

H1 2019 RESULTS SOLID PERFORMANCE

H1 2019
SALES

€21,677m

+3.5%

like-for-like

H1 2019
OPERATING INCOME

€1,638m

+8.3%

like-for-like

H1 2019
OPERATING MARGIN

7.6%

+30 basis points

H1 2019
RECURRING NET INCOME*

€944m

+16.7%

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

FOCUS

SAINT-GOBAIN
PRESENTS ITS
CSR ROADMAP
P.5



H1 2019 RESULTS

PAGES 2 & 3

**SAINT-GOBAIN NEWS
ROUND-UP**

PAGES 6 & 7

A FEW WORDS FROM PIERRE-ANDRÉ DE CHALENDAR

Chairman and Chief Executive Officer of Saint-Gobain

“The Group’s first-half results progressed significantly, driven by continued upbeat trends on our main markets, a positive price-cost spread, and excellent advances in our transformation plan, which is delivering expected results faster than initially planned. The acceleration of our portfolio rotation program announced a year ago continues apace and we will exceed €3.0 billion in sales divested by the end of 2019. The Group is confirming its objectives for full-year 2019 and for the second half, in a less supportive market overall, expects a like-for-like increase in operating income versus second-half 2018.”



AND FROM BENOIT BAZIN

Chief Operating Officer of Saint-Gobain

“Thanks to our new organization, in place since January 1, the commitment of our teams on the ground is reaping rewards. Our portfolio optimization program and measures to unlock €250 million in additional cost savings are being put into place with agility and determination, as illustrated by the accelerated timetable, with the cost savings target for 2019 raised from over €50 million to more than €80 million. Going forward, we are very confident in the capacity of the “Transform & Grow” program to give new impetus to our growth and profitability.”



First-half consolidated **sales were €21,677 million**, a year-on-year increase of 4.3% on a reported basis and **of 3.5% like-for-like**. Organic growth was driven both by prices (up 2.3%) in a slightly less inflationary environment, and by volumes (up 1.2%). The growth in our main markets was mitigated by a negative 1% calendar effect in the second quarter against a high prior-year comparison basis.

The Group structure impact added a slight 0.2% to overall growth, with acquisitions more than compensating for divestments in the first half.

Sales growth also benefited from a 0.6% positive **currency impact**, mainly due to the appreciation of the US dollar against the euro, despite the depreciation of the Brazilian real, Nordic krona and other Asian and emerging country currencies.

The Group’s operating income rose by 8.3% like-for-like. **Its operating margin moved up 30 basis points to 7.6%.**

Acceleration in the Group’s transformation continues apace:

- Divestments completed or signed to date represent sales of over €2.8 billion, already close to the target of more than €3.0 billion by the end of 2019. The full-year operating margin impact stands at more than 40 basis points, already reaching the target of the “Transform & Grow” program of a gain of 40 basis points in the operating margin.
- The program to unlock €250 million in additional cost savings by 2021 thanks to the new organization is producing results faster than initially expected, with an accelerated timetable now envisaged: over €80 million in cost savings for 2019 (versus an initial target of over €50 million), of which €35 million in first-half 2019, and overall savings of €150 million in 2020 (versus €120 million initially).

2019 OUTLOOK

The Group’s action priorities as defined in February remain:

- its **focus on sales prices**;
- its **cost savings program** with the aim of unlocking additional savings of around **€300 million** (calculated on the 2018 cost base), in addition to **more than €80 million in 2019** as part of the “Transform & Grow” program;
- its **property, plant and equipment and intangible assets investments program** close to the 2018 level;
- its **commitment to invest in R&D**;
- its **focus on high levels of free cash flow generation**.

Saint-Gobain confirms its objectives for full-year 2019 and for the second half expects a like-for-like increase in operating income compared to second-half 2018.

RESULTS BY SEGMENT

HIGH PERFORMANCE SOLUTIONS

+1.0%
like-for-like

18% OF GROUP SALES, o/w:*

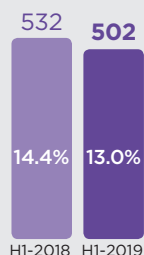
Mobility (7%): -0.1%
Other industries (11%): +1.7%

SALES

€3,862m

OPERATING INCOME (€M)
AND MARGIN (%)

€502m



NORTHERN EUROPE

+3.6%
like-for-like

35% OF GROUP SALES, o/w:*

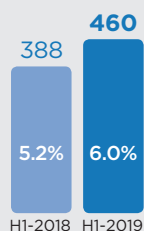
Nordics (13%): +6.1%
UK (10%): +1.5%
Germany (7%): +2.2%

SALES

€7,726m

OPERATING INCOME (€M)
AND MARGIN (%)

€460m

SOUTHERN EUROPE
- ME & AFRICA+4.3%
like-for-like

31% OF GROUP SALES, o/w:*

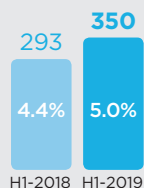
France (24%): +4.1%
Spain - Italy (4%): +9.0%

SALES

€7,011m

OPERATING INCOME (€M)
AND MARGIN (%)

€350m



AMERICAS

+2.6%
like-for-like

12% OF GROUP SALES, o/w:*

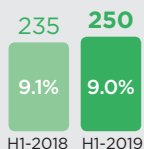
North America (8%): -0.4%
Latin America (4%): +9.0%

SALES

€2,774m

OPERATING INCOME (€M)
AND MARGIN (%)

€250m



ASIA-PACIFIC

+6.0%
like-for-like

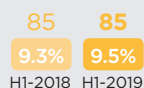
4% OF GROUP SALES

SALES

€895m

OPERATING INCOME (€M)
AND MARGIN (%)

€85m



* Sales: contribution to like-for-like Group sales.

17 GOALS

To transform our world

Drawn up by UN Member States after numerous consultations with stakeholders (UN Member States, local and regional authorities, the private sector and civil society), 17 Sustainable Development Goals (“SDGs”) to be achieved by 2030 have entered into force.

Over the next decade, thanks to these universally applicable goals, countries will mobilize efforts to end all forms of poverty, fight inequality and tackle climate change, while ensuring that no one is left behind.

Member States recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities, while tackling climate change and environmental protection.



After identifying their own priorities, companies can choose to focus their efforts on certain SDGs, although it is essential to recognize that all of the goals are interrelated. For example, measures taken to achieve SDG 13 “Climate Action” must be seen in relation to several other SDGs, including for example SDG 7 “Affordable and clean energy”, SDG 14 “Life below water” and SDG 15 “Life on land”.

Action by the private sector is one of the keys to the success of the 2030 Agenda. Depending on the company, its industry, its area of operations and its own challenges, action may be implemented within that company itself or together with its stakeholders, following a potentially long and necessarily extensive research phase.

SAINT-GOBAIN

Presents its CSR* Roadmap

“In a changing world, we reinvent ourselves whilst remaining true to our values and strive to give meaning to our employees and our stakeholders.”

Our industrial and commercial activities generate positive and negative externalities for society, the environment and people. Saint-Gobain is committed to contributing to the common good by limiting the negative impacts of its activities and creating local value shared with its stakeholders. Our strategy and future growth are based on listening and dialogue.

Because the UN's Sustainable Development Goals represent a common vision of a more sustainable and inclusive world, they enable all stakeholders (citizens, states, companies, employees, NGOs, etc.) to work together and help protect the environment and resources, reduce inequality and help improve everyday life for all. More than an expectation, making a positive contribution has become a requirement.

We are launching this new CSR Roadmap in 2019 to serve as a tool to guide the Group's CSR strategy.

Saint-Gobain will report on its performance each year by publishing changes in its CSR indicators.

Pierre-André de Chalendar,

Chairman and Chief Executive Officer of Saint-Gobain

OUR CHALLENGES

Design, produce and distribute materials and solutions that are key ingredients in the well-being of each of us and the future of all, taking into account the expectations of our key stakeholders.



CONTRIBUTING
TO A SUSTAINABLE
AND RESPONSIBLE
DEVELOPMENT

CLIMATE CHANGE

To contribute to the emergence of a low-carbon economy capable of preserving the common good

CIRCULAR ECONOMY

To change the way we design, produce and distribute our products and solutions to develop the circular economy

BUSINESS ETHICS

To share our values with our stakeholders to build together over the long term

HEALTH AND SAFETY

Our first responsibility is to guarantee the health and safety of our employees and our stakeholders

INCLUSION AND DIVERSITY

To have broadly diverse teams to build an open and engaging corporate culture

LOCAL AND INCLUSIVE VALUE CREATION

To be a corporate citizen in each country

The Group's success in achieving these objectives will enhance its contribution to the UN's Sustainable Development Goals that aim to create a fairer, more sustainable world. This simple and pedagogical tool is destined to become a leading frame of reference, both within and outside the Group, and will evolve in line with the progress made by the Group and with the expectations of its stakeholders.

For more information on the CSR Roadmap, [click here](#).

* CSR, or Corporate Social Responsibility, encompasses all of the social, environmental and economic practices put in place by companies in order to uphold the principles of sustainable development.

NEWS ROUND-UP

ACQUISITION

Saint-Gobain enters the plasterboard market in Mexico

Saint-Gobain has carved out a presence on Mexico's plasterboard manufacturing and distribution market with the acquisition of PLAKA Mexico, which had close to €30 million in sales in 2018. This acquisition marks Saint-Gobain's entry onto the Mexican plasterboard market and rounds out its current plasterboard offering for buildings and ceilings. The transaction enables the Group to reinforce its presence on a fast-changing construction market, where it already enjoys a leading position in the glass segment.

INVESTMENT

A new-generation insulation plant in Germany

The Group invested €38 million in the renovation of this glass wool plant in southwest Germany. The first major change was to **reconstruct the furnace after 10 years of activity**. The furnace is **now heated using a combination of natural gas with** – and this is the novelty – **oxygen** (ambient air was previously used). This technology **will significantly reduce energy consumption at the plant**.

The other challenge was to **simultaneously rebuild the two production lines** in order to develop even more efficient solutions at a lower cost. Thanks to the new installations, the fiberizing process is now fully optimized. The aim of this improvement? To use less material in the manufacturing phase while maintaining the same or better insulation capabilities. The new equipment installed also responds to customer needs by offering innovative solutions.

After two months of complete shut-down of the furnace, the first line started up again at the beginning of June, with wholesale resumption of production in August. The site, which has nearly 200 employees, mainly serves the German, Austrian and French markets.

ACHIEVEMENT

Saint-Gobain under the sea



In southern Norway, the new **Under** restaurant **serves dinner five meters below the surface of the North Sea**. To build this impressive semi-submerged building, Glava supplied more than **1,000 sq.m. of glass wool from the Proff 34 range**. This solution, installed at wall and ceiling level to insulate the building, **offers one of the highest thermal performances on the market**. Ensuring optimum comfort for customers, the solution was a key element in the project's success. Protected by a 50cm-thick layer of concrete, the restaurant has around ten tables and a large bay window with an unobstructed view of the sea bed. This original project was designed by the Norwegian architecture studio Snøhetta, which had to call on specialists from the oil industry and offshore platform construction to construct the building. **Under**, which will also house a marine research center, has been almost constantly fully booked since it opened in April 2019.

MARKETS AND CUSTOMERS

On board with Saint-Gobain at the Paris – Le Bourget Air Show



The Paris – Le Bourget Air Show was held from June 17 to 23. This must-attend meeting of the world's aerospace industry lived up to its potential and gave Saint-Gobain an opportunity to reaffirm its strengths in a market that remains highly attractive.

Air traffic is increasing by an average of 4% to 5% each year. Saint-Gobain has been active in this market for 50 years and intends to continue to play a leading role, whether in the OEM segment for aircraft manufacturers or in the aftermarket and repair segment. **The Group's aim is to double its sales of aerospace products within five to six years through in-house innovation:** "We continue to invest in new materials, products and simulation tools to offer new solutions to customers and accelerate development" says Scott Huth, General Manager, Aerospace at Saint-Gobain.

The Group has promised its customers a wider range, more new products developed by pooling the technologies and expertise of its various teams, and a shorter time-to-market with increased development and testing capabilities.

LOGISTICS

PUM Plastiques ready for the 2024 Paris Olympic Games



PUM Plastiques – Saint-Gobain’s distribution brand in France specialized in plastic pipes – is meeting the needs of its trade customers working on the Grand Paris infrastructure projects and on the organization of the 2024 Olympic Games, notably by storing synthetic materials for immediate delivery to partners’ worksites at its Bonneuil site in the Greater Paris region.

SYNERGIES

A shared showroom for an innovative customer journey



In France, **POINT.P Distribution**, **Envie de Salle de Bain** and the **La Maison Saint-Gobain** digital platform opened a shared showroom in Champagne-au-Mont-d’Or. By pooling their expertise, **they aim to provide a comprehensive product offer and an innovative and seamless experience** for their trade and retail customers. All listed products and associated services will enable trade and retail customers to find the right solution for each phase in their new-build or renovation projects.

Inspiration, customized advice, an attractive product offering, a 3D project display, and contact with installation professionals combine to deliver effective synergies that constantly improve customer satisfaction.

SYNERGIES

The Façade BU in Brazil wins its largest project



Saint-Gobain Brazil’s Façade Business Unit, which offers Placo, Isover, Weber, Brasilit and Adfors solutions, is enjoying continued project success.

The project most recently won is for an impressive residential building located in Vitoria, in the state of Espírito Santo. **Saint-Gobain supplied all the materials needed to build the 17,000 sq.m. of façade on a turnkey basis**, including Placo plasterboard, Isover fiberglass wall coverings. The Façade Business Unit simplifies the life of its customers **by offering complete building systems and exclusive services**. The customer only has to place a single order to receive all products at the worksite. A Saint-Gobain team also monitors the progress of work at the site.

SOLUTION

New heating and cooling ceilings from Plafometal



In France, Plafometal has introduced a new range of solutions for heating and cooling a room. These ceilings incorporate a thermal system based on the principle of radiation and can distribute heat evenly throughout a room. They comprise **metal acoustic panels that are activated by contact with heating tubes**.

Thanks to this new technology, Plafometal provides **optimum thermal, acoustic and health conditions** for its customers. The absence of moving air means there is less dust and fewer germs circulating in the space. Air quality is improved thanks to the very low emission of volatile organic compounds (VOCs). **This technology also consumes less energy than conventional heating and air conditioning systems**. These active ceilings are also attractive as there are no visible aeration vents or heating pipes. Plafometal provides a complete service from project design to installation in order to assist its customers.

SAINT-GOBAIN
STEPS UP ITS
TRANSFORMATION



FIND OUT
MORE IN THE
CORPORATE
BROCHURE



SHAREHOLDER'S NOTEBOOK

DATES FOR YOUR DIARY

SHAREHOLDER MEETING

Tuesday September 17, 2019 at 6:00pm

World Trade Center, Marseille (France)

SITE VISITS

Tuesday September 24, 2019 - 2:00pm-5:00pm

Saint-Gobain Isover, Orange (France)

Thursday September 26, 2019 - 9:00am-11:00am

Saint-Gobain Abrasives, Amboise (France)

Tuesday October 15, 2019 - 2:00pm-4:00pm

Saint-Gobain Performance Plastics, Charny (France)

Tuesday November 5, 2019 - 10:00am-12:00pm

DomoLab Innovation Center (France)

Thursday December 5, 2019 - 2:00pm-5:00pm

Saint-Gobain Weber France, Bonneuil-sur-Marne (France)

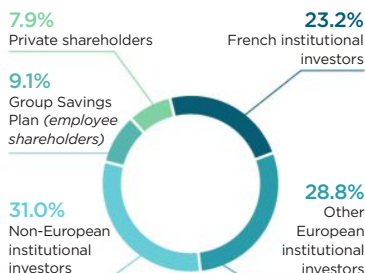
NUMBER OF SHARES OUTSTANDING

(at June 30, 2019)

543,444,874

OWNERSHIP STRUCTURE

(% estimated at June 30, 2019)



YOUR CONTACTS

Saint-Gobain's Shareholder Relations Department will be pleased to answer any enquiries. Please feel free to contact them:

• By dialing:

0 800 32 33 33 Service à appel gratuits from France (calls free of charge from landlines)

or **0033 (0)1 47 62 33 33** from outside France

• **Online**, at www.saint-gobain.com

• **By e-mail**, at actionnaires@saint-gobain.com



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ACTIONARIA TRADE SHOW

3:00PM ON THURSDAY NOVEMBER 21 AND FRIDAY NOVEMBER 22, 2019
AT THE PALAIS DES CONGRES IN PARIS

Come and visit our stand to discover the Group's different brands and take part in our shareholder meeting chaired by Pierre-André de Chalendar, Chairman and Chief Executive Officer, and Sreedhar N., Chief Financial Officer, on **Friday November 22 at 3:00pm in the Salle Bleue**. For a free invitation, please visit the *Inscription* page of www.actionaria.com and enter the code STG19.

SAINT-GOBAIN SHARE PERFORMANCE

12/31/2014 - 09/06/2019



— (1) Saint-Gobain share price — CAC 40
— DJ EURO STOXX 50 — DJ EURO STOXX 50 Construction

Recent performance at 09/06/2019 (€33.49) in %	Saint-Gobain share price	CAC 40	DJ Euro Stoxx 50	DJ Euro Stoxx 600 Construction
Trailing month	+2.8%	+7.1%	+6.2%	+6.8%
Trailing 3 months	+1.1%	+6.2%	+4.7%	+6.0%
Trailing 6 months	+6.6%	+6.0%	+5.1%	+8.1%
Trailing 12 months	-6.6%	+6.9%	+6.0%	+7.1%



• Via the Saint-Gobain Shareholder App

• **By post:**
Compagnie de Saint-Gobain
Service Actionnaires
Les Miroirs
18 avenue d'Alsace
92096 La Défense Cedex

• **Reuters:** SGOB.PA

