

VICAT 2015

ANNUAL REPORT



VICAT,
BUILDING
TOGETHER



BUILDING TOGETHER



Like Louis Vicat, the engineer who in 1817 invented artificial cement, the family firm founded more than 160 years ago looks to the future. We continue 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, 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 our technical expertise and the commitment and passion of our workforce, we nurture long-term relationships of trust with our customers and partners. Contributing to progress in the art of construction, together with our customers: that is our everyday objective for every project and in every place.

BUILDING TOGETHER

FOR US, THIS OBJECTIVE IS BASED ON FIVE STRONG CORE VALUES, VALUES THAT CARRY MEANING AND ENSURE SOLIDITY, VALUES THAT ARE SHARED.

Shared connection: having community focus to contribute to local development!

Shared fervor: the same fervor that has driven us for two centuries!

Shared innovation: our creativity and expertise inspire us to greater things!

Shared commitment: rising to all challenges, with our partners!

Shared progress: building sustainably for the world of tomorrow!

SHARED CONNECTION

Ours is a family company founded more than 160 years ago. We are attached to our independence and we build for the long term. We capitalize on the confidence placed in us by private and public-sector partners: customers, suppliers, local representatives, teachers, scientists, etc.



SHARED FERVOR

Ever since Louis Vicat invented artificial cement, in our dealings with partners, every one of us has been driven by a passion for our products and for the construction industry.





SHARED INNOVATION

Through our skills and know-how we can realistically aim for excellence with respect to the performance of our materials, products, and services, together with their implementation, all for the greater benefit of our customers. We think ahead and innovate to keep pace with and, better still, get the jump on the technical, social, and environmental changes affecting our markets.



SHARED COMMITMENT

We nurture a spirit of service where availability, attentiveness, dialogue, and cooperation are keys to customer relations. Communication boosts organizational efficiency and reactivity. As partners for our customers, it is our duty to foster their development and value creation.

SHARED PROGRESS

We are a French corporation with an international presence and a sound local footing as a partner for development. We promote local recruitment and, as part of our corporate social responsibility strategy, we ensure that the environmental impact of everything we do is controlled (local materials, ecodesign, recycling, etc.).



BUILDING TOGETHER



Vicat is a French cement manufacturer with **15 cement plants, 5 grinding plants, 232 concrete batching plants and 67 aggregate quarries, along with other businesses, in 11 countries.** Since 1974, when it acquired the Ragland cement plant in the United States, the Vicat Group has expanded into Turkey, Senegal, Switzerland, Egypt, Italy, Mali, Kazakhstan, India, and Mauritania. The Group has close to **8,000 committed, responsible employees throughout the world** and generates **consolidated sales of close to 2.5 billion euros.**

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REPRESENT
THE VALUES
OF THE VICAT
GROUP

Consult all 2015
publications at
vicat.com

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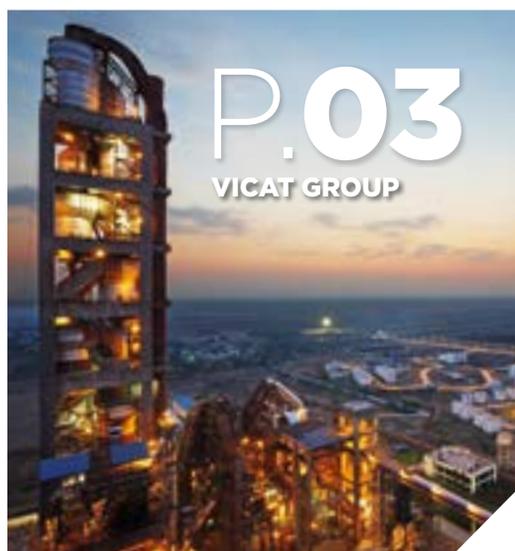
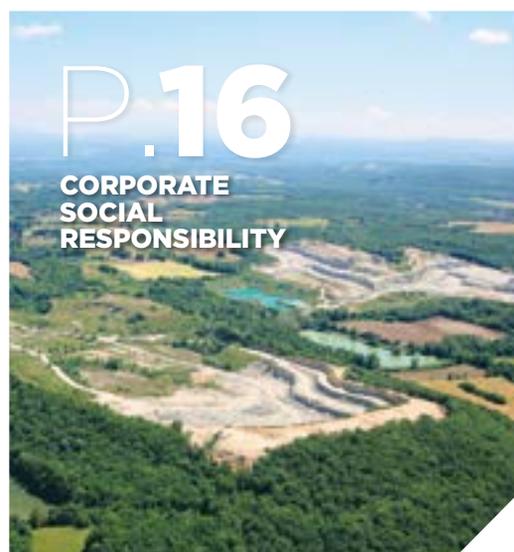
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— Bharathi Cement plant in Andhra Pradesh (India).

“

WHAT WOULD THE WORLD BE WITHOUT CEMENT?”

DESPITE GLOBAL TURMOIL, VICAT KEPT FIRMLY ON TRACK AND MAINTAINED ITS OPERATIONAL PROFITABILITY

GUY SIDOS
CHAIRMAN AND CEO



2.5

BILLION EUROS: SALES IN 2015

+1.5%

INCREASE IN SALES IN 2015
COMPARED TO 2014



What would the world be without cement?

It would undoubtedly be different, somewhat dated. In 2015, it would not have been enriched

by new low-energy homes, fuel-saving, low-maintenance concrete roads, elegant, functional low-energy high-rise buildings, bridges, or sports infrastructures like the Parc Olympique Lyonnais stadium in Lyons, and much, much more.

Invented, in its artificial form, by Louis Vicat close to two centuries ago, cement adapts to modern requirements in all its uses: formulated products, precast concrete products, and concretes adapted to the requirements of today's city. Cement is an inexpensive modern, local, easy-to-use material.

Vicat, which in 2015 became the only French cement manufacturer, devotes itself to adapting not just the material and its uses to modern-day living, but also the way in which it is made. Its production methods help respect and develop life and the landscape, repurpose waste, and provide local jobs for specialists impassioned by their professions in processing and change.

Vicat innovates. ULTIMAT^{UP}, a new very-high-strength cement suitable for the geological conditions of the Alps and the Paris region, was developed for tunnel projects close to Paris and on the TELT Lyons–Turin railroad. Vicat's research and development teams have also developed concretes based on ALPENAT^{UP}, our new high-performance, low-carbon cement. With these concretes, immense non-shrink slabs can be built, and roads and runways can be repaired extremely quickly. Concrete is constantly being reinvented and finding new functions: it can be decorative, structural, insulating, permeable (to prevent ground-surface hardening) or, on the contrary, impermeable (for storing and treating water). It is becoming more refined for extreme applications, be it for design or structural purposes. Vicat's expertise in these materials is applied to 'Smart City' projects and the development of digital models.

Throughout the world, 2015 was a very turbulent year in which our markets were affected by the geopolitical background, climate concerns, and economic uncertainties entraining high exchange-rate volatility.

Our industry was not spared: our competitive environment underwent profound change, with the merger of the world's two largest cement manufacturers, the sale of many of their assets, and announcements of more consolidations to come.

Despite all this turmoil, Vicat kept firmly on track, and maintained its operational profitability. The dynamics of the Group's most recent facilities, particularly in India, and economic bounce-back in the United States more than made up for lower profitability in Egypt and, to a lesser extent, in France.

Two important industrial operations were carried through: commissioning of two new coal crushers in Egypt, which halves fuel costs; and resumption of production in one of the kilns in Ankara, Turkey, after construction of a new raw-meal processing line. Commissioning of a new clinker press in 2016 will complete the operations boosting the Ankara plant's production capacity to 3 million tons per year.

Operational-excellence plans in all our businesses sustained continuous improvement of our quality, service, and production costs. Their success is due to the competence, hard work, and tenacity of the men and women working in Vicat's facilities in the eleven countries where we have operations. I thank them heartily for their participation in the Group's successes.

Vicat's strategy is still to keep its industrial facilities, as links in the chain of a circular economy, as close as possible to centers of consumption and, similarly, to keep close to customers in developing high-performance, environmentally responsible constructive solutions.

Certain of its strengths, Vicat is taking the curve into 2016 with hope and confidence.

GOVERNANCE & SHAREHOLDERS

BOARD OF DIRECTORS — AS OF DECEMBER 31, 2015



Jacques
Merceron-Vicat
Honorary chairman



Guy Sidos
Chairman & CEO



Delphine André



Pierre Breuil



Xavier Chalandon



Sophie Féguéux



Jacques Le Mercier



Louis
Merceron-Vicat



Bruno Salmon



Sophie Sidos

AUDIT COMMITTEE —

Jacques Le Mercier *Chairman* — Delphine André — Pierre Breuil

COMPENSATION COMMITTEE —

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

AUDITORS - INCUMBENTS —

KPMG Audit — Wolff & Associés SAS

AUDITORS - ALTERNATES

Cabinet Constantin — Exponens Conseil et Expertise

OPERATIONAL EXECUTIVES —

— CHIEF OPERATING OFFICERS

Raoul de Parisot

Chief operating officer,
Special advisor to the chairman
and 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

Bernard Titz

General secretary

— ZONE / COUNTRY DIRECTORS

Lukas Epple

Switzerland

Yves Keller

Africa and the Middle East

Philippe Latournaire

Turkey and Kazakhstan

Markus Oberle

India



SHARE CAPITAL —

AS OF DECEMBER 31, 2015

THE COMPANY'S SHARE CAPITAL AMOUNTS
TO 179,600,000 EUROS, CONSISTING
OF 44,900,000 SHARES WITH PAR VALUE
OF FOUR EUROS EACH.

37.7%

PUBLIC (INCLUDING EMPLOYEES)

60.6%

FAMILY SHAREHOLDERS

1.7%

TREASURY SHARES

3 BUSINESS LINES FOR GLOBAL OFFERING

THE VICAT GROUP BOASTS TOP-CLASS KNOWHOW IN THE CEMENT, READY-MIXED CONCRETE, AND AGGREGATE BUSINESSES THROUGH OVER 160 YEARS OF RESEARCH, DISCOVERIES, AND INVOLVEMENT IN COUNTLESS CONSTRUCTION AND MAJOR INFRASTRUCTURE PROJECTS.



CEMENT

Cement, the secrets of which were unveiled by Louis Vicat in 1817, has always been the Group's core business, one it has been conducting for more than 160 years. A fine mineral powder, cement is the result of a multi-stage manufacturing process. Different categories of cement, including natural cement, meet specific requirements. The Group currently has production capacity in excess of 30 million metric tons per year.

— Baştaş Çimento cement plant near Ankara (Turkey).



— Faverges aggregate quarry, Isère (France).



— Rhône River bank, Lyons (France).

AGGREGATE

The Vicat Group currently produces and markets close to 21 million metric tons of aggregate per year.

This is the production of 67 quarries in five countries:

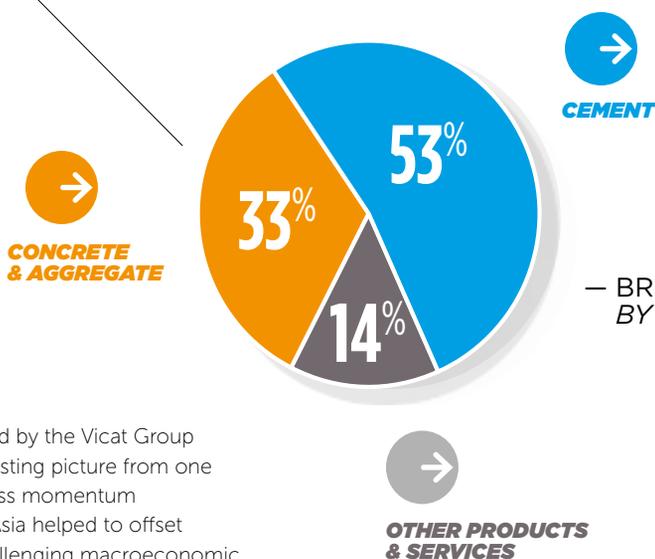
France, Switzerland, Turkey, Senegal, and India.

Aggregate (sand and gravel) is a natural material that, in one form or another, Man has always used to build homes and adapt his environment. Large volumes of aggregate are used to build roads and make concrete.

CONCRETE

While concrete, the result of combining cement, sand, gravel, water, and admixtures, is a simple material at heart, it is also complex, requiring advanced know-how. Since the applications of concrete are extremely varied, the Vicat Group produces a wide range of ready-mixed concretes satisfying the latest requirements for ease of placement, aesthetics, and performance. The Group's ready-mixed concrete business currently has 232 batching plants in five countries: France, the United States, Turkey, Switzerland, and Mauritania. They produce 8.5 million cubic meters per year.

KEY FIGURES 2015 —



— SALES IN 2015

The sales growth achieved by the Vicat Group in 2015 reflected a contrasting picture from one region to another. Business momentum in the United States and Asia helped to offset the impact of a more challenging macroeconomic and competitive environment in West Africa, the Middle East, and Europe.

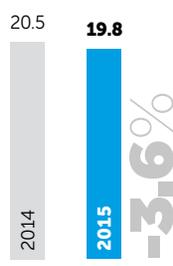
€2,458M
SALES, 68% of which was generated outside France, and 37% in emerging countries.

€448M
EBITDA

€143M
NET CONSOLIDATED INCOME

— EVOLUTION OF SALES VOLUMES

CEMENT
 (millions of tons)



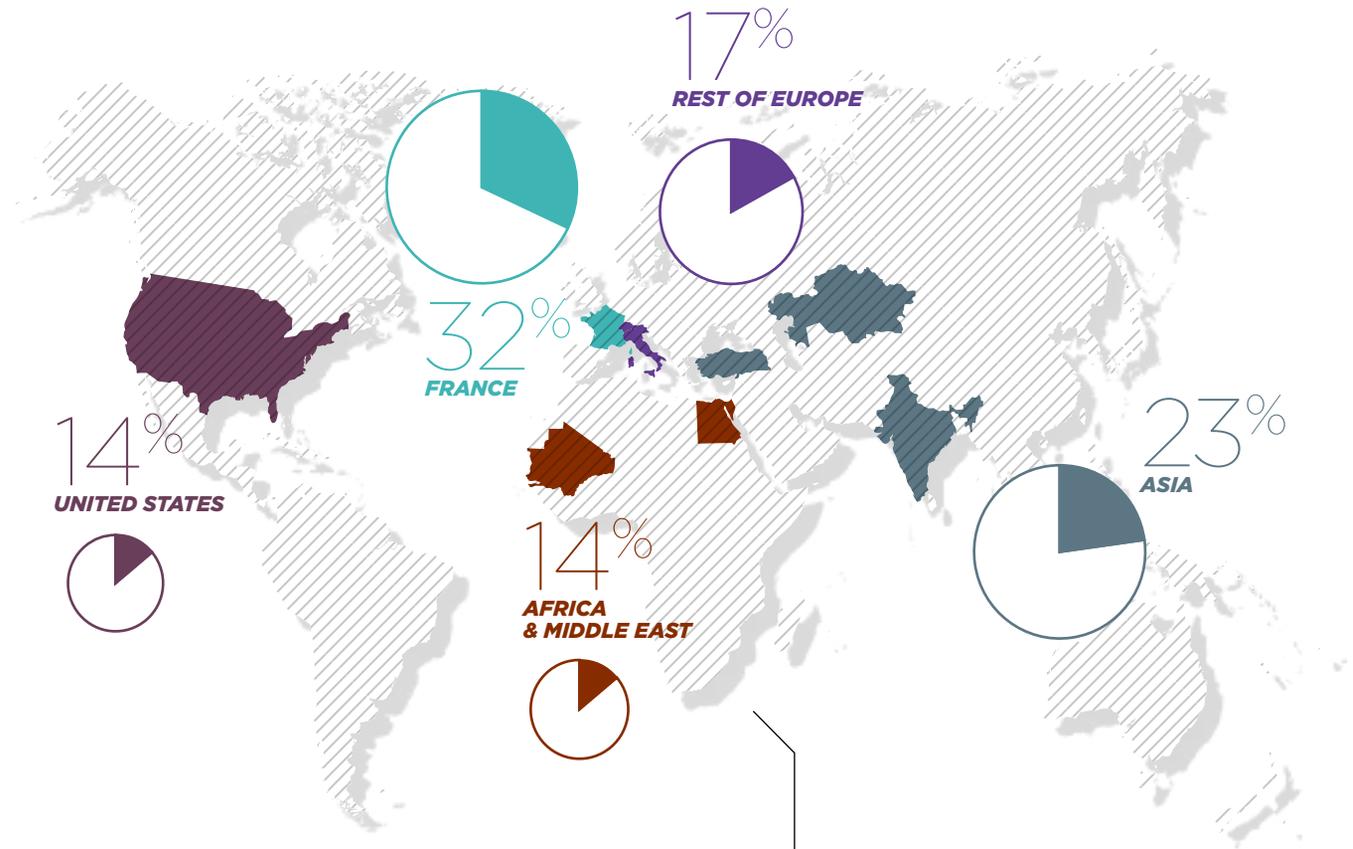
CONCRETE
 (millions of m³)



AGGREGATE
 (millions of tons)



— BREAKDOWN OF SALES BY GEOGRAPHICAL AREA



11 COUNTRIES

FRANCE, SWITZERLAND, ITALY, UNITED STATES, EGYPT, SENEGAL, MALI, MAURITANIA, TURKEY, KAZAKHSTAN, INDIA

7,928

EMPLOYEES
OF WHOM 5,466 ARE OUTSIDE FRANCE

— BUSINESS IN 2015

The year was marked by strong commercial momentum in the United States, which is recovering, and in India, where the growth potential remains very important. The Group's historical market, in France, is gradually stabilizing at a historically low level.

— INDUSTRIAL FACILITIES

15

CEMENT PLANTS

5

GRINDING PLANTS

30

MILLION TONS CEMENT PRODUCTION CAPACITY

232

CONCRETE BATCHING PLANTS

67

AGGREGATE QUARRIES



**STRATEGIC
FOCUSES**

**CONTROLLED
DEVELOPMENT**

— Bharathi Cement plant in Andhra Pradesh (India).

DEPLOYING A BALANCED STRATEGY HAS ENABLED THE GROUP TO STAND UP WELL TO THE CURRENTLY UNFAVORABLE MACROECONOMIC ENVIRONMENT

— CONTROLLED DEVELOPMENT OF THE GROUP

For 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 product range and enhancing its 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 the Group and its financial and operational capacity to absorb the investment. The purpose of growth is to create value for shareholders and, through its profitability, 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 therefore to establish a network

of concrete batching plants around cement plants and near consumption centers.

The Group's presence in the 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.

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 fluctuations.

The Group currently operates in eleven countries. It generates 68% of its sales outside France: 17% in the rest of Europe, 14% in the United States, and 37% 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 increased production capacities of the older plants and the increased utilization rate of the new production facilities built in recent years.

68%

SHARE OF SALES GENERATED OUTSIDE FRANCE

37%

SHARE OF SALES GENERATED IN EMERGING COUNTRIES



— Chabotte Bridge, Isère (France), built with SMART^{UP} ultra-high-performance fiber-reinforced concrete.

REDUCED CARBON FOOTPRINT OF CONSTRUCTIVE SOLUTIONS

THE GROUP PURSUES AN AMBITIOUS RESEARCH & DEVELOPMENT POLICY AT ITS LOUIS VICAT TECHNICAL CENTER IN L'ISLE D'ABEAU, FRANCE

One of the aims of the center's 90 research scientists developing innovative products and processes 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 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.

— DEVELOPMENT OF INNOVATIVE 'LOW-CARBON' CEMENTS AND CONCRETES

The Group's research focuses on the development of cements that reduce CO₂ emissions, for equivalent or better mechanical characteristics. Vicat is thus contributing to the collective effort in favor of the environment.

To achieve this, Vicat mobilizes considerable human resources in the fields of crystallography, heat control, and admixtures. Equipment applying the very latest technologies is used for this research, instruments like diffractometers, X-ray fluorescence spectrometers, and field-emission electron microscopes.

This research has already led to production

of a new cement, ALPENAT^{UP}. Based on local raw materials, it was designed to be obtained by firing at a lower temperature than conventional Portland cement, and above all, with a reduced limestone content, all of which reduces CO₂ emissions resulting from the decarbonation process (40% reduction in CO₂ emissions). Applications for certification of new products derived from this clinker are under examination.

Research also investigates the development of materials with high thermal or acoustic insulation properties. Such more ecological construction materials (hemp-concrete, for instance) make for substantial energy savings in eco-responsible housing.

— CONSTANT IMPROVEMENT OF INDUSTRIAL PROCESSES

Research is pursuing several avenues for reducing the global carbon impact of the industrial process, from extraction of raw materials to construction.

Improvements to the energy efficiency of cement plants and replacement of fossil fuels by alternative fuels, of which increasing proportions of biomass-derived fuels are a component, are ingredients in the recipe for a circular economy and reduced CO₂ emissions. Cooperation between the people in R&D and people in our plants has made such replacement possible.

90

**SCIENTISTS AND
TECHNICIANS**
WORK IN THE GROUP'S
LABORATORIES

3

LABORATORIES
ANTICIPATING
OR MEETING
THE DEMANDS
OF CUSTOMERS.

— Analysis in progress at the materials and microstructures laboratory in L'Isle d'Abeau (France).



In 2015, our cement plants in France replaced over 40% of their fossil fuel consumption by firing kilns with biomass and waste. The aim is to achieve a substitution rate of 60% by 2020. Across the Group, use of alternative fuels saved the consumption of the equivalent of 800,000 tons of coal in 2015. The alternative fuels and raw materials used are mostly obtained close to their points of elimination, i.e. they follow short supply chains.

The Vicat Group also reduces the carbon footprint of its cements by reducing their clinker contents. It thus favors the use of additives that do not emit CO₂, such as crushed limestone, pozzolans, blast-furnace slag, and fly ash from coal-fired power plants.

**— PREPARING THE FUTURE:
R&D PROJECTS**

In its cement plants, its clinker production, and its present and future circular economies, the Vicat Group carries out research to keep reducing its environmental impact and carbon emissions.

New concretes are regularly developed in response to the requirements of customers in construction and civil engineering, while paying close attention to changes to thermal design codes such as France's Grenelle environmental legislation. Research in this respect aims to determine very precisely how concrete contributes

to the development of new constructive solutions for greater energy efficiency in buildings. Codes for calculating the thermal inertia of concrete are being developed under a joint research program with the French solar energy institute and atomic energy commission (INES/CEA). The R&D teams are also working on structural concrete with inherently insulating properties which will dispense with the need for independent insulation.

The concretes of tomorrow will be 'smart'. They will contribute to energy transition not only through their ability to keep temperatures at comfortable levels in both winter and summer, but also by integrating production of renewable energies. Recyclability is an imperative factor in their design.

In addition, the analysis capabilities of the Louis Vicat Technical Center make it possible to diagnose the disorders of concretes used in the 19th and 20th 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.

**LOUIS VICAT
TECHNICAL CENTER**

The Louis Vicat Technical Center, which opened in 1993, is located in the heart of France's Rhône-Alpes region, close to the cradle of the Group's beginnings and its emblematic Montalieu cement plant. It is staffed by a team of 90 research scientists and technicians working in three laboratories:

- the materials and microstructures lab which analyzes materials;
- the Sigma Béton lab which determines aggregate characteristics and checks and formulates concrete;
- the laboratory for formulating industrial products for the building industry, which develops mixes for finishing products.

Its main research and development projects are aimed at anticipating or meeting the demands of customers and responding to changes in construction standards, societal requirements, and performance expectations. Its research leads the Group to file patents to protect the development of the products it creates.



— Preparation of fused beads for X-ray fluorescence analysis by the materials and microstructures laboratory in L'Isle d'Abeau (France).



**CORPORATE SOCIAL
RESPONSIBILITY**

RESPONDING TO THE ISSUES OF CLIMATE CHANGE

EVERY ENVIRONMENTAL, SOCIAL, AND SOCIETAL
CHALLENGE TACKLED IS A VECTOR OF PROGRESS
FOR THE GROUP AND A VECTOR OF VALUE CREATION
FOR STAKEHOLDERS

— Partially restored Montalieu cement plant quarry, Isère (France).

CONSULT THE 2015 REGISTRATION DOCUMENT INCLUDING THE CORPORATE SOCIAL RESPONSIBILITY REPORT AT VICAT.COM

Consistent with its commitment to reducing its CO₂ emissions, the Vicat Group has signed the Paris Pledge for Action. This gesture reflects the maturity of its thinking, the results of its actions, and the possibilities engendered by the COP 21 climate-change conference for developing low-carbon solutions. Through the best practices it implements in the management of natural resources, the Group promotes the principles of the circular economy. Its firm commitment to preserving biodiversity has been acknowledged by France's ministry for the environment. And the Group is a responsible employer invested in the interests of its employees, in each of the 11 countries in which it works.

— REDUCING CARBON FOOTPRINT

As a responsible manufacturer, the Vicat Group strives to reduce its CO₂ emissions, which in 2015 amounted to a little under 14 million tons, 99.8% of which was due to its cement business. Clinker production is the main source of emissions. Two thirds of these emissions are due to the process of decarbonation of limestone, the remaining third arising from the use of fossil fuels. Faced with this state of affairs, the Group has allocated a large part of its capital expenditure to improving the energy efficiency of its plants. The measures taken—such as implementation of the best available technologies for firing systems, and increasing the proportion of biomass as an alternative to conventional fuels—place the Group among the cement manufacturers displaying the best performance in terms of specific CO₂ emissions. Three of the Group's cement plants record emissions levels below the benchmark figure in Europe (766 kg of CO₂ per ton of clinker). Replacement of clinker by alternative ingredients is one focus for research.

While the emissions of the Group's transport business might be only marginal, the development of multimodal platforms with river or rail terminals is one of the objectives of the plans for excellence laid down by Management. The Group is also undertaking other work which, depending on technological prerequisites and policies, will help reduce emissions due to the production and use of its products. Considering that buildings account for 40% of the world's energy consumption and up to 30% of greenhouse-gas emissions associated with the use of energy, the Group is conducting life-cycle analyses for its products.

— SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES USED IN MANUFACTURING PROCESSES, APPLYING CIRCULAR-ECONOMY PRINCIPLES

Conscious of the environmental footprint it leaves behind due to the use of non-renewable raw materials in its businesses, the Group takes care to minimize extraction from the natural environment and cultivates recycling as standards permit. In 2015, recycled materials represented more than 4% of the total production of the aggregate business in France and Switzerland. The Group applies the same rigorous management to abstraction of water resources, adapting consumption to availability. Closed circuits in cement plants ensure that more than 60% of their global water demand is met through recycling, while recycling systems in the Aggregate business meet 85% of water requirements, which chiefly concern material washing operations. Taking advantage of its geographical coverage and encouraging synergies between its businesses, the Group recycles most of the waste it produces and through its cement plants provides solutions for repurposing waste from certain sources.

... / ...

DEVELOPING BEST PRACTICE

The Group's corporate social responsibility policy would be futile were it not for the vigilant watch kept on business relations by promoting compliance with regulations equivalent to those the Group itself applies and, insofar as possible, by establishing sustainable commercial relations with suppliers and subcontractors. In India, in April 2015, the Group brought around 80 suppliers together for its day-long Business Associate Meeting aimed at presenting the company's activities, its procurement department and the way it works, and at conveying its values and optimizing procurement practices.



25%

ALTERNATIVE FUELS, IN WHICH THE SHARE OF BIOMASS HAS RISEN TO 8.7%.

31%

OF CEMENT PLANTS ARE CERTIFIED AGAINST ISO 14001

HELPING ACCELERATE THE TRANSITION TO A CARBON-FREE ECONOMY

... / ...

Innovative management instructions mean Group quarries create new habitats encouraging the installation of numerous species. The Group's investment in favor of biodiversity extends beyond its duties: it voluntarily sets land aside as nature protection zones. It is a partner of choice for nature conservancy associations. And it has ensured that its personnel are aware of the importance of this issue and its consequences for the survival of its businesses and for sustainable development of the areas in which it operates.

— E-dispensary, a dematerialized medical center in Kadapa, close to the Bharathi Cement plant (India).



CREATING VALUE FOR STAKEHOLDERS

The Vicat Group welcomes dialogue with stakeholders, and every year proposes new ways and opportunities for encouraging interchange.

This can include the organization of events like drama productions in its quarries. Above all, it takes care to encourage socio-economic development in the areas where it operates by contributing to local policies in respect of health, safety, education, and cultural activities. In India, as a natural component of a program deployed by the public authorities, the Group has engaged a vast program for creating 173 individual toilets in villages around its cement plants.

— MAKING PEOPLE THE COMPANY'S CENTRAL CONCERN

One of the Group's top priorities is ensuring the health and physical and mental safety of its personnel. The pattern-breaking zero-accident strategy decided by General Management in 2014 was reconducted, improving accident prevention and safety at work sites in 2015. The year thus confirmed significant and continuous improvement of safety indicators by breaking new records. For the first time, the accident-frequency rate fell below the symbolic figure of 10 (9.3 in 2015, which represents a drop of 18% compared to 2014). Between 2013 and 2015 the number of lost-time accidents fell by 29%, with a 12% drop between 2014 and 2015. The accident-severity rate also fell 18%, establishing a new record at 0.34.

The Group payroll as of December 31, 2015, stood at 7,928 employees, up 0.9% compared to 2014. This rise is due to a combination of recruitment in Turkey, Egypt, India, and the United States, and reductions in staff numbers in France and Senegal (to improve organizational efficiency and adapt to changes in markets and national economies in each case). The average age of service with the Group remained stable at 9.6 years.

The human-resources policy respects and encourages the values on which the Group'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. While the low proportion of women in the salaried workforce (10.7%) is due in particular to the types of activity and jobs it offers, the Group's results with respect to gender equality rank it among the top 100 companies (38th place) the French Ministry for Women's Rights recognized in 2015 as being committed to feminization of managerial positions. Moreover, the Vicat Group steadfastly applies a policy for



— River barges transport sand and gravel to the concrete batching plant in Gennevilliers (France).

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

29%

REDUCTION IN LOST-TIME ACCIDENTS, COMPARED TO 2013, AND DOWN 12% ON 2014.

CLOSE-UP

Gender equality is one of the foundations of the Group's human resources policy. Through teamwork, mentoring, training, and sharing of best practice, the objectives are to identify women of talent, to improve their performance, to accelerate the acquisition of mature leadership skills, and to take down internal and external barriers to the feminization of key positions.

To assist in the feminization of its personnel, the Group has joined a number of networks: *Femmes et Leadership*, *Femmes et Entrepreneuriat*, and *Entreprises pour l'Egalité*.

In accordance with the culture of each country, appropriate measures are taken to ensure access to employment and training, to equal opportunity in terms of remuneration and promotion.

The low proportion of women in the salaried workforce is due in particular to the types of activity and jobs the Group offers.



**BUSINESS
2015**

MAKING
COMMUNITY FOCUS
A COMPETITIVE
DIFFERENTIATOR

— Montalieu cément plant, Isère
(France).



FRANCE

VICAT CONDUCTS ALL THREE OF ITS BUSINESSES IN FRANCE, THE GROUP'S HISTORIC MARKET, GENERATING 32% OF ITS SALES IN THE COUNTRY IN 2015.

BREAKDOWN OF SALES —



2,462

EMPLOYEES
AS OF DECEMBER 31, 2015 —

777

MILLION EUROS
CONSOLIDATED SALES —



— Pervious Défi.Aquapass concrete was used for the deck of a pool complex in Saint Yorre (France).



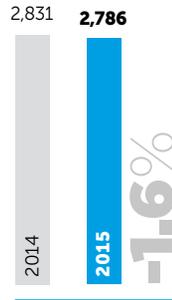
CEMENT —

— **MARKET CONDITIONS:** IN 2015 THE MARKET SUFFERED FROM ADVERSE ECONOMIC CONDITIONS. CEMENT CONSUMPTION DROPPED MORE THAN 5% TO 17.2 MILLION TONS.

— **GROUP BUSINESS**

The market was broadly affected by weather conditions in 2015. Though sales volumes fell back 1.6%, this performance was better than the market average, in great part due to powerful presence in the southeastern quarter of France where business was more positive. The average selling price dropped slightly. Plant utilization rates reflected business levels. Given this situation, an operational-performance enhancement plan engendered a 6-point improvement in the substitution rate across all plants. The start-up of the overland conveyor, crusher, and pre-homogenization store at the Montalieu plant's new limestone quarry at the end of 2014 marked the end of a cycle of modernization there.

— **SALES VOLUME**
(thousands of tons)



— Parc Olympique Lyonnais stadium near Lyons (France).

PARC OLYMPIQUE LYONNAIS STADIUM PROJECT

Working as a member of the Parc Olympique Lyonnais stadium Partner-Builders Club, Vicat supplied all the cement and designed around twenty special concrete mixes for this exceptional project. Its subsidiary Delta Pompage pumped concrete into place and Sigma Béton performed quality checks.

5

CEMENT PLANTS

2.8

MILLION TONS SOLD



CONCRETE & AGGREGATE —

— **MARKET CONDITIONS:** IN 2015 THE FRENCH READY-MIXED CONCRETE MARKET SLUMPED MORE THAN 6% COMPARED TO 2014, WHILE THE AGGREGATE MARKET DROPPED 8%. THE EVOLUTION OF THE GROUP'S REGIONAL MARKETS WAS SIMILAR TO THAT AT THE NATIONAL LEVEL.

— **GROUP BUSINESS**

Against these morose market conditions, the drop in volumes sold by the Group in 2015 amounted to nearly 10% for concrete and slightly over 9% for aggregate. Average selling prices for aggregate rose slightly but those for concrete dropped a little. The business trend picked up significantly in the last quarter, for both Concrete and Aggregate.



— Faverges aggregate quarry, Isère (France).

137

BATCHING PLANTS

2.8

MILLION CUBIC METERS SOLD

38

AGGREGATE QUARRIES

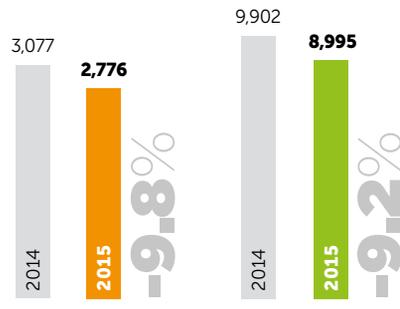
9.0

MILLION TONS SOLD

— SALES VOLUME

— **CONCRETE**
(thousands of cubic meters)

— **AGGREGATE**
(thousands of tons)







OTHER PRODUCTS & SERVICES —

PAPETERIES DE VIZILLE

— MARKET CONDITIONS:

PRINTING & WRITING PAPERS: SELLING PRICES IMPROVED SLIGHTLY IN 2015, BUT NOT SUFFICIENTLY TO COMPENSATE HIGHER PULP PRICES DUE TO THE VARIATION OF THE US DOLLAR AGAINST THE EURO.

BAGS: THE YEAR WAS MARKED BY REDUCED DEMAND FOR INDUSTRIAL KRAFT PAPER BAGS. KRAFT PAPER COST PRICES REMAINED STABLE.

— PRINTING & WRITING PAPER BUSINESS

In 2015 sales of new products represented 57% of the total tonnage sold. The result was that new products partially offset the drop on historic markets. New products include those for the food packaging, high security, and special industrial paper markets. Exports—to 34 countries—represented 49% of sales.

— BAG BUSINESS

To reduce the effect of a slump on traditional markets, particularly in construction and civil engineering, the Group pursued its development in niche and high-growth markets.



— Deluxe wrapping papers.

— SALES VOLUME PRINTING & WRITING PAPERS
(tons)

	2014	2015	Change
Sales volume	20,939	19,966	-5.0%

— SALES VOLUME BAGS
(thousands of bags)

	2014	2015	Change
Sales volume	63,027	56,714	-10.0%

SATM & SUBSIDIARIES

— TRANSPORT

Despite quiet business in the construction and civil engineering sector, SATM Transport limited the drop in sales as a result of activity in industry, agriculture and foodstuffs, and transport of repurposable products from decontamination projects.

— MAJOR PROJECTS

Though 2014 was marked by the end of several projects, new projects in 2015 saw sales rise significantly to nearly 11 million euros.

VICAT PRODUITS INDUSTRIELS

(construction chemicals)

— **MARKET CONDITIONS:** IN 2015 THE PREMIXED MORTAR MARKET SUFFERED FROM SERIOUS DECLINE IN THE NEW-BUILD MARKET AND FROM A LACKLUSTER RENOVATION/IMPROVEMENT MARKET.

— VPI BUSINESS

On a market that lost over 4%, VPI sales volumes fell back only 2%, largely due to good resistance in the do-it-yourself sector. Business in civil engineering progressed despite the small numbers of projects of any real size. Average selling prices rose slightly.

— BREAKDOWN OF SALES

(in millions of euros)

	2014	2015	Change
SATM Transport	85.3	80.1	-6.1%
SATM Grands Travaux	5.3	10.9	+107.7%
TOTAL	90.6	91.0	-2.1%



— Product ranges designed in response to changes in construction techniques and the expectations of professional and private customers, like the COLLIFLEX UNO adhesive shown here.

— BREAKDOWN OF SALES

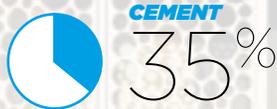
(in millions of euros)

	2014	2015	Change
Construction	47.6	45.9	-3.6%
Home improvement	24.7	24.7	+0.1%
Civil engineering	3.8	4.0	+3.2%
TOTAL	76.1	74.6	-2.1%

REST OF EUROPE

THE GROUP HAS BEEN OPERATING IN SWITZERLAND SINCE 2001 WHEN IT ACQUIRED VIGIER AND IN ITALY SINCE 2003. VICAT GENERATED 17% OF ITS SALES IN EUROPE (EXCLUDING FRANCE) IN 2015.

BREAKDOWN OF SALES —



1,166
EMPLOYEES
AS OF DECEMBER 31, 2015 —

425
MILLION EUROS
CONSOLIDATED
SALES —

SWITZERLAND



CEMENT —

— **MARKET CONDITIONS:** THE SLOWDOWN IN 2015 FOLLOWED A DROP IN BUILDING-PERMIT APPLICATIONS IN THE SECOND HALF OF 2014. CEMENT CONSUMPTION WANED MORE THAN 5%, DOWN TO 4.9 MILLION TONS. IMPORTS ROSE 18% TO 0.7 MILLION TONS UNDER THE EFFECT OF REVALUATION OF THE SWISS FRANC. DOMESTIC DELIVERIES WERE DOWN CLOSE TO 8%, TO JUST 4.2 MILLION TONS.

— GROUP BUSINESS

Sales volumes fell back close to 7% as a result of a harsh winter, a struggling construction market, and the end of several major projects in the Group's catchment area. Selling prices were down as a result of competitive pressure from imports which were stimulated by the abolishment of the Swiss-franc exchange-rate floor.

On the industrial front, the plant performed remarkably and attained a 79% rate of substitution of primary fuels with alternative fuels.

— VIFORT® ultra-high-performance fiber-reinforced concrete façade of a building for the Swatch Group, Cormondrèche (Switzerland).

— SALES VOLUME (thousands of tons)



— Process operator in the Reuchenette cement plant control room (Switzerland).



1

CEMENT PLANT

0.9

MILLION TONS SOLD

SWITZERLAND



CONCRETE & AGGREGATE —

— **MARKET CONDITIONS:** THE CONCRETE AND AGGREGATE BUSINESSES FACED MARKET CONDITIONS SIMILAR TO THOSE FOR CEMENT.

— GROUP BUSINESS

Business was affected by the end of major projects in the Seeland–Jura region, recording fallbacks in volume of over 11% for concrete and 7% for aggregate. This decline was partly offset by an increase in selling prices.



— Vigier Beton employee on construction site.

19

BATCHING PLANTS

0.7

MILLION CUBIC METERS SOLD

19

AGGREGATE QUARRIES

3.1

MILLION TONS SOLD

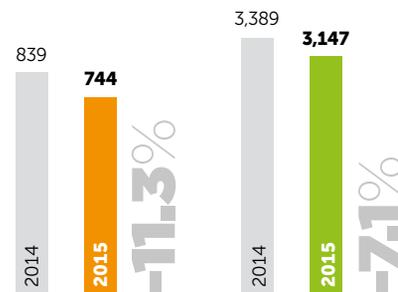
— SALES VOLUME

— CONCRETE

(thousands of cubic meters)

— AGGREGATE

(thousands of tons)



SWITZERLAND



PRECASTING —

— **MARKET CONDITIONS:** ON A MUTED MARKET, REVALUATION OF THE SWISS FRANC EXACERBATED PRESSURE FROM IMPORTERS.

— GROUP BUSINESS

On a slightly less buoyant, more competitive market, sales volumes dropped 2% despite sustained business in rail products.

Production at the Müntschemier plant (Vicat Rail) drew full benefit from the recent capacity increases to meet market demand.



— Creabeton Matériaux' VENA® façade units introduce playful patterns of light and shade.

— VOLUME AND SALES

(thousands of tons and millions of euros)

	2014	2015	Change
Sales volume	433	424	-2.1%
SALES	128.8	134.0	+4.0%

ITALY



CEMENT —

— **MARKET CONDITIONS:** WITH DOMESTIC CEMENT CONSUMPTION OF LESS THAN 19 MILLION TONS IN 2015, ITALY RECORDED A DROP — 3% — IN DOMESTIC DEMAND.

— GROUP BUSINESS

The sales policy aimed at reducing credit risk resulted in a fall of more than 25% in sales volumes.

In light of this situation, average selling prices suffered some attrition.

— SALES VOLUME

(thousands of tons)

	2014	2015	Change
TOTAL	235	175	-25.5%

1
GRINDING
PLANT

2
TERMINALS

0.2
MILLION TONS SOLD

UNITED STATES

THE GROUP OPERATES ON TWO SEPARATE REGIONAL MARKETS: IN THE SOUTHEAST, IN ALABAMA, WHERE IT HAS BEEN ACTIVE SINCE 1974, AND IN CALIFORNIA, NEAR LOS ANGELES, SINCE 1987. VICAT GENERATED 14% OF ITS 2015 SALES IN THE COUNTRY.

1,069

EMPLOYEES

AS OF DECEMBER 31, 2015 —

342

MILLION EUROS

CONSOLIDATED
SALES —

BREAKDOWN OF SALES —



CEMENT

42%



CONCRETE & AGGREGATE

58%



UNITED STATES



— **MARKET CONDITIONS:** IN 2015, WITH SOUND DEMAND IN ALL SECTORS — RESIDENTIAL, COMMERCIAL, AND PUBLIC WORKS —, CONSTRUCTION EXPENDITURE WAS UP ON 2014. CEMENT CONSUMPTION INCREASED ALMOST 4% TO 90 MILLION TONS NATIONWIDE. IT RECORDED MORE VIGOROUS GROWTH ON THE GROUP'S MARKETS: CLOSE TO 6% IN THE SOUTHEAST, REACHING 7.2 MILLION TONS, AND OVER 9% IN CALIFORNIA, WITH CONSUMPTION OF 12.4 MILLION TONS.

— **GROUP BUSINESS**

Sales volumes increased close to 15%, but with more flourishing sales in the Southeast despite poor weather early and late in the year. Selling prices were higher in both regions.

Drawn on by rising sales volumes, utilization rates increased at both plants where work on reducing production costs continued.



— **MARKET CONDITIONS:** LIKE CEMENT, CONCRETE BENEFITED FROM THE UPSWING. CONCRETE CONSUMPTION IN THE UNITED STATES INCREASED MORE THAN 2% TO REACH 254 MILLION CUBIC METERS.

— **GROUP BUSINESS**

Sales volumes rose over 7%. In the Southeast volumes were pretty much the same as in 2014 as a result of globally poor weather in 2015 and a business strategy that put the accent on improving profit margins. In California, volumes rose 10%.

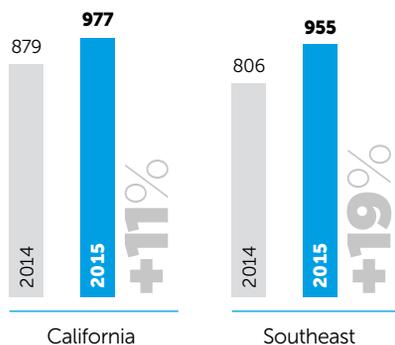
2

CEMENT PLANTS

1.9

MILLION TONS SOLD

— SALES VOLUME
(thousands of tons)



43

BATCHING PLANTS

2.2

MILLION CUBIC METERS SOLD

— SALES VOLUME
(thousands of cubic meters)



— Kirkpatrick Concrete batching plant in Fort Payne, Alabama (USA).



AFRICA & MIDDLE EAST

THE GROUP HAS BEEN WORKING IN WEST AFRICA (SENEGAL, MALI, MAURITANIA) SINCE 1999 AND IN EGYPT SINCE 2003. VICAT GENERATED 14% OF ITS 2015 SALES IN THIS REGION.

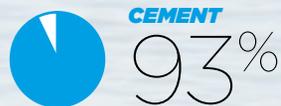
1,109

EMPLOYEES
AS OF DECEMBER 31, 2015 —

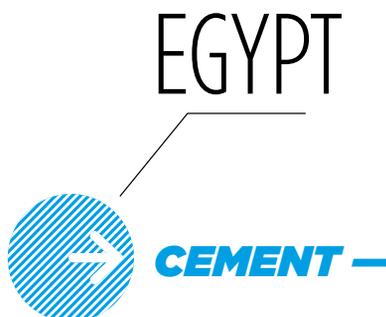
346

MILLION EUROS
CONSOLIDATED
SALES —

BREAKDOWN OF SALES —



AFRICA & MIDDLE EAST



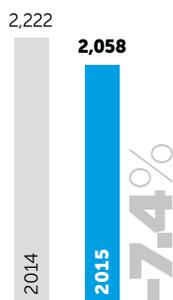
— **MARKET CONDITIONS:** THE RECOVERY THAT STARTED IN THE CONSTRUCTION SECTOR IN 2014, IN BOTH HOUSING AND PUBLIC WORKS, PROGRESSED THROUGHOUT 2015. CEMENT CONSUMPTION ROSE NEARLY 4% TO 53.6 MILLION TONS.

— **GROUP BUSINESS**

Sales volumes dropped more than 7% over the year. The slide was more pronounced in the fourth quarter (around 26%) because of logistics disturbance caused by renovation works on the Suez Canal tunnel, the main crossing to Cairo and the west of the country. The project was completed at the start of 2016. Selling prices declined somewhat.

After discontinuation of gas supplies in 2014, the Group used costly liquid fuels. The start-up of two coal mills in the fall of 2015 made the plant more cost-effective again.

— SALES VOLUME
(thousands of tons)



— Sinai Cement plant, near El Arish (Egypt).

1
CEMENT PLANT

2.1
MILLION TONS SOLD

— Sococim Industries cement plant in Rufisque, near Dakar (Senegal).

AFRICA & MIDDLE EAST

— Sococim Industries personnel (Senegal).



1

CEMENT PLANT

2.6

MILLION TONS SOLD

SENEGAL



CEMENT —

— **MARKET CONDITIONS:** DUE TO BUOYANT ECONOMIC CONDITIONS, CEMENT CONSUMPTION GREW 4% TO 3.2 MILLION TONS IN 2015. REGIONAL CONSUMPTION HAS BEEN ESTIMATED AT AROUND 9 MILLION TONS. THE MARKET WAS DISTURBED BY THE START-UP OF THE PLANT OF A NEW PRODUCER IN SENEGAL.

— GROUP BUSINESS —

Sales volumes slipped close to 11%, chiefly on the domestic market. Nevertheless, With market share of close to 55%, Sococim Industries remained the leader on the Senegalese market. The company has enriched its product offering by introducing a new cement of strength class 42.5. This increases its range to four major products.

Selling prices lost a little ground over the year as a result of competitive pressure. As in other countries, the Group set up an operational excellence plan in Senegal. It is known as Jem Kanam. Harnessing its environmental expertise, the Group is studying several projects for using waste to increase its consumption of alternative fuels even more. The feasibility of a solar power plant is also being studied.

— SALES VOLUME*
(thousands of tons)



* Sococim Industries sales

AFRICA & MIDDLE EAST

SENEGAL



AGGREGATE —

— **MARKET CONDITIONS:** DESPITE A LONG RAINY SEASON, THE ECONOMIC SITUATION IN 2015 WAS QUITE FLOURISHING. BUSINESS IN THE PUBLIC-WORKS SECTOR WAS SOUND AND CONSTRUCTION BUSINESS WAS SATISFACTORY.

— GROUP BUSINESS

The aggregate business recorded a slight drop of 14%, with sales falling to 2.5 million tons. Some of the projects to which basalt was supplied in 2015 will continue in 2016. Although the limestone aggregate market is sound, it was affected by competition from the informal sector.

2

AGGREGATE QUARRIES

2.4

MILLION TONS SOLD

MALI



CEMENT —

— **MARKET CONDITIONS:** WITH IMPROVING POLITICAL STABILITY, CEMENT CONSUMPTION WAS UP 9.4% IN 2015, REACHING 1.75 MILLION TONS.

— GROUP BUSINESS

Group sales volumes grew more than 10% to 7.5 million tons. Commercial moves for fostering the loyalty of key customers and follow-up of major infrastructure projects succeeded in maintaining the Group's market share in Mali despite intensification of local production and the arrival of a new manufacturer in Senegal. The Group continued its project for building a cement mill in Bamako.

0.7

MILLION TONS SOLD

MAURITANIA



CEMENT —

— **MARKET CONDITIONS:** THERE WAS A GENERAL SLOWDOWN OF THE ECONOMY IN 2015 AS A RESULT OF THE STRONG DROP IN THE WORLD IRON ORE PRICE. THE CEMENT MARKET FELL 5% TO 0.9 MILLION TONS AS MAJOR PROJECTS ENDED.

1

GRINDING PLANT

0.3

MILLION TONS SOLD

— GROUP BUSINESS

Sales volumes slumped close to 14%, falling to 0.3 million tons, as the company sought to preserve profit margins on a more aggressively competitive market.

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. THE THRIVING ECONOMIES OF THE ASIA REGION UNDERPIN THE GROWTH OF THE GROUP WHICH GENERATED 23% OF ITS SALES THERE IN 2015.

BREAKDOWN OF SALES —



2,122

EMPLOYEES
AS OF DECEMBER 31, 2015 —

568

MILLION EUROS
CONSOLIDATED SALES —

TURKEY



CEMENT —

— **MARKET CONDITIONS:**

THE CONSTRUCTION SECTOR, WHICH IS HABITUALLY A STRONG DRIVING FORCE IN THE TURKISH ECONOMY, PROGRESSED FEEBLY IN 2015. DOMESTIC CEMENT CONSUMPTION WAS DOWN 1.6% NATIONWIDE, AT SOMETHING OVER 64 MILLION TONS, BUT ROSE 1.1% IN THE GROUP'S CATCHMENT AREA, IN CENTRAL ANATOLIA, REACHING ALMOST 11 MILLION TONS.

— **GROUP BUSINESS**

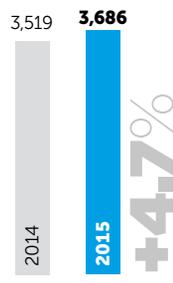
Sales volumes were up close to 5% over the year, against a backdrop of lifeless demand and greater competition. Selling prices stood up well to competitive pressure, shrinking only very slightly.

The operational excellence program — known as Viva in Turkey — produced distinct productivity and production-cost improvements at both plants.

The Baştaş plant benefited from an important capital expenditure program for putting kiln No. 1 back into service. This involved modernizing electrical systems and the supervisory control system, and building a new raw meal line. The new facilities were brought into operation at the end of the year.

The capital expenditure program for the kiln line at the Baştaş plant was accompanied by a second phase in the program for increasing the capacity of the cement grinding lines. The improvements will be put into service in the first half of 2016.

— SALES VOLUME
(thousands of tons)



2

CEMENT PLANTS

3.7

MILLION TONS SOLD

— Baştaş Çimento cement plant near Ankara (Turkey).



— Baştaş Çimento cement plant near Ankara (Turkey).

TURKEY



CONCRETE & AGGREGATE —

— **MARKET CONDITIONS:** THE READY-MIXED CONCRETE MARKET REMAINED STABLE, WITH 107 MILLION CUBIC METERS SOLD IN 2015. THE NUMBER OF BATCHING PLANTS CONTINUED TO RISE, THOUGH MORE SLOWLY THAN IN PREVIOUS YEARS. AGGREGATE CONSUMPTION IS ESTIMATED TO HAVE BEEN 390 MILLION TONS IN 2015, CLOSE TO 3% MORE THAN IN 2014.

— GROUP BUSINESS

Sales volumes were up close to 22% for concrete and 15% for aggregate while selling prices tended to fall slightly. In the first half of the year the concrete business was affected by difficult weather conditions, stricter regulatory requirements on jobsites, and an uncertain political situation. Signings for major projects boosted volumes sold in the second half and opened the way for new order bookings. The aggregate sector tracked changes in concrete demand.



— Housing complex built close to Ankara (Turkey).

32

BATCHING PLANTS

2.9

MILLION CUBIC METERS SOLD

7

AGGREGATE QUARRIES

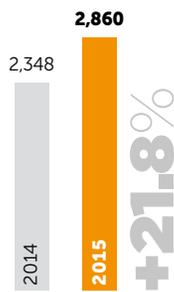
5.6

MILLION TONS SOLD

— SALES VOLUME

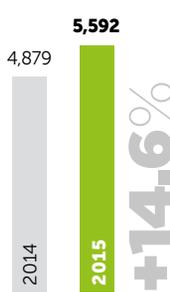
— CONCRETE

(thousands of cubic meters)



— AGGREGATE

(thousands of tons)



KAZAKHSTAN



CEMENT —

— **MARKET CONDITIONS:** CEMENT CONSUMPTION ROSE 8.5% TO 9.5 MILLION TONS DESPITE A DOWNTURN IN THE ECONOMY. IN THE FIRST PART OF THE YEAR THE GOOD PERFORMANCE OF THE KAZAKH TENGE AGAINST THE RUBLE MADE IMPORTS FROM RUSSIA MORE ATTRACTIVE. THIS WEIGHED HEAVILY ON MARKET PRICES AND FORCED DOMESTIC MANUFACTURERS TO CONCENTRATE ON THE SOUTHERN REGIONS.

— **GROUP BUSINESS**

Jambyl Cement sold 1.33 million tons (+5% compared to 2014): this was a remarkable performance in that output was greater than the plant's nominal capacity. Clinker production amounted to nearly 1 million tons, up 5% on 2014. Under the effect of Russian imports, selling prices shrank substantially throughout the year.

Despite an inflationary trend caused by the currency tumble, cement production costs expressed in local currency dropped, partly due to the volume effect.

1

CEMENT PLANT

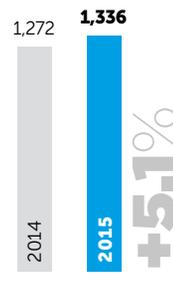
1.3

MILLION TONS SOLD



— Process operators in Jambyl Cement plant control room (Kazakhstan).

— **SALES VOLUME**
(thousands of tons)



INDIA



— **MARKET CONDITIONS:** CEMENT CONSUMPTION IN THE GROUP'S CATCHMENT AREA, I.E. IN INDIA'S SOUTHERN STATES (ANDHRA PRADESH, TELANGANA, TAMIL NADU, KARNATAKA, KERALA, AND GOA) AND IN THE STATE OF MAHARASHTRA, IS ESTIMATED TO HAVE BEEN OVER 86 MILLION TONS, DOWN 2% ON 2014, AFTER AN INITIAL DROP OF 3.6% BETWEEN 2013 AND 2014. THIS DOWNTURN IN CEMENT CONSUMPTION, TOGETHER WITH PRODUCTION OVERCAPACITY, ENGENDERED SOME VOLATILITY IN SELLING PRICES. AFTER PRICES AT HISTORICALLY LOW LEVELS UNTIL MAY 2014, PRICES IN THE STATES OF SOUTHERN INDIA IMPROVED MARKEDLY. PRICES IN MAHARASHTRA WENT THROUGH CYCLIC RISES AND FALLS.

— GROUP BUSINESS

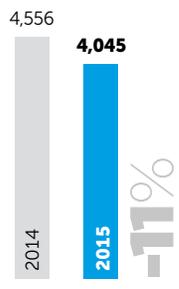
Given the market background, in the second half of 2014 the Group started implementing a selective sales strategy throughout its operations, the objective being to take full advantage of the sustained rise in selling prices. Both local companies of the Group, Kalburgi Cement (formerly Vicat Sagar Cement) and Bharathi Cement, market their products under the brand name 'Bharathi Cement'. The strong rise in selling prices through the year made up for a reduction of about 11% in sales volumes which fell to a little over 4 million tons. On the domestic market sales volumes fell 20%; this drop was partially offset by development of cement and clinker exports.

Production costs were down in both plants as a result of increased use of alternative fuels, a drop in the cost of electricity at the Bharathi Cement plant subsequent to start-up of the coal-fired power plant at the end of 2014, and optimizations produced by continued implementation of the operational excellence plan.

2
CEMENT PLANTS

4.0
MILLION TONS SOLD

— SALES VOLUME (thousands of tons)



— GROUP BUSINESS

The Group operates an aggregate quarry about 50 kilometers from Bangalore, in the State of Karnataka, and sells its output in the outskirts of northern Bangalore. Sales volumes grew 44% to 0.8 million tons. This flourishing business in 2015 was partially due to an official clamp-down on unlicensed mines in the area.

1
AGGREGATE QUARRY

0.8
MILLION TONS SOLD



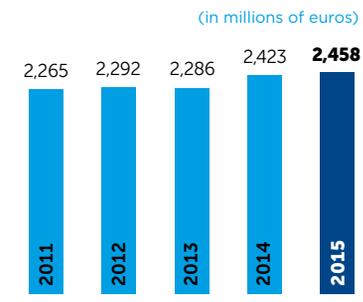
FINANCIAL INDICATORS

— 2015 —

DRAWING FULL ADVANTAGE FROM THE EFFICIENCY OF ITS PRODUCTION RESOURCES, THE GEOGRAPHICAL DIVERSIFICATION OF ITS BUSINESSES, AND ITS STRONG POSITIONS ON LOCAL MARKETS, VICAT IS FOCUSING ON MAXIMIZING GENERATION OF CASH FLOW AND REDUCING ITS LEVEL OF DEBT.

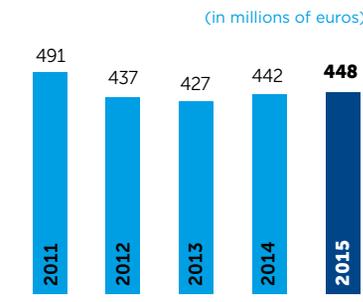
— CONSOLIDATED NET SALES

Consolidated sales for 2015 amounted to 2,458 million euros, an increase of 1.5% compared with 2014. This figure fell by 4.4% at constant consolidation scope and exchange rates.



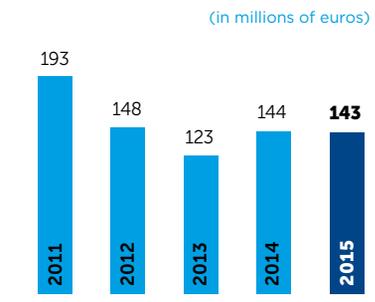
— EBITDA

The Group's consolidated EBITDA rose by 1.5% to 448 million euros compared with 2014, but declined by 4.3% at constant consolidation scope and exchange rates.



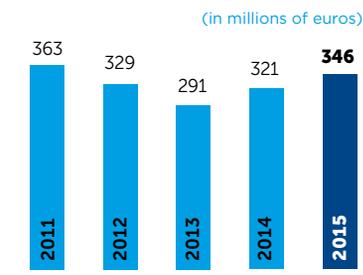
— CONSOLIDATED NET INCOME

Consolidated net income was stable at 143 million euros, and fell 6.9% at constant consolidation scope and exchange rates, yielding a 5.8% margin.



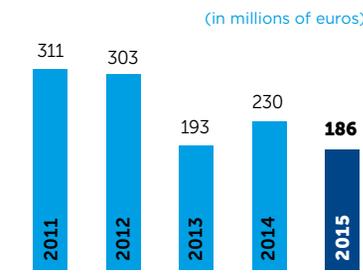
— CASH FLOW FROM OPERATIONS

Cash flows from operations amounted to 346 million euros, generating free cash flow of 133 million euros in 2015.



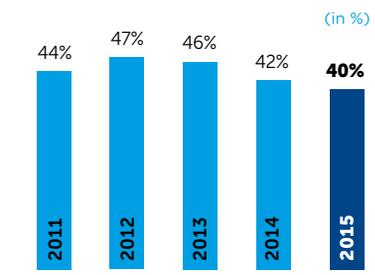
— TOTAL INVESTMENTS

Pursuant to the Group's strategy, investments fell sharply in 2015 to 186 million euros, compared with the 230 million euros recorded in 2014.



— NET DEBT/EQUITY

On the basis of consolidated shareholders' equity, the gearing ratio was 40.0% as at December 31, 2015, compared with 41.6% as at December 31, 2014.

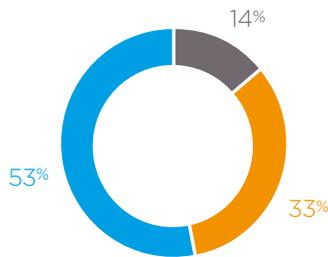


CONSULT THE 2015 REGISTRATION DOCUMENT INCLUDING THE 2015 ACCOUNTS AT VICAT.COM

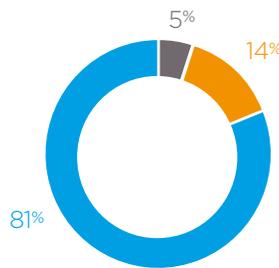
BREAKDOWN PER BUSINESS —

— CEMENT — CONCRETE & AGGREGATE — OTHER PRODUCTS & SERVICES

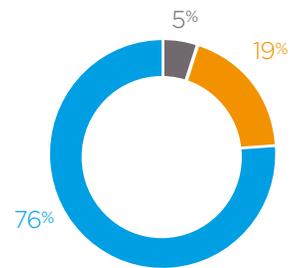
OPERATING SALES
2015



EBITDA
2015



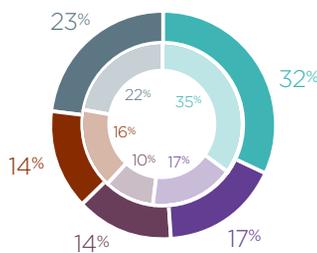
NET CAPITAL EMPLOYED
2015



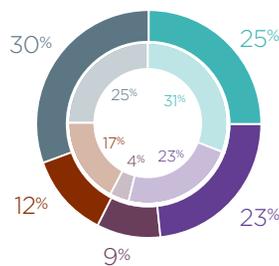
BREAKDOWN PER GEOGRAPHICAL AREA —

— FRANCE — REST OF EUROPE — UNITED STATES — AFRICA & MIDDLE EAST — ASIA

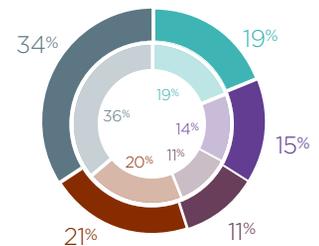
OPERATING SALES
2015
2014



EBITDA
2015
2014



NET CAPITAL EMPLOYED
2015
2014



STOCK MARKET INFORMATION —

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

— SHARE PRICE TREND
(in euros)



**ALL 2015 PUBLICATIONS
CAN BE FOUND AT
VICAT.COM**

— ANNUAL REPORT

outlining the Group's strategy, businesses, and key figures.
The Vicat Group / Corporate Social Responsibility / Business / Finance

— REGISTRATION DOCUMENT

including the 2015 accounts, the annual financial report, and the corporate social responsibility report.
Presentation of the Group / Comments on the year / Corporate Social Responsibility / Corporate governance / Information on the company and shareholding / Risk factors / Financial information / Annual General Meeting / Additional information

DIVIDEND —

Based on results in 2015, and confident of 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 29, 2016 vote to maintain the same dividend, i.e. 1.50 euros per share.

— SHARE INFORMATION
(in euros)

	2013	2014	2015
Earnings per share	2.68	2.86	2.71
Dividend per share	1.50	1.50	1.50

FINANCIAL REPORTING CALENDAR —

APRIL 27, 2016

(posted after close)

Q1 2016 sales

APRIL 29, 2016

Annual General Meeting

AUGUST 3, 2016

(posted after close)

H1 2016 sales and earnings

NOVEMBER 3, 2016

(posted after close)

9M 2016 sales

SHAREHOLDER INFORMATION —

SHAREHOLDER AND INVESTOR RELATIONS

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SICOVAM: 03177

BLOOMBERG: VCT.PA

REUTERS: VCTP.PA

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VICAT — BUILDING TOGETHER

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

RSC Nanterre 057 505 539

SIREN 057 505 539