Second Quarter 2016 Results

Eric Olsen, CEO and Ron Wirahadiraksa, CFO

August 5, 2016

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01 Overview of Q2 2016 Results

Eric Olsen, Chief Executive Officer

Q2 2016 Highlights

- Adjusted operating EBITDA of CHF 1.7bn up 6.0% like for like on Q2 2015
- Profitability improvement translates into adjusted operating EBITDA margin of 23.4%, up 2pp versus last year:
  - ✓ Effective pricing strategy: upwards price trajectory showing momentum in the second quarter with prices increase of 2.2% on Q1 2016
  - ✓ Acceleration of merger synergy realization in the quarter and on-going cost discipline
  - ✓ Strong growth in countries such as Philippines, Mexico, US, Algeria, Lebanon, improved profitability in China and turnaround in India offset challenging trading conditions in few markets including Nigeria, Western Canada and Brazil
- Disposal program of CHF 3.5bn exceeded
- Outlook for 2016 confirmed

CHF 3.5bn divestment program exceeded

Executed divestments
- South Korea (effective in April 2016, EV CHF 465m)
- Morocco (effective in July)

Secured divestments	Expected closing date
• Saudi Arabia	Q3 2016
• Lafarge India	Q3 2016
• Sri Lanka	Q3 2016
• China	Q4 2016
• Vietnam	Q4 2016

CHF ~ 3.5bn Net Financial Debt impact

CHF ~ 140m scope impact on adj. operating EBITDA in 2016 *

CHF ~ 260m tax impact

* Based on anticipated closing date of the transactions

02 Q2 2016 results and Performance analysis

Ron Wirahadiraksa, Chief Financial Officer

Key financial figures

CHF m	Q2 2016	Q2 2015	± %	Like-for-like %	6M 2016	6M 2015	± %	Like-for-like %
Volumes								
Cement (Mt)	62.8	68.1	-7.8%	-3.0%	119.3	123.9	-3.7%	-0.1%
Aggregates (Mt)	78.6	77.3	1.8%	3.0%	130.2	129.6	0.5%	2.2%
Ready-mix (Mm^3)	14.9	14.9	0.3%	0.3%	27.5	27.3	0.9%	1.0%
Net sales	**7'280**	**7'804**	**-6.7%**	**-2.1%**	**13'342**	**14'217**	**-6.2%**	**-1.1%**
Operating EBITDA adj. [1]	**1'705**	**1'662**	**2.6%**	**6.0%**	**2'529**	**2'711**	**-6.7%**	**-2.9%**
Operating EBITDA margin adj. [1]	**23.4%**	**21.3%**	**2.1 pp**	**1.8 pp**	**19.0%**	**19.1%**	**-0.1 pp**	**-0.4 pp**
Net income	**499**	**-142**	**451.4%**		**452**	**134**	**237.3%**	
Operating Free Cash Flow [2]	**79**	**35**	**123.4%**	**196.8%**	**-539**	**-726**	**25.8%**	**26.4%**
Capex Net	**-447**	**-619**	**27.9%**	**24.6%**	**-800**	**-1'107**	**27.8%**	**24.5%**
Net Debt					**18'141**	**17'265** [3]	**5.1%**	
Earnings per share (in CHF)	**0.66**	**-0.37**	**n.a**		**0.48**	**-0.05**	**n.a**	

All figures are pro forma financials. They include the changes in the scope of the divestments achieved in connection with the merger, the impact of merger, restructuring and other one-offs, the deconsolidation of the Australian business operated under a joint-venture and the effect of the divestments achieved over the course of 2015. The scope perimeter was only impacted by minor changes in Q1 2016, and mostly the deconsolidation of South Korea in Q2 2016. Announced transactions (China, India, Morocco, Saudi Arabia, Sri Lanka, Vietnam) are not effective by end of June 2016, while 2 cement plants with a capacity of 5 Mt in Lafarge India are reclassified as discontinued operations.

[1] Excluding merger, restructuring and other one-offs
[2] Cash Flow from operating activities less net maintenance and expansion capex
[3] As of December 31, 2015

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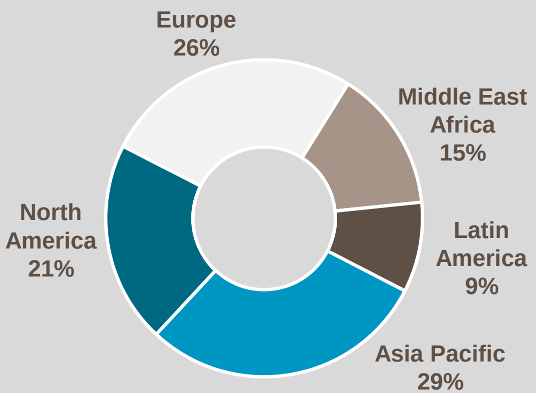
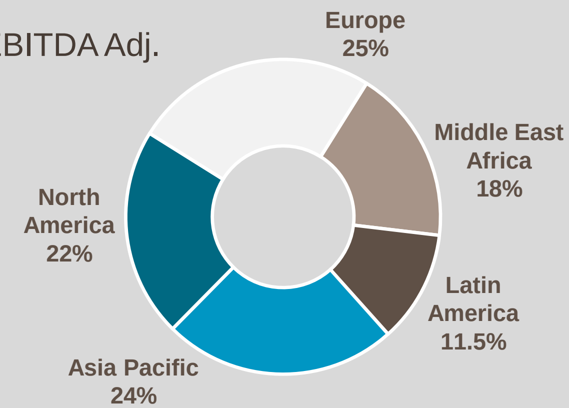
Net sales and operating EBITDA adjusted[1)] by Region – Q2 2016

Net sales



Operating EBITDA Adj.



CHF m	Q2 2016	Q2 2015	± %	Like-for-like %
Asia Pacific	2'194	2'334	-6.0%	-0.1%
Europe	1'968	2'022	-2.7%	-3.1%
Latin America	684	807	-15.3%	-5.0%
Middle East Africa	1'081	1'226	-11.8%	-7.0%
North America	1'538	1'512	1.7%	0.7%
Corporate / Eliminations	-184	-97	-0.9%	0.6%
Group	**7'280**	**7'804**	**-6.7%**	**-2.1%**

CHF m	Q2 2016	Q2 2015	± %	Like-for-like %
Asia Pacific	438	392	11.8%	18.4%
Europe	458	423	8.1%	8.3%
Latin America	211	196	7.5%	16.6%
Middle East Africa	329	416	-21.0%	-17.6%
North America	393	364	8.0%	6.6%
Corporate	-124	-130	4.4%	6.6%
Group	**1'705**	**1'662**	**2.6%**	**6.0%**

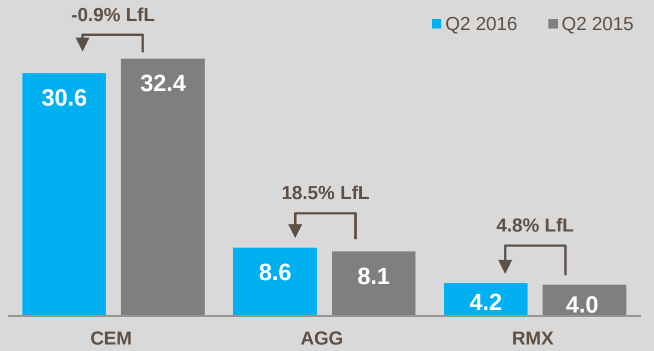
[1)] Excluding merger, restructuring and other one-offs

Asia Pacific

CHF m	Q2 2016	Q2 2015	±%	Like-for-like %	6M 2016	6M 2015	±%	Like-for-like %
Volumes								
Cement (Mt)	30.6	32.4	-5.6%	-0.9%	60.7	60.6	0.1%	2.6%
Aggregates (Mt)	8.6	8.1	5.7%	18.5%	15.9	15.9	0.2%	14.0%
Ready-mix (Mm^3)	4.2	4.0	4.8%	4.8%	8.0	7.7	3.8%	3.8%
Net sales	**2'194**	**2'334**	**-6.0%**	**-0.1%**	**4'341**	**4'549**	**-4.6%**	**0.4%**
Operating EBITDA adj. [1)]	**438**	**392**	**11.8%**	**18.4%**	**782**	**816**	**-4.2%**	**0.8%**
Operating EBITDA margin adj. [1)]	**20.0%**	**16.8%**	**3.2 pp**	**3.1 pp**	**18.0%**	**17.9%**	**0.1 pp**	**0.1 pp**
Cash flow from Op activities	**368**	**398**	**-7.4%**	**0.5%**	**419**	**359**	**16.8%**	**26.3%**
Capex Net	**-96**	**-133**	**27.4%**	**22.3%**	**-165**	**-260**	**36.4%**	**32.2%**

[1)] Excluding merger, restructuring and other one-offs

- Strong cement market environment in the Philippines but still challenging conditions in Indonesia and Malaysia
- Profitability improvement translates into adjusted operating EBITDA margin increase of 320 bps to 20% in Q2 2016 over the prior year driven by:
  - A significant turnaround in India supported by our pricing strategy and continued efforts on costs reduction, notably on fuel mix optimization
  - Efficient focus on costs in China leading to a double-digit margin increase for our operations in the country



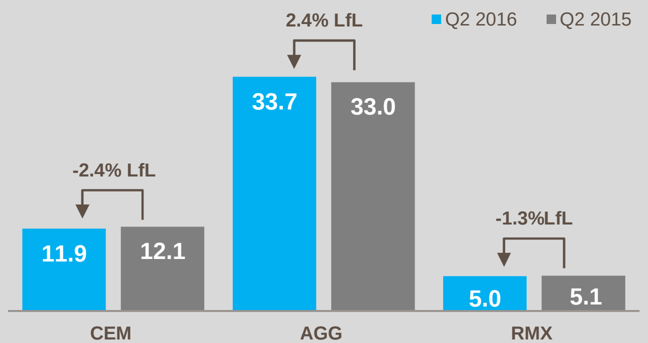
Sales volumes development

Europe

CHF m	Q2 2016	Q2 2015	±%	Like-for-like %	6M 2016	6M 2015	±%	Like-for-like %
Volumes								
Cement (Mt)	11.9	12.1	-2.4%	-2.4%	19.6	20.1	-2.7%	-2.7%
Aggregates (Mt)	33.7	33.0	2.4%	2.4%	59.0	58.7	0.5%	0.5%
Ready-mix (Mm^3)	5.0	5.1	-1.3%	-1.3%	9.1	9.1	-0.6%	-0.6%
Net sales	**1'968**	**2'022**	**-2.7%**	**-3.1%**	**3'465**	**3'574**	**-3.1%**	**-3.3%**
Operating EBITDA adj. [1)]	**458**	**423**	**8.1%**	**8.3%**	**576**	**584**	**-1.4%**	**-1.7%**
Operating EBITDA margin adj. [1)]	**23.2%**	**20.9%**	**2.3 pp**	**2.5 pp**	**16.6%**	**16.4%**	**0.3 pp**	**0.3 pp**
Cash flow from Op activities	**337**	**234**	**43.6%**	**43.8%**	**202**	**37**	**444.4%**	**434.7%**
Capex Net	**-59**	**-86**	**31.6%**	**26.6%**	**-108**	**-141**	**23.6%**	**19.2%**

[1)] Excluding merger, restructuring and other one-offs

- Slightly upwards construction trends observed in France, Germany and Switzerland
- Difficult environment in commodity-driven economies such as Russia and Azerbaijan. Political uncertainties in Spain and the UK are a concern
- Adjusted operating EBITDA margin increased by 230 bps to 23.2% in Q2 2016, helped by:
  - Asset base optimization in countries such as Russia, Italy, Spain, France, Belgium
  - Synergies and on-going costs savings initiatives



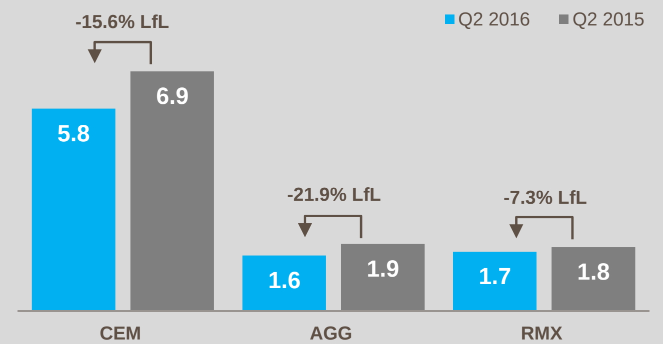
Sales volumes development

Latin America

CHF m	Q2 2016	Q2 2015	±%	Like-for-like %	6M 2016	6M 2015	±%	Like-for-like %
Volumes								
Cement (Mt)	5.8	6.9	-15.6%	-15.6%	11.8	13.6	-13.2%	-13.2%
Aggregates (Mt)	1.6	1.9	-17.1%	-21.9%	3.3	3.8	-10.9%	-10.9%
Ready-mix (Mm^3)	1.7	1.8	-7.3%	-7.3%	3.4	3.6	-6.7%	-6.7%
Net sales	**684**	**807**	**-15.3%**	**-5.0%**	**1'366**	**1'616**	**-15.5%**	**-3.3%**
Operating EBITDA adj. [1]	**211**	**196**	**7.5%**	**16.6%**	**421**	**451**	**-6.7%**	**2.0%**
Operating EBITDA margin adj. [1]	**30.8%**	**24.3%**	**6.5 pp**	**5.5 pp**	**30.8%**	**27.9%**	**2.9 pp**	**1.6 pp**
Cash flow from Op activities	**8**	**51**	**-85.2%**	**-90.3%**	**22**	**102**	**-78.9%**	**-104.1%**
Capex Net	**-28**	**-77**	**63.5%**	**57.1%**	**-45**	**-173**	**74.0%**	**67.8%**

[1] Excluding merger, restructuring and other one-offs

- As expected, cement market in Brazil and Ecuador remained subdued in the backdrop of economic turmoil, while demand was soft in Mexico
- Adjusted operating EBITDA margin increased by 650 bps to 30.8%
  - Successful price strategy implemented in Mexico, Argentina, Colombia, largely offsetting the negative volume contribution
  - In Brazil and Ecuador more specifically, on-going actions on costs mitigate the top line deterioration and support margin improvements



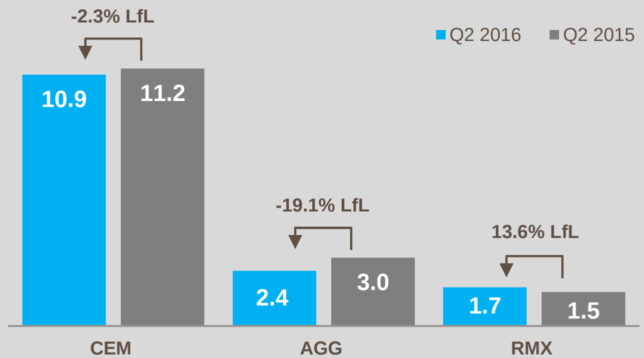
Sales volumes development

Middle East Africa

CHF m	Q2 2016	Q2 2015	±%	Like-for-like %	6M 2016	6M 2015	±%	Like-for-like %
Volumes								
Cement (Mt)	10.9	11.2	-2.3%	-2.3%	21.7	21.7	0.3%	0.3%
Aggregates (Mt)	2.4	3.0	-19.1%	-19.1%	6.0	5.4	10.2%	10.2%
Ready-mix (Mm^3)	1.7	1.5	13.6%	13.6%	3.1	2.8	12.0%	12.0%
Net sales	**1'081**	**1'226**	**-11.8%**	**-7.0%**	**2'130**	**2'390**	**-10.9%**	**-5.7%**
Operating EBITDA adj. [1]	**329**	**416**	**-21.0%**	**-17.6%**	**584**	**780**	**-25.1%**	**-21.3%**
Operating EBITDA margin adj. [1]	**30.4%**	**33.9%**	**-3.5 pp**	**-3.8 pp**	**27.4%**	**32.6%**	**-5.2 pp**	**-5.4 pp**
Cash flow from Op activities	**153**	**203**	**-24.8%**	**-22.5%**	**352**	**452**	**-22.2%**	**-20.5%**
Capex Net	**-99**	**-143**	**30.9%**	**26.3%**	**-190**	**-243**	**21.6%**	**17.5%**

[1] Excluding merger, restructuring and other one-offs

- Performance of the region heavily affected by Nigeria. Mixed picture overall in other markets with Algeria, Egypt, Lebanon, Morocco delivering strong contributions but South Africa and Zambia declining over last year
- Adjusted operating EBITDA margin decreased by 350 bps to 30.4%. Excluding Nigeria, the margin would have increased by 250 bps to 33.6% and adjusted operating EBITDA would have increased by 7.9%
  - Production in Nigeria significantly disrupted by gas shortages. Despite continuous recovery, prices remained below last year while the recent currency devaluation did not have yet a strong impact on the cost base



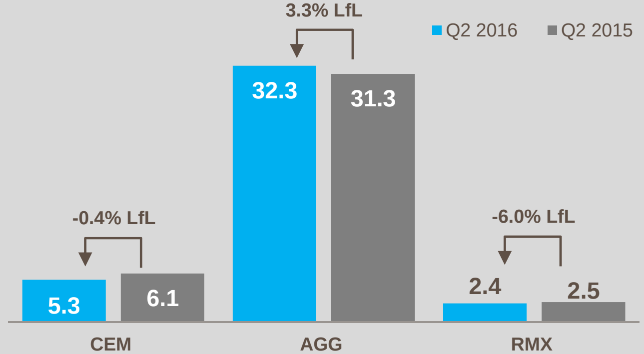
Sales volumes development

North America

CHF m	Q2 2016	Q2 2015	±%	Like-for-like %	6M 2016	6M 2015	±%	Like-for-like %
Volumes								
Cement (Mt)	5.3	6.1	-12.8%	-0.4%	8.8	9.0	-2.7%	5.8%
Aggregates (Mt)	32.3	31.3	3.3%	3.3%	46.0	45.8	0.3%	0.3%
Ready-mix (Mm³)	2.4	2.5	-6.0%	-6.0%	3.9	4.0	-1.9%	-1.5%
Net sales	**1'538**	**1'512**	**1.7%**	**0.7%**	**2'404**	**2'287**	**5.1%**	**3.9%**
Operating EBITDA adj. [1]	**393**	**364**	**8.0%**	**6.6%**	**396**	**338**	**17.1%**	**14.8%**
Operating EBITDA margin adj. [1]	**25.6%**	**24.1%**	**1.5 pp**	**1.4 pp**	**16.5%**	**14.8%**	**1.7 pp**	**1.5 pp**
Cash flow from Op activities	**52**	**-42**	**223.6%**	**215.2%**	**-183**	**-256**	**28.7%**	**31.6%**
Capex Net	**-163**	**-159**	**-2.5%**	**-1.0%**	**-287**	**-258**	**-11.2%**	**-10.4%**

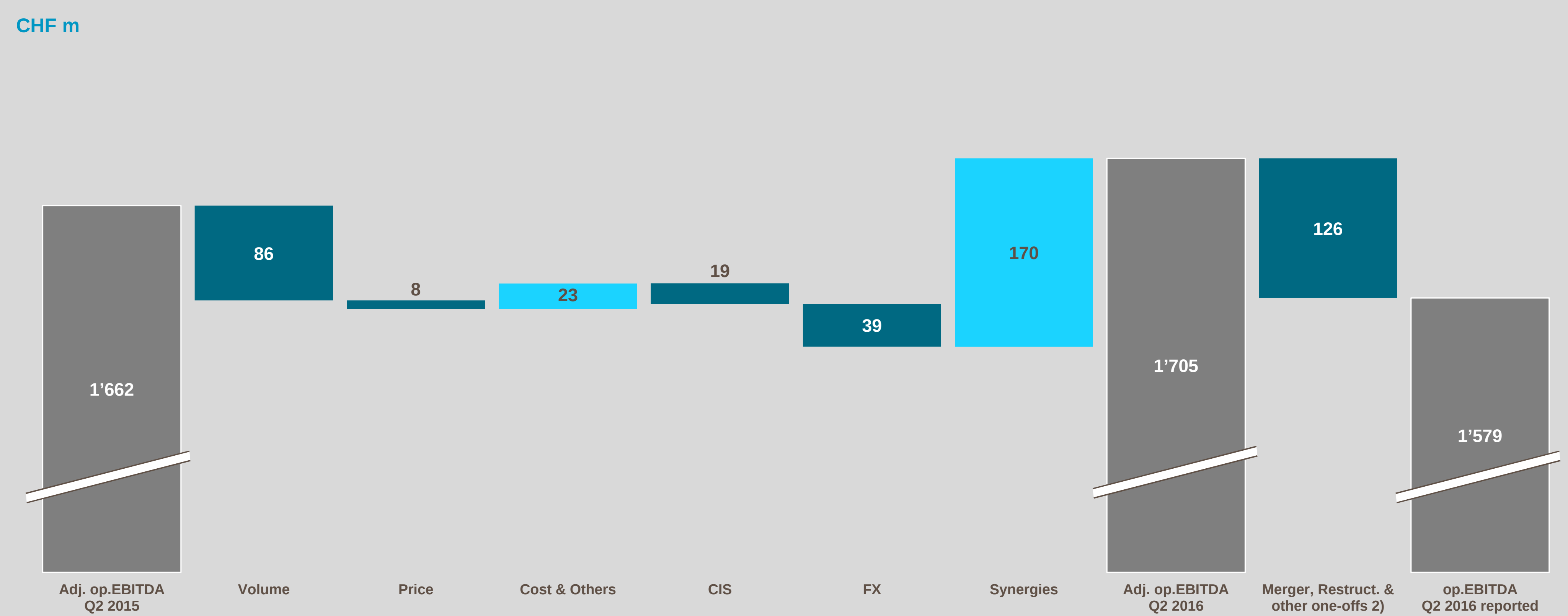
[1] Excluding merger, restructuring and other one-offs

- Resilient demand and solid pricing trend in the US. Twofold picture in Canada with a mild growth on the East Coast while the West Coast continued to suffer from lower demand generated by commodity-driven recession and fires in Fort McMurray
- Adjusted operating EBITDA margin increased by 150 bps to 25.6%, mainly driven by solid performance in the US
  - In the US, pricing strategy implemented in the beginning of the year sustained on the back of favorable market conditions
  - In Canada, overall efforts realized on cost savings could not offset substantial declines in volumes and prices in the West Coast



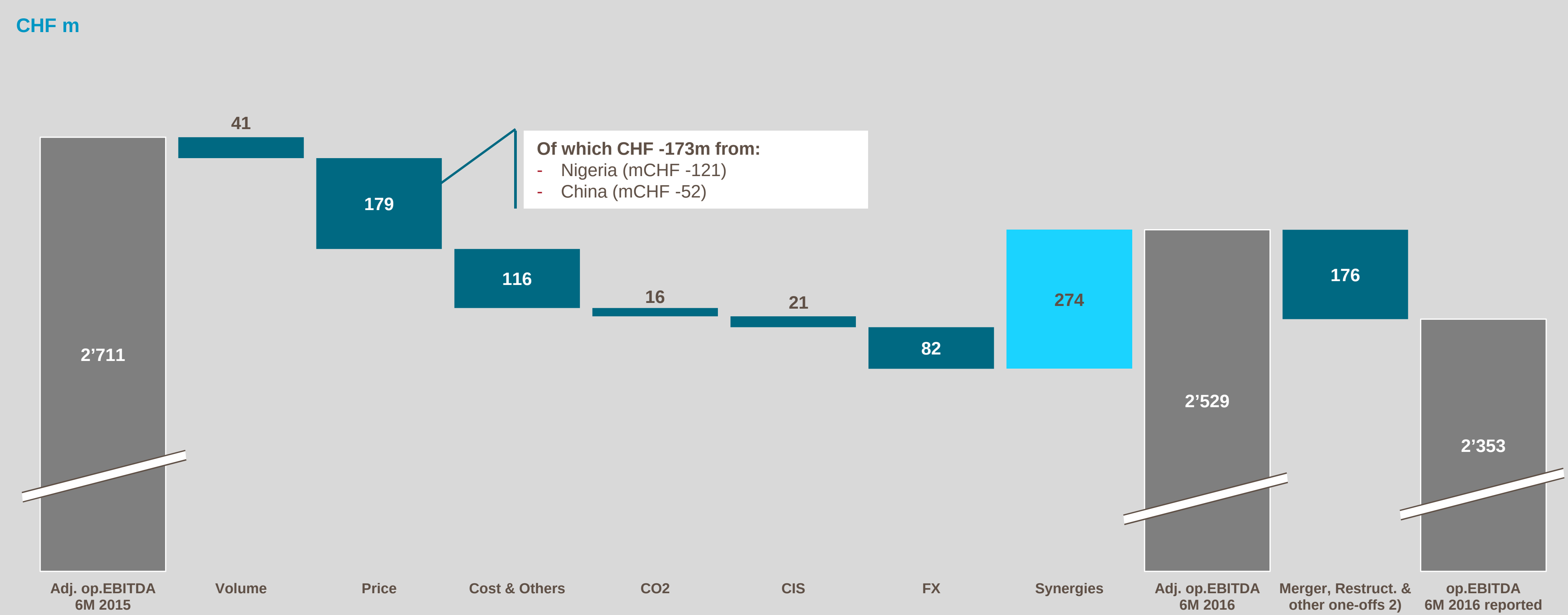
Sales volumes development

Operating EBITDA adjusted[1)] Q2 2016



1) Excluding merger, restructuring and other one-offs
2) Of which CHF 80 million implementation cost related to synergies and CHF 45 million restructuring costs and other one-offs not related to the merger

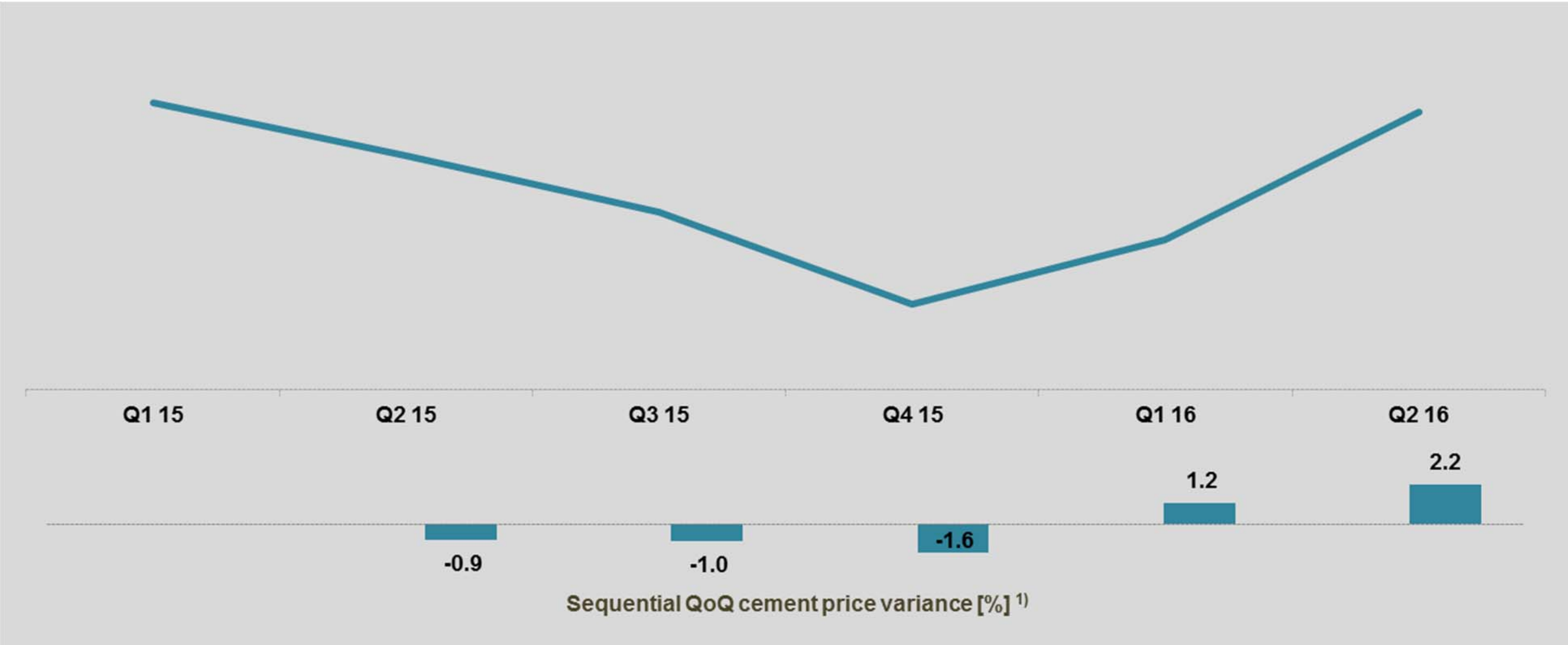
Operating EBITDA adjusted[1)] 6M 2016



[1)] Excluding merger, restructuring and other one-offs
[2)] Of which CHF 116 million implementation cost related to synergies and CHF 59 million restructuring costs and other one-offs not related to the merger

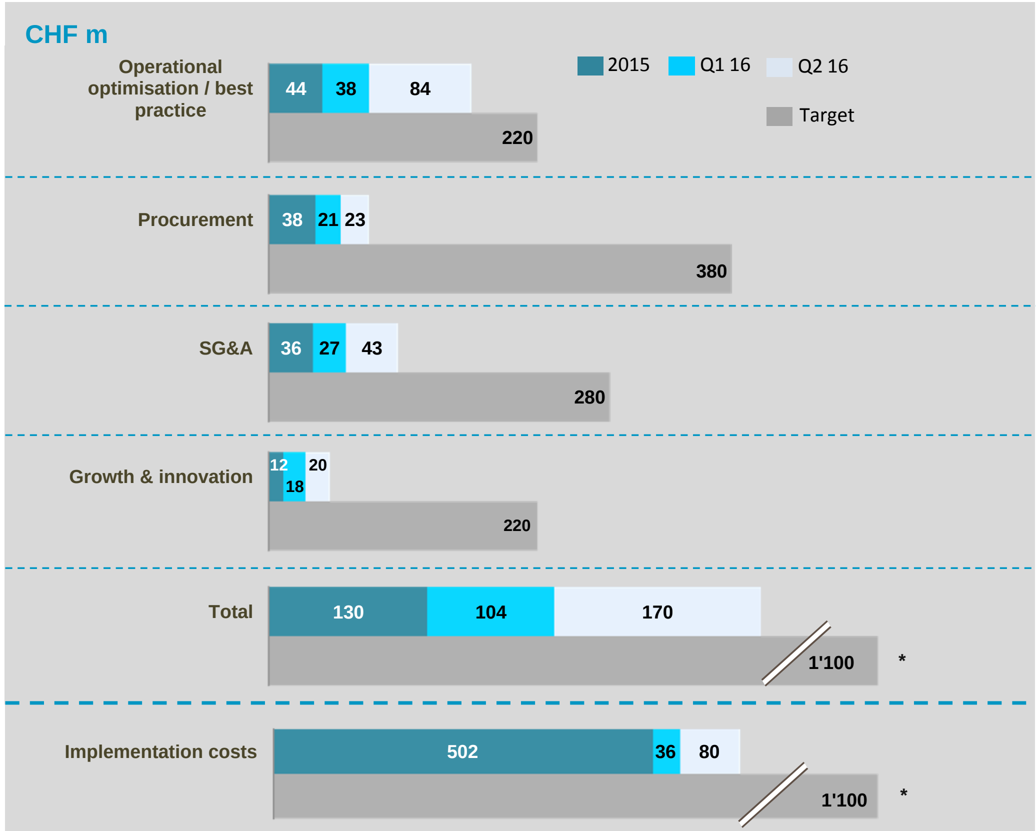
Quarter-on-quarter price trend

➔ Cement price increased 2.2% vs. Q1 2016, following a +1.2% sequential QoQ improvement in Q1 2016 vs. Q4 2015



[1] Sequential QoQ price development calculated at constant geographical mix effect and constant FX

Acceleration of synergies delivery in Q2 2016



*Exchange rate of 1EUR = 1.1 CHF used in the calculation

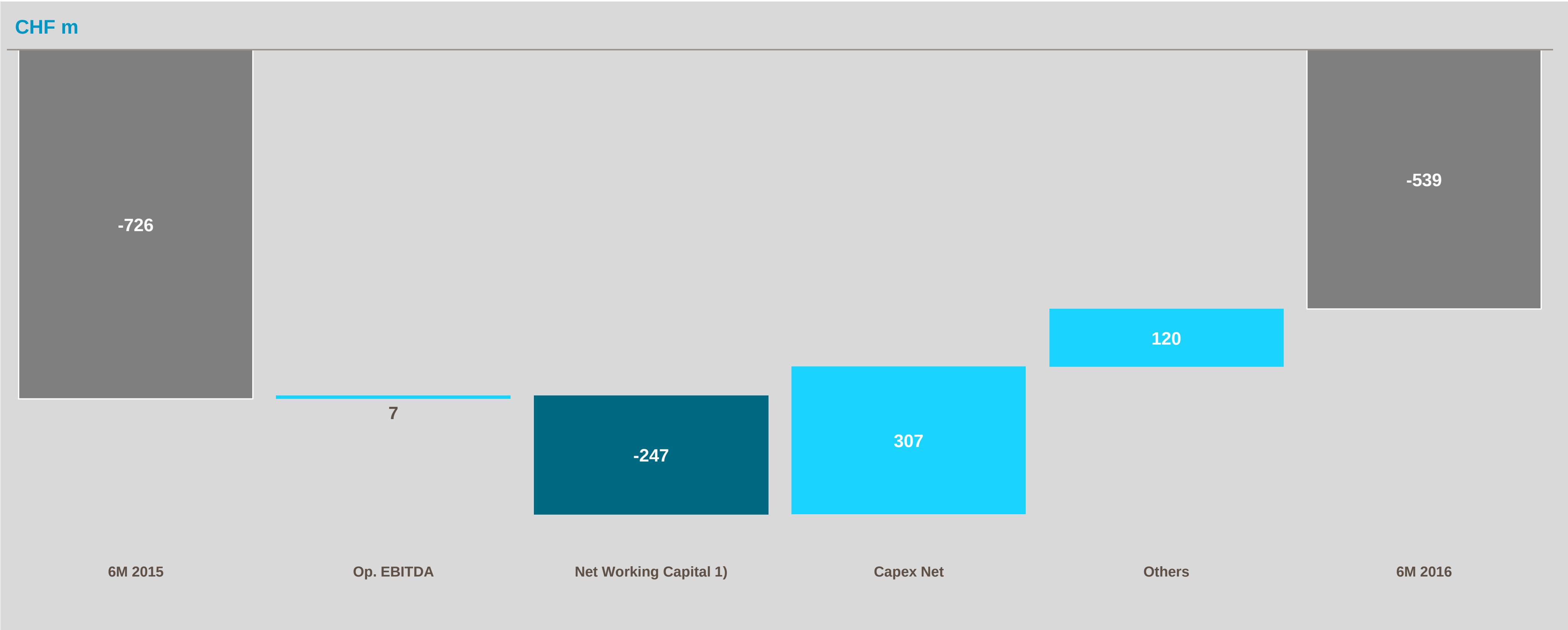
- Cement productivity best-practices deployment
- Network optimization in major overlapping countries

- Reduction of external spending by renegotiating top 2000 contracts, switching to best supplier, implementing Category management approach

- Combination and right-sizing of headquarters and overlapping countries
- Regional shared service platform development

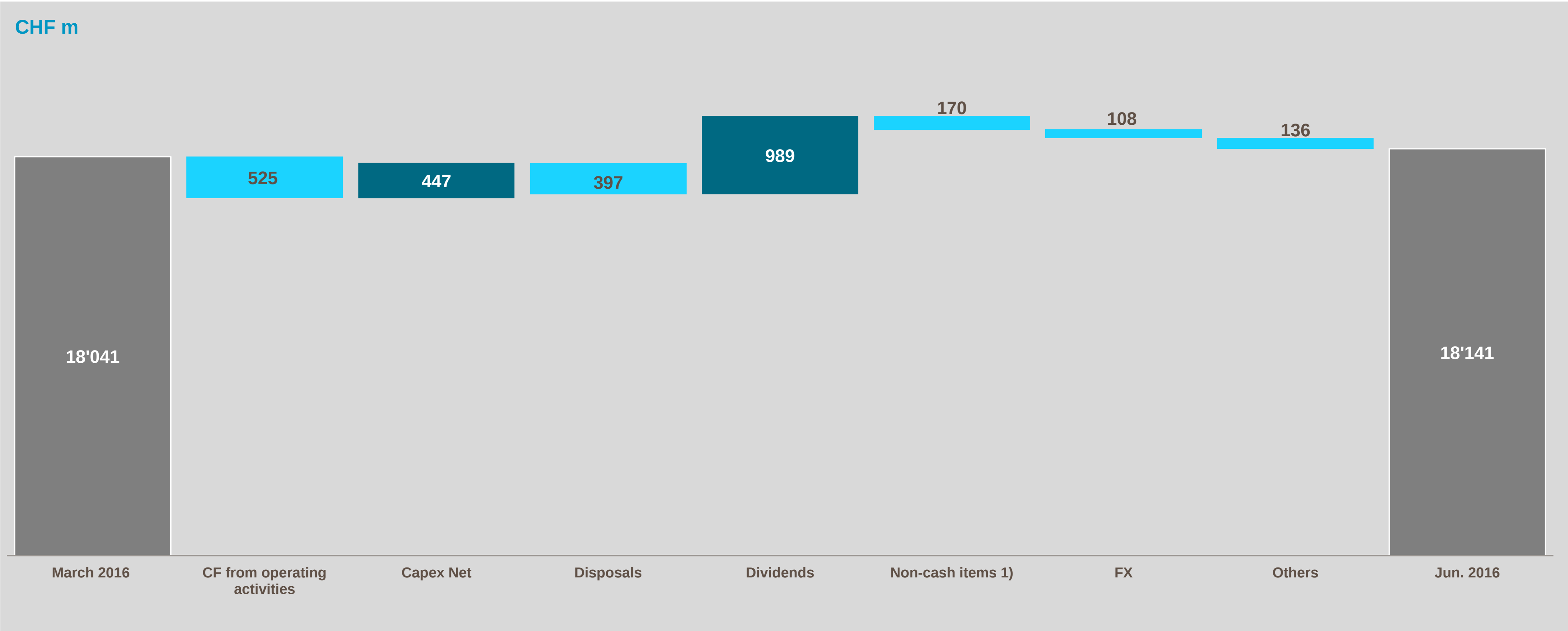
- Cross-selling and best-practice roll-out in specific markets / segments
- Pricing and margin optimization by improving customer and geography mix

Operating Free Cash Flow



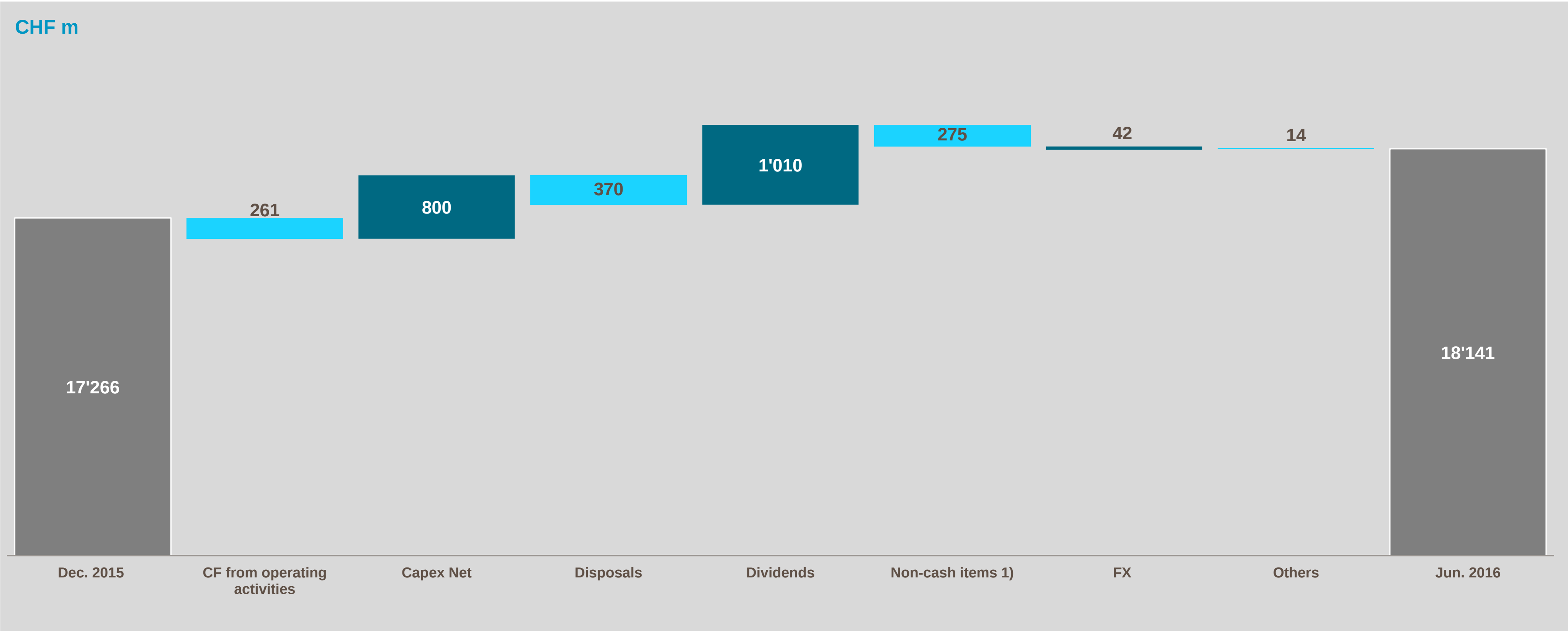
1) Change in net working capital mainly impacted by cash effective merger, restructuring and other one-offs

Net Financial Debt March 2016 to June 2016



1) Of which PPA adjustments of CHF 56m

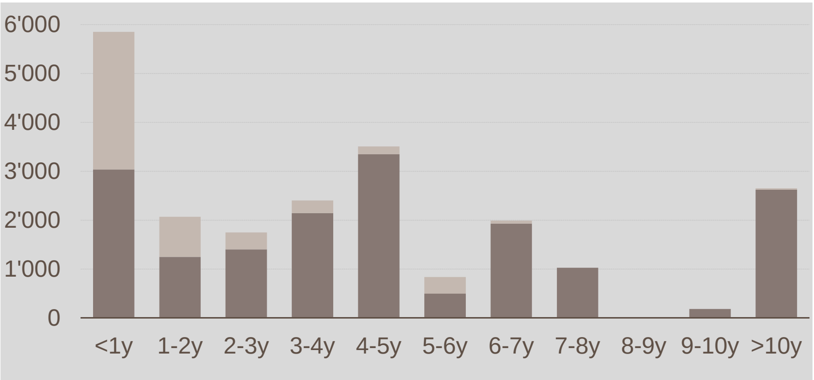
Net Financial Debt December 2015 to June 2016



1) Of which PPA adjustments of CHF 128m

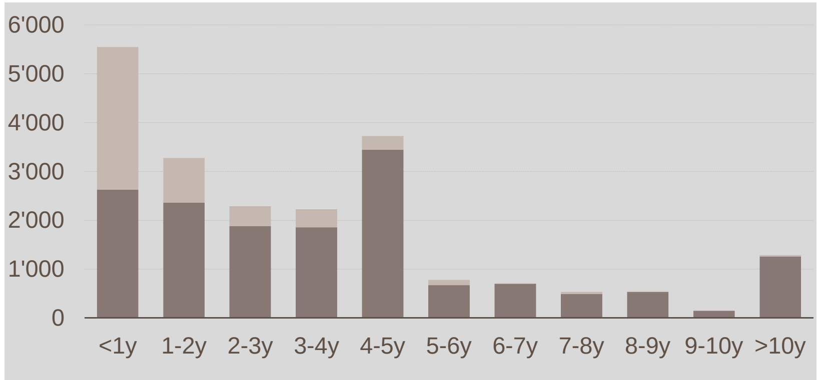
Improvement of maturity profile and cost of debt

June 2016



Average maturity 4.9 y

Dec. 2015



Average maturity 4.2 y

Average cost of debt: 4.7% (June 2016) | 5.1% (Dec. 2015)

Capital Markets (before debt repayment)
Loans

Note: Pro forma debt maturity as at 30 June 2016, after risk-related adjustment of CHF 1,143m from current financial liabilities to long term financial liabilities. Excl. amounts related to the Purchase Price Allocation on debt.

03 Outlook and Update on Strategic Initiatives

Eric Olsen, Chief Executive Officer

Outlook for 2016

- Cement demand outlook 2016: overall global demand in the range of 1-3 per cent
- Other expectations for 2016 remain unchanged
  - Capex below CHF 2.0 billion
  - Incremental synergies of more than CHF 450 million of adjusted operating EBITDA
  - Pricing recovery actions and commercial excellence initiatives will demonstrate tangible results in 2016
  - Net debt around CHF 13.0 billion at year end, including the effect of our planned divestment program
  - CHF 3.5 billion divestment program to be completed
  - At least a high single digit like for like increase in adjusted operating EBITDA

On track for 2018 targets[1)]

Free Cash Flow

- At least CHF 10.0bn cumulative 2016 – 2018
- CHF 3.5-4.0bn run rate by 2018
- At least CHF 6 per share run rate by 2018

Capex

- Max CHF 3.5bn cumulative 2016 – 2017

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- At least 300bps improvement from 2015 level by 2018 from operational improvement

Operating EBITDA

- At least CHF 8.0bn in 2018

Credit Rating

- Maintain solid investment grade rating

Cash Returns to Shareholders

- Progressively grow DPS and 50% pay-out over cycle
- Return excess cash to shareholders commensurate with a solid investment grade credit rating

[1)] Targets assume constant scope (except for India) and FX. FCF after maintenance and expansion capex. Capex target excluding capitalized merger implementation costs. Operating EBITDA before restructuring costs.

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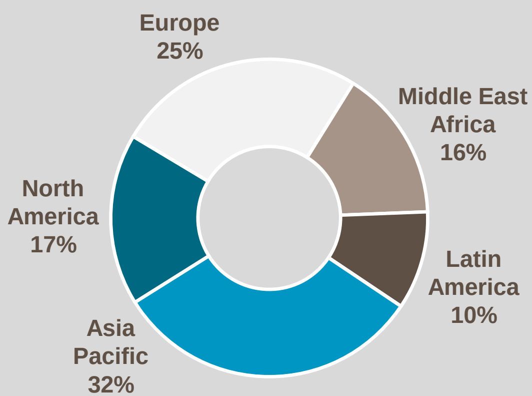
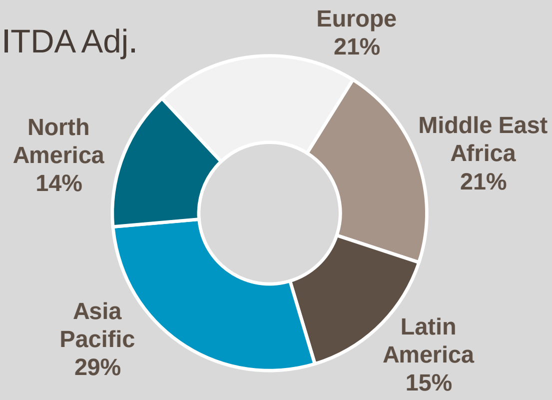
04 Appendix

Net sales and operating EBITDA adjusted[1)] by Region – 6M 2016

Net sales



Operating EBITDA Adj.



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Europe	3'465	3'574	-3.1%	-3.3%
Latin America	1'366	1'616	-15.5%	-3.3%
Middle East Africa	2'130	2'390	-10.9%	-5.7%
North America	2'404	2'287	5.1%	3.9%
Corporate / Eliminations	-363	-200	-0.8%	0.7%
Group	**13'342**	**14'217**	**-6.2%**	**-1.1%**

CHF m	6M 2016	6M 2015	± %	Like-for-like %
Asia Pacific	782	816	-4.2%	0.8%
Europe	576	584	-1.4%	-1.7%
Latin America	421	451	-6.7%	2.0%
Middle East Africa	584	780	-25.1%	-21.3%
North America	396	338	17.1%	14.8%
Corporate	-231	-259	10.8%	12.0%
Group	**2'529**	**2'711**	**-6.7%**	**-2.9%**

[1)] Excluding merger, restructuring and other one-offs

Net sales and adjusted operating EBITDA – Cement

CHF m	2016		2015 [2]				
Net Sales	**Q1**	**Q2**	**Q1**	**Q2**	**Q3**	**Q4**	**FY 2015**
Asia Pacific	1'742	1'738	1'794	1'893	1'692	1'920	7'299
Europe	619	898	650	939	889	793	3'271
Latin America	582	580	690	688	721	664	2'764
Middle East Africa	937	946	1'052	1'101	957	963	4'072
North America	465	683	390	722	868	706	2'686
Corporate / Eliminations	-62	-68	-23	-31	-6	-59	-118
Group	**4'283**	**4'778**	**4'552**	**5'313**	**5'121**	**4'987**	**19'973**
Operating EBITDA adj. [1]							
Asia Pacific	328	392	381	356	306	342	1'387
Europe	67	279	96	272	230	236	835
Latin America	199	198	244	194	229	221	889
Middle East Africa	246	311	360	405	306	267	1'338
North America	52	227	25	229	312	218	785
Corporate	-48	-166	-53	-47	-66	-28	-194
Group	**844**	**1'240**	**1'054**	**1'408**	**1'319**	**1'257**	**5'040**

[1] Excluding merger, restructuring, other one-offs [2] Restated to reflect proper allocation of restructuring, merger and other one-offs

Net sales and adjusted operating EBITDA – Aggregates

CHF m	2016		2015 [2]				
Net Sales	**Q1**	**Q2**	**Q1**	**Q2**	**Q3**	**Q4**	**FY 2015**
Asia Pacific	114	135	123	130	134	141	528
Europe	396	502	403	501	511	463	1'879
Latin America	12	11	16	16	15	14	60
Middle East Africa	26	31	30	32	31	29	123
North America	203	403	200	400	489	385	1'474
Corporate / Eliminations	-	-	-	-	-	-	-
Group	**750**	**1'083**	**772**	**1'080**	**1'181**	**1'032**	**4'064**
Operating EBITDA adj. [1]							
Asia Pacific	13	27	26	25	31	52	133
Europe	42	110	41	93	89	56	279
Latin America	-	0	2	-1	0	-3	-1
Middle East Africa	2	4	4	6	4	4	18
North America	-24	107	-21	97	122	68	266
Corporate	-12	-36	-10	-9	-14	-6	-39
Group	**21**	**212**	**42**	**210**	**234**	**170**	**656**

[1] Excluding merger, restructuring, other one-offs [2] Restated to reflect proper allocation of restructuring, merger and other one-offs

Net sales and adjusted operating EBITDA – Other

CHF m	2016		2015 [2]				
Net Sales	**Q1**	**Q2**	**Q1**	**Q2**	**Q3**	**Q4**	**FY 2015**
Asia Pacific	292	320	299	311	309	303	1'222
Europe	482	568	499	581	599	527	2'206
Latin America	88	93	103	104	104	106	417
Middle East Africa	86	104	83	92	82	85	342
North America	198	452	186	390	532	410	1'519
Corporate / Eliminations	-117	-116	-81	-66	-103	-8	-258
Group	**1'029**	**1'419**	**1'089**	**1'410**	**1'525**	**1'423**	**5'447**
Operating EBITDA adj. [1]							
Asia Pacific	3	19	17	12	11	6	45
Europe	10	69	24	59	58	12	151
Latin America	11	13	9	4	8	-1	20
Middle East Africa	8	14	0	6	0	-0	6
North America	-25	60	-31	38	84	40	132
Corporate	-47	78	-67	-74	-70	-89	-299
Group	**-41**	**253**	**-47**	**43**	**90**	**-32**	**55**

[1] Excluding merger, restructuring, other one-offs [2] Restated to reflect proper allocation of restructuring, merger and other one-offs

Operating Free Cash Flow

CHF m	Q2 2016	Q2 2015	±%	6M 2016	6M 2015	±%
Operating EBITDA	**1'579**	**1'429**	**10.5%**	**2'353**	**2'346**	**0.3%**
Total other non cash items	89	60	48.3%	174	111	56.8%
Change in net working capital	-549	-225	-144.0%	-1'244	-997	-24.8%
Financial expenses paid net	-232	-238	2.5%	-441	-489	9.8%
Income taxes paid	-349	-382	8.6%	-586	-614	4.6%
Other cash items	-14	12	-216.7%	5	25	-80.0%
Cash flow from op. activities	**525**	**655**	**-19.7%**	**261**	**382**	**-31.6%**
Capex to maintain net	-243	-237	-2.5%	-426	-385	-10.6%
Expansion capex	-204	-383	46.7%	-373	-722	48.2%
Operating free Cash Flow [1)]	**79**	**35**	**123.4%**	**-539**	**-726**	**25.8%**

[1)] Operating Free cash flow calculation refers to cash flow from operating activities – Capex net

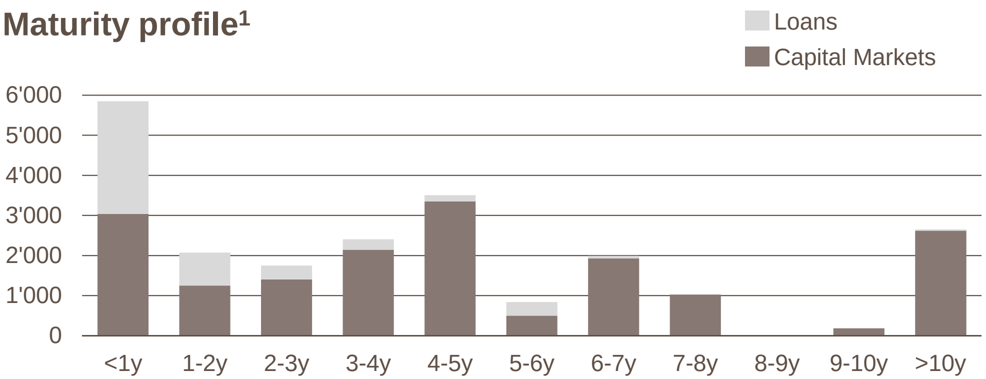
Net Financial Debt

CHF m

Net Financial Debt (per June 30, 2016)

*Fair value adjustment: Purchase Price Allocation (PPA) on debt mCHF 455.

Maturity profile[1]



[1] After risk-related adjustment of mCHF 1'143 from current financial liabilities to long term financial liabilities. Excl. amounts related to the PPA on debt.

Liquidity summary

- Cash + marketable securities: mCHF 3'922
- Cash + marketable securities + unused committed credit lines: mCHF 9'902

Debt summary

- Current financial liabilities[1]: mCHF 5'691
- Fixed to floating ratio: 56% to 44%
- Capital markets 78%; Loans 22%
- Corporate vs. subsidiary debt: 79% to 21%
- Average total maturity: 4.9 years
- CP borrowings: mCHF 1'143
- No financial covenants in Corporate credit lines

Net Financial Debt by currency

- 49% EUR
- 25% USD
- 13% CHF
- 13% other

Operating EBITDA to Net Income

CHF m	Q2 2016	Q2 2015	±%	6M 2016	6M 2015	±%
Operating EBITDA	**1'579**	**1'429**	**10.5%**	**2'353**	**2'346**	**0.3%**
Depreciation & Amortization	-591	-629	6.0%	-1'138	-1'234	7.8%
Operating Profit	**987**	**799**	**23.5%**	**1'214**	**1'111**	**9.3%**
Other Income / - Expenses	22	-445	n.a	24	-11	n.a
Share of profit of associates and Joint-Ventures	48	62	-22.6%	69	95	-27.4%
Financial Income	44	50	-12.0%	89	149	-40.3%
Financial Expenses	-243	-381	36.2%	-513	-818	37.3%
Net Income Before Taxes	**857**	**86**	**897.7%**	**882**	**526**	**67.7%**
Income Taxes	-374	-229	-63.3%	-462	-393	-17.6%
Net income from discontinued operations 1)	15		n.a	32		n.a
Net Income / - Loss	**499**	**-142**	**n.a**	**452**	**134**	**237.3%**

1) Net income improved by CHF 220 million compared with Q2 2015 results after excluding the CHF 421 million booked in Q2 2015 related to assets impairment in the UK

Condensed Statement of Financial Position

CHF m	Jun 30, 2016	Dec 31, 2015
Invested Capital	52’534	55’290
Out of which:		
Goodwill	16’307	16’490
Prop, Plant & Equipment	33’855	36’747
Intangible assets	1’217	1’416
Investments in JV and associates	2’959	3’172
Net Working Capital	1’913	718
Financial assets and other LT assets	1’340	1’328
Provisions	-5’057	-4’581
Net assets held for sale	1’729	772
Total	**54’263**	**56’063**

	Jun 30, 2016	Dec 31, 2015
Equity	33’686	35’722
Out of which:		
Equity attributable to the LH shareholders	29’414	31’365
Non controlling interest	4’272	4’357
Net debt (1)	18’141	17’265
Deferred taxes & other	2’436	3’076
Total	**54’263**	**56’063**

(1) Including CHF 51m of derivative assets as at June 30, 2016 (CHF 132m as at December 31, 2015)

Volume and price development Cement – 6M 2016 vs. 6M 2015

	Volume	Price & Other
Asia Pacific	**2.6%**	**-4.2%**
Bangladesh	-17.4%	-4.6%
China	3.6%	-9.5%
India	1.5%	-5.2%
Indonesia 1)		
Malaysia 1)		
New Zealand	1.7%	-2.0%
Sri Lanka	2.1%	-2.9%
Philippines	12.0%	1.9%
Vietnam	8.5%	-2.5%

	Volume	Price & Other
Latin America	**-13.2%**	**12.2%**
Argentina	-14.4%	40.3%
Brazil	-34.7%	-3.6%
Chile 1)		
Colombia	-8.1%	12.2%
Costa Rica	8.8%	-6.9%
Ecuador	-19.5%	2.0%
El Salvador	-3.5%	0.2%
Mexico	-3.9%	15.9%
Nicaragua	4.3%	0.0%
North America	**5.8%**	**5.5%**
Canada	-2.5%	-1.4%
United States	6.8%	7.9%

	Volume	Price & Other
Europe	**-2.7%**	**-1.1%**
Azerbaijan	-30.9%	3.6%
Bulgaria	-6.2%	-3.6%
Belgium	-0.6%	-2.6%
Croatia	8.4%	-5.5%
France	1.0%	-1.2%
Germany	11.8%	-3.4%
Hungary	-8.3%	-3.5%
Italy	-19.2%	0.7%
Poland	10.1%	-7.2%
Romania	-5.4%	1.6%
Russia	-28.3%	6.0%
Serbia	8.4%	-0.6%
Spain	-35.9%	-4.4%
Switzerland	11.8%	-10.1%
United Kingdom	3.5%	-7.7%

	Volume	Price & Other
Middle East Africa	**0.3%**	**-8.0%**
Algeria	4.8%	9.1%
Egypt	-3.2%	1.1%
Iraq	16.5%	-16.5%
Kenya	4.2%	1.3%
Lebanon 1)		
Morocco 1)		
Nigeria	-10.6%	-24.7%
South Africa	8.0%	-15.0%
Group	**-0.1%**	**-1.8%**

1) Local results not yet published

Volume and price development Aggregates – 6M 2016 vs. 6M 2015

	Volume	Price & Other
Asia Pacific	**14.0%**	**-5.5%**
Australia	8.8%	-0.5%
Indonesia [1)]		

	Volume	Price & Other
Latin America	**-10.9%**	**-5.6%**
Brazil	-18.1%	-15.2%

	Volume	Price & Other
North America	**0.3%**	**-7.9%**
Canada	-3.5%	-17.8%
United States	3.8%	0.9%

	Volume	Price & Other
Europe	**0.5%**	**-5.6%**
Belgium	5.5%	4.4%
Bulgaria	-14.1%	-7.4%
France	2.7%	-13.7%
Germany	13.6%	-0.2%
Italy	-18.4%	6.2%
Poland	17.0%	-22.2%
Romania	-8.3%	2.0%
Spain	-16.3%	8.1%
Switzerland	-0.6%	-3.2%
United Kingdom	-5.8%	1.0%

	Volume	Price & Other
Middle East Africa	**10.2%**	**-4.3%**
South Africa	1.1%	-1.3%
Egypt	16.0%	8.2%

	Volume	Price & Other
Group	**2.2%**	**-6.0%**

1) Local results not yet published

2016 Outlook – Cement Market Overview by Region

	Volumes	Highlights
Asia Pacific*	3% to 5%	Market growth across the region supported by an acceleration in India; China adjustment to continue
Europe	-3% to -1%	Stable markets in most countries; declines in Russia, Azerbaijan, Spain and Italy
Latin America	-6% to -4%	Positive market development in Mexico offsetting challenging conditions in Argentina, Brazil and Ecuador
Middle East Africa	3% to 5%	Resilience expected across the region impacted by lower commodity prices
North America	2% to 4%	Market growth supported by positive trends in the US especially housing and by Eastern Canada
Globally [1)]	**1% to 3%**	**Growth in most of our markets**

Source: LafargeHolcim
1) Excluding China

2016 Outlook – Cement Market Overview by Selected Countries

	Market volumes %
Asia Pacific [1)]	**3 to 5**
China [2)]	-3 to -1
India	4 to 6
Indonesia	2 to 4
Malaysia	-3 to -1
Philippines	7 to 9
Vietnam	4 to 6

	Market volumes %
Latin America	**-6 to -4**
Argentina	-14 to -12
Brazil	-14 to -12
Colombia	1 to 3
Ecuador	-16 to -14
Mexico	1 to 3

North America	**2 to 4**
Canada	0 to 2
United States [2)]	2 to 4

	Market volumes %
Europe	**-3 to -1**
France	0 to 2
Germany	0 to 2
Poland	3 to 5
Romania	0 to 2
Russia	-15 to -10
Spain	-4 to -2
Switzerland	2 to 4
United Kingdom	1 to 3

	Market volumes %
Middle East Africa	**3 to 5**
Algeria	1 to 3
Egypt	3 to 5
Iraq	-10 to -8
Kenya	6 to 8
Lebanon	0 to 2
Morocco	1 to 3
Nigeria	7 to 10

Globally [1)]	**1 to 3**

Source: LafargeHolcim
1) Excluding China
2) Relevant LH markets

Contact information and event calendar

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Event calendar

November 4, 2016	Q3 2016 Results
November 18, 2016	Capital Markets Day

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