2007 Estimated Results
and Outlook for 2008

Analyst – Investor meeting

January 2008
1 2007 Highlights

2 2007 Estimated Results

3 Operating Performance

4 Group Strategy

5 Outlook and Objectives for 2008
2007 Highlights
## Saint-Gobain in 2007: Targets exceeded

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007 estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total (€m)</td>
<td>Total (€m)</td>
</tr>
<tr>
<td>Sales</td>
<td>41,596</td>
<td>43,421</td>
</tr>
<tr>
<td></td>
<td></td>
<td>at actual</td>
</tr>
<tr>
<td></td>
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<td>exchange rates</td>
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<td>at constant</td>
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<tr>
<td></td>
<td></td>
<td>exchange rates**</td>
</tr>
<tr>
<td>Operating income</td>
<td>3,714</td>
<td>4,108</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Recurring net income*</td>
<td>1,702</td>
<td>2,114</td>
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<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>1,637</td>
<td>1,487</td>
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</tbody>
</table>

* excluding capital gains and losses, asset write-downs and the provision for Flat Glass fines
** average exchange rates for 2006
2007: Sharply contrasting market conditions

> In terms of geographical markets:
  - Robust trading in emerging countries
  - Sharp downturn in housing starts in the US
  - Overall healthy business environment in Europe

> During the year:
  - Seasonal trends: - exceptional Q1 2007 (weather conditions)
    - high basis for comparison in H2
  - End of the German recovery in Q2
  - Weakening of the US dollar
Another strong growth performance for Saint-Gobain

> **Organic growth:** 5.0%

> **Rise in operating margin:** 9.5% (8.9% in 2006)

> **Strong contribution from activities linked to energy efficiency in European construction** (Flat Glass, Insulation, Gypsum, Mortars, Building Distribution)

> **Good performance from Packaging**

> **Sharp increase in free cash flow**: +21.6% (€1.4bn) and solid financial structure

> **Further improvement in return on capital employed (ROCE)**

*excluding the tax impact of capital gains and losses and exceptional asset write-downs*
Vigorous implementation of strategy

> 64 acquisitions in the construction market representing total full-year sales of €1.6bn (excluding Maxit)

> Disposal of Desjonquères (March 31) and of the Reinforcements & Composites business (November 1)

> Fast-paced development in Asia and emerging countries:
  - Sales +17% (€6.9bn)
  - Operating income +49% (€799m)
  - Capital expenditure +13% (€671m)

> Ongoing R&D efforts (+5.7%), of which more than 90% in Innovative Materials
2007 Estimated Results
## Key figures (€m)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>% change</th>
</tr>
</thead>
<tbody>
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<tr>
<td>Non-operating costs</td>
<td>(367)</td>
<td>(290)</td>
<td></td>
</tr>
<tr>
<td>Provision for Flat Glass fines</td>
<td></td>
<td>(694)</td>
<td></td>
</tr>
<tr>
<td>Capital gains and losses and exceptional asset write-downs</td>
<td>(25)</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td><strong>Business income</strong></td>
<td>3,322</td>
<td>3,156</td>
<td></td>
</tr>
<tr>
<td>Net financial expense</td>
<td>(748)</td>
<td>(701)</td>
<td></td>
</tr>
<tr>
<td>Income tax</td>
<td>(899)</td>
<td>(926)</td>
<td></td>
</tr>
<tr>
<td>Minority interests</td>
<td>(45)</td>
<td>(56)</td>
<td></td>
</tr>
<tr>
<td><strong>Recurring net income</strong> (excluding capital gains and losses, exceptional asset write-downs and the provision for Flat Glass fines)</td>
<td>1,702</td>
<td>2,114</td>
<td>+24.2%</td>
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<tr>
<td>Net income</td>
<td>1,637</td>
<td>1,487</td>
<td>-9.2%</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,717</td>
<td>1,875</td>
<td>+9.2%</td>
</tr>
<tr>
<td><strong>Cash flow from operations</strong> excl. tax impact of capital gains/losses and exceptional asset write-downs</td>
<td>3,374</td>
<td>3,712</td>
<td>+10.0%</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>2,191</td>
<td>2,273</td>
<td>+3.7%</td>
</tr>
<tr>
<td>Net debt</td>
<td>11,599</td>
<td>9,928</td>
<td>-14.4%</td>
</tr>
</tbody>
</table>
Sales

**In €bn**

<table>
<thead>
<tr>
<th>Category</th>
<th>2006 Sales</th>
<th>Exchange Rate</th>
<th>Structure</th>
<th>Prices</th>
<th>Volumes</th>
<th>2007 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>41.596</td>
<td>+0.7%</td>
<td>-1.3%</td>
<td>+3.7%</td>
<td>+1.3%</td>
<td>43.421</td>
</tr>
</tbody>
</table>

**+5.0%** on a like-for-like basis

**+4.4%**
Organic growth

% change in sales on a like-for-like basis

6.3% 6.9% 7.1% 3.1% 6.7% 5.0%

Full year
Operating income

(€m and as % of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating income</th>
<th>Operating income as % of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>3,714</td>
<td>8.9%</td>
</tr>
<tr>
<td>2007e</td>
<td>4,108</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

+10.6% increase from 2006 to 2007e at constant exchange rates

Group total

excl. Distribution

Distribution

+11.4%
Half-year operating income
at constant exchange rates

(€m and as % of sales)

Operating income as % of sales

<table>
<thead>
<tr>
<th>H1-H1</th>
<th>H2-H2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,815</td>
<td>1,899</td>
</tr>
<tr>
<td>8.8%</td>
<td>9.0%</td>
</tr>
</tbody>
</table>
+16.6%      +6.4%

2,117
9.6%
2,021
9.3%

+11.4% over the full year
Asbestos claims against CertainTeed in the US

- Approximately $73m* paid out ($83m in 2006) and a further €90m set aside to the provision in 2007 (€95m in 2006), bringing the total coverage to $473m at end-2007 (versus $451m at end-2006)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007*</th>
</tr>
</thead>
<tbody>
<tr>
<td>New claims</td>
<td>7,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Settled claims</td>
<td>12,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Outstanding claims</td>
<td>76,000**</td>
<td>74,000**</td>
</tr>
</tbody>
</table>

* estimated
** after the transfer of 19,000 claims to inactive dockets further to court decisions in 2006 (38,000 in total)

Flat Glass

- February 2005: launch of an antitrust enquiry by the European Commission (glass for construction and automotive industries)
- Construction glass business fined €134m in November 2007
- Proceedings still in progress regarding automotive glass
- Provision of €694m (versus €650m at end-June 2007) for the 2 proceedings
## Non-operating costs

(€m)

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<thead>
<tr>
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<th>2006</th>
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<td>3,714</td>
<td>4,108</td>
<td>+10.6%</td>
</tr>
<tr>
<td>Provision for asbestos-related litigation</td>
<td>(95)</td>
<td>(90)</td>
<td></td>
</tr>
<tr>
<td>Provision for Flat Glass fines</td>
<td>-</td>
<td>(694)</td>
<td></td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>(272)</td>
<td>(200)</td>
<td></td>
</tr>
<tr>
<td><strong>Non-operating costs</strong></td>
<td>(367)</td>
<td>(984)</td>
<td></td>
</tr>
<tr>
<td>Gains/(losses) on sales of non-current assets</td>
<td>175</td>
<td>394</td>
<td></td>
</tr>
<tr>
<td>Asset write-downs</td>
<td>(202)</td>
<td>(364)</td>
<td></td>
</tr>
<tr>
<td><strong>Other items</strong></td>
<td>(27)</td>
<td>30</td>
<td></td>
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<td><strong>Business income</strong></td>
<td>3,322</td>
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Net financial expense and income taxes (€m)

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<thead>
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- At December 31, 2007, 88% of net debt is at fixed rates
- Average maturity ~ 5 years

Tax rate on recurring net income

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax rate</td>
<td>35%</td>
<td>31%</td>
</tr>
</tbody>
</table>

- The exit from the consolidated tax regime had a favorable impact on tax rates
Net income

Recurring net income* (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007e</th>
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</table>

+24.2%

Recurring EPS* (€)

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurring EPS*</td>
<td>4.62</td>
<td>5.65</td>
</tr>
</tbody>
</table>

+22.3%

> Net income (€1,487m) down 9.2% and EPS (€3.97) down 10.6%

* excluding capital gains and losses, asset write-downs and provision for Flat Glass fines
Free cash flow

(in €m, excluding the tax impact of capital gains and losses and exceptional asset write-downs)

- Maintenance capex ~ 3.1% of sales
- Growth capex: 40% in emerging countries

* after asbestos-related charge
Working capital requirements (at December 31)

(€m and in no. of days)

- 2002: 4,951, 59d
- 2003: 4,529, 54d
- 2004: 4,642, 51d
- 2005*: 4,773, 49d
- 2006: 5,123, 44d
- 2007e: 4,888, 40d

2002 and 2003 under French GAAP
2004 and 2005 under IFRS
* 2005 excl. Gypsum
Net debt and shareholders’ equity

€bn

Net debt/equity

Interest cover

Net debt/EBIDTA**

<table>
<thead>
<tr>
<th></th>
<th>31/12/2006</th>
<th>31/12/2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt/equity</td>
<td>80%</td>
<td>65%</td>
</tr>
<tr>
<td>Interest cover</td>
<td>5.0</td>
<td>5.9</td>
</tr>
<tr>
<td>Net debt/EBIDTA**</td>
<td>2.2</td>
<td>1.7</td>
</tr>
</tbody>
</table>

> *€12bn after Maxit acquisition

** EBITDA = Operating income + depr./amort.
Return on capital employed

**ROI (%)**

- 2006: 21.3
- 2007e: 23.8

**ROCE (%)**

- 2006: 12.6
- 2007e: 13.4*

* excl. Packaging
  * after integration of Maxit

Value creation picking up pace
### Acquisitions and divestments in 2007

*(share value)*

<table>
<thead>
<tr>
<th><strong>Acquisitions</strong></th>
<th><strong>€965m</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>o/w Building Distribution</td>
<td>€582m</td>
</tr>
<tr>
<td>Construction Products</td>
<td>€226m</td>
</tr>
<tr>
<td>Innovative Materials (Flat Glass and HPM)</td>
<td>€89m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Divestments</strong></th>
<th><strong>€1,253m</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>o/w Saint-Gobain Desjonquères</td>
<td>€520m</td>
</tr>
<tr>
<td>Reinf. &amp; Composites</td>
<td>€365m</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>€368m</td>
</tr>
</tbody>
</table>
3 Operating Performance

A. Results by sector

B. Results by geographic area
Organic growth

% change in 2007e/2006 sales on a like-for-like basis

**Group : +5.0%**

- **Construction Products** +2.5%
  - Interior Solutions +2.9%
  - Exterior Solutions +2.1%

- **Innovative Materials** +6.8%
  - Flat Glass +11.2%
  - HPM +2.2%
  - Ceram-Plast.-Abr. +4.5%
  - Reinfor. -4.2%

- **Building Distribution** +5.7%

- **Packaging** +5.5%

*Breakdown of 2007 sales*
**Flat Glass**

**Sales (€m)**

- 2006: 5,083
- 2007e: 5,611

**Operating income (€m and as % of sales)**

- 2006: 480, 9.4%
- 2007e: 717, 12.8%

**Cash flow from operations & capex (€m and as % of sales)**

- Cash flow: 677, 12.1%
- Capex: 523, 9.3%

* +11.2% like-for-like
Flat Glass - Highlights

> Robust demand (construction and automotive glass) both in Europe and emerging countries. Strong rise in prices on construction markets in Europe

> Evolving product mix (particularly energy-saving products): +26% in terms of volume for value-added coated glass

> Growth in Asia and emerging countries:
  - 35% of Flat Glass sales, up 17%
  - 53% of capital expenditure
  - Start-up of a second float-line in Mexico in 2007
High-Performance Materials

Sales (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales 2006</th>
<th>Sales 2007e</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>4,938</td>
<td>4,752</td>
<td>-3.2%</td>
</tr>
<tr>
<td>2007e</td>
<td>4,267</td>
<td>4,159</td>
<td>-3.2%</td>
</tr>
</tbody>
</table>

Operating income (€m and as % of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income 2006</th>
<th>Operating Income 2007e</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>500</td>
<td>585</td>
<td>+9.6%</td>
</tr>
<tr>
<td>2007e</td>
<td>11.2%</td>
<td>12.7%</td>
<td></td>
</tr>
</tbody>
</table>

Like-for-like +2.2%, o/w Ceramics, Plastics & Abrasives +4.5%

Cash flow from operations & capex (€m and as % of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash flow 2006</th>
<th>Cash flow 2007e</th>
<th>Capex 2006</th>
<th>Capex 2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>487</td>
<td>10.2%</td>
<td>238</td>
<td>5.0%</td>
</tr>
<tr>
<td>2007e</td>
<td>12.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
High-Performance Materials - Highlights

> Healthy worldwide industrial demand, particularly in Asia & emerging countries (30% of sales, up 16% in 2007)

> Sustained organic growth in Ceramics, Plastics & Abrasives (+4.5%)

> Further improvement in operating margin

> Robust growth (+8%) in markets linked to construction, energy and the environment: ~30% of sector business

> Increase in R&D investments (+5.7%) and innovation (~25% of sales generated by new products)
Construction Products

Sales (€m)

- Interior Solutions:
  - 2006: 6,424
  - 2007e: 6,628
  - Growth: +2.2%

- Exterior Solutions:
  - 2006: 4,476
  - 2007e: 4,516

Operating income (€m and as % of sales)

- Interior Solutions:
  - 2006: 1,375
  - 2007e: 1,313
  - Growth: -4.5%

- Exterior Solutions:
  - 2006: 16.0%
  - 2007e: 14.8%

Cash flow from operations & capex (€m and as % of sales)

- Interior Solutions:
  - Cash flow: 1,060
  - Capex: 830
  - Cash flow growth: 12.6%
  - Capex growth: 11.8%

Like-for-like growth: +2.5%
Construction Products - Highlights

- Sustained organic growth, powered mainly by the energy efficiency drive in western Europe (+6.4%), and Asia & emerging countries (+24%)
- Sharp slowdown in the US (23% of sales): -14%
- Capex: 53% growth investments
  27% in emerging countries
- ➔ 7 new countries: Gypsum: Algeria, Vietnam - Insulation: South Africa, Colombia, Venezuela - Mortars: Serbia, Malaysia
- Pipe: ~ 40% of sales generated in Asia & emerging countries
Building Distribution

Sales (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>17,581</td>
</tr>
<tr>
<td>2007e</td>
<td>19,480</td>
</tr>
</tbody>
</table>

Operating income (€m and as % of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income (€m)</th>
<th>Operating Income (as % of sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1,001</td>
<td>5.7%</td>
</tr>
<tr>
<td>2007e</td>
<td>1,102</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

Operating income +10.1% like-for-like

Cash flow from operations & capex (€m and as % of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash flow (€m)</th>
<th>Capex (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>825</td>
<td>4.2%</td>
</tr>
<tr>
<td>2007e</td>
<td>353</td>
<td>1.8%</td>
</tr>
</tbody>
</table>

Cash flow +5.7%

*like-for-like*
Building Distribution - Highlights

> Strong organic growth in sales: +5.7%
  - Very strong first quarter boosted by weather conditions
  - Excellent performance (+20%) in emerging countries (>€1bn in sales)

> Strong growth in operating income and stable operating margin

> Ongoing European consolidation (52 acquisitions: €0.7bn in sales*) and geographical expansion (US: Norandex, $866m in sales*; Denmark and Baltic countries: €367m in sales*)

> In total: 426 new outlets (incl. 291 resulting from acquisitions)

* full-year sales
Packaging

Sales (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
<th>2006</th>
<th>2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3,330</td>
<td>3,398</td>
</tr>
</tbody>
</table>

Operating income (€m and as % of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m and as % of sales)</th>
<th>2006</th>
<th>2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>304</td>
<td>378</td>
</tr>
</tbody>
</table>

Cash flow from operations & capex (€m and as % of sales)

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<th>Cash flow (€m)</th>
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<th>2007e</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>304</td>
<td>378</td>
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</tbody>
</table>

Cash flow activities sold

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash flow activities sold (€m)</th>
<th>2006</th>
<th>2007e</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td>304</td>
<td>378</td>
</tr>
</tbody>
</table>

+5.5% like-for-like

<table>
<thead>
<tr>
<th>Half</th>
<th>Sales</th>
<th>H1</th>
<th>H2</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>€m</td>
<td>9.2%</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Half</th>
<th>Operating income</th>
<th>H1</th>
<th>H2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(€m and as % of sales)</td>
<td>11.0%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>
Packaging - Highlights

> **Excellent year** in terms of volumes and prices, particularly in Europe

> **Sharp rise in profitability:**
  - operating income: +29% like-for-like
  - operating margin: +2 points (as % of sales)

> **Sale of Desjonquères on March 31, 2007** under very good conditions (€690m, or 14x EBIT 2006).
Operating Performance

A. Results by sector

B. Results by geographic area
Organic growth by geographic area

% change in 2007e/2006 sales on a like-for-like basis

Group: +5.0%

Asia & emerging countries +16.5%
North America -7.1%
Other western Europe +6.0%
France +5.2%

* Breakdown of 2007 sales
Operating income by geographic area

(€m and as % of sales)

<table>
<thead>
<tr>
<th>Region</th>
<th>2006</th>
<th>2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>970</td>
<td>1,096</td>
</tr>
<tr>
<td>Other western Europe</td>
<td>1,506</td>
<td>1,869</td>
</tr>
<tr>
<td>North America</td>
<td>701</td>
<td>344</td>
</tr>
<tr>
<td>Emerging countries and Asia</td>
<td>537</td>
<td>799</td>
</tr>
</tbody>
</table>

2006

France: 7.7%, Other western Europe: 8.2%, North America: 10.3%, Emerging countries and Asia: 9.1%

2007e

France: 8.5%, Other western Europe: 9.4%, North America: 5.9%, Emerging countries and Asia: 11.5%
Capital expenditure by geographic area

(€m and as % of sales)

<table>
<thead>
<tr>
<th>Region</th>
<th>2006</th>
<th>2007e</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>485</td>
<td>536</td>
</tr>
<tr>
<td>Other western Europe</td>
<td>749</td>
<td>698</td>
</tr>
<tr>
<td>North America</td>
<td>363</td>
<td>368</td>
</tr>
<tr>
<td>Emerging countries and Asia</td>
<td>594</td>
<td>671</td>
</tr>
</tbody>
</table>

2006: 3.9% 4.1%
2007e: 4.1% 3.5%
5.3% 6.4%
10.0% 9.7%
4 Group Strategy

A. A Group focused on construction

B. Fast-paced development in emerging countries

C. Innovation, Environment and Energy efficiency

D. Operational excellence
Saint-Gobain’s ambition

Worldwide leadership in construction markets, offering innovative solutions to meet the fundamental challenges of our era: growth, energy, environment

- **Worldwide leadership**: local solutions tailored to the needs of both emerging and developed countries
- **Solutions**: association of products and services
- **Innovation**: broad-ranging skills in materials thanks to the Group’s industrial expertise
- **Energy-Environment**: unrivalled product portfolio

→ uniquely positioned to meet the needs of construction markets
Refocus on construction markets

Sales in €bn

Dahl/Optimera/Sanitas Troesch

BPB

Norandex

Maxit

Acquisitions:
> €10bn*

Disposals:
> €5bn

~60% construction

2.4 3.4 0.6 1.2

2004 2005 2006 2007 2008

~85% construction

0.3 Calmar

0.6 Desjonquères

0.7 Reinf. & Composites

3.5 Packaging

* o/w €2.5bn in bolt-on acquisitions
A business model generating vigorous, balanced growth

Breakdown of 2007 operating income

**Construction Products**
- Organic growth in sales 05-07: 5.4%
- Leadership/Brands
- Emerging countries
- Energy efficiency

**Innovative Materials**
- Organic growth in 05-07 sales: 6.2%
- Technology
- Emerging countries
- Innovation

**Building Distribution**
- Organic growth in sales 05-07: 6.3%
- Customer/market knowledge
- New store formats
- New countries
The success of Interior Solutions: Successful creation of the world leader

Since 2006, 10 acquisitions totaling €240m and implantation in 5 new countries

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales 2005</th>
<th>Sales 2007</th>
<th>OI* 2007</th>
<th>ROI 2007</th>
<th>ROCE 2007</th>
<th>Cost synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>5,854</td>
<td>6,628</td>
<td>13%-14%</td>
<td>26%</td>
<td>12%</td>
<td>€100m</td>
</tr>
<tr>
<td>2007</td>
<td>14.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>€112m</td>
</tr>
</tbody>
</table>

*Operating income

Objectives set at time of BPB acquisition
The success of Distribution in Scandinavia: Profitable acquisitions

- 4 structural acquisitions (Dahl, Optimera, and DLH and Famar Desi in 2008)
- 33 bolt-on acquisitions in 3 years
- More than 400 points-of-sale

<table>
<thead>
<tr>
<th>Year</th>
<th>2004 pf sales</th>
<th>2007 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>~€1.5 bn</td>
<td>€3.1 * bn</td>
</tr>
</tbody>
</table>

2004-2007 growth:

- Sales: CAGR 27% p.a.
  - o/w 10% organic growth

2007 ROCE: 17%

* Excluding DLH and Famar Desi
The success of solar technology: A front-ranking player in photovoltaic glass

- Active in all **photovoltaic glass** technologies (cristalline silicon, coated glass, organic)
- **Glass for thermal solar energy**: hot water production
- **Mirrors** for solar concentration

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
<th>CAGR (%), Objective (€m)</th>
<th>2007 Sales (€m)</th>
<th>2005 Sales (€m)</th>
<th>Share of photovoltaic glass market in 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>47</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>76</td>
<td>40%</td>
<td></td>
<td></td>
<td>30%</td>
</tr>
<tr>
<td>B 2008</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obj. 2012</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Graph showing CAGR 40% growth and target of 500 €m by 2012.
A. A Group focused on construction

B. Fast-paced development in emerging countries

C. Innovation, Environment and Energy efficiency

D. Operational excellence
Fast-paced development in emerging countries

In 2010, one-third of sales will be generated in emerging countries (excluding Building Distribution)

Sales (€bn) generated in emerging countries

- Proportion of sales in emerging countries (excl. Distribution)

Operating income (€m) generated in emerging countries

CGAR 16%

CGAR 30%

- 2000 2004 2007 obj. 2010

- Sales (€bn)

- Operating income (€m)


- 11% 17% 24% 33%
Emerging countries: significant contribution to Saint-Gobain’s growth

- Contribution to growth in operating income (2005 – 2007): 47%
Saint-Gobain’s strategy in emerging countries

Nearly €7bn in sales

- **Green**: Cement our leadership
- **Dark Blue**: Become a leader in all of our businesses
- **Light Blue**: Establish our businesses from local platforms

Map with sales figures indicated in various countries.
Emerging countries: a priority for investments

- **£1.1bn of capital employed** dedicated to growth of emerging countries in 2006-2007, i.e. nearly 50% of total capital employed (excl. Building Distribution)

- **24 new plants** launched in 2007

- Numerous major projects in progress
  - Plasterboard: 3 plants in Abu Dhabi, Russia and Hungary
  - Insulation: new facility in Poland
  - Flat Glass: 2 plants in Colombia and Egypt
  - High-Performance Materials: 5 plants in Mexico, Venezuela, India, China and Poland

2007 geographic breakdown:
- Latin America 30%
- ME/North Africa 17%
- Asia & emerging countries 20%
- Eastern Europe 33%
- Rest of the world 0.4%
4 Group Strategy

A. A Group focused on construction

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C. Innovation, Environment and Energy efficiency

D. Operational excellence
Environment, energy efficiency and innovation

The building industry is at the dawn of a green revolution

Saint-Gobain has three outstanding assets
- Leadership in construction markets
- Building Distribution, to partner customers during the green revolution
- Capacity for innovation, offering new state-of-the-art building solutions

Around 30% of Group sales and 40% of operating income are related to energy efficiency
Flat Glass: An insulation solution to meet present and future needs

- **Low-emissivity glass**
  - 2007 sales >€200m
  - Annual growth >30%

- **Double-skin glass façades** in renovated office buildings

- **Glass dome** enveloping old buildings

Thermal regulations in Europe (Flat Glass)

Strasbourg station
Saint-Gobain, innovative solutions for every kind of home comfort

Thermal comfort

- **ETICS mortars** (sales +15%)
- **Isover**
- **Placomur**: adhesive wall systems (Gypsum)
- **Planitherm** (SG Glass)

Aesthetic comfort

- **Numadecor**, decorative colored mortars (sales +8%)
- **LED and OLED** new-generation lighting
- **Privalite** (active glass)

Acoustic comfort

- **Ecophon** (sales +14%)
- **Soundbloc** plasterboard
- **Stadip Silence** glass
- **Pamacoustique** (Pipe)
- **Acoustiver** (SG Technical Fabrics)

Fireproofing

- **Ultimate glass wool** (sales +45%)
- **Megaplac**: fire-resistant plasterboard
- **Contraflam**: Vetrotech glass
4 Group Strategy

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C. Innovation, Environment and Energy efficiency
D. Operational excellence
Ongoing efforts to achieve operational excellence in our businesses

- Closure of 35 plants/facilities, including 16 in the US
- Headcount: -6,600 approx., including 1,700 in the US

Restructuring costs* (annual average 2006-2007)

~€220m

65% personnel costs

Cost reductions: ~ €200m (yearly average)

Payback from restructuring measures ≥ 1 year

* excl. provisions for litigation
Update on current programs

- **Reduction in overheads (Symphonie)**
  - Scope of costs concerned ~€2bn
  - Obj. 2010: €150m
  - Launch of 230 projects

- **Purchasing (Procure)**
  - Ongoing centralization (already 50% in 2007)

- **World Class Manufacturing**
  - Launched in October 2006
  - All businesses concerned at end-2007
2010 roadmap

Vigorous roll-out of strategy

- Geographical expansion: organic growth investments in emerging countries
- Acquisitions to develop business in emerging countries, increase potential for innovation and reinforce Distribution
- Innovation and R&D efforts stepped up, particularly in the field of energy and the environment

Confirmation of 2010 objectives

For 2007-2010:
- 5% average annual organic growth
- 10% average annual growth in recurring EPS

For 2010:
- ROI: 22%-25%
- ROCE: 13%-14%
Outlook and Objectives for 2008
2008: Macro-economic uncertainties

> Evolution of the **US economy** and duration of the property crisis

> Reaction of **developed economies** to the situation in the US and the credit crunch

> Volatility of **energy, transport and commodity** prices

> Value of **US dollar** and Asian currencies
Saint-Gobain’s end markets

2007 sales

- New construction: 32%
  - France: 28%
  - Other western Europe: 44%
- Renovation: 43%
  - Other: 25%
- Other: 22%
  - North America: 13%
  - Asia & emerging countries: 15%
2008 outlook

I. Construction markets (Europe + US)

Western Europe (~55% of operating income): trading should be healthy overall, but growth expected to slow versus 2007
- Positive outlook in France
- Stability in Germany; downturn in Spain
- Unfavorable basis for comparison in Q1 (2007 weather conditions)
- Renovation holding firm

North America (~5% of operating income): no upturn in sight

II. Other markets (Europe + US)

Industry (~10% of operating income): upbeat in Europe, more subdued in the US

Household consumption (~10% of operating income): healthy

III. Asia & emerging countries (~20% of operating income):

Strong momentum
Saint-Gobain’s key assets in 2008

- Strong exposure to markets related to energy efficiency in European construction (~30% of sales)
- Strong exposure to renovation market in Europe (~35% of sales) via Building Distribution
- Emerging countries: ~20% of Group operating income
- Limited exposure to US: ~10% of Group operating income
- Positive contribution of acquisitions to growth
- Solid financial structure
2008 outlook for Saint-Gobain’s businesses

> **Flat Glass:** energy-efficient solutions in Europe should boost trading; emerging countries expected to remain robust

> **High-Performance Materials (HPM):** favorable outlook

> **Construction Products (CP):**
  - Growth in Europe and emerging countries
  - Persistent difficulties in the US
  - Further advances in Pipe

> **Building Distribution:** continued organic growth momentum (renovation in particular) and full-year impact of acquisitions

> **Packaging:** further gains amid good market conditions

Another year of growth
2008 objectives

> Modest increase in Operating Income (at constant exchange rates*) and recurring Net Income**

> Continuing high levels of free cash flow and solid financial structure

* average exchange rates for 2007
** excluding capital gains and losses, asset write-downs and the provision for Flat Glass fines
2008 objectives: Vigorous roll-out of business model

In particular:

- Completion of strategic repositioning on construction markets with the sale of the Packaging business
- Continuing investments in emerging countries
- Targeted acquisitions, potentially in our three sectors (Construction Products, Building Distribution, Innovative Materials)
- Ongoing tight rein on costs, productivity, working capital, etc.
- High level of responsiveness in the event of a further decline in economic conditions