



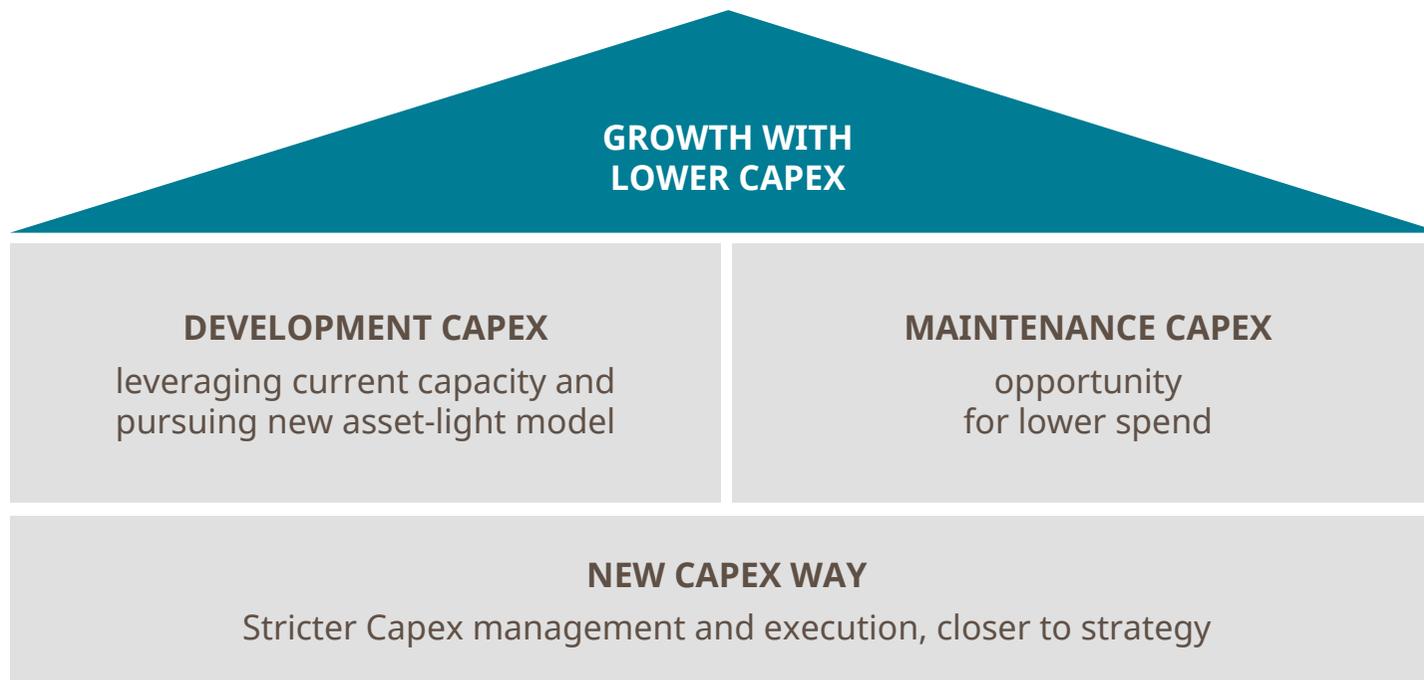
LafargeHolcim

LafargeHolcim Capital Markets Day 2015

Lean capital spending

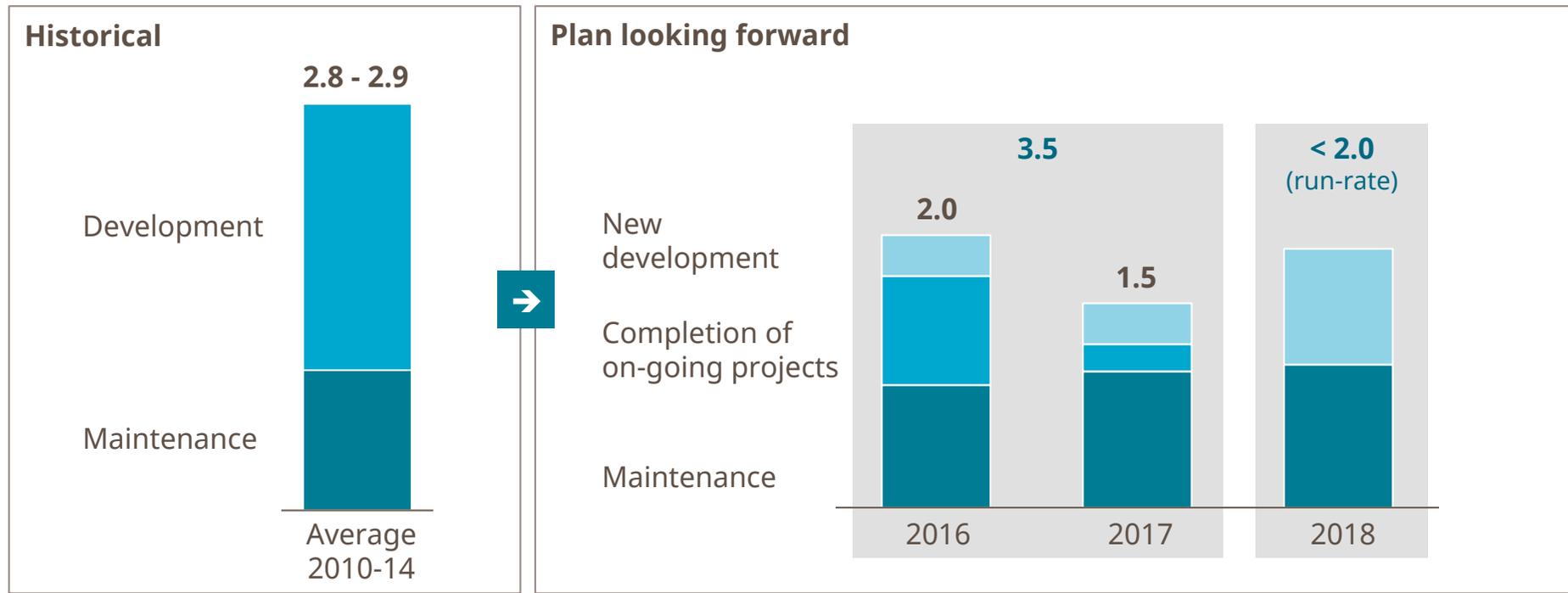
Urs Bleisch | Member of the Executive Committee (Performance and Cost) | December 1st, 2015

Capex – substantially lower Capex going forward



Looking forward, targeting significantly lower capex

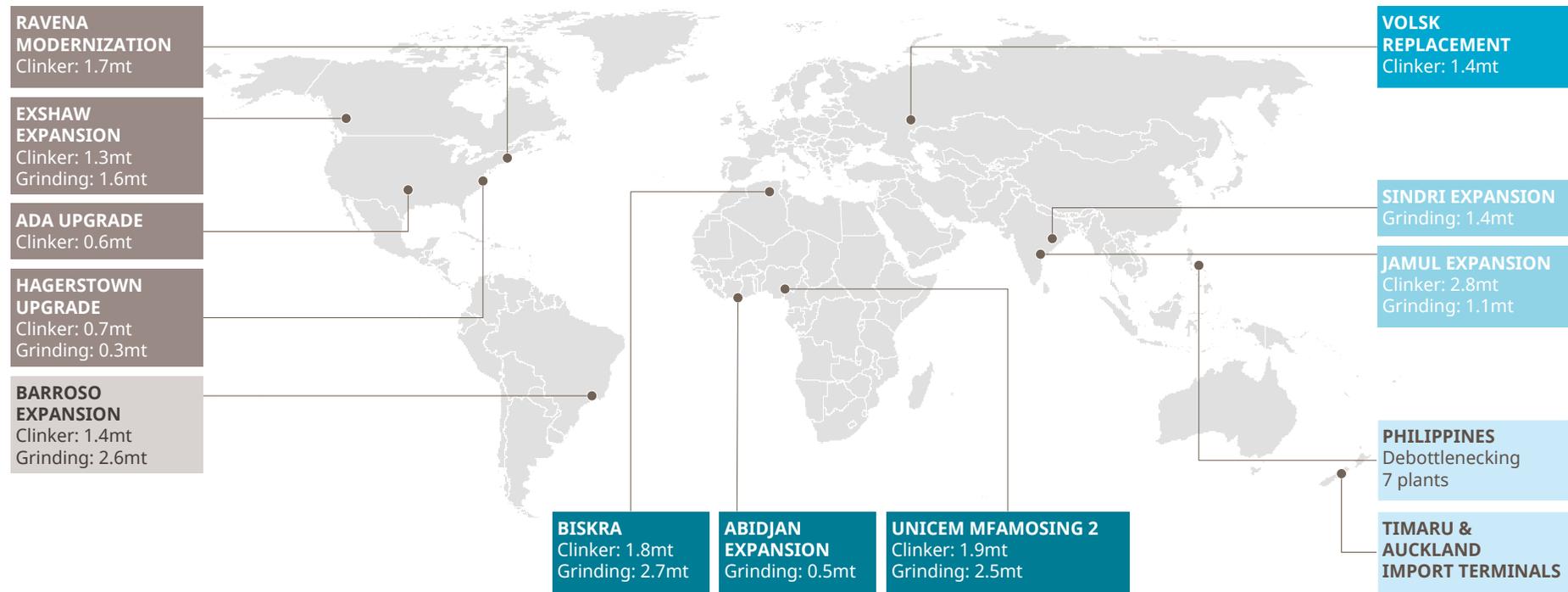
CHF bn



Note: Excluding integration related IT implementation costs

New capacity construction of ~14mt clinker and ~13mt grinding coming on stream in the next 2 years

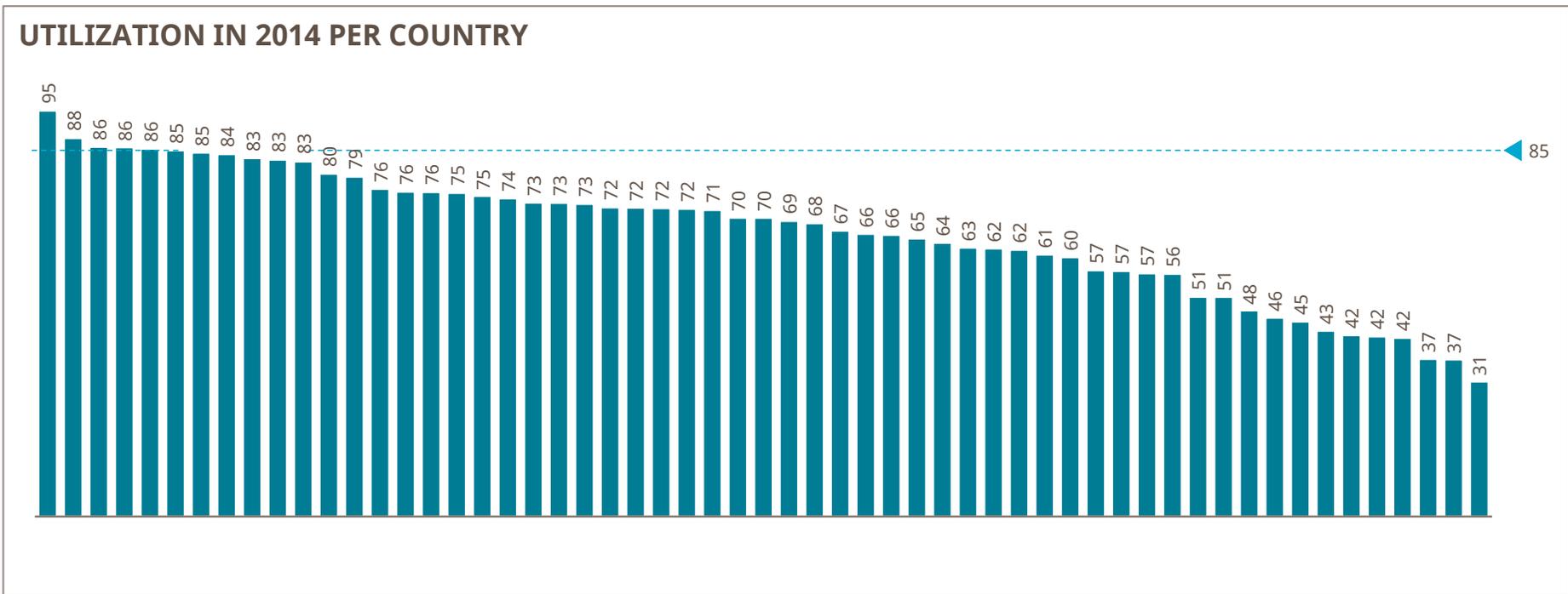
TOTAL CAPACITY CONSTRUCTION¹



¹ Includes replacement of 5mt clinker and 1mt grinding capacity

Enough headroom to grow with market momentum without additional Capex in a majority of markets

IN PERCENT



Pursuing an asset-light model

CEMENT

- Terminals, grinding stations and logistics versus integrated plants
- Cross-border optimization
- Trading



RMX PLANT (fixed, mobile)

- Franchise models
- Licensing (VAPs)
- "Uber" model (shared facilities with other players)



RETAIL DISTRIBUTION NETWORK

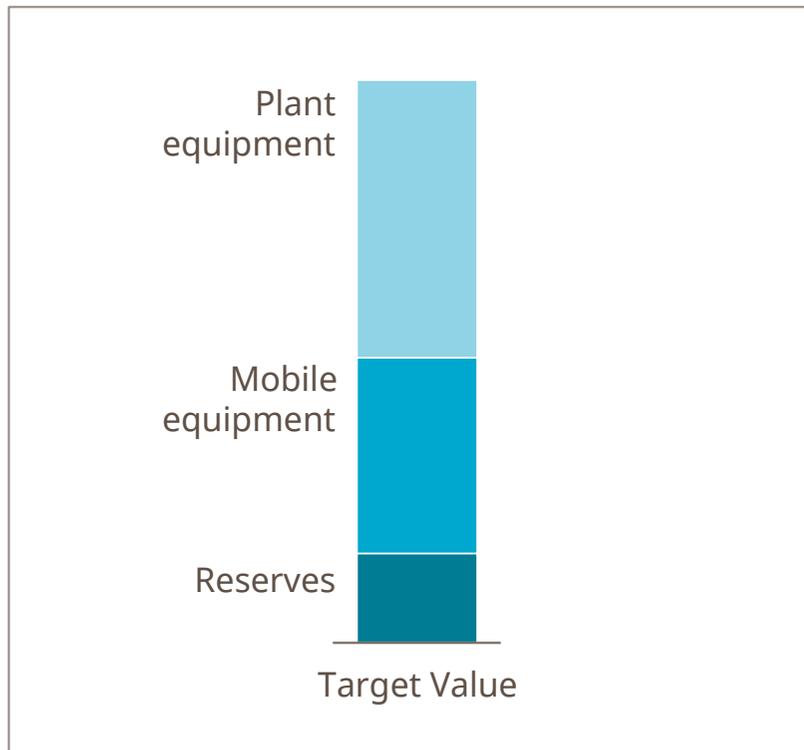
- Franchise models
- Online sales



Specific examples of cash spend reduction through the new asset-light model

<p>PHILIPPINES</p> 	<p>INITIAL OPTION</p> <p>Bulacan Line 3 brownfield plant</p> <ul style="list-style-type: none"> • Extension of existing asset to add 2.5mt cement capacity 	<p>ASSET-LIGHT ALTERNATIVE</p> <p>Debottlenecking project</p> <ul style="list-style-type: none"> • Phase I (Rationalization Capex): additional 1.1 mt cement capacity • Phase II (Calaca Terminal Expansion): additional 1.5 mt cement capacity using imported clinker 	<p>CASH SAVINGS VERSUS INITIAL OPTION</p> <p>90%</p>
<p>NEW ZEALAND</p> 	<p>Weston greenfield plant</p> <ul style="list-style-type: none"> • Construction of a new integrated plant • Coal and sand pit; and cement terminal • Clinker capacity: 800kt • Total cement capacity: 1.2 mt 	<p>Greenfield terminals in Auckland and Timaru</p> <ul style="list-style-type: none"> • Construction of 2 new cement terminals • Dome silos of 30 kt • Shore-based unloaders • Cement imported from the region 	<p>85%</p>

Maintenance Capex – structured approach to maintain assets with lower Capex



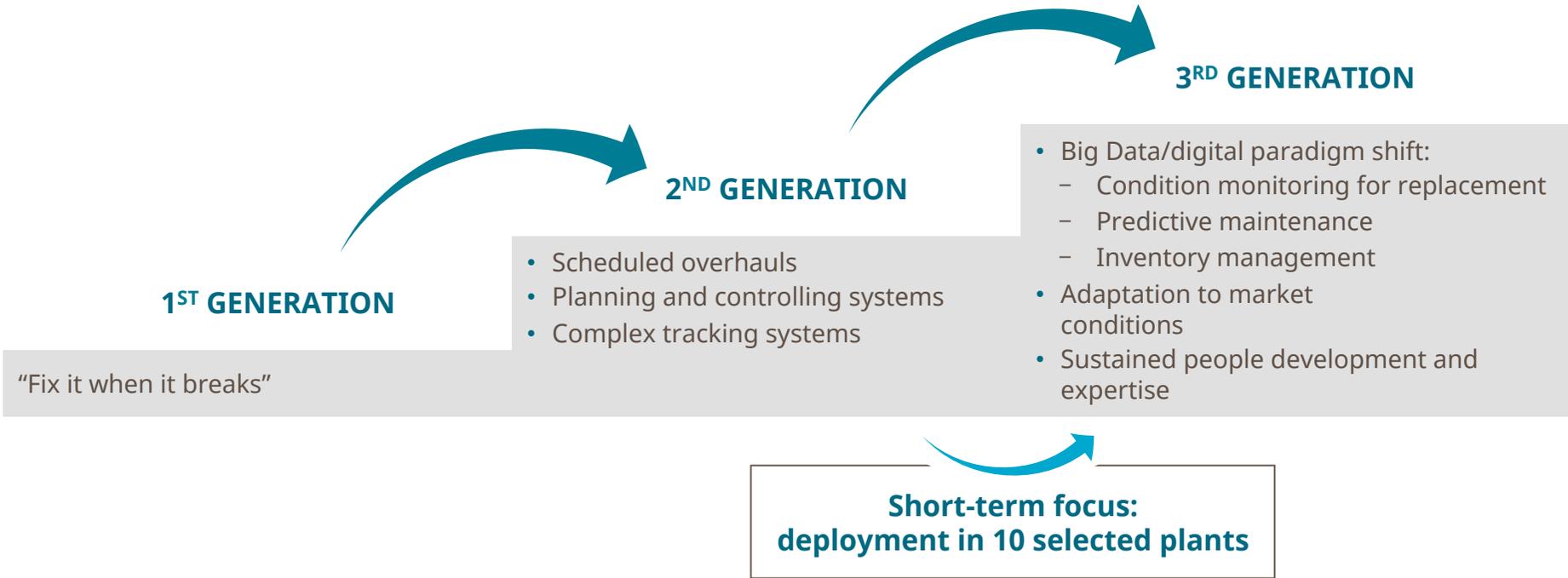
More transparency

Leverage ex-Holcim and ex-Lafarge best practices

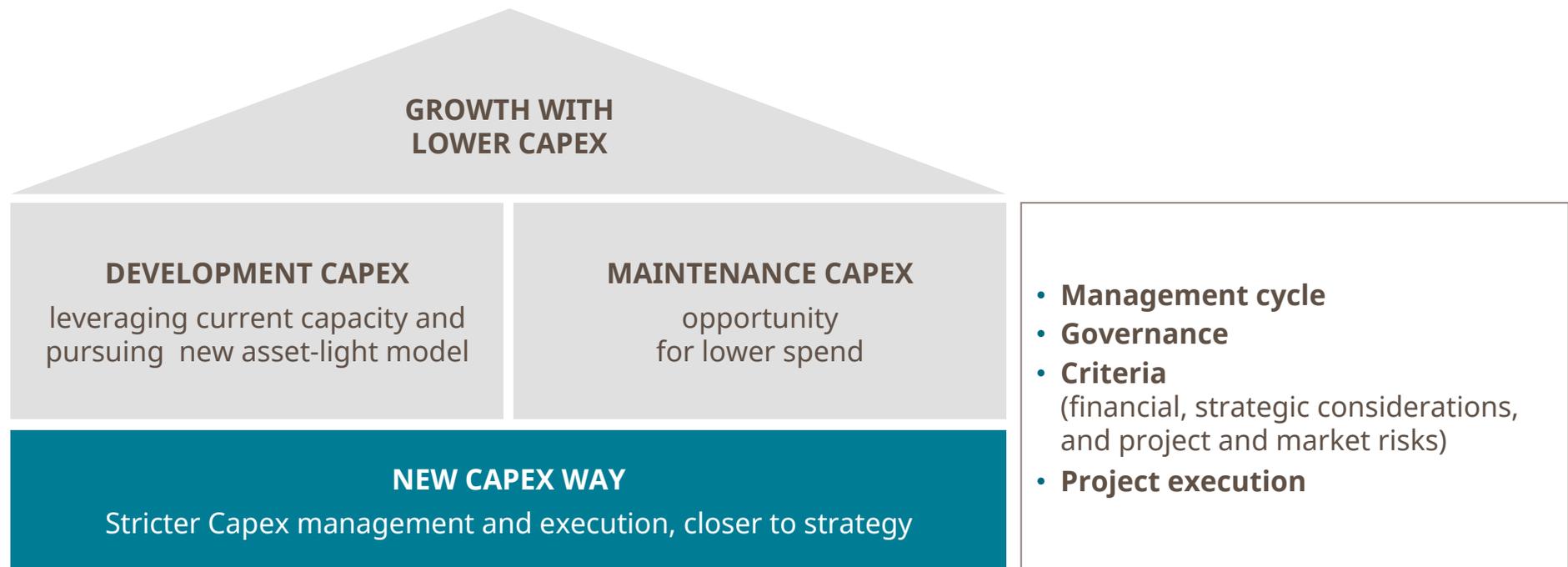
Disciplined review

Lifecycle cost optimization

Implementing 3rd generation maintenance at scale



Capex – substantially lower Capex going forward



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