2006 Estimated Results and Outlook for 2007

Analysts – Investors Meeting

London, January 29, 2007
1. 2006 Highlights
2. 2006 Estimated Results
3. Operating Performance
4. Saint-Gobain’s Strategy
5. Outlook and Objectives for 2007
1 2006 Highlights
## Saint-Gobain in 2006: Key figures

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006 estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(€m)</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td>at actual</td>
</tr>
<tr>
<td></td>
<td></td>
<td>exchange rates</td>
</tr>
<tr>
<td></td>
<td></td>
<td>at constant</td>
</tr>
<tr>
<td></td>
<td></td>
<td>exchange rates*</td>
</tr>
<tr>
<td>Net sales</td>
<td>35,110</td>
<td>41,596</td>
</tr>
<tr>
<td>Operating income</td>
<td>2,860</td>
<td>3,714</td>
</tr>
<tr>
<td>Net income</td>
<td>1,264</td>
<td>1,637</td>
</tr>
<tr>
<td>Net income excl.</td>
<td>1,284</td>
<td>1,702</td>
</tr>
<tr>
<td>capital gains</td>
<td></td>
<td>+18.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+29.9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+29.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+32.6%</td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>+29.8%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+29.8%</td>
</tr>
</tbody>
</table>

* average exchange rates for 2005
2006: A favorable economic climate

- Robust construction markets
  - vigorous European markets with the start of a recovery in Germany
  - slowdown in US housing starts in the second half

- High levels of industrial output and capital expenditure

- Strong growth in emerging countries

- Rise in cost of energy and raw materials in line with initial projections
2006: Further improvement in performance

- Organic growth of 6.7% (3.5% price impact, 3.2% volume effect)

- Rise in operating margin: 8.9% (versus 8.2%* in 2005) and 10.9% excluding Building Distribution (versus 10%* in 2005)

- Sharp 24% increase in cash flow from operations**

- Strong contribution from CP and Building Distribution sectors and recovery of Flat Glass and Packaging in the second half

* excl. BPB in December 2005
** excl. capital gains tax
Key achievements in 2006

- Successful integration of BPB and strong performance of interior building solutions businesses (Gypsum and Insulation)

- Strategic reorganization of businesses: Synflex, Calmar, Desjonquères, Reinforcements & Composites

- 64 targeted acquisitions representing a total of €1bn in full-year sales

- Increase in growth capex and ongoing R&D efforts (up 11% on 2005)

- Solid financial structure and conversion of OCEANE bonds
2006 Estimated Results
<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>35,110</td>
<td>41,596</td>
<td>+18.5%</td>
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<tr>
<td><strong>Operating income</strong></td>
<td>2,860</td>
<td>3,714</td>
<td>+29.9%</td>
</tr>
<tr>
<td><strong>Non-operating costs</strong>*</td>
<td>(288)</td>
<td>(367)</td>
<td></td>
</tr>
<tr>
<td><strong>Other business income and expenses</strong></td>
<td>(18)</td>
<td>(25)</td>
<td></td>
</tr>
<tr>
<td><strong>Business income</strong></td>
<td>2,554</td>
<td>3,322</td>
<td>+30.1%</td>
</tr>
<tr>
<td><strong>Net financial expense</strong></td>
<td>(569)</td>
<td>(748)</td>
<td></td>
</tr>
<tr>
<td><strong>Income tax</strong></td>
<td>(701)</td>
<td>(899)</td>
<td></td>
</tr>
<tr>
<td><strong>Minority interests</strong></td>
<td>(30)</td>
<td>(45)</td>
<td></td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>1,264</td>
<td>1,637</td>
<td>+29.5%</td>
</tr>
<tr>
<td><strong>Net income excl. capital gains</strong></td>
<td>1,284</td>
<td>1,702</td>
<td>+32.6%</td>
</tr>
<tr>
<td><strong>Depreciation and amortization</strong></td>
<td>1,420</td>
<td>1,717</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from operations excluding capital gains tax</strong>*</td>
<td>2,730</td>
<td>3,374</td>
<td>+23.6%</td>
</tr>
<tr>
<td><strong>Capital expenditure</strong></td>
<td>1,756</td>
<td>2,191</td>
<td>+24.8%</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>12,850</td>
<td>11,599</td>
<td>-9.7%</td>
</tr>
</tbody>
</table>

* incl. pre-tax asbestos-related charge: €95m in 2006; €100m in 2005
Net sales

in €bn

<table>
<thead>
<tr>
<th>2005 sales</th>
<th>Exc. rate</th>
<th>Structure</th>
<th>Prices</th>
<th>Volumes</th>
<th>2006e sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>35.1</td>
<td>+0.4%</td>
<td>+11.4%</td>
<td>+3.2%</td>
<td>+3.5%</td>
<td>41.6</td>
</tr>
</tbody>
</table>

+6.7% like-for-like

+18.5%
Organic growth

% change in sales 2006e/2005 at comparable Group structure and exchange rates

H1-2006/H1-2005

- Volumes: 3.3%
- Prices: 3.0%

H2-2006/H2-2005

- Volumes: 4.4%
- Prices: 2.7%

2006/2005

- Volumes: 6.7%
- Prices: 3.5%

Increased momentum in H2
Operating income
(in €m and as % of sales)

2005
- Operating income: 2,860
  - 8.2% (excl. BPB in December 2005)
  - 10.0%
  - 5.7%

2006e
- Operating income: 3,714
  - 8.9%
  - 10.9%
  - 5.7%

+29.9% at constant exchange rates

up 32% in H1 and up 28% in H2

* excl. BPB in December 2005
## Non-operating costs

*(in €m)*

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating income</strong></td>
<td>2,860</td>
<td>3,714</td>
<td>+29.9%</td>
</tr>
<tr>
<td><strong>Provision for asbestos-related litigation</strong></td>
<td>-100</td>
<td>-95</td>
<td>+5%</td>
</tr>
<tr>
<td><strong>Restructuring costs</strong></td>
<td>-188</td>
<td>-272</td>
<td>-45%</td>
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<tr>
<td><strong>Non-operating costs</strong></td>
<td>-288</td>
<td>-367</td>
<td>-27%</td>
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<tr>
<td><strong>Other non-operating costs</strong></td>
<td>-18</td>
<td>-25</td>
<td>-39%</td>
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<td>2,554</td>
<td>3,322</td>
<td>+30.1%</td>
</tr>
</tbody>
</table>
Asbestos claims against CertainTeed in the US

Outstanding claims

| Year | New claims | Settled claims | Outstanding claims*
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>20,000</td>
<td>10,000</td>
<td>30,000</td>
</tr>
<tr>
<td>2001</td>
<td>40,000</td>
<td>20,000</td>
<td>60,000</td>
</tr>
<tr>
<td>2002</td>
<td>60,000</td>
<td>30,000</td>
<td>90,000</td>
</tr>
<tr>
<td>2003</td>
<td>80,000</td>
<td>40,000</td>
<td>120,000</td>
</tr>
<tr>
<td>2004</td>
<td>80,000</td>
<td>40,000</td>
<td>120,000</td>
</tr>
<tr>
<td>2005</td>
<td>80,000</td>
<td>40,000</td>
<td>120,000</td>
</tr>
<tr>
<td>2006</td>
<td>80,000</td>
<td>40,000</td>
<td>120,000</td>
</tr>
</tbody>
</table>

New/settled claims

Total payouts ($m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Payouts ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>103</td>
</tr>
<tr>
<td>2001</td>
<td>153</td>
</tr>
<tr>
<td>2002</td>
<td>140</td>
</tr>
<tr>
<td>2003</td>
<td>88</td>
</tr>
<tr>
<td>2004</td>
<td>83</td>
</tr>
</tbody>
</table>

*after transfer to “inactive dockets”
Outstanding claims

Asbestos claims against CertainTeed in the US

> Approximately $83m paid out* ($88m in 2005 and $140m in 2004) and a further €95m set aside to the provision in 2006 (€100m in 2005; total coverage of $451m at end-2006 versus $422m at end-2005)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006*</th>
</tr>
</thead>
<tbody>
<tr>
<td>New claims</td>
<td>17,000</td>
<td>7,000*</td>
</tr>
<tr>
<td>Settled claims</td>
<td>20,000</td>
<td>12,000*</td>
</tr>
<tr>
<td>Outstanding claims</td>
<td>100,000</td>
<td>76,000**</td>
</tr>
<tr>
<td>Average cost per claim</td>
<td>$2,800</td>
<td>$3,000*</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>H1 2006*</th>
<th>H2 2006*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,000</td>
<td>3,000</td>
</tr>
<tr>
<td></td>
<td>8,000</td>
<td>4,000</td>
</tr>
</tbody>
</table>

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

Other information

> February 2005: launch of an antitrust enquiry by the European Commission into the construction and automotive glass industries

> Enquiry still in progress

> The ‘statements of objections’ may be issued in first-half 2007
### Net financial expense (€m)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of net debt</td>
<td>(413)</td>
<td>(625)</td>
</tr>
<tr>
<td>Pensions and other misc. costs</td>
<td>(156)</td>
<td>(123)</td>
</tr>
<tr>
<td>Net financial expense</td>
<td>(569)</td>
<td>(748)</td>
</tr>
</tbody>
</table>

### Inc. taxes (€m)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-tax income excl. cap. gains</td>
<td>2,015</td>
<td>2,616</td>
</tr>
<tr>
<td>Income taxes</td>
<td>706</td>
<td>873</td>
</tr>
<tr>
<td>Average tax rate</td>
<td>35.0%</td>
<td>33.4%</td>
</tr>
<tr>
<td>Total pre-tax inc.</td>
<td>1,995</td>
<td>2,581</td>
</tr>
<tr>
<td>Income taxes</td>
<td>701</td>
<td>899</td>
</tr>
<tr>
<td>Average tax rate</td>
<td>35.1%</td>
<td>34.8%</td>
</tr>
</tbody>
</table>

**Average cost of gross debt:**

4.5% (4.9% in 2005)
Net income (in €m)

2005: 1,284
2006e: 1,702
Change: +32.6%

Net inc. exc. cap. gains (in €m)

2005: 1,264
2006e: 1,637
Change: +29.5%
**EPS (in €)**

- **2005**: 3.66
- **2006e**: 4.44

  +21.3%

**EPS excl. cap. gains (in €)**

- **2005**: 3.72
- **2006e**: 4.62

  +24.2%

No. of shares at 12/31

- **2005**: 345.3m
- **2006e**: 368.4m
Cash flow and capital expenditure

(in €m, excl. capital gains tax)

- Continuing high levels of cash flow from operations
- Large-scale investments in emerging countries and additional capacity for interior building solutions

* after asbestos-related charge
Operating working capital

(in €m and number of days)

<table>
<thead>
<tr>
<th>Date</th>
<th>Operating working capital (€m)</th>
<th>No. of days</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/02</td>
<td>4,951</td>
<td>59d</td>
</tr>
<tr>
<td>31/12/03</td>
<td>4,529</td>
<td>54d</td>
</tr>
<tr>
<td>31/12/04</td>
<td>4,642</td>
<td>51d</td>
</tr>
<tr>
<td>31/12/2005*</td>
<td>4,773</td>
<td>49d</td>
</tr>
<tr>
<td>31/12/06e</td>
<td>5,123</td>
<td>44d</td>
</tr>
</tbody>
</table>

2002 and 2003 under French GAAP
2004 and 2005 under IFRS
* 2005 excl. Gypsum

-15 days
Net debt and equity

*in €bn*

<table>
<thead>
<tr>
<th>Date</th>
<th>Net Debt</th>
<th>Equity</th>
<th>Net Debt/Equity</th>
<th>Interest Cover</th>
<th>Net Debt/EBITDA**</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2005</td>
<td>12.9</td>
<td>12.3</td>
<td>104%</td>
<td>4.2*</td>
<td>2.6*</td>
</tr>
<tr>
<td>31/12/2006e</td>
<td>11.6</td>
<td>14.5</td>
<td>80%</td>
<td>5.0</td>
<td>2.2</td>
</tr>
</tbody>
</table>

* 2005: proforma BPB
** EBITDA = Op.inc. + depr.
Return on capital

ROCE before tax

2005: 11.2%
2006e: 12.5%

Weighted average cost of capital: 7%

ROI

2005: 19.8%
2006e: 21.3%

Op. inc./Total capital employed (inc. goodwill)

Op. inc./Op. capital
Acquisitions and divestitures in 2006

> Acquisitions

- o/w Building Distribution €355m*
- Construction Products €142m
- Packaging €67m

> Divestitures

- €891m*

* including:
sale of Calmar and Synflex for €670m
asset disposals for €208m
A. Results and developments by sector

B. Results by geographic area
Organic growth

% change in sales 2006e/2005 at comparable Group structure and exchange rates

Group average: 6.7%

Flat Glass: 7.8%
High-Performance Materials: 3.3%
Construction Products: 8.7%
Building Distribution: 7.0%
Packaging: 3.6%

Ceramics, Plast. & Abrasives 3.3%
Reinf. 3.0%
Gypsum 12.1%
Insulation 10.4%
Building Mat. 2.3%
Pipe 9.6%
Flat Glass

Net sales (in €m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>4,680</td>
<td>5,083</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>453</td>
<td>480</td>
</tr>
<tr>
<td>(% of sales)</td>
<td>9.7%</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

+7.8% like-for-like

+6.0%

H1       H2
10.0%  9.4%  9.1%  9.8%

+15%
**Flat Glass**

**Cash flow from operations (in €m)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>528</td>
<td>529</td>
</tr>
<tr>
<td>Change</td>
<td>+0.2%</td>
<td></td>
</tr>
</tbody>
</table>

**Capital expenditure (in €m and as % of sales)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>485</td>
<td>448</td>
</tr>
<tr>
<td>Change</td>
<td>-7.6%</td>
<td></td>
</tr>
<tr>
<td>% of Sales</td>
<td>10.4%</td>
<td>8.8%</td>
</tr>
</tbody>
</table>
Flat Glass

> Positive evolution of sales prices, particularly in Europe

> Favorable sales structure trends
  - Coated glass: 19% market share and threefold increase in sales in five years

> Ongoing expansion in emerging countries
  - 15% growth
  - 60% of capital expenditure
  - Start-up of a float-line in Romania, construction of a float-line in Mexico and Poland

> Launch of a major innovative project: photovoltaic glass
  - Creation of a JV between Saint-Gobain and Shell
  - Objective: production of CIS photovoltaic cells as from the beginning of 2008
High-Performance Materials

Net sales (in €m)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceram.</td>
<td>3,591</td>
<td>3,589</td>
</tr>
<tr>
<td>Plastics</td>
<td>1,306</td>
<td>1,365</td>
</tr>
<tr>
<td>Abrasives</td>
<td>1,306</td>
<td>1,365</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceram.</td>
<td>12.9%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Plastics</td>
<td>10.5%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Abrasives</td>
<td>3.8%</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

+3.3% like-for-like
High-Performance Materials

Cash flow from operations (in €m)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceram.</td>
<td>342</td>
<td>363</td>
</tr>
<tr>
<td>+6.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plastics</td>
<td>446</td>
<td>432</td>
</tr>
<tr>
<td>-33.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abrasives</td>
<td>104</td>
<td>69</td>
</tr>
<tr>
<td>-33.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Capital expenditure (in €m and as % of sales)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceram.</td>
<td>271</td>
<td>225</td>
</tr>
<tr>
<td>-13.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plastics</td>
<td>5.2%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Abrasives</td>
<td>6.4%</td>
<td>4.7%</td>
</tr>
<tr>
<td>-23.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cash flow from operations: 2005 = 446, 2006e = 432; Capital expenditure: 2005 = 271, 2006e = 225

5.6% (2005) vs. 4.6% (2006e)
High-Performance Materials

> Very good operating margin (13%) for Ceramics, Plastics & Abrasives, difficulties in Reinforcements

> Fast-growing presence in businesses related to energy and the environment
  - Strong 8% growth: proppants, catalytic ceramics
  - Launch of new innovative products: diesel particulate filters
  - Large-scale R&D project: SOFC (solid oxide fuel cells) for home heating applications

> Upturn in external growth:
  - Acquisition of CPT in the US (high-performance plastics) and Orient Abrasives in India

Ceramic particulate filters for diesel engines

Proppants for oil extraction
Construction Products

Net sales (in €m)

<table>
<thead>
<tr>
<th></th>
<th>2005pf</th>
<th>2006e</th>
<th>+/-%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gypsum</td>
<td>3,521</td>
<td>3,895</td>
<td>+8.9%</td>
</tr>
<tr>
<td>Insulation</td>
<td>2,280</td>
<td>2,542</td>
<td></td>
</tr>
<tr>
<td>Ext. fittings &amp; mortars</td>
<td>2,733</td>
<td>2,694</td>
<td>-1.5%</td>
</tr>
<tr>
<td>Pipe</td>
<td>1,474</td>
<td>1,783</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2005pf</th>
<th>2006e</th>
<th>+/-%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gypsum</td>
<td>1,113</td>
<td>1,376</td>
<td>+23.6%</td>
</tr>
<tr>
<td>Insulation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ext. fittings &amp; mortars</td>
<td>1,113</td>
<td>1,376</td>
<td></td>
</tr>
<tr>
<td>Pipe</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+8.7% like-for-like

2005: proforma including Gypsum
Construction Products

Cash flow from operations (in €m)

- Gypsum:
  - 2005pf: 908
  - 2006e: 1,048
  - Change: +15.4%

- Insulation:
  - 2005pf: 323
  - 2006e: 358

- Ext. fittings & mortars:
  - 2005pf: 212
  - 2006e: 204

- Pipe:
  - 2005pf: 91
  - 2006e: 118

Capital expenditure (in €m and as % of sales)

- Gypsum:
  - 2005pf: 667
  - 2006e: 844
  - Change: +26.5%

- Insulation:
  - 2005pf: 10.3%
  - 2006e: 12.5%

- Ext. fittings & mortars:
  - 2005pf: 6.4%
  - 2006e: 5.7%

- Pipe:
  - 2005pf: 3.7%
  - 2006e: 5.3%

2005: proforma including Gypsum

Cash flow from operations (2005pf: 908, 2006e: 1,048)
Construction Products

> Sustained organic growth in Europe and emerging countries
  - Western Europe: +10%
  - Emerging countries: +17%

> A mixed situation in the US
  - Price mix: +11% over the year
  - Volumes: -8% over the year (H1: -1%, H2: -14%)

> 52% of capital expenditure in 2006 earmarked for new capacity
Integration of the Gypsum business

Targets met

- Cost synergies: > €50m in 2006, on track to generate €100m in cost synergies in 2007
- Growth synergies: numerous local initiatives (sales, marketing, acquisitions)
- Geographical synergies: higher than expected
- Measured management of capacity in line with market trends
  - Projects to expand Gypsum capacity (2005-2011): 43% of existing capacities, representing an increase of 6% p.a.
  - 2nd US plant postponed
Examples of synergies

A comprehensive range of products in step with potential regulatory changes

> Insulation: thermal and acoustic regulations as part of the fight against global warming
> Plasterboard: regulations on fire resistance and acoustic insulation
> A catalyst for growth

Industrial and logistical optimization

Plaster and Mortar plants in Italy prior to merger

Post-merger: an optimum industrial organization

Gypsum: Headquarters of Crédit Agricole in Arras, France
**Gypsum business 2005 - 2006**

> **Better-than-expected results:**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>~3,850</td>
<td>3,895</td>
<td>+ 12%</td>
</tr>
<tr>
<td>Synergies</td>
<td>+40</td>
<td>+52</td>
<td></td>
</tr>
<tr>
<td>Op. inc. after synergies</td>
<td>~550*</td>
<td>649*</td>
<td>+ 32%</td>
</tr>
<tr>
<td>Op. inc. as % of sales</td>
<td>&gt;14%</td>
<td>16.7%</td>
<td></td>
</tr>
</tbody>
</table>

> **Accretive impact on net income:** +15%

---

* after estimated additional amortization relating to the reassessment of certain BPB assets (reallocation of goodwill in accordance with IFRS 3).
Building Distribution

Net sales (in €m)

| Year | Sales (€m) | Growth
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>15,451</td>
<td></td>
</tr>
<tr>
<td>2006e</td>
<td>17,581</td>
<td>+13.8%</td>
</tr>
</tbody>
</table>

Operating income (in €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>2005</td>
<td>888</td>
<td>5.7%</td>
</tr>
<tr>
<td>2006e</td>
<td>1,001</td>
<td>+12.7%</td>
</tr>
</tbody>
</table>

+7.0% like-for-like
Building Distribution

Cash flow from operations (in €m)

- 2005: 667
- 2006e: 817
- Change: +22.5%

Capital expenditure (in €m and as % of sales)

- 2005: 327, 2.1%
- 2006e: 315, 1.8%
- Change: -3.7%
Building Distribution

> Ongoing consolidation in Europe: 53 acquisitions adding €601m (incl. 10 in Nordic countries, €174m in sales)

> New avenues for growth:

- Acquisition of **JP Corry** in **Ireland**: 2006 sales €151m

- 4 acquisitions of regional-based general retailers in **Spain**: 2006 sales €78m

- Acquisition of **Barugel Azoulay** in **Argentina**: 2006 sales €29m

- New store formats: 2 **Aquamondo** + 9 **Plateformes**

> Markets in western Europe held firm, recovery in Germany
Packaging

*Net sales (in €m)*

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,008</td>
<td>4,080</td>
</tr>
</tbody>
</table>

+1.8%

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

<table>
<thead>
<tr>
<th>Year</th>
<th>H1</th>
<th>H2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>9.6%</td>
<td>11.2%</td>
</tr>
<tr>
<td>2006e</td>
<td>9.2%</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

-2.3%

+4.3%

(+20% excl. Calmar)
Packaging

**Cash flow from operations**
*(in €m)*

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>432</td>
<td>402</td>
</tr>
<tr>
<td>Change</td>
<td>-6.9%</td>
<td></td>
</tr>
</tbody>
</table>

**Capital expenditure**
*(in €m and as % of sales)*

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>305</td>
<td>335</td>
</tr>
<tr>
<td>Change</td>
<td>7.6%</td>
<td>8.2%</td>
</tr>
</tbody>
</table>
Packaging

> Development in emerging countries:
  - new furnace in Ukraine (110 kt in a full year)
  - additional capacity in Russia (115 kt in a full year)
  - construction of a plant in Chile (target capacity: 95 kt)

> Rising costs passed on with a time-lag effect in the second half, particularly in the US

> Increase in growth investments targeting emerging countries (€77m) and the environment (€18m)

> Sale of Calmar (2005: sales €313m; op. inc. €35m) and process underway to source partners for the Flasks business (2006: sales €607m; op. inc. €50m)
A. Results and developments by sector

B. Results by geographic area
### Sales growth by geographic area

<table>
<thead>
<tr>
<th>Region</th>
<th>H1</th>
<th>H2</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>5.3%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Other western Eur. countries</td>
<td>5.8%</td>
<td>8.5%</td>
</tr>
<tr>
<td>North America</td>
<td>7.4%</td>
<td>-1.4%</td>
</tr>
<tr>
<td>Asia &amp; emerging countries</td>
<td>10.9%</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

**External growth**
- France: 3.8%
- Other western Eur. countries: 14.3%
- North America: 10.9%
- Asia & emerging countries: 20.8%

**Organic growth**
- France: 9.5%
- Other western Eur. countries: 7.1%
- North America: 3.1%
- Asia & emerging countries: 12.7%
Operating income by geographic area

(in €m and as % of sales)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>France*</td>
<td>930</td>
<td>1,028</td>
<td>8.1%</td>
<td>8.2%</td>
<td>+1.1%</td>
</tr>
<tr>
<td>Other western European</td>
<td>1,090</td>
<td>1,506</td>
<td>7.2%</td>
<td>8.2%</td>
<td>+15.4%</td>
</tr>
<tr>
<td>countries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>487</td>
<td>701</td>
<td>8.2%</td>
<td>10.3%</td>
<td>+29.9%</td>
</tr>
<tr>
<td>Emerging countries and Asia</td>
<td>394</td>
<td>537</td>
<td>8.9%</td>
<td>9.1%</td>
<td>+1.8%</td>
</tr>
</tbody>
</table>

* excl. impact of Grp. savings plan & stock option plan: €58m in 2006, €41m in 2005
Capital expenditure by geographic area
(in €m and as % of sales)

<table>
<thead>
<tr>
<th>Region</th>
<th>2005</th>
<th>2006e</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>391</td>
<td>485</td>
</tr>
<tr>
<td>Other western European countries</td>
<td>574</td>
<td>749</td>
</tr>
<tr>
<td>North America</td>
<td>256</td>
<td>363</td>
</tr>
<tr>
<td>Emerging countries and Asia</td>
<td>535</td>
<td>594</td>
</tr>
</tbody>
</table>
2006 Estimated results in a nutshell

> **Strong organic growth**

> **Results driven by:**
- Building Distribution: operating income up 12.6%
- Construction Products: operating income up 124%
  (up 24% on 2005 proforma)

> **Improvement in performance** of Packaging and Flat Glass sectors in the second half, after a first six months hit by rising energy costs
4 Saint-Gobain’s Strategy
A decade of transformation

A Group mainly focused on glass manufacturing (60% of sales)

A Group focused on construction markets (more than 75% of sales)
Further repositioning in 2006

Around €2bn assets involved so far

- Sale of Calmar and Synflex completed
- Process underway to source partners for the Flasks business
- Completion of the JV with Owens-Corning (Reinforcements & Composites) expected H1 2007

Strategic momentum set in motion

- In line with the business model
- Appropriate timing to optimize financial conditions
Three major avenues for development

Strengthening worldwide leadership

> Geographic expansion: growth capex in emerging countries
  ➔ 25%-30% of the Group’s sales (excl. Distribution)

> Acquisitions to consolidate businesses related to construction and housing markets
  ➔ > 80% of the Group’s sales

> Innovation and increased R&D initiatives to drive organic growth
  ➔ High-Performance Materials and Flat Glass
High-potential businesses

Sales growth

1996-2005

Group ~3%

~4-5%

~5-6%

~5%

>2006

~4-5%

~5-6%

~5%

~2%

Acceleration of organic growth

2006 operating income

Construction Products 37%

Packaging* 9%

Flat Glass + HPM 27%

Building Distribution 27%

Balanced contributions to operating income

* excl. Calmar
Geographic expansion in emerging countries and Asia

Organic growth

> 34% growth in sales in 2006

> Significant capital expenditure: 10% of sales

> Recent milestones

- Flat Glass: float-lines in Romania and India
- CP: plasterboard plant in Malaysia, Insulation facility in Romania, acquisition of a controlling interest in Xuzouh
- Packaging: new plant in Chile

Ultimately around 25%-30% of sales of industrial businesses in emerging countries
Increased pace of geographic expansion

A product and service offering tailored for each stage of development
Strong growth through acquisitions

Building Distribution

> Building Distribution has proved its ability to grow rapidly

- 1997-2006 CAGR: +22% (organic and external growth)
- Scandinavia: 34% annual growth since 2004 (Dahl)
- Poland: 32% annual growth since 2001
- Spain: 59% annual growth since 2001

> 2006 saw acquisitions in 3 new countries: Ireland, Argentina and Italy

Strong potential for consolidation
Strong growth through acquisitions

Construction Products

> Acquisitions in all businesses

- Insulation: acquisition of Izocam in Turkey
- Mortars: acquisitions in South Africa, Italy, Argentina, Slovakia
- Gypsum: acquisitions in Algeria and Argentina

> The addition of the Gypsum business has helped accelerate the external growth momentum

- e.g. South Africa – Tylon: mortars, leveraging the expertise of BPB’s teams
- e.g. Argentina – Iggam: plaster and mortar

Acquisitions: fast-paced development of Construction Products (€250m in full-year sales)
Organic growth through innovation

> Innovation initiatives focused on High-Performance Materials and Flat Glass

- R&D costs: up 11% in 2006
- Construction of a research center in Shanghai and extension of the Aubervilliers center

> Three major target markets

- Housing
- Environment
- Energy
Promising results

Examples

> Photovoltaic glass
  - JV with Avancis/Shell to produce solar captors at reduced cost

> Particulate filters for diesel engines

> New functional products for building applications
  - Woodprotect – Lapeyre: “revolutionary” hydrophobe treated wood
  - Ultimate: fire-resistant glass wool
  - Glasroc: glass-fiber plasterboard
  - Privalite: electrically-operated clear or transparent glass
A dynamic strategy

> Evolving Group businesses

> Enhanced synergies on construction markets

> Fast-paced geographical expansion, particularly in emerging countries

> A powerful technological platform to drive growth

Clear growth and profitability levers
Outlook and Objectives for 2007
Economic assumptions for 2007: economic climate to remain favorable

**Construction (residential, commercial and renovation):**

> Buoyant demand in Europe with the recovery in Germany taking hold

> Slowdown in housing starts in the US, but the trend in commercial construction and renovation markets should remain positive

> Strong growth in emerging countries

**Capital expenditure and industrial output** should remain satisfactory in both Europe and the US

**Household consumption** should see moderate growth in Europe and the US, and strong growth in emerging countries
2007: Continuing uncertainties

In particular:

> Developments in the US economy

> Cost of energy, transport and raw materials

> US dollar and Asian currency trends

> Political instability and/or uncertainty as regards energy policies
Outlook for Saint-Gobain businesses in 2007

> **Building Distribution**: sustained growth and further improvement in profitability

> **Construction Products (CP)**:
- vigorous growth in interior building solutions (BPB and Insulation)
- continuing improvement in Pipe
- soft landing for Building Materials in the US

> **High-Performance Materials (HPM)**: slight upswing in performance

> **Flat Glass**: recovery observed in H2 (volumes and sales prices) set to continue

> **Packaging**: recovery in the US and modest growth in Europe

Another year of growth
2007 Objectives: ongoing roll-out of the business model

In particular:

> Pursuing the disposal program
> Completing the BPB integration: €50m of additional cost synergies
> Stepping up acquisitions (CP and Building Distribution)
> Continuing to invest heavily in interior building solutions and emerging countries
> Exercising continued tight control over costs, productivity, operating working capital, etc.
2007 Objectives

> Sustained good level of **organic growth**

> Robust increase in **operating income** at constant exchange rates*

> Double-digit growth in **net income** excluding capital gains and losses on sales of non-current assets

> Ongoing **high level of free cash flow and strong balance sheet structure**

*These objectives are based on the assumption that both Saint-Gobain Desjonquères and the Reinforcements & Composites business will be deconsolidated in first-half 2007, but do not reflect any other major scope adjustments that may occur in 2007*

*average exchange rates for 2006*
2006 Estimated Results and Outlook for 2007

Analysts – Investors Meeting

January 29, 2007