Media Release

Zurich, July 26, 2017

LafargeHolcim

LafargeHolcim reports continued earnings growth in Q2

- **Net sales up 3.6% like-for-like in the quarter**
- **Operating EBITDA Adjusted increased 10.1% like-for-like driven by pricing, cost discipline and synergies**
- **Recurring Net Income increased to CHF 700 million; Recurring Earnings Per Share up 23.4% to CHF 1.16**
- **Net debt reduced by CHF 2.4 billion compared to Q2 2016 on divestments**
- **On track to achieve 2017 guidance**
- **Jan Jenisch to join LafargeHolcim as Group CEO on September 1, 2017**

2017 Q2

in million CHF	Q2 2017	Q2 2016	±%	±% like-for-like
Net sales	6,850	7,280	-5.9	3.6
Operating EBITDA Adjusted[1]	1,735	1,732	0.1	10.1
Operating EBITDA Margin Adjusted[1] **[%]**	25.3	23.8	150bps	150bps
Net Income[3]	787	400	96.5	
Recurring Net Income[3]	700	570	22.7	
Recurring EPS (in CHF)	1.16	0.94	23.4	
Operating Free Cash Flow[2]	174	79	121.0	764.7

2017 6M

in million CHF	YTD 2017	YTD 2016	±%	±% like-for-like
Net sales	12,480	13,342	-6.5	4.4
Operating EBITDA Adjusted[1]	2,536	2,573	-1.5	11.5
Operating EBITDA Margin Adjusted[1] **[%]**	20.3	19.3	100bps	130bps
Net Income[3]	1,013	293	245.2	
Recurring Net Income[3]	681	490	39.0	
Recurring EPS (in CHF)	1.12	0.81	38.3	
Operating Free Cash Flow[2]	-661	-539	-22.8	5.1

1 Operating EBITDA Adjusted for merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex
3 Attributable to shareholders of LafargeHolcim Ltd

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Beat Hess, Chairman and interim CEO said: "LafargeHolcim delivered positive earnings growth for the fifth consecutive quarter supported by favorable pricing, cost discipline and synergies.

"The unique strengths of our balanced portfolio are once again evident in our results with key countries such as the US, India, Nigeria and, notably this quarter, Mexico making significant contributions to earnings, more than offsetting headwinds in some of our markets. On that basis, and with our performance to date, we remain confident that we will achieve our full year guidance and our 2018 targets.

"In addition, our continued efforts to transform our commercial capability and improve our cost base put us in a strong position to fully capitalize on market growth."

2017 Outlook

In 2017, we will deliver sustainable, profitable growth through continued strong focus on synergies, structural cost savings, commercial differentiation of our products and building solutions and Capex discipline. This will be particularly supported by the contribution of several markets such as the US, India, Nigeria and some countries in Europe. Based on the first half market development, we now forecast demand in our markets to increase by between 1 to 3 percent.

We expect to deliver strong growth in Operating EBITDA Adjusted and Recurring EPS in 2017:

- Double-digit like-for-like growth in Operating EBITDA Adjusted over 2016
- Recurring EPS growth of more than 20 percent
- Targeted net debt to Operating EBITDA Adjusted ratio of around two times

In 2017, the Group is returning cash to shareholders commensurate with a solid investment grade rating:

- Dividend of CHF 2.0 a share
- Share buyback program of up to CHF 1 billion over 2017-2018

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Group CEO succession

Jan Jenisch, whose appointment as Group CEO of LafargeHolcim was announced in May, will take on the role on September 1, 2017.

Group performance

In Q2, the Group delivered the fifth consecutive quarter of like-for-like Operating EBITDA Adjusted growth. Our Middle East Africa, Latin America and North America regions all contributed to earnings momentum with the US, Nigeria and Mexico among the notable performers. Despite positive results in India – which continued its recovery post-demonetization – the Asia Pacific region was weighed down by persistent challenging market conditions in Indonesia, Malaysia and the Philippines. Earnings in Europe were marginally down for Q2, though underlying trends are positive.

Despite the effect of fewer working days in the period, like-for-like cement volumes were up slightly compared to the prior year. Globally, cement prices improved by 5.5 percent compared to the prior year on a like-for-like basis. Sequentially, prices were 2.3 percent higher than in Q1 2017.

Synergies of CHF 121 million were delivered in Q2. At quarter end, the Group was close to delivering CHF 1 billion of total synergies, well ahead of the accelerated target of year-end 2017.

Operating EBITDA Adjusted increased by 10.1 percent to CHF 1,735 million on a like-for-like basis. Pricing, cost discipline and synergies were drivers for higher margins, with Operating EBITDA Margin Adjusted up by 150 basis points like-for-like in Q2.

Recurring Net Income was up 22.7 percent to CHF 700 million for the quarter and Recurring Earnings Per Share were up 23.4 percent to CHF 1.16 compared with Q2 2016.

Operating Free Cash Flow – which declined in the first quarter on higher seasonal cash outflow – improved in Q2 to CHF 174 million.

Net debt was CHF 15.7 billion at quarter end, down approximately CHF 2.4 billion compared to Q2 2016.

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Group

		Q2 2017	Q2 2016	±%	±% like-for-like
Sales of cement	million t	53.9	62.8	-14.1	0.7
Sales of aggregates	million t	76.3	78.6	-2.9	-2.1
Sales of ready-mix concrete	million m^3	13.0	14.9	-13.2	-6.9
Net sales	million CHF	6,850	7,280	-5.9	3.6
Operating EBITDA	million CHF	1,793	1,606	11.6	22.1
Operating EBITDA Adjusted[1]	million CHF	1,735	1,732	0.1	10.1
Operating EBITDA margin	%	26.2	22.1		
Operating EBITDA Margin Adjusted[1]	%	25.3	23.8		
Cash flow from operating activities	million CHF	380	525	-27.7	-16.8
Operating Free Cash Flow[2]	million CHF	174	79	121.0	764.7

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Group

		YTD 2017	YTD 2016	±%	±% like-for-like
Sales of cement	million t	102.0	119.3	-14.5	0.4
Sales of aggregates	million t	128.0	130.2	-1.7	0.2
Sales of ready-mix concrete	million m^3	24.4	27.5	-11.5	-4.6
Net sales	million CHF	12,480	13,342	-6.5	4.4
Operating EBITDA	million CHF	2,497	2,397	4.2	17.8
Operating EBITDA Adjusted[1]	million CHF	2,536	2,573	-1.5	11.5
Operating EBITDA margin	%	20.0	18.0		
Operating EBITDA Margin Adjusted[1]	%	20.3	19.3		
Cash flow from operating activities	million CHF	-138	261	-152.8	-206.5
Operating Free Cash Flow[2]	million CHF	-661	-539	-22.8	5.1
Net financial debt[3]	million CHF	15,745	14,724	6.9	

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex
3 Prior-year figure as of December 31, 2016

Regional performance

Asia Pacific

Market conditions in Asia Pacific were mixed in Q2 with Operating EBITDA Adjusted down 5 percent on a like-for-like basis. While results in the region benefited from a significant recovery in India, a further positive contribution from China and robust performance in Australia, these were offset by weaker performance in markets such as Indonesia, Malaysia and the Philippines.

Volumes and prices were higher in India post-demonetization. Ongoing cost savings supported growth in Operating EBITDA Adjusted, while recently commissioned facilities in Jamul and Sindri are now contributing to increased market supply.

In Australia, earnings were up despite a difficult start to the quarter, with Cyclone Debbie affecting access to customer sites, which in turn limited the otherwise strong growth in volumes.

The Philippines market faced softening demand and sustained pressure from imports with volumes down on the prior year. Operating EBITDA Adjusted declined for the quarter compared to the prior year period when pre-election government spending boosted demand. Despite current delays in government infrastructure spending, the medium-term outlook remains positive.

Indonesia saw increased volumes during the quarter, though excess capacity continued to put downward pressure on prices. As a result, earnings declined compared to the prior year.

Overcapacity and strong competition continued to affect the market in Malaysia, translating into a decline in earnings for the quarter on lower volumes and prices. The timing of Ramadan impacted demand in Indonesia and Malaysia in Q2.

In these challenging markets, management continues to implement action plans that include measures such as cost reduction, asset optimization, logistics and commercial initiatives.

Asia Pacific

		Q2 2017	Q2 2016	±%	±% like-for-like
Sales of cement	million t	23.2	30.6	-24.1	2.2
Sales of aggregates	million t	8.5	8.6	-0.8	11.4
Sales of ready-mix concrete	million m^3	3.1	4.2	-25.1	-4.9
Net sales	million CHF	1,906	2,194	-13.1	4.1
Operating EBITDA	million CHF	356	430	-17.2	-5.3
Operating EBITDA Adjusted[1]	million CHF	367	448	-18.1	-5.0
Operating EBITDA margin	%	18.7	19.6		
Operating EBITDA Margin Adjusted[1]	%	19.3	20.4		
Cash flow from operating activities	million CHF	197	368	-46.6	-35.3
Operating Free Cash Flow[2]	million CHF	135	272	-50.3	-36.0

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Asia Pacific

		YTD 2017	YTD 2016	±%	±% like-for-like
Sales of cement	million t	46.2	60.7	-23.8	1.1
Sales of aggregates	million t	15.6	15.9	-1.8	10.4
Sales of ready-mix concrete	million m^3	6.1	8.0	-23.9	-2.8
Net sales	million CHF	3,696	4,341	-14.9	1.9
Operating EBITDA	million CHF	617	782	-21.1	-11.2
Operating EBITDA Adjusted[1]	million CHF	646	804	-19.6	-8.9
Operating EBITDA margin	%	16.7	18.0		
Operating EBITDA Margin Adjusted[1]	%	17.5	18.5		
Cash flow from operating activities	million CHF	69	419	-83.5	-80.6
Operating Free Cash Flow[2]	million CHF	-41	254	-116.3	-126.0

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Europe

Earnings declined for the second quarter, in part due to fewer working days. Operating EBITDA Adjusted in Europe was down 2.1 percent on a like-for-like basis versus Q2 2016, while prices were broadly in line with the prior year.

Underlying trends for Europe are positive in terms of volumes and price dynamics. However, earnings performance in Q2 was impacted by an operational interruption in Belgium which constrained supplies of cement in the quarter. Some countries in the region additionally recorded lower volumes in aggregates and ready-mix.

Operating EBITDA Adjusted in the UK was up on the prior year period with savings helping to offset the impact of rising input costs caused by the weaker pound. While the underlying business remains solid, uncertainty is now growing in the market after 12 months of better than expected demand following the EU referendum.

While prospects for France remain positive, the market had a mixed quarter with the temporary effect of revisions to the industrial network impacting results during the first six months.

Russia continued its steady progress seen in the first quarter with strong pricing contributing to growth in earnings. In Spain, Operating EBITDA Adjusted grew as the country showed signs of recovery after a challenging period for the construction sector.

In Switzerland, earnings in Q2 declined on the back of lower volumes in aggregates and ready-mix as some large projects came to a close.

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Europe

		Q2 2017	Q2 2016	±%	±% like-for-like
Sales of cement	million t	11.9	11.9	-0.1	-0.2
Sales of aggregates	million t	33.4	33.7	-1.0	-0.6
Sales of ready-mix concrete	million m^3	4.9	5.0	-3.3	-2.8
Net sales	million CHF	1,925	1,968	-2.2	0.8
Operating EBITDA	million CHF	416	443	-6.1	-2.9
Operating EBITDA Adjusted[1]	million CHF	435	459	-5.2	-2.1
Operating EBITDA margin	%	21.6	22.5		
Operating EBITDA Margin Adjusted[1]	%	22.6	23.3		
Cash flow from operating activities	million CHF	284	337	-15.4	-13.0
Operating Free Cash Flow[2]	million CHF	226	277	-18.4	-15.2

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Europe

		YTD 2017	YTD 2016	±%	±% like-for-like
Sales of cement	million t	20.1	19.6	2.5	2.4
Sales of aggregates	million t	60.0	59.0	1.7	2.0
Sales of ready-mix concrete	million m^3	8.9	9.1	-1.8	-1.4
Net sales	million CHF	3,405	3,465	-1.7	2.3
Operating EBITDA	million CHF	513	547	-6.2	-1.5
Operating EBITDA Adjusted[1]	million CHF	550	576	-4.6	0.1
Operating EBITDA margin	%	15.1	15.8		
Operating EBITDA Margin Adjusted[1]	%	16.2	16.6		
Cash flow from operating activities	million CHF	74	202	-63.3	-60.6
Operating Free Cash Flow[2]	million CHF	-34	94	-135.9	-132.0

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Latin America

Latin America delivered growth in Operating EBITDA Adjusted of 25.6 percent in the quarter supported by a strong overall regional performance, notably in Mexico and Argentina.

Mexico delivered strong earnings and solid margins as the business continues to deliver its commercial strategy and realize cost savings. Overall, the Mexican market remains resilient.

In Argentina, good results were boosted by commercial excellence initiatives in a stabilizing economy. While market challenges in Brazil remain acute as cement demand continues to fall year on year and industry over-capacity is high, the first benefits of the turnaround plan implemented by local management were visible in business performance for the quarter.

Operating EBITDA Adjusted for Ecuador was down compared to the prior year period affected by pre-election uncertainty as well as heavy rain. Colombia had another difficult quarter as market and competitive pressures in key areas of the country contributed to earnings decline.

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Latin America

		Q2 2017	Q2 2016	±%	±% like-for-like
Sales of cement	million t	6.0	5.8	3.7	3.7
Sales of aggregates	million t	1.2	1.6	-23.3	-17.0
Sales of ready-mix concrete	million m^3	1.5	1.7	-12.8	-11.1
Net sales	million CHF	766	684	12.0	12.3
Operating EBITDA	million CHF	288	205	40.5	39.1
Operating EBITDA Adjusted[1]	million CHF	262	211	24.5	25.6
Operating EBITDA margin	%	37.5	29.9		
Operating EBITDA Margin Adjusted[1]	%	34.2	30.8		
Cash flow from operating activities	million CHF	79	8	939.0	903.2
Operating Free Cash Flow[2]	million CHF	71	-20	447.1	511.5

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Latin America

		YTD 2017	YTD 2016	±%	±% like-for-like
Sales of cement	million t	11.9	11.8	0.0	0.0
Sales of aggregates	million t	2.3	3.3	-31.0	-25.4
Sales of ready-mix concrete	million m^3	3.0	3.4	-11.3	-9.5
Net sales	million CHF	1,459	1,366	6.8	7.6
Operating EBITDA	million CHF	516	410	25.7	28.3
Operating EBITDA Adjusted[1]	million CHF	497	421	17.9	21.7
Operating EBITDA margin	%	35.3	30.0		
Operating EBITDA Margin Adjusted[1]	%	34.0	30.8		
Cash flow from operating activities	million CHF	47	22	116.8	181.0
Operating Free Cash Flow[2]	million CHF	21	-24	187.9	248.5

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Middle East Africa

Middle East Africa delivered strong earnings in the second quarter. Operating EBITDA Adjusted was 20.3 percent higher than in the prior-year period on a like-for-like basis.

Earnings in Nigeria grew significantly in the quarter. This was supported by favorable pricing and operational improvements following last year's gas supply shortages and logistics challenges. Nigeria's economy remains in recession, fueled by monetary adjustments and a subsequent shortage of local currency, which continues to have an impact on volumes.

Egypt recorded a fall in profits in challenging market conditions following the currency devaluation of November 2016. Margin pressure has been mitigated through the delivery of sustained cost savings with a particular focus on improved fuel mix. Exports also helped to lessen the effect on earnings in the quarter.

Algeria delivered volume improvements to contribute to higher Operating EBITDA Adjusted. The recently commissioned Biskra plant further strengthened the company's strong presence in the market.

Middle East Africa

		Q2 2017	Q2 2016	±%	±% like-for-like
Sales of cement	million t	9.1	10.9	-17.1	-4.9
Sales of aggregates	million t	2.8	2.4	16.6	-5.5
Sales of ready-mix concrete	million m^3	1.2	1.7	-26.6	-23.5
Net sales	million CHF	869	1,081	-19.6	5.2
Operating EBITDA	million CHF	301	339	-11.1	16.8
Operating EBITDA Adjusted[1]	million CHF	317	345	-8.2	20.3
Operating EBITDA margin	%	34.6	31.3		
Operating EBITDA Margin Adjusted[1]	%	36.4	31.9		
Cash flow from operating activities	million CHF	-15	153	-110.0	-143.0
Operating Free Cash Flow[2]	million CHF	-28	55	-150.4	-374.4

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Middle East Africa

		YTD 2017	YTD 2016	±%	±% like-for-like
Sales of cement	million t	18.1	21.7	-16.6	-4.5
Sales of aggregates	million t	5.3	6.0	-11.4	-7.0
Sales of ready-mix concrete	million m^3	2.5	3.1	-20.4	-16.6
Net sales	million CHF	1,748	2,130	-17.9	10.2
Operating EBITDA	million CHF	555	596	-7.0	26.9
Operating EBITDA Adjusted[1]	million CHF	592	607	-2.4	32.3
Operating EBITDA margin	%	31.7	28.0		
Operating EBITDA Margin Adjusted[1]	%	33.9	28.5		
Cash flow from operating activities	million CHF	156	352	-55.7	-37.0
Operating Free Cash Flow[2]	million CHF	95	162	-41.1	-0.4

1 Excluding merger, restructuring and other one-offs
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North America

North America made a strong contribution to Operating EBITDA Adjusted growth – up 16.5 percent on a like-for-like basis – despite the effect of heavy rain on volumes of cement and aggregates in parts of the US and Canada. In both markets cost savings in logistics and manufacturing contributed to positive results, while the US continued to benefit from favorable pricing.

Cement volumes in the US for Q2 were down on the prior year. Aggregates in the US were also impacted by unfavorable weather conditions which constrained deliveries for a period during the quarter. Operational enhancements undertaken in the second quarter should further benefit earnings going forward.

Despite lower volumes, performance in Canada remained stable in the second quarter thanks to cost efficiency measures, notably in the west of the country. Western Canada saw a modest recovery while volumes in Eastern Canada were negatively impacted by weather and operational challenges.

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North America

		Q2 2017	Q2 2016	±%	±% like-for-like
Sales of cement	million t	5.2	5.3	-2.6	-2.6
Sales of aggregates	million t	30.4	32.3	-5.9	-5.9
Sales of ready-mix concrete	million m^3	2.3	2.4	-4.1	-4.1
Net sales	million CHF	1,497	1,538	-2.7	-3.2
Operating EBITDA	million CHF	564	390	44.6	42.7
Operating EBITDA Adjusted[1]	million CHF	465	394	18.0	16.5
Operating EBITDA margin	%	37.7	25.4		
Operating EBITDA Margin Adjusted[1]	%	31.0	25.6		
Cash flow from operating activities	million CHF	51	52	-1.2	-7.1
Operating Free Cash Flow[2]	million CHF	-18	-111	83.6	81.4

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

North America

		YTD 2017	YTD 2016	±%	±% like-for-like
Sales of cement	million t	8.5	8.8	-3.3	-3.3
Sales of aggregates	million t	44.8	46.0	-2.6	-2.6
Sales of ready-mix concrete	million m^3	3.9	3.9	-1.5	-1.5
Net sales	million CHF	2,403	2,404	0.0	-1.1
Operating EBITDA	million CHF	570	390	46.4	44.6
Operating EBITDA Adjusted[1]	million CHF	473	396	19.3	18.0
Operating EBITDA margin	%	23.7	16.2		
Operating EBITDA Margin Adjusted[1]	%	19.7	16.5		
Cash flow from operating activities	million CHF	-166	-183	9.0	9.9
Operating Free Cash Flow[2]	million CHF	-384	-469	18.1	19.0

1 Excluding merger, restructuring and other one-offs
2 Cash flow from operating activities less net maintenance and expansion capex

Merger, restructuring and other one-offs
One-off costs amounted to CHF 38 million in the first half and included CHF 175 million of merger-related and restructuring one-off costs. This figure was partly offset by one-offs of CHF 136 million resulting from the reversal of provisions.

Share of profits from joint ventures
The share of profits from joint ventures increased by CHF 22 million.

Share of profits from associates
The share of profits from associates increased by CHF 41 million reflecting a larger contribution from Huaxin Cement, China, as a result of higher prices in the market and the integration of the Lafarge assets sold to Huaxin on 1 January 2017.

Net financial expenses
Net financial expenses of CHF 282 million are CHF 142 million lower than the first half 2016 reflecting financial synergy benefits arising from the merger as well as reduced levels of net financial debt in 2017 and favorable positive impact of our cash position denominated in foreign currencies.

Tax
The effective tax rate for the first half 2017 is 26.8 percent deriving from a yearly projected tax rate of around 28 percent and the impact of the divestment of Vietnam in Q1 2017.

Net income
Net income Group share of CHF 1,013 million compares with a profit of CHF 293 million for the first half 2016. The improvement in net income includes the profit recognized on the disposal of Vietnam in Q1 2017 of CHF 257 million.

Viewed on a recurring basis, net income Group share for the first half 2017 was CHF 681 million, an improvement of CHF 191 million on the first half 2016.

Divestments and capital allocation

Net of tax, the proceeds of the transactions completed during the first half 2017 resulted in a net debt reduction of around CHF 0.9 billion following, notably, the completion of the Vietnam divestment and the remittance of cash proceeds from announced transactions in China. The balance of our outstanding China position of CHF 0.2 billion will be received when local restrictions in China are lifted.

Net capital expenditure for the first half was CHF 523 million of which CHF 174 million was expansion Capex. In 2017, we completed commissioning or upgrading capacity in some of our key markets such as Algeria, the US, Nigeria and India and we expect to see further benefits of this expansion as production ramps up.

With divestments closing, cash generation from synergies gaining momentum and Capex discipline, our credit ratios will significantly strengthen, consistent with our commitment to maintain a solid investment grade rating throughout the cycle. We will continue to return excess cash to shareholders through share buybacks or special dividends commensurate with a solid investment grade credit rating.

Share buyback

In November 2016, the Group announced a share buyback program of up to CHF 1 billion over 2017-2018. In the second quarter, 1.4 million shares were repurchased to the value of CHF 79 million, of which CHF 71 million was paid in Q2.

Cash flow & net financial debt

Operating Free Cash Flow stood at CHF -661 million for first half, compared with CHF -539 million for the same period in 2016, which equates to a 5.1 percent improvement on a like-for-like basis.

Net debt stands at CHF 15.7 billion (CHF 14.7 billion as per December 31, 2016). The increase in net debt reflects the dividend payment in May of CHF 2.0 per share approved at the Annual General Meeting. The total payout was CHF 1.2 billion.

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

Million CHF	Q2 2017	Q2 2016	YTD 2017	YTD 2016
Operating profit	**1,211**	**1,015**	**1,367**	**1,258**
Depreciation, amortization and impairment of operating assets	581	591	1,130	1,138
Operating EBITDA	**1,793**	**1,606**	**2,497**	**2,397**
Merger, restructuring and other one offs	(58)	126	38	176
Operating EBITDA Adjusted	**1,735**	**1,732**	**2,536**	**2,573**

Reconciliation of Recurring Net Income with Net Income as disclosed in Financial Statements

Million CHF	Q2 2017	Q2 2016	YTD 2017	YTD 2016
Net income	**892**	**499**	**1,154**	**452**
Merger related one-off costs	14	76	37	103
Other one-off costs above CHF 50 million	(64)	0	(64)	0
Gains on disposals and impairment	(35)	34	(303)	34
Bonds early repayment premiums	0	68	0	68
Recurring Net Income	**807**	**677**	**824**	**657**
of which Recurring Net income Group share	700	570	681	490

Adjustments disclosed net of taxation

Reconciliation of Operating Free Cash Flow to consolidated cash flows of LafargeHolcim Group

Million CHF	Q2 2017	Q2 2016	YTD 2017	YTD 2016
Cash flow from operating activities	**380**	**525**	**(138)**	**261**
Purchase of property, plant and equipment	(237)	(483)	(578)	(850)
Disposal of property, plant and equipment	32	37	55	51
Operating Free Cash Flow	**174**	**79**	**(661)**	**(539)**

Reconciliation of Net Financial Debt to consolidated statement of LafargeHolcim Group

Million CHF	30 June 2017	31 Dec 2016
Current financial liabilities	**4,892**	**4,976**
Long-term financial liabilities	14,583	14,744
Cash and cash equivalents	(3,603)	(4,923)
Short-term derivative assets	(69)	(68)
Long-term derivative assets	(12)	(6)
Net Financial Debt	**15,745**	**14,724**

Some non-GAAP measures are used in this release to help describe the performance of LafargeHolcim. A set of these non-GAAP definitions can be found on our *web site.*

Additional information

The analyst presentation of the results and our Q2 report are available on our website at www.lafargeholcim.com

The financial statements based on IFRS can be found on the LafargeHolcim Group web site.

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About LafargeHolcim

LafargeHolcim is the leading global building materials and solutions company serving masons, builders, architects and engineers all over the world. Group operations produce cement, aggregates and ready-mix concrete which are used in building projects ranging from affordable housing and small, local projects to the biggest, most technically and architecturally challenging infrastructure projects. As urbanisation increasingly impacts people and the planet, the Group provides innovative products and building solutions with a clear commitment to social and environmental sustainability. With leading positions in all regions, LafargeHolcim employs around 90,000 employees in more than 80 countries and has a portfolio that is equally balanced between developing and mature markets.

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 Internet 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.