



August 15, 2013

Media release on 1st half year results 2013

- **Rise in Group net income and cash flow from operating activities**
- **Increased operating EBITDA in Latin America and Europe, where impacts of restructuring become visible**
- **Like-for-like Group-wide growth impacted by lower sales volumes in India**
- **Lower costs, improved prices and systematic restructuring generate higher ROIC before taxes**
- **Net financial debt decreased by CHF 1.2 billion over 12 months**
- **Holcim Leadership Journey on track**
- **Organic growth in operating EBITDA and operating profit confirmed in outlook for 2013**

Global economic growth in the first half of 2013 was weaker than foreseen. Construction activity was hurt by the severe winter as well as the bad weather encountered in many regions. Demand fell short of expectations in India, Canada, Mexico and Morocco in particular. By contrast, the economic climate was significantly better in the Philippines and Ecuador, among other markets.

Holcim succeeded in increasing Group net income and cash flow from operating activities. Europe and Latin America achieved better operating results, leading on balance to a higher operating EBITDA margin. It was primarily on account of India that Holcim was unable to exceed the previous year's operating EBITDA growth on a like-for-like basis. However, in the second quarter the Group achieved organic growth in both operating EBITDA and operating profit. Thanks to the Holcim Leadership Journey, which is making progress above all on the cost front, ROIC before taxes continued to increase. Over 12 months, net financial debt decreased by CHF 1.2 billion.

Consolidated sales volumes were lower in all segments. Latin America contributed most positively to the development of cement sales. The decline in deliveries of aggregates and, above all, ready-mix concrete was more acute. This reflects not only the frequently limited demand, but also the reorganization and restructuring efforts initiated, and in some cases completed, in order to sustainably improve margins. Holcim has been able to achieve better prices in many markets.

Group regions Europe and Latin America reported year-on-year increases in operating results. On account of Canada, North America was not quite able to match the figures of the previous year, and Asia Pacific and Africa Middle East fell considerably short of the previous year's levels owing to India and Morocco, respectively. Holcim Philippines, Aggregate Industries UK, Holcim Ecuador and Holcim US achieved substantially improved operating results. Overall, like-for-like operating EBITDA at Group level fell by 0.6 percent in the first half. At 0.1 percent, like-for-like operating profit developed moderately positively. The corresponding figures for the second quarter were positive at +2.8 percent and +5.4 percent.

Group	January–June 2013	January–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	68.6	71.2	(3.7%)	(2.9%)
Sales of aggregates in million t	69.4	74.8	(7.2%)	(6.2%)
Sales of ready-mix concrete in million m ³	18.8	22.1	(15.0%)	(9.5%)
Sales of asphalt in million t	3.3	3.6	(8.3%)	(7.1%)
Net sales in million CHF	9,649	10,166	(5.1%)	(1.4%)
Operating EBITDA in million CHF	1,819	1,884	(3.4%)	(0.6%)
Operating profit in million CHF	1,046	1,082	(3.3%)	0.1%
Net income in million CHF	760	614	23.8%	
Net income – shareholders of Holcim Ltd – in million CHF	571	387	47.4%	
Cash flow from operating activities in million CHF	267	188	41.8%	47.7%

¹ Restated due to changes in accounting policies.

Group	April–June 2013	April–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	36.5	37.4	(2.5%)	(1.1%)
Sales of aggregates in million t	40.9	43.6	(6.2%)	(4.9%)
Sales of ready-mix concrete in million m ³	10.4	12.1	(13.6%)	(4.7%)
Sales of asphalt in million t	2.2	2.3	(2.5%)	(1.2%)
Net sales in million CHF	5,326	5,506	(3.3%)	1.0%
Operating EBITDA in million CHF	1,169	1,166	0.3%	2.8%
Operating profit in million CHF	776	753	3.0%	5.4%
Net income in million CHF	465	502	(7.4%)	
Net income – shareholders of Holcim Ltd – in million CHF	383	377	1.7%	
Cash flow from operating activities in million CHF	591	687	(14.1%)	(13.6%)

¹ Restated due to changes in accounting policies.

Sales volume and price development

Consolidated cement sales were down 3.7 percent to 68.6 million tonnes. Deliveries of aggregates declined by 7.2 percent to 69.4 million tonnes, and ready-mix concrete volumes decreased by 15 percent to 18.8 million cubic meters. Asphalt sales were down by 8.3 percent to 3.3 million tonnes because of North America.

The Group companies in Ecuador, Azerbaijan and Russia reported significant increases in cement sales, while deliveries of aggregates were up at Holcim Switzerland and Aggregate Industries UK. Upturns in ready-mix concrete sales were recorded by Holcim Indonesia, Holcim Malaysia and Holcim Ecuador.

Price development in all regions continued to be positive with the exception of Europe.

Financial results

Consolidated net sales decreased by 5.1 percent to CHF 9.6 billion. The 3.4 percent decline in operating EBITDA to CHF 1.8 billion was largely attributable to the two Indian Group companies as well as Holcim Canada, Holcim Mexico, Holcim Morocco and Holcim France. Group regions Europe and Latin America achieved better results. On the positive news front, fixed costs were lower and the price environment was in many cases stable or slightly better. Proceeds from the sale of CO₂ emission certificates were down by CHF 10,3 million in Europe. Consolidated operating profit fell by 3.3 percent to CHF 1 billion, but on a like-for-like basis moderate growth of 0.1 percent (2nd quarter of 2013: +5.4 percent) was recorded. Group net income increased by 23.8 percent to CHF 760 million, and the share of net income attributable to shareholders of Holcim Ltd rose by 47.4 percent to CHF 571 million.

Net financial debt was down by CHF 1.2 billion compared to the same period of the previous year at CHF 11.0 billion. In the same period, gearing decreased from 62.6 percent to 57.1 percent.

Holcim Leadership Journey on track

Although construction activities have slowed visibly in a number of markets since the Holcim Leadership Journey was launched, the program is on track. Thanks mainly to progress on the cost front, it contributed CHF 376 million to consolidated operating profit in the first half of 2013, with CHF 47 million stemming from the Customer Excellence stream.

Outlook for 2013

Holcim anticipates an increase in sales of cement in 2013, but the Group does not expect to reach the previous year's levels in the aggregates and ready-mix concrete businesses. While Group regions Asia Pacific and Latin America are expected to witness higher cement sales volumes, Holcim is somewhat less optimistic with regard to Europe and Africa Middle East. In North America, cement sales are expected to reach similar levels to previous year.

Turning to operating EBITDA and operating profit, the Board of Directors and Executive Committee expect a further improvement in margins. The Holcim Leadership Journey, which gains further momentum, will contribute to this development. Under similar market conditions, organic growth in operating EBITDA and operating profit should be achieved in 2013.

Key figures per Group region

India weighing on growth region Asia Pacific

Asia Pacific	January–June 2013	January–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	36.4	37.8	(3.7%)	(2.2%)
Sales of aggregates in million t	12.2	13.5	(9.7%)	(10.1%)
Sales of ready-mix concrete in million m ³	5.2	5.5	(5.9%)	(1.2%)
Net sales in million CHF	3,936	4,203	(6.4%)	(0.6%)
Operating EBITDA in million CHF	826	953	(13.3%)	(7.8%)
Operating profit in million CHF	597	694	(14.0%)	(8.6%)

¹ Restated due to changes in accounting policies.

Asia Pacific	April–June 2013	April–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	17.8	18.5	(3.6%)	(0.7%)
Sales of aggregates in million t	6.4	7.3	(11.7%)	(12.0%)
Sales of ready-mix concrete in million m ³	2.8	2.9	(3.3%)	1.9%
Net sales in million CHF	1,952	2,085	(6.4%)	0.2%
Operating EBITDA in million CHF	429	487	(11.7%)	(5.3%)
Operating profit in million CHF	317	349	(9.2%)	(2.9%)

¹ Restated due to changes in accounting policies.

Stronger result in Latin America

Latin America	January–June 2013	January–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	12.3	12.1	1.4%	1.4%
Sales of aggregates in million t	5.5	7.0	(21.8%)	(21.8%)
Sales of ready-mix concrete in million m ³	4.2	5.3	(20.0%)	(20.0%)
Net sales in million CHF	1,718	1,707	0.6%	2.0%
Operating EBITDA in million CHF	500	462	8.4%	8.7%
Operating profit in million CHF	390	358	9.0%	9.5%

¹ Restated due to changes in accounting policies.

Latin America	April–June 2013	April–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	6.4	6.2	2.8%	2.8%
Sales of aggregates in million t	2.8	3.5	(18.5%)	(19.7%)
Sales of ready-mix concrete in million m ³	2.1	2.6	(19.4%)	(19.4%)
Net sales in million CHF	891	854	4.4%	4.1%
Operating EBITDA in million CHF	254	238	7.1%	6.2%
Operating profit in million CHF	197	186	5.9%	5.6%

¹ Restated due to changes in accounting policies.

Impacts of restructuring visible in Europe

Europe	January–June 2013	January–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	12.1	12.3	(1.5%)	(1.5%)
Sales of aggregates in million t	34.4	35.2	(2.2%)	(0.2%)
Sales of ready-mix concrete in million m ³	5.7	7.1	(20.1%)	(6.9%)
Sales of asphalt in million t	2.2	2.2	0.0%	2.0%
Net sales in million CHF	2 611	2 783	(6.2%)	(2.1%)
Operating EBITDA in million CHF	352	279	26.0%	27.0%
Operating profit in million CHF	98	23	323.4%	326.4%

¹ Restated due to changes in accounting policies.

Europe	April–June 2013	April–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	7.7	7.8	(0.9%)	(0.9%)
Sales of aggregates in million t	19.9	20.1	(0.9%)	2.1%
Sales of ready-mix concrete in million m ³	3.4	4.1	(17.5%)	4.5%
Sales of asphalt in million t	1.2	1.1	15.2%	18.0%
Net sales in million CHF	1,580	1,622	(2.6%)	3.8%
Operating EBITDA in million CHF	323	259	24.6%	25.8%
Operating profit in million CHF	192	129	48.9%	49.0%

¹ Restated due to changes in accounting policies.

North American construction sector making only slow headway

North America	January–June 2013	January–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	5.0	5.4	(6.7%)	(7.0%)
Sales of aggregates in million t	16.3	18.0	(9.5%)	(9.2%)
Sales of ready-mix concrete in million m ³	3.3	3.6	(9.4%)	(8.6%)
Sales of asphalt in million t	1.1	1.4	(21.4%)	(21.4%)
Net sales in million CHF	1,259	1,343	(6.3%)	(6.9%)
Operating EBITDA in million CHF	126	138	(8.8%)	(10.3%)
Operating profit in million CHF	(20)	(15)	(30.7%)	(38.6%)

¹ Restated due to changes in accounting policies.

North America	April–June 2013	April–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	3.1	3.3	(5.6%)	(6.2%)
Sales of aggregates in million t	11.1	12.2	(8.7%)	(8.3%)
Sales of ready-mix concrete in million m ³	2.0	2.2	(10.1%)	(8.9%)
Sales of asphalt in million t	1.0	1.2	(18.3%)	(18.3%)
Net sales in million CHF	818	865	(5.4%)	(5.9%)
Operating EBITDA in million CHF	143	153	(6.5%)	(7.9%)
Operating profit in million CHF	67	74	(9.8%)	(12.4%)

¹ Restated due to changes in accounting policies.

Challenging environment in Africa Middle East

Africa Middle East	January–June 2013	January–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	3.9	4.5	(13.1%)	(13.1%)
Sales of aggregates in million t	1.1	1.1	(3.0%)	(3.0%)
Sales of ready-mix concrete in million m ³	0.4	0.6	(31.0%)	(31.0%)
Net sales in million CHF	444	498	(10.8%)	(11.9%)
Operating EBITDA in million CHF	144	160	(10.2%)	(11.5%)
Operating profit in million CHF	115	136	(15.3%)	(16.5%)

¹ Restated due to changes in accounting policies.

Africa Middle East	April–June 2013	April–June 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	2.1	2.3	(8.5%)	(8.5%)
Sales of aggregates in million t	0.6	0.6	5.4%	5.4%
Sales of ready-mix concrete in million m ³	0.2	0.3	(31.3%)	(31.3%)
Net sales in million CHF	242	259	(6.8%)	(8.2%)
Operating EBITDA in million CHF	82	82	(0.7%)	(2.4%)
Operating profit in million CHF	67	70	(4.7%)	(6.5%)

¹ Restated due to changes in accounting policies.

Additional information such as the Half-Year Report 2013 including detailed information on the Group regions are available at www.holcim.com/results

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Holcim is one of the world's leading suppliers of cement and aggregates (crushed stone, gravel and sand) as well as further activities such as ready-mix concrete and asphalt including services. The Group holds majority and minority interests in around 70 countries on all continents.

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This media release is also available in German at www.holcim.com/news.

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Key figures Holcim Group January–June		2013	2012¹	+/-%	+/-% like-for-like
Annual cement production capacity	million t	206.4	209.3 ²	(1.4%)	(0.3%)
Sales of cement	million t	68.6	71.2	(3.7%)	(2.9%)
Sales of mineral components	million t	1.7	2.1	(20.2%)	(6.1%)
Sales of aggregates	million t	69.4	74.8	(7.2%)	(6.2%)
Sales of ready-mix concrete	million m ³	18.8	22.1	(15.0%)	(9.5%)
Sales of asphalt	million t	3.3	3.6	(8.3%)	(7.1%)
Net sales	million CHF	9,649	10,166	(5.1%)	(1.4%)
Operating EBITDA	million CHF	1,819	1,884	(3.4%)	(0.6%)
Operating EBITDA margin	%	18.9	18.5		
Operating profit	million CHF	1,046	1,082	(3.3%)	0.1%
Operating profit margin	%	10.8	10.6		
EBITDA	million CHF	2,073	1,993	4.0%	
Net income	million CHF	760	614	23.8%	
Net income margin	%	7.9	6.0		
Net income – shareholders of Holcim Ltd	million CHF	571	387	47.4%	
Cash flow from operating activities	million CHF	267	188	41.8%	47.4%
Cash flow margin	%	2.8	1.9		
Net financial debt	million CHF	10,958	10,325 ²	6.1%	7.0%
Total shareholders' equity	million CHF	19,180	19,234 ²	0.3%	
Gearing ³	%	57.1	53.7 ²		
Personnel		73,964	76,359 ²	(3.1%)	(1.9%)
Earnings per share	CHF	1.75	1.20	46.0%	
Fully diluted earnings per share	CHF	1.75	1.20	46.0%	
Principal key figures in USD (illustrative)⁴					
Net sales	million USD	10,302	10,951	(5.9%)	
Operating EBITDA	million USD	1,942	2,029	(4.3%)	
Operating profit	million USD	1,117	1,165	(4.2%)	
Net income – shareholders of Holcim Ltd	million USD	609	417	46.2%	
Cash flow from operating activities	million USD	285	203	40.6%	
Net financial debt	million USD	11,628	11,284 ²	3.0%	
Total shareholders' equity	million USD	20,353	21,021 ²	(3.2%)	
Earnings per share	USD	1.87	1.29	44.8%	
Principal key figures in EUR (illustrative)⁴					
Net sales	million EUR	7,847	8,432	(6.9%)	
Operating EBITDA	million EUR	1,480	1,563	(5.3%)	
Operating profit	million EUR	851	897	(5.2%)	
Net income – shareholders of Holcim Ltd	million EUR	464	321	44.6%	
Cash flow from operating activities	million EUR	217	156	39.1%	
Net financial debt	million EUR	8,898	8,552 ²	4.1%	
Total shareholders' equity	million EUR	15,575	15,930 ²	(2.2%)	
Earnings per share	EUR	1.43	1.00	43.2%	

¹ Restated due to changes in accounting policies.

² As of December 31, 2012

³ Net financial debt divided by total shareholders' equity.

⁴ Statement of income figures translated at average rate; statement of financial position figures at closing rate.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.