

## LafargeHolcim to divest Sichuan Shuangma

LafargeHolcim announces it has signed a framework agreement with Tianjin Circle Enterprise Management Center (Limited Partnership) ("Tianjin Circle") for the sale of a controlling stake (55.93 percent) in Sichuan Shuangma Cement Co. Ltd ("Shuangma") to Tianjin Circle or its designated party for a purchase price consideration of 8.08 CNY per share, or at an aggregate consideration of 507 million CHF<sup>1</sup>, subject to the following conditions precedent, aside from the customary regulatory approvals: (a) approval of the Shareholders Meeting of Shuangma on the cancellation of the non-compete undertakings made by Lafarge Cement China Limited and/or its affiliates to Shuangma (the "Shareholder Approval"); (b) completion of a mandatory general offer for the shares of the minorities of Shuangma due to the change of controlling shareholder. The definitive agreements in relation to this acquisition are expected to be entered into upon the completion of the Shareholder Approval and the acquisition is expected to be completed in the fourth quarter of 2016.

Subject to the compliance of applicable laws and regulations, LafargeHolcim has an option to sell to Tianjin Circle, and Tianjin Circle has an option to purchase from LafargeHolcim, its remaining stake in Shuangma through the transfer of 100% share capital in Lafarge China Offshore Holding Company (LCOHC) Ltd. which holds such remaining stake, within the agreed period in 2018 for the same purchase price consideration, or at an aggregate consideration of 159 million CHF.

At the same time, the parties also agreed to enter into an option agreement for LafargeHolcim's purchase of the Shuangma Cement Assets from Shuangma, within certain period after the completion of the aforesaid acquisition, at net asset value or appraised value at the time of the purchase<sup>2</sup>.

On this basis, the expected immediate impact on LafargeHolcim net debt of these agreements would have been a reduction of 121 million CHF.

Sichuan Shuangma is listed on the Shenzhen Stock Exchange (SZSE) and operates four integrated plants with an annual cement capacity of 11 million tonnes and has a leading position in the Sichuan market.

### About LafargeHolcim

With a well-balanced presence in 90 countries and a focus on cement, aggregates and concrete, LafargeHolcim (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

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<sup>1</sup> The exchange rate used is 1 CHF : 6.8 CNY.

<sup>2</sup> The net asset value of the cement assets on December 31, 2015 is approximately 387 million CHF.

homebuilder to the largest and most complex project with the widest range of value-adding products, innovative services and comprehensive building solutions. With a commitment to drive sustainable solutions 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](http://www.lafargeholcim.com)