



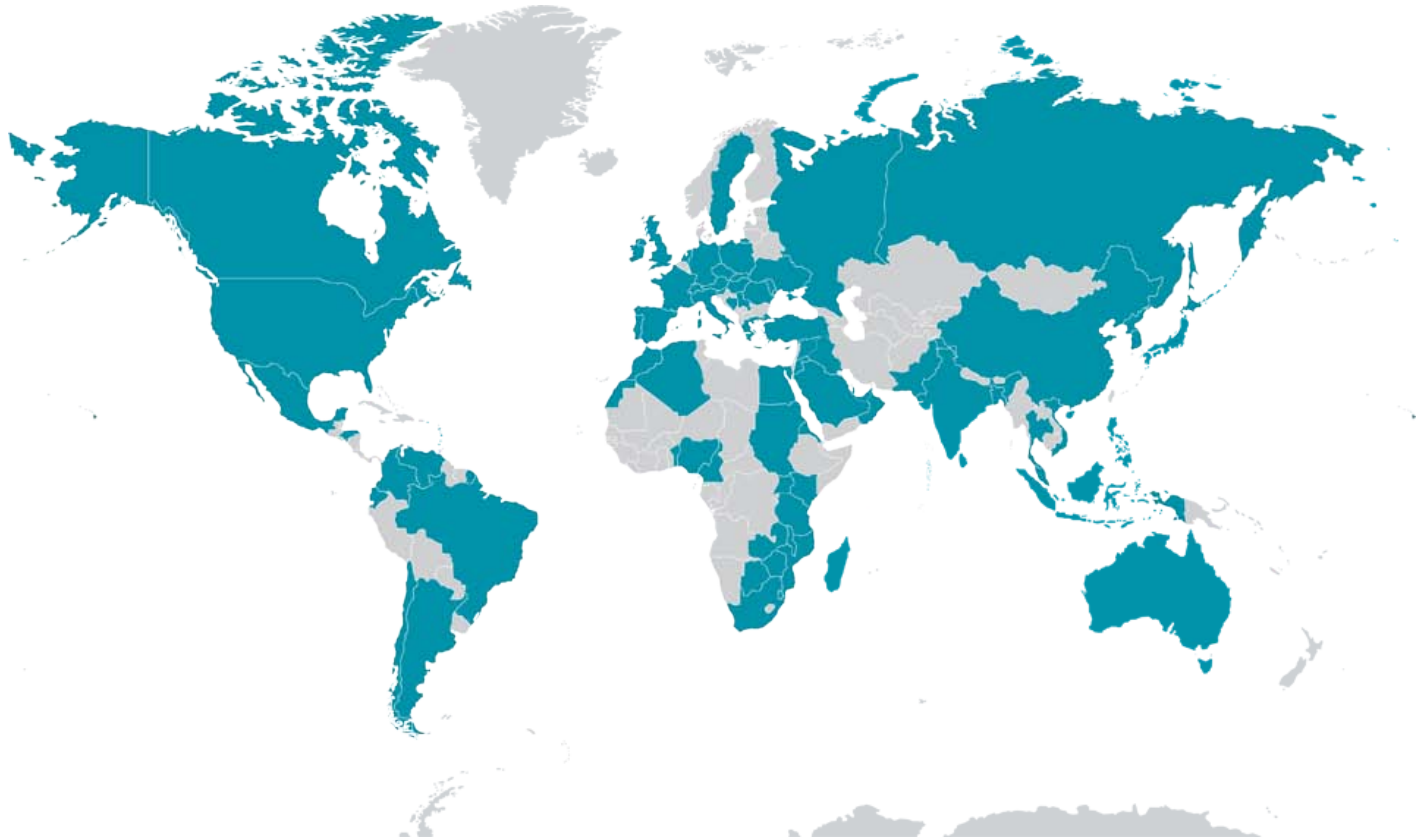
bringing materials to *life*

A photograph of a modern, multi-story building with a mix of brick and stone masonry. The building features large glass windows and a prominent white overhang above the entrance. The building is set on a well-maintained green lawn with some young trees and shrubs in the foreground. The sky is blue with scattered white clouds.

Lafarge North America

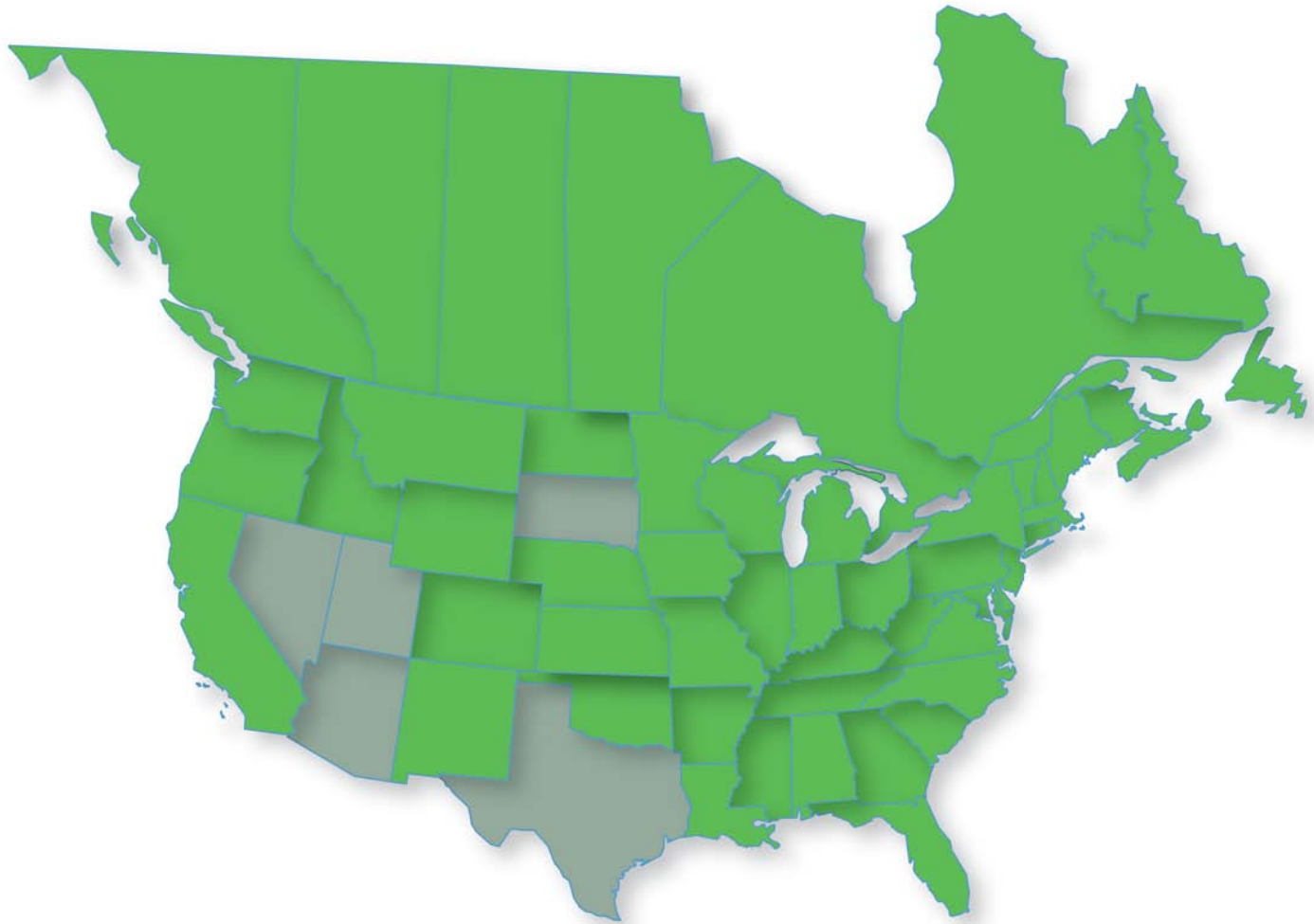
World leader in building materials

- **Operations in 78** countries with **78,000** employees
- World leader in cement, No. 1 in Aggregates; No. 3 in Concrete; No. 3 in Gypsum

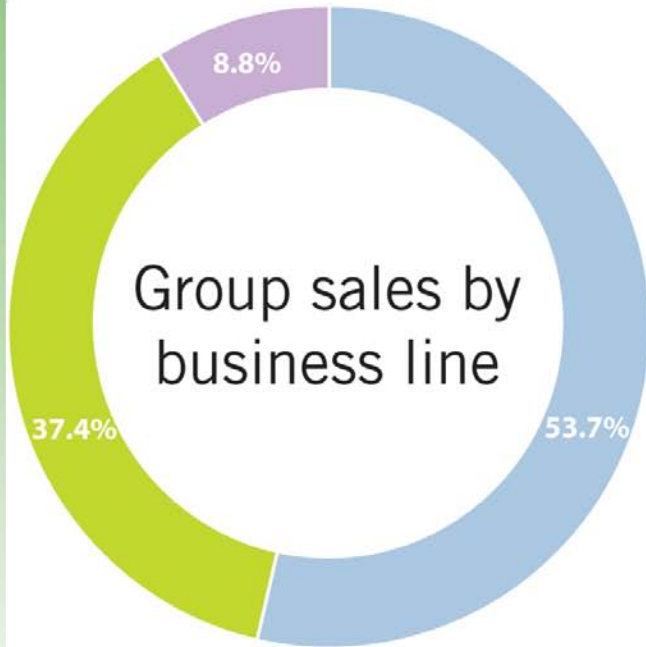


Lafarge North America in Brief

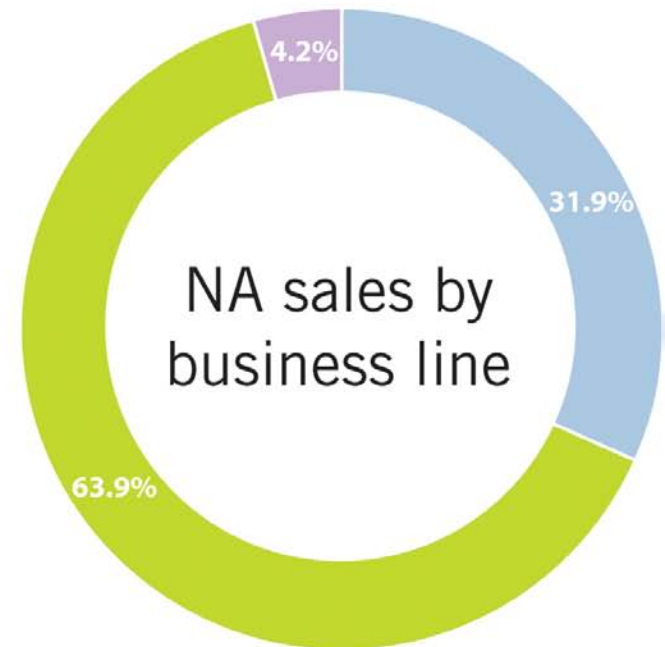
- More than 12,000 employees at approximately 1,000 locations in the U.S. and Canada



A balanced presence



- Cement
- Aggregates & Concrete
- Gypsum



- Cement
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Natural Gas Consumption in North America

Gypsum (Wallboard):

- Three plants (NY, KY & FL): 4.3 million mmBtu
 - Range: 1.1 to 2.2 million mmBtu/plant

Cement:

- 17 plants (US & Canada): 1.4 million mmBtu
 - Range: 3,000 to 470,000/plant

Asphalt and Concrete:

- 200+ plants (US & Canada): 630,000 mmBtu
 - Range: 0 to 60,000/plant

Physical Sourcing Strategy

Lafarge NA manages its NG supply via NG Administrators:

- Summit Energy: US
- Direct Energy: WCAN
- Shell Energy: ECAN
- ~ 99% of supply is priced via indices

Financial Hedging Strategy

- Lafarge Group's objective in hedging is to minimize volatility
- Via swaps purchased by Group Treasury (Paris)

Supply & Pricing Concerns

- Shale gas production, current and the prospect for more, has clearly influenced short-term pricing. But are supply estimates overblown?
- The REX pipeline is now landing gas into Clarington, OH... What has been and will be the impact on Henry Hub prices/basis?
- Has a carbon tax and the eventual growth in the Power sector's growth for NG been factored into NG futures pricing? If not, then when will it be?
- From the recently demonstrated disconnect between crude and NG pricing it is clear that NG is not yet a "global" commodity. When will it become one?