

LafargeHolcim is the leading global construction materials and solutions company

Profile

LafargeHolcim, the product of the merger between Lafarge and Holcim, made official in July 2015, is the world leader in construction materials. The company offers the most innovative cement, concrete, and aggregates solutions to meet its customers' needs.

The group employs around 81,000 persons in over 80 countries and has a balanced presence in developing and mature markets.

#1

in the construction materials sector

2,300

operating sites

81,000

employees

c. 80

countries where LafargeHolcim is active

Performance in 2017

In 2017, LafargeHolcim continued to show improvements in the key measures relating to net sales and recurring EBITDA driven by excellent cost discipline and commercial initiatives.

The strong performance was most visible in the Americas, while most remaining regions continued to show growth as net sales and recurring EBITDA were higher than prior year on a like-for-like basis.

Continuing the trend seen over 2016 and highlighting the balanced nature of the portfolio, positive contributions were made by both mature and developing markets. Notably, Latin America performed well with growth stemming from retail and infrastructure projects, as well as cost management and pricing growth.

Net sales grew by 4.7% on a like-for-like basis for the full year, largely driven by higher cement volumes. Accounting for the effect of divestments (- 6.5%) and FX (- 1.1%), reported net sales decreased by 2.9% to CHF 26,129 million.

Recurring EBITDA reached CHF 5,990 million for the full year. Like-for-like recurring EBITDA grew by 6.1% over the full year.

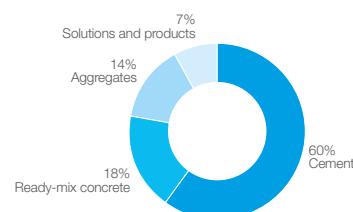
A detailed review of the asset portfolio, and specifically the country risk, led to an impairment of CHF 3,829 million. The impairment mainly affected goodwill and assets revalued in the context of business combinations. This resulted in a net loss group share of CHF 1,675 million compared to a profit of CHF 1,791 million in 2016. Before impairment and divestments, net income (group's share) stood at CHF 1,417 million compared to CHF 1,273 million in 2016, an increase by 11.3%.

EPS before impairment and divestments was CHF 2.35 for the full year, up on the CHF 2.10 figure for 2016. Free cash flow grew by 1.5% for the full year.

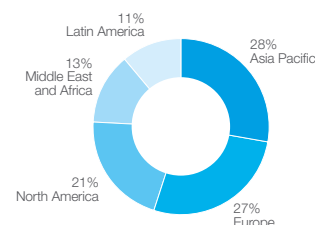
Net debt stood at CHF 14,346 million at year-end 2017, a reduction of around CHF 400 million compared to the previous year.

LafargeHolcim in figures

Breakdown of 2017 net sales by branch⁽¹⁾



Geographical breakdown of 2017 net sales⁽¹⁾



(1) Breakdown based on net sales excluding corporate/eliminations

Key financial data

	2017	2016	2015
Simplified income statement			
(in CHF million)			
Net sales	26,129	26,904	23,584
Recurring EBITDA	5,990	5,950	5,751
Operating profit (loss)	(478)	2,963	(739)
Cash flow from operating activities	3,040	3,295	2,465
Simplified balance sheet			
(in CHF million)			
Shareholders' equity (group's share)	27,787	30,822	31,365
Non-controlling interests	3,188	3,925	4,357
Net financial debt	14,346	14,724	17,266
Debt-equity ratio (%)	46	42	48
Net financial debt/Recurring EBITDA (x)	2.4	2.5	3.0



Investment case

The group is well positioned to meet the challenges of increasing urbanization and demand for sustainable construction solutions. The stakes of the merger in 2015 have not changed:

- Creation of an uncontested leader in the building material sector
- Rebalancing of the portfolio towards the most promising regions in terms of growth
- Potential for significant synergies
- Improved operating performance and strength of the balance sheet

Market data and information on GBL's investment

Stock market data	2017	2016	2015
Number of shares (in thousands)	606,909	606,909	606,909
Market capitalisation (in CHF million)	33,350	32,561	30,528
Closing price (in CHF/share)	54.95	53.65	50.30
Dividend (in CHF/share)	2.00 ⁽¹⁾	2.00	1.50

GBL's investment	2017	2016	2015
Percentage of share capital (%)	9.4	9.4	9.4
Percentage of voting rights (%)	9.4	9.4	9.4
Market value of the investment (in EUR million)	2,693	2,857	2,674
Dividends collected by GBL (in EUR million)	107	78	77

Representatives in statutory bodies	2017	2016	2015
	2	2	2

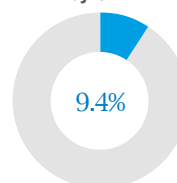
(1) Subject to the approval of the General Shareholders' Meeting

TSR annualised (%)

	1 year	3 years	5 years
LafargeHolcim	(2.7)	(3.2)	0.1
STOXX Europe 600 Construction & Materials	10.6	13.8	14.9



Capital held by GBL

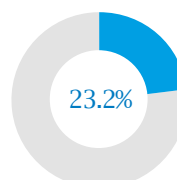


Representatives in statutory bodies



2 out of 12

LafargeHolcim' contribution to the net dividends collected on GBL's investments



LafargeHolcim' contribution to GBL's portfolio

