PRESS RELEASE

First half 2010 results: solid performance in a mixed environment

- ***Consolidated sales return to solid growth during the second quarter: +9.2% and +3.2% at constant scope and exchange rates***
- ***Resilient margins***
- ***Solid cash flow generation***
- ***Still very healthy balance sheet after acquisition of Bharathi Cement in India***

Paris La Défense, 4 August 2010: The Vicat Group (NYSE Euronext Paris: FR0000031775 – VCT) today reports its results for the first half of 2010.

Simplified consolidated income statement:

(€ million)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**985**	962	**2.4%**	-0.7%
EBITDA*	**232**	230	**0.9%**	-1.7%
EBITDA margin (%)	*23.6*	*23.9*		
EBIT**	**148**	150	**-1.2%**	-3.5%
EBIT margin (%)	*15.1*	*15.6*		
Consolidated net income	**119**	110	**8.4%**	3.7%
Cons. net income margin (%)	*12.1*	*11.4*		
Net income	**95**	89	**6.0%**	2.1%
Cash flow	**181**	179	**1.1%**	-2.1%

* EBITDA: sum of gross operating income and other income and expenses on ongoing business
** EBIT: sum of EBITDA and net depreciation and provisions on ongoing business

The Management Board commented on these results: *"The Vicat Group reports solid first half results, marked by resilient margins which stem from the strategic developments of the Performance 2010 plan. Performances were mixed by geographic region and by quarter. Indeed the United States and Italy are still particularly affected by the economic crisis, while activity levels remain strong in Switzerland, Egypt, West Africa and Turkey. Lastly, in France, after a first quarter characterized by unfavourable weather and a still difficult economic climate, the second quarter was helped by a more favourable trend, sustained by the stimulus plan. This solid performance confirms the resilience of the Group's economic model and gives us confidence in our ability to emerge stronger from the current economic crisis."*

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A FRENCH REGISTERED COMPANY WITH SHARE CAPITAL OF €179,600,000
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RCS NANTERRE

1. First half 2010 income statement

1.1. Consolidated income statement

In this press release, all variations are given on a year-on-year basis (2010/2009) and at constant scope and exchange rates, unless otherwise indicated.

First half 2010 consolidated sales were €985 million, up 2.4% compared with the corresponding period of 2009. At constant scope and exchange rates, sales were virtually stable (-0.7%).
Over the same period, sales for the Cement activity held up better, recording a rise of 0.5% at constant scope and exchange rates, while Concrete & Aggregates and Other Products & Services reported sales declines of 2.0% and 1.7% respectively at constant scope and exchange rates.

The sales breakdown between the various Group activities during the first half again shows a slight increase of the Cement contribution, which now represents 52.0% of consolidated sales compared with 51.1% at 30 June 2009, at the expense of Concrete & Aggregates (34.9% of consolidated sales compared with 35.8% at 30 June 2009). Other Products & Services remain stable (13.1% of consolidated sales at 30 June 2010 and at 30 June 2009).

The trend in Group sales in the first half of 2010 reflects the impact of very poor weather conditions (particularly in Europe and the United States) in the first quarter of 2010 and still difficult market conditions, notably in California and Italy. The Group's sales in Egypt returned to growth in the second quarter, after a first quarter marked by a number of non-recurrent events. In addition, the second quarter confirmed the solidity of the Swiss and West African markets, as well as the strong sales recovery in Turkey. Finally, it should be noted that in March 2010 the Group observed a significant sales recovery in France and the southeast of the United States. Taken together, these factors lend weight to Vicat's outlook for the current year, which is described as a year of transition, likely to be marked by dynamic growth in emerging countries and a gradual return to a more favourable environment in the mature countries, with the exception of Italy and California.

Group consolidated EBITDA is up 0.9% compared with the first half of 2009, at €232 million, representing a decline of 1.7% at constant scope and exchange rates. The EBITDA margin is thus 23.6% compared with 23.9% in the first half of 2009. The EBITDA margin recorded in the first half once again reflects the Group's resilience and financial solidity in a climate where signs of recovery are still fragile. This performance is the fruit a good geographical balance in the Group's activities, the impact of the Performance 2010 plan, the aim of which is not just to boost capacity but equally to improve the efficiency of the Group's industrial plant, and the impact of the complementary Performance Plus plan implemented in 2009, the full effects of which will be felt during the current year.

Consolidated EBIT fell 1.2% compared with the first half of 2009, to €148 million, or 3.5% at constant scope and exchange rates.

The increase in interest expenses reflects the impact of the higher level of debt when compared to June 2009, partly compensated by the fall in interest rates. Gearing rose to 41% at 30 June 2010 compared with 31% at 31 December 2009. The increase in gearing compared with 31 December 2009 stems mainly from the acquisition of 51% of Bharathi Cement in India at end April.

The Group's tax rate reaches 13.0%, compared with 16.7% in the first half of 2009. This decline reflects a greater contribution from regions with the lowest tax rates, notably Senegal and Egypt, on account of investments made, and the reduction in the Group's activities in the United States and France, countries with the highest tax rates.

Net income attributable to shareholders is €95 million, up 6% or 2.1% at constant scope and exchange rates. Net margin is 12.1% of consolidated sales, compared with 11.4% in the first half of 2009.

1.2. Group income statement by region

1.2.1. Income statement: France

(€ millions)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope
Consolidated sales	**415**	431	-3.8%	-3.8%
EBITDA	**87**	103	-15.7%	-15.7%
EBIT	**60**	74	-19.5%	-19.5%

Consolidated sales in France fell 3.8% for the first half. EBITDA was €87 million, a decline of 15.7%. The EBITDA margin on operational sales came to 20.7% from 23.6% in the first half of 2009. The decline in the EBITDA margin was nevertheless eased by the positive impact of the Performance 2010 plan and by the full effect of the complementary cost-cutting measures in the Performance Plus plan.

- Consolidated sales for the Cement division fell 3.7% at constant scope. After a first quarter marked by very unfavourable weather conditions, the second quarter saw a return to growth in volumes. This performance was attributable to strong growth in export volumes and a stabilisation in volumes sold in France. Selling prices fell mainly as a result of an unfavourable mix stemming from the strong increase in export sales. It should nevertheless be noted that the Group saw a slight drop on prices in its domestic market because of localised competitive pressures, particularly in the northeast of the country. In this context, the EBITDA margin on operational sales is down by around 250bp compared the first half of 2009, but remains solid thanks to the combined effects of the Performance 2010 and Performance Plus plans, as well as a slight fall in energy costs.

- Sales for the Concrete & Aggregates division fell 2.1%. Volumes of aggregates remained stable (down 0.4%) while volumes of concrete grew 2.5%. On the other hand, while aggregate prices recorded a solid increase, concrete prices saw a slight contraction because of increased competitive pressures in certain regions. After a particularly difficult start to the year, and in line with the trend seen in Cement, the second quarter saw a solid recovery in volumes sold, but with selling prices remaining under pressure in the concrete business. This market benefited from the gradual stabilisation of the construction and public works sector and a catch-up effect for projects suspended at the start of the year on account of poor weather. In this context, the EBITDA margin on operational sales fell compared with the first half of 2009.

- In Other Products & Services, consolidated sales fell 7.8%. The Construction Chemicals activity recorded a fall of 9.4%, while the Transport business reported a decline of 13.3% under the combined effect of the current macro-economic climate and the difficult weather conditions in the first quarter.

1.2.2 Income statement: Europe (excluding France)

(€ millions)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**146**	135	8.1%	0.7%
EBITDA	**41**	33	24.9%	16.5%
EBIT	**29**	22	33.2%	24.5%

Consolidated sales in Europe excluding France rose 8.1% in the first half. At constant scope and exchange rates, sales were up 0.7%.
The EBITDA margin on operational sales rose to 27.9% compared with 24.1% in the first half of 2009.

In Switzerland, the Group recorded strong sales growth of 9.8% at constant scope and exchange rates. After a first quarter marked by very difficult weather conditions, but during which the Group benefited from a large number of underground construction works, the second quarter confirmed the dynamism of this market:

- Sales in Cement grew by a strong 23.8% thanks to deliveries to major underground construction projects protected from the poor weather, and the dynamism of the Swiss market as a whole. As a result, the Group was able to benefit in full from the increase in capacity achieved in July 2009 under the Performance 2010 plan. Selling prices fell slightly on account of the nature of the projects to which deliveries were made. Accordingly, helped by an effective energy policy, particularly in the increased usage of alternative fuels, the Cement EBITDA margin on operational sales grew by around 500bp compared with the first half of 2009.

- In Concrete & Aggregates, consolidated sales fell 1.8% because of the poor weather in the first quarter, which was partly offset by good momentum in the second quarter. Selling prices fell back slightly for reasons identical to those that applied to the Cement activity. Thus, the EBITDA margin on operational sales was down slightly compared with the first half of 2009.

- The Precast activity had a very good first half, with a strong increase in volumes. Consolidated sales grew 11.1%. Accordingly, the EBITDA margin on operational sales recorded a solid rise.

Sales in Italy fell 49.6%, affected by a sharp decline in volumes sold caused by the deterioration in the macro-economic climate as well as poor weather conditions at the start of the year. Moreover, in this context of falling volumes, competitive pressures increased sharply leading to a significant fall in selling prices. Accordingly, the EBITDA margin on operational sales declined, though this was limited by the prices for external purchases of clinker, which remain favourable.

1.2.3 Income statement: United States

(€ millions)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**85**	104	-18.4%	-18.7%
EBITDA	**(4)**	8	-151.3%	-151.2%
EBIT	**(21)**	(9)	n.a	n.a

Consolidated sales in the United States fell 18.4% or 18.7% at constant scope and exchange rates, in a market still greatly affected by the economic and sector crisis, compounded by poor weather conditions early in the year. Nevertheless, while the situation in California remains very difficult, the southeast region displayed a more favourable trend, with a return to growth in volumes sold in both Cement and Ready-Mix Concrete.
In this context, the Group recorded a further deterioration in its performance, with negative EBITDA of €4 million reported for the first half.

In Cement, consolidated sales fell 15.9%, affected by a volume decline of more than 5%. This reduction in volumes remained marked in California because of weather conditions and the economic climate. Conversely, the southeast region saw a return to strong growth in volumes sold. Selling prices continued to fall sharply, impacted by an unfavourable comparison base for both California and the southeast, but also because of a still deteriorated competitive environment in California. Accordingly, the Group recorded negative EBITDA for this activity in the United States.

In Concrete, consolidated sales fell 19.9%, mainly because of a continuation of the sharp decline in volumes sold in California resulting from the unfavourable economic climate and weather conditions, while volumes sold rose 13.0% in the southeast during the first half. Regarding selling prices, these recorded a new decrease, more noticeable in California than in the southeast.
Accordingly, the Group recorded slightly positive EBITDA for this activity in the United States.

While the Group performances recorded in the first half confirm that the situation remains very difficult in regions where the it is present, it is worth noting that there has been a perceptible improvement in the southeast region in terms of volumes, and that the rate of distribution of federal aid has significantly accelerated, notably in California and Georgia.

1.2.4 Income statement: Turkey, India and Kazakhstan

(€ millions)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	**107**	70	52.5%	26.3%
EBITDA	**14**	6	141.9%	92.7%
EBIT	**3**	(3)	n.a	n.a

Consolidated sales in Turkey amounted to €94 million, up 26.3% at constant scope and exchange rates. Sales volumes were driven by a positive base effect and very favourable weather conditions, as well as a marked pickup in activity, which started at the end of 2009 and accelerated during the first half. Selling prices also benefited from these increased activity levels, not just in the Konya region but also – since the end of the first quarter – in the Ankara region.

The EBITDA margin on operational sales improved to 14.1% compared with 9.3% in the first half of 2009.

In Cement, the Group reported an increase in volumes sold of more than 7% compared with H1 2009. Thus, volumes intended for the domestic market rose by around 15%, while export volumes (mainly destined for the Mediterranean periphery) dipped strongly, with the Group prioritising sales to the domestic market. Prices applied in the Turkish market increased over the period, in both the Konya and Ankara regions. As a result, sales for the Cement activity increased by a strong 16.3% at constant scope and exchange rates during the period. Based on these elements, the EBITDA margin on operational sales for this activity recorded a very significant improvement.

In Concrete & Aggregates, volumes sold increased by more than 40% for concrete and by around 51% for aggregates, benefiting like Cement from a very favourable comparison base, with good weather conditions in the first quarter and a solid market recovery. Nevertheless, in a still very competitive market, prices remained under pressure. Thus, while consolidated sales for the Concrete & Aggregates activity grew by 42.0% at constant scope and exchange rates compared with the first half of 2009, the EBITDA margin on operational sales recorded a decline.

On 19 April 2010, the Vicat Group announced the acquisition of 51% of the capital of Bharathi Cement Company Limited. This company, which has been operational since the end of 2009, currently has annual cement capacity of 2.5 million tonnes. A second production line, the construction of which is proceeding to schedule, will boost total annual production to 5 million tonnes of cement by the end of 2010.
Bharathi Cement, based in the State of Andhra Pradesh, operates throughout the south of India, a market that is dynamic but also highly competitive, given the current overcapacity.
In this environment, Bharathi Cement reported sales of €12.7 million for May and June (consolidation from 1 May 2010). This performance was the fruit of a dynamic sales policy implemented via a network of merchants spanning the entire south of the country. Thus, in barely two months the Group sold around 239,000 tonnes of cement and clinker despite its position as a new entrant and the heavy precipitation caused by the start of the monsoon.
In terms of profitability, helped by its modern, high-performance plant, Bharathi Cement generated an EBITDA margin of more than 16%. This represents a strong and promising performance, given that the first kiln is in start-up phase, competitive pressures remain strong and coal prices have recently risen in the region.

The Group's two greenfield projects (Jambyl Cement in Kazakhstan and Vicat Sagar in India) will be operational, as originally planned, at the end of 2010 and in 2012. However, some operating expenses related to the creation of these plants were booked during the first half.

1.2.5 Income statement: Africa & Middle East

(€ millions)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Consolidated sales	232	221	4.8%	4.5%
EBITDA	95	81	17.4%	16.9%
EBIT	77	66	17.0%	16.6%

Consolidated sales for Africa & Middle East grew by 4.5% at constant scope and exchange rates.

EBITDA margin on operational sales grew to 40.2% in H1 2010 compared with 36.4% for the corresponding period of 2009.

In Egypt, consolidated sales were €111 million, up 5.6% at constant scope and exchange rates. After the exceptional precipitation that disrupted the country's power generation in the first quarter and a temporary production slowdown caused by the commissioning of the new FLS cement grinder, the Group rapidly returned to dynamic sales growth in the second quarter. Selling prices remained strong throughout the first half.

The Group's EBITDA margin on operational sales in Egypt recorded a very slight increase, despite the negative impact on Q1 profitability of the events described above.

In West Africa, sales grew 3.5% compared with the corresponding period of 2009. The commissioning, under the Performance 2010 plan, of new milling and bagging capacity and the new kiln enabled the Group to satisfy the favourable evolution in demand throughout the region.
After a slow pickup in activity during the first months of the year, volumes of cement sold recorded a rise of more than 6% over the period. Average selling prices recorded a slight dip, reflecting a less favourable geographical sales mix, with marked growth in export volumes sold at lower prices. It should nevertheless be noted that in the domestic Senegalese market the Group observed very slight pressure on prices. As a result, Cement sales grew by 3,0%.
The EBITDA margin on operational sales in West Africa recorded a strong increase, benefiting from sales growth in this region, as well as the full effect of the commissioning of the new, noticeably more energy-efficient kiln at the Rufisque plant in Senegal, which also enabled the Group to end external purchases of clinker. In addition, the Group benefited from favourable coal price movements.

In Aggregates, volumes grew strongly by around 19.3%, benefiting from the region's dynamism. On the other hand, prices were significantly lower, reflecting an unfavourable comparison base stemming from the gradual reduction seen in the last 12 months. Accordingly, the sales growth for this activity was 10.4%.
The EBITDA margin on operational sales for this activity nevertheless recorded a decline.

1.3. Group income statement by division

1.3.1. Cement

(€ millions)	30 June 2010	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Volume (kt)	7 765	7 325	6.0%	
Operational sales	604	579	4.4%	0.9%
Consolidated sales	512	491	4.3%	0.5%
EBITDA	186	174	7.2%	4.7%
EBIT	132	124	6.8%	4.8%

Consolidated sales for the Cement activity rose 4.3% or 0.5% at constant scope and exchange rates. Volumes recorded solid growth during the period (6.0%).

EBITDA was €186 million, up 4.7% at constant scope and exchange rates. The EBITDA margin on operational sales increased slightly to 31% compared with 30% in the first half of 2009.

1.3.2. Concrete & Aggregates

(€ millions)	30 June 2010	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Concrete volumes (km^3)	3 700	3 345	10.6%	
Aggregate volumes (kt)	9 956	8 975	10.9%	
Operational sales	360	358	0.7%	-1.1%
Consolidated sales	344	345	-0.4%	-2.0%
EBITDA	30	44	-31.9%	-34.3%
EBIT	7	20	-65.5%	-67.9%

Consolidated sales for Concrete & Aggregates fell 0.4% or 2.0% at constant scope and exchange rates.
EBITDA was down 31.9% or 34.3% at constant scope and exchange rates. The EBITDA margin on operational sales fell significantly to above 8% compared with 12% in the first half of 2009.

1.3.3. Other Products & Services

(€ millions)	**30 June 2010**	30 June 2009	Change (%)	
			Reported	At constant scope and exchange rates
Operational sales	162	157	3.5%	0.2%
Consolidated sales	129	126	2.3%	-1.7%
EBITDA	16	13	28.6%	22.8%
EBIT	9	6	45.3%	37.5%

Consolidated sales for Other Products & Services rose 2.3%, representing a slight drop of 1.7% at constant scope and exchange rates.

In **France**, consolidated sales fell 7.8%, affected by the macro-economic environment and unfavourable weather conditions at the start of the year.

In **Switzerland**, the Precast activity recorded good sales growth of 11.1% at constant scope and exchange rates. This was achieved despite the impact of unfavourable weather conditions in Q1 2010. The performance stems from a more favourable economic climate and the Group's good positioning in high value-added products. EBITDA grew strongly. The EBITDA margin on operational sales thus recorded a strong rise.

2. Balance sheet and cash flow statement

Net debt was €1,028 million at 30 June 2010, compared with €653 million at 31 December 2009.

Consolidated shareholders' equity was €2,505 million compared with €2,082 million at 31 December 2009.

Accordingly, the net debt to equity ratio was 41% compared with 31% at 31 December 2009 and 39% at 30 June 2009. Thus, after the acquisition of 51% of the capital of Bharathi Cement Company Limited, the Group's financial position remains very healthy.

Given the level of the Group's net debt, its financial position and balance sheet liquidity are not at risk from any bank covenants. At 30 June 2010, Vicat's financial ratios fell comfortably within the limits required by covenants in financing agreements.

In the first half of 2010, the Group generated cash flow of €181 million compared with €179 million for the first half of 2009. Capital expenditure was €140 million in the first half compared with €154 million in the corresponding period of 2009. It comprises for a large part (€50 million) ongoing investments in the projects in Kazakhstan and India. The rest corresponds to investments in maintenance and industrial improvement throughout varying countries.

Financial investments made during the period amounted to €220 million compared with €12 million in the first half of 2009 and corresponded essentially to the buyout of minority shareholders as part of the Baharati Cement acquisition.

3. Recent events

On 19 April 2010, Vicat announced an agreement with shareholders of Bharathi Cement Company Limited (BCCL), a cement maker operating in the State of Andhra Pradesh in southern India, to acquire 51% of BCCL's capital, mainly via a privately placed capital increase. The acquisition will be financed from debt and enables the Group to extend its presence in southern India, a region where cement consumption is growing strongly and which now represents around 40% of the Indian cement market. BCCL operates a cement plant comprising two production lines, which will represent a total annual capacity of 5 million tonnes of cement by the end of 2010. BCCL currently has annual capacity of 2.5 million tonnes of cement, and has marketed its products under the Bharathi Cement brand since the end of 2009.

On 24 June 2010, the Group announced it had finalised financing for the Vicat Sagar greenfield cement plant in India, a project being run in partnership with Sagar Cements Limited and in which Vicat has a majority stake.
This plant will have annual capacity of 5.5 million tonnes of cement, with two clinker production lines with a respective capacity of 6,000 tonnes/day. The first of these, representing annual capacity of 2.75 million tonnes of cement, will be operational in 2012.
The financing, arranged by the International Finance Corporation (IFC), a subsidiary of the World Bank, amounts to €195 million. It includes a first tranche of €140 million arranged by the IFC with the support of three development banks, DEG, FMO and PROPARCO, and a second tranche of €55 million arranged by the IFC with a syndicate comprising Crédit Agricole CIB, Crédit Industriel et Commercial, Natixis and Société Générale. The maturities of the two tranches are 11 and 8 years respectively.

The partnership between Vicat and Mr Y.S. Jagan Mohan Reddy and that with Sagar Cements will allow for the emergence of two major players in southern India, supported by strong operational synergies and ambitious expansion plans.

With regards to the Group's financing, Vicat SA has established a bridge credit line of €360 million for a period of 12 months, with an option by the debtor to extend to 18 months, BNP Paribas, CA CIB and Société Générale financed an equal share of this line of credit.

4. Outlook

Concerning the outlook for 2010, the Group confirms the expected trends as communicated with the publication of its 2009 full year results and during its Annual General Meeting.
Thus, 2010 is likely to be a year of transition. The buoyant trends in emerging markets are likely to continue, while the environment in certain mature countries looks set to remain difficult. Selling price trends will vary significantly by region. Moreover, while the first half has been impacted by particularly poor weather conditions at the start of the year, the second half should be marked by a gradual sales improvement in some mature markets, notably France and the United States.

The Group is continuing efforts to boost productivity and control fixed costs. It should benefit in full from the combined effects of the "Performance" plans, notably:

- performances driven by new industrial plant;
- falling prices for conventional fuels and increased use of alternative fuels;
- an end to external purchases of clinker and cement in Switzerland and Senegal, following the capacity increases completed in 2009.

For 2010, the Group wishes to provide the following information on its various markets:

- **In France**, the Group expects a gradual stabilisation of volumes sold in 2010, notably in Cement, in a price climate that should be slightly negative. The first effects of the stimulus plan announced by the government should have a very gradual impact on the sector and on construction in general, notably in infrastructure, while new residential should benefit from the tax incentives introduced in 2009. On the other hand, non-residential is expected to continue its negative growth throughout the year. The Group should benefit from more favourable purchase prices for conventional fuels and the continuation of its policy to increase its usage of alternative fuels.
- **In Switzerland**, the environment should remain favourable overall, helped by the continuation of some large infrastructure projects. The increased kiln capacity implemented at the Reuchenette plant at the end of H1 2009 has put a definite end to external purchases of clinker and enables the Group to increase its capacity to use alternative fuels. Finally, the Group will benefit from more favourable purchase prices for conventional fuels and will pursue its policy to increase its usage of alternative fuels.
- **In Italy**, the Group expects a particularly difficult situation in 2010. In this context, Vicat should still benefit from favourable purchasing conditions for clinker.
- **In the United States**, the lack of visibility on either the macro-economic situation or the amount of investments that the States might make prevents the Group from formulating forecasts for 2010, which is nevertheless likely to remain particularly difficult. While the implementation of the stimulus plan nationally may have a substantial impact on the Group's markets, the location, nature and timing of the investments remain uncertain. Nevertheless, it is important to highlight a perceptible increase during the first half in the southeast region, and the fact that the rate of distribution of federal aid accelerated significantly from March, notably in California and Georgia.
- **In Turkey**, the gradual improvement in the environment is likely to continue, particularly in terms of volumes. On the other hand, the persistence of a highly competitive situation could again have an unfavourable impact on selling price trends. However, in this context, the modernisation of the Group's industrial plant under the "Performance 2010" plan enables the Group to produce at low cost. In addition, the Group should be able to increase its usage of alternative fuels substantially.

- **In Egypt**, the local market should remain favourable, in terms of both volumes and prices. Nevertheless, for volumes, the comparison base will be significantly less favourable than in 2009, the increased capacity of the Sinai Cement plant having already been fully integrated during the year. Vicat therefore expects to achieve sales growth in line with the market.
- **In West Africa**, the market environment should remain generally favourable, but will be closely linked to public investment in major infrastructure projects and the development of money transfers from the region's diaspora. The Group should also benefit from certain drivers. First, Vicat will be able to benefit fully from its increased capacity, finalised under 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 the conventional fuels it uses. 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 via a privately placed capital increase, enables the Group to strengthen significantly its position in India, a market where cement consumption is growing strongly. This is Vicat's second major deal, complementing its current joint venture, Vicat Sagar Cement; these partnerships will allow for the emergence of two major players in southern India, with an eventual total nominal capacity of more than 10 million tonnes supported by strong operational synergies and ambitious expansion plans.
- **In Kazakhstan**, the construction of a state-of-the-art plant with a capacity of 1.1 million tonnes is proceeding to plan, with start-up scheduled for the second half of 2010. Nevertheless, the impact on the Group's sales will not really be noticeable until 2011, as winter conditions in Kazakhstan mean that activity is highly seasonal in the country.

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

- a strong balance sheet;
- the effects of the "Performance 2010" investment plan, particularly lower production costs resulting from modernisation of the Group’s production facilities and the strengthening of its industrial and market positions;
- the maintained effects of the complementary "Performance Plus" plan, extending the "Performance 2010" plan;
- and finally, successful development in Kazakhstan and India, where the Group’s projects are proceeding to schedule.

Conference call:

To accompany the publication of the Group's H1 2010 sales, Vicat is organising a conference call that will be held in English on Thursday 5 August 2010 at 3pm Paris time (2pm London time, 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 69
UK:	+44 (0)20 7138 0825
US:	+1 212 444 0481

To listen to a playback of the conference call, which will be available until midnight on 12 August 2010, dial one of the following numbers:

France:	+33 (0)1 74 20 28 00
UK:	+44 (0)20 7111 1244
US:	+1 347 366 9565
Access code:	5668074#

Next publication:
3 November 2010 after the close: Q3 2010 results

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PRESS RELEASE

ABOUT THE VICAT GROUP

The Vicat Group has **around 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 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 business lines**: **Cement**, **Readymix Concrete** and **Aggregates**, as well as related activities.

Disclaimer:
This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets.
These statements are by their nature subject to risks and uncertainties as described in the Company's annual report available on its website (www.vicat.fr). These statements do not reflect the future performance of the Company, which may differ significantly. The Company does not undertake to provide updates of these statements.
Further information about Vicat is available at its website (www.vicat.fr).

APPENDICES

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2010

Consolidated financial statements at June 30, 2010
as approved by the Board of Direction on August 3, 2010

CONSOLIDATED STATEMENT OF FINANCIAL SITUATION

ASSETS (in thousands of euros)	*Notes*	June 30, 2010	Dec. 31, 2009
NON-CURRENT ASSETS			
Goodwill	*3*	1,019,715	671,224
Other intangible assets	*4*	93,363	74,484
Property, plant and equipment	*5*	2,151,405	1,782,307
Investment properties		16,297	19,206
Investments in associated companies (equity method)		40,365	36,579
Deferred tax assets		9,275	2,682
Receivables and other non-current financial assets		72,944	68,387
Total non-current assets		**3,403,364**	**2,654,869**
CURRENT ASSETS			
Inventories and work-in-progress		335,469	295,140
Trade and other accounts receivable		387,518	320,538
Current tax assets		8,551	6,050
Other receivables		147,648	103,285
Cash and cash equivalents	*6*	348,133	234,708
Total current assets		**1,227,319**	**959,721**
Total assets		**4,630,683**	**3,614,590**

LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of	*Notes*	June 30, 2010	Dec. 31, 2009
SHAREHOLDERS' EQUITY			
Share capital	*7*	179,600	179,600
Additional paid-in capital		11,207	11,207
Consolidated reserves		1,915,490	1,691,382
Shareholders' equity		**2,106,297**	**1,882,189**
Minority interests		**398,381**	**199,384**
Shareholders' equity and minority interests		**2,504,678**	**2,081,573**
NON-CURRENT LIABILITIES			
Provisions for pensions and other post-employment benefits	8	50,593	44,090
Other provisions	8	86,289	87,498
Financial liabilities	9	1,163,175	660,090
Deferred tax		150,507	146,016
Other non-current liabilities		18,666	26,231
Total non-current liabilities		**1,469,230**	**963,925**
CURRENT LIABILITIES			
Provisions	8	9,203	8,169
Financial liabilities	9	213,243	227,256
Trade and other accounts payable		259,483	189,820
Current taxes payable		7,938	6,962
Other liabilities		166,908	136,885
Total current liabilities		**656,775**	**569,092**
Total liabilities		**2,126,005**	**1,533,017**
Total liabilities and shareholders' equity		**4,630,683**	**3,614,590**

CONSOLIDATED INCOME STATEMENT			
	Notes	June 30, 2010	June 30, 2009
(in thousands of euros)			
Net sales	*11*	**984,706**	**961,913**
Goods and services purchased		(577,002)	(551,750)
Added value	*1.20*	**407,704**	**410,163**
Personnel costs		(160,756)	(157,247)
Taxes		(30,525)	(29,899)
Gross operating earnings	*1.20 & 14*	**216,423**	**223,017**
Depreciation, amortization and provisions	*12*	(75,402)	(78,800)
Other income (expense)	*13*	6,762	(786)
Operating income	*14*	**147,783**	**143,431**
Cost of net borrowings and financial liabilities	*15*	(12,382)	(11,099)
Other revenues	*15*	3,552	4,436
Other costs	*15*	(3,841)	(4,283)
Net financial income (expense)	*15*	**(12,671)**	**(10,946)**
Earnings from associated companies		1,668	(351)
Earnings before income tax		**136,780**	**132,134**
Income taxes	*16*	(17,501)	(22,136)
Net income		**119,279**	**109,998**
Portion attributable to minority interests		24,689	20,732
Portion attributable to Group share		**94,590**	**89,266**

EBITDA	*1.20 & 14*	**231,933**	**229,763**
EBIT	*1.20 & 14*	**148,396**	**150,131**
Cash flow from operations		**181,289**	**179,317**

Earnings per share (in euros)			
Basic and diluted earnings per share	*7*	2.11	1.99

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
(in thousands of euros)	June 30, 2010	June 30, 2009
NET CONSOLIDATED INCOME	**119,279**	**109,998**
Net income from change in translation differences	220,582	(39,558)
Cash flow hedge instruments	2,675	(7,157)
Income tax on other comprehensive income	(921)	2,464)
OTHER COMPREHENSIVE INCOME (net of income tax)	**222,336**	**(44,251)**
TOTAL COMPREHENSIVE INCOME	**341,615**	**65,747**
Portion attributable to minority interests	58,537	13,594
PORTION ATTRIBUTABLE TO GROUP SHARE	**283,078**	**52,153**

The amount of income tax relating to each component of other comprehensive income is analyzed as follows:

	June 30, 2010			June 30, 2009		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Net income from change in translation differences	220,582		220,582	(39,558)	-	(39,558)
Cash flow hedge instruments	2,675	(921)	1,754	(7,157)	2,464	(4,693)
Other comprehensive income (net of income tax)	**223,257**	**(921)**	**222,336**	**(46,715)**	**2,464**	**(44,251)**

CONSOLIDATED STATEMENT OF CASH FLOWS			
(in thousands of euros)	Notes	June 30,	June 30, 2009
Cash flows from operating activities			
Net income		**119,279**	**109,998**
Earnings from associated companies		(1,168)	351
Dividends received from associated companies			
Elimination of non-cash and non-operating items:			
- depreciation, amortization and provisions		77,588	77,080
- deferred taxes		(8,113)	(6,069)
- net (gain) loss from disposal of assets		(6,268)	(667)
- unrealized fair value gains and losses		445	(1,362)
- other		26	(14)
Cash flows from operating activities		**181,289**	**179,317**
Change in working capital from operating activities - net		(20,954)	(47,263)
Net cash flows from operating activities (1)	*18*	**160,335**	**132,054**
Cash flows from investing activities			
Acquisitions of fixed assets:			
- property, plant and equipment and intangible assets		(132,946)	(153,966)
- financial investments		(5,971)	(6,874)
Disposals of fixed assets:			
- property, plant and equipment and intangible assets		9,734	2,579
- financial investments		6,217	2,899
Impact of changes in consolidation scope		(214,258)	(3,467)
Net cash flows from investing activities	*19*	**(337,224)**	**(158,829)**
Cash flows from financing activities			
Dividends paid		(83,469)	(69,228)
Increases in capital		2,867	5,181
Increases in borrowings		577,629	165,426
Redemptions of borrowings		(229,926)	(48,852)
Acquisitions of treasury shares		(13,441)	(2,210)
Disposals of treasury shares		16,393	10,318
Net cash flows from financing activities		**270,053**	**60,635**
Impact of changes in foreign exchange rates		21,898	(7,478)
Change in cash position		**115,062**	**26,382**
Net cash – opening balance	*20*	213,011	95 038
Net cash – closing balance	*20*	328,073	121,420

(1) including cash flows from income taxes: (20,075) thousand euros in 2010 and (27,303) thousand euros in 2009. including cash flows from interests paid and received: (11,105) thousand euros in 2010 and (9,468) thousand euros in 2009.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousands of euros)	Capital	Addition-al paid-in capital	Treasury shares	Conso-lidated reserves	Trans-lation reserves	Share-holders' equity	Mino-rity inte-rests	Total share-holders' equity and minority interests
At January 1, 2009	**179,600**	**11,207**	**(99,250)**	**1,746,954**	**(63,999)**	**1,774,512**	**179,256**	**1,953,768**
Net consolidated				89,266		89,266	20,732	109,998
Other comprehensive				(4,693)	(32,420)	(37,113)	(7,138)	(44,251)
Total comprehensive income				*84,573*	*(32,420)*	*52,153*	*13,594*	*65,747*
Dividends paid				(67,350)		(67,350)	(5,250)	(72,600)
Net change in treasury shares			8,210	1,646		9,856		9,856
Other changes				3,315		3,315	2,307	5,622
At June 30, 2009	**179,600**	**11,207**	**(91,040)**	**1,769,138**	**(96,419)**	**1,772,486**	**189,907**	**1,962,393**
At January 1, 2010	**179,600**	**11,207**	**(89,616)**	**1,874,368**	**(93,370)**	**1,882,189**	**199,384**	**2,081,573**
Net consolidated				94,590		94,590	24,689	119,279
Other comprehensive				1,754	186,734	188,488	33,848	222,336
Total comprehensive income				*96,344*	*186,734*	*283,078*	*58,537*	*341,615*
Dividends paid				(67,350)		(67,350)	(17,998)	(85,348)
Net change in treasury shares			2,796	1,577		4,373		4,373
Other changes				4,007		4,007	158,458	162,465
At June 30, 2010	**179,600**	**11,207**	**(86,820)**	**1,908,946**	**93,364**	**2,106,297**	**398,381**	**2,504,678**

Translation differences at June 30, 2010 are broken down by currency as follows (in thousands) of euros:

U.S. dollar:	23,579
Swiss franc:	84,938
Turkish new lira:	(22,886)
Egyptian pound:	(827)
Kazakh tengue:	(16,767)
Mauritanian ouguiya:	(1,428)
Indian rupee:	(26,755)
	93,364

Notes to the consolidated financial statements at june 30, 2010 are availalble at www.vicat .com