2008 Results and Outlook for 2009

Analyst-Investor meeting
February 2009

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2008 Highlights

2008 results in line with revised objectives

Sharp downturn in economic climate

Robust reaction to crisis
2008 results in line with revised objectives

> Sales up 3.7% to €43.8bn at constant exchange rates*

> Single-digit decline in operating income at constant exchange rates* and in recurring net income

➔ Operating income: -9.1% (€3,649m)

➔ Recurring net income: -9.5% (€1,914m)

*average exchange rates for 2007

Sharp downturn in economic climate at the end of 2008

> Significant escalation in the financial crisis from October 2008

> Globalization of economic crisis:
   - collapse of auto industry
   - renewed decline in construction in the US and continuing slowdown in Western and Eastern Europe
   - spread of the crisis to all emerging countries
   - US and UK enter recession

> Freeze on asset transactions as a result of the credit crunch
Steep fall in volumes in the 4th quarter

Organic sales growth: volume effect in %, per quarter

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2008/07</th>
<th>2007/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-2008/</td>
<td>-1.7%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Q1-2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-2008/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3-2008/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3-2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4-2008/</td>
<td>-9.3%</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Q4-2007</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Robust reaction to crisis

> Robust operating measures

- Healthy increase in sales prices (+3.4%)
- Cost reductions and adjustments to industrial facilities: €400m of cost savings in 2008

> Tight rein on cash and balance sheet
Regular increase in sales prices

Organic sales growth: price effect in %, per quarter

Sales prices hold up well, including in worst hit sectors

Organic sales growth: price and volume effect in %, per half-year

Interior Solutions in the UK and Spain

<table>
<thead>
<tr>
<th></th>
<th>Price</th>
<th>Volume</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>3.6</td>
<td>-5.8</td>
<td></td>
</tr>
<tr>
<td>H2</td>
<td>4.1</td>
<td>-22.3</td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>3.9</td>
<td>-14</td>
<td></td>
</tr>
</tbody>
</table>

Building Distribution

<table>
<thead>
<tr>
<th></th>
<th>Price</th>
<th>Volume</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>2.7</td>
<td>-1.5</td>
<td>-6.4</td>
</tr>
<tr>
<td>H2</td>
<td>1.8</td>
<td></td>
<td>-4.2</td>
</tr>
<tr>
<td>Year</td>
<td>2.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Acceleration in cost reduction programs

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost savings (€m)</td>
<td>300</td>
<td>400</td>
</tr>
<tr>
<td>(estimations)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff cuts</td>
<td>4,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Restructuring costs (€m)</td>
<td>190</td>
<td></td>
</tr>
</tbody>
</table>

Cost savings in excess of targets

Action on costs: swift capacity adjustments
8,000 staff cuts in 2008 (versus 4,000 announced in July), representing 5% of employees in the region (Europe & North America)

- North America
  - 2,200 staff cuts (-9%)
  - 21 plant closures

- United Kingdom
  - 2,200 staff cuts (-10%)
  - 32 Distribution outlets closed
  - 6 plant closures (incl. 3 for CP)

- Spain
  - 1,200 staff cuts (-11%)
  - 6 Distribution outlets closed
  - 11 plant closures

- Other Europe
  - 2,400 staff cuts (-2%)
  - 48 Distribution outlets closed
  - 13 plant closures (excl. Maxit synergies)

In addition:
- departure of temporary staff
- freeze on recruitment
- retiring employees not replaced
- strong curb on salaries
Swift adjustment of capacity to economic climate

> **Flat Glass Europe**
  - halt in production at 2 floats (Belgium and Portugal) for 2009
  - halt in production lines at Sekurit (10% capacity in October, 25% in November and 60% in December)
  - closure of three processing facilities
  - load reductions (equivalent to one float line in Q4 2008)

> **CP**
  - closure of 18 sites (excl. Maxit), including 14 in 2008
  - integration of Maxit: closure of 23 sites and cost synergies: €12m in 2008 and €48m in 2009 (versus the €30m forecast at the time of acquisition)
  - significant cutbacks in the number of Gypsum and Insulation teams

> **Building Distribution**
  - closure of 86 outlets in Europe
  - 3,400 staff cuts (excl. temporary staff) since May 2008

Robust reaction to crisis

> Robust operating measures

> Tight rein on cash and balance sheet
Strict financial discipline

- Large scale-back in expenditure (capex and financial investments)
- Continuing high level of free cash flow* (>€1.3bn), thanks to contributions from all sectors
- Ongoing improvement in working capital (gain of 2 days in 2008) and satisfactory return on capital (ROI: 20.9% and ROCE: 12.1%)

> Anticipation of financing needs:
  ➔ Successful bond issues (€1.75bn)

* excluding tax impact of capital gains and losses and exceptional asset write-downs

Capital expenditure curbed

(€m)

- Significant reduction in second-half 2008
- Growth projects highly selective
**Sharp drop in acquisitions as from fall 2008**

(Excl. Maxit*, in €m)

Acquisitions scaled back as from second-half 2008

*Maxit acquisition signed in 2007, completed in early 2008

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**Free cash flow close to 2007 level**

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

Free cash flow represents more than 3% of sales in 2008
Further improvement in operating working capital: gain of 2 days (-€181m)

(at December 31, in €m and in no. of days)

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

Anticipation of financing needs

> Medium term
- Maturity of Maxit loan extended as early as Oct. 2008 ➔ Oct. 2010
- Successful bond issues between September 2008 and January 2009: €1.75bn

> Short term
- Ready access to commercial paper
- Satisfactory liquidity (€1.9bn) and undrawn back-up credit lines (€3.2bn)

> Persistently robust financial structure
2008 Results

Group

Sectors

Geographic Areas

Sales

€bn

<table>
<thead>
<tr>
<th>2007 sales</th>
<th>Exchange rate</th>
<th>Structure</th>
<th>Prices</th>
<th>Volumes</th>
<th>2008 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>43.421</td>
<td>-2.7%</td>
<td>+3.3%</td>
<td>+3.4%</td>
<td>-3.1%</td>
<td>43.800</td>
</tr>
</tbody>
</table>

+0.3% on a like-for-like basis
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>2007</td>
<td>4,108</td>
<td>10.9%</td>
</tr>
<tr>
<td>2008</td>
<td>3,649</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

At constant exchange rates:
-9.1% for the full yr
-2.3% in H1
-16.2% in H2

Non-operating costs
(€m)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>4,108</td>
<td>3,649</td>
<td>-11.2%</td>
</tr>
<tr>
<td><strong>Non-operating costs</strong></td>
<td>(984)</td>
<td>(710)</td>
<td></td>
</tr>
<tr>
<td>o/w:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for asbestos-related litigation</td>
<td>(90)</td>
<td>(75)</td>
<td></td>
</tr>
<tr>
<td>Provision for Flat Glass fines</td>
<td>(694)</td>
<td>(400)</td>
<td></td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>(172)</td>
<td>(190)</td>
<td></td>
</tr>
<tr>
<td><strong>Other items</strong></td>
<td>30</td>
<td>(128)</td>
<td></td>
</tr>
<tr>
<td>Gains on asset disposals</td>
<td>394</td>
<td>53</td>
<td></td>
</tr>
<tr>
<td>Asset write-downs</td>
<td>(364)</td>
<td>(181)</td>
<td></td>
</tr>
<tr>
<td><strong>Business income</strong></td>
<td>3,156</td>
<td>2,814</td>
<td>-10.8%</td>
</tr>
</tbody>
</table>
Outstanding claims

**Abestos claims against CertainTeed in the US**

> Approximately $71m paid out ($73m in 2007) and a further €75m set aside to the provision in 2008 (€90m in 2007), bringing the total coverage to $502m at end-2008 (versus $473m at end-2007)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008*</th>
</tr>
</thead>
<tbody>
<tr>
<td>New claims</td>
<td>6,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Settled claims</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Outstanding claims</td>
<td>74,000</td>
<td>68,000**</td>
</tr>
</tbody>
</table>

* estimated
** after the transfer of 3,000 claims to “inactive dockets”

**Flat Glass**

> European Commission decision handed down in December 2008 against automotive glass business: €896m
> The Group is to file a suspensive appeal and has set up a bank guarantee
> Provision of €960m, after an additional allocation of €400m at December 31, 2008

Net financial expense and income tax

(€m)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financial expense</td>
<td>(701)</td>
<td>(750)</td>
</tr>
<tr>
<td>Cost of net debt*</td>
<td>5.4%</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

* 78% at fixed rates

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax</td>
<td>(926)</td>
<td>(638)</td>
</tr>
<tr>
<td>Tax rate on recurring net income</td>
<td>31%</td>
<td>26%</td>
</tr>
</tbody>
</table>

> Favorable impact of the exit from the global consolidated tax regime (end-2006) and organizational streamlining programs (particularly mergers between legal entities)
**Recurring net income**

**Recurring* net income (€m)**

- 2006: 1,702
- 2007: 2,114
- 2008: 1,914

<table>
<thead>
<tr>
<th>Year</th>
<th>Recurring* net income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1,702</td>
</tr>
<tr>
<td>2007</td>
<td>2,114</td>
</tr>
<tr>
<td>2008</td>
<td>1,914</td>
</tr>
</tbody>
</table>

H1: +3.2%
H2: -22.3%

Recurring* EPS (€)

<table>
<thead>
<tr>
<th>Year</th>
<th>Recurring* EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>4.62</td>
</tr>
<tr>
<td>2007</td>
<td>5.65</td>
</tr>
<tr>
<td>2008</td>
<td>5.00</td>
</tr>
</tbody>
</table>

-9.5% -11.5%

> Net income (€1,378m) down 7.3% and EPS (€3.60) down 9.3%

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

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**Net debt and shareholders’ equity €bn**

- **Net debt**
  - '12-05: 12.9
  - 12-06: 12.6
  - 12-07: 11.6
  - 12-08: 9.9*

- **Shareholders’ equity**
  - '12-05: 14.5
  - 12-06: 14.5
  - 12-07: 15.3
  - 12-08: 14.5

<table>
<thead>
<tr>
<th>Year</th>
<th>Net debt/equity</th>
<th>Interest cover</th>
<th>Net debt/EBITDA**</th>
</tr>
</thead>
<tbody>
<tr>
<td>'12-05</td>
<td>102%</td>
<td>4.2***</td>
<td>2.6***</td>
</tr>
<tr>
<td>12-06</td>
<td>80%</td>
<td>5.0</td>
<td>2.2</td>
</tr>
<tr>
<td>12-07</td>
<td>65%</td>
<td>5.9</td>
<td>1.7</td>
</tr>
<tr>
<td>12-08</td>
<td>80%</td>
<td>4.9</td>
<td>2.3</td>
</tr>
</tbody>
</table>

* €12bn following Maxit acquisition
** EBITDA = operating income + depreciation
*** 2005: proforma BPB
Additional balance sheet data

- Average cost of net debt: 5.5% (78% at fixed rates, average maturity ~4 years)

- Bond debt: €9.9bn (including €1bn issued in January 2009) with annual maturities of €1bn–€1.4bn, and €2.5bn in other long-term debt (incl. €2bn Maxit loan extended until October 2010)

- Short-term debt: €2.2bn at December 31, 2008 and cash & cash equivalents + undrawn back-up credit lines: €5.1bn

- No financial covenants applicable to debt drawn down

- Increase in provision for pensions from €1,807m in 2007 to €2,443m in 2008

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2008 Results

Group

Sectors

Geographic Areas
Organic growth
% change in 2008/2007 sales on a like-for-like basis

**Group:** +0.3%

**Building Distribution**
-1.9%

**Packaging**
+7.4%

**Innovative Materials**
+1.3%
- Flat Glass: +1.0%
- HPM: +1.9%

**Construction Products**
+1.4%
- Interior Solutions: -5.0%
- Exterior Solutions: +10.8%

*2008 sales breakdown

Organic growth by sector: steep decline in Q4
% change in 2008/2007 sales on a like-for-like basis

**Innovative Materials**
- Flat Glass: +4.5 -8.8
- HPM: +4.5 -6.1

**Construction Products**
- Interior Solutions: +4.5 -6.1
- Exterior Solutions: +12.4 +6.4

**Building Distribution**
- -7.8
- -3.4 -9.9

**Packaging**
- +7.9 +5.8
- +0.2

9M Q4
- Flat Glass: +4.5 -8.8
- HPM: +4.5 -6.1

First 9 months & 4th quarter
### Innovative Materials (Flat Glass - HPM) (€m and % of sales)

<table>
<thead>
<tr>
<th></th>
<th>Sales 2007</th>
<th>Sales 2008</th>
<th>Operating income 2007</th>
<th>Operating income 2008</th>
<th>Cash flow from operations &amp; Capex</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat Glass</td>
<td>10,334</td>
<td>9,677</td>
<td>1,302</td>
<td>1,244</td>
<td>1,170</td>
</tr>
<tr>
<td>HPM</td>
<td>5,611</td>
<td>5,549</td>
<td>12.8%</td>
<td>12.6%</td>
<td>13.2%</td>
</tr>
<tr>
<td></td>
<td>4,752</td>
<td>4,165</td>
<td></td>
<td></td>
<td>10.5%</td>
</tr>
</tbody>
</table>

* +1.3% like-for-like

**12.6% 12.9%

* like-for-like

** at constant exchange rates

### Construction Products (€m and % of sales)

<table>
<thead>
<tr>
<th></th>
<th>Sales 2007</th>
<th>Sales 2008</th>
<th>Operating income 2007</th>
<th>Operating income 2008</th>
<th>Cash flow from operations &amp; Capex</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interior Solutions</td>
<td>11,112</td>
<td>12,035</td>
<td>1,313</td>
<td>1,070</td>
<td>885</td>
</tr>
<tr>
<td>Exterior Solutions</td>
<td>6,628</td>
<td>6,149</td>
<td>14.8%</td>
<td>9.6%</td>
<td>7.8%</td>
</tr>
<tr>
<td></td>
<td>4,516</td>
<td>5,919</td>
<td>7.4%</td>
<td>8.1%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

* +1.4% like-for-like

**11.8% 8.9%

* like-for-like

** at constant exchange rates
Building Distribution (€m and % of sales)

Sales
- 2007: 19,480
- 2008: 19,696
  - Increase: +3.7%

Operating income
- 2007: 1,102
- 2008: 894
  - Decrease: -17%

Cash flow from operations & capex
- Cash flow: 650
- Capex: 291
  - Increase: 4.5%

Operating income like-for-like
- 2007: -1.9%
- 2008: 4.5%

Cash flow Capex
- 2007: 1.5%
- 2008: 8.0%

Building Distribution
- France: +1%
- UK: -11.2%
- Germany: -2.1%
- Scandinavia: +0.9%

Packaging (€m and % of sales)

Sales
- 2007: 3,398
- 2008: 3,547
  - Increase: +7.1%

Operating income
- 2007: 377
- 2008: 442
  - Increase: +18.7%

Cash flow from operations & capex
- Cash flow: 510
- Capex: 283
  - Increase: 14.4%

Packaging
- France: +7.4%
- UK: -11.2%
- Germany: -2.1%
- Scandinavia: +0.9%

* at constant exchange rates
2008 Results

Group

Sectors

Geographic Areas

Organic growth by geographic area

% change in 2008/2007 sales on a like-for-like basis

Group: +0.3%

Asia & emerging countries +8.5%

France +1.9%

North America -0.9%

Other Western Europe -2.8%

o/w:
- Latin Am. (5%) : +15.4%
- Asia (4%) : +12.1%
- East. Eur. (6%) : -0.8%

* 2008 sales breakdown
Operating income by geographic area – full year
(€m and % of sales)

<table>
<thead>
<tr>
<th>Country</th>
<th>2007</th>
<th>2008</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>1,096</td>
<td>1,062</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Other Western Europe</td>
<td>1,869</td>
<td>1,530</td>
<td>-15.2%</td>
</tr>
<tr>
<td>North America</td>
<td>1,062</td>
<td>1,530</td>
<td>46.5%</td>
</tr>
<tr>
<td>Asia &amp; emerging countries</td>
<td>799</td>
<td>774</td>
<td>-1.8%</td>
</tr>
</tbody>
</table>

* at constant exchange rates

Operating income by geographic area – H2
(€m and % of sales)

<table>
<thead>
<tr>
<th>Country</th>
<th>H2-07</th>
<th>H2-08</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>531</td>
<td>486</td>
<td>-8.5%</td>
</tr>
<tr>
<td>Other Western Europe</td>
<td>943</td>
<td>637</td>
<td>-29.7%</td>
</tr>
<tr>
<td>North America</td>
<td>110</td>
<td>161</td>
<td>+49.6%</td>
</tr>
<tr>
<td>Asia &amp; emerging countries</td>
<td>431</td>
<td>360</td>
<td>-13.1%</td>
</tr>
</tbody>
</table>

* at constant exchange rates
Cash flow and capex by geographic area – full year
(€m and % of sales)

- France: 720 (4.2%) Free cash flow, 166 Capex
- Other Western Europe: 1,655 (3.4%) Free cash flow, 682 Capex
- North America: 314 (4.0%) Free cash flow, 94 Capex
- Asia & emerging countries: 835 (9.4%) Free cash flow, 142 Capex

Free cash flow = Cash flow from operations – Capex

### Outlook for 2009 and Action Plan

- Leverage our strategic positioning in a challenging environment
- Step up measures launched in 2008 and prepare for the future
A crisis of unprecedented depth and scale

> Gradual **downturn** in **construction** markets:
  - since July 2006 in the **US**, with housing starts at a record low at end-2008
  - taking hold of all **European countries** at the end of 2007, with the UK and Spain particularly hard hit

> **Contraction in industrial markets particularly pronounced** for the **automotive** market since H2-2008

> **Steep decline** in Eastern Europe in 2008 and **slowdown** in Latin America and Asia since end-2008

> **2009: financial crisis and global recession**

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2009 outlook for the Group

> **Limited visibility** (energy and commodity prices, exchange rates, credit, etc.)

> **Widespread downturn** in the Group’s main markets, chiefly in Europe

> **Higher basis for comparison in H1**

> **Uncertainty as to the extent and timing** of benefits from stimulus packages

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Challenging market conditions in 2009

Significant challenges for the Group
Construction stimulus packages: a global priority
Renovation and energy efficiency – Increased regulation

United States
- Improvement in energy efficiency of public buildings ($31bn) and low-cost housing ($6bn)
- Development of renewable energy sources, 6 million housing units, R&D ($20bn)
- Backing for mortgage loans and capital injections (~$200bn)

Spain
- Mortgage repayment aid
- Municipal investment funds focused on construction sector (€8bn)
- Upgrade in housing units (€120m), public and military buildings (€400m)

United Kingdom
- Construction and rehabilitation of social housing and promotion of clean energy sources (£3bn)
- Mortgage repayment aid (£1.8bn)

Italy
- Interest charges capped for first-time buyers (£300m)

Germany
- Domestic housing improvements no longer taxed + aid (£1.8bn)
- Plan to reduce domestic CO₂ emissions (£3bn)
- Construction, energy upgrades for public buildings (£9bn)

Brazil
- Construction of housing units o/w 300,000 in 2009 ($152bn over 15 years)

China
- Reconstruction of Sichuan province ($146bn)
- Construction of social housing units ($41bn)

Construction in France: strong short-term support as part of a longer-term strategy
Environment think tank – Acceleration in public investments – Focus on insulation

New

+ 230,000 hous. units
- + €15bn in sales
- +150,000 jobs created
- PTZ* doubled: €600m
- Aid to first-time buyers: €50m

Regulations stepped up: Low-energy (BBC): 50 kWh/m²/yr, Public (2010), Private (2012)
Positive-energy (BEPOS) from 2020

New

+ €200m
- Nurseries
- Hospitals
- Retirement homes, etc.

Renovation

€400m
- Social housing: €200m
- Insalubrious housing: €200m
- Cumul. eco-PTZ* + tax credit
- 170,000 hous. units by 2011
- Energy consumption: ~38% by 2012

Renovation

€820m
- “Plan Campus” center of excellence program
- Renovation of SNCF & post office buildings
- Renovation of public buildings

* Zero-interest loan
Saint-Gobain: at the heart of stimulus plans for the construction industry

*Meet inevitable demand for energy efficiency and comfort*

- High-performance materials
- Innovative solutions
- Partnering the industry

Saint-Gobain’s cross-disciplinary offering

French President Nicolas Sarkozy on a visit to the Isolier Placo training center in Vauljouls

Energy efficiency accounts for ~30% of the Group’s sales and ~40% of operating income

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Le Groupe est bien positionné pour faire face à la crise

*Une exposition accrue à la rénovation, nettement moins cyclique que le neuf*

<table>
<thead>
<tr>
<th>Year</th>
<th>Construction neuve</th>
<th>Rénovation</th>
<th>Infrastructures</th>
<th>Consoméniages</th>
<th>Automobile</th>
<th>Industrie</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>34%</td>
<td>10%</td>
<td>12%</td>
<td>13%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>2008</td>
<td>34%</td>
<td>36%</td>
<td>9%</td>
<td>9%</td>
<td>6%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Housing in France: trend deviation (quarterly data)
Outlook for 2009 and Action Plan

• Leverage our strategic positioning in a challenging environment
• Step up measures launched in 2008 and prepare for the future

Step up measures launched in 2008

> **Mobilize company** around an effective and responsive organization

> **Vigorously intensify operating measures**

> **Strengthen the Group’s financial flexibility**
  - Dividend
  - €1.5bn **rights issue**
A tailored organization with a strong ability to react

> Efficient, reliable information/warning systems

> Streamlined organization

> Change in executive pay schemes (bonus)

- Committed, mutually-supportive staff
- Highly competent teams programmed for success

Operations management: continuing cost-cutting measures

> Sales prices a clear priority, as in 2008

> Further cost-cutting measures to add to programs launched in previous years which could be reinforced
**Acceleration in cost-cutting programs**

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<thead>
<tr>
<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Cost savings (€m)</td>
<td>300</td>
<td>400</td>
<td>600*</td>
</tr>
<tr>
<td>(estimated)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff cuts</td>
<td>4,000</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>Restructuring costs (€m)</td>
<td>190</td>
<td></td>
<td>&gt;300</td>
</tr>
</tbody>
</table>

**€1bn in cost savings in 2008-2009**

<table>
<thead>
<tr>
<th>Business-specific programs</th>
<th>Structural and cross-functional programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovative Materials</td>
<td></td>
</tr>
<tr>
<td>Construction Products</td>
<td></td>
</tr>
<tr>
<td>Building Distribution</td>
<td></td>
</tr>
</tbody>
</table>

* ahead of targets (€180m at end-2009 to reach €300m by end-2010)
Constant close monitoring of cash

> Continuing high level of free cash flow

> Capex scaled back: -€500m

> Acquisition projects put on hold

> Ongoing small and medium-sized divestments

> Tight rein on operating working capital: <40 days

Strengthen balance sheet

Recommendation of Executive Management to the Board on March 19:
2008 dividend* (paid in 2009)

> Dividend policy adapted to circumstances

> Dividend per share: €1

⇒ Net dividend yield at December 31, 2008: 3.0%

> Payment: in cash or in shares, at shareholders’ discretion

* subject to approval by the Shareholders’ Meeting of June 4, 2009
Saint-Gobain rights issue: anticipating financing needs

- Strengthen the Group’s financial flexibility
  - Reduce debt/equity ratio
  - Strengthen credit rating
  - Provide satisfactory long-term access to all sources of financing

- ...backed by vigorous operating measures

Be better equipped to ride out the crisis

Continue to build for the future despite the crisis

> Focus R&D efforts on the Group’s strategic priorities and high-potential projects

> Continuing selective expansion in emerging countries (~ 1/3 of sales excluding Distribution by 2010)

> Persistently strong ambitions in solar technology: capitalize on the Group’s exceptional strengths

Emerge from the crisis as a stronger organization
Conclusion

An action plan that leverages all of the Group’s strengths to turn the crisis into an opportunity

> Additional cost saving programs
> Large cut-back in investments
> Ongoing small and medium-sized divestments
> Sale of the Packaging business when appropriate
> Recommendation of Executive Management to the Board on March 19, 2009: reduction of dividend
> Rights issue

Saint-Gobain will be one of the main beneficiaries of economic recovery
2008 Results and Outlook for 2009

Analyst-Investor meeting

February 2009