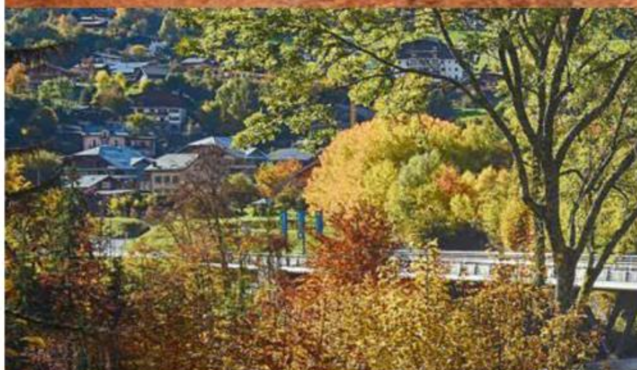
Friday 14 February 2020

FULL YEAR RESULTS
2019



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Chief Financial Officer

Disclaimer

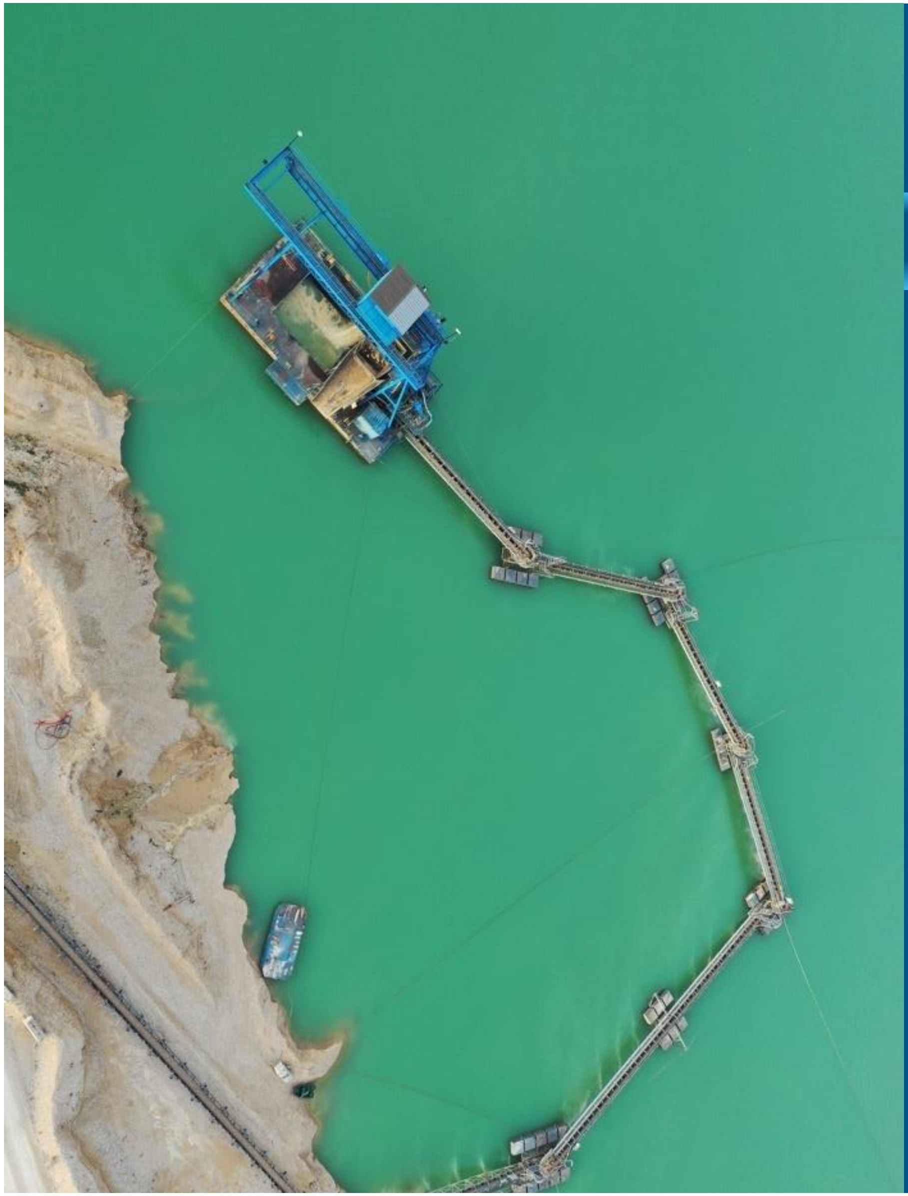
- This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets.

- 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.

- In this presentation, and unless indicated otherwise, all changes are stated on a **year-on-year** and **consolidated** basis (2019/2018), and **at constant scope and exchange rates**.

- Figures for the 2018 financial year are presented on a proforma basis after taking into account the effects relating to the application of IFRS 16, as disclosed on 29 April 2019 in the press release entitled "New Geographical Information and Impacts of IFRS 16", available on the company's website at www.vicat.fr.

- Audited consolidated financial statements for 2019 and their appendices are available in full on the company's website www.vicat.fr.



▶ Highlights

Full year results 2019

Analysis by geographical region

Balance sheet and cash flow

Climate Plan

Outlook for 2020

Highlights

Sales:

€2.7 billion

EBITDA:

+6.9%

on a reported basis

Net income, Group share stable at

€149 million

Cash flow:

€425 million

Free cash flow:

€159 million

Solid balance sheet

gearing of 40.4%

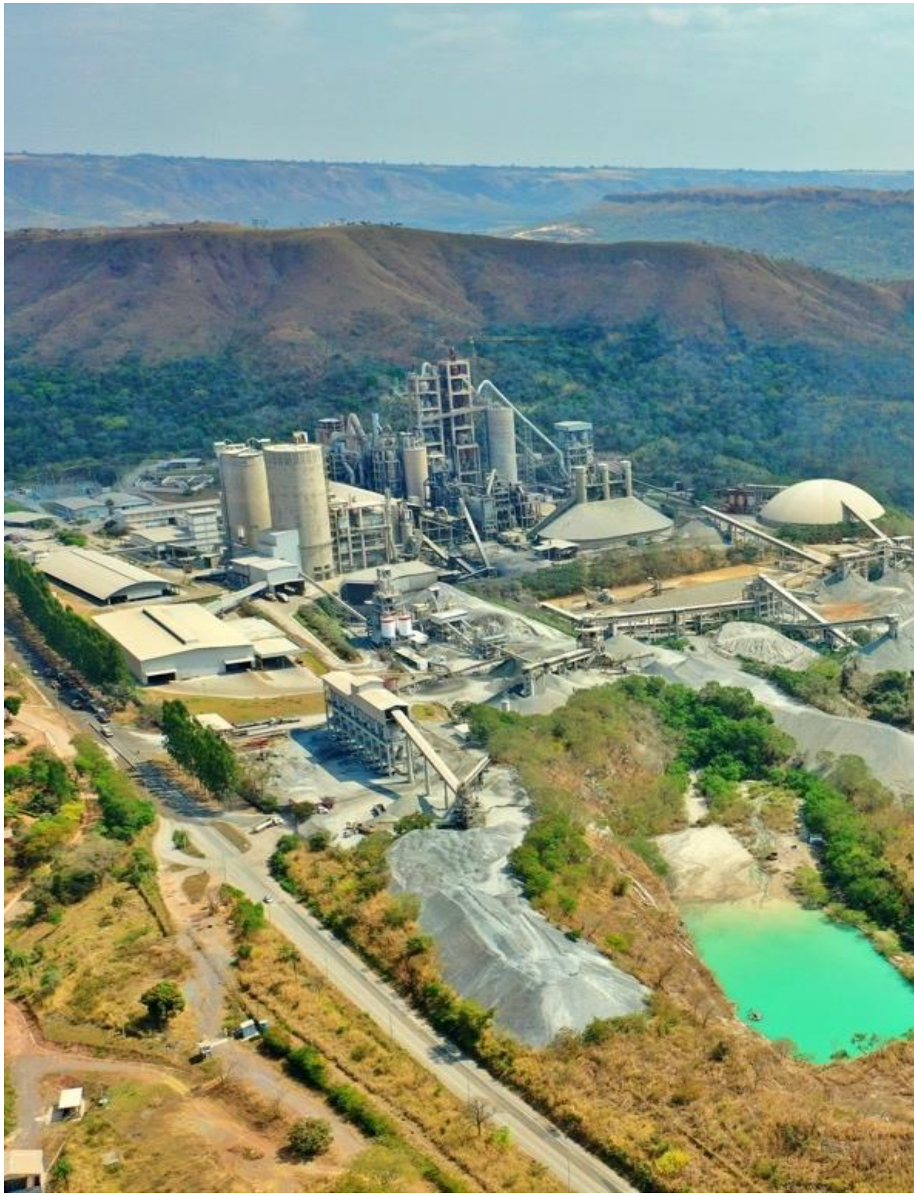
leverage of 2.3x

(excluding IFRS 16)

Proposed dividend of

€1.50

per share



Acquisition of Ciplan in Brazil (January 2019)

- A selective acquisition
- Acquisition of a majority stake (66% of capital)
- A high-performance industrial facility, a strong local brand, high levels of quarry reserves and solid positions in a fast-growing market

Group refinancing

- *Schuldscheindarlehen* (private placement under German law) completed on 26 April 2019
- Initial amount of €150 million, increased to €290 million
- This financing consists of 5-year, 7-year and 10-year tranches
- A combination of fixed- and floating-rate tranches
- Placement’s average maturity at 6.24 years and average interest rate at 1.3%

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Condensed income statement

In millions of euros	2019	2018*	Change (reported)	Change (at constant scope and exchange rates)
Consolidated sales	**2,740**	2,583	+6.1%	-0.8%
EBITDA**	**526**	492	+6.9%	-0.2%
EBIT***	**267**	255	+4.5%	-1.5%
Consolidated net income	**160**	159	+0.8%	-7.1%
Net income, Group share	**149**	149	-0.0%	-6.5%
Cash flow	**425**	387	+9.7%	+0.8%

* 2018 financial statements are presented on a pro forma basis after taking into account the effects of the application of IFRS 16.
** EBITDA is calculated as the sum of gross operating income and other income and expenses on ongoing business.
*** EBIT is calculated as EBITDA less net depreciation, amortisation and provisions on ongoing business.

- **Vicat Group's EBITDA rose by 2.1% (6.8% on a reported basis)** at constant scope and exchange rates and excluding the impact of non-recurring income in the USA in 2018 and Brazil in 2019
- Proposed dividend of **€1.50** per share

Highlights

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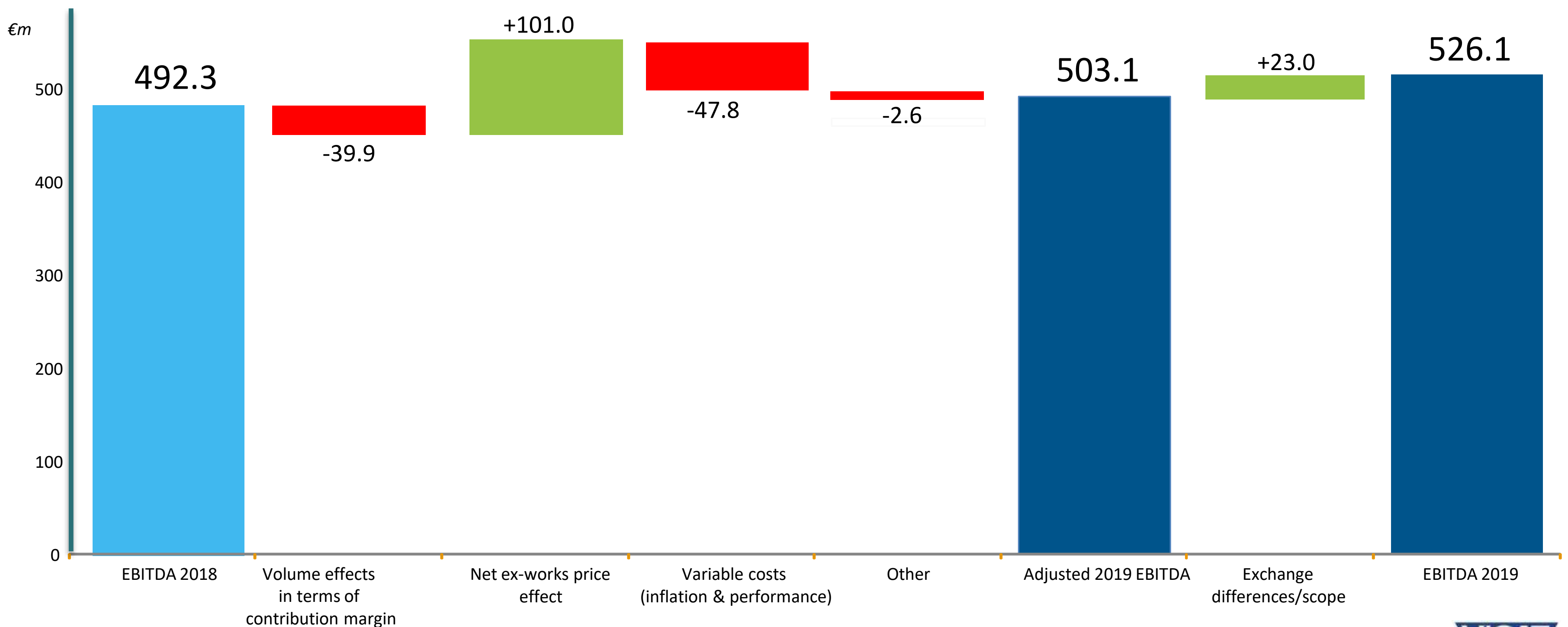
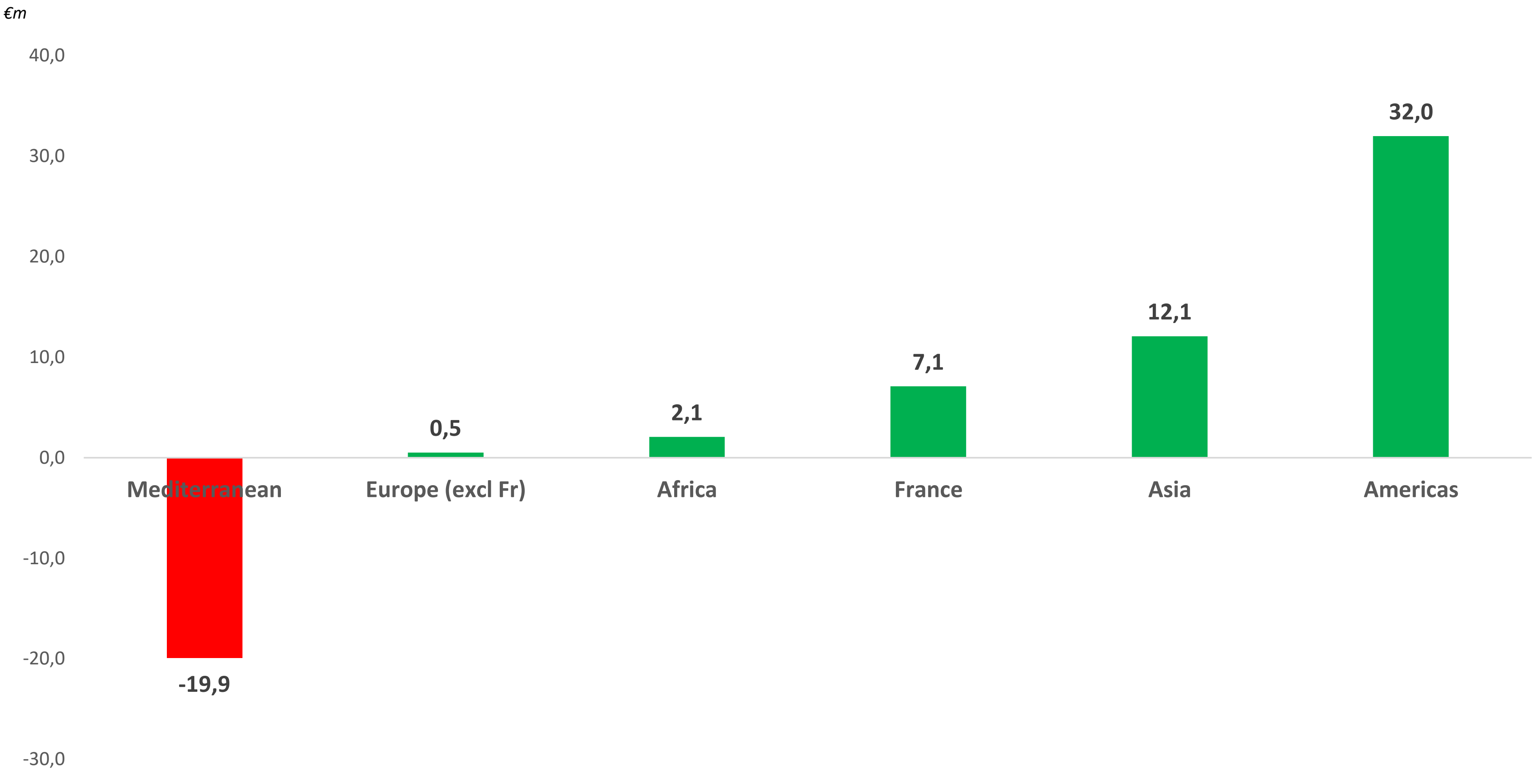
Change in EBITDA 2019/2018
by factor

- **Positive scope effect**, mainly related to the acquisition of Ciplan in Brazil in January 2019
- **Higher prices** in all markets other than Egypt
- **Positive forex effect** despite developments in Turkey and Kazakhstan
- **Stability of energy costs** in the Cement business (despite inflation in Turkey)



Change in EBITDA 2019/2018
by geographic zones



Analysis by region
France

In millions of euros	**2019**	2018 restated	Change (reported)	Change (at constant scope and exchange rates)
Sales	**987**	950	+3.9%	**+2.5%**
EBITDA	**182**	175	+4.0%	**+3.5%**
EBIT	**102**	94	+8.5%	**+8.4%**

- Satisfactory business levels in infrastructure, industry and commercial segments offset the weakness of the residential market
- Higher electricity costs offset by higher prices
- Improved economic performance and a stable EBITDA margin at 18.5%

- Cement
  - Operational sales: +1.7%
  - EBITDA: -0.9%
- Concrete & Aggregates
  - Operational sales: +3.2%
  - EBITDA : +11.8%
- Other Products & Services
  - Operational sales: +3.6%
  - EBITDA stable

Analysis by region

Europe excluding France (Switzerland and Italy)

In millions of euros	**2019**	2018 restated	Change (reported)	Change (at constant scope and exchange rates)
Sales	**401**	390	+2.7%	**-0.8%**
EBITDA	**96**	96	+0.5%	**-2.8%**
EBIT	**58**	61	-4.1%	**-7.5%**

- Continued stabilisation of industry environment
- Contrasting trends by business area, but marked improvement in business levels in second half
- Sales and EBITDA: -1.9%
  - Cement: sales +2.8% / EBITDA +5.0%
  - Concrete & Aggregates: sales -1.6% / EBITDA -8.6%
  - Precast: sales -7.4% / EBITDA -11.1%

- Higher volumes and prices supported by trends in product mix

Analysis by region

Americas (United States of America, Brazil)

In millions of euros	2019	2018 restated	Change (reported)	Change (at constant scope and exchange rates)
Sales	**589**	404	+45.7%	**+6.4%**
EBITDA	**115**	83	+38.3%	**-1.8%**
EBITDA excluding non-recurring items	**104**	73	+42.5%	**+12.7%**
EBIT	**57**	46	+23.2%	**-12.3%**
EBIT excluding non-recurring items	**46**	35	+30.3%	**+17.4%**

- Continued positive macroeconomic environment but unfavourable weather conditions
- Sales up +6.4% and EBITDA by +12.7% (excluding non recurring item)
  - Cement: Sales +4.5% / EBITDA +8.5% (excluding non-recurring item)
  - Concrete: Operational sales +9.7% / EBITDA +37.0%

- The situation is stabilising after several years of downbeat economic conditions
- Sales of €135 million and EBITDA of €17.2 million (excluding non-recurring item)
  - Cement (excluding non-recurring item): Operational sales €103m / EBITDA €12.2m
  - Concrete: Operational sales €39m /EBITDA €5m

Analysis by region

Asia (India and Kazakhstan)

In millions of euros	2019	2018 restated	Change (reported)	Change (at constant scope and exchange rates)
Sales	**375**	399	-6.1%	**-7.1%**
EBITDA	**89**	77	+15.8%	**+15.4%**
EBIT	**54**	42	+28.4%	**+28.5%**

- Consolidated sales of €309m: -10.2%
- EBITDA of €65m: +19.9%
- Higher prices favoured over higher volumes
- Macroeconomic and industry conditions less favourable in second half

- Consolidated sales: +9.4%
- EBITDA of €23m: +5.2%
- Redirection of some volume to export markets, where price conditions were more favourable
  - Entry of new players in the domestic market in Q3

Analysis by region
Mediterranean (Turkey and Egypt)

In millions of euros	2019	2018 restated	Change (reported)	Change (at constant scope and exchange rates)
Sales	**171**	204	-15.9%	**-10.5%**
EBITDA	**-4**	16	n.a.	**n.a.**
EBIT	**-23**	-3	n.a.	**n.a.**

- Consolidated sales of €131 million: -11.4%
  - Impact of the August 2018 devaluation on macroeconomic and industry conditions
- EBITDA was €13 million, from €26 million in 2018
- A very unfavourable basis of comparison in the first half, with business levels seeing a return to growth in the second half
  - Cement: Operational sales -14.5% / EBITDA -35.4%
  - Concrete & Aggregates: Operational Sales -3.9% / EBITDA breakeven

- Consolidated sales of €40 million: -6.4%
- EBITDA was €-17 million, from €-11 million in 2018
- Difficult macroeconomic conditions and significant logistical constraints
- Deterioration in the competitive environment due to increased output from a new plant operated by the Egyptian army

Analysis by region
Africa (Senegal, Mali, Mauritania)

In millions of euros	2019	2018 restated	Change (reported)	Change (at constant scope and exchange rates)
Sales	**217**	235	-7.7%	**-7.9%**
EBITDA	**47**	45	+4.5%	**+4.4%**
EBIT	**18**	15	+23.5%	**+23.3%**



- Contraction of business levels
  - Cement: Operational sales -2.6% / EBITDA +30.6%
  - Aggregates Senegal: Operational sales -26.7% / EBITDA -24.8%
- Favourable macroeconomic and sector environment
- The year was affected by presidential and parliamentary elections in Senegal and by the political decision to freeze prices
  - Public works investment freeze in H2 impacting Aggregates
- Operational issues in the Cement business, and labour disputes external to the Group in Senegal's transport industry, particularly affected Aggregates
- New cement mill in Mali near Bamako, with a capacity of 800,000 tonnes per year

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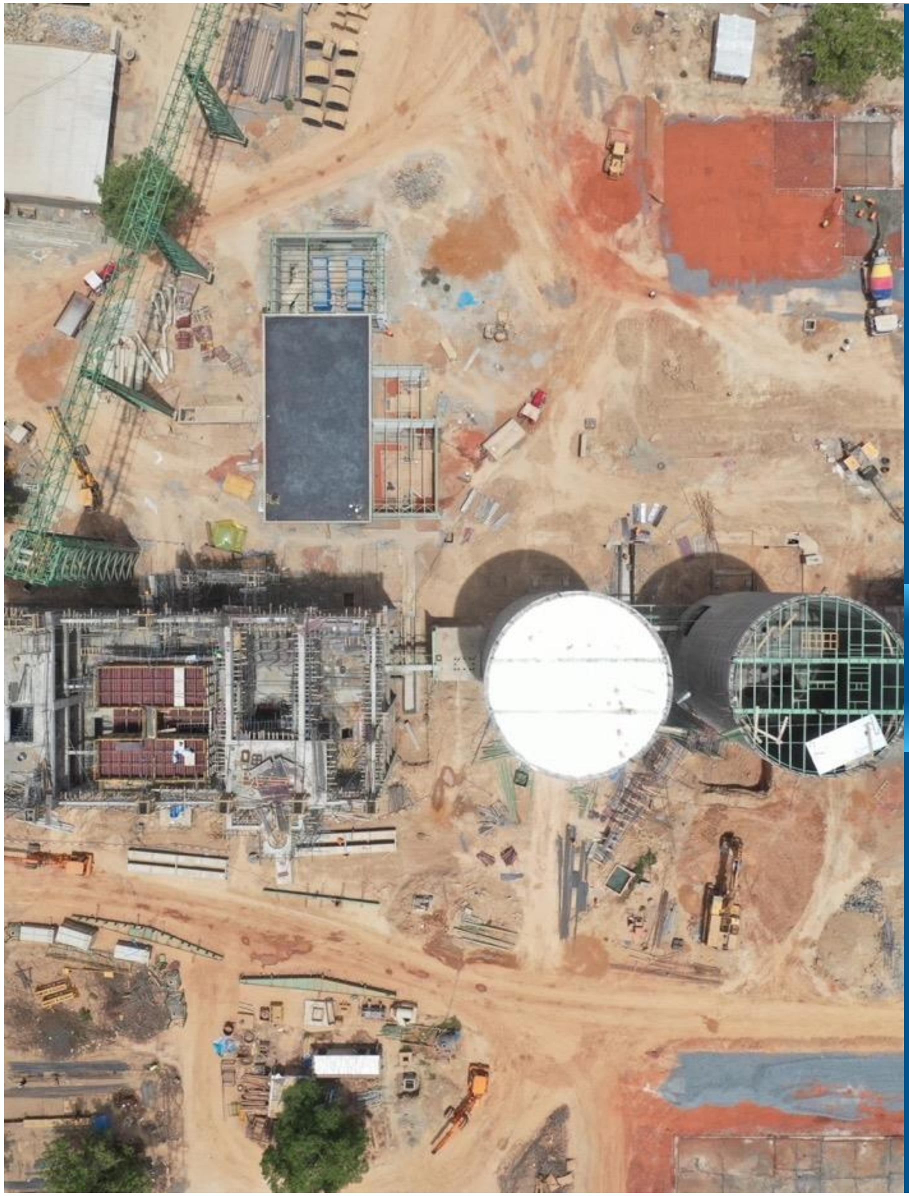

Highlights

Full year results 2019

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Outlook for 2020

Financial position
Cash Flow

▼

Cash flow of €425 million,
from €338 million in 2018

Industrial investment of €291 million
Excluding IFRS 16: €241 million from €188 million in 2018

- Mali: New mill began operations in the fourth quarter of 2019
- USA: first payment for the new kiln at Ragland

Financial investment of €379 million
from €52 million in 2018

Free cash flow of €159 million
from €167 million in 2018

Financial position

Balance sheet

Net financial debt of €1,290 million
from €931 million at 31 December 2018

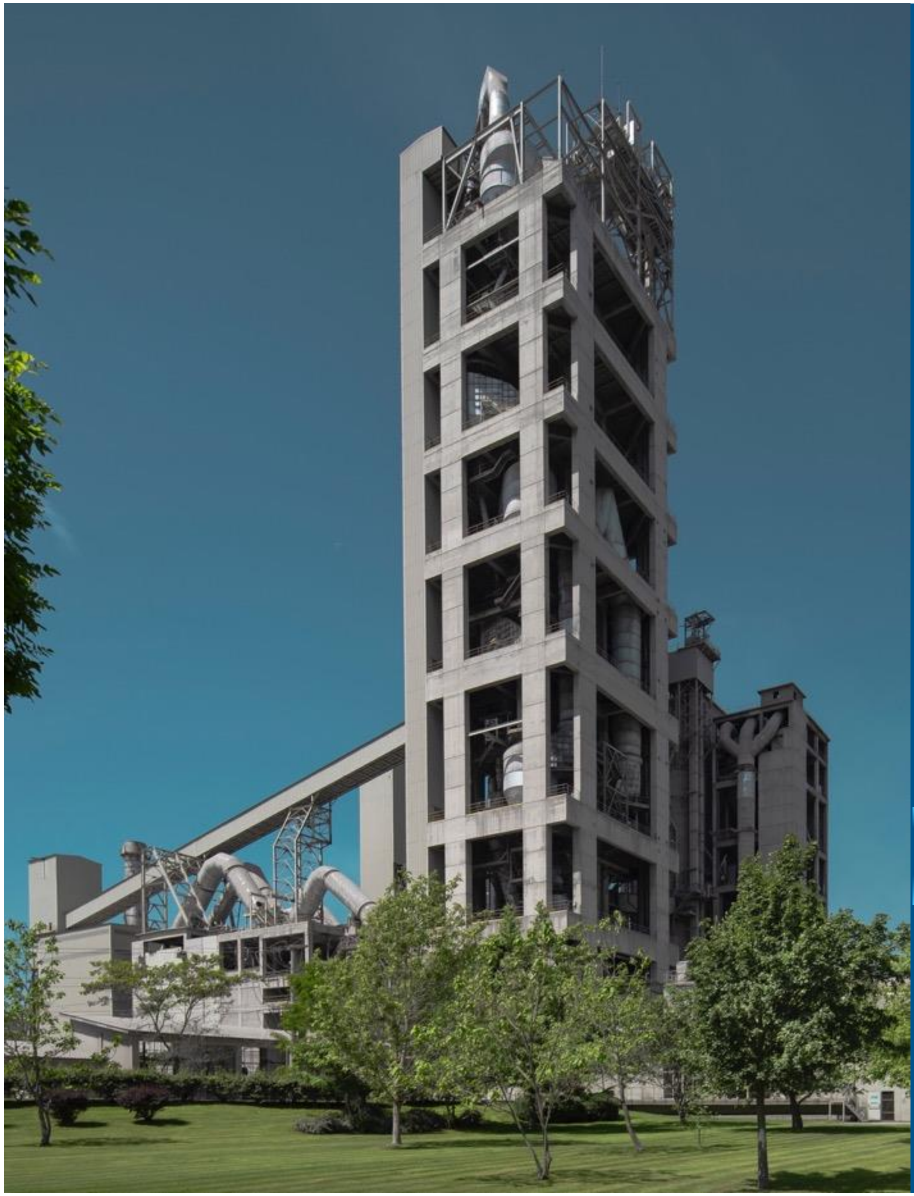
Consolidated shareholders' equity of €2.6 billion
from €2.41 billion at 31 December 2018

Excluding IFRS 16:

- **Gearing of 40.4%**
from 27.8% at end-2018
- **Leverage of 2.3x**
from 1.6x at end-2018

Including IFRS 16:

- **Gearing of 49.7%**
- **Leverage of 2.45x**



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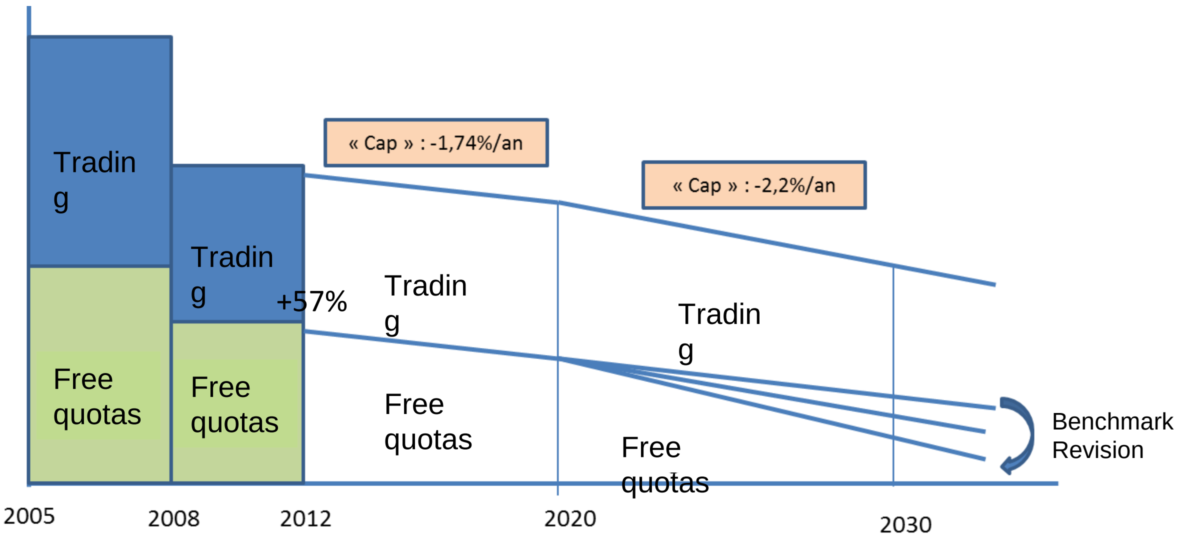
▶ **Climate Plan**

Outlook for 2020

Objectives of the EU - Emissions Trading System

- Objectives set by the European Union
  - 2020 vs. 1990: -20% (incl. ETS -21%)
  - 2030 vs. 1990: -40% (incl. ETS -43%)
  - 2050 vs. 1990: -75%

- -43% greenhouse gas emissions in 2030 vs. 2005



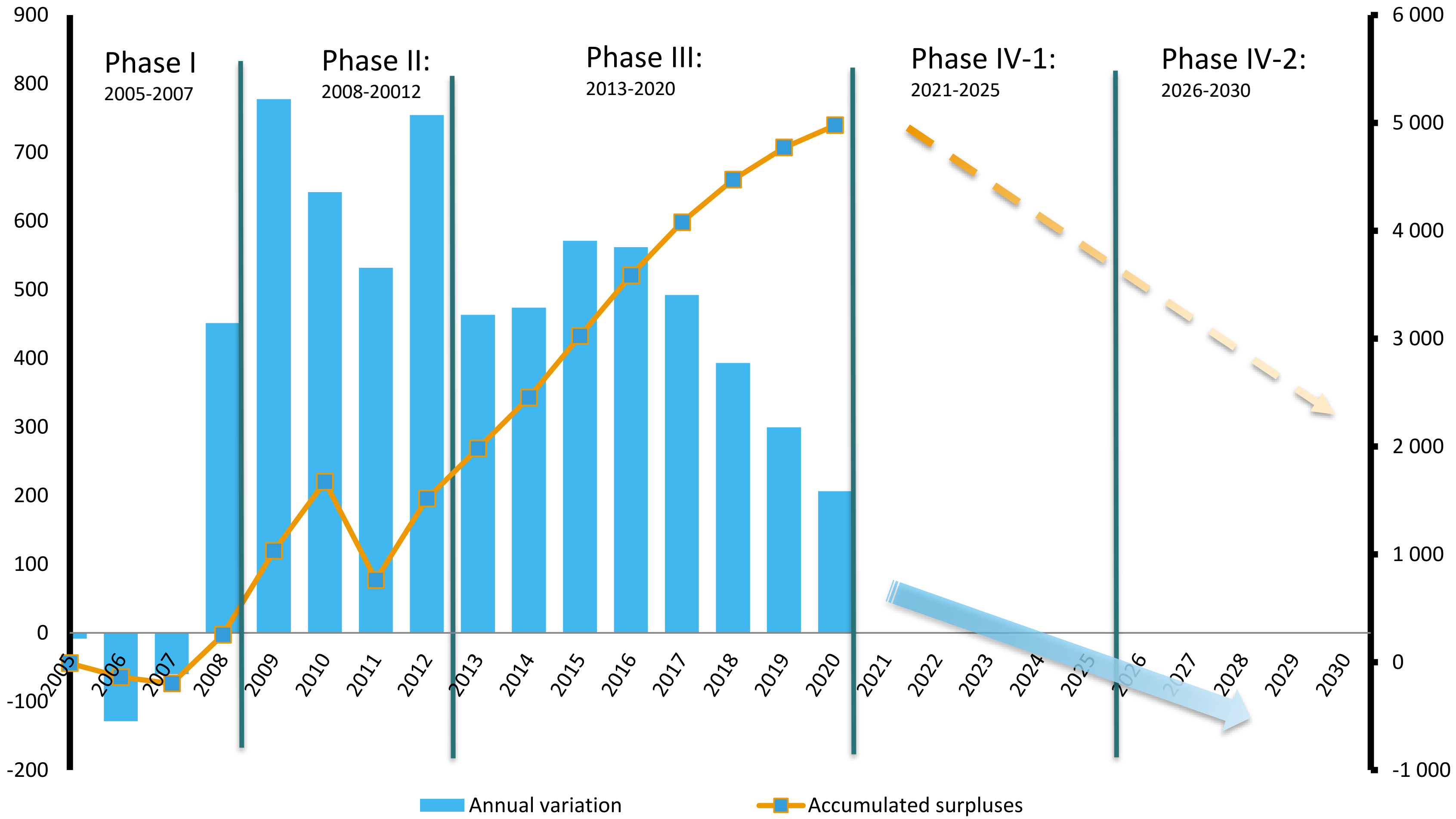
ETS calculation system

- ETS = European Emissions Trading System
  - SEQE = Système d'Echange des Quotas d'Emissions
  - Cap and Trade principle
    - *Reduction objective and auction*

Q = HAL x BM x K1 x K2 x K3

- HAL: Historical Activity Level
  - Phase 3: HAL 2013-2020 = average 2005-2008
  - Phase 4.1: HAL 2021-2025 = average 2014-2018
  - Phase 4.2: HAL 2026-2030 = average 2019-2023
- BM: Benchmark
  - 2013: 766 kg CO2/tck
  - 2017: collection under way for benchmark (≈ 720 kg CO2/tck)
  - 2021-2025 ≈ 688 kg CO2/tck
  - 2026-2030 ≈ 688 kg CO2/tck
- K1:
  - 2013 to 2020 : -1.74%/year
  - 2021-2030: straight-line annual -2.2%/year
- K2: Depending on business differences
  - +/-15%
- K3: Transectorial and uniform
  - 2013 : -5.73%
  - 2020 : -17.56%

VICAT Cement France accounting CO_2 stock



▼ Vicat should still be in surplus in 2030

VICAT Climate Plan: Track record, objectives, ambition

Today

Vicat's net emissions in France (historical scope) in tonnes of CO_2 **reduced by more than -15% between 1990 to 2019**

2030 Objectives

Group commitment (current scope) on the basis of available technologies **limiting emissions to 540kg CO_2 net per tonne of cement, a -13% reduction on 2019**

Ambition for 2050

Target of carbon neutral by 2050 across the value chain will require disruptive carbon capture and usage/storage (CCUS) technologies, which are not yet proven

Increase in use of substitution fuels

- 100% substitution fuels in Europe in 2025 (vs 57% in France and > 90% in Switzerland today)
- 40% substitution fuels at the Group level in 2030 (vs 26% today)

Reduction in clinker rate in cement

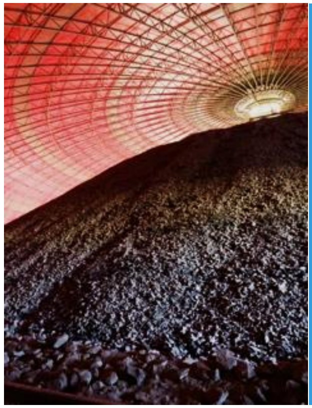
- 75% clinker rate in cement in 2030 vs 81% today

VICAT Climate Plan: action levers

▼ Actions related to Cement production :

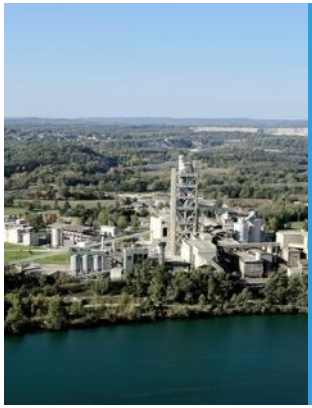
Energy

- Improving energy efficiency
- Decarbonised production
- Increasing the replacement of fossil fuels



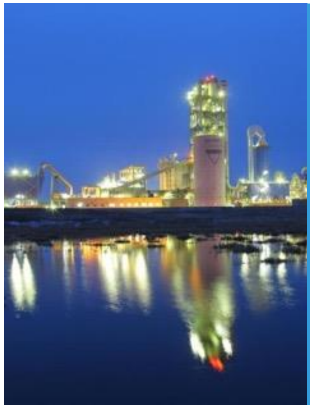
Clinker

- Slag and flyashes are not sustainable solutions
- Limestone micronisation
- Activated clay
- Natural Pouzolanes



Circular economy

- Upstream (sourcing & process)
- Use of local energy and materials
- Provision of services to contractors

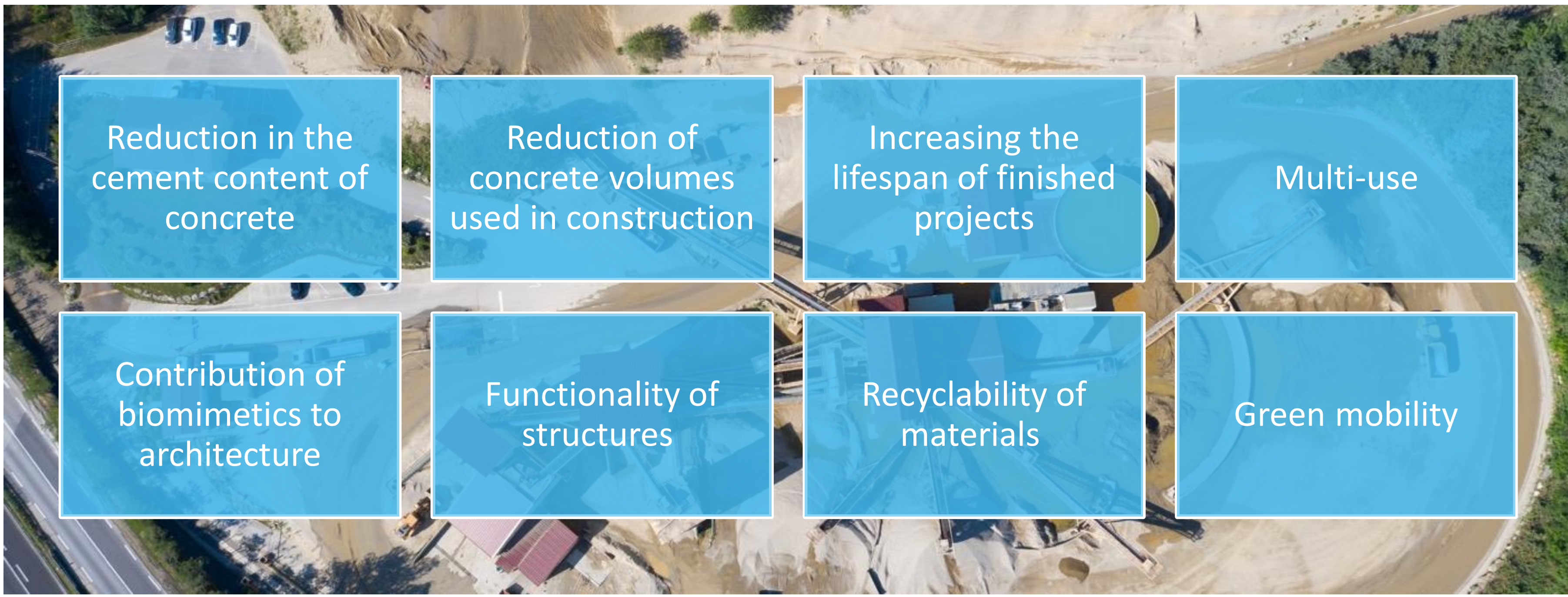


CO_2 capture

- Trials of disruptive technologies from now to 2030 prior to industrial-level rollout
  - Oxyfuel
  - Fastcarb
  - Cimentalgue
  - Valomé

VICAT Climate Plan: main actions

▼ Actions across the value chain



- Reduction in the cement content of concrete
- Reduction of concrete volumes used in construction
- Increasing the lifespan of finished projects
- Multi-use
- Contribution of biomimetics to architecture
- Functionality of structures
- Recyclability of materials
- Green mobility

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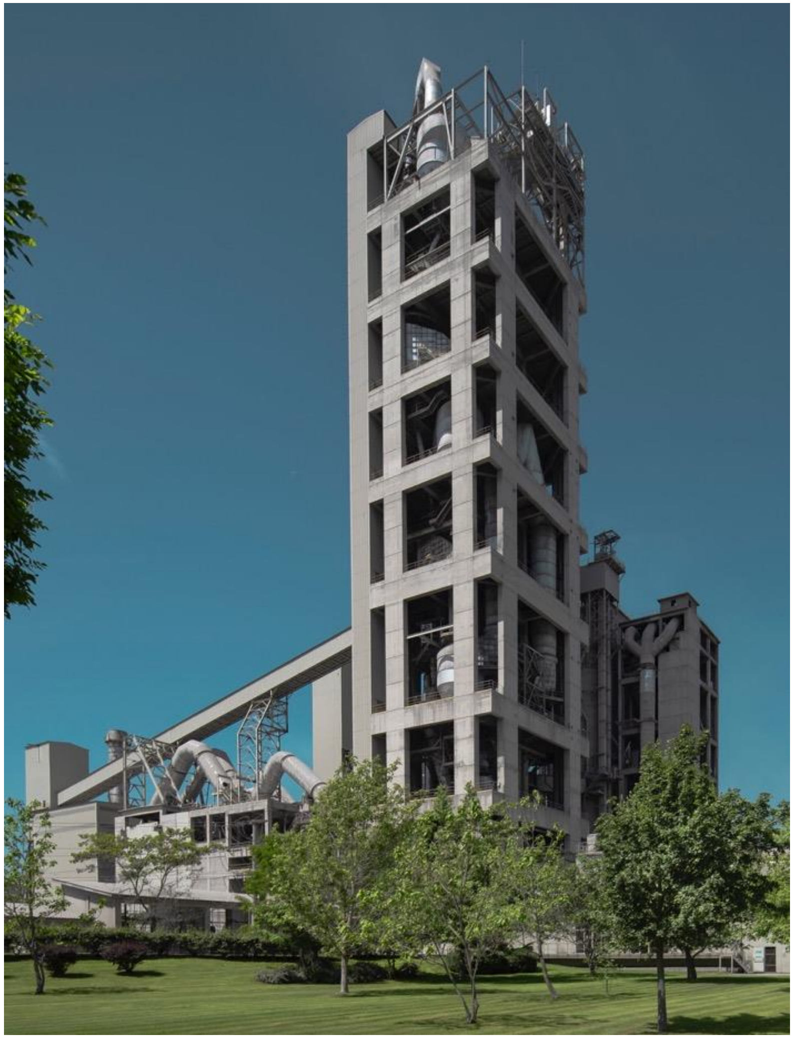
Industrial investment 2020

Increase in industrial investment in 2020: approx. €300 million

- Given :
  - Challenges of climate change,
  - Growth prospects in Vicat's markets
  - Expected levels of cash flow over the coming years

Examples of projects:

- **New kiln in the USA** at the Ragland plant (South-East)
  - Total industrial investment of around $260 million
  - Capacity of 1.8 million tonnes per year
  - Substantial reduction in production costs and in carbon footprint
  - Production expected to start in 2022
- **Increased effort on strategic projects to reduce the Group's energy costs and carbon footprint**



Outlook for 2020

- **In 2020, the macroeconomic context is likely to continue to improve in most of the regions in which the Group is active**
  - Certain emerging-market regions will nevertheless continue to face an uncertain sector environment
- **Consumed energy prices are likely to continue to fall**
  - Given the worldwide evolution of energy prices and the Group's industrial strategy of replacing fossil fuels
- **Against this background, the Group expects a further improvement in its EBITDA over the year as a whole**

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