Corporate Communications

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Volume increases in all segments and net sales remained quite stable

- Robust economic development in the emerging markets
- The European construction industry benefited from the mild winter
- Higher sales volumes in all segments
- Inflation-induced cost pressure on raw materials and energy, as well as the strong Swiss franc, dampened results
- On a like-for-like basis and excluding sales of CO_2 emissions certificates, operating EBITDA remained almost stable
- Significantly higher net income

Group	Jan–March 2011	Jan–March 2010	±%	±% like-for-like
Sales of cement in million t	33.2	31.0	+7.2	+7.2
Sales of aggregates in million t	34.3	29.5	+16.3	+12.8
Sales of ready-mix concrete in million m3	10.4	9.5	+9.8	+7.9
Sales of asphalt in million t	1.7	1.6	+3.5	+3.5
Net sales in million CHF	4,657	4,741	-1.8	+6.8
Operating EBITDA in million CHF	753	909	-17.1	-9.1
Net income in million CHF	122	66[1]	+85.1	+103.9
Net income (loss) – shareholders of Holcim Ltd – in million CHF	10	(68)[1]	+114.2	+114.8
Cash flow from operating activities in million CHF	(538)	(257)	-109.5	-129.5

[1] Including a non-recurring cash-neutral tax charge of CHF 182 million in connection with the restructuring of the Group's interests in North America.

In the emerging markets of Asia and Latin America, the economic climate and demand for building materials continued to grow. However, in many mature markets, infrastructure projects ready for execution were postponed. In Europe, a mild winter provided some compensation.

(Details on Group regions after the outlook)

Holcim experienced higher sales volumes in all segments, and in several markets prices could be adjusted. However, this was not enough to fully absorb the above-average cost increases for raw materials and energy sources, such as coal and petcoke, as well as for distribution.

Operating EBITDA improved in Group region North America. It also increased in Europe, when excluding the delayed sales of CO_2 emissions certificates, which amounted to CHF 65 million in the first quarter of 2010. On a like-for-like basis, operating EBITDA also rose in Asia Pacific.

Sales development and financial results
Consolidated cement deliveries rose by 7.2 percent to 33.2 million tonnes in the first quarter of 2011. In absolute terms, the largest volume increases were achieved in Asia Pacific followed by Europe and Latin America. Sales of aggregates were up by 16.3 percent to 34.3 million tonnes due to improved demand in all Group regions with the exception of Africa Middle East. All Group regions contributed to the increase in deliveries of ready-mix concrete by 9.8 percent to 10.4 million cubic meters. Sales of asphalt increased by 3.5 percent to 1.7 million tonnes.

Consolidated net sales remained, with CHF 4.7 billion or a minus of 1.8 percent, quite stable; operating EBITDA decreased by 17.1 percent to CHF 753 million for the reasons mentioned above. Internal operating EBITDA development of the Group was negative at -9.1 percent. Due to seasonal factors, cash flow from operating activities came to CHF -538 million.

Net income increased by 85.1 percent to CHF 122 million, and the share of net income attributable to shareholders of Holcim Ltd rose by 114.2 percent to CHF 10 million. However, the previous year's first quarter had a non-recurring cash-neutral tax charge of CHF 182 million in connection with the restructuring of the Group's interests in North America and no CO_2 emissions certificates have been sold yet in 2011. In the previous year, this amounted to CHF 65 million.

Outlook
We are still of the opinion that the construction sector in the mature markets will recover and that the growth in the emerging markets will continue.

The Board of Directors and the Executive Committee are confident that the Group will be successful in securing its share of future growth in the emerging markets, and that its lean cost structures will enable it to benefit above average from continuing economic recovery in Europe and North America.

Detailed information on Group regions:

Better demand for building materials in Europe
The mild winter in large parts of Europe was favorable to construction activity in the first quarter of 2011. Therefore, demand for building materials picked up in virtually all markets. The recovery mostly came from the private sector; public sector construction continued to suffer from budget restrictions.

Europe	January–March 2011	January–March 2010	±%	Like-for-like +/-%
Sales of cement in million t	5.2	4.3	+19.9	+19.9
Sales of aggregates in million t	18.3	15.7	+16.7	+13.0
Sales of ready-mix concrete in million m^3	3.6	3.1	+15.7	+14.6
Sales of asphalt in million t	1.5	1.4	+3.9	+3.9
Net sales in million CHF	1,364	1,334	+2.3	+12.5
Operating EBITDA in million CHF	75	137	-45.4	-41.5

Aggregate Industries UK increased its deliveries of ready-mix concrete, with brisk demand in the Greater London area particularly supporting sales. Due to government stimulus measures, sales volumes of aggregates and asphalt were nearly maintained.

Holcim France Benelux increased sales volumes across its entire product range. Demand for building materials was particularly positive in Eastern France, where the Group company benefited from the acquisition of additional gravel quarries and ready-mix concrete plants in Alsace.

In Germany, the economic recovery was an impetus for both private and public sector construction projects. Holcim Germany and Holcim Southern Germany delivered higher volumes in all product segments.

Due to brisk construction activity, Holcim Switzerland increased its deliveries in all segments, with ready-mix concrete enjoying particularly strong demand. In a competitive environment, Holcim Italy was able to maintain its cement sales. The work for the 2015 World Expo in Milan provided an especially positive note. However, the Group company sold less aggregates and ready-mix concrete. In Spain, residential and infrastructure construction remained virtually idle.

In Eastern Europe, the difficult economic environment persisted. Despite investment in infrastructure, construction activity remained weak overall. Nevertheless, due to the low figures in the previous year and the mild weather conditions, the Group companies, with the exception of Hungary, increased delivery volumes. The strongest increases in cement sales were achieved in Bulgaria, Romania and the Czech Republic.

The Russian economy continued to recover due to government stimulus measures. Driven by infrastructure and municipal housing activity, Alpha Cement sold more cement. The construction work on the new kiln line at the Shurovo plant meant that clinker had to be brought in from the sister plant in Volsk. In Azerbaijan too, Garadagh Cement sold more cement.

Consolidated cement sales in Group region Europe increased by 19.9 percent to 5.2 million tonnes. Deliveries of aggregates rose by 16.7 percent to 18.3 million tonnes, and ready-mix concrete sales increased by 15.7 percent to 3.6 million cubic meters. Sales of asphalt grew by 3.9 percent to 1.5 million tonnes.

Excluding the sales of CO_2 emissions certificates (1st quarter 2010: CHF 65 million), operating EBITDA increased slightly. Without this exclusion, it decreased by 45.4 percent to CHF 75 million. Significantly better operating results were achieved by Holcim Germany and Holcim Switzerland, as well as Holcim Bulgaria and Alpha Cement in Russia. In particular, the previous year's results were not matched in Italy, Spain and Romania. Internal operating EBITDA development came to -41.5 percent.

Further recovery in the US

The US saw an increase in construction activity and cement consumption. However, there were considerable fluctuations between the individual market regions, but consumption increased in the majority of states. Various stimulus programs set the tone, particularly in the road building sector. In Canada, the markets remained stable overall.

North America	January–March 2011	January–March 2010	±%	Like-for-like +/-%
Sales of cement in million t	1.8	1.7	+3.5	+3.5
Sales of aggregates in million t	5.4	4.4	+22.3	+12.1
Sales of ready-mix concrete in million m^3	0.9	0.9	+7.4	-9.5
Sales of asphalt in million t	0.2	0.2	0.0	0.0
Net sales in million CHF	396	454	-12.6	-7.0
Operating EBITDA in million CHF	(27)	(29)	+6.2	-7.4

Holcim US sold more cement despite sometimes poor weather conditions for construction. As there is no sign of a sustainable and substantial upturn in demand for cement in sight, the Catskill plant near New York will be mothballed from June 13, 2011.

At Aggregate Industries US, shipments of aggregates benefited from major government investment in road building, exceeding expectations particularly in the Mid-Atlantic region. Sales of ready-mix concrete and asphalt also increased. The previous minority stake in the company Lattimore Materials was increased to 100 percent in March of the current year. The Group is thus also present in Texas with aggregates and ready-mix concrete.

Holcim Canada was off to a somewhat slower start in 2011. In the previous year, low interest rates and federal stimulus programs supported demand. Ontario in particular experienced a softening residential market, which put pressure on cement and ready-mix concrete volumes. This was partially offset by a more stable market demand in Quebec and slightly higher sales of aggregates in both regions.

Cement shipments in Group region North America increased by 3.5 percent to 1.8 million tonnes. The volume of aggregates delivered increased by 22.3 percent to 5.4 million tonnes, ready-mix concrete volumes rose by 7.4 percent to 0.9 million cubic meters and sales of asphalt remained stable with 0.2 million tonnes.

Operating EBITDA for Group region North America improved despite the mothballing costs for the Catskill plant by 6.2 percent to CHF -27 million (1st quarter 2010: -29). The stronger results of Holcim US and Aggregate Industries US more than compensated for the weaker start in Canada in the current year. Holcim US benefited from lower production costs at the new Ste. Genevieve plant, among other factors. Aggregate Industries US profited from successful cost management and good volume development in the Mid-Atlantic region. Internal operating EBITDA development came to -7.4 percent.

Rising sales volumes in Latin America

Overall, the construction markets in Group region Latin America developed positively. Mexico and Central America saw signs of a positive demand development for the first time since the economic crisis. Brazil continued to benefit from a solid domestic economy. In Ecuador, Argentina and Chile, demand for building materials was supported by infrastructure projects.

Latin America	January–March 2011	January–March 2010	±%	Like-for-like +/-%
Sales of cement in million t	5.6	5.5	+2.3	+2.3
Sales of aggregates in million t	3.3	2.8	+17.7	+17.7
Sales of ready-mix concrete in million m^3	2.5	2.4	+5.6	+5.6
Net sales in million CHF	804	822	-2.2	+6.1
Operating EBITDA in million CHF	217	248	-12.5	-4.4

In Mexico, Holcim Apasco sold more cement and particularly more aggregates. In the run-up to the 2012 elections, some stimuli came from the public sector. In contrast, private house building continued to suffer from a lack of remittances sent home by expatriates; the commercial construction sector, too, failed to gain real momentum. The new cement plant in Hermosillo, which was officially opened in March in the presence of the Mexican President, enabled the company to strengthen its market presence in the northwest of the country and reduce its logistics costs.

For the first time since 2008, Holcim El Salvador succeeded in increasing its cement deliveries again, a sign of a possible turnaround. Deliveries of aggregates and ready-mix concrete also increased. Following the completion of the Pirris dam, Holcim Costa Rica and Holcim Nicaragua combined sold less cement and aggregates, but slightly more ready-mix concrete.

In Colombia, economic conditions remained good. This benefited both residential and commercial construction activity as well as the infrastructure sector. Despite heavy rainfall in January, Holcim Colombia sold greater volumes in all segments. Due to road building and infrastructure projects, Holcim Ecuador also increased its sales of cement and ready-mix concrete.

In Brazil, the construction sector remained a strong pillar of the economy. Private and public investment activity and construction projects in the run-up to the 2014 Soccer World Cup have strengthened demand. Holcim Brazil profited from this in the cement segment. However, postponement of public sector projects marginally impacted shipments of ready-mix concrete and aggregates. In Argentina, cement sales at Minetti missed the previous year's level. However, deliveries of aggregates increased. Cemento Polpaico in Chile was able to increase sales volumes across its entire product range.

Consolidated cement deliveries in Group region Latin America rose by 2.3 percent to 5.6 million tonnes. Shipments of aggregates increased by 17.7 percent to 3.3 million tonnes, while deliveries of ready-mix concrete rose 5.6 percent to 2.5 million cubic meters.

Due to higher production costs and particularly more expensive thermal energy, operating EBITDA of Group region Latin America decreased by 12.5 percent to CHF 217 million. The Group companies in Mexico and El Salvador succeeded in improving results. At Holcim Colombia, freight costs temporarily increased, and Holcim Brazil's operating result was adversely affected by heavy rains in March. Internal operating EBITDA development came to -4.4 percent.

Weaker markets in Africa and the Middle East

Demand for construction materials did not fundamentally change in this heterogeneous Group region. Infrastructure and private construction projects supported demand in Morocco. In Lebanon, growth momentum declined slightly.

Africa Middle East	January–March 2011	January–March 2010	±%	Like-for-like +/-%
Sales of cement in million t	1.9	2.1	-10.0	-10.0
Sales of aggregates in million t	0.4	0.5	-7.7	-7.7
Sales of ready-mix concrete in million m^3	0.3	0.2	+20.3	+20.3
Net sales in million CHF	218	272	-19.7	-7.9
Operating EBITDA in million CHF	73	91	-20.7	-9.3

In Morocco, new competitors entered the market and the fiercer competition impacted cement deliveries. Sales of aggregates also decreased as orders for supplies for a major motorway project were delayed. By contrast, sales of ready-mix concrete increased substantially.

In Lebanon, the construction sector was adversely affected by bad weather and the less stable political situation. In a market which is currently largely saturated, Holcim Lebanon sold slightly less cement. However, the company sold more ready-mix concrete.

In the Indian Ocean region, the construction sector experienced a slow start in the new year. Nevertheless, Holcim was able to increase cement deliveries. There was also an increase in deliveries of aggregates and particularly ready-mix concrete. Due to political troubles, the grinding plant in Ivory Coast sold less cement.

Consolidated cement sales in Group region Africa Middle East decreased by 10 percent to 1.9 million tonnes. Deliveries of aggregates also fell by 7.7 percent to 0.4 million tonnes, while sales of ready-mix concrete rose by 20.3 percent to 0.3 million cubic meters.

The operating EBITDA of Group region Africa Middle East declined by 20.7 percent to CHF 73 million. This mainly reflects the declining operating results in Lebanon, Morocco and the Ivory Coast. Internal operating EBITDA development was negative at -9.3 percent.

Dynamic market development in Asia Pacific
The Asian markets continued to grow. India saw a renewed increase in demand for construction materials, particularly for infrastructure and house building. Shipments of building materials experienced setbacks following the floods in Australia and the earthquake in New Zealand.

Asia Pacific	January–March 2011	January–March 2010	±%	Like-for-like +/-%
Sales of cement in million t	19.3	18.2	+6.3	+6.3
Sales of aggregates in million t	6.9	6.1	+12.0	+12.0
Sales of ready-mix concrete in million m^3	3.1	2.9	+7.0	+7.0
Net sales in million CHF	2,036	2,004	+1.6	+9.7
Operating EBITDA in million CHF	472	507	-7.1	+0.9

The two Indian Group companies ACC and Ambuja Cements increased their sales of cement despite some overcapacity in certain regions. Sales of ready-mix concrete were also higher.

Holcim Lanka and Holcim Bangladesh increased their cement deliveries at double-digit rates. In March, Holcim Bangladesh secured participation in a major infrastructure project through a joint venture. Siam City Cement in Thailand sold more construction materials thanks to stronger demand. A significant increase in sales of aggregates and ready-mix concrete was achieved, particularly in Bangkok. Holcim Malaysia and Holcim Vietnam also sold more cement and ready-mix concrete. The Hon Chong plant in Vietnam began construction work on an energy-saving heat recovery system.

In the Philippines, the delay in infrastructure projects led to a decline in the Group company's cement sales. Supported by a booming real estate sector and important infrastructure projects, Holcim Indonesia posted excellent sales growth in all segments.

Cement Australia's cement shipments were impacted by January's floods. Volumes fell particularly on the east coast. Holcim Australia nonetheless increased sales of aggregates and held deliveries of ready-mix concrete at the previous year's level. Holcim New Zealand fell short of the previous year’s period in all segments.

Cement deliveries in Group region Asia Pacific increased by 6.3 percent year-on-year to 19.3 million tonnes. Sales of aggregates rose by 12 percent to 6.9 million tonnes. Shipments of ready-mix concrete increased by 7 percent to 3.1 million cubic meters.

In local currencies, operating EBITDA of Group region Asia Pacific improved. In Swiss francs, it decreased by 7.1 percent to CHF 472 million. The price increases were not sufficient to compensate for the rise in cost of raw materials, energy and distribution. In the Philippines, the operating result was adversely affected by lower prices and the decline in demand. Despite the floods in the east of Australia, Cement Australia significantly exceeded its previous year’s result. Holcim Australia only just fell short of its operating result for the first quarter of 2010. Holcim New Zealand failed to match its 2010 result. By contrast, Holcim Indonesia, Holcim Malaysia and Holcim Singapore turned in encouraging performances. Siam City Cement in Thailand also posted a substantial increase. Internal operating EBITDA growth reached 0.9 percent.

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Holcim is one of the world's leading suppliers of cement and aggregates (crushed stone, gravel and sand) as well as further activities such as ready-mix concrete and asphalt including services. The Group holds majority and minority interests in around 70 countries on all continents.

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This media release is also available in German.

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Additional information such as the First Quarter Interim Report is available at www.holcim.com/results

Key figures Group Holcim January-March		2011	2010	+/-%	+/-% like-for-like
Annual cement production capacity	million t	211.7	211.5 [1]	+0.1	+0.1
Sales of cement	million t	33.2	31.0	+7.2	+7.2
Sales of mineral components	million t	1.2	0.6	+107.0	+107.0
Sales of aggregates	million t	34.3	29.5	+16.3	+12.8
Sales of ready-mix concrete	million m3	10.4	9.5	+9.8	+7.9
Sales of asphalt	million t	1.7	1.6	+3.5	+3.5
Net sales	million CHF	4,657	4,741	-1.8	+6.8
Operating EBITDA	million CHF	753	909	-17.1	-9.1
Operating EBITDA margin	%	16.2	19.2		
EBITDA	million CHF	765	972	-21.3	
Operating profit	million CHF	347	460	-24.7	-17.2
Operating profit margin	%	7.4	9.7		
Net income	million CHF	122	66	+85.1	+103.9
Net income margin	%	2.6	1.4		
Net income (loss) – shareholders of Holcim Ltd	million CHF	10	(68)	+114.2	+114.8
Cash flow from operating activities	million CHF	(538)	(257)	-109.5	-129.5
Cash flow margin	%	(11.5)	(5,4)		
Net financial debt	million CHF	12,379	11,363 [1]	+8.9	+8.1
Total shareholders' equity	million CHF	21,133	21,121 [1]	+0.1	
Gearing [2]	%	58.6	53.8 [1]		
Personnel		80,911	80,310 [1]	+0.7	-0.4
Earnings per share [3]	CHF	0.03	(0.21)	+114.3	
Fully diluted earnings per share [3]	CHF	0.03	(0.21)	+114.3	
Principal key figures in USD (illustrative) [4]					
Net sales	million USD	4,954	4,473	+10.8	
Operating EBITDA	million USD	801	858	-6.6	
Operating profit	million USD	369	434	-15.0	
Net income (loss) – shareholders of Holcim Ltd	million USD	11	(64)	+117,2	
Cash flow from operating activities	million USD	(572)	(242)	-136.4	
Net financial debt	million USD	13,455	12,088 [1]	+11.3	
Total shareholders' equity	million USD	22,971	22,469 [1]	+2.2	
Earnings per share [3]	USD	0.03	(0.20)	+115.0	
Principal key figures in EUR (illustrative) [4]					
Net sales	million EUR	3,638	3 ,247	+12.0	
Operating EBITDA	million EUR	588	623	-5.6	
Operating profit	million EUR	271	315	-14.0	
Net income (loss) – shareholders of Holcim Ltd	million EUR	8	(47)	+117.0	
Cash flow from operating activities	million EUR	(420)	(176)	-138.6	
Net financial debt	million EUR	9,522	9,090 [1]	+4.8	
Total shareholders' equity	million EUR	16,256	16,897 [1]	-3.8	
Earnings per share [3]	EUR	0.02	(0.14)	+114.3	

[1] As of December 31, 2010.
[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.

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 rounded amount.