

H1 2010: SHARP UPSWING IN RESULTS

FIRST-HALF 2010 KEY FIGURES (€m)	H1 2010	Change H1-10/H1-09
Sales	19,529	+4.3%
Operating income	1,445	+55.4%
Recurring net income ¹	580	+176.2%
Net income ²	501	+291.4%
Free cash flow ³	987	+79.5%

H1 2010: ROLL-OUT OF ACTION PLAN

- Sales prices **+0.1%** over the first half; **+0.8%** over the second quarter
- Costs scaled back **€450m** over the first half; **€600m** over the year
- Free cash flow³ after operating WCR: **€1.9bn** over 12 months
- **€1.8bn** of net debt paid down over 12 months; gearing ratio cut to **51%**
- Expansion in Asia and emerging countries and in energy efficiency markets

2010 OBJECTIVES:

- Strong growth in operating income (at constant exchange rates), with second-half operating income slightly above the first half
- Free cash flow³: **€1.4bn** versus **€1.0bn**.

1. Excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

2. Attributable to equity holders of the parent.

3. Excluding the tax effect of capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

Operating performance

After a first quarter affected by very cold winter weather in Europe, **trading rebounded sharply overall in the second quarter of 2010, with the Group reporting 3.9% organic growth**. This reflects both a significant upturn in sales volumes, which rose 3.1% after slipping 1.7% in the first quarter, boosted by a positive 1.4% impact due to the rise in the number of working days, and upward trends in prices, which gained 0.8% after falling 0.7% in the first quarter. All of the Group's Business Sectors and activities contributed to the upswing, reporting a gradual improvement in market conditions as from March. In the second quarter as in the first, organic growth continued to be driven overall by emerging countries and Asia, along with businesses related to industrial output (each reporting double-digit organic growth in the three months to June 30). Most of the Group's businesses linked to construction markets in Europe and North America also reported a relative improvement in trading over the second quarter, in terms of both volumes and sales prices, partly due to a favorable basis for comparison. Household consumption remained stable over the first half. **Overall, the Group's organic growth for first-half 2010 came in at 1.0% (including a positive 0.9% volume impact and a positive 0.1% price effect).**

Thanks to the cost savings achieved, **Saint-Gobain's operating margin widened significantly, to 7.4%** versus 5.0% for first-half 2009, with a positive contribution from all of the Group's major geographic areas.

1°) Performance of Group Business Sectors

Innovative Materials delivered **the Group's best organic growth performance**, at 13.8%. Trading for the Sector gained momentum in the second quarter compared to the first (up 17.0% versus 10.4%). The rebound in markets linked to industrial output intensified over the three months to June 30, both in North America and Western Europe. The Business Sector was also buoyed by very strong growth in Asia and emerging countries throughout the first half. Together with the positive impact of the Group's restructuring programs, this helped drive a **very significant rise in the Sector's operating margin to 10.4%** from 2.7% in first-half 2009.

- **Flat Glass reported a 10.1% rise in like-for-like sales over the first half**, following on from the 9.6% increase in the three months to March 30. This was powered by the strong rally in the global automotive market and robust growth in Asia and emerging countries, which accounted for 40% of the business' sales. In contrast, sales of Flat Glass for the building industry in Western Europe continued to be hit by sluggish construction markets, though they showed a relative improvement in the second quarter. Despite the steep price increases for commodity products (float glass) in Europe in first-half 2010, sales prices for construction glass and for Flat Glass as a whole remained slightly under 2009 levels, due mainly to the time-lag in passing float glass price increases onto processed products. **The operating margin was up sharply, at 7.8% of sales** versus 0.6% of sales for first-half 2009.
- **High-Performance Materials (HPM) like-for-like sales surged 19.1% during the six months to June 30**, powered by a 26.3% rise in the second quarter. This reflects the increased pace of recovery in worldwide industrial output over the three months to June 30, particularly in North America and to a lesser extent in Europe. Although trading for the business remained significantly below its pre-crisis level, **the strong upsurge in the operating margin owing to enhanced operating leverage puts it virtually back to its first-half 2008 level, at 13.5% of sales** compared with 5.5% of sales in first-half 2009.

Like-for-like sales for Construction Products (CP) remained stable over first-half 2010, with the 2.9% sales advance in the second quarter fully offsetting the 3.3% drop in sales over the three months to March 30 due to very poor weather conditions. The **Business Sector's operating margin continued on an upward trend, at 10.1%** versus 9.1% in first-half 2009, thanks mainly to the cost savings achieved.

- **Like-for-like sales for the Interior Solutions business slipped 3.6% over the first half, but edged up 0.9% in the three months to June 30**. This chiefly reflects the relative improvement in market conditions across North America and all of Europe over the last few months. Markets in Asia and Latin America continued to enjoy vigorous growth throughout the first half. Despite the sales price increases implemented in the US during the second quarter, prices on average remained slightly below the same year-ago period. **Operating margin remained stable, at 6.8%** versus 6.7% in first-half 2009.

- **Like-for like sales in the Exterior Solutions business rose 3.4%** over the first half, and 4.5% over the second quarter, buoyed by brisk trading conditions in Asia and Latin America, and strong sales of exterior products in the US, which offset the sales decline in Europe. The rise in sales prices observed in the first quarter also gathered pace in the three months to June 30, against a backdrop of rising raw material costs. As a result, and thanks to the impact of restructuring efforts, **the operating margin continued to improve, up from 11.2% to 13%**.

Building Distribution continued to be affected by persistently tough conditions on European construction markets throughout the first half and by very slack trading in the first two months of the year due to harsh winter weather. **First-half sales for the Sector therefore fell 4.1% but were virtually flat in the second quarter (down 0.1%)**. This stability reflects widely contrasting trends across Europe: while trading recovered in the UK, Scandinavia and Germany, there was a further decline in Southern and Eastern Europe as well as in the Netherlands, and a more moderate slowdown in France. **The Business Sector's operating margin improved, up to 2.4% of sales** from 1.4% of sales in the year-earlier period, owing mainly to the cost savings achieved.

Packaging continued to report robust trading conditions and earnings, which remained broadly stable year-on-year. **The Sector's operating margin narrowed slightly, to 12.9% of sales** versus 13.4% of sales in first-half 2009, due to a more significant reduction in its inventories than in first-half 2009.

2°) Analysis by geographic area

The analysis of trading by geographic area reveals a sharp contrast between (i) the Americas and Asia (27% of consolidated sales), which delivered overall double-digit growth in the first half, and (ii) Western and Eastern Europe, which continued to underperform first-half 2009, despite a slight 0.5% sales advance in the second quarter. However, **profitability improved significantly across all regions**, buoyed chiefly by the impact of cost reduction programs.

- In **France and other Western European countries**, like-for-like sales fell 1.9% and 1.7%, respectively, over the first half, although organic growth was respectively 1.1% and 1.7% in the second quarter. The strong rebound in markets related to industrial output over the period as a whole, and the gradual improvement in construction markets as from March, failed to wholly offset the impact of cold winter weather in the first two months of the year. The **operating margin improved**, in both France and other Western European countries.
- **North America** posted **organic growth of 11.4%** over first-half 2010 (16.3% in the second quarter), bolstered by a sharp rally in businesses linked to industrial output and a robust performance from all other businesses except Interior Solutions, which suffered from continuing weakness in construction markets. The region's **operating margin**, which was also boosted by the restructuring measures completed, continued to improve, up to **12.0% of sales** versus 8.8% of sales in the same year-ago period.
- **Organic growth in emerging countries and Asia also picked up pace** during the second quarter, at 10.4% versus 8.3% in the three months to March 30, reflecting both bullish conditions in Asia and Latin America and the relative improvement in Central and Eastern European economies – particularly Poland – in the second quarter as compared to the first. The operating margin **came in at 9.1% of sales**, versus 4.5% one year earlier.

Analysis of the interim consolidated financial statements for first-half 2010

The interim consolidated financial statements set out below were authorized for issue by the Board of Directors on July 29, 2010:

	H1 2009 €m	H1 2010 €m	% change
Sales and ancillary revenue	18,715	19,529	+4.3%
Operating income	930	1,445	+55.4%
Non-operating costs	(264)	(193)	-26.9%
EBITDA (op. inc. + operating depreciation/amortization)	1,686	2,220	+31.7%
Capital gains and losses on disposals and exceptional asset write-downs	(65)	(51)	-21.5%
Business income	601	1,201	+99.8%
Net financial expense	(412)	(387)	-6.1%
Income tax	(53)	(279)	n.m.
Share in net income of associates	2	3	+50.0%
Income before minority interests	138	538	+289.9%
Minority interests	(10)	(37)	+270.0%
Recurring net income¹	210	580	+176.2%
Recurring¹ earnings per share² (in €)	0.41	1.09	+165.9%
Net income (attributable to equity holders of the parent)	128	501	+291.4%
Earnings per share² (in €)	0.25	0.94	+276.0%
Operating depreciation and amortization	756	775	+2.5%
Cash flow from operations ³	1,079	1,431	+32.6%
Cash flow from operations excluding capital gains tax⁴	1,064	1,419	+33.4%
Capital expenditure	514	432	-16.0%
Free cash flow (excluding capital gains tax)⁴	550	987	+79.5%
Investments in securities	164	36	-78.0%
Net debt	10,890	9,081	-16.6%

1 Excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

2 Calculated based on the number of shares outstanding at June 30 (530,786,373 shares in 2010 versus 512,893,494 shares in 2009). Based on the weighted average number of shares outstanding (509,735,208 shares in first-half 2010 versus 439,305,156 shares in first-half 2009), recurring earnings per share comes out at €1.14 (€0.48 in first-half 2009), and earnings per share comes out at €0.98 (€0.29 in first-half 2009).

3 Excluding material non-recurring provisions.

4 Excluding the tax effect of capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

Sales increased 4.3%, powered by a strong 3.0% positive currency impact. This reflects the appreciation of most other currencies against the euro, particularly Scandinavian currencies and currencies of the main emerging countries in which the Group operates – especially the Brazilian real. **On a constant exchange rate basis*, sales therefore climbed 1.3%**. Changes in the scope of consolidation had a mild 0.3% positive impact on sales. **Like-for-like (constant Group structure and exchange rates), Group sales rose 1.0%, including a positive 0.9% volume impact and a positive 0.1% price effect.**

Thanks chiefly to the cost savings achieved, the Group's **operating income increased sharply compared to both first-half 2009 (up 55% or 50% at constant exchange rates*), and the six months to December 31, 2009 (up 12.4%)**. This fueled a **steep rise in the operating margin, which climbed to 7.4% of sales (10.7% excluding Building Distribution)**, versus 5.0% of sales (7.6% excluding Building Distribution) in first-half 2009 and 6.7% (9.1% excluding Building Distribution) in the six months to December 31, 2009.

EBITDA (operating income + operating depreciation and amortization) moved up 31.7%. The consolidated EBITDA margin came in at **11.4% of sales (16.2% excluding Building Distribution)**, versus 9.0% (13.3% excluding Building Distribution) in first-half 2009.

Non-operating costs fell 26.9% to €193 million (€264 million in first-half 2009), thanks to lower restructuring costs. They also include a €37.5 million accrual to the provision for asbestos-related litigation involving CertainTeed in the United States (unchanged from first-half 2009).

The net balance of capital gains and losses on disposals and exceptional asset write-downs was a negative €51 million, including €58 million in exceptional asset write-downs. Most of these write-downs relate to restructuring plans and site closures initiated during the period.

Business income totaled €1,201 million for the period, twice the figure for first-half 2009 after taking into account the items mentioned above (non-operating costs, capital gains/losses on disposals and exceptional asset write-downs).

Net financial expense fell slightly to €387 million from €412 million in first-half 2009. This chiefly reflects the net debt reduction. **The average cost of net debt in the first half of 2010 came out at 5.5%**, versus 5.4% in the six months to June 30, 2009.

Income tax rose sharply from €53 million to €279 million, reflecting chiefly the rise in pre-tax income and, to a lesser extent, the business tax reform introduced in France as of January 1, 2010, which led the Group to reclassify the new CVAE ("Cotisation sur la Valeur Ajoutée des Entreprises") tax as income tax.

Recurring net income (excluding capital gains and losses, exceptional asset write-downs and material non-recurring provisions) leapt **176.2% year-on-year, to €580 million**. Based on the number of shares outstanding at June 30, 2010 (530,786,373 shares versus 512,893,494 shares at June 30, 2009), **recurring earnings per share came out at €1.09, up 165.9% on first-half 2009 (€0.41)**.

Net income surged 291.4% year-on-year to €501 million. Based on the number of shares outstanding at June 30, 2010 (530,786,373 shares versus 512,893,494 shares at June 30, 2009), **earnings per share was €0.94, up 276% on first-half 2009 (€0.25)**.

Capital expenditure retreated 16.1% to **€432 million** (€514 million in the six months to June 30, 2009), accounting for **2.2% of sales** (2.7% of sales in first-half 2009). Most of these investments (58%) related to energy efficiency (Flat Glass – including Solar Power – and Construction Products), and to selective growth projects in Asia and emerging countries.

Cash flow from operations totaled **€1,431 million** in first-half 2010, up 32.6% on the same period in 2009. Before the tax impact of capital gains and losses on disposals and asset write-downs, cash flow from operations climbed 33.4% to €1,419 million, up from €1,064 million in first-half 2009.

* Based on average exchange rates for first-half 2009.

Free cash flow (cash flow from operations less capital expenditure) jumped 77.0% to €999 million. Before the tax impact of capital gains and losses on disposals and asset write-downs, **free cash flow was up 79.5% to €987 million, or 5.0% of sales** (2.9% of sales in first-half 2009). Consequently, the Group has already virtually achieved its initial target of €1 billion in free cash flow for full-year 2010.

The difference between EBITDA and capital expenditure increased 52.6% to €1,788 million in first-half 2010, versus €1,172 million in the year-earlier period, representing 9.2% of sales (6.3% in first-half 2009).

After seven years of continuous improvements, **operating working capital requirements (WCR)** were further cut by 2 days (to 45 days' sales at June 30, 2010), despite the negative impact of the "LME" ("Loi de Modernisation Financière") in France and the depreciation of the euro. This represents a **cash gain of €421 million over 12 months**.

Investments in securities totaled **€36 million** (down 78% on first-half 2009), and primarily related to acquisitions in solar power and energy efficiency as well as in emerging countries for the High-Performance Materials Sector.

Net debt stood at €9.1 billion at June 30, 2010, **down €1.8 billion, or 16.6%**, on June 30, 2009 (€10.9 billion) on the back of the strong free cash flow generated and the improvements in working capital requirements unlocked over the last 12 months. Net debt came out at **51% of shareholders' equity**, compared with 67% at June 30, 2009. **The net debt to EBITDA ratio came out at 2.1X, versus 2.7X a year earlier.**

Update on asbestos claims in the US

Some 2,000 claims were filed against CertainTeed in the six months to June 30, 2010, as in first-half 2009. During the same period, 2,000 claims were settled (versus 3,000 in first-half 2009), bringing the total number of outstanding claims to **64,000** at June 30, 2010, stable compared to December 31, 2009. A total of USD 96 million in indemnity payments were made in the United States over the 12 months to June 30, 2010, versus USD 77 million in the year to December 31, 2009.

Strong capacity to adapt to changes in the Group's markets

In a persistently fragile economic climate marked by sharply contrasting trends from one country to the next, in first-half 2010 Saint-Gobain again demonstrated its strong capacity to adapt to changes in its markets. The Group continued to scale back costs in businesses and/or countries still affected by lackluster markets, while leveraging development opportunities in businesses and countries enjoying fast-paced growth.

In the first half of 2010, Saint-Gobain:

- continued to give clear operating priority to **sales prices, which inched up 0.1% over the period and 0.8% in the second quarter**.
- extended its **cost cutting program** across all of its businesses:
 - **€450 million in additional cost savings** were unlocked in first-half 2010 compared with the six months to June 30, 2009, including €400 million carried over from second-half 2009 and €50 million regarding the program launched at the beginning of 2010 targeting additional savings of €200 million over the year;
 - **for full-year 2010, the Group confirms its target of €600 million in additional cost savings compared to 2009**, bringing the total cost savings realized in 2008, 2009 and 2010 to **€2.1 billion**.
- continued to optimize **free cash flow generation**, by:
 - maintaining a tight rein on operating working capital requirements (WCR), **which fell by €421 million** (a reduction of 2 days' sales) over the 12 months to June 30, 2010;

- **generating €1,456 million in free cash flow over the 12 months to June 30, 2010** (excluding the tax impact of capital gains and losses on disposals, exceptional asset write-downs and material non-recurring provisions).

Accordingly, **over the 12 months to end-June, the Group exceeded its all-time high recorded at June 30, 2009** (€1,797 million), and generated **€1,877 million in free cash flow after operating WCR.**

- **curbed investment expenditure (capex and investments in securities), which totaled €468 million**, representing a reduction of 31% year-on-year.
- **continued to reorganize its HPM portfolio**, by selling its “Advanced Ceramics” business** on very favorable financial terms, while carrying out various acquisitions in emerging countries.
- Thanks to these measures, coupled with the payment of 72% of the 2009 dividend in stock, **the Group paid down €1.8 billion in net debt** (over one year) and **strengthened its balance sheet: the gearing ratio has been cut to 51% versus 67% at June 30, 2009.**
- **The Group’s development in fast-growing businesses and countries also continued apace in first-half 2010, accounting for 58% of its capital expenditure.**

In the second half of the year, the Group will continue to resolutely pursue its policy of adapting to change on an ongoing basis.

Outlook and objectives for full-year 2010

After broadly encouraging trading conditions in the six months to June 30, 2010 – and especially in the second quarter – the Group expects the global economic climate to remain fragile in second-half 2010, with varying trends from one country to the next. However, the overall improvement observed since the beginning of the year should continue, with:

- ongoing vigorous growth in **Latin America and Asia**. Conditions should remain broadly challenging in most **Eastern European** countries, with the exception of Poland, which should confirm and accelerate its return to growth.
- continuing strong momentum in **North America** for Group businesses related to industrial output and household consumption. In construction, market conditions should remain fragile, but improve on the whole.
- consolidation of the relative improvement observed since March in **Western European** residential construction markets. However, trends will continue to vary widely from one country to the next (recovery in the UK, Scandinavia and Germany; further decline in Southern Europe; relative stabilization in France). Industrial markets are expected to remain healthy.

For the Group as a whole, these trends should help confirm the slight pick-up in sales volumes and ongoing improvement in operations in the second half, despite a higher comparison basis, especially in the fourth quarter.

Along the lines of the achievements of the six months to June 30, the Group will continue to pursue its **action plan priorities**, and:

- continue to give priority to **sales prices**, following the 0.8% rise in the second quarter.
- **continue to demonstrate its ability to adapt to changing market conditions**. In particular, in the second half of the year it will complete its €200 million cost cutting program for 2010, resulting in €600 million more cost savings than in 2009.
- pursue R&D efforts.
- maintain **strict financial discipline**.

** with effect from second-half 2010.

- lastly, thanks to its enhanced financial structure and financial potential, it will stand ready to **leverage any growth opportunities** that arise in its markets, through a highly selective investment policy (capex and investments in securities) focused on Asia and emerging countries, energy efficiency and solar power. This policy will be intensified in the second half of 2010 as compared with the first.

Accordingly, for **full-year 2010**, the Group:

- **is confirming its objective of strong growth in operating income** at constant exchange rates (2009 exchange rates), with **operating income for second-half 2010 slightly above the first half**.

- **is raising its free cash flow target** of above €1 billion (already achieved in first-half 2010) **to €1.4 billion**, despite a higher level of capital expenditure in the second half.

The Group will also seek to maintain a robust financial structure.

Forthcoming results announcement

- Sales for the first nine months of 2010: **October 21, 2010**, after close of trading on the Paris Bourse.

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Appendix 1: Results by business sector and geographic area

I. SALES	H1 2009 (in EUR m)	H1 2010 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis
By sector and division:					
Innovative Materials (1)	3,802	4,535	+19.3%	+18.9%	+13.8%
Flat Glass	2,198	2,537	+15.4%	+15.8%	+10.1%
High-Performance Materials	1,611	2,010	+24.8%	+23.4%	+19.1%
Construction Products (1)	5,233	5,422	+3.6%	+3.1%	+0.0%
Interior Solutions	2,539	2,535	-0.2%	-0.7%	-3.6%
Exterior Solutions	2,710	2,903	+7.1%	+6.5%	+3.4%
Building Distribution	8,445	8,322	-1.5%	-1.8%	-4.1%
Packaging	1,744	1,760	+0.9%	+0.9%	-0.2%
<i>Internal sales and misc.</i>	<i>-509</i>	<i>-510</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Group Total	18,715	19,529	+4.3%	+4.0%	+1.0%

(1) including intra-sector eliminations

By geographic area:					
France	5,895	5,786	-1.8%	-1.9%	-1.9%
Other Western European countries	8,099	8,161	+0.8%	+0.7%	-1.7%
North America	2,501	2,846	+13.8%	+12.7%	+11.4%
Emerging countries and Asia	2,948	3,631	+23.2%	+21.7%	+9.6%
<i>Internal sales</i>	<i>-728</i>	<i>-895</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Group Total	18,715	19,529	+4.3%	+4.0%	+1.0%

II. OPERATING INCOME	H1 2009 (in EUR m)	H1 2010 (in EUR m)	Change on an actual structure basis	H1 2009 (in % of sales)	H1 2010 (in % of sales)
By sector and division:					
Innovative Materials	101	471	+366.3%	2.7%	10.4%
Flat Glass	13	199	+1430.8%	0.6%	7.8%
High-Performance Materials	88	272	+209.1%	5.5%	13.5%
Construction Products	474	549	+15.8%	9.1%	10.1%
Interior Solutions	171	173	+1.2%	6.7%	6.8%
Exterior Solutions	303	376	+24.1%	11.2%	13.0%
Building Distribution	116	197	+69.8%	1.4%	2.4%
Packaging	233	227	-2.6%	13.4%	12.9%
Miscellaneous	6	1	n.m.	n.m.	n.m.
Group Total	930	1,445	+55.4%	5.0%	7.4%

By geographic area:					
France	316	358	+13.3%	5.4%	6.2%
Other Western European countries	260	415	+59.6%	3.2%	5.1%
North America	221	342	+54.8%	8.8%	12.0%
Emerging countries and Asia	133	330	+148.1%	4.5%	9.1%
Group Total	930	1,445	+55.4%	5.0%	7.4%

III. BUSINESS INCOME	H1 2009 (in EUR m)	H1 2010 (in EUR m)	Change on an actual structure basis	H1 2009 (in % of sales)	H1 2010 (in % of sales)
By sector and division:					
Innovative Materials	-58	382	+758.6%	-1.5%	8.4%
Flat Glass	-98	153	+256.1%	-4.5%	6.0%
High-Performance Materials	40	229	+472.5%	2.5%	11.4%
Construction Products	420	483	+15.0%	8.0%	8.9%
Interior Solutions	139	122	-12.2%	5.5%	4.8%
Exterior Solutions	281	361	+28.5%	10.4%	12.4%
Building Distribution	71	160	+125.4%	0.8%	1.9%
Packaging	218	217	-0.5%	12.5%	12.3%
Miscellaneous	-50 (a)	-41 (a)	n.m.	n.m.	n.m.
Group Total	601	1,201	+99.8%	3.2%	6.1%

By geographic area:					
France	282	310	+9.9%	4.8%	5.4%
Other Western European countries	101	336	+232.7%	1.2%	4.1%
North America	121(a)	257(a)	+112.4%	4.8%	9.0%
Emerging countries and Asia	97	298	+207.2%	3.3%	8.2%
Group Total	601	1,201	+99.8%	3.2%	6.1%

(a) after asbestos-related charge (before tax) of €37.5m in H1 2009 and in H1 2010

IV. CASH FLOW	H1 2009 (in EUR m)	H1 2010 (in EUR m)	Change on an actual structure basis	H1 2009 (in % of sales)	H1 2010 (in % of sales)
By sector and division:					
Innovative Materials	123	463	+276.4%	3.2%	10.2%
Flat Glass	41	235	+473.2%	1.9%	9.3%
High-Performance Materials	82	228	+178.0%	5.1%	11.3%
Construction Products	332	403	+21.4%	6.3%	7.4%
Building Distribution	80	149	+86.3%	0.9%	1.8%
Packaging	260	250	-3.8%	14.9%	14.2%
Miscellaneous	284 (a)	166 (a)	n.m.	n.m.	n.m.
Group Total	1,079	1,431	+32.6%	5.8%	7.3%

By geographic area:					
France	299	229	-23.4%	5.1%	4.0%
Other Western European countries	359	500	+39.3%	4.4%	6.1%
North America	235(a)	290(a)	+23.4%	9.4%	10.2%
Emerging countries and Asia	186	412	+121.5%	6.3%	11.3%
Group Total	1,079	1,431	+32.6%	5.8%	7.3%

(a) after asbestos-related charge (after tax) of €23m in H1 2009 and in H1 2010

V. CAPITAL EXPENDITURE	H1 2009 (in EUR m)	H1 2010 (in EUR m)	Change on an actual structure basis	H1 2009 (in % of sales)	H1 2010 (in % of sales)
By sector and division:					
Innovative Materials	209	151	-27.8%	5.5%	3.3%
Flat Glass	150	116	-22.7%	6.8%	4.6%
High-Performance Materials	59	35	-40.7%	3.7%	1.7%
Construction Products	135	97	-28.1%	2.6%	1.8%
Interior Solutions	88	43	-51.1%	3.5%	1.7%
Exterior Solutions	47	54	+14.9%	1.7%	1.9%
Building Distribution	67	63	-6.0%	0.8%	0.8%
Packaging	96	114	+18.8%	5.5%	6.5%
Miscellaneous	7	7	n.m.	n.m.	n.m.
Group Total	514	432	-16.0%	2.7%	2.2%

By geographic area:					
France	106	77	-27.4%	1.8%	1.3%
Other Western European countries	170	133	-21.8%	2.1%	1.6%
North America	73	66	-9.6%	2.9%	2.3%
Emerging countries and Asia	165	156	-5.5%	5.6%	4.3%
Group Total	514	432	-16.0%	2.7%	2.2%

IV. EBITDA	H1 2009 (in EUR m)	H1 2010 (in EUR m)	Change on an actual structure basis	H1 2009 (in % of sales)	H1 2010 (in % of sales)
By sector and division:					
Innovative Materials	335	715	+113.4%	8.8%	15.8%
Flat Glass	156	352	+125.6%	7.1%	13.9%
High-Performance Materials	179	363	+102.8%	11.1%	18.1%
Construction Products	731	811	+10.9%	14.0%	15.0%
Interior Solutions	336	341	+1.5%	13.2%	13.5%
Exterior Solutions	395	470	+19.0%	14.6%	16.2%
Building Distribution	257	336	+30.7%	3.0%	4.0%
Packaging	344	344	+0.0%	19.7%	19.5%
Miscellaneous	19	14	n.m.	n.m.	n.m.
Group Total	1,686	2,220	31.7%	9.0%	11.4%

By geographic area:					
France	505	547	+8.3%	8.6%	9.5%
Other Western European countries	535	687	+28.4%	6.6%	8.4%
North America	347	466	+34.3%	13.9%	16.4%
Emerging countries and Asia	299	520	+73.9%	10.1%	14.3%
Group Total	1,686	2,220	+31.7%	9.0%	11.4%

Appendix 2: Sales by business sector and geographic area - Second Quarter

SALES	Q2 2009 (in EUR m)	Q2 2010 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis
By sector and division:					
Innovative Materials (1)	1,938	2,429	+25.3%	+24.8%	+17.0%
Flat Glass	1,148	1,344	+17.1%	+17.3%	+10.5%
High-Performance Materials	793	1,089	+37.3%	+35.4%	+26.3%
Construction Products (1)	2,777	3,009	+8.4%	+7.8%	+2.9%
Interior Solutions	1,259	1,344	+6.8%	+5.3%	+0.9%
Exterior Solutions	1,526	1,674	+9.7%	+9.7%	+4.5%
Building Distribution	4,534	4,659	+2.8%	+2.6%	-0.1%
Packaging	943	973	+3.2%	+3.1%	-0.1%
<i>Internal sales and misc.</i>	<i>-258</i>	<i>-278</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Group Total	9,934	10,792	+8.6%	+8.3%	+3.9%

(1) including intra-sector eliminations

By geographic area:					
France	3,074	3,108	+1.1%	+1.1%	+1.1%
Other Western European countries	4,343	4,539	+4.5%	+4.4%	+1.7%
North America	1,273	1,597	+25.5%	+24.1%	+16.3%
Emerging countries and Asia	1,609	2,022	+25.7%	+24.7%	+10.4%
<i>Internal sales</i>	<i>-365</i>	<i>-474</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Group Total	9,934	10,792	+8.6%	+8.3%	+3.9%

Appendix 3: Consolidated balance sheet

<i>(in € millions)</i>	June 30, 2010	Dec 31, 2009
ASSETS		
Goodwill	11,413	10,740
Other intangible assets	3,098	2,998
Property, plant and equipment	13,718	13,300
Investments in associates	130	123
Deferred tax assets	902	676
Other non-current assets	272	312
Non-current assets	29,533	28,149
Inventories	5,941	5,256
Trade accounts receivable	6,265	4,926
Current tax receivable	119	333
Other accounts receivable	1,341	1,202
Assets held for sale	151	
Cash and cash equivalents	1,488	3,157
Current assets	15,305	14,874
Total assets	44,838	43,023
Liabilities and Shareholders' equity		
Capital stock	2,123	2,052
Additional paid-in capital and legal reserve	5,779	5,341
Retained earnings and net income for the year	9,841	10,137
Cumulative translation adjustments	48	(1,340)
Fair value reserves	(63)	(75)
Treasury stock	(205)	(203)
Shareholders' equity	17,523	15,912
Minority interests	343	302
Total equity	17,866	16,214
Long-term debt	7,873	8,839
Provisions for pensions and other employee benefits	3,574	2,958
Deferred tax liabilities	892	921
Provisions for other liabilities and charges	2,280	2,169
Non-current liabilities	14,619	14,887
Current portion of long-term debt	1,416	1,880
Current portion of provisions for other liabilities and charges	530	518
Trade accounts payable	5,616	5,338
Current tax liabilities	124	108
Other accounts payable	3,349	3,086
Liabilities held for sale	38	
Short-term debt and bank overdrafts	1,280	992
Current liabilities	12,353	11,922
Total equity and liabilities	44,838	43,023

Appendix 4: Consolidated cash flow statement

(in € millions)

	H1 2010	H1 2009
Net income attributable to equity holders of the parent	501	128
Minority interests in net income	37	10
Share in net income of associates, net of dividends received	(1)	
Depreciation, amortization and impairment of assets	830	823
Gains and losses on disposals of assets	(9)	(2)
Unrealized gains and losses arising from changes in fair value and share-based payments	32	88
Changes in inventories	(416)	240
Changes in trade accounts receivable and payable, and other accounts receivable and payable	(1,011)	(785)
Changes in tax receivable and payable	211	(93)
Changes in deferred taxes and provisions for other liabilities and charges	(106)	(127)
Net cash from operating activities	68	282
Purchases of property, plant and equipment [H1-2010: (432), H1-2009: (514)] and intangible assets	(451)	(538)
Acquisitions of property, plant and equipment in finance leases	(3)	(12)
Increase (decrease) in amounts due to suppliers of fixed assets	(152)	(242)
Acquisitions of shares in consolidated companies [H1-2010: (33), H1-2009: (162)], net of debt acquired	(70)	(152)
Acquisitions of other investments	(3)	(2)
Increase in investment-related liabilities	21	25
Decrease in investment-related liabilities	(13)	(35)
Investments	(671)	(956)
Disposals of property, plant and equipment and intangible assets	45	36
Disposals of shares in consolidated companies, net of net debt divested	13	1
Disposals of other investments and other divestments	9	6
Divestments	67	43
Increase in loans and deposits	(27)	(23)
Decrease in loans and deposits	20	33
Net cash used in investing activities / divestments	(611)	(903)
Issues of capital stock	509	1,922
Minority interests' share in capital increases of subsidiaries	2	1
(Increase) decrease in treasury stock	(4)	(6)
Dividends paid	(509)	(486)
Dividends paid to minority shareholders of consolidated subsidiaries and increase (decrease) in dividends payable	100	148
Net Cash from (used in) financing activities	98	1,579
Increase (decrease) in net debt	(445)	(958)
Net effect of exchange rate changes on net debt	(87)	(91)
Net effect from changes in fair value on net debt	5	(78)
Net debt at beginning of period	(8,554)	(11,679)
Net debt at end of period	(9,081)	(10,890)