

REASONED OPINION OF THE BOARD OF DIRECTORS OF THE COMPANY
“HERACLES GENERAL CEMENT CO”
ON THE MANDATORY TENDER OFFER SUBMITTED BY THE COMPANY
“LAFARGE CEMENTOS SAU”

On its meeting dated 18 November 2015, the Board of Directors of the société anonyme under the name “HERACLES GENERAL CEMENT CO” (hereinafter the “Company”) proceeded to the formulation of a reasoned opinion on the mandatory tender offer (hereinafter, the “Tender Offer”) submitted by the company “LAFARGE CEMENTOS SAU» (hereinafter, the “Offeror”) for the acquisition of all ordinary shares, which are not currently controlled thereby, in consideration to be paid in cash which is set at a price of € 1.23 per share (hereinafter, the “Consideration”).

1. In connection with formulating its justified opinion, the Board of Directors has taken into consideration:

(A) the content of the Information Memorandum of the Tender Offer (hereinafter the “Information Memorandum”) that the Offeror addressed to the shareholders of the Company in connection with the acquisition of all shares of the Company, as it was approved by the BoD of the Hellenic Capital Market Commission during its meeting no. 737 on 6 November 2015. More specifically, in accordance with the Information Memorandum, on the date that the Tender Offer was announced, i.e., on 30 July 2015 (hereinafter, the “Tender Offer Date”) and on the date of the approval of the Information Memorandum (hereinafter, the “Information Memorandum Date”), the Offeror owned in aggregate 63,253,403 ordinary shares. Consequently, as of 6 November 2015, the Offeror held directly 63,253,403 ordinary shares representing 88.99% of the total shares of the Company and voting rights and the shares of the Company which were not held by the Offeror hereinafter, the “Tender Offer Shares”) amounted to 7,829,304 shares with voting rights, representing approximately 11.01% of the total shares of the company.

(B) the report of "Eurobank Ergasias S.A.", which was appointed as the financial advisor of the Company (hereinafter the “Advisor”) for the purposes of the Tender Offer pursuant to article 15 para. 2 of Law 3461/2006. The aforementioned report is attached hereto as Annex 1 respectively and constitute an integral part of the present document.

2. In addition to the above, the Board of Directors has also considered the following:

2.1 The Offeror has declared in the Information Memorandum that If, following the completion of the Tender Offer, the Offeror and any persons acting in concert with the Offeror hold shares representing in aggregate at least 90% of the total voting rights of the Company, the Offeror will exercise its squeeze-out right, in accordance with Article 27 of the Law and it will require the transfer to it of all remaining shares of the Company. It has also declared in the Information Memorandum that further to the completion of the process of exercising the squeeze-out right, the Offeror will convene a general meeting of the shareholders of the Company in order to resolve on the delisting of the shares of the Company from ATHEX and, thereafter, will proceed with submitting a request to the CMC in connection with such delisting.

In addition to the above, the Offeror has declared in the Information Memorandum that in case the requirements of article 27 of the Law are not fulfilled and, therefore, it is not entitled to the exercise of the squeeze-out right, the Offeror will not pursue any action towards the delisting of the shares from ATHEX.

2.2 Pursuant to the Information Memorandum, LafargeHolcim became on 10 July 2015 the controlling shareholder of Lafarge S.A. and indirect holder of 63,253,403 shares and 88.99% of total voting rights in the Company. The Offeror belongs to the LafargeHolcim group of companies and submits the present Tender Offer only as a result of the above change in the ultimate indirect control of the Company, which triggered the obligation to submit a mandatory tender offer pursuant to Article 7 of the Law.

2.3 The Offeror has stated in the Information Memorandum that it intends to carry out its operations and activity as well as those of the Company and does not intend to implement any changes in the strategic plan of the Company as a result of the Tender Offer and that its strategic plan for the Company is the same with the current strategic plan of the Company, which has as follows:

- (a) to achieve operational excellence through continuous improvement to create value.
- (b) to be the preferred partner for Building and Infrastructure through continuing innovation and launch of new products or services;
- (c) to develop export businesses and take advantage of on the sea cement facilities to compensate a still low domestic market; and
- (d) the commitment to create economically and environmentally sustainable solutions.

2.4 The Offeror has also stated in the Information Memorandum that it does not intend to alter the current status of any employees and officers thereof, the Company and the subsidiaries of the latter in respect of the terms of employment or the number of employment positions as a result of the Tender Offer, to the extent the current market conditions do not substantially change. Furthermore, the Offeror has declared that it does not plan to transfer the registered seat of the Company or its subsidiaries outside of Greece.

2.5 In the Information Memorandum, the Offeror has declared that it intends to pay in cash the Consideration per Tender Offer Share, for which the Public Tender Offer is being legally and promptly accepted. Pursuant to the Information Memorandum:

- The Consideration per Tender Offer Share is € 1.23. Such amount is the fair and reasonable consideration that the Offeror is obliged to pay in accordance with the provisions of Art. 9 par. 4 L. 3461/2006 and is equal to the average weighted trading price of the Shares of the Company during the last six months prior to 10 July 2015.
- The Offeror will assume the 0.08% clearance duties accrued in favour of the ATHEX CSD in connection with the Tender Offer, which pertain to the registration of the transfer of the Tender Offer Shares outside the context of the stock exchange and

which would otherwise be payable by the shareholders of the accepting shareholders pursuant to the Decision No. 1/223/28.01.2014 of the Board of Directors of ATHEX CSD, as currently in force. The Offeror shall not assume the payment of the 0.20% tax pertaining to transactions in a stock exchange, which is calculated on the basis of the value of each transaction and which burdens all share transfers from an accepting shareholder to the Offeror taking place outside the context of the stock exchange.

2.6 The Advisor, in accordance with its report and opinion dated November 13th 2015 as to the fairness and reasonableness of the Consideration, which was submitted to the Board of Directors of the Company, is of the opinion that, from a financial point of view, the Consideration is fair and reasonable for the Tender Offer shareholders.

3. Actions already taken or expected to be taken by the Board of Directors of the Company with respect to the Tender Offer:

The Board of Directors of the Company was informed in writing of the decision of the Offeror to submit a Tender Offer on 30 July 2015 and has accordingly informed the Company's employees as well as the employees of other companies in the "HERACLES GENERAL CEMENT CO" group of companies on the day after, i.e. on 31 July 2015.

Thereafter, pursuant to Article 15 para. 2 of Law 3461/2006, the Company appointed the institution "Eurobank Ergasias S.A." as financial advisor, in order for the latter to prepare a report and opinion to accompany the reasoned opinion of the Board of Directors in accordance with the Law.

The Information Memorandum has been approved by the Hellenic Capital Market Commission on 6 November 2015, and has been made available to the public on 11 November 2015, on which date it was also communicated by the Board of Directors to the employees of the Company as well as the employees of other companies in the "HERACLES GENERAL CEMENT CO" group of companies.

Thereinafter, and pursuant to the provisions of Law 3461/2006, the Board of Directors of the Company will publish and submit its Reasoned Opinion to the Hellenic Capital Market Commission and to the Offeror, communicating it in parallel to the employees of the Company. It is noted that, up to today, the Company's employees have not submitted to the Board of Directors any separate opinion with regards to the consequences of the Tender Offer on their employment.

Further to the above, the Board of Directors of the Company has not proceeded to any particular action with regards to the Tender Offer.

In addition, the Board of Directors has not proceeded and does not intend to proceed to any action which is not included in the usual course of the activities of the Company, and which could potentially lead to a cancellation of the Tender Offer.

Furthermore, the Board of Directors of the Company DECLARES that:

3.1 The members of the Board of Directors and the senior management of the Company do not own or control directly or indirectly any of the shares of the Company.

3.2 The Company's Board of Directors has not taken any action provided under Article 14 para. 1 of Law 3461/2006.

3.3 There are no special agreements between the Board of Directors of the Company or its members and the Offeror.

3.4 It is furthermore noted that from the members of the Board of Directors Messers. Jean-Claude Block, Pierre Deleplanque, Neil Curtis and George Michos are officers the first one of the company LafargeHolcim Ltd, Mr Deleplanque and Mr Curtis of the company Lafarge S.A. and Mr. George Michos is an officer of the company AGET HERACLES. All the above companies belong, according to the information supplied in the Information Memorandum, to the LafargeHolcim group of companies and are therefore considered as persons acting in concert with the Offeror.

4. In view of the above, the Board of Directors of the Company, taking into consideration its diligence duty pursuant to Article 22a of C.L. 2190/1920 and with the constant dedication to the principles of protection and promotion of the best interests of the Company and its shareholders and on the basis of the Offeror's approved Information Memorandum, unanimously reached to the following opinion:

(A) The proposed business strategy of the Offeror, as detailed in the Information Memorandum, is not expected to adversely affect the interests and business operation of the Company, especially given that the Offeror is currently the majority shareholder of the Company and control of the latter will not change as a result of the Tender Offer and that the strategic plan of the Offeror for the Company is the same with the current strategic plan of the Company.

(B) According to the statements included in the Information Memorandum, the successful outcome of the Tender Offer is not expected to have any adverse effect to the places of employment within the Company, or to the interests of the employees of the Company.

(C) The Consideration offered by the Offeror for the purchase, within the framework of the mandatory Tender Offer, amounting to € 1.23 per share is considered to be fair and reasonable from a financial perspective for the owners of any Tender Offer Shares.

5. The estimations expressed hereinabove constitute a general evaluation of the terms of the mandatory Tender Offer, the influence that it has on the business operation of the Company and the fairness of the Consideration and should not be considered as an invitation, recommendation or advice to the shareholders of the Company to accept or decline the Tender Offer.

The present Reasoned Opinion of the Board of Directors of the Company was prepared in accordance with the provisions of Article 15 paras. 1 & 2 of Law

3461/2006 and will be subject to the disclosure formalities set forth by the provisions of said law.

The Advisor's report, together with the present Reasoned Opinion of the Board of Directors of the Company shall be available to the public at the premises of the Company's headquarters, which are located at the 19.3rd km of Markopoulo Avenue, 19 002 Peania (Attica), and shall be also posted on the website of the Company (www.lafarge.gr) during the entire period of the Tender Offer.

Athens, November 18th 2015

The Board of Directors