Financial Report
Half-year 2013

Contents

1.	**Consolidated financial statements at June 30, 2013**	**3**
	1.1. Consolidated statement of financial position	4
	1.2. Consolidated income statement	5
	1.3. Consolidated statement of comprehensive income	6
	1.4. Consolidated statement of cash flows	7
	1.5. Statement of changes in consolidated shareholders’ equity	8
	1.6. Notes to the consolidated financial statements	9
2.	**Half year report**	**42**
	2.1. Change in consolidated sales	43
	2.2. Change in operating income	45
	2.3. Change in financial income	50
	2.4. Change in taxes	50
	2.5. Change in net income	51
	2.6. Change in financial position	51
	2.7. Outlook for 2013	51
3.	**Declaration by the natural persons responsible for the half year financial report**	**53**
4.	**Statutory Auditors’ Review Report on the half-yearly consolidated financial statements**	**54**

Consolidated financial statements at June 30, 2013

1.1. Consolidated statement of financial position 4

1.2. Consolidated income statement 5

1.3. Consolidated statement of comprehensive income 6

1.4. Consolidated statement of cash flows 7

1.5. Statement of changes in consolidated shareholders' equity 8

1.6. Notes to the consolidated financial statements 9

1.1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euros)	*Notes*	June 30, 2013	December 31, 2012 *(a)*
ASSETS			
NON CURRENT ASSETS			
Goodwill	*3*	976,111	995,320
Other intangible assets	*4*	97,625	100,417
Property, plant and equipment	*5*	2,198,220	2,271,210
Investment properties		19,188	19,557
Investments in associated companies		37,714	37,731
Deferred tax assets		99,491	89,162
Receivables and other non current financial assets		117,135	100,332
Total non current assets		**3,545,484**	**3,613,729**
CURRENT ASSETS			
Inventories and work in progress		368,391	381,893
Trade and other accounts		453,647	354,877
Current tax assets		25,631	29,455
Other receivables		149,250	146,458
Cash and cash equivalents	*6*	206,979	237,344
Total current assets		**1,203,898**	**1,150,027**
TOTAL ASSETS		**4,749,382**	**4,763,756**
LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	*7*	179,600	179,600
Additional paid in capital		11,207	11,207
Consolidated reserves		1,834,779	1,890,004
Shareholders' equity		**2,025,586**	**2,080,811**
Minority interests		**303,911**	**334,036**
Shareholders' equity and minority interests		**2,329,497**	**2,414,847**
NON CURRENT LIABILITIES			
Provisions for pensions and other post employment benefits	*8*	102,333	120,951
Other provisions	*8*	79,534	84,334
Financial debts and put options	*9*	1,252,153	1,197,703
Deferred tax liabilities		216,045	216,180
Other non current liabilities		7,222	26,557
Total non current liabilities		**1,657,287**	**1,645,725**
CURRENT LIABILITIES			
Provisions	*8*	10,639	9,967
Financial debts and put options at less than one year	*9*	258,617	232,352
Trade and other accounts payable		283,492	260,189
Current taxes payable		24,139	27,751
Other liabilities		185,711	172,925
Total current liabilities		**762,598**	**703,184**
Total liabilities		**2,419,885**	**2,348,909**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**4,749,382**	**4,763,756**

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

1.2. CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	*Notes*	June 30, 2013	June 30, 2012 *(a)*
NET SALES	*11*	1,147,683	1,128,773
Goods and services purchased		(751,809)	(727,168)
ADDED VALUE	*1.21*	**395,874**	**401,605**
Personnel costs		(183,598)	(183,492)
Taxes		(22,314)	(25,025)
GROSS OPERATING EARNINGS	*1.21 & 14*	**189,962**	**193,088**
Depreciation, amortization and provisions	*12*	(92,206)	(95,159)
Other income (expense)	*13*	9,279	6,616
OPERATING INCOME	*14*	**107,035**	**104,545**
Cost of net borrowings and financial liabilities	*15*	(19,521)	(18,036)
Other revenues	*15*	3,414	4,520
Other costs	*15*	(5,368)	(6,043)
NET FINANCIAL INCOME (EXPENSE)	*15*	**(21,475)**	**(19,559)**
Earnings from associated companies		2,140	1,600
EARNINGS BEFORE INCOME TAX		**87,700**	**86,586**
Income taxes	*16*	(28,516)	(26,036)
NET INCOME		**59,184**	**60,550**
Portion attributable to minority interests		4,307	9,252
PORTION ATTRIBUTABLE TO GROUP SHARE		**54,877**	**51,298**
EBITDA	*1.21 & 14*	**201,374**	**200,608**
EBIT	*1.21 & 14*	**105,282**	**105,199**
CASH FLOW FROM OPERATIONS		**138,247**	**149,605**
Earnings per share *(in euros)*			
Basic and diluted earnings per share	*7*	1.22	1.14

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

1.3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	June 30, 2013	June 30, 2012 *(a)*
NET CONSOLIDATED INCOME	**59,184**	**60,550**
Other comprehensive income items		
Items not recyclable to the income statement :		
Actuarial gains and losses on employee benefits	20,918	(18,362)
Income tax related to non-recyclable items	(6,045)	6,046
Items recyclable to the income statement :		
Net income from change in translation differences	(79,743)	25,602
Cash flow hedge instruments	(6,299)	(3,944)
Income tax related to recyclable items	2,237	2,322
OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)	**(68,932)**	**11,664**
TOTAL COMPREHENSIVE INCOME	**(9,748)**	**72,214**
Portion attributable to minority interests	(16,036)	10,649
PORTION ATTRIBUTABLE TO GROUP SHARE	**6,288**	**61,565**

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

1.4. CONSOLIDATED CASH FLOWS STATEMENT

(in thousands of euros)	*Notes*	June 30, 2013	June 30, 2012 *(a)*
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**59,183**	**60,550**
Earnings from associated companies		(2,140)	(1,600)
Dividends received from associated companies		331	1,578
Elimination of non cash and non operating items :			
- depreciation, amortization and provisions		93,860	97,554
- deferred taxes		(10,090)	(7,314)
- net (gain) loss from disposal of assets		(1,906)	(172)
- unrealized fair value gains and losses		(985)	(975)
- other		(7)	(15)
Cash flows from operating activities		**138,246**	**149,606**
Change in working capital from operating activities - net		(73,226)	(84,816)
Net cash flows from operating activities (1)	*18*	**65,020**	**64,790**
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflows linked to acquisitions of fixed assets :			
- property, plant and equipment and intangible assets		(90,449)	(146,615)
- financial investments		(1,398)	(3,138)
Inflows linked to disposals of fixed assets :			
- property, plant and equipment and intangible assets		5,228	1,988
- financial investments		1,290	2,838
Impact of changes in consolidation scope		(314)	(900)
Net cash flows from investing activities	*19*	**(85,643)**	**(145,827)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paids		(79,839)	(87,475)
Increases in capital			
Increases in borrowings		84,402	109,487
Redemptions of borrowings		(21,931)	(43,898)
Acquisitions of treasury shares		(5,240)	(6,066)
Disposals - allocations of treasury shares		8,642	9,461
Net cash flows from financing activities		**(13,966)**	**(18,491)**
Impact of changes in foreign exchange rates		(8,428)	3,340
Change in cah position		**(43,017)**	**(96,188)**
Net cash and cash equivalents - opening balance	*20*	225,079	344,013
Net cash and cash equivalents - closing balance	*20*	182,062	247,825

(1) Including cash flows from income taxes € (32,854) thousand in 2013 and € (24,465) thousand in 2012.
Including cash flows from interests paid and received € (19,643) thousand euros in 2013 and € (15,092) thousand in 2012.

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

1.5. STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(In thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Conso-lidated reserves	Translation reserves	Share-holders' equity	Minority interests	Total share-holders' equity and minority interets
At January 1, 2012 *(a)*	**179,600**	**11,207**	**(83,890)**	**2,049,524**	**(76,052)**	**2,080,389**	**349,011**	**2,429,400**
Consolidated net income				51,297		**51,297**	9,253	**60,550**
Other comprehensive income				(14,312)	24,580	**10,268**	1,396	**11,664**
Total comprehensive income (a)				*36,985*	*24,580*	***61,565***	*10,649*	***72,214***
Dividends paids				(66,039)		**(66,039)**	(21,987)	**(88,026)**
Net change in treasury shares			4,833	(943)		**3,890**		**3,890**
Changes in consolidation scope				(746)		**(746)**	(154)	**(900)**
Increases in share capital				(942)		**(942)**	4,230	**3,288**
Other changes				127		**127**	(141)	**(14)**
Au June 30, 2012 *(a)*	**179,600**	**11,207**	**(79,058)**	**2,017,966**	**(51,473)**	**2,078,243**	**341,608**	**2,419,851**
At January 1, 2013 *(a)*	**179,600**	**11,207**	**(78,681)**	**2,076,581**	**(107,896)**	**2,080,811**	**334,036**	**2,414,847**
Consolidated net income				54,877		**54,877**	4,307	**59,184**
Other comprehensive income				10,558	(59,147)	**(48,589)**	(20,343)	**(68,932)**
Total comprehensive income				*65,435*	*(59,147)*	***6,288***	*(16,036)*	***(9,748)***
Dividends paids				(66,016)		**(66,016)**	(14,055)	**(80,071)**
Net change in treasury shares			3,927	(344)		**3,583**		**3,583**
Changes in consolidation scope							(51)	**(51)**
Increases in share capital								
Other changes				920		**920**	17	**937**
Au June 30, 2013	**179,600**	**11,207**	**(74,754)**	**2,076,576**	**(167,043)**	**2,025,586**	**303,911**	**2,329,497**

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

Group translation differences at June 30th, 2013 are broken down by currency as follows (in thousands of euros) :

US Dollar	(2,170)
Swiss franc	122,103
Turkish new lira	(93,039)
Egyptian pound	(47,914)
Kazakh tengue	(27,668)
Mauritanian ouguiya	(3,857)
Indian rupee	(114,498)
	(167,043)

Note 1 ▼ Accounting policies and valuation methods

1.1 statement of compliance

In compliance with European Regulation (eC) 1606/2002 issued by the European Parliament on July 19, 2002 on the enforcement of International Accounting Standards, Vicat's consolidated financial statements have been prepared, since January 1, 2005 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Vicat group has adopted those standards that are in force on June 30, 2013 for its benchmark accounting policies.

The standards, interpretations and amendments published by the IASB but not yet in effect as of June 30, 2013 were not applied ahead of schedule in the group's consolidated financial statements at the closing date. This relates mainly amendments concerning IFRS 10 (Consolidated financial statements), IFRS 11 (Joint arrangements), IFRS 12 (Disclosure of interests in other entities), IAS 27 (Separate financial statements), IAS 28 (Investments in associates and joint ventures) and IAS32 (Financial instruments – presentation).

The consolidated financial statements at June 30, 2013 were prepared in accordance with IAS34 « Interim Financial Reporting ». As condensed financial statements, they have to be read in relation with those prepared for the annual year ended December 31, 2012 in accordance with International Financial Reporting Standards (IFRS). Moreover they present comparative data for the previous year prepared under these same IFRS. The accounting methods and policies applied in the consolidated statements as at June 30, 2013 are consistent with those applied by the group as at December 31, 2012, except for the standard IAS19 amended « Employee benefits » which is effective in a mandatorily on a retroactive basis for the period beginning on or after January 1, 2013.

This amended standard has the following impacts:
- The group's commitments to its employees are fully recognized at the end of each accounting period; the "corridor" option is eliminated, as well as the possibility of amortizing actuarial gains and losses and past service costs resulting from changes in retirement plans over the remaining period of activity of the employees concerned.
- Actuarial gains and losses and past service costs for which no provision had been recognized at December 31, 2011, were recognized as an offset to consolidated reserves in their after-tax amount at January 1, 2012.
- Actuarial gains and losses arising after January 1, 2012 are recognized under "Other comprehensive income" and are not recyclable to the income statement.
- The impacts of changes in retirement plans after January 1, 2012 are fully recognized through the consolidated income statement for the period in which they arise, under the heading "Other operating income (expense)".
- The expected return on assets for retirement plans is calculated using the same rate as the discount rate for retirement liabilities.

Due to the retroactive nature of amended IAS 19, the financial statements for the year 2012 were restated in accordance with the new standards for purposes of comparison. The detailed impacts of the first-time adoption of amended IAS 19 are presented in notes 24.

These financial statements were finalized and approved by the Board of Directors on August 1st, 2013.

1.2. Basis of preparation of financial statements

The financial statements are presented in thousands of euros.

The statement of comprehensive income is presented by type in two statements: the consolidated income statement and the consolidated statement of other comprehensive income.

The consolidated statement of financial position segregates current and non-current asset and liability accounts and splits them according to their maturity (divided, generally speaking, into maturities of less than and more than one year).

The statement of cash flows is presented according to the indirect method.

The financial statements were prepared using the historical cost method, except for the following assets and liabilities, which are recognized at fair value: derivatives, assets held for trading, assets available for sale, and the portion of assets and liabilities covered by an hedging transaction.

The accounting principles and valuation methods described hereinafter have been applied on a permanent basis to all of the financial years presented in the consolidated financial statements.

The establishment of consolidated financial statements under IFRS requires the Group's management to make a number of estimates and assumptions, which have a direct impact on the financial statements. These estimates are based on the going concern principle and are established on the basis of the information available at the date they are carried out. They concern mainly the assumptions used to:
- value the provisions (notes 1.17. and 8), in particular those for pensions and other post-employment benefits (notes 1.15. and 8);
- value the put options granted to third parties on shares in consolidated subsidiaries (notes 1.16 and 9.2);
- value financial instruments at their fair value (notes 1.14. and 10);
- perform the valuations adopted for impairment tests (notes 1.4., 1.11. and 3);
- define the accounting principle to be applied in the absence of a definitive standard (notes 1.7. and 4 concerning emission quotas).

The estimates and assumptions are reviewed regularly, whenever justified by the circumstances, at least at the end of each year, and the pertinent items in the financial statements are updated accordingly.

1.2. Consolidation principles

When a company is acquired, the fair value of its assets and liabilities is evaluated at the acquisition date.

The earnings of the companies acquired or disposed of during the year are recorded in the consolidated income statement for the period subsequent or previous to, depending on the case, the date of the acquisition or disposal.

The group financial statements at June 30, 2013 are consolidated, and any necessary adjusting entries are made to restate them in accordance with the Group accounting principles. All material intercompany balances and transactions are eliminated during the preparation of the consolidated financial statements.

Subsidiaries:
Companies that are controlled exclusively by Vicat, directly or indirectly, are fully consolidated.

Joint ventures:
Joint ventures, which are jointly controlled and operated by a limited number of shareholders, are proportionally consolidated.

Associated companies:
Investments in associated companies over which Vicat exercises notable control are reported using the equity method. Any goodwill generated on the acquisition of these investments is presented on the line "Investments in associated companies (equity method)."

The list of the principal companies included in the consolidation scope at June 30, 2013 is provided in Note 23.

1.4. Business combinations – goodwill

With effect from January 1, 2010, business combinations are reported in accordance with IFRS 3 "Business Combinations" (Revised) and IAS 27 "Consolidated and Separate Financial Statements" (Revised). As these revised standards apply prospectively, they do not affect business combinations carried out before January 1, 2010.

Business combinations carried out before January 1, 2010:
These are reported using the acquisition method. Goodwill corresponds to the difference between the acquisition cost of the shares in the acquired company and purchaser's pro-rata share in the fair value of all identified assets, liabilities and contingent liabilities at the acquisition date. Goodwill on business combinations carried out after January 1, 2004 is reported in the currency of the company acquired. Applying the option offered by IFRS 1, business combinations completed before the transition date of January 1, 2004 have not been restated, and the goodwill arising from them has been maintained at its net value in the balance sheet prepared according to French GAAP as at December 31, 2003.

In the event that the pro-rata share of interests in the fair value of net assets, liabilities and contingent liabilities acquired exceeds their cost ("negative goodwill"), the full amount of this negative goodwill is recognized in the income statement of the reporting period in which the acquisition was made, except for acquisitions of minority interests in a company already fully consolidated, in which case this amount is recognized in the consolidated shareholders' equity.

The values of assets and liabilities acquired through a business combination must be definitively determined within 12 months of the acquisition date. These values may thus be adjusted at any closing date within that time frame.

Minority interests are valued on the basis of their pro-rata share in the fair value of the net assets acquired.

If the business combination takes place through successive purchases, each material transaction is treated separately, and the assets and liabilities acquired are so valued and goodwill thus determined.

Business combinations carried out on or after January 1, 2010:
IFRS 3 “Business Combination” (Revised), which is mandatory for business combinations carried out on or after January 1, 2010, introduces the following main changes compared with the previous IFRS 3 (before revision):

- goodwill is determined once, on takeover of control.

The Group then has the option, in the case of each business combination, on takeover of control, to value the minority interests:
- either at their pro-rata share in the identifiable net assets of the company acquired (partial-goodwill option);
- or at their fair value (full-goodwill option).

Valuation of the minority interests at fair value has the effect of increasing the goodwill by the amount attributable to such minority interests, translated by the recognition of goodwill as “full”.
- any adjustment in the acquisition price at fair value from the date of acquisition is to be reported, with any subsequent adjustment occurring after the 12-month appropriation period from the date of acquisition to be recorded in the income statement.
- the costs associated with the business combination to be recognized in the expenses for the period in which they were incurred.
- in the case of combinations carried out in stages, on takeover of control, the previous holding in the company acquired is to be revalued at fair value on the date of acquisition and any gain or loss which results is to be recorded in the income statement.

In compliance with IAS 36 (see note 1.11), at the end of each year, and in the event of any evidence of impairment, goodwill is subjected to an impairment test, consisting of a comparison of its net carrying cost with its value in use as calculated on a discounted projected cash flow basis. When the latter is below carrying cost, an impairment loss is recognized for the corresponding loss of value.

1.5. Foreign currencies

Transactions in foreign currencies:

Transactions in foreign currencies are translated into the operating currency at the exchange rates in effect on the transaction dates. At the end of the year, all monetary assets and liabilities denominated in foreign currencies are translated into the operating currency at the year-end exchange rates, and the resulting exchange rate differences are recorded in the income statement.

Translation of financial statements of foreign companies:
All assets and liabilities of Group companies denominated in foreign currencies that are not hedged are translated into euros at the year-end exchange rates, while income and expense and cash flow statement items are translated at average exchange rates for the year. The ensuing translation differences are recorded directly in shareholders’ equity.

In the event of a later sale, the cumulative amount of translation differences relating to the net investment sold and denominated in foreign currency is recorded in the income statement. Applying the option offered by IFRS 1, translation differences accumulated before the transition date were zeroed out by allocating them to consolidated reserves at that date. They will not be recorded in the income statement in the event of a later sale of these investments denominated in foreign currency.

The following foreign exchange rates were used:

	Closing rate		Average rate	
	June 30, 2013	December 31, 2012	June 30, 2013	June 30, 2012
USD	1.3080	1.3194	1.3178	1.2968
CHF	1.2338	1.2072	1.2297	1.2048
EGP	9.1342	8.3928	8.9537	7.8527
TRL	2.5210	2.3551	2.3873	2.3360
KZT	198.3600	199.2200	198.2833	192.3870
MRO	394.8500	400.3785	389.2570	384.3280
INR	77.7210	72.5600	72.3067	67.6102

1.6. Other intangible assets

Intangible assets (mainly patents, rights and software) are recorded in the consolidated statement of financial position at historical cost less accumulated amortization and any impairment losses. This cost includes acquisition or production costs and all other directly attributable costs incurred for the acquisition or production of the asset and for its commissioning.

Assets with finite lives are amortized on a straight-line basis over their useful life (generally not exceeding 15 years).

Research costs are recognized as expenses in the period in which they are incurred. Development costs meeting the criteria defined by IAS 38 are capitalized.

1.7. Emission quotas

In the absence of a definitive IASB standard concerning greenhouse gas emission quotas, the following accounting treatment has been applied:

- the quotas allocated and/or to be allocated by the French government in the framework of the National Plan for the Allocation of Quotas (PNAQ III) are not recorded, either as assets or liabilities.
- only the quotas held in excess of the cumulative actual emissions are recorded in the intangible assets at year end;
- recording of surpluses, quota sales and quota swaps (EUA) against Emission Reduction Certificates (ERCs) are recognized in the income statement for the period.

1.8. Property, plant and equipment

Property, plant and equipment are reported in the consolidated statement of financial position at historical cost less accumulated depreciation and any impairment losses, using the component approach provided for in IAS 16. When an article of property, plant and equipment comprises several significant components with different useful lives, each component is amortized on a straight-line basis over its respective useful life, starting at commissioning.

Main amortization durations are presented below depending on the assets category:

	Cement assets	Concrete & aggregates assets
Civil engineering	15 to 30 years	15 years
Major installations	15 to 30 years	10 to 15 years
Other industrial equipment	8 years	5 to 10 years
Electricity	15 years	5 to 10 years
Controls and instruments	5 years	5 years

Quarries are amortized on the basis of tonnage extracted during the year in comparison with total estimated reserves.

Certain parcels of land owned by French companies acquired prior to December 31, 1976 were revalued, and the adjusted value was recognized in the financial statements, but without a significant impact on the lines concerned.

Interest expenses on borrowings incurred to finance the construction of facilities during the period prior to their commissioning are capitalized. Exchange differences arising from foreign currency borrowings are also capitalized inasmuch as they are treated as an adjustment to interest costs and within the limit of the interest charge which would have been paid on borrowings in local currency.

1.9. Leases

In compliance with IAS 17, leases on which nearly all of the risks and benefits inherent in ownership are transferred by the lessor to the lessee are classified as finance leases. All other contracts are classified as operating leases.

Assets held under finance leases are recorded in tangible assets at the lower of their fair value and the current value of the minimum rent payments at the starting date of the lease and amortized over the shortest duration of the lease and its useful life, with the corresponding debt recorded as a liability.

1.10. Investment properties

The Group recognizes its investment properties at historical cost less accumulated depreciation and any impairment losses. They are depreciated on a straight-line basis over their useful life (10 to 25 years). The fair value of its investment properties is calculated by the Group's qualified departments. It is based primarily on valuations made by capitalizing rental income or taking into account market prices observed on transactions involving comparable properties, and is presented in the notes at each year-end.

1.11. Impairment

In accordance with IAS 36, the book values of assets with indefinite lives are reviewed at each year-end, and during the year, whenever there is an indication that the asset may be impaired. Those with finite lives are only reviewed if impairment indicators show that a loss is likely.

An impairment loss has to be recorded as an expense on the income statement when the carrying cost of the asset is higher than its recoverable value. The latter is the higher of the fair value less the costs of sale and the value in use. The value in use is calculated primarily on a discounted projected cash flow basis over 10 years, plus the terminal value calculated on the basis of a projection to infinity of the cash flow from operations in the last year. This time period corresponds to the Group's capital-intensive nature and the longevity of its industrial plant.

The projected cash flows are calculated on the basis of the following components that have been inflated and then discounted:
- the Ebitda from the Long Term Plan over the first 5 years, then projected to year 10;
- the sustaining capital expenditure;
- and the change in working capital requirement.

The assumptions used in calculating the depreciation tests are derived from forecasts made by operational staff reflecting as closely as possible their knowledge of the market, the commercial position of the businesses and the performance of the industrial plant. Such forecasts include the impact of foreseeable developments in cement consumption based on macro-economic and industry sector data, changes likely to affect the competitive position, technical improvements in the manufacturing process and expected developments in the cost of the main production factors contributing to the cost price of the products.

In the case of countries subject to social tensions and security concerns, the assumptions used also include the potential improvement resulting from the progressive and partial easing of some of these tensions and concerns, based on recent data and an examination of the effect of these tensions on current business conditions.

Projected cash flows are discounted at the weighted average capital cost (WACC) before tax, in accordance with IAS 36 requirements. This calculation is made per country, taking into account the cost of risk-free long-term money, market risk weighted by a sector volatility factor, and a country premium reflecting the specific risks of the market in which the concerned cash generating unit operates.

If it is not possible to estimate the fair value of an isolated asset, it is assessed at the level of the cash generating unit that the asset is part of insofar as the industrial installations, products and markets form a coherent whole. The analysis was thus carried out for each geographical area/country/activity, and the cash generating units were determined depending on the existence or not of vertical integration between the Group's activities in the area concerned.

The value of the assets tested, at least annually using this method for each cash generating unit comprises the intangible and tangible non-current assets and the Working Capital Requirement.
These impairment tests are sensitive to the assumptions held for each cash generating unit, mainly in terms of:
- discount rate as previously defined;
- inflation rate, which must reflect sales prices and expected future costs;
- growth rate to infinity.

Tests are conducted at each year-end on the sensitivity to an increase or decrease of one point in the discount rate applied, in order to assess the effect on the value of goodwill and other intangible and tangible assets included in the Group's consolidated financial statements. Moreover, the discount rate includes a country risk premium and an industry sector risk premium reflecting the cyclical nature of certain factors inherent in the business sector, enabling an understanding of the volatility of certain elements of production costs, which are sensitive in particular to energy costs.

Recognized impairments can be reversed and are recovered in the event of a decrease, except for those corresponding to goodwill, which are definitive.

1.12. Inventories

Inventories are valued using the weighted average unit cost method, at the lower of purchase price or production cost, and net market value (sales price less completion and sales costs).

The gross value of merchandise acquired for resale and of supplies includes both the purchase price and all related costs.

Manufactured goods are valued at production cost, including the cost of goods sold, direct and indirect production costs and the depreciation on all consolidated fixed assets used in the production process.

In the case of inventories of manufactured products and work in progress, the cost includes an appropriate share of fixed costs based on the standard conditions of use of the production plant.

Inventory depreciations are recorded when necessary to take into account any probable losses identified at year-end.

1.13. Cash and cash equivalents

Cash and cash equivalents include both cash and short-term investments of less than 3 months that do not present any risk of a change in value. The latter are marked to market at the end of the period. Net cash, the change in which is presented in the statement of cash flows, consists of cash and cash equivalents less any bank overdrafts.

1.14. Financial instruments

Financial assets:
The Group classifies its non-derivative financial assets, when they are first entered in the financial statements, in one of the following four categories of financial instruments in accordance with IAS 39, depending on the reasons for which they were originally acquired:
- long-term loans and receivables, financial assets not quoted on an active market, the payment of which is determined or can be determined; these are valued at their amortized cost;
- assets available for sale which include in particular, in accordance with the standard, investments in non-consolidated affiliates; these are valued at the lower of their carrying value and their fair value less the cost of sale as at the end of the period;
- financial assets valued at their fair value by the income, since they are held for transaction purposes (acquired and held with a view to being resold in the short term);
- investments held to term, including securities quoted on an active market associated with defined payments at fixed dates; the Group does not own such assets at the year-end of the reporting periods in question.

All acquisitions and disposals of financial assets are reported at the transaction date. Financial assets are reviewed at the end of each year in order to identify any evidence of impairment.

Financial liabilities:

The Group classifies its non-derivative financial assets, when they are first entered in the financial statements, as financial liabilities valued at amortized cost. These comprise mainly borrowings, other financings, bank overdrafts, etc. The Group does not have financial liabilities at fair value through the income statement.

Treasury shares:

In compliance with IAS 32, Vicat's treasury shares are recognized net of shareholders' equity.

Derivatives and hedging:

The Group uses hedging instruments to reduce its exposure to changes in interest and foreign currency exchange rates resulting from its business, financing and investment operations. These hedging operations use financial derivatives. The Group uses interest rate swaps and caps to manage its exposure to interest rate risks. Forward FX contracts and currency swaps are used to hedge exchange rate risks.

The Group uses derivatives solely for financial hedging purposes and no instrument is held for speculative ends. Under IAS 39, however, certain derivatives used are not, not yet or no longer, eligible for hedge accounting at the closing date.

Financial derivatives are valued at their fair value in the balance sheet. Except for the cases detailed below, the change in fair value of derivatives is recorded as an offset in the income statement of the financial statement ("Change in fair value of financial assets and liabilities"). The fair values of derivatives are estimated by means of the following valuation models:

- the market value of interest rate swaps, exchange rate swaps and term purchase/sale transactions is calculated by discounting the future cash flows on the basis of the "zero coupon" interest rate curves applicable at the end of the preceding reporting periods, restated if applicable according to interest incurred and not yet payable;
- interest rate options are revalued on the basis of the Black and Scholes model incorporating the market parameters as at year end.

Derivative instruments may be designated as hedging instruments, depending on the type of hedging relationship:

- fair value hedging is hedging against exposure to changes in the fair value of a booked asset or liability, or of an identified part of that asset or liability, attributable to a particular risk, in particular interest and exchange rate risks, which would affect the net income presented;
- cash flow hedging is hedging against exposure to changes in cash flow attributable to a particular risk, associated with a booked asset or liability or with a planned transaction (e.g. expected sale or purchase or "highly probable" future operation), which would affect the net income presented.

Hedge accounting for an asset / liability / firm commitment or cash flow is applicable if:

- the hedging relationship is formally designated and documented at its date of inception;
- the effectiveness of the hedging relationship is demonstrated at the inception and then by the regular assessment and correlation between the changes in the market value of the hedging instrument and that of the hedged item. The ineffective portion of the hedging instrument shall be recognized in the income statement.

The application of hedge accounting results as follow:

- in the event of a documented fair value hedging relationship, the change in the fair value of the hedging derivative is recognized in the income statement as an offset to the change in the fair value of the underlying financial instrument hedged. Income is affected solely by the ineffective portion of the hedging instrument;
- in the event of a documented cash flow hedging relationship, the change in the fair value of the effective portion of the hedging derivative is recorded initially in shareholders' equity, and that of the ineffective portion is recognized directly in the income statement. The accumulated changes in the fair value of the hedging instrument previously recorded in shareholders' equity are transferred to the income statement at the same rate as hedged cash flows.

1.15. Employee benefits

The Group recognizes the totality of its post-employment benefits in application of IAS19 amended standard.

The regulations, customs and contracts in force in the countries in which the consolidated Group companies are present provide for post-employment benefits, such as retirement indemnities, supplemental pension benefits, supplemental pensions for senior management, and other long-term post-employment benefits, such as medical cover, etc.

Defined contribution plan in which contributions are recognized as expenses when they are incurred, does not represent a future liability for the Group, these plans do not require any provisions to be set aside.

Defined benefit plans include all post-employment benefit programs, other than those under defined contribution plans, and represent a future liability for the Group. The corresponding liabilities are calculated on an actuarial basis (wage inflation, mortality, employee turnover, etc.) using the projected unit credit method, in accordance with the clauses provided for in the collective bargaining agreements and with custom and practice.

Dedicated financial assets, which are mainly equities and bonds, are used to cover all or a part of these liabilities, principally in the United–States and Switzerland.

The net defined benefit liabilities are thus fully recognized in the statement of financial position, that is after deduction of the fair value of such invested assets, after the effect of the asset ceiling if applicable. Any surplus of asset is only capitalized in the statement of financial position to the extent that it represents a future economic benefit that will be effectively available to the Group, within the limit of the IAS19 amended.

Actuarial variances arise due to changes in actuarial assumptions and/or variances observed between these assumptions and the actual figures. Actuarial gains and losses relating to post-employment benefits are recognized under “Other comprehensive income items” and are not recyclable to the income statement.

The Group had chosen to apply the IFRS 1 option and to zero the actuarial variances linked to employee benefits not yet recognized on the transition balance sheet by allocating them to shareholders’ equity.

1.16. Put options granted on shares in consolidated subsidiaries

Under IAS 27 and IAS 32, the put options granted to minority third parties in fully consolidated subsidiaries are reported in the financial liabilities at the present value of their estimated price with an offset in the form of a reduction in the corresponding minority interests.

The difference between the value of the option and the amount of the minority interests is recognized:
- in goodwill, in the case of options issued before January 1, 2010;
- in a reduction in the Group shareholders’ equity (options issued after January 1, 2010).

The liability is estimated based on the contract information available (price, formula, etc.) and any other factor relevant to its valuation. Its value is reviewed at each year end and the subsequent changes in the liability are recognized:
- either as an offset to goodwill (options granted before January 1, 2010);
- as an offset to the Group shareholders’ equity (options issued after January 1, 2010).

No impact is reported in the income statement other than the impact of the annual discounting of the liability recognized in the financial income; the income share of the Group is calculated on the basis of the percentage held in the subsidiaries in question, without taking into account the percentage holding attached to the put options.

1.17. Provisions

A provision is recognized when the Group has a current commitment, whether statutory or implicit, resulting from a significant event prior to the closing date which would lead to a use of resources without offset, which can be reliably estimated.

These include, notably, provisions for site reinstatement, which are set aside progressively as quarries are used and include the projected costs related to the Group’s obligation to reinstate such sites.

In accordance with IAS 37, provisions whose maturities are longer than one year are discounted when the impact is significant. The effects of this discounting are recorded under net financial income.

1.18. Sales

In accordance with IAS 18, sales are reported at fair value of the consideration received or due, net of commercial discounts and rebates and after deduction of excise duties collected by the Group under its business operations. Sales figures include transport and handling costs invoiced to customers.

Sales are recorded at the time of transfer of the risk and significant benefits associated with ownership to the purchaser, which generally corresponds to the date of transfer of ownership of the product or performance of the service.

1.19. Income taxes

Deferred taxes are calculated at the tax rates passed or virtually passed at the year-end and expected to apply to the period when assets are sold or liabilities are settled.

Deferred taxes are calculated, based on an analysis of the balance sheet, on timing differences identified in the Group's subsidiaries and joint ventures between the values recognized in the consolidated statement of financial position and the values of assets and liabilities for tax purposes.

Deferred taxes are recognized for all timing differences, including those on restatement of finance leases, except when the timing difference results from goodwill.

Deferred tax assets and liabilities are netted out at the level of each company. When the net amount represents a receivable, a deferred tax asset is recognized if it is probable that the company will generate future taxable income against which to allocate the deferred tax assets.

1.20. Segment information

In accordance with IFRS 8 "Operating segments" the segment information provided in Note 17 is based on information taken from the internal reporting. This information is used internally by the Group Management responsible for implementing the strategy defined by the President of the Board of directors for measuring the Group's operating performance and for allocating capital expenditure and resources to the business segments and geographical areas.

The operating segments defined pursuant to IFRS 8 comprise the 3 segments in which the Vicat Group operates: Cement, Concrete & Aggregates and Other Products and Services.

The indicators disclosed were adapted in order to be consistent with those used by the Group Management, while complying with IFRS 8 information requirements: operating and consolidated sales, EBITDA and EBIT (cf. note 1.21), total non-current assets, capital employed (cf. note 17), industrial investments, net depreciation and amortization charges and average number of employees.

The management indicators used for internal reporting are identical to the operating segments and geographical sectors defined above and determined in accordance with the IFRS principles applied by the Group in its consolidated financial statements.

1.21. Financial indicators

The following financial performance indicators are used by the Group, as by other industrial players and notably in the building materials sector, and presented with the income statement:

Added value: the value of production less the cost of goods and services purchased;

Gross Operating Earnings: added value less expenses of personnel, taxes and duties (except income taxes and deferred taxes), plus grants and subsidies;

EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization)**:** the result of adding Gross Operating Earnings and other ordinary income (expense);

EBIT: (Earnings Before Interest and Tax): the result of adding EBITDA and net depreciation, amortization and operating provisions.

1.22. Seasonality

Demand is seasonal in the Cement, Ready-Mixed Concrete and Aggregates sectors, tending to decrease in winter in temperate countries and during the rainy season in tropical countries. The Group therefore generally records lower sales in the first and fourth quarters i.e. the winter season in the principal Western European and North American markets. In the second and third quarters, in contrast, sales are higher, due to the summer season.

Note 2 ▼ Changes in consolidation scope and other significant events

Greater stability in the macroeconomic environment

Vicat's performance in the first half of 2013 reflects initial signs that the economic environment is stabilising, although the situation continues to vary widely between countries.

The decline in business levels in France, Africa and the Middle East was offset by firm momentum in Turkey and Switzerland, where weather conditions were better, together with the confirmed upturn in US activity and Vicat's ongoing commercial development in Kazakhstan and India. In India, after Vicat Sagar started operating in late 2012, the gradual build-up of production at this new plant enabled the Group to expand its catchment area in a tough competitive context that is resulting in major pressure on prices.

Overall, the Group's business levels increased in the first half of 2013, except in two regions:

- In France, the macroeconomic situation remained tough in the first half which, combined with ongoing adverse weather conditions, continued to depress the construction sector.
- In the Middle East, there were some signs of improvement in Egypt, including the resumption of a regular supply of gas to Vicat's plant. However, in the first half of 2013, operational performance in this region was again affected by the difficult security environment. The Group is confident about the positive evolution of the Egyptian market in the medium and long term.

Start-up of clinker production at Vicat Sagar Cement

Various production units at the Vicat Sagar Cement greenfield plant, including the clinker production line, started up progressively during the 4th quarter of 2012. The plant began commercial operations during the 1st quarter of 2013.

Note 3 ▼ Goodwill

The change in the net goodwill by business sector is analyzed in the table below:

(in thousands of euros)	Cement	Concrete and aggregates	Other products and services	Total
At december 31, 2011	**740,947**	**236,963**	**22,285**	**1,000,195**
Acquisitions / Additions		13,079		13,079
Disposals / Decreases		(54)	(3)	(57)
Change in foreign exchange rates and other	(15,503)	(2,137)	(257)	(17,897)
At december 31, 2012	**725,444**	**247,851**	**22,025**	**995,320**
Acquisitions / Additions		1,157		1,157
Disposals / Decreases				0
Change in foreign exchange rates and other	(19,706)	(297)	(363)	(20,366)
At June 30, 2013	**705,738**	**248,711**	**21,662**	**976,111**

Impairment test on goodwill:
In accordance with IFRS 3 and IAS 36, at the end of each year and in the event of any evidence of impairment, goodwill is subject to an impairment test using the method described in notes 1.4 and 1.11.

Considering the very difficult macro-economic environment, the Group carried out a review of any evidence of impairment in respect to goodwill at June 30, 2013 which did not result in any recognition of impairment.

At June 30, 2013, goodwill are broken down by Cash Generating Unit (CGU) as follows:

(in thousands of euros)	June 30, 2013	December 31, 2012
UGT India	240,331	256,690
UGT West Africa Cement	150,291	151,005
UGT France-Italy	163,956	163,178
UGT Switzerland	132,829	133,915
Other cumulated CGU	288,704	290,532
Total	**976,111**	**995,320**

Note 4 ▼ Other intangible assets

Other intangible assets are broken down by type as follows:

(in thousands of euros)	June 30, 2013	December 31, 2012
Concessions, patents and similar rights	64,720	66,321
Software	4,643	5,004
Other intangible assets	22,320	28,026
Intangible assets in progress	5,942	1,066
Other intangible assets	**97,625**	**100,417**

Net other intangible assets amounted to € 97,625 thousand as at June 30, 2013 compared with € 100,417 thousand at the end of 2012. The change during the 1st semester 2013 was due primarily to € (6,357) thousand in amortization expense, € 6,217 thousand on acquisitions, with the balance resulting from changes in foreign exchange rates, reclassifications and disposals.

No development cost was capitalized during the 1st semester 2013 and the year 2012.

With regard to greenhouse gas emission quotas, only the quotas held at year-end in excess of the cumulative actual emissions were recorded in other intangible assets at € 11,998 thousand (€11,290 thousand as at December 31, 2012), corresponding to 1,667 thousand tones (1,503 thousand tones at the year-end 2012). Recording of surpluses, quota sales and quota swaps (EUA) against Emission Reduction Certificates (ERCs) were recognized in the income statement for the semester at € 1,759 thousand (€ 3,500 thousand at June 30, 2012).

Note 5 ▼ Property, plant and equipment

Gross values *(In thousands of euros)*	Land & buildings	Industrial equipment	Other property, plant and equipment	Fixed assets work- in- progress and advances/ down payments	Total
At December 31, 2011	**983,523**	**2,608,121**	**193,030**	**220,371**	**4,005,045**
Acquisitions	34,097	36,004	8,748	193,412	**272,261**
Disposals	(6,264)	(29,264)	(21,687)	(14)	**(57,229)**
Changes in consolidation scope	1,305	3,085	958	187	**5,535**
Changes in foreign exchange rates	(7,944)	(22,964)	(817)	(13,706)	**(45,431)**
Other movements	20,387	60,651	4,006	(87,139)	**(2,095)**
At December 31, 2012	**1,025,104**	**2,655,633**	**184,238**	**313,111**	**4,178,086**
Acquisitions	6,148	12,443	3,411	50,063	**72,065**
Disposals	(4,396)	(6,507)	(3,286)	(31)	**(14,220)**
Changes in consolidation scope					**0**
Changes in foreign exchange rates	(21,423)	(52,728)	(2,450)	(6,069)	**(82,670)**
Other movements	68,735	124,081	2,591	(191,053)	**4,354**
At June 30, 2013	**1,074,168**	**2,732,922**	**184,504**	**166,021**	**4,157,615**

Depreciation and impairment *(In thousands of euros)*	Land & buildings	Industrial equipment	Other property, plant and equipment	Fixed assets work- in- progress and advances/ down payments	Total
At December 31, 2011	**(357,255)**	**(1,309,805)**	**(119,520)**	**0**	**(1,786,580)**
Acquisitions	(30,096)	(138,846)	(11,716)		**(180,658)**
Disposals	6,039	28,634	18,937		**53,610**
Changes in consolidation scope	(300)	(311)	(436)		**(1,047)**
Changes in foreign exchange rates	1,328	5,357	(195)		**6,490**
Other movements	(402)	(4,052)	5,763		**1,309**
At December 31, 2012	**(380,686)**	**(1,419,023)**	**(107,167)**	**0**	**(1,906,876)**
Acquisitions	(15,637)	(66,763)	(5,460)		**(87,860)**
Disposals	3,392	5,787	2,490		**11,669**
Changes in consolidation scope					**0**
Changes in foreign exchange rates	3,681	18,388	1,588		**23,657**
Other movements	(156)	476	(305)		**15**
At June 30, 2013	**(389,406)**	**(1,461,135)**	**(108,854)**	**0**	**(1,959,395)**
Net book value at December 31, 2012	644,418	1,236,610	77,071	313,111	**2,271,210**
Net book value at June 30, 2013	**684,762**	**1,271,787**	**75,650**	**166,021**	**2,198,220**

Fixed assets work-in-progress amounted to € 150,501 thousand as at June 30, 2013 (€ 295,930 thousand as at December 31, 2012) down considerably due to impact of the commercial start-up of Vicat Sagar Cement, and advances /down payments on plant, property and equipment represented € 15,520 thousand as at June 30, 2013 (€ 17,181 thousand as at December 31, 2012).
Contractual commitments to acquire tangible and intangible assets amounted to € 73,764 thousand as at June 30, 2013 (€ 67,241 thousand as at December 31, 2012).
The total amount of interest capitalized at June 30, 2013 was € 8,413 thousand (€ 17,734 thousand at June 30, 2012), determined on the basis of local interest rates ranging from 3.07 % to 12.23%, depending on the country in question.

Note 6 ▼ Cash and cash equivalents

(in thousands of euros)	June 30, 2013	December 31, 2012
Cash	74,051	46,413
Marketable securities and term deposits < 3 months	132,928	190,931
Cas and cash equivalents	**206,979**	**237,344**

Note 7 ▼ Common stock

Vicat share capital is composed of 44,900,000 fully paid-up ordinary shares of € 4, including 866,165 treasury shares as at June 30, 2013 (937,060 as at December 31, 2012) acquired under the share buy-back programs approved by the Ordinary General Meetings, and through Heidelberg Cement's disposal of its 35 % stake in Vicat in 2007.

These are registered shares or bearer shares, at the shareholder's option. Voting rights attached to shares are proportional to the share of the capital which they represent and each share gives the right to one vote, except in the case of fully paid-up shares registered for at least 4 years in the name of the same shareholder, to which two votes are assigned.

The dividend paid in 2013 in respect of 2012 amounted to € 1.50 per share, amounted to a total of € 67,350 thousand, equal to € 1.50 per share paid in 2012 in respect of 2011 and amounted to a total of € 67,350 thousand.

In the absence of any dilutive instrument, diluted earnings per share are identical to basic earnings per share, and are obtained by dividing the Group's net income by the weighted average number of Vicat ordinary shares outstanding during the year.

Since January 4, 2010, for a period of 12 months renewable by tacit agreement, Vicat has engaged Natixis Securities to implement a liquidity agreement in accordance with the AMAFI (French financial markets professional association) Code of Ethics of September 20, 2008. The following amounts were allocated to the liquidity agreement for its implementation: 20,000 Vicat shares and € 3 million.

As at June 30, 2013, the liquidity account is composed with 44,524 Vicat shares and cash amounted to € 1,484 thousand.

Note 8 ▼ Provisions

Provisions break down as follows by type:

(in thousands of euros)	June 30, 2013	December 31, 2012 *(a)*
Provisions for pensions and other post-employment benefits	**102,333**	**120,951**
Restoration of sites	40,633	40,890
Demolitions	1,097	1,106
Other risks [1]	29,746	33,869
Other charges	18,698	18,436
Other provisions	**90,174**	**94,301**
- o.w. less than one year	*10,639*	*9,967*
- o.w. more than one year	*79,535*	*84,334*

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

(1) At June 30, 2013, other risks included:
- an amount of € 6.0 million (€9.8 million at December 31, 2012) corresponding to the current estimate of gross expected costs for repair of damage that occurred in 2006 following deliveries of concrete mixtures and concrete made in 2004 whose sulfate content exceeded applicable standards. This amount corresponds to the current estimate of the Group's pro rata share of liability for repair of identified damages before the residual insurance indemnity of € 4 million recognized in non-current assets on the balance sheet as at June 30, 2013 (€ 4 million as at December 31, 2012);
- an amount of € 8.4 million (€ 9.1 million as at December 31, 2012) corresponding to the estimated amount of the deductible at year-end relating to claims in the United States in the context of work accidents and which will be covered by the Group;
- the remaining amount of other provisions amounting to about € 15.3 million as at June 30, 2013 (€ 15.0 million as at December 31, 2012) corresponds to the sum of other provisions that, taken individually, are not material.

Note 9 ▼ Debts and put options

The financial liabilities as at June 30, 2013 and December 31st, 2012 are analyzed as follows:

(in thousands of euros)	June 30, 2013	December 31, 2012
Debts at more than one year	1,240,017	1,186,327
Put options at more than one year	12,136	11,376
Debts and put options at more than one year	**1,252,153**	**1,197,703**
Asset derivative instruments at more than one year (1)	(40,096)	(28,688)
Total financial liabilities net of asset derivative instruments at more than one year	**1,212,057**	**1,169,015**
Debts at less than one year	250,280	224,015
Put options at less than one year	8,337	8,337
Debts and put options at less than one year	**258,617**	**232,352**
Asset derivative instruments at less than one year (1)	(2,630)	(39)
Total financial liabilities net of asset derivative instruments at less than one year	**255,987**	**232,313**
Total debts net of asset derivative instruments (1)	1,447,571	1,381,615
Total put options	20,473	19,713
Total financial liabilities net of asset derivative instruments	**1,468,044**	**1,401,328**

(1) Asset derivative instruments are displayed in the other non-current financial assets for the portion more than 1 year and in other receivables for the portion less than 1 year.

9.1 Financial debts

Analysis of debts by category and maturity

June 30, 2013

(in thousands of euros)	Total	June-14	June-15	June-16	June-17	June-18	More than 5 years
Bank borrowings and financial liabilities	1,383,335	194,250	67,384	551,454	38,571	169,904	361,772
Incl. Derivative financial instruments - Assets	*(42,726)*	*(2,630)*					*(40,096)*
Incl. Derivative financial instruments - Liabilities	*35,975*	*16,137*	*161*	*14,783*		*(622)*	*5,516*
Other borrowings and debts	21,502	14,864	5,766	183	127	218	344
Debts on fixed assets under finance leases	6,890	2,692	2,046	1,402	633	59	58
Current bank lines and overdrafts	35,844	35,844					
Debts	**1,447,571**	**247,650**	**75,196**	**553,039**	**39,331**	**170,181**	**362,174**
of which commercial paper	*300,000*			*300,000*			

Debts at less than one year are mainly comprised of bank overdrafts, as well as the repayments due on the first USPP, Sococim Industries bilateral credit lines and a tranche of the Jambyl Cement and Vigier Holding loan.

December 31, 2012 *(in thousands of euros)*	Total	2013	2014	2015	2016	2017	More than 5 years
Bank borrowings and financial liabilities	1,328,973	184,038	73,825	157,112	377,231	171,004	365,763
Incl. Derivative financial instruments - Assets	*(28,727)*	*(39)*				*(468)*	*(28,220)*
Incl. Derivative financial instruments - Liabilities	*32,972*	*15,462*	*387*	*10,713*	*6,410*		
Other borrowings and debts	20,410	13,437	5,706	638	84	121	424
Debts on fixed assets under finance leases	8,837	3,108	2,794	1,643	959	267	66
Current bank lines and overdrafts	23,395	23,395					
Debts	**1,381,615**	**223,978**	**82,325**	**159,393**	**378,274**	**171,392**	**366,253**
of which commercial paper	*283,000*				*283,000*		

Analysis of loans and debts by currency and type of interest rate

By currency (net of currency swaps)

	June 30, 2013	December 31, 2012
Euro	824,132	854,697
U.S. dollar	138,590	203,735
Turkish new lira	1,684	1,373
CFA Franc	64,876	60,334
Swiss franc	123,420	47,321
Mauritanian ouguiya	1	6
Indian rupee	221,588	214,149
Kazakh Tengue	73,280	
Total	**1,447,571**	**1,381,615**

By interest rate	June 30, 2013	December 31, 2012
Fixed rate	970,931	974,629
Floating rate	476,640	406,986
Total	**1,447,571**	**1,381,615**

The average interest rate for gross debt at June 30, 2013 is 4.46 %. It was 4.44 % at December 31, 2012.

9.2 Put options granted to the minority shareholders on the shares in consolidated subsidiaries

Agreements have been concluded in the past between Vicat, Vigier Holding, the International Finance Corporation and Alatau Industrial Holding LLP (formerly Home Broker JSC), in order to arrange their relationship within the company Mynaral Tas, under which the group granted put options to its partners on their stakes in Mynaral Tas.

The put option granted to the International Finance Corporation is exercisable at the earliest in December 2013. In the case of Alatau Industrial Holding LLP, the group concluded an agreement with its partner at the beginning of 2013 for early buy-back of its residual holding in 2013, on completion of which transaction the group will hold 90% of Mynaral Tas.

Reporting these options resulted in recognition of a liability of € 20.5 million as at June 30, 2013, € 8.3 million of which is at less than one year (€20 million as at December 31, 2012, € 8,3 million of which is at less than one year). This liability corresponds, at june 30, 2013, to the present value of the exercise price of the option granted to the International Finance Corporation and to the acquisition price negotiated for the option granted to Alatau Industrial Holding LLP.

Note 10 ▼ financial instruments

Foreign exchange risk

The Group's activities are carried out by subsidiaries operating almost entirely in their own country and local currency. This limits the Group's exposure to foreign exchange risk. These companies' imports and exports denominated in currencies other than their own local currency are generally hedged by forward currency purchases and sales. The foreign exchange risk on intercompany loans is hedged by the companies when the borrowing is denominated in a currency other than their operating currency.

Moreover the principal and in most cases interests, due on loans originally issued by the Group in US dollars (US $ 240 and 450 million for Vicat, US $ 70 million for Vicat Sagar Cement Private Limited and US $ 90 million for Jambyl Cement) and in Euros (€138.8 million for Vicat Sagar Cement Private Limited) were converted into euros (for Vicat), into Indian Rupees (for Vicat Sagar Cement Private Limited) through a series of cross currency swaps and in Kazakh tengue (for Jambyl Cement) through swaps (NDF), included in the portfolio presented below (cf. a).

Interest rate risk

All floating rate debt is hedged through the use of caps on original maturities of 2, 3, 5, 10 and 12 years and of swaps on original maturities of 3 and 5 years.

The Group is exposed to interest rate risk on its financial assets and liabilities and its short-term investments. This exposure corresponds to the price risk for fixed-rate assets and liabilities, and cash flow risk related to floating-rate assets and liabilities.

Liquidity risk

As at June 30, 2013, the Group had € 342 million in unused confirmed lines of credit that have not been allocated to the hedging of liquidity risk on commercial paper (€ 416 million as at December 31, 2012).

The Group also has a € 300 million commercial paper issue program. As at June 30, 2013, € 300 million in commercial paper had been issued. Commercial paper consists of short-term debt instruments backed by confirmed lines of credit in the amounts issued and classified as medium-term borrowings in the consolidated balance sheet.

Unused confirmed lines of credit are used to cover the risk of the Group finding itself unable to issue its commercial paper through market transactions. As at June 30, 2013, these lines matched the short term notes they covered, at € 300 million.

Some medium-term or long-term loan agreements contain specific covenants especially as regards compliance with financial ratios, reported each half year, which can lead to an anticipated repayment (acceleration clause) in the event of non-compliance. These covenants are based on a profitability ratio (leverage: net debt/consolidated EBITDA) and on capital structure ratio (gearing: net debt/consolidated shareholders' equity) of the Group or its subsidiaries concerned. For the purposes of calculating these covenants, the net debt is determined excluding put options granted to minority shareholders. Furthermore, the margin applied to some financing operations depends on the level reached on one of these ratios.

Considering the small number of companies concerned, essentially Vicat SA, the parent company of the Group, the level of gearing (53.26%) and leverage (2.83) and the liquidity of the Group's balance sheet, the existence of these covenants does not constitute a risk for the Group's financial positions. As at June 30, 2013, the Group is compliant with all ratios required by covenants in financing contracts.

Analysis of the portfolio of derivatives as at June 30, 2013:

(in thousands of currency units)	Nominal value (currency)	Nominal value (euro)	Market value (euro)	Current maturity < 1 year (euro)	Current maturity 1 - 5 yrs (euro)	Current maturity > 5 yrs (euro)
Fait value hedges (a)						
Composite instruments						
- Cross Currency Swap $ fixed/€ floating	120,000 ($)	91,743	(10,081) (1)	(6,925)	(3,156)	
Cash flow hedges (a)						
Composite instruments						
- Cross Currency Swap $ fixed/€ fixed	120,000 ($)	91,743	(14,380) (1)	(7,112)	(7,269)	
- Cross Currency Swap $ fixed/€ fixed	450,000 ($)	344,037	(4,894) (1)		622	(5,516)
- Interest rate swap € floating/€ fixed	150,000 (€)	150,000	(4,358) (1)		(4,358)	
- Cross Currency Swap $ floating/Inr fixed	70,000 ($)	53,517	12,662 (1)			12,662
- Cross Currency Swap € floating/Inr fixed	139,765 (€)	139,765	27,434 (1)			27,434
Other derivatives						
Interest rate instruments						
- Euro Caps	360,000 (€)	360,000	(755)	(729)	(26)	
- Dollar US Caps	35,000 ($)	26,758	(48)	(2)	(46)	
- Dollar US swaps	15,000 ($)	11,468	(88)		(88)	
Foreign exchange instruments						
Hedging for foreign exchange risk on intra-group loans						
- Forward Sales $	179,000 ($)	136,850	137 (1)	137		
- Forward Sales CHF	77,000 (CHF)	62,409	370 (1)	370		
- Forward Purchases €	34,459 (€)	34,459	2,441 (1)	2,441		
- NDF KZT/$	94,287 ($)	72,085	(573) (1)	(573)		
Total			**7,867**			

(1) Offset by a € 21.2 million deterioration in cumulated debt and loans.

In accordance with IFRS 7, the breakdown of financial instruments valued at fair value by hierarchical level of fair value in the consolidated statement of financial position is as follows as of June 30, 2013:

(in millions of euros)	June 30, 2013	
Level 1 : instruments quoted on an active market	132.9	*Note 6*
Level 2 : valuation based on observable market information	7.9	*see above*
Level 3 : valuation based on non-observable market information	23.7	

Note 11 ▼ Sales

(in thousands of euros)	**June 30, 2013**	**June 30, 2012**
Sales of goods	980,357	972,413
Sales of services	167,326	156,360
Sales	**1,147,683**	**1,128 773**

Change in sales on a like-for-like basis

(in thousands of euros)	June 30, 2013	Changes in consolidation scope	Changes in foreign exchange rates	June 30, 2012 on a like-for-like basis	June 30, 2012
Sales	1,147,683	(5,092)	21,697	1,164,288	1,128,773

Note 12 ▼ Depreciation, amortization and provisions

(in thousands of euros)	**June 30, 2013**	**June 30, 2012 *(a)***
Net charges to amortization of fixed assets	(94,343)	(93,782)
Net charges to provisions	(1,105)	(541)
Net charges to other asset depreciation	(644)	(1,086)
Net charges to operating depreciation, amortization and provisions	**(96,092)**	**(95,408)**
Other net charges to non-operating depreciation, amortization and provisions [(1)]	3,886	249
Net charges to depreciation, amortization and provisions	**(92,206)**	**(95,159)**

1) Including as at June 30, 2013 a write-back of € 3.8 million (€ 0.2 million as at June 30, 2012) recorded by the Group, related to the update of the Group responsibility pro-rata share over compensation by the insurers in the incident occurred in 2006.

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

Note 13 ▼ Other income (expense)

(in thousands of euros)	**June 30, 2013**	**June 30, 2012**
Net income from disposal of assets	1,553	458
Income from investment properties	1,570	1,527
Other	8,289	5,535
Other operating income (expense)	**11,412**	**7,520**
Other non operating income (expense) [(1)]	**(2 133)**	**(904)**
Total other income (expense)	**9,279**	**6,616**

(1) Including as at June 30, 2013 an expense of € 0.8 million (€ 0.3 million as at June 30, 2012) recorded by the Group, corresponding to the files recognized as expenses in the first semester 2013 in connection with the incident occurred in 2006.

Note 14 ▼ Financial performance indicators

The rationalization of the passage between Gross Operating Earnings, EBITDA, EBIT and Operating Income is as follows:

(in thousands of euros)	June 30, 2013	June 30, 2012 *(a)*
Gross Operating Earnings	**189,962**	**193,088**
Other operating income (expense)	11,412	7,520
EBITDA	**201,374**	**200,608**
Net charges to depreciation, amortization and provisions	(96,092)	(95,409)
EBIT	**105,282**	**105,199**
Other non-operating income (expense)	(2,133)	(904)
Net charges to non-operating depreciation, amortization and provisions	3,886	249
Operating income (expense)	**107,035**	**104,544**

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

Note 15 ▼ Financial income (expense)

(in thousands of euros)	June 30, 2013	June 30, 2012 *(a)*
Interest income from financing and cash management activities	8,442	9,626
Interest expense from financing and cash management activities	(27,963)	(27,662)
Cost of net borrowings and financial liabilities	**(19,521)**	**(18,036)**
Dividends	1,181	1,273
Foreign exchange gains	894	1,928
Fair value adjustments to financial assets and liabilities	985	975
Net income from disposal of financial assets	354	
Write-back of impairment of financial assets		300
Other income		44
Other financial income	**3,414**	**4,520**
Foreign exchange losses	(2,436)	(3,148)
Fair value adjustments to financial assets and liabilities		
Impairment on financial assets	(28)	(29)
Net income from disposal of financial assets		(286)
Discounting expenses	(2,888)	(2,580)
Other expenses	(16)	
Other financial expenses	**(5,368)**	**(6,043)**
Net financial income (expense)	**(21,475)**	**(19,559)**

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

Note 16 ▼ Income tax

Analysis of the income tax components

(in thousands of euros)	June 30, 2013	June 30, 2012 *(a)*
Current taxes	(38,606)	(33,348)
Deferred taxes	10,090	7,312
Total	**(28,516)**	**(26,036)**

(a) Due to the retroactive application of amended IAS19, the financial statements for the year ended December 31, 2012 were restated in accordance with the new standards for purposes of comparison. The impacts are detailed in the note 24.

Deferred taxes not recognized in the financial statements

Deferred tax assets not recognized in the financial statements as at June 30, 2013, owing to the probability of their not being recovered, amounted to € 7.3 million (€ 8.3 million as at December 31, 2012). These relate essentially to a company benefiting from a tax exemption scheme for a period of 10 years with effect from January 1, 2011.

Note 17 ▼ Segment information

a) Business segment

June 30, 2013 *(in thousand of euros except number of employee)*	Cement	Concrete and aggregates	Other products and services	Total
Income statement				
Net operating sales (after intra-sector eliminations)	693,405	432,112	198,188	1,323,705
Inter – sector eliminations	(112,797)	(13,764)	(49,461)	(176,022)
Consolidated net sales	**580,608**	**418,348**	**148,727**	**1,147,683**
EBITDA (cf. 1.21 & 14)	147,077	36,902	17,395	201,374
EBIT (cf. 1.21 & 14)	79,649	14,769	10,864	105,282
Balance sheet				
Total non-current assets	2,756,778	630,381	158,326	3,545,485
Net capital employed [(1)]	2,787,101	615,698	194,435	3,597,234
Other informations				
Acquisitions of intangible and tangible assets	60,869	12,279	5,145	78,293
Net depreciation and amortization charges	66,492	21,553	6,298	94,343
Average number of employees	3,375	2,972	1,349	7,696

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

June 30, 2012

Due to the retroactive application of amended IAS19, the financial statements for the year 2012 were restated in accordance with the new standards for purpose of comparison. The impacts are detailed in the note 24.

(in thousand of euros except number of employee)	Cement	Concrete and aggregates	Other products and services	Total
Income statement				
Net operating sales (after intra-sector eliminations)	685,478	405,773	197,427	1,288,678
Inter – sector eliminations	(104,562)	(15,488)	(39,855)	(159,905)
Consolidated net sales	**580,916**	**390,285**	**157,572**	**1,128,773**
EBITDA (cf. 1.21 & 14)	155,142	29,017	16,449	200,608
EBIT (cf. 1.21 & 14)	89,759	5,280	10,160	105,199
Balance sheet				
Total non-current assets	2,826,280	602,730	156,155	3,585,165
Net capital employed [(1)]	2,904,466	607,991	181,313	3,693,769
Other informations				
Acquisitions of intangible and tangible assets	119,644	24,779	5,759	150,182
Net depreciation and amortization charges	64,397	22,749	6,636	93,782
Average number of employees	3,119	2,898	1,403	7,420

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

b) Geographical sectors

Information on geographical sectors is presented according to the geographical location of the entities concerned.

June 30, 2013 *(in thousand of euros except number of employee)*	France	Europe (excluding France)	U.S.A	Turkey, Kazakhstan & India	West Africa & the Middle Eas	Total
Income statement						
Net operating sales (after intra-sector eliminations)	440,260	197,628	103,425	244,350	180,513	1,166,176
Inter – sector eliminations	(14,519)	(155)		(335)	(3,485)	(18,494)
Consolidated net sales	**425,741**	**197,473**	**103,425**	**244,015**	**177,028**	**1,147,682**
EBITDA (cf. 1.22 & 23)	75,960	47,284	(800)	39,907	39,023	201,374
EBIT (cf. 1.22 & 23)	46,066	32,690	(13,322)	19,022	20,826	105,282
Balance sheet						
Total non-current assets	642,125	538,438	445,450	1,239,561	679,911	3,545,485
Net capital employed [(1)]	716,063	540,012	355,424	1,281,242	704,493	3,597,234
Other informations						
Acquisitions of intangible and tangible assets	25,406	10,389	3,976	34,332	4,189	78,292
Net depreciation and amortization charges	30,166	13,697	13,316	20,142	17,022	94,343
Average number of employees	2,529	1,109	1,018	1,870	1,170	7,696

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

June 30, 2012

Due to the retroactive application of amended IAS19, the financial statements for the year 2012 were restated in accordance with the new standards for purpose of comparison. The impacts are detailed in the note 24.

(in thousand of euros except number of employees)»	France	Europe (excluding France)	U.S.A	Turkey, Kazakhstan & India	West Africa & the Middle Eas	Total
Income statement						
Net operating sales (after intra-sector eliminations)	454,042	191,727	95,729	203,894	199,256	1,144,648
Inter – sector eliminations	(13,122)	(156)			(2,597)	(15,875)
Consolidated net sales	**440,920**	**191,571**	**95,729**	**203,894**	**196,659**	**1,128,773**
EBITDA (cf. 1.22 & 23)	75,012	46,993	(7,646)	36,795	49,454	200,608
EBIT (cf. 1.22 & 23)	46,670	32,593	(22,480)	18,174	30,242	105,199
Balance sheet						
Total non-current assets	656,565	550,657	384,902	1,261,445	731,597	3,585,165
Net capital employed (1)	676,159	541,224	371,876	1,313,945	790,566	3,693,769
Other informations						
Acquisitions of intangible and tangible assets	37,569	8,443	2,592	91,621	9,957	150,182
Net depreciation and amortization charges	28,748	14,425	14,928	18,152	17,529	93,782
Average number of employees	2,567	1,100	992	1,640	1,121	7,420

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

c) Information about major customers

The Group has no reliance in any major customers, none of which accounts for more than 10% of sales.

Note 18 ▼ Net cash flows generated from operations

Net cash flows from operating transactions conducted by the Group in the first semester 2013 amounted to € 65.0 million, compared with € 64.8 million at June 30, 2012.

This stability in cash flows generated by operating activities between the first semesters 2012 and 2013 results from a € (11.4) million decrease in cash flow from operations and by a € 11.6 million decrease in the change in the working capital requirement.

The working capital requirement (WCR) broken down by type is as follows:

(In thousands of euros)	WCR at December 31, 2011	Change in WCR in 2012	Other changes (1)	WCR at December 31, 2012	Change in WCR in 2013	Other changes (1)	WCR at June 30, 2013
Inventories	360,104	24,617	(2,828)	381,893	(6,917)	(6,585)	368,391
Other WCR components	100,441	(3,205)	(2,974)	94,262	80,143	(3,251)	171,154
WCR	**460,545**	**21,412**	**(5,802)**	**476,155**	**73,226**	**(9,836)**	**539,545**

(1) Exchange rates, consolidation scope and miscellaneous.

Note 19 ▼ Net cash flows from investment activities

Net cash flows linked to Group investment transactions in the first semester 2013 amounted to € (85.6) million, compared with € (145.8) million at June 30, 2012.

Acquisitions of intangible and tangible assets

These include outflows corresponding to industrial investments, which amounted to € (90.4) million, compared with € (146.6) million euros in the first semester 2012.

The main intangible and tangible investments at June 30, 2013 were realized in France and India and, to a lesser extent, in Switzerland, in Turkey, in USA and in Kazakhstan.

The main intangible and tangible investments at June 30, 2012 were mainly achieved in India in relation to the construction of the Vicat Sagar Cement factory and to a lesser extent, in France, Senegal, Switzerland, Turkey and Kazakhstan.

Acquisition / disposal of shares in consolidated companies

Consolidated company share acquisitions during the first half of 2013 resulted in a total outflow of € (0.3) million, (€ (0.9) million as a net impact, during the first semester of 2012).

Note 20 ▼ Analysis of net cash balances

(in thousands of euros)	June 30, 2013 Net	June 30, 2012 Net
Cash and cash equivalents (see. note 6)	206,979	266,166
Bank overdrafts	(24,917)	(18,341)
Net cash balances	**182,062**	**247,825**

Note 21 ▼ Transactions with related companies

Related parties with whom transactions are carried out include affiliated companies and joint ventures in which Vicat directly or indirectly holds a stake, and entities that hold a stake in Vicat.

Such transactions were not significant in the 1st half 2013 and were conducted under normal market terms and conditions.

These operations have all been recorded in compliance with the transactions stipulated in IAS 24 and their impact on the Group's consolidated financial statements at June 30, 2013 and 2012 is as follows, broken down by type and by related party :

	June 30, 2013				June 30, 2012			
(in thousands of euros)	Sales	Purchases	Receivables	Debts	Sales	Purchases	Receivables	Debts
Affiliated companies	270	925	6,785	1,595	83	893	6,642	254
Joint ventures	361	335	151	535	490	273	92	137
Other related parties	19	1,189			18	1,133		
Total	**650**	**2,449**	**6,936**	**2,130**	**591**	**2,299**	**6,734**	**391**

Note 22 ▼ Post balance sheet events

No post balance sheet event has had a material impact on the consolidated financial statements as at June 30.

Note 23 ▼ List of significant consolidated companies as at June 30, 2013

Fully consolidated: FRANCE

COMPANY	ADDRESS	SIREN N°	% control June 30, 2013	% control December 31, 2012
VICAT	Tour Manhattan 6 Place de l'Iris 92095 PARIS LA DEFENSE	057 505 539	----	----
ALPES INFORMATIQUE	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	073 502 510	99.84	99.84
ANNECY BETON CARRIERES	14 chemin des grèves 74960 CRAN GEVRIER	326 020 062	50.00	50.00
LES ATELIERS DU GRANIER	Lieu-dit Chapareillan 38530 PONTCHARRA	305 662 504	100.00	100.00
BETON CHATILLONAIS	Champ de l'Allée – ZI Nord 01400 CHATILLON SUR CHALARONNE	485 069 819	100.00	100.00
BETON CONTROLE COTE D'AZUR	217 Route de Grenoble 06200 NICE	071 503 569	97.12	97.12
BETON DE L'OISANS	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	438 348 047	60.00	60.00
LES BETONS DU GOLFE	Quartier les Plaines 83480 PUGET SUR ARGENS	501 192 785	100.00	100.00
LES BETONS DU RHONE	La petite Craz 69720 SAINT LAURENT DE MURE	503 728 164	100.00	100.00
BETON VICAT	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	309 918 464	99.96	99.92
BETON TRAVAUX	Tour Manhattan 6 Place de l'Iris 92095 PARIS LA DEFENSE	070 503 198	99.98	99.98
B.G.I.E. BETON GRANULATS IDF/EST	52-56 rue Jacquard Z.I. 77400 LAGNY SUR MARNE	344 933 338	(1)	100.00
CONDENSIL	1327 Av. de la Houille Blanche 73000 CHAMBERY	342 646 957	60.00	60.00
DELTA POMPAGE	1327 Av. de la Houille Blanche 73000 CHAMBERY	316 854 363	100.00	100.00
ETABLISSEMENT ANTOINE FOURNIER	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	586 550 147	100.00	100.00
GRANULATS VICAT	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	768 200 255	99.87	99.87
MONACO BETON	Le Palais Saint James 5, avenue Princesse Alice 98000 MONACO	326 MC 161	99.58	99.58
PARFICIM	Tour Manhattan 6 Place de l'Iris 92095 PARIS LA DEFENSE	304 828 379	100.00	100.00

(1) Company merged in 2013.

Fully consolidated: FRANCE (continued)

COMPANY	ADDRESS	SIREN N°	% control June 30, 2013	% control December 31, 2012
SATMA	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	304 154 651	100.00	100.00
SATM	1327 Av. de la Houille Blanche 73000 CHAMBERY	745 820 126	100.00	100.00
SIGMA BETON	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	343 019 428	100.00	100.00
SOCIETE L. THIRIET ET COMPAGNIE	Lieudit Chaufontaine 54300 LUNEVILLE	762 800 977	99.98	99.98
PAPETERIES DE VIZILLE	Tour Manhattan 6 Place de l'Iris 92095 PARIS LA DEFENSE	319 212 726	100.00	100.00
VICAT INTERNATIONAL TRADING	Tour Manhattan 6 Place de l'Iris 92095 PARIS LA DEFENSE	347 581 266	100.00	100.00
VICAT PRODUITS INDUSTRIELS	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	655 780 559	100.00	100.00

Fully consolidated: REST OF THE WORLD

COMPANY	COUNTRY	STATE / CITY	% control June 30, 2013	% control December 31, 2012
SINAI CEMENT COMPANY	EGYPT	CAIRO	52.62	52.62
MYNARAL TAS COMPANY LLP	KAZAKHSTAN	ALMATY	86.24	86.24
JAMBYL CEMENT PRODUCTION COMPANY LLP	KAZAKHSTAN	ALMATY	86.24	86.24
BUILDERS CONCRETE	U.S.A.	CALIFORNIA	100.00	100.00
KIRKPATRICK	U.S.A.	ALABAMA	100.00	100.00
NATIONAL CEMENT COMPANY	U.S.A.	ALABAMA	100.00	100.00
NATIONAL CEMENT COMPANY	U.S.A.	DELAWARE	100.00	100.00
NATIONAL CEMENT COMPANY OF CALIFORNIA	U.S.A.	DELAWARE	100.00	100.00
NATIONAL READY MIXED	U.S.A.	CALIFORNIA	100.00	100.00
UNITED READY MIXED	U.S.A.	CALIFORNIA	100.00	100.00
VIKING READY MIXED	U.S.A.	CALIFORNIA	100.00	100.00
CEMENTI CENTRO SUD Spa	ITALY	GENOVA	100.00	100.00
CIMENTS & MATERIAUX DU MALI	MALI	BAMAKO	94.89	94.89
GECAMINES	SENEGAL	THIES	70.00	70.00
POSTOUDIOKOUL	SENEGAL	RUFISQUE (DAKAR)	100.00	100.00
SOCOCIM INDUSTRIES	SENEGAL	RUFISQUE (DAKAR)	99.91	99.91
SODEVIT	SENEGAL	BANDIA	100.00	100.00

Fully consolidated: REST OF THE WORLD (continued)

COMPANY	COUNTRY	STATE / CITY	% control June 30, 2013	% control December 31, 2012
ALTOTA AG	SWITZERLAND	OLTEN (SOLOTHURN)	100.00	100.00
KIESWERK AEBISHOLZ AG (ex ASTRADA KIES AG)	SWITZERLAND	AEBISHOLZ (SOLEURE)	100.00	99.64
BETON AG BASEL	SWITZERLAND	BALE (BALE)	100.00	100.00
BETON AG INTERLAKEN	SWITZERLAND	MATTEN BEI INTERLAKEN (BERN)	75.42	75.42
BETON GRAND TRAVAUX SA	SWITZERLAND	ASUEL (JURA)	75.00	75.00
BETONPUMPEN OBERLAND AG	SWITZERLAND	WIMMIS (BERN)	93.33	93.33
CEWAG	SWITZERLAND	DUTINGEN (FRIBOURG)	100.00	100.00
COVIT SA	SWITZERLAND	SAINT-BLAISE (NEUCHATEL)	100.00	100.00
CREABETON MATERIAUX SA	SWITZERLAND	LYSS (BERN)	100.00	100.00
EMME KIES + BETON AG	SWITZERLAND	LÜTZELFLÜH (BERN)	66.66	66.66
FRISCHBETON AG ZUCHWIL	SWITZERLAND	ZUCHWIL (SOLOTHURN)	88.94	88.94
FRISCHBETON LANGENTHAL AG	SWITZERLAND	LANGENTHAL (BERN)	78.67	78.67
FRISCHBETON THUN	SWITZERLAND	THOUNE (BERN)	54.26	54.26
GRANDY AG	SWITZERLAND	LANGENDORF (SOLEURE)	100.00	100.00
KIESTAG STEINIGAND AG	SWITZERLAND	WIMMIS (BERN)	98.55	98.55
MATERIALBEWIRTTSCHFTUNG MITHOLZ AG	SWITZERLAND	KANDERGRUND (BERN)	98.55	98.55
KIESWERK NEUENDORF	SWITZERLAND	NEUENDORF (SOLEURE)	100.00	100.00
SABLES + GRAVIERS TUFFIERE SA	SWITZERLAND	HAUTERIVE (FRIBOURG)	50.00	50.00
SHB STEINBRUCH + HARTSCHOTTER BLAUSEE MITHOLZ AG	SWITZERLAND	FRUTIGEN (BERN)	98.55	98.55
STEINBRUCH VORBERG AG	SWITZERLAND	BIEL (BERN)	60.00	60.00
VIGIER BETON JURA SA (ex BETON FRAIS MOUTIER SA)	SWITZERLAND	BELPRAHON (BERN)	90.00	90.00
VIGIER BETON KIES SEELAND AG (ex VIBETON KIES AG)	SWITZERLAND	LYSS (BERN)	100.00	100.00
VIGIER BETON MITTELLAND AG (ex WYSS KIESWERK AG)	SWITZERLAND	FELDBRUNNEN (SOLOTHURN)	100.00	100.00
VIGIER BETON ROMANDIE SA (ex VIBETON FRIBOURG SA)	SWITZERLAND	ST . URSEN (FRIBOURG)	100.00	100.00
VIGIER BETON SEELAND JURA AG (ex VIBETON SAFNERN AG)	SWITZERLAND	SAFNERN (BERN)	90.47	90.47
VIGIER CEMENT AG	SWITZERLAND	PERY (BERN)	100.00	100.00
VIGIER HOLDING AG	SWITZERLAND	DEITINGEN (SOLOTHURN)	100.00	100.00
VIGIER MANAGEMENT AG	SWITZERLAND	DEITINGEN (SOLOTHURN)	100.00	100.00

Fully consolidated: REST OF THE WORLD (continued)

COMPANY	COUNTRY	STATE / CITY	% control June 30, 2013	% control December 31, 2012
VIRO AG	SWITZERLAND	DEITINGEN (SOLOTHURN)	100.00	100.00
VITRANS AG	SWITZERLAND	PERY (BERN)	100.00	100.00
AKTAS	TURKEY	ANKARA	100.00	100.00
BASTAS BASKENT CIMENTO	TURKEY	ANKARA	91.58	91.58
BASTAS HAZIR BETON	TURKEY	ANKARA	91.58	91.58
KONYA CIMENTO	TURKEY	KONYA	83.08	83.08
TAMTAS	TURKEY	ANKARA	100.00	100.00
BSA Ciment SA	MAURITANIA	NOUAKCHOTT	64.91	64.91
BHARATHI CEMENT	INDIA	HYDERABAD	51.00	51.00
VICAT SAGAR	INDIA	HYDERABAD	53.00	53.00

Proportionate consolidation: FRANCE

COMPANY	ADDRESS	N° SIREN N°	% control June 30, 2013	% control December 31, 2012
CARRIÈRES BRESSE BOURGOGNE	Port Fluvial Sud de Chalon 71380 EPERVANS	655 850 055	49.95	49.95
DRAGAGES ET CARRIERES	Port Fluvial sud de Chalon 71380 EPERVANS	341 711 125	50.00	50.00
SABLIÈRES DU CENTRE	Les Genévriers Sud 63430 LES MARTRES D'ARTIERE	480 107 457	50.00	50.00

Proportionate consolidation: REST OF THE WORLD

COMPANY	COUNTRY	STATE / CITY	% control June 30, 2013	% control December 31, 2012
FRISHBETON TAFERS AG	SWITZERLAND	TAFERS (FRIBOURG)	49.50	49.50

Equity method: REST OF THE WORLD

COMPANY	COUNTRY	STATE / CITY	% control June 30, 2013	% control December 31, 2012
HYDROELECTRA	SWITZERLAND	AU (ST. GALLEN)	50.00	50.00
SILO TRANSPORT AG	SWITZERLAND	BERN (BERN)	50.00	50.00
SINAI WHITE CEMENT	EGYPT	CAIRO	25.40	25.40

Note 24 ▼ Application of amended IAS19

This note presents the main impacts of the first time application of amended IAS19 on the shareholder's equity at January, 1st 2012 and on the consolidated financial statements for the half year and full year ended December 31st, 2012.

24.1 Transition from consolidated statement of financial position as published to restated consolidated statement of financial position (pro-forma)

(in thousands of euros)	December 31, 2011 pro-forma	Impacts IAS19 Revised	December 31, 2011 published	June 30, 2012 pro-forma	Impacts IAS19 Revised	June 30, 2012 published	December 31, 2012 pro-forma	Impacts IAS19 Revised	December 31, 2012 published
ASSETS									
NON CURRENT ASSETS									
Goodwill	1,000,195		1,000,195	1,003,598		1,003,598	995,320		995,320
Other intangible assets	100,789		100,789	100,475		100,475	100,417		100,417
Property, plant and equipment	2,218,465		2,218,465	2,291,042		2,291,042	2,271,210		2,271,210
Investment properties	19,089		19,089	19,577		19,577	19,557		19,557
Investments in associated companies	37,900		37,900	38,580		38,580	37,731		37,731
Deferred tax assets	2,163	59	2,104	3,843	121	3,722	89,162	182	88,980
Receivables and other non current financial assets	108,665	(8,263)	116,928	128,050	(8,349)	136,399	100,332	(8,320)	108,652
Total non current assets	**3,487,266**	**(8,204)**	**3,495,470**	**3,585,165**	**(8,228)**	**3,593,393**	**3,613,729**	**(8,138)**	**3,621,867**
CURRENT ASSETS									
Inventories and work in progress	360,104		360,104	373,251		373,251	381,893		381,893
Trade and other accounts	349,994		349,994	437,888		437,888	354,877		354,877
Current tax assets	16,685		16,685	17,684		17,684	29,455		29,455
Other receivables	144,930		144,930	171,259		171,259	146,458		146,458
Cash and cash equivalents	359,404		359,404	266,166		266,166	237,344		237,344
Total current assets	**1,231,117**	**0**	**1,231,117**	**1,266,248**	**0**	**1,266,248**	**1,150,027**	**0**	**1,150,027**
TOTAL ASSETS	**4,718,383**	**(8,204)**	**4,726,587**	**4,851,413**	**(8,228)**	**4,859,641**	**4,763,756**	**(8,138)**	**4,771,894**
LIABILITIES									
SHAREHOLDERS' EQUITY									
Share capital	179,600		179,600	179,600		179,600	179,600		179,600
Additional paid in capital	11,207		11,207	11,207		11,207	11,207		11,207
Consolidated reserves	1,889,582	(31,375)	1,920,957	1,887,437	(44,330)	1,931,767	1,890,004	(49,987)	1,939,991
Shareholders' equity	**2,080,389**	**(31,375)**	**2,111,764**	**2,078,244**	**(44,330)**	**2,122,574**	**2,080,811**	**(49,987)**	**2,130,798**
Minority interests	**349,011**	**(43)**	**349,054**	**341,607**	**(63)**	**341,670**	**334,036**	**(110)**	**334,146**
Shareholders' equity and minority interests	**2,429,400**	**(31,418)**	**2,460,818**	**2,419,851**	**(44,393)**	**2,464,244**	**2,414,847**	**(50,097)**	**2,464,944**
NON CURRENT LIABILITIES									
Provisions for pensions and other post employment benefits	92,537	39,906	52,631	113,699	59,351	54,348	120,951	65,912	55,039
Other provisions	78,370		78,370	81,312		81,312	84,334		84,334
Financial debts and put options	1,384,444		1,384,444	1,460,846		1,460,846	1,197,703		1,197,703
Deferred tax liabilities	154,737	(16,692)	171,429	142,819	(23,186)	166,005	216,180	(23,953)	240,133
Other non current liabilities	21,762		21,762	21,573		21,573	26,557		26,557
Total non current liabilities	**1,731,850**	**23,214**	**1,708,636**	**1,820,249**	**36,165**	**1,784,084**	**1,645,725**	**41,959**	**1,603,766**
CURRENT LIABILITIES									
Provisions	10,911		10,911	11,553		11,553	9,967		9,967
Financial debts and put options at less than one year	106,165		106,165	125,406		125,406	232,352		232,352
Trade and other accounts payable	241,862		241,862	247,429		247,429	260,189		260,189
Current taxes payable	16,088		16,088	20,753		20,753	27,751		27,751
Other liabilities	182,107		182,107	206,172		206,172	172,925		172,925
Total current liabilities	**557,133**	**0**	**557,133**	**611,313**	**0**	**611,313**	**703,184**	**0**	**703,184**
Total liabilities	**2,288,983**	**23,214**	**2,265,769**	**2,431,562**	**36,165**	**2,395,397**	**2,348,909**	**41,959**	**2,306,950**
Total liabilities and shareholders' equity	**4,718,383**	**(8,204)**	**4,726,587**	**4,851,413**	**(8,228)**	**4,859,641**	**4,763,756**	**(8,138)**	**4,771,894**

24.2 Transition from consolidated income statement as published to restated consolidated income statement (pro-forma)

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	June 30, 2012 pro-forma	Impacts IAS19 Revised	June 30, 2012 published	December 31, 2012 pro-forma	Impacts IAS19 Revised	December 31, 2012 published
NET SALES	1,128,773		1,128,773	2,292,219		2,292,219
Goods and services purchased	(727,168)		(727,168)	(1,461,292)		(1,461,292)
ADDED VALUE	**401,605**		**401,605**	**830,927**		**830,927**
Personnel costs	(183,492)		(183,492)	(366,653)		(366,653)
Taxes	(25,025)		(25,025)	(43,866)		(43,866)
GROSS OPERATING EARNINGS	**193,088**		**193,088**	**420,408**		**420,408**
Depreciation, amortization and provisions	(95,159)	729	(95,888)	(193,525)	(1,938)	(191,587)
Other income (expense)	6,616		6,616	16,162		16,162
OPERATING INCOME	**104,545**	**729**	**103,816**	**243,045**	**(1,938)**	**244,983**
Cost of net borrowings and financial liabilities	(18,036)		(18,036)	(34,443)		(34,443)
Other revenues	4,520		4,520	10,070	2,201	7,869
Other costs	(6,043)	(553)	(5,490)	(14,377)	(504)	(13,873)
NET FINANCIAL INCOME (EXPENSE)	**(19,559)**	**(553)**	**(19,006)**	**(38,750)**	**1,697**	**(40,447)**
Earnings from associated companies	1,600		1,600	3,050		3,050
EARNINGS BEFORE INCOME TAX	**86,586**	**176**	**86,410**	**207,345**	**(241)**	**207,586**
Income taxes	(26,036)	(2)	(26,034)	(59,458)	163	(59,621)
NET INCOME	**60,550**	**174**	**60,376**	**147,887**	**(78)**	**147,965**
Portion attributable to minority interests	9,252	(11)	9,263	18,862	(16)	18,878
PORTION ATTRIBUTABLE TO GROUP SHARE	**51,298**	**185**	**51,113**	**129,025**	**(62)**	**129,087**
EBITDA	**200,608**		**200,608**	**437,382**	**0**	**437,382**
EBIT	**105,199**	**728**	**104,471**	**243,290**	**(1,938)**	**245,228**
CASH FLOW FROM OPERATIONS	**149,605**		**149,605**	**328,871**	**0**	**328,871**
Earnings per share *(in euros)*						
Basic and diluted earnings per share	**1.14**		1.14	2.87		2.87

24.3 Transition from consolidated statement of comprehensive income as published to restated consolidated statement of comprehensive income (pro-forma)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	June 30, 2012 pro-forma	Impacts IAS19 Revised	June 30, 2012 published	December 31, 2012 pro-forma	Impacts IAS19 Revised	December 31, 2012 published
NET CONSOLIDATED INCOME	**60,550**	**174**	**60,376**	**147,887**	**(78)**	**147,965**
OTHER COMPREHENSIVE INCOME ITEMS						
ITEMS NOT RECYCLABLE TO THE INCOME STATEMENT :						
Actuarial gains and losses on employee benefits	(18,362)	(18,362)		(25,093)	(25,093)	
Income tax related to non-recyclable items	6,046	6,046		6,015	6,015	
ITEMS RECYCLABLE TO THE INCOME STATEMENT :						
Net income from change in translation differences	25,602	(832)	26,434	(47,708)	477	(48,185)
Cash flow hedge instruments	(3,944)		(3,944)	(22,972)		(22,972)
Income tax related to recyclable items	2,322		2,322	8,897		8,897
OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)	**11,664**	**(13,148)**	**24,812**	**(80,861)**	**(18,601)**	**(62,260)**
TOTAL COMPREHENSIVE INCOME	**72,214**	**(12,974)**	**85,188**	**67,026**	**(18,679)**	**85,705**
Portion attributable to minority interests	10,648	(20)	10,668	3,670	(67)	3,737
PORTION ATTRIBUTABLE TO GROUP SHARE	**61,566**	**(12,954)**	**74,520**	**63,356**	**(18,612)**	**81,968**

24.4 Transition from consolidated cash flows statement as published to restated consolidated cash flows statement (pro-forma)

CASH FLOWS

(in thousands of euros)	June 30, 2012 pro-forma	Impacts IAS19 Revised	June 30, 2012 published	December 31, 2012 pro-forma	Impacts IAS19 Revised	December 31, 2012 published
CASH FLOWS FROM OPERATING ACTIVITIES						
Consolidated net income	**60,550**	**174**	**60,376**	**147,887**	**(78)**	**147,965**
Earnings from associated companies	(1,600)		(1,600)	(3,051)		(3,051)
Dividends received from associated companies	1,578		1,578	1,582		1,582
Elimination of non cash and non operating items :						
- depreciation, amortization and provisions	97,554	(174)	97,728	199,767	78	199,689
- deferred taxes	(7,314)		(7,314)	(12,743)		(12,743)
- net (gain) loss from disposal of assets	(172)		(172)	(2,918)		(2,918)
- unrealized fair value gains and losses	(975)		(975)	(1,619)		(1,619)
- other	(15)		(15)	(34)		(34)
Cash flows from operating activities	**149,606**	**0**	**149,606**	**328,871**	**0**	**328,871**
Change in working capital from operating activities - net	(84,816)		(84,816)	(21,412)		(21,412)
Net cash flows from operating activities (1)	**64,790**	**0**	**64,790**	**307,459**	**0**	**307,459**
CASH FLOWS FROM INVESTING ACTIVITIES						
Outflows linked to acquisitions of fixed assets :						
- property, plant and equipment and intangible assets	(146,615)		(146,615)	(268,963)		(268,963)
- financial investments	(3,138)		(3,138)	(4,203)		(4,203)
Inflows linked to disposals of fixed assets :						
- property, plant and equipment and intangible assets	1,988		1,988	7,625		7,625
- financial investments	2,838		2,838	3,429		3,429
Impact of changes in consolidation scope	(900)		(900)	(10,646)		(10,646)
Net cash flows from investing activities	**(145,827)**	**0**	**(145,827)**	**(272,758)**	**0**	**(272,758)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividends paids	(87,475)		(87,475)	(87,993)		(87,993)
Increases in capital	0			3,870		3,870
Increases in borrowings	109,487		109,487	108,334		108,334
Redemptions of borrowings	(43,898)		(43,898)	(177,197)		(177,197)
Acquisitions of treasury shares	(6,066)		(6,066)	(10,472)		(10,472)
Disposals - allocations of treasury shares	9,461		9,461	14,165		14,165
Net cash flows from financing activities	**(18,491)**	**0**	**(18,491)**	**(149,293)**	**0**	**(149,293)**
Impact of changes in foreign exchange rates	3,340		3,340	(4,342)		(4,342)
Change in cah position	**(96,188)**	**0**	**(96,188)**	**(118,934)**	**0**	**(118,934)**
Net cash and cash equivalents - opening balance	344,013		344,013	344,013		344,013
Net cash and cash equivalents - closing balance	247,825		247,825	225,079		225,079

24.5 Transition from statement of changes in consolidated shareholder's equity as published to restated statement of changes in consolidated shareholder's equity (pro-forma)

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Share-holders' equity	Minority interests	Total share-holders' equity and minority interets
At January 1, 2012 - published	**179,600**	**11,207**	**(83,890)**	**2,080,899**	**(76,052)**	**2,111,764**	**349,054**	**2,460,818**
Impacts IAS19 revised January 1, 2012				(31,375)		(31,375)	(43)	(31,418)
At January 1, 2012 - revised	**179,600**	**11,207**	**(83,890)**	**2,049,524**	**(76,052)**	**2,080,389**	**349,011**	**2,429,400**
Consolidated net income				51,113		51,113	9,263	60,376
IAS19R Adjustments on net income				184		184	(10)	174
Other comprehensive income				(2,005)	25,412	23,407	1,405	24,812
IAS19R Adjustments on OCI				(12,307)	(832)	(13,139)	(9)	(13,148)
Total comprehensive income - published				*49,108*	*25,412*	*74,520*	*10,668*	*85,188*
IAS19R Adjustments on OCI				*(12,123)*	*(832)*	*(12,955)*	*(19)*	*(12,974)*
Total comprehensive income - pro-forma				***36,985***	***24,580***	***61,565***	***10,649***	***72,214***
Dividends paid				(66,039)		(66,039)	(21,987)	(88,026)
Net change in treasury shares			4,833	(943)		3,890		3,890
Changes in consolidation scope				(746)		(746)	(154)	(900)
Increases in share				(942)		(942)	4,230	3,288
Other changes				127		127	(141)	(14)
At June 30, 2012 - published	**179,600**	**11,207**	**(79,057)**	**2,061,464**	**(50,640)**	**2,122,574**	**341,670**	**2,464,244**
Impacts IAS19 revised June 30, 2012				(43,498)	(832)	(44,330)	(62)	(44,392)
At June 30, 2012 - pro-forma	**179,600**	**11,207**	**(79,057)**	**2,017,966**	**(51,472)**	**2,078,244**	**341,608**	**2,419,852**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Conso-lidated reserves	Translation reserves	Share-holders' equity	Minority interests	Total share-holders' equity and minority interets
At January 1, 2012 - published	**179,600**	**11,207**	**(83,890)**	**2,080,899**	**(76,052)**	**2,111,764**	**349,054**	**2,460,818**
Impacts IAS19 revised January 1, 2012				(31,375)		(31,375)	(43)	(31,418)
At January 1, 2012 - revised	**179,600**	**11,207**	**(83,890)**	**2,049,524**	**(76,052)**	**2,080,389**	**349,011**	**2,429,400**
Consolidated net income				129,087		129,087	18,878	147,965
IAS19R Adjustments on net income				(62)		(62)	(16)	(78)
Other comprehensive income				(14,798)	(32,321)	(47,119)	(15,141)	(62,260)
IAS19R Adjustments on OCI				(19,027)	477	(18,550)	(51)	(18,601)
Total comprehensive income - published				*114,289*	*(32,321)*	*81,968*	*3,737*	*85,705*
IAS19R Adjustments on OCI				*(19,089)*	*477*	*(18,612)*	*(67)*	*(18,679)*
Total comprehensive income - pro-forma				***95,200***	***(31,844)***	***63,356***	***3,670***	***67,026***
Dividends paid				(66,039)		(66,039)	(22,124)	(88,163)
Net change in treasury shares			5,209	(994)		4,215		4,215
Changes in consolidation scope				(749)		(749)	(154)	(903)
Increases in share				(666)		(666)	4,239	3,573
Other changes				305		305	(606)	(301)
At december 31, 2012 - published	**179,600**	**11,207**	**(78,681)**	**2,127,045**	**(108,373)**	**2,130,798**	**334,146**	**2,464,944**
Impacts IAS19 revised December 31, 2012				(50,464)	477	(49,987)	(110)	(50,097)
At december 31, 2012 - pro-forma	**179,600**	**11,207**	**(78,681)**	**2,076,581**	**(107,896)**	**2,080,811**	**334,036**	**2,414,847**

2

Half year report

2.1. Change in consolidated sales 43
2.2. Change in operating income 45
2.3. Change in financial income 50
2.4. Change in taxes 50
2.5. Change in net income 51
2.6. Change in financial position 51
2.7. Outlook for 2013 51

The accounting policies and measurement methods used in the consolidated financial statements as at June 30, 2013 are the same as those used in the 2012 annual financial statements, with the exception of the standard IAS 19 revised "Employee benefits" which is mandatory on a retrospective basis with effect from January 1, 2013. As IAS 19 revised is applicable retrospectively, the 2012 financial statements have been adjusted in accordance with the new rules for comparison purposes. The detailed impacts of the first-time adoption of IAS 19 revised are described in notes 1 and 24 to the consolidated financial statements as at June 30, 2013.

2.1. Change in consolidated sales

The Vicat Group's consolidated sales for the first half of 2013 were €1,148 million, up 1.7% and 3.2% at constant consolidation scope and exchange rates compared with the same period in 2012, resulting from:
- a 3.2% increase in activity levels at constant consolidation scope and exchange rates, due to an increase in business throughout the Asia region and in the United States and Europe (excluding France) which substantially offset the decline in business in France and the Middle East and West Africa region;
- a negative currency impact of 2.0% resulting from the appreciation of the euro against all currencies in which the Group operates;
- a positive consolidation scope effect of +0.5%.

The change in consolidated sales as at June 30, 2013 by division compared with June 30, 2012 was as follows:

(€ million except %)	June 30, 2013	June 30, 2012	Change	Change (%)	Comprising: Exchange rate effect	Comprising: Change in consolidation scope	Comprising: Internal growth
Cement	581	581	0	(0.1%)	(16)	0	16
Concrete and Aggregates	418	390	28	7.2%	(4)	5	27
Other Products a nd Services	149	158	(9)	(5.6%)	(1)	0	(7)
Total	**1,148**	**1,129**	**19**	**1.7%**	**(22)**	**5**	**36**

During the first half of 2013, consolidated sales in the Cement division increased by 2.8% at constant consolidation scope and exchange rates. The considerable falls recorded in France and the West Africa – Middle East region were offset by the increased strength of Group activity in India and Kazakhstan, the business momentum in Turkey and Switzerland and finally the continued recovery in the United States.

Concrete & Aggregates division sales were up 6.9% at constant consolidation scope and exchange rates.

The Other Products & Services division, for its part, fell by 4.7% at constant consolidation scope and exchange rates.

The breakdown of the Group's operational sales by division (before elimination of inter-division sales) was as follows:

(percentage)	June 30, 2013	June 30, 2012
Cement	52.4	53.2
Concrete and Aggregates	32.6	31.5
Other Products and Services	15.0	15.3
Total	**100.0**	**100.0**

The breakdown of operational sales by division for the first half of 2013 shows a slight decrease in the contribution from the Cement division, which represented 52.4% of operational sales compared with 53.2% in the first half of 2012, an increase in the contribution from the Concrete & Aggregates division which reached 32.6% compared with 31.5% in the same period of 2012. Finally, the contribution from the Other Products & Services division fell slightly to 15.0% of the Group's operational sales compared with 15.3% in the first half of 2012.

The share of the Group's main businesses, cement, concrete and aggregates, remained stable overall at 85% of operational sales.

The change in volumes in our main businesses was as follows:

	June 30, 2013	June 30, 2012	Change
Cement (thousand t)	9,212	8,874	3.8%
Concrete (thousand m³)	4,134	3,669	12.7%
Aggregates (thousand t)	11,133	10,730	3.8%

The main factors underlying sales growth were:

• an increase in cement volumes resulting from:
- sustained growth in Turkey, which benefited during the period from considerably better weather conditions than in the first half of 2012 coupled with a dynamic macro-economic environment despite the unrest that swept the country at the end of the first half;
- continued development of Bharathi Cement's business and the commercial start-up of Vicat Sagar in India;
- a sharp rebound in business in the United States supported by an improving macro-economic environment;
- positive trends in Jambyl Cement's business in Kazakhstan;
- and finally robust growth in Switzerland, driven by better weather conditions and a positive sector environment.

• These positive factors were partially offset by:
- a persistently difficult economic and sector environment in France and Italy, coupled with poor weather conditions and fewer working days in France compared to the first half of 2012;
- disruptions to production and sales in Egypt due to the on-going security troubles;
- increased pressure on selling prices in India due to the tough competitive environment;
- a slight dip in the contribution from West Africa following price decreases observed in Senegal during the second half of 2012.

By business segment:
- Operational sales in the Cement division increased by 3.8% at constant consolidation scope and exchange rates. This upward trend resulted from an increase in sales volumes in India, Turkey, Switzerland, Kazakhstan and lastly the United States. They were stable in West Africa. By contrast, they declined in France, Egypt and Italy. Increases in selling prices in France, the United States, Turkey, Kazakhstan, Egypt and Italy offset the decrease in Senegal and in particular in India, resulting, primarily in the first quarter, from strong competitive pressure.
- Operational sales in the Concrete and Aggregates division increased by 6.2% at constant consolidation scope and exchange rates. This performance was the result of a solid increase in concrete sales volumes in all regions and aggregates volumes everywhere except Senegal.
- Operational sales in the Other Products and Services division increased by 1.4% at constant consolidation scope and exchange rates, with the decline in France being fully offset by the increase in business in the other countries.

Breakdown of consolidated sales by geographic sales region:

(€ million except %)	June 30, 2013	%	June 30, 2012	%
France	409	35.6	429	38.0
Americas	103	9.0	96	8.5
Turkey, India and Kazakhstan	228	19.8	202	17.9
Africa Middle East	196	17.0	200	17.7
Europe (excluding France)	212	18.5	202	17.9
Total	**1,148**	**100.0**	**1,129**	**100.0**

By geographic sales region, the proportion of consolidated sales deriving from France is down owing to poor weather conditions in the first quarter, a macroeconomic situation which remains difficult and fewer working days. The level of Group activity in Egypt was still affected over the half by the situation described above.

Activity was sustained in Switzerland and Turkey in a favourable economic and sector environment. In the United States, the Group was able to take advantage of the continuation of the recovery begun in 2012. Finally, the increased output from the Group's investments in India and Kazakhstan resulted in a further increase in business in the region as a whole.

Breakdown of operational sales as at June 30, 2013 by region and by division:

(€ million)	Cement	Concrete & Aggregates	Other Products & Services	Elimination of inter-division sales	Consolidated sales
France	187.1	215.3	115.9	(92.6)	**425.7**
Europe (excluding France)	86.2	75.0	61.2	(24.8)	**197.5**
United States	46.8	73.7	-	(17.1)	**103.4**
Turkey, India, Kazakhstan	206.9	56.0	21.1	(40.0)	**244.0**
Africa, Middle East	166.3	12.2	-	(1.5)	**177.0**
Operational sales	**693.4**	**432.1**	**198.2**	**(176.0)**	**1,147.7**
Elimination of inter-division sales	(112.8)	(13.8)	(49.5)	176.0	
Consolidated sales	**580.6**	**418.3**	**148.7**	**-**	**1,147.7**

2.2. Change in operating income

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change	Exchange rate effect	Change in consolidation scope	Internal growth
Sales	1,148	1,129	1 .7%	(2.0%)	0.5%	3.2%
EBITDA	201	201	0.4%	(1.7%)	-	2.1%
EBIT	105	105	0.1%	(1.2%)	-	1.3%
Operating income	107	105	2.4%	(1.2%)	-	3.6%

The Group's consolidated EBITDA came to €201 million, an increase of 2.1%. The EBITDA margin on consolidated sales was 17.5% compared with 17.8% in the first half of 2012.

The Group's EBITDA growth was driven by:
- strong EBITDA growth in Kazakhstan and Turkey;
- slight EBITDA growth in France and Italy despite the decline in activity in both countries;
- an improved performance in the United States with another sharp reduction in operating losses, thus drawing close to breakeven over the period.

These positive factors offset:
- a marked drop in EBITDA in India over the first half, due to the progressive start-up of Vicat Sagar and increased competitive pressure which had a negative impact on the selling prices;
- continued difficult operational and market conditions in Egypt caused by the country's on-going security problems;
- an unfavourable price effect derived from price decreases seen in the second half of 2012 in West Africa.

On this basis, and after an increased depreciation charge due to the commissioning of new facilities, particularly with the start-up of Vicat Sagar in India, operating income (EBIT) rose by 1.3% to €105 million.

2.2.1. Change in operating income by division

The following paragraphs give a breakdown of operating income by business segment, and an analysis of the change between 2012 and 2013.

2.2.1.1. Cement

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Volume (thousand t)	9,212	8,874	3.8%	-
Operational sales	693	685	1.2%	3.8%
Consolidated sales	581	581	(0.1%)	2.9%
EBITDA	147	155	(5.2%)	(3.4%)
EBIT	80	90	(11.3%)	(10.2%)

The Cement business delivered 3.8% growth in first-half operational sales.

Selling prices were globally stable, with increases in France, Turkey, Kazakhstan, Egypt, the United States and Italy offsetting the decrease in India and West Africa. Stable selling prices were accompanied by 3.8% volume growth. The contraction in volumes in France, Egypt, West Africa and Italy was more than offset by the build-up in India and Kazakhstan, buoyant business in Turkey and Switzerland, where weather conditions were more clement, and the confirmed rebound in business in the United States.

EBITDA totalled €147 million, a decrease of 3.4% at constant consolidation scope and exchange rates. The decline stemmed mainly from the lower EBITDA generated in India and West Africa due to lower selling prices and to the increases in certain production costs, as well as to the start-up costs of Vicat Sagar in India and in France to the lower volumes, which were only partly offset by EBITDA growth in Kazakhstan, the United States and Turkey. However, in France, EBITDA margin was up compared with the first half of 2012 despite the sharp drop in volumes.

EBIT came to €80 million, affected by the decline in EBITDA and the increased depreciation charge following the start-up of the Vicat Sagar Cement plant.

2.2.1.2. Concrete & Aggregates

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Concrete volumes (thousand m3)	4,134	3,669	12.7%	-
Aggregates volumes (thousand t)	11,133	10,730	3.8%	-
Operational sales	432	406	6.5%	6.2%
Consolidated sales	418	390	7.2%	6.9%
EBITDA	37	29	27.2%	28.5%
EBIT	15	5	179.7%	183.2%

Concrete & Aggregates delivered robust growth in operational sales, up 6.2% compared with the first half of 2012. This positive trend stemmed from an improved environment in all countries where the Group operates except for Senegal. On this basis, EBITDA rose by 28.5%, reflecting a sharp improvement in the Group's EBITDA margin in almost all countries, except for Senegal.

2.2.1.3. Other Products & Services

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Operational sales	198	197	0.4%	1.4%
Consolidated sales	149	158	(5.6%)	(4.7%)
EBITDA	17	16	5.7%	7.2%
EBIT	11	10	7.2%	8.7%

Operational sales increased by 1.4%. EBITDA totalled €17 million, up 7.2% compared with the first half of 2012.

2.2.2 Change in operating income by geographical region

2.2.2.1. Income statement for France

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Consolidated sales	426	441	(3.4%)	(4.6%)
EBITDA	76	75	1.3%	1.3%
EBIT	46	47	(1.3%)	(1.2%)

In France, consolidated sales decreased by 4.6% to €426 million in the first half. The decline during the period, which included two fewer business days than in the same period in 2012, was due mainly to the continued downturn in the construction market and unfavourable weather conditions. Despite this adverse climate, the Group delivered an improved operating performance, with growth in both EBITDA and EBITDA margin over the period.

-- **In the Cement business,** sales were down 10.5%. Operational sales (before elimination of intra-group sales) fell by 6.1%, marking an improvement in business in the second quarter of the year compared with the first quarter. In the first half, volumes fell by around 7%, reflecting a marked drop in the first quarter followed by a gradual improvement in trends during the second quarter. The decline was sharpest in the export markets, while the fall in volumes in the Group's domestic market was in line with the contraction in consumption in France over the period. Selling prices increased slightly over the first half as a whole. Against this backdrop, the Group's EBITDA in this business segment fell by 5.2% compared with the first half of 2012. However, the EBITDA margin rose as a result of the Group's improved operating performance in this business over the period.

- **In Concrete & Aggregates,** sales increased by 4.8% and by 2.3% at constant consolidation scope. Volumes rose by almost 6% in concrete and by more than 1% in aggregates. The average selling price eroded slightly in concrete but moved higher in aggregates. On this basis, EBITDA for this business segment in France rose sharply by 31.3% at constant consolidation scope, leading to a substantial improvement in EBITDA margin in the first half.

- **In Other Products & Services,** consolidated sales fell by 10.2%. The Transportation business was badly affected by poor weather conditions and an adverse macro-economic environment at the beginning of the year. Accordingly, the division's EBITDA fell slightly by 2.3%.

2.2.2.2 Income statement for Europe (excluding France)

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Consolidated sales	197	192	3.1%	5.1%
EBITDA	47	47	0.6%	2.6%
EBIT	33	33	0.3%	2.3%

Consolidated sales in Europe, excluding France, rose by 5.1% and EBITDA by 2.6%.

In **Switzerland**, the Group's consolidated sales in the first half of 2013 were €187 million, while EBITDA rose by 1.4% despite slight pressure on prices early in the year.

- **In the Cement business,** consolidated sales were €55 million in a slightly more competitive environment that resulted in a slight decrease in prices early in the year. On this basis, EBITDA for this business segment in Switzerland fell by 6.2% over the period as a whole.
- **In the Concrete & Aggregates business,** consolidated sales rose by 4.5%. Volumes were up in concrete and in aggregates. Selling prices fell in both concrete and aggregates as a result of major deliveries to large sites, although this was partly offset in concrete by a favourable geographical and product mix. On this basis, EBITDA rose by 6.1%.
- **The Precast business reported** sales growth of 4.8%. Business was supported by favourable macro-economic and weather conditions at the end of the first half, with a marked increase in volumes. On this basis, EBITDA rose by 17.0%.

In **Italy**, sales fell by 16%. Business remained badly affected during the first half by a difficult macro-economic and sector environment. Volumes therefore fell by more than 23% but despite this unfavourable backdrop, selling prices rose yet again in a domestic market that is now consolidating. EBITDA therefore grew by more than 49%.

2.2.2.3 Income statement for the United States

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Consolidated sales	103	96	8.0%	9.8%
EBITDA	(1)	(8)	89.5%	89.4%
EBIT	(13)	(22)	40.7%	39.8%

Business in the United States improved in an increasingly healthy macro-economic climate. Volume growth continued, coupled with moderate rises in selling prices that varied according to region. Against this backdrop, Group sales rose by 9.8% compared with the first half of 2012, while EBITDA increased significantly, drawing close to breakeven by the end of the period.

- **In the Cement business,** sales expanded by 4.1%. In keeping with the trends that emerged at the end of 2012, sales volumes continued to advance, rising by around 2%, with strong growth in California driven by the early start-up of infrastructure projects. In the South-East, volumes were down relative to the first half of 2012 due to adverse weather conditions early in the year. Selling prices edged up in California and rose much more significantly in the South-East. On this basis, Group EBITDA in this business segment in the first half of the year improved markedly, drawing close to breakeven.
- **In the Concrete business,** sales were up 12.3%. This trend reflects an improvement in volumes, which were up 8%, underpinned by strong growth in the two regions where the Group operates, but more particularly in the South-East. Selling prices during the first half of 2013 were up in both regions relative to the same period in 2012. On this basis, EBITDA in this business segment improved significantly, also nearing breakeven.

2.2.2.4 Income statement for Turkey, India and Kazakhstan

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	At constant consolidation scope and exchange rates
Consolidated sales	244	204	19.7%	24.5%
EBITDA	40	37	8.5%	11.6%
EBIT	19	18	4.7%	6.4%

Sales for the region as a whole grew by 24.5% to €244 million. EBITDA rose by 11.6%.

In **Turkey**, sales amounted to €118 million, an increase of 24.2%. Despite the social unrest at the end of the first half, the Group, like the rest of the industry, was able to take advantage of good weather conditions, particularly in the first quarter of 2013, and a favourable macro-economic and industry environment. On this basis, EBITDA in Turkey rose by 30.7% compared with the first half of 2012.

- **In Cement,** the Group's sales grew by 18.9%, due to a significant rise in volumes, coupled with an increase in selling prices. On this basis, EBITDA for this business segment increased by 22.0%.
- **In Concrete & Aggregates,** sales also rose sharply, by 32.2%. Volume growth in concrete (25%) and aggregates (13%) was supported by favourable weather conditions in the first quarter but also by the implementation of large residential projects, particularly in the Ankara region. As in Cement, selling prices in this business remained healthy. On this basis, EBITDA for this business segment increased more than fourfold.

In **India**, Group sales totalled €87.3 million in the first half of 2013, up 18.4% at constant consolidation scope and exchange rates. During the period, the Group focused its attention on the start-up of Vicat Sagar and the continued build-up of Bharathi Cement. Volumes therefore increased significantly, by about 34%, with almost 1.7 million tonnes of cement delivered. By contrast, the competitive environment intensified considerably during the period, and particularly in the first quarter, leading to a sharp deterioration in selling prices, which remain highly volatile in India. Given the adverse trends in selling prices, the increase in certain production costs and the start-up costs for Vicat Sagar, EBITDA declined sharply, by 77.7% at constant consolidation scope and exchange rates.

Kazakhstan delivered an excellent performance in the first half, driven by good weather conditions and continued work on major infrastructure projects. The Group stepped up its deployment in this high-potential market, with volume growth of more than 23% in a favourable pricing environment. All in all, sales for the period rose by 42.8% to €38.9 million. The Group also delivered very strong growth in EBITDA in this country, at almost €14 million compared with €1 million in the same period of 2012 – higher than EBITDA for the whole of 2012. This performance reflects the very positive dynamics of a rapidly growing market but also a substantial improvement in the Group's industrial efficiency, two years after the start-up of this greenfield facility.

2.2.2.5 Income statement for Africa and the Middle East

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change (%) Reported	Change (%) At constant consolidation scope and exchange rates
Consolidated sales	177	197	(10.0%)	(6.5%)
EBITDA	39	49	(21.1%)	(18.6%)
EBIT	21	30	(31.1%)	(29.6%)

In the Africa and Middle East region, sales declined by 6.5% to €177 million, while EBITDA declined by 18.6%.

- In **Egypt**, sales came to €47.2 million, a decrease of 11.8% at constant consolidation scope and exchange rates. This was due to a sharp contraction in volumes of almost 25%, partly offset by a substantial increase in selling prices over the period. The Group's business continued to be affected by the serious security problems in Egypt, which disrupted operations at the production plant as well as the sale of products on the market. Recent events still offer very little visibility as to short-term business trends. On this basis, EBITDA contracted by 18.5%.

- In **West Africa,** sales fell by 4.1%. Cement volumes in the first half of 2013 remained stable relative to the first half of 2012 (down 0.8%). Although stable quarter-on-quarter, selling prices were down sharply compared with the first half of 2012 due to price pressures sustained during the second half of 2012. On this basis, and following a sharp increase in electricity prices in Senegal, EBITDA fell by 18.6% during the period.

2.3. Change in financial income

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change
Cost of net financial debt	(19.5)	(18.0)	(8.2%)
Other financial income and expenses	(2.0)	(1.5)	28.0%
Financial income	**(21.5)**	**(19.6)**	**(9.8%)**

The increase in net financial expense of almost €2 million to €21.5 million was due primarily to the end of the capitalisation period of the financial costs associated with the start-up of Vicat Sagar and Gulbarga Power in India, partly offset by a decrease in financial expenses in France.

2.4. Change in taxes

(€ million except %)	June 30, 2013	June 30, 2012 pro-forma	Change
Taxes payable	(38.6)	(33.3)	(15.8%)
Deferred taxes	10.1	7.3	38.0%
Total taxes	**(28.5)**	**(26.0)**	**(9.5%)**

The increase in tax charges of 9.5% is the result of an increase in current income and a rise in the Group's average tax rate to 32.5%, compared with 30.1% in the first half of 2012. This rise in average tax rate came mainly from:
- the 85% limit on the deductibility of financial expenses in France;
- the additional tax on dividends paid introduced in France this year;
- higher withholding taxes resulting from an increase in dividends received in France and various other impacts.

2.5. Change in net income

Consolidated net income was €54.9 million, up 9.0%, giving a net margin of 4.8% of sales in the first half of 2013, compared with 4.5% in the first half of 2012.

2.6. Change in financial position

As at June 30, 2013, the Group has a sound financial position with significant shareholders' equity and well-controlled debt which remains stable compared with June 30, 2012 (+€97 million compared with December 31, 2012 and -€2 million compared with June 30, 2012). Gross debt, excluding put option and including financial instruments assets, was €1,448 million.

On this basis, the Group's gearing as at June 30, 2013 was 53.3% and leverage was 2.8 times EBITDA.

(€ million)	June 30, 2013	June 30, 2012 pro-forma
Gross financial debt	1,448	1,509
Cash	(207)	(266)
Net financial debt (excluding option)	**1,241**	**1,243**
Consolidated shareholders' equity	**2,329**	**2,420**
Gearing	*53.30%*	*51.40%*
EBITDA	438.1	438.2
Leverage	*x 2.8*	*x 2.8*

Medium and long-term financing agreements contain specific clauses (covenants) in particular requiring adherence to financial ratios. In view of the small number of companies concerned, basically Vicat SA, the Group parent company, the level of net debt and the liquidity of the Group's balance sheet, the existence of these covenants does not represent a risk to the Group's financial position. As at June 30, 2013, the Group adhered to all the ratios referred to in the covenants contained in the financing agreements.

The Group had confirmed credit lines which are not used and not assigned to hedge the liquidity risk on commercial papers, amounting to €342 million as at June 30, 2013 (€416 million as at December 31, 2012).

The Group also has a programme for the issue of commercial papers amounting to €300 million. As at June 30, 2013, issued papers amounted to €300 million. The commercial papers which constitute these short-term credit instruments are backed by confirmed credit lines for the amount issued and as such are classed as medium-term debts in the consolidated balance sheet.

2.7. Outlook for 2013

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 Group expects the situation to improve after a tough year in 2012. Given current levels of cement consumption, volumes should very gradually stabilise and selling prices begin to recover.

- **In the United States,** the Group anticipates further improvement in its business, in terms of both volumes and prices.
- **In Turkey,** last year's improvement in the sector environment is likely to continue in 2013. The Group should be able to take full advantage of its efficient production facilities and strong market positions.
- **In Egypt,** the market is likely to remain disrupted by the current security troubles, 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,** sales volumes should continue to rise. 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 increase in sales in the first half of 2013, along with the on-going build-up at Bharathi Cement, will gradually make the Group a major player in Southern India. The Vicat Group should also benefit from a buoyant construction market in 2013, but in a persistently competitive and highly volatile pricing environment.
- **In Kazakhstan,** the Group's ideal geographical location and highly effective production base should enable it to take full advantage of a market poised for solid growth in the construction and infrastructure sectors, in what is expected to remain a supportive pricing environment.

Declaration by the natural persons responsible for the half year financial report

« I hereby declare that, to the best of my knowledge, the consolidated accounts compiled for the last half year have been drawn up in accordance with the applicable accounting standards and are a true reflection of the assets and liabilities, financial position and income of the company and all the firms within the consolidation scope and that the half year report on operations, attached on pages 42 ff., presents a true picture of the major events which occurred during the first six months of the year, their impact on the accounts and the main transactions between related parties and describes the main risks and the main uncertainties for the remaining six months of the year. »

Paris La Défense, August 2, 2013

Guy Sidos

Chief Executive Officer

4

Statutory Auditors' Review Report on the half-yearly consolidated financial statements

For the six-month period ended June 30, 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Vicat S.A. for the six-month period ended June 30, 2013,
- the verification of information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I – Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying the conclusion expressed above, we draw your attention to the mention in the note 24 to the condensed half-yearly consolidated financial statements which sets out the accounting consequences related to the first application of «revised IAS 19» on the shareholders' equity at January 1, 2012, as well as on the interim consolidated financial statements for the period ended June 30, 2012 and on the consolidated financial statement for the period ended December 31, 2012.

II – Specific verification

We have also verified information given in the half-yearly management report on the condensed half-yearly consolidated financial statements that were subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense, August 2, 2013
KPMG Audit - a division of KPMG S.A.
Bertrand Desbarrières - *Partner*

Chamalières, August 2, 2013
Wolff & Associés S.A.S.
Patrick Wolff - *Partner*

VICAT S.A. - Siège social : Tour Manhattan – 6, place de l'Iris - 92095 Paris-La Défense Cedex
Société anonyme au capital de 179 600 000 euros - RCS Nanterre 057 505 539
SIREN 057.505.539 - Tél. : 01 58 86 86 86 - Fax : 01 58 86 87 87
www.vicat.fr