Holcim

Strength. Performance. Passion.

FIRST QUARTER 2015

Interim Report

KEY FIGURES GROUP HOLCIM

Key figures Group Holcim

January-March		2015	2014	±%	±% like-for-like
Annual cement production capacity	million t	212.0	211.4[2]	+0.3	+0.3
Sales of cement	million t	31.2	33.0	–5.5	–5.7
Sales of mineral components	million t	0.8	0.7	+23.1	+0.7
Sales of aggregates	million t	29.5	29.2	+1.2	–4.0
Sales of ready-mix concrete	million m^3	8.0	8.2	–2.0	–5.8
Sales of asphalt	million t	1.6	1.4	+14.9	+14.9
Net sales	million CHF	3,972	4,088	–2.8	–1.6
Operating EBITDA	million CHF	593	617	–3.9	–4.0
Operating EBITDA adjusted[1]	million CHF	637	617	+3.3	+3.1
Operating EBITDA margin	%	14.9	15.1		
Operating EBITDA margin adjusted[1]	%	16.0	15.1		
Operating profit	million CHF	261	295	–11.5	–12.7
Operating profit adjusted[1]	million CHF	306	295	+3.5	+2.2
Operating profit margin	%	6.6	7.2		
Operating profit margin adjusted[1]	%	7.7	7.2		
EBITDA	million CHF	1,037	673	+54.2	
Net income	million CHF	378	179	+111.8	
Net income margin	%	9.5	4.4		
Net income – shareholders of Holcim Ltd	million CHF	310	80	+289.3	
Cash flow from operating activities	million CHF	(214)	(243)	+12.1	+16.1
Cash flow margin	%	(5.4)	(5.9)		
Net financial debt	million CHF	9,670	9,644[2]	+0.3	+5.6
Total shareholders’ equity	million CHF	19,058	20,112[2]	–5.2	
Personnel		63,082	67,584[2]	–6.7	–6.9
Earnings per share	CHF	0.95	0.24	+295.8	
Fully diluted earnings per share	CHF	0.95	0.24	+295.8	

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	4,167	4,579	–9.0
Operating EBITDA	million USD	622	691	–10.0
Operating EBITDA adjusted[1]	million USD	668	691	–3.3
Operating profit	million USD	274	331	–17.1
Operating profit adjusted[1]	million USD	321	331	–3.1
Net income – shareholders of Holcim Ltd	million USD	325	89	+264.6
Cash flow from operating activities	million USD	(224)	(272)	+17.7
Net financial debt	million USD	9,953	9,750[2]	+2.1
Total shareholders’ equity	million USD	19,616	20,334[2]	–3.5
Earnings per share	USD	1.00	0.27	+270.8

Principal key figures in EUR (illustrative)

Net sales	million EUR	3,699	3,342	+10.7
Operating EBITDA	million EUR	552	504	+9.5
Operating EBITDA adjusted[1]	million EUR	593	504	+17.6
Operating profit	million EUR	243	241	+0.9
Operating profit adjusted[1]	million EUR	285	241	+18.0
Net income – shareholders of Holcim Ltd	million EUR	289	65	+341.3
Cash flow from operating activities	million EUR	(199)	(199)	–0.1
Net financial debt	million EUR	9,244	8,018[2]	+15.3
Total shareholders’ equity	million EUR	18,219	16,723[2]	+8.9
Earnings per share	EUR	0.88	0.20	+351.0

[1] Excluding merger costs in 2015.
[2] As of December 31, 2014.

HOLCIM
FIRST QUARTER 2015

Net income significantly higher

Adjusted operating profit and margin increase despite lower volumes

Margins improve in India although cement volumes were temporarily affected by lower demand

Rebound in the United States continues

Different weather pattern in Europe with stronger winter than in last year's quarter

Group well positioned and prepared for merger with Lafarge

Dear Shareholder,

Holcim reported robust development in the first quarter 2015, with an increase in financial performance despite a different weather pattern and some volume declines compared to a very strong previous year's quarter. Holcim also generated higher cash flow from operating activities and increased net income significantly supported by the gain from the divestment of the Group's minority shareholding in Siam City Cement.

Holcim continued to operate in a weak global economic environment that was characterized by uncertainty and moderate growth prospects. The development was positively impacted by lower oil prices but at the same time investment weakness more than offset these effects in both advanced and emerging markets. However, based on its strong geographic footprint, focus on prices, disciplined cost management, and previous restructuring, Holcim was able to mitigate the adverse economic effects. Following the exceptionally strong first quarter 2014, cement deliveries declined as all Group regions except North America and Latin America sold less volume. However, in important markets including Mexico, the United States, and the Philippines more cement was sold. Aggregate shipments increased thanks to Holcim Germany, Aggregate Industries UK, and Aggregate Industries US. Ready-mix concrete volumes were down.

Adjusted for merger costs, operating EBITDA increased, mainly as a result of the positive development in the Group regions Asia Pacific and Latin America. Operating profit adjusted for merger costs was also higher. ACC in India, Holcim Spain, Holcim Australia, Aggregate Industries UK, and Holcim Mexico were the Group companies with the strongest progress, while countries such as France, Indonesia, Canada, and Lebanon reported lower financial results.

ROIC after taxes stood at 8.1 percent, while net financial debt decreased.

Group		Jan-March 2015	Jan-March 2014	±%	±% like-for-like
Sales of cement	million t	31.2	33.0	−5.5	−5.7
Sales of aggregates	million t	29.5	29.2	+1.2	−4.0
Sales of ready-mix concrete	million m^3	8.0	8.2	−2.0	−5.8
Sales of asphalt	million t	1.6	1.4	+14.9	+14.9
Net sales	million CHF	3,972	4,088	−2.8	−1.6
Operating EBITDA	million CHF	593	617	−3.9	−4.0
Operating EBITDA adjusted[1]	million CHF	637	617	+3.3	+3.1
Operating profit	million CHF	261	295	−11.5	−12.7
Operating profit adjusted[1]	million CHF	306	295	+3.5	+2.2
Net income	million CHF	378	179	+111.8	
Net income – shareholders of Holcim Ltd	million CHF	310	80	+289.3	
Cash flow from operating activities	million CHF	(214)	(243)	+12.1	+16.1

[1] Excluding merger costs in 2015.

Sales volumes
Consolidated cement volumes decreased 5.5 percent to 31.2 million tonnes in the first three months of the year. While North America and Latin America increased cement volumes, the other Group regions reported declines. Aggregates volumes increased 1.2 percent to 29.5 million tonnes, as the volume growth in Europe and North America was able to make up for the negative development in other Group regions. Ready-mix concrete deliveries reached 8.0 million cubic meters, a decline of 2.0 percent, which was mainly attributable to less favorable development in Latin America, where the focus remained on high-margin applications, and North America. Asphalt sales were up markedly by 14.9 percent to 1.6 million tonnes.

Cement prices increased 4.0 percent and aggregates prices 4.2 percent.

Financial results
Like-for-like net sales across the Group decreased 1.6 percent during the first quarter of the year. Reported net sales were down 2.8 percent to CHF 3,972 million, as increases in North America could not compensate for lower sales in other Group regions.

Operating EBITDA adjusted for merger costs of CHF 44 million was 3.3 percent higher than last year. The adjusted operating EBITDA margin increased to 16.0 percent. Reported operating EBITDA decreased 3.9 percent to CHF 593 million, impacted by merger costs and lower financial performance in the Group regions Europe and Africa Middle East. Operating profit adjusted for merger costs of CHF 44 million was up 3.5 percent, while the adjusted operating profit margin increased to 7.7 percent. Reported operating profit decreased by 11.5 percent to CHF 261 million, as increases in the Group regions Asia Pacific and Latin America were not able to compensate for merger costs and lower performance in Europe and in Canada, where a harsher winter was noted.

Net income increased significantly by 111.8 percent to CHF 378 million, mainly as a result of the divestment of Holcim's minority shareholding in Siam City Cement. Net income attributable to shareholders of Holcim Ltd was also up markedly by 289.3 percent to CHF 310 million.

Cash flow from operating activities improved 12.1 percent to CHF -214 million in the first quarter, a quarter which is traditionally lower than the others. Net financial debt over the last twelve months decreased by CHF 370 million and stood at CHF 9,670 million.

Holcim Leadership Journey
In the first quarter of 2015, the contribution of the Holcim Leadership Journey to the Group's operating profit amounted to CHF 85 million. The Customer Excellence Stream contributed CHF 21 million and the cost initiatives CHF 64 million to this result building on the good traction in the procurement and logistics streams.

Portfolio optimization
Holcim continued to actively optimize its operational footprint in the first quarter of the year. The Group sold its entire remaining shareholding of 27.5 percent in Siam City Cement in Thailand via a private placement in capital markets. For the sale of its entire remaining stake, Holcim received a total consideration of CHF 661 million, which resulted in a gain before taxes of CHF 371 million. Early in January 2015, Holcim also closed its series of transactions in Europe with Cemex.

On March 25, 2015 Holcim received from the Foreign Investment Promotion Board (FIPB) the approval for the planned simplification of the Group's structure in India. The FIPB in turn has sent the case with a recommendation for approval to the Cabinet Committee of Foreign Affairs (CCEA). Holcim is now awaiting final approval by the CCEA in the coming weeks.

Merger to create LafargeHolcim

In March 2015 Holcim and Lafarge reached an agreement on revised terms for their merger, taking another important step forward towards becoming the most advanced company in their industry. The Boards of Directors of both companies agreed on a new exchange ratio of nine Holcim shares for ten Lafarge shares. Holcim and Lafarge have also agreed that, subject to shareholder approval, the new company will announce a post-closing scrip dividend of one LafargeHolcim share for each 20 existing shares.

Eric Olsen was appointed future Chief Executive Officer of LafargeHolcim, to take office as of the closing of the merger project. Eric Olsen is presently Lafarge Executive Vice-President Operations and has been a member of that Group's Executive Committee since 2007. Wolfgang Reitzle will act as the statutory Chairman and Beat Hess will be Vice-Chairman of the Board. In addition, Wolfgang Reitzle and Bruno Lafont will be non-executive Co-Chairmen of the Board.

In February, Holcim and Lafarge announced that CRH plans to acquire the majority of the assets that were identified during the divestment process for an enterprise value of CHF 6.8 billion. These assets are mainly in Europe, Canada, Brazil, and the Philippines. Following these important milestones, both companies are continuing to work intensively on preparing the closing of the transaction and a successful post-merger integration.

Asia Pacific impacted by temporarily lower construction activities in India

Economic activity in the Group region Asia Pacific remained solid despite mitigating effects of lower growth in China. India's return to higher growth rates has gathered steam following the positive sentiment that materialized in the course of 2014, although construction markets were temporarily weaker. The Philippines continued to see lively demand for building materials and benefited from an overall robust economic climate.

Asia Pacific		Jan-March 2015	Jan-March 2014	±%	±% like-for-like
Sales of cement	million t	17.1	18.5	−7.3	−7.3
Sales of aggregates	million t	5.3	6.0	−12.5	−12.5
Sales of ready-mix concrete	million m^3	2.5	2.5	+0.7	+0.7
Net sales	million CHF	1,656	1,683	−1.6	−3.9
Operating EBITDA	million CHF	357	327	+9.0	+5.8
Operating profit	million CHF	257	234	+9.8	+5.8

Ambuja Cements and ACC, Holcim's Group companies in India, sold less cement in the first quarter compared with a year ago. Demand temporarily slowed down to a level slightly less than generally expected. Variances between the two companies are mainly due to regional differences in demand and different sales footprints. While in Sri Lanka volumes increased, Bangladesh reported lower deliveries than in the previous years' quarter due to the political situation.

Holcim Vietnam increased cement volumes markedly despite continued oversupply in the country and ongoing competitive pressure. Year-on-year ready-mix concrete deliveries increased. Malaysia's construction industry experienced another quarter with lively construction activity and Holcim's local Group company was able to consequently increase cement and aggregates sales markedly.

Demand for building materials continued to be high in the Philippines as investment from both the government as well as the private and commercial sectors remained high. Holcim Philippines consequently sold more cement.

Cement consumption in Indonesia was down 3 percent compared with 2014, prices have been reduced due to government intervention, and infrastructure projects were delayed. Aggregates and ready-mix concrete sales were down as well.

Bad weather in Queensland coupled with lower resource project activities negatively affected cement volumes at Cement Australia. Holcim Australia also felt the effects of poor weather in Queensland and New South Wales and lower mining investments. Aggregates and ready-mix concrete deliveries were lower than in the first quarter of 2014. However, business performance is improving due to cost-cutting measures implemented in 2014. Holcim New Zealand continued to also benefit from lively construction activity. Higher demand in the Auckland region fuelled cement volume growth. Aggregates shipments also increased.

Consolidated cement volumes in the Group region Asia Pacific were down 7.3 percent to 17.1 million tonnes in the first quarter 2015, mainly as a result of lower volumes in India. Aggregates volumes reached 5.3 million tonnes, a drop of 12.5 percent. Ready-mix concrete deliveries remained stable at 2.5 million cubic meters. Net sales in Asia Pacific decreased by 1.6 percent to CHF 1,656 million.

Operating profit increased 9.8 percent to CHF 257 million mainly as a result of improved financial performance at ACC, Holcim Australia, and Cement Australia. Like-for-like operating profit also increased 5.8 percent.

Latin America with increased profitability

Latin America's economic development remained uneven as a number of countries felt the effects of lower oil and other commodity prices. Mexico however benefited from more dynamic activity and a lively construction market, building on the rebound that began in 2014. Brazil in contrast continued to suffer from an overall challenging economic environment with high interest rates and low industrial production that also negatively impacted demand for building materials. Construction activity in many markets was slowed down by the overall still challenging economic situation in the Group region.

Latin America		Jan-March 2015	Jan-March 2014	±%	±% like-for-like
Sales of cement	million t	5.9	6.0	–1.4	–1.4[1]
Sales of aggregates	million t	1.2	2.1	–43.8	–43.8
Sales of ready-mix concrete	million m^3	1.5	1.7	–8.1	–8.1
Net sales	million CHF	707	723	–2.3	+2.3
Operating EBITDA	million CHF	231	211	+10.0	+12.6
Operating profit	million CHF	187	167	+12.1	+14.1

[1] The percentage change like-for-like adjusted for internal trading volumes eliminated in "Corporate/Eliminations" amounts to +0.3.

Holcim Mexico benefited from the recovery of the local economy that was driven by the National Infrastructure Plan. Cement sales increased markedly thanks to a number of large projects that were kicked off in the first quarter as well as the continuing implementation of the retail strategy. Aggregates and ready-mix concrete volumes declined as a result of the exit from low-profitability market segments.

In Central America, Holcim El Salvador and Holcim Nicaragua sold more cement thanks to increased demand for building materials from both the private and public sectors. Cement volume development in Costa Rica was negative, partly as a result of lower exports to Panama and Nicaragua.

Construction activity in Colombia continued to be lively. Despite a national strike by truck drivers in March, which negatively affected distribution, Holcim Colombia benefited from the positive economic development and reported higher cement sales. Ready-mix concrete volumes remained flat, with sales focused on higher-margin specialty applications.

Holcim Ecuador reported lower cement volumes than in the previous year's quarter, which was positively influenced by elections. Ready-mix concrete volumes declined as well. In March 2015, Holcim Ecuador completed the second phase of the modernization of its Guayaquil cement plant, with a new clinker production line to substitute imports. The new line increases clinker capacity by 1.4 million tonnes.

Brazil's construction industry continued to suffer from the meager overall economic situation as well as lower demand for building materials and new production capacities. Despite increased sales in March, cement volumes were down significantly, partially due to less demand for special products from the oil industry. Aggregates and ready-mix concrete deliveries also declined.

In Chile, Cemento Polpaico reported stable cement volumes. Aggregates and ready-mix concrete volumes however were down. While Argentina's construction industry continued to suffer from macro-economic challenges Holcim's local Group company reported increased cement volumes thanks to high demand in the Cordoba region. Aggregates shipments decreased while in ready-mix concrete volumes were on par with the previous year's quarter.

Consolidated cement volumes in the Group region Latin America decreased 1.4 percent to 5.9 million tonnes in the first quarter of 2015, as increases in Mexico, Argentina, and Central America were not able to compensate for declines in Ecuador and Brazil. Adjusted for internal clinker exports from Mexico to Ecuador in the previous year's quarter, cement volumes increased by 0.3 percent year-on-year. Aggregates shipments were down 43.8 percent to 1.2 million tonnes as a result of footprint adjustments in 2014 and lower demand in Brazil. Ready-mix concrete volumes declined 8.1 percent to 1.5 million cubic meters as a result of last year's restructuring in Mexico. Net sales decreased 2.3 percent to CHF 707 million.

Operating profit was up 12.1 percent year-on-year to CHF 187 million as a result of better pricing, cost management, and the previous year's restructuring efforts. Like-for-like operating profit increased 14.1 percent.

Europe with a different weather pattern and a mixed start into the year
While some economies in Europe continued their slow-paced recovery, as lower oil prices and a favorable monetary policy supported economic activity, demand for building materials remained under pressure. In the United Kingdom the positive economic development and lively construction activity continued. France however was still impacted by muted growth and low investments. Southern Europe saw some isolated signs of improvement as Spain's recovery strengthened. Russia however experienced a sharp slowdown, but construction markets suffered less than other sectors.

Europe		Jan-March 2015	Jan-March 2014	±%	±% like-for-like
Sales of cement	million t	4.7	5.2	−9.6	−10.7
Sales of aggregates	million t	17.4	15.7	+10.9	+1.3
Sales of ready-mix concrete	million m^3	2.8	2.7	+5.5	−7.3
Sales of asphalt	million t	1.4	1.3	+12.8	+12.8
Net sales	million CHF	1,097	1,184	−7.3	−3.1
Operating EBITDA	million CHF	79	99	−19.9	−12.3
Operating loss	million CHF	(27)	(9)	−197.8	−160.6

As the United Kingdom's construction industry continued on its growth path, Holcim's local Group company Aggregate Industries UK also posted better results in the first quarter of 2015. Aggregates volumes increased despite some weather-related setbacks in Scotland. Increases in ready-mix concrete were again driven by high demand in the London area. Asphalt sales were also significantly higher.

After a particularly strong first quarter in the previous year, Holcim France remained impacted by shrinking construction activities in 2015, which led to volume declines in all segments. Holcim Belgium also suffered from a muted construction market and reported lower volumes in cement, aggregates, and ready-mix concrete.

Holcim Germany, which also benefited from very strong demand in the previous year's first quarter, was impacted by less lively construction activity. However, as a result of the acquisition of Cemex's operations in Western Germany, cement and aggregates volumes were higher. Holcim South Germany posted lower cement and aggregate shipments but could increase ready-mix concrete shipments.

Holcim Switzerland suffered from import pressures and a less dynamic market environment which resulted in lower deliveries for all three segments. In Italy volumes were down as well with the exception of aggregates, reflecting the overall challenging economic situation.

Domestic cement sales in Spain were driven by the gradual recovery of local construction markets. However, the divestments of the Gador and Yeles plants, as part of the transactions with Cemex, and lower exports caused cement volumes to decline. Aggregates shipments were higher, and ready-mix concrete deliveries were down. The development in both segments was impacted by restructuring measures and associated plant closures in 2014.

Development in Eastern Europe was heterogeneous over the first three months of 2015. While Holcim Romania benefited from several large construction projects, particularly in the Bucharest area, and improved cement sales, most other Group companies in the region posted declines. Aggregates shipments increased in all countries except Serbia.

The situation in Russia was mixed as demand for building materials was negatively impacted by the challenging economic climate, but construction projects in the Moscow region continued to fuel demand for building materials. Overall however, cement volumes decreased. In Azerbaijan, lower oil prices put pressure on the construction sector as investments were also lower. Cement sales in the Group company decreased also as a result of higher competitive pressure.

Consolidated cement volumes in the Group region Europe reached 4.7 million tonnes, a decrease of 9.6 percent, mainly on account of lower sales in France, Switzerland, and Russia. Aggregates and ready-mix concrete deliveries increased 10.9 percent to 17.4 million tonnes and 5.5 percent to 2.8 million cubic meters respectively as a result of the impact of the transactions with Cemex. Net sales declined 7.3 percent to CHF 1,097 million.

Operating profit declined markedly to CHF -27 million, primarily as a result of lower financial performance in France and Germany and following very good performance in the previous year's quarter. The change in like-for-like operating profit stood at -160.6 percent.

Recovery continues in North America despite harsh winter conditions

In the Group region North America economic growth strengthened despite the harsh winter conditions in large parts of the region. Construction markets benefited from the positive sentiment and demand for building materials rose. In Canada the development of the construction markets began to ease towards the end of the quarter.

North America		Jan-March 2015	Jan-March 2014	±%	±% like-for-like
Sales of cement	million t	2.1	2.0	+4.3	+4.3
Sales of aggregates	million t	5.4	5.0	+8.9	+8.9
Sales of ready-mix concrete	million m^3	1.0	1.2	–12.2	–9.4
Sales of asphalt	million t	0.2	0.1	+32.7	+32.7
Net sales	million CHF	496	444	+11.8	+9.3
Operating EBITDA	million CHF	(4)	(10)	+58.8	–2.5
Operating loss	million CHF	(71)	(71)	–0.2	–4.6

As the construction industry in the United States continued to benefit from favorable macro-economic sentiment, Holcim US increased cement deliveries in the first quarter of 2015. Stronger private residential construction more than offset some negative effects of bad weather in late February and March.

Aggregate Industries US also benefited from lively construction activity. Aggregate volumes were up markedly, with strong increases reported in the West Central and Mid-Atlantic regions. Ready-mix concrete sales declined but asphalt deliveries increased markedly.

Holcim Canada was impacted by harsh weather conditions that brought construction projects to a halt in some of its regions. Consequently, cement volumes were down, with the most pronounced decreases in Quebec and Atlantic. Exports to the United States were not able to make up for this development. While aggregates volumes were up, ready-mix concrete deliveries decreased.

Consolidated cement volumes in the Group region North America increased by 4.3 percent to 2.1 million tonnes, predominantly on account of higher volumes at Holcim US. Aggregates volumes were up 8.9 percent to 5.4 million tonnes, while ready-mix concrete deliveries decreased 12.2 percent to 1.0 million cubic meters. Asphalt volumes increased markedly to 0.2 million tonnes. Net sales in North America improved by 11.8 percent to CHF 496 million.

Operating loss was stable at CHF 71 million as the United States was able to compensate for the decreases in Canada. The change in like-for-like operating profit stood at -4.6 percent.

Africa Middle East suffers from political tensions

Economic development in the Group region Africa Middle East was impacted by muted growth in a number of markets. While in Morocco overall growth was solid, the construction sector remained in low gear. Lebanon's economy and construction sector continued to feel the region's political tensions. Economic growth in West Africa was partly impacted by the effects of the Ebola outbreak and political instability.

Africa Middle East		Jan-March 2015	Jan-March 2014	±%	±% like-for-like
Sales of cement	million t	1.8	2.0	–8.0	–8.0
Sales of aggregates	million t	0.3	0.4	–38.4	–38.4
Sales of ready-mix concrete	million m^3	0.1	0.2	–30.5	–30.5
Net sales	million CHF	168	206	–18.4	–13.5
Operating EBITDA	million CHF	45	67	–32.6	–26.3
Operating profit	million CHF	32	54	–39.5	–32.6

At Holcim Morocco, the Group region's largest company, domestic cement sales declined but clinker exports could be increased. Aggregates and ready-mix concrete deliveries declined markedly in a market that continued to be characterized by high competitive pressure.

Lebanon's construction industry was impacted by exceptionally bad weather at the beginning of the year which lead to muted demand for building materials. Holcim Lebanon consequently reported a significant decline in cement and ready-mix concrete volumes.

Holcim's Group companies in the Indian Ocean region sold less cement as higher volumes in Madagascar where not able to compensate for decreases in La Réunion. Aggregates shipments decreased in the first quarter while ready-mix concrete sales were roughly on par year-on-year. Holcim's grinding stations along the West African coast and in the Middle East sold less cement, mainly as a result of declines in the Ivory Coast, which had benefited from a particularly good start into the previous year's quarter.

Consolidated cement volumes in the Group region Africa Middle East declined 8.0 percent to 1.8 million tonnes, mainly as a result of lower sales in Lebanon. Aggregates deliveries were down 38.4 percent to 0.3 million tonnes and sales of ready-mix concrete also decreased 30.5 percent to 0.1 million cubic meters. Net sales reached CHF 168 million, a decline of 18.4 percent, also impacted by negative currency effects.

Operating profit decreased 39.5 percent to CHF 32 million as Morocco and Lebanon reported lower financial performance. The change in like-for-like operating profit stood at -32.6 percent.

Outlook for 2015

Holcim expects for 2015 that the global economy continues its gradual recovery. Key construction markets of Holcim in countries like the USA, India, Indonesia, Mexico, Colombia, the UK, and the Philippines are expected to be the main growth drivers. Europe overall should have a flat development. Latin America will continue to face uncertainties in countries such as Argentina and Brazil but should overall show slight growth in 2015. The Asia Pacific region is expected to grow although at a still modest pace. Africa Middle East is expected gradually to improve.

In this environment cement volumes should increase in all Group regions in 2015 with the exception of Europe. Aggregate and ready-mix concrete volumes are expected to increase. On a stand-alone basis and unconnected to the proposed merger with Lafarge, the Board of Directors and Executive Committee of Holcim expect like-for-like operating profit adjusted for merger-related costs to be between CHF 2.7 billion and 2.9 billion in 2015. Higher pricing and ongoing cost savings are anticipated to offset cost inflation, leading to a further expansion in operating margins in 2015.

Wolfgang Reitzle
Chairman of the Board of Directors

Bernard Fontana
Chief Executive Officer

April 30, 2015

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of income of Group Holcim

January–March	Notes	2015	2014
Million CHF		Unaudited	Unaudited
Net sales	7	**3,972**	**4,088**
Production cost of goods sold		(2,319)	(2,387)
Gross profit		**1,653**	**1,701**
Distribution and selling expenses		(1,063)	(1,102)
Administration expenses		(329)	(304)
Operating profit	8	**261**	**295**
Other income	9	434	19
Share of profit of associates and joint ventures		8	26
Financial income	10	24	37
Financial expenses	11	(172)	(137)
Net income before taxes		**555**	**240**
Income taxes		(176)	(62)
Net income		**378**	**179**
Attributable to:			
Shareholders of Holcim Ltd		310	80
Non-controlling interest		68	99
Earnings per share in CHF			
Earnings per share		0.95	0.24
Fully diluted earnings per share		0.95	0.24

Consolidated statement of comprehensive earnings of Group Holcim

January–March	Notes	2015	2014
Million CHF		Unaudited	Unaudited
Net income		**378**	**179**
Other comprehensive earnings			
Items that will be reclassified to the statement of income in future periods			
Currency translation effects			
– Exchange differences on translation	19	(1,312)	24
– Realized through statement of income		(46)	0
– Tax effect		7	3
Available-for-sale financial assets			
– Change in fair value		0	0
– Realized through statement of income		0	0
– Tax effect		0	0
Cash flow hedges			
– Change in fair value		4	2
– Realized through statement of income		0	0
– Tax effect		1	0
Net investment hedges in subsidiaries			
– Change in fair value		2	0
– Realized through statement of income		0	0
– Tax effect		0	0
Subtotal		**(1,345)**	**29**
Items that will not be reclassified to the statement of income in future periods			
Defined benefit plans			
– Remeasurements		(80)	(36)
– Tax effect		7	8
Subtotal		**(73)**	**(28)**
Total other comprehensive earnings		**(1,418)**	**1**
Total comprehensive earnings		**(1,040)**	**180**
Attributable to:			
Shareholders of Holcim Ltd		(1,028)	44
Non-controlling interest		(12)	135

Consolidated statement of financial position of Group Holcim

Million CHF	Notes	31.3.2015	31.12.2014	31.3.2014
		Unaudited	Audited	Unaudited
Cash and cash equivalents		1,731	2,149	2,015
Accounts receivable		3,282	2,695	2,718
Inventories		1,944	1,863	1,743
Prepaid expenses and other current assets		411	317	410
Assets classified as held for sale	12	48	283	764
Total current assets		**7,416**	**7,307**	**7,649**
Long-term financial assets		516	491	538
Investments in associates and joint ventures		1,417	1,758	1,562
Property, plant and equipment		20,212	21,410	20,126
Intangible assets		7,324	7,779	7,487
Deferred tax assets		504	527	422
Other long-term assets		396	412	362
Total long-term assets		**30,369**	**32,378**	**30,497**
Total assets		**37,785**	**39,684**	**38,146**
Trade accounts payable		1,822	2,101	1,830
Current financial liabilities		2,143	2,502	2,886
Current income tax liabilities		533	419	425
Other current liabilities		1,599	1,634	1,543
Short-term provisions		170	234	186
Liabilities directly associated with assets classified as held for sale	12	5	33	236
Total current liabilities		**6,272**	**6,923**	**7,107**
Long-term financial liabilities		9,258	9,291	9,169
Defined benefit obligations		920	863	692
Deferred tax liabilities		1,282	1,415	1,264
Long-term provisions		995	1,080	1,077
Total long-term liabilities		**12,455**	**12,649**	**12,202**
Total liabilities		**18,727**	**19,572**	**19,309**
Share capital		654	654	654
Capital surplus		7,778	7,776	8,196
Treasury shares		(76)	(82)	(93)
Reserves		8,047	9,082	7,493
Total equity attributable to shareholders of Holcim Ltd		**16,403**	**17,430**	**16,250**
Non-controlling interest		2,655	2,682	2,587
Total shareholders' equity		**19,058**	**20,112**	**18,837**
Total liabilities and shareholders' equity		**37,785**	**39,684**	**38,146**

Consolidated statement of changes in equity of Group Holcim

Million CHF	Share capital	Capital surplus	Treasury shares	*Retained earnings*
Equity as at January 1, 2015	**654**	**7,776**	**(82)**	**18,439**
Net income				310
Other comprehensive earnings				(73)
Total comprehensive earnings				236
Payout				
Change in treasury shares			6	1
Share-based remuneration		2		
Capital paid-in by non-controlling interest				
Change in participation in existing Group companies				(7)
Equity as at March 31, 2015 (unaudited)	**654**	**7,778**	**(76)**	**18,668**
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**

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
(14)	**(5)**	**(9,339)**	**9,082**	**17,430**	**2,682**	**20,112**
			310	310	68	378
0	4	(1,268)	(1,337)	(1,337)	(81)	(1,418)
0	4	(1,268)	(1,028)	(1,028)	(12)	(1,040)
					(47)	(47)
			1	6		6
				2	0	2
			(7)	(7)	33	25
(14)	**0**	**(10,607)**	**8,047**	**16,403**	**2,655**	**19,058**
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)**	**7,493**	**16,250**	**2,587**	**18,837**

Consolidated statement of cash flows of Group Holcim

January–March	Notes	2015	2014
Million CHF		Unaudited	Unaudited
Net income before taxes		**555**	**240**
Other income	9	(434)	(19)
Share of profit of associates and joint ventures		(8)	(26)
Financial expenses net	10, 11	149	99
Operating profit		**261**	**295**
Depreciation, amortization and impairment of operating assets		331	322
Other non-cash items		31	70
Change in net working capital		(601)	(650)
Cash generated from operations		**23**	**37**
Dividends received		9	1
Interest received		16	32
Interest paid		(92)	(151)
Income taxes paid		(156)	(155)
Other expenses		(14)	(7)
Cash flow from operating activities (A)		**(214)**	**(243)**
Purchase of property, plant and equipment		(287)	(414)
Disposal of property, plant and equipment		16	41
Acquisition of participation in Group companies	3	(187)	(1)
Disposal of participation in Group companies	3	256	0
Purchase of financial assets, intangible and other assets		(183)	(27)
Disposal of financial assets, intangible and other assets		93	27
Cash flow used in investing activities (B)		**(291)**	**(373)**
Dividends paid to non-controlling interest		(31)	(1)
Movements of treasury shares		6	5
Proceeds from current financial liabilities		1,473	1,026
Repayment of current financial liabilities		(1,413)	(669)
Proceeds from long-term financial liabilities		797	926
Repayment of long-term financial liabilities		(650)	(959)
Cash flow from financing activities (C)		**183**	**328**
Decrease in cash and cash equivalents (A + B + C)		**(322)**	**(288)**
Cash and cash equivalents as at January 1 (net)		**1,942**	**1,993**
Decrease in cash and cash equivalents		(322)	(288)
Currency translation effects		(44)	18
Cash and cash equivalents as at March 31 (net)[1]		**1,576**	**1,723**

[1] Cash and cash equivalents at the end of the period include bank overdrafts of CHF 155 million (2014: 291), 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, 2014 (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 accounting policies

During the first quarter 2015, Group Holcim decided to change its accounting policy for recognizing net interest expense relating to retirement benefit plans. More relevant information is provided if total net interest costs are presented as part of financial expenses and not in the operating profit. This presentation better reflects the nature of net interest since it corresponds to the unwinding effect of the long-term defined benefit obligation. As the comparative amount for 2014 is immaterial, it has not been restated.

On April 9, 2015, the IFRIC published an agenda decision concerning the classification of joint arrangements under IFRS 11 *Joint Arrangements*. As a result of the clarifications regarding rights to the assets of a joint arrangement through other facts and circumstances, Group Holcim will be unable to continue to account for Cement Australia as a joint operation, since Holcim does not have an obligation to acquire substantially all of the economic benefits (i.e. output) from Cement Australia. As a result, Group Holcim will change its accounting policy for Cement Australia in the second quarter 2015 and reclassify its investment in Cement Australia as a joint venture and apply equity accounting from that quarter onwards. The comparatives (including the first quarter 2015) will be restated accordingly. Had Group Holcim changed its accounting policy in 2014, the first quarter 2015 net sales would have decreased by CHF 57 million (Q1 2014: 62 million), operating profit would have decreased by CHF 15 million (Q1 2014: 10 million) and total assets and total liabilities would have decreased by CHF 167 million (Q1 2014: 209 million). Equity and net income are not impacted by this change.

3 Changes in the scope of consolidation

On January 5, 2015, Group Holcim acquired control of a group of companies from Cemex which operate in Western Germany and the Netherlands. This transaction includes one cement plant, two grinding stations, twenty-two aggregates locations and seventy-nine ready-mix plants.

The identifiable assets and liabilities arising from the acquisition are as follows:

Million CHF	Fair value
Cash and cash equivalents	23
Other current assets	46
Property, plant and equipment	264
Other long-term assets	1
Current liabilities	52
Long-term liabilities	49
Net assets	**233**
Non-controlling interest	23
Net assets acquired	**210**
Total purchase consideration (cash)	**210**
Fair value of net assets acquired	210
Goodwill	**0**

The amounts disclosed above were determined provisionally. Further adjustments may be made to the fair values assigned to the identifiable assets acquired and liabilities assumed up to twelve months from the date of acquisition.

The amount of non-controlling interest recognized amounted to CHF 23 million and was measured at the proportionate share of the acquiree's identifiable net assets at the date of acquisition. The acquired companies contributed net sales and net loss of CHF 64 million and CHF 11 million respectively to the Group for the period from January 5, 2015 to March 31, 2015. If the acquisition had occurred on January 1, 2015, Group net sales and net income to March 31 would not have been materially different. Holcim recognized acquisition-related costs of CHF 6 million which has been reflected as administration expenses in the consolidated statement of income.

On January 5, 2015, Holcim disposed of Holcim (Česko) a.s. in Czech Republic, Gador cement plant and Yeles grinding station in Spain for CHF 243 million. This resulted in a gain on disposal before taxes of CHF 61 million which is included in "Other income" (note 9).

On March 30, 2015, Holcim 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 the sale of its entire remaining stake, Holcim recorded in the first quarter 2015 a gain before taxes of CHF 371 million, which is included in "Other income" (note 9), and a receivable of CHF 661 million, which was settled on April 2, 2015.

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.

4 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.

5 Information by reportable segment

	Asia Pacific		Latin America		Europe		North America		Africa Middle East		Corporate/ Eliminations		Total Group	
January–March (unaudited)	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Capacity and sales														
Million t														
Annual cement production capacity[1]	97.0	96.4	35.3	35.3	46.8	46.8	21.9	21.9	11.0	11.0			212.0	211.4
Sales of cement	17.1	18.5	5.9	6.0	4.7	5.2	2.1	2.0	1.8	2.0	(0.5)	(0.7)	31.2	33.0
– of which mature markets	0.6	0.6			3.0	3.4	2.1	2.0						
– of which emerging markets	16.5	17.9	5.9	6.0	1.7	1.9			1.8	2.0				
Sales of mineral components	0.1	0.1			0.5	0.4	0.2	0.2					0.8	0.7
Sales of aggregates	5.3	6.0	1.2	2.1	17.4	15.7	5.4	5.0	0.3	0.4			29.5	29.2
– of which mature markets	4.7	5.4			15.9	14.3	5.4	5.0						
– of which emerging markets	0.6	0.6	1.2	2.1	1.5	1.4			0.3	0.4				
Sales of asphalt					1.4	1.3	0.2	0.1					1.6	1.4
Million m^3														
Sales of ready-mix concrete	2.5	2.5	1.5	1.7	2.8	2.7	1.0	1.2	0.1	0.2			8.0	8.2
– of which mature markets	1.1	1.1			2.5	2.4	1.0	1.2						
– of which emerging markets	1.4	1.3	1.5	1.7	0.3	0.3			0.1	0.2				
Statement of income and statement of financial position														
Million CHF														
Net sales to external customers	1,656	1,670	707	701	991	1,085	496	444	122	189			3,972	4,088
Net sales to other segments	0	13	0	22	106	99			46	18	(152)	(153)		
Total net sales	1,656	1,683	707	723	1,097	1,184	496	444	168	206	(152)	(153)	3,972	4,088
– of which mature markets	349	407			959	999	496	444						
– of which emerging markets	1,307	1,276	707	723	138	185			168	206				
Operating EBITDA	357	327	231	211	79	99	(4)	(10)	45	67	(116)	(77)	593	617
Operating EBITDA margin in %	21.5	19.4	32.8	29.1	7.2	8.4	(0.8)	(2.2)	26.9	32.5			14.9	15.1
Operating profit (loss)	257	234	187	167	(27)	(9)	(71)	(71)	32	54	(118)	(80)	261	295
– of which mature markets	35	14			(19)	(6)	(71)	(71)						
– of which emerging markets	222	220	187	167	(8)	(3)			32	54				
Operating profit (loss) margin in %	15.5	13.9	26.5	23.1	(2.4)	(0.8)	(14.3)	(16.0)	19.3	26.0			6.6	7.2
EBITDA	321	300	199	179	71	77	(11)	(6)	41	62	416	62	1,037	673
Net operating assets[1]	7,343	7,408	3,440	3,456	7,279	7,964	6,101	6,282	765	852	(113)	(16)	24,816	25,946
Total assets[1]	11,480	11,889	5,030	5,436	11,775	12,713	7,183	7,568	1,129	1,240	1,188	838	37,785	39,684
Total liabilities[1]	4,747	4,994	3,413	3,597	6,124	6,283	3,953	4,109	554	634	(65)[2]	(45)[2]	18,727	19,572

[1] Prior-year figures as of December 31, 2014.
[2] The amount of CHF -65 million (2014: -45) consists of borrowings by Corporate from third parties amounting to CHF 9,715 million (2014: 9,997) and eliminations for cash transferred to regions of CHF 9,780 million (2014: 10,042).

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

January–March (unaudited) Million CHF	Notes	2015	2014
Operating profit		**261**	**295**
Depreciation, amortization and impairment of operating assets		331	322
Operating EBITDA		**593**	**617**
Other ordinary income	9	435	19
Share of profit of associates and joint ventures		8	26
Other financial income	10	2	11
EBITDA		**1,037**	**673**
Depreciation, amortization and impairment of operating assets		(331)	(322)
Depreciation, amortization and impairment of non-operating assets	9	(1)	(1)
Interest earned on cash and marketable securities	10	22	27
Financial expenses	11	(172)	(137)
Net income before taxes		**555**	**240**

6 Information by product line

	Cement[1]		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
January–March (unaudited) Million CHF	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Statement of income and statement of financial position										
Net sales to external customers	2,527	2,590	296	302	1,149	1,197			3,972	4,088
Net sales to other segments	188	198	181	181	148	137	(517)	(517)		
Total net sales	2,715	2,788	477	483	1,298	1,334	(517)	(517)	3,972	4,088
– of which Asia Pacific	1,326	1,308	105	136	317	340	(93)	(101)	1,656	1,683
– of which Latin America	611	609	10	16	139	161	(53)	(62)	707	723
– of which Europe	388	497	288	269	592	588	(171)	(170)	1,097	1,184
– of which North America	253	219	70	56	225	220	(52)	(51)	496	444
– of which Africa Middle East	159	191	4	6	12	17	(6)	(8)	168	206
– of which Corporate/Eliminations	(23)	(36)			13	9	(142)	(125)	(152)	(153)
Operating profit (loss)	331	383	(28)	(15)	(42)	(72)			261	295
– of which Asia Pacific	236	228	15	13	7	(7)			257	234
– of which Latin America	183	159	0	2	4	6			187	167
– of which Europe	(23)	9	1	4	(5)	(22)			(27)	(9)
– of which North America	(13)	(4)	(27)	(27)	(31)	(40)			(71)	(71)
– of which Africa Middle East	36	55	(1)	0	(3)	(1)			32	54
– of which Corporate/Eliminations	(88)	(65)	(16)	(7)	(14)	(8)			(118)	(80)
Operating profit (loss) margin in %	12.2	13.7	(5.8)	(3.1)	(3.2)	(5.4)			6.6	7.2
Net operating assets[2]	16,993	17,585	4,681	4,997	3,143	3,364			24,816	25,946

[1] Cement, clinker and other cementitious materials.
[2] Prior-year figures as of December 31, 2014.

7 Change in net sales

January–March Million CHF	2015	2014
Volume and price	(67)	338
Change in structure	40	(108)
Currency translation effects	(90)	(465)
Total	**(116)**	**(234)**

8 Change in operating profit

January–March Million CHF	2015	2014
Volume, price and cost	(38)	77
Change in structure	(14)	5
Currency translation effects	18	(57)
Total	**(34)**	**25**

9 Other income

January–March Million CHF	2015	2014
Other ordinary income	435	19
Depreciation, amortization and impairment of non-operating assets	(1)	(1)
Total	**434**	**19**

The position "Other ordinary income" includes a gain before taxes on the disposal of Holcim's entire remaining stake in Siam City Cement Public Company Limited of CHF 371 million. Additional information is disclosed in note 3.

The position "Other ordinary income" also includes a gain before taxes on the disposal of Holcim (Česko) a.s. and Holcim's Gador cement plant and Yeles grinding station in Spain to Cemex of CHF 61 million.

In 2014, the position "Other ordinary income" related primarily to gains on disposal of property, plant and equipment.

10 Financial income

January–March Million CHF	2015	2014
Interest earned on cash and marketable securities	22	27
Other financial income	2	11
Total	**24**	**37**

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

11 Financial expenses

January–March Million CHF	2015	2014
Interest expenses	(126)	(143)
Amortization on bonds and private placements	(1)	(2)
Unwinding of discount on provisions	(4)	(6)
Other financial expenses	(17)	(6)
Foreign exchange (loss) gain net	(42)	6
Financial expenses capitalized	19	14
Total	**(172)**	**(137)**

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

The position “Other financial expenses” includes net interest costs relating to retirement benefit plans (note 2).

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

12 Assets and related liabilities classified as held for sale

On January 5, 2015, Holcim and Cemex announced the successful closure of their series of transactions in Europe. Additional information is disclosed in note 3.

13 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
31.3.2015			
Financial assets			
Available-for-sale financial assets			
– Marketable securities	1		1
– Financial investments third parties	1	74	75
Derivatives held for hedging		44	44
Financial liabilities			
Derivatives held for hedging		68	68

Million CHF	Fair value level 1	Fair value level 2	Total
31.12.2014			
Financial assets			
Available-for-sale financial assets			
– Marketable securities	1		1
– Financial investments third parties	2	85	87
Derivatives held for hedging		50	50
Financial liabilities			
Derivatives held for hedging		3	3

14 Bonds

On March 19, 2015, Holcim Finance (Australia) Pty Ltd issued an AUD 250 million (CHF 187 million) bond with a coupon of 3.75 percent and a tenor of 5 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

On March 20, 2015, Holcim Capital México, S.A. de C.V. issued a MXN 1.7 billion (CHF 108 million) bond with a floating interest rate and a tenor of 5 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

15 Commitments and contingencies

The Group's commitments amounted to CHF 1,162 million (December 31, 2014: 1,351). The decrease is mainly related to currency translation effects and to the reduction of the financial commitment relating to United Cement Company of Nigeria Ltd ("Unicem"). There have been no significant changes for contingencies.

The Competition Commission of India issued an order dated June 20, 2012, imposing a penalty of CHF 359 million (INR 23,119 million) on ACC Limited and Ambuja Cements Ltd. concerning an alleged breach of competition law by certain cement manufacturers in India. The two Indian 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.

On May 28, 2014, the Administrative Council for Economic Defense (CADE) has ruled an order including fines against several Brazilian cement companies. This also applies to Holcim Brazil, which has been fined CHF 153 million (BRL 508 million). The order relates to the competition law proceedings started in 2006 which aimed at investigating the conduct of several of the leading cement producers in Brazil. In the context of the proceeding, Holcim Brazil has always supplied all information requested. The company reinforces that it acts lawfully and in accordance with fair competition rules and practices. Holcim Brazil will pursue all available legal steps to defend its position. Accordingly, no provision has been recognized in the statement of financial position.

There are no further single matters pending that the Group expects to be material in relation to the Group's business, financial position or results of operations.

16 Other information

On April 7, 2014, Holcim Ltd and Lafarge S.A. announced their intention to combine the two companies through a merger. The proposed combination would be structured as a public exchange offer filed by Holcim for all outstanding shares of Lafarge on the basis of a 1 for 1 exchange ratio. On March 20, 2015, Holcim Ltd and Lafarge S.A. reached an agreement to amend the terms of the merger and announced a new exchange ratio of nine Holcim shares for every ten Lafarge shares. The completion of the combination is subject to the fulfillment of certain conditions, including the election of new members to the board of directors, the approval of the capital increases by the extraordinary general meeting of Holcim, the approval of the combination by the relevant regulatory authorities and the tender of the Lafarge shares to the exchange offer of at least two-thirds (2/3) of the share capital or voting rights of Lafarge. The combination is expected to be completed in July 2015. In 2014, Holcim incurred merger costs of CHF 77 million. In the first quarter 2015 merger costs amounted to CHF 44 million.

As part of the proposed combination, Holcim and Lafarge announced on February 2, 2015, that they have entered into exclusive negotiations, further to a binding commitment made by CRH, regarding the sale of several assets.

17 Events after the reporting period

There were no significant events after the reporting period.

18 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 29, 2015.

19 Principal exchange rates

		Statement of income Average exchange rates in CHF January–March		Statement of financial position Closing exchange rates in CHF		
		2015	2014	31.3.2015	31.12.2014	31.3.2014
1 Euro	EUR	1.07	1.22	1.05	1.20	1.22
1 US Dollar	USD	0.95	0.89	0.97	0.99	0.89
1 British Pound	GBP	1.44	1.48	1.44	1.54	1.48
1 Australian Dollar	AUD	0.75	0.80	0.74	0.81	0.82
1 Canadian Dollar	CAD	0.77	0.81	0.76	0.85	0.80
1,000 Indonesian Rupiah	IDR	0.07	0.08	0.07	0.08	0.08
100 Indian Rupee	INR	1.53	1.45	1.55	1.56	1.48
100 Moroccan Dirham	MAD	9.93	10.90	9.78	10.95	10.86
100 Mexican Peso	MXN	6.37	6.75	6.36	6.72	6.78
100 Philippine Peso	PHP	2.15	1.99	2.17	2.21	1.98

On January 15, 2015, the Swiss National Bank announced to abandon its cap on the Swiss franc against the Euro. As of this date, the Euro devalued considerably against the Swiss franc. This led to significant changes in currency translation adjustments which are reflected in the consolidated statement of other comprehensive earnings.

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 23.8 billion at March 31, 2015.

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.

Disclaimer

Holcim Ltd publishes interim reports in English and German. The English version is legally binding.

Financial reporting calendar

Half-year results 2015	July 29, 2015

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