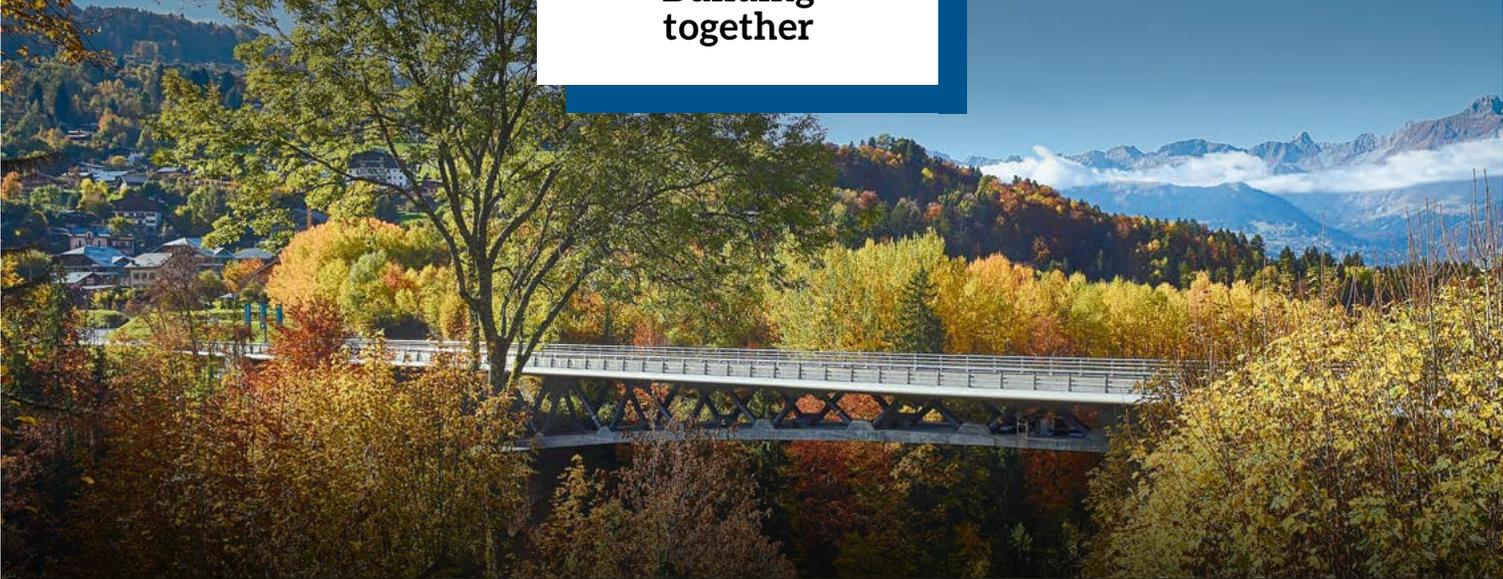


ANNUAL  
REPORT

2017

▼  
Building  
together





## 06 Balance & performance

- 08 Message from the Chairman
- 10 Governance and shareholders
- 12 Strategic focuses
- 14 Key figures & locations

## 16 Innovation & responsibility

- 18 Research & Development
- 20 Corporate Social Responsibility

## 26 Expertise & proximity

- 28 France
- 32 Europe (excluding France)
- 36 United States
- 38 Africa & Middle East
- 42 Asia



## 46 Financial indicators

# Vicat

## 200 years of amazement



Vicat is an international group of companies and a French family-run business, one that was founded close to 165 years ago, after Louis Vicat invented artificial cement in 1817.

Vicat has always looked to the future and continues to develop a range of high-performance materials, products, and services tailored to match the evolutions taking place in the construction industry.

Through its cement plants, aggregate quarries, concrete batching plants, factories producing finishing products for the building industry, etc., wherever it is located, the Group is devoted to furthering local development, fostering local employment, and treating the environment responsibly.

Through its technical expertise and the commitment and passion of its workforce, Vicat nurtures relationships of ongoing trust with customers and partners on a daily basis.

Contributing to progress in the art of construction: that is Vicat's everyday objective for every project and in every place.

# Vicat products are all around us!



Bridges, viaducts, office towers, museums, stadiums, apartment buildings, houses, swimming pools, cycle paths, roundabouts, dams, tunnels, etc. What they have in common is that they are all made with products of the Group. Vicat products are used in any number of buildings, roads, and streets all around us. They are thus part of our heritage, of our daily lives, and of our future too.



## Circular economy

Towards the end of 2016 the Group established a new service provider, Vicat Éco-Valorisation. Its purpose: to beneficiate waste—especially that derived from deconstruction—in the manufacture of industrial products (cement, aggregate, concrete). The offering is based on a four-pronged approach: waste-to-energy conversion, making use of alternative fuels for cement plants; beneficial disposal of non-inert soil; a waste-stream logistics platform service; and an offering of recycled aggregate.

CLOSE-UP



## CEMENT

**From historic know-how to today's constructive solutions.**

Cement, a highly sought-after construction material across the planet, is used principally to make concrete. The Vicat group manufactures a wide range of cements—both artificial and natural—to meet the needs of all those involved in construction.



## CONCRETE

### Solutions for sustainable construction.

Be it decorative or self-consolidating, for roads or complex architecture, for bridges or tunnels, and everything in between, Vicat has a thorough offering of ready-mixed concretes meeting every imperative relating to environmental, quality, and safety concerns that will meet the specific needs of every project.



## OTHER PRODUCTS & SERVICES

### BUILDING FINISHING PRODUCTS

So customers can build with confidence, VPI designs, manufactures, and markets a range of mineral-based adhesives, wall coatings, and premixed mortars for construction professionals, engineering contractors, and private individuals.

### MINERAL ADMIXTURES

A leading name in technical admixtures for concrete, Condensil markets ultrafine admixtures for key players in the European construction sector.

### PRECASTING

Creabéton Matériaux manufactures precast concrete products for construction, civil engineering and road building, outdoor decoration and public spaces, including tailor-made items.



## AGGREGATE

### Local raw materials.

Whether virgin or recycled, aggregate is a raw material for sustainable construction. It is vital for making concrete and road pavements.



# Vicat works toward the world of tomorrow



Greened façade,  
Expo 2017 Astana  
(Kazakhstan)

## GREENED CONCRETE

In nature, plants grow in inorganic supports. Greened concrete is one way of naturally lowering temperatures in tomorrow's cities. An advantage of this cooling system is that it consumes little energy.

CONIPHER® façade,  
FACT (FACade Tool) building,  
French solar energy institute (INES),  
Le Bourget-du-Lac (France)



## SOLAR CONCRETE

The CONIPHER® prototype using photovoltaic cells so that the entire envelope of a building can generate renewable energy is the result of cooperation between Vicat, the French solar energy institute and atomic energy commission (INES/CEA) in Chambéry, and ARaymond.

## SUSTAINABLE CITIES

For sustainable cities, the full spectrum of housing, mobility, work, and recreation is re-examined in the light of sustainable development. Functionalized concrete meets the issues involved and ensures more comfortable living.



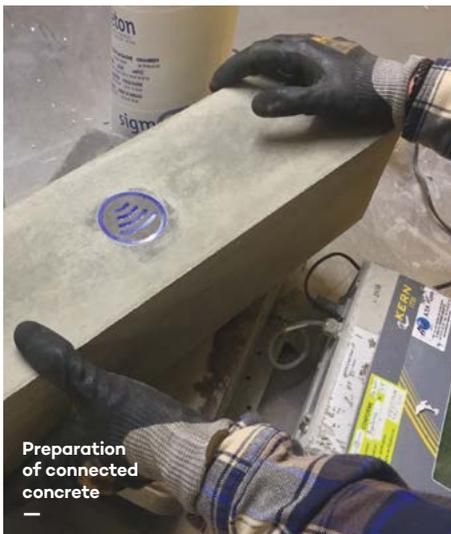
Façade made  
with ultra-high-performance  
fiber-reinforced concrete,  
Expo 2017 Astana  
(Kazakhstan)



Crealino, precast concrete character (Switzerland)

### CONCRETE FUN

Crealino, a character produced by Creabéton Matériaux, a subsidiary of the Vicat group, lives in public parks where he reminds us that the sustainable city must also be fun and pleasant to live in.



Preparation of connected concrete

### CONNECTED CONCRETE

Connected concrete integrates chips and tags that will make cities increasingly communicative and promote data transfer with low transmission costs. Many applications can be foreseen for mobility systems, enhanced comfort, and daily living.



## Pierre-Olivier Boyer

Director, Strategic Partnerships

### Why is Vicat working toward the world of tomorrow?

Faced with the poor quality of lime-based binders, in 1817 Louis Vicat worked unrelentingly to master the controlled manufacture of artificial cement.

Two centuries on, humankind must tackle the issues of preservation of biodiversity, climate change, and population growth to build the world of tomorrow. Cement and concrete are evolving and adapting. The quality of materials alone no longer suffices to provide answers to these vital new problems; a global, systemic approach that takes account of the functionalities associated with products is needed.

### What solutions does Vicat offer?

Vicat's approach is based in the field, on the experience that has been built up in using materials for construction. We align this with technological evolutions and ongoing discoveries—and not just in materials science—as well as with the new applications that are being developed in the art of construction and in our daily lives. We believe in the cross-fertilization of technologies: these days we talk about low-carbon concrete, connected concrete, solar concrete, pervious concrete, and so on. These new products are vacuous unless they have a positive purpose that serves people. Whence the need to understand what people will be doing tomorrow. On top of that, we need to preserve our built heritage constructed with concrete. The future will not wipe the slate of the past clean; on the contrary, it will continue to elaborate on it.



Saint Gervais bridge (France)



1

# Balance & performance

—  
As a family-owned group of companies founded close to 165 years ago that enjoys its independence, we build for the long term. We capitalize on the confidence placed in us by all our partners, whether customers, suppliers, project owners, local officials, scientists, etc.



**+6.4%**

**growth in sales**  
at constant scope  
of consolidation  
and exchange rates

Sales of  
**2,563**  
**million euros**  
in 2017

**8,460**  
**employees**  
as of 31 December, 2017

# In 2017 Vicat consolidated its position



The reduction in the Group's debt makes it possible to envisage new developments and, in the years to come, make new moves under its external growth strategy.

In 2017 Vicat consolidated its position and reduced its level of debt, despite circumstances rendered difficult early in the year by very poor weather and turmoil in the Egyptian economy due to the devaluation of the country's currency. The Group's operating profitability improved in France, Asia, and the United States. The second half saw brisk recovery in the Group's business and results picked up. This performance is due to the commitment and tenacity of the Group's 8,460 employees in the eleven countries where it works. I thank them all most sincerely.

2017 also marked the bicentennial of the invention of artificial cement by Louis Vicat. Our celebration of the event illustrates both the firmness of the company's roots in its past and its modernity, as expressed through manufacturing processes and the new uses of cement and concrete.

The new properties of our cements and the new functionalities of the concretes developed in our laboratories have given proof of themselves on many remarkable construction projects. These include the Thouaré-sur-Loire bridge, for instance, where the use of SMART<sup>UP</sup> concrete not only reduced the weight of the deck by half but also allowed resumption of normal traffic very quickly, and the renovation of airport runways with ALPENAT<sup>UP</sup> cement whose technical qualities made it possible for air traffic to resume in less than six hours.

The Group's undertakings in 2018 will operate the same levers: reduction of production costs, gradual elimination of fossil fuels, simplification of processes, improvement of commercial interfaces, and optimization of logistics by integrating more digital technology.

Finally, the reduction in the Group's debt makes it possible to envisage new developments and, in the years to come, make new moves under its external growth strategy. ●

**Guy Sidos**  
Chairman & CEO

# Governance & shareholders



**Guy Sidos**  
Chairman  
& CEO



**Jacques Merceron-Vicat**  
Honorary chairman



**Delphine  
André**



## BOARD OF DIRECTORS

**Sophie Féguex**



**Xavier  
Chalandon**



**Jacques  
Le Mercier**



**Louis  
Merceron-Vicat**



**Emmanuelle  
Salles**



**Sophie Sidos**



**Éléonore  
Sidos**



**Bruno Salmon**



## MANAGEMENT

### OPERATIONAL EXECUTIVES

**Guy Sidos**, *Chairman & CEO*  
**Didier Petetin**, *Chief operating officer,*  
*senior executive in charge of business*  
*in France (excluding Paper)*

### SENIOR EXECUTIVE VICE PRESIDENTS

**Éric Bourdon**, *Chief scientific officer,*  
*Performance and investment director,*  
*Director, Cement business in France,*  
*Italy, and Spain*  
**Philippe Chiorra**, *Chief legal officer*  
**Éric Holard**, *Director, United States*  
**Jean-Pierre Souchet**, *Chief financial officer*

### ZONE / COUNTRY DIRECTORS

**Lukas Epple**, *Switzerland*  
**Yves Keller**, *Africa & the Middle East*  
**Philippe Latournarie**, *Turkey & Kazakhstan*  
**Markus Oberle**, *India*



## SHARE CAPITAL



As of December 31, 2017,  
the company's share capital  
amounted to 179,600,000 euros,  
consisting of 44,900,000 shares  
with par value of four euros each.



**60.7%**  
family shareholders



**1.5%**  
treasury shares



**37.8%**  
public (including 1.35% employees)



## AUDITORS - INCUMBENTS

**KPMG Audit**  
**Wolff & Associés SAS**

## AUDITORS - ALTERNATES

**Cabinet Constantin**  
**Exponens Conseil et Expertise**

## AUDIT COMMITTEE

**Jacques Le Mercier**, *Chairman*  
**Delphine André**  
**Xavier Chalandon**  
**Éléonore Sidos**

## COMPENSATION COMMITTEE

**Xavier Chalandon**, *Chairman*  
**Jacques Le Mercier**  
**Bruno Salmon**

# Strategic focuses

## Controlled development



Deploying a balanced strategy has enabled the Group to pursue further growth in a highly contrasted environment.

**F**or the long term, the Group stresses controlled development of its different businesses, associating a fine balance of dynamic organic growth with a policy of selective external growth. Internal growth is driven by capital expenditure for upgrading production capacity to meet market and customer demand and by research and innovation for expanding our range of products

and enhancing their quality. The external growth policy is aimed selectively at tackling new markets with attractive growth potential and at consolidating the Group's presence on its current markets through vertical integration. This development can be applied to existing businesses or to the construction of new (greenfield) cement plants on markets with strong growth. This growth remains in all respects consistent with the size of Vicat and its financial and operational capacity to absorb the investment. Its purpose is to create value for shareholders and, through its profitability, to allow the Group to expand even more.

### Business-specific development

The Group focuses primarily on its historical area of expertise, cement, and expands into the ready-mixed concrete and aggregate markets through vertical integration in order to secure access to cement consumption markets. Cement, the Group's core business, underpins profitability. Development into the ready-mixed concrete business is a function of the maturity of markets and the degree to which construction contractors integrate industrial concrete production. The objective is to establish a network of concrete batching plants around cement plants and near consumption centers. The Group's presence in the

Control room  
of the Jambyl Cement plant  
(Kazakhstan)





### SALES VOLUMES IN 2017



# 22.9

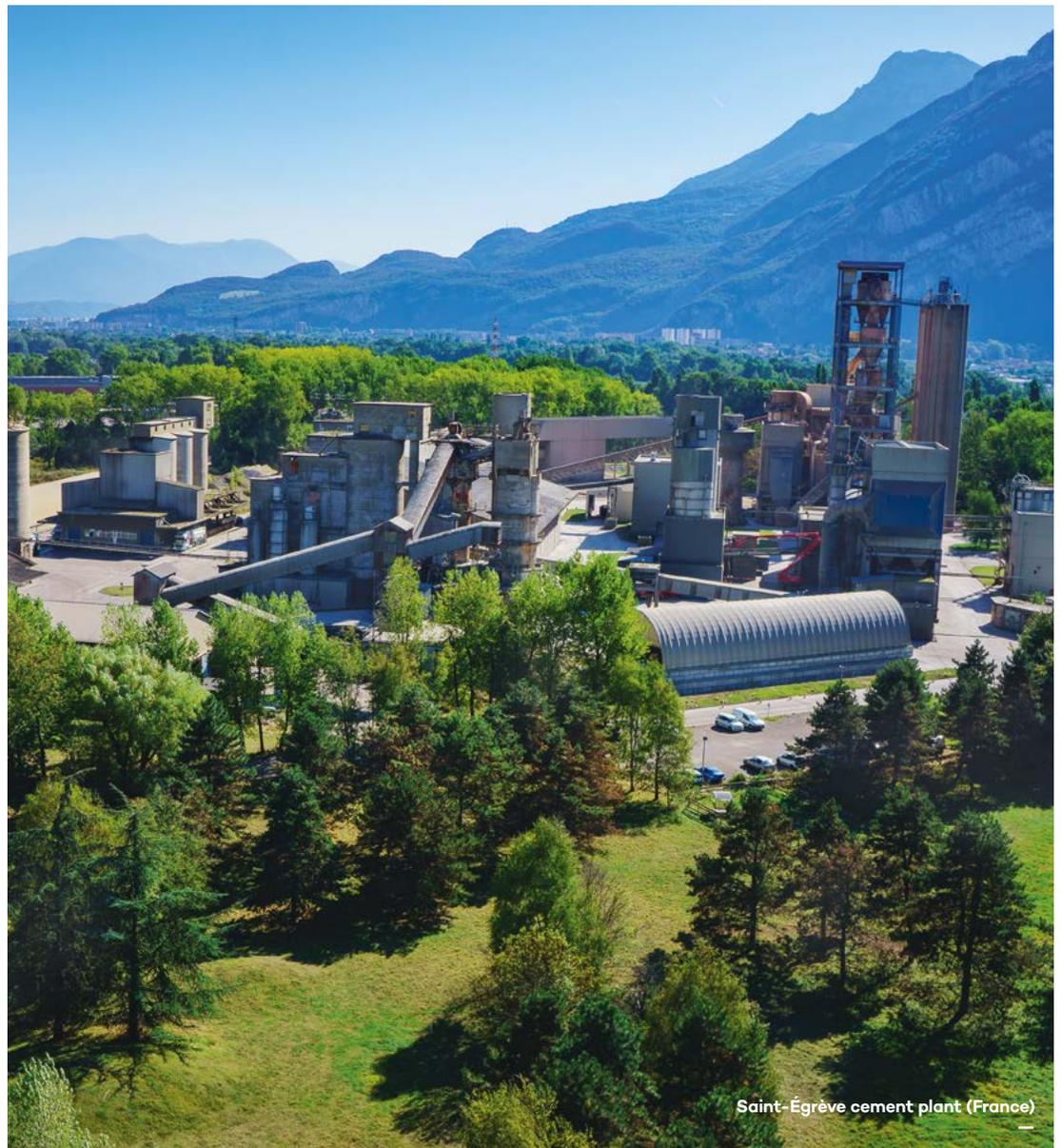
million tons of cement, up 4.9%

# 9.7

million cubic meters of concrete, up 9.7%

# 24.4

million tons of aggregate, up 10.4%



Saint-Égrève cement plant (France)

aggregate sector is intended to provide a global response to its customers' construction materials requirements and to provide secure, local supplies of aggregate for development of the ready-mixed concrete business.

Seizing opportunities that have presented themselves, the Group also has a number of complementary businesses on some markets, such as precast concrete products in Switzerland, transport in France, and bag production in France and in India, through which it supports its product offering and strengthens its regional positioning.

### Balanced geographical development

The Group's strategy is designed to diversify its geographical exposure and to spread risk judiciously through a combination of investment in developed countries,

which generate a steadier stream of cash flow, and in emerging countries which, while offering greater potential for long-term growth, may be exposed to stronger market or exchange-rate fluctuations.

The Group currently operates in eleven countries. It generates 65% of its sales outside France: 16% in the rest of Europe, 15% in the United States, and 34% in emerging countries (Egypt, Mali, Mauritania, Senegal, Turkey, Kazakhstan, and India).

The percentage of Group sales generated outside France, and especially in emerging economies, is expected to keep growing in the years ahead as a result of the production capacity increases implemented in the older plants and the increased utilization rate of the new production facilities built in recent years. ●



# 34%

share of sales generated in emerging countries

# 65%

share of sales generated outside France

# Vicat in numbers



# 8,460

**EMPLOYEES**  
5,719 of whom  
are outside France

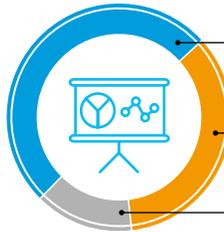


# 11

**COUNTRIES**  
France, Switzerland, Italy, United States,  
Egypt, Senegal, Mali, Mauritania, Turkey,  
Kazakhstan, India

# 2.6

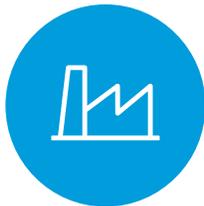
**BILLION EUROS SALES**  
65% generated  
outside France, including 34%  
in emerging countries



51% **Cement**

34% **Concrete & Aggregate**

15% **Other Products  
& Services**



# 15

**CEMENT PLANTS**  
and 5 grinding plants  
represent annual cement  
production capacity  
of over 30 million tons



# 248

**CONCRETE  
BATCHING PLANTS**  
located close  
to the Group's main  
cement plants



# 70

**AGGREGATE  
QUARRIES**  
Much of the aggregate  
extracted is used  
to make concrete

# Vicat throughout the world

## FRANCE

35%  
of sales

5 cement plants  
3 grinding plants  
151 concrete batching plants  
40 aggregate quarries

## EUROPE

Switzerland, Italy

16%  
of sales

1 cement plant  
1 grinding plant  
18 concrete batching plants  
20 aggregate quarries



## UNITED STATES

15%  
of sales

2 cement plants  
43 concrete batching plants

## AFRICA & MIDDLE EAST

Egypt, Senegal, Mali, Mauritania

11%  
of sales

2 cement plants  
1 grinding plant  
1 concrete batching plant  
2 aggregate quarries

## ASIA

Turkey, Kazakhstan, India

23%  
of sales

5 cement plants  
35 concrete batching plants  
8 aggregate quarries



Employees at the Louis Vicat  
Technical Center



# 2

## Innovation & responsibility

We innovate to nurture and get the jump on technical, social, and environmental changes. We promote local recruitment and ensure that the environmental impact of everything we do is controlled (local materials, ecodesign, alternate fuels and raw materials).

# R&D

## Reducing the carbon footprint of constructive solutions



Vicat's research into means of reducing its environmental impact and carbon emissions even more is ongoing.

One of the aims of the 90 research scientists developing innovative products and processes at the Louis Vicat Technical Center is to reduce the environmental impact of construction. For Vicat, reducing its carbon footprint is an unwavering global course of action. The Group's research and development policy focuses on three main factors: development of innovative "low-carbon" cements; deployment of more ecologically friendly production processes, particularly through short supply chains and repurposing of waste; and incessant innovation to come up with solutions for the future through eco-design.

these factors generate up to 30% savings in CO<sub>2</sub> emissions. Then there is ULTIMAT<sup>UP</sup>, a cement specially formulated to allow potentially reactive recycled aggregate to be used to make concrete, thereby avoiding disposal of repurposable products and putting to good effect the qualities of a high-performance cement that resists sulfate attack. Vicat research also investigates the development of materials with high thermal or acoustic insulation properties. Such more ecological construction materials (hempcrete and cement foam, for instance) make for substantial energy savings, improve the comfort of occupants, and reduce indoor air pollution.

### Development of innovative "low-carbon" cements and concretes

The ultra-high-performance cements of the UP range, including SMART<sup>UP</sup>, make it possible to concentrate excellent mechanical performance in a small volume, and therefore to use less material to achieve the same function. The UP range also includes PROMPT<sup>UP</sup> natural quick-setting cement and ALPENAT<sup>UP</sup> (an innovation developed by the Vicat research laboratory). Both of these cements—the first of which is outstanding due to its setting time, the second for its strength gain—are produced with a lower firing temperature and involve different chemistry to conventional Portland cement; together,

### Global improvement of the industrial process from extraction of raw materials through to construction

The main source of CO<sub>2</sub> emissions in the cement industry is the production of clinker, the semi-finished product from which artificial cement is made. The raw materials for making clinker have to be heated to a high temperature for the chemical and mineralogical reactions required to take place. Replacing the fossil energy used to produce the heat for firing clinker is therefore the top priority for reducing CO<sub>2</sub> emissions. At Vicat's French cement manufacturing sites these days, biomass and repurposing of waste replace 50% of the fossil fuels that were once used. The target is to reach



90

scientists, engineers, and technicians work in the Group's laboratories

3

laboratories anticipating and meeting the demands of customers



a substitution rate of 60% by 2020. The alternative fuels and raw materials used are mostly procured by setting up short supply chains for repurposing waste. Not only does this initiative reduce the level of CO<sub>2</sub> emissions due to firing, but it also prevents disposing of waste as a landfill material when it can actually be of value. Increasing the amount of additions to cement reduces its clinker content. The Group thus emphasizes the use of additions that do not involve CO<sub>2</sub> emissions such as uncalcined limestone and pozzolans. By-products from other industries, such as blast-furnace slag or fly ash from coal-fired power plants, are also used, within reason. Lastly, Vicat is doing the utmost to reduce the consumption of diesel fuel for transporting rock to cement plants. The Montalieu plant, for instance, benefited from capital expenditure of over 25 million euros in the period 2014-2015 to build the longest overland conveyor in Europe; it is 6.5 kilometers long and saves consumption of 1,000 liters of diesel per day.

### Preparing the future: R&D projects

Consistent with France's Grenelle environmental legislation and more recent legislation concerning energy transition for green growth, Vicat carries out research to keep reducing its environmental impact and carbon emissions. Current studies are seeking to find solutions for capturing part of the CO<sub>2</sub> emissions discharged from kiln stacks and using them beneficially. Innovation for the future also looks at the design of "smart concretes and constructive systems" allowing optimized energy management in buildings (insulation, inertia) and favoring the use and generation of renewable energy while at the same time guaranteeing the sustainability and recyclability of the materials of which they are made. In addition, the analysis capabilities of the Louis Vicat Technical Center make it possible to diagnose the disorders of concretes used in the 19<sup>th</sup> and 20<sup>th</sup> centuries and to propose remedial solutions. As a member of the *Cercle des Partenaires du Patrimoine* (heritage partners circle) of the French Ministry of Culture and Communication, Vicat takes part in research operations related to the restoration of old buildings. ●



### Avant-garde mineral foam

AIRCIMAT is a mineral foam designed around exclusive use in France of special admixtures. Its characteristics—fluidity, fire resistance, thermal insulation, and noise absorption—and the fact that it is 100% mineral and thus 100% recyclable open up an enormous range of applications, from fire-resistant walls to support of disused tunnels, not to mention sprayed insulation and noise walls. Its primary application is as infill for hollow concrete blocks. AIRCIMAT can even be used for "fresh-on-fresh" filling.

CLOSE-UP

# CSR

“CSR” is an integral part of the Vicat group’s overall performance



Initiatives with respect to social, societal, and environmental responsibility are as many concrete actions for the greater good.



Sassenage quarry (France)

**T**he Vicat group's enterprise model is based on the development of activities aligned with the principles of short supply chains in a circular economy. The growing use of raw materials derived from recycling or repurposing of waste generated by human activities reduces the abstraction of virgin raw materials and water by the same extent.

Energy transition and combating climate change are also aspects of the Group's CSR approach.

In parallel, the Group has taken a stand in promoting biodiversity and preserving ecosystems in the places where it works.

**ENVIRONMENT**

**Circular economy at the heart of production processes**

Natural resources (raw materials and water) are vital for the Group's production processes. Conscious that they are not limitless and that they must be consumed as wisely and sparingly as possible, their use is increasingly subject to the principles of circular economy. This approach has been developed not just through the industrial expertise acquired over many years but also through implementation of new technologies in our processes.

The proportion of recycling-derived raw materials used in industrial processes is growing regularly (4.1% in 2015, 5% in 2016, 5.3% in 2017). The proportion of alternative fuels in the energy mix of the Group's cement plants throughout the world is even greater (24.6% in 2015 and 2016, 25.2% in 2017). Increasing the share of alternative fuels in cement plants is a major issue for Vicat. Consequently, in December 2016, at the international Pollutech trade fair held in Lyons, the Group launched its Vicat Éco-Valorisation business offering products and services consistent with the need for



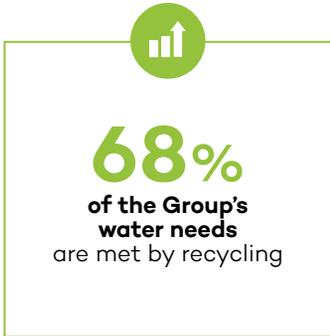
redevelopment of derelict industrial and urban environments. Soil and building analysis, deconstruction, recycling and repurposing of waste in cement and concrete-batching plants so it can turn full circle and become part of buildings again, these constitute the new value chain made possible by the circular economy, and with them come new vectors for growth for the Group. As a result, the volume of contaminated soil disposed of beneficially by the Montalieu cement plant (France) rose from 25,000 metric tons in 2016 to 59,000 tons in 2017.

In April 2017, this approach was recognized in France, at the first "Collaborative Circular Economy Night" organized by France's Circular Economy Institute, when Vicat was awarded the "Best Circular Economy Prize" in the "large company" category.

**Preserving biodiversity and acting against climate change**

Preservation of biodiversity, which determines the survival of mankind, has been of great concern to the Vicat group for many years. Awareness of the issue has grown in respect of quarries, whether for aggregate or for raw materials for cement. The Group's employees do the utmost to minimize the impact industrial activities have on the natural environment; Vicat ensures that new

**86%**  
**alternative fuels in Switzerland,**  
 a record for the Group whose average rate is 25.2%



habitats that will encourage the installation of many species, both during the quarrying phase and afterwards, are created. The Group has a long record of working with various stakeholders to achieve these aims: local authorities, nature associations, and hunters', anglers', and farmers' federations. For example, in 2017 the Group's commitment to biodiversity led to the signature of a partnership agreement with nature association Nature Nord Isère Lo Parvi: six families of animals and vascular plants recognized as being excellent indicators of environmental quality will be studied at the Montalieu quarry, in accordance with protocols established by France's Museum of Natural History. This know-how the Group has built up in the field over many years is now being put to good use through the applications of concrete in urban surroundings. At a time when the human population in large urban areas is skyrocketing, the development of

urban biodiversity has become an important issue for an industrial concern like Vicat. In October 2017, at the annual congress of France's Mineral Industry Society in Metz, the Group presented its SMART<sup>UP</sup> ultra-high-performance fiber-reinforced concrete "Odyssee" planters, a trial product produced under a scientific partnership with the French national institute for agricultural research (INRA) that is aimed at preserving wild pollinators in the urban environment.

While biodiversity is a vital issue, the combat against climate change, which is not without effect on biodiversity, is also crucial.

The Group is aware of the carbon impact of its businesses (15 million tons of CO<sub>2</sub> emissions in 2017). It has drawn up a low-carbon roadmap for reducing its carbon footprint through new organizational methods, incorporation or development of new technologies derived from its Research and Development drive, and better use of materials in the construction of housing and mobility infrastructures.

The Vicat group is on the board of directors of Shift Project, a French think tank specializing in energy transition that regularly puts forward proposals to decision-makers at local and central government levels, inviting them to become involved operationally in the low-carbon economy.

In-house, the "CO<sub>2</sub>" workgroup made up of representatives from each line of business oversees the initiatives already set up and structured around lower energy consumption, recovery of waste heat from facilities, development of raw-materials and energy streams—particularly biomass—, and marketing of "low-carbon" products or constructive solutions.

By setting up photovoltaic power plants in France (Fos-sur-Mer, for instance) and, soon, in Senegal (Rufisque), the Group is changing its energy mix to include increasingly large amounts of renewable energy. In the field of cement, the Group has developed ALPENAT<sup>UP</sup>, an extremely high-performance product whose manufacture reduces greenhouse gas emissions by 30%, compared to a conventional cement.



Bagging station, Créchy cement plant (France)



### Key player in energy transition

Prompted by the ideals of energy transition and waste repurposing, the Vicat group's approach to energy led to the construction of a gasifier at the Créchy cement plant (France). Using gasification technology at a cement plant is a pioneering initiative, and Vicat has a patent for the application. The system simplifies the preparation of alternative fuels and facilitates their combustion in the cement manufacturing process. Gasifying waste thus brings Vicat real benefits in terms of the energy and raw materials derived from alternative fuels. The gasifier also opens the way for using larger quantities and a broader range of alternative fuels.

CLOSE-UP



Gasifier, Créchy cement plant (France)

## SOCIAL RESPONSIBILITY

### Making personnel the company's central concern

The health and safety of all those who work for the company, not just employees but also subcontractors' personnel working on our sites, remain among the Group's top priorities. In 2017 the Vicat group boosted its workplace health and safety culture by highlighting exemplarity (theme of World Day for Safety and Health at Work), diligence, and employee commitment. The "zero accident" strategy remained in force and the Group's safety indicators set new records, with the exception of the severity rate (which was 0.31 as opposed to 0.26 in 2016). For example, the accident-frequency rate dropped a further 5%, falling to 8.1 in 2017 (8.5 in 2016). Many facilities recorded no lost-time accidents at all in 2017, and countries (USA, Turkey) made remarkable progress, reducing their accident-frequency rates by 40% or more. In three years, across the Group, the accident-frequency rate has dropped 28%

and the accident-severity rate 26%. The Group headcount as of December 31, 2017, stood at 8,460 employees, 4.4% higher than in 2016. Renewed growth in countries such as France and the United States, continued deployment in India of the CSR policy, which generates recruitment, the development of the Aggregate business in Senegal, and the acquisition of Concrete and Aggregate companies in France are reasons for this increase. The headcount in France rose to 2,741 at the end of the year (2,423 at the end of 2016) and the number of trainees under cooperative education programs continued to rise in 2017: +20% (+66% from 2015 to 2016). The average age of Group employees (42.9, little changed from 43.1 in 2016) and the average seniority (10 years, up from 9.9 in 2016) reflect the general stability of staff numbers and illustrate the responsible career sustainability the Group strives to encourage.

The Group's human-resources policy respects and encourages the values on which Vicat's corporate culture is based. Ensuring staff loyalty by maintaining a high level of motivation, particularly by giving preference to internal promotion, is one of its major strengths. Performance, gender equality, employability, equity, and diversity are some of its fundamentals.



8.1

lost-time accident frequency rate down 13% on 2015



Sococim Industries employees (Senegal)

  
**146,048**  
 man-hours of training  
 in 2017, 15%  
 more than in 2016

By virtue of its values and culture, the Vicat group has always recognized the positive impact of women in the workforce. The Group's results with respect to gender equality raised it to 28<sup>th</sup> place (42<sup>nd</sup> in 2016) in the French Ministry for Gender Equality's 2017 ranking for commitment to feminization of managerial positions in companies on the Paris Bourse's SBF 120 index.

The Group was awarded a special "Innovation" prize for, in 2017, appointing the youngest director of any company on the SBF 120 index (Éléonore Sidos, 19 in 2017). By appointing her to its Board of Directors, the Group has given an example of how talented young women can be given opportunities to rapidly acquire extensive professional experience and significant responsibility in preparation for taking up senior management positions.

The low proportion of women in the Group's workforce (10.2%) is due in particular to the types of activity and jobs it offers, and the figure masks differences from country to country, e.g. the proportion is 23.0% in Kazakhstan, 18.3% in France, and 4% in Egypt.

Vicat steadfastly applies a policy for employment of the handicapped.

And last but not least, direct hands-on management, in touch with employees and always ready to engage in open discussion, ensures a social atmosphere and dialogue of the highest quality.

As a result of all the above, in 2017 no company in the Group was the subject of a complaint or conviction for discrimination, for use of forced labor or child labor, or for moral or sexual harassment, and not a day of strike was recorded.

**SOCIETAL RESPONSIBILITY**

**Multiple initiatives in favor of the populations in areas where the Group works**

The societal aspect of the Vicat group's approach to CSR focuses on community and takes account of the special features of the places where it works and the requirements of local populations. On this basis, the Group has developed a variety of initiatives in the fields of education, health, culture, sport, and support for small businesses. These schemes complement the policies enacted by local authorities (with respect to health in Senegal, for example, where a dispensary has been made available for the people of Rufisque, or in India where a socio-medical center created in Chatrasala gave 6,000 free consultations in 2017) or are carried out in partnership with local associations or NGOs. In India, the Group has also undertaken a literacy training program for illiterate women in villages surrounding its Kalburgi cement plant who are no longer able to attend school.

In 2017 the Group spent close to 4 million euros on corporate philanthropy. The schemes supported are carried out directly by operational management of the Group,

by staff volunteers, or through a foundation such as Fondation Sococim which manages Senegal's first private media library, in Rufisque, and an action program for emancipating women through work. Generally speaking, the very many cultural or sports events in which the Group is involved are opportunities to bring stakeholders together around a common purpose. ●



Family education (India)



**Creation of the Louis Vicat Corporate Foundation in France**

As part of the bicentennial commemoration of the invention of artificial cement by Louis Vicat in 1817, the Group created its corporate foundation, chaired by Sophie Sidos-Vicat, a seventh-generation descendent of Louis Vicat. The Foundation will work to promote the scientific heritage of Louis Vicat, to safeguard built assets made with concrete, and to pursue initiatives for education and social cohesion. These objectives reflect the multiple commitments of Louis Vicat who, apart from being a skilled scientist and the "father" of artificial cement, demonstrated firm commitments to the social and intellectual advancement of his country.

—  
Sophie Sidos,  
Chairwoman of the Louis Vicat Corporate Foundation

PRESENTATION



Bharathi Cement plant,  
Andhra Pradesh (India)

# 3

## Expertise & proximity

Due to our skills and know-how we can realistically aim for excellence with respect to the performance of our materials, products, and services, for the greater benefit of customers. For nearly two centuries, the company and its personnel have been driven by a passion for the products and professions of the construction industry. We nurture a spirit of service and proximity in our customer relations.

# FRANCE



Vicat conducts business in all three of its activities and generates 35% of its sales in France, the historic cradle of the Group.

CONSOLIDATED  
SALES

€890M

NUMBER  
OF EMPLOYEES

2,741

BREAKDOWN OF SALES



Cement  
34%



Concrete  
& Aggregate  
42%



Other Products  
& Services  
24%

## Sustained growth swing

**T**he recovery in the building sector that began in 2016 stepped up in 2017. Sales volumes picked up 4.7%. New housing was the main component in the acceleration, with construction rising 12.8% across the country. Cement consumption is estimated to have been close to 18 million metric tons, up more than 3.5% on 2016. Concrete business grew by 6% and aggregate rose 3.5%.

### ● CEMENT

**Sales volume on the domestic market rose 2.5% to 2.7 million tons**, despite growth being restricted early in the year by poor weather. The average selling price was affected by a less favorable geographical/product/packaging mix. Export sales declined to 0.16 million tons in 2017. →



New deck being installed on Thouaré-sur-Loire bridge (France)



### New SMART<sup>UP</sup> deck for Thouaré-sur-Loire bridge

The right-bank bridge in Thouaré-sur-Loire (built in 1882) was not up to safely handling today's daily traffic, and its superstructure required substantial renovation. Vicat brought its expertise to bear on the refurbishment in the form of its SMART<sup>UP</sup> range of concrete. The existing bridge deck was broken out and replaced by 220 SMART<sup>UP</sup> ultra-high-performance fiber-reinforced concrete slabs joined together in situ with the same concrete. The new deck structure is just 7 to 12 cm thick and makes the superstructure 1,500 metric tons lighter. The bridge now has the loadbearing capacity to safely handle its traffic and, in addition, be widened in the future by cantilevering out lanes for soft mobility. The bridge was re-opened to traffic after a works closure of just six months.

CLOSE-UP



**5**

**cement plants**

**3**

**grinding plants**

**3**

**million tons sold**

On the industrial front, the operational-performance improvement plan significantly trimmed down production costs. The fuel substitution rate rose to 53% across all plants.

2017 marked the end of construction of the gasifier at the Créchy plant. Vicat has a patent for the process that improves the use of alternative fuels by gasifying solid waste. The installation is scheduled to come into service in the first half of 2018.

**CONCRETE & AGGREGATE**

**The concrete sales volume was up 15.5% at 3.3 million cubic meters.** In addition to market growth, 2017 also benefited from changes in the company's scope of consolidation resulting from several consolidation operations, acquisitions, and partnerships that took place in 2016 and 2017 to strengthen the concrete network. In addition to these changes, the commercial strategy of the concrete business leaned into an increase in selling prices.

Aggregate sales volume rose 9.8% to 9.8 million tons in 2017. The service handling inert excavation spoil experienced another year of sound growth (up 10%). This performance reflects the Group's ambition to be a key player in circular economy in the country. Aggregate selling prices remained stable in 2017.



Maizières gravel pit (France)



**151**

**concrete batching plants**

**3.3**

**million cubic meters sold**

**40**

**aggregate quarries**

**9.8**

**million tons sold**



**Eco-responsible "Oxygène" mixer truck**

After three years of research and reflection on the issues of traffic and truck access in urban and rural surroundings, and through the combination of two innovative technologies, Vicat has revolutionized transport by introducing its first concrete mixer truck with high environmental performance and low noise emissions. Running on a renewable-natural-gas (RNG) engine and using a hybrid mixer drum that can be driven by an electric motor powered by lithium batteries, it emits 96% less CO<sub>2</sub> than conventional mixer trucks. Together, the engine that produces twice less noise than a conventional engine and the silent mixer drum mean it can make deliveries day and night.

CLOSE-UP



FRANCE

**OTHER PRODUCTS & SERVICES**

In France, Other Products & Services covers businesses complementary to the Group's cement, concrete, and aggregate businesses. It includes Transport and Major Works with the company SATM, construction chemicals with Vicat Produits Industriels (VPI), and Paper with Papeteries de Vizille.

**TRANSPORT & MAJOR WORKS**

The sales of SATM Transport grew 5.3%. Of particular note is the dump-truck haulage sector, which accounts for 44.4% of total sales and which rose 8.8%, in large part because of large inert-waste projects. Sales in the tanker sector, on the other hand, increased only slightly (1.9%) compared to 2016.

The business of SATM Grands Travaux improved in both sales and volume in comparison to 2016 due to several projects, including the start of concrete deliveries for the Grand Paris Express project. Sales rose more than 21% to 214 million euros.

**PAPETERIES DE VIZILLE**

Sales volumes in printing and writing papers fell back 10.1%, to 17,100 tons, in 2017; the development of sales of new products did not fully compensate the drop on historic markets. The commercial strategy for development of export sales engendered a 22% rise in the tonnage sold. Sales volume of bags increased 3.5%. The company is pursuing its development into niche markets with strong growth such as food-grade products. The growth in sales volume is also the result of commercial success with the new, patented, easy-open "Stanpack" bag.

**CONSTRUCTION CHEMICALS**

At the end of the year, VPI's sales were up 4% at close to 75 million euros. This growth is the result of the good performance of the construction and civil works markets as well as increased selling prices. ●



Oxygène mixer truck

# EUROPE (EXCLUDING FRANCE)



The Group has been operating in Switzerland since 2001, when it acquired Vigier, and in Italy since 2003. Vicat generated 16% of its sales in Europe (excluding France) in 2017.

CONSOLIDATED  
SALES

€410M

NUMBER  
OF EMPLOYEES

1,130

BREAKDOWN OF SALES



Cement  
35%



Concrete  
& Aggregate  
36%



Other Products  
& Services  
29%

## SWITZERLAND



### Year of stability with contrasts between lines of business

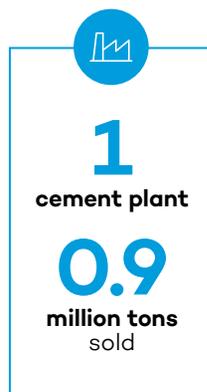
**T**he economic background remained favorable and construction business increased slightly again in 2017, despite a drop in the fourth quarter.

At the national level, cement consumption dipped 2.1% to 5 million tons. Domestic deliveries fell 2.8% to 4.3 million tons while imports increased 2.6% to 0.7 million tons.

### ● CEMENT

**Group business.** Due to a very brisk first half, Vigier's sales volume progressed by 1.3% relative to 2016, at 0.9 million tons. A less buoyant market, the end of several projects, and stiffer competition led to a slight drop in the fourth quarter.

**Plant operation.** Following on from the achievements of 2016, plant performance was up to consumer demand, with sales volume holding up well. Further efforts aimed at reducing production costs were made during the year, achieving additional gains, especially as a result of fuel optimization. At over 85%, the fuel substitution rate is still at a high level. →



**18**  
concrete batching plants

**0.7**  
million cubic meters sold

**20**  
aggregate quarries

**2.7**  
million tons sold

## SWITZERLAND

### ● CONCRETE & AGGREGATE

After a lively year in 2016, concrete deliveries dipped slightly to 0.7 million cubic meters in 2017. Aggregate sales volume was 8% down on 2016, at 2.7 million tons. Business in the dynamic “waste” handling sector rocketed 24% to 2.2 million tons, confirming the Group’s position as a key player in circular economy. Selling prices for both concrete and aggregate tended to decline.

### ● OTHER PRODUCTS & SERVICES

#### PRECASTING

Demand for precast concrete products remained firm in 2017. Prices suffered from the pressure of imported products, however, despite the fact that the franc was weaker against the euro than a year ago.

On this competitive market, the Group’s sales volume shrank 8.1% to 0.3 million tons, particularly as a result of a downturn in civil engineering work. At the same time, the resumption of projects by the Swiss rail operator produced a substantial rise in the sales of railroad ties (34%).



### Business immersion: the Lift project

Lift, a national program for workplace mainstreaming for disadvantaged teenagers initiated in Bern in 2006, gives pupils whose scholastic achievements are inadequate a glimpse of professional life before the end of their mandatory schooling. Every week, they spend two or three hours doing simple work in a company in order to help improve their social and professional skills. Creabeton Matériaux hosts two such pupils every week, one on the production side, and one on the commercial side.

CLOSE-UP





## ITALY

### Sales slide appreciably on slow market

Compared to 2016, cement consumption dropped 21% across the country in 2017, falling to 18.2 million tons. Sardinia, where the Cimento Centro Sud (CCS) mill is located, lost about 5%.

### CEMENT

The cement sales volume fell back 9.0% to 0.16 million tons.

In a consistently tough competitive environment, CCS stressed increased selling prices and selectivity in terms of credit.



1

grinding plant

2

terminals

0.2

million tons sold

# UNITED STATES



The Group operates on two separate regional markets: in the Southeast, mainly Georgia and Alabama, where it has been active since 1974, and in California, near Los Angeles, since 1987. Vicat generated 15% of its 2017 sales in the country.



CONSOLIDATED  
SALES

€393M

NUMBER  
OF EMPLOYEES

1,140

BREAKDOWN OF SALES



Cement  
45%



Concrete  
& Aggregate  
55%

## Further recovery curbed by weather conditions, especially in the Southeast

In 2017 construction expenditure rose more than 4% relative to 2016. This improvement is the result of the sound performance of the residential and commercial sectors. At the same time, the public sector suffered from a shortage of financing and recorded a slight drop.

Nationwide, cement consumption increased more than 2% to 97 million tons. This flourishing backdrop was not consistent across all regions, however. The California market saw a rise of more than 9%, reaching 10.2 million tons in 2017. Because of very different weather conditions, cement consumption on the market of the Southeast region increased just 0.8% to 8.3 million tons.

Concrete consumption grew 1.6% across the country, reaching 266 million cubic meters, with regional disparities comparable to those on the cement market.

### CEMENT

**Group business.** Sales volume rose significantly, by 8%, in 2017, reaching 2.2 million tons. In the Southeast, however, the cement sales volume shrank 0.7% to 1.1 million tons as a result of poor weather. The vigor of the California market caused sales volume to rise to 1.1 million tons, up 18.5% on 2016. This improvement more than made up for the slowdown early in the year due to heavy rain. The introduction of a new product, block cement, contributed to this improvement. Selling prices were up on 2016 in both regions.

**Plant operation.** Both plants continued to improve their technical performance in 2017. However, the improvements obtained were not sufficient to totally compensate the effect of rising primary-fuel and energy prices.

The Ragland plant commissioned a new bag house that reduces dust emissions.

### CONCRETE

**Regional trends were the same for concrete as for cement in 2017.** In the Southeast, sales volume was slightly down on 2016 because of poor weather. In California, sales volume was up 11.5% on 2016 because of buoyant market conditions. Overall, the Group's sales volume in the United States amounted to nearly 2.2 million cubic meters, up 7.8%. Selling prices increased in both regions, though rather more so in California. ●



2

cement plants

2.2

million tons  
sold



43

batching  
plants

2.2

million  
cubic meters  
sold



New bag house at Ragland cement plant,  
Alabama (United States)

# AFRICA & MIDDLE EAST

The Group has been working in West Africa (Senegal, Mali, Mauritania) since 1999 and in Egypt since 2003. Vicat generated 11% of its 2017 sales in this region.

CONSOLIDATED SALES

€291M

NUMBER OF EMPLOYEES

1,221

BREAKDOWN OF SALES



Cement  
86%



Concrete & Aggregate  
14%

## EGYPT



Sinai Cement plant, near El Arish (Egypt)

### Difficult year feeling the consequences of devaluation in late 2016

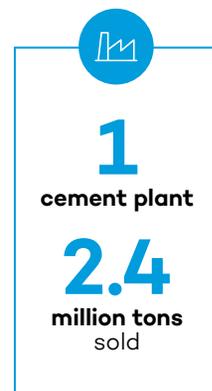
**T**he cement market declined 5% relative to 2016, amounting to around 53 million tons in 2017. The strong devaluation of the pound at the end of 2016 led to the closure of several construction projects because of the inflation it induced.

#### ● CEMENT

**Group business.** Under difficult economic conditions, sales volume shrank more than 8% in 2017. Given severe logistics difficulties, the company sought to optimize sales within

its catchment to increase the effective selling price and diversify its customer portfolio.

**Plant operation.** Despite a persistently tense security situation in North Sinai, the plant produced 1.9 million tons of clinker and 2.3 million tons of cement. The production cost of Sinai Cement was severely amplified by the effect devaluation of the Egyptian pound had on the cost of imported fuels. The company is planning capital expenditure on corrective maintenance and productivity to improve the performance of its industrial assets. →





Control room at Sococim Industries cement plant (Senegal)

## SENEGAL



1

cement plant

2.6

million tons sold



2

aggregate quarries

3.6

million tons sold

### Highly dynamic market

The construction market in Senegal remained very active in 2017, largely as a result of major infrastructure projects. Cement consumption is estimated at 3.5 million tons, up 6% compared to 2016.

#### CEMENT

**Group business.** Sococim Industries' sales volume shrank 4% relative to 2016, dropping to 2.6 million tons. The domestic market performed slightly better, with a 3% slide in sales volume to 1.8 million tons. This over-year trend breaks down into substantial waning in the first half followed by vigorous growth in the second as Sococim Industries won back the market share it had lost in the first part of the year on an aggressively competitive market. Exports dropped 7%.

Selling prices gave away ground throughout the year, partially because of the introduction of a cement tax early on.

**Plant operation.** In 2017 the plant's clinker production fell back 8% while cement production dropped 5%. These reductions are chiefly due to the temporary shutdown of a kiln that will come back into operation in 2018.

On the industrial front, it is stressed that the plant's special effort led to it setting a new record for use of biomass-derived alternative fuels, the proportion of which now stands at more than 20%.

#### AGGREGATE

**The aggregate business grew more than 24% compared to 2016, with sales of 3.6 million tons.** This increase is the result of the development of new road infrastructures and urban areas. The shortage of basalt on the market led Gécamines to once more increase its production capacity.



**Certification and commitments confirmed**

CLOSE-UP

After the environmental audits carried out in 2017, Sococim Industries had its ISO 14001 certification renewed for the second time, confirming its flawless commitment to environmental performance. A recognized international standard, ISO 14001 certification attests to Sococim Industries' sound management of waste, atmospheric discharge, and water and energy consumption. The company is also committed to obtaining certification against OHSAS 18001 to validate its safety culture.

**MALI**

**Market still buoyant**

In a context where security is still a concern, cement consumption across the country increased 9% in 2017.

**CEMENT**

The Group's cement sales volume in the country lost 8% relative to 2016, falling to 0.7 million tons as a result of the development of local production. The Group is pursuing its project for construction of a mill with capacity of 0.5 million tons per year near Bamako. The main approvals required having been obtained, construction has begun.



Gécamines quarry (Senegal)

**MAURITANIA**

**Consumption picks up after two-year dip**

After market slump two years running, growth resumed and cement consumption increased 3% in 2017, reaching 0.9 million tons.

**CEMENT**

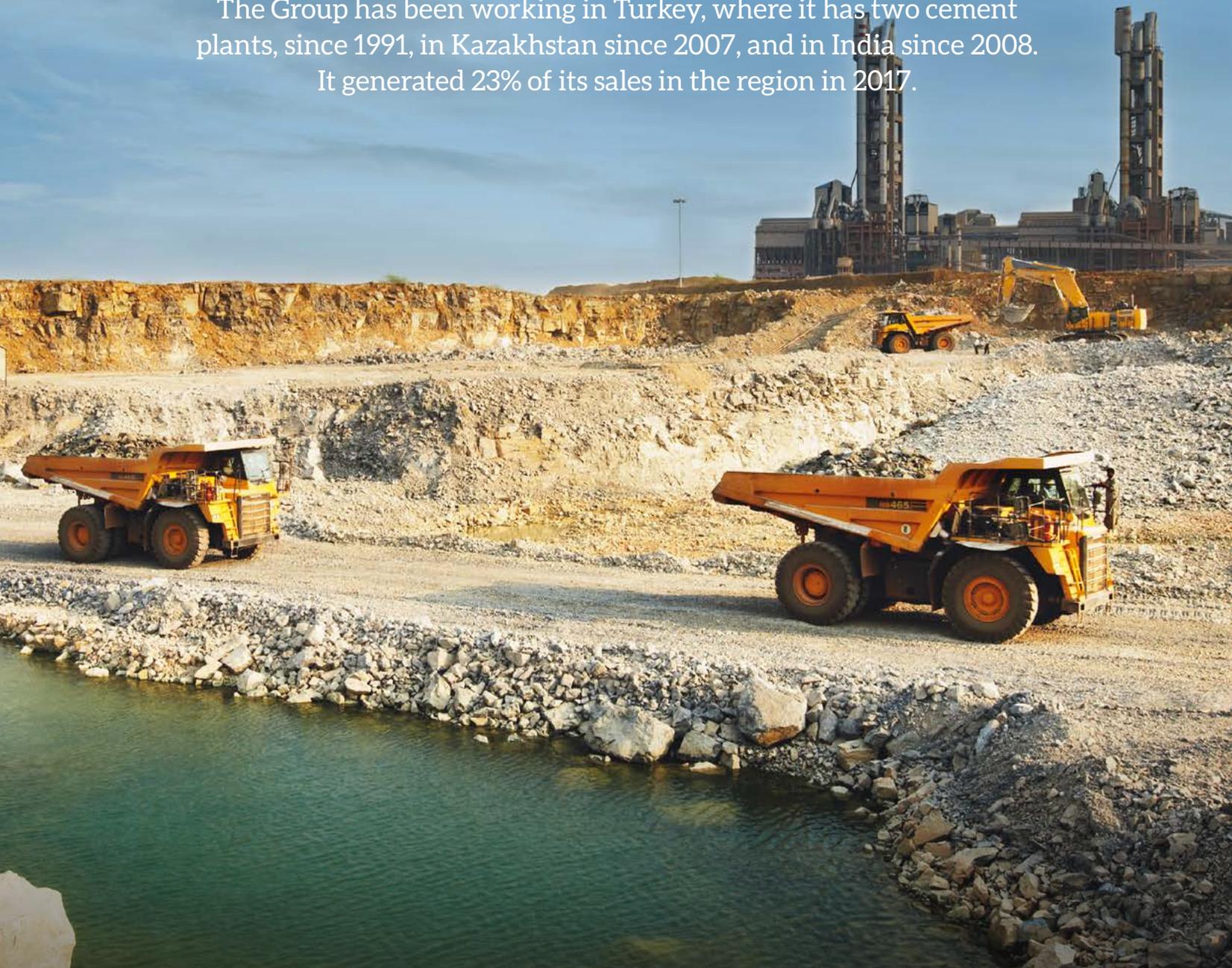
Sales volume dropped 2% to 0.2 million tons. After a fall in the first half, the trend reversed, with a rise of more than 15% in the second half. Production costs fell as a result of changes to the power supply.



# ASIA



The Group has been working in Turkey, where it has two cement plants, since 1991, in Kazakhstan since 2007, and in India since 2008. It generated 23% of its sales in the region in 2017.



CONSOLIDATED SALES

€579M

NUMBER OF EMPLOYEES

2,228

BREAKDOWN OF SALES



Cement  
80%



Concrete & Aggregate  
15%



Other Products & Services  
5%

## TURKEY

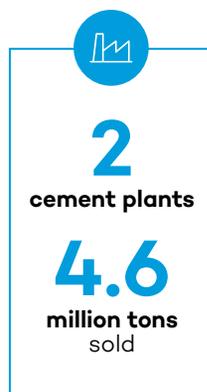


### Year of growth despite first quarter marred by harsh winter

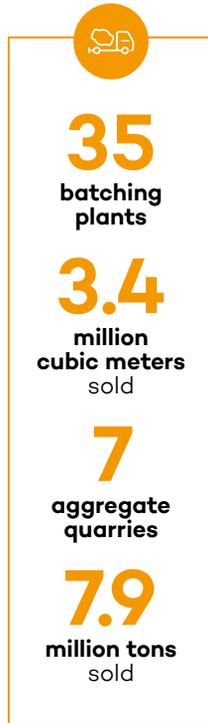
**T**he construction sector is traditionally the driving force behind overall growth of the Turkish economy. In the first nine months of 2017 the sector posted growth of 10.2% despite the effects of particularly unfavorable weather in the first quarter. Across the country, cement consumption rose 4.4% in 2017 to reach nearly 72 million tons. This general trend was affected by major regional disparities, and the Anatolian region where the Group is present was particularly well favored. Concrete sales volume increased 5% to 114.5 million cubic meters. Aggregate consumption is estimated to have been around 440 million tons.

#### CEMENT

**Group business.** The Anatolian Plateau suffered a particularly severe winter that had a major effect on the market and sales volume in the first quarter. Commercial strategy and business recovery compensated for the downturn in the first quarter and resulted in a sales volume increase of 15.2% to 4.6 million tons for the year as a whole. Selling prices were appreciably higher in 2017. →



## TURKEY



**Plant operation.** The poor weather early in the year affected production. The work performed under the “Viva” operational excellence program led to gains in volumes and productivity. The improvement in technical performance was not sufficient to wholly compensate higher fuel prices. The change in electric power supply at the Konya Çimento plant appreciably reduced power costs.

### ● CONCRETE & AGGREGATE

**Concrete sales volume was up 9.2% at 3.4 million cubic meters** and aggregate volume increased 19.6% to 7.9 million tons sold. These flourishing sales figures are due to the dynamics of the market on account of major construction projects in Ankara and Konya. Selling prices rose for both concrete and aggregate.

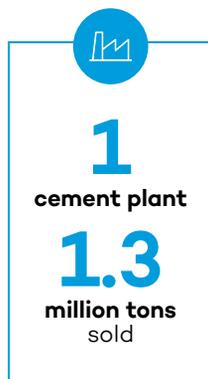


### Less costly and more reliable power supply

The obsolescence of the previous 30kV substation, together with quality and reliability issues on the 30kV grid, induced the Konya Çimento plant to invest in a new high-voltage substation. Equipped with two 50MVA transformers and distribution bays that ensure reliability and ease of maintenance, the new installation connects the cement plant to the 154kV grid via three underground cables that are routed beneath several urban boulevards to avoid any negative visual impact in a highly residential zone. The new system considerably reduces the cost of electric power.

CLOSE-UP

## KAZAKHSTAN



### Record output

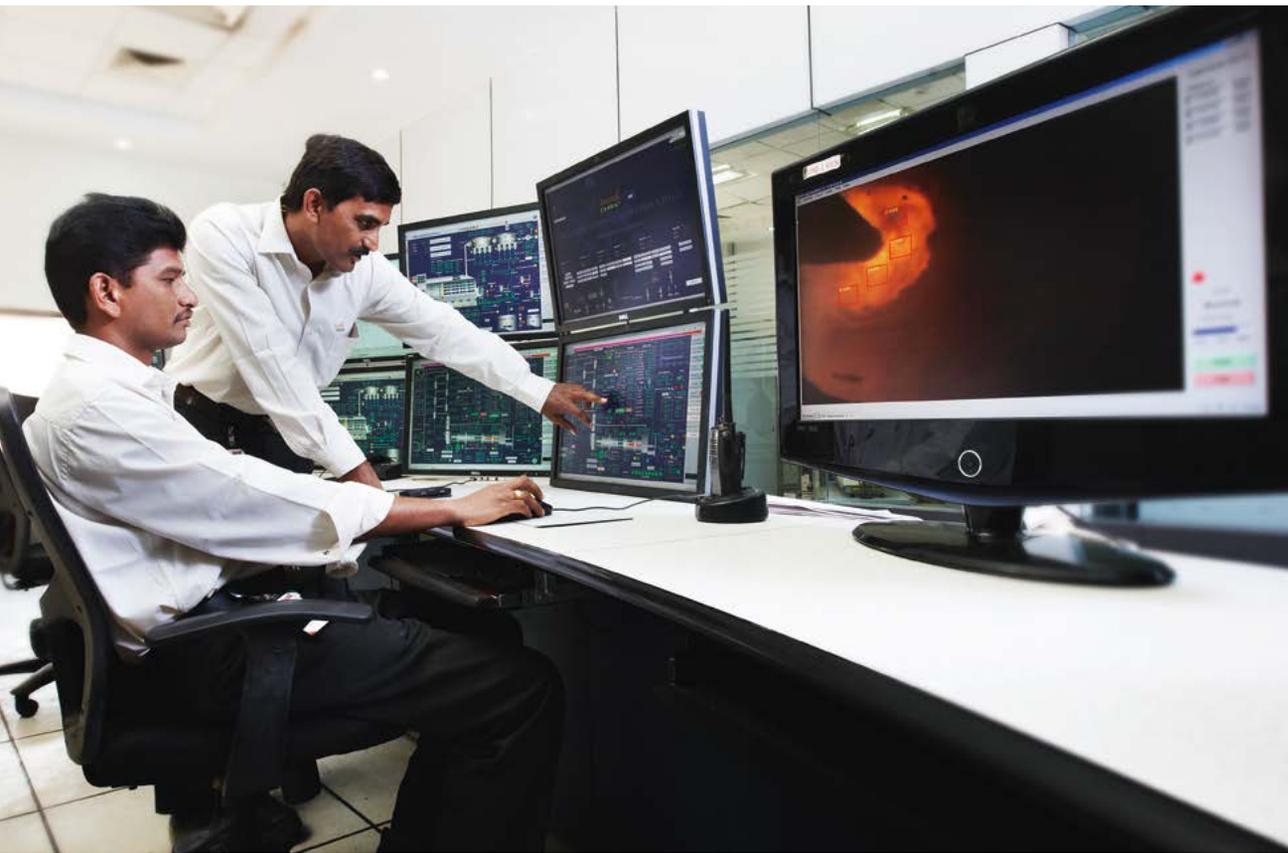
**C**ement consumption at the national level was stable, at 9 million tons, with strong regional variations. The rise in imports put pressure on Kazakh producers who practically doubled exports to 0.9 million tons, chiefly in the direction of Russia, Kirghizstan, and Uzbekistan.

### ● CEMENT

**Group business.** At 1.3 million tons, the sales of Jambyl Cement were comparable with the figure for 2016. The company sought to put

the accent on a rise in selling prices. After shrinking in the first half, sales volume picked up close to 9% over the rest of the year.

**Plant operation.** In 2017 the plant set a new record for production of both clinker and cement, at 1.08 million and 1.35 million tons respectively. These volumes, which are higher than the nominal capacity of the plant, demonstrate the excellent industrial proficiency of the workforce. Production costs benefited from improved technical performance and efforts on procurement costs.



Control room at Bharathi Cement plant (India)

## INDIA

### Market growth and volatility

Cement consumption in the Group's market catchment, i.e. the states of southern India (Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Kerala, and Goa) and the State of Maharashtra, is estimated to have been 93.5 million tons in 2017, up 1.7% on the previous year. This moderate growth, in conjunction with excess production capacity, induced a certain volatility in selling prices. While prices in the southern states remained relatively stable between 2016 and 2017, those in the State of Maharashtra rose.

#### CEMENT

Both of the Group's subsidiaries, Kalburgi Cement and Bharathi Cement, market their products under the brand name "Bharathi Cement". The Group's sales volume in India rose more than 13%, with sales of 5.5 million tons. The increase on the domestic market—up 10.5% at 4.8 million tons—was achieved chiefly in the states

of Maharashtra, Telangana, and Andhra Pradesh. Exports rose substantially, reaching 0.6 million tons in 2017. Production costs were stable on the whole, despite the effect of a rise in fuel prices at the Bharathi Cement plant.

#### AGGREGATE

The Group operates an aggregate quarry about 50 kilometers from Bangalore, in the State of Karnataka. Sales volume shrank to 0.41 million tons in 2017. The downturn in business is due to a less buoyant market and renewal of the quarry license.

#### OTHER PRODUCTS & SERVICES

The Group also has a plant that produces leakproof laminated polypropylene cement bags. In 2017, sales of bags by Bharathi Polymers (a wholly-owned subsidiary of Bharathi Cement) increased 9% to 52.4 million units, more than half of which were for the Indian companies of the Group.



2

cement plants

5.5

million tons sold



1

aggregate quarry

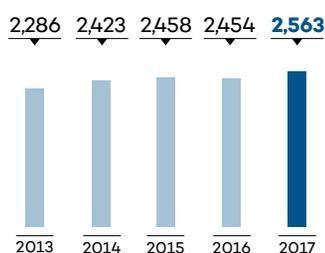
0.4

million tons sold

# Financial indicators



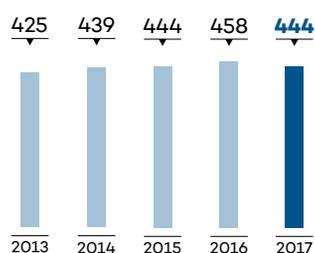
Cheering 2017 results on highly irregular market.



## Consolidated net sales

(in millions of euros)

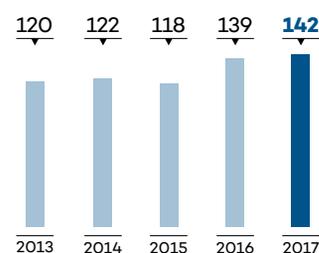
Consolidated sales for 2017 amounted to 2,563 million euros, up 4.5% compared to 2016, and up 6.4% at constant scope of consolidation and exchange rates.



## EBITDA\*<sup>1</sup>

(in millions of euros)

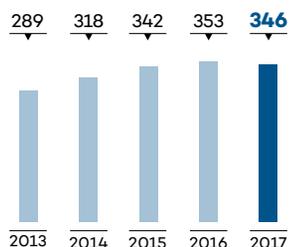
Compared with 2016, the Group's consolidated EBITDA fell by 3.0% to 444 million euros, and by 3.4% at constant scope of consolidation and exchange rates.



## Net income (Group share)\*

(in millions of euros)

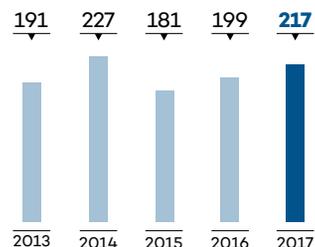
Net income (Group share) amounts to 142 million euros, up 2.2% relative to 2016 at constant scope of consolidation and exchange rates.



## Cash flow from operations\*

(in millions of euros)

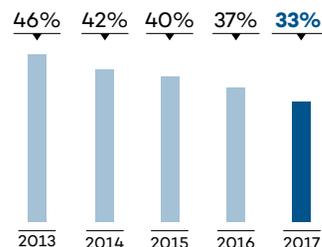
Cash flows from operations amounted to 346 million euros, generating free cash flow of 179 million euros in 2017.



## Total investments\*

(in millions of euros)

Investments in 2017 amounted to 217 million euros, following the trend of the last four years, in accordance with the Group's strategy.



## Net debt/equity

(in %)

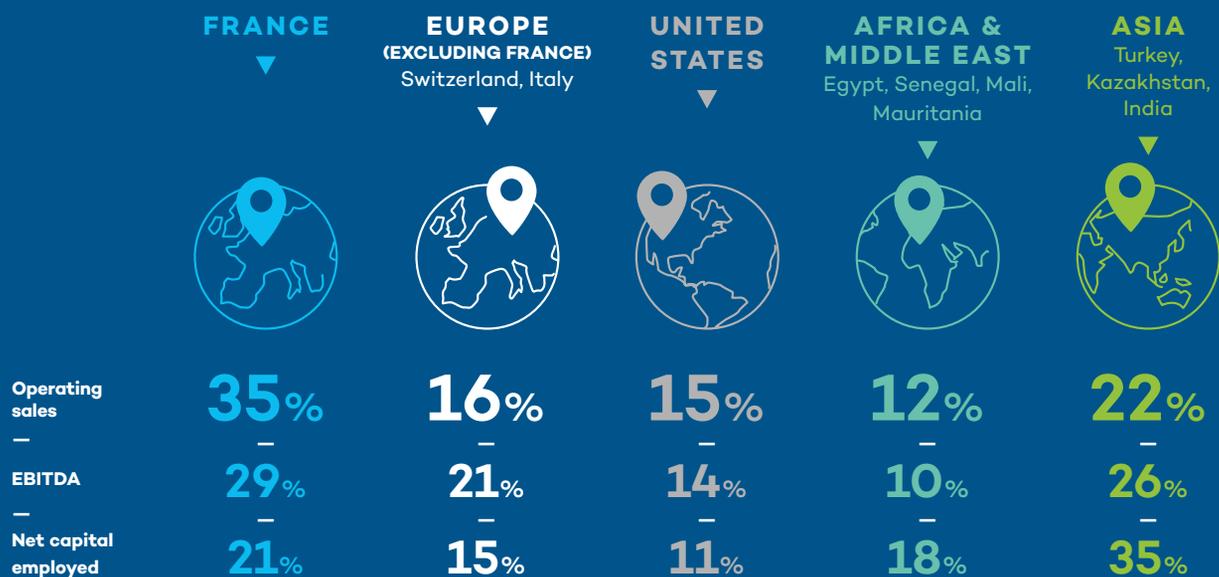
The gearing ratio<sup>2</sup> was 32.7% as of December 31, 2017, compared with 36.9% as of December 31, 2016.

\* The figures for 2013 to 2015 have been restated in accordance with the new accounting standard applied to greenhouse gas emissions rights. The restatement and its impacts are presented in note 1.7 of the 2017 consolidated financial statements.

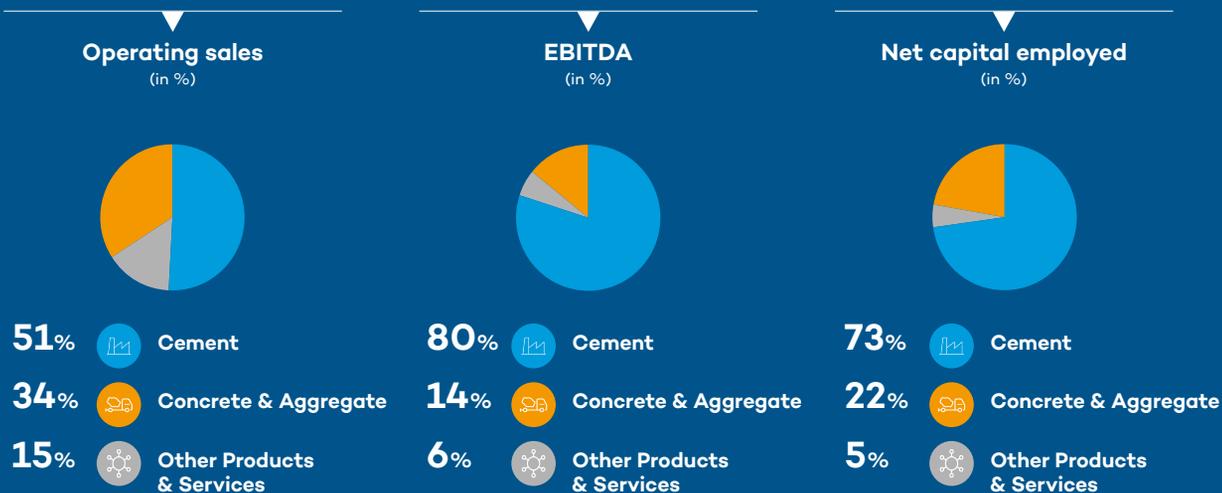
1. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization): the total of gross operating income and other ordinary income and expenses.

2. Gearing is a financial ratio that compares net debt to consolidated shareholders' equity.

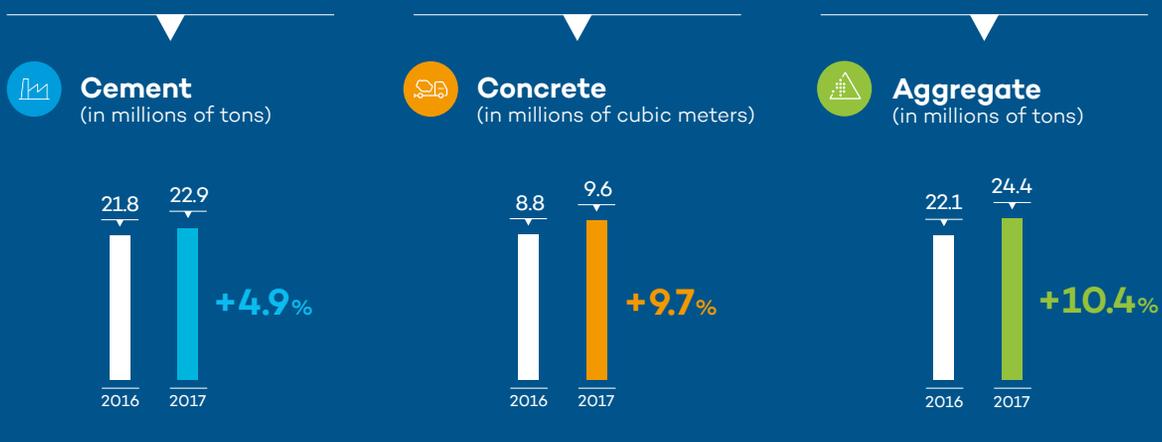
## BREAKDOWN PER GEOGRAPHICAL AREA IN 2017



## BREAKDOWN PER BUSINESS IN 2017



## EVOLUTION OF SALES VOLUMES



## DIVIDEND

Based on results in 2017, and confident in the Group's ability to sustain its ongoing development, the Board of Directors has decided to propose that the Annual General Meeting of shareholders on April 6, 2018 vote to maintain the same dividend, i.e. 1.50 euros per share.

### SHARE INFORMATION

(in euros)

	2015	2016	2017
Earnings per share	2.63*	3.10	3.17
Dividend per share	1.50	1.50	1.50

\*restated.

## STOCK MARKET INFORMATION

Vicat shares have qualified for trading under the *Service du Règlement Différé* (SRD) deferred settlement market since February 26, 2008. Vicat has been included in the SBF 120 index of the Paris Bourse since March 21, 2011.

### SHARE PRICE TREND

(in euros)





## FINANCIAL REPORTING CALENDAR

### **APRIL 6, 2018**

Annual General Meeting

### **MAY 2, 2018**

(posted after close)

Q1 2018 sales

### **AUGUST 6, 2018**

(posted after close)

H1 2018 sales and earnings

### **NOVEMBER 6, 2018**

(posted after close)

9M 2018 sales



## SHAREHOLDER INFORMATION

### SHAREHOLDER AND INVESTOR RELATIONS

Tel: **+33 1 5886 8614**

Fax: **+33 1 5886 8788**

E-mail: **relations.investisseurs@vicat.fr**

Websites: **www.vicat.fr, www.vicat.com**

Symbol: **VCT**

ISIN Code: **FR0000031775**

Sicovam: **03177**

Bloomberg: **VCT.PA**

Reuters: **VCTP.PA**

Cover photos: Jassans quarry (France),  
Saint-Gervais bridge (France), and Gotthard  
Base Tunnel (Switzerland).

© Photo credits: Alptransit Gotthard AG,  
Guillaume Atger, Le Moniteur, Gilles Aymard,  
Michel Battaglia, Creabeton Matériaux,  
De Jonghe, Dorothea Mueller, Christophe  
Pouget, Nicolas Robin, Via Design,  
Videoset.Pro, Vigier, Vicat.

Design and production: **côtécorp.**

Tel: **+33 1 5532 2974**



**HEAD OFFICE**

Tour Manhattan

6, place de l'Iris

92095 Paris La Défense Cedex

Tel.: +33 1 5886 8686

Fax.: +33 1 5886 8787

[www.vicat.com](http://www.vicat.com)

French-registered company with share  
capital of €179,600,000

RCS Nanterre 057 505 539

SIREN 057 505 539

