



22 Bishopsgate, skyscraper - London

# Q1 2021

## TRADING UPDATE

April 23, 2021

JAN JENISCH  
CEO

GÉRALDINE PICAUD  
CFO



LafargeHolcim



*Yuhang Opera - Hangzhou, China*

# 01 HIGHLIGHTS AND KEY DEVELOPMENTS

Jan Jenisch, Chief Executive Officer

# Q1 2021 KEY DEVELOPMENTS

## RECORD START TO THE YEAR



Growth momentum continues, **Net Sales up 7.4% LFL**

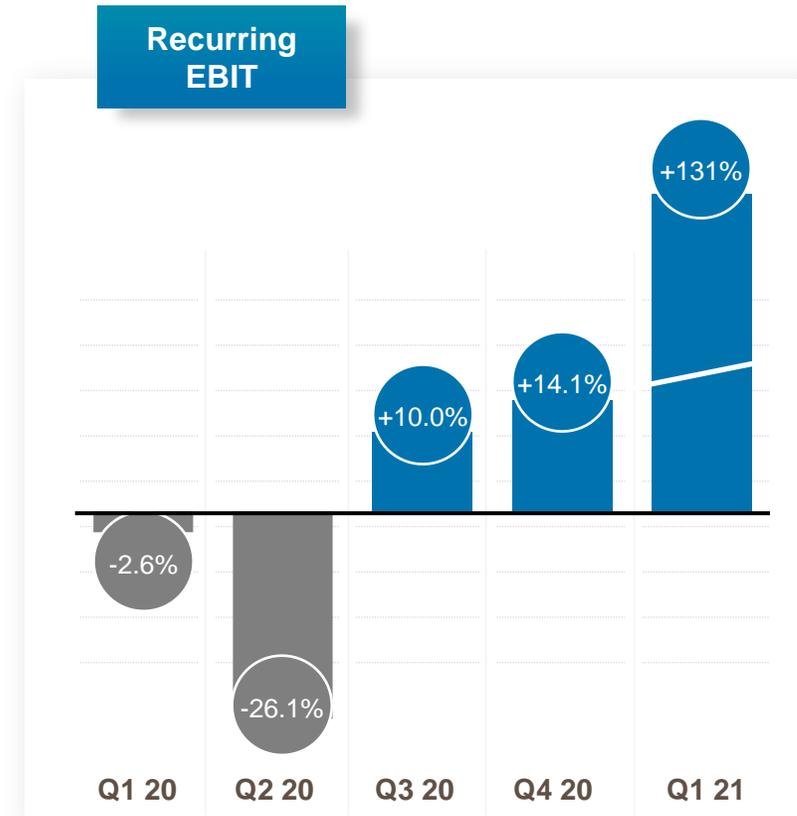
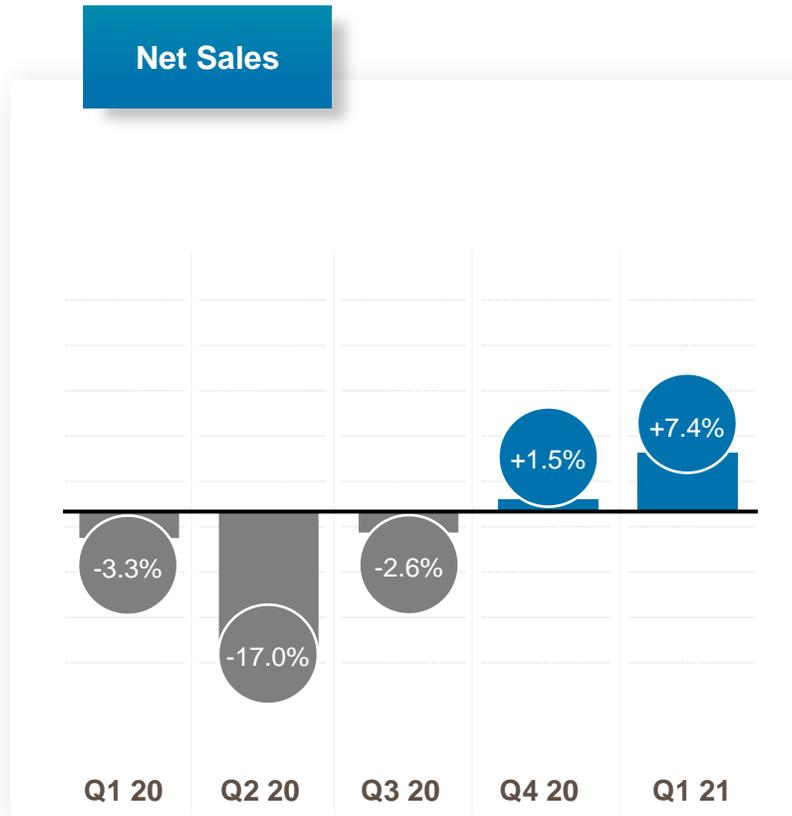
**Record quarter with increase of EBIT by 131% LFL,**  
significant margin increase **in all regions**

**Successful closing of Firestone Building Products acquisition** as of March 31<sup>st</sup>, 2021

Strengthening **leadership in Sustainability**  
**with confirmed A1+ rating by Vigeo**

**Growth trends** expected to accelerate in 2021,  
**recurring EBIT growth of at least 10% LFL**

Strategy 2022 targets **to be achieved one year in advance**



 % LFL

# ACQUISITION OF FIRESTONE BUILDING PRODUCTS SUCCESSFULLY CLOSED ON MARCH 31<sup>ST</sup>, 2021



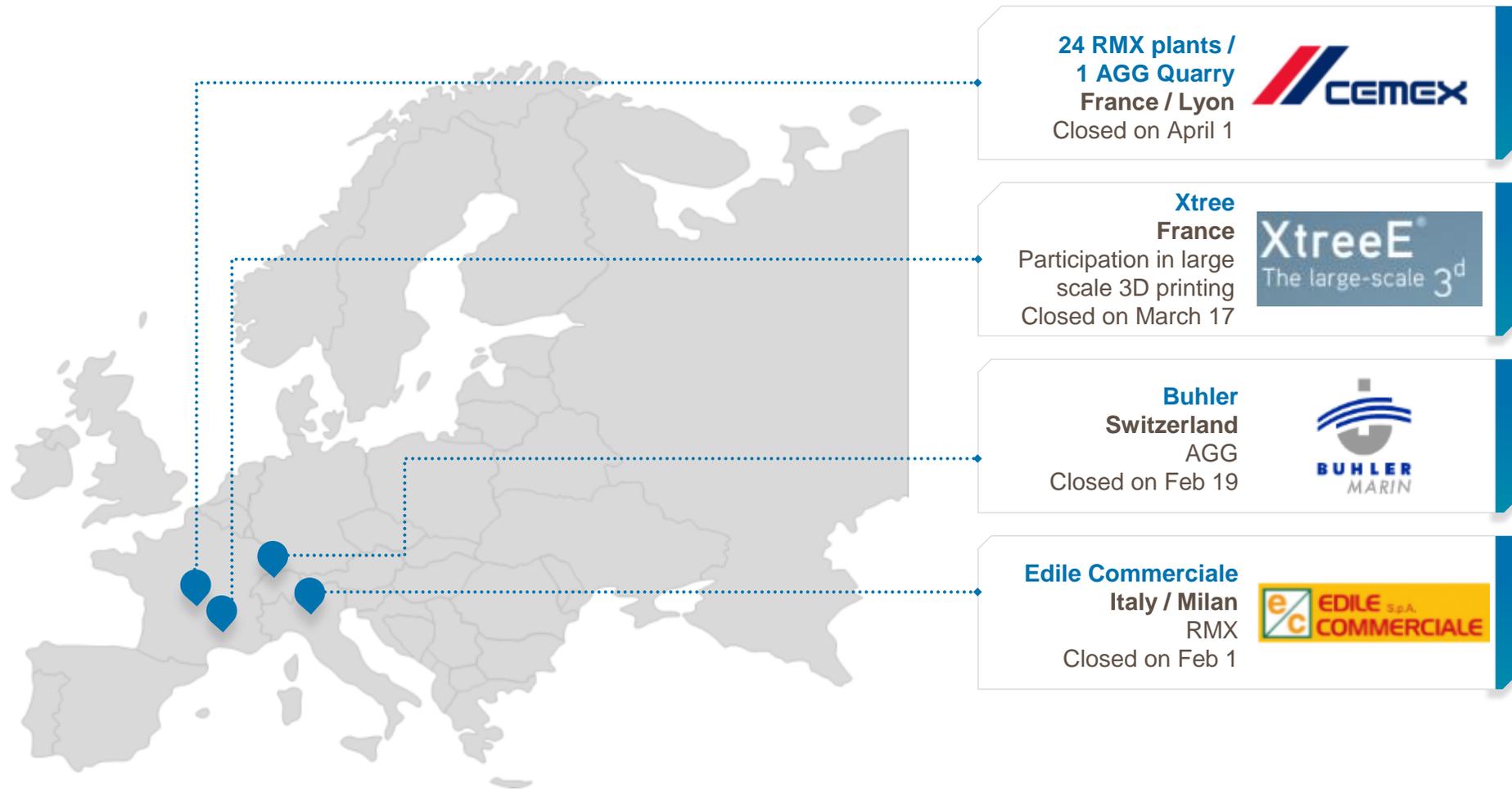
**Successful closing of Firestone Building Products acquisition**

A **milestone** in the transformation of LafargeHolcim to become the **global leader in innovative and sustainable building solutions**

**New Global Business Unit Solutions & Products established,**  
leader Jamie Gentoso appointed to Group Executive Committee

**Strong 2021 outlook;** results to date above expectations

## 4 BOLT-ON ACQUISITIONS COMPLETED IN Q1



# STRENGTHENING LEADERSHIP IN SUSTAINABILITY RECOGNIZED BEST IN THE INDUSTRY BY VIGEO



LafargeHolcim achieves

**Highest rating of A1+**  
**Top 2%** ranking worldwide  
**Best Energy Transition**  
score within the industry by Vigeo



LafargeHolcim recognized by **Solar Impulse Foundation's** efficient solution label with **10 green building solutions** endorsed



LafargeHolcim **combines sustainability and innovation leadership** for more impact

Commitment to publish **first Climate Transition report** in 2022



**Climate & Sustainability Consortium**

LafargeHolcim joins as a

**Founding Member**  
of the **MIT Climate and Sustainability Consortium**  
in January 2021



Global roll-out of

**ECOPact** green concrete:  
**30%-100%** more sustainable than traditional concrete



Global Launch of

**EcoLabel** to brand green building solutions:  
EcoLabel applies to all cement and concrete with at least 30% lower CO2 footprint, or 20% recycled content

# STRENGTHENING LEADERSHIP IN SUSTAINABILITY GLOBAL ROLL OUT OF ECOPACT ACCELERATING

# ECOPact

THE GREEN CONCRETE

WORLDWIDE



## North America

**2020**  
US | CANADA

## Europe

**2020**  
SWITZERLAND |  
GERMANY | FRANCE | UK

**2021**  
BELGIUM | ROMANIA |  
SPAIN | ITALY | POLAND  
GREECE | SERBIA

## Middle East Africa

**2021**  
EGYPT | UAE |  
QATAR | JORDAN

## Latin America

**2020**  
COLOMBIA | MEXICO |  
ECUADOR

**2021**  
EL SALVADOR |  
ARGENTINA

## Asia Pacific

**2021**  
INDIA |  
AUSTRALIA

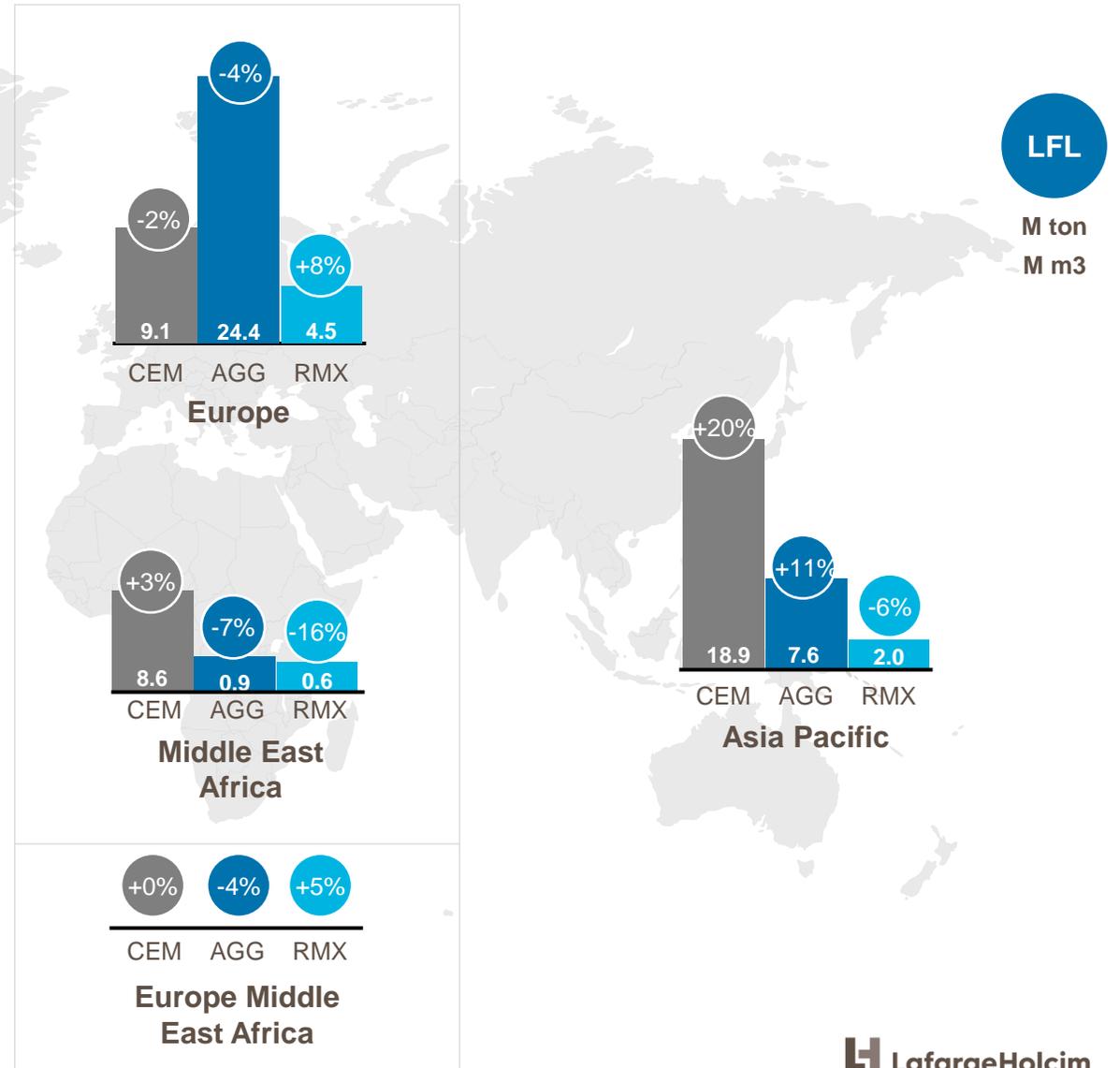
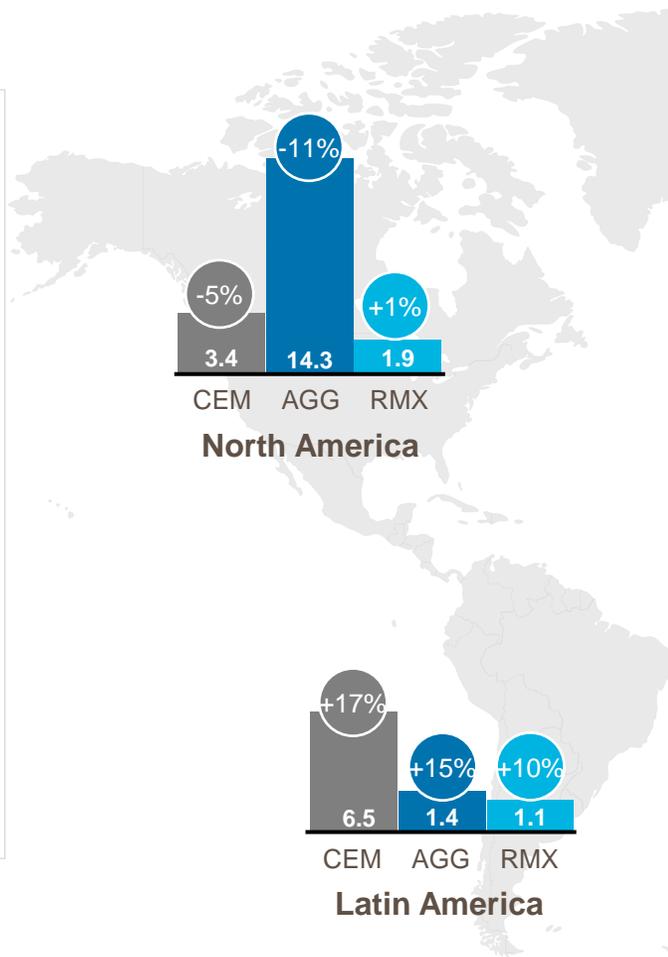
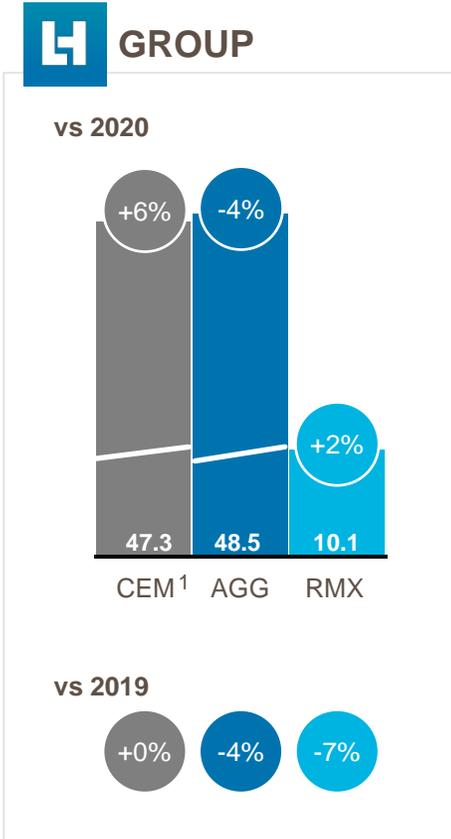


*Center for Computing and Data Sciences - Boston, USA*

**02**

## **Q1 2021 FINANCIAL HIGHLIGHTS**

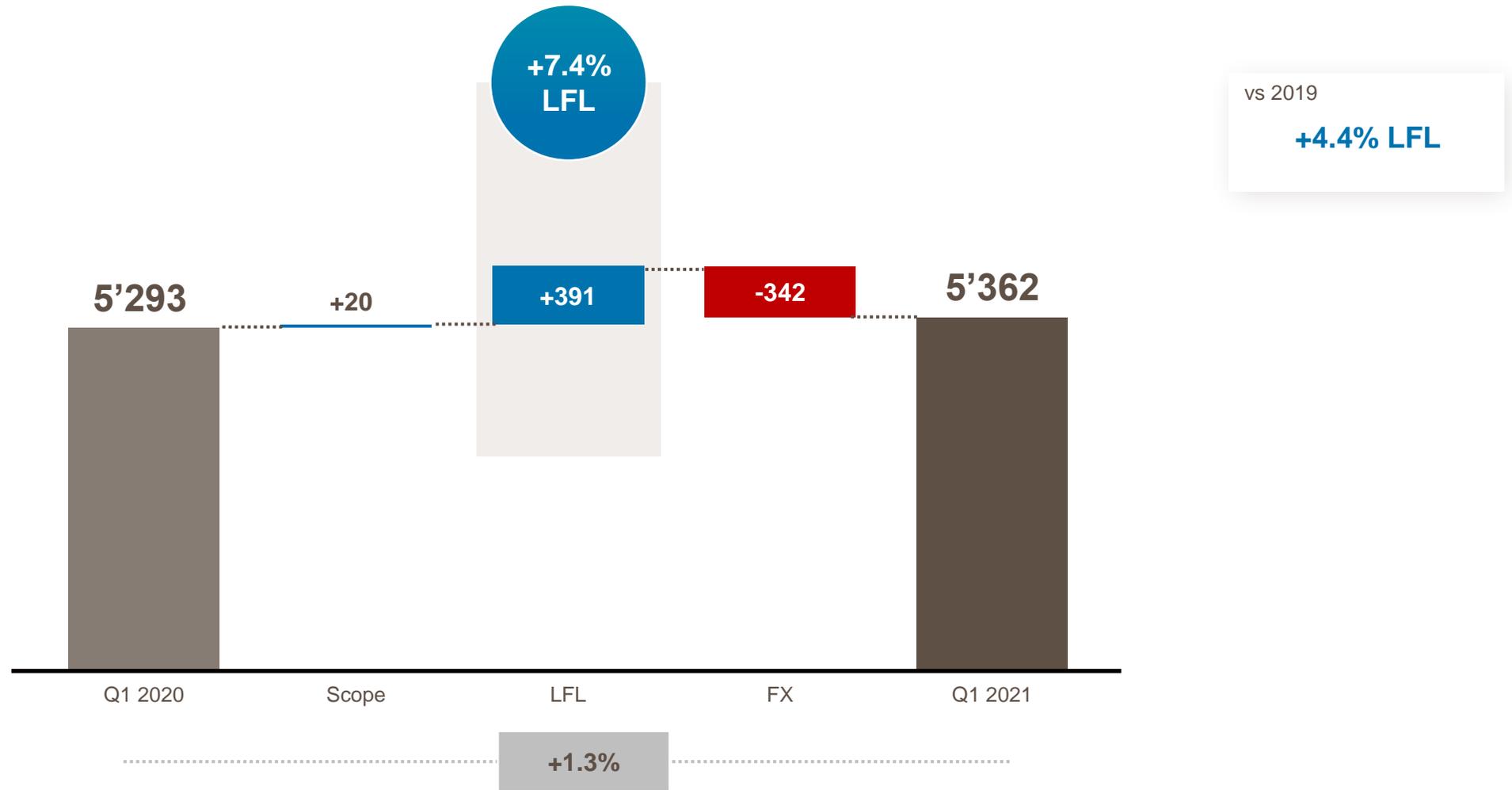
Géraldine Picaud, Chief Financial Officer



<sup>1</sup> Includes volumes from Trading activities

# Q1 2021 NET SALES BRIDGE

## NET SALES GROWTH OF 7.4% LFL



CHF M

# Q1 2021 RECURRING EBIT BRIDGE

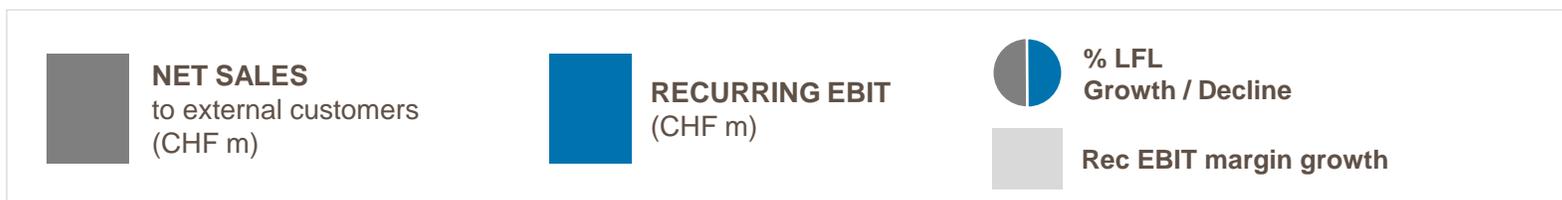
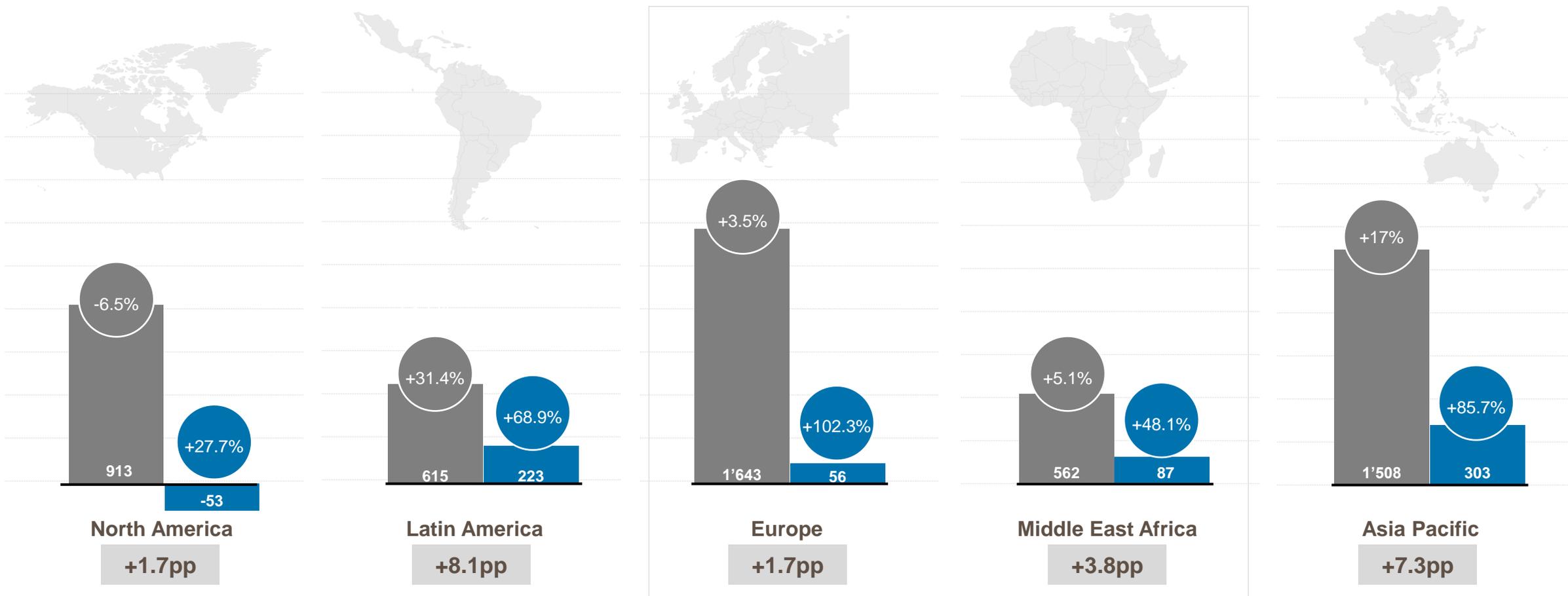
## OVER-PROPORTIONAL RECURRING EBIT GROWTH OF 131% LFL



CHF M

# Q1 2021 REGIONAL PERFORMANCE

## SIGNIFICANT MARGIN INCREASE IN ALL REGIONS

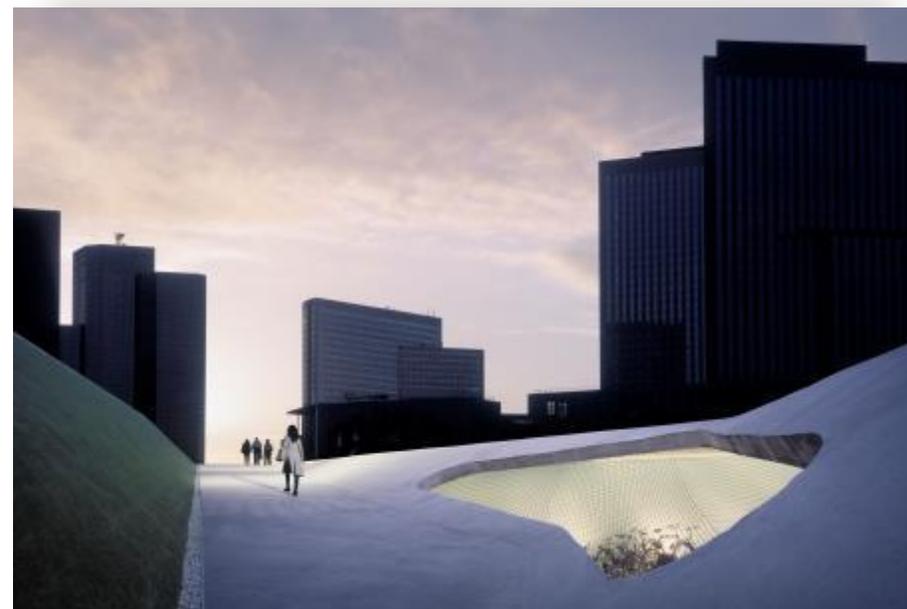


# NORTH AMERICA GOOD MOMENTUM

CHF M	Q1 2021	Q1 2020
Net Sales <sup>1</sup>	913 -6.5% LFL	1'019 +10.0% LFL
Recurring EBIT	-53 +27.7% LFL	-76 +31.5% LFL

<sup>1</sup> Net Sales to external customers

- Strong market demand in the US
- Volume back to 2019 level despite unfavorable weather at the start of the year
- Stabilization in Canada West
- Strong recurring EBIT margin improvement of 170 bps



# LATIN AMERICA OUTSTANDING PERFORMANCE CONTINUED

CHF M	Q1 2021	Q1 2020
Net Sales <sup>1</sup>	615 <i>+31.4% LFL</i>	565 <i>-0.5% LFL</i>
Recurring EBIT	223 <i>+68.9% LFL</i>	159 <i>-2.7% LFL</i>

<sup>1</sup> Net Sales to external customers

- Strong cement demand growth in the region, driven by residential and infrastructure
- Volume growth across all business segments
- Excellent operational performance
- Record recurring EBIT margin improvement of 810 bps



# EUROPE

## GOOD MOMENTUM, STRONG INCREASE IN MARGIN

<i>CHF M</i>	Q1 2021	Q1 2020
Net Sales <sup>1</sup>	1'643 <i>+3.5% LFL</i>	1'569 <i>-3.9% LFL</i>
Recurring EBIT	56 <i>+102.3% LFL</i>	27 <i>+9.3% LFL</i>

<sup>1</sup> Net Sales to external customers

- Excellent month of March with strong volumes in all business segments
- Strong pricing trends overall
- Improving activities in the UK, continued strong demand in France
- Over-proportional recurring EBIT growth vs Net Sales



# MIDDLE EAST AFRICA

## STRONG RECURRING EBIT MARGIN IMPROVEMENT

CHF M	Q1 2021	Q1 2020
Net Sales <sup>1</sup>	562 <i>+5.1% LFL</i>	650 <i>-7.2% LFL</i>
Recurring EBIT <sup>2</sup>	87 <i>+48.1% LFL</i>	74 <i>+3.3% LFL</i>

<sup>1</sup> Net Sales to external customers

<sup>2</sup> Contribution from share of net income from JVs: CHF 17 m in 2021 vs. CHF 14 m in 2020

- Back to cement volume growth
- Growth driven by branded product sales
- Good trends in Iraq, Kenya and Nigeria
- Strong recurring EBIT margin improvement of 380 bps



# ASIA PACIFIC RECORD PERFORMANCE

CHF M	Q1 2021	Q1 2020
Net Sales <sup>1</sup>	1'508 <i>+17.0% LFL</i>	1'327 <i>-9.2% LFL</i>
Recurring EBIT <sup>2</sup>	303 <i>+85.7% LFL</i>	169 <i>-20.7% LFL</i>

<sup>1</sup> Net Sales to external customers

<sup>2</sup> Contribution from share of net income from JVs: CHF 44 m in 2021 (of which CHF 34 m from Huaxin) vs. CHF 32 m in 2020 (of which CHF 21 m from Huaxin)

- Strong cement volume growth in the region
- Outstanding performance in India with excellent volumes, effective price and cost management
- Improving activities in Australia supported by government stimulus programs
- Record recurring EBIT margin expansion of 730 bps





Architect: Agence AUM Pierre Minassian / Photo: ©Studio Erick Salliet

## 03 OUTLOOK AND GUIDANCE 2021

Jan Jenisch, Chief Executive Officer

## GROWTH TRENDS ACCELERATING IN 2021



Growth momentum continues in all regions, accelerated as of H2 2021 by various stimulus programs

Unleash Firestone growth platform

Acceleration of bolt-on acquisitions

Accelerated progress towards 2030 sustainability targets

Over-proportional growth in recurring EBIT of at least 10% LFL

Capex less than CHF 1.4 bn

Strategy 2022 targets to be achieved one year in advance

# STRATEGY 2022 TARGETS TO BE ACHIEVED ONE YEAR IN ADVANCE

STRATEGY 2022		2021 OUTLOOK
	<b>NET SALES</b> 3%-5% LFL P.A.	
	<b>RECURRING EBIT</b> AT LEAST 7% LFL P.A.	
	<b>CASH CONVERSION</b> > 40%	
	<b>ROIC</b> > 8%	
	<b>LEVERAGE</b> BELOW 2X	

# UPCOMING EVENTS

**MAY 4, 2021**

Annual General Meeting

**JULY 30, 2021**

Half-year 2021 results

**OCTOBER 29, 2021**

Q3 2021 Trading Update

**NOVEMBER 18, 2021**

Capital Markets Day

# DISCLAIMER

These materials are being provided to you on a confidential basis, may not be distributed to the press or to any other persons, may not be redistributed or passed on, directly or indirectly, to any person, or published or reproduced, in whole or in part, by any medium or for any purpose.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of LafargeHolcim or any subsidiary or affiliate of LafargeHolcim nor should it or any part of it form the basis of, or be relied on in connection with, any purchase, sale or subscription for any securities of LafargeHolcim or any subsidiary or affiliate of LafargeHolcim or be relied on in connection with any contract or commitment whatsoever.

The information contained herein has been obtained from sources believed by LafargeHolcim to be reliable. Whilst all reasonable care has been taken to ensure that the facts stated herein are accurate and that the opinions and expectations contained herein are fair and reasonable, it has not been independently verified and no representation or warranty, expressed or implied, is made by LafargeHolcim or any subsidiary or affiliate of LafargeHolcim with respect to the fairness, completeness, correctness, reasonableness or accuracy of any information and opinions contained herein. In particular, certain of the financial information contained herein has been derived from sources such as accounts maintained by management of LafargeHolcim in the ordinary course of business, which have not been independently verified or audited and may differ from the results of operations presented in the historical audited financial statements of LafargeHolcim and its subsidiaries. Neither LafargeHolcim nor any of its respective affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss or damage howsoever arising from any use of this presentation or its contents, or any action taken by you or any of your officers, employees, agents or associates on the basis of the this presentation or its contents or otherwise arising in connection therewith.

The information contained in this presentation has not been subject to any independent audit or review and may contain forward-looking statements, estimates and projections. Statements herein, other than statements of historical fact, regarding future events or prospects, are forward-looking statements, including forward-looking statements regarding the group's business and earnings performance, which are based on management's current plans, estimates, forecasts and expectations. These statements are subject to a number of assumptions and entail known and unknown risks and uncertainties, as there are a variety of factors that may cause actual results and developments to differ materially from any future results and developments expressed or implied by such forward-looking statements. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Although LafargeHolcim believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ. As a result, you should not rely on these forward-looking statements. LafargeHolcim undertakes no obligation to update or revise any forward-looking statements in the future or to adjust them in line with future events or developments, except to the extent required by law.



**LafargeHolcim**