.1 to E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of “not applicable”.

### Section A – Introduction and warnings

Annexes and Element		Disclosure requirement
A.1	<b>Introduction and Warnings</b>	This summary must be read as an introduction to the Prospectus and is provided to aid investors when considering whether to invest in LafargeHolcim Shares, but is not a substitute for the Prospectus. Any decision to invest in LafargeHolcim Shares should be based on consideration of the Prospectus as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area, no civil liability will attach to the persons responsible for this summary in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in LafargeHolcim Shares. Where a claim relating to the Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.
A.2	<b>Subsequent Resale of Securities or Final Placement of Securities Through Financial Intermediaries</b>	Not applicable. LafargeHolcim Ltd is not engaging any financial intermediaries for any resale of securities or final placement of securities after publication of the Prospectus.

## Section B – Company

Annex and Element		Disclosure requirement
B.1	<b>Legal and Commercial Name</b>	Holcim Ltd, which is intended to be renamed “LafargeHolcim Ltd” upon successful closing of the Exchange Offer.
B.2	<b>Domicile and Legal Form of the Company</b>	Holcim Ltd, which is intended to be renamed “LafargeHolcim Ltd” upon successful closing of the Exchange Offer, is a company limited by shares ( <i>Aktiengesellschaft</i> ) incorporated under the laws of Switzerland. Its registered office is at Zürcherstrasse 156, 8645 Jona, Switzerland. Holcim is registered with the commercial register of the Canton of St. Gallen under number CHE-100.136.893.
B.3	<b>Operations and Principal Activities</b>	<p><b>Current Operations and Principal Activities of Holcim and the Principal Markets in Which it Competes</b></p> <p>Founded in Switzerland in 1912, the Holcim Group is one of the world’s leading producers of cement and aggregates (crushed stone, sand and gravel). The Holcim Group also supplies ready-mix concrete and asphalt, and provides related services. The business activities of the Holcim Group are organised into five geographical segments, the regions Asia Pacific, Latin America, Europe, North America and Africa Middle East and divided into three product segments:</p> <ul style="list-style-type: none"> <li>• The cement segment includes all activities focusing on the manufacture and distribution of cement and other cementitious materials;</li> <li>• The aggregates segment comprises the production, processing and distribution of aggregates such as crushed stone, gravel and sand; and</li> <li>• The other construction materials and services segment includes ready-mix concrete, concrete products as well as asphalt, construction and paving. This segment also includes the trading activities of the Holcim Group relating to cement, clinker, fuels and raw materials, including the purchase of coal and petroleum coke, both important sources of energy for the cement industry.</li> </ul> <p><b>Cement</b></p> <p>Cement is manufactured through a large-scale, complex, and capital and energy-intensive process. At the core of the production process is a rotary kiln, in which limestone and clay are heated to approximately 1,450 degrees Celsius. The semi-finished product, called clinker, is created by sintering. In the cement mill, gypsum is added to the clinker and the mixture is ground to a fine powder – traditional Portland cement. Other high-grade materials such as granulated blast furnace slag, fly ash, pozzolan, and limestone are added in order to modify the properties of the cement. Holcim offers customers a very wide range of cements. However, the Holcim Group sees itself as a service provider that generates added value for its partners through the advice it gives and the customized solutions it delivers for specific construction projects.</p> <p><b>Aggregates</b></p> <p>Aggregates include crushed stone, gravel, and sand. The production process centers around quarrying, preparing and sorting the raw material as well as quality testing. Aggregates are mainly used in the manufacturing of ready-mix concrete,</p>



Annex and Element	Disclosure requirement
	<p>concrete products, and asphalt, as well as for road building and railway track beds. The recycling of aggregates from concrete material is gaining importance at the Holcim Group.</p> <p><b>Other Construction Materials and Services</b></p> <p>Globally, concrete is the second most consumed commodity by volume after water. One cubic meter consists of approximately 300 kilograms of cement, 150 liters of water, and 2 tonnes of aggregates. Concrete is a very environmentally friendly, energy-efficient building material. Asphalt is a bituminous construction material used primarily for road paving. It consists mainly of aggregates of differing grain size. The Holcim Group’s service offering also includes construction services and international trading.</p> <p><b>LafargeHolcim after Completion of the Merger</b></p> <p>Following the Merger, the LafargeHolcim Group will be a global leader, with a strong presence in all regions and major countries, serving the needs of individuals and retail customers and being the preferred partner for building and infrastructure.</p> <p>The vision of LafargeHolcim is to create the most advanced group in the building materials industry. The Merger will create the best growth platform in the industry and enable LafargeHolcim to drive growth across its global, well-balanced footprint; deliver best-in-class operating performance and returns enhanced by synergies; and fundamentally transform the business. Furthermore, the Merger will position LafargeHolcim to meet the changing market needs by enhancing the value proposition to meet customer demands, addressing challenges of urbanization, and setting the benchmark on corporate social responsibility, including sustainability and climate change mitigation. The compelling strategic rationale has been reinforced by the preparatory integration work undertaken since the announcement of the Merger.</p> <p>In 2014, on a combined basis, LafargeHolcim sold 263.0 million tons (“<b>mt</b>”) of cement, 288.3 mt of aggregates and 56.7 million m<sup>3</sup> of ready-mix concrete through its geographic presence in around 90 countries. As of December 31, 2014, on a combined basis, LafargeHolcim had an installed production capacity of 386.5 million tons per annum (“<b>mtpa</b>”) of cement. As of December 31, 2014, on a combined basis, it operated 251 cement, clinker and grinding plants, 621 aggregate plants and 1,640 ready-mix concrete plants worldwide and it had 115,000 full-time equivalent employees. In fiscal year 2014, on a pro forma basis, the Combined Group recorded net sales of CHF32.6 billion, an operating EBITDA of CHF6.7 billion. Its pro forma net financial debt and shareholders’ equity as at December 31, 2014 were CHF17.9 billion and CHF43.4 billion, respectively.</p> <p><b>LafargeHolcim as the most Advanced Building Materials Company</b></p> <p>Following the Merger, the Combined Group will benefit from an extensive, diversified portfolio of building materials products and services that address key needs in both emerging and developed markets. This, together with its broad geographic footprint, strong capacity for innovation, customer/end user centric approach and operational scale, position the Combined Group well for profitable</p>

Annex and Element	Disclosure requirement																																																																																																												
	<p>growth.</p> <p><b>Unaudited Pro Forma Net Sales and Operating EBITDA by Region</b></p> <p>The table below shows unaudited pro forma net sales and operating EBITDA by region for the Combined Group for the year ended December 31, 2014.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">Net Sales</th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">Operating EBITDA<sup>(1)</sup></th> <th style="width: 10%;"></th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">Operating EBITDA<sup>(1)</sup></th> <th style="width: 10%;"></th> </tr> <tr> <th colspan="6" style="text-align: center;">(Unaudited)</th> </tr> <tr> <th colspan="6" style="text-align: center;"><i>(On a pro forma basis, for the year ended December 31, 2014, in CHF million, except percentages)</i></th> </tr> </thead> <tbody> <tr> <td>Asia Pacific.....</td> <td style="text-align: right;">10,048</td> <td style="text-align: right;">30.8%</td> <td style="text-align: right;">1,789</td> <td style="text-align: right;">26.7%</td> <td></td> </tr> <tr> <td>Europe .....</td> <td style="text-align: right;">8,053</td> <td style="text-align: right;">24.7%</td> <td style="text-align: right;">1,403</td> <td style="text-align: right;">21.0%</td> <td></td> </tr> <tr> <td>Africa Middle East .....</td> <td style="text-align: right;">5,772</td> <td style="text-align: right;">17.7%</td> <td style="text-align: right;">1,687</td> <td style="text-align: right;">25.2%</td> <td></td> </tr> <tr> <td>North America.....</td> <td style="text-align: right;">5,625</td> <td style="text-align: right;">17.3%</td> <td style="text-align: right;">1,084</td> <td style="text-align: right;">16.2%</td> <td></td> </tr> <tr> <td>Latin America.....</td> <td style="text-align: right;">3,863</td> <td style="text-align: right;">11.8%</td> <td style="text-align: right;">1,054</td> <td style="text-align: right;">15.7%</td> <td></td> </tr> <tr> <td>Corporate / eliminations .....</td> <td style="text-align: right;">(759)</td> <td style="text-align: right;">(2.3)%</td> <td style="text-align: right;">(322)</td> <td style="text-align: right;">(4.8)%</td> <td></td> </tr> <tr> <td><b>Total.....</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>32,602</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>100.0%</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>6,695</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>100.0%</b></td> <td></td> </tr> </tbody> </table> <p>Note:</p> <p>(1) Operating EBITDA is defined as the “Operating profit before other income (expense)” before depreciation and amortization on tangible and intangible operating assets and is a non-GAAP financial measure.</p> <p><b>Unaudited Pro Forma Net Sales and Operating EBITDA by Product Line</b></p> <p>The table below shows unaudited pro forma net sales and operating EBITDA by product line for the Combined Group for the year ended December 31, 2014.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 10%; 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	<p data-bbox="507 253 1217 280"><b>Combined Annual Installed Production Capacity Per Country</b></p> <p data-bbox="507 293 1396 394">The table below shows combined annual installed cement production capacity per country for the Combined Group, including Lafarge’s joint ventures on a 100 per cent. basis and excluding the Divested Businesses, as of December 31, 2014.</p> <table data-bbox="507 454 1396 1942"> <thead> <tr> <th data-bbox="507 454 1098 577"></th> <th data-bbox="1106 454 1396 577" style="text-align: right;"><b>Combined Annual Installed Cement Production Capacity</b></th> </tr> <tr> <th data-bbox="507 589 1098 667"></th> <th data-bbox="1106 589 1396 667" style="text-align: right;"><i>(In mt, as of December 31, 2014)</i></th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="507 678 1396 712"><b>Asia Pacific</b></td> </tr> <tr> <td data-bbox="507 723 1098 757">India .....</td> <td data-bbox="1106 723 1396 757" style="text-align: right;">68.2</td> </tr> <tr> <td data-bbox="507 768 1098 801">China.....</td> <td data-bbox="1106 768 1396 801" style="text-align: right;">31.6</td> </tr> <tr> <td data-bbox="507 813 1098 846">Malaysia.....</td> <td data-bbox="1106 813 1396 846" style="text-align: right;">13.7</td> </tr> <tr> <td data-bbox="507 857 1098 891">Indonesia.....</td> <td data-bbox="1106 857 1396 891" style="text-align: right;">13.2</td> </tr> <tr> <td data-bbox="507 902 1098 936">Philippines .....</td> <td data-bbox="1106 902 1396 936" style="text-align: right;">9.9</td> </tr> <tr> <td data-bbox="507 947 1098 981">South Korea .....</td> <td data-bbox="1106 947 1396 981" style="text-align: right;">9.6</td> </tr> <tr> <td data-bbox="507 992 1098 1025">Vietnam.....</td> <td data-bbox="1106 992 1396 1025" style="text-align: right;">5.7</td> </tr> <tr> <td data-bbox="507 1037 1098 1070">Australia.....</td> <td data-bbox="1106 1037 1396 1070" style="text-align: right;">5.3</td> </tr> <tr> <td data-bbox="507 1081 1098 1115">Bangladesh.....</td> <td data-bbox="1106 1081 1396 1115" style="text-align: right;">3.5</td> </tr> <tr> <td data-bbox="507 1126 1098 1160">Other Asia Pacific .....</td> <td data-bbox="1106 1126 1396 1160" style="text-align: right;">1.8</td> </tr> <tr> <td data-bbox="507 1171 1098 1205"><b>Total Asia Pacific.....</b></td> <td data-bbox="1106 1171 1396 1205" style="text-align: right;"><b>162.5</b></td> </tr> <tr> <td colspan="2" data-bbox="507 1216 1396 1249"><hr/></td> </tr> <tr> <td colspan="2" data-bbox="507 1261 1396 1294"><b>Africa Middle East</b></td> </tr> <tr> <td data-bbox="507 1305 1098 1339">Morocco.....</td> <td data-bbox="1106 1305 1396 1339" style="text-align: right;">11.9</td> </tr> <tr> <td data-bbox="507 1350 1098 1384">Egypt.....</td> <td data-bbox="1106 1350 1396 1384" style="text-align: right;">10.0</td> </tr> <tr> <td data-bbox="507 1395 1098 1429">Algeria .....</td> <td data-bbox="1106 1395 1396 1429" style="text-align: right;">9.4</td> </tr> <tr> <td data-bbox="507 1440 1098 1473">Nigeria .....</td> <td data-bbox="1106 1440 1396 1473" style="text-align: right;">8.2</td> </tr> <tr> <td data-bbox="507 1485 1098 1518">Iraq.....</td> <td data-bbox="1106 1485 1396 1518" style="text-align: right;">5.8</td> </tr> <tr> <td data-bbox="507 1529 1098 1563">Jordan.....</td> <td data-bbox="1106 1529 1396 1563" style="text-align: right;">4.8</td> </tr> <tr> <td data-bbox="507 1574 1098 1608">South Africa.....</td> <td data-bbox="1106 1574 1396 1608" style="text-align: right;">3.6</td> </tr> <tr> <td data-bbox="507 1619 1098 1653">United Arab Emirates .....</td> <td data-bbox="1106 1619 1396 1653" style="text-align: right;">3.0</td> </tr> <tr> <td data-bbox="507 1664 1098 1697">Lebanon .....</td> <td data-bbox="1106 1664 1396 1697" style="text-align: right;">2.9</td> </tr> <tr> <td data-bbox="507 1709 1098 1742">Syria.....</td> <td data-bbox="1106 1709 1396 1742" style="text-align: right;">2.6</td> </tr> <tr> <td data-bbox="507 1753 1098 1787">Kenya.....</td> <td data-bbox="1106 1753 1396 1787" style="text-align: right;">2.0</td> </tr> <tr> <td data-bbox="507 1798 1098 1832">Cameroon.....</td> <td data-bbox="1106 1798 1396 1832" style="text-align: right;">1.7</td> </tr> <tr> <td data-bbox="507 1843 1098 1877">Zambia .....</td> <td data-bbox="1106 1843 1396 1877" style="text-align: right;">1.3</td> </tr> </tbody> </table>		<b>Combined Annual Installed Cement Production Capacity</b>		<i>(In mt, as of December 31, 2014)</i>	<b>Asia Pacific</b>		India .....	68.2	China.....	31.6	Malaysia.....	13.7	Indonesia.....	13.2	Philippines .....	9.9	South Korea .....	9.6	Vietnam.....	5.7	Australia.....	5.3	Bangladesh.....	3.5	Other Asia Pacific .....	1.8	<b>Total Asia Pacific.....</b>	<b>162.5</b>	<hr/>		<b>Africa Middle East</b>		Morocco.....	11.9	Egypt.....	10.0	Algeria .....	9.4	Nigeria .....	8.2	Iraq.....	5.8	Jordan.....	4.8	South Africa.....	3.6	United Arab Emirates .....	3.0	Lebanon .....	2.9	Syria.....	2.6	Kenya.....	2.0	Cameroon.....	1.7	Zambia .....	1.3
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Annex and Element		Disclosure requirement	
		Ivory Coast .....	1.2
		Uganda.....	0.8
		Other Africa Middle East.....	3.5
		<b>Total Africa Middle East .....</b>	<b>72.7</b>
		<b>Latin America</b>	
		Mexico .....	12.2
		Brazil .....	8.9
		Ecuador.....	5.5
		Argentina .....	4.6
		Chile .....	2.3
		Colombia .....	2.1
		Salvador.....	1.7
		Costa Rica.....	1.1
		Other Latin America .....	0.4
		<b>Total Latin America .....</b>	<b>38.8</b>
		<b>Europe</b>	
		France .....	10.6
		Spain.....	9.9
		Russia.....	9.5
		Greece.....	6.8
		Romania.....	6.1
		Poland .....	5.7
		Germany .....	4.4
		Italy.....	4.2
		Switzerland.....	3.4
		Czech Republic.....	2.4
		Belgium .....	2.2
		Austria .....	2.0
		Serbia.....	2.0
		Azerbaijan.....	2.0
		Bulgaria .....	1.7
		Moldova.....	1.4
		Hungary .....	1.0
		Croatia .....	1.0

Annex and Element		Disclosure requirement	
		U.K.....	1.1
		Other Europe.....	1.4
		<b>Total Europe.....</b>	<b>78.8</b>
		<b>North America</b>	
		U.S.....	27.9
		Canada.....	5.8
		<b>Total North America.....</b>	<b>33.7</b>
		<b>Total World.....</b>	<b>386.5</b>
B.4a	<b>Significant Recent Trends</b>	<p><b>Significant Recent Trends Affecting LafargeHolcim and the Industries in Which it Operates</b></p> <p>The Merger of Holcim and Lafarge brings together two leading building materials companies with the objective of creating the most advanced company in the building materials industry.</p> <p>LafargeHolcim believes that it will create value for all stakeholders – customers, employees, communities and shareholders – by seizing the opportunities presented by the major trends of its market environment:</p> <ul style="list-style-type: none"> <li>• <b>Population growth and rapid urbanization are driving demand for more housing and infrastructure.</b> By 2020, the world population is expected to reach approximately 7.7 billion, from 7.0 billion today, and approximately 1.0 billion more people compared to today are expected to live in or around urbanized areas in 2020. This trend affects emerging markets and mature economies differently. In emerging markets, this drives a demand for affordable multiple-dwelling housing, with a view to limiting urban sprawl and rehabilitating spontaneous, uncontrolled, constructed areas, while complying with building standards that tend to get closer to those of developed countries. It also drives the need for affordable infrastructure, and in particular transport infrastructure, so that living and working across those cities remains possible. In developed countries, the focus will be more on renovation and building solutions capable of contributing to the development of attractive and sustainable cities in a context of increasing environmental constraints.</li> <li>• <b>Increasing demand for value-added products and services from building materials companies.</b> Competition between building materials companies is no longer only based on prices and the ability to deliver cement close to where it is needed. To differentiate themselves from their competitors, market actors need to offer innovative, user-tailored products and solutions, that improve the quality of buildings (<i>e.g.</i>, environmental properties, aesthetics and durability), reduce the cost of either construction or the total cost of ownership lifecycle. They also increasingly offer global services and solutions to building companies.</li> </ul>	

Annex and Element	Disclosure requirement
	<ul style="list-style-type: none"> <li> <p><b>Resource scarcity and climate change require environmentally friendly, energy-efficient building materials and processes.</b> The need to reduce CO2 emissions through, among others, more energy-efficient buildings is also a key driver for innovative, environmentally-friendly building materials. At the same time, building materials companies need to constantly adapt their processes to reduce their environmental footprint.</p> <p><i>LafargeHolcim is best positioned to seize these Opportunities</i></p> <p>To seize these opportunities, LafargeHolcim will leverage the competitive advantages of Holcim and of Lafarge and the benefits of the combination of the two groups. Its new, well balanced, global footprint will allow it to respond to the demand for additional housing, commercial building and infrastructure in both emerging markets (Central and Eastern Europe, Asia, Middle East &amp; Africa, Latin America) and mature economies on a large scale. The two companies' well established expertise, know-how and capacity to innovate, will allow the Combined Group to scale up its development of value-added solutions and services that respond to increasing environmental constraints. Its new organization will be focused on the provision of differentiating products and solutions to customers, architects, designers and end-users along the construction cycle.</p> <p>Specifically, LafargeHolcim will rely on the following strengths:</p> <ul style="list-style-type: none"> <li> <p><b>A global, well-balanced footprint.</b> LafargeHolcim sells its products through its geographic presence in around 90 countries, with a strong presence and leadership positions in each of the world's major regions. It realized 2014 pro forma net sales of CHF10.1 billion in Asia Pacific, CHF8.1 billion in Europe, CHF5.8 billion in the Middle East and Africa, CHF5.6 billion in North America and CHF3.9 billion in Latin America (Lafarge historical information has been translated into Swiss Francs using an average exchange rate for the year ended December 31, 2014 of EUR1 = CHF1.2146). This footprint is also well-balanced, with 58 per cent. of the pro forma 2014 net sales realized in emerging markets and no country served by the Combined Group representing more than 10 per cent. of 2014 pro forma net sales (except India and the United States representing both approximately 11 per cent.). At the same time, due to its broad scale, the Combined Group can focus on optimizing this network with selective investments. It gives the Combined Group a bigger platform to deploy trading activities, to take advantage of unused production capacity in certain areas to serve, and sometimes to enter, other markets.</p> </li> <li> <p><b>Innovative and customer focused approach.</b> Both Holcim and Lafarge have long focused on bringing to their customers a range of innovative products and solutions that address a wide spectrum for needs of individual, professional and industrial end-users. LafargeHolcim will have the world's largest research &amp; development centre in the building materials industry, as well as a network of development laboratories in key regions around the world. The Combined Group will benefit from the market insight of its teams on the ground and from their proven capacity to successfully deploy tailored</p> </li> </ul> </li> </ul>



Annex and Element	Disclosure requirement
	<p>ways of bringing their products to their end-users and offering value-adding services to their customers.</p> <ul style="list-style-type: none"> <li>• <b>Deep operational expertise, “local-global” model.</b> Both Holcim and Lafarge have in the past successfully developed and implemented strong operating models and processes and cost reduction measures, developing a capability to operate efficiently with a constant quality of products, while delivering savings with a strict and disciplined capital allocation across their entire portfolio. This group-wide expertise, superior performance management and continuous improvement mindset is leveraged at the local level through central support for expertise, cross-sharing of best practices and the best local teams.</li> <li>• <b>Strong tradition of sustainable development, health and safety.</b> Holcim and Lafarge have demonstrated a commitment to the development of sustainable products with reduced environmental impacts, reflected in successes such as new cement and concrete products with reduced carbon footprints and insulation capacities, long-term reductions in CO2 emissions per tonne of cement produced, increased use of alternative energy sources, enhanced waste management programs, and preservation of water resources through wastewater recycling and rainwater recovery systems. LafargeHolcim’s commitment to a “zero harm to people” principle is also reflected in the priority given to health and safety, to reduce lost-time incidents, as well as initiatives to promote diversity and inclusiveness in the workplace.</li> <li>• <b>Financial and risk capacity.</b> Following the Merger, LafargeHolcim expects to benefit from a position of financial strength. Its financial position should be further enhanced through synergies, improved cash flow generation, and its strategy of portfolio optimization and disciplined capital allocation, with the aim of providing attractive returns for its shareholders.</li> </ul> <p><b>Strategic Goals</b></p> <p>The vision of LafargeHolcim is to create the most advanced group in the building materials industry. For shareholders, LafargeHolcim seeks to generate attractive returns, by applying a disciplined approach to capital allocation to improve returns on capital employed and generate strong cash flows.</p> <p>LafargeHolcim intends to implement five principal strategic initiatives to achieve these objectives:</p> <ul style="list-style-type: none"> <li>• <b>Pro-active portfolio management and disciplined capital allocation.</b> LafargeHolcim intends to pro-actively manage its portfolio through a systematic review of the market attractiveness and performance of its assets. The focus will be to increase the utilization of the existing asset network, which covers all major geographical regions. In this context, LafargeHolcim intends to make selective investment or divestiture decisions, based on compelling business cases and a disciplined capital allocation process. Creating opportunities for viable growth and new business models will contribute to sustained competitiveness. LafargeHolcim will also seek to leverage its business portfolio through trading, partnerships or franchising. In</li> </ul>

Annex and Element	Disclosure requirement
	<p>parallel, LafargeHolcim will focus its resources on marketing and sales, innovation and operational excellence.</p> <ul style="list-style-type: none"> <li>• <b>Serve the building needs of homebuilders and individuals.</b> Leveraging on the detailed local market knowledge of Holcim and Lafarge, the Combined Group will develop and roll-out differentiating strategies to market and bring its products to those who sell and use them. With respect to distributors and retailers, this will, for instance, involve marketing and customer loyalty support programs, advanced logistics to reach more isolated rural and urban communities, and a shortening of the distribution chain and partnerships with retail chains. With respect to homebuilders, individuals and other end-users, this will involve the introduction of innovative products and value-added services such as bundling or helping affordable housing financing solutions for individuals, and developing a brand associated with values such as respect for people, sustainability, quality, reliability, ease of purchase and ease of use.</li> <li>• <b>Be the preferred partner for building and infrastructure.</b> LafargeHolcim will look to enhance and develop its in-depth understanding of end-users and the eco-systems in which its projects will be implemented. In the commercial construction segment, it will work with mature market customers on solutions that reduce their operational costs and create differentiation, and with emerging market customers to assist them in developing their reputations, in each case working closely with decision-makers such as architects and designers. In the infrastructure segment, LafargeHolcim will seek early involvement to participate in the initial design phase of these complex projects, while providing materials that meet specific infrastructure challenges relating to technology, acceptability and longevity, together with project delivery, from bidding to delivery and after sales.</li> <li>• <b>Achieve operational excellence through continuous improvement to create value.</b> LafargeHolcim will seek to deliver cost leadership and to implement the most advanced models at scale to create value. It will capitalize on its professional teams, assets and technologies, and innovation in industrial operations and business management. It plans to take advantage of the strong operating models of the two predecessor groups to continue to identify and replicate best practices across its business in all its geographic markets: <ul style="list-style-type: none"> <li>• In manufacturing, LafargeHolcim will focus on improved productivity, maintenance efficiency, process uniformity, cost-effective product mix, design optimization and equipment reliability;</li> <li>• LafargeHolcim will seek to reduce energy costs through improved efficiency, an emphasis on forecasting energy requirements, focusing on the fuel mix including the use of alternative energy sources and hedging where appropriate and cost-effective; and</li> <li>• Supply chain management, procurement and central functions will also be optimized to achieve the benefits of LafargeHolcim’s scale.</li> </ul> </li> <li>• <b>Commitment to create economically and environmentally sustainable solutions.</b> LafargeHolcim will be a leader in sustainable solutions and will</li> </ul>

Annex and Element	Disclosure requirement
	<p>seek to develop the best possible sustainability footprint. Examples of these objectives include:</p> <ul style="list-style-type: none"> <li>• Innovative solutions such as low CO2 cement and recyclable aggregates;</li> <li>• Products optimizing energy consumption of buildings throughout their lifecycle;</li> <li>• Demonstrated leadership in environmentally-sustainable and socially-responsible solutions;</li> <li>• Pro-active engagement with regulatory agencies and stakeholders at all levels, applying and promoting strict environmental and social standards for the industry;</li> <li>• Waste management solutions, use of biomass, water management, robust rehabilitation and biodiversity management at extraction sites; and</li> <li>• Acting with integrity in all dealings, promoting a culture of inclusiveness in the workplace.</li> </ul> <p>These initiatives seek to create shared value with society benefitting all stakeholders, from communities to employees and to shareholders, as operating performance and competitiveness are linked to social and economic development and living conditions. This focus will also differentiate LafargeHolcim from many competitors, particularly in emerging markets, where its reputation for products and solutions that are both ecologically responsible and economical will enhance its attractiveness for a wide range of customer groups.</p> <p><b>Activities to be divested by Holcim and Lafarge</b></p> <p>Holcim and Lafarge will divest (the “<b>Divestiture</b>”), subject to certain conditions, certain entities and businesses as part of a rebalancing of the global portfolio of the Combined Group resulting from the Merger and to address regulatory concerns. Accordingly, Holcim, Lafarge and the Philippine Sellers (as defined below) received from affiliates of CRH International (the “<b>CRH</b>”), an irrevocable binding offer (the “<b>CRH Binding Offer</b>”) to acquire certain businesses (the “<b>CRH Divested Businesses</b>”) for an enterprise value of EUR6.5 billion (CHF6.8 billion based on exchange rates as at January 30, 2015), payable in cash on the closing date of the Divestiture. The agreement that would, should such offer be accepted, govern the sale of the CRH Divested Businesses other than the entities and businesses in the Philippines described below (the “<b>Philippine Divested Businesses</b>”) is hereinafter referred to as the “<b>CRH Divestiture Agreement</b>” and the agreement to sell the Philippine Divested Businesses is hereinafter referred to as the “<b>Philippine Divestiture Agreement</b>”. Under the Philippine Divestiture Agreement, the sellers of the Philippine Divested Businesses will be Lafarge Holdings (Philippines), Inc. (LHPI) and other third-party sellers (Calumboyan Holdings, Inc. (CHI), Round Royal, Inc. (RRI) and Southwestern Cement Ventures, Inc. (SWCVI)), which are hereinafter referred to as the “<b>Philippine Sellers</b>”. At an extraordinary general meeting held on March 19, 2015, the shareholders of CRH approved the acquisition of the CRH Divested Businesses, substantially on the terms and subject to the conditions of the share purchase</p>

Annex and Element	Disclosure requirement
	<p>agreement to be entered into pursuant to the CRH Binding Offer.</p> <p>In the United States, Holcim and Lafarge have negotiated with the staff of the Federal Trade Commission the divestment of certain businesses (the “<b>US Divested Businesses</b>”).</p> <p>In Mauritius, Holcim and Lafarge have offered to the Competition Commission of Mauritius (MCC) the divestment of all of Holcim’s assets in Mauritius (the “<b>Mauritian Divested Businesses</b>”, and together with the CRH Divested Businesses, the Indian Divested Businesses and the US Divested Businesses, the “<b>Divested Businesses</b>”).</p> <p>Holcim and Lafarge have obtained clearance of the Merger by the competition authorities in the following jurisdictions: Brazil, Canada, China, Common Market for Eastern and Southern Africa (COMESA), European Union, India, Kenya, Mexico, Morocco, Russia, Serbia, Singapore, South Africa, Tanzania, Turkey, Ukraine and the United States.</p> <p>Clearance by the competition authority of Mauritius is expected by the end of May 2015. The review of the Indonesian competition authority, which is based on a voluntary filing, is also ongoing. The reviews by the competition authorities of Indonesia and of Mauritius have no suspensive effect on the Exchange Offer or the Merger.</p> <p>All competition approvals required prior to the closing of the transaction have been obtained.</p> <p>The closing date of the Divestiture will be as soon as practicable after the conditions precedent described below are satisfied, which is currently expected to occur in July 2015.</p> <p>Both companies will continue to cooperate with the relevant authorities to satisfy regulatory requirements.</p>
B.5	<p><b>Group Description</b></p> <p><b>Description of the Combined Group and LafargeHolcim Ltd’s Position Within the Group</b></p> <p>LafargeHolcim Ltd will be a holding company with no significant assets other than direct and indirect interests in its numerous subsidiaries. A number of its subsidiaries are located in countries that may impose regulations restricting the payment of dividends outside the country through exchange control regulations.</p> <p>Following the Exchange Offer, Lafarge will be a direct subsidiary of LafargeHolcim Ltd.</p>

Annex and Element		Disclosure requirement																																	
B.6	<b>Major Shareholders</b>	<p><b>Relationship With Major Shareholders</b></p> <p>To the knowledge of Holcim, in the event where all existing and outstanding shares of Lafarge as of April 30, 2015 (i.e. 287,932,312 shares) would be tendered to the Exchange Offer, the share capital and voting rights of Holcim would be allocated as set out in the table below as of the date of the closing of the Exchange Offer.</p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;"><b>Number of shares held</b></th> <th style="text-align: right;"><b>% of total voting right</b></th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="2" style="text-align: center;"><i>(as of December 31, 2014<sup>(1)</sup>, on a pro forma basis)</i></td> </tr> <tr> <td>Schweizerische Cement-Industrie – Aktiengesellschaft .....</td> <td style="text-align: right;">65,777,912</td> <td style="text-align: right;">11.22%</td> </tr> <tr> <td>Groupe Bruxelles Lambert .....</td> <td style="text-align: right;">54,511,878</td> <td style="text-align: right;">9.30%</td> </tr> <tr> <td>NNS Holding Sàrl.....</td> <td style="text-align: right;">36,058,212<sup>(2)</sup></td> <td style="text-align: right;">6.15%</td> </tr> <tr> <td>Eurocement Holding AG .....</td> <td style="text-align: right;">35,402,772</td> <td style="text-align: right;">6.04%</td> </tr> <tr> <td>Dodge &amp; Cox.....</td> <td style="text-align: right;">18,880,975</td> <td style="text-align: right;">3.22%</td> </tr> <tr> <td>Harris Associates L.P. ....</td> <td style="text-align: right;">16,163,815</td> <td style="text-align: right;">2.76%</td> </tr> <tr> <td>Free float .....</td> <td style="text-align: right;">358,169,104<sup>(3)</sup></td> <td style="text-align: right;">61.10%</td> </tr> <tr> <td>Treasury shares.....</td> <td style="text-align: right;">1,260,789</td> <td style="text-align: right;">0.22%</td> </tr> <tr> <td><b>Total</b>.....</td> <td style="text-align: right;"><b><u>586,225,457</u></b></td> <td style="text-align: right;"><b><u>100.00%</u></b></td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Shareholdings and voting rights shown in this table are as of December 31, 2014. The “Free float” additionally includes new shares issued until April 30, 2015 as explained in note (3).</p> <p>(2) Including shares directly held by M. Nassef Sawiris.</p> <p>(3) Including shares held by Harbor International Fund and BlackRock, Inc. and the new shares issued from January 1, 2015 to April 30, 2015.</p> <p>As a consequence, in the event where all Lafarge Shares would be tendered to the Exchange Offer, a shareholder of Holcim holding 1.00 per cent. of the share capital and voting rights in Holcim prior to the Exchange Offer would hold 0.56 per cent. of the share capital and voting rights in LafargeHolcim as of the date of the closing of the Exchange Offer.</p> <p>Holcim’s major shareholders do not have different voting rights than other Holcim’s shareholders.</p>		<b>Number of shares held</b>	<b>% of total voting right</b>		<i>(as of December 31, 2014<sup>(1)</sup>, on a pro forma basis)</i>		Schweizerische Cement-Industrie – Aktiengesellschaft .....	65,777,912	11.22%	Groupe Bruxelles Lambert .....	54,511,878	9.30%	NNS Holding Sàrl.....	36,058,212 <sup>(2)</sup>	6.15%	Eurocement Holding AG .....	35,402,772	6.04%	Dodge & Cox.....	18,880,975	3.22%	Harris Associates L.P. ....	16,163,815	2.76%	Free float .....	358,169,104 <sup>(3)</sup>	61.10%	Treasury shares.....	1,260,789	0.22%	<b>Total</b> .....	<b><u>586,225,457</u></b>	<b><u>100.00%</u></b>
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B.8	<b>Key Pro Forma Financial Information</b>	<p><b>Selected Key Pro Forma Financial Information for the LafargeHolcim Group</b></p> <p>LafargeHolcim Ltd’s Unaudited Pro Forma Financial Information has been prepared assuming that 100 per cent of the shares of Lafarge will be tendered in the Exchange Offer and to illustrate the effect of such acquisition of 100 per cent. of the shares of Lafarge by Holcim and of the Divestitures, as if they had both been completed on January 1, 2014 for the purposes of the Unaudited Pro Forma Statement of Income, and on December 31, 2014 for the purposes of the Unaudited Pro Forma Statement of Financial Position. LafargeHolcim’s Unaudited Pro Forma Financial Information was prepared on the basis of a number of assumptions as outlined in “Note 1 : Description of the Transaction and basis of preparation” of the Notes to the Unaudited Pro Forma Financial Information set out in the Registration Document – Part I LafargeHolcim – Section 4.4. The Unaudited Pro Forma Financial Information does not reflect the operating results or financial position which LafargeHolcim would have had if Holcim had actually acquired 100 per cent. of the shares of Lafarge and the Divestitures had been actually completed on the respective dates set out above. The Unaudited Pro Forma Financial Information presented below does not reflect the effect of any synergies that may result from the Merger or any severance, integration or restructuring costs that may be incurred following the Merger and the related Divestiture.</p> <p>The information presented below should be read in conjunction with the information contained in Section “Forward-Looking Statements”, in Section 3 “Risk Factors” of Part I of the Registration Document, in particular Section 3.1.2 “Indicative Nature of the Unaudited Pro Forma Financial Information” and elsewhere in the Registration Document.</p>																																								

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	<p>LafargeHolcim's Unaudited Pro Forma Financial Information is not necessarily indicative of the results of operations in future periods or of the future financial position of LafargeHolcim and there can be no assurance that the trends indicated by the Unaudited Pro Forma Financial Information (or by the separate financial statements of Holcim and Lafarge) are representative of the future results or performance of LafargeHolcim. Accordingly, LafargeHolcim's results and financial condition may differ significantly from those portrayed by the Unaudited Pro Forma Financial Information.</p> <p><b>Condensed Unaudited Pro Forma Statement of Financial Position</b></p> <p>The table below shows the Condensed Unaudited Pro Forma Statement of Financial Position as at December 31, 2014. Further details on the Unaudited Pro Forma Financial Information can be found in the Registration Document under Section 4 of Part I.</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Holcim historical information under pro forma presentation<sup>(1)</sup></th> <th style="text-align: center;">Lafarge historical information<sup>(2)</sup> under pro forma presentation<sup>(1)</sup></th> <th style="text-align: center;">Lafarge historical goodwill adjustment</th> <th style="text-align: center;">Merger related pro forma adjustments<sup>(3)</sup></th> <th style="text-align: center;">Divestiture related pro forma adjustments<sup>(4)</sup></th> <th style="text-align: center;">Lafarge- Holcim Pro Forma Information</th> <th style="text-align: center;">Convenience translation of Lafarge- Holcim Pro Forma Information<sup>(5)</sup></th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="7" style="text-align: center;"><b>(unaudited)</b></td> </tr> <tr> <td></td> <td colspan="6" style="text-align: center;"><i>(CHF million)</i></td> <td style="text-align: center;"><i>(EUR million)</i></td> </tr> <tr> <td>Total current assets.....</td> <td style="text-align: right;">7,307</td> <td style="text-align: right;">7,061</td> <td></td> <td style="text-align: right;">1,235</td> <td style="text-align: right;">5,817</td> <td style="text-align: right;">21,420</td> <td style="text-align: right;">20,307</td> </tr> <tr> <td>Total long-term assets.....</td> <td style="text-align: right;">32,377</td> <td style="text-align: right;">34,798</td> <td style="text-align: right;">(13,663)</td> <td style="text-align: right;">22,724</td> <td style="text-align: right;">(6,767)</td> <td style="text-align: right;">69,469</td> <td style="text-align: right;">65,860</td> </tr> <tr> <td><b>Total assets .....</b></td> <td style="text-align: right;"><b>39,684</b></td> <td style="text-align: right;"><b>41,859</b></td> <td style="text-align: right;"><b>(13,663)</b></td> <td style="text-align: right;"><b>23,959</b></td> <td style="text-align: right;"><b>(950)</b></td> <td style="text-align: right;"><b>90,889</b></td> <td style="text-align: right;"><b>86,167</b></td> </tr> <tr> <td>Total current liabilities .....</td> <td style="text-align: right;">6,923</td> <td style="text-align: right;">6,401</td> <td></td> <td style="text-align: right;">2,565</td> <td style="text-align: right;">(717)</td> <td style="text-align: right;">15,172</td> <td style="text-align: right;">14,384</td> </tr> <tr> <td>Total long-term liabilities .....</td> <td style="text-align: right;">12,649</td> <td style="text-align: right;">14,665</td> <td></td> <td style="text-align: right;">5,434</td> <td style="text-align: right;">(385)</td> <td style="text-align: right;">32,363</td> <td style="text-align: right;">30,681</td> </tr> <tr> <td><b>Total liabilities ...</b></td> <td style="text-align: right;"><b>19,572</b></td> <td style="text-align: right;"><b>21,066</b></td> <td></td> <td style="text-align: right;"><b>7,999</b></td> <td style="text-align: right;"><b>(1,102)</b></td> <td style="text-align: right;"><b>47,535</b></td> <td style="text-align: right;"><b>45,065</b></td> </tr> <tr> <td>Total capital and reserves attributable to the shareholders.....</td> <td style="text-align: right;">17,430</td> <td style="text-align: right;">18,585</td> <td style="text-align: right;">(13,663)</td> <td style="text-align: right;">15,269</td> <td style="text-align: right;">188</td> <td style="text-align: right;">37,809</td> <td style="text-align: right;">35,845</td> </tr> <tr> <td>Non-controlling interests.....</td> <td style="text-align: right;">2,682</td> <td style="text-align: right;">2,208</td> <td></td> <td style="text-align: right;">691</td> <td style="text-align: right;">(36)</td> <td style="text-align: right;">5,545</td> <td style="text-align: right;">5,257</td> </tr> <tr> <td>Total shareholders' equity .....</td> <td style="text-align: right;">20,112</td> <td style="text-align: right;">20,793</td> <td style="text-align: right;">(13,663)</td> <td style="text-align: right;">15,960</td> <td style="text-align: right;">152</td> <td style="text-align: right;">43,354</td> <td style="text-align: right;">41,102</td> </tr> <tr> <td><b>Total liabilities and shareholders' equity .....</b></td> <td style="text-align: right;"><b>39,684</b></td> <td style="text-align: right;"><b>41,859</b></td> <td style="text-align: right;"><b>(13,663)</b></td> <td style="text-align: right;"><b>23,959</b></td> <td style="text-align: right;"><b>(950)</b></td> <td style="text-align: right;"><b>90,889</b></td> <td style="text-align: right;"><b>86,167</b></td> </tr> </tbody> </table> <p>Note:</p> <p>(1) Reclassifications have been made to the published historical information of Holcim and Lafarge in order to align the presentation of Holcim and Lafarge historical financial statements. No material differences have been identified in the accounting policies applied</p>		Holcim historical information under pro forma presentation <sup>(1)</sup>	Lafarge historical information <sup>(2)</sup> under pro forma presentation <sup>(1)</sup>	Lafarge historical goodwill adjustment	Merger related pro forma adjustments <sup>(3)</sup>	Divestiture related pro forma adjustments <sup>(4)</sup>	Lafarge- Holcim Pro Forma Information	Convenience translation of Lafarge- Holcim Pro Forma Information <sup>(5)</sup>		<b>(unaudited)</b>								<i>(CHF million)</i>						<i>(EUR million)</i>	Total current assets.....	7,307	7,061		1,235	5,817	21,420	20,307	Total long-term assets.....	32,377	34,798	(13,663)	22,724	(6,767)	69,469	65,860	<b>Total assets .....</b>	<b>39,684</b>	<b>41,859</b>	<b>(13,663)</b>	<b>23,959</b>	<b>(950)</b>	<b>90,889</b>	<b>86,167</b>	Total current liabilities .....	6,923	6,401		2,565	(717)	15,172	14,384	Total long-term liabilities .....	12,649	14,665		5,434	(385)	32,363	30,681	<b>Total liabilities ...</b>	<b>19,572</b>	<b>21,066</b>		<b>7,999</b>	<b>(1,102)</b>	<b>47,535</b>	<b>45,065</b>	Total capital and reserves attributable to the shareholders.....	17,430	18,585	(13,663)	15,269	188	37,809	35,845	Non-controlling interests.....	2,682	2,208		691	(36)	5,545	5,257	Total shareholders' equity .....	20,112	20,793	(13,663)	15,960	152	43,354	41,102	<b>Total liabilities and shareholders' equity .....</b>	<b>39,684</b>	<b>41,859</b>	<b>(13,663)</b>	<b>23,959</b>	<b>(950)</b>	<b>90,889</b>	<b>86,167</b>
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Those pro forma adjustments are further detailed in Note 4 of the Unaudited Pro Forma Financial Information set out in the Registration Document under Section 4.4 of Part I.</p> <p>(5) The translation into Euro of the LafargeHolcim Pro Forma Information has been presented for convenience purposes only, using the exchange rate as of March 20, 2015 (EUR1 = CHF1.0548). As a convenience translation, it is not intended to reflect what the pro forma financial information would have been had it been prepared in Euros by applying the provisions of IAS 21 - The effects of changes in foreign exchange rates, nor is it indicative of the Euro amounts into which the pro forma assets and liabilities, income and expenses could have been or could be converted.</p> <p><b>Condensed Unaudited Pro Forma Statement of Income</b></p> <p>The table below shows the Condensed Unaudited Pro Forma Statement of Income for the year ended December 31, 2014. Further details on the Unaudited Pro Forma Financial Information can be found in the Registration Document under Section 4 of Part I.</p> <table border="1" data-bbox="499 1131 1402 1758"> <thead> <tr> <th></th> <th>Holcim historical information under pro forma presentation<sup>(1)</sup></th> <th>Lafarge historical information<sup>(2)</sup> under pro forma presentation<sup>(1)</sup></th> <th>Merger related pro forma adjustments<sup>(3)</sup></th> <th>Divestiture related pro forma adjustments<sup>(4)</sup></th> <th>Lafarge-Holcim Pro Forma Information</th> <th>Convenience translation of Lafarge-Holcim Pro Forma Information<sup>(5)</sup></th> </tr> </thead> <tbody> <tr> <td colspan="7" style="text-align: center;"><b>(unaudited)</b></td> </tr> <tr> <td colspan="7" style="text-align: center;"><i>(CHF million)</i></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;"><i>(EUR million)</i></td> </tr> <tr> <td>Net sales .....</td> <td>19,110</td> <td>15,599</td> <td>1,392</td> <td>(3,499)</td> <td>32,602</td> <td>30,908</td> </tr> <tr> <td>Gross profit.....</td> <td>8,634</td> <td>7,203</td> <td>(7)</td> <td>(1,593)</td> <td>14,237</td> <td>13,497</td> </tr> <tr> <td>Operating profit before other income (expense).....</td> <td>2,489</td> <td>2,285</td> <td>(448)</td> <td>(561)</td> <td>3,765</td> <td>3,569</td> </tr> <tr> <td>Operating profit.....</td> <td>2,519</td> <td>1,773</td> <td>(97)</td> <td>(307)</td> <td>4,082</td> <td>3,870</td> </tr> <tr> <td><b>Net income.....</b></td> <td><b>1,619</b></td> <td><b>333</b></td> <td><b>(53)</b></td> <td><b>(228)</b></td> <td><b>1,671</b></td> <td><b>1,584</b></td> </tr> <tr> <td colspan="7">Attributable to:</td> </tr> <tr> <td>Shareholders .....</td> <td>1,287</td> <td>174</td> <td>(2)</td> <td>(212)</td> <td>1,247</td> <td>1,182</td> </tr> <tr> <td>Non-controlling interest ...</td> <td>332</td> <td>159</td> <td>(51)</td> <td>(16)</td> <td>424</td> <td>402</td> </tr> </tbody> </table> <p>Note:</p> <p>(1) Reclassifications have been made to the published historical information of Holcim and Lafarge in order to align the presentation of Holcim and Lafarge historical financial statements. No material differences have been identified in the accounting policies applied by the two groups. As a result, the change of presentation does not impact total assets or net income. Those reclassifications are further detailed in Note 2 of the Unaudited Pro</p>		Holcim historical information under pro forma presentation <sup>(1)</sup>	Lafarge historical information <sup>(2)</sup> under pro forma presentation <sup>(1)</sup>	Merger related pro forma adjustments <sup>(3)</sup>	Divestiture related pro forma adjustments <sup>(4)</sup>	Lafarge-Holcim Pro Forma Information	Convenience translation of Lafarge-Holcim Pro Forma Information <sup>(5)</sup>	<b>(unaudited)</b>							<i>(CHF million)</i>													<i>(EUR million)</i>	Net sales .....	19,110	15,599	1,392	(3,499)	32,602	30,908	Gross profit.....	8,634	7,203	(7)	(1,593)	14,237	13,497	Operating profit before other income (expense).....	2,489	2,285	(448)	(561)	3,765	3,569	Operating profit.....	2,519	1,773	(97)	(307)	4,082	3,870	<b>Net income.....</b>	<b>1,619</b>	<b>333</b>	<b>(53)</b>	<b>(228)</b>	<b>1,671</b>	<b>1,584</b>	Attributable to:							Shareholders .....	1,287	174	(2)	(212)	1,247	1,182	Non-controlling interest ...	332	159	(51)	(16)	424	402
	Holcim historical information under pro forma presentation <sup>(1)</sup>	Lafarge historical information <sup>(2)</sup> under pro forma presentation <sup>(1)</sup>	Merger related pro forma adjustments <sup>(3)</sup>	Divestiture related pro forma adjustments <sup>(4)</sup>	Lafarge-Holcim Pro Forma Information	Convenience translation of Lafarge-Holcim Pro Forma Information <sup>(5)</sup>																																																																															
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Annex and Element		Disclosure requirement
		<p>Forma Financial Information set out in the Registration Document under Section 4.4 of Part I.</p> <p>(2) Based on an average exchange rate for the year ended December 31, 2014 of EUR1 = CHF1.2146.</p> <p>(3) Some pro forma adjustments have been made to Holcim and Lafarge historical information to reflect the effect of the Merger. Those pro forma adjustments are further detailed in Note 3 of the Unaudited Pro Forma Financial Information set out in the Registration Document under Section 4.4 of Part I.</p> <p>(4) Some pro forma adjustments have been made to Holcim and Lafarge historical information to reflect the effect of the Divestiture. Those pro forma adjustments are further detailed in Note 4 of the Unaudited Pro Forma Financial Information set out in the Registration Document under Section 4.4 of Part I.</p> <p>(5) The translation into Euro of the LafargeHolcim Pro Forma Information has been presented for convenience purposes only, using the exchange rate as of March 20, 2015 (EUR1 = CHF1.0548). As a convenience translation, it is not intended to reflect what the pro forma financial information would have been had it been prepared in Euros by applying the provisions of IAS 21 - The effects of changes in foreign exchange rates, nor is it indicative of the Euro amounts into which the pro forma assets and liabilities, income and expenses could have been or could be converted.</p>
B.9	<b>Profit Forecast or Estimate</b>	<p><b>Profit Forecast or Estimate</b></p> <p>Not applicable. No profit forecast nor estimate for LafargeHolcim has been included in the Prospectus.</p>
B.10	<b>A Description of the Nature of any Qualifications in the Audit Report on the Historical Financial Information</b>	<p>There are no qualifications to the audit reports on Holcim or Lafarge historical financial information included in or incorporated by reference to the Prospectus.</p>
B.11	<b>Explanation if There is Insufficient Working Capital</b>	<p><b>Working Capital Statement of Holcim</b></p> <p>In the opinion of Holcim, the working capital available to the Holcim Group is sufficient for the Holcim Group's present requirements, that is for the next 12 months following the date of this Prospectus.</p> <p><b>Working Capital Statement of Lafarge</b></p> <p>In the opinion of Lafarge, the working capital available to the Lafarge Group is sufficient for the Lafarge Group's present requirements, that is for the next 12 months following the date of this Prospectus.</p> <p><b>Working Capital Statement of LafargeHolcim</b></p> <p>In the opinion of LafargeHolcim, the working capital available to the LafargeHolcim Group is sufficient for the LafargeHolcim Group's present requirements, that is for the next 12 months following the date of this Prospectus.</p>

## Section C – Shares

Annexes and Element		Disclosure requirement
C.1	<b>Type and Class of Securities</b>	<p><b>Details of the Shares Being Listed</b></p> <p>The LafargeHolcim Shares for which admission to trading on the regulated market of Euronext Paris is sought are all of the ordinary shares, fully paid-up and of the same class with a par value of CHF2.00.</p> <p>ISIN Code: CH0012214059</p> <p>Symbol: LHN</p> <p>Compartment: Compartment A</p> <p>ICB classification: 2353</p>
C.2	<b>Currency of the Issue of Securities</b>	<p><b>Currency of the LafargeHolcim Shares on Euronext Paris</b></p> <p>The LafargeHolcim Shares will trade in euros on Euronext Paris.</p> <p>The LafargeHolcim Shares trade in Swiss Francs on the SIX Swiss Exchange.</p>
C.3	<b>Issued Share Capital</b>	<p>As at December 31, 2014, the share capital of Holcim is divided into 327,086,376 registered shares of CHF2.00 nominal value each. As at December 31, 2014, the nominal, fully paid-in share capital of Holcim amounted to CHF654,172,752.</p> <p>Subject to the tendering of the Lafarge Shares by Lafarge shareholders, up to 264,006,013 New Holcim Shares with a nominal value of CHF2.00 each will be allocated to the Lafarge shareholders at an exchange ratio of nine New Holcim Shares for ten tendered Lafarge Shares.</p> <p>Holcim shareholders have approved on May 8, 2015 (i) the issue of up to 264,237,400 Holcim Shares in an ordinary share capital increase, (ii) an authorized share capital of up to 132,118,700 Holcim Shares for the needs, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out (whereby in each of (i) and (ii) existing shareholders' preferential subscription rights for the newly issued Holcim Shares have been withdrawn); and (iii) an authorized share capital of up to 29,566,188 Holcim Shares for the scrip dividend.</p> <p>The resolution of the Extraordinary General Meeting referred to under (i) above is valid until August 8, 2015. After that date, it will automatically lapse, in which case Holcim will convene another Shareholders Meeting in accordance with the conditions of the Exchange Offer.</p>
C.4	<b>Description of the Rights Attached to the Securities</b>	<p><b>Rights Attached to the LafargeHolcim Shares</b></p> <p>LafargeHolcim Shares are subject to all provisions of LafargeHolcim Ltd's Articles of Association. The main rights attached to the LafargeHolcim Shares under Swiss legislation and LafargeHolcim Ltd's Articles of Association as they were adopted (subject to the successful closing of the Exchange Offer) on May 8, 2015, are described below.</p> <p><b>Dividend Rights</b></p> <p>Pursuant to articles 29 and 30 of the Articles of Association of LafargeHolcim Ltd, five per cent. of the annual profit is allocated to the general reserve until it has reached twenty per cent. of the paid-in share capital. Of the remaining net profit, a</p>

Annexes and Element	Disclosure requirement
	<p>dividend of five per cent. of the share capital is paid out. The remaining balance sheet profit remains at the disposal of the Shareholders' Meeting, subject to the legal provisions regarding reserves.</p> <p>Any dividends that have not been collected within 5 years of their allocation are forfeited to LafargeHolcim Ltd.</p> <p>The entitlement date for the dividend is resolved upon at the Shareholders' Meeting, usually in the same agenda item where the Shareholders' Meeting resolves upon the dividend amount as explained above. There are no dividend restrictions.</p> <p><b>Pre-Emptive Rights</b></p> <p>Pursuant to article 6 of the Articles of Association of LafargeHolcim Ltd, in the event of an increase of the share capital by issuance of new shares, each shareholder is entitled to the fraction of newly issued shares corresponding to the proportion of his existing holdings.</p> <p>The Shareholders' Meeting may suspend or revoke pre-emptive rights of shareholders for good cause.</p> <p><b>Voting Rights</b></p> <p>According to Article 9 of the Articles of Association of LafargeHolcim Ltd, each share which is registered with the right to vote in the share register of LafargeHolcim Ltd at the cut-off date for the share registry (approximately one week prior to the Shareholders' Meeting, such closing date being communicated with the invitation to the Shareholders' Meeting) are entitled to participate in, and vote at, Shareholders' Meetings.</p> <p>Shares held by trusts and shares for which no declaration has been made that the holder requesting registration is holding the shares in his own name and for his own account are entered in the share register as having no voting rights.</p> <p>Any shareholder may have himself be represented at the Shareholders' Meeting by its legal representative, the independent voting rights representative or, with a written power of attorney, by another shareholder with the right to vote. The Board of Directors shall determine the particulars for the participation and representation at the Shareholders' Meeting. LafargeHolcim Ltd only accepts one representative per share. A shareholder holding more than one share may be represented by only one representative. Voting rights are not subject to any restrictions.</p> <p>Each share which is registered with the right to vote carries one vote.</p> <p><b>Rights to Share in Any Surplus in the Event of Liquidation</b></p> <p>The Articles of Association of LafargeHolcim Ltd do not contain any special rights to any surplus in the event of the company's liquidation. In accordance with statutory Swiss law, every shareholder is entitled to a pro rata share of the liquidation proceeds, unless otherwise provided by those Articles of Association that relate to the allocation of the assets of the dissolved company.</p>
C.5	<p><b>Restrictions on the Free Transferability of the</b></p> <p>No provision of the Articles of Association of LafargeHolcim Ltd nor any provision of Swiss law limits the tradability of the LafargeHolcim Shares.</p>

Annexes and Element		Disclosure requirement
	<b>LafargeHolcim Shares</b>	
C.6	<b>Admission</b>	<p><b>Applications for Admission to Trading on a Regulated Market and Identity of All the Regulated Markets Where the Shares Are or Are to be Traded</b></p> <p>Application has been made to Euronext for (i) all of the 327,086,376 Existing Holcim Shares to be admitted to listing and trading on the regulated market of Euronext Paris, on July 9, 2015, (ii) of up to 264,006,013 New Holcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris, on July 14, 2015, subject to the successful closing of the Exchange Offer, (iii) of up to 132,118,700 LafargeHolcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris, on August 6, 2015, subject to the successful closing, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out, and (iv) of up to 29,566,188 LafargeHolcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris in connection with the distribution of the scrip dividend.</p> <p>The Existing Holcim Shares are, and the new shares referred to in (ii) to (iv) above will be, listed on the SIX Swiss Exchange.</p> <p>The Existing Holcim Shares are expected to start trading on Euronext Paris at the closing price at which the Existing Holcim Shares traded on the SIX Swiss Exchange upon close of trading on July 8, 2015, which price will be converted into Euros using the Euro/Swiss Franc exchange reference rate published by the European Central Bank on July 8, 2015.</p>
C.7	<b>Dividends and Dividend Policy</b>	<p><b>A description of dividend policy</b></p> <p>For shareholders of Holcim and Lafarge, LafargeHolcim will seek to generate value and an attractive dividend policy, while applying a disciplined approach to capital allocation to improve returns on capital employed, generate strong cash flows and maintain a solid investment grade credit rating.</p> <p>Holcim and Lafarge agreed that a post-closing exceptional scrip dividend will be paid after the closing of the re-opened Exchange Offer in respect of all LafargeHolcim Shares, including the New Holcim Shares exchanged for Lafarge Shares tendered to the Exchange Offer. Such scrip dividend shall be in the ratio of one new LafargeHolcim Share for twenty existing LafargeHolcim Shares, subject to the successful closing of the Exchange Offer. The authorized share capital based on which the Board of Directors of LafargeHolcim is authorized to distribute the scrip dividend was approved at the Holcim Shareholders' Meeting of May 8, 2015.</p>

## Section D – Risks

Annexes Element		Disclosure requirement
D.1	<b>Key Information on the Key Risks That are Specific to the Company or its Industry</b>	<p>Before investing in LafargeHolcim Shares, investors should carefully consider the following risk factors.</p> <p><b>Risks Related to the Exchange Offer and the Merger</b></p> <ul style="list-style-type: none"> <li>• Achieving the advantages of the Merger will depend partly on the rapid and efficient integration of the activities of Holcim and Lafarge. Achieving the synergies and savings targeted in the Merger will therefore depend on the level of success of this integration.</li> <li>• The information in the pro forma financial statements was prepared as if the Merger had occurred as of January 1, 2014 (for the income statement) or December 31, 2014 (for the balance sheet), for illustration only. It does not reflect the results of operations or financial condition LafargeHolcim would have had if the Merger had occurred as of these dates.</li> <li>• Following the closing of the Exchange Offer, LafargeHolcim will record a net goodwill adjustment currently estimated at CHF8.5 billion as a result of the Merger and the Divestiture.</li> <li>• The CRH Divestiture Agreement and the Philippine Divestiture Agreement include certain representations, warranties and indemnities given by Lafarge or Holcim, as applicable. Any breach of those representations and warranties, and any claim made by CRH under those indemnities, will constitute liabilities of LafargeHolcim and could have a material adverse effect on its financial situation.</li> <li>• The negotiations between Holcim and Lafarge were conducted on the basis of the information that was publicly available to each party and on voluntary disclosure by each party to the other and neither Holcim nor Lafarge conducted extensive due diligence on the other before entering into the Combination Agreement.</li> <li>• After the completion of the Exchange Offer, the rating agencies could assign to LafargeHolcim or to debt instruments issued by LafargeHolcim a lower rating than the current ratings of Holcim and Lafarge. Such a downgrade could adversely affect the financing conditions of LafargeHolcim.</li> <li>• Lafarge is a party to various financing, joint-venture, commercial and other agreements with third parties which contain change of control provisions that may be triggered upon the completion of the Merger. Similarly, Holcim and Lafarge are parties to joint-venture agreements that may contain certain limited non-compete provisions that prevent Holcim or Lafarge, as the case may be, from competing with its joint venture partners.</li> <li>• Following the closing of the Exchange Offer, LafargeHolcim may be required by law to launch tender offers for the minority shareholdings in listed subsidiaries in certain countries.</li> <li>• In the event that the Exchange Offer is successful, but not all of the Lafarge Shares are tendered in the Offer, the number of shareholders and the number of Lafarge Shares constituting the public float will be greatly reduced. In these circumstances, the liquidity of, and market for, those remaining publicly</li> </ul>

Annexes Element	Disclosure requirement
	<p>held Lafarge Shares could be adversely affected by the lack of an active trading market.</p> <ul style="list-style-type: none"> <li>• The exchange ratio will not be adjusted to reflect any changes in the price of the Holcim Shares or the Lafarge Shares, or in the Euro/Swiss Franc exchange rate.</li> </ul> <p><b>Risks Related to the Business of LafargeHolcim</b></p> <ul style="list-style-type: none"> <li>• The construction industry tends to be cyclical, and depends on the level of construction-related expenditures in the residential, commercial and infrastructure sectors. Political instability or changes in government policy can also affect the construction industry. The industry is sensitive to factors such as gross domestic product growth, population growth, interest rates and inflation.</li> <li>• Energy expenses account for a significant part of the production costs of the Holcim Group, the Lafarge Group and in the future, the LafargeHolcim Group. Energy prices may vary significantly in the future, largely due to market forces and other factors beyond the control of the Combined Group.</li> <li>• The operations of the Holcim Group, the Lafarge Group and, going forward, the LafargeHolcim Group are dependent on the availability at a reasonable cost of certain raw materials, in particular limestone and aggregates, which are used in the manufacture of their products.</li> <li>• Due to the high fixed-cost nature of the building material industry, interruptions in production capabilities at any of the Combined Group facilities may cause a significant decrease in the productivity and results of operations during the affected period.</li> <li>• The Holcim Group and the Lafarge Group have typically experienced and, going forward, the LafargeHolcim Group expects to continue to experience, a decrease in sales during the first and fourth quarters reflecting the effect of the winter season in Europe and North America and an increase in sales in the second and third quarters reflecting the effect of the summer season in these markets.</li> <li>• The markets for cement, aggregates and other construction materials and services are very competitive.</li> <li>• Various competition regulators worldwide are currently investigating certain cement, building materials and building materials services companies for involvement in anticompetitive practices. The LafargeHolcim Group cannot predict the outcome of the pending proceedings or investigations or give any assurances that subsidiaries or affiliates of the LafargeHolcim Group will not be the subject of investigations by competition authorities in the future.</li> <li>• Materials such as plastic, aluminium, ceramics, glass, wood and steel can be used in construction as a substitute for cement. In addition, other construction techniques, such as the use of dry wall, could decrease the demand for cement, ready-mix concrete and mortars. In addition, new construction techniques and modern materials may be introduced in the future.</li> </ul>

Annexes Element	Disclosure requirement
	<p data-bbox="501 250 1059 277"><b>Risks Related to the Activities of LafargeHolcim</b></p> <ul data-bbox="501 291 1404 1312" style="list-style-type: none"> <li data-bbox="501 291 1404 394">• The significant presence of LafargeHolcim in emerging markets exposes the Combined Group to risks which it does not face to the same extent in more mature economies.</li> <li data-bbox="501 407 1404 510">• Being present in a large number of countries increases the LafargeHolcim Group's exposure to meteorological and geological risks such as natural disasters, climate hazards, or earthquakes.</li> <li data-bbox="501 524 1404 667">• The Holcim Group and the Lafarge Group have relied and, going forward, the LafargeHolcim Group will continue to rely upon third party service providers for certain aspects of its business, particularly the transport of its products to its customers.</li> <li data-bbox="501 680 1404 855">• As part of their strategy, the Holcim Group and the Lafarge Group have made and, going forward, the LafargeHolcim Group may make, selective acquisitions to strengthen and develop its existing activities. There are always substantial challenges or delays in integrating and adding value to acquired businesses.</li> <li data-bbox="501 869 1404 1043">• The Holcim Group and the Lafarge Group have conducted and, going forward, the LafargeHolcim Group will conduct its business through subsidiaries, shareholders' and/or joint venture agreements, significant but not always a controlling interest. These limitations could constrain the ability of the LafargeHolcim Group to pursue its corporate objectives in the future.</li> <li data-bbox="501 1057 1404 1232">• In the ordinary course of business, the Holcim Group and the Lafarge Group are involved and, going forward, the LafargeHolcim Group may become involved, in lawsuits, claims, investigations and proceedings, including product liability, ownership, commercial, environment, health and safety, social security and tax claims.</li> <li data-bbox="501 1245 1404 1312">• The cement and, to a lesser extent, the aggregates and the other construction materials businesses, are very capital intensive.</li> </ul> <p data-bbox="501 1326 970 1352"><b>Environmental, Health and Safety Risks</b></p> <ul data-bbox="501 1366 1404 1917" style="list-style-type: none"> <li data-bbox="501 1366 1404 1653">• The operations of building material suppliers are subject to numerous national and supranational environmental, health and safety laws, regulations, treaties and conventions, including those controlling the discharge of materials into the environment, requiring removal and clean-up of environmental contamination, establishing certification, licensing, noise, health and safety, taxes, labour and training standards, or otherwise relating to the protection of human health and the environment (including in relation to asbestos and crystalline silicosa dust).</li> <li data-bbox="501 1666 1404 1809">• The operations of the Combined Group are subject to extensive governmental regulations in most countries in which it operates on matters such as permitting and licensing requirements as well as reclamation and restoration of mining properties after mining is completed.</li> <li data-bbox="501 1823 1404 1917">• There are certain hazards related to the activities of the Holcim Group, the Lafarge Group and, going forward, the LafargeHolcim Group which can result in incidents that harm people or damage the property or the reputation</li> </ul>

Annexes Element		Disclosure requirement
		<p>of the LafargeHolcim Group.</p> <p><b>Accounting and Financing Risks</b></p> <ul style="list-style-type: none"> <li>• LafargeHolcim Ltd will be a holding company with no significant assets other than direct and indirect interests in its numerous subsidiaries. A number of its subsidiaries are located in countries that may impose regulations restricting the payment of dividends outside the country through exchange control regulations.</li> <li>• The Combined Group’s subsidiaries are subject to tax audits by the tax authorities in the respective jurisdictions in which they are located.</li> <li>• The Holcim Group, the Lafarge Group and, going forward, the LafargeHolcim Group are exposed to different market risks, which could have a material adverse effect on its financial condition or on its ability to meet its financial commitments.</li> </ul>
D.3	<b>Key Information on the Key Risks that are Specific to the LafargeHolcim Shares</b>	<ul style="list-style-type: none"> <li>• LafargeHolcim Shares will not be eligible for inclusion in French stock saving plans or plans d’épargne en actions (“PEA”), because PEAs may hold only shares of companies organized in member states of the European Union or in member states of the European Economic Area Agreement that have concluded with France a tax treaty providing for administrative assistance against tax fraud and evasion, which is not the case for Switzerland.</li> <li>• Pursuant to the Articles of Association of Lafarge, double voting rights are attached to fully paid-up shares held in registered form for at least two years. In addition, any shareholder who, at the end of the financial year, has held registered shares for at least two years and still holds them in registered form at the date of payment of the dividend in respect of that year will receive, in respect of such shares, a bonus equal to 10 per cent. of the dividend paid to other shareholders, including any dividend which is paid in shares. Lafarge shareholders will lose those benefits upon tendering their shares in the Exchange Offer and, since Holcim’s (and, going forward, LafargeHolcim Ltd’s) Articles of Association do not contain any similar provisions, Lafarge S.A. shareholders will no longer have any similar benefits, even if they hold registered shares for at least two years or another period of time.</li> <li>• There will be material differences between the current rights of Lafarge shareholders and the rights they can expect to have as LafargeHolcim shareholders.</li> <li>• The clearing and settlement costs incurred by a French shareholder when trading LafargeHolcim Shares on Euronext Paris may be higher than the clearing and settlement costs incurred by the same shareholder when trading Lafarge Shares.</li> <li>• French financial intermediaries may impose differing fees to clients holding shares in administered registered form or bearer form depending on the place of incorporation of the company whose shares are held by the client. The cost of holding LafargeHolcim Shares in administered registered form or bearer form may therefore be higher than the cost of holding Lafarge Shares.</li> <li>• LafargeHolcim Ltd shareholders are entitled to attend and vote at Shareholders’ Meeting only if they are “registered” in one of the</li> </ul>



Annexes Element		Disclosure requirement
		<p>LafargeHolcim Ltd share registers.</p> <ul style="list-style-type: none"> <li>Dividends of LafargeHolcim Ltd may be paid in Swiss Francs only. Any shareholder whose main currency is not the Swiss Francs may therefore be exposed to currency risks and may incur additional costs.</li> <li>The LafargeHolcim Shares will trade in Swiss Francs on the SIX Swiss Exchange and in Euros on Euronext Paris. The fluctuations of the Euro/Swiss franc exchange rate may bring distortions between the prices at which the LafargeHolcim Shares trade on each trading venue.</li> <li>Prospective holders of the LafargeHolcim Shares should be aware that the European Commission has published a proposal for a Directive on a financial transactions tax.</li> </ul>

### Section E – Offer

Annexes and Element		Disclosure requirement
E.1	<b>Net Proceeds and Expenses of the Offer</b>	Not applicable.
E.2a	<b>Reasons for the Offer and Use Of Proceeds</b>	Not applicable.
E.3	<b>Terms and Conditions of the Offer</b>	Not applicable.
E.4	<b>Material Interests to the Offer</b>	Not applicable.
E.5	<b>Selling Shareholder and Lock-Ups</b>	Not applicable.
E.6	<b>Dilution Resulting from the Offer</b>	Not applicable.
E.7	<b>Estimated Expenses Charged to the Investor by the Company</b>	Not applicable.

## **1 Persons Responsible for the Prospectus**

### **1.1 Persons Responsible**

#### **1.1.1 Persons Responsible for the Information Pertaining to Holcim and LafargeHolcim**

Bernard Fontana, Chief Executive Officer of Holcim as at the date of the Prospectus; and  
Thomas Aebischer, Chief Financial Officer of Holcim as at the date of the Prospectus.

#### **1.1.2 Persons Responsible for the Information Pertaining to Lafarge**

Bruno Lafont, Chairman and Chief Executive Officer of Lafarge as at the date of the Prospectus; and  
Jean-Jacques Gauthier, Chief Financial Officer and Executive Vice-President of Lafarge as at the date of the Prospectus.

### **1.2 Attestations by the Persons Responsible**

#### **1.2.1 Holcim and LafargeHolcim**

*“We declare, after taking all reasonable measures for this purpose and to the best of our knowledge, that the information pertaining to Holcim and LafargeHolcim contained in the Prospectus is in accordance with the facts and that it makes no omission likely to affect its import.*

*We have obtained a completion letter from the statutory auditors of Holcim, Ernst & Young Ltd, in which they state that they have audited the information relating to the financial position and the financial statements of Holcim presented in the Prospectus and read the information pertaining to Holcim contained in the Prospectus in its entirety.*

*The auditors’ report on the Unaudited Pro Forma Financial Information presented in the Registration Document under Sections 4.1 to 4.4 of Part I which contains an emphasis matter with respect to the sources of information used by Holcim because of regulatory reasons is included in the Registration Document under Section 4.5 of Part I.”*

May 28, 2015

Bernard Fontana  
Chief Executive Officer

Thomas Aebischer  
Chief Financial Officer

## 1.2.2 Lafarge

*“We declare, after taking all reasonable measures for this purpose and to the best of our knowledge, that the information pertaining to Lafarge contained in the Prospectus, i.e. the columns entitled “Lafarge historical information under pro forma presentation” in the tables set out in the Registration Document under Sections 2.4 and 4 of Part I and in the Summary section of this Securities Note, the Lafarge working capital statement and the Lafarge capitalization and indebtedness table set out in the Summary section as well as in Sections 3.1 and 3.2 of this Securities Note (including the “Additional information on the debt of joint-ventures and associates”), Section 11.3 of this Securities Note and the information incorporated by reference in Part III and in Section 4 of Part IV of the Registration Document is in accordance with the facts and that it makes no omission likely to affect its import.*

*We have obtained a completion letter from the statutory auditors of Lafarge, Deloitte & Associés and Ernst & Young et Autres, in which they state that they have audited the information relating to the financial position and the financial statements of Lafarge presented in the Prospectus and read the information pertaining to Lafarge included in the Prospectus in its entirety.*

*The statutory auditors of Lafarge have established a report on the financial statements of Lafarge incorporated by reference in the Prospectus. The statutory auditors’ report on the 2014 and 2013 consolidated financial statements contains a technical observation.”*

May 28, 2015

Bruno Lafont

Chairman and Chief Executive Officer

Jean-Jacques Gauthier

Chief Financial Officer and Executive Vice-President

## **2 Risk Factors Relating to the Admission of the LafargeHolcim Shares to Trading on the Regulated Market of Euronext Paris**

*Investors should carefully consider all of the information set forth in the Prospectus, including the risk factors set forth in this section, those pertaining to LafargeHolcim in Section 3 of the Registration Document – Part I, those pertaining to Holcim in Section 2 of the Registration Document – Part II and those pertaining to Lafarge in Section 5.1 of the Lafarge 2014 Document de Référence incorporated by reference to the Registration Document. The risk factors set forth in this Section, in Section 3 of the Registration Document – Part I, in Section 2 of the Registration Document – Part II and in Section 5.1 of the Lafarge 2014 Document de Référence are, as of the date of the Prospectus, the risks that the LafargeHolcim Group believes, were they to occur, could have a material adverse effect on its business, results of operations, financial condition and prospects. Investors should note that there may be other risks that have not yet been identified as of the date of the Prospectus, or whose occurrence as of the date hereof is not considered likely to have a material adverse effect on the LafargeHolcim Group's business, results of operations, financial condition and prospects.*

### **2.1 Change of Control and Non-Competition Provisions**

Lafarge is a party to various financing, joint-venture, commercial and other agreements with third parties which contain change of control provisions that may be triggered upon the completion of the Merger. Such agreements may provide for or permit their termination upon the occurrence of a change of control of one of the parties.

Similarly, Holcim and Lafarge are parties to joint-venture agreements that may contain certain limited non-compete provisions that prevent Lafarge or Holcim, as the case may be, from competing with its joint venture partners. These non-compete provisions may be triggered as a result of the combination of Holcim's and Lafarge's business activities, in cases where the activities of one group would breach the non-compete provisions in an agreement of the other group. Such agreements may provide the relevant counterparties with a termination right or other contractual remedies.

While the contractual counterparties may choose not to exercise their remedies, or may agree to waive their right to do so as a result of the Merger, no assurance can be given that this will be the case. If the counterparties decide to exercise remedies or refuse to grant waivers, the Combined Group's business, results of operations, financial condition and prospects may be adversely affected.

### **2.2 Requirement to Launch Tender Offers for Certain Listed Subsidiaries Following the Exchange Offer**

Following the closing of the Exchange Offer, LafargeHolcim may be required by law to launch tender offers for the minority shareholdings in listed subsidiaries in certain countries. At this stage, the only significant mandatory tender offer anticipated is on Sichuan Shuangma Cement Co., Ltd. in China. Analysis and discussion are still ongoing in few other jurisdictions. In some countries, the relevant laws are unclear, or exemptions might be available, and exemptions have already been obtained in certain countries. No assurance, however, can be given that any favorable clarifications or additional exemptions will be obtained.

### **2.3 Reduced Liquidity and Value of Non-Tendered Lafarge Shares**

In the event that the Exchange Offer is successful, but not all of the Lafarge Shares are tendered in the Offer, the number of shareholders and the number of Lafarge Shares constituting the public float will be greatly reduced. In these circumstances, the liquidity of, and market for, those remaining publicly held Lafarge Shares could be adversely affected by the lack of an active trading market. This risk could be prolonged if, following completion of the Exchange Offer, LafargeHolcim controls, directly or indirectly, less than 95 per cent. of the share capital or the voting rights of Lafarge and cannot initiate a squeeze-out of minority shareholders in accordance with French law. Similarly, the risk would be prolonged if LafargeHolcim controlled 95 per cent. of the share capital or

voting rights of Lafarge and decided not to exercise its right under French law to initiate a squeeze-out in the three months following the completion of the Exchange Offer. As a result, the market value of Lafarge Shares not tendered in the Exchange Offer could decrease significantly.

#### **2.4 Fluctuations in the Respective Price of the Shares of Holcim and of Lafarge and of the Euro/Swiss Franc Exchange Rate**

The price of the Holcim shares, as compared to that of the Lafarge Shares, may vary significantly between the date of the amendment to the Combination Agreement – when the Exchange Ratio was set at nine Holcim Shares for ten Lafarge Shares – and (i) the date of the Holcim shareholders' vote on the issuance of the Holcim Shares, or (ii) at the time the shareholders of Lafarge will tender their Lafarge Shares to the Exchange Offer or to the potential offers or other reorganization mechanisms provided for in the Combination Agreement, that could follow the closing of the Exchange Offer.

Although the Combination Agreement provides for a ratio adjustment mechanism to reflect the payment of dividends to their shareholders by Holcim and/or Lafarge, the exchange ratio will not be adjusted to reflect any changes in the price of the Holcim Shares or the Lafarge Shares, or in the Euro/Swiss Franc exchange rate. As a result, the value of the consideration paid to the Lafarge shareholders in the Exchange Offer may be higher or lower than the price of their Lafarge Shares on earlier dates or at later dates, including at and up to the time of the potential offers, or other reorganization mechanisms provided for in the Combination Agreement, that could follow the settlement of the Exchange Offer.

Changes in share prices may result from a variety of factors that are beyond the control of Holcim and Lafarge, including changes in their respective businesses, operations, prospects or legal proceedings developments. The fluctuation of the Euro/Swiss Franc exchange rate is subject to an even wider range of factors on which Holcim and Lafarge have absolutely no control. Neither Holcim nor Lafarge is permitted to terminate the Combination Agreement solely because of changes in the market price of either party's shares.

#### **2.5 The Proposed European Financial Transactions Tax may, if Adopted and Implemented in National Legislations, increase the Cost of Trading of LafargeHolcim Shares**

Prospective holders of the LafargeHolcim Shares should be aware that the European Commission has published a proposal for a Directive on a financial transactions tax (the European financial transactions tax, or the “**European FTT**”) common to Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**Participating Member States**”).

The proposed European FTT has very broad scope and could, if introduced in its current draft form, apply to certain transactions involving LafargeHolcim Shares (including secondary market transactions) in certain circumstances.

Under the European Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the LafargeHolcim Shares where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

On May 6, 2014, a joint statement by ministers of the Participating Member States (excluding Slovenia) confirmed their commitment to the introduction of the European FTT, and noted the intention of the Participating Member States to work on a progressive implementation of the European FTT, focusing initially on the taxation of shares and some derivatives. The first steps would be implemented at the latest on January 1, 2016.

The proposed European FTT remains subject to negotiation between the Participating Member States. It could therefore be altered before its adoption. Other Member States may decide to participate.

The European FTT could increase the transaction costs associated with purchases and sales of the LafargeHolcim Shares and could reduce the liquidity of the market for such shares. Prospective holders of LafargeHolcim Shares are advised to seek their own professional advice in relation to the potential consequences of the European FTT.

### **3 Essential Information**

#### **3.1 Working Capital Statements**

##### **Working Capital Statement of Holcim**

In the opinion of Holcim, the working capital available to the Holcim Group is sufficient for the Holcim Group's present requirements, that is for the next 12 months following the date of this Prospectus.

##### **Working Capital Statement of Lafarge**

In the opinion of Lafarge, the working capital available to the Lafarge Group is sufficient for the Lafarge Group's present requirements, that is for the next 12 months following the date of this Prospectus.

##### **Working Capital Statement of LafargeHolcim**

In the opinion of LafargeHolcim, the working capital available to the LafargeHolcim Group is sufficient for the LafargeHolcim Group's present requirements, that is for the next 12 months following the date of this Prospectus.

### 3.2 Capitalisation and Indebtedness

The following tables set out the capitalization and indebtedness of Holcim and Lafarge as at March 31, 2015 and, for ease of reading, the same information in a single table.

#### Holcim Capitalisation and Indebtedness as at March 31, 2015

	<b>As of March 31, 2015</b>
	<i>(in CHF million)</i>
<b>Total current debt<sup>(1)</sup> .....</b>	<b>2,143</b>
Guaranteed .....	361
Secured .....	0
Unguaranteed/unsecured.....	1,782
<b>Total non-current debt<sup>(1)</sup> (excluding current portion of long-term debt).....</b>	<b>9,258</b>
Guaranteed.....	5,354
Secured .....	84
Unguaranteed/unsecured.....	3,820
<b>Shareholders' equity attributable to owners of the parent company .....</b>	<b>16,403</b>
Share capital .....	654
Share premium.....	7,778
Other reserves .....	7,971
<b>Non-controlling interests .....</b>	<b>2,655</b>
<b>Total shareholders' equity .....</b>	<b>19,058</b>
<b>Total .....</b>	<b>30,459</b>

Note:

- (1) Figures include derivatives instruments. The impact of derivatives instruments on net financial indebtedness amounts to an increase of CHF 68 million as at March 31, 2015.

Subsequent to March 31, 2015, Holcim General Shareholders' Meeting held on April 13, 2015 decided to distribute a total dividend of CHF 424 million. The dividend has been paid on April 17, 2015.

	<b>As of March 31, 2015</b>
	<i>(in CHF million)</i>
Cash and Cash Equivalents.....	1,731
Trading securities.....	0
<b>Liquidity</b> .....	<b>1,731</b>
<b>Current financial receivables</b> .....	<b>0</b>
Current bank debt .....	1,368
Other current financial debt <sup>(1)</sup> .....	775
<b>Current financial debt<sup>(1)</sup></b> .....	<b>2,143</b>
<b>Net current financial indebtedness<sup>(1)</sup></b> .....	<b>412</b>
Non-current bank loans.....	1,365
Bonds issued .....	7,739
Other non-current loans <sup>(1)</sup> .....	154
<b>Non-current financial indebtedness<sup>(1)</sup></b> .....	<b>9,258</b>
<b>Net financial indebtedness<sup>(1)</sup></b> .....	<b>9,670</b>

Note:

- (1) Figures include derivatives instruments. The impact of derivatives instruments on net financial indebtedness amounts to an increase of CHF 68 million as at March 31, 2015.



## Lafarge Capitalisation and Indebtedness as at March 31, 2015

The financial information set out in the tables below has been converted from Euros to Swiss Francs using the exchange rate as at March 31, 2015 (EUR1 = CHF 1.0463).

	<b>As of March 31, 2015</b>
	<i>(in CHF million)</i>
<b>Total current debt<sup>(1)</sup> .....</b>	<b>2,756</b>
Guaranteed.....	152
Secured .....	126
Unguaranteed/unsecured.....	2,478
 <b>Total non-current debt<sup>(1)</sup> (excluding current portion of long-term debt).....</b>	 <b>9,511</b>
Guaranteed.....	0
Secured .....	311
Unguaranteed/unsecured.....	9,200
 <b>Shareholders' equity attributable to owners of the parent company .....</b>	 <b>17,326</b>
Share capital .....	1,204
Share premium.....	10,185
Other reserves .....	5,937
<b>Non-controlling interests .....</b>	<b>2,016</b>
<b>Total Shareholders' equity .....</b>	<b>19,342</b>
 <b>Total .....</b>	 <b>31,609</b>

Note:

- (1) Figures include derivatives instruments. The net impact of derivatives instruments on net financial indebtedness amounts to a decrease of CHF 106 million as at March 31, 2015.

Subsequent to March 31, 2015, Lafarge General Shareholders' Meeting held on May 7, 2015 decided to distribute a total dividend of EUR 368 million (CHF 385 million). The dividend has been paid on May 12, 2015.

	<b>As of March 31, 2015</b>
	<i>(in CHF million)</i>
Cash and Cash Equivalents.....	2,029
Trading securities.....	0
<b>Liquidity</b> .....	<b>2,029</b>
<b>Current financial receivables</b> .....	<b>0</b>
Current bank debt .....	691
Other current financial debt <sup>(1)</sup> .....	2,065
<b>Current financial debt<sup>(1)</sup></b> .....	<b>2,756</b>
<b>Net current financial indebtedness<sup>(1)</sup></b> .....	<b>727</b>
Non-current bank loans.....	813
Bonds issued .....	8,687
Other non-current loans .....	11
<b>Non-current financial indebtedness<sup>(1)</sup></b> .....	<b>9,511</b>
<b>Net financial indebtedness<sup>(1)</sup></b> .....	<b>10,238</b>

Note:

(1) Figures include derivatives instruments. The net impact of derivatives instruments on net financial indebtedness amounts to a decrease of CHF 106 million as at March 31, 2015.

***Additional information on the debt of joint-ventures and associates***

The table below sets out some additional information relating to the non consolidated debt of joint-ventures and associates accounted for using the equity method and benefiting from a guarantee of Lafarge.

	<b>As of March 31, 2015</b>
	<i>(in CHF million)</i>
Guarantees given by Lafarge on its share of the debt of the joint-ventures and associates .....	531
Guarantees given by Lafarge on the partner's share of the debt of the joint-ventures and associates .....	417

### Holcim and Lafarge Capitalisation and Indebtedness as at March 31, 2015

The financial information pertaining to Lafarge set out in the tables below has been converted from Euros to Swiss Francs using the exchange rate as at March 31, 2015 (EUR1 = CHF 1.0463).

	<b>Holcim</b>	<b>Lafarge</b>
	<b>As of March 31, 2015</b>	
	<i>(in CHF million)</i>	
<b>Total current debt</b> .....	<b>2,143<sup>(1)</sup></b>	<b>2,756<sup>(2)</sup></b>
Guaranteed .....	361	152
Secured .....	0	126
Unguaranteed/unsecured .....	1,782	2,478
 <b>Total non-current debt (excluding current portion of long-term debt)</b> .....	 <b>9,258<sup>(1)</sup></b>	 <b>9,511<sup>(2)</sup></b>
Guaranteed .....	5,354	0
Secured .....	84	311
Unguaranteed/unsecured .....	3,820	9,200
 <b>Shareholders' equity attributable to owners of the parent company</b> .....	 <b>16,403</b>	 <b>17,326</b>
Share capital .....	654	1,204
Share premium .....	7,778	10,185
Other reserves .....	7,971	5,937
<b>Non-controlling interests</b> .....	<b>2,655</b>	<b>2,016</b>
<b>Total Shareholders' equity</b> .....	<b>19,058</b>	<b>19,342</b>
 <b>Total</b> .....	 <b>30,459</b>	 <b>31,609</b>

Notes:

- (1) Figures include derivatives instruments. The impact of derivatives instruments on net financial indebtedness amounts to an increase of CHF 68 million as at March 31, 2015.
- (2) Figures include derivatives instruments. The net impact of derivatives instruments on net financial indebtedness amounts to a decrease of CHF 106 million as at March 31, 2015.

	<b>Holcim</b>	<b>Lafarge</b>
	<b>As of March 31, 2015</b>	
	<i>(in CHF million)</i>	
Cash and Cash Equivalents.....	1,731	2,029
Trading securities.....	0	0
<b>Liquidity</b> .....	<b>1,731</b>	<b>2,029</b>
<b>Current financial receivables</b> .....	<b>0</b>	<b>0</b>
Current bank debt .....	1,368	691
Other current financial debt .....	775 <sup>(1)</sup>	2,065 <sup>(2)</sup>
<b>Current financial debt</b> .....	<b>2,143<sup>(1)</sup></b>	<b>2,756<sup>(2)</sup></b>
<b>Net current financial indebtedness</b> .....	<b>412<sup>(1)</sup></b>	<b>727<sup>(2)</sup></b>
Non-current bank loans.....	1,365	813
Bonds issued .....	7,739	8,687
Other non-current loans .....	154 <sup>(1)</sup>	11
<b>Non-current financial indebtedness</b> .....	<b>9,258<sup>(1)</sup></b>	<b>9,511<sup>(2)</sup></b>
<b>Net financial indebtedness</b> .....	<b>9,670<sup>(1)</sup></b>	<b>10,238<sup>(2)</sup></b>

Notes:

- (1) Figures include derivatives instruments. The impact of derivatives instruments on net financial indebtedness amounts to an increase of CHF 68 million as at March 31, 2015.
- (2) Figures include derivatives instruments. The net impact of derivatives instruments on net financial indebtedness amounts to a decrease of CHF 106 million as at March 31, 2015.

### 3.3 Interests of Natural and Legal Persons Involved in the Listing of the LafargeHolcim Shares

Not applicable.

### 3.4 Reasons for the Listing of the LafargeHolcim Shares and Use of Proceeds

The Prospectus is prepared for the purpose of the Exchange Offer and, specifically, for the purpose of the Listing of all Existing Holcim Shares and of the New Holcim Shares to be issued by Holcim in consideration for the Lafarge Shares tendered in the Exchange Offer. The Listing of the Holcim Shares on Euronext Paris will become effective only upon completion of the Exchange Offer.

## **4 Information on the LafargeHolcim Shares**

### **4.1 Type and Class of Shares**

The shares of LafargeHolcim Ltd for which admission to trading on the regulated markets of Euronext Paris is sought are ordinary shares, fully paid-up and of the same class with a par value of CHF2.00.

ISIN Code: CH0012214059

Symbol: LHN

Compartment: Compartment A

ICB classification: 2353

### **4.2 Legislation governing the LafargeHolcim Shares**

LafargeHolcim Shares are governed by Swiss law.

### **4.3 Form and Registration of the LafargeHolcim Shares**

According to the Articles of Association of LafargeHolcim Ltd as they were approved, subject to the closing of the Exchange Offer, at Holcim Shareholders' Meeting of May 8, 2015, LafargeHolcim may issue its registered shares in the form of single certificates, global certificates or uncertificated securities. Subject to the conditions set forth by statutory Swiss law, LafargeHolcim Ltd may convert its registered shares from registered shares into bearer shares at any time and without the approval of its shareholders. No shareholder has the right to demand a conversion of the form of registered shares. Each shareholder may at any time request a written confirmation from LafargeHolcim of the registered shares held by such shareholder, as reflected in LafargeHolcim's share register. Any such confirmation is not a negotiable instrument.

#### ***Registration in the LafargeHolcim Share Registers***

Under Swiss Law and LafargeHolcim Ltd's Articles of Association, an acquirer of LafargeHolcim Shares needs to be registered in one of the two LafargeHolcim Ltd's share registers to be considered as a shareholder with voting rights. Shares whose holders are not registered are deemed "dispo" shares. They are entitled to the payment of dividends and other distributions, but not to attend and vote at Shareholders' Meetings.

As from the closing of the Exchange Offer, LafargeHolcim will maintain two share registers. One share register will be maintained in Switzerland by Nimbus AG, which currently maintains the Holcim share register (the "Swiss Share Register"). The second share register will be maintained by BNP Paribas Securities Services in France (the "French Share Register"). Both share registers contain the name, nationality and address of the shareholders and the number of shares held by each of them.

#### **Registration in the Swiss Share Register**

Shareholders can either register themselves directly in LafargeHolcim Ltd Swiss Share Register or shareholders can alternatively register themselves as beneficial owners through a nominee which has entered into a specific agreement for that purpose with LafargeHolcim Ltd. Acquirers of shares are registered upon request in the Swiss Share Register as shareholders with the right to vote if they expressly declare to have acquired the registered shares in their own name and for their own account. After hearing the registered shareholder or nominee, the Board of Directors of LafargeHolcim Ltd may cancel any registration in the share register, with retroactive effect as of the date of registration, which was made based on incorrect information. The relevant shareholder or nominee is immediately informed of the cancellation.

In Switzerland, a purchaser of LafargeHolcim Shares receives a registration form from the financial intermediary through which such purchaser has purchased and holds the LafargeHolcim Shares in order to be registered in the Swiss Share Register. Once the purchaser has filled in the form and has returned it to his financial

intermediary, the form is sent to Nimbus AG who then registers the purchaser in the Swiss Share Register. Upon sale of the shares, the corresponding number of shares is automatically deducted from the number of shares shown as being held by such shareholder in the Swiss Share Register. Once a shareholder is registered, it stays in the Swiss Share Register and only the number of shares held varies. If it sells all of its shares, it no longer appears in the Swiss Share Register, but will not need to register again if it repurchases LafargeHolcim Shares.

#### **Registration in the French Share Register**

Shareholders holding their LafargeHolcim Shares in pure registered form will be directly registered in the French Share Register. Shareholders holding their LafargeHolcim Shares in administered registered form will be registered in the French Share Register indirectly through their financial intermediaries affiliated with Euroclear France. Shareholders registered in the French Share Register are entitled to attend and vote at Shareholders' Meetings.

It is expected that Holcim or, if after the closing of the Exchange Offer, LafargeHolcim will enter into a nominee agreement with Euroclear Bank SA/NV. The purpose of the nominee agreement is to allow shareholders holding their shares in bearer form to exercise their shareholder rights via Euroclear, in its role as a nominee. Please see the Registration Document – Section 21.2.4.3 of Part III.

If Holcim or, if after the closing of the Exchange Offer, LafargeHolcim, fails to find an agreement with Euroclear Bank SA/NV on Euroclear's role as a nominee and, as a consequence, Euroclear Bank SA/NV does not become a nominee, shareholders holding their LafargeHolcim Shares in bearer form and who want to vote or participate in the Shareholders' Meeting in person will need to ask to their financial intermediaries to convert their shares from the bearer form into the pure or administered registered form and register themselves on the French Share Register.

Registered Lafarge shareholders participating in the Exchange Offer will be able to receive upon closing of the Exchange Offer their Holcim Shares in the same form as they currently hold their Lafarge Shares (pure registered form, administered registered form or bearer form).

In addition, it is specified that:

- Lafarge shareholders initially holding their shares in pure registered form and/or in administered registered form will automatically receive Holcim Shares in the same form; and
- Lafarge shareholders initially holding their shares in bearer form will automatically receive Holcim Shares in bearer form through Euroclear France.

Regarding shares which will be registered in the French Share Register maintained by BNP Paribas Securities Services (pure and administered registered forms), such registration will allow holders to attend and vote at Holcim Shareholders' Meetings.

The cost of maintaining and operating the French Share Register will be borne by LafargeHolcim and, therefore, LafargeHolcim Ltd shareholders can maintain their shares on the French Share Register at no additional cost to them compared to the cost they currently incur, if any, for holding their Lafarge shares in the pure registered form.

#### **4.4 Currency of Shares**

The LafargeHolcim Shares admitted to trading on Euronext Paris will trade in Euros. The LafargeHolcim Shares admitted to trading on the SIX Swiss Exchange trade in Swiss Francs.

#### **4.5 Rights attached to the LafargeHolcim Shares**

The main rights attached to shares in LafargeHolcim Ltd are set out in the Registration Document under Section 5.3 of Part I and under Section 21.2 of Part II.

#### **4.6 Authorisations and Approvals**

Holcim shareholders have approved on May 8, 2015 (i) the issue of up to 264,237,400 Holcim Shares in an ordinary share capital increase, (ii) an authorized share capital of up to 132,118,700 Holcim Shares for the needs, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out (whereby in each of (i) and (ii) existing shareholders' preferential subscription rights for the newly issued Holcim Shares have been withdrawn), (iii) an authorized share capital for a scrip dividend of up to 29,566,188 LafargeHolcim Shares.

The resolution of the extraordinary general meeting referred to under (i) above is valid until August 8, 2015. After that date, it will automatically lapse, in which case Holcim will convene another Shareholders Meeting in accordance with the conditions of the Exchange Offer.

Please see the Registration Document – Section 21.1.2 of Part II.

#### **4.7 Expected Listing Date**

Application has been made to Euronext for (i) all of the 327,086,376 Existing Holcim Shares to be admitted to listing and trading on the regulated market of Euronext Paris, on July 9, 2015, (ii) of up to 264,006,013 New Holcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris, on July 14, 2015, subject to the successful closing of the Exchange Offer, (iii) of up to 132,118,700 LafargeHolcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris, on August 6, 2015, subject to the successful closing, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out, and (iv) of up to 29,566,188 LafargeHolcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris in connection with the distribution of the scrip dividend.

The Existing Holcim Shares are, and the new shares referred to in (ii) to (iv) above will be, listed on the SIX Swiss Exchange.

The Existing Holcim Shares are expected to start trading on Euronext Paris at the closing price at which the Existing Holcim Shares traded on the SIX Swiss Exchange upon close of trading on July 8, 2015, which price will be converted into Euros using the Euro/Swiss Franc exchange reference rate published by the European Central Bank on July 8, 2015.

#### **4.8 Restrictions on the Free Tradability of Securities**

Please refer to Section 21.2.3.7 of the Registration Document – Part II.

#### **4.9 Regulations Relating to Public Offerings**

Under Swiss law, the obligation to file a mandatory tender offer is imposed on any person, acting directly or indirectly, alone or in concert, who reaches or crosses the threshold of 33⅓ per cent. of the voting rights, whether or not such rights may be exercisable or not, of a Swiss listed company. The company may raise this threshold in its Articles of Association to 49 per cent. of the voting rights or opt out of such threshold altogether. Also, in justified cases, the Swiss Takeover Board may grant exemptions from the obligation to make an offer.

Under Swiss law, a squeeze-out of minority shareholders may be carried out following a public offer, provided that the offeror, upon expiry of the offer period, holds more than 98 per cent. of the voting rights of the company and files a petition within three months to the court to cancel the outstanding equity securities.

Alternatively, a squeeze out of minority shareholders can be accomplished via the Swiss Merger Act. A merger agreement may provide for a choice for the shareholders of the absorbed company between equity in the absorbing company or a compensation payment; a two-third majority is required in the Shareholders' Meetings of both companies involved in a merger to resolve on the merger agreement. Also, the merger agreement may provide for a compensation payment only for the shareholders of the absorbed company. In this case, a 90 per cent. majority of all votes in the shareholders' meeting of the absorbed company is required.

#### **4.10 Takeover Bid for LafargeHolcim Ltd Initiated by Third Parties during the Previous or Current Financial Year**

At the date of the Prospectus, no takeover bid for LafargeHolcim Ltd has been launched by third parties during the previous or the current financial year.

#### **4.11 Taxation**

The description of the French and Swiss tax treatment of the Holcim Shares summarized below is based on the laws as currently in force, as such laws may be modified by subsequent amendments brought to the applicable French or Swiss tax rules (potentially with retrospective effect) and their interpretation by the French or Swiss tax authorities.

The statements below are a summary provided for general information purposes only and should by no means be considered as a comprehensive analysis of all tax consequences that may apply to holders of Holcim Shares. Holders of such shares should contact their usual tax advisor in order to determine the tax regime applicable to their own situation.

Holders of Holcim Shares who are not residents of France or Switzerland for tax purposes should also comply with the applicable tax laws of their country of residence, subject to the application of any double tax treaty entered into between such country of residence and France and/or Switzerland.

##### **4.11.1 Swiss Taxation**

###### **4.11.1.1 Swiss Withholding Tax (*Verrechnungssteuer*)**

For purposes of this discussion, the term “Qualifying Reserves” means the “reserves from capital contributions,” as part of the general (legal) reserves, of the Swiss statutory financial statements of the company which is accumulated by certain qualifying contributions received from shareholders and which is notified to and recognized by the Swiss Federal Tax Administration.

Dividends and similar distributions out of Qualifying Reserves and repayments of the nominal share capital will not be subject to Swiss withholding tax. Under the applicable capital contribution principle, the repayment of all qualifying capital contributions made by the investors will be exempt from Swiss withholding tax provided that such capital contributions have been made after December 31, 1996 and notified to and approved by the Swiss Federal Tax Administration. In this regard, the Swiss Federal Tax Administration issued a specific circular on how the capital contribution principle should be applied (circular by the Swiss Federal Tax Administration No. 29 of December 9, 2010, capital contribution principle; *Kreisschreiben der Eidgenössischen Steuerverwaltung Nr. 29 vom 9. Dezember 2010, Kapitaleinlageprinzip*). It is at the discretion of the Holcim’s shareholders to decide (at a Shareholders’ Meeting) whether to distribute a dividend out of Qualifying Reserves free of Swiss withholding tax and/or out of profit/retained earnings/non-qualifying reserves subject to Swiss withholding tax. Once cumulative distributions exceed the Qualifying Reserves, any distributions paid by Holcim will be subject to Swiss withholding tax. To the extent that additional shares are issued by Holcim in the future, the value of the distributions which can be made free of Swiss withholding tax will be increased by an amount corresponding to the total nominal share capital and paid-in capital/share premium of the shares issued.

The share premium created as a result of the issuance of consideration shares is expected to qualify as Qualifying Reserves.

Any dividends and similar cash or in-kind distributions of profit and reserves other than Qualifying Reserves made by Holcim, including stock dividends and the distribution of any liquidation proceeds in excess of nominal share capital and Qualifying Reserves, will be subject to Swiss withholding tax imposed on the gross amount at the then-prevailing rate (currently 35 per cent.).



For distributions subject to Swiss withholding tax, Holcim may only pay out 65 per cent. of the gross amount of any dividend and similar distributions to the holders of Holcim Shares. A portion equal to 35 per cent. of the gross amount of such dividends and similar distributions must be paid to the Swiss Federal Tax Administration.

The redemption of Holcim Shares by Holcim may under certain circumstances (in particular, if the LafargeHolcim Shares are redeemed for subsequent cancellation) be taxed as a partial liquidation for Swiss withholding tax purposes, with the effect that Swiss withholding taxes at the then-prevailing rate (currently 35 per cent.) is due on the difference between the redemption price and nominal value plus proportionate Qualifying Reserves of the redeemed Holcim Shares.

Swiss resident beneficiaries of taxable dividends and similar distributions in respect of Holcim Shares are entitled to full subsequent relief of the Swiss withholding tax, either through a tax refund or tax credit against their income tax liability, if they duly report the underlying income in their tax returns or financial statements used for tax purposes, as the case may be, and if there is no tax avoidance.

A non-resident shareholder may be entitled to a partial refund of the Swiss federal withholding tax on a dividend and similar distributions if the country of his or her residence for tax purposes has entered into a bilateral treaty with respect to taxes on income with Switzerland and the conditions of such treaty are met. Such shareholders should be aware that the procedures for claiming treaty benefits (and the time required for obtaining a refund) might differ from country to country. For example, a shareholder who is a resident of France for the purposes of the tax treaty entered into between France and Switzerland and dated September 6, 1966, as amended by the protocols of 3 December 1969, 22 July 1997, 27 August 2009, and 25 June 2014 (the “**Treaty**”) is eligible for a partial refund of the amount of the withholding tax in excess of the 15 per cent. treaty rate, provided that such shareholder: (i) qualifies for benefits under this Treaty and qualifies as the beneficial owner of the dividends or similar distributions and (ii) does not conduct business through a permanent establishment or fixed base in Switzerland to which the shares are attributable. Such an eligible French shareholder may apply for a refund of the amount of the withholding tax in excess of the 15 per cent. treaty rate. The applicable refund request form may be filed with the Swiss Federal Tax Administration following receipt of the dividend (or similar distribution) and the relevant deduction certificate, however no later than 31 December of the third year following the calendar year in which the dividend (or the similar distribution) was payable. An eligible French shareholder that holds, directly or indirectly, more than 10 per cent. of the capital in the company may benefit from a zero tax rate on dividends or similar distributions under Article 11.2(b)(i) of the Treaty and subject to the limitations set forth under Article 11.2(b)(ii) and 11.2(b)(iii) of the Treaty. However, the Swiss Withholding Tax at a rate of currently 35 per cent. has to be withheld, unless the distributing Swiss company applies for the notification procedure before the dividend becomes due. The application for the notification procedure and the declaration of the dividend (or similar) distribution must be made by use of the applicable forms. A deadline of 30 days after the dividend payment is due has to be respected.

Shareholders should contact their usual tax advisor in order to determine the tax regime and formalities applicable to their own situation.

#### **4.11.1.2 Foreign Final Withholding Tax (*Abgeltungssteuer*)**

On 1 January 2013, treaties on tax cooperation which Switzerland entered into with the United Kingdom and with Austria came into force (each of the United Kingdom and Austria being, for the purpose of this paragraph, a “**Contracting State**”). The treaties require a Swiss paying agent, as defined in the treaties, to levy a flat-rate “final withholding tax” at rates specified in the treaties on certain capital gains and income items (including dividends), all as defined in the treaties, deriving from certain assets (which would include the Shares) booked or deposited with a Swiss paying agent by (i) an individual resident in a Contracting State, or (ii) if certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in a so-called insurance wrapper (*Lebensversicherungsmantel*) or any other individual with an account or deposit with a Swiss paying

agent, if the beneficial owner of the relevant asset is an individual resident in a Contracting State. Under the treaty with the UK, the tax rate for individuals resident and domiciled in the UK is 35 per cent. on dividends and 27 per cent. on capital gains, and, under the treaty with Austria, 25 per cent. on dividends and capital gains. The flat-rate tax withheld replaces the ordinary capital gains tax and income tax on the relevant capital gains and income items in the Contracting State where the individuals are tax resident, unless an affected individual elects for the flat-rate tax withheld to be treated as if it were a credit allowable against the income tax or, as the case may be, capital gains tax, due from that individual for the relevant tax year in the relevant Contracting State. Alternatively, instead of paying the flat-rate tax, such individuals may opt for a disclosure of the relevant capital gains and income items to the tax authorities of the Contracting State where they are tax residents.

If Swiss federal withholding tax of 35 per cent. has been withheld on dividends or similar distributions made in respect of Holcim Shares, the Swiss paying agent will – to the extent provided in the applicable bilateral treaty with respect to taxes on income between Switzerland and the Contracting State – in its own name and on behalf of the relevant shareholder file with the Swiss tax authorities a request for the partial refund of the Swiss federal withholding tax. The Swiss federal withholding tax which is not refundable according to the bilateral tax treaty (residual tax) is credited against the flat-rate final withholding tax.

#### **4.11.1.3 Swiss Federal, Cantonal and Communal Individual Income Tax and Corporate Tax**

##### **Non-Resident Shareholders**

Shareholders who are not resident in Switzerland for tax purposes, and who, during the relevant taxation year, have not engaged in a trade or business carried on through a permanent establishment or fixed place of business situated in Switzerland for tax purposes, will not be subject to any Swiss federal, cantonal and communal income tax on dividends and similar distributions on shares (including dividends on liquidation proceeds and stock dividends), distributions based upon a capital reduction (Nennwertrückzahlungen) and Qualifying reserves on shares, or capital gains realized on the sale or other disposition of shares (see article “Swiss Withholding Tax” for a summary of Swiss federal withholding tax on dividends and similar distributions, and “Foreign final withholding tax” for a summary on final withholding taxes in respect of shares held in Swiss accounts by non-resident shareholders).

##### **Resident Private Shareholders**

An individual who is resident in Switzerland for tax purposes and holds Holcim Shares as part of his or her private assets (*Privatvermögen*) and who receives dividends and similar distributions (including stock dividends and liquidation proceeds in excess of nominal share capital and Qualifying Reserves) from Holcim must include these distributions in his or her personal tax return and will be subject to federal, cantonal and communal income tax on any net taxable income for the relevant tax period. However, dividends and similar distributions out of Qualifying Reserves and repayments of the nominal share capital should not be subject to federal, cantonal and communal income tax.

Swiss resident individuals holding Holcim Shares as business assets or qualifying as professional securities dealer (*Wertschriftenhändler*), as well as non-resident individuals holding the shares as part of a permanent establishment or a fixed place of business in Switzerland are required to include all taxable distributions received on Holcim Shares in their income statements and will be subject to federal, cantonal and communal income tax on any net taxable income for the relevant tax period.

##### **Resident Corporations**

Non-resident corporations holding Holcim Shares as part of a Swiss permanent establishment or legal entities resident in Switzerland are required to include all taxable distributions received on Holcim Shares in their profit and loss statement relevant for profit tax purposes and will be subject to federal, cantonal and communal corporate income tax on any net taxable earnings for such period. A Swiss corporation or cooperative, or a non-

Swiss corporation or co-operative holding Holcim Shares as part of a Swiss permanent establishment, may, under certain circumstances, benefit from taxation relief with respect to distributions (Beteiligungsabzug), provided such Holcim Shares represent at the time of the distribution at least 10 per cent. of the share capital or 10 per cent. of the profit and reserves, respectively, or a fair market value of at least 1 million Swiss Francs.

#### **4.11.1.4 Swiss Cantonal and Communal Private Wealth Tax and Capital Tax**

##### **Non-Resident Shareholders**

Non-resident shareholders are not subject to Swiss cantonal and communal private wealth tax or capital tax.

##### **Resident Private Shareholders**

An individual who is a non-Swiss resident holding Holcim Shares as part of a Swiss permanent establishment or fixed place of business situated in Switzerland, or who is a Swiss resident for tax purposes is required to include his or her Holcim Shares in his or her assets which are subject to cantonal and communal private wealth tax. No private wealth tax is levied at the federal level.

##### **Resident Corporations**

Corporations resident in Switzerland or non-resident corporations with a Swiss permanent establishment are subject to cantonal and communal capital tax. The cantonal and communal capital tax is levied on the basis of the taxable equity of the legal entities. Usually, the acquisition of Holcim Shares should not influence the equity of a legal entity and should therefore have no or only limited influence on its capital tax charge. No capital tax is levied at the federal level.

#### **4.11.1.5 Taxes on Capital Gains upon Disposal of LafargeHolcim Shares**

##### **Non-Resident Shareholders**

Shareholders who are not resident in Switzerland for tax purposes, and who, during the relevant taxation year, have not engaged in a trade or business carried on through a permanent establishment or fixed place of business situated in Switzerland for tax purposes, will not be subject to any Swiss federal, cantonal and communal income tax or capital gains realized on the sale or other disposition of shares.

##### **Resident Private Shareholders**

Individuals who are resident in Switzerland for tax purposes and hold Holcim Shares as part of their private assets (Privatvermögen) generally are exempt from Swiss federal, cantonal and communal taxes with respect to capital gains realized upon the sale or other disposal of Holcim Shares, unless such individuals are qualified as professional securities dealer (*Wertschriftenhändler*) for income tax purposes. Under certain circumstances, share sale proceeds of a private individual may be recharacterized into taxable investment income. Upon a repurchase of LafargeHolcim Shares by Holcim, the portion of the repurchase price in excess of the nominal amount and Qualifying Reserves may be classified as taxable investment income if the LafargeHolcim Shares repurchased are not sold within a six-year period or if the LafargeHolcim Shares are repurchased for a capital reduction.

Capital gains realized by an individual on Holcim Shares that are held as part of his or her business assets are subject to income taxation and social security contributions. Capital gains realized by individuals who, for income tax purposes, are classified as professional securities dealers are subject to income taxation and social security contributions.

## **Resident Corporations**

Capital gains upon the sale or other disposal of Holcim Shares realized by corporations resident in Switzerland for tax purposes or foreign corporations holding Holcim Shares as part of a Swiss permanent establishment are generally subject to ordinary profit taxation. A Swiss corporation or co-operative, or non-Swiss corporation or co-operative holding Holcim Shares as part of a Swiss permanent establishment, may, under certain circumstances, benefit from taxation relief on capital gains realized upon the disposal of Holcim Shares (Beteiligungsabzug), provided such Holcim Shares were held for at least one year and the shareholder disposes of at least 10 per cent. of the share capital or 10 per cent. of the profit and reserves, respectively. Subsequent sales can be less than 10 per cent. of the nominal share capital in order to qualify for the participation relief, provided the fair market value of the Holcim Shares held as per the previous financial year end prior to this sale amounts to at least 1 million Swiss Francs.

### **4.11.1.6 Gift and Inheritance Taxes**

The transfer of Holcim Shares may be subject to cantonal and/or communal gift, estate or inheritance taxes if the donor is, or the deceased was, resident for tax purposes in a canton levying such taxes.

### **4.11.1.7 Stamp Tax upon the Transfer of Holcim shares**

The transfer of any Holcim Shares may be subject to Swiss securities transfer duty (Umsatzabgabe) at a current rate of up to 0.15 per cent. if such transfer occurs through or with a Swiss or Liechtenstein bank or securities dealer as defined in the Swiss federal stamp tax act.

## **4.11.2 French Taxation**

### **4.11.2.1 Individuals Residents of France for Tax Purposes who are holding Holcim Shares as part of their Private Estate and who do not trade on the Markets on a Usual Basis**

As noted hereinabove, Holcim Shares will not be eligible to the PEA.

## **Dividends**

### ***Personal Income Tax and Additional Contributions***

The dividends paid by Holcim to holders who are fiscally domiciled in France are subject to personal income tax in France under the conditions described below.

The gross amount of the dividends is taken into account to calculate the taxpayer's total income in the category of tax on income from investment in securities, subject to personal income tax at the progressive scale, after deduction of an allowance equal to 40 per cent. of the amount of the dividends.

Under Article 25-A, 1 of the Treaty, the withholding tax levied in Switzerland on such dividends, if any, will not be deductible from the French taxable income of holders of Holcim Shares. However, holders of Holcim Shares may claim a tax credit in respect of such withholding tax, if any, in accordance with article 25-A, 1(b) of the Treaty. The amount of this tax credit shall correspond to the amount of Swiss withholding tax levied on these dividends at the reduced Treaty rate, capped at the amount of French personal income tax assessed on the dividends. No credit will be available for the portion of the withholding tax exceeding the 15 per cent. Treaty rate.

The gross amount of the dividends received will also be included (before application of the 40 per cent. rebate) in the taxpayer's reference income (*revenu de référence*), which may be subject to the 3 per cent. or 4 per cent. contribution on high-income taxpayers.

### ***21 per cent. Levy***

It should be noted that, subject to limited exceptions, under Article 117 quater of the French tax code (the "FTC"), a 21 per cent. levy must be paid on dividends, such levy being an advance personal income tax

payment which can be set off against the personal income tax charge due in respect of the year in which the 21 per cent. levy applies, the surplus, if any, being refunded to the taxpayer. This levy is paid (i) by withholding at source where the paying agent is established in a European Union member State or in a State that is a party to the European Economic Area Agreement that has signed a tax agreement with France that contains an administrative assistance clause with a view to combating tax fraud or tax evasion, provided, in the latter case, that the taxpayer instructs the paying agent in this respect, or, otherwise, (ii) by the taxpayer himself or herself.

However, individuals belonging to a tax household whose taxable income for the year before last, as defined in 1° of IV of Article 1417 of the FTC, is less than EUR50,000 for taxpayers who are single, divorced or widowed, or EUR75,000 for couples filing jointly, may request exemption from this withholding under the terms and conditions of Article 242-quater of the FTC, i.e. by providing to the paying agent no later than November 30 of the year preceding the year of the payment of the dividends a sworn statement that the reference fiscal income shown on the taxation notice (*avis d'imposition*) issued in respect of the second year preceding the year of payment was below the above-mentioned taxable income thresholds. However, taxpayers who acquire shares after the deadline for providing the aforementioned exemption request can, subject to certain conditions, provide such exemption request to the paying agent upon acquisition of such shares pursuant to paragraph 320 of the administrative guidelines BOI-RPPM-RCM-30-20-10-20140211.

When the paying agent is established outside France, only individuals belonging to a tax household whose taxable income of the year before last, as defined in 1° of IV of Article 1417 is equal or superior to the amounts mentioned in the previous paragraph are subject to this tax.

In addition, dividends paid by Holcim will be subject to social contributions at the aggregate rate of 15.5 per cent., which is made up of:

- the *contribution sociale généralisée* (CSG) at the rate of 8.2 per cent., of which a portion representing 5.1 per cent. of the dividends is deductible from the taxable income for the year of payment of the CSG;
- the social levy at the rate of 4.5 per cent., not deductible from the personal income tax basis;
- the additional contribution to the social levy at the rate of 0.3 per cent., not deductible from the personal income tax basis;
- the solidarity levy at the rate of 2 per cent., not deductible from the personal income tax basis; and
- the *contribution pour le remboursement de la dette sociale* (CRDS) at the rate of 0.5 per cent., not deductible from the personal income tax basis.

These social contributions are levied in the same way as the 21 per cent. non-discharging withholding tax described above.

Relevant shareholders should contact their usual tax advisor to determine the method by which this withholding tax will be credited against the amount of their income tax.

### **Capital Gains**

Net capital gains realised upon the sale of Holcim Shares during a given year will be subject to personal income tax at the progressive scale (and will also be included, without deduction, in the taxpayer's reference income (*revenu de référence*), which may be subject to the 3 per cent. or 4 per cent. contribution on high-income taxpayers), after application, as the case may be, of a rebate the amount of which depends on the period during which the taxpayer has held such shares, as provided by article 150-0 D of the FTC, it being provided that such rebate does not apply for the purposes of the calculation of the reference income and the basis of the contribution on high-income taxpayers.

Such rebate currently amounts to (i) 50 per cent. of the net capital gains when the shares sold have been held for at least two (2) years and for less than eight (8) years as at the date of the sale, or (ii) 65 per cent. of the net capital gains when the shares sold have been held for at least eight (8) years as at the date of the sale. No rebate is applicable where the sale is realised during the first two (2) years of holding of the shares. For the purposes of the determination of the rebate applicable, as the case may be, to holders of Lafarge Shares (other than individuals holding their Lafarge Shares through a share savings plan (PEA)) who have tendered their Lafarge Shares to the Exchange Offer, the holding period is computed as from the acquisition date of the Lafarge shares tendered to the Exchange Offer in exchange for Holcim shares.

In addition, and with no rebate applicable, capital gains arising on the sale of Holcim Shares will also be subject to:

- the CSG at the rate of 8.2 per cent., of which a portion representing 5.1 per cent. of the gain is tax deductible;
- the social levy at the rate of 4.5 per cent., not deductible from the personal income tax basis;
- the additional contribution to the social levy at the rate of 0.3 per cent., not deductible from the personal income tax basis;
- the solidarity levy at the rate of 2 per cent., not deductible from the personal income tax basis; and
- the CRDS at the rate of 0.5 per cent., not deductible from the personal income tax basis.

Capital losses realised in respect of the sale of Holcim Shares during a given year can be set off against capital gains of the same nature realised during the same year or during the ten (10) following years, subject to the application of the rebates provided by article 150-0 D of the FTC to such capital losses, as far as personal income tax is concerned. Shareholders recognizing capital losses should contact their usual tax advisor to determine the rules applicable to the use of such capital losses.

#### **4.11.2.2 Wealth Tax (*Impôt de solidarité sur la fortune – ISF*)**

The Holcim shares held by individuals fiscally domiciled in France will be included, if applicable, in their taxable assets subject to French wealth tax.

#### **4.11.2.3 Inheritance and Gift Taxes**

Subject to double tax treaties, Holcim Shares acquired from individuals fiscally domiciled in France by way of inheritance or gift will generally be subject to inheritance or gift taxes in France.

Subject to double tax treaties, Holcim Shares acquired by individuals fiscally domiciled in France by way of inheritance or gift will generally be subject to inheritance or gift taxes in France, where the beneficiary has been fiscally resident in France for at least six years during the ten-year period preceding that in which the inheritance or the gift occurs.

Subject to double tax treaties, double taxation will be avoided by setting off against the French tax liability any inheritance or gift tax paid abroad in respect of Holcim Shares (article 784 A of the FTC).

#### **4.11.2.4 Legal Entities subject to Corporate Income Tax under Standard Conditions**

##### **Dividends**

The dividends paid by Holcim to holders who are legal entities subject to corporate income tax in France are subject to corporate income tax in France under the conditions described below.

The gross amount of the dividends received is included in the taxable income of such holders subject to corporate income tax at the standard rate of 33 $\frac{1}{3}$  per cent., increased by (i) the social contribution of 3.3 per cent.

(Article 235 ter ZC of the FTC), which is based on the amount of corporate tax reduced by a discount that cannot exceed EUR763,000 per twelve-month period and (ii) for companies with revenues above EUR250,000,000, an exceptional contribution of 10.7 per cent. (Article 235 ter ZAA of the FTC) based on the corporate tax as determined before the attribution of reductions, tax credits and tax receivables of any nature. Lower rates apply under certain conditions to small companies.

Under Article 25-A, 1 of the Treaty, the withholding tax levied in Switzerland on such dividends, if any, will not be deductible from the French taxable income of holders of Holcim Shares. However, such holders may claim a tax credit in respect of such withholding tax, if any, in accordance with article 25-A, 1(b) of the Treaty. The amount of this tax credit shall correspond to the amount of Swiss withholding tax levied on these dividends at the reduced Treaty rate, capped at the amount of French corporate income tax assessed on the dividends. No credit will be available for the portion of the withholding tax exceeding the 15 per cent. Treaty rate.

However, in accordance with the provisions of articles 145 and 216 of the FTC, legal entities which hold at least 5 per cent. of the share capital in Holcim, may benefit, under certain conditions and upon election, from the parent-subsidiary regime. According to such regime, dividends received by a parent company are not subject to corporate income tax, save for an amount representing 5 per cent. of the net dividends received (including the tax credit, if any) which remains taxable. No tax credit in respect of the Swiss withholding tax will be available for dividends eligible to the parent subsidiary regime.

### **Capital Gains**

Net capital gains and net capital losses realised upon the sale of Holcim Shares are in principle included in the taxable income subject to corporate income tax at the standard rate of 33 1/3 per cent., increased, as the case may be, by the 3.3 per cent. social tax, and by the exceptional contribution at the current rate of 10.7 per cent., under the conditions described hereinabove.

Notwithstanding the above, the capital gain realised upon the sale of Holcim shares may however be exempt from taxation (specific long term capital gains regime) under the provisions of article 219 I-a quinquies of the FTC if the shares being sold qualify as equity investment (titres de participation) within the meaning of 219-I a quinquies of the FTC, held for at least two (2) years. A share of expenses and charges representing 12 per cent. of the gross amount of capital gain, must however, be included in the taxable income of the legal entity selling the Holcim Shares, which is subject to the standard rate of corporate income tax, and applicable surtaxes, as described hereinabove.

Equity investment within the meaning of article 219-I a quinquies of the FTC includes shares which qualify and are booked as such for accounting purposes, as well as, under certain conditions, shares acquired by the initiator of a public tender offer or a public exchange offer, and securities eligible for the parent-subsidiary regime referred to in articles 145 and 216 of the FTC, with the exception of securities issued by real estate companies.

Long-term capital losses on the transfer of Holcim Shares cannot be offset against long-term capital gains and cannot be carried forward.

#### **4.11.3 Other Situations**

Holders of Holcim Shares who are subject to a tax regime other than one of those described above should contact their usual tax advisor to get informed about the tax regime applicable to their own situation.

- 5 Terms and Conditions of the Offer**
- 5.1 Conditions, Offer Statistics, Expected Timetable and Action required to apply for the Offer**
- 5.1.1 Conditions to which the Offer is Subject**  
Not applicable.
- 5.1.2 Total Amount of the Issue/Offer**  
Not applicable.
- 5.1.3 Offer Period and Application Process**  
Not applicable.
- 5.1.4 Revocation or Suspension of the Offer**  
Not applicable.
- 5.1.5 Reduction of Orders**  
Not applicable.
- 5.1.6 Minimum and Maximum Order Amounts**  
Not applicable.
- 5.1.7 Withdrawal of Orders**  
Not applicable.
- 5.1.8 Clearing and settlement of Shares**  
Not applicable.
- 5.1.9 Publication of the Results of the Offer**  
Not applicable.
- 5.1.10 Pre-emptive Subscription Rights**  
Not applicable.
- 5.2 Plan of distribution and allotment**
- 5.2.1 Categories of Potential Investor**  
Not applicable.
- 5.2.2 Intentions to subscribe by LafargeHolcim Ltd's Principal Shareholders, Members of its Principal Administrative, Executive and Supervisory Bodies or anyone intending to subscribe for more than 5 per cent. of the Share Capital**  
Not applicable.
- 5.2.3 Pre-Allotment Disclosure**  
Not applicable.
- 5.2.4 Notification to Applicants**  
Not applicable.
- 5.2.5 Over-Allotment and "Green Shoe"**  
Not applicable.



**5.3 Pricing**

**5.3.1 Price Setting Method**

Not applicable.

**5.3.2 Publication of the Offer Price**

Not applicable.

**5.3.3 Valuation Information**

Not applicable.

**5.3.4 Price Differentials**

Not applicable.

**5.4 Placing and Underwriting**

**5.4.1 Details of the Coordinators**

Not applicable.

**5.4.2 Securities Services and Depositary**

Administration and paying agent services in respect of LafargeHolcim Shares will be provided by:

BNP Paribas Securities Services  
(affiliated with Euroclear France under number 29106)  
Les Grands Moulins de Pantin  
9, rue du Débarcadère  
93500 Pantin  
France

**5.4.3 Underwriting**

Not applicable.

## **6 Admission to Trading and Dealing Arrangements**

### **6.1 Admission to Trading**

Application has been made to Euronext for (i) all of the 327,086,376 Existing Holcim Shares to be admitted to listing and trading on the regulated market of Euronext Paris, on July 9, 2015, (ii) of up to 264,006,013 New Holcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris, on July 14, 2015, subject to the successful closing of the Exchange Offer, (iii) of up to 132,118,700 LafargeHolcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris, on August 6, 2015, subject to the successful closing, as the case may be, of the re-opened Exchange Offer and, as the case may be, the squeeze-out, and (iv) of up to 29,566,188 LafargeHolcim Shares, to be admitted to listing and trading on the regulated market of Euronext Paris in connection with the distribution of the scrip dividend.

The conditions under which the Existing Holcim Shares are to be traded will be set in a Euronext notice to be published no later than the first trading day of the Existing Holcim Shares, on or around July 9, 2015.

The new shares referred to in (ii) to (iv) above are expected to be admitted to trading on the SIX Swiss Exchange. LafargeHolcim Ltd has not filed any other request for admission to trading on another regulated market.

### **6.2 Other Stock Exchanges**

Holcim Shares are admitted to trading on the SIX Swiss Exchange.

### **6.3 Concomitant Offerings of Shares**

Not applicable.

### **6.4 Liquidity Agreement covering LafargeHolcim Shares**

Not applicable.

### **6.5 Stabilisation**

Not applicable.

## **7 Selling Shareholder**

### **7.1 Identification of Selling Shareholder**

LafargeHolcim Ltd is not aware of any intention to sell shares on the part of its existing shareholders.

### **7.2 Number and Class of Securities offered by the Selling Shareholder**

Not applicable.

### **7.3 Lock-up Agreements**

Not applicable.

## **8 Expenses**

Not applicable.

## **9 Dilution**

### **9.1 Dilution Resulting from the Offer**

Not applicable.

## **9.2 Dilution to Existing Shareholders**

Not applicable.

## **10 Additional Information**

### **10.1 Advisors associated with the Offer**

Not applicable.

### **10.2 Other Information verified by the Statutory Auditors**

Not applicable.

### **10.3 Expert Report**

Not applicable.

### **10.4 Information sourced from Third Parties**

Not applicable.

### **10.5 Indicative Timetable**

The timetable set out below is tentative and is subject, among others, to the success of the Exchange Offer, the successful closing of the Exchange Offer, the re-opening of the Exchange Offer and the successful closing of the re-opened Exchange Offer.

<b>Date</b>	<b>Event</b>
June 1, 2015 .....	Opening of the Exchange Offer.
July 3, 2015 .....	Closing of the Exchange Offer.
July 9, 2015 .....	<ul style="list-style-type: none"><li>• Publication of the final results of the Exchange Offer; and</li><li>• Listing of the Existing Holcim Shares on Euronext Paris.</li></ul>
July 10, 2015 .....	Capital increase of Holcim and issuance of the New Holcim Shares for remuneration of the Lafarge Shares tendered to the Exchange Offer.
July 14, 2015 .....	Listing of the New Holcim Shares.
July 15, 2015 .....	Re-opening of the Exchange Offer.
July 28, 2015 .....	Closing of the re-opened Exchange Offer.
August 4, 2015.....	Capital increase of LafargeHolcim and issuance of the New LafargeHolcim Shares for remuneration of the Lafarge Shares tendered to the re-opened Exchange Offer.
August 6, 2015.....	Listing of the New LafargeHolcim Shares.

## **11 Update of the Registration Document**

### **11.1 LafargeHolcim**

#### **11.1.1 Filing of the Draft Offer Document**

Following the decision taken by Holcim's Shareholders' Meeting on May 8, 2015, and the favorable opinion on the Exchange Offer issued by the Board of Directors of Lafarge on May 10, 2015, Holcim filed a draft Exchange Offer document with the AMF on May 11, 2015. Lafarge acknowledged the filing on the same day.

#### **11.1.2 Reorganization of Holcim and Lafarge group functions in preparation of the Merger**

On May 19 and May 20, 2015, Holcim and Lafarge announced that they are preparing the reorganization of their respective group functions in the context of the Merger. The organization of the Combined Group would be balanced between a decentralized structure and central functions based on three organizational levels: countries, regions (Europe, North America, Middle East & Africa, Latin America, Asia-Pacific) and corporate functions, which will define the Combined Group's key strategies.

Group functions are designed to increase the competitiveness of the Combined Group at all levels – global, regional and local, to implement best practices and to support and enable LafargeHolcim to achieve the highest possible performance.

The proposed new organization would result in a net reduction of approximately 120 positions in Holcim Group functions in Switzerland. Concerning Lafarge, at worldwide level (i.e., in sites located in Atlanta, Beijing, Cairo, Kuala Lumpur, Lyon, Montreal, Paris and Vienna), the proposed new organization of central functions would result in approximately 380 net job losses, with 166 of these in France (Paris and Lyon).

Holcim and Lafarge will launch social consultation processes to reduce the impact on roles that are affected by reductions with the employee representatives. The social support measures that will be negotiated by Lafarge with employee representatives will mostly consist of solutions based on internal mobility, early retirement and (in France) voluntary departures.

The Merger will not affect employment in Lafarge's operational functions in France, which employ more than 4,500 people.

The implementation of the new organization is expected for early 2016 after completion of all relevant social consultations in Switzerland and France.

#### **11.1.3 Finalisation of the agreement with CRH on announced divestments**

Following appropriate information-consultation processes with relevant works councils and employee representatives, Holcim and Lafarge announced on May 26, 2015 that they have now entered a binding agreement with CRH regarding the sale of several assets.

As announced in February 2015, the assets include operations mainly in Europe, Canada, Brazil and the Philippines (see complete list in the Registration Document – Section 2.6 of Part I) with an enterprise value of EUR 6.5 billion (CHF 6.8 billion).

These divestments remain subject to the completion of the Merger.

#### **11.1.4 Finalisation of the composition of the future Executive Committee of LafargeHolcim**

On May 27, 2015, Holcim and Lafarge announced that they have completed the appointments for the future Executive Committee of LafargeHolcim following a recommendation by Eric Olsen, future CEO of the Combined Group.

The future Executive Committee, under the leadership of Eric Olsen is composed of:

- Finance, Thomas Aebischer, currently in charge of Finance at Holcim;
- Integration, Organization & Human Resources, Jean-Jacques Gauthier, currently in charge of Finance at Lafarge;
- Europe, Roland Köhler, currently in charge of Europe at Holcim;
- Asia Pacific, Ian Thackwray, currently in charge of East Asia Pacific and Trading at Holcim;
- Middle-East Africa, Saâd Sebbar, currently in charge of Morocco at Lafarge;
- North America, Alain Bourguignon, previously in charge of North America and UK at Holcim;
- Latin America, Pascal Casanova, currently in charge of France at Lafarge;
- Performance and Cost, Urs Bleisch, currently in charge of Corporate Functions at Holcim;
- Growth and Innovation, Gérard Kuperfarb, currently in charge of Innovation at Lafarge.

Biographies of the members of the future Executive Committee are available in the Registration Document – Section 2.5.3 of Part I, except for Pascal Casanova whose biography is set out below.

### ***Pascal Casanova***

Pascal Casanova is the CEO of Lafarge France, the largest entity in the Lafarge Group with over 4,500 employees and operations in some 450 sites. Appointed to this position in January 2012, it has set in motion a complete business transformation project to build an integrated country organization and implement a performance plan of EUR 200 million through cost reduction measures covering all activities, but also development of offer and services that have helped maintain turnover and prices. A graduate of the Ecole Polytechnique, Civil Engineer and PhD in Materials and Structures of the Ecole des Ponts et Chaussées, he joined Lafarge in 1999. Hired as Technical Director for Lafarge, he was notably in charge of the launch of Ductal through first projects in France, Asia and the USA. He was subsequently appointed head of R&D and industrial performance of the Roofing activity based in the UK, where he led several technological breakthrough projects. In 2005, he directed the international activity of “Roofing Components” headquartered in Frankfurt, Germany, ensuring the development of production and international sales, particularly in Malaysia, South Africa, Brazil and Eastern Europe. In 2008, he was appointed head of R&D of the Lafarge Group, the largest building materials laboratory in the world. In this context, he focused research and innovation towards business development, particularly with the development of new products for emerging countries, particularly China and India where he implemented the first Construction Development Laboratories of Lafarge. Before joining the Lafarge Group, he started his career on the “client side”, in charge of bridges and building construction projects in France. Born in 1968, Pascal Casanova is French.

## **11.2 Holcim**

### **11.2.1 Disclosure of Shareholdings According to the Swiss Stock Exchange Act: Shareholding of Harris Associates Investment Trust in Holcim**

In accordance with Article 20 of the Federal Act on Stock Exchanges and Securities Trading (Stock Exchange Act), Holcim was informed on May 11, 2015, by Harris Associates Investment Trust that it holds, through the sale of shares, 2.98 per cent. of the voting rights and of the registered share capital of Holcim. This corresponds to 9,750,100 registered shares and voting rights. According to the declaration of Harris Associates Investment Trust, the participation fell under the threshold under the Stock Exchange Act of 3 per cent. on May 8, 2015.

### 11.2.2 Holcim 2014 Corporate Sustainable Development Report

On May 27, 2015, Holcim released its 2014 Corporate Sustainable Development Report that outlines the Holcim Group's economic, environmental and social performance and presents Holcim's objectives for the areas of OH&S, social responsibility, sustainability and enhanced solutions, climate change, resources, and communities. The report can be downloaded from [www.holcim.com/sustainable](http://www.holcim.com/sustainable).

### 11.3 Lafarge

#### 11.3.1 Lafarge's share capital structure and ownership

To Lafarge's knowledge, as of April 30, 2015, the issued and outstanding shares of Lafarge are held as follows:

Shareholders	Number of shares held	Number of voting rights held	% of share capital	% of voting rights
Groupe Bruxelles Lambert.....	60,568,754	120,876,019	21.0 %	29.3 %
NNS Holding Sarl <sup>(1)</sup> .....	40,064,682	80,129,364	13.9 %	19.4 %
Dodge & Cox <sup>(2)</sup> .....	20,891,162	28,309,058	7.3 %	6.9 %
Other shareholders <sup>(3)</sup> .....	166,338,777	183,297,582	57.8 %	44.4 %
Treasury shares.....	70,608	70,608 <sup>(4)</sup>	-	-
<b>Total</b> .....	<b>287,932,312</b>	<b>412,679,289</b>	<b>100.0 %</b>	<b>100.0 %</b>

Notes:

- (1) Including the shares held by Mr. Nassef Sawiris.
- (2) Based on the information available as at March 31, 2015.
- (3) Including 51,471 shares currently held by Cementia Holding AG for the benefit of shareholders who have not requested the delivery of their Lafarge shares, following the squeeze-out procedure carried out by Lafarge in 2002 with respect to the Cementia Holding AG shares.
- (4) Theoretical voting rights, at a general meeting these shares bear no voting right.

#### 11.3.2 Lafarge shareholders general meeting

The ordinary and extraordinary Lafarge shareholders general meeting was held on 7 May 2015 and all the resolutions on the agenda were approved.

These resolutions were as follows:

- i. Resolutions submitted to the ordinary general meeting:*
  - Approval of the 2014 financial statements and transactions (1st resolution);
  - Approval of the 2014 consolidated financial statements and transactions (2nd resolution);
  - Appropriation of earnings and setting of the dividend (3rd resolution);
  - Approval of a new related-party agreement (convention réglementée): undertaking agreement between Groupe Bruxelles Lambert, Holcim and Lafarge (4th resolution);

- Approval of a new related-party agreement (convention réglementée): undertaking agreement between NNS Holding Sàrl, Mr Nassef Sawiris, Holcim and Lafarge (5th resolution);
- Approval of new related-party agreements (conventions réglementées): amendments to the French supplementary pension plans and to the related insurance contracts (6th resolution);
- Renewal of the term of office of Mr Philippe Dauman as Director (7th resolution);
- Renewal of the term of office of Mr Baudouin Prot as Director (8th resolution);
- Advisory opinion on the elements of compensation due or granted to the Chairman and Chief Executive Officer, Mr Bruno Lafont, for the financial year 2014 (9th resolution);
- Authorization to the company to buy and sell its own shares (10th resolution); and
- Authorization to the Board of Directors to issue bonds and securities which are bonds providing entitlement to the allotment of debt securities and not giving rise to an increase of the company's share capital (11th resolution)<sup>1</sup>.

ii. *Resolutions submitted to the extraordinary general meeting:*

- Authorization to the Board of Directors to issue securities which are bonds providing entitlement to the allotment of existing equity securities and not giving rise to an increase of the company's share capital (12th resolution)<sup>2</sup>;
- Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase, with preferential subscription rights (13th resolution);
- Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase, with cancellation of the preferential subscription right of the shareholders (14th resolution);
- Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase in an offer covered by article L.411-2, II of the French Monetary and Financial Code, with cancellation of the preferential subscription right of the shareholders (15th resolution);
- Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase as payment for contributions in kind (16th resolution);
- Delegation of authority to the Board of Directors to increase the number of securities to be issued in case of a capital increase with or without preferential subscription rights (17th resolution);
- Delegation of authority to the Board of Directors to increase the capital by incorporation of premiums, reserves, profits or other items (18th resolution);
- Authorization to the Board of Directors to reduce the share capital through cancellation of treasury shares (19th resolution);
- Authorization to the Board of Directors to allot free existing or new shares, with cancellation of the preferential subscription right of the shareholders (20th resolution);
- Authorization to the Board of Directors to grant options to subscribe for or purchase shares, with cancellation of the preferential subscription right of the shareholders (21st resolution);

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<sup>1</sup> The adoption of the 11th resolution is ineffective because of the adoption of the 25th resolution.

<sup>2</sup> The adoption of the 12th resolution is ineffective because of the adoption of the 25th resolution.

- Delegation of authority to the Board of Directors to issue shares and/or securities entailing a capital increase reserved for members of employee savings plans, with cancellation of the preferential subscription rights of the shareholders (22nd resolution);
- Delegation of authority to the Board of Directors to issue shares and/or securities entailing a capital increase reserved for a category of beneficiaries as part of a transaction reserved for employees, with cancellation of the preferential subscription rights of the shareholders (23rd resolution);
- Amendment to the Articles of Association – Participation to Shareholders’ Meetings (amendment of the record date) (24th resolution);
- Amendment to the Articles of Association – Competence to issue bonds and securities not entailing a capital increase (25th resolution); and
- Delegation of powers to carry out corporate formalities (26th resolution).

### **11.3.3 Exceptional Compensation**

On May 10, 2015, the Board of Directors of Lafarge has decided to grant an exceptional compensation, to the Chairman and Chief Executive Officer of Lafarge, Mr. Bruno Lafont, for his key role in the merger project with Holcim. The Board of Directors took into account the Chairman and Chief Executive Officer’s exceptional performance, commitment and achievements in the context of these extraordinary circumstances. The Board of Directors, after having taken note of the recommendation of the Remuneration Committee decided, in accordance with articles L.225-47 and L.225-53 of the French commercial code, Mr. Bruno Lafont not participating to the decision, to grant an exceptional compensation of EUR 2,500,000 for 2015, to be paid in May 2015.

Lafarge considers that Mr. Lafont’s role, which included negotiations of the contemplated merger of equals between Holcim and Lafarge, driving and monitoring the regulatory clearances and divestment processes, contributing to the progress of the integration planning process, including the appointment of the future Executive Committee members, managing the ongoing social dialogue and filing of the Exchange Offer while managing the operations of Lafarge on a standalone basis, constitutes very specific circumstances that justify the granting of this exceptional compensation in accordance with the AFEP-MEDEF code to which Lafarge refers, and in particular Article 23.2.3. The amount of this compensation was set by the Board of Directors of Lafarge according to powers conferred by law. This exceptional compensation will be paid in addition to the annual compensation for 2015 and will be subject to the consultative vote of the 2016 Annual Shareholders’ Meeting of Lafarge in accordance with the AFEP-MEDEF code.