

Sales for the first quarter 2010



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First quarter 2010 outstanding points

- ▼ **Sales holding up well**
 - ▼ **Particularly in Cement, given exceptional weather conditions**

- ▼ **Strong rebound in activity in March**
 - ▼ **Seems confirmed in April**

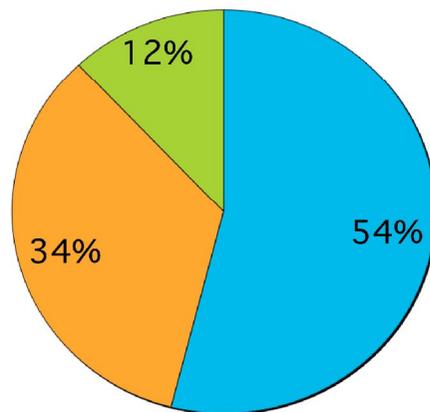
- ▼ **Strategic reinforcement in southern India**
 - ▼ **Acquisition of Bharathi Cement**

- ▼ **Very solid balance sheet**

Breakdown of consolidated sales by business

Contribution by business:

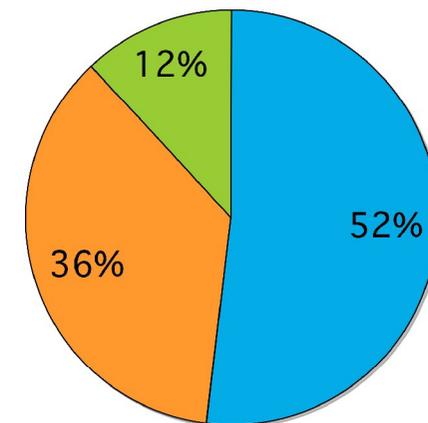
Q1 2010



■ Cement
■ Concrete & Aggregates
■ Other Products and Services

Contribution by business:

Q1 2009



▼ Consolidated sales (% at constant scope and exchange rate)

- ▼ Cement: €214 million, down 2.2%
- ▼ Concrete & Aggregates: €136 million, down 10.3%
- ▼ Other Products: €48 million, down 6.6%

Geographical breakdown of sales

France

<i>(millions of euros)</i>	Q1 2010	Q1 2009	Variation (%)	
			Published	At constant scope
Consolidated sales	173	192	-10.0%	-10.0%

- ▼ Unfavourable weather conditions in regions where the Group operates
- ▼ Still deteriorated construction market appears to have bottomed out
- ▼ Cement
 - ▼ Sales fell by 9.8%,
 - ▼ Decline in volumes
 - ▼ Selling prices downturn, due to unfavourable mix (strong increase in export sales)
 - ▼ Trend reversed during March, with a return to growth
 - ▼ Appears to be confirmed in April
- ▼ Concrete & Aggregates
 - ▼ Sales decreased by 9%
 - ▼ Solid recovery in March of volumes and healthier selling prices

Geographical breakdown of sales

Europe (ex France)

<i>(millions of euros)</i>	Q1 2010	Q1 2009	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	52	51	+0.8%	-1.9%

- ▼ **Switzerland:** sales improved by 9.0% despite very severe winter conditions
- ▼ Cement: sales strong increase of 30%
 - ▼ Supported by deliveries to some major underground construction sites unaffected by the poor weather
 - ▼ Selling prices down slightly because of building sites nature, regional mix and weather conditions
- ▼ Concrete & Aggregates: sales down by close to 10%
 - ▼ Due to poor weather conditions, with slightly down selling prices
- ▼ Precast: good start to the year, increased volumes, consolidated sales up by 13%
- ▼ **Italy:** consolidated sales fell by 49%
 - ▼ Sharp decline in volumes due to the macro-economic environment and to poor weather conditions at the start of the year
 - ▼ Significant reduction in selling prices due to severely increased competitive pressures

Geographical breakdown of sales United States

<i>(millions of euros)</i>	Q1 2010	Q1 2009	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	35	51	-31.4%	-27.1%

- ▼ Sales still severely affected by the difficult macro-economic climate and poor weather conditions,
 - ▼ Especially in California,
 - ▼ More favourable trend in the Southeast region, with a return to growth in volumes
- ▼ Cement
 - ▼ Sales down 22%
 - ▼ Sharp decline in volumes
 - ▼ Particularly in California but with a slight catch-up effect in March
 - ▼ Return to growth in the Southeast region, acceleration in March seems to be confirmed in April
 - ▼ Selling prices fell sharply
 - ▼ Unfavourable comparison base in California and the Southeast region
 - ▼ More competitive environment in California
- ▼ Concrete
 - ▼ Consolidated sales were down 29%

Geographical breakdown of sales Turkey and Kazakhstan

<i>(millions of euros)</i>	Q1 2010	Q1 2009	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	32	23	+40.9%	+36.1%

▼ Cement

- ▼ Sales up by 30%
- ▼ Significant volume increase
 - ▼ Domestic market grew while export volumes fell slightly
- ▼ Prices in the Turkish market increased, but with sharp variations between regions
 - ▼ Competitive pressures remained strong in the Ankara market
 - ▼ Konya region records a solid rise in selling prices

▼ Concrete

- ▼ Sales rose by 46%
- ▼ Volumes rose significantly benefiting from a more favourable comparison base and good weather conditions
- ▼ Prices recorded a slight decline
 - ▼ particularly impacting the Ankara region, with prices in the Konya region achieving a solid rise

Geographical breakdown of sales

Africa and Middle-East

<i>(millions of euros)</i>	Q1 2010	Q1 2009	Variation (%)	
			Published	At constant scope and exchange rates
Consolidated sales	107	108	-0.8%	+2.0%

▼ Egypt

- ▼ Sales down slightly, less than 1%
- ▼ Moreover, sales and production were temporarily slowed by the commissioning of the new FLS cement mill
- ▼ Selling prices remains buoyant, offsetting the unfavourable volume effect
- ▼ The Group will rapidly return to strong sales growth

▼ West Africa

- ▼ Sales rose by around 5%
 - ▼ Volumes in cement increased by 6%, with an acceleration in March which seems to be confirmed in April
 - ▼ Average selling prices fell slightly, reflecting an unfavourable geographical mix

Financial situation in Q1 2010 – trends in financial structure

- ▼ Group gearing improved to 29.1% at 31 March 2010, vs 31.4% at 31 December 2009

- ▼ Given the low level of the Group's net debt, the existence of covenants does not represent a risk for the Group's financial standing and balance sheet liquidity
 - ▼ Vicat keeps well within the ratio limits set by the covenants in its loan contracts

- ▼ After the acquisition of 51% of the capital of Bharathi Cement Company Limited, the Vicat group's balance sheet remains very healthy

Financial situation in Q1 2010 – change in operating profitability

- ▼ The first quarter is not historically representative of the Group's performance over the full year
 - ▼ Seasonal nature of this industry, especially with this year's poor weather conditions
 - ▼ Significant rebound in activity levels in March, seems to have been confirmed in April

- ▼ Vicat is maintaining its productivity gains efforts and its fixed costs control policy. The Group is set to fully benefit from its "Performance" plans, and in particular from:
 - ▼ The improved performance generated by its new industrial facilities
 - ▼ Lower fuel prices and increase in use of alternative fuels
 - ▼ The end of external purchases of clinker and cement in Switzerland and Senegal following capacity increases that were completed in 2009

- ▼ The Group has stated that the reduction in capital expenditure after the end of the Performance 2010 plan should result in increased free cash flow relative to 2009



Recent events: India

- ▼ Vicat sealed an agreement, acquiring 51% of Bharathi Cement (BCCL) as a strategic partner
 - ▼ This acquisition will be financed with debt
- ▼ Second major transaction of Vicat in India,
 - ▼ Complementary to its existing joint venture, Vicat Sagar Cement
- ▼ BCCL operates a cement plant with a capacity which will reach 5 million tonnes of cement at the end of 2010
- ▼ The plant is located in Andhra Pradesh state and dispatches cement in South India, a large market with a very strong potential
- ▼ These partnerships will emerge as strong cement players in the South of India leveraging on operational synergies and ambitious expansion plans

Bharathi Cement



2010 outlook

- ▼ The Group confirmed the expected trends it had communicated with its FY 2009 results publication
 - ▼ 2010 should be a transitional year:
 - ▼ Emerging-market countries should continue to generate strong momentum, whereas the environment is likely to remain tough in certain mature markets
 - ▼ Movements in selling prices will continue to remain very contrasted between geographical zones
 - ▼ First-half performance will be affected by the severe weather conditions seen at the start of the year
 - ▼ The second half should bring a gradual improvement in business levels in certain mature markets, particularly France and the United States