



## 2017 consolidated nine-month sales

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- ▼ In this presentation, and unless indicated otherwise, all changes are based on the first nine months of 2017 by comparison with the first nine months of 2016, and are at constant scope and exchange rates
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## 2017 nine-months main points

- ▼ **Growth of +4% in consolidated sales over the first nine months of the year at constant scope and exchange rates**
- ▼ **All geographical regions posted growth at constant scope and exchange rates, except for the near-stable Africa and Middle East region**
- ▼ **Increase of +10% in sales at constant scope and exchange rates in the third quarter**

# Geographical breakdown of sales

## France

(€ million)	30/09/2017	30/09/2016	Variation (%)	
			Published	At constant scope
Consolidated sales	665	604	+10.2%	+1.1%

- ▼ Q3 sales at €221 million, up +11.2%
- ▼ *Cement* operational sales up +1.1%
  - ▼ Volumes down -1% due to a drop in volumes in export markets
  - ▼ Selling prices edged up in the domestic market and firmed up more significantly in export markets
  - ▼ Q3 operational sales up +3.0%
    - ▼ Volume growth of over +1%
    - ▼ Selling prices slightly higher in the domestic market and more substantially in export markets
- ▼ *Concrete & Aggregates* grew +0.8%. On a reported basis: +18.9%
  - ▼ Concrete prices rise and offset the decline of around -5% in volumes at constant scope
  - ▼ Aggregates volume increase of over +8% amid a slight dip in prices
  - ▼ Sales stable at constant scope in Q3 (+0.2%)
    - ▼ Concrete volumes down close to -8% at constant scope
    - ▼ Aggregates volumes up close to +9%
    - ▼ Selling prices rise sharply in Concrete, fall back very slightly in Aggregates
- ▼ *Other Products & Services*: +2.4%

# Geographical breakdown of sales

## Europe (excluding France)

( <i>€ million</i> )	30/09/2017	30/09/2016	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	315	310	+1.5%	+1.6%

**Q3 sales** at €118 million, up +8.4% (+5.2% reported basis)

▼ **In Switzerland**, sales up +1.8%, Q3 sales grew +9.1%

- ▼ *Cement* operational sales up +1.4%
  - ▼ Q3 operational sales down -0.5% (-4.0% on a reported basis)
    - Volumes stable over the period
    - Selling prices were slightly lower
- ▼ *In the Concrete & Aggregates business*, operational sales down -5.3%
  - ▼ Decline in Concrete volumes of less than -2%, drop in Aggregates volumes of close to -7%
  - ▼ Selling prices sank lower in Concrete, but moved higher in Aggregates
  - ▼ Q3 operational sales -2.1%
    - volumes almost stable in Concrete, declined close to -4% in Aggregates
    - selling prices stable in Concrete, rise in Aggregates
- ▼ *Precast business* up +10.3%, up +32.1%
  - ▼ Impact of the reorganization and solid pick-up in deliveries in rail sector

▼ **In Italy**, consolidated sales -3.4%

- ▼ With decline of close to -7% in volumes only partially offset by improvement in selling prices in a domestic market still held back by a challenging macroeconomic and industry environment
- ▼ Q3 sales -14.1% with -17% drop in volumes and higher selling prices

# Geographical breakdown of sales

## United-States

(€ million)	30/09/2017	30/09/2016	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	297	276	+7.6%	+7.4%

**The US maintains growth momentum** in a still upbeat macroeconomic environment supportive for the construction sector, in spite of highly unfavourable weather conditions in South-East

▼ **Q3 sales** totalled €105 million, up +9.9%

▼ **Cement operational sales** grew +10.2%

- ▼ Volumes up over +6% with robust trends in California fully offsetting the volume contraction in the South-East region as a result of the very poor weather conditions in the second and third quarters
- ▼ Selling prices rise in both regions
- ▼ Q3 Operational sales up +12.4%
  - ▼ Volumes up over +9%, with a significant rise in California offsetting to a great extent the decline in the South-East
  - ▼ Selling prices significantly higher in both regions

▼ **Concrete operational sales** up +5.5%

- ▼ Volumes up close to +5% with very strong business momentum in California offsetting the volume contraction in the South-East region related to unfavourable weather conditions
- ▼ Prices rise slightly across the US region as a whole
- ▼ Q3 Operational sales up +8.1%
  - ▼ Healthy volume increase in California offset the contraction in the South-East.
  - ▼ Volumes up close to +9% in a broadly stable pricing environment



# Geographical breakdown of sales

## Asia

( <i>€ million</i> )	30/09/2017	30/09/2016	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	426	407	+4.8%	+10.9%

### Q3 Asia sales up +28.4%

▼ In **Turkey**, consolidated sales of €156 million, up +16.3%. Q3 up +45.0% as a result of supportive weather conditions

- ▼ **In Cement**, operational sales were up +17.0%
  - ▼ Rise in volumes and prices
  - ▼ Q3 operational sales +43.2%: higher volumes and average selling prices
- ▼ **Concrete & Aggregates** operational sales up +9.3%
  - ▼ Volume and selling price increases in Concrete and in Aggregates made up for decline in H1
  - ▼ Q3 operational sales up +36.4%: volume increase, and selling prices higher in Concrete and in Aggregates

▼ In **India**, sales of €227 million, up +7.2%

- ▼ Volumes increased by +4%, with almost 3.8 million tonnes sold over the period
- ▼ Selling prices higher throughout the period
- ▼ Q3 sales up +19%
  - ▼ Volumes up significantly and prices up slightly

▼ **Kazakhstan**, sales of €44 million, up +7.4%

- ▼ Volumes contraction of -7% offset by sharp rise in selling prices
- ▼ Q3 sales: +11.5%
  - ▼ Stables volumes with significant rise in selling prices

# Geographical breakdown of sales

## Africa and Middle-East

( <i>€ million</i> )	30/09/2017	30/09/2016	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	218	271	-19.4%	-0.5%

### Q3 sales up +3.7% to €68 million, down -15.7% on a reported basis

▼ In **Egypt**, 9 months sales at €47 million, up +1.2%, down -51.2% on a reported basis due to the substantial devaluation of the Egyptian pound which took place in November 2016

- ▼ Volumes decline of more than -7% reflecting slowdown in construction sector
- ▼ Selling prices up over the 9 month period, their increase did not cover the full extent of the cost inflation caused by the devaluation
- ▼ Q3 sales down -4.3%, down -54.7% on a reported basis
  - ▼ Volumes down -15%, selling prices up significantly but not enough to cover cost increase

▼ In **West Africa**, sales declined -1.5% as business trends improve

- ▼ Cement volumes down -7%
- ▼ Selling prices edge lower in Senegal and in Mauritania. Higher in Mali
- ▼ Q3 sales up +8.2%
  - ▼ Strong growth in Cement volumes (over +5%), especially in Senegal and Mauritania. Aggregates up in Senegal
  - ▼ Cement selling prices higher in Mali, lower in Mauritania and in Senegal
  - ▼ Higher prices in Aggregates in Senegal



# Financial situation

## Balance Sheet

- ▼ At 30 September 2017, net debt represents 38.1% of consolidated equity compared with 40.0% at 30 September 2016
- ▼ Leverage ratio (net debt/EBITDA) was 2.01x at 30 September 2017 vs. 2.18x at 30 September 2016

# Outlook

- ▼ For 2017 as a whole, the Group expects further improvements in its performance,
  - ▼ capitalizing on continued growth in the United States, France and India,
  - ▼ and a return to growth in Europe and Kazakhstan
- ▼ These elements should offset the expected increase in energy costs and the sharp decline in profitability in Egypt
- ▼ As a result, on a reported basis, EBITDA is expected to record a very small increase in 2017
  - ▼ subject to exchange rate trends, the evolution of the situation in Egypt and weather conditions over the remainder of the year
- ▼ Against this backdrop, the Group should be able to confirm in 2017 a continued reduction in its level of debt