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# 2021

## Q1 sales



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**VICAT**

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# Q1 2021 Highlights



**Sales of  
€707 million, up  
+22.1%**

at constant scope  
and exchange rates



**Solid business growth  
in all regions**



**Pandemic situation still  
a concern, with limited  
impact on activity**

# Medium-term industry trends



The industry is recovering its pricing power

## ▼ This is driven by a set of structural factors

- the return to stronger demand in most markets that leads to shortage situations in some markets, such as the US
- a reduction in the export capacity of many countries, such as Turkey and China
- the growing necessity to manage the CO2 and climate imperative
- the steady increase in energy costs

## ▼ In this environment, Vicat will be benefiting from

- the necessary available capacities in its key growing markets
- the ability to increase them in the right markets, such as at Ragland that is happening at the right time

## ▼ And has the ability to leverage

- the efficiency of plants that have benefited from steady investments in the past
- as well optimised and long-term management of its CO2 rights

# Analysis by region

## France



(€ million)	31/03/2021	31/03/2020	Change (reported)	Change (at constant scope and exchange rates)
Sales	255	211	+21.0%	+20.7%

- ▼ France moved higher despite the pandemic, in line with the trend seen in late 2020
- ▼ Favourable base of comparison for the quarter given the very sharp slowdown in the first quarter of 2020

- ▼ Cement, operational sales up +16%
  - Supportive industry environment in the Group's markets
  - Hike in selling prices in the domestic market
- ▼ Concrete & Aggregates operational sales: +22%
  - Volume growth in concrete and aggregates
  - Selling prices moved higher in aggregates and were stable in concrete
- ▼ Other Products & Services sales: +24%

# Analysis by region

## Europe: Switzerland and Italy



(€ million)	31/03/2021	31/03/2020	Change (reported)	Change (at constant scope and exchange rates)
Sales	87	86	+0.5%	+2.6%

### SWITZERLAND

- ▼ Consolidated sales up +2%
- ▼ Business continued as normal with no significant impact on sector conditions from the epidemic
  - *In Cement*, operation sales up +4% with solid market trends as well as in the waste recovery segment

- *In Concrete & Aggregates*, operational sales down -13%
  - Less favourable weather conditions
  - Selling prices picked up
- *Other Products & Services* up +18%
  - Market remains highly competitive

### ITALY

- ▼ Consolidated sales rise +14%
  - Favourable base of comparison

# Analysis by region

## Americas: United States and Brazil

(€ million)	31/03/2021	31/03/2020	Change (reported)	Change (at constant scope and exchange rates)
Sales	142	134	+6.3%	+22.8%

### UNITED-STATES

- ▼ Consolidated sales up +13%
- ▼ *In Cement, operational sales up +8%*
  - Solid market trends and increases in selling prices
  - New price increase passed on April 1, 2021
- ▼ *In Concrete, operational sales up +14%*
  - Solid market trends, especially in the South-East
  - Increase in average selling prices, especially in California
- ▼ Ragland construction project on track
  - Expected commissioning in H1 2022

### BRAZIL

- ▼ Consolidated sales at €35 million, up +58.5% (+18% on a reported basis)
  - Business continued to grow at a rapid pace in a dynamic market despite a still very concerning pandemic situation
- ▼ *In Cement, operational sales were €29 million*
  - Driven by a strong progression in demand and in selling prices
- ▼ *In Concrete & Aggregates, operational sales were €10 million*
  - Improvement in market conditions
  - Rise in selling prices, both in concrete and in aggregates

# Analysis by region

## Asia: India and Kazakhstan



(€ million)	31/03/2021	31/03/2020	Change (reported)	Change (at constant scope and exchange rates)
Sales	100	81	+24.0%	+37.4%

### INDIA

- ▼ Industry situation has remained more favourable in the first quarter of this year than in 2020
- ▼ Group continues to operate free of any production- or business-related restrictions
- ▼ Q1 sales of €89 million: +42%
  - reflecting the resumption in large projects and the improvement in selling prices
- ▼ In current uncertain context, focus on safety measures

### KAZAKHSTAN

- ▼ Consolidated sales of €11 million, up +12%
- ▼ Solid trends in domestic market, compensating contraction in exports
- ▼ Selling prices increase significantly



# Analysis by region

## Mediterranean: Turkey and Egypt



(€ million)	31/03/2021	31/03/2020	Change (reported)	Change (at constant scope and exchange rates)
Sales	43	33	+30.0%	+61.3%

### TURKEY

- ▼ Ongoing recovery of construction market
- ▼ Sales at €28 million, up +77%
- ▼ *In Cement*, operational sales at €21 million
  - Firmer trends continue in Q1, boosted by favourable weather conditions
  - Increase in prices
- ▼ Operational sales in *Concrete & Aggregates* rise to €13 million
  - Improvement in market conditions and higher selling prices

### EGYPT

- ▼ Sales totalled €15 million, up +33.5%
- ▼ Continued market improvement
- ▼ Increase in selling prices initiated toward the end of the period, but average price still lower than Q1 2020

# Analysis by region

## Africa: Senegal, Mali and Mauritania

(€ million)	31/03/2021	31/03/2020	Change (reported)	Change (at constant scope and exchange rates)
Sales	80	71	+13.0%	+13.4%

- ▼ Favourable sector environment
- ▼ Performance improvements at Rufisque plant
- ▼ Ramp-up of new mill in Mali
- ▼ *In Cement, operational sales up +16%*
  - Dynamic trends in Senegal
  - Net selling prices lower in Senegal due to tax implemented in May 2020
- ▼ *In Senegal, Aggregates sales up +4%*
  - Resumption of government infrastructure products

# Financial position at 31 March 2021



- ▼ Strong increase in operating profitability in Q1 due to
  - The strong activity levels in its markets,
  - the favourable trends in pricing levels
  - and continued focus on controlling costs

As a reminder, due to the seasonal nature of its activity, the first quarter is not representative of full-year trends

- ▼ **Group's shareholders' equity** was €2,458 million and net debt stood at €1,270 million, from €1,395 million at 31 March 2020

# 2021 outlook



- ▼ Three factors are likely to have an impact on the Group's financial performance and its evolution throughout 2021:
  - Unfavourable exchange rate variations;
  - Rise in energy costs mainly in the second half;
  - A favourable base of comparison in the first six months followed by conversely unfavourable comparisons against the third quarter 2020
  
- ▼ As a result, the Group expects
  - Solid growth in its first-half EBITDA
  - And an increase in its full year EBITDA at constant scope and exchange rates

The detailed information concerning the 2021 outlook for the Group's is available in the Q1 2021 press release on our website [www.vicat.com](http://www.vicat.com)