

Strong start of the year – acceleration of strategy confirmed

- Strong growth in Net Sales, up +6.4%¹
- Over-proportional increase in Recurring EBITDA, up +20.6%²
- Profitability increase in all business segments
- Significant reduction in debt for the year end
- 2019 targets confirmed

Performance Q1 2019

Group (in million CHF)	Q1 2019	Q1 2018	change	LfL
Net Sales of cement	4,079	3,995	2.1%	7.5%
Net Sales of aggregates	813	764	6.4%	7.6%
Net Sales of ready-mix concrete	1,223	1,181	3.6%	4.8%
Net Sales of Solutions & Products	417	420	-0.7%	4.0%
Net Sales	5,959	5,830	2.2%	6.4%
Recurring EBITDA (pre-IFRS 16)	809	700	15.5%	20.6%
Recurring EBITDA (post-IFRS 16)	920			

Jan Jenisch, CEO: “We had a very strong start of the year and I am especially pleased to see our strong sales growth and an over-proportional increase in profitability. Our momentum is very positive and the Q1 2019 is the third consecutive quarter with Recurring EBITDA growing faster than Net Sales.”

“Our strategic decision to divest South East Asia was executed with very attractive valuations allowing us to achieve a new level of financial strength. We have delivered on the promised strengthening of our balance sheet and we are on track to accelerate the execution of our Strategy 2022 – ‘Building for Growth’.”

“Our momentum in the past 3 quarters, a solid global market demand and the ambitions of our teams give us great confidence for reaching our targets for the full year.”

¹ like-for-like

² like-for-like, pre-IFRS 16

CONTINUATION OF STRONG MOMENTUM

Like-for-like Net Sales grew by 6.4 percent for the first quarter compared to the prior-year period, while Recurring EBITDA grew over proportionally by 20.6 percent³.

The Europe region delivered very good results with strong volume growth in all business segments and significant price increases. Improved operational efficiency in our plants and an early start of the construction season allowed the company to grow margins further.

The North America region had a good start of the year, with good volume growth in the quarter and several multi-year construction contracts supporting a strong order book. The region also made further progress on its cost savings program.

The Latin America region delivered a resilient performance in a softer market environment. Effective price management and cost savings nearly offset the challenging environment in key countries. Recovery is ongoing in Brazil and Colombia while Mexico and Argentina experienced lower cement demand.

The Asia Pacific region continued its strong momentum based on strong cement demand in India and progressive price improvement in most markets. Profitability in Australia and the Philippines was higher and China continued to contribute solidly to a positive result in the region.

Markets in the Middle East Africa region have started to stabilize overall. Turnaround plans in several countries are delivering visible results. Changes in supply and demand in key countries are still impacting prices.

STRATEGY 2022

Our growth strategy generated strong sales growth and an over proportional increase in profitability. The execution of Strategy 2022 – “Building for Growth” is building up momentum and Q1 2019 is the third consecutive quarter with Recurring EBITDA growing faster than Net Sales.

Growth was achieved in all four business segments supported by solid global market demand. Four bolt-on acquisitions were completed in North America, Australia and Europe and key investment programs have progressed.

The CHF 400 million SG&A cost savings program has supported the quarter’s performance and is on track to deliver the targets for the full year. The Recurring EBITDA has increased in all four business segments. The Aggregates and the Ready-mix Concrete business segments continued to improve margins and to close the gap to best in class performance.

Based on our strategic portfolio review, the exit from the increasingly hyper competitive arena in South East Asia was executed. The divestments were achieved at very attractive valuations leading to a new level of financial strength. The Net Debt to Recurring EBITDA ratio is expected to improve by 0.6 times at the closing of all transactions and we are over achieving on our ambitious de-leveraging targets for 2019. Both credit rating agencies, Moody’s and Standard Poor’s, upgraded the outlook for LafargeHolcim to “stable” in March 2019.

³ like-for-like, pre-IFRS 16

OUTLOOK

The positive momentum in Q1 is expected to continue in 2019 with:

- Continued market growth in North America
- Softer but stabilizing cement demand in Latin America
- Continued demand growth across most countries in Europe
- Challenging but stabilizing market conditions in Middle East Africa
- Continued demand growth in Asia Pacific

Based on the above trends and the successful execution of Strategy 2022, the previously communicated targets for 2019 are confirmed:

- Net Sales growth of 3 to 5 percent on a like-for-like basis
- Recurring EBITDA growth⁴ of at least 5 percent on a like-for-like basis
- Ratio of Net Debt to Recurring EBITDA 2 times or less by end of 2019²
- Continue improving cash conversion
- Capex and bolt-on acquisitions of less than CHF 2 billion

GROUP AND REGIONAL FIGURES

Group		Q1 2019	Q1 2018	±%	±% like-for-like
Sales of cement	million t	50.1	50.0	0.1	4.6
Sales of aggregates	million t	49.6	49.8	-0.2	1.7
Sales of ready-mix concrete	million m ³	11.4	11.1	2.1	2.9
Net Sales	million CHF	5,959	5,830	2.2	6.4
Recurring EBITDA (pre-IFRS 16)	million CHF	809	700	15.5	20.6
Recurring EBITDA (post-IFRS 16)	million CHF	920			

Asia Pacific		Q1 2019	Q1 2018	±%	±% like-for-like
Sales of cement	million t	20.9	22.6	-7.6	2.2
Sales of aggregates	million t	6.6	7.6	-13.6	-8.7
Sales of ready-mix concrete	million m ³	2.9	3.1	-6.1	0.8
Net Sales	million CHF	1,745	1,836	-5.0	4.3
Recurring EBITDA (pre-IFRS 16)	million CHF	341	299	14.0	22.5
Recurring EBITDA (post-IFRS 16)	million CHF	356			

⁴ Pre-IFRS 16

GROUP AND REGIONAL FIGURES (continued)

Europe

		Q1 2019	Q1 2018	±%	±% like-for-like
Sales of cement	million t	9.6	8.3	15.8	15.8
Sales of aggregates	million t	26.2	25.4	3.3	5.8
Sales of ready-mix concrete	million m ³	4.6	4.1	12.1	11.7
Net Sales	million CHF	1,703	1,518	12.2	15.7
Recurring EBITDA (pre-IFRS 16)	million CHF	155	90	72.9	76.7
Recurring EBITDA (post-IFRS 16)	million CHF	188			

Latin America

		Q1 2019	Q1 2018	±%	±% like-for-like
Sales of cement	million t	5.9	6.1	-2.6	-2.6
Sales of aggregates	million t	0.9	0.8	4.7	4.7
Sales of ready-mix concrete	million m ³	1.2	1.3	-8.8	-8.8
Net Sales	million CHF	636	686	-7.4	4.2
Recurring EBITDA (pre-IFRS 16)	million CHF	220	236	-6.7	-1.6
Recurring EBITDA (post-IFRS 16)	million CHF	227			

Middle East Africa

		Q1 2019	Q1 2018	±%	±% like-for-like
Sales of cement	million t	8.8	9.0	-2.1	-2.1
Sales of aggregates	million t	1.7	1.9	-9.6	-9.6
Sales of ready-mix concrete	million m ³	1.0	1.0	0.4	0.4
Net Sales	million CHF	736	750	-1.9	-2.4
Recurring EBITDA (pre-IFRS 16)	million CHF	151	176	-14.5	-15.8
Recurring EBITDA (post-IFRS 16)	million CHF	171			

North America

		Q1 2019	Q1 2018	±%	±% like-for-like
Sales of cement	million t	3.4	3.2	4.7	4.7
Sales of aggregates	million t	14.2	14.0	1.7	1.1
Sales of ready-mix concrete	million m ³	1.8	1.7	2.5	-4.1
Net Sales	million CHF	951	867	9.7	4.0
Recurring EBITDA (pre-IFRS 16)	million CHF	14	8	76.1	38.1
Recurring EBITDA (post-IFRS 16)	Million CHF	46			

RECONCILIATION TO GROUP ACCOUNTS

Reconciling measures of profit and loss to the consolidated statement of income of LafargeHolcim

Million CHF	Q1 2019	Q1 2018
Recurring EBITDA*	920	700
Depreciation and amortization and impairment of operating assets**	(615)	(577)
Restructuring, litigation, implementation and other non-recurring costs	(18)	(55)
Operating profit	288	68

* including CHF 111 million of IFRS16 lease impact

** including CHF (102) million of IFRS16 lease impact

ADDITIONAL INFORMATION

Non-GAAP definitions

Some non-GAAP measures are used in this release to help describe the performance of LafargeHolcim. A full set of these non-GAAP definitions can be found on our [website](#).

Analyst presentation

The analyst presentation of the first quarter trading update is available on our website at www.lafargeholcim.com.

Analyst call: 08:30 CET, May 15, 2019

ABOUT LAFARGEHOLCIM

LafargeHolcim is the global leader in building materials and solutions. We are active in four business segments: Cement, Aggregates, Ready-Mix Concrete and Solutions & Products.

With leading positions in all regions of the world and a balanced portfolio between developing and mature markets, LafargeHolcim offers a broad range of high-quality building materials and solutions. LafargeHolcim experts solve the challenges that customers face around the world, whether they are building individual homes or major infrastructure projects. Demand for LafargeHolcim materials and solutions is driven by global population growth, urbanization, improved living standards and sustainable construction. Around 75,000 people work for the company in around 80 countries.

More information is available on www.lafargeholcim.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 LafargeHolcim 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 LafargeHolcim, including but not limited to the risks described in the LafargeHolcim's annual report available on its website (www.lafargeholcim.com) and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward-looking statements. LafargeHolcim does not undertake to provide updates of these forward-looking statements.