

# PRESS RELEASE

Paris, January 12, 2012

## **Imerys presents today its strategic development orientations at Investor Day and confirms 2011 annual target**

- **Ambition 2012-2016**
  - **Generate organic growth<sup>(1)</sup> above global GDP growth rate**
    - **Acceleration in research, development and innovation efforts (up to €700 million potential incremental sales in 2016 compared with 2011)**
    - **Targeted development in emerging countries**
    - **Priority given to markets with high growth potential**
  - **Enlarge the Group footprint through a selective acquisition strategy**
  - **Keep strict financial criteria for development and maintain a sound financial structure**
- **2011 estimated results**
  - **Sales in excess of €3,650 million, almost + 10% increase compared to 2010**
  - **Target of over + 20% growth in net income from current operations confirmed for full-year 2011**

### **Ambition 2012-2016**

As part of today's Investor Day, Imerys presents its strategic orientations for the next five years, with the aim of speeding up its development through stronger organic growth.

Innovation resources have been significantly increased to step up the Group's presence on end markets with high growth potential, but also to enhance its specialty minerals offering. A €60 million budget has been allocated to Research & Development in 2012. By 2016, Imerys will achieve up to €700 million incremental sales in new products, compared to €200 million sales in 2011 with products launched over the past five years.

Imerys also plans to continue its development in emerging countries, which represent almost 27% of its consolidated sales<sup>(2)</sup>. India, China and Brazil, which together generate more than €400 million in turnover, are set to play a driving role in this strategy, which will combine internal growth, acquisitions and partnerships. Similarly, the Group will roll out regional development platforms in selected countries.

Innovation and geographic expansion will also increase the Group's operational robustness.



(1) Average, at comparable Group structure and exchange rates

(2) Over the first 9 months of 2011.

To develop its leadership in mineral-based specialty products, Imerys will also continue its strategy of selective acquisitions in line with its core business.

The Group will maintain strict ROI criteria, targeting an internal rate of return above 15% for its internal and external development projects in order to keep a sound financial structure. In this way Imerys intends to achieve return on capital employed higher than its weighted average cost of capital in order to create maximum value for its shareholders.

## Estimated 2011 results

Prior to the publication of the definitive 2011 financial statements on February 15, Imerys announces record provisional<sup>(3)</sup> sales for the financial year ending on December 31, 2011. At over €3,650 million, sales grew almost + 10% compared with 2010. They take into account the consolidation of Talc activity as of August 1, 2011.

In the 4<sup>th</sup> quarter of 2011, the price-mix effect remained healthy and activity - apart from Pigments for Paper & Packaging - was higher than in the same period in 2010, despite a more contrasted macro-economic environment. The targeted measures for managing costs and cash, implemented in the 3<sup>rd</sup> quarter, have therefore been continued.

In that context, the Group confirms its objective of over + 20% growth in net income from current operations for full year 2011.

In the second half of 2011, the Group secured almost a billion euros in bilateral bank facilities through to 2015-2016, in order to increase and diversify its financial resources by lengthening their average maturity.

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The presentation to investors will begin at 10:00 CET and end at 17:30 CET. All the slide decks will be published on the Imerys website ([www.imerys.com](http://www.imerys.com)) after this day.

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*More comprehensive information about Imerys may be obtained from its Internet website ([www.imerys.com](http://www.imerys.com)) under Regulated Information, particularly in its Registration Document filed with Autorité des marchés financiers on March 31, 2011 under number D.11-0205 (also available from the Autorité des marchés financiers website, [www.amf-france.org](http://www.amf-france.org)). Imerys draws the attention of investors to chapter 4, "Risk Factors", of its Registration Document.*

**Warning on projections and forward-looking statements:** *This document contains projections and other forward-looking statements. Investors are cautioned that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.*

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(3) Provisional sales, non audited.