## **Media Release**

Zurich/Barroso, May 24, 2016



## LafargeHolcim opens high-efficiency cement plant in Brazil

LafargeHolcim is strengthening its cement production network in Latin America with today's opening of a new state-of-the-art line at its cement plant in Barroso, Brazil. The construction of the new line at the existing Barroso site is part of the Group's strategy to reduce cost per tonne of cement produced, while improving quality and efficiency, in order to operate profitably in a low investment environment.

The new line in Barroso is the most modern in Brazil and will increase operational efficiency and cost competitiveness based on its state-of-the-art technology. Equipment includes the world's largest vertical cement mill, with 450 tonnes per hour production capacity; the horomill, in which the raw materials are refined and chemical corrections are made with low power consumption; and a fully automated quality control laboratory. The plant's total capacity is 3.6 million tonnes of cement per year. The new line will allow the reduction of total costs per tonne of cement by around 25 percent from 2014 to 2017.

Eric Olsen, CEO of LafargeHolcim, said: "The opening of Barroso is key to our strategy in Brazil and will allow us to further improve our cost structure while we continue to supply our customers with our high-quality solutions. For example, we are providing solutions for various projects related to the Olympic Games in Rio de Janeiro including the Olympic Village, the Galeão International Airport as well as new metro and bus lines."

In 2015, LafargeHolcim delivered sustained performance in countries like Mexico, Colombia, and Argentina. The Group believes that Brazil will remain a challenging market in 2016 and has taken a number of measures to adapt its presence to the changing landscape. However, the Barroso plant will make a difference to the Group's ability to service customers in the South-Eastern region of Brazil.

Barroso is strategically located in the state of Minas Gerais between Belo Horizonte and Rio de Janeiro in the country's most important South-Eastern market. The Group has a long-standing presence on the continent and was the first major international cement company building up a presence in Latin America when it entered the Brazilian market in 1951. Today, LafargeHolcim owns five cement plants, four grinding stations, and one blender in Brazil with a capacity of around 12 million tonnes per year and is also present in aggregates and ready-mix concrete. The Group has operations in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Mexico, and Nicaragua with an extensive network of retail outlets across the continent.

LafargeHolcim has also been playing a key role in the construction of major infrastructure projects in Latin America: today the Group is contributing to the upgrade of Bogota's El Dorado International Airport, the construction of the Coca Codo-Sinclair Dam in Ecuador, the country's biggest infrastructure project, and new highways and train lines in Mexico.

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## **About LafargeHolcim**

With a well-balanced presence in 90 countries and a focus on <u>cement</u>, <u>aggregates</u> and <u>concrete</u>, <u>LafargeHolcim</u> (SIX Swiss Exchange, Euronext Paris: LHN) is the world leader in the building materials industry. The Group has 100,000 employees around the world and combined net sales of CHF 29.5 billion in 2015. LafargeHolcim is the industry benchmark in R&D and serves from the individual homebuilder to the largest and most complex project with the widest range of value-adding products, innovative services and comprehensive <u>building solutions</u>. With a commitment to drive <u>sustainable solutions</u> for better building and infrastructure and to contribute to a higher quality of life, the Group is best positioned to meet the challenges of increasing urbanization.

More information is available on www.lafargeholcim.com

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