

Strength. Performance. **Passion.**

Holcim (US) Inc. Transportation Management
Smartway Transport Partnership

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Holcim (US) Transportation Management
Ann Arbor, MI 9-2008

Holcim (US) Inc.

- One of the nation's largest suppliers of cement and related mineral components
- Largest of the Holcim Ltd. group companies operating worldwide



Our Products

- Portland Cement
- EnviroCore
- Mineral Components
 - ▶ Fly Ash
 - ▶ GranCem
- Holcim supplied North America with 16.4 million metric tons of cement in 2007

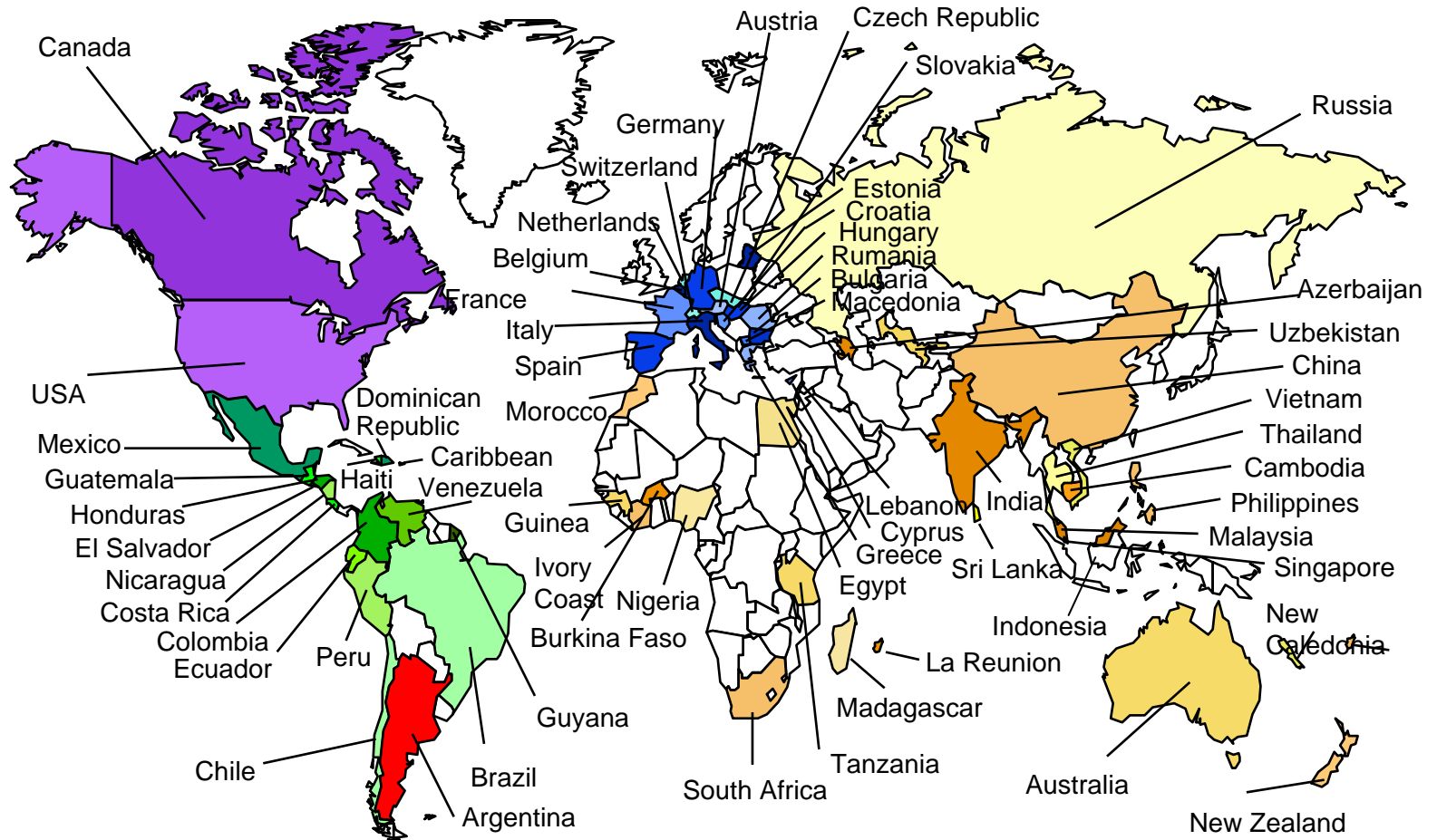


Co-processing

Cement Manufacturing offers a Sustainable Waste Management Solution



Holcim Group Companies

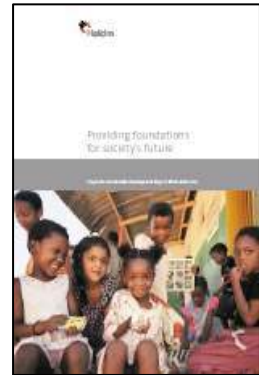


70+ Countries

90,000+ Employees



Sustainable Development is a Key to Our Mission



- Sustainable Development is a core element of the Holcim Mission
- ***“Our mission is to be the world’s most respected and attractive company in our industry – creating value for all our stakeholders”***
- The First Holcim Corporate Sustainable Development Report was published in 2002, the Second in June 2004, and the third in Spring of 2005. Now annually published
- Selected as an index component for the Dow Jones Sustainability World Index and the European Dow Jones Sustainability Index
- Member of World Business Council for Sustainable Development, and a founding Member of the Cement Sustainability Initiative



World Business Council for Sustainable Development

Sustainable Development is a Key to Our Mission



FTSE4Good

- ***Holcim and the World Conservation Union join forces to conserve biodiversity***
- Julia Marton-Lefèvre, Director General of the World Conservation Union and Markus Akermann, CEO Holcim Ltd have signed a three-year cooperation agreement to develop new ecosystem conservation standards for the Holcim Group.

February 2007

- ***Holcim again named "Leader of the Industry" in the Dow Jones Sustainability Index***
- Holcim Ltd has again been named "Leader of the Industry" in the Dow Jones Sustainability Index and has thus been acknowledged as the company with the best sustainability performance in the building materials industry for the second year in succession.
- This renewed recognition underscores the fact that Holcim's sustainability performance satisfies the high expectations placed on global corporations. Holcim has been included in both the Dow Jones Sustainability World Index and the Dow Jones STOXX Sustainability Index (Europe) for four years.



**Dow Jones
Sustainability Indexes**

Member 2007/08



A **Smart Plan** for Transportation

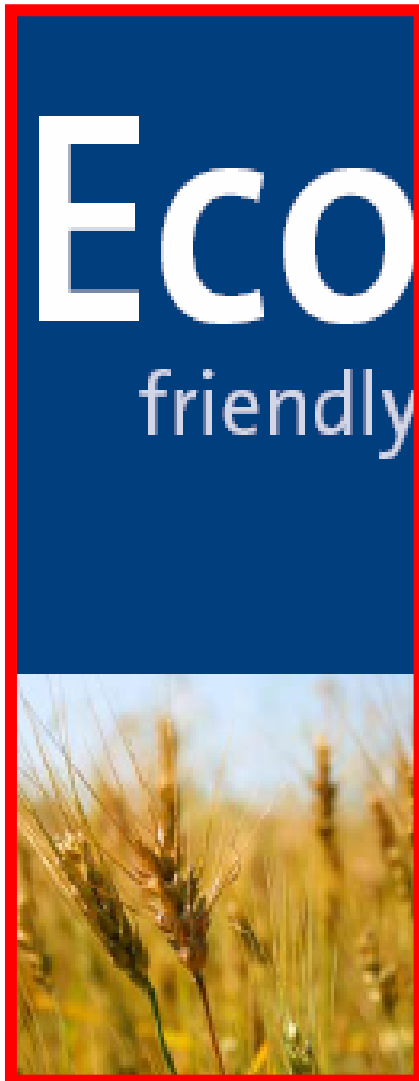


Situation

- Decades-long neglect in transportation infrastructure has resulted in **highway congestion**, a **railroad system at its capacity** and **marine locks and dams in urgent need of repair**.
- As one of the largest cement manufacturers, we at Holcim (US) believe it is our responsibility to help provide a sustainable future. **One way we can do this is to make intelligent transportation decisions for our products.**

***We are dedicated** to making smart transportation decisions to dramatically reduce our carbon footprint.*

Transportation Solution



- Increase direct shipment
- Product exchanges
- Domestic cement procurement instead of importing
- Support policy changes
- **Environmentally friendly shipping mode**
- **“SmartWay”** approved procedures



Advantages of Inland Waterways Transport:

One 15-Barge Tow Equals 216 Rail Cars or 1,050 Trucks

Our Fleet 2008

2034 leased
railcars

COA for river
Barges ~200

3PL for Road
~ 165 trucks
I/C

2 Owned
pneumatic
ocean barges

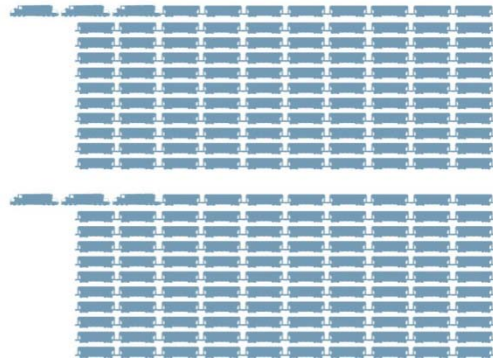
1 Chartered
pneumatic
ocean barges

1 Chartered
cover cargo
hopper barge

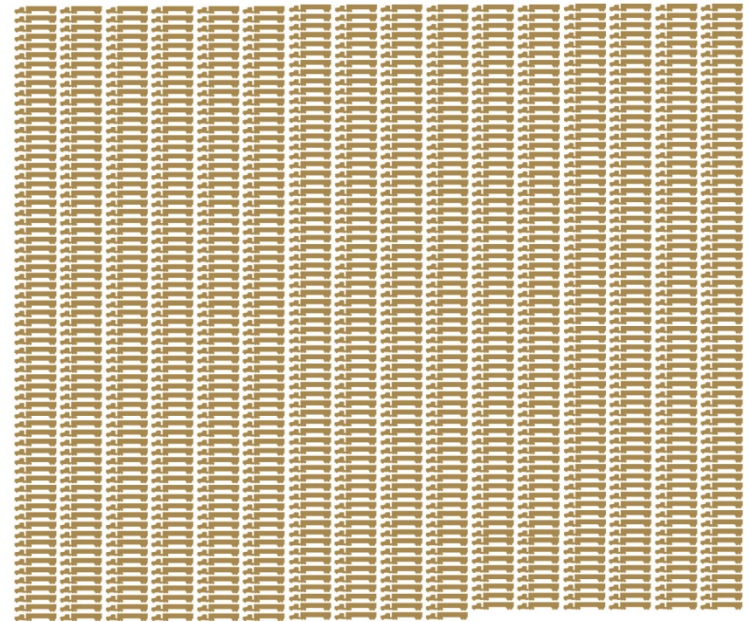
One 15-Barge Tow



216 Rail Cars + 6 Locomotives



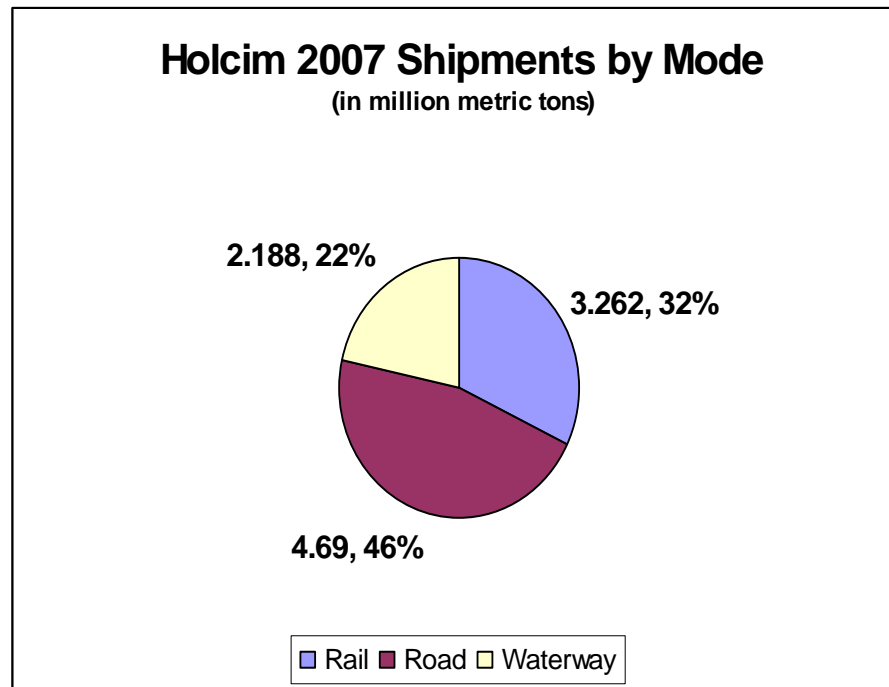
1,050 Large Semi Tractor-Trailers



The Holcim (US) SIF score for shipping year 2007 was .63. Based on an acquisition and future inclusion of waterway shipping, we estimate our 2008 score to be >.90

▶ 2007 Shipment Breakdown

- Total 10.1MMT in Holcim arranged shipments traveling over 32 million miles
- Volume included Inter-company distribution and customer delivery utilizing rail, road, and waterways



The Holcim (US) SIF score for shipping year 2007 was .63. Based on an acquisition and future inclusion of waterway shipping, we estimate our 2008 score to be $>.90$

▶ **SmartWay Carrier Utilization**

- 90% of Holcim arranged shipments moved on the waterways or by SmartWay partner carriers
- 96% of 3.3MMT in rail shipments handled by Class I railroads



The Holcim (US) SIF score for shipping year 2007 was .63. Based on an acquisition and future inclusion of waterway shipping, we estimate our 2008 score to be $>.90$

▶ **SmartWay Carrier Utilization (con't)**

- Five SmartWay road carriers delivered 81% of the total (4.7M MT) Holcim (US) freight
- Innovative equipment to maximize carrier loaded miles (dual commodity trailers)



Why Marine Should be included in the Smartway Transport Partnership

Easing Rail and Highway Congestion in Our Communities

Units to Carry
1,750 Short Tons of Dry Cargo



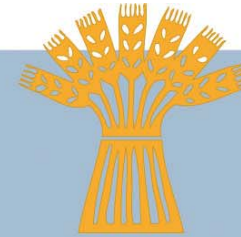
1 barge



16 rail cars



70 trucks



One loaded covered hopper barge carries 58,333 bushels of wheat, enough to make almost 2.5 million loaves of bread.



Why Marine Should be included in the Smartway Transport Partnership

Moving Freight Efficiently Throughout America

Transporting freight by water is also the most energy-efficient choice.

Barges can move one ton of cargo 576 miles per gallon of fuel. A rail car would move the same ton of cargo 413 miles, and a truck only 155 miles.



Ton-miles Traveled per Gallon of Fuel

Why Marine Should be included in the Smartway Transport Partnership

Safeguarding Our Health and the Environment

Inland waterways transport generates fewer emissions than rail or truck per ton-mile.

Barge transportation generates the lowest emissions as measured in grams per ton-miles in four standards tracked by the EPA:

- Particulate matter (PM)
- Hydrocarbons (HC)
- Carbon monoxide (CO)
- Nitrogen oxides (NOx)

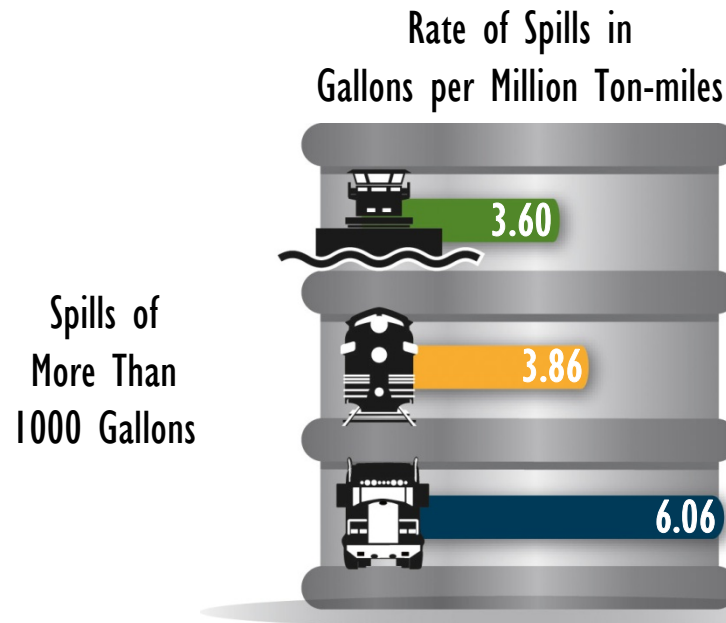


Why Marine Should be included in the Smartway Transport Partnership

Safeguarding Our Health and the Environment

Inland waterways transport moves hazardous materials safely.

Overall, spill rates remain low. Trucks lose 6.06 gallons per one million ton-miles, rail cars 3.86 gallons and barges 3.6 gallons per one million ton-miles.

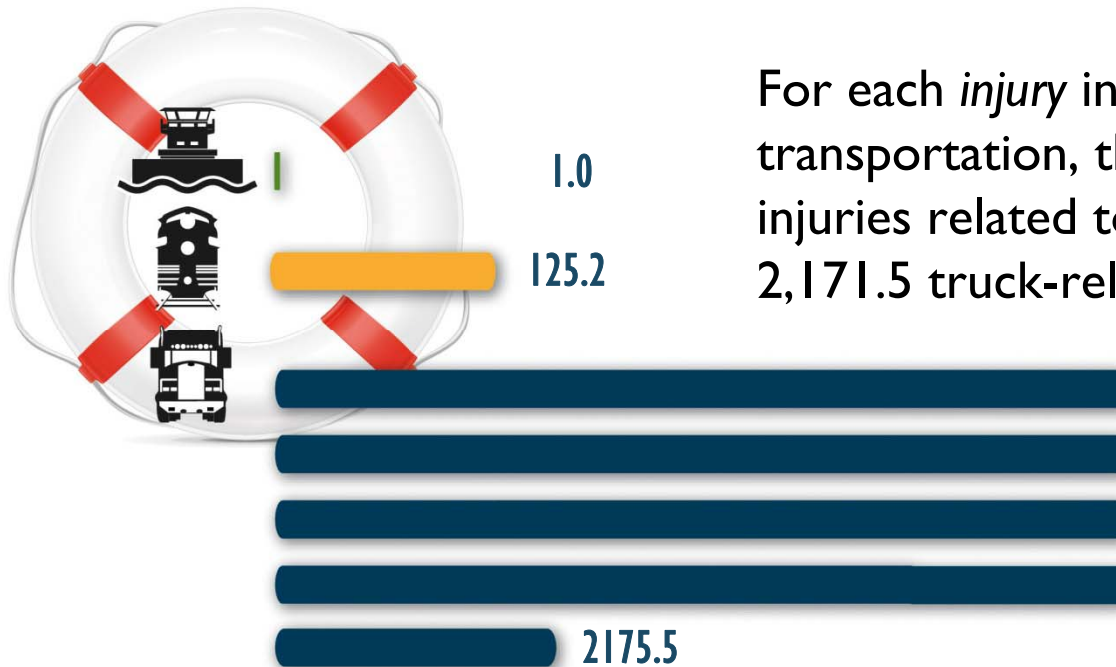


Why Marine Should be included in the Smartway Transport Partnership

Safeguarding Our Health and the Environment

Inland waterways transport has a low injury record compared to rail or truck.

Ratio of *Injuries* in Freight Transportation



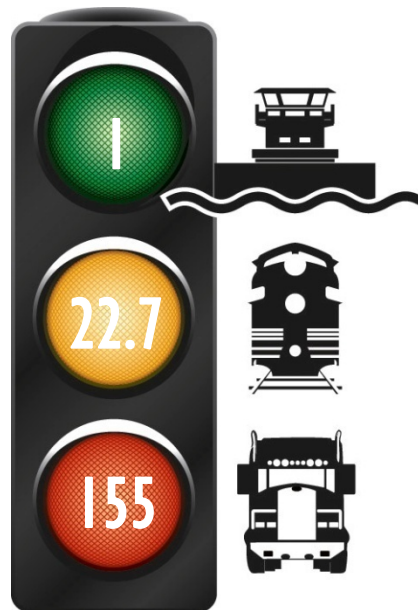
For each *injury* involving barge transportation, there are 125.2 injuries related to rail and 2,171.5 truck-related injuries.

Why Marine Should be included in the Smartway Transport Partnership

Safeguarding Our Health and the Environment

Inland waterways transport has a low *fatality* record compared to rail or truck.

Ratio of *Fatalities* in Freight Transportation



For each barge transportation *fatality*, there are 22.7 fatalities related to rail and 155 truck-related fatalities.

We are dedicated to making smart transportation decisions to dramatically reduce our carbon footprint



Our inland waterways have capacity:

- to transport today's bulk commodities and intermodal cargo,
- to accommodate tomorrow's growth in those cargoes, and
- to accept cargo diverted from overcrowded highways and railways.



Thank you