PRESS RELEASE

Paris, July 27, 2017

First-half 2017 results

Significant progress in results across the board

- Organic growth at 3.5% with volumes up 1.7% despite a negative impact of around €220 million (1.1%) resulting from the June 27, 2017 cyber-attack, fully in line with our July 13, 2017 announcement
- Prices up 1.8%, offsetting the rise in raw material and energy costs at Group level
- Reported sales up 4.4%, aided by a positive 0.8% Group structure impact and a positive 0.1% currency effect
- Operating income up 7.1% on a reported basis and 6.6% like-for-like, despite the negative impact of the cyber-attack, estimated at €65 million, or 4.4% of first-half operating income
- Recurring net income up 20.4% and free cash flow up 19.4%
- 18 acquisitions in first-half 2017 in line with investor day objectives
- Objectives for full-year 2017 confirmed

(€m)	H1 2016	**H1 2017**	**Change**	**Change** like-for-like
Sales	**19,549**	**20,409**	**+4.4%**	**+3.5%**
EBITDA	**1,957**	**2,071**	**+5.8%**	
Operating income	**1,368**	**1,465**	**+7.1%**	**+6.6%**
Recurring net income[1]	**624**	**751**	**+20.4%**	
Free cash flow[2]	**823**	**983**	**+19.4%**	

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

"The first half of 2017 confirmed the encouraging trends seen in 2016, particularly in France. Excluding the one-off impact of the cyber-attack, the Group grew at its fastest rate since the first half of 2011 translating into double-digit growth in operating income. The focus on sales prices paid off, allowing us to offset the rise in raw material and energy costs at Group level. Overall, the results were in line with our expectations, and we can therefore confirm with confidence our 2017 objectives."

1. *Recurring net income excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions.*
2. *Free cash flow excluding the tax impact of gains and losses on disposals, asset write-downs and material non-recurring provisions, and less capital expenditure.*

Operating performance

First-half reported **sales** increased 4.4% year-on-year to **€20,409 million**, including a positive 0.1% **currency impact** resulting mainly from the depreciation of the euro against the Brazilian real and US dollar, offset by the fall in pound sterling. The positive 0.8% **Group structure impact** essentially reflects the consolidation of acquisitions made in Asia and emerging countries (Emix, Solcrom, Tumelero), in new niche technologies and services (H-Old, Isonat, France Pare-Brise), and to further strengthen our positions in Building Distribution (particularly in Nordic countries).

On a **like-for-like** basis, sales increased **3.5%**, driven both by **prices** (up 1.8%), which continued to rise in a more inflationary cost environment, and by **volumes** (up 1.7%). Volumes increased across all Business Sectors and regions, with a slightly negative calendar impact over the first half (around +3% in Q1 and around -3.5% in Q2).

The Group's operating income climbed 7.1% on a reported basis and 6.6% like-for-like, while its **operating margin[1] widened to 7.2%** versus 7.0% in first-half 2016.

On June 27, 2017, Saint-Gobain experienced an important cyber-attack, which led to information system downtime and supply chain disruptions. IT systems were quickly restored and all of our operations had returned to normal by July 10. All efforts were made to ensure the continuity of our business and in particular to keep any impact on our customers to a minimum. The cyber-attack is not expected to have any impact on commercial relations going forward.

The cyber-attack is estimated to have had a negative impact of €220 million on first-half sales and of €65 million on first-half operating income. Over the full year, the negative impact is estimated at less than €250 million on sales and €80 million on operating income, with July including additional losses in some businesses in the first few days of the month, a claw-back of June sales, and costs associated with re-starting operations. Overall, just over half the impact of the cyber-attack concerned Building Distribution, while the rest concerned the Group's industrial businesses, particularly Construction Products. From a geographical perspective, Western European countries were the hardest hit, especially Nordic countries, Germany and France.

Performance of Group Business Sectors

Innovative Materials sales increased 4.1% like-for-like, driven by Flat Glass. There was another significant improvement in the Business Sector's operating margin, up to 12.3% from 11.2% in first-half 2016.

- Upbeat trends continued in **Flat Glass**, which reported 5.6% organic growth over the first half. The automotive business enjoyed further good momentum led by Asia and emerging countries; sales in Europe remained healthy. Construction markets benefited from an upturn in volumes in Western Europe and an increase in float prices; Asia and emerging countries posted further growth despite Brazil remaining down. Organic growth combined with optimized operating leverage and a positive price-cost spread for raw materials and energy, drove a further rally in the operating margin, up to 9.9% from 8.8% in first-half 2016.
- **High-Performance Materials (HPM)** sales rose 2.5% on a like-for-like basis over the first half, spurred by volumes amid a measured rise in raw material and energy costs. All HPM businesses advanced in the first half, with a strong second quarter for Ceramics in particular. The operating margin benefited from operating leverage on volumes, moving up to 15.0% from 14.0% in first-half 2016.

1. Operating margin = Operating income expressed as a percentage of sales.

Construction Products (CP) sales were up 3.7% like-for-like over the first half. The operating margin for the Business Sector was 9.3% compared to 9.4% in the same period of 2016, affected by the cyber-attack and by a timelag between pricing and cost increases.

- **Interior Solutions** reported 4.1% organic growth in the first half, with an increase in volumes and prices amid strong inflation in raw material and energy costs. Trading in Western Europe and in Asia and emerging countries improved in terms of both volumes and prices, with prices continuing to rise during the second quarter. North America also advanced, with a slight acceleration in prices since the first quarter. The operating margin slipped to 9.9% versus 10.2% in first-half 2016, reflecting the impact of the cyber-attack and the rise in raw material and energy costs.
- **Exterior Solutions** like-for-like sales climbed 3.4% in the first half. Exterior Products saw an increase in both volumes and prices over the period, with a more difficult second quarter as expected due to the combined impact of significant stockpiling by distributors in North America early in the year and a tough comparison basis against last year (favorable weather conditions in the US). Prices increased in the Pipe business against a backdrop of rising raw material costs, but volumes continued to suffer from the lack of major export contracts. Mortars reported good organic growth overall, led by Asia and emerging countries in particular despite persistently tough conditions in Brazil. Overall, the operating margin came in at 8.4%, up from 8.3% in first-half 2016 despite the impact of the cyber-attack.

Building Distribution like-for-like sales rose 3.2%. Trading in France continued to recover, spurred by brisk momentum in new-builds and with positive pricing. Nordic countries were particularly hard hit by the cyber-attack, although Norway and Sweden still delivered good gains. Germany, which was also hard hit, contracted slightly, while France was affected albeit to a lesser extent. The UK continued to enjoy a steady pace of growth, driven by prices. Spain and the Netherlands posted further strong growth, while a tough macroeconomic environment continued to affect Brazil. The operating margin was 2.7%, compared to 2.8% in first-half 2016, squeezed by supply chain disruptions resulting from the cyber-attack.

Analysis by region

The Group reported organic growth and a slight improvement in margins in all of its regions over the first half, with the calendar impact slightly negative during the period (around +3% in Q1 and around -3.5% in Q2).

- **France** confirmed its improvement in the first half, with organic growth at 2.2% buoyed by good momentum in the new-build market. Renovation showed the first signs of improvement at the end of the first half. The decline in Pipe continued to weigh on performance in the absence of major export contracts. The operating margin stood at 2.5% versus 2.4% in first-half 2016.
- **Other Western European countries** reported further organic growth, at 2.7% for the first half. Good market conditions continued to benefit Nordic countries as well as the UK despite a lack of visibility. Germany was down slightly. The region’s operating margin stood at 6.0% versus 5.9% in first-half 2016.
- **North America** posted 2.5% like-for-like growth in the first half, driven by construction. Industry made small gains overall, despite contrasting trends between end-markets. The operating margin was up slightly, at 11.8% versus 11.6% in the same period in 2016.
- **Asia and emerging countries** delivered further good organic growth, at 6.7% for the first half, led by all regions despite the ongoing slowdown in Brazil. Asia advanced, with strong trading in China and India. Eastern Europe continued on an uptrend, driven by Poland and the Czech Republic. The region continued to produce a good operating margin, at 10.7% of sales compared to 10.6% of sales in first-half 2016.

Analysis of the consolidated financial statements for first-half 2017

The unaudited interim consolidated financial statements for first-half 2017 were subject to a limited review by the statutory auditors and were approved and adopted by the Board of Directors on July 27, 2017.

€m	H1 2016 (A)	H1 2017 (B)	% change (B)/(A)
Sales and ancillary revenue	**19,549**	**20,409**	**4.4%**
Operating income	**1,368**	**1,465**	**7.1%**
Operating depreciation and amortization	589	606	2.9%
EBITDA (operating income + operating depr./amort.)	1,957	2,071	5.8%
Non-operating costs	(180)	(166)	-7.8%
Capital gains and losses on disposals, asset write-downs, corporate acquisition fees and earn-out payments	(32)	7	-121.9%
Business income	**1,156**	**1,306**	**13.0%**
Net financial expense	(287)	(231)	-19.5%
Income tax	(261)	(297)	13.8%
Share in net income (loss) of associates	2	(1)	n.s.
Net income before minority interests	**610**	**777**	**27.4%**
Minority interests	14	23	64.3%
Net attributable income	**596**	**754**	**26.5%**
Earnings per share[2] (in €)	1.08	1.36	25.9%
Recurring net income[1]	**624**	**751**	**20.4%**
Recurring[1] earnings per share[2] (in €)	1.13	1.35	19.5%
Cash flow from operations[3]	1,260	1,407	11.7%
Cash flow from operations (excluding capital gains tax)[4]	1,251	1,410	12.7%
Capital expenditure[5]	428	427	-0.2%
Free cash flow[6]	**823**	**983**	**19.4%**
Investments in securities	68	136	100.0%
Net debt	**6,624**	**6,816**	**2.9%**

1. Recurring net income: net attributable income 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 June 30 (554,424,460 shares in 2017, versus 552,574,120 shares in 2016).
3. Cash flow from operations = operating cash flow excluding material non-recurring provisions.
4. Cash flow from operations excluding capital gains tax = (3) less the tax impact of capital gains and losses, asset write-downs and material non-recurring provisions.
5. Capital expenditure: investments in property, plant and equipment.
6. Free cash flow = (4) less capital expenditure.

Consolidated **sales** advanced 3.5% like-for-like, led both by prices (up 1.8%) in a more inflationary cost environment, and by volumes (up 1.7%). On a reported basis, sales were up 4.4%, with a positive 0.1% **currency impact** resulting mainly from the depreciation of the euro against the Brazilian real and US dollar, offset by the fall in pound sterling. The positive 0.8% **Group structure impact** essentially reflects the consolidation of acquisitions made in Asia and emerging countries (Emix, Solcrom, Tumelero), in new niche technologies and services (H-Old, Isonat, France Pare-Brise), and to further strengthen our positions in Building Distribution (particularly in Nordic countries).

Operating income increased 7.1% based on reported figures and 6.6% like-for-like. The operating margin widened to 7.2% of sales from 7.0% of sales in first-half 2016.

EBITDA (operating income plus operating depreciation and amortization) climbed 5.8% to €2,071 million, while the EBITDA margin moved up to 10.1% of sales from 10.0% of sales in the same period in 2016.

Non-operating costs totaled €166 million, with a fall in restructuring costs compared to first-half 2016. The €45 million accrual to the provision for asbestos-related litigation involving CertainTeed in the US remained unchanged from the last few half-year periods.
The net balance of capital gains and losses on disposals, asset write-downs and corporate acquisition fees represented income of €7 million versus an expense of €32 million in first-half 2016. **Business income** therefore rose 13.0% to €1,306 million.

Net financial expense improved significantly, down 19.5% to €231 million from €287 million in first-half 2016, mainly reflecting the decrease in the cost of gross debt, which stood at 2.7% at end-June 2017 versus 3.9% at June 30, 2016.
The income tax rate on recurring net income was 27% compared to 30% in the prior-year period, due in particular to a continued favorable geographical mix effect.
Income tax totaled €297 million (€261 million in first-half 2016).
Recurring net income (excluding capital gains and losses on disposals, asset write-downs and material non-recurring provisions) jumped 20.4% to €751 million.
Net attributable income surged 26.5% to €754 million.

Capital expenditure was stable at €427 million, representing 2.1% of sales compared to 2.2% of sales in first-half 2016.
Cash flow from operations was up 11.7% to €1,407 million; before the tax impact of capital gains and losses on disposals, asset write-downs and material non-recurring provisions, cash flow from operations advanced 12.7% to €1,410 million, and **free cash flow** increased 19.4% to €983 million (4.8% of sales versus 4.2% of sales in first-half 2016).

The difference between EBITDA and capital expenditure improved, up 7.5% to €1,644 million (€1,529 million in first-half 2016), representing 8.1% of sales (7.8% in first-half 2016).
Operating working capital requirements (operating WCR) settled at €4,333 million (€4,244 million at June 30, 2016), stable at 39 days of sales.
Investments in securities doubled, at €136 million (€68 million in first-half 2016) and correspond to targeted acquisitions made to develop innovative niches and consolidate strong positions. They include Biolink in Germany (Innovative Materials), SimTek Fence in the US (Construction Products) and Tumelero in Brazil (Building Distribution).

Net debt was up slightly at €6.8 billion from €6.6 billion at June 30, 2017, with €174 million in share buybacks over the period. Net debt represents 36% of consolidated equity, stable versus end-June 2016. **The net debt to EBITDA ratio** over the last 12-month rolling period was also stable at 1.7 at June 30, 2017.

Update on asbestos claims in the US

Some 1,600 claims were filed against CertainTeed in first-half 2017 (versus 1,700 in first-half 2016).
At the same time, around 2,300 claims were settled (versus 2,100 claims in first-half 2016), bringing the total number of outstanding claims to around 34,400 at June 30, 2017, a decrease of 700 compared to end-2016 (35,100).
A total of USD 71 million in indemnity payments were made in the 12 months to June 30, 2017, compared to USD 97 million in the 12 months to December 31, 2016, when payments for settlements dating from prior years pending documentation had adversely affected the beginning of the year.

Strategic priorities and 2017 outlook

The Group continued to pursue its strategic priorities during the first half, in line with its strategy confirmed at the investor day on May 17, 2017:

- €170 million in additional cost savings versus first-half 2016;
- 18 acquisitions in the first half and 6 being finalized in July, including Glava, Kirson and TekBond;
- buyback of 3.5 million shares, in line with the Group's long-term objectives.

After a first half in line with expectations, the economic environment should remain supportive for the Group in the second half of 2017:

- gradual improvement of construction markets in **France**;
- continued upbeat trends in **other Western European countries**, despite less visibility in the UK;
- positive market conditions in **North American** construction;
- further good organic growth in **Asia and emerging countries**, despite ongoing difficulties in Brazil.

The Group maintains its **action priorities for the year as a whole**:

- **its focus on sales prices** amid a stronger uptick in inflation;
- **its cost savings program**, generating additional savings of **more than €270 million** on the 2016 cost base;
- **its capital expenditure program** (around €1,600 million in 2017), with a focus on growth capex outside Western Europe and also on productivity and digital transformation;
- **its commitment to invest in R&D** to support its differentiated, high value-added strategy;
- **its focus on high levels of free cash flow generation**.

Saint-Gobain confirms with confidence its 2017 objective of a like-for-like increase in operating income.

Financial calendar

- An information meeting will be held at *8:30am (GMT+1) on July 28, 2017* and will be broadcast live on www.saint-gobain.com

- Sales for the first nine months of 2017: *October 26, 2017*, after close of trading on the Paris Bourse.

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All indicators contained in this press release (not defined in the footnotes) are explained in the notes to the financial statements in the interim financial report, available by clicking here: https://www.saint-gobain.com/en/finance/regulated-information/half-yearly-financial-report

The glossary below shows the note of the interim financial statements in which you can find an explanation of each indicator.
Glossary:

Cash flow from operations	*Note 3*
Net debt	*Note 7*
EBITDA	*Note 3*
Non-operating costs	*Note 3*
Operating income	*Note 3*
Net financial expense	*Note 7*
Recurring net income	*Note 3*
Business income	*Note 3*

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.
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Appendix 1: Results by business sector and geographic area - First Half

I. SALES

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
by sector and division:					
Innovative Materials[1]	**4,912**	**5,242**	**+6.7%**	**+5.9%**	**+4.1%**
Flat Glass	*2,656*	*2,865*	*+7.9%*	*+6.9%*	*+5.6%*
High-Performance Materials	*2,264*	*2,387*	*+5.4%*	*+4.8%*	*+2.5%*
Construction Products[1]	**6,008**	**6,329**	**+5.3%**	**+4.6%**	**+3.7%**
Interior Solutions	*3,297*	*3,417*	*+3.6%*	*+3.7%*	*+4.1%*
Exterior Solutions	*2,753*	*2,958*	*+7.4%*	*+5.8%*	*+3.4%*
Building Distribution	**9,104**	**9,344**	**+2.6%**	**+1.9%**	**+3.2%**
Internal sales and misc.	*-475*	*-506*	*n.m.*	*n.m.*	*n.m.*
Group Total	**19,549**	**20,409**	**+4.4%**	**+3.6%**	**+3.5%**

[1] including inter-division eliminations.

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
by geographic area:					
France	5,270	5,398	+2.4%	+2.2%	+2.2%
Other Western European countries	8,660	8,736	+0.9%	+0.2%	+2.7%
North America	2,674	2,824	+5.6%	+5.6%	+2.5%
Emerging countries and Asia	3,956	4,457	+12.7%	+10.5%	+6.7%
Internal sales	*-1,011*	*-1,006*	*n.m.*	*n.m.*	*n.m.*
Group Total	**19,549**	**20,409**	**+4.4%**	**+3.6%**	**+3.5%**

II. OPERATING INCOME

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by sector and division:					
Innovative Materials	**552**	**643**	**+16.5%**	**+11.2%**	**+12.3%**
Flat Glass	*234*	*284*	*+21.4%*	*+8.8%*	*+9.9%*
High-Performance Materials	*318*	*359*	*+12.9%*	*+14.0%*	*+15.0%*
Construction Products	**564**	**586**	**+3.9%**	**+9.4%**	**+9.3%**
Interior Solutions	*335*	*337*	*+0.6%*	*+10.2%*	*+9.9%*
Exterior Solutions	*229*	*249*	*+8.7%*	*+8.3%*	*+8.4%*
Building Distribution	**253**	**248**	**-2.0%**	**+2.8%**	**+2.7%**
Misc.	-1	-12	n.m.	n.m.	n.m.
Group Total	**1,368**	**1,465**	**+7.1%**	**+7.0%**	**+7.2%**

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by geographic area:					
France	124	133	+7.3%	+2.4%	+2.5%
Other Western European countries	513	521	+1.6%	+5.9%	+6.0%
North America	310	334	+7.7%	+11.6%	+11.8%
Emerging countries and Asia	421	477	+13.3%	+10.6%	+10.7%
Group Total	**1,368**	**1,465**	**+7.1%**	**+7.0%**	**+7.2%**

III. BUSINESS INCOME

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by sector and division:					
Innovative Materials	**462**	**580**	**+25.5%**	**+9.4%**	**+11.1%**
Flat Glass	*177*	*272*	*+53.7%*	*+6.7%*	*+9.5%*
High-Performance Materials	*285*	*308*	*+8.1%*	*+12.6%*	*+12.9%*
Construction Products	**528**	**557**	**+5.5%**	**+8.8%**	**+8.8%**
Interior Solutions	*319*	*321*	*+0.6%*	*+9.7%*	*+9.4%*
Exterior Solutions	*209*	*236*	*+12.9%*	*+7.6%*	*+8.0%*
Building Distribution	**219**	**236**	**+7.8%**	**+2.4%**	**+2.5%**
Misc. [a]	-53	-67	n.m.	n.m.	n.m.
Group Total	**1,156**	**1,306**	**+13.0%**	**+5.9%**	**+6.4%**

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by geographic area:					
France	90	118	+31.1%	+1.7%	+2.2%
Other Western European countries	465	471	+1.3%	+5.4%	+5.4%
North America [a]	226	242	+7.1%	+8.5%	+8.6%
Emerging countries and Asia	375	475	+26.7%	+9.5%	+10.7%
Group Total	**1,156**	**1,306**	**+13.0%**	**+5.9%**	**+6.4%**

[a] *after asbestos-related charge (before tax) of €45m in H1-2016 and in H1-2017*

IV. CASH FLOW

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by sector and division:					
Innovative Materials	**502**	**592**	**+17.9%**	**+10.2%**	**+11.3%**
Flat Glass	*254*	*324*	*+27.6%*	*+9.6%*	*+11.3%*
High-Performance Materials	*248*	*268*	*+8.1%*	*+11.0%*	*+11.2%*
Construction Products	**420**	**506**	**+20.5%**	**+7.0%**	**+8.0%**
Building Distribution	**191**	**243**	**+27.2%**	**+2.1%**	**+2.6%**
Misc. [(b)]	147	66	n.m.	n.m.	n.m.
Group Total	**1,260**	**1,407**	**+11.7%**	**+6.4%**	**+6.9%**

by geographic area:					
France	89	111	+24.7%	+1.7%	+2.1%
Other Western European countries	505	545	+7.9%	+5.8%	+6.2%
North America [(b)]	211	253	+19.9%	+7.9%	+9.0%
Emerging countries and Asia	455	498	+9.5%	+11.5%	+11.2%
Group Total	**1,260**	**1,407**	**+11.7%**	**+6.4%**	**+6.9%**

[(b)] *after asbestos-related charge (after tax) of €28m in H1-2016 and in H1-2017*

V. CAPITAL EXPENDITURE

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by sector and division:					
Innovative Materials	**176**	**161**	**-8.5%**	**+3.6%**	**+3.1%**
Flat Glass	*102*	*102*	*+0.0%*	*+3.8%*	*+3.6%*
High-Performance Materials	*74*	*59*	*-20.3%*	*+3.3%*	*+2.5%*
Construction Products	**164**	**157**	**-4.3%**	**+2.7%**	**+2.5%**
Interior Solutions	*111*	*99*	*-10.8%*	*+3.4%*	*+2.9%*
Exterior Solutions	*53*	*58*	*+9.4%*	*+1.9%*	*+2.0%*
Building Distribution	**69**	**92**	**+33.3%**	**+0.8%**	**+1.0%**
Misc.	19	17	n.m.	n.m.	n.m.
Group Total	**428**	**427**	**-0.2%**	**+2.2%**	**+2.1%**

by geographic area:					
France	81	90	+11.1%	+1.5%	+1.7%
Other Western European countries	108	118	+9.3%	+1.2%	+1.4%
North America	81	65	-19.8%	+3.0%	+2.3%
Emerging countries and Asia	158	154	-2.5%	+4.0%	+3.5%
Group Total	**428**	**427**	**-0.2%**	**+2.2%**	**+2.1%**

VI. EBITDA

	H1 2016 (in EUR m)	H1 2017 (in EUR m)	Change on an actual structure basis	H1 2016 (in % of sales)	H1 2017 (in % of sales)
by sector and division:					
Innovative Materials	**768**	**869**	**+13.2%**	**+15.6%**	**+16.6%**
Flat Glass	*369*	*426*	*+15.4%*	*+13.9%*	*+14.9%*
High-Performance Materials	*399*	*443*	*+11.0%*	*+17.6%*	*+18.6%*
Construction Products	**795**	**818**	**+2.9%**	**+13.2%**	**+12.9%**
Interior Solutions	*491*	*488*	*-0.6%*	*+14.9%*	*+14.3%*
Exterior Solutions	*304*	*330*	*+8.6%*	*+11.0%*	*+11.2%*
Building Distribution	**380**	**378**	**-0.5%**	**+4.2%**	**+4.0%**
Misc.	14	6	n.m.	n.m.	n.m.
Group Total	**1,957**	**2,071**	**+5.8%**	**+10.0%**	**+10.1%**

by geographic area:					
France	265	279	+5.3%	+5.0%	+5.2%
Other Western European countries	697	704	+1.0%	+8.0%	+8.1%
North America	399	420	+5.3%	+14.9%	+14.9%
Emerging countries and Asia	596	668	+12.1%	+15.1%	+15.0%
Group Total	**1,957**	**2,071**	**+5.8%**	**+10.0%**	**+10.1%**

Appendix 2: Sales by business sector and geographic area - Second Quarter

SALES	**Q2 2016 (in EUR m)**	**Q2 2017 (in EUR m)**	**Change on an actual structure basis**	**Change on a comparable structure basis**	**Like-for-like change**
by sector and division:					
Innovative Materials[1]	**2,516**	**2,636**	**+4.8%**	**+3.8%**	**+2.0%**
Flat Glass	*1,380*	*1,439*	*+4.3%*	*+3.1%*	*+2.2%*
High-Performance Materials	*1,141*	*1,203*	*+5.4%*	*+4.9%*	*+1.9%*
Construction Products[1]	**3,211**	**3,225**	**+0.4%**	**-0.3%**	**-0.5%**
Interior Solutions	*1,688*	*1,710*	*+1.3%*	*+1.3%*	*+2.0%*
Exterior Solutions	*1,545*	*1,539*	*-0.4%*	*-1.8%*	*-3.2%*
Building Distribution	**4,934**	**4,861**	**-1.5%**	**-2.3%**	**-0.8%**
Internal sales and misc.	*-248*	*-250*	*n.m.*	*n.m.*	*n.m.*
Group Total	**10,413**	**10,472**	**+0.6%**	**-0.3%**	**-0.1%**

[1] including inter-division eliminations.

by geographic area:					
France	2,756	2,761	+0.2%	+0.0%	+0.0%
Other Western European countries	4,684	4,495	-4.0%	-4.6%	-2.1%
North America	1,429	1,426	-0.2%	-0.2%	-2.6%
Emerging countries and Asia	2,072	2,283	+10.2%	+7.5%	+3.3%
Internal sales	*-528*	*-493*	*n.m.*	*n.m.*	*n.m.*
Group Total	**10,413**	**10,472**	**+0.6%**	**-0.3%**	**-0.1%**

Appendix 3: Consolidated balance sheet

in € million	June 30, 2017	Dec. 31, 2016
Assets		
Goodwill	10,439	10,669
Other intangible assets	2,626	2,662
Property, plant and equipment	11,310	11,654
Investments in equity-accounted companies	375	376
Deferred tax assets	1,073	1,188
Other non-current assets	744	710
Non-current assets	**26,567**	**27,259**
Inventories	6,188	5,875
Trade accounts receivable	5,822	4,935
Current tax receivable	238	445
Other receivables	1,584	1,515
Cash and cash equivalents	2,835	3,738
Current assets	**16,667**	**16,508**
Total assets	**43,234**	**43,767**
Equity and Liabilities		
Capital stock	2,239	2,221
Additional paid-in capital and legal reserve	6,240	6,090
Retained earnings and consolidated net income	11,417	11,077
Cumulative translation adjustments	(1,334)	(742)
Fair value reserves	152	191
Treasury stock	(250)	(72)
Shareholders' equity	**18,464**	**18,765**
Minority interests	360	375
Total equity	**18,824**	**19,140**
Long-term debt	8,376	6,959
Provisions for pensions and other employee benefits	3,255	3,615
Deferred tax liabilities	376	363
Other non-current liabilities and provisions	1,157	1,242
Non-current liabilities	**13,164**	**12,179**
Current portion of long-term debt	386	1,835
Current portion of other liabilities and provisions	419	436
Trade accounts payable	5,819	5,805
Current tax liabilities	202	148
Other payables	3,531	3,636
Short-term debt and bank overdrafts	889	588
Current liabilities	**11,246**	**12,448**
Total equity and liabilities	**43,234**	**43,767**

Appendix 4: Consolidated cash flow statement

(in € million)	H1 2016	H1 2017
Net income of operations attributable to equity holders of the parent	**596**	**754**
Minority interests in net income	14	23
Share in net income of associates, net of dividends received	(8)	(3)
Depreciation, amortization and impairment of assets	608	639
Gains and losses on disposals of assets	9	(7)
Unrealized gains and losses arising from changes in fair value and share-based payments	34	3
Changes in inventories	(300)	(437)
Changes in trade accounts receivable and payable, and other accounts receivable and payable	(1,081)	(937)
Changes in tax receivable and payable	55	255
Changes in deferred taxes and provisions for other liabilities and charges	(29)	56
Net cash from operating activities	**(102)**	**346**
Purchases of property, plant and equipment [in 2016: (428), in 2017: (427)] and intangible assets	(480)	(479)
Acquisitions of property, plant and equipment in finance leases	(9)	(9)
Increase (decrease) in amounts due to suppliers of fixed assets	(111)	(149)
Acquisitions of shares in consolidated companies [in 2016: (56), in 2017: (52)], net of debt acquired	(64)	(114)
Acquisitions of other investments	(12)	(84)
Increase in investment-related liabilities	2	(38)
Decrease in investment-related liabilities	(2)	4
Investments	**(676)**	**(869)**
Disposals of property, plant and equipment and intangible assets	31	60
Disposals of shares in consolidated companies, net of net debt divested	25	28
Disposals of other investments and other divestments	1	0
Divestments	**57**	**88**
Increase in loans and deposits	(72)	(89)
Decrease in loans and deposits	36	38
Net cash from (used in) investment and divestment activities	**(655)**	**(832)**
Issues of capital stock	137	168
(Increase) decrease in treasury stock	(416)	(178)
Dividends paid	(681)	(694)
Dividends paid to minority shareholders of consolidated subsidiaries	(29)	(21)
Increase (decrease) in dividends payable	2	(1)
Net cash from (used in) financing activities	**(987)**	**(726)**
Net effect of exchange rate changes on net debt	1	35
Net effect from changes in fair value on net debt	(84)	5
Increase (decrease) in net debt	**(1,827)**	**(1,172)**
Net debt at beginning of period	**(4,797)**	**(5,644)**
Net debt at end of period	**(6,624)**	**(6,816)**

Appendix 5: Debt at June 30, 2017

Amounts in €bn		**Comments**
Amount and structure of net debt	**€bn**	
Gross debt	9.6	At end of June 2017
Cash & cash equivalents	2.8	82% of gross debt was at **fixed interest rates**
Net debt	6.8	and the **average cost** of gross debt was 2.7%
Breakdown of gross debt	**9.6**	
Bond debt and perpetual notes	**7.8**	
March 2018	0.1	(NOK 0.8bn)
October 2018	0.7	
September 2019	0.9	
March 2020	1.0	
June 2021	0.8	
March 2022	0.9	
After June 2022	3.4	
Other long-term debt	**0.7**	(including EUR 0.4bn long-term securitization)
Short-term debt	**1.1**	*(excluding bonds)*
Negotiable European Commercial Paper (NEU CP)	0.2	Maximum amount of issuance program: EUR 3bn
Securitization	0.4	(EUR 0.3bn equivalent in USD + EUR 0.1bn)
Local debt and accrued interest	0.5	Frequent rollover; many different sources of financing
Credit lines, cash & cash equivalents	**6.8**	
Cash and cash equivalents	2.8	
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