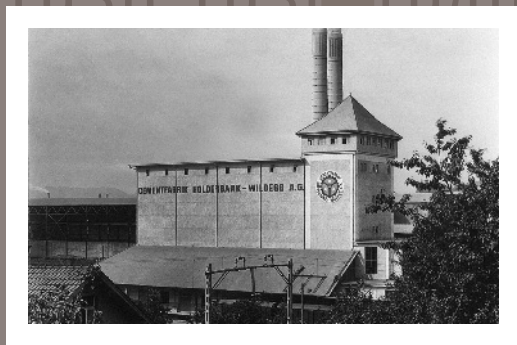


## Third Quarter Interim Report 2012 Holcim Ltd



Holcim's original cement plant in Holderbank in the Swiss canton of Aargau.



The new Ste. Genevieve plant of Holcim US in Missouri.



## Key figures Group Holcim

January–September		2012	2011	±%	±% like-for-like
Annual cement production capacity	million t	217.1	216.0 <sup>1</sup>	+0.5	+0.5
Sales of cement	million t	111.4	108.1	+3.0	+2.4
Sales of mineral components	million t	3.6	3.8	-5.2	-5.2
Sales of aggregates	million t	120.3	130.4	-7.7	-8.7
Sales of ready-mix concrete	million m <sup>3</sup>	35.5	36.1	-1.7	-2.8
Sales of asphalt	million t	6.6	7.6	-14.0	-13.8
Net sales	million CHF	16,198	15,461	+4.8	+4.9
Operating EBITDA	million CHF	3,147	2,971	+5.9	+6.4
Operating EBITDA margin	%	19.4	19.2		
Operating profit	million CHF	1,879	1,753	+7.2	+9.4
Operating profit margin	%	11.6	11.3		
EBITDA	million CHF	3,340	3,167	+5.5	
Net income	million CHF	1,108	1,004	+10.3	
Net income margin	%	6.8	6.5		
Net income – shareholders of Holcim Ltd	million CHF	783	713	+9.8	
Cash flow from operating activities	million CHF	1,107	930	+19.1	+22.7
Cash flow margin	%	6.8	6.0		
Net financial debt	million CHF	11,579	11,549 <sup>1</sup>	+0.3	-0.8
Total shareholders' equity	million CHF	20,570	19,656 <sup>1</sup>	+4.6	
Gearing <sup>2</sup>	%	56.3	58.8 <sup>1</sup>		
Personnel		80,436	80,967 <sup>1</sup>	-0.7	-0.6
Earnings per share	CHF	2.42	2.23	+8.5	
Fully diluted earnings per share	CHF	2.42	2.23	+8.5	

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

## Principal key figures in USD (illustrative)<sup>3</sup>

Net sales	million USD	17,259	17,569	-1.8
Operating EBITDA	million USD	3,353	3,376	-0.7
Operating profit	million USD	2,002	1,992	+0.5
Net income – shareholders of Holcim Ltd	million USD	834	810	+3.0
Cash flow from operating activities	million USD	1,179	1,057	+11.7
Net financial debt	million USD	12,391	12,273 <sup>1</sup>	+1.0
Total shareholders' equity	million USD	22,012	20,889 <sup>1</sup>	+5.4
Earnings per share	USD	2.58	2.53	+2.0

## Principal key figures in EUR (illustrative)<sup>3</sup>

Net sales	million EUR	13,438	12,469	+7.8
Operating EBITDA	million EUR	2,610	2,396	+8.9
Operating profit	million EUR	1,559	1,414	+10.2
Net income – shareholders of Holcim Ltd	million EUR	649	575	+12.9
Cash flow from operating activities	million EUR	918	750	+22.3
Net financial debt	million EUR	9,573	9,484 <sup>1</sup>	+0.9
Total shareholders' equity	million EUR	17,005	16,142 <sup>1</sup>	+5.3
Earnings per share	EUR	2.01	1.80	+11.7

<sup>1</sup> As of December 31, 2011.

<sup>2</sup> Net financial debt divided by total shareholders' equity.

<sup>3</sup> Statement of income figures translated at average rate; statement of financial position figures at closing rate.

**Rising cement deliveries in the first nine months of 2012**

**Price increases support earnings, slightly better margins**

**Higher operating EBITDA and operating profit**

**Solid cash flow from operating activities**

**Net income – attributable to shareholders of Holcim Ltd – significantly higher than last year**

**Holcim Leadership Journey progresses on plan**

**Holcim will achieve organic growth in 2012**

Dear Shareholder,

Holcim continues to have the advantage of a strong presence in emerging markets, where construction activity remains high. This unique geographic diversification in the industry helped support sales in the first nine months of 2012 in spite of a difficult market situation in Europe. Compared with the previous year, Holcim achieved higher consolidated sales of cement and nearly stable sales of ready-mix concrete – often at better prices. Deliveries of aggregates and asphalt were lower. The Group companies in India, the Philippines, Indonesia, Russia, Thailand, Mexico and the USA recorded significantly higher cement sales.

Group	Jan–Sept 2012	Jan–Sept 2011	±%	±% like-for-like
Sales of cement in million t	111.4	108.1	+3.0	+2.4
Sales of aggregates in million t	120.3	130.4	–7.7	–8.7
Sales of ready-mix concrete in million m <sup>3</sup>	35.5	36.1	–1.7	–2.8
Sales of asphalt in million t	6.6	7.6	–14.0	–13.8
Net sales in million CHF	16,198	15,461	+4.8	+4.9
Operating EBITDA in million CHF	3,147	2,971	+5.9	+6.4
Operating profit in million CHF	1,879	1,753	+7.2	+9.4
Net income in million CHF	1,108	1,004	+10.3	
Net income – shareholders of Holcim Ltd – in million CHF	783	713	+9.8	
Cash flow from operating activities in million CHF	1,107	930	+19.1	+22.7

Group	July–Sept 2012	July–Sept 2011	±%	±% like-for-like
Sales of cement in million t	37.3	37.2	+0.3	–0.4
Sales of aggregates in million t	44.8	49.2	–8.9	–9.6
Sales of ready-mix concrete in million m <sup>3</sup>	12.7	13.0	–2.5	–2.9
Sales of asphalt in million t	2.9	3.3	–11.0	–10.9
Net sales in million CHF	5,841	5,318	+9.8	+3.2
Operating EBITDA in million CHF	1,214	1,074	+13.0	+6.7
Operating profit in million CHF	762	669	+13.9	+8.7
Net income in million CHF	484	418	+15.6	
Net income – shareholders of Holcim Ltd – in million CHF	394	356	+10.5	
Cash flow from operating activities in million CHF	896	858	+4.4	+4.3

**Sales development and financial results**

Consolidated cement sales increased by 3 percent to 111.4 million tonnes in the first nine months of 2012. Deliveries of aggregates declined by 7.7 percent to 120.3 million tonnes, and ready-mix concrete volumes contracted by 1.7 percent to 35.5 million cubic meters. Sales of asphalt decreased by 14 percent to 6.6 million tonnes, primarily due to poor business development in the UK.

Despite the difficult market situation in Europe, consolidated net sales increased by 4.8 percent to CHF 16.2 billion and operating EBITDA by 5.9 percent to CHF 3.1 billion. Operating profit also increased over proportionally compared with net sales by 7.2 percent to CHF 1.9 billion. These results reflect the solid performance in a number of emerging markets, stronger demand for building materials in North America, improvements in efficiency, and the first successes of the Holcim Leadership Journey. Compared with the previous year, the operating EBITDA margin improved by 0.2 percentage points to 19.4 percent, despite restructuring costs totaling CHF 58 million in nine months in Spain, Brazil, UK, Mexico and now Hungary. On a like-for-like basis, i.e. excluding changes in the scope of consolidation and exchange rates, the Group grew at the operating EBITDA level by 6.4 percent in the first nine months of the year. All Group regions achieved organic growth except for Europe and Africa Middle East.

Net income increased by 10.3 percent to CHF 1.1 billion and the share of net income attributable to shareholders of Holcim Ltd rose by 9.8 percent to CHF 783 million.

Due to the higher operating EBITDA and lower taxes paid, cash flow from operating activities improved by 19.1 percent to CHF 1.1 billion. With CHF 11.6 billion, net financial debt remained stable. Gearing improved to 56.3 percent (year-end 2011: 58.8).

**Holcim Leadership Journey progresses according to plan**

The Holcim Leadership Journey, a Group-wide program introduced in May, is progressing positively. Regions and Group companies have already started to implement initial measures and the organizational adjustments at Group level have been made. These include the introduction of a leaner management structure for Europe to handle the difficult economic situation in that Group region, and the creation of a Project Management Office to monitor the progress of the Holcim Leadership Journey. Guidelines to measure the operational and financial progress of the program have also been put in place. The financial impact of the entire Holcim Leadership Journey will be released together with the year-end results 2012.

### Asia Pacific continues its growth track

Asia Pacific's building industry continued to benefit from generally robust demand for private housing, commercial buildings and infrastructure, all a reflection of the accelerating urbanization process. In India, Holcim sold significantly more cement, despite construction waning in a few regions. The Southeast Asian emerging markets developed very positively. Thailand's construction sector regained considerable momentum following last year's severe flooding. Major private and public construction projects stimulated sales in countries such as the Philippines, Malaysia and Indonesia. The monsoon season and the holiday marking the end of Ramadan caused a temporary slow-down in building activity in the third quarter. In many areas, inflation-driven cost increases were offset by price rises. Australia's construction industry was impacted by weaker demand outside mining regions.

Asia Pacific	Jan–Sept 2012	Jan–Sept 2011	±%	±% like-for-like
Sales of cement in million t	59.5	56.2	+5.9	+5.4
Sales of aggregates in million t	21.2	22.3	–4.7	–4.7
Sales of ready-mix concrete in million m <sup>3</sup>	9.7	9.8	–0.5	–0.5
Net sales in million CHF	6,579	5,929	+11.0	+12.8
Operating EBITDA in million CHF	1,446	1,264	+14.5	+17.5
Operating profit in million CHF	1,044	890	+17.3	+21.2

Asia Pacific	July–Sept 2012	July–Sept 2011	±%	±% like-for-like
Sales of cement in million t	18.3	18.1	+1.2	+0.8
Sales of aggregates in million t	6.9	7.9	–11.6	–11.6
Sales of ready-mix concrete in million m <sup>3</sup>	3.5	3.4	+2.8	+2.8
Net sales in million CHF	2,181	1,865	+16.9	+10.8
Operating EBITDA in million CHF	446	335	+32.9	+26.3
Operating profit in million CHF	316	212	+48.6	+41.6

Both Indian Group companies sold higher volumes of cement. ACC achieved strong sales growth in the west and south of the country, while large government projects were postponed in the north and east. The Group company sold less ready-mix concrete. Ambuja Cements benefited from robust construction activity in the majority of its markets. Dispatches were once again impacted by the inadequately developed transport network and the limited availability of rail and road haulage capacity.

Holcim Lanka and Holcim Bangladesh supplied more cement. As Thailand's encouraging construction development held up, Siam City Cement recorded an increase in cement, aggregates and ready-mix concrete sales volumes. Above all in the Greater Bangkok area, demand continued to increase at stable prices due to infrastructure projects and private building work. The company focused increasingly on cement markets in Thailand and strengthened its position in neighboring countries, which resulted in lower clinker exports.

The decrease in sales of cement and ready-mix concrete reported by Holcim Vietnam was a result of high interest rates and tight liquidity in both the public and private sectors. Several major projects ready for execution were postponed as a consequence.

Despite severe rains and flooding in the Philippines in August, the Group company succeeded in increasing delivery volumes in all segments. Due to brisk private and public-sector investment, higher costs could partly be passed on to prices.

Benefiting from a continuing construction boom, Holcim Indonesia achieved record sales of cement, and the ready-mix concrete sales were also strong. With considerable headway made on construction of the new cement plant in Tuban in East Java, the facilities will go into operation on schedule at the end of 2013. In view of the positive development of the Indonesian market, Holcim has approved the construction of a second identical kiln line in Tuban which will go into operation by end of 2014. Due to solid domestic demand, Holcim Malaysia with its grinding station in Johore Bahru supplied more cement at better prices. Holcim Singapore also saw a marked rise in ready-mix concrete deliveries. Earnings increased substantially thanks to innovative concrete applications.

Cement Australia sold slightly less cement due to subdued markets in the non-resource regions, particularly in South East Queensland. Holcim Australia also reported a decline in deliveries of aggregates and ready-mix concrete, with heavy rains through July depressing business in both sectors. The Group company recorded higher sales volumes in Western Australia and Sydney. Overall, price levels improved although remain under pressure in some markets. The Group company in New Zealand sold more cement and ready-mix concrete. Infrastructure projects and reconstruction in the aftermath of the earthquake in Christchurch stimulated demand on the South Island. However, deliveries were down on the North Island. A shortage of road-building projects led to a drop in deliveries of aggregates as well.

In Asia Pacific, consolidated cement sales increased by 5.9 percent to 59.5 million tonnes. Due to the market situation in Australia, aggregates declined by 4.7 percent to 21.2 million tonnes. Shipments of ready-mix concrete decreased by 0.5 percent to 9.7 million cubic meters.

Despite the weaker Indian currency, the Group region increased operating EBITDA by 14.5 percent to CHF 1.4 billion. In absolute terms, Ambuja Cements achieved the largest improvement in results, followed by Holcim Indonesia, Holcim Australia and Holcim Philippines. Volumes prevented Holcim Vietnam from maintaining the previous year's level, while higher costs impacted the financial result of Holcim Malaysia. Group region Asia Pacific reported internal operating EBITDA growth of 17.5 percent.



### Latin America remains a pillar of the Group's success

In most Latin American markets the construction industry remained robust despite weaker demand from the industrialized countries. Residential construction and major infrastructure projects were the primary drivers of growth. Beneficiaries of this development included a number of markets in Central America as well as Ecuador and Colombia. In Mexico, building activity declined slightly after the July presidential elections. In Brazil, the overheated economy cooled down. Whilst the economic situation in Argentina remained difficult, Chile offered good general conditions for the construction industry.

Latin America	Jan–Sept 2012	Jan–Sept 2011	±%	±% like-for-like
Sales of cement in million t	18.5	18.0	+3.0	+3.0
Sales of aggregates in million t	10.6	10.9	–3.3	–3.3
Sales of ready-mix concrete in million m <sup>3</sup>	7.8	8.2	–5.2	–5.2
Net sales in million CHF	2,613	2,467	+5.9	+7.4
Operating EBITDA in million CHF	721	662	+8.8	+8.4
Operating profit in million CHF	557	515	+8.0	+7.0

Latin America	July–Sept 2012	July–Sept 2011	±%	±% like-for-like
Sales of cement in million t	6.4	6.3	+2.5	+2.5
Sales of aggregates in million t	3.6	3.9	–9.7	–9.7
Sales of ready-mix concrete in million m <sup>3</sup>	2.5	2.9	–14.5	–14.5
Net sales in million CHF	905	823	+9.9	+4.4
Operating EBITDA in million CHF	259	224	+15.6	+7.9
Operating profit in million CHF	199	179	+11.4	+3.4

Mexican Group company Holcim Apasco increased sales of cement, aggregates and ready-mix concrete. However, competition among producers of building materials remained fierce and it was difficult to pass on higher costs through price increases.

Due to large public-sector investments, Holcim El Salvador increased sales in all three segments. Holcim Costa Rica and Holcim Nicaragua also achieved higher cement and aggregates sales.

Holcim Colombia and Holcim Ecuador benefited from an increase in cement deliveries. However, sales of aggregates declined in both countries, and demand for ready-mix concrete rose in Ecuador.

Despite delays to the starts of infrastructure projects ready for execution, Holcim Brazil achieved higher sales of cement and aggregates. As expected, restructuring measures undertaken to optimize margins in the ready-mix concrete business resulted in lower sales volumes.

In Chile, Cemento Polpaico increased deliveries of cement. On account of a delay in the start of a major mining project in the north of the country, deliveries of aggregates and ready-mix concrete remained below the previous year's level. Generally, prices increased. At Holcim Argentina, demand weakened in all segments. The development in the Buenos Aires region was particularly negative.

Cement deliveries in Group region Latin America rose by 3 percent to 18.5 million tonnes. Shipments of aggregates decreased by 3.3 percent to 10.6 million tonnes, and deliveries of ready-mix concrete declined by 5.2 percent to 7.8 million cubic meters.

Despite higher input costs in some countries, operating EBITDA for Group region Latin America increased by 8.8 percent to CHF 721 million. The improvement in the operating EBITDA margin was also positive. This reflects not only volume growth in cement and partially better market prices, but also ongoing efforts to control costs. Group companies achieved substantially better operating results than in the previous year in Ecuador, Colombia, El Salvador and Chile. Brazil, Mexico and Argentina failed to match the previous year's figures. Negative currency effects impacted the results of Holcim Brazil in particular. The Group region recorded internal operating EBITDA growth of 8.4 percent.

### Debt crisis impacts Europe's economy

In the member states of the European Union the debt crisis and austerity budgets precluded economic recovery. Business activity declined across practically all economic sectors. Financial bottlenecks in both the public and private sectors constrained construction activity in many places. The recession hit countries in the south and east of the continent particularly hard, where demand for building materials decreased in all countries. Economic activity developed positively in Russia and Azerbaijan.

Europe	Jan–Sept 2012	Jan–Sept 2011	±%	±% like-for-like
Sales of cement in million t	20.1	20.6	–2.3	–4.6
Sales of aggregates in million t	56.2	63.6	–11.7	–12.4
Sales of ready-mix concrete in million m <sup>3</sup>	11.1	12.2	–8.7	–8.8
Sales of asphalt in million t	3.5	4.2	–16.6	–16.6
Net sales in million CHF	4,434	4,691	–5.5	–5.2
Operating EBITDA in million CHF	577	707	–18.4	–18.2
Operating profit in million CHF	159	295	–45.9	–42.9

Europe	July–Sept 2012	July–Sept 2011	±%	±% like-for-like
Sales of cement in million t	7.8	7.8	+0.7	–1.8
Sales of aggregates in million t	21.0	22.4	–6.0	–6.8
Sales of ready-mix concrete in million m <sup>3</sup>	4.1	4.2	–3.5	–3.8
Sales of asphalt in million t	1.2	1.4	–10.1	–10.1
Net sales in million CHF	1,651	1,605	+2.9	–2.6
Operating EBITDA in million CHF	295	329	–10.3	–12.3
Operating profit in million CHF	134	188	–28.8	–26.6

Aggregate Industries UK could not escape the negative market development. The public sector does not have the means to finance major projects now that the London Olympic Games have finished. Deliveries of aggregates, ready-mix concrete and concrete products declined, and due to the lack of road maintenance work shipments of asphalt were also reduced.

In Belgium, activity in the construction industry weakened. In the Netherlands, the construction sector has been severely hit by uncertainties about new fiscal measures to be taken by the government to consolidate the federal budget. Hence, Holcim Belgium, present in both countries, reported lower sales volumes in all segments. In France, residential and commercial construction declined strongly, whereas the slowdown in infrastructure projects was less pronounced. The Group company felt the mounting price pressure, and shipments decreased further.

The market situation in Spain was particularly difficult. However, Holcim Spain was more or less able to maintain sales of cement and clinker due to exports. On the other hand, the ready-mix concrete and aggregates businesses fell sharply. In Italy, activity in the building sector remained muted and Holcim Italy reported lower sales.

The German economy grew slowly. Holcim Germany sold less cement, but more aggregates and ready-mix concrete. Whereas selling prices for cement were below the level of the previous year, those for aggregates were slightly above. The sister company in Southern Germany recorded a decrease in sales in the cement and aggregates segments. By contrast, the company achieved stable sales of ready-mix concrete. Due to increasing imports, Holcim Switzerland sold smaller quantities in all segments and prices remained under pressure.

In Eastern and Southeastern Europe the construction sector was impacted by the low level of public and private investment. Government spending on infrastructure projects decreased in all countries. However, the integration of VSH in Slovakia supported cement deliveries in Eastern Europe. Sales of aggregates rose in Romania. The Group companies in Romania, Croatia and the Czech Republic increased sales of ready-mix concrete. Bulgaria was hit particularly hard by the difficult market situation. The local Group company reported marked declines in sales volumes in all segments. Due to the difficult market situation in Hungary, the company has decided to close the Lábatlan plant in 2013 and to significantly restructure the ready-mix concrete and aggregates business. The related costs were booked in the third quarter.

The situation of the construction industry in Russia and Azerbaijan was very different: solid economic growth drove demand for cement in both markets and sales volumes rose significantly, driven by the infrastructure and residential sectors. Furthermore, price increases could be implemented in Russia. Holcim has decided to modernize the Volsk plant in the Volga region with a new kiln line which will go on stream in the third quarter of 2016. Together with the new Shurovo plant, Holcim is targeting market leadership in the Moscow area and Volga region, which are accounting for approximately 50 percent of the Russian cement consumption.

Cement shipments in Group region Europe decreased by 2.3 percent to 20.1 million tonnes in the first nine months of 2012. However, deliveries remained stable in the third quarter. Shipments of aggregates fell by 11.7 percent to 56.2 million tonnes, while deliveries of ready-mix concrete declined by 8.7 percent to 11.1 million cubic meters. Asphalt sales declined by 16.6 percent to 3.5 million tonnes.

Including restructuring measures totaling CHF 47 million as part of the Holcim Leadership Journey in Spain, Hungary and UK, consolidated operating EBITDA decreased 18.4 percent to CHF 577 million. At operating profit level the related costs amounted to CHF 76 million. Above all, the performance of Holcim Switzerland, Aggregate Industries UK and Holcim France was weaker compared to the previous year. The Group companies in Azerbaijan and Russia achieved significantly better operating results. Sales of CO<sub>2</sub> emission certificates in the EU amounted to CHF 22 million (9 months 2011: 11). Internal operating EBITDA development was -18.2 percent.

### Higher sales of cement and ready-mix concrete in North America

In North America, the economy continued to expand at a moderate pace. Development in the US construction sector differed considerably from region to region. In the northern states, where Holcim has a strong market presence, demand for residential and commercial real estate increased slightly. In Canada, investment activity remained lively. Growth in residential and commercial construction held up particularly well; in major business centers demand for office space exceeded supply.

North America	Jan–Sept 2012	Jan–Sept 2011	±%	±% like-for-like
Sales of cement in million t	8.9	8.5	+4.2	+4.2
Sales of aggregates in million t	30.6	31.9	–4.2	–6.9
Sales of ready-mix concrete in million m <sup>3</sup>	6.0	5.1	+17.8	+10.5
Sales of asphalt in million t	3.1	3.5	–10.5	–10.5
Net sales in million CHF	2,394	2,151	+11.3	+3.7
Operating EBITDA in million CHF	348	264	+32.0	+25.2
Operating profit in million CHF	110	30	+271.5	+278.9

North America	July–Sept 2012	July–Sept 2011	±%	±% like-for-like
Sales of cement in million t	3.5	3.5	–2.1	–2.1
Sales of aggregates in million t	12.6	14.4	–12.7	–13.7
Sales of ready-mix concrete in million m <sup>3</sup>	2.4	2.2	+7.1	+4.8
Sales of asphalt in million t	1.7	1.9	–11.5	–11.5
Net sales in million CHF	1,051	962	+9.2	–2.2
Operating EBITDA in million CHF	211	172	+22.9	+13.0
Operating profit in million CHF	126	93	+36.2	+30.3

Holcim US sold substantially more cement, particularly in Texas and Oklahoma. The recovery in residential construction in North and South Dakota, Nebraska, Iowa, and Vermont supported higher Group company sales. Overall, it was also possible to achieve better prices.

Aggregate Industries US increased sales of ready-mix concrete. Shipments of aggregates remained below the previous year's level. The Group company benefited from a more stable housing market and some infrastructure projects. Sales of asphalt continued to decline.

Holcim Canada sold more cement and ready-mix concrete, partly thanks to favorable weather conditions for construction. Due to delays in projects, sales of aggregates decreased. Sales of asphalt remained stable. Growing competition in Ontario and Quebec was reflected in increased pressure on prices.

Cement deliveries in Group region North America grew by 4.2 percent to 8.9 million tonnes. Sales of ready-mix concrete increased by 17.8 percent to 6 million cubic meters. By contrast, sales of aggregates decreased by 4.2 percent to 30.6 million tonnes. Asphalt sales declined by 10.5 percent to 3.1 million tonnes.

Operating EBITDA for Group region North America improved by 32 percent to CHF 348 million. The operating results of Holcim US and Holcim Canada improved strongly; Aggregate Industries US also posted better financial results. Aside from increases in sales volumes, the reasons for the improvement in margin included lower energy costs and better prices. Group region North America achieved internal operating EBITDA growth of 25.2 percent.

### Lack of activity in Africa Middle East

Over the course of the year, the situation in the Moroccan construction industry deteriorated. Demand for building materials was driven primarily by social housing, and to a lesser extent by infrastructure projects. The conflict and turmoil in Syria impacted business activity in Lebanon, in particular in the north of the country. The markets in the Indian Ocean region were stable for the most part, and in the sales areas of West Africa developments were predominantly positive.

Africa Middle East	Jan–Sept 2012	Jan–Sept 2011	±%	±% like-for-like
Sales of cement in million t	6.4	6.5	–0.9	–0.9
Sales of aggregates in million t	1.8	1.7	+6.0	+6.0
Sales of ready-mix concrete in million m <sup>3</sup>	0.9	0.8	+1.4	+1.4
Net sales in million CHF	726	706	+2.9	+2.4
Operating EBITDA in million CHF	221	237	–7.1	–7.4
Operating profit in million CHF	184	201	–8.9	–9.2

Africa Middle East	July–Sept 2012	July–Sept 2011	±%	±% like-for-like
Sales of cement in million t	1.9	2.1	–8.4	–8.4
Sales of aggregates in million t	0.7	0.6	+13.1	+13.1
Sales of ready-mix concrete in million m <sup>3</sup>	0.3	0.3	+0.4	+0.4
Net sales in million CHF	228	223	+2.3	–4.7
Operating EBITDA in million CHF	60	69	–12.4	–19.5
Operating profit in million CHF	48	58	–16.9	–23.9

In all segments, delivery volumes of Holcim Morocco almost reached the level of the previous year. Due to apparent market saturation, prices weakened slightly. Holcim Lebanon also sold less cement. However, sales of ready-mix concrete increased slightly. The Group company benefited from construction projects in the Beirut area in particular.

Overall, the Group companies in the Indian Ocean region recorded slightly lower sales of cement and ready-mix concrete. On La Réunion, deliveries of aggregates increased.

In West Africa and the Arabian Gulf local grinding stations increased their deliveries of cement. The Holcim operation in the Ivory Coast achieved the strongest growth.

Consolidated cement sales decreased by 0.9 percent to 6.4 million tonnes in Africa Middle East. Deliveries of aggregates increased by 6 percent to 1.8 million tonnes. Sales of ready-mix concrete rose by 1.4 percent to 0.9 million cubic meters.

Operating EBITDA in Africa Middle East declined by 7.1 percent to CHF 221 million. This reduction can be attributed largely to adverse market conditions and higher production costs in Lebanon. The Group companies in Morocco and West Africa maintained the results of the previous year. Internal operating EBITDA development was –7.4 percent.

**Outlook 2012**

Holcim expects demand for building materials to rise in emerging markets in 2012 in Asia and Latin America, as well as in Russia and Azerbaijan. In North America, cement volumes will also increase. In Europe however, sales volumes are expected to decrease in all segments.

In any case, Holcim will accord cost management the closest attention, and pass on inflation-induced cost increases. Holcim's approach to new investments will be cautious.

Holcim expects the Group to achieve organic growth in 2012 on the level of operating EBITDA, and additionally to reap the first positive effects of the Holcim Leadership Journey this year.



Rolf Soiron  
Chairman of the Board of Directors



Bernard Fontana  
Chief Executive Officer

November 7, 2012

**Consolidated statement of income of Group Holcim**

Million CHF	Notes	Jan–Sept 2012 Unaudited	Jan–Sept 2011 Unaudited	July–Sept 2012 Unaudited	July–Sept 2011 Unaudited
<b>Net sales</b>	6	<b>16,198</b>	<b>15,461</b>	<b>5,841</b>	<b>5,318</b>
Production cost of goods sold		(9,148)	(8,827)	(3,282)	(3,036)
<b>Gross profit</b>		<b>7,050</b>	<b>6,633</b>	<b>2,559</b>	<b>2,282</b>
Distribution and selling expenses		(4,097)	(3,874)	(1,431)	(1,291)
Administration expenses		(1,074)	(1,007)	(366)	(323)
<b>Operating profit</b>		<b>1,879</b>	<b>1,753</b>	<b>762</b>	<b>669</b>
Other income	8	20	3	7	4
Share of profit of associates		73	104	28	24
Financial income	9	189	161	100	85
Financial expenses	10	(572)	(606)	(194)	(196)
<b>Net income before taxes</b>		<b>1,590</b>	<b>1,416</b>	<b>703</b>	<b>585</b>
Income taxes		(482)	(412)	(219)	(166)
<b>Net income</b>		<b>1,108</b>	<b>1,004</b>	<b>484</b>	<b>418</b>
<b>Attributable to:</b>					
Shareholders of Holcim Ltd		783	713	394	356
Non-controlling interest		325	291	90	62
<b>Earnings per share in CHF</b>					
Earnings per share		2.42	2.23	1.21	1.11
Fully diluted earnings per share		2.42	2.23	1.21	1.11

Million CHF					
Operating EBITDA	4, 7	3,147	2,971	1,214	1,074
EBITDA	4	3,340	3,167	1,317	1,161

## Consolidated statement of comprehensive earnings of Group Holcim

Million CHF	Notes	Jan–Sept 2012 Unaudited	Jan–Sept 2011 Unaudited	July–Sept 2012 Unaudited	July–Sept 2011 Unaudited
<b>Net income</b>		<b>1,108</b>	<b>1,004</b>	<b>484</b>	<b>418</b>
<b>Other comprehensive earnings</b>					
Currency translation effects					
– Exchange differences on translation		93	(1,693)	242	299
– Realized through statement of income	9	6	10	6	10
– Tax effect		16	2	(4)	4
Available-for-sale financial assets					
– Change in fair value			(4)		
– Realized through statement of income	9	(63)	(64)	(63)	(64)
– Tax effect					
Cash flow hedges					
– Change in fair value		(16)	(3)	(12)	
– Realized through statement of income					
– Tax effect			(1)		(1)
Net investment hedges in subsidiaries					
– Change in fair value		1	(1)	1	1
– Realized through statement of income					
– Tax effect					
<b>Total other comprehensive earnings</b>		<b>37</b>	<b>(1,754)</b>	<b>171</b>	<b>249</b>
<b>Total comprehensive earnings</b>		<b>1,145</b>	<b>(750)</b>	<b>655</b>	<b>667</b>
<b>Attributable to:</b>					
Shareholders of Holcim Ltd		806	(752)	486	592
Non-controlling interest		339	2	169	75



## Consolidated statement of financial position of Group Holcim

Million CHF	Notes	30.9.2012 Unaudited	31.12.2011 Audited	30.9.2011 Unaudited
Cash and cash equivalents		2,841	2,946	3,071
Marketable securities		1	4	22
Accounts receivable		3,429	2,719	3,212
Inventories		2,284	2,086	2,162
Prepaid expenses and other current assets		446	382	425
Assets classified as held for sale		5	16	18
<b>Total current assets</b>		<b>9,005</b>	<b>8,154</b>	<b>8,910</b>
Long-term financial assets		530	561	772
Investments in associates		1,416	1,425	1,339
Property, plant and equipment		22,738	22,933	22,017
Intangible assets		8,501	8,453	8,480
Deferred tax assets		358	490	448
Other long-term assets		501	539	500
<b>Total long-term assets</b>		<b>34,045</b>	<b>34,400</b>	<b>33,557</b>
<b>Total assets</b>		<b>43,050</b>	<b>42,554</b>	<b>42,467</b>
Trade accounts payable		2,085	2,547	1,988
Current financial liabilities		3,772	2,820	3,584
Current income tax liabilities		436	418	447
Other current liabilities		1,960	1,667	1,732
Short-term provisions		262	242	237
<b>Total current liabilities</b>		<b>8,515</b>	<b>7,695</b>	<b>7,988</b>
Long-term financial liabilities	11	10,648	11,675	11,614
Defined benefit obligations		282	285	293
Deferred tax liabilities		1,855	2,061	2,028
Long-term provisions		1,180	1,181	1,119
<b>Total long-term liabilities</b>		<b>13,964</b>	<b>15,202</b>	<b>15,054</b>
<b>Total liabilities</b>		<b>22,480</b>	<b>22,897</b>	<b>23,042</b>
Share capital		654	654	654
Capital surplus		8,569	8,894	8,892
Treasury shares	12	(116)	(486)	(489)
Reserves		8,502	7,768	7,614
<b>Total equity attributable to shareholders of Holcim Ltd</b>		<b>17,609</b>	<b>16,830</b>	<b>16,671</b>
Non-controlling interest		2,961	2,827	2,753
<b>Total shareholders' equity</b>		<b>20,570</b>	<b>19,656</b>	<b>19,424</b>
<b>Total liabilities and shareholders' equity</b>		<b>43,050</b>	<b>42,554</b>	<b>42,467</b>

### Consolidated statement of changes in equity of Group Holcim

Million CHF	Share capital	Capital surplus	Treasury shares	Retained earnings
<b>Equity as at January 1, 2012</b>	<b>654</b>	<b>8,894</b>	<b>(486)</b>	<b>15,785</b>
Net income				783
Other comprehensive earnings				
Total comprehensive earnings				783
Payout		(325)		
Change in treasury shares			341	(48)
Share-based remuneration			11	
Capital paid-in by non-controlling interest				
Acquisition of participation in Group companies				
Change in participation in existing Group companies			18	(25)
<b>Equity as at September 30, 2012 (unaudited)</b>	<b>654</b>	<b>8,569</b>	<b>(116)</b>	<b>16,495</b>
<b>Equity as at January 1, 2011</b>	<b>654</b>	<b>9,371</b>	<b>(476)</b>	<b>15,688</b>
Net income				713
Other comprehensive earnings				
Total comprehensive earnings				713
Payout		(480)		
Change in treasury shares			(23)	1
Share-based remuneration		1	10	1
Capital paid-in by non-controlling interest				
Acquisition of participation in Group companies				
Change in participation in existing Group companies				(188)
<b>Equity as at September 30, 2011 (unaudited)</b>	<b>654</b>	<b>8,892</b>	<b>(489)</b>	<b>16,215</b>

<i>Available-for-sale reserve</i>	<i>Cash flow hedging reserve</i>	<i>Currency translation adjustments</i>	Total reserves	Total equity attributable to shareholders of Holcim Ltd	Non-controlling interest	Total shareholders' equity
<b>193</b>	<b>4</b>	<b>(8,214)</b>	<b>7,768</b>	<b>16,830</b>	<b>2,827</b>	<b>19,656</b>
			783	783	325	1,108
(63)	(16)	103	23	23	14	37
(63)	(16)	103	806	806	339	1,145
				(325)	(199)	(524)
			(48)	293		293
		1	1	13		13
					11	11
			(25)	(7)	(17)	(24)
<b>130</b>	<b>(12)</b>	<b>(8,111)</b>	<b>8,502</b>	<b>17,609</b>	<b>2,961</b>	<b>20,570</b>
<b>249</b>	<b>7</b>	<b>(7,392)</b>	<b>8,552</b>	<b>18,101</b>	<b>3,020</b>	<b>21,121</b>
			713	713	291	1,004
(68)	(4)	(1,393)	(1,465)	(1,465)	(289)	(1,754)
(68)	(4)	(1,393)	(752)	(752)	2	(750)
				(480)	(207)	(687)
			1	(22)		(22)
			1	12	1	13
					23	23
					23	23
			(188)	(188)	(109)	(297)
<b>181</b>	<b>3</b>	<b>(8,785)</b>	<b>7,614</b>	<b>16,671</b>	<b>2,753</b>	<b>19,424</b>

## Consolidated statement of cash flows of Group Holcim

Million CHF	Notes	Jan–Sept 2012 Unaudited	Jan–Sept 2011 Unaudited	July–Sept 2012 Unaudited	July–Sept 2011 Unaudited
<b>Net income before taxes</b>		<b>1,590</b>	<b>1,416</b>	<b>703</b>	<b>585</b>
Other income	8	(20)	(3)	(7)	(4)
Share of profit of associates		(73)	(104)	(28)	(24)
Financial expenses net	9, 10	382	445	94	112
<b>Operating profit</b>		<b>1,879</b>	<b>1,753</b>	<b>762</b>	<b>669</b>
Depreciation, amortization and impairment of operating assets		1,268	1,218	452	405
Other non-cash items		234	178	74	60
Change in net working capital		(1,415)	(1,341)	(106)	(39)
<b>Cash generated from operations</b>		<b>1,966</b>	<b>1,809</b>	<b>1,181</b>	<b>1,095</b>
Dividends received		68	133	10	10
Interest received		118	92	38	32
Interest paid		(496)	(494)	(147)	(116)
Income taxes paid		(539)	(581)	(183)	(154)
Other expenses		(10)	(30)	(3)	(10)
<b>Cash flow from operating activities (A)</b>		<b>1,107</b>	<b>930</b>	<b>896</b>	<b>858</b>
Purchase of property, plant and equipment		(933)	(1,075)	(365)	(425)
Disposal of property, plant and equipment		70	65	17	35
Acquisition of participation in Group companies		(1)	(25)	(1)	(3)
Disposal of participation in Group companies		9	3	1	0
Purchase of financial assets, intangible and other assets		(115)	(78)	(37)	(4)
Disposal of financial assets, intangible and other assets		168	155	103	93
<b>Cash flow from investing activities (B)</b>		<b>(802)</b>	<b>(955)</b>	<b>(282)</b>	<b>(304)</b>
Dividends paid on ordinary shares	14	(325)	(480)	0	0
Dividends paid to non-controlling interest		(210)	(223)	(72)	(104)
Capital paid-in by non-controlling interest		11	23	3	19
Movements of treasury shares		293	(22)	0	0
Proceeds from current financial liabilities		5,649	4,355	1,090	1,317
Repayment of current financial liabilities		(5,293)	(3,759)	(1,331)	(1,442)
Proceeds from long-term financial liabilities		4,136	2,564	1,705	399
Repayment of long-term financial liabilities		(4,687)	(2,512)	(2,188)	(965)
Increase in participation in existing Group companies		(65)	(322)	(9)	(5)
Decrease in participation in existing Group companies		0	27	0	0
<b>Cash flow from financing activities (C)</b>		<b>(491)</b>	<b>(349)</b>	<b>(801)</b>	<b>(782)</b>
<b>Decrease in cash and cash equivalents (A+B+C)</b>		<b>(186)</b>	<b>(375)</b>	<b>(187)</b>	<b>(227)</b>
<b>Cash and cash equivalents as at the beginning of the period (net)</b>		<b>2,497</b>	<b>3,069</b>	<b>2,457</b>	<b>2,701</b>
Decrease in cash and cash equivalents		(186)	(375)	(187)	(227)
Currency translation effects		11	(154)	51	67
<b>Cash and cash equivalents as at the end of the period (net)<sup>1</sup></b>		<b>2,321</b>	<b>2,540</b>	<b>2,321</b>	<b>2,540</b>

<sup>1</sup> Cash and cash equivalents at the end of the period include bank overdrafts of CHF 520 million (2011: 531), disclosed in current financial liabilities.

### 1 Basis of preparation

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The unaudited consolidated third quarter interim financial statements (hereafter “interim financial statements”) are prepared in accordance with IAS 34 *Interim Financial Reporting*. The accounting policies used in the preparation and presentation of the interim financial statements are consistent with those used in the consolidated financial statements for the year ended December 31, 2011 (hereafter “annual financial statements”).

The interim financial statements should be read in conjunction with the annual financial statements as they provide an update of previously reported information.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management’s best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate during the period in which the circumstances change.

### 2 Changes in the scope of consolidation

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During the first nine months of 2012 and 2011, there were no business combinations that were either individually material or that were considered material on an aggregated basis.

### 3 Seasonality

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Demand for cement, aggregates and other construction materials and services is seasonal because climatic conditions affect the level of activity in the construction sector.

Holcim usually experiences a reduction in sales during the first and fourth quarters reflecting the effect of the winter season in its principal markets in Europe and North America and tends to see an increase in sales in the second and third quarters reflecting the effect of the summer season. This effect can be particularly pronounced in harsh winters.

## 4 Information by reportable segment

	Asia Pacific		Latin America		Europe		North America		Africa Middle East		Corporate/ Eliminations		Total Group	
January–September (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<b>Capacity and sales</b>														
Million t														
Annual cement production capacity <sup>1</sup>	98.3	97.8	35.5	35.5	50.4	49.8	21.9	21.9	11.1	11.1			217.1	216.0
Sales of cement	59.5	56.2	18.5	18.0	20.1	20.6	8.9	8.5	6.4	6.5	(2.1)	(1.7)	111.4	108.1
– of which mature markets	3.5	3.5			11.5	12.7	8.9	8.5			(1.0)	(0.8)	22.9	23.9
– of which emerging markets	56.0	52.7	18.5	18.0	8.6	7.9			6.4	6.5	(1.1)	(0.9)	88.5	84.2
Sales of mineral components	0.8	0.9			1.7	1.8	1.1	1.1					3.6	3.8
Sales of aggregates	21.2	22.3	10.6	10.9	56.2	63.6	30.6	31.9	1.8	1.7			120.3	130.4
– of which mature markets	18.3	19.4			49.0	55.6	30.6	31.9					97.9	106.9
– of which emerging markets	2.9	2.9	10.6	10.9	7.2	8.0			1.8	1.7			22.5	23.5
Sales of asphalt					3.5	4.2	3.1	3.5					6.6	7.6
Million m <sup>3</sup>														
Sales of ready-mix concrete	9.7	9.8	7.8	8.2	11.1	12.2	6.0	5.1	0.9	0.8			35.5	36.1
– of which mature markets	4.2	4.3			9.8	10.8	6.0	5.1					20.0	20.2
– of which emerging markets	5.6	5.5	7.8	8.2	1.4	1.4			0.9	0.8			15.6	15.9
<b>Statement of income and statement of financial position</b>														
Million CHF														
Net sales to external customers	6,416	5,676	2,532	2,406	4,129	4,522	2,394	2,151	726	706			16,198	15,461
Net sales to other segments	162	253	81	62	304	169					(547)	(484)		
Total net sales	6,579	5,929	2,613	2,467	4,434	4,691	2,394	2,151	726	706	(547)	(484)	16,198	15,461
– of which mature markets	1,960	1,784			3,529	3,858	2,394	2,151			(259)	(237)	7,624	7,556
– of which emerging markets	4,619	4,145	2,613	2,467	904	833			726	706	(288)	(246)	8,574	7,905
Operating EBITDA	1,446	1,264	721	662	577	707	348	264	221	237	(167)	(163)	3,147	2,971
– of which mature markets	324	268			343	494	348	264			(81)	(81)	934	945
– of which emerging markets	1,122	995	721	662	235	213			221	237	(86)	(81)	2,213	2,027
Operating EBITDA margin in %	22.0	21.3	27.6	26.8	13.0	15.1	14.5	12.3	30.4	33.6			19.4	19.2
Operating profit	1,044	890	557	515	159	295	110	30	184	201	(175)	(178)	1,879	1,753
Operating profit margin in %	15.9	15.0	21.3	20.9	3.6	6.3	4.6	1.4	25.3	28.5			11.6	11.3
EBITDA	1,434	1,271	599	549	564	691	332	242	208	224	204	191	3,340	3,167
Net operating assets <sup>1</sup>	9,059	8,885	3,814	3,817	9,010	8,512	6,890	6,736	682	660	117	179	29,573	28,790
Total assets <sup>1</sup>	14,242	13,692	5,188	4,989	13,787	14,807	7,965	8,114	1,436	1,401	432	(450)	43,050	42,554
Total liabilities <sup>1</sup>	4,112	4,019	2,995	2,783	6,352	7,092	5,579	5,610	736	696	2,707	2,697	22,480	22,897

<sup>1</sup> Prior-year figures as of December 31, 2011.

	Asia Pacific		Latin America		Europe		North America		Africa Middle East		Corporate/ Eliminations		Total Group	
July–September (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<b>Sales</b>														
Million t														
Sales of cement	18.3	18.1	6.4	6.3	7.8	7.8	3.5	3.5	1.9	2.1	(0.6)	(0.6)	37.3	37.2
– of which mature markets	1.3	1.3			4.1	4.4	3.5	3.5			(0.3)	(0.3)	8.6	9.0
– of which emerging markets	17.0	16.8	6.4	6.3	3.7	3.3			1.9	2.1	(0.3)	(0.3)	28.8	28.2
Sales of mineral components	0.3	0.3			0.7	0.7	0.5	0.5					1.4	1.5
Sales of aggregates	6.9	7.9	3.6	3.9	21.0	22.4	12.6	14.4	0.7	0.6			44.8	49.2
– of which mature markets	5.9	6.8			18.0	18.9	12.6	14.4					36.5	40.1
– of which emerging markets	1.0	1.1	3.6	3.9	3.0	3.5			0.7	0.6			8.3	9.1
Sales of asphalt					1.2	1.4	1.7	1.9					2.9	3.3
Million m <sup>3</sup>														
Sales of ready-mix concrete	3.5	3.4	2.5	2.9	4.1	4.2	2.4	2.2	0.3	0.3			12.7	13.0
– of which mature markets	1.5	1.6			3.5	3.6	2.4	2.2					7.4	7.4
– of which emerging markets	1.9	1.8	2.5	2.9	0.6	0.6			0.3	0.3			5.3	5.6
<b>Statement of income</b>														
Million CHF														
Net sales to external customers	2,152	1,808	869	799	1,540	1,525	1,051	962	228	223			5,841	5,318
Net sales to other segments	28	56	36	24	111	79					(175)	(160)		
Total net sales	2,181	1,865	905	823	1,651	1,605	1,051	962	228	223	(175)	(160)	5,841	5,318
– of which mature markets	731	629			1,262	1,257	1,051	962			(90)	(84)	2,953	2,765
– of which emerging markets	1,450	1,235	905	823	389	348			228	223	(85)	(76)	2,887	2,553
Operating EBITDA	446	335	259	224	295	329	211	172	60	69	(57)	(55)	1,214	1,074
– of which mature markets	117	86			177	218	211	172			(30)	(29)	475	446
– of which emerging markets	329	249	259	224	117	111			60	69	(27)	(26)	739	628
Operating EBITDA margin in %	20.4	18.0	28.6	27.2	17.9	20.5	20.1	17.8	26.5	30.9			20.8	20.2
Operating profit	316	212	199	179	134	188	126	93	48	58	(60)	(60)	762	669
Operating profit margin in %	14.5	11.4	22.0	21.7	8.1	11.7	12.0	9.6	21.0	25.8			13.0	12.6
EBITDA	442	339	219	188	282	321	203	166	55	66	117	81	1,317	1,161

## Reconciling measures of profit and loss to the consolidated statement of income of Group Holcim

Million CHF (unaudited)	Notes	Jan–Sept 2012	Jan–Sept 2011	July–Sept 2012	July–Sept 2011
<b>Operating profit</b>		<b>1,879</b>	<b>1,753</b>	<b>762</b>	<b>669</b>
Depreciation, amortization and impairment of operating assets		1,268	1,218	452	405
<b>Operating EBITDA</b>		<b>3,147</b>	<b>2,971</b>	<b>1,214</b>	<b>1,074</b>
Dividends earned	8	2	3	0	2
Other ordinary income	8	24	3	7	2
Share of profit of associates		73	104	28	24
Other financial income	9	94	85	69	59
<b>EBITDA</b>		<b>3,340</b>	<b>3,167</b>	<b>1,317</b>	<b>1,161</b>
Depreciation, amortization and impairment of operating assets		(1,268)	(1,218)	(452)	(405)
Depreciation, amortization and impairment of non-operating assets	8	(6)	(3)	0	0
Interest earned on cash and marketable securities	9	96	76	32	26
Financial expenses	10	(572)	(606)	(194)	(196)
<b>Net income before taxes</b>		<b>1,590</b>	<b>1,416</b>	<b>703</b>	<b>585</b>

## 5 Information by product line

Million CHF	Cement <sup>1</sup>		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
January–September (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<b>Statement of income and statement of financial position</b>										
Net sales to external customers	9,709	9,015	1,217	1,223	5,272	5,222			16,198	15,461
Net sales to other segments	994	999	693	674	540	477	(2,226)	(2,150)		
Total net sales	10,703	10,015	1,910	1,897	5,812	5,699	(2,226)	(2,150)	16,198	15,461
Operating EBITDA	2,680	2,452	329	396	138	123			3,147	2,971
Operating EBITDA margin in %	25.0	24.5	17.2	20.9	2.4	2.2			19.4	19.2
Net operating assets <sup>2</sup>	19,331	19,060	5,817	5,672	4,425	4,058			29,573	28,790

<sup>1</sup> Cement, clinker and other cementitious materials.

<sup>2</sup> Prior-year figures as of December 31, 2011.

Million CHF	Cement <sup>1</sup>		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
July–September (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<b>Statement of income</b>										
Net sales to external customers	3,345	2,970	455	443	2,040	1,904			5,841	5,318
Net sales to other segments	365	345	265	232	172	148	(803)	(724)		
Total net sales	3,711	3,315	720	675	2,212	2,053	(803)	(724)	5,841	5,318
Operating EBITDA	957	816	152	174	104	84			1,214	1,074
Operating EBITDA margin in %	25.8	24.6	21.2	25.8	4.7	4.1			20.8	20.2

<sup>1</sup> Cement, clinker and other cementitious materials.



**6 Change in net sales**

Million CHF	Jan–Sept 2012	Jan–Sept 2011	July–Sept 2012	July–Sept 2011
Volume and price	757	967	170	464
Change in structure	33	130	22	42
Currency translation effects	(53)	(2,205)	331	(854)
<b>Total</b>	<b>737</b>	<b>(1,107)</b>	<b>523</b>	<b>(348)</b>

**7 Change in operating EBITDA**

Million CHF	Jan–Sept 2012	Jan–Sept 2011	July–Sept 2012	July–Sept 2011
Volume, price and cost	191	(156)	71	14
Change in structure	4	8	3	8
Currency translation effects	(20)	(458)	65	(181)
<b>Total</b>	<b>175</b>	<b>(605)</b>	<b>140</b>	<b>(160)</b>

**8 Other income**

Million CHF	Jan–Sept 2012	Jan–Sept 2011	July–Sept 2012	July–Sept 2011
Dividends earned	2	3	0	2
Other ordinary income	24	3	7	2
Depreciation, amortization and impairment of non-operating assets	(6)	(3)	0	0
<b>Total</b>	<b>20</b>	<b>3</b>	<b>7</b>	<b>4</b>

**9 Financial income**

Million CHF	Jan–Sept 2012	Jan–Sept 2011	July–Sept 2012	July–Sept 2011
Interest earned on cash and marketable securities	96	76	32	26
Other financial income	94	85	69	59
<b>Total</b>	<b>189</b>	<b>161</b>	<b>100</b>	<b>85</b>

In the third quarter the partial realization of the change in fair value of the compensation related to the nationalization of Holcim Venezuela in the amount of CHF 58 million (2011: 54) has been recognized in the position “other financial income”. The remaining amount in the position “other financial income” relates primarily to interest income from loans and receivables.

## 10 Financial expenses

Million CHF	Jan–Sept 2012	Jan–Sept 2011	July–Sept 2012	July–Sept 2011
Interest expenses	(494)	(493)	(166)	(160)
Amortization on bonds and private placements	(9)	(7)	(3)	(2)
Unwinding of discount on provisions	(24)	(35)	(7)	(25)
Other financial expenses	(66)	(69)	(22)	(16)
Foreign exchange loss net	(10)	(31)	(6)	(11)
Financial expenses capitalized	31	29	10	18
<b>Total</b>	<b>(572)</b>	<b>(606)</b>	<b>(194)</b>	<b>(196)</b>

The positions “interest expenses” and “other financial expenses” relate primarily to financial liabilities measured at amortized cost.

The position “financial expenses capitalized” comprises interest expenditures on large-scale projects during the reporting period.

## 11 Bonds

On March 27, 2012, Holcim Finance (Australia) Pty Ltd issued an AUD 250 million bond with a coupon of 7 percent and a tenor of 3 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

On March 30, 2012, Holcim Capital México, S.A. de C.V. issued a MXN 1.5 billion bond with a floating interest rate and a tenor of 3 years, guaranteed by Holcim Ltd. The proceeds were used to repay short-term bank debt of Holcim Apasco S.A. de C.V.

On May 14, 2012, Holcim US Finance S.à r.l. & Cie S.C.S. and Holcim Capital Corporation Ltd. launched a U.S. commercial paper program. Notes in the amount of USD 357 million were outstanding as per September 30, 2012. The proceeds were used to repay bank debt. Commercial papers issued under the program are guaranteed by Holcim Ltd. Long-term committed, unutilized credit lines are available to backstop the commercial papers issued.

On June 15, 2012, Holcim Capital México, S.A. de C.V. issued a MXN 0.8 billion bond with a floating interest rate and a tenor of 4 years as well as a MXN 1.7 billion bond with a coupon of 7 percent and a tenor of 7 years. Both bonds are guaranteed by Holcim Ltd. The proceeds were used to repay bank debt of Holcim Apasco S.A. de C.V.

On June 22, 2012, Holcim Ltd issued a CHF 450 million bond with a coupon of 3 percent and a tenor of 10 years and 5 months. The proceeds were used to refinance the CHF 290 million bond which matured on June 22, 2012 and for general corporate purposes.

On July 18, 2012, Holcim Finance (Australia) Pty Ltd issued an AUD 250 million bond with a coupon of 6 percent and a tenor of 5 years, guaranteed by Holcim Ltd. The proceeds were used to refinance the AUD 500 million bond which matured on August 7, 2012 and for general corporate purposes.

On September 7, 2012, Holcim US Finance S.à r.l. & Cie S.C.S. issued a EUR 500 million bond with a coupon of 2.625 percent and a tenor of 8 years, guaranteed by Holcim Ltd. The proceeds were used to early repay a EUR 358 million private placement in October 2012 (contractual maturity in April 2013) and for general corporate purposes.

### 12 Treasury Shares

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On March 27, 2012, Holcim Ltd sold 5 million treasury shares at a price of CHF 59.25 per share. The proceeds of CHF 296 million were used for general corporate purposes.

### 13 Contingencies and commitments

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There have been no significant changes of contingencies and commitments since June 30, 2012.

The Competition Commission of India issued an Order dated June 20, 2012, imposing a penalty of CHF 390 million on two Indian Holcim Group companies concerning an alleged breach of competition law by certain cement manufacturers in India. The two Indian Holcim Group companies contest the allegation and have filed an appeal against the Order before the appropriate authority, which is pending a decision. Based on the advice of external legal counsel, Holcim believes that it has good grounds for appeal. Accordingly, no provision has been recognized in the statement of financial position.

### 14 Payout

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In conformity with the decision taken at the annual general meeting on April 17, 2012, a payout related to 2011 of CHF 1.00 per registered share has been paid out of capital contribution reserves. This resulted in a total payment of CHF 325 million.

### 15 Events after the reporting period

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On October 4, 2012, Holcim Finance (Australia) Pty Ltd issued an AUD 200 million bond with a coupon of 5.25 percent and a tenor of 6.5 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

On October 10, 2012, Holcim Finance (Canada) Inc. issued a CAD 300 million bond with a coupon of 3.65 percent and a tenor of 5.5 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

## 16 Principal exchange rates

	Statement of income		Statement of financial position		
	Average exchange rates		Closing exchange rates		
	in CHF January–September		in CHF		
	2012	2011	30.9.2012	31.12.2011	30.9.2011
1 EUR	1.21	1.24	1.21	1.22	1.22
1 USD	0.94	0.88	0.93	0.94	0.90
1 GBP	1.48	1.42	1.52	1.45	1.40
1 AUD	0.97	0.92	0.98	0.96	0.88
100 BRL	49.00	53.94	46.06	50.46	48.85
1 CAD	0.94	0.90	0.95	0.92	0.87
1,000 IDR	0.10	0.10	0.10	0.10	0.10
100 INR	1.77	1.95	1.78	1.77	1.83
100 MAD	10.87	10.97	10.88	10.95	10.87
100 MXN	7.09	7.30	7.29	6.71	6.55

### Holcim securities

The Holcim shares (security code number 1221405) are listed on the SIX Swiss Exchange and traded on the Main Standard of SIX Swiss Exchange. Telekurs lists the registered share under HOLN. The corresponding code under Bloomberg is HOLN VX, while Thomson Reuters uses the abbreviation HOLN.VX. Every share carries one vote. The market capitalization of Holcim Ltd amounted to CHF 19.6 billion at September 30, 2012.

### Cautionary statement regarding forward-looking statements

This document may contain certain forward-looking statements relating to the Group's future business, development and economic performance.

Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this document.

Holcim assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

### Financial reporting calendar

Press and analyst conference on annual results for 2012	February 27, 2013
General meeting of shareholders	April 17, 2013
Results for the first quarter 2013	May 8, 2013
Half-year results for 2013	August 15, 2013
Press and analyst conference for the third quarter 2013	November 6, 2013

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## Holcim from 1912 to 2012

Countless companies are founded every year, yet not many survive for long. That makes it worthy of note when a company celebrates its 100th anniversary, as Holcim is doing in 2012. Founded in 1912, in the village of Holderbank in the Swiss canton of Aargau, it has grown steadily, first as “Holderbank” and then later as Holcim, to become one of the world’s leading construction materials companies. It now has a significant presence on every continent.

Holcim is a worldwide leading producer of cement and aggregates. Further activities include the provision of ready-mix concrete and asphalt as well as other services. The Group is active in around 70 countries and employs more than 80,000 people.