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Media Release

In a challenging environment, Holcim sold more cement, aggregates and ready-mix concrete. Selective capacity expansion improves environmental and cost efficiencies.

Annual results 2010

- Rising sales volumes in cement, aggregates and ready-mix concrete
- Consolidated net sales increase by 2.5 percent to CHF 22 billion
- Effective cost management reduces fixed costs by a further CHF 312 million
- Operating EBITDA decreases by 2.5 percent to CHF 4.5 billion
- Reduction in net income by 17.2 percent to CHF 1.6 billion
- Cash flow from operating activities stabilized at a high level at CHF 3.7 billion
- Net financial debt reduced by CHF 2.5 billion, strong liquidity and solid balance sheet
- Proposal for a payout from capital contribution reserves corresponding to last year's amount of CHF 1.50 per registered share

Outlook

- Europe: better demand trend
- North America: slightly increased sales volumes
- Latin America: growing demand for building materials
- Africa Middle East: rather subdued market situation
- Asia Pacific: continuing growth – additional construction activity in Oceania in the second half
- Holcim is confident that the Group will be successful in securing its share of future growth in the emerging markets and that its lean cost structures will enable it to benefit above average from a continuing economic recovery in Europe and North America

Group		Jan-Dec 2010	Jan-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	136.7	131.9	+3.6	+2.4
Sales of aggregates	million t	157.9	143.4	+10.1	-1.6
Sales of ready-mix concrete	million m ³	45.9	41.8	+9.8	+0.2
Sales of asphalt	million t	10.6	11.0	-3.6	-3.6
Net sales	million CHF	21,653	21,132	+2.5	-2.1
Operating EBITDA	million CHF	4,513	4,630	-2.5	-6.1
Net income	million CHF	1,621	1,958	-17.2	-18.2
Net income – shareholders of Holcim Ltd	million CHF	1,182	1,471	-19.6	-21.1
Cash flow from operating activities	million CHF	3,659	3,888	-5.9	-8.3

* Factoring out changes in the scope of consolidation and currency translation effects.

Group		Oct-Dec 2010	Oct-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	33.9	32.8	+3.4	+3.0
Sales of aggregates	million t	39.1	40.2	-2.7	-3.2
Sales of ready-mix concrete	million m ³	11.5	11.4	+0.9	+0.9
Sales of asphalt	million t	2.8	2.9	-3.4	-3.4
Net sales	million CHF	5,085	5,358	-5.1	-1.6
Operating EBITDA	million CHF	936	1,016	-7.9	-4.2
Net income	million CHF	398	381	+4.5	+6.6
Net income – shareholders of Holcim Ltd	million CHF	307	271	+13.3	+15.1
Cash flow from operating activities	million CHF	1,606	1,696	-5.3	-2.6

* Factoring out changes in the scope of consolidation and currency translation effects.

Economic upturn had a delayed impact on demand for construction materials in Europe and North America

In Europe and North America, the improving economic condition has yet to have much impact on the construction sector. The stimulus programs were not implemented consistently in all regions. In addition, periods of cold weather and heavy rains hampered construction activity in many countries.

Emerging markets largely remained on a growth track

The emerging markets largely remained on a growth track – also strengthened by solid construction activity. In a number of markets, the monsoon and tropical storms temporarily impacted business conditions.

(Details on Group regions after the outlook)

Rising sales volumes

Despite the challenging environment in many markets, Holcim increased its sales volumes. This volume growth is broad-based, with Group companies in all five Group regions contributing to the success. The percentage increase was more pronounced for aggregates and ready-mix concrete than for cement. This became particularly evident in the enlarged operations in Australia, where the new consolidated Group company Holcim Australia – a leading nationwide supplier of aggregates, ready-mix concrete and concrete products – was consolidated for the full year for the first time. Sales of ready-mix concrete increased above average in the rapidly growing major centers of Asia.

Effective cost management

In light of the uncertain economic outlook, Holcim continued to adhere to its tight cost management in 2010 with the aim of safeguarding the substantial reductions in fixed costs achieved the previous year despite the commissioning of new production capacity. The Group companies indeed succeeded to reduce their fixed costs by a further CHF 312 million. This had a positive impact on the income statement.

Higher turnover and only slightly lower operating results

Consolidated net sales increased by 2.5 percent to CHF 21.7 billion, while operating EBITDA declined by 2.5 percent to CHF 4.5 billion. The decisive factors were amongst others the less favorable results of Holcim Apasco in Mexico and ACC in India. Holcim Apasco was hit by weak domestic demand while in the case of ACC, the delayed commissioning of additional cement capacity led to higher production and distribution costs. In the aggregates segment, however, the Group's operating EBITDA margin increased.

Holcim suffered the sharpest decline in its operating result in Europe. In the two Group regions North America and Africa Middle East, operating EBITDA margin could be increased. The

operating result was up compared to the previous year in Group region Asia Pacific, where it benefited from the full consolidations in Australia and the positive business development in Indonesia. The operating EBITDA margin declined in this Group region; reflecting among other things the change in the product mix due to the full consolidation of Holcim Australia, as well as the temporary price pressure in India during the monsoon season. In Latin America, Holcim Brazil in particular improved substantially.

Net income decreased by 17.2 percent to CHF 1.6 billion, and the share of net income attributable to shareholders of Holcim Ltd declined by 19.6 percent to CHF 1.2 billion.

Solid financing

Once more, Holcim ended 2010 with a solid balance sheet and liquidity. The Group's net debt was further reduced despite the commissioning of new plants and additional capacity. Cash flow from operating activities stabilized at a high level at CHF 3.7 billion.

Capacity expansion for lower costs, higher revenues and improved environmental balance sheet

As in previous years, Holcim invested in specific capacity expansion in all segments. The main focus was on the cement segment expansion program initiated in 2007. Expenditures already peaked in 2009, but 2010 still saw CHF 1.2 billion invested in expansion projects in new and existing markets. Other investment activity was once again kept on a low level.

In 2010, the Group commissioned new cement capacity to the amount of 6.8 million tonnes. As part of the expansion program, Holcim Apasco commissioned a new cement plant in Hermosillo, Northwestern Mexico, shortly before the end of the year. With an annual cement capacity of 1.6 million tonnes, the new plant will make it possible to serve the regional construction industry more efficiently and to cut logistics costs. The Nobsa plant in Colombia also expanded its grinding capacity in 2010. In India, Ambuja Cements and ACC commissioned several cement and grinding plants which operate as a network. This means that the two Group companies are well equipped to capture their share of the steady growth in cement consumption. The expansion program also included the Wadi plant, where ACC commissioned an expanded kiln line. With a daily capacity of 12,500 tonnes, it is currently regarded as one of the largest production units worldwide.

Further capacity expansion is underway in Russia, Azerbaijan, Ecuador, India and Indonesia. In Australia, there are also plans for a large quarry which will allow for an optimal supply of aggregates to the Sydney urban area.

Proposal for a payout corresponding to last year's amount

The Board of Directors will be proposing to the Annual General Meeting on May 5, 2011 a payout from capital contribution reserves corresponding to last year's amount of CHF 1.50 per registered share. This means that the payout ratio is above the target ratio of one-third of Group net income and reflects the confidence of the Board of Directors and the Executive Committee in the future development of business.

Biodiversity as part of sustainable development

The Group's strategy includes promoting sustainable development. Environmental responsibility also includes preserving biodiversity. To mark the UN's International Year of Biodiversity the annual report of Holcim Ltd pays special attention to this topic. Protecting biodiversity is of special significance at around 600 locations where the Group extracts limestone, clay and marl for cement production and crushed stone, gravel and sand for use as aggregates. Already in 2007, Holcim signed an agreement with the International Union for Conservation of Nature (IUCN) with the aim of strengthening biodiversity. This

partnership gave rise to an effective strategy and a corresponding management system for the protection of biodiversity. The partnership has since been extended by three years.

Progress in safety at the workplace

Throughout the Group, efforts continue to be centered on strengthening a culture of safety. While visible progress has been made, lives were still lost, which is a matter of great regret to Holcim. However, the Board of Directors and the Executive Committee are convinced that the measures taken will pave the way for the necessary progress.

Management development and rejuvenation of management

Talent promotion and succession planning are implemented throughout the Group based on uniform rules. With vocational training at the workplace, dedicated training modules, and the cooperation with leading universities, Holcim is permanently preparing the 80,000 employees for a rapidly changing environment.

At Group level, Board and Executive Committee concentrated their efforts on rejuvenating senior management. Newly elected Executive Committee members included Group CFO-elect Thomas Aebischer, Andreas Leu as the executive responsible for Latin America and Roland Köhler as CEO of Holcim Group Support Ltd. With this, it was possible to rejuvenate the Executive Committee by six new members within the last two years.

Outlook for 2011

The development of the business cycle still remains uncertain in some areas of the world economy. From a global perspective, it can be expected that the construction sector in the mature markets will recover and that the growth in the emerging markets will continue. Holcim therefore anticipates an increase in sales across all segments. The Group will do its utmost to counter the rise in production and distribution costs by vigorously pursuing price increases.

In Asia, growth can be expected to continue with additional construction activity in Oceania in the second half. Volumes are expected to increase slightly in Europe and North America, and Latin America should also see growth in demand for building materials. The development will be more subdued in Group region Africa Middle East.

The Board of Directors and the Executive Committee are confident that the Group will be successful in securing its share of future growth in the emerging markets and that its lean cost structures will enable it to benefit above average from a continuing economic recovery in Europe and North America.

Detailed information on Group regions:

Mixed market development in Europe

Europe		Jan-Dec 2010	Jan-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	26.2	26.9	-2.6	-3.3
Sales of aggregates	million t	77.6	78.4	-1.0	-1.7
Sales of ready-mix concrete	million m ³	16.0	17.0	-5.9	-6.5
Sales of asphalt	million t	5.7	5.6	+1.8	+1.8
Net sales	million CHF	6,535	7,320	-10.7	-5.5
Operating EBITDA	million CHF	1,045	1,232	-15.2	-10.8

* Factoring out changes in the scope of consolidation and currency translation effects.

Europe		Oct-Dec 2010	Oct-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	6.1	6.0	+1.7	+1.7
Sales of aggregates	million t	18.1	18.8	-3.7	-4.3
Sales of ready-mix concrete	million m ³	3.6	4.0	-10.0	-8.9
Sales of asphalt	million t	1.3	1.4	-7.1	-7.1
Net sales	million CHF	1,399	1,656	-15.5	-6.3
Operating EBITDA	million CHF	190	197	-3.6	+6.1

* Factoring out changes in the scope of consolidation and currency translation effects.

Economic recovery in some markets

After an extremely harsh winter, economic activity improved above expectations in some Western European countries – notably Germany and the UK. In Southern and Eastern Europe however, the economic framework remained difficult throughout the year due to the high levels of debt. Russia's economy benefited from resurgent commodity markets.

Sluggish construction activity in overall terms

In many areas, the construction industry was still confronted with the prolonged impact of the global economic crisis. Government stimulus measures supported the order books in some areas only. Commercial construction continued to suffer from reluctant private investors. Housebuilding showed positive signals here and there, predominantly in Western Europe. While a recovery in the construction sector could be observed in the first six months of the year, activity leveled out again in the second half.

Overall, construction activity increased in several Western European markets following the weather-related setbacks of the first quarter. The exceptions were Spain, Italy, and the Netherlands. Construction activity in the Eastern European countries declined due to a lack of willingness to invest on the part of the public sector and private households. Although some infrastructure projects were continued, governments reduced their spending and shelved construction projects. Surplus capacity in the building materials industry resulted in tighter competition and falling prices.

Fall in shipments due to weather and economic factors

Consolidated delivery volumes in Group region Europe fell as a result of weather and economic factors. Sales of cement declined by 2.6 percent to 26.2 million tonnes. Deliveries of ready-mix concrete also fell by 5.9 percent to 16 million cubic meters, and shipments of aggregates declined by 1 percent to 77.6 million tonnes. Sales of asphalt experienced an increase of 1.8 percent to 5.7 million tonnes.

In the UK, the government stimulus program launched in 2009 continued to have an impact. The construction sector was supported by investment in schools, hospitals and public transportation. Although a number of customers postponed construction projects, Aggregate Industries UK was able to secure additional orders and sold more aggregates. Sales of ready-mix concrete only slightly decreased from the previous year's level, despite deliveries in connection with construction work for the 2012 Olympic Games beginning to come to an end. Asphalt sales outperformed the 2009 level.

Residential construction in France developed positively due to low interest rates and tax breaks. Rising cement sales were also supported by the commissioning of a new grinding plant in Rouen and the acquisition of the Nantes/St-Nazaire import terminal. Ready-mix concrete sales increased and shipments of aggregates declined. In December 2010, authorities gave permission for the construction of a new cement grinding plant in La Rochelle, which is another step to better position Holcim France in the coastal markets of

Western France. The plant, with an annual capacity of 0.6 million tonnes of cement, is foreseen to go on stream in late 2013.

In Belgium and the Netherlands, building materials markets suffered from a restraint in government spending. Additionally, imports affected cement sales in Belgium. Deliveries of aggregates and ready-mix concrete increased. Shipments of cement and ready-mix concrete were supported by an important tunnel project in Antwerp.

Germany's economy recovered considerably faster than others. In particular, private housebuilding and construction activity in the public sector developed positively. Holcim Germany partially offset weaker domestic demand due to weather and competitive conditions with a higher level of exports, especially through deliveries to the Nord Stream gas pipeline consortium. Holcim Southern Germany sold significantly more cement and clinker. The positive market situation in the Stuttgart region and increased exports from the Dotternhausen plant to Switzerland also contributed to this development.

Economic growth in Switzerland was solid. This benefited all segments of the building materials industry, resulting in Holcim Switzerland producing to the limits of its capacity and exceeding volumes of the previous year. Holcim Italy's cement deliveries were on par with the level of 2009. Sales of aggregates fell sharply due to the temporary closure of another production site near Bergamo. However, development projects in the Greater Milan region in preparation for Expo 2015 resulted in higher deliveries of ready-mix concrete. Due to exports, Holcim Spain was able to sell more cement in a persistently weak market. Delivery volumes continued to decline in the other segments.

The markets of Eastern and Southeastern Europe suffered substantially from a lack of willingness to invest by the public as well as private sector. Despite EU-funded infrastructure projects, construction activity showed a decline. With the exception of Holcim Czech Republic, all Group companies recorded lower cement deliveries. Holcim Bulgaria was additionally affected by imports from Turkey. In aggregates, declines at Holcim Croatia, Holcim Romania and Holcim Bulgaria outweighed the positive trend in Hungary, Czech Republic and Slovakia. Only in Serbia was Holcim able to increase sales volumes in the ready-mix concrete segment.

The Russian economy recovered from the crisis, supported by prospering commodity markets and a number of stimulus measures. Thus, cement sales at Alpha Cement picked up in the second half of the year and were slightly better than in 2009. The increase in private residential construction in the Greater Moscow region and expansion of infrastructure projects had a positive impact. The new energy-efficient kiln line at the Shurovo plant started clinker production at the end of 2010. It replaces the Soviet-era wet line, resulting in substantial cost savings. Alpha Cement will achieve a sustained improvement in its market position and also set new standards in environmental protection. In Azerbaijan, economic growth slowed slightly. However, massive investment in infrastructure almost offset the decline in private housebuilding activity. Despite import pressure from Russia, Iran, Georgia and Turkey, cement deliveries by Garadagh Cement slightly exceeded the previous year's level. Work on the construction of a new kiln line, which will produce around 1.7 million tonnes of cement from 2011, is proceeding.

Significantly lower operating result in Europe

Operating EBITDA for Group region Europe declined by 15.2 percent to CHF 1,045 million, above all due to weak markets in Southern and Southeastern Europe, but also because of the weak euro. This figure includes sales of CO₂ emission certificates totaling CHF 95 million (2009: 90). The cost-cutting measures at many Group companies only partly offset

the decline in volumes and prices. The internal operating EBITDA development came to -10.8 percent.

Some stimuli in North America

North America		Jan-Dec 2010	Jan-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	11.1	10.7	+3.7	+3.7
Sales of aggregates	million t	39.2	40.2	-2.5	-2.5
Sales of ready-mix concrete	million m ³	5.6	5.5	+1.8	+1.8
Sales of asphalt	million t	4.9	5.4	-9.3	-9.3
Net sales	million CHF	3,240	3,480	-6.9	-6.6
Operating EBITDA	million CHF	460	400	+15.0	+14.3

North America		Oct-Dec 2010	Oct-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	2.7	2.4	+12.5	+12.5
Sales of aggregates	million t	10.4	10.5	-1.0	-1.0
Sales of ready-mix concrete	million m ³	1.4	1.4	0.0	0.0
Sales of asphalt	million t	1.5	1.5	0.0	0.0
Net sales	million CHF	791	854	-7.4	-4.7
Operating EBITDA	million CHF	94	72	+30.6	+34.7

* Factoring out changes in the scope of consolidation and currency translation effects.

Still no sign of a sustained recovery

In mid-2009, the US economy seemed to show signs of a recovery due to a number of government stimulus measures. The public's confidence in a sustained economic recovery was only partially restored. So, investment activity and consumption remained subdued. However, Canada's economy benefited from government stimulus programs and a strong demand for commodities. But here too, growth leveled off during the course of the year.

Decline in US construction investment; stable construction activity in Canada

Construction activity remained weak in the US, and the high level of unemployment impeded housebuilding. A record number of foreclosures and the expiration of homebuyer subsidies in the first half of the year clearly slowed demand. In fact, house sales rose unexpectedly in the fall of 2010, but a considerable recovery has yet to materialize. Also investment in commercial and industrial construction still declined. However, the healthcare and cultural sectors were the exceptions.

The effects of the US federal government's stimulus program for the infrastructure sector were reduced by project delays and cancellations by the states and municipalities, whose budgetary positions are dire in some cases. In the second half of the year, fortunately, the public authorities approved several infrastructure projects particularly in road building.

In Canada, cement consumption rose thanks to government-subsidized residential construction as well as infrastructure spending. This was driven not only by road building but also expansion in the oil, gas, electricity and steel industries. In the Ontario and Quebec markets, which are important for Holcim, cement consumption continued to rise due to solid domestic demand.

Partially higher sales volumes

Due to the exceptionally severe winter across large parts of the US, Holcim US sold significantly less cement in the first quarter of 2010. However, delivery volumes rose over the course of the year. Alongside unfavorable weather conditions, lacking demand for residential and commercial real estate impacted volumes. Shipments for industrial

construction projects and infrastructure investments provided some compensation. On balance, cement sales of Holcim US increased.

In the first half of the year, Holcim Canada benefited from government stimulus programs and a stable domestic economy. However, higher interest rates and changes in tax legislation caused economic growth to slow from mid-year. Due to the crisis in the US construction industry and the weakness of the US dollar, exports declined.

Overall, cement deliveries in Group region North America rose by 3.7 percent to 11.1 million tonnes.

Aggregate Industries US experienced declining sales volumes across all segments. Only in the Washington region were shipments of building materials maintained, due to a significant road building project. Deliveries of aggregates declined particularly in the west and northeast of the country; demand on the Eastern Seaboard improved toward the end of the year. In ready-mix concrete, a higher market share in the Midwest helped the Group company offset part of the decline in volumes in other regions. Sales of asphalt declined.

At Holcim Canada, deliveries of aggregates remained nearly stable. The Group company saw slightly lower sales in Quebec, but benefited in Ontario from more buoyant construction activity in Toronto. There, shipments of ready-mix concrete in particular showed a marked increase. Demanding construction projects such as the Niagara Falls tunnel were supplied with high-quality ready-mix concrete, requiring sophisticated production. Also major projects such as Montreal Airport and various highway sections contributed to the rise in sales of ready-mix concrete.

Overall, consolidated shipments of aggregates fell 2.5 percent to 39.2 million tonnes. Sales of ready-mix concrete rose by 1.8 percent to 5.6 million cubic meters. Deliveries of asphalt declined by 9.3 percent to 4.9 million tonnes.

Streamlined organizational structure in the US

The two Group companies Holcim US and Aggregate Industries US are reporting to an US Area Manager as of April 2010. The emphasis is on the vigorous exploitation of synergies at operating level and in information technology.

Largest cement plant in the US inaugurated

The new Ste. Genevieve cement plant in the US state of Missouri was inaugurated on June 4, 2010, in the presence of numerous high-ranking government officials. Since the middle of 2009, this cost and energy-efficient plant has been supplying customers along the catchment area of the Mississippi and Missouri. With a production capacity of 4 million tonnes of cement, as well as its own port, Ste. Genevieve is the largest and most environmentally friendly plant in the US.

Higher operating result in North America

Operating EBITDA for Group region North America increased by 15 percent to CHF 460 million. At 14.3 percent, internal operating EBITDA growth was clearly positive. The improved result was attributable to rigorous cost management in the US, but also to the efficiency gains resulting from the new Ste. Genevieve plant. Holcim Canada also significantly improved its result. Aggregate Industries US could not match its previous year's result.

Latin American construction sector largely resistant to crisis

Latin America		Jan-Dec 2010	Jan-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	22.7	22.8	-0.4	-0.4
Sales of aggregates	million t	12.2	11.8	+3.4	+3.4
Sales of ready-mix concrete	million m ³	10.5	10.1	+4.0	+4.0
Net sales	million CHF	3,442	3,348	+2.8	+1.6
Operating EBITDA	million CHF	999	1,076	-7.2	-7.5

Latin America		Oct-Dec 2010	Oct-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	5.9	5.7	+3.5	+3.5
Sales of aggregates	million t	3.2	2.9	+10.3	+10.3
Sales of ready-mix concrete	million m ³	2.8	2.5	+12.0	+12.0
Net sales	million CHF	855	821	+4.1	+6.7
Operating EBITDA	million CHF	237	258	-8.1	-5.0

* Factoring out changes in the scope of consolidation and currency translation effects.

Continued economic growth

In most countries in Group region Latin America the economy continued to grow in 2010. Domestic demand in Mexico and Central America however remained weak – largely as a consequence of the absence of demand from the US; only toward the end of the year were signs of a nascent recovery visible. Economic activity in the Andean countries remained stable, while in Ecuador the growth curve leveled off slightly. Brazil's economy was extremely buoyant, with Argentina and Chile also achieving robust growth.

Construction activity still solid in many markets

Construction activity grew in Latin America in 2010 compared to the previous year, with the exception of Mexico and Central America where lower remittances from abroad, less tourism and poor weather affected the economy. This negatively impacted particularly cement volumes and prices. The national infrastructure program in Mexico was trimmed as a result of spending cuts, with the result that public expenditure rose only marginally. Despite better access to credit, private housebuilding suffered from a lack of remittances from the US. The construction industry in El Salvador suffered from delays to government infrastructure projects and a significant drop in remittances from abroad. In Costa Rica and Nicaragua, demand for building materials felt the lack of government infrastructure programs; private investors also remained reluctant.

In Colombia, private and social housebuilding, as well as commercial construction, developed very well thanks to low interest rates. Additionally, the government also approved many major projects for the construction of roads, ports, airports and bridges. Many of these are already in the execution phase. In Ecuador, construction activity leveled off after a good previous year. Momentum was impacted by a decline in government spending, fewer remittances from abroad and lower receipts of the oil industry.

Consumption of building materials increased in Brazil due to lower unemployment, government support programs, a rise in lower and middle-class incomes, as well as easier access to credit. The government also endeavored to address housing and infrastructure shortcomings. The construction industry in Argentina grew significantly, driven by the continuation of public infrastructure programs and private investment in industrial and commercial construction. The Chilean construction industry also reported good capacity utilization rates, but residential construction suffered delays in the aftermath of February's earthquake.

Shipments of building materials stable in overall terms

Domestic cement shipments fell at Holcim Apasco in Mexico, although by less than the market as a whole. Due to infrastructure projects in the transportation and utilities sectors, shipments of aggregates and ready-mix concrete rose. The main destinations were road, bridge and dam projects, as well as LNG in Manzanillo.

The commissioning of the new Hermosillo plant in the federal state of Sonora was an important capacity expansion project for Holcim Apasco. The plant strengthens the Group company's position as a nationwide supplier of building materials and will result in a considerable reduction in logistics costs. With this sizable investment, which also factored in sustainability criteria, Holcim Apasco increases its total cement capacity to 12 million tonnes per year.

The decline in activity in the construction industry impacted sales of building materials at Holcim El Salvador. The major "El Chaparral" dam project was temporarily halted and the large "Vacas Falls" dam project was terminated. Holcim Costa Rica also felt the market-driven decline in demand. Deliveries of cement fell following completion of the Pirris dam. The Group company's sales of ready-mix concrete also declined. However, deliveries of concrete products by the subsidiary Productos de Concreto increased. Deliveries of aggregates were supported by expansion of the Guápiles industrial park, but nevertheless fell in overall terms. In Nicaragua, investment in social housing in the run-up to the 2011 elections led to higher sales across all segments.

Holcim Colombia sold more cement due to infrastructure projects and an expansion of grinding capacity at the Nobsa plant. A temporary production stoppage at the Manas plant, ordered by the authorities, resulted in a decline in shipments of aggregates in the Greater Bogotá area. However, deliveries of ready-mix concrete matched the previous year's level. Holcim Ecuador experienced a slight drop in volumes of cement and in particular aggregates, while shipments of ready-mix concrete remained stable.

Cement deliveries at Holcim Brazil benefited from steadily rising demand. The Group company's market positioning in the metropolises of Rio de Janeiro and São Paulo, as well as the entire industrial belt of this region, also resulted in significantly higher sales of aggregates.

At Minetti in Argentina, cement sales were driven by rising domestic demand as well as clinker and cement exports to neighboring countries. While shipments of aggregates fell short of the previous year's level, Minetti's ready-mix concrete operations benefited from concrete road building. Cemento Polpaico in Chile sold significantly more aggregates and ready-mix concrete. Sales of cement fell slightly, however, due to new competitors.

Consolidated cement sales in Group region Latin America fell 0.4 percent to 22.7 million tonnes. Deliveries of aggregates were up 3.4 percent at 12.2 million tonnes. Sales of ready-mix concrete increased 4 percent to 10.5 million cubic meters.

During the year under review, additional production capacity at a number of Group companies came on stream, or new investment projects were initiated. In addition to Holcim Apasco's new Hermosillo cement plant in the northwest of Mexico, a third cement mill was commissioned in Colombia, increasing cement capacity at the Nobsa plant to 2.1 million tonnes. The Group company in Ecuador also has a project ongoing that is aimed at raising production capacity by 1.8 million tonnes of cement per year. Responding to demand, new capacity was also created for aggregates and ready-mix concrete, especially in Mexico and Chile.

Lower operating result in Latin America

The operating EBITDA of Group region Latin America decreased by 7.2 percent to CHF 999 million. The good results from the Brazilian and Argentine Group companies failed to offset the absence of momentum in other markets – most notably Mexico. Internal operating EBITDA development came to -7.5 percent.

Stable demand for building materials in Africa Middle East

Africa Middle East		Jan-Dec 2010	Jan-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	8.9	8.8	+1.1	+4.5
Sales of aggregates	million t	2.5	2.6	-3.8	-3.8
Sales of ready-mix concrete	million m ³	1.1	1.1	0.0	0.0
Net sales	million CHF	1,098	1,206	-9.0	+2.5
Operating EBITDA	million CHF	359	373	-3.8	+5.4

Africa Middle East		Oct-Dec 2010	Oct-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	2.1	2.2	-4.5	-4.5
Sales of aggregates	million t	0.6	0.7	-14.3	-14.3
Sales of ready-mix concrete	million m ³	0.3	0.3	0.0	0.0
Net sales	million CHF	249	289	-13.8	-2.8
Operating EBITDA	million CHF	73	94	-22.3	-12.8

* Factoring out changes in the scope of consolidation and currency translation effects.

Economy remained on a growth path

The construction sector developed positively in most parts of Group region Africa Middle East. In Morocco, infrastructure and private projects supported demand, which declined in other areas. Lebanon saw heavy investment, although the pace of growth slowed in the fourth quarter. Presidential elections gave an impetus to the construction industry in the West African markets, and in the Indian Ocean region construction activity remained robust.

Demand for building materials was predominantly solid

Cement sales at Holcim Morocco declined due to lower market momentum and increasing competition due to additional capacity. Sales were also impacted by road closures caused by bad weather conditions in the Casablanca region. Sales of aggregates benefited from the expansion of the Rabat-Casablanca highway, and by the commissioning of a new quarry in Skhirat. Volumes of ready-mix concrete were supported by considerable deliveries for a new water treatment plant near Fès, but showed a decline overall. Doubling clinker capacity at the Fès plant progressed according to schedule. Holcim Lebanon recorded a significant increase in deliveries of cement and ready-mix concrete. The Indian Ocean operations remained stable in terms of cement, but aggregates and ready-mix concrete sales declined due to the lack of large infrastructure projects. The operations managed by Holcim Trading in West Africa and the Arabian Gulf increased their sales of cement. National Cement in Abu Dhabi established itself as the biggest grinding station in the Emirates.

Cement deliveries in Group region Africa Middle East increased by 1.1 percent to 8.9 million tonnes. Shipments of aggregates fell by 3.8 percent to 2.5 million tonnes. Mainly as a result of the weak market on La Réunion, sales of ready-mix concrete remained at 1.1 million cubic meters.

Decline in operating result in Africa Middle East

Group region Africa Middle East's operating EBITDA declined by 3.8 percent to CHF 359 million, especially due to Morocco. Internal operating EBITDA growth was 5.4 percent.

Building activity solid in Asia Pacific

Asia Pacific		Jan-Dec 2010	Jan-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	71.4	67.3	+6.1	+3.6
Sales of aggregates	million t	26.4	10.4	+153.8	-2.9
Sales of ready-mix concrete	million m ³	12.7	8.1	+56.8	+7.4
Net sales	million CHF	7,958	6,418	+24.0	+1.6
Operating EBITDA	million CHF	1,820	1,760	+3.4	-10.8

Asia Pacific		Oct-Dec 2010	Oct-Dec 2009	±%	±% like-for-like*
Sales of cement	million t	18.2	17.4	+4.6	+4.6
Sales of aggregates	million t	6.8	7.3	-6.8	-6.8
Sales of ready-mix concrete	million m ³	3.4	3.2	+6.2	+6.2
Net sales	million CHF	1,938	1,880	+3.1	+1.4
Operating EBITDA	million CHF	381	454	-16.1	-17.2

* Factoring out changes in the scope of consolidation and currency translation effects.

Strong economic growth in nearly all markets

The economic areas in Group region Asia Pacific developed consistently positive. High infrastructure expenditure, an attractive investment climate and rising consumption boosted the economies particularly in India, Thailand, Vietnam, Malaysia and the Philippines. Also, Indonesia attracted more foreign investment, and in Australia, the generally friendly Asian economic climate supported demand. However, the heavy rainfall and flooding in the east of Australia dampened the otherwise positive picture in the fourth quarter. New Zealand emerged from recession and returned to a modest rate of growth.

Higher demand for building materials

Cement consumption remained at a high level in India. Activity in the construction sector was supported by investments in infrastructure and pent-up demand for new homes, as well as by growing demand in the commercial and industrial sectors. Consumption of cement reached double-digit growth rates in the first half, before slowing slightly in the second half due to the monsoon. The construction sector in Sri Lanka and Bangladesh also saw strong growth, driven by government infrastructure and residential building projects.

In Thailand, private housebuilding showed an exceptionally sharp increase. The Vietnamese government invested in energy supply, ports and bridges. Growth in the demand for cement in Malaysia slowed due to delays in implementing government stimulus programs.

Despite unfavorable weather, the construction sector in the Philippines grew more strongly than expected due to the climate of confidence in the new government and remittances from workers living abroad. In Indonesia, cement consumption increased despite heavy rainfalls and natural disasters including the eruption of the Mount Merapi volcano.

The moderate upward trend in Australia tapered off slightly in the second half. In addition, construction activity in many areas came to a halt shortly before the end of the year and then especially in the new year due to the devastating floods in the eastern part of the continent. Furthermore, rising interest rates adversely affected investment in

housebuilding. New Zealand's slight economic recovery has not yet had an effect on the construction sector.

Higher sales in all segments

The expansion of capacity at Ambuja Cements in India resulted not only in above-average domestic shipments, but also good export growth. In Himachal Pradesh and Chattisgarh, two new kiln lines were commissioned, and in Himachal Pradesh and Uttar Pradesh new grinding stations went on stream. The Group company's production capacity consequently increased by 36.1 percent to 16.4 million tonnes of clinker.

ACC just managed to maintain cement sales. The Group company was heavily affected in several markets by transportation bottlenecks and especially adverse weather conditions. In addition, the commissioning of new production capacity was delayed. In return, shipments of ready-mix concrete – which are concentrated in urban centers – rose at a double-digit rate. ACC supplied significant infrastructure projects, including the expansion of Kolkata airport and the construction of the Mumbai metro.

In the third quarter, ACC commissioned the expanded kiln line 2 at its Wadi plant. Up to 12,500 tonnes of clinker can now be produced there on a daily basis, making the plant one of the world's biggest production lines. Also, the two new grinding stations in Karnataka are now being supplied out of this plant. In the fourth quarter, the commissioning of the new kiln line at the Chanda plant started. In total, ACC commissioned more than 3.3 million tonnes of new clinker capacity during 2010.

With expansions in both Group companies and greater focus on customer needs, particularly in terms of servicing, preconditions for increased competitiveness in the growing Indian market were set.

Holcim Lanka secured a major share of the market in the northeast of the country through its involvement in various infrastructure projects, and sold significantly more cement. Holcim Bangladesh also achieved double-digit growth in cement sales thanks to contracts for the construction of roads and high-rise buildings.

Despite intense competition, Siam City Cement in Thailand sold more cement than in the previous year. Exports to neighboring countries also increased. Aggregates and ready-mix concrete sales were positively affected by significant construction projects in Bangkok. Holcim Vietnam built three new ready-mix concrete facilities, and achieved record sales volumes. The Group company supplied important projects for the expansion of port infrastructure in the south of the country and, like Holcim Malaysia, sold more cement and ready-mix concrete. In Malaysia too, sales volumes were supported by new ready-mix concrete facilities. Holcim Singapore concentrated on technologically demanding contracts, deliberately accepting a lower volume of ready-mix concrete. From mid-year, all production sites in Singapore were united under a single management team, and Jurong Cement delisted from the stock exchange.

In the Philippines, Holcim increased shipments of cement despite competitive pressures. However, demand fell slightly in the fourth quarter of the year, as the government partially switched spending from infrastructure to education and welfare. At Holcim Indonesia, volumes of ready-mix concrete grew in the second half of the year in particular, after being held back at the start of the year by delays in infrastructure projects. Due to a decline in export activity, cement sales remained at the previous year's level. Work was started in December on the construction of a new cement plant in Tuban, on the main island of Java. Due to come on stream in the first half of 2013, the plant will have an annual capacity of

1.6 million tonnes of cement. The new location is a perfect complement to the existing production and distribution network, and will lower logistical costs.

Cement Australia just managed to maintain cement sales in a sluggish market and despite adverse weather conditions toward the year-end in Queensland. Holcim Australia continued to deal with lower aggregates volumes due to delays in major projects and strong competitive pricing pressures in the ready-mix concrete business – further exacerbated by unusually high rainfall followed by the flooding in Queensland. Holcim New Zealand supplied less cement amid a general decline in activity in the construction sector. Sales of aggregates increased due to an additional quarry in Wellington. September's major earthquake had only a marginal effect on the Group company's deliveries; the damage to the road and rail network is now under repair.

In overall terms, cement sales in Group region Asia Pacific grew by 6.1 percent to 71.4 million tonnes. The sales volume of aggregates rose by 153.8 percent to 26.4 million tonnes. Shipments of ready-mix concrete increased by 56.8 percent to 12.7 million cubic meters.

Increased operating EBITDA in Asia Pacific

Despite temporary pricing pressures during the monsoon in India and the considerable rise in variable production and distribution costs, operating EBITDA for Group region Asia Pacific increased by 3.4 percent compared with the previous year to CHF 1,820 million. Cost efficiency was further improved in many locations. Ambuja Cements, Holcim Indonesia and Holcim Philippines made a solid contribution to results, as did the Group companies in Australia which were consolidated for the full year for the first time. Internal operating EBITDA development was -10.8 percent.

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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.

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This media release is also available in German.

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Additional information such as the Annual Report 2010 is available at www.holcim.com/results

Press conference: March 2, 2011, 09:30 a.m. Hagenholzstrasse 85, Zurich

Key figures Group Holcim		2010	2009	+/-%	+/-% like-for-like
Annual cement production capacity	million t	211.5	202.9	+4.2	+4.2
Sales of cement	million t	136.7	131.9	+3.6	+2.4
Sales of mineral components	million t	4.1	3.5	+17.1	+5.7
Sales of aggregates	million t	157.9	143.4	+10.1	-1.6
Sales of ready-mix concrete	million m3	45.9	41.8	+9.8	+0.2
Sales of asphalt	million t	10.6	11.0	-3.6	-3.6
Net sales	million CHF	21,653	21,132	+2.5	-2.1
Operating EBITDA	million CHF	4,513	4,630	-2.5	-6.1
Operating EBITDA margin	%	20.8	21.9		
EBITDA	million CHF	4,988	5,229	-4.6	
Operating profit	million CHF	2,619	2,781	-5.8	-10.1
Operating profit margin	%	12.1	13.2		
Net income	million CHF	1,621	1,958	-17.2	-18.2
Net income margin	%	7.5	9.3		
Net income – shareholders of Holcim Ltd	million CHF	1,182	1,471	-19.6	-21.1
Cash flow from operating activities	million CHF	3,659	3,888	-5.9	-8.3
Cash flow margin	%	16.9	18.4		
Net financial debt	million CHF	11,363	13,833	-17.9	-9.9
Funds from operations ¹ /net financial debt	%	31.3	27.6		
Total shareholders' equity	million CHF	21,121	22,044	-4.2	
Gearing ²	%	53.8	62.8		
Personnel	31.12.	80,310	81,498	-1.5	-1.5
Earnings per share ³	CHF	3.69	4.93	-25.2	
Fully diluted earnings per share ³	CHF	3.69	4.93	-25.2	
Payout	million CHF	480 ⁴	480	0.0	
Payout/dividend per share	CHF	1.50 ⁴	1.50	0.0	

Principal key figures in USD (illustrative) ⁵

Net sales	million USD	20,820	19,387	+7.4
Operating EBITDA	million USD	4,339	4,248	+2.1
Operating profit	million USD	2,518	2,551	-1.3
Net income – shareholders of Holcim Ltd	million USD	1,137	1,350	-15.8
Cash flow from operating activities	million USD	3,518	3,567	-1.4
Net financial debt	million USD	12,088	13,430	-10.0
Total shareholders' equity	million USD	22,469	21,402	+5.0
Earnings per share ³	USD	3.55	4.52	-21.5

Principal key figures in EUR (illustrative) ⁵

Net sales	million EUR	15,691	13,995	+12.1
Operating EBITDA	million EUR	3,270	3,066	+6.7
Operating profit	million EUR	1,898	1,842	+3.0
Net income – shareholders of Holcim Ltd	million EUR	857	974	-12.0
Cash flow from operating activities	million EUR	2,651	2,575	+3.0
Net financial debt	million EUR	9,090	9,284	-2.1
Total shareholders' equity	million EUR	16,897	14,795	+14.2
Earnings per share ³	EUR	2.67	3.26	-18.1

¹ Net income plus depreciation, amortization and impairment.

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 Proposed by the Board of Directors for a payout from capital contribution reserves.

⁵ Statement of income figures translated at average rate; statement of financial position figures at year-end rate.