

## LafargeHolcim streamlines operations in China

LafargeHolcim announces it has signed a framework agreement with Huaxin Cement Co. Ltd. ("Huaxin") for the sale of most of the non-listed Chinese cement assets of Lafarge China Cement Limited ("LCCL") to Huaxin for an estimated equity value of CHF 208 million<sup>1</sup>. LafargeHolcim owns a 41.8 percent shareholding in Huaxin.

Eric Olsen, CEO of LafargeHolcim, says: "Following our announcement earlier this week to divest our listed entity Shuangma, this transaction is a further important step towards streamlining our operations in China. It will allow us to reduce debt as well as simplifying our local organization and leveraging Huaxin's scale and capabilities."

The deal is subject to the following conditions precedents, aside from the customary conditions including regulatory approvals: (a) approval of the Shareholders Meeting of Shuangma on the cancellation of the non-compete undertakings made by LCCL and/or its affiliates to Shuangma; (b) approval of the Shareholders Meeting of Huaxin on the proposed related party transaction.

The assets that form part of the sale include 13 cement plants and 4 grinding stations with an annual cement capacity of 18 million tonnes operating in Yunnan, Chongqing, and Guizhou provinces. The sale also includes 2 ready-mix concrete plants in Chongqing province.

Through this transaction, LafargeHolcim would be able to reduce its net debt by CHF 376 million.

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<sup>1</sup> Subject to the confirmation of the audit and appraisal performed by an independent audit and appraisal institution.

## 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 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)

## About Huaxin Cement Co. Ltd.

Present in 10 provinces in China and abroad with over 100 production sites and total assets of over 26 billion CNY, sales of 16 billion CNY, and with 14,000 employees, Huaxin Cement Co., Ltd is a leading player in the manufacturing and marketing of cement products in China. Founded in 1907, Huaxin Cement today has a cement production capacity exceeding 70 million tonnes and a Ready-Mix concrete capacity of up to 25 million cubic meters. Huaxin Cement is ranked in China's top 500 manufacturing companies and is also listed as a Fortune China 500 Company.