

PRESS RELEASE

Paris, February 21, 2019

2018 Results

Increase in operating income¹ of 4.5% with H2 up 7.2%

- Solid organic growth at 4.4%, including 4.8% in Q4. Strong pricing dynamic, up 3.0%; acceleration in H2, up 3.5%
- Like-for-like increase in operating income of 7.2% in H2, clearly above the level achieved in H1; increase of 4.5% over the full year
- Significant operating margin growth in H2 to 7.9%
- Further increase in recurring net income² of 6.0%; net income at €420 million after €2.0 billion in asset impairment
- Slight rise in cash flow from operations; acceleration in growth capex led by emerging countries
- Acceleration of portfolio rotation: selective acquisition strategy targeting small and mid-sized businesses for €768 million; significant divestments completed or announced for a total of over €2.4 billion in sales as part of the €3 billion target already announced; within the context of the new organization, new strategic review of the business portfolio launched which will lead to an additional dynamic of divestments and acquisitions
- *2018 dividend up to €1.33 per share, to be wholly paid in cash*

(€m)	2017	2018	Change	Change like-for-like
Sales	40,810	41,774	2.4%	4.4%
EBITDA	4,234	4,324	2.1%	
Operating income	3,028	3,122	3.1%	4.5%
Recurring net income²	1,631	1,729	6.0%	
Net attributable income	1,566	420	-73.2%	
Free cash flow³	1,353	1,270	-6.1%	

1. Like-for-like.

2. Recurring net income: net attributable income excluding capital gains and losses on disposals, asset write-downs, material non-recurring provisions and Sika income.

3. Cash flow from operations excluding the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions, less capital expenditure.

Pierre-André de Chalendar, Chairman and Chief Executive Officer of Saint-Gobain, commented:

“As expected, our results for the second half show a significant improvement, benefiting from broadly supportive markets, a strong pricing dynamic and the settlement of industrial issues that had weighed on the Group’s profitability in the first half. For 2019, in the context of a market which, despite some uncertainties, should be favorable overall, we are targeting a further like-for-like increase in operating income.

As part of the acceleration of our portfolio rotation program announced at the end of July and the reorganization presented in late November, the Group has launched a divestment program representing sales of more than €3.0 billion by the end of 2019. The divestment process for the Distribution business in Germany is well under way. The new strategic review currently in progress will lead to an additional dynamic of divestments and acquisitions.”

Benoit Bazin, Chief Operating Officer of Saint-Gobain, commented:

“The new organization is being swiftly put into place and the teams are fully committed to unlocking additional growth and profitability. It is leading us to assess our positioning country by country and to focus the Group’s strengths by optimizing the allocation of its resources in its core industrial and distribution businesses, with solid competitive positions, strong synergies and a profitable growth outlook. We therefore have full confidence in our program to achieve €250 million of additional savings by 2021.”

2018 performance

The Group’s 2018 **sales** totaled **€41,774 million**, up 2.4% on a reported basis and **up 4.4% like-for-like**. Organic growth was driven both by prices (up 3.0%), accelerating in the second half (up 3.5%), and by volumes (up 1.4%), progressing in all regions. All Business Sectors delivered significant price increases amid continued raw material and energy inflation.

The **Group structure impact** added 0.9% to overall growth and essentially corresponds to the consolidation of acquisitions in Asia and emerging countries (KIMMCO, Megaflex, Isoroc Poland), in new niche technologies and services (TekBond, Scotframe, Maris, HKO), and to consolidate our strong positions (Glava, Kirson, Wattex, bolt-on acquisitions in Building Distribution including Per Strand in Norway).

The smaller positive Group structure impact of 0.4% in the second half reflects the acceleration in the Group’s portfolio optimization program, with in particular the disposal of the Pipe business in Xuzhou, China, the EPS insulating foam business in Germany, and glazing installation operations in the UK. It should be noted that in light of the now hyperinflationary environment in Argentina, this country which represents less than 1% of the Group’s consolidated sales, is excluded from the like-for-like analysis as of July 1, 2018.

However, overall growth was tempered by a negative 2.9% **currency effect** over the year, albeit with a smaller negative 1.5% impact in the second half resulting mainly from the appreciation of the US dollar against the euro, despite the continued depreciation of the Brazilian real, Nordic krona and other Asian and emerging country currencies.

As expected, like-for-like **operating income** improved significantly in the second half, rising 7.2%, bringing growth over the full year to 4.5%. The Group’s operating margin¹ widened to 7.5% from 7.4% in 2017, with 7.9% in the second half (versus 7.7% in second-half 2017).

1. Operating margin = operating income expressed as a percentage of sales.

The acceleration of the Group's transformation continues, with the new organizational structure in place as of January 1, 2019. The Group has reviewed its asset impairment tests. In this context, given the current situation and the downward revisions to the outlook for certain businesses and countries, impairment amounts to €2.0 billion and mainly concerns Distribution in the UK, Pipe, Lapeyre and Distribution in Germany.

Saint-Gobain recorded a capital gain of €781 million on the Sika transaction in 2018 and became the company's largest shareholder, with 10.75% of the capital.

The Group continued to implement its strategic priorities in 2018:

- **€1.67 billion in capital expenditure**, versus €1.54 billion in 2017, with an acceleration in growth capex in emerging countries;
- **around €300 million in cost savings** versus 2017 as part of the €1.2 billion cost reduction program for 2017-2020, with a particular focus on Industry 4.0 and digitalization.

Performance of Group Business Sectors

Innovative Materials sales climbed 4.8% like-for-like over the year and 3.6% in the second half. The operating margin for the Business Sector remained stable over the year at 12.4% and stood at 12.5% in the second half.

- **Flat Glass** like-for-like sales increased 2.8% over the year (up 2.1% in the second half). Automotive glass advanced in line with the division over the year, buoyed by growth in Latin America despite a significant downturn in European and Chinese markets in the fourth quarter. Recent industrial and innovation investments continue to ramp up. Sales linked to the construction market in Europe, Asia and emerging countries progressed, driven by prices. Following the restart of production at the three float glass facilities under repair in 2018 (Poland, Romania and Egypt), India started up its fifth float line in the second half of the year. The operating margin rallied sharply in the second half at 9.8% (after 8.0% in the first half), in a context of improved industrial performance and price increases. Over the year, the operating margin was 8.9% versus 10.1% in 2017.
- **High-Performance Materials (HPM)** sales rose 7.2% on a like-for-like basis (up 5.2% in the second half), driven by all businesses and all regions, especially Asia and emerging countries. The strategy of allocating capital to niche technologies and fast-growing markets is paying off. Despite a higher comparison basis in the second half, HPM continued to deliver growth. The operating margin increased sharply to 16.3% from 15.1% in 2017 on the back of good volumes, particularly in Ceramics in the first half.

Construction Products (CP) reported 5.6% organic growth, with 4.2% in the second half. The operating margin progressed to 9.3% versus 9.1% in 2017.

- **Interior Solutions** like-for-like sales moved up 5.5% over the year and 3.9% in the second half in the context of an acceleration in sales prices. All regions advanced, especially Asia and emerging countries. The strong pricing dynamic in North America intensified in the second half. The operating margin came in at 10.5% in 2018 (versus 9.5% in 2017), benefiting in particular from a positive price-cost spread in terms of raw materials and energy.

- **Exterior Solutions** reported 5.7% organic growth over the year and 4.8% in the second half. Amid strong inflation in raw material and transport costs, Exterior Products in the US successfully implemented significant price increases in the second half, against a high comparison basis in terms of volumes (weather-related impacts in 2017). Pipe advanced over the year thanks to the increase in its second-half sales and efforts to improve its competitiveness. Mortars recorded an increase in sales led by Asia and emerging countries, with a pick-up in Brazil. The operating margin was 7.5% for the year versus 8.4% in 2017, affected by the spread between prices and raw material and energy costs for Exterior Products in the US, which improved significantly in the second half.

Building Distribution delivered 3.6% organic growth in 2018 and 4.0% in the second half which benefited from a positive calendar effect of around 0.5%. France had a good year in a growing market. Nordic countries enjoyed robust growth throughout the year, while Germany progressed slightly. The UK saw a decline in volumes and increased competitive pressure on margins, despite a sharp rise in prices. Brazil remained hesitant over the year and stabilized in the second half. Despite a rise in operating margin in France and Nordic countries, the Business Sector operating margin came out at 3.3% for the year (versus 3.4% in 2017) with a second half at 3.9%, affected by the contraction in the UK. The acceleration in digitalization investments took around 20 basis points off the margin between 2017 and 2018.

Analysis by region

- The growth momentum in **France** continued, with like-for-like sales up 3.0% over the year (up 2.9% in the second half) in a market that remains constrained by the lack of skilled labor. The operating margin widened to 3.6% in 2018 from 3.1% in 2017.
- **Other Western European countries** reported like-for-like sales growth of 3.5% over the year and 3.3% in the second half. Nordic countries continued to enjoy good momentum. Germany remained hesitant, affected by disruptions in the automotive market, significantly down in the second half of the year. The UK reported further organic growth led by pricing, with declining volumes in an uncertain environment. As a result, the operating margin narrowed to 5.5% in 2018 from 5.9% in 2017.
- **North America** climbed 6.2% like-for-like, with 2.6% in the second half against a high comparison basis in Exterior Products and HPM. Construction and industrial markets continued to trend well. The operating margin improved, at 11.9% in 2018 versus 11.3% in 2017, aided notably by price increases.
- **Asia and emerging countries** continued to advance, posting robust organic growth of 7.4% (6.7% in the second half), with a positive contribution from all regions and particularly Brazil, which saw an improvement on the prior year. The operating margin continued to rise, up to 11.7% in 2018 from 11.5% in 2017.

Analysis of the 2018 consolidated financial statements

The 2018 consolidated financial statements were approved and adopted by Saint-Gobain's Board of Directors at its meeting of February 21, 2019. The consolidated financial statements were audited and certified by the statutory auditors.

€m	2017 (A)	2018 (B)	% change (B)/(A)
Sales and ancillary revenue	40,810	41,774	2.4%
Operating income	3,028	3,122	3.1%
Operating depreciation and amortization	1,206	1,202	-0.3%
EBITDA (operating income + operating depr./amort.)	4,234	4,324	2.1%
Non-operating costs	(337)	(284)	-15.7%
Capital gains and losses on disposals, asset write-downs, corporate acquisition fees and earn-out payments	(180)	(2,040)	n.s.
Business income	2,511	798	-68.2%
Net financial income (expense)	(448)	189	n.s.
Income tax	(438)	(490)	11.9%
Share in net income of associates	0	0	n.s.
Net income before minority interests	1,625	497	-69.4%
Minority interests	59	77	30.5%
Net attributable income	1,566	420	-73.2%
Earnings per share² (in €)	2.84	0.77	-72.9%
Recurring¹ net income	1,631	1,729	6.0%
Recurring¹ earnings per share² (in €)	2.96	3.18	7.4%
Cash flow from operations ³	3,020	3,023	0.1%
Cash flow from operations excluding capital gains tax⁴	2,891	2,936	1.6%
Capital expenditure ⁵	1,538	1,666	8.3%
Free cash flow⁶	1,353	1,270	-6.1%
Investments in securities	641	1,699	n.s.
Net debt	5,955	8,193	37.6%

1. Recurring net income: net attributable income excluding capital gains and losses on disposals, asset write-downs, material non-recurring provisions and Sika income.
2. Calculated based on the number of shares outstanding at December 31 (543,879,267 shares in 2018, versus 550,785,719 shares in 2017).
3. Cash flow from operations = operating cash flow excluding material non-recurring provisions.
4. Cash flow from operations excluding capital gains tax = (3) less the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions.
5. Capital expenditure: investments in property, plant and equipment.
6. Free cash flow = (4) less capital expenditure (5).

Consolidated **sales** increased by 4.4% like-for-like, with a positive 3.0% price impact. On a reported basis, sales were up 2.4% with a negative 2.9% **currency impact**, albeit with a smaller negative impact of 1.5% in the second half due mainly to the appreciation of the US dollar against the euro, despite the continued depreciation of the Brazilian real, Nordic krona and other Asian and emerging country currencies. The positive 0.9% **Group structure impact** essentially reflects the consolidation of acquisitions made in Asia and emerging countries, in new niche technologies and services, and to consolidate our strong positions. The smaller positive Group structure impact of 0.4% in the second half is attributable to the acceleration in the portfolio optimization program.

Operating income rose 3.1% on a reported basis despite a negative currency effect, and by 4.5% like-for-like. The operating margin stood at 7.5% of sales versus 7.4% of sales in 2017. **EBITDA** climbed 2.1% to €4,324 million, stable at 10.4% of sales.

Non-operating costs totaled €284 million versus €337 million in 2017, reflecting on the one hand a one-off gain of €180 million relating to the Sika transaction and on the other, a rise in restructuring costs relating to Pipe. Non-operating costs also include a €90 million accrual to the provision for asbestos-related litigation involving CertainTeed in the US, unchanged from 2017. The launch of the “Transform & Grow” program resulted in additional expenses of around €60 million.

The net balance of capital gains and losses, asset write-downs and corporate acquisition fees represented an expense of €2,040 million versus an expense of €180 million in 2017. The Group reviewed its asset impairment tests in light of the current situation and the downward revision to the outlook for certain businesses and countries. The UK faces uncertainty due to Brexit in a more competitive environment. Restructuring measures continue at Pipe and Lapeyre. The value of the Distribution business in Germany has been adjusted in the context of its divestment. In 2018, asset write-downs represented €2,037 million, of which €750 million relates to the Distribution business in the UK, €511 million to Pipe (including €223 million in first-half 2018, in particular in China), €372 million to Lapeyre and €212 million to the Distribution business in Germany. As a result, **business income** was down 68.2%.

The Group reported **net financial income** of €189 million in 2018 versus a net financial expense of €448 million in 2017. The interest cost on pensions fell (thanks to prior-year contributions), as well as the average cost of gross debt, down to 2.3% from 2.8% at December 31, 2017; net financial income also includes a €601 million gain resulting from the Sika transaction.

The income tax rate on recurring net income was 24% compared to 25% in 2017, due mainly to the reduction in the US tax rate. **Income tax** totaled €490 million versus €438 million in 2017.

Recurring net income (excluding capital gains and losses, asset write-downs, material non-recurring provisions and Sika income) rose 6.0% to €1,729 million.

Net attributable income came in at €420 million in 2018 versus €1,566 million in 2017, owing to asset write-downs.

Cash flow from operations remained stable at €3,023 million; before the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions, cash flow from operations was 1.6% higher at €2,936 million.

Capital expenditure was increased to €1,666 million in 2018 versus €1,538 million in 2017, with a focus on growth capex in emerging countries and on digitalization. Consequently, **free cash flow** fell 6.1% to €1,270 million in 2018, or 3.0% of sales (3.3% of sales in 2017).

Operating working capital requirements (WCR) came in at €3,227 million (€3,140 million at December 31, 2017), or 29 days of sales, in line with our objective of less than 30 days.

Investments in securities totaled €1,699 million in 2018 (€641 million in 2017), including approximately €930 million relating to the Sika transaction (on a net basis after the disposal of 6.97% of shares) and €768 million in targeted acquisitions made to consolidate leading positions, notably Per Strand in Norway (Building Distribution) and Hankuk Glass in South Korea; to develop innovative niches with Kaimann (technical insulation) and HyComp (composite solutions for aerospace markets); and to establish a foothold in new countries with KIMMCO in Insulation in Kuwait.

Net debt increased to €8.2 billion from €6.0 billion at December 31, 2017, with in particular €1.7 billion of acquisitions (including Sika for approximately €930 million) and €532 million in share buybacks. Net debt represents 45% of consolidated equity compared to 32% at end-2017. **The net debt to EBITDA ratio** was 1.9 compared to 1.4 at December 31, 2017.

Update on asbestos claims in the US

Some 2,600 claims were filed against CertainTeed in 2018, a noticeable decrease on 2017. At the same time, around 4,300 claims were settled (versus 3,900 in 2017), bringing the total number of outstanding claims to around 32,600 at December 31, 2018, a decrease of around 1,700 compared to end-2017.

A total of USD 67 million in indemnity payments were made in the 12 months to December 31, 2018, compared to USD 76 million in 2017. In light of these trends and of the €90 million provision accrual in 2018, the total provision for CertainTeed's asbestos-related claims amounted to USD 568 million at December 31, 2018, compared to USD 555 million at December 31, 2017.

IFRS 16

The Group has chosen to apply IFRS 16 using the full retrospective method at January 1, 2019, with retroactive effect from January 1, 2018. IFRS 16 aligns the accounting treatment of operating leases with that of finance leases (subject to the exemptions set out in the standard). The impact of IFRS 16 on the Group's consolidated financial statements arises chiefly from leases of property assets.

Applying this standard will result in a change in presentation in the consolidated financial statements for the six months ended June 30, 2019, with restatement of first-half 2018:

- In the balance sheet: a liability will be recognized in respect of future lease payments and an asset will be recognized in respect of the right-of-use granted. The difference between these two amounts will be recognized in equity.
- In the income statement: the rental expense currently recognized within operating income will partly be recorded in depreciation and amortization expense, and partly in net financial expense.

Based on the lease contracts analyzed, the Group estimates that the impact at the transition date should be around €3 billion to €3.3 billion on debt and around €2.8 billion to €3 billion on right-of-use assets.

The estimated full-year impact is an increase of around €0.7 billion to €0.8 billion in EBITDA and slightly positive on operating income.

Shareholder policy

In 2018, the Group bought back 12.8 million shares, an acceleration on 2017 (8.3 million shares), contributing to the reduction in the number of shares outstanding to 543.9 million at December 31, 2018 (550.8 million at December 31, 2017).

At today's meeting, Compagnie de Saint-Gobain's Board of Directors decided to recommend to the June 6, 2019 Shareholders' Meeting to pay in cash an **increased dividend of €1.33 per share**. This dividend represents **42% of recurring net income** and a dividend yield of 4.6% based on the closing share price at December 31, 2018 (€29.165). The ex-dividend date has been set at June 10 and the dividend will be paid on June 12, 2019.

Strategy: implementation of the “Transform & Grow” program

New organization put into place

The new organization is being swiftly put into place. It intends to align the Group more closely with its end markets, taking into account the regional dimension of the majority of our markets and the global nature of our most innovative businesses. The new structure consists of five reporting units, with four regional businesses and a global High Performance Solutions unit.

These five reporting units replaced the three Business Sectors and 14 delegations as from January 1, allowing for a more agile Group leveraging new opportunities from our digital transformation, and for simplified decision-making processes which will enhance competitiveness. Tailoring this business model to regional and market specificities will allow us to accelerate profitable growth, and streamlined management structures will result in a leaner organization, with increased synergies at country and market level, to the benefit of customers.

Acceleration of the rotation of the portfolio

- **€768 million in acquisitions** in 2018: 27 fully consolidated acquisitions of small and mid-sized businesses;
- **divestments completed or signed to date represent sales of over €500 million**: Pipe in China (Xuzhou plant), EPS insulating foam in Germany, glazing installation operations in the UK, Silicon Carbide, Glassolutions in Norway and Sweden;
- the process to **divest the Distribution business in Germany** representing **€1.9 billion** in sales is well under way;
- **a strategic review of the business portfolio is in progress** in the context of the new organization, which will lead to an additional dynamic of divestments and acquisitions.

Positive impact on the operating margin

As a result of the new organizational structure and the acceleration of the rotation of its portfolio, the Group expects a positive impact on the operating margin **of more than 100 basis points**:

- positive operating margin impact of around **40 basis points** relating to the divestment of businesses representing sales of more than €3 billion by the end of 2019;
- positive operating margin impact of around **60 basis points** relating to the new organization, thanks to cost savings of €250 million by 2021 (including more than €50 million in 2019), in addition to our existing €1.2 billion cost savings program for 2017-2020 (annual savings of €300 million on average).

Outlook

The Group expects the following trends for its new reporting units in 2019:

- **High Performance Solutions**: industrial markets should remain supportive, particularly in the US, despite uncertainties on the automotive market in Europe and China;
- **Northern Europe**: should progress despite uncertainties in the UK with the increased risk of a no-deal Brexit;
- **Southern Europe, Middle East and Africa**: overall growth expected for the Region, with a construction market in France which should be supported by renovation while new construction could be down from the second half;
- **Americas**: market growth in both North and Latin America;
- **Asia**: further growth.

Saint-Gobain will continue its disciplined approach with regard to its free cash flow and its financial strength. In particular, it will maintain:

- its **focus on sales prices** amid continued inflationary pressure on costs;
- its **cost savings program**, with the aim of unlocking additional savings of around **€300 million** (calculated on the 2018 cost base), as well as **more than €50 million in 2019** as part of the “Transform and Grow” program;
- its **capital expenditure program** close to the 2018 level, with a focus on growth capex outside Western Europe and also on productivity and continued digital transformation;
- its **commitment to invest in R&D** to support its differentiated, high value-added strategy;
- its **focus on high levels of free cash flow generation**.

The Group is targeting a further like-for-like increase in operating income in 2019.

Financial calendar

- An information meeting for analysts and investors will be held at 8:30am (GMT+1) on February 22, 2019 and will be broadcast live on:

www.saint-gobain.com/en/full-year-2018-results

- Sales for the first quarter of 2019: *April 25, 2019*, after close of trading on the Paris Bourse.
- First-half 2019 results: *July 25, 2019*, after close of trading on the Paris Bourse.

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

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

All indicators contained in this press release (not defined in the footnotes) are explained in the notes to the 2018 consolidated financial statements, available by clicking here: www.saint-gobain.com/en/full-year-2018-results

The glossary below shows the note of the financial statements in which you can find an explanation of each indicator.

Glossary:

Cash flow from operations	Note 4
Net debt	Note 9
EBITDA	Note 4
Non-operating costs	Note 4
Operating income	Note 4
Net financial income (expense)	Note 9
Recurring net income	Note 4
Business income	Note 4
Working capital	Note 4

Important disclaimer – forward-looking statements:

This press release contains forward-looking statements with respect to Saint-Gobain's financial condition, results, business, strategy, plans and outlook. Forward-looking statements are generally identified by the use of the words "expect", "anticipate", "believe", "intend", "estimate", "plan" and similar expressions. Although Saint-Gobain believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of its future performance. Actual results may differ materially from the forward-looking statements as a result of a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and are generally beyond the control of Saint-Gobain, including but not limited to the risks described in Saint-Gobain's registration document available on its website (www.saint-gobain.com). Accordingly, readers of this document are cautioned against relying on these forward-looking statements. These forward-looking statements are made as of the date of this document. Saint-Gobain disclaims any intention or obligation to complete, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

This press release does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Saint-Gobain.

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

Appendix 1: Results by business sector and geographic area

I. SALES	2017 (in €m)	2018 (in €m)	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
by sector and division:					
Innovative Materials¹	10,383	10,524	+1.4%	+0.9%	+4.8%
Flat Glass	5,672	5,632	-0.7%	-0.7%	+2.8%
High-Performance Materials	4,738	4,920	+3.8%	+2.8%	+7.2%
Construction Products¹	12,624	12,855	+1.8%	+1.4%	+5.6%
Interior Solutions	6,884	7,167	+4.1%	+2.1%	+5.5%
Exterior Solutions	5,834	5,789	-0.8%	+0.7%	+5.7%
Building Distribution	18,800	19,400	+3.2%	+2.2%	+3.6%
Internal sales and misc.	(997)	(1,005)	n.s.	n.s.	n.s.
Group Total	40,810	41,774	+2.4%	+1.5%	+4.4%

¹ including inter-division eliminations.

by geographic area:					
France	10,600	10,935	+3.2%	+3.0%	+3.0%
Other Western European countries	17,611	18,265	+3.7%	+2.0%	+3.5%
North America	5,418	5,536	+2.2%	+1.5%	+6.2%
Emerging countries and Asia	9,166	9,127	-0.4%	-0.3%	+7.4%
Internal sales	(1,985)	(2,089)	n.s.	n.s.	n.s.
Group Total	40,810	41,774	+2.4%	+1.5%	+4.4%

II. OPERATING INCOME	2017 (in €m)	2018 (in €m)	Change on an actual structure basis	2017 (in % of sales)	2018 (in % of sales)
by sector and division:					
Innovative Materials	1,286	1,304	+1.4%	12.4%	12.4%
Flat Glass	571	501	-12.3%	10.1%	8.9%
High-Performance Materials	715	803	+12.3%	15.1%	16.3%
Construction Products	1,143	1,192	+4.3%	9.1%	9.3%
Interior Solutions	652	756	+16.0%	9.5%	10.5%
Exterior Solutions	491	436	-11.2%	8.4%	7.5%
Building Distribution	631	634	+0.5%	3.4%	3.3%
Misc.	(32)	(8)	n.s.	n.s.	n.s.
Group Total	3,028	3,122	+3.1%	7.4%	7.5%

by geographic area:					
France	331	389	+17.5%	3.1%	3.6%
Other Western European countries	1,034	1,008	-2.5%	5.9%	5.5%
North America	611	659	+7.9%	11.3%	11.9%
Emerging countries and Asia	1,052	1,066	+1.3%	11.5%	11.7%
Group Total	3,028	3,122	+3.1%	7.4%	7.5%

III. BUSINESS INCOME	2017 (in €m)	2018 (in €m)	Change on an actual structure basis	2017 (in % of sales)	2018 (in % of sales)
by sector and division:					
Innovative Materials	1,188	884	-25.6%	11.4%	8.4%
Flat Glass	580	320	-44.8%	10.2%	5.7%
High-Performance Materials	608	564	-7.2%	12.8%	11.5%
Construction Products	950	650	-31.6%	7.5%	5.1%
Interior Solutions	556	698	+25.5%	8.1%	9.7%
Exterior Solutions	394	(48)	n.s.	6.8%	-0.8%
Building Distribution	493	(782)	n.s.	2.6%	-4.0%
Misc. (a)	(120)	46	n.s.	n.s.	n.s.
Group Total	2,511	798	-68.2%	6.2%	1.9%

by geographic area:					
France	187	(415)	n.s.	1.8%	-3.8%
Other Western European countries	865	(196)	n.s.	4.9%	-1.1%
North America (a)	388	446	+14.9%	7.2%	8.1%
Emerging countries and Asia	1,071	963	-10.1%	11.7%	10.6%
Group Total	2,511	798	-68.2%	6.2%	1.9%

(a) after asbestos-related charge (before tax) of €90m in 2017 and in 2018

IV. CASH FLOW	2017 (in €m)	2018 (in €m)	Change on an actual structure basis	2017 (in % of sales)	2018 (in % of sales)
by sector and division:					
Innovative Materials	1,188	1,186	-0.2%	11.4%	11.3%
<i>Flat Glass</i>	583	494	-15.3%	10.3%	8.8%
<i>High-Performance Materials</i>	605	692	+14.4%	12.8%	14.1%
Construction Products	1,015	1,030	+1.5%	8.0%	8.0%
Building Distribution	653	583	-10.7%	3.5%	3.0%
Misc. ^(b)	164	224	n.s.	n.s.	n.s.
Group Total	3,020	3,023	+0.1%	7.4%	7.2%
by geographic area:					
France	397	363	-8.6%	3.7%	3.3%
Other Western European countries	1,026	1,039	+1.3%	5.8%	5.7%
North America ^(b)	554	539	-2.7%	10.2%	9.7%
Emerging countries and Asia	1,043	1,082	+3.7%	11.4%	11.9%
Group Total	3,020	3,023	+0.1%	7.4%	7.2%

^(b) after asbestos-related charge (after tax) of €55m in 2017 and €67m in 2018

V. CAPITAL EXPENDITURE	2017 (in €m)	2018 (in €m)	Change on an actual structure basis	2017 (in % of sales)	2018 (in % of sales)
by sector and division:					
Innovative Materials	660	713	+8.0%	6.4%	6.8%
<i>Flat Glass</i>	468	486	+3.8%	8.3%	8.6%
<i>High-Performance Materials</i>	192	227	+18.2%	4.1%	4.6%
Construction Products	582	621	+6.7%	4.6%	4.8%
<i>Interior Solutions</i>	374	402	+7.5%	5.4%	5.6%
<i>Exterior Solutions</i>	208	219	+5.3%	3.6%	3.8%
Building Distribution	251	263	+4.8%	1.3%	1.4%
Misc.	45	69	n.s.	n.s.	n.s.
Group Total	1,538	1,666	+8.3%	3.8%	4.0%
by geographic area:					
France	293	337	+15.0%	2.8%	3.1%
Other Western European countries	431	441	+2.3%	2.4%	2.4%
North America	201	213	+6.0%	3.7%	3.8%
Emerging countries and Asia	613	675	+10.1%	6.7%	7.4%
Group Total	1,538	1,666	+8.3%	3.8%	4.0%

VI. EBITDA	2017 (in €m)	2018 (in €m)	Change on an actual structure basis	2017 (in % of sales)	2018 (in % of sales)
by sector and division:					
Innovative Materials	1,733	1,742	+0.5%	16.7%	16.6%
<i>Flat Glass</i>	851	772	-9.3%	15.0%	13.7%
<i>High-Performance Materials</i>	882	970	+10.0%	18.6%	19.7%
Construction Products	1,609	1,649	+2.5%	12.7%	12.8%
<i>Interior Solutions</i>	953	1,060	+11.2%	13.8%	14.8%
<i>Exterior Solutions</i>	656	589	-10.2%	11.2%	10.2%
Building Distribution	892	902	+1.1%	4.7%	4.6%
Misc.	0	31	n.s.	n.s.	n.s.
Group Total	4,234	4,324	+2.1%	10.4%	10.4%
by geographic area:					
France	624	682	+9.3%	5.9%	6.2%
Other Western European countries	1,398	1,388	-0.7%	7.9%	7.6%
North America	777	822	+5.8%	14.3%	14.8%
Emerging countries and Asia	1,435	1,432	-0.2%	15.7%	15.7%
Group Total	4,234	4,324	+2.1%	10.4%	10.4%

Appendix 2: Results by business sector and geographic area - 2nd Half

I. SALES	H2 2017 (in €m)	H2 2018 (in €m)	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
by sector and division:					
Innovative Materials¹	5,141	5,242	+2.0%	+1.7%	+3.6%
<i>Flat Glass</i>	2,807	2,780	-1.0%	-0.5%	+2.1%
<i>High-Performance Materials</i>	2,351	2,479	+5.4%	+4.3%	+5.2%
Construction Products¹	6,295	6,379	+1.3%	+2.6%	+4.2%
<i>Interior Solutions</i>	3,467	3,588	+3.5%	+2.1%	+3.9%
<i>Exterior Solutions</i>	2,876	2,842	-1.2%	+3.3%	+4.8%
Building Distribution	9,456	9,850	+4.2%	+3.0%	+4.0%
<i>Internal sales and misc.</i>	(491)	(484)	n.s.	n.s.	n.s.
Group Total	20,401	20,987	+2.9%	+2.5%	+4.0%

¹ including inter-division eliminations.

by geographic area:					
France	5,202	5,366	+3.2%	+2.9%	+2.9%
Other Western European countries	8,875	9,231	+4.0%	+2.5%	+3.3%
North America	2,594	2,752	+6.1%	+5.1%	+2.6%
Emerging countries and Asia	4,709	4,623	-1.8%	+0.4%	+6.7%
<i>Internal sales</i>	(979)	(985)	n.s.	n.s.	n.s.
Group Total	20,401	20,987	+2.9%	+2.5%	+4.0%

II. OPERATING INCOME	H2 2017 (in €m)	H2 2018 (in €m)	Change on an actual structure basis	H2 2017 (in % of sales)	H2 2018 (in % of sales)
by sector and division:					
Innovative Materials	643	653	+1.6%	12.5%	12.5%
<i>Flat Glass</i>	287	272	-5.2%	10.2%	9.8%
<i>High-Performance Materials</i>	356	381	+7.0%	15.1%	15.4%
Construction Products	557	632	+13.5%	8.8%	9.9%
<i>Interior Solutions</i>	315	403	+27.9%	9.1%	11.2%
<i>Exterior Solutions</i>	242	229	-5.4%	8.4%	8.1%
Building Distribution	383	380	-0.8%	4.1%	3.9%
Misc.	(20)	(12)	n.s.	n.s.	n.s.
Group Total	1,563	1,653	+5.8%	7.7%	7.9%

by geographic area:					
France	198	204	+3.0%	3.8%	3.8%
Other Western European countries	513	521	+1.6%	5.8%	5.6%
North America	277	349	+26.0%	10.7%	12.7%
Emerging countries and Asia	575	579	+0.7%	12.2%	12.5%
Group Total	1,563	1,653	+5.8%	7.7%	7.9%

III. BUSINESS INCOME	H2 2017 (in €m)	H2 2018 (in €m)	Change on an actual structure basis	H2 2017 (in % of sales)	H2 2018 (in % of sales)
by sector and division:					
Innovative Materials	608	334	-45.1%	11.8%	6.4%
<i>Flat Glass</i>	308	159	-48.4%	11.0%	5.7%
<i>High-Performance Materials</i>	300	175	-41.7%	12.8%	7.1%
Construction Products	393	452	+15.0%	6.2%	7.1%
<i>Interior Solutions</i>	235	381	+62.1%	6.8%	10.6%
<i>Exterior Solutions</i>	158	71	-55.1%	5.5%	2.5%
Building Distribution	257	(1,023)	n.s.	2.7%	-10.4%
Misc. ^(a)	(53)	(84)	n.s.	n.s.	n.s.
Group Total	1,205	(321)	-126.6%	5.9%	-1.5%

by geographic area:					
France	69	(436)	n.s.	1.3%	-8.1%
Other Western European countries	394	(789)	n.s.	4.4%	-8.5%
North America ^(a)	146	212	+45.2%	5.6%	7.7%
Emerging countries and Asia	596	692	+16.1%	12.7%	15.0%
Group Total	1,205	(321)	-126.6%	5.9%	-1.5%

^(a) after asbestos-related charge (before tax) of €45m in H2-2017 and in H2-2018

IV. CASH FLOW	H2 2017 (in €m)	H2 2018 (in €m)	Change on an actual structure basis	H2 2017 (in % of sales)	H2 2018 (in % of sales)
by sector and division:					
Innovative Materials	596	589	-1.2%	11.6%	11.2%
<i>Flat Glass</i>	259	255	-1.5%	9.2%	9.2%
<i>High-Performance Materials</i>	337	334	-0.9%	14.3%	13.5%
Construction Products	509	529	+3.9%	8.1%	8.3%
Building Distribution	410	345	-15.9%	4.3%	3.5%
Misc. ^(b)	98	150	n.s.	n.s.	n.s.
Group Total	1,613	1,613	+0.0%	7.9%	7.7%
by geographic area:					
France	286	240	-16.1%	5.5%	4.5%
Other Western European countries	481	502	+4.4%	5.4%	5.4%
North America ^(b)	301	296	-1.7%	11.6%	10.8%
Emerging countries and Asia	545	575	+5.5%	11.6%	12.4%
Group Total	1,613	1,613	+0.0%	7.9%	7.7%

^(b) after asbestos-related charge (after tax) of €28m in H2-2017 and €33m in H2-2018

V. CAPITAL EXPENDITURE	H2 2017 (in €m)	H2 2018 (in €m)	Change on an actual structure basis	H2 2017 (in % of sales)	H2 2018 (in % of sales)
by sector and division:					
Innovative Materials	499	472	-5.4%	9.7%	9.0%
<i>Flat Glass</i>	366	321	-12.3%	13.0%	11.5%
<i>High-Performance Materials</i>	133	151	+13.5%	5.7%	6.1%
Construction Products	425	426	+0.2%	6.8%	6.7%
<i>Interior Solutions</i>	275	281	+2.2%	7.9%	7.8%
<i>Exterior Solutions</i>	150	145	-3.3%	5.2%	5.1%
Building Distribution	159	163	+2.5%	1.7%	1.7%
Misc.	28	44	n.s.	n.s.	n.s.
Group Total	1,111	1,105	-0.5%	5.4%	5.3%
by geographic area:					
France	203	238	+17.2%	3.9%	4.4%
Other Western European countries	313	287	-8.3%	3.5%	3.1%
North America	136	138	+1.5%	5.2%	5.0%
Emerging countries and Asia	459	442	-3.7%	9.7%	9.6%
Group Total	1,111	1,105	-0.5%	5.4%	5.3%

VI. EBITDA	H2 2017 (in €m)	H2 2018 (in €m)	Change on an actual structure basis	H2 2017 (in % of sales)	H2 2018 (in % of sales)
by sector and division:					
Innovative Materials	864	870	+0.7%	16.8%	16.6%
<i>Flat Glass</i>	425	404	-4.9%	15.1%	14.5%
<i>High-Performance Materials</i>	439	466	+6.2%	18.7%	18.8%
Construction Products	791	862	+9.0%	12.6%	13.5%
<i>Interior Solutions</i>	465	557	+19.8%	13.4%	15.5%
<i>Exterior Solutions</i>	326	305	-6.4%	11.3%	10.7%
Building Distribution	514	515	+0.2%	5.4%	5.2%
Misc.	(6)	7	n.s.	n.s.	n.s.
Group Total	2,163	2,254	+4.2%	10.6%	10.7%
by geographic area:					
France	345	348	+0.9%	6.6%	6.5%
Other Western European countries	694	711	+2.4%	7.8%	7.7%
North America	357	433	+21.3%	13.8%	15.7%
Emerging countries and Asia	767	762	-0.7%	16.3%	16.5%
Group Total	2,163	2,254	+4.2%	10.6%	10.7%

Appendix 3: Sales by business sector and geographic area - 4th Quarter

SALES	Q4 2017 (in €m)	Q4 2018 (in €m)	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
by sector and division:					
Innovative Materials¹	2,596	2,665	+2.7%	+2.5%	+3.6%
<i>Flat Glass</i>	<i>1,425</i>	<i>1,403</i>	<i>-1.5%</i>	<i>-0.8%</i>	<i>+1.1%</i>
<i>High-Performance Materials</i>	<i>1,179</i>	<i>1,274</i>	<i>+8.1%</i>	<i>+6.7%</i>	<i>+7.0%</i>
Construction Products¹	3,112	3,187	+2.4%	+4.6%	+5.4%
<i>Interior Solutions</i>	<i>1,771</i>	<i>1,837</i>	<i>+3.7%</i>	<i>+3.1%</i>	<i>+4.3%</i>
<i>Exterior Solutions</i>	<i>1,366</i>	<i>1,377</i>	<i>+0.8%</i>	<i>+6.7%</i>	<i>+7.2%</i>
Building Distribution	4,781	5,035	+5.3%	+4.3%	+5.0%
<i>Internal sales and misc.</i>	<i>(249)</i>	<i>(243)</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
Group Total	10,240	10,644	+3.9%	+3.9%	+4.8%

¹ including inter-division eliminations.

by geographic area:					
France	2,725	2,807	+3.0%	+2.8%	+2.8%
Other Western European countries	4,395	4,633	+5.4%	+4.3%	+4.9%
North America	1,239	1,353	+9.2%	+7.9%	+4.1%
Emerging countries and Asia	2,375	2,333	-1.8%	+1.2%	+6.2%
<i>Internal sales</i>	<i>(494)</i>	<i>(482)</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
Group Total	10,240	10,644	+3.9%	+3.9%	+4.8%

Appendix 4: Consolidated balance sheet

<i>in € million</i>	Dec. 31, 2017	Dec. 31, 2018
Assets		
Goodwill	10,575	9,988
Other intangible assets	2,603	2,526
Property, plant and equipment	11,590	11,335
Investments in equity-accounted companies	379	412
Deferred tax assets	938	837
Other non-current assets	774	2,527
Non-current assets	26,859	27,625
Inventories	6,041	6,252
Trade accounts receivable	5,134	4,968
Current tax receivable	204	286
Other receivables	1,395	1,609
Assets held for sale - Discontinued operations	0	614
Cash and cash equivalents	3,284	2,688
Current assets	16,058	16,417
Total assets	42,917	44,042
Equity and Liabilities		
Capital stock	2,214	2,186
Additional paid-in capital and legal reserve	5,944	5,646
Retained earnings and consolidated net income	12,167	11,969
Cumulative translation adjustments	(1,756)	(1,640)
Fair value reserves	22	(124)
Treasury stock	(123)	(106)
Shareholders' equity	18,468	17,931
Minority interests	384	331
Total equity	18,852	18,262
Non-current portion of long-term debt	7,655	9,218
Provisions for pensions and other employee benefits	2,927	2,525
Deferred tax liabilities	427	472
Other non-current liabilities and provisions	1,053	1,036
Non-current liabilities	12,062	13,251
Current portion of long-term debt	1,064	1,184
Current portion of other liabilities and provisions	412	465
Trade accounts payable	6,027	6,116
Current tax liabilities	157	104
Other payables	3,823	3,859
Liabilities held for sale - Discontinued operations	0	322
Short-term debt and bank overdrafts	520	479
Current liabilities	12,003	12,529
Total equity and liabilities	42,917	44,042

Appendix 5: Consolidated cash flow statement

(in € million)

	2017	2018
Net income of operations attributable to equity holders of the parent	1,566	420
Minority interests in net income	59	77
Share in net income of associates, net of dividends received	(13)	(19)
Depreciation, amortization and impairment of assets	1,442	3,205
Gains and losses on disposals of assets	(46)	(20)
Extraordinary net income SWH/Sika	0	(781)
Unrealized gains and losses arising from changes in fair value and share-based payments	16	23
Argentina hyperinflation restatement	0	(4)
Changes in inventories	(348)	(418)
Changes in trade accounts receivable and payable, and other accounts receivable and payable	139	98
Changes in tax receivable and payable	236	(133)
Changes in deferred taxes and provisions for other liabilities and charges	(286)	44
Net cash from operating activities	2,765	2,492
Purchases of property, plant and equipment [2017: (1,538), 2018: (1,666)] and intangible assets	(1,722)	(1,855)
Acquisitions of property, plant and equipment under finance leases	(15)	(24)
Increase (decrease) in amounts due to suppliers of fixed assets	99	(19)
Acquisitions of shares in consolidated companies [2017: (553), 2018: (669)], net of debt acquired	(588)	(698)
Acquisitions of other investments	(84)	(937)
Increase in investment-related liabilities	17	39
Decrease in investment-related liabilities	(42)	(25)
Investments	(2,335)	(3,519)
Disposals of property, plant and equipment and intangible assets	183	30
Disposals of shares in consolidated companies, net of net debt divested	4	187
Disposals of other investments and other divestments	1	3
(Increase) decrease in receivable on disposal of assets	0	(108)
Divestments	188	112
Increase in loans and deposits	(183)	(268)
Decrease in loans and deposits	186	155
Net cash from (used in) investment and divestment activities	(2,144)	(3,520)
Issues of capital stock	187	193
(Increase) decrease in treasury stock	(406)	(532)
Dividends paid	(693)	(707)
Minority interests' share in capital increases of subsidiaries	7	16
Change in investment-related liabilities (put on minority interests)	(36)	0
Acquisitions of minority interests without gain of control	(4)	(93)
Disposal of minority interests without loss of control	25	0
Dividends paid to minority shareholders of consolidated subsidiaries	(27)	(55)
Increase (decrease) in dividends payable	(11)	11
Net cash from (used in) financing activities	(958)	(1,167)
Net effect of IFRS 9 on net debt	0	(4)
Net effect of exchange rate changes on net debt	22	(36)
Net effect from changes in fair value on net debt	4	(17)
Net effect of exchange rate changes on net debt of discontinued operations	0	0
Net debt classified as assets and liabilities held for sale	0	14
Increase (decrease) in net debt	(311)	(2,238)
Net debt at beginning of period	(5,644)	(5,955)
Net debt at end of period	(5,955)	(8,193)

Appendix 6: Debt at December 31, 2018

Amounts in €bn		Comments
Amount and structure of net debt		€bn
Gross debt	10.9	At at December 31, 2018 : 83% of gross debt was at fixed interest rates and the average cost of gross debt was 2.3%
Cash & cash equivalents	2.7	
Net debt	8.2	
Breakdown of gross debt		10.9
Bond debt and perpetual notes		9.5
September 2019	1.0	
March 2020	1.0	
June 2020	0.5	
June 2021	0.7	
March 2022	0.9	
October 2022	0.1	
September 2023	0.5	
December 2023	0.4	
After December 2023	4.4	
Other long-term debt	0.7	(including EUR 0.4bn long-term securitization)
Short-term debt	0.7	(excluding bonds)
Securitization	0.3	(EUR 0.2bn equivalent in USD + EUR 0.1bn)
Local debt and accrued interest	0.4	Frequent rollover; many different sources of financing
Credit lines, cash & cash equivalents		6.7
Cash and cash equivalents	2.7	
Back-up credit-lines	4.0	See breakdown below
Breakdown of back-up credit lines		4.0

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

		Expiry	Financial covenants
Syndicated line:	€2.5bn	December 2023	None
Syndicated line:	€1.5bn	December 2023	None

Appendix 7: External sales by business sector and geographic area

FY 2018, in % of total

	Innovative Materials	Construction Products	Building Distribution	Total
France	2.6%	3.1%	19.2%	24.9%
Germany - Austria	2.4%	2.0%	4.6%	9.0%
United Kingdom - Ireland	0.7%	2.1%	7.4%	10.2%
Scandinavia and Finland	0.5%	2.3%	10.3%	13.1%
Other Western European countries	3.0%	3.2%	3.5%	9.7%
North America	4.7%	8.0%	-	12.7%
Latin America	3.5%	1.8%	0.9%	6.2%
Asia	4.8%	2.7%	-	7.5%
Eastern Europe	2.5%	2.0%	0.6%	5.1%
Middle East & Africa	0.2%	1.4%	-	1.6%
Total	24.9%	28.6%	46.5%	100.0%

Appendix 8: New organization
Sales by business and geographic area

Q1 2018

in € million	Q1 2018 Sales	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
High Performance Solutions	1,784	-1.7%	-2.2%	+4.7%
Northern Europe	3,396	-2.9%	-4.6%	-1.9%
Southern Europe - Middle East - Africa	3,223	+2.3%	+1.9%	+2.6%
Americas	1,210	-8.3%	-10.7%	+4.1%
Asia-Pacific	442	-4.9%	-4.9%	+3.8%
<i>Internal sales and misc.</i>	-300	---	---	---
by geographic area:				
France	2,673	+1.4%	+1.3%	+1.3%
Other Western European countries	4,166	-1.8%	-3.4%	-1.1%
North America	1,275	-8.8%	-9.0%	+4.6%
Emerging countries and Asia	2,184	+0.5%	-2.0%	+6.8%
<i>Internal sales</i>	-543	---	---	---
Group Total	9,755	-1.8%	-3.1%	+1.6%

Europe				
Industry	2,409	+2.0%	-0.4%	+1.5%
Distribution	4,305	-1.8%	-2.2%	-0.6%

H1 2018

in € million	H1 2018 Sales	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
High Performance Solutions	3,706	+1.9%	+1.3%	+7.6%
Northern Europe	7,459	+2.4%	+0.6%	+3.1%
Southern Europe - Middle East - Africa	6,729	+4.0%	+3.4%	+4.1%
Americas	2,591	-2.5%	-4.2%	+9.8%
Asia-Pacific	912	-6.5%	-6.5%	+0.6%
<i>Internal sales and misc.</i>	-610	n.s.	n.s.	n.s.
by geographic area:				
France	5,569	+3.2%	+3.1%	+3.1%
Other Western European countries	9,034	+3.4%	+1.5%	+3.6%
North America	2,784	-1.4%	-1.9%	+9.4%
Emerging countries and Asia	4,504	+1.1%	-0.9%	+8.2%
<i>Internal sales</i>	-1,104	n.s.	n.s.	n.s.
Group Total	20,787	+1.9%	+0.5%	+4.9%

Europe				
Industry	5,027	+4.5%	+2.2%	+4.4%
Distribution	9,367	+2.6%	+1.9%	+3.3%

9-month 2018

in € million	9-month 2018 Sales	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
High Performance Solutions	5,500	+2.1%	+1.5%	+6.4%
Northern Europe	11,414	+2.4%	+0.6%	+2.8%
Southern Europe - Middle East - Africa	9,836	+3.8%	+3.1%	+3.9%
Americas	3,900	-1.9%	-3.2%	+8.1%
Asia-Pacific	1,377	-8.0%	-4.9%	+0.7%
<i>Internal sales and misc.</i>	-897	---	---	---
by geographic area:				
France	8,128	+3.2%	+3.1%	+3.1%
Other Western European countries	13,632	+3.1%	+1.2%	+3.0%
North America	4,183	+0.1%	-0.5%	+6.8%
Emerging countries and Asia	6,794	+0.0%	-0.8%	+7.9%
<i>Internal sales</i>	-1,607	---	---	---
Group Total	31,130	+1.8%	+0.7%	+4.3%

Europe				
Industry	7,461	+3.6%	+1.7%	+3.8%
Distribution	14,096	+3.0%	+2.0%	+3.3%

FY 2018

in € million	FY 2018 Sales	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
High Performance Solutions	7,370	+2.7%	+2.0%	+5.9%
Northern Europe	15,297	+3.1%	+1.7%	+3.5%
Southern Europe - Middle East - Africa	13,237	+3.6%	+3.0%	+3.7%
Americas	5,174	-0.8%	-1.6%	+7.5%
Asia-Pacific	1,864	-8.0%	-2.9%	+1.8%
<i>Internal sales and misc.</i>	-1,168	n.s.	n.s.	n.s.
by geographic area:				
France	10,935	+3.2%	+3.0%	+3.0%
Other Western European countries	18,265	+3.7%	+2.0%	+3.5%
North America	5,536	+2.2%	+1.5%	+6.2%
Emerging countries and Asia	9,127	-0.4%	-0.3%	+7.4%
<i>Internal sales</i>	-2,089	n.s.	n.s.	n.s.
Group Total	41,774	+2.4%	+1.5%	+4.4%

Europe				
Industry	9,923	+3.2%	+1.8%	+3.7%
Distribution	19,034	+3.6%	+2.7%	+3.7%

Appendix 9: New organization

External sales by business and geographic area

FY 2018, in % of total

	High Performance Solutions	Northern Europe	Southern Europe - Middle East - Africa	Americas	Asia-Pacific	Total
France	1.5%		23.4%			24.9%
Germany - Austria	1.5%	7.5%				9.0%
United Kingdom - Ireland	0.2%	10.0%				10.2%
Scandinavia and Baltic states	0.4%	12.7%				13.1%
Other Western European countries	1.8%	2.1%	5.8%			9.7%
Eastern Europe	1.8%	3.3%				5.1%
Middle East & Africa	0.1%		1.5%			1.6%
North America	4.6%			8.1%		12.7%
Latin America	2.2%			4.0%		6.2%
Asia-Pacific	3.3%				4.2%	7.5%
Total	17.4%	35.6%	30.7%	12.1%	4.2%	100.0%

Sales and operating income by business and geographic area

FY 2018, in % of total

	Sales 2018	Operating income 2018*
High Performance Solutions	17%	32%
Northern Europe	36%	26%
Southern Europe - Middle East - Africa	31%	18%
Americas	12%	18%
Asia-Pacific	4%	6%
by geographic area:		
France	25%	13%
Other Western European countries	42%	32%
North America	13%	21%
Emerging countries and Asia	20%	34%
Group Total	100%	100%

Europe	Sales 2018	Operating income 2018*
Industry	31%	55%
Distribution	69%	45%

*estimates