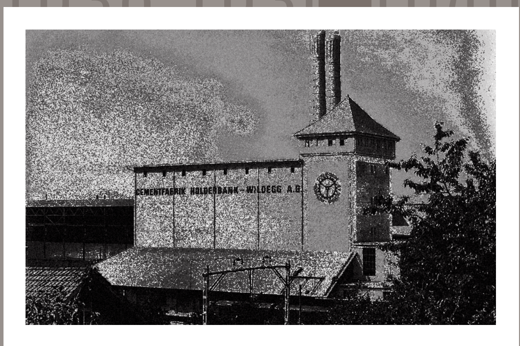
100 years of
Strength. Performance. Passion.

Half-Year Report 2012 Holcim Ltd



Holcim's original cement plant in Holderbank in the Swiss canton of Aargau.

The new Ste. Genevieve plant of Holcim US in Missouri.

Key figures Group Holcim

January–June		2012	2011	±%	±% like-for-like
Annual cement production capacity	million t	216.7	216.0[1]	+0.3	+0.3
Sales of cement	million t	74.0	70.9	+4.4	+3.8
Sales of mineral components	million t	2.1	2.2	–4.4	–4.4
Sales of aggregates	million t	75.6	81.3	–7.0	–8.2
Sales of ready-mix concrete	million m^3	22.8	23.1	–1.3	–2.7
Sales of asphalt	million t	3.6	4.3	–16.2	–15.9
Net sales	million CHF	10,357	10,143	+2.1	+5.8
Operating EBITDA	million CHF	1,933	1,897	+1.9	+6.3
Operating EBITDA margin	%	18.7	18.7		
Operating profit	million CHF	1,117	1,084	+3.0	+9.9
Operating profit margin	%	10.8	10.7		
EBITDA	million CHF	2,023	2,005	+0.9	
Net income	million CHF	624	586	+6.6	
Net income margin	%	6.0	5.8		
Net income – shareholders of Holcim Ltd	million CHF	389	357	+9.0	
Cash flow from operating activities	million CHF	211	72	+194.2	+244.1
Cash flow margin	%	2.0	0.7		
Net financial debt	million CHF	12,161	11,549[1]	+5.3	+3.7
Total shareholders' equity	million CHF	19,963	19,656[1]	+1.6	
Gearing[2]	%	60.9	58.8[1]		
Personnel		80,475	80,967[1]	–0.6	–1.5
Earnings per share[3]	CHF	1.21	1.12	+8.0	
Fully diluted earnings per share[3]	CHF	1.21	1.12	+8.0	

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)[4]

Net sales	million USD	11,157	11,270	–1.0
Operating EBITDA	million USD	2,082	2,108	–1.2
Operating profit	million USD	1,203	1,204	–0.2
Net income – shareholders of Holcim Ltd	million USD	419	397	+5.6
Cash flow from operating activities	million USD	227	80	+183.7
Net financial debt	million USD	12,742	12,273[1]	+3.8
Total shareholders' equity	million USD	20,917	20,889[1]	+0.1
Earnings per share[3]	USD	1.30	1.24	+4.8

Principal key figures in EUR (illustrative)[4]

Net sales	million EUR	8,591	7,987	+7.6
Operating EBITDA	million EUR	1,603	1,494	+7.3
Operating profit	million EUR	926	854	+8.5
Net income – shareholders of Holcim Ltd	million EUR	323	281	+14.8
Cash flow from operating activities	million EUR	175	57	+209.3
Net financial debt	million EUR	10,122	9,484[1]	+6.7
Total shareholders' equity	million EUR	16,616	16,142[1]	+2.9
Earnings per share[3]	EUR	1.00	0.88	+13.6

[1] As of December 31, 2011.

[2] Net financial debt divided by total shareholders' equity.

[3] EPS calculation based on net income attributable to shareholders of Holcim Ltd weighted by the average number of shares.

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

Rising cement volumes and better prices

Higher operating EBITDA and organic growth

Better margins in the second quarter

Net income attributable to shareholders of Holcim Ltd up on last year

Group will achieve organic growth in 2012 as well as benefit from the "Holcim Leadership Journey"

Dear Shareholder,

Holcim increased its consolidated sales of cement fueled by the emerging markets and North America in the first half of 2012. In particular, the Group companies in India, the Philippines, Thailand and Indonesia achieved significantly higher cement sales, as well as the US and Mexico. With the exception of Russia and Azerbaijan, which also sold more, this positive picture contrasts with the negative market development in Europe, caused by the debt crisis.

Higher sales volumes and prices as well as cost-cutting measures enabled Holcim to increase its operating EBITDA despite restructuring costs in some markets. All Group regions achieved organic growth apart from Europe and Africa Middle East. The Group also achieved better margins in the second quarter.

Group	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	74.0	70.9	+4.4	+3.8
Sales of aggregates in million t	75.6	81.3	–7.0	–8.2
Sales of ready-mix concrete in million m^3	22.8	23.1	–1.3	–2.7
Sales of asphalt in million t	3.6	4.3	–16.2	–15.9
Net sales in million CHF	10,357	10,143	+2.1	+5.8
Operating EBITDA in million CHF	1,933	1,897	+1.9	+6.3
Net income in million CHF	624	586	+6.6	
Net income – shareholders of Holcim Ltd – in million CHF	389	357	+9.0	
Cash flow from operating activities in million CHF	211	72	+194.2	+244.1

Group	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	38.8	37.7	+2.9	+2.1
Sales of aggregates in million t	43.9	47.0	–6.4	–7.0
Sales of ready-mix concrete in million m^3	12.5	12.7	–2.1	–2.7
Sales of asphalt in million t	2.3	2.7	–14.7	–14.5
Net sales in million CHF	5,597	5,486	+2.0	+4.7
Operating EBITDA in million CHF	1,187	1,144	+3.8	+6.9
Net income in million CHF	508	464	+9.6	
Net income – shareholders of Holcim Ltd – in million CHF	379	347	+9.2	
Cash flow from operating activities in million CHF	685	609	+12.4	+21.0

Sales development and financial results

Consolidated cement sales increased by 4.4 percent to 74 million tonnes. Deliveries of aggregates declined by 7 percent to 75.6 million tonnes, and ready-mix concrete volumes by 1.3 percent to 22.8 million cubic meters. Sales of asphalt decreased, mainly in Europe, by 16.2 percent to 3.6 million tonnes.

With an increase in cement deliveries of 3.1 million tonnes, Asia Pacific was the strongest Group region. North and Latin America as well as Africa Middle East also recorded gains. The top performer in the aggregates segment was North America, mainly due to Holcim Canada. In the ready-mix concrete business, Holcim achieved significant sales increases in North America. An important role was also played by the higher volumes of Holcim Singapore and Holcim Apasco in Mexico.

Consolidated net sales increased by 2.1 percent to CHF 10.4 billion. Operating EBITDA rose by 1.9 percent to CHF 1.9 billion, despite the poor state of the European market and restructuring costs in markets such as Spain, Great Britain, Brazil and Mexico of CHF 37 million. Third party transportation drove costs higher especially in India and the US. Holcim also improved its operating EBITDA margin in the second quarter. This positive development was due to a combination of rising sales volumes and partial price increases, albeit not yet on the desired scale. On a like-for-like basis – i.e. excluding changes in the scope of consolidation and exchange rates – the Group grew at the operating EBITDA level by 6.3 percent in the first half of the year, 6.9 percent in the second quarter. Net income improved by 6.6 percent to CHF 624 million and the share of net income attributable to shareholders of Holcim Ltd rose by 9 percent to CHF 389 million.

Cash flow from operating activities came to CHF 211 million, an increase of 194.2 percent on the same period last year. The reasons are the higher operating EBITDA and lower taxes paid. Net financial debt rose since year-end 2011 by 5.3 percent to CHF 12.2 billion. The gearing decreased to 60.9 percent (June 30, 2011: 64.8).

"Holcim Leadership Journey" on track

The Board of Directors and the Executive Committee initiated the "Holcim Leadership Journey" program with the aim of increasing the return on invested capital to at least 8 percent after tax between 2012 and the end of 2014. Appropriate measures are being introduced to further strengthen Customer Excellence and Cost Leadership and increase the operating profit by at least CHF 1.5 billion by the end of 2014, with a target of at least CHF 150 million for the 2012 financial year. The program was launched Group-wide in May.

Construction activity brisk in Asia Pacific

Economic conditions continued to be good in the Group region with the highest net sales. With a few exceptions, demand for cement increased. The Philippines, Indonesia and Singapore benefited from robust construction activity. Thailand enjoyed dynamic growth, supported by the reconstruction effort after last fall's extensive floods. In India, Holcim's biggest market, conditions in the construction sector remained solid. By contrast, development in Vietnam was below average due to cautious government investment activity. In Oceania, New Zealand saw a revival in the construction sector – driven in part by the reconstruction work underway in Christchurch following last year's earthquake. The Australian market slowed down slightly.

Asia Pacific	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	41.2	38.1	+8.0	+7.6
Sales of aggregates in million t	14.3	14.4	–0.9	–0.9
Sales of ready-mix concrete in million m^3	6.3	6.4	–2.3	–2.3
Net sales in million CHF	4,398	4,065	+8.2	+13.7
Operating EBITDA in million CHF	1,001	928	+7.8	+14.3

Asia Pacific	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	20.0	18.8	+6.3	+5.9
Sales of aggregates in million t	7.6	7.5	+1.2	+1.2
Sales of ready-mix concrete in million m^3	3.2	3.3	–2.5	–2.5
Net sales in million CHF	2,178	2,029	+7.4	+12.2
Operating EBITDA in million CHF	506	457	+10.8	+16.7

Both Indian Group companies sold substantially larger volumes of cement. ACC's strengthened market presence in the southwest of the country proved to be an important source of sales growth. Deliveries of ready-mix concrete were down in the half-year, but slightly increased during the second quarter. Some market regions suffered from shortages of trained construction workers, and in some cases, insufficient supplies of sand. Ambuja Cements increased cement sales mainly in the north and west of the subcontinent. Both Group companies realized significantly improved cement prices. The Indian competition authorities fined a number of cement manufacturers for alleged price fixing. However, ACC and Ambuja Cements emphatically reject this allegation and will contest it by all legal means.

Holcim Lanka and Holcim Bangladesh saw strong sales growth, with both countries enjoying large-scale investment in residential construction. Unusually heavy rains and the general strike in Bangladesh have since been compensated for. Work on the construction of a cement mill with an annual capacity of 0.7 million tonnes at the Meghnaghat grinding station near Dhaka progressed according to plan.

Siam City Cement in Thailand posted higher sales in all segments. Deliveries of aggregates and ready-mix concrete rose, particularly in the Bangkok industrial belt, as the government pushed for rapid implementation of the reconstruction program in the wake of the flood disaster. The brisk pace of construction and clean-up operations led to bottlenecks in trucking capacity and higher transport costs. With better prices, Holcim Vietnam supplied less cement and ready-mix concrete. By contrast, Holcim sold more cement in Malaysia with demand fueled by the robust state of economy. Holcim Singapore also operated very successfully in the first half-year; never before has this Group company sold such a high volume of ready-mix concrete.

The Philippines experienced an increase in public and private sector investment. In May, the Group company achieved record cement sales and the price situation also improved.

Holcim Indonesia benefited from a dynamic construction sector. The Group company achieved record sales of cement and ready-mix concrete in the month of June. The main market stimulus came from the construction of large housing estates. To meet demand, expensive clinker had to be imported, but these costs were partially compensated by price increases. Construction of the new cement plant in Tuban on the island of Java progressed according to plan. It will have an annual capacity of 1.6 million tonnes.

Cement Australia reported decreased sales of cement and Holcim Australia somewhat weak sales of aggregates and ready-mix concrete. Both Group companies were affected by adverse weather conditions in the early part of the year and – apart from the mining sector – by a weak construction market. However, recent price increases have largely held.

The New Zealand Group company increased sales of cement and ready-mix concrete mainly due to the reconstruction effort in Christchurch. However, cement prices were negatively impacted by greater pressure from imports. Deliveries of aggregates rose again from May onward.

In Asia Pacific, consolidated cement sales climbed by 8 percent to 41.2 million tonnes. Aggregates declined by 0.9 percent to 14.3 million tonnes; however, sales in this segment were back in positive territory in the second quarter. Shipments of ready-mix concrete decreased by 2.3 percent to 6.3 million cubic meters.

Group region Asia Pacific reported an increase in operating EBITDA of 7.8 percent to CHF 1 billion on rising net sales, with particularly strong results in May and June. Several Group companies reported significant improvements in their results. These included Holcim Philippines, the two Australian Group companies and Holcim Indonesia. In India, both Ambuja Cements and ACC also exceeded the previous year's results despite the weak local currency. Holcim Vietnam and Holcim Malaysia recorded a decline in results.

Overall, in addition to the generally positive volume development, price adjustments and various savings in fixed and variable costs contributed to the stronger result. Asia Pacific posted 14.3 percent internal operating EBITDA growth.

Latin America on course for growth

With a few exceptions, the positive trend in the Latin American markets continued. It was driven by brisk public sector investment in infrastructure expansion and private sector housebuilding as well as commercial and industrial construction projects. Construction activity in Argentina remained subdued due to the absence of major projects. While Mexico witnessed an increase in demand for cement, the additional volumes anticipated in the run-up to the presidential elections failed to materialize.

Latin America	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	12.1	11.7	+3.3	+3.3
Sales of aggregates in million t	7.0	7.0	+0.3	+0.3
Sales of ready-mix concrete in million m^3	5.3	5.3	–0.1	–0.1
Net sales in million CHF	1,707	1,644	+3.9	+8.9
Operating EBITDA in million CHF	462	438	+5.3	+8.6

Latin America	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	6.2	6.1	+1.4	+1.4
Sales of aggregates in million t	3.5	3.6	–5.1	–5.1
Sales of ready-mix concrete in million m^3	2.6	2.8	–5.2	–5.2
Net sales in million CHF	854	840	+1.6	+6.0
Operating EBITDA in million CHF	238	221	+7.4	+9.0

The Mexican Group company Holcim Apasco increased domestic sales of cement and exported small quantities of clinker. Deliveries of aggregates and ready-mix concrete increased, despite the fact that supply to the major El Zapotillo dam project is coming to an end.

Holcim El Salvador increased its sales volumes in all three segments. This respectable sales growth was fueled mainly by infrastructure projects and housing construction. Holcim Costa Rica, together with its Nicaraguan sister company, supplied significantly more cement and aggregates.

In an attractive economic environment, Holcim Colombia stepped up cement deliveries. At the same time, selling prices were gradually adjusted to inflation. Sales of aggregates and ready-mix concrete decreased. Ecuador achieved solid sales volumes: stable high levels of sales of cement and aggregates, coupled with a significant increase in volumes of ready-mix concrete.

Holcim Brazil felt the impact of the economic slowdown, but nevertheless succeeded in maintaining cement sales at the previous year's level. The price adjustments realized in the market were not sufficient to offset the cost increases, in particular for raw material. However, the Group company increased its sales of aggregates. A refocusing of ready-mix concrete activities led to a reduction in sales but will considerably improve margins. In Chile, Cemento Polpaico's cement shipments were up slightly on the previous year. Ready-mix concrete volumes declined slightly due to delays in the start of a mining project. The picture was similar for deliveries of aggregates. After several years of growth, Argentina saw a slowdown in economic activity. The Group company's sales declined in all segments. Due to necessary price adjustments, Holcim Argentina posted a year-on-year increase in its operating results in May and June, but reported a decline for the first half of 2012 as a whole.

Cement sales in Group region Latin America rose by 3.3 percent to 12.1 million tonnes. Deliveries of aggregates increased by 0.3 percent to 7 million tonnes, and volumes of ready-mix concrete decreased by 0.1 percent to 5.3 million cubic meters.

Despite restructuring costs of CHF 10 million in the ready-mix concrete business of Brazil and Mexico, operating EBITDA for Group region Latin America increased by 5.3 percent to CHF 462 million; the operating margin improved. The good results, particularly in Colombia, Ecuador, Chile and El Salvador, reflect the efforts made by the Group companies to increase efficiency and – where possible – adjust selling prices in line with rises in costs. Internal operating EBITDA growth came to 8.6 percent.

Europe's construction sector impacted by the debt and euro crisis

The European construction and building materials sectors suffered under the European crisis. The financial woes of countries such as Greece, Spain and Italy continue to weigh down the euro and the economic performance of numerous countries. Most governments have been pursuing tight spending policies and many companies have found themselves forced to postpone important construction investments. It has only been possible to make up for a small proportion of the sales lost as a result of February's extreme weather conditions. Russia and Azerbaijan were the only positive exceptions in this Group region: these markets continued to grow and the construction sector benefited from strong demand.

Europe	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	12.3	12.8	–4.1	–6.3
Sales of aggregates in million t	35.2	41.3	–14.8	–15.4
Sales of ready-mix concrete in million m^3	7.1	8.0	–11.4	–11.4
Sales of asphalt in million t	2.2	2.8	–19.7	–19.7
Net sales in million CHF	2,783	3,086	–9.8	–6.5
Operating EBITDA in million CHF	282	378	–25.4	–23.3

Europe	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	7.8	7.7	+2.1	–0.5
Sales of aggregates in million t	20.1	23.0	–12.5	–13.4
Sales of ready-mix concrete in million m^3	4.1	4.4	–6.9	–7.6
Sales of asphalt in million t	1.1	1.3	–18.8	–18.8
Net sales in million CHF	1,622	1,722	–5.8	–3.6
Operating EBITDA in million CHF	261	303	–13.9	–11.6

Great Britain's weaker economy proved a negative factor for Aggregate Industries UK and sales of aggregates declined correspondingly; a development compounded by declining exports. Sales of ready-mix concrete, concrete products and asphalt also decreased amid tremendous pressure on margins.

The Belgian economy stagnated and the Netherlands is in recession. As a result, Holcim Belgium suffered falling sales in all segments. Modest price adjustments were possible in isolated instances, but the changed product mix and the decline in volumes adversely impacted the Group company's performance. In France, consumer spending was stagnant and companies invested only on a modest scale. At the same time, the public sector was reticent in placing orders. The Group company therefore also saw sales volumes here decline across all segments amid mounting competitive pressure.

In Spain, the recession persisted and demand for building materials further decreased. The local Group company nevertheless sold slightly more cement. Under the "Holcim Leadership Journey" program launched Groupwide, Holcim Spain announced further restructuring measures in the cement, aggregates, ready-mix concrete and mortar segments in response to the worsening market conditions. Negotiations with the authorities and unions on plant closures have been completed.

Holcim Germany felt the impact of the moderate downturn in the domestic construction market due to the harsh winter in February. However, sales of cement were stable and in aggregates and ready-mix concrete volumes increased amid persistent strong competition. Holcim Southern Germany experienced a fall-off in volumes of cement and aggregates. However, the ready-mix concrete business expanded. Both Group companies implemented some price adjustments. Holcim Switzerland sold smaller quantities in all segments and price pressure increased due to rising competition from imported cement.

The downturn of the Italian construction sector continued. Holcim Italy reported volume decreases in all segments. A positive signal was in evidence on the price front with the Group company able to make first adjustments.

There was no significant change in the market situation in Eastern and Southeastern Europe. New construction projects were scarce. Both the public sector and major private investors held back. In many places, demand was only supported by smaller residential construction projects. With the exception of Holcim Slovakia, which benefited from the integration of the VSH Group with plants in the east of the country, all Group companies experienced declining volumes of cement sales. Holcim Hungary and Holcim Romania did, however, come close to matching their previous year's levels. In the aggregates segment, the Group companies in the Czech Republic, Slovakia, Romania and Serbia reported higher sales volumes. Driven by Holcim Romania and Holcim Croatia, sales of ready-mix concrete in Eastern Europe just about held steady. In some markets Holcim was able to introduce price increases.

Russia continued to invest in infrastructure. The main focus was on the construction and expansion of the road and rail networks and airports. Residential construction projects played an important part, as did commercial and industrial construction projects, particularly in the Moscow region. Holcim sold more cement at better prices. In Azerbaijan, the Group company increased cement sales, benefiting from brisk construction activity and the new capacity at the Garadagh plant. Due to the new kiln line, thermal energy costs decreased.

Cement shipments in Group region Europe declined by 4.1 percent to 12.3 million tonnes. Deliveries of aggregates decreased by 14.8 percent to 35.2 million tonnes, while sales of ready-mix concrete were down by 11.4 percent to 7.1 million cubic meters. Asphalt sales declined by 19.7 percent to 2.2 million tonnes. The setback resulting from the cold month of February was slightly reduced in all segments in the second quarter.

Operating EBITDA for Group region Europe came to CHF 282 million – a decrease of 25.4 percent. In addition to the declines in volume and increased competition, restructuring costs of CHF 26 million, primarily in Spain and Great Britain, also had a negative impact on the results. The Group companies in Russia and Azerbaijan posted better operating results, with price adjustments also playing an important part in these markets. The Group companies in Italy and Slovakia also improved their results – in the latter case because of restructuring measures. In Group region Europe, sales of CO_2 emission certificates totaled CHF 15 million (first half of 2011: 1). Internal operating EBITDA development came to –23.3 percent.

North America needs more construction materials again

The North American economy did not undergo any fundamental change during the first half of 2012. Sentiment in the construction sector did at least become slightly more optimistic, and the sector benefited from good weather conditions in the first quarter. However, there are still major regional differences within the US, with the northern markets significantly more active than those in the south of the country. Canada mainly saw an increase in the construction of single-family homes and apartment blocks.

North America	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	5.4	5.0	+8.6	+8.6
Sales of aggregates in million t	18.0	17.5	+2.8	–1.3
Sales of ready-mix concrete in million m^3	3.6	2.9	+26.0	+14.9
Sales of asphalt in million t	1.4	1.5	–9.2	–9.2
Net sales in million CHF	1,343	1,189	+12.9	+8.5
Operating EBITDA in million CHF	137	92	+49.1	+48.0

North America	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	3.3	3.2	+3.1	+3.1
Sales of aggregates in million t	12.2	12.1	+0.1	–0.4
Sales of ready-mix concrete in million m^3	2.2	2.0	+13.1	+10.9
Sales of asphalt in million t	1.2	1.3	–10.3	–10.3
Net sales in million CHF	865	793	+9.0	+4.4
Operating EBITDA in million CHF	153	119	+28.9	+27.5

Holcim US lifted cement sales significantly. The Group company reported an improvement in demand primarily in Texas and Oklahoma, as well as in the Mid-West and the Mountain region. The higher prices valid from April onward were accepted by the market. Holcim US benefited from lower energy costs, which had a favorable impact on the operating result.

Aggregate Industries US sold slightly more aggregates. Here too, the stronger demand was felt in the northern states. The Group company posted a significant increase in sales of ready-mix concrete. Volume growth in both business segments was supported by the full consolidation of Lattimore and the purchase of Ennstone. The asphalt business gained momentum thanks to seasonal factors, but the volumes were lower than last year.

Holcim Canada reported a significant improvement, selling larger volumes in all segments, especially ready-mix concrete. The stronger demand in the housebuilding sector had a positive impact on business, but there was little if any scope for introducing higher prices in Ontario and Quebec – the company's two main markets.

Cement deliveries in Group region North America grew by 8.6 percent to 5.4 million tonnes. Sales of aggregates increased 2.8 percent to 18 million tonnes. Volumes of ready-mix concrete were up by 26 percent to 3.6 million cubic meters. Asphalt sales decreased by 9.2 percent to 1.4 million tonnes.

Operating EBITDA for Group region North America improved by 49.1 percent to CHF 137 million. The results of Holcim US and Holcim Canada increased significantly, and Aggregate Industries US also achieved a better result. The improvement in margins was due to a combination of higher volumes, intense cost awareness, and rising prices in the US. Group region North America reported strong internal EBITDA growth of 48 percent.

Higher sales volumes in Group region Africa Middle East

After a gratifying start to the year, demand for building materials in Morocco started to show signs of saturation and declined in the second quarter. Lebanon, another important market in this Group region, faced heightened uncertainty because of the situation in Syria. The markets of West Africa showed a positive trend – and construction activity gained momentum. In the Indian Ocean region, construction activity remained weak. In Mauritius, construction operations were hampered by heavy rains.

Africa Middle East	January–June 2012	January–June 2011	±%	±% like-for-like
Sales of cement in million t	4.5	4.4	+2.7	+2.7
Sales of aggregates in million t	1.1	1.1	+2.1	+2.1
Sales of ready-mix concrete in million m^3	0.6	0.6	+1.9	+1.9
Net sales in million CHF	498	483	+3.3	+5.7
Operating EBITDA in million CHF	160	168	–4.9	–2.5

Africa Middle East	April–June 2012	April–June 2011	±%	±% like-for-like
Sales of cement in million t	2.3	2.4	–4.7	–4.7
Sales of aggregates in million t	0.6	0.7	–9.1	–9.1
Sales of ready-mix concrete in million m^3	0.3	0.3	+3.2	+3.2
Net sales in million CHF	259	264	–2.0	–1.6
Operating EBITDA in million CHF	82	96	–14.3	–13.7

Holcim Morocco reported increased sales volumes in all segments. In Lebanon, political events mainly affected demand for building materials in the north of the country. Holcim Lebanon sold less cement than the previous year, but nearly the same quantity of ready-mix concrete.

The grinding stations managed by Holcim Trading in West Africa increased sales of cement in an improved market environment. Competition among suppliers was tougher, however.

The Group companies based in the Indian Ocean region reported a decrease in deliveries of building materials in all segments. In Madagascar, the planned price rises could not be implemented due to increased pressure from cement importers. Sales of aggregates in La Réunion remained virtually stable.

Driven by Morocco and the companies in West Africa, cement sales in Group region Africa Middle East increased by 2.7 percent to 4.5 million tonnes. Aggregates deliveries also rose by 2.1 percent to 1.1 million tonnes. Sales of ready-mix concrete increased by 1.9 percent to 0.6 million cubic meters.

In Group region Africa Middle East, operating EBITDA decreased by 4.9 percent to CHF 160 million. This was mainly due to a weaker operating result from Holcim Lebanon because of volume and cost-related factors. By contrast, Holcim Morocco made progress due to higher sales volumes. Lower variable costs partially compensated for lower prices. The result in the Indian Ocean region was impacted by declining volumes; prices increased, however. The Group companies in West Africa held up well in financial terms. The Group region posted internal operating EBITDA development of –2.5 percent.

Outlook 2012

Holcim expects demand for building materials to rise in emerging markets in Asia and Latin America, as well as in Russia and Azerbaijan, in 2012. While demand in North America should beat the previous outlook, we now expect a decline in Europe.

In any case, Holcim will accord cost management the closest attention, and pass on inflation-induced cost increases. Holcim's approach to new investments will be cautious.

Holcim expects the Group to achieve organic growth in 2012 on the level of operating EBITDA, and additionally to reap the first positive effects of the "Holcim Leadership Journey" this year.

Rolf Soiron	Bernard Fontana
Chairman of the Board of Directors	Chief Executive Officer

August 15, 2012

Consolidated statement of income of Group Holcim

Million CHF	Notes	January–June 2012 Unaudited	January–June 2011 Unaudited	April–June 2012 Unaudited	April–June 2011 Unaudited
Net sales	6	**10,357**	**10,143**	**5,597**	**5,486**
Production cost of goods sold		(5,867)	(5,792)	(3,073)	(3,051)
Gross profit		**4,491**	**4,351**	**2,524**	**2,436**
Distribution and selling expenses		(2,666)	(2,583)	(1,401)	(1,366)
Administration expenses		(707)	(683)	(354)	(332)
Operating profit		**1,117**	**1,084**	**768**	**737**
Other income	8	13	0	13	1
Share of profit of associates		46	80	34	77
Financial income	9	89	76	43	44
Financial expenses	10	(378)	(409)	(174)	(214)
Net income before taxes		**887**	**831**	**684**	**645**
Income taxes		(263)	(246)	(176)	(181)
Net income		**624**	**586**	**508**	**464**
Attributable to:					
Shareholders of Holcim Ltd		389	357	379	347
Non-controlling interest		235	229	129	117
Earnings per share in CHF					
Earnings per share[1]		1.21	1.12	1.17	1.09
Fully diluted earnings per share[1]		1.21	1.12	1.17	1.09

Million CHF					
Operating EBITDA	4, 7	1,933	1,897	1,187	1,144
EBITDA	4	2,023	2,005	1,246	1,241

[1] EPS calculation based on net income attributable to shareholders of Holcim Ltd weighted by the average number of shares.

Consolidated statement of comprehensive earnings of Group Holcim

Million CHF	January–June 2012 Unaudited	January–June 2011 Unaudited	April–June 2012 Unaudited	April–June 2011 Unaudited
Net income	**624**	**586**	**508**	**464**
Other comprehensive earnings				
Currency translation effects				
– Exchange differences on translation	(149)	(1,992)	177	(1,979)
– Realized through statement of income				
– Tax effect	20	(2)	14	1
Available-for-sale financial assets				
– Change in fair value	0	(4)	0	(3)
– Realized through statement of income				
– Tax effect				
Cash flow hedges				
– Change in fair value	(4)	(3)	2	(2)
– Realized through statement of income				
– Tax effect				1
Net investment hedges in subsidiaries				
– Change in fair value	0	(2)	(2)	(1)
– Realized through statement of income				
– Tax effect				
Total other comprehensive earnings	**(134)**	**(2,003)**	**190**	**(1,983)**
Total comprehensive earnings	**490**	**(1,417)**	**698**	**(1,519)**
Attributable to:				
Shareholders of Holcim Ltd	320	(1,344)	606	(1,378)
Non-controlling interest	170	(73)	92	(141)

Consolidated statement of financial position of Group Holcim

Million CHF	Notes	30.6.2012 Unaudited	31.12.2011 Audited	30.6.2011 Unaudited
Cash and cash equivalents		2,997	2,946	3,205
Marketable securities		1	4	23
Accounts receivable		3,278	2,719	3,131
Inventories		2,291	2,086	2,160
Prepaid expenses and other current assets		429	382	441
Assets classified as held for sale		2	16	18
Total current assets		**8,997**	**8,154**	**8,979**
Long-term financial assets		524	561	766
Investments in associates		1,412	1,425	1,203
Property, plant and equipment		22,666	22,933	21,582
Intangible assets		8,406	8,453	8,372
Deferred tax assets		394	490	418
Other long-term assets		557	539	557
Total long-term assets		**33,959**	**34,400**	**32,898**
Total assets		**42,956**	**42,554**	**41,876**
Trade accounts payable		2,079	2,547	1,998
Current financial liabilities		4,615	2,820	3,598
Current income tax liabilities		407	418	447
Other current liabilities		1,802	1,667	1,629
Short-term provisions		248	242	197
Total current liabilities		**9,151**	**7,695**	**7,869**
Long-term financial liabilities	11	10,543	11,675	11,812
Defined benefit obligations		288	285	290
Deferred tax liabilities		1,840	2,061	1,988
Long-term provisions		1,171	1,181	1,078
Total long-term liabilities		**13,842**	**15,202**	**15,169**
Total liabilities		**22,994**	**22,897**	**23,038**
Share capital		654	654	654
Capital surplus		8,566	8,894	8,890
Treasury shares	12	(137)	(486)	(489)
Reserves		8,015	7,768	7,029
Total equity attributable to shareholders of Holcim Ltd		**17,098**	**16,830**	**16,084**
Non-controlling interest		2,865	2,827	2,754
Total shareholders' equity		**19,963**	**19,656**	**18,838**
Total liabilities and shareholders' equity		**42,956**	**42,554**	**41,876**

Consolidated statement of changes in equity of Group Holcim

Million CHF	Share capital	Capital surplus	Treasury shares	*Retained earnings*
Equity as at January 1, 2012	**654**	**8,894**	**(486)**	**15,785**
Net income				389
Other comprehensive earnings				
Total comprehensive earnings				389
Payout		(325)		
Change in treasury shares			339	(47)
Share-based remuneration		(3)	10	
Capital paid-in by non-controlling interest				
Acquisition of participation in Group companies				
Change in participation in existing Group companies				(27)
Equity as at June 30, 2012 (unaudited)	**654**	**8,566**	**(137)**	**16,100**
Equity as at January 1, 2011	**654**	**9,371**	**(476)**	**15,688**
Net income				357
Other comprehensive earnings				
Total comprehensive earnings				357
Payout		(480)		
Change in treasury shares			(23)	1
Share-based remuneration		(1)	10	1
Capital paid-in by non-controlling interest				
Acquisition of participation in Group companies				
Change in participation in existing Group companies				(181)
Equity as at June 30, 2011 (unaudited)	**654**	**8,890**	**(489)**	**15,866**

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
193	**4**	**(8,214)**	**7,768**	**16,830**	**2,827**	**19,656**
			389	389	235	624
0	(4)	(65)	(69)	(69)	(65)	(134)
0	(4)	(65)	320	320	170	490
				(325)	(138)	(463)
			(47)	292		292
		1	1	8		8
					8	8
			(27)	(27)	(2)	(29)
193	**0**	**(8,278)**	**8,015**	**17,098**	**2,865**	**19,963**
249	**7**	**(7,392)**	**8,552**	**18,101**	**3,020**	**21,121**
			357	357	229	586
(4)	(3)	(1,694)	(1,701)	(1,701)	(302)	(2,003)
(4)	(3)	(1,694)	(1,344)	(1,344)	(73)	(1,417)
				(480)	(123)	(603)
			1	(22)		(22)
			1	10	1	11
					4	4
					25	25
			(181)	(181)	(100)	(281)
245	**4**	**(9,086)**	**7,029**	**16,084**	**2,754**	**18,838**

Consolidated statement of cash flows of Group Holcim

Million CHF	Notes	January–June 2012 Unaudited	January–June 2011 Unaudited	April–June 2012 Unaudited	April–June 2011 Unaudited
Net income before taxes		**887**	**831**	**684**	**645**
Other income	8	(13)	0	(13)	(1)
Share of profit of associates		(46)	(80)	(34)	(77)
Financial expenses net	9, 10	289	333	131	171
Operating profit		**1,117**	**1,084**	**768**	**737**
Depreciation, amortization and impairment of operating assets		816	813	419	406
Other non-cash items		161	118	91	68
Change in net working capital		(1,309)	(1,302)	(322)	(338)
Cash generated from operations		**785**	**714**	**957**	**874**
Dividends received		58	123	49	93
Interest received		80	60	40	31
Interest paid		(349)	(379)	(168)	(193)
Income taxes paid		(357)	(427)	(197)	(189)
Other (expenses) income		(7)	(20)	3	(7)
Cash flow from operating activities (A)		**211**	**72**	**685**	**609**
Purchase of property, plant and equipment		(568)	(651)	(344)	(344)
Disposal of property, plant and equipment		53	31	29	15
Acquisition of participation in Group companies		(1)	(23)	0	(11)
Disposal of participation in Group companies		8	3	(3)	0
Purchase of financial assets, intangible and other assets		(78)	(74)	(31)	(18)
Disposal of financial assets, intangible and other assets		65	62	13	46
Cash flow from investing activities (B)		**(519)**	**(652)**	**(336)**	**(312)**
Dividends paid on ordinary shares	14	(325)	(480)	(325)	(480)
Dividends paid to non-controlling interest		(137)	(119)	(97)	(107)
Capital paid-in by non-controlling interest		8	4	7	3
Movements of treasury shares		292	(22)	(1)	(3)
Proceeds from current financial liabilities		4,559	3,038	2,390	1,499
Repayment of current financial liabilities		(3,963)	(2,317)	(2,003)	(1,233)
Proceeds from long-term financial liabilities		2,431	2,165	1,540	1,339
Repayment of long-term financial liabilities		(2,499)	(1,546)	(1,656)	(858)
Increase in participation in existing Group companies		(56)	(317)	(56)	(277)
Decrease in participation in existing Group companies		0	27	0	27
Cash flow from financing activities (C)		**309**	**433**	**(201)**	**(90)**
In(De)crease in cash and cash equivalents (A+B+C)		**1**	**(147)**	**147**	**207**
Cash and cash equivalents as at January 1 (net)		**2,497**	**3,069**	**2,321**	**2,712**
In(De)crease in cash and cash equivalents		1	(147)	147	207
Currency translation effects		(41)	(221)	(12)	(219)
Cash and cash equivalents as at June 30 (net)[1]		**2,457**	**2,701**	**2,457**	**2,701**

[1] Cash and cash equivalents at the end of the period include bank overdrafts of CHF 540 million (2011: 505), disclosed in current financial liabilities.

1 Basis of preparation

The unaudited consolidated half-year 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, 2011 (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 half year of 2012 and 2011, there were no business combinations that were either individually material or that were considered material on an aggregated basis.

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

	Asia Pacific		Latin America		Europe		North America		Africa Middle East		Corporate/ Eliminations		Total Group	
January–June (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Capacity and sales														
Million t														
Annual cement production capacity[1]	97.8	97.8	35.5	35.5	50.4	49.8	21.9	21.9	11.1	11.1			216.7	216.0
Sales of cement	41.2	38.1	12.1	11.7	12.3	12.8	5.4	5.0	4.5	4.4	(1.4)	(1.1)	74.0	70.9
– of which mature markets	2.2	2.2			7.4	8.3	5.4	5.0			(0.6)	(0.5)	14.3	14.9
– of which emerging markets	39.0	35.9	12.1	11.7	4.9	4.6			4.5	4.4	(0.8)	(0.6)	59.7	56.0
Sales of mineral components	0.5	0.6			1.0	1.1	0.6	0.6					2.1	2.2
Sales of aggregates	14.3	14.4	7.0	7.0	35.2	41.3	18.0	17.5	1.1	1.1			75.6	81.3
– of which mature markets	12.4	12.6			31.0	36.7	18.0	17.5					61.4	66.8
– of which emerging markets	1.9	1.8	7.0	7.0	4.2	4.6			1.1	1.1			14.2	14.5
Sales of asphalt					2.2	2.8	1.4	1.5					3.6	4.3
Million m^3														
Sales of ready-mix concrete	6.3	6.4	5.3	5.3	7.1	8.0	3.6	2.9	0.6	0.6			22.8	23.1
– of which mature markets	2.6	2.7			6.3	7.2	3.6	2.9					12.5	12.8
– of which emerging markets	3.6	3.7	5.3	5.3	0.8	0.8			0.6	0.6			10.3	10.3
Statement of income and statement of financial position														
Million CHF														
Net sales to external customers	4,264	3,868	1,662	1,607	2,590	2,996	1,343	1,189	498	483			10,357	10,143
Net sales to other segments	134	197	45	37	193	90					(372)	(324)		
Total net sales	4,398	4,065	1,707	1,644	2,783	3,086	1,343	1,189	498	483	(372)	(324)	10,357	10,143
– of which mature markets	1,229	1,155			2,268	2,600	1,343	1,189			(169)	(154)	4,671	4,791
– of which emerging markets	3,169	2,910	1,707	1,644	515	486			498	483	(204)	(170)	5,686	5,352
Operating EBITDA	1,001	928	462	438	282	378	137	92	160	168	(109)	(108)	1,933	1,897
– of which mature markets	207	182			165	276	137	92			(51)	(52)	458	499
– of which emerging markets	794	746	462	438	117	102			160	168	(58)	(55)	1,474	1,399
Operating EBITDA margin in %	22.7	22.8	27.0	26.7	10.1	12.3	10.2	7.7	32.1	34.9			18.7	18.7
Operating profit	728	678	358	337	26	107	(16)	(63)	136	144	(115)	(118)	1,117	1,084
Operating profit margin in %	16.6	16.7	20.9	20.5	0.9	3.5	(1.2)	(5.3)	27.2	29.8			10.8	10.7
EBITDA	992	931	380	361	282	369	129	76	152	158	87	110	2,023	2,005
Net operating assets[1]	8,877	8,885	3,829	3,817	8,744	8,512	7,032	6,736	689	660	105	179	29,278	28,790
Total assets[1]	13,586	13,692	5,069	4,989	13,767	14,807	8,035	8,114	1,419	1,401	1,080	(450)	42,956	42,554
Total liabilities[1]	3,764	4,019	2,891	2,783	6,522	7,092	5,673	5,610	727	696	3,416	2,697	22,994	22,897

[1] Prior-year figures as of December 31, 2011.

	Asia Pacific		Latin America		Europe		North America		Africa Middle East		Corporate/ Eliminations		Total Group	
April–June (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Capacity and sales														
Million t														
Sales of cement	20.0	18.8	6.2	6.1	7.8	7.7	3.3	3.2	2.3	2.4	(0.8)	(0.5)	38.8	37.7
– of which mature markets	1.2	1.2			4.5	4.6	3.3	3.2			(0.4)	(0.2)	8.5	8.7
– of which emerging markets	18.8	17.6	6.2	6.1	3.3	3.1			2.3	2.4	(0.4)	(0.2)	30.3	29.0
Sales of mineral components	0.2	0.3			0.7	0.4	0.4	0.4					1.3	1.1
Sales of aggregates	7.6	7.5	3.5	3.6	20.1	23.0	12.2	12.1	0.6	0.7			43.9	47.0
– of which mature markets	6.7	6.6			17.2	19.9	12.2	12.1					36.1	38.6
– of which emerging markets	1.0	1.0	3.5	3.6	2.9	3.1			0.6	0.7			7.9	8.3
Sales of asphalt					1.1	1.3	1.2	1.3					2.3	2.7
Million m^3														
Sales of ready-mix concrete	3.2	3.3	2.6	2.8	4.1	4.4	2.2	2.0	0.3	0.3			12.5	12.7
– of which mature markets	1.4	1.4			3.5	3.9	2.2	2.0					7.1	7.2
– of which emerging markets	1.9	1.9	2.6	2.8	0.5	0.5			0.3	0.3			5.3	5.5
Statement of income														
Million CHF														
Net sales to external customers	2,156	1,942	820	822	1,498	1,665	865	793	259	264			5,597	5,486
Net sales to other segments	22	87	34	18	124	57					(180)	(162)		
Total net sales	2,178	2,029	854	840	1,622	1,722	865	793	259	264	(180)	(162)	5,597	5,486
– of which mature markets	645	617			1,271	1,399	865	793			(89)	(82)	2,692	2,727
– of which emerging markets	1,533	1,412	854	840	351	323			259	264	(92)	(81)	2,905	2,759
Operating EBITDA	506	457	238	221	261	303	153	119	82	96	(53)	(52)	1,187	1,144
– of which mature markets	121	100			144	204	153	119			(27)	(27)	391	396
– of which emerging markets	385	357	238	221	117	99			82	96	(26)	(25)	796	748
Operating EBITDA margin in %	23.2	22.5	27.8	26.4	16.1	17.6	17.7	15.0	31.7	36.3			21.2	20.9
Operating profit	362	335	186	173	131	166	74	37	70	84	(56)	(57)	768	737
Operating profit margin in %	16.6	16.5	21.8	20.5	8.1	9.6	8.6	4.7	26.9	31.6			13.7	13.4
EBITDA	498	456	196	183	273	305	150	112	79	90	51	96	1,246	1,241

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

Million CHF (unaudited)	Notes	January–June 2012	January–June 2011	April–June 2012	April–June 2011
Operating profit		**1,117**	**1,084**	**768**	**737**
Depreciation, amortization and impairment of operating assets		816	813	419	406
Operating EBITDA		**1,933**	**1,897**	**1,187**	**1,144**
Dividends earned	8	1	1	1	1
Other ordinary income	8	17	1	14	2
Share of profit of associates		46	80	34	77
Other financial income	9	25	25	9	17
EBITDA		**2,023**	**2,005**	**1,246**	**1,241**
Depreciation, amortization and impairment of operating assets		(816)	(813)	(419)	(406)
Depreciation, amortization and impairment of non-operating assets	8	(6)	(2)	(3)	(1)
Interest earned on cash and marketable securities	9	64	51	34	26
Financial expenses	10	(378)	(409)	(174)	(214)
Net income before taxes		**887**	**831**	**684**	**645**

5 Information by product line

Million CHF	Cement[1]		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
January–June (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Statement of income and statement of financial position										
Net sales to external customers	6,363	6,045	762	780	3,232	3,318			10,357	10,143
Net sales to other segments	628	655	427	442	368	329	(1,424)	(1,425)		
Total net sales	6,992	6,700	1,190	1,222	3,599	3,646	(1,424)	(1,425)	10,357	10,143
Operating EBITDA	1,723	1,637	176	222	34	38			1,933	1,897
Operating EBITDA margin in %	24.6	24.4	14.8	18.2	0.9	1.1			18.7	18.7
Net operating assets[2]	19,079	19,060	5,809	5,672	4,390	4,058			29,278	28,790

[1] Cement, clinker and other cementitious materials.
[2] Prior-year figures as of December 31, 2011.

Million CHF	Cement[1]		Aggregates		Other construction materials and services		Corporate/ Eliminations		Total Group	
April–June (unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Statement of income										
Net sales to external customers	3,356	3,197	439	447	1,802	1,842			5,597	5,486
Net sales to other segments	343	352	238	239	176	169	(757)	(760)		
Total net sales	3,700	3,549	677	686	1,977	2,011	(757)	(760)	5,597	5,486
Operating EBITDA	984	922	144	164	59	59			1,187	1,144
Operating EBITDA margin in %	26.6	26.0	21.3	23.9	3.0	2.9			21.2	20.9

[1] Cement, clinker and other cementitious materials.

6 Change in net sales

Million CHF	January–June 2012	January–June 2011	April–June 2012	April–June 2011
Volume and price	588	503	259	182
Change in structure	11	88	(8)	59
Currency translation effects	(385)	(1,351)	(140)	(916)
Total	**215**	**(759)**	**111**	**(675)**

7 Change in operating EBITDA

Million CHF	January–June 2012	January–June 2011	April–June 2012	April–June 2011
Volume, price and cost	120	(169)	79	(87)
Change in structure	0	0	3	0
Currency translation effects	(85)	(276)	(38)	(203)
Total	**35**	**(445)**	**43**	**(290)**

8 Other income

Million CHF	January–June 2012	January–June 2011	April–June 2012	April–June 2011
Dividends earned	1	1	1	1
Other ordinary income	17	1	14	2
Depreciation, amortization and impairment of non-operating assets	(6)	(2)	(3)	(1)
Total	**13**	**0**	**13**	**1**

9 Financial income

Million CHF	January–June 2012	January–June 2011	April–June 2012	April–June 2011
Interest earned on cash and marketable securities	64	51	34	26
Other financial income	25	25	9	17
Total	**89**	**76**	**43**	**44**

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

10 Financial expenses

Million CHF	January–June 2012	January–June 2011	April–June 2012	April–June 2011
Interest expenses	(328)	(333)	(164)	(164)
Amortization on bonds and private placements	(6)	(5)	(3)	(3)
Unwinding of discount on provisions	(17)	(10)	(5)	(3)
Other financial expenses	(44)	(52)	(17)	(29)
Foreign exchange (loss) gain net	(4)	(20)	5	(22)
Financial expenses capitalized	21	11	10	6
Total	**(378)**	**(409)**	**(174)**	**(214)**

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 Bonds

On March 27, 2012, Holcim Finance (Australia) Pty Ltd issued an AUD 250 million bond with a coupon of 7 percent and a tenor of 3 years, guaranteed by Holcim Ltd. The proceeds were used to refinance existing debt and for general corporate purposes.

On March 30, 2012, Holcim Capital México, S.A. de C.V. issued a MXN 1.5 billion bond with a floating interest rate and a tenor of 3 years, guaranteed by Holcim Ltd. The proceeds were used to repay short-term bank debt of Holcim Apasco S.A. de C.V.

On May 14, 2012, Holcim US Finance S.à r.l. & Cie S.C.S. and Holcim Capital Corporation Ltd. launched a U.S. commercial paper program. Notes in the amount of USD 496 million were outstanding as per June 30, 2012. The proceeds were used to repay bank debt. Commercial papers issued under the program are guaranteed by Holcim Ltd. Long-term committed, unutilized credit lines are available to backstop the commercial papers issued.

On June 15, 2012, Holcim Capital México, S.A. de C.V. issued a MXN 0.8 billion bond with a floating interest rate and a tenor of 4 years as well as a MXN 1.7 billion bond with a coupon of 7 percent and a tenor of 7 years. Both bonds are guaranteed by Holcim Ltd. The proceeds were used to repay bank debt of Holcim Apasco S.A. de C.V.

On June 22, 2012, Holcim Ltd issued a CHF 450 million bond with a coupon of 3 percent and a tenor of 10 years and 5 months. The proceeds were used to refinance the CHF 290 million bond which matured on June 22, 2012 and for general corporate purposes.

12 Treasury Shares

On March 27, 2012, Holcim Ltd sold 5 million treasury shares at a price of CHF 59.25 per share. The proceeds of CHF 296 million were used for general corporate purposes.

13 Contingencies and commitments

Contingencies

At June 30, 2012, the Group's contingencies amounted to CHF 837 million (2011: 406).

The Competition Commission of India issued an Order dated June 20, 2012, imposing a penalty of CHF 390 million on two Indian Holcim Group companies concerning an alleged breach of competition law by certain cement manufacturers in India. The two Indian Holcim Group companies contest the allegation and are taking the necessary steps to lodge an appeal against the Order before the appropriate authority. Based on the advice of external legal counsel, Holcim believes that it has good grounds for appeal.

Guarantees

At June 30, 2012, guarantees issued to third parties and associates in the ordinary course of business amounted to CHF 443 million (2011: 721).

Commitments

At June 30, 2012, the Group's commitments amounted to CHF 1,183 million (2011: 1,210), of which CHF 639 million (2011: 558) relate to the purchase of property, plant and equipment.

14 Payout

In conformity with the decision taken at the annual general meeting on April 17, 2012, a payout related to 2011 of CHF 1.00 per registered share has been paid out of capital contribution reserves. This resulted in a total payment of CHF 325 million.

15 Events after the reporting period

On July 18, 2012, Holcim Finance (Australia) Pty Ltd issued an AUD 250 million bond with a coupon of 6 percent and a tenor of 5 years, guaranteed by Holcim Ltd. The proceeds were used to refinance the AUD 500 million bond which matured on August 7, 2012 and for general corporate purposes.

16 Principal exchange rates

	Statement of income Average exchange rates in CHF January–June		Statement of financial position Closing exchange rates in CHF		
	2012	2011	30.6.2012	31.12.2011	30.6.2011
1 EUR	1.21	1.27	1.20	1.22	1.21
1 USD	0.93	0.90	0.95	0.94	0.83
1 GBP	1.46	1.46	1.49	1.45	1.34
1 AUD	0.96	0.94	0.97	0.96	0.89
100 BRL	49.81	55.51	45.96	50.46	52.94
1 CAD	0.92	0.93	0.93	0.92	0.86
1,000 IDR	0.10	0.10	0.10	0.10	0.10
100 INR	1.78	2.01	1.69	1.77	1.86
100 MAD	10.84	11.24	10.87	10.95	10.62
100 MXN	6.99	7.59	7.06	6.71	7.07

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 17.1 billion at June 30, 2012.

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

Press and analyst conference for the third quarter 2012	November 7, 2012
Press and analyst conference on annual results for 2012	February 27, 2013
General meeting of shareholders	April 17, 2013
Results for the first quarter 2013	May 8, 2013
Half-year results for 2013	August 15, 2013
Press and analyst conference for the third quarter 2013	November 6, 2013

Holcim Ltd
Zürcherstrasse 156
CH-8645 Jona/Switzerland
Phone +41 58 858 86 00
Fax +41 58 858 86 09
info@holcim.com
www.holcim.com

Corporate Communications
Roland Walker
Phone +41 58 858 87 10
Fax +41 58 858 87 19
communications@holcim.com

Investor Relations
Bernhard A. Fuchs
Phone +41 58 858 87 87
Fax +41 58 858 80 09
investor.relations@holcim.com

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Holcim from 1912 to 2012

Countless companies are founded every year, yet not many survive for long. That makes it worthy of note when a company celebrates its 100th anniversary, as Holcim is doing in 2012. Founded in 1912, in the village of Holderbank in the Swiss canton of Aargau, it has grown steadily, first as "Holderbank" and then later as Holcim, to become one of the world's leading construction materials companies. It now has a significant presence on every continent.

Holcim is a worldwide leading producer of cement and aggregates. Further activities include the provision of ready-mix concrete and asphalt as well as other services. The Group is active in around 70 countries and employs more than 80,000 people.