Press release
2020 results
L'Isle d'Abeau, 15 February 2021

Solid operating performance amid exceptional conditions

- **Sales growth of +5.5% at constant scope and exchange rates**
- **Increase in operational profitability: EBITDA* up +10.1% and EBIT** up +17.5% at constant scope and exchange rates**
- **Decrease in net financial debt of -€88 million to €1,202 million and leverage ratio*** at 2.16x vs. 2.45x at 31 December 2019**

Audited condensed consolidated income statement:

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Consolidated sales	**2,805**	2,740	+2.4%	**+5.5%**
EBITDA**	**557**	526	+5.9%	**+10.1%**
EBITDA margin (%)	***19.9%***	*19.2%*		
EBIT***	***298***	267	+11.7%	**+17.5%**
EBIT margin (%)	***10.6%***	*9.7%*		
Consolidated net income	***172***	160	+7.7%	**+16.3%**
Net margin (%)	***6.1%***	*5.8%*		
Net income, Group share	**156**	149	+4.8%	**+10.7%**
Cash flow	**461**	425	+8.3%	**+12.9%**

*EBITDA: sum of gross operating income and other income and expenses on ongoing business.
*EBIT: EBITDA less net depreciation, amortisation and provisions on ongoing business.
***Leverage ratio: net debt/consolidated EBITDA

Commenting on these figures, *Guy Sidos, the Group's Chairman and CEO said:*
"Thanks to our employees' tremendous efforts and commitment, the Vicat group strengthened its position amid the unprecedented current pandemic situation. Our resilience and flexibility allowed us to make organizational changes in order to reconcile our competing imperatives of keeping everyone safe and healthy, unlocking savings and making rapid adjustments, such as relocating our Paris head office to L'Isle d'Abeau in the Auvergne-Rhône-Alpes region. Likewise, we made improvements to Vicat's governance and stepped up our environmental and digital transformation programmes. Given the strength of our cash generation, we were able to resume key productivity investment programmes for the future. Despite the adversity we faced, our teams across all our various regions successfully delivered higher production efficiency levels and met market demand cost-effectively, paving the way for a solid increase in the Vicat group's results."

Disclaimer:

- *In this press release, and unless indicated otherwise, all changes are stated on a year-on-year basis (2020/2019), and at constant scope and exchange rates.*
- *This press release may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets. These statements are by their nature subject to risks and uncertainties as described in the Company's annual report available on its website (www.vicat.fr). These statements do not reflect the future performance of the Company, which may differ significantly. The Company does not undertake to provide updates of these statements.*

Further information about Vicat is available from its website (www.vicat.fr).

1. Income statement

1.1. Consolidated income statement

Performance in 2020 was significantly disrupted by the Covid-19 pandemic. The Group's business activities in the 12 countries in which it operates were affected to different extents, depending on the political response to the pandemic situation. India, France and Italy recorded a sharp fall in their sales in the first half followed by a rebound from June. The -3.2% decline in consolidated sales in the first six months was erased by a +13.8% rise at constant scope and exchange rates in the second half of the year. The Vicat Group's full-year consolidated sales came to €2,805 million, representing an increase of +2.4% on a reported basis or +5.5% at constant scope and exchange rates compared with 2019.

The key factors driving consolidated sales were:

- a +0.7% scope effect, corresponding to a positive impact of +€20 million owing in particular to the consolidation of Ciplan in Brazil over the full year and small acquisitions in the Concrete & Aggregates business in Europe;
- an unfavourable currency effect of -3.7%, representing a negative impact of -€105 million over the full year as a result of euro appreciation;
- and, lastly, strong organic sales growth (+5.5%) across all regions, except for France.

The Group's consolidated **EBITDA** came to €557 million, up +5.9% on a reported basis and up +10.1% at constant scope and exchange rates. The EBITDA margin widened by 0.7 points to 19.9%. The reported EBITDA performance was the product of very minor positive scope effects (less than +€2 million), unfavourable currency effects of almost -€24 million and, lastly, solid organic growth of +€53 million.

At constant scope and exchange rates, the EBITDA increase was driven by:

- Business growth despite the impact of the pandemic crisis;
- Benefits of the cost-cutting plan and lower energy costs, representing a positive impact of around €57 million;
- Broadly firmer selling prices, except in the Mediterranean region;
- A very sharp improvement in the EBITDA generated in the Americas (especially in Brazil) and Asia;
- A significant increase in EBITDA in Africa, supported by the improvement in production performance in Senegal and the ramp-up in the new grinder in Mali amid favourable volume and pricing conditions.

These positive factors helped to offset:

- A moderate contraction in the EBITDA generated in France as a result of the pandemic's impact across all business activities in the first half;
- The stoppage of activity during 30 days in Italy and 33 days in India
- The impact of the downbeat macroeconomic and competitive environment in Turkey and Egypt;
- An unfavourable base of comparison arising from a non-recurring gain of €6 million in Brazil.

EBIT totalled €298 million compared with €267 million in 2019. That represented an increase of +11.7% on a reported basis and of +17.5% at constant scope and exchange rates. The EBIT margin on consolidated sales improved by almost one point to 10.6%. This increase reflects a further improvement in operating margins across the Americas, Africa and Asia. The clear rebound in activity levels in France from the third quarter onwards was not sufficient to make up entirely for the decline in the first six months. Lastly, given the factors presented above, the Europe (excluding France) and Mediterranean regions experienced a fall in their operating margins over the period as a whole.

Operating profit rose +6.3% on a reported basis and +13.4% at constant scope and exchange rates. This performance reflects the improvement in EBITDA and EBIT, a €6 million gain resulting from a tax amnesty in Brazil and, lastly, -€19 million related to the write down of assets in Egypt.

The +€3 million improvement in **net financial expense** was largely attributable to a €2 million gain as a result of a tax amnesty and reflects the tight grip kept on the Group's overall debt in 2020 amid the pandemic situation.

Tax expense rose by +€7 million as a result of the higher pre-tax income. The effective tax rate was stable at 30.7% compared with 30.6% in 2019. The stable tax rate reflects a slight reduction in rates in France and Switzerland, as well as deferred tax income linked to the extension of the rider to the mining agreement in Senegal. These positive factors helped to offset the unfavourable impact of the larger loss not subject to tax recorded in Egypt, the end to the period of tax exemptions in Kazakhstan, and a negative adjustment to deferred tax assets in India given the reduction in the tax rate paid by Kalburgi Cement.

Consolidated net income totalled €172 million, up +7.7% on a reported basis and up +16.3% at constant scope and exchange rates despite the write down of assets in Egypt. The improved performance in Brazil and India gave rise to a significant increase in the share attributable to minority shareholders. Accordingly, net income, Group share rose +10.7% at constant scope and exchange rates and +4.8% on a reported basis to €156 million.

Cash flow came to €461 million, up +8.3% on a reported basis and up +12.9% at constant scope and exchange rates, reflecting the sharp increase in EBITDA generated over the year.

On the basis of these full-year 2020 results and confident in the Group's ability to pursue further development, the Board of Directors decided at its meeting on 12 February 2021 to propose shareholders at the General Meeting to be held on 9 April 2021 to maintain the dividend at €1.50 per share.

1.2. Income statement analysed by geographical region

1.2.1. Income statement, France

(€ million)	2020	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**963**	987	-2.4%	-3.5%
EBITDA	**171**	182	-6.5%	-7.3%
EBIT	**92**	102	-9.4%	-9.8%

During the year, the pandemic had a significant impact on the Group's performance in France. Following a near total shutdown in mid-March, the situation gradually improved, and the Group returned to solid business growth again in the second half. Even so, this was not sufficient to offset the impact of the initial lockdown on the Group's activities during the first half of 2020.
Accordingly, EBITDA declined over the period as a whole, with the positive impact of lower energy costs and the benefits of the cost-cutting plan failing to offset the downturn in activity levels and certain exceptional costs incurred by the Cement business.

- *In the Cement business*, operational sales rose +2.8% over the year as a whole. After the sharp decline in the first half, activity levels bounced back very strongly in the second half. Volumes remained robust comforted by exports and selling prices rose. As a result, the EBITDA recorded by the business fell back -3.3% over the year. The decrease reflects the sharp contraction in EBITDA generated in the first half, offset to some extent by the rebound in EBITDA during the second half.
- *In the Concrete & Aggregates business*, operational sales moved -6.5% lower at constant scope owing to a volume decline, which was partly offset by the impact of higher selling prices. As a result of these factors, the EBITDA generated by the business in France was down -15.5% at constant scope compared with 2019.
- *In the Other Products & Services business*, operational sales dropped -2.7% over the period. The EBITDA recorded by the business fell back -2.5%.

1.2.2 Income statement for Europe excluding France

(€ million)	2020	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**423**	401	+5.6%	+1.2%
EBITDA	**97**	96	+1.1%	-2.8%
EBIT	**55**	58	-5.5%	-9.1%

Activity levels in Europe (excluding France) over 2020 reflect contrasting trends in Switzerland and Italy. The Swiss market was only barely affected by the pandemic during the year, while Italy experienced a very challenging pandemic and macroeconomic situation.
As a result, the EBITDA margin on consolidated sales slipped 1.1 points to 23.0%.

In **Switzerland**, the Group's consolidated sales rose by +6.5% on a reported basis and by +1.8% at constant scope and exchange rates. EBITDA rose +1.8% on a reported basis but fell -2.2% at constant scope and exchange rates.

- *In the Cement business*, operational sales rose +4.2% at constant scope and exchange rates. Activity levels remained well oriented throughout the year despite the Covid-19 related constraints, supported by several major projects, which helped to maintain the Group's market share and raise selling prices. The EBITDA generated by the business improved +3.2% at constant scope and exchange rates over the year as a whole.
- *In the Concrete & Aggregates business*, operational sales rose +5.5% at constant scope and exchange rates over the year. Selling prices came under pressure in concrete as a result of fiercer competition, but moved higher in aggregates. Note that the aggregates business incorporates the recycling and landfill activities, which performed well in 2020. Taking these factors into account plus an unfavourable base of comparison resulting from the sale of land in the final quarter of 2019, the EBITDA generated by the business declined -4.3% at constant scope and exchange rates over the year.
- *The Precast business* posted a -2.6% decline in operational sales at constant scope and exchange rates. The competitive environment remained very unfavourable for consumer products, particularly as a result of imports. The rail business picked up only very gradually, with orders lagging below normal levels. As a result of these factors, EBITDA fell back -27.4% at constant scope and exchange rates.

In **Italy**, consolidated sales declined -10.5% over the full year as a result of the total shutdown of operations for 30 days during the second quarter. However, selling prices firmed up against a backdrop of significantly lower volumes. As a result, EBITDA fell -34.4% compared with 2019.

1.2.3 Income statement for the Americas region

(€ million)	2020	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**636**	589	+8.0%	+17.2%
EBITDA	**141**	115	+22.6%	+36.3%
EBIT	**86**	57	+52.7%	+73.5%

Despite a concerning pandemic situation in both the United States and Brazil, activity levels continued to move in the right direction thanks to the economic measures implemented in response to the pandemic. As a result of these factors, the Americas region's sales and EBITDA improved significantly. The EBITDA margin on consolidated sales picked up to 22.3% from 19.6% in 2019.

In the **United States**, the construction sector was rapidly recognised as "essential" by the authorities and thus permitted to continue operating. Accordingly, infrastructure and residential markets continued to grow thanks to the economic stimulus measures. The Group's consolidated sales in the United States rose +5.7% on a reported basis and +7.7% at constant scope and exchange rates. EBITDA came to €99 million over the full year, up +14.0% on a reported basis and up +16.2% at constant scope and exchange rates.
The investment in a new 5,000-tonne/day kiln at the Ragland plant in Alabama, launched during 2019, continued during the year and is scheduled to enter service in the first half of 2022. This new installation will increase the plant's existing capacity, significantly reduce production costs and actively help the Group to meet its CO_2 emission reduction targets.

- *In the Cement business*, operational sales grew +10.0% at constant scope and exchange rates. This performance was fuelled by solid volume growth, particularly in California. Average selling prices rose over the year as a whole, reflecting the full impact of the hikes introduced in 2019 and the increase introduced in California during the third quarter. Against this backdrop, the EBITDA generated by the business grew +7.3% at constant scope and exchange rates.

- *In the Concrete business*, operational sales rose +4.2% at constant scope and exchange rates, as the business is more sensitive to the pandemic-related constraints, volumes dipped slightly over the year as a whole. Conversely, selling prices rose sharply. Overall, the EBITDA generated by the business rose +57.7% at constant scope and exchange rates over the year.

In **Brazil**, where certain regions have been hit harder by the pandemic, the Group reaped the benefit of fairly favourable industry conditions supported by the government's economic incentives, low interest rates, all of which helped underpin the residential sector's development. The Group took full advantage of its highly efficient production facilities and the operational improvements made following the acquisition of Ciplan.

Consolidated sales generated in Brazil came to €156 million, up +15.7% on a reported basis and up +48.9% at constant scope and exchange rates, reflecting the depreciation in the Brazilian real against the euro. EBITDA recorded solid growth to €43 million, up from €29 million in 2019.

- *In the Cement business*, operational sales came to €170 million, up from €143 million in 2019. Given the significant fall in energy costs, plus the favourable activity trends, EBITDA posted a significant increase on its 2019 level.
- *In the Concrete & Aggregates business*, operational sales came to €42 million, up +35.9% at constant scope and exchange rates. The EBITDA generated in 2020 moved up +37.8% at constant scope and exchange rates.

1.2.4 Income statement for the Asia region (India and Kazakhstan)

(€ million)	**2020**	**2019**	Change (reported)	Change (at constant scope and exchange rates)
Sales	**348**	375	-7.1%	+0.1%
EBITDA	**103**	89	+15.9%	+24.9%
EBIT	**68**	54	+26.4%	+36.4%

The Asia region was severely affected by the pandemic crisis, which led to a significant deterioration in the macroeconomic and sector environment in the first half, ahead of a clear rebound in activity levels in the second half. Amid these conditions, the Group focused on implementing cost-cutting measures without compromising its ability to seize new market opportunities.

India has been worst hit by the pandemic of all the countries in the Group's geographical portfolio. The strict lockdown measures imposed by the government led to the complete shutdown of the Group's manufacturing facilities for over a month during the first half. The lockdown measures also had a very negative impact on the resumption of construction projects. These were affected by a labour shortage preventing a more rapid and stronger pick-up in the sector until the end of the third quarter. Once the situation returned to normal in the final quarter, the government subsidies supporting the economy and the robust level of activity in the construction sector in particular offset the negative effects of the pandemic. As a result, the Group recorded €286 million in consolidated sales in 2020, an almost stable performance at constant scope and exchange rates (down -0.5%). The contraction in volumes sold was offset by a solid increase in average selling prices.

As a result of these factors and the cost reduction plan, EBITDA rose +35.2% at constant scope and exchange rates over the full year to €82 million.

In **Kazakhstan**, after a sharp increase in activity in the first quarter, supported by export markets in particular, the operating environment deteriorated in the second and in part of the third quarter as a result of the pandemic crisis, before volume growth returned from September onwards. Over the full year, volumes remained stable. Selling prices declined slightly over 2020 as a whole despite a firmer trend in the second half. As a result, consolidated sales rose by +3.1% at constant scope and exchange rates.

EBITDA declined -3.8% at constant scope and exchange rates to €20 million in 2020.

1.2.5 Income statement for the Mediterranean region (Egypt and Turkey)

(€ million)	**2020**	**2019**	Change (reported)	Change (at constant scope and exchange rates)
Sales	**173**	171	+1.1%	+19.1%
EBITDA	**-11**	-4	n.s.	n.s.
EBIT	**-29**	-23	n.s.	n.s.

Macroeconomic and competitive conditions remained challenging in the Mediterranean region, with selling prices coming under significant pressure in Turkey and Egypt. Taking these factors and also higher energy costs in the region into account, the Group recorded a negative EBITDA of -€11 million in 2020.

In Turkey, sales totalled €124 million, up +19.4% at constant scope and exchange rates, demonstrating the Group's healthy resilience in a tough environment. The EBITDA generated in Turkey came to €8 million, down -24.8% at constant scope and exchange rates. After a breakeven EBITDA performance in the first half, trends improved significantly during the second half, which again brought solid growth at constant scope and exchange rates.

- *In the Cement business*, operational sales rose +19.5% at constant scope and exchange rates. After a contraction in operational sales in the first quarter, solid growth returned over the next three quarters, supported by an upturn in volumes that offset the impact of the fall in average selling prices. Taking these factors and also higher energy costs into account, the EBITDA generated by the business dropped -18.6% at constant scope and exchange rates.
- *The operational sales recorded by the Concrete & Aggregates business* rose +23.4% at constant scope and exchange rates due to favourable trends in volumes and selling prices. Accordingly, the business contributed a breakeven EBITDA performance in 2020.

In **Egypt**, consolidated sales totalled €49 million, up +18.2% at constant scope and exchange rates. The pandemic has exacerbated the effects of what was already an unfavourable situation, with macroeconomic trends barely improving, a freeze on new building permits between May and November 2020, severe logistical constraints and fierce competition. As a result, volumes recorded a fairly significant increase over the year as a whole, albeit without moving above a fairly low level. Selling prices continued to fall as a result of the pressure created by the Egyptian Army's new plant, persisting at levels that were too low to achieve renewed profitability. Accordingly, the Group stepped up its maintenance efforts at both kilns during the final quarter in a bid to raise its operating performance. The Group recorded an EBITDA loss of -€19 million over the full year, compared with a loss of -€17 million in 2019.

Lastly, the Group decided to write down its Egyptian assets by €19 million given the persistently unfavourable macroeconomic and industry conditions and the prospects of a slow improvement in the situation.

1.2.6 Income statement for Africa

(€ million)	2020	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**262**	217	+20.4%	+20.8%
EBITDA	**56**	47	+18.7%	+19.0%
EBIT	**25**	18	+36.2%	+36.8%

In **Africa**, the environment remained positive, despite the pandemic's substantial impact, which brought large government-funded projects to a standstill in Senegal.

- *In the Cement business,* consolidated sales advanced by +14.8% at constant scope and exchange rates. This increase reflected a significant increase in Cement volumes in Senegal thanks to the improvement in the production performance of the Rufisque plant and the ramp-up in the new grinder in Mali. Selling prices improved over the year as a whole despite an unfavourable base of comparison in the second half following the introduction of a new cement tax in May. Note that prices were successfully raised slightly once again very late on in the year. As a result of these factors and lower energy costs, the EBITDA generated by the business surged +46.3% over the year as a whole.
- *The Aggregates business* in Senegal was held back by the stoppage of numerous government-funded projects given budget constraints and the pandemic crisis. Its consolidated sales declined -36.6% over the period as a result of a steep volume contraction. EBITDA sank -53.4% lower.

The Group's activity trends in the other West African countries recorded a strong increase, supported by the rapid ramp-up in its Ciment et Matériaux du Mali subsidiary's grinder and strong momentum in Mauritania. Selling prices edged higher in Mauritania, but dropped back in Mali. Overall, both Mali and Mauritania recorded EBITDA increases.

2. Balance sheet and cash flow statement

At 31 December 2020, the Group had a solid financial structure, with €2,411 million in shareholders' equity, compared with €2,596 million at 31 December 2019. It is important to note that the currency devaluation at the balance sheet date had a very major impact on both assets and equity.
Net debt totalled €1,202 million at 31 December 2020, down €88 million compared with at 31 December 2019.
On this basis, gearing stood at 49.9% at 31 December 2020, compared with 49.7% at 31 December 2019, with the leverage ratio at 2.16x, down from 2.45x at 31 December 2019.

In line with operating profitability, cash flow totalled €461 million during the year, representing an increase of +12.9% at constant scope and exchange rates.
Net capital expenditure during the year as a whole came to €300 million. Given the strong level of cash generation in the second half, the Group decided to resume towards the end of the year the investments it

had postponed during the first half in view of the Covid-19 situation. Close to half this amount relates to the construction of the new kiln-line at the Ragland plant in the United States.

Lastly, the Group's free cash flow came to €228 million in 2020, compared with €159 million in 2019, as a result of the improvement in EBITDA and a clear reduction in the working capital requirement.

3. Outlook for 2021

In 2021, macroeconomic conditions in all of the countries where the Group operates are still likely to be affected by the Covid-19 pandemic to varying degrees depending on the pandemic situation and the governmental responses.

At present, business is conducted within the strict framework of the procedures adapted to the public health conditions in each country where the Group is present. Within this framework, it is important to note that:

- The twelve countries where the Group operates have been affected by the Covid-19 epidemic, sometimes with timing differences in the intensity of its impact;
- The sharing of experience between countries allows good practice and operating modes to be introduced to help meet the demands of the situation in each country and ensure business continuity where this is allowed;
- Given the current environment, business levels are highly volatile.

In addition, three factors are likely to have an impact on the Group's financial performance and its evolution throughout 2021:

- The unfavourable exchange rate trends recorded in 2020 will have a negative impact on 2021 as a whole. The Group wishes to reiterate that its currency risk is predominantly a currency translation risk;
- Energy costs are expected to rise, leading to a more limited impact on the first half, but a larger one in the second half;
- Lastly, the Group expects to reap the benefit of a favourable base of comparison in the first six months owing to the pandemic's major impact in the same period of 2020, especially in France, India and Italy. Conversely, given the rebound in activity and catch-up effect in these countries during the third quarter of 2020, comparisons against the third quarter are likely to be unfavourable in 2021.

During 2021, the Group will keep up its investment drive focusing chiefly on:

- The continuing construction of the new kiln at the Ragland plant in the United States;
- A drive to incrementally boost capacity at production facilities in India and to invest in new terminals to expand the market they can serve and lower logistics costs;
- And, lastly, the ramp-up in projects to meet the carbon footprint reduction targets.

Accordingly, investments industrial capex are expected to be higher than in 2020 at around €365 million. The Group reserves the right to adjust its investment plans to the shifting trends in its markets and its cash generation.

The Group is issuing the following elements to appreciate the performance expected in the various countries in which it operates. It wishes to make clear that these trends are highly dependent on the latest developments in the pandemic crisis and the latter's impact on each of them:

- In France, activity levels are expected to remain on a growth trajectory over the year as a whole. Given the pandemic's impact on the first six months of 2020, the base of comparison is set to be favourable for the first part of the year. Conversely, the Group anticipates a less dynamic performance in the third quarter as a result of the very strong rebound in the same period of 2020;

- In Switzerland, business in Cement and in Concrete & Aggregates should reap the benefit of upbeat conditions in the construction sector. The Precast business is likely to remain under pressure, albeit with a gradual upturn in the rail sector;
- In the United States, activity levels are expected to keep growing in terms of both volumes and selling prices. The roll-out of the economic stimulus plan presented by the new US administration is unlikely to have much of an impact until late in the year and will be more of a factor from 2022 onwards;
- In Brazil, the environment is expected to remain favourable. That said, given the high base of comparison set in 2020, the Group expects its performance there to be stable at best in 2021;
- In India, the Group expects to reap the benefit of the market growth forecast in 2021 and a favourable base of comparison. Prices are set to remain volatile, however, amid these supportive conditions;
- In Kazakhstan, 2020 performance levels set a high base of comparison, although conditions are expected to remain favourable, albeit potentially with a fiercer competitive environment;
- In Turkey and Egypt, the persistently tough macroeconomic and competitive conditions will remain a drag on activity levels. Given the stabilisation in the industry environment and the stirrings of a recovery in Turkey towards the end of 2020, the situation is expected to continue improving gradually. As things stand, visibility in Egypt on the outlook for the construction market is very limited and the government will need to take action to restore a viable market environment;
- In West Africa, activity trends are expected to remain strong in Cement. The base of comparison for prices will remain unfavourable in the first six months but should be offset by further improvement in volumes sold and positive pricing trends in the second half. The Aggregates business in Senegal is likely to stabilise progressively after the sharp slowdown in public infrastructure projects since mid-2019.

Given all these factors, the Group expects its EBITDA to rise at constant scope and exchange rates over the full year. Naturally, this expectation is subject to change during the year depending on pandemic-related developments and their impact on the macroeconomic and industry environment in the countries in which the Group operates.

Conference call

To accompany the publication of the Group's full-year 2020 results, Vicat is holding a conference call in English that will take place on **Tuesday, 16 February 2021** at **3pm Paris time** (2pm London time and 9am New York time).

To take part in the conference call live, dial one of the following numbers:

- USA: +1 212 999 6659
- France: +33 (0) 1 7037 7166
- UK (Standard International Access): +44 (0) 33 0551 0200

You may also access a live audio webcast of the conference, together with the presentation, on the Vicat website or simply by clicking here.
The replay of the conference call will be immediately available for streaming via the Vicat website and by clicking here.

Next report:

First-quarter 2021 sales on **5 May 2021** after the market close.

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About Vicat

The Vicat Group has over 9,000 employees working in three core divisions, Cement, Concrete & Aggregates and Other Products & Services, which generated consolidated sales of €2.805 billion in 2020. The Group operates in twelve countries: France, Switzerland, Italy, the United States, Turkey, Egypt, Senegal, Mali, Mauritania, Kazakhstan, India and Brazil. Some 64% of its sales are generated outside France.

The Vicat Group is the heir to a family industrial tradition dating back to 1817, when Louis Vicat invented artificial cement. Founded in 1853, the Vicat Group now operates three core lines of business: Cement, Ready-Mixed Concrete and Aggregates, as well as related activities.

About the Louis Vicat Foundation

Created in 2017 on the occasion of the bicentenary of the invention of artificial cement, the Foundation's objectives are: the promotion of scientific and technical culture, the preservation and enhancement of heritage, education and solidarity. To this end, in 2020 the Foundation carried out a series of inclusive actions for the benefit of people with disabilities and those far from employment. The year 2021 will be the Year of Women.

Vicat group – Financial data – Appendix

Definition of alternative performance measures (APMs):

- Performance **at constant scope and exchange rates** is used to determine the organic growth trend in P&L items between two periods and to compare them by eliminating the impact of exchange rate fluctuations and changes in the scope of consolidation. It is calculated by applying exchange rates and the scope of consolidation from the prior period to figures for the current period.
- A geographical (or a business) segment's **operational sales** are the sales posted by the geographical (or business) segment in question less intra-region (or intra-segment) sales.
- **Value-added**: value of production less consumption of materials used in the production process.
- **Gross operating income**: value-added, less staff costs, taxes and duties (other than on income and deferred taxes) plus operating subsidies.
- **EBITDA** (earnings before interest, tax, depreciation and amortisation): sum of gross operating income and other income and expenses on ongoing business.
- **EBIT:** (earnings before interest and tax): EBITDA less net depreciation, amortisation, additions to provisions and impairment losses on ongoing business.
- **Cash flow from operations**: net income before net non-cash expenses (i.e., predominantly depreciation, amortisation, additions to provisions and impairment losses, deferred taxes, gains and losses on disposals and fair value adjustments).
- **Free cash flow:** net operating cash flow after deducting capital expenditure net of disposals.
- **Net debt** represents gross debt (consisting of the outstanding amount of borrowings from investors and credit institutions, residual financial liabilities under finance leases, any other borrowings and financial liabilities excluding options to sell and bank overdrafts), net of cash and cash equivalents, including remeasured hedging derivatives and debt.
- **Gearing** is a ratio reflecting a company's financial structure calculated as net debt/consolidated equity.
- **Leverage** is a ratio reflecting a company's profitability, which is calculated as net debt/consolidated EBITDA.

Consolidated financial statements at 31 December 2020 approved by the Board of Directors on 12 February 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS *(in thousands of euros)*	Notes	December 31,2020	December 31,2019
NON-CURRENT ASSETS			
Goodwill	3	1,118,874	1,231,538
Other intangible assets	4	170,812	187,046
Property, plant and equipment	5	1,987,852	2,031,781
Rights of use relating to leases	6	186,829	219,066
Investment properties	7	14,831	15,125
Investments in associated companies	8	77,873	85,212
Deferred tax assets	24	71,922	89,938
Receivables and other non-current financial assets	9	239,176	236,142
Total non-current assets		**3,868,169**	**4,095,848**
CURRENT ASSETS			
Inventories and work-in-progress	10	354,937	401,551
Trade and other accounts	11	440,874	416,568
Current tax assets		3,328	72,811
Other receivables	11	152,496	192,776
Cash and cash equivalents	12	422,843	398,514
Total current assets		**1,374,478**	**1,482,220**
TOTAL ASSETS		**5,242,647**	**5,578,068**

LIABILITIES *(in thousands of euros)*	Notes	December 31,2020	December 31,2019
SHAREHOLDERS' EQUITY			
Capital	13	179,600	179,600
Additional paid-in capital		11,207	11,207
Treasury shares		(53,587)	(52,416)
Consolidated reserves		2,679,297	2,598,620
Translation reserves		(640,130)	(405,843)
Shareholders' equity, Group share		**2,176,387**	**2,331,168**
Minority interests		**234,306**	**264,767**
Total shareholders' equity and minority interests		**2,410,693**	**2,595,935**
NON-CURRENT LIABILITIES			
Provisions for pensions and other post-employment benefits	14	139,022	141,235
Other provisions	15	116,764	140,243
Financial debts and put options	16	1,270,162	1,109,769
Lease liabilities	16	157,563	178,398
Deferred tax liabilities	24	213,736	253,194
Other non-current liabilities		37,999	52,072
Total non-current liabilities		**1,935,246**	**1,874,911**
CURRENT LIABILITIES			
Provisions	15	13,522	10,635
Financial debts and put options at less than one year	16	165,375	391,594
Lease liabilities at less than one year	16	47,382	59,864
Trade and other accounts payable		375,329	354,652
Current taxes payable		24,557	49,162
Other liabilities	18	270,543	241,315
Total current liabilities		**896,708**	**1,107,222**
Total liabilities		**2,831,954**	**2,982,133**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**5,242,647**	**5,578,068**

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	2020	2019
Sales revenues	**19**	**2,805,162**	**2,739,993**
Goods and services purchased		(1,720,244)	(1,710,592)
Added value	**1.23**	**1,084,918**	**1,029,401**
Personnel costs	20	(489,921)	(475,396)
Taxes		(62,078)	(64,592)
Gross operating income	**1.23**	**532,919**	**489,413**
Other operating income (expense)	22	24,396	36,718
EBITDA	**1.23**	**557,315**	**526,131**
Net charges to operating depreciation, amortization and provisions	21	(259,467)	(259,488)
EBIT	**1.23**	**297,848**	**266,643**
Other non-operating income (expense)	22	(6,080)	13,622
Net charges to non-operating depreciation, amortization and provisions	21	(14,207)	(19,206)
Operating income (expense)		**277,561**	**261,059**
Cost of net financial debt	23	(36,870)	(33,367)
Other financial income	23	20,671	12,577
Other financial expenses	23	(18,630)	(17,266)
Net financial income (expense)	**23**	**(34,829)**	**(38,056)**
Earnings from associated companies	8	4,021	5,096
Profit (loss) before tax		**246,753**	**228,099**
Income tax	24	(74,609)	(68,229)
Consolidated net income		**172,144**	**159,870**
Portion attributable to minority interests		16,149	11,049
Portion attributable to the Group		**155,995**	**148,821**
Earnings per share *(in euros)*			
Basic and diluted Group share of net earnings per share	13	3.47	3.31

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	**2020**	**2019**
Consolidated net income	**172,144**	**159,870**
Other comprehensive income		
Items not recycled to profit or loss:		
Remeasurement of the net defined benefit liability	46	(17,457)
Tax on non-recycled items	307	4,391
Items recycled to profit or loss:		
Net income from change in translation differences	(280,898)	(7,421)
Cash flow hedge instruments	4,878	11,305
Tax on recycled items	(1,157)	(2,919)
Other comprehensive income (after tax)	**(276,824)**	**(12,101)**
Total comprehensive income	**(104,680)**	**147,769**
Portion attributable to minority interests	(20,570)	9,554
Portion attributable to the Group	**(84,110)**	**138,215**

CONSOLIDATED STATEMENT OF CASH FLOW

(in thousands of euros)	Notes	2020	2019
Cash flows from operating activities			
Consolidated net income		**172,144**	**159,870**
Earnings from associated companies		(4,021)	(5,096)
Dividends received from associated companies		4,860	1,486
Elimination of non-cash and non-operating items:			
- depreciation, amortization and provisions		276,796	284,347
- deferred taxes		5,086	5,852
- net (gain) loss from disposal of assets		(5,114)	(4,639)
- unrealized fair value gains and losses		128	(22)
- others		10,693	(16,702)
Cash flows from operating activities	**1.23**	**460,572**	**425,096**
Change in working capital requirement		67,647	(42,789)
Net cash flows from operating activities(1)	**26**	**528,219**	**382,307**
Cash flows from investing activities			
Outflows linked to acquisitions of non-current assets:			
- tangible and intangible assets		(319,370)	(237,484)
- financial investments		(23,613)	(48,621)
Inflows linked to disposals of non-current assets:			
- tangible and intangible assets		18,946	14,671
- financial investments		4,912	17,361
Impact of changes in consolidation scope		(2,992)	(322,994)
Net cash flows from investing activities	**27**	**(322,117)**	**(577,067)**
Cash flows from financing activities			
Dividends paid		(74,282)	(73,458)
Increases/decreases in capital		250	500
Proceeds from borrowings	16	210,729	428,933
Repayments of borrowings	16	(209,432)	(43,902)
Repayment of lease liabilities	16	(62,198)	(52,519)
Acquisitions of treasury shares		(7,555)	(7,502)
Disposals or allocations of treasury shares		4,423	8,927
Net cash flows from financing activities		**(138,065)**	**260,979**
Impact of changes in foreign exchange rates		(37,552)	486
Change in cash position		**30,485**	**66,705**
Net cash and cash equivalents - opening balance	28	328,674	261,969
Net cash and cash equivalents - closing balance	28	359,159	328,674

(1) - Including cash flows from income taxes: € (34.5) million in 2020 and € (73.7) million in 2019.
- Including cash flows from interest paid and received: € (36) million in 2020 including € (9.7) million for financial expenses on IFRS 16 leases and € (22.3) million in 2019 including € (3.3) million for financial expenses on IFRS 16 leases.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDER'S EQUITY

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Shareholders' equity	Minority interests	Total shareholders' equity and minority interests
At January 1, 2019	**179,600**	**11,207**	**(56,144)**	**2,524,952**	**(400,348)**	**2,259,267**	**221,474**	**2,480,741**
Net income				148,821		**148,821**	11,049	**159,870**
Other comprehensive income(1)				(5,111)	(5,495)	**(10,606)**	(1,495)	**(12,101)**
Total comprehensive income				*143,710*	*(5,495)*	*138,215*	*9,554*	*147,769*
Dividends paid				(66,434)		**(66,434)**	(7,030)	**(73,464)**
Net change in treasury shares			3,728	(1,707)		**2,021**		**2,021**
Changes in scope of consolidation and additional acquisitions(2)				(1,713)		**(1,713)**	40,635	**38,922**
Other changes				(188)		**(188)**	134	**(54)**
At December 31, 2019	**179,600**	**11,207**	**(52,416)**	**2,598,620**	**(405,843)**	**2,331,168**	**264,767**	**2,595,935**
At January 1, 2020	**179,600**	**11,207**	**(52,416)**	**2,598,620**	**(405,843)**	**2,331,168**	**264,767**	**2,595,935**
Net income				155,995		**155,995**	16,149	**172,144**
Other comprehensive income(1)				(5,818)	(234,287)	**(240,105)**	(36,719)	**(276,824)**
Total comprehensive income				*150,177*	*(234,287)*	*(84,110)*	*(20,570)*	*(104,680)*
Dividends paid				(66,369)		**(66,369)**	(8,232)	**(74,601)**
Net change in treasury shares			(1,171)	(1,455)		**(2,626)**		**(2,626)**
Changes in consolidation scope and additional acquisitions								
Other changes				(1,676)		**(1,676)**	(1,659)	**(3,335)**
At December 31, 2020	**179,600**	**11,207**	**(53,587)**	**2,679,297**	**(640,130)**	**2,176,387**	**234,306**	**2,410,693**

(1) Breakdown by nature of other comprehensive income:

Other comprehensive income includes mainly cumulative conversion differences from end 2003. To recap, applying the option offered by IFRS 1, the conversion differences accumulated before the transition date to IFRS were reclassified by allocating them to retained earnings as at that date.

(2) : mainly including the minority interests connected to the acquisition of Ciplan in Brazil (see note 2)

Group translation reserves are broken down by currency as follows at December 31, 2020 and 2019:

(in thousands of euros)	December 31,2020	December 31, 2019
US Dollar	6,356	42,965
Swiss franc	206,123	202,323
Turkish lira	(299,777)	(267,777)
Egyptian pound	(126,196)	(124,787)
Kazakh tenge	(99,069)	(89,672)
Mauritanian ouguiya	(10,556)	(8,676)
Brazilian real	(100,930)	(15,348)
Indian rupee	(216,081)	(144,871)
	(640,130)	**(405,843)**