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bringing materials to *life*™

Urban planning and street atmosphere
in Shanghai downtown - China

2012 Half-Year Results

July 27, 2012

Important Disclaimer

This document contains forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets, as the case may be, including with respect to plans, initiatives, events, products, solutions and services, their development and potential. Although Lafarge believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are difficult to predict and generally beyond the control of Lafarge, including but not limited to the risks described in the Lafarge's annual report available on its Internet website (www.lafarge.com) and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward looking statements. Lafarge does not undertake to provide updates of these forward-looking statements.

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The Group has implemented its new organization, with the change to a country-based organization, and has consequently adapted its external reporting. Operational results are now primarily analyzed on a country basis versus previously by product line, and the results are presented by region.

Since July 2011, the Group is committed in a disposal project of the main part of the Gypsum Division and disposed of its Gypsum operations in Western Europe, Central and Eastern Europe, Latin America and Asia in the second half of 2011. In accordance with IFRS, until the activities are effectively divested, the contribution of the Gypsum discontinued activities to the Group's consolidated statements of income and statements of cash flows is presented on specific lines for all the periods presented. In the Group's consolidated statement of financial position, Gypsum discontinued assets and liabilities are shown on separate lines for 2012 data and December 2011, with no restatement for prior periods.

Introduction

- **We continue to assume a demanding economic environment**
- **Focusing on our actions to drive cash generation and reduce debt**
  - Price actions in response to cost inflation
  - Cost reduction program for at least €400M in 2012
  - Strong discipline for working capital and capital expenditures
- **Confirm €1 Billion divestments for 2012**

Highlights

- Sales increased in Q2 and H1 driven by higher pricing
- Achieved €170M of cost savings in H1, €100M in Q2, and on track to reach at least €400M for the full year
- EBITDA and current operating income rose for both periods, driven by Middle East Africa, Asia, Latin America, and North America
- EBITDA margins up for Q2 and H1
- Recorded a Q2 charge of €200M for the impairment of Greek assets and €148M restructuring charges in H1 to implement cost savings initiatives
- Net earnings up 15% year-to-date when excluding asset impairment and restructuring charges
- Strong liquidity further improved through issuance in July of €675M long-term bonds with no financial covenant and interest rates below 6%

Key Figures

	6 Months				2nd Quarter			
	2012	2011	Variation	lfl	*2012*	*2011*	*Variation*	*lfl*
Volumes								
Cement (MT)	69.7	70.6	-1%	-	38.4	39.5	-3%	-2%
Pure aggregates (MT)	84.2	86.1	-2%	-3%	51.0	51.4	-1%	-2%
Ready-Mix Concrete (Mm^3)	15.7	16.8	-7%	-2%	8.6	9.2	-7%	-
€m								
Sales	**7,614**	**7,260**	**5%**	**4%**	***4,261***	***4,054***	***5%***	***3%***
EBITDA [(1)]	1,523	1,413	8%	5%	*1,007*	*934*	*8%*	*4%*
EBITDA Margin	*20.0%*	*19.5%*	*50bps*		*23.6%*	*23.0%*	*60bps*	
Current Operating Income [(1)]	**1,022**	**891**	**15%**	**9%**	***755***	***683***	***11%***	***7%***
Net income Group share [(2)]	13	260	-95%		*57*	*289*	*-80%*	
Earnings per share (in €)	**0.05**	**0.91**	**-95%**		***0.20***	***1.01***	***-80%***	
Free cash flow	**(312)**	**(133)**	**nm**		***122***	***142***	***-14%***	
Net debt	12,550	14,260	-12%					

(1) Impacted by lower sales of carbon credits: 51 million euros and 28 million euros lower proceeds for H1 and Q2, respectively
(2) Net income attributable to the owners of the parent company

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Operational Review

Abdoun bridge in Amman - Jordan

Overview of EBITDA by Geographical Area

By geographical zone	6 Months				*2nd Quarter*			
	2012	**2011**	Variation	lfl	***2012***	***2011***	*Variation*	*lfl*
North America	119	58	105%	71%	*165*	*133*	*24%*	*20%*
Western Europe[(1)]	279	345	-19%	-22%	*185*	*194*	*-5%*	*-9%*
Central & Eastern Europe[(1)]	86	118	-27%	-22%	*100*	*127*	*-21%*	*-19%*
Middle East and Africa	643	572	12%	10%	*328*	*298*	*10%*	*5%*
Latin America	129	115	12%	12%	*70*	*62*	*13%*	*13%*
Asia	267	205	30%	25%	*159*	*120*	*33%*	*25%*
EBITDA[(1)]	**1,523**	**1,413**	**8%**	**5%**	***1,007***	***934***	***8%***	***4%***

(1) Impacted by lower sales of carbon credits:	**H1 2012 versus H1 2011**	**Q2 2012 versus Q2 2011**
Western Europe:	32 million euros lower proceeds	9 million euros lower proceeds
Central and Eastern Europe:	19 million euros lower proceeds	19 million euros lower proceeds
Group:	51 million euros lower proceeds	28 million euros lower proceeds

North America

Improved Pricing, Strong Volumes and Significant Cost-Cutting

Volumes	6 Months 2012	6 Months 2011	6 Months Variation	6 Months lfl	*2nd Quarter 2012*	*2nd Quarter 2011*	*2nd Quarter Variation*	*2nd Quarter lfl*
Cement (MT)	5.7	5.7	1%	14%	*3.7*	*3.7*	*2%*	*13%*
Pure aggregates (MT)	40.6	38.6	5%	6%	*26.5*	*25.8*	*3%*	*4%*
Ready-Mix Concrete (Mm^3)	2.9	3.2	-9%	15%	*1.8*	*2.0*	*-8%*	*16%*
Sales	**1,395**	**1,236**	**13%**	**16%**	***905***	***800***	***13%***	***15%***
EBITDA	**119**	**58**	**105%**	**71%**	***165***	***133***	***24%***	***20%***
EBITDA Margin	*8.5%*	*4.7%*			*18.2%*	*16.6%*		
Current Operating Income	20	(63)	nm	165%	*115*	*73*	*58%*	*42%*

- The markets continued to be well oriented, resulting in significant organic sales growth across all three product lines.
  - **In the United States,** cement prices moved higher and like for like volumes increased 12% for Q2 (+14% in H1). This compensated for lower volumes in RMX due to fewer large projects as compared to last year. Aggregates sales volumes were slightly up with prices well oriented.
  - **In Canada,** all three product lines showed strong volume growth on the back of good weather and several major projects in West Canada.
- EBITDA was up 32 million euros for Q2 (up 61 million euros for H1), driven by higher sales and strong cost-cutting measures; the effect of the divestment of our Southeast US operations was also favorable.

Western Europe

Resilient with Strong Cost-Cutting in a Challenging Economic Environment

	6 Months				2nd Quarter			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	8.3	9.3	-11%	-11%	*4.5*	*5.0*	*-11%*	*-11%*
Pure aggregates (MT)	25.9	31.0	-16%	-14%	*13.9*	*16.1*	*-14%*	*-12%*
Ready-Mix Concrete (Mm^3)	5.0	6.4	-21%	-16%	*2.6*	*3.3*	*-20%*	*-15%*
Sales	**1,624**	**1,800**	**-10%**	**-10%**	***871***	***956***	***-9%***	***-10%***
EBITDA (1)	**279**	**345**	**-19%**	**-22%**	***185***	***194***	***-5%***	***-9%***
EBITDA Margin	*17.2%*	*19.2%*			*21.2%*	*20.3%*		
Current Operating Income (1)	186	235	-21%	-29%	*138*	*147*	*-6%*	*-10%*

- Sales were down 10% in the quarter and year-to-date, in a challenging economic environment.
  - **In France and in the UK,** slowing demand and unfavorable weather resulted in a construction market contraction and lower volumes for all three product lines, although overall prices increased.
  - **Spain and Greece** activity was affected by a strong decline of the market.
- Cost-cutting measures strongly mitigated the impact of lower volumes and lower carbon credit proceeds.

(1) Impacted by lower sales of carbon credits: 32 million euros and 9 million euros lower proceeds for H1 and Q2, respectively

Central and Eastern Europe

Strong Pricing Partially Offset Lower Volumes and Lower Carbon Credit Sales

	6 Months				*2nd Quarter*			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	5.9	6.2	-5%	-7%	*4.1*	*4.3*	*-5%*	*-7%*
Pure aggregates (MT)	9.1	8.3	9%	-6%	*6.0*	*5.3*	*14%*	*-4%*
Ready-Mix Concrete (Mm^3)	0.7	0.8	-13%	5%	*0.5*	*0.6*	*-6%*	*13%*
Sales	**561**	**561**	**-**	**1%**	***380***	***382***	***-1%***	***-***
EBITDA (1)	**86**	**118**	**-27%**	**-22%**	***100***	***127***	***-21%***	***-19%***
EBITDA Margin	*15.3%*	*21.0%*			*26.3%*	*33.2%*		
Current Operating Income (1)	47	83	-43%	-33%	*81*	*109*	*-26%*	*-22%*

- Sales were flat in the second quarter and up 1% in the first-half, with contrasted trends within the region:
  - **Poland** construction market trends slowed with the completion of construction projects in advance of the European Cup games in June. Prices were positive, both for cement and aggregates.
  - **In Russia,** market trends were positive, and cement domestic sales rose significantly due to substantial price increases. Cement volumes in Q2 were impacted by production limitations.
  - **Romania** experienced positive volumes across all activities.
  - Our plant in **Hungary** is progressively ramping up, with clinker production successfully started in Q1.
- Like for like EBITDA decreased in both periods, with higher costs lower volumes and lower carbon credit proceeds only partially offset by higher pricing.

(1) Impacted by lower sales of carbon credits: 19 million euros lower proceeds in Q2 and in H1

Middle East and Africa

Higher Pricing and Strong Cost Control

	6 Months				2nd Quarter			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	23.4	24.4	-4%	-2%[1]	*12.2*	*13.0*	*-6%*	*-5%* [1]
Pure aggregates (MT)	4.4	4.4	-2%	-4%	*2.4*	*2.3*	*3%*	*1%*
Ready-Mix Concrete (Mm^3)	3.5	2.8	25%	11%	*1.8*	*1.5*	*22%*	*10%*

Sales	**2,196**	**2,037**	**8%**	**4%**	***1,152***	***1,062***	***8%***	***3%***
EBITDA	**643**	**572**	**12%**	**10%**	***328***	***298***	***10%***	***5%***
EBITDA Margin	*29.3%*	*28.1%*			*28.5%*	*28.1%*		
Current Operating Income	480	419	15%	12%	*246*	*222*	*11%*	*5%*

- Sales were up 3% in the quarter and 4% in first-half, driven by positive pricing in response to inflation.
  - **In Nigeria**, brisk market trends and the 2.2.MT new line started in H2 2011 drove a 49% increase in cement sales year-to-date.
  - **Morocco** construction trends slowed in the second quarter, lowering overall sales.
  - **Kenya and South Africa** markets continued to experience strong cement sales volume growth.
  - **Egypt** domestic volumes were down 11% year-to-date, impacted by lower gas supply in the second quarter and a tougher base comparison. Prices sequentially improved from low levels.
  - **In Algeria**, domestic sales were up 6%, with strong underlying market trends partially restrained due to lower production levels at a national level.
- EBITDA, like for like, rose 5% in the quarter and 10% in first-half, driven by higher sales and cost-cutting.

(1) Domestic only

Latin America

Higher Pricing in response to Cost Inflation

	6 Months				2nd Quarter			
Volumes	**2012**	**2011**	**Variation**	**Ifl**	***2012***	***2011***	***Variation***	***Ifl***
Cement (MT)	4.5	4.2	5%	5%	*2.2*	*2.2*	*-*	*-*
Pure aggregates (MT)	1.3	1.1	22%	22%	*0.7*	*0.6*	*14%*	*14%*
Ready-Mix Concrete (Mm^3)	0.5	0.3	29%	29%	*0.3*	*0.1*	*27%*	*27%*

Sales	**474**	**434**	**9%**	**12%**	***233***	***225***	***4%***	***7%***
EBITDA	**129**	**115**	**12%**	**12%**	***70***	***62***	***13%***	***13%***
EBITDA Margin	*27.2%*	*26.5%*			*30.0%*	*27.6%*		
Current Operating Income	108	94	15%	15%	*60*	*52*	*15%*	*15%*

- The region benefited from a strong level of activity and sales were up 7% in the quarter and 12% in first-half.
    - **Brazil** construction market remained strong, and our cement sales were up 11% year-to-date, with prices well oriented in response to cost increases.
    - **Honduras and Ecuador** also experienced positive sales growth.
- EBITDA was up 13% in the quarter and 12% in first-half, supported by higher sales.

Asia

Significant Price and Volume Improvements

	6 Months				2nd Quarter			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	21.9	20.8	5%	5%	*11.7*	*11.3*	*3%*	*3%*
Pure aggregates (MT)	2.9	2.7	8%	-2%	*1.5*	*1.3*	*16%*	*2%*
Ready-Mix Concrete (Mm^3)	3.1	3.3	-6%	-4%	*1.6*	*1.7*	*-6%*	*-2%*
Sales	**1,364**	**1,192**	**14%**	**11%**	***720***	***629***	***14%***	***9%***
EBITDA	**267**	**205**	**30%**	**25%**	***159***	***120***	***33%***	***25%***
EBITDA Margin	*19.6%*	*17.2%*			*22.1%*	*19.1%*		
Current Operating Income	181	123	47%	43%	*115*	*80*	*44%*	*38%*

- Sales were up 9% in the quarter and 11% in the first-half, with prices well oriented in most countries and cement volumes higher.
  - **In India**, while activity slowed in the second quarter, cement domestic sales rose 24% year-to-date as price actions were implemented to offset strong cost inflation.
  - **In Malaysia**, cement domestic sales volumes were up 9% due to continued strength across all subsectors, while **in the Philippines**, cement domestic sales volumes grew 8% with the recovery of governmental spending.
  - **In China,** cement sales were impacted by slower construction growth and increased competition.
  - **In South Korea,** market conditions improved and prices are progressively recovering from low levels, resulting in domestic cement sales being up 30% year-to-date.
- EBITDA grew 25% both in the quarter and year-to-date with better volumes and higher prices to offset cost inflation.

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The Brook condominium project
in North Vancouver, a sustainable construction
LEED - Canada

Net Income

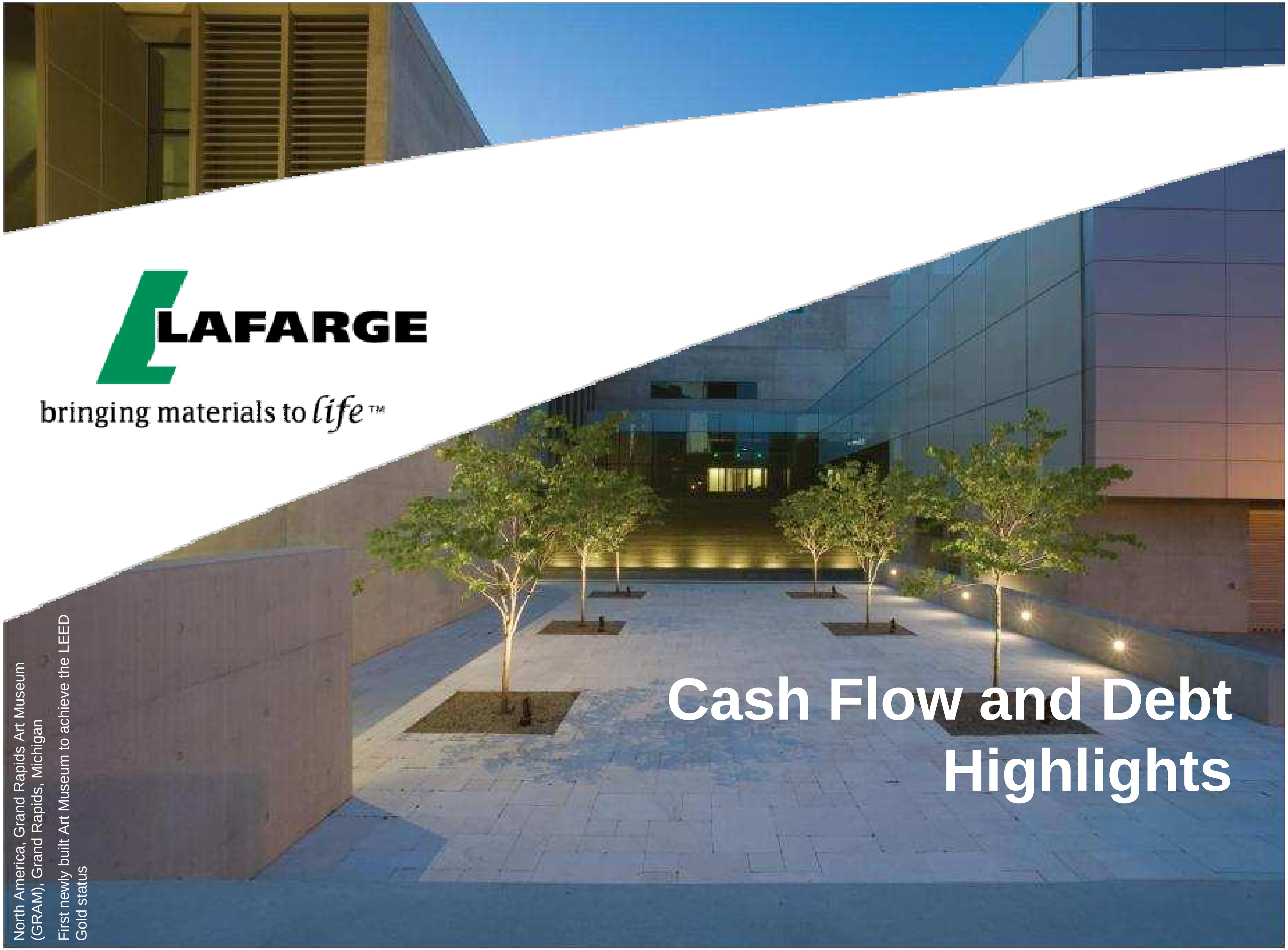
Net Income

Impacted by Non-Recurring Charges

€m	6 Months 2012	6 Months 2011	2nd Quarter 2012	2nd Quarter 2011
EBITDA	**1,523**	**1,413**	***1,007***	***934***
Depreciation	(501)	(522)	*(252)*	*(251)*
Current Operating Income	**1,022**	**891**	***755***	***683***
Other income (expenses)	(339)	(48)	*(266)*	*(21)*
Finance costs, net	(508)	(403)	*(270)*	*(219)*
Income from associates	10	(4)	*6*	*-*
Income taxes	(82)	(104)	*(107)*	*(107)*
Income from discontinued operations	(3)	20	*(6)*	*10*
Non-controlling interests	(87)	(92)	*(55)*	*(57)*
***Net income Group Share* (1)**	**13**	**260**	***57***	***289***

- Other expenses were impacted by a 200 million euros non-cash charge in the second quarter for the impairment of Greek assets, and by 148 million euros of restructuring charges in the first-half to implement the Group's cost savings initiatives.
- Finance costs increased mostly due to exchange rate impacts on foreign currency denominated debts.

(1) Net income attributable to the owners of the parent company



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Cash Flow and Debt Highlights

North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan
First newly built Art Museum to achieve the LEED Gold status

Cash Flow

Strong Capex Control but Net Debt Impacted by Currency Fluctuations

	6 Months		*2nd Quarter*	
€m	**2012**	**2011**	***2012***	***2011***
Cash flow from operations	600	616	412	414
Change in working capital	(802)	(627)	(231)	(200)
Sustaining capex	(110)	(122)	(59)	(72)
Free cash flow	**(312)**	**(133)**	**122**	**142**
Development and productivity investments (1)	(188)	(444)	(51)	(201)
Divestments (2)	72	102	1	91
Cash flow after investments	**(428)**	**(475)**	**72**	**32**
Dividends	(95)	(141)	(81)	(115)
Equity issuance (repurchase)	9	4	-	2
Currency fluctuation impact	(83)	354	(174)	74
Change in fair value	6	(29)	2	(21)
Others	15	63	(5)	(2)
Net debt reduction (increase)	**(576)**	**(224)**	**(186)**	**(30)**
Net debt at the beginning of period	11,974	13,993	12,364	*14,240*
Impact of discontinued operations reclassification	-	(43)	-	10
Net debt at period end	**12,550**	**14,260**	**12,550**	***14,260***

(1) Including debt acquired and the acquisitions of ownership interests with no gain of control.
The acquisitions of ownership interests with no gain of control represented €34m in H1 2012 and €51m in H1 2011, excluding puts, already recorded as debt, exercised in the period (excluding a €51m put exercised in the first quarter 2011, and a €28m put exercised in the second quarter 2012).

(2) Including debt disposed of

Strong Liquidity Backed by Well Balanced Committed Credit Lines

€bn, as at June 30, 2012	**Amount**	**2012**	**2013**	**2014**	**2015 and after**
Syndicated committed credit lines	1.2	-	-	-	1.2
Bilateral committed credit lines	2.2	-	0.4	0.7	1.1
Cash and cash equivalent	2.6				
Total sources of liquidity	**6.0**				

Credit line drawn as of June 30, 2012	0.0
Short- term debt and short-term portion of long-term debt	(3.3)
Total Available liquidity	**2.7**

- Further strengthened liquidity with 675 million euros of long-term bond issuances after quarter-end with favorable terms.
- Lafarge SA committed credit lines of 3.4 billion euros with average maturity of 2.6 years

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Outlook 2012

North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan
First newly built Art Museum to achieve the LEED Gold status

2012 Outlook – Market* Overview

Cement

	Volumes (%)	Price	Highlights
North America	4 to 7%	+	Progressive recovery from low level
Western Europe	-14 to -11%	=/+	France and UK slightly decreasing, Spain and Greece impacted by austerity measures
Central and Eastern Europe	-2 to +1%	+	Contrasted trends within the region
Middle East and Africa	4 to 7%	+	Solid market trends in most countries
Latin America	4 to 7%	+	Solid market trends in most countries
Asia	4 to 7%	+	Solid market trends in most countries

Overall	**1 to 4%**	**+**	**Solid market trends in most emerging countries, progressive recovery in North America, and decline in WE Prices improving**

* Market growth forecast at national level

2012 Outlook – Other Elements

- 6% energy cost increase (+0.9 euro per tonne)
- Cost savings of at least €400m in 2012
- Cost of debt (gross): 6.4%
- Tax rate: 28%
- Capital expenditures: ~€0.8 Bn

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North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan

First newly built Art Museum to achieve the LEED Gold status

Conclusion

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I. Other Information

Outlook 2012 – Market Overview

North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan

First newly built Art Museum to achieve the LEED Gold status

2012 Outlook – Market [(1)] overview

Cement

	Market Volumes (%)
North America	**4 to 7**
United States	4 to 7
Canada	4 to 7
Western Europe	**-14 to -11**
France	-7 to -4
United Kingdom	-5 to -2
Spain	-30 to -27
Greece	-40 to -37
Central and Eastern Europe	**-2 to 1**
Poland	-13 to -10
Romania	2 to 5
Russia [(1)]	8 to 11
Latin America	**4 to 7**
Brazil	4 to 7
Honduras	3 to 6
Ecuador	2 to 5

	Market Volumes (%)
Middle East and Africa	**4 to 7**
Algeria	7 to 10
Egypt	0 to 3
Iraq	12 to 15
Kenya	5 to 8
Morocco	3 to 6
Nigeria	10 to 13
South Africa	1 to 4
Asia	**4 to 7**
China [(1)]	4 to 7
India [(1)]	4 to 7
Indonesia [(1)]	5 to 8
Malaysia	4 to 7
Philippines	10 to 13
South Korea	2 to 5
Overall	**1 to 4**

(1) Market growth forecast at national level except for China, India, Indonesia and Russia for which only relevant markets are considered

2012 Outlook – Market overview

Aggregates & Concrete

- Main markets
  - Mature markets: subdued market volume growth in North America helped by highways bill, while most Western Europe markets expected to be impacted by austerity measures and slower economic growth.
  - Emerging markets: volume growth expected in most countries.
- Prices
  - Price improvement expected for both Pure Aggregates and Ready-Mix concrete.

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II. Other information

Information per Activity

The Lille Metropolitan Museum of Modern Art, Contemporary Art and Art Brut. Manuelle Gautrand architect, a Ductal project

Cement

	6 Months				2nd Quarter			
	2012	**2011**	**Variation**	**lfl**	**2012**	**2011**	**Variation**	**lfl**
Volumes Cement (MT)	69.7	70.6	-1%	-	38.4	39.5	-3%	-2%
Sales (€m) (1)	5,470	5,134	7%	5%	3,022	2,834	7%	4%
EBITDA Margin	24.8%	24.8%			28.0%	28.4%		

By geographical zone	6 Months				2nd Quarter			
	2012	**2011**	Variation	lfl	**2012**	**2011**	Variation	lfl
Sales (1)	**5,470**	**5,134**	**7%**	**5%**	**3,022**	***2,834***	**7%**	**4%**
North America	610	539	13%	16%	394	*339*	16%	16%
Western Europe	856	927	-8%	-9%	463	*498*	-7%	-10%
Central and Eastern Europe	439	441	-	1%	300	*307*	-2%	-
Middle East and Africa	1,926	1,794	7%	5%	1,013	*936*	8%	4%
Latin America	424	394	7%	9%	207	*203*	2%	6%
Asia	1,215	1,039	17%	12%	645	*551*	17%	10%
EBITDA	**1,358**	**1,273**	**7%**	**6%**	**845**	***804***	**5%**	**3%**
North America	74	31	139%	196%	89	*62*	44%	56%
Western Europe	193	274	-30%	-32%	128	*163*	-21%	-24%
Central and Eastern Europe	81	107	-24%	-19%	90	*115*	-22%	-18%
Middle East and Africa	622	554	12%	10%	313	*289*	8%	4%
Latin America	122	107	14%	13%	66	*57*	16%	15%
Asia	266	200	33%	27%	159	*118*	35%	26%

(1) Before elimination of inter divisional sales

Aggregates and Concrete

	6 Months				2nd Quarter			
	2012	2011	Variation	lfl	2012	2011	Variation	lfl
Volumes Pure Aggregates (MT)	84.2	86.1	-2%	-3%	51.0	51.4	-1%	-2%
Volumes Ready-Mix (Mm^3)	15.7	16.8	-7%	-2%	8.6	9.2	-7%	-
Sales (€m) [(1)]	2,450	2,401	2%	3%	1,422	1,375	3%	4%
EBITDA	130	144	-10%	-18%	147	143	3%	-2%
EBITDA Margin	5.3%	6.0%			10.3%	10.4%		

(1) Before elimination of inter divisional sales

Aggregates and other related activities

	6 Months 2012	6 Months 2011	2nd Quarter 2012	2nd Quarter 2011
EBITDA Margin	6.8%	8.2%	14.0%	15.1%

By geographical zone	6 Months 2012	6 Months 2011	Variation	lfl	2nd Quarter 2012	2nd Quarter 2011	Variation	lfl
Sales	**1,199**	**1,129**	**6%**	**3%**	**729**	**676**	**8%**	**5%**
Out of which Pure aggregates	*1,046*	*970*	*8%*	*3%*	*625*	*569*	*10%*	*3%*
North America	451	361	25%	14%	292	238	23%	12%
Western Europe	395	430	-8%	-8%	213	227	-6%	-7%
Other	200	179	12%	5%	120	104	15%	5%
EBITDA	**81**	**93**	**-13%**	**-21%**	**102**	**102**	**-**	**-4%**
Out of which Pure aggregates	*89*	*105*	*-15%*	*-18%*	*97*	*98*	*-1%*	*-5%*
North America	28	26	8%	-6%	52	48	8%	4%
Western Europe	43	55	-22%	-23%	30	33	-9%	-12%
Other	18	24	-25%	-22%	15	17	-12%	-19%

Ready-Mix and Concrete Products

	6 Months		2nd Quarter	
	2012	2011	2012	2011
EBITDA Margin	3.4%	3.5%	5.7%	5.2%

By geographical zone	6 Months				2nd Quarter			
	2012	2011	Variation	lfl	2012	2011	Variation	lfl
Sales	**1,431**	**1,450**	**-1%**	**2%**	**794**	**795**	**-**	**3%**
Out of which Ready-Mix	1,373	1,397	-2%	2%	759	762	-	3%
North America	353	341	4%	15%	218	207	5%	16%
Western Europe	529	610	-13%	-11%	277	317	-13%	-10%
Other	491	446	10%	8%	264	238	11%	10%
EBITDA	**49**	**51**	**-4%**	**-14%**	**45**	**41**	**10%**	**4%**
Out of which Ready-Mix	40	42	-5%	-18%	37	34	9%	4%
North America	7	-	nm	nm	12	10	20%	27%
Western Europe	15	25	-40%	-41%	12	15	-20%	-15%
Other	18	17	6%	-16%	13	9	18%	8%

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The Lille Metropolitan Museum of Modern Art, Contemporary Art and Art Brut.
Manuelle Gautrand architect, a Ductal project

III. Other Information

Sales variances for a selection of countries

YTD Like for Like Sales Variance [1] – Cement

Analysis by Region and in Major Markets as at June 30, 2012	Volume effect	Other effects[2]	Activity variation vs. 2011
North America	**14.4%**	**2.0%**	**16.4%**
United States	14.0%	4.5%	18.5%
Canada	15.0%	-0.9%	14.1%
Western Europe	**-12.3%**	**2.2%[3]**	**-10.1%**
France	-6.8%	0.7%	-6.1%
United Kingdom	-6.4%	2.9%	-3.5%
Spain	-27.5%	0.0%	-27.5%
Greece	-38.9%	1.9%[3a]	-37.0%
Central and Eastern Europe	**-7.1%**	**7.7%**	**0.6%**
Poland	-17.9%	4.1%	-13.8%
Romania	6.0%	0.4%[4]	6.4%
Russia	1.1%	22.4%	23.5%
Middle East and Africa	**-1.8%**	**7.9%[5]**	**6.1%**
Algeria	1.0%	5.4%	6.4%
Egypt	-11.1%	-3.4%	-14.5%
Iraq	4.0%	-6.5%	-2.5%
Kenya	22.4%	-1.3%	21.1%
Morocco	-0.1%	-2.5%	-2.6%
Nigeria	34.6%	14.0%	48.6%
South Africa	9.5%	1.1%	10.6%
Latin America	**5.4%**	**4.1%**	**9.5%**
Brazil	7.8%	2.8%	10.6%
Ecuador	6.9%	5.1%	12.0%
Honduras	-2.2%	7.8%	5.6%
Asia	**5.6%**	**6.4%**	**12.0%**
China	0.3%	-6.7%	-6.4%
India	4.0%	20.2%	24.2%
Indonesia	3.6%	7.7%	11.3%
Malaysia	9.0%	-4.4%	4.6%
Philippines	8.1%	3.7%	11.8%
South Korea	8.7%	21.1%	29.8%
Cement domestic markets	**0.2%**	**5.0%[6]**	**5.2%**

(1) Variance on like for like sales on domestic markets before elimination of sales between Divisions
(2) Other effects: including price effects, product and customer mix effects
(3) Out of which pure price effect: flat
(3a) Out of which grey cement price variation: -1.8%
(4) Out of which grey cement price variation : -3.2%
(5) Out of which pure price effect: 3%
(6) Out of which pure price effect: 3.5%

YTD Like for Like Sales Variance [1]

Aggregates and Concrete

Analysis by Region and in Major Markets as at June 30, 2012	Volume effect	Other effects [2]	Activity variation vs. 2011
Pure Aggregates	**-3.3%**	**5.8%**	**2.5%**
France	-11.1%	4.5%	-6.6%
United Kingdom	-13.8%	6.5%	-7.3%
Poland	-26.8%	4.1%	-22.7%
United States	0.8%	6.8%	7.6%
Canada	10.1%	7.7%	17.8%
South Africa	16.4%	4.8%	21.2%

Ready-mix Concrete	**-1.6%**	**3.2%**	**1.6%**
France	-6.9%	1.8%	-5.1%
United Kingdom	-16.4%	2.8%	-13.6%
United States	-4.9%	-4.4%	-9.3%
Canada	25.6%	-0.6%	25.0%
South Africa	3.6%	1.7%	5.3%
India	-7.1%	9.1%	2.0%

(1) Variance on like for like sales on domestic markets before elimination of sales between Divisions
(2) Other effects: including price effects, product and customer mix effects

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IV. Other Information

Income statement

Other Income (Expenses)

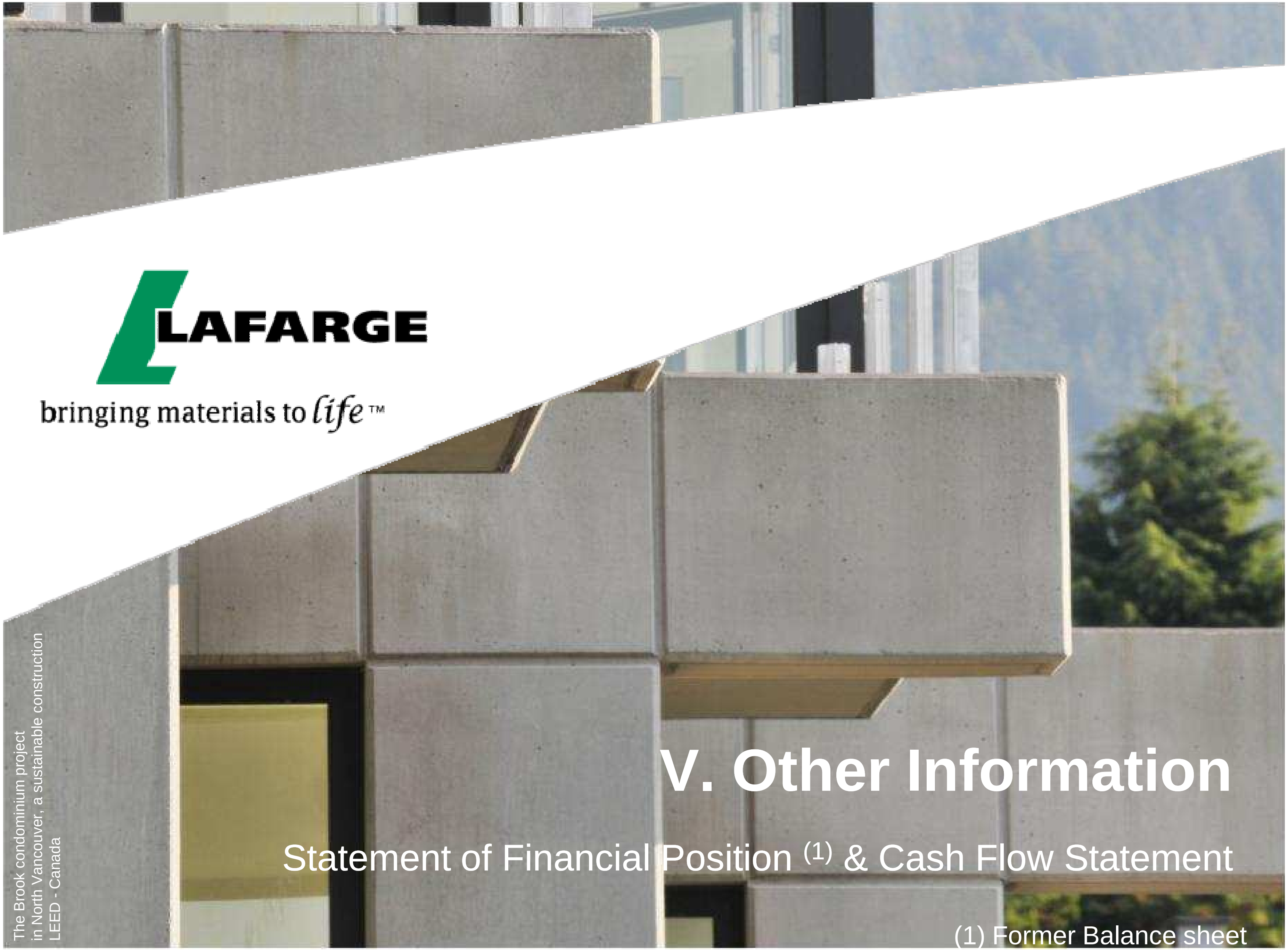
	6 Months		2nd Quarter	
€m	2012	2011	2012	2011
Net gains (losses) on disposals	44	25	7	20
Impairment of assets	(170)	(25)	(166)	(13)
Restructuring	(148)	(16)	(54)	(7)
Others	(65)	(32)	(53)	(21)
Total	**(339)**	**(48)**	**(266)**	**(21)**

Finance Costs and average interest rate

€m	6 Months 2012	6 Months 2011	2nd Quarter 2012	2nd Quarter 2011
Financial charges on net debt	(437)	(415)	(223)	(211)
Foreign exchange	(25)	42	(28)	8
Others	(46)	(30)	(19)	(16)
Total	**(508)**	**(403)**	**(270)**	**(219)**

Average interest rate		June 30, 2012			December 31, 2011	
			Interest rate			Interest rate	
			Spot	Average		Spot	Average
Total gross debt (1)		€15.1Bn	6.2%	6.3%	€15.1Bn	6.2%	5.7%
Of which:	*Fixed rate*	*70%*	*7.4%*		*67%*	*7.6%*	
	Floating rate	*30%*	*3.4%*		*33%*	*3.5%*	

(1) Excluding puts and derivative instruments: negligible as at June 30, 2012 and €0.1Bn as at December 31, 2011



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V. Other Information

Statement of Financial Position (1) & Cash Flow Statement

(1) Former Balance sheet

Statement of Financial position

€m	June 30, 2012	Dec. 31, 2011
Capital Employed	30,498	29,942
Out of which:		
Goodwill	*12,765*	*12,701*
Prop, plant & equip.	*15,544*	*15,542*
Working Capital	*1,068*	*443*
Other	*1,121*	*1,256*
Financial assets	733	755
Net assets held for sale (1)	1,989	1,831
Total	**33,220**	**32,528**

€m	June 30, 2012	Dec. 31, 2011
Equity	18,332	18,201
Out of which:		
Shareholders' equity	*16,207*	*16,004*
Non controlling interests	*2,125*	*2,197*
Net debt	12,550	11,974
Provisions	2,338	2,353
Total	**33,220**	**32,528**

(1) Following the announcement of the agreement between Lafarge and Anglo American plc to combine their cement, aggregates, ready-mixed concrete, and asphalt & contracting businesses in the United Kingdom, and in accordance with IFRS 5, Lafarge UK 's assets and liabilities that will be contributed to this joint venture have been grouped since February 18, 2011 in the consolidated statement of financial position on the lines " Assets held for sale " and " Liabilities directly associated with assets held for sale", respectively. The completion of this transaction is conditional upon regulatory approvals.
Additionally, following its intentions regarding the divestment of its Gypsum activities in North America, the Group presents them as discontinued operations.
See Note 3 to the condensed consolidated financial statements for more information

Investments and Divestments

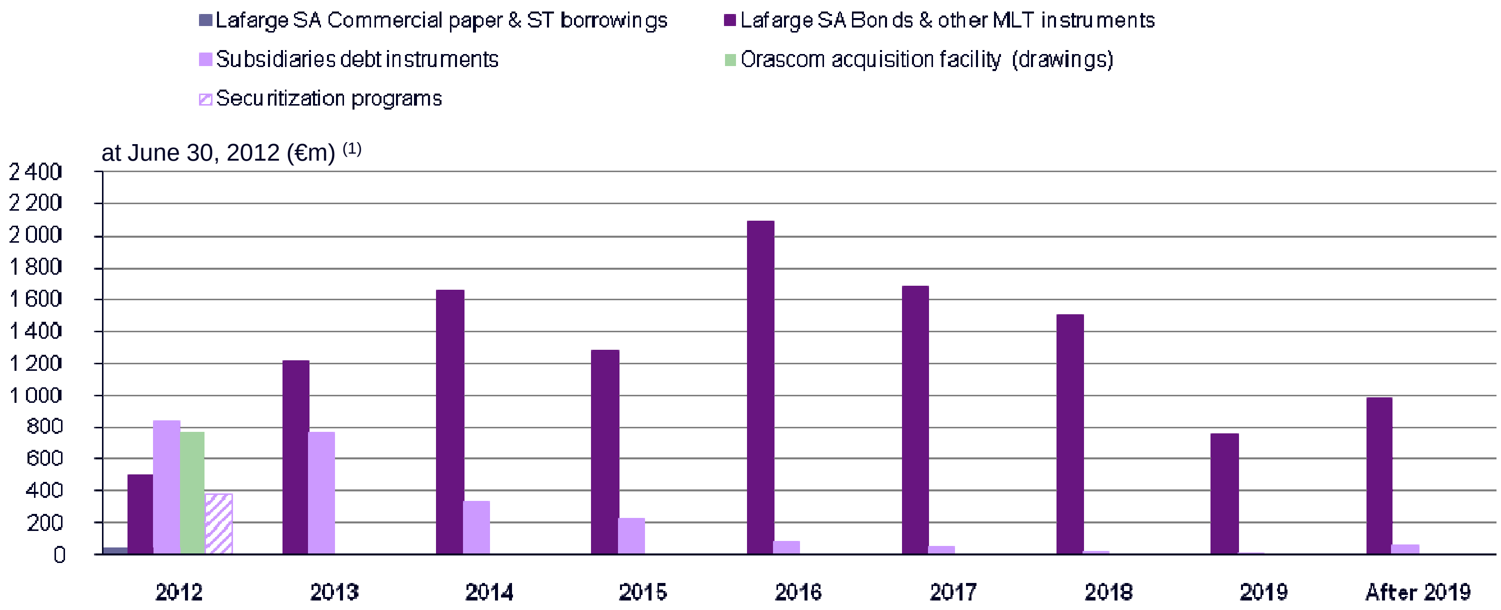
€m	6 Months 2012	6 Months 2011	2nd Quarter 2012	2nd Quarter 2011
Sustaining capital expenditures	(110)	(122)	(59)	(72)
Development and productivity capex	(201)	(357)	(77)	(168)
Acquisitions (1)	13	*(87)*	26(3)	*(33)*
Capital expenditures	**(298)**	**(566)**	**(110)**	**(273)**
Divestments (2)	**72**	**102**	**1**	**91**

(1) Including debt acquired and the acquisitions of ownership interests with no gain of control.
The acquisitions of ownership interests with no gain of control represented €34m in H1 2012 and €51m in H1 2011, excluding puts, already recorded as debt, exercised in the period (excluding a €51m put exercised in the first quarter 2011, and a €28m put exercised in the second quarter 2012).

(2) Including debt disposed of

(3) Including 60 million euros received pursuant to a settlement agreement (see note 9 of the condensed consolidated financial statements).

Balanced Debt Maturity Schedule

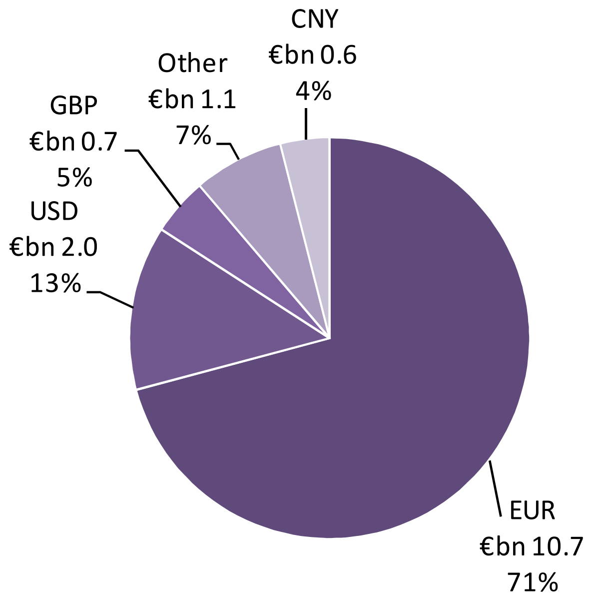


- Average maturity of gross debt is 4 years

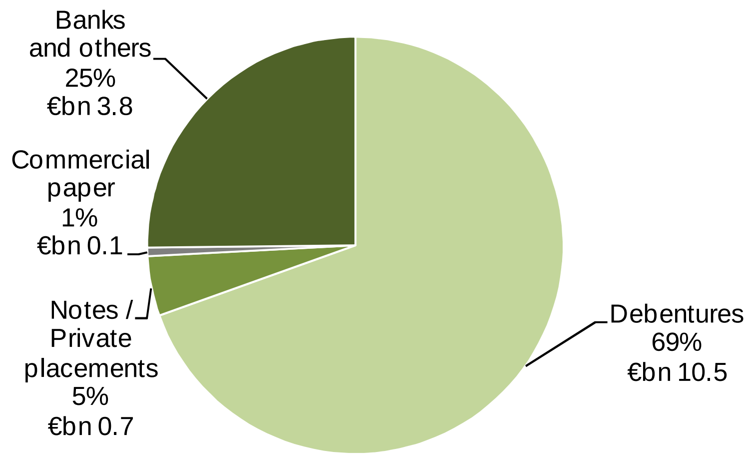
(1) Excluding puts on shares and derivatives instruments

Gross Debt (1) by Currency and by Source of Financing as at June 30, 2012

Split by currency



Split by source of financing



Total Gross Debt (1): **€ 15.1Bn**

(1) Excluding puts on shares and derivatives instruments

Key definitions

- Amounts are generally given in million euros, and exceptions are mentioned.
- Variations are calculated based on amounts that include decimals, and may therefore not be totally consistent when calculated based on rounded disclosed figures.

Volumes	Volumes are shown by origin
Sales by Region	Group Sales by Region are disclosed after eliminations of inter regional sales and are shown by origin. Sales for each activity are disclosed by origin, and before elimination of inter regional/divisional sales.
EBITDA	Current Operating Income before depreciation and amortization on tangible and intangible assets
EBITDA Margin	EBITDA / Sales
Current Operating Income	Operating Income before "capital gains, impairment, restructuring and other"
Free Cash Flow	Net operating cash generated by operations less sustaining capital expenditures
Like for Like variation	Like for Like variation corresponds to the variation at constant scope and exchange rates
Strict Working Capital	Trade receivables plus inventories less trade payables
Strict Working Capital in days sales	Strict Working Capital end of N * 90 days Sales of the last quarter