

**LAFARGE CONSOLIDATES ITS POSITIONS IN NIGERIA
AND POOLS THEM WITH ITS SOUTH AFRICAN BUSINESS
CREATING A LEADING SUB-SAHARAN AFRICA BUILDING MATERIALS PLATFORM**

Key highlights

- Combining Nigeria and South Africa businesses to create Lafarge Africa
- A leading presence leveraging on the two largest economies in Sub Saharan Africa with a combined cement capacity around 12mtpa, as well as operations in aggregates, ready mix concrete and fly ash;
- Increased product range and services in order to answer the growing building materials demand in Sub Saharan Africa;
- Combined businesses annual sales in 2013 totaled US\$1.25bn and EBITDA of US\$345m¹
- Lafarge Africa will be the 6th largest in NSE by market capitalization
- Closing of the transaction is expected in H2 2014.

It has been announced today the intention of Lafarge Group to transfer all of its shares in its businesses in Nigeria and South Africa into Lafarge Cement WAPCO Nigeria Plc ("Lafarge Wapco"). When finalized, Lafarge Cement WAPCO Nigeria Plc will be renamed Lafarge Africa Plc ("Lafarge Africa") and will be strongly positioned to benefit from growth and development opportunities in Nigeria and Southern Africa. Lafarge Africa, owned 73% by Lafarge Group, will remain listed on the Nigerian Stock Exchange.

The new entity will have nationwide coverage in both Nigeria and South Africa, with cement capacity of about 12 million tonnes, as well as operations in aggregates, ready-mix and fly ash. The strong operational track record and management skills within the combined businesses as well as continued support and expertise from Lafarge Group will position Lafarge Africa to offer a full range of value added solutions to meet customers' needs.

Commenting on the transaction, Chairman of Lafarge Wapco, Chief Olusegun Osunkeye, OFR, OON said: *"I am proud to be part of the creation of this leading African building materials platform. It will provide access to growth in two of the largest economies on the continent. It will mean that our shareholders are invested in a larger and more geographically diverse business; and it will contribute significantly to the economic growth of both our nations."*

Adding to this, Lafarge Group EVP Operations/Country CEO Nigeria, Guillaume Roux said: *"Today's announcement marks a key milestone. It adds momentum to our push for differentiation in order to deliver innovation that increases and improves our product portfolio. Our objective is to bring more housing and ever better solutions to contribute to building better cities that are more beautiful, more compact, more connected and more durable."*

Under the proposed terms, Lafarge Group will transfer its direct and indirect shareholdings in Lafarge South Africa Holdings (Pty) Limited (100.00% - representing 72.4% of underlying companies in South Africa), United Cement Company of Nigeria Limited (35.00%), Ashakacem Plc (58.61%) and Atlas Cement Company Limited (100.00%) to



Lafarge Wapco. The transaction will be concluded through a cash consideration of US\$200m and the issuance of 1,402,575,984 Lafarge Africa shares to Lafarge Group.

The transaction is subject to Lafarge Wapco shareholder approvals and obtaining required regulatory and other customary authorizations. The Group anticipates completion during H2 2014.

ENDS

¹. Combined business figures used are based on proforma unaudited financial statements for 2013

Communication Contact

Lafarge Nigeria

Viola Graham-Douglas

Country Communications Director

+234 808 313 4444

Viola.Graham-Douglas@lafarge .com

Notes to the Editors

BACKGROUND INFORMATION (Companies in the transaction)

Lafarge Group

A world leader in building materials, Lafarge employs 64,000 people in 62 countries, and posted sales of €15.2 billion in 2013. As a top-ranking player in its Cement, Aggregates and Concrete businesses, it contributes to the construction of cities around the world, through its innovative solutions providing them with more housing and making them more compact, more durable, more beautiful, and better connected. With the world's leading building materials research facility, Lafarge places innovation at the heart of its priorities in order to contribute to more sustainable construction and to better serve architectural creativity. More information is available on Lafarge's website: www.lafarge.com

Lafarge South Africa Holdings (Pty) Limited ("LSAH")

LSAH is a holding company through which Lafarge S.A. holds interests in several South African entities. LSAH is a leading building materials platform with significant scale and a balanced portfolio of assets across cement, aggregates, ready-mix cement ("RMC") and pulverised fly ash (collectively referred to as "sub-segments"). LSAH's subsidiaries are strategically located, with exposure to key economic centres including the provinces of Limpopo, Mpumalanga, North West, Free State and KwaZulu-Natal.

Through its subsidiaries, LSAH has market leading positions in all the sub-segments. Through its subsidiaries, LSAH controls one of the largest cement manufacturers in South Africa, with the largest cement production plant in a single location in South Africa and current total installed capacity of 3.6mtpa. It also controls one of the largest aggregates producers in South Africa, operating a total of 21 aggregates quarries across 9 regions. In the Ready-Mix Cement ("RMC") activity, it is one of the leading national operators, with 53 RMC plants and 6 mobile RMC plants, which have combined capacity in excess of 3mill m³. LSAH is controlling the leading producer of ash products, with an installed capacity of c.4.1mtpa.



United Cement Company of Nigeria Limited (“Unicem”)

Unicem is the third largest cement manufacturer in Nigeria. Unicem’s manufacturing plant is located in Calabar, Cross River State. It is the only plant in close proximity to the attractive South-South and South-East regions of Nigeria, giving Unicem a strong position in these regions. The plant has current installed capacity of 2.5mt, with plans underway to add an additional 2.5mt of capacity over the next 2 years..

Unicem was incorporated in Nigeria on September 18, 2002 as a private limited liability company. Nigerian Cement Holdings B.V. (“NCH B.V.”) owns 70.00% of the equity shareholding of Unicem and Flour Mills of Nigeria Plc owns the remaining 30.00%. NCH B.V. is wholly owned by Egyptian Cement Holding B.V. (ECH B.V.), which is co-owned by the multinational groups of Lafarge S.A. of France and Holcim Limited of Switzerland.

AshakaCem Plc (“AshakaCem”)

AshakaCem is the fourth largest cement manufacturer in Nigeria. AshakaCem has a cement plant in Ashaka Works, Gombe State, in the North-Eastern region of Nigeria with an installed capacity of c.1mt. AshakaCem has announced plans to add an additional 3mt of capacity over the next 3 years. AshakaCem has depots in eleven locations across Nigeria and three liaison offices in Abuja, Kano and Lagos. AshakaCem is committed to a strategy of profitable growth and value creation for its customers and other stakeholders by being a preferred supplier of cement in Nigeria, particularly in Northern Nigeria.

AshakaCem was incorporated in Nigeria on August 7, 1974 as a private limited liability company, which was converted to a public company on September 7, 1974 and commenced operations in September 1979. AshakaCem is owned by Lafarge S.A. (58.61%), and the wider investor community (41.39%), and was listed on The NSE in 1990.

Atlas Cement Company Limited (“Atlas”)

Atlas is located in a harbor in Onne Free Trade Zone, Rivers State, In line with the Federal Government’s policy of backward integration, the Company is gradually changing its business focus to include championing of cementitious strategy, providing cement solutions to the Oil and Gas sector of the economy, distribution of Lafarge products in the South-South (SS) and South-East (SE) markets and being a hub for the Ready Mix Concrete operations in the SS and SE markets. It has an important portfolio of customers developed over the years, brings on board international trading experience and potential to be an export hub. Atlas was incorporated on September 24, 1999 and is a wholly owned subsidiary of Lafarge S.A.