



release
PRESS

Paris, February 25, 2016

2015 Results

Operating income up 2.2% on a like-for-like basis

Following the sale of the Packaging business and in accordance with IFRS 5, the business (including Verallia North America) was reclassified within "Net income from discontinued operations" in the 2014 and 2015 income statement.

- Organic growth at 0.4% with stable volumes (up 0.1%)
- Positive 3.0% currency impact on sales, positive impact of only 1.4% in H2; minimal Group structure impact after reclassification of the Packaging business
- Further strong growth in net income, up 36%
- Sharp decrease in net debt, down to €4.8 billion
- **2015 dividend: stable at €1.24, to be paid wholly in cash**

(€m)	2014	2015	Change	Change like-for-like
Sales	38,349	39,623	+3.3%	+0.4%
EBITDA	3,709	3,844	+3.6%	+0.8%
Operating income	2,522	2,636	+4.5%	+2.2%
Recurring¹ net income	973	1,165	+19.7%	
Net income²	953	1,295	+35.9%	
Free cash flow³	916	975	+6.4%	

Pierre-André de Chalendar, Chairman and Chief Executive Officer of Saint-Gobain, commented:

"Saint-Gobain delivered improved earnings in 2015 in a sharply contrasted economic climate. The improvement was dampened by continued weak trading in France, hurt in particular by the sharp contraction in Pipe in the second half of the year, despite the first signs of an upturn in construction indicators.

The Group completed a key stage in the reorganization of its business portfolio, with the sale of Verallia on very favorable terms, and continues to pursue its plan to acquire a controlling interest in Sika after obtaining all antitrust approvals prior to closing the deal.

In a still very volatile macroeconomic environment, we will continue to adapt in 2016 and are targeting a further like-for-like improvement in operating income."

1. Recurring net income from continuing operations excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.
2. Consolidated net income attributable to the Group.
3. Free cash flow from continuing operations excluding the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

Operating performance

2015 sales came in at €39,623 million, up 3.3% on a reported basis driven by the positive 3.0% currency impact, and **up 0.4% like-for-like**. Optimization of the Group's portfolio in terms of acquisitions and disposals led to a negative 0.1% Group structure impact after reclassification of the Packaging business.

Volumes failed to recover during the year (up 0.1%), due chiefly to the sharp decline in France which continued over the second half. Amid falling raw material and energy costs, prices were stable in the fourth quarter but edged up 0.3% over the year as a whole.

Over the full year, the Group was buoyed by good growth from Flat Glass and upbeat momentum in Interior Solutions. Ceramic proppants in the oil and gas industry continued to weigh on High-Performance Materials. Exterior Solutions retreated due to a sharp contraction in Pipe in the second half and Building Distribution was down slightly over the full year but improved in the fourth quarter.

The Group's operating margin came in at 6.7% (6.6% in 2014) and at 6.9% for the six months to December 31, 2015. Operating income climbed 2.2% on a like-for-like basis, partly helped by favorable weather conditions in Europe towards the end of the year.

In 2015 the Group met its **capital expenditure target of €1.35 billion** and **cost savings target of €360 million** compared to 2014. Industrial optimization efforts rolled out over the past few years have notably enabled Flat Glass to continue delivering a strong rally in its performance. The Group also exceeded its **operating working capital requirement** target, with a reduction of two days' sales (one day based on constant exchange rates) to 26 days, a record low for the Group and a reflection of its ongoing efforts to maintain cash discipline.

In line with the **goal of optimizing its business portfolio**, a number of businesses were divested, primarily in Building Distribution, representing around €700 million in full-year sales.

The disposal of Verallia in October was carried out on very favorable financial terms and marks a decisive step in the Group's strategic refocus.

The Group also continued to pursue **its acquisition strategy** with the aim of growing the share of industrial assets in the US and emerging countries, investing in new technological niches, and strengthening Building Distribution in its key regions. These acquisitions represent around €300 million in full-year sales.

Performance of Group Business Sectors

Innovative Materials sales climbed 2.2% like-for-like over the year as a whole and 1.7% in the second half. The operating margin for the Business Sector widened to 10.5% from 9.4% (10.7% in the second half), driven by the rally in Flat Glass and a resilient performance from HPM.

- Like-for-like, **Flat Glass** sales advanced 5.1% over the year and 4.4% in the second half. In Western Europe, construction markets remained fragile with both prices and volumes beginning to recover towards the end of the year, while the automotive Flat Glass business recorded strong gains and outpaced already good market growth. Healthy trading was confirmed in Asia and emerging countries with the exception of Brazil, hit by a slowdown in automotive and, at the end of the year, in the construction market.

Additional volumes linked to improved operating leverage over the past few years helped fuel strong gains in the operating margin, up from 5.9% to 7.9%, and to 8.5% in second-half 2015.

- **High-Performance Materials (HPM)** sales slipped 1.0% on a like-for-like basis, with the full-year performance affected by the decline in ceramic proppants. The other HPM businesses continued to deliver organic growth.

Despite the downturn in volumes, the operating margin for the year held firm, at 13.4%.

Construction Products (CP) reported 0.5% organic growth, but slipped 0.1% in the second half due chiefly to the downturn in Pipe, which reduced the Business Sector's operating margin for the year from 9.0% to 8.5%.

- **Interior Solutions** posted 1.9% organic growth for the year (1.8% in the second half). The downturn in volumes and prices on the French market put the brakes on growth in Western Europe, although this impact eased in the fourth quarter. Trading in North America was dented by a slight dip in prices in the second half and by the decline in the Canadian market. Asia and emerging countries continued to deliver growth. The operating margin came in at 8.9% versus 8.8% in 2014.
- **Exterior Solutions** retreated 1.0% like-for-like, with the 2.0% decline in the second half due solely to Pipe. This business was affected by the economic situation in Brazil, a weak infrastructure market in Western Europe and China, and fewer contracts in the Middle East owing to the decline in the oil industry. Exterior Products in the US reported good volume gains buoyed by the strong second-half performance, although prices remained down. Mortars continued to be affected by the economic climate in Western Europe, although the business saw an improvement in the three months to December 31. Mortars delivered further good organic growth in Asia and emerging countries, despite its exposure to the Brazilian market. The operating margin fell to 8.0% from 9.1% in 2014, as the rally in Exterior Products in the second half failed to offset the decline in Pipe.

Building Distribution sales slipped 0.6% (down 0.1% over the second half) in a construction market that declined sharply in France but showed the first signs of stabilizing towards the end of the year. After disappointing first-half trading, Germany returned to growth in the six months to December 31. The UK saw small gains in the year, with less traction in the second half. Led by Sweden and Norway, Scandinavia confirmed its robust momentum over the full year, as did Spain and the Netherlands. Brazil delivered good growth as a whole, despite the more pronounced economic slowdown in the fourth quarter. Trading in Switzerland was hit by the impact of an exchange rate boosting imports. The operating margin was affected by slack volumes in France, coming in at 3.2% for the full year (3.8% in the second half), versus 3.5% in 2014.

Analysis by region

Over the year as a whole, the Group's organic growth and profitability gains were dented mainly by France.

- Construction volumes in **France** remained sharply down throughout the year, although there were signs that activity was stabilizing towards the end of the year. The second half was affected by the downturn in Pipe. With negative 4.1% organic growth for the year (negative 3.9% organic growth in the second half), the operating margin narrowed sharply to 2.9% from 4.3% one year earlier.
- **Other Western European countries** saw 2.1% like-for-like sales growth, led by a stronger second half at 2.4%. Nordic countries and to a lesser extent the UK continued to advance in the year. After posting a 1.3% decline for the full year, Germany returned to growth in the second half. Trading in Southern Europe and Benelux countries rebounded, particularly in Spain and the Netherlands. The operating margin saw strong gains, coming in at 5.7% in 2015 compared to 4.9% in 2014.
- **North America** retreated 2.0%, hit mainly by the contraction in proppants and also by sluggish industrial markets. Organic growth in construction was dampened by Roofing prices and by the downturn in the Canadian market. The operating margin was 9.1% versus 10.1% in 2014.
- **Asia and emerging countries** delivered solid 4.1% organic growth over the year and 3.1% in the second half, with declines in Brazil and China and advances in all other regions. The operating margin continued to strengthen, up to 10.3% in 2015 versus 9.4% in the year-earlier period.

Analysis of the 2015 consolidated financial statements

The 2015 consolidated financial statements were approved and adopted by Saint-Gobain's Board of Directors at its meeting of February 25, 2016. The consolidated financial statements were audited and certified by the statutory auditors.

Following the sale of the Packaging business and in accordance with IFRS 5, Verallia (including Verallia North America) is shown within "Net income from discontinued operations" in the 2014 and 2015 income statement, including capital gains on the sale of Verallia North America in 2014 and on Verallia in 2015.

Key consolidated data are shown below:

€m	2014 <i>Restated</i> (A)	2015 (B)	% change (B)/(A)	2014 <i>Published</i>
Sales and ancillary revenue	38,349	39,623	3.3%	41,054
Operating income	2,522	2,636	4.5%	2,797
Operating depreciation and amortization	1,187	1,208	1.8%	1,354
EBITDA (operating income + operating depr./amort.)	3,709	3,844	3.6%	4,151
Non-operating costs	(183)	(344)	n.s.	(190)
Capital gains and losses on disposals, asset write-downs, corporate acquisition fees and earn-out payments	(759)	(998)	31.5%	(398)
Business income	1,580	1,294	-18.1%	2,209
Net financial expense	(663)	(629)	-5.1%	(696)
Income tax	(398)	(248)	-37.7%	(513)
Share in net income of associates	0	0	n.s.	0
Net income from continuing operations	519	417	-19.7%	1,000
Net income from discontinued operations	481	929	93.1%	0
Net income before minority interests	1,000	1,346	34.6%	1,000
Minority interests	47	51	8.5%	47
Net attributable income	953	1,295	35.9%	953
Earnings per share² (in €)	1.70	2.32	36.5%	1.70
Recurring¹ net income from continuing operations	973	1,165	19.7%	1,103
Recurring¹ earnings per share² from continuing operations (in €)	1.74	2.09	20.1%	1.97
Cash flow from continuing operations ³	2,225	2,562	15.1%	2,510
Cash flow from continuing operations (excluding capital gains tax)⁴	2,139	2,321	8.5%	2,439
Capital expenditure of continuing operations	1,223	1,346	10.1%	1,437
Free cash flow from continuing operations (excluding capital gains tax)⁴	916	975	6.4%	1,002
Investments in securities of continuing operations	95	227	n.s.	95
Net debt of continuing operations	7,221	4,797	-33.6%	7,221

1 Excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

2 Calculated based on the number of shares outstanding at December 31 (558,607,521 shares in 2015 versus 560,385,966 shares in 2014).

3 Excluding material non-recurring provisions.

4 Excluding the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions.

The comments below **make reference to the restated financial statements for 2014.**

Consolidated **sales** advanced 3.3%. **Exchange rates** had a positive 3.0% impact on sales, mainly due to gains in the US dollar and pound sterling against the euro. The positive currency impact was less in the second half (+1.4%), in particular as Latin American currencies weakened sharply against the euro. After reclassification of the Packaging business, divestments (mainly in Building Distribution) and bolt-on acquisitions (particularly in the US and in emerging markets) had an offsetting impact, resulting in a negative **Group structure impact** of 0.1%. Like-for-like (comparable Group structure and exchange rates), sales inched up 0.4% with slack volumes.

Despite the lack of volume growth, **operating income** was up 4.5%, or 2.2% like-for-like, representing 6.7% of sales versus 6.6% of sales in 2014.

EBITDA (operating income plus operating depreciation and amortization) advanced 3.6% to €3,844 million, or 9.7% of sales.

Despite lower restructuring charges, **non-operating costs** increased to €344 million from €183 million in 2014, owing to the write-back of the provision linked to the reduction in the automotive Flat Glass fine in 2014. Non-operating costs also include a €90 million accrual to the provision for asbestos-related litigation involving CertainTeed in the US, unchanged from 2014.

The **net balance of capital gains and losses on disposals, asset write-downs and corporate acquisition fees** was a negative €998 million, versus a negative €759 million in 2014. In accordance with IFRS 5, these figures do not include capital gains on the disposal of Verallia North America in 2014 (€375 million) and Verallia in 2015 (€811 million). In 2015, this caption includes €65 million in losses on asset disposals, chiefly in Building Distribution, along with €933 million in asset write-downs before the tax reversal, or €712 million net of tax: namely €300 million net of tax booked against Lapeyre (Building Distribution) in France and write-downs in Flat Glass, Pipe and proppants. **Business income** was therefore 18.1% down on the previous year.

Net financial expense improved, at €629 million versus €663 million in 2014, reflecting the fall in the cost of gross debt to 3.9% at December 31, 2015 from 4.2% at end-2014, and lower gross debt over the last two months.

The tax rate on recurring net income was 29% compared to 32% in 2014, in line with the decrease in the tax rate in certain countries and a positive geographical mix. **Income tax expense** fell from €398 million to €248 million, reduced by reversals of deferred tax liabilities linked to intangible asset write-downs.

Recurring net income (excluding capital gains and losses, asset write-downs and material non-recurring provisions) jumped 19.7% to €1,165 million.

Net income from discontinued operations totaled €929 million in 2015 including the capital gain on the sale of Verallia, compared to €481 million in 2014 which also included the reclassified capital gain on the Verallia North America sale.

Net attributable income including net income from discontinued operations surged 35.9% at €1,295 million.

Capital expenditure amounted to €1,346 million, in line with forecasts, and represented 3.4% of sales (3.2% of sales in 2014).

Cash flow from operations rose to €2,562 million (€2,225 million in 2014). Before the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions, cash flow from operations advanced 8.5% to €2,321 million.

Despite the increase in capex, **free cash flow** (cash flow from operations less capital expenditure) was up 21.3% to €1,216 million. Before the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions, free cash flow stood 6.4% higher year-on-year, at €975 million, or 2.5% of sales (2.4% of sales in 2014).

Operating working capital requirements (WCR) continued to improve in value terms (down €172 million to €2,835 million), representing a record low of 26 days' sales (27 days at constant exchange rates) and reflecting the Group's ongoing efforts to maintain strict cash discipline.

Investments in securities represented €227 million (€95 million in 2014) and correspond to small-scale acquisitions aligned with the Group's strategic focuses, chiefly within the Construction Products and High-Performance Materials businesses.

As a result of the Verallia sale and sound financial management, **net debt** fell to €4.8 billion from €7.2 billion at end-2014. Net debt represents 25% of consolidated equity, compared to 39% at December 31, 2014.

The net debt to EBITDA ratio came out at 1.2 versus 1.8 at end-2014.

Update on asbestos claims in the US

Some 3,200 claims were filed against CertainTeed in 2015, fewer than the 4,000 claims filed in 2014. At the same time, around 4,600 claims were settled (versus 6,500 in 2014), bringing the total number of outstanding claims to around 35,600 at December 31, 2015, a decrease of around 1,400 compared to end-2014.

A total of USD 65 million in indemnity payments were made in the 12 months to December 31, 2015, versus USD 68 million in 2014. In light of these trends and of the €90 million provision accrual in 2015, the total provision for CertainTeed's asbestos-related claims amounted to USD 581 million at December 31, 2015 compared to USD 571 million at December 31, 2014.

Share buyback and dividend

In line with its objectives, the Group bought back 13,863,858 shares for €545 million during the year. This exceeds the number of shares created in connection with the Group Savings Plan, stock option plans, bonus share plans and the stock dividend payment.

At today's meeting, Compagnie de Saint-Gobain's Board of Directors decided to recommend to the June 2, 2016 Shareholders' Meeting a return to a **full cash dividend** policy, **with the dividend stable at €1.24 per share**. This represents **59% of recurring net income**, and a dividend yield of 3.1% based on the closing share price at December 31, 2015 (€39.85). The ex-date has been set at June 6 and the dividend will be paid on June 8, 2016.

2016 strategic priorities

The Group will pursue its internal optimization efforts and its acquisitions and divestments strategy. This will allow it to improve the Group's growth potential by focusing on high value-added and less capital-intensive businesses and on activities outside Western Europe.

Saint-Gobain is pursuing its plan to acquire a controlling interest in Sika. During 2015 it obtained the antitrust authorities' unconditional approval for the transaction and various legal decisions were handed down in favor of the deal's completion. The last obstacle remains the limitation of the voting rights of the SWH holding company, on which a decision in first instance is expected from the Zug court in summer 2016.

A new €800 million cost-cutting program for 2016-2018 will be launched as part of ongoing cost savings initiatives. This program will focus more extensively on operational excellence and purchasing, and will include new initiatives in terms of logistics optimization, sales excellence and the digital transformation of industrial plants.

The digital shift remains an important focus. Thanks to its presence at several levels of the value chain (production and distribution), Saint-Gobain is particularly well placed to leverage the opportunities resulting from the digital transformation of its markets.

Saint-Gobain has reaffirmed its commitment to fighting climate change by introducing an internal carbon price which will be factored into all assessments of future investments. Climate change represents both a major challenge for society and a growth opportunity for Saint-Gobain's products.

2016 outlook

In 2016 the Group should benefit from more vibrant trading in Western Europe, with France stabilizing. North America should continue to see slight growth on construction markets but is expected to face a more uncertain outlook in industry. Our operations in Asia and emerging countries should deliver satisfactory growth overall, albeit affected by the slowdown in Brazil.

Saint-Gobain will continue to keep a close watch on cash management and financial strength. In particular, it will:

- keep its **priority focus on sales prices** in a still deflationary environment;
- unlock additional savings of around **€250 million** (calculated on the 2015 cost base) thanks to its ongoing **cost-cutting program**;
- pursue a **capital expenditure program** (around €1,400 million) focused primarily on growth capex outside Western Europe;
- renew its **commitment to invest in R&D** in order to support its strategy of differentiated, high value-added solutions;
- keep its **priority focus on high free cash flow generation**.

In line with its strategy, Saint-Gobain is confidently pursuing its plan to acquire a controlling interest in Sika.

In a still very volatile macroeconomic environment, **we will continue to adapt in 2016 and are targeting a further like-for-like improvement in operating income.**

Financial calendar

- Sales for the first quarter of 2016: *April 27, 2016*, after close of trading on the Paris Bourse.
- First-half 2016 results: *July 28, 2016*, after close of trading on the Paris Bourse.

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An information meeting will be held at 8:30am (GMT+1) on February 26, 2016 and will be broadcast live on www.saint-gobain.com

Important disclaimer – forward-looking statements:

This press release contains forward-looking statements with respect to Saint-Gobain's financial condition, results, business, strategy, plans and outlook. Forward-looking statements are generally identified by the use of the words "expect", "anticipate", "believe", "intend", "estimate", "plan" and similar expressions. Although Saint-Gobain believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of its future performance. Actual results may differ materially from the forward-looking statements as a result of a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and are generally beyond the control of Saint-Gobain, including but not limited to the risks described in Saint-Gobain's registration document available on its website (www.saint-gobain.com). Accordingly, readers of this document are cautioned against relying on these forward-looking statements. These forward-looking statements are made as of the date of this document. Saint-Gobain disclaims any intention or obligation to complete, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

This press release does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Saint-Gobain.

For any further information, please visit www.saint-gobain.com.



Appendix 1 : Results by business sector and geographic area - Full Year

I. SALES

	2014 Restated (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis	2014	
						Published	Impact
by sector and division:							
Innovative Materials ¹	9,115	9,703	+6.5%	+6.2%	+2.2%	9,115	
Flat Glass	4,893	5,217	+6.6%	+6.7%	+5.1%	4,893	
High-Performance Materials	4,232	4,502	+6.4%	+5.8%	-1.0%	4,232	
Construction Products ¹	11,361	12,012	+5.7%	+5.2%	+0.5%	11,361	
Interior Solutions	6,056	6,485	+7.1%	+6.3%	+1.9%	6,056	
Exterior Solutions	5,370	5,599	+4.3%	+4.1%	-1.0%	5,370	
Building Distribution	18,806	18,849	+0.2%	+0.6%	-0.6%	18,806	
Packaging (Verallia)	0					2,705	-2,705
Internal sales and misc.	-933	-941	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	-933	
Group Total	38,349	39,623	+3.3%	+3.4%	+0.4%	41,054	-2,705

¹ including intra-sector eliminations

	2014 Restated (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis	2014	
						Published	Impact
by geographic area:							
France	10,776	10,326	-4.2%	-4.1%	-4.1%	11,526	-750
Other Western European countries	16,668	17,414	+4.5%	+4.5%	+2.1%	17,971	-1,303
North America	4,723	5,366	+13.6%	+16.1%	-2.0%	5,038	-315
Emerging countries and Asia	8,065	8,375	+3.8%	+2.6%	+4.1%	8,455	-390
Internal sales	-1,883	-1,858	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	-1,936	53
Group Total	38,349	39,623	+3.3%	+3.4%	+0.4%	41,054	-2,705

II. OPERATING INCOME

	2014 Restated (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						Published	Impact
by sector and division:							
Innovative Materials	854	1,015	+18.9%	9.4%	10.5%	854	
Flat Glass	289	413	+42.9%	5.9%	7.9%	289	
High-Performance Materials	565	602	+6.5%	13.4%	13.4%	565	
Construction Products	1,020	1,022	+0.2%	9.0%	8.5%	1,020	
Interior Solutions	533	576	+8.1%	8.8%	8.9%	533	
Exterior Solutions	487	446	-8.4%	9.1%	8.0%	487	
Building Distribution	661	603	-8.8%	3.5%	3.2%	661	
Packaging (Verallia)	0					275	-275
Misc.	-13	-4	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	-13	
Group Total	2,522	2,636	+4.5%	6.6%	6.7%	2,797	-275

	2014 Restated (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						Published	Impact
by geographic area:							
France	466	297	-36.3%	4.3%	2.9%	540	-74
Other Western European countries	817	984	+20.4%	4.9%	5.7%	946	-129
North America	479	490	+2.3%	10.1%	9.1%	524	-45
Emerging countries and Asia	760	865	+13.8%	9.4%	10.3%	787	-27
Group Total	2,522	2,636	+4.5%	6.6%	6.7%	2,797	-275

III. BUSINESS INCOME

	2014 Restated (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						Published	Impact
by sector and division:							
Innovative Materials	717	696	-2.9%	7.9%	7.2%	717	
Flat Glass	245	217	-11.4%	5.0%	4.2%	245	
High-Performance Materials	472	479	+1.5%	11.2%	10.6%	472	
Construction Products	769	762	-0.9%	6.8%	6.3%	769	
Interior Solutions	483	448	-7.2%	8.0%	6.9%	483	
Exterior Solutions	286	314	+9.8%	5.3%	5.6%	286	
Building Distribution	186	-46	-124.7%	1.0%	-0.2%	186	
Packaging (Verallia)	0					629	-629
Misc. ^(a)	-92	-118	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	-92	
Group Total	1,580	1,294	-18.1%	4.1%	3.3%	2,209	-629

	2014 Restated (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						Published	Impact
by geographic area:							
France	247	-317	-228.3%	2.3%	-3.1%	691	-444
Other Western European countries	483	752	+55.7%	2.9%	4.3%	603	-120
North America ^(a)	243	159	-34.6%	5.1%	3.0%	286	-43
Emerging countries and Asia	607	700	+15.3%	7.5%	8.4%	629	-22
Group Total	1,580	1,294	-18.1%	4.1%	3.3%	2,209	-629

^(a) after asbestos-related charge (before tax) of €90m in 2014 and in 2015

IV. CASH FLOW	2014 <i>Restated</i> (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						<i>Published</i>	Impact
by sector and division:							
Innovative Materials	717	931	+29.8%	7.9%	9.6%	717	
Flat Glass	237	449	+89.5%	4.8%	8.6%	237	
High-Performance Materials	480	482	+0.4%	11.3%	10.7%	480	
Construction Products	780	790	+1.3%	6.9%	6.6%	780	
Building Distribution	486	629	+29.4%	2.6%	3.3%	486	
Packaging (Verallia)	0					274	-274
Misc. ^(b)	242	212	n.s.	n.s.	n.s.	253	-11
Group Total	2,225	2,562	+15.1%	5.8%	6.5%	2,510	-285

by geographic area:	2014 <i>Restated</i> (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						<i>Published</i>	Impact
France	283	382	+35.0%	2.6%	3.7%	345	-62
Other Western European countries	726	941	+29.6%	4.4%	5.4%	900	-174
North America ^(b)	382	412	+7.9%	8.1%	7.7%	409	-27
Emerging countries and Asia	834	827	-0.8%	10.3%	9.9%	856	-22
Group Total	2,225	2,562	+15.1%	5.8%	6.5%	2,510	-285

^(b) after asbestos-related charge (after tax) of €55m in 2014 and in 2015

V. CAPITAL EXPENDITURE	2014 <i>Restated</i> (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						<i>Published</i>	Impact
by sector and division:							
Innovative Materials	418	529	+26.6%	4.6%	5.5%	418	
Flat Glass	235	311	+32.3%	4.8%	6.0%	235	
High-Performance Materials	183	218	+19.1%	4.3%	4.8%	183	
Construction Products	521	528	+1.3%	4.6%	4.4%	521	
Interior Solutions	282	312	+10.6%	4.7%	4.8%	282	
Exterior Solutions	239	216	-9.6%	4.5%	3.9%	239	
Building Distribution	264	231	-12.5%	1.4%	1.2%	264	
Packaging (Verallia)	0					213	-213
Misc.	20	58	n.s.	n.s.	n.s.	21	-1
Group Total	1,223	1,346	+10.1%	3.2%	3.4%	1,437	-214

by geographic area:	2014 <i>Restated</i> (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						<i>Published</i>	Impact
France	253	269	+6.3%	2.3%	2.6%	300	-47
Other Western European countries	347	335	-3.5%	2.1%	1.9%	452	-105
North America	200	282	+41.0%	4.2%	5.3%	220	-20
Emerging countries and Asia	423	460	+8.7%	5.2%	5.5%	465	-42
Group Total	1,223	1,346	+10.1%	3.2%	3.4%	1,437	-214

VI. EBITDA	2014 <i>Restated</i> (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						<i>Published</i>	Impact
by sector and division:							
Innovative Materials	1,302	1,457	+11.9%	14.3%	15.0%	1,302	
Flat Glass	586	701	+19.6%	12.0%	13.4%	586	
High-Performance Materials	716	756	+5.6%	16.9%	16.8%	716	
Construction Products	1,472	1,493	+1.4%	13.0%	12.4%	1,472	
Interior Solutions	839	896	+6.8%	13.9%	13.8%	839	
Exterior Solutions	633	597	-5.7%	11.8%	10.7%	633	
Building Distribution	920	868	-5.7%	4.9%	4.6%	920	
Packaging (Verallia)	0					442	-442
Misc.	15	26	n.s.	n.s.	n.s.	15	
Group Total	3,709	3,844	+3.6%	9.7%	9.7%	4,151	-442

by geographic area:	2014 <i>Restated</i> (in EUR m)	2015 (in EUR m)	Change on an actual structure basis	2014 (in % of sales)	2015 (in % of sales)	2014	
						<i>Published</i>	Impact
France	765	595	-22.2%	7.1%	5.8%	883	-118
Other Western European countries	1,192	1,361	+14.2%	7.2%	7.8%	1,410	-218
North America	632	665	+5.2%	13.4%	12.4%	677	-45
Emerging countries and Asia	1,120	1,223	+9.2%	13.9%	14.6%	1,181	-61
Group Total	3,709	3,844	+3.6%	9.7%	9.7%	4,151	-442

Appendix 2 : Results by business sector and geographic area - Second half

I. SALES

	H2 2014 Restated (in EUR m)	H2 2015 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis	H2 2014	
						Published	Impact
by sector and division:							
Innovative Materials ¹	4,631	4,781	+3.2%	+2.9%	+1.7%	4,631	
Flat Glass	2,495	2,584	+3.6%	+3.5%	+4.4%	2,495	
High-Performance Materials	2,141	2,205	+3.0%	+2.4%	-1.2%	2,141	
Construction Products ¹	5,718	5,933	+3.8%	+2.7%	-0.1%	5,718	
Interior Solutions	3,102	3,288	+6.0%	+4.7%	+1.8%	3,102	
Exterior Solutions	2,651	2,686	+1.3%	+0.7%	-2.0%	2,651	
Building Distribution	9,519	9,511	-0.1%	+0.5%	-0.1%	9,519	
Packaging (Verallia)	0					1,205	-1,205
Internal sales and misc.	-465	-462	n.s.	n.s.	n.s.	-465	
Group Total	19,403	19,763	+1.9%	+1.7%	+0.3%	20,608	-1,205

¹ including intra-sector eliminations

	H2 2014 Restated (in EUR m)	H2 2015 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis	H2 2014	
						Published	Impact
by geographic area:							
France	5,229	5,044	-3.5%	-3.9%	-3.9%	5,578	-349
Other Western European countries	8,464	8,840	+4.4%	+4.4%	+2.4%	9,136	-672
North America	2,397	2,628	+9.6%	+13.1%	-1.8%	2,397	0
Emerging countries and Asia	4,213	4,156	-1.4%	-3.2%	+3.1%	4,431	-218
Internal sales	-900	-905	n.s.	n.s.	n.s.	-934	34
Group Total	19,403	19,763	+1.9%	+1.7%	+0.3%	20,608	-1,205

II. OPERATING INCOME

	H2 2014 Restated (in EUR m)	H2 2015 (in EUR m)	Change on an actual structure basis	H2 2014 (in % of sales)	H2 2015 (in % of sales)	H2 2014	
						Published	Impact
by sector and division:							
Innovative Materials	445	511	+14.8%	9.6%	10.7%	445	
Flat Glass	158	219	+38.6%	6.3%	8.5%	158	
High-Performance Materials	287	292	+1.7%	13.4%	13.2%	287	
Construction Products	512	493	-3.7%	9.0%	8.3%	512	
Interior Solutions	282	288	+2.1%	9.1%	8.8%	282	
Exterior Solutions	230	205	-10.9%	8.7%	7.6%	230	
Building Distribution	396	361	-8.8%	4.2%	3.8%	396	
Packaging (Verallia)	0					128	-128
Misc.	-14	-4	n.s.	n.s.	n.s.	-14	
Group Total	1,339	1,361	+1.6%	6.9%	6.9%	1,467	-128

	H2 2014 Restated (in EUR m)	H2 2015 (in EUR m)	Change on an actual structure basis	H2 2014 (in % of sales)	H2 2015 (in % of sales)	H2 2014	
						Published	Impact
by geographic area:							
France	257	161	-37.4%	4.9%	3.2%	293	-36
Other Western European countries	435	524	+20.5%	5.1%	5.9%	504	-69
North America	226	231	+2.2%	9.4%	8.8%	226	0
Emerging countries and Asia	421	445	+5.7%	10.0%	10.7%	444	-23
Group Total	1,339	1,361	+1.6%	6.9%	6.9%	1,467	-128

III. BUSINESS INCOME

	H2 2014 Restated (in EUR m)	H2 2015 (in EUR m)	Change on an actual structure basis	H2 2014 (in % of sales)	H2 2015 (in % of sales)	H2 2014	
						Published	Impact
by sector and division:							
Innovative Materials	358	233	-34.9%	7.7%	4.9%	358	
Flat Glass	114	36	-68.4%	4.6%	1.4%	114	
High-Performance Materials	244	197	-19.3%	11.4%	8.9%	244	
Construction Products	446	287	-35.7%	7.8%	4.8%	446	
Interior Solutions	248	190	-23.4%	8.0%	5.8%	248	
Exterior Solutions	198	97	-51.0%	7.5%	3.6%	198	
Building Distribution	81	-242	n.s.	0.9%	-2.5%	81	
Packaging (Verallia)	0					114	-114
Misc. ^(a)	-50	-64	n.s.	n.s.	n.s.	-50	
Group Total	835	214	-74.4%	4.3%	1.1%	949	-114

	H2 2014 Restated (in EUR m)	H2 2015 (in EUR m)	Change on an actual structure basis	H2 2014 (in % of sales)	H2 2015 (in % of sales)	H2 2014	
						Published	Impact
by geographic area:							
France	-38	-424	n.s.	-0.7%	-8.4%	-5	-33
Other Western European countries	300	359	+19.7%	3.5%	4.1%	363	-63
North America ^(a)	177	-41	-123.2%	7.4%	-1.6%	176	1
Emerging countries and Asia	396	320	-19.2%	9.4%	7.7%	415	-19
Group Total	835	214	-74.4%	4.3%	1.1%	949	-114

^(a) after asbestos-related charge (before tax) of €45m in H2-2014 and in H2-2015

IV. CASH FLOW

	H2 2014	H2 2015	Change on an actual structure basis	H2 2014	H2 2015	H2 2014	
	Restated (in EUR m)	(in EUR m)		(in % of sales)	(in % of sales)	Published	Impact
by sector and division:							
Innovative Materials	373	466	+24.9%	8.1%	9.7%	373	
Flat Glass	132	228	+72.7%	5.3%	8.8%	132	
High-Performance Materials	241	238	-1.2%	11.3%	10.8%	241	
Construction Products	411	375	-8.8%	7.2%	6.3%	411	
Building Distribution	287	441	+53.7%	3.0%	4.6%	287	
Packaging (Verallia)	0					151	-151
Misc. ^(b)	91	85	n.s.	n.s.	n.s.	90	1
Group Total	1,162	1,367	+17.6%	6.0%	6.9%	1,312	-150
by geographic area:							
France	166	292	+75.9%	3.2%	5.8%	211	-45
Other Western European countries	367	471	+28.3%	4.3%	5.3%	461	-94
North America ^(b)	173	212	+22.5%	7.2%	8.1%	173	0
Emerging countries and Asia	456	392	-14.0%	10.8%	9.4%	467	-11
Group Total	1,162	1,367	+17.6%	6.0%	6.9%	1,312	-150

^(b) after asbestos-related charge (after tax) of €28m in H2-2014 and in H2-2015

V. CAPITAL EXPENDITURE

	H2 2014	H2 2015	Change on an actual structure basis	H2 2014	H2 2015	H2 2014	
	Restated (in EUR m)	(in EUR m)		(in % of sales)	(in % of sales)	Published	Impact
by sector and division:							
Innovative Materials	289	364	+26.0%	6.2%	7.6%	289	
Flat Glass	160	220	+37.5%	6.4%	8.5%	160	
High-Performance Materials	129	144	+11.6%	6.0%	6.5%	129	
Construction Products	371	345	-7.0%	6.5%	5.8%	371	
Interior Solutions	203	202	-0.5%	6.5%	6.1%	203	
Exterior Solutions	168	143	-14.9%	6.3%	5.3%	168	
Building Distribution	188	149	-20.7%	2.0%	1.6%	188	
Packaging (Verallia)	0					127	-127
Misc.	12	31	n.s.	n.s.	n.s.	13	-1
Group Total	860	889	+3.4%	4.4%	4.5%	988	-128
by geographic area:							
France	180	200	+11.1%	3.4%	4.0%	220	-40
Other Western European countries	253	228	-9.9%	3.0%	2.6%	313	-60
North America	137	163	+19.0%	5.7%	6.2%	137	0
Emerging countries and Asia	290	298	+2.8%	6.9%	7.2%	318	-28
Group Total	860	889	+3.4%	4.4%	4.5%	988	-128

VI. EBITDA

	H2 2014	H2 2015	Change on an actual structure basis	H2 2014	H2 2015	H2 2014	
	Restated (in EUR m)	(in EUR m)		(in % of sales)	(in % of sales)	Published	Impact
by sector and division:							
Innovative Materials	676	726	+7.4%	14.6%	15.2%	676	
Flat Glass	312	354	+13.5%	12.5%	13.7%	312	
High-Performance Materials	364	372	+2.2%	17.0%	16.9%	364	
Construction Products	740	728	-1.6%	12.9%	12.3%	740	
Interior Solutions	436	448	+2.8%	14.1%	13.6%	436	
Exterior Solutions	304	280	-7.9%	11.5%	10.4%	304	
Building Distribution	526	494	-6.1%	5.5%	5.2%	526	
Packaging (Verallia)	0					212	-212
Misc.	0	10	n.s.	n.s.	n.s.	0	
Group Total	1,942	1,958	+0.8%	10.0%	9.9%	2,154	-212
by geographic area:							
France	404	308	-23.8%	7.7%	6.1%	464	-60
Other Western European countries	623	711	+14.1%	7.4%	8.0%	736	-113
North America	305	316	+3.6%	12.7%	12.0%	305	0
Emerging countries and Asia	610	623	+2.1%	14.5%	15.0%	649	-39
Group Total	1,942	1,958	+0.8%	10.0%	9.9%	2,154	-212

Appendix 3 : Results by business sector and geographic area - Fourth Quarter

SALES	Q4 2014 <i>Restated</i> (in EUR m)	Q4 2015 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis	Q4 2014	
						<i>Published</i>	Impact
by sector and division:							
Innovative Materials ¹	2,345	2,403	+2.5%	+2.1%	+1.2%	2,345	
Flat Glass	1,272	1,306	+2.7%	+2.5%	+3.3%	1,272	
High-Performance Materials	1,076	1,103	+2.5%	+2.0%	-1.0%	1,076	
Construction Products ¹	2,818	2,896	+2.8%	+1.5%	-0.5%	2,818	
Interior Solutions	1,551	1,651	+6.4%	+4.9%	+2.3%	1,551	
Exterior Solutions	1,285	1,266	-1.5%	-2.3%	-3.5%	1,285	
Building Distribution	4,722	4,725	+0.1%	+1.2%	+0.7%	4,722	
Packaging (Verallia)	0					589	-589
Internal sales and misc.	-236	-227	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	-236	
Group Total	9,649	9,797	+1.5%	+1.4%	+0.4%	10,238	-589
¹ including intra-sector eliminations							
by geographic area:							
France	2,681	2,615	-2.5%	-3.1%	-3.1%	2,854	-173
Other Western European countries	4,127	4,352	+5.5%	+5.4%	+3.5%	4,463	-336
North America	1,163	1,214	+4.4%	+9.8%	-2.4%	1,163	0
Emerging countries and Asia	2,111	2,059	-2.5%	-4.6%	+1.3%	2,214	-103
<i>Internal sales</i>	-433	-443	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	-456	23
Group Total	9,649	9,797	+1.5%	+1.4%	+0.4%	10,238	-589

Appendix 4: Consolidated balance sheet

<i>in € million</i>	Dec 31, 2014	Dec 31, 2015
Assets		
Goodwill	10,462	10,683
Other intangible assets	3,085	2,748
Property, plant and equipment	12,657	11,587
Investments in associates	386	319
Deferred tax assets	1,348	1,337
Other non-current assets	646	635
Non-current assets	28,584	27,309
Inventories	6,292	5,715
Trade accounts receivable	4,923	4,751
Current tax receivable	156	296
Other accounts receivable	1,356	1,405
Cash and cash equivalents	3,493	5,380
Current assets	16,220	17,547
Total assets	44,804	44,856
Liabilities and Shareholders' equity		
Capital stock	2,248	2,244
Additional paid-in capital and legal reserve	6,437	6,341
Retained earnings and net income for the year	10,411	10,805
Cumulative translation adjustments	-953	-528
Fair value reserves	-63	181
Treasury stock	-67	-87
Shareholders' equity	18,013	18,956
Minority interests	405	364
Total equity	18,418	19,320
Long-term debt	8,713	7,330
Provisions for pensions and other employee benefits	3,785	3,849
Deferred tax liabilities	634	466
Provisions for other liabilities and charges	1,225	1,276
Non-current liabilities	14,357	12,921
Current portion of long-term debt	1,389	2,231
Current portion of provisions for other liabilities and charges	409	454
Trade accounts payable	6,062	5,716
Current tax liabilities	97	150
Other accounts payable	3,460	3,448
Short-term debt and bank overdrafts	612	616
Current liabilities	12,029	12,615
Total equity and liabilities	44,804	44,856

Appendix 5: Consolidated cash flow statement

(in € million)

	2014 Restated	2015	2014 Published	Impact
Net income of continuing operations attributable to equity holders of the parent	476	374	953	477
Minority interests in net income	43	43	47	4
Share in net income of associates, net of dividends received	(28)	(29)	(29)	(1)
Depreciation, amortization and impairment of assets	1,965	2,085	2,132	167
Gains and losses on disposals of assets	(46)	70	(408)	(362)
Unrealized gains and losses arising from changes in fair value and share-based payments	2	(15)	2	0
Changes in inventories	(260)	26	(270)	(10)
Changes in trade accounts receivable and payable, and other accounts receivable and payable	81	192	70	(11)
Changes in tax receivable and payable	30	(134)	45	15
Changes in deferred taxes and provisions for other liabilities and charges	(1,191)	(143)	(1,179)	12
Net cash from operating activities of continuing operations	1,072	2,469	1,363	291
Net cash from operating activities of discontinued operations	291	140		(291)
Net cash from operating activities	1,363	2,609	1,363	0
Purchases of property, plant and equipment [in 2015: (1,346), in 2014: (1,223)] and intangible assets	(1,351)	(1,475)	(1,568)	(217)
Acquisitions of property, plant and equipment in finance leases	(11)	(17)	(12)	(1)
Increase (decrease) in amounts due to suppliers of fixed assets	19	8	12	(7)
Acquisitions of shares in consolidated companies [in 2015: (201), in 2014:(69)], net of debt acquired	(131)	(221)	(131)	0
Acquisitions of other investments	(7)	(26)	(7)	0
Increase in investment-related liabilities	17	14	17	0
Decrease in investment-related liabilities	(6)	(28)	(6)	0
Investments	(1,470)	(1,745)	(1,695)	(225)
Disposals of property, plant and equipment and intangible assets	96	122	93	(3)
Disposals of shares in consolidated companies, net of net debt divested	1,036	2,458	1,034	(2)
Disposals of other investments and other divestments	0	2	0	0
Divestments	1,132	2,582	1,127	(5)
Increase in loans and deposits	(154)	(136)	(157)	(3)
Decrease in loans and deposits	63	72	67	4
Net cash from (used in) investment and divestment activities of continuing operations	(429)	773	(658)	(229)
Net cash from (used in) investment and divestment activities of discontinued operations	(229)	(176)		229
Net cash used in investment and divestment activities	(658)	597	(658)	0
Issues of capital stock	412	412	412	0
(Increase) decrease in treasury stock	(137)	(545)	(137)	0
Dividends paid	(685)	(695)	(685)	0
Minority interests' share in capital increases of subsidiaries	12	23	12	0
Disposals of minority interests without loss of control	(19)	0	(19)	0
Increase (decrease) in investment-related liabilities (put on minority interests)	4	(8)	4	0
Dividends paid to minority shareholders of consolidated subsidiaries	(35)	(37)	(37)	(2)
Net cash from (used in) financing activities of continuing operations	(448)	(850)	(450)	(2)
Net cash from (used in) financing activities of discontinued operations	(2)	(1)		2
Net Cash from (used in) financing activities	(450)	(851)	(450)	0
Net effect of exchange rate changes on net debt	11	13	30	19
Net effect from changes in fair value on net debt	7	45	7	0
Net effect of exchange rate changes on net debt of discontinued operations	19	11	0	(19)
Increase (decrease) in net debt	292	2,424	292	0
Net debt at beginning of period	(7,513)	(7,221)	(7,513)	0
Net debt at end of period	(7,221)	(4,797)	(7,221)	0

Appendix 6: Debt at December 31, 2015

Amounts in €bn		Comments
Amount and structure of net debt		
	€bn	
Gross debt	10.2	At end of December 2015, 79% of gross debt was at fixed interest rates and the average cost of gross debt was 3.9%
Cash & cash equivalents	5.4	
Net debt	4.8	

Breakdown of gross debt		
	10.2	
Bond debt and perpetual notes		
	8.5	
May 2016	0.7	
September 2016	0.5	
December 2016	0.4	(GBP 0.3bn)
April 2017	1.3	
June 2017	0.2	
March 2018	0.1	(NOK 0.8bn)
October 2018	0.7	
September 2019	0.9	
After 2020	3.7	
Other long-term debt	0.5	(including EUR 0.2bn long-term securitization)
Short-term debt	1.2	(excluding bonds)
Commercial paper (< 3 months)	0.0	Maximum amount of bond issue: EUR 3bn
Securitization	0.6	(EUR 0.2bn equivalent in USD + EUR 0.4bn)
Local debt and accrued interest	0.6	Frequent rollover; many different sources of financing

Credit lines, cash & cash equivalents		
	9.4	
Cash and cash equivalents	5.4	
Back-up credit-lines	4.0	See breakdown below

Breakdown of back-up credit lines		
	4.0	

All lines are confirmed and **undrawn, with no Material Adverse Change (MAC) clause**

		Expiry	Covenants
Syndicated line:	€2.5bn	December 2020	None
Syndicated line:	€1.5bn	December 2018	None

Appendix 7: External sales by business sector and by geographic area

FY 2015, in % of total sales

	Innovative Materials	Construction Products	Building Distribution	Total
France	2.5%	3.6%	18.6%	24.7%
Germany - Austria	2.3%	2.2%	5.0%	9.5%
United Kingdom - Ireland	0.8%	2.4%	8.7%	11.9%
Scandinavia	0.6%	1.9%	9.3%	11.8%
other Western European countries	2.8%	3.1%	3.3%	9.2%
North America	5.1%	7.3%	0.7%	13.1%
Latin America	3.3%	2.0%	1.0%	6.3%
Asia	4.6%	2.6%	-	7.2%
Eastern Europe	2.1%	1.7%	0.8%	4.6%
Middle East & Africa	0.2%	1.5%	-	1.7%
Total	24.3%	28.3%	47.4%	100%