



November 5, 2013

Media release on 3rd quarter results 2013

- **Increase in net income and cash flow from operating activities despite disappointing net sales development, most especially in India and Mexico**
- **Progress in reducing fixed and variable costs strengthens the Group**
- **Rise in operating EBITDA and operating profit on a like-for-like basis in spite of weak demand in key markets such as India and Mexico**
- **“Holcim Leadership Journey” is on track and leads to higher ROIC**
- **Further reduction of net financial debt**
- **Organic growth in operating EBITDA and operating profit should be achieved in 2013**

The global economic trend remained subdued despite significant growth in several emerging markets and improved economic data from the US. Demand for construction materials fell in key markets such as India, Mexico, Canada and, to a lesser extent, Brazil, while Europe stabilized.

Despite these circumstances, Holcim generated a further increase in net income and cash flow from operating activities and a slightly improved operating EBITDA margin. This success was based primarily on positive earnings performance in Group regions Europe, North and Latin America and the cost discipline applied throughout the Group. Weaker operating results in India, Mexico, Brazil and Canada in particular led to a reduction in consolidated operating EBITDA and operating profit for the first nine months of the year. However, on a like-for-like basis, i.e. factoring out changes in the scope of consolidation and the clearly negative currency translation effects, both operating results improved. This upward trend also intensified in the third quarter of the current business year.

ROIC before tax increased, while net financial debt was reduced by CHF 1.3 billion to CHF 10.2 billion from CHF 11.5 billion in third quarter 2012.

Sales volumes for the Group were down in all three segments in the first nine months, with the greatest declines occurring in ready-mix concrete. These developments are partly attributable to the lower demand for building materials in some markets, but are also driven by the targeted restructuring measures already introduced to improve margins, for example in Europe and Asia Pacific.

Operating results for Europe, North and Latin America exceeded those for 2012. In these three Group regions, in particular Aggregate Industries UK, Holcim US and Cemento Polpaico in Chile made a significantly higher contribution to operating EBITDA. The results in Azerbaijan continued to be robust. In Asia Pacific, Holcim Philippines achieved a markedly better operating result. However, developments in this Group region were slowed by poorer financial performance by the Indian Group companies. In Africa Middle East, Holcim Lebanon was the main company to post better results. Holcim Morocco only reported a distinct positive performance in the third quarter.

Group	Jan–Sept 2013	Jan–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	104.3	107.1	(2.6%)	(1.9%)
Sales of aggregates in million t	114.8	119.2	(3.7%)	(2.4%)
Sales of ready-mix concrete in million m ³	29.5	34.4	(14.3%)	(8.1%)
Sales of asphalt in million t	6.4	6.6	(3.1%)	(1.2%)
Net sales in million CHF	14,941	15,908	(6.1%)	(0.2%)
Operating EBITDA in million CHF	2,951	3,077	(4.1%)	1.0%
Operating profit in million CHF	1,798	1,829	(1.7%)	4.0%
Net income in million CHF	1,277	1,093	16.8%	
Net income – shareholders of Holcim Ltd – in million CHF	1,040	779	33.5%	
Cash flow from operating activities in million CHF	1,172	1,088	7.8%	14.7%

¹ Restated due to changes in accounting policies.

Group	July–Sept 2013	July–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	35.7	35.9	(0.5%)	0.2%
Sales of aggregates in million t	45.4	44.4	2.2%	4.2%
Sales of ready-mix concrete in million m ³	10.7	12.3	(12.9%)	(5.7%)
Sales of asphalt in million t	3.0	2.9	3.3%	6.0%
Net sales in million CHF	5,292	5,742	(7.8%)	1.9%
Operating EBITDA in million CHF	1,131	1,193	(5.1%)	3.6%
Operating profit in million CHF	752	748	0.6%	9.6%
Net income in million CHF	517	479	7.8%	
Net income – shareholders of Holcim Ltd – in million CHF	469	392	19.7%	
Cash flow from operating activities in million CHF	905	899	0.6%	7.8%

¹ Restated due to changes in accounting policies.

Sales volumes and price development

Consolidated cement sales fell by 2.6 percent to 104.3 million tonnes. However, on a like-for-like basis there was a slight increase of 0.2 percent in the third quarter. The markets with sales growth in the first nine months of the year, included Ecuador, Russia, Azerbaijan, the Philippines and Argentina. Sales of aggregates were down by 3.7 percent to 114.8 million tonnes. However, considerable progress was made in this segment by France, Switzerland, Aggregate Industries US, Bulgaria and Croatia. Sales of ready-mix concrete amounted to 29.5 million cubic meters, a fall of 14.3 percent. However, in this segment Holcim's sales did improve amongst others in Indonesia, Malaysia and Italy. Due mostly to the results of Aggregate Industries US and Holcim Canada, sales of asphalt declined by 3.1 percent to 6.4 million tonnes.

Sales prices, which generally saw only a gradual improvement, were weighed down in the consolidated results by weaker cement prices in India and lower aggregate and ready-mix concrete prices in Australia.

Financial results

Consolidated net sales in the first nine months of 2013 fell by 6.1 percent to CHF 14.94 billion. Operating EBITDA came to CHF 2.95 billion, a decline of 4.1 percent on the previous year's figure. The main reasons for this are the lower results posted by the Group companies in India, Mexico, Canada and Brazil. On a like-for-like basis, however, operating EBITDA increased by 1.0 percent, and by as much as 3.6 percent in the third quarter. Consolidated operating profit decreased by 1.7 percent to CHF 1.80 billion. On a like-for-like basis, however, it improved by 4.0 percent over the first nine months of the year and by 9.6 percent in the third quarter. This positive development was driven primarily by restructuring in aggregates and ready-mix concrete in particular and substantial savings in fixed and variable costs across all segments.

Net income rose by 16.8 percent to CHF 1.28 billion, and net income attributable to shareholders of Holcim Ltd was up by 33.5 percent to CHF 1.04 billion. Revenue from the sale of CO₂ emission certificates decreased by CHF 12 million to CHF 10 million.

“Holcim Leadership Journey” gains momentum

The cost programs of the “Holcim Leadership Journey” have contributed CHF 531 million and the Customer Excellence program CHF 95 million to consolidated operating profit so far this year, despite some difficult market environments. The initiatives in the areas of Logistics and Procurement have gathered pace since publication of the half-year results. This confirms that with the measures taken the Group can achieve its target of an increase in operating profit of at least CHF 1.5 billion by the end of 2014 compared to the base year 2011 and under similar market conditions.

Outlook for 2013

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

Asia Pacific affected by fall in demand in India

Asia Pacific	Jan–Sept 2013	Jan–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	52.8	54.7	(3.4%)	(2.0%)
Sales of aggregates in million t	18.8	20.1	(6.1%)	(6.5%)
Sales of ready-mix concrete in million m ³	8.0	8.6	(6.5%)	(1.8%)
Net sales in million CHF	5,604	6,285	(10.8%)	(1.7%)
Operating EBITDA in million CHF	1,131	1,379	(18.0%)	(9.0%)
Operating profit in million CHF	801	997	(19.6%)	(11.2%)

¹ Restated due to changes in accounting policies.

Asia Pacific	July–Sept 2013	July–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	16.4	16.8	(2.8%)	(1.5%)
Sales of aggregates in million t	6.6	6.6	1.3%	0.9%
Sales of ready-mix concrete in million m ³	2.8	3.0	(7.6%)	(3.0%)
Net sales in million CHF	1,668	2,082	(19.9%)	(4.0%)
Operating EBITDA in million CHF	304	426	(28.5%)	(11.8%)
Operating profit in million CHF	204	303	(32.5%)	(17.0%)

¹ Restated due to changes in accounting policies.

Latin America still on growth track

Latin America	Jan–Sept 2013	Jan–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	18.7	18.5	0.8%	0.8% ²
Sales of aggregates in million t	8.0	10.6	(24.1%)	(24.1%)
Sales of ready-mix concrete in million m ³	6.2	7.8	(20.0%)	(20.0%)
Net sales in million CHF	2,556	2,613	(2.2%)	1.5%
Operating EBITDA in million CHF	736	721	2.1%	4.6%
Operating profit in million CHF	575	557	3.3%	5.9%

¹ Restated due to changes in accounting policies.

² The percentage change like-for-like adjusted for internal trading volumes eliminated in “Corporate/Eliminations” amounts to –0.6%.

Latin America	July–Sept 2013	July–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	6.4	6.4	(0.3%)	(0.3%) ²
Sales of aggregates in million t	2.5	3.6	(28.7%)	(28.7%)
Sales of ready-mix concrete in million m ³	2.0	2.5	(20.1%)	(20.1%)
Net sales in million CHF	838	905	(7.4%)	0.4%
Operating EBITDA in million CHF	236	259	(9.1%)	(2.8%)
Operating profit in million CHF	185	199	(6.9%)	(0.5%)

¹ Restated due to changes in accounting policies.

² The percentage change like-for-like adjusted for internal trading volumes eliminated in “Corporate/Eliminations” amounts to –1.8%.

Europe making further headway

Europe	Jan–Sept 2013	Jan–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	20.2	20.1	0.7%	0.7%
Sales of aggregates in million t	55.2	56.2	(1.8%)	0.8%
Sales of ready-mix concrete in million m ³	8.9	11.1	(19.7%)	(5.1%)
Sales of asphalt in million t	3.6	3.5	3.2%	6.7%
Net sales in million CHF	4,244	4,434	(4.3%)	0.8%
Operating EBITDA in million CHF	693	573	21.0%	22.8%
Operating profit in million CHF	316	155	103.3%	105.2%

¹ Restated due to changes in accounting policies.

Europe	July–Sept 2013	July–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	8.1	7.8	4.0%	4.0%
Sales of aggregates in million t	20.8	21.0	(1.1%)	2.6%
Sales of ready-mix concrete in million m ³	3.3	4.1	(18.9%)	(2.1%)
Sales of asphalt in million t	1.3	1.2	9.0%	15.4%
Net sales in million CHF	1,632	1,651	(1.1%)	5.7%
Operating EBITDA in million CHF	341	293	16.4%	18.8%
Operating profit in million CHF	218	132	64.8%	66.6%

¹ Restated due to changes in accounting policies.

North America continues its recovery

North America	Jan–Sept 2013	Jan–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	8.7	8.9	(1.9%)	(1.9%)
Sales of aggregates in million t	31.1	30.6	1.8%	2.3%
Sales of ready-mix concrete in million m ³	5.7	6.0	(5.7%)	(4.3%)
Sales of asphalt in million t	2.8	3.1	(10.1%)	(10.1%)
Net sales in million CHF	2,343	2,394	(2.1%)	(0.7%)
Operating EBITDA in million CHF	370	349	6.2%	7.5%
Operating profit in million CHF	147	111	32.0%	33.9%

¹ Restated due to changes in accounting policies.

North America	July–Sept 2013	July–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	3.7	3.5	5.7%	6.2%
Sales of aggregates in million t	14.8	12.6	17.9%	18.8%
Sales of ready-mix concrete in million m ³	2.4	2.4	0.0%	2.4%
Sales of asphalt in million t	1.7	1.7	(0.8%)	(0.8%)
Net sales in million CHF	1,085	1,051	3.2%	7.3%
Operating EBITDA in million CHF	245	211	16.0%	19.2%
Operating profit in million CHF	167	126	31.8%	34.5%

¹ Restated due to changes in accounting policies.

Subdued economic situation in Africa Middle East

Africa Middle East	Jan–Sept 2013	Jan–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	5.9	6.4	(7.6%)	(7.1%)
Sales of aggregates in million t	1.7	1.8	(7.3%)	(7.3%)
Sales of ready-mix concrete in million m ³	0.6	0.9	(30.0%)	(30.0%)
Net sales in million CHF	666	726	(8.4%)	(8.1%)
Operating EBITDA in million CHF	215	221	(2.3%)	(2.0%)
Operating profit in million CHF	162	184	(11.6%)	(11.2%)

¹ Restated due to changes in accounting policies.

Africa Middle East	July–Sept 2013	July–Sept 2012 ¹	Percentage change	Percentage change like-for-like
Sales of cement in million t	2.0	1.9	5.1%	6.8%
Sales of aggregates in million t	0.6	0.7	(14.4%)	(14.4%)
Sales of ready-mix concrete in million m ³	0.2	0.3	(27.9%)	(27.9%)
Net sales in million CHF	221	228	(3.0%)	0.3%
Operating EBITDA in million CHF	72	60	18.6%	23.2%
Operating profit in million CHF	47	48	(1.3%)	3.9%

¹ Restated due to changes in accounting policies.

Additional information such as the 3rd Quarter Interim Report 2013 including detailed information on the Group regions is available at www.holcim.com/results

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.

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

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Key figures Group Holcim

January–September		2013	2012 ¹	±%	±%
		like-for-like			
Annual cement production capacity	million t	206.4	209.3 ²	(1.4%)	(0.3%)
Sales of cement	million t	104.3	107.1	(2.6%)	(1.9%)
Sales of mineral components	million t	2.7	3.6	(25.8%)	(14.7%)
Sales of aggregates	million t	114.8	119.2	(3.7%)	(2.4%)
Sales of ready-mix concrete	million m ³	29.5	34.4	(14.3%)	(8.1%)
Sales of asphalt	million t	6.4	6.6	(3.1%)	(1.2%)
Net sales	million CHF	14,941	15,908	(6.1%)	(0.2%)
Operating EBITDA	million CHF	2,951	3,077	(4.1%)	1.0%
Operating EBITDA margin	%	19.7	19.3		
Operating profit	million CHF	1,798	1,829	(1.7%)	4.0%
Operating profit margin	%	12.0	11.5		
EBITDA	million CHF	3,338	3,295	1.3%	
Net income	million CHF	1,277	1,093	16.8%	
Net income margin	%	8.5	6.9		
Net income – shareholders of Holcim Ltd	million CHF	1,040	779	33.5%	
Cash flow from operating activities	million CHF	1,172	1,088	7.8%	14.7%
Cash flow margin	%	7.8	6.8		
Net financial debt	million CHF	10,280	10,325 ²	(0.4%)	3.6%
Total shareholders' equity	million CHF	18,732	19,234 ²	(2.6%)	
Gearing ³	%	54.9	53.7 ²		
Personnel		73,708	76,359 ²	(3.5%)	(1.7%)
Earnings per share	CHF	3.19	2.41	32.4%	
Fully diluted earnings per share	CHF	3.19	2.41	32.4%	

Principal key figures in USD (illustrative)⁴

Net sales	million USD	15,983	16,951	(5.7%)	
Operating EBITDA	million USD	3,157	3,278	(3.7%)	
Operating profit	million USD	1,923	1,949	(1.3%)	
Net income – shareholders of Holcim Ltd	million USD	1,112	830	34.1%	
Cash flow from operating activities	million USD	1,254	1,159	8.2%	
Net financial debt	million USD	11,359	11,284 ²	0.7%	
Total shareholders' equity	million USD	20,698	21,021 ²	(1.5%)	
Earnings per share	USD	3.41	2.57	32.9%	

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.

Principal key figures in EUR (illustrative)⁴

Net sales	million EUR	12,136	13,198	(8.0%)	
Operating EBITDA	million EUR	2,397	2,552	(6.1%)	
Operating profit	million EUR	1,460	1,518	(3.8%)	
Net income – shareholders of Holcim Ltd	million EUR	845	646	30.8%	
Cash flow from operating activities	million EUR	952	902	5.5%	
Net financial debt	million EUR	8,413	8,552 ²	(1.6%)	
Total shareholders' equity	million EUR	15,330	15,930 ²	(3.8%)	
Earnings per share	EUR	2.59	2.00	29.6%	

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.