The worldwide leader
in light & sustainable construction

Excellent first-half 2022 results
2022 outlook confirmed

- **Sales up 15.1%**, with dynamic organic growth of 15.0% versus H1 2021 (double-digit growth for all segments)
- **Positive price-cost spread at the Group level in H1 2022**
- **Successful execution of our "Grow & Impact" plan thanks to the development of energy efficiency and decarbonization solutions** for construction and industry
- **Operating income up 17.5% on H1 2021 to €2,791 million** (up 13% at constant exchange rates); **record margin at 11.0%**
- **Record recurring net income, up 20.5% to €1,814 million**
- **Robust free cash flow of €1,686 million, with a conversion ratio of 51%**
- **Share buybacks: €431 million in H1 2022, net of employee shareholding transactions**

A transformed and resilient Group

2022 outlook confirmed: further increase in operating income in 2022 compared to 2021 at constant exchange rates

Saint-Gobain

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Benoit Bazin, Chief Executive Officer of Saint-Gobain, commented:
"Our excellent first-half 2022 performance reflects the profound changes made in the Group, the successful execution of our "Grow & Impact" plan, and good momentum on our underlying markets. Thanks to our comprehensive range of sustainability solutions – for energy efficiency and decarbonization of construction and industry – and extensive exposure to the renovation market, the Group is ideally positioned on robust market fundamentals.
Over the coming quarters, we are ready to adapt as needed to the consequences of rising interest rates and inflation along with the geopolitical and energy situation in Europe. Each country CEO has designed action plans, focusing especially on margins and cash flow. In this more uncertain environment, our target is to continue to outperform our markets and our deep transformation will enable us to demonstrate greater resilience.
Over the past three years, our teams have successfully risen to the challenges of the coronavirus pandemic, supply chain disruptions, and a strong inflationary environment. With portfolio rotation of almost €10 billion in sales since the end of 2018, and with a local organization keenly aware of immediate realities on the ground, Saint-Gobain has significantly increased its value creation.
Against this backdrop, I am confident in the Group's 2022 outlook which targets a further increase in operating income compared to 2021 at constant exchange rates."

Group operating performance

Like-for-like sales rose sharply in first-half 2022, up 15.0% on first-half 2021. This strong performance reflects the Group's position as worldwide leader in light and sustainable construction thanks to its unique range of innovative solutions offering sustainability and performance rolled out as part of the "Grow & Impact" plan. It also reflects good momentum across our segments, which all reported double-digit organic growth, driven in particular by renovation in Europe and by construction in the Americas and in Asia.

Thanks to the added value of the Group's solutions, the increase in prices was 15.3% over the first half (14.5% in the first quarter and 16.1% in the second) – in a far more inflationary raw material and energy cost environment – enabling the Group to generate a positive price-cost spread in the first half.

Faced with a high comparison basis last year, the Group's volumes stabilized over the first half (down 0.3%), and progressed 8.2% on first-half 2019 (pre-Covid), with the good first-quarter trends continuing in the second quarter (up 8.2% on 2019).

On a reported basis, sales hit a new record-high of **€25,481 million**, up 15.1% year-on-year. The 3.3% positive **currency effect** mainly reflects the appreciation of the US dollar, pound sterling, Brazilian real and other emerging country currencies.

The **Group structure impact** reduced sales by 3.2% due to the ongoing **optimization of the Group's profile**, in terms of both disposals (mainly Lapeyre in France, distribution in the Netherlands and Spain, specialized distribution in the UK, Glassolutions in Germany and Denmark, and pipe in China) and acquisitions (mainly Chryso in construction chemicals and Panofrance, a French specialist in modular timber solutions). Overall, since the launch of its transformation at the end of 2018, Saint-Gobain has signed or closed divestments and acquisitions representing around €6.2 billion and €3.5 billion in sales, respectively.
The integration of Chryso is progressing particularly well, with strong organic growth of 24%, an increase in EBITDA to more than €50 million in the first half (after €87 million in EBITDA over 2021 as a whole) and a margin that remains best-in-class.
The **acquisition of Kaycan**, a leading exterior building materials player in North America and the top siding player in Canada, **is expected to close on July 29, 2022**. The **acquisition of GCP Applied Technologies** in construction chemicals is **expected to close before year-end**.

Operating income hit a new record in first-half 2022, at €2,791 million, a rise of **17.5% as reported and of 13.0% at constant exchange rates** (up 11.1% like-for-like) versus first-half 2021.

The Group's **operating margin** hit **another all-time high of 11.0% in first-half 2022** versus 10.7% in first-half 2021, **a rise of 370 basis points since the start of the transformation** (first-half 2018).

Update on inflation and the energy situation

Amid accelerating inflation, Saint-Gobain now expects its energy and raw material costs to increase by almost €3 billion in 2022 compared to 2021 (versus €2.5 billion previously). This inflation concerns raw materials, freight and energy, especially in Europe. The Group has hedged around 80% of its natural gas and electricity purchasing needs for 2022 as a whole and around 60% for 2023. Saint-Gobain's total energy bill amounted to €1.5 billion in 2021, representing 3% of Group sales.

In light of its proactive energy cost hedging policy, the positive price-cost spread in the first half and the acceleration of the price effect to 15.3% in the first half, Saint-Gobain is confident that it will be able to offset the estimated inflation in raw material and energy costs for 2022.

In those countries most sensitive to Russian gas supplies for Saint-Gobain, namely Germany, the Czech Republic and Poland (the latter to become independent of Russian gas at the end of 2022), the Group has continued to formulate various plans for continuing its operations, enabling it to significantly mitigate the direct impact of a potential scenario in which all supplies of Russian gas are terminated to approximately 2% of consolidated sales through various levers:

- Classification of priority industries, particularly in glass and insulation;
- Use of alternative energy sources (heavy fuel or diesel) at certain sites. In Germany for example, the Group has four float lines: one has already been converted, and three are currently being prepared for a conversion by the end of the year;
- Increasing the flexibility of our plants to function with less energy.

For the whole of Europe, the Group is putting into place logistics plans for the substitution of production between countries and has also set up a business continuity plan for the main gas-consuming manufacturing activities in the event of an exceptional reduction in supply:

- Glass: in all, Saint-Gobain has 13 float lines in Europe that are already or will soon be able to operate without Russian gas – four are already able to operate using alternative energy sources; four are currently being prepared for a possible conversion by the end of 2022; and five have very limited exposure to Russian gas;
- Insulation: more than half of the Group's European plants have an electricity-powered furnace; additional investments are being undertaken to use alternative energy sources and thereby maintain production at facilities where needed;
- Plasterboard: production facilities are extremely flexible; investments are in progress to convert certain processes to diesel or liquefied natural gas.

Segment performance (like-for-like sales)

Northern Europe: strong sales growth driven by renovation; record margin

Sales in the Northern Europe Region were up by 15.2% against a high comparison basis. Despite some signs of a slowdown in new construction, renovation markets remained supportive on the back of demand driven by both government assistance measures and stricter regulations. Compared to first-half 2019 (pre-Covid), volumes progressed by around 6% over first-half 2022. The operating margin for the Region came in at a new record high of 8.2% (versus 7.9% in first-half 2021 and 6.0% in first-half 2019), thanks to an optimized business profile, good volume levels and especially successful efforts to pass on inflation to sales prices.

Nordic countries (13% of consolidated sales) reported further growth thanks to their successful presence across the entire trade professional value chain and to a renovation market supported by energy efficiency projects. The investment to create the world's first carbon-neutral plasterboard plant in Norway made good progress, with the plant scheduled to open in 2023. The **UK** (9% of consolidated sales) – which has been very active recently in optimizing its portfolio – reported a satisfactory performance in a market broadly down on first-half 2021, which had seen a very strong post-Covid rally. **Germany** (3% of consolidated sales) benefited from its solid market positions in energy efficiency renovation, with enhanced stimulus measures, and is preparing for increasing uncertainty as to the supply and cost of energy. **Eastern Europe** (4% of consolidated sales) reported very strong momentum thanks to very supportive markets and to market share gains in its main countries, particularly Poland, the Czech Republic and Romania.

Southern Europe - Middle East & Africa: strong sales momentum driven by renovation; robust margin

The Southern Europe - Middle East & Africa Region enjoyed good momentum, with sales up 13.6% driven by prices owing to a very high comparison basis for volumes in first-half 2021. Despite some signs of a slowdown in new construction, all countries in the Region reported double-digit organic growth as our comprehensive solutions enabled us to outperform the renovation market. Volumes progressed by around 7% in first-half 2022 compared to first-half 2019 (pre-Covid). The Region posted an excellent operating margin of 8.9% (a clear sequential increase after 7.4% in second-half 2021 and 5.0% in first-half 2019), supported by a strongly optimized profile post-transformation, a good level of prices and volumes, and productivity gains from our teams.

France (24% of consolidated sales) continued to report good momentum against a high first-half 2021 comparison basis, driven by structurally supportive renovation markets – thanks particularly to a favorable regulatory environment and household stimulus packages such as *MaPrimeRénov'*, which is to be extended over the coming years. Trade professionals are still seeing full order books. Saint-Gobain continued to outperform thanks to its comprehensive range of innovative and sustainable solutions and to its presence across the entire value chain. In the current inflationary climate, the Group has taken the initiative to put in place various measures to support trade professionals, whether it be transparency and information on pricing, the timeframe for which a quotation remains valid, or assistance through optimum credit terms. In France in May, Saint-Gobain became the first player in the world to achieve zero-carbon production of flat glass, a technological feat achieved by using 100% recycled material (cullet) and 100% green energy produced from biogas and carbon-free electricity. The Group is beginning to roll out low-carbon flat glass solutions that will be gradually ramped up from September. Saint-Gobain also launched a €120 million capital expenditure program for insulation in France, aimed at expanding production capacities, of which €20 million is earmarked specifically for efforts to decarbonize activities and develop the circular economy. **Spain** enjoyed further robust growth, especially for light and sustainable construction solutions, as did **Italy** where the Group has fully leveraged its commercial synergies to meet the strong demand for energy efficiency renovation. Saint-Gobain also continues to invest to improve its energy mix, for example by installing solar panels in Italy at its Vidalengo insulation plant. **Benelux** held up well in a slowing market, benefiting from the development of its comprehensive range of renovation solutions with catalogs for each market, such as schools or hospitals. **Middle East and Africa** delivered further robust growth, benefiting from the opening of new plants and upbeat markets, particularly in Turkey and Egypt.

Americas: strong sales growth driven by comprehensive light construction solutions; robust margin

The Americas Region delivered 16.9% organic growth over first-half 2022, buoyed by a good level of pricing and volumes against a high comparison basis. Compared to first-half 2019 (pre-Covid), volumes were up by around 15%, supported by strong demand and market share gains. Operating income for the Region hit a new record high and the operating margin was 16.9%, driven mainly by good volume levels and a clear positive raw material and energy price-cost spread.

- **North America** progressed by 17.3%, driven by the development of a comprehensive range of solutions and by good momentum in light construction – from roofing and siding for the building envelope to interior performance solutions for user comfort and energy efficiency. Our local organization close to customers once again helped us mitigate supply chain tensions. In Canada, the Group announced a CAD 90 million investment (almost half of which is to be financed by subsidies) to create the first net-zero carbon plasterboard production in North America and to increase its production capacity. In the US, in a market shaped by a structural housing shortage, the investment of around USD 100 million in the Peachtree City (Georgia) roofing shingle manufacturing facility will double the plant's production capacity and offer enhanced customer service while reducing CO_2 emissions by 14%.

- **Latin America** reported 15.8% growth, despite a high comparison basis and a less dynamic macroeconomic environment in Brazil due to inflation and the three-fold increase in the Central Bank's interest rates in the past year. Growth in all countries of the Region continues to be driven by increased sales prices, an improved mix, newly opened production facilities (Chile, Argentina, Brazil, Peru and Mexico), and an enhanced geographical footprint and product range thanks to targeted acquisitions country-by-country in construction chemicals, especially in waterproofing (IMPAC in Mexico and Brasprefer in Brazil).

Asia-Pacific: strong sales growth and robust margin

The Asia-Pacific Region reported 29.7% organic growth, led by India and with moderate growth in China despite a difficult health situation, leading to an overall acceleration in volumes to 11.3%. The operating margin for the Region was up sharply at 12.7% (versus 11.2% in first-half 2021 and 9.5% in first-half 2019), supported by a good volume dynamic.

India delivered another excellent performance with growth of over 60% on the back of market share gains and an integrated and innovative range of solutions for energy- and resource-efficient buildings. The integration of Rockwool India Pvt Ltd. (stone wool insulation) was completed as planned in early February, and rounds out the Group's leading positions in façade and interior solutions. Despite a difficult health situation in the second quarter, **China** reported further growth driven by prices, thanks to market share gains in the supportive light construction sector, where recent low-carbon building directives will help accelerate growth. **South-East Asia** had a good first half – particularly in Vietnam and Malaysia – driven by the market recovery and the diversified offering, particularly in construction chemicals.

High Performance Solutions (HPS): accelerating sales growth and sequential improvement in margin to a good level

HPS sales were up by 12.5%, benefiting from an acceleration in prices and volumes (up 5.4%) on the back of the broad market recovery excluding European automotive. The HPS operating margin came in at 12.9%, a clear sequential improvement (11.4% in second-half 2021).

- Businesses serving **global construction customers** reported record sales and outperformed the market with 21.2% growth. They continue to benefit from upbeat trends in textile solutions for external thermal insulation systems (ETICS) thanks to good momentum in sustainable construction. The very strong trends in Chryso sales continued, driven by decarbonization in the construction sector. Integration and growth synergies are progressing well thanks to excellent Chryso management teams.

- The **Mobility** business progressed by 5.7%, driven by rising sales prices and by volume growth in the Americas, India and China – despite difficulties in the second quarter related to the health situation – especially in electric vehicles which represent an increasing proportion of sales. The downturn in Europe continued, easing however towards the end of the period. Thanks to its very strong positioning in electric vehicles and high value-added products, the Mobility business continues to outperform the automotive market.

- Businesses serving **Industry** progressed by 16.0%, supported by activities relating to investment cycles such as ceramic refractories, which benefit from innovation in specialty materials and decarbonization technologies for our customers. Thanks to co-development with customers and the high added-value of the Group's solutions, the sales momentum was driven by both prices and volumes. Against this backdrop, Valoref, a pioneer in ceramic recycling in Europe, plans to expand operations into North America, China and India.

GROW& IMPACT

Analysis of the consolidated financial statements for first-half 2022

The unaudited interim consolidated financial statements for first-half 2022 were subject to a limited review by the statutory auditors and adopted by the Board of Directors on July 27, 2022.

in € million	H1 2021	H1 2022	% change
Sales	**22,131**	**25,481**	**15.1%**
Operating income	**2,376**	**2,791**	**17.5%**
Operating depreciation and amortization	954	992	4.0%
Non-operating costs	-82	-100	-22.0%
EBITDA	**3,248**	**3,683**	**13.4%**
Capital gains and losses on disposals, asset write-downs and impact of changes in Group structure	-150	-198	-32.0%
Business income	**2,144**	**2,493**	**16.3%**
Net financial expense	-213	-194	8.9%
Dividends received from investments		1	n.s.
Income tax	-593	-530	10.6%
Share in net income of associates	2	4	n.s.
Net income before non-controlling interests	**1,340**	**1,774**	**32.4%**
Non-controlling interests	42	50	19.0%
Net attributable income	**1,298**	**1,724**	**32.8%**
Earnings per share[2] (in €)	**2.45**	**3.34**	**36.3%**
Recurring net income[1]	**1,506**	**1,814**	**20.5%**
Recurring[1] earnings per share[2] (in €)	**2.85**	**3.51**	**23.2%**
EBITDA	**3,248**	**3,683**	**13.4%**
Depreciation of right-of-use assets	-333	-350	-5.1%
Net financial expense	-213	-194	8.9%
Income tax	-593	-530	10.6%
Capital expenditure[3]	-431	-590	36.9%
o/w additional capacity investments	*121*	*241*	*99.2%*
Changes in working capital requirement[4]	662	-574	n.s.
Free cash flow[5]	**2,461**	**1,686**	**-31.5%**
Free cash flow conversion[6]	**84%**	**51%**	
ROCE	**15.1%**	**15.3%**	
Lease investments	285	395	38.6%
Investments in securities net of debt acquired[7]	87	283	225.3%
Divestments	-79	79	n.s.
Consolidated net debt	**7,584**	**8,276**	**9.1%**

1. Recurring net income = net attributable income excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.
2. Calculated based on the weighted average number of shares outstanding (516,797,123 shares in 2022, versus 529,188,715 shares in 2021).
3. Capital expenditure = investments in tangible and intangible assets.
4. Changes in working capital requirement over a rolling 12-month period (see Appendix 4, bottom of “Consolidated cash flow statement”).
5. Free cash flow = EBITDA less depreciation of right-of-use assets, plus net financial expense, plus income tax, less capital expenditure excluding additional capacity investments, plus changes in working capital requirement over a rolling 12-month period.
6. Free cash flow conversion ratio = free cash flow divided by EBITDA, less depreciation of right-of-use assets.
7. Investments in securities net of debt acquired = €283 million in 2022, of which €204 million in controlled companies.

EBITDA climbed 13.4% to a **record €3,683 million, while the EBITDA margin came in at 14.5%**.

Non-operating costs were €100 million versus €82 million in first-half 2021. The net balance of capital gains and losses on disposals, asset write-downs and the impacts of changes in Group structure represented an expense of €198 million (versus an expense of €150 million in first-half 2021). It reflects €60 million in asset write-downs and Purchasing Price Allocation (PPA) intangible amortization[1], and €138 million in disposal losses and impacts relating to changes in Group structure, including €77 million relating to litigation in connection with the sale of Verallia North America in 2014. Business income was up by 16.3% to €2,493 million.

Net financial expense excluding dividends from investments improved, at €194 million versus €213 million in first-half 2021.
The **tax rate** on recurring net income was 24.1% compared to 24.8% in first-half 2021. Income tax was €530 million versus €593 million in first-half 2021, which included an exceptional €105 million related to deferred tax in the UK (liability method) following the rise in the corporate income tax rate from 19% to 25%.

Recurring net income hit an all-time high of €1,814 million (excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions), **a rise of 20.5%**.
Net attributable income jumped 32.8% to €1,724 million.

Capital expenditure represented €590 million (€431 million in first-half 2021, an abnormally low figure due to restrictions linked to the coronavirus pandemic). The rise in capital expenditure mainly reflects a two-fold increase in growth capex. **In first-half 2022, the Group opened eight new plants and production lines** to reinforce its leadership on the fast-growing sustainable construction markets, especially construction chemicals: in Asia (Vietnam and the Philippines), Latin America (Mexico), Africa (Kenya) and Europe (Poland and Czech Republic with a 3D printing site), light construction solutions in India; and mobility in China.

Free cash flow came in at a good level of **€1,686 million** after the exceptional 2021 level, representing 6.6% of sales, with a free cash flow conversion ratio of 51%, in line with our target. This was attributable to an increase in EBITDA and despite a more normal level of working capital requirement. Operating working capital requirement represented 26 days' sales at June 30, 2022, compared to 25 days at end-June 2021 (and 41 days at end-June 2019), owing to the expected increase in inventories to ensure the best service for our customers, and to the impact of inflation on inventory valuation.

1. The amortization of intangible assets as part of the PPA process corresponds to the amortization of brands, customer lists and intellectual property. It is recognized on a separate line within "Impairment of assets and other business expenses".

Investments in securities net of debt acquired totaled €283 million (€87 million in first-half 2021), primarily reflecting the acquisition of IMPAC and Brasprefer in construction chemicals in Mexico and in Brazil, of Rockwool India Pvt Ltd., and of technology add-ons like Monofrax LLC in the US.

Divestments totaled €79 million (outflow of €79 million in first-half 2021), mainly reflecting the sale of specialized distribution activities in the UK.

Net debt was up slightly at €8.3 billion at June 30, 2022 from €7.6 billion at end-June 2021, driven by high free cash flow generation despite the more normal level of working capital requirement, the Chryso acquisition and the share buyback program (around €800 million over 12 months). Net debt represents 36% of consolidated equity versus 39% at June 30, 2021. **The net debt to EBITDA ratio** on a rolling 12-month basis was 1.2 versus 1.3 at June 30, 2021.

Outlook and strategic priorities

2022 outlook

Despite a more uncertain geopolitical and macroeconomic environment shaped by ongoing disruptions to energy supply chains in Europe, rising interest rates and continued high inflation that increase the risks of a slowdown in the new construction market, the Group should continue to benefit in 2022 from strong momentum in its main markets – especially renovation in Europe as well as construction in the Americas and in Asia – and reaffirm its excellent operating performance thanks to an agile organization and optimized business model.

Provided there is no new major impact related to the coronavirus pandemic and the geopolitical situation, Saint-Gobain expects the following trends for its segments:

- **Europe**: supportive renovation market requiring comprehensive solutions within each country, especially for energy efficiency;
- **Americas**: upbeat market trends, particularly in residential construction in North America; less dynamic environment in Brazil;
- **Asia-Pacific**: market growth with continued very good momentum in India and a recovery in South-East Asia; short-term uncertainties in China owing to coronavirus-related restrictions;
- **High Performance Solutions**: market growth with supportive long-term trends in terms of sustainable construction and a demand for innovation and new materials for industry decarbonization and green mobility, despite the low level of the automotive market in Europe.

Strategic priorities

In a more uncertain environment, the Group's focus in the coming quarters will be to **consolidate its performance, particularly in terms of resilience and adaptability post-transformation:**

- **Maintaining the structural improvement in the margin**, thanks to cost savings and the continued optimization of the Group's profile (representing almost €10 billion in sales in terms of both divestments and acquisitions) carried out since the start of the transformation, as well as the effectiveness of the new organization;
- **Implementing various business continuity plans** for those European countries with the greatest exposure to gas supplies;
- **Action plans prepared and overseen by country CEOs in order to optimize in real time** their P&Ls in terms of either sales prices, fixed and variable costs, headcount or production capacities, enabling them to react swiftly and effectively to market developments.

The Group also continues to implement its strategic priorities which are fully aligned with the medium and long-term growth scenario in the "Grow & Impact" plan:

1) Continue our initiatives focused on profitability and performance: maintain a robust margin and strong free cash flow generation

- **Constant focus on the price-cost spread**, with strong pricing proactivity as in 2021;
- Disciplined continuation of our **operational excellence program**;
- Maintaining the **structural improvement in operating working capital requirement** while **rebuilding a good level of inventories** to best serve customers;
- **Capital expenditure** of around **€1.8 billion**, consistent with the Group's objective of between 3.5% and 4.5% of sales, with strict allocation to high-growth markets and digital transformation.

2) Accelerate the Group's growth and impact

- **Outperformance versus our markets**, thanks notably to our comprehensive range of integrated, differentiated and innovative solutions offering sustainability and performance for our customers, developed within the scope of an organization as close to the ground as possible in each country or market;
- **Strengthen our key role in building a carbon-neutral economy thanks to our positive-impact solutions**, with an ESG strategy embedded within our operating roadmaps for each country; around €100 million per year allocated in capital expenditure and R&D investments aimed at reducing direct carbon emissions;
- **Ongoing optimization of the Group's profile**, with the full effect of the Chryso integration and preparation for the GCP and Kaycan integrations, as part of an active, disciplined strategy of targeted and value-creating acquisitions and divestments.

In this context, Saint-Gobain confirms that it is targeting a further increase in operating income in 2022 compared to 2021 at constant exchange rates.

Financial calendar

An information meeting for analysts and investors will be held *at 8:30am (GMT + 1) on July 28, 2022* and will be streamed live on Saint-Gobain's website: www.saint-gobain.com/

- Sales for the third quarter of 2022: *Thursday October 27, 2022*, after close of trading on the Paris Bourse.

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Glossary:

*- Indicators of **organic growth** and **like-for-like changes in sales/operating income** reflect the Group's underlying performance excluding the impact of:*

- *changes in Group structure, by calculating indicators for the year under review based on the scope of consolidation of the previous year (Group structure impact);*
- *changes in foreign exchange rates, by calculating indicators for the year under review and those for the previous year based on identical foreign exchange rates for the previous year (impact at constant exchange rates);*
- *changes in applicable accounting policies.*

*- **EBITDA** = operating income plus operating depreciation and amortization, less non-operating costs.*
*- **Operating margin** = operating income divided by sales.*
*- **ESG** = Environment, Social, Governance.*
*- **Purchase Price Allocation (PPA)**: the process of assigning a fair value to all assets and liabilities acquired and of allocating the residual goodwill, as required by IFRS 3 (revised) and IAS 38 for business combinations.*

All indicators contained in this press release (not defined above or in the footnotes) are explained in the notes to the financial statements in the interim financial report, available by clicking here: https://www.saint-gobain.com/en/finance/information-reglementee/half-yearly-financial-report

Net debt	*Note 10*
Non-operating costs	*Note 5*
Operating income	*Note 5*
Net financial expense	*Note 10*
Recurring net income	*Note 5*
Business income	*Note 5*
Working capital requirement	*Note 5*

Important disclaimer – forward-looking statements:

This press release contains forward-looking statements with respect to Saint-Gobain's financial condition, results, business, strategy, plans and outlook. Forward-looking statements are generally identified by the use of the words "expect", "anticipate", "believe", "intend", "estimate", "plan" and similar expressions. Although Saint-Gobain believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of its future performance. Actual results may differ materially from the forward-looking statements as a result of a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and are generally beyond the control of Saint-Gobain, including but not limited to the risks described in the "Risk Factors" section of Saint-Gobain's Universal Registration Document available on its website (www.saint-gobain.com) and the main risks and uncertainties presented in the half-year 2022 financial report. Accordingly, readers of this document are cautioned against relying on these forward-looking statements. These forward-looking statements are made as of the date of this document. Saint-Gobain disclaims any intention or obligation to complete, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations.
This press release does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Saint-Gobain.

For further information, please visit www.saint-gobain.com.

Appendix 1: Results by Segment - First half

I. SALES	H1 2021 (in €m)	H1 2022 (in €m)	Change on actual structure basis	Change on a comparable stucture basis	Like-for-like change
Northern Europe	7,418	8,399	+13.2%	+16.4%	+15.2%
Southern Europe - ME & Africa	7,457	7,826	+4.9%	+12.6%	+13.6%
Americas	3,260	4,277	+31.2%	+29.7%	+16.9%
Asia-Pacific	875	1,013	+15.8%	+38.0%	+29.7%
High Performance Solutions	3,679	4,600	+25.0%	+18.5%	+12.5%
Internal sales and misc.	*-558*	*-634*	---	---	---
Group Total	**22,131**	**25,481**	**+15.1%**	**+18.3%**	**+15.0%**

II. OPERATING INCOME	H1 2021 (in €m)	H1 2022 (in €m)	Change on actual structure basis	H1 2021 (in % of sales)	H1 2022 (in % of sales)
Northern Europe	585	690	+17.9%	7.9%	8.2%
Southern Europe - ME & Africa	680	693	+1.9%	9.1%	8.9%
Americas	555	723	+30.3%	17.0%	16.9%
Asia-Pacific	98	129	+31.6%	11.2%	12.7%
High Performance Solutions	496	594	+19.8%	13.5%	12.9%
Misc.	-38	-38	n.s.	n.s.	n.s.
Group Total	**2,376**	**2,791**	**+17.5%**	**10.7%**	**11.0%**

III. EBITDA	H1 2021 (in €m)	H1 2022 (in €m)	Change on actual structure basis	H1 2021 (in % of sales)	H1 2022 (in % of sales)
Northern Europe	897	991	+10.5%	12.1%	11.8%
Southern Europe - ME & Africa	954	963	+0.9%	12.8%	12.3%
Americas	672	852	+26.8%	20.6%	19.9%
Asia-Pacific	142	179	+26.1%	16.2%	17.7%
High Performance Solutions	596	707	+18.6%	16.2%	15.4%
Misc.	-13	-9	n.s.	n.s.	n.s.
Group Total	**3,248**	**3,683**	**+13.4%**	**14.7%**	**14.5%**

IV. CAPITAL EXPENDITURE	H1 2021 (in €m)	H1 2022 (in €m)	Change on actual structure basis	H1 2021 (in % of sales)	H1 2022 (in % of sales)
Northern Europe	117	130	+11.1%	1.6%	1.5%
Southern Europe - ME & Africa	96	131	+36.5%	1.3%	1.7%
Americas	79	138	+74.7%	2.4%	3.2%
Asia-Pacific	35	60	+71.4%	4.0%	5.9%
High Performance Solutions	99	124	+25.3%	2.7%	2.7%
Misc.	5	7	n.s.	n.s.	n.s.
Group Total	**431**	**590**	**+36.9%**	**1.9%**	**2.3%**

Appendix 2: Sales by Segment - Second Quarter

I. SALES

	Q2 2021 (in €m)	**Q2 2022 (in €m)**	Change on actual structure basis	Change on a comparable stucture basis	**Like-for-like change**
Northern Europe	4,031	4,385	+8.8%	+12.6%	+11.7%
Southern Europe - ME & Africa	3,931	4,101	+4.3%	+10.6%	+11.7%
Americas	1,748	2,357	+34.8%	+32.8%	+16.9%
Asia-Pacific	458	534	+16.6%	+45.4%	+34.8%
High Performance Solutions	1,868	2,409	+29.0%	+22.1%	+14.7%
Internal sales and misc.	*-284*	*-312*	---	---	---
Group Total	**11,752**	**13,474**	**+14.7%**	**+17.7%**	**+13.8%**

Appendix 3: Consolidated Balance Sheet

in € million	**Dec 31, 2021**	**June 30, 2022**
Assets		
Goodwill	11,181	11,370
Other intangible assets	2,705	2,991
Property, plant and equipment	11,663	12,011
Right-of-use assets	2,959	3,038
Investments in equity-accounted companies	536	632
Deferred tax assets	576	446
Pension plan surpluses - assets	894	1,202
Other non-current assets	528	589
Non-current assets	**31,042**	**32,279**
Inventories	6,598	7,611
Trade accounts receivable	5,104	6,844
Current tax receivable	166	124
Other receivables	1,504	1,777
Assets held for sale	227	105
Cash and cash equivalents	6,943	6,935
Current assets	**20,542**	**23,396**
Total assets	**51,584**	**55,675**
Equity and Liabilities		
Shareholders' equity	20,715	22,707
Non-controlling interests	411	432
Total equity	**21,126**	**23,139**
Non-current portion of long-term debt	9,194	8,335
Non-current portion of long-term lease liabilities	2,474	2,530
Provisions for pensions and other employee benefits	2,014	1,486
Deferred tax liabilities	555	664
Other non-current liabilities and provisions	1,066	1,130
Non-current liabilities	**15,303**	**14,145**
Current portion of long-term debt	1,336	1,065
Current portion of long-term lease liabilities	681	713
Current portion of other liabilities and provisions	479	655
Trade accounts payable	6,903	8,282
Current tax liabilities	236	241
Other payables	4,808	4,827
Liabilities held for sale	167	40
Short-term debt and bank overdrafts	545	2,568
Current liabilities	**15,155**	**18,391**
Total equity and liabilities	**51,584**	**55,675**

Appendix 4: Consolidated Cash Flow Statement

in € million	H1 2021	H1 2022
Operating Income	**2,376**	**2,791**
Operating depreciation and amortization	954	992
Non-operating costs	(82)	(100)
EBITDA	**3,248**	**3,683**
Depreciation of right-of-use assets	(333)	(350)
Net financial expense	(213)	(194)
Income tax	(593)	(530)
Capital expenditure	(431)	(590)
o/w additional capacity investments	121	241
Changes in working capital requirement over a 12-month period	662	(574)
o/w changes in inventories	(294)	(1,555)
o/w changes in trade accounts receivable and payable, and other accounts receivable and payable	798	986
o/w changes in tax receivable and payable	158	(5)
Free cash flow	**2,461**	**1,686**
Changes in deferred taxes and provisions for other liabilities and charges	155	40
Additional capacity investments	(121)	(241)
Increase (decrease) in amounts due to suppliers of fixed assets	(129)	(242)
Cancellation of WCR over a 12-month period from FCF calculation	(662)	574
Changes in working capital requirement end of period:	(969)	(1,326)
o/w changes in inventories	(575)	(952)
o/w changes in trade accounts receivable and payable, and other accounts receivable and payable	(483)	(409)
o/w changes in tax receivable and payable	89	35
Depreciation of right-of-use assets	333	350
Purchases of right-of-use assets	(285)	(395)
Other operating cash items	10	(31)
Net cash from operating activities after additional capacity investments and IFRS16	**793**	**415**
Acquisitions of shares in controlled companies	(80)	(204)
Debt acquired	4	0
Acquisitions of other investments	(11)	(79)
Financial investments	**(87)**	**(283)**
Disposals of property, plant and equipment and intangible assets	69	42
Disposals of shares in controlled companies, net of net debt divested	(164)	83
Disposals of other investments	2	3
(Increase) decrease in amounts receivable on sales of fixed assets	14	(49)
Divestments	**(79)**	**79**
Increase (decrease) in investment-related liabilities	20	50
(Increase) decrease in loans and deposits	76	15
Net cash from (used in) financial investments and divestments activities	**(70)**	**(139)**
Issues of capital stock	199	222
(Increase) decrease in treasury stock	(448)	(706)
Dividends paid	(698)	(835)
Capital increases in non-controlling interests	2	11
Changes in investment-related liabilities following the exercice of put options of minority interests	(5)	0
Divestments of minority interests without loss of control	0	39
Dividends paid to non-controlling interests	(19)	(65)
Change in dividends payable	1	2
Net cash from (used in) financing activities	**(968)**	**(1,332)**
Net effect of exchange rate changes on net debt	(29)	166
Net effect of changes in fair value on net debt	(42)	(51)
Net debt classified as assets and liabilities held for sale	(69)	(48)
Impact of remeasurements of lease liabilities	(18)	0
Increase (decrease) in net debt	**(403)**	**(989)**
Net debt excluding lease liabilities at beginning of period	**(4,083)**	**(4,132)**
Lease liabilities at beginning of period	**(3,098)**	**(3,155)**
Net debt at beginning of period	**(7,181)**	**(7,287)**
Net debt excluding lease liabilities at end of period	**(4,538)**	**(5,033)**
Lease liabilities at end of period	**(3,046)**	**(3,243)**
Net debt at end of period	**(7,584)**	**(8,276)**

	H1 2021	H1 2022
a. Change in WCR - H1 Year N-1	(483)	(969)
b. Change in WCR - H2 Year N-1	1,631	752
Change in WCR - Year N-1 = a. + b.	1,148	(217)
c. Change in WCR - H1 Year N	(969)	(1,326)
Change in WCR from June 30, N-1 to June 30, N = b. + c.	**662**	**(574)**

Appendix 5: Debt as at June 30, 2022

Amounts in €bn		Comments
Amount and structure of net debt	**€bn**	
Gross debt without lease liabilities	**12.0**	At end of June 2022
Lease liabilities	3.2	**71%** of gross debt without lease liabilities was at **fixed interest**
Cash & cash equivalents	-6.9	**rates and its average cost was 1.9%**
Net debt	**8.3**	

Breakdown of gross debt without lease liabilities	**12.0**	
Bond debt and perpetual notes	**8.6**	
October 2022	0.1	
April 2023	0.7	
September 2023	0.5	
December 2023	0.4	
March 2024	0.7	
June 2024	0.1	
November 2024	0.1	(GBP 0.1 bn)
March 2025	0.8	
March 2026	0.8	
June 2027	0.7	
After June 2027	3.7	
Other long-term debt	**0.6**	(including €0.4bn long-term securitization)
Short-term debt	**2.8**	*(excluding bonds)*
Negotiable European Commercial Paper (NEU CP)	1.8	Maximum amount of issuance program: €4bn
Securitization	0.5	USD securitization and current portion of EUR securitization
Local debt and accrued interest	0.5	Frequent rollover; many different sources of financing

Credit lines, cash & cash equivalents	**10.9**	
Cash and cash equivalents	6.9	
Back-up credit-lines	4.0	See breakdown below

Breakdown of back-up credit lines	**4.0**	

All lines are confirmed and **undrawn, with no Material Adverse Change (MAC) clause**

		Expiry	**Covenants**
Syndicated line:	€2.5bn	December 2024	None
Syndicated line:	€1.5bn	December 2024	None

Appendix 6: Breakdown of organic sales growth and external sales

H1 2022, in % of total	Like-for-like change	% Group
Northern Europe	**+15.2%**	**32.0%**
Nordics	*+13.1%*	*13.1%*
United Kingdom - Ireland	*+12.6%*	*9.2%*
Germany - Austria	*+17.4%*	*3.3%*
Southern Europe - ME & Africa	**+13.6%**	**29.9%**
France	*+10.1%*	*23.5%*
Spain - Italy	*+25.0%*	*3.5%*
Americas	**+16.9%**	**16.5%**
North America	*+17.3%*	*11.8%*
Latin America	*+15.8%*	*4.7%*
Asia-Pacific	**+29.7%**	**3.8%**
High Performance Solutions	**+12.5%**	**17.8%**
Construction and industry	*+16.7%*	*11.8%*
Mobility	*+5.7%*	*6.0%*
Group Total	**+15.0%**	**100.0%**

Q2 2022, in % of total	Like-for-like change	% Group
Northern Europe	**+11.7%**	**31.7%**
Nordics	*+9.6%*	*13.2%*
United Kingdom - Ireland	*+7.4%*	*8.7%*
Germany - Austria	*+17.8%*	*3.3%*
Southern Europe - ME & Africa	**+11.7%**	**29.6%**
France	*+7.2%*	*23.1%*
Spain - Italy	*+29.1%*	*3.6%*
Americas	**+16.9%**	**17.2%**
North America	*+18.1%*	*12.4%*
Latin America	*+13.8%*	*4.8%*
Asia-Pacific	**+34.8%**	**3.8%**
High Performance Solutions	**+14.7%**	**17.7%**
Construction and industry	*+17.7%*	*11.8%*
Mobility	*+9.6%*	*5.9%*
Group Total	**+13.8%**	**100.0%**

Appendix 7: Contribution of Prices and Volumes to organic sales growth by segment

H1 2022	Like-for-like change	Prices	Volumes
Northern Europe	+15.2%	+16.7%	-1.5%
Southern Europe - ME & Africa	+13.6%	+17.0%	-3.4%
Americas	+16.9%	+16.9%	+0.0%
Asia-Pacific	+29.7%	+18.4%	+11.3%
High Performance Solutions	+12.5%	+7.1%	+5.4%
Group Total	**+15.0%**	**+15.3%**	**-0.3%**