

# PRESS release

## **SUCCESSFUL BOND EXCHANGE AND BOND BUYBACK**

Compagnie de Saint-Gobain has successfully placed €750 million worth of 4.00% bonds due 2018. The issue proceeds will be used to refinance €634 million in outstanding bonds maturing in 2013 and 2014 (with coupons ranging from 6.00% to 8.25%). In addition, to optimize use of cash reserves, Saint-Gobain will buy back €323 million worth of 4.25% bonds due 2011.

These transactions will enable Saint-Gobain to extend and smooth its bond debt maturity profile, by reducing the 2013 and 2014 maturities by €320 million and €314 million respectively and substituting a new €750 million maturity in 2018. They will also reduce the average cost of the Group's debt.

The transactions are being carried out as follows:

- Compagnie de Saint-Gobain today placed €750 million worth of 4.00% bonds due October 2018. The new issue attracted considerable investor interest, with the order book reaching more than €2 billion in the space of one hour, allowing the transaction to be finalized very quickly on attractive terms.
- BNP Paribas today concluded the buyback offer launched on September 22, 2010 for Saint-Gobain 4.25% bonds due May 2011 (€1,100 million nominal amount), 6.00% bonds due May 2013 (€750 million nominal amount), 7.25% bonds due September 2013 (€750 million nominal amount) and 8.25% bonds due July 2014 (€1,000 million nominal amount). Investors responded favorably by tendering an average of nearly 27% of the issues to the offer.
- Compagnie de Saint-Gobain will deliver to BNP Paribas the latest bond issue plus a cash sum in settlement of the bonds bought back by the bank.

The success of this transaction is a further demonstration of bond investors' confidence in the credit quality of Saint-Gobain, whose long-term debt issues are rated BBB by Standard & Poor's and Baa2 by Moody's.

BNP Paribas (global coordinator and lead structuring advisor), JP Morgan (structuring advisor), Citi, HSBC, The Royal Bank of Scotland and Société Générale CIB acted as lead managers for this transaction.

About Saint-Gobain

*Saint-Gobain, a worldwide leader in the habit and construction markets, designs, manufactures and distributes building materials, providing innovative solutions in expanding emerging markets and in the buoyant energy efficiency and environmental protection segments. With €37.8 billion of sales in 2009, Saint-Gobain is present in 64 countries and employs over 190,000 people.*

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