THIRD QUARTER 2016

INTERIM REPORT

LafargeHolcim

Q3

LAFARGEHOLCIM THIRD QUARTER 2016

As used herein, the terms “LafargeHolcim” or the “Group” refer to LafargeHolcim Ltd together with the companies included in the scope of consolidation.

The pro forma financial information included on pages 3 to 15 reflects the changes in the scope of the divestments achieved in connection with the merger between Holcim and Lafarge, the impact of merger, restructuring and other one-offs, the deconsolidation of the Australian business operated under a joint-venture and the effect of the divestments achieved over the course of 2015.

These figures do not take into consideration any purchase price accounting impact on operating EBITDA which mainly relates to inventory valuation.

The definition of non-gaap measures used in this report can be found on our website under the following link: www.lafargeholcim.com/non-gaap-measures

Dear Shareholder,

With our third quarter results, we are demonstrating that our focus on pricing, synergies and cash flow is delivering results. Our earnings momentum is accelerating and we are on track to achieve our commitments for 2016, resulting in a year of solid progress towards our 2018 objectives.

These results demonstrate the strength of our balanced portfolio with solid contributions from across our regions. As we anticipated, challenging conditions in Nigeria continued to impact our earnings, but we started to see the positive effects of higher prices and of our actions to diversify our fuel mix towards the end of the quarter.

Beyond the benefits from the divestment program, we continue to focus on reducing net debt and driving strong cash flow generation.

Solid growth in the third quarter came from both emerging and mature markets with several countries delivering increased Adjusted Operating EBITDA. The Philippines, the US, Mexico, Argentina, Egypt and Algeria were among the significant contributors as cost discipline, synergies and widespread implementation of our pricing strategy continued to drive positive results. China showed further signs of the recovery seen in the second quarter while India grew Adjusted Operating EBITDA despite the slowing effect of a longer and more intense monsoon season compared to last year, which bodes well for coming quarters.

A few markets continue to be challenging. The economy in Brazil remains difficult for the construction sector while Indonesia and Malaysia were affected by market overcapacity and tough competitive environments. Decisive steps have been taken to reduce costs in Brazil while in Indonesia and Malaysia actions to improve competitiveness and performance are being implemented. Measures to increase fuel flexibility in Nigeria following disruptions to gas supplies in the first half, combined with actions to reduce costs, are beginning to have a beneficial effect. However, Nigeria again had a significant impact on Group earnings in the quarter; excluding Nigeria, growth in Adjusted Operating EBITDA for the Group would have been 15 percent.

Globally, cement sales volumes in Q3 reduced by 4 percent year-on-year on a like-for-like basis. Notably, this was impacted by short term declines in Nigeria, as a result of gas supply interruptions, and India, affected by the extended monsoon period. Excluding Nigeria and India, volumes were down 2 percent on the back of lower demand in the US, non-recurring volume gains in Mexico in the prior year and continuing challenging conditions in Brazil and Indonesia.

Cement prices were slightly higher on a sequential basis in the third quarter and were up for Q3 at constant exchange rates compared to the same period last year.

Synergies contributed CHF 183 million in Q3. As a result, at the end of the third quarter the 2016 synergies target of CHF 450 million had been achieved. The Group now expects to deliver full year incremental synergies of at least CHF 550 million.

Adjusted Operating EBITDA was CHF 1.69 billion for the quarter, a year-on-year improvement of 10.5 percent on a like-for-like basis. Margins showed the benefits of synergies, reduced costs and increased prices; Adjusted Operating EBITDA margin rose to 23.9 percent in Q3, a 290 basis points increase on the figure for the prior year period.

On a like-for-like basis, Operating Free Cash Flow improved by CHF 1 billion year-on-year. It stands at CHF 317 million after nine months, impacted by the traditional seasonality of our working capital. The closing of divestments in Sri Lanka and Saudi Arabia and the deconsolidation of Morocco and Ivory Coast contributed CHF 795 million in cash proceeds in Q3.

Net debt stood at CHF 16.5 billion, down from CHF 17.3 billion at the end of the fourth quarter 2015.

Group – Pro forma information

		July–Sept 2016	July–Sept 2015	±%	±% like-for-like
Sales of cement	million t	57.9	65.5	–11.6	–4.2
Sales of aggregates	million t	83.4	86.8	–3.9	–2.8
Sales of ready-mix concrete	million m^3	14.4	15.3	–5.9	–5.5
Net sales	million CHF	7,036	7,824	–10.1	–3.1
Operating EBITDA	million CHF	1,594	1,309	+21.8	+32.9
Operating EBITDA adjusted [1]	million CHF	1,685	1,645	+2.4	+10.5
Operating EBITDA margin	%	22.7	16.7		
Operating EBITDA margin adjusted [1]	%	23.9	21.0		
Cash flow from operating activities	million CHF	1,255	608		
Operating Free Cash Flow [2]	million CHF	856	30		

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

Group – Pro forma information

		Jan–Sept 2016	Jan–Sept 2015	±%	±% like-for-like
Sales of cement	million t	177.2	189.4	–6.4	–1.5
Sales of aggregates	million t	213.6	216.3	–1.3	+0.2
Sales of ready-mix concrete	million m^3	41.9	42.6	–1.5	–1.4
Net sales	million CHF	20,378	22,041	–7.5	–1.8
Operating EBITDA	million CHF	3,947	3,655	+8.0	+14.5
Operating EBITDA adjusted [1]	million CHF	4,214	4,356	–3.3	+2.0
Operating EBITDA margin	%	19.4	16.6		
Operating EBITDA margin adjusted [1]	%	20.7	19.8		
Cash flow from operating activities	million CHF	1,516	990		
Operating Free Cash Flow [2]	million CHF	317	(697)		

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

Divestments and capital allocation

Net of tax, the proceeds of the deals announced since the beginning of the year will result in a total net debt reduction of around CHF 3.5 billion expected in 2016. These proceeds, which we expect to have received by the end of the year, will contribute to the achievement of our target to reduce net debt to around CHF 13 billion by the end of 2016.

Following the extension of the program to CHF 5 billion we expect to complete the remainder by the end of 2017.

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

2016 Outlook

2016 will be a year of progress towards our 2018 targets.

We expect demand in our markets to grow at between 1 to 3 percent for the full year. Our pricing recovery actions, commercial excellence initiatives and a continuing focus on growth will demonstrate tangible results in 2016.

Based on the trends we see, our full year expectations remain unchanged, except for synergies where we now expect to deliver at least CHF 550 million of incremental synergies.

For 2016 we therefore expect:

- Capex to be below CHF 2 billion
- Incremental synergies of at least CHF 550 million of adjusted operating EBITDA
- Net debt to decrease to around CHF 13 billion at year end, including the effect of our planned divestment program
- CHF 3.5 billion divestment program to be completed. Target extended to CHF 5 billion by end of 2017
- At least a high single digit like-for-like increase in adjusted operating EBITDA

We are committed to maintaining a solid investment grade rating and commensurate to this rating, returning excess cash to shareholders. We confirm our commitment to the 2018 targets announced in November 2015 and will provide an update at our Capital Markets Day presentation in London on 18 November 2016.

Asia Pacific

LafargeHolcim's Asia Pacific region delivered a solid improvement in margins in Q3 and a 6.7 percent growth in Adjusted Operating EBITDA on a like-for-like basis.

Volumes increased in a number of markets including the Philippines, China and Vietnam. China, which delivered improved Adjusted Operating EBITDA growth, continued to benefit from our segmented market strategy in key regions. Costs were also lower as the business benefited from favorable energy price trends, optimizing raw material consumption and more effective procurement management.

In the Philippines, like-for-like Adjusted Operating EBITDA growth was supported by cost discipline and improved pricing in a market that is enjoying healthy demand in housing and infrastructure.

India continued the turnaround in business performance, though a more intense and extended monsoon season, which is positive for demand going forward, had a softening effect on volumes in Q3. More widely, good cost performance, combined with our focus on price and margin improvement had a positive effect on like-for-like Adjusted Operating EBITDA growth.

Australia saw lower aggregate volumes and reduced Adjusted Operating EBITDA following the completion earlier this year of the construction phase of the Gorgon gas project in Western Australia. Indonesia and Malaysia were affected by overcapacity and a difficult competitive environment. LafargeHolcim is taking specific measures in both countries to improve competitiveness and performance in light of challenging market conditions.

Asia Pacific – Pro forma information

		July–Sept 2016	July–Sept 2015	±%	±% like-for-like
Sales of cement	million t	25.8	29.5	–12.7	–4.9
Sales of aggregates	million t	7.8	9.5	–17.5	–9.4
Sales of ready-mix concrete	million m³	3.9	4.1	–6.0	–6.0
Net sales	million CHF	1,894	2,136	–11.3	–5.9
Operating EBITDA	million CHF	323	345	–6.2	+3.6
Operating EBITDA adjusted[1]	million CHF	338	350	–3.4	+6.7
Operating EBITDA margin	%	17.1	16.1		
Operating EBITDA margin adjusted[1]	%	17.8	16.4		
Cash flow from operating activities	million CHF	152	204	–25.6	–19.9
Operating Free Cash Flow[2]	million CHF	73	70	+4.7	+22.7

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

Asia Pacific – Pro forma information

		Jan–Sept 2016	Jan–Sept 2015	±%	±% like-for-like
Sales of cement	million t	86.4	90.1	–4.1	+0.3
Sales of aggregates	million t	23.8	25.4	–6.4	+6.3
Sales of ready-mix concrete	million m³	11.9	11.9	+0.4	+0.4
Net sales	million CHF	6,236	6,685	–6.7	–1.5
Operating EBITDA	million CHF	1,083	1,129	–4.1	+2.5
Operating EBITDA adjusted[1]	million CHF	1,120	1,165	–3.9	+2.6
Operating EBITDA margin	%	17.4	16.9		
Operating EBITDA margin adjusted[1]	%	18.0	17.4		
Cash flow from operating activities	million CHF	571	562	+1.4	+10.7
Operating Free Cash Flow[2]	million CHF	327	169	+93.8	+135.8

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

Europe

Disciplined cost management and continued delivery of synergies helped the Europe region drive strong margin improvement and a 16.3 percent rise in Adjusted Operating EBITDA on a like-for-like basis despite a slight fall in net sales.

Most countries reported resilient performance with the positive effects of favorable weather in September visible in improved overall cement and aggregate volumes.

France experienced flat volumes in what remains a stable market. The UK contributed to growth in Adjusted Operating EBITDA helped by disciplined cost management.

Russia, which has suffered from low oil and gas prices, showed some signs of stabilization in the quarter with a better than expected upturn in activity and pricing during the important summer construction period.

Belgium returned solid growth in Adjusted Operating EBITDA on the back of a positive product mix effect in aggregates. Switzerland delivered an increase in Adjusted Operating EBITDA through decisive cost reduction actions while growing volumes.

Romania and Poland experienced tougher conditions in Q3, negatively affecting year-on-year growth in Adjusted Operating EBITDA. Both countries were impacted by delayed infrastructure projects financed from European Union funds. Spain showed little sign of improvement in Q3 as political uncertainty continued to depress levels of investment and the overall economy.

Europe – Pro forma information

		July–Sept 2016	July–Sept 2015	±%	±% like-for-like
Sales of cement	million t	12.0	12.1	–0.8	–0.8
Sales of aggregates	million t	34.3	33.4	+2.8	+2.8
Sales of ready-mix concrete	million m^3	4.8	4.9	–3.4	–3.4
Net sales	million CHF	1,890	1,999	–5.5	–1.6
Operating EBITDA	million CHF	400	360	+11.2	+16.3
Operating EBITDA adjusted [1]	million CHF	418	376	+11.3	+16.3
Operating EBITDA margin	%	21.2	18.0		
Operating EBITDA margin adjusted [1]	%	22.1	18.8		
Cash flow from operating activities	million CHF	431	238	+80.8	+85.3
Operating Free Cash Flow [2]	million CHF	371	151	+146.2	+152.4

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

Europe – Pro forma information

		Jan–Sept 2016	Jan–Sept 2015	±%	±% like-for-like
Sales of cement	million t	31.6	32.2	–2.0	–2.0
Sales of aggregates	million t	93.3	92.1	+1.4	+1.4
Sales of ready-mix concrete	million m^3	13.8	14.0	–1.6	–1.6
Net sales	million CHF	5,355	5,573	–3.9	–2.7
Operating EBITDA	million CHF	945	863	+9.5	+11.5
Operating EBITDA adjusted [1]	million CHF	993	960	+3.4	+5.2
Operating EBITDA margin	%	17.6	15.5		
Operating EBITDA margin adjusted [1]	%	18.5	17.2		
Cash flow from operating activities	million CHF	632	275	+129.7	+133.1
Operating Free Cash Flow [2]	million CHF	465	47	+889.0	+918.0

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

Latin America

Adjusted Operating EBITDA in the Latin America region benefited from continued margin expansion, which grew by 420 basis points in the quarter despite the significant slowdown experienced in Brazil. Adjusted Operating EBITDA improved 7.5 percent on a like-for-like basis in Q3 with pricing and cost measures more than offsetting reduced volumes.

Mexico again saw robust improvement in performance, boosted by the effect of the rollout of a segmented customer strategy and favorable pricing. Consolidation of offices is also helping to reduce costs. Volumes were lower than in Q3 2015, in part due to non-recurring gains in the prior year.

Argentina, El Salvador and Ecuador also made positive contributions to year-on-year Adjusted Operating EBITDA growth. Performance in Argentina was helped by reduced industrial costs, the delivery of synergies and price increases. In Ecuador, which continues to see the impact of low oil prices and the after effects of April's earthquake, the company continued to reduce costs and benefited from higher volumes for ready-mix concrete products, driven by new metro and tramway infrastructure projects.

Colombia was negatively impacted in Q3 by a national transport strike that disrupted logistics across the industry for several weeks. Costa Rica was adversely affected by increased foreign imports.

Brazil again had a negative impact on the region with challenging conditions depressing economic activity across the country. As in previous quarters, reduced volumes and downward pricing pressure contributed to a decline in Q3 Adjusted Operating EBITDA. This impact was partly mitigated by decisive cost reduction actions.

Latin America – Pro forma information

		July–Sept 2016	July–Sept 2015	±%	±% like-for-like
Sales of cement	million t	6.3	7.4	–15.2	–15.2
Sales of aggregates	million t	1.6	2.1	–24.0	–24.0
Sales of ready-mix concrete	million m^3	1.6	1.9	–13.0	–13.0
Net sales	million CHF	716	842	–14.9	–7.4
Operating EBITDA	million CHF	215	233	–8.0	+1.9
Operating EBITDA adjusted [1]	million CHF	234	240	–2.4	+7.5
Operating EBITDA margin	%	30.0	27.7		
Operating EBITDA margin adjusted [1]	%	32.7	28.5		
Cash flow from operating activities	million CHF	120	100	+20.7	+37.9
Operating Free Cash Flow [2]	million CHF	92	50	+86.0	+122.3

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

Latin America – Pro forma information

		Jan–Sept 2016	Jan–Sept 2015	±%	±% like-for-like
Sales of cement	million t	18.1	21.0	–13.9	–13.9
Sales of aggregates	million t	4.9	5.8	–15.6	–15.6
Sales of ready-mix concrete	million m^3	5.0	5.5	–8.9	–8.9
Net sales	million CHF	2,083	2,458	–15.3	–4.7
Operating EBITDA	million CHF	625	679	–8.0	+0.9
Operating EBITDA adjusted [1]	million CHF	655	691	–5.2	+4.0
Operating EBITDA margin	%	30.0	27.6		
Operating EBITDA margin adjusted [1]	%	31.5	28.1		
Cash flow from operating activities	million CHF	142	202	–29.7	–34.0
Operating Free Cash Flow [2]	million CHF	69	(22)	+418.2	+332.7

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

Middle East Africa

During Q3, Adjusted Operating EBITDA in the Middle East Africa region continued to be negatively impacted by challenging conditions in Nigeria. Adjusted Operating EBITDA on a like-for-like basis was down 5.1 percent on slightly increased net sales. For the region, Adjusted Operating EBITDA would have been up by 28 percent on a like-for-like basis in Q3 without the effect of Nigeria.

Countries across the Middle East, North Africa and Sub-Saharan Africa made positive contributions with Algeria, Egypt, Iraq, Lebanon and Uganda all adding to Adjusted Operating EBITDA growth.

Algeria saw volumes hold up well through the Eid festival period with social housing and infrastructure projects continuing to be drivers of demand. Adjusted Operating EBITDA in Egypt was buoyed by a supportive market, good contracts and the effective implementation of the company’s pricing strategy. In Iraq, more favorable market conditions helped to drive improved performance compared to last year.

For a second quarter, Nigeria had a negative impact on Adjusted Operating EBITDA. Conditions continue to be difficult though pricing has improved, especially during September. Measures to increase fuel flexibility following gas supply interruptions earlier in the year enabled production levels to recover at the end of the quarter. Plans are now in place to address logistical problems with the objective to ensure full supply levels to customers.

Middle East Africa – Pro forma information

		July–Sept 2016	July–Sept 2015	±%	±% like-for-like
Sales of cement	million t	9.5	10.4	–8.3	+2.8
Sales of aggregates	million t	2.9	3.0	–3.1	+1.5
Sales of ready-mix concrete	million m^3	1.4	1.3	+7.2	+12.3
Net sales	million CHF	882	1,065	–17.2	+1.4
Operating EBITDA	million CHF	232	298	–22.3	–4.5
Operating EBITDA adjusted [1]	million CHF	240	309	–22.6	–5.1
Operating EBITDA margin	%	26.3	28.0		
Operating EBITDA margin adjusted [1]	%	27.2	29.1		
Cash flow from operating activities	million CHF	163	190	–14.6	+0.9
Operating Free Cash Flow [2]	million CHF	85	41	+106.3	+257.6

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

Middle East Africa – Pro forma information

		Jan–Sept 2016	Jan–Sept 2015	±%	±% like-for-like
Sales of cement	million t	31.2	32.0	–2.5	+1.0
Sales of aggregates	million t	8.9	8.5	+5.4	+7.2
Sales of ready-mix concrete	million m^3	4.6	4.1	+10.4	+12.1
Net sales	million CHF	3,012	3,455	–12.8	–3.7
Operating EBITDA	million CHF	808	1,065	–24.2	–16.9
Operating EBITDA adjusted [1]	million CHF	826	1,090	–24.2	–17.0
Operating EBITDA margin	%	26.8	30.8		
Operating EBITDA margin adjusted [1]	%	27.4	31.5		
Cash flow from operating activities	million CHF	518	643	–19.3	–14.1
Operating Free Cash Flow [2]	million CHF	251	251	+0.1	+1.6

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

North America

In the third quarter, the North America region delivered a 450 basis point improvement in margins (Adjusted Operating EBITDA margin) through successful implementation of pricing strategy, synergies and cost reduction measures. Adjusted Operating EBITDA on a like-for-like basis for Q3 was up 9.2 percent despite softened demand.

The US reported a strong performance despite lower cement volumes impacted by delays to infrastructure projects and the effect of unfavorable weather conditions for construction. Ongoing cost measures had a positive effect on margins and Adjusted Operating EBITDA. In addition to the beneficial impact of lower energy prices, which persisted into the quarter, the US succeeded in accelerating the capture of synergies and cost savings in areas such as distribution and plant networks.

Adjusted Operating EBITDA on a like-for-like basis was down for both Eastern and Western Canada in the quarter. Western Canada continued to be negatively affected by lower investment activity as a result of the ongoing oil price-driven economic downturn in Alberta and Saskatchewan.

North America – Pro forma information

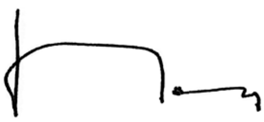
		July–Sept 2016	July–Sept 2015	±%	±% like-for-like
Sales of cement	million t	6.0	7.0	–14.6	–6.0
Sales of aggregates	million t	36.7	38.8	–5.3	–5.3
Sales of ready-mix concrete	million m^3	2.6	3.0	–11.4	–11.4
Net sales	million CHF	1,801	1,892	–4.8	–6.0
Operating EBITDA	million CHF	565	507	+11.5	+10.1
Operating EBITDA adjusted[1]	million CHF	574	519	+10.6	+9.2
Operating EBITDA margin	%	31.4	26.8		
Operating EBITDA margin adjusted[1]	%	31.9	27.4		
Cash flow from operating activities	million CHF	354	353	+0.3	–1.5
Operating Free Cash Flow[2]	million CHF	200	209	–4.1	–5.7

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

North America – Pro forma information

		Jan–Sept 2016	Jan–Sept 2015	±%	±% like-for-like
Sales of cement	million t	14.7	16.0	–7.9	+0.9
Sales of aggregates	million t	82.7	84.6	–2.3	–2.3
Sales of ready-mix concrete	million m^3	6.6	7.0	–5.9	–5.7
Net sales	million CHF	4,204	4,179	+0.6	–0.6
Operating EBITDA	million CHF	955	839	+13.9	+12.0
Operating EBITDA adjusted[1]	million CHF	970	857	+13.2	+11.4
Operating EBITDA margin	%	22.7	20.1		
Operating EBITDA margin adjusted[1]	%	23.1	20.5		
Cash flow from operating activities	million CHF	171	97	+76.6	+82.3
Operating Free Cash Flow[2]	million CHF	(269)	(305)	+11.8	+13.6

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



Beat Hess

Chairman of the Board of Directors

Eric Olsen

Chief Executive Officer

November 4, 2016

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of income of LafargeHolcim Group

Million CHF	Notes	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
NET SALES		20,378	16,186	7,036	7,540
Production cost of goods sold		(11,833)	(9,575)	(3,839)	(4,676)
GROSS PROFIT		8,545	6,611	3,197	2,865
Distribution and selling expenses		(4,780)	(3,945)	(1,697)	(1,686)
Administration expenses		(1,491)	(1,289)	(441)	(629)
OPERATING PROFIT		2,274	1,377	1,060	550
Other income	7	520	1,102	479	660
Other expenses	8	(23)	(61)	(6)	(40)
Share of profit of associates and joint ventures		123	98	54	34
Financial income	9	130	110	41	50
Financial expenses	10	(737)	(668)	(223)	(337)
NET INCOME BEFORE TAXES		2,286	1,957	1,404	916
Income taxes		(774)	(547)	(312)	(196)
NET INCOME FROM CONTINUING OPERATIONS		1,512	1,410	1,092	720
Net income from discontinued operations		43	92	11	92
NET INCOME		1,555	1,502	1,103	812
Net income attributable to:					
Shareholders of LafargeHolcim Ltd		1,338	1,316	1,045	743
Non-controlling interest		217	186	58	69
Net income from discontinued operations attributable to:					
Shareholders of LafargeHolcim Ltd		43	89	11	89
Non-controlling interest		0	3	0	3
Earnings per share in CHF					
Earnings per share		2.21	3.08	1.72	1.30
Fully diluted earnings per share		2.21	3.08	1.72	1.30
Earnings per share from continuing operations in CHF					
Earnings per share		2.14	2.87	1.70	1.15
Fully diluted earnings per share		2.14	2.87	1.70	1.14
Earnings per share from discontinued operations in CHF					
Earnings per share		0.07	0.21	0.02	0.16
Fully diluted earnings per share		0.07	0.21	0.02	0.16

Consolidated statement of comprehensive earnings of LafargeHolcim Group

Million CHF	Notes	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
NET INCOME		1,555	1,502	1,103	812
OTHER COMPREHENSIVE EARNINGS					
Items that will be reclassified to the statement of income in future periods					
Currency translation effects					
– Exchange differences on translation		(1,792)	(2,090)	(642)	(51)
– Realized through statement of income		1	(58)	21	(13)
– Tax effect		0	25	1	22
Available-for-sale financial assets					
– Change in fair value		(1)	0	0	0
– Realized through statement of income		0	(1)	0	(1)
– Tax effect		0	0	0	0
Cash flow hedges					
– Change in fair value		(8)	(8)	(8)	(11)
– Realized through statement of income		4	5	1	5
– Tax effect		(4)	2	(6)	2
Net investment hedges in subsidiaries					
– Change in fair value		7	(42)	7	(54)
– Realized through statement of income		0	44	0	44
– Tax effect		(3)	0	0	0
SUBTOTAL		(1,796)	(2,122)	(626)	(56)
Items that will not be reclassified to the statement of income in future periods					
Defined benefit plans					
– Remeasurements		(565)	49	(277)	44
– Tax effect		110	(34)	49	(27)
SUBTOTAL		(455)	14	(228)	17
TOTAL OTHER COMPREHENSIVE EARNINGS		(2,251)	(2,108)	(854)	(39)
TOTAL COMPREHENSIVE EARNINGS		(696)	(606)	249	773
Attributable to:					
Shareholders of LafargeHolcim Ltd		(795)	(579)	196	699
Non-controlling interest		98	(28)	52	73

Consolidated statement of financial position of LafargeHolcim Group

Million CHF	Notes	30.9.2016 Unaudited	31.12.2015 Audited	30.9.2015 Unaudited
Cash and cash equivalents		4,588	4,393	4,665
Accounts receivable		4,488	4,222	5,480
Inventories		2,821	3,060	3,345
Prepaid expenses and other current assets		813	884	830
Assets classified as held for sale	11	1,798	772	797
TOTAL CURRENT ASSETS		14,508	13,331	15,117
Long-term financial assets		697	770	805
Investments in associates and joint ventures		3,255	3,172	3,194
Property, plant and equipment		33,075	36,747	37,209
Goodwill		16,027	16,490	17,695
Intangible assets		1,178	1,416	1,531
Deferred tax assets		1,016	764	686
Other long-term assets		567	608	534
TOTAL LONG-TERM ASSETS		55,815	59,967	61,655
TOTAL ASSETS		70,323	73,298	76,771
Trade accounts payable		3,141	3,693	3,787
Current financial liabilities		5,631	6,866	6,145
Current income tax liabilities		591	598	608
Other current liabilities		2,612	3,074	3,088
Short-term provisions		545	602	324
Liabilities directly associated with assets classified as held for sale	11	639	0	5
TOTAL CURRENT LIABILITIES		13,159	14,832	13,957
Long-term financial liabilities	13	15,499	14,925	16,921
Defined benefit obligations		2,332	1,939	2,098
Deferred tax liabilities		3,452	3,840	3,726
Long-term provisions		2,160	2,041	1,759
TOTAL LONG-TERM LIABILITIES		23,443	22,744	24,505
TOTAL LIABILITIES		36,602	37,577	38,462
Share capital		1,214	1,214	1,213
Capital surplus		25,533	26,430	26,321
Treasury shares		(73)	(86)	(87)
Reserves		3,079	3,807	6,424
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LAFARGEHOLCIM LTD		29,752	31,365	33,871
Non-controlling interest		3,969	4,357	4,438
TOTAL SHAREHOLDERS' EQUITY		33,721	35,722	38,309
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		70,323	73,298	76,771

Consolidated statement of changes in equity of LafargeHolcim Group

Million CHF	Share capital	Capital surplus	Treasury shares
EQUITY AS AT JANUARY 1, 2016	1,214	26,430	(86)
Net income			
Other comprehensive earnings			
TOTAL COMPREHENSIVE EARNINGS			
Payout		(909)	
Change in treasury shares			13
Share-based remuneration		11	
Capital paid-in by non-controlling interest			
Disposal of participation in Group companies			
Change in participation in existing Group companies			
EQUITY AS AT SEPTEMBER 30, 2016 (UNAUDITED)	1,214	25,533	(73)
EQUITY AS AT JANUARY 1, 2015	654	7,776	(82)
Net income			
Other comprehensive earnings			
TOTAL COMPREHENSIVE EARNINGS			
Payout		(424)	
Acquisition of Lafarge			
– Increase in share capital	501	17,410	
– Transaction costs relating to the issuance of new shares		(52)	
– Scrip dividend	58	1,608	
– Fair value of Lafarge share-based payments			
– Acquisition of non-controlling interest			
– Squeeze out			
Change in treasury shares			(5)
Share-based remuneration		3	
Capital paid-in by non-controlling interest			
Disposal of participation in Group companies			
Change in participation in existing Group companies			
EQUITY AS AT SEPTEMBER 30, 2015 (UNAUDITED)	1,213	26,321	(87)

	Retained earnings	Available-for-sale reserve	Cash flow hedging reserve	Currency translation adjustments	Total reserves	Total equity attributable to shareholders of LafargeHolcim Ltd	Non-controlling interest	Total shareholders' equity
	14,988	(13)	(10)	(11,158)	3,807	31,365	4,357	35,722
	1,338				1,338	1,338	217	1,555
	(455)	(1)	(7)	(1,669)	(2,132)	(2,132)	(119)	(2,251)
	883	(1)	(7)	(1,669)	(795)	(795)	98	(696)
						(909)	(206)	(1,115)
	(9)				(9)	4		4
						11		11
							16	16
							(122)	(122)
	75				75	75	(175)	(100)
	15,937	(14)	(17)	(12,827)	3,079	29,752	3,969	33,721
	18,438	(13)	(5)	(9,338)	9,082	17,430	2,682	20,112
	1,316				1,316	1,316	186	1,502
	15	(1)	(1)	(1,909)	(1,895)	(1,895)	(213)	(2,108)
	1,331	(1)	(1)	(1,909)	(579)	(579)	(28)	(606)
						(424)	(209)	(633)
						17,910		17,910
						(52)		(52)
	(1,666)				(1,666)			
							69	69
							2,288	2,288
	(406)				(406)	(406)	(291)	(697)
	(2)				(2)	(7)		(7)
						3		3
							2	2
							(98)	(98)
	(5)				(5)	(5)	23	18
	17,691	(14)	(6)	(11,247)	6,424	33,871	4,438	38,309

Consolidated statement of cash flows of LafargeHolcim Group

Million CHF	Notes	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
NET INCOME		1,555	1,502	1,103	812
Income taxes		774	547	312	196
Other income	7	(520)	(1,102)	(479)	(660)
Other expenses	8	23	61	6	40
Share of profit of associates and joint ventures		(123)	(98)	(54)	(34)
Financial expenses net	9, 10	607	558	183	288
Depreciation, amortization and impairment of operating assets		1,673	1,294	534	650
Other non-cash items		273	491	80	371
Change in net working capital		(1,438)	(1,212)	(195)	(356)
CASH GENERATED FROM OPERATIONS		2,825	2,041	1,491	1,306
Dividends received		135	121	22	35
Interest received		124	129	45	64
Interest paid		(873)	(655)	(240)	(399)
Income taxes paid		(674)	(678)	(89)	(307)
Other (expenses) income		(21)	(28)	25	12
CASH FLOW FROM OPERATING ACTIVITIES (A)		1,516	931	1,255	711
Purchase of property, plant and equipment		(1,279)	(1,225)	(429)	(611)
Disposal of property, plant and equipment		80	75	30	36
Acquisition of participation in Group companies		(4)	218	0	406
Disposal of participation in Group companies		1,168	6,386	794	6,122
Purchase of financial assets, intangible and other assets		(269)	(485)	(133)	(184)
Disposal of financial assets, intangible and other assets		391	912	166	104
CASH FLOW FROM INVESTING ACTIVITIES (B)		87	5,881	429	5,873
Payout on ordinary shares	15	(909)	(424)	0	0
Dividends paid to non-controlling interest		(197)	(215)	(95)	(96)
Capital paid-in by non-controlling interest		16	13	2	9
Movements of treasury shares		4	(7)	1	(6)
Transaction costs relating to the issuance of new shares		0	(52)	0	(52)
Net movement in current financial liabilities		(676)	(276)	(579)	(758)
Proceeds from long-term financial liabilities	13	5,233	2,157	933	715
Repayment of long-term financial liabilities	13	(4,428)	(5,875)	(1,066)	(4,547)
Increase in participation in existing Group companies		(10)	(4)	0	(2)
CASH FLOW FROM FINANCING ACTIVITIES (C)		(966)	(4,684)	(803)	(4,738)
INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)		638	2,128	880	1,845
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD (NET)		3,771	1,941	3,469	2,049
Increase in cash and cash equivalents		638	2,128	880	1,845
Currency translation effects		(82)	36	(23)	211
CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD (NET)[1]		4,327	4,105	4,327	4,105

[1] Cash and cash equivalents at the end of the period include bank overdrafts of CHF 317 million (2015: CHF 560 million) disclosed in current financial liabilities, cash and cash equivalents of CHF 56 million (2015: CHF 3 million) disclosed in assets classified as held for sale and bank overdrafts of CHF 1 million (2015: CHF 3 million) disclosed in liabilities directly associated with assets classified as held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As used herein, the terms “LafargeHolcim” or the “Group” refer to LafargeHolcim Ltd together with the companies included in the scope of consolidation.

1. Basis of preparation

The unaudited consolidated third quarter interim financial statements of LafargeHolcim Ltd, hereafter “interim financial statements”, are prepared in accordance with IAS 34 *Interim Financial Reporting*. The accounting policies used in the preparation and presentation of the interim financial statements are consistent with those used in the consolidated financial statements for the year ended December 31, 2015 (hereafter “annual financial statements”).

The interim financial statements should be read in conjunction with the annual financial statements as they provide an update of previously reported information.

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.

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management’s best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate during the period in which the circumstances change.

2. Changes in the scope of consolidation

2.1 Business combinations and divestments during the current reporting period

South Korea
The Group signed an agreement with a consortium of private equity funds Glenwood and Baring Asia for the divestment of Lafarge Halla Cement corporation in South Korea. This transaction was closed on April 29, 2016 for a total consideration of CHF 522 million and resulted in no gain or loss before taxes.

Morocco and Sub-Saharan African countries
On March 17, 2016, the Group signed an agreement with SNI, its historical partner in Morocco, to enlarge its joint venture by merging Lafarge Ciments and Holcim (Maroc) S.A. The transaction was effected on July 4, 2016 as a result of the shareholders of Lafarge Ciments and Holcim (Maroc) S.A. agreeing to merge the two companies on that date by an exchange of shares, the new merged company being renamed as LafargeHolcim Maroc. As a result, the Group deconsolidated Holcim (Maroc) S.A. and recorded a net gain before taxes of CHF 236 million for a total consideration of CHF 498 million, of which CHF 233 million were received in cash.

In conjunction with the transaction above, the Group further agreed to reinforce its partnership with SNI by creating a joint venture for Francophone Sub-Saharan Africa, to be named LafargeHolcim Maroc Afrique. Four African companies are to be sold to the joint venture and are subject to relevant regulatory authorities' approval, customary closing conditions and the approval of the shareholders of each company. On July 4, 2016, Société de Ciments et Matériaux (SOCIMAT) in Ivory Coast was sold to the joint venture for a total consideration of CHF 73 million resulting in a net gain before taxes of CHF 9 million. The remaining three African companies are expected to be sold to the joint venture in the fourth quarter 2016.

Sri Lanka
On July 25, 2016, the Group signed an agreement with Siam City Cement Public Company Limited for the divestment of its entire interest in Holcim (Lanka) Ltd. The transaction was closed on August 10, 2016 for a total consideration of CHF 365 million and resulted in a net gain before taxes of CHF 225 million.

Saudi Arabia
The Group signed an agreement for the divestment of its 25 percent interest in the joint venture Al Safwa Cement Company in Saudi Arabia to El-Khayyat Group. The transaction was closed on August 17, 2016 for a total consideration of CHF 123 million and resulted in a net loss before taxes of CHF 9 million.

2.2 Finalization of the merger between Holcim and Lafarge

The merger between Holcim and Lafarge announced publicly on April 7, 2014 became effective on July 10, 2015 after completion of the public exchange offer filed by Holcim Ltd for all the outstanding shares of Lafarge S.A.

As at July 9, 2016, the purchase price allocation was completed and therefore the fair values assigned to the identifiable assets acquired and liabilities assumed became final. There were no changes made in the purchase price allocation during the third quarter 2016. The main changes in the purchase price allocation in 2016 related to property, plant and equipment and contingent liabilities and resulted in an increase in the goodwill of CHF 522 million. As the effect on depreciation, amortization and other income is immaterial, the 2015 comparative information has not been restated. The final fair values of the net assets acquired are as follows:

Million CHF	Fair Values disclosed in Q4 2015	PPA refine-ments in 2016	Final Fair Values
Cash and cash equivalents	1,704		1,704
Accounts receivable	2,544	(8)	2,536
Inventories	1,706	(33)	1,673
Prepaid expenses and other current assets	571		571
Assets classified as held for sale	4,874		4,874
TOTAL CURRENT ASSETS	11,399	(41)	11,358
Long-term financial assets	657	(21)	636
Investments in associates and joint ventures	1,644	(5)	1,639
Property, plant and equipment	20,177	(339)	19,838
Intangible assets	1,030		1,030
Deferred tax assets	99	2	101
Other long term assets	56		56
TOTAL LONG-TERM ASSETS	23,663	(363)	23,300
Trade accounts payable	2,074	(10)	2,064
Current financial liabilities	2,272		2,272
Current income tax liabilities	81		81
Other current liabilities	1,646	9	1,655
Short term provisions	106		106
Liabilities directly associated with assets classified as held for sale	367		367
TOTAL CURRENT LIABILITIES	6,546	(1)	6,545
Long-term financial liabilities	13,320		13,320
Defined benefit obligations	1,194		1,194
Deferred tax liabilities	2,732	(85)	2,647
Long-term provisions	992	271	1,263
TOTAL LONG-TERM LIABILITIES	18,237	186	18,423
FAIR VALUE OF NET ASSETS ACQUIRED	10,279	(589)	9,690
Non-controlling interest	2,407	(67)	2,340
FAIR VALUE OF NET ASSETS ACQUIRED ATTRIBUTABLE TO SHAREHOLDERS OF LAFARGEHOLCIM LTD	7,872	(522)	7,350
CONSIDERATION FOR THE BUSINESS COMBINATION	19,483		19,483
Fair value of net assets acquired attributable to shareholders of LafargeHolcim Ltd	7,872	(522)	7,350
GOODWILL	11,611	522	12,133

2.3 Business combinations and divestments during the previous comparative reporting period

Divestments

On January 5, 2015, LafargeHolcim disposed of Holcim (Česko) a.s. in Czech Republic, Gador cement plant and Yeles grinding station in Spain for CHF 243 million to Cemex.

On March 30, 2015, LafargeHolcim sold its entire remaining shareholding of 27.5 percent in Siam City Cement Public Company Limited in Thailand via a private placement in capital markets for a total consideration of CHF 661 million.

On July 1, 2015, LafargeHolcim disposed of its entire lime business in New Zealand. This resulted in a gain on disposal before taxes of CHF 68 million. The transaction was settled on October 7, 2015.

LafargeHolcim also divested a number of entities and businesses as part of a rebalancing of the global portfolio of the combined group resulting from the merger and to address regulatory concerns. On July 31, 2015, LafargeHolcim disposed of assets and operations to CRH mainly in Europe, North America and Brazil, followed by assets disposed of in the Philippines on September 15, 2015.

Acquisition

On January 5, 2015, LafargeHolcim acquired control of a group of companies from Cemex which operate in Western Germany and the Netherlands for a total cash consideration of CHF 210 million.

3. Seasonality

Demand for cement, aggregates and other construction materials and services is seasonal because climatic conditions affect the level of activity in the construction sector.

LafargeHolcim usually experiences a reduction in sales during the first and fourth quarters reflecting the effect of the winter season in its principal markets in Europe and North America and tends to see an increase in sales in the second and third quarters reflecting the effect of the summer season. This effect can be particularly pronounced in harsh winters.

4. Principal exchange rates

The following table summarizes the principal exchange rates that have been used for translation purposes.

		Statement of income Average exchange rates in CHF		Statement of financial position Closing exchange rates in CHF		
		Jan–Sept 2016	Jan–Sept 2015	30.9.2016	31.12.2015	30.9.2015
1 Euro	EUR	1.09	1.06	1.08	1.08	1.09
1 US Dollar	USD	0.98	0.95	0.97	0.99	0.97
1 British Pound	GBP	1.36	1.46	1.26	1.47	1.47
1 Australian Dollar	AUD	0.73	0.73	0.74	0.72	0.68
100 Brazilian Real	BRL	27.80	30.11	29.70	24.99	23.65
1 Canadian Dollar	CAD	0.74	0.76	0.74	0.71	0.73
1 Chinese Renminbi	CNY	0.15	0.15	0.15	0.15	0.15
100 Algerian Dinar	DZD	0.90	0.97	0.88	0.92	0.92
1 Egyptian Pound	EGP	0.11	0.13	0.11	0.13	0.13
1,000 Indonesian Rupiah	IDR	0.07	0.07	0.07	0.07	0.07
100 Indian Rupee	INR	1.46	1.50	1.45	1.50	1.48
100 Moroccan Dirham	MAD	10.05	9.79	9.94	10.00	10.00
100 Mexican Peso	MXN	5.36	6.11	4.94	5.69	5.70
1 Malaysian Ringgit	MYR	0.24	0.25	0.23	0.23	0.22
100 Nigerian Naira	NGN	0.43	0.50	0.31	0.50	0.50
100 Philippine Peso	PHP	2.09	2.12	2.00	2.10	2.07

On June 20, 2016, Nigeria’s central bank decided to switch to a market driven currency system which led to a devaluation of the Nigerian Naira of more than 30 percent. This devaluation had no material impact on the Group financial statements.

5. Information by reportable segment

Jan–Sept (unaudited)	Asia Pacific 2016	Asia Pacific 2015	Europe 2016	Europe 2015
Capacity and sales				
Million t				
Annual cement production capacity[1]	153.7	161.7	76.9	77.8
Sales of cement	86.4	66.6	31.6	23.6
Sales of aggregates	23.8	20.0	93.3	72.6
Million m^3				
Sales of ready-mix concrete	11.9	9.2	13.8	11.9
Statement of income and statement of financial position				
Million CHF				
Net sales to external customers	6,131	5,231	4,979	4,251
Net sales to other segments	105	61	376	235
TOTAL NET SALES	6,236	5,292	5,355	4,486
Operating profit (loss)	681	552	527	371
Operating profit margin in %	10.9	10.4	9.8	8.3
Operating EBITDA	1,083	906	945	724
Operating EBITDA margin in %	17.4	17.1	17.6	16.1
EBITDA	932	862	898	638
Net operating assets[1]	11,128	12,065	11,479	12,246
Total assets[1]	17,851	19,685	17,619	18,165
Total liabilities[1]	6,787	7,260	9,016	9,474

[1] Prior-year figures as of December 31, 2015.
[2] The amount of CHF 6,725 million (2015: CHF 6,354 million) consists of borrowings by Corporate from third parties amounting to CHF 20,209 million (2015: CHF 20,345 million) and elimination of cash transferred to regions of CHF 13,484 million (2015: CHF 13,991 million).

July–Sept (unaudited)	Asia Pacific 2016	Asia Pacific 2015	Europe 2016	Europe 2015
Sales				
Million t				
Sales of cement	25.8	31.4	12.0	11.7
Sales of aggregates	7.8	8.7	34.3	32.9
Million m^3				
Sales of ready-mix concrete	3.9	3.9	4.8	5.2
Statement of income				
Million CHF				
Net sales to external customers	1,862	2,028	1,774	1,909
Net sales to other segments	33	30	116	63
TOTAL NET SALES	1,894	2,058	1,890	1,972
Operating profit (loss)	195	144	282	212
Operating profit margin in %	10.3	7.0	14.9	10.7
Operating EBITDA	323	306	400	369
Operating EBITDA margin in %	17.1	14.9	21.2	18.7
EBITDA	296	329	403	301

	Latin America		Middle East Africa		North America		Corporate/Eliminations		Total Group	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	41.9	39.5	56.8	62.6	33.0	32.3			362.3	374.0
	18.1	20.2	31.2	13.5	14.7	13.1	(4.9)	(3.3)	177.2	133.6
	4.9	4.4	8.9	3.7	82.7	55.0			213.6	155.7
	5.0	5.1	4.6	1.5	6.6	5.8			41.9	33.4
	2,083	2,262	2,981	1,218	4,204	3,224			20,378	16,186
			31	119			(511)	(415)		
	2,083	2,262	3,012	1,338	4,204	3,224	(511)	(415)	20,378	16,186
	468	501	569	201	581	385	(552)	(632)	2,274	1,377
	22.5	22.2	18.9	15.0	13.8	12.0			11.2	8.5
	625	655	808	331	955	651	(469)	(595)	3,947	2,671
	30.0	28.9	26.8	24.7	22.7	20.2			19.4	16.5
	543	568	775	298	860	644	594	821	4,602	3,831
	3,854	3,694	7,716	9,523	11,524	12,064	398	177	46,099	49,770
	4,949	5,096	10,842	12,512	16,355	15,364	2,706	2,475	70,323	73,298
	2,993	3,497	3,812	4,632	7,270	6,359	6,725 [2]	6,354 [2]	36,602	37,577

	Latin America		Middle East Africa		North America		Corporate/Eliminations		Total Group	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	6.3	8.1	9.5	9.5	6.0	7.5	(1.6)	(2.2)	57.9	66.1
	1.6	2.0	2.9	3.0	36.7	37.1			83.4	83.7
	1.6	1.9	1.4	1.2	2.6	3.0			14.4	15.2
	716	823	882	930	1,801	1,850			7,036	7,540
				35			(148)	(128)		
	716	823	882	965	1,801	1,850	(148)	(128)	7,036	7,540
	160	156	154	117	437	341	(169)	(419)	1,060	550
	22.3	19.0	17.5	12.2	24.3	18.4			15.1	7.3
	215	220	232	222	565	469	(141)	(386)	1,594	1,200
	30.0	26.8	26.3	23.0	31.4	25.4			22.7	15.9
	186	197	241	200	525	493	484	339	2,136	1,859

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

Million CHF	Notes	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
OPERATING PROFIT		2,274	1,377	1,060	550
Depreciation, amortization and impairment of operating assets		1,673	1,294	534	650
OPERATING EBITDA		3,947	2,671	1,594	1,200
Other income	7	520	1,102	479	660
Other expenses (excluding depreciation, amortization and impairment of non-operating assets)	8	(20)	(57)	(6)	(38)
Share of profit of associates and joint ventures		123	98	54	34
Other financial income	9	33	17	15	3
EBITDA		4,602	3,831	2,136	1,859
Depreciation, amortization and impairment of operating assets		(1,673)	(1,294)	(534)	(650)
Depreciation, amortization and impairment of non-operating assets	8	(3)	(4)	0	(2)
Interest earned on cash and cash equivalents	9	97	93	26	47
Financial expenses	10	(737)	(668)	(223)	(337)
NET INCOME BEFORE TAXES		2,286	1,957	1,404	916

6. Information by product line

Million CHF	Cement[1]		Aggregates	
Jan–Sept (unaudited)	2016	2015	2016	2015
Statement of income and statement of financial position				
Net sales to external customers	12,731	9,817	2,088	1,491
Net sales to other segments	919	730	890	743
TOTAL NET SALES	13,650	10,547	2,978	2,234
– of which Asia Pacific	4,937	4,140	383	349
– of which Europe	2,409	1,826	1,390	1,137
– of which Latin America	1,777	1,948	35	35
– of which Middle East Africa	2,652	1,215	87	38
– of which North America	2,071	1,530	1,082	675
– of which Corporate/Eliminations	(197)	(111)		
OPERATING EBITDA	3,266	2,205	462	341
– of which Asia Pacific	993	790	65	77
– of which Europe	585	420	242	197
– of which Latin America	597	627		2
– of which Middle East Africa	770	330	10	3
– of which North America	653	436	220	146
– of which Corporate/Eliminations	(332)	(397)	(75)	(85)
Operating EBITDA margin in %	23.9	20.9	15.5	15.3
Net operating assets[2]	36,052	39,635	6,010	6,391

[1] Cement, clinker and other cementitious materials.
[2] Prior-year figures as of December 31, 2015.

Other construction materials and services		Corporate/Eliminations		Total Group	
2016	2015	2016	2015	2016	2015
5,559	4,877			20,378	16,186
400	462	(2,208)	(1,934)		
5,959	5,339	(2,208)	(1,934)	20,378	16,186
1,209	1,038	(294)	(235)	6,236	5,292
2,326	2,164	(770)	(641)	5,355	4,486
424	441	(153)	(162)	2,083	2,262
422	139	(150)	(53)	3,012	1,338
1,521	1,430	(471)	(410)	4,204	3,224
57	127	(371)	(432)	(511)	(415)
219	126			3,947	2,671
25	38			1,083	906
119	107			945	724
28	26			625	655
27	(2)			808	331
82	69			955	651
(61)	(113)			(469)	(595)
3.7	2.4			19.4	16.5
4,037	3,743			46,099	49,770

Million CHF	Cement[1]		Aggregates	
July–Sept (unaudited)	2016	2015	2016	2015
Statement of income				
Net sales to external customers	4,174	4,502	807	792
Net sales to other segments	326	357	337	338
TOTAL NET SALES	4,500	4,859	1,145	1,130
– of which Asia Pacific	1,457	1,620	134	131
– of which Europe	879	879	492	498
– of which Latin America	615	707	12	14
– of which Middle East Africa	764	865	31	28
– of which North America	849	844	476	459
– of which Corporate/Eliminations	(64)	(57)		
OPERATING EBITDA	1,235	948	239	189
– of which Asia Pacific	288	263	26	31
– of which Europe	258	229	95	92
– of which Latin America	209	212	0	1
– of which Middle East Africa	220	218	4	3
– of which North America	352	273	137	118
– of which Corporate/Eliminations	(92)	(246)	(24)	(56)
Operating EBITDA margin in %	27.4	19.5	20.9	16.7

[1] Cement, clinker and other cementitious materials.

Other construction materials and services		Corporate/Eliminations		Total Group	
2016	2015	2016	2015	2016	2015
2,054	2,245			7,036	7,540
122	194	(785)	(888)		
2,176	2,440	(785)	(888)	7,036	7,540
408	395	(104)	(89)	1,894	2,058
778	864	(259)	(269)	1,890	1,972
141	157	(52)	(55)	716	823
135	111	(47)	(40)	882	965
686	812	(211)	(265)	1,801	1,850
28	102	(112)	(171)	(148)	(128)
120	63			1,594	1,200
9	13			323	306
46	47			400	369
6	8			215	220
7	1			232	222
77	79			565	469
(25)	(85)			(141)	(386)
5.5	2.6			22.7	15.9

7. Other income

Million CHF	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
Dividends earned	6	3	2	2
Net gain on disposal before taxes	451	588	439	147
Revaluation gain on previously held equity interest	0	511	0	511
Other	63	0	38	0
TOTAL OTHER INCOME	520	1,102	479	660

In 2016, the position "Net gain on disposal before taxes" mainly includes:

- a gain on the disposal of Holcim (Maroc) S.A. of CHF 236 million and
- a gain on the disposal of Holcim (Lanka) Ltd of CHF 225 million.

In 2015, the position "Net gain on disposal before taxes" mainly included:

- a gain on the disposal of LafargeHolcim's entire remaining stake in Siam City Cement Public Company Limited of CHF 371 million,
- a gain on the disposal of LafargeHolcim entire lime business in New Zealand of CHF 68 million,
- a gain on the disposal of operations and assets to CRH in Europe, North America and Brazil of 63 million and
- a gain on the disposal of Holcim (Česko) a.s. in Czech Republic and LafargeHolcim's Gador cement plant and Yeles grinding station in Spain to Cemex of CHF 61 million.

In 2015, the position "Revaluation gain on previously held equity interest" comprised:

- the revaluation gain on the previously held equity interest of Lafarge Cement Egypt S.A.E. and of Unicem amounting to CHF 357 million and CHF 181 million respectively and
- in connection with these acquisitions in stages, the reclassification of a foreign exchange loss for Lafarge Cement Egypt S.A.E. of CHF 33 million and a foreign exchange gain for Unicem of CHF 6 million.

Additional information is disclosed in note 2.

8. Other expenses

Million CHF	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
Depreciation, amortization and impairment of non-operating assets	(3)	(4)	0	(2)
Other	(20)	(57)	(6)	(38)
TOTAL OTHER EXPENSES	(23)	(61)	(6)	(40)

In 2015, the position "Other" mainly included a reclassification of foreign exchange losses amounting to CHF 81 million relating to changes in LafargeHolcim holding structure in Thailand. This reclassification was partially offset with the gain of CHF 44 million, which could be recognized due to the reclassification of the fair value of a net investment hedge.

9. Financial income

Million CHF	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
Interest earned on cash and cash equivalents	97	93	26	47
Other financial income	33	17	15	3
TOTAL	130	110	41	50

The position "Other financial income" relates primarily to interest income from loans and receivables.

10. Financial expenses

Million CHF	Jan–Sept 2016 Unaudited	Jan–Sept 2015 Unaudited	July–Sept 2016 Unaudited	July–Sept 2015 Unaudited
Interest expenses	(672)	(515)	(224)	(255)
Fair value changes on financial instruments	(9)	6	(4)	7
Unwinding of discount on provisions	(23)	(11)	(8)	(2)
Net interest expense on retirement benefit plans	(38)	(14)	(13)	(2)
Other financial expenses	(79)	(68)	(36)	(41)
Foreign exchange gain (loss) net	59	(129)	52	(70)
Financial expenses capitalized	26	62	10	26
TOTAL	(737)	(668)	(223)	(337)

The positions "Interest expenses" and "Other financial expenses" relate primarily to financial liabilities measured at amortized cost, including amortization on bonds and private placements.

The position "Financial expenses capitalized" comprises interest expenditures on large-scale projects during the reporting period.

11. Assets and related liabilities classified as held for sale

On July 11, 2016, the Group announced it had entered into a letter of agreement with Nirma Limited subject to the approval by the Competition Commission of India (CCI) for the divestment of its interest in Lafarge India Pvt. Limited for an enterprise value of USD 1.4 billion. Lafarge India Pvt. Limited owns three cement plants (11 million tons), 72 Ready-Mix plants and two aggregate plants. Lafarge India Pvt. Limited was classified as held for sale on March 31, 2016 further to the supplementary order received from the CCI which requires the Group to comply with the sale of its interest in Lafarge India Pvt. Limited. Lafarge India Pvt. Limited is disclosed in the reportable segment Asia Pacific.

In connection with the transaction with SNI described in note 2.1, the Group company Cimenteries du Cameroun and the joint venture Groupement SCB Lafarge in Benin were classified as held for sale on September 30, 2016 since all corporate and related approvals were received. The reportable segment for Cimenteries du Cameroun is Middle East Africa while the joint venture Groupement SCB Lafarge is not allocated to a reportable segment.

As the sale of the remaining African company, Ciments de Guinée S.A., is still, among other criteria, subject to minority approval, the outcome of which is uncertain, this company has not been classified as held for sale on September 30, 2016.

The assets and related liabilities classified as held for sale are disclosed by major classes of assets and liabilities in the table below.

Million CHF	30.9.2016 Unaudited	31.12.2015 Audited	30.09.2015 Unaudited
Cash and cash equivalents	56	0	3
Inventories	123	0	5
Other current assets	112	0	17
Property, plant and equipment	1,416	772	771
Goodwill and intangible assets	9	0	0
Other long term assets	82	0	1
ASSETS CLASSIFIED AS HELD FOR SALE	1,798	772	797
Current liabilities	225	0	4
Deferred tax liabilities	379	0	1
Other long-term liabilities	35	0	0
LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE	639	0	5
NET ASSETS CLASSIFIED AS HELD FOR SALE	1,159	772	792

12. Financial assets and liabilities recognized and measured at fair value

The following tables present the Group's financial instruments that are recognized and measured at fair value as of September 30, 2016 and as of December 31, 2015.

No changes in the valuation techniques of the items below have occurred since the last annual financial statements.

Million CHF 30.9.2016 (unaudited)	Fair value level 1	Fair value level 2	Total
Financial assets			
Available-for-sale financial assets			
– Financial investments third parties	3	69	72
– Others	0	0	0
Derivatives held for hedging		40	40
Derivatives held for trading		3	3
Financial liabilities			
Derivatives held for hedging		55	55
Derivatives held for trading		28	28

Million CHF 31.12.2015 (audited)	Fair value level 1	Fair value level 2	Total
Financial assets			
Available-for-sale financial assets			
– Financial investments third parties	3	114	117
– Others	1	0	1
Derivatives held for hedging		52	52
Derivatives held for trading		80	80
Financial liabilities			
Derivatives held for hedging		83	83
Derivatives held for trading		26	26

The decrease in the position "Financial investments third parties" at fair value level 2 is mainly related to the disposal of LafargeHolcim's non-core financial investment of 23.33 percent in the Turkish building materials group Baticim to Sanko Holding for CHF 31 million on April 22, 2016.

13. Long-term financial liabilities

On March 23, 2016, Lafarge S.A. redeemed CHF 364 million relating to a EUR 332 million bond with a coupon of 4.25 percent which was issued on November 23, 2005.

On May 11, 2016, Holcim Finance (Luxembourg) S.A. issued Schuldschein loans for a total amount of CHF 911 million (EUR 831.5 million), guaranteed by LafargeHolcim Ltd and with the following characteristics:

in EUR million		5 years	7 years	10 years
Fixed-rate tranche	**Amount**	**413**	**152**	**32.5**
Fixed-rate tranche	**Interest rate**	**1.04%**	**1.46%**	**2.00%**
Floating-rate tranche	**Amount**	**209**	**25**	**–**
Floating-rate tranche	**Interest rate**	**6m-euribor +1.0%**	**6m-euribor +1.2%**	**–**

On May 11, 2016, LafargeHolcim International Finance Ltd issued Schuldschein loans for a total amount of CHF 193 million (USD 201 million), guaranteed by LafargeHolcim Ltd and with the following characteristics:

in USD million		5 years	7 years
Fixed-rate tranche	**Amount**	**40**	**15**
Fixed-rate tranche	**Interest rate**	**2.80%**	**3.20%**
Floating-rate tranche	**Amount**	**121**	**25**
Floating-rate tranche	**Interest rate**	**3m-libor +1.6%**	**3m-libor +1.8%**

On May 31, 2016, LafargeHolcim completed a liability management transaction resulting in:

– the issuance by Holcim Finance (Luxembourg) S.A. of bonds for a total amount of CHF 2,536 million, consisting of a EUR 1,150 million bond with a coupon of 1.375 percent and a tenor of 7 years, and a EUR 850 million bond with a coupon of 2.25 percent and a tenor of 12 years which was tapped by EUR 300 million on June 22, 2016. Both bonds are guaranteed by LafargeHolcim Ltd.
– the repurchase of several outstanding bonds of Lafarge S.A. for an aggregated nominal amount of CHF 1,210 million and a settlement amount of CHF 1,412 million, the difference being mainly explained by the bond measurement at fair value. The repurchased amount of each bond is shown in the table below:

Bonds with original coupon Million CHF	Repurchased nominal amount as at 31.05.2016	Remaining nominal amount as at 30.09.2016
5.38% EUR 324 million bonds due in 2017	**39**	**313**
5.00% EUR 328 million bonds due in 2018	**89**	**268**
5.38% EUR 532 million bonds due in 2018	**113**	**466**
5.88% EUR 256 million bonds due in 2019	**64**	**215**
5.50% EUR 560 million bonds due in 2019	**224**	**387**
4.75% EUR 500 million bonds due in 2020	**142**	**402**
4.75% EUR 750 million bonds due in 2020	**492**	**330**
10.00% GBP 96 million bonds due in 2017	**23**	**100**
6.63% GBP 73 million bonds due in 2017	**24**	**71**
TOTAL	**1,210**	**2,552**

On May 31, 2016, Aggregate Industries Holdings Limited redeemed CHF 229 million relating to a GBP 163 million bond with a coupon of 7.25 percent which was issued on May 31, 2001.

On June 7, 2016, LafargeHolcim Ltd redeemed a CHF 475 million bond with a coupon of 2.38 percent which was issued on June 7, 2010.

On June 9, 2016, Lafarge Africa PLC issued a dual-tranche NGN bond for a total amount of CHF 299 million, consisting of a NGN 26.4 billion bond with a coupon of 14.25 percent and a tenor of 3 years, and a NGN 33.6 billion bond with a coupon of 14.75 percent and a tenor of 5 years.

On July 15, 2016, Lafarge S.A. redeemed CHF 784 million relating to a USD 800 million bond with a coupon of 6.50 percent which was issued on July 18, 2006.

On September 15, 2016, LafargeHolcim Finance US LLC issued a dual-tranche USD bond for a total amount of CHF 960 million consisting of a USD 400 million bond with a coupon of 3.50 percent and a tenor of 10 years, and a USD 600 million bond with a coupon of 4.75 percent and a tenor of 30 years. Both bonds are guaranteed by LafargeHolcim Ltd.

14. Contingencies, guarantees and commitments

At September 30, 2016, the Group's contingencies amounted to CHF 1,161 million (December 31, 2015: CHF 545 million). The increase is related to contingencies in connection with tax related matters and the legal case explained below.

The Competition Commission of India ("CCI") issued in June 2012 an order imposing a penalty on Ambuja Cements Ltd. and ACC Limited. The order found those companies together with other cement producers in India to have engaged in price coordination. Following a successful appeal by the companies before the Competition Appellate Tribunal ("Compat") to have the CCI ruling set aside and remanded back, the CCI issued a new order on August 31, 2016 confirming its initial order and imposing the same penalties amounting to CHF 336 million (INR 23,115 million) on the cement companies and their trade association. Ambuja Cement Ltd. and ACC Limited intend to appeal this new order before the Compat and will continue to vigorously defend themselves.

At September 30, 2016, the guarantees issued in the ordinary course of business amounted to CHF 720 million (December 31, 2015: CHF 814 million). The decrease is related to the settling of various guarantees related to administration and tax proceedings.

At September 30, 2016, the Group's commitments amounted to CHF 1,711 million (December 31, 2015: CHF 2,230 million). The decrease is mainly related to various purchase commitments which were realized during the first nine months 2016.

15. Payout

In conformity with the decision taken at the annual general meeting on May 12, 2016, a payout related to 2015 of CHF 1.50 per registered share was paid out of capital contribution reserves. This resulted in a total payment of CHF 909 million.

16. Events after the reporting period

On October 4, 2016, the Group disposed of Lafarge India Pvt. Limited for a total consideration of CHF 1,168 million.

On October 10, 2016, in connection with the transaction with SNI described in notes 2 and 11, the Group disposed of its Group company Cimenteries du Cameroun and its joint venture Groupement SCB Lafarge in Benin to the joint venture LafargeHolcim Maroc Afrique for a total consideration of CHF 114 million.

On October 18, 2016, Lafarge S.A. repurchased a EUR 305 million bond with a coupon of 4.75 percent maturing in 2020 for an amount of CHF 395 million.

17. Authorization of the interim financial statements for issue

The interim financial statements were authorized for issuance by the Board of Directors of LafargeHolcim Ltd on November 3, 2016.

To the Board of Directors of LafargeHolcim Ltd, Rapperswil-Jona

Zurich, November 3, 2016

Report on the review of interim consolidated financial statements

Introduction

We have reviewed the accompanying interim consolidated financial statements (consolidated statement of income, consolidated statement of comprehensive earnings, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and notes) of LafargeHolcim Ltd on pages 17 to 40 for the period from January 1, 2016 to September 30, 2016. The Board of Directors is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

Ernst & Young Ltd

Daniel Wüst
Licensed Audit Expert
Auditor in charge

Elisa Alfieri
Licensed Audit Expert

Key figures LafargeHolcim Group

Jan–Sept		2016	2015	±%
Annual cement production capacity	million t	362.3	374.0[1]	–3.1
Sales of cement	million t	177.2	133.6	+32.6
Sales of mineral components	million t	7.4	3.6	+108.6
Sales of aggregates	million t	213.6	155.7	+37.2
Sales of ready-mix concrete	million m^3	41.9	33.4	+25.5
Sales of asphalt	million t	8.7	8.5	+2.3
Net sales	million CHF	20,378	16,186	+25.9
Operating EBITDA	million CHF	3,947	2,671	+47.7
Operating EBITDA margin	%	19.4	16.5	
Operating profit	million CHF	2,274	1,377	+65.2
Operating profit margin	%	11.2	8.5	
EBITDA	million CHF	4,602	3,831	+20.1
Net income	million CHF	1,555	1,502	+3.6
Net income margin	%	7.6	9.3	
Net income – shareholders of LafargeHolcim Ltd	million CHF	1,338	1,316	+1.7
Cash flow from operating activities	million CHF	1,516	931	+62.9
Cash flow margin	%	7.4	5.8	
Net financial debt[2]	million CHF	16,497	17,266[1]	–4.5
Total shareholders' equity	million CHF	33,721	35,722[1]	–5.6
Earnings per share	CHF	2.21	3.08	–28.2
Fully diluted earnings per share	CHF	2.21	3.08	–28.2

Principal key figures in USD (illustrative)[3]

Net sales	million USD	20,805	16,998	+22.4
Operating EBITDA	million USD	4,029	2,805	+43.6
Operating profit	million USD	2,322	1,446	+60.6
Net income – shareholders of LafargeHolcim Ltd	million USD	1,366	1,382	–1.1
Cash flow from operating activities	million USD	1,548	978	+58.3
Net financial debt[2]	million USD	17,036	17,447[1]	–2.4
Total shareholders' equity	million USD	34,824	36,097[1]	–3.5
Earnings per share	USD	2.26	3.23	–30.0

Principal key figures in EUR (illustrative)[3]

Net sales	million EUR	18,634	15,253	+22.2
Operating EBITDA	million EUR	3,609	2,517	+43.4
Operating profit	million EUR	2,079	1,297	+60.3
Net income – shareholders of LafargeHolcim Ltd	million EUR	1,224	1,240	–1.3
Cash flow from operating activities	million EUR	1,386	877	+58.0
Net financial debt[2]	million EUR	15,232	15,976[1]	–4.7
Total shareholders' equity	million EUR	31,134	33,053[1]	–5.8
Earnings per share	EUR	2.02	2.90	–30.3

[1] As of December 31, 2015.
[2] The net financial debt as at September 30, 2016 includes derivative assets of CHF 44 million (2015: CHF 132 million).
[3] Statement of income figures translated at average exchange rate; statement of financial position figures translated at closing exchange rate.

LafargeHolcim securities

The LafargeHolcim shares (security code number 12214059) are traded on the Main Standard of the SIX Swiss Exchange in Zurich and on Euronext in Paris. Telekurs lists the registered share under LHN and the corresponding code under Bloomberg is LHN:VX. The market capitalization of LafargeHolcim Ltd amounted to CHF 31.8 billion as at September 30, 2016.

Cautionary statement regarding forward-looking statements

This document may contain certain forward-looking statements relating to the Group's future business, development and economic performance. Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this document.

LafargeHolcim assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

Financial reporting calendar

	Date
Press and analyst conference on annual results for 2016	**March 2, 2017**

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