Holcim

Strength. Performance. Passion.

On the move

First Quarter 2014

Key figures Group Holcim

January–March		2014	2013	±%	±% like-for-like
Annual cement production capacity	million t	205.8	206.2[1]	–0.2	–0.2
Sales of cement	million t	33.0	32.1	+2.9	+4.4
Sales of mineral components	million t	0.7	0.6	+4.9	+23.3
Sales of aggregates	million t	29.2	28.6	+2.2	+3.5
Sales of ready-mix concrete	million m^3	8.2	8.4	–2.0	+1.1
Sales of asphalt	million t	1.4	1.1	+23.3	+25.4
Net sales	million CHF	4,088	4,323	–5.4	+7.8
Operating EBITDA	million CHF	617	650	–5.1	+10.1
Operating EBITDA margin	%	15.1	15.0		
Operating profit	million CHF	295	270	+9.3	+28.4
Operating profit margin	%	7.2	6.2		
EBITDA	million CHF	673	838	–19.8	
Net income	million CHF	179	295	–39.5	
Net income margin	%	4.4	6.8		
Net income – shareholders of Holcim Ltd	million CHF	80	187	–57.5	
Cash flow from operating activities	million CHF	(243)	(323)	+24.9	+28.2
Cash flow margin	%	(5.9)	(7.5)		
Net financial debt	million CHF	10,040	9,461[1]	+6.1	+6.3
Total shareholders' equity	million CHF	18,837	18,677[1]	+0.9	
Personnel		69,897	70,857[1]	–1.4	–1.3
Earnings per share	CHF	0.24	0.58	–58.6	
Fully diluted earnings per share	CHF	0.24	0.58	–58.6	

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.

Principal key figures in USD (illustrative)

Net sales	million USD	4,579	4,648	–1.5
Operating EBITDA	million USD	691	699	–1.1
Operating profit	million USD	331	290	+13.9
Net income – shareholders of Holcim Ltd	million USD	89	201	–55.7
Cash flow from operating activities	million USD	(272)	(348)	+21.7
Net financial debt	million USD	11,327	10,634[1]	+6.5
Total shareholders' equity	million USD	21,252	20,992[1]	+1.2
Earnings per share	USD	0.27	0.62	–56.9

Principal key figures in EUR (illustrative)

Net sales	million EUR	3,342	3,519	–5.0
Operating EBITDA	million EUR	504	529	–4.7
Operating profit	million EUR	241	220	+9.8
Net income – shareholders of Holcim Ltd	million EUR	65	152	–57.3
Cash flow from operating activities	million EUR	(199)	(263)	+24.6
Net financial debt	million EUR	8,232	7,717[1]	+6.7
Total shareholders' equity	million EUR	15,446	15,235[1]	+1.4
Earnings per share	EUR	0.20	0.47	–58.5

[1] As of December 31, 2013.

Strong momentum of Holcim Leadership Journey

Significant increase in operating profit

Operating margins increase further

Like-for-like higher volumes and net sales

Discipline in working capital management

Negative foreign exchange effects impact results

Dear Shareholder,

Holcim reported a significant increase in operating profit during the first quarter of 2014, mainly driven by higher like-for-like cement volumes in all Group regions and the continued strong momentum of the Holcim Leadership Journey coupled with strict cost management across the Group. Margins continued to increase and cash flow from operating activities was also better than in the first quarter last year.

Like-for-like sales volumes increased in all segments, with particularly strong results from Europe where mild weather conditions led to dynamic building activity. The market situation in India began to stabilize, translating into stable cement volumes, and Mexico gradually recovered from the low volume base registered in the second half of 2013. Like-for-like net sales were up in all Group regions.

Holcim made further progress with its operational performance though results continued to be negatively affected by foreign exchange effects. On a like-for-like basis operating EBITDA and operating profit were higher in all Group regions except Latin America. Europe recorded significant increases in operational performance as volumes rose and in North America, where the market situation continued to strengthen, price increases contributed to higher operating EBITDA and operating profit.

ROIC before tax increased, while net financial debt was lower.

Group	Jan–March 2014	Jan–March 2013	±%	±% like-for-like
Sales of cement in million t	33.0	32.1	+2.9	+4.4
Sales of aggregates in million t	29.2	28.6	+2.2	+3.5
Sales of ready-mix concrete in million m^3	8.2	8.4	−2.0	+1.1
Sales of asphalt in million t	1.4	1.1	+23.3	+25.4
Net sales in million CHF	4,088	4,323	−5.4	+7.8
Operating EBITDA in million CHF	617	650	−5.1	+10.1
Operating profit in million CHF	295	270	+9.3	+28.4
Net income in million CHF	179	295	−39.5	
Net income – shareholders of Holcim Ltd – in million CHF	80	187	−57.5	
Cash flow from operating activities in million CHF	(243)	(323)	+24.9	+28.2

Sales volumes

Consolidated cement sales increased by 2.9 percent to 33.0 million tonnes in the first quarter. This positive development was mainly attributable to Group region Europe, where France, Germany, and Russia reported the strongest increases. Aggregate volumes increased by 2.2 percent to 29.2 million tonnes mainly due to higher results in Europe. In ready-mix concrete volumes contracted by 2.0 percent to 8.2 million cubic meters as increases in a number of European countries could not make up for the lower volumes resulting from the segment's restructuring in 2013. Asphalt volumes reached 1.4 million tonnes, an increase of 23.3 percent.

Financial results

Net sales across the Group reached CHF 4.09 billion, a fall of 5.4 percent which was mainly influenced by negative currency effects. On a like-for-like basis net sales were up 7.8 percent.

Consolidated operating EBITDA decreased by 5.1 percent to CHF 617 million but grew by 10.1 percent adjusted for foreign exchange effects and changes in consolidation. Driven by higher sales, most European Group companies reported higher operating EBITDA and North America as well as Africa Middle East recorded better operating results. Operating profit came to CHF 295 million, an increase of 9.3 percent. On a like-for-like basis the growth in operating profit reached 28.4 percent.

Net income, which in the first quarter of 2013 benefited from the sale of a 25 percent stake in Cement Australia, decreased by 39.5 percent year-on-year and reached CHF 179 million. Adjusted for this transaction in 2013 net income was up by 19.6 percent. Net income attributable to shareholders of Holcim Ltd was down 57.5 percent to CHF 80 million.

Cash flow from operating activities, which is traditionally negative in the first quarter, improved by 24.9 percent and reached CHF –243 million. This reflects the Group's ongoing discipline in working capital management and was supported by strong operating EBITDA in Europe. Over the last twelve months Holcim succeeded in further reducing net financial debt by CHF 718 million from CHF 10.8 billion to CHF 10.0 billion.

Holcim Leadership Journey

The Holcim Leadership Journey continued to be the main driver of the Group's solid operational performance and is on track to meet the target of an increase in operating profit of CHF 1.5 billion by the end of 2014, compared to the base year 2011 and under similar market conditions. In the first quarter of 2014, the Holcim Leadership Journey contributed to operating profit with CHF 237 million in total; the Customer Excellence stream contributed CHF 118 million and cost initiatives CHF 119 million. Total program benefits of the Holcim Leadership Journey amount to CHF 1.338 billion since 2011.

Continued portfolio optimization

As part of the Holcim Leadership Journey, the Group continued to optimize its portfolio in the first quarter and sold activities in French Guyana while at the same time acquiring a port facility in the Philippines, one of the Group's major growth markets in Asia.

The Group has made progress with its plans to further optimize its strategic portfolio in Europe announced last year. Holcim has secured approval for the transaction with Cemex in the Czech Republic and is awaiting the decision on the other parts of the transaction.

For the planned streamlining of the ownership structure of its Indian operations from a horizontal to a vertical one, Holcim has received approvals from the High Courts in Delhi and Gujarat and is now awaiting final approval from the Foreign Investment Promotion Board.

Merger of equals to create LafargeHolcim

On April 7, 2014, Holcim and Lafarge announced their intention to combine the two companies through a merger of equals, unanimously approved by their respective Board of Directors and fully supported by the core shareholders of both companies. This new global company with European roots will deliver compelling benefits for all stakeholders. LafargeHolcim would be in the best position to contribute to addressing the challenges of urbanization: affordable housing, urban sprawl and transport. The new Group would increase its offer to customers through innovation delivered on an expanded scale, best in class R&D and a combined portfolio of solutions and products. Both companies have pioneered sustainability and climate change mitigation in the industry and are committed to take it to the next level. After a strategic optimization of the portfolio through a pro-active divestment process, in anticipation of regulatory requirements, LafargeHolcim would occupy complementary positions. The proposed combination would be structured as a public offer filed by Holcim for all outstanding shares of Lafarge on the basis of a 1 for 1 exchange ratio and closing is expected in the first half of 2015.

Gradual recovery in Asia Pacific

Capital outflows and home-grown structural challenges continued to weigh on growth in some Asian markets such as India and Indonesia. These effects remained manageable overall, and India saw signs of improvement in some regional construction markets. In the Philippines construction activity remained dynamic. In Australia, business confidence was stronger following last year's federal elections, but consumer confidence retreated from the high levels of 2013.

Asia Pacific	Jan–March 2014	Jan–March 2013	±%	±% like-for-like
Sales of cement in million t	18.5	18.6	–0.7	+1.7
Sales of aggregates in million t	6.0	5.8	+3.8	+3.8
Sales of ready-mix concrete in million m^3	2.5	2.5	+1.5	+2.4
Net sales in million CHF	1,683	1,984	–15.1	+4.0
Operating EBITDA in million CHF	327	397	–17.6	+0.4
Operating profit in million CHF	234	280	–16.2	+0.6

In the first quarter of 2014, ACC and Ambuja Cement, Holcim's two Group companies in India, reported cement volumes that were nearly on a par with the first quarter of the previous year. While both companies were able to moderately increase volumes in some regions, the southern markets in which mostly ACC is active remain challenging. Sri Lanka and Bangladesh both reported higher cement volumes.

Holcim Vietnam continued to feel the effects of unfavorable growth levels in the construction industry, resulting in a further decline in cement deliveries. The Group company in Malaysia benefited from an ongoing high level of infrastructure investment and sold more cement and aggregates. Despite some tropical storms at the beginning of the quarter, Holcim Philippines reported a significant increase in cement sales as construction activities in the country remain dynamic thanks to continued robust investment in infrastructure projects.

Holcim Indonesia suffered from extreme weather early in the quarter, with heavy flooding across Java, the Group company's most important sales region. The pronounced rainy season also partly affected sea transportation to interisland markets. Nevertheless, year-on-year cement volumes were up and in aggregates and ready-mix concrete there were also increases.

Cement Australia sold more cement than in the previous year's quarter as strong sales in New South Wales made up for lower demand in Western Australia and Queensland. Holcim Australia reported higher aggregates volumes and also benefited from ready-mix concrete volume increases that were mainly attributable to increased demand in New South Wales and South Eastern Queensland. Holcim New Zealand was able to increase both cement and aggregates deliveries due to the reconstruction of Christchurch and dynamic residential construction in Auckland.

Consolidated cement volumes in Group region Asia Pacific decreased slightly by 0.7 percent to 18.5 million tonnes, mainly impacted by the proportionate consolidation of Cement Australia. However, excluding the changes in consolidation volumes grew by 1.7 percent. Higher volumes, especially in Indonesia and Australia, led to a 3.8 percent increase in aggregates volumes, which reached 6.0 million tonnes. Ready-mix concrete volumes increased by 1.5 percent to 2.5 million cubic meters, predominantly on account of Holcim Australia. Consolidated net sales in Asia Pacific were down 15.1 percent to CHF 1.68 billion, but mainly due to negative currency effects from India, Indonesia, and Australia.

Currency effects also had a strong impact on operating EBITDA, which was down 17.6 percent to CHF 327 million. The two Indian Group companies, Holcim Australia, and Holcim Indonesia suffered from the most pronounced declines in operating EBITDA, while Malaysia, Vietnam, and the Philippines reported improvements. Growth in organic operating EBITDA in Asia Pacific reached 0.4 percent.

Mixed development in Latin America

Economic growth in Latin America was lower than in previous years, reflecting ongoing challenging market situations in some countries, including Brazil and Mexico as the continent's largest economies. While countries such as Ecuador and Colombia continued to benefit from high levels of investment, construction activity was generally less dynamic in a number of markets.

Latin America	Jan–March 2014	Jan–March 2013	±%	±% like-for-like
Sales of cement in million t	6.0	5.9	+1.5	+1.5 [1]
Sales of aggregates in million t	2.1	2.7	–22.0	–22.0
Sales of ready-mix concrete in million m^3	1.7	2.1	–20.0	–20.0
Net sales in million CHF	723	827	–12.5	+2.3
Operating EBITDA in million CHF	211	246	–14.3	–2.6
Operating profit in million CHF	167	192	–13.3	–1.7

[1] The percentage change like-for-like adjusted for internal trading volumes eliminated in "Corporate/Eliminations" amounts to +2.9.

Holcim Mexico was influenced by the challenging market environment that prevailed in 2013 and also continued during the first three months of this year – although to a less pronounced degree. The Group company reported lower sales volumes in all segments as infrastructure projects did not materialize. Restructuring of aggregates and ready-mix concrete operations last year was a further contributor to the lower volumes in these segments.

Holcim El Salvador's cement volumes were negatively affected by a slowdown in public and private construction projects prior to the presidential elections. In Costa Rica, cement sales volumes were above last year's first quarter and in Nicaragua volumes also increased. Ready-mix concrete shipments were up in El Salvador and Nicaragua.

In Colombia, higher demand from infrastructure projects led to higher sales volumes in cement for the local Group company. Following the restructuring of ready-mix concrete operations last year, Holcim Colombia now focuses strongly on higher margin projects and was able to increase shipments in this segment.

Thanks to favorable weather conditions and strong public investment in construction projects ahead of local elections, Holcim Ecuador sold more cement than in the same quarter in the previous year.

In Brazil, increased construction activity in the states of Rio de Janeiro and Sao Paulo led to strong demand for building materials. The local Group company subsequently sold considerably more cement and also more aggregates. Last year's ready-mix concrete plant closures caused a decline in volumes for this segment.

Cemento Polpaico in Chile increased cement shipments. Ready-mix concrete deliveries suffered from lower demand in urban markets however, which also led to a decrease in aggregates volumes due to fewer intra-company sales.

The Argentinian construction industry suffered from postponed project starts and unusually wet weather in February and March. Subsequently, the Group company reported declines in all segments.

Consolidated cement volumes in Latin America increased by 1.5 percent to 6.0 million tonnes as increases in Brazil in particular but also in other countries, were able to compensate for lower volumes in Mexico and Argentina. Largely due to last year's restructuring of aggregates operations, volumes in the segment were down by 22.0 percent and reached 2.1 million tonnes. Ready-mix concrete volumes were also affected by efforts to focus on profitable businesses and reached 1.7 million cubic meters, a decline of 20.0 percent. Net sales in the region were down 12.5 percent and reached CHF 723 million. However, on a like-for-like basis net sales increased by 2.3 percent.

In the Group region, operating EBITDA dropped by 14.3 percent to CHF 211 million. Strong cost control measures were not able to cushion Group companies from the challenging market environment, particularly in Mexico, and negative currency effects. The Group companies in Costa Rica and Nicaragua were the only ones that reported better financial performance. Organic operating EBITDA decreased by 2.6 percent.

Europe benefits from early start of construction season and restructuring efforts
Europe continued to gradually recover from the recession and favorable weather conditions in many regions contributed to construction markets being considerably more dynamic, with projects being started much earlier than usual. Despite these positive developments, Southern Europe and parts of Eastern Europe remain influenced by the challenging macroeconomic situation.

Europe	Jan–March 2014	Jan–March 2013	±%	±% like-for-like
Sales of cement in million t	5.2	4.4	+20.1	+20.1
Sales of aggregates in million t	15.7	14.4	+8.7	+10.3
Sales of ready-mix concrete in million m^3	2.7	2.3	+17.1	+24.2
Sales of asphalt in million t	1.3	1.0	+24.2	+26.4
Net sales in million CHF	1,184	1,032	+14.8	+17.2
Operating EBITDA in million CHF	99	29	+238.7	+228.9
Operating profit (loss) in million CHF	(9)	(94)	+90.5	+74.6

In the United Kingdom, local Group company Aggregates Industries UK increased deliveries of aggregates, ready-mix concrete, and asphalt in a dynamic construction environment that was only partly hampered by adverse weather in some regions in early February. At the end of February, Aggregate Industries UK sold its traffic management business to Chevron Traffic Management as part of efforts to focus on its other businesses.

Holcim France reported volume increases in all three segments. Holcim Germany, which operates in the north of the country, also benefited from the early start of the construction season, which translated into significant year-on-year increases for cement and aggregates. Holcim South Germany increased shipments across all three segments.

As private and public investments in construction projects remained high in Switzerland, the local Group company was able to sell more volumes in cement, aggregates, and ready-mix concrete. Holcim Italy felt the challenging economic situation in the country, leading to decreased shipments in cement and aggregates. Ready-mix concrete deliveries however were up during the first quarter.

Partly thanks to exports, Holcim Spain was able to increase clinker and cement deliveries but price pressure remained high. Both other segments continued to be impacted by the weak construction market and suffered from volume decreases.

Markets in Eastern Europe benefited from the favorable weather conditions that led to increased building activities in most countries. With the exception of Holcim Croatia all Group companies increased cement deliveries, with Slovakia recording the strongest increases. Aggregate volumes were higher in the Czech Republic, Slovakia, and Bulgaria, while in ready-mix concrete all Group companies except Holcim Serbia and Holcim Croatia reported higher volumes.

During the first three months of the year Holcim Azerbaijan was not able to maintain the very high levels of the previous year as demand for cement was lower due to fewer large projects. In contrast, Holcim Russia increased cement deliveries markedly.

Consolidated cement volumes in Group region Europe rose significantly by 20.1 percent to 5.2 million tonnes as almost all countries reported higher sales. Aggregates volumes reached 15.7 million tonnes, an increase of 8.7 percent that was supported by the United Kingdom in particular. Ready-mix concrete deliveries were up 17.1 percent to 2.7 million cubic meters and asphalt deliveries increased by 24.2 percent to 1.3 million tonnes. Net sales increased markedly by 14.8 percent to CHF 1.18 billion.

Operating EBITDA in Europe more than tripled and reached CHF 99 million. Holcim Germany, Aggregate Industries UK and Holcim Italy reported the highest increases. Overall higher volumes in most countries in Europe in combination with ongoing strict cost management across all Group companies as well as successful restructuring efforts contributed to this positive development. Organic operating EBITDA growth reached 228.9 percent.

Market situation in North America continues to improve despite harsh winter

Economic growth in North America was moderate during the first quarter of the year as the unusually harsh winter temporarily slowed down the economic recovery in the United States and negatively affected construction activity, particularly in regions where Holcim is present. Severe weather also led to more modest economic development in Canada, with generally lower demand levels for building materials.

North America	Jan–March 2014	Jan–March 2013	±%	±% like-for-like
Sales of cement in million t	2.0	2.0	+2.5	+2.5
Sales of aggregates in million t	5.0	5.2	–4.2	–1.5
Sales of ready-mix concrete in million m^3	1.2	1.3	–11.6	–6.1
Sales of asphalt in million t	0.1	0.1	+16.7	+16.7
Net sales in million CHF	444	441	+0.7	+9.8
Operating EBITDA in million CHF	(10)	(18)	+44.2	+35.2
Operating profit (loss) in million CHF	(71)	(87)	+18.6	+12.2

In the first quarter of 2014, Holcim US increased cement deliveries overall due to strong performance in the Texas/Oklahoma and Mountain regions, offsetting the negative impacts of adverse weather across the other regions.

Unfavorable weather conditions also impacted aggregate volumes at Aggregate Industries US as many projects temporarily came to a halt and project starts were postponed. However, aggregate and asphalt volumes were up. Ready-mix concrete shipments were lower than last year.

In Canada, snow and ice also affected volumes in Ontario and Quebec, the Group company's most important markets, while the Diavik Mine project caused cement volume increases in Western Canada. However, overall deliveries across the three main segments were down.

Consolidated cement volumes increased by 2.5 percent to 2.0 million tonnes on account of Holcim US. Driven by declines in Canada, aggregate volumes in Group region North America decreased by 4.2 percent to 5.0 million tonnes. In ready-mix concrete deliveries were down 11.6 percent to 1.2 million cubic meters. Asphalt volumes stood at 0.1 million tonnes in the first quarter, an increase of 16.7 percent. Net sales increased slightly by 0.7 percent to CHF 444 million.

Operating EBITDA in North America grew considerably by 44.2 percent to CHF –10 million. Holcim US contributed strongly to these results as the company benefited from lower manufacturing and distribution costs. Organic operating EBITDA growth reached 35.2 percent.

Africa Middle East builds on contribution from previous quarter
Economic growth in Africa Middle East was once again characterized by heterogeneity. Morocco was still waiting for a major economic impetus to drive demand for building materials, and Lebanon's economy felt the spill-over effects of the turmoil in Syria more strongly than previously. West Africa saw livelier development.

Africa Middle East	Jan–March 2014	Jan–March 2013	±%	±% like-for-like
Sales of cement in million t	2.0	1.8	+11.8	+13.4
Sales of aggregates in million t	0.4	0.5	–8.0	–8.0
Sales of ready-mix concrete in million m^3	0.2	0.2	–10.4	–10.4
Net sales in million CHF	206	203	+1.7	+7.4
Operating EBITDA in million CHF	67	62	+7.8	+14.1
Operating profit in million CHF	54	48	+10.9	+17.9

Holcim Morocco increased cement sales volumes markedly during the first quarter of the year. The Group company also benefited from clinker exports to the Ivory Coast. However, aggregate volumes were lower while ready-mix concrete deliveries were slightly above last year. Despite the political instability in the region, cement volumes at Holcim Lebanon were higher than during last year's quarter. This was in part attributable to good weather conditions. However, ready-mix concrete deliveries were down significantly.

In the Indian Ocean region Holcim's performance was negatively influenced by lower demand from La Réunion, where the construction projects awarded to Holcim were only launched towards the end of the quarter. Subsequently, cement volumes were down. However, deliveries of aggregates and ready-mix concrete increased. Overall, Holcim's grinding stations along the West African coast and in the Middle East sold more cement than in the previous year's quarter.

Consolidated cement volumes in Group region Africa Middle East increased by 11.8 percent to 2.0 million tonnes, primarily on account of Morocco. Aggregate shipments were down by 8.0 percent to 0.4 million tonnes. As ready-mix concrete volumes contracted in Lebanon, consolidated deliveries for the segment also subsequently decreased by 10.4 percent to 0.2 million cubic meters. Net sales in Africa Middle East reached CHF 206 million, an increase of 1.7 percent.

Operating EBITDA in Africa Middle East improved by 7.8 percent to CHF 67 million as Morocco reported significantly better financial performance. Organic operating EBITDA growth reached 14.1 percent.

Outlook for 2014

For 2014 Holcim expects the global economies to show another year of uneven performance. Construction markets in Europe are expected to have reached the bottom with slow recovery in sight. At the same time, North American markets are expected to continue to benefit from a further recovery especially in the United States. Latin America on the other hand could continue to face uncertainties in Mexico but should overall show slight growth in 2014. The Asia Pacific region is expected to grow although at a comparatively slower pace than experienced in recent years. Africa Middle East is expected to gradually improve.

Holcim expects cement volumes to increase in all Group regions in 2014. Aggregates volumes are expected to remain flat overall as increases in Asia Pacific, Europe, North America and Africa Middle East are offset by negative volumes in Latin America. In ready-mix concrete volumes are also expected to increase in most regions with the exception of Europe and Latin America.

The Board of Directors and Executive Committee expect that organic growth in operating profit can be achieved in 2014. The ongoing focus on the cost base coupled with all the benefits expected from the Holcim Leadership Journey will lead to a further expansion in operating margins in 2014.

Rolf Soiron
Chairman of the Board of Directors

Bernard Fontana
Chief Executive Officer

April 28, 2014

Consolidated statement of income of Group Holcim

January–March	Notes	2014	2013
Million CHF		Unaudited	Unaudited
Net sales	6	**4,088**	**4,323**
Production cost of goods sold		(2,387)	(2,546)
Gross profit		**1,701**	**1,777**
Distribution and selling expenses		(1,102)	(1,184)
Administration expenses		(304)	(323)
Operating profit		**295**	**270**
Other income	8	19	162
Share of profit of associates and joint ventures		26	18
Financial income	9	37	41
Financial expenses	10	(137)	(167)
Net income before taxes		**240**	**324**
Income taxes		(62)	(29)
Net income		**179**	**295**
Attributable to:			
Shareholders of Holcim Ltd		80	187
Non-controlling interest		99	108
Earnings per share in CHF			
Earnings per share		0.24	0.58
Fully diluted earnings per share		0.24	0.58

Consolidated statement of comprehensive earnings of Group Holcim

January–March Million CHF	2014 Unaudited	2013 Unaudited
Net income	**179**	**295**
Other comprehensive earnings		
Items that will be reclassified to the statement of income in future periods		
Currency translation effects		
– Exchange differences on translation	24	768
– Realized through statement of income		
– Tax effect	3	(1)
Available-for-sale financial assets		
– Change in fair value	0	(1)
– Realized through statement of income		
– Tax effect	0	
Cash flow hedges		
– Change in fair value	2	4
– Realized through statement of income		
– Tax effect	0	
Net investment hedges		
– Change in fair value	0	(3)
– Realized through statement of income		
– Tax effect		
Subtotal	**29**	**767**
Items that will not be reclassified to the statement of income in future periods		
Defined benefit plans		
– Remeasurements and effect of asset ceiling	(36)	78
– Tax effect	8	(17)
Subtotal	**(28)**	**62**
Total other comprehensive earnings	**1**	**829**
Total comprehensive earnings	**180**	**1,124**
Attributable to:		
Shareholders of Holcim Ltd	44	904
Non-controlling interest	135	221

Consolidated statement of financial position of Group Holcim

Million CHF	Notes	31.3.2014 Unaudited	31.12.2013 Audited	31.3.2013 Unaudited
Cash and cash equivalents		2,015	2,244	3,071
Accounts receivable		2,718	2,521	2,800
Inventories		1,743	1,704	2,180
Prepaid expenses and other current assets		410	365	469
Assets classified as held for sale	11	764	756	38
Total current assets		**7,649**	**7,590**	**8,557**
Long-term financial assets		538	536	541
Investments in associates and joint ventures		1,562	1,562	1,625
Property, plant and equipment		20,126	20,029	22,083
Intangible assets		7,487	7,486	8,297
Deferred tax assets		422	391	482
Other long-term assets		362	351	442
Total long-term assets		**30,497**	**30,355**	**33,470**
Total assets		**38,146**	**37,944**	**42,027**
Trade accounts payable		1,830	1,934	1,948
Current financial liabilities		2,886	2,920	4,533
Current income tax liabilities		425	462	360
Other current liabilities		1,543	1,708	1,696
Short-term provisions		186	224	255
Liabilities directly associated with assets classified as held for sale	11	236	213	0
Total current liabilities		**7,107**	**7,461**	**8,792**
Long-term financial liabilities		9,169	8,785	9,296
Defined benefit obligations		692	655	838
Deferred tax liabilities		1,264	1,290	1,673
Long-term provisions		1,077	1,077	1,170
Total long-term liabilities		**12,202**	**11,807**	**12,977**
Total liabilities		**19,309**	**19,267**	**21,769**
Share capital		654	654	654
Capital surplus		8,196	8,200	8,577
Treasury shares		(93)	(102)	(109)
Reserves		7,493	7,453	8,242
Total equity attributable to shareholders of Holcim Ltd		**16,250**	**16,205**	**17,364**
Non-controlling interest		2,587	2,471	2,894
Total shareholders' equity		**18,837**	**18,677**	**20,258**
Total liabilities and shareholders' equity		**38,146**	**37,944**	**42,027**

Consolidated statement of changes in equity of Group Holcim

Million CHF	Share capital	Capital surplus	Treasury shares	*Retained earnings*
Equity as at January 1, 2014	**654**	**8,200**	**(102)**	**17,294**
Net income				80
Other comprehensive earnings				(28)
Total comprehensive earnings				52
Payout				
Change in treasury shares			4	0
Share-based remuneration		(4)	4	
Capital paid-in by non-controlling interest				
Change in participation in existing Group companies				(4)
Equity as at March 31, 2014 (unaudited)	**654**	**8,196**	**(93)**	**17,342**
Equity as at January 1, 2013	**654**	**8,573**	**(114)**	**15,808**
Net income				187
Other comprehensive earnings				59
Total comprehensive earnings				246
Payout				
Change in treasury shares			3	(1)
Share-based remuneration		4	2	
Capital paid-in by non-controlling interest				
Disposal of participation in Group companies				
Change in participation in existing Group companies				14
Equity as at March 31, 2013 (unaudited)	**654**	**8,577**	**(109)**	**16,067**

[1] Currency translation adjustments include CHF –19 million relating to assets and directly associated liabilities classified as held for sale, see note 11.

Available-for-sale reserve	*Cash flow hedging reserve*	*Currency translation adjustments*	Total reserves	Total equity attributable to shareholders of Holcim Ltd	Non-controlling interest	Total shareholders' equity
52	**(4)**	**(9,889)**	**7,453**	**16,205**	**2,471**	**18,677**
			80	80	99	179
0	1	(8)	(36)	(36)	36	1
0	1	(8)	44	44	135	180
					(23)	(23)
		0	0	5		5
		0	0	0		0
					0	0
			(4)	(4)	3	(1)
52	**(3)**	**(9,897)**[1]	**7,493**	**16,250**	**2,587**	**18,837**
132	**(7)**	**(8,608)**	**7,324**	**16,437**	**2,797**	**19,234**
			187	187	108	295
(1)	3	655	716	716	113	829
(1)	3	655	904	904	221	1,124
					(14)	(14)
			(1)	2		2
		0	0	6		6
					0	0
					(105)	(105)
			14	14	(5)	10
131	**(4)**	**(7,953)**	**8,242**	**17,364**	**2,894**	**20,258**

Consolidated statement of cash flows of Group Holcim

January–March	Notes	2014	2013
Million CHF		Unaudited	Unaudited
Net income before taxes		**240**	**324**
Other income	8	(19)	(162)
Share of profit of associates and joint ventures		(26)	(18)
Financial expenses net	9, 10	99	126
Operating profit		**295**	**270**
Depreciation, amortization and impairment of operating assets		322	380
Other non-cash items		70	44
Change in net working capital		(650)	(745)
Cash generated from operations		**37**	**(51)**
Dividends received		1	53
Interest received		32	36
Interest paid		(151)	(147)
Income taxes paid		(155)	(212)
Other expenses		(7)	(2)
Cash flow from operating activities (A)		**(243)**	**(323)**
Purchase of property, plant and equipment		(414)	(455)
Disposal of property, plant and equipment		41	32
Acquisition of participation in Group companies		(1)	0
Disposal of participation in Group companies	2	0	274
Purchase of financial assets, intangible and other assets		(27)	(42)
Disposal of financial assets, intangible and other assets		27	76
Cash flow used in investing activities (B)		**(373)**	**(115)**
Dividends paid to non-controlling interest		(1)	(14)
Capital paid-in by non-controlling interest		0	0
Movements of treasury shares		5	2
Proceeds from current financial liabilities		1,026	1,569
Repayment of current financial liabilities		(669)	(1,281)
Proceeds from long-term financial liabilities		926	273
Repayment of long-term financial liabilities		(959)	(330)
Increase in participation in existing Group companies		0	(2)
Cash flow from financing activities (C)		**328**	**218**
Decrease in cash and cash equivalents (A + B + C)		**(288)**	**(220)**
Cash and cash equivalents as at January 1 (net)		**1,993**	**2,711**
Decrease in cash and cash equivalents		(288)	(220)
Currency translation effects		18	110
Cash and cash equivalents as at March 31 (net)[1]		**1,723**	**2,601**

[1] Cash and cash equivalents at the end of the period include bank overdrafts of CHF 291 million (2013: 470), disclosed in current financial liabilities.

1 Basis of preparation

The unaudited consolidated first quarter interim financial statements (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, 2013 (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

During the first quarter of 2014, there were no business combinations that were either individually material or that were considered material on an aggregated basis.

On March 28, 2013, Holcim disposed of a 25 percent equity interest in Cement Australia to HeidelbergCement, and retained a 50 percent equity interest in that company. This resulted in a net gain on disposal of CHF 146 million (included in "Other income") based on net book values. This transaction resulted in Holcim losing control of Cement Australia and obtaining joint control over that entity. According to IFRS 11 Joint Arrangements, it has been classified as a joint operation.

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.

Holcim 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 Information by reportable segment

January–March (unaudited)	Asia Pacific 2014	Asia Pacific 2013	Latin America 2014	Latin America 2013	Europe 2014	Europe 2013	North America 2014	North America 2013	Africa Middle East 2014	Africa Middle East 2013	Corporate/ Eliminations 2014	Corporate/ Eliminations 2013	Total Group 2014	Total Group 2013
Capacity and sales														
Million t														
Annual cement production capacity[1]	90.8	90.3	35.3	35.3	46.8	47.7	22.0	22.0	11.0	11.0			205.8	206.2
Sales of cement	18.5	18.6	6.0	5.9	5.2	4.4	2.0	2.0	2.0	1.8	(0.7)	(0.6)	33.0	32.1
– of which mature markets	0.6	1.0			3.4	2.7	2.0	2.0						
– of which emerging markets	17.9	17.6	6.0	5.9	1.9	1.6			2.0	1.8				
Sales of mineral components	0.1	0.2			0.4	0.2	0.2	0.2					0.7	0.6
Sales of aggregates	6.0	5.8	2.1	2.7	15.7	14.4	5.0	5.2	0.4	0.5			29.2	28.6
– of which mature markets	5.4	5.3			14.3	13.2	5.0	5.2						
– of which emerging markets	0.6	0.5	2.1	2.7	1.4	1.3			0.4	0.5				
Sales of asphalt					1.3	1.0	0.1	0.1					1.4	1.1
Million m^3														
Sales of ready-mix concrete	2.5	2.5	1.7	2.1	2.7	2.3	1.2	1.3	0.2	0.2			8.2	8.4
– of which mature markets	1.1	1.0			2.4	2.1	1.2	1.3						
– of which emerging markets	1.3	1.4	1.7	2.1	0.3	0.2			0.2	0.2				
Statement of income and statement of financial position														
Million CHF														
Net sales to external customers	1,670	1,969	701	780	1,085	931	444	441	189	203			4,088	4,323
Net sales to other segments	13	15	22	47	99	101			18		(153)	(163)		
Total net sales	1,683	1,984	723	827	1,184	1,032	444	441	206	203	(153)	(163)	4,088	4,323
– of which mature markets	407	539			999	860	444	441						
– of which emerging markets	1,276	1,445	723	827	185	172			206	203				
Operating EBITDA	327	397	211	246	99	29	(10)	(18)	67	62	(77)	(67)	617	650
Operating EBITDA margin in %	19.4	20.0	29.1	29.7	8.4	2.8	(2.2)	(4.0)	32.5	30.7			15.1	15.0
Operating profit (loss)	234	280	167	192	(9)	(94)	(71)	(87)	54	48	(80)	(69)	295	270
– of which mature markets	14	25			(6)	(56)	(71)	(87)						
– of which emerging markets	220	255	167	192	(3)	(38)			54	48				
Operating profit (loss) margin in %	13.9	14.1	23.1	23.3	(0.8)	(9.1)	(16.0)	(19.7)	26.0	23.9			7.2	6.2
EBITDA	300	372	179	206	77	5	(6)	(29)	62	57	62	228	673	838
Net operating assets[1]	6,825	6,540	3,320	3,331	8,167	8,112	5,898	5,940	814	783	10	7	25,034	24,712
Total assets[2]	11,114	10,627	5,108	5,083	12,969	13,479	6,805	6,947	1,299	1,339	851	470	38,146	37,944
Total liabilities[2]	4,557	4,389	3,276	3,208	6,647	6,511	3,801	3,851	544	610	484[3]	698[3]	19,309	19,267

[1] Prior-year figures as of December 31, 2013.

[2] Due to the reallocation of a reporting unit from “Corporate/Eliminations” to “Asia Pacific”, the allocation of the positions “Total assets” and “Total liabilities” changed and as a result, the comparative figures for these two reportable segments were restated accordingly by CHF 484 million for “Total assets” and by CHF 1,363 million for “Total liabilities”. The prior-year figures are as of December 31, 2013.

[3] The amount of CHF 484 million (2013: 698) consists of borrowings by Corporate from third parties amounting to CHF 10,563 million (2013: 9,889) and eliminations for cash transferred to regions of CHF 10,079 million (2013: 9,190).

Reconciling measures of profit and loss to the consolidated statement of income of Group Holcim

January–March (unaudited) Million CHF	Notes	2014	2013
Operating profit		**295**	**270**
Depreciation, amortization and impairment of operating assets		322	380
Operating EBITDA		**617**	**650**
Dividends earned	8	0	0
Other ordinary income	8	19	163
Share of profit of associates and joint ventures		26	18
Other financial income	9	11	8
EBITDA		**673**	**838**
Depreciation, amortization and impairment of operating assets		(322)	(380)
Depreciation, amortization and impairment of non-operating assets	8	(1)	(1)
Interest earned on cash and marketable securities	9	27	33
Financial expenses	10	(137)	(167)
Net income before taxes		**240**	**324**

5 Information by product line

	Cement[1]		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
January–March (unaudited) Million CHF	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Statement of income and statement of financial position										
Net sales to external customers	2,590	2,813	302	305	1,197	1,205			4,088	4,323
Net sales to other segments	198	252	181	170	137	152	(517)	(574)		
Total net sales	2,788	3,065	483	475	1,334	1,357	(517)	(574)	4,088	4,323
– of which Asia Pacific	1,308	1,572	136	158	340	393	(101)	(139)	1,683	1,984
– of which Latin America	609	668	16	22	161	215	(62)	(79)	723	827
– of which Europe	497	443	269	228	588	510	(170)	(149)	1,184	1,032
– of which North America	219	221	56	61	220	217	(51)	(58)	444	441
– of which Africa Middle East	191	186	6	5	17	18	(8)	(6)	206	203
– of which Corporate/Eliminations	(36)	(25)	0	0	9	5	(125)	(142)	(153)	(163)
Operating profit (loss)	383	388	(15)	(34)	(72)	(84)			295	270
– of which Asia Pacific	228	267	13	15	(7)	(3)			234	280
– of which Latin America	159	187	2	4	6	2			167	192
– of which Europe	9	(46)	4	(13)	(22)	(35)			(9)	(94)
– of which North America	(4)	(16)	(27)	(31)	(40)	(40)			(71)	(87)
– of which Africa Middle East	55	51	0	0	(1)	(2)			54	48
– of which Corporate/Eliminations	(65)	(55)	(7)	(9)	(8)	(5)			(80)	(69)
Operating profit (loss) margin in %	13.7	12.7	(3.1)	(7.3)	(5.4)	(6.2)			7.2	6.2
Net operating assets[2]	16,846	16,641	4,854	4,848	3,334	3,222			25,034	24,712

[1] Cement, clinker and other cementitious materials.
[2] Prior-year figures as of December 31, 2013.

6 Change in net sales

January–March Million CHF	2014	2013
Volume and price	338	(198)
Change in structure	(108)	(50)
Currency translation effects	(465)	(90)
Total	**(234)**	**(338)**

7 Change in operating profit

January–March Million CHF	2014	2013
Volume, price and cost	77	(40)
Change in structure	5	(3)
Currency translation effects	(57)	(16)
Total	**25**	**(58)**

8 Other income

January–March Million CHF	2014	2013
Dividends earned	0	0
Other ordinary income	19	163
Depreciation, amortization and impairment of non-operating assets	(1)	(1)
Total	**19**	**162**

The position "Other ordinary income" relates primarily to gains on disposal of property, plant and equipment.

In 2013, the position "Other ordinary income" included a net gain on the disposal of a 25 percent equity interest in Cement Australia of AUD 151 million (CHF 146 million). Additional information is disclosed in note 2.

9 Financial income

January–March Million CHF	2014	2013
Interest earned on cash and marketable securities	27	33
Other financial income	11	8
Total	**37**	**41**

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

10 Financial expenses

January–March Million CHF	2014	2013
Interest expenses	(143)	(151)
Amortization on bonds and private placements	(2)	(4)
Unwinding of discount on provisions	(6)	(4)
Other financial expenses	(6)	(12)
Foreign exchange gain net	6	0
Financial expenses capitalized	14	4
Total	**(137)**	**(167)**

The positions "Interest expenses" and "Other financial expenses" relate primarily to financial liabilities measured at amortized cost.

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

In third quarter 2013, Holcim signed a Memorandum of Understanding with Cemex.

In Spain, Holcim and Cemex will combine their operations in cement, ready-mix and aggregates where Holcim will hold a shareholding of 25 percent of the combined entity.

In Germany Holcim will purchase a cement plant, two grinding stations and one slag granulator as well as various aggregates locations and ready-mix plants from Cemex in the western part of the country which will be combined with Holcim's existing Northern German operations. As consideration for the above, Cemex will buy Holcim (Česko) a.s. which is involved in the cement, aggregates and ready-mix businesses.

Closure of the transaction is subject to due diligence and to regulatory approval. Currently, Holcim anticipates that the competition authorities' decision will be communicated during the second half of 2014.

The assets and liabilities of the operations in Spain and Czech Republic were classified as held for sale in the third quarter 2013.

12 Financial assets and liabilities recognized and measured at fair value

The following table presents the Group's financial instruments that are recognized and measured at fair value.

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

Million CHF	Fair value level 1	Fair value level 2	Total
31.3.2014			
Financial assets			
Available-for-sale financial assets			
– Marketable securities	1		1
– Financial investments third parties	1	89	90
– Others		86	86
Derivatives held for hedging		104	104
Financial liabilities			
Derivatives held for hedging		1	1

Million CHF	Fair value level 1	Fair value level 2	Total
31.3.2013			
Financial assets			
Available-for-sale financial assets			
– Marketable securities	1		1
– Financial investments third parties	1	100	101
– Others		183	183
Derivatives held for hedging		70	70
Financial liabilities			
Derivatives held for hedging		77	77

13 Bonds

On January 22, 2014, Holcim Finance (Luxembourg) S.A. issued a EUR 500 million bond with a coupon of 3.0 percent and a tenor of 10 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

14 Contingencies and commitments

The Group's commitments amounted to CHF 1,156 million (December 31, 2013: 1,284). The decrease is mainly related to various purchase commitments for products which were realized during the current three month period. There have been no significant changes for contingencies.

The Competition Commission of India issued an Order dated June 20, 2012, imposing a penalty of INR 23,119 million (CHF 342 million) on two Indian Holcim Group companies concerning an alleged breach of competition law by certain cement manufacturers in India. The two Holcim Group companies contest the allegation and have filed an appeal against the Order before the appropriate authority, which is pending a decision. As per the Order, a total deposit of 10 percent of the penalty amount has been placed with a financial institution by both Holcim Group companies with a lien in favor of the Competition Appellate Tribunal. Based on the advice of external legal counsel, Holcim believes that it has good grounds for appeal. Accordingly no provision has been recognized in the statement of financial position.

15 Events after the reporting period

There were no significant events after the reporting period.

16 Other information

On April 7, 2014, Holcim Ltd and Lafarge S.A. announced their intention to combine the two companies through a merger of equals. The proposed combination would be structured as a public offer filed by Holcim for all outstanding shares of Lafarge on the basis of a 1 for 1 exchange ratio. The combination is conditional upon, amongst other things, execution of definitive documentation, obtaining required approvals from the relevant regulatory authorities and other customary authorizations and approval of the shareholders of Holcim Ltd and is expected to be completed by the end of the first half of 2015.

17 Authorization of the interim financial statements for issue

The interim financial statements were authorized for issuance by the Audit Committee of Holcim Ltd on April 25, 2014.

18 Principal exchange rates

		Statement of income Average exchange rates in CHF January–March		Statement of financial position Closing exchange rates in CHF		
		2014	2013	31.3.2014	31.12.2013	31.3.2013
1 Euro	1 EUR	1.22	1.23	1.22	1.23	1.22
1 US Dollar	1 USD	0.89	0.93	0.89	0.89	0.95
1 British Pound	1 GBP	1.48	1.44	1.48	1.47	1.44
1 Australian Dollar	1 AUD	0.80	0.97	0.82	0.79	0.99
100 Brazilian Real	100 BRL	37.77	46.59	39.18	37.67	47.33
1 Canadian Dollar	1 CAD	0.81	0.92	0.80	0.84	0.94
1,000 Indonesian Rupiah	1,000 IDR	0.08	0.10	0.08	0.07	0.10
100 Indian Rupee	100 INR	1.45	1.72	1.48	1.44	1.75
100 Moroccan Dirham	100 MAD	10.90	11.01	10.86	10.90	11.00
100 Mexican Peso	100 MXN	6.75	7.36	6.78	6.81	7.71

Holcim securities

The Holcim shares (security code number 1221405) are listed on the SIX Swiss Exchange and traded on the Main Standard of SIX Swiss Exchange. Telekurs lists the registered share under HOLN. The corresponding code under Bloomberg is HOLN VX, while Thomson Reuters uses the abbreviation HOLN.VX. Every share carries one vote. The market capitalization of Holcim Ltd amounted to CHF 23.9 billion at March 31, 2014.

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.

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

Financial reporting calendar

Half-year results for 2014	July 30, 2014
Press and analyst conference for the third quarter 2014	November 4, 2014

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