

Continued sales growth in first quarter; on track to achieve full year targets

- **Good start to year** with like-for-like **Net Sales up 3.1%** despite impact of adverse weather and fewer working days in Q1
- **Recurring EBITDA 7.7% lower** than Q1 2017 on like-for-like basis
- **Full year 2018 targets confirmed**

PERFORMANCE OVERVIEW

Like-for-like Net Sales were up 3.1 percent to CHF 5,830 million driven by growth in cement volumes in Q1. Recurring EBITDA was down by 7.7 percent on a like-for-like basis, affected by the especially harsh winter in North America and Europe.

Broadly, the underlying market trends seen at the end of 2017 continued into the first three months of 2018. Latin America continued its positive development with top and bottom line growth. In North America, the Group is well positioned to take advantage of good market conditions despite the effect of a particularly harsh winter. Strong performance in China and India contributed to growth in the Asia Pacific region. In contrast, Middle East Africa underperformed with challenging conditions in some markets. In Europe, where underlying demand was good, first quarter performance reflected adverse weather, fewer working days and higher maintenance activity in preparation for high season growth.

Jan Jenisch, Group Chief Executive Officer of LafargeHolcim said: "Q1 was a good start to the year. The continued growth in the top line is encouraging and confirms the positive outlook for our businesses. Though the quarter was affected by several headwinds, we expect the strength of our portfolio and the benefits of our new strategy to become increasingly visible over the full year. That makes us confident we will deliver on our 2018 targets.

"We are executing our Strategy 2022. Our new organization is getting us closer to our markets and we are making good headway on simplifying our business, a critical factor in the future success of LafargeHolcim."

GROUP FIGURES

		Q1 2018	Q1 2017	±%	±% like-for-like
Sales of cement	million t	47.7	48.1	-0.7	3.2
Sales of aggregates	million t	49.8	51.7	-3.7	-1.4
Sales of ready-mix concrete	million m ³	11.1	11.4	-2.3	-1.1
Net Sales	million CHF	5,830	5,833	0.0	3.1
Recurring EBITDA ¹	million CHF	700	808	-13.4	-7.7

¹ Excluding restructuring, litigation, implementation and other non-recurring costs

Recurring EBITDA Q1 2017 restated by CHF 8 million due to the reclassification of the Group share of net income of Huaxin to JVs

STRATEGY 2022

The Strategy 2022 – “Building for Growth” was launched in March and the Group is now executing at full speed. The recent bolt-on acquisition in Aggregates and Ready-mix Concrete in the UK is delivering immediate value while expansion plans in the growing markets of India and Argentina are being implemented. Further progress has been made to simplify the organization with a performance management system, fully aligned with the strategy, now in place.

OUTLOOK 2018

The Group confirms its targets for 2018 for Net Sales growth of 3 to 5 percent and an over-proportional increase in Recurring EBITDA of at least 5 percent on a like-for-like basis.

- Market demand in Latin America is expected to be up in most countries.
- Further market growth is anticipated in North America driven by residential and non-residential demand.
- The Group expects sustained market demand supported by infrastructure and residential growth in India, while in China favourable market conditions are expected to remain. In South East Asia, the market environment will generally remain challenging although demand outlook is encouraging.
- The environment for building materials is positive across most markets in Europe.
- The overall outlook for Middle East Africa is mixed and the region continues to be affected by challenging markets.

The Board of Directors will submit a proposal for shareholder approval at today’s AGM on May 8, 2018, for a dividend of CHF 2 per share, stable compared to the prior year.

REGIONAL FIGURES

Asia Pacific

		Q1 2018	Q1 2017	±%	±% like-for-like
Sales of cement	million t	22.4	23.0	-2.6	4.2
Sales of aggregates	million t	7.6	7.1	7.2	7.2
Sales of ready-mix concrete	million m ³	3.1	3.0	2.2	3.6
Net Sales	million CHF	1,836	1,781	3.1	9.4
Recurring EBITDA ¹	million CHF	299	287	4.2	11.5

Europe

		Q1 2018	Q1 2017	±%	±% like-for-like
Sales of cement	million t	8.1	8.2	-1.0	-1.0
Sales of aggregates	million t	25.4	26.6	-4.4	-0.7
Sales of ready-mix concrete	million m ³	4.1	4.0	0.6	0.6
Net Sales	million CHF	1,518	1,444	5.1	-1.7
Recurring EBITDA ¹	million CHF	90	115	-22.0	-28.8

Latin America

		Q1 2018	Q1 2017	±%	±% like-for-like
Sales of cement	million t	6.0	5.8	4.4	10.2
Sales of aggregates	million t	0.8	1.1	-22.9	-4.0
Sales of ready-mix concrete	million m ³	1.3	1.5	-11.8	9.1
Net Sales	million CHF	686	693	-0.9	14.2
Recurring EBITDA ¹	million CHF	236	234	0.7	7.6

Middle East Africa

		Q1 2018	Q1 2017	±%	±% like-for-like
Sales of cement	million t	9.0	9.1	-1.0	-1.0
Sales of aggregates	million t	1.9	2.5	-23.7	-23.7
Sales of ready-mix concrete	million m ³	1.0	1.2	-23.0	-23.0
Net Sales	million CHF	750	874	-14.2	-8.5
Recurring EBITDA ¹	million CHF	176	275	-36.1	-30.2

North America

		Q1 2018	Q1 2017	±%	±% like-for-like
Sales of cement	million t	3.2	3.3	-1.3	-1.3
Sales of aggregates	million t	14.0	14.4	-2.9	-2.9
Sales of ready-mix concrete	million m ³	1.7	1.6	7.1	-4.5
Net Sales	million CHF	867	907	-4.3	-3.0
Recurring EBITDA ¹	million CHF	8	8	2.3	29.6

¹ Excluding restructuring, litigation, implementation and other non-recurring costs

Recurring EBITDA Q1 2017 restated by CHF 8 million due to the reclassification of the Group share of net income of Huaxin to JVs

OTHER FINANCIAL INFORMATION

Restatement of Net Sales

Net Sales now include the gross revenues of our Trading operations. This reflects the new IFRS standard for revenue from contracts with customers – IFRS 15 – effective January 1, 2018 and to be applied retrospectively. Until 2017, our Trading operations were treated as an agent, with the margin (Net Sales less costs of sales) reported in Net Sales directly. Under the new IFRS 15, Trading activities are considered principal.

The application of IFRS 15 has no impact on the Recurring EBITDA.

Non-GAAP Definitions

Some non-GAAP measures are used in this release to help describe the performance of LafargeHolcim. A full set of these non-GAAP definitions can be found on our [website](#).

Additional Information

The analyst presentation of the first quarter update is available on our website at www.lafargeholcim.com

ABOUT LAFARGEHOLCIM

LafargeHolcim is the leading global building materials and solutions company serving masons, builders, architects and engineers all over the world. Group operations produce cement, aggregates and ready-mix concrete which are used in building projects ranging from affordable housing and small, local projects to the biggest, most technically and architecturally challenging infrastructure projects. As urbanization increasingly impacts people and the planet, the Group provides innovative products and building solutions with a clear commitment to social and environmental sustainability. With leading positions in all regions, LafargeHolcim employs approximately 80,000 employees in around 80 countries and has a portfolio that is equally balanced between developing and mature markets. More information is available on www.lafargeholcim.com

Important disclaimer - forward-looking statements:

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 LafargeHolcim 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 LafargeHolcim, including but not limited to the risks described in the LafargeHolcim's annual report available on its website (www.lafargeholcim.com) and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward-looking statements. LafargeHolcim does not undertake to provide updates of these forward-looking statements.