

Paris, February 19, 2010

Euronext Paris: LG

RESULTS AS OF DECEMBER 31, 2009

STRONG CASH GENERATION DESPITE ECONOMIC SLOWDOWN LAFARGE EXCEEDED ITS ACTION PLAN TARGETS AND REDUCED DEBT BY €3.1BN THE GROUP WILL BENEFIT FROM 2010 INCREASE IN CEMENT EMERGING MARKETS DEMAND

YEAR 2009 KEY FIGURES

<ul style="list-style-type: none"> ▪ Sales down 17% to €15,884m (-14% like-for-like) ▪ Current operating income down 30% to €2,477m (-26% like-for-like) ▪ Current operating income margin down 300 basis points to 15.6% 	<ul style="list-style-type: none"> ▪ Net income Group share declined by 54% to €736m ▪ Net earnings per share declined to €2.77⁽¹⁾ ▪ Free cash flow improved 34% to €2,834m ▪ Net debt reduced by €3,089m from year-end ▪ Dividend of €2 per share, subject to AGM approval
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FOURTH-QUARTER KEY FIGURES

<ul style="list-style-type: none"> ▪ Sales down 22% to €3,641m (-11% like-for-like) ▪ Current operating income down 34% to €494m (-27% like-for-like) ▪ Current operating income margin down 260 basis points to 13.6% 	<ul style="list-style-type: none"> ▪ Net income Group share declined to -€38m ▪ Net earnings per share declined to -€0.13 ▪ Free cash flow increased 10% to €1,123m ▪ Net debt reduced by €818m during the quarter
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(1) In line with IFRS requirements, the EPS has been adjusted to reflect the rights issue completed on April 28, 2009.

GROUP HIGHLIGHTS

- Free cash flow of €2,834 million, a 34% improvement.
- Sales down due to lower volumes, foreign exchange, and the scope of operations divested.
- Volume declines slowed in the fourth quarter on a like-for-like basis, despite the impact of adverse weather conditions.
- Emerging markets current operating income rose on a like-for-like basis, excluding Central & Eastern Europe.
- Cement EBITDA margin remained resilient at over 30% for the year.
- Exceeded action plan to strengthen financial structure:
 - Cost reduction above commitment, achieving €230 million in structural savings.
 - Capital expenditure reduced by over €1 billion to €1.6 billion.
 - €919 million divestments.
 - Working capital reduced by more than €1 billion.

BRUNO LAFONT, CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF LAFARGE, SAID:

"In a challenging year, Lafarge has successfully completed the action plan designed to strengthen its financial structure announced in February 2009. We have achieved solid cash generation and significant cost savings that lowered debt and supported operating margins. These efforts will continue in 2010 through strict cash control and an additional €200 million target of structural cost savings. This will provide a lower cost base and an improved financial structure as the economic recovery begins to take hold.

Entering 2010, we anticipate overall cement demand will increase in Lafarge's markets. While mature markets are expected to recover slowly during the second half of the year, we see emerging markets providing solid growth potential. Our development program has already added cement capacity in these markets enabling Lafarge to capture this growth.

Lafarge's development in emerging markets, its promotion of innovative products, and its focus on cost reduction are strong foundations from which to benefit from the economic recovery and return to earnings growth."



The Board of Directors of Lafarge, chaired by Bruno Lafont, met on February 18, 2010 and approved the accounts for the period ended December 31, 2009.

CONSOLIDATED ACCOUNTS

(€m)	FULL YEAR			FOURTH QUARTER		
	2008	2009	Variation	2008	2009	Variation
Sales	19,033	15,884	-17%	4,647	3,641	-22%
Current operating income	3,542	2,477	-30%	753	494	-34%
Operating margin (%)	18.6%	15.6%	-300 bp	16.2%	13.6%	-260 bp
Net income Group share	1,598	736	-54%	40	(38)	nm
<i>Excluding one-off items⁽¹⁾</i>	1,713	829	-52%	293	98	-67%
Earnings per share(€) ⁽²⁾	€7.19	€2.77	-61%	€0.17	€(0.13)	nm
<i>Excluding one-off items⁽¹⁾⁽²⁾</i>	€7.70	€3.12	-59%	€1.30	€0.34	-74%
Free cash flow	2,113	2,834	+34%	1,022	1,123	+10%
Net debt	16,884	13,795	-18%			

The statutory auditors have completed their audit of the consolidated accounts. Their report is in the process of being issued.

⁽¹⁾ Excluding net capital gains on sale of Egypt-Titan JV in Q2 2008, the legal provision adjustment for the 2002 Gypsum case in Q2 2008, the impairment loss on goodwill in Q4 2008, the reversal of the German cement case in Q2 2009, the settlement of the USG litigation in Q4 2009, and the impairment loss on some cement assets in Western Europe in Q4 2009.

⁽²⁾ Basic average number of shares outstanding, as adjusted for the rights issue completed on April 28, 2009, outstanding of 222.4 million at the end of December 2008, compared to 265.5 million at the end of December 2009.

OUTLOOK

Emerging markets continue to show strength and Lafarge forecasts that cement volumes in these markets will continue to drive demand in 2010. For developed markets, the Group expects that demand will start to recover slowly during the second half of the year. Overall, the Group expects cement volumes in its markets to increase between 0 and 5% in 2010. Pricing is expected to remain solid for the year in most of our markets.



CURRENT OPERATING INCOME

(€m)	FULL YEAR			FOURTH QUARTER		
	2008	2009	Variation	2008	2009	Variation
Cement	2,964	2,343	-21%	662	507	-23%
Aggregates & Concrete	623	193	-69%	127	46	-64%
Gypsum	36	38	+6%	(4)	(4)	-
Other	(81)	(97)		(32)	(55)	
TOTAL	3,542	2,477	-30%	753	494	-34%

HIGHLIGHTS BY BUSINESS

CEMENT

- Sales were down 10% both year-to-date and in the quarter, at constant scope and foreign exchange, due to lower volumes led by the market slowdown in Europe and North America.
- Solid growth in key markets of Middle East and Africa, Latin America, and Asia.
- Current operating income, at constant scope and foreign exchange, was -18% year-to-date and -16% in the quarter, driven by lower volumes.
- EBITDA margin remained strong at 30% in the fourth quarter, slightly below last year despite sharp volume declines.
- Pricing remained solid overall with a limited number of markets showing price declines.
- Positive impact of the cost reduction program in all regions.

AGGREGATES & CONCRETE

- Sales were down 21% year-to-date and 16% in the quarter at constant scope and foreign exchange.
- Current operating income was -69% year-to-date and -64% in the quarter, reflecting the exposure to developed markets where volumes declined strongly.
- The rate of decline in operating margins slowed in the quarter.
- Pricing improved overall across all product lines, with benefits seen from value-added products.
- Positive impact of the cost reduction program in all regions.

GYPSUM

- Sales were down 12% year-to-date and in the quarter.
- Current operating income stable as compared to last year.
- Volume declines resulting from a general slowdown of housing construction in developed markets.
- Positive impact of the cost reduction program in all regions.

INVESTMENTS AND DIVESTMENTS

- Investments totaled €1,719 million in 2009, compared to €12,067 million in 2008.
 - Sustaining capital expenditures decreased by 58% to €372 million in 2009.
 - Internal development capital expenditures declined by 35% to €1,234 million in 2009.
 - Limited acquisitions in 2009.
- During 2009, Lafarge achieved divestments of €919 million (including the reduction of debt attributed to disposed operations).



ADDITIONAL INFORMATION

Additional information including the Management report at December 2009 and slideshow to analysts are available on the website of Lafarge.

Practical information:

Analyst meeting

There will be **an analyst presentation at 11:00 CET** at the Pavillon Gabriel, 5 avenue Gabriel, 75008 Paris. The presentation will be made in English with simultaneous French translation based on slides that can be downloaded from the Lafarge website (www.lafarge.com).

The presentation may be followed via a live web cast on the Lafarge website as well as via teleconference:

- Dial in (France): +33 (0)1 70 99 42 73
- Dial in (UK or International): +44 (0)20 7138 0824
- Dial in (US): +1 212 444 0481

Please note that in addition to the web cast replay, a conference call playback will be available until the 27th of February 2010 midnight at the following numbers:

- France playback number: +33 (0)1 74 20 28 00 (pin code: 2925469#)
- UK or International playback number: +44 (0)20 7111 1244 (pin code: 2925469#)
- US playback number: +1 347 366 9565 (code: 2925469#)

Press conference

A press conference will be held at 9:15 AM CET at the Pavillon Gabriel, 5 avenue Gabriel, 75008 Paris. The press conference will be hosted by Bruno Lafont, Chairman and CEO and Jean-Jacques Gauthier, Chief Financial Officer.

NOTES TO EDITORS

Lafarge is the world leader in building materials, with top-ranking positions in all of its businesses: Cement, Aggregates & Concrete and Gypsum. With more than 78,000 employees in 78 countries, Lafarge posted sales of Euros 15.9 billion in 2009.

In 2010 and for the sixth year in a row, Lafarge was listed in the 'Global 100 Most Sustainable Corporations in the World'. With the world's leading building materials research facility, Lafarge places innovation at the heart of its priorities, working for sustainable construction and architectural creativity. Additional information is available on the web site at www.lafarge.com

This document may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding the Company's results or any other performance indicator, but rather trends or targets, as the case may be. These statements are by their nature subject to risks and uncertainties, many of which are outside our control, including, but not limited to the risks described in the Company's annual report available on its Internet website (www.lafarge.com). These statements do not reflect future performance of the Company, which may materially differ. The Company does not undertake to provide updates of these statements.

More comprehensive information about Lafarge may be obtained on its Internet website (www.lafarge.com).

This document does not constitute an offer to sell, or a solicitation of an offer to buy Lafarge shares.

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