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The squeeze-out and the draft squeeze-out document remain subject to examination by the
AMF*

**JOINT PRESS RELEASE ON THE FILING OF A DRAFT JOINT SQUEEZE-OUT
DOCUMENT**

FOR THE SHARES OF



INITIATED BY



LafargeHolcim

PRESENTED BY



TERMS OF THE SQUEEZE-OUT

EUR 60 in cash for each Lafarge S.A. share (net of costs)

This joint press release, relating to the filing with the Autorité des marchés financiers (AMF) of a draft joint squeeze-out document (projet de note d'information conjointe) on 14 September 2015 by Société Générale and UBS Securities, acting on behalf of LafargeHolcim Ltd, has been drawn up and disseminated in accordance with the provisions of article 231-16 III of the AMF's general regulations.

This document is an unofficial English-language translation of the joint press release on the filing of a draft squeeze-out document. In the event of any differences between this unofficial English-language translation and the official French document, the official French document shall prevail.

This squeeze-out and the draft squeeze-out document remain subject to the examination by the AMF.

The draft squeeze-out document is available on the websites of the AMF (www.amf-france.org), LafargeHolcim Ltd (www.lafargeholcim.com) and Lafarge S.A. (www.lafarge.com). Copies of the draft squeeze-out document are also available free of charge upon request at:

LafargeHolcim Ltd
Zürcherstrasse 156
8645 Jona
Switzerland

Société Générale
Corporate Finance
75886 Paris Cedex 18
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Lafarge S.A.
61, rue des Belles Feuilles
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69 Boulevard Haussmann
75008 Paris
France

1 Presentation of the Squeeze-Out Procedure

Pursuant to Title III of Book II and more specifically articles 237-14 and 237-16 II of the general regulations of the AMF, this draft squeeze-out procedure follows the public exchange offer (the “**Offer**”) initiated by LafargeHolcim Ltd (formerly Holcim Ltd) (“**LafargeHolcim**” or the “**Offeror**”), whose shares are traded on the SIX Swiss Exchange in Zurich (“**SIX**”) and on the Euronext Paris market (*Compartiment A*) (“**Euronext Paris**”) under ISIN Code CH0012214059 (“**LafargeHolcim Shares**”), for the shares of Lafarge S.A. (“**Lafarge**” or the “**Company**”), whose shares are traded on Euronext Paris (*Compartiment A*) under ISIN Code FR0000120537 (the “**Lafarge Shares**”).

It is indicated that on 28 May 2015, the AMF declared the Offer compliant with applicable legal and regulatory provisions, and accordingly published a declaration of conformity and affixed the visa number 15-226 on the offer document (*note d’information*) relating to the Offer (the “**Offer Document**”) ¹, pursuant to which LafargeHolcim undertook to exchange the Lafarge Shares according to an exchange ratio of nine (9) registered shares of LafargeHolcim, bearing current dividend rights (*portant jouissance courante*), for every ten (10) Lafarge Shares, bearing current dividend rights (*portant jouissance courante*).

Following the end of the re-opened Offer acceptance period, the AMF announced on 31 July 2015 that the number of Lafarge Shares not tendered to the Offer by Lafarge shareholders represented 10,274,766 Lafarge Shares, representing 3.56% of the share capital and no more than 4.72% of the voting rights of Lafarge². Since the number of Lafarge Shares not tendered to the Offer did not exceed 5% of the share capital or voting rights of Lafarge, LafargeHolcim has decided to implement a squeeze-out procedure for the Lafarge Shares Targeted by the Squeeze-Out (as defined in article 2.2 below) and commits irrevocably to indemnify in cash, pursuant to the terms and conditions set forth below, the shareholders of Lafarge for all Lafarge Shares Targeted by the Squeeze-Out they hold at a price of EUR 60 per Lafarge Share (net of costs) (the “**Squeeze-Out**”).

As disclosed in the Offer Document, a scrip dividend of one (1) new LafargeHolcim share for twenty (20) existing LafargeHolcim Shares was distributed to all LafargeHolcim shareholders on 10 September 2015.

Prior to the implementation of the Squeeze-Out, LafargeHolcim proposes to the shareholders of Lafarge, as an alternative to the cash indemnification proposed under the Squeeze-Out, an exchange option, pursuant to the terms and conditions set forth in article 2.3 below, for all or part of the Lafarge Shares Eligible for the Exchange Option (as defined in article 2.3.1 below) they hold and according to the same exchange ratio proposed as part of the Offer, adjusted to take into account the distribution of the scrip dividend, *i.e.* nine point forty-five (9.45) newly issued shares of LafargeHolcim, bearing current dividend rights (*portant jouissance courante*), for ten (10) Lafarge Shares Eligible for the Exchange Option, bearing current dividend rights (*portant jouissance courante*) (the “**Exchange Ratio**”). The shareholders of Lafarge who will not have exercised this option during such period (according to the procedure described in article 2.3.2 below) will be automatically considered as having chosen the cash indemnification proposed under the Squeeze-Out.

¹ D&I215C0718 dated 29 May 2015.

² D&I215C1166 dated 31 July 2015.

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2 Terms and Conditions of the Squeeze-Out

2.1 Terms of the Squeeze-Out

Subject to the provisions of article 2.3 below, the Lafarge Shares Targeted by the Squeeze-Out (as defined in article 2.2 below), will be transferred (whatever the country of residence of the holder of such shares), on the date of implementation of the Squeeze-Out to be determined by the AMF, to the Offeror in exchange for a cash indemnification of EUR 60 per Lafarge Share (net of costs).

On the date of implementation of the Squeeze-Out, Lafarge Shares will be delisted from Compartment A of Euronext Paris. The amount of the cash indemnification, *i.e.*, EUR 60 per Lafarge Share (net of costs), will be paid on that date by the Offeror into a blocked account opened for this purpose with BNP Paribas Securities Services (“**BP2S**”) which will centralise the indemnification transactions.

Following completion of the Squeeze-Out, Euroclear France will close the ISIN Code FR0000120537 of the Lafarge Share, together with the accounts of the affiliates and will provide them with a certificate indicating the balance (*attestation de solde*).

Upon presentation of such certificates, BP2S will transfer to the financial intermediaries holding securities accounts (*dépositaires teneurs de comptes*) the cash indemnification due, and the latter will credit the account of the relevant former Lafarge shareholders concerned by the Squeeze-Out, subject to specific rules applicable to the former holders of Lafarge Shares acquired through the LEA group savings plans (as described in article 2.4.4 of the draft squeeze-out document).

2.2 Number and Type of Lafarge Shares Targeted by the Squeeze-Out

The Squeeze-Out targets all Lafarge Shares that will be existing and outstanding two (2) trading days immediately preceding the implementation date of the Squeeze-Out except for:

- Lafarge Shares that will be held by LafargeHolcim and Lafarge on that day (*i.e.*, respectively 278,131,864 and 68,082 Lafarge Shares as at the date on which the draft squeeze-out document was filed);
- Lafarge Shares tendered to the Exchange Option in accordance with article 2.3 below; and
- Lafarge Shares which are the subject of a liquidity agreement entered into with LafargeHolcim on or before 4 October 2015 pursuant to the Liquidity Mechanism (as defined in article 2.4 below);

(such Lafarge Shares targeted by the Squeeze-Out being referred to as the “**Lafarge Shares Targeted by the Squeeze-Out**”).

2.3 Characteristics of the Exchange Option

Prior to the implementation date of the Squeeze-Out, shareholders of Lafarge may decide, subject to the terms and conditions described in this article 2.3, to opt for a share

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alternative option during the Exchange Option Exercise Period (as defined in article 2.3.2 below) for all or part of the Lafarge Shares Eligible for the Exchange Option they hold, pursuant to which they will receive nine point forty-five (9.45) newly issued shares of LafargeHolcim, bearing current dividend rights (*portant jouissance courante*), for ten (10) Lafarge Shares Eligible for the Exchange Option, bearing current dividend rights (*portant jouissance courante*) according to the Exchange Ratio (the “**Exchange Option**”). In such event, they will not receive the cash indemnification specified in article 2.1 above for the Lafarge Shares Eligible for the Exchange Option effectively tendered to the Exchange Option. The shareholders of Lafarge who will not have exercised such Exchange Option within the Exchange Option Exercise Period (as defined in article 2.3.2 below) will automatically receive the cash indemnification proposed under the Squeeze-Out.

2.3.1 Lafarge Shares Eligible for the Exchange Option

The Exchange Option is open to all Lafarge Shares held (i) by Lafarge shareholders in France and Canada, and (ii) by "qualified institutional buyers" or "QIBs" (as defined in Rule 144A of the United States Securities Act of 1933) in the United States who execute and return an investor letter (see article 2.3.8 of the draft squeeze-out document), except for:

- Lafarge performance shares granted under the 2011 and the 2012 Lafarge performance shares plans (see article 2.4.2 of the draft squeeze-out document for details about such plans) and which are the subject of a 2-year holding period (which will still be ongoing during the Exchange Option Exercise Period (as defined in article 2.3.2 below); and
- Lafarge Shares that are directly held through the Lafarge LEA group savings plan;

(such Lafarge Shares eligible for the Exchange Option being referred to as the “**Lafarge Shares Eligible for the Exchange Option**”).

2.3.2 Procedure to exercise the Exchange Option

Lafarge Shares Eligible for the Exchange Option tendered to the Exchange Option must be freely tradable and free of any lien, pledge, or other form of security or restriction of any kind whatsoever which may limit the free transfer of ownership. The Offeror reserves the right to reject any share tendered which does not comply with this condition.

The Exchange Option may be exercised during a period of ten (10) trading days as from the day following the availability of the information relating in particular to the legal, financial and accounting aspects of LafargeHolcim and of Lafarge (the “**Exchange Option Exercise Period**”). The shareholders of Lafarge who will not have exercised the Exchange Option during such period (according to the procedure described in this article 2.3.2) will be automatically considered as having chosen the cash indemnification proposed under the Squeeze-Out.

Further details on the procedure are set forth in the draft squeeze-out document.

2.3.3 Settlement and Delivery of the Exchange Option

The settlement and delivery shall take place after (i) the completion of the centralisation by BP2S of the Lafarge Shares Eligible for the Exchange Option

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tendered to the Exchange Option and (ii) the registration in accordance with Swiss Law of the LafargeHolcim Shares to be issued as consideration for such shares tendered to the Exchange Option with the commercial register of St. Gallen in Switzerland.

No interest will be due for the period from the exercise of the Exchange Option until the date of settlement of the Exchange Option.

2.3.4 Treatment of Fractional Shares

No fractional LafargeHolcim Shares will be issued in connection with the Exchange Option. As a consequence, LafargeHolcim will not deliver fractional shares to the Lafarge shareholders. The Lafarge shareholders who exercised the Exchange Option for a number of Lafarge Shares Eligible for the Exchange Option which does not entitle them to a whole number of LafargeHolcim Shares will be considered as having expressly agreed to participate in the mechanism to resell fractional LafargeHolcim Shares as described in article 2.3.5 of the draft squeeze-out document for the fractional LafargeHolcim Shares to which they are entitled.

2.3.5 Characteristics of the LafargeHolcim Shares

(i) New Securities, Number, Type and Par Value of the Securities

The maximum number of LafargeHolcim Shares that can be issued for the purpose of the Exchange Option shall be 9,696,269³ LafargeHolcim Shares, each with a par value of CHF2.00 bearing current dividend rights (*portant jouissance courante*). Application has been made for the LafargeHolcim Shares to be issued in the context of the Exchange Option, each to be admitted to listing and trading on the SIX and Euronext Paris at the end of the settlement of the Exchange Option at the latest.

(ii) Characteristics of the LafargeHolcim Shares

Shareholders of Lafarge should refer to articles 2.5.3 (*Characteristics of the Holcim Shares Issued in the Offer*) and 2.5.4 (*Transferability and Tradability of the Holcim Shares Issued in the Context of the Offer – Listing*) of the Offer Document for details about the LafargeHolcim Shares which would be received if they choose to tender their Lafarge Shares Eligible for the Exchange Option to the Exchange Option.

³ On the basis of 10,260,603 remaining Lafarge Shares Targeted by the Exchange Option (excluding 278,131,864 Lafarge Shares held by LafargeHolcim, 44,990 Lafarge performance shares and 68,082 treasury shares held by Lafarge) which could be increased by:

- 1,421,337 Lafarge Shares which may be issued following the exercise of Lafarge stock options and which are in the money as at the date of the draft squeeze-out document (excluding those which will be subject of a liquidity agreement); it being specified that the tender of Lafarge Shares to the Exchange Option following the exercise of stock options granted under the 2012 plan (i.e. 348,304 stock options as at 8 September 2015) will not benefit, as specified under article 2.8.2 of the draft squeeze-out document, from the favourable tax and social regime, since such a transfer would be made in violation of the four-year vesting period; and
- 3,324,415 Lafarge Shares which may be issued following the exercise of stock options and which, as at the date of the draft squeeze-out document, are out of the money (excluding those which will be subject of a liquidity agreement).

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2.3.6 Restrictions Applicable to the Exchange Option Outside France

The Exchange Option is made exclusively in France, except as otherwise provided in the draft squeeze-out document. Accordingly, the draft squeeze-out document is not to be distributed in any country other than France, except as otherwise provided in the draft squeeze-out document.

Shareholders of Lafarge should refer to the draft squeeze-out document for further details on the restrictions applicable to the Exchange Offer outside France.

2.4 Liquidity Mechanism

Certain Lafarge shareholders will be granted the right to enter into a liquidity agreement with LafargeHolcim whereby they will have the right and the obligation, during a defined period of time and under certain conditions, (i) to exchange certain Lafarge Shares they hold or will hold (the “**Eligible Lafarge Shares**”) for LafargeHolcim Shares based on the Exchange Ratio (as amended from time to time to take into account certain transactions impacting the capital or the equity of Lafarge or LafargeHolcim) or (ii) to sell such Eligible Lafarge Shares to LafargeHolcim for a cash amount determined on the basis of the Exchange Ratio (as amended from time to time to take into account certain transactions impacting the capital or the equity of Lafarge or LafargeHolcim including the scrip dividend) (the “**Liquidity Mechanism**”). The choice between the exchange and the sale alternative will be at the sole discretion of LafargeHolcim.

3 Agreements which may have an influence on the Squeeze-Out

With the exception of the Liquidity Mechanism, LafargeHolcim is not aware of any other agreements that could have a significant impact on the transfer of Lafarge Shares in the context of the Squeeze-Out.

4 Indicative Timetable

This timetable is tentative and subject to approval by the AMF.

14 September 2015	Filing of the draft joint squeeze-out document with the AMF (<i>Projet de Note d'Information conjointe</i>)
29 September 2015	Publication of the declaration of conformity of the Squeeze-Out by the AMF with approval of the draft joint squeeze-out document
From 29 September 2015	Availability to the public of the joint squeeze-out document and the other information documents relating to the legal, financial and accounting situations of LafargeHolcim and of Lafarge
30 September 2015	Publication of a joint press release announcing the availability of the joint squeeze-out document and the other information documents relating to the legal, financial and accounting situations of LafargeHolcim and of Lafarge
1 October 2015	Opening of the Exchange Option Exercise Period
14 October 2015	Closing of the Exchange Option Exercise Period
21 October 2015	Issuance of new LafargeHolcim Shares as consideration for the Lafarge shares tendered to the Exchange Option

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23 October 2015	Implementation of the Squeeze-Out Delisting of the Lafarge Shares from Euronext Paris Delivery of new LafargeHolcim Shares to financial intermediaries of Lafarge shareholders having exercised the Exchange Option
From 23 October 2015	Payment of proceeds of the sale of fractional shares

5 Assessment of the Cash Indemnification of the Squeeze-Out

The Squeeze-out will be carried out based on an indemnification of EUR 60 per Lafarge Share (net of costs).

The analysis of the financial terms of the squeeze-out has been performed by Société Générale and UBS Securities through a multi-criteria approach based on commonly used valuation methods, taking into account the specificities of Lafarge, its size and its activity. This analysis has been underpinned by (i) information provided by Lafarge and public information available (including the Lafarge 2014 annual report published on 23 March 2015 and the Lafarge half-year 2015 financial interim report published on 29 July 2015), (ii) the Lafarge business plan (provided by Lafarge), (iii) the synergies business plan related to the combination with the Holcim Group (provided by Lafarge) and (iv) discussions held with Lafarge.

The elements provided to appraise the cash indemnification have been prepared as of 25 August 2015.

The EUR 60 per Lafarge Share indemnification compares as follows to the results presented above:

Criteria	Lafarge implied share price (EUR)	Resulting Premium (Discount)
Share price - as of 25 August 2015		
Spot as of 25 August 2015	57.1	5.1%
1-month VWAP	56.5	6.2%
3-month VWAP	61.5	(2.5%)
6-month VWAP	62.7	(4.2%)
12-month VWAP	60.4	(0.7%)
12-month VWAP - low	49.8	20.4%
12-month VWAP - high	67.0	(10.4%)
Share price by transparency - as of 25 August 2015		
Spot as of 25 August 2015	50.0	19.9%
1 month	55.0	9.2%
3 months	60.1	(0.2%)
From 1 June to 28 July 2015	62.2	(3.5%)
From 20 March to 25 August 2015	61.7	(2.8%)
Target price by transparency - as of 25 August 2015		
Target price average - not discounted	68.9	(12.9%)
Target price average - discounted	61.2	(2.0%)
Discounted Cash Flows - as of 30 June 2015		
Central Case	60.3	(0.5%)
Trading comparables - as of 25 August 2015		
EV/ EBITDA 15E	50.1	19.7%

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Based on (i) the exchange ratio of nine (9) LafargeHolcim Shares for ten (10) Lafarge Shares adjusted for the scrip dividend of one (1) new LafargeHolcim Share for twenty (20) existing LafargeHolcim Shares, (i.e. 9.45 LafargeHolcim Shares for 10 Lafarge Shares) and (ii) LafargeHolcim share price of CHF60.2 as of 25 August 2015, the Exchange Option represents a discount of 12% compared to the cash indemnification.

6 Reasoned opinion of the Lafarge Board of Directors

The Board of Directors meeting of Lafarge was held on 11 September 2015, under the chairmanship of Mr. Eric Olsen, Chairman of the Board of Directors, to examine the Squeeze-Out and issue a reasoned opinion on the interest and the consequences of the Squeeze-Out on the Company, its shareholders and its employees.

The following Directors were present: Mr. P. Charrier, Mr. J. Gallardo, Mr. I. Gallienne, Ms. M. Gerowin, Mr. J. Guiraud, Mr. L. Jeanneney, Mr. E. Olsen, Ms. H. Ploix, Mr. B. Prot, Mr. M. Rollier, Mr. E. Simandl and Ms. V. Weill. Messrs. O. Fanjul and G. Lamarche and Ms. C. Ramon sent apologies for their absence.

The reasoned opinion of the Board of Directors issued on 11 September 2015 is as follows:

*“ The Chairman explains that the Board of Directors was convened in order to examine the squeeze-out (the **Squeeze-Out**) that LafargeHolcim Ltd (**LafargeHolcim**) intends to file with the Autorité des marchés financiers (the **AMF**) in respect of the remaining outstanding Lafarge shares and to deliver a reasoned opinion (avis motivé) in this respect. The Squeeze-Out is proposed to be effected at a price of €60 per Lafarge share (the **Cash Indemnification**).*

*As an alternative to the Squeeze-Out, the Lafarge shareholders will be offered to exchange ten (10) Lafarge shares for 9.45 LafargeHolcim shares (the **Exchange Option**). This Exchange Option is in furtherance to the intent expressed by Holcim Ltd (now LafargeHolcim) in the document relating to the exchange offer (the **Offer**) and is a further extension of the benefit of the Offer, adjusted to take into account the scrip dividend distributed to the LafargeHolcim shareholders on 10 September 2015 and the corresponding increase in the number of LafargeHolcim shares in order to maintain the same economic terms.*

The Chairman reminds the members of the Board of Directors of the successful results of the Offer and that following the settlement and delivery of the re-opened offer, the AMF has announced that LafargeHolcim was holding 278,131,864 Lafarge shares, representing 96.41% of the share capital and at least 95.25% of the voting rights⁴ of Lafarge.

⁴ Based on the total number of Lafarge shares outstanding as of July 29 2015: 288,474,712 Lafarge shares representing no more than 291,990,114 voting rights. The number of voting rights was an estimate taking only partially into account the loss of double voting rights attached to the Lafarge shares tendered.

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The Chairman informs the Board of Directors that as at 31 August 2015, LafargeHolcim was holding 96.41% of the share capital and at least 95.79% of the voting rights⁵ of Lafarge.

The Lafarge shares which have not been tendered to the Offer (or the re-opened offer) represent less than 5% of the share capital and voting rights of Lafarge and, as a consequence, LafargeHolcim issued a press release on 4 August 2015 whereby it announced its decision to launch a Squeeze-Out for the remaining Lafarge shares. LafargeHolcim intends to file the Squeeze-Out with the AMF on 14 September 2015.

The Chairman informs the Board of Directors that as a consequence of the Squeeze-Out, the Lafarge shares will be delisted from Euronext Paris.

He adds that the Squeeze-Out will facilitate the further integration of Lafarge within the LafargeHolcim group allowing to foster the implementation of contemplated synergies.

He further reminds the Board of Directors that Mr. Bruno Husson and Mr. Henri Philippe from Accuracy were appointed by the Board of Directors on 28 July 2015 as independent expert in accordance with the provisions of article 261-1 II of the AMF General Regulations, in order to deliver a report including a fairness opinion (attestation d'équité) on the financial conditions of the Squeeze-Out.

The Board of Directors has also taken the following into consideration:

- (a) the decision of the shareholders meeting of Holcim Ltd on 8 May 2015 authorizing an authorized share capital of a maximum of 132,118,700 new Holcim Ltd shares for the re-opened offer and the Squeeze-Out;
- (b) the draft joint squeeze-out document (*projet de note d'information conjointe*) prepared by LafargeHolcim and Lafarge, including the valuation analysis prepared by UBS and Société Générale acting as presenting banks in connection with the Squeeze-Out and the report from the independent expert.

Based on the report of the independent expert, the Board of Directors acknowledges that when considering the Cash Indemnification offered in the Squeeze-Out to the Lafarge shareholders:

- *the independent expert considered that in the specific context of the Squeeze-Out, the two conditions to be met for the proposed Cash Indemnification to be considered as fair are as follows:*
 - the Cash Indemnification must take due account of the value of Lafarge's business at the date of the Squeeze-Out, before factoring in the impacts of the merger (the **Enterprise Value on a stand-alone basis**);
 - the Cash Indemnification must factor in a fair percentage of the synergies expected from the merger (the **Synergy Value**). To ensure the fair treatment of all shareholders, this percentage should be equal to that attributable to the Lafarge shareholders having tendered their shares, subject to a discount to reflect the timing of the synergies and the risk that they may not materialise;

⁵ Based on the total number of Lafarge shares outstanding as of August 31 2015: 288,492,375 Lafarge shares representing 290,344,390 voting rights.

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- *the independent expert also considered that the Cash Indemnification may be considered fair provided that it falls within the range of estimates of the fair price of Lafarge shares (the **Fair Price**) resulting from the estimated fair value of Lafarge equity;*
- *its valuation work was performed using a multi-criteria approach*
- *the independent expert preferred valuation approaches that allowed to estimate the fair value of equity by separately valuing its three components, i.e.: Enterprise Value on a stand-alone basis, the Synergy Values, and the value of net debt. By default, the independent expert has also examined the valuation references available for the Lafarge share that factor in the expected impacts of the merger (i.e., a percentage of the overall synergies), and which therefore do not allow for a reliable, explicit measurement of the three components of the fair value of the group's equity;*
- *the report shows that among the Fair Price references and estimates, the independent expert has favoured (i) the estimates resulting from the DCF method, i.e., a Fair Price range of €56.8 to €66.7, and (ii) the reference based on the value of the Lafarge share inferred by transparency from the LafargeHolcim share price, i.e., a Fair Price range of €57.4 to 63.3. The independent expert has also considered that despite a low level of liquidity, the latest listed price for the Lafarge share, i.e., €57.37 at the close of trading on 4 September 2015, represents a minimum for calculating the Cash Indemnification.*

On these bases, the independent expert considers that the Cash Indemnification of €60 proposed by LafargeHolcim in the context of the Squeeze-Out procedure is fair for Lafarge minority shareholders.

Finally, the Board of Directors has reviewed the consequences of the Squeeze-Out on the employees and former employees (and executive officers) of the Company and acknowledges the following:

- *First, employees and former employees (and executive officers) will be granted the right to enter into a liquidity agreement with LafargeHolcim whereby they will have the right and the obligation, during a defined period of time and under certain conditions, (i) to exchange certain Lafarge shares they hold or will hold for LafargeHolcim shares based on the 0.945 exchange ratio (as amended from time to time to take into account certain transactions impacting the capital or the equity of Lafarge or LafargeHolcim) or (ii) to sell such shares to LafargeHolcim for a cash amount determined on the basis of the 0.945 exchange ratio (as amended from time to time to take into account certain transactions impacting the capital or the equity of Lafarge or LafargeHolcim), as detailed in the draft joint squeeze-out document. The choice between the exchange and the sale alternative will be at the sole discretion of LafargeHolcim.*
- *Second, Lafarge performance shares definitively allotted to employees and former employees (and executive officers) will be:*
 - *targeted by the Squeeze-Out, unless they are the subject of a liquidity agreement entered into with LafargeHolcim on or before 4 October 2015 (as far as Lafarge performance shares definitively allotted are concerned, only those that are still the subject of a holding period on the*

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implementation date of the Squeeze-Out may be covered by the liquidity mechanism); and/or

- subject to applicable laws and restrictions, eligible to the Exchange Option provided that they are no longer subject to a holding period.
- *Third, Lafarge shares issued following the exercise of such Lafarge stock options granted to employees and former employees (and executive officers) will be:*
 - targeted by the Squeeze-Out if the exercise of such Lafarge stock options occurs at the latest two (2) trading days immediately preceding the implementation date of the Squeeze-Out; and/or
 - subject to applicable laws and restrictions, eligible to the Exchange Option if the exercise occurs before the closing of the Exchange Option exercise period.
- *Fourth, employees (and former employees) who are shareholders of the Company through the Lafarge LEA group savings plan will receive the Cash Indemnification and will not be eligible, for those Lafarge shares, to the Exchange Option.*

Based on the foregoing and after discussion, the Board of Directors unanimously approves the proposed Squeeze-Out under the terms and conditions set forth in the above-mentioned documents and determines that the Squeeze-Out is in the best interests of Lafarge, its shareholders and its employees.

The Board of Directors notes, based on the LafargeHolcim share price at the time of closing of trading on Euronext Paris on September 11, 2015, i.e., €52.33 per LafargeHolcim share, that the counter-value of the Exchange Option as at that date was €49.45 per Lafarge share, representing an 18% discount compared to the Cash Indemnification offered in the Squeeze-Out. Lafarge shareholders should assess the LafargeHolcim share price and the tax treatment applicable (as summarized in paragraph 2.8 of the draft joint squeeze-out document and after consulting their tax advisors) before tendering their Lafarge shares to the Exchange Option”

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Disclaimer

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