

August 15, 2012

Media release on 1st half results 2012

- **Rising cement volumes and better prices**
- **Higher operating EBITDA and organic growth**
- **Better margins in the second quarter**
- **Net income attributable to shareholders of Holcim Ltd up on last year**
- **Group will achieve organic growth in 2012 as well as benefit from the "Holcim Leadership Journey"**

Holcim increased its consolidated sales of cement fueled by the emerging markets and North America in the first half of 2012. In particular, the Group companies in India, the Philippines, Thailand and Indonesia achieved significantly higher cement sales, as well as the US and Mexico. With the exception of Russia and Azerbaijan, which also sold more, this positive picture contrasts with the negative market development in Europe, caused by the debt crisis.

Higher sales volumes and prices as well as cost-cutting measures enabled Holcim to increase its operating EBITDA despite restructuring costs in some markets. All Group regions achieved organic growth apart from Europe and Africa Middle East. The Group also achieved better margins in the second quarter.

Group	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	74.0	70.9	+4.4	+3.8
Sales of aggregates in million t	75.6	81.3	-7.0	-8.2
Sales of ready-mix concrete in million m ³	22.8	23.1	-1.3	-2.7
Sales of asphalt in million t	3.6	4.3	-16.2	-15.9
Net sales in million CHF	10,357	10,143	+2.1	+5.8
Operating EBITDA in million CHF	1,933	1,897	+1.9	+6.3
Net income in million CHF	624	586	+6.6	
Net income – shareholders of Holcim Ltd – in million CHF	389	357	+9.0	
Cash flow from operating activities in million CHF	211	72	+194.2	+244.1

Group	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	38.8	37.7	+2.9	+2.1
Sales of aggregates in million t	43.9	47.0	-6.4	-7.0
Sales of ready-mix concrete in million m ³	12.5	12.7	-2.1	-2.7
Sales of asphalt in million t	2.3	2.7	-14.7	-14.5
Net sales in million CHF	5,597	5,486	+2.0	+4.7
Operating EBITDA in million CHF	1,187	1,144	+3.8	+6.9
Net income in million CHF	508	464	+9.6	
Net income – shareholders of Holcim Ltd – in million CHF	379	347	+9.2	
Cash flow from operating activities in million CHF	685	609	+12.4	+21.0

Sales development and financial results

Consolidated cement sales increased by 4.4 percent to 74 million tonnes. Deliveries of aggregates declined by 7 percent to 75.6 million tonnes, and ready-mix concrete volumes by 1.3 percent to 22.8 million cubic meters. Sales of asphalt decreased, mainly in Europe, by 16.2 percent to 3.6 million tonnes.

With an increase in cement deliveries of 3.1 million tonnes, Asia Pacific was the strongest Group region. North and Latin America as well as Africa Middle East also recorded gains. The top performer in the aggregates segment was North America, mainly due to Holcim Canada. In the ready-mix concrete business, Holcim achieved significant sales increases in North America. An important role was also played by the higher volumes of Holcim Singapore and Holcim Apasco in Mexico.

Consolidated net sales increased by 2.1 percent to CHF 10.4 billion. Operating EBITDA rose by 1.9 percent to CHF 1.9 billion, despite the poor state of the European market and restructuring costs in markets such as Spain, Great Britain, Brazil and Mexico of CHF 37 million. Third party transportation drove costs higher, especially in India and the US. Holcim also improved its operating EBITDA margin in the second quarter. This positive development was due to a combination of rising sales volumes and partial price increases, albeit not yet on the desired scale. On a like-for-like basis – i.e. excluding changes in the scope of consolidation and exchange rates – the Group grew at the operating EBITDA level by 6.3 percent in the first half of the year, 6.9 percent in the second quarter. Net income improved by 6.6 percent to CHF 624 million and the share of net income attributable to shareholders of Holcim Ltd rose by 9 percent to CHF 389 million.

Cash flow from operating activities came to CHF 211 million, an increase of 194.2 percent on the same period last year. The reasons are the higher operating EBITDA and lower taxes paid. Net financial debt rose since year-end 2011 by 5.3 percent to CHF 12.2 billion. The gearing decreased to 60.9 percent (June 30, 2011: 64.8).

"Holcim Leadership Journey" on track

The Board of Directors and the Executive Committee initiated the "Holcim Leadership Journey" program with the aim of increasing the return on invested capital to at least 8 percent after tax between 2012 and the end of 2014. Appropriate measures are being introduced to further strengthen Customer Excellence and Cost Leadership and increase the operating profit by at least CHF 1.5 billion by the end of 2014, with a target of at least CHF 150 million for the 2012 financial year. The program was launched Group-wide in May.

Outlook 2012

Holcim expects demand for building materials to rise in emerging markets in Asia and Latin America, as well as in Russia and Azerbaijan, in 2012. While demand in North America should beat the previous outlook, Holcim now expects a decline in Europe.

In any case, Holcim will accord cost management the closest attention, and pass on inflation-induced cost increases. Holcim's approach to new investments will be cautious.

Holcim expects the Group to achieve organic growth in 2012 on the level of operating EBITDA, and additionally to reap the first positive effects of the "Holcim Leadership Journey" this year.

Construction activity brisk in Asia Pacific

Asia Pacific	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	41.2	38.1	+8.0	+7.6
Sales of aggregates in million t	14.3	14.4	-0.9	-0.9
Sales of ready-mix concrete in million m ³	6.3	6.4	-2.3	-2.3
Net sales in million CHF	4,398	4,065	+8.2	+13.7
Operating EBITDA in million CHF	1,001	928	+7.8	+14.3

Asia Pacific	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	20.0	18.8	+6.3	+5.9
Sales of aggregates in million t	7.6	7.5	+1.2	+1.2
Sales of ready-mix concrete in million m ³	3.2	3.3	-2.5	-2.5
Net sales in million CHF	2,178	2,029	+7.4	+12.2
Operating EBITDA in million CHF	506	457	+10.8	+16.7

Latin America on course for growth

Latin America	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	12.1	11.7	+3.3	+3.3
Sales of aggregates in million t	7.0	7.0	+0.3	+0.3
Sales of ready-mix concrete in million m ³	5.3	5.3	-0.1	-0.1
Net sales in million CHF	1,707	1,644	+3.9	+8.9
Operating EBITDA in million CHF	462	438	+5.3	+8.6

Latin America	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	6.2	6.1	+1.4	+1.4
Sales of aggregates in million t	3.5	3.6	-5.1	-5.1
Sales of ready-mix concrete in million m ³	2.6	2.8	-5.2	-5.2
Net sales in million CHF	854	840	+1.6	+6.0
Operating EBITDA in million CHF	238	221	+7.4	+9.0

Europe's construction sector impacted by the debt and euro crisis

Europe	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	12.3	12.8	-4.1	-6.3
Sales of aggregates in million t	35.2	41.3	-14.8	-15.4
Sales of ready-mix concrete in million m ³	7.1	8.0	-11.4	-11.4
Sales of asphalt in million t	2.2	2.8	-19.7	-19.7
Net sales in million CHF	2,783	3,086	-9.8	-6.5
Operating EBITDA in million CHF	282	378	-25.4	-23.3

Europe	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	7.8	7.7	+2.1	-0.5
Sales of aggregates in million t	20.1	23.0	-12.5	-13.4
Sales of ready-mix concrete in million m ³	4.1	4.4	-6.9	-7.6
Sales of asphalt in million t	1.1	1.3	-18.8	-18.8
Net sales in million CHF	1,622	1,722	-5.8	-3.6
Operating EBITDA in million CHF	261	303	-13.9	-11.6

North America needs more construction materials again

North America	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	5.4	5.0	+8.6	+8.6
Sales of aggregates in million t	18.0	17.5	+2.8	-1.3
Sales of ready-mix concrete in million m ³	3.6	2.9	+26.0	+14.9
Sales of asphalt in million t	1.4	1.5	-9.2	-9.2
Net sales in million CHF	1,343	1,189	+12.9	+8.5
Operating EBITDA in million CHF	137	92	+49.1	+48.0

North America	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	3.3	3.2	+3.1	+3.1
Sales of aggregates in million t	12.2	12.1	+0.1	-0.4
Sales of ready-mix concrete in million m ³	2.2	2.0	+13.1	+10.9
Sales of asphalt in million t	1.2	1.3	-10.3	-10.3
Net sales in million CHF	865	793	+9.0	+4.4
Operating EBITDA in million CHF	153	119	+28.9	+27.5

Higher sales volumes in Group region Africa Middle East

Africa Middle East	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	4.5	4.4	+2.7	+2.7
Sales of aggregates in million t	1.1	1.1	+2.1	+2.1
Sales of ready-mix concrete in million m ³	0.6	0.6	+1.9	+1.9
Net sales in million CHF	498	483	+3.3	+5.7
Operating EBITDA in million CHF	160	168	-4.9	-2.5

Africa Middle East	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	2.3	2.4	-4.7	-4.7
Sales of aggregates in million t	0.6	0.7	-9.1	-9.1
Sales of ready-mix concrete in million m ³	0.3	0.3	+3.2	+3.2
Net sales in million CHF	259	264	-2.0	-1.6
Operating EBITDA in million CHF	82	96	-14.3	-13.7

Additional information such as the Half-Year Report 2012 including detailed information on the Group regions are available at www.holcim.com/results

Holcim is one of the world's leading suppliers of cement and aggregates (crushed stone, gravel and sand) as well as further activities such as ready-mix concrete and asphalt including services. The Group holds majority and minority interests in around 70 countries on all continents.

This media release is also available in German at www.holcim.com/news.

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Key figures Group Holcim January – June		2012	2011	+/-%	+/-% like-for-like
Annual cement production capacity	million t	216.7	216.0 ¹	+0.3	+0.3
Sales of cement	million t	74.0	70.9	+4.4	+3.8
Sales of mineral components	million t	2.1	2.2	-4.4	-4.4
Sales of aggregates	million t	75.6	81.3	-7.0	-8.2
Sales of ready-mix concrete	million m ³	22.8	23.1	-1.3	-2.7
Sales of asphalt	million t	3.6	4.3	-16.2	-15.9
Net sales	million CHF	10,357	10,143	+2.1	+5.8
Operating EBITDA	million CHF	1,933	1,897	+1.9	+6.3
Operating EBITDA margin	%	18.7	18.7		
Operating profit	million CHF	1,117	1,084	+3.0	+9.9
Operating profit margin	%	10.8	10.7		
EBITDA	million CHF	2,023	2,005	+0.9	
Net income	million CHF	624	586	+6.6	
Net income margin	%	6.0	5.8		
Net income – shareholders of Holcim Ltd	million CHF	389	357	+9.0	
Cash flow from operating activities	million CHF	211	72	+194.2	+244.1
Cash flow margin	%	2.0	0.7		
Net financial debt	million CHF	12,161	11,549 ¹	+5.3	+3.7
Total shareholders' equity	million CHF	19,963	19,656 ¹	+1.6	
Gearing ²	%	60.9	58.8 ¹		
Personnel		80,475	80,967 ¹	-0.6	-1.5
Earnings per share ³	CHF	1.21	1.12	+8.0	
Fully diluted earnings per share ³	CHF	1.21	1.12	+8.0	

Principal key figures in USD (illustrative) ⁴

Net sales	million USD	11,157	11,270	-1.0	
Operating EBITDA	million USD	2,082	2,108	-1.2	
Operating profit	million USD	1,203	1,204	-0.2	
Net income – shareholders of Holcim Ltd	million USD	419	397	+5.6	
Cash flow from operating activities	million USD	227	80	+183.7	
Net financial debt	million USD	12,742	12,273 ¹	+3.8	
Total shareholders' equity	million USD	20,917	20,889 ¹	+0.1	
Earnings per share ³	USD	1.30	1.24	+4.8	

Principal key figures in EUR (illustrative) ⁴

Net sales	million EUR	8,591	7,987	+7.6	
Operating EBITDA	million EUR	1,603	1,494	+7.3	
Operating profit	million EUR	926	854	+8.5	
Net income – shareholders of Holcim Ltd	million EUR	323	281	+14.8	
Cash flow from operating activities	million EUR	175	57	+209.3	
Net financial debt	million EUR	10,122	9,484 ¹	+6.7	
Total shareholders' equity	million EUR	16,616	16,142 ¹	+2.9	
Earnings per share ³	EUR	1.00	0.88	+13.6	

¹ As of December 31, 2011.

² Net financial debt divided by total shareholders' equity.

³ EPS calculation based on net income attributable to shareholders of Holcim Ltd weighted by the average number of shares.

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

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