



Sales for the nine months to 30 September 2013

- Consolidated sales up 3.2% at constant scope and exchange rates
- Upbeat business trends in the United States, Turkey, Switzerland and Kazakhstan
- Continued ramp-up of Group activity in India in a difficult competitive market environment
- Overall business trends confirmed in the third quarter, with a rise of 3.1% at constant scope and exchange rates marked by a stabilisation of the activity in France
- Solid financial position, with a healthy balance sheet and debt under control



Paris La Défense, 5 November 2013: The Vicat group (NYSE Euronext Paris: FR0000031775 – VCT) today reported its sales for the nine months ended 30 September 2013, which were stable compared with the same period of the previous year at €1,740 million. At constant scope and exchange rates, the Group's sales recorded an increase of 3.2% compared with the same period of 2012.

VICAT INVESTOR

CONTACTS:

STÉPHANE BISSEUIL
TEL.: +33 (0)1 58 86 86 13
stephane.bisseuil@vicat.fr

VICAT PRESS

CONTACTS:

CLOTILDE HUET
TEL.: +33 (0)1 58 86 86 26
clotilde.huet@tbwa-corporate.com

REGISTERED OFFICE:

TOUR MANHATTAN
6 PLACE DE L'IRIS
F-92095 PARIS - LA
DEFENSE CEDEX
TEL.: +33 (0)1 58 86 86 86
FAX: +33 (0)1 58 86 87 88

A FRENCH REGISTERED
COMPANY WITH SHARE
CAPITAL OF €179,600,000
EEC IDENTIFICATION: FR 92 -
057 505 539
RCS NANTERRE

Consolidated sales by business segment:

(€ million)	Nine- months 2013	Nine- months 2012	% change	
			Reported	At constant scope and exchange rates
Cement	855	879	-2.8%	+1.4%
Concrete & Aggregates	655	610	+7.4%	+8.3%
Other Products & Services	230	241	-4.4%	-3.3%
Total	1,740	1,731	+0.6%	+3.2%

Commenting on these figures, the Group's CEO said: "Vicat's performance over the first nine months provides further evidence of the pertinence of the Group's balanced expansion strategy. In an economic environment still varying from one region to another, Vicat posted an encouraging top-line increase at constant scope and exchange rates. The United States, Switzerland, Turkey and Kazakhstan again delivered healthy business levels while political and security factors in Egypt and competition in India and Senegal continued to weigh on the Group's performance in these regions. Although third-quarter sales dropped back 1.5% owing to a highly negative currency effect, the Group's performance at constant scope and exchange rates remained solid (up 3.1%) owing in particular to a return to a stabilising of its global level of activity in France. Against this backdrop, Vicat is confidently pursuing its strategy of maximising its cash flow and paying down its debt."

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Consolidated sales came to €1,740 million in the first nine months of the 2013 financial year, representing an increase of 0.6% and growth of 3.2% at constant scope and exchange rates compared with the same period of 2012.

A breakdown of operational sales between the Group's various business segments shows a small decrease in the Cement division's contribution, which stood at 51.1% of operational sales, down from 52.6% in the same period of first nine months of 2012. Concrete & Aggregates generated 33.5% of operational sales, compared with 31.9% in the first nine months of 2012. Other Products & Services posted a stable contribution of 15.3% of 2013 operational sales, compared with 15.4% in the equivalent period of 2012.

Consolidated sales during the third quarter of 2013 stood at €593 million, down 1.5% compared with the same period of 2012, but up 3.1% at constant scope and exchange rates. Over the same period, Cement sales at constant scope and exchange rates edged 1.6% lower, while Concrete & Aggregates sales moved up 10.8%. Other Products and Services sales were almost stable (down 0.7%).

*In this press release, and unless indicated otherwise, **all changes are calculated based on the first nine months of 2013** by comparison with the first nine months of 2012 and are stated at **constant scope and exchange rates**.*

1. Geographical breakdown of consolidated sales in the nine months to 30 September 2013

1.1. France

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope
Consolidated sales	651	663	-1.9%	-2.7%

Sales in France posted a decline of 2.7% over the first nine months of 2013. The decline during the period, which had one business day less than the previous year, was due mainly to the slowdown in the construction market and unfavourable weather conditions, which affected the first half of the year. Conversely, the global level of activity stabilised in France with operational sales stable at 0.6% and consolidated sales up 1% in the third quarter.

- In **Cement**, sales contracted by 7.4%. Operational sales (before inter-sector eliminations) fell back 5.1%, reflecting a gradual, yet steady improvement in business levels since the first quarter of the year. This top-line contraction was the product of a decline of just over 6% in volumes given the unfavourable weather conditions at the beginning of the year and a downbeat economic and industry environment throughout the period. In spite of this backdrop, the average selling price moved higher. During the third quarter, operational sales were still down by 3% while consolidated sales were almost stable (down 0.9%).
- In **Concrete & Aggregates**, sales grew by 2.8%. Concrete volumes moved up 2.8%, with aggregates volumes rising by 6.5%. The average selling price eroded slightly in Concrete but

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moved higher in Aggregates. During the third quarter, sales rose by 3.6% on the back of a marked increase in aggregates volumes.

- In **Other Products & Services**, sales fell back 7.7% compared with the beginning of the year and by 2.5% in the third quarter. As the year has gone on, business trends have gradually narrowed the gap on the previous year's levels.

1.2. Europe (excluding France)

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Consolidated sales	318	307	+3.6%	+5.8%

In Europe, excluding France, sales rose by 5.8% at constant scope and exchange rates and by 7.0% in the third quarter.

In **Switzerland**, the Group's sales grew to €303 million over the first nine months of the year. During the third quarter, the strong business performance in Switzerland continued, with sales moving up to €116 million.

- In **Cement**, consolidated sales picked up to €84 million amid still highly competitive conditions, causing selling prices to fall slightly from one year to the next. In the third quarter, healthy momentum in the Swiss market continued with sales rising by 3.4% under the positive trend created by new infrastructure projects.
- In **Concrete & Aggregates**, sales grew by 9.8% over the period as a whole. Selling prices remained almost unchanged in Concrete and declined in Aggregates. The Group's third-quarter sales recorded strong growth (up 18.6%) as a result of higher volumes in both Concrete and Aggregates.
- **Precast** sales grew by 3.4% over the first nine months of the year and by 1.2% in the third quarter when competitive pressures intensified slightly.

In **Italy**, sales dropped by 18.0% over the first nine months of the year and by 22.0% in the third quarter. Business has been severely depressed since the beginning of the year by a highly challenging macroeconomic and industry environment. The steady rise in selling prices resulting from the selective business policy and the development of export sales did not make up for the steep decline in volumes (down 25%) that deepened in the third quarter (down 29%).



1.3. United States

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Consolidated sales	166	151	+10.4%	+13.7%

In the United States, sales climbed 13.7% and surged 20.6% in the third quarter. This performance reflected the progressive recovery in US economic conditions over the past few quarters. Volume growth continued, coupled with moderate rises in selling prices, even if these rises vary from one region to another.

- In **Cement**, consolidated sales recorded a substantial increase of 5.3% in the first nine months of the year (operational sales up 9.1%). Volumes continued to move higher (2.4%), with good growth in California underpinned by the start-up of infrastructure projects, which helped to fully offset the slight contraction recorded in the South-East, owing largely to poor weather conditions. Selling prices edged moderately higher in California, but to a far more significant extent in the South-East. During the third quarter, consolidated sales moved up 7.3% (operational sales up 11.2%).
- In **Concrete**, sales advanced by 17.5%. This performance was driven by a rise of 12.5% in volumes, reflecting a significant increase in the South-East and to a lesser extent in California. This volume growth was accompanied by a solid increase in selling prices in both areas. Sales growth continued into third quarter (up 26.8%).



1.4. Turkey, India and Kazakhstan

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Consolidated sales	361	332	+ 8.8%	+ 17.3%

In **Turkey**, sales rose 19.5% to €183 million. After a first half in which the Group, like the entire industry, made the most of the supportive weather conditions and an upbeat macroeconomic and industry environment, sales climbed more moderately in the third quarter (up 12.6%) owing chiefly to a high base of comparison.

- In **Cement**, consolidated sales moved up 17.2% over the period. This trend came from a significant rise in volumes together with a rise in selling prices. During the third quarter, the top line expanded by 14.6% on the back of significant volume growth and a still positive pricing environment.
- **Concrete & Aggregates** sales rose by 23.1%. Growth in Concretes & Aggregates volumes was supported by work on major housing projects, particularly in the Ankara region. During the third quarter, sales rose more moderately (up 9.5%) owing chiefly to a high base of comparison, since the large Ankara projects began during the second half of 2012.

In **India**, the Group's sales rose by 12.5% to €119 million during the first nine months of 2013 after taking into account the elimination of sales and volumes of the first quarter, prior to the effective start-up of the Vicat Sagar plant. With the start-up of Vicat Sagar, volumes posted a significant increase of close to 25%, with cement deliveries of the Group totalling over 2.3 million tonnes. Conversely, competition remained very fierce throughout a period marked by a slowdown in investment in infrastructure ahead of the elections due to be held at the end of the first half of 2014. In this environment, selling prices remained highly volatile and recorded a steep decline over the period as a whole.

During the third quarter, the Group's sales in India posted a 14.6% increase, underpinned by volume growth of 24%.

In **Kazakhstan**, a high-potential market, the Group pursued its deployment, with volume growth running at over 9% in a favourable pricing environment. All in all, sales for the period rose by 21.2% to €59 million. This performance reflects the positive momentum in a rapidly-expanding market, the progressive efficiency improvement of the manufacturing facilities and gradual expansion in the areas served by the Group.

Business contracted slightly, by 4.9%, during the third quarter. After a highly positive first half, delivery volumes declined in that quarter owing to maintenance operations made to the production facilities and to low levels of stock over the summer. The pricing environment remained supportive and made up for part of this decline.

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1.5. Africa and Middle East

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Consolidated sales	245	278	-12.1%	-8.4%

In the Africa and Middle East region, sales declined by 8.4% over the first nine months and by 12.9% during the third quarter.

In **Egypt**, sales fell back 18.3% over the period owing to a significant decline in volumes offset partly by a rise in average selling prices during the first nine months of 2013. Since the beginning of the year, the Group's operations have been affected by a challenging security environment that has disrupted operation of the plant and marketing of its products. During the third quarter, the second wave of political unrest across the country coupled to the Ramadan period sparked a hefty top-line contraction (34.1%) particularly during August when action was taken by Government forces to restore security in the Sinai region. Since the launch of the offensive, the gradual restoration of security has enabled the Group to achieve a significant improvement during September. That said, deliveries remain restricted by the measures taken to maintain order in a context marked by the persistent lack of visibility in the short term.

In **West Africa**, sales fell by 3.9%. Since the beginning of the year, cement volumes have held stable (down 0.5%). Although selling prices were broadly stable on a sequential basis, they are still below their 2012 level. During the third quarter, sales recorded a 3.4% decline.



2. Breakdown of nine-month 2013 sales by division

2.1. Cement

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Volume (thousands of tonnes)	13,679	13,485	+1.4%	
Operational sales	1,026	1,043	-1.7%	+2.1%
Eliminations	(171)	(164)		
Consolidated sales	855	879	-2.8%	+1.4%

Consolidated Cement sales dropped by 2.8% but rose by 1.4% at constant scope and exchange rates. Volumes grew by 1.4% over the period.

During the third quarter, consolidated sales declined by 8.1% and by 1.6% at constant scope and exchange rates. Third-quarter volumes contracted by 3.1%.

2.2. Concrete & Aggregates

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Concrete volumes (km ³)	6,405	5,805	+10.3%	
Aggregates volumes (thousands of tonnes)	17,181	16,015	+7.3%	
Operational sales	673	633	+6.3%	+7.3%
Eliminations	(18)	(23)		
Consolidated sales	655	610	+7.4%	+8.3%

Consolidated Concrete & Aggregates sales grew by 7.4% and by 8.3% at constant scope and exchange rates.

Concrete delivery volumes rose by 10.3% over the period, with Aggregates volumes moving up by 7.3%.

In the third quarter, consolidated sales rose by 7.6% and by 10.8% at constant scope and exchange rates. At the same time, volumes grew by 6.3% in Concrete and 14.4% in Aggregates.



2.3. Other Products & Services

(€ million)	Nine-months 2013	Nine-months 2012	% change	
			Reported	At constant scope and exchange rates
Operational sales	307	306	+0.4%	+1.9%
Eliminations	(77)	(65)		
Consolidated sales	230	241	-4.4%	-3.3%

Consolidated Other Products & Services sales declined by 4.4% and by 3.3% at constant scope and exchange rates. During the third quarter, consolidated sales fell by 2.0% and by 0.7% at constant scope and exchange rates.

3. Trends in financial structure

Vicat's financial position remains very healthy. Gearing was 51.3% at 30 September 2013, versus 53.3% at 30 June 2013.

Bank covenants do not pose a threat to either the Group's financial position or its balance sheet liquidity. Vicat meets all the ratios in the covenants laid down in financing agreements.

4. Outlook for 2013 by geographical region

The Vicat Sagar greenfield plant in India became operational in December 2012, marking the end of an ambitious investment programme that has considerably extended the Vicat Group's geographical reach and laid the foundations for long-term profitable growth.

The Group now intends to take advantage of its strong market positions, the quality of its production facilities and its strict cost control, with the aim of gradually maximising cash flow and reducing debt, before starting a new phase of its international development strategy.

For 2013, the Group wishes to provide the following comments concerning its various markets:

- **In France**, the Group expects the economic and sector environment to remain difficult, which is likely to lead to a further fall in volumes in a continued favourable price environment.
- **In Switzerland**, the overall operating environment is likely to remain positive, with volumes expected to improve.
- **In Italy**, the market remains difficult in an improving pricing environment. Given current levels of cement consumption, volumes should very gradually stabilise and selling prices begin to recover.

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- **In the United States**, the Group anticipates further improvement in its business, in terms of both volumes and prices.
- **In Turkey**, the improvement in the sector environment is continuing in 2013. The Group should be able to take full advantage of its efficient production facilities and strong market positions.
- **In Egypt**, the market remains disrupted by the current security troubles, even if it is improving, with volumes expected to fall but in a continued favourable price environment. The Group remains confident in the Egyptian market's positive outlook in the medium and long term.
- **In West Africa**, volumes remain stable. The Group therefore intends to capitalise on its modern, efficient production base to expand sales across the whole West Africa region.
- **In India**, the Vicat Sagar greenfield plant became operational in late 2012. The resulting commercial deployment in the first half of 2013, along with the ongoing ramp-up at Bharathi Cement, will gradually make the Group a major player in Southern India. The Group's ramp-up in India takes place in a market that is nevertheless currently marked by a slowdown in cement consumption and low prices.
- **In Kazakhstan**, the Group's ideal geographical location and highly effective production base enables it to take advantage of a market poised for solid growth in the construction and infrastructure sectors, in what is expected to remain a supportive pricing environment.

5. Conference call

To accompany the publication of its nine-month 2013 sales, the Vicat group is organising a conference call that will be held in English on Wednesday 6 November 2013 at 3pm Paris time (2pm London time and 9am New York time).

To take part in the conference call live, dial one of the following numbers:

France: +33 (0)1 76 77 22 36
United Kingdom: +44 (0)20 3427 1924
United States: +1 646 254 3387

To listen to a playback of the conference call, which will be available until 7pm on 13 November 2013, dial one of the following numbers:

France: +33 (0) 1 74 20 28 00
United Kingdom: +44 (0)20 3427 0598
United States: +1 866 932 5017

Access code: **9158211#**

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Investor relations contact:

Stéphane Bisseuil:
Tel.: + 33 (0) 1 58 86 86 13
stephane.bisseuil@vicat.fr

Press contacts:

Clotilde Huet
Tel.: +33 (0)1 58 86 86 26
clotilde.huet@tbwa-corporate.com

ABOUT VICAT

The Vicat Group has over **7,500 employees** working in three core divisions, Cement, Concrete & Aggregates and Other Products & Services, which generated **consolidated sales of €2,292 million** in 2012.

The Group **operates in eleven countries**: France, Switzerland, Italy, the United States, Turkey, Egypt, Senegal, Mali, Mauritania, Kazakhstan and India. Nearly 62% of its sales are generated outside France.

The Vicat Group is the heir to an industrial tradition dating back to 1817, when Louis Vicat invented artificial cement. Founded in 1853, the Vicat Group now operates **three core lines** of business: **Cement**, **Ready-Mixed Concrete** and **Aggregates**, as well as related activities.

Disclaimer:

This press release 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). 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. Further information about Vicat is available from its website (www.vicat.fr).

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Vicat group – Financial data - Appendices

Breakdown of nine-month sales to 30 September 2013 by business segment & geographical region

	Cement	Concrete & Aggregates	Other Products & Services	Inter-sector eliminations	Consolidated sales
France	280	328	178	(136)	651
Europe (excluding France)	135	126	98	(42)	318
United States	74	119	-	(27)	166
Turkey, Kazakhstan, India	306	83	31	(59)	361
Africa and Middle East	230	16	-	(2)	245
Operational sales	1,026	672	307	(265)	1,740
Inter-sector eliminations	(171)	(18)	(77)	265	-
Consolidated sales	855	655	230	-	1,740