Results as of December 31st, 2008:

- Turnover: 656.1 M€
- Current operating profit: 34 M€
- Net group profit: 19 M€

The VM Matériaux group today releases its results for the whole 2008 financial year.

IFRS – €m	2008	2007	Var.
Turnover	**656.1**	596.5	**10.00%**
Current operating profit	**34.0**	33.4	**1.8%**
Current operating margin	**5.2%**	*5.6%*	**-**
Net profit	**19.8**	21.2	**-6.7%**
Net margin	**3.0%**	*3.5%*	**-**
Net group profit	**19.0**	20.8	**-9.1%**
Gearing	**73%**	63%	

* These audited figures include the company Havraise de Matériaux and the Leader Mat group, integrated since 1st January 2008, the company Bestkind, integrated since 1st April, the company L Diffusion, integrated since 1st June, The company BTP Charpentes integrated since 1st July and the acquisitions of Point Bois, Fargeaudoux, Exelpan, Isiland and Quartz integrated over 2007.

> Good overall resistance

For the whole 2008 financial year, the VM Matériaux group recorded 656.1 M€ turnover, an increase of 10% compared to 2007 (+2.2% like-for-like) despite a disrupted economic environment. The good general resistance of VM Matériaux reflects a strategy implemented by the Group for several years, aiming to make the group less dependent on the new construction markets and increase activity in renovation.

At the end of December 2008, the gross margin increased by 12.6% to reach 35.6% against 34.7% a year earlier, due notably to the change in activity mix to the benefit of industrial activities.

The increase in external charges observed in the 1st half year has weighted down the operating margin, which comes out at 5.2% of 2008 turnover, against 5.6% at the end of 2007.

The net group profit is down by 9.1%, penalized by unfavourable base effect, since the net profit of the 2007 included a non-recurrent profit of 1M€, and by an increase in financial charges that comes out as a 4.5M€ finance charge at the end of 2008 against 3.5M€ a year earlier.

> Financial structure

The group has a solid financial structure with capital which increased to 109M€, resulting in a net debt ratio of 73% against 63% at the end of 2007. The increase in net debt is explained mainly by acquisitions and investments made in 2008.

> Outlook for 2009

In a strongly degraded market context, the Group is following a rigorous management policy for its cost prices as well as its operating expenses, and is delaying its investment policy. Additionally, in the second half of 2008 VM Matériaux implemented an action plan aiming to preserve its economic fundamentals.

The Group intends to encourage markets that are still developing, such as the renovation market. In parallel, a costs reduction program has been started to lower external expenses whilst preserving the long term, meaning employment and assets. Finally, the Group remains vigilant over its balance sheet structure. Consequently it has introduced a stock optimisation plan whilst continuing careful management of customer credit and debt control actions.

For the whole 2009 financial year, the Group remains cautious. The turnover for the 1st quarter of 2009 should show a reduction compared to the 1st quarter of 2008. In fact, it is penalised by a new housing market falling by about 20% and unfavourable meteorological conditions in metropolitan France. Events in the Antilles will also affect the turnover in the first few months of the year.

Nevertheless the VM Matériaux group remains calm. It is now structured and equipped to pass through the crisis and reserves, in this context, the option of seizing opportunities on the construction market, which remains structurally buoyant in the long term.

NEXT PRESS RELEASE: 1st quarter 2009 turnover, on 13 May 2009

ABOUT VM MATÉRIAUX

VM Matériaux works in the Building industry, centred on three areas of business::

- *Building material trading (71% of turnover managed): distribution of materials for the building and public works sector, with a network of 113 specialised agencies (incl. 22 overseas), offering locally-based advice to industry professionals and DIY customers; the group is also present in China, where it has a sourcing activity, but also trades in natural stone for external work and interior decoration;*
- *The Concrete industry (14%): industrial pre-cast and ready-mix concrete;*
- *Industrial joinery (15%): a full range of fittings for outside use (PVC, aluminium or wooden windows, roller shutters, front doors) and industrial frames.*

The Group was originally based in the Vendée region but is now multi-regional. It employs 2.800 people and is developing its business over Western France and in the overseas departments. The Group achieved a turnover of €656.1 million in 2008.

VM Matériaux is quoted on NYSE- Euronext Paris, Compartment C. Index: SBF 250, CAC Mid & Small 190
Codes: ISIN FR0000066540, Reuters VMMP.NT, Bloomberg VMM.FP, Mnemonic: VMMA

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