NOTICE OF MEETING

COMBINED SHAREHOLDERS' MEETING

WEDNESDAY, MAY 7, 2014
3:30 P.M.
CARROUSEL DU LOUVRE

LAFARGE
Building better cities™

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This Notice of meeting is a translation of the French document "Avis de convocation" and is being furnished for information purposes only. In all matters of interpretation of information, views or opinions expressed therein, the original French version of the notice takes precedence over this translation.

INVITATION TO THE ANNUAL GENERAL MEETING

Dear shareholder,

I take great pleasure in inviting you to attend the Annual General Meeting of Lafarge Shareholders, to be held at 3:30 p.m. on Wednesday, May 7, 2014, at the Carrousel du Louvre, 99, rue de Rivoli, 75001 Paris, France.

This meeting is a special moment of dialogue.

It is an opportunity for you to find out more about the Group's developments, and more importantly to express your opinion concerning our Group, regardless of the number of Lafarge shares you own.

On this occasion, I will be accompanied by the Group's Executive Committee and will present our results for 2013, along with our strategy and outlook for the future.

The Board of Directors will ask you to approve the distribution of 1.00 euro per share for the normal dividend and 1.10 euro per share for the loyalty dividend.

I attach a great deal of importance to this opportunity for discussion and to the vote of our shareholders, which is an expression of your confidence in our Company.

I therefore sincerely hope that I will see you at our Annual General Meeting.

In the meantime, may I thank you for your continuing trust and your loyalty to Lafarge.

Yours sincerely,

Bruno Lafont,
Chairman and Chief Executive Officer

WHY THIS NOTICE OF MEETING AND A VOTING FORM?

We sent you the notice of the Shareholders' Meeting and a voting form because you hold Lafarge shares. This brochure contains the resolutions on which you are being called upon to vote, as a shareholder, and the information on these resolutions, so that you can make an informed decision. The voting form allows you to inform us of whether you will attend the Shareholders' Meeting or vote by mail or by proxy, if you do not attend the meeting.

WHERE CAN I FIND ADDITIONAL INFORMATION?

On our website

All documents that must be provided in the context of this General Meeting are available on our website **www.lafarge.com** (Shareholders & Investors section).

The Group publications, including the 2013 Registration Document (Annual Report) that contains Lafarge S.A. statutory accounts and the Group's consolidated financial statements are available on our website at www.lafarge.com (Shareholders & Investors section).

The press releases concerning the Group's activities and results are also available on our website.

Upon Request

The 2013 Registration Document (Annual Report) including the statutory accounts and the Group consolidated financial statements and as the case may be other documents provided by article R. 225-83 of the French Commercial Code can be sent to you by completing the request form on page 68 and returning it to:

BNP Paribas Securities Services – Les Grands Moulins de Pantin – C.T.S. – Service aux Émetteurs/Service Assemblée Lafarge – 9, rue du Débarcadère 93761 Pantin Cedex 09 – France

By calling the toll free number

For any question related to the Shareholders' Meeting, do not hesitate to contact us at the toll free number **0 800 235 235** (for calls from France only).

At the head office

You can also consult all the documents that will be submitted to the Shareholders' Meeting which the Company is required to make available to its shareholders, at Lafarge's head office.

- **The notice prior to this meeting, issued in compliance with article R. 225-73 of the French Commercial Code, was published in BALO, the French legal announcement bulletin, on March 14, 2014.**
- **The Shareholders' Meeting will be recorded and broadcast in real time on our website at www.lafarge.com and will be available for viewing thereafter.**

QUORUM RULES FOR SHAREHOLDERS' MEETINGS

The quorum applicable to Ordinary Shareholders' Meetings is 20% at the first convocation (art. L. 225-98 of the French Commercial Code) and the quorum for Extraordinary Shareholders' Meetings is 25% at the first convocation and 20% at the second convocation (art. L. 225-96 of the French Commercial Code).

The 2014 Combined Shareholders' Meeting will be held at the first convocation, which will require a quorum of 25% of the voting rights present or represented.

WELCOME TO THE LAFARGE COMBINED SHAREHOLDERS' MEETING

The Combined Shareholders' Meeting will be held at the first convocation on **Wednesday, May 7, 2014** at 3.30 p.m. at the Carrousel du Louvre, 99, rue de Rivoli, 75001 Paris.

ALL LAFARGE SHAREHOLDERS ARE ENTITLED TO PARTICIPATE IN THE SHAREHOLDERS' MEETING

You can attend the Shareholders' Meeting in person or vote by mail or proxy. The two required conditions are: you must be a Lafarge shareholder (no matter how many shares you hold) and you must prove your identity as a **shareholder on Friday, May 2, 2014 (0.00 Paris time**), and the supporting documents must reach us by Tuesday, May 6, 2014 at 3.00 p.m.

IT IS EASIER TO PARTICIPATE IN THE SHAREHOLDERS' MEETING

You do not need to block your shares to participate in the Shareholders' Meeting:

If you hold registered shares, you have to be recorded in the issuer account or a managed account on Friday, May 2, 2014 (0.00 Paris time);

If you hold bearer shares, your bank will have to certify that you are a shareholder at the latest on Friday, May 2, 2014 (0.00 Paris time) by producing a statement of holdings when sending your voting form to **BNP Paribas Securities Services** (clearing bank).

Les Grands Moulins de Pantin - C.T.S. - Service aux Émetteurs/Service Assemblée Lafarge - 9, rue du Débarcadère 93761 Pantin Cedex 09 - France that must be received by Tuesday, May 6, 2014 at 3.00 p.m.

TO COME TO THE SHAREHOLDERS' MEETING

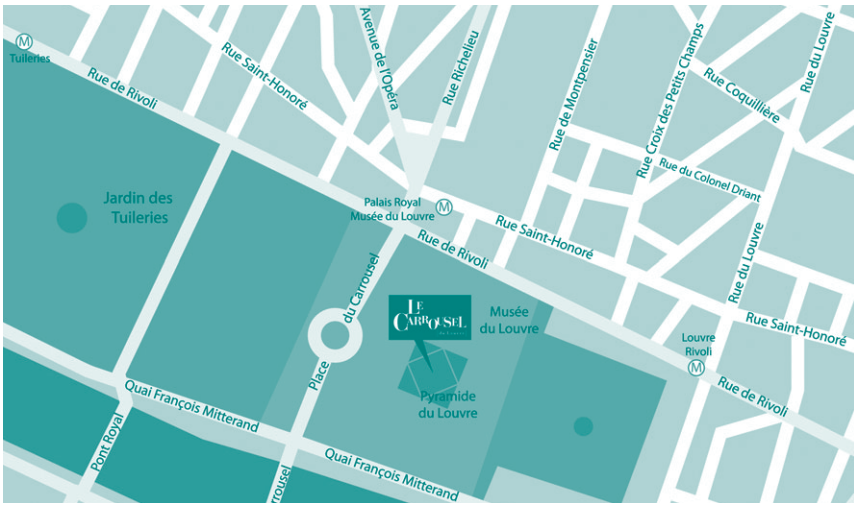
TO REACH CARROUSEL DU LOUVRE

Metro:

Palais Royal-Musée du Louvre station
Direct access from the station
to Carrousel du Louvre

Bus:

Lines 21, 27, 39, 48, 67, 68, 69, 72, 81, 95
Palais Royal-Musée du Louvre station
or Palais Royal-Comédie Française station
or Musée du Louvre station



1 HOW TO PARTICIPATE IN THE SHAREHOLDERS' MEETING?

NEW @

TO PARTICIPATE IN THE SHAREHOLDERS' MEETING VIA INTERNET

You can participate by connecting to a secured website (VOTACCESS) enables you to vote *via* internet, give a proxy to the Chairman of Lafarge, give a proxy to another person, request and admission card as well as download documents for the Meeting.

I am a registered shareholder (pure registered shares)

Connect to the PlanetShares website (https://planetshares.bnpparibas.com) with login and password used for accessing your account data on the PlanetShares website of BNP Paribas Securities Services and go to "My shareholder space - my general meetings" page.

I am an administered registered shareholder

Connect to the PlanetShares website (https://planetshares.bnpparibas.com) with the login received by post with the notice of meeting.

Please call the toll-free number **0 800 060 646** (for calls from France only) if you have lost your login or your password.

I am a bearer shareholder

If your financial intermediary is connected to VOTACCESS, connect to your authorised financial intermediary website and access your share account, then follow instructions.

If your financial intermediary is not connected to VOTACCESS, notification of the appointment and cancellation of proxy can also be given electronically, in the following way:

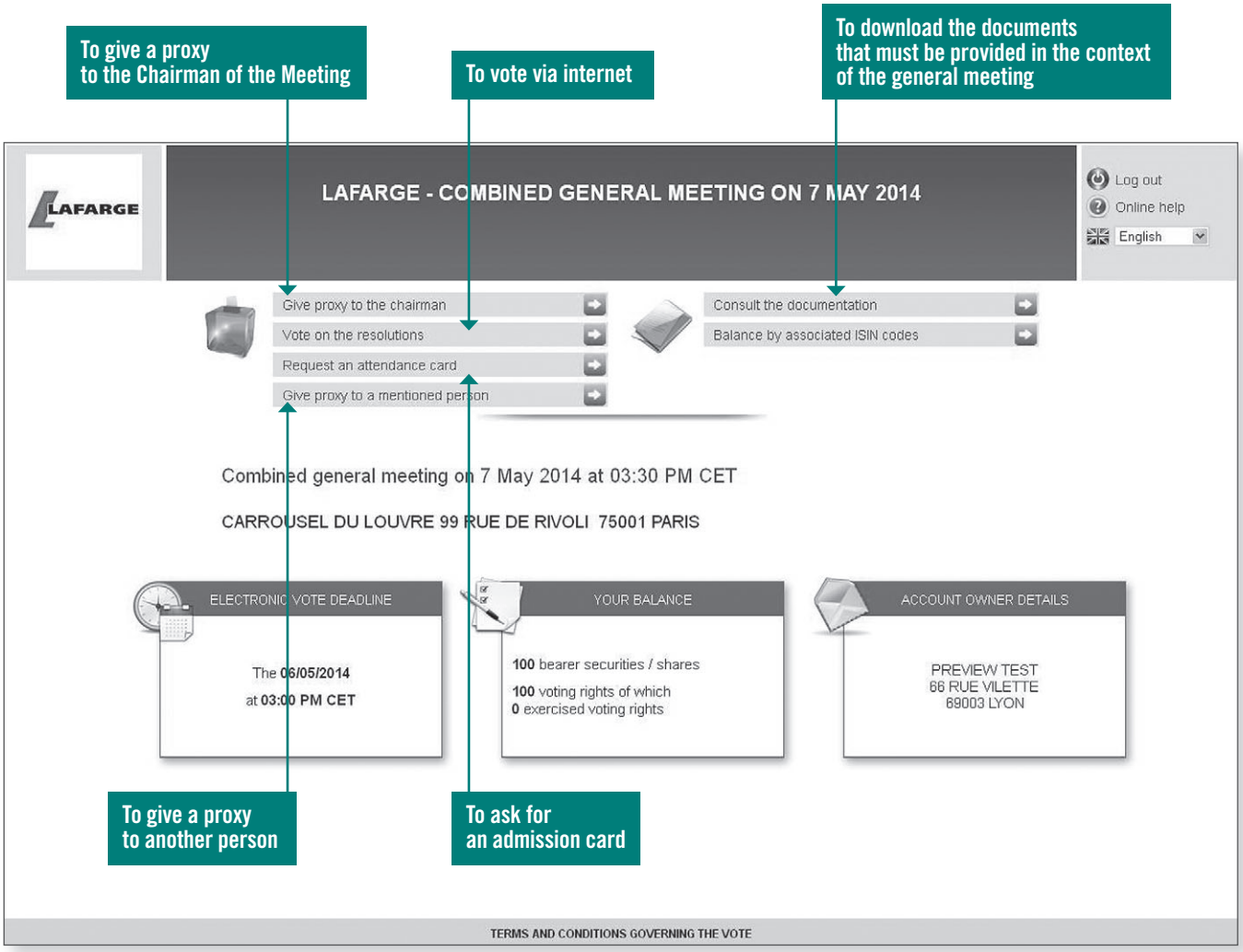
- **Send an e-mail to** the address paris.bp2s.france.cts.mandats@bnpparibas.com. This e-mail must contain the following information: Lafarge meeting, May 7, 2014, family name, first name, address and bank references of the principal, and the family name, first name and, if possible, address of the proxy.
- **Ask the authorised financial intermediary handling the management of your share account to send a written confirmation to** BNP Paribas Securities Services, Service Assemblées Générales, CTS Assemblées Générales, Les Grands Moulins de Pantin 9, rue du Débarcadère, 93761 Pantin Cedex.

In order to be taken into account, confirmations of electronic appointments or cancellations of proxies must be received at the latest by 3 p.m. (Paris Time) on Tuesday, May 6, 2014.

ACCESS TO THE SECURED WEBSITE

The secured website dedicated to the General Meeting will be open **from April 9, 2014 until May 6, 2014, 3 p.m. Paris time**. It is nonetheless recommended that shareholders do not delay voting until the final day.

TO NAVIGATE ON THE SECURED WEBSITE (VOTACCESS)



TO ATTEND IN PERSON, VOTE OR GIVE A PROXY IN PAPER FORM

You can attend the Shareholders' Meeting in person or vote by mail or proxy. In any event, mark your choice on the voting form enclosed with this notice.

To optimize preparations for the Combined Shareholders' Meeting, **you must send in your instructions as soon as possible**.

TO FILL OUT THE VOTING FORM

I WOULD LIKE TO ATTEND THE SHAREHOLDERS' MEETING

- Check **case A** of the form.
- **Date** and **sign** at the bottom of the form.

BNP Paribas Securities Services, Lafarge's clearing bank, will send you your admission card.

If you have not received your admission card by **Monday, April 28, 2014**, you may call BNP Paribas Securities Services at **0 800 060 646** (toll free number for calls from France only) or +33 (0)1 55 77 61 00, which will give you the number of your admission card. This number will allow you to be identified on the day of the Shareholders' Meeting and you will be able to vote.

You need to arrive on the date of the Shareholders' Meeting with **your admission card** (or the number given to you by BNP Paribas Securities Services).

If you have not had the time to request your admission card, or if you have not received it on the day of the Shareholders' Meeting,

- your status as a registered shareholder will enable you to attend the Shareholders' Meeting by simply presenting proof of your identity at the appropriate desk in the meeting room.
- as a bearer shareholder, you must ask your financial intermediary to provide you with a certificate of holding. This document will enable you to attend the Shareholders' Meeting.

I WOULD LIKE TO BE REPRESENTED AT THE SHAREHOLDERS' MEETING

To vote, you have to choose from 3 options:

To give your proxy to the Lafarge Chairman

- Check **case B** on the form.
- **Date** and **sign** the bottom of the form.

Your votes will be added to those of the Chairman. The Chairman will vote "yes" for the adoption of the resolutions submitted or recommended by the Board of Directors and "no" for the other ones.

To vote by mail

- Check **cases B** and **2** of the form.
- Indicate your vote:

If you want to vote "no" on a resolution, or to "abstain" (an abstention is counted as a "no" vote), shade the case that corresponds to the number of the relevant resolution. Do not shade the case if you want to vote "yes" on a resolution.

- **Date** and **sign** the bottom of the form.

To give your proxy to a person of your choice

- Check **cases B** and **3** of the form.
- Indicate the full name and address of the person who will represent you.
- **Date** and **sign** the bottom of the form.

SEND IN MY VOTING FORM

I hold registered shares

(issuer account or administered account)

Return the form to BNP Paribas Securities Services using the pre-paid envelope provided.

BNP Paribas Securities Services must receive **your form no later than Tuesday, May 6, 2014 at 3.00 p.m.** (Paris time).

I hold bearer shares

Send the form to the financial intermediary (bank, brokerage firm or on-line broker) that administers your account.

We suggest you do this **as soon as possible,** because your financial intermediary must confirm that you are a shareholder by producing a certificate of holding that must be received with your form by BNP Paribas Securities Services, before **Tuesday, May 6, 2014 at 3.00 p.m.** (Paris time).

All operations related to the Shareholders' Meeting are conducted by BNP Paribas Securities Services, Lafarge's clearing bank.

BNP Paribas Securities Services
Les Grands Moulins de Pantin CTS Service aux Émetteurs
Assemblée LAFARGE
9, rue du Débarcadère
93761 Pantin Cedex 09 – France.

Toll free number: **0 800 060 646**
(for calls from France only).

Whatever your status is, do not send your voting form directly to Lafarge.

TO FILL OUT THE VOTING FORM

B To be represented at the Shareholders' Meeting, check box B.

A To receive your admission card to attend the Shareholders' Meeting in person, check box A.

IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / *Before selecting, please refer to instructions on reverse side.*

QUELLE QUE SOIT L'OPTION CHOISIE, NOIRCIR COMME CECI ■ LA OU LES CASES CORRESPONDANTES, DATER ET SIGNER AU BAS DU FORMULAIRE / *WHICHEVER OPTION IS USED, SHADE BOX(ES) LIKE THIS ■, DATE AND SIGN AT THE BOTTOM OF THE FORM*

A. ☐ Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire / *I wish to attend the shareholder's meeting and request an admission card : date and sign at the bottom of the form.*

B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / *I prefer to use the postal voting form or the proxy form as specified below.*

LAFARGE

Siège Social : 61, rue des Belles Feuilles
BP 40 - 75782 Paris Cedex 16
S.A. au capital de 1.149.461.588 Euros
542 105 572 R.C.S. Paris

ASSEMBLÉE GÉNÉRALE MIXTE
convoquée le 7 mai 2014 à 15 h 30 (heure de Paris),
au Carrousel du Louvre, 99 rue de Rivoli, 75001 PARIS

COMBINED SHAREHOLDERS' MEETING
to be held on May, 7th 2014 at 3.30 p.m. (Paris time)
in Carrousel du Louvre, 99 rue de Rivoli, 75001 PARIS

CADRE RÉSERVÉ À LA SOCIÉTÉ / *For Company's use only*
Identifiant / *Account*
Nombre d'actions / *Number of shares* — Nominatif / *Registered* — *Vote simple / Single vote* — *Vote double / Double vote* — Porteur / *Bearer*
Nombre de voix / *Number of voting rights*

☐ **JE VOTE PAR CORRESPONDANCE** / *I VOTE BY POST*
Cf. au verso renvoi (2) - *See reverse (2)*

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, **à l'EXCEPTION** de ceux que je signale en noircissant comme ceci ■ la case correspondante et pour lesquels **je vote NON** ou je m'abstiens.
*I vote **YES** all the draft resolutions approved by the Board of Directors **EXCEPT** those indicated by a shaded box - like this ■, for which I vote **NO** or I abstain.*

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noircissant comme ceci ■ la case correspondant à mon choix.
On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this ■.

1 ☐	2 ☐	3 ☐	4 ☐	5 ☐	6 ☐	7 ☐	8 ☐	9 ☐
10 ☐	11 ☐	12 ☐	13 ☐	14 ☐	15 ☐	16 ☐	17 ☐	18 ☐
19 ☐	20 ☐	21 ☐	22 ☐	23 ☐	24 ☐	25 ☐	26 ☐	27 ☐
28 ☐	29 ☐	30 ☐	31 ☐	32 ☐	33 ☐	34 ☐	35 ☐	36 ☐
37 ☐	38 ☐	39 ☐	40 ☐	41 ☐	42 ☐	43 ☐	44 ☐	45 ☐

	Oui / *Yes*	Non/*No* Abst/*Abs*		Oui / *Yes*	Non/*No* Abst/*Abs*
A	☐	☐	F	☐	☐
B	☐	☐	G	☐	☐
C	☐	☐	H	☐	☐
D	☐	☐	J	☐	☐
E	☐	☐	K	☐	☐

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / *In case amendments or new resolutions are proposed during the meeting*
- Je donne pouvoir au Président de l'A.G. de voter en mon nom. / *I appoint the Chairman of the general meeting to vote on my behalf* . . ☐
- Je m'abstiens (l'abstention équivaut à un vote contre). / *I abstain from voting (is equivalent to a vote NO)* . . . . . ☐
- Je donne procuration (cf. au verso renvoi 4) à M., Mme ou Mlle, Raison Sociale. . . . . ☐
pour voter en mon nom / *I appoint (see reverse (4)) Mr, Mrs or Miss, Corporate Name to vote on my behalf*

Pour être prise en considération, toute formule doit parvenir au plus tard :
In order to be considered, this completed form must be returned at the latest
le 6 mai 2014 avant 15 h (heure de Paris) / *6th May 2014 before 3.00 p.m. (Paris time)*
à / *to* BNP PARIBAS SECURITIES SERVICES, CTS Assemblées - Assemblée Lafarge,
Grands Moulins de Pantin- 9 rue du Débarcadère – 93761 PANTIN Cedex

☐ **JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**
cf. au verso renvoi (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

☐ **JE DONNE POUVOIR A :** cf. au verso renvoi (4)
I HEREBY APPOINT see reverse (4)
M., Mme ou Mlle, Raison Sociale / *Mr, Mrs or Miss, Corporate Name*
Adresse / *Address*

ATTENTION : S'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.
CAUTION : *If it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.*

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)
- Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)
Cf. au verso renvoi (1) - *See reverse (1)*

Whatever your choice, do not forget to date and sign the form.

Date & Signature

2 Vote by mail

1 Give your proxy to the Lafarge Chairman.

3 Give your proxy to a person of your choice.

2 KEY FIGURES AT DECEMBER 31, 2013

A world leader in building materials, Lafarge employs 64,000 people in 62 countries, and posted sales of 15.2 billion euros in 2013. As a top-ranking player in its Cement, Aggregates & Concrete businesses, it contributes to the construction of cities around the world, through its innovative solutions providing them with more housing and making them more compact, more durable, more beautiful, and better connected. With the world's leading building materials research facility, Lafarge places innovation at the heart of its priorities in order to contribute to more sustainable construction and to better serve architectural creativity.

REVENUE (in M€)

2013	**15,198**
2012	15,816
2011	15,284

Revenue was impacted by a negative effect of the foreign exchange variations. At constant scope and exchange rates, sales grew 2%, supported by growth in all regions but Europe.

EBITDA [2] (in M€)

2013	**3,102**
2012	3,423[3]
2011	3,217[4]

Resilient Group Ebitda margin, at 20.4%, supported by 670 million euros of additional Ebitda from cost savings and innovation measures for the year. Significant negative impact of variations in scope and exchange rates.

OPERATING INCOME BEFORE CAPITAL GAINS, IMPAIRMENTS, RESTRUCTURING AND OTHERS (in M€)

2013	**2,075**
2012	2,413[3]
2011	2,179[4]

Current Operating Income was up 3% like-for-like[1] for the year. Improving trends in the second half of the year, with a visible operating leverage in North America and a robust performance in Middle East and Africa.

FREE CASH-FLOW [2] (in M€)

2013	**864**
2012	884
2011	1,208

The Group pursued its actions to maximize the free cash flow, with notable improvements in the level of the working capital requirements.

GROUP NET DEBT [2] (in M€)

2013	**10,330**
2012	11,317
2011	11,974

Significant reduction of Group net debt by 1 billion euros. Lafarge has the objective to reduce its net debt below 9 billion euros in 2014.

NET INCOME GROUP SHARE (in M€)

2013	**601**
2012	365[3]
2011	593[4]

Strong improvement of the net income, notably helped by significant gains on disposals.

NET EARNING PER SHARE (in €)

2013	**2.09**
2012	1.27[3]
2011	2.07[4]

Net earnings per share increased 65%.

DIVIDEND PER SHARE (in €)

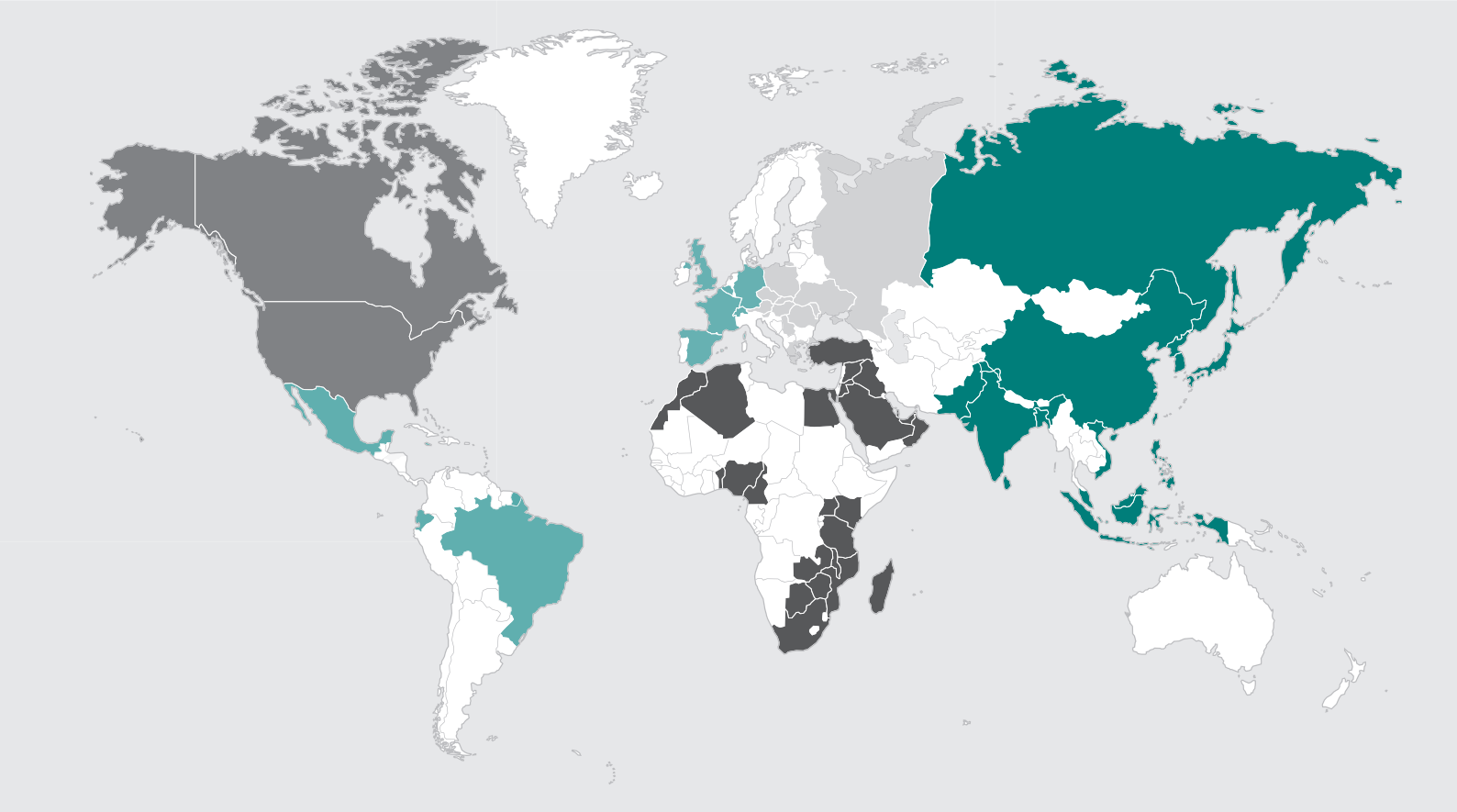
2013	**1.00**
2012	1.00
2011	0.50

Dividend of 1.00 euro per share, proposed at the General Meeting of Shareholders on May 7, 2014.

(1) *Like for like variations are calculated excluding the impact of scope, exchange rates, carbon credit sales and one-time gains (39 million euros in 2012 and 20 million euros in 2013).*
(2) *See Section 2.2 (Accounting policies and definitions).*
(3) *2012 figures have been restated following the application of IAS 19 amended.*
(4) *Data published in 2012 for 2011 and not restated for the amendments of IAS 19.*

LAFARGE WORLDWIDE (December 31, 2013)

Western Europe | North America | Central and Eastern Europe | Middle East and Africa | Latin America | Asia



World map of Lafarge's presence as of December 31, 2013 (plants and sales offices).

A WORLD LEADER IN CEMENT (at December 31, 2013)

9 657
revenue
million euros

38 000
employees

56
countries

155
production sites

AGGREGATES & CONCRETE NO. 2 & NO. 4 WORLDWIDE (December 31, 2013)

5 451
revenue
million euros

25 000
employees

37
countries

1 481
production sites

3 WHAT WAS THE GROUP'S PERFORMANCE IN 2013?

CONSOLIDATED KEY FIGURES AT DECEMBER 31, 2013

(in millions of euros unless otherwise indication)	2013	2012	Variation	Variation like-for-like[5]
Sales	15,198	15,816	-4%	2%
Ebitda[1]	3,102	3,423	-9%	2%
Ebitda Margin (%)	*20.4%*	*21.6%*	*-120bps*	*10bps*
COI	2,075	2,413	-14%	3%
Net income – Group share[2]	601	365	65%	
Earnings per share (euros)[3]	2.09	1.27	65%	
Free Cash Flow[4]	864	884	-2%	
Net Debt	10,330	11,317	-9%	

(1) *Ebitda is defined as the current operating income before depreciation and amortization on tangible and intangible assets and free cash flow is the net cash generated or used in continuing operating activities less sustaining capital expenditures. They are both non-GAAP financial measures.*

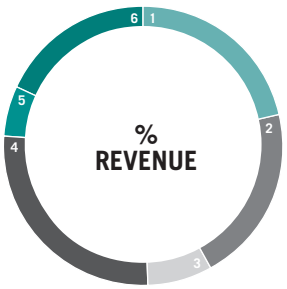
(2) *Net income attributable to the owners of the parent of the Group.*

(3) *Based on an average number of shares outstanding of 287.3 million for 2013 and 287.1 million for 2012; 287.3 million for the fourth quarter 2013 and 287.1 million for the fourth quarter 2012.*

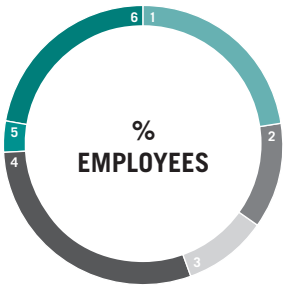
(4) *Defined as the net cash generated or used in continuing operating activities less sustaining capital expenditures.*

(5) *Like-for-like variations are calculated at constant scope and exchange rates, and neutralize the impact of carbon credit sales and one-time gains. The impact of the depreciation of the UK assets that was stopped from March 1st, 2011 in accordance with IFRS, and restarted after the formation of the joint-venture with Tarmac on January 7th, 2013 is included in the scope effect (80 million euros of additional depreciation in 2013).*

KEY FIGURES BY DIVISION AND BY GEOGRAPHIC AREA (at December 31, 2013)



1. Western Europe	21.4%
2. North America	20.6%
3. Central and Eastern Europe	7.5%
4. Middle East and Africa	26.9%
5. Latin America	5.7%
6. Asia	17.9%



1. Western Europe	22.7%
2. North America	12.2%
3. Central and Eastern Europe	9.6%
4. Middle East and Africa	29.8%
5. Latin America	3.6%
6. Asia	22.1%

GROUP HIGHLIGHTS

After a first semester marked by a low volume environment, notably due to adverse weather, the second half of the year 2013 experienced more positive trends versus last year in most countries, benefitting from continuing recovery in the residential market in the United States, sustained growth in Middle East and Africa and in Asia and stabilizing volumes in Europe.

Sales and Ebitda were impacted by the unfavorable impact of changes in scope and foreign exchange rates. However, the underlying operational performance was solid, with sales and Ebitda up like for like [1].

Sales, at 15.2 billion euros, contracted 4% versus 2012, impacted by unfavorable currency variations. At constant scope and exchange rates, sales grew 2%, supported by pricing gains to address cost inflation across all product lines, while volumes sold were overall stable.

(1) *At constant scope and exchange rates, and excluding carbon credit sales (14 million euros in 2013 versus 99 million euros in 2012) and one-time gains (20 million euros in 2013 and 39 million euros in 2012)*

Ebitda was also affected by the adverse effect of foreign exchange fluctuations, as well as lower carbon credit sales. Like-for-like[1], Ebitda improved 2% versus 2012, thanks to the combined effect of our performance and innovation measures and price increases that more than offset cost inflation and adverse impact of a reduction of our inventories.

Net income Group share [2] was 601 million euros in 2013 compared to 365 million euros in 2012, benefitting from the net gain on the divestment of our operations in Honduras (172 million euros after tax), and considering the 200 million euros impairment charge on Greek assets recorded in 2012.

The Group successfully implemented targeted actions to promote innovation and reduce costs and debt:

- With a total of 670 million euros generated (450 million euros from cost savings and 220 million euros from innovation measures), the Group has reached its 2013 objective (originally targeting 650 million euros, with 200 million euros from innovation and 450 million euros from cost reduction).
- The net consolidated debt was reduced by a further 1 billion euros reflecting the forceful deleveraging actions taken throughout the year. Net debt stood at 10,330 million euros at year-end. Adjusted for the 380 million euros (total enterprise value) of secured divestments announced around the year end and closed mid February 2014, the year-end Group net debt would stand below 10 billion euros.

LAFARGE IN 2013

SALES

Consolidated sales, at 15,198 million euros in 2013 were down 4% versus last year.

Currency impacts were unfavorable (-5.1% or -756 million euros in 2013), overshadowing the organic growth experienced in many countries. They were mainly due to the depreciation of the Canadian and US dollars, the South African rand, the Egyptian pound, the Brazilian real and the Indian rupee versus the euro. Net changes in the scope of consolidation had a slightly negative impact on sales (-0.4% or -90 million euros on the full year sales). The combined effect of the divestment of two plants located in Missouri and Oklahoma (United States), the deconsolidation of our Mexican cement operations now combined with Elementia assets from August 2013 and the disposal of our Ukrainian and Honduras cement activities (completed end of September 2013 and November 2013, respectively) was partly offset by the net impact of the consolidation of the joint-venture with Tarmac in the United Kingdom.

At constant scope and exchange rates, consolidated sales were up 2% in the year, supported by improved prices across all of our product lines to address cost inflation. The volume progression experienced in the second half of the year offset the impact of the volume decrease in the first semester. Sales were up in all regions but Europe.

EBITDA

Ebitda declined in the year, impacted by an adverse impact of foreign currency variations (-6% for the year), a negative effect of the changes in scope (-2% in the year) and the unfavourable evolution of one-time gains and CO_2 proceeds.

Like for like, Ebitda improved 2% in 2013, thanks to the combined effect of our performance and innovation measures and price increases that more than offset cost inflation and the adverse 56 million euros impact of a reduction of our inventories. The Group continued to actively increase prices although the impact on Ebitda for the year was limited by price adjustments in a few number of countries and adverse mix effects. The Group generated 450 million euros of Ebitda through cost reduction measures and 220 million euros through innovation initiatives in 2013, achieving its 2013 objective.

VOLUMES, SALES, EBITDA AND CURRENT OPERATING INCOME BY REGION GEOGRAPHICAL AREA

North America - Visible Operating Leverage in the Second Half of the Year and Strong Cost Reductions

Overall, market trends are solid in the region, on the back of the recovery in the residential sector in the United States and the well-oriented economy in Western Canada. The second half of the year was marked by volume growth across all product lines, after a first semester 2013 affected by adverse weather in our relevant regions in the United States, as well as floods across Canada.

The region was impacted by targeted divestments achieved in line with the Group's strategy of focusing on the most promising geographic areas in the United States and by the depreciation of the Canadian dollar. Changes in scope had a negative impact on 2013 sales of -7%, or -227 million euros, reflecting the divestment of two plants located in Missouri and in Oklahoma at the end of November 2012, together with other smaller disposals of aggregates quarries. Foreign exchange variations also lowered sales with the depreciation of the Canadian and US dollar against the euro (negative impact of -5%, or -159 million euros, on 2013 sales).

At constant scope and exchange rates, sales were up 5% compared to last year, with solid price gains across all product lines and volumes back to positive territory in the second half of the year.

- **In the United States**, housing starts continued to improve, exceeding 900,000 units in 2013, while constrained public spending continued to weigh on civil engineering. In this context, volumes grew solidly in the second half of the year, supported by the recovery in the residential segment and partly catching up after a first semester impacted by adverse weather in the Northeast region. Like-for-like annual cement and ready-mix sales volumes decreased 3% and 2%, respectively, while yearly aggregates sales volumes were slightly up 1%. Prices remained firmly up in all product lines, driving sales up for the year.

(1) *At constant scope and exchange rates, and excluding carbon credit sales (14 million euros in 2013 versus 99 million euros in 2012) and one-time gains (20 million euros in 2013 and 39 million euros in 2012)*

(2) *Net income/loss attributable to the owners of the parent company.*

- **In Canada**, sales increased in the year, under the combined effect of price gains and solid growth in Western Canada more than offsetting a soft market in Quebec. Like-for-like annual cement sales volumes decreased 2%, while 2013 aggregates and ready-mix sales volumes improved 2% and 3%, respectively, supported by several projects in Western Canada.

Ebitda increased 18% versus last year like-for-like (24 million euros in Q4 2012 and 20 million euros in Q1 2013), benefiting from operating leverage as volumes recovered as well as solid pricing and a continuous focus on cost-saving and innovation measures, and despite a negative impact of stock movements (26 million euros in 2013).

Western Europe - Cost-Cutting in a Challenging Environment ; stabilization at a low level in the second half of the year

In Western Europe, the market trends were contrasting within the region, with an overall stabilization at low levels in the second half of the year.

Changes in the scope of consolidation had a net positive impact on sales, reflecting the impact of the completion of the Lafarge Tarmac joint venture in the United Kingdom in January 2013. The effects of the divestments of some assets required by the competition authorities (notably a 1.4MT cement capacity plant and some ready-mix plants) and the deconsolidation of 50% of the remaining assets of Lafarge were more than offset by the impact of the integration of 50% of the assets brought by Tarmac into the joint-venture. The impact of foreign exchange rates was negligible.

At constant scope and exchange rates, sales were down 3% versus last year, mainly driven by volume trends.

- **In France**, the construction market was quite resilient, supported by several infrastructure projects and investments ahead of local elections expected in 2014. The level of activity for the residential sector remains quite low, with housing starts at 332,000 units in 2013, down 4% versus last year. Annual cement, aggregates and ready-mix volumes were down 3%, 3% and 4% versus last year, respectively, showing a stabilization from the second quarter.
- **In the UK**, the construction market was down in the first quarter of the year, but progressively improved from the second quarter, supported by the housing segment. The joint venture Lafarge Tarmac started in January 2013. Overall, our sales went up in the year, reflecting a higher proportion of aggregates and asphalt and paving sales from the assets contributed to the JV by Tarmac.
- Activity in **Spain and Greece** remained affected by the economic environment. In Spain, both the residential and the infrastructure sectors continued to be hampered by severe cuts in spending made to address the public deficit, but our cement sales volumes were flat, helped by lower margin sales of clinker. In Greece, cement volumes were down 8% versus last year; in the second half of the year though, our volumes benefited from an upswing, with GDP contraction beginning to slow down and construction activity slightly increasing from low levels. In a challenging environment, mitigating actions, such as cost-saving, adapting our industrial network and focusing on innovation and the development of exports continue to be deployed in these two countries.

Ebitda was affected by lower carbon credit sales versus 2012 (impact of -62 million euros for the full year) and by the scope impact on the UK (negative impact of 42 million euros on 2013). Excluding these impacts, and at constant foreign exchange rates, Ebitda was down 16% versus last year, with robust cost-cutting initiatives partly offsetting the lower sales.

Central and Eastern Europe - limited infrastructure spending weighed on volumes in the first half of the year

The region has been impacted by limited infrastructure spending as a result of lower EU funds available in Poland and Romania.

In this context, sales were down 10% versus last year, with an easing decline in the third quarter and a stabilization in the fourth quarter, thanks to normalized comparables and improved market trends in Poland. The foreign exchange variations had a slightly negative effect on sales (-1% in the year), while the divestment of our cement Ukrainian operations negatively impacted our sales by 1% versus 2012.

At constant scope and exchange rates, sales were down 8% versus 2012.

- **In Poland**, building activity showed some softness in the first part of the year, after having been bolstered by the European Cup Games of June 2012 and EU funding. Cement sales volumes decreased 5% in 2013, but improved in the second part of the year, under the combined effect of a normalized comparison base and the increasing contribution from our innovation actions. Aggregates sales also experienced an improvement quarter after quarter, but decreased versus last year. Average cement prices were lower than the 2012 levels, mostly due to price erosion during the second half of 2012.
- **In Romania**, cement sales were down 16% versus last year, impacted by lower infrastructure spending and a competitive environment.
- **In Russia**, market trends were positive, although our sales were affected by the competitive environment and by production limitations. Cement sales volumes were down 6% in the year.

In 2013, Ebitda decreased, hampered by a volume decline in the cement and aggregates product lines, lower average prices in Poland, 23 million euros lower carbon credit sales versus last year and a negative impact of stock movements (6 million euros) which more than offset the cost reduction and innovation achievements.

Middle East and Africa - higher pricing in response to cost inflation and self-help measures - robust performance in the second half of the year

The region benefitted from well-oriented markets in most countries, supported by significant needs for housing and infrastructure.

Overall, cement volumes trends improved quarter after quarter, as actions to limit the effect of gas shortages in Egypt progressively showed their impacts, and volumes were back in positive territory for this region in the second half of the year.

Sales were impacted by a significant adverse impact of foreign exchange rate variations (-7%, or -309 million euros, reduction of 2013 sales).

At constant scope and exchange rates, sales were up 2% versus 2012, benefiting from price hikes in response to significant cost inflation, while volumes experienced contrasting trends.

- **Nigeria** benefited from strong market trends. Cement sales increased 10% year-to-date, with a double-digit volume growth largely offsetting the price adjustment implemented in the first quarter.
- **Algeria's** underlying market demand was strong throughout the year, and our cement sales increased 9% versus 2012, supported by the development of the sales of new cement products. Volumes were up 1% compared with 2012, impacted by a 10-day work stoppage in the first quarter. A new grinder, started recently, will allow us to further capture market growth.

- **In Egypt**, our cement sales volumes were affected by gas shortages. This impact has eased throughout the year as we progressively replaced gas by other fuels; after a first semester experiencing volumes down 30%, volumes contracted 19% in the third quarter and only 7% in the fourth quarter. Prices were raised in response to high cost inflation.
- **In Morocco**, cement volumes were down 6% compared to 2012, but stabilized from the second quarter with an easing comparison base. Sales improved, supported by an increasing proportion of value-added products and with the development of a strong distribution network through franchises.
- **In Iraq**, where cement demand remains strong, our sales were impacted by Iranian imports.
- **South Africa** benefited from positive market trends. Cement and aggregates sales volumes grew 1% and 7% compared with 2012, respectively, while ready-mix concrete sales volumes soared 14% compared to 2012, supported by road projects and renewable energy projects.
- **In Kenya**, construction market growth was dampened as elections were held in March 2013. Kenya experienced a 5% cement volume decline over last year, after a 12% cement volume growth in 2012.
- **Syria** continued to be impacted by the current environment.

At constant scope and exchange rates, Ebitda was stable compared with last year, as the good performance in many countries was offset by the effect of the production limitations in Egypt. Prices moved higher in many markets in response to significant cost inflation. Ebitda experienced double-digit growth both in the third and fourth quarters, with a positive contribution from the vast majority of the countries. The Ebitda resilience and its strong improvement in the second half of the year was achieved through improving volume trends in the second semester, significant cost-saving and innovation measures combined with pricing gains in many countries in response to cost inflation, and despite an adverse destocking effect (-18 million euros for the year).

Latin America - moderate market growth in a strong inflation environment

In Latin America, market trends were positive overall. Sales were affected by a significant adverse impact of currency fluctuations (-11% year-to-date, or -94 million euros), primarily due to the depreciation of the Brazilian real versus the euro. Additionally, the deconsolidation of our Mexican cement operations now combined with Elementia assets from August 2013 and the divestment of our Honduras cement activities completed mid-November 2013 reduced annual sales by 4%.

At constant scope and exchange rates, sales grew 5% like-for-like in the year, with higher prices and volumes.

- **In Brazil**, the construction market experienced subdued growth. The impact of the development of infrastructures ahead of the sports events coming in 2014 and 2016 was mitigated by the economic backdrop characterized by cost inflation and significant exchange rate fluctuations. Year-to-date domestic cement sales were up 3%, with some pricing gains in response to significant cost inflation, while volumes were somewhat hindered by some production limitations in the last quarter.
- **In Ecuador**, construction market trends were solid throughout the year, supported by higher demand in the infrastructure segment. Cement sales were up 12% versus 2012, with higher prices and volumes.

At constant scope and exchange rates, and excluding the one-time gain of 15 million euros recorded in the fourth quarter 2012, Ebitda was down 1% year-to-date, reflecting the inflationary environment and some production limitations in Brazil.

Asia - Positive market trends - earnings growth in 2013 despite negative impact of the currency fluctuations

In Asia, market trends were positive in most countries in which we operate, but our sales were impacted by the effect of foreign exchange fluctuations that lowered sales by 6% or 161 million euros for the year.

At constant scope and exchange rates, sales grew 5% year-to-date, with higher volumes and pricing gains in response to cost inflation.

- **The Philippines** benefited from buoyant market trends and the start-up of a new grinding facility in the second quarter, bolstering cement volumes, up 9% year-to-date, while prices rose solidly to offset cost inflation. However, the construction market was temporarily hit by the Yolanda typhoon in the fourth quarter.
- **In Malaysia**, sales were up 1% in the year. Cement sales volumes slightly increased by 1%. Average cement prices were lower than the price levels of last year, mostly reflecting price erosion during the second half of 2012, but improved in the second semester of 2013.
- **In India**, our regions were resilient despite a slowdown in the economy ahead of the 2014 elections, impacting the construction sector in the last part of the year. Our cement sales volumes increased 2% year-to-date while prices improved to mitigate the impact of cost inflation. Our ready-mix sales volumes were down 11% versus 2012, but we were able to raise prices in response to cost inflation. Our new 2.6MT cement plant located in Rajasthan successfully started in the fourth quarter 2013 and should help us to continue to benefit from market growth in the coming years.
- **In China**, cement sales volumes were up 3% over the year. Average price levels were slightly below last year's levels, with contrasting trends by region.
- **In South Korea**, improved market trends supported an acceleration of the pace of the volume growth quarter after quarter. Domestic cement volumes were up 5% versus last year.

The devaluation of several currencies of the region against the euro reduced Ebitda by 8% over the year. At constant scope and exchange rates, Ebitda increased 13% versus 2012, supported by volume growth, pricing gains to face overall cost inflation, the visible impact of cost cutting and innovation measures and the effect of lower coal prices in China.

CONSOLIDATED OPERATING INCOME AND CONSOLIDATED NET INCOME

Depreciation was 1,027 million euros in 2013 versus 1,010 million euros in 2012, with the restarting of the depreciation in the United Kingdom (80 million euros of additional depreciation in 2013 versus 2012), partly offset by the impact of the divestment of some US operations and the effect of the changes in foreign exchange rates.

Net gains on disposals were 295 million euros in 2013 versus 53 million euros in 2012, and mainly comprise the gain of the divestment of our Honduras operations and the positive effect of the creation of a joint-venture with Elementia in Mexico.

Other operating expenses primarily reflect the impact of impairments and restructuring. They amounted to 350 million euros in 2013 versus 546 million euros in 2012. In 2013, the Group recorded 157 million euros of restructuring charges as part of executing its cost-cutting program, and 125 million euros of impairment on various assets, mostly located in Europe. In 2012, the Group recorded 204 million euros of restructuring costs in the context of the implementation of its new country-based organization, and 200 million euros of impairment of goodwill and other assets given the economic conditions in Greece.

Operating income improved 5% to 2,020 million euros, as the lower restructuring and impairment charges recorded over 2013 and higher gains on disposals versus last year more than offset the impact of the lower current operating income.

Net financial costs, comprised of financial expenses on net debt, foreign exchange, and other financial income and expenses, at 1,041 million euros in 2013 versus 1,095 million euros in 2012, decreased 5%.

The financial expenses on net debt decreased to 834 million euros from 889 million euros, reflecting the effect of a lower average net debt as we successfully implemented our deleveraging action plan. The average interest rate on our gross debt, at 6.2%, was stable versus 2012 and benefitted from the temporary drawing of short term debt during the year, as proceeds from divestments were mostly received in the second half of the year. It is worth noticing that the spot average rate on gross debt at December 31, 2013 stands at 6.5%.

Foreign exchange resulted in a loss of 52 million euros in 2013 compared with a loss of 23 million euros in 2012, primarily relating to debt placed by certain countries in a currency different from the local currency, and for which no hedging market is available.

Other financial costs were reduced to 155 million euros in 2013 versus 183 million euros in 2012, and mainly comprise bank commissions, the amortization of debt issuance costs, and the net interest cost related to pensions.

The contribution from our associates represented a net gain of 19 million euros in 2013, versus 5 million euros in 2012, thanks to a strong improvement of results generated by Unicem in Nigeria, while the contribution of the 20% ownership in Siniat (Gypsum operations in Europe and Latin America) was impacted by a non-recurring depreciation charge recorded in the first quarter of 2013.

Income tax was 262 million euros in 2013, corresponding to an effective tax rate of 27% notably benefitting from the one-time effect of the divestment of our Honduras activities. In 2012, the effective tax rate was 35%, impacted by a non-deductible impairment charge on goodwill.

Net income from continuing operations increased by 37%, from 538 million euros to 736 million euros, as the lower impairment and restructuring charges and higher gains on disposals more than compensated the decrease in Ebitda.

Net income from discontinued operations was a gain of 46 million euros in 2013, versus a gain of 16 million euros last year, notably reflecting the net gain achieved on the divestment of our Gypsum operations in North America completed at the end of August 2013.

Net income Group share[1] was 601 million euros in 2013 compared to 365 million euros in 2012, benefitting from the net gain on the divestment of our operations in Honduras (172 million euros after tax), and considering the 200 million euros impairment charge on Greek assets recorded in 2012.

Non-controlling interests slightly decreased to 181 million euros versus 189 million euros in 2012, mostly reflecting the effect of lower volumes in Egypt.

Basic earnings per share was 2.09 euros in 2013, compared to 1.27 euros in 2012, reflecting the strong improvement in net income attributable to the owners of the parent company over the year, while the average number of shares was relatively stable.

CASH FLOWS

During the periods presented, the main sources of liquidity were:

- cash provided by operating activities;
- cash provided by the divestment of assets;
- cash provided by the issuance of bonds and commercial paper, of share capital, and set up of short and medium term credit lines.

a) Net cash provided by operating activities

Net operating cash generated by continuing operations was 1,255 million euros in 2013, versus 1,276 million euros in 2012.

Net operating cash generated by continuing operations was almost stable, as the solid improvement of working capital[2] performance offset the decrease in Ebitda.

The Group pursued its efforts on this topic in 2013, with a particular focus on stock management optimization and a more effective negotiation to extend payment times to our suppliers. These efforts entailed close internal collaboration at every level of the Group between all the teams involved (commercial, industrial, purchasing, finance, etc.). Compared to the end of December 2012, strict working capital expressed as a number of days of sales was reduced by 3 days.

b) Net cash provided by (used in) investing activities

Net cash provided by investing activities from continuing operations was 39 million euros, compared with 323 million euros of net cash used in 2012.

Sustaining capital expenditures were maintained stable versus 2012, representing a total of 391 million euros spent in 2013.

Capital expenditures for productivity projects and for the building of new capacity amounted to 655 million euros, reflecting a strict discipline in capital expenditures. They mostly comprise investments in on-going new cement plants projects in Russia and India and in the plants of Exshaw and Ravena in North America, as well as fast-return new grinding capacities in the Philippines, Algeria and Brazil.

Net of net debt disposed of, and including the proceeds of the disposals of ownership interests with no loss of control, the divestment operations have reduced, net of selling costs, the Group's financial net debt by 1,283 million euros in 2013. They mainly comprise 0.5 billion euros of proceeds received from the sale of US Gypsum assets, a 0.2 billion euros capital injection of the new partner in India, the divestment of a few aggregates

(1) *Net income/loss attributable to the owners of the parent company.*

(2) *Strict working capital requirements: trade receivables plus inventories less trade payables.*

quarries in the United States, the sale of cement operations in Ukraine and Honduras and the proceeds related to the disposal of some UK assets.

c) Net cash used in financing activities

At December 31, 2013, total net debt amounted to 10,330 million euros (11,317 million euros at the end of December 2012).

The net consolidated debt was reduced by a further 1 billion euros reflecting the forceful deleveraging actions taken throughout the year.

Net debt stood at 10,330 million euros at year-end. Adjusted for the 380 million euros (total enterprise value) of secured divestments announced around the year end and closed mid February 2014 (disposal of the 20% remaining stake in gypsum operations in Europe and Latin America for 145 million euros announced in December 2013 and sale of some aggregates assets in Maryland for an enterprise value of 320 million dollars announced in January 2014), the year-end Group net debt would stand below 10 billion euros.

OUTLOOK

Overall, Lafarge sees cement growth in its markets of between 2 to 5 percent in 2014 versus 2013. Markets shall increasingly benefit from the recovery in the United States and the continuing growth in emerging markets as Europe overall stabilizes.

Cost inflation should continue at a similar pace as in 2013, which should result in higher prices overall.

The Group targets to deliver additional Ebitda of above 600 million euros in 2014 through its cost reduction and innovation measures (above 400 million euros from cost savings and more than 200 million euros from innovation). Beyond 2014, in 2015-2016, it plans to generate at least 1.1 billion euros of additional Ebitda from its actions of which 600 million euros from cost reductions and 500 million euros from innovation. This represents a minimum objective of 550 million euros per annum.

The Group is also aiming to reduce net debt below 9 billion euros in 2014 and will continue to apply the utmost discipline in capital allocation and our aim is to return to an investment grade profile this year.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

(million euros, unless otherwise stated)	YEARS ENDED DECEMBER 31 2013	2012
REVENUE	**15,198**	**15,816**
Cost of sales	(11,740)	(11,934)
Selling and administrative expenses	(1,383)	(1,469)
OPERATING INCOME BEFORE CAPITAL GAINS, IMPAIRMENT, RESTRUCTURING AND OTHER	**2,075**	**2,413**
Net gains (losses) on disposals	295	53
Other operating income (expenses)	(350)	(546)
OPERATING INCOME	**2,020**	**1,920**
Financial expenses	(1,177)	(1,255)
Financial income	136	160
Share of net income (loss) of associates	19	5
INCOME BEFORE INCOME TAX	**998**	**830**
Income tax	(262)	(292)
NET INCOME FROM CONTINUING OPERATIONS	**736**	**538**
Net income (loss) from discontinued operations	46	16
NET INCOME	**782**	**554**
Of which attributable to:		
Owners of the parent company	**601**	**365**
Non-controlling interests (minority interests)	181	189
EARNINGS PER SHARE (euros)		
ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		
Basic earnings per share	2.09	1.27
Diluted earnings per share	2.08	1.27
From continuing operations		
Basic earnings per share	1.93	1.21
Diluted earnings per share	1.92	1.21
BASIC AVERAGE NUMBER OF SHARES OUTSTANDING (in thousands)	**287,268**	**287,079**

2012 figures have been restated following the application of IAS 19 amended.

The notes to the consolidated financial statements are an integral part of the financial statements. They are contained in the Group's 2013 Registration Document (Annual Report) available directly on line on the website www.lafarge.com or upon request from the Investor Relations department.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	YEARS ENDED DECEMBER 31	
(million euros)	2013	2012
NET INCOME	**782**	**554**
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains/(losses)	119	(240)
Income tax on items that will not be reclassified to profit or loss	(74)	64
Total items that will not be reclassified to profit or loss	**45**	**(176)**
Items that may be reclassified subsequently to profit or loss		
Available-for-sale financial assets	(14)	-
Cash-flow hedging instruments	8	4
Foreign currency translation adjustments	(1,699)	(492)
Income tax on items that may be reclassified to profit or loss	(1)	(2)
Total items that may be reclassified to profit or loss	**(1,706)**	**(490)**
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX	**(1,661)**	**(666)**
TOTAL COMPREHENSIVE INCOME	**(879)**	**(112)**
Of which attributable to :		
Owners of the parent company	**(928)**	**(248)**
Non-controlling interests (minority interests)	49	136

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(million euros)	AT DECEMBER 31 2013	2012
ASSETS		
NON-CURRENT ASSETS	**29,358**	**30,180**
Goodwill	11,612	12,184
Intangible assets	574	620
Property, plant and equipment	14,752	14,992
Investments in associates	643	470
Other financial assets	656	698
Derivative instruments	12	27
Deferred tax assets	1,082	1,149
Other receivables	27	40
CURRENT ASSETS	**7,717**	**9,284**
Inventories	1,621	1,662
Trade receivables	1,929	1,762
Other receivables	797	779
Derivative instruments	24	68
Cash and cash equivalents	3,346	2,733
Assets held for sale	-	2,280
TOTAL ASSETS	**37,075**	**39,464**
EQUITY AND LIABILITIES		
Common stock	1,149	1,149
Additional paid-in capital	9,712	9,695
Treasury shares	(1)	(11)
Retained earnings	6,868	6,477
Other reserves	(885)	(925)
Foreign currency translation adjustments	(2,288)	(719)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	**14,555**	**15,666**
Non-controlling interests (minority interests)	1,951	2,082
EQUITY	**16,506**	**17,748**
NON-CURRENT LIABILITIES	**13,620**	**14,451**
Deferred tax liabilities	915	973
Pension & other employee benefits	1,234	1,492
Provisions	591	637
Financial debt	10,805	11,261
Derivative instruments	1	8
Other payables	74	80
CURRENT LIABILITIES	**6,949**	**7,265**
Pension & other employee benefits	123	102
Provisions	124	127
Trade payables	2,224	1,985
Other payables	1,447	1,567
Current tax payables	125	220
Financial debt (including current portion of long-term debt)	2,891	2,823
Derivative instruments	15	53
Liabilities associated with assets held for sale	-	388
TOTAL EQUITY AND LIABILITIES	**37,075**	**39,464**

2012 figures have been restated following the application of IAS 19 amended.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

(million euros)	YEARS ENDED DECEMBER 31 2013	2012
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
NET INCOME	**782**	**554**
NET INCOME FROM DISCONTINUED OPERATIONS	**46**	**16**
NET INCOME FROM CONTINUING OPERATIONS	**736**	**538**
Adjustments for income and expenses which are non cash or not related to operating activities, financial expenses or income tax:		
Depreciation and amortization of assets	1,027	1,010
Impairment losses	125	212
Share of net (income) loss of associates	(19)	(5)
Net (gains) losses on disposals	(295)	(53)
Financial (income) expenses	1,041	1,095
Income tax	262	292
Others, net (including dividends received from equity-accounted investments)	(168)	(68)
Change in working capital items, excluding financial expenses and income tax *(see analysis below)*	(36)	(304)
NET OPERATING CASH GENERATED BY CONTINUING OPERATIONS BEFORE IMPACT OF FINANCIAL EXPENSES AND INCOME TAX	**2,673**	**2,717**
Interests (paid) received	(893)	(954)
Cash payments for income tax	(525)	(487)
NET OPERATING CASH GENERATED BY CONTINUING OPERATIONS	**1,255**	**1,276**
NET OPERATING CASH GENERATED BY DISCONTINUED OPERATIONS	**1**	**22**
NET CASH GENERATED BY OPERATING ACTIVITIES	**1,256**	**1,298**
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Capital expenditures	(1,051)	(775)
Investment in subsidiaries and joint ventures[1]	(15)	21
Investment in associates	-	(3)
Acquisition of available-for-sale financial assets	(1)	(1)
Disposals[2]	1,105	413
Net (increase) decrease in long-term receivables	1	22
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES FROM CONTINUING OPERATIONS	**39**	**(323)**
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES FROM DISCONTINUED OPERATIONS	**(2)**	**(4)**
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**37**	**(327)**

(million euros)	YEARS ENDED DECEMBER 31 2013	2012
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Capital increase (decrease) – owners of the parent company	3	9
Capital increase (decrease) – non-controlling interests (minority interests)	-	2
Acquisitions of ownership interests with no gain of control	(2)	(147)
Disposals of ownership interests with no loss of control	188	21
Dividends paid	(289)	(145)
Dividends paid by subsidiaries to non-controlling interests (minority interests)	(218)	(154)
Proceeds from issuance of long-term debt	1,410	1,069
Repayment of long-term debt	(1,561)	(1,928)
Increase (decrease) in short-term debt	9	(75)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	**(460)**	**(1,348)**
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES FROM DISCONTINUED OPERATIONS	**-**	**-**
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**(460)**	**(1,348)**
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS	**834**	**(395)**
Increase (decrease) in cash and cash equivalents from discontinued operations	(1)	18
Net effect of foreign currency translation on cash and cash equivalents and other non monetary impacts	(220)	(61)
Reclassification of cash and cash equivalents from discontinued operations	-	-
Cash and cash equivalents at beginning of the year	2,733	3,171
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**3,346**	**2,733**
(1) Net of cash and cash equivalents of companies acquired	*5*	*-*
(2) Net of cash and cash equivalents of companies disposed of	*(100)*	*1*
ANALYSIS OF CHANGES IN OPERATING WORKING CAPITAL ITEMS	**(36)**	**(304)**
(Increase)/decrease in inventories	*(46)*	*(183)*
(Increase)/decrease in trade receivables	*(172)*	*(107)*
(Increase)/decrease in other receivables – excluding financial and income tax receivables	*(10)*	*(44)*
Increase/(decrease) in trade payables	*233*	*24*
Increase/(decrease) in other payables – excluding financial and income tax payables	*(41)*	*6*

2012 figures have been restated following the application of IAS 19 amended.

The notes to the consolidated financial statements are an integral part of the financial statements. They are contained in the Group's 2013 Registration Document (Annual Report) available directly on line on the website www.lafarge.com or upon request from the Investor Relations department.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Outstanding shares	Of which Treasury shares	Common stock	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves	Foreign currency translation adjustments	Equity attributable to the owners of the parent company	Non controlling interests	Equity
	(number of shares)		(million euros)								
BALANCE AT JANUARY 1, 2012	**287,247,518**	**233,448**	**1,149**	**9,684**	**(17)**	**6,217**	**(751)**	**(280)**	**16,002**	**2,197**	**18,199**
Net income						365			365	189	554
Other comprehensive income, net of income tax							(174)	(439)	(613)	(53)	(666)
TOTAL COMPREHENSIVE INCOME						**365**	**(174)**	**(439)**	**(248)**	**136**	**(112)**
Dividends						(145)			(145)	(170)	(315)
Issuance of common stock	7,984								-	1	1
Share based payments				11					11	-	11
Treasury shares		(76,165)			6	(6)			-	-	-
Changes in ownership with no gain/loss of control						46			46	(93)	(47)
Other movements									-	11	11
BALANCE AT DECEMBER 31, 2012	**287,255,502**	**157,283**	**1,149**	**9,695**	**(11)**	**6,477**	**(925)**	**(719)**	**15,666**	**2,082**	**17,748**
BALANCE AT JANUARY 1, 2013	**287,255,502**	**157,283**	**1,149**	**9,695**	**(11)**	**6,477**	**(925)**	**(719)**	**15,666**	**2,082**	**17,748**
Net income						601			601	181	782
Other comprehensive income, net of income tax							40	(1,569)	(1,529)	(132)	(1,661)
TOTAL COMPREHENSIVE INCOME						**601**	**40**	**(1,569)**	**(928)**	**49**	**(879)**
Dividends						(289)			(289)	(216)	(505)
Issuance of common stock	109,895			3					3	-	3
Share based payments				14					14	-	14
Treasury shares		(139,348)			10	(10)			-	-	-
Changes in ownership with no gain/loss of control						84			84	102	186
Other movements						5			5	(66)	(61)
BALANCE AT DECEMBER 31, 2013	**287,365,397**	**17,935**	**1,149**	**9,712**	**(1)**	**6,868**	**(885)**	**(2,288)**	**14,555**	**1,951**	**16,506**

2012 figures have been restated following the application of IAS 19 amended.

The notes to the consolidated financial statements are an integral part of the financial statements. They are contained in the Group's 2013 Registration Document (Annual Report) available directly on line on the website www.lafarge.com or upon request from the Investor Relations department.

ANNUAL FINANCIAL STATEMENTS OF THE PARENT COMPANY

Lafarge S.A.'s annual financial statements for fiscal year 2013 are being submitted for your approval in the first resolution. In order to facilitate the reading of the notice of meeting document, we are presenting the statements in a simplified form. The full version of the Lafarge S.A. financial statements and notes can be obtained on request by completing the Document Request Form on page 68 and returning it to BNP Paribas securities services. Lafarge S.A. statutory accounts and notes are included in the Group's 2013 Registration Document (Annual Report) that is available for viewing at www.lafarge.com (Shareholders & Investors section).

COMMENTS ON THE INCOME STATEMENT AND THE BALANCE SHEET

The financial statements for year 2013 show a net income after tax of 462 million euros to be compared with 103 million euros in 2012.

- This variation results from the following events:
  - the increase in operating income of 33 million euros mainly due to the reduction of costs invoiced by certain subsidiaries;
  - strong increase of 354 million euros in dividends received;
  - non recurring loss of 23 million euros that mainly corresponds to a provision for bonus shares grants;
  - the income tax amount includes 70 million euros already received or receivable from subsidiaries in the group tax regime.
- The main variations in the statement of financial position are:
  - the change in the gross value of shares of subsidiaries (-217 million euros) is due to the reduction of capital of Sabelfi snc;
  - the increase in provisions for losses and contingencies of 22 million euros due to an additional provision for the grant of bonus shares;
  - the net increase in borrowings, loans and short and long term advances to Group entities for 39 million euros;
  - the decrease in equity of 183 million euros, before profit, resulting from the appropriation of the previous year's net income;
  - the decrease in net debt (458 million euros) which stood at 11,339 million euros at December 31, 2013.

On December 31, 2013 gross debt includes bonds for 11,420 million euros, borrowings from Group companies for 353 million euros and other borrowings from financial institutions for 776 million euros.

STATEMENTS OF INCOME

(million euros)	YEARS ENDED DECEMBER 31, 2013	2012
Production sold (services)	506	517
Provision reversals	21	15
Operating Revenue	**527**	**532**
Other purchases and external charges	(350)	(381)
Duties and taxes	(11)	(7)
Employee expenses	(153)	(150)
Depreciation and amortization	(24)	(23)
Provision allowance	(24)	(39)
Operating expenses	**(562)**	**(600)**
OPERATING INCOME	**(35)**	**(68)**
Income from investments	1,218	915
Interest and similar income	78	54
Foreign exchange gains	33	23
Provision reversals	4	6
Financial Income	**1,333**	**998**
Interest and similar expenses	(814)	(817)
Foreign exchange losses	(31)	(23)
Provision allowance	(14)	(14)
Financial Expenses	**(859)**	**(854)**
NET FINANCIAL INCOME/(COST)	**474**	**144**
CURRENT OPERATING INCOME BEFORE TAX	**439**	**76**
EXCEPTIONAL INCOME/(LOSS)	**(23)**	**(39)**
Income tax credit/(expense)	46	66
NET INCOME	**462**	**103**

The notes to the annual financial statements are an integral part of the financial statements. They are contained in the Group's 2013 Registration Document (Annual Report) available directly on line on the website www.lafarge.com or upon request from the Investor Relations department.

BALANCE SHEETS

ASSETS

AT DECEMBER 31

(million euros)	2013 Gross amount	2013 Depreciation, amortization, impairment	2013 Net amount	2012 Net amount
Intangible assets and property, plant and equipment	**233**	**140**	**93**	**92**
Financial assets [1]	**25,754**	**0**	**25,754**	**25,994**
Investments	25,272	-	25,272	25,485
Long-term receivables from investments	471	-	471	498
Other financial assets	11	-	11	11
NON-CURRENT ASSETS	**25,987**	**140**	**25,847**	**26,086**
Other receivables	2,396	1	2,395	3,851
Marketable securities	1	-	1	11
Cash and cash equivalents	1,209	-	1,209	385
CURRENT ASSETS	**3,606**	**1**	**3,605**	**4,247**
Debenture redemption premiums	26	-	26	36
Cumulative translation adjustments	278	-	278	206
TOTAL ASSETS	**29,897**	**141**	**29,756**	**30,575**
(1) *Of which less than one year.*			*25*	*27*

EQUITY AND LIABILITIES (BEFORE APPROPRIATION)

AT DECEMBER 31

(million euros)	2013	2012
Common stock	1,149	1,149
Additional paid-in capital	9,856	9,853
Revaluation reserves	3	3
Legal reserve	109	103
Other reserves	649	649
Retained earnings	1,560	1,752
Net income for the year	462	103
Tax-driven provisions	1	1
NET EQUITY	**13,789**	**13,613**
PROVISIONS FOR LOSSES AND CONTINGENCIES	**175**	**153**
Debenture issues	11,420	11,250
Bank borrowings [1]	769	582
Other loans and commercial paper	360	361
Financial debt	**12,549**	**12,193**
Tax and employee-related liabilities	48	69
Other liabilities	2,863	4,295
LIABILITIES [2]	**15,460**	**16,557**
Cumulative translation adjustments	332	252
TOTAL EQUITY AND LIABILITIES	**29,756**	**30,575**
(1) *Of which current bank overdrafts*	*10*	*18*
(2) *Of which less than one year*	*4,885*	*5,636*

The notes to the annual financial statements are an integral part of the financial statements. They are contained in the Group's 2013 Registration Document (Annual Report) available directly on line on the website www.lafarge.com or upon request from the Investor Relations department.

STATEMENTS OF CASH FLOWS

(million euros)	YEARS ENDED DECEMBER 31 2013	2012
CASH FLOW FROM OPERATIONS [1]	**518**	**175**
Change in working capital	8	(936)
NET CASH FROM OPERATING ACTIVITIES (I)	**526**	**(761)**
Capital expenditure	(26)	(23)
Investments	-	-
Repayment of investments	217	-
Net decrease in loans and miscellaneous	27	650
Disposals of assets	-	-
NET CASH FROM INVESTING ACTIVITIES (II)	**218**	**627**
Proceeds from issuance of common stock	3	-
Dividends paid	(289)	(145)
NET CASH USED IN/FROM CAPITAL TRANSACTIONS (III)	**(286)**	**(145)**
(INCREASE) / DECREASE IN NET DEBT (I+II+III)	**458**	**(279)**
NET DEBT AT YEAR END	**11,339**	**11,797**
Debt	12,549	12,193
Marketable securities	(1)	(11)
Cash and cash equivalents	(1,209)	(385)

(1) *Cash flow from operations mainly comprises net income (+462 million euros) before depreciation and amortization (37 million euros), provisions (+19 million euros) .*

The notes to the annual financial statements are an integral part of the financial statements. They are contained in the Group's 2013 Registration Document (Annual Report) available directly on line on the website www.lafarge.com or upon request from the Investor Relations department.

CHANGE IN THE FINANCIAL INCOME OF THE COMPANY DURING THE LAST FIVE YEARS (ARTICLES R. 225-81, R. 225-83, R. 225-102 OF THE FRENCH COMMERCIAL CODE)

	2013	2012	2011	2010	2009
A. CAPITAL STOCK					
Capital stock (in euros)	1,149,461,588	1,149,022,008	1,148,990,072	1,145,815,116	1,145,813,264
Number of existing shares of common stock	287,365,397	287,255,502	287,247,518	286,453,779	286,453,316
Maximum number of future shares to be created	7,000,955	8,455,389	8,511,063	9,099,072	8,060,756
through conversion of bonds					
through exercise of stock options	7,000,955	8,455,389	8,511,063	9,099,072	8,060,756
B. TRANSACTIONS FOR THE YEAR (in thousands of euros)					
a) Gross sales revenues[1]	1,846,797	1,542,723	1,536,243	1,322,722	1,625,520
b) Income before taxes, profit-sharing and amortization and provisions	472,361	109,709	88,208	(320,834)	213,495
c) Income taxes	46,183	65,750	68,352	76,060	118,439
d) Employee profit-sharing owed for the year	-	-	-	-	-
e) Income after taxes, profit sharing and amortization and provisions	462,306	102,842	205,507	49,032	254,309
f) Income distributed	289,267	289,341	144,550	287,903	575,207
including 10% increase[2]	1,919	2,028	1,002	1,683	3,028
Earnings per share (in euros)					
a) Income after taxes, employee profit-sharing but before amortization and provisions	1.80	0.61	0.84	(0.85)	1.16
b) Income after taxes, employee profit-sharing and amortization and provisions	1.61	0.36	0.72	0.17	0.89
c) Net dividend	1.000	1.000	0.500	1.000	2.000
Net loyalty dividend	1.100	1.100	0.550	1.100	2.200
C. PERSONNEL					
Number of employees at December 31	498	512	528	510	485
Payroll (in thousands of euros)[3]	104,210	102,597	94,773	92,799	78,315
Social benefits (in thousands of euros)[4]	49,149	47,494	47,369	48,098	35,088
Bonuses and profit-sharing paid (in thousands of euros)	2,507	1,388	1,732	2,142	1,592

(1) *Gross sales revenues represent the revenues from ordinary activities, which include the sold production (services) and finance income.*
(2) *Increase in the dividend for registered shares held for more than two years.*
(3) *Including retirement indemnities, provision for performance shares grants.*
(4) *Social organizations, charitable projects and other employee costs for impatriates, etc.*

4 AGENDA

I. RESOLUTIONS TO BE SUBMITTED TO THE ORDINARY SHAREHOLDERS' MEETING

- Approval of the 2013 Company financial statements and transactions (1st resolution)
- Approval of the 2013 consolidated financial statements and transactions (2nd resolution)
- Appropriation of earnings and setting of the dividend (3rd resolution)
- Related-party agreements *(conventions réglementées)* and committments - Special report from the Auditors (4th resolution)
- Renewal of the term of office of Ms Véronique Weill as a Director (5th resolution)
- Appointment of Ms Mina Gerowin as a Director (6th resolution)
- Appointment of Ms Christine Ramon as a Director (7th resolution)
- Advisory vote on the elements of compensation due or granted to the Chairman and Chief Executive Officer, Mr Bruno Lafont, for the financial year 2013 (8th resolution)
- Authorization to the Company to buy and sell its own shares (9th resolution)

II. RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY SHAREHOLDERS' MEETING

- Amendment to the Articles of Association – Directors representing the employees (10th resolution)
- Amendment to the Articles of Association – Age limit for Directors (11th resolution)
- Powers to carry out corporate formalities (12th resolution)

5 RESOLUTIONS TO BE SUBMITTED TO THE MEETING, AS PRESENTED BY THE BOARD

You will find below the proposed resolutions that will be submitted to the Lafarge shareholders at the next combined Shareholders' Meeting on May 7, 2014.

The resolutions are preceded by an introductory paragraph explaining the reasons for each resolution proposed. All these introductory paragraphs, taken with the business description in the notice of Shareholders' Meeting, form the report from the Board of Directors to the Shareholders' Meeting. Reading of this report may not be dissociated from reading of the proposed resolutions.

Shareholders are also invited to read the guide on draft resolutions put to the vote of shareholders of listed entities, published by the Medef *(Mouvement des Entreprises de France*, the French employers association) in collaboration with ANSA and Afep and available on www.medef.com (Medef Corporate, "Publications" section) or www.lafarge.com ("Shareholders & Investors" section) for further information on the issues at stake in each type of resolution and the specific legal requirements applicable under French law.

I. RESOLUTIONS TO BE SUBMITTED TO THE ORDINARY SHAREHOLDERS' MEETING

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS (RESOLUTIONS 1 TO 3)

The **first two** resolutions submit for shareholders' approval the statutory and consolidated financial statements of Lafarge for 2013, showing earnings of 462,306,368.34 euros and 601 million euros, respectively (net income attributable to the owners of the parent of the Group).

The **3rd resolution** proposes an appropriation of the earnings for fiscal year 2013 that allows a normal dividend of 1 euro per share and a loyalty dividend of 1.10 euro per share. The loyalty dividend is awarded to shares which have been held in registered form for more than two years as of December 31, 2013, and are still in registered form on the dividend payment date.

The normal dividend and the loyalty dividend are eligible in full for the 40% deduction that applies to individuals who are tax residents of France.

If this resolution is adopted, the dividend will become eligible for payment on July 4, 2014. The shares will be traded ex-dividend as from July 1, 2014.

1ST RESOLUTION

Approval of the 2013 Company financial statements and transactions

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, having considered the report of the Board of Directors, the report of the Chairman of the Board of Directors on internal control procedures implemented by the Company, and the statutory auditors' reports, approves the 2013 financial statements, as presented, and the transactions recorded therein and summarized in these reports.

The net income for the year was 462,306,368.34 euros.

2ND RESOLUTION

Approval of the 2013 consolidated financial statements and transactions

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, having considered the report of the Board of Directors, the report of the Chairman of the Board of Directors on internal control procedures implemented by the Company and the statutory auditors' reports, approves the 2013 consolidated financial statements, as presented, and the transactions recorded therein and summarized in these reports.

The net income, Group share, for the year was 601 million euros.

3RD RESOLUTION

Appropriation of earnings and setting of the dividend

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, approves the recommendations of the Board of Directors for the appropriation of distributable profits for the 2013 financial year:

Origins:	(in euros)
Earnings	462,306,368.34
Retained earnings*	1,560,046,716.95
TOTAL (DISTRIBUTABLE PROFITS)	**2,022,353,085.29**
Appropriation:	
Legal reserve	6,267,035.53
Dividend**	
• First dividend (5% of the par value of the share)	57,469,492.40
• Additional dividend (total dividend – first dividend)	229,877,969.60
• Maximum amount of the 10% increase	1,919,358.60
Total Dividend	289,266,820.60
Retained Earnings	1,726,819,229.16
TOTAL APPROPRIATIONS	**2,022,353,085.29**

* *After adjustments relating to events not taken into account on the date on which the appropriation of earning submitted to the previous Shareholders' Meeting was completed: (a) dividend received in relation to new shares giving right to dividend created before the ex-dividend date, which amounted to 75,399 euros, (b) dividend received in relation to shares previously held by the Company and which were no longer held by the Company on the ex-dividend date, which amounted to 139,198 euros, (c) loss of the right to the 10% increase of the dividend for some registered shares before the dividend becomes eligible for payment, corresponding to 119,470.70 euros.*

** *This amount (and retained earnings) will be adjusted, if need be, to take into account the consequences of the realization of the following events: (a) creation of new shares giving right to dividend before the ex-dividend date, (b) variation of the number of treasury shares before the ex-dividend date, (c) loss of the right to the 10% increase of the dividend of certain registered shares before the dividend becomes eligible for payment and (d) regularization on dividends paid for past fiscal year(s).*

It sets the normal dividend at 1 euro per share and the loyalty dividend at 1.10 euro per share. The amount of the normal dividend and the loyalty dividend, when distributed to individual shareholders who are tax residents of France, are eligible in full for the 40% deduction provided for in article 158-3 2nd of the General Tax Code.

We remind the Shareholders' Meeting that the dividends distributed in previous years were as follows:

Year	Number of shares	Dividend distributed
2012	**287,255,502**	
Normal dividend		1.00
Loyalty dividend		1.10
2011	**287,247,518**	
Normal dividend		0.50
Loyalty dividend		0.55
2010	**286,453,779**	
Normal dividend		1.00
Loyalty dividend		1.10

All amounts mentioned in the above table in the column "Dividend distributed" are eligible to the 40% tax deduction mentioned above.

The General Meeting resolves that the dividend will become eligible for payment on July 4, 2014.

RELATED-PARTY AGREEMENTS AND COMMITMENTS *(CONVENTIONS RÉGLEMENTÉES)* (RESOLUTION 4)

The **4th resolution** relates to the ratification of the "related-party" agreements and commitments *(conventions réglementées)* approved by the Board of Directors. It relates to agreements entered into between Lafarge and its Directors or a company that shares one or more Directors with Lafarge or a shareholder holding more than 10% of the voting rights of the Company and not yet approved in General Meeting.

The Board of Directors has not approved any new related-party agreement or commitment in 2013 which had not previously been approved by the shareholders.

The special report of the statutory auditors relates to related-party agreements or commitments previously approved by General Meetings and which have continued during 2013.

4TH RESOLUTION

Related-party agreements *(conventions réglementées)* and committments - Special report from the Auditors

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, noting that as set out in the special report prepared by the statutory auditors pursuant to article L. 225-40 of the Commercial Code, no new related-party agreement or commitment which had not previously been approved by the shareholders has been authorised in 2013, approves the said special report.

GOVERNANCE – COMPOSITION OF THE BOARD OF DIRECTORS – DIRECTORSHIPS (RESOLUTIONS 5 TO 7)

Composition of the Board of Directors – Proposed resolutions:

The Board of Directors proposes several resolutions relating to its composition.

The **5th resolution** relates to the renewal of the term of office of Ms Weill. Qualified as independent Director, Ms Weill is a member of the Audit Committee and of the Remunerations Committee. In particular, she brings to the Board of Director her expertise in finance, her knowledge of corporate functions and her experience as an executive officer of an international group. The renewal of her term of office would enable the Board of Directors to keep benefiting from her expertise and experience.

In addition, it is proposed to appoint Ms Mina Gerowin and Christine Ramon as Directors in **resolutions 6 and 7**. Both will be qualified as independent Director by the Board of Directors.

MINA GEROWIN - born on May 27, 1951 - American citizen

Experience and Expertise

Mina Gerowin is a Director of CNH Industrial NV (Netherlands) and of EXOR SpA (Italy).

Born in New York, Ms Gerowin has an A.B. from Smith College in Political Economy, a J.D. from the University of Virginia School of Law, an M.B.A. from Harvard Business School where she was a Baker Scholar and a D.H.L. h.c. from the University of New Haven. She practiced law in Switzerland and New York then worked as Investment Banker in International Mergers and Acquisitions at Lazard Frères in New York and Paris. Ms Gerowin formed her own consulting and investing company, completing five LBO transactions and participated in their direction as an officer and Director. After their sale she consulted internationally. Ms Gerowin joined Paulson & Co. in 2004 where she was Managing Director of Paulson Europe LLP in London until 2012.

Ms Gerowin would bring to the Board of Directors her expertise in finance and in management of equity investments as well as her experience as a Director of an international industrial group.

The Board of Directors has indicated that Ms Gerowin would be classified as independent Director should the General Meeting of May 7, 2014 approve her nomination.

Positions held in France and abroad over the last five years

Current positions

In France:
N/A

Abroad:
Director of CNH Industrial NV (Netherlands) (listed company)
Director of EXOR SpA (Italy) (listed company)

Over the last five years that have ended, in France and abroad

In France:
N/A

Abroad:
Managing Director and Partner of Paulson Europe LLP until 2012

CHRISTINE RAMON - born on April 16, 1967 - South African citizen

Experience and Expertise

Christine Ramon was an Executive Director and the Chief Financial Officer of Sasol Limited, an international integrated energy and chemical company listed in South Africa and New York, from 2006 to 2013. Previously she served as Chief Executive and Financial Director of Johnnic Holdings Limited (South Africa) and Non-Executive Director of Transnet Limited (South Africa).
Ms Ramon is a Chartered Accountant and completed the Senior Executive Programme at Harvard Business School (United States). She currently serves as Deputy Chair of the Financial Reporting Standards Council in South Africa and also serves as a member of the Financial Reporting Investigations Panel in South Africa. Ms Ramon served as Chairman of the CFO Forum of the Top 40 listed companies in South Africa from 2011 until 2013. She was a previous member of the Standing Advisory Committee to the International Accounting Standards Board.

Ms Ramon would bring to the Board of Directors her experience as a Director and executive officer of an international industrial group, her expertise in finance and in the extraction sector as well as her knowledge of Africa.

The Board of Directors has indicated that Ms Ramon would be classified as independent Director should the General Meeting of May 7, 2014 approve her nomination.

Positions held in France and abroad over the last five years

Current positions :

In France:
N/A

Abroad:
N/A

Over the last five years that have ended, in France and abroad:

In France:
N/A

Abroad:
Director of Sasol Limited (South Africa) (listed company) until 2013
Positions in various subsidiaries of the Sasol group until 2013
Director of Transnet Limited (South Africa) until 2010

Information on the candidate for renewal as Director can be found at page 65.

Ms Colette Lewiner, whose term of office expires at the end of this General Meeting, did not ask for the renewal of her office as Director. The Board wishes to thank Ms Lewiner for her valuable contribution to the works of the Board of Directors and of the Strategy, Investment and Sustainable Development Committee, for her expertise and her independence.

Term of directorships:

In accordance with the provision of the Articles of Association, the renewal and the appointments will be for a term of four years until the end of the General Meeting to be held in 2018 to approve the financial statements for the year ending December 31, 2017.

Composition and independence of the Board of Directors following the General Meeting (should all the proposed resolutions be approved):

Should the General Meeting approve all these resolutions, the Board of Directors will be composed of **16 Directors** following the meeting.

Out of these Directors, the following **10 Directors will be classified as independent**: Ms Mina Gerowin, Hélène Ploix, Christine Ramon and Véronique Weill and Mssrs Philippe Charrier, Philippe Dauman, Oscar Fanjul, Juan Gallardo, Baudouin Prot and Michel Rollier.

The percentage of independent Directors on the Board of Directors will correspond to 62.5% while maintaining and ensuring representation on the Board of the principal shareholders.

As a reminder, Directors are classified as independent by the Board of Directors using mainly the rules and criteria proposed in the Code of Corporate Governance for listed companies published by Afep-Medef and by carrying out materiality tests on business relationships between the Company and its Directors (or entities with which they are related).

In addition, with 4 women out of 16 members composing the Board of Directors, **the proportion of women elected to the Board will correspond to 25%**.

The table below summarizes the expiry of the terms of office of the members of the Board of Directors, as it will be composed after this meeting should the proposed resolutions mentioned above be adopted:

Directors	2015 (General Meeting called to approve the 2014 financial statements)	2016 (General Meeting called to approve the 2015 financial statements)	2017 (General Meeting called to approve the 2016 financial statements)	2018 (General Meeting called to approve the 2017 financial statements)
Bruno Lafont			X	
Oscar Fanjul			X	
Philippe Charrier			X	
Philippe Dauman	X			
Paul Desmarais Jr.		X		
Juan Gallardo			X	
Mina Gerowin				X
Ian Gallienne		X		
Jérôme Guiraud		X		
Gérard Lamarche		X		
Hélène Ploix			X*	
Baudouin Prot	X			
Christine Ramon				X
Michel Rollier		X*		
Nassef Sawiris		X		
Véronique Weill				X

* *Subject to approval by the General Meeting of the amendments to the Articles of Association relating to the age limit of Directors.*

5TH RESOLUTION

Renewal of the term of office of Ms Véronique Weill as Director

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, on the recommendation of the Board of Directors, and in accordance with the conditions stipulated in article 14 of the Articles of Association, hereby renews Ms Véronique Weill's term of office as Director for a period of four years, expiring at the end of the Shareholders' Meeting called to approve the financial statements for the 2017 financial year.

6TH RESOLUTION

Appointment of Ms Mina Gerowin as Director

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, on the recommendation of the Board of Directors, and in accordance with the conditions stipulated in article 14 of the Articles of Association, hereby appoints Ms Mina Gerowin as Director for a period of four years, expiring at the end of the Shareholders' Meeting called to approve the financial statements for the 2017 financial year.

7TH RESOLUTION

Appointment of Ms Christine Ramon as Director

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, on the recommendation of the Board of Directors, and in accordance with the conditions stipulated in article 14 of the Articles of Association, hereby appoints Ms Christine Ramon as Director for a period of four years, expiring at the end of the Shareholders' Meeting called to approve the financial statements for the 2017 financial year.

ADVISORY VOTE ON THE ELEMENTS OF COMPENSATION DUE OR GRANTED TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER, MR BRUNO LAFONT, FOR THE FINANCIAL YEAR 2013 - "SAY ON PAY" (RESOLUTION 8)

The **8th resolution** submits to the advisory vote of shareholders the elements of compensation due or granted to Mr Bruno Lafont, Chairman and Chief Executive Officer, for the year ended December 31, 2013. This results from the new recommendations of the Afep-Medef Code in its June 2013 version, the Corporate Governance Code which the Company refers to. The table summarising these elements of compensation, contained in the 2013 Registration Document in Section 3.4.4, is reproduced below:

Compensation elements due or granted during the fiscal year	Amounts or book value submitted to the vote	Presentation
Fixed compensation	**975,000 euros** (amount paid)	Increase of 2.6% compared to his 2012 fixed remuneration – first evolution since 2010.
Annual variable compensation	**887,250 euros** (amount due, to be paid in 2014)	The 2013 annual variable part represents 57% of the maximum bonus. The 2013 financial objectives set for the variable part related to: the evolution in earnings per share, the free cash flow generation, the level of Ebitda, the ROCE (return on capital employed) and the change in Lafarge's performance compared to competitors. The level of realization of these financial objectives were validated by the Remunerations Committee and the Board of Directors. The 2013 qualitative objectives were related to the following areas: health and safety and sustainable development action plan for 2020, balance sheet optimization and financial performance, strategic plan for the Group, financial communications and the development of the management team. The policy of the Company is to set the annual variable part of the Chairman and Chief Executive Officer, except if exceptional circumstances, to a maximum of 160% of the fixed remuneration. It is determined based on the achievement of financial objectives for 62,5% and on the realization of qualitative objectives for 37,5%.
Differed variable compensation	**NA**	The principle of a deferred variable compensation is not planned.

Multi-annual variable compensation	**0 euro**
	No amount is due
		2013 Value Enhancement Bonus :
		- Grant of 50,000 Value Enhancement Bonus units (Board of Directors of March 13, 2013).
		- At the end of a four-year period (2013 to 2017), and only if 100% of the internal and external performance conditions attached to the program have been achieved, payment of a bonus amounting to the number of units granted (50,000) multiplied by the difference between (i) Lafarge's share price at the end of the program* and (ii) a stock price target set at € 70.
		- Performance conditions:
		  - the external performance condition is achieved if the share price target set at € 70 is reached;
		  - the internal performance condition: average return on capital employed for 2013 to 2016 being greater than or equal to a predetermined target level.
		- The program provides a payment in 2017. No amount is due related to this compensation for 2013.
		At the date of grant, the valuation of this multi-annual variable remuneration is estimated at 368,000 euros. It is reassessed every year.

* *Average first quoted prices of Lafarge shares during the twenty trading days preceding March 13, 2017.*		
Exceptional compensation	**NA**	No exceptional compensation was granted to the Chairman and Chief Executive Officer for the 2013 financial year.

Compensation elements due or granted during the fiscal year	Amounts or book value submitted to the vote	Presentation
Stock options, performance shares	**Performance shares = 952,497 euros** (book value)	**2013 Performance shares grant:** • Grant of 33,500 performance shares, representing less than 10% of the total of performance shares granted and 0.01% of the current share capital of the Company. • 100% of the grant is subject to the achievement of external and internal performance conditions. The number of shares to be delivered at the end of a three-year period will depend on the level of achievement of these conditions over the period 2013-2015. ◆ external performance condition (related to 75% of the grant): Lafarge's relative performance in terms of (i) Total Shareholder Returns (TSR) and (ii) level of Return on Capital Employed (Roce), compared to a panel of reference companies including Lafarge's main competitors for the period from 2013 to 2015. The number of performance shares to be delivered will be determined depending on Lafarge's ranking in this panel; ◆ internal performance condition (related to 25% of the grant): growth in the Group's Ebitda resulting from innovation and performance actions (target levels have been defined both for the 2013 financial year and for the period from 2013 to 2014). • This grant was decided by the Board of Directors on March 13, 2013 on the basis of Resolution 17 ("Authorization to the Board of Directors to grant free existing shares or shares to be issued") passed at the General Meeting of May 12, 2011.
	Stock Options = NA	No grant of stock options.
Directors' fees	**25,400 euros** (amount due, to be paid in 2014)	Computation of Directors fees paid to Bruno Lafont in application of the allocation rules adopted by the Board of Directors on March 24, 2010 (€25,400 = €17,000 (fixed fee) + €8,400 (variable fee : 7 meetings x 1,200 euros for every Board of Directors)).
Valuation of the fringe benefits	**3,428 euros** (book value)	Mr Bruno Lafont benefits from a company car.

Compensation elements due or granted in 2013 submitted to the vote of the General Meeting according to the procedure on related-party agreements and commitments	Amounts submitted to the vote	Presentation
Severance compensation	**0 euro** No amount is due	**Severance compensation related to the suspended employment contract of Bruno Lafont:** In compliance with the procedure on related-party agreements and commitments, the shareholders have voted on this subject at the Combined General Meeting of May 7, 2013 (Resolution 5) for the last time. The employment agreement of Mr Bruno Lafont was suspended upon his appointment to serve as a corporate officer in 2006. That agreement includes contractual severance compensation payable subject to certain conditions, including a performance condition. Following the automatic resumption of his employment agreement in the event Mr Bruno Lafont were to cease serving in his corporate offices (Chairman and Chief Executive Officer), the contractual severance compensation in case of dismissal (other than for gross negligence or serious misconduct) would only be owed to Mr Bruno Lafont if a series of conditions are met: • Condition related to the event triggering the right to contractual severance compensation: The dismissal must take place after a change of control (meaning (i) a change in the Company's capital characterized by the holding by Groupe Bruxelles Lambert and NNS Holding Sàrl, not acting in concert, of more than 50% in total of the Company's voting rights or (ii) the fact that another shareholder or several shareholders acting in concert hold more than 50% of the Company's voting rights) or after a change in the Company's strategy. • Performance condition: This condition will be satisfied and the contractual severance compensation would be paid if two of the following three criteria are satisfied. If only one criterion out of the three is satisfied, the condition will only be partially satisfied and only one half of the contractual severance compensation would be paid. If none of the criteria are satisfied, the condition would not be satisfied and no contractual severance compensation would be paid. The three criteria to be satisfied, over the last three fiscal years preceding the employment contract's termination, are as follows: • on average, over the last three fiscal years: the after-tax return on invested capital is greater than the Average Weighted Cost of the Capital. Here, the term Average Weighted Cost of the Capital means the sum of the cost of debt multiplied by the total debt divided by the total of the capital and cost of equity multiplied by the equity and divided by the total of capital (Group figures); • on average, over the last three fiscal years: the ratio Ebitda/Turnover is strictly greater than 18% (Group figures); • on average, over the last three fiscal years: the average percentage of given bonuses under the Employment Contract or the Term of Office is greater than 60% of the maximum bonus. The maximum amount of this contractual severance compensation would be equal to two years of total gross compensation received by Mr Bruno Lafont for the most favorable of the three years preceding the date of his dismissal notice. This calculation basis is the same as for the dismissal compensation under the Collective Bargaining Agreement. In addition, so as to ensure that the total amount of the compensation due to Mr Bruno Lafont in case of departure remains within this limit, such contractual severance compensation would be reduced by the amount of the dismissal compensation due to Mr Bruno Lafont pursuant to and in compliance with the terms of the Collective Bargaining Agreement applicable to engineers and executives in the cement production industry, which apply to his employment agreement in view of his length of service within the Group (31 years). In application of mandatory French labor laws, the dismissal compensation is subject to the conditions set forth under the Collective Bargaining Agreement. A job elimination or decrease in level of responsibilities would also constitute a case of dismissal providing entitlement to such compensations.
Non-compete clause payments	**NA**	There is no non-compete clause.

Compensation elements due or granted in 2013 submitted to the vote of the General Meeting according to the procedure on related-party agreements and commitments	Amounts submitted to the vote	Presentation
Supplementary Pensions Schemes	**0 euro** No amount is due	**Supplementary Benefits Plan:** In compliance with the procedure on related-party agreements and commitments, the shareholders have voted on this subject at the General Meetings of May 24, 2006 (Resolution 4) and May 6, 2009 (Resolution 4). According to the Company's general principles of compensation, Bruno Lafont is eligible for a supplementary defined benefits plan defined through two group plans applicable, under certain conditions, to certain senior executives. There is no specific pension plan for Corporate Officers. Due to his 31 years of service within the Group, this plan would provide him with a pension equal to 26% of his reference salary* in excess of 8 times the annual French social security cap to which an additional 13% would be added in excess of 16 times the annual French social security cap. As an example, if the calculation was made on the basis of the last three years (2011-2013), the annual pension paid to Mr Bruno Lafont would represent approximately 33% of his annual fixed and variable compensation due for the reference period (versus 45% maximum recommended). The two plans of this pension scheme remain open and potentially benefit, under certain conditions, for one plan to all executives of Lafarge and its French subsidiaries, and for the other plan to all the members of the Group Executive Committee. The other key features of this scheme and of the two collective plans composing it are as follows : • This scheme applies only if, at the time of payment of the pension, the beneficiary is still employed by the Company or if he ended his career at the initiative of the Company after the age 55. • These plans, among other conditions, respectively include a condition of a minimum seniority of 5 and 3 years in various positions within the Group in order to benefit from these plans (*versus* 2 years recommended). These conditions are met for Mr Bruno Lafont. • The calculation of the amounts to be paid according to these plans is capped at respectively 20 and 10 years of service in various positions within the Group. These ceilings are reached concerning Mr Bruno Lafont. • As recommended, the possible cumulative annual growth of the potential benefits under these two plans is less than 5% of the reference salary.

* *Reference salary is the average of the last three annual fixed and variable compensation (excluding multi-annual compensation).*

A description of the general principles for compensation of the Chairman and Chief Executive Officer is set out in Section 3.4.2 of the 2013 Registration Document of the Company, available on www.lafarge.com. Detailled information on compensation and benefits granted to the Chairman and Chief Executive Officer may also be found in Section 3.4.3 of the Registration Document.

8TH RESOLUTION

Advisory vote on the elements of compensation due or granted to the Chairman and Chief Executive Officer, Mr Bruno Lafont, for the financial year 2013

The Shareholders' Meeting, consulted in accordance with the recommendation set out in § 24.3 of the Afep-Medef Code of Corporate Governance of June 2013, being the Code to which the Company refers pursuant to article L. 225-37 of the Code of Commerce, deliberating pursuant to the quorum and majority requirements for Ordinary Meetings, gives a favorable opinion on the elements of compensation due or granted for the financial year 2013 to Mr Bruno Lafont, Chairman and Chief Executive Officer, as presented in the 2013 Registration Document of the Company in Section 3.4.4.

AUTHORIZATION TO BUY BACK SHARES (RESOLUTION 9)

The **9th resolution** allows the Company to buy its own shares within the limits set by the shareholders and by law. It replaces the authorizations previously granted by the shareholders at each Shareholders' Meeting.

Main characteristics

The buyback program that we are recommending that you approve would have the following features:

- Securities: shares;
- Maximum percentage of capital authorized for buyback: 5%;
- Maximum total amount of the program: 500 million euros;
- Maximum unit purchase price: 100 euros;
- Objectives of the program:
  - the implementation of any Company stock option plan under the terms of articles L. 225-177 et seq. of the Commercial Code or any similar plan, or
  - the allotment or sale of shares to employees under the French statutory profit-sharing scheme or the implementation of any employee savings plan on the conditions stipulated by law, in particular articles L. 3332-1 et seq. of the Labor Code, or
  - the allotment of consideration free shares under the terms of articles L. 225-197-1 et seq. of the Commercial Code, or
  - generally, to fulfill obligations linked with stock option programmes or other share allotment schemes in favor of employees or executive officers of the Company or of related entities, or
  - the delivery of shares on the exercise of rights attached to securities giving rights to the capital by redemption, conversion, exchange, presentation of a warrant or any other means, or
  - the cancellation of some or all of the shares purchased, pursuant to the 20th resolution approved by the Shareholders' Meeting on May 7, 2013 and according to the terms thereof, or
  - the delivery of shares (in exchange, as payment, or otherwise) in connection with acquisitions, mergers, demergers or asset-for-share exchanges, or
  - market-making in the secondary market or maintenance of the liquidity of Lafarge shares by an investment service provider under a liquidity contract that complies with the ethical code recognized by the Autorité des marchés financiers;
- Period: 18 months, until November 7, 2015;
- These transactions can be performed at any time, excluding the periods of public offering on the Company's shares.

Past utilisations

For information purposes, it is stated that the Company proceeded to buy back 250,000 shares to cover the delivery of performance shares by making use of the authorization granted in the 11th resolution of the General Meeting held on May 7, 2013.

In addition, the Company does not have any on-going liquidity agreement with an investment service provider.

Future utilisation

Although the Board of Directors wants to remain free to use this proposed authorisation in future for uses that have not been identified at this stage in line with the objectives presented above, it is not anticipated to use this buyback program for any use other than to cover stock options and performance shares grants to employees or executive officers of the Group.

9TH RESOLUTION

Authorization to the Company to buy and sell its own shares

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary shareholders' meetings, having considered the report of the Board of Directors, hereby authorizes the Board of Directors, with the option of sub-delegation in accordance with applicable law and the Articles of Association of the Company, to purchase shares of the Company's stock or to have shares of the Company's stock purchase in the name of the Company up to a maximum number of shares representing 5% of the capital stock on the date the purchases are made, pursuant to Articles L. 225-209 *et seq*. of the Commercial Code. The number of treasury shares held by the Company at any time may not exceed 10% of the shares constituting the share capital of the Company at such time.

This authorization replaces the authorization granted under the 11th resolution of the Shareholders' Meeting on May 7, 2013.

For purposes of this resolution, the maximum purchase price per share is set at 100 euros. In the event of a transaction affecting capital, particularly through the capitalization of reserves or an allotment of bonus shares, or a split or reverse stock split, the price stipulated above will be adjusted accordingly.

The total amount allocated to this stock purchase program may not exceed 500 million euros.

These shares may be acquired, sold or transferred by any and all means, on one or more occasions, whether on the open market or over the counter, including through the acquisition or sale of blocks of shares, through the use of derivative financial instruments, warrants or securities giving the right to shares of the Company, or through the use of options, subject to the conditions stipulated by market authorities, with the following objectives:

- the implementation of any Company stock option plan under the terms of articles L. 225-177 *et seq*. of the Commercial Code or any similar plan; or
- the allotment or sale of shares to employees under the French statutory profit-sharing scheme or the implementation of any employee savings plan under applicable legal conditions, in particular articles L. 3332-1 *et seq*. of the Labor Code; or
- the allotment of consideration free shares pursuant to the terms of articles L. 225-197-1 *et seq*. of the Commercial Code; or
- generally, to fulfil obligations linked with stock option programmes or other share allotment schemes in favor of employees or executive officers of the Company or of related entities; or
- the delivery of shares on the exercise of rights attached to securities giving rights to the capital by redemption, conversion, exchange, presentation of a warrant or any other means; or
- the cancellation of some or all of the shares purchased, pursuant to the 20th resolution of the Shareholders' Meeting on May 7, 2013 and according to the terms thereof; or
- the delivery of shares (in exchange, as payment, or otherwise) in connection with acquisitions, mergers, demergers or asset-for-share exchanges; or
- market-making in the secondary market or maintenance of the liquidity of Lafarge shares by an investment services provider under a liquidity contract that complies with the ethical code recognized by the *Autorité des marchés financiers*.

This authorization is granted for a period of 18 months from the date of this meeting.

Transactions by the Board of Directors to buy, sell or transfer shares of the Company may be executed at any time, except during a tender offer for the Company's shares, in compliance with legal and regulatory requirements.

The Shareholders' Meeting grants all powers to the Board of Directors, with the option of sub-delegation in accordance with the applicable Law and the Articles of Association of the Company, to decide and to implement this resolution and set the terms and conditions thereof, to implement the present buy back program, and particularly to adjust the aforementioned purchase price in case of transactions that impact shareholders' equity, share capital or the par value of the shares, to place all market orders, enter into all agreements, make all declarations and perform all formalities and, generally take all necessary measures.

II. RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY SHAREHOLDERS' MEETING

AMENDMENT TO THE ARTICLES OF ASSOCIATION – DIRECTORS REPRESENTING EMPLOYEES (RESOLUTION 10)

Following the adoption in 2013 of new legal provisions on the representation of employees in the Board of Directors, Company Boards of Directors fulfilling certain criteria set by the law must include Directors representing the employees. When the Board of Directors includes more than 12 members, which is currently the case for the Company, there must be at least two Directors representing the employees (new article L. 225-27-1 of the French Code of Commerce).

The **10th resolution** aims to amend the Company's Articles of Association in order to establish how the Directors representing the employees in the Company's Board will be appointed, in accordance with the new legal provisions as described above.

The resolution provides that the first Director representing the employees will be appointed by the Works Council of Lafarge S.A., and the second one by the European Works Council, provided that and for as long as the Board of Directors comprises more than 12 members elected by the general shareholders' assembly.

This combined appointment method is considered the most suitable by your Board of Directors for a global group such as Lafarge. Lafarge S.A.'s Works Council is – as a matter of fact – the body receiving the most comprehensive and regular information on the issues affecting the Group, and will be the body solicited on the parent company's strategic approach. The Board therefore considers that Lafarge S.A.'s Works Council is the most relevant body representing the employees for the appointment of the first Director who will represent the workforce. The appointment of the second of such Directors by the European Works Council - the Group's most international body representing staff, comprising representatives of the operating companies located in different European countries - aims to take into account this international dimension and to encourage European representation of the employees in the Board of Directors.

Having been consulted pursuant to the applicable legislation, Lafarge S.A.'s Works Council has expressed a favorable opinion in relation to the proposed appointment procedures.

These two Directors will be appointed in the six months following the General Shareholders' Meeting, *i.e.* by November 7, 2014.

Some of the current provisions in the Articles of Association – notably in relation to the number of shares to be held by the Directors – will not be applicable to the Directors representing the employees. The new provisions in the Articles of Association will reflect this. Moreover, other provisions specifically relating to the Directors representing the employees will be included, in particular in terms of the duration of their mandate, which will last four years from the date of appointment.

10TH RESOLUTION

Amendment to the Articles of Association - Directors representing the employees

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, having viewed the Board of Directors' report and the favorable opinion of the Company's Work Council, pursuant to the provisions of articles L. 225-27-1 *et seq.* of the Commercial Code, decided to amend article 14 of the Articles of Association by adding a new paragraph 5 concerning the procedure to appoint the Directors representing the employees. As a consequence, the current paragraph 5 will become a new paragraph 6:

"**5**. In addition to the Directors appointed by the General Shareholders' Meeting and to the extent that the applicable legal provisions in relation to Directors representing employees apply to the Company, the Board of Directors also includes:

- a Director representing the employees, appointed by the Company's Works Council;
- a second Director representing the employees, appointed by the European Works Council, provided that and for as long as the Board of Directors includes more than 12 members appointed by the General Shareholders' Meeting. Should the number of Directors on the Board appointed by the General Meeting fall to 12 or under, the second Director representing the employees will complete his/her mandate, but no new appointment will follow if the composition of the Board remains the same at said date.

The length of the mandate of a Director representing the employees is fixed at four years from his/her appointment.

Should a position of Director representing the employees become vacant - for whatever reason – the replacement Director, appointed by the Company's Works Council – or the European Works Council if applicable – will remain in office until the end of his/her predecessor's mandate. The Board of Directors may meet and issue valid resolutions until a replacement Director is appointed.

If the provisions of article L. 225-27-1 of the Commercial Code are no longer applicable to the Company at the end of a financial year, the mandates of the Directors representing the employees will come to an end upon the conclusion of the Ordinary Shareholders' Meeting approving the financial statements for that year.

The provisions of paragraphs 1 to 4 of this article do not apply to the Directors representing the employees."

AGE LIMIT FOR DIRECTORS (RESOLUTION 11)

The **11th resolution** proposes to amend the age limit set out in the Articles of Association for Directors. The current provisions of the Articles of Association (which provide that no Director may be over 70 years of age) are more restrictive than the fallback provisions proposed by the Code of Commerce and according to which, in the absence of specific provisions in the articles of association, "the number of Directors having reached 70 years of age may not exceed one third of the Directors in office".

The Company's current provisions in the Articles of Association are also more restrictive than most provisions adopted by other CAC40 companies and no longer seem appropriate in light of the current evolution of society given the extension of the average working life of executive officers which in turns delays their availability for directorships. A measured relaxation of these provisions, in line with the fallback position of the Code of Commerce, would in future enable the Company to keep benefiting from the experience and expertise of high quality Directors, when appointing or renewing their terms of office.

Consequently, the following amendments to the Articles of Association are put to the vote to provide that:

- no Director may be over 73 years of age; and
- the number of Directors having reached 70 years of age may not exceed one third of the Directors in office.

These amendments would have immediate effect and the first consequence would be that the terms of office of Ms Hélène Ploix and Mr Michel Rollier would no longer expire by anticipation following the General Meeting of May 7, 2014.

In addition, it is proposed to take advantage of these changes to simplify paragraph 2 of article 14 of the Articles of Association in order to suppress transitory provisions passed when the Articles of Association were last amended and which no longer apply.

11TH RESOLUTION

Amendment to the Articles of Association – Age limit for Directors

The General Meeting, deliberating pursuant to the quorum and majority requirements for extraordinary meetings, having reviewed the Board of Directors' report, resolves to amend, with immediate effect, paragraphs 1 and 2 of article 14 of the Articles of Association relating to the age limit of Directors as follows:

Article 14 – Board of Directors - Directors	Article 14 – Board of Directors - Directors
Paragraph 1, Current version	Paragraph 1, **New version**
"The Company shall be managed by a Board of Directors composed of the minimum number of Directors authorized by the law and not exceeding eighteen; Directors shall be appointed by the General Meeting of shareholders and shall be chosen from among their number; they may not be more than 70 years of age."	"The Company shall be managed by a Board of Directors composed of the minimum number of Directors authorized by the law and not exceeding eighteen Directors appointed by the General Meeting of Shareholders and chosen from among their number. **The number of Directors over 70 years of age may not exceed one third of Directors in office. If this limit is reached, the oldest Director will be deemed to have resigned automatically at the close of the subsequent Ordinary General Meeting.** **Furthermore, Directors may not be more than 73 years of age."**
Paragraph 2 sub-paragraph 1, Current version "Directors taking office or renewed in office during 2001 shall be appointed for a term of office of 5 years, and those Directors appointed for the first time or renewed in office in subsequent years shall be appointed for a term of office of 4 years. However, Directors currently serving in a term of office set at 6 years shall continue in office until the expiration the term that was initially established. Directors shall always be eligible for re-election; their term of office shall expire at the end of the Ordinary General Meeting of Shareholders held to approve the financial statements for the preceding financial year that is held in the year during which such Director's office would normally expire or in which such Director reaches the age limit established above"	Paragraph 2 sub-paragraph 1, New version "Directors taking office or renewed in office shall be appointed for a term of office of 4 years. Their term of office shall expire at the end of the Ordinary General Meeting of Shareholders held to approve the financial statements for the preceding financial year that is held in the year during which such Director's office would normally expire or in which such Director reaches the age limit established above"

Resolution 12, which is a customary resolution, permits carrying out the formalities required by law following the meeting.

12TH RESOLUTION

Delegation of powers to carry out corporate formalities

The General Meeting, deliberating pursuant to the quorum and majority requirements for extraordinary meetings, grants full powers to the bearer of an original, copy or extract of the minutes of its deliberations to carry out any formalities including the filing, publication, and others required under the laws or regulations in force, resulting from the approval of the resolutions above and/or any supplementary resolutions, including by electronic means with electronic signature.

Authorizations to be delegated to the Board of Directors by the General Meeting to be held on May 7, 2014

The General Meeting to be held on May 7, 2014 should vote upon the following delegations to the Board of Directors:

Type of authorization to be voted upon	Maximum amounts	Expiration date
Buy and sell its own shares (9th resolution)	Up to 5% of the share capital Up to 500 million euros Unitary Purchase price up to 100 euros	November 7, 2015

Authorizations delegated to the Board of Directors by the General Meeting

At March 11, 2014, the Board of Directors benefited from the following authorizations upon delegation by the General Meeting held on May 7, 2013:

Type of authorization to be voted upon	Maximum amounts	Expiration date	Maximum authorized amount available at march 11, 2014
Buy and sell its own shares (11th resolution)	Up to 5% of the share capital Up to 500 million euros Unitary Purchase price up to 100 euros	November 7, 2014	14,118,269 shares
Issue of bonds and other related securities (simple and complex bonds) (12th and 13th resolutions)	8 billion euros (nominal value) (common ceiling)	July 7, 2015	7.250 billion euros
Issue of shares or other equity securities with preferential subscription rights (14th resolution)	560 million euros (nominal value) (1)	July 7, 2015	560 million euros
Issue of shares or other equity securities without preferential subscription rights (15th resolution)	112 million euros (nominal value) (2)	July 7, 2015	112 million euros
Issue of shares in an offer as set forth in article L. 411-2 of the French Monetary and Financial Code (16th resolution)	112 million euros (nominal value) (2) (3)	July 7, 2015	112 million euros
Issue of shares or other equity securities as payment for contributions in kind (17th resolution)	112 million euros (nominal value) (2) (3)	July 7, 2015	112 million euros

Type of authorization to be voted upon	Maximum amounts	Expiration date	Maximum authorized amount available at march 11, 2014
Increase in the number of shares to be issued in case of a capital increase with or without preferential subscription rights (18th resolution)	Up to the amount applicable to the initial issue and to be applied against the cap set forth in the 15th and/or the 14th resolution	July 7, 2015	N/A
Capital increase through incorporation of premiums, reserves, profits or other items (19th resolution)	100 million euros (nominal value)(2)	July 7, 2015	100 million euros
Reduction of share capital through cancellation of treasury shares (20th resolution)	Up to 10% of the share capital for a 24-month period	July 7, 2015	10% of the share capital
Allotment of free existing or new shares (21st resolution)	1.5% of the share capital (on grant date)	July 7, 2015	1.38% of the share capital
Grant of options to subscribe for and/or purchase shares (22nd resolution)	1.5% of the share capital(on grant date)	July 7, 2015	1.5% of the share capital
Issue of shares or other equity securities reserved for Group employees (23rd resolution)	50 million euros (nominal value)	July 7, 2015	50 million euros
Capital increase reserved for a category of beneficiaries as part of a transaction reserved for employees (24nd resolution)	50 million euros (nominal value) (4)	November 7, 2014	50 million euros

(1) *Global cap for the 14th, 15th, 16th, 17th, 18th and 19th resolutions.*
(2) *To be applied against the global cap set forth in the 14th resolution.*
(3) *To be applied against the cap set forth in the 15th resolution.*
(4) *To be applied against the cap set forth in the 23rd resolution.*

Use of existing financial authorizations in 2013

The Board of Directors made use of the authorizations granted in the 17th resolution of the General Meeting held on May 12, 2011 during its meeting on March 13, 2013 by granting 636,920 performance shares.

In addition, the authorization to issue bonds and other related securities granted in the 12th resolution of the General Meeting held on May 7, 2013 was used on one occasion during the course of 2013 for a bond issuance of a total amount of 750 million euros.

Use of existing financial authorizations in 2014

The Board of Directors made use of the authorization granted in the 21st resolution of the General Meeting held on May 7, 2013 during its meeting on March 11, 2014 by granting 331,745 performance shares.

In addition, the Company proceeded to buy back 250,000 shares to cover the delivery of performance shares by making use of the authorization granted in the 11th resolution of the General Meeting held on May 7, 2013.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users.The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report also includes information relating to the specific verification of information given in the management report. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

FOR THE YEAR ENDED DECEMBER 31, 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying consolidated financial statements of LAFARGE;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Without qualifying our conclusion, we draw your attention to Note 2.1 "Standards and interpretations applicable from January 1, 2013" to the consolidated financial statements which describes the impacts related to the application of the amendments to IAS 19 – *Employee Benefits*- from January 1, 2013.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L. 823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

- Goodwill, property, plant and equipment, and intangible assets have been tested for impairment in accordance with the Group's accounting policies as described in Note 2.12 "Impairment of non-current assets" to the consolidated financial statements. The estimates used have been prepared based on currently available information at the time of the preparation of the consolidated financial statements and take into consideration the current economic crisis or political instability affecting some of the Group's markets, as described in Note 2.3 "Use of estimates and judgment" to the consolidated financial statements. Therefore, as set out in Note 10 "Goodwill" to the consolidated financial statements, for European countries affected by the economic crisis and for Syria and Egypt, the operating assumptions and discount rates used in future discounted cash flows have been determined based on the specific country environment, for these countries, without taking into consideration any possible major disruption of the economic or geopolitical environment. In addition, the Group performed sensitivity tests on the recoverable amounts to a reasonable possible change of key assumptions (notably sensitivity to a one-point change in the discount rate or the perpetual growth rate) for the main goodwill items.

  Our procedures consisted in reviewing available documents and the implementation of impairment testing, assessing the reasonableness of adopted valuations and the appropriateness of the information disclosed in the notes to the consolidated financial statements.
- Notes 2.3 "Use of estimates and judgment", 2.23 and 22 "Income tax" to the consolidated financial statements specify that the recoverability of the deferred tax assets recognized as at December 31, 2013, notably those arising from the tax losses of the French tax consolidation which can be indefinitely carried forward, has been assessed by the Group on the basis of forecasts of future taxable profits. Our procedures consisted in reviewing the analysis performed on the recoverability of these assets, assessing the assumptions on which the used forecast data are based and verifying that the information disclosed in Notes 2.23 and 22 is appropriate.

As mentioned in the first part of the report, note 2.1 " Standards and interpretations applicable from January 1, 2013" to the consolidated financial statements describes the effects of the application as from January 1, 2013 of the amendments to IAS 19 - *Employee benefits*. According to IAS 8, the comparative information disclosed in the consolidated financial statements was restated retrospectively to reflect this change in method. As a result, the comparative information is different from the consolidated financial statements published with respect to the previous fiscal year ended December 31, 2012. As part of our assessment of the accounting policies adopted by your Group, we reviewed the comparative data and the information disclosed in Note 2.1 to the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, February 28, 2014

The Statutory Auditors

French original signed by

DELOITTE & A SSOCIÉS		ERNST & YOUNG et Autres	
Arnaud de Planta	Frédéric Gourd	Alain Perroux	Nicolas Macé

STATUTORY AUDITOR'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the Company annual financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the Company annual financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the Company annual financial statements. This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

FOR THE YEAR ENDED DECEMBER 31, 2013

To the Shareholders,
In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you for the year ended December 31, 2013 on:

- the audit of the accompanying annual financial statements of LAFARGE,
- the justification of our assessments,
- the specific verifications and information required by law.

These annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these annual financial statements, based on our audit.

I. OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection to obtain audit evidence about the amounts and disclosures in the annual financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the annual financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as of December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code *(Code de Commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

Note "2.3 Financial assets" to the annual financial statements describes the accounting policies and methods applied to investments and states that the earnings outlooks are established based on currently available information and take into account the current economic crisis or political instability affecting some of the Group's markets. They do not reflect any possible major disruption of the current economical or geopolitical environment. Our procedures consisted in reviewing available documents and assessing the reasonableness of adopted valuations and the appropriateness of the information disclosed in the notes to the annual financial statements.

The assessments were made as part of our audit of the annual financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATIONS AND INFORMATION

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders with respect to the financial position and the annual financial statements.

Concerning the information given in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code *(Code de commerce)* relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the annual financial statements, or with the underlying information used to prepare these annual financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information. In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris-la-Défense, February 28, 2014

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIÉS		ERNST & YOUNG et Autres	
Arnaud de Planta	Frédéric Gourd	Alain Perroux	Nicolas Macé

SPECIAL REPORT OF THE STATUTORY AUDITORS ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with third parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments with third parties.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code *(Code de Commerce)*, to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements and commitments, already authorized by the Shareholders' Meeting and having continuing effect during the year, if any.

We conducted our procedures in accordance with the professional guidelines of the French National Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this engagement. These guidelines require that we agree the information provided to us with the relevant source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL TO THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been advised of any agreement or commitment authorized during the year to be submitted to the approval of the Shareholders' Meeting pursuant to Article L.225-38 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

I. Agreements and commitments already approved during previous years and having continuing effect during the year

Pursuant to Article R.225-30 of the French Commercial Code, we have been informed that the following agreements and commitments, already approved by the Shareholders' Meeting in previous years, continued during the year.

With BNP Paribas

Board members concerned

Mrs. Hélène Ploix, a director of your Company, is also a director of BNP Paribas, and Mr. Baudouin Prot, a director of your Company, is also Chairman of the Board of Directors of BNP Paribas.

Transfer of retirement plans for French executives, senior executives and members of the Executive Committee to Cardif Assurance Vie, a subsidiary of BNP Paribas

The Board of Directors authorized the conclusion of three insurance contracts between your Company and Cardif Assurance Vie, a subsidiary of BNP Paribas, the purpose of which was to transfer defined-benefit retirement plans. These agreements were authorized by the Board of Directors at its meetings of August 1, 2007 and November 6, 2008 and approved by the Shareholders' Meetings of May 7, 2008 and of May 6, 2009.

As these agreements remained in force in 2013, the total amount of contributions allocated to retirement capital, expenses and other taxes and paid by your Company in respect of two of the current contracts with Cardif Assurance Vie amounted to €9.4 million for the year ended December 31, 2013.

II. Agreements and commitments already approved during previous years that were not implemented during the year

Furthermore, we have been informed that the following agreements and commitments, already approved by the Shareholders' Meeting in previous years, were not implemented during the year.

With Mr. Bruno Lafont, Chairman & CEO of your Company

Supplementary pension plan of Mr. Bruno Lafont

At its meeting on December 16, 2005, the Board of Directors authorized that Mr. Bruno Lafont will benefit from a supplementary pension plan guaranteeing a pension based on his salary as a corporate officer. The employment contract was suspended as from January 1, 2006, the date of Mr. Bruno Lafont's appointment as Chief Executive Officer. However, in his capacity as a corporate officer, he will continue to benefit from the supplementary retirement benefit.

Moreover, at its meeting on November 6, 2008, the Board of Directors authorized the amendment of two supplementary benefit plans. One of these amendments consists in including the Company's corporate officers as potential beneficiaries of these benefit plans, which would provide, under certain conditions, a retirement payment based on the last salaries received, irrespective of any other legal retirement benefits received by the retired individual. The Shareholders' Meeting of May 6, 2009 approved this agreement.

With Orascom Construction Industries SAE

Board members concerned

Mr. Nassef Sawiris, a director of your Company, is also Chief Executive Officer as well as director of Orascom Construction Industries N.V, a company holding (following an exchange offering) the majority of the shares of Orascom Construction Industries SAE, a company in which he was previously Chairman & CEO and director until the end of 2013.

Mr. Jérôme Guiraud, a director of your Company, is also a member of the Audit Committee of Orascom Construction Industries SAE, a company in which he was a director until the end of 2013.

Settlement agreement dated June 21, 2012 between Orascom Construction Industries SAE and your Company

The Orascom Building Materials share purchase agreement signed on December 9, 2007 between your Company and Orascom Construction Industries SAE (OCI) contained general warranties and specific indemnities. Further to negotiations following the triggering of some of the warranties and indemnities by your Company, the parties reached a settlement for an amount of €73 million to be paid by OCI to your Company, the warranties being maintained for two specific matters. This agreement was approved by the Shareholders' Meeting on May 7, 2013.

With NNS Holding Sàrl, Orascom Construction Industries SAE, Mr. Nassef Sawiris and other parties

Board members concerned

Mr. Nassef Sawiris, a director of your Company, is also Chief Executive Officer as well as director of Orascom Construction Industries N.V, a company holding (following an exchange offering) the majority of the shares of Orascom Construction Industries SAE, a company in which he was previously Chairman & CEO and director until the end of 2013. He was also a director of NNS Holding Sarl.

Mr. Jérôme Guiraud, a director of your Company, is also a Board member of NNS Holding Sarl and a member of the Audit Committee of Orascom Construction Industries SAE, a company in which he was a director until the end of 2013.

Amendment to the Shareholders' Agreement of December 9, 2007

At its meeting on March 15, 2012, the Board of Directors authorized the signature of an amendment to the Shareholders' Agreement for the purpose of maintaining, with respect to the 22.5 million shares issued to NNS Holding Sàrl via a reserved capital increase in 2008, the undertaking by NNS Holding Sàrl (i) to inform your company first of any planned share disposals until March 27, 2015 and (ii) not to sell these shares to any competitors of your company until the expiration date of the Shareholders' Agreement. This agreement was approved by the Shareholders' Meeting on May 15, 2012.

III. Agreements and commitments approved during the year

Furthermore, we have been informed of the continuation during the year of the following agreements and commitments, already approved by the Shareholders' Meeting on May 7, 2013 based on the Statutory Auditors' special report dated March 14, 2013, that were not implemented during the year.

With Mr. Bruno Lafont, Chairman & CEO of your Company

Mr. Bruno Lafont's suspended employment contract and severance compensation

At its meeting on July 27, 2011, the Board of Directors decided to maintain Mr. Bruno Lafont's suspended employment contract and to delete a clause of commitment of presence. This contract was approved by the Shareholders' Meeting on May 15, 2012. The employment contract was suspended as from January 1, 2006, the date of Mr. Bruno Lafont's appointment as Chief Executive Officer. It includes contractual severance compensation, payable subject to certain conditions, including a performance condition.

At its meeting on February 19, 2009, the Board of Directors authorized the amendments to Mr. Bruno Lafont's suspended employment contract, for the purpose of adapting the contractual severance compensation to the recommendations of the Afep Medef corporate governance code for listed companies regarding the compensation of executive corporate officers. This contract was approved by the Shareholders' Meeting on May 6, 2009.

The Shareholders' Meeting on May 7, 2013 confirmed the approval of these commitments relating to Mr. Bruno Lafont's suspended employment contract.

It is recalled that, following the automatic resumption of his employment contract in the event Mr. Bruno Lafont were to cease serving in his corporate offices (Chairman and Chief Executive Officer), the contractual severance compensation in case of dismissal (other than for gross negligence or serious misconduct) would only be owed to Mr. Bruno Lafont if a series of conditions were met:

- The first condition covers the event triggering the right to receive contractual severance compensation. The dismissal must take place after a change of control or after a change in the Company's strategy.
- The second condition is performance-based. This condition will be satisfied and the contractual severance compensation would be paid if two of the following three criteria are satisfied. If only one criterion out of the three is satisfied, the condition will only be partially satisfied and only one half of the contractual severance compensation would be paid. If none of the criteria are satisfied, the condition would not be satisfied and no contractual severance compensation would be paid. The three criteria to be satisfied, over the last three fiscal years preceding the employment contract's termination, are as follows:
  - (i) an after-tax average return on invested capital for the last three years greater than the Weighted Average Cost of Capital (WACC),
  - (ii) an EBITDA/Revenue ratio strictly greater than 18%, on average, for the last three years, and
  - (iii) an average bonus granted under the employment contract greater than 60% of the maximum bonus, on average, for the last three years.

The maximum amount of this contractual severance compensation would be equal to two years of total gross compensation received by Mr. Bruno Lafont for the most favorable of the three years preceding the date of his dismissal notice. This calculation basis is the same as for the dismissal compensation under the Collective Bargaining Agreement. In addition, so as to ensure that the total amount of the compensation due to Mr. Bruno Lafont in case of departure remains within this limit, such contractual severance compensation would be reduced by the amount of the dismissal compensation due to Mr. Bruno Lafont pursuant to and in compliance with the terms of the Collective Bargaining Agreement applicable to engineers and executives in the cement production industry, which apply to his employment agreement in view of his length of service within the Group (31 years). In application of mandatory French labor laws, the dismissal compensation is subject to the conditions set forth under the Collective Bargaining Agreement.

A job elimination or decrease in level of responsibilities would also constitute a case of dismissal providing entitlement to such compensations.

Conservation of rights relating to long-term compensation plans based on certain assumptions

At its March 13, 2013 meeting, pursuant to Article L.225-42-1 of the French Commercial Code, the Board of Directors, on the recommendation of the Remunerations Committee decided and confirmed that, in case of retirement, death or disability, Mr. Bruno Lafont will retain the rights from which he benefits or will benefit in relation to the attribution of share subscription or purchase options, the attribution of free shares, and other components of long-term (multi-year) compensation, subject to performance conditions. In case of death, the heirs of Mr. Bruno Lafont will retain the benefit of his rights. This commitment was approved during the Shareholders' Meeting on May 7, 2013.

Neuilly-sur-Seine and Paris-La Défense, February 28, 2014

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIÉS		ERNST & YOUNG et Autres	
Arnaud de Planta	Frédéric Gourd	Alain Perroux	Nicolas Macé

7 COMPOSITION OF THE BOARD OF DIRECTORS

LAFARGE BOARD OF DIRECTORS

Back, from left to right: Juan Gallardo, Paul Desmarais, Jr., Philippe Charrier, Baudouin Prot, Oscar Fanjul (Vice-chairman of the Board of Directors), Michel Rollier, Jérôme Guiraud.

Front, from left to right: Gérard Lamarche, Hélène Ploix, Philippe Dauman, Colette Lewiner, Bruno Lafont (Chairman and Chief Executive Officer), Ian Gallienne,Véronique Weill, Nassef Sawiris.

PRESENTATION OF THE DIRECTORS – EXPERTISE AND EXPERIENCE

BRUNO LAFONT - born on June 8, 1956 - French citizen

61, rue des Belles Feuilles, 75116 Paris, France

Number of Lafarge shares held: 27,506

Experience and expertise

Chairman of the Board of Directors and Chief Executive Officer
Bruno Lafont was appointed as Chairman of the Board of Directors in May 2007. He has held the office of Director since May 2005 and Chief Executive Officer since January 1, 2006. He graduated from the Hautes Études Commerciales business school (HEC 1977, Paris) and the École Nationale d'Administration (ENA 1982, Paris). He began his career at Lafarge in 1983 and held various positions in finance and international operations. In 1995, Mr Lafont was appointed Group Executive Vice-President, Finance, then Executive Vice-President of the Gypsum Division in 1998. Mr Lafont joined the Group's General Management as Chief Operating Officer between May 2003 and December 2005. He also acts as Director for EDF and ArcelorMittal (Luxembourg). Bruno Lafont is a member of the Executive Committee of the World Business Council for Sustainable Development (WBCSD) where he co-chairs the Energy Efficiency in Buildings project, he presently chairs the Energy & Climate Change Working Group of the European Round Table of Industrialists and the Sustainable Development Commission of the Medef (Mouvement des Entreprises de France, the French employers association). Mr Lafont is a special advisor to the Mayor of Chongqing (China).

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2005. Expiry of his term of office after the General Meeting called to approve the 2016 financial statements. Chief Executive Officer since January 2006. Chairman and Chief Executive Officer since May 2007.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director, Chairman and Chief Executive Officer of Lafarge (listed company)
Director of EDF (listed company)

Abroad:
Director of ArcelorMittal (Luxembourg) (listed company)
Director of Lafarge Shui On Cement Limited (China) (a Group company)

Over the last five years that have ended, in France and abroad:

Abroad:
Positions in various subsidiaries of the Group

OSCAR FANJUL - born on May 20, 1949 - Spanish citizen

Paseo de la Castellana, 28-5°, ES-28046 Madrid, Spain

Number of Lafarge shares held: 6,193

Experience and expertise

Vice-Chairman of the Board and Director, Chairman of the Corporate Governance and Nominations Committee, Chairman of the Remunerations Committee, member of the Audit Committee

Oscar Fanjul was appointed to the Lafarge Board of Directors in 2005 and has been Vice-Chairman of the Board since August 1, 2007. He began his career in 1972 working for the Industrial Holding I.N.I. (Spain), then acted as Chairman Founder and Chief Executive Officer of Repsol (Spain).

He currently acts as Chairman of the Board of Deoleo, S.A. (Spain) and Vice-Chairman of Omega Capital, SL (Spain). Oscar Fanjul also is a Director of Marsh & McLennan Companies (United States) and Acerinox (Spain).

Independent Director, Oscar Fanjul in particular brings to the Board his experience as an executive officer and Director of international industrial groups as well as his expertise in finance and corporate governance. In addition to his specific duties as Vice-Chairman of the Board, Oscar Fanjul ensures coordination and coverage of work and topics to be addressed by the Corporate Governance and Nomination Committee and the Remunerations Committee, which he chairs.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2005. Expiry of his term of office after the General Meeting called to approve the 2016 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director and Vice-Chairman of the Board of Lafarge (listed company)

Abroad:
Vice-Chairman of Omega Capital (Spain)
Director of Marsh & McLennan Companies (USA) (listed company)
Director of Acerinox (Spain) (listed company)
Chairman of Deoleo, S.A. (Spain) (listed company)

Over the last five years that have ended, in France and abroad:

In France:
Director of Areva (listed company) until 2011

Abroad:
Director of the London Stock Exchange (United Kingdom) (listed company) until 2010

PHILIPPE CHARRIER - born on August 2, 1954 - French citizen

60-62, rue d'Hauteville, 75010 Paris, France

Number of Lafarge shares held: 6,118

Experience and expertise

Director, member of the Remunerations Committee, member of the Strategy, Investment and Sustainable Development Committee

Philippe Charrier was appointed to the Lafarge Board of Directors in 2005. He acts as Chief Executive Officer of Labco, Chairman of the Board of Directors of Alphident and Dental Emco S.A. He is also a Founding member of the Club Entreprise et Handicap and a Director of Rallye. He is President of the Cap'Cités association established in 2010 and President of the Clubhouse France association established in 2011. He is President and Director of the association Unafam.

He was Vice-President, Chief Executive Officer and Director of Œnobiol from 2006 to 2010 and Chairman and Chief Executive Officer of Procter & Gamble France from 1999 to 2006. He joined Procter & Gamble in 1978 and held various financial positions before serving as Chief Financial Officer from 1988 to 1994, Marketing Director in France from 1994 to 1996, and Chief Operating Officer of Procter & Gamble Morocco from 1996 to 1998.

Independent Director, Philippe Charrier in particular brings to the Board his experience as an executive officer and Director of international industrial groups as well as his expertise in the field of sustainable development and marketing.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2005. Expiry of his term of office after the General Meeting called to approve the 2016 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:

Director of Lafarge (listed company)
Chief Executive Officer of Labco
Chairman of the Board of Directors of Alphident and Dental Emco S.A. (subsidiary of Alphident)
Director of Rallye (listed company)
Director and President of the Unafam (association)
President of Clubhouse France (association)

Over the last five years that have ended, in France and abroad:

In France:

Vice-President, Chief Executive Officer and Director of Œnobiol from 2006 to 2010
Chairman of the Supervisory Board of Spotless group until 2010
Chairman of Entreprise et Progrès until 2009

PHILIPPE DAUMAN - born on March 1, 1954 - American citizen

1515 Broadway,
New York, NY 10036, USA

Number of Lafarge shares held: 1,143

Experience and expertise

Director, Chairman of the Strategy, Investment and Sustainable Development Committee, member of the Corporate Governance and Nominations Committee

Philippe Dauman was appointed to the Lafarge Board of Directors in May 2007. He has been President and Chief Executive Officer of Viacom Inc. (US) since September 2006. He was previously Joint Chairman of the Board and Chief Executive Officer of DND Capital Partners LLC (US) from May 2000. Before creating DND Capital Partners, Philippe Dauman was Deputy Chairman of the Board of Viacom from 1996 to May 2000, Executive Vice-President from 1995 to May 2000, and General Counsel and Secretary of the Board from 1993 to 1998. Prior to that, he was a partner in New York law firm Shearman & Sterling. He served as Director of Lafarge North America Inc. from 1997 to 2006. He is currently a Director of Viacom Inc. and National Amusements Inc. (US), a member of the Dean's Council for the University of Columbia Law School, a member of the Business Roundtable (US), a member of the Board of the National Cable & Telecommunications Association (US) and Co-Chairman of the Partnership for New York (US). He is also a member of The Paley Center for Media's Board (US), a member of the Board of Kipp Foundation (US), and a member of the Executive Committee of the Board of Lenox Hill Hospital (US).

Independent Director, Philippe Dauman in particular brings to the Board his knowledge of the Group, in particular in North America, as well as his experience as an executive officer and Director of international industrial groups.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2007. Expiry of his term of office after the General Meeting called to approve the 2014 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)

Abroad:
Director, President and Chief Executive Officer of Viacom Inc. (USA) (listed company)
Director of National Amusements Inc. (USA)

Over the last five years that have ended, in France and abroad:

Nil

PAUL DESMARAIS, JR. - born on July 3, 1954 - Canadian citizen

751, Square Victoria,
Montreal, Quebec H2Y
2J3, Canada

Number of Lafarge
shares held: 6,715

Experience and expertise

Director, member of the Strategy, Investment and Sustainable Development Committee
Paul Desmarais, Jr. was appointed to the Lafarge Board of Directors in January 2008. He has been Chairman and Co-Chief Executive Officer of Power Corporation of Canada (PCC or Power) since 1996 and Co-Chairman of the Board of Power Financial Corporation (PFC). Prior to joining PCC in 1981, he was at SG Warburg & Co. in London and Standard Brands Incorporated in New York. He was President and Chief Operating Officer of PFC from 1986 to 1989, Vice-Chairman of the Board of PFC from 1989 to 1990 and Chairman of PFC from 1990 to 2005. He is a Director and member of the Executive Committee of many Power group companies in North America. He is also Executive Director and Chairman of the Board of Pargesa Holding S.A. (Switzerland), Vice-Chairman of the Board and Director of Groupe Bruxelles Lambert (Belgium) and a Director of Total S.A., GDF-Suez and SGS S.A. (Switzerland).
Paul Desmarais, Jr. is Chairman of the Board of Governors of the International Economic Forum of the Americas (Canada), Founder and member of the International Advisory Committee of the École des Hautes Études Commerciales (HEC) in Montreal and honorary member for life of the Desautels Faculty Advisory Board and member of the Principal's International Advisory Board of McGill University (Canada). He is a member of the Advisory Council of the INSEAD (France), and one of the trustees and Vice-Presidents of the International Advisory Council of the Brookings Institution (Washington, US). Paul Desmarais, Jr. is a member of the Economic Consultative Council directed by minister Flaherty (Canada), Chairman of the Board and member of the Executive Committee of the CCCE (Conseil canadien des chefs d'entreprise). He is also member of the Global Board of Advisers of the Council on Foreign Relations, member of the Global Advisory Council of Harvard University (United States). Paul Desmarais, Jr. studied at McGill University where he obtained a Bachelor's degree in Commerce. He then graduated from the European Institute of Business Administration (INSEAD) in Fontainebleau, France, with an MBA.
Paul Desmarais, Jr. in particular brings to the Board his expertise in finance and management of equity investments as well as his experience as a Director of international industrial groups and his knowledge of North America.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2008. Expiry of his term of office after the General Meeting called to approve the 2015 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)[1]
Director of Total S.A. (listed company)[1]
Director of GDF-Suez (listed company)[1]

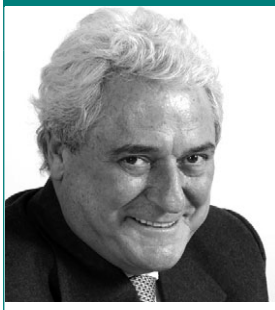
Abroad:
Chairman of the Board and Co-Chief Executive Officer of Power Corporation of Canada (Canada) (listed company)[1]
The following positions are held as representative of Power Corporation of Canada:
Co-Chief Executive Officer and Director of Power Financial Corporation (Canada) (listed company)[1]
Chairman of the Board of Directors and Deputy Managing Director of Pargesa Holding (Switzerland) (listed company)[1]
Director and member of the Executive Committee of Great-West, Compagnie d'assurance-vie (Canada)
Director and member of the Executive Committee of Great-West Life & Annuity Insurance Company (USA)
Director and member of the Executive Committee of Great-West Lifeco Inc. (Canada) (listed company)[1]
Vice-Chairman of the Board, Director and member of the Executive Committee of Groupe Bruxelles Lambert S.A. (Belgium) (listed company)[1]
Director and member of the Executive Committee of group Investors Inc. (Canada)
Director and member of the Executive Committee of London Insurance group Inc. (Canada)
Director and member of the Executive Committee of London Life Compagnie d'assurance-vie (Canada)
Director and member of the Executive Committee of Mackenzie Inc. (Canada)
Director and member of the Executive Committee of Canada Life Assurance Company (Canada)
Director and member of the Executive Committee of Canada Life Financial Corporation (Canada)
Director and member of the Executive Committee of Canada Life Capital Corporation (Canada)
Director and Chairman of the Board of Power Corporation International (Canada)
Director and Vice-President of the Board of Square Victoria Communications group Inc. (Canada)
Director and member of the Executive Committee of IGM Financial Inc. (Canada) (listed company)[1]
Member of the Supervisory Board of Parjointco N.V. (Netherlands)
Director and Vice-President of the Board of Gesca Ltée (Canada)
Director and Vice-President of the Board of La Presse Ltée (Canada)
Director of Power Communications Inc. (Canada)
Director and member of the Executive Committee of Putnam Investments LLC (USA)
Director of Great-West Financial (Canada) Inc. (Canada)
Director and Chairman of 171263 Canada Inc. (Canada)
Director of 152245 Canada Inc. (Canada)
Director of GWL&A Financial Inc. (United States)
Director of Great-West Financial (Nova Scotia) Co. (Canada)
Director of Great-West Life & Annuity Insurance Company of New York (United States)
Member of the Supervisory Board of Power Financial Europe B.V. (Netherlands)
Director and Member of the Management Board of The Canada Life Insurance Company of Canada (Canada)
Director of SGS S.A. (Switzerland) (listed company)[1]

Over the last five years that have ended, in France and abroad:

Abroad:
Director and member of the Executive Committee of Crown Life Insurance Company (Canada) until 2012
Vice-Chairman of the Board of 3819787 Canada Inc. (Canada) until 2010
Director of Canada Life Insurance Company of America (United States) until 2009

(1) *Directorships in listed companies held as representative of companies in which a Director holds an executive office and whose main activity is to acquire and manage holdings do not count towards the number of directorships held, pursuant to the Afep Medef Code. As a result, the number of directorships in listed companies held by Mr Desmarais Jr. is in line with the limitations recommended by the Afep Medef Code.*

JUAN GALLARDO - born on July 28, 1947 - Mexican citizen



Monte Caucaso 915 - 4 piso, Col. Lomas de Chapultepec C.P., MX 11000 Mexico, Mexico

Number of Lafarge shares held: 1,500

Experience and expertise

Director, member of the Audit Committee, member of the Corporate Governance and Nominations Committee, member of the Remunerations Committee

Juan Gallardo was co-opted to the Lafarge Board of Directors in 2003. He has been Chairman of Organizacion Cultiba SAB de CV (Holding Grupo GEPP and Grupo Azucarero Mexico) (Mexico) since 1985. He is also a Director of IDEA S.A., Caterpillar Inc. (USA) and Banco Santander (Mexico). Juan Gallardo coordinated the private sector efforts in the Alena negotiations as well as for the free-trade agreement between Mexico and the European Union. He is a member of the Mexican Business Roundtable. He was previously a member of the International Advisory Council of Lafarge, the Chairman of the Fondo Mexico, Vice-President of Home Mart Mexico and Director of Grupo Mexico S.A. de C.V. (Mexico).

Independent Director, Juan Gallardo in particular brings to the Board his experience as a Director of international industrial groups, his expertise in finance as well as his knowledge of North and Latin America

Position (appointment/renewal/expiry of term of office)

Co-optation as Director of Lafarge in 2003. Expiry of his term of office after the General Meeting called to approve the 2016 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:

Director of Lafarge (listed company)

Abroad:

Chairman of the Board of Organizacion Cultiba SAB de CV (Mexico) (listed company)
Director of IDEA S.A. (Mexico)
Director of Caterpillar Inc. (USA) (listed company)
Director of Banco Santander (Mexico) (listed company)

Over the last five years that have ended, in France and abroad:

Abroad:

Director of Mexicana de Aviacion (Mexico) until 2010
Director of Grupo Mexico S.A. de C.V. (Mexico) (listed company) until 2009
Member of the International Advisory Board of Textron Inc. (United States) (listed company) until 2009

IAN GALLIENNE - born on January 23, 1971 - French citizen

Avenue Marnix 24,
1000 Bruxelles, Belgium

Number of Lafarge shares held: 1,143

Experience and expertise

Director, member of the Corporate Governance and Nominations Committee, member of the Remunerations Committee

Ian Gallienne was co-opted to the Lafarge Board of Directors in 2011. Ian Gallienne has been Managing Director of Groupe Bruxelles Lambert (Belgium) since January 1, 2012. He has a degree in Management and Administration, with a specialization in Finance, from the E.S.D.E. in Paris and an MBA from Insead in Fontainebleau. He began his career in Spain, in 1992, as co-founder of a commercial company. From 1995 to 1997, he was a member of management of a consulting firm specialized in the reorganization of ailing companies in France. From 1998 to 2005, he was manager of the private equity funds Rhône Capital LLC in New York and London. From 2005 to 2012, he founded and served as Managing Director of the private equity funds Ergon Capital Partners, Ergon Capital Partners II and Ergon Capital Partners III in Brussels. He has been a Director of Groupe Bruxelles Lambert (Belgium) since 2009, of Imerys (France) since 2010, of Pernod Ricard (France) since 2012 and SGS (Switzerland) since 2013.

Ian Gallienne in particular brings to the Board his expertise in finance and management of equity investments as well as his experience as a Director of international industrial groups.

Position (appointment/renewal/expiry of term of office)

Co-optation as a Director of Lafarge in 2011. Expiry of his term of office after the General Meeting called to approve the 2015 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:

Director of Lafarge (listed company)
Director of Imerys (listed company)
Director of Pernod Ricard (listed company)

Abroad:

Managing Director of Groupe Bruxelles Lambert S.A. (Belgium) (listed company)

The following positions are held as representative of Groupe Bruxelles Lambert S.A.:

Director of SGS (Switzerland) (listed company)
Managing Director of Ergon Capital Partners S.A. (Belgium), Ergon Capital Partners II S.A. (Belgium) and Ergon Capital Partners III S.A. (Belgium)
Director of Ergon Capital S.A. (Belgium)
Director of Steel Partners N.V. (Belgium)
Director of Gruppo Banca Leonardo S.P.A. (Italy)
Managing Director of Ergon Capital II Sàrl (Luxembourg)
Managing Director of Sienna Capital Sàrl (Luxembourg)
Managing Director of Serena Sàrl (Luxembourg)
Member of the Supervisory Board of Kartesia GP (Luxembourg)

Over the last five years that have ended, in France and abroad:

In France:

Director of Central Parc Villepinte S.A. (until July 31, 2011)
Director of EliTech group S.A.S. (until December 31, 2011)
Director of the "Fonds de dotations du Palais"
Director of PLU Holding S.A.S (until April 26, 2012)

Abroad:

Director of Arno Glass S.A. (Luxembourg) until June 1, 2009
Director of La Gardenia Beauty S.P.A. (Italy) until December 31, 2011
Director of Seves S.P.A. (Italy) until December 31, 2011
Director of group De Boeck S.A. (Belgium) until December 31, 2011
Managing Director of Egerton Sàrl (Luxembourg) until October 3, 2013

JÉRÔME GUIRAUD - born on January 7, 1961 - French citizen

4 Cork street, London W1S 3LG, United Kingdom

Number of Lafarge shares held: 3,948

Experience and expertise

Director, member of the Audit Committee
Jérôme Guiraud was appointed to the Lafarge Board of Directors in 2008. He graduated from École des Hautes Études Commerciales (HEC 1984 –Paris). Jérôme Guiraud started his career at the French Embassy in Zagreb (Croatia) in 1985 as Deputy to the Commercial Attaché. He joined the Société Générale group at the Inspection Générale department in 1986. From 1993 he has held various managing positions abroad, in Europe and in emerging countries on capital markets, then as Country manager and Director of the Société Générale group's listed subsidiaries. He joined the NNS group in 2008. He is currently Chief Executive Officer of NNS Capital, Director of NNS Holding and member of the Audit Committee of Orascom Construction Industries S.A.E. (significant construction and in fertilizer company, listed on the Cairo stock exchange).
Jérôme Guiraud in particular brings to the Board his expertise in finance, his experience as an executive officer and Director of international groups as well as his knowledge of Eastern Europe, Africa and the Middle East.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2008. Expiry of his term of office after the General Meeting called to approve the 2015 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)

Abroad:
Director Chief Executive Officer of NNS Capital (United Kingdom)
Director of NNS Holding Sàrl (Luxembourg)
Member of the Audit Committee of Orascom Construction Industries S.A.E. (Egypt) (listed company)

Over the last five years that have ended, in France and abroad:

Abroad:
Director of Orascom Construction Industries S.A.E. (Egypt) (listed company) from 2008 to 2013

GÉRARD LAMARCHE - born on July 15, 1961 - Belgian citizen

Avenue Marnix 24, 1000 Bruxelles, Belgium

Number of Lafarge shares held: 1,143

Experience and expertise

Director, member of the Audit Committee

Gérard Lamarche was appointed to the Lafarge Board of Directors in 2012. He graduated from the University of Louvain-la-Neuve with a Bachelor's degree in Economics. He also completed the Advanced Management Program for Suez group Executives at the Insead Business School and took part in the 1998-99 Wharton International Forum (Global Leadership Series). He began his professional career in 1983 with Deloitte Haskins & Sells in Belgium, and became M&A Consultant in the Netherlands in 1987. In 1988, he joined the Venture Capital department of Société Générale de Belgique as Investment manager. He was promoted to Controller in 1989, and in 1992 was appointed Advisor to the Director of Strategic Planning. He became Special Projects Advisor to the President and Secretary of the Suez Board of Directors (1995-1997) and was later appointed the new group's Senior Vice-President in charge of Planning, Control and Accounts Management. In 2000, Mr Gérard Lamarche joined NALCO (American subsidiary of the Suez group and world leader in industrial water treatment) as Director, Senior Executive Vice-President and CFO. He was appointed CFO of the Suez group in March 2004. Gérard Lamarche was appointed Director of Groupe Bruxelles Lambert (GBL) (Belgium) in April 2011, of which he is also Managing Director since January 1, 2012. Gérard Lamarche is also a Director of Legrand, Total and SGS (Switzerland) as well as censor of GDF Suez.

Gérard Lamarche in particular brings to the Board his expertise in finance and management of equity investments as well as his experience as an executive officer and Director of international industrial groups.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2012. Expiry of his term of office after the General Meeting called to approve the 2015 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:

Director of Lafarge (listed company)
Director of Legrand (listed company)
Director of Total S.A. (listed company)
Censor of GDF Suez (appointed in April 2012)

Abroad:

Managing Director of Groupe Bruxelles Lambert S.A. (Belgium) (listed company)
Director of SGS (Switzerland) (listed company)

Over the last five years that have ended, in France and abroad:

In France:

Director of Suez Environnement Company (from May 19, 2011 until December 21, 2011)
Director of GDF Suez Energy Services (from September 15, 2005 until June 16, 2011)
Director of Suez Environnement (from April 20, 2004 until October 28, 2010)

Abroad:

Director of Electrabel (Belgium) until December 31, 2011
Director of International Power plc (United Kingdom) (listed company) until December 8, 2011
Director of Europalia (Belgium) until October 12, 2011
Director of GDF Suez Belgium until October 1, 2011
Director of Sociedad General de Aguas de Barcelona (Agbar - Spain) until June 28, 2011
Director of Suez-Tractebel S.A. (Belgium) until January 25, 2011
Director of Fortis Banque S.A. (Belgium) until July 2, 2010
Director of Suez Environnement North America (United States) until December 31, 2009
Director of Leo Holding Company (United States) until May 15, 2009

COLETTE LEWINER - born on September 19, 1945 - French citizen

Tour Europlaza-
La Défense 4, 20 avenue
André Prothin,
92927 Paris-La Défense,
France

Number of Lafarge shares held: 1,653

Experience and expertise

Director, member of the Strategy, Investment and Sustainable Development Committee
Colette Lewiner was appointed to the Lafarge Board of Directors in 2010. Since July 2012, she has been energy advisor of the Chairman of Capgemini after having led since 1998 (the year she joined Capgemini) the "Energy, Utilities & Chemicals" sector. She is also non executive Chairman of TDF. She is also Director of Bouygues, Colas (group Bouygues), Eurotunnel, Nexans, TGS Nopec (Norway) and Crompton Greaves (India). From 1992 to 1998, she was Chairman and CEO of SGN-Réseau Eurisys, a subsidiary of Cogema (Areva group). From 1979 to 1992, Colette Lewiner held various positions within the EDF group, at the Research & Development department, and then at the fuel procurement department that she managed in 1987. In 1989, she created the Development and Commercial Strategy Division and became the first woman Executive Vice-President at EDF. Colette Lewiner is also a member of the French Academy of Technologies and of the Strategic Research Committee chaired by the French Prime Minister. After entering the École normale supérieure and graduating as a Doctor in Physics (PhD), she started her career as an Associate Professor and Researcher at the Denis Diderot University in Paris. Independent Director, Colette Lewiner in particular brings to the Board her recognized expertise in the field of energy, her experience in consulting and strategy as well as her experience as an executive officer and Director of international industrial groups.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2010. Expiry of her term of office after the General Meeting called to approve the 2013 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)
Director of Nexans (listed company)
Director of Bouygues (listed company)
Director of Colas (group Bouygues)
Director of Eurotunnel (listed company)
Chairman of the Board of Directors of TDF (SAS)

Abroad:
Director of TGS-Nopec (Norway) (listed company)
Director of Crompton Greaves (India) (listed company)

Over the last five years that have ended, in France and abroad:

In France:
Director of La Poste until May 2011

HÉLÈNE PLOIX - born on September 25, 1944 - French citizen

162, rue du Faubourg-Saint-Honoré, 75008 Paris, France

Number of Lafarge shares held: 2,883

Experience and expertise

Director, Chairman of the Audit Committee (until February 18, 2014), member of the Strategy, Investment and Sustainable Development Committee

Hélène Ploix was appointed to the Lafarge Board of Directors in 1999. Hélène Ploix is Chairman of Pechel Industries SAS and Pechel Industries Partenaires SAS. She is also Chairman of FSH SAS. She was previously Deputy Chief Executive Officer of Caisse des Dépôts et Consignations (CDC) and Chairman and Chief Executive Officer of CDC Participations from 1989 to 1995, Chairman of the Caisse Autonome de Refinancement and Chairman of the Supervisory Board of CDC Gestion. She previously served as Special Counsel for the single currency at KPMG Peat Marwick from 1995 to 1996 and as Director of Alliance Boots plc (United Kingdom) from 2000 to July 2007. She is a member of the Supervisory Board of Publicis groupe, a non-executive Director of BNP Paribas, Sofina (Belgium), Genesis Emerging Markets Fund Limited (Guernesey) and, as Pechel Industries Partenaires' permanent representative, she is also a Director of SES (Store Electronic System).
Independent Director, Hélène Ploix in particular brings to the Board her recognized expertise in finance and her experience as an executive officer and Director of international industrial groups. The Board also benefits from her extensive knowledge of the Group, which she accompanies since 1999.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 1999. Expiry of her term of office after the General Meeting called to approve the 2016 financial statements (subject to approval by the shareholders of the amendments to the articles of association to be put to the General Meeting convened on May 7, 2014).

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)[1]
Director of BNP Paribas (listed company)[1]
Member of the Supervisory Board of Publicis group (listed company)[1]
Director of SES (Store Electronic Systems) (representing Pechel Industries Partenaires) (listed company)[1]
Chairman of Pechel Industries SAS
Chairman of Pechel Industries Partenaires SAS
Chairman of FSH SAS
Manager of Hélène Ploix SARL
Manager of HMJ (Hélène Marie Joseph) SARL
Manager of Sorepe Société Civile

Abroad:
Director of Ferring S.A. (Switzerland)
Director of Sofina (Belgium) (listed company)[1]
Managing Director of Goëmar Holding (Luxembourg) –representing Pechel Industries Partenaires
Director of Genesis Emerging Markets Fund Limited (Guernesey) (listed company)[1]

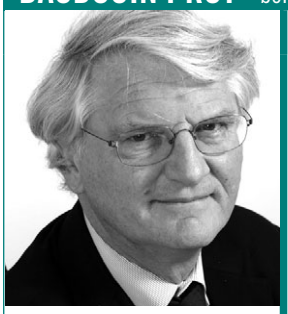
Over the last five years that have ended, in France and abroad:

In France:
Director of Ypso Holding S.A. (as legal representative of Pechel Industries Partenaires) until October 2013
Member of the Supervisory Board of Goëmar Développement (as permanent representive of Pechel Industries Partenaires SAS) until 2013
Member of the Supervisory Board of Laboratoires Goëmar (as permanent representive of Pechel Industries Partenaires SAS) until 2013

Abroad:
Director of Completel NV (Netherlands)
(end of the term of office December 31, 2010)

(1) *Directorships in listed companies held as representative of companies in which a Director holds an executive office and whose main activity is to acquire and manage holdings do not count towards the number of directorships held, pursuant to the Afep-Medef Code. As a result, the number of directorships in listed companies held by Mrs Ploix is in line with the limitations recommended by the Afep-Medef Code.*

BAUDOUIN PROT - born on May 24, 1951 - French citizen



3 rue d'Antin,
75002 Paris, France

Number of Lafarge shares held: 1,250

Experience and expertise

Director, member of the Corporate Governance and Nominations Committee, member of the Strategy, Investment and Sustainable Development Committee

Baudouin Prot was appointed to the Lafarge Board of Directors in 2011. He is Chairman of BNP Paribas since December 2011. After graduating from the French business school HEC in 1972 and from ENA in 1976, Baudouin Prot joined the French Ministry of Finance where he stayed for four years. He then became Deputy Director of Energy and Raw Materials at the French Ministry of Industry for three years. He joined BNP in 1983 as Deputy Director of the intercontinental branch of Banque Nationale de Paris and became Director for Europe in 1985. In 1987, he joined the Central Networks department, was promoted to Central Director in 1990, and became Executive Vice-President of BNP in charge of networks in 1992. Baudouin Prot was appointed Chief Executive Officer of BNP in 1996 and Chief Operating Officer (Directeur général délégué) of BNP Paribas in 1999. In May 2000, he was appointed Director and Chief Operating Officer (Directeur général délégué) of BNP Paribas, and became Director and Chief Executive Officer of the bank in May 2003. Baudouin Prot is also a Director of Kering, Veolia Environnement and Pargesa Holding S.A. (Switzerland).
Independent Director, Baudouin Prot in particular brings to the Board his expertise in finance and banking and his experience as an executive officer and Director of international groups.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2011. Expiry of his term of office after the General Meeting called to approve the 2014 financial statements.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)
Chairman of BNP Paribas (listed company)
Director of Kering (listed company)
Director of Veolia Environnement (listed company)

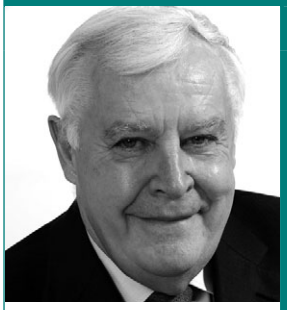
Abroad:
Director of Pargesa Holding S.A. (Switzerland) (listed company)

Over the last five years that have ended, in France and abroad:

In France:
Director of Accor (from June 1992 to February 2009) (listed company)
Chairman of the "Fédération Bancaire Française" (from September 2009 to August 2010)

Abroad:
Director of Erbé S.A. (Belgium) until December 2013

MICHEL ROLLIER - born on September 19, 1944 - French citizen



27, cours de l'Ile Seguin, 92100 Boulogne-Bilancourt, France

Number of Lafarge shares held: 1,758

Experience and expertise

Director, Chairman of the Audit Committee (since February 18, 2014), member of the Corporate Governance and Nominations Committee

Michel Rollier was appointed to the Lafarge Board of Directors in 2008. Since May 2012, he has been Chairman of Plateforme de la Filière Automobile (PFA). He is also Chairman of the Supervisory Board of Michelin, Chairman of the Supervisory Board of Somfy S.A. and Chairman of the Supervisory Board of Siparex Associés.

Michel Rollier graduated from the Institut d'études politiques (1967) and the Université de Droit of Paris (1968). He previously held several positions with Aussedat-Rey (International Paper group) starting in 1971, including controller until 1982, Unit Operational manager from 1982 to 1987, Chief Financial Officer between 1987 and 1994 and Deputy Managing Director from 1994 to 1996. Michel Rollier joined Michelin in 1996 as Chief Legal Officer and Head of Financial Operations. He was appointed member of the Michelin group Executive Council and Chief Financial and Legal Officer in 1999 before being appointed as Managing Partner of the Compagnie Générale des Établissements Michelin in May 2005 until May 2012.

Michel Rollier is also a member of the High Committee of Corporate Governance set up in October 2013 following the latest amendments to the Afep-Medef Code.

Independent Director, Michel Rollier in particular brings to the Board his expertise in finance and corporate governance, as well as his experience as an executive officer and Director of international industrial groups..

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2008. Expiry of his term of office after the General Meeting called to approve the 2015 financial statements (subject to approval by the shareholders of the amendments to the articles of association to be put to the General Meeting convened on May 7, 2014).

Positions held in France and abroad over the last five years

Current positions:

In France:

Director of Lafarge (listed company)
Chairman of the Supervisory Board of Michelin
Chairman of the Supervisory Board of Somfy S.A. (listed company)
Chairman of the Supervisory Board of Siparex Associés
Chairman of Plateforme de la Filière Automobile (PFA)

in France and abroad:

In France:

Managing Partner of the Compagnie Générale des Établissements Michelin (listed company) (until May 2012)
Director of Moria (until September 2011)

Abroad:

Managing Partner of la Compagnie Financière Michelin (Switzerland) (until May 2012)

NASSEF SAWIRIS - born on January 19, 1961 - Egyptian citizen

61, rue des Belles Feuilles, 75116 Paris, France

Number of Lafarge shares held: 1,671 (this figure does not take into account the shares owned by NNS Holding Sàrl)

See Section 6 – (Major shareholders) of the 2013 Registration Document (Annual Report)

Experience and expertise

Director, member of the Corporate Governance and Nominations Committee, member of the Remunerations Committee, member of the Strategy, Investment and Sustainable Development Committee

Nassef Sawiris was appointed to the Lafarge Board of Directors in January 2008.

Nassef Sawiris is the major shareholder and the Chief Executive Officer of OCI N.V. (the Netherlands). He joined the Orascom Group in 1992, became the Chief Executive Officer of OCI N.V.'s predecessor, Orascom Construction Industries (OCI S.A.E.) (Egypt), in 1998 and was also appointed Chairman of OCI S.A.E. in 1999. Mr Sawiris is also a Director of the BESIX group (Belgium). Mr Sawiris served on the Board of Directors of the Cairo & Alexandria Stock Exchanges (Egypt) from 2004-2007 and was also a Director of the Nasdaq DIFX (Dubai). Nassef Sawiris holds a BA in Economics from the University of Chicago, USA.

Nassef Sawiris in particular brings to the Board his expertise as an entrepreneur and business developer as well as his experience as an executive officer and Director of international industrial groups. The Board also benefits from his extensive knowledge of Africa and the Middle East and of the Group's businesses.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2008. Expiry of his term of office after the General Meeting called to approve the 2015 financial statements

Positions held in France and abroad over the last five years

Current positions:

In France:

Director of Lafarge (listed company)

Abroad:

Director and Chief Executive Officer of OCI N.V. (The Netherlands) (listed company)

Director of BESIX (Belgium)

Over the last five years that have ended, in France and abroad:

Abroad:

Chairman and Chief Executive Officer of Orascom Construction Industries S.A.E. (OCI) (Egypt) (listed company) until 2013

Director of NNS Holding Sàrl (Luxembourg) until 2013

Director of Nasdaq DIFX (Dubai International Stock Exchange) (United Arab Emirates) until 2011

Chairman of Lafarge Cement Egypt S.A.E. (Egypt) and positions in various subsidiaries of the Group until 2012

Director and General manager of several subsidiaries of OCI Group (Egypt)

VÉRONIQUE WEILL - born on September 16, 1959 - French citizen

25, avenue Matignon, 75008 Paris, France

Number of Lafarge shares held: 1,200

Experience and expertise

Director, member of the Audit Committee, member of the Remunerations Committee
Véronique Weill was appointed to the Lafarge Board of Directors in 2010.
Véronique Weill is a graduate of the Institut d'études politiques de Paris and of the Université la Sorbonne (Licence de Lettres). She spent more than 20 years at J.P. Morgan and has notably served as Group head of Operations for Investment Banking and global head of IT & Operations for Asset Management and Private Clients. Véronique Weill joined AXA in June 2006 as a Chief Executive Officer of AXA Business Services and Group Executive Vice-President of Operational Excellence. In January 2008, she was appointed Executive Vice-President IT and Operational Excellence of the Group. Since January 1, 2009, Véronique Weil is a member of the Executive Committee of the AXA Group and since December 2009, she has been Chief Operating Officer of AXA. She is now in charge of Group Marketing, Distribution, IT, Operational Excellence, Procurement and GIE AXA (headquarters' shared services). Véronique Weill is a member of the AXA Research Fund Scientific Committee. As from January 1, 2013, Véronique Weill is a member of the Management Committee of the AXA Group.
Independent Director, Véronique Weill in particular brings to the Board her expertise in finance, her knowledge of corporate functions and her experience as an executive officer of an international group.

Position (appointment/renewal/expiry of term of office)

Appointment as Director of Lafarge in 2010. Expiry of her term of office after the General Meeting called to approve the 2013 financial statements. The renewal of her term of office will be proposed at the Shareholders Meeting to be held on May 7, 2014.

Positions held in France and abroad over the last five years

Current positions:

In France:
Director of Lafarge (listed company)
Director of AXA Assistance S.A.
Member of the Executive Committee of AXA Group Solutions (SAS)
Chairman of the Supervisory Board of GIE AXA
Member of the Supervisory Board of GIE AXA Group Solutions
Chairman and member of the Executive Committee, AXA Technology Services (SAS)
Permanent representative of Vamopar on the Board of FamilyProtect
Permanent representative of AXA on the Board of AXA France IARD and AXA France Vie

Abroad:
Director of AXA Business Services Private Ltd. (India)

Over the last five years that have ended, in France and abroad:

Nil

8 PRACTICAL QUESTIONS

To summarize, in order to participate in the Combined Shareholders' Meeting on Wednesday, May 7, 2014, you need to:

- be a shareholder of Lafarge;
- request your admission card to attend in person and vote at the Shareholders' Meeting or give instructions to vote by mail or internet or be represented at the Shareholders' Meeting.

Do I need to block my shares to be able to vote?

You do not need to block your shares before the Shareholders' Meeting to be able to vote on the resolutions. You only need to prove you are a shareholder on Friday, May 2, 2014, (0.00 Paris time) at the latest.

What do I need to do to prove that I am a shareholder?

If you hold registered shares, your account registration is enough to prove that you are a shareholder. You do not have to perform any special formality.

If you hold bearer shares, your financial intermediary has to prove that you are a shareholder through a certificate of holding when sending your voting form to BNP Paribas Securities Services, which is Lafarge's clearing bank.

How do I know if my financial intermediary has been informed of the Shareholders' Meeting?

Your financial intermediary was informed by an announcement published in the French mandatory legal notices bulletin (BALO) on March 14, 2014 and by a letter that he received from BNP Paribas Securities Services.

What is the difference between a registered and a bearer share?

The Lafarge registered shares can be either on issuer account (your securities account is opened with BNP Paribas Securities Services, since Lafarge delegated the management of issuer account shares to this service provider), or managed account (your securities account is opened with your financial intermediary). In both cases, Lafarge knows who the holders of the shares are, and your contact for the Shareholders' Meeting is BNP Paribas Securities Services.

The shares are bearer shares when Lafarge does not know who holds them. Your securities account is opened with your financial intermediary, who is your contact for the Shareholders' Meeting.

Can I receive the notice of meeting through the internet?

The regulations allow the Company to use the internet to communicate with its shareholders. However, they require the Company to obtain the prior written consent of interested shareholders.

Holders of registered shares can either use the document request form on page 68 to give us their permission and e-mail address in order to receive our notice of meeting over the internet or must connect to the PlanetShares website (https://planetshares.bnpparibas.com) with their usual login and password.

If you then change your mind and decide to once again receive your notice by mail, you only need to inform us by letter addressed to:

BNP Paribas Securities Services
Les Grands Moulins de Pantin
C.T.S. - Service aux Émetteurs
Service Assemblée Lafarge
9, rue du Débarcadère
93761 Pantin Cedex 09

or by e-mail to the address:

paris-bp2s_cts_assemblees@bnpparibas.com

within the deadlines mentioned in the article R. 225-63 of the French Code of commerce.

Can I vote *via* internet?

All shareholders may vote *via* internet. The Rules of procedure are explained on page 4. The secured website dedicated to the General Meeting will be open from April 9, 2014 until May 6, 2014, 3 p.m. (Paris time).

Can I receive more than one voting form? If so, why?

If you receive more than one voting form, this indicates that you hold Lafarge shares in several different accounts. Then you need to fill out and return each voting form received.

Where do I send in my voting form?

To BNP Paribas Securities Services for your registered shares. To the financial intermediary administering your shares in the case of bearer shares.

What is the deadline for sending in my voting form?

The voting form must be returned no later than, Tuesday, May 6, 2014, at 3.00 p.m. (Paris time), the deadline by which BNP Paribas Securities Services must be notified of your intentions. However, if you hold bearer shares, we advise that you check with your financial intermediary, since he may require more time to forward your instructions to BNP Paribas Securities Services.

What do I need to do in order to attend and participate in Lafarge's Shareholders' Meeting?

If you want to attend the Shareholders' Meeting and vote, you must arrive on the day of the Shareholders' Meeting with your admission card that you will have requested previously using the voting form (check case A) or *via* internet.

From whom shall I request the admission card to attend the Shareholders' Meeting?

If you are a registered shareholder, ask BNP Paribas Securities Services by using the pre-paid envelope provided. If you hold bearer shares, ask the financial intermediary (bank, brokerage firm, on-line broker) with whom you have your securities account.

In both cases, you only need to check case A of the voting form and sign at the bottom of the form.

Otherwise, if you are a registered shareholder, you may also ask for your admission card on the PlanetShares website (https://planetshares.bnpparibas.com) with your usual login and password. If you hold bearer shares or administered registered shares, you may connect to your authorised financial intermediary website and access your share account.

Who can vote at the Shareholders' Meeting?

All persons holding Lafarge shares on the date of Friday, May 2, 2014 (0.00 Paris time), who can present valid proof of ownership.

What are the terms by which resolutions are adopted?

For ordinary matters, the Shareholders' Meeting can deliberate at the first convocation only if the shareholders present or represented hold at least 20% of the voting shares. No quorum is required for a second convocation. To be adopted, the resolutions must be approved by the majority (50% +1) of the votes present and represented at the Shareholders' Meeting.

For extraordinary matters, the required quorum is 25% of the voting rights at the first convocation and 20% of voting rights at the second convocation. To be adopted, the resolutions must be approved by two-thirds of the votes present and represented at the Shareholders' Meeting.

Where can I find the voting results on resolutions after the Shareholders' Meeting is concluded?

The voting results on each resolution will be available on our website www.lafarge.com, approximately 48 hours after the Shareholders' Meeting.

A Shareholders' Meeting report will also be available on our website www.lafarge.com after the meeting.

Can I ask a question at the Shareholders' Meeting?

Shareholders attending the Shareholders' Meeting may ask questions before the vote on the proposed resolutions.

Otherwise, any shareholder will be entitled to put written questions until the fourth business day preceding the date of the meeting, namely until midnight, Paris time on April 30, 2014 (article R. 225-84 of the Commercial Code). Questions must be sent by registered letter with proof of receipt, by midnight on April 30, 2014, to: Lafarge, The Chairman of the Board of Directors, "Written question for the General Meeting", 61, rue des Belles Feuilles, 75116 Paris. In order to be taken into account, questions must be accompanied by a certificate of account registration.

When more than one question has the same content, a single reply may be given. The reply to a written question will be deemed to have been given if it appears on the website at www.lafarge.com (under Shareholders & Investors).

Which type of taxation applies to the dividend paid for fiscal year 2013?

Dividends and assimilated distributions collected as from January 1st, 2014 by natural persons who are tax residents in France, are mandatorily taxed according to the progressive income tax scale of natural persons after the application of 40% tax relief (providing dividends entitle to such relief).

Furthermore, these same revenues are submitted to a mandatory withholding non-definitive tax, on the applicable revenue at a rate of 21%. This amount is withheld at source by the revenue paying institution (BNP Paribas Securities Services). It is done as a down payment of the income tax: it is attributable to the amount of the income tax due for the year during which the revenues are collected, and in the case of surplus it is refunded by the tax administration.

Finally, these same revenues are submitted to social security contributions at the current global rate of 15.5%. The latter are withheld at source by the paying institution of the revenues (BNP Paribas Securities Services).

WHO SHOULD I CONTACT?

To obtain additional information:

All documents that must be provided in the context of this General Meeting are available on our website www.lafarge.com (Shareholders & Investors section).

You can obtain additional information by using the document request form on page 68 of this notice of meeting brochure, by sending it in directly to:

BNP Paribas Securities Services
Les Grands Moulins de Pantin
C.T.S. - Service aux Émetteurs /
Service Assemblée Lafarge
9, rue du Débarcadère
93761 Pantin Cedex 09

If, owing to your particular situation, you need additional information or copies of the notice of meeting, please contact:

Lafarge, Service des Relations avec les Actionnaires,
61, rue des Belles Feuilles,
BP 40 – 75782 Paris Cedex 16 – France
Toll free number: **0 800 235 235** (for calls from France only)

Fax: +33 (0)1 44 34 12 37.
E-mail:
actionnaires.individuels@lafarge.com

Or visit: **www.lafarge.com**, (Shareholders & Investors section)

To participate in the Shareholders' Meeting:

- Contact BNP Paribas Securities Services if your shares are registered (to request your admission card or return your voting form).

BNP Paribas Securities Services (banque centralisatrice) Les Grands Moulins de Pantin - C.T.S. - Service aux Émetteurs / Service Assemblée Lafarge - 9, rue du Débarcadère 93761 Pantin Cedex 09, France

Toll free number : **0 800 060 646** (for calls from France only)

or +33 (0)1 55 77 61 00
Fax: +33 (0)1 55 77 34 17.

- Contact your financial intermediary if your shares are in bearer form (to request and return your voting form and to request your admission card).
- To vote or give your proxy, refer to page 4.

DOCUMENTS REQUEST FORM

Combined Shareholders' Meeting
Wednesday, May 7, 2014
at 3.30 p.m. at the Carrousel du Louvre

To be returned directly to:

BNP Paribas Securities Services
Les Grands Moulins de Pantin
C.T.S. - Service aux Émetteurs
Service Assemblée Lafarge
9, rue du Débarcadère
93761 Pantin Cedex 09 - France

Mr. ❒ Mrs ❒ Ms ❒

Last name: .....

First name: .....

Full address: .....

.....

- **I own registered or bearer shares**[1] and pursuant to the provisions of article R. 225-88 of the French Commercial Code, I am requesting Lafarge to send me all documents and information concerning the Combined Shareholders' Meeting of May 7, 2014, as listed in article R. 225-83 of the French Commercial Code.

  Documents requested ❒ *in French* ❒ *in English*

- **As the holder of registered shares**, I am also requesting, pursuant to article R. 225-88 paragraph 3 of the French Commercial Code, that the documents and information mentioned in articles R. 225-81 and R. 225-83 of the same French Commercial Code be sent to me for each subsequent Shareholders' Meeting.

  Documents requested ❒ *in French* ❒ *in English*

The regulations allow the Company to use the internet to communicate with its shareholders. However, they require the Company to obtain prior written consent from the shareholders.

- **I am a holder of registered shares and I would like to receive the notice of meeting brochure by Internet** (notice of meeting and postal voting form or proxy form) for all future Shareholders' Meetings to be held[2].

  ❒ *in French* ❒ *in English*

My email address is: .....

Holders of registered shares can also opt for receiving notices of meeting by internet by connecting to the PlanetShares website (https://planetshares.bnpparibas.com).

Date: 2014

Signature

(1) *In this case, please attach a copy of the statement of holdings issued by your financial intermediary.*
(2) *Should you subsequently change your mind, and wish to receive the notice of Meeting by mail, simply inform us by letter at the following address: BNP Paribas Securities Services - Les Grands Moulins de Pantin - C.T.S. - Service aux Émetteurs - Service Assemblée Lafarge - 9, rue du Débarcadère - 93761 Pantin Cedex 09 or by e-mail to the address paris_bp2s_cts_assemblees@bnpparibas.com within the deadlines mentioned in the article "R. 225-63 Code de commerce".*

www.lafarge.com

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