PRESS RELEASE

Sales for the nine months ended 30 September 2010: a solid performance

- **Consolidated sales growth of +5.9% or +0.5% at constant scope and exchange rates**
- **Signs of recovery in volumes confirmed in the third quarter of 2010**
- **Profitability levels expected to improve in the second half relative to the first half of 2010**
- **Very solid financial position and continuing very healthy balance sheet**

VICAT INVESTOR RELATIONS:
STÉPHANE BISSEUIL
TEL. +33 (0)1 58 86 86 13
s.bisseuil@vicat.fr

VICAT PRESS RELATIONS:
CLOTILDE HUET
CATHERINE BACHELOT-FACCENDINI
TEL. +33 (0)1 58 86 86 26
clotilde.huet@tbwa-corporate.com
catherine.bachelot-faccendini@tbwa-corporate.com

HEAD OFFICE:
TOUR MANHATTAN
6 PLACE DE L'IRIS
F-92095 PARIS - LA DEFENSE CEDEX
TEL: +33 (0)1 58 86 86 86
FAX: +33 (0)1 58 86 87 84

A FRENCH REGISTERED COMPANY WITH SHARE CAPITAL OF €179,600,000
EEC IDENTIFICATION: FR 92 - 057,505,539
RCS NANTERRE

Paris La Défense, 3 November 2010: Vicat (NYSE Euronext Paris: FR0000031775 – VCT) today reports its sales for the nine months ended 30 September 2010, up 5.9% at €1,528 million. At constant scope and exchange rates, sales increased by 0.5% relative to the year-earlier period.

Consolidated sales by business:

(€ million)	**Nine months 2010**	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Cement	**784**	721	**8.8%**	1.6%
Concrete & Aggregates	**544**	528	**2.9%**	0.1%
Other Products and Services	**200**	194	**2.8%**	- 2.4%
Total	**1,528**	1,443	**5.9%**	0.5%

Commenting on these figures, the Management Board stated: *"Vicat's performance over the first nine months of 2010 confirms the Group's resilience and the relevance of its cautious expansion strategy. After being affected by adverse economic and weather conditions in the first quarter of 2010, the development of sales was more favourable in the second quarter, a trend that was overall confirmed in the third quarter. This further supports our view of 2010 as a year of transition. Following the acquisition of Bharathi Cement in India in the first half of the year, the Group continued to expand with conviction and caution, in particular in emerging markets. The two greenfield projects in Kazakhstan and India progressed in keeping with the Group's expectations and on schedule. All of these factors constitute a solid basis to enable Vicat to benefit fully from its strong market position and continue with its strategy of profitable growth."*

Consolidated sales for the first nine months of 2010 totalled €1,528 million, up 5.9% or 0.5% at constant scope and exchange rates compared with the year-earlier period.

Consolidated third-quarter sales totalled €543 million, up 12.8% compared with the year-earlier period, or 2.9% at constant scope and exchange rates.
Over the same period, the Cement and Concrete & Aggregates divisions achieved growth of 3.8% and 4.1% respectively at constant scope and exchange rates, while Other Products and Services sustained a fall of 3.6%.

The breakdown of sales between the Group's various business lines in the third quarter shows growth in the Cement business, representing 50.1% of consolidated sales compared with 47.7% in the period to 30 September 2009, with Concrete & Aggregates representing 36.8% of consolidated sales compared with 38.0%. Other Products and Services sustained a slight fall, representing 13.1% of sales in the period to 30 September 2010 compared with 14.3% in the year-earlier period.

In this press release, and unless stated otherwise, all changes are expressed on an annual basis (2010 versus 2009), as well as at constant scope and exchange rates.

1. Geographical breakdown of consolidated sales in the first nine months of 2010

1.1. France

(€ million)	**Nine months 2010**	**Nine months 2009**	Change (%)	
			Reported	At constant scope
Consolidated sales	**635**	641	-0.9%	-0.9%

Consolidated sales in France fell by 0.9% in the first nine months of 2010. It should be noted that the Group's performance in the third quarter confirms the gradual recovery observed since the second quarter of 2010.

Following a 10% fall in sales in the first quarter of 2010, affected by the cumulative unfavourable effect of difficult economic and weather conditions, the situation improved gradually over the next two quarters, with sales growth of 1.2% in the second quarter and 4.9% in the third quarter.

By business:

- Consolidated sales for the Cement division fell by 1.2% over the first nine months of the year, reflecting significant improvement in the Group's performance over this period. Following a decline of over 10% in the first quarter, the return to growth of 1.0% in the second quarter was accentuated in the third quarter, which saw sales growth of 4.1%. The development of volumes followed a similar trend. Following a 2% drop in the first quarter of 2010, volumes saw a return to solid growth of 4.9% in the second quarter and 3.3% in the third quarter. Selling prices decreased slightly over the first nine months of the year due to an unfavourable geographical mix and slight competitive pressure in the first quarter in the North-East and South-East of France.
- Consolidated sales for the Concrete & Aggregates division remained stable relative to the first nine months of 2009. The performance of this division was similar to that of the Cement division.

Following a particularly difficult first quarter with sales down 9.0%, sales saw a return to growth in the second quarter (up 3.4%) and in the third quarter (up 4.0%). Over the first nine months of the year, concrete and aggregates volumes increased by 2.3% and 1.7% respectively.

- In Other Products and Services, consolidated sales fell by 2.7%. The Building Chemicals business sustained a fall of 8.3%, while Transport sales remained in line with the level of the year-earlier period.

1.2. Europe (excluding France)

(€ million)	Nine months 2010	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**239**	225	6.5%	- 3.3%

Consolidated sales for the first nine months of 2010 in Europe excluding France increased by 6.5%. At constant scope and exchange rates, sales fell by 3.3%. The third quarter of 2010 confirmed the brisk momentum of the Group's Cement business in Switzerland, as well as the continuing deterioration in economic and competitive conditions in Italy.

- In Switzerland, despite severe weather conditions in the first quarter, the market remained buoyant over the period as a whole. The Group's consolidated sales therefore rose by 14.4% or 3.2% at constant scope and exchange rates.
  - In the Cement division, sales increased by 15.9%. This was mainly thanks to deliveries to major underground construction projects protected from the poor weather in the first quarter, and the continuing dynamism of the local market over the next two quarters. Selling prices decreased slightly over the first nine months of the year due to a more unfavourable geographical mix relating to deliveries to further away construction projects and clients at the start of the year. However, in line with the Group's expectations, the division achieved less dynamic sales growth during the third quarter (+4.8%), mainly because of a less favourable comparison base, having benefited from the increased capacity of the Reuchenette plant during the same period in 2009. Note that over this period, ex-works selling prices saw a very slight increase.
  - In the Concrete & Aggregates division, consolidated sales fell by 1.5%. The division's third-quarter performance was in line with the trend observed over the first half of the year, characterised by a decline in volumes in both concrete and aggregates. However, while concrete selling prices dropped further in the third quarter, aggregates selling prices increased sharply.
  - Precast sales sustained a slight fall of 1.9%. Following a particularly robust first half of the year, with a significant increase in deliveries to major construction projects, sales lost momentum in the third quarter, affected by a very unfavourable product mix and a slight decline in volumes.

In Italy, sales fell by 48% over the first nine months of the year, affected by a sharp drop in volumes due to the unfavourable economic conditions, poor weather conditions at the start of the year and fiercer competition. This trend was confirmed in the third quarter. In the light of this situation, the Group has chosen to focus on maintaining its margins to the detriment of volumes, concentrating its sales and marketing efforts on certain strategic clients.

1.3. United States

(€ million)	Nine months 2010	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**131**	150	- 12.8%	- 15.9%

The Group's activity in the United States continued to be affected by challenging economic conditions, aggravated by unfavourable weather conditions in the first quarter. As a result, consolidated sales to 30 September 2010 fell by 15.9%. However, while the situation in California remained difficult, the South-East region delivered a more positive but still fragile performance over the first nine months of the year.

- In Cement, consolidated sales fell by 16.3%, affected by a decline in volumes. Despite a further sharp fall in California, the South-East region saw growth in volumes over nine months. Selling prices were lower in both California and the South-East region, due to continuing fierce competition and an unfavourable comparison base.
- In Concrete, consolidated sales fell by 15.7%. While the South-East region saw strong growth in volumes, this was unable to compensate for continuing deterioration in California. Average selling prices remained strongly affected by economic conditions and severe competitive pressure, particularly in California.

1.4. Turkey, India and Kazakhstan

(€ million)	Nine months 2010	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**189**	117	61.1%	22.1%

- Consolidated sales in Turkey came to €154 million, with strong growth of 22.1% over the first nine months of the year and 16.0% in the third quarter. Volumes increased significantly over the first nine months of the year and in the third quarter, benefiting from much more favourable economic conditions. This performance is even more remarkable given that the Ramadan period fell in the third quarter and was combined with very hot weather. Against the backdrop of recovery in the construction sector in general, sales prices posted a solid growth.
    - In Cement, volumes rose by 8.7% over the first nine months of 2010, including growth of over 10% in the third quarter. This was thanks to a 14.3% increase in volumes in the domestic market over the first nine months of the year, with the Group favouring the local market over export markets. Despite continuing competitive pressure, particularly in the

Ankara region, selling prices increased significantly. As a result, cement sales rose by 14.6% at constant scope and exchange rates over the first nine months of the year.

- The Concrete & Aggregates business saw consolidated sales growth of 33.2% relative to the first nine months of 2009. The sharp increase in volumes over the first nine months of the year (29.1%) and in the third quarter (14.2%) largely compensated for the slight decline in selling prices in a market affected by competitive pressure.

- In India, the Group generated sales of €35 million as of the consolidation of Bharathi Cement on 1 May 2010. The Group turned in a particularly robust performance in India, with sales volumes of over 702,000 tonnes of cement and clinker over the period, representing an average of over 140,000 tonnes per month, with a record level of over 185,000 tonne delivered in September. This constitutes a notable performance for a new entrant in a market characterised by strong overcapacity and a particularly unfavourable monsoon season this year. This success validates the Group's strategy based on selling high-end quality cement, capitalising on its well-known brand name and a solid distribution network covering the entire south of India. Having fallen sharply during the monsoon season, selling prices have since improved notably.

1.5. Africa and the Middle East

(€ million)	Nine months 2010	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**334**	310	7.6%	6.0%

In Africa and the Middle East, consolidated sales totalled €334 million over the first nine months of 2010, an increase of 6.0%.

- In Egypt, consolidated sales rose by 8.5%. Following a number of unfavourable and exceptional events in the first quarter, the Group achieved a return to robust growth, with volumes up 7.3% over the period as a whole. The Group enjoyed an excellent performance in the third quarter, with sales growth of close to 16% supported by volume growth of almost 19%. This performance is all the more remarkable considering that the third quarter was affected by the Ramadan period combined with very high temperatures. Against this backdrop, and in spite of a slight inflexion during the Ramadan period, prices remained favourable over the first nine months of the year, supported by the region's brisk momentum.

- In West Africa, consolidated sales increased by 3.8% over the first nine months of the year. This was thanks to solid growth of over 6% in cement volumes, which largely compensated for the decline in average selling prices affected by an unfavourable geographical mix. In the third quarter, sales rose by 4.7% despite the Ramadan period and a particularly unfavourable rainy season, especially in Senegal.

2. Nine-month sales by division

2.1. Cement

(€ million)	**Nine months 2010**	**Nine months 2009**	Change (%)	
			Reported	At constant scope and exchange rates
Volume ('000 tonnes)	12,117	10,949	10.7%	
Operational sales	929	856	8.5%	2.0%
Intra-group sales	(145)	(135)		
Consolidated sales	784	721	8.8%	1.6%

Cement sales rose by 8.8% or 1.6% at constant scope and exchange rates. Volumes increased by 10.7% over the period.

2.2. Concrete & Aggregates

(€ million)	**Nine months 2010**	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Concrete volume ('000 m^3)	5,843	5,354	9.1%	
Aggregates volume ('000 tonnes)	15,597	14,197	9.9%	
Operational sales	570	549	3.8%	0.9%
Intra-group sales	(26)	(21)		
Consolidated sales	544	528	2.9%	0.1%

Consolidated sales in the Concrete & Aggregates business rose by 2.9% or 0.1% at constant scope and exchange rates. Concrete delivery volumes increased by 9.1% and Aggregates volumes by 9.9%.

2.3. Other Products and Services

(€ million)	**Nine months 2010**	Nine months 2009	Change (%)	
			Reported	At constant scope and exchange rates
Operational sales	252	241	4.2%	0.0%
Intra-group sales	(52)	(47)		
Consolidated sales	200	194	2.8%	- 2.4%

In Other Products and Services, consolidated sales were up 2.8% or down 2.4% at constant scope and exchange rates.

3. Changes to the consolidated financial position over the first nine months of 2010

3.1 Operating margin

As regards the outlook for 2010, the Group confirms that it will be a year of transition. Emerging markets are continuing to show solid momentum, while conditions in certain mature markets remain difficult, despite encouraging signs of recovery in some markets. The development of selling prices will continue to contrast significantly depending on the region. While the first six months were affected by particularly unfavourable weather conditions at the start of the year, the second half should see gradual improvement in certain mature markets, notably France.

The Group has reassessed the total amount of capital expenditure expected over the full year, taking account of:

- the consolidation as of 1 May 2010 of expenditure relating to the construction of Bharathi Cement's second 2.5 million tonne kiln, which is due to begin operation at the start of 2010;
- additional expenditure relating to the finalisation of the greenfield plant in Kazakhstan with capacity of 1.1 million tonnes, which is due to enter production in the next few days;
- and lastly, after finalising project finance for the Vicat Sagar greenfield plant in India in the first half of 2010, acceleration in investment with the aim of bringing its initial capacity of 2,750 million tonnes into production in mid-2012.

On this basis, the total amount of capital expenditure in 2010 should be within a range of €360 million to €380 million.

Lastly, the Group is continuing with its efforts to improve productivity and control of fixed costs. It should benefit fully from the combined effect of its "Performance" plans, in particular:

- performances driven by new production facilities;
- the reduction in noble gas prices and greater use of secondary fuels;
- the decision to stop purchasing clinker and cement from external sources in Switzerland and Senegal following the capacity increases finalised in 2009.

3.2. Financial position

Vicat continues to benefit from a very healthy financial position, with gearing of 40.6% at 30 September 2010 compared with 35.3% at 30 September 2009. This slight increase relates primarily to the acquisition of Bharathi Cement in India on 1 May 2010.

Given the Group's low level of net debt, the existence of bank covenants does not constitute a risk to its financial position and the liquidity of its balance sheet. Vicat respects all of the financial ratios required by the covenants contained in its financing agreements.

4. 2010 outlook by region

As regards 2010, the Group wishes to provide the following information about its various markets:

- **In France**, the Group expects gradual stabilisation in sales volumes in 2010, particularly cement, with price conditions that should show post a very slight decrease. The initial effects of the stimulus plan announced by the French government should have a very gradual impact on the construction industry in general, particularly infrastructure projects, while residential new builds should benefit from the tax incentives introduced in 2009. Meanwhile, non-residential construction is likely to see a further decline over the full year. The Group should benefit from more favourable purchasing prices for fuels and the continuation of its policy of using more alternative fuels.
- **In Switzerland**, conditions should remain favourable on the whole, with the Group capitalising on the continuation of major infrastructure projects. The increase in the Reuchenette plant's kiln capacity at the end of the first half of 2009 marked the definitive end to purchasing of clinker from external sources and enables the Group to increase its use of alternative fuels. Lastly, the Group will benefit from more favourable purchasing prices for fuels and continue with its policy of using more alternative fuels.
- **In Italy**, the Group expects particularly difficult market conditions in 2010. Against this backdrop, Vicat should continue to benefit from favourable terms for the purchasing of clinker.
- **In the United States**, the lack of visibility on both economic conditions and potential investment on the part of States prevents the Group from formulating any forecasts for 2010, which is nevertheless expected to remain difficult. While the implementation of the stimulus plan on a national level could have a substantial effect on the Group's markets, the location, type and timing of investment are still uncertain. However, perceptible improvement was seen in March, particularly in the South-East region, and the rate of federal aid distribution has increased substantially since March, particularly in California and Georgia.
- **In Turkey**, conditions are expected to continue to improve gradually, particularly in terms of volumes. However, continuing fierce competition could have an unfavourable impact on the development of selling prices. Despite this, the modernisation of the Group's production facilities as part of the "Performance 2010" plan gives it the possibility of producing at low cost. The Group should also be able to increase its use of alternative fuels significantly.
- **In Egypt**, local market conditions should remain favourable in terms of both volumes and prices. However, the comparison base for volumes will be much less favourable than in 2009, with the increased capacity of the Sinai Cement plant already fully factored in for the year. Vicat therefore expects sales to develop in line with the market.
- **In West Africa**, market conditions are expected to remain generally favourable but still closely linked to public authority investment in major infrastructure projects and the development of money

transfers from the region's diaspora in other countries. The Group should also benefit from certain drivers. First of all, Vicat will be able to benefit fully from its increased capacity, finalised as part of the "Performance 2010" plan, allowing it to meet local and export demand without having to purchase clinker from external sources. It should also benefit from more favourable purchasing prices for fuels. Lastly, the Group should be in a position to increase significantly the proportion of alternative fuels used.

- **In India,** the acquisition of a majority stake in Bharathi Cement, mainly by means of a reserved rights issue, has enabled the Group to strengthen its position in India significantly, a market benefiting from strong growth in cement consumption. This is Vicat's second major acquisition, complimenting its current joint venture Vicat Sagar Cement. These partnerships will allow for the emergence of two key players in southern India, with eventual total nominal capacity of over 10 million tonnes, supported by significant operating synergies and ambitious expansion plans.
- **In Kazakhstan,** the construction of a plant with capacity of 1.1 million tonnes that will benefit from the most up-to-date technology is continuing on schedule, due to begin operations in the second half of 2010. However, this will not have a tangible impact on the Group's sales until 2011, as winter weather conditions in Kazakhstan mean that sales in the country are highly seasonal in nature.

Against this backdrop, Vicat is determined to move forward cautiously with its growth strategy, capitalising on:

- Its solid financial structure;
- The effects of the "Performance 2010" investment plan, relating in particular to the reduction in production costs as a result of the modernisation of production facilities and the strengthening of the Group's industrial and commercial position;
- Following on from the "Performance 2010" plan, the effects of the complementary "Performance Plus" plan;
- Lastly, the success of its expansion in Kazakhstan and India, with projects on schedule.

5. Conference call

To accompany the publication of the Group's third-quarter 2010 sales, Vicat is organising a conference call that will take place in English on Thursday 4 November 2010 at 3pm Paris time (2pm London time and 9am New York time).
To take part in the conference call live, dial one of the following numbers:
France: +33 (0)1 70 99 42 66
United Kingdom: +44 (0)20 7138 0825
United States: +1 212 444 0481
To listen to a playback of the conference call, which will be available until midnight on 17 November 2010, dial one of the following numbers:
France: +33 (0)1 74 20 28 00
United Kingdom: +44 (0) 20 7111 1244
United States: +1 347 366 9565
Access code: 1551741#

Next publication:
Wednesday 2 February 2011: 2010 full-year sales

Investor relations contacts:

Stéphane Bisseuil:

T. + 33 1 58 86 86 13

s.bisseuil@vicat.fr

Press contacts:

Clotilde Huet / Catherine Bachelot-Faccendini:

T. + 33 1 58 86 86 26

clotilde.huet@tbwa-corporate.com / catherine.bachelot-faccendini@tbwa-corporate.com

ABOUT VICAT
The Vicat Group has **nearly 6,700 employees** working in three core divisions, Cement, Concrete & Aggregates and Other Products & Services, which generated **consolidated sales of €1,896 million** in 2009.
The Group **operates in eleven countries:** France, Switzerland, Italy, the United States, Turkey, Egypt, Senegal, Mali, Mauritania, Kazakhstan and India. Nearly 56% of sales are generated outside France.
The Vicat Group is the heir to an industrial tradition dating back to 1817, when Louis Vicat invented artificial cement. Founded in 1853, the Vicat Group now operates **three core lines of business**: **Cement**, **Ready-Mixed Concrete** and **Aggregates**, as well as related activities.

Further information about Vicat is available from its website (www.vicat.fr)

Vicat Group – Financial Information – Appendices

Sales breakdown to 30 September 2010 by business and geographical region

	Cement	Concrete & Aggregates	Other Products and Services	Intra-group sales	**Consolidated sales**
France	297	305	170	(137)	**635**
Europe (excluding France)	101	82	80	(24)	**239**
United States	62	90		(21)	**131**
Turkey, Kazakhstan, India	147	80	2	(41)	**189**
Africa and Middle East	322	13		(1)	**334**
Operational sales	**929**	**570**	**252**	**(223)**	**1,528**
Intra-group sales	(145)	(26)	(52)	223	
Consolidated sales	**784**	**544**	**200**		**1,528**