


Annual Report 2018



LafargeHolcim
Maroc



« Lafarge Holcim Maroc has played a key role in the development of Morocco's infrastructure for 90 years and supported the Kingdom in realising major development projects. As a leader in construction materials, we wish to continue to contribute to national development, as well as to Morocco's influence on a regional level". »


George Michos
 Board Director and Chief
 Executive Officer of LafargeHolcim Maroc

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90 years of commitment to Morocco's economic and social development

LafargeHolcim Maroc's history is closely linked to the construction of modern Morocco. In 1928, Société Marocaine des Ciments Lafarge was established in Morocco to meet the country's fast-growing demand. To meet the high demand of cement and construction materials and concrete's predominant place in the modern architectural movement, we have gradually increased our production capacity and expanded our locations throughout the country. We have thus made a major contribution to the construction of modern Moroccan infrastructure and emblematic buildings, some of which are now part of the Kingdom's architectural heritage.

Our company's commitment, over the last 90 years, has been to support the Kingdom's economic and social development, particularly with regard to the challenges of increasing urbanisation (urban sprawl, construction of affordable housing, new cities, transport networks etc.) and new requirements in terms of construction quality (efficiency energy, durability, aesthetics etc.). In this context, LafargeHolcim Maroc has placed innovation at the heart of its strategy to better serve its customers, with the aim of contributing to building the Morocco of tomorrow by developing quality products with added value and by providing technical solutions and innovative services to respond to these urban developments.

In order to support the growth of southern provinces, whose demand

for building materials is constantly increasing, we have deployed our services in this region with the opening of a grinding station in Laayoune, operational since mid-2017, and the construction of a cement plant in the Agadir region, that is scheduled for commission in 2020.

Our long-term strategy is based on the fundamental principles of sustainable growth, mindful of changes in society and respectful of the environment.

In terms of health and safety—our number one priority—the entire company is mobilised to achieve our objective of "Zero accidents", both on our sites and on the roads, and this involves our employees, our subcontractors and all of our partners. To ensure collective progress, we led a wide-reaching campaign in 2018, "I say STOP to unsafe work" and set up an innovative communication campaign, which had a positive impact on road safety.

We work every day not only to reduce our ecological footprint, but also to use our factories and products to serve the environment. We continue to innovate and invest to become a key player in green energy, developing models that provide a sustainable solution to major environmental issues with the objective of supplying more than 90% of our units with "green" energy. Today, 80% of our cement plants' electrical needs are covered by wind energy thanks to our Tetouan wind farm facility and renewable energy supply contracts

with Nareva and Acwa Power. With our subsidiary Geocycle, specialised in waste recovery, we have initiated the development of recycling platforms backed by controlled landfills to transform household waste into alternative fuels for our cement plants. This reduces our need for fossil fuels, and, above all, doubles the lifespan of landfills whilst reducing their environmental impact.

The sustainable development of our activities is also closely linked to improving the living conditions of populations around our production sites. This is why our teams are involved in many local initiatives with our residents, assisting with medical, social and economic matters.

Together, we are committed to ensuring LafargeHolcim Maroc's place as a key player in serving Morocco's growth and development.

↳
George Michos
Chief Executive Officer

“
For 90 years, LafargeHolcim Maroc has been involved in the Kingdom's development and we are resolutely determined to contribute to building the Morocco of tomorrow, in a sustainable and responsible way”





90 years of commitment to the economic and social development





LafargeHolcim Maroc, an overview

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**Development in the South,
a driver of strategic growth** 20

Shareholding structure



LafargeHolcim

Present in 80 countries and with 80,000 employees, LafargeHolcim is the world leader in construction materials. Present in three main business sectors—cement, concrete and aggregates—the Group has more than 2300 production sites and a production capacity of 353 million tonnes with a turnover of approximately 26 billion CHF (Swiss Francs) in 2018.



AL MADA
Positive Impact

Al Mada is a privately held pan-African investment fund based in Casablanca. With an international outlook and a long-term development strategy, Al Mada is a key partner in the development of African economies.

50%

50%

Lafarge Maroc Holding



100%



64,68%



50%

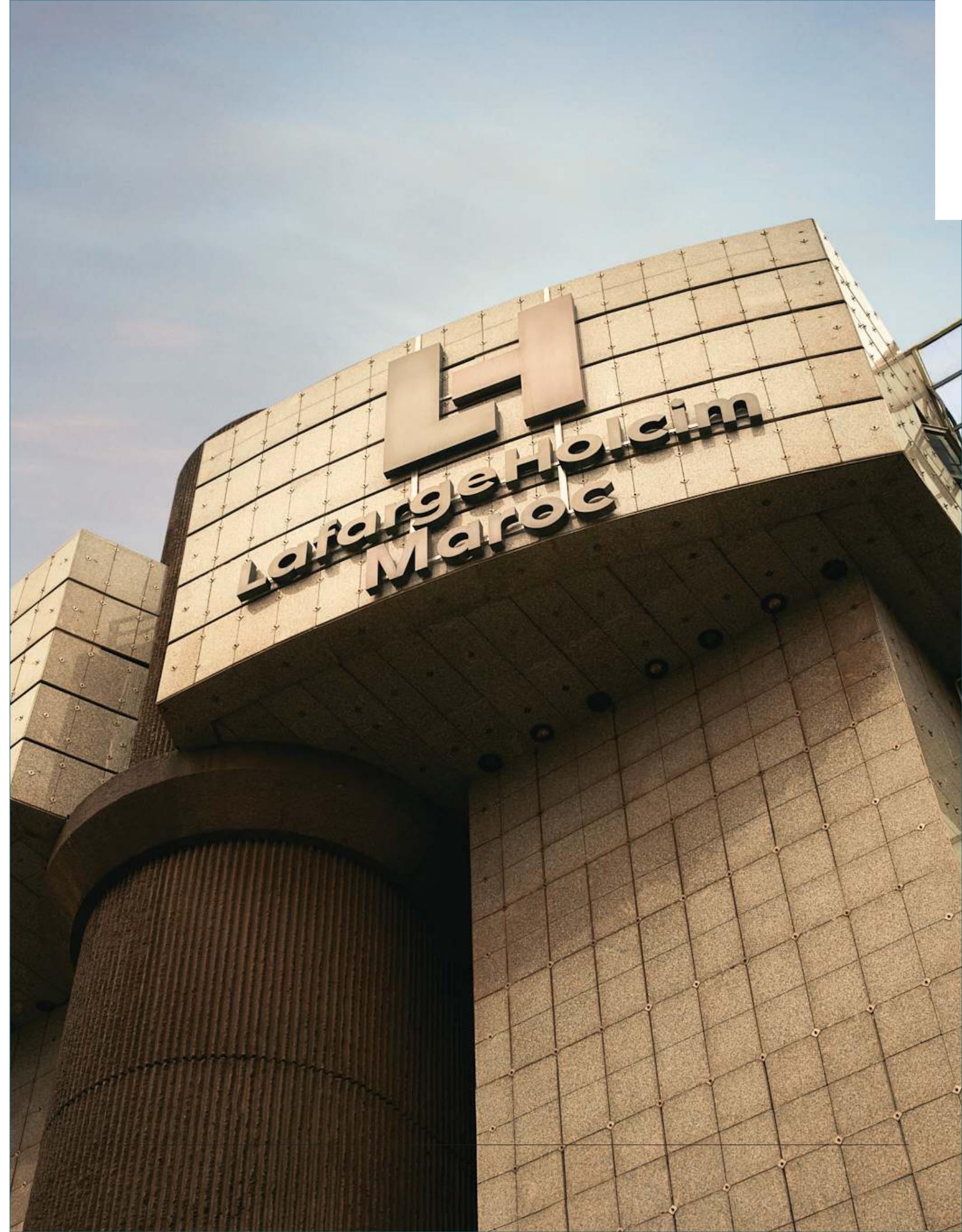


100%



50%

Joint development subsidiary in Africa created by Al Mada and the LafargeHolcim Group to invest in the cement sector in Sub-Saharan Africa



Members of the Board of Directors 2018

Mr **Tarafa Marouane** — Chairman
(replaced by Mr **Ali Fassi-Fihri** in April 2019)

Mr **George Michos** — Chief Executive Officer

Mr **Marcel Cobuz** — Director
(replaced by Mr **Marco Licata** in June 2019)

Mr **Miljan Gutovic** — Director

Mr **Mohammed Kabbaj** — Director
(replaced by Mr **Tarafa Marouane** in June 2019)

Mr **Hassan Ouriagli** — Director

Mrs **Géraldine Picaud** — Director

Mr **Aymane Taud** — Director

Mr **Abdelmjid Tazlaoui** — Director

Lafarge SA
represented by Mr **Pierre Deleplanque**

Moroccan Inter-professional Pension Fund
represented by Mr **Khalid Cheddadi**

La Caisse de Dépôt et de Gestion
represented by Mr **Khalid El Hattab**

Banque Islamique de Développement
represented by Mr **Abderrahmane El Medkouri**

Executive Committee

The Board of Directors delegates, to an Executive Committee composed of four of its members, the task of ensuring that the operational management of the Company complies with the set guidelines.

To ensure it operates efficiently, the Board delegates certain powers to the Executive Committee, in compliance with current regulations, particularly with regard to strategy, financial policy, development projects, human resources and skills development.

The Executive Committee meets at least eight times a year.

Audit Committee

Composed of three directors, the Audit Committee meets with the external auditors when the quarterly and annual financial statements are approved. Two other meetings are dedicated to monitoring the effectiveness of internal monitoring, internal audit and risk management.

Management Committee

The Executive Committee ensures regular and permanent monitoring of current operations, ongoing projects, budget and organisational aspects. The Executive Committee meets at least once a month.

History and key dates



Creation of Société Marocaine des Ciments Lafarge. The Roches Noires plant begins operations in 1930 with a capacity of 120,000 tonnes per year

A new cement plant is built in Meknes by Lafarge. The plant begins operations in 1953 with a production capacity of 120,000 tonnes of cement per year.

SNI, BNDE and CDG control 50% of Lafarge Maroc's share capital

ODI creates a new company called Cimenterie de l'Orientale (CIOR), which takes over CIMA's assets to build a cement plant in the Oujda region. The plant is commissioned in 1979

Bouskoura plant (Cinouca) begins operations in which Lafarge Morocco is a majority shareholder

Launch of BPE operations with the installation of a first Ready-mix concrete plant in Fes.

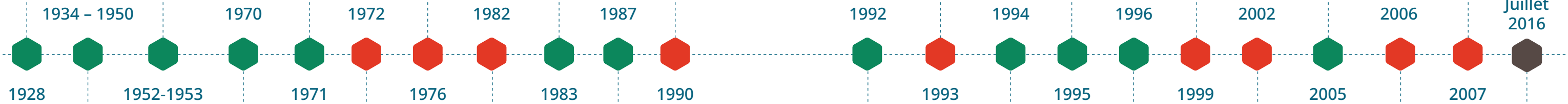
Launch of the Fes plant. Holcim Ltd acquires majority control of CIOR's capital as part of the privatisation programme

Lafarge Maroc becomes a 50/50 joint venture between Lafarge and SNI

Grinding and bagging station commissioned in Nador

Launch of the Tetouan plant, which installs its first wind farm

Launch of clinker exports, mainly to Sub-Saharan Africa



The company is the only one to meet the Kingdom's growing demands and in 1950 is able to provide 265,000 tonnes for the national market

New investments in Roches Noires. The plant's capacity increases to 950,000 tonnes per year

The Moroccan and Algerian governments decide to build a cement plant in Oujda, under the name of Cimenterie Maghrébine (CIMA)

Opening of a bagging centre in Casablanca with a capacity of 350,000 tonnes per year supplied by train from the Oujda plant

Closure of the Roches Noires plant (Lafarge)

Creation of Lafarge Béton



Lafarge acquires Cementos Tanger



Creation of Lafarge Ciments through the merger of Cinouca and Cadem



Change of CIOR's corporate identity to Holcim Maroc.



Creation of the subsidiary Ecoval, specialising in the treatment and recovery of industrial waste, (renamed Geocycle in 2017)



Merger of Lafarge Ciments and Holcim Maroc



Key figures

LafargeHolcim Maroc, 90 years of experience during which we have increased our production capacity and our presence in the country to increase our proximity to our customers and provide them with the best solutions in materials and construction solutions.

PRODUCTION

35

Industrial Sites

Two plants ranked in the LafargeHolcim Group's top 15 worldwide for their sustainability performance and efficiency

12 MT

Cement production capacity

4

Waste treatment platforms

2 500

Employees and subcontractors

2018 KEY FINANCIALS

#1

Industrial market capitalisation of the Casablanca Stock Exchange

1,5 Bn MAD

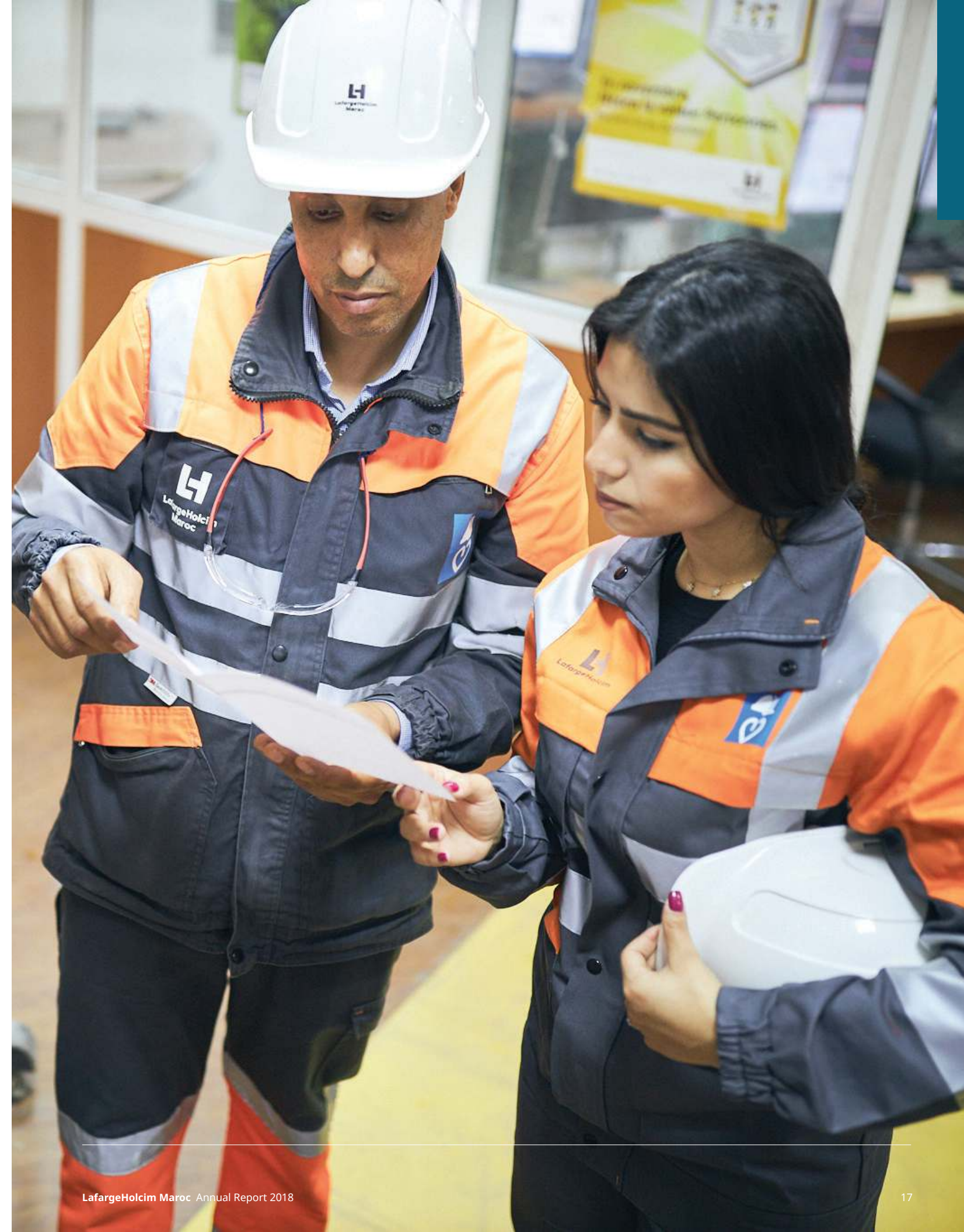
Net income

7,9 Bn MAD

Net turnover

9,8 Bn MAD

Shareholders' equity



Products and expertise

LafargeHolcim Maroc, national leader in the materials sector and construction solutions, brings its expertise and market materials to help achieve sustainable construction.



Cement

Composed of six cement plants and three grinding stations, LafargeHolcim Maroc's industrial facilities cover the main regions of the Kingdom and allow the production of a wide range of products with high added value.

In 2017, the strategy to extend LafargeHolcim Maroc's activities to the southern provinces was achieved with the opening of the 200,000-tonne Laayoune grinding station and a project to build a cement plant in Agadir.



Ready-mix concrete

Eager to support the Kingdom's various infrastructure and construction projects, LafargeHolcim Maroc has opened several Ready-mix concrete plants to supply the work sites within a 25 km radius.

Thanks to an ongoing innovative drive, particularly with regards to the "Smart Building System" framework, the service includes constructive solutions, as well as special concrete such as Artevia® (decorative concrete), Agilia® (self-placing concrete) and Chronolia® (fast-setting concrete).



Lime

The only lime production unit in Morocco, the Tlat Loulad plant (Ben Ahmed region) is the result of a joint venture with the Spanish Group Calcinor.

In order to diversify outlets for its "Lime" operations, Lafarge Calcinor Maroc has increased the use of high value-added products (quicklime and hydrated lime), making it possible to work with the steel industry and a wider range of customers (agriculture, environment, mining, construction etc.).



Aggregates

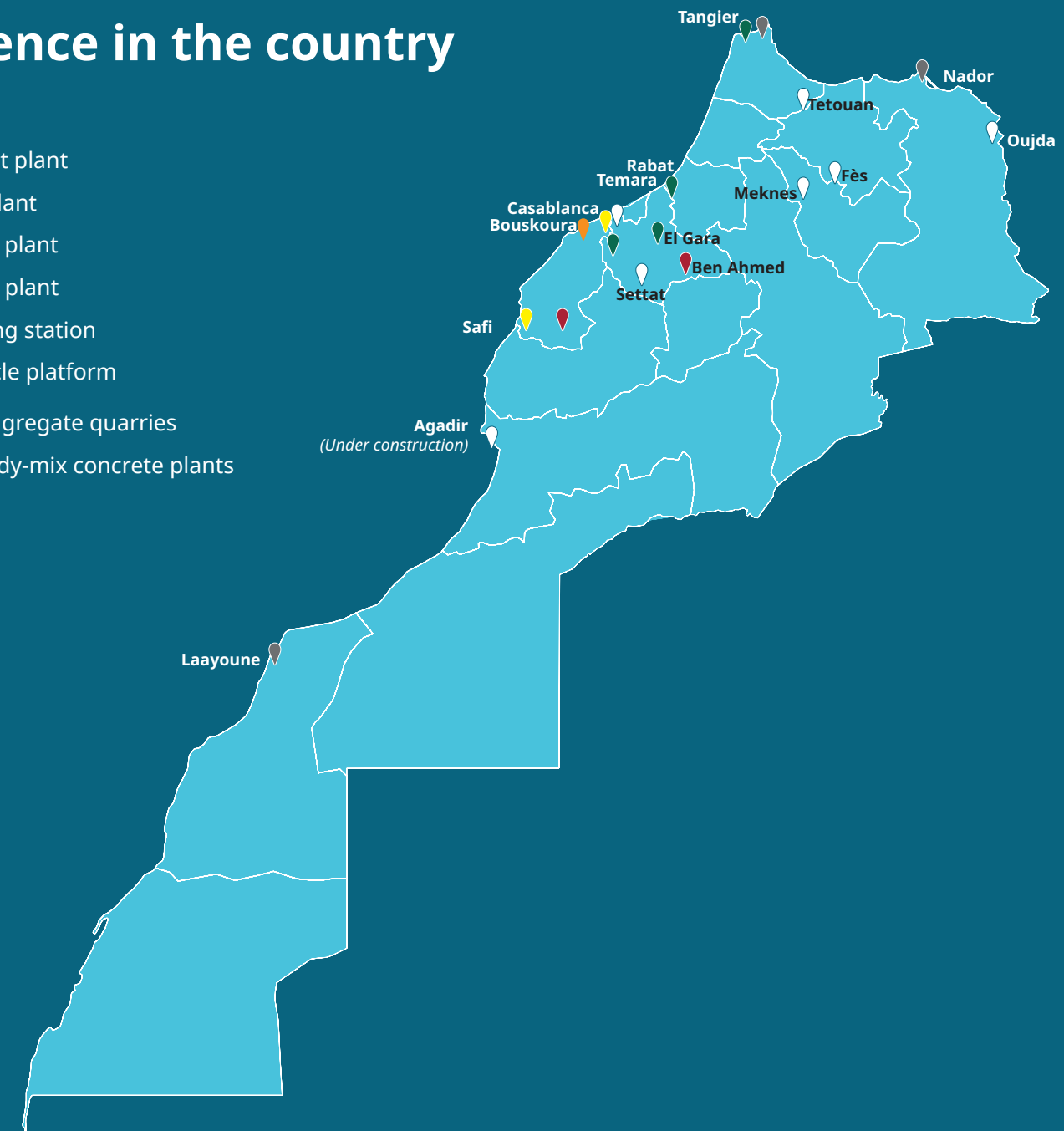
LafargeHolcim Maroc operates two aggregate quarries whose extractions are processed at a crushing station to supply different ranges of products (sand and gravel for concrete and asphalt).

The location of the sites in this branch of activity makes it possible to achieve significant synergies with the Group's other activities, particularly concrete.

Presence in the country

- Cement plant
- Lime plant
- Plaster plant
- Mortar plant
- Grinding station
- Geocycle platform

Two aggregate quarries
21 Ready-mix concrete plants



Plaster

Lafarge Placo Maroc, a joint venture with Saint Gobain, combines the activities of Lafarge Plâtre Maroc and Moongypse.

The entity manufactures and markets gypsum-based products for the Moroccan and West African Markets



Mortar

As part of its innovation and branding strategy, LafargeHolcim Maroc launched its mortar business in 2016 to meet the new demands of its customers.

A plant with an annual capacity of 100,000 tonnes specifically for the production of cement mortar in Bouskoura.



Geocycle

Geocycle, formerly Ecoval, is LafargeHolcim Maroc's subsidiary specialising in waste recycling and reuse. Unique to Morocco, Geocycle is the only unit capable of processing common and hazardous industrial waste, as well as household waste.

Development in the south, a driver of strategic growth

LafargeHolcim Maroc launched its expansion to the south to contribute to the region's development and construction projects in full unison with the Kingdom's economic development strategy.

On the national level where LafargeHolcim Maroc's traditional areas of activity have all seen a decline in the demand for cement, the southern provinces represent an important potential for the Group, which intends to make them a real driver of growth.

Ramp up of the Laayoune plant

In 2017, LafargeHolcim Maroc opened a grinding station with a production capacity of 200,000 tonnes per year in Laayoune. The gradual increase of the unit's activity has led to the extension of the Group's geographical coverage thus contributing to the region's development.

Ongoing construction of the Agadir plant

Also with a view to expanding its geographical presence in the southern provinces, the Group has begun construction work on a cement plant 65km from Agadir. After it is commissioned, scheduled for the second quarter of 2020, the plant aims to produce 1.6 million tonnes of cement per year, representing 50% of the region's demand.

In addition to developing its business in the region, the Group contributes through its investments to create jobs in the region. Thus, during the construction phase, the new cement plant created more than 750 jobs, and expects 170 direct jobs and 1100 indirect jobs to be created from the start up of operations.

Laayoune
Grinding station





Our vision: Contributing towards building the Morocco of tomorrow, in a sustainable and responsible way



A key player in the construction of major national development projects

LafargeHolcim Maroc's expertise in large infrastructure and construction projects 26

A key player in the country's environmental programmes 28

LafargeHolcim Maroc's expertise in large infrastructure and construction projects

As a long-standing partner of the Kingdom's major infrastructure projects, LafargeHolcim Maroc has always brought its expertise in the construction of major infrastructure projects in the country, by offering tailored solutions that take into account the challenges of sustainability, cost control, innovation and compliance with environmental standards.

2018 was marked by the launch of the first high-speed train line on the continent, linking Tangier and Casablanca. LafargeHolcim Maroc's expertise was deployed in the construction of major infrastructure projects such as the building of 12 viaducts with a total length of 10km, including El Hachef, as well as four high-speed train stations and a maintenance centre.

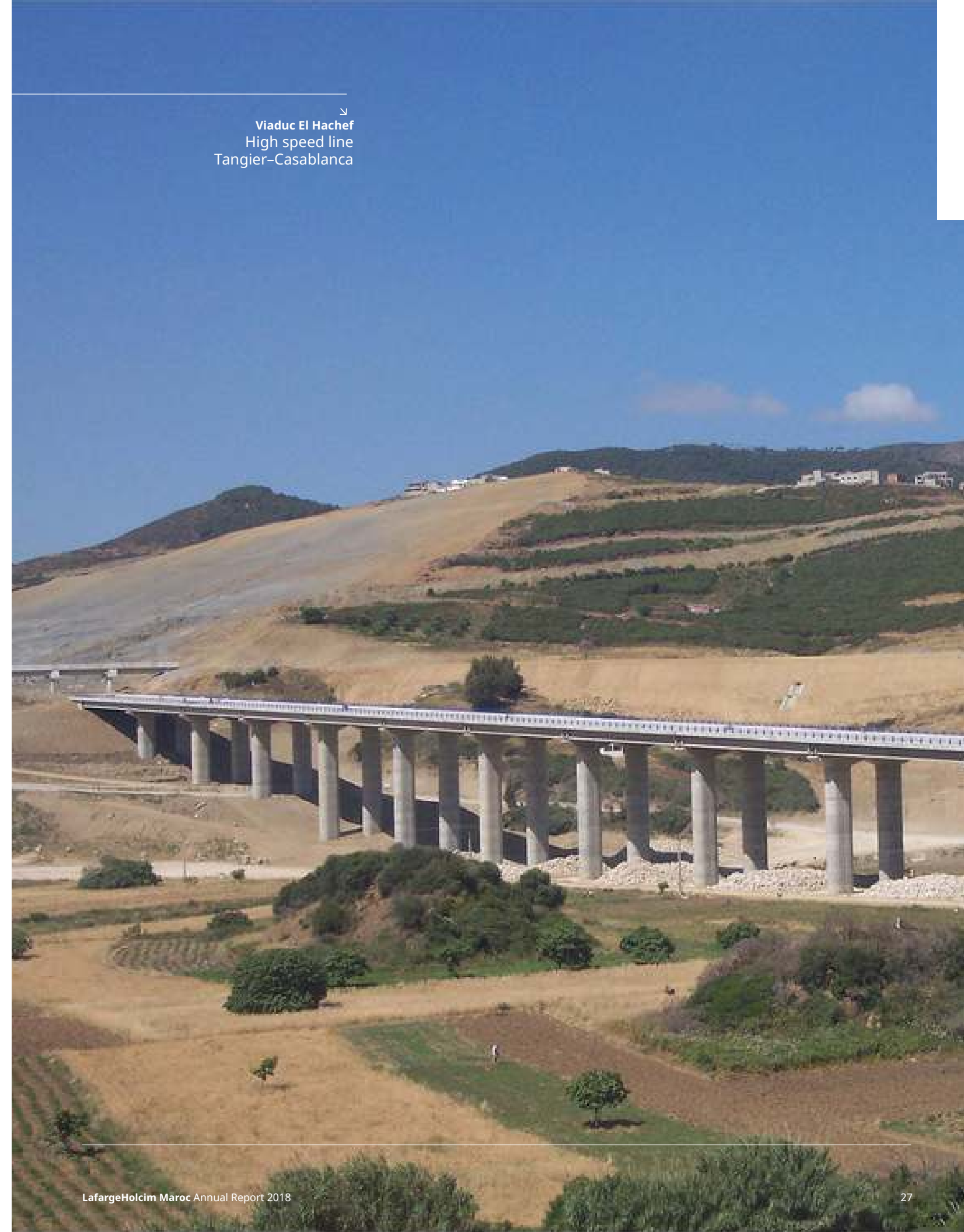
LafargeHolcim Maroc's expertise put into practice with the building of the El Hachef viaduct

The 3.5-km long El Hachef Viaduct is the longest high-speed viaduct in Africa.

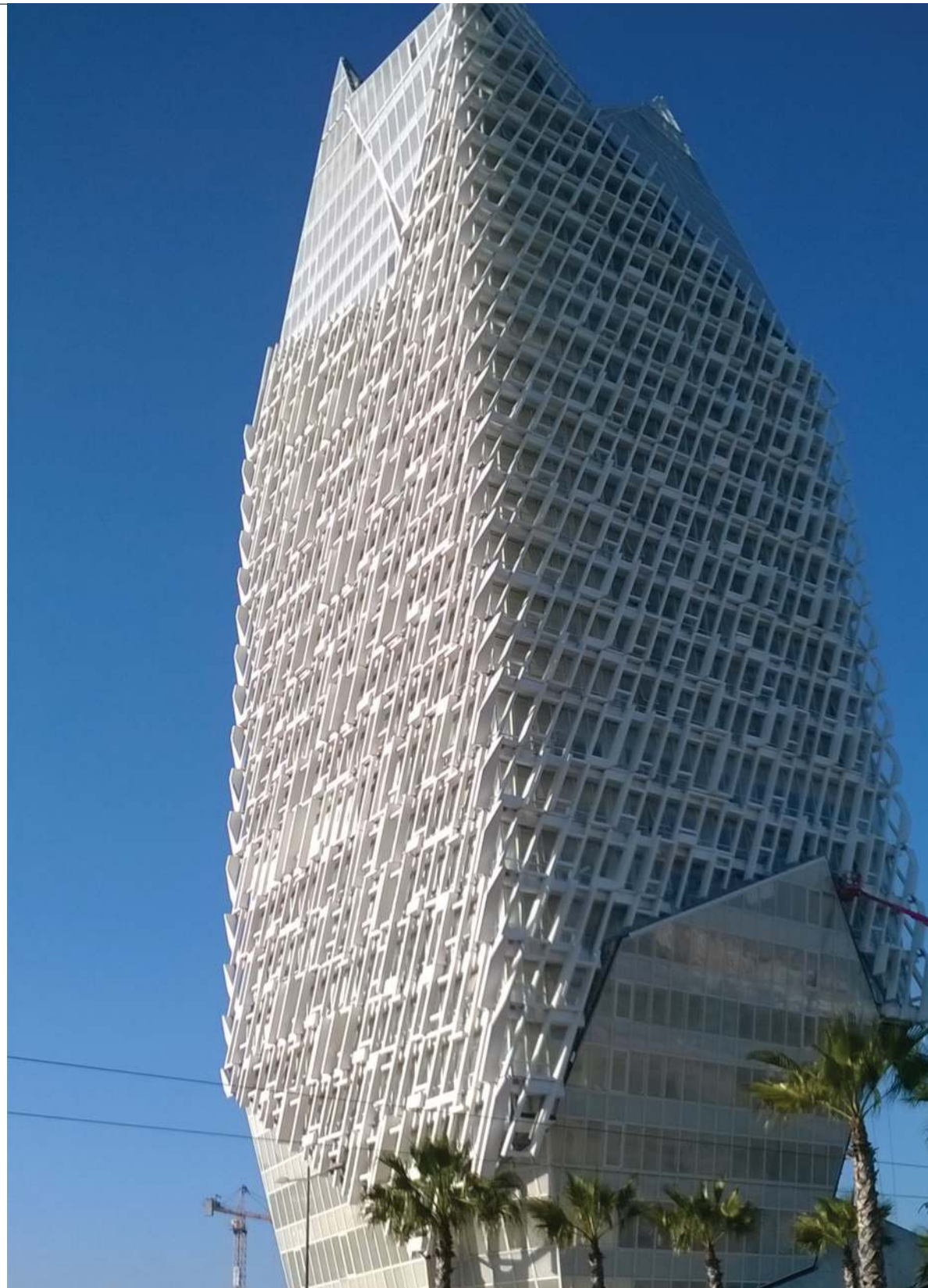
Crossing the El Hachef wadi, which is regularly subject to major flooding, the 12.5-metre-wide structure culminates at a height of between 6 and 25 metres.

The viaduct is composed of a total of 62 spans, each about 50 metres long with 63 reinforced concrete supports. LafargeHolcim Maroc's contribution lasted 50 months, with the production and supply of 230,000 tonnes of cement, 240,000 m³ of concrete, 60,000 tonnes of lime and 10,000 tonnes of aggregate.

Viaduc El Hachef
High speed line
Tangier-Casablanca



↙
Casablanca
CFC Tower



2018 was marked by the delivery of the CFC tower, the symbol of Casablanca's new financial district and the future regional financial hub.

The 120-metre high tower, composed of 25 floors and six basement levels, required LafargeHolcim Maroc's expertise for a duration of 18 months, through the supply of high-performance concretes from the Chronolia®, Agila® and Ultra Series® ranges.

The structure received the LEED Silver accolade, the highest in sustainable construction; yet supplying the 32,000 m³ of ready-mix concrete needed to build the CFC tower was a major technical challenge. However, this was successfully achieved, evidenced by 2988 m³ of ready-mix concrete being continuously poured in 22 hours at a height of 120 metres — new accomplishments for the Group in Morocco.

↙
Casablanca
Sidi Maârouf cable bridge



As part of the development plan for the city of Casablanca, the Department of Public Works, the Urban Municipality of Casablanca and the General Directorate of Local Authorities launched construction work on the Sidi Maârouf cable bridge, with the aim of improving the urban mobility conditions of the city's inhabitants and to ensure smooth links between Mohammed V airport and the various business centres in the area.

This 224-metre-long infrastructure project not only provides the city with a stunning entrance point, but also

absorbs traffic which peaks at 17,000 vehicles/hour during rush hour.

The construction of this structure, consisting of two double tracks supported by 27 cables, took four years to complete. LafargeHolcim Maroc partook in the project for 40 months, with the delivery and casting of 15,000 m³ of Ultra Series® concrete and 50,000 tonnes of aggregate.

One of the distinctive features of this site was the use of a climbing formwork for pylons and abutments.

Key player in the country's environmental programmes

LafargeHolcim Maroc contributes to the Kingdom's efforts with regard to its energy transition policy



Midelt wind farm

LafargeHolcim Maroc was selected by the Nareva / Enel Green Power consortium to realise the 850 MW integrated wind power programme, which aims to provide ONEE with electricity from wind energy for a period of 20 years.

LafargeHolcim Maroc assisted in the project for 8 months. 40,000m³ of ready-mix concrete was required for the first wind turbines of the Midelt wind farm, which will eventually be equipped with 50,200-metre-high wind turbines.

The Midelt wind farm will produce 150 MW of power, equivalent to the consumption of a city the size of Agadir.

The Ouarzazate solar power plant, the largest multi-technology solar complex in the world, is part of the national project that aims to provide 42% of electricity through renewable energies in 2020 and 52% by 2030.

Composed of a solar field of 7400 HE54 heliostats, with a receiver with a power of more than 600 thermal MW, the Centrale Noor Ouarzazate III is equipped with a molten salt storage system that enables it to produce electricity for 7.5 hours without solar radiation, thus ensuring optimal electricity distribution.

In order to meet the specific demands of this solar complex, LafargeHolcim Maroc highlighted its innovative, self-placing, resistant and highly fluid "Agilia" concrete product, which has enabled complex shapes to be created.





Innovation for development

R&D providing innovative solutions 34

Innovation for high value-added solutions 36

Innovation for customer satisfaction 40

R&D providing innovative solutions

For 90 years now, the LafargeHolcim Maroc Group has been constantly innovating to best meet its customers' demands.

Smart Construction Lab

So as to be at the forefront and offer appropriate solutions to meet the evolving needs of its customers, the Group inaugurated the Smart Construction Lab in March 2017, an innovation centre covering an area of 4000 m² in the Bouskoura Industrial Park.

This laboratory, which has a multidisciplinary team of construction engineers and technicians, develops new sustainable products and technical solutions to optimise energy consumption in buildings.

The Smart Construction Lab is also a research centre for innovative solutions in recycled materials: this unit also acts as an incubator for start-ups working in the domain, to test and develop prototypes.

The Smart Construction Lab teams, in partnership with the Moroccan Green Building Council (Moroccan network for sustainable development, building and real estate), a member of the World Green Building Council*, initiated a cycle of conference-debates, the first of which took place in December 2018 with the theme of sustainable construction. This series

of conferences allows LafargeHolcim Maroc teams to maintain continuous links with professionals in the construction sector and to benefit from their experience. This is how innovative solutions and materials are regularly presented to meet their expectations.

The Smart Construction Lab being the first development laboratory for constructive solutions in Morocco, obtained the HQETM Haute Qualité Environnementale (*high quality for environmental standards*) certificate in April 2018, with 14 stars, the highest level reached so far in Morocco.

The Smart Construction Lab also won the Smart Building Award for its model building under sustainable construction in September 2018, at the "Green Solutions Awards", a competition that highlights buildings in exemplary neighbourhoods and infrastructure with sustainable solutions to combat global warming. The Smart Construction Lab, with four other competition winners, represented Morocco at the international phase of the Green Solutions Awards in December 2018 in Poland at COP24.



Smart Construction Lab's creation underlines the importance of innovation as part of the Group's development strategy in Morocco.

* A global body of professionals involved in sustainable construction in more than 100 countries



Bouskoura
Smart Construction Lab

Innovation for high value-added solutions

LafargeHolcim Morocco's wide range of products meets the specific needs of customers who are always on the lookout for innovative solutions.

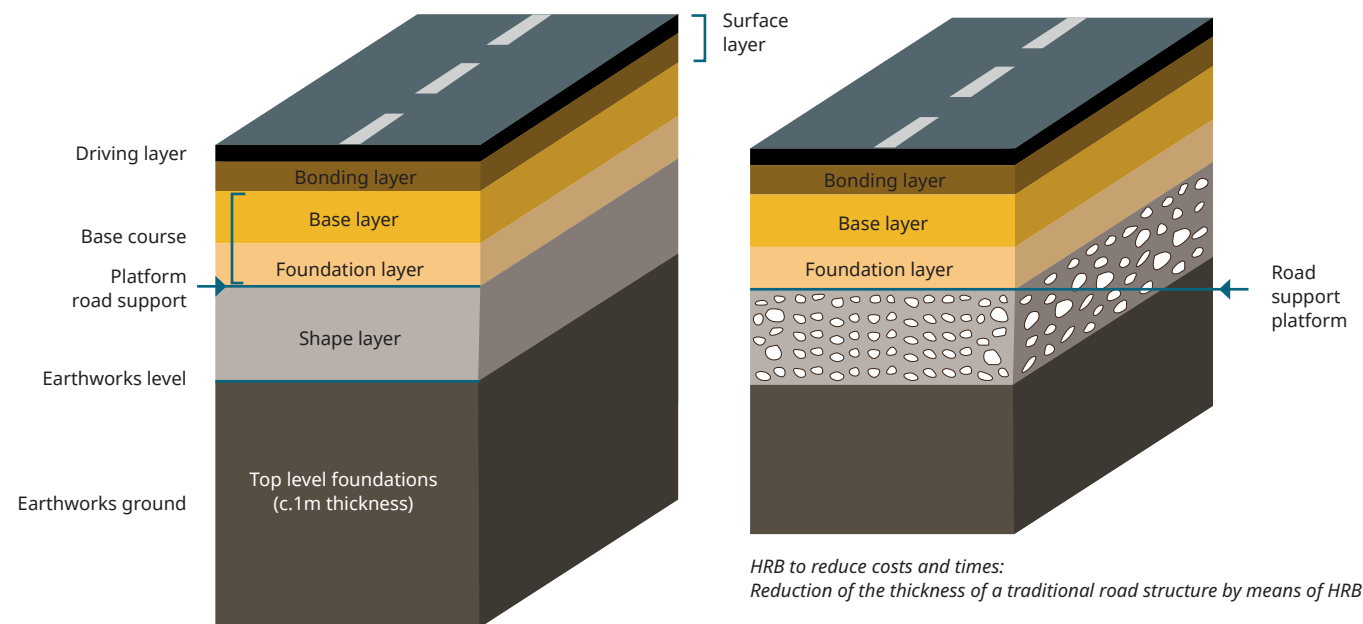
Hydraulic road binder (HRB) for even more durable results

The HRB is a technical product developed by LafargeHolcim Maroc. It enables materials and waste from road construction sites to be recovered and reusing them as backfill in road construction or restoration. Presented to infrastructure sector stakeholders at the 10th National Road Congress held in Al Hoceima from 24th to 26th September 2018, and at

the African Infrastructure Forum in Marrakech on 15th and 16th November 2018, LafargeHolcim Maroc's new solution attracted the interest of all stakeholders in the sector. In addition to enabling savings of between 20% and 30% compared to conventional solutions, this integrated solution, which involves the treatment of soil using hydraulic road binders, allowing for two-to-three times faster finish times, through the use

of local materials, with improved structural durability and a reduction in maintenance work. Natural resources are also preserved, as are the surrounding roads. This also saves on transport costs and therefore leads to a significant reduction in carbon footprint.

Comparison between a "traditional" road structure and an "HRB-treated" road structure



HRB to reduce costs and times: Reduction of the thickness of a traditional road structure by means of HRB

Illustration of LHR road structure solution compared to traditional road structure



Ductal, a high-performance solution for the high-speed Kenitra station

The new Kenitra station, a strategic point in the major high-speed rail line project, was a great opportunity for LafargeHolcim Maroc to promote its innovative Ductal solution for building fronts.

Its formula is based on fibre concrete with ultra-high performance, offering great freedom of form and multiple architectural possibilities. It is waterproof and provides excellent thermal efficiency.

Kénitra High-speed station

“LafargeHolcim's Maroc's expertise was called upon to contribute to several links in the construction of Morocco's first high-speed train line.”

Artisanal prefabrication



Préfa Pro: a new high quality cement for greater profitability and better technical performance.

Always attuned to its customers' needs, LafargeHolcim Maroc has developed a new bagged cement product for the manufacture of concrete products. Recommended for products manufactured with vibrating presses or mobile layers and also for blocks and slabs. Préfa Pro meets the specific needs of traditional prefabrication and provides the expected usage qualities in terms of strength, performance and appearance of the finished product. It was initially launched in the southern market, where this product has strong potential.



Artevia, a sustainable and aesthetic solution for outdoor installations

The Artevia solution is a range of decorative concretes for outdoor facilities. With a wide choice of colours, it allows for a wider choice of textures and shapes and longer durability, to provide a better solution to urban space planning. Colas and GTR, LafargeHolcim Maroc's partners in charge of building the 7km extension to the Rabat-Salé tramway, have chosen the Artevia solution for the railway coating.

Rabat
Extension of the Rabat-Salé tramway line Artevia Solution

Innovation for customer satisfaction

Innovation at LafargeHolcim Maroc does not stop at construction solutions, but also applies to the services provided to our customers.

Massary **الأمساري**

SERVIR RAPIDEMENT NOS CLIENTS DANS NOS USINES

CONCEPT
Massary, une solution d'optimisation du temps de parcours des camions en usine et de gestion de file d'attente.

TECHNOLOGIES
Système de tracking des camions à travers des badges RFID remis aux chauffeurs à leur arrivée et des antennes RFID placées à chaque étape du parcours usine.

AVANTAGES

CLIENTS	<ul style="list-style-type: none"> Réduire le temps de séjour (parking + chargement) des camions < 1H Améliorer la satisfaction des clients 100% Avoir une gestion de file d'attente transparente & efficace
USINES	<ul style="list-style-type: none"> Assurer la réactivité des usines en cas de retards Piloter en temps réel la performance des expéditions Optimiser les coûts et les ressources

لأفارج هولسيم نستمع إليكم!

أول تطبيق لقياس مدى رضا السائقين داخل منشآت أفارج هولسيم

SJBKOUH L'H.L.

معا لارضائكم!

LafargeHolcim Maroc

irchad
Partenaire de votre développement

Offre de conseil et d'accompagnement

LafargeHolcim Maroc

IRCHAD: a tailor-made service for better customer satisfaction

As part of its customer loyalty initiatives, LafargeHolcim Maroc launched IRCHAD, a new commercial service for its industrial customers. A tailor-made service, IRCHAD includes analysis, advice and technical training. It was designed as a support mechanism to better help customers with the implementation of value-added solutions.

IRCHAD is a complete service package. It facilitates the development of the skills of its customers and employees, helps to improve finished products and even improves its customers' industrial performance. IRCHAD also allows for investment projects to be analysed or laboratories and quality control plans to be implemented for LafargeHolcim Maroc customers. In 2018, 60% of the IRCHAD package's customer portfolio consisted of contracts with SMBs and 40% with large companies. LafargeHolcim Maroc teams have supported more than 60% of the companies that are customers of this package on technical aspects and 16 customers in the concrete product certification process.

Massary **الأمساري**

تحسين، تتبع و خدمة الشحن

85269A17

التوصل بكاملة صوتية تعلمك للشروع في الشحن

عر ض فترة الإنتظار المتبقية لبداية الشحن في قاعة الإستراحة أو موقف السيارات

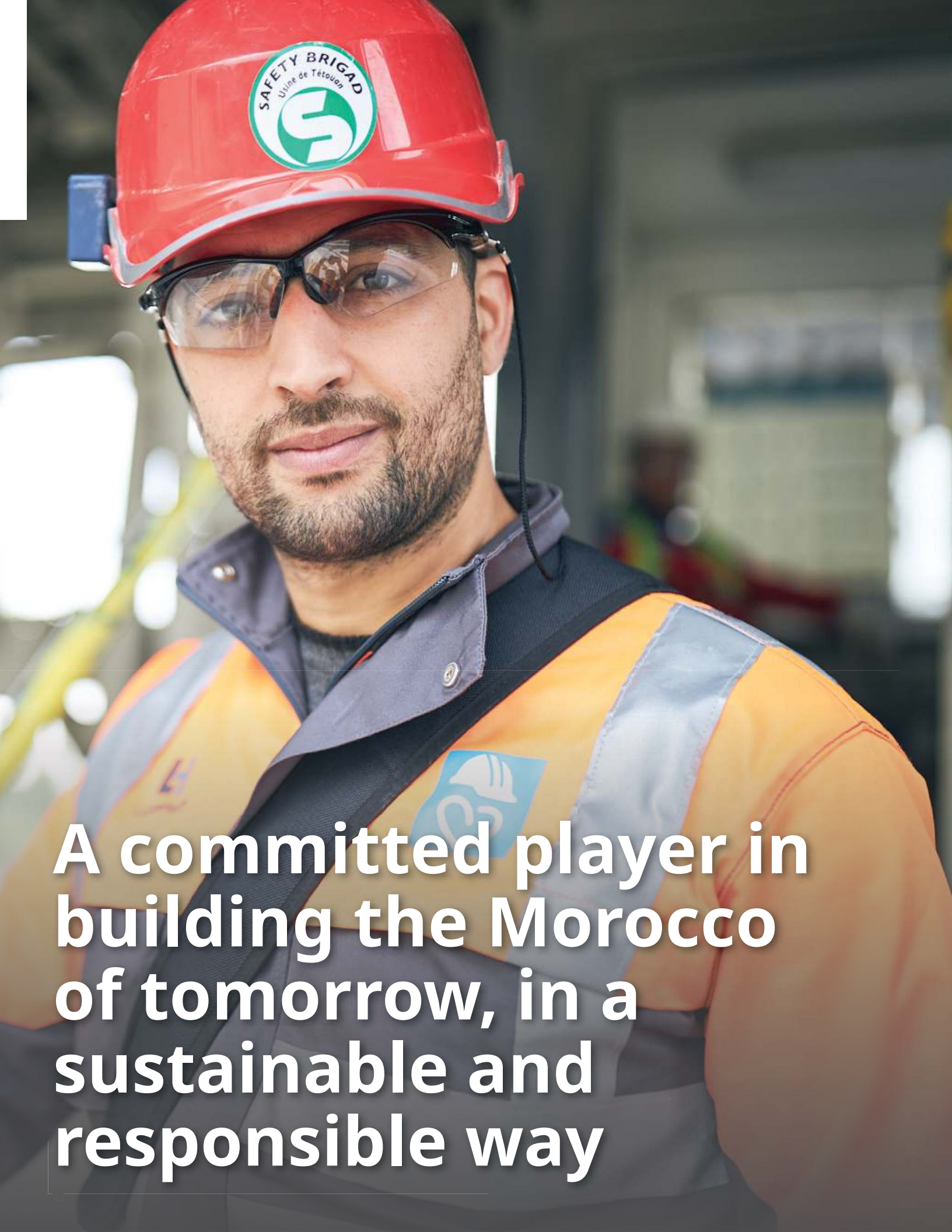
تسلم شارة تمكنا من تتبع مسارك داخل المعمل، وتذكركم بقواعد الصحة و السلامة داخل المصنع

LafargeHolcim Maroc

Massary, digitalisation to improve the customer experience

With a view to improving customer experience on its sites, LafargeHolcim Maroc has implemented the digital solution "Massary". On entering the site, the lorries are now tracked by the RFID system, from the moment when they arrive in the parking area, to when they leave. This solution was initially implemented at the Meknes cement plant, then gradually deployed in five plants, made it possible to optimise and reduce customer wait times, monitor their progress in the factory and monitor shipment performance in real time in order to improve processes. 1500 partner drivers were able to benefit from this system.

A satisfaction measurement tool was deployed at the same time at site exits, to enable clients to indicate their level of satisfaction with the service. These measures are part of the tools implemented by LafargeHolcim Maroc to remain attentive to customers' needs and continuously improve customer satisfaction as well as the operational performance of each site.



A committed player in building the Morocco of tomorrow, in a sustainable and responsible way

Taking care of its employees ⁴⁴

Taking care of its customers and suppliers ⁴⁶

Sustainable development at the heart of LafargeHolcim Maroc's strategy ⁵⁰

Taking care of its employees

Safety is the number one priority at LafargeHolcim Maroc. Our ambition is to be the safest Moroccan company for its employees, suppliers, customers and all of its stakeholders.

Committed to its employees

aspiring to have zero fatal accidents occupational health and safety are major issues in the construction sector. Leader in its line of business, LafargeHolcim Maroc regularly implements programmes to constantly raise the level of safety and bring it up to the same level as international requirements.

As part of the implementation of the LafargeHolcim Group's new standards, LafargeHolcim Maroc has undertaken several "health and safety" campaigns, including one specifically dedicated to the safety of hauliers and subcontractors.

Aware that the human factor is a key element in performance and particularly in the fields of health and safety, LafargeHolcim Maroc has encouraged its employees, subcontractors and transporters to increase their knowledge in the field of health and safety. Several training sessions have been conducted with employees, mainly supervisors and managers, who are responsible for the safety of the personnel under them.



LafargeHolcim Maroc, a partner in road safety

Road transport is an essential link for all cement manufacturers who must be able to transport their production to any point in the country. With 40 million km covered and 6.5 million tonnes of goods transported in 2018, LafargeHolcim Maroc has an essential role to play in road safety.

In 2017, the company launched an ambitious programme aimed at training and certifying drivers, helping the carriers to raise awareness of health and safety standards and integrate the "fatigue" factor into trip management. GPS tools enable lorries to be tracked and driver conduct to be monitored while driving.

In the same vein, LafargeHolcim Maroc has participated in several road safety awareness campaigns, through processions organised by the inter-professional organisation, participation in the first African forum on road safety, and raising awareness among schoolchildren near production sites.

During the national road safety day celebrated in February, LafargeHolcim Maroc provided 25 tankers to serve as mobile carriers of the road safety awareness messages. Young Street Art artists also provided their art for a powerful campaign.

Taking care of its customers and suppliers

LafargeHolcim Maroc, the safest Moroccan company for employees, customers and stakeholders.

Taking care of its customers and the entire construction industry

LafargeHolcim Maroc operates in the construction sector where the practices and conduct of the sector's players vary greatly depending on the nature or size of the customers and companies in the sector.

Aware of its responsibility as a leader in the sector, LafargeHolcim Maroc has decided to set up a number of training and awareness-raising initiatives for its partners.

Salamaty, specially designed to meet the requirements of the new building code, aims to support LafargeHolcim Maroc's customers, developers, builders and public works companies, in bringing their sites into compliance with health and safety aspects.

This service is divided into five pillars: the facilitation of training and awareness sessions on site, the sharing of best practices based on LafargeHolcim's global standards and guidelines, the implementation of a health and safety management system tailored to the specific needs



Salamaty

Toute l'expertise Santé & Sécurité
LafargeHolcim Maroc sur vos chantiers



of each site, the transfer of expertise to customer teams, and the spreading of the message regarding the health and safety culture.

Interest in the Salamaty service clearly shows property developers and construction companies' awareness regarding the importance of safety on their sites.

Bouskoura
Technical team support



Sustainable development at the heart of LafargeHolcim Maroc's strategy

Conscious of the impact of our activity on the environment, we launched a wide-reaching programme at the beginning of the 2000s to preserve the environment.

LafargeHolcim Maroc is a global pioneer within the Group, and in 2005, the Moroccan entity started constructing its own wind power, the first on a global level, to meet the needs of the Tetouan production site.

The creation of Geocycle in 2007, the Group's subsidiary dedicated to waste recycling, was also an important response to environmental challenges. Geocycle first made it possible to produce energy from industrial waste, which is now also possible (since 2017) from household waste.



Wind energy farm — towards total autonomy in electricity

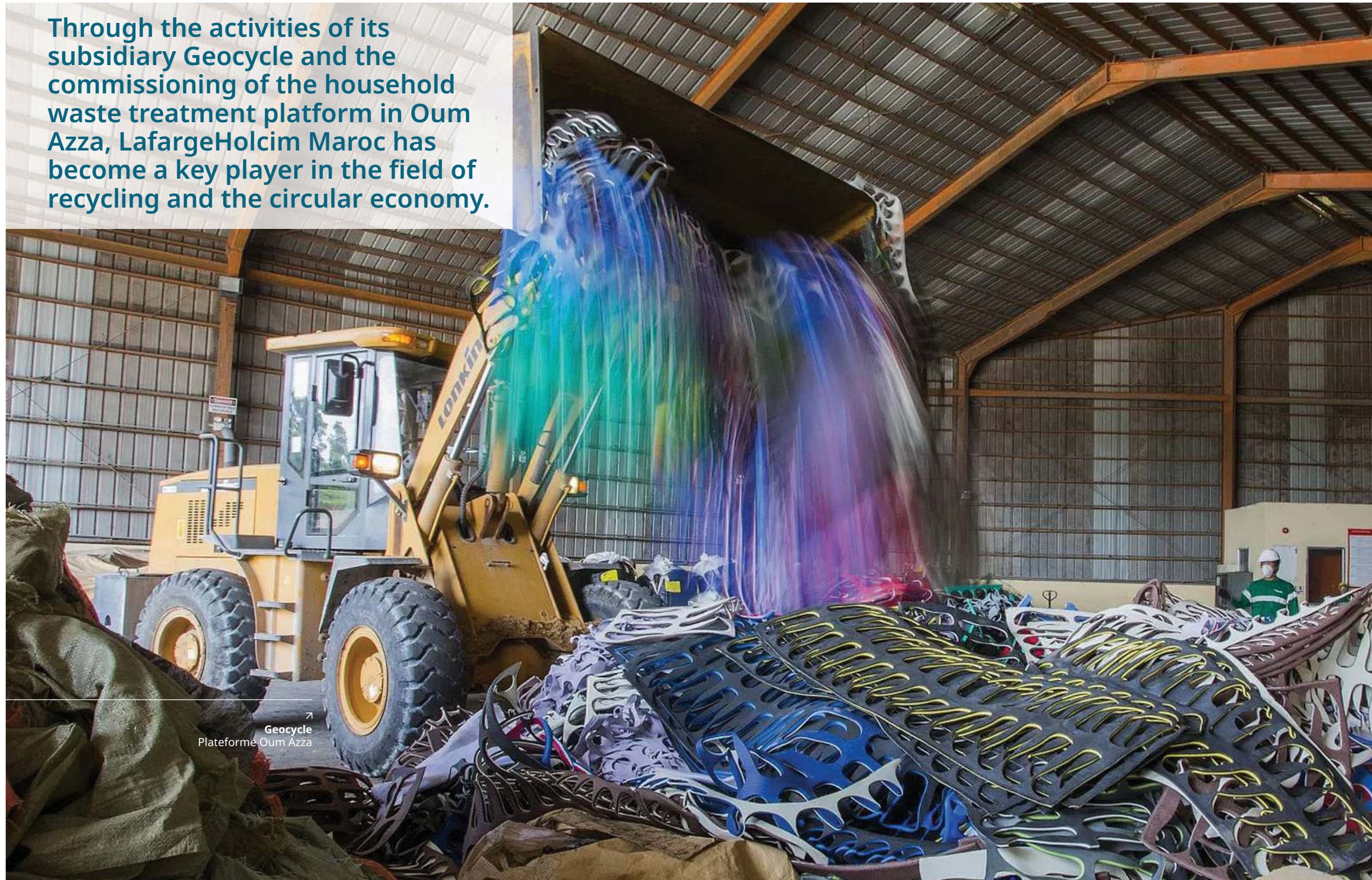
In 2005, with the commissioning of its own wind farm, the LafargeHolcim Maroc Group set the benchmark with its commitment to reducing its environmental impact. The investment of 500 million MAD enabled the Group to obtain its own wind farm with a production capacity of 32 megawatts, thus allowing its Tetouan site to operate at 70% with energy from wind sources. In line with its commitment to increasing the share of renewable energies in its electricity consumption, the Group

has joined forces with Nareva and Acwa Power, operators specialising in renewable energy production, to supply 650 GWh. In 2017, the system enabled the Group to achieve an electricity substitution rate of around 60%. In 2018, the rate reached an average of 75% with a peak of 95% recorded during the month of June. By 2021, the Group aims to achieve a share of more than 90% of its total energy bill in green electricity.

↘
Tetouan
Wind farm



Through the activities of its subsidiary Geocycle and the commissioning of the household waste treatment platform in Oum Azza, LafargeHolcim Maroc has become a key player in the field of recycling and the circular economy.



Geocycle
Plateforme Oum Azza

**Oum Azza :
an innovative approach
to preserving the
environment.**

Geocycle's Oum Azza platform, which came into service in 2017, has the capacity to process 90,000 tonnes of household waste per year, representing 13% of the total volume received by the Rabat landfill.

This unit produces 50,000 tonnes of alternative fuels (CSR) per year for LafargeHolcim Maroc Group cement plants.

Geocycle is the subsidiary of LafargeHolcim Maroc, which offers treatment solutions for different types of waste: Common solid waste, liquid hazardous waste, solid or paste-like hazardous waste, used tyres for light vehicles, biomass and agricultural waste, as well as household waste from waste from sorting centres.

At LafargeHolcim Maroc, quarry restoration is a priority. To date, we have planted 350,000 trees of 25 different species in the restored quarries.

↘
Bouskoura
Restored quarry

Quarry restoration once operations are completed is one of LafargeHolcim Maroc's top priorities.

Before the extraction site was opened, a redevelopment plan integrated into the operating plan was put in place, which also included a mechanism for regular provisions in the budget to guarantee the financing of progressive restoration : site closure, dismantling of facilities, site redevelopment.



Restoration of the Bouskoura quarry

In collaboration with the INRA (Institut National de la Recherche Agronomique [Institute of Agronomic Research]) and the Haut- Commissariat aux Eaux et Forêts (High Commission for Water and Forests), LafargeHolcim Maroc carried out the restoration of part of the Bouskoura quarry in 2010, that provided the Group's main cement plant in Morocco. Over 51,000 trees in 25 different areas have planted with the help of numerous volunteer employees. This operation was completed in 2017 with the planting of 6000 argan trees, which were the subject of a pilot project with INRA Agadir, to introduce the argan tree to western Morocco. Today, the restored quarry plantations produce olive and argan oil.

LafargeHolcim Maroc placed sustainable development at the heart of its strategy very early on, to make it a real lever for growth and the creation of shared value.

In accordance with the Group's global objectives, LafargeHolcim Maroc has prioritised four areas to implement its commitment: the Climate, the circular economy, water and nature, and populations and communities.

The company has thus implemented major programmes to combat global warming, such as the use of wind energy or alternative fuels, in particular through the treatment of household and industrial waste, thus promoting a significant reduction in the use of fossil fuels.

LafargeHolcim Maroc's end-of-life quarry restoration programmes, as well as the biodiversity programmes that result from them, are among the initiatives implemented by LafargeHolcim Maroc to preserve nature and water. LafargeHolcim Maroc, a responsible company, does not simply stop at environmental aspects of sustainable development, but also takes into account the social aspects inherent to all of its stakeholders in order to create shared value. Its corporate social



130
measures
implemented

Nearly
65 000
beneficiary
residents

responsibility (CSR) policy is based on four pillars: education and combatting the drop-out problem, the development of employability, security awareness and access to care for the poorest neighbouring communities, and promotion of the circular economy in relation to environmental conservation.

In 2018, thanks to the ongoing exchange maintained by LafargeHolcim Maroc teams with all local stakeholders, nearly 65,000 local residents were able to benefit from the measures implemented by LafargeHolcim Maroc employees.



Education
34 000
recipient
children and
young people



Employability
4 800
beneficiary
residents



Health & Safety
17 000
beneficiary
residents



Environment
9 000
beneficiary
residents



All of LafargeHolcim Maroc's commitments in terms of social and environmental responsibility were rewarded in 2007, 2011 and 2014 with the CGEM CSR certificate.





Annual accounts 2018

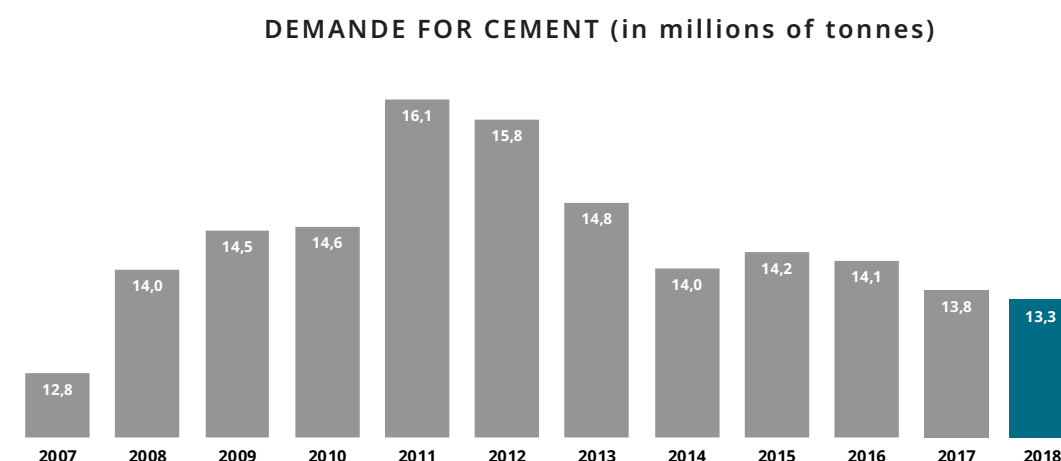
Annual results 2018 ⁵⁹

Consolidated financial
statements ⁶⁰

Financial statements ⁶⁶

Resilience of performance indicators in a slowing market

In an economic climate still disrupted by the difficulties of the housing market and delays in infrastructure projects, the demand for cement continues its downward trend.



In 2018, The cement market fell by 3.7% to 13.3Mt

Main consolidated indicators (IFRS) on 31/12/2018

In millions of MAD	2017	2018	Variation
Turnover	8 083	7 887	-2%
Current operating income	3 150	2 980	-5%
Consolidated net income	1 927	1 584	-18%

In 2018, consolidated turnover fell by 2% in a cement market that fell by 3.7%.

Current operating income amounted to 2980 m MAD, down 5% due to the decrease in turnover and the increase in the cost of petcoke, despite an improvement in commercial and industrial performance and the control of fixed costs.

Net income was impacted by extraordinary items. LafargeHolcim Maroc consolidated net income under IFRS amounted to 1584 m MAD in 2018 compared to 1927 m MAD in 2017, and net social income was stopped at 1458 m MAD on 31st December 2018, compared to 1,787 m MAD in 2017.

LafargeHolcim Maroc remains confident in the fundamentals of the building materials sector and is pursuing its investment strategy, particularly with the construction of its new cement plant in the Souss region, which will be operational in 2020.

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CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS OF 31ST DECEMBER 2018

(in thousands of Moroccan Dirhams)		
	31/Dec/18	31/Dec/17
ASSETS		
Goodwill	7 383 082	7 383 082
Intangible assets	95 514	102 115
Tangible fixed assets	10 623 828	10 480 467
Investment in associated companies	78 148	96 768
Other financial assets	115 342	126 011
Of which hedging derivatives		
Of which non-current loans and receivables	115 342	126 011
Tax receivables and taxes	76 725	82 429
Deferred tax assets		
Other non-current receivables		
Non-current assets	18 372 639	18 270 872
Other current financial assets		
Of which hedging derivatives		
Stocks and work in progress	545 832	650 800
Trade receivables	1 371 547	1 653 752
Other current receivables	359 859	406 763
Cash and cash equivalents	50 527	224 891
Non-current assets held for sale		
Current assets	2 327 765	2 936 206
TOTAL ASSETS	20 700 404	21 207 078
LIABILITIES	31-déc-18	31-déc-17
Capital	702 937	702 937
Share issue and merger premiums	2 618 038	2 618 038
Reserve	4 910 948	4 562 820
Currency translation differences		
Net result, group share	1 584 031	1 927 375
Equity attributable to ordinary shareholders of the parent company	9 815 954	9 811 170
Minority interests		
Shareholders' equity of the consolidated group	9 815 954	9 811 170
Non-current provisions	122 128	88 360
Employee benefits	588 053	505 507
Non-current financial debts	6 200 000	6 200 000
Of which liabilities to credit institutions	6 200 000	6 200 000
Corporate income tax liabilities		
Deferred tax liabilities	1 363 817	1 476 781
Non-current liabilities	8 273 998	8 270 648
Current provisions	108 689	26 621
Current financial debts	800 042	1 136 444
Of which hedging derivatives		
Of which liabilities to credit institutions	800 042	1 136 444
Current trade payables	897 069	1 147 908
Other current payables	804 652	814 287
Liabilities related to non-current assets held		
Current liabilities	2 610 452	3 125 260
Current and non-current liabilities	10 884 450	11 395 908
TOTAL LIABILITIES	20 700 404	21 207 078

CONSOLIDATED INCOME STATEMENT AS AT 31ST DECEMBER

(in thousands of Moroccan Dirhams)		
Year ending	31/Dec/18	31/Dec/17
Turnover	7 887 303	8 083 489
Other operating income		
Revenue from ordinary activities	7 887 303	8 083 489
Purchasing	(2 526 413)	(2 471 138)
Other external expenses	(974 179)	(1 105 543)
Staff costs	(614 981)	(633 586)
Taxes and duties	(55 290)	(60 292)
Depreciation, amortisation and operating provisions	(746 929)	(708 617)
Other operating income and expenses	10 671	46 110
Current operating expenses	(4 907 121)	(4 933 066)
Current operating income	2 980 182	3 150 423
Asset disposals	(9 802)	(6 006)
Other non-recurring operating income and expenses	(186 721)	(158 188)
Other operating income and expenses	(196 523)	(164 194)
Operating result	2 783 659	2 986 229
Cost of net financial debt		
Other financial income	3 020	2 269
Other financial expenses	(407 602)	(228 268)
Financial result	(404 582)	(225 999)
Pre-tax income of integrated companies	2 379 077	2 760 230
Income taxes	(891 360)	(918 293)
Deferred taxes	95 408	78 163
Net income of consolidated companies	1 583 125	1 920 100
Share in the results of companies accounted for by the equity method	906	7 275
Net income from continuing operations	1 584 031	1 927 375
Net income from discontinued operations		
Consolidated net income	1 584 031	1 927 375
Minority interests	0	0
Net income, group share	1 584 031	1 927 375
Net income per average number of shares during the period		
- basic	67,9	82,7
- diluted	67,9	82,7

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AS OF 31ST DECEMBER 2018

(In thousands of Moroccan Dirhams)		
	31/Dec/18	31/Dec/17
Net income of the consolidated group	1 584 031	1 927 375
Actuarial gains and losses on post-employment benefit obligations	(57 246)	(17 636)
Deferred tax on actuarial gains and losses on post-employment commitments	17 556	5 844
Change in scope of consolidation		
Other adjustments	(464)	
Other comprehensive income for the period, net of deferred taxes	(40 154)	(11 792)
Total comprehensive income for the period	1 543 877	1 915 583
Of which Group share	1 543 877	1 915 583
Of which minority interests	0	0

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CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 31 ST DECEMBER 2018		
(in thousands of Moroccan Dirhams)		
	31/Dec/18	31/Dec/17
Net income of the consolidated group	1 584 031	1 927 375
Elimination of income and expenses with no impact on cash flow and/or not related to the activity		
Depreciation, amortisation and provisions, impairment losses	849 214	589 946
Income from companies accounted for by the equity method	(906)	(7 275)
Gains and losses on disposals and dilution gains and losses	9 802	6 006
Cash flow from operations	2 442 141	2 516 052
Impact of changes in working capital requirements	176 403	(689 431)
Deferred taxes	(95 408)	(78 163)
Net cash flow from operating activities	2 523 136	1 748 458
Impact of changes in the scope of consolidation		
Acquisition of tangible, intangible and financial fixed assets	(854 654)	(584 919)
Change in other financial assets	10 669	9 843
Disposals of tangible, intangible and financial fixed assets	2 980	6 034
Dividends received	19 000	7 500
Net cash flows from investing activities	(822 005)	(561 542)
Capital increase		
Dividends paid to shareholders of the parent company	(1 539 093)	(3 602 877)
Dividends paid to minority shareholders		
Issuance of new borrowings		2 200 000
Net cash flow from financing activities	(1 539 093)	(1 402 877)
Effect of exchange rate fluctuations		
Impact of changes in accounting methods and principles		
Change in cash and cash equivalents	162 038	(215 961)
Cash and cash equivalents at the beginning of the year	(911 553)	(695 592)
Cash and cash equivalents at the end of the year	(749 515)	(911 553)
Change in cash and cash equivalents	162 038	(215 961)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 31 ST DECEMBER 2018								
(in thousands of Moroccan Dirhams)								
	Capital	Share premium and merger	Treasury shares	Consolidated reserves	Share of net income of the group	Total group share	Minority interest	Total
On 1st January 2017	702 937	4 133 811		6 757 339		11 594 088		11 594 088
Change in capital								
Dividends distributed		(1 515 773)		(2 087 104)		(3 602 877)		(3 602 877)
Treasury shares								
Changes in scope of consolidation								
Recognised income and expenses				(11 792)	1 927 375	1 915 582		1 915 582
Currency exchange								
Other variations			(9 637)	(85 986)		(95 623)		(95 623)
31 December 2017	702 937	2 618 038	(9 637)	4 572 457	1 927 375	9 811 170		9 811 170
On 1st January 2018	702 937	2 618 038	(9 637)	6 499 832		9 811 170		9 811 170
Change in capital								
Dividends distributed				(1 539 093)		(1 539 093)		(1 539 093)
Treasury shares								
Changes in scope of consolidation								
Recognised income and expenses				(40 154)	1 584 031	1 543 877		1 543 877
Currency exchange								
Other variations								
31 December 2018	702 937	2 618 038	(9 637)	4 920 585	1 584 031	9 815 954		9 815 954

APPENDED NOTES FOR CONSOLIDATED ACCOUNTS

A - Accounting principles

In accordance with Opinion No. 5 of the National Accounting Council (CNC) of 26th May, 2005 and in accordance with current stock market regulations, the published consolidated financial statements of the LafargeHolcim Maroc Group are prepared in accordance with International Financial Reporting Standards (IFRS) endorsed at European level.

B - Scope and consolidation rules

The consolidated scope includes companies involved in activities surrounding the cement, concrete and aggregates sectors, as well as others.

Below is a list of the consolidated companies and the consolidation method adopted:

Company	Activity	% interest	Method of consolidation
LafargeHolcim Maroc	Cement, RMX Concrete, Aggregates	100,00%	Full consolidation
Geocycle Maroc	Others	100,00%	Full consolidation
Centrale Marocaine de Construction	Others	100,00%	Full consolidation
Lafarge Ciments Sahara	Cement	100,00%	Full consolidation
Andira	Others	100,00%	Full consolidation
Lubasa Maroc	Cement	100,00%	Full consolidation
Lafarge Calcinor	Others	50,00%	Equity method
CBM	Cement	50,00%	Equity method
SDGT	Aggregates	50,00%	Equity method
MATEEN	Others	33,33%	Equity method
Ecocim	Others	45,00%	Equity method
Ceval	Others	33,33%	Equity method

C - Main rules and methods adopted

Tangible assets — IAS 16 —

Tangible assets are measured using the historical cost method. The depreciation methods for property, plant and equipment are as follows:

quarry land is depreciated on the basis of the tonnages extracted during the year in relation to the estimated total extraction capacity of the quarry over its operating life; Other Ikand is not depreciated;

administrative buildings are depreciated on a straight-line basis over their estimated useful life according to the following breakdown: structural works — steel structure: 50 years, waterproofing, roofing and others: 10 years, fixtures and fittings: 15 years, fixed technical installations: 25 years, carpentry 15 years; Industrial buildings are depreciated over a useful life ranging from 20 to 30 years; machinery, equipment and installations are depreciated on a straight-line basis over their estimated useful lives, which range from 8 to 30 years.

Goodwill — IAS 36 —

In accordance with the provisions of IAS 36 — Impairment of Assets, goodwill is no longer amortised as of 1st January 2006 (date of transition to IFRS) but is tested at least once a year to detect any impairment

Before 2006, the Group amortised its goodwill on a straight-line basis over a useful life period of 10 years

Provisions, contingent liabilities — IAS 37 —

In accordance with IAS 37, the amount of provisions recognised by the Group is based on the best estimate of future economic benefits at the date the Group recognises this obligation. The amount of provisions is adjusted at each balance sheet date to take into account any changes in the estimate of the outflow of expected future benefits.

Inventories — IAS 2 —

In accordance with IAS 2, inventories and work in progress are measured at the lowest of their production costs and net realisable value. The calculation of inventory depreciation is based on an analysis of foreseeable changes in demand, technology or the market to determine obsolete or excess stock.

Intangible assets — IAS 38 —

In accordance with the criteria set out in IAS 38 — Intangible Assets, an asset is recognised in the balance sheet if it is probable that the future economic benefits associated with the asset will go to the Group.

Intangible assets mainly include software. They are amortised in constant annual instalments over a period not exceeding seven years.

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CONSOLIDATED FINANCIAL STATEMENTS

Employee benefits — IAS 19 —

In accordance with IAS 19 "Employee Benefits", the post-employment benefit obligations of the defined benefit plan are calculated annually by independent actuaries.

This method takes into account, on the basis of actuarial assumptions, the employee's probability of future service, the level of future remuneration, life expectancy and staff turnover. The Group has adopted the option proposed by the amendment to IAS 19, Employee Benefits, to recognise actuarial gains and losses arising from changes in actuarial assumptions affecting the measurement of obligations in shareholders' equity.

Deferred taxes — IAS 12 —

In accordance with the provisions of IAS 12 "Deferred Taxes", provisions for deferred taxes are recorded using the liability method and the extended design method for temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred taxes are calculated in accordance with the tax legislation in force. Deferred tax assets are only recognised if their recovery is probable.

Current and deferred tax expense is recognised in the income statement for the period unless they are generated by a transaction or event recognised directly in equity.

Compliance with new standards

Effective as of 1st January 2018

Financial instruments — IFRS 9 —

IFRS 9 Financial Instruments, replaces most of the existing provisions in IAS 39. The new standard is mandatory as of 1st January, 2018.

The provisions of the standard on classification, measurement and impairment of financial instruments are applied by the Group and have no impact on the 2018 financial statements and their comparisons. Customer credit risk analysis is carried out according to a well-defined internal procedure that sets clear guidelines, regular credit reviews and rigorous monitoring of doubtful receivables.

Trade receivables are measured at amortised cost. The Group applies a simplified approach based on expected losses at maturity.

There is no material impact on the impairment of trade receivables and long-term loans related to the application of IFRS 9.

Revenue from customer contacts — IFRS 15 —

IFRS 15, which replaces IAS 11 Construction Contracts, IAS 18 Income from Ordinary Activities and their interpretations, is applied retrospectively 1st January 2017.

In accordance with IFRS 15, all LafargeHolcim Maroc's contracts with its customers meet the criteria set out in the standard, namely the commercial substance of the contracts, the approval of the contract terms clearly identified by the various parties (price, product and/or service, payment terms and conditions).

Turnover is recognised upon delivery when control of the goods or service is transferred to the customer.

IFRS 15 has no material impact on LafargeHolcim Maroc since more than 99% of the Group's sales relate to deliveries of cement, aggregate and concrete at a specific time. The only impact relates to the presentation of turnover and the cost of goods purchased from trading activities in the income statement as indicated in the note below.

Effective as of 1st January 2019

Lease agreement — IFRS 16 —

Under this standard, as of 1st January 2019, all leases must be recognised in the lessee's balance sheet as a "right of use" asset in exchange for a financial liability. The Group does not plan to adopt a retrospective approach. Consequently, the cumulative impact of the application of IFRS 16 will be recognised as an adjustment to the balance of consolidated reserves as of 1st January 2019 without restatement of the comparative period.

The Group plans to use the simplification measures provided for in the standard and not to take

into account leases with terms of less than twelve months or those involving assets of less than fifty thousand Moroccan Dirhams.

The work of identifying and collecting rental contracts has been completed. LafargeHolcim group leases mainly concern transport vehicles and a limited number of depots and land.

The application of IFRS 16 in the Group's financial statements will not materially affect net income or assets and liabilities. In addition, there will be an impact on the presentation of operating income and financial income.

Uncertainty regarding tax treatment — Corporate income tax — IFRIC 23 —

IFRIC 23 applies to all situations where there is uncertainty about the acceptable treatment under tax law for income taxes, even in the absence of checks or notification. IFRIC 23 is mandatory for annual periods beginning on or after 1st January 2019.

The impact study of the implementation of this new interpretation is currently being prepared by the Group.

D - Change in presentation

As from 1st January, 2018, LafargeHolcim applied IFRS 15 and concluded that it would be more appropriate to reflect trading activities as principal rather than as an agent, thus impacting revenues and the cost of purchasing goods.

This change in accounting method has been applied retrospectively and its impact on the presentation of comparative information is shown in the following table:

(In thousands of Moroccan Dirhams)	31/12/2017 Published	Impact of presentation change	31/12/2017 Retired
Turnover	8 083 489	93 418	8 176 907
Other operating income			
Income from ordinary activities	8 083 489	93 418	8 176 907
Purchases	(2 471 138)	(93 418)	(2 564 556)
Other external expenses	(1 105 543)		(1 105 543)
Personnel expenses	(633 586)		(633 586)
Taxes and duties	(60 292)		(60 292)
Operating depreciation and provisions	(708 617)		(708 617)
Other operating income and expenses	46 110		46 110
Current operating expenses	(4 933 066)	(93 418)	(5 026 484)
Current operating income	3 150 423		3 150 423
Other operating income and expenses	(164 194)		(164 194)
Operating result	2 986 229		2 986 229
Financial result	(225 999)		(225 999)
Income taxes	(918 293)		(918 293)
Deferred taxes	78 163		78 163
Share in the results of companies accounted for by the equity method	7 275		7 275
Consolidated net income	1 927 375		1 927 375

E - Financial communication

The complete set of consolidated financial statements of the LafargeHolcim Maroc Group as of 31st December 2018, prepared in accordance with international standards, will be made available to you on the Lafarge Holcim Maroc website at the following address www.lafargeholcim.ma

In addition to the statement of financial position, this complete set includes the statement of financial position, the income statement, the statement of cash flows, the statement of changes in shareholders' equity, the detailed note to the accounting principles and the notes chosen in accordance with the provisions of IAS / IFRS.

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HOLDING COMPANY

ASSETS AS OF 31ST DECEMBER 2018

	Gross	Financial year depreciation and provisions	Net	Previous financial year Net
FIXED ASSETS				
FIXED ASSETS IN NONVALUE (A)	175 734 048,04	107 291 861,50	68 442 186,54	98 229 401,50
Preliminary costs				
Expenses to be spread over several years	175 734 048,04	107 291 861,50	68 442 186,54	98 229 401,50
Bond redemption premiums				
INTANGIBLE ASSETS (B)	7 914 449 558,69	137 956 249,96	7 776 493 308,73	7 783 672 325,26
Research and development capital expenditure				
Patents, trademarks, rights and similar assets	50 100 981,31	50 100 981,31		
Commercial funds	7 682 256 303,44		7 682 256 303,44	7 682 256 304,26
Other intangible assets	182 092 273,94	87 855 268,65	94 237 005,29	101 416 021,00
TANGIBLE ASSETS (C)	16 861 918 064,68	9 903 721 492,88	6 958 196 571,80	6 950 953 394,71
Land	967 164 055,01	75 294 584,10	891 869 470,91	894 368 613,59
Construction	2 743 893 982,18	1 319 409 134,52	1 424 484 847,66	1 471 770 068,16
Technical installations, equipment and tools	11 769 840 312,64	8 387 452 244,89	3 382 388 067,75	3 933 452 978,26
Transport equipment	7 827 772,98	7 058 537,50	769 235,48	2 873 166,70
Furniture, office equipment and miscellaneous fittings	105 853 650,40	82 405 784,48	23 447 865,92	25 675 865,84
Other intangible assets	34 202 991,81	32 101 207,39	2 101 784,42	2 388 256,14
Tangible assets in progress	1 233 135 299,66		1 233 135 299,66	620 424 446,02
FINANCIAL FIXED ASSETS (D)	552 840 757,43	17 973 680,84	534 867 076,59	561 443 037,97
Fixed-term loans	51 881 152,04	793 078,51	51 088 073,53	62 510 543,40
Other financial receivables	63 651 103,29	500 000,00	63 151 103,29	62 957 325,80
Equity securities	437 308 502,10	16 680 602,33	420 627 899,77	435 975 168,77
Other long-term securities				
TRANSLATION DIFFERENCES — ASSETS (E)				
Decrease in fixed assets				
Increase in financial debts				
TOTAL I (A+B+C+D+E)	25 504 942 428,84	10 166 943 285,18	15 337 999 143,66	15 394 298 159,44
CURRENT ASSETS				
STOCKS (F)	615 598 324,63	78 234 217,46	537 364 107,17	646 943 173,30
Goods	2 980 973,62	398 262,21	2 582 711,41	3 422 716,28
Consumable materials and supplies	466 011 244,09	76 375 562,02	389 635 682,07	462 873 201,11
Work in progress				
Immediate and residual products	96 589 004,53		96 589 004,53	124 932 937,83
Finished products	50 017 102,39	1 460 393,23	48 556 709,16	55 714 318,08
CURRENT ASSETS RECEIVABLES (G)	2 329 441 996,38	321 121 204,91	2 008 320 791,47	2 420 623 748,28
Supplies, receivables, advances and deposits	22 914 136,35		22 914 136,35	49 739 663,80
Trade receivables and related accounts	1 646 733 995,63	294 036 184,75	1 352 697 810,88	1 623 962 421,85
Personnel	10 073 762,49		10 073 762,49	7 763 653,52
State	169 114 479,16		169 114 479,16	183 629 353,43
Partner Accounts	120 357 151,00	15 960 000,00	104 397 151,00	197 806 568,00
Other debtors	337 407 237,57	11 125 020,16	326 282 217,41	335 904 658,53
Accrued expenses and deferred income	22 841 234,18		22 841 234,18	21 817 429,15
SECURITIES AND INVESTMENT SECURITIES (H)				
TRANSLATION DIFFERENCES — ASSETS (I)				3 407 028,08
TOTAL II (F+G+H+I)	2 945 040 321,01	399 355 422,37	2 545 684 898,64	3 070 973 949,66
TREASURY				
TREASURY ASSETS	82 457 182,87	2 538 076,34	79 919 106,53	95 834 639,60
Cheques and securities to be cashed				
Banks, TG and CCPs	82 051 201,65	2 538 076,34	79 513 134,31	94 938 447,72
Cash, imprest account and letters of credit	405 972,22		405 972,22	896 191,88
TOTAL III	82 457 182,87	2 538 076,34	79 919 106,53	95 834 639,60
OVERALL TOTAL I+II+III	28 532 439 932,72	10 568 836 783,89	17 963 603 148,83	18 561 106 748,70

LIABILITIES AS OF 31ST DECEMBER 2018

	Year	Previous Year
PERMANENT FUNDING		
SHAREHOLDERS' EQUITY		
Share or personal capital	702 937 200,00	702 937 200,00
Less: shareholders, subscribed uncalled capital called capital paid etc.		
Share issue, merger and contribution premiums	5 162 347 194,49	5 162 347 194,49
Revaluation differences		
Legal reserve	70 293 720,00	70 293 720,00
Other reserves	1 551 380 761,72	1 303 262 543,98
Retained earnings		
Net results pending allocation		
Net income for the year	1 458 132 505,42	1 787 211 092,17
Total shareholders' equity (A)	8 945 091 381,63	9 026 051 750,64
SIMILAR EQUITY (B)	189 846 659,08	322 234 921,81
Investment grant		
Regulated provisions	189 846 659,08	322 234 921,81
FINANCIAL DEBTS (C)	6 200 000 000,00	6 200 000 000,00
Bond borrowings	6 200 000 000,00	6 200 000 000,00
Other financial debts		
LONG-TERM PROVISIONS FOR LIABILITIES AND CHARGES (D)	169 778 173,95	139 391 976,01
Provisions for liabilities	27 112 950,07	22 456 391,07
Provisions for expenses	142 665 223,88	116 935 584,94
TRANSLATION DIFFERENCES — ASSETS (E)		
Increase in fixed assets		
Decrease in financing debts		
Total I (A+B+C+D+E)	15 504 716 214,66	15 687 678 648,46
CURRENT ASSETS		
CURRENT ASSET CIRCULATION (F)	1 546 452 622,23	1 867 469 064,84
Providers and related accounts	815 546 923,75	1 095 200 245,74
Accounts payable, advances and deposits	96 633 496,69	98 879 963,69
Personnel	133 004 386,87	126 031 113,27
Social organisations	40 454 104,83	41 475 985,85
State	247 331 948,43	174 365 423,12
Associated accounts	27 039 967,15	187 755 263,99
Other creditors	165 805 433,78	90 464 124,62
Accruals and deferred income	20 636 360,73	53 296 944,56
OTHER PROVISIONS FOR RISKS AND CHARGES (G)	108 685 372,74	26 914 212,22
TRANSLATION ADJUSTMENT — ASSET (Circulating elements) (H)	1 771 958,98	306 469,91
Total II (F+G+H)	1 656 909 953,95	1 894 689 746,97
TREASURY		
TREASURY — ASSETS	801 976 980,22	978 738 353,27
Discount credits		
Treasury loans		300 000 000,00
Banks (credit balances)	801 976 980,22	678 738 353,27
Total III	801 976 980,22	978 738 353,27
OVERALL TOTAL I+II+III	17 963 603 148,83	18 561 106 748,70

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HOLDING COMPANY

INCOME AND EXPENSE ACCOUNT (EXCLUDING TAXES) AS OF 31ST DECEMBER 2018

TYPE	Operations specific to The financial year 1	Concerning previous financial years 2	TOTALS FOR THE YEAR 3=1+2	PREVIOUS YEAR'S TOTALS 4
I OPERATING INCOME				
Sales of goods (as is)	1 721 084,73		1 721 084,73	372 710,13
Sales of goods and services produced	7 615 057 519,70		7 615 057 519,70	7 999 006 273,63
Turnover	7 616 778 604,43		7 616 778 604,43	7 999 378 983,76
Change in product inventories	(34 079 648,99)		(34 079 648,99)	9 081 624,53
Fixed assets produced by the company				
Operating subsidies				
Other operating income				
Operating write-backs: expense transfers	81 077 833,85		81 077 833,85	80 633 211,00
Total I	7 663 776 789,29		7 663 776 789,29	8 089 093 819,29
II OPERATING EXPENSES				
Resold purchases of goods	3 070 357,05		3 070 357,05	1 653 526,65
Consumed purchases of materials and supplies	2 353 400 973,80		2 353 400 973,80	2 446 289 915,08
Other external expenses	920 992 759,71	1 225 817,00	922 218 576,71	1 061 337 541,45
Taxes and duties	54 621 161,93		54 621 161,93	59 926 033,66
Personnel expenses	597 310 138,65	91 983,22	597 402 121,87	590 457 327,09
Other operating expenses	1 790 604,49		1 790 604,49	9 174 639,86
Operating provisions	954 284 255,12		954 284 255,12	978 096 204,09
Total II	4 885 470 250,75	1 317 800,22	4 886 788 050,97	5 146 935 187,88
III OPERATING RESULT (I-II)			2 776 988 738,32	2 942 158 631,41
IV FINANCIAL INCOME				
Income from equity securities and other long-term securities	19 000 000,00		19 000 000,00	7 500 000,00
Exchange gains	20 439 773,12		20 439 773,12	17 590 306,50
Interest and other financial income	6 049 608,82		6 049 608,82	4 897 653,95
Financial write-backs; expense transfers	3 137 862,08		3 137 862,08	322 565,00
Total IV	48 627 244,02		48 627 244,02	30 310 525,45
V FINANCIAL EXPENSES				
Interest expenses	277 109 284,95		277 109 284,95	206 705 529,27
Exchange losses	31 846 120,01		31 846 120,01	18 832 066,37
Other financial expenses	536,26		536,26	
Financial allocations	120 445 042,77		120 445 042,77	12 182 862,08
Total V	429 400 983,99		429 400 983,99	237 720 457,72
VI FINANCIAL RESULT (IV-V)			(380 773 739,97)	(207 409 932,27)
VII CURRENT INCOME (III+VI)			2 396 214 998,35	2 734 748 699,14
VIII CURRENT INCOME (carry-overs)				
VIII NON-RECURRING PRODUCTS				
Proceeds from the sale of fixed assets	2 938 750,03		2 938 750,03	5 900 728,34
Balance Grants				
Reversals of investment subsidies				3 500 000,00
Other non-recurring income	13 754 162,79		13 754 162,79	3 327 212,72
Non-current write-backs; expense transfers	151 689 161,44		151 689 161,44	288 986 500,75
Total VIII	168 382 074,26		168 382 074,26	301 714 441,81
IX NON-RECURRING EXPENSES				
Net amortisation of fixed assets sold	8 105 871,97		8 105 871,97	9 264 158,15
Subsidies granted				
Other non-recurring expenses	193 185 183,73		193 185 183,73	298 456 707,62
Non-current depreciation, amortisation and provisions	15 053 203,94		15 053 203,94	24 681 857,01
Total IX	216 344 259,64		216 344 259,64	332 402 722,78
X NON-RECURRING INCOME (VIII-IX)			(47 962 185,38)	(30 688 280,97)
XI INCOME BEFORE TAXES (VII+X)			2 348 252 812,97	2 704 060 418,17
XII CORPORATE TAXES			890 120 307,55	916 849 326,00
XIII NET INCOME (XI-XII)			1 458 132 505,42	1 787 211 092,17
XIV TOTAL REVENUES (I + IV + VIII)			7 880 786 107,57	8 421 118 786,55
XV TOTAL EXPENSES (II + V + IX + XIII)			6 422 653 602,15	6 633 907 694,38
XVI NET INCOME (total income — total expenses)			1 458 132 505,42	1 787 211 092,17

STATEMENT OF OPERATING BALANCES AS OF 31ST DECEMBER 2018

RESULTS TABLE (TFR)	Financial year	Previous financial year
+ Sales of goods (as is)	1 721 084,73	372 710,13
- Purchases resold of goods	3 070 357,05	1 653 526,65
= GROSS MARGIN SALES, AS IS	(1 349 272,32)	(1 280 816,52)
+ PRODUCTION FOR THE FINANCIAL YEAR	7 580 977 870,71	8 008 087 898,16
Sales of goods and services produced	7 615 057 519,70	7 999 006 273,63
Change in product inventories	(34 079 648,99)	9 081 624,53
Fixed assets produced by the company for itself		
- CONSUMPTION FOR THE YEAR	3 275 619 550,51	3 507 627 456,53
Consumed purchases of materials and supplies	2 353 400 973,80	2 446 289 915,08
Other external expenses	922 218 576,71	1 061 337 541,45
= ADDED VALUE	4 304 009 047,88	4 499 179 625,11
+ Operating subsidies		
- Taxes and duties	54 621 161,93	59 926 033,66
- Personnel expenses	597 402 121,87	590 457 327,09
= GROSS OPERATING SURPLUS (EBE) OR GROSS OPERATING DEFICIENCY (IBE)	3 651 985 764,08	3 848 796 264,36
+ Other revenue		
- Other operating expenses	1 790 604,49	9 174 639,86
- Operating write-backs; expense transfers	81 077 833,85	80 633 211,00
- Operating provisions	954 284 255,12	978 096 204,09
= OPERATING RESULT (+or-)	2 776 988 738,32	2 942 158 631,41
+/- FINANCIAL RESULT	(380 773 739,97)	(207 409 932,27)
= RECURRING OPERATIONS	2 396 214 998,35	2 734 748 699,14
+/- NON-RECURRING OPERATIONS (+or-)	(47 962 185,38)	(30 688 280,97)
- Income tax expense	890 120 307,55	916 849 326,00
= NET INCOME FOR THE YEAR	1 458 132 505,42	1 787 211 092,17
SELF-FINANCING CAPACITY (CAF) - SELF-FINANCING		
	Year	Previous financial year
Net income for the year	1 458 132 505,42	1 787 211 092,17
Profit +	1 458 132 505,42	1 787 211 092,17
Loss -		
+ Operating provisions	895 232 649,88	888 456 104,03
+ Financial provisions	15 347 269,00	
+ Non-recurring provisions	27 852 027,50	23 781 857,01
- Operating write-backs	(6 815 131,60)	(1 111 390,00)
- Financial write-backs		
- Non-recurring write-backs	(146 911 252,04)	(264 616 587,84)
- Proceeds from the sale of fixed assets	(2 938 750,03)	(5 900 728,34)
+ Net amortisation value of assets sold	8 005 871,97	9 264 158,15
SELF-FINANCING CAPACITY (CAF)	2 247 905 190,10	2 437 084 505,18
Profit distributions	1 539 092 874,50	3 602 876 501,00
SELF-FINANCING	708 812 315,60	(1 165 791 995,82)

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FINANCIAL STATEMENTS

CASH FLOW STATEMENT AS OF 31ST DECEMBER 2018

I . SUMMARY OF THE BALANCE SHEET ASSETS

ASSETS	YEAR		VARIATION A - B	
	N	N-1	USE OF FUNDS	SOURCE OF FUNDS
1 Permanent funding	15 504 716 214,66	15 687 678 648,46	182 962 433,80	
2 Less fixed assets	15 337 999 143,66	15 394 298 159,44		56 299 015,78
3 WORKING CAPITAL FUNCTIONAL (1 - 2) (A)	166 717 071,00	293 380 489,02	126 663 418,02	
4 Current assets	2 545 684 898,64	3 070 973 949,66		525 289 051,02
5 Less current liabilities	1 656 909 953,95	1 894 689 746,97	237 779 793,02	
6 FINANCING NEEDS GLOBAL (4 - 5) (B)	888 774 944,69	1 176 284 202,69		287 509 258,00
7 NET TREASURY (ASSETS-LIABILITIES) A - B	(722 057 873,69)	(882 903 713,67)	160 845 839,98	

II . USES AND RESOURCES

	FINANCIAL YEAR N		FINANCIAL YEAR N-1	
	USE OF FUNDS	SOURCE OF FUNDS	USE OF FUNDS	SOURCE OF FUNDS
STABLE SOURCE OF FUNDS FOR THE FINANCIAL YEAR (CASH FLOW)				
SELF-FINANCING (A)		708 812 315,60	1 165 791 995,82	
Cash flow from operations		2 247 905 190,10	2 437 084 505,18	
Distribution of profits		1 539 092 874,50	3 602 876 501,00	
DISPOSALS AND REDUCTIONS OF FIXED ASSETS (B)		17 526 643,80		15 743 299,76
Disposals of intangible assets				
Disposals of tangible assets		2 938 750,03		5 900 728,34
Disposals of financial assets				
Recoveries on real estate receivables		14 587 893,77		9 842 571,42
INCREASE IN SHAREHOLDERS' EQUITY AND SIMILAR ITEMS (C)			3 500 000,00	
Capital increases, contributions				
Investment grants			3 500 000,00	
INCREASE IN FINANCING DEBTS (D)				2 200 000 000,00
(net of repayment premiums)				
TOTAL I. STABLE RESOURCES (A+B+C+D)		726 338 959,40	1 169 291 995,82	2 215 743 299,76
STABLE USE OF FUNDS FOR THE YEAR (CASH FLOW)				
ACQUISITIONS AND INCREASES IN FIXED ASSETS (E)	847 823 417,42		424 472 080,56	
Acquisitions of intangible assets	281 240,00		3 619 435,86	
Acquisitions of fixed assets	844 182 976,03		420 852 644,70	
Acquisitions of financial fixed assets				
Increase in real estate debt	3 359 201,39			
REPAYMENT OF SHAREHOLDERS' EQUITY (F)				
REPAYMENT OF FINANCIAL DEBTS (G)				
USES IN NON-VALUE TERMS (H)	5 178 960,00			
TOTAL II. STABLE USE OF FUNDS (E+F+G+H)	853 002 377,42		424 472 080,56	
CHANGE IN REQUIREMENTS OF GLOBAL FINANCING (B.F.G)		287 509 258,00	780 759 365,43	
CHANGE IN TREASURY	160 845 839,98			158 780 142,05
GENERAL TOTAL	1 013 848 217,40	1 013 848 217,40	2 374 523 441,81	2 374 523 441,81

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STATEMENT OF NON-FINANCIAL FIXED ASSETS AS OF 31ST DECEMBER 2018

TYPE	GROSS	AMOUNT		INCREASE			DECREASE		AMOUNT GROSS END OF YEAR
		OPENING BALANCE	Acquisition	Product by and for the business	Transfer of funds	Disposal	Withdrawal	Transfer of funds	
FIXED ASSETS IN NON VALUE TERMS		170 555 087,60	5 178 960,00						175 734 048,04
Preliminary costs									
Expenses to be distributed over several financial years		170 555 088,04	5 178 960,00						175 734 048,04
Bond redemption premiums									
INTANGIBLEASSETS		7 915 015 357,97	281 240,00		1 230 139,52		130 000,00	1 947 178,80	7 914 449 558,69
Research and development capital expenditure									
Patents, trademarks, rights and similar assets		50 100 981,31							50 100 981,31
Commercial funds		7 682 256 303,44							7 682 256 303,44
Other intangible assets		182 658 073,22	281 240,00		1 230 139,52		130 000,00	1 947 178,80	182 092 273,94
TANGIBLE ASSETS		16 043 608 180,44	844 182 976,03		232 189 161,67	3 376 187,00	23 213 942,47	231 472 122,39	16 861 918 064,68
Land		965 476 955,01			1 687 100,00				967 164 055,01
Construction		2 669 234 344,62			76 125 822,67	142 100,00	1 324 085,11		2 743 893 982,18
Technical installations, equipment and tools		11 643 402 341,93			149 987 628,07	1 659 800,00	21 889 857,36		11 769 840 312,64
Transport equipment		9 326 920,98				1 499 148,00			7 827 772,98
Furniture, office equipment and fittings		102 626 370,48			3 848 227,04	75 139,00			106 399 458,52
Other intangible assets		33 116 799,80			540 383,89				33 657 183,69
Tangible assets in progress		620 424 446,02	844 182 976,03					231 472 122,39	1 233 135 299,66

TABLE OF AMORTIZATIONS AS OF 31ST DECEMBER 2018

TYPE	Cumulative opening balance 1	Allocation for the year 2	Depreciation on fixed assets issued 3	Reclassification of depreciation and amortization 4	Cumulative amortization end of year 5=1+2+3+4
FIXED ASSETS IN NON-VALUES	72 325 686,10	34 966 175,40			107 291 861,50
Preliminary costs					
Expenses to be spread over several years	72 325 686,10	34 966 175,40			107 291 861,50
Bond redemption premiums					
INTANGIBLEASSETS	131 343 032,71	6 743 217,25	130 000,00		137 956 249,96
Research and development capital expenditure					
Patents, trademarks, rights and similar assets	50 100 981,31				50 100 981,31
Commercial funds					
Other intangible assets	81 242 051,40	6 743 217,25	130 000,00		87 855 268,65
TANGIBLE ASSETS	9 092 654 785,75	829 649 864,67	18 583 158,08		9 903 721 492,88
Land	71 108 341,91	4 186 242,19			75 294 584,10
Construction	1 197 464 276,46	122 237 961,23	293 103,17		1 319 409 134,52
Technical installations, equipment and tools	7 709 949 362,57	694 801 841,49	17 298 959,17		8 387 452 244,89
Transport equipment	6 453 754,28	1 520 739,96	915 956,74		7 058 537,50
Furniture, office equipment and miscellaneous fittings	76 950 504,64	6 015 121,23	75 139,00		82 890 486,87
Other intangible assets	30 728 546,43	887 958,57			31 616 505,00
Tangible assets in progress					

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HOLDING COMPANY

TABLE OF EQUITY HOLDINGS AS OF 31ST DECEMBER 2018

Issuing company name	Activity sector 1	Equity Capital 2	Capital Participation % 3	Total price of purchase 4	Net book value 5	Extract from the last summary report of the issuing company			Registered with the CPC for the financial year 9
						Closure date 6	Net equity 7	Net income 8	
LAFARGE CALCINOR	LIME	150 000 000,00	50%	161 067 628,02	161 067 628,02	31/12/2018	167 100 720,00	8 102 252,24	19 000 000,00
LAFARGEHOLCIM MAROC	CEMENT	702 937 200,00	0,48%	185 117 358,00	185 117 358,00	31/12/2018	9 066 495 854,17	1 458 132 505,42	
ECOCIM	WASTE PROCESSING	2 000 000,00	45%	900 000,00	900 000,00				En cours de liquidation
LAFARGE SAHARA	CEMENT	300 000,00	100%	299 900,00	299 900,00	31/12/2018	49 861 182,53	43 962 792,62	
LUBASA	CEMENT	1 000 000,00	100%	1 000 000,00	1 000 000,00	31/12/2018	(18 174 685,08)	(341 854,43)	
CIMENT BLANC DU MAROC	CEMENT	3 740 000,00	50%	2 550 000,00	2 550 000,00	31/12/2018	19 010 875,41	1 293 946,98	
ANDIRA	REAL ESTATE AGENCY	120 000,00	100%	4 693 013,75	4 693 013,75	31/12/2018	4 212 112,54	(64 057,50)	
CENTRALE MAROCAINE DE CONSTRUCTION	BUILDING MATERIALS	25 000 000,00	100%	25 000 000,00	25 000 000,00	31/12/2018	(2 656 007,51)	(30 618 533,73)	
SDGT	AGGREGATE	5 000 000,00	50%	15 347 269,00		31/12/2018	(1 604 555,19)	(620 888,55)	
GEOCYCLE MAROC	ALTERNATIVE FUELS	40 000 000,00	100%	40 000 000,00	40 000 000,00	31/12/2018	35 739 896,88	(2 273 239,00)	
MATEEN IMMOBILIERE	REAL ESTATE DEVELOPMENT	4 000 000,00	33%	1 333 333,33		31/12/2018	(52 178 881,65)	(13 957 145,62)	
TOTAL				437 308 502,10	420 627 899,77		9 267 806 512,10	1 463 615 778,43	19 000 000,00

TABLE OF PROVISIONS AS OF 31ST DECEMBER 2018

TYPE	PROVISIONS			WRITE-BACKS			RECLASSIFICATION	END AMOUNT FINANCIAL YEAR
	OPENING BALANCE	operating	financial	non-recurring	operating	financial		
1. Provisions for depreciation of fixed assets	2 626 411,84		15 347 269,00					17 973 680,84
2. Regulated provisions	322 234 921,81			12 707 169,31				189 846 659,08
3. Long-term forecasts for risks and expenses	139 391 976,01	23 872 291,33		15 144 857,63	6 815 131,02			169 778 173,95
SUB-TOTAL (A)	464 253 309,66	23 872 291,33	15 347 269,00	27 852 026,94	6 815 131,02			377 598 513,87
4. Provisions for depreciation of current assets (excluding treasury)	373 709 410,93	56 567 027,67	5 097 773,77		36 018 790,00			399 355 422,37
5. Other Provisions for risks and charges	26 914 212,22	2 485 755,00	100 000 000,00			3 137 862,08	17 576 732,40	108 685 372,74
6. Provisions for depreciation of treasury accounts	2 538 076,34							2 538 076,34
SUB-TOTAL (B)	403 161 699,49	59 052 782,67	105 097 773,77		36 018 790,00	3 137 862,08	17 576 732,40	510 578 871,45
TOTAL (A+B)	867 415 009,15	82 925 074,00	120 445 042,77	27 852 026,94	42 833 921,02	3 137 862,08	164 487 984,44	888 177 385,32

TABLE OF DEBT AS OF 31ST DECEMBER 2018

DEBTS	TOTAL	MATURITY ANALYSIS			OTHER ANALYSIS			
		More than one year	Less than one year	Due and not recovered	Amounts in foreign currencies	Amounts from the State and Pub. Orgs.	Amounts on linked companies	Amounts represented by bills
OF FIXED ASSETS	115 532 255,33	114 239 176,82		1 293 078,51				
Fixed loans	51 881 152,04	51 088 073,53		793 078,51				
Other financial receivables	63 651 103,29	63 651 103,29		500 000,00				
OF CURRENT ASSETS	2 329 441 996,38		1 937 179 539,56	392 262 456,82	8 290 253,21	169 114 479,16	442 753 284,31	112 021 168,00
Accounts receivable from suppliers, advances and down payments	22 914 136,35		22 914 136,35					
Trade receivables and related accounts	1 646 733 995,63		1 265 037 754,42	381 696 241,21	8 290 253,21		14 990 743,33	112 021 168,00
Personnel	10 073 762,49		10 073 762,49					
State	169 114 479,16		169 114 479,16			169 114 479,16		
Associated accounts	120 357 151,00		120 357 151,00				120 357 151,00	
Other debtors	337 407 237,57		326 841 021,96	10 566 215,61			307 405 389,98	
Adjustment account — assets	22 841 234,18		22 841 234,18					

Annual accounts 2018

HOLDING COMPANY

TABLE OF DEBTS AS OF 31ST DECEMBER 2018

DEBTS	TOTAL	MATURITY ANALYSIS			OTHER ANALYSIS			
		More than one year	Less than one year	Due and unpaid	Amounts in foreign currencies	Amounts from the State and Pub. Orgs.	Amounts from related companies	Amounts represented by bills
OF FINANCING	6 200 000 000,00	6 200 000 000,00						
Bond borrowings								
Other financial debts	6 200 000 000,00	6 200 000 000,00						
OF CURRENT ASSETS	1 546 452 622,23		1 546 452 622,23		155 345 386,51	287 786 053,26	139 170 863,96	73 260 307,30
Providers and related accounts	815 546 923,75		815 546 923,75		155 345 386,51		109 861 549,42	73 260 307,30
Credit customers	96 633 496,69		96 633 496,69					
Personnel	133 004 386,87		133 004 386,87					
Social organisations	40 454 104,83		40 454 104,83			40 454 104,83		
State	247 331 948,43		247 331 948,43			247 331 948,43		
Partner Accounts	27 039 967,15		27 039 967,15				27 039 967,15	
Other creditors	165 805 433,78		165 805 433,78				2 269 347,39	
Adjustment liability accounts	20 636 360,73		20 636 360,73					

TABLE OF ACTUAL SECURITIES GIVEN OR RECEIVED AS OF 31ST DECEMBER 2018

THIRD-PARTY CREDITORS OR THIRD-PARTY DEBTORS	Amount covered by the security	Type	Date and place of registration	Subject	Net book value of the security given at the closing date
Securities Received					
CUSTOMERS	78 225 000	Mortgages	Land and premises	Coverage of client debts	
PERSONNEL	149 359 660	Mortgages	Premises	Loan coverage	
SCI	121 137 008	Mortgages	Land	Debts coverage	

FINANCIAL COMMITMENTS RECEIVED OR GIVEN EXCLUDING LEASING TRANSACTIONS AS OF 31ST DECEMBER 2018

COMMITMENTS GIVEN	Year	Previous financial year
- Sureties	199 497 088	143 284 865
- Investments	638 017 803	902 110 400
- Operating suppliers	1 304 817 096	1 217 082 499
TOTAL 1	2 142 331 987	2 262 477 764

(1) Of which are liabilities to affiliated companies.

COMMITMENTS RECEIVED	Year	Previous financial year
- Sureties Suppliers of fixed assets	79 242 097	55 077 196
- Customer sureties	325 571 786	307 114 086
- Sureties Operating suppliers	6 169 229	
- Power of attorney personal capital option		1 000 000
- Other debtors	2 192 479	2 192 479
TOTAL	413 175 591	365 383 761

Annual Accounts 2018

SUMMARY OF THE AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS



37, Bd Abdellatif Benkaddour
20050 Casablanca
Maroc

To the shareholders of
LAFARGEHOLCIM MAROC S.A.
6, Route de la Mecque – Californie
Quartier les Crêtes
20150 Casablanca

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2018

We have audited the accompanying consolidated financial statements of LafargeHolcim Maroc S.A. and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2018, the consolidated statement of profit and loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information. These consolidated financial statements show an amount of consolidated equity of MMAD 9.816 including a consolidated net profit of MMAD 1.584.

Management's Responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Moroccan Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2018, and its financial performance and its cash flows for the years then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Casablanca, March 22, 2019

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Fax: (212-2) 2 39 02 26

French original signed by
Bachir TAZI
Partner

The independent auditors

DELOITTE AUDIT
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French original signed by
Nadia LAADOULI
Partner

SUMMARY OF THE STATUTORY AUDITORS' REPORT



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Maroc

To the shareholders of
LAFARGEHOLCIM MAROC S.A.
6, Route de la Mecque – Californie
Quartier les Crêtes
20150 Casablanca

GENERAL REPORT OF THE STATUTORY AUDITORS PERIOD FROM JANUARY 1st TO DECEMBER 31st, 2018

In accordance with the assignment entrusted to us by your General Assembly, we have audited the accompanying financial statements of LafargeHolcim Maroc S.A. as at December 31st, 2018 including the balance sheet, the income statement, the statement of management accounts, the cash flow statement and the notes to the financial statements for the year then ended, these financial statements show a net equity of KMAD 9.134.938 including a net profit of KMAD 1.458.133.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Moroccan accounting standards. This responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Moroccan standards on auditing. Those standards require that we comply with ethical requirements plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement in the financial statements. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

We certify that the above-mentioned financial statements present fairly, in all material respects, the financial position of LafargeHolcim Maroc S.A. as at December 31st, 2018 and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Morocco.

Specific verifications and information

We have also performed the specific controls required by the law and made sure that the information provided in the management report of the Management Board to be presented to the shareholders are consistent with the financial statements of the company.

Casablanca, March 22, 2019

The independent auditors

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French original signed by
Nadia LAADOULI
Partner

Approval of the financial statements for the year ending 31st December 2018

Ordinary General Meeting of Shareholders

FIRST RESOLUTION

The Ordinary General Meeting, after hearing the management report of the Board of Directors and the report prepared in accordance with the law by the statutory auditors for the financial year ending 31st December 2018, approves the operations, accounts and balance sheet for that financial year as presented to it, resulting in a net accounting profit of **1,458,132,505.42** dirhams.

It therefore discharges the members of the Board of Directors from management for the financial year ending 31st December 2018 and the statutory auditors discharge for the performance of their duties for the same financial year.

SECOND RESOLUTION

The Ordinary General Meeting, on approving the Board's proposal, decided to allocate the results for the financial year ending 31st December 2018 as follows:

	Dirhams
Net income for the 2018 financial year	1 458 132 505,42
Optional reserves	252 088 248,64
Total to be allocated	1 710 220 754,06
Ordinary dividend per share	66
66 dhs x 23,319,589 shares	1 539 092 874
Balance of optional reserves after distribution	171 127 880,06

The Ordinary General Meeting therefore sets the ordinary dividend per share at 66 dirhams for the 2018 financial year. This dividend will be paid from 10th June 2019.

THIRD RESOLUTION

The Ordinary General Meeting, having considered the reports of the Board of Directors and the Statutory Auditors, approves the consolidated financial statements as presented and showing, for the year ending 31st December, 2018, a net income of **1,584,031** thousand dirhams.

FOURTH RESOLUTION

The Ordinary General Meeting, on approving the Board of Directors' proposal, decides to set the gross amount allocated to the Board of Directors for directors' fees for 2018 at **520,000** dirhams.

FIFTH RESOLUTION

The Ordinary General Meeting, having heard the auditors' special report on the agreements referred to in Article 56 of Law No. 17-95 on public limited companies, as amended and supplemented, declares that it approves the conclusions of said report and the agreements mentioned therein.

SIXTH RESOLUTION

The Ordinary General Meeting takes note of the resignation of Mr Pierre Deleplanque from his duties as director on 2nd July 2018.

The Ordinary General Meeting decides to ratify the co-option of Mrs Géraldine Picaud as a director, decided by the Board of Directors held on 2nd July 2018, for the remainder of her predecessor's term of office, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31st December 2019.

SEVENTH RESOLUTION

The Ordinary General Meeting takes note of the resignation of Mr Saâd Sebbar from his duties as director on 1st July 2018.

The Ordinary General Meeting decides to ratify the co-option of Mr Miljan Gutovic as a director, decided by the Board of Directors held on 25th September 2018, for the remainder of his predecessor's term of office, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31st December 2019.

EIGHTH RESOLUTION

The Ordinary General Meeting takes note of the resignation of Mr Tarafa Marouane from his duties as director at the end of the meeting of the Board of Directors on 19th March 2019.

The Ordinary General Meeting decides to ratify the co-option of Mr Ali Fassi Fihri as a director, decided by the Board of Directors held on 19th March 2019, for the remainder of his predecessor's term of office, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31st December 2019.

NINETH RESOLUTION

The Ordinary General Meeting grants full powers to the holders of copies or extracts of these minutes to make all declarations and carry out all necessary formalities.

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