

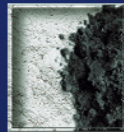
WENDEL Investissement Annual Investor Day

December 5, 2006

MATERIS



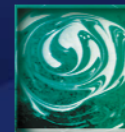
CHRYSO



kerneos
ALUMINATE TECHNOLOGIES



PAREX GROUP



MATERIS
PAINTS

Olivier Legrain
Chairman

Group business Overview

Materis is one of the leading worldwide manufacturers of specialty building materials, mostly targeting the renovation and new construction end-markets

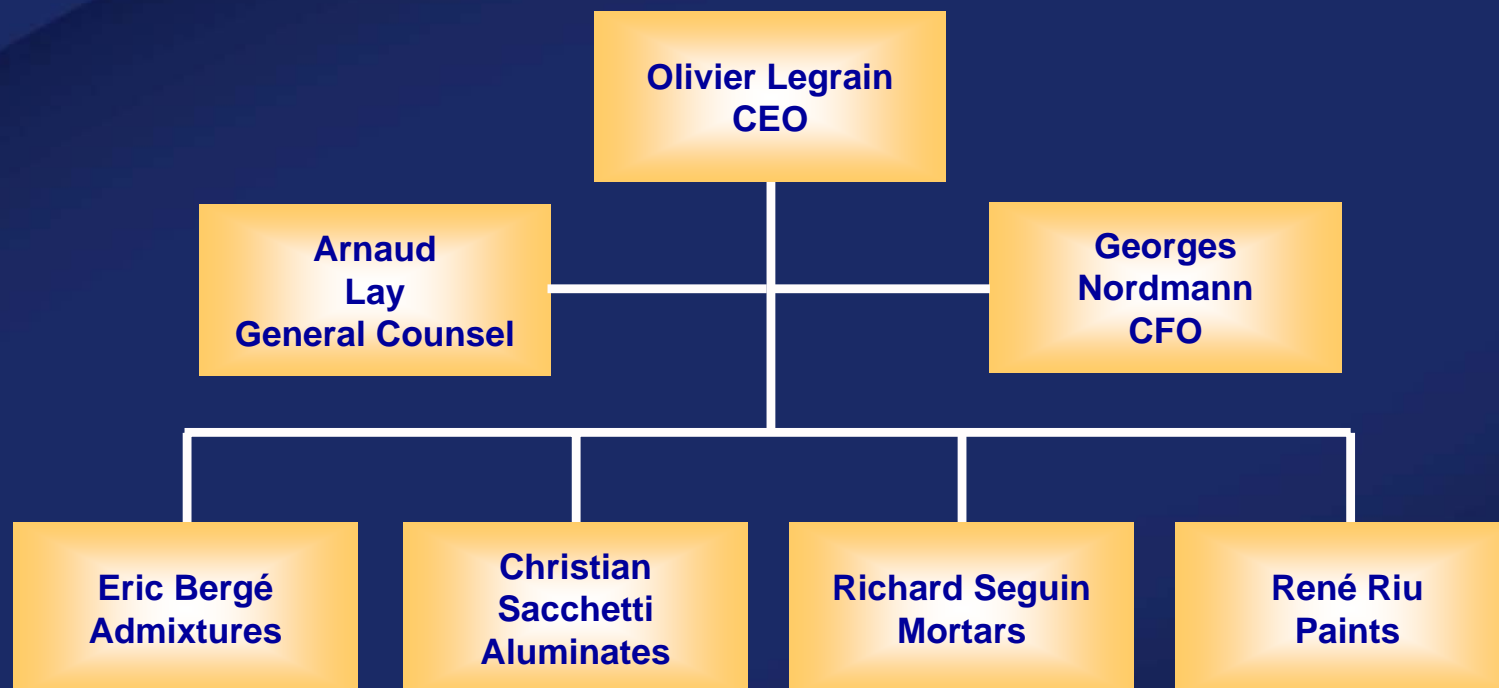
4 autonomous divisions / 73 productions sites / 8,000 people



- Large spectrum of high value-added building materials and leading positions in their respective markets

Materis Group Overview

Management Team



- Strong Management team **with significant experience in the industry and with Materis**
- **Demonstrated ability** to expand the Group while constantly improving its operating profitability

Materis Group Overview

Key success factors

- Strong resilience to economic cycles
 - Favourable products and geographical portfolio effect
 - Strong exposure to the relatively stable renovation market
 - Strong positions in market segments with above-average growth rates
 - Constant innovation enabling premium prices
 - Cost control and low operational gearing
- High value-added products
 - Through constant and significant R&D investment
- High barriers to entry
 - Technology content
 - Brand awareness
 - Long-standing client relationships
- Proven ability to develop operations and integrate acquisitions



Materis Financial Performance

2001 - 2005 at actual perimeter



Materis

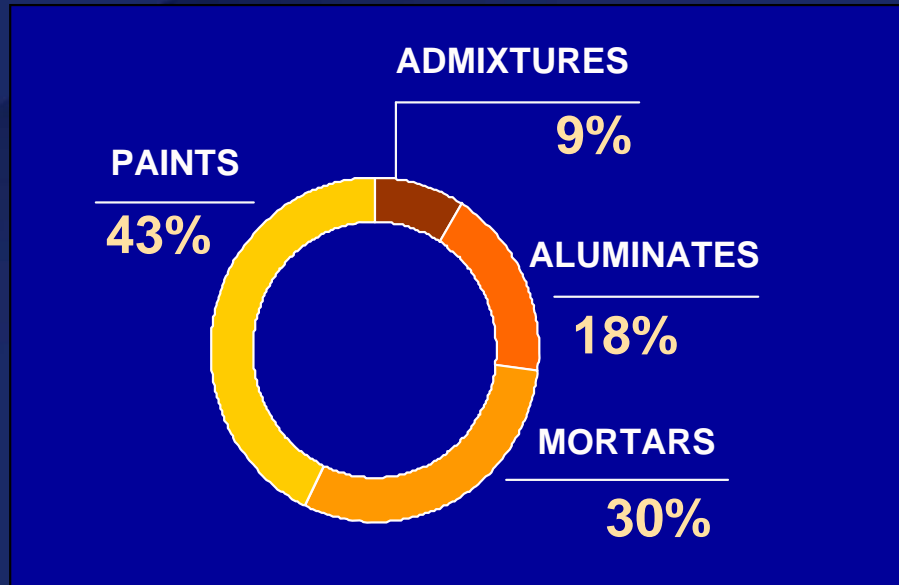
Financial performance

(millions of euros)	2005 H1	2006 H1
Net sales	646	812
Adjusted operating income*	94	109
Net financial debt		1,705

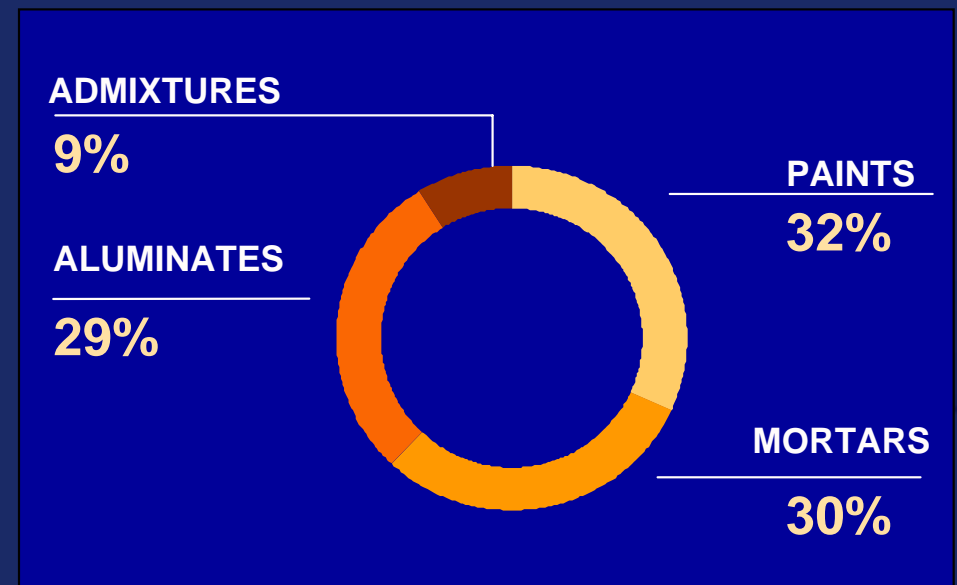
* Operating income adjusted to account for allocation of goodwill and non-recurring items

Group profile 2005: A good portfolio effect between activities, geography and end-markets

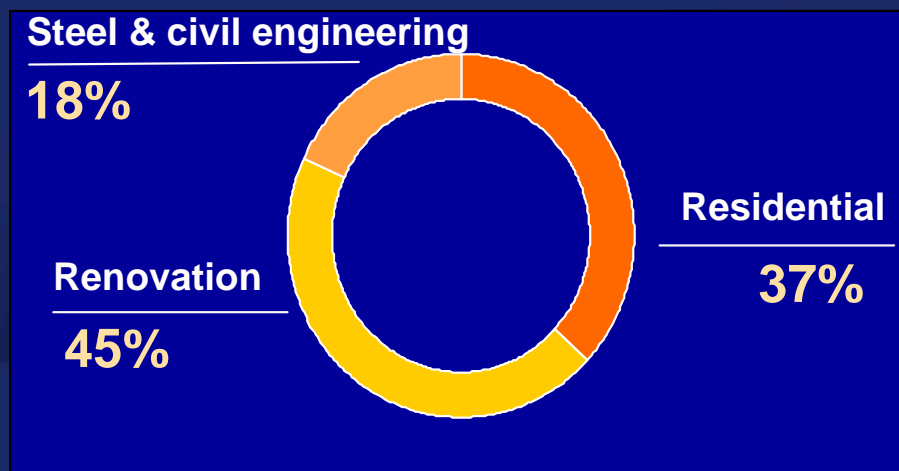
Group sales by division



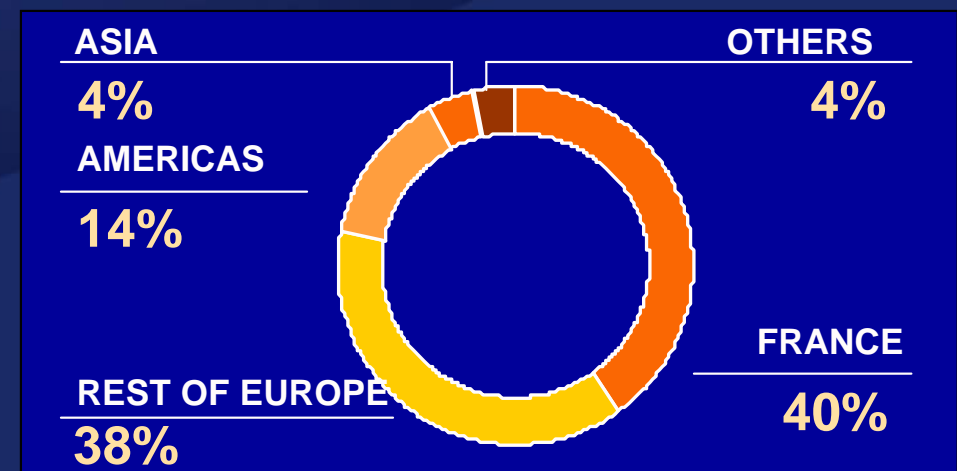
Group ebitda by division



Group sales by industry



Group sales by region



Materis Division profiles

Admixtures division – Chryso - Profile

- Activity: manufacturing and sale of high value added products used to improve building materials properties: Admixtures
- 2006 Sales: 160 M€
- 380 people
- 13 sites
- Concrete admixtures:
 - N° 1 in France & in South Africa
 - N°3 in Europe
- Cement additives: co-leader in the USA



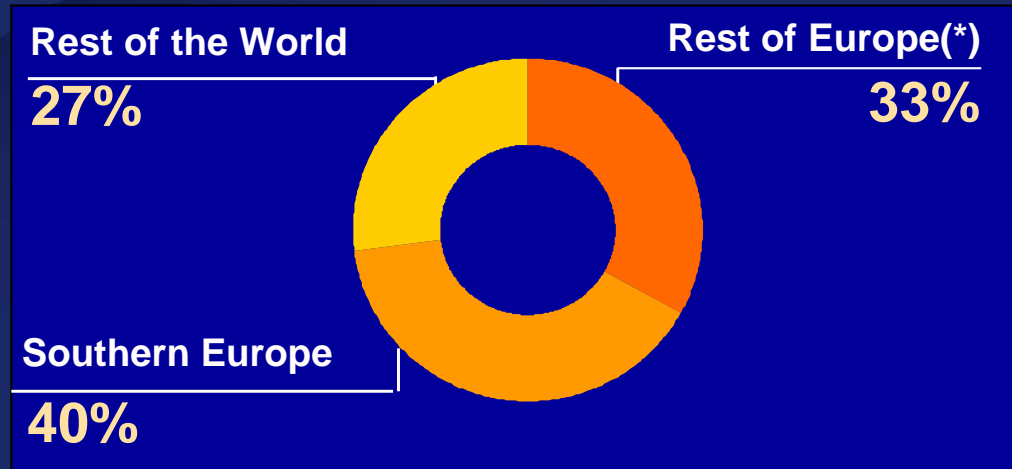
Admixtures division – Chryso - Products

- Unique focus on admixtures products (**competitors manufacture other products such as sealants, coatings or specialty polymers**)
- A range of over 500 admixtures and formulations, of which 350 relate to concrete admixtures (71% of division sales)
- Concrete-related admixtures **comprise:**
 - plasticizers
 - superplasticizers
 - retarders and accelerators
 - surface retarders
 - colouring agents
 - synthetic and metallic fibres
- Cement admixtures are grinding aids agents which enhance its productivity and output rates whilst requiring lower energy consumption



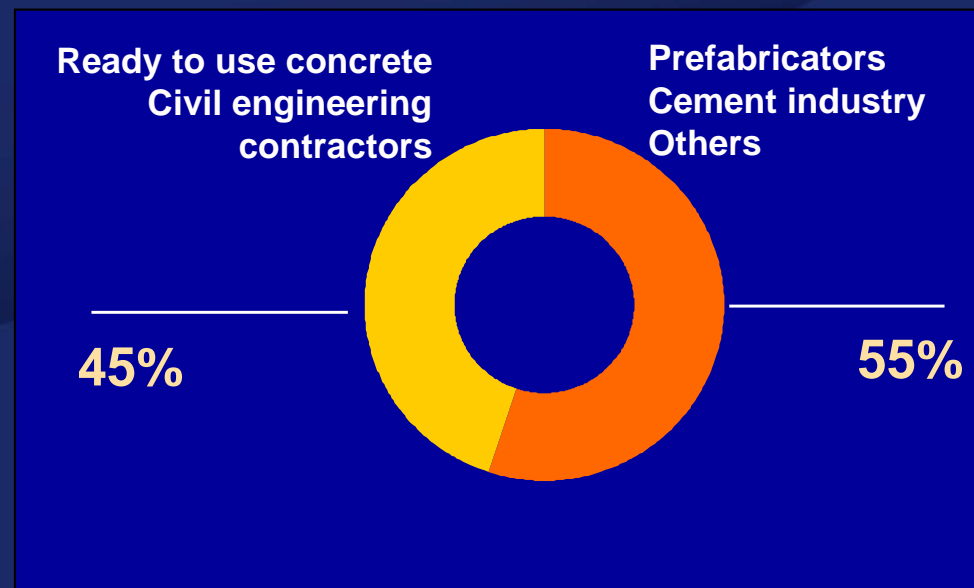
Geographic breakdown of sales / Main markets

Geographic breakdown



(*)Including France

Market breakdown



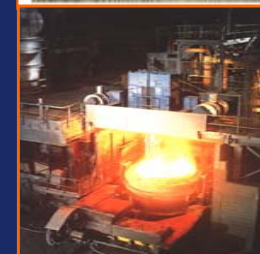
Aluminates division – Kerneos - Profile

- Activity: manufacturing and sale of calcium aluminate cements (CAC) mainly for the building chemistry and refractory industries
- 2006 Sales: 280 M€
- 650 people (excluding recent Chinese acquisitions)
- 13 production sites
- Worldwide leader in Calcium aluminates



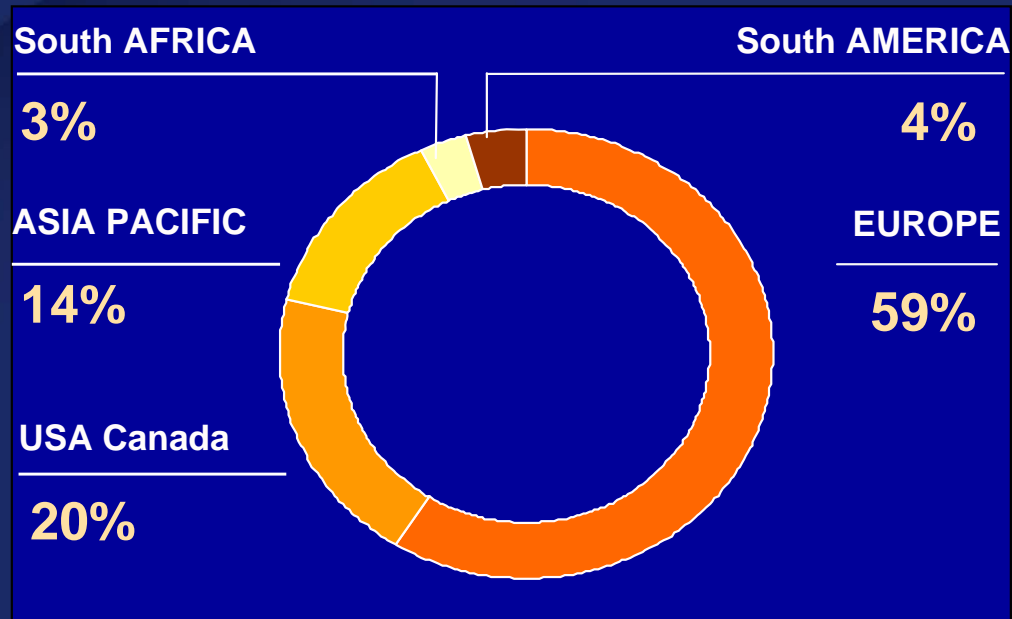
Aluminates division – Kerneos - Products

- **The Aluminates division operates in the calcium aluminates market which comprises 3 main types of specialty products:**
 - CAC (Calcium Aluminates Cement)
 - Flux (calcium aluminates based)
 - Aggregates (of calcium aluminates)
- Over 92% of sales are made up of 3 different grades of CAC: BTA, MTA, HTA
 - BTA/MTA aluminates are primarily used in the building chemistry sector as fine mineral reactants for dry-mix mortars, providing value-added properties such as faster setting, hardening and drying
 - HTA aluminates are used to manufacture monolithic refractory concretes which form a high temperature and corrosion resistant ceramic alloy
- Calcium aluminates used as flux reduce the impurities in steel and protect the fused metals against oxidation
- Aggregates have three main applications:
 - Flooring resistant to thermal shocks, abrasion-resistant floors or walls, structures resistant to bacteriological attack in wastewater networks

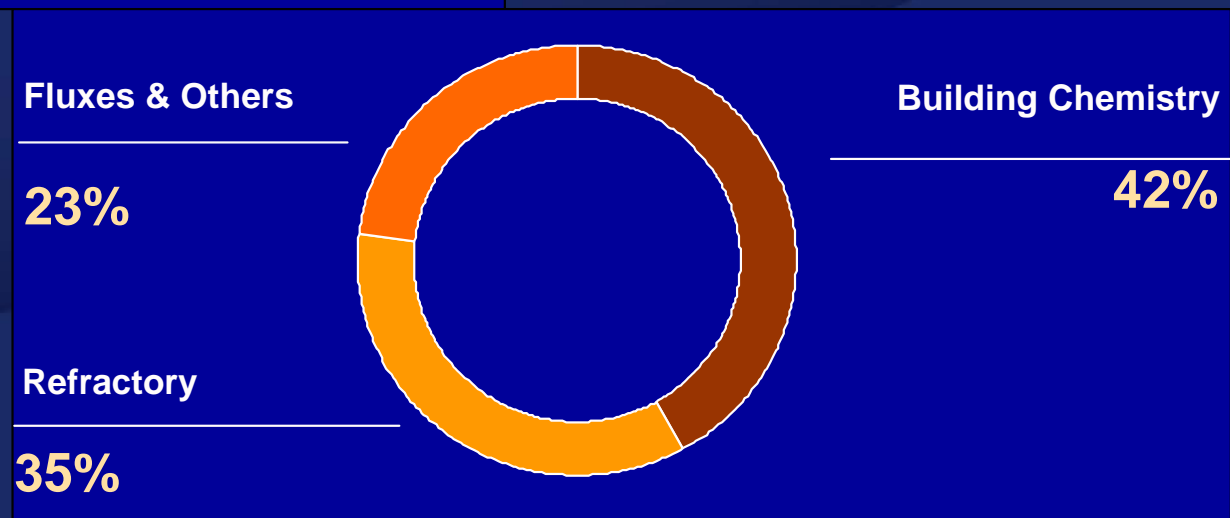


Geographic breakdown of sales / Main markets

Geographic breakdown



Market breakdown



Mortars division Parex-Group profile

- Activity: manufacturing pre-mixed and ready to use mortars for façade and civil engineering and also adhesives and floor mortars
- 2006 sales: 470 M€
- 2,050 people
- 33 production sites
- Leader in France for façade mortars and technical mortars
- Leader in Spain for façade renders
- Leader in Argentina and in Australia for adhesives & flooring mortars
- N°2 in France for adhesives & flooring mortars



Mortars division Parex-Group Products

- **3 Sub-segments:**
 - Façade mortars
 - Adhesives and Flooring mortars
 - Technical mortars
- **They incorporate** a high number of different products **with** short life cycles, high renewal rates **and** increasing complexity
- **The division benefits from strong brands in each sub-segment:**

FAçADE Mortars

PAREXLANKO

cotegran

PAREX
EIFS STUCCO

El Rey
Stucco


LaHabra

ADHESIVES & FLOORING Mortars

PAREXLANKO

PortoKoll

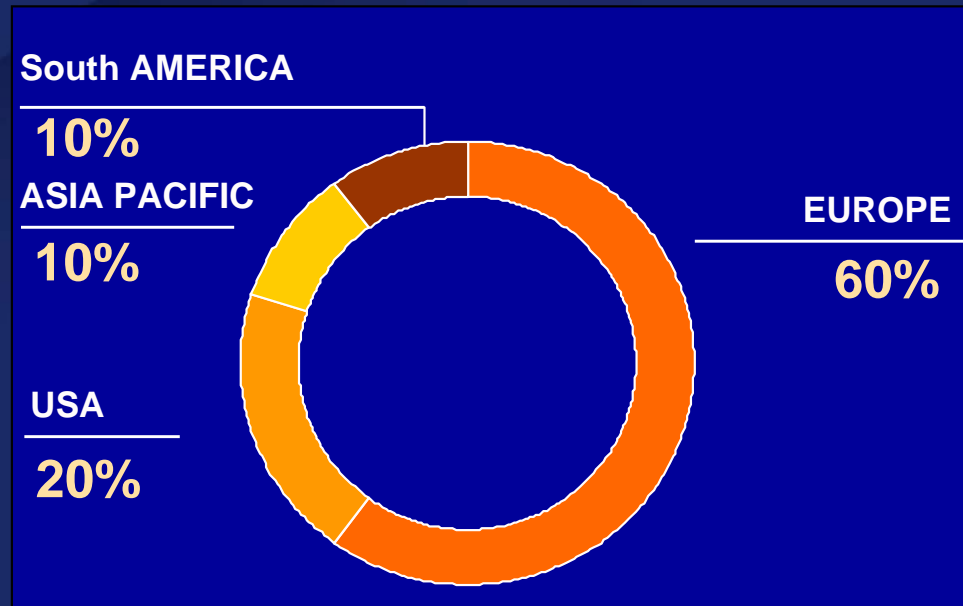
Davco

TECHNICAL mortars

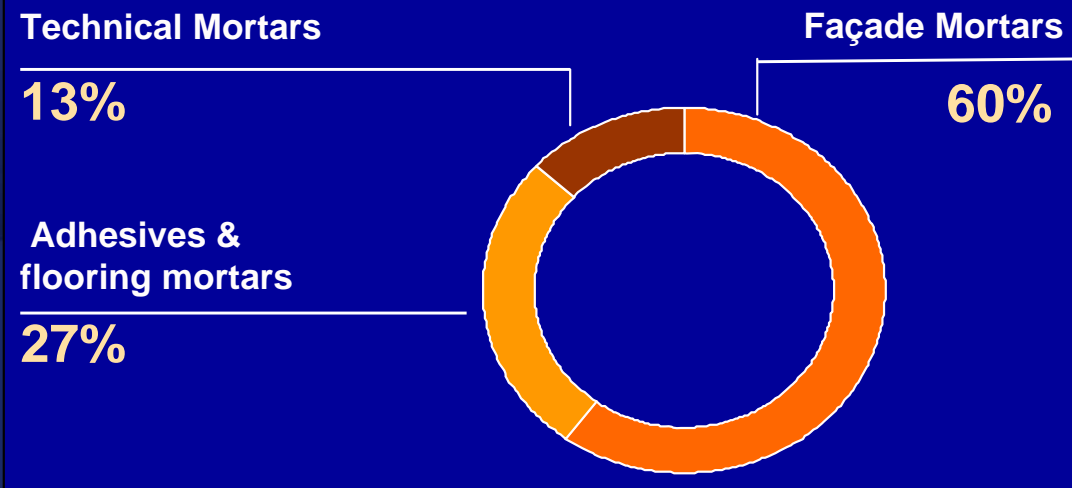
PAREXLANKO

Geographic breakdown of sales / Main markets

Geographic breakdown



Market breakdown



Paints division – Materis Paints Profile

- Activity: manufacturing and distribution of paints (mainly decorative) and non paints complementary products
- 2006 Sales: 670 M€
- 4,100 people
- 14 production sites
- N°4 in Europe and leader in Southern Europe
 - n°2 in France
 - n°1 in Italy
 - n°2 in Portugal
 - n°3 in Spain
- Strong integrated distribution network
 - More than 300 outlets in France (n°1)
 - 60 outlets in Portugal (n°2)

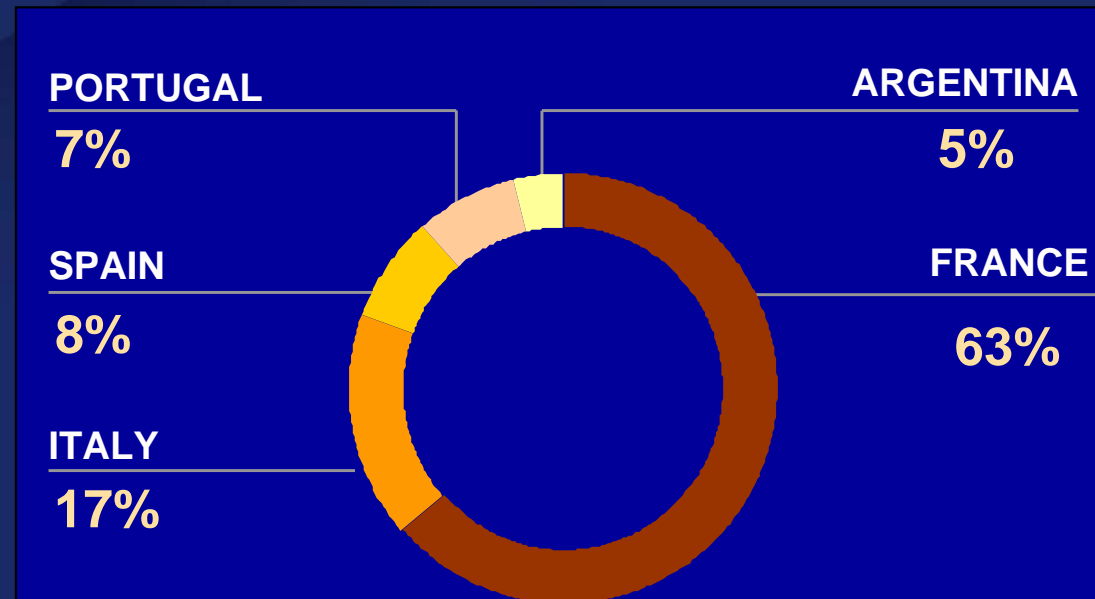


Paints division – Materis Paints Brands/ Ranking

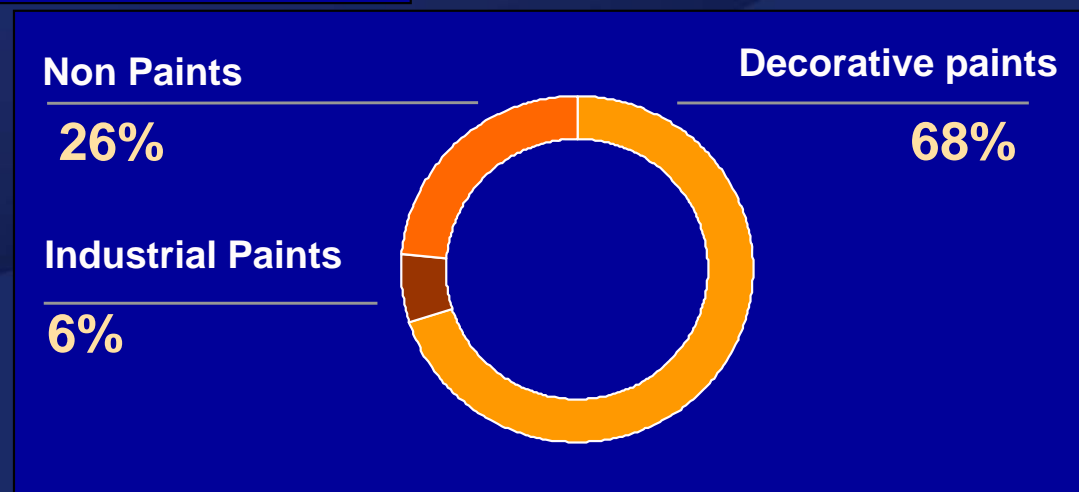


Geographic breakdown of sales / Main markets

Geographic breakdown



Market breakdown



Materis Group Strategy

Materis Group Strategy

- Overall, further build up MATERIS into a world leader in specialty chemicals for construction,

Via

- Major or bolt-on acquisitions or joint-ventures
- Organic growth on present and new geographical markets

2005 - 2006 Materis Acquisitions

For a total amount invested of 180 M€

ADMIXTURES



CHRYSO

- SWC: 9M€
India

ALUMINATES



kerneos
ALUMINATE TECHNOLOGIES

- GREAT WALL & YIN DU: 12 M€
China
- PERAMIN: 6M€
Sweden

MORTARS



PAREXGROUP

- SEIFERT: 2M€ Belgium
- UNICAPA: 8M€ Spain
- LIGAFIX: 3M€ Brazil
- FERNS: 5M€ China
- TEIFS: 10M€ USA

PAINTS



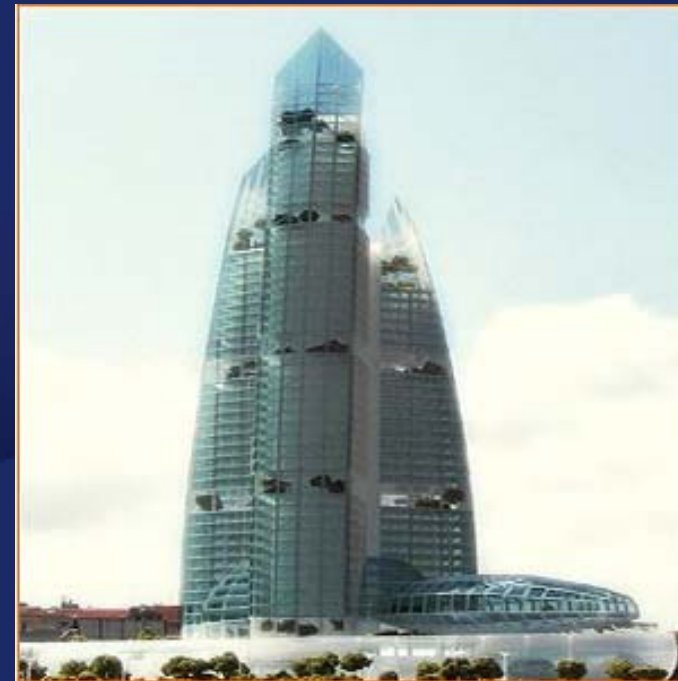
MATERIS
PAINTS

- ZOLPAN: 170M€
France
- COLORIN: 30M€
Argentina
- CLAESSENS: 20M€
Switzerland
- Distributors: 15M€
France & Portugal

Admixtures

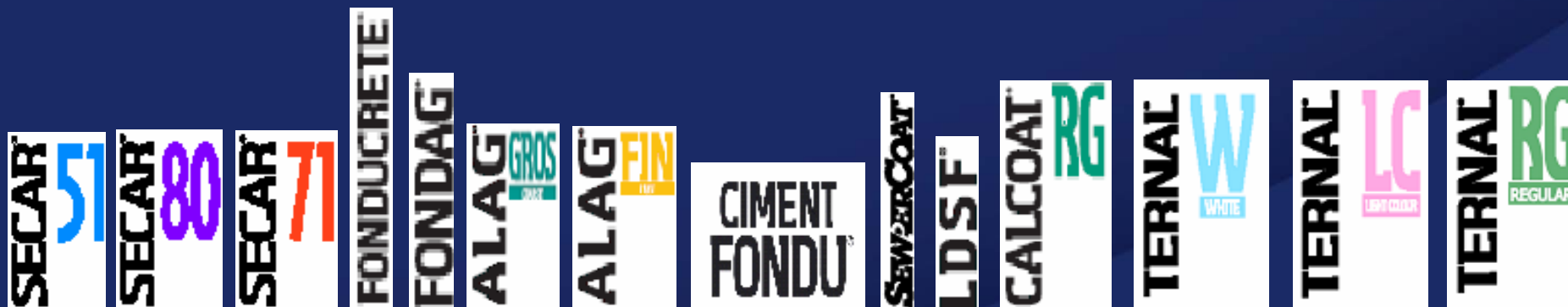
Development Strategy

- Development of new products and applications, thanks to technological expertise and a proven capacity for innovation and R&D
- Geographical expansion, notably through acquisitions



Aluminates Development Strategy

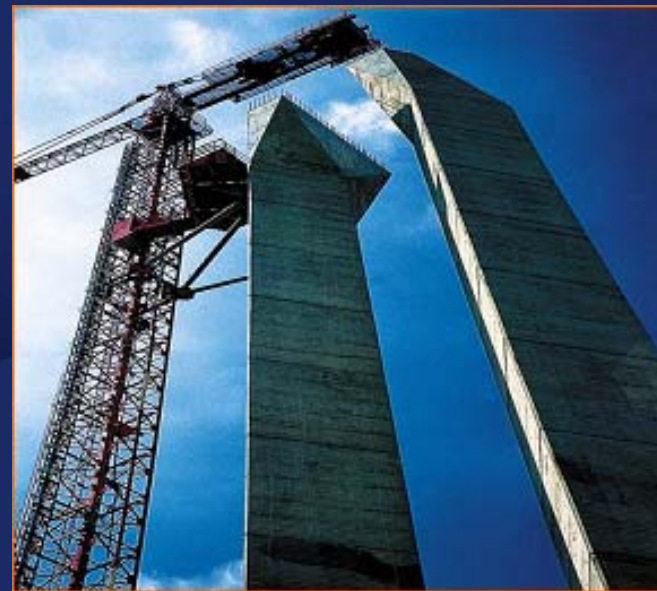
- Geographical development (Russia & India)
- Development of new products thanks to technological expertise and to a proven capacity for innovation and R&D
- Expansion into new market segments and applications



Mortars

Development Strategy

- Geographical development to pursue
- Extending the range of products
- Strategic positioning - ability to seize market consolidation opportunities -



Paints Development Strategy

- Leverage solid foundations for continued build-up strategy
- Gain strong positions in key European markets and some selected high growth countries through acquisitions
- Secure local market share by leveraging experience in integrated distribution



2010 - 2012

BECOME THE WORLD LEADER IN
SPECIALTY CHEMICALS FOR
CONSTRUCTION