



India: Vicat teams up with Mr Y.S. Jagan Mohan Reddy in Bharathi Cement

- **Second major transaction of Vicat in India, complementary to its existing joint venture, Vicat Sagar Cement**
- **Vicat sealed an agreement, acquiring 51% into Bharathi Cement (BCCL) as a strategic partner**
- **BCCL operates a cement plant with a capacity which will reach 5 million tonnes of cement at the end of 2010**
- **The plant is located in Andhra Pradesh state and dispatches cement in South India, a large market with a very strong potential**



Paris La Défense, 19 April 2010: Vicat (NYSE Euronext Paris: FR0000031775 – VCT) has announced the conclusion of an agreement with the shareholders of Bharathi Cement Company Limited whereby Vicat is acquiring 51% of the capital of BCCL, which operates in the state of Andhra Pradesh (India), mainly through a reserved capital increase. This acquisition will be financed with debt.

BCCL promoted by Mr Y.S. Jagan Mohan Reddy operates a cement plant of two lines that will reach a total annual capacity of 5 million tonnes of cement at the end of 2010 in Andhra Pradesh, South India. With a current cement capacity of 2.5 million tonnes, this company has been selling under the brand name of Bharathi Cement since 2009.

Y.S. Jagan Mohan Reddy, member of Parliament with his vast experience in the fields of power & energy, infrastructures and media has successfully executed this cement project.

Bharathi Cement is a premium product which has been commercialised within a short span of time in the states of Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, Goa and with the intention to penetrate into the Maharashtra market.

Vicat welcomes this opportunity to enlarge its presence in South India, a large consuming market with a strong growth, representing 40 % of the total Indian cement market.

Vicat has already established a joint venture company in India with Sagar Cements Limited in order to build a Greenfield cement plant in Gulbarga in the state of Karnataka. This plant will produce 5.5 million tonnes of cement p.a. on two clinker production lines, each with a daily capacity of 6,000 tonnes. The first line of production, with an annual cement capacity of 2.75 million tonnes, will be commissioned in 2012.

With a controlling interest in both companies, Vicat will be able to apply fully its expertise in cement production, and thereby enhance the performances of both companies.

The partnership between Vicat and Mr Y.S. Jagan Mohan Reddy together with the existing Vicat partner Sagar Cements will emerge as strong cement players in the South of India leveraging on operational synergies and ambitious expansion plans.

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PRESS RELEASE



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

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 Concretes and Aggregates**, as well as related activities.
