

RESULTS AS OF SEPTEMBER 30, 2013

Q3 EBITDA UP 4% LIKE FOR LIKE

NET DEBT REDUCED BY €1.3 BILLION COMPARED TO LAST YEAR

2013 AND 2014 COST REDUCTION, INNOVATION AND NET DEBT REDUCTION OBJECTIVES CONFIRMED €1.1 BILLION NEW COST REDUCTION AND INNOVATION OBJECTIVE SET FOR 2015- 2016

THIRD QUARTER KEY FIGURES ⁽¹⁾

<ul style="list-style-type: none"> ▪ Sales down 4% to €4,236m, up 4% like for like ▪ EBITDA down 6% to €1,007m, up 4% like for like 	<ul style="list-style-type: none"> ▪ Current operating income down 7% to €755m, up 5% like for like ▪ Net result Group share stable at €304m (€1.06 per share)
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NINE MONTHS KEY FIGURES ⁽¹⁾

<ul style="list-style-type: none"> ▪ Sales down 4% to €11,484m, stable like for like ▪ EBITDA down 10% to €2,309m, -3% like for like 	<ul style="list-style-type: none"> ▪ Current operating income down 15% to €1,546m, -5% like for like ▪ Net result group share up 38% to €388m (€1.35 per share)
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(1) like for like variations are calculated excluding the impact of scope and exchange rates

GROUP HIGHLIGHTS

- Volume trends improved month after month in the third quarter, sustained by ongoing growth in most emerging markets, the recovery in the United States and Europe stabilizing at a low level. On the other hand, the third quarter was marked by adverse exchange rates which had a negative impact of 7% on both sales and EBITDA (respectively €-286 million and €-67 million in the quarter).
- Q3 EBITDA grew 4% at constant scope and exchange rates, benefiting notably from a solid performance in North America, Middle East / Africa and Asia. EBITDA margins improved 50 basis points on a like for like basis and excluding CO₂, supported by higher volumes, firm prices and the acceleration of cost reductions and innovation measures which generated respectively €130 million and €80 million additional EBITDA in the quarter. In the first nine months, these measures have generated a total of €470 million (€290 million from cost reductions and €180 million from innovation measures), and the Group is on track with its plan.
- Net debt at the end of September, at €10.9 billion, was reduced by €1.3 billion compared to end of September last year and by €0.9 billion in the quarter, notably thanks to divestments made at attractive multiples.
- The Group confirms its objective to deliver its 2012-2015 plan by the end of 2014, with at least €600 million of EBITDA coming from cost reduction and innovation measures in 2014.
- It announces new objectives beyond 2014 and plans to generate at least €1.1 billion of additional EBITDA from its actions in 2015-2016, of which €600 million from cost reductions and €500 million from innovation. This represents a minimum objective of €550 million per annum.

BRUNO LAFONT, CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF LAFARGE, SAID:

“With improving volume trends and despite the adverse effect of exchange rates, we continued to progress in the third quarter on our strategic action plan. We have reduced net debt by more than one billion euros compared to September last year, and our cost reduction and innovation actions delivered results in line with our 2013 objectives. We have accelerated and will complete our 2012-2015 cost reduction and innovation plan one year ahead of our initial objective. Building on this momentum, we today announce new cost reduction and innovation targets for 2015-2016, targeting at least €1.1 billion of incremental EBITDA over that period.

Combined with the utmost discipline in terms of capital allocation, our measures will drive the strengthening of our financial structure so as to return to an investment grade status as soon as possible, reducing net debt below €10 billion in 2013 and below €9 billion in 2014.

Looking ahead, we will benefit from three organic growth drivers: continuing growth in emerging countries, accelerating growth through innovation and progressive recovery in mature markets. We will capture this potential

thanks to our high-quality and well spread portfolio of assets and to our competitive edge in innovation which ensures the development of a value-added offer of products and services to address the evolving needs of our customers. All our measures strive towards growth in sales, cash flows and returns and our priority is to create sustainable value for our shareholders.”

OUTLOOK

Overall, Lafarge sees cement growth in its markets of between 0 to 3 percent in 2013 versus 2012. This implies better trends in H2 compared to H1 as market recovery is becoming evident in the United States, growth in most emerging markets continues and Europe is showing stabilization at a low level.

Higher pricing is expected for the year. Cost inflation continues, although at a lower rate than in 2012, benefiting from positive trends in coal and petcoke prices and reduced general inflation in developed countries.

The Group targets to deliver additional EBITDA of €650 million in 2013 through its cost reduction and innovation measures.

As stated, the objective is to reduce net debt to below €10 billion in 2013, and below €9 billion in 2014.

CONSOLIDATED ACCOUNTS AS AT SEPTEMBER 30, 2013

The Board of Directors of Lafarge, chaired by Bruno Lafont, met on November 5, 2013 and approved the accounts for the period ended September 30, 2013. Further to their limited review of the interim condensed consolidated financial statements of Lafarge, the auditors have established a report, which is included in the interim financial report.

	Third Quarter				Nine Months			
	2013	2012 ⁽³⁾	Variation		2013	2012 ⁽³⁾	Variation	
			Gross	Like for like ⁽⁴⁾			Gross	Like for like ⁽⁴⁾
<i>Volumes</i>								
Cement (million tons)	36.7	36.6	-	3%	101.9	106.3	-4%	-2%
Pure Aggregates (million tons)	59.8	57.0	5%	5%	143.6	141.2	2%	-
Ready-Mix Concrete (million m ³)	8.2	8.3	-1%	1%	23.2	24.0	-3%	-1%
<i>Results (million euros)</i>								
Sales	4,236	4,393	-4%	4%	11,484	12,007	-4%	-
EBITDA ⁽¹⁾	1,007	1,066	-6%	4%	2,309	2,579	-10%	-3%
EBITDA margin (%)	23.8%	24.3%	-50bps	+50bps ⁽⁵⁾	20.1%	21.5%	-140bps	-20bps ⁽⁵⁾
Current Operating Income	755	810	-7%	5%	1,546	1,822	-15%	-5%
Net income Group share	304	303	-		388	282	38%	
Earnings per share (€) ⁽²⁾	1.06	1.05	1%		1.35	0.98	38%	
Free cash flow ⁽¹⁾	492	523	-6%		360	211	71%	
Net debt					10,944	12,202	-10%	

⁽¹⁾ EBITDA is defined as the current operating income before depreciation and amortization on tangible and intangible assets and free cash flow is the net cash generated or used in continuing operating activities less sustaining capital expenditures. They are both non-GAAP financial measures.

⁽²⁾ Basic average number of shares outstanding of 287.3 million and 287.1 million for third quarter 2013 and 2012, and of 287.2 and 287.1 for the first nine months of 2013 and 2012 respectively.

⁽³⁾ 2012 figures have been restated further to the application of IAS19R.

⁽⁴⁾ At constant scope and exchange rates.

⁽⁵⁾ Margins like-for-like are calculated excluding the carbon credit sales and at constant scope and exchange rates.

EBITDA (*) RESULTS BY REGION

(€m)	Third Quarter				Nine Months			
	2013	2012	Variation		2013	2012	Variation	
			Gross	Like for like ⁽¹⁾			Gross	Like for like ⁽¹⁾
North America	288	270	7%	23%	417	398	5%	21%
Western Europe	110	146	-25%	-26%	260	401	-35%	-33%
Central and Eastern Europe	106	127	-17%	-16%	151	214	-29%	-29%
Middle East and Africa	306	301	2%	11%	856	947	-10%	-3%
Latin America	63	82	-23%	-6%	185	211	-12%	-2%
Asia	134	140	-4%	8%	440	408	8%	14%
TOTAL	1,007	1,066	-6%	4%	2,309	2,579	-10%	-3%

^(*) EBITDA is defined as the current operating income before depreciation and amortization on tangible and intangible assets and is a non-GAAP financial measure.

⁽¹⁾ At constant scope and exchange rates.

SALES DEVELOPMENT AND FINANCIAL RESULTS

Volumes improved in the third quarter, supported by continuing growth in most of the Group's emerging markets, as well as volume catch up in the United States as the recovery materializes after a first-half affected by adverse weather in our regions.

Consolidated sales decreased 4% in the third quarter affected by adverse foreign exchange. At constant scope and exchange rates they grew 4%, supported by higher volumes and improved prices across all product lines to address cost inflation.

EBITDA was also impacted by adverse exchange rates, notably in Brazil, India, South Africa and Canada. At constant scope and exchange rates, Q3 EBITDA increased 4%. Cost reduction and innovation actions more than offset cost inflation, an adverse €28 million impact of the reduction of our inventories in the quarter and the absence of carbon credit sales in Q3 2013 (vs. CO₂ proceeds of €23 million in Q3 2012). Cement prices were sequentially stable from Q2 to Q3 2013 and are up 2% year on year in the first nine months. The Group continued to actively increase prices although the impact on EBITDA was limited by price adjustments in a limited number of countries and adverse mix effects.

Net income Group Share in the quarter, at €304 million remained stable compared to Q3 2012, despite the negative impact of foreign exchange on EBITDA and the absence of CO₂ sales.

Net debt now stands at €10.9 billion, a drop by €1.3 billion relative to the end of September last year. Compared to year-end 2012, it decreased €0.4 billion despite the usual impact of seasonality. This reflects strict capex discipline and divestments but also a solid improvement of working capital performance, notably thanks to a reduction in inventories. Compared to the end of September 2012, the working capital when expressed as a number of days of sales has been reduced by 6 days, bringing it to a historical low at this point in the year.

DIVESTMENTS AND INVESTMENTS

In the quarter Lafarge received €0.9 billion from divestments, notably from the sale of its gypsum operations in the US (€0.5 billion) and its cement operations in Ukraine (€0.1 billion) made at attractive multiples. Divestments also include €0.2 billion received from our new partner in India to contribute to the Group's development in this country. Since the beginning of the year, cash from divestments reached €1.0 billion. With the most recent divestments announced, the Group has secured €1.7 billion¹ of divestments since January 1st 2012 and it shall continue to pursue further value creative divestments.

¹ Excluding €0.2bn capital injection of our new partner in India, completed in Q3 2013.



Investments totaled €237 million for the quarter.

- Sustaining capital expenditures amounted to €94 million.
- Development investments amounted to €143 million in the third quarter of 2013. It included investments in the plants of Exshaw (Western Canada) and Ravenna (New York, United States) and in the new cement plant projects in Kaluga (Russia) and Rajasthan (India).

Our plant in Rajasthan (2.6 million tonnes) was recently commissioned and has started its operations in October. Reaping the benefits of our debottlenecking investments, we are starting additional capacities in the Philippines, Brazil (Rio) and Algeria (total of 1.8 million tonnes) which are progressively ramping up and support volume growth in these countries.

Going forward, the Group plans to continue to seize growth opportunities for its uniquely diversified portfolio, selectively investing in its core markets.



ADDITIONAL INFORMATION

The analyst presentation of results and the interim financial report, including the interim management report and the condensed consolidated financial statements are available on the Lafarge Website: www.lafarge.com

Practical information:

There will be an analyst conference call at 9:00 CET, on November 6, 2013. The presentation will be made in English with slides that can be downloaded from the Lafarge website (www.lafarge.com).

The presentation may be followed via an audiocast on the Lafarge website as well as via teleconference:

- Dial in (France): +33(0)1 76 77 22 22
- Dial in (UK or International): +44(0)20 3427 1904
- Dial in (US): +1212 444 0481

Please note that in addition to the web cast replay, a conference call playback will be available until November 13, 2013 midnight at the following numbers:

- France playback number: +33 (0)1 74 20 28 00 (pin code: 9397705#)
- UK or International playback number: +44 (0)20 3427 0598 (pin code: 9397705#)
- US playback number: +1 347 366 9565 (pin code: 9397705#)

Lafarge's next financial publication – 2013 Full Year results – will be on February 19, 2014 (before the NYSE Euronext Paris stock market opens).

NOTES TO EDITORS

A world leader in building materials, Lafarge employs 65,000 people in 64 countries, and posted sales of €15.8 billion in 2012. As a top-ranking player in its Cement, Aggregates and Concrete businesses, it contributes to the construction of cities around the world, through its innovative solutions providing them with more housing and making them more compact, more durable, more beautiful, and better connected. With the world's leading building materials research facility, Lafarge places innovation at the heart of its priorities in order to contribute to more sustainable construction and to better serve architectural creativity. Since 2010, the Lafarge Group has been part of the Dow Jones Sustainability World Index, the first global sustainability benchmark in recognition of its sustainable development actions. More information is available on Lafarge's website: www.lafarge.com

Important disclaimer - forward-looking statements:

This document contains forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets, as the case may be, including with respect to plans, initiatives, events, products, solutions and services, their development and potential. Although Lafarge believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are difficult to predict and generally beyond the control of Lafarge, including but not limited to the risks described in the Lafarge's annual report available on its Internet website (www.lafarge.com) and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward looking statements. Lafarge does not undertake to provide updates of these forward-looking statements.

More comprehensive information about Lafarge may be obtained on its Internet website (www.lafarge.com), including under "Regulated Information" section.

This document does not constitute an offer to sell, or a solicitation of an offer to buy Lafarge shares.

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