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.

▼ Throughout this analysis, and unless indicated otherwise, all changes are stated on a consolidated, year-on-year basis (2018/2017), and at constant scope and exchange rates.

▼ The audited consolidated financial statements for the 2018 financial year and the notes are available in their entirety on the Company’s web site www.vicat.fr.
Highlights

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2019 outlook
Highlights

Sales up **5.9%** at constant scope and exchange rates

to **€2,582 million**

**EBITDA of €435 million**
(up 2.7% at constant scope and exchange rates)

Net income, Group share of
**€151 million** (up 12.0% at constant scope and exchange rates)

Solid free cash flow of **€167 million**

Debt reduced by **€95 million**
with gearing of 27.8% and leverage of 1.59x

Proposed dividend of **€1.50**
per share
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Simplified income statement

<table>
<thead>
<tr>
<th>(£ million)</th>
<th>2018</th>
<th>2017</th>
<th>Change (reported)</th>
<th>Change (at constant scope and exchange rates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated sales</td>
<td>2,582</td>
<td>2,563</td>
<td>+0.7%</td>
<td>+5.9%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>435</td>
<td>444</td>
<td>-2.2%</td>
<td>+2.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>249</td>
<td>247</td>
<td>+0.8%</td>
<td>+5.9%</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>161</td>
<td>156</td>
<td>+3.2%</td>
<td>+8.6%</td>
</tr>
<tr>
<td>Net income, Group share</td>
<td>151</td>
<td>142</td>
<td>+6.3%</td>
<td>+12.0%</td>
</tr>
</tbody>
</table>

▼ **Sales up 5.9%**

▼ **EBITDA growth of 2.7% resulting from:**

- a gradual improvement in EBITDA generated in France, particularly in Concrete & Aggregates;
- further improvement in EBITDA in the United States;
- strong EBITDA growth in Kazakhstan and Italy.

These positive factors compensated for:

- weaker performance in the Cement business in Senegal;
- lower selling prices and higher energy costs in India;
- a very sharp fall in EBITDA in Turkey because of the impact caused by the devaluation at the end of the year.

▼ **Consolidated EBIT up 5.9%**

- EBIT margin of 9.7%

▼ **Net income, Group share up 12.0%**
2017/2018 EBITDA bridge analysis

▼ Positive impact from higher selling prices across all regions except India

▼ Increase in variable costs: higher energy costs and a deterioration in operating conditions in Egypt and Senegal

▼ Negative currency impact, particularly in Turkey and India
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France

Continuing gradual upturn in the market
- More favourable macroeconomic and sector environment
- Infrastructure, industrial and commercial markets offsetting the slight contraction in the residential market

Sales up 6.6%

EBITDA up 14.4%

EBITDA margin up to 15.5%.

Cement
- Operational sales up 4.8%
  - Volume growth and higher average selling prices
- EBITDA up 3.3%
  - EBITDA margin near-flat

Concrete & Aggregates
- Operational sales up 4.6%
  - Lower volumes in Concrete, but prices sharply higher
  - Higher volumes in Aggregates, with higher prices as well
- EBITDA multiplied by 2
  - EBITDA margin up 320 basis points

Other Products & Services
- Operational sales up +9.8%
- EBITDA down 8.4%
  - EBITDA margin down 60 basis points

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>2018</th>
<th>2017</th>
<th>Change (reported)</th>
<th>Change (at constant scope and exchange rates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>950</td>
<td>890</td>
<td>+6.7%</td>
<td>+6.6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>148</td>
<td>129</td>
<td>+14.4%</td>
<td>+14.4%</td>
</tr>
<tr>
<td>EBIT</td>
<td>92</td>
<td>69</td>
<td>+32.5%</td>
<td>+32.5%</td>
</tr>
</tbody>
</table>
Analysis by region
Europe (excluding France)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Change (reported)</th>
<th>Change (at constant scope and exchange rates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>390</td>
<td>410</td>
<td>-4.9%</td>
<td>-2.7%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>87</td>
<td>95</td>
<td>-7.8%</td>
<td>-4.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>60</td>
<td>62</td>
<td>-2.5%</td>
<td>+0.9%</td>
</tr>
</tbody>
</table>

**SWITZERLAND**

- **Slowdown related to the absence of major infrastructure projects, which had supported business levels in previous years**
- **Sales down 3.4% and EBITDA down 5.6% to €84 million**
  - EBITDA margin down 70 basis points
- **Cement**
  - Operational sales down 3.1%: drop in volumes but higher selling prices
  - EBITDA down 3.8% but EBITDA margin almost unchanged due to cost-cutting efforts

**Concrete & Aggregates**
- Operational sales down 2.8%: lower volumes in Concrete and Aggregates but higher prices, particularly in Concrete
  - EBITDA up 9% and EBITDA margin up 170 basis points

**Precast**
- Sales down 4.3%, EBITDA down 38.6%

**ITALY**

- **Upturn in activity in the construction sector**
- **Consolidated sales up 20.2%**
- **EBITDA up 33.2%**
  - EBITDA margin up 170 basis points
Further improvement in the macroeconomic and sector environment, with variations caused by exceptional events

Sales up 7.4% and EBITDA up 24.9%
- EBITDA margin up 240 basis points
- 2018 EBITDA includes a €10.6 million settlement payment. Excluding that item, EBITDA rises 6.8% and EBITDA margin is almost unchanged

Cement
- Operational sales up 9.0%
  - Higher volumes in the South-East and slight decline in California. Higher selling prices.
  - EBITDA up 30.3% and up 10.8% without the settlement payment (EBITDA margin up 20 basis points)

Concrete
- Consolidated sales up 3.3%
  - Lower volumes, but faster increase in selling prices in California
  - EBITDA down 44.3% because of higher costs (materials and transportation) and lower efficiency caused by adverse weather conditions
Analysis by region

Asia: Turkey, India and Kazakhstan

<table>
<thead>
<tr>
<th></th>
<th>2018 (€ million)</th>
<th>2017</th>
<th>Change (reported)</th>
<th>Change (at constant scope and exchange rates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>564</td>
<td>579</td>
<td>-2.5%</td>
<td>+15.2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>97</td>
<td>118</td>
<td>-17.5%</td>
<td>-4.0%</td>
</tr>
<tr>
<td>EBIT</td>
<td>54</td>
<td>72</td>
<td>-23.9%</td>
<td>-11.3%</td>
</tr>
</tbody>
</table>

TURKEY

- Particularly sharp reversal of the trend following the devaluation of the Turkish lira in the third quarter
- Sales rose 6.1% and EBITDA fell 17.9%
  - EBITDA margin of 13.3% because of a sharp rise in operating costs
  - Cement
    - Operational sales up 8.8%: lower volumes and higher prices
    - EBITDA down 19.6%, EBITDA margin down 6 points
  - Concrete & Aggregates
    - Operational sales up 2.9%, with volumes lower but average selling prices sharply higher, offsetting cost inflation
    - EBITDA up 23.8% and a slight increase in EBITDA margin

INDIA

- Demand rebounded strongly in the construction sector, but the competitive environment became tougher
- Sales rose 17.9%, EBITDA fell 13.1% and EBITDA margin narrowed to 15.4%
  - Volumes up 20% at 6.6 million tonnes and a decline in average selling prices

KAZAKHSTAN:

- Business levels hit new highs
- Sales rose 37.5% and EBITDA was up 69.3%
  - EBITDA margin was 37.0%
  - Volumes and selling prices both considerably higher
## Analysis by region
Africa and the Middle East

<table>
<thead>
<tr>
<th>Region</th>
<th>2018 (€ million)</th>
<th>2017 (€ million)</th>
<th>Change (reported)</th>
<th>Change (at constant scope and exchange rates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>274</td>
<td>291</td>
<td>-6.0%</td>
<td>-5.2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>31</td>
<td>43</td>
<td>-28.0%</td>
<td>-29.0%</td>
</tr>
<tr>
<td>EBIT</td>
<td>-3</td>
<td>11</td>
<td>n.c.</td>
<td>n.c.</td>
</tr>
</tbody>
</table>

### EGYPT

- **Sales down 37.8% at €38 million**
  - Volumes 48% lower because of:
    - a shutdown of the production plant in March and April because of military operations in the Sinai peninsula
    - a slowdown in the construction market caused by the impact of devaluation on Egypt’s economy
  - Average selling prices sharply higher over 2018 as a whole, but not enough to make up for:
    - very rapid cost inflation resulting from devaluation
    - the deterioration in operating conditions, particularly in terms of logistics
- **€10.8 million loss at the EBITDA level**

### WEST AFRICA

- **Sales up 4.1% at €235 million**
  - Growth in the Cement business and in the Aggregates business in Senegal, offsetting declines in Mali and Mauritania
  - Cement volumes down 1%, while Aggregates volumes rose more than 11%
  - Selling prices slightly higher in the Cement business in Senegal and Mauritania, but lower in Mali Aggregates prices sharply higher
- **EBITDA down 18.3% because of rapid inflation in production costs and the deterioration in operating conditions in Senegal**
Highlights

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Analysis by geographical region

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2019 outlook
Financial position
Cash flow

- Cash flow of €338 million as opposed to €346 million in 2017
- Capital expenditure of €188 million as opposed to €187 million in 2017
- Financial investments of €52 million versus €29 million in 2017
- Free cash flow of €167 million compared with €179 million in 2017
Financial position
Balance-sheet items

Net debt of €692 million
versus €787 million at 31 December 2017

Consolidated equity of €2,492 million
compared with €2,410 million at 31 December 2017

Gearing of 27.8% based on consolidated equity
versus 32.7% at end-2017

Leverage of 1.59x
as opposed to 1.77x at end-2017
First-time adoption of IFRS 16: estimated impact

Application of IFRS 16 to leases at 1 January 2019

– Leases will be treated as the acquisition of an asset and a financing arrangement
– The estimated impact on the financial statements will therefore be as follows:
  • On the income statement, increases in EBITDA, depreciation and interest expense (little impact on net income)
  • On the balance sheet, increases in non-current assets and debt (limited impact on equity)

<table>
<thead>
<tr>
<th>Balance Sheet</th>
<th>31/12/2018</th>
<th>M€</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFRS 16 net asset</td>
<td>220</td>
<td></td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>-14</td>
<td></td>
</tr>
<tr>
<td>IFRS16 debt</td>
<td>240</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income Statement</th>
<th>31/12/2018</th>
<th>M€</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Net financial items</td>
<td>-9</td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Net Result</td>
<td>-2</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash-flow statement</th>
<th>31/12/2018</th>
<th>M€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td>Repayment of debt</td>
<td>-49</td>
<td></td>
</tr>
<tr>
<td>Change in cash</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Pro forma 2018 financial statements integrating the full set of impacts related to the application of IFRS 16 will be published at a later date after they have been audited by the Group’s Statutory Auditors.
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Acquisition of Ciplan

▼ Reserved capital increase of €295 million, which will be used to repay most of Ciplan’s existing debt.
   – Vicat financed the acquisition through debt
   – Ciplan’s net debt after the capital increase is around €75 million

▼ Estimated figures, not yet audited, show that Ciplan’s 2018 sales amounted to around €140 million with more than 2 million tonnes of cement, around 2 million tonnes of aggregates sold and 420,000 cubic meters of concrete delivered.
   – Selling prices increased across all businesses. EBITDA was estimated to be around €24 million in 2018

▼ This acquisition represents a further step forward in Vicat’s strategy of selective acquisitions and geographical diversification and will establish Vicat in a new emerging market with a strong growth outlook.
   – To help it capture the full potential of the Brazilian market’s prospective growth, Vicat will be able to leverage a highly efficient industrial asset base, high brand recognition, abundant quarry reserves and strong competitive positions in its local markets.
2019 outlook

▼ In 2019, the macroeconomic context is likely to include **broadly firm economic growth**, although certain emerging-market regions will continue to face an uncertain political and sector environment.

▼ The Group expects **wide seasonal variations** in 2019. The **first half** is likely to suffer from a very high base for comparison in certain regions because of:

- highly favourable weather conditions in the first half of 2018, particularly in France and Turkey;
- the reversal of the trend in Turkey in the third quarter of 2018 following the devaluation of the Turkish lira, whereas the first part of 2018 had been particularly buoyant in that country;
- political uncertainties in Senegal, mainly because of presidential and parliamentary elections at the start of the year, and in India, along with security concerns in Egypt.
- Energy prices are likely to show a further increase in early 2019, before the situation becomes more favourable in the second half given the recent decline in energy prices and the Group’s policy of hedging its energy requirements.

▼ The Group's main objective is to **improve operational profitability by**:

- implementing a proactive but balanced commercial policy;
- focusing on increasing volumes and selling prices;
- and pursuing its policy of optimising production costs where the competitive situation permits.