

January 24, 2008

STRONG UPSWING IN 2007 ESTIMATED RESULTS OUTPERFORMING OBJECTIVES

- ▶ **SALES:** **+4.4% (€43,421 million);**
+5.8% at constant exchange rates*;
+5.0% at constant structure and exchange rates*
- ▶ **OPERATING INCOME:** **+10.6% (€4,108 million);**
+11.4% at constant exchange rates*
- ▶ **RECURRING NET INCOME**:** **+24.2% (€2,114 million)**

* based on average exchange rates for 2006

** excluding capital gains, asset write-downs, and the €694 million provision for the Flat Glass fines (European Commission)

2008 OBJECTIVES

- ▶ **MODEST GROWTH IN OPERATING INCOME (at constant exchange rates*) AND RECURRING NET INCOME****

* average exchange rates for 2007

** excluding capital gains, asset write-downs, and the €694 million provision for the Flat Glass fines (European Commission)

Performance of Group sectors

The Saint-Gobain Group enjoyed upbeat trading activity in 2007, delivering **5% organic growth (including a 3.7% price impact and a 1.3% volume effect)** despite the slowdown observed in the second half of the year, which compares to buoyant business levels in the second half of 2006. **The Group's five sectors all contributed to this performance** (see appendix 1), particularly activities linked to construction markets in Europe (Flat Glass, Building Distribution, Interior Solutions), which enjoyed vigorous demand bolstered by new regulations promoting energy efficiency in buildings. This strong momentum more than offset the downturn in US construction activities. **Emerging countries and Asia, which account for 15% of Group sales and 19% of its operating income, continued to deliver robust growth (+16.6%) across all Group businesses.** Lastly, industrial output and capital expenditure held firm in all regions.

The Flat Glass sector turned in the Group's strongest performance, both in terms of sales **(+10.4% on a reported basis and +11.2% like-for-like)** and operating income **(+49.4%)**. This reflects vibrant demand across all of its markets (construction and automotive industries) in Europe as well as in emerging countries, sales price increases implemented in the construction glass business, and a rise in contributions from high value-added products. As a result, **the sector's operating margin jumped to 12.8%, from 9.4% in 2006.**

Within the High-Performance Materials (HPM) sector, **Ceramics, Plastics & Abrasives reported 4.5% organic growth** on the back of healthy capital expenditure and industrial output worldwide. Organic growth for the sector as a whole came in at 2.2% given the 4.2% downturn in the Reinforcements business, a significant part of which was sold to Owens Corning on November 1, 2007. **The sector's operating margin improved significantly, up to 12.3% versus 10.1% in 2006.**

Sales for the Construction Products (CP) sector edged up 2.5% like-for-like (+2.2% on a reported basis), spurred by vigorous growth in demand across western Europe and emerging countries (77% of total sales). This performance comfortably offsets – in both Interior and Exterior Solutions divisions – the downturn in the US housing market (23% of total sales). In this more difficult climate, operating margin held up well, coming in at **11.8%** (compared to 12.7% in 2006): the operating margin for the Interior Solutions division stood at 14.8% (versus 16% in 2006), while Exterior Solutions reported an operating margin of 7.4% (down from 7.8% in 2006).

Building Distribution delivered a 10.8% jump in sales on a reported basis, boosted partly by acquisitions carried out in 2006 and 2007, coupled with **solid 5.7% organic growth**. Business held firm in most western European countries except Germany. As in previous years, the best like-for-like sales performances were achieved in Scandinavia, Spain, France and, to a lesser extent, the United Kingdom. Emerging countries continued to enjoy robust trading conditions, with sales in excess of the billion-euro mark, bolstered by organic growth of around 20% in both eastern Europe and Latin America. **The Building Distribution business also delivered double-digit growth in operating income (+10.1%),** which represents 5.7% of sales.

The Packaging sector posted a 5.5% rise in like-for-like sales, thanks chiefly to an increase in sales prices on the back of strong demand in Europe and emerging countries. **Excluding the impact of the disposals of Calmar and Desjonquères, operating income for the sector surged 24% and operating margin for the year edged up to 11.1% from 9.1%.** Taking into account the impact of the Calmar and Desjonquères divestments, which were completed on July 1, 2006 and March 31, 2007 respectively, operating income advanced 6.6% and operating margin edged up to 11.3% in 2007 from 9.2% a year earlier.

Analysis of the estimated consolidated financial statements for 2007

Based on the estimates presented at the Board of Directors' meeting on January 24, 2008, unaudited key consolidated data for 2007 are set out below. The final version of the 2007 consolidated financial statements will be authorized for issue by the Board of Directors at their meeting of March 20, 2008.

	2006 € millions (1)	2007 € millions (2)	% change (2)/(1)
Sales and ancillary revenue	41,596	43,421	+4.4%
Operating income	3,714	4,108	+10.6%
Non-operating costs*	(367)	(290)*	n.m.
Provision for Flat Glass fines	0	(694)	
Capital gains and losses and exceptional asset write-downs	(27)	30	n.m.
Dividends received	2	2	n.m.
Business income	3,322	3,156	-5.0%
Net financial expense	(748)	(701)	-6.3%
Income tax	(899)	(926)	+3.0%
Share in net income of associates	7	14	n.m.
Income before minority interests	1,682	1,543	-8.3%
Minority interests	(45)	(56)	+24.4%
Recurring net income**	1,702	2,114	+24.2%
Recurring** earnings per share (1) (in €)	4.62	5.65	+22.3%
Net income	1,637	1,487	-9.2%
Earnings per share (1) (in €)	4.44	3.97	-10.6%
Cash flow from operations*	3,347	3,762	+12.4%
Cash flow from operations excluding capital gains tax**	3,374	3,712	+10.0%
Depreciation and amortization	1,717	1,875	+9.2%
Capital expenditure	2,191	2,273	+3.7%
Free cash flow (excluding capital gains tax)**	1,183	1,439	21.6%
Investments in securities	584	965	+65.2%
Net debt	11,599	9,928	-14.4%

* excluding the provision for Flat Glass fines (European Commission).

** excluding capital gains and losses, asset write-downs and the provision for Flat Glass fines (European Commission)

(1) calculated based on the number of shares outstanding at December 31 (374,216,152 shares in 2007 versus 368,419,723 in 2006). Based on the average number of shares outstanding (367,124,675 shares in 2007 versus 341,048,210 shares in 2006), recurring earnings per share comes out at €5.76 (compared with €4.99 in 2006), and earnings per share comes out at €4.05 (compared with €4.80 in 2006).

Group sales moved up 4.4%, or 5.8% at constant exchange rates. Changes in the Group structure had a positive 0.7% impact, with contributions from acquisitions carried out in 2006 and 2007 (essentially in the Building Distribution and CP sectors) just exceeding contributions from companies sold (mainly Calmar on July 1st, 2006, Desjonquères on March 31, 2007, and the Reinforcements & Composites business on November 1, 2007). **On a like-for-like basis*, Group sales advanced 5.0% or €2,059 million**, including a 3.7% price impact and a 1.3% volume effect.

The breakdown of like-for-like sales by geographic area presents a sharply contrasting picture, with North America (13% of Group sales), declining 7.1%, but the rest of the world delivering sustained sales growth. Sales climbed 5.2% in France (which accounts for 28% of sales for the Group as a whole) and 6.0% in other western European countries (44% of Group sales). Emerging countries and Asia (15% of Group sales) continued to outperform other regions, reporting organic growth of 16.5%.

* Based on average exchange rates for 2006

Operating income jumped 10.6%, or **11.4% at constant exchange rates***. The Group's operating margin, which notched up gains in each half of the year, advanced to **9.5%** of sales (**12.0%** excluding Building Distribution), **compared with 8.9% of sales in 2006** (10.9% excluding Building Distribution). With the exception of North America, profitability improved across all geographic areas.

Non-operating costs came in at €984 million (versus €367 million in 2006), and include a €200 million charge in respect of industrial restructuring measures, a €90 million charge for asbestos-related litigation involving CertainTeed in the US (versus €272 million and €95 million, respectively, in 2006) and a €694 million provision in respect of the two proceedings conducted by the European Commission into the Flat Glass sector (see the section entitled "European Commission proceedings" below).

The net total of capital gains and losses and exceptional asset write-downs came in at €30 million, versus a negative €27 million in 2006. Capital gains of €394 million, arising mainly on the sale of Desjonquères, were partly offset by €364 million in exceptional write-downs, including around €190 million in connection with the sale of the Reinforcements & Composites business.

Business income shed 5% due to the factors mentioned above (non-operating costs, capital gains and losses and exceptional asset write-downs).

Net financial expense was scaled back 6.3% to €701 million, compared with €748 million in 2006, reflecting chiefly the fall in average net debt over the year. The interest cover ratio (operating income over interest expense) continued to improve, at 5.9 versus 5 in 2006.

Recurring net income (excluding capital gains and losses, exceptional asset write-downs and the provision for Flat Glass fines) **surged 24.2% to €2,114 million**, compared with €1,702 million in 2006. Based on the number of shares outstanding at December 31, 2007 (374,216,152 shares compared with 368,419,723 shares at December 31, 2006), **recurring earnings per share comes in at €5.65, up 22.3%** on 2006 (€4.62).

Net income was 9.2% lower year-on-year at €1,487 million, hit by the provision for the Flat Glass fines mentioned above. Based on the number of shares outstanding at December 31, 2007 (374,216,152 shares compared with 368,419,723 shares at December 31, 2006), earnings per share comes in at €3.97, down 10.6% on 2006 (€4.44).

Capital expenditure edged up 3.7% to €2,273 million in 2007 (€2,191 million in 2006), and represented 5.2% of sales (5.3% in 2006). The Group continues to focus its investments on emerging countries (40% of growth investments) and on markets linked to energy efficiency (in particular Flat Glass and CP sectors, representing more than 50% of investment outlay).

Cash flow from operations (excluding provision for the Flat Glass fines) came in 12.4% higher year-on-year, at €3,762 million. Before the tax impact of capital gains and losses and asset write-downs, cash flow from operations climbed 10%, to €3,712 million, compared with €3,374 million in 2006.

Free cash flow (cash flow from operations less capital expenditure) surged 28.8% to €1,489 million. Before the tax impact of capital gains and losses and asset write-downs, **free cash flow moved up 21.6% to €1,439 million**.

Investments in securities amounted to €965 million in 2007. This figure does not include the Maxit acquisition, which was announced in August and is pending approval from the European competition authorities. Investments totaled €582 million for the Building Distribution sector (53 acquisitions representing €1,304 million in full-year sales), and €226 million for the Construction Products business.

Net debt before the acquisition of Maxit stands at €9,928 million at December 31, 2007, down 14.4% on end-2006 (€11,599 million) and 17.3% on June 30, 2007. At end-December 2007, 88% of the Group's debt was at fixed rates, and had an average maturity of five years. Net debt represents 65% of consolidated shareholders' equity, compared with 80% at December 31, 2007.

** Based on average exchange rates for 2006*

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Update on asbestos claims in the United States

Some 6,000 claims were filed against CertainTeed in 2007, versus 7,000 in 2006. Around 8,000 claims were resolved over the period, bringing the number of outstanding claims to 74,000 at December 31, 2007, compared with 76,000 at end-2006. A total of USD 73 million indemnity payments were paid over the last 12 months, compared to USD 83 million over 2006.

In light of these trends, an additional provision of €90 million was recorded in 2007 (versus €95 million in 2006), increasing the total coverage for CertainTeed's asbestos-related claims to USD 473 million at December 31, 2007, compared to USD 451 million at end-2006.

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European Commission proceedings (Flat Glass)

Further to its investigations in February and March 2005, the European Commission sent Statements of Objections to Saint-Gobain Glass France (glass for the construction industry) on March 12, 2007, and to Saint-Gobain Glass France, Saint-Gobain Sekurit Deutschland and Saint-Gobain Sekurit France (automotive glass) on April 19, 2007. The two Statements of Objections, which were also sent to Compagnie de Saint-Gobain in its capacity as parent company of these entities, concerned an alleged breach of Article 81 of the Treaty of Rome.

In summary, the Statements of Objections claim that the above-mentioned glass subsidiaries contacted or met with one or more competitors to discuss pricing strategies or market share stabilization, or to exchange illicit information.

Following a review of the case and the objections, Saint-Gobain Glass France did not challenge the allegations made in respect of its construction glass activity, while Saint-Gobain Glass France, Saint-Gobain Sekurit Deutschland and Saint-Gobain Sekurit France acknowledged the claims against their automotive glass businesses but challenge the scope given to certain such claims by the Commission.

In their responses to the Commission, the companies concerned nevertheless set forth a series of arguments based on the seriousness and duration of the alleged infringements, the amount of sales generated by the activities to be taken into account in the claim, and the impact of the repeat offence. Compagnie de Saint-Gobain has formally denied any liability whatsoever for the allegations made in the two cases.

In a decision of November 28, 2007 concerning its investigation into companies manufacturing glass for the construction industry, the European Commission held that Saint-Gobain Glass France had indeed violated Article 81 of the Treaty of Rome. Accordingly, Saint-Gobain Glass France was fined, jointly and severally with Compagnie de Saint-Gobain, an amount of €133.9 million. Compagnie de Saint-Gobain and Saint-Gobain Glass France have decided not to appeal this decision.

After adjusting the amount of the provision set aside in respect of this fine for Construction Glass, and revising the provision for the automotive glass investigation to incorporate a higher sales basis (2007 rather than 2006 sales), the €650 million provision set aside in the first half of 2007 was increased to **€694 million** at December 31, 2007.

Strategy

The Group's robust performance in 2007 highlights the efficiency of its business model and the vigorous implementation of its construction-focused growth strategy, offering innovative solutions to the fundamental challenges of our time: growth, energy efficiency and the environment. Following the sale of Calmar in July 2006 and Desjonquères in March 2007, the Group sold its Reinforcements & Composites business on November 1, 2007. In parallel, the Group carried out 64 acquisitions in the construction market in 2007, representing €1.6 billion in total full-year sales.

For 2008 and beyond, the Group intends to press ahead with the strategic focuses unveiled in July 2007, including:

- stepping up expansion efforts through growth investments in emerging countries, with the aim of generating 33% of Group sales (excluding Building Distribution) in these regions by 2010,
- pursuing acquisition-led growth, in particular to deepen the Group's footprint in emerging countries, enhance its potential for innovation and reinforce Building Distribution,
- intensifying R&D initiatives and innovation, particularly in terms of energy and the environment.

The Group therefore confirms its targets through 2010:

For 2007-2010:

- 5% average annual organic growth
- 10% average annual growth in recurring EPS (earnings per share)

For 2010:

- ROI of between 22% and 25%
- ROCE of between 13% and 14%

2008 outlook and objectives

In 2008, the Group will have to contend with **a more difficult and far more uncertain macro-economic climate** than in 2007, with a possible recession for the US economy and growth in housing starts across Europe losing momentum due chiefly to stricter lending criteria. However, Saint-Gobain is well positioned to face these challenging business conditions:

- a strong position on the European building renovation market,
- global leadership on markets related to energy efficiency in buildings, which account for almost 30% of Group sales,
- significant contributions from Asia and emerging countries to Group operating income (around 20%, i.e. double the North American contribution in 2007),
- the positive impact on the Group's results of further acquisitions,
- a solid financial structure and high levels of free cash flow.

In view of the above, for 2008 the Group is targeting:

- **modest growth in operating income** at constant exchange rates (*average exchange rates for 2007*) and **recurring net income***,
- a solid financial structure **and continuing high levels of free cash flow.**

* *excluding capital gains, asset write-downs and the €694 million provision for Flat Glass fines (European Commission)*

Forthcoming results announcements

- Final results for 2007: March 20, 2008 after close of trading on the Paris Bourse.
- Sales for the first quarter of 2008: April 22, 2008, after close of trading on the Paris Bourse.

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Appendix 1 : Results by Business Sector and geographic area

I. SALES

	2006 (in EUR m)	2007e (in EUR m)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis
By sector and division:					
Flat Glass	5,083	5,611	+10.4%	+10.5%	+11.2%
High Performance Materials (1)	4,938	4,752	-3.8%	-1.6%	+2.2%
Ceramics & Plastics and Abrasives	3,589	3,584	-0.1%	+0.4%	+4.5%
Reinforcements (2)	1,365	1,182	-13.4%	-7.2%	-4.2%
Construction Products (1)	10,876	11,112	+2.2%	+0.4%	+2.5%
Interior Solutions (*)	6,424	6,628	+3.2%	+1.2%	+2.9%
Exterior Solutions (*)	4,476	4,516	+0.9%	-0.7%	+2.1%
Building Distribution	17,581	19,480	+10.8%	+5.7%	+5.7%
Packaging (3)	4,080	3,546	-13.1%	+2.5%	+5.5%
Internal sales and misc.	-962	-1,080	n.m.	n.m.	n.m.
GROUP TOTAL	41,596	43,421	+4.4%	+3.7%	+5.0%

(1) including intra-sector eliminations

(2) of which Reinforcements and Composites businesses (sold on November 1st, 2007): €671m in 2006 and €593m in 2007 before inter businesses eliminations

(3) of which Desjonquères (sold on March 31, 2007) and Calmar (sold on July 1, 2006): €760m in 2006 and €148m in 2007

(*) See Appendix 3 for details

By geographic area :					
France	12,528	12,931	+3.2%	+5.2%	+5.2%
Other Western European countries	18,448	19,905	+7.9%	+5.8%	+6.0%
North America	6,790	5,793	-14.7%	-14.6%	-7.1%
Emerging countries and Asia	5,933	6,921	+16.6%	+15.7%	+16.5%
Internal sales	-2,103	-2,129	n.m.	n.m.	n.m.
GROUP TOTAL	41,596	43,421	+4.4%	+3.7%	+5.0%

II. OPERATING INCOME

	2006 (in EUR m)	2007e (in EUR m)	Change on an actual structure basis	2006 (in % of sales)	2007e (in % of sales)
By sector and division:					
Flat Glass	480	717	+49.4%	9.4%	12.8%
High Performance Materials	500	585	+17.0%	10.1%	12.3%
Ceramics & Plastics and Abrasives	468	485	+3.6%	13.0%	13.5%
Reinforcements (1)	32	100	n.m.	2.3%	8.5%
Construction Products	1,376	1,313	-4.6%	12.7%	11.8%
Interior Solutions (*)	1,028	980	-4.7%	16.0%	14.8%
Exterior Solutions (*)	348	333	-4.3%	7.8%	7.4%
Building Distribution	1,001	1,102	+10.1%	5.7%	5.7%
Packaging (2)	376	401	+6.6%	9.2%	11.3%
Miscellaneous	-19	-10	n.m.	n.m.	n.m.
GROUP TOTAL	3,714	4,108	+10.6%	8.9%	9.5%

(1) of which Reinforcements and Composites businesses (sold on November 1st, 2007): €11m in 2006 and €49m in 2007

(2) of which Desjonquères (sold on March 31, 2007) and Calmar (sold on July 1, 2006): €72m in 2006 and €23m in 2007

(*) See Appendix 3 for details

By geographic area :					
France	970	1,096	+13.0%	7.7%	8.5%
Other Western European countries	1,506	1,869	+24.1%	8.2%	9.4%
North America	701	344	-50.9%	10.3%	5.9%
Emerging countries and Asia	537	799	+48.8%	9.1%	11.5%
GROUP TOTAL	3,714	4,108	+10.6%	8.9%	9.5%

III. BUSINESS INCOME

	2006 (in EUR m)	2007e (in EUR m)	Change on an actual structure basis	2006 (in % of sales)	2007e (in % of sales)
By sector and division:					
Flat Glass	455	-49 (a)	n.m.	9.0%	-0.9%
High Performance Materials	416	333	-20.0%	8.4%	7.0%
Ceramics & Plastics and Abrasives	411	482	+17.3%	11.5%	13.4%
Reinforcements (1)	5	-149 (b)	n.m.	0.4%	n.m.
Construction Products	1,229	1,243	+1.1%	11.3%	11.2%
Interior Solutions (*)	989	962	-2.7%	15.4%	14.5%
Exterior Solutions (*)	240	281	+17.1%	5.4%	6.2%
Building Distribution	979	1,069	+9.2%	5.6%	5.5%
Packaging (2)	379	688 (c)	n.m.	9.3%	n.m.
Miscellaneous	-136	-128 (d)	n.m.	n.m.	n.m.
GROUP TOTAL	3,322	3,156	-5.0%	8.0%	7.3%

(a) after a provision of €694m for the flat glass fines (European Commission)

(b) after €190 m of asset write-downs related to the disposal of the Reinforcements & Composites businesses

(c) after €283m of capital gains following the disposal of Desjonquères

(d) after asbestos-related charge (before tax) of € 90m in 2007 versus €95m in 2006

(*) See Appendix 3 for details

By geographic area :					
France	883	816(a)	-7.6%	7.0%	6.3%
Other Western European countries	1,457	1,536(a)	+5.4%	7.9%	7.7%
North America	481	109(b)	-77.3%	7.1%	1.9%
Emerging countries and Asia	501	695	+38.7%	8.4%	10.0%
GROUP TOTAL	3,322	3,156	-5.0%	8.0%	7.3%

(a) after a provision of €694m for the flat glass fines (European Commission)

(b) after asbestos-related charge (before tax) of € 90m in 2007 versus €95m in 2006

IV. CASH FLOW

	2006 (in EUR m)	2007e (in EUR m)	Change on an actual structure basis	2006 (in % of sales)	2007e (in % of sales)
By sector and division:					
Flat Glass	529	677	+28.0%	10.4%	12.1%
High Performance Materials	432	487	+12.7%	8.7%	10.2%
Ceramics & Plastics and Abrasives	363	396	+9.1%	10.1%	11.0%
Reinforcements (1)	69	91	+31.9%	5.1%	7.7%
Construction Products	1,048	1,060	+1.1%	9.6%	9.5%
Interior Solutions (*)	726	739	+1.8%	11.3%	11.1%
Exterior Solutions (*)	322	321	-0.3%	7.2%	7.1%
Building Distribution	817	825	+1.0%	4.6%	4.2%
Packaging (2)	402	425	+5.7%	9.9%	12.0%
Miscellaneous	119	288	n.m.	n.m.	n.m.
GROUP TOTAL	3,347	3,762	+12.4%	8.0%	8.7%

(1) of which Reinforcements and Composites businesses (sold on November 1st, 2007): €25m in 2006 and €25m in 2007

(2) of which Desjonquères (sold on March 31, 2007) and Calmar (sold on July 1, 2006) : €63m in 2006 and €14m in 2007

(*) See Appendix 3 for details

By geographic area :					
France	733	866	+18.1%	5.9%	6.7%
Other Western European countries	1,446	1,731	+19.7%	7.8%	8.7%
North America	573	401 (a)	-30.0%	8.4%	6.9%
Emerging countries and Asia	595	764	+28.4%	10.0%	11.0%
GROUP TOTAL	3,347	3,762	+12.4%	8.0%	8.7%

(a) after asbestos-related charge (after tax) of € 55m in 2007 versus €64m in 2006

V. CAPITAL EXPENDITURE

	2006 (in EUR m)	2007e (in EUR m)	Change on an actual structure basis	2006 (in % of sales)	2007e (in % of sales)
By sector and division:					
Flat Glass	448	523	+16.7%	8.8%	9.3%
High Performance Materials	225	238	+5.8%	4.6%	5.0%
Ceramics & Plastics and Abrasives	161	192	+19.3%	4.5%	5.4%
Reinforcements (1)	64	46	-28.1%	4.7%	3.9%
Construction Products	844	830	-1.7%	7.8%	7.5%
Interior Solutions (*)	632	621	-1.7%	9.8%	9.4%
Exterior Solutions (*)	212	209	-1.4%	4.7%	4.6%
Building Distribution	315	353	+12.1%	1.8%	1.8%
Packaging (2)	335	309	-7.8%	8.2%	8.7%
Miscellaneous	24	20	n.m.	n.m.	n.m.
GROUP TOTAL	2,191	2,273	+3.7%	5.3%	5.2%

(1) of which Reinforcements and Composites businesses (sold on November 1st, 2007): €40m in 2006 and €22m in 2007

(2) of which Desjonquères (sold on March 31, 2007) and Calmar (sold on July 1, 2006) : €53m in 2006 and €14m in 2007

(*) See Appendix 3 for details

By geographic area :					
France	485	536	+10.5%	3.9%	4.1%
Other Western European countries	749	698	-6.8%	4.1%	3.5%
North America	363	368	+1.4%	5.3%	6.4%
Emerging countries and Asia	594	671	+13.0%	10.0%	9.7%
GROUP TOTAL	2,191	2,273	+3.7%	5.3%	5.2%

Appendix 2: Consolidated Balance Sheet

<i>in EUR millions</i>	Dec 31, 2007	Dec 31, 2006
Assets		
Goodwill	9,240	9,327
Other intangible assets	3,125	3,202
Property, plant and equipment	12,753	12,769
Investments in associates	123	238
Deferred tax assets	328	348
Other non-current assets	472	390
Non-current assets	26,041	26,274
Inventories	5,833	5,629
Trade accounts receivable	6,211	6,301
Current tax receivable	173	66
Other accounts receivable	1,481	1,390
Assets held for sale	105 (*)	548
Cash and cash equivalents	1,294	1,468
Current assets	15,097	15,402
Total assets	41,138	41,676
Liabilities and Shareholders' equity		
Capital stock	1,497	1,474
Additional paid-in capital and legal reserve	3,617	3,315
Retained earnings and net income for the year	10,625	9,562
Cumulative translation adjustments	(564)	140
Fair value reserves	8	(20)
Treasury stock	(206)	(306)
Shareholders' equity	14,977	14,165
Minority interests	290	322
Total equity	15,267	14,487
Long-term debt	8,747	9,877
Provisions for pensions and other employee benefits	1,807	2,203
Deferred tax liabilities	1,277	1,222
Provisions for other liabilities and charges	923	936
Non-current liabilities	12,754	14,238
Current portion of long-term debt	971	993
Current portion of provisions for other liabilities and charges	1,107	467
Trade accounts payable	5,752	5,519
Current tax liabilities	317	190
Other accounts payable	3,425	3,336
Liabilities held for sale	41 (*)	249
Short-term debt and bank overdrafts	1,504	2,197
Current liabilities	13,117	12,951
Total equity and liabilities	41,138	41,676

(*) SG VTX America Plastic

Appendix 3 : Construction Products sector - details

The activities of the Construction Products sector are henceforth presented in two sub-groups: Interior Solutions, (Insulation and Gypsum), and Exterior Solutions, (Building Materials and Pipe).

I. SALES	2006 (in EURm)	2007e (in EURm)	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparables structure and currency basis
Interior Solutions	6,424	6,628	+3.2%	+1.2%	+2.9%
Insulation	2,542	2,785	+9.5%	+1.9%	+3.8%
Gypsum	3,895	3,864	-0.8%	+0.9%	+2.5%
<i>internal sales</i>	-13	-21	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Exterior Solutions	4,476	4,516	+0.9%	-0.7%	+2.1%
Building Materials	2,694	2,603	-3.4%	-5.2%	-0.9%
Pipe	1,783	1,913	+7.3%	+5.9%	+6.4%
<i>internal sales</i>	-1	-	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
<i>Eliminations</i>	-24	-32	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Construction Products sector	10,876	11,112	+2.2%	+0.4%	+2.5%

II. OPERATING INCOME	2006 (in EURm)	2007e (in EURm)	Change on an actual structure basis	2006 (as % of sales)	2007e (as % of sales)
Interior Solutions	1,028	980	-4.7%	16.0%	14.8%
Insulation	379	442	+16.6%	14.9%	15.9%
Gypsum	649	538	-17.1%	16.7%	13.9%
Exterior Solutions	348	333	-4.3%	7.8%	7.4%
Building Materials	208	167	-19.7%	7.7%	6.4%
Pipe	140	166	+18.6%	7.9%	8.7%
Construction Products sector	1,376	1,313	-4.6%	12.7%	11.8%

III. BUSINESS INCOME	2006 (in EURm)	2007e (in EURm)	Change on an actual structure basis	2006 (as % of sales)	2007e (as % of sales)
Interior Solutions	989	962	-2.7%	15.4%	14.5%
Insulation	341	430	+26.1%	13.4%	15.4%
Gypsum	648	532	-17.9%	16.6%	13.8%
Exterior Solutions	240	281	+17.1%	5.4%	6.2%
Building Materials	170	129	-24.1%	6.3%	5.0%
Pipe	70	152	+117.1%	3.9%	7.9%
Construction Products sector	1,229	1,243	+1.1%	11.3%	11.2%

IV. CASH FLOW	2006 (in EURm)	2007e (in EURm)	Change on an actual structure basis	2006 (as % of sales)	2007e (as % of sales)
Interior Solutions	726	739	+1.8%	11.3%	11.1%
Insulation	358	447	+24.9%	14.1%	16.1%
Gypsum	368	292	-20.7%	9.4%	7.6%
Exterior Solutions	322	321	-0.3%	7.2%	7.1%
Building Materials	204	175	-14.2%	7.6%	6.7%
Pipe	118	146	+23.7%	6.6%	7.6%
Construction Products sector	1,048	1,060	+1.1%	9.6%	9.5%

V. CAPITAL EXPENDITURE	2006 (in EURm)	2007e (in EURm)	Change on an actual structure basis	2006 (as % of sales)	2007e (as % of sales)
Interior Solutions	632	621	-1.7%	9.8%	9.4%
Insulation	145	199	+37.2%	5.7%	7.1%
Gypsum	487	422	-13.3%	12.5%	10.9%
Exterior Solutions	212	209	-1.4%	4.7%	4.6%
Building Materials	142	133	-6.3%	5.3%	5.1%
Pipe	70	76	+8.6%	3.9%	4.0%
Construction Products sector	844	830	-1.7%	7.8%	7.5%