IMPORTANT NOTICE

THIS DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBS UNDER RULE 144A OR (2) NON-U.S. PERSONS OR ADDRESSEES OUTSIDE OF THE U.S.

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THE FOLLOWING OFFERING DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this offering document or make an investment decision with respect to the securities, investors must be either (1) Qualified Institutional Buyers ("QIBs") (within the meaning of Rule 144A under the Securities Act) or (2) non-U.S. persons (within the meaning of Regulation S under the Securities Act). This offering document is being sent at your request and by accepting the e-mail and accessing this offering document, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs or (b) not U.S. persons and that the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and (2) that you consent to delivery of such offering document by electronic transmission.

You are reminded that this offering document has been delivered to you on the basis that you are a person into whose possession this offering document may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorized to, deliver this offering document to any other person.

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This offering document has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither of Barclays Capital Inc. and J.P. Morgan Securities Inc. nor any person who controls any of them nor any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering document distributed to you in electronic format and the hard copy version available to you on request from Barclays Capital Inc. and J.P. Morgan Securities Inc.

STRICTLY CONFIDENTIAL

U.S.$550,000,000 5.50% Notes due July 9, 2015
Issue price 99.914%

We are offering U.S.$550,000,000 aggregate principal amount of our 5.50% Notes due July 9, 2015, which we refer to as the "Notes". We will pay interest on the Notes semi-annually on January 9 and July 9 of each year, beginning January 9, 2011.

The interest rate payable on the Notes will be subject to adjustment from time to time if the rating assigned to the Notes is downgraded (or subsequently upgraded) under the circumstances described in this Offering Memorandum.

We may redeem the Notes, in whole or in part from time to time, at a make-whole redemption price described in this Offering Memorandum. We may also redeem the Notes at par if certain tax-related events occur (as described in more detail in this Offering Memorandum). We may be required to make an offer to purchase all or a portion of each holder's Notes upon the occurrence of certain change of control events at a purchase price equal to 101% of the principal amount tendered plus accrued and unpaid interest, if any, to the date of purchase.

The Notes will be unsecured and unsubordinated obligations of Lafarge and will rank equally with Lafarge's unsecured and unsubordinated indebtedness. The Notes will be issued in minimum denominations of U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof.

The Notes are expected to be assigned a rating of "Baa3" by Moody's Investor Services, Inc. ("Moody's") and "BBB-" by Standard & Poor's Ratings Services ("Standard & Poor's").

See "Risk Factors" beginning on page 8 for a discussion of certain risks that you should consider in connection with an investment in the Notes.

The Notes have not been registered under the Securities Act of 1933, as amended (the "Securities Act"). Accordingly, we are offering the Notes only (1) to qualified institutional buyers in reliance on Rule 144A under the Securities Act ("Rule 144A") and (2) outside the United States in accordance with Regulation S under the Securities Act ("Regulation S"). For certain restrictions on transfer, see "Transfer Restrictions."

Delivery of the Notes in book-entry form will be made on or about July 9, 2010 through The Depository Trust Company for the accounts of its participants, including Clearstream and the Euroclear system.

Joint Book-Running Managers

Barclays Capital **J.P. Morgan**

Co-Managers

Deutsche Bank Securities **Mitsubishi UFJ Securities** **Mizuho Securities USA Inc.**

RBS **UBS Investment Bank**

The date of this Offering Memorandum is July 6, 2010.

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We are responsible for the information contained and incorporated by reference in this Offering Memorandum. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. You should carefully evaluate the information provided by Lafarge in light of the total mix of information available to you, recognizing that Lafarge can provide no assurance as to the reliability of any information not contained or incorporated by reference in this Offering Memorandum. The information contained or incorporated by reference in this Offering Memorandum is accurate only as of the date hereof, regardless of the time of delivery or of any sale of the Notes. It is important for you to read and consider all information contained in this Offering Memorandum, including the documents incorporated by reference herein, in making your investment decision. You should also read and consider the information in the documents to which we have referred you under the captions "Where You Can Find More Information" and "Incorporation by Reference" in this Offering Memorandum.

This Offering Memorandum has been prepared by us solely for use in connection with the placement of the Notes. We and the initial purchasers reserve the right to reject any offer to purchase for any reason.

Neither the Securities and Exchange Commission, or SEC, any state securities commission nor any other regulatory authority, has approved or disapproved of the Notes; nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense.

The distribution of this Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. Lafarge and the initial purchasers require persons in whose possession this Offering Memorandum comes to inform themselves about and to observe any such restrictions. This Offering Memorandum does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or invitation would be unlawful.

We are offering to sell, and are seeking offers to buy, the Notes only in jurisdictions where offers and sales are permitted. This Offering Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. Neither the delivery of this Offering Memorandum nor any sale made under it implies that there has been no change in our affairs or that the information contained or incorporated by reference in this Offering Memorandum is correct as of any date after the date of this Offering Memorandum.

You must:

- comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this Offering Memorandum and the purchase, offer or sale of the Notes; and

- obtain any consent, approval or permission required to be obtained by you for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales; and neither we nor the initial purchasers shall have any responsibility therefor.

The Notes are subject to restrictions on transfer. See "Transfer Restrictions." By purchasing the Notes, you will be deemed to have made the acknowledgements, representations, warranties and agreements described under the heading "Transfer Restrictions" in this Offering Memorandum. You should understand that you may be required to bear the financial risks of your investment for an indefinite period of time.

You acknowledge that:

- you have not relied on the initial purchasers or any person affiliated with the initial purchasers in connection with your investigation of the accuracy of such information or your investment decision; and

- no person has been authorized to give any information or to make any representation concerning us or the Notes, other than as contained or incorporated by reference in this Offering Memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorized by us or the initial purchasers.

In making an investment decision, you must rely on your own examination of us and the terms of this offering, including the merits and risks involved.

The initial purchasers are not making any representation or warranty, express or implied, as to the accuracy or completeness of the information contained or incorporated by reference in this Offering Memorandum. You should not rely upon the information contained or incorporated by reference in this Offering Memorandum, as a promise or representation, whether as to the past or the future. The initial purchasers assume no responsibility for the accuracy or completeness of such information.

Neither the initial purchasers, nor we, nor any of their or our respective representatives, are making any representation to you regarding the legality of an investment in the Notes. You should consult with your own advisers as to legal, tax, business, financial and related aspects of an investment in the Notes. You must comply with all laws applicable in any place in which you buy, offer or sell the Notes or possess or distribute this Offering Memorandum, and you must obtain all applicable consents and approvals. Neither the initial purchasers nor we shall have any responsibility for any of the foregoing legal requirements.

This Offering Memorandum is highly confidential and has been prepared by us solely for use in connection with the proposed private placement of the Notes described in this Offering Memorandum. We and the initial purchasers reserve the right to withdraw this offering at any time before closing, to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the amount of Notes offered by this Offering Memorandum.

This Offering Memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes. Distribution of this Offering Memorandum to any person other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorized, and any disclosure of any of its contents, without our prior written consent, is prohibited. Each prospective purchaser, by accepting this Offering Memorandum, agrees to the foregoing and to make no photocopies of this Offering Memorandum or any documents referred to in this Offering Memorandum. Each offeree will notify its advisers of the restrictions imposed by the U.S. federal securities laws on the purchase and sale of securities and on the communication of confidential information to any other person.

Notwithstanding anything herein to the contrary, investors may disclose to any and all persons, without limitation of any kind, the U.S. federal or state income tax treatment and tax structure of this offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the U.S. federal income tax treatment or tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the U.S. federal or state income tax treatment of this offering but does not include information relating to the identity of the issuer of the Notes, the issuer of any assets underlying the Notes, or any of their respective affiliates that are offering the Notes.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE UNIFORM SECURITIES ACT ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Offering Memorandum has been prepared on the basis that all offers of Notes will be made pursuant to an exemption under the Prospectus Directive (as defined below), as implemented in member states of the European Economic Area (the "EEA"), from the requirement to produce a prospectus for offers of securities. Accordingly any person making or intending to make any offer within the EEA of Notes which are the subject of the placement contemplated in this Offering Memorandum should only do so in circumstances in which no obligation arises for us or any of the initial purchasers to produce a prospectus for such offer. Neither we nor any of the initial purchasers have authorized, nor do we or they authorize, the making of any offer of Notes through any financial

intermediary, other than offers made by the initial purchasers which constitute the final placement of Notes contemplated in this Offering Memorandum.

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State") an offer to the public of any notes may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any notes may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities; or

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts,

provided that no such offer of notes shall result in a requirement for the publication by us or any initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any notes to be offered so as to enable an investor to decide to purchase any notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

ENFORCEABILITY OF CIVIL LIABILITIES

Lafarge is a *société anonyme* incorporated under the laws of France. Many of our directors and officers reside outside the United States, principally in France. In addition, a large portion of our assets and the assets of our directors and officers is located outside of the United States. As a result, U.S. investors may find it difficult in a lawsuit based on the civil liability provisions of the U.S. federal securities laws:

- to effect service within the United States upon us or our directors and officers located outside the United States;
- to enforce in U.S. courts or outside the United States judgments obtained against us or those persons in the U.S. courts;
- to enforce in U.S. courts judgments obtained against us or those persons in courts in jurisdictions outside the United States; and
- to enforce against us or those persons in France, whether in original actions or in actions for the enforcement of judgments of U.S. courts, civil liabilities based solely upon the U.S. federal securities laws.

ADDITIONAL INFORMATION

In this Offering Memorandum, the term "Lafarge" refers to Lafarge S.A., a French *société anonyme*. The terms "Group", "Lafarge Group", "we", "us" or "our" refer to Lafarge S.A. and its consolidated subsidiaries, except as the context otherwise requires.

Industry and Market Data

In this Offering Memorandum, Lafarge relies on and refers to information regarding the cement, concrete, aggregates, gypsum and related industries, its markets and its competitive position in the sectors in which it competes. Lafarge has obtained this information from various third party sources and/or its own internal estimates. Lafarge believes that its third party sources are reliable, but it has not independently verified third party information, and none of Lafarge or the initial purchasers makes any representation as to its accuracy or completeness. Similarly, although Lafarge believes that the market share data it has cited is useful in understanding its market position relative to its competitors, the nature of its industry often makes it difficult to obtain precise and accurate market share data, and undue reliance should not be placed on these figures.

Unless otherwise indicated, the sources of the market data and rankings that appear in this Offering Memorandum are Lafarge's estimations on the basis of information published by its competitors in their annual reports, press releases or analyst presentations.

Presentation of Financial and Other Information

In this Offering Memorandum, references to "€" are to euros, the currency of the countries participating in the third stage of the European Economic and Monetary Union, and references to "$" or "U.S.$" are to U.S. dollars, the currency of the United States of America. Lafarge publishes its consolidated financial statements in euros. See "Exchange Rate and Currency Information."

In this Offering Memorandum, various figures and percentages set out herein have been rounded and, accordingly, may not total.

DOCUMENTS INCORPORATED BY REFERENCE

We have incorporated by reference in this Offering Memorandum certain information that we have made publicly available, which means that we have disclosed important information to you by referring you to those documents. The information incorporated by reference is an important part of this Offering Memorandum.

This Offering Memorandum should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Offering Memorandum, which shall be incorporated in, and form part of, this Offering Memorandum (together, the "Documents Incorporated by Reference"):

- The English translation of our 2009 Annual Report (*document de référence*), a French version of which was filed with the French *Autorité des marchés financiers* under the number D.10-0104 (the "Filed 2009 Annual Report"), but excluding the AMF visa and related note below the visa appearing on the inside cover page, the statement in the third paragraph of the Certification on page 153 and the AMF cross reference table appearing from page 258 to page 260, (the Filed 2009 Annual Report, excluding such information, the "2009 Annual Report"). References in this document to the 2009 Annual Report shall be deemed to exclude the sections and/or pages mentioned above. Investors should not make an investment decision based on any information contained in the excluded sections and/or pages referred to above.

- The English version of our interim report at March 31, 2010 (the "Interim Report at March 31, 2010").

Any statement made in the 2009 Annual Report or any other document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offering Memorandum to the extent that a statement contained in this Offering Memorandum modifies or supersedes such statement. Any statement that is modified or superseded shall not be deemed, except as modified or superseded, to constitute a part of this Offering Memorandum.

We will provide, without charge, to each person to whom a copy of this Offering Memorandum is delivered, on the written or oral request of such person, a copy of any document this Offering Memorandum incorporates by reference, until the date the Notes offered hereunder are delivered. Requests should be directed to: Lafarge Investor Relations, Tel: +33 (0)1.44.34.11.11. These incorporated documents may also be consulted at the website of Lafarge at http://www.lafarge.com. Other information contained on our website is not a part of this Offering Memorandum.

SUMMARY

The following summary highlights selected information contained elsewhere or incorporated by reference in this Offering Memorandum. Accordingly, this summary may not contain all of the information that may be important to you. We urge you to carefully read and review this document, the 2009 Annual Report and the other documents incorporated by reference herein in order to fully understand our company. You should also read the "Risk Factors" section to determine whether an investment in the Notes is appropriate for you.

Lafarge S.A.

Lafarge S.A. is a limited liability company incorporated in France and governed by French law (*société anonyme*). We produce and sell building materials – cement, aggregates, concrete, gypsum wallboard, and related products – worldwide, primarily under the "Lafarge" brand. Based on sales, we believe we are the world leader in building materials. Our products are used to build and renovate residential, commercial and public works projects throughout the world. Based on internal and external research, we believe that we are the world leader in the cement market, the second largest aggregates producer, the third largest concrete producer and the third largest gypsum wallboard manufacturer worldwide.

We have an organizational structure based on our three Divisions (Cement, Aggregates & Concrete and Gypsum). Our reporting currency is the euro. In 2009, we generated €15,884 million in sales, €2,477 million in current operating income[1] and €736 million in net income, Group share. At year-end 2009, our assets totaled €39,497 million. As of December 31, 2009, we employed approximately 78,000 people in the numerous countries in which we operate.

Strategy

Our strategy is aimed at strengthening our position as world leader in building materials, in terms of market share, corporate image for customers, geographic deployment, innovation and profitability.

We have two strategic priorities: cement, notably in fast-growing markets, and innovation, especially in concrete.

Over the past ten years, world cement consumption has significantly increased with an average rate of growth of 5% per annum. Despite the current economic and financial crisis, global cement demand grew by approximately 7% in 2009, supported by the dynamism of the Chinese market. Mid- and long-term prospects remain favorable, especially in emerging markets, where the demography, urbanization, and the needs in accommodation (housing) and in infrastructure are powerful. Emerging markets now account for 78% of Group earnings (77% for the Cement Division). We believe we are in a very good position to benefit from this long-term fundamental growth due to our cement capacity increase program and the acquisition of Orascom Cement in January 2008. Most of our new production capacity projects are located in emerging markets and we are particularly determined to accelerate the pace of our development in China and in the Africa and Middle East region. The Group will seize opportunities to participate in the consolidation of the cement market and will drive this action, if necessary, by intensification of the aggregates and concrete vertical integration.

Lafarge's second strategic priority is innovation, especially in concrete through our brands Agilia®, Chronolia®, Extensia® and Artevia®. In 2009, together with French contractor Bouygues Construction, we launched Thermedia®, a new range of insulating ready-mix concretes. Value-added

[1] Current operating income is operating income before capital gains, impairment, restructuring and other, and is defined in detail in Chapter 4.2.3 of the 2009 Annual Report.

products, which have weathered the crisis better than standard products, should account for a significant portion of Lafarge's ready-mix concrete production in terms of volume by 2012.

We believe growth and innovation must add value, not only for the Group, but also for our customers, who we serve through modern and well-located production facilities as well as innovative products that provide them with greater satisfaction.

We have three operating priorities:

- First, the safety of the women and men who work within the Group day after day, whether they are on the payroll or subcontractors and whether they work on our sites or on the road. Between 2008 and 2009 (based on our 2007 business scope of consolidation), we managed to reduce the number of workplace accidents resulting in sick leave by 36%, demonstrating our commitment to achieving results in this area.

- Second, cost-cutting. This objective was reflected in our 2009 results and the resilience of our operating margin against a backdrop of global economic crisis. We have also continued to optimize our organizational efficiency by simplifying and streamlining operations in order to enhance our ability to plan ahead and work efficiently.

- Third, sustainable development, which encompasses: preservation of the environment and combating climate change (limited raw materials extraction, emissions reduction – notably CO_2 – and biodiversity promotion; health protection and medical care for our employees and neighboring communities; and more generally the Group's social involvement, as illustrated by the Group's actions following natural disasters.

We believe that our strategy affords us every possible chance of being recognized as the best creator of value by our shareholders, the best supplier of products and services by our customers, the best employer by our employees and the best partner to the communities in which we operate.

The above trends and targets are by their nature subject to risks and uncertainties and should be considered in light of the factors described under "Forward-Looking Statements" and "Risk Factors."

SUMMARY OF THE OFFERING

The following is a brief summary of the terms of this offering. For a more complete description of the terms of the Notes, see "Description of Notes" in this Offering Memorandum.

Issuer	Lafarge
Notes offered	U.S.$550,000,000 in principal amount of 5.50% notes due 2015 (the "Notes")
Issue price	99.914% of the principal amount
Maturity	July 9, 2015
Interest rate	The Notes will bear interest at the rate of 5.50% per annum from July 9, 2010 based upon a 360-day year consisting of twelve 30-day months. The interest rate payable on the Notes will be subject to adjustment from time to time if the rating assigned to the Notes is downgraded (or subsequently upgraded) under the circumstances described in this Offering Memorandum. See "Description of Notes—Payments of Principal and Interest—Interest Rate Adjustments."
Interest payment dates	Interest on the Notes will be payable semi-annually on January 9 and July 9 of each year, commencing on January 9, 2011.
Ranking	The Notes will be unsecured and unsubordinated obligations of Lafarge and will rank equally with Lafarge's unsecured and unsubordinated indebtedness. The Notes will be effectively subordinated to all of our existing and future secured indebtedness and to all existing and future indebtedness of our subsidiaries with respect to the assets of those subsidiaries.
Additional amounts	We will pay additional amounts in respect of any payments of interest or principal so that the amount you receive after French withholding tax will equal the amount that you would have received if no withholding tax had been applicable, subject to some exceptions as described under "Description of Notes—Payment of Additional Amounts."
Covenants	The indenture relating to the Notes contains restrictions on our ability to pledge assets and merge or transfer assets. For a more complete description see "Description of Notes".

Redemption Events	We may redeem the Notes, in whole or in part from time to time, at our option, on at least 30 days' but no more than 60 days' prior written notice given to the registered holders of the Notes to be redeemed. Upon redemption of the Notes, we will pay a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed and (2) the sum of the present values of the Remaining Scheduled Payments of the Notes to be redeemed, discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, plus accrued and unpaid interest thereon to the redemption date. See "Description of Notes — Redemption, Exchange and Purchase — Redemption at the Option of the Company." If, due to changes in French tax treatment (or the treatment of any jurisdiction in which a successor to, or substitute obligor of, our company is organized or resident for tax purposes) occurring after the issuance date of the Notes (or after the date of succession or substitution), we would be required to pay additional amounts as described under "Description of Notes — Payment of Additional Amounts," we may redeem the Notes in whole but not in part at a redemption price equal to 100% of the principal amount of the Notes plus accrued interest to the redemption date.
Offer to purchase upon a change of control	Upon the occurrence of certain change of control events, we may be required to make an offer to purchase all or a portion of each holder's Notes pursuant to a Change of Control Offer, at a purchase price equal to 101% of the principal amount tendered plus accrued and unpaid interest, if any, to the date of purchase. See "Description of Notes — Redemption, Exchange and Purchase — Change of Control Offer."
Further issuances.....	We reserve the right, without the consent of the holders of the Notes, to create and issue additional Notes ranking equally with the Notes in all respects, so that such additional Notes will be consolidated and form a single series with the Notes; *provided* that such additional Notes will be issued with no more than *de minimis* original issue discount for U.S. federal income tax purposes or be part of a qualified reopening for U.S. federal income tax purposes.

Use of proceeds	We intend to use the net proceeds from the sale of the Notes for general corporate purposes.
Transfer restrictions	The Notes have not been registered under the Securities Act and are subject to restrictions on transfer as described under "Transfer Restrictions."
Listing	The Notes will not be listed.
Trustee, registrar, principal paying agent and transfer agent	HSBC Bank USA, National Association
Rating	The Notes are expected to be assigned a rating of "Baa3" by Moody's and "BBB-" by Standard & Poor's. Ratings are not a recommendation to purchase, hold or sell Notes, inasmuch as the ratings do not comment as to market price or suitability for a particular investor. The ratings are based upon current information furnished to the rating agencies by us and information obtained by the rating agencies from other sources. The ratings are only accurate as of the date thereof and may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information, and therefore a prospective purchaser should check the current ratings before purchasing the Notes. Each rating should be evaluated independently of any other rating.
Governing law	The indenture and the Notes will be governed by the laws of the State of New York.
Risk factors	See "Risk Factors" and the other information included or incorporated by reference in this Offering Memorandum for a discussion of the factors you should carefully consider before investing in the Notes.
Global Note codes	Rule 144A Global Note: CUSIP: 505861 AD6 ISIN: US505861AD68 Regulation S Global Note: CUSIP: F54432 AG8 ISIN: USF54432AG84

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table sets forth, for the periods indicated, the Company's selected consolidated financial data.

You should read the following summary consolidated financial information together with:

- Chapter 4 "Operating and Financial Review and Prospects" in the 2009 Annual Report and the audited, consolidated financial statements of Lafarge included or incorporated by reference in the 2009 Annual Report; and
- Chapter 2 "Review of operations and financial results" in the Interim Report at March 31, 2010 and the unaudited consolidated financial of Lafarge included in the Interim Report at March 31, 2010.

Our financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Consolidated Statement of Income	**Three months ended March 31, 2010 (*unaudited*)**	**Year ended December 31,**		
		2009	**2008**	**2007**
(in € millions)				
Revenue	3,276	15,884	19,033	17,614
Operating income before capital gains, impairment, restructuring and other	236	2,477	3,542	3,242
Operating income	195	2,250	3,362	3,289
Net income from continuing operations	114	1,046	1,939	2,038
Net income from discontinued operations	-	-	-	118
Net income	114	1,046	1,939	2,156
Of which:				
Owners of the parent company	64	736	1,598	1,909
Non-controlling interests	50	310	341	247

Consolidated Statement of Financial Position	**As of March 31, 2010 (*unaudited*)**	**Year ended December 31,**		
		2009	**2008**	**2007**
(in € millions)				
ASSETS				
Non-current assets	34,550	32,857	32,928	21,490
Current assets	7,048	6,640	7,680	6,818
TOTAL ASSETS	**41,598**	**39,497**	**40,608**	**28,308**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent company	15,936	14,977	12,910	10,998
Non-controlling interests	1,985	1,823	1,725	1,079
Non-current liabilities	17,395	16,652	17,043	10,720
Current liabilities	6,282	6,045	8,930	5,511
TOTAL EQUITY AND LIABILITIES	**41,598**	**39,497**	**40,608**	**28,308**

Consolidated Statement of Cash Flows	**Three months ended March 31, 2010 (*unaudited*)**	**Year ended December 31,**		
		2009	**2008**	**2007**
(in € millions)				
Net cash provided by operating activities	(41)	3,206	3,001	2,676
Net cash provided by/(used in) investing activities	(382)	(1,074)	(8,771)	(703)
Net cash provided by/(used in) financing activities	258	(1,489)	6,030	(1,664)
Increase/(decrease) in cash and cash equivalents	(165)	643	260	309

Additional Financial Indicators	**As of March 31, 2010 (*unaudited*)**	**As of December 31,**		
		2009	**2008**	**2007**
(in € millions)				
Free cash-flow [(1)]	(86)	2,834	2,113	1,726
Group net debt[(1)]	14,582	13,795	16,884	8,685

(1) *See Chapter 4.2.4 "Overview – Reconciliation of non-GAAP financial measures" of the 2009 Annual Report for the definition of these indicators.*

RISK FACTORS

In addition to other information contained in this Offering Memorandum, you should consider carefully the risks described below. These risks are not the only ones we face. Additional risks not currently known to us or that we currently believe immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by any of these risks.

This Offering Memorandum contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks we face as described below and elsewhere in this Offering Memorandum. See "Forward-looking Statements."

Risks relating to Lafarge S.A.

Risks related to our worldwide presence.

Operations and cyclicality

Our products are used in buildings and civil works. Demand for our products in the different markets in which we operate is dependent on the level of activity in the construction sector. The construction sector tends to be cyclical and dependent on various factors such as the level of infrastructure spending, the level of residential and commercial construction activity, interest rates and more generally the level of economic activity in a given market. The cyclicality of the construction sector together with its dependence on economic activity could have a negative impact on our financial results and the profitability of our operations. We manage this risk by operating in geographically diverse markets, with a portfolio of operations both in developed markets such as Western Europe and North America and in emerging countries, thereby minimizing our exposure to risk in any given country, although we might be significantly affected by global downturns or in individual significant markets.

Emerging markets

In 2009, we derived approximately 52% of our revenues from emerging markets, defined as countries outside Western Europe and North America other than Japan, Australia and New Zealand. Our growth strategy focuses on opportunities in emerging markets, and we expect that an increasing portion of our total revenues and earnings will continue to flow from these markets. Following the acquisition of Orascom Cement in January 2008, approximately 69% of the 2009 consolidated sales of our Cement Division came from these markets.

Our increased presence in emerging markets exposes us to risks such as gross domestic product volatility, significant currency fluctuations, political, financial and social uncertainties and turmoil, high rates of inflation, the possible implementation of exchange control systems, less certainty concerning legal rights and enforcement mechanisms and the possible nationalization or expropriation of privately-held assets, any of which could damage or disrupt our operations in a given market. While we have attempted to manage these risks by spreading emerging markets operations among a large number of countries with no individual country (excluding Algeria and Egypt for 2009) representing over 6% of our consolidated operating income before capital gains, impairment, restructuring and others, our diversification efforts will not enable us to avoid risks that affect multiple emerging markets at the same time.

As an example of the risks we face, in April 2008, Venezuelan authorities announced plans to nationalize Venezuela's cement industry, which resulted on September 23, 2009 in the signature of an agreement with Corporacion Socialista del Cemento for the sale of our shares in our Venezuelan subsidiaries, CA Fabrica Nacional de Cementos SACA and CA de Cementos Tachira. The assets sold included two cement plants and 13 concrete plants.

Climate and natural disasters

Our presence in 78 countries increases our exposure to meteorological and geological risks such as natural disasters, climate hazards or earthquakes which could damage our property or result in business interruptions, and which could have a material adverse effect on our operations. We have put in place a specific process relating to natural events to identify the sites most at risk and classify potential losses depending on their financial impact by event, country or financial year and probability of occurrence. The current outcome of this process is that the following countries where we are present are currently believed to present a natural disaster risk: Algeria, Saudi Arabia, Bangladesh, China, Egypt, Greece, Indonesia, Jordan, Morocco, the Philippines and Syria. These countries represent approximately 19% of our 2009 consolidated sales. In the future, other countries may be exposed to meteorological and geological risks.

Risks related to the global economic recession.

Our results depend mainly on residential, commercial and infrastructure construction activity and spending levels. The economic crisis, which started in the second half of 2008 and continued in 2009, sparked by uncertainty in credit markets and deteriorating consumer confidence, has significantly impacted construction activity. To varying degrees depending on geographical area, this has had, and may continue to have, a negative effect on the market for our products, and has negatively impacted our business and results of operations.

It is impossible to predict how long the global recession will last. Although we believe the progressive improvement of the economic environment along with government stimulus plans, with their announced large focus on infrastructure spending, are expected to have a positive impact on our markets from the second half of 2010 and that the fundamental need for cement should continue in developing economies due to the long-term trends of urbanization, demographic growth and infrastructure requirements, we cannot predict exactly when, in which markets and how fast, growth will resume.

We have prepared internal analyses of potential worldwide demand for our products for purposes of internal planning and resource allocation. Our analysis of worldwide demand for cement is described in Sections 3 – "Our Strategy" and 4.1.2 – "Trend information and 2010 perspectives" of the 2009 Annual Report and under "Recent Developments—First Quarter Results at March 31, 2010—Outlook for 2010" herein. For 2010, we assume that cement volumes in emerging markets will continue to drive demand, while for developed markets demand will start to recover slowly during the second half of the year. Overall, we are planning our activities and allocating our resources on the assumption that cement volumes in our markets should increase between 0 and 5% in 2010, with pricing remaining solid for the year in most of our markets. However, if economic conditions worsen or market recovery is delayed or slower than expected, it might continue to negatively affect our business operations and financial results.

In 2009, we took a number of measures to reinforce our financial structure in the context of the economic crisis and slowdown in construction activity. The implementation of this action plan resulted in a 3.1 billion euro reduction in net debt in 2009. In 2010, we will continue to implement actions including cost cutting initiatives, a reduction in capital expenditures and further targeted divestments. These main measures are described in Section 4.1.2 – "Trend information and 2010 perspectives" of the 2009 Annual Report. While we are confident that these measures will allow us to improve our financial structure and performance, they might not prove sufficient to offset the impact of the global crisis, particularly if it proves to be more severe or to last longer than currently anticipated.

Risks related to energy costs.

Our operations consume significant amounts of energy, the cost of which can fluctuate significantly in many parts of the world. The price of energy has varied significantly in the past several years and may vary significantly in the future largely as a result of market conditions and other factors beyond our control, including significant volatility.

While we take a number of steps designed to manage energy and fuel cost risk, these measures may not be fully effective in protecting us from this risk. For example, we sometimes enter into medium-term supply contracts.

Our centralized purchasing organization at Group level also gives us more leverage with our suppliers when sourcing for energy and fuel, enabling us to obtain the most competitive terms and conditions. Nonetheless, if our supply contracts contain indexation clauses, they will not protect us from fluctuations in energy prices. Similarly, if we enter into fixed price contracts when prices are high, we will not benefit if energy prices subsequently decline.

We also use derivative instruments, such as forward energy agreements on organized markets or on the over the counter market, to manage our exposure to commodity risk. In addition, we encourage our plants to use a variety of fuel sources, including alternative fuels such as used oil, recycled tires and other recycled materials or industrial by-products, which has resulted in less vulnerability to price increases. While these protective measures can be useful, they may not fully protect us from exposure to energy price volatility.

In spite of these measures, material increases or changes in energy and fuel costs have affected, and may continue to affect, our results of operations and profitability.

Risks related to sourcing and access to raw materials.

We generally maintain reserves of limestone, gypsum, aggregates and other raw materials that we use to manufacture our products. Access to the raw materials necessary for our operations is a key consideration in our investments. Failure to obtain or maintain these land and mining rights or expropriation as a result of local legislative action could have a material adverse effect on the development of our operations and results. Consequently, we actively manage the quarries we operate or expect to operate in order to secure long-term sourcing. We usually own or hold long-term land and mining rights on the quarries of raw materials essential to our operations spread in a large number of countries across the world, and are managing with the necessary care the time-consuming and complex process to obtain and renew our various rights and permits.

In addition, we increasingly obtain certain raw materials from third parties who produce such materials as by-products of industrial processes, such as synthetic gypsum, slag and fly ash. In general, we are not dependent on our raw materials suppliers and we try to secure the supply of these materials needed through long-term renewable contracts and framework agreements, which ensure better management of our supplies. We do, however, have short-term contracts in certain countries. Should our existing suppliers cease operations or reduce or eliminate production of these by-products, our sourcing costs for these materials may increase significantly or we may be required to find alternatives to these materials.

Risks related to competition and competition law investigations.

Competition

Each of our three Divisions operates in markets where competition is strong. Competition, whether from established market participants or new entrants could cause us to lose market share, increase expenditures or reduce pricing, any one of which could have a material adverse effect on our

business, financial condition, results of operations or prospects. The factors affecting our competitive environment include barriers to entering our markets (including investment costs and local regulations), pricing policies, the financial strength of competitors and the need for proximity to natural resources.

Competition law investigations

Given the worldwide presence of each of our three Divisions and the fact that we sometimes operate in markets in which the concentration of market participants is high, we are currently, and could in the future be, subject to investigations and civil or criminal proceedings by competition authorities for alleged infringement of antitrust laws. These investigations and proceedings can result in fines, or civil or criminal liability, which may have a material adverse effect on our image and financial condition and the results of operations of some of the Group's Divisions, particularly given the level of fines imposed by European authorities in recent cases.

As an example of such investigations, in November 2008, the major European cement companies, including Lafarge, were placed under investigation by the European Commission for alleged anti-competitive practices. At this stage, given the fact-intensive nature of the issues involved and the inherent uncertainty of such litigation and investigations, we are not in a position to evaluate the possible outcome of this investigation.

We are committed to the preservation of vigorous, healthy and fair competition and to compliance with relevant antitrust laws in countries where we operate. In line with this objective, the Group has a competition policy and a competition compliance program described in Section 2.2.2 of the 2009 Annual Report. Nonetheless, these procedures cannot provide absolute assurance against the risks relating to these issues.

Industrial risks related to safety and the environment.

While our industrial processes are very well known and are dedicated to the production of cement, plasterboard, aggregates and concrete, which are not usually considered to be hazardous materials, our operations are subject to environmental and safety laws and regulations, as interpreted by relevant agencies and courts, which impose increasingly stringent obligations, restrictions and protective measures regarding, among other things, land use, remediation, air emissions, waste and water, health and safety. The cost of compliance with these laws and regulations could increase in some jurisdictions, in particular as a result of new or more stringent regulations or changes in their interpretation or implementation. In addition, non-compliance with these regulations could result in sanctions, including monetary fines, against our Group.

On January 21, 2010, our subsidiary Lafarge North America Inc. and certain of its subsidiaries ("LNA") entered into a settlement of certain alleged violations of the U.S. Clean Air Act with the U.S. Environmental Protection Agency and a number of U.S. States. Under this settlement, LNA is required to decrease emissions of sulfur dioxide (SO2) and nitrogen oxide (NOx) emanating from its U.S. cement manufacturing plants by making the necessary investments over a period of five years. LNA has also agreed to pay a civil penalty of five million dollars.

Risks related to litigation.

Our Group has worldwide operations and our subsidiaries are required to comply with applicable national and local laws and regulations, which vary from one country to another. As part of our operations we are, or could be in the future, involved in various claims, legal, administrative and arbitration proceedings. New proceedings may be initiated against the Group's entities in the future.

Risks related to minority shareholders and certain equity investments.

We conduct our business through operating subsidiaries. In some instances, third-party shareholders hold minority interests in these subsidiaries. While we generally consider entering into such partnerships or investments to be positive developments, various disadvantages may also result from the participation of minority shareholders whose interests may not always coincide with ours. Some of these disadvantages may, among other things, result in our inability to implement organizational efficiencies and transfer cash and assets from one subsidiary to another in order to allocate assets most effectively.

Risks related to seasonality and weather.

Construction activity, and thus demand for our products, decreases during periods of cold weather, snow, or heavy or sustained rainfall. Consequently, demand for our products is lower during the winter in temperate countries and during the rainy season in tropical countries. Our operations in Europe, North America and similar markets are seasonal, with sales generally increasing during the second and third quarters because of typically better weather conditions. However, high levels of rainfall or low temperatures can adversely affect our operations during these periods as well. Such adverse weather conditions can materially affect our results of operations and profitability if they occur with unusual intensity, during abnormal periods, or last longer than usual in our major markets, especially during peak construction periods.

Risks related to acquisition-related accounting issues.

As a result of our significant acquisitions in recent years (including the Orascom Cement acquisition in January 2008), many of our tangible and intangible assets are recorded in our consolidated balance sheet at amounts based on their fair value as of the acquisition date. We have also recorded significant goodwill (we had €13.2 billion of goodwill in our consolidated balance sheet as of December 31, 2009, including €6.4 billion relating to the Orascom Cement acquisition).

In accordance with IFRS, we are required to test goodwill for impairment, as described in more detail in Note 10 to our consolidated financial statements for the year ended December 31, 2009 included in the 2009 Annual Report. In 2009, we recorded €30 million of goodwill impairment charges. A goodwill impairment test is performed at least annually and a specific analysis is performed at the end of each quarter in case of impairment indications. Depending on the evolution of the recoverable value of CGU, which is mostly related to future market conditions, further impairment charges might be necessary and could have a significant impact on our future operating results.

Risks related to Financial Markets

Risks related to our indebtedness.

We are exposed to different market risks, which could have a material adverse effect on our financial condition or on our ability to meet our financial commitments. In particular, our access to global sources of financing to cover our financing needs or repayment of our debt could be impaired by the deterioration of the financial markets or downgrading of our credit rating. At March 31, 2010, our net debt (which includes put options on shares of subsidiaries and derivative instruments) amounted to €14,582 million, and our gross debt amounted to €16,288 million (excluding put options on shares of subsidiaries, amounting to €310 million and excluding derivative instruments). €2,272 million of our gross debt as of March 31, 2010 was due in one year or less, including €232 million of put options on shares of subsidiaries that could be exercised in one year or less. While we have taken certain measures designed to improve our financial structure (such as the present offering), we cannot give any assurance that we will be able to implement these measures effectively or that we will not require further measures in the future.

Our financing agreements and those of our subsidiaries contain covenants, some of which require some of our subsidiaries to comply with certain financial ratios. At end 2009, these agreements represented approximately 8% of the Group's consolidated financial liabilities. Our agreements and those of our subsidiaries also include cross-acceleration clauses. Our principal covenants are described in Note 25(e) to our consolidated financial statements for the year ended December 31, 2009, included in the 2009 Annual Report. If we, or under certain conditions, our subsidiaries, fail to comply with our or their covenants, then our lenders could declare default and accelerate a significant part of our indebtedness.

If the construction sector deteriorates further, the reduction of our operating cash flows could make it necessary for us to obtain additional financing. Changing conditions in the credit markets and the level of our outstanding debt could impair our ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate purposes or other purposes, or make access to this financing more expensive than anticipated. This could result in greater vulnerability, in particular by limiting our flexibility to adjust to changing market conditions or withstand competitive pressures.

Our financial costs and our ability to raise new financing can be significantly impacted by the level of our credit ratings. Our long-term corporate credit ratings are currently BBB- (negative outlook) according to Standard & Poor's, and Baa3 (negative outlook) according to Moody's. The rating agencies could downgrade our ratings either due to factors specific to us or due to a prolonged cyclical downturn in the construction sector. Any decline in our credit rating would increase our cost of borrowing and could significantly harm our financial condition, results of operations and profitability, including our ability to refinance our existing indebtedness.

Risks related to interest rates.

Interest rate levels have a direct influence on our financing expenses. Although we manage our exposure to interest rates to some extent, this cannot fully insulate us from interest rate risks. As of December 31, 2009, €5,049 million of our gross debt of €15,667 million (excluding put options relating to shares of subsidiaries and derivative instruments) bore interest at floating rates after swaps. An increase of 1% in average market interest rates would have had a negative impact of €50 million on our financing costs in 2009.

Risks related to currency exchange.

We hold assets, earn income and incur expenses and liabilities directly and through our subsidiaries in a variety of currencies. Our financial statements are presented in euros. Therefore, when we prepare the Group's financial statements, we must translate our assets, liabilities, income and expenses in other currencies into euros at then-applicable exchange rates. If the euro increases in value against a currency, the value in euros of assets, liabilities, income and expenses originally recorded in the other currency will decrease. Conversely, if the euro decreases in value against a currency, the value in euros of assets, liabilities, income and expenses originally recorded in that other currency will increase. Consequently, increases and decreases in the value of the euro may affect the value in euros of our non-euro assets, liabilities, income and expenses, even though the value of these items has not changed in their original currency.

In 2009, we generated approximately 75% of our sales in currencies other than the euro, with approximately 21% denominated in U.S. or Canadian dollars. As a result, a 10% change in the U.S. dollar/euro exchange rate and in the Canadian dollar/euro exchange rate would have an impact on our sales of approximately 335 million euros. In addition, a +/-5% fluctuation in the U.S. dollar/euro and in the British pound/euro exchange rate would have an estimated maximum impact of +/-€280 million on our debt exposed to these two foreign currencies as of December 31, 2009. At year-end 2009, 83% of our capital employed was located outside euro zone countries, with approximately 20% denominated in U.S. or Canadian dollars.

Risks related to pension plans.

We have obligations under defined benefit pension plans, principally in the United Kingdom and North America. Our funding obligations depend upon future asset performance, the level of interest rates used to discount future liabilities, actuarial assumptions and experience, benefit plan changes and government regulations. Because of the large number of variables that determine pension funding requirements, which are difficult to predict, as well as any legislative action, future cash funding requirements for our pension plans and other post-employment benefit plans could be significantly higher than currently estimated amounts. If so, these funding requirements could have a material adverse effect on our business, financial condition, results of operations or prospects.

Risks related to the Offering

Since we conduct our operations through subsidiaries, your right to receive payments on the Notes is subordinated to the other liabilities of our subsidiaries.

We carry on a significant portion of our operations through subsidiaries. Our subsidiaries are not guarantors of the Notes. Moreover, these subsidiaries are not required and may not be able to pay dividends to us. Claims of the creditors of our subsidiaries have priority as to the assets of such subsidiaries over the claims of our creditors. Consequently, holders of our Notes are in effect structurally subordinated, on our insolvency, to the prior claims of the creditors of our subsidiaries.

Our ability to make debt service payments depends on our ability to transfer income and dividends from our subsidiaries.

We are a holding company with no significant assets other than direct and indirect interests in the many subsidiaries through which we conduct operations. A number of our subsidiaries are located in countries that may impose regulations restricting the payment of dividends outside of the country through exchange control regulations. To the best of our knowledge, aside from North Korea, there are currently no countries in which we operate that prohibit the payment of dividends. However, there is no assurance that such risk may not exist in other countries in the future.

Furthermore, the continued transfer to us of dividends and other income from our subsidiaries may be limited by various credit or other contractual arrangements and/or tax constraints, which could make such payments difficult or costly. We do not believe that any of these covenants or restrictions will have any material impact on our ability to meet our financial obligations. However, if in the future these restrictions are increased and we are unable to ensure the continued transfer of dividends and other income to us from these subsidiaries, our ability to pay dividends and make debt payments will be impaired.

Since the Notes are unsecured, your right to receive payments may be adversely affected.

The Notes that we are offering will be unsecured. The Notes are not subordinated to any of our other debt obligations, and therefore they will rank equally with all our other unsecured and unsubordinated indebtedness. As of December 31, 2009, our total gross debt amounted to €15,667 million (excluding put options relating to shares of subsidiaries and derivative instruments), and we had €344 million of property collateralizing debt and €766 million of securities and assets pledged. If we default on the Notes, or after bankruptcy, liquidation or reorganization, then, to the extent the relevant obligor has granted security over its assets, the assets that secure the obligor's debts will be used to satisfy the obligations under that secured debt before the obligor can make payment on the Notes. As a result, there may only be limited assets available to make payments on the Notes in the event of an acceleration of the Notes. If there are not enough assets to satisfy the obligations of the secured debt, then the remaining amounts on the secured debt would share equally in the remaining assets with all unsubordinated unsecured indebtedness.

At any point in time there may or may not be an active trading market for our Notes.

At any point in time there may or may not be an active trading market for our Notes. If any of the Notes are traded after their initial issuance, they may trade at a discount from their initial offering price. We may decide to list the Notes on one or more stock exchanges. Factors that could cause the Notes to trade at a discount rate are:

- an increase in prevailing interest rates;
- a decline in our credit worthiness;
- a weakness in the market for similar securities; and
- declining general economic conditions.

We are not restricted in our ability to dispose of our assets by the terms of the Notes.

The indenture governing our Notes contains a negative pledge that prohibits us and our principal subsidiaries from pledging assets to secure other bonds or similar debt instruments, unless we make a similar pledge to secure the Notes offered by this Offering Memorandum. However, we are generally permitted to sell or otherwise dispose of substantially all of our assets to another corporation or other entity under the terms of the Notes. If we decide to dispose of a large amount of our assets, you will not be entitled to declare an acceleration of the maturity of the Notes, and those assets will no longer be available to support our Notes.

RECENT DEVELOPMENTS

For a description of recent bond issuances and debt repayments, see "Capitalization and Indebtedness."

Annual General Meeting

The Annual General Meeting of Lafarge shareholders was held in Paris on May 6, 2010. The shareholders approved the 2009 financial statements and all nine resolutions submitted for their vote. The shareholders approved a dividend of €2 per share and a loyalty dividend of €2.20 per share, to be paid on July 6, 2010 (with an ex-dividend date of July 1, 2010). The shareholders also approved the appointment of two independent Board Members: Mrs. Colette Lewiner and Mrs. Véronique Weill.

STRABAG Project in Central Europe

On May 25, 2010, the Group announced that it was combining its cement activities in several countries in Central Europe with those of STRABAG construction company. The two companies signed an agreement on May 25, 2010 creating the holding company Lafarge Cement CE Holding GmbH.

Lafarge will contribute its cement plants at Mannersdorf and Retznei in Austria, Cížkovice in the Czech Republic and Trbovlje in Slovenia into the venture, while STRABAG will contribute the plant it is currently building in Pécs in Hungary as well as €77.5 million in cash. Lafarge will hold a 70% interest in the new company and STRABAG will hold 30%. The transaction will have the effect of reducing the Group's total financial debt by €77.5 million.

Lafarge Cement CE Holding GmbH will have its headquarters in Austria and will operate on the Austrian, Czech, Slovak, Slovenian and Hungarian markets. It will have a total annual production capacity of 4.8 million tons of cement, which will be sold under the Lafarge brand name in all countries. Subject to the approval by the relevant competition authorities, the company will become operational January 1, 2011. It will be fully consolidated by Lafarge.

European Court of Justice Decision

On June 17, 2010, the European Court of Justice rejected Lafarge's appeal of a €249.6 million fine with respect to anti-competitive conduct on the gypsum market between 1992 and 1998. For more detailed information regarding this matter, see Section 2.1.1 of the Risk Factors, Risks relating to competition and competition law investigations in this Offering Memorandum and Note 29 (Legal and arbitration proceedings) to the consolidated financial statements in the 2009 Annual Report incorporated by reference herein.

Lafarge Malayan Cement Berhad

On July 2, 2010, Lafarge announced that it has decided to explore the potential sale of a minority interest of up to 11.2% in Lafarge Malayan Cement Berhad ("LMCB"). Lafarge presently holds 62.2% shareholding in LMCB through its subsidiaries, Lafarge Cement UK PLC and Associated International Cement Ltd.

In the event of such a sale, Lafarge would remain the majority shareholder, with a minimum 51% shareholding and management control of LMCB.

First Quarter Results as of March 31, 2010

The following is derived from the Interim Report at March 31, 2010 that we published on May 5, 2010. The entire report is incorporated by *reference herein and available on our web site at http://www.lafarge.com/.*

Certain terms used below are defined in our Annual Report. Please see Section 4.2.3 of our Annual Report for a definition of "current operating income" and Section 4.2.4 of our Annual Report for a definition of "net debt" and a reconciliation of certain non-GAAP financial measures.

Seasonality

We note that, in a majority of our markets, the first quarter represents a lower share of our yearly sales and an even lower share of our profits due to the seasonality of our businesses. See "Risk Factors—Risks relating to Lafarge S.A.—Risks related to seasonality and weather."

Summary Consolidated Results

Sales *(in € millions)*	**Three months ended March 31, *(unaudited)***		
	2010	**2009**	**% Change**
By geographical zone of destination			
Western Europe	976	1,107	-12%
North America	450	533	-16%
Middle East and Africa	939	1,048	-10%
Central and Eastern Europe	127	175	-27%
Latin America	174	207	-16%
Asia	610	559	9%
By business line			
Cement	2,017	2,186	-8%
Aggregates and Concrete	917	1,096	-16%
Gypsum	340	344	-1%
Other	2	3	nm(1)
Total	**3,276**	**3,629**	**-10%**

(1) not meaningful

Current Operating Income *(in € millions)*	**Three months ended March 31, *(unaudited)***		
	2010	**2009**	**% Change**
By geographical zone of destination			
Western Europe	46	80	-42%
North America	(146)	(151)	nm
Middle East and Africa	231	276	-16%
Central and Eastern Europe	(25)	12	nm

Latin America	39	41	-5%
Asia	91	77	18%
By business line			
Cement	299	384	-22%
Aggregates and Concrete	(72)	(64)	nm
Gypsum	10	17	-41%
Other	(1)	(2)	nm
Total	**236**	**335**	**-30%**

Other Key Figures	**As of March 31, *(unaudited)***		
(in € millions)	**2010**	**2009**	**% Change**
Net income – Group share	64	(17)	nm
Excluding one-off item [1]	(73)	(17)	nm
Free cash flow [2]	(86)	(253)	nm
Net debt	14,582	17,680	-18%

(1) Excluding the gain on the disposal of Cimpor shares
(2) Defined as the net cash generated by continuing operations less sustaining capital expenditures

Overview of operations: sales and current operating income

Consolidated sales and current operating income

Compared to the first quarter of 2009, consolidated sales in the first quarter of 2010 decreased by 10% to €3,276 million. Particularly adverse weather conditions in both mature and some emerging markets along with the continued lower economic activity in Europe and North America affected the volumes. Cement prices remained firm in most countries as compared to the last quarter of 2009. The impact of declining volumes led the organic decline in sales in the quarter (-8%). Net changes in the scope of consolidation had a negative impact on our sales of 3%, reflecting the sale of our Chilean and Turkish operations (respectively in August 2009 and December 2009), and the divestiture of aggregates and concrete assets in North America (mostly in June 2009). Currency impacts were slightly favorable (1%), due mainly to the impact of the appreciation against the euro of the Canadian dollar, the South African rand and the Brazilian real, partially offset by the effect of the depreciation of the US dollar and currencies in the Middle East and North Africa (Nigerian naira, Egyptian pound, Iraqi, Algerian and Jordanian dinars).

In the same period, the current operating income decreased by 30%, mainly reflecting the impact of declining volumes in the quarter that were partially offset by cost reductions.

Our Cement division benefited from solid market growth in emerging countries outside Central and Eastern Europe, although a few countries were negatively impacted by new capacities entering the market or adverse weather. The lower markets and poor weather conditions significantly impacted Europe and North America. Our Aggregates and Concrete division, mainly exposed to mature markets, experienced a decrease in sales but stabilized operating results due to tight cost control. The better performance of our Gypsum division in Asia mitigated the further declines observed in mature markets.

Please note that the first quarter historically has represented a lower share of our yearly sales and an even lower share of our profits due to the seasonality of our businesses in the Northern

hemisphere. It may fluctuate significantly from one year to the other due to weather conditions that, in this case, were particularly harsh in the first quarter of 2010.

Sales and current operating income by segment

Individual segment sales information is discussed below before elimination of interdivisional sales.

Cement

(in € millions)	Three months ended March 31, 2010	2009	% Change	% Change at constant scope and exchange rates
Sales before elimination of inter-division sales	2,137	2,335	-8%	-6%
Current operating income	299	384	-22%	-21%

Cement volumes declined in the first quarter due to a combination of poor weather, lower economic activity in Europe and North America, and new capacities entering a few growth markets. All together, this resulted in volumes declining by 7% in the quarter. Sales in the first quarter of 2010 were also lowered by the absence of our Chilean and Turkish operations, which were sold in 2009 (-2%).

Western Europe

Sales: €408 million at end of March 2010 (€475 million in 2009)

Current operating income: €36 million at end of March 2010 (€64 million in 2009)

At constant scope and exchange rates, domestic sales and current operating income declined respectively 15% and 42%. With the notable exception of the United Kingdom, which showed an increase in domestic volumes in this quarter, double-digit volume declines in the other countries led the contraction in sales and current operating income in the quarter, reflecting the particularly adverse weather conditions and lower economic activity during the quarter. Prices were slightly below the level of the first quarter 2009, but in line with the fourth quarter of 2009. Tight cost control partially mitigated the decline in results.

North America

Sales: €185 million at end of March 2010 (€211 million in 2009)

Current operating income: €(57) million at end of March 2010 (€(61) million in 2009)

At constant scope and exchange rates, sales in North America declined 12% due to adverse weather conditions and lower economic activity in the United States. Overall, prices were resilient, with the increase in Canada mitigating the slight decrease in the United States. The improvement of the current operating loss by €4 million in the quarter, despite volume declines of 12%, reflects the strong measures to cut costs.

Emerging Markets

Sales: €1,544 million at end of March 2010 (€1,649 million in 2009)

Current operating income: €320 million at end of March 2010 (€381 million in 2009)

In the Middle East and Africa region, solid market trends continued in many countries, notably Egypt and Iraq, where our volumes increased. Nevertheless, our domestic sales at constant scope and exchange rates decreased by 6%, negatively impacted by new capacities entering Jordan and Kenya and by heavy rains in Morocco and Zambia. In addition, lower production levels in Algeria prevented us from fully capturing market growth. Prices remained solid overall, with Iraqi prices stabilizing on late 2009 levels. Current operating income was negatively impacted by currency fluctuations (-3%). At constant scope and exchange rates, the current operating income decreased by 14%, reflecting the impact of lower volumes and the base effect on Iraqi prices.

In Central and Eastern Europe our domestic sales at constant scope and exchange rates declined 35%. These markets were strongly affected in the first quarter by the adverse weather conditions and lower economic activity, which resulted in a current operating loss of €17 million.

In Latin America, positive market trends in Brazil drove the 2% increase in domestic sales at constant scope and exchanges rates with price increases implemented late in the quarter. The current operating income was negatively impacted by the disposal of Chile, but benefited from the appreciation of the Brazilian real. At constant scope and exchange rates, current operating income increased by 3%.

In Asia, domestic sales were up 6% while current operating income increased by 18% at constant scope and exchange rates. Solid volume growth in most countries, South Korea being the main exception due to harsh weather conditions, contributed to this very good performance. In China, reduced positive market trends due to drought conditions and increased competition lowered our volumes; prices increased compared to the last quarter of 2009, but decreased relative to the average prices of the first quarter 2009. India benefited from solid market growth in the Northeast region; price increases were driven by increases in input costs and in excise duties. Our new production line at Sonadih and our grinding station at Mejia contributed to capture this growth and led the increase in current operating income for the region, together with positive market trends in Philippines.

Aggregates & Concrete

	Three months ended March 31,			% Change at constant scope and exchange
(in € millions)	**2010**	**2009**	**% Change**	**rates**
Sales before elimination of inter-division sales	918	1097	-16%	-13%
Current operating income	(72)	(64)	-13%	-23%

Aggregates and Other Related Products

Sales: €389 million at end of March 2010 (€444 million in 2009)

Current operating income: €(52) million at end of March 2010 (€(66) million in 2009)

At constant scope and exchange rates, sales decreased by 9%, reflecting slower rates of volumes declines compared to previous quarters, despite adverse weather conditions. The stabilization of the current operating loss was driven by particularly strong cost control and optimization of production capacities.

In Western Europe, strict cost control partially offset the impact of volume declines experienced in most of the countries. The United Kingdom was an exception and showed notable positive trends driven by an increased number of projects, with volumes improving by 9% relative to the first quarter of 2009.

In North America, improvement of the results was due to strict cost control, positive volumes and improved prices in Canada, despite a further decline in volumes in the United States impacted by adverse weather conditions.

Elsewhere in the world, results declined slightly, mainly reflecting softer markets in Central and Eastern Europe and the end of major projects in South Africa.

Concrete and Other Related Products

Sales:	€600 million at end of March 2010 (€725 million in 2009)
Current operating income:	€(20) million at end of March 2010 (€2 million in 2009)

Contraction in volumes in most countries, although at a lower pace compared to previous quarters, led to the decline in sales in the quarter. Our sales were also negatively impacted by the disposal of our Chilean operations in August 2009. Prices were slightly below the first quarter 2009 price levels. Progress of our value-added products and strict cost control mitigated the effect of volume drops.

In Western Europe, some contrasted volume trends were observed; while ready-mix concrete volumes were up 2% in the United Kingdom due to large projects, they were down in Spain and France due to adverse weather conditions and lower economic activity. Overall, the decrease in operating income was led by volume declines, somewhat mitigated by strong cost control.

In North America, results were impacted by declining volumes only partly offset by tight cost control.

Elsewhere in the world, current operating income decreased over last year with contrasted trends across the countries.

Gypsum

	Three months ended March 31,			% Change at constant scope and exchange
(in € millions)	**2010**	**2009**	**% Change**	**rates**
Sales before elimination of inter-division sales	344	349	-1%	-3%
Current operating income	10	17	-41%	-43%

At constant scope and exchange rate, the slight increase in volumes and a tight cost control mitigated the negative impact of lower selling prices compared to the first quarter 2009. Current operating income improved by €14 million compared to the fourth quarter of 2009, with comparable volumes.

Other Income Statement Items

Other elements of operating income: €(41) million (€(31) million in the first quarter of 2009)

Gains on disposals, net, amounted to €20 million compared to €6 million in 2009.

Other operating expenses amounted to €61 million, compared to €37 million in 2009 due mainly to restructuring and closure related costs.

Finance costs: €83 million (€251 million in the first quarter of 2009)

Financial expenses on net indebtedness decreased to €178 million (from €226 million in the first quarter of 2009) mainly reflecting the decrease in the net debt versus the first quarter 2009.

The average interest rate on our gross debt was 5.2% during the first quarter of 2010, compared to 5.4% in the first quarter of 2009.

Foreign exchange resulted in a loss of €21 million, versus €1 million in 2009, mostly relating to loans and debts denominated in currencies for which no hedging market is available.

Other finance costs and income include the gain on the disposal of Cimpor shares for €137 million. Excluding this one-off item, other financial costs slightly decreased to €21 million, compared to €24 million in the first quarter of 2009.

Income tax: €1 million (€11 million in the first quarter of 2009)

The effective tax rate was 0.9% for the first quarter of 2010, strongly impacted by the gain on the disposal of Cimpor that was not taxable.

Non-controlling interests: €50 million (€60 million in the first quarter of 2009)

Certain subsidiaries with minority interests generated lower earnings in the first quarter 2010 than in 2009, due primarily to lower volumes.

Net income, Group share 1: €64 million (Net loss of €(17) million in the first quarter of 2009)

2010 was impacted by the gain on the disposal of Cimpor shares for €137 million. Adjusted for this one-off item, the net loss attributable to the owners of the parent company increased from €17 million to €73 million, reflecting the usual impact of the seasonality in our activities, amplified this year by harsh weather conditions and lower levels of activity in Europe and North America.

Earnings per share: €0.22 (€(0.08) in the first quarter of 2009)

Adjusted for the one-off item described above, basic earnings per share decreased to €(0.26) from €(0.08), reflecting the decrease in the adjusted net income and the full impact of the April 2009 rights issue on the average number of shares.

Cash flow statement

Net cash used by operating activities in the first quarter, amounted to €41 million (€178 million at the end of March 2009).

The improvement reflects lower cash payments for financial expenses and income taxes mainly due to the timing of these payments relative to last year.

Net cash used in investing activities amounted to €382 million (€411 million in the first quarter of 2009).

The strong focus on sustaining capital expenditure management led to a further 40% reduction in the amount of sustaining capital expenditure in the quarter, at €45 million, after an already low level in 2009 (€75 million in the first quarter of 2009).

Capital expenditures for the building of new capacity, at €317 million (€321 million in the first quarter of 2009), reflect mainly major cement projects such as the extension of our capacities in Eastern India, China, Poland, Uganda and Nigeria, the reconstruction of our Aceh plant in Indonesia and the investments in new capacities in Syria and Saudi Arabia.

Disposals of €36 million (€16 million in the first quarter of 2009) were mainly related to sales of assets.

Consolidated statement of financial position

At March 31, 2010 total equity stood at €17,921 million (€16,800 million at the end of December 2009) and net debt at €14,582 million (€13,795 million at the end of December 2009).

The increase in total equity reflects mostly the non-cash impact of translating our foreign subsidiaries assets into euros, given the appreciation of various currencies in countries where we operate against the euro between December 31, 2009 and March 31, 2010 (positive impact of €1.2 billion in our equity).

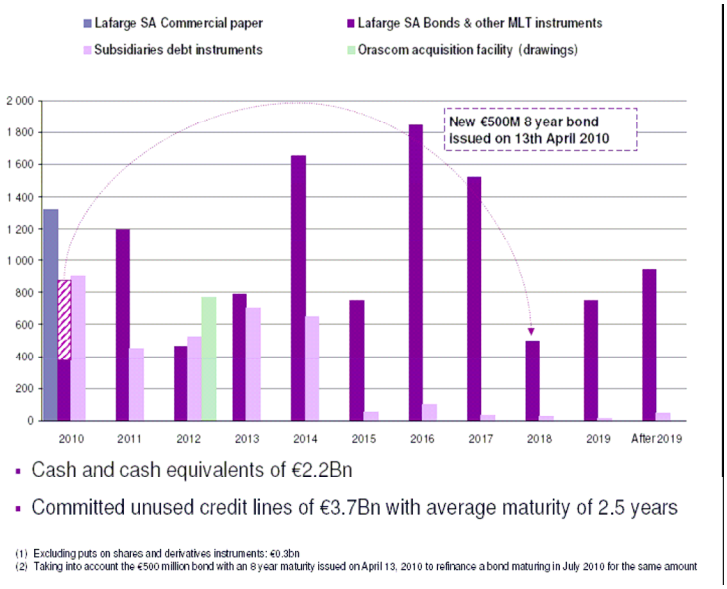
The increase of €0.8 billion of the net consolidated debt mainly results from the impact of the usual seasonality on our cash flows and the negative translation impact (€0.3 billion) resulting primarily from the appreciation of the US dollar against the euro during the period.

Liquidity and financing

As of March 31, 2010, the Group's net debt totaled €14,582 million and the Group's gross financial debt, excluding put options on shares of subsidiaries amounting to €310 million, totaled €16,288 million. See "—First Quarter Results as of March 31, 2010" for more information. Approximately 79% of our gross debt was at the Lafarge level. As of March 31, 2010, approximately 58% of our gross debt, excluding put options on shares of subsidiaries, was in the form of publicly offered bonds, approximately 7% was in the form of privately placed notes, approximately 8% was in the form of commercial paper and approximately 27% was in the form of bank loans or other financing. The average maturity of our gross debt as of March 31, 2010 was 4 years and 10 months.

Lafarge S.A. currently has €3,739 million of medium-term fully committed credit lines (with an average maturity of approximately 2.5 years), none of which had been drawn as of March 31, 2010, which serve to back-up our commercial paper issuances and the short-term portion of our long-term debt. As of March 31, 2010, €1,317 million of short-term debt has been classified as long-term based on the Group's ability to refinance these obligations on a medium and long-term basis through its committed credit facilities.

The following graph shows the current maturity schedule of the gross financial debt of Lafarge S.A. and its subsidiaries as of March 31, 2010, adjusted to give effect to the €500 million of bonds issued in April 2010 with an April 2018 maturity, as well as the repayment of the €500 million bond which will mature in July 2010.



As described in the 2009 Annual Report, we have defined strict policies and procedures to measure, manage and monitor our market risk exposures. As far as financing is concerned, our general policy is for subsidiaries to borrow and invest excess cash in the same currency as their functional currency, except for subsidiaries operating in emerging markets, where cash surpluses are invested, wherever possible in U.S. dollars or in euros. As of March 31, 2010, approximately 49% of our gross debt, excluding put options on shares of subsidiaries, was denominated in euros, approximately 31% was denominated in U.S. dollars, approximately 8% was denominated in pounds sterling, approximately 2% was denominated in Canadian dollars and approximately 10% was denominated in other currencies.

We also target an approximately even split between fixed and floating rate debt. As of March 31, 2010, approximately 66% of our total gross debt, excluding put options on shares of subsidiaries, bore interest at a fixed rate, approximately 34% of our total gross debt bore interest at a floating rate, and the average spot interest rate of our total gross debt was 5.2%.

CAPITALIZATION AND INDEBTEDNESS

The table below sets forth the historical consolidated capitalization, cash and cash equivalents and short-term debt of the Group as of March 31, 2010:

- on a historical basis; and
- on an as adjusted basis to give further effect to the offering made hereby and the application of the estimated net proceeds thereof as set forth under "Use of Proceeds", translated from U.S. dollars into euros using the July 6, 2010 European Bank Reference Exchange Rate of €1 = $1.26, for estimated net proceeds of approximately €434,604,762.

	As of March 31, 2010	
	Historical	**As adjusted**
(in € millions)		
Cash and cash equivalents	**2,153**	**2,588**
Short-term debt and current portion of long-term debt	**2,272**	**2,272**
Long-term borrowings (excluding current portion)	**14,326**	**14,761**
Non-controlling interests [1]	**1,985**	**1,985**
Equity attributable to owners of the parent company [2]		
Common stock	1,146	1,146
Additional paid-in capital	9,624	9,624
Treasury shares	(26)	(26)
Retained earnings	5,611	5,611
Other reserves	(527)	(527)
Foreign currency translation adjustment	108	108
Total equity attributable to owners of the parent company [2]	**15,936**	**15,936**
Total capitalization	**32,247**	**32,682**

(1) Previously denominated "Minority interests".
(2) Previously denominated "Shareholder's equity – parent company".

Since March 31, 2010, there has been no material change in the consolidated capitalization of Lafarge, except as set forth in this section.

In May 2010, €750 million was reclassified from "Long-term borrowings (excluding current portion)" to "Short-term debt and current portion of long-term debt". This amount corresponds to a bond issued in May 2008 which has a residual maturity of less than one year.

On April 7, 2010, we issued €500 million of Euro Medium-Term Notes (EMTN) with an eight-year maturity and a fixed annual coupon of 5% under our EMTN program. The proceeds of this transaction will refinance a bond maturing in July 2010 for the same amount.

USE OF PROCEEDS

The net proceeds from the sale of the Notes are expected to be U.S.$547,602,000 million after deduction of the initial purchasers' commission payable by us. We intend to use the net proceeds from the sale of the Notes for general corporate purposes.

EXCHANGE RATE AND CURRENCY INFORMATION

In this Offering Memorandum, references to "euro," "EUR" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam. References to "$" and "dollars" are to United States dollars. References to "cents" are to United States cents. Certain financial information contained herein is presented in euros. On July 6, 2010, the exchange rate as published by Bloomberg at approximately 4:40 p.m. (Paris time) was $1.26 per one euro.

The following table shows the period-end, average, high and low Noon Buying Rates in New York City for cable transfers payable in foreign currencies as certified by the Federal Reserve Bank of New York (the "Noon Buying Rates") for the euro, expressed in dollars per one euro, for the periods and dates indicated.

U.S. dollar/Euro

Period	End	Average rate*	High	Low
Month				
July 2010 (through July 6, 2010)	1.26	1.25	1.26	1.23
June 2010	1.23	1.22	1.24	1.20
May 2010	1.24	1.26	1.32	1.32
April 2010	1.33	1.34	1.36	1.31
March 2010	1.35	1.35	1.37	1.33
February 2010	1.37	1.37	1.40	1.34
January 2010	1.39	1.42	1.45	1.39
December 2009	1.43	1.45	1.51	1.42
November 2009	1.49	1.49	1.50	1.46
Year				
2009	1.43	1.39	1.51	1.25
2008	1.39	1.47	1.60	1.24
2007	1.46	1.38	1.49	1.29
2006	1.32	1.26	1.33	1.19
2005	1.18	1.24	1.35	1.17

* The average of the Noon Buying Rates on the last business day of each month (or portion thereof) during the relevant period for annual averages; on each business day of the month (or portion thereof) for monthly average.

Source: Federal Reserve Bank of New York.

Fluctuations in exchange rates that have occurred in the past are not necessarily indicative of fluctuations in exchange rates that may occur at any time in the future. No representations are made herein that the euro or dollar amounts referred to herein could have been or could be converted into dollars or euros, as the case may be, at any particular rate.

DESCRIPTION OF NOTES

General

We will issue, outside of the Republic of France, the Notes under an indenture dated as of July 9, 2010, between us and HSBC Bank USA, National Association, as trustee. The following is a summary of the material provisions of the indenture and the Notes, which does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the indenture and the Notes, copies of which will be available for inspection during normal business hours at any time after the Closing Date at the offices of the trustee, which are currently located at 452 Fifth Avenue, New York, New York 10018, United States. Any capitalized term used herein but not defined shall have the meaning assigned to such term in the indenture.

In this section, references to "we," "us" and "our" are to Lafarge only and do not include our subsidiaries or affiliates. References to "holders" mean those who have Notes registered in their names on the books that we or the trustee maintain for this purpose, and not those who own beneficial interests in Notes issued in book-entry form through The Depository Trust Company.

The Notes will be issued in an aggregate principal amount of $550,000,000, subject to our ability to issue additional notes, which may be of the same series as the Notes, as described below under "— Additional Notes".

The indenture and the Notes do not limit the amount of indebtedness that may be incurred or the amount of Notes that may be issued by us, and contain no financial or similar restrictions on us, except as described below under "— Negative Pledge", "— Limitation on Mergers and Consolidations", "Redemption and Repurchase — Change of Control Offer" and "— Interest Rate Adjustments".

The Notes will be issued in registered, book-entry form only without interest coupons in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

Principal, Maturity and Interest

The Notes will mature on July 9, 2015, and will bear interest at a rate of 5.50% per annum (subject to possible adjustment, as described under "—Interest Rate Adjustments" below), from July 9, 2010. We will pay interest on the Notes semi-annually in arrears on January 9 and July 9 of each year, commencing on January 9, 2011, to the holders in whose names the Notes are registered at the close of business on December 26 and June 24, respectively, immediately preceding the relevant interest payment date. Interest on the Notes will accrue from the Closing Date or from the most recent interest payment date on which the interest has been paid to (but excluding) the relevant interest payment date. The amount of interest payable on the Notes for any Interest Period will be computed on the basis of a 360-day year of twelve 30-day months.

Unless previously redeemed or purchased by us and cancelled, we will repay the Notes in cash at 100% of their principal amount together with accrued and unpaid interest thereon at maturity. Interest will cease to accrue on the Notes on the due date for their redemption, unless, upon such due date, payment of principal is improperly withheld or refused or if default is otherwise made in respect of payment of principal, in which case interest will continue to accrue on the Notes at the rates set forth above, as the case may be, until the earlier of (a) the day on which all sums due in respect of such Notes up to that day are received by the relevant holder or (b) the day falling five days after the trustee has notified the holders of receipt of all sums due in respect of the such Notes up to such fifth day.

We will pay principal of and interest on the Notes in U.S. dollars. The Notes will not be redeemable by us, except as described below under "— Redemption and Repurchase".

If an interest payment date or the maturity date in respect of the Notes is not a "Business Day", we will pay interest or principal, as the case may be, on the next Business Day. Payments postponed to the next Business Day in this situation will be treated under the indenture as if they were made on the original due date. Postponement of this kind will not result in a default under the Notes or the indenture, and no interest will accrue on the postponed amount from the original due date to the next day that is a Business Day. The term "Business Day" means any day other than a Saturday or Sunday or a day on which applicable law authorizes or requires banking institutions in The City of New York, New York or Paris, France to close.

Additional Notes

We may, without the consent of the holders, create and issue additional notes ranking equally with the Notes in all respects, including having the same CUSIP number, so that such additional notes will be consolidated and form a single series with the Notes and will have the same terms as to status, redemption or otherwise as the Notes; *provided*, that such additional notes will be issued with no more than *de minimis* original issue discount for U.S. federal income tax purposes or be part of a qualified reopening for U.S. federal income tax purposes.

Status of the Notes

The Notes will be our unsecured and unsubordinated obligations and will rank *pari passu* in right of payment among themselves and with our other present and future unsecured and unsubordinated indebtedness from time to time outstanding (save for certain obligations required to be preferred by French law).

Payment of Additional Amounts

We will make payments on the Notes without withholding any taxes unless otherwise required to do so by law or by the interpretation or administration of law. If the Republic of France or any other jurisdiction in which we, or our successor, following a merger or similar event, are organized or resident for tax purposes or any tax authority therein requires us to withhold or deduct amounts from payment on a Note (including any amounts to be paid as additional amounts for or on account of taxes or any other governmental charges) (the jurisdiction imposing the tax, a "Relevant Jurisdiction") subject to the exceptions described below, we or our successor will be required to pay you additional amounts so that the net amount you receive will be the amount specified in the Note to which you are entitled.

We or our successor will not have to pay additional amounts under any of the following circumstances:

- The holder of the Notes (or a third party holding on behalf of the holder) is subject to such tax or governmental charge by reason of having some connection to the Relevant Jurisdiction requiring such withholding or deduction, other than the mere holding of the Note.

- The tax or governmental charge is imposed or levied by reason of the failure of such holder or the beneficial owner of a Note to present (where presentation is required) its Note within 30 calendar days after we have made available to such holder or beneficial owner a payment under the Notes and the indenture (excluding any additional amounts to which such holder or beneficial owner would have been entitled had its Notes been presented on any day within such 30-calendar day period).

- The tax or governmental charge is on account of an estate, inheritance, gift, sale, transfer, personal property or similar tax or other governmental charge.

- The tax or governmental charge is for a tax or governmental charge that is payable in a manner that does not involve withholding or deduction.

- The tax or governmental charge is imposed or withheld because the holder or beneficial owner failed:

- to provide information about the nationality, residence or identity of the holder or beneficial owner; or

- to make a declaration or satisfy any information requirements that the statutes, treaties, regulations or administrative practices of the Relevant Jurisdiction require as a precondition to exemption from all or part of such tax or governmental charge.

- The withholding or deduction is imposed pursuant to the European Union Directive 2003/48/EC regarding the taxation of savings income, or any other directive amending, supplementing or replacing such directive, or any law implementing or complying with, or introduced in order to conform to, such directive or directives.

- The withholding or deduction is imposed on a holder or beneficial owner who could have avoided such withholding or deduction by presenting (where presentation is required) its Notes to another paying agent.

- The holder is a fiduciary or partnership or an entity that is not the sole beneficial owner of the payment of the principal of, or any interest on, any Note, and the laws of the Relevant Jurisdiction require the payment to be included in the income of a beneficiary or settlor for tax purposes with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such additional amounts had it been the holder of such security.

Any reference in the Notes to payment of principal of or any premium or interest on, or in respect of, any Note or payment of any related coupon or the net proceeds received on the sale or exchange of any Note, such mentioned shall be deemed to include mention of the payment of Additional Amounts, which may be payable with respect thereto as described above.

Redemption and Repurchase

As explained below, we may redeem the Notes before they mature. This means that we may repay them early. You have no right to require us to redeem the Notes. Unless we default in the payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption.

In addition, we or our affiliates may purchase Notes from investors who are willing to sell from time to time, either in the open market at prevailing prices or in private transactions at negotiated prices. Notes that we or they purchase will be canceled.

Optional Redemption

We may redeem the Notes, in whole or in part, at any time and from time to time at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes plus accrued interest to the date of redemption and (2) as determined by the quotation agent, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes (excluding any portion of such payments of interest accrued as of the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year of twelve 30-day months) at the

adjusted treasury rate, plus 50 basis points. In connection with such optional redemption, the following defined terms apply:

- "*Adjusted treasury rate*" means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity of the comparable treasury issue, assuming a price for the comparable treasury issue (expressed as a percentage of its principal amount) equal to the comparable treasury price for such redemption date.

- "*Comparable treasury issue*" means the U.S. Treasury security selected by the quotation agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity in the remaining terms of such Notes.

- "*Comparable treasury price*" means, with respect to any redemption date, the average of the reference treasury dealer quotations for such redemption date.

- "*Quotation agent*" means the reference treasury dealer appointed by us.

- "*Reference treasury dealer*" means each of Barclays Capital Inc., J.P. Morgan Securities Inc., their respective successors and two other nationally recognized investment banking firms that are Primary Treasury Dealers specified from time to time by us; *provided*, *however*, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer (a "Primary Treasury Dealer"), we shall substitute therefor another nationally recognized investment banking firm that is a Primary Treasury Dealer.

Final Redemption

Unless previously purchased or redeemed by us or any of our Subsidiaries, and cancelled, the principal amount of the Notes will mature and become due and payable on July 9, 2015, in an amount equal to their principal amount, with accrued and unpaid interest to such date.

Redemption for Tax Reasons

We (or a successor to, or substitute obligor of, our company) have the option to redeem the Notes prior to maturity if, upon the occurrence of any "Change in Law", as defined below, of a Relevant Jurisdiction (as defined above under "— Payment of Additional Amounts") occurring after the issuance date of the Notes (or Change in Law of any jurisdiction in which our successor or substitute is organized or resident for tax purposes occurring after the date of such succession or substitution), we (or our successor or substitute) would be required to pay additional amounts as described above under "— Payment of Additional Amounts", in which case we may redeem the Notes in whole but not in part at a redemption price equal to 100% of the principal amount of the Notes plus accrued interest and additional amounts, if any, to the redemption date. "Change in Law" is defined as any change in or amendment to the laws, or any regulations or rulings promulgated under the laws of the Relevant Jurisdiction or of any political subdivision or taxing authority of or in the Relevant Jurisdiction affecting taxation or any change in official position regarding the application or interpretation of the laws, regulations or rulings referred to above.

We must give you between 30 and 60 days' notice before redeeming the Notes. Furthermore, the applicable redemption date will not be earlier than 30 days prior to the earliest date on which we would be obligated to pay such additional amounts if a payment in respect of the Notes were actually due on such date, provided that such obligation to pay such additional amounts remains in effect at the time of the redemption notice.

Prior to giving the notice of a tax redemption, we will deliver to the trustee a certificate signed by a duly authorized officer stating that we are entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to our right to so redeem have occurred.

Change of Control Offer

If a Change of Control Triggering Event occurs, unless we have exercised our option to redeem the Notes or unless the Change of Control Payment Date as described below would fall on or after the maturity date of the Notes, we shall be required to make an offer (a "Change of Control Offer") to each holder of the Notes to repurchase all or any part (equal to $2,000 and in integral multiples of $1,000 in excess thereof) of that holder's Notes on the terms set forth herein. In a Change of Control Offer, we shall be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to the date of repurchase (a "Change of Control Payment"). Within 30 days following any Change of Control Triggering Event or, at our option, prior to any Change of Control, but after public announcement of the transaction that constitutes or may constitute the Change of Control, a notice shall be mailed to holders of the Notes describing the transaction that constitutes or may constitute the Change of Control Triggering Event and offering to repurchase such Notes on the date specified in the notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (a "Change of Control Payment Date"). The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

On the Change of Control Payment Date, we shall, to the extent lawful:

(i) accept for payment all Notes or portions of such Notes properly tendered pursuant to the Change of Control Offer;

(ii) deposit with the trustee an amount equal to the Change of Control Payment in respect of all Notes or portions of such Notes properly tendered; and

(iii) deliver or cause to be delivered to the trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of such Notes being repurchased.

Upon receipt of the foregoing, the paying agent will promptly mail or wire to each holder of Notes so tendered the purchase price for such Notes, and the trustee, upon instruction by us and in accordance with the indenture, will promptly authenticate and mail or cause to be transferred by book entry to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; provided that each such new Note will be in a principal amount of U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof. We will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

We shall not be required to make a Change of Control Offer upon the occurrence of a Change of Control Triggering Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and the third party purchases all Notes properly tendered and not withdrawn under its offer. In addition, we shall not repurchase any Notes if there has occurred and is continuing on the Change of Control Payment Date an Event of Default under the indenture, other than a default in the payment of the Change of Control Payment upon a Change of Control Triggering Event.

We shall comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any other securities laws and regulations thereunder to

the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the Notes, we shall comply with those securities laws and regulations and shall not be deemed to have breached our obligations under the Change of Control Offer provisions of the Notes by virtue of any such conflict.

For purposes of the Change of Control Offer provisions of the Notes, the following terms are applicable:

"*Change of Control*" shall be deemed to have occurred at any time that any Person or Persons acting in concert, or any Person or Persons acting on behalf of any such Person or Persons, at any time directly or indirectly come(s) to legally or beneficially hold more than 50 per cent of our Voting Rights.

"*Change of Control Triggering Event*" means the occurrence of both a Change of Control and a Rating Event.

"*Investment Grade Rating*" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's, and BBB- (or the equivalent) by S&P and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by us.

"*Moody's*" means Moody's Investors Service, Inc., and its successors.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"*Rating Agencies*" means (1) each of Moody's and S&P; or (2) if any of Moody's or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of our control, a "nationally recognized statistical rating organization" within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act selected by us (as certified by a resolution of our Board of Directors) to act as a replacement agency for Moody's or S&P or both of them, as the case may be.

"*Rating Event*" means the credit rating on the Notes is lowered by at least one of the two Rating Agencies and the Notes are rated below an Investment Grade Rating by at least one of the two Rating Agencies on any day during the period (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) commencing 60 days prior to the first public notice of the occurrence of a Change of Control or our intention to effect a Change of Control and ending 60 days following consummation of such Change of Control.

"*S&P*" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"*Voting Rights*" means, with respect to any specified Person as of any date, the voting rights attached to shares of our capital stock of such Person that is at the time entitled to vote generally in the election of the Board of Directors of such Person.

Negative Pledge

As long as any Note issued under the indenture is outstanding, we will not, and will ensure that none of our Principal Subsidiaries (as defined below) will, create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) (each, a "Security Interest"), other than a Permitted Security Interest, upon any of our or their respective assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) or any guarantee

or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto, our obligations under the Notes are equally and ratably secured.

For the purpose of this covenant, "Relevant Indebtedness" means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (which are called *obligations* under French law), notes or other securities (including securities that take the form of *titres de créances négociables* under French law) which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market.

For the purpose of this covenant, "Permitted Security Interest" means:

(a) any Security Interest arising solely by operation of law and/or in the ordinary course of business; or

(b) any Security Interest existing over any assets or revenues of any company which is acquired by us, or a Principal Subsidiary, as the case may be, after the date of issue of the Notes and where such Security Interest was created prior to the date of such acquisition, provided that such Security Interest was not created in contemplation of such acquisition and the amount thereby secured has not been increased in contemplation of, or since the date of, such acquisition; or

(c) any Security Interest in respect of Relevant Indebtedness of a Subsidiary that subsequent to the creation of such Security Interest becomes a Principal Subsidiary; or

(d) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Security Interest referred to in any of the foregoing paragraphs or of any Relevant Indebtedness secured thereby; or

(e) any one or several Security Interest(s) not falling within (a) to (d) above and securing indebtedness, the principal amount of which (when aggregated with the principal amount of any other indebtedness which has the benefit of any Security Interest(s) given by us or any of our Principal Subsidiaries other than any permitted under sub-paragraphs (a) to (d) above) does not exceed €300,000,000 or its equivalent in any other currency.

For the purpose of this covenant and the "Events of Default" described below, "Principal Subsidiary" means at any relevant time a Subsidiary of our company:

- whose contribution to the consolidated current operating income is equal to or above 5 percent of the total consolidated current operating income of Lafarge S.A., all as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Company and its consolidated subsidiaries; or
- to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary.

"Subsidiary" means, in relation to any Person or entity at any time, any other Person or entity (whether or not now existing) meeting the definition of Article L. 233-1 of the French Commercial Code or any other Person or entity controlled directly or indirectly by such Person or entity within the meaning of Article L. 233-3 of the French Commercial Code. These articles:

- define a subsidiary as an entity for which more than half of the capital is owned by another entity (Article L. 233-1); and
- provide a list of the circumstances under which an entity is considered to control another ((i) direct or indirect shareholding or partnership interest with majority voting rights of an entity; (ii) majority voting rights of an entity by virtue of an agreement with other

partners or shareholders that is not contrary to the interests of the entity; (iii) ability, given voting rights, to determine whether resolutions are adopted at general meetings of an entity; (iv) shareholding or partnership interest and ability to appoint or to revoke the majority of the members of an entity's administrative, management or supervisory structures. An entity is also deemed to exert this control if it directly or indirectly holds more than 40% of the voting rights of another entity and no other shareholder or partner holds a larger percentage of the voting rights. In addition, two or more entities acting together are considered as jointly controlling another when they are able to determine whether resolutions are adopted at general meetings of another entity.)(Article L. 233-3).

Interest Rate Adjustments

The interest rate payable on the Notes will be subject to adjustments from time to time if any of Moody's or S&P (each as defined above for purposes of the Change of Control Offer provisions) downgrades (or subsequently upgrades) the debt rating assigned to the Notes, in the manner described below.

If the rating from Moody's of the Notes is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase from the interest rate payable on the Notes on the date of their issuance by the percentage set forth opposite that rating:

Rating	Percentage
Ba1	0.35%
Ba2	0.70%
Ba3 or below	1.05%

If the rating from S&P of the Notes is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase from the interest rate payable on the Notes on the date of their issuance by the percentage set forth opposite that rating:

Rating	Percentage
BB+	0.35%
BB	0.70%
BB- or below	1.05%

If at any time the interest rate on the Notes has been adjusted upward and either Moody's or S&P (or, in either case, a substitute rating agency thereof), as the case may be, subsequently increases its rating of the Notes to any of the threshold ratings set forth above, the interest rate on the Notes will be decreased such that the interest rate for the Notes equals the interest rate payable on the Notes on the date of their issuance plus the percentages set forth opposite the applicable ratings from the tables above in effect immediately following the increase. If Moody's (or any substitute rating agency thereof) subsequently increases its rating of the Notes to Baa3 (or its equivalent, in the case of a substitute rating agency) or higher, and S&P (or any substitute rating agency thereof) increases its rating to BBB- (or its equivalent, in the case of a substitute rating agency) or higher the interest rate on the Notes will be decreased to the interest rate payable on the Notes on the date of their issuance. In addition, the interest rate on the Notes will permanently cease to be subject to any adjustment described above (notwithstanding any subsequent decrease in the ratings by either or both rating agencies) if the Notes become rated A3 and A- (or the equivalent of either such rating, in the case of a substitute rating agency) or higher by Moody's and S&P (or, in either case, a substitute rating agency), respectively (or one of these ratings if the Notes are only rated by one rating agency). Each adjustment required by any decrease or increase in a rating set forth above, whether occasioned by the action of Moody's or S&P, shall be made independent of any and all other adjustments. In no event shall (1) the interest rate for the Notes be reduced to below the interest rate payable on the Notes on

the date of their issuance or (2) the total increase in the interest rate on the Notes exceed 2.10% above the interest rate payable on the Notes on the date of their issuance.

If either Moody's or S&P ceases to provide a rating of the Notes, any subsequent increase or decrease in the interest rate of the Notes necessitated by a reduction or increase in the rating by the agency continuing to provide the rating shall be twice the percentage set forth in the applicable table above. No adjustments in the interest rate of the Notes shall be made solely as a result of either Moody's or S&P ceasing to provide a rating. If both Moody's and S&P cease to provide a rating of the Notes, the interest rate on the Notes will increase to, or remain at, as the case may be, 2.10% above the interest rate payable on the Notes on the date of their issuance.

Any interest rate increase or decrease described above will take effect from the first day of the interest period during which a rating change requires an adjustment in the interest rate. If Moody's or Standard & Poor's (or, in either case, a substitute rating agency thereof) changes its rating of the Notes more than once during any particular interest period, the last change by such agency will control for purposes of any interest rate increase or decrease with respect to the Notes described above relating to such rating agency's action. Pursuant to the Indenture, we will promptly notify the Trustee of any interest rate adjustments.

Limitation on Mergers and Consolidations

We are generally permitted to consolidate or merge with another company or firm. We are also permitted to sell or lease substantially all of our assets to another corporation or other entity or to buy or lease substantially all of the assets of another corporation or other entity. In addition, we are permitted to transfer our obligations, as issuer of the Notes, to any of our majority-owned Subsidiaries, so long as the obligations of that Subsidiary are guaranteed by us.

No vote by holders of Notes approving any of these actions is required, unless as part of the transaction we make changes to the indenture requiring your approval, as described below under "— Modification and Waiver". We may take these actions as part of a transaction involving outside third parties or as part of an internal corporate reorganization. We may take these actions even if they result in:

- a lower credit rating being assigned to the Notes; or
- additional amounts becoming payable in respect of withholding tax.

Except as provided below, we have no obligation under the indenture to seek to avoid these results, or any other legal or financial effects that are disadvantageous to you, in connection with a merger, consolidation or sale or lease of assets that is permitted under the indenture. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell or lease substantially all of our assets, or transfer our obligations to a substitute obligor, the other entity must be duly organized and validly existing under the laws of the relevant jurisdiction.

- The merger, sale or lease of assets or other transaction, or the transfer of obligations to a substitute obligor, must not cause a default on the Notes, and we must not already be in default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Events of Default — What is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to continue for a specific period of time were disregarded.

- If we merge out of existence or sell or lease substantially all of our assets, or transfer our obligations to a substitute obligor, the other entity must assume our obligations under the Indenture and Notes, including our obligation to pay additional amounts described above under "— Payment of Additional Amounts". In the event the jurisdiction of incorporation or tax residence of the successor or substitute obligor is not the Republic of France, such successor or substitute obligor will also agree to be bound to the obligations described above under "— Payment of Additional Amounts" and "— Redemption for Tax Reasons" but shall substitute the successor's or substitute obligor's jurisdictions of incorporation and tax residence for the Republic of France.

It is possible that the U.S. Internal Revenue Service may deem the transfer of our assets to a substitute obligor to cause an exchange for U.S. federal income tax purposes of Notes for new securities by the beneficial owners of the Notes. This could result in the recognition of taxable gain or loss for U.S. federal income tax purposes and possible other adverse tax consequences.

Events of Default

You will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What is an Event of Default? The term "event of default" means any of the following:

- Any amount of principal of, or interest on, the Notes is not paid on the due date thereof and such default is not remedied within a period of 15 days from such due date.

- Any other obligation of Lafarge under the Notes is not complied with or performed within a period of 30 days after we receive written notice of default stating we are in breach and requiring the breach to be remedied. The notice must be sent by either the trustee or holders of 25% of the principal amount of Notes outstanding.

- Any other present or future indebtedness of Lafarge or any of our Principal Subsidiaries for borrowed monies in excess of €100,000,000 (or its equivalent in any other currency), whether individually or in the aggregate, becomes due and payable prior to its stated maturity as a result of a default thereunder, or if any such indebtedness shall not be paid when due or, as the case may be, within any applicable grace period therefor, or if any steps shall be taken to enforce any security in respect of such indebtedness or any guarantee or indemnity given by Lafarge or any of our Principal Subsidiaries for, or in respect of, any such indebtedness of others shall not be honored when due and called upon, in each case unless Lafarge or the relevant Principal Subsidiary is contesting in good faith through appropriate proceedings its liability to make payment thereunder.

- If we or any of our Principal Subsidiaries applies for or is subject to the appointment of a *mandataire ad hoc* under French bankruptcy law or enters into a conciliation procedure (*procédure de conciliation*), a safeguard procedure (*procédure de sauvegarde*) or a judicial recovery procedure (*redressement judiciaire*) or a judgment is rendered for our or its judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of our or its business (*cession totale de l'entreprise*) or if we or any of our Principal Subsidiaries makes any conveyance for the benefit of, or enters into any agreement with, our or its creditors or cannot meet our or its current liabilities out of our or its current assets.

- It is or will become unlawful for us to perform or comply with any one or more of our obligations under the Notes issued under the indenture.

Remedies if an Event of Default Occurs. If an event of default has occurred and has not been cured, the trustee or the holders of 25% in principal amount of the Notes outstanding may declare the

entire principal amount of all the Notes to be due and immediately payable. This is called a declaration of acceleration of maturity. A declaration of acceleration of maturity may be canceled by the holders of at least a majority in principal amount of the Notes outstanding if certain conditions are met.

Except in cases of default, where the trustee has certain special duties, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee satisfactory protection from expenses and liability. This protection is called an indemnity. If satisfactory indemnity is provided, the holders of a majority in principal amount of the outstanding Notes may direct the time, method and place of conducting any lawsuit or other proceeding seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the indenture.

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the Notes, the following must occur:

- You must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding Notes must make a written request that the trustee take action because of the default, and must offer reasonable indemnity to the trustee against the cost and other liabilities of taking that action.

- The trustee must have not taken action for 60 days after receipt of the above notice, request and offer of indemnity.

- No direction inconsistent with such written request must have been given to the trustee during such 60-day period by holders of a majority in principal amount of all outstanding Notes.

Nothing, however, will prevent an individual holder from bringing suit to enforce payment.

We will furnish to the trustee every year a written statement of a duly authorized officer certifying that, to such officer's knowledge, we are in compliance with the indenture and the Notes, or else specifying any default.

Defeasance and Discharge

The following discussion of defeasance and discharge will be applicable to the Notes.

The indenture contains a provision that permits us to elect:

- To be discharged, 90 days after the satisfaction of our obligations described below, from all our obligations (subject to limited exceptions) with respect to the Notes then outstanding; and/or

- To be released from our obligations under some of the covenants and from the consequences of an event of default resulting from a breach of such covenants (this is called covenant defeasance).

We can legally release ourselves from any payment or other obligations on the Notes under either of the above elections, except for various obligations described below, if we, in addition to other actions, put in place the following arrangements for you to be repaid:

- We must deposit in trust for your benefit and the benefit of all other direct holders of the Notes a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the Notes on their various due dates. In addition, on the date of such deposit, we must not be in default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described above under "— Events of Default — What is an Event of Default?". A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to continue for a specific period of time were disregarded.

- We must deliver to the trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing you to be taxed on the Notes any differently than if we did not make the deposit and just repaid the Notes ourselves in accordance with their terms. In the case of Notes being discharged, we must deliver along with this opinion a private letter ruling from the U.S. Internal Revenue Service to this effect or a revenue ruling pertaining to a comparable form of transaction published by the U.S. Internal Revenue Service to the same effect.

However, even if we take these actions, a number of our obligations relating to the Notes will remain. These include the following obligations:

- to register the transfer and exchange of Notes;

- to replace mutilated, destroyed, lost or stolen Notes;

- to maintain paying agencies; and

- to hold money for payment in trust.

Modification and Waiver

There are three types of changes we can make to the Indenture and the Notes.

Changes Requiring Your Approval. First, there are changes that cannot be made to your Notes without your specific approval, for example, by calling a meeting of holders and seeking a 100% quorum and unanimous consent, or, more likely, by obtaining written consents from each holder. We must obtain your specified approval in order to:

- change the stated maturity of the principal or interest on a Note;

- reduce any amounts due on a Note;

- reduce the amount of principal payable upon acceleration of the maturity of a Note following a default;

- change the place or currency of payment on a Note;

- impair your right to sue for payment;

- reduce the percentage of holders of Notes whose consent is needed to modify or amend the Indenture;

- reduce the percentage of holders of Notes whose consent is needed to waive compliance with various provisions of the Indenture or to waive various defaults; and

- modify any other aspect of the provisions dealing with modification and waiver of the Indenture.

Changes Requiring a Majority Vote. The second type of change to the indenture and Notes is the kind that requires a vote in favor by holders of a majority of the principal amount of the Notes. Most changes fall into this category, except for clarifying changes and other changes that would not adversely affect holders of the Notes in any material respect. The same vote would be required for us to obtain a waiver of all or part of the covenants described above, or a waiver of a past default.

Changes Not Requiring Approval. The third type of change does not require any vote by holders of the Notes. This type is limited to clarifications and other changes that would not adversely affect holders of the Notes in any material respect.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- Notes will not be considered outstanding, and therefore will not be eligible to vote, if we have deposited or set aside in trust for you money for their payment or redemption. Notes will also not be eligible to vote if they have been fully defeased pursuant to any applicable defeasance provisions described above under "— Defeasance and Discharge".

- We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding Notes that are entitled to vote or take other action under the indenture (or failing us, in certain circumstances, the trustee). If we set a record date for a vote or other action to be taken by holders, that vote or action may be taken only by Persons who are holders of outstanding Notes on the record date and must be taken within 90 days following the record date or another period that we may specify (or as the trustee may specify, if it sets the record date). We may shorten or lengthen (but not beyond 90 days) this period from time to time.

Notices

Notices to holders will be provided to the addresses that appear on the security register of the Notes.

Consent to Service, Submission to Jurisdiction; Enforceability of Judgments

We will appoint CT Corporation as our process agent for any action brought by a holder based on the indenture or the Notes, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

We will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a holder based on the Notes or the indenture. We will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type. Holders of the Notes may, however, be precluded from initiating actions based on the Notes or the indenture in courts other than those mentioned above.

We will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the Notes or the indenture.

Since a substantial portion of our assets are outside the United States, any judgment obtained in the United States against us, including judgments with respect to the payment of principal, premium, interest and any redemption price and any purchase price with respect to the Notes may not be collectable within the United States.

Payment and Paying Agents

Payments in respect of the Notes will be made by HSBC Bank USA, National Association, in its capacity as paying agent in New York to the registered holder(s). The paying agent will treat the persons in whose name the registered global notes representing the Notes are registered as the owners thereof for purposes of making such payments and for any other purposes whatsoever. We must notify you through the trustee of changes in the paying agent.

Regardless of who acts as paying agent, all money that we pay to a paying agent that remains unclaimed at the end of two years after the amount is due to direct holders will be repaid to us. After that two-year period, you may look only to us for payment and not to the trustee, any other paying agent or anyone else.

Governing Law

The indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.

FORM OF NOTES, CLEARANCE AND SETTLEMENT

General

The Notes are being offered and sold only:

- to qualified institutional buyers in reliance on Rule 144A ("Rule 144A notes"), or
- to persons other than U.S. persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S ("Regulation S notes").

The Notes will be issued in fully registered global form in minimum denominations of U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof. Notes will be issued on the issue date therefor only against payment in immediately available funds.

The Rule 144A notes will be represented by one or more permanent global certificates (which may be subdivided) in definitive, fully registered form without interest coupons (the "Rule 144A global note"). The Rule 144A global note will be deposited upon issuance with the trustee as custodian for The Depository Trust Company ("DTC") and registered in the name of DTC or its nominee for credit to an account of a direct or indirect participant in DTC (including Euroclear and Clearstream, Luxembourg as described below under "— Depositary Procedures").

The Regulation S notes will be represented by one or more permanent global certificates (which may be subdivided) in definitive, fully registered form without interest coupons (the "Regulation S global note," together with the Rule 144A global note, the "global notes" and each a "global note"). The Regulation S global note will be deposited upon issuance with the trustee as custodian for DTC and registered in the name of DTC or its nominee for credit to an account of a direct or indirect participant in DTC, including Euroclear and Clearstream, Luxembourg, as described below under "— Depositary Procedures." Prior to the 40th day after the later of the commencement of the offering of the Notes and the closing of the offering (the "Distribution Compliance Period"), interests in the Regulation S global note may only be held through Euroclear or Clearstream, Luxembourg, as participants in DTC, either directly for investors that have accounts with Euroclear or Clearstream, Luxembourg, or indirectly through financial institutions that are account holders in Euroclear or Clearstream, Luxembourg.

Except as set forth below, the global notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the global notes may not be exchanged for Notes in certificated form except in the limited circumstances described under "— Exchange of Book-Entry Notes for Certificated Notes."

The Notes will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Transfer Restrictions." In addition, transfers of beneficial interests in the global notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear or Clearstream, Luxembourg), which may change from time to time.

Depositary Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream, Luxembourg are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the systems or their participants directly to discuss these matters.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York State Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC was created to hold securities for its participating organizations (collectively, the "Participants") and facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through Participants or Indirect Participants. DTC has no knowledge of the identity of beneficial owners of securities held by or on behalf of DTC. DTC's records reflect only the identity of Participants to whose accounts securities are credited. The ownership interests and transfer of ownership interests of each beneficial owner of each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

Pursuant to procedures established by DTC:

- upon deposit of the global notes, DTC will credit the accounts of Participants designated by the initial purchasers with portions of the principal amount of the global notes, and

- ownership of such interests in the global notes will be maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the global notes).

Investors in the global notes may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including, in case of the Regulation S global note, Euroclear and Clearstream, Luxembourg) that are Participants or Indirect Participants in such system. Euroclear and Clearstream, Luxembourg will hold interests in the Regulation S global note on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. The depositaries, in turn, will hold interests in the global notes in customers' securities accounts in the depositaries' names on the books of DTC.

All interests in the global notes, including those held through Euroclear or Clearstream, Luxembourg, will be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream, Luxembourg will also be subject to the procedures and requirements of these systems. The laws of some jurisdictions require that certain persons take physical delivery of certificates evidencing securities they own. Consequently, the ability to transfer beneficial interests in a global note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of beneficial owners of interests in the global notes to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests. For certain other restrictions on the transferability of the Notes, see "— Exchange of Book-Entry Notes for Certificated Notes."

Except as described below, owners of interests in the global notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or **holders thereof for any purpose.**

Payments in respect of the principal of and premium, if any, and interest on a global note registered in the name of DTC or its nominee will be payable by the trustee to DTC in its capacity as the registered holder under the indenture. We and the trustee will treat the persons in whose names

the Notes, including the global notes, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, none of Lafarge, the trustee or any agent of Lafarge or the trustee has or will have any responsibility or liability for:

- any aspect of DTC's records or any Participant's or Indirect Participant's records relating to, or payments made on account of beneficial ownership interests in, the global notes, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the global notes, or

- any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

We understand that DTC's current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date in amounts proportionate to their respective holdings in the principal amount of the relevant security as shown on the records of DTC, unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of the Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the trustee or us. Neither we nor the trustee will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of the Notes, and we and the trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Clearstream, Luxembourg participants, interests in the global notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such interests will therefore settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants.

Subject to the transfer restrictions described under "Transfer Restrictions," transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to the transfer restrictions described under "Transfer Restrictions," cross-market transfers between Participants in DTC, on the one hand, and Euroclear or Clearstream, Luxembourg participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, Luxembourg, as the case may be, by their depositaries. Cross-market transactions will require delivery of instructions to Euroclear or Clearstream, Luxembourg, as the case may be, by the counterparty in that system in accordance with the rules and procedures and within the established deadlines (Brussels time) of that system. Euroclear or Clearstream, Luxembourg, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositaries to take action to effect final settlement on its behalf by delivering or receiving interests in the Regulation S global note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream, Luxembourg participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream, Luxembourg.

Because of time zone differences, the securities account of a Euroclear or Clearstream, Luxembourg participant purchasing an interest in a global note from a Participant in DTC will be credited and reported to the relevant Euroclear or Clearstream, Luxembourg participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream, Luxembourg) immediately following the settlement date of DTC. We understand that cash received in Euroclear or Clearstream, Luxembourg as a result of sales of interests in a global note by or

through a Euroclear or Clearstream, Luxembourg participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream, Luxembourg cash account only as of the business day for Euroclear or Clearstream, Luxembourg following DTC's settlement date.

We understand that DTC will take any action permitted to be taken by a holder of Notes only at the direction of one or more Participants to whose account with DTC interests in a global note are credited and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the foregoing procedures to facilitate transfers of interests in the global note among participants in DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or to continue to perform such procedures, and the procedures may be discontinued at any time. Neither Lafarge nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this section concerning DTC, Euroclear and Clearstream, Luxembourg and their book-entry systems has been obtained from sources that Lafarge believes to be reliable, but Lafarge takes no responsibility for the accuracy thereof.

Exchange of Book-Entry Notes for Certificated Notes

The global notes are exchangeable for certificated Notes in definitive, fully registered form without interest coupons only in the following limited circumstances:

- DTC notifies us that it is unwilling or unable to continue as depositary for the global notes or DTC ceases to be a clearing agency registered under the Exchange Act at a time when DTC is required to be so registered in order to act as depositary, and in each case we fail to appoint a successor depositary within 90 days of such notice;

- we, at our option, notify the trustee in writing that we elect to cause the issuance of Notes in definitive form under the indenture subject to the procedures of the depositary; or

- if there shall have occurred and be continuing an Event of Default (as defined in the indenture) with respect to the Notes (see "Description of Notes"), and DTC representing a majority in aggregate principal amount of the then outstanding Notes so advises the trustee in writing.

In all cases, certificated Notes delivered in exchange for any global note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Transfer Restrictions," unless we determine otherwise in accordance with the indenture and in compliance with applicable law.

Exchanges Between a Regulation S Global Note and Rule 144A Global Note

During the distribution compliance period (defined as 40 days after the later of the closing date with respect to the Notes and the completion of the distribution of the Notes), beneficial interests in the Regulation S global note may be exchanged for beneficial interests in a Rule 144A global note only if such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A and the transferor first delivers to the trustee a written certificate to the effect that the Notes are being transferred to a person who the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act, purchasing for its own account or the account of a

qualified institutional buyer in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in a Rule 144A global note may be transferred to a person who takes delivery in the form of an interest in the corresponding Regulation S global note, whether before or after the expiration of the distribution compliance period, only if the transferor first delivers to the trustee a written certificate to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S.

Transfers involving an exchange of a beneficial interest in the Regulation S global note for a beneficial interest in the Rule 144A global note or vice versa will be effected in DTC by means of an instruction originated by the trustee through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S global note and a corresponding increase in the principal amount of the Rule 144A global note or vice versa, as applicable. Any beneficial interest in one of the global notes that is transferred to a person who takes delivery in the form of an interest in another global note will, upon transfer, cease to be an interest in such global note and will become an interest in the other global note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other global note for so long as it remains such an interest.

TRANSFER RESTRICTIONS

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, you will be deemed to have made the following acknowledgements, representations to and agreements with us and the initial purchasers:

(1) You acknowledge that:

- the Notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and

- unless so registered, the Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and, if applicable, in compliance with the conditions for transfer set forth in paragraph (4) below.

(2) You represent that you are not an affiliate (as defined in Rule 144) of ours, that you are not acting on our behalf and that either:

- you are a qualified institutional buyer (as defined in Rule 144A) and are purchasing the Notes for your own account or for the account of another qualified institutional buyer, and you are aware that the initial purchasers are selling the Notes to you in reliance on Rule 144A; or

- you are not a U.S. person (as defined in Regulation S) or purchasing for the account or benefit of a U.S. person and you are purchasing Notes in an offshore transaction in accordance with Regulation S.

(3) You acknowledge that neither we nor the initial purchasers nor any person representing us or the initial purchasers has made any representation to you with respect to us or the offering of the Notes, other than the information contained or incorporated by reference in this Offering Memorandum. You represent that you are relying only on this Offering Memorandum in making your investment decision with respect to the Notes. You agree that you have had access to such financial and other information concerning us and the Notes as you have deemed necessary in connection with your decision to purchase Notes, including an opportunity to ask questions of and request information from us.

(4) If you are a purchaser of Notes pursuant to Rule 144A, you represent that you are purchasing Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of that investor account or accounts be at all times within your or their control and subject to your or their ability to resell the Notes pursuant to Rule 144A or any other available exemption from registration under the Securities Act. You further agree, and each subsequent holder of the Notes by its acceptance of the Notes will agree, that the Notes may be offered, sold or otherwise transferred only:

(A) to a person who the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act purchasing for its own account or for the account of a qualified institutional buyer or buyers in a transaction meeting the requirements of Rule 144A;

(B) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S;

(C) pursuant to an exemption from registration pursuant to Rule 144 (if available); or

(D) pursuant to an effective registration statement under the Securities Act,

provided that as a condition to registration of transfer of the Notes, we or the trustee may require delivery of any documents or other evidence that we or the trustee each, in our or its discretion, deems necessary or appropriate to evidence compliance with one of the exemptions referred to above, and, in each case, in accordance with the applicable securities laws of the states of the United States and other jurisdictions.

You also acknowledge that each Rule 144A note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT; AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE, OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED IN THE NEXT PARAGRAPH), EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF;

(B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT;

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT; OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE RESALE RESTRICTION TERMINATION DATE WILL BE THE DATE: (1) THAT IS AT LEAST ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF; AND (2) ON WHICH THE COMPANY INSTRUCTS THE TRUSTEE THAT THIS LEGEND (OTHER THAN THE FIRST PARAGRAPH HEREOF) SHALL BE DEEMED REMOVED FROM THIS SECURITY, IN ACCORDANCE WITH THE PROCEDURES DESCRIBED IN THE INDENTURE RELATING TO THIS SECURITY.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH PARAGRAPH 2(D) ABOVE , THE COMPANY AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECUR

ITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.*

**This legend shall be deemed removed from the face of this Security without further action of the Company, the trustee, or the holders of this Security at such time as the Company instructs the trustee to remove such legend pursuant to Section 208 of the Indenture.*

(5) If you are a purchaser of the Notes under Regulation S, you will be deemed to:

(A) acknowledge that the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority in any jurisdiction and, until so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below; and

(B) agree that if you should resell or otherwise transfer the Notes prior to the expiration of a distribution compliance period (defined as 40 days after the later of the closing date with respect to the Notes and the completion of the distribution of the Notes), you will do so only (i)(A) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (B) to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable securities laws of the states of the United States or any other jurisdictions.

You also acknowledge that each Regulation S note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT IS NOT A U.S. PERSON, IS NOT ACQUIRING THIS SECURITY FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION,

(2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY ONLY (A) TO THE COMPANY OR ANY AFFILIATE THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS RESTRICTIVE LEGEND. THIS LEGEND WILL BE REMOVED AFTER 40 CONSECUTIVE DAYS BEGINNING ON AND INCLUDING THE LATER OF

(A) THE DAY ON WHICH THE NOTES ARE OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN REGULATION S) AND (B) THE DATE OF THE CLOSING OF THE ORIGINAL OFFERING. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

(6) You acknowledge that we, the initial purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify us and the initial purchasers. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

For a discussion of the requirements to effect exchanges or transfers of interests in the global notes, see "Form of Notes, Clearance and Settlement—Exchanges Between a Regulation S Global Note and Rule 144A Global Note."

TAXATION

The following summary contains a description of certain French and U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes, but does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the Notes. This summary (other than the discussion of the European Union Savings Directive described below) does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the United States and the Republic of France.

This summary is based on the tax laws of the Republic of France and the United States as in effect on the date of this Offering Memorandum (including the tax treaty entered into by the Republic of France and the United States), as well as on rules and regulations of the Republic of France and regulations, rulings and decisions of the United States available on or before such date and now in effect. All of the foregoing are subject to change, which change could apply retroactively and could affect the continued validity of this summary.

Persons considering the purchase of Notes should consult their own tax advisors as to the French, U.S. or other tax consequences of the purchase, ownership and disposition of the Notes, including, in particular, the application to their particular situations of the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

European Union Savings Directive

On June 3, 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the "Savings Directive"). Pursuant to the Savings Directive and subject to a number of conditions being met, Member States are required, since July 1, 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Savings Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident or certain limited types of entities established in that other Member State (the "Disclosure of Information Method").

For these purposes, the term "paying agent" is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Savings Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method or for the tax certificate procedure, withhold an amount on interest payments. The rate of such withholding is currently 20 per cent for a period of three years, starting on July 1, 2008, and 35 per cent thereafter until the end of the transitional period.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last to agree of the following of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on April 18, 2002 (the "OECD Model Agreement") with respect to interest payments within the meaning of the Savings Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Savings Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since July 1, 2005.

On November 13, 2008 the European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on April 24, 2009. If any of these proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

French Tax Considerations

The following summary is addressed to non-French tax residents who do not hold their Notes in connection with a business or profession conducted in France, or a permanent establishment or fixed base situated in France, and who do not concurrently hold our shares.

Taxation of Interest

The Savings Directive has been implemented in French law under article 242 *ter* of the *Code général des impôts* and articles 49 I *ter* to 49 I *sexies* of Schedule III of the *Code général des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

The Amended Finance Act for 2009 (*loi de finances rectificative pour 2009*) has amended the withholding tax regime applicable to payments to holders in respect of the Notes.

Pursuant to the amended article 125 A III of the *Code général des impôts*, payments of interest and other securities income made by a debtor with respect to certain debt securities (including debt in the form of bonds) are not subject to withholding tax unless such payments are made outside France in a non-cooperative State or territory within the meaning of article 238-0 A of the *Code général des impôts* (a "Non-Cooperative State"), in which case a 50% withholding tax is applicable subject to exceptions, certain of which are set forth below, and to more favorable provisions of any applicable double tax treaty. The 50% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperative States is published by a ministerial executive order, which is updated on a yearly basis.

Furthermore, according to article 238 A of the *Code général des impôts*, interest and other securities income will not be deductible from Lafarge's taxable income, as from the fiscal years starting on or after January 1, 2011, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in a Non-Cooperative State. Under certain conditions, any such non-deductible interest or other securities income may be recharacterized as constructive dividends pursuant to articles 109 *et seq*. of the *Code général des impôts*, in which case it may be subject to the withholding tax provided under article 119 *bis* 2 of the same Code, at a rate of 25% or 50%, subject to more favorable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 50% withholding tax provided by article 125 A III of the *Code général des impôts,* the non-deductibility of the interest and other securities income nor the withholding tax provided set out article 119 *bis* 2 of the same Code that may be levied as a result of such non-deductibility, to the extent the relevant interest or income relates to genuine transactions and is not in an abnormal or exaggerated amount, will apply in respect of a particular issue of notes provided that Lafarge can prove that the main purpose and effect of such issue of notes is not that of allowing the payments of interest or income to be made in a Non-Cooperative State (the "Exception").

In addition, under Ruling (*rescrit*) 2010/11 (FP and FE) of the *Direction générale des finances publiques* dated February 22, 2010, an issue of notes benefits from the Exception without Lafarge having to provide any evidence supporting the main purpose and effect of such issue of notes, if such notes are:

(i) offered by means of a public offer within the meaning of Article L. 411-1 of the *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositaries or operators are not located in a Non-Cooperative State.

As the Notes are admitted at the time of their issue to the operations of a central depositary, payments of interest or other securities income made by or on behalf of Lafarge with respect to the Notes will not be subject to the withholding tax set out under article 125 A III of the *Code général des impôts*. In addition, they will be subject neither to the non-deductibility set out under article 238 A of the *Code général des impôts* nor to the withholding tax set out under article 119 bis 2 of the same Code solely on account of their being paid to a bank account opened in a financial institution located in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

Taxation on Sale, Disposal or Redemption of Notes

Non-French resident holders of Notes who do not hold their Notes in connection with a business or profession conducted in France, or a permanent establishment or fixed base situated in France, will not be subject to any French income tax or capital gains tax on the sale, disposal or redemption of Notes.

Transfers of Notes will not be subject to any stamp duty or other transfer taxes imposed in France, provided such transfer is not registered with the French tax authorities.

United States Tax Considerations

The following is a discussion of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes by persons who purchase Notes in the initial offering at their issue price and hold the Notes as capital assets. (The issue price will equal the first price at which a substantial amount of the Notes are sold to the public, not including sales to underwriters, placement agents, wholesalers, or similar persons.) This discussion is based upon the Internal Revenue Code of 1986, as amended, Treasury regulations and proposed Treasury regulations issued thereunder, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions now in effect, all of which may change, possibly with retroactive effect.

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that any discussion of tax matters set forth in this offering memorandum was written in connection with the promotion or marketing of the transactions or matters addressed herein and was not intended or written to be used, and cannot be used by any prospective investor, for the purpose of avoiding tax-related penalties under Federal, state or local tax law. Each prospective investor should seek advice based on its particular circumstances from an independent tax advisor.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to prospective investors in light of their particular circumstances, such as prospective investors to whom special tax treatment applies, including (1) banks, regulated investment companies, real estate investment trusts, insurance companies, brokers or dealers in securities or currencies, tax-exempt organizations, controlled foreign corporations, or partnerships or other entities classified as partnerships for U.S. federal income tax purposes, (2) persons holding Notes as part of a straddle, hedge, conversion transaction or other integrated investment, (3) persons whose functional currency is not the U.S. dollar, or (4) traders in securities that elect to use a mark to market method of accounting for their securities holdings. In addition, this discussion does not address alternative minimum taxes or state, local or foreign taxes.

For purposes of the following discussion, the term "U.S. Holder" means a beneficial owner of the Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation or other entity treated as a corporation created or organized in or under the laws of the United States or any political subdivision thereof or (iii) any other entity or person generally subject to U.S. federal income tax on a net income basis in respect of the Notes. As used in this summary, the term "Non-U.S. Holder" means a beneficial owner of Notes who is not a U.S. Holder.

Special rules apply to debt instruments with payments that vary or are contingent upon a specified event, such as an interest rate based on the credit quality of the issuer, including rules for variable rate debt instruments ("VRDIs") and for contingent payment debt instruments ("CPDIs"). It is unclear how these rules apply to the Notes. Lafarge intends to treat the Notes as VRDIs, and the discussion below assumes that the Notes will be treated as VRDIs. It is possible, however, that the IRS could assert that the Notes should be treated as CPDIs, which could materially and adversely affect the amount, timing, and character of income, gain, or loss with respect to an investment in the Notes. Under the CPDI rules, U.S. Holders might be required to accrue income at a higher rate than the coupon on the Notes, subject to certain adjustments based on the difference between amounts actually received in a taxable year and projected payments, and to treat any gain on disposition of the Notes as ordinary interest income. The CPDI rules are complex. *Accordingly, prospective purchasers of the Notes are urged to consult their own tax advisors regarding the tax consequences of the purchase, ownership, and disposition of the Notes.*

U.S. Holders

Payments of Interest. Payments of stated interest (and additional amounts, if any) on the Notes will be taxable to a U.S. Holder as ordinary interest income at the time that such payments are accrued or are received (in accordance with such U.S. Holder's method of tax accounting) and will constitute income from sources outside the United States.

Purchase, Sale and Retirement of Notes. Upon the sale, exchange or retirement of a Note (including an exercise of our call right), a U.S. Holder generally will recognize capital gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued stated interest, which will be taxable as such) and the U.S. Holder's tax basis in such Note. A U.S. Holder's tax basis in a Note generally will equal the cost of such Note to such holder. Gain or loss recognized by a U.S. Holder generally will be U.S. source and will be long-term capital gain or loss if the U.S. Holder has held the Note for more than one year at the time of disposition. Long-term

capital gains recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deductibility of capital losses is subject to limitations.

Non-U.S. Holders

A Non-U.S. Holder generally will not be subject to U.S. federal income tax (including withholding tax) on payments of interest on the Notes. In addition, a Non-U.S. Holder generally will not be subject to U.S. federal income tax on gain realized on the sale, exchange, redemption or other disposition of the Notes. However, gain realized by an individual Non-U.S. Holder will be subject to U.S. federal income taxation if such holder is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

Information Reporting and Backup Withholding

Payments in respect of the Notes that are made within the United States or through certain U.S.-related financial intermediaries are subject to information reporting and may be subject to backup withholding unless the U.S. Holder (i) is a corporation or other exempt recipient or (ii) provides a taxpayer identification number and certifies that no loss of exemption from backup withholding has occurred. Non-U.S. Holders generally will not be subject to information reporting or backup withholding, but such holders may be required to provide a certification of non-U.S. status in connection with payments received within the United States or through a U.S.-related financial intermediary.

Backup withholding tax is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

PLAN OF DISTRIBUTION

Subject to the terms and conditions in the purchase agreement, dated July 6, 2010, among us and Barclays Capital Inc. and J.P. Morgan Securities Inc. as representatives of the initial purchasers, each initial purchaser named below has agreed to purchase from us, and we have agreed to sell to such initial purchaser the principal amounts of the Notes set forth opposite its name below.

Initial Purchasers	Principal Amount of Notes
Barclays Capital Inc	$220,000,000
J.P. Morgan Securities Inc	$220,000,000
Deutsche Bank Securities Inc	$22,000,000
Mitsubishi UFJ Securities (USA), Inc	$22,000,000
Mizuho Securities USA Inc	$22,000,000
RBS Securities Inc.	$22,000,000
UBS Securities LLC	$22,000,000
Total	$550,000,000

The initial purchasers initially propose to offer the Notes for resale at the respective issue prices that appear on the cover of this Offering Memorandum. After the initial offering, the initial purchasers may change the offering prices and any other selling terms. The initial purchasers may offer and sell Notes through certain of their affiliates. The offering of the Notes by the initial purchasers is subject to receipt and acceptance and subject to the initial purchasers' right to reject any order in whole or in part.

In the purchase agreement, we have agreed that we will indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or contribute to payments that the initial purchasers may be required to make in respect of those liabilities.

The Notes have not been registered under the Securities Act or the securities laws of any other place. Accordingly, the Notes are subject to restrictions on resale and transfer as described under "Transfer Restrictions." In the purchase agreement, each initial purchaser has agreed that:

- the Notes may not be offered or sold within the United States or to U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act or in transactions not subject to those registration requirements; and

- during the initial distribution of the Notes, it will offer or sell Notes only to qualified institutional buyers in compliance with Rule 144A and outside the United States in compliance with Regulation S.

In addition, until 40 days following the commencement of this offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act.

Each purchaser of the Notes will be deemed to have made the acknowledgements, representations and agreements as described under "Transfer Restrictions".

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each initial purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date), it has not made and will not make an offer of Notes to the public in that Relevant Member State, except that it may, with effect from and

including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

- to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

- to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the initial purchasers for any such offer; or

- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided, that no such offer of Notes shall require the Company or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression "Prospectus Directive" means Directive 2003/7I/EC and includes any relevant implementing measure in each Relevant Member State.

Each initial purchaser has represented and agreed that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Each initial purchaser has represented and agreed that:

- it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in the French Republic;

- it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the French Republic this Offering Memorandum or any other offering materials relating to the Notes;

- offers, sales and distribution of Notes in the French Republic have been and will be made exclusively to persons or entities licensed to provide the investment service of portfolio management for the account of third parties, qualified investors (*investisseurs qualifiés*) investing for their own account and/or a restricted circle of investors (*cercle restreint*

d'investisseurs) investing for their own account, all as defined in Articles L. 411-2 and D. 411-1 to D. 411-4 of the French *Code monétaire et financier*; and

- the direct or indirect distribution to the public in the French Republic of any so acquired Notes may be made only as provided by Articles L. 411-1 to L. 411-4 and L. 621-8 to L. 621-8-3 of the French *Code monétaire et financier* and applicable regulations thereunder.

We do not intend to apply for the Notes to be listed on any securities exchange or to arrange for the Notes to be quoted on any quotation system. The initial purchasers have advised us that they intend to make markets in the Notes, but they are not obligated to do so. The initial purchasers may discontinue any market-making in the Notes at any time in their sole discretion. Accordingly, we cannot assure you that liquid trading markets will develop for the Notes, that you will be able to sell your Notes at a particular time or that the prices that you receive when you sell will be favorable.

In connection with the offering of the Notes, the initial purchasers may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the initial purchaser. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the prices of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Overallotments, stabilizing transactions and syndicate covering transactions may cause the prices of the Notes to be higher than it would otherwise be in the absence of those transactions. If the initial purchasers engage in overallotment, stabilizing or syndicate covering transactions, they may discontinue them at any time.

The initial purchasers also may impose a penalty bid. This occurs when a particular initial purchaser repays to the initial purchasers a portion of the underwriting discount received by it because the initial purchasers (or their affiliates) have repurchased Notes sold by or for the account of such initial purchaser in stabilizing or syndicate covering transactions.

Neither we nor the initial purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the prices of the Notes. In addition, neither we nor the initial purchasers make any representation that anyone will engage in such transactions or that such transactions, once commenced, will not be discontinued without notice.

The initial purchasers and their affiliates from time to time have provided certain investment banking, commercial banking and financial advisory services to us, for which they have received customary fees, commissions and other payments, and they may provide these services to us in the future, for which they would receive customary fees, commissions and other payments.

FORWARD-LOOKING STATEMENTS

We make some forward-looking statements in this Offering Memorandum and the documents incorporated by reference herein regarding prices and demand for our products, our financial results, our plans for investments, divestitures and geographic expansion, expected cost increases, including with respect to energy, and statements regarding other matters. When used herein, the words "aim(s)", "expect(s)", "intend(s)", "will", "may", "believe(s)", "anticipate(s)", "seek(s)" and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those stated. You should not place undue reliance on these forward-looking statements, which speak only as of the date hereof.

A wide range of factors could materially affect future developments and performance, including the following:

- risks related to our worldwide presence, including risks related to operations and cyclicality, emerging markets and climate and natural disasters;
- risks related to the global economic recession;
- risks related to energy and fuel costs;
- risks related to sourcing and access to raw materials;
- risks related to competition and competition law investigations;
- industrial risks related to safety and the environment;
- risks related to litigation;
- risks related to minority shareholders and certain equity investments;
- risks related to seasonality and weather;
- risks related to acquisition-related accounting issues;
- risks related to financial markets, including risks related to our indebtedness, interest rates, currency exchange and pension plans; and
- other factors described under "Risk Factors".

Other than in connection with applicable securities laws, we undertake no obligation to publish revised forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. We urge you to carefully review and consider the various disclosures we make concerning the factors that may affect our business, including the disclosures made in "Risk Factors" in this Offering Memorandum and the documents incorporated by reference herein.

Unless otherwise indicated, information and statistics presented herein regarding market trends and our market share relative to our competitors are based on our own research and various publicly available sources.

LEGAL MATTERS

The validity of the Notes offered and sold in this offering will be passed upon for Lafarge by Cleary Gottlieb Steen & Hamilton LLP and for the initial purchasers by Davis Polk & Wardwell LLP.

INDEPENDENT AUDITORS

Our consolidated financial statements incorporated by reference herein have been audited by our independent auditors, Deloitte & Associés and Ernst & Young Audit.

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