

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.

Lafarge

Annual General Meeting of Shareholders held to approve the financial statements for the year ended December 31, 2014

Statutory auditors' special report on regulated agreements and commitments with third parties

DELOITTE & ASSOCIES

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S.A. au capital de € 1.723.040

Commissaire aux Comptes
Membre de la compagnie
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Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Lafarge

Annual General Meeting of Shareholders held to approve the financial statements for the year ended
December 31, 2014

Statutory auditors' special report on regulated agreements and commitments with third parties

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**Agreements and commitments authorized during the year**

Pursuant to Article L. 225-40 of the French Commercial Code (*Code de commerce*), we have been advised of the following agreements previously authorized by your Board of Directors.

With Groupe Bruxelles Lambert on the one hand, and with Mr Nassef Sawiris and NNS Holding Sàrl and on the other hand, (shareholders holding a fraction of the voting rights greater than 10%)

Board members concerned

Mr Paul Desmarais, a director of your Company, is also Vice-Chairman of the Board, a director and member of the permanent Committee of Groupe Bruxelles Lambert; Mr Ian Galienne and Mr Gérard Lamarche, directors of your company, are also Managing Directors of Groupe Bruxelles Lambert.

Mr Nassef Sawiris is a director of your Company, and Mr Jérôme Guiraud, a director of your Company, is also a director of NNS Holding Sàrl.

Agreements concluded in the context of merger project with Holcim

As part of the merger project between the Lafarge and Holcim groups (the "Transaction"), which would be finalized by means of a public tender offer initiated by Holcim Ltd ("Holcim") on the shares of your Company (Lafarge S.A.), two agreements were executed on April 6, 2014, one between your Company, Holcim and Groupe Bruxelles Lambert and the other between your Company, Holcim, Mr Nassef Sawiris and NNS Holding Sàrl.

Under these agreements, Groupe Bruxelles Lambert, on the one hand, and Mr Nassef Sawiris and NNS Holding Sàrl, on the other hand, have undertaken to tender all Lafarge S.A. shares which they respectively held as of April 6, 2014 (i.e. 60,308,408 Lafarge S.A. shares for Groupe Bruxelles Lambert and, in aggregate, 40,064,682 Lafarge S.A. shares for Mr Nassef Sawiris and NNS Holding Sàrl) to the public exchange offer, as well as any additional Lafarge S.A. shares they may acquire in future.

Groupe Bruxelles Lambert on one hand, and Mr Nassef Sawiris and NNS Holding Sàrl on the other hand, have made a commitment to reiterate, if necessary, such undertaking to tender their shares.

The undertakings to tender their shares given by Groupe Bruxelles Lambert, on the one hand, and Mr Nassef Sawiris and NNS Holding Sàrl, on the other, will become void in the event (i) a third party files a public offer before the public exchange offer to be initiated by Holcim, or (ii) a competing public offer made by a third party, subsequent to the public tender offer initiated by Holcim, is declared compliant by the AMF. However, in the event that, following such an offer by a third party, Holcim initiates a competing offer or makes a higher bid, such offer or outbid being declared compliant by the AMF and the other principles and terms of the Transaction remaining unchanged (in particular regarding governance of the new entity), the undertakings to tender their shares made by Groupe Bruxelles Lambert, on the one hand, and Mr Nassef Sawiris and NNS Holding Sàrl, on the other hand, will apply to this competing offer or outbid made by Holcim.

Groupe Bruxelles Lambert, on the one hand, and Mr Nassef Sawiris and NNS Holding Sàrl, on the other hand, have declared not to be acting in concert with a third party in respect of your Company or Holcim and have undertaken not to act in concert with a third party in respect of your Company or Holcim for a specific period (the "restricted period").

In addition, during the restricted period, Groupe Bruxelles Lambert, on the one hand, and Mr Nassef Sawiris and NNS Holding Sàrl, on the other hand, have made a commitment (on their behalf and on behalf of any of their subsidiaries holding Lafarge S.A. shares) to:

- hold and not sell or otherwise transfer in any way, including by entering into a derivatives transaction, any Lafarge S.A. share (permitted exceptions aside);
- abstain from any initiative aiming at, or to solicit, encourage, facilitate or induce an alternative transaction or offer to the public exchange offer to be initiated by Holcim or to the proposed merger between Holcim and your Company (an “alternate proposal”), and to inform your Company and Holcim of any solicitation or proposal from a third party which could lead to an alternate proposal;
- abstain from having any discussion with any person or entity regarding an alternate proposal or to engage in any negotiation regarding an alternate proposal; or
- abstain from supporting or proposing publicly to support any alternate proposal.

The two agreements will terminate on December 31, 2015, except in case of early termination, it being specified that if Holcim initiates the public exchange offer before December 31, 2015, the term of these agreements will be automatically extended until settlement-delivery of the public exchange offer.

These agreements were previously authorized by the Board of directors of your Company at its meeting of April 5, 2014.

Agreements and commitments authorized after closing

We have been informed of those agreements and commitments which had been authorized after closing and had received prior approval by your Board of Directors.

With Mr Bruno Lafont, Chairman & CEO of your Company

Amendment of the French supplementary pension plans and related insurance contracts with Cardif Assurance Vie

a) Supplementary pension plans

French executives and members of the Executive Committee of your Company are eligible to the following supplementary defined benefit pension plans (“the Plans”):

- “Régime Additif” for some executive of your Company and its French subsidiaries, and
- “Régime Comex” for members of the Executive Committee of your Company.

Eligible beneficiaries have to retire from your Company or from one of its French subsidiaries in order to receive their unvested pension rights according to the Plans’ rules.

Mr Bruno Lafont is one of the potential beneficiaries of the Plans, as described in the paragraph II.1 of the second part in this report. As a reminder, these Plans have received approval of the shareholders, notably during the General Meeting of May 6, 2009 to include the directors of your Company as potential beneficiaries of these Plans.

Plans’ amendments are necessary in order to maintain past-service pension rights for eligible beneficiaries who would be localized within LafargeHolcim in Switzerland following the completion of the proposed merger between your Company and Holcim Ltd (“Holcim”). These amendments are substantially as follows:

- Freeze of pension rights under the Plans from the date of localization of the eligible beneficiary within LafargeHolcim in Switzerland: length of service and compensations received during this localization are not considered in the calculation of pension rights granted by the Plans (concerned beneficiaries being members of the Swiss LafargeHolcim pension funds during this period).
- Vesting of pension rights under the Plans also in case of retirement from the Swiss entity LafargeHolcim (and no longer only in case of retirement from your Company or from one of its French subsidiary).
- Service period and compensation received by an eligible beneficiary after being relocated in France (within your Company or one of its French subsidiaries) will be considered in the calculation of pension rights granted by the Plans.
- Above amendments, which tend to anticipate potential impact of the proposed merger between your Company and Holcim, do not lead to an increase of current pension rights under the Plans.
- At the same time, some technical amendments in line with market practice including the review of pension indexation rules: for pensions in payment from March 2015, the indexation will be based on actual return of plans' assets managed by the insurance company.

None of the proposed amendments to the Plans' rules would lead to an increase of the pension rights granted to Mr Bruno Lafont.

b) Insurance contracts related to the supplementary pensions plans

As described in the paragraph I of the second part in this report, your Company has entered into insurance contracts (the « Insurance Contracts ») with the company Cardif Assurance Vie, a subsidiary of BNP-Paribas, the purpose of which was to transfer defined-benefit retirement plans.

Mr Bruno Lafont may benefit from these Insurance contracts since he is one of the potential beneficiaries of these Plans as mentioned in the previous paragraph a).

The purpose of the Insurance Contracts being to externally manage the Plans, the Insurance contracts include the Plans' rules and have then to be modified in order to be consistent with the new rules after adoption of the above Plans' amendments. The changes in Insurance Contracts do not include any substantial modification of economic or financial conditions which remain in line with market practices.

These amendments of the commitment in favor of Mr Bruno Lafont and those related to the supplementary pensions plans were previously authorized by the Board of directors of your Company on March 11, 2015.

Agreements and commitments already approved by the Shareholders' Meeting

Agreements and commitments approved in prior years

a) whose implementation continued during the year

Pursuant to Article R. 225-30 of the French Commercial Code (Code de Commerce), 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

Ms Hélène Ploix, a director of your Company, was also a director of BNP Paribas until May 14, 2014, and Mr Baudouin Prot, a director of your Company, was also Chairman of the Board of Directors of BNP Paribas until December 1, 2014.

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 2014, 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 M€1.3 for the year ended December 31, 2014.

b) which 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.

1. 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.

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.

As described in the paragraph II of the first part in this report, these agreements and commitments have been previously authorized by the Board of directors of your Company on March 11, 2015.

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

At its meeting on March 13, 2013, 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.

2. 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.

Mr Jérôme Guiraud, a director of your Company, is also a director of Orascom Construction Industries N.V.

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 and the authorization granted by the Board of Directors at its meeting of May 15, 2012, 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.

3. 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. He was also a director of NNS Holding Sarl until 2013.

Mr Jérôme Guiraud, a director of your Company, is also a Board member of NNS Holding Sarl and Orascom Construction Industries N.V..

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.

Neuilly-sur-Seine and Paris-La Défense, March 12, 2015

The statutory auditors
French original signed by

DELOITTE & ASSOCIES

ERNST & YOUNG et Autres

Arnaud de Planta

Frédéric Gourd

Alain Perroux

Nicolas Macé