

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
--	--	---

Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☐ the final return/report;</div><div>☐ an amended return/report;</div><div>☐ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☒
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information		
1a	Name of plan LAFARGE N.A. INC. PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)	1b	Three-digit plan number (PN) ▶ 019
		1c	Effective date of plan 01/01/1950
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) LAFARGE NORTH AMERICA, INC. 12018 SUNRISE VALLEY DRIVE RESTON, VA 20190	2b	Employer Identification Number (EIN) 58-1290226
		2c	Sponsor's telephone number 703-480-3600
		2d	Business code (see instructions) 327300

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	11/30/2010	TERI HERZOG
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/30/2010	TERI HERZOG
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") LAFARGE NORTH AMERICA, INC. 12018 SUNRISE VALLEY DRIVE RESTON, VA 20190	3b Administrator's EIN 58-1290226 3c Administrator's telephone number 703-480-3600
--	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	165
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	352
b Retired or separated participants receiving benefits.....	6b	256
c Other retired or separated participants entitled to future benefits.....	6c	106
d Subtotal. Add lines 6a , 6b , and 6c	6d	714
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	46
f Total. Add lines 6d and 6e	6f	760
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1B 1G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
---	---

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
--	---	--

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

Round off amounts to nearest dollar.
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan LAFARGE N.A. INC. PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)	B Three-digit plan number (PN) 019
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF LAFARGE NORTH AMERICA, INC.	D Employer Identification Number (EIN) 58-1290226

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B **F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2009		
2 Assets:		
a Market value	2a	7504747
b Actuarial value	2b	8255222
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 75	5256126
b For terminated vested participants	3b 23	415318
c For active participants:		
(1) Non-vested benefits	3c(1)	109208
(2) Vested benefits	3c(2)	3474335
(3) Total active	3c(3) 67	3583543
d Total	3d 165	9254987
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐		
a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	8.19 %
6 Target normal cost	6	198217

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	10/15/2010
Signature of actuary	Date
SHERI X. DECRISTOFARO, FSA EA	08-06629
Type or print name of actuary	Most recent enrollment number
TOWERS WATSON PENNSYLVANIA INC	215-246-6000
Firm name	Telephone number (including area code)
CENTRE SQUARE EAST, 1500 MARKET ST. PHILADELPHIA, PA 19102-4790	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	1359358	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	183212	0
9	Amount remaining (Item 7 minus item 8).....	1176146	0
10	Interest on item 9 using prior year's actual return of <u>-33.16</u> %	-390010	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		757843
b	Interest on (a) using prior year's effective rate of <u>6.04</u> %		45774
c	Total available at beginning of current plan year to add to prefunding balance		803617
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	694530	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	91606	0

Part III		Funding percentages	
14	Funding target attainment percentage.....	14	88.20 %
15	Adjusted funding target attainment percentage.....	15	88.20 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	92.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV		Contributions and liquidity shortfalls	
18 Contributions made to the plan for the plan year by employer(s) and employees:			
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
10/15/2009	50000		
01/15/2010	50000		
09/15/2010	130000		
Totals ►		18(b)	230000
		18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 206751
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 60
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	198217
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	536072	95125
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	293342
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	91606	0
36 Additional cash requirement (item 34 minus item 35).....	36	201736
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	206751
38 Interest-adjusted excess contributions for current year (see instructions).....	38	5015
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>	
A Name of plan <u>LAFARGE N.A. INC. PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)</u>	B Three-digit plan number (PN) <u>019</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LAFARGE NORTH AMERICA, INC.</u>	D Employer Identification Number (EIN) <u>58-1290226</u>

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1040000	283941
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	41514	1173318
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	6465318	33116889
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	7546832	34574148

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	20607	23518
i Acquisition indebtedness	1i		
j Other liabilities	1j		42721
k Total liabilities (add all amounts in lines 1g through 1j)	1k	20607	66239

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7526225	34507909
---	-----------	---------	----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	333941	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		333941
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		1813516
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		2315
d Total income. Add all income amounts in column (b) and enter total.....	2d		2149772

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	609053	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		609053
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	95101	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		95101
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		704154

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1445618
l Transfers of assets:			
(1) To this plan.....	2l(1)		25536066
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CHERRY, BEKAET & HOLLAND, LLP

(2) EIN: 56-0574444

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan LAFARGE N.A. INC. PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)		B Three-digit plan number (PN) ► 019
C Plan sponsor's name as shown on line 2a of Form 5500 LAFARGE NORTH AMERICA, INC.		D Employer Identification Number (EIN) 58-1290226
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-1867445 36-3046063 Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3 0
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... ☒ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2009 v.092308.1		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☒

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES
(DAVENPORT)**

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

**LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES
(DAVENPORT)**

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

Contents

Report of Independent Accountants.....	1
Financial Statements	
Statements of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Notes to the Financial Statements.....	4-11

Note: Schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") have not been presented because the Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport's) only investment is in the Lafarge North America Inc. Master Trust.



REPORT OF INDEPENDENT ACCOUNTANTS

To the Pension Committee
Lafarge North America Inc. Pension Plan for
Hourly Compensated Employees (Davenport)

We were engaged to audit the financial statements of Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport) (the Plan) as of December 31, 2009 and 2008, and for the years then ended, as listed in the accompanying index. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by State Street Bank and Trust Company and The Northern Trust Company, the trustees of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that The Northern Trust Company held the Plan's investment assets and executed investment transactions from September 1, 2009 to December 31, 2009, and that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2008, and for the period January 1, 2008 to September 1, 2009. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Cherry, Bekaert & Holland, LLP

Vienna, Virginia
November 22, 2010

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
ASSETS		
Investments in the Master Trust, at fair value	\$ 33,116,889	\$ 6,465,318
Employer contributions receivable	283,941	1,040,000
Receivable and accrued interest for securities sold	-	41,514
Assets to be transferred in, net (see Note 1 and 8)	<u>1,130,597</u>	<u>-</u>
Total assets	<u>34,531,427</u>	<u>7,546,832</u>
LIABILITIES		
Administrative expenses payable	<u>23,518</u>	<u>20,607</u>
Net assets available for benefits	<u><u>\$ 34,507,909</u></u>	<u><u>\$ 7,526,225</u></u>

(See accompanying notes to the financial statements)

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year ended December 31,	
	2009	2008
ADDITIONS		
Net investment income (loss) in the Master Trust	\$ 1,813,516	\$ (3,354,188)
Employer contributions	333,941	1,040,000
Transfers into the Plan (see Note 1 and 8)	25,536,066	-
Other income	2,315	4,447
Total additions (reductions), net	<u>27,685,838</u>	<u>(2,309,741)</u>
DEDUCTIONS		
Benefits paid	609,053	490,247
Administrative expenses	<u>95,101</u>	<u>71,441</u>
Total deductions	<u>704,154</u>	<u>561,688</u>
Net increase (decrease)	26,981,684	(2,871,429)
Net assets available for benefits at beginning of year	<u>7,526,225</u>	<u>10,397,654</u>
Net assets available for benefits at end of year	<u>\$ 34,507,909</u>	<u>\$ 7,526,225</u>

(See accompanying notes to the financial statements)

**LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

Note 1 – Description of plan

The following description of the Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport) (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

The Plan, created in 1983, covers hourly employees who meet specified service requirements of Lafarge North America Inc.'s (the Company) cement facility located in Davenport, Iowa. The Plan is a noncontributory defined benefit plan that provides for pension and disability benefits. The Plan provides for normal retirement at age 65 or the fifth anniversary of the participant's plan commencement date, with early retirement after age 55 and 10 years of credited service or 30 years of credited service regardless of age. The normal retirement benefit is reduced for benefits commencing immediately after early retirement unless the 30-year continuous credited service requirement is met. The Plan was amended and restated effective January 1, 2008, for the purpose of incorporating prior amendments and making certain other changes. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Effective December 31, 2009, the following plans merged into the Plan:

- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Seattle/Vancouver) ("Seattle")
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Missouri-Portland) ("Missouri-Portland")

In addition to the two plans listed above, certain groups within several Lafarge North America plans merged into the Plan. Groups from the plans listed below were merged into the Plan, effective December 31, 2009:

- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Multi-Plant) ("Multi-Plant")
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Great Lakes) ("Great Lakes")
- Lafarge North America Inc. Pension Plan for Blue Circle Heritage Hourly Compensated Employees (Cement) ("BCH Cement")

These mergers do not impact participant pension benefits as the benefit provisions of the merged plans/groups are incorporated into the Plan.

The assets of the Plan and certain other pension plans of the Company are held in the Lafarge North America Inc. Master Trust (Master Trust). At December 31, 2009 and 2008, assets in the Master Trust were held by Northern Trust Company and State Street Bank and Trust Company (the Trustees), respectively. Upon the order of the Company, the Trustees pay amounts to specified Plan beneficiaries. SEI currently acts as investment manager and has authority to invest and reinvest the Master Trust assets.

In compliance with the Tax Reform Act of 1986, participants of the Plan become fully vested after five years of credited service. The Company has contributed such amounts as it believes are necessary to provide assets sufficient to meet the benefits to be paid to the Plan's participants. These contributions are also sufficient to meet the minimum funding requirements of ERISA.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

The Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of termination, all accrued benefits become 100% vested, and the net assets of the Plan are set aside for payment of such vested benefits. Whether a particular participant's accumulated Plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at the time of termination. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not, as described in the articles of the Plan.

Note 2 – Significant accounting policies

Basis of accounting – The financial statements of the Plan are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

In June 2009, the Financial Accounting Standards Board (FASB) established the FASB Accounting Standards Codification (ASC) as the single source of authoritative GAAP. The FASB ASC superseded all then existing non-SEC accounting and reporting standards. The issuance of this statement did not change GAAP, but has changed the applicable citations and naming conventions used when referencing GAAP within these financial statements.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the accounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investments – Investments are stated at fair value. Investment transactions are recorded at the trade date. The Plan's net interest in the Master Trust is stated at the fair value of the underlying net assets of the Master Trust as estimated by the Trustees. The investments in the Master Trust, including securities, are stated at fair value based upon quotations of national security exchanges or, for unlisted securities, upon quotations obtained by the Trustees from brokerage firms. Where investments comprise shares in commingled equity investment funds, estimated fair values were obtained by the Trustees from the administrator of such investment funds. Investments in mutual funds are valued at quoted market prices, which represent the net asset values of shares held by the Master Trust at year-end. Under the Master Trust, investment transactions, income on investments, and realized and unrealized appreciation and depreciation have been prorated by the Trustees among the plans based on each plan's proportionate share of the market value of the Master Trust on a monthly basis.

Cash and cash equivalents – For purposes of the disclosure of investments in the Master Trust (see Note 6), the Plan considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Risks and uncertainties – The Master Trust provides for investments in various investment securities, which are exposed to various risks such as interest rate, credit, and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Master Trust contributions are made, and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Administrative expenses – Administrative expenses include plan-specific expenses as well as expenses incurred by the Master Trust. Expenses related specifically to the Master Trust are allocated to the plans based on the ending market value of assets held in each plan, respectively, as a percentage of total assets in the Master Trust. General and administrative expenses incurred by the Company on behalf of the Plan are paid by the Company.

Employer contributions and benefit payments – Employer contributions and benefit payments to participants are specifically identified by the plan administrator with respect to each plan as reflected in the accompanying statements of changes in net assets available for benefits. Benefit payments are recorded when paid.

Accumulated plan benefits – Accumulated plan benefits (see Note 3) are those periodic payments, including lump sum distributions, which are attributable under the Plan's provisions to the services rendered by employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries and (b) present employees or their beneficiaries.

Benefits for retired or terminated employees or their beneficiaries are based on employees' credited service as of their last date of employment. The accumulated plan benefits for active employees are based on credited service earned preceding the valuation date. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Fair value measurement – The Fair Value Measurements and Disclosures Topic of the FASB ASC provides a single authoritative definition of fair value and enhanced guidance for measuring the fair value of assets and liabilities. It requires additional disclosures regarding the extent to which the Plan measures assets and liabilities at fair value, the information used to measure fair value, and the effect of fair value measurements on earnings. This topic is effective for fiscal years beginning after November 15, 2007, and interim periods within those years. The Plan adopted this topic effective January 1, 2008, for all financial assets and liabilities as required.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies; and

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

Mutual funds – These investments are public investment vehicles valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and is classified within level 1 of the valuation hierarchy.

Common stock – These investments are valued at the closing price reported on the New York Stock Exchange Composite Listing or other active market on which these statements are traded. These securities are classified within level 1 of the valuation hierarchy.

Common/collective trust – These investments are public investment vehicles valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is classified within level 2 of the valuation hierarchy because the NAV's unit price is quoted on a private market that is not active; however, the unit price is based on underlying investments which are traded on an active market.

Cash and cash equivalents – These investments are public investment vehicles valued using \$1 for the NAV, and are classified with level 1 of the valuation hierarchy.

Note 3 – Actuarial present value of accumulated plan benefits

The actuarial information is based on reports prepared by the Plan's actuary, Towers Watson, as of January 1, 2009. The actuarial calculations are based on participants becoming fully vested after five years of continuous service. The actuarial calculations are also based on the participants covered under the Plan as of January 1, 2009, and such calculations do not consider the impact of the plan mergers effective December 31, 2009 (see Note 1). Employer contributions to the Plan are calculated in accordance with the Company's policy of funding an amount within the minimum required and the maximum allowable contributions as calculated each year in accordance with ERISA regulations. The Company's contributions for 2009 and 2008 exceeded the minimum funding requirements of ERISA.

The actuarial present value of accumulated plan benefits was calculated using the present value of accrued benefits method as required by the Pension Protection Act of 2006 (PPA). As of January 1, 2009, significant assumptions underlying the actuarial computations include an asset return of 7.50%, an effective interest rate of 8.19%, the use of the RP-2000 Employees and RP-2000 Healthy Annuitants mortality tables used for the calculation of the current liability, and the assumption that retirement takes place at various ages, ranging from 45 to 65. As of January 1, 2009, the actuarial value of assets was determined using the average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, with certain adjustments made for contributions, benefits, etc.; whereas the actuarial value of assets was determined using the market value of assets including contributions receivable in the prior period. Additionally, the funding interest rate changed from IRS prescribed segment rates without 3-year transition based on bond yields through the December preceding the valuation date to the IRS prescribed one-month average yield-curve based on bond yields during the October preceding the valuation date.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

The actuarial present value of accumulated plan benefits as of January 1, 2009 is as follows:

Vested benefits	
Participants currently receiving payments	\$ 5,396,746
Other participants	<u>4,003,532</u>
Total vested benefits	9,400,278
Non-vested benefits	<u>101,913</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 9,502,191</u>

The following is a summary of the changes in the actuarial present value of accumulated plan benefits for the year ended January 1, 2009:

Actuarial present value of accumulated plan benefits, beginning of year	\$ <u>9,036,558</u>
Increase (decrease) during the year attributable to:	
Benefits accumulated	(10,949)
Increase for interest due to decrease in discount period	659,690
Benefits paid	(490,247)
Assumption changes	211,497
Plan amendments (Note 5)	<u>95,642</u>
Net increase	<u>465,633</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 9,502,191</u>

Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4 – Income tax status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated January 14, 2009 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes the Plan is currently designed and is being operated in compliance with the applicable requirements of the Code and has no income subject to unrelated business income tax. Therefore, no provision for income taxes has been included in the Plan's financial statements.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

Note 5 – Changes in Plan provisions

Plan provisions have been updated to correspond with IRS guidelines in effect during 2009. These changes did not have a material impact on the Plan's financial statements.

Note 6 – Investment in the Master Trust

All investment information disclosed in the accompanying financial statements, including investments held at December 31, 2009 and 2008 and net investment income (loss) in the Master Trust for the years then ended, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustees. The Trustees have also certified the Plan's proportionate share of such items to be complete and accurate.

Effective September 2009, all assets previously held in the Blue Circle Heritage Master Trust, totaling \$4,938,496, were transferred into the Master Trust. Assets in the Master Trust were transferred from State Street Bank and Trust Company to The Northern Trust Company at this time.

Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by the Trustees. At December 31, 2009 and 2008, the Plan's interest in the investments of the Master Trust was approximately 7.51% and 1.89%, respectively.

The following table presents the fair values of investments in the Master Trust:

	December 31,	
	2009	2008
Investments at fair value, as determined by quoted market prices:		
Common stock	\$ 68,194	\$ 64,699
Mutual funds	438,216,898	341,442,991
Cash and cash equivalents	3,116,726	-
Investments at estimated fair value:		
Common/collective trusts	-	138,110
	441,401,818	341,645,800
Receivable and accrued interest for securities sold	-	2,193,718
	<u>\$ 441,401,818</u>	<u>\$ 343,839,518</u>

Investment income (loss) for the Master Trust was as follows:

	Year ended December 31,	
	2009	2008
Net appreciation (depreciation) in fair value of investments	\$ 80,897,451	\$ (192,500,754)
Interest and dividends	<u>9,206,540</u>	<u>15,458,616</u>
	<u>\$ 90,103,991</u>	<u>\$ (177,042,138)</u>

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

See "Fair value measurement" in Note 2 above for discussion of the methodologies and assumptions used to determine the fair value of the Master Trust's investments.

Below are the Master Trust's financial instruments carried at fair value on a recurring basis by the fair value hierarchy levels described in Note 2.

As of December 31, 2009				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Common stock	\$ 68,194	\$ -	\$ -	\$ 68,194
Mutual funds	438,216,898	-	-	438,216,898
Cash and cash equivalents	3,116,726	-	-	3,116,726
Common/collective trusts	-	-	-	-
Total assets	<u>\$ 441,401,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 441,401,818</u>

As of December 31, 2008				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Common stock	\$ 64,699	\$ -	\$ -	\$ 64,699
Mutual funds	341,442,991	-	-	341,442,991
Cash and cash equivalents	-	-	-	-
Common/collective trust	-	138,110	-	138,110
Total assets	<u>\$ 341,507,690</u>	<u>\$ 138,110</u>	<u>\$ -</u>	<u>\$ 341,645,800</u>

Note 7 – Party-in-interest transactions

Fees paid by the Plan for actuarial, accounting and other professional services rendered by parties-in-interest were based on customary and reasonable rates for such services.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

Note 8 – Plan mergers

The amounts transferred into the Plan during the year ended December 31, 2009 and to be transferred to the Plan as of December 31, 2009 for the plan mergers disclosed in Note 1 are reported in transfers into the Plan and assets to be transferred in, net on the accompanying statements of changes in net assets available for benefits and of net assets available for benefits, respectively.

Below are the amounts of transfers into the Plan for the year ended December 31, 2009 and assets to be transferred into the Plan as of December 31, 2009 from each plan, or groups from the plan, merged in effective December 31, 2009.

	Seattle	Missouri- Portland	Multi-Plant	Great Lakes	BCH Cement	Total
Transfers into the Plan	\$ 978,043	\$ 9,276,834	\$ 14,205,433	\$ 205,462	\$ 870,294	\$ 25,536,066
Assets to be transferred in (out)	\$ (2,495)	\$ 161,903	\$ 1,105,433	\$ (4,538)	\$ (129,706)	\$ 1,130,597

Note 9 – Subsequent events

Effective January 1, 2010, the Plan was amended and restated to include the plans/groups merged into the Plan effective December 31, 2009. Additionally, the Plan name changed to Lafarge North America Inc. Hourly Pension Plan (Cement-Boilermakers).

The Plan has evaluated events through November 22, 2010 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2009 This Form is Open to Public Inspection
---	--	--

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Lafarge NA Inc Pension Plan for Hrly Comp Emp (Davenport)	B Three-digit plan number (PN) ► <u>019</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Lafarge North America Inc.	D Employer Identification Number (EIN) 58-1290226
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value.....	2a		7,504,747
b Actuarial value.....	2b		8,255,222
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	75	5,256,126
b For terminated vested participants.....	3b	23	415,318
c For active participants:			
(1) Non-vested benefits.....	3c(1)		109,208
(2) Vested benefits.....	3c(2)		3,474,335
(3) Total active.....	3c(3)	67	3,583,543
d Total.....	3d	165	9,254,987
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	8.19 %	
6 Target normal cost.....	6	198,217	

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Sheri X. DeCristofaro SxD Signature of actuary Sheri X. DeCristofaro, FSA EA Type or print name of actuary TOWERS WATSON PENNSYLVANIA INC CENTRE SQUARE EAST, 1500 MARKET ST. PHILADELPHIA PA 19102-4790 Address of the firm	10/12/2010 Date 08-06629 Most recent enrollment number (215) 246-6000 Telephone number (including area code)
------------------	--	---

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	1,359,358	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	183,212	0
9 Amount remaining (Item 7 minus item 8)	1,176,146	0
10 Interest on item 9 using prior year's actual return of <u>33.16</u> %	(390,010)	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		757,843
b Interest on (a) using prior year's effective rate of <u>6.04</u> %		45,774
c Total available at beginning of current plan year to add to prefunding balance		803,617
d Portion of (c) to be added to prefunding balance		0
12 Reduction in balances due to elections or deemed elections	694,530	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	91,606	0

Part III Funding percentages		
14 Funding target attainment percentage	14	88.20 %
15 Adjusted funding target attainment percentage	15	88.20 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	92.00 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/15/2009	50,000				
01/15/2010	50,000				
09/15/2010	130,000				
Totals ▶			18(b)	230,000	18(c)
					0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	206,751

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:			
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %
			☒ N/A, full yield curve used
b Applicable month (enter code)			21b 2
22 Weighted average retirement age			22 60
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	198,217
32 Amortization installments:		
a Net shortfall amortization installment	Outstanding Balance	Installment
	536,072	95,125
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	293,342
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	91,606	0
36 Additional cash requirement (item 34 minus item 35)	36	201,736
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	206,751
38 Interest-adjusted excess contributions for current year (see instructions)	38	5,015
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Lafarge N.A. Inc. Pension Plan for Hourly Compensated Employees (Davenport)
EIN 58-1290226
PN 019

Attachment to 2009 Form 5500, Schedule SB, Line Item 22: Weighted Average Retirement Age

Each Employee is assumed to retire in accordance with the table of retirement rates. The average weighted retirement age is derived by applying these rates to an employee with the characteristics at plan entry of an average current plan participant. The average participant entered the plan at age 27. The average participant age is 46 and the average participant service is 19. The number of employees expected to retire at each potential age is shown below. The average retirement age is 60.

The weighted average retirement age is computed as follows:

(A) <u>Age</u>	(B) Probability of Attaining <u>Age</u>	(C) Retirement <u>Rate</u>	(D) Percentage Retiring <u>at Each Age</u>	(A) * (D)
55	1.000	0.030	0.030	1.650
56	0.970	0.020	0.019	1.086
57	0.951	0.250	0.238	13.546
58	0.713	0.150	0.107	6.203
59	0.606	0.150	0.091	5.363
60	0.515	0.150	0.077	4.636
61	0.438	0.150	0.066	4.006
62	0.372	0.250	0.093	5.769
63	0.279	0.250	0.070	4.396
64	0.209	0.250	0.052	3.349
65	0.157	1.000	0.157	<u>10.205</u>
Average Retirement Age				60.210

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:

— Applicable month	October 2008 (bond yields during October 2008)
— Yield curve basis	Full yield curve
— Transition from current liability rates	N/A

Funding interest rate:

▶ 10-year rate*	8.81%
▶ 20-year rate*	8.22%
▶ 30-year rate*	7.50%

* Rates are for durations 9.5, 19.5 and 29.5, respectively.

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Statement of Actuarial Assumptions/Methods

Methods

Contributions:

— Valuation date	First day of plan year
— Funding target	Present value of accrued benefit
— Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
— Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of fair value, including contributions receivable.</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.</p>

Benefits Not Valued

All benefits described in the Plan Provisions of this report were valued except plant shutdown and other “unpredictable contingent event benefits” which are not valued until and unless the triggering event occurs. Towers Watson is not aware of any significant benefits required to be valued that were not.

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Statement of Actuarial Assumptions/Methods

Change in Assumptions & Methods

The funding interest rate changed from IRS prescribed segment rates without 3-year transition based on bond yields through the December preceding the valuation date to the IRS prescribed one-month average yield-curve based on bond yields during the October preceding the valuation date.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

An assumption for administrative expenses was included as part of the target normal cost, as required by The Worker, Retiree and Employer Recovery Act of 2008.

There was a change in the method for calculating the actuarial value of assets. The prior valuation used the market value of assets (including contributions receivable).

Data Sources

Towers Watson used asset data and retiree data supplied by the trustees. Lafarge North America Inc. furnished other participant data and the dates and amounts of the contributions that were paid in 2009. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Statement of Actuarial Assumptions/Methods

Economic Assumptions

Effective Interest Rate 8.19%

Demographic Assumptions

Mortality Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination Sample rates varying by age

<i>Age</i>	<i>Rate</i>
20	0.2000
25	0.1510
30	0.1020
35	0.0800
40	0.0580
45	0.0350
50	0.0120
55	0.0000

Disability Sample rates varying by age and sex.

<i>Age</i>	<i>Sex</i>	
	<i>Male</i>	<i>Female</i>
20	0.00064	0.00055
25	0.00093	0.00096
30	0.00134	0.00165
35	0.00199	0.00252
40	0.00314	0.00357
45	0.00505	0.00522
50	0.00830	0.00854
55	0.01502	0.01490
60	0.02266	0.01793

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)**EIN 58-1290226****PN 019****Attachment to 2009 Schedule SB Part V – Statement of Actuarial Assumptions/Methods**

Retirement Sample rates varying by age and service

	<i>Years of Service</i>		
<i>Age</i>	<i>< 30</i>	<i>30</i>	<i>31 +</i>
45-54	0.00	0.25	0.03
55	0.03	0.25	0.15
56-59	0.02	0.25	0.15
60-61	0.03	0.25	0.15
62	0.15	0.25	0.25
63-64	0.08	0.25	0.25
65	1.00	1.00	1.00

Benefit commencement date:

— Deferred vested benefit Current inactives: the earliest of age 65 or age 55 with 30 years of service, or termination of employment if later; current actives: early retirement

Form of payment Life annuity

Percent married 80% of males; 80% of females

Spouse age Wife three years younger than husband

Administrative expense \$80,000

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Summary of Plan Provisions

Hourly Compensated Employees (Davenport)

Effective Date	The original effective date of this plan was May 23, 1983.
Covered Employees	All hourly compensated employees of Davenport Cement Company who are covered by a collectively bargained agreement with the Cement, Lime, Gypsum and Allied Workers Division, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Lodge D-6, AFL-CIO.
Participation Date	Date of Hire
Definitions	
Transferred employee	An active employee (including time with recall rights) of the Davenport, Iowa facility of Martin Marietta Materials North America, Inc. on May 23, 1983 who was transferred to the Davenport Cement Company.
Eligibility service	Eligibility service is counted for each calendar year in which an employee works at least 1,000 hours. For transferred employees, service before May 23, 1983 will be used in determining eligibility service.
Credited service	One year of credited service will be earned for each calendar year of employment after May 23, 1983 in which an employee works at least 1,200 hours. Partial years of credited service are earned when less than 1,200 hours are worked. Credited service for a Transferred Employee for service before May 23, 1983 is determined under the agreement between Martin Marietta North America Inc. and the United Cement, Lime, Gypsum and Allied Workers International Union in effect on May 23, 1983.
Normal retirement date (NRD)	The first day of the month coinciding with or next following the attainment of age 65.
Monthly pension benefit	The accrued benefit for an employee is:

<u>Multiplier</u>	<u>Effective Date</u>
\$30.00	11/1/2003
\$32.00	11/1/2004
\$34.00	11/1/2005
\$36.00	11/1/2006

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Summary of Plan Provisions

\$37.00	11/1/2007
\$38.00	11/1/2008

Monthly preretirement death benefit	66 2/3% of the accrued monthly pension benefit as of the date of death, reduced for 66 2/3% joint and survivor election and reduced for payment as early as the participant's earliest retirement date.
-------------------------------------	---

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	The earlier of the first day of the month coinciding with or next following the attainment of age 55, with 10 years of eligibility service, or the completion of 30 years of eligibility service regardless of age.
Postponed retirement	Retirement after NRD
Vested termination	Termination for reason other than death or retirement after completing 5 years of eligibility service.
Disability retirement	A participant with at least 10 years of eligibility service who is unable to obtain gainful employment by reason of total and permanent disability is eligible for disability.
Preretirement death benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.
Shutdown benefits	A participant who has at least 10 years eligibility service and the sum of his age and eligibility service is at least 65 is eligible for a benefit if service is broken by plant shutdown or if he is laid off and the company declares re-employment is unlikely.

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	Monthly pension benefit reduced .3% for each month that actual retirement date precedes NRD, however benefits are unreduced after 30 years of eligibility service.
Postponed retirement	Monthly pension benefit determined as of actual retirement date.
Vested termination	Monthly pension benefit is equal to the accrued normal retirement benefit as of the date of termination. If the benefit starts before normal retirement date, the benefit will be reduced using early retirement benefit reduction factors.

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Summary of Plan Provisions

Disability retirement

The monthly disability benefit, payable immediately:

<u>Multiplier</u>	<u>Effective Date</u>
\$31.00	11/1/2003
\$33.00	11/1/2004
\$35.00	11/1/2005
\$37.00	11/1/2006
\$38.00	11/1/2007
\$39.00	11/1/2008

However, this benefit will not be less than \$550.00 (for retirements after November 1, 1999). When a disabled participant reaches 65 his benefit will be recalculated according to the benefits level and his credited service on the date of his disability.

Preretirement death

Monthly preretirement death benefits on behalf of both active and terminated vested employees are reduced as described above.

Plant shutdown

The monthly benefit is equal to the accrued normal retirement benefits as of the date active employment ceases. Payments begin immediately after the eligibility conditions for such benefits are satisfied.

Other Plan Provisions

Forms of payment

Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin. Otherwise, benefits are paid in the form of an actuarially equivalent 50% joint and survivor annuity or, if the participant elects and the spouse consents, another actuarially equivalent option form offered by the plan. Optional forms are:

- Joint and 66 2/3% survivor annuity
- Joint and 75% survivor annuity
- Joint and 100% survivor annuity

Actuarial equivalence for optional form conversion:

- Participant mortality: GAM 1971 Male
- Beneficiary mortality: GAM 1971 Male

Interest rate: 5.50%

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB Part V – Summary of Plan Provisions

Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are not assumed for determining contributions.
-----------------------------	---

Future Plan Changes

No future plan changes were recognized. Towers Watson is not aware of any future plan changes which are required to be reflected other than scheduled pension increases.

Effective December 31, 2009, liabilities and assets for certain participants were spun-off from the following plans and merged into the Plan:

- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Multi-Plant): Fredoria and Paulding current and former employees, and Oswego and Joppa former employees
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Great Lakes): Waukegan current employees
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Missouri Portland): full plan merger
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Seallte/Vancouver): full plan merger
- Lafarge North America Inc. Pension Plan for Blue Circle Heritage Hourly Compensated Employees (Cement): Tulsa current employees

The Plan was renamed the "Lafarge North America Inc. Hourly Pension Plan (Cement-Boilermakers)"

These mergers were not reflected in the actuarial valuation.

**Lafarge North America Inc. Pension Plan for Hourly Compensated Employees
(Davenport)
EIN 58-1290226
PN 019
Attachment to 2009 Schedule SB, Line 25 – Change in Method**

Aspect of the Valuation	Old	New
Administrative Expenses	Not included in Normal Cost	Included in Normal Cost
Actuarial Value of Assets	Market Value	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings
Valuation Interest Rate	IRS prescribed segment rates without 3-year transition, based on bond yields through the December preceding the valuation date	One-month average yield-curve based on bond yields during the October preceding the valuation date

The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport)

EIN 58-1290226

PN 019

Attachment to 2009 Schedule SB, Line 26 - Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		<1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
<25	Count	3	2	0	0	0	0	0	0	0	0
25 to 29	Count	0	1	2	0	0	0	0	0	0	0
30 to 34	Count	0	1	4	0	0	0	0	0	0	0
35 to 39	Count	0	4	1	2	1	0	0	0	0	0
40 to 44	Count	0	3	0	1	5	0	0	0	0	0
45 to 49	Count	0	1	1	3	2	0	0	0	0	0
50 to 54	Count	0	1	0	0	0	0	0	3	5	0
55 to 59	Count	0	1	0	1	1	0	0	2	9	0
60 to 64	Count	0	0	0	0	0	0	0	1	4	1
65 to 69	Count	0	0	0	0	1	0	0	0	0	0
70 & up	Count	0	0	0	0	0	0	0	0	0	0
		Average Age = 46.3					Average Service =18.9				

Lafarge North America Inc.

EIN 58-1290226

LNA Hourly Pension Plan (Cement - Boilermakers) *

Plan # 019

2009 Schedule R, line 18-Funded Percentages of Plans Contributing to Liabilities of Plan Participants

Plan	EIN	Plan	Funded Percentage as of Last Day of 2008 Plan Year
LNA Hourly Pension Plan (Cement - Boilermakers) *	58-1290226	#019	88.21%
LNA Pension Plan for Hourly Compensated Employees (Multi-Plant)	58-1290226	#002	145.72%
LNA Pension Plan for Hourly Compensated Employees (Missouri-Portland)	58-1290226	#018	88.18%
LNA Pension Plan for Hourly Compensated Employees (Great Lakes)	58-1290226	#014	90.27%
LNA Pension Plan for Hourly Compensated Employees (Seattle)	58-1290226	#031	89.21%
LNA Pension Plan for BC Hourly Compensated Employees (Cement)	58-1290226	#038	91.10%

* Formerly LNA Pension Plan for Hourly Compensated Employees (Davenport)

**LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES
(DAVENPORT)**

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

**LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES
(DAVENPORT)**

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

Contents

Report of Independent Accountants.....	1
Financial Statements	
Statements of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Notes to the Financial Statements.....	4-11

Note: Schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") have not been presented because the Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport's) only investment is in the Lafarge North America Inc. Master Trust.



REPORT OF INDEPENDENT ACCOUNTANTS

To the Pension Committee
Lafarge North America Inc. Pension Plan for
Hourly Compensated Employees (Davenport)

We were engaged to audit the financial statements of Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport) (the Plan) as of December 31, 2009 and 2008, and for the years then ended, as listed in the accompanying index. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by State Street Bank and Trust Company and The Northern Trust Company, the trustees of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that The Northern Trust Company held the Plan's investment assets and executed investment transactions from September 1, 2009 to December 31, 2009, and that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2008, and for the period January 1, 2008 to September 1, 2009. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Cherry, Bekaert & Holland, LLP

Vienna, Virginia
November 22, 2010

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
ASSETS		
Investments in the Master Trust, at fair value	\$ 33,116,889	\$ 6,465,318
Employer contributions receivable	283,941	1,040,000
Receivable and accrued interest for securities sold	-	41,514
Assets to be transferred in, net (see Note 1 and 8)	<u>1,130,597</u>	<u>-</u>
Total assets	<u>34,531,427</u>	<u>7,546,832</u>
LIABILITIES		
Administrative expenses payable	<u>23,518</u>	<u>20,607</u>
Net assets available for benefits	<u><u>\$ 34,507,909</u></u>	<u><u>\$ 7,526,225</u></u>

(See accompanying notes to the financial statements)

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year ended December 31,	
	2009	2008
ADDITIONS		
Net investment income (loss) in the Master Trust	\$ 1,813,516	\$ (3,354,188)
Employer contributions	333,941	1,040,000
Transfers into the Plan (see Note 1 and 8)	25,536,066	-
Other income	2,315	4,447
Total additions (reductions), net	27,685,838	(2,309,741)
DEDUCTIONS		
Benefits paid	609,053	490,247
Administrative expenses	95,101	71,441
Total deductions	704,154	561,688
Net increase (decrease)	26,981,684	(2,871,429)
Net assets available for benefits at beginning of year	7,526,225	10,397,654
Net assets available for benefits at end of year	\$ 34,507,909	\$ 7,526,225

(See accompanying notes to the financial statements)

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 – Description of plan

The following description of the Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Davenport) (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

The Plan, created in 1983, covers hourly employees who meet specified service requirements of Lafarge North America Inc.'s (the Company) cement facility located in Davenport, Iowa. The Plan is a noncontributory defined benefit plan that provides for pension and disability benefits. The Plan provides for normal retirement at age 65 or the fifth anniversary of the participant's plan commencement date, with early retirement after age 55 and 10 years of credited service or 30 years of credited service regardless of age. The normal retirement benefit is reduced for benefits commencing immediately after early retirement unless the 30-year continuous credited service requirement is met. The Plan was amended and restated effective January 1, 2008, for the purpose of incorporating prior amendments and making certain other changes. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Effective December 31, 2009, the following plans merged into the Plan:

- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Seattle/Vancouver) ("Seattle")
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Missouri-Portland) ("Missouri-Portland")

In addition to the two plans listed above, certain groups within several Lafarge North America plans merged into the Plan. Groups from the plans listed below were merged into the Plan, effective December 31, 2009:

- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Multi-Plant) ("Multi-Plant")
- Lafarge North America Inc. Pension Plan for Hourly Compensated Employees (Great Lakes) ("Great Lakes")
- Lafarge North America Inc. Pension Plan for Blue Circle Heritage Hourly Compensated Employees (Cement) ("BCH Cement")

These mergers do not impact participant pension benefits as the benefit provisions of the merged plans/groups are incorporated into the Plan.

The assets of the Plan and certain other pension plans of the Company are held in the Lafarge North America Inc. Master Trust (Master Trust). At December 31, 2009 and 2008, assets in the Master Trust were held by Northern Trust Company and State Street Bank and Trust Company (the Trustees), respectively. Upon the order of the Company, the Trustees pay amounts to specified Plan beneficiaries. SEI currently acts as investment manager and has authority to invest and reinvest the Master Trust assets.

In compliance with the Tax Reform Act of 1986, participants of the Plan become fully vested after five years of credited service. The Company has contributed such amounts as it believes are necessary to provide assets sufficient to meet the benefits to be paid to the Plan's participants. These contributions are also sufficient to meet the minimum funding requirements of ERISA.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

The Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of termination, all accrued benefits become 100% vested, and the net assets of the Plan are set aside for payment of such vested benefits. Whether a particular participant's accumulated Plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at the time of termination. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not, as described in the articles of the Plan.

Note 2 – Significant accounting policies

Basis of accounting – The financial statements of the Plan are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

In June 2009, the Financial Accounting Standards Board (FASB) established the FASB Accounting Standards Codification (ASC) as the single source of authoritative GAAP. The FASB ASC superseded all then existing non-SEC accounting and reporting standards. The issuance of this statement did not change GAAP, but has changed the applicable citations and naming conventions used when referencing GAAP within these financial statements.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the accounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investments – Investments are stated at fair value. Investment transactions are recorded at the trade date. The Plan's net interest in the Master Trust is stated at the fair value of the underlying net assets of the Master Trust as estimated by the Trustees. The investments in the Master Trust, including securities, are stated at fair value based upon quotations of national security exchanges or, for unlisted securities, upon quotations obtained by the Trustees from brokerage firms. Where investments comprise shares in commingled equity investment funds, estimated fair values were obtained by the Trustees from the administrator of such investment funds. Investments in mutual funds are valued at quoted market prices, which represent the net asset values of shares held by the Master Trust at year-end. Under the Master Trust, investment transactions, income on investments, and realized and unrealized appreciation and depreciation have been prorated by the Trustees among the plans based on each plan's proportionate share of the market value of the Master Trust on a monthly basis.

Cash and cash equivalents – For purposes of the disclosure of investments in the Master Trust (see Note 6), the Plan considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Risks and uncertainties – The Master Trust provides for investments in various investment securities, which are exposed to various risks such as interest rate, credit, and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Master Trust contributions are made, and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Administrative expenses – Administrative expenses include plan-specific expenses as well as expenses incurred by the Master Trust. Expenses related specifically to the Master Trust are allocated to the plans based on the ending market value of assets held in each plan, respectively, as a percentage of total assets in the Master Trust. General and administrative expenses incurred by the Company on behalf of the Plan are paid by the Company.

Employer contributions and benefit payments – Employer contributions and benefit payments to participants are specifically identified by the plan administrator with respect to each plan as reflected in the accompanying statements of changes in net assets available for benefits. Benefit payments are recorded when paid.

Accumulated plan benefits – Accumulated plan benefits (see Note 3) are those periodic payments, including lump sum distributions, which are attributable under the Plan's provisions to the services rendered by employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries and (b) present employees or their beneficiaries.

Benefits for retired or terminated employees or their beneficiaries are based on employees' credited service as of their last date of employment. The accumulated plan benefits for active employees are based on credited service earned preceding the valuation date. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Fair value measurement – The Fair Value Measurements and Disclosures Topic of the FASB ASC provides a single authoritative definition of fair value and enhanced guidance for measuring the fair value of assets and liabilities. It requires additional disclosures regarding the extent to which the Plan measures assets and liabilities at fair value, the information used to measure fair value, and the effect of fair value measurements on earnings. This topic is effective for fiscal years beginning after November 15, 2007, and interim periods within those years. The Plan adopted this topic effective January 1, 2008, for all financial assets and liabilities as required.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies; and

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

Mutual funds – These investments are public investment vehicles valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and is classified within level 1 of the valuation hierarchy.

Common stock – These investments are valued at the closing price reported on the New York Stock Exchange Composite Listing or other active market on which these statements are traded. These securities are classified within level 1 of the valuation hierarchy.

Common/collective trust – These investments are public investment vehicles valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is classified within level 2 of the valuation hierarchy because the NAV's unit price is quoted on a private market that is not active; however, the unit price is based on underlying investments which are traded on an active market.

Cash and cash equivalents – These investments are public investment vehicles valued using \$1 for the NAV, and are classified with level 1 of the valuation hierarchy.

Note 3 – Actuarial present value of accumulated plan benefits

The actuarial information is based on reports prepared by the Plan's actuary, Towers Watson, as of January 1, 2009. The actuarial calculations are based on participants becoming fully vested after five years of continuous service. The actuarial calculations are also based on the participants covered under the Plan as of January 1, 2009, and such calculations do not consider the impact of the plan mergers effective December 31, 2009 (see Note 1). Employer contributions to the Plan are calculated in accordance with the Company's policy of funding an amount within the minimum required and the maximum allowable contributions as calculated each year in accordance with ERISA regulations. The Company's contributions for 2009 and 2008 exceeded the minimum funding requirements of ERISA.

The actuarial present value of accumulated plan benefits was calculated using the present value of accrued benefits method as required by the Pension Protection Act of 2006 (PPA). As of January 1, 2009, significant assumptions underlying the actuarial computations include an asset return of 7.50%, an effective interest rate of 8.19%, the use of the RP-2000 Employees and RP-2000 Healthy Annuitants mortality tables used for the calculation of the current liability, and the assumption that retirement takes place at various ages, ranging from 45 to 65. As of January 1, 2009, the actuarial value of assets was determined using the average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, with certain adjustments made for contributions, benefits, etc.; whereas the actuarial value of assets was determined using the market value of assets including contributions receivable in the prior period. Additionally, the funding interest rate changed from IRS prescribed segment rates without 3-year transition based on bond yields through the December preceding the valuation date to the IRS prescribed one-month average yield-curve based on bond yields during the October preceding the valuation date.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

The actuarial present value of accumulated plan benefits as of January 1, 2009 is as follows:

Vested benefits	
Participants currently receiving payments	\$ 5,396,746
Other participants	<u>4,003,532</u>
Total vested benefits	9,400,278
Non-vested benefits	<u>101,913</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 9,502,191</u>

The following is a summary of the changes in the actuarial present value of accumulated plan benefits for the year ended January 1, 2009:

Actuarial present value of accumulated plan benefits, beginning of year	\$ <u>9,036,558</u>
Increase (decrease) during the year attributable to:	
Benefits accumulated	(10,949)
Increase for interest due to decrease in discount period	659,690
Benefits paid	(490,247)
Assumption changes	211,497
Plan amendments (Note 5)	<u>95,642</u>
Net increase	<u>465,633</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 9,502,191</u>

Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4 – Income tax status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated January 14, 2009 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes the Plan is currently designed and is being operated in compliance with the applicable requirements of the Code and has no income subject to unrelated business income tax. Therefore, no provision for income taxes has been included in the Plan's financial statements.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

Note 5 – Changes in Plan provisions

Plan provisions have been updated to correspond with IRS guidelines in effect during 2009. These changes did not have a material impact on the Plan's financial statements.

Note 6 – Investment in the Master Trust

All investment information disclosed in the accompanying financial statements, including investments held at December 31, 2009 and 2008 and net investment income (loss) in the Master Trust for the years then ended, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustees. The Trustees have also certified the Plan's proportionate share of such items to be complete and accurate.

Effective September 2009, all assets previously held in the Blue Circle Heritage Master Trust, totaling \$4,938,496, were transferred into the Master Trust. Assets in the Master Trust were transferred from State Street Bank and Trust Company to The Northern Trust Company at this time.

Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by the Trustees. At December 31, 2009 and 2008, the Plan's interest in the investments of the Master Trust was approximately 7.51% and 1.89%, respectively.

The following table presents the fair values of investments in the Master Trust:

	December 31,	
	2009	2008
Investments at fair value, as determined by quoted market prices:		
Common stock	\$ 68,194	\$ 64,699
Mutual funds	438,216,898	341,442,991
Cash and cash equivalents	3,116,726	-
Investments at estimated fair value:		
Common/collective trusts	-	138,110
	441,401,818	341,645,800
Receivable and accrued interest for securities sold	-	2,193,718
	<u>\$ 441,401,818</u>	<u>\$ 343,839,518</u>

Investment income (loss) for the Master Trust was as follows:

	Year ended December 31,	
	2009	2008
Net appreciation (depreciation) in fair value of investments	\$ 80,897,451	\$ (192,500,754)
Interest and dividends	9,206,540	15,458,616
	<u>\$ 90,103,991</u>	<u>\$ (177,042,138)</u>

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

See "Fair value measurement" in Note 2 above for discussion of the methodologies and assumptions used to determine the fair value of the Master Trust's investments.

Below are the Master Trust's financial instruments carried at fair value on a recurring basis by the fair value hierarchy levels described in Note 2.

As of December 31, 2009				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Common stock	\$ 68,194	\$ -	\$ -	\$ 68,194
Mutual funds	438,216,898	-	-	438,216,898
Cash and cash equivalents	3,116,726	-	-	3,116,726
Common/collective trusts	-	-	-	-
Total assets	<u>\$ 441,401,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 441,401,818</u>

As of December 31, 2008				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Common stock	\$ 64,699	\$ -	\$ -	\$ 64,699
Mutual funds	341,442,991	-	-	341,442,991
Cash and cash equivalents	-	-	-	-
Common/collective trust	-	138,110	-	138,110
Total assets	<u>\$ 341,507,690</u>	<u>\$ 138,110</u>	<u>\$ -</u>	<u>\$ 341,645,800</u>

Note 7 – Party-in-interest transactions

Fees paid by the Plan for actuarial, accounting and other professional services rendered by parties-in-interest were based on customary and reasonable rates for such services.

LAFARGE NORTH AMERICA INC.
PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (DAVENPORT)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

Note 8 – Plan mergers

The amounts transferred into the Plan during the year ended December 31, 2009 and to be transferred to the Plan as of December 31, 2009 for the plan mergers disclosed in Note 1 are reported in transfers into the Plan and assets to be transferred in, net on the accompanying statements of changes in net assets available for benefits and of net assets available for benefits, respectively.

Below are the amounts of transfers into the Plan for the year ended December 31, 2009 and assets to be transferred into the Plan as of December 31, 2009 from each plan, or groups from the plan, merged in effective December 31, 2009.

	Seattle	Missouri- Portland	Multi-Plant	Great Lakes	BCH Cement	Total
Transfers into the Plan	\$ 978,043	\$ 9,276,834	\$ 14,205,433	\$ 205,462	\$ 870,294	\$ 25,536,066
Assets to be transferred in (out)	\$ (2,495)	\$ 161,903	\$ 1,105,433	\$ (4,538)	\$ (129,706)	\$ 1,130,597

Note 9 – Subsequent events

Effective January 1, 2010, the Plan was amended and restated to include the plans/groups merged into the Plan effective December 31, 2009. Additionally, the Plan name changed to Lafarge North America Inc. Hourly Pension Plan (Cement-Boilermakers).

The Plan has evaluated events through November 22, 2010 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Attachment to 2009 Form 5500			
Schedule SB, line 32 - Schedule of Amortization Bases			
Plan Name	LAFARGE N.A. INC. PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES		
Plan Sponsor's Name	LAFARGE NORTH AMERICA, INC.		PN: 019

Plan Sponsor's Name	LAFARGE NORTH AMERICA, INC.	PN:	019
----------------------------	-----------------------------	------------	-----

[illegible]

Attachment to 2009 Form 5500
Form 5500 Administrative Penalties - Explanation of Reasonable Cause

Plan Name	<u>LAFARGE N.A. INC. PENSION PLAN FOR HOURLY COMPENSATED EMPLOYEES (LAFARGE)</u>	EIN:	<u>58-1200126</u>
Plan Sponsor's Name	<u>LAFARGE NORTH AMERICA, INC.</u>	PN:	<u>019</u>

Explanation:

To Whom It May Concern: Please accept the attached Form 5500, required schedules and financial statements for the above referenced plan. The Master Trust associated with this plan converted to a new trust company during the 2009 plan year. During the audit process, significant reporting errors were discovered on the trust reports provided by the custodian. Due to the complexity of the errors; it took several weeks for the custodian to provide revised trust reports which caused the completion of the financials statements to be delayed. As soon as the corrected reports were provided, the financial statements were finalized and the Forms 5500 were prepared. We understand the strict rules in relation to the timely filing of the Form 5500 however, under the above circumstances, the Form 5500 could not be completed until the trust reports along with the audited financial statements were completed. Thank you in advance for your consideration to accept this late filing. We also respectfully request an abatement of any penalties or interest that may be assessed for this late filing. Sincerely, Teri Herzog Trustee