LAFARGE Building better cities™

Press Release

Paris, May 7, 2013

NYSE, Euronext Paris : LG

SEASONALLY LOW Q1 IMPACTED BY HARSH WEATHER CONDITIONS

€100M EBITDA ACHIEVED IN THE QUARTER THROUGH PERFORMANCE AND INNOVATION MEASURES, ON TRACK TO ACHIEVE FULL YEAR OBJECTIVE

FIRST QUARTER KEY FIGURES

▪ Sales down 6% to €3,136m (-4% like for like) ▪ EBITDA down 26% to €380m (-19% like for like) ▪ Current operating income down 53% to €124m (-38% like for like)	▪ Net result group share at €-117m (€-0.41 per share), vs. €-60m in Q1 2012 (€-0.21 per share)

Note that first quarter results reflect seasonality. They are not indicative of full year trends and traditionally lead to lower results relative to other quarters in the year.

GROUP HIGHLIGHTS

- First quarter results were affected by lower volumes reflecting overall harsh weather conditions, temporary production limitations in Algeria and Egypt and two working days less in the quarter representing a third of the volume decline.
- The Group has continued to successfully implement price increases to address cost inflation. These actions have gained pace during the quarter and will fully deliver in the coming months.
- Performance and innovation measures continued to deliver results and generated respectively €60 million and €40 million EBITDA in the quarter, despite low volumes. The Group is on track to achieve its target to generate incremental EBITDA of €650 million from performance and innovation actions in 2013.
- Net debt at the end of March decreased €0.6 billion compared to Q1 last year. It moved slightly higher compared to year-end 2012 due to normal seasonal working capital needs. The Group continues to progress towards its debt reduction target. With the most recent divestment of our plant in Ukraine, we have secured €1 billion of disposals since January 1st 2012.

BRUNO LAFONT, CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF LAFARGE, SAID:

"The first quarter traditionally represents a small proportion of our results and is not indicative of full year trends. Our outlook remains unchanged and we expect to see cement demand growth in our markets of between 1 to 4 percent in 2013.

We continued to be fully focused on actions within our control. Price increases have been actively implemented in most markets and we will reap the full benefit as the year unfolds. Our performance and innovation actions delivered €100 million EBITDA in the quarter, on track with our 2013 target of €650 million.

I am confident that by the end of 2014 we will have delivered most of our 2012-2015 plan to generate €1.75 billion additional EBITDA through performance and innovation measures, close to one year ahead of our initial objective. We will also reduce net debt to below €10 billion as soon as possible in 2013."

OUTLOOK

Overall the Group continues to see cement demand increasing for the full year and estimates market growth of between 1 to 4 percent in 2013 versus 2012. Emerging markets continue to be the main driver of demand and Lafarge will benefit from its well-balanced geographic spread of high quality assets.

We expect higher pricing for the year and that cost inflation will continue, although at a slightly lower rate than in 2012.

The Group targets to reduce net debt to below €10 billion as soon as possible in 2013. Capital expenditures will be limited initially to €800 million in 2013. While maintaining our debt reduction objective, additional divestments during the rest of the year may lead to an increase in the capex number.

CONSOLIDATED ACCOUNTS AS AT MARCH 31, 2013

The Board of Directors of Lafarge, chaired by Bruno Lafont, met on May 6, 2013 and approved the accounts for the period ended March 31, 2013. Further to their limited review of the interim condensed consolidated financial statements of Lafarge, the auditors have established a report which is included in the interim financial report.

	First Quarter			
			Variation	
	2013	**2012**[3]	**Gross**	**Like for like**[4]
Volumes				
Cement (million tons)	28.7	31.3	-8%	-6%
Pure Aggregates (million tons)	32.9	33.2	-1%	-7%
Ready-Mix Concrete (million m^3)	6.7	7.1	-6%	-3%
Results (million euros)				
Sales	3,136	3,353	-6%	-4%
EBITDA[1]	380	511	-26%	-19%
EBITDA margin (%)	*12.1%*	*15.2%*		
Current Operating Income	124	262	-53%	-38%
Net income Group share	(117)	(60)	nm	
Earnings per share (€)[2]	(0.41)	(0.21)	nm	
Free cash flow[1]	(297)	(434)	32%	
Net debt	11,812	12,364	-4%	

[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] Basic average number of shares outstanding of 287.1 million and 287.0 million for first quarter 2013 and 2012, respectively.

[3] Figures have been restated further to the application of IAS19R.

[4] At constant scope and exchange rates.

EBITDA (*) RESULTS BY REGION

(€m)	First Quarter		
	2013	2012	Variation
North America	(12)	(42)	71%
Western Europe	5	82	-94%
Central and Eastern Europe	(35)	(14)	nm
Middle East and Africa	246	317	-22%
Latin America	51	59	-14%
Asia	125	109	15%
TOTAL	**380**	**511**	-26%

(*) EBITDA is defined as the current operating income before depreciation and amortization on tangible and intangible assets and is a non-GAAP financial measure.

SALES DEVELOPMENT AND FINANCIAL RESULTS

Volumes for our activities declined in the quarter, notably affected by a particularly long winter in Europe and North America, a high comparable in Q1 2012 and two trading days less on average. A 10-day production interruption in Algeria in March, now solved, and gas shortage in Egypt, against which solutions are actively developed, added to the overall impact.

Consolidated sales were down 4% at constant scope and exchange rates, as increased prices across all of our product lines to address cost inflation partly offset the declines in volumes.

At constant scope and exchange rates, EBITDA declined by 19% with performance and innovation actions and improved pricing mitigating the impact of lower volumes and cost inflation. No carbon credit sales in Q1 2013, while we had CO_2 proceeds of €22 million in Q1 2012, was offset by a one-time €20 million gain linked to management's decision to review pension commitments in North America.

Net loss Group Share in the quarter, at (€117) million reflects the marked seasonality of our volumes.

Net debt declined by €0.6 billion relative to Q1 last year but was slightly higher compared to year-end 2012 due to normal seasonal working capital needs.

DIVESTMENTS AND INVESTMENTS

Lafarge received €132 million in cash for divestments in the quarter, including partial proceeds from the sale of assets in the UK and aggregates quarries in Georgia in the United States. With the Ukraine divestment announced on April 26, we have secured €1 billion of divestments since January 1st 2012, of which €600 million have been received to date. The remainder, or €400 million, will contribute to further debt reduction in 2013 and we will continue to pursue further value creative divestments.

Investments totaled €296 million for the quarter.

- Sustaining capital expenditures remained stable at €53 million.
- Development investments amounted to €243 million in the first quarter of 2013, representing investments in our on-going new cement plants projects in Russia and India as well as our fast-return new grinding capacities in the Philippines, Algeria and Brazil.

Going forward, we plan to continue to seize growth opportunities of our uniquely diversified portfolio, selectively investing in our core markets. This will include further debottlenecking or brownfield projects in emerging markets such as in India or Iraq as well as investments in North America to fully benefit from the upturn in this market, with notably the expansion project of our Exshaw plant near Calgary and the renovation of our Ravena plant in northeast US which supplies the New York market.

ADDITIONAL INFORMATION

The analyst presentation of results and the quarterly financial report, including the interim management report and the condensed consolidated financial statements are available on the Lafarge Website: www.lafarge.com

Practical information:
There will be an analyst conference call at 9:00 CET, on May 7, 2013 hosted by Jean-Jacques Gauthier, Chief Financial Officer. The presentation will be made in English with slides that can be downloaded from the Lafarge website (www.lafarge.com).

The presentation may be followed via an audiocast on the Lafarge website as well as via teleconference:
- Dial in (France): +33(0)1 70 48 01 66
- Dial in (UK or International): +44(0)20 3140 8286
- Dial in (US): +1646 254 3365

Please note that in addition to the web cast replay, a conference call playback will be available until May 15, 2013 midnight at the following numbers:
- France playback number: +33 (0)1 74 20 28 00 (pin code: 2841601#)
- UK or International playback number: +44 (0)20 3427 0598 (pin code: 2841601#)
- US playback number: +1 347 366 9565 (pin code: 2841601#)

Lafarge's next financial publication – 2nd Quarter 2013 results – will be on July 26, 2013 (before the NYSE Euronext Paris stock market opens).

NOTES TO EDITORS

A world leader in building materials, Lafarge employs 65,000 people in 64 countries, and posted sales of €15.8 billion in 2012. As a top-ranking player in its Cement, Aggregates and 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. Since 2010, the Lafarge Group has been part of the Dow Jones Sustainability World Index, the first global sustainability benchmark in recognition of its sustainable development actions. More information is available on Lafarge's website: www.lafarge.com

CONTACTS

PRESS RELATIONS

Christel des Royeries: +33 (0)1 44 34 19 47
Christel.desroyeries@lafarge.com

Mélanie Coviaux: +33 (0)1 44 34 18 18
Melanie.coviaux@lafarge.com

Caroline Winkler: +33 (0)1 44 34 11 70
Caroline.winkler@lafarge.com

INVESTOR RELATIONS

Stéphanie Billet: +33 (0)1 44 34 93 71
Stephanie.billet@lafarge.com

Michael Bennett: +33 (0)1 44 34 11 51
Michael.bennett@lafarge.com

Laurence Le Gouguec: +33 (0)1 44 34 94 59
Laurence.legouguec@lafarge.com