

April 29, 2009

FIRST-QUARTER 2009 SALES
Down 14.8% or 12.9% at constant exchange rates*

Saint-Gobain's consolidated sales for first-quarter 2009 came in at **€8,782 million**, compared with €10,301 million for the year-earlier period. This represents a decline of 14.8% on a reported basis and **12.9% at constant exchange rates**.*

Changes in Group structure accounted for a 1.9% increase in sales. This was almost entirely offset by the 1.8% negative currency effect, due for the most part to the slide in the British pound and Brazilian real against the euro, which was not offset by the climb in the US dollar.

On a like-for-like basis, consolidated net sales contracted by 14.9%. Sales prices remained robust, gaining 2.3%, while volumes slumped 17.2%.

The sharp downturn in trading conditions observed in fourth-quarter 2008 intensified in the first quarter of 2009 as the economic climate continued to deteriorate, with virtually every country across the globe now affected. In addition, sales in the first two months of the year were weighed down by particularly unfavorable weather conditions in both Europe and the United States.

Construction markets continued to decline – even in the United States where activity had picked up during the second half of 2008 – and the downturn in industrial markets observed at the end of last year deepened in the first quarter, impacting sharply the High-Performance Materials and Flat Glass businesses.

Only the household consumption market (Packaging) remained relatively less affected by the worsening economic conditions.

* Based on average exchange rates for first-quarter 2008.

Sales trends by business sector and major geographic area were as follows:

	Q1 2008 (€million)	Q1 2009 (€million)	% change on a reported basis	% change on a comparable structure basis	% change on a like-for-like basis
BY SECTOR					
Innovative Materials (1)	2,428	1,863	-23.2%	-22.4%	-21.4%
<i>Flat Glass</i>	1,399	1,050	-25.0%	-24.9%	-21.0%
<i>High-Performance Materials</i>	1,036	818	-21.1%	-19.0%	-22.3%
Construction Products (1)	2,730	2,456	-10.0%	-14.6%	-14.0%
<i>Interior Solutions</i>	1,578	1,280	-18.9%	-20.3%	-18.0%
<i>Exterior Solutions</i>	1,159	1,184	+2.2%	-6.8%	-8.5%
Building Distribution	4,637	3,911	-15.7%	-17.7%	-14.0%
Packaging	797	800	+0.5%	-0.5%	-3.7%
<i>Inter-sector sales and other</i>	(291)	(248)	-----	-----	-----
GROUP	10,301	8,782	-14.8%	-16.7%	-14.9%
BY GEOGRAPHIC AREA					
France	3,250	2,822	-13.2%	-13.2%	-13.2%
Other western European countries	4,699	3,756	-20.1%	-23.4%	-19.1%
North America	1,263	1,228	-2.7%	-0.7%	-12.6%
Emerging economies and Asia-Pacific	1,630	1,339	-17.9%	-21.7%	-13.7%
Internal sales	(541)	(363)	-----	-----	-----
GROUP	10,301	8,782	-14.8%	-16.7%	-14.9%

(1) Including inter-division eliminations.

Performance of Group business sectors (like-for-like)

All of the Group's business sectors were strongly affected by the further deterioration of the global economic environment and reported a sharp decline in sales volumes over the quarter. Sales prices, in contrast, remained upbeat despite the downward trend in inflation worldwide.

Innovative Materials posted the biggest drop in sales, which retreated 21.4% over the quarter due to the continued decline of the sector's main markets, both in construction and industry.

- **Flat Glass** reported a 21% drop in sales, triggered by the collapse of the global automotive market and, to a lesser extent, the continuing slowdown in construction. Sales prices remained stable overall: a slight decline in Western Europe due to a sharp fall in the price of commodity products (float glass) was offset by significant increases in Asia and emerging countries, which represent 38% of the division's sales.

- **High-Performance Materials (HPM)** were strongly impacted by the slump in industrial output, particularly in Germany and the United States, and posted a decline in sales similar to Flat Glass (22.3%), despite a rise of 2.6% in sales prices.

Construction Products (CP) sales contracted by 14.0% . The significant 5.0% increase in average sales prices during the quarter was unable to offset the sharp drop in sales volumes in Interior Solutions and, to a lesser extent, in Exterior Solutions.

- **Interior Solutions** sales retreated 18.0% over the quarter, as the business continued to feel the full impact of weakening construction markets. Sales prices, however, were up 1.7% on average over the period, thanks in particular to price increases implemented by the Gypsum business in the United States and Europe in the past few months.
- **Exterior Solutions** also reported a significant decrease in volumes across all business lines. Despite price hikes of 9.7%, sales were down 8.5%.

Building Distribution reported a similar sales decrease as the Construction Products sector, at 14%. The sharp downturn in the UK and Spanish construction markets continued during the quarter and markets in the rest of Europe also began to flag. This significant decline in trading also reflected the impact on sales volumes of very unfavorable weather conditions in the first two months of the year. In contrast, sales prices held up well.

In the **Packaging** business, sales prices also remained robust, gaining 4.0% over the quarter, while volumes dropped 7.7%, dragged down by a sharp falloff in demand in its main European markets.

Analysis by major geographic area (like-for-like)

In first-quarter 2009, all of the geographic areas where the Group operates were affected to a roughly similar extent by the economic crisis:

- In **France**, sales retreated 13.2%, due to the downturn in the construction and industrial markets. The decline was particularly sharp in the first two months of the year, reflecting the impact of unfavorable weather conditions.
- The downturn in **other Western European countries** was even greater, with sales falling 19.1%. The downturn in the UK and Spanish markets persisted during the first quarter, while other European countries also suffered a sharp slowdown in both construction and industrial markets.
- Despite the upturn observed in the second half of 2008, sales in **North America** contracted 12.6% in the first quarter, as construction markets fell once again and industrial output dropped sharply.
- **Asia and the emerging economies** were also severely hit by the economic crisis, with sales down 13.7%. The decline was significant in Eastern Europe and Asia – with the exception of India, where sales continued to grow – while Latin America proved more resilient.

Update on asbestos claims in the United States

Some 1,000 claims were filed against CertainTeed in the first quarter of 2009, on a par with the number of claims filed in the three months to March 31, 2008. After taking into account claims settled during the period, the number of outstanding claims at March 31, 2009 was unchanged from December 31, 2008, at around 68,000.

Outlook

With all global markets in the doldrums during the first quarter of the year and faced with persistent uncertainty going forward, Saint-Gobain has not yet seen any concrete evidence that the economic crisis has bottomed out. As a result, and given the unfavorable basis for comparison, first-half 2009 will be extremely challenging.

In line with its announcement, the Group has therefore resolutely stepped up the financial and operational measures launched over the last few months, in particular:

- Giving operating priority to sales prices.
- Accelerating and extending the restructuring and cost reduction program.
- Strictly controlling working capital requirement.
- Significantly reducing capital expenditure.
- Putting external growth plans on hold.

Thanks to a solid balance sheet strengthened by a successful rights issue, Saint-Gobain should be able to weather the crisis and take full advantage of the economic recovery when it occurs.

Forthcoming results announcements

- First-half 2009 results: July 23, 2009, after close of trading on the Paris Bourse.

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