



Q3 2019 Trading update

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LafargeHolcim

Q3 2019 HIGHLIGHTS

ANOTHER STRONG QUARTER



- Net Sales up 4.0%, Recurring EBITDA¹ up 9.0% LFL in 9M
- Net Sales up 4.9%, Recurring EBITDA¹ up 6.4% LFL in Q3
- Fifth consecutive quarter of over-proportional growth of Recurring EBITDA¹ over Net Sales
- 2019 targets confirmed
- Appointment of Chief Sustainability Officer

¹ Pre-IFRS 16

STRENGTHENING OUR LEADERSHIP ON SUSTAINABILITY



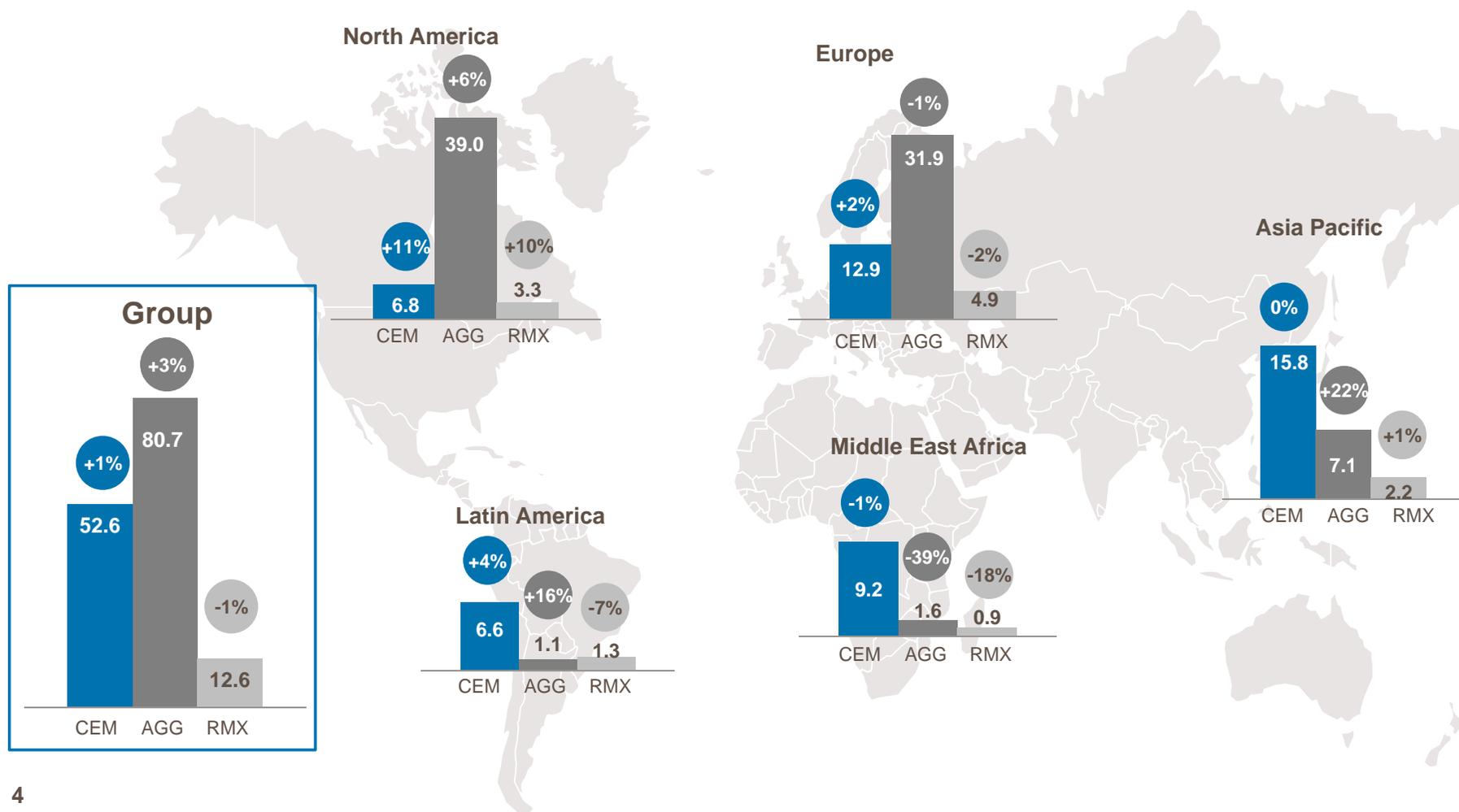
- Appointment of the first Chief Sustainability Officer to the Executive Committee
- Project launched to improve carbon efficiency in Q3
 - allocation of CHF 160 m to reduce carbon footprint in Europe
 - commitment to reduce CO2 emissions in Europe by 15% by 2022

Q3 2019 VOLUMES DEVELOPMENT

CEMENT AND AGGREGATES VOLUMES GROWTH IN Q3

M ton
M m3

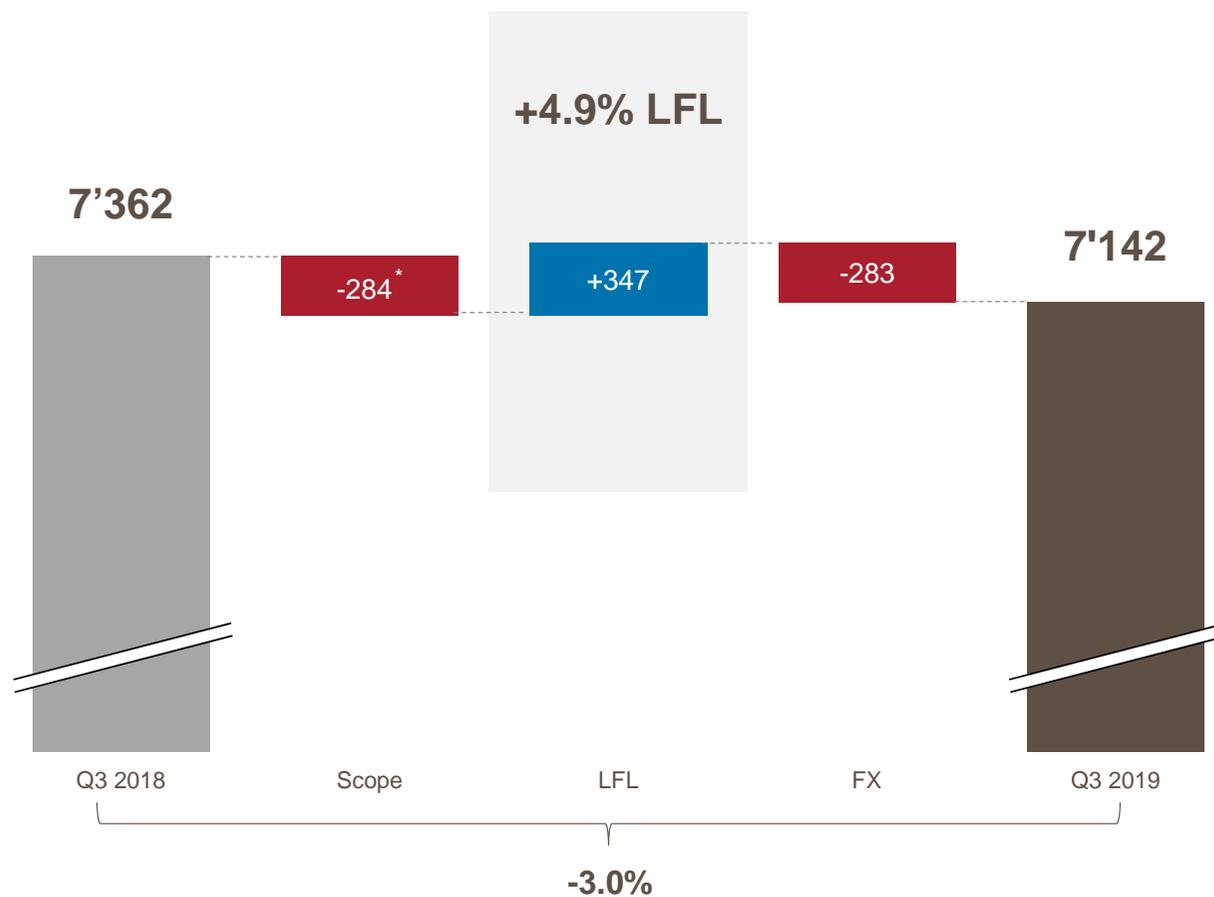
LFL



Q3 2019 NET SALES BRIDGE

NET SALES UP 4.9% LFL

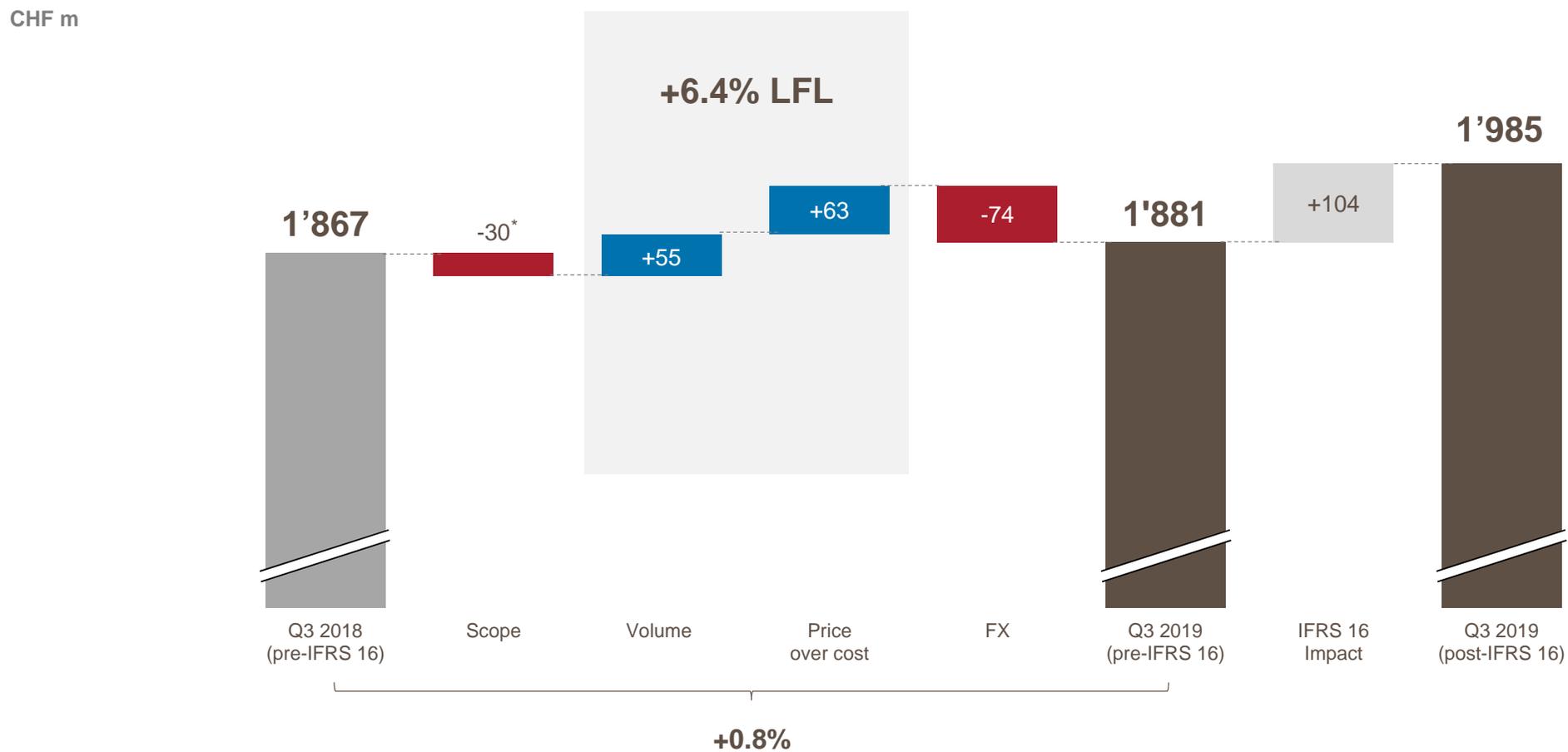
CHF m



5 * Including divestments of Indonesia, Malaysia and Singapore

Q3 2019 RECURRING EBITDA BRIDGE

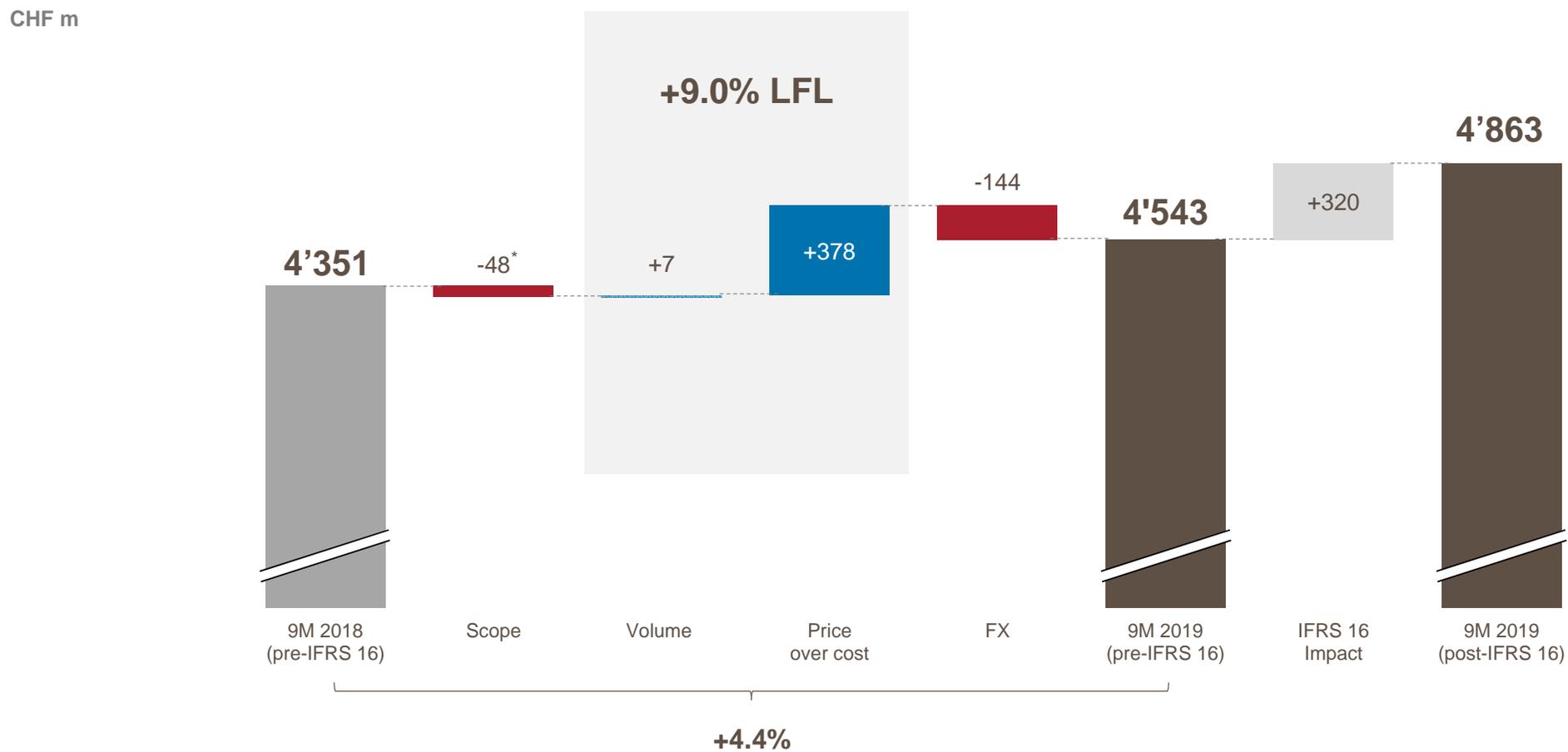
OVER-PROPORTIONAL RECURRING EBITDA GROWTH OF 6.4% LFL



6 * Including divestments of Indonesia, Malaysia and Singapore

9M 2019 RECURRING EBITDA BRIDGE

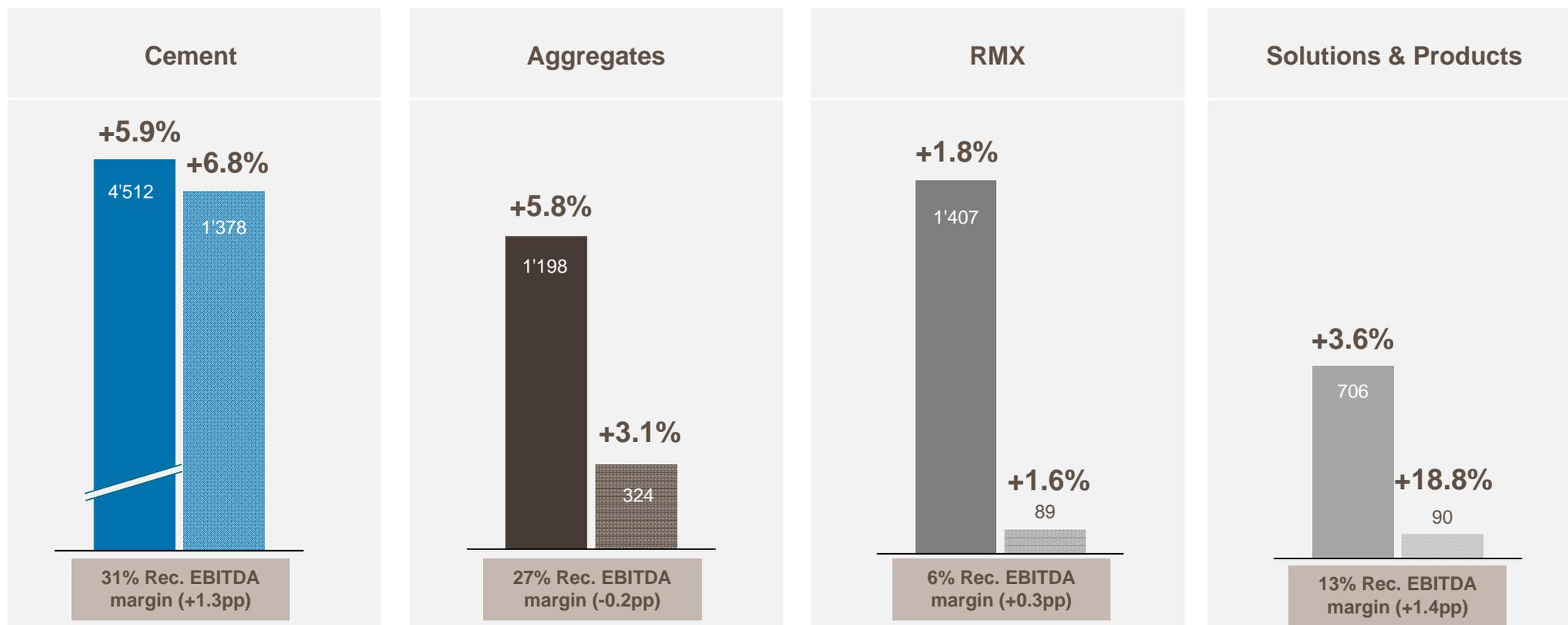
OVER-PROPORTIONAL RECURRING EBITDA GROWTH OF 9.0% LFL



7 * Including divestments of Indonesia, Malaysia and Singapore

Q3 2019 NET SALES AND RECURRING EBITDA BY SEGMENT

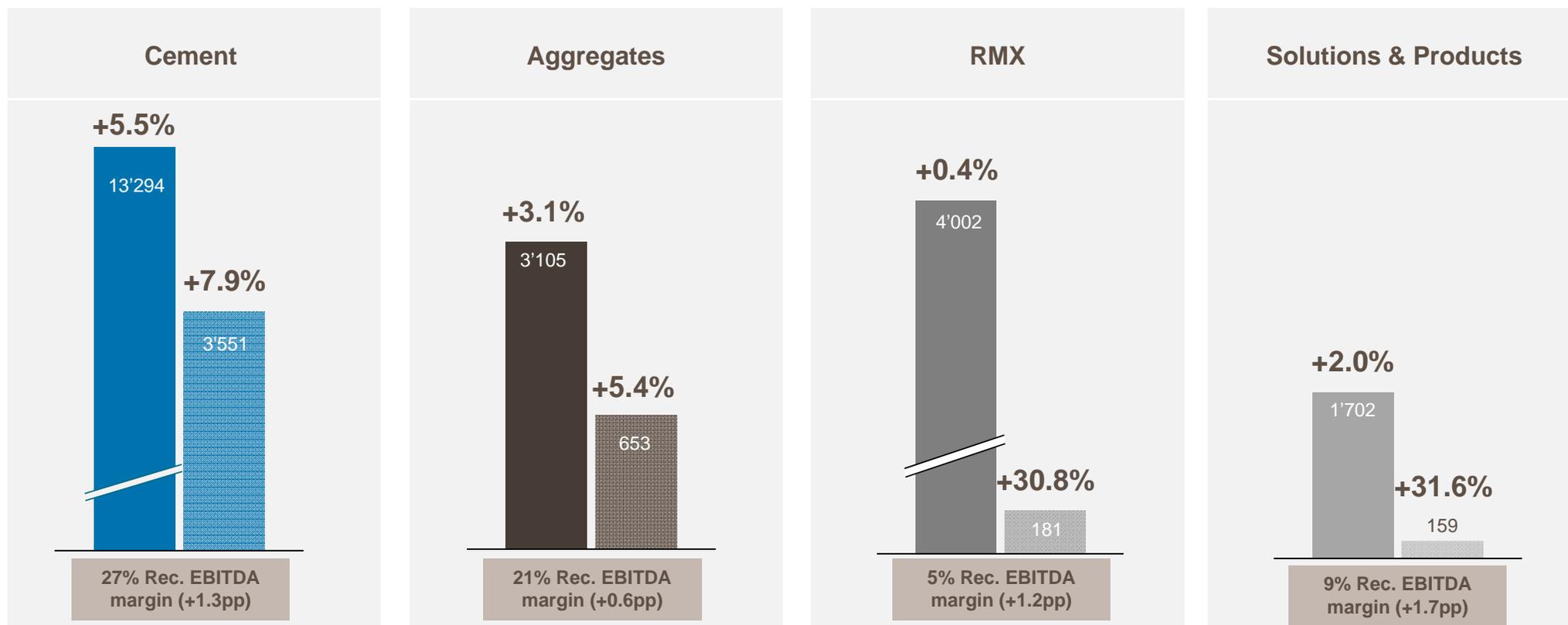
PROFITABLE GROWTH IN ALL BUSINESS SEGMENTS



■ Net Sales (CHF m) % LFL growth / decline
■ Recurring EBITDA pre-IFRS16 (CHF m)

9M 2019 NET SALES AND RECURRING EBITDA BY SEGMENT

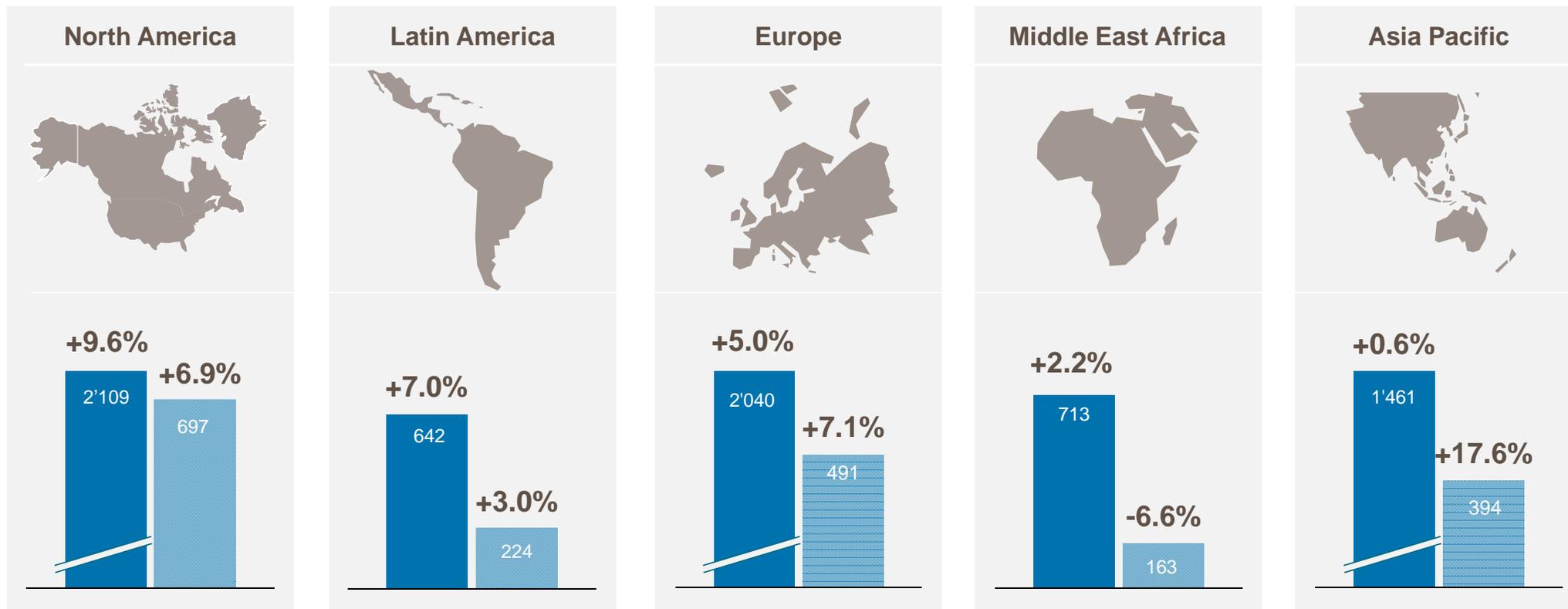
PROFITABLE GROWTH IN ALL BUSINESS SEGMENTS



■ Net Sales (CHF m) % LFL growth / decline
■ Recurring EBITDA pre-IFRS16 (CHF m)

Q3 2019 REGIONAL PERFORMANCE

NET SALES GROWTH IN ALL REGIONS



■ Net Sales (CHF m) ■ Recurring EBITDA pre-IFRS 16 (CHF m)

% LFL growth / decline

NORTH AMERICA STRONG CATCH UP IN Q3

CHF m	Q3 2019	9M 2019
Net Sales¹	2'109	4'755
LFL Growth	+9.6%	+5.7%
Recurring EBITDA pre-IFRS 16	697	1'192
LFL Growth	+6.9%	+4.4%
Recurring EBITDA post-IFRS 16	736	1'296

- Catch up in the US with strong volumes growth in all business segments
- Positive price momentum further supports performance improvement in the US
- Softer environment in Canada

¹ Net Sales to external customers



Aggregates Industries, United States

LATIN AMERICA PERFORMANCE STABILIZATION

CHF m	Q3 2019	9M 2019
Net Sales¹	642	1'973
LFL Growth	+7.0%	+4.4%
Recurring EBITDA pre-IFRS 16	224	669
LFL Growth	+3.0%	-1.7%
Recurring EBITDA post-IFRS 16	232	693

- Softer markets in Mexico and Ecuador
- Good performance in Colombia, cement volumes growth in Brazil
- Effective cost and price management across the region partially mitigates challenges in key markets

¹ Net Sales to external customers



Nobsa plant, Colombia

EUROPE CONTINUING MOMENTUM

CHF m	Q3 2019	9M 2019
Net Sales¹	2'040	5'836
LFL Growth	+5.0%	+6.4%
Recurring EBITDA pre-IFRS 16	491	1'170
LFL Growth	+7.1%	+12.6%
Recurring EBITDA post-IFRS 16	522	1'263

- Good market demand across the region
- Further margin improvement driven by effective price management and operational efficiency
- UK impacted by ongoing political uncertainty



Sagunto quarry Valencia, Spain

¹ Net Sales to external customers

MIDDLE EAST AFRICA TURNAROUND MITIGATING CHALLENGES IN THE REGION

CHF m	Q3 2019	9M 2019
Net Sales¹	713	2'189
LFL Growth	+2.2%	+0.9%
Recurring EBITDA² pre-IFRS 16	163	490
LFL Growth	-6.6%	-6.6%
Recurring EBITDA ² post-IFRS 16	177	544

- Good progress in turnaround initiatives
- Ongoing challenging market conditions in Algeria and Egypt
- Further performance improvement in South Africa, Iraq and Jordan

¹ Net Sales to external customers

² Contribution from share of net income from JVs: CHF 46 m in 9M 2019 vs. CHF 47 m in 9M 2018



Ewekoro cement plant, Nigeria

ASIA PACIFIC STRONG MARGIN IMPROVEMENT IN THE REGION

CHF m	Q3 2019	9M 2019
Net Sales¹	1'461	4'879
LFL Growth	+0.6%	+1.6%
Recurring EBITDA² pre-IFRS 16	394	1'254
LFL Growth	+17.6%	+17.5%
Recurring EBITDA ² post-IFRS 16	404	1'289

- Good progress in India driven by prices and increasing efficiencies, despite softer cement demand
- Effective turnaround initiatives resulting in higher profitability in Australia
- Another quarter of positive contribution from China



RMX Lodha, the Park Bluemoon, India

¹ Net Sales to external customers

² Contribution from share of net income from JVs: CHF 340 m in 9M 2019 (of which CHF 284 m from Huaxin) vs. CHF 285 m in 9M 2018 (of which CHF 227 m from Huaxin)

SOLID GLOBAL MARKET DEMAND EXPECTED TO CONTINUE



NORTH AMERICA

➤ Continued market growth



LATIN AMERICA

➤ Softer but stabilizing cement demand



EUROPE

➤ Continued demand growth across most countries



MIDDLE EAST AFRICA

➤ Challenging market conditions



ASIA PACIFIC

➤ Continued demand growth

TARGETS 2019

TARGETS 2019 CONFIRMED

- Net Sales growth of 3% to 5% LFL, delivering target of Strategy 2022
- Recurring EBITDA growth¹ of at least 5% LFL, delivering target of Strategy 2022
- Over-achievement of deleveraging target, well below 2 times Net Debt to Recurring EBITDA ratio by end of 2019²
- Significantly higher cash conversion
- Capex and Bolt-on acquisitions less than CHF 2 bn



Puerto de Manta, Ecuador

¹ Pre-IFRS 16

² Before application of IFRS 16, at constant FX

UPCOMING EVENTS 2020

- **February 27, 2020:** Full year 2019 earnings release
- **April 30, 2020:** Q1 2020 trading update
- **May 12, 2020:** Annual General Meeting

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