



LafargeHolcim



LafargeHolcim Capital Markets Day

Regional Perspectives: Latin America

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Latin America – balanced portfolio across 10 countries



	LTM
Net sales (CHF bn)	3.4
Operating EBITDA adj. ¹ (CHF bn)	0.9
Cement volume sold (mt)	28
Aggregates volume sold (mt)	8
RMX volume sold (mm ³)	7
Cement capacity (mt)	38
FTE # (YE 2014)	12,040

Strengths

- Balance portfolio across 10 countries
- Robust cash generator
- Structured markets, good positioning and capabilities
- Good capacity utilization in most countries

¹ Operating EBITDA adjusted excludes all merger related and restructuring costs
 Note: Pro forma figures post divestments and pre Corporate / Eliminations

Latin America – overall positive market trends



Mexico, Central America and Colombia

- Markets growing robustly at ~3%
- Mexico & Central America supported by strong US economy and remittances
- Colombia continues to grow despite lower oil prices; significant investments in infrastructure
- Tight supply and demand balance

Ecuador

- Slowdown of public investment in infrastructure due to low oil price
- Trend partially offset by LH's strong performance through its unique retail network (Disensa) and new state of art cement line

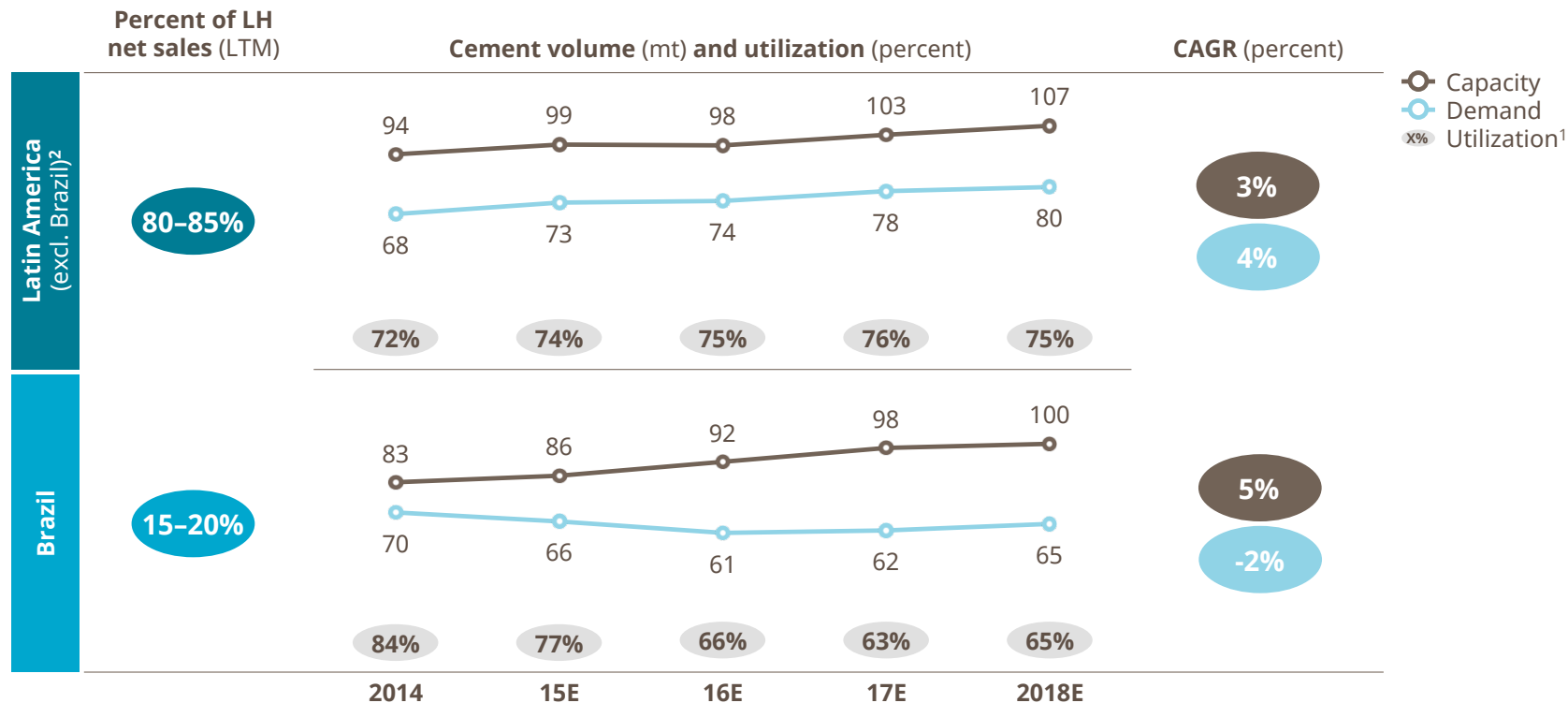
Brazil

- Weak outlook for economic growth
- Recent corruption scandals have strongly affected the construction sector

Argentina

- Sustainable growth in the construction sector
- Tight supply and demand balance

Majority of our business is in strong Latin American markets



¹ Total demand / total capacity; ² Market volume forecasts incl.: Argentina, Colombia, Ecuador, Mexico
Source: Research analysts reports; LafargeHolcim

Latin America – our plan to enhance value

1

Drive differentiation in retail markets, especially to capture demand by self-builders in Mexico and Central America supported by remittances, and investments in affordable housing

2

Become the partner of choice on large infrastructure investments, leveraging new services and solution offering for infra-structure needs

3

Develop Geocycle® to extend the revenue line with limited capex while improving energy efficiency

4

Rationalize capex focusing on critical needs and debottlenecking in tight markets such as Argentina and Colombia

5

Accelerate synergy delivery by fostering performance (target of CHF 132m¹ by 2018), of which 40% to be captured in Brazil

¹ EUR figures converted to CHF at FX EUR/CHF = 1.1

Driving differentiation in retail markets, notably through franchising

disensa

– Ecuador

- 528 franchises
- Premium offer of construction products, services, technical support and training
- Credisensa: credit solution for low income customers and contractors
- e-Logistics: improved delivery system



CONSTRURED – Costa Rica

- 90 franchises
- Tailored value offering to different customer needs
- Central sourcing of construction products
- Warehouses to add value to distributors with non-cement portfolio products
- Microcredits scheme for end-users



- Loyalty and Brand premium thanks to a very competitive value proposition
- Growth through customer development
- First hand access to end-customers with a significant reach
- Asset-light business based on service offering with additional profit
- Potential for expansion and development of the business model across the Region: ~65% Bags vs Bulk

Leveraging distinctive capabilities to win major infrastructure projects

Puebla Mexico

Project details

- Second floor of major road in Puebla
- 150,000 m³ of high performance concrete supplied in 2015



LafargeHolcim capabilities and involvement

- Tailored offering with high quality products and technical support

El Dorado Airport Bogota

Project details

- 300,000 m³ RMX supplied during 2010–15 and 60,000 m³ awarded for 2016–17



LafargeHolcim capabilities and involvement

- Recognition for high quality, wide solution and service offering tailored to customers
- Skilled personnel and proven track record with on-site RMX plants

Coca Codo-Sinclair Ecuador

Project details

- Biggest Infrastructure Project in Ecuador
- From 2012–2015, 1mt cement



LafargeHolcim capabilities and involvement

- Tailor-made offer for the client in terms of products, solutions, technical support and H&S

~ CHF400bn planned in the Region for the next 10 years

Leveraging value added products and services in high-rise buildings

Metropolitan Center Mexico

Project details

- 3 towers of 30 and 50 floors
- Two towers dedicated to housing
- A third tower for a luxury hotel and offices
- Restaurants and a mall
- 90,000 m³



LafargeHolcim capabilities and involvement

- Highly recognized technical expertise to supply concrete to high rise building projects
- Outstanding H&S standards

Bacata skyscraper Bogota

Project details

- Period: January'11 to October'15
- Tallest building in Colombia (260m)
- 2 towers, 66 & 53 floors each
- 114,000 m² of construction: hotel, housing, offices, parking & mall



LafargeHolcim capabilities and involvement

- LH is recognized as an important actor in Colombia's urban development, with proven expertise in special product development and supply to high rise building projects
- Wide offering of customized services, from commercial, distribution and production to technical and H&S on site support

~ 10mt in the Region focused mainly in Mexico

Leveraging our assets to deliver waste management services with limited capex



A complete waste management solution; collecting, segregating, packing, transporting and treating waste in the most environmentally viable way, always according to the highest standards

Our ambition

- Bring value to municipalities, industrial clients and our cement business
- Improve energy consumption and reducing environment footprint
- Reduce dependency on non-renewable resources

Double operations within three to five years:

- Waste treated
- Substitution rate in our cement plants

Latin America – concluding remarks



Robust cash generator for LH with resilient results over time

Full delivery of synergies according to plan

Skilled, passionate teams contributing to the Region's excellence through continuous experience sharing

Upside potential in retail, large projects and Geocycle® to be tackled going forward

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