OFFER DOCUMENT PREPARED BY

Lafarge

IN RESPONSE TO
THE PUBLIC EXCHANGE OFFER
FOR THE SHARES OF LAFARGE
INITIATED BY

Holcim

Pursuant to article L.621-8 of the French Monetary and Financial Code and article 231-26 of its general regulations, the Autorité des marchés financiers (the « AMF ») affixed visa no. 15-227 dated 28 May 2015 on this response offer document. This response offer document was prepared by Lafarge whose signatories are taking responsibility for it.

The visa, as per the provisions of article L.621-8-1 I of the French Monetary and Financial Code, was received after the AMF has verified that the document is complete and comprehensible and that the information it contains are coherent. This does not entail the advisability of the transaction, nor the certification of the accounting and financial data presented.

IMPORTANT NOTICE

Pursuant to the provisions of articles 231-19 and 261-1 et seq. of the AMF general regulations, the report of Accuracy, acting as independent expert, is included in this response offer document.

This document is an unofficial English-language translation of the response offer document (note en réponse) which received from the AMF visa no. 15-227 dated 28 May 2015, pursuant to article L.621-8 of the French Monetary and Financial Code and article 231-26 of its general regulations. In the event of any differences between this unofficial English-language translation and the official French document, the official French document shall prevail.

Lafarge is advised by Rothschild & Cie and Zaoui & Co. This response offer document is available on the Internet websites of Lafarge (www.lafarge.com) and the AMF (www.amf-france.org), and may be obtained free of charge from:

Lafarge
61, rue des Belles Feuilles
75116 Paris

Rothschild & Cie
23 bis, avenue de Messine
75008 Paris
In accordance with the provisions of article 231-28 of the AMF general regulations, information relating in particular to the legal, financial and accounting aspects of Lafarge, will be made available to the public in the same manner as mentioned above, no later than the day preceding the opening of the Offer.
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1 PRESENTATION OF THE OFFER

1.1 Description of the Offer

Pursuant to Section III of Book II and more specifically articles 232-1 et seq. of the AMF general regulations, Holcim Ltd, a company organised under the laws of Switzerland, having its registered office at Zürcherstrasse 156, 8645 Jona, Switzerland (hereafter referred to as “Holcim” or the “Offeror” and, after the successful closing of the Offer, “LafargeHolcim”), whose shares are traded on the SIX Swiss Exchange in Zurich (“SIX”), irrevocably offers to the shareholders of Lafarge S.A., a société anonyme with a share capital of EUR1,151,729,248, having its registered office at 61 rue des Belles Feuilles, 75116 Paris, registered with the Company Registry of Paris under the identification number 542 105 572 (“Lafarge” or the “Company”), whose shares are traded on the Euronext Paris market (Compartment A) (hereafter, “Euronext Paris”) under ISIN Code FR0000120537, to exchange, pursuant to the terms and conditions set forth in the offer document prepared by Holcim which received from the AMF visa no. 15-226 dated 28 May 2015 (hereafter, the “Offer Document”), all shares of Lafarge they hold for newly issued shares of Holcim (hereafter “Holcim Shares”) according to an exchange ratio of nine newly issued share of Holcim for ten shares of Lafarge (the “Offer”).

The Offer is made for:

- all existing and outstanding shares of Lafarge, i.e., to Holcim’s knowledge, 287,932,312 shares as of the date of the Offer Document, including all outstanding shares of Lafarge issued pursuant to performance share plans and still in the holding period, i.e. 277,902 shares as of the date of the Offer Document, being specified that any outstanding holding period at the date of the exchange would apply to the Holcim Shares received in exchange;
- all shares of Lafarge, that may be issued prior to the end of the Offer acceptance period (or, as applicable, until the end of the re-opening of the Offer acceptance period) as a result of the exercise of outstanding stock options, i.e. 5,407,702 shares as of the date of the Offer Document;

altogether representing to the knowledge of Holcim a maximum number of 293,340,014 shares of Lafarge (the “Lafarge Shares”).

Except for cases where there is an applicable exception to the vesting period established under legal or regulatory provisions (such as the death or disability of the beneficiary), certain Lafarge Shares which may be issued upon the exercise of Lafarge stock options prior to the end of the Offer acceptance period (or, as applicable, prior to the end of the re-opening of the Offer acceptance period) may not be tendered to the Offer because of legal, regulatory or governance constraints. In addition, certain Lafarge Shares issued pursuant to performance share plans may not be tendered to the Offer for the same reasons. To the extent permitted under applicable regulations, such Lafarge Shares will be the subject of liquidity mechanisms as described in article 1.3.4 of this response offer document.

The shares of Lafarge issued pursuant to performance share plans still in the vesting period at the end of the Offer acceptance period (or, as the case may be, at the end of the re-opened Offer acceptance period) are not targeted by the Offer, except when non-transferability is waived as provided by legal or regulatory provisions (such as the death or disability of the beneficiary).

1 As of 30 April 2015.
The Offer will be carried out according to the normal procedure in accordance with the provisions of articles 232-1 et seq. of the AMF general regulations. Société Générale and UBS Securities France S.A., as presenting banks of the Offer, warrant, in accordance with the provisions of article 231-13 of the AMF general regulations, the content and irrevocable nature of the undertakings made by the Offeror in connection with the Offer.

1.2 Context and reasons for the Offer

1.2.1 Context of the Offer

Following various exchanges during which representatives of Holcim and Lafarge discussed key aspects of a strategic combination of their business through a merger of equals, with a view to creating the most advanced group in the building materials industry, the respective boards of directors of Holcim and Lafarge (the “Holcim Board of Directors” and the “Board of Directors” respectively) agreed on the industrial and strategic potential of the combination and to enter into an agreement pursuant to which they granted an exclusivity to each other to discuss the possible terms of the transaction to be structured as an exchange offer under which Holcim would offer to acquire Lafarge Shares according to an exchange ratio of one Lafarge Share for one newly issued Holcim share. Such agreement was executed on 6 April 2014.

Following the execution of the negotiation and exclusivity agreement, Holcim and Lafarge published on 7 April 2014, a joint press release which is available on the respective websites of Holcim (www.holcim.com) and Lafarge (www.lafarge.com), in which Holcim and Lafarge described the key highlights of the Offer.

1.2.1.1 Combination Agreement

On 7 July 2014, following completion of the consultation process of relevant employee representative bodies, Holcim and Lafarge entered into an agreement (the “Combination Agreement”) whereby Holcim and Lafarge agreed to jointly prepare the launching by Holcim of a public tender offer in France pursuant to which Holcim undertakes to acquire all Lafarge Shares according to an exchange ratio of one Lafarge Share for one newly issued Holcim Share. In the context of this Combination Agreement, Holcim and Lafarge respective boards of directors unanimously determined that the proposed Offer was in the best interests of respectively Holcim and Lafarge, their respective shareholders, employees and other stakeholders.

On 20 March 2015, Holcim and Lafarge published a joint press release, which is available on the respective websites of Holcim (www.holcim.com) and Lafarge (www.lafarge.com), pursuant to which they announced that they have reached an agreement to amend certain terms of the proposed merger of equals (and the Combination Agreement), and more specifically that they agreed, among other things, on a new exchange ratio under the exchange offer of nine newly issued Holcim Shares for ten Lafarge Shares.

Holcim and Lafarge agreed to take all actions reasonably necessary or desirable to implement the divestment process (as described in article 1.2.1.2 of this response offer document), the Euronext Paris listing of the newly issued Holcim Shares to be remitted in exchange for the Lafarge Shares tendered to the Offer and the Offer itself, as well as to use their respective reasonable best efforts to make any required offers under applicable law for shares of the relevant listed subsidiaries, with respect to which no waiver could be obtained.
Holcim and Lafarge also agreed that a post-closing exceptional scrip dividend shall be paid after the closing of the re-opened Offer in respect of all LafargeHolcim shares, including newly issued Holcim Shares exchanged for Lafarge Shares in the context of the Offer. Such scrip dividend shall be in the ratio of one new LafargeHolcim share for twenty existing LafargeHolcim shares, subject to the successful closing of the Offer. The authorized share capital based on which the board of directors of LafargeHolcim is authorized to distribute the scrip dividend was approved at the Holcim shareholders’ meeting of 8 May 2015.

The Combination Agreement, as amended, also contains a number of provisions which are further described in other parts of this response offer document and/or in the Offer Document, such as:

- the conditions to the Offer, as further described in article 1.3.5 below and in article 2.9 of the Offer Document;
- the parity between the annual dividends paid in 2015 for the financial year 2014 by Lafarge and Holcim as further described in article 1.3.2 below and in article 2.3 of the Offer Document;
- the possibility for Holcim to proceed with certain transactions after the closing of the Offer, as further described in article 1.3.6 and 1.3.7 of the Offer Document; and
- the management and the governance of LafargeHolcim, the main terms of which are further described in article 1.3.3 of the Offer Document.

Pursuant to the Combination Agreement, Holcim and Lafarge shall pay a break-up fee of EUR350,000,000 to each other according to the following conditions:

- a break-up fee shall be payable by Lafarge to Holcim in case of (i) a third party announces an offer to Lafarge relating to an alternative transaction (a) resulting in a change of the Board of Directors’ recommendation or support in respect of the Offer or (b) followed by a failure of the Offer (whether or not filed) and the execution of an alternative transaction agreement, or the approval or recommendation by Lafarge of an alternative transaction to the Lafarge shareholders, within nine (9) months after termination of the Combination Agreement, (ii) a failure to provide a required recommendation of the Board of Directors or a change in the Board of Directors’ recommendation or support, (iii) a recommendation of an alternative transaction by the Board of Directors, or (iv) any action taken by Lafarge to frustrate the Offer.

- a break-up fee shall be payable by Holcim to Lafarge in case of (i) (a) a third party offer to Holcim relating to an alternative transaction resulting in a support to such alternative transaction or change of the Holcim Board of Directors’ recommendation and (b) a termination of the Combination Agreement by Lafarge pursuant to condition (a) above or a termination either by Holcim or Lafarge if the shareholders’ resolutions at the relevant Holcim general meetings required to complete the Offer are not approved, (ii) a third party offer to Holcim relating to an alternative transaction resulting in the Holcim general meeting failing to take a required shareholders’ resolution, and the execution of an alternative transaction agreement, or the approval or recommendation by Holcim of an alternative transaction to the Holcim shareholders, within nine (9) months after termination of the Combination Agreement, (iii) a failure to provide a required recommendation of the Holcim
Board of Directors or a change in the Holcim Board of Directors’ recommendation or support, (iv) a recommendation of an alternative transaction by the Holcim Board of Directors, or (v) any action taken by Holcim to frustrate the transaction or the votes of shareholders at the relevant Holcim general meetings required to complete the Offer.

Independently of the circumstances described above, no break-up fee shall be payable by Holcim or Lafarge to each other if the Combination Agreement is terminated as a result of a material adverse effect event occurring prior to any of the events listed in (i) and (ii) above or if a condition to the Offer (as provided in article 2.9 of the Offer Document) is not satisfied.

The Holcim Board of Directors approved the filing of the Offer on 7 May 2015.

1.2.1.2 Antitrust and Divestment Process

Holcim and Lafarge have agreed, subject to certain conditions, to divest certain entities and assets as part of a rebalancing of the global portfolio of the combined group resulting from the merger and to address potential regulatory concerns.

Shareholders of Lafarge should refer to article 2.6 of Part I (Activities to Be Divested by Holcim and Lafarge) of the Registration Document prepared by Holcim, registered with the AMF on 11 May 2015 under no. I.15-034 (the “Registration Document”) and to article B.4a of the securities note included in the prospectus prepared by Holcim which has been approved by the AMF on 28 May 2015 under number 15-233 for any details on this divestment process.

The Offer itself is not subject to any approval from any competition authority. However, the proposed transaction requires obtaining approvals from several competition authorities.

In this respect, Holcim and Lafarge have obtained clearance of the combination by the competition authorities in the following jurisdictions: Brazil, Canada, China, Common Market for Eastern and Southern Africa (COMESA), European Union, India, Kenya, Mexico, Morocco, Russia, Serbia, Singapore, South Africa, Tanzania, Turkey, Ukraine and the United-States.

Clearances by the competition authority of Mauritius is expected by end of May 2015. The review of the Indonesian competition authority, which is based on a voluntary filing, is also ongoing. The review of the Indonesian competition authority and of the competition authority of Mauritius has no suspensive effect on the Offer or the transaction.

All competition approvals required prior to the closing of the transaction have now been obtained.

1.2.2 Reasons for the Offer

Holcim and Lafarge are both worldwide leading producers of cement, aggregates (crushed stone, sand and gravel), ready-mix concrete and asphalt, and provide related services. Their building products and solutions are used to construct and renovate homes, buildings and infrastructure.

The vision of LafargeHolcim is to create the most advanced group in the building materials industry. The combination will create the best growth platform in the industry and enable LafargeHolcim to drive growth across its global, well-balanced footprint; deliver best-in-class operating performance and returns enhanced by synergies; and fundamentally transform the business. Furthermore, the combination will position LafargeHolcim to meet the changing market needs by enhancing the value proposition to meet customer demands, addressing challenges of urbanization, and setting the benchmark on corporate social responsibility, including sustainability and climate change mitigation.
The compelling strategic rationale has been reinforced by the preparatory integration work undertaken since the announcement of the combination.

In 2014, on a combined basis, LafargeHolcim sold 263.0 million tons (“mt”) of cement, 288.3 mt of aggregates and 56.7 million m3 of ready-mix concrete through its geographic presence in around 90 countries. As of 31 December 2014, on a combined basis, LafargeHolcim had an installed production capacity of 386.5 million tons per annum (“mtpa”) of cement. As of 31 December 2014, on a combined basis, it operated 251 cement, clinker and grinding plants, 621 aggregate plants and 1,640 ready-mix concrete plants worldwide and it had 115,000 full-time equivalent employees. In fiscal year 2014, on a pro forma basis, the combined group recorded net sales of CHF32.6 billion and an EBITDA of CHF6.7 billion. Its pro forma net financial debt and shareholders’ equity as at 31 December 2014 were CHF17.9 billion and CHF43.4 billion, respectively.

1. Creating the Most Advanced Group in the Building Materials Industry

- Market trends that represent opportunities

The combination of Holcim and Lafarge brings together two leading building materials companies with the objective of creating the most advanced company in the building materials industry.

LafargeHolcim believes that it will create value for all stakeholders – customers, employees, communities and shareholders – by seizing the opportunities presented by the major trends of its market environment:

1. **Population growth and rapid urbanization are driving demand for more housing and infrastructure.** By 2020, the world population is expected to reach approximately 7.7 billion, from 7.0 billion today, and approximately 1.0 billion more people compared to today are expected to live in or around urbanized areas in 2020. This trend affects emerging markets and mature economies differently. In emerging markets, this drives a demand for affordable multiple-dwelling housing, with a view to limiting urban sprawl and rehabilitating spontaneous, uncontrolled, constructed areas, while complying with building standards that tend to get closer to those of developed countries. It also drives the need for affordable infrastructure, including transport infrastructure, so that living and working across those cities remains possible. In developed countries, the focus will be more on renovation and building solutions capable of contributing to the development of attractive and sustainable cities in a context of increasing environmental constraints.

2. **Increasing demand for value-added products and services from building materials companies.** Competition between building materials companies is no longer only based on prices and the ability to deliver cement close to where it is needed. To differentiate themselves from their competitors, market actors need to offer innovative, user-tailored products and solutions, that improve the quality of buildings (e.g., environmental properties, aesthetics and durability), reduce the cost of either construction or the total cost of ownership lifecycle. They also increasingly offer global services and solutions to building companies.

3. **Resource scarcity and climate change require environmentally friendly, energy-efficient building materials and processes.** The need to reduce CO2 emissions
through, among others, more energy-efficient buildings is also a key driver for innovative, environmentally-friendly building materials. At the same time, building materials companies need to constantly adapt their processes to reduce their environmental footprint.

- LafargeHolcim Is Best Positioned to Seize These Opportunities

To seize these opportunities, LafargeHolcim will leverage the competitive advantages of Holcim and of Lafarge and the benefits of the combination of the two groups. Its new, well balanced, global footprint will allow it to respond to the demand for additional housing, commercial building and infrastructure in both emerging markets (Central and Eastern Europe, Asia, Middle East & Africa, Latin America) and mature economies on a large scale. The two companies’ well established expertise, know-how and capacity to innovate, will allow the combined group to scale up its development of value-added solutions and services that respond to increasing environmental constraints. Its new organization will be focused on the provision of differentiating products and solutions to customers, architects, designers and end-users along the construction cycle.

Specifically, LafargeHolcim will rely on the following strengths:

1. **A global, well-balanced footprint.** LafargeHolcim sells its products through its geographic presence in around 90 countries, with a strong presence and leadership positions in each of the world’s major regions. It realized 2014 pro forma net sales of CHF10.1 billion in Asia Pacific, CHF8.1 billion in Europe, CHF5.8 billion in the Middle East and Africa, CHF5.6 billion in North America and CHF3.9 billion in Latin America (Lafarge historical information has been translated into Swiss Francs using an average exchange rate for the year ended December 31, 2014 of EUR1 = CHF1.2146). This footprint is also well-balanced, with 58 per cent. of the pro forma 2014 net sales realized in emerging markets and no country served by the combined group representing more than 10 per cent of 2014 pro forma net sales (except India and the United States representing both approximately 11 per cent.). At the same time, due to its broad scale, the combined group can focus on optimizing this network with selective investments. It gives the combined group a bigger platform to deploy trading activities, to take advantage of unused production capacity in certain areas to serve, and sometimes to enter, other markets.

2. **Innovative and customer focused approach.** Both Holcim and Lafarge have long focused on bringing to their customers a range of innovative products and solutions that address a wide spectrum for needs of individual, professional and industrial end-users. LafargeHolcim will have the world’s largest research & development center in the building materials industry, as well as a network of development laboratories in key regions around the world. The combined group will benefit from the market insight of its teams on the ground and from their proven capacity to successfully deploy tailored ways of bringing their products to their end-users and offering value-adding services to their customers.

3. **Deep operational expertise, “local-global” model.** Both Holcim and Lafarge have in the past successfully developed and implemented strong operating models and processes and cost reduction measures, developing a capability to operate efficiently
with a constant quality of products, while delivering savings with a strict and disciplined capital allocation across their entire portfolio. This group-wide expertise, superior performance management and continuous improvement mindset are leveraged at the local level through central support for expertise, cross-sharing of best practices and the best local teams.

4. **Strong tradition of sustainable development, health and safety.** Holcim and Lafarge have demonstrated a commitment to the development of sustainable products with reduced environmental impacts, reflected in successes such as new cement and concrete products with reduced carbon footprints and insulation capacities, long-term reductions in CO2 emissions per tonne of cement produced, increased use of alternative energy sources, enhanced waste management programs, and preservation of water resources through wastewater recycling and rainwater recovery systems. LafargeHolcim’s commitment to a “zero harm to people” principle is also reflected in the priority given to health and safety, to reduce lost-time incidents, as well as initiatives to promote diversity and inclusiveness in the workplace.

5. **Financial and risk capacity.** Following the combination, LafargeHolcim expects to benefit from a position of financial strength. Its financial position should be further enhanced through synergies, improved cash flow generation, and its strategy of portfolio optimization and disciplined capital allocation, with the aim of providing attractive returns for its shareholders.

2. Synergies and Related Costs

LafargeHolcim believes that it is well positioned for sustainable and profitable growth, with the capacity to deliver synergies through operational efficiencies resulting from the implementation of best practices, cost synergies and economies of scale in procurement and selling, general and administrative expenses, and from the deployment of innovations on a larger scale, with the cross-fertilisation of Holcim’s and Lafarge’s respective value-added solutions and services portfolios. LafargeHolcim also believes that its enhanced cash flow generation and optimized capital allocation strategy may generate further cash synergies.

In connection with their evaluation of the merger, Holcim and Lafarge estimated the potential synergies resulting from their combination. These estimates are summarized below. Furthermore, those potential synergies were calculated at the foreign exchange rate of CHF1.223 per Euro, which prevailed around the date of the announcement of the merger on 7 April 2014.

LafargeHolcim is targeting run-rate synergies of EUR1.4 billion (CHF1.7 billion) phased in over three years following the completion of the combination, with EUR410 million (CHF500 million) of synergies in the first year (before non-recurring synergies implementation costs described below) and EUR900 million (CHF1.1 billion) of synergies phased-in in the second year (before non-recurring synergies implementation costs described below). Of the EUR1.4 billion (CHF1.7 billion) of run-rate synergies, LafargeHolcim estimates that it could realise around EUR1.0 billion (CHF1.2 billion) in operational synergies at the EBITDA level, EUR200 million (CHF240 million) in financing synergies and EUR200 million (CHF250 million) in capital expenditure synergies. Furthermore, LafargeHolcim targets one-time
working capital synergies through the sharing of best practices of approximately EUR410 million (CHF500 million) over 3 years.

LafargeHolcim estimates that it will incur approximately EUR1.0 billion (CHF1.2 billion) of non-recurring synergies implementation costs during the two years following completion of the combination in order to implement these synergies.

Potential operational synergies could come from:

- Operational efficiencies realized from the selection and implementation of best practices, including in logistics, distribution, IT and energy consumption. The objective is to generate from these sources approximately EUR200 million (CHF240 million) of run-rate synergies at the EBITDA level;

- Procurement, including economies of scale and cost synergies achieved both through centralized procurement for certain global supplies and at the local level in countries where both Holcim and Lafarge are present. The objective is to generate from these sources approximately EUR340 million (CHF410 million) of run-rate synergies at the EBITDA level;

- Cost synergies in selling, general and administrative expenses due to the reduction or elimination of duplicative functions and the consolidation of corporate overhead, with the objective of generating approximately EUR250 million (CHF300 million) of run-rate synergies at the EBITDA level; and

- Deployment of innovations on a larger scale and the cross-fertilization of value-added product and services portfolio. The objective is to generate from these sources approximately EUR200 million (CHF240 million) of run-rate synergies at the EBITDA level.

The total operational synergies would therefore amount to approximately EUR1.0 billion (CHF1.2 billion) at the EBITDA level.

Potential financing and cash-flow synergies could come from:

- Financing synergies due to more favorable financing rates and synergies in cash allocation with a target of approximately EUR100 million (CHF120 million) from the end of the first year following the combination and up to approximately EUR200 million (CHF240 million) after the third year following the combination; and

- Capital expenditure synergies, through the selection and adoption of best practices on maintenance capital expenditures and higher efficiency on expansion capital expenditures, with a target of approximately EUR200 million (CHF250 million).

The total financing and cash flow synergies would therefore amount to approximately EUR400 million (CHF490 million).

These target synergies are based on a number of assumptions, which rely to a large extent on factors that are beyond the control of LafargeHolcim. LafargeHolcim may fail to realize these target synergies for many reasons, and in particular because it may have to bear significant implementation costs that could exceed the expected amounts, management may not be able to dedicate sufficient attention to the integration of the
merged companies, and the combination and harmonization of the different standards, procedures, organization and business culture could be more difficult or take more time than anticipated, as well as the other factors described under Section 3 of Part I and Section 2 of Part II of the Registration Document, in Section 2 of the securities note included in the prospectus prepared by Holcim which received from the AMF visa no. 15-233 dated 28 May 2015, and in Section 5.1 of the Company Document de Référence filed with the AMF on 23 March 2015 under number D.15-0190 (the “Document de Référence”).

1.3 Main terms and conditions of the Offer

1.3.1 Terms of the Offer

Holcim irrevocably proposes to the shareholders of Lafarge, within an Offer acceptance period whose closing date shall be determined by the AMF, to exchange their Lafarge Shares according to an exchange ratio of nine registered Holcim Shares, with dividend rights attached, for every ten Lafarge Shares, with dividend rights attached (the “Exchange Ratio” or “ER”).

The Lafarge shareholders tendering their Lafarge Shares to the Offer will not be entitled to receive the annual dividend of CHF1.30 per Holcim share for the financial year 2014 as approved by the annual shareholders’ meeting of Holcim on 13 April 2015, and Holcim will not be entitled to receive the annual dividend of EUR1.27 per Lafarge Share for the financial year 2014 as approved by the annual shareholders’ meeting of Lafarge on 7 May 2015. Such annual dividends for the financial year 2014 have been paid by Holcim and Lafarge respectively on 17 April 2015 and 12 May 2015.

1.3.2 Adjustment of the Terms of the Offer

On 20 February 2015, the Holcim Board of Directors proposed an annual dividend for the financial year 2014 of CHF1.30 per Holcim share. On 23 February 2015, the Board of Directors proposed an annual dividend for the financial year 2014 of EUR1.27 per Lafarge share. Such dividends were approved by the annual shareholders’ meetings of Holcim and Lafarge respectively on 13 April 2015 and 7 May 2015.

Holcim and Lafarge agreed that a post-closing exceptional scrip dividend shall be paid after the closing of the re-opened Offer in respect of all LafargeHolcim shares, including newly issued Holcim Shares exchanged for Lafarge Shares in the context of the Offer. Such scrip dividend shall be in the ratio of one new LafargeHolcim share for twenty existing LafargeHolcim shares, subject to the successful closing of the Offer. The authorized share capital based on which the LafargeHolcim board of directors is authorized to distribute the scrip dividend was approved at the Holcim shareholders’ meeting of 8 May 2015.

Nevertheless, if, before the end of the Offer acceptance period, either Holcim or Lafarge decides to pay any dividend (except the scrip dividend mentioned above), interim dividend or other kind of distribution (other than the dividends abovementioned), in any form, including through any capital reduction or amortization, the Offer consideration shall be adjusted to provide to the holders of Lafarge Shares or Holcim Shares, as the case may be, with the same economic effect as contemplated by the Offer Document prior to such event, by calculating the Exchange Ratio as follows:

\[ ER_n = \left( \frac{\left( ER_{n-1} \times SP_{Holcim} \right) - Div_{Lafarge}}{\left( SP_{Holcim} - Div_{Holcim} \right)} \right) \]
Where;

i. “ERn-1” shall be the Exchange Ratio applicable immediately prior to the calculation is made;

ii. “SPholcim” shall be the market price of a Holcim Share (in EUR) equal to the volume weighted average share price over the three (3) trading day period before the day immediately preceding the day on which the first of Lafarge or Holcim’s dividend is announced (the “Reference Date”) and the foreign exchange rate applied shall be the foreign exchange rate as published by the Banque de France on the day immediately preceding the Reference Date;

iii. “DivLafarge” shall mean the average per share amount (in EUR) of the distribution announced by Lafarge, whereby such average shall be calculated by taking into account that any holder of a Lafarge Share holding such share in registered form for at least two (2) years, including at the dividend payment date, is entitled to an increased dividend as per the provisions of the articles of association of Lafarge; and

iv. “DivHolcim” shall mean the actual per share amount (in EUR) of the distribution announced by Holcim and the foreign exchange rate applied shall be the foreign exchange rate as published by the Banque de France on the day immediately preceding the Reference Date.

The Exchange Ratio shall also be adjusted in the event that the Lafarge Shares or the Holcim Shares have been changed into a different number of shares or a different class by reason of any stock dividend, subdivision, reclassification, split, reverse split, combination or exchange of shares.

Any adjustment of the Exchange Ratio shall be subject to prior agreement of the AMF and announced in a press release by Holcim.

Nevertheless, it is specified that each of Holcim and Lafarge may continue to declare, set aside and pay regular annual dividends (or pay-outs) which are consistent with past practices of both companies, provided that such regular annual dividends (or pay-outs) may only be paid in cash.

1.3.3 Treatment of fractional shares

No fractional Holcim Shares may be issued in connection with the Offer. As a consequence, Holcim will not deliver fractional shares to the Lafarge shareholders. The Lafarge shareholders who tendered to the Offer (or the Re-opened Offer as the case may be) a number of Lafarge Shares which does not entitle them to a whole number of Holcim Shares will be considered as having expressly agreed to participate in the mechanism to resell fractional Holcim Shares described below for the fractional Holcim Shares to which they are entitled. Holders of Lafarge performance shares still subject to a holding period should refer to article 2.7.2 of the Offer Document.

Following the end of the Offer acceptance period (or the end of Re-opened Offer acceptance period as the case may be), an authorized intermediary designated by Holcim will put in place a mechanism to resell fractional Holcim Shares for the account of Lafarge shareholders who tendered to the Offer a number of Lafarge Shares which does not allow them to receive a whole number of Holcim Shares.

Euronext Paris will aggregate the fractional Holcim Shares in order to obtain a whole number of Holcim Shares (with their number being rounded up to the next unit) and will deliver those to the authorized intermediary thus designated which will sell them on the market on the account of the Lafarge shareholders participating in this resale mechanism no later than ten (10) trading days following the closing of the Offer (or the closing of the Re-opened Offer as the case may be). The
cash amount (in EUR rounded to the next EUR, it being noted that EUR0.5 will be rounded to EUR1) will be paid to the Lafarge shareholders as soon as possible following this date. The Lafarge shareholders who participate in this resale mechanism will receive the net proceeds of sales pro rata to their participation in this mechanism, it being noted that Holcim will bear the brokerage fees payable to the authorized intermediary designated by Holcim linked to the establishment of this resale mechanism.

In addition, under no circumstances will any interest be paid on the cash amount to be received by the Lafarge shareholders in return for fractional Holcim Shares, even in the event of late payment of this amount.

As examples, and for illustration purposes only:

- in the event that a Lafarge shareholder tenders 15 Lafarge Shares to the Offer, the Lafarge shareholder will receive 13 Holcim Shares (15x0.9 = 13.5) and the proceeds of the sale in cash of the 0.5 fractional Holcim Share;

- in the event that a Lafarge shareholder tenders 5 Lafarge Share to the Offer, the Lafarge shareholder will receive 4 Holcim Shares (5x0.9 = 4.5) and the proceeds of the sale in cash of the 0.5 fractional Holcim Share.

1.3.4 Liquidity mechanisms to the benefit of holders of Lafarge stock options and of Lafarge performance shares

Pursuant to the Combination Agreement, Holcim and Lafarge agreed to offer liquidity to the holders of Lafarge stock options, Lafarge performance shares and Lafarge Shares held in employee funds. The information relating to the Lafarge stock options, Lafarge performance shares and Lafarge Shares held in employee funds are referred to in the Document de Référence, as well as in article 2.7 of the Offer Document.

1.3.4.1 Liquidity offered to holders of Lafarge stock options

Holders of Lafarge stock options will be granted the right to exchange the Lafarge shares resulting from the exercise of such stock options after the closing of the Offer into LafargeHolcim shares on the basis of the Exchange Ratio, to the extent permitted under applicable regulations and provided that such holders have agreed to such exchange upon exercise of their stock options.

For each Lafarge stock option granted pursuant to the 2005, 2006, 2007, 2008, 2009, 2010, 2011 or 2012 plan, such liquidity will only be available until the earlier of (i) the last trading day of the month during which the exercise of the Lafarge stock options will occur, or, if the date of such exercise is less than 5 trading days prior to such month end, the last trading day of the month following the month during which such exercise will occur, and (ii) 31 December 2020. For the avoidance of doubt, no liquidity will be available for any Lafarge shares resulting from the exercise of Lafarge stock options from 1 January 2021.

1.3.4.2 Liquidity offered to holders of Lafarge Performance Shares

Holders of Lafarge performance shares who cannot tender such Lafarge performance shares to the Offer due to the terms and conditions of the relevant plan (vesting period) or because of legal, regulatory or governance constraints will have the right to exchange their Lafarge performance shares
into LafargeHolcim shares on the basis of the Exchange Ratio, to the extent permitted under applicable regulations and provided that such holders have agreed to such exchange.

Such liquidity will only be available until the first trading day following the date on which the applicable vesting period or, if any, holding period, of the Lafarge performance shares will end.

For French tax residents, the liquidity mechanism will therefore be available, to the extent permitted under applicable regulations, until the first trading day following the applicable holding period of the 2012 plan, 2013 plan and 2014 plan, respectively.

For non-French tax residents, the liquidity mechanism shall therefore be available, to the extent permitted under applicable regulations, until the first trading day following the applicable vesting period of the 2012 plan, 2013 plan and 2014 plan, respectively.

1.3.4.3 Other liquidity mechanisms

Non-French tax resident holders of stock options, performance shares or securities issued pursuant to employee saving plans will also benefit from comparable liquidity rights, subject to applicable local restrictions. Information will be provided to the concerned employees after the closing of the Offer.

1.3.5 Conditions to the Offer

1.3.5.1 Minimum acceptance threshold of 2/3rds of share capital or voting right

Pursuant to the provisions of article 231-9 II of the AMF general regulations, the Offer is subject to the condition that Lafarge Shares, together with the shares of Lafarge held by Lafarge or its affiliates, representing at least two-thirds (2/3) of the share capital or voting rights of the Company (taking into account the loss of double voting rights of Lafarge Shares tendered to the Offer) as of the end date of the Offer acceptance period, be obtained by Holcim (hereafter, the “Success Threshold”).

To calculate the Success Threshold, the following will be taken into consideration:

- for the numerator: all Lafarge Shares validly tendered to the Offer as of the end date of the Offer acceptance period as well as all the treasury shares of Lafarge;
- for the denominator: all existing Lafarge Shares as of the end of the Offer acceptance period.

Whether the Success Threshold has been reached will not be known by the Offeror or holders of the Lafarge Shares before the publication of the final results of the Offer, which will occur after the end of the Offer acceptance period.

Pursuant to Article 231-9 II of the AMF general regulations, the Offeror may waive the Success Threshold after the publication of the results of the Offer by the AMF. Such waiver will only be possible to the extent that it will have been previously agreed by Lafarge (pursuant to the Combination Agreement) and that the number of Lafarge Shares tendered to the Offer exceeds the caducity threshold referred to in article 231-9 I of the AMF general regulations, i.e., 50% of the existing share capital or voting rights of Lafarge.

If the Success Threshold is not reached, and if the Offeror has not decided to waive the Success Threshold as specified in the preceding paragraph, the Offer will terminate and the Lafarge Shares tendered to the Offer will be returned to their holders, without any interest or compensation of any kind being due to them.
The Offeror may also decide, to waive or reduce the Success Threshold, by filing an improved offer (surenchère) at least five trading days before the end of the Offer acceptance period, in accordance with the provisions of article 232-7 of the AMF general regulations. In any case, the Success Threshold shall not be reduced (i) without the prior approval of Lafarge (pursuant to the Combination Agreement) and (ii) below the caducity threshold of 50% of the share capital or voting rights referred to in article 231-9 I of the AMF general regulations.

1.3.5.2 Approval by the Holcim general meeting of shareholders of the issuance of the Holcim Shares and subsequent registration of the amended Holcim articles of association and the Holcim Shares with the commercial register of St. Gallen, Switzerland

The Offer is subject to the condition of approval by the general meeting of shareholders of Holcim of the resolution relating to the increase of Holcim’s share capital in such a maximum amount as may be necessary to issue the Holcim Shares, and the subsequent registration of amended Holcim articles of association and all such Holcim Shares to be issued as consideration for the Lafarge Shares tendered to the Offer, with the commercial register of St. Gallen.

The general meeting of shareholders has approved the relevant share capital increase on 8 May 2015. In accordance with Swiss law, this resolution is valid for three months. Accordingly, all decisions and actions needed to be taken by the Holcim Board of Directors in order to proceed with the issuance of the Holcim Shares to be remitted as consideration for the Lafarge Shares tendered to the Offer, and the filing of the application for the registration of the capital increase with the commercial register of St. Gallen will have to take place within three months from the date of the respective shareholders' meeting at the latest. As a consequence, if the application for the registration of the capital increase, together with all required information, cannot be deposited with the commercial register of St. Gallen on or before 8 August 2015, a new shareholders’ meeting would have to be convened to resolve on the share capital increase for the issuance of such Holcim Shares. In such a case, the Offer will be subject to the approval by such new general meeting of shareholders of Holcim of the ordinary share capital increase in Holcim’s share capital in such a maximum amount as may be necessary to issue the Holcim Shares to be remitted as consideration for the Lafarge Shares tendered to the Offer (and the registration with the commercial register as described in this article).

The Holcim Board of Directors has undertaken to convene such additional shareholders’ meeting in the event the corresponding resolution adopted on 8 May 2015 lapses prior to closing of the Offer.

In addition, according to applicable Swiss law, after the approval of the general meeting of shareholders of Holcim of the relevant resolutions, and their implementation by the Holcim Board of Directors if the Offer is successful, the completion of the capital increase and the issuance of the Holcim Shares become effective only upon and subject to the registration of the share capital increase with the commercial register of St. Gallen, Switzerland. Under Swiss law, this registration may be blocked for reasons beyond Holcim's control if a request to this effect is filed with the Commercial Register by any third party, thereby delaying or preventing the issuance of the Holcim Shares and consequently delaying or preventing the settlement of the Offer.

It is noted that Schweizerische Cement-Industrie-Aktiengesellschaft2 ("SCIA"), which holds 20.11% of the share capital and voting rights of Holcim as of 31 December 2014, has undertaken to vote in favor of all shareholders’ resolutions at the relevant Holcim general meetings required to complete the

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2 This entity is indirectly controlled by Mr. Thomas Schmidheiny.
Offer and to reiterate such undertaking as may be required for the purpose of the Offer, in accordance with the undertaking agreement dated 6 April 2014, reiterated on 19 March 2015, on as further described in article 4.3 of this response offer document.

If, for any reason whatsoever, including a delay or an impossibility in the registration of the capital increase with the commercial register, the condition provided in this article (b) would not be fulfilled, the Offer will terminate and the Lafarge Shares tendered to the Offer will be returned to their holders, without any interest or compensation of any kind being due to them.

The terms and conditions of the Offer are further described in article 2 of the Offer Document. In particular, Lafarge shareholders should refer to articles 2.10 to 2.21 of the Offer Document.

2 REASONED OPINION OF THE BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of Lafarge was held on 10 May 2015, under the chairmanship of Mr. Bruno Lafont, Chairman of the Board, to examine the Offer and issue a reasoned opinion on the interest and the consequences of the Offer on the Company, its shareholders and its employees.

All the Directors were present or represented, i.e. Mr. Bruno Lafont, Mr. Oscar Fanjul, Mr. Philippe Charrier, Mr. Philippe Dauman, Mr. Paul Desmarais, Jr., Mr. Juan Gallardo, Mr. Ian Gallienne, Mrs. Mina Gerowin, Mr. Jérôme Guiraud, Mr. Luc Jeanneney, Mr. Gérard Lamarche, Mrs. Hélène Ploix, Mr. Baudouin Prot, Mrs. Christine Ramon, Mr. Michel Rollier, Mr. Nassef Sawiris, Mr. Ewald Simandl, and Mrs. Véronique Weill.

The reasoned opinion of the Board of Directors issued on 10 May 2015 is as follows:

“The Chairman of the Board of Directors reminds the members of the Board of the rationale and the main terms and conditions of the proposed merger of equals between the Company and Holcim, that were announced on April 7, 2014 and agreed in the Business Combination Agreement entered into on July 7, 2014 and amended on March 20, 2015. He also presents the terms and conditions of the exchange offer to be launched by Holcim for the Company shares to effect the proposed merger (the “Offer”) and points out that in the joint press release of Holcim and the Company of May 8, 2015, Holcim intends to file the Offer with the Autorité des marchés financiers on May 11, 2015.

He also reminds that Mr. Bruno Husson and Mr. Henri Philippe from Accuracy, which was appointed as independent expert by the Board of Directors on February 17, 2015, pursuant to Articles 261-1 et seq. of the General Regulations of the Autorité des marchés financiers, made a presentation of their report on the financial terms of the Offer to the Board at the May 7, 2015 Board of Directors meeting.

The Board of Directors has also taken the following into consideration:

(a) The terms and conditions of the Business Combination Agreement entered into on July 7, 2014 as amended, which in particular includes the conditions to which the merger between the Company and Holcim is subject, including, inter alia, (i) obtaining the required regulatory clearances, (ii) the acquisition by Holcim of a number of Lafarge shares such that together with Lafarge shares held by the Company and its subsidiaries, Holcim holds at least two thirds of the issued shares or voting rights of the Company at the end of the Offer acceptance period, (iii) if the authorization referred to in (c)(i) below has not been utilized within three months thereof, the authorization by the shareholders’ meeting of Holcim to issue new Holcim shares to be delivered in exchange for Lafarge shares in the Offer and (iv) the registration of the amended articles of association and the new Holcim shares with the commercial registry of St Gallen (Switzerland);

3 taking into account the loss of double voting rights of Lafarge Shares tendered to the Offer.
(b) the proposed merger has been approved by the following antitrust authorities: Brazil; Canada; China; Common Market for Eastern and Southern Africa (COMESA); European Union; India; Kenya; Mexico; Morocco; Russia; Serbia; Singapore; South Africa; Tanzania; Turkey; United States of America and Ukraine; approvals from the Mauritian and the Indonesian antitrust authorities are still pending but they do not impose any standstill obligations;

(c) the decisions of the shareholders’ meeting of Holcim of May 8, 2015 authorizing (i) the issuance of a maximum of 264,237,400 new Holcim shares to be delivered in exchange for Lafarge shares tendered in the Offer, as well as (ii) an authorized share capital of a maximum of 132,118,700 new Holcim shares for the re-opened Offer and, as the case may be, the potential squeeze-out, and (iii) an authorized share capital for the scrip dividend;

(d) the draft Offer document (projet de note d’information) prepared by Holcim, including the valuation analysis prepared by UBS and Société Générale acting as presenting banks in connection with the Offer, which Holcim intends to file together with the Offer with the Autorité des marchés financiers on May 11;

(e) the draft prospectus for the listing of Holcim shares on Euronext Paris (composed of a draft registration document (projet de document de base) and a draft securities note (projet de note d’opération)), and in particular Section 2 of Part I of the draft registration document which describes the proposed merger, its rationale and expected synergies;

(f) the commitments from Groupe Bruxelles Lambert, on the one hand, and Mr. Sawiris and NNS Holding Sarl, on the other hand, the major shareholders of Lafarge representing (directly and indirectly) 21.0% and 13.9%, respectively, of the issued shares of the Company, to tender their Lafarge shares in the Offer, and the commitment from SCIA, the major shareholder of Holcim holding 20.1% of the issued shares of Holcim, to vote in favor of the resolutions of any shareholders’ meeting of Holcim authorizing the issuance of new Holcim shares to be offered as consideration in the Offer;

(g) the information document provided to the Company’s works council on the Offer and their opinion dated May 4, 2015, as well as the report of the auditor appointed by the works council dated April 24, 2015;

(h) the draft response document (projet de note en réponse) prepared by the Company.

Based on the foregoing, the Board of Directors acknowledges that the proposed merger, to be implemented through the Offer, constitutes a unique opportunity to create a new global company with European roots which (i) will offer an unprecedented range of products and services to answer the changing demands of the building materials industry and the challenges of increasing urbanization, (ii) will be uniquely positioned in 90 countries around the world with a balanced exposure to both developed and high growth markets, and (iii) will result in enhanced performance notably through incremental synergies expected to total EUR1.4 billion on a full run-rate basis phased in over three years. The Board also notes that the new group aims at providing attractive returns for its shareholders, underpinned by a strategy of portfolio optimization and disciplined capital allocation and a superior cash flow generation potential.

Based on the report of the independent expert, the Board of Directors also acknowledges that when considering the consideration offered in the Offer to the Company shareholders, i.e., 9 Holcim shares for every 10 Company shares, the independent expert considered that:

- Two criteria must be respected for the Offer exchange ratio to be considered fair: it must (i) factor in the value of the assets and the growth potential of both groups, and (ii) reflect a "fair allocation" of the value to be created by the combination (i.e., the value of any
synergies) among the shareholders of each of the Lafarge and Holcim groups. Given the nature of the planned combination ("merger of equals") and the characteristics of the expected synergies, the second criterion requires the Offer exchange ratio to be based on the respective market values of both groups before taking into account the impacts of the combination ("Intrinsic Values"). Implicitly, this means that no control premium exists.

- Its valuation work was performed using a multi-criteria approach. It showed that the Offer exchange ratio was at the bottom of the range of ratios based on the Intrinsic Values that resulted from the valuation references (analysts' target prices and share prices) or from the valuation methods used (DCF and listed peers methods). As a result, the independent expert believes that the exchange ratio is acceptable for Lafarge shareholders and note that it does not include any premium relative to the ratios resulting from its different estimates of the Intrinsic Value of each group.

- Regarding the financial merits of the Offer, the absence of a control premium leads the independent expert to raise the question of the potential value creation resulting from the synergies. When no synergies are expected, an exchange offer with no premium would have no financial merits for the target company's shareholders. However, an offer should be considered if the combination is likely to generate synergies. Further, if the value expected to be created by these synergies is significant compared with the Intrinsic Values, the position of the exchange ratio within the range of ratios obtained from a multi-criteria valuation approach is irrelevant, since its impact on the increase in the target company's shareholder value is limited. In the present case, based on the information provided by the management of Lafarge and Holcim at the time the transaction was announced, the planned combination is expected to generate significant synergies. Consequently, the value to be created as a result of these synergies could be significant compared with the Intrinsic Values. This can be seen in (i) the impact of the announcement of the Transaction on the combined shareholder value of the two groups (i.e., an increase of around 13% over a period including the date the Transaction was announced and the previous 10 trading days) and (ii) the revised target prices published by financial analysts in the two months following the announcement (representing a median increase of around 17% for the Lafarge share and around 15% for the Holcim share based on a sample of 11 financial analysts).

- These positive reactions to the announced Transaction should not blind us to the execution risks, which exist as for any large-scale merger. Due to the absence of significant economies of scale in this case, the synergies expected cannot be realized in full if the two groups are not able to integrate successfully.

The Board has taken good note that the independent expert concludes that, given (i) the position of the Exchange Ratio relative to the ratios derived from the Intrinsic Values of the two groups, and (ii) the potential for value creation resulting from the synergies, financial terms and conditions of the Offer are fair for the shareholders of the Company, and that the review of the Business Combination Agreement entered into between Holcim and the Company on July 7, 2014, as amended on March 20, 2015, (which the Company management confirmed to be the only agreements entered into between them and Holcim), as well as the review of the Undertakings Agreements entered into by two shareholders of Lafarge, Mr. Nassef Onsi Sawiris and NNS Holding Sàrl, on the one hand and Groupe Bruxelles Lambert, on the other hand, have not revealed any elements that could jeopardize the equal treatment of all the Company shareholders.

Finally, the Board of Directors has reviewed the consequences of the Offer on the employees of the Company and acknowledges the following:

- First, employees (and former employees) who are shareholders of the Company, whether directly or indirectly through a Company mutual fund (FCPE Lafarge 2000), who have been granted Lafarge stock options or performance shares and/or participate in any other Lafarge
employee share scheme, would (i) be able to tender their Company shares in the Offer, if permitted under the relevant plans and applicable laws, or (ii) if such shares cannot be tendered in the Offer (e.g., because their stock options have not been exercised or performance shares have not vested or the applicable holding period is ongoing or the Offer is not open in their country), benefit from a liquidity mechanism granted by LafargeHolcim, if permitted under applicable laws.

Second, pursuant to the draft offer document and the information provided to the Company’s works council:

- following the divestments to CRH, there will be limited overlaps between the industrial activities of Holcim and the Company. In addition, Holcim has indicated that it believes that, subject to certain measures which may be necessary due to circumstances independent from the Offer, the combination of the two companies should have a limited impact on the production sites in general or research center in France, on which LafargeHolcim will continue to rely to pursue its development strategy. There is currently no plan to reduce headcount in industrial sites within the next twelve months;

- with exceptions to the divestments to CRH referred to above, there will be limited consequences in terms of employment for the other functions other than the central corporate functions.

Third, the works council of the Company issued an unfavorable opinion on the Offer on May 4, 2015.

Based on the foregoing, after discussion and in consideration for the unique equity story of the proposed combination and the synergies expected therefrom, the Board of Directors unanimously approves the proposed merger under the terms and conditions set forth in the above-mentioned documents and determines that the Offer is in the best interests of the Company, its shareholders and its employees.

Consequently, the Board of Directors recommends to the shareholders of the Company to accept the Offer and to tender their shares to the Offer.

The Board of Directors confirms that the treasury shares held by the Company (i.e., 70,608 shares at April 30th, 2015) will not be tendered in the Offer because they will be used to grant shares under the Company performance share plans.

The members of the Board of Directors also confirm their intent to tender their Company shares to the Offer within the limit provided by the Bylaws of the Company (i.e., 1,143 shares to be kept).”

3 OPINION OF THE WORKERS’ COUNCIL OF THE COMPANY

The opinion of the workers’ council is reproduced below (free translation from French prepared by Lafarge). The report of the expert appointed by the workers’ council of the Company is attached as Annex.

“Following the two lists of questions and requests of documents sent on April 7 and 9, 2015, respectively, to the Holcim management, via Lafarge SA, we note that, as of April 24, 2015, the date of the report of the auditor appointed by our works council, no response nor any documents have been communicated.”
Hence, when the Holcim representative attended the meeting of the works council of April 8, 2015, we clearly requested to receive precise written answers.

As an example of document not provided, we can cite the « White Paper », an important existing document, mentioned several times in different sources, including in the newsletter N°7 of April 2015, which says that: « their main tool is the White Paper, which establishes a list of priorities and ambitions to develop at each national level ».

Requested information was to be provided in addition to the documents that have been made available since the beginning of the information-consultation process, such as the information document provided to the works council of April 2, 2015 and the draft registration document, securities note and public offer document relating to the exchange offer, provided to our auditor on April 8, 2015.

Some satisfactory responses were provided on May 4, 2015, the very day of the issuance of the works council’s opinion, but they would have needed to be developed.

All of this information would have been particularly useful for the works council in order to:

- assess if the exchange offer is beneficial to Lafarge SA;
- evaluate of the contemplated reorganization which would entail job reductions would allow to secure the remaining jobs, whether existing or newly created ones;
- assess the advantages for the employee shareholders to participate in the offer.

This merger entails important risks that are identified in the draft documents to be filed with the AMF, but they are not listed in order of importance and there is no proposal to reduce them or attenuate their consequences.

The synergies that are partly explaining the merger transaction are not sufficiently justified, the unaudited pro forma situation present some uncertainties and moreover the goodwill valuation poses a risk for the results of LafargeHolcim.

Consequences on employment are imprecise and alarming, especially for central functions. Indeed, while the transaction is presented as a « merger of equals », it seems that most of the key functions are going to be held by persons from Holcim and most certainly be located in Switzerland. In addition, the radical change in organization with the setting up of regional functions will result in a general reduction in tasks.

Moreover, the management values « Passion, Performance and Strength » that have been presented by Holcim appear to us as being away from the action principles of Lafarge « Vision, Engagement and Lafarge Way ».

Finally, the works council of SA does not have the authority to make recommendations on whether the employee shareholders should tender their Lafarge shares in the offer. This is all the more true if we take into account the uncertainties described above and the absence de justification of the exchange ratio, which does not allow the works council to assess the interest of this transaction for each employee shareholders.

In conclusion and after discussion, the works council of Lafarge SA issues a negative opinion on the exchange offer taking place in the context of the merger of Lafarge and Holcim.”
4 AGREEMENTS THAT MAY HAVE AN IMPACT ON THE ASSESSMENT OF THE OFFER OR ITS OUTCOME

With the exception of the agreements mentioned below, the Company is not aware of any other agreements that could have a significant impact on the assessment of the Offer or its outcome.

4.1 Combination Agreement

Holcim and Lafarge have entered into a Combination Agreement on 7 July 2014 (as further described in article 1.2.11.2.1.1 of this response offer document), as amended on 20 March 2015.

4.2 Undertakings to tender to the Offer

Pursuant to an undertaking agreement dated 6 April 2014 and reiterated on 19 March 2015, Groupe Bruxelles Lambert (a company incorporated under the laws of Belgium jointly controlled by the Frère and Power Corporation of Canada groups, “GBL”) has undertaken to tender to the Offer 60,568,754 Lafarge Shares, representing 21.04% of the share capital and 29.29% of the voting rights of Lafarge, to Lafarge’s knowledge as of 30 April 2015, including, if applicable, any additional Lafarge Shares acquired by any means since the date of the undertaking agreement.

Pursuant to an undertaking agreement dated 6 April 2014 and reiterated on 19 March 2015, NNS Holding Sàrl (a company incorporated under the laws of Luxembourg controlled by trusts created by Mr. Nassef Sawiris and members of his family) and Mr. Nassef Onsi Sawiris (NNS Holding Sàrl and Mr. Nasser Sawiris, together “NNS”)) have undertaken to tender to the Offer 40,064,682 Lafarge Shares, representing 13.91% of the share capital and 19.42% of the voting rights of Lafarge, to Lafarge’s knowledge as of 30 April 2015, including, if applicable, any additional Lafarge Shares acquired by any means since the date of the undertaking agreement.

The main provisions of those undertaking agreements and of the reiteration of such undertakings have been disclosed in notices from the AMF dated respectively 14 April 2014 (number 214C0562) and 27 March 2015 (number 215C0361).

Pursuant to these undertaking agreements, the undertakings of each of GBL and NNS shall be void in the event a third party (i) files a public tender offer on Lafarge before the filing date of the Offer or (ii) files a public competing offer (offre concurrente) following the filing of the Offer, and such offers described in (i) and (ii) are declared compliant (conformes) by the AMF. However, following such filing of an offer by a third party, in the event that Holcim files a competing offer or an improved offer (surenchère), as the case may be, that is declared compliant by the AMF, and that all other terms and conditions of the Offer remain unchanged in such Holcim’s competing offer or higher bid (in particular with respect to the governance principles of the new combined group), all of the undertakings of GBL and NNS will immediately apply with full force, mutatis mutandis, to the competing offer or higher bid, as the case may be, as if such undertakings had never been void.

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4 A company indirectly controlled by the Family Trust Desmarais.
5 Including GBL’s double voting rights which will be lost upon the transfer of the Lafarge Shares to Holcim in the context of the Offer.
6 In addition, NNS Holding (Cayman), an indirect shareholder of NNS Holding Sarl, is party to a cash settled share forward agreement giving it only an economic exposure over 6,000,000 reference Lafarge Shares.
7 Including NNS’s double voting rights which will be lost upon the transfer of the Lafarge Shares to Holcim in the context of the Offer.
Each of GBL and NNS has represented and warranted that it is not acting in concert with any third party in respect of Holcim or Lafarge and has undertaken not to act in concert with any third party in respect of Holcim or Lafarge until 31 December 2015 (the “Restricted Period”).

In addition, during the Restricted Period, each of GBL and NNS has undertaken, on its own behalf and on behalf of its subsidiaries, (i) to hold and not to sell or otherwise transfer, including through the use of derivative instruments, any Lafarge Share (subject to certain exceptions⁸), (ii) not to take any measure resulting in encouraging, facilitating or leading to an alternative transaction⁹ and to provide Lafarge and Holcim with oral and written notice of the terms and conditions of such alternative transaction, (iii) not to have any discussion with any person relating to an alternative transaction or engage in any negotiations concerning an alternative transaction, and (iv) not to support, or propose publicly to support, any alternative transaction.

Both undertaking agreements shall be automatically terminated on 31 December 2015, subject to early termination, it being specified that in the event that the Offer is filed by Holcim before 31 December 2015, the term of the agreements shall be automatically extended until the closing of the Offer.

4.3 Undertaking to vote in favor of all shareholders’ resolutions to complete the Offer

Pursuant to an undertaking agreement dated 6 April 2014 and reiterated on 19 March 2015, SCIA, which holds 20.11% of the share capital and voting rights of Holcim as of 31 December 2014, has undertaken to vote in favor of all shareholders’ resolutions at the relevant Holcim general meetings required to complete the Offer and to reiterate such undertaking as may be required for the purpose of the Offer.

Pursuant to this agreement, the undertakings of SCIA shall be void in the event a third party (i) files a public tender offer on Lafarge before the filing date of the Offer or (ii) files a public competing offer (offre concurrente) following the filing of the Offer, and such offers described in (i) and (ii) are declared compliant (conformes) by the AMF. However, following such filing of an offer by a third party, in the event that Holcim files a competing offer or an improved offer (surenchère), as the case may be, that is declared compliant by the AMF, and that all other terms and conditions of the Offer remain unchanged in such Holcim’s competing offer or higher bid (in particular with respect to the governance principles of the new combined group), all of the undertakings of SCIA will immediately apply with full force, mutatis mutandis, to the competing offer or higher bid, as the case may be, as if such undertakings had never been void.

SCIA has represented and warranted that it is not acting in concert with any third party in respect of Holcim or Lafarge and has undertaken not to act in concert with any third party in respect of Holcim or Lafarge during the Restricted Period.

⁸ Such exceptions referring to (i) the granting of any pledges or any other securities or the transfer of Lafarge Shares to their subsidiaries, provided that these Lafarge Shares can still be tendered to the Offer, and (ii) change in the form of holding of the Lafarge Shares from registered (nominatif) to bearer (porteur), to the extent strictly necessary in order to avoid any mandatory tender offer.

⁹ An alternative transaction encompasses, for Holcim and Lafarge, any offer or proposal, or any solicitation, which could reasonably lead, directly or indirectly to (i) the obligation to file a tender offer for all shares of Holcim or Lafarge pursuant to applicable laws or (ii) the acquisition of a significant part of the assets of Holcim or Lafarge.
In addition, during the Restricted Period, SCIA undertakes, on its own behalf and on behalf of its subsidiaries, (i) to hold and not to sell or otherwise transfer, including through the use of derivative instruments, the Holcim shares (subject to certain exceptions\(^\text{10}\)), (ii) not to take any measure resulting in encouraging, facilitating or leading to an alternative transaction and to provide Lafarge and Holcim with oral and written notice of the terms and conditions of such alternative transaction, (iii) not to have any discussion with any person relating to an alternative transaction or engage in any negotiations concerning an alternative transaction, and (iv) not to support, or propose publicly to support, any alternative transaction.

This undertaking agreement shall be automatically terminated on 31 December 2015, subject to early termination, it being specified that in the event that the Offer is filed by Holcim before 31 December 2015, the term of the agreement shall be automatically extended until the closing of the Offer.

5 ELEMENTS RELATING TO THE COMPANY THAT MAY HAVE AN IMPACT IN CASE OF A TENDER OFFER

5.1 Company’s share capital structure and ownership

As of 31 December 2014, the share capital of Lafarge amounted to 1,150,166,736 euros and was divided into 287,541,684 ordinary shares of EUR4 par value, fully paid up and all of the same class, and the number of voting rights was 412,822,976 (including 70,538 relating to treasury shares that are temporarily deprived of voting rights).

Double voting rights are attached to fully paid-up shares registered for at least two years in the name of the same shareholder. Such double voting rights will be lost upon the transfer of the Lafarge Shares to Holcim in the context of the Offer.

To the Company’s knowledge, as of 30 April 2015, the issued and outstanding shares of Lafarge are held as follows:

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Number of shares held</th>
<th>Number of voting rights held</th>
<th>% of share capital</th>
<th>% of voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>GBL</td>
<td>60,568,754</td>
<td>120,876,019</td>
<td>21.0</td>
<td>29.3</td>
</tr>
<tr>
<td>NNS</td>
<td>40,064,682</td>
<td>80,129,364</td>
<td>13.9</td>
<td>19.4</td>
</tr>
<tr>
<td>Dodge &amp; Cox(^\text{11})</td>
<td>20,891,162</td>
<td>28,309,058</td>
<td>7.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Other shareholders(^\text{12})</td>
<td>166,338,777</td>
<td>183,297,582</td>
<td>57.8</td>
<td>44.4</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>70,608</td>
<td>70,608(^\text{13})</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

\(^{10}\) Such exceptions referring to (i) the granting of any pledges or any other securities or the transfer of Holcim shares to its subsidiaries and (ii) the transfer of Holcim shares to the extent strictly necessary in order to avoid any mandatory tender offer.

\(^{11}\) Based on the information available as of 31 March 2015.

\(^{12}\) Including 51,471 shares currently held by Cementia Holding AG for the benefit of shareholders who have not requested the delivery of their Lafarge shares, following the squeeze-out procedure carried out by Lafarge in 2002 with respect to the Cementia Holding AG shares.

\(^{13}\) Theoretical voting rights, at a general meeting these shares bear no voting right.
<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Number of shares held</th>
<th>Number of voting rights held</th>
<th>% of share capital</th>
<th>% of voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>287,932,312</td>
<td>412,679,289</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

5.2 Restrictions to the exercise of voting rights and share transfers

5.2.1 Statutory restrictions on the exercise of voting rights and share transfers

5.2.1.1 Adjustment of voting rights

There are no restrictions on the number of voting rights held by each of the Lafarge shareholders if those rights do not exceed 5% of the voting rights attached to all the shares comprising the Company’s share capital. Above this threshold, the number of voting rights is adjusted on the basis of the percentage of the capital represented at the general meeting rounded upwards to the nearest whole unit. This prevents over-representation of a shareholder when participation at a general meeting is low, while ensuring that each of our shareholders obtains a percentage of voting rights at least equal to his/her stake in the Company’s share capital.

This adjustment mechanism does not apply when the quorum at the Company’s general meeting is greater than two-thirds of the total number of voting rights.

5.2.1.2 Notification of crossing of ownership thresholds

In addition to the legal requirement to disclose holdings exceeding certain thresholds, the Company’s articles of association provide that any person acting alone or in concert who becomes, directly or indirectly, the owner of 2% or more of our share capital must notify the Company therein. This additional notification requirement is governed by the same provisions that apply to the legal requirement. The Company must be notified, within the time limits provided by law, by registered mail with return receipt requested or by fax or telex, of the number of shares held, indicating whether these are held directly or indirectly and whether the shareholder is acting alone or in concert. The same notification requirement applies to each subsequent increase in ownership of 1%.

Notifications must be made within the same time limits and in the same format for subsequent decreases below the above mentioned thresholds whatever the reason. Notifications must also specify the date on which the threshold was crossed (which corresponds to the date on which the transaction resulting in the crossing of the threshold took place) and the number of shares held giving access to the share capital.

If a person does not comply with this notification requirement, the provisions of the law providing for loss of voting rights apply. If this sanction is not applied automatically, one or more shareholders holding 1% or more of our share capital or voting rights may require a shareholders’ general meeting to strip the shares in excess of the relevant threshold of voting rights. This penalty is irrespective of any legal sanction that may be issued by a court upon the request of the Chairman, a shareholder or the AMF.

The Company may at any time request, under the terms and conditions set forth by applicable law, the entity in charge of settlement of securities transactions to identify the holders of securities conferring
immediate or future entitlement to voting rights at General Meetings and to state the number of securities held by each holder and any restrictions on such securities.

5.2.1.3 Share transfers

The Shares are freely tradable in accordance with applicable laws and regulations.

5.2.2 Agreements providing for preferential share transfer provisions on 0.5% or more of the share capital or voting rights of Lafarge (article L.233-11 of the French commercial code)

To the Company’s knowledge, the only agreements providing for preferential share transfer provisions on 0.5% or more of its share capital or voting rights of Lafarge in accordance with article L.233-11 of the French code of commerce, are the undertakings to tender shares to the offer referred to in article 4.2 of this response offer document. The main provisions of those undertaking agreements and of the reiteration of such undertakings have been disclosed in notices from the AMF dated respectively 14 April 2014 (number 214C0562) and 27 March 2015 (number 215C0361).

5.3 Direct or indirect holdings in the Company’s share capital disclosed pursuant to the crossing of a threshold or a transaction on securities

To the Company’s knowledge, as of the date of this response offer document, the share capital of Lafarge is distributed as described in paragraph 5.1 above.

Since 31 December 2014, the Company has not received any notices of crossing of ownership thresholds pursuant to article L.233-7 I of the French commercial code.

5.4 List of holders of any securities carrying special control rights and a description of such rights

None.

5.5 Control mechanism provided for in an eventual employee participation scheme, when control rights are not exercised by the latter

The supervisory board of the FCPE Lafarge 2000 (which holds 0.52% of the share capital and voting rights of Lafarge as of 31 December 2014) will have to decide during the offer period whether it tenders the Lafarge Shares it holds to the Offer and, if it decides to tender such shares, the supervisory board will have to draw the consequences of its decision and decide to amend the rules of the FCPE, subject to the approval of the AMF, in order notably to substitute any reference to “Lafarge” in the plan for “LafargeHolcim”.

5.6 Agreements between shareholders known to the Company and that may entail restrictions on share transfers and the exercise of voting rights

To the Company’s knowledge, there is no agreement between shareholders which may entail restrictions on share transfers and the exercise of voting rights.

5.7 Rules applicable to the appointment and replacement of the members of the Board of Directors, as well as to the amendment of articles of association of the Company

5.7.1 Rules applicable to the appointment and replacement of the Directors

Pursuant to article 14 of the articles of association of the Company, the Company shall be managed by a Board of Directors composed of the minimum number of Directors authorized by the law and not
exceeding eighteen Directors appointed by the general meeting of shareholders and chosen from among their number.

The number of Directors over 70 years of age may not exceed one third of Directors in office. Furthermore, Directors may not be more than 73 years of age.

Directors taking office or renewed in office shall be appointed for a term of office of 4 years. Their term of office shall expire at the end of the ordinary general meeting of shareholders held to approve the financial statements for the preceding financial year that is held in the year during which such Director’s office would normally expire or in which such Director reaches the age limit established above.

Directors may be re-elected. They may be dismissed at any time by the general meeting of shareholders.

Subject to the maximum number of Directors authorized by the articles of association, the Board shall have the power, in accordance with applicable law, to replace Directors whose seats fall vacant during their term of office; appointments so made shall be submitted for ratification to the next ordinary meeting. A Director appointed to replace a Director whose term of office has not expired shall only hold office for the remainder of his predecessor’s term.

In addition to the Directors appointed by the general shareholders’ meeting and to the extent that the applicable legal provisions in relation to Directors representing employees apply to the Company, the Board of Directors also includes:

- a Director representing the employees, appointed by the workers’ council of the Lafarge;
- a second Director representing the employees, appointed by the European workers’ council, provided that, and for as long as, the Board of Directors includes more than 12 members appointed by the general shareholders’ meeting. Should the number of Directors on the Board appointed by the general meeting fall to 12 or under, the second Director representing the employees will complete his/her mandate, but no new appointment will follow if the composition of the Board remains the same at said date.

The length of the mandate of a Director representing the employees is fixed at four years from his/her appointment. Should a position of Director representing the employees become vacant - for whatever reason - the replacement Director, appointed by the workers’ council of Lafarge - or the European workers’ council if applicable - will remain in office until the end of his/her predecessor’s mandate. The Board of Directors may meet and issue valid resolutions until a replacement Director is appointed.

Several provisions of the articles of association regarding the Directors appointed by the general meeting are not applicable to the Directors representing employees, such as the provisions on the age limit of the Directors or the obligation to hold a minimum number of the Company’s shares.

The Board of Directors elects a Chairman from among its members. The Chairman of the Board must not be over 65 years of age. The Chairman automatically ceases to perform his/her duties on December 31 of the year in which he/she reaches the age of 65 unless the Board of Directors decides as an exceptional measure to extend the term of office of the Chairman beyond the above-mentioned age limit for successive one-year periods provided that his/her term of office as Director continues for
such periods. In this case, the term of office of the Chairman of the Board expires definitively on December 31 of the year in which he/she reaches the age of 67.

5.7.2 Rules applicable to amendments of the articles of association of the Company

The extraordinary general meeting validly deliberates on any amendments to the articles of association for which approval by the extraordinary general meeting is required by applicable law.

A quorum for extraordinary general meetings is met only if the shareholders present, deemed present or represented at a meeting called pursuant to the first notice, hold 25% of the shares with voting rights, or hold 20% of the shares with voting rights at a meeting called on second notice. If the quorum is not met pursuant to the second notice, the meeting is to be postponed to a date no later than 2 months after the date for which it had been called.

Resolutions at an extraordinary general meeting are passed by a two-thirds majority of the votes cast by the shareholders present, deemed present or represented.

5.8 Powers of the Board of Directors relating in particular to the issuance and repurchase of shares

Apart from the general powers according to the Board of Directors by law and by the articles of association of the Company, the Board of Directors of the Company has been granted the following authorization by the shareholders general meeting held on May 7, 2015:

<table>
<thead>
<tr>
<th>Type of authorization to be voted upon</th>
<th>Maximum amounts</th>
<th>Expiration date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization to the Company to buy and sell its own shares (10th resolution)</td>
<td>Up to 5% of the share capital Up to 500 million euros Unitary Purchase price up to 100 euros</td>
<td>November 7, 2016</td>
</tr>
<tr>
<td>Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase, with preferential subscription rights (13th resolution)</td>
<td>560 million euros14 (nominal value)</td>
<td>July 7, 2017</td>
</tr>
<tr>
<td>Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase, with cancellation of the preferential subscription right of the shareholders (14th resolution)</td>
<td>112 million euros15 (nominal value)</td>
<td>July 7, 2017</td>
</tr>
<tr>
<td>Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase in an offer covered by article L.411-2, II of the French Monetary and Financial Code, with cancellation of the preferential subscription right of the shareholders (15th resolution)</td>
<td>112 million euros16 (nominal value)</td>
<td>July 7, 2017</td>
</tr>
<tr>
<td>Delegation of authority to the Board of Directors to issue shares and securities entailing a capital increase as payment for contributions in kind (16th resolution)</td>
<td>112 million euros17 (nominal value)</td>
<td>July 7, 2017</td>
</tr>
<tr>
<td>Delegation of authority to the Board of Directors to increase the number of securities to be issued in case of a capital increase with or without preferential subscription rights (17th resolution)</td>
<td>Up to the amount applicable to the initial issue and to be applied against the cap set forth in the 15th and/or the 14th resolution</td>
<td>July 7, 2017</td>
</tr>
</tbody>
</table>

14 Overall ceiling for the 14th, 15th, 16th, 17th, 18th, 22nd and 23rd resolutions.
15 To be counted towards the overall ceiling set forth in the 13th resolution.
16 See footnote 14 and to be counted towards the overall ceiling set forth in the 14th resolution.
17 See footnote 15.
| Delegation of authority to the Board of Directors to increase the capital by incorporation of premiums, reserves, profits or other items (18ᵗʰ resolution) | 100 million euros⁽¹⁸⁾ (nominal value) | July 7, 2017 |
| Authorization to the Board of Directors to reduce the share capital through cancellation of treasury shares (19ᵗʰ resolution) | Up to 10% of the share capital for a 24-month period | July 7, 2017 |
| Authorization to the Board of Directors to allot free existing or new shares, with cancellation of the preferential subscription right of the shareholders (20ᵗʰ resolution) | 1% of the share capital (on grant date) | July 7, 2017 |
| Authorization to the Board of Directors to grant options to subscribe for or purchase shares, with cancellation of the preferential subscription right of the shareholders (21ᵗʰ resolution) | 1% of the share capital (on grant date) | July 7, 2017 |
| Delegation of authority to the Board of Directors to issue shares and/or securities entailing a capital increase reserved for members of employee savings plans, with cancellation of the preferential subscription rights of the shareholders (22ᵉ resolution) | 50 million euros⁽¹⁹⁾ (nominal value) | July 7, 2017 |
| Delegation of authority to the Board of Directors to issue shares and/or securities entailing a capital increase reserved for a category of beneficiaries as part of a transaction reserved for employees, with cancellation of the preferential subscription rights of the shareholders (23ᵉ resolution) | 50 million euros⁽²⁰⁾ (nominal value) | November 7, 2016 |

⁽¹⁸⁾ See footnote 14.
⁽¹⁹⁾ See footnote 14 and Common overall ceiling for the 22ᵉ and the 23ᵉ resolutions.
⁽²⁰⁾ See footnote 18.
5.9 **Agreements entered into by the Company which will be amended or terminated in the event of a change of control of the Company**

In the context of the contemplated merger with Holcim, the Company has identified the main agreements that may be amended or terminated in the event of a change of control of the Company, and is pursuing discussions with the relevant counterparties. The main agreements include:

- some shareholders’ agreements, which provide certain rights to Lafarge’s partners and/or trigger certain obligations on Lafarge in the event of a change of control of Lafarge. Lafarge has engaged discussions with the relevant partners to find adequate solutions;

- the main credit facilities of the Lafarge group, which contain early repayment clauses in case of change of control of Lafarge. Lafarge group obtained from the banks a commitment that the merger will not trigger for Lafarge the obligation to make an early repayment. Similar agreements for the group subsidiaries have been obtained if necessary before the completion of the merger;

- bonds issued under the EMTN program or by private placement in the United States, pursuant to which the relevant holders are entitled to ask for the repurchase of their bonds where, within 6 months of completion of the merger, the credit rating of Lafarge is downgraded by one notch by Moody’s or Standard and Poor as a direct consequence of the merger. Moody’s and Standard and Poor’s have both announced, following the announcement of the merger project on April 7, 2014, that they consider that this project would improve the risk profile of Lafarge;

- following the closing of the Offer, LafargeHolcim may be required by law to launch tender offers for the minority shareholdings in listed subsidiaries in certain countries. At this stage, the only significant mandatory tender offer anticipated is on Sichuan Shuangma Cement Co., Ltd. in China. Analysis and discussion are still ongoing in few other jurisdictions. In some countries, the relevant laws are unclear, or exemptions might be available, and exemptions have already been obtained in certain countries. No assurance, however, can be given that any favorable clarifications or additional exemptions will be obtained;

- the pension plan in the UK, for which a Deed of Agreement was signed on December 15, 2014. This agreement maintains the current financial support to the plan for an interim period of 18 months after the completion of the merger, with no additional financial commitment to the plan. Based on this, the Trustee Board will not consider any wind-up process in relation to the merger up to the end of the interim period provided that there is no manifest change of circumstances. A final agreement on the financing of the plan will be negotiated as part of the next funding valuation based on the June 30, 2015 fund situation.

5.10 **Agreements providing for indemnity to the Chief Executive Officer, to the members of the Board of Director or to employees if they resign or are dismissed without just or serious ground or if their employment ceases because of the tender offer**

In compliance with the procedure on related-party agreements and commitments, the shareholders have voted on the severance compensation related to the Chief Executive Officer suspended employment contract at the combined general meeting of May 7, 2013 (Resolution 5) for the last time.
The employment agreement of the Chief Executive Officer was suspended upon his appointment to serve as a corporate officer in 2006. That agreement includes contractual severance compensation payable subject to certain conditions, including a performance condition, as described in the Article 3.4.3 J.2) of the Document de Référence.

6 REPORT OF THE INDEPENDENT EXPERT

In accordance with article 261-1 I, 2° of the AMF general regulations, the firm Accuracy, represented by Mr. Bruno Husson and Mr. Henri Philippe, was appointed as independent expert by the Board of Directors of Lafarge on February 17, 2015, in order to deliver a report on the financial conditions of the Offer.

This report, established on April 15, 2015, is fully reproduced below.
Independent valuation
in connection with the Public Exchange Offer
initiated by Holcim for Lafarge shares

April 2015
Independent valuation in connection with the public exchange offer initiated by Holcim for Lafarge shares

Lafarge is a world leader in the manufacture and distribution of building materials (cement, aggregates and concrete). The company is listed on Euronext Paris (Compartment A) and has a market capitalisation of around €17.5 billion. Lafarge reported sales of €12.8 billion in 2014.

Holcim is based in Switzerland and is also a top-ranking player in its industry. The group is listed on Zurich's SIX market and has a market capitalisation of around CHF 23.8 billion. Its sales in 2014 were €19.1 billion.

On 4 April 2014, Lafarge and Holcim announced that they were in advanced discussions regarding a possible combination ("the Transaction"). On 7 April 2014, the two groups confirmed their intention to combine their businesses in a "merger of equals", creating the most advanced group in the industry, with a global footprint for all of their businesses and enhanced performance through incremental synergies. The press release announcing the planned "merger" also mentioned that (i) the friendly transaction had the unanimous approval of both Boards of Directors along with full support from the core shareholders of both companies, that (ii) the groups had agreed on a clearly defined governance arrangement for the new Lafarge-Holcim group and a Board of Directors composed equally of seven members chosen by Lafarge and seven members chosen by Holcim, with Wolfgang Reitzle (current Chairman of Holcim) as Chairman of the Board and Bruno Lafont (current CEO of Lafarge) as CEO, and that (iii) the transaction would be structured as a public exchange offer (the "Offer") initiated by Holcim (the "Offeror") for shares of Lafarge (the "Target") based on an exchange ratio of one Holcim share for one Lafarge share, subject to Holcim holding at least two-thirds of the share capital and voting rights of Lafarge on a fully diluted basis.

On 16 March 2015, further to a letter received from Holcim indicating that it would no longer be pursuing the combination under the financial and governance conditions specified above, Lafarge indicated that it would be prepared to renegotiate the proposed exchange ratio for the Offer.

On 20 March 2015, the two groups announced that they had reached an agreement on the revised terms of the "merger", namely a new exchange ratio set at nine Holcim shares for ten Lafarge shares (the "Exchange Ratio") and new governance arrangements for the combined group, with Wolfgang Reitzle and Bruno Lafont as Co-Chairmen of the Board, and a new CEO to be appointed in due course (upon the filing of the public offer at the latest). On 9 April 2015, Eric Olsen, currently Lafarge Executive Vice-President, Operations, was appointed as the future CEO of the combined group.

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21 This report is the English translation of the independent valuation report provided in French by Accuracy; If questions arise when comparing the two reports, the report in French will prevail in all cases.
The General Regulation of the AMF (Autorité des Marchés Financiers – French financial markets authority) requires companies subject to a buyout offer to appoint an independent valuation expert (general principle set out in Article 261-1 of the General Regulation): "The target company of a takeover bid shall appoint an independent appraiser if the transaction is likely to cause conflicts of interest within its Board of Directors, Supervisory Board or governing body that could impair the objectivity of the reasoned opinion mentioned in Article 231-19 or jeopardise the fair treatment of shareholders or bearers of the financial instruments targeted by the bid". In the context of the aforementioned Offer, an independent valuation expert must therefore be appointed pursuant to the following provision of Article 261-1 of the General Regulation: "The senior managers of the target company or the persons that control it, within the meaning of Article L.233-3 of the Commercial Code, have entered into an agreement with the offeror that could compromise their independence" (paragraph I - 2°).

On 17 February 2015, Accuracy has been contracted as an independent valuation expert by the Lafarge Board of Directors in this context to issue an opinion on the fairness of the Offer's financial terms and conditions.

This independent valuation report therefore constitutes a fairness opinion as defined by Article 262-1 of the AMF's General Regulation. The principles governing the preparation of fairness opinions are detailed in implementing instruction no. 2006-08 of 25 July 2006 and in a recommendation on independent financial valuations dated 28 September 2006 and subsequently amended on 19 October 2006 and 27 July 2010. Our valuation assignment is performed solely for this purpose and not for any other purpose based on laws or regulations outside France.

The report is divided into five sections. Section one provides a brief overview of Accuracy and the valuation assignments performed over the last 24 months, along with a statement of independence and a description of the procedures performed for the purpose of the current assignment. Section two outlines the businesses of the two groups involved in the combination, describes the context of the Transaction and its impact when assessing the fairness of the Offer's financial terms and conditions. Section three details the valuation work performed in order to estimate the value of Lafarge and Holcim shares (the "Companies" or "Groups") in strict compliance with the multi-criteria approach recommended by the AMF in such situations. Section four sets out our comments on the elements provided to appraise the Exchange Ratio prepared by Société Générale and UBS, the banks submitting the Offer (the "Banks"), while the fifth and final section presents our conclusion as to the fairness of the Offer's financial terms and conditions for Lafarge shareholders.
1. Presentation of Accuracy and main procedures performed

1.1. Presentation of Accuracy

Accuracy is a financial consultancy wholly owned by its Partners that has offices in Europe, North America and India. Accuracy offers a broad spectrum of bespoke corporate finance solutions in the following five areas: transaction support & advisory; litigation support; corporate recovery services; business analysis; and valuations.

Accuracy’s team of over 240 consultants (including around 100 based in Paris) have extensive expertise in business and company valuations and in valuing complex financial instruments such as management packages, options and preferred shares.

The table below shows the independent valuation assignments performed regarding listed companies over the past 24 months:

<table>
<thead>
<tr>
<th>Date</th>
<th>Target company</th>
<th>Bidder</th>
<th>Operation</th>
<th>Presenting bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov-14</td>
<td>Rocamat</td>
<td>Rocafin, Rocafin II, Rocafin III</td>
<td>Takeover bid followed by a squeeze-out bid</td>
<td>Oddo &amp; Cie</td>
</tr>
<tr>
<td>Dec-13</td>
<td>Lafama</td>
<td>Calida</td>
<td>Reserved capital increase</td>
<td>Gilbert Dupont</td>
</tr>
<tr>
<td>Jul-13</td>
<td>Club méditerranée</td>
<td>Asa PE, Ficau</td>
<td>Takeover bid</td>
<td>Société générale, Natixis, Crédit Agricole</td>
</tr>
<tr>
<td>Jun-13</td>
<td>Gfi Informatique</td>
<td>Infosphère Participations</td>
<td>Mandatory takeover bid</td>
<td>Natixis</td>
</tr>
<tr>
<td>Apr-13</td>
<td>Oeneo</td>
<td>Andromède</td>
<td>Takeover bid</td>
<td>Crédit du Nord, Société Générale</td>
</tr>
<tr>
<td>Apr-13</td>
<td>Plantation des Terres Rouges</td>
<td>Bollore</td>
<td>Squeeze-out (Luxembourg Stock Exchange)</td>
<td>Mediobanca</td>
</tr>
</tbody>
</table>

Accuracy is not a member of either of the professional associations of independent valuation experts recognised by the AMF pursuant to Article 263-1 of the AMF’s General Regulation, as we consider that our scale, broad-ranging analytical and valuation expertise and the internal procedures put in place are a guarantee of the highest quality and unrivalled independence required by this type of assignment.

1.2. Personnel involved in the assignment

The assignment was carried out by Bruno Husson and Henri Philippe, Partners at Accuracy.

Since the first squeeze-out bid in September 1994, Bruno Husson has been involved in over 90 assignments to assess the fairness of the proposed financial terms and conditions of transactions involving the minority shareholders of a listed company. Bruno graduated from HEC, holds a PhD in Finance and is also Affiliate Professor at HEC Group, where he has taught corporate finance since 1977.

Henri Philippe has over 15 years’ experience in financial valuation and has been involved in all of the assignments listed above. He graduated from ESC Bordeaux, holds an MBA from Wake
In carrying out their work, Bruno Husson and Henri Philippe were assisted by Laura Surun, a manager and graduate of HEC with over six years' financial advisory experience, as well as by two consultants.

1.3. Statement of independence

Pursuant to paragraph II of Article 261-4 of the AMF's General Regulation (new Book VI on independent appraisals), Accuracy hereby certifies that there are "no known past, present or future ties between it and the parties concerned by the Offer and their advisors that could compromise its independence or impair the objectivity of its assessment when carrying out the appraisal".

1.4. Fees

Accuracy's fees for this assignment amount to €350,000 excluding VAT.

1.5. Procedures performed

1.5.1. Work plan

Accuracy performed its work in accordance with the following work plan:
- analyse the context of the Transaction;
- meet with financial managers of Lafarge, solely to discuss the Transaction;
- meet with representatives of Rothschild & Cie, the bank advising Lafarge;
- carry out a historical financial analysis of both Companies, along with a sample of comparable listed companies, based on recent registration documents (documents de référence) or annual reports;
- analyse the forecast performance of both Companies based on consensus forecasts provided by financial analysts for the period 2015-2016;
- analyse the performance of both Companies' shares in the periods before and after the announcement of the Transaction, along with share liquidity and the extent to which the shares are covered by financial analysts;
- analyse cumulative abnormal returns on Lafarge and Holcim shares in the 15 days before the announcement of the Transaction;
- perform a critical review of the share prices of both Companies and the target prices issued by financial analysts, i.e., two references used by us as a basis for the valuation (valuation references);
- value the shares of both Companies using a multi-criteria approach including the discounted cash flows method (DCF) and the listed peers method;
- review the business plans of Lafarge and Holcim (data not taken into account for the reasons mentioned later in section 3.3);
- for both approaches, perform an in-depth review of the assets and liabilities added to or deducted from the estimated value of the businesses (enterprise value) in order to obtain the equity value;
- for the DCF method, construct an extrapolation period covering 2017-2021, focusing particularly on the methods used to calculate the terminal value and the discount rate applied;
- for the listed peers method, identify the direction and extent of the bias resulting from inevitable differences between the Company and the "comparable" companies taken as a whole and between the comparable companies within the sample itself;
- perform a critical analysis of the information about the Offer provided by the Offeror's advising banks submitting the Offer;
- prepare this independent valuation report.

Accuracy considers that it performed this assignment in full compliance with the AMF’s General Regulation and with its recommendations on independent appraisals.

1.5.2. Timeframe

Our assignment ran from 4 February 2015, the date on which our engagement letter was signed, to 15 April 2015, the date of signature of this report.

1.5.3. Information used

Our work was primarily based on information available to the public, namely:
- Company press releases, particularly those relating to the Transaction;
- annual reports of both groups;
- analysts' presentations of both groups;
- reports and research published by financial analysts since January 2013 on Lafarge and Holcim shares;
- market information published by the financial websites Bloomberg, Capital IQ and Mergermarket.

We were also provided with the following confidential information:
- a presentation of the Transaction to financial rating agencies dated 27 March 2014;
- the Combination Agreement by and between Lafarge and Holcim dated 7 July 2014 and the amendment dated 20 March 2015;
- certain financial information relating solely to the 2014 financial year (details of certain balance sheet items in particular) not usually disclosed by Lafarge in its registration document. This information was requested with the sole aim of having identical information to that published by Holcim in its 2014 annual report and in its presentations to financial analysts.

1.5.4. Limitations of our work

We considered that the financial and accounting information that was disclosed to us by Lafarge in connection with our assignment was reliable and provided in good faith.

Although our work was based on an analysis of the Companies' historical and forecast financial statements, under no circumstances may it be construed as an audit or even limited review of those financial statements.
2. Context of the Transaction

2.1. Purpose of this independent valuation report with regard to the reasons for Accuracy's engagement

The Offer is a voluntary public exchange offer resulting from a merger process initiated jointly by the Target and the Offeror in the first quarter of 2014. Lafarge shareholders are free to choose whether or not to accept the Offer by deciding to tender or retain their shares.

As outlined in the introduction to this report, agreements were reached on the governance arrangements for the new group in the event the Offer is successful, and these agreements involve the Target's current senior managers and Board members. French stock market regulations require the appointment of an independent valuation expert, since the Offer is likely to cause conflicts of interest within the Target's Board of Directors that could impair the objectivity of the reasoned opinion that the directors must give on the merits of the Offer, or jeopardise the fair treatment of shareholders.

Regarding a potential conflict of interest, we reviewed the Combination Agreement by and between Lafarge and Holcim dated 7 July 2014 as well as the amendment dated 20 March 2015 and we did not identify any elements that could jeopardise the equal treatment of all Lafarge shareholders. Moreover, we were provided with a letter of representation from Lafarge management confirming that no agreements existed between Lafarge and the Offeror other than those mentioned above.

This independent valuation report therefore has two main objectives: (i) primarily, to issue a fairness opinion on the financial terms and conditions of the Offer and in particular, on the Exchange Ratio, and (ii) incidentally, to assist Lafarge directors in considering the merits of the Offer for the Company's shareholders from a strictly financial perspective.

In our opinion, the fairness of the Exchange Ratio proposed in the Offer can be determined using the following two criteria: (i) the exchange ratio should reflect the value of the assets and the growth outlook of the two parties to the Transaction; and (ii) the ratio should represent a "fair allocation" of the value expected to be created by the combination (i.e., the value of any synergies) among the shareholders of both groups.

Regarding the second criterion, to explain what we mean by "fair allocation", the economic and strategic context of the combination and particularly the source of the expected synergies should be analysed in order to determine the balance of power between the two stakeholders.

In the present case, because of the characteristics of the cement business, most of the synergies expected to be derived from the combination do not result from economies of scale. As indicated by Lafarge management at the time the Transaction was announced, the combination is expected to generate two types of synergies.

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22 We also reviewed the commitments to tender by two shareholders of Lafarge, Mr. Nassef Onsi Sawiris and NNS Holding Sarl on the one hand, and Groupe Bruxelles Lambert on the other hand, who hold, directly or indirectly, 40 064 682 and 60 308 408 shares respectively. We did not identify in those agreements any provision that could jeopardize the fair treatment of shareholders of Lafarge.
- Additional sales: Since each group will make available its own portfolio of specific technical products and solutions, each will be able to offer a broader range in its trading segment, and this should lead to increased sales volumes.

- Cost savings: The combination will enable the groups to make significant savings on general expenses, both head office costs and overheads relating to regional head offices based in countries where both groups are present. Cost savings are also expected at the level of purchases, logistics and maintenance expenditure.

Due to the nature of the contemplated synergies, the value expected to be created by the combination cannot reasonably be attributed more to Holcim than to Lafarge. Therefore, a "fair" allocation of the synergies must result in an identical increase (in percentage terms) of the groups' respective shareholder value. Regardless of the difference in scale between the two groups, this "fair allocation" of synergies can be achieved simply by adopting an exchange ratio based on the market values of both groups before considering the impacts expected to result from the combination (market values hereafter referred to as "stand-alone values" or "Intrinsic Values"). This can be illustrated by our example below.

The managers of Company A and Company B are planning a combination by means of a public exchange offer initiated by A for B's shares. A has a market capitalisation of €6 billion for 600 million shares, representing a price of €10 per share, while B has a market capitalisation of €4 billion for 400 million shares, representing an identical price of €10 per share. The synergies expected to derive from the combination are estimated at €1 billion. Based on the above, a fair exchange ratio for the shareholders of both companies is 1.0 (i.e., one A share for every B share tendered), which reflects the stand-alone value of each company. The day after the merger of the two groups, assuming it takes place at the end of the offer period, the market capitalisation of the new AB group is €11 billion (representing the sum of the market value of each company prior to the merger plus the expected synergies) for 1 billion shares, giving a price of €11 for each AB share. Subsequently, the shareholders of A and B, which respectively hold 60% and 40% of the new AB group, will each benefit from a 10% rise in the value of their shares as a result of the transaction. However, the synergies totalling €1 billion are not shared equally between the two, but on the basis of the relative market value of each company, i.e., 60% for shareholders of A and 40% for shareholders of B.

It should be noted that in a "merger of equals" where no one party can claim for itself the value created by the synergies, no control premium can exist in theory. In a merger (public exchange offer), the shareholders of the company absorbed (target) do not sell their shares but become shareholders of the absorbing company (offeror) and automatically benefit from the value created by the transaction through the increase in the value of the shares received in exchange; accordingly, in the context of an equal balance of power between the two parties, these shareholders will obtain their fair share of the attributable synergies not through a control premium but, as illustrated above, in an exchange ratio based on the Intrinsic Value of the two companies involved in the transaction.

Based on the above, the fairness of the Exchange Ratio can therefore be assessed solely on the basis of the estimated Intrinsic Value of the two groups involved in the Transaction, without taking into account the synergies expected to derive from that Transaction (or other impacts relating to the combination such as divestments required by competition authorities). However, once the fairness of the Exchange Ratio is verified, the financial merits of the Transaction for Lafarge shareholders can be assessed only in light of the value that is likely to be created by the synergies.
2.2. Presentation of the Companies

2.2.1. Two cement groups with similar businesses

*Lafarge* and *Holcim* are both global companies which specialise in the manufacture and distribution of building materials. The two groups are similar in terms of businesses, geographical reach and scale (whether assessed on sales, headcount or production capacity). *Lafarge* had 63,038 employees in 2014 and posted sales of €12,843 million. *Holcim* had 67,584 employees in 2014 and posted sales of €15,734 million (CHF 19,109 million). Both groups have fairly similar cement production capacities: 165 million tonnes per year for *Lafarge* and 211 million tonnes per year for *Holcim*.

*Lafarge* and *Holcim* are also fairly similar in terms of their product mix, with the cement business accounting for the bulk of revenue (67% for *Lafarge* and 59% for *Holcim* in 2014). Both groups also derive revenue from the manufacture of concrete and aggregates.

In terms of geographical mix, both groups present a balanced breakdown of sales between mature and emerging markets. In 2014, Europe, North America and Australia ("mature markets") represented 48% of consolidated sales for *Lafarge* and 53% for *Holcim*.

However, *Lafarge* and *Holcim* are sometimes present in different countries within the mature and emerging market regions and this is in fact the main difference between the two groups.

- In mature markets, *Holcim* has a bigger presence in Europe (27% of 2014 sales versus 25% for *Lafarge*), while *Lafarge* has a stronger footprint in North America, and particularly Canada (23% of 2014 sales compared with 17% for *Holcim*).

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23 In its registration document, *Lafarge* also indicates a production capacity of 221 million tonnes per year, which includes the full production capacity of its joint ventures. This figure is not therefore comparable with the information published by *Holcim*, which only covers its share in the production capacity of its joint ventures.

24 The Europe region comprises Western and Eastern Europe (including Russia).
In emerging markets, both groups have pursued different growth strategies. Lafarge has had an extensive presence in Africa and the Middle East (29% of 2014 sales) since its acquisition of Egyptian company Orascom Cement in 2008, while Holcim enjoys greater exposure in Asia, India and Latin America.

Overall, both groups have a similar product and geographical mix. Therefore we consider that Lafarge and Holcim have a similar operational risk profile.

### 2.2.2. Different profiles in terms of the return on assets

A cement maker requires a strong geographical footprint and manufacturing facilities located close to end markets. The associated business model means that industry players have (i) high capital intensity (owing to the need for many different plants covering all regions in which their end markets are located), and (ii) high operating leverage (on account of relatively high labour costs and plant depreciation charges). Owing to these characteristics, Lafarge and Holcim are what market analysts call "cyclical stocks", since their operating performance is particularly sensitive to changes in the economic climate and the resulting changes in business levels. The return on operating assets in both groups (as measured by Return on Capital Employed, or ROCE\(^{25}\)) is therefore fairly volatile. Unsurprisingly given the financial crisis, in recent years the groups have been near break-even (i.e., the cost of capital).

Lafarge and Holcim were hard hit by the slowdown in the construction market triggered by the financial crisis. Between 2007 and 2009, Lafarge reported a decrease of 7.8 percentage points in ROCE, while Holcim saw ROCE decline 5.7 percentage points. Both groups subsequently launched large-scale measures to improve the return on assets. Based on an analysis of both companies' returns on assets over the last few years, we can see a turnaround starting in 2011 and 2012. The return on assets of both groups has improved under the combined impact of growth in emerging markets and the economic recovery in North America, and this improvement continues thanks to the measures put in place by both groups to improve operating efficiency (2012-2015 cost reduction and innovation plan at Lafarge and the "Holcim Leadership Journey" launched by Holcim in 2012). These initiatives have led to an increase in ROCE over the past two years. In 2014, Lafarge and Holcim reported ROCE of 9.6% and 7.6%, respectively.

The difference in the groups' profit margins in 2014 (profitability 2.0 points higher for Lafarge than for Holcim) is also apparent over the historical period. From a strictly financial point of view, this results automatically from both a higher turnover of capital employed and a better post-tax EBIT margin. From an operating standpoint, the difference is attributable to a more favourable geographical mix for Lafarge, which has an extensive presence in Africa and the Middle East (29% of 2014 sales) where margins are structurally higher than in other regions. The recurring EBIT margin\(^{26}\) was 21% for the Africa and Middle East region, compared with 14% in all other Group regions. This profitability profile is not abnormal since Holcim also reported a high EBIT margin (28%) in the same region, although this region accounted for only 4% of its 2014 sales. Holcim reported an overall EBIT margin of 12% for all of its regions in 2014, reflecting its significant presence in Asia (36% of 2014 sales).  

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\(^{25}\) ROCE as referred to in this report represents EBIT after tax (at the statutory rate of 30%) expressed as a percentage of book assets at the beginning of the period (excluding goodwill, deferred taxes and financial assets).

\(^{26}\) Lafarge’s recurring EBIT margin is calculated after adding back restructuring costs in order to ensure a meaningful comparison with Holcim.
sales) where EBIT margins are fairly small compared with those observed in emerging markets.

2.3. Historical analysis of the Lafarge share

2.3.1. Share liquidity

Lafarge is listed on the NYSE Euronext Paris market (Compartment A). The company's market capitalisation was around €15.7 billion in the first quarter of 2014, making Lafarge one of France's 40 biggest listed companies. The Lafarge share is also part of France's benchmark CAC 40 index. The defining characteristics of Lafarge's ownership structure are the presence of three main shareholders: Groupe Bruxelles Lambert (21.1% shareholding), NNS Holding Srl (13.9%) and Dodge & Cox (7.3%) and the large proportion of free float (58%). The large free float provides the share with a high level of liquidity: over the 12 months preceding the date on which the Transaction was announced, trading in Lafarge shares represented 67% of its capital.

Lafarge - Liquidity analysis

<table>
<thead>
<tr>
<th></th>
<th>Average daily volumes</th>
<th>Cumulative volumes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of shares</td>
<td>As a % of share capital</td>
</tr>
<tr>
<td>03/04/2014</td>
<td>58.85</td>
<td>1,070,565</td>
</tr>
<tr>
<td>Last week</td>
<td>57.85</td>
<td>994,046</td>
</tr>
<tr>
<td>Last month</td>
<td>55.38</td>
<td>779,530</td>
</tr>
<tr>
<td>Last 3 months</td>
<td>54.45</td>
<td>783,816</td>
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<tr>
<td>Last 6 months</td>
<td>53.12</td>
<td>712,466</td>
</tr>
<tr>
<td>Last 12 months</td>
<td>51.10</td>
<td>758,071</td>
</tr>
</tbody>
</table>

Note: Average share price computed on the basis of daily closing prices
Source: Bloomberg

2.3.2. Share price trends one year before the Transaction was announced

In the period from 4 April 2013 to 3 April 2014 (the day before the Transaction was announced), the Lafarge share rose from €50.1 to €58.9, representing a 17.4% increase, i.e., slightly outperforming the 15.6% rise in its benchmark index (Euro Stoxx 600) over the same period. As will be seen below in section 2.5, this outperformance is essentially attributable to share price gains in the last few trading days before the Transaction was announced. As illustrated by the graph below, there were no major events in this period (excluding these few days before the
Transaction was announced) likely to have a significant impact on the Lafarge share price, and the share traded within a fairly narrow band of between €45.5 and €57.3 in the period from 3 April 2013 to 21 March 2014.

2.4. Historical analysis of the Holcim share

Holcim is listed in Swiss francs on Zurich's SIX market. However, in order to provide a meaningful comparison with the Lafarge share price, our analysis of the Holcim share price is presented in euros (the share was converted daily at the spot CHF/EUR exchange rate). In theory, this approach enables us to avoid any distortion linked to currency fluctuations.

2.4.1. Share liquidity

In the first quarter of 2014, the Holcim group had a market capitalisation of around CHF 22.8 billion and was included on Switzerland’s benchmark SMI index. Holcim has three major shareholders: Thomas Schmidheiny (20.11% shareholding), Eurocement Holding AG (10.82%) and Harris Associates L.P. (6.38%). As with Lafarge, the free float is also significant (64%). As a result, share liquidity is good, with trading in Holcim shares representing 68% of its capital over the 12 months preceding the date on which the Transaction was announced.
2.4.2. Share price trends one year before the Transaction was announced

In the period from 4 April 2013 to 3 April 2014 (the day before the Transaction was announced), the Holcim share rose from €58.8 to €60.4, representing a 2.7% increase, i.e., significantly underperforming the 15.6% rise in its benchmark index (Euro Stoxx 600) over the same period. Holcim's underperformance is even more significant if we exclude the large gains recorded in the last few days before the Transaction was announced (see section 2.5 below). There were no major events in this period (excluding these few days before the Transaction was announced) likely to have a significant impact on the Holcim share price, and the share traded within a fairly narrow band of between €50.5 and €61.8 in the period.

- Holcim - Share price trends from April 2013 to April 2014 -

Legend
1 - 15 August 2013: release of H1 2013 results
2 - 26 February 2014: release of FY 2013 results
3 - 4 April 2014: announcement of discussions between Lafarge and Holcim
7 April 2014: announcement of the merger between Lafarge and Holcim
2.5. Analysis of abnormal returns on **Lafarge** and **Holcim** shares before the Transaction was announced

For the reasons outlined above in section 2.1, it is necessary to estimate the Intrinsic Value of both groups in order to determine whether the Offer's financial terms and conditions are fair. In theory, the basis for the estimated Intrinsic Value is the share price on the day before the Transaction was announced. However, we need to verify whether the share price did not already factor in some of the effects of the Transaction due to rumours of a possible merger that may have circulated before this date.

We can do this by using an "event study" approach. An event study is widely used in academic financial research to assess the impact of an event on the market value of the company concerned. The approach involves calculating "abnormal returns" on the share of the company in question over a period preceding the date on which the event is announced. Specifically, for each day of trading during the selected period, the abnormal return is calculated as the difference between the return observed on the day reviewed and the return that would normally have been obtained had no such event occurred ("normal return").

In the case at hand, the normal return on **Lafarge** and **Holcim** shares was defined as the average daily return observed over the two-year period before the Transaction was announced, excluding the 15 days preceding the date of the announcement. On this basis, in the 15 trading days before the announcement (i.e., between 14 March 2014 and 3 April...

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27 Another basis typically used to calculate normal returns is the market model and hence the beta coefficients for the shares concerned. We verified that the use of this alternative basis did not lead to significantly different results.
2014), we can observe a cumulative abnormal return (CAR) of 7.4% on the *Lafarge* share and of 4.6% on the *Holcim* share.

As shown in the graph above, virtually all of the excess returns were recorded in the nine trading days before the Transaction was announced. As a result, we considered that the share prices observed over this nine-day period (i.e., between 24 March and 3 April 2014) did not represent an appropriate basis for determining the Intrinsic Value of each group, starting with the share prices recorded on 3 April 2014, the day before the announcement.
3. **Lafarge and Holcim**

share valuation

This section describes the valuation work performed in order to estimate the Intrinsic Values of the *Lafarge* and *Holcim* shares. We adopted a multi-criteria approach for our work. In accordance with the AMF’s recommendation on independent appraisals dated 28 September 2006, this approach involved analysing available valuation references and applying valuation methods commonly used in the business world.

3.1. **Available valuation references**

3.1.1. **Consolidated net book assets**

In the present case, the net book assets of both *Lafarge* and *Holcim* cannot be considered a pertinent basis for determining the Intrinsic Value of the groups' equity since they do not include goodwill generated internally through growth and returns on the business portfolio, or any capital gains that may be generated on the sale of assets not directly needed for operations (non-operating assets).

3.1.2. **Recent capital transactions**

We did not identify any recent material transactions involving *Lafarge* and *Holcim* shares (e.g., a capital increase or the sale of a block of shares representing more than 10% of the capital) that could be used as a pertinent basis for determining the Intrinsic Value of each group.

3.1.3. **Share price**

The market for *Lafarge* and *Holcim* shares can be considered as a well-functioning, efficient market in all respects: significant free float, large volume of daily market trades, and regular coverage by over 25 financial analysts.

As indicated in section 2.5 above, our analysis of the abnormal returns observed a few days before the Transaction was announced led us to consider that the share prices in the nine days preceding the announcement date probably factor in some of the expected impacts of the Transaction and do not therefore constitute a pertinent basis for determining the Intrinsic Value of each group. Specifically, as a reference for determining the Intrinsic Value of each group, we used the average share price observed over the 15 days preceding 21 March 2014, the date on which we consider that the price of the *Lafarge* and *Holcim* shares begin to factor in some of the expected impacts of the Transaction. In adopting an average share price (instead of a spot price), we can smooth one-off fluctuations. We also chose a limited 15-day period so that we could include the most recent information on the intrinsic value of the businesses of both groups and in particular, information released during the 2013 results publications (19 February for *Lafarge* and 26 February for *Holcim*).

Over this 15-day period, the average share price was €54.1 for *Lafarge* and €57.6 for *Holcim*. We believe that these share prices are a pertinent basis for determining the Intrinsic Value of the two groups. **Based on the above, the Lafarge/Holcim exchange ratio comes out at 0.94.**
By definition, these two valuation references do not include the impact of events arising after the Transaction was announced, which are unrelated to the Transaction but nevertheless likely to impact the Intrinsic Value of both groups. We nevertheless consider this to be a pertinent basis for the valuation since both groups are sensitive to the same medium- and long-term macro-economic factors.

3.1.4. Target prices issued by financial analysts

We drew up a sample of 21 reports published by brokers that regularly cover the Lafarge and Holcim shares. For the same reasons as those outlined above for the share price, the reports used pre-date the announcement of the Transaction but post-date the publication of 2013 annual results.

An analysis of both the nature of the recommendation and the target prices relative to the share price at the publication date reflects the analysts’ confidence in the results of their valuations. Based on our analysis of the target prices for the Lafarge share, we identified no major inconsistencies between the recommendation and the potential upside (downside), with the exception of broker 4, which issues a "Neutral" recommendation despite a 14% downside. This also applies to the target prices for the Holcim share, with the exception of the recommendations issued by brokers 15 and 17. Overall, this confirms the pertinence of brokers' target prices as a basis for the valuation.

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28 An exception was made regarding Holcim for the target price published by broker 13 in a report dated 22 January 2014 (the target price was not revised until the date the Transaction was announced).
In order to cancel out the (fairly minor) deviation of the target prices observed in the two samples, we will use the median rather than the average, giving a median target price of €60.0 for Lafarge and €59.9 for Holcim. On this basis, the Lafarge/Holcim exchange ratio comes out at 1.00.

As above for share prices, we consider that these two valuation references represent a pertinent basis for the valuation even though they inevitably fail to take into account the impact of events arising after the announcement which are unrelated to the Transaction but likely to influence the Intrinsic Value of both groups.

3.2. Valuation methods used

3.2.1. A three-step valuation approach which excludes any direct approach to equity value

We adopted a three-step valuation approach which involved estimating (i) the value of the Lafarge and Holcim businesses (enterprise value), (ii) the value of net financial debt and other non-operating assets and liabilities, and (iii) the value of equity, determined as the difference between amounts (i) and (ii).

This approach automatically excludes the use of valuation methods that directly calculate equity value without first calculating enterprise value and the value of net financial debt and other non-operating assets and liabilities. As a result, we directly ruled out the two methods based respectively on discounted dividends (Discounted Dividend Model, or DDM) and on earnings multiples (Price Earnings Ratio, or PER). Although these two methods make sense from a
In conceptual standpoint, in practice DDM is too crude to provide a reliable estimate of the value of complex groups, while PER requires the company valued and the listed companies used as comparables to have a similar capital structure – rarely the case in reality.

The methods selected (or at least considered) to value the businesses of Lafarge and Holcim are the three methods typically used in a multi-criteria approach: the Discounted Cash Flows method (DCF) and multiple valuation methods based on listed peers or comparable transaction samples.

3.2.2. Items taken into account in order to determine the equity value from the enterprise value

In implementing the two methods selected, we considered the various items needed to determine the equity value from the enterprise value at two different dates.

The DCF method is based on forecasts drawn up on a stand-alone basis and on the consolidated financial statements for the latest financial year. DCF results in an estimated value for Lafarge and Holcim shares at 31 December 2014. The listed peers method is based on the market capitalisations of profitability indicators before the Transaction was announced (so as to avoid any potential distortion linked to the announcement) and subsequently, on the most recent pre-announcement consolidated financial statements. The listed peers method results in an estimated value for Lafarge and Holcim shares at 31 December 2013. The information used to determine the equity value from the enterprise value was therefore analysed at two dates: 31 December 2014 for the DCF method and 31 December 2013 for the listed peers method.

Net financial debt

The market value of Lafarge's net financial debt was €10,699 million at 31 December 2014 (€11,506 million at 31 December 2013). Net financial debt chiefly comprises bonds (€11,221 million at end-2014) with a market value (as disclosed by Lafarge in its registration document) higher than book value due to the lower interest rates observed over the past few years.

The market value of Holcim's net financial debt was CHF 10,651 million at 31 December 2014 (CHF 9,877 million at 31 December 2013). It also mainly comprises bonds (the market value of which is disclosed by Holcim in its annual report).

Non-controlling (minority) interests

Given the significance of non-controlling interests for both Lafarge and Holcim, even a rough estimate of the market value should be preferred to the book value recorded in the consolidated balance sheet.

Certain investments that are fully consolidated but not fully owned by Lafarge and Holcim are listed. In this case, to obtain an estimate at end-2014 that is not distorted by the announcement of the Transaction, we determined a Price-to-Book (PBR) ratio based on the market capitalisation of the company concerned at 21 March 2014. This was then applied to the book value of non-controlling interests at 31 December 2014.

For unlisted investments, the market value of non-controlling interests at end-2013 (end-2014) was estimated by multiplying the book values at end-2013 (end-2014) by a pre-announcement PBR calculated at 21 March 2014. A PBR of 3.6x was used for companies based in emerging markets (average PBR observed for a sample of cement groups in these countries) and 1.2x for

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29 The pre-announcement PBR was calculated as the market capitalisation of the company concerned at 21 March 2014 expressed as a percentage of its net book assets at 31 December 2013.
companies based in mature markets (average PBR of the Lafarge, Holcim, Heidelberg Cement and Cemex groups at 21 March 2014).

The estimated market value of non-controlling interests at 31 December 2014 is €5,899 million for Lafarge (€6,269 million at 31 December 2013) and CHF 8,339 million for Holcim (CHF 7,691 million at 31 December 2013).

**Pension provisions**

Provisions for pensions and other employee benefit obligations, net of the associated plan assets, correspond to the benefit entitlement vested to date by employees of Lafarge and Holcim. Since the “interest cost” on pensions is accounted for in financial income and expense rather than in personnel costs (which include the “service cost” on pensions), this provision (net of the tax impact) was included in the items used to determine equity value from enterprise value.

In the context of a financial valuation, the employees' future benefit entitlement should also be taken into account. Based solely on information provided in each group’s registration document, we consider that the value of this future benefit entitlement is reflected in the "service cost" implicitly factored into operating margin forecasts and hence into both groups' future free cash flows.

Before the tax impact, Lafarge recognised a pension provision of €1,398 million in its balance sheet at 31 December 2014 (€1,357 million at 31 December 2013). Holcim recognised a pension provision of CHF 855 million at 31 December 2014 (CHF 651 million at 31 December 2013).

**Investments in associates and joint ventures**

The enterprise values estimated below only factor in the future economic benefits to be generated by fully consolidated legal entities. Consequently, the value of investments in associates and joint ventures should be added to these enterprise values. As described above for non-controlling interests, the market value of these investments was determined using the listed peers method based on a pre-announcement PBR.

The market value of associates at 31 December 2014 was estimated at €6,079 million for Lafarge (€2,316 million at 31 December 2013) and CHF 4,323 million for Holcim (CHF 3,835 million at 31 December 2013).

The sharp increase in the value of this item for Lafarge between 2013 and 2014 results from changes in accounting method. Lafarge applied IFRS 11 in accounting for its joint ventures in 2014 rather than 2013 as in Holcim's case. In 2013, joint ventures were proportionately consolidated and their value was therefore included in the enterprise value of Lafarge. However, as from 2014, joint ventures must be accounted for by the equity method and their estimated market value taken into account separately within non-operating assets.

**Tax savings arising on tax loss carryforwards**

Potential tax savings recognised in the consolidated balance sheet of both groups correspond only to tax losses which management deems are likely to be recovered in the short or medium term. In the absence of additional information, these are the amounts taken into account in the valuation of Lafarge and Holcim.

At 31 December 2014, the tax loss carryforwards that can be utilised in the short and medium term represent €1,059 million for Lafarge (€888 million at 31 December 2013) and CHF 913 million for Holcim (CHF 835 million at 31 December 2013).

**Cash received on the exercise of stock options**

Cash received on the exercise of stock options "in-the-money" at 21 March 2014 was taken into account in the valuation, representing €94 million for Lafarge and CHF 37 million for Holcim.
Other non-operating assets and liabilities

Other non-operating assets and liabilities essentially relate to provisions for contingencies and expenses and to other financial assets and assets held for sale.

At 31 December 2014, provisions for contingencies and litigation amounted to €355 million for Lafarge (€387 million at 31 December 2013) and CHF 520 million for Holcim (CHF 516 million at 31 December 2013). In theory, the cash outflows associated with these provisions are not taken into account in financial analysts' forecasts and the provisions (net of their tax effect) were therefore included in non-operating liabilities.

Other non-current financial assets primarily include long-term loans and receivables, amounting to €490 million for Lafarge at 31 December 2014 (€322 million at 31 December 2013) and CHF 327 million for Holcim at the same date (CHF 314 million at 31 December 2013).

Assets held for sale chiefly concern Holcim, which recognised CHF 365 million in this caption at 31 December 2014 in connection with several ongoing transactions with the Cemex group involving the sale of assets in Europe.

We considered that "provisions for environmental risks and site restoration" and "provisions for restructuring" were already taken into account in estimating the enterprise value, since the related cash flows were included in financial analysts' forecasts. Accordingly, these items are not included in the calculation of equity value based on enterprise value.

We adjusted all of the items outlined above to take account of the sudden sharp appreciation of the Swiss franc (functional currency for Holcim) against the euro (functional currency for Lafarge) in January 2015. These adjustments were designed to ensure consistency between the items estimated at 31 December 2014 prior to the appreciation of the Swiss franc and the enterprise value of Holcim under the DCF method, which factors in the hike in the Swiss currency (to the extent that it is based on financial analysts' forecasts drawn up after the appreciation).
Summary

The table below summarises the aforementioned items taken into account in order to determine the equity value from the enterprise value at 31 December 2013 and 31 December 2014.

Net financial debt and other non-operating liabilities (assets)

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lafarge</td>
<td>Holcim</td>
</tr>
<tr>
<td></td>
<td>(€m)</td>
<td>(CHFm)</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>10,699</td>
<td>10,651</td>
</tr>
<tr>
<td>+ Non-controlling interests</td>
<td>5,899</td>
<td>8,339</td>
</tr>
<tr>
<td>+ Pension provisions, net of tax impact</td>
<td>959</td>
<td>599</td>
</tr>
<tr>
<td>- Investments in associates and joint-ventures</td>
<td>6,079</td>
<td>4,323</td>
</tr>
<tr>
<td>- Tax losses carryforward</td>
<td>1,059</td>
<td>913</td>
</tr>
<tr>
<td>- Cash received on exercise of stock-options</td>
<td>94</td>
<td>37</td>
</tr>
<tr>
<td>+ Other non-operating liabilities (assets)</td>
<td>(242)</td>
<td>(328)</td>
</tr>
<tr>
<td>+ Adjustment related to recent forex trends (CHF/EUR)</td>
<td>n.a.</td>
<td>(100)</td>
</tr>
<tr>
<td>= Net financial debt and other non-operating liabilities (assets)</td>
<td>10,884</td>
<td>13,887</td>
</tr>
</tbody>
</table>

3.2.3. Number of shares taken into account to calculate the share value based on the estimated equity value

The table below shows how we determined the number of shares to be taken into account to estimate the unit value of shares. To avoid distorting the comparability of valuation methods based on pre-announcement inputs with those based on post-announcement inputs, the diluted number of shares used is the same in both cases.

The number of shares is calculated on the basis of the total number of shares issued less any treasury shares held at 31 December 2014. We also considered the potentially dilutive impact of:
- the exercise of stock options in-the-money;
- the award of Lafarge performance shares which may be granted at no consideration.

Lafarge and Holcim diluted number of shares

<table>
<thead>
<tr>
<th></th>
<th>Lafarge</th>
<th>Holcim</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued shares</td>
<td>287,541,684</td>
<td>327,086,376</td>
</tr>
<tr>
<td>- Treasury shares</td>
<td>70,538</td>
<td>1,219,339</td>
</tr>
<tr>
<td>= Outstanding shares</td>
<td>287,471,146</td>
<td>325,867,037</td>
</tr>
<tr>
<td>In the money stock options (*)</td>
<td>2,290,842</td>
<td>637,515</td>
</tr>
<tr>
<td>Performance shares</td>
<td>1,448,784</td>
<td>-</td>
</tr>
<tr>
<td>+ Potential dilution</td>
<td>3,739,626</td>
<td>637,515</td>
</tr>
<tr>
<td>= Diluted number of shares</td>
<td>291,210,772</td>
<td>326,504,552</td>
</tr>
</tbody>
</table>

(*) Reference share price is the 15-day average share price before 21 March 2014
3.3. DCF method

During our assignment, we received the "business plans" which the management of the Lafarge and Holcim groups had exchanged in March 2015. These business plans were drawn up after the Transaction had been announced (in November 2014 for Holcim and February 2015 for Lafarge) and cover the period 2015-2017. We understand that this information was exchanged in the context of the financial due diligence carried out by the two groups.

However, for the purposes of this independent valuation report we decided not to take this insider information into account when applying the DCF and listed peers method (see section 3.4 below). There were two reasons for this:

- We note that both business plans were drawn up well after the Transaction was announced, at the time the senior managers of both groups were finalising the terms and conditions of the merger; accordingly, we cannot rule out the assumption that the figures contained in these business plans may be overstated (albeit by an unspecified amount).
- We are unable to work with Holcim's business plan in its current form, since it was drawn up in Swiss francs before the sharp appreciation of the currency (particularly against the euro) in January 2015. The plan therefore needs to be formally reconstructed for each of its geographic components. This meticulous work cannot be performed by a third party.

For both these reasons, we chose to base the forecast financial information needed for the DCF and listed peers method only on reports and research produced by financial analysts.

3.3.1. Estimating annual cash flow

Period covered by consensus forecasts (2015-2016)

For the reasons indicated above, we applied a "market DCF" method using 2015-2016 consensus forecasts (consensus formed by ten financial brokers).

We selected the ten brokers based on the following criteria:
- We only selected brokers regularly covering both groups.
- We only used sufficiently detailed broker reports, i.e., those that included at least sales, EBITA, EBIT and investment expenditure forecasts for 2015 and 2016.
- We ensured that the analysts' forecasts for each of the two groups were made on a stand-alone basis.

For each of these ten brokers, we took into account the most recent forecasts available at the date of our work. Most forecasts post-dated the groups' 2014 annual results publications (19 February 2015 for Lafarge and 23 February 2015 for Holcim)\(^\text{30}\).

According to the analysts, in 2015 emerging market growth should continue (mainly in Asia and in Africa and the Middle East), and the US recovery should gather momentum. Their forecasts for Europe are more cautious, with a recovery expected only from 2016. In terms of sales, the analysts expect 7.0% sales growth for Lafarge and a 0.3% contraction in sales for Holcim. The sales decline for Holcim is not representative of the economic performance due to the sharp rise in the Swiss franc, which means that the 2015 forecasts (drawn up based on the new exchange rate) are not comparable with historical 2014 data (drawn up using the previous exchange rate). However, forecast sales growth is similar for both groups in 2016 (around 7.0%).

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\(^{30}\) Three analysts' reports pre-date the publication of Lafarge's 2014 annual results (two pre-date the publication of Holcim's annual results).
In terms of EBITDA margins, analysts expect an improvement of around 2.0 percentage points for both groups, due mainly to: (i) operating leverage resulting from sales growth (significant owing to the relative importance of overhead costs), (ii) the full benefits of the cost cutting plans rolled out by both groups in 2012.

The analysts' forecasts for 2015 and 2016 therefore confirm the trends observed over the historical period: a gradual return to growth after several challenging years following the 2008 financial crisis, and improved profitability (up around 2.0 percentage points) for Lafarge thanks to a favourable geographic mix.

2017-2021 extrapolation period

At the end of the consensus forecast period, we consider that the normative profitability of the two groups is insufficient to be used as a basis to calculate terminal value. Both Lafarge and Holcim were hard hit by the crisis, and analysts expect their profitability for 2016 to still be significantly below pre-crisis levels. We therefore constructed an extrapolation period converging the ROCE of both groups towards a normative level representative of a return on assets that is sustainable over the long term.

We considered the following two scenarios:
- a scenario in which, five years after the end of the consensus forecast period, ROCE for both groups is comparable to pre-crisis levels;
- a "low-growth" scenario in which, five years after the end of the consensus forecast period, ROCE for both groups is back to its mid-cycle level.

In both cases, we modelled a level of sales growth which converges from the estimated rate for 2016 towards the perpetuity growth rate of 1.5% taken into account as from 2021 (see section 3.3.2 below).

3.3.2. Calculating a terminal value

The terminal value for both groups at the end of the explicit forecast period (i.e., end-2021) was calculated based on the commonly-used method of discounting a normative cash flow over an unspecified period based on the normative levels of return on assets mentioned above and a perpetuity growth rate of 1.5%. This rate approximates the expected long-term rate of inflation and is consistent with the implicit components of the risk-free rate taken into account in determining the discount rate (see section 3.3.3 below).

3.3.3. Calculating a discount rate

In a DCF financial valuation, we consider that the appropriate discount rate to be applied to the cash flows expected to derive from a business is the opportunity cost of capital specific to that business.
Unlike conventional valuation practices therefore, we did not use the weighted average cost of capital (WACC). We believe that the method commonly used to determine WACC probably overestimates the positive impact that the capital structure has on the value of assets. The reason for this is that the common method of calculating the discount rate only considers the positive impacts of debt (i.e., the tax savings made at company level and now capped) and ignores other less favourable inputs such as individual taxation and multiple implicit costs of debt that are difficult to quantify but only too real, as was revealed by the serious liquidity problems encountered by many companies during the autumn 2008 financial crisis.

This issue is the subject of debate in many academic publications. We have therefore preferred to use an alternative, IFRS-compliant approach which does not factor in the impact of the capital structure on asset value. According to this approach, the estimated cash flows are discounted at the opportunity cost of capital (i.e., the cost of equity with no debt).

This rate is determined using the standard capital asset pricing model (CAPM) formula and the inputs specified below:

- **Risk-free rate:** Yields on Eurozone government bonds are affected in very different ways by the current financial market environment: they fell sharply in countries considered as presenting no or low credit risk (chiefly Germany, Switzerland and France) and increased in countries affected by the sovereign debt crisis. Due to the resulting unusual volatility in government bond yields, calculating a risk-free rate is more difficult. In this context, the best risk-free rate reference in the eurozone is the rate paid by an AAA-rated European group to borrow at 10 years. In the absence of this type of reference, we used a risk-free rate of 3.5% in our normative approach. This rate factors in a real long-term interest rate (excluding inflation) of 2.0% and an expected long-term inflation rate of 1.5%. It should be recalled that the EUR and CHF cash flows of both groups are the result of converting cash flows denominated in many different currencies. Since this is a normative rate, we do not need to consider a different risk-free rate for each group.

- **Unlevered beta:** The beta coefficient of a given business is generally estimated using a peer group approach based on beta coefficients for shares of comparable listed companies. These are obtained by a linear regression of share returns on market index returns. Specifically, beta coefficients for shares of comparable companies are estimated over a long period (four and five years) based on monthly returns in order to reduce the statistical "noise" caused by series of observations constructed over shorter periods. Only the beta coefficients resulting from regressions where R² is higher than 15% are used. The beta coefficients obtained are then "deleveraged" in order to eliminate the impact of the capital structure and obtain a range of beta coefficient estimates for the underlying business.

The quantitative analysis carried out as described above leads to a beta coefficient of 1.0, corresponding to the average unlevered beta coefficient observed over periods of four and five years for both Lafarge and Holcim and the comparable listed companies Heidelberg Cement and Cemex (see section 3.4 below for more information on how we selected the comparable listed companies).

The beta coefficient that results from the quantitative approach is consistent with the beta obtained from a qualitative approach. This is because the two factors determining the systemic risk affecting a business (and therefore its beta coefficient) are (i) its sensitivity to the economic climate and (ii) its operating leverage. The sensitivity of Lafarge and Holcim businesses to the wider economic climate is limited by the global reach of both groups, since the dynamic nature of certain regions can offset weakness in others: this geographical diversification therefore leads us to expect a lower-than-average beta coefficient. On the other hand, Lafarge and Holcim have high and probably above-average operating leverage. Overall, therefore, these two factors justify a near-average unlevered beta coefficient.
It should be noted that we used the same beta coefficient for both groups since their businesses are very similar in terms of scale and product/geographical mix (see section 2.2 above).

- **Estimated average equity market risk premium:** We used a premium of 4.5%, which is towards the top of the range of estimates given by the most recent academic studies on the issue. This is because of the systemic risk highlighted by the autumn 2008 financial crisis which limits the benefits of international diversification.

Based on these inputs, a discount rate of 8.0% was used to value the businesses of the *Lafarge* and *Holcim* groups, i.e.:

\[
\text{Opportunity cost of capital} = 3.5\% + [1.0 \times 4.5\%] = 8.0\%
\]

### 3.3.4. Results of the DCF method

As shown in the table below, the values of *Lafarge* and *Holcim* shares at 31 December 2014 are within the range of estimates of between €57.4 and €70.1 for *Lafarge* and between €56.8 and €74.7 for *Holcim*. On this basis, the *Lafarge/Holcim* exchange ratio comes out at between 0.94 and 1.01.

<table>
<thead>
<tr>
<th>Theoretical value of Lafarge and Holcim shares as at 31/12/2014</th>
<th>Lafarge (€m)</th>
<th>Holcim (CHFm)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entreprise value</strong></td>
<td>Low: 26,794</td>
<td>High: 30,483</td>
</tr>
<tr>
<td>- Net financial debt</td>
<td>10,699</td>
<td>10,699</td>
</tr>
<tr>
<td>- Other non-operating liabilities (assets)</td>
<td>(615)</td>
<td>(615)</td>
</tr>
<tr>
<td>= Equity value</td>
<td>16,711</td>
<td>20,400</td>
</tr>
<tr>
<td>/ Diluted number of shares (millions)</td>
<td>291.2</td>
<td>291.2</td>
</tr>
<tr>
<td>= Share value (in local currency)</td>
<td>57.4</td>
<td>70.1</td>
</tr>
<tr>
<td>x Forex rate EUR/CHF (*)</td>
<td>n.a</td>
<td>n.a</td>
</tr>
<tr>
<td>= Share value (in EUR)</td>
<td>57.4</td>
<td>70.1</td>
</tr>
</tbody>
</table>

(*): Average forex rate from 23 February 2015 to 11 March 2015

### 3.4. Listed peers method

**Selecting relevant multiples**

To apply the listed peers method, we ruled out earnings multiples (PER) due to the distortion resulting from any differences in capital structure. Similarly, we also rejected revenue multiples due to the distortion resulting from differences in profitability. In the absence of a major difference in depreciation/amortisation policy, we preferred EBIT rather than EBITDA multiples, since the former are not distorted by differences in capital intensity resulting from the companies’ industrial and commercial strategies.

We also decided only to use multiples based on inputs dating before the Transaction was announced in order to avoid taking into account any indirect impacts linked to the merger announcement. Due to the size of the transaction involving the industry's two leaders, the announced merger between *Lafarge* and *Holcim* also impacts other companies in the industry, sometimes significantly.
Selecting a sample of comparable companies

As a first step, in order to take into account the most important factor determining multiples (systemic risk), we constructed a fairly wide sample of eight cement groups theoretically comparable to Lafarge and Holcim in terms of businesses. Note that we did not use the Irish company CRH in this first sample since over half of the company’s sales are generated by businesses not directly related to the manufacture of cement, concrete or aggregates.

Among the eight companies selected, only two (Heidelberg Cement and Cemex) can be said to be comparable to Lafarge and Holcim in terms of scale and global reach. The geographical footprint of the six much smaller companies eliminated from the sample is too different from that of Lafarge and Holcim: Italian cement groups Italcementi, Buzzi and Cementir, Vicat in France and TitanCement in Greece have a significant (over 60% of sales) exposure to mature markets and particularly Europe, while the Portuguese cement group Cimpor has significant exposure to emerging markets and especially Latin America.

Applying the listed peers method

As explained above, this method is based on pre-announcement EBIT multiples published by the Heidelberg Cement and Cemex groups. These multiples were calculated based on the following inputs:

- As numerator for the calculation of enterprise values: (i) average market capitalisation over the 15-day period preceding 21 March 2014 (see section 3.1.3 above), (ii) net financial debt and non-operating assets/liabilities (amounts at 31 December 2013, the most recent data available at the calculation date).
- As denominator for the calculation of EBIT, analyst consensus data available at 21 March 2014.

Non-operating assets and liabilities were included at market value as far as possible. As for Holcim and Lafarge (see section 3.2.2 above), the value of non-controlling interests and associates was estimated based on the market capitalisation of the companies concerned if listed or, in the case of unlisted companies, on a PBR of 1.2x for companies in mature markets and of 3.6x for those in emerging markets.

To take into account the growth and development potential of these companies, we took multiples based on forecast EBIT. Ultimately, we only used the 2015 multiple and excluded the 2016 multiple as the market consensus for this period is less reliable (at 21 March 2014, only half as many financial analysts had published forecasts for 2016).

Based on the above, the 2015 EBIT multiples for Heidelberg Cement and Cemex are 11.8x and 15.3x, respectively.

<table>
<thead>
<tr>
<th>2015 EBIT multiple (pre-announcement) of comparable companies</th>
<th>Heidelberg Cement (EURm)</th>
<th>Cemex (MXNm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market capitalisation (March 2014)</td>
<td>11,435</td>
<td>189,274</td>
</tr>
<tr>
<td>+ Non-controlling interests</td>
<td>3,455</td>
<td>20,756</td>
</tr>
<tr>
<td>+ Net financial debt (31 December 2013)</td>
<td>8,537</td>
<td>253,259</td>
</tr>
<tr>
<td>+ Other non-operating liabilities (assets)</td>
<td>(47)</td>
<td>(31,045)</td>
</tr>
<tr>
<td>= Enterprise value</td>
<td>23,380</td>
<td>432,245</td>
</tr>
<tr>
<td>/ EBIT 2015e *</td>
<td>1,976</td>
<td>28,258</td>
</tr>
<tr>
<td>= 2015 EBIT multiple</td>
<td>11.8x</td>
<td>15.3x</td>
</tr>
</tbody>
</table>

(*) Market consensus (source: CapitalIQ) adjusted from restructuring costs estimated to 0.3% of Heidelberg Cement sales and 0.5% of Cemex sales (historical levels)
We do not consider that this significant difference in multiples can be explained by a difference in risk (the main factor determining multiples), since we explained above that the Heidelberg Cement and Cemex groups were reasonably comparable from this point of view, as corroborated by the estimated unlevered beta coefficients for the two groups (1.1 and 1.0, respectively). This difference therefore appears to result from a disparity in terms of earnings growth (the second most important factor determining multiples). This is confirmed by the analysts' forecasts, which show higher 2015 and 2016 EBIT growth for Cemex than for Lafarge and Holcim but lower growth for Heidelberg Cement than that expected for Lafarge and Holcim.

Rather than considering an average multiple, we calculated two different enterprise values by applying the 2015 multiples for Heidelberg Cement and Cemex (11.8x and 15.3x, respectively) to 2015 EBIT for Lafarge and Holcim as forecast at 21 March 2014 by the same consensus as that used for the DCF method (except for two brokers which had not published any recent reports at that date).

On this basis, the value of the Lafarge and Holcim shares at 31 December 2013 is between €58.9 and €91.6 for Lafarge and between €65.1 and €93.4 for Holcim, representing a Lafarge/Holcim exchange ratio of between 0.90 and 0.98.

### 3.5. Comparable transactions method

No transaction involving global cement groups has taken place in the last few years. Most of the transactions observed concerned one-off purchases of industrial assets or trading in shares of companies based in emerging markets. Further, we do not consider the comparable transactions method to be relevant in estimating the Intrinsic Value of the Lafarge and Holcim shares, since the multiples observed for transactions in the industry often factor in a control premium, corresponding to the portion of synergies paid by the buyers to the shareholders of target companies.

Consequently, we did not apply the comparable transactions method.

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31 The wide share value range may be surprising. However, it is partly due to the fact that the already-large difference in the enterprise values resulting from the two multiples used is significantly increased by the two groups' financial leverage.
4. Analysis of the elements provided to appraise the Exchange Ratio prepared by the Banks

As part of our assignment, we analysed the elements provided to appraise the Exchange Ratio prepared by Société Générale and UBS, the banks submitting the Offer, as set out in the draft prospectus to be filed with the AMF on 11 May 2015. We set out below our comments on this analysis.

4.1. Valuation approach

The Banks adopted a multi-criteria approach and looked at two bases for the valuation (valuation references): (i) share prices and (ii) target prices issued by financial analysts. The Banks used estimates resulting from two valuation methods: (i) the listed peers method and (ii) the DCF method. The valuation approach adopted by the Bank therefore appears to have been very similar to our own. However, a closer looks reveals two important differences.

First, we placed greater emphasis on the estimates obtained under the DCF method than those obtained using the listed peers method. The reasons for this are primarily the difficulties typically encountered in constructing a representative sample of listed comparable companies (peer group). In contrast, the Banks favoured the listed peers method which was used as the "primary" method over the DCF method (used "for information purposes only").

Secondly, we consider that in the present case, the fairness of the Exchange Ratio should be assessed in light of the exchange ratios based on the Intrinsic Values of both groups, thereby excluding any exchange ratios based on post-announcement market inputs. The Banks' position in this respect is not clear-cut: while they recognise that the Lafarge and Holcim share prices are no longer independent as of the date the Transaction was announced (4 April 2014), they nevertheless take into account the exchange ratios obtained on the basis of these share prices before and after this date. Similarly, regarding the target prices issued by financial analysts and used as a valuation reference, the Banks consider only the post-announcement prices since their sole reference date is 19 March 2015, the day before the press release announcing the revised terms and conditions of the merger and in particular the new exchange ratio of ten Lafarge shares for nine Holcim shares.

This second point reflects a different methodological approach and means that the results of our valuation work, and particularly the range of exchange ratios considered pertinent, are not strictly comparable with the results obtained by the Banks. This difference in approach also prevents a comparison of how the different valuation methods or references were applied, as we will see below.
4.2. Results of the valuation work performed

4.2.1. Exchange ratios obtained on the basis of share prices and target prices

As we outlined above, the Banks take into account the share prices before and after the date the Transaction was announced, since both references appear in their summary table.

The exchange ratios obtained on the basis of the pre-announcement share prices are between 0.89 and 0.93, lower than the exchange ratio of 0.94 which we obtained using the same type of reference. This discrepancy results from the difference in the reference periods selected: the Banks adopted an extended 12-month period, while we chose a limited 15-day period so that the share prices would factor in the latest major events occurring before the announcement date (particularly the publication of annual results for 2013).

Based on the post-announcement share prices, the Banks adopted an exchange ratio of 0.87. It should be recalled that in the weeks following the announcement, the share prices of both groups evolved to reflect the Exchange Ratio of 1.0 proposed at the time. Despite being based on the share prices recorded the day before the announcement of the new Exchange Ratio (i.e., 19 March 2015), the exchange ratio of 0.87 adopted by the Banks probably already factored in the revision insofar as the first rumours about a new ratio began to circulate on 1 March 2015, as recalled by the Banks. The 0.87 ratio is therefore understandably lower than the 1.0 Exchange Ratio envisaged at the time the Transaction was announced.

Regarding the target prices issued by financial analysts, the Banks adopt the same reference date of 19 March. As with the share prices recorded on that date, we consider that the target prices observed on 19 March are not a pertinent basis for determining the Intrinsic Value of each group. Irrespective of the results obtained from their own valuation work (which may or may not factor in the impacts of the combination), the financial analysts likely factor in a possible Exchange Ratio revision – and possibly even a collapse of the merger deal – in the target prices they disclose to the sales teams of their respective brokerage houses.

4.2.2. Exchange Ratios obtained based on the listed peers method and the DCF method

As mentioned above, the Banks chose to apply like us the listed peers and DCF methods. Based on the estimates resulting from these two methods, the exchange ratios obtained by the Banks are significantly lower than our own. Under the listed peers method for example, the exchange ratio obtained by the Banks is close to the revised Exchange Ratio of 0.9, whereas we obtained a wide range of between 0.90 and 0.98. Likewise, the Banks obtained an exchange ratio of 0.83 under the DCF method, below our range of 0.94-1.01.

These differences are undoubtedly caused by several different factors. However, we are unable to analyse these in-depth from the information disclosed by the Banks in the prospectus. Nevertheless, it should be noted that the exchange ratios we obtained were more favourable for Lafarge shareholders than those obtained by the Banks cannot be explained by differences in estimates of items considered to determine equity values from enterprise values ("adjusted net debt"). In fact, in valuing the Holcim share, we take a significantly lower adjusted net debt than that chosen by the Banks (respectively CHF 13.9 billion and CHF 15.5 billion at 31 December 2014), while for the Lafarge share, our adjusted net debt figure is slightly higher (respectively €10.1 billion and €9.5 billion at end-2014).
Regarding the listed peers method, the differences observed between the results obtained by the Banks and our own results are attributable to the different ways in which we applied the method in terms of (i) preparing a sample of comparable listed companies (the Banks use a wide sample that includes local, mid-sized companies), (ii) selecting indicators to calculate multiples (the Banks choose EBITDA while we opt for adjusted EBIT), (iii) choosing the reference period to use for the calculation of the multiples (the Banks use a recent period whereas we choose a period prior to the announcement of the Transaction).

Regarding the DCF method, it should be recalled that DCF is only provided by the Banks "for information purposes" and that the exchange rate obtained under this method is excluded from their summary table. The information provided about the way in which this method was applied is fairly vague and a comparison with our own work is therefore difficult. However, we can identify two important differences regarding estimated forecast cash flows and the calculation of the discount rate. The normative rate used by the Banks to calculate the terminal value is based mainly on the EBITDA margins resulting from the analyst consensus, while in our own work, this normative rate is based on target levels of return on capital employed. We also use a single discount rate to value the businesses of both groups, whereas the Banks use two different rates without explaining their choice.
5. Conclusion

This independent valuation report was drawn up in connection with the public exchange offer to be launched shortly by Holcim (the "Offeror") for Lafarge shares (the "Offer") based on an exchange ratio of 0.9 (i.e., nine Holcim shares for every ten Lafarge shares tendered). The report was drawn up further to a request by the Lafarge Board of Directors in compliance with French stock market regulations. It is designed to provide the Board with an opinion on the fairness of the Offer's financial terms and conditions for Lafarge shareholders.

The Offer is a voluntary offer resulting from a merger process initiated jointly by the management of both groups in the first quarter of 2014 (the "Transaction") and Lafarge shareholders are free to choose whether or not to accept the Offer by deciding to tender or retain their shares. Analysing the fairness of the Offer's financial terms and conditions in this context involves firstly verifying whether the exchange ratio proposed by the Offeror (the "Exchange Ratio") is "reasonable" or "acceptable" for Lafarge shareholders from a financial point of view, and secondly, assessing the financial merits of the Offer for these shareholders.

Regarding the Exchange Ratio, earlier in our report we stated that two criteria must be respected for the Exchange Ratio to be considered fair: it must (i) factor in the value of the assets and the growth potential of both groups, and (ii) reflect a "fair allocation" of the value to be created by the combination (i.e., the value of any synergies) among the shareholders of each group. Given the nature of the planned combination ("merger of equals") and the characteristics of the expected synergies, the second criterion requires the Exchange Ratio to be based on the respective market values of both groups before taking into account the impacts of the combination ("Intrinsic Values"). Implicitly, this means that no control premium exists.

Our valuation work was performed using a multi-criteria approach. It showed that the Exchange Ratio was at the bottom of the range of ratios based on the Intrinsic Values that resulted from the valuation references (analysts' target prices and share prices) or from the valuation methods used (DCF and listed peers methods). As a result, we believe that the Exchange Ratio is acceptable for Lafarge shareholders and note that it does not include any premium relative to the ratios resulting from our different estimates of the Intrinsic Value of each group.

Regarding the financial merits of the Offer, the absence of a control premium could lead us to question the potential for value creation resulting from the synergies. When no synergies are expected, an exchange offer with no premium would have no financial merits for the target company's shareholders. However, an offer should be considered if the combination is likely to generate synergies. Further, if the value expected to be created by these synergies is significant compared with the Intrinsic Values, the position of the Exchange Ratio within the range of ratios obtained from a multi-criteria valuation approach is irrelevant, since its impact on the increase in the target company's shareholder value is limited.

In the present case, based on the information provided by the management of Lafarge and Holcim at the time the Transaction was announced, the planned combination is expected to generate significant synergies. Consequently, the value to be created as a result of these synergies could be significant compared with the Intrinsic Values. This can be seen in (i) the
impact of the announcement of the Transaction on the combined shareholder value of the two groups (i.e., an increase of around 13% over a period including the date the Transaction was announced and the previous 10 trading days) and (ii) the revised target prices published by financial analysts in the two months following the announcement (representing a median increase of around 17% for the Lafarge share and around 15% for the Holcim share based on a sample of 11 financial analysts).

However, these positive reactions to the announced Transaction should not blind us to the execution risks, which exist as for any large-scale merger. Due to the absence of significant economies of scale in this case, the synergies expected cannot be realised in full if the two groups are not able to integrate successfully.

To conclude, given (i) the position of the Exchange Ratio relative to the ratios derived from the Intrinsic Values of the two groups, and (ii) the potential for value creation resulting from the synergies, we believe that the financial terms and conditions of the Offer are fair for Lafarge shareholders.

Paris, 15 April 2015

Representing Accuracy,

Bruno Husson                                Henri Philippe

7          PERSONS RESPONSIBLE FOR THE RESPONSE OFFER DOCUMENT

“To our knowledge, the information contained in this response offer document is true and accurate and does not contain any omission which could make it misleading.”

Bruno Lafont                                Jean-Jacques Gauthier
Chief Executive Officer                    Chief Financial Officer and
                                         Executive Vice-President
Annex
Report of the expert appointed by the workers’ council of the Company (in French)
LAFARGE SA

Projet d'offre publique d'échange

dans le cadre du projet LAFARGE HOLCIM

RAPPORT DE MISSION D'EXPERTISE

Article L2325-35 du Code du travail

Le 24 avril 2015
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   LAFARGEHOLCIM .......................................................................................................................... 2
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      2.2 Les désinvestissements
      2.3 Le futur groupe LAFARGEHOLCIM après les désinvestissements

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1. INTRODUCTION

Au cours de la réunion du 2 avril 2015 et en application de l'article L.2325-35 du Code du travail, les membres du comité d'entreprise de LAFAARGE SA nous ont désignés afin de les assister dans l'examen du projet de fusion LAFAARGEHOLCIM.

La réalisation de cette étude a nécessité l'accès à des données dont certaines présentent un caractère confidentiel :

→ le document intitulé "Document d'information en vue d'une consultation relative à l'offre publique d'échange [OPE] dans le cadre du projet de fusion LAFAARGEHOLCIM" remis au CE le jeudi 2 avril 2015 en vue de la réunion d'information-consultation ;
→ les rapports annuels "Document de référence LAFAERGE" de 2011 à 2014 ;
→ le document de base du 2 avril 2015 ;
→ la note d'opération du 2 avril 2015 ;
→ la note d'information du 2 avril 2015 ;
→ les informations financières Pro Forma Non Auditées, version du 1\textsuperscript{er} avril 2015 ;

A la date d'établissement de notre rapport, nous n'avions pas obtenu de réponse aux deux listes de questions et demandes de documents adressées par les élus du comité d'entreprise à HOLCIM.

Le 8 avril 2015, nous avons participé au CE auquel étaient présents des représentants de la direction de LAFAARGE SA ainsi que Monsieur Markus KRITZLER RING représentant la société HOLCIM.

Nous avons également assisté au CE du 20 avril 2015.

Nous tenons à remercier ici pour leur disponibilité toutes les personnes que nous avons sollicitées.
2. PRESENTATION DE LA FUSION LAFARGE-HOLCIM.

Le 7 avril 2014, les conseils d'administration de LAFARGE SA [LAFARGE]et de HOLCIM LTD [HOLCIM] ont approuvé à l'unanimité l'intention de réunir les deux groupes par une fusion entre égaux. Le 20 mars 2015, les conseils d'administration de LAFARGE et HOLCIM ont trouvé un accord pour amender les modalités de la fusion précédemment annoncées le 7 avril 2014. La fusion proposée donnera naissance à LAFARGEHOLCIM ; le processus juridique retenu est une offre publique d'échange déposée par HOLCIM portant sur l'ensemble des actions LAFARGE en circulation sur la base d'une parité d'échange de 9 pour 10. Chaque actionnaire de LAFARGE apportant 10 actions à cette offre d'échange se verrait remettre 9 nouvelles actions de LAFARGEHOLCIM. La fusion est conditionnée, entre autres, à la détention par HOLCIM d'au moins deux tiers du capital social et des droits de vote de LAFARGE, à l'approbation des actionnaires de HOLCIM et à l'obtention des autorisations réglementaires habituellement requises qui implique la cession de certaines activités courantes de la part des deux groupes.

HOLCIM et LAFARGE ont également convenu que, sous réserve de l'approbation des actionnaires de HOLCIM, le nouveau groupe annoncerait un dividende - payable en actions à la finalisation de l'opération - d'une nouvelle action LAFARGEHOLCIM pour 20 actions LAFARGEHOLCIM détenues.

2.1 Chiffres clés et comptes de résultat des acteurs de l'opération avant fusion

a. HOLCIM [l'initiateur]

La société a été fondée en 1912 dans le village de Holderbank dans le canton suisse d'ARGAU.

Le groupe HOLCIM est l'un des principaux producteurs de ciment et de granulats dans le monde. Il fournit aussi du béton prêt à l'emploi et de l'asphalte ainsi que des services associés.

La reprise économique, inégalement à l'échelle mondiale, s'est poursuivie en 2014 et la demande pour les matériaux de construction s'est avérée inférieure à celle de l'année précédente.

Les fonds propres, qui s'élevaient à 18 677 MCHF au 31 décembre 2013, sont de 20 112 MCHF au 31 décembre 2014.

<table>
<thead>
<tr>
<th>CHIFFRES CLES</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.A. Groupe en MCHF</td>
<td>20 744</td>
<td>21 160</td>
<td>19 719</td>
<td>19 110</td>
</tr>
<tr>
<td>EBITDA en MCHF</td>
<td>4 264</td>
<td>4 352</td>
<td>4 332</td>
<td>4 156</td>
</tr>
<tr>
<td>EBITDA en % du C.A.</td>
<td>20,56</td>
<td>20,57</td>
<td>21,97</td>
<td>21,75</td>
</tr>
<tr>
<td>Résultat net en MCHF</td>
<td>682</td>
<td>1 002</td>
<td>1 596</td>
<td>1 619</td>
</tr>
<tr>
<td>Résultat net [part Groupe] en MCHF</td>
<td>275</td>
<td>610</td>
<td>1 272</td>
<td>1 287</td>
</tr>
<tr>
<td>Résultat net [part Groupe] en % du C.A.</td>
<td>1,33</td>
<td>2,88</td>
<td>6,45</td>
<td>6,73</td>
</tr>
<tr>
<td>Endettement financier net en MCHF</td>
<td>11 549</td>
<td>10 325</td>
<td>9 461</td>
<td>9 644</td>
</tr>
<tr>
<td>Endettement financier net en % du C.A.</td>
<td>55,67</td>
<td>48,79</td>
<td>47,98</td>
<td>50,47</td>
</tr>
<tr>
<td>Nombre de personnes salariées</td>
<td>80 967</td>
<td>76 359</td>
<td>70 857</td>
<td>67 584</td>
</tr>
</tbody>
</table>
Le tableau ci-dessous présente les postes du compte de résultat consolidé du groupe HOLCIM.

<table>
<thead>
<tr>
<th>En millions de CHF</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Variation en %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chiffres d'affaires net</td>
<td>21 160</td>
<td>19 719</td>
<td>19 110</td>
<td>-3,09</td>
</tr>
<tr>
<td>Coût de production des biens vendus</td>
<td>12 529</td>
<td>11 087</td>
<td>10 548</td>
<td>-4,86</td>
</tr>
<tr>
<td>Marge brute</td>
<td>8 631</td>
<td>8 632</td>
<td>8 562</td>
<td>-0,81</td>
</tr>
<tr>
<td>Frais commerciaux et de distribution</td>
<td>5 418</td>
<td>5 021</td>
<td>4 924</td>
<td>-1,93</td>
</tr>
<tr>
<td>Frais administratifs</td>
<td>1 464</td>
<td>1 254</td>
<td>1 321</td>
<td>5,34</td>
</tr>
<tr>
<td>Résultat d'exploitation</td>
<td>1 749</td>
<td>2 357</td>
<td>2 317</td>
<td>-1,70</td>
</tr>
<tr>
<td>Autres produits</td>
<td>208</td>
<td>204</td>
<td>179</td>
<td>-12,25</td>
</tr>
<tr>
<td>Quote-part au résultat des sociétés</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partenaires et associés</td>
<td>147</td>
<td>161</td>
<td>140</td>
<td>-13,04</td>
</tr>
<tr>
<td>Résultat financier</td>
<td>232</td>
<td>183</td>
<td>183</td>
<td>0,00</td>
</tr>
<tr>
<td>Charges financières</td>
<td>782</td>
<td>777</td>
<td>611</td>
<td>-21,36</td>
</tr>
<tr>
<td>Résultat net avant impôts</td>
<td>1 554</td>
<td>2 128</td>
<td>2 208</td>
<td>3,76</td>
</tr>
<tr>
<td>Impôts sur les bénéfices</td>
<td>550</td>
<td>533</td>
<td>588</td>
<td>10,32</td>
</tr>
<tr>
<td>Résultat net</td>
<td>1 004</td>
<td>1 595</td>
<td>1 620</td>
<td>1,57</td>
</tr>
</tbody>
</table>

En 2014, la marge brute du groupe HOLCIM a diminué de 70 millions de francs suisses ; en valeur absolue, la diminution du chiffres d'affaires net a été plus importante que celle des coûts de production des biens vendus.

Le résultat net du groupe HOLCIM a augmenté de 23 millions de francs suisses. La réduction des frais financiers et des pertes de change ainsi que les plus-values réalisées à l'occasion de la vente d'immobilisations corporelles ont contébalancé la baisse du résultat d'exploitation, la hausse des impôts sur les bénéfices, la diminution de la quote-part du résultat provenant des sociétés apparentées et les moins-values constatées lors de la cession de placements financiers.

Le total des actions émises à fin décembre 2014 est de 327 086 376; les principaux actionnaires sont :

<table>
<thead>
<tr>
<th></th>
<th>Nb d'actions détenues</th>
<th>% de droits de vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schweizerische Cement-</td>
<td>65 777 912</td>
<td>20,11</td>
</tr>
<tr>
<td>Industrie-Aktiengesellschaft</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eurocement Holding AG</td>
<td>35 402 772</td>
<td>10,82</td>
</tr>
<tr>
<td>Harris Associates L.P.</td>
<td>16 163 815</td>
<td>4,94</td>
</tr>
<tr>
<td>Harbor International Fund</td>
<td>9 840 977</td>
<td>3,01</td>
</tr>
<tr>
<td>Total</td>
<td>127 185 476</td>
<td>38,88</td>
</tr>
</tbody>
</table>
b. **LAFARGE [la cible]**

En 1833, Joseph-Auguste PAVIN de LAFARGE commence à exploiter des fours à chaux au Teil, en Ardèche. À la suite d'une croissance soutenue et de nombreuses acquisitions, LAFARGE devient le premier producteur français de ciment à la fin des années 1980 mais dès 1864 a lieu le premier développement international.

LAFARGE produit et vend principalement du ciment, des granulats et du béton prêt à l'emploi, essentiellement sous le nom commercial "Lafarge". Ses produits et solutions de construction sont utilisés pour construire ou rénover des logements, bâtiments et infrastructures.

Après un premier semestre 2014 durant lequel le secteur de la construction a été globalement mieux orienté qu'en 2013, la progression des volumes sur la seconde partie de l'année a été plus modérée, notamment en Europe.

**CHIFFRES CLES**

<table>
<thead>
<tr>
<th>Du 01/01/2011 au 31/12/2014</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.A. Groupe en M€</td>
<td>15 284</td>
<td>15 816</td>
<td>13 091</td>
<td>12 843</td>
</tr>
<tr>
<td>EBITDA en M€</td>
<td>3 217</td>
<td>3 423</td>
<td>2 794</td>
<td>2 721</td>
</tr>
<tr>
<td>EBITDA en % du C.A.</td>
<td>21,05</td>
<td>21,64</td>
<td>21,34</td>
<td>21,19</td>
</tr>
<tr>
<td>Résultat net en M€</td>
<td>736</td>
<td>554</td>
<td>753</td>
<td>274</td>
</tr>
<tr>
<td>Résultat net [part Groupe] en M€</td>
<td>593</td>
<td>365</td>
<td>601</td>
<td>143</td>
</tr>
<tr>
<td>Résultat net [part Groupe] en % du C.A.</td>
<td>3,88</td>
<td>2,31</td>
<td>4,59</td>
<td>1,11</td>
</tr>
<tr>
<td>Endettement financier net en M€</td>
<td>11 974</td>
<td>11 317</td>
<td>9 846</td>
<td>9 310</td>
</tr>
<tr>
<td>Endettement financier net en % du C.A.</td>
<td>78,34</td>
<td>71,55</td>
<td>75,21</td>
<td>72,49</td>
</tr>
<tr>
<td>Nombre de personnes salariées</td>
<td>67 923</td>
<td>64 337</td>
<td>63 687</td>
<td>63 038</td>
</tr>
</tbody>
</table>
Le tableau ci-après présente les postes du compte de résultat consolidé du groupe.

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Var ° %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Produits des activités ordinaires</strong></td>
<td>15 816</td>
<td>13 091</td>
<td>12 843</td>
<td>- 1,89</td>
</tr>
<tr>
<td>Coût des biens vendus</td>
<td>- 11 945</td>
<td>- 9 944</td>
<td>- 9 838</td>
<td>- 1,07</td>
</tr>
<tr>
<td>Frais administratifs et commerciaux</td>
<td>- 1 431</td>
<td>- 1 210</td>
<td>- 1 124</td>
<td>- 7,11</td>
</tr>
<tr>
<td><strong>Résultat d'exploitation</strong> [avant plus- values de cession, perte sur actifs, restructurations et autres]</td>
<td>2 440</td>
<td>1 937</td>
<td>1 881</td>
<td>- 2,89</td>
</tr>
<tr>
<td>Plus ou moins values de cession</td>
<td>53</td>
<td>291</td>
<td>292</td>
<td>0,34</td>
</tr>
<tr>
<td>Autres produits ou charges d'exploitation</td>
<td>- 546</td>
<td>- 295</td>
<td>- 713</td>
<td>141,69</td>
</tr>
<tr>
<td><strong>Résultat d'exploitation</strong></td>
<td>1 947</td>
<td>1 933</td>
<td>1 460</td>
<td>- 24,47</td>
</tr>
<tr>
<td>Charges financières</td>
<td>- 1 191</td>
<td>- 1 122</td>
<td>- 1 034</td>
<td>- 7,84</td>
</tr>
<tr>
<td>Produits financiers</td>
<td>160</td>
<td>138</td>
<td>164</td>
<td>18,84</td>
</tr>
<tr>
<td>Quote-part dans les résultats des entreprises liées</td>
<td>5</td>
<td>69</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Résultat avant impôts</strong></td>
<td>921</td>
<td>949</td>
<td>659</td>
<td>- 30,56</td>
</tr>
<tr>
<td>Impôts</td>
<td>- 316</td>
<td>- 242</td>
<td>- 385</td>
<td>59,09</td>
</tr>
<tr>
<td><strong>Résultat net des activités poursuivies</strong></td>
<td>605</td>
<td>707</td>
<td>274</td>
<td>- 61,24</td>
</tr>
<tr>
<td>Résultat net des activités abandonnées</td>
<td>16</td>
<td>46</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Résultat net</strong></td>
<td>621</td>
<td>753</td>
<td>274</td>
<td>- 63,61</td>
</tr>
</tbody>
</table>

Les volumes de vente de ciment sont en augmentation de 4 %.

Sur une base comparable, le chiffre d'affaires a progressé de 3 % et l'EBITDA de 5 %. Le résultat net part du Groupe est affecté par des éléments non récurrents, notamment 385 millions d'euro de dépréciation d'actifs sans effet sur le cash et par des plus et moins-values de cessions.

La réduction de l'endettement net du Groupe s'est poursuivie et s'est établit 9,3 Md€. Les fonds propres s'élevaient à 14 555 M€ au 31 décembre 2013 ; ils sont de 15 453 M€ au 31 décembre 2014.
Le total des actions émises à fin décembre 2014 est de 287 541 684; les principaux actionnaires sont :

<table>
<thead>
<tr>
<th></th>
<th>Nb d'actions détenues</th>
<th>% de droits de vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Groupe Bruxelles Lambert</td>
<td>60 568 754</td>
<td>29,3</td>
</tr>
<tr>
<td>NNS Holding SARL</td>
<td>40 063 011</td>
<td>19,4</td>
</tr>
<tr>
<td>Dodge &amp; Cox</td>
<td>20 978 862</td>
<td>6,9</td>
</tr>
<tr>
<td>Autres institutionnels</td>
<td>136 549 558</td>
<td>35,0</td>
</tr>
<tr>
<td>Actionnaires individuels</td>
<td>29 310 961</td>
<td>9,4</td>
</tr>
<tr>
<td>Auto-déten tion</td>
<td>70 538</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>287 541 684</td>
<td>100,0</td>
</tr>
</tbody>
</table>

2.2 Les désinvestissements liés au projet de fusion

Le 2 février 2015, les deux groupes LAFARGE et HOLCIM ont annoncé être entrés en négociation exclusive avec le groupe CRH sur la base d'un engagement ferme pour céder les actifs suivants pour une valeur d'entreprise de 6,5 milliards d'euro [la part des actifs LAFARGE est de 4,2 milliards d'euro].

- **France**
  En France métropolitaine, tous les actifs D'HOLCIM, à l'exception de la cimenterie d'Altkirch, des sites béton et granulats dans la région du Haut-Rhin et d'une station de broyage de LAFARGE à Saint-Nazaire récemment acquise [30 collaborateurs, 12 M€ de chiffre d'affaires et 1 M€ d'EBITDA] ; à la Réunion, les actifs de LAFARGE, excepté sa participation dans CIMENTS de BOURBON, représentant 154 collaborateurs, 67 M€ de chiffres d'affaires et 8 M€ d'EBITDA.

- **Allemagne**
  Les actifs de LAFARGE, soit 368 collaborateurs, 167 M€ de chiffres d'affaires et 39 M€ d'EBITDA.

- **Hongrie et Slovaquie**
  Les actifs opérationnels d'HOLCIM, soit 1 103 collaborateurs, 149 M€ de chiffres d'affaires et 34 M€ d'EBITDA.

- **Roumanie**
  Les actifs de LAFARGE, soit 932 collaborateurs, 189 M€ de chiffres d'affaires et 52 M€ d'EBITDA.

- **Serbie**
  Les actifs D'HOLCIM, soit 383 collaborateurs, 51 M€ de chiffres d'affaires et 19 M€ d'EBITDA.
- Royaume-Uni
Les actifs de LAFARGE TARMAC, à l'exception de la cimenterie de Cauldon et de certains autres actifs associés. Dans ce cadre, LAFARGE a signé le 24 juillet 2014 un accord portant sur l'acquisition de sa participation de 50 % dans LAFARGE TARMAC ; une des conditions de cette acquisition est la réalisation de l'opération de fusion LAFARGE HOLCIM. Ces cessions représentent 6 700 collaborateurs, 2 285 M€ de chiffre d'affaires et 237 M€ d'EBITDA.

- Canada
Les actifs D'HOLCIM représentent 2 941 collaborateurs, 1 507 MC$ de chiffre d'affaires et 229 MC$ d'EBITDA.

- États-Unis
La cimenterie Trident d'HOLCIM [Montana] et certains terminaux dans la région des Grands Lacs.

- Philippines
Les participations de LAFARGE REPUBLIC INC [LRI] et autres actifs spécifiques détenus par les actionnaires majoritaires, à l'exception des parts LRI dans LAFARGE ILIGAN, INC, ...et autres actifs associés représentant 841 collaborateurs, 20 921 MP$ de chiffres d'affaires et 7 276 MP$ d'EBITDA

- Brésil
Un ensemble d'actifs des deux entreprises qui comprend trois cimenteries intégrées et deux stations de broyage représentant 422 collaborateurs, 693 MR$ de chiffres d'affaires et 109 MR$ d'EBITDA.

Cet accord entre CRH et LAFARGE-HOLCIM sera soumis à l'autorisation des autorités de la concurrence compétente. 
CRH a un effectif de 76 000 salariés et opère dans 35 pays ; son chiffre d'affaires est de 18 Md€ avec un EBITDA de 1,5 Md€. La reprise des actifs LAFARGE et HOLCIM lui permet une meilleure couverture géographique, CRH passe du 6ème au 3ème rang mondial dans le secteur des matériaux de construction et génère des synergies significatives.

Au cours de l'assemblée générale du 19 mars 2015, les actionnaires de CRH ont approuvé ces acquisitions qui restent conditionnées à la réalisation du projet de fusion.

2.3 Le futur groupe LAFARGEHOLCIM [après désinvestissements et en supposant un résultat de l'OPE de 100 %]

a. Informations relatives à LAFARGEHOLCIM
HOLCIM sera renommée LAFARGEHOLCIM au règlement-livraison de l'offre publique d'échange. L'activité principale d'HOLCIM est de participer au capital de sociétés suisses et étrangères de fabrication, de négoce et de financement actives dans le secteur des liants hydrauliques et autres industries connexes.
Les commissaires aux comptes d'HOLCIM sont Ernst & Young Ltd.
b. **La fusion**

En 2014, sur une base combinée LAFARGEHOLCIM a vendu 268,7 mt de ciments, 288,3 mt de granulats et 56,6 mt de béton prêt à l'emploi. L'implantation géographique du Groupe avoisine 90 pays. Sa capacité de production de ciment est de 392,6 mt par an. LAFARGEHOLCIM exploitait sur une base combinée 256 cimenteries [usine de clinker et de broyage], 621 usines de granulats et 1 640 usines de béton prêt à l'emploi. L'effectif est d'environ 115 785 salariés équivalents temps plein.

Le Groupe combiné a réalisé un chiffres d'affaires de 33,1 milliards de francs suisses et un EBITDA d'exploitation de 6,8 milliards de francs suisses pour un résultat net de 1,1 milliard de francs suisses attributable aux actionnaires de LAFARGEHOLCIM LTD. Sa dette financière nette au 31 décembre 2014 est de 18,2 milliards de francs suisses soit environ 55% et ses capitaux propres de 43,2 milliards de francs suisses.

✓ La fusion donnera naissance à un Groupe à l'avant-garde de l'industrie des matériaux de construction.

✓ Ce Groupe sera capable de générer pour 1,2 milliards de francs suisses au titres des synergies opérationnelles, 240 millions liés aux frais financiers et 250 millions liés aux investissements. De plus, un partage des meilleures pratiques devrait générer ponctuellement des synergies de fonds de roulement.

✓ Peu après l'annonce de la fusion, un comité d'intégration a été mis en place avec pour but d'exploiter au mieux les bénéfices de la fusion et de fonder une nouvelle culture d'entreprise fusionnant les cultures de LAFARGE et d'HOLCIM.

**c. LAFARGEHOLCIM après la réalisation de la fusion**

✓ Les fonds propres

   Au 31 décembre 2014, le Groupe combiné en situation pro forma disposait de 43 197 millions de francs suisses, soit 40 938 millions d'euro.

✓ Le compte de résultat pro forma

   Le compte de résultat résumé ci-après ne prend en compte ni les synergies qui résulteraient de la fusion ni les indemnités ou les coûts de restructuration qui pourraient résulter de la fusion et de la cession.
<table>
<thead>
<tr>
<th></th>
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<td>Produits des activités ordinaires</td>
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<td>1 392</td>
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<td>33 140</td>
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<td>-8 396</td>
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<tr>
<td>Excédent brut d’exploitation</td>
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<td>-7</td>
<td>-1 335</td>
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<td>Frais commerciaux et de distribution</td>
<td>-4 924</td>
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<td>-333</td>
<td>738</td>
<td>-8 369</td>
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<td>Frais administratifs</td>
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<td>163</td>
<td>-2 234</td>
<td>-2 117</td>
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<tr>
<td>Résultat d’exploitation avant autres produits et charges</td>
<td>2 489</td>
<td>2 285</td>
<td>-448</td>
<td>-434</td>
<td>3 892</td>
<td>3 688</td>
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<tr>
<td>Autres produits [charges]</td>
<td>30</td>
<td>-512</td>
<td>184</td>
<td>246</td>
<td>-52</td>
<td>-49</td>
</tr>
<tr>
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<td>1 773</td>
<td>-264</td>
<td>-188</td>
<td>3 840</td>
<td>3 639</td>
</tr>
<tr>
<td>Quote-part dans les résultats des entreprises liées</td>
<td>140</td>
<td>84</td>
<td>22</td>
<td>-66</td>
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<td>171</td>
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<tr>
<td>Produits financiers</td>
<td>183</td>
<td>199</td>
<td>-2</td>
<td>380</td>
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<td></td>
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<tr>
<td>Charges financières</td>
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<td>-1 256</td>
<td>-161</td>
<td>71</td>
<td>-1 981</td>
<td>-1 877</td>
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<tr>
<td>Résultat avant impôts</td>
<td>2 207</td>
<td>800</td>
<td>-403</td>
<td>-185</td>
<td>2 419</td>
<td>2 293</td>
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<tr>
<td>Impôts</td>
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<td>-467</td>
<td>87</td>
<td>30</td>
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<td>-889</td>
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<tr>
<td>Résultat net</td>
<td>1 619</td>
<td>333</td>
<td>-316</td>
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<td>1 481</td>
<td>1 404</td>
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</table>

3. ANALYSE DES CONDITIONS DE LA FUSION

3.1 Les objectifs stratégiques

Les activités du nouveau groupe resteront celles déjà maîtrisées par LAFARGE et HOLCIM [ciment, granulats et béton prêt à l’emploi], mais dorénavant avec plus de 110 000 collaborateurs dans 73 marchés émergents et 17 marchés développés, des volumes et un chiffre d’affaires globalement multipliés par deux par rapport à ceux de chaque groupe pris séparément : plus de 31M€ de chiffre d’affaires, 427 Mt de ciment, 348 Mt de granulats et 70 Mm3 de béton.

La fusion LAFARGE-HOLCIM doit positionner le nouveau groupe comme le partenaire de référence dans le secteur des matériaux de construction sur un marché de la construction qui doit doubler d’ici à 2025. De plus, la fusion doit optimiser l’exploitation des actifs pour générer davantage de résultat. Pour cela, des objectifs stratégiques ont été identifiés :

- mobiliser les ressources humaines et financières pour obtenir de meilleurs résultats ;
- satisfaire les besoins des clients et comprendre ceux des utilisateurs finaux, notamment dans le but d’accéder au marché global de la construction environ huit fois plus important ;

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- atteindre l’excellence opérationnelle pour optimiser la performance du groupe, ce qui inclut la sécurité, les coûts, la fiabilité par le partage de bonnes pratiques, la mise en œuvre de modèles opérationnels avancés et des améliorations continues, le tout avec pour objectif la maîtrise des coûts ;
- créer de la valeur pour la société en apportant des solutions durables qui font la différence en matière de respect de l’environnement.

En outre, cette fusion doit accélérer la croissance par une présence mondiale améliorée et équilibrée entre les pays développés et les pays émergents tout en étant bénéfique pour toutes les parties prenantes [collaborateurs, clients, actionnaires, collectivités locales...].

3.2 Les risques de l’opération.

Malgré des perspectives présentées comme très positives, cette opération comporte des risques concernant directement le processus de fusion, mais également chacune des entreprises, de plus, les hypothèses de base retenues pourraient se révéler erronées.

a. Échec du processus de fusion

Le processus de fusion peut être freiné dès l’OPE ou lors de la fusion effective en ne permettant pas d’obtenir des synergies le bénéfice escompté. Dès l’OPE, plusieurs facteurs peuvent rendre l’opération difficile.

- La variation du cours des actions de HOLCIM et Lafarge et la variation du cours de change Euro/Franc suisse peuvent influencer fortement le comportement des actionnaires vis-à-vis de l’OPE puisque la parité a été fixée. Le combination agreement ne comporte pas de mécanisme d’ajustement de parité selon ces variations.
- Enregistrement des nouvelles actions HOLCIM : l’OPE doit être réalisée par échange d’actions nouvelles de HOLCIM après augmentation de son capital décidée en assemblée générale [prévue le 8 mai 2015] mais ces nouvelles actions doivent être enregistrées au Registre du commerce en Suisse. Tout retard ou difficulté à ce niveau peut avoir une incidence importante sur le processus de fusion.
- Inéligibilité des actions aux PEA en France : de nombreux actionnaires de Lafarge détiennent leurs actions au sein d’un PEA mais les actions LafargeHOLCIM reçues en échange lors de l’OPE, de droit suisse, ne peuvent être dans un PEA et pourraient alors entraîner des cessions qui, si elles représentent des volumes significatifs, pourraient pénaliser le cours des actions Lafarge et celui des actions HOLCIM.
- Clauses contractuelles de non-concurrence ou de non-changement de contrôle : certains contrats de Lafarge [joint-venture, financements,...] comportent des clauses qui pourraient être mises en jeu du fait de la fusion, avec des conséquences négatives significatives sur l’activité, les résultats et les perspectives du nouveau groupe.
- Obligation de formuler des offres pour des filiales cotées : il pourrait être obligatoire dans certains pays, sauf dérogations hypothétiques, de déposer des offres d’achat des participations minoritaires ; dans ce cas, des incertitudes juridiques subsistent.
- Réduction de la liquidité des actions non apportées à l’OPE : la liquidité du “flottant” LAFARGE non apporté à l’OPE pourrait être fortement réduite et donc affecter significativement le cours de l’action.
- Application potentielle de la taxe sur les transactions financières européennes : l’application de cette nouvelle taxe pourrait augmenter les frais des transactions concernant les actions HOLCIM et ainsi réduire leur liquidité et impacter leur cours.
- Nécessité d’une nouvelle assemblée générale d’HOLCIM si l’OPE n’est pas réglée en moins de 3 mois : la loi suisse fixe un délai de 3 mois pour mettre en œuvre une augmentation de capital et une nouvelle assemblée générale serait donc nécessaire après le 8 août 2015, avec les incertitudes que cela comporte.
- Faculté de renoncer à l’offre : HOLCIM, initiateur de l’offre, peut renoncer à l’offre en cas d’offre concurrente ou de surenchère mais aussi après autorisation par l’AMF si la consistance de LAFARGE est modifiée.

Outre ces risques d’échec du propre processus d’OPE, il existe également des risques que les bénéfices des synergies et optimisations opérationnelles attendus au niveau des achats, ventes, frais généraux et financiers, capacités d’innovation et d’investissements... soient retardés ou impossibles du fait de difficultés ou de délais d’intégration de ces deux grands groupes complexes et totalement indépendants à ce jour.

De plus, les coûts pour atteindre un niveau suffisant d’intégration peuvent être plus élevés que prévu.

Ces risques sont notamment :
- le départ de collaborateurs clés pour la réussite de la fusion ;
- des difficultés d’harmonisation et de convergence des cultures, organisations, normes, règles, procédures et systèmes financiers, comptables et d’information ;
- des retards ou des difficultés dans les processus légaux d’information-consultation des instances représentatives du personnel de chaque groupe ;
- une vision négative de la fusion par certains clients débouchant sur une perte de chiffres d’affaires ;
- le maintien d’actionnaires minoritaires significatifs au capital de LAFARGE si HOLCIM ne peut en acquérir la totalité.

b. Hypothèses de base qui se révéleraient erronées

Les informations financières utilisées sont pro forma et ne sont pas auditées. Des différences significatives peuvent encore apparaître, notamment après la réalisation effective de toutes les cessions d’actifs nécessaires ou décidées et en fonction du niveau d’apport des actions LAFARGE à l’OPE supposé égal à 100 % dans les informations financières produites.

Par ailleurs, les prévisions de synergies et performance reposent en partie sur des facteurs non maîtrisés par le futur groupe [risques-pays, évolutions de marché] mais aussi des risques particuliers propres à chaque groupe.

Ces facteurs de risque sont présentés pour HOLCIM puis pour LAFARGE.
HOLCIM, initiateur de l’OPE.

Précisons tout d’abord la nature des risques financiers et de marché, puis la manière dont HOLCIM gère ces risques.

- Risques financiers et de marché.

Ces risques sont abordés au plan des liquidités, des changes, des taux d’intérêts, de l’endettement et des crédits.

HOLCIM est exposé de façon limitée aux risques de liquidité car il a une forte solvabilité et conserve des lignes de crédit inutilisées.

Il est également exposé de façon limitée aux risques de marché [change et taux d’intérêts] : au 31 décembre 2014, une variation de 1% des taux d’intérêts générerait une variation des charges financières annuelles avant impôts et après couverture d’environ 38 millions de francs suisses. L’exposition aux risques de change est limitée pour les investissements par des emprunts en devises locales ou par d’autres instruments.

Pour les transactions, du fait du caractère local des marchés, les bénéfices sont essentiellement en devises locales alors que le service de la dette et des investissements est majoritairement en devises étrangères ; le risque de change n’est que partiellement couvert.

Une variation de 5% du franc suisse, du dollar américain et/ou de l’euro par rapport aux devises utilisées aurait toutefois un faible impact sur les résultats nets de change après couverture.

L’impact des produits dérivés sur les fonds propres est considéré comme non significatif au regard du montant des capitaux propres d’HOLCIM.

En 2014, HOLCIM a maintenu son objectif 2013 de conserver un ratio des fonds provenant de l’exploitation [correspondant à un pourcentage de la dette financière nette] d’au moins 25% ainsi qu’un ratio dette financière nette sur EBITDA inférieur à 2,8.

Enfin, il n’existe aucune concentration significative de risque de crédit à l’égard d’une contrepartie ou d’un groupe de contreparties au sein d’HOLCIM.

- Gestion et couverture des risques.

HOLCIM dispose d’un cadre de gestion de risques permettant d’identifier et d’atténuer les risques et une approche assurantielle à la fois au niveau Groupe et local.

Les assurances concernent les biens, les constructions, les responsabilités des dirigeants, les responsabilités du fait de tiers, les responsabilités civiles et les atteintes à l’environnement. Certains risques sont réassurés.

LAFARGE, cible de l’OP E.

Nous précisons d’abord les risques liés à l’activité, les risques financiers et de marché, puis la manière dont LAFARGE gère ces risques.

- Les risques liés à l’activité peuvent avoir différentes sources.
  - L’implantation mondiale de LAFARGE, le caractère cyclique de la demande locale, l’exposition dans les pays émergents [60% du chiffre d’affaires, même si aucun pays ne
représente plus de 6 % du chiffre d'affaires], les aléas climatiques, les catastrophes naturelles,…

- La conjoncture économique mondiale et la crise de la dette souveraine dans la zone euro ont un impact significatif sur l’activité de la construction dans les pays développés.

- Les coûts et la disponibilité énergétiques ont un impact important sur les coûts de revient puisque les activités de LAFARGE sont fortement consommatrices d’énergie. Nous pouvons citer comme exemple la pénurie de gaz en Égypte en 2014.

- La disponibilité des matières premières de base [calcaire, granulats, gypse,...] et autres matières approvisionnées [cendres volantes, laitier,...] conditionne la capacité de production.

- La concurrence et le respect des règles concurrentielles du fait de la position dominante dans certains marchés. Par exemple, la Commission européenne a ouvert en 2008 une enquête officielle pour de supposées pratiques anticoncurrentielles entre les acteurs majeurs du secteur dont l’issue est encore incertaine.

- Les risques industriels et liés à la sécurité ou à l’environnement : même si les matériaux et produits ne sont pas considérés comme dangereux, l’activité est soumise à de nombreux règlements et lois.


- Les propres structures du groupe peuvent aussi être source de risques au niveau de l’actif constitué de participations dans ses filiales dans des pays pouvant restreindre la distribution de dividendes, ou encore au niveau des aspects comptables liés aux regroupements d’entreprises, notamment la juste valeur des actifs et goodwill enregistrés ou encore des actionnaires minoritaires et partenaires au sein des filiales.

- Les risques financiers et de marché sont de différentes natures.


- Liquidités : le risque de ressources financières insuffisantes à la poursuite des activités a donné lieu au report d’une part importante de l’endettement à moyen et long terme et à la création de lignes de crédit pour les engagements à court terme.

- Régimes de retraite, essentiellement au Royaume-Uni et aux Etats-Unis, dont la charge à long terme peut être sous-estimée.

- Marché : risque de change et sensibilité aux taux de change, risque de taux d’intérêts et sensibilité aux taux d’intérêts, risque de variation des cours des matières premières et sensibilité à leur variation, risque de crédit en cas de défaillance de contrepartie.

- Gestion et maîtrise des risques.

- Démarches de prévention : recensement et analyse avec une cartographie des risques du groupe actualisée à fin 2014 et une analyse approfondie annuelle.
- Dispositifs de gestion des risques pour en limiter les impacts : cadre général définissant les responsabilités et les principes de gestion des risques, code de conduite des affaires, politique et pratiques de protection des actifs, programmes anti-fraude et ligne éthique, gestion des risques particuliers [sécurisation des accès aux matières premières, conformité aux règles de la concurrence, risques environnementaux ou de santé- sécurité et risques financiers et de marché]. Par ailleurs, les risques sont couverts par un dispositif d’assurance qui repose sur des actions de prévention et de protection. Nous observons la conservation des risques de fréquence par des captives du groupe, la réassurance des risques d’intensité auprès de leaders du marché de l’assurance avec l’intégration des risques des filiales détenues en majorité.

Le coût total des assurances est d’environ 0,5 % du chiffre d’affaires du périmètre assuré. Les dommages aux biens et les pertes d’exploitation ainsi que la responsabilité civile sont couverts [nous trouvons dans les captives jusqu’à 2 M€ en RC et 15 M€ pour les dommages aux biens].

3.3 La "vision" et les "valeurs d’entreprise".

LAFARGE et HOLCIM ont une même vision et des valeurs d’entreprise qui sont en harmonie.

Une même vision...

-> Priorité à l’innovation.
-> Passer d’un fournisseur de produits à un fournisseur de solutions.
-> Une activité avec des standards mondiaux et une exécution locale.
...et des valeurs partagées
-> Esprit entrepreneurial.
-> Culture de la performance.
-> Des racines européennes, une culture internationale.

3.4 La macro-organisation Corporate/Régions/Pays.

LAFARGE a connu dans le passé une organisation décentralisée par région, puis une structure avec des fonctions "siège" renforcées assurant un support direct des pays.

Pour tenir compte de sa taille [pays et nombre de sites] et pour une performance maîtrisée plus près des opérations, le futur groupe LAFARGE-HOLCIM sera organisé selon trois niveaux :

- Corporate et fonctions Groupe, Régions, Pays.
- Dépendront du Corporate la vision long terme et les stratégies d’ensemble, l’identité du Groupe avec sa culture, ses valeurs, sa marque et son image, la définition des structures et organisations afin de mettre en œuvre efficacement les stratégies et de s’assurer de la mise en place des talents et compétences-clés en promouvant la diversité.
- Les fonctions Groupe créeront la transparence et stimuleront la croissance, proposeront au Comité exécutif les ambitions, les stratégies, les politiques et les objectifs, assureront le développement des connaissances et le maintien d’un réservoir de talents, soutiendront l’activité et le changement. De plus, elles conduiront certaines fonctions opérationnelles définies par le Comité exécutif. Les fonctions Groupe interagissent donc avec le Corporate, les Régions et les Pays.
Les stratégies régionales et par Pays seront définies au niveau des Régions avec des ressources dédiées pour un support de proximité aux opérations et à la réalisation des synergies opérationnelles [achat, logistique, etc.].
Le Patron de chaque pays proposera et mettra en œuvre les stratégies et l’organisation dans le pays, facilitera la mise en œuvre des initiatives du Groupe et des initiatives régionales et garantira le développement des compétences, la diversité et l’implication des employés.
Les missions, objectifs et responsabilités seront clairement définies à chaque niveau de l’organisation, en toute transparence.

3.5 La localisation des centres de décisions, l’organisation de la gouvernance et des fonctions Groupe/Corporate.

La société Lafarge-Holcim sera une société de droit suisse. Le groupe sera détenu à hauteur de 27 % par trois actionnaires principaux, aucun autre actionnaire ne détenant plus de 6,2 %.
Le conseil d’administration sera composé de 14 membres répartis à part égale entre ex-Lafarge et ex-Holcim, le président statutaire et le vice-président étant ex-Holcim. Deux titres de co-présidents sont créés, l’un étant ex-Lafarge et l’autre ex-Holcim.
Le Comité exécutif sera composé de 10 membres également issus de Lafarge et Holcim ; il sera dirigé par un cadre proposé par Lafarge et approuvé par Holcim. Il se réunira à Zurich mais ses membres pourront être basés à Paris ou à Zurich, avec de fréquents déplacements dans le monde.

Le cycle de management sera simplifié par l’appropriation et la responsabilisation à tous les niveaux [Groupe, Régions, Pays] grâce à un calendrier rationalisé avec une intégration et une réduction des délais et des itérations de planification pour se concentrer sur la mise en œuvre. La simplification viendra aussi d’un allègement des tâches administratives, notamment avec un souci du détail "raisonnable", par exemple avec seulement des KPI "clés".

Les fonctions Groupe apporteront leur contribution au management en formulant des suggestions, en stimulant et en apportant un soutien à tous les niveaux. L’ensemble des fonctions centrales sera réparti de façon équilibrée entre la France et la Suisse, avec des principes de diversité et d’équité entre les employés issus de Lafarge et ceux issus d’Holcim.

Le Centre de recherche de Lafarge restera basé à Saint Quentin Fallavier et deviendra le centre de recherche du nouveau Groupe.

Le choix de la localisation des fonctions Groupe et Régionales a fait l’objet de négociations et d’un effort de coordination important, avec pour objectif de maintenir une représentation équilibrée du nombre de postes entre la France et la Suisse et de valoriser les compétences, les expertises et les savoir-faire des deux sociétés. Les fonctions above operations seront basées à plus de 50 % en France.

La Direction générale des opérations en France restera basée en France [Clamart].

3.6 L’aspect économique et financier.

LafargeHolcim est convaincue d’occuper une position qui lui offrira une croissance durable et rentable grâce à sa capacité à générer des synergies.
Les synergies opérationnelles pourraient provenir :
- de l’identification et de la mise en place des meilleures pratiques [logistique, distribution, informatique et énergie], soit 200 M€ en année pleine au niveau de l’EBITDA ;
- des économies d’échelle réalisées sur les approvisionnements et les achats, soit 340 M€ en année pleine au niveau de l’EBITDA ;
- de la réduction ou de la suppression de fonctions faisant double emploi [frais commerciaux, généraux et administratifs], soit 250 M€ en année pleine au niveau de l’EBITDA ;
- du déploiement de l’innovation à une plus grande échelle, soit 200 M€ en année pleine au niveau de l’EBITDA.

Le total attendu est donc d’un milliard d’euro environ. Toutefois, des coûts seront à engager au cours des deux années suivant la réalisation de la fusion afin de générer ces synergies.

Les synergies de frais financiers pourraient provenir :
- de taux de financement plus favorables,
- d’une meilleure allocation des capitaux.

L’objectif de ces deux sources de synergie est de 100 M€ à la fin de la première année suivant la fusion et jusqu’à 200 M€ à l’issue de la troisième année suivant la fusion.

Les synergies d’investissement sur les investissements de maintien et de développement devraient générer 205 M€.

Les synergies décrites ci-dessus reposent sur de nombreuses hypothèses qui, pour la plupart, ne sont pas maîtrisées par LAFARGEHOLCIM.

3.7 La parité d’échange.

La fusion LAFARGE-HOLCIM nécessite l’évaluation de chacune des sociétés.

Le rapport valeur de la société LAFARGE/valeur de la société HOLCIM détermine la parité d’échange de titres. Dans le cadre de la fusion projetée, il sera remis 9 nouvelles actions de la société LAFARGEHOLCIM pour 10 actions de la société LAFARGE.

Les documents mis à notre disposition n’expliquent pas le calcul de cette parité et nous ne pouvons donc pas l’apprécier.

3.8 Le goodwill.

Le goodwill historique de LAFARGE.

Le goodwill préexistant de LAFARGE [13 663 millions de CHF] doit être éliminé.

Contrepartie transférée et comptabilisation de l’acquisition.

Les principes définis par IFRS 3 [Regroupement d’entreprises] ont été appliqués pour comptabiliser la fusion. L’écart entre la contrepartie transférée estimée pour les actions LAFARGE et la juste valeur provisoire des actifs et passifs de LAFARGE acquis est comptabilisé en goodwill provisoire.

De ce point de vue, HOLCIM est considéré comme l’acquéreur de LAFARGE. À la date effective de la fusion, il conviendra de déterminer la juste valeur des actifs nets acquis.
Contrepartie transférée

La contrepartie transférée est réputée être égale au nombre d’actions à émettre [9 actions HOLCIM pour 10 actions LAFARGE] au cours de clôture au jour de l’acquisition. Pour les comptes pro forma, le cours retenu est de 76,15 CHF ; toutes les actions LAFARGE sont apportées [en circulation, en stock-options].

Le tableau ci-après présente l’estimation provisoire de la contrepartie transférée.

<table>
<thead>
<tr>
<th>Nombre d’actions LAFARGE au 31/12/2014</th>
<th>287 471 146</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parité d’échange</td>
<td>0,9</td>
</tr>
<tr>
<td>Nombre d’actions D’HOLCIM à émettre</td>
<td>258 724 031</td>
</tr>
<tr>
<td>Cours au 20 mars 2015 [CHF]</td>
<td>76,15</td>
</tr>
<tr>
<td>Juste valeur des actions HOLCIM [MCHF]</td>
<td>19 702</td>
</tr>
<tr>
<td>Juste valeur des stock-options LAFARGE [MCHF]</td>
<td>192</td>
</tr>
<tr>
<td>Estimation de la contrepartie [MCHF]</td>
<td>19 894</td>
</tr>
</tbody>
</table>

Mesure de la sensibilité

Une variation de cours de 1 CHF impacte la contrepartie transférée de 263 MCHF et donc le goodwill.

Comptabilisation de l’acquisition

La comptabilisation de l’acquisition dans les comptes pro forma est résumée ci-après [en millions de CHF].

<table>
<thead>
<tr>
<th>Contrepartie transférée</th>
<th>19 894</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participations antérieures D’HOLCIM</td>
<td>386</td>
</tr>
<tr>
<td>Intérêts minoritaires de LAFARGE</td>
<td>2 746</td>
</tr>
</tbody>
</table>

**Sous-total [1]** 23 016

<table>
<thead>
<tr>
<th>Actif net de Lafarge avant l’acquisition</th>
<th>20 793</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimation du goodwill existant de LAFARGE</td>
<td>-13 663</td>
</tr>
</tbody>
</table>

**Sous-total [2]** 7 130

**Comptabilisation préliminaire de l’acquisition**

<table>
<thead>
<tr>
<th>Activités cedes</th>
<th>241</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participations dans les entreprises liées</td>
<td>1 390</td>
</tr>
<tr>
<td>Immobilisations corporelles</td>
<td>8 900</td>
</tr>
<tr>
<td>Passifs financiers non courants et autres passifs courants</td>
<td>-1 869</td>
</tr>
<tr>
<td>Impôts différés passifs sur les réévaluations en juste valeur</td>
<td>-2 598</td>
</tr>
</tbody>
</table>
Après fusion et paiement du dividende payable en actions, le nombre d'actions en circulation s'établit comme suit :

<table>
<thead>
<tr>
<th></th>
<th>Au 31/12/2014</th>
<th>Total</th>
<th>HOLCIM</th>
<th>LAFARGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nombre d'actions en circulation</td>
<td>584 591 068</td>
<td>325 867 037</td>
<td>258 724 031</td>
<td></td>
</tr>
<tr>
<td>Parité du dividend</td>
<td>0,05</td>
<td>0,05</td>
<td>0,05</td>
<td></td>
</tr>
<tr>
<td>Nombre d'actions à émettre</td>
<td>29 229 554</td>
<td>16 293 352</td>
<td>12 936 202</td>
<td></td>
</tr>
<tr>
<td>Nombre total d'actions</td>
<td>613 820 622</td>
<td>342 160 389</td>
<td>271 660 233</td>
<td></td>
</tr>
</tbody>
</table>

3.9 Les conséquences de la fusion pour les actionnaires.

A la date du projet de note d'information, HOLCIM ne détient aucune action LAFARGE directement ou indirectement, seule ou de concert.

Sous réserve des cas de levée des indisponibilités prévus par les dispositions légales ou réglementaires applicables [décès, invalidité], certaines actions LAFARGE susceptibles d'être émises à raison de l'exercice d'options de souscription d'actions LAFARGE ne pourront pas être apportées au moment de l'offre publique d'échange. Il en est de même de certaines actions LAFARGE susceptibles d'être émises dans le cadre de plans d'actions de performance. Dans la mesure où les réglementations le permettent, ces actions bénéficieront du mécanisme de liquidités prévu dans la note d'information [article 2.8]

HOLCIM offre aux actionnaires de LAFARGE la possibilité irrévocable d'échanger les actions LAFARGE qu'ils détiennent selon une parité d'échange de 10 actions LAFARGE pour 9 actions HOLCIM.

Un dividende payable en actions sera versé à tous les porteurs d'actions LAFARGEHOLCIM selon la parité de 1 action nouvelle LAFARGEHOLCIM pour 20 actions LAFARGEHOLCIM existantes. Un mécanisme de revente des actions HOLCIM formant rompu sera mis en œuvre.

Le nombre maximum d'actions HOLCIM à émettre dans le cadre de l'offre sera de 259 088 712 [il a été retenu 258 724 031 pour le calcul du goodwill], chacune ayant une valeur nominale de 2 CHF.

Le montant exact de l'augmentation de capital sera déterminé par le conseil d'administration d'HOLCIM, après approbation de la fusion par l'assemblée générale, sur la base du nombre d'actions LAFARGE apportées.

Dans le cadre du retrait obligatoire et d'un dividende payable en actions, un capital social autorisé est prévu ; sa mise en application sera du ressort du conseil d'administration.

Pour les porteurs des options de souscription d'actions LAFARGE, des actions de performance LAFARGE et des actions détenues par l'intermédiaire de fonds communs de placement d'entreprise, les actionnaires d'HOLCIM devraient adopter une résolution permettant la création d'un capital social conditionnel. Les actions HOLCIM émises en rémunération de l'offre seront des actions nominatives ordinaires.
Chaque action HOLCIM donne à son porteur un droit de vote lors de toute assemblée générale. Les actionnaires de LAFARGE qui détenaient des droits de vote double ou qui bénéficiaient du dividende majoré perdront ces droits.

Les actions LAFARGEHOLCIM seront probablement négociables sur SIX et sur EURONEXT PARIS.

Au 31 décembre 2014, l’action HOLCIM cotait sur le SIX 71,35 CHF et l’action LAFARGE 58,08 € sur EURONEXT PARIS.

La situation des titulaires d’options de souscriptions d’actions LAFARGE, d’actions de performance LAFARGE et d’actions détenues par l’intermédiaire de fonds communs de placement d’entreprise est décrite aux points 2.7.1, 2.7.2 et 2.7.3 de la note d’information. L’offre est soumise aux conditions suivantes :

- l’apport à l’offre doit représenter au moins deux tiers du capital social ou des droits de vote de la société, en tenant compte de la perte des droits de vote double et des actions auto-détenues par LAFARGE et ses filiales ;

\[
\text{seuil de réussite} = \frac{\text{actions LAFARGE apportées + actions auto-détenues actions}}{\text{LAFARGE existantes à la date de clôture}}
\]
✓ l’approbation par l’assemblée générale d’HOLCIM de la résolution relative à l’augmentation du capital social d’un montant maximum nécessaire à l’émission des actions HOLCIM. [SCIA, qui détient 20,11% du capital social et des droits de vote, s’est engagée à voter favorablement].

Si, pour quelque raison que ce soit, la deuxième condition ne se réalisait pas, l’offre serait caduque et les actions LAFAÑGE apportées seraient restituées à leurs propriétaires, sans aucun intérêt ni indemnité ou tout autre paiement.

3.10 Les conséquences de la fusion pour l’emploi.

- Les postes
Le futur groupe aura un effectif d’environ 115 000 employés, en prenant en compte le transfert d’environ 15 000 employés des entités désinvesties.
Nous disposons actuellement de peu d’informations concernant l’impact de la fusion sur l’organisation et l’emploi pour les fonctions "siège". Même le simple "livre blanc", élaboré par les équipes d’intégration en 2014 et maintes fois cité comme une référence pour les études d’intégration, n’a pas été transmis au Comité d’entreprise.

Nous pouvons cependant noter que, dès avril 2014, le projet de fusion prévoyait des synergies estimées à 1,4 Md€ dont 250 M€ dans les services généraux et l’administration.
Pour le moment, cela se concrétise seulement par l’annonce d’une estimation de 380 suppressions de postes ; il s’agit d’une évaluation nette [aucune indication n’est fournie sur le nombre de postes supprimés et sur le nombre de postes créés]. De plus, il est prévu 70 modifications substantielles de postes pour des fonctions above opérations qui ne sont pas encore définies mais concernent non seulement Paris, mais également Lyon, Vienne, Pékin, Kuala-Lumpur, Le Caire et Montréal.

- Les mesures sociales
D’une manière générale, la Direction du Groupe LAFAÑGE affirme sa volonté de mettre en œuvre des mesures appropriées en privilégiant les départs volontaires, les reclassements, le développement de l’employabilité et l’accompagnement individualisé dans le cadre de négociations à venir avec les organisations représentatives.

4. CONCLUSION
Ce rapport d’expertise, établi dans le cadre du projet d’offre publique d’échange initié par HOLCIM sur les titres LAFAÑGE, a pour but d’aider les membres du comité d’entreprise de LAFAÑGE SA à émettre un avis.
Les représentants du personnel devront :
- estimer si l'offre initiée par HOLCIM, faisant en cas de réussite de l'entreprise LAFARGE SA une filiale du groupe LAFARGEHOLCIM, est bénéfique pour leur entreprise,
- apprécier si les réorganisations, non encore connues à ce jour mais se traduisant par la suppression de nombreux emplois, permettront d'en sauvegarder un plus grand nombre dans des conditions favorables,
- évaluer l'intérêt que l'offre peut représenter pour les salariés actionnaires.

La réussite de l'offre publique d'échange génère de nombreux risques, mentionnés dans les documents en notre possession, mais pour lesquels aucune information n'est apportée concernant leur évaluation [importance relative, probabilité de réalisation, impact chiffré...] ; de plus, aucun dispositif de gestion coordonnée n'est proposé au niveau de l'ensemble LAFARGE-HOLCIM.

En cas de problèmes significatifs relatifs à la qualité des actifs ou dans l'hypothèse où la situation financière et les perspectives des unités génératrices de trésorerie de LAFARGEHOLCIM viendraient à être inférieures aux valeurs comptables estimées, LAFARGEHOLCIM pourrait être amenée à comptabiliser des charges de dépréciation susceptibles d'impacter négativement ses résultats et sa situation financière avec des conséquences négatives sur l'emploi.

Sous réserve des observations ci-dessus, si les différentes synergies attendues se réalisent, l'offre serait intéressante pour LAFARGE.

Les conséquences sur l'emploi sont imprécises et alarmantes, principalement pour les fonctions centrales car, bien que ce projet soit présenté comme une "fusion entre égaux", il semble que la plupart des fonctions clés seront dévolues à des responsables issus d'HOLCIM et vraisemblablement localisées en Suisse.

Un changement d'organisation avec la mise en place de fonctions "régionales" aboutira sans doute à des fonctions centrales allégées. De plus, des différences de culture managériale semblent exister entre les deux sociétés et sont source d'inquiétude pour les salariés.
Dans l'éventualité d'un manque de liquidités des actions LAFARGE après la fusion, cette offre aurait vraisemblablement la faveur des salariés-actionnaires si elle est jugée bénéfique pour l'entreprise LAFARGE. Nous rappelons cependant que, faute d'éléments, nous ne pouvons pas porter d'appréciation sur la parité d'échange.

Jacques
BASTIANELLI

Gérard
PETROUTCHOUK