



Lafarge in North America

Lafarge gained its first foothold in North America when it entered the Canadian market in 1956. It set up in the United States from 1973 onwards by means of successive partnerships with other manufacturers. In 1982, the group became the leading US cement producer, following the takeover of General Portland Cement. That same year, the two Canadian and American companies merged into a structure which was listed on the New York stock exchange. The 1990s saw the group develop in Aggregates, Gypsum and Roofing while pursuing growth in Cement. 1997 and 2001 were marked by the acquisition of Redland and Blue Circle.

Key stages of Lafarge's development in North America

2006 Lafarge celebrates 50 years in North America and announces its intention to launch a cash tender offer for the outstanding 46.8% minority stake in Lafarge North America.

2004 Lafarge announces the acquisition of assets belonging to the Concrete Company in the Southeast of the United States.

Upgrading of the Buchanan gypsum wallboard plant.

2003 Disposal of Florida-based businesses (two cement-grinding units and import terminals), for around 142 million euros, with the aim of geographical rationalisation of our assets.

2002 Acquisition of Continental Gypsum (with an annual capacity in excess of 27 million m²).

2001 Acquisition of Blue Circle and related assets in Aggregates and Concrete (Pine Hill and American Ready-Mix Concrete). An agreement is made for Lafarge North America to manage Lafarge's Blue Circle assets in the United States.

Lafarge Corporation becomes Lafarge North America Inc.

The Gypsum activity opens its second state-of-the-art drywall plant (Palatka, Florida).

Start-up of papermaking plant to supply gypsum wallboard plants as part of a joint venture.

Lafarge is listed on the NYSE.



2000 Lafarge Gypsum opens its state-of-the-art drywall plant in Silver Grove, Kentucky using 100% substitute raw materials (synthetic gypsum).

1997 Acquisition of Redland (consolidation effective in 1998) which enables Lafarge to become the largest construction materials company in North America.

1983 Creation of Lafarge Corporation which is listed on the New York, Toronto and Montreal stock exchanges.

1982 Acquisition of Portland, the second largest US cement producer with 10 plants and a 6 million tonnes annual capacity.

1973 Lafarge enters the US market through a joint venture involving its Canadian subsidiary (Canada Cement Lafarge) that creates Citadel Cement Corporation.

1956 The Lafarge group enters the North American market by building a cement plant in Richmond, British Columbia, near Vancouver and forming Lafarge Cement North America (LCNA).

1833 Founding of Lafarge in France.



Lafarge, the leading global player in North America

Lafarge has carved out a position as North America's leading player in the construction materials market.

Group plants are concentrated in several US regions. In the region of the Great Lakes, the Group is leader with a 35% market share. In the Southeast region, around the Mississippi and Iowa rivers, the Group acquired new positions via three sites at Harleyville, Atlanta and Calera. In the Northeast region, Lafarge has consolidated its position. Finally, the Group has also consolidated its presence in Quebec.

In a fragmented market, with local companies competing for business, Lafarge has become the leading global player and has achieved significant geographical and cultural coverage.

This new position meant that in 2002, all cement activities in the North America zone were reorganised into five regions (Northeast, Southeast, River, Great Lakes and Northwest). Each region comprises three to five plants and therefore manages comparable capacities (between 3 and 5 million tonnes). This restructuring has enabled Lafarge to gradually become a big company capable of operating on a small-scale by getting closer to the local structures of its client base and staying in tune with local market requirements with support from strengthened central functions, particularly with regard to marketing.

Lafarge North America is listed on the New York, Toronto and Montreal stock exchanges and is 53.2%-owned by Lafarge.

The Roofing business has traditionally been owned by Lafarge via Monier Lifetile, a 50/50 joint venture with Boral and managed at Group level.

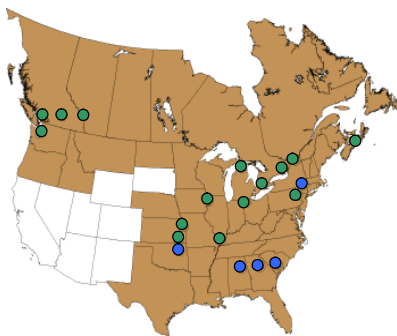
Blue Circle's former assets in North America are 100%-held by Lafarge SA, which delegated management to Lafarge North America within the framework of a Management Agreement.

Our North American business lines

Lafarge materials sold in North America accounted for 27% of the Group's worldwide sales and 20% of Group's operating income in 2004.

Lafarge North America is the largest diversified supplier of construction materials such as cement and related products, ready-mixed concrete, gypsum wallboards, aggregates, asphalt and concrete-based products in the United States and Canada. Its products are used in the construction of houses and apartment blocks, commercial and non-residential premises and infrastructures. Its head office is located in Herndon, Virginia, close to Washington DC. Lafarge North America has a workforce of approximately 15,000 spread across 1,000 or so sites. The three main business sectors for Lafarge North America are: Cement and related products, Aggregates & Concrete, and Gypsum.

Cement



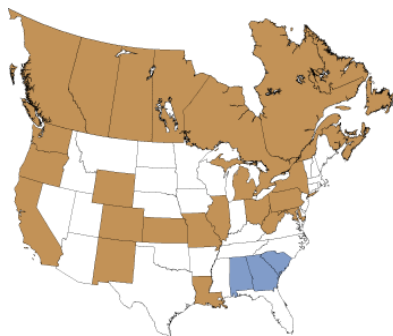
Cement

LNA 13 MT

BCNA 6MT

Slag & Fly ash

Aggregates & Concrete



Aggregates

LNA 120 MT

BCNA 15MT

Concrete

LNA 8 Mm³

BCNA 3 Mm³

Asphalt and paving:

\$ 800M revenues

Gypsum



Gypsum

Drywall LNA 220 Mm²

Joint compound

In green: Lafarge North America operations

In Blue: Blue Circle North America operations