PRESS RELEASE

Paris, July 28, 2016

First-half 2016 results

Organic growth in all three business sectors and in all regions
Significant improvement in results across the board

- Organic growth at 2.9% with a sharp 3.5% improvement in volumes buoyed partly by the positive impact of a greater number of working days
- Negative 0.6% price impact in a still deflationary environment in terms of prices and raw material and energy costs
- Negative 3.5% currency impact on sales and negative 1.0% Group structure impact
- Operating income up 7.3% on a reported basis and up 10.2% like-for-like
- Significant 13.0% rise in recurring net income and free cash flow
- Buyback and cancellation of around 11 million shares in the first half
- Recurring EPS[1] up 16.5%
- Objectives for full-year 2016 confirmed; like-for-like improvement in operating income expected in the second half versus second-half 2015

(€m)	H1 2015	**H1 2016**	**Change**	**Change** like-for-like
Sales	19,860	**19,549**	**-1.6%**	**+2.9%**
EBITDA	1,886	**1,957**	**+3.8%**	
Operating income	1,275	**1,368**	**+7.3%**	**+10.2%**
Recurring net income[2]	552	**624**	**+13.0%**	
Free cash flow[3]	728	**823**	**+13.0%**	

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

"Saint-Gobain's sales for first-half 2016 confirm our February forecasts, with France stabilizing and all regions making a strong contribution to growth. Our strategy of investing in emerging markets provides us with a diversified platform for profitable growth. Our first-half results also benefited from efforts to optimize our operations, particularly in Western Europe, and from upbeat trading in the US. The results are in line with our objectives and we expect a like-for-like improvement in operating income for second-half 2016 versus second-half 2015. While the June 23 Brexit vote in the UK has created a climate of uncertainty, it does not affect our objectives."

1. *Recurring earnings per share from continuing operations.*
2. *Recurring net income from continuing operations excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.*
3. *Cash flow from continuing operations excluding the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions less capital expenditure*

Operating performance

First-half **sales** came in at **€19,549 million**, including a significant 3.5% negative **currency impact** resulting namely from the depreciation of Latin American currencies – and to a lesser extent the pound sterling – against the euro.
The negative 1.0% **Group structure impact** is a result of the disposals carried out in 2015 aimed at optimizing the Building Distribution portfolio.

On a like-for-like basis, sales were up **2.9%** on the back of 3.5% volume growth driven partly by the positive impact of a greater number of working days in the second quarter (estimated impact of just over +1% in the first half). All Business Sectors and regions delivered volume growth. In a still deflationary environment in terms of raw material and energy costs, prices remained slightly down, losing 0.6% over the six months to June 30.

The Group's operating income climbed 7.3% on a reported basis and 10.2% like-for-like. **The Group's operating margin[1] rallied to 7.0%**, gaining 0.6 percentage points compared to first-half 2015. All Business Sectors reported margin growth, particularly in industry and to a lesser extent Building Distribution, which was hit by the deflationary environment.

Performance of Group Business Sectors

Innovative Materials like-for-like sales moved up 4.4%, powered by Flat Glass. There was a further significant improvement in the Business Sector's operating margin, which came in at 11.2% versus 10.2% one year earlier.

- The second quarter confirmed the upbeat trends seen early in the year in **Flat Glass**, which posted 6.5% organic growth over the first half. Automotive glass continued to enjoy good momentum in all regions except Brazil. Construction markets remained upbeat in Asia and emerging countries and benefited from the upturn in volumes in Western Europe and a rise in float glass prices. The operating margin continued to recover, at 8.8% versus 7.4% in first-half 2015, buoyed by additional volumes and improved operating leverage.
- **High-Performance Materials (HPM)** like-for-like sales rose 2.0% over the first six months of 2016. Plastics and Textile Solutions performed well; Abrasives delivered organic growth led by prices. Ceramics contracted in the three months to June 30 after a first quarter boosted by high levels in refractories. The operating margin widened to 14.0% from 13.5% in first-half 2015.

Construction Products (CP) like-for-like sales advanced 1.6% over the first half lifted by Interior Solutions, which drove a significant improvement in the Business Sector's operating margin, up to 9.4% compared to 8.7% for the same period in 2015.

- **Interior Solutions** posted 5.2% organic growth in the first half on the back of strong market positions, which allowed it to benefit from good trading in all regions. In a still deflationary environment, volumes proved upbeat in Western Europe (partly helped by the positive impact of a greater number of working days) and in North America. Asia and emerging countries confirmed their good performance as well as the merits of the growth operations carried out in this region over the past few years. The operating margin climbed to 10.2% from 9.0% in first-half 2015.

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

- **Exterior Solutions** like-for-like sales retreated 2.0% over the first half, due solely to the expected decline in Pipe, which was hit by contracting markets in its main regions. However, Exterior Solutions stabilized in the second quarter, helped by an acceleration in volumes for Roofing in the US. Mortars reported organic growth led by Asia and emerging countries and by the improvement in Western Europe, which offset tougher conditions in Brazil. Overall, the operating margin steadied at 8.3%.

Building Distribution like-for-like sales rose 3.1%, with the second-quarter performance buoyed by the positive impact of a greater number of working days. Trading in France benefited from the first signs of an upturn in new-builds, while the renovation market remains sluggish. Germany, the UK and especially Nordic countries continued to report good volume trends. Amid a fall in the cost of goods sold in Europe, prices were down – particularly in France and the UK. The sharp economic slowdown in Brazil continued to take its toll on trading.
The operating margin came in at 2.8% versus 2.6% in first-half 2015, benefiting from an upturn in volumes in Europe but affected by a deflationary environment.

<u>Analysis by region</u>

The Group delivered organic growth in all of its regions in the first half, as trends observed earlier in the first quarter continued in the three months to June 30.

- **France** saw confirmation of stabilizing business over the first half, posting organic growth of 0.6% buoyed by the positive impact of a greater number of working days in the second quarter. New-build activity showed the first signs of improvement, while the renovation market remains sluggish for the time being. The decline in Pipe weighed on first-half results. The operating margin narrowed slightly to 2.4%, hit by the deterioration in Pipe.
- **Other Western European countries** advanced 4.3% over the six months to June 30, with organic growth picking up pace in the second quarter. Besides the positive impact of a greater number of working days, this advance reflects good market conditions in all of the Group's main countries. The region's operating margin continued to rally, at 5.9% versus 5.4% in first-half 2015.
- **North America** reported a 3.6% rise in like-for-like sales in the first half, in line with the three months to March 31. Activity in the construction market again proved upbeat, while industrial markets remained uncertain. The operating margin rallied sharply, up to 11.6% versus 9.5% in first-half 2015, powered by the strong advance in Roofing.
- **Asia and emerging countries** reported further good organic growth, at 4.9% for the first half, led by Eastern Europe and Latin America, despite the slowdown in Brazil. Asia was up, with trading bullish in India, despite a downturn in China. The operating margin continued to improve, at 10.6% of sales versus 10.0% one year earlier.

Analysis of the consolidated financial statements for first-half 2016

The unaudited interim consolidated financial statements for first-half 2016 were subject to a limited review by the statutory auditors and were approved and adopted by the Board of Directors on July 28, 2016.

€m	H1 2015 (A)	H1 2016 (B)	% change (B)/(A)
Sales and ancillary revenue	**19,860**	**19,549**	**-1.6%**
Operating income	**1,275**	**1,368**	**7.3%**
Operating depreciation and amortization	611	589	-3.6%
EBITDA (op. inc. + operating depr./amort.)	1,886	1,957	3.8%
Non-operating costs	(154)	(180)	16.9%
Capital gains and losses on disposals, asset write-downs, corporate acquisition fees and earn-out payments	(41)	(32)	-22.0%
Business income	**1,080**	**1,156**	**7.0%**
Net financial expense	(328)	(287)	-12.5%
Income tax	(236)	(261)	10.6%
Share in net income of associates	0	2	n.s.
Net income from continuing operations	**516**	**610**	**18.2%**
Net income from discontinued operations	**69**	**0**	**n.s.**
Net income before minority interests	**585**	**610**	**4.3%**
Minority interests	27	14	-48.1%
Net attributable income	**558**	**596**	**6.8%**
Earnings per share[2] (in €)	0.98	1.08	10.2%
Net attributable income from continuing operations	**493**	**596**	**20.9%**
Recurring net income from continuing operations[1]	**552**	**624**	**13.0%**
Recurring earnings per share[2] from continuing operations[1] (in €)	0.97	1.13	16.5%
Cash flow from operations[3]	1,195	1,260	5.4%
Cash flow from operations (excluding capital gains tax)[4]	1,185	1,251	5.6%
Capital expenditure	457	428	-6.3%
Free cash flow[5]	**728**	**823**	**13.0%**
Investments in securities	92	68	-26.1%
Net debt	**7,995**	**6,624**	**-17.1%**

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 (552,574,120 in 2016, versus 569,364,905 in 2015).
3. Cash flow from operations = operating cash flow from continuing operations excluding material non-recurring provisions.
4. Cash flow from operations excluding capital gains tax = (3) - tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions.
5. Free cash flow = (4) - capital expenditure of continuing operations.

Consolidated **sales** advanced 2.9% like-for-like, buoyed by volume growth and despite a negative 0.6% price effect in a deflationary environment. On a reported basis, sales were down 1.6%, with a negative 3.5% **currency impact** chiefly resulting from the depreciation of Latin America currencies – and to a lesser extent the pound sterling – against the euro. The negative 1.0% **Group structure impact** essentially reflected disposals carried out in the Building Distribution business in 2015.

Operating income climbed 7.3% based on reported figures, despite a negative currency impact. The operating margin improved to 7.0% of sales versus 6.4% in first-half 2015, buoyed by margin gains in all Business Sectors.
EBITDA (operating income + operating depreciation and amortization) was up 3.8% to €1,957 million, and the EBITDA margin came in at 10.0% of sales versus 9.5% in first-half 2015.

Non-operating costs totaled €180 million, with a rise in restructuring costs compared to the same period in 2015 owing to the roll-out of certain projects earlier than planned. The Group maintains its forecast of a slight decrease in restructuring costs for the year as a whole. The €45 million accrual to the provision for asbestos-related litigation involving CertainTeed in the US is unchanged from the last few half-year periods.
The net balance of capital gains and losses on disposals, asset write-downs and corporate acquisition fees was an expense of just €32 million versus an expense of €41 million in first-half 2015. In line with the increase in operating income, **business income** climbed 7.0% to €1,156 million.

Net financial expense improved significantly, down 12.5% to €287 million from €328 million, mainly reflecting the decrease in net debt; the cost of gross debt remained at 3.9% at June 30, 2016, in line with end-2015.
The income tax rate on recurring net income remained stable at 30%. **Income tax expense** totaled €261 million (€236 million in first-half 2015).
Recurring net income (excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions) jumped 13.0% to €624 million.
Net attributable income was up 6.8% to €596 million but jumped 20.9% excluding net income relating to Verallia in 2015.

Capital expenditure fell to €428 million including a negative currency impact (€457 million for the same period in 2015). Capex represented 2.2% of sales compared to 2.3% in the same period one year earlier.
Cash flow from operations rose 5.4% to €1,260 million; before the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions, cash flow from operations advanced 5.6% to €1,251 million and **free cash flow** rose 13.0% to €823 million (4.2% of sales versus 3.7% in first-half 2015).

The difference between EBITDA and capital expenditure improved, up 7.0% to €1,529 million (€1,429 million in first-half 2015), representing 7.8% of sales (7.2% in first-half 2015).
Operating working capital requirements (operating WCR) totaled €4,244 million (€4,448 million at June 30, 2015) and represented 39.1 days' sales, an improvement of 1.7 days year-on-year, owing chiefly to the decrease in inventories.
Investments in securities were limited, at €68 million (€92 million in first-half 2015) and correspond to small-scale acquisitions in the three business sectors.
Net debt fell 17.1% from €8.0 billion at June 30, 2015 to €6.6 billion at June 30, 2016, reflecting the favorable impact of the Verallia disposal in second-half 2015, partly offset by the dividend paid out in June 2016 compared to the payment in July 2015, and by the €857 million in share buybacks over the last two half-year periods. Net debt represents 36% of consolidated equity, compared to 40% at end-June 2015.
The net debt to EBITDA ratio on a rolling 12-month basis came in at 1.7, compared to 2.1 one year earlier.

Update on asbestos claims in the US

Some 1,700 claims were filed against CertainTeed in the first half of 2016 (versus 2,000 claims in first-half 2015).
At the same time, around 2,100 claims were settled (versus 2,000 in first-half 2015), bringing the total number of outstanding claims at June 30, 2016 to around 35,200, down slightly on December 31, 2015 (35,600 claims).
A total of USD 89 million in indemnity payments were made in the US in the 12 months to June 30, 2016, versus USD 65 million in the year to December 31, 2015, reflecting the catch-up in payments in respect of settlements still to be documented.

2016 outlook and action priorities

After a first half in line with our forecasts, our outlook for the second half is as follows:

- **France** should gradually benefit from the recovery in new-builds after stabilizing over the six months to June 30.
- **Other Western European countries** should continue to deliver growth, even though the UK could be hit by uncertainties following the June 23 Brexit vote.
- **North America** should advance despite uncertainty in industrial markets.
- **Asia and emerging countries** should continue to see good organic growth for our businesses, despite the contraction in Brazil.

The Group confirms its **action priorities for the year as a whole**:

- keep its **priority focus on sales prices** in a deflationary environment;
- unlock **additional savings** of around **€250 million** (calculated on the 2015 cost base), including €150 million in the first half;
- pursue a **capital expenditure program of around €1,400 million**;
- renew its **commitment to invest in R&D** in order to support its strategy of differentiated, high value-added solutions;
- keep its **priority focus on high free cash flow generation;**
- pursue its plan to **acquire a controlling interest in Sika.**

In line with its long-term objectives, **the Group bought back 10.9 million shares** and canceled 11 million shares in the first six months of 2016.

The Group confirms its objectives for 2016 and expects a like-for-like improvement in operating income in the second half versus second-half 2015.

Financial calendar

- An information meeting will be held *at 8:30am (GMT + 1) on July 29, 2016* and will be broadcast live on www.saint-gobain.com

- Sales for the first nine months of 2016: *October 27, 2016*, after close of trading on the Paris Bourse.

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All indicators contained in this press release (not defined in the footnotes) are explained in the notes to the financial statements in the interim financial report, available by clicking here: https://www.saint-gobain.com/en/finance/regulated-information/half-yearly-financial-report

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

Cash flow from operations	*Note 3*
Net debt	*Note 7*
EBITDA	*Note 3*
Non-operating costs	*Note 3*
Operating income	*Note 3*
Net financial expense	*Note 7*
Recurring net income	*Note 3*
Business income	*Note 3*

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.

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Appendix 1 : Results by business sector and geographic area

I. SALES	H1 2015 (in EUR m)	H1 2016 (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]	**4,922**	**4,912**	**-0.2%**	**-0.4%**	**+4.4%**
Flat Glass	2,633	2,656	+0.9%	+0.8%	+6.5%
High-Performance Materials	2,297	2,264	-1.4%	-1.8%	+2.0%
Construction Products [1]	**6,079**	**6,008**	**-1.2%**	**-2.1%**	**+1.6%**
Interior Solutions	3,197	3,297	+3.1%	+2.0%	+5.2%
Exterior Solutions	2,913	2,753	-5.5%	-6.2%	-2.0%
Building Distribution	**9,338**	**9,104**	**-2.5%**	**+0.6%**	**+3.1%**
Internal sales and misc.	*-479*	*-475*	*n.m.*	*n.m.*	*n.m.*
Group Total	**19,860**	**19,549**	**-1.6%**	**-0.6%**	**+2.9%**

[1] *including intra-sector eliminations*

By geographic area:					
France	5,282	5,270	-0.2%	+0.6%	+0.6%
Other Western European countries	8,574	8,660	+1.0%	+1.6%	+4.3%
North America	2,738	2,674	-2.3%	+3.1%	+3.6%
Emerging countries and Asia	4,219	3,956	-6.2%	-6.5%	+4.9%
Internal sales	-953	*-1,011*	*n.m.*	*n.m.*	*n.m.*
Group Total	**19,860**	**19,549**	**-1.6%**	**-0.6%**	**+2.9%**

II. OPERATING INCOME	H1 2015 (in EUR m)	H1 2016 (in EUR m)	Change on an actual structure basis	H1 2015 (in % of sales)	H1 2016 (in % of sales)
By sector and division:					
Innovative Materials	**504**	**552**	**+9.5%**	**10.2%**	**11.2%**
Flat Glass	194	234	+20.6%	7.4%	8.8%
High-Performance Materials	310	318	+2.6%	13.5%	14.0%
Construction Products	**529**	**564**	**+6.6%**	**8.7%**	**9.4%**
Interior Solutions	288	335	+16.3%	9.0%	10.2%
Exterior Solutions	241	229	-5.0%	8.3%	8.3%
Building Distribution	**242**	**253**	**+4.5%**	**2.6%**	**2.8%**
Misc.	0	-1	n.m.	n.m.	n.m.
Group Total	**1,275**	**1,368**	**+7.3%**	**6.4%**	**7.0%**

By geographic area:					
France	136	124	-8.8%	2.6%	2.4%
Other Western European countries	460	513	+11.5%	5.4%	5.9%
North America	259	310	+19.7%	9.5%	11.6%
Emerging countries and Asia	420	421	+0.2%	10.0%	10.6%
Group Total	**1,275**	**1,368**	**+7.3%**	**6.4%**	**7.0%**

III. BUSINESS INCOME	H1 2015 (in EUR m)	H1 2016 (in EUR m)	Change on an actual structure basis	H1 2015 (in % of sales)	H1 2016 (in % of sales)
By sector and division:					
Innovative Materials	**463**	**462**	**-0.2%**	**9.4%**	**9.4%**
Flat Glass	181	177	-2.2%	6.9%	6.7%
High-Performance Materials	282	285	+1.1%	12.3%	12.6%
Construction Products	**475**	**528**	**+11.2%**	**7.8%**	**8.8%**
Interior Solutions	258	319	+23.6%	8.1%	9.7%
Exterior Solutions	217	209	-3.7%	7.4%	7.6%
Building Distribution	**196**	**219**	**+11.7%**	**2.1%**	**2.4%**
Misc. (a)	-54	-53	n.m.	n.m.	n.m.
Group Total	**1,080**	**1,156**	**+7.0%**	**5.4%**	**5.9%**

By geographic area:					
France	107	90	-15.9%	2.0%	1.7%
Other Western European countries	393	465	+18.3%	4.6%	5.4%
North America (a)	200	226	+13.0%	7.3%	8.5%
Emerging countries and Asia	380	375	-1.3%	9.0%	9.5%
Group Total	**1,080**	**1,156**	**+7.0%**	**5.4%**	**5.9%**

(a) after asbestos-related charge (before tax) of €45m in H1 2016 and in H1 2015

IV. CASH FLOW

	H1 2015 (in EUR m)	H1 2016 (in EUR m)	Change on an actual structure basis	H1 2015 (in % of sales)	H1 2016 (in % of sales)
By sector and division:					
Innovative Materials	**465**	**502**	**+8.0%**	**9.4%**	**10.2%**
Flat Glass	221	254	+14.9%	8.4%	9.6%
High-Performance Materials	244	248	+1.6%	10.6%	11.0%
Construction Products	**415**	**420**	**+1.2%**	**6.8%**	**7.0%**
Building Distribution	**188**	**191**	**+1.6%**	**2.0%**	**2.1%**
Misc. (a)	127	147	n.m.	n.m.	n.m.
Group Total	**1,195**	**1,260**	**+5.4%**	**6.0%**	**6.4%**

By geographic area:					
France	90	89	-1.1%	1.7%	1.7%
Other Western European countries	470	505	+7.4%	5.5%	5.8%
North America (a)	200	211	+5.5%	7.3%	7.9%
Emerging countries and Asia	435	455	+4.6%	10.3%	11.5%
Group Total	**1,195**	**1,260**	**+5.4%**	**6.0%**	**6.4%**

(a) after asbestos-related charge (after tax) of €27m in H1 2016 and in H1 2015

V. CAPITAL EXPENDITURE

	H1 2015 (in EUR m)	H1 2016 (in EUR m)	Change on an actual structure basis	H1 2015 (in % of sales)	H1 2016 (in % of sales)
By sector and division:					
Innovative Materials	**165**	**176**	**+6.7%**	**3.4%**	**3.6%**
Flat Glass	91	102	+12.1%	3.5%	3.8%
High-Performance Materials	74	74	+0.0%	3.2%	3.3%
Construction Products	**183**	**164**	**-10.4%**	**3.0%**	**2.7%**
Interior Solutions	110	111	+0.9%	3.4%	3.4%
Exterior Solutions	73	53	-27.4%	2.5%	1.9%
Building Distribution	**82**	**69**	**-15.9%**	**0.9%**	**0.8%**
Misc.	27	19	n.m.	n.m.	n.m.
Group Total	**457**	**428**	**-6.3%**	**2.3%**	**2.2%**

By geographic area:					
France	69	81	+17.4%	1.3%	1.5%
Other Western European countries	107	108	+0.9%	1.2%	1.2%
North America	119	81	-31.9%	4.3%	3.0%
Emerging countries and Asia	162	158	-2.5%	3.8%	4.0%
Group Total	**457**	**428**	**-6.3%**	**2.3%**	**2.2%**

VI. EBITDA

	H1 2015 (in EUR m)	H1 2016 (in EUR m)	Change on an actual structure basis	H1 2015 (in % of sales)	H1 2016 (in % of sales)
By sector and division:					
Innovative Materials	**731**	**768**	**+5.1%**	**14.9%**	**15.6%**
Flat Glass	347	369	+6.3%	13.2%	13.9%
High-Performance Materials	384	399	+3.9%	16.7%	17.6%
Construction Products	**765**	**795**	**+3.9%**	**12.6%**	**13.2%**
Interior Solutions	448	491	+9.6%	14.0%	14.9%
Exterior Solutions	317	304	-4.1%	10.9%	11.0%
Building Distribution	**374**	**380**	**+1.6%**	**4.0%**	**4.2%**
Misc.	16	14	n.m.	n.m.	n.m.
Group Total	**1,886**	**1,957**	**+3.8%**	**9.5%**	**10.0%**

By geographic area:					
France	287	265	-7.7%	5.4%	5.0%
Other Western European countries	650	697	+7.2%	7.6%	8.0%
North America	349	399	+14.3%	12.7%	14.9%
Emerging countries and Asia	600	596	-0.7%	14.2%	15.1%
Group Total	**1,886**	**1,957**	**+3.8%**	**9.5%**	**10.0%**

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

SALES	**Q2 2015 (in EUR m)**	**Q2 2016 (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]	**2,537**	**2,516**	**-0.8%**	**-0.9%**	**+4.5%**
Flat Glass	1,348	1,380	+2.4%	+2.2%	+8.0%
High-Performance Materials	1,193	1,141	-4.4%	-4.5%	+0.4%
Construction Products [1]	**3,246**	**3,211**	**-1.1%**	**-1.9%**	**+2.4%**
Interior Solutions	1,656	1,688	+1.9%	+0.9%	+4.8%
Exterior Solutions	1,606	1,545	-3.8%	-4.4%	+0.1%
Building Distribution	**5,023**	**4,934**	**-1.8%**	**+1.8%**	**+4.6%**
Internal sales and misc.	*-255*	*-248*	*n.m.*	*n.m.*	*n.m.*
Group Total	**10,551**	**10,413**	**-1.3%**	**-0.1%**	**+3.8%**

[1] *including intra-sector eliminations*

By geographic area:					
France	2,743	2,756	+0.5%	+1.3%	+1.3%
Other Western European countries	4,584	4,684	+2.2%	+2.8%	+6.3%
North America	1,493	1,429	-4.3%	+1.7%	+4.3%
Emerging countries and Asia	2,215	2,072	-6.5%	-6.2%	+3.9%
Internal sales	*-484*	*-528*	*n.m.*	*n.m.*	*n.m.*
Group Total	**10,551**	**10,413**	**-1.3%**	**-0.1%**	**+3.8%**

Appendix 3: Consolidated balance sheet

in € million	June 30, 2016	Dec 31, 2015
Assets		
Goodwill	10,457	10,683
Other intangible assets	2,641	2,748
Property, plant and equipment	11,373	11,587
Investments in associates	331	319
Deferred tax assets	1,548	1,337
Other non-current assets	660	635
Non-current assets	**27,010**	**27,309**
Inventories	5,964	5,715
Trade accounts receivable	5,906	4,751
Current tax receivable	264	296
Other accounts receivable	1,522	1,405
Cash and cash equivalents	2,900	5,380
Current assets	**16,556**	**17,547**
Total assets	**43,566**	**44,856**
Liabilities and Shareholders' equity		
Capital stock	2,219	2,244
Additional paid-in capital and legal reserve	6,081	6,341
Retained earnings and net income for the year	10,591	10,805
Cumulative translation adjustments	-913	-528
Fair value reserves	147	181
Treasury stock	-78	-87
Shareholders' equity	**18,047**	**18,956**
Minority interests	360	364
Total equity	**18,407**	**19,320**
Long-term debt	5,829	7,330
Provisions for pensions and other employee benefits	4,082	3,849
Deferred tax liabilities	474	466
Provisions for other liabilities and charges	1,298	1,276
Non-current liabilities	**11,683**	**12,921**
Current portion of long-term debt	2,933	2,231
Current portion of provisions for other liabilities and charges	428	454
Trade accounts payable	5,699	5,716
Current tax liabilities	167	150
Other accounts payable	3,487	3,448
Short-term debt and bank overdrafts	762	616
Current liabilities	**13,476**	**12,615**
Total equity and liabilities	**43,566**	**44,856**

Appendix 4: Consolidated cash flow statement

(in € million)	H1 2015	H1 2016
Net income of continuing operations attributable to equity holders of the parent	**493**	**596**
Minority interests in net income	23	14
Share in net income of associates, net of dividends received	(12)	(8)
Depreciation, amortization and impairment of assets	633	608
Gains and losses on disposals of assets	10	9
Unrealized gains and losses arising from changes in fair value and share-based payments	21	34
Changes in inventories	(250)	(300)
Changes in trade accounts receivable and payable, and other accounts receivable and payable	(1,128)	(1,081)
Changes in tax receivable and payable	24	55
Changes in deferred taxes and provisions for other liabilities and charges	43	(29)
Net cash from operating activities of continuing operations	**(143)**	**(102)**
Net cash from operating activities of discontinued operations	**61**	**0**
Net cash from operating activities	**(82)**	**(102)**
Acquisitions of property, plant and equipment [H1 2015: (457), H1 2016: (428)] and intangible assets	(511)	(480)
Acquisitions of property, plant and equipment in finance leases	(8)	(9)
Increase (decrease) in amounts due to suppliers of fixed assets	(135)	(111)
Acquisitions of shares in consolidated companies [H1 2015: (85), H1 2016: (56)], net of debt acquired	(86)	(64)
Acquisitions of other investments	(7)	(12)
Increase in investment-related liabilities	4	2
Decrease in investment-related liabilities	(14)	(2)
Investments	**(757)**	**(676)**
Disposals of property, plant and equipment and intangible assets	73	31
Disposals of shares in consolidated companies, net of net debt divested	7	25
Disposals of other investments	0	1
Divestments	**80**	**57**
Increase in loans, deposits and short-term loans	(84)	(72)
Decrease in loans, deposits and short-term loans	33	36
Net cash from (used in) investment and divestment activities of continuing operations	**(728)**	**(655)**
Net cash from (used in) investment and divestment activities of discontinued operations	**(107)**	**0**
Net cash from (used in) investment and divestment activities	**(835)**	**(655)**
Issues of capital stock	394	137
Minority interests' share in capital increases of subsidiaries	12	0
(Increase) decrease in treasury stock	(104)	(416)
Dividends paid	(695)	(681)
Increase (decrease) in dividends payable	455	2
Dividends paid to minority shareholders by consolidated companies	(34)	(29)
Net cash from (used in) financing activities of continuing operations	**28**	**(987)**
Net cash from (used in) financing activities of discontinued operations	**(1)**	**0**
Net Cash from (used in) financing activities	**27**	**(987)**
Increase (decrease) in net debt	**(890)**	**(1,744)**
Net effect of exchange rate changes on net debt	(13)	1
Net effect from changes in fair value on net debt	33	(84)
Net effect of exchange rate changes on net debt of discontinued operations	(3)	0
Transfer of net debt in assets and liabilities of discontinued operations	99	0
Net debt at beginning of period	**(7,221)**	**(4,797)**
Net debt at end of period	**(7,995)**	**(6,624)**

Appendix 5: Debt at June 30, 2016

Amounts in €bn		Comments
Amount and structure of net debt	**€bn**	
Gross debt	9.5	At end of June 2016, 77% of gross debt was at **fixed interest rates** and the **average cost** of gross debt was 3.9%
Cash & cash equivalents	2.9	
Net debt	6.6	
Breakdown of gross debt	**9.5**	
Bond debt and perpetual notes	**7.7**	
September 2016	0.5	
December 2016	0.4	(GBP 0.3bn)
April 2017	0.1	(YEN 5bn)
April 2017	1.2	
June 2017	0.2	
March 2018	0.1	(NOK 0.8bn)
October 2018	0.7	
September 2019	0.9	
June 2021	0.7	
After 2021	2.9	
Other long-term debt	**0.5**	(including EUR 0.2bn long-term securitization)
Short-term debt	**1.3**	*(excluding bonds)*
NEU CP (Negotiable European Commercial Paper < 3 month)	0.0	Maximum amount of bond issue: €3bn
Securitization	0.6	(EUR 0.3bn equivalent in USD + EUR 0.3bn)
Local debt and accrued interest	0.7	Annual rollover; several hundreds of different sources of financing
Credit lines, cash & cash equivalents	**6.9**	
Cash and cash equivalents	2.9	
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	Covenants
Syndicated line:	€2.5bn	December 2020	None
Syndicated line:	€1.5bn	December 2018	None