

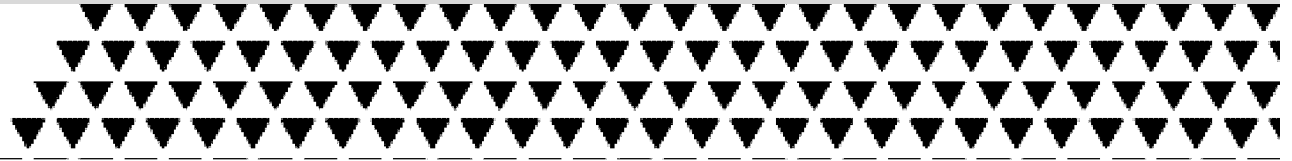
# Sales for the first quarter 2012

Thursday 3<sup>rd</sup> May 2012

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# Disclaimer



- ▼ This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets.
- ▼ These statements are by their nature subject to risks and uncertainties as described in the Company's annual report available on its website ([www.vicat.fr](http://www.vicat.fr)). These statements do not reflect the future performance of the Company, which may differ significantly. The Company does not undertake to provide updates of these statements.
- ▼ In this presentation, and unless indicated otherwise, all the changes are stated on an annual basis (2012/2011), and at constant scope and exchange rates.
- ▼ Further information about Vicat is available from its website ([www.vicat.fr](http://www.vicat.fr)).



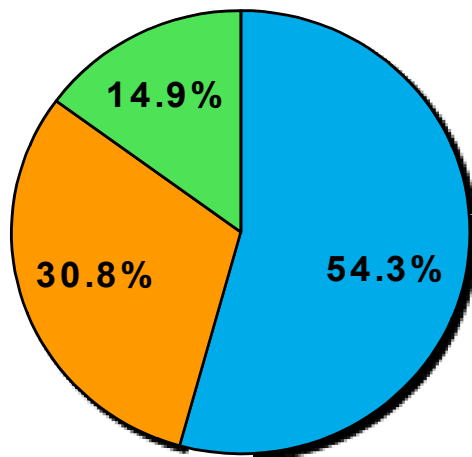
## Q1 2012 main points

- ▼ **Consolidated sales at €485 million**
  - ▼ **Down 5.4% and 5.6% at constant scope and exchange rates**
- ▼ **Volumes affected by very poor weather conditions in Europe and Turkey, especially when compared to Q1 2011**
- ▼ **Generally favourable pricing conditions**
- ▼ **Continuing brisk ramp-up of activities in India and Kazakhstan**
- ▼ **Very solid financial position**

# Breakdown of consolidated sales by business

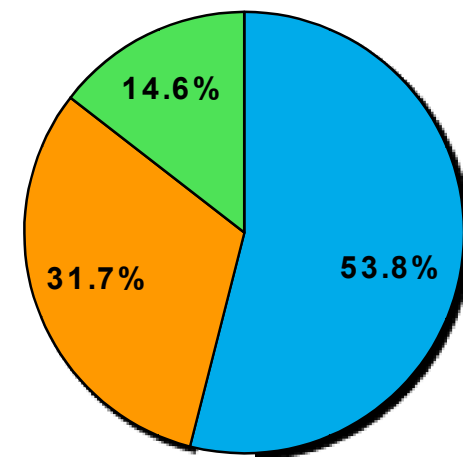
Contribution by business:

**31/03/2012**



Contribution by business:

**31/03/2011**



▼ Consolidated sales (% at constant scope and exchange rates)

- ▼ Cement: €255 million, down 3.7%
- ▼ Concrete & Aggregates: €162 million, down 10.7%
- ▼ Other Products & Services: €68 million, up 0.9%

# Geographical breakdown of sales

## France

(€ <i>million</i> )	31/03/2012	31/03/2011	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	<b>198</b>	222	-11,1%	-11,1%

- ▼ Sales fell by 11.1% due to particularly more unfavourable weather conditions than in the first quarter of 2011
  - ▼ Cement business down 13.2%
    - ▼ Sharp decline in volumes on a particularly difficult comparison base due to weather conditions
    - ▼ Average selling price increased by around 2%
  - ▼ Concrete & Aggregates business fell by 16.7%
    - ▼ Concrete volumes down 19% and aggregates drop 22%
    - ▼ Average selling prices up 3% in both concrete and aggregates
  - ▼ Other Products & Services division up 5.5%
    - ▼ Building Chemicals and Transport divisions each up around 5%

# Geographical breakdown of sales

## Europe (excluding France)

(€ million)	31/03/2012	31/03/2011	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	74	79	-6.7%	-12%

- ▼ Switzerland: sales contracted by 14.0%, affected by difficult weather conditions, particularly in February
  - ▼ Consolidated cement sales fell 9.2%
    - ▼ Cement volumes down by nearly 18%
    - ▼ Selling prices stable during the first quarter
      - Expected increase in prices not likely to be seen until Q2
  - ▼ Concrete & Aggregates sales: - 18%
    - ▼ Volumes declined by 25% in concrete and 12% in aggregates
    - ▼ Average selling prices decreased slightly in concrete but rose sharply in aggregates.
  - ▼ Precast sales down 13.6%
    - ▼ 14.4% decline in volumes due to poor weather conditions.
- ▼ Italy, sales rise 17.2%,
  - ▼ Sharp surge in selling prices
  - ▼ Volumes remained stable despite difficult weather conditions

# Geographical breakdown of sales

## United States

(€ million)	31/03/2012	31/03/2011	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	41	36	+15.9%	+11.2%

- ▼ Strong sales growth despite a still fragile economic climate
  - ▼ Further confirmation of signs of a very gradual recovery
  - ▼ Much more favourable conditions during the first quarter than in 2011
- ▼ Cement up 9.8%
  - ▼ In keeping with the trend observed at the end of 2011, volumes rose sharply
    - ▼ Strong growth in California, supported by slight improvement in market conditions and more favourable weather conditions
    - ▼ In Alabama, volumes grew by over 3%
  - ▼ Selling prices still down
- ▼ Concrete: +11.8%
  - ▼ Significant improvement in volumes :+15%
    - ▼ driven by strong growth in California, making up for a slight decline in the South East.
  - ▼ Selling prices down slightly in California, but stable in the South East

# Geographical breakdown of sales

## Turkey, India and Kazakhstan

<i>(€ million)</i>	31/03/2012	31/03/2011	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	77	65	+18.1%	+25.5%

### ▼ Turkey: sales fell by 20.0% to €25 million

- ▼ Much more unfavourable weather conditions
- ▼ Cement sales down 21.4%
  - ▼ Severe contraction in volumes of over 29% due to particularly difficult weather conditions
  - ▼ Continuing significant increase in selling prices
- ▼ Concrete & Aggregates sales fell by 18.4%
  - ▼ Volumes were down sharply mainly because of poor weather conditions,
  - ▼ Selling prices increased significantly.

### ▼ India sales: €43 million up 52.0%

- ▼ Continuing ramp-up of Bharathi Cement
- ▼ Sales volumes of around 670,000 tonnes of cement, +33%
- ▼ Positive trend in selling prices, +5%

### ▼ Kazakhstan: sales of €9 million

- ▼ Volumes progress in line with objectives
- ▼ Very favourable pricing conditions despite the tough winter season



# Geographical breakdown of sales

## Africa and Middle-East

(€ million)	31/03/2012	31/03/2011	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	96	111	-13.4%	-13.4%

- ▼ **Egypt: sales fell 32.5% to €28 million.**
  - ▼ Performance still severely affected by particularly difficult operating, logistic and selling conditions
    - ▼ Contraction in volumes of over 25% compared to a first quarter of 2011 that had been only partially affected by political events
  - ▼ Selling prices down relative to the first quarter of 2011, although up significantly on a sequential basis
  - ▼ In the short-term, re-establishment of gas supply to the plant should have a stabilising effect on operational conditions
- ▼ **West Africa: sales down 1.7%**
  - ▼ Less buoyant market conditions than usual in Senegal due to election period and events in Mali
    - ▼ Cement volumes contracted by around 3%
    - ▼ Slightly strained pricing conditions
  - ▼ Dynamic activity in the Aggregates in Senegal

# Financial situation

## Balance Sheet

- ▼ At 31 March 2012, net debt represents 48.6% of consolidated equity compared with 43.8% at 31 December 2011,
  - ▼ confirming the solidity of the Group's balance sheet
- ▼ Bank covenants do not pose a threat to either the Group's financial position or its balance sheet liquidity.
  - ▼ at 31 March 2012, Vicat comfortably met all the ratios in the covenants laid down in financing agreements

# Elements to appreciate 2012 level of profitability

- ▼ Historically, the first quarter has not been representative of the Group's full-year financial performance
  
- ▼ In 2012, Vicat's EBITDA margin will be adversely affected by the following factors:
  - ▼ difficult weather conditions encountered during the first quarter in Europe and Turkey
  - ▼ start-up and build-up costs at the Vicat Sagar plant in India
  - ▼ the impact on operating conditions of the events in Egypt
  
- ▼ Positive factors for EBITDA margin include:
  - ▼ generally more favourable pricing conditions
  - ▼ continuing strong momentum in India and Kazakhstan
  - ▼ ongoing efforts to raise productivity and limit fixed costs

## 2012 outlook

- ▼ Vicat's vision of its markets evolution for 2012 is given in the press release reporting sales for the first quarter 2012 ended 31<sup>st</sup> March 2012, which can be consulted on our website at [www.vicat.com](http://www.vicat.com)
- ▼ In this environment, Vicat will pursue its development strategy combining growth in its sales and operating results, while gradually reducing its debt burden.