LAFARGE

Press Release

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LAFARGE BORAL GYPSUM IN ASIA (LBGA) BEGINS CONSTRUCTION OF TWO NEW PLASTERBOARD FACTORIES IN CHINA AND INDIA

Lafarge today announced that, as part of its joint venture with Boral, Lafarge Boral Gypsum in Asia (LBGA), two new plasterboard factories are to be built in Asia, one in Chengdu in China's Sichuan province, the other close to New Delhi, Rajasthan, India.

These two plants, which are expected to begin production in the first quarter of 2008, will represent total investment of US$28M, with capacity of nearly 10 million m^2 each.

These new factories, located in the heart of fast-growing markets, will enable the Group significantly to strengthen its presence in the high-potential markets of India and southwest China.

The solutions chosen, which combine high quality, modern design and respect for the environment, are key strengths for the continued long-term growth of the Group.

Additional information:

1. Lafarge Boral Gypsum in Asia (LBGA) is a 50-50 joint venture between Australian construction materials group Boral Australia Ltd and the world leader in building materials, Lafarge. Since its creation in June 2000, LBGA has established itself as the leading supplier of plasterboard products and systems in Asia (excluding Japan). LBGA has manufacturing sites in China, South Korea, Indonesia, Thailand and Malaysia and exports products to many other countries in the Asia-Pacific region.

2. Lafarge's involvement in the plaster market in China began in Shanghai in 1996. It has four manufacturing plants in the country, two in Shanghai and two in Chongqing.

3. Lafarge first entered the Chinese market in 1994 and all of its divisions (Cement, Aggregates and Concrete, Gypsum and Roofing) are now active in the country, where it employs around 16,000 people. In cement, Lafarge signed a partnership agreement with Shui On Construction and Materials Ltd. in 2005 to create the Lafarge Shui On Cement joint venture. This joint venture has now become the market leader in south-western China, with annual production capacity of around 20 million tonnes.

4. Lafarge first moved into the Indian market in 1999, with the acquisition of Tata Steel's cement business. This was followed by the acquisition of Raymond Cement in 2001. Lafarge now has three cement plants in India: two factories in Chhattisgarh State and a crushing plant in Jharkhand. Annual production capacity in India is currently some 5.5 million tonnes, and Lafarge announced in 2006 that it is to double the size of its Sonadih plant and build a new facility in Himashal Pradesh, taking total production capacity to 12 million tonnes.

Note to Editors:

Lafarge is the world leader in building materials, with top-ranking positions in all four of its businesses: Cement, Aggregates & Concrete, Roofing and Gypsum. With 80,000 employees in 76 countries, Lafarge posted sales of Euros 16 billion in 2005.
Lafarge has been committed to sustainable development for many years, pursuing a strategy that combines industrial know-how with performance, value creation, respect for employees and local cultures, environmental protection and the conservation of natural resources and energy. Lafarge is the only company in the construction materials sector to be listed in the 2006 '100 Global Most Sustainable Corporations in the World'. To make advances in building materials, Lafarge places the customer at the heart of its concerns. It offers the construction industry and the general public innovative solutions bringing greater safety, comfort and quality to their everyday surroundings.
Additional information is available on the web site at www.lafarge.com.

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