

# H1 2024 RESULTS AND OUTLOOK

July 26<sup>th</sup>, 2024



# H1 2024 HIGHLIGHTS



**Benoit Bazin**  
Chairman and CEO



# Paris 2024 Olympics – Athletes' Village

14 Saint-Gobain solutions



**LIGHT &  
SUSTAINABLE  
SOLUTIONS FOR  
RESIDENTIAL**



# Portum Towers – Bratislava, Slovakia

7 Saint-Gobain solutions



Hotel St. Martin – Rome, Italy

11 Saint-Gobain solutions

LIGHT &  
SUSTAINABLE  
SOLUTIONS FOR  
NON-RESIDENTIAL

Meta Headquarters – Gurugram, India

7 Saint-Gobain solutions



Comprehensive solutions for renovation of Victorian houses, UK  
Leveraging world-class testing facility at the University of Salford



ENERGY  
HOUSE 2.0



LIGHT &  
SUSTAINABLE  
SOLUTIONS FOR  
RENOVATION

University of Alberta – Canada  
8 Saint-Gobain solutions



Ariane 6 – French Guiana Space Center  
Comprehensive range of **high-performance  
construction chemicals**



**LIGHT &  
SUSTAINABLE  
SOLUTIONS FOR  
INFRASTRUCTURE**



Floripa Airport – Brazil  
**10** Saint-Gobain solutions

# H1 2024: STRONG RESULTS DESPITE A CHALLENGING ENVIRONMENT

**Sales**

**€23.5bn**  
-4.9% like-for-like

**Record operating margin**

**11.7%**  
vs 11.3% in H1 2023

**Strong recurring net income**

**€1.7bn**

**Record levels of free cash flow**

**€2.5bn**  
75% cash conversion ratio



Paris 2024 Olympics – Athletes' Village – Paris, France



Fraunhofer IEE Institute Germany

## **GROW & IMPACT** CONTINUES TO DRIVE SUCCESS



Record operating margin, increasing year-on-year even in a challenging environment



Record levels of cash generation and continued disciplined capital allocation



Solutions approach increasing our share of wallet, reinforcing product mix and pricing power



Significant milestones in strategic repositioning towards high-growth regions and construction chemicals

# EXPANDING PRESENCE IN HIGH-GROWTH MARKETS

~€2bn sales

~€450m EBITDA  
(including €100m of synergies in year 3)



Acquisition of CSR in Australia



Acquisition of FOSROC<sup>1</sup> in construction chemicals



Acquisition of Bailey in Canada

# H1 2024 RESULTS

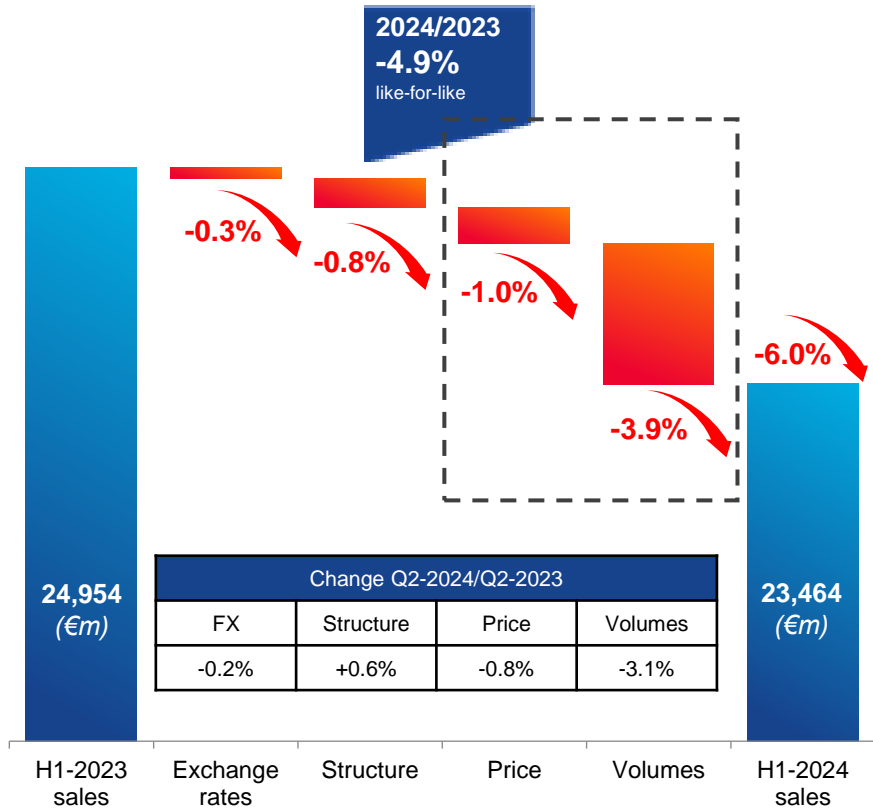
Group



**Sreedhar N.**  
Chief Financial Officer



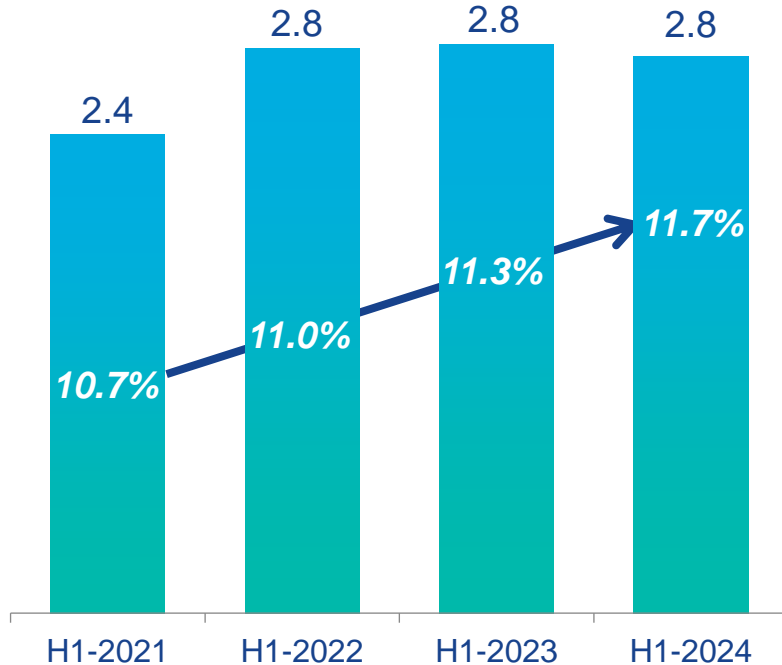
# FIRST-HALF 2024 SALES



- ▀ Sequential improvement in volumes
- ▀ Prices stable sequentially
- ▀ Structure impact turned positive in Q2 with the continuous optimization of the Group's profile

# NEW RECORD OPERATING MARGIN

*Operating income in €bn  
and margin in %*



- Further improvement in operating margin, reaching a new record-high of 11.7%
- Operating income resilient in a difficult environment
- Positive price-cost spread
- Proactive cost management

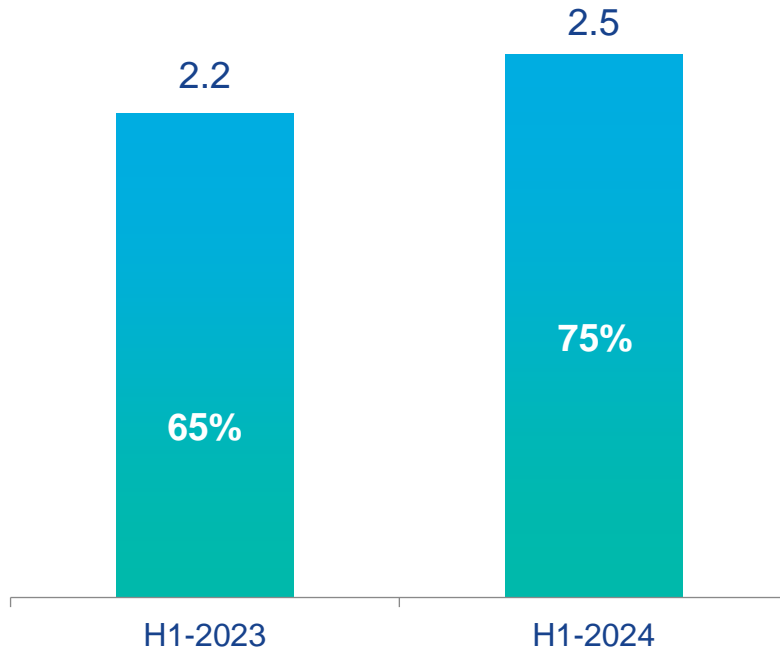
# NEW RECORD EBITDA MARGIN

€m	H1-2023	H1-2024
<b>EBITDA</b>	<b>3,738</b>	<b>3,652</b>
<b>EBITDA margin</b>	<b>15.0%</b>	<b>15.6%</b>
<b>Operating income</b>	<b>2,813</b>	<b>2,751</b>
Non-operating costs	(55)	(125)
Asset write-downs and impacts resulting from changes in Group structure	(150)	(138)
Capital gains (losses) and other	(314)	(26)
Net financial expense	(196)	(215)
Income tax	(607)	(546)
<b>Net attributable income</b>	<b>1,450</b>	<b>1,660</b>
<b>Recurring net income</b>	<b>1,821</b>	<b>1,706</b>
<b>Recurring EPS (in €)*</b>	<b>3.57</b>	<b>3.40</b>

\* Recurring EPS: calculated based on the weighted average number of shares outstanding (501,808,814 shares in H1 2024, versus 510,080,726 in H1 2023, thanks to the share buyback program)

# RECORD LEVELS OF FREE CASH FLOW GENERATION

*Free cash flow in €bn  
and conversion ratio in %*



- Very good cash conversion ratio of 75%
- New reduction in OWCR\*
- Strong cash culture

\* Operating Working Capital Requirement

# H1 2024 RESULTS

## Segments

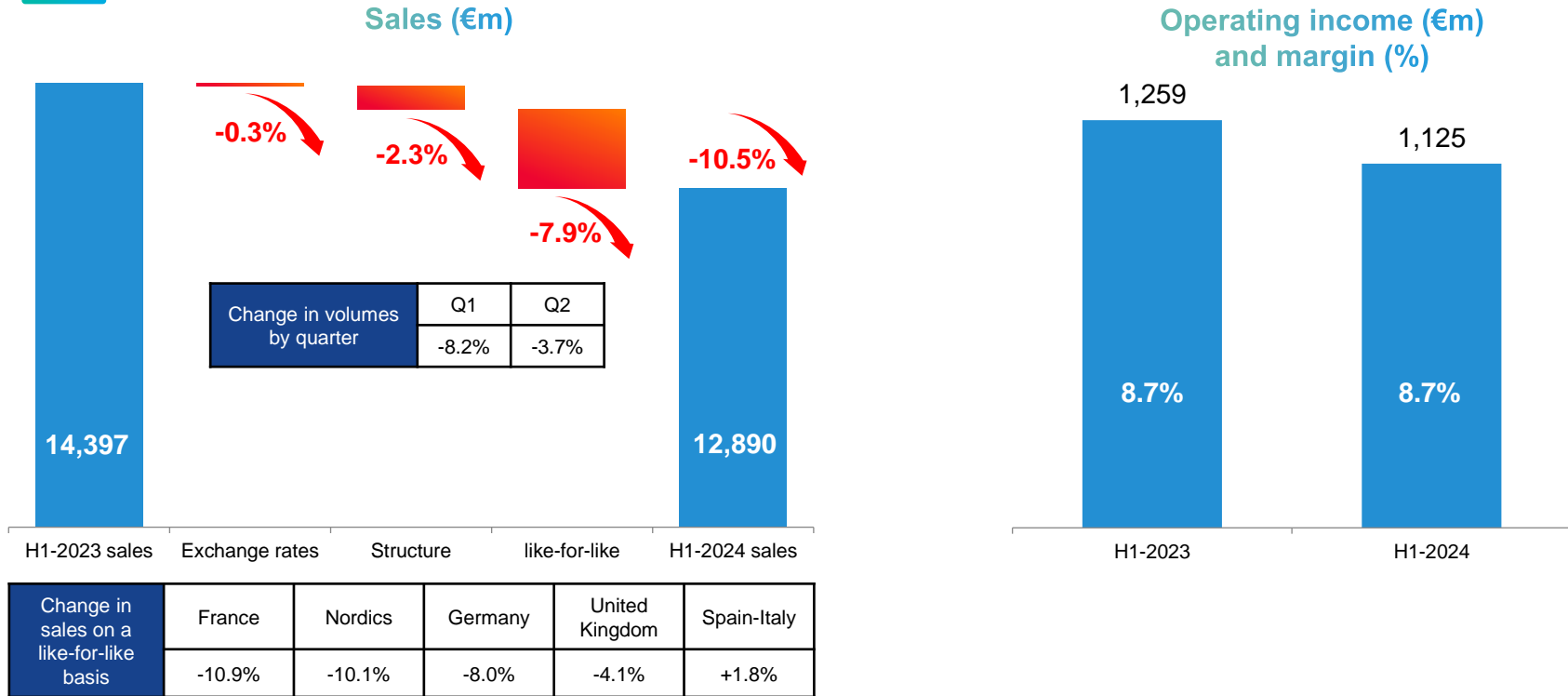


**Sreedhar N.**  
Chief Financial Officer

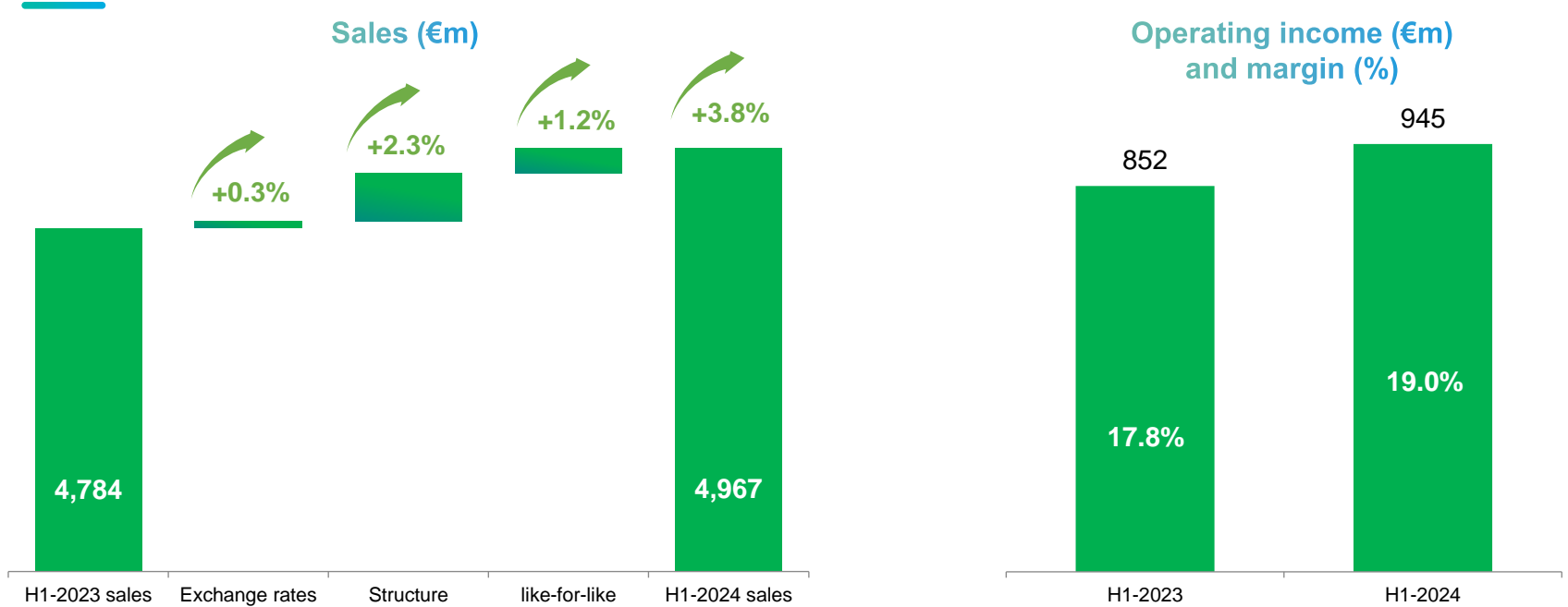


Forest Campus, Warsaw Poland

# EUROPE, MIDDLE EAST & AFRICA: SEQUENTIAL IMPROVEMENT IN VOLUMES, CLOSE TO A LOW POINT; OPERATING MARGIN STABLE AT A RECORD LEVEL

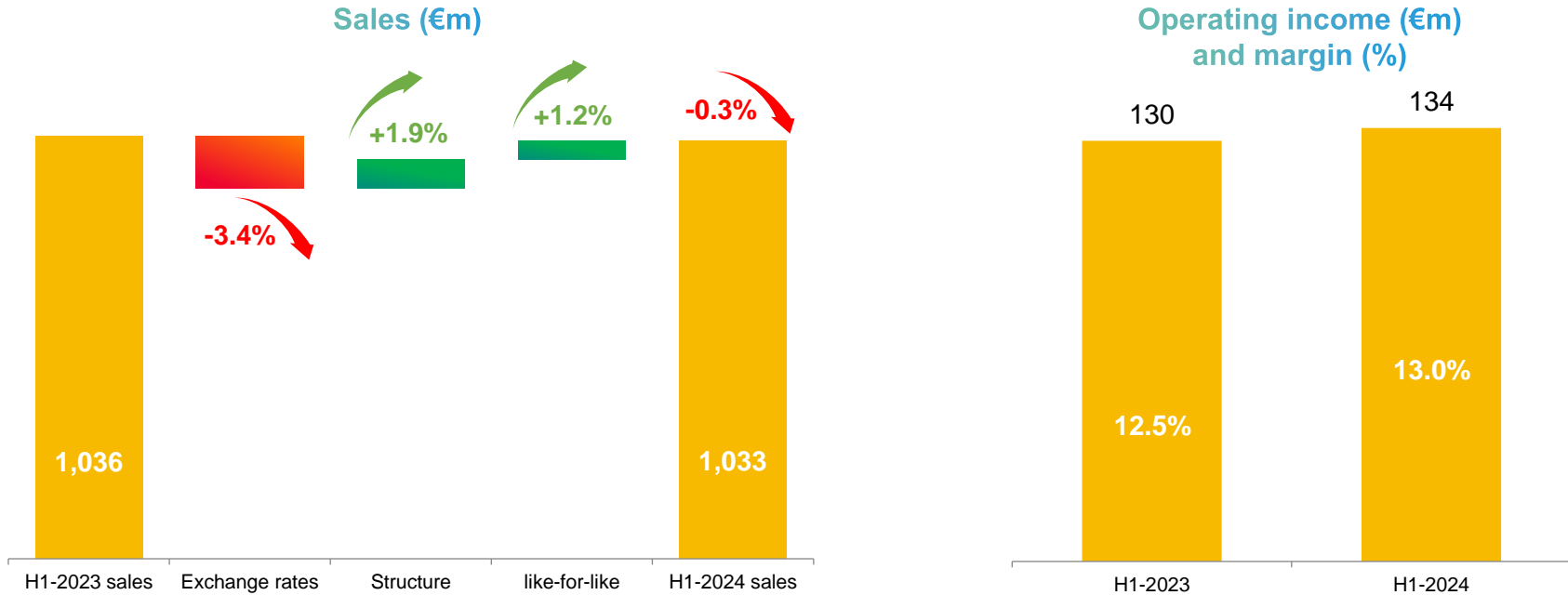


# AMERICAS: SALES GROWTH IN NORTH AMERICA AND RECORD OPERATING MARGIN

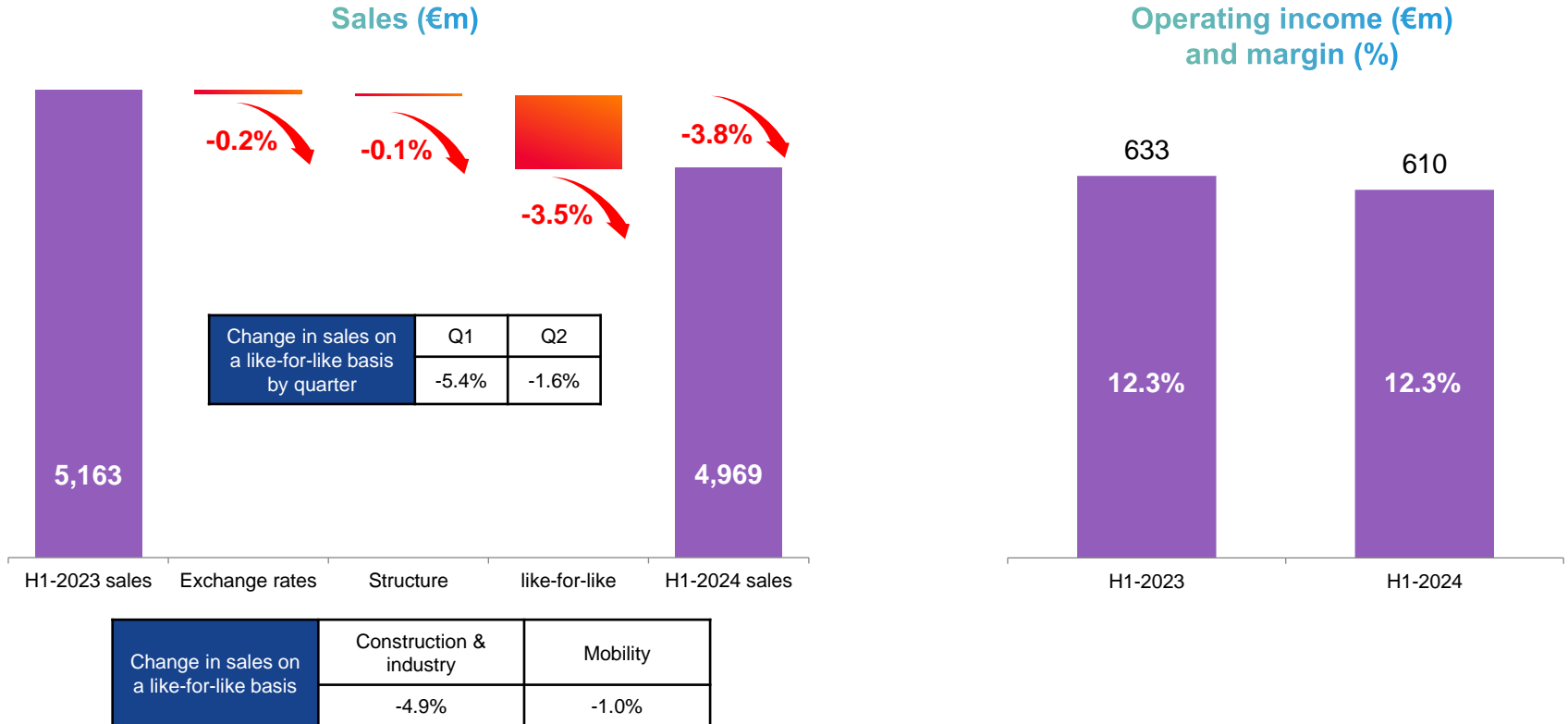


Change in sales on a like-for-like basis	North America	Latin America
	+4.1%	-7.6%

# ASIA-PACIFIC: ORGANIC SALES GROWTH AND RECORD OPERATING MARGIN



# HIGH PERFORMANCE SOLUTIONS: SEQUENTIAL IMPROVEMENT IN ORGANIC GROWTH AND STABLE OPERATING MARGIN



# STRATEGY



**Benoit Bazin**  
Chairman and CEO



**MAKING  
THE WORLD  
A BETTER  
HOME**



**WORLDWIDE LEADER IN  
LIGHT & SUSTAINABLE  
CONSTRUCTION**



**GROW &  
IMPACT**

01

**We have repositioned the Group  
on strong markets**

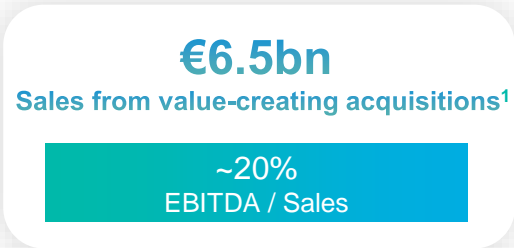
02

**We have all the levers to outperform**

# CONTINUED REPOSITIONING TOWARDS HIGH-GROWTH MARKETS



of sales rotated since end of 2018



+

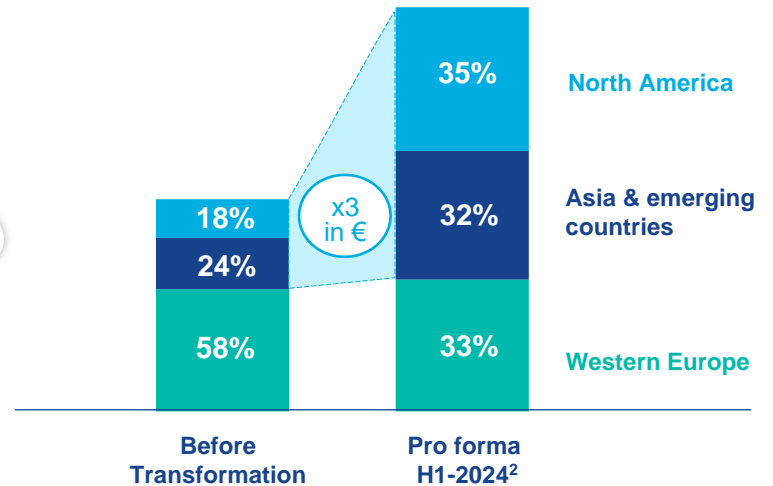


of growth capex in North America, Asia & emerging countries

Since the start of the transformation

>

## Share of Group operating income



> 2/3 of operating income from North America, Asia & emerging countries

1. Transactions completed or signed  
2. Pro forma for recent acquisitions and divestments

# STRUCTURAL NEED FOR NEW BUILD & RENOVATION IN NORTH AMERICA AND EMERGING MARKETS



## NORTH AMERICA

35% of Group operating profit

### Structural housing shortage

**~3.8m** current housing supply unit deficit in the US led by robust population growth<sup>1</sup>

**>5m** housing units needed<sup>2</sup> by 2030 in Canada to meet demand & restore affordability

**Ageing housing stock** and must-have renovation-driven roofing



## ASIA & EMERGING MARKETS

32% of Group operating profit

### Increasing levels of urbanization

**1.2bn** additional urban population in Asia by 2050<sup>3</sup>

### Increasing penetration of light & sustainable construction

**5-10x** growth potential in plasterboard consumption in emerging markets<sup>4</sup>

**~10x** growth potential in ready-mix mortars adoption in emerging markets<sup>4</sup>

1. 2023 housing underproduction in the US report, Up For Growth organization
2. Projected deficit between 2022-30, Canada housing and mortgage corporation
3. UN Habitat: Asia and the Pacific region
4. Internal estimates based on penetration in developed vs. emerging markets

# LEADERSHIP POSITIONS ESTABLISHED IN CANADA & AUSTRALIA



**TRIPLING OF SALES IN CANADA SINCE 2021 AS WE BUILD A COMPREHENSIVE OFFER**



**Collaboration in sales, distribution and product development**, driving growth and market share gains in the US and Canada



BUILDING PRODUCTS OF CANADA CORP.

**Enhanced customer offering** with complementary solutions. **Unlocking technical & procurement synergies** in the US and Canada



**Swift closing of Bailey acquisition**, further strengthening Saint-Gobain's offering in Canada



**COMPLETION OF CSR IN AUSTRALIA, AN ATTRACTIVE CONSTRUCTION MARKET**



**Paul Dalton**  
CEO, CSR



**Detailed integration plans already being deployed**

# FURTHER STRENGTHENING OUR GROWTH PLATFORM IN CONSTRUCTION CHEMICALS

DELIVERING WELL ON  & 



Know-how deployment across geographies for technical applications, e.g. tunnels



Enhanced value from supply chain, network and ERP<sup>1</sup> software-driven synergies

AND SOON REINFORCING OUR POSITION WITH 



Highly complementary geographic footprint with **exposure to the high-growth markets** of India, Middle East and Asia-Pacific



**Strong industrial platform to deliver value-added solutions**, with numerous cross-selling opportunities to be unlocked



Track record of **profitable growth & strong financial performance** thanks to excellent management teams



**Value-creating acquisition for Saint-Gobain's shareholders & customers** with strong synergy potential

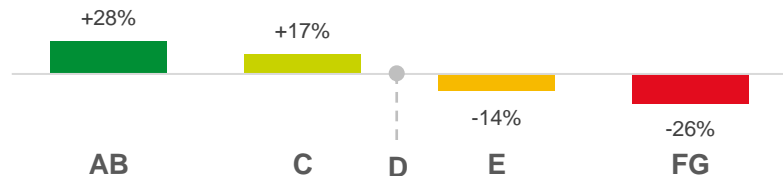
**Closing expected in H1 2025**

# WELL-POSITIONED ON THE RESILIENT EUROPEAN RENOVATION MARKET WITH OUR COMPREHENSIVE SOLUTIONS

## ONGOING IMPLEMENTATION BY MEMBER STATES OF EU REGULATIONS FOR ENERGY RENOVATION

- **EED**<sup>1</sup> – compulsory decline in energy consumption in public buildings
- **EPBD**<sup>1</sup> – renovation of least performing buildings

‘Green Value’: ~50% differential based on energy label for dwelling’s selling price in France in 2023<sup>2</sup>



## IMPROVING MACROECONOMIC DRIVERS

- Recovery in **household confidence**
- **Lower mortgage rates** to support existing home transactions
- Q2 lending data supportive of **improvement in EU residential outlook**<sup>3</sup>

## Recovery in residential transactions supporting the renovation market



1. EED: European Energy Directive, EPBD: Energy Performance of Buildings Directive  
2. French single-family and multi-family housing transactions outside Île-de-France during the 3 first quarters of 2023  
3. ECB bank lending survey for Q2 2024

**MAKING  
THE WORLD  
A BETTER  
HOME**



**WORLDWIDE LEADER IN  
LIGHT & SUSTAINABLE  
CONSTRUCTION**



**GROW &  
IMPACT**

01

We have repositioned the Group on strong markets

02

We have all the levers to outperform

# STRUCTURAL EFFECTIVENESS THROUGH OUR COUNTRY-LED ORGANIZATION



## LOCAL TEAMS CLOSE TO OUR CUSTOMERS



**90% of CEOs** native to their country



Country CEOs **shaping tailor-made solutions** adapted to local nuances



**Agile decision-making** due to better understanding of local market dynamics

## COUNTRY-BASED MARGIN MANAGEMENT



**Constant focus on price-cost management**

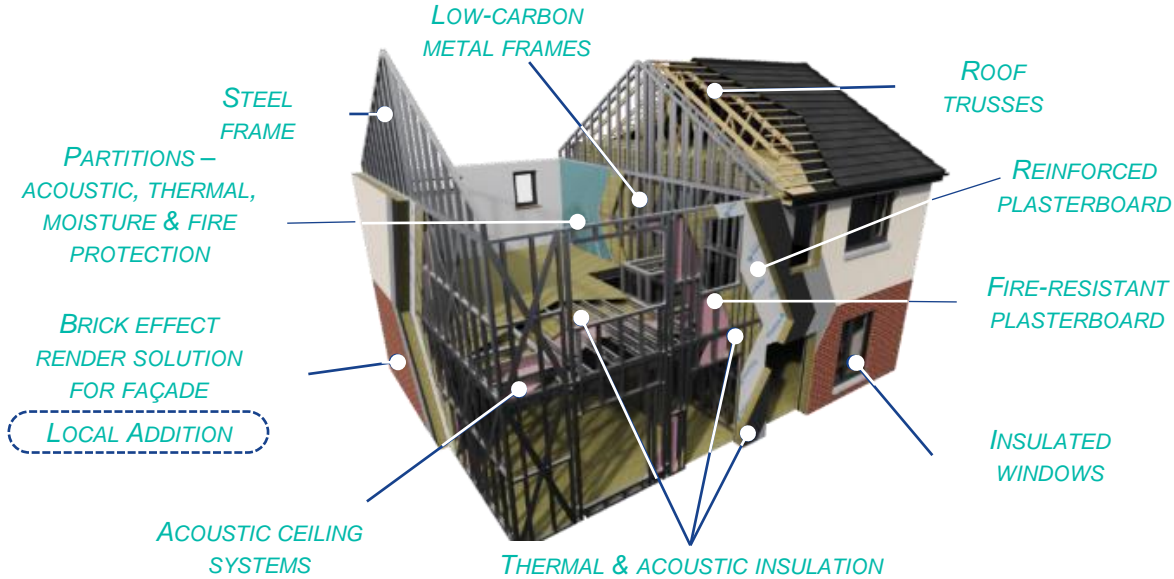


Proactive operational action plans to **adjust cost structure to market changes**



**Manufacturing & supply chain** continuously optimized

# LEADING ONE-STOP-SHOP FOR CONSTRUCTION SOLUTIONS



Up to 50% faster build with fully lightweight structural steel

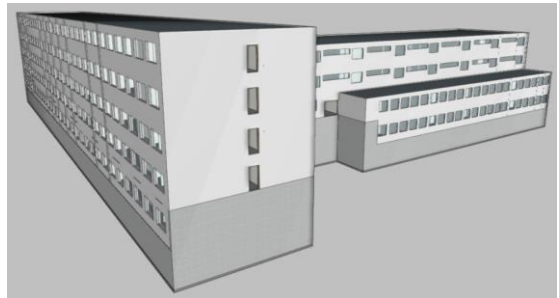


**Mike Chaldecott**  
CEO Saint-Gobain UK  
& Ireland

- **Unique testing capabilities** to demonstrate solution effectiveness
- **Customer-centric approach** & well-established customer relationships
- **Iconic brands, full solutions** for all customer segments
- **Strong specifications & solutions** that add value to customers

# OUTPERFORMANCE THROUGH DIFFERENTIATED SOLUTIONS

## ENERGY RENOVATION FOR PUBLIC BUILDINGS

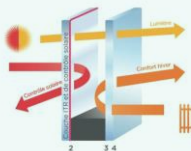


*Design assistance for hospital renovation using BIM<sup>1</sup> model and simulation*

## SAINT-GOBAIN SOLUTIONS



**ENVEOVENTS<sup>S</sup> CHRONO**  
insulated exterior façade  
for thermal and acoustic comfort



**COOL-LITE<sup>®</sup> XTREM**  
double glazing with  
reinforced thermal insulation  
and solar control



**WEBER ETICS<sup>2</sup>** for  
external insulation

>50%

Reduction in energy  
consumption of the  
building

>40%

Increased thermal  
comfort in  
summer<sup>3</sup>

# OUTPERFORMANCE THROUGH INNOVATION



**placo**  
SAINT-GOBAIN



**GLASROC® X:**  
Strengthened gypsum boards for external applications & very humid areas

**3x** worldwide sales  
2023 vs. 2019

**81** country launches



**LANAÉ® GLASS WOOL:**  
Softer, eco-designed with high thermal and acoustic performance

**8** country launches  
by end-2024

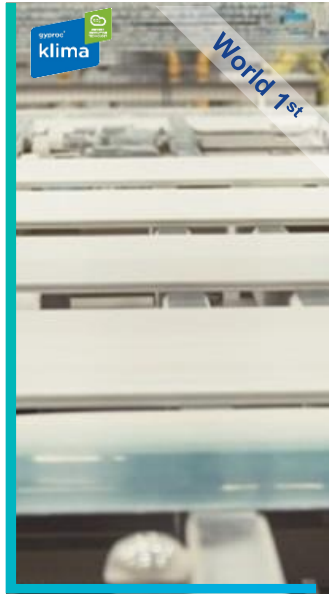
**80%** recycled  
material

**10** patents filed



Group marketing & development team rolling out innovations across the Group

# OUTPERFORMANCE THROUGH LOW-CARBON OFFERS



**Low-carbon plasterboard** with 70% lower carbon footprint<sup>1</sup>



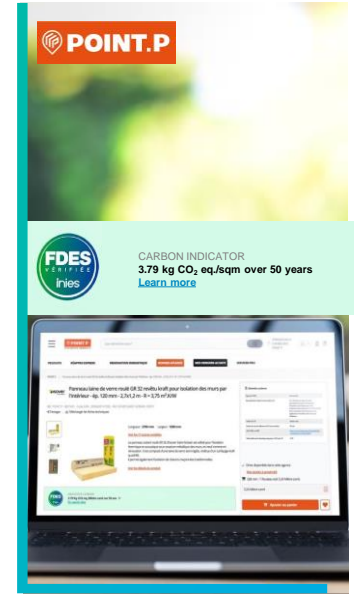
**Low-carbon glass** with 42% lower carbon footprint<sup>2</sup>



**Low-carbon production of siding** (96% lower scope 1 and 2 emissions)



Additives and admixtures for **low-carbon cement and concrete**



Publication of **carbon footprint data** online

32 1. Compared with traditional plasterboard  
2. Compared with our European glass

# THE GROUP IS STRONGLY POSITIONED TO CONTINUE TO OUTPERFORM



**Value accretive capital allocation in high-growth markets**



**Innovative and value-added solutions enabling customer success**



**Leadership in sustainable construction**

# OUTLOOK



**Benoit Bazin**  
Chairman and CEO



# 2024 OUTLOOK

- **Europe:** resilience in renovation; new construction remaining difficult before gradually reaching a low point country by country
- **Americas:** construction to hold firm in North America (new build and renovation); recovery expected in Latin America
- **Asia-Pacific:** good growth led mainly by India and the integration of CSR
- **High Performance Solutions:** Construction Chemicals to see dynamic growth; Mobility to hold firm and a contrasting situation on industrial markets in terms of demand

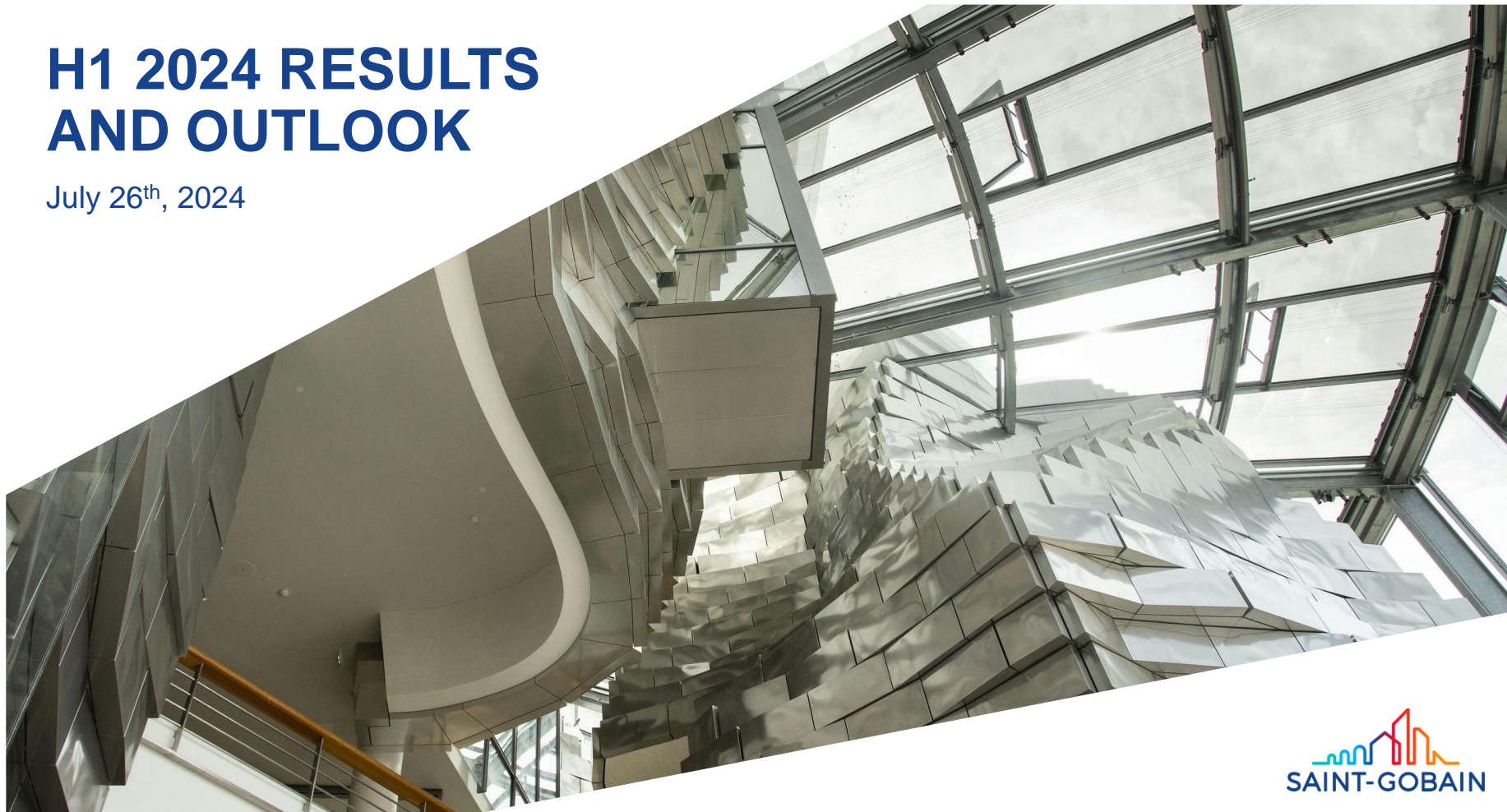
**Despite a context which remains difficult in certain markets,  
Saint-Gobain expects a double-digit operating margin  
for second-half and full-year 2024, for the fourth consecutive year**

# IMPORTANT DISCLAIMER – FORWARD-LOOKING INFORMATION

*This presentation 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 Saint-Gobain's control, including but not limited to the risks described in the "Risk Factors" section of Saint-Gobain's Universal Registration Document and the main risks and uncertainties presented in the half-year 2024 financial report, both documents being available on Saint-Gobain's website ([www.saint-gobain.com](http://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, except as required by applicable laws and regulations. This presentation does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Saint-Gobain. No representation or warranty, express or implied, is made by Saint-Gobain or its managers, corporate officers, employees, contractors, representatives or advisors as to the accuracy or completeness of the information or opinions contained in this presentation.*

# H1 2024 RESULTS AND OUTLOOK

July 26<sup>th</sup>, 2024



# 2023 END MARKETS<sup>1</sup> SALES SPLIT



1. Saint-Gobain estimates for its end markets  
 2. Of which Mobility 8%

# CONTINUED STATE SUPPORT IN ENERGY RENOVATION

## NETHERLANDS

- Office buildings required to have minimum C class EPC
- **Additional borrowing capacity** for energy renovations for **poorly-insulated buildings**, to be used within 5 years of acquisition

## UNITED KINGDOM

- **Great British Insulation Scheme** – £1bn in 2023-26 for the least energy-efficient homes
- **Energy Company Obligation** (= French CEE) over 2022-26
- **Ongoing €6.6bn** government financing for 2022-2025, followed by **€6bn in 2025-28** for residential & non-residential retrofit (*England*)
- **Election pledge from new Labour government** to retrofit 5m homes by 2030
- **Social Housing decarbonization fund**: £3.8bn 2020-2030 to renovate social housing needing energy renovation
- Non-residential buildings require upgrading to at least an EPC B rating by 2030

## FRANCE

- **MaPrimeRénov'**: 50% increase in 2024 revised budget vs. 2023 spend
- **EduRénov'**: **€2bn** of state loans for the energy efficiency renovation of 10,000 schools by 2027
- Banning of renting the worst-performing dwellings from 2025
- **Green Fund** (€2bn) – aimed at accelerating clean energy transitions locally (incl. energy efficiency of public buildings)

## SPAIN

New energy performance certificates – **certificados blancos**

## NORWAY

- Publication in Oct-23 of an **energy efficiency action plan** for the government with a building component (Huskbanken).
- **'Enova'** plan of **NOK 1bn**, to support energy efficiency

## DENMARK

- DKK 30bn allocated from the **National Building fund** for the renovation of social housing over 2020-26
- DKK 18.4bn for renovation of 72,000 social housing in the fund's support queue
- DKK 11.6bn for future renovations until 2026

## BELGIUM (FLANDRES)

- **Mandatory energy renovation** to reach at least class 'D' within 5 years of purchase
- Energy class 'D' required for apartments and class 'E' required for houses **by 2030**

## POLAND

- World Bank will lend Poland a **further €250 million** to finance the "Clean Air" program (incl. subsidies and tax relief for thermal retrofitting)
- **Unblocking of funds under the NextGenerationEU** plan (~€60bn over 3 years, incl. €3.5bn for renovation)

## GERMANY

**€45bn** subsidies over 3 years for heating systems and retrofit (€13bn in 2024)

## GREECE

- **€640m** for the "Electra" program (2022-2026) to improve the energy efficiency of public buildings
- Reduce energy consumption by at least 30%
- Renovate 2.5 million m<sup>2</sup>

## CZECH REP.

New Green Savings Program for energy efficiency in buildings

## ITALY

**Superbonus largely maintained** – 70% tax credit for energy-efficient renovations vs. 90% previously

