

Holcim Canada – an overview

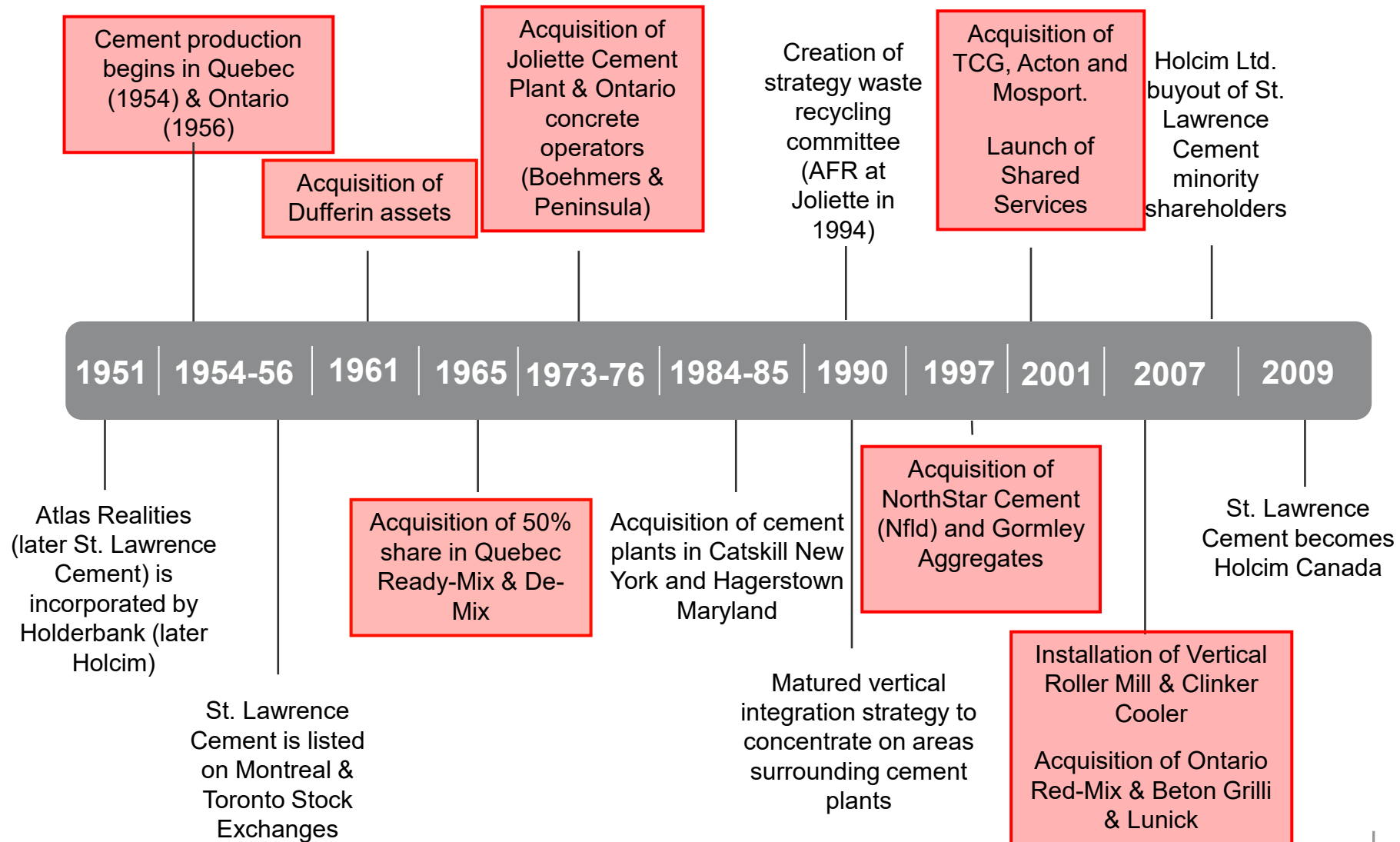
Paul Ostrander – CEO Holcim Canada

Acton Quarry

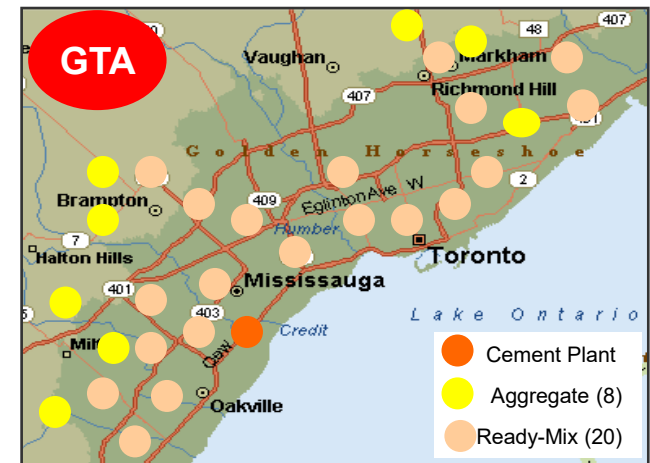
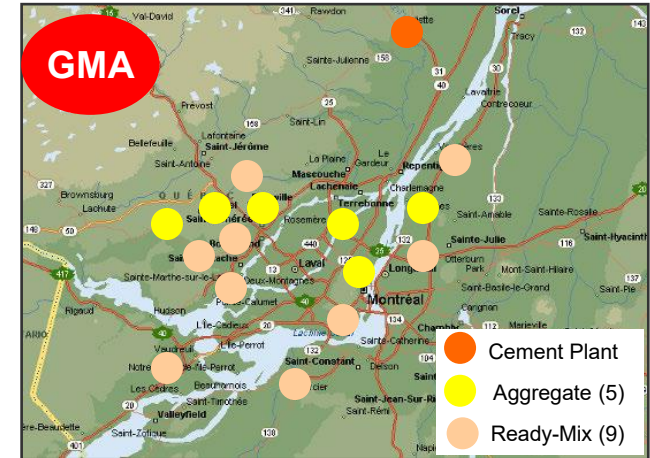
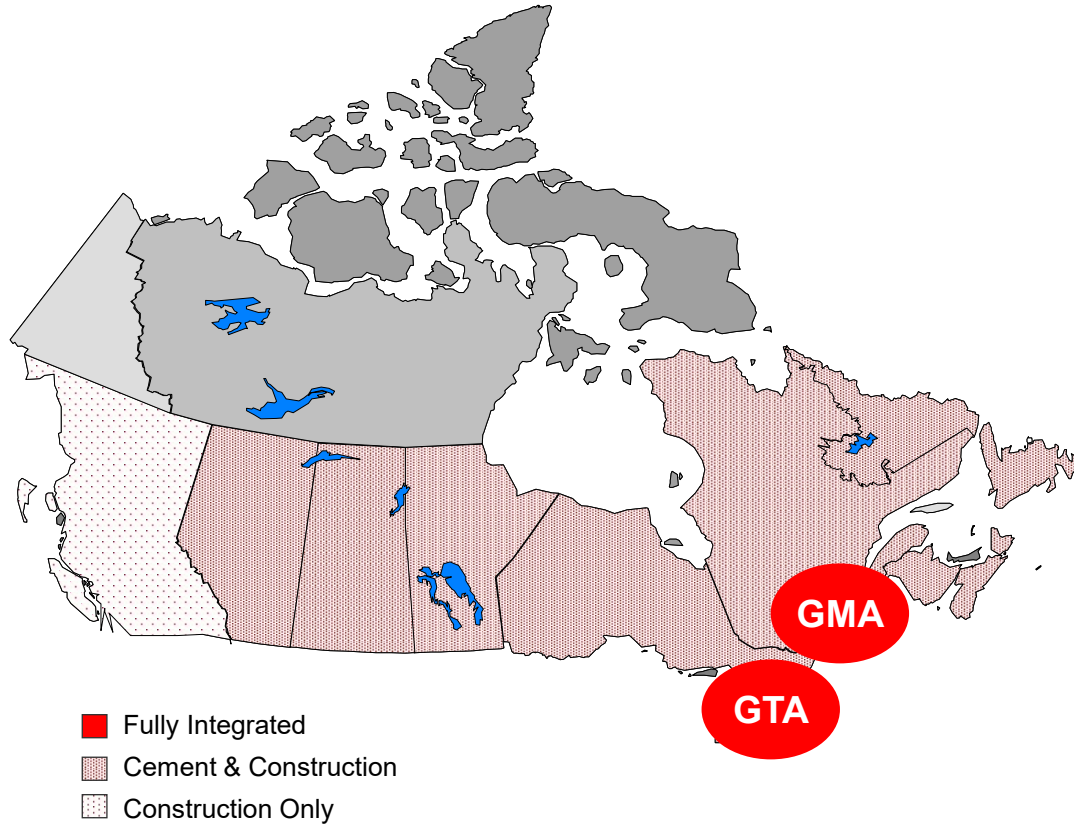
February 22, 2011



Holcim Canada will soon celebrate 60 years of operations in Canada with a history dotted with strategic acquisitions and growth

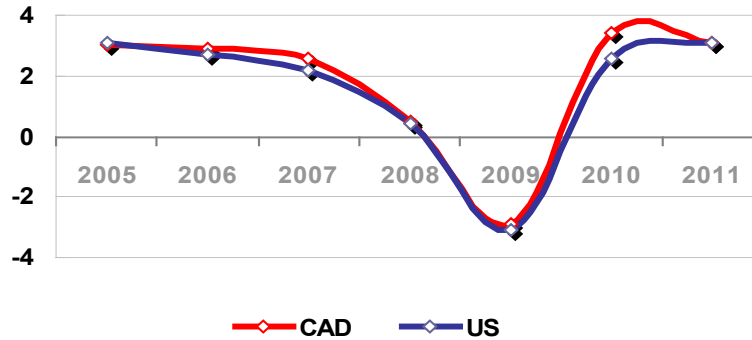


Holcim Canada is a fully integrated player in the highly populated Greater Toronto (GTA) and Greater Montreal (GMA) markets

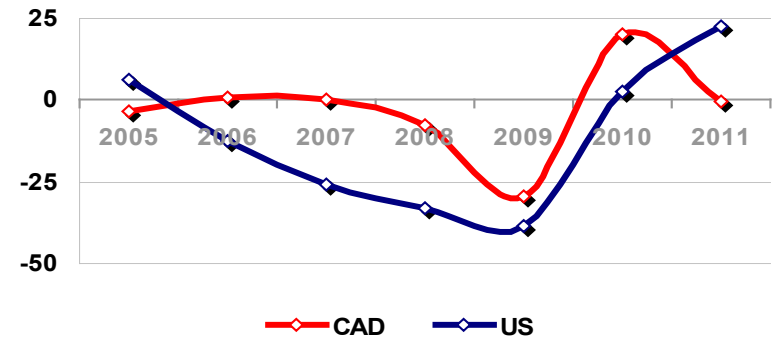


The Canadian economy is closely linked to that of the United States. As such there has been an economic impact but this impact has thus far been mitigated and there was a strong rebound in late 2009 and early 2010

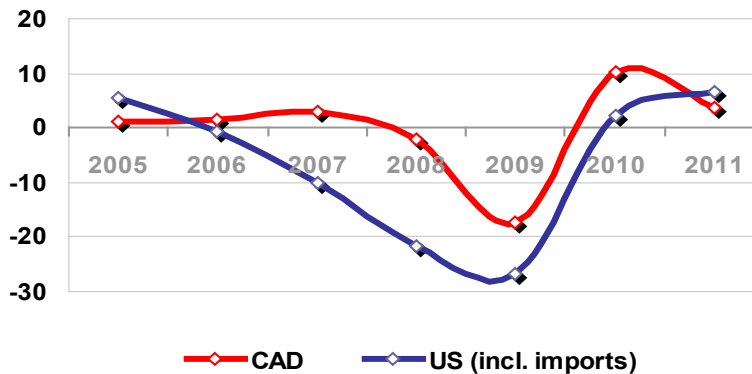
GDP (% Change)



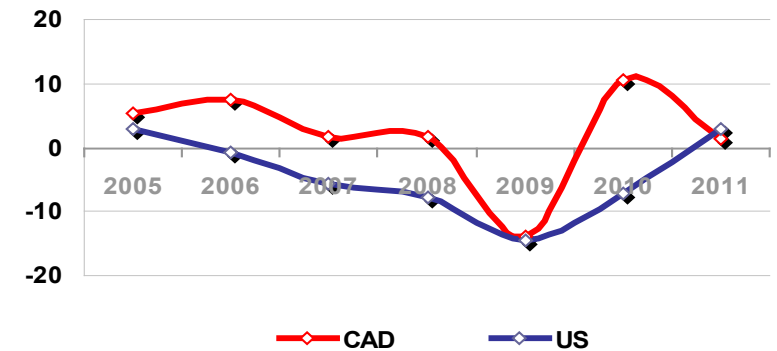
Housing Starts (% Change)



Cement Consumption (% Change)



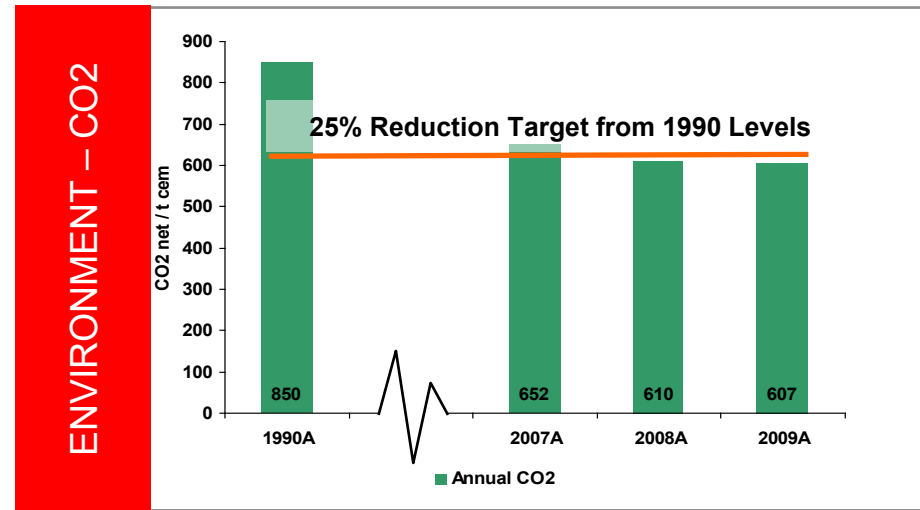
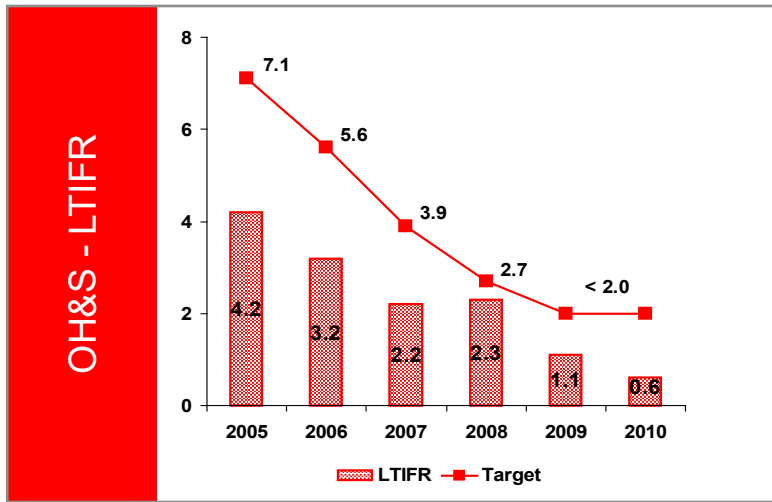
Total Construction (% Change)



Source: PCA 2010 Summer Forecasts for the US and Canada, August 2010

© Holcim Canada (Ltd)

Holcim Canada has a commitment to Sustainable Development with Corporate Objectives for OH&S, Environment and Social initiatives

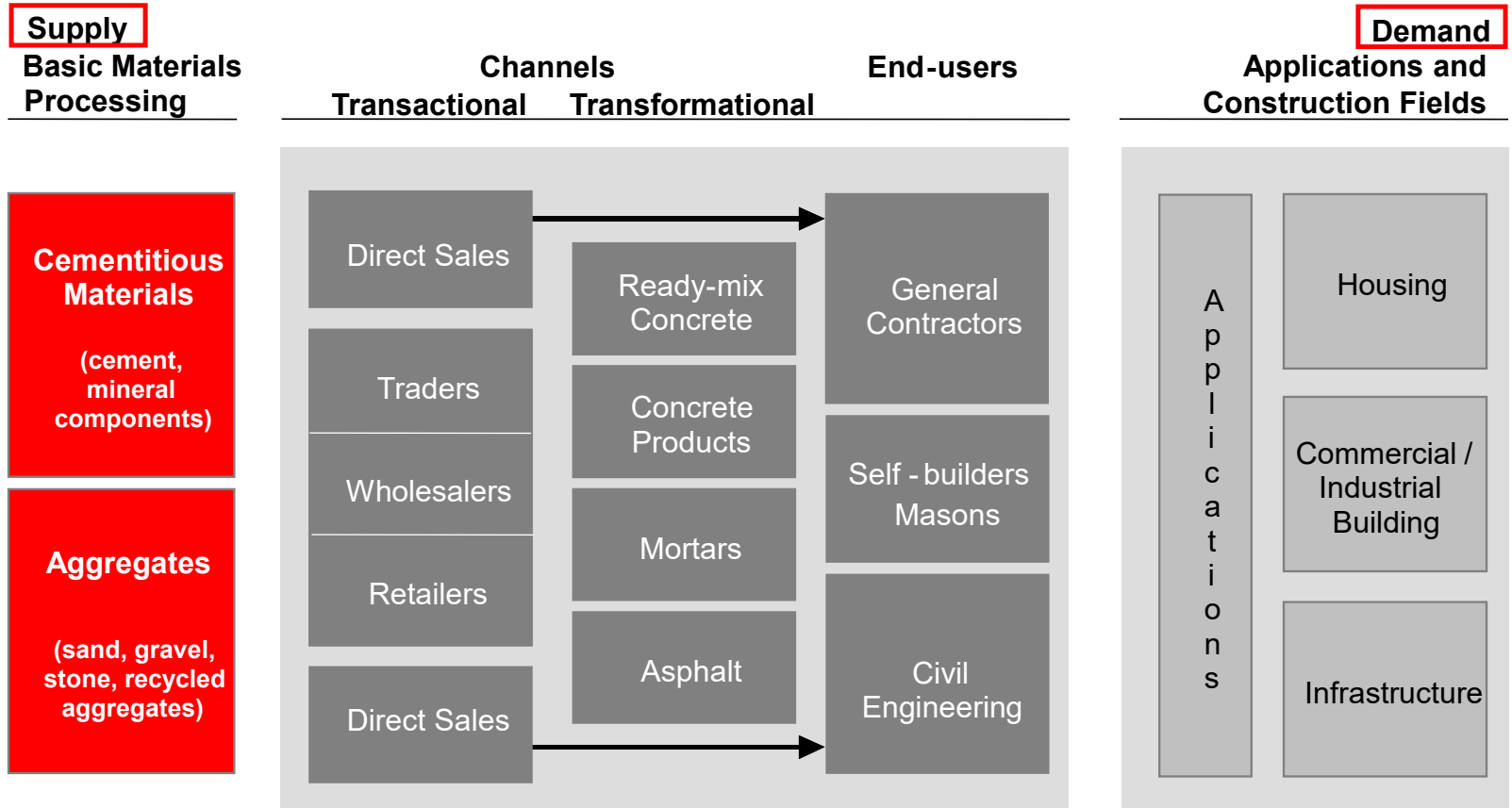


LTIFR: Lost Time Incident Frequency Rate

Holcim Canada is well integrated into the Value Chain with a broad customer base ranging from product supply of cement to solutions providing construction services



Holcim Canada optimizes Vertical Integration in the value chain while improving delivery mechanisms for new product introduction & optimization of existing products

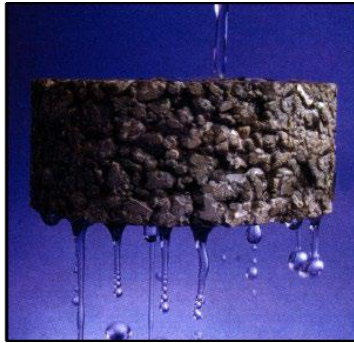


35% of cementitious volumes and 39% of aggregate volume flowed through our vertically integrated channels in 2009.



Ready-Mix is the optimal Business Unit in the Holcim Value Chain for solutions delivery. Innovations in products and services have made the Ready-Mix Business Units into market leaders

PERVIOUS CONCRETE



Pervious concrete is a special type of high porosity concrete used where applications require water from precipitation and other sources to pass directly through.

It helps reduce stormwater runoff, replenishes aquifers, protects streams and lakes and allows water and oxygen to reach tree roots.

SPECIALTY CONCRETE



Specialty concretes were almost 10% of Demix Beton's volumes in 2009.

Flex concrete is a bending application used with City of Montreal as well as Montreal airport and ports.

Self-Placing is fluid and homogeneous with minimal segregation and bleeding; used primarily for vertical applications.

Anti-Corrosion concrete inhibits the corrosion of steel reinforcement.

ENVIROGUARD



In 2009, Dufferin Concrete won multiple awards for a system that ensures no chute wash water is released into the environment by returning the water used to clean the chute back into the truck's drum.

The benefits are in cost savings and also a stronger job site environment scorecard which aids in LEEDS points.

Construction, in addition to Ready-Mix, is highly competitive in Greater Toronto and Montreal markets. Providing solutions is how Dufferin and Demix Construction distinguish themselves from other market players

RAPID BRIDGE REPLACEMENT



Dufferin Construction, one of the leading highway contractors for the province of Ontario, has been low bidder on 3 RBRs in Ottawa and Hamilton. RBRs are the replacement of a highway bridge overpass over the course of a weekend where the entire bridge is removed and replaced with sectionals built in a nearby staging area. RBR is not only more economical but also offers solutions to the Municipalities in terms of less traffic congestion, a shorter construction cycle and benefits to the public.

AGGREGATES RECYCLING



Material recycling has been critical in allowing waste materials deposit sales and also in construction cost reduction.

In 2009, Demix Aggregates sold 230kt of recycled aggregates primarily to Demix Construction's A-25 PPP project. Additional opportunities for asphalt recycling are being investigated to lower operating costs for construction and provide a potential revenue stream for aggregates.

SNOW REMOVAL



Since 1975, Dufferin Construction has been responsible for 'air-side' snow removal at Pearson airport – a 24hrs/day, 6months/year contract. 250 DCC personnel have Government of Canada security clearance and are available on 1 hour notice.

The activity not only provides cash flow and operations during traditionally slow construction months but also ensure equipment utilization over the period.

Vertical Integration has also given Holcim Canada the opportunity to move into Solutions Provider roles in large scale projects. This allows the company the ability to optimize its product/service offerings



SUPPLIER



ALLIANCE



Munro Concrete Products

BUILD



Ministry of Transportation

PARTNER



A-25 & SAB

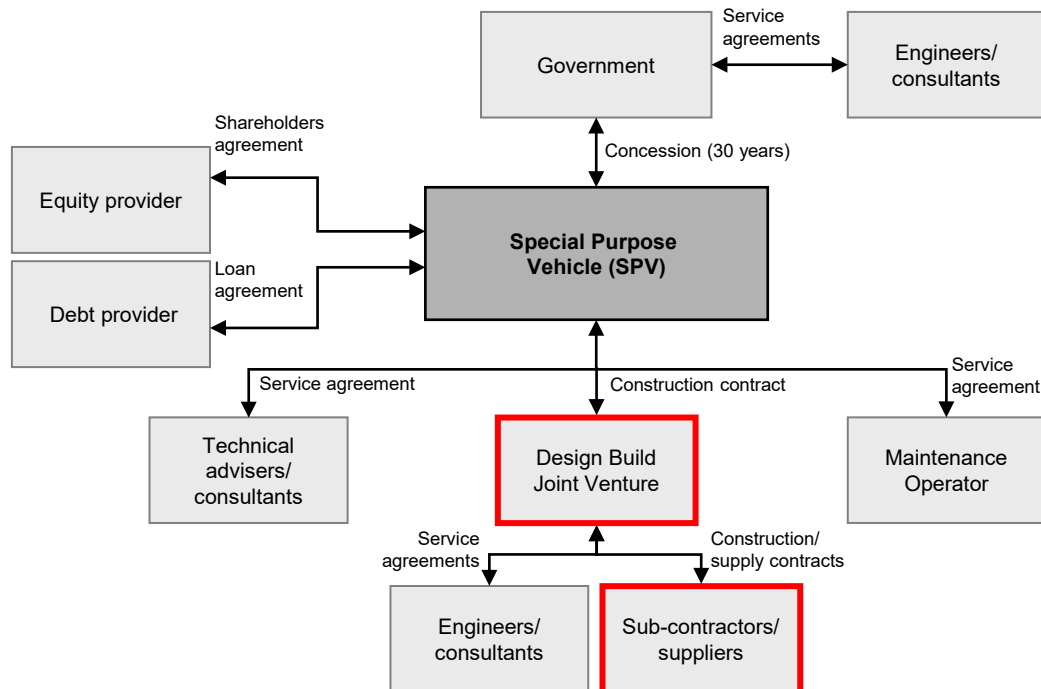
DESIGN & BUILD



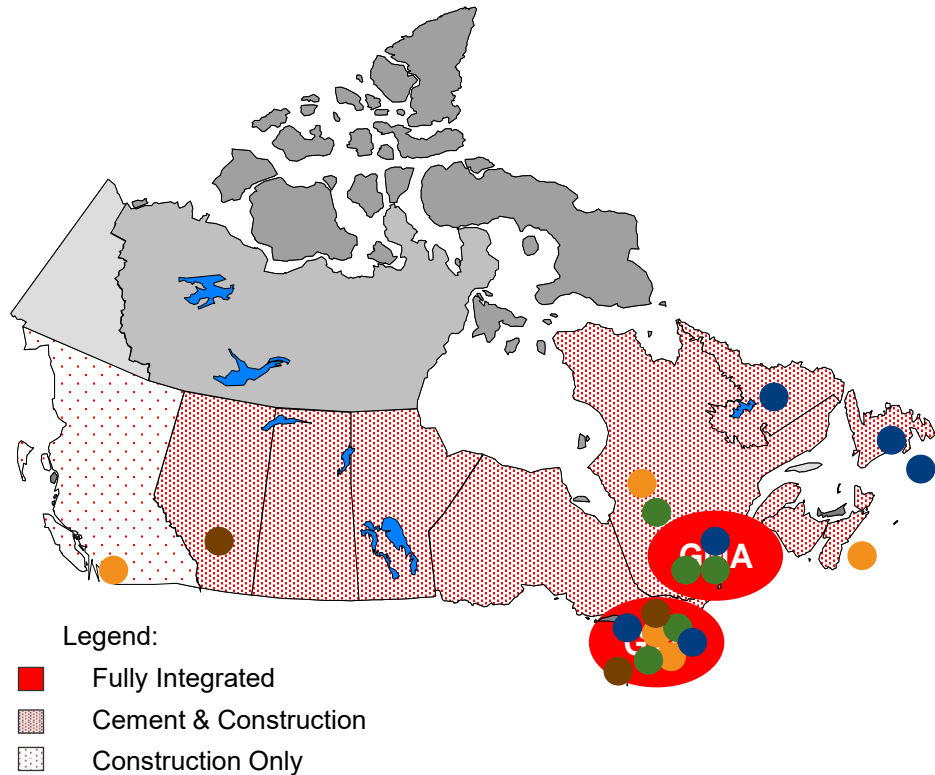
407 ETR

A key area of growth for Holcim Canada is participation in Public-Private Partnerships in projects across Canada

- Public Private Partnerships (PPP) are an alternative method for governments to meet the public's infrastructure needs
- Through long-term PPP contracts that have design, build, finance and operate components, governments can access private sector expertise, technology and capital



Focusing on core strategies in Greater Toronto and Montreal markets as well as building HCA as a solutions provider will allow the company to gain full advantage from upcoming large scale projects



Project	Est. Project Value (\$M CAD)	M	S	Timeline
Completed				
Highway 407 ETR	1,000	X	X	1995 - 1998
Toronto Airport (GTAA)	4,500	X	X	1998 - 2010
Hibernia Platform	6,000	X		1991 - 1997
James Bay (Eastmain 1)	2,000	X		2002 - 2007
Vancouver Airport	4,200		X	2005 - 2025
Current				
Sir Adam Beck Tunnel	1,600	X	X	2005 - 2013
James Bay (Sarcelle & Rupert)	5,000	X		2007 - 2012
MTO Highways	300	X	X	Ongoing
MTQ Highways (A-25)	350	X	X	Ongoing
Pending				
Windsor Essex Parkway	2,000	X	X	2011 - 2017
Calgary Airport	400	X	X	2010 - 2015
407 ETR East	1,000	X	X	2012 - 2015
Future				
Churchill Falls	8,000	X		2012 - 2021
Hebron Platform	6,000	X		2012 - 2015
MetroLinx (York BRT, Sheppard LRT, Scar RT, Finch LRT, Eglinton LRT)	9,500	X	X	2010 - 2020
PanAm Games	2,400	X	X	2009 - 2015
Turcott	2,500	X	X	2012 - 2017
Inco Smelter (Nfld)	2,200	X		2011 - 2013

Holcim Canada is a strong vertically integrated player. Optimizing opportunities in customer loyalty, sustainable development and product and service solutions will ensure full advantage of upcoming opportunities

Holcim Canada's Commitment to it's Community & Markets

SUSTAINABLE DEVELOPMENT

Operating by the Triple Bottom Line. Providing the right products & services for a balanced approach to growth economically, in our communities and respecting the environment.

STAKEHOLDER LOYALTY

Responding to stakeholder (customer, community, regulator) needs with products & services (ready-mix designs, rapid bridge replacement) and changing procurement practices (PPP)

HOLCIM SOLUTIONS

Moving forward on innovative solutions (products / services) that fulfill our commitment to Sustainable Development and enhance our Customer Relationships

Holcim Canada's Strategic Positioning In Holcim Ltd.

SUSTAINABLE DEVELOPMENT

Capturing opportunities for developing a sustainable competitive advantage, improving relationships with stakeholders and capturing cost savings through efficiency gains

VERTICAL INTEGRATION

Utilizing a city-based strategy to optimize material flow through channels to market, primarily in core Toronto and Montreal markets

EMPLOYEE DEVELOPMENT

Continue to develop employees for the needs of the future with increasingly challenging opportunities (PPPs) as well as opportunities for development abroad

In the Acton Quarry context, Dufferin acquired the operation in 2001 and has worked to address a number of operational issues.

Site appearance

- ▶ Overall housekeeping and signage
- ▶ Tours
- ▶ Rehabilitation



Entrance conditions

- ▶ Sweeper to address mud on the road
- ▶ Sightlines at 22nd Sideroad crossing

Haul routes

- ▶ Truck queues on 22nd Sideroad
- ▶ Speeding “eye” with HRPS



Noise

- ▶ Monitoring at neighbours
- ▶ Blast design changes



We continue to address key issues with transparency and with the goal of achieving a solution for all involved.

4th Line Water Concerns

Property & Resource



Subject: Conclusion of 4th Line Water Study & Termination of Temporary Water Supply to Your Property as of July 28, 2009

The purpose of this letter is to confirm that the independent 4th Line Water Supply Study by Jagger Hims Limited concludes that the Acton Quarry is not impacting your well.

As you know, our policy is to supply water to properties experiencing water issues until such time as a review of the situation can be completed. The Jagger Hims study is now the third study in two years on this issue. We have satisfied ourselves and various government agencies that Dufferin is not the cause of your problems. As such, there is no basis for our continued involvement in this matter.

Wetlands and JESA



Technical evaluations



Habitat creation

Rehabilitation and Afteruse



Dry bowl

600 ha into
Public ownership



Community Engagement

- CLC
- Website
- Meetings



15



Holcim

Strength. Performance. **Passion.**