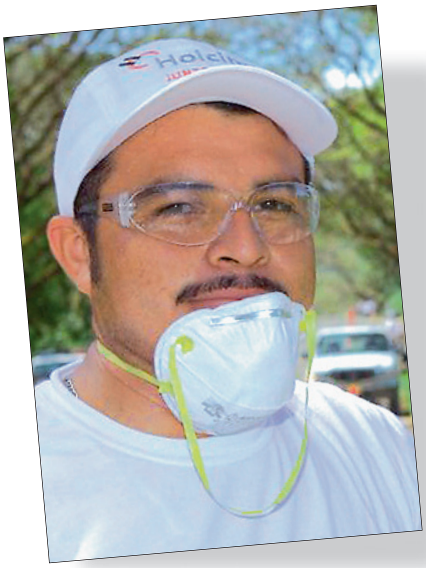
Holcim

Strength. Performance. Passion.

Third Quarter 2013 Holcim Ltd



Key figures Group Holcim

January–September		2013	2012[1]	±%	±% like-for-like
Annual cement production capacity	million t	206.4	209.3[2]	(1.4%)	(0.3%)
Sales of cement	million t	104.3	107.1	(2.6%)	(1.9%)
Sales of mineral components	million t	2.7	3.6	(25.8%)	(14.7%)
Sales of aggregates	million t	114.8	119.2	(3.7%)	(2.4%)
Sales of ready-mix concrete	million m^3	29.5	34.4	(14.3%)	(8.1%)
Sales of asphalt	million t	6.4	6.6	(3.1%)	(1.2%)
Net sales	million CHF	14,941	15,908	(6.1%)	(0.2%)
Operating EBITDA	million CHF	2,951	3,077	(4.1%)	1.0%
Operating EBITDA margin	%	19.7	19.3		
Operating profit	million CHF	1,798	1,829	(1.7%)	4.0%
Operating profit margin	%	12.0	11.5		
EBITDA	million CHF	3,338	3,295	1.3%	
Net income	million CHF	1,277	1,093	16.8%	
Net income margin	%	8.5	6.9		
Net income – shareholders of Holcim Ltd	million CHF	1,040	779	33.5%	
Cash flow from operating activities	million CHF	1,172	1,088	7.8%	14.7%
Cash flow margin	%	7.8	6.8		
Net financial debt	million CHF	10,280	10,325[2]	(0.4%)	3.6%
Total shareholders' equity	million CHF	18,732	19,234[2]	(2.6%)	
Gearing[3]	%	54.9	53.7[2]		
Personnel		73,708	76,359[2]	(3.5%)	(1.7%)
Earnings per share	CHF	3.19	2.41	32.4%	
Fully diluted earnings per share	CHF	3.19	2.41	32.4%	

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

Principal key figures in USD (illustrative)[4]

Net sales	million USD	15,983	16,951	(5.7%)
Operating EBITDA	million USD	3,157	3,278	(3.7%)
Operating profit	million USD	1,923	1,949	(1.3%)
Net income – shareholders of Holcim Ltd	million USD	1,112	830	34.1%
Cash flow from operating activities	million USD	1,254	1,159	8.2%
Net financial debt	million USD	11,359	11,284[2]	0.7%
Total shareholders' equity	million USD	20,698	21,021[2]	(1.5%)
Earnings per share	USD	3.41	2.57	32.9%

Principal key figures in EUR (illustrative)[4]

Net sales	million EUR	12,136	13,198	(8.0%)
Operating EBITDA	million EUR	2,397	2,552	(6.1%)
Operating profit	million EUR	1,460	1,518	(3.8%)
Net income – shareholders of Holcim Ltd	million EUR	845	646	30.8%
Cash flow from operating activities	million EUR	952	902	5.5%
Net financial debt	million EUR	8,413	8,552[2]	(1.6%)
Total shareholders' equity	million EUR	15,330	15,930[2]	(3.8%)
Earnings per share	EUR	2.59	2.00	29.6%

[1] Restated due to changes in accounting policies.

[2] As of December 31, 2012.

[3] Net financial debt divided by total shareholders' equity.

[4] Statement of income figures translated at average rate; statement of financial position figures at closing rate.

Increase in net income and cash flow from operating activities despite disappointing net sales development, most especially in India and Mexico

Progress in reducing fixed and variable costs strengthens the Group

Rise in operating EBITDA and operating profit on a like-for-like basis in spite of weak demand in key markets such as India and Mexico

"Holcim Leadership Journey" is on track and leads to higher ROIC

Further reduction of net financial debt

Organic growth in operating EBITDA and operating profit should be achieved in 2013

Dear Shareholder,

The global economic trend remained subdued despite significant growth in several emerging markets and improved economic data from the US. Demand for construction materials fell in key markets such as India, Mexico, Canada and, to a lesser extent, Brazil, while Europe stabilized.

Despite these circumstances, Holcim generated a further increase in net income and cash flow from operating activities and a slightly improved operating EBITDA margin. This success was based primarily on positive earnings performance in Group regions Europe, North and Latin America and cost discipline applied throughout the Group. Weaker operating results in India, Mexico, Brazil and Canada in particular led to a reduction in consolidated operating EBITDA and operating profit for the first nine months of the year. However, on a like-for-like basis, i.e. factoring out changes in the scope of consolidation and the clearly negative currency translation effects, both operating results improved. This upward trend also intensified in the third quarter of the current business year.

ROIC before tax increased, while net financial debt was reduced by CHF 1.3 billion to CHF 10.2 billion from CHF 11.5 billion in the third quarter 2012.

Sales volumes for the Group were down in all three segments in the first nine months, with the greatest declines occurring in ready-mix concrete. These developments are partly attributable to the lower demand for building materials in some markets, but were also driven by the targeted restructuring measures already introduced to improve margins, for example in Europe and Asia Pacific.

Operating results for Europe, North and Latin America exceeded those for 2012. In these three Group regions, in particular Aggregate Industries UK, Holcim US and Cemento Polpaico in Chile made a significantly higher contribution to operating EBITDA. The results in Azerbaijan continued to be robust. In Asia Pacific, Holcim Philippines achieved a markedly better operating result. However, developments in this Group region were slowed by poorer financial performance by the Indian Group companies. In Africa Middle East, Holcim Lebanon was the main company to post better results. Holcim Morocco only reported a distinct positive performance in the third quarter.

Group	Jan–Sept 2013	Jan–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	104.3	107.1	(2.6%)	(1.9%)
Sales of aggregates in million t	114.8	119.2	(3.7%)	(2.4%)
Sales of ready-mix concrete in million m^3	29.5	34.4	(14.3%)	(8.1%)
Sales of asphalt in million t	6.4	6.6	(3.1%)	(1.2%)
Net sales in million CHF	14,941	15,908	(6.1%)	(0.2%)
Operating EBITDA in million CHF	2,951	3,077	(4.1%)	1.0%
Operating profit in million CHF	1,798	1,829	(1.7%)	4.0%
Net income in million CHF	1,277	1,093	16.8%	
Net income – shareholders of Holcim Ltd – in million CHF	1,040	779	33.5%	
Cash flow from operating activities in million CHF	1,172	1,088	7.8%	14.7%

[1] Restated due to changes in accounting policies.

Group	July–Sept 2013	July–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	35.7	35.9	(0.5%)	0.2%
Sales of aggregates in million t	45.4	44.4	2.2%	4.2%
Sales of ready-mix concrete in million m^3	10.7	12.3	(12.9%)	(5.7%)
Sales of asphalt in million t	3.0	2.9	3.3%	6.0%
Net sales in million CHF	5,292	5,742	(7.8%)	1.9%
Operating EBITDA in million CHF	1,131	1,193	(5.1%)	3.6%
Operating profit in million CHF	752	748	0.6%	9.6%
Net income in million CHF	517	479	7.8%	
Net income – shareholders of Holcim Ltd – in million CHF	469	392	19.7%	
Cash flow from operating activities in million CHF	905	899	0.6%	7.8%

[1] Restated due to changes in accounting policies.

Sales volumes and price development

Consolidated cement sales fell by 2.6 percent to 104.3 million tonnes. However, on a like-for-like basis there was a slight increase of 0.2 percent in the third quarter. The markets with sales growth in the first nine months of the year, included Ecuador, Russia, Azerbaijan, the Philippines and Argentina. Sales of aggregates were down by 3.7 percent to 114.8 million tonnes. However, considerable progress was made in this segment by France, Switzerland, Aggregate Industries US, Bulgaria and Croatia. Sales of ready-mix concrete amounted to 29.5 million cubic meters, a fall of 14.3 percent. However, in this segment Holcim's sales did improve amongst others in Indonesia, Malaysia and Italy. Due mostly to the results of Aggregate Industries US and Holcim Canada, sales of asphalt declined by 3.1 percent to 6.4 million tonnes.

Sales prices, which generally saw only a gradual improvement, were weighed down in the consolidated results by weaker cement prices in India and lower aggregate and ready-mix concrete prices in Australia.

Financial results

Consolidated net sales in the first nine months of 2013 fell by 6.1 percent to CHF 14.94 billion. Operating EBITDA came to CHF 2.95 billion, a decline of 4.1 percent on the previous year's figure. The main reasons for this are the lower results posted by the Group companies in India, Mexico, Canada and Brazil. On a like-for-like basis, however, operating EBITDA increased by 1.0 percent, and by as much as 3.6 percent in the third quarter. Consolidated operating profit decreased by 1.7 percent to CHF 1.80 billion. On a like-for-like basis, however, it improved by 4.0 percent over the first nine months of the year and by 9.6 percent in the third quarter. This positive development was driven primarily by restructuring in aggregates and ready-mix concrete in particular and substantial savings in fixed and variable costs across all segments.

Net income rose by 16.8 percent to CHF 1.28 billion, and net income attributable to shareholders of Holcim Ltd was up by 33.5 percent to CHF 1.04 billion. Revenue from the sale of CO_2 emission certificates decreased by CHF 12 million to CHF 10 million.

"Holcim Leadership Journey" gains momentum

The cost programs of the "Holcim Leadership Journey" have contributed CHF 531 million and the Customer Excellence program CHF 95 million to consolidated operating profit so far this year, despite some difficult market environments. The initiatives in the areas of Logistics and Procurement have gathered pace since publication of the half-year results. This confirms that with the measures taken the Group can achieve its target of an increase in operating profit of at least CHF 1.5 billion by the end of 2014 compared to the base year 2011 and under similar market conditions.

Asia Pacific affected by fall in demand in India

Growth in the Asian construction industry remained solid despite the fall in demand in some countries. In India in particular, construction activity was hindered by the backlog of reforms, the weak rupee and higher inflation. A temporary flattening in economic growth also had a short-term effect on construction activity in Indonesia, although growth remained high against the backdrop of a favorable macroeconomic situation. Public and private construction activity in the Philippines was very dynamic, and important infrastructure projects led to positive market sentiment in Malaysia. Construction activity in the Pacific region remained moderate.

Asia Pacific	Jan–Sept 2013	Jan–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	52.8	54.7	(3.4%)	(2.0%)
Sales of aggregates in million t	18.8	20.1	(6.1%)	(6.5%)
Sales of ready-mix concrete in million m³	8.0	8.6	(6.5%)	(1.8%)
Net sales in million CHF	5,604	6,285	(10.8%)	(1.7%)
Operating EBITDA in million CHF	1,131	1,379	(18.0%)	(9.0%)
Operating profit in million CHF	801	997	(19.6%)	(11.2%)

[1] Restated due to changes in accounting policies.

Asia Pacific	July–Sept 2013	July–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	16.4	16.8	(2.8%)	(1.5%)
Sales of aggregates in million t	6.6	6.6	1.3%	0.9%
Sales of ready-mix concrete in million m³	2.8	3.0	(7.6%)	(3.0%)
Net sales in million CHF	1,668	2,082	(19.9%)	(4.0%)
Operating EBITDA in million CHF	304	426	(28.5%)	(11.8%)
Operating profit in million CHF	204	303	(32.5%)	(17.0%)

[1] Restated due to changes in accounting policies.

The two Group companies in India, Ambuja Cements and ACC, were not immune to the harsher economic situation and suffered a drop in cement sales. Construction activity was also impeded in August by heavy rainfall in some states. ACC also experienced a decline in deliveries of ready-mix concrete. While Holcim Lanka and Holcim Bangladesh both reported declining cement volumes, the two Group companies improved their performance from a financial perspective compared to the previous year.

Vietnam's construction industry suffered from public spending cutbacks and declining private construction activity. The local Group company sold less cement but was able to exceed the previous year's operating performance thanks to lower production and energy costs as well as an optimized clinker factor.

Holcim Malaysia benefited from the the rapid infrastructure expansion and increased cement and ready-mix sales, while Holcim Singapore's sales of ready-mix concrete did not match the record level of 2012.

Holcim Philippines increased its sales of cement, despite adverse weather conditions. Higher prices contributed to the significantly better financial performance. In light of the strong demand, the Mabini grinding station was returned to service in the third quarter.

Cement sales in Indonesia were lower due to the temporary flattening in economic growth, with the extended festivities around the Lebaran festival in August also contributing to this development. Despite this, Holcim Indonesia managed to sell more ready-mix concrete.

Despite some momentum, activity in the Australian construction industry remained modest, and Cement Australia saw its sales of cement fall. At Holcim Australia bad weather and delays in building projects in some states impeded the dispatch of aggregates and ready-mix concrete. New Zealand sold less cement and roughly the same amount of aggregates as in the previous year.

Consolidated cement sales in Asia Pacific were particularly affected by India, decreasing by 3.4 percent to 52.8 million tonnes. The lower sales volumes in Australia also led to a decline in aggregates, which were down by 6.1 percent to 18.8 million tonnes. The significant increases in sales of ready-mix concrete in Indonesia and Malaysia were not sufficient to compensate for the declines at other Group companies, with volumes falling by 6.5 percent to 8.0 million cubic meters.

From a Group perspective, strong earnings in markets such as the Philippines and Sri Lanka did not offset the weaker financial results in India in particular and the partially negative exchange rate fluctuations of more than CHF 60 million. Despite progress on the cost front, operating EBITDA fell by 18.0 percent to CHF 1.13 billion in the first nine months of 2013. Internal operating EBITDA declined by 9.0 percent.

Latin America still on growth track

The Latin American construction industry, with the notable exception of Mexico, succeeded in building on last year's solid performance. In Mexico demand declined significantly as a result of the government's modified housing policy and delays in infrastructure spending.

Latin America	Jan–Sept 2013	Jan–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	18.7	18.5	0.8%	0.8%[2]
Sales of aggregates in million t	8.0	10.6	(24.1%)	(24.1%)
Sales of ready-mix concrete in million m^3	6.2	7.8	(20.0%)	(20.0%)
Net sales in million CHF	2,556	2,613	(2.2%)	1.5%
Operating EBITDA in million CHF	736	721	2.1%	4.6%
Operating profit in million CHF	575	557	3.3%	5.9%

[1] Restated due to changes in accounting policies.
[2] The percentage change like-for-like adjusted for internal trading volumes eliminated in "Corporate/Eliminations" amounts to –0.6%.

Latin America	July–Sept 2013	July–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	6.4	6.4	(0.3%)	(0.3%)[2]
Sales of aggregates in million t	2.5	3.6	(28.7%)	(28.7%)
Sales of ready-mix concrete in million m^3	2.0	2.5	(20.1%)	(20.1%)
Net sales in million CHF	838	905	(7.4%)	0.4%
Operating EBITDA in million CHF	236	259	(9.1%)	(2.8%)
Operating profit in million CHF	185	199	(6.9%)	(0.5%)

[1] Restated due to changes in accounting policies.
[2] The percentage change like-for-like adjusted for internal trading volumes eliminated in "Corporate/Eliminations" amounts to –1.8%.

Thanks to improvements on the cost side and clinker exports, Holcim Mexico was able to cushion some of the impact of persistently low public sector construction spending, but deliveries were significantly down in all three segments, with increasing pressure on cement prices.

Despite benefiting from the start of a major road-building project in the third quarter, Holcim El Salvador saw a drop in sales of ready-mix concrete over the first nine months. Holcim Costa Rica sold more cement and ready-mix concrete. Holcim Nicaragua registered substantial increases in sales of aggregates and also sold more ready-mix concrete.

Declining momentum in the construction industry and footprint adjustments in ready-mix led to a decrease in sales of cement and ready-mix concrete at Holcim Colombia.

Holcim Ecuador benefited from continuing robust building activity in the public and private sectors to post an increase in shipments of cement and ready-mix concrete, while aggregates volumes declined following the divestments at year-end 2012.

In Brazil, cement sales were depressed by a lack of market momentum as well as delays in larger-scale infrastructure projects in Rio de Janeiro, Vitória and Belo Horizonte. On the other hand, aggregates experienced a slight upturn. The measures initiated last year to refocus the ready-mix concrete business prompted a decrease in deliveries and an improvement in margins.

The Chilean Group company Cemento Polpaico reported a slight increase in cement sales. Ready-mix concrete prices improved significantly in the third quarter as a result of focusing sales efforts in value-adding projects. The financial results were significantly higher than in the first nine months of 2012.

Holcim Argentina sold more cement and aggregates on the back of growing order books in the building sector. The decision to concentrate on higher-margin customer segments impacted positively on the operating result.

Divestments in Ecuador and Mexico and temporary exits from the segment in Colombia and El Salvador were largely responsible for the 24.1 percent decline in sales of aggregates to 8.0 million tonnes. Shipments of ready-mix concrete were down by 20.0 percent to 6.2 million cubic meters. Ecuador, Costa Rica and Nicaragua reported an increase in sales volumes.

The consolidated operating EBITDA of Group region Latin America increased by 2.1 percent to CHF 736 million. Among the factors reflected in this figure are the major efforts to keep costs in check. Holcim Mexico and Holcim Brazil suffered market-related losses. In particular, the Group companies in Chile, Colombia and Ecuador posted significantly higher results. Internal operating EBITDA growth came to 4.6 percent.

Europe making further headway

European construction markets still lacked the economic stimuli to reverse the setbacks suffered in the past few years. Public sector new builds remained thin on the ground and private investors were also rather reluctant to commit to construction projects. There were nonetheless some isolated bright spots, as borne out by the moderate increase in deliveries of cement reported by Holcim. Thanks to the cost reduction and restructuring drives pursued with undiminished intensity at operational level, Group region Europe was able to keep up the financial performance seen in the first half.

In August, Holcim announced plans to further optimize its strategic portfolio in Europe through a number of interlinked transactions to be undertaken jointly with Cemex. Holcim is to acquire operations in western Germany, predominantly in North Rhine-Westphalia. Cemex will buy Holcim Česko, while in Spain, Cemex and Holcim will combine their operations in cement, ready-mix concrete and aggregates. Holcim will hold a 25 percent interest in the combined entity in Spain. Closure of the transaction is subject to due diligence and to regulatory approval. At this moment, Holcim anticipates that the competition authorities' decision will be communicated during the first half of 2014.

Europe	Jan–Sept 2013	Jan–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	20.2	20.1	0.7%	0.7%
Sales of aggregates in million t	55.2	56.2	(1.8%)	0.8%
Sales of ready-mix concrete in million m³	8.9	11.1	(19.7%)	(5.1%)
Sales of asphalt in million t	3.6	3.5	3.2%	6.7%
Net sales in million CHF	4,244	4,434	(4.3%)	0.8%
Operating EBITDA in million CHF	693	573	21.0%	22.8%
Operating profit in million CHF	316	155	103.3%	105.2%

[1] Restated due to changes in accounting policies.

Europe	July–Sept 2013	July–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	8.1	7.8	4.0%	4.0%
Sales of aggregates in million t	20.8	21.0	(1.1%)	2.6%
Sales of ready-mix concrete in million m³	3.3	4.1	(18.9%)	(2.1%)
Sales of asphalt in million t	1.3	1.2	9.0%	15.4%
Net sales in million CHF	1,632	1,651	(1.1%)	5.7%
Operating EBITDA in million CHF	341	293	16.4%	18.8%
Operating profit in million CHF	218	132	64.8%	66.6%

[1] Restated due to changes in accounting policies.

Aggregate Industries UK succeeded in increasing deliveries of aggregates, asphalt and concrete products. Sales volumes in the ready-mix concrete sector declined. The Group company's financial results were nonetheless considerably higher year-on-year due to restructuring measures and cost optimizations. In the third quarter, Aggregate Industries entered into a joint venture on the Isle of Wight with leading transport infrastructure development specialists Eurovia.

Although Belgium and the Netherlands were still waiting to see some sustainable growth in the building materials sector, Holcim Belgium (operating in both markets) achieved higher cement volumes in the third quarter. Year-to-date deliveries were down again in all three segments though. The challenging economic situation currently facing France also left its mark on the construction market. New housing projects were particularly scarce. The local Group company reported a decrease in sales of cement and ready-mix concrete, whereas deliveries of aggregates were up.

Spain's economic output fell once more, and the construction industry was adversely impacted by low domestic demand. Holcim Spain was, however, able to lift cement sales on the strength of export deliveries. As expected, sales of aggregates and ready-mix concrete were lower. However, the restructuring measures introduced last year and the strict cost management continually applied across all sectors produced a significant year-on-year improvement in the financial results.

Holcim Germany witnessed further operational successes, posting stronger operating results despite lower sales figures driven by the deconsolidation of the ready-mix business. The sister company in southern Germany recorded a downturn in sales volumes owing to delays in a key infrastructure project in Stuttgart.

Holcim Switzerland benefited from brisk construction activity. Despite continued import and pricing pressure, which even intensified in individual regions, the company achieved a substantial increase in sales of aggregates.

Operating mainly in the north of the country, the Italian Group company sold more aggregates and ready-mix concrete despite the difficult economic environment. Demand was stimulated by several housing projects in the Milan area.

The situation remained problematic in the eastern European markets. A lack of the necessary public funds caused further delays in infrastructure projects. Private investors were also reticent in many areas, leaving demand for building materials weak and coming mainly from small construction projects. With the exception of Holcim Bulgaria and Holcim Slovakia, the Group companies in this part of Europe faced declines in cement deliveries. Other segments presented a similar picture. Only Croatia and Bulgaria witnessed an improvement in sales of aggregates, and the Bulgarian Group company was also the only one to sell more ready-mix concrete.

Holcim Azerbaijan was able to tap fully into the heavy demand for building materials and increase both cement sales and financial results. Holcim Russia also sold more cement, but faced strong competition and pressure on prices in Moscow.

Consolidated cement sales in Group region Europe slightly increased by 0.7 percent to 20.2 million tonnes. Deliveries of aggregates were down by 1.8 percent to 55.2 million tonnes. Sales of ready-mix concrete fell by a total of 19.7 percent to 8.9 million cubic meters and asphalt sales reached 3.6 million tonnes, an increase of 3.2 percent.

Group region Europe's operating EBITDA grew by a substantial 21.0 percent to CHF 693 million, confirming that capacity adjustments and cost-cutting measures are translating into better results despite the lower volumes and challenging price development seen in a number of markets. The success achieved was driven primarily by the UK, Azerbaijan and Holcim Germany. Internal operating EBITDA growth reached 22.8 percent.

North America continues its recovery

The US construction industry became slightly more dynamic and seems to be gradually recuperating from its difficult preceding years. While private residential construction bounced back and construction activity in this sector increased in several regions, the challenges confronting the public purse meant that infrastructure construction remained weak. Bad weather at the beginning of the year also led to a late construction season. Economic growth in Canada is slowing, and demand for building materials is more subdued.

North America	Jan–Sept 2013	Jan–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	8.7	8.9	(1.9%)	(1.9%)
Sales of aggregates in million t	31.1	30.6	1.8%	2.3%
Sales of ready-mix concrete in million m³	5.7	6.0	(5.7%)	(4.3%)
Sales of asphalt in million t	2.8	3.1	(10.1%)	(10.1%)
Net sales in million CHF	2,343	2,394	(2.1%)	(0.7%)
Operating EBITDA in million CHF	370	349	6.2%	7.5%
Operating profit in million CHF	147	111	32.0%	33.9%

[1] Restated due to changes in accounting policies.

North America	July–Sept 2013	July–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	3.7	3.5	5.7%	6.2%
Sales of aggregates in million t	14.8	12.6	17.9%	18.8%
Sales of ready-mix concrete in million m³	2.4	2.4	0.0%	2.4%
Sales of asphalt in million t	1.7	1.7	(0.8%)	(0.8%)
Net sales in million CHF	1,085	1,051	3.2%	7.3%
Operating EBITDA in million CHF	245	211	16.0%	19.2%
Operating profit in million CHF	167	126	31.8%	34.5%

[1] Restated due to changes in accounting policies.

Holcim US recorded a slight decline in cement deliveries in the first nine months of the year. However, the Group company achieved its highest monthly sales volumes in August since 2008. The financial results were considerably better than in the previous year due to higher sales prices and savings on energy and various raw material costs.

Despite continuing low levels of construction activity in the mid-west and south-west of the United States, Aggregate Industries US delivered more aggregates and ready-mix concrete. This is also reflected in the operating results, which saw above-average growth coupled with lower production costs.

Holcim Canada was unable to fully compensate for the weather-related setbacks in the first half of the year, experiencing lower sales volumes in all three segments. The expansion of Calgary airport and the construction of a highway in Ontario increased revenues in the construction industry segment.

Sales of cement in Group region North America were down by 1.9 percent to 8.7 million tonnes. At 31.1 million tonnes, aggregates deliveries were 1.8 percent above the previous year's levels. Sales of ready-mix concrete declined by 5.7 percent to 5.7 million cubic meters, due to the market in Canada, while sales of asphalt decreased by 10.1 percent to 2.8 million tonnes mainly due to Aggregate Industries US.

Operating EBITDA for North America increased by 6.2 percent year-on-year to CHF 370 million. The main drivers of this trend were the significantly improved performances of both US Group companies. Internal operating EBITDA grew by 7.5 percent.

Subdued economic situation in Africa Middle East

Demand for cement in Lebanon remained strong despite the turmoil in neighboring Syria, but the construction markets in Morocco suffered from a lack of momentum in the first nine months as the government kept spending on new projects at a low level. While demand for building materials was higher in West Africa and Qatar, it was slightly below last year in the United Arab Emirates and the Indian Ocean region.

Africa Middle East	Jan–Sept 2013	Jan–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	5.9	6.4	(7.6%)	(7.1%)
Sales of aggregates in million t	1.7	1.8	(7.3%)	(7.3%)
Sales of ready-mix concrete in million m³	0.6	0.9	(30.0%)	(30.0%)
Net sales in million CHF	666	726	(8.4%)	(8.1%)
Operating EBITDA in million CHF	215	221	(2.3%)	(2.0%)
Operating profit in million CHF	162	184	(11.6%)	(11.2%)

[1] Restated due to changes in accounting policies.

Africa Middle East	July–Sept 2013	July–Sept 2012[1]	Percentage change	Percentage change like-for-like
Sales of cement in million t	2.0	1.9	5.1%	6.8%
Sales of aggregates in million t	0.6	0.7	(14.4%)	(14.4%)
Sales of ready-mix concrete in million m³	0.2	0.3	(27.9%)	(27.9%)
Net sales in million CHF	221	228	(3.0%)	0.3%
Operating EBITDA in million CHF	72	60	18.6%	23.2%
Operating profit in million CHF	47	48	(1.3%)	3.9%

[1] Restated due to changes in accounting policies.

Holcim Morocco's sales figures fell in all three segments due to largely weak housing and infrastructure construction as well as increased competition. Despite necessary price adjustments and progress on fixed and variable costs, the Group company was unable to match the operating results of the previous year's nine months. However, the situation eased in the third quarter as cement volumes were above the previous years' period, due to the earlier Ramadan.

Holcim Lebanon continued to feel the effects of the civil war in neighboring Syria, but thanks to considerable efforts the Group company managed to slightly increase its cement deliveries. Considerable progress was also achieved in terms of the operating result.

The grinding stations in West Africa and the Gulf region delivered less cement but could improve their financial results despite the challenging market situation. Group companies in the Indian Ocean region posted declining sales volumes in all three segments due to subdued levels of construction activity.

Consolidated cement shipments in Group region Africa Middle East declined by 7.6 percent to 5.9 million tonnes, while deliveries of aggregates fell by 7.3 percent to 1.7 million tonnes. Volumes of ready-mix concrete amounted to 0.6 million cubic meters, 30.0 percent below the previous year's level.

Nine months operating EBITDA fell by 2.3 percent to CHF 215 million and internal operating EBITDA was down 2.0 percent. The decline is directly linked to the weaker performance of the Moroccan Group company. For the third quarter operating EBITDA was significantly better than in the previous year's period.

Outlook for 2013

Holcim does not expect to reach the previous year's sales volumes of cement, aggregates and ready-mix concrete in 2013. While Group region Europe is expected to witness higher cement sales volumes, Holcim is somewhat less optimistic with regard to Latin and North America and Africa Middle East. In Asia Pacific cement sales are expected to reach similar levels to previous year.

Turning to operating EBITDA and operating profit, the Board of Directors and Executive Committee expect a further improvement in margins. The "Holcim Leadership Journey", which gains further momentum, will contribute to this development. Under similar market conditions, organic growth in operating EBITDA and operating profit should be achieved in 2013.

Rolf Soiron
Chairman of the Board of Directors

Bernard Fontana
Chief Executive Officer

November 5, 2013

Consolidated statement of income of Group Holcim

Million CHF	Notes	Jan–Sept 2013 Unaudited	Jan–Sept 2012 Restated[1] Unaudited	July–Sept 2013 Unaudited	July–Sept 2012 Restated[1] Unaudited
Net sales	7	**14,941**	**15,908**	**5,292**	**5,742**
Production cost of goods sold		(8,393)	(8,980)	(2,926)	(3,222)
Gross profit		**6,547**	**6,928**	**2,366**	**2,520**
Distribution and selling expenses		(3,809)	(4,034)	(1,306)	(1,409)
Administration expenses		(941)	(1,065)	(309)	(363)
Operating profit		**1,798**	**1,829**	**752**	**748**
Other income	9	203	20	32	7
Share of profit of associates and joint ventures		100	99	34	34
Financial income	10	168	189	89	100
Financial expenses	11	(576)	(569)	(208)	(193)
Net income before taxes		**1,693**	**1,568**	**699**	**696**
Income taxes		(416)	(475)	(182)	(217)
Net income		**1,277**	**1,093**	**517**	**479**
Attributable to:					
Shareholders of Holcim Ltd		1,040	779	469	392
Non-controlling interest		237	314	47	87
Earnings per share in CHF					
Earnings per share		3.19	2.41	1.44	1.21
Fully diluted earnings per share		3.19	2.41	1.44	1.21

[1] Restated due to changes in accounting policies, see note 2.

Consolidated statement of comprehensive earnings of Group Holcim

Million CHF	Notes	Jan–Sept 2013 Unaudited	Jan–Sept 2012 Restated[1] Unaudited	July–Sept 2013 Unaudited	July–Sept 2012 Restated[1] Unaudited
Net income		**1,277**	**1,093**	**517**	**479**
Other comprehensive earnings					
Items that will be reclassified to the statement of income in future periods					
Currency translation effects					
– Exchange differences on translation		(1,231)	87	(940)	239
– Realized through statement of income	10	8	6	8	6
– Tax effect		10	16	1	(4)
Available-for-sale financial assets					
– Change in fair value		(1)			
– Realized through statement of income	10	(65)	(63)	(65)	(63)
– Tax effect		0			
Cash flow hedges					
– Change in fair value		4	(16)	(1)	(12)
– Realized through statement of income					
– Tax effect		(1)			
Net investment hedges in subsidiaries					
– Change in fair value		1	1	1	1
– Realized through statement of income					
– Tax effect					
Subtotal		**(1,275)**	**31**	**(996)**	**168**
Items that will not be reclassified to the statement of income in future periods					
Defined benefit plans					
– Remeasurements and effect of asset ceiling		173	(51)	94	(8)
– Tax effect		(38)	10	(17)	4
Subtotal		**135**	**(41)**	**77**	**(4)**
Total other comprehensive earnings		**(1,141)**	**(9)**	**(920)**	**164**
Total comprehensive earnings		**136**	**1,084**	**(403)**	**643**
Attributable to:					
Shareholders of Holcim Ltd		168	758	(265)	479
Non-controlling interest		(32)	326	(138)	163

[1] Restated due to changes in accounting policies, see note 2.

Consolidated statement of financial position of Group Holcim

Million CHF		30.9.2013 Unaudited	31.12.2012 Restated[1] Unaudited	30.9.2012 Restated[1] Unaudited
Cash and cash equivalents		3,114	3,119	2,813
Marketable securities		1	1	1
Accounts receivable		3,127	2,682	3,381
Inventories		1,870	2,018	2,258
Prepaid expenses and other current assets		448	400	444
Assets classified as held for sale	12	765	56	5
Total current assets		**9,324**	**8,275**	**8,901**
Long-term financial assets		548	551	523
Investments in associates and joint ventures		1,535	1,539	1,739
Property, plant and equipment		20,040	21,791	22,449
Intangible assets		7,593	8,131	8,340
Deferred tax assets		349	478	410
Other long-term assets		337	433	465
Total long-term assets		**30,403**	**32,922**	**33,926**
Total assets		**39,727**	**41,198**	**42,826**
Trade accounts payable		1,818	2,282	2,043
Current financial liabilities		3,858	3,546	3,699
Current income tax liabilities		332	442	433
Other current liabilities		1,782	1,731	1,946
Short-term provisions		220	298	261
Liabilities directly associated with assets classified as held for sale	12	247	0	0
Total current liabilities		**8,256**	**8,299**	**8,381**
Long-term financial liabilities		9,537	9,899	10,639
Defined benefit obligations		700	902	911
Deferred tax liabilities		1,479	1,702	1,748
Long-term provisions		1,023	1,161	1,166
Total long-term liabilities		**12,739**	**13,665**	**14,463**
Total liabilities		**20,995**	**21,964**	**22,845**
Share capital		654	654	654
Capital surplus		8,193	8,573	8,569
Treasury shares		(103)	(114)	(116)
Reserves		7,516	7,324	8,000
Total equity attributable to shareholders of Holcim Ltd		**16,261**	**16,437**	**17,106**
Non-controlling interest		2,472	2,797	2,876
Total shareholders' equity		**18,732**	**19,234**	**19,981**
Total liabilities and shareholders' equity		**39,727**	**41,198**	**42,826**

[1] Restated due to changes in accounting policies, see note 2.

Consolidated statement of changes in equity of Group Holcim

Million CHF	Share capital	Capital surplus	Treasury shares	*Retained earnings*
Equity as at December 31, 2012	**654**	**8,573**	**(114)**	**16,322**
Restatement[1]				(514)
Equity as at January 1, 2013	**654**	**8,573**	**(114)**	**15,808**
Net income				1,040
Other comprehensive earnings				135
Total comprehensive earnings				1,174
Payout		(374)		
Change in treasury shares			0	0
Share-based remuneration		(5)	11	
Capital paid-in by non-controlling interest				
Disposal of participation in Group companies				
Change in participation in existing Group companies				25
Equity as at September 30, 2013 (unaudited)	**654**	**8,193**	**(103)**	**17,007**
Equity as at December 31, 2011	**654**	**8,894**	**(486)**	**15,785**
Restatement[1]				(453)
Equity as at January 1, 2012[1]	**654**	**8,894**	**(486)**	**15,332**
Net income[1]				779
Other comprehensive earnings[1]				(41)
Total comprehensive earnings[1]				738
Payout[1]		(325)		
Change in treasury shares			341	(48)
Share-based remuneration			11	
Capital paid-in by non-controlling interest				
Acquisition of participation in Group companies				
Change in participation in existing Group companies[1]			18	(27)
Equity as at September 30, 2012 (unaudited)[1]	**654**	**8,569**	**(116)**	**15,995**

[1] Restated due to changes in accounting policies, see note 2.

Available-for-sale reserve	*Cash flow hedging reserve*	*Currency translation adjustments*	Total reserves	Total equity attributable to shareholders of Holcim Ltd	Non-controlling interest	Total shareholders' equity
132	**(7)**	**(8,611)**	**7,836**	**16,949**	**2,889**	**19,837**
		3	(512)	(512)	(91)	(603)
132	**(7)**	**(8,608)**	**7,324**	**16,437**	**2,797**	**19,234**
			1,040	1,040	237	1,277
(66)	3	(944)	(872)	(872)	(269)	(1,141)
(66)	3	(944)	168	168	(32)	136
				(374)	(181)	(555)
			0	0		0
		0	0	6		6
					4	4
					(109)	(109)
			25	25	(8)	17
66	**(4)**	**(9,552)**	**7,516**	**16,261**	**2,472**	**18,732**
193	**4**	**(8,214)**	**7,768**	**16,830**	**2,827**	**19,656**
			(453)	(453)	(85)	(538)
193	**4**	**(8,214)**	**7,315**	**16,377**	**2,742**	**19,118**
			779	779	314	1,093
(63)	(16)	100	(21)	(21)	12	(9)
(63)	(16)	100	758	758	326	1,084
				(325)	(187)	(513)
			(48)	293		293
		1	1	13		13
					11	11
			(27)	(9)	(16)	(24)
130	**(12)**	**(8,113)**	**8,000**	**17,106**	**2,876**	**19,981**

Consolidated statement of cash flows of Group Holcim

Million CHF	Notes	Jan–Sept 2013 Unaudited	Jan–Sept 2012 Restated[1] Unaudited	July–Sept 2013 Unaudited	July–Sept 2012 Restated[1] Unaudited
Net income before taxes		**1,693**	**1,568**	**699**	**696**
Other income	9	(203)	(20)	(32)	(7)
Share of profit of associates and joint ventures		(100)	(99)	(34)	(34)
Financial expenses net	10, 11	408	380	119	93
Operating profit		**1,798**	**1,829**	**752**	**748**
Depreciation, amortization and impairment of operating assets		1,153	1,247	380	445
Other non-cash items		141	235	48	75
Change in net working capital		(1,119)	(1,414)	(59)	(109)
Cash generated from operations		**1,972**	**1,898**	**1,120**	**1,158**
Dividends received		134	98	54	28
Interest received		106	118	26	38
Interest paid		(463)	(494)	(149)	(147)
Income taxes paid		(552)	(523)	(137)	(175)
Other expenses		(26)	(9)	(8)	(3)
Cash flow from operating activities (A)		**1,172**	**1,088**	**905**	**899**
Purchase of property, plant and equipment		(1,411)	(915)	(480)	(358)
Disposal of property, plant and equipment		130	68	71	16
Acquisition of participation in Group companies		(5)	(2)	(1)	(1)
Disposal of participation in Group companies	3	412	9	(3)	1
Purchase of financial assets, intangible and other assets		(189)	(109)	(31)	(32)
Disposal of financial assets, intangible and other assets		191	168	107	103
Cash flow from investing activities (B)		**(871)**	**(781)**	**(336)**	**(272)**
Payout on ordinary shares	16	(374)	(325)	0	0
Dividends paid to non-controlling interest		(194)	(198)	(68)	(66)
Capital paid-in by non-controlling interest		4	11	1	3
Movements of treasury shares		(1)	293	1	0
Proceeds from current financial liabilities		4,996	5,637	1,503	1,080
Repayment of current financial liabilities		(4,905)	(5,291)	(1,781)	(1,328)
Proceeds from long-term financial liabilities		2,179	4,132	1,094	1,701
Repayment of long-term financial liabilities		(1,688)	(4,687)	(505)	(2,188)
Increase in participation in existing Group companies		(2)	(65)	0	(9)
Decrease in participation in existing Group companies		0	0	0	0
Cash flow from financing activities (C)		**14**	**(493)**	**245**	**(807)**
In(De)crease in cash and cash equivalents (A + B + C)		**315**	**(186)**	**813**	**(180)**
Cash and cash equivalents as at the beginning of the period (net)		**2,711**	**2,468**	**2,179**	**2,421**
In(De)crease in cash and cash equivalents		314	(186)	813	(180)
Currency translation effects		(173)	10	(140)	51
Cash and cash equivalents as at the end of the period (net)[2]		**2,852**	**2,292**	**2,852**	**2,292**

[1] Restated due to changes in accounting policies, see note 2.
[2] Cash and cash equivalents at the end of the period include bank overdrafts of CHF 263 million (2012: 520), disclosed in current financial liabilities and cash and cash equivalents of CHF 1 million, disclosed in assets held for sale.

1 Basis of preparation

The unaudited consolidated third quarter interim financial statements (hereafter "interim financial statements") are prepared in accordance with IAS 34 *Interim Financial Reporting*. The accounting policies used in the preparation and presentation of the interim financial statements are consistent with those used in the consolidated financial statements for the year ended December 31, 2012 (hereafter "annual financial statements") except for the adoption as of January 1, 2013 of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosures of Interests in Other Entities,* IFRS 13 *Fair Value Measurement*, IAS 1 (amended) *Presentation of Items of Other Comprehensive Income,* IAS 19 (revised) *Employee Benefits*, IAS 28 (revised) *Investments in Associates and Joint Ventures*, IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* and Improvements to IFRSs.

The interim financial statements should be read in conjunction with the annual financial statements as they provide an update of previously reported information.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate during the period in which the circumstances change.

2 Changes in accounting policies

IFRS 10, which replaced IAS 27 *Consolidated and Separate Financial Statements*, introduces a single consolidation model applicable to all investees. That model states that the investor consolidates an investee when it has control over the investee. The adoption of this new standard has not materially impacted the Group's financial statements.

IFRS 11, which replaced IAS 31 *Interests in Joint Ventures*, requires companies to classify joint arrangements as either a joint operation or as a joint venture, based on the rights and obligations arising from the arrangement. The standard also requires companies to apply the equity method of accounting for interests in joint ventures. As a consequence thereof, Holcim was unable to continue to apply the proportionate method of consolidation for such entities. This accounting policy change has been applied retrospectively, and its effect on the comparative information (restated amounts) presented for each financial statement line item is set out in the tables below.

IFRS 12 sets out the disclosure requirements for IFRS 10, IFRS 11 and IAS 28 (revised) and is disclosure related only.

IFRS 13 provides guidance on how to measure the fair value of financial and non-financial assets and liabilities when required or permitted by IFRS. The new standard does not change the IFRS as to when a company is required to use fair value. The adoption of this new standard does not materially impact the Group's financial statements.

IAS 1 (amended) requires companies to group items presented in other comprehensive earnings on the basis of whether they are potentially reclassifiable to profit or loss subsequently. As such, this amendment has only impacted the presentation of certain items in the Group's statement of comprehensive earnings.

The amendments to IAS 19 (revised) introduced several changes, the primary one being the elimination of the corridor method of deferred recognition. As a result, Group companies are now unable to defer actuarial gains and losses and subsequently amortize them to profit or loss but instead are required to recognize such changes (remeasurements) immediately in other comprehensive earnings. No reclassifications of these amounts will be permitted in future periods. In addition, the expected return on plan assets has been removed and instead companies are required to calculate a net interest expense on the net defined benefit liability and recognize the resulting cost in the statement of income. Had the Group continued to apply the corridor method during the first three quarters of 2013, this would not have resulted in the immediate recognition of remeasurements of CHF 173 million and the related deferred tax impact of CHF –38 million in other comprehensive earnings. Instead, the remeasurements would have been deferred and subsequently amortized to profit or loss. This accounting policy change has been applied retrospectively, and its effect on the comparative information (restated amounts) presented for each financial statement line item is set out in the tables below.

IAS 28 (revised) has been consequently revised to include joint ventures in its scope as a result of IFRS 11 which requires such entities to be equity accounted in accordance with IAS 28 (revised).

IFRIC 20 states that costs incurred to remove waste materials (overburden) to gain access to raw materials is recognized as an asset and depreciated over the expected life of the exposed area as a result of the stripping activity based on the unit-of-production method. Since Holcim applies such an accounting policy, IFRIC 20 has not impacted the Group's financial statements.

Improvements to IFRSs relate largely to clarification issues only. Therefore, the adoption of these amendments has not materially impacted the Group's financial statements.

Changes to consolidated statement of income of Group Holcim

Million CHF	Jan–Sept 2012 Reported	Impact from changes in accounting policies[1] *IFRS 11 and IAS 19R*	Jan–Sept 2012 Restated	July–Sept 2012 Reported	Impact from changes in accounting policies[2] *IFRS 11 and IAS 19R*	July–Sept 2012 Restated
Net sales	**16,198**	**(290)**	**15,908**	**5,841**	**(98)**	**5,742**
Production cost of goods sold	(9,148)	168	(8,980)	(3,282)	60	(3,222)
Gross profit	**7,050**	**(121)**	**6,928**	**2,559**	**(38)**	**2,520**
Distribution and selling expenses	(4,097)	63	(4,034)	(1,431)	22	(1,409)
Administration expenses	(1,074)	9	(1,065)	(366)	3	(363)
Operating profit	**1,879**	**(49)**	**1,829**	**762**	**(13)**	**748**
Other income	20	1	20	7	0	7
Share of profit of associates and joint ventures	73	25	99	28	6	34
Financial income	189	(1)	189	100	0	100
Financial expenses	(572)	3	(569)	(194)	1	(193)
Net income before taxes	**1,590**	**(21)**	**1,568**	**703**	**(6)**	**696**
Income taxes	(482)	6	(475)	(219)	2	(217)
Net income	**1,108**	**(15)**	**1,093**	**484**	**(4)**	**479**
Attributable to:						
Shareholders of Holcim Ltd	783	(4)	779	394	(2)	392
Non-controlling interest	325	(11)	314	90	(3)	87
Earnings per share in CHF						
Earnings per share	2.42	(0.01)	2.41	1.21	0.00	1.21
Fully diluted earnings per share	2.42	(0.01)	2.41	1.21	0.00	1.21

[1] Of which the impact due to changes in IAS 19 Employee Benefits: Production costs of goods sold CHF –2 million; Income taxes CHF –2 million; Net income attributable to shareholders of Holcim Ltd CHF –4 million; Earnings per share CHF –0.01; Fully diluted earnings per share CHF –0.01.
[2] Of which the impact due to changes in IAS 19 Employee Benefits: Production costs of goods sold CHF –1 million; Income taxes CHF –1 million, Net income attributable to shareholders of Holcim Ltd CHF –2 million.

Changes to consolidated statement of comprehensive earnings of Group Holcim

Million CHF	Jan–Sept 2012 Reported	Impact from changes in accounting policies[1] *IFRS 11 and IAS 19R*	Jan–Sept 2012 Restated	July–Sept 2012 Reported	Impact from changes in accounting policies[2] *IFRS 11 and IAS 19R*	July–Sept 2012 Restated
Net income	**1,108**	**(15)**	**1,093**	**484**	**(4)**	**479**
Other comprehensive earnings						
Items that will be reclassified to the statement of income in future periods						
Currency translation effects						
– Exchange differences on translation	93	(6)	87	242	(3)	239
– Realized through statement of income	6	0	6	6	0	6
– Tax effect	16	0	16	(4)	0	(4)
Available-for-sale financial assets						
– Realized through statement of income	(63)	0	(63)	(63)	0	(63)
Cash flow hedges						
– Change in fair value	(16)	0	(16)	(12)	0	(12)
Net investment hedges in subsidiaries						
– Change in fair value	1	0	1	1	0	1
Subtotal	**37**	**(6)**	**31**	**171**	**(3)**	**168**
Items that will not be reclassified to the statement of income in future periods						
Defined benefit plans						
– Remeasurements and effect of asset ceiling	0	(51)	(51)	0	(8)	(8)
– Tax effect	0	10	10	0	4	4
Subtotal	**0**	**(41)**	**(41)**	**0**	**(4)**	**(4)**
Total other comprehensive earnings	**37**	**(47)**	**(9)**	**171**	**(7)**	**164**
Total comprehensive earnings	**1,145**	**(62)**	**1,084**	**655**	**(11)**	**643**
Attributable to:						
Shareholders of Holcim Ltd	806	(49)	758	486	(7)	479
Non-controlling interest	339	(13)	326	169	(5)	163

[1] Of which the impact due to changes in IFRS 11 Joint Arrangements: Net Income CHF –11 million; Exchange differences on translation CHF –2 million; Total comprehensive earnings attributable to non-controlling interest CHF –13 million.

[2] Of which the impact due to changes in IFRS 11 Joint Arrangements: Net Income CHF –3 million; Currency translation effects CHF –2 million; Total comprehensive earnings attributable to non-controlling interest CHF –5 million.

Changes to consolidated statement of financial position of Group Holcim as of September 30, 2012

Million CHF	30.9.2012 Reported	Impact from changes in accounting policies: *Joint Ventures (IFRS 11)*	*Employee Benefits (IAS 19R)*	30.9.2012 Restated
Cash and cash equivalents	2,841	(29)	0	2,813
Marketable securities	1	0	0	1
Accounts receivable	3,429	(47)	0	3,381
Inventories	2,284	(26)	0	2,258
Prepaid expenses and other current assets	446	(3)	0	444
Assets classified as held for sale	5	0	0	5
Total current assets	**9,005**	**(104)**	**0**	**8,901**
Long-term financial assets	530	(7)	0	523
Investments in associates and joint ventures	1,416	323	0	1,739
Property, plant and equipment	22,738	(289)	0	22,449
Intangible assets	8,501	(161)	0	8,340
Deferred tax assets	358	(9)	60	410
Other long-term assets	501	0	(36)	465
Total long-term assets	**34,045**	**(143)**	**25**	**33,926**
Total assets	**43,050**	**(248)**	**25**	**42,826**
Trade accounts payable	2,085	(42)	0	2,043
Current financial liabilities	3,772	(74)	0	3,699
Current income tax liabilities	436	(3)	0	433
Other current liabilities	1,960	(15)	0	1,946
Short-term provisions	262	(1)	0	261
Total current liabilities	**8,515**	**(134)**	**0**	**8,381**
Long-term financial liabilities	10,648	(9)	0	10,639
Defined benefit obligations	282	0	629	911
Deferred tax liabilities	1,855	(12)	(95)	1,748
Long-term provisions	1,180	(14)	0	1,166
Total long-term liabilities	**13,964**	**(36)**	**535**	**14,463**
Total liabilities	**22,480**	**(170)**	**535**	**22,845**
Share capital	654	0	0	654
Capital surplus	8,569	0	0	8,569
Treasury shares	(116)	0	0	(116)
Reserves	8,502	0	(503)	8,000
Total equity attributable to shareholders of Holcim Ltd	**17,609**	**0**	**(503)**	**17,106**
Non-controlling interest	2,961	(79)	(6)	2,876
Total shareholders' equity	**20,570**	**(79)**	**(510)**	**19,981**
Total liabilities and shareholders' equity	**43,050**	**(248)**	**25**	**42,826**

Changes to consolidated statement of financial position of Group Holcim as of December 31, 2012

Million CHF	31.12.2012	Impact from changes in accounting policies		31.12.2012
	Reported	*Joint Ventures (IFRS 11)*	*Employee Benefits (IAS 19R)*	Restated
Cash and cash equivalents	3,145	(26)	0	3,119
Marketable securities	1	0	0	1
Accounts receivable	2,717	(36)	0	2,682
Inventories	2,042	(24)	0	2,018
Prepaid expenses and other current assets	403	(2)	0	400
Assets classified as held for sale	56	0	0	56
Total current assets	**8,363**	**(88)**	**0**	**8,275**
Long-term financial assets	557	(6)	0	551
Investments in associates and joint ventures	1,289	251	0	1,539
Property, plant and equipment	22,026	(235)	0	21,791
Intangible assets	8,258	(128)	0	8,131
Deferred tax assets	417	(8)	68	478
Other long-term assets	521	0	(88)	433
Total long-term assets	**33,068**	**(125)**	**(19)**	**32,922**
Total assets	**41,431**	**(214)**	**(19)**	**41,198**
Trade accounts payable	2,316	(34)	0	2,282
Current financial liabilities	3,599	(53)	0	3,546
Current income tax liabilities	443	(1)	0	442
Other current liabilities	1,742	(11)	0	1,731
Short-term provisions	299	(1)	0	298
Total current liabilities	**8,399**	**(100)**	**0**	**8,299**
Long-term financial liabilities	9,908	(9)	0	9,899
Defined benefit obligations	305	(15)	612	902
Deferred tax liabilities	1,820	(11)	(107)	1,702
Long-term provisions	1,162	0	0	1,161
Total long-term liabilities	**13,195**	**(35)**	**504**	**13,665**
Total liabilities	**21,594**	**(135)**	**504**	**21,964**
Share capital	654	0	0	654
Capital surplus	8,573	0	0	8,573
Treasury shares	(114)	0	0	(114)
Reserves	7,836	0	(512)	7,324
Total equity attributable to shareholders of Holcim Ltd	**16,949**	**0**	**(512)**	**16,437**
Non-controlling interest	2,889	(79)	(12)	2,797
Total shareholders' equity	**19,837**	**(79)**	**(524)**	**19,234**
Total liabilities and shareholders' equity	**41,431**	**(214)**	**(19)**	**41,198**

Changes to consolidated statement of cash flows of Group Holcim

Million CHF	Jan–Sept 2012 Reported	Impact from changes in accounting policies[1] *IFRS 11 and IAS 19R*	Jan–Sept 2012 Restated	July–Sept 2012 Reported	Impact from changes in accounting policies[2] *IFRS 11 and IAS 19R*	July–Sept 2012 Restated
Net income before taxes	**1,590**	**(21)**	**1,568**	**703**	**(6)**	**696**
Other income	(20)	(1)	(20)	(7)	0	(7)
Share of profit of associates and joint ventures	(73)	(25)	(99)	(28)	(6)	(34)
Financial expenses net	382	(2)	380	94	(1)	93
Operating profit	**1,879**	**(49)**	**1,829**	**762**	**(13)**	**748**
Depreciation, amortization and impairment of operating assets	1,268	(20)	1,247	452	(7)	445
Other non-cash items	234	1	235	74	1	75
Change in net working capital	(1,415)	0	(1,414)	(106)	(3)	(109)
Cash generated from operations	**1,966**	**(68)**	**1,898**	**1,181**	**(22)**	**1,158**
Dividends received	68	31	98	10	18	28
Interest received	118	(1)	118	38	0	38
Interest paid	(496)	2	(494)	(147)	0	(147)
Income taxes paid	(539)	16	(523)	(183)	8	(175)
Other (expenses) income	(10)	1	(9)	(3)	0	(3)
Cash flow from operating activities (A)	**1,107**	**(18)**	**1,088**	**896**	**4**	**899**
Purchase of property, plant and equipment	(933)	17	(915)	(365)	6	(358)
Disposal of property, plant and equipment	70	(2)	68	17	(1)	16
Acquisition of participation in Group companies	(1)	0	(2)	(1)	0	(1)
Disposal of participation in Group companies	9	0	9	1	0	1
Purchase of financial assets, intangible and other assets	(115)	5	(109)	(37)	5	(32)
Disposal of financial assets, intangible and other assets	168	0	168	103	(1)	103
Cash flow from investing activities (B)	**(802)**	**21**	**(781)**	**(282)**	**10**	**(272)**

[1] Of which the impact due to changes in IAS 19 Employee Benefits: Operating profit CHF –2 million; Other non-cash items CHF 2 million.
[2] Of which the impact due to changes in IAS 19 Employee Benefits: Operating profit CHF –1 million; Other non-cash items CHF 1 million.

Changes to consolidated statement of cash flows of Group Holcim (continued)

Million CHF	Jan–Sept 2012 Reported	Impact from changes in accounting policies *IFRS 11*	Jan–Sept 2012 Restated	July–Sept 2012 Reported	Impact from changes in accounting policies *IFRS 11*	July–Sept 2012 Restated
Payout on ordinary shares	(325)	0	(325)	0	0	0
Dividends paid to non-controlling interest	(210)	12	(198)	(72)	6	(66)
Capital paid-in by non-controlling interest	11	0	11	3	0	3
Movements of treasury shares	293	0	293	0	0	0
Proceeds from current financial liabilities	5,649	(11)	5,637	1,090	(10)	1,080
Repayment of current financial liabilities	(5,293)	2	(5,291)	(1,331)	2	(1,328)
Proceeds from long-term financial liabilities	4,136	(5)	4,132	1,705	(4)	1,701
Repayment of long-term financial liabilities	(4,687)	1	(4,687)	(2,188)	0	(2,188)
Increase in participation in existing Group companies	(65)	0	(65)	(9)	0	(9)
Decrease in participation in existing Group companies	0	0	0	0	0	0
Cash flow from financing activities (C)	**(491)**	**(2)**	**(493)**	**(801)**	**(6)**	**(807)**
(De)Increase in cash and cash equivalents (A + B + C)	**(186)**	**0**	**(186)**	**(187)**	**7**	**(180)**
Cash and cash equivalents as at the beginning of the period (net)	**2,497**	**(28)**	**2,468**	**2,457**	**(36)**	**2,421**
(De)Increase in cash and cash equivalents	(186)	0	(186)	(187)	7	(180)
Currency translation effects	11	(1)	10	51	(1)	51
Cash and cash equivalents as at the end of the period (net)[1]	**2,321**	**(29)**	**2,292**	**2,321**	**(29)**	**2,292**

[1] Cash and cash equivalents at the end of the period, before and after the restatement, include bank overdrafts of CHF 520 million, disclosed in current financial liabilities.

Changes to consolidated statement of changes in equity of Group Holcim as of September 30, 2012

Million CHF	Reported	Impact from changes in accounting policies: *Joint Ventures (IFRS 11)*	Impact from changes in accounting policies: *Employee Benefits (IAS 19R)*	Restated
Total equity attributable to shareholders of Holcim Ltd as at January 1, 2012	16,830	0	(453)[1]	16,377
Net income	783	0	(4)	779
Other comprehensive earnings	23	0	(45)	(21)
Total comprehensive earnings	806	0	(49)	758
Change in participation in existing Group companies	(7)	0	(2)	(9)
Total equity attributable to shareholders of Holcim Ltd as at September 30, 2012	17,609	0	(503)	17,106
Non-controlling interest as at January 1, 2012	2,827	(78)	(8)	2,742
Net income	325	(11)	0	314
Other comprehensive earnings	14	(2)	0	12
Total comprehensive earnings	339	(13)	0	326
Payout	(199)	12	0	(187)
Change in participation in existing Group companies	(17)	0	2	(16)
Non-controlling interest as at September 30, 2012	2,961	(79)	(6)	2,876

[1] Retained earnings.

3 Changes in the scope of consolidation

On March 28, 2013, Holcim disposed of a 25 percent equity interest in Cement Australia to HeidelbergCement, and retained a 50 percent equity interest in that company. This resulted in a net gain on disposal of AUD 151 million (CHF 139 million) based on net book values (included in “Other income”). This transaction resulted in Holcim losing control of Cement Australia and obtaining joint control over that entity. According to IFRS 11 *Joint Arrangements*, Cement Australia has been classified as a joint operation.

4 Seasonality

Demand for cement, aggregates and other construction materials and services is seasonal because climatic conditions affect the level of activity in the construction sector.

Holcim usually experiences a reduction in sales during the first and fourth quarters reflecting the effect of the winter season in its principal markets in Europe and North America and tends to see an increase in sales in the second and third quarters reflecting the effect of the summer season. This effect can be particularly pronounced in harsh winters.

5 Information by reportable segment

January–September (unaudited)	Asia Pacific 2013	Asia Pacific 2012[1]	Latin America 2013	Latin America 2012[1]	Europe 2013	Europe 2012[1]	North America 2013	North America 2012[1]	Africa Middle East 2013	Africa Middle East 2012[1]	Corporate/ Eliminations 2013	Corporate/ Eliminations 2012[1]	Total Group 2013	Total Group 2012[1]
Capacity and sales														
Million t														
Annual cement production capacity[2]	90.6	91.9	35.2	35.5	47.9	49.2	22.0	22.0	10.7	10.7			206.4	209.3
Sales of cement	52.8	54.7	18.7	18.5	20.2	20.1	8.7	8.9	5.9	6.4	(2.1)	(1.5)	104.3	107.1
– of which mature markets	2.3	3.5			11.3	11.5	8.7	8.9			(1.0)	(1.0)	21.4	22.9
– of which emerging markets	50.5	51.2	18.7	18.5	8.9	8.6			5.9	6.4	(1.1)	(0.5)	82.9	84.2
Sales of mineral components	0.5	0.8			1.1	1.7	1.0	1.1					2.7	3.6
Sales of aggregates	18.8	20.1	8.0	10.6	55.2	56.2	31.1	30.6	1.7	1.8			114.8	119.2
– of which mature markets	17.2	18.3			48.8	49.0	31.1	30.6					97.0	97.9
– of which emerging markets	1.7	1.8	8.0	10.6	6.4	7.2			1.7	1.8			17.8	21.3
Sales of asphalt					3.6	3.5	2.8	3.1					6.4	6.6
Million m^3														
Sales of ready-mix concrete	8.0	8.6	6.2	7.8	8.9	11.1	5.7	6.0	0.6	0.9			29.5	34.4
– of which mature markets	3.6	4.2			7.8	9.8	5.7	6.0					17.0	20.0
– of which emerging markets	4.5	4.4	6.2	7.8	1.1	1.4			0.6	0.9			12.4	14.4
Statement of income and statement of financial position														
Million CHF														
Net sales to external customers	5,548	6,230	2,424	2,510	3,982	4,048	2,343	2,394	643	726			14,941	15,908
Net sales to other segments	56	55	132	103	262	385			22		(472)	(544)		
Total net sales	5,604	6,285	2,556	2,613	4,244	4,434	2,343	2,394	666	726	(472)	(544)	14,941	15,908
– of which mature markets	1,581	1,960			3,330	3,529	2,343	2,394			(176)	(257)	7,078	7,626
– of which emerging markets	4,023	4,325	2,556	2,613	914	904			666	726	(295)	(286)	7,863	8,282
Operating EBITDA	1,131	1,379	736	721	693	573	370	349	215	221	(195)	(165)	2,951	3,077
Operating EBITDA margin in %	20.2	21.9	28.8	27.6	16.3	12.9	15.8	14.6	32.4	30.4			19.7	19.3
Operating profit	801	997	575	557	316	155	147	111	162	184	(203)	(174)	1,798	1,829
– of which mature markets	133	175			202	47	147	111			(168)	(85)	315	249
– of which emerging markets	668	822	575	557	113	108			162	184	(35)	(90)	1,483	1,581
Operating profit margin in %	14.3	15.9	22.5	21.3	7.4	3.5	6.3	4.6	24.4	25.3			12.0	11.5
EBITDA	1,100	1,362	633	599	583	559	327	332	225	208	470	235	3,338	3,295
Net operating assets[2]	6,864	8,249	3,490	3,647	8,278	8,259	6,386	6,274	808	785	9	(128)	25,834	27,087
Total assets[2]	11,422	13,143	5,053	5,080	13,665	13,843	7,428	7,527	1,306	1,434	852	171	39,727	41,198
Total liabilities[2]	3,162	3,790	3,025	2,960	6,772	6,851	4,286	4,380	600	720	3,150	3,262	20,995	21,964

[1] Restated due to changes in accounting policies, see note 2.
[2] Prior-year figures as of December 31, 2012.

	Asia Pacific		Latin America		Europe		North America		Africa Middle East		Corporate/ Eliminations		Total Group	
July–September (unaudited)	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]
Sales														
Million t														
Sales of cement	16.4	16.8	6.4	6.4	8.1	7.8	3.7	3.5	2.0	1.9	(0.9)	(0.6)	35.7	35.9
– of which mature markets	0.7	1.3			4.2	4.1	3.7	3.5			(0.4)	(0.3)	8.1	8.6
– of which emerging markets	15.7	15.6	6.4	6.4	3.9	3.7			2.0	1.9	(0.4)	(0.3)	27.6	27.4
Sales of mineral components	0.2	0.3			0.4	0.7	0.3	0.5					0.9	1.4
Sales of aggregates	6.6	6.6	2.5	3.6	20.8	21.0	14.8	12.6	0.6	0.7			45.4	44.4
– of which mature markets	6.0	5.9			18.0	18.0	14.8	12.6					38.8	36.5
– of which emerging markets	0.6	0.6	2.5	3.6	2.8	3.0			0.6	0.7			6.5	7.9
Sales of asphalt					1.3	1.2	1.7	1.7					3.0	2.9
Million m^3														
Sales of ready-mix concrete	2.8	3.0	2.0	2.5	3.3	4.1	2.4	2.4	0.2	0.3			10.7	12.3
– of which mature markets	1.3	1.5			2.8	3.5	2.4	2.4					6.5	7.4
– of which emerging markets	1.5	1.5	2.0	2.5	0.5	0.6			0.2	0.3			4.2	4.8
Statement of income														
Million CHF														
Net sales to external customers	1,633	2,070	789	864	1,574	1,528	1,085	1,051	211	228			5,292	5,742
Net sales to other segments	35	12	49	41	58	122			10		(152)	(175)		
Total net sales	1,668	2,082	838	905	1,632	1,651	1,085	1,051	221	228	(152)	(175)	5,292	5,742
– of which mature markets	513	731			1,239	1,262	1,085	1,051			(67)	(90)	2,770	2,954
– of which emerging markets	1,155	1,351	838	905	393	389			221	228	(85)	(85)	2,522	2,788
Operating EBITDA	304	426	236	259	341	293	245	211	72	60	(66)	(57)	1,131	1,193
Operating EBITDA margin in %	18.3	20.5	28.1	28.6	20.9	17.8	22.6	20.1	32.4	26.5			21.4	20.8
Operating profit	204	303	185	199	218	132	167	126	47	48	(69)	(60)	752	748
– of which mature markets	55	70			131	70	167	126			(59)	(31)	293	235
– of which emerging markets	150	233	185	199	87	62			47	48	(10)	(29)	458	513
Operating profit margin in %	12.2	14.5	22.1	22.0	13.3	8.0	15.3	12.0	21.4	21.0			14.2	13.0
EBITDA	333	421	237	219	293	280	226	203	68	55	108	125	1,264	1,302

[1] Restated due to changes in accounting policies, see note 2.

Reconciling measures of profit and loss to the consolidated statement of income of Group Holcim

Million CHF (unaudited)	Notes	Jan–Sept 2013	Jan–Sept 2012[1]	July–Sept 2013	July–Sept 2012[1]
Operating profit		**1,798**	**1,829**	**752**	**748**
Depreciation, amortization and impairment of operating assets		1,153	1,247	380	445
Operating EBITDA		**2,951**	**3,077**	**1,131**	**1,193**
Dividends earned	9	3	2	3	0
Other ordinary income	9	204	24	32	7
Share of profit of associates and joint ventures		100	99	34	34
Other financial income	10	80	94	64	68
EBITDA		**3,338**	**3,295**	**1,264**	**1,302**
Depreciation, amortization and impairment of operating assets		(1,153)	(1,247)	(380)	(445)
Depreciation, amortization and impairment of non-operating assets	9	(4)	(6)	(3)	0
Interest earned on cash and marketable securities	10	88	95	25	32
Financial expenses	11	(576)	(569)	(208)	(193)
Net income before taxes		**1,693**	**1,568**	**699**	**696**

[1] Restated due to changes in accounting policies, see note 2.

6 Information by product line

Million CHF	Cement[1]		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
January–September (unaudited)	2013	2012[2]	2013	2012[2]	2013	2012[2]	2013	2012[2]	2013	2012[2]
Statement of income and statement of financial position										
Net sales to external customers	9,057	9,515	1,195	1,214	4,689	5,179			14,941	15,908
Net sales to other segments	809	955	630	691	418	558	(1,857)	(2,204)		
Total net sales	9,865	10,470	1,825	1,906	5,107	5,737	(1,857)	(2,204)	14,941	15,908
– of which Asia Pacific	4,242	4,783	494	556	1,253	1,451	(386)	(505)	5,604	6,285
– of which Latin America	2,083	2,079	67	85	639	734	(233)	(286)	2,556	2,613
– of which Europe	2,002	2,021	890	884	1,909	2,130	(557)	(601)	4,244	4,434
– of which North America	1,034	1,030	353	349	1,235	1,291	(278)	(277)	2,343	2,394
– of which Africa Middle East	607	651	20	20	62	85	(24)	(30)	666	726
– of which Corporate/Eliminations	(103)	(94)	1	11	9	45	(378)	(506)	(472)	(544)
Operating profit (loss)	1,696	1,841	145	85	(43)	(97)			1,798	1,829
– of which Asia Pacific	716	914	67	62	18	21			801	997
– of which Latin America	555	551	11	17	10	(11)			575	557
– of which Europe	277	237	72	14	(34)	(96)			316	155
– of which North America	137	113	22	12	(13)	(13)			147	111
– of which Africa Middle East	166	182	0	2	(4)	0			162	184
– of which Corporate/Eliminations	(156)	(156)	(27)	(22)	(19)	3			(203)	(174)
Operating profit (loss) margin in %	17.2	17.6	7.9	4.5	(0.8)	(1.7)			12.0	11.5
Net operating assets[3]	17,180	18,247	5,084	5,272	3,570	3,568			25,834	27,087

[1] Cement, clinker and other cementitious materials.
[2] Restated due to changes in accounting policies, see note 2.
[3] Prior-year figures as of December 31, 2012.

Million CHF	Cement[1]		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
July–September (unaudited)	2013	2012[2]	2013	2012[2]	2013	2012[2]	2013	2012[2]	2013	2012[2]
Statement of income										
Net sales to external customers	3,006	3,280	454	454	1,832	2,008			5,292	5,742
Net sales to other segments	283	356	242	265	122	175	(647)	(796)		
Total net sales	3,290	3,636	695	719	1,954	2,184	(647)	(796)	5,292	5,742
– of which Asia Pacific	1,205	1,535	165	201	413	541	(115)	(195)	1,668	2,082
– of which Latin America	689	731	21	28	206	237	(78)	(92)	838	905
– of which Europe	794	782	338	331	709	757	(210)	(220)	1,632	1,651
– of which North America	440	415	164	147	602	602	(121)	(114)	1,085	1,051
– of which Africa Middle East	202	202	7	8	22	29	(10)	(10)	221	228
– of which Corporate/Eliminations	(41)	(30)	0	4	1	16	(112)	(165)	(152)	(175)
Operating profit	615	673	97	58	40	17			752	748
– of which Asia Pacific	168	264	28	26	8	13			204	303
– of which Latin America	173	203	3	5	9	(8)			185	199
– of which Europe	179	138	40	13	(1)	(19)			218	132
– of which North America	98	76	36	21	33	29			167	126
– of which Africa Middle East	48	47	0	1	(1)	0			47	48
– of which Corporate/Eliminations	(52)	(54)	(10)	(8)	(8)	2			(69)	(60)
Operating profit margin in %	18.7	18.5	13.9	8.1	2.1	0.8			14.2	13.0

[1] Cement, clinker and other cementitious materials.
[2] Restated due to changes in accounting policies, see note 2.

7 Change in net sales

Million CHF	Jan–Sept 2013	Jan–Sept 2012[1]	July–Sept 2013	July–Sept 2012[1]
Volume and price	(35)	733	111	163
Change in structure	(503)	33	(206)	22
Currency translation effects	(430)	(63)	(355)	322
Total	**(967)**	**703**	**(450)**	**507**

[1] Restated due to changes in accounting policies, see note 2.

8 Change in operating profit

Million CHF	Jan–Sept 2013	Jan–Sept 2012[1]	July–Sept 2013	July–Sept 2012[1]
Volume, price and cost	73	168	72	58
Change in structure	(45)	(17)	(21)	(5)
Currency translation effects	(60)	(24)	(47)	38
Total	**(32)**	**127**	**4**	**91**

[1] Restated due to changes in accounting policies, see note 2.

9 Other income

Million CHF	Jan–Sept 2013	Jan–Sept 2012[1]	July–Sept 2013	July–Sept 2012[1]
Dividends earned	3	2	3	0
Other ordinary income	204	24	32	7
Depreciation, amortization and impairment of non-operating assets	(4)	(6)	(3)	0
Total	**203**	**20**	**32**	**7**

[1] Restated due to changes in accounting policies, see note 2.

The position "Other ordinary income" includes a net gain on the disposal of a 25 percent equity interest in Cement Australia of AUD 151 million (CHF 139 million). Additional information is disclosed in note 3.

The remaining amount of the position "Other ordinary income" relates primarily to gains on disposal of property, plant and equipment.

10 Financial income

Million CHF	Jan–Sept 2013	Jan–Sept 2012[1]	July–Sept 2013	July–Sept 2012[1]
Interest earned on cash and marketable securities	88	95	25	32
Other financial income	80	94	64	68
Total	**168**	**189**	**89**	**100**

[1] Restated due to changes in accounting policies, see note 2.

In the third quarter the partial realization of the change in fair value of the compensation related to the nationalization of Holcim Venezuela in the amount of CHF 57 million (2012: 58) has been recognized in the position "Other financial income".

The remaining amount in the position "Other financial income" relates primarily to interest income from loans and receivables.

11 Financial expenses

Million CHF	Jan–Sept 2013	Jan–Sept 2012[1]	July–Sept 2013	July–Sept 2012[1]
Interest expenses	(458)	(491)	(150)	(165)
Amortization on bonds and private placements	(9)	(9)	(3)	(3)
Unwinding of discount on provisions	(10)	(24)	(2)	(7)
Other financial expenses	(59)	(66)	(23)	(22)
Foreign exchange loss net	(55)	(10)	(32)	(6)
Financial expenses capitalized	16	31	3	10
Total	**(576)**	**(569)**	**(208)**	**(193)**

[1] Restated due to changes in accounting policies, see note 2.

The positions "Interest expenses" and "Other financial expenses" relate primarily to financial liabilities measured at amortized cost.

The position "Financial expenses capitalized" comprises interest expenditures on large-scale projects during the reporting period.

12 Assets and related liabilities classified as held for sale

In third quarter 2013, Holcim signed a Memorandum of Understanding with Cemex as detailed below.

In Spain, Holcim and Cemex will combine their operations in cement, ready-mix and aggregates where Holcim will hold a shareholding of 25 percent of the combined entity. This combination will enable the Group to add value to its Spanish business and to benefit from synergies in the supply chain.

In Germany Holcim will purchase a cement plant, two grinding stations and one slag granulator as well as various aggregates locations and ready-mix plants from Cemex in the western part of the country which will be combined with Holcim's existing Northern German operations.

This will allow the Group to better connect its operations in Northern Germany and also in France Benelux and is expected to yield synergies in the supply chain. As consideration for the above, Cemex will buy Holcim (Česko) a.s. which is involved in the cement, aggregates and ready-mix businesses.

Closure of the transaction is subject to due diligence and to regulatory approval. At this moment, Holcim anticipates that the competition authorities' decision will be communicated during the first half of 2014.

The assets and liabilities of the operations in Spain and Czech Republic were classified as held for sale.

13 Financial assets and liabilities recognized and measured at fair value

The following table presents the Group's financial instruments that are recognized and measured at fair value on September 30, 2013.

No changes in the valuation techniques of the below items have occurred since the last annual financial statements.

Million CHF	Fair value level 1	Fair value level 2	Total
Financial assets			
Available-for-sale financial assets			
– Marketable securities	1		1
– Financial investments third parties	1	101	102
– Others		87	87
Derivatives held for hedging		79	79
Financial liabilities			
Derivatives held for hedging		41	41

14 Bonds

On September 12, 2013 Holcim US Finance S.à r.l. & Cie S.C.S. issued a USD 500 million bond with a coupon of 5.15 percent and a tenor of 10 years, guaranteed by Holcim Ltd. On the same date, Holcim Capital Corporation Ltd. issued a USD 250 million bond with a coupon of 6.5 percent and a tenor of 30 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

15 Contingencies and commitments

The Group's commitments amounted to CHF 1,226 million (December 31, 2012: 1,461). The decrease is mainly related to various purchase commitments for products which were realized during the current nine month period. The Group's contingencies amounted to CHF 743 million (December 31, 2012: CHF 852). The decrease is primarily related to currency translation.

The Competition Commission of India issued an Order dated June 20, 2012, imposing a penalty of INR 23,119 million (CHF 334 million) on two Indian Holcim Group companies concerning an alleged breach of competition law by certain cement manufacturers in India. The two Holcim Group companies contest the allegation and have filed an appeal against the Order before the appropriate authority, which is pending a decision. As per the Order, a total deposit of 10 percent of the penalty amount has been placed with a financial institution by both Holcim Group companies with a lien in favor of the Competition Appellate Tribunal. Based on the advice of external legal counsel, Holcim believes that it has good grounds for appeal. Accordingly no provision has been recognized in the statement of financial position.

16 Payout

In conformity with the decision taken at the annual general meeting on April 17, 2013, a payout related to 2012 of CHF 1.15 per registered share has been paid out of capital contribution reserves. This resulted in a total payment of CHF 374 million.

17 Events after the reporting period

On October 11, 2013, Holcim US Finance S.à r.l. & Cie S.C.S. early repaid a private placement of EUR 202 million which was swapped to USD floating interest rates at inception. The original repayment date was April 11, 2015.

18 Other information

Due to expected changes regarding tax rules in Mexico, Holcim Mexico could be required to pay additional income taxes. However due to the uncertainties involved in interpreting the proposed tax legislation, no reliable estimate of the potential impacts can be made currently.

19 Authorization of the interim financial statements for issue

The interim financial statements were authorized for issuance by the Board of Directors of Holcim Ltd on November 4, 2013.

20 Principal exchange rates

		Statement of income Average exchange rates in CHF January–September		Statement of financial position Closing exchange rates in CHF		
		2013	2012	30.9.2013	31.12.2012	30.9.2012
1 Euro	1 EUR	1.23	1.21	1.22	1.21	1.21
1 US Dollar	1 USD	0.93	0.94	0.91	0.92	0.93
1 British Pound	1 GBP	1.45	1.48	1.46	1.48	1.52
1 Australian Dollar	1 AUD	0.92	0.97	0.84	0.95	0.98
100 Brazilian Real	100 BRL	44.30	49.00	40.09	44.76	46.06
1 Canadian Dollar	1 CAD	0.91	0.94	0.88	0.92	0.95
1,000 Indonesian Rupiah	1,000 IDR	0.09	0.10	0.08	0.09	0.10
100 Indian Rupee	100 INR	1.63	1.77	1.44	1.67	1.78
100 Moroccan Dirham	100 MAD	11.04	10.87	10.91	10.82	10.88
100 Mexican Peso	100 MXN	7.38	7.09	6.85	7.05	7.29

Holcim securities

The Holcim shares (security code number 1221405) are listed on the SIX Swiss Exchange and traded on the Main Standard of SIX Swiss Exchange. Telekurs lists the registered share under HOLN. The corresponding code under Bloomberg is HOLN VX, while Thomson Reuters uses the abbreviation HOLN.VX. Every share carries one vote. The market capitalization of Holcim Ltd amounted to CHF 22.0 billion at September 30, 2013.

Cautionary statement regarding forward-looking statements

This document may contain certain forward-looking statements relating to the Group's future business, development and economic performance.

Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this document.

Holcim assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

Financial reporting calendar

Press and analyst conference on annual results for 2013	February 26, 2014
Results for the first quarter 2014	April 28, 2014
General meeting of shareholders	April 29, 2014
Half-year results for 2014	July 30, 2014
Press and analyst conference for the third quarter 2014	November 4, 2014

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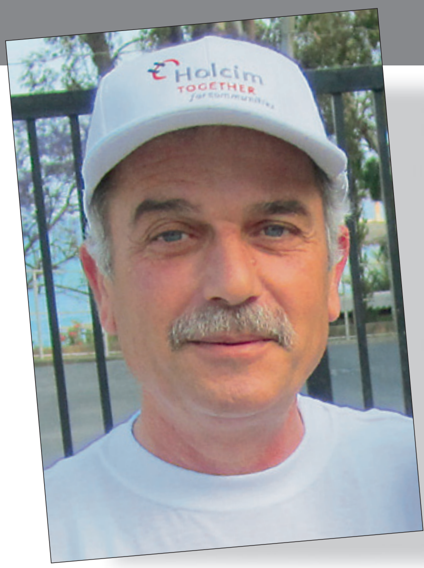
Holcim is a worldwide leading producer of cement and aggregates. Further activities include the provision of ready-mix concrete and asphalt as well as other services. The Group is active in around 70 countries and employs more than 73,000 people.



For our centennial in 2012, employees made their mark by engaging in voluntary work in communities around our production sites.