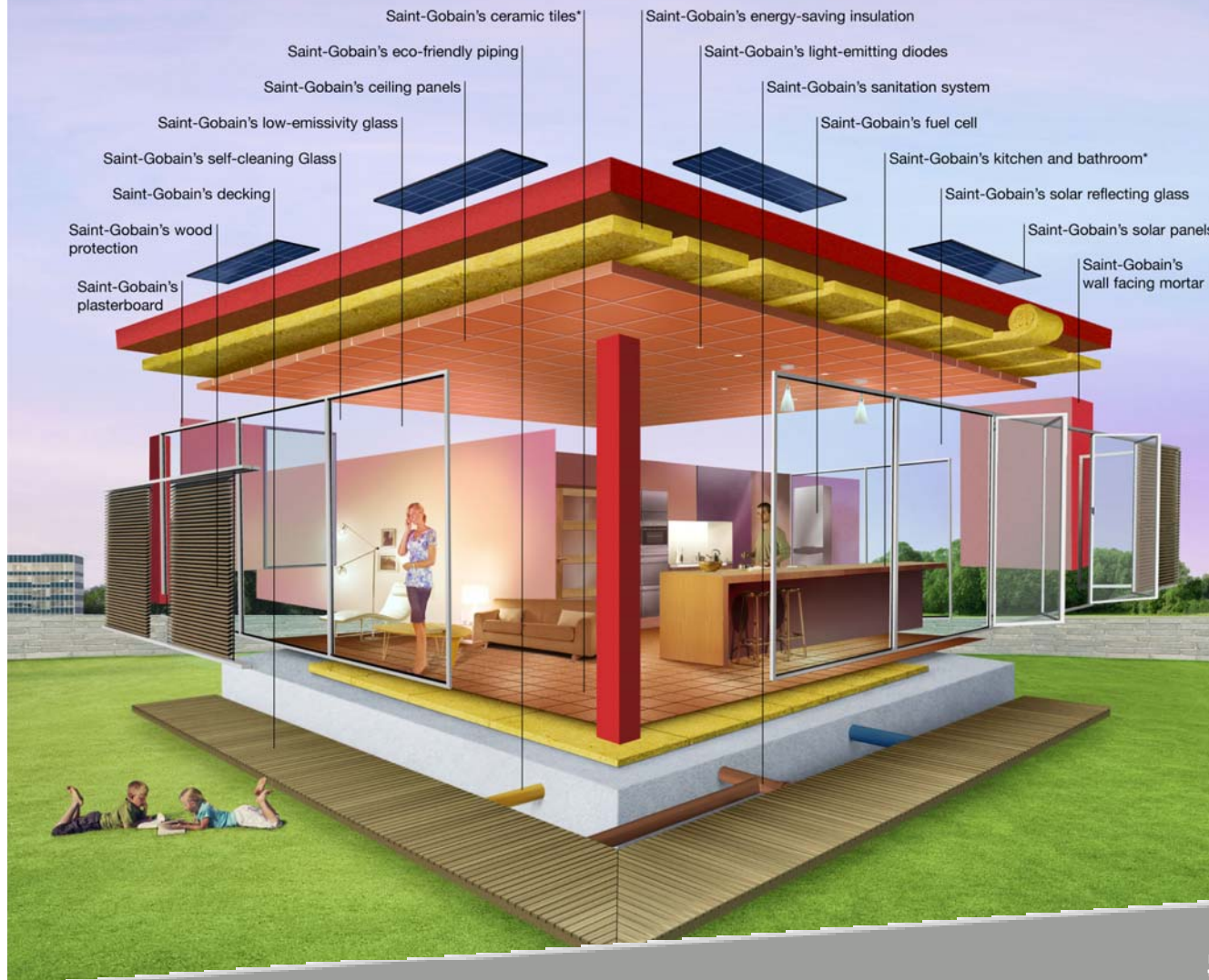


Energy-saving, innovation, environment-protecting.

First-Half 2010 Results

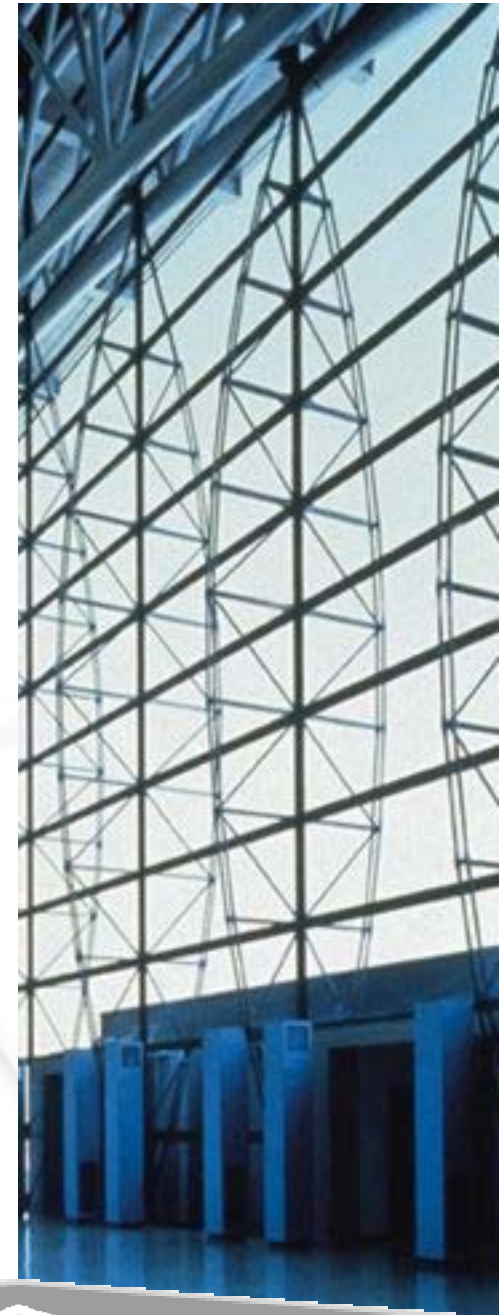
Analyst-Investor meeting

July 30, 2010



Contents

- 1** Highlights
- 2** Group Results
- 3** Outlook for H2-2010



1

First-Half 2010 Highlights



First-half 2010 key figures: sharp upswing in results

<i>amounts in €m</i>	H1-2010	H1-2010/ H1-2009
Sales	19,529	+4.3%
Operating income	1,445	+55%
Recurring net income*	580	+176%
Net income	501	+291%
Free cash flow*	987	+79%

* excluding capital gains and losses, exceptional asset write-downs and material non-recurring provisions



**Steep rise in operating income versus H1-2009
and robust growth versus H2-2009 (+12.4%)**

H1-2010: gradual but patchy recovery of global economy

- > **Vigorous growth in Asia and Latin America**
- > **North America:**
 - sharp rally in markets linked to industrial output
 - fragile upturn in residual construction
- > **Europe:**
 - turnaround in industrial output in H1-2010
 - contrasting situation in Construction:
 - . impact of harsh winter weather
 - . gradual recovery in the UK, Scandinavia, Germany and Poland
 - . further decline in other countries
 - . signs of stabilization in France
- > **Ongoing significant volatility of input costs and other variables**

H1-2010: ongoing strict cash discipline

- > **Sales prices: +0.1% over the first half, +0.8% over the second quarter**
- > **Cost savings: an additional €450m versus H1-2009,** including €50m from selective programs implemented since January 2010 (**€200m full-year impact**).
- > **Cash flow management: €1.9bn in free cash flow after working capital requirements (12 months)**

H1-2010: ... while leveraging growth opportunities

> Expansion in Asia and emerging countries:

- start-up of **Egyptian** float
- construction of 5th float line in **Brazil** (start-up end-2011)
- construction (under JV with Trakya Cam) of automotive Flat Glass plant in **Russia** (start-up 2013)
- acquisitions **in Abrasives in Brazil**
- construction of additional capacity **in India** for **Ceramics**

> Energy efficiency and solar power:

- acquisition of **Solarwood** (PV tiles)
- majority interest acquired in MAG in **Japan**
- construction of 2nd **Avancis** plant in Germany (CIGS thin-film PV modules)

2

H1-2010 Results

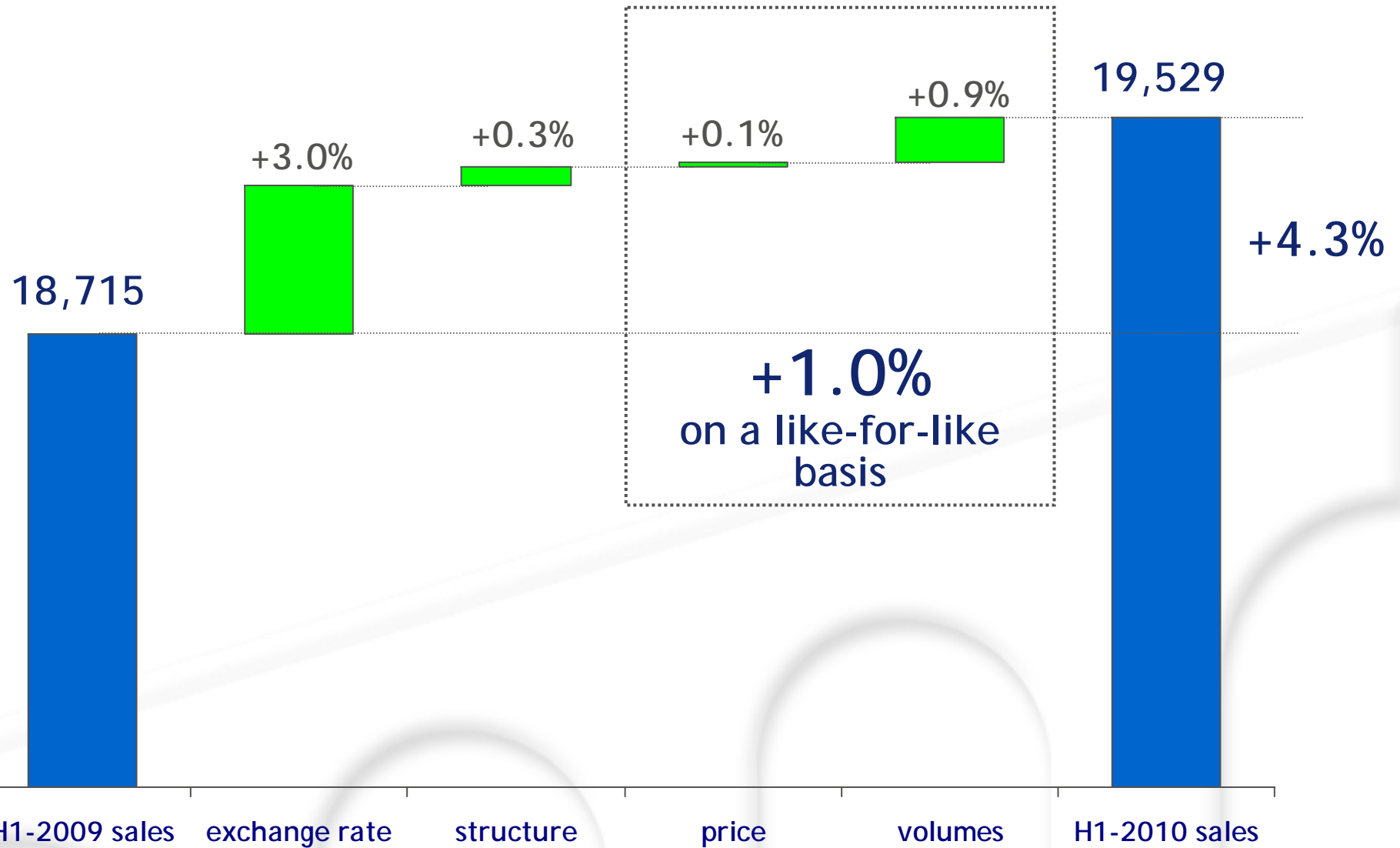
a. Group

b. Business Sectors

c. Geographic Areas

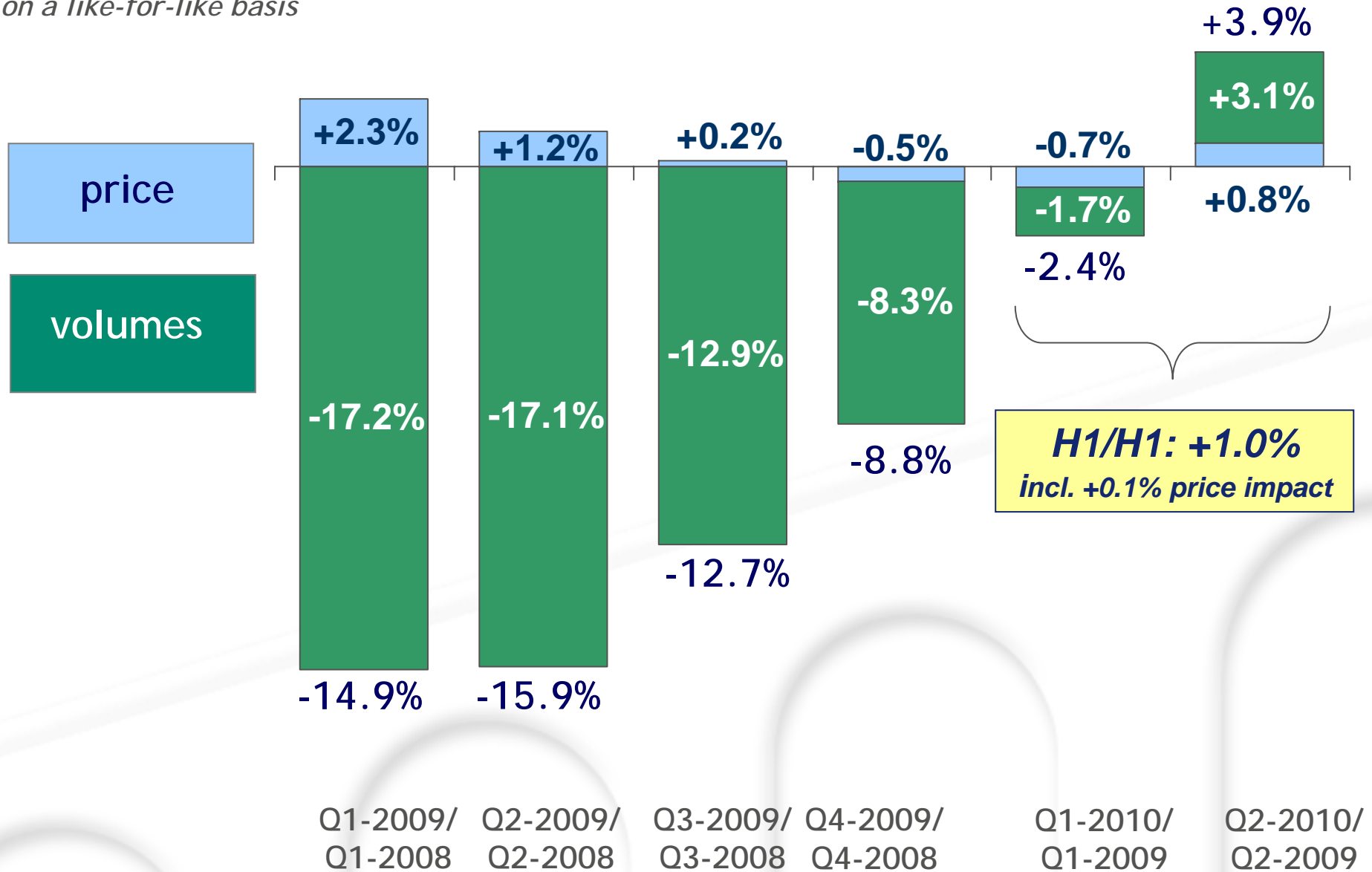
Sales trends

€m



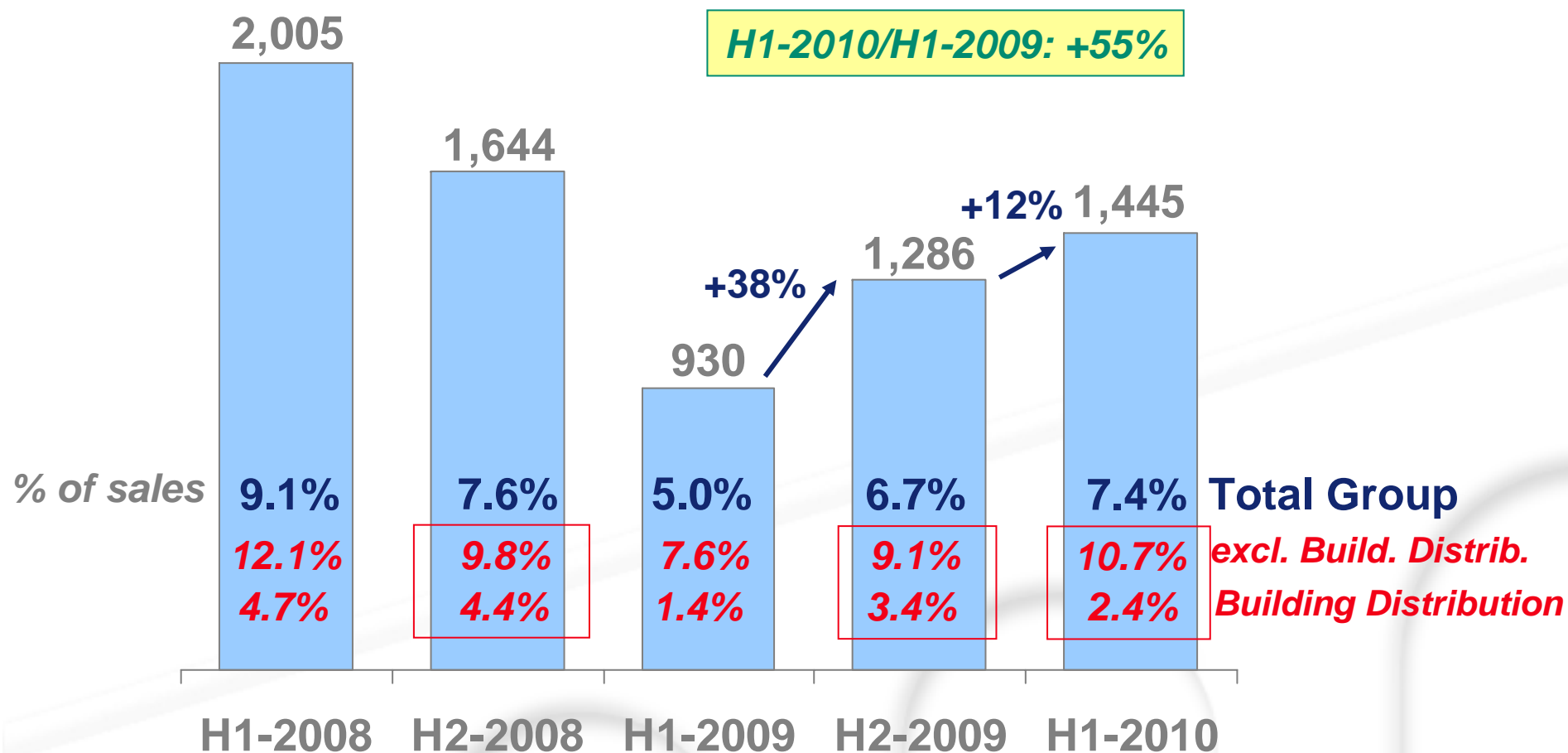
Quarterly organic growth

% change in sales
on a like-for-like basis



Half-year operating income

(€m and % of sales)



Non-operating items

€m

	H1-09	H1-10	Change
Operating income	930	1,445	+55%
Provision for asbestos-related litigation	(37)	(37)	
Non-operating costs	(227)	(156)	
Other operating expenses	(65)	(51)	
Business income	601	1,201	+100%
Cost of net debt	(332)	(270)	
<i>Cost of net debt in %</i>	<i>5.4%</i>	<i>5.5%</i>	
Other financial income and expenses	(80)	(117)	
Net financial expense	(412)	(387)	
Income taxes	(53)	(279)	

Outstanding claims

Asbestos claims in the US

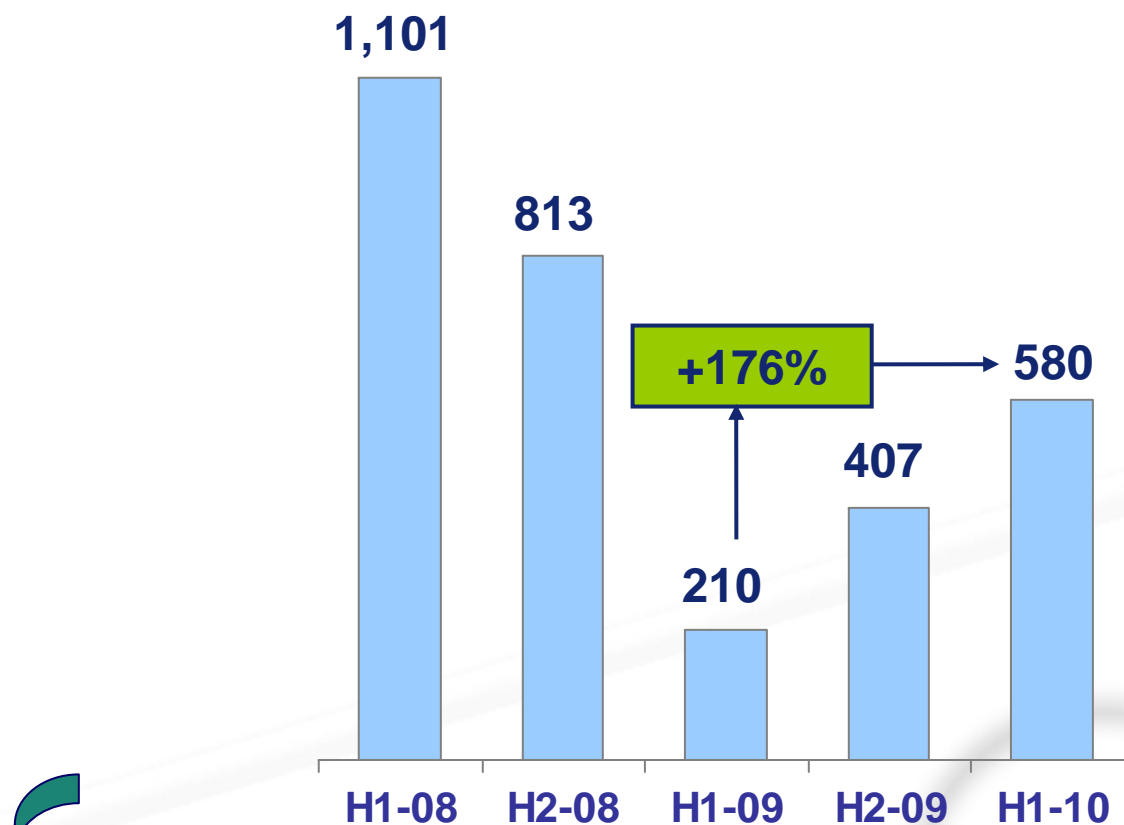
- > **Approximately US\$ 96m** paid out over the 12 months to end-June 2010
(US\$ 77m at end-December 2009)
- > **€37.5m** accrual to the provision in H1-2010; bringing the total balance sheet provision to US\$ 489m at end-June 2010 (US\$ 500m at end-2009)

	H1-2009	H1-2010*
New claims	2,000	2,000
Settled claims	3,000	2,000
Outstanding claims	67,000	64,000

* estimated

Half-year recurring* net income

€m

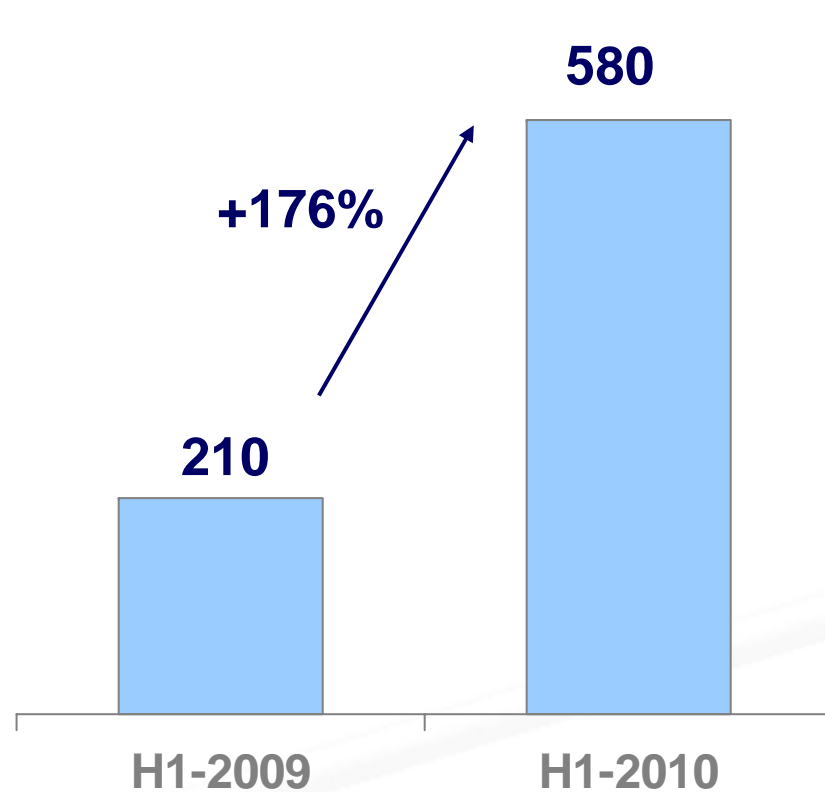


Sharp upswing in recurring net income

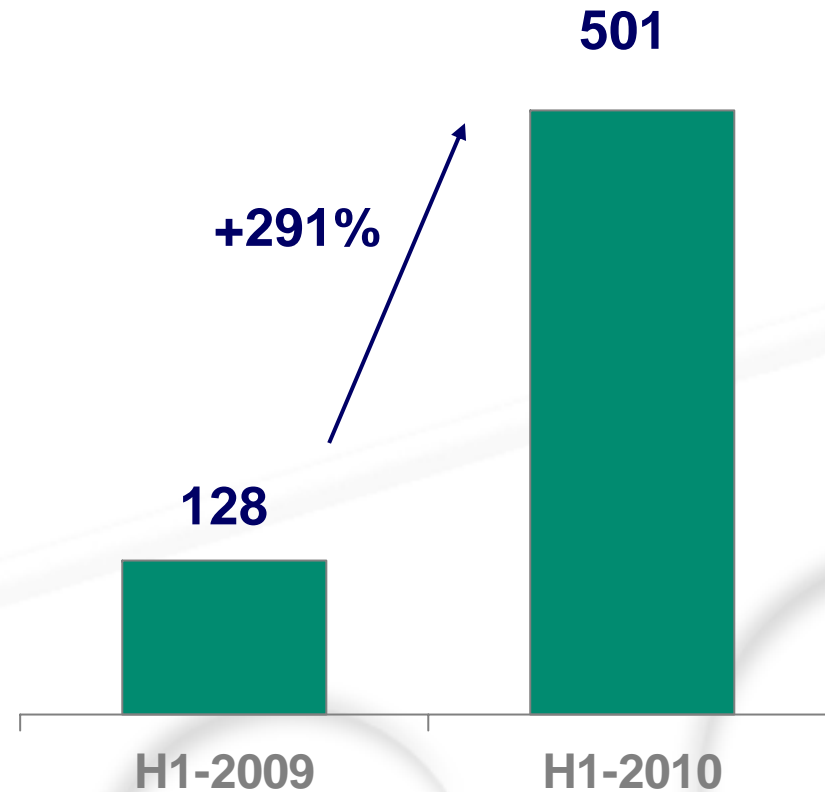
* *excl. capital gains and losses on disposals, asset write-downs, and material non-recurring provisions*

Recurring* net income

€m



Net income



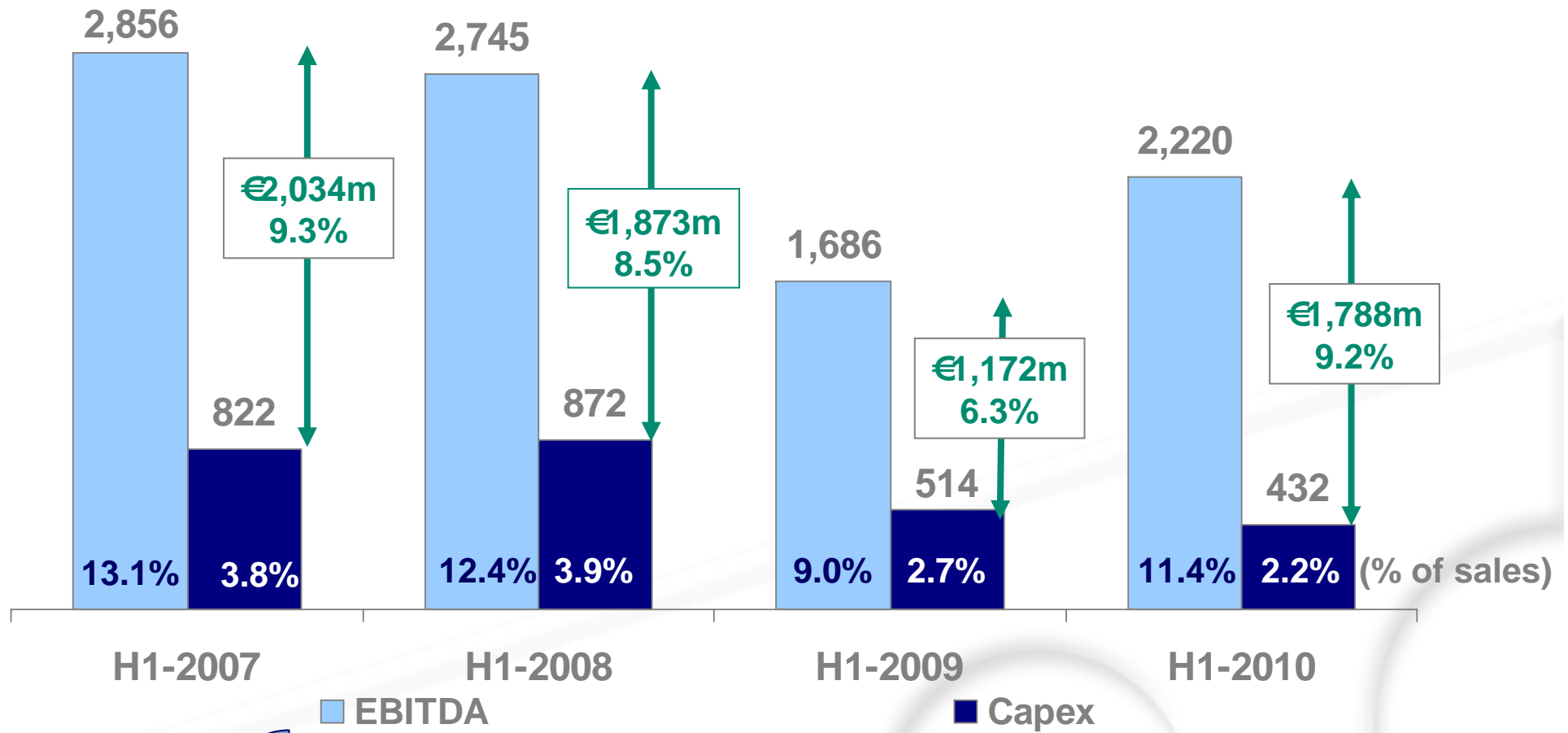
> **Recurring* EPS: €1.09 (+166%)**

EPS: €0.94 (+276%)

* *excl. capital gains and losses on disposals, asset write-downs, and material non-recurring provisions*

EBITDA* and Capex

€m

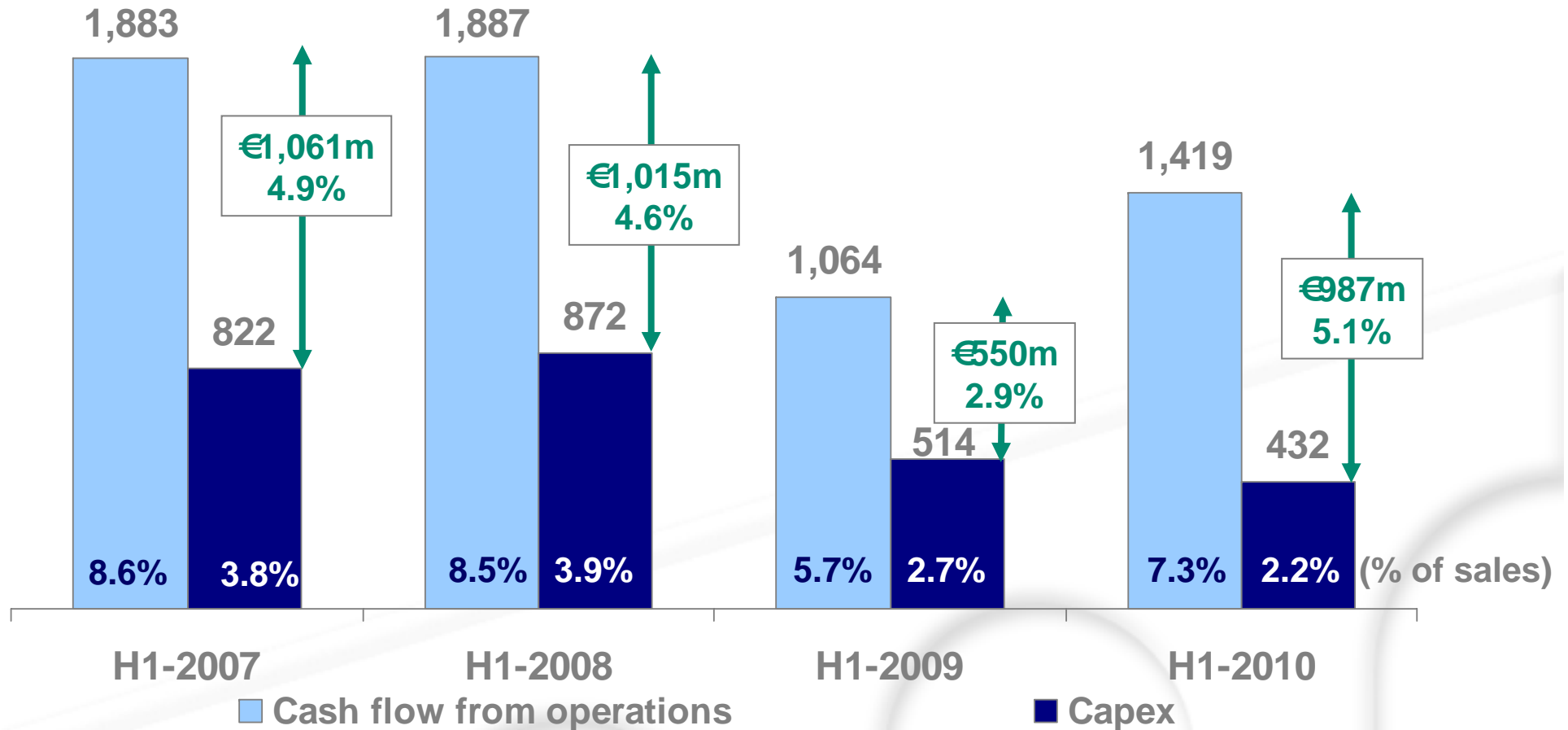


Sharp rise in EBITDA after capex

* Operating income + operating depr./amort.

Cash flow from operations and Capex (excl. tax impact of cap. gains/losses)

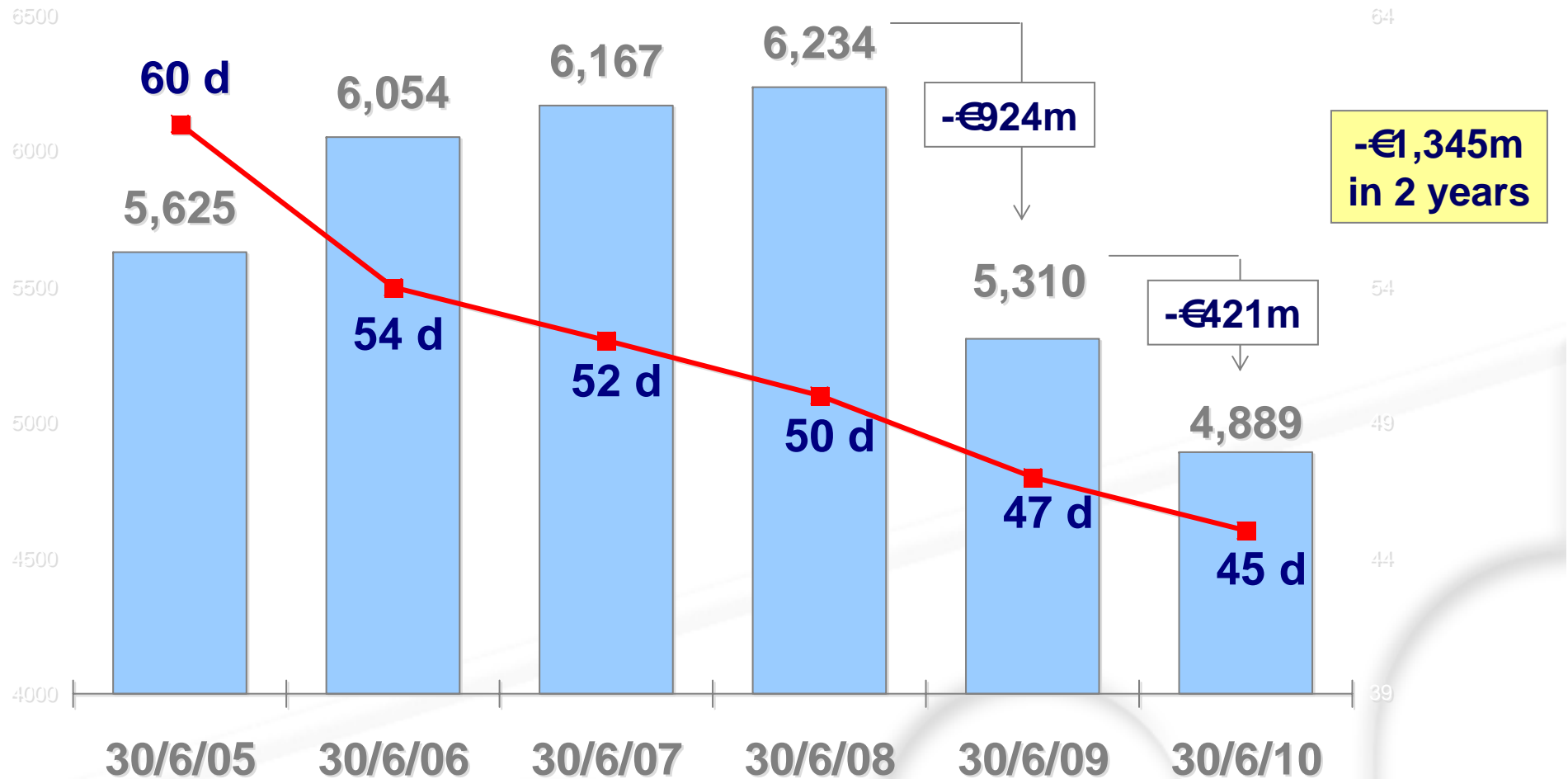
€m



Free cash flow: ~5% of sales

Tight rein on operating WCR

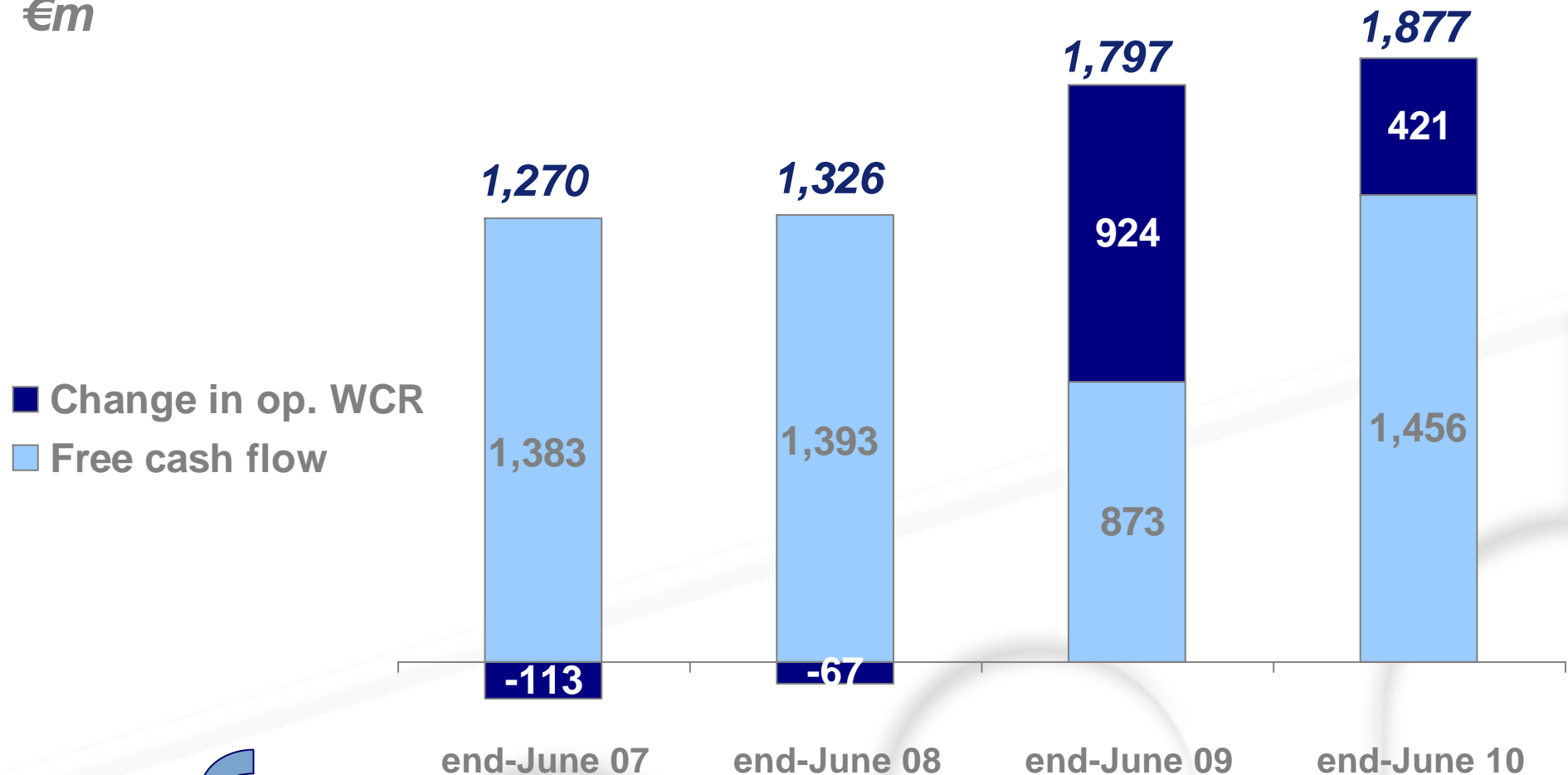
(at June 30, €m and no. of days)



Operating WCR reduced by €421m over 12 months, despite the impact of the “LME” law in France

Free cash flow (excl. tax impact of capital gains and losses) and change in operating WCR, over 12 months

€m



**€1.9bn in free cash flow after operating WCR
over 12 months (June 30, 2009 to June 30, 2010)**

Acquisitions and divestments

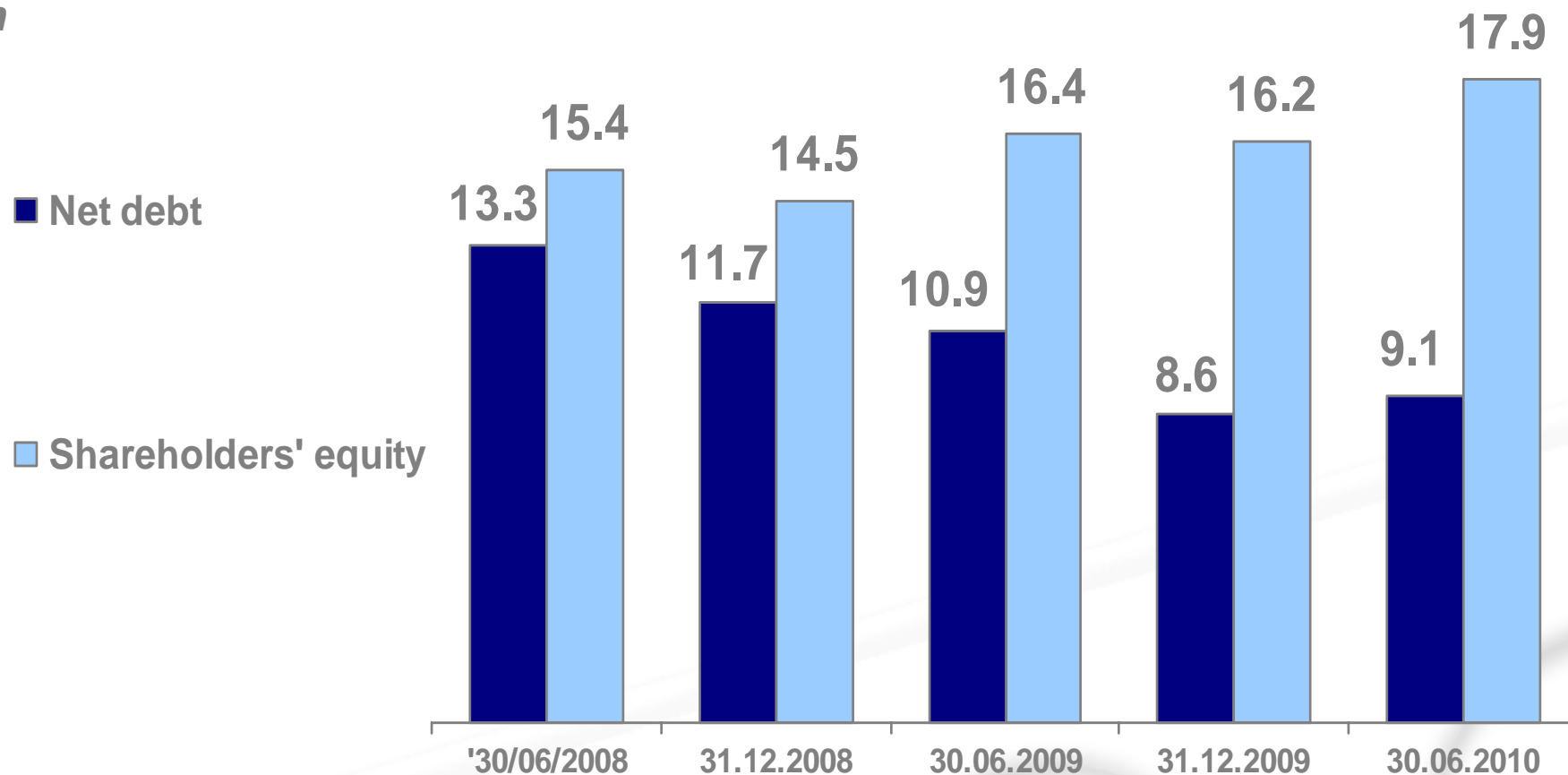
- > Optimization of HPM portfolio:
 - sale of **'Advanced Ceramics'**:
very favorable financial terms:
 - sale price: **US\$ 245m (€200m)**
 - sale multiple: **1.5 x 2009 sales**
 - gross capital gain: **~€100m**
 - acquisition of **NY Wire** (production transferred to Mexico)
- > Acquisitions in solar power, energy efficiency and in Asia and emerging countries:
 - **MAG** (Insulation, Japan)
 - **Solarwood** (PV tiles)
 - **Nikkon, Difer** (Abrasives, Brazil)



**Room for maneuver to seize
new growth opportunities**

Balance sheet: Net debt & Shareholders' equity

€bn



> Net debt/Shareholders' equity	86%	80%	67%	53%	51%
> Net debt/EBITDA*	2.4	2.3	2.7	2.3	2.1

* over 12 months

2

H1-2010 Results

a. Group

b. Business Sectors

c. Geographic Areas

Sales trends by business sector

% change in 2010/2009 sales
on a like-for-like basis

Group: +1.0%

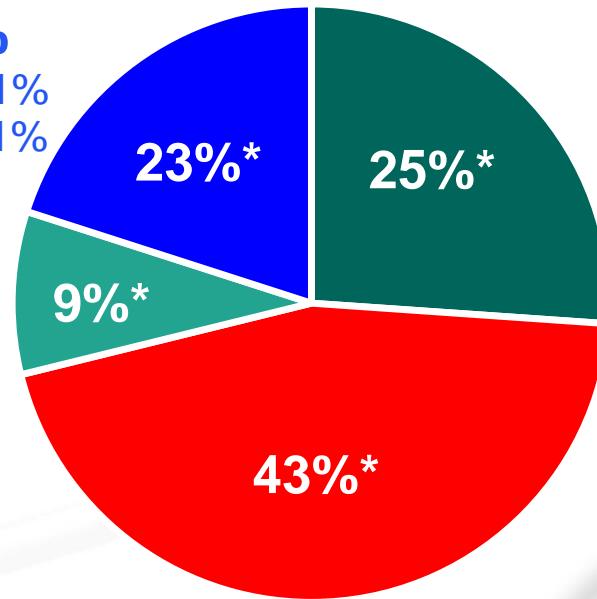
Innovative Materials

+13.8%

Flat Glass +10.1%
HPM +19.1%

Packaging

-0.2%



Construction Products

+0.0%

Interior Solutions -3.6%
Exterior Solutions +3.4%

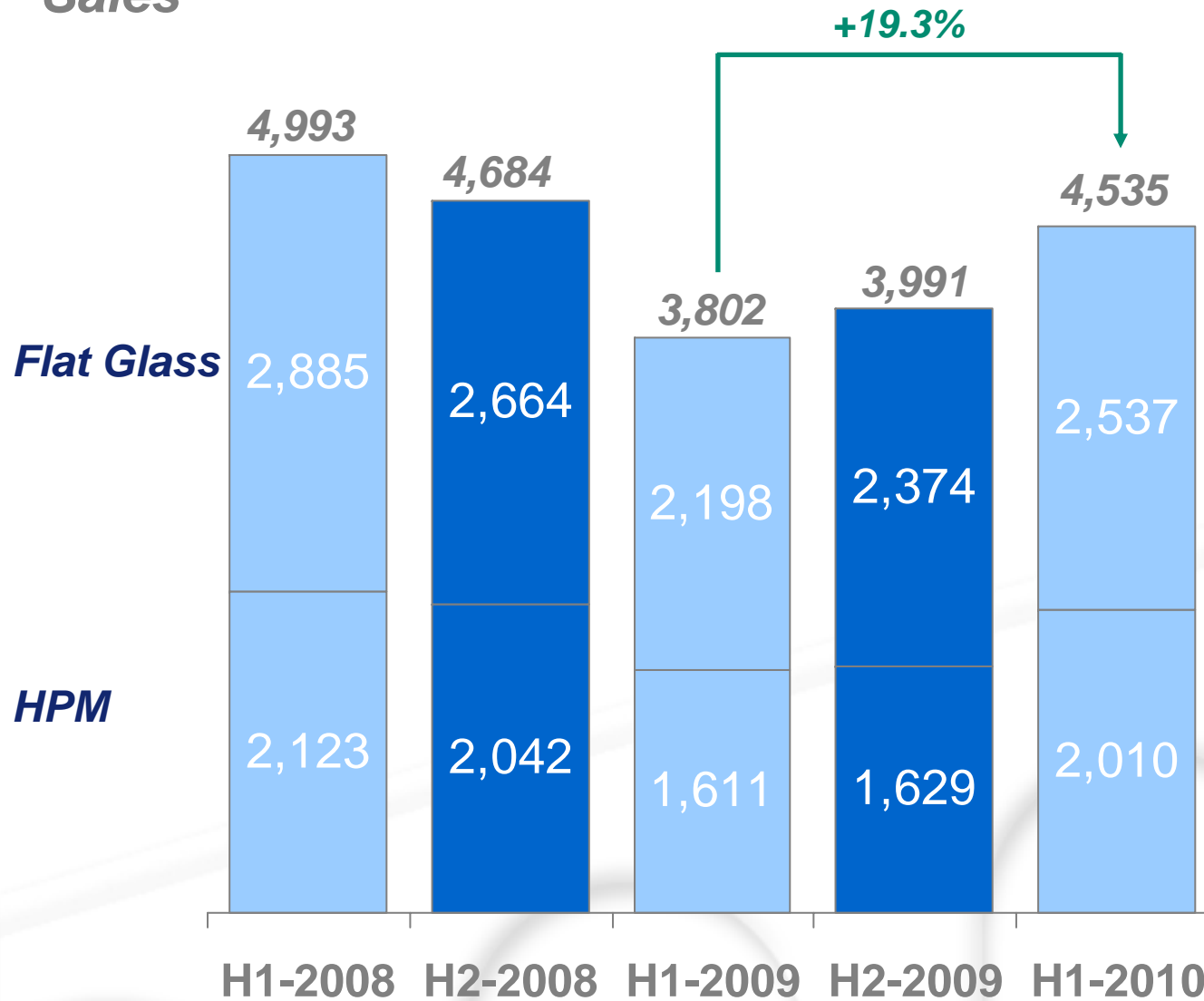
Building Distribution

-4.1%

* Breakdown of H1-2010 sales

Innovative Materials (Flat Glass - HPM) (€m)

Sales

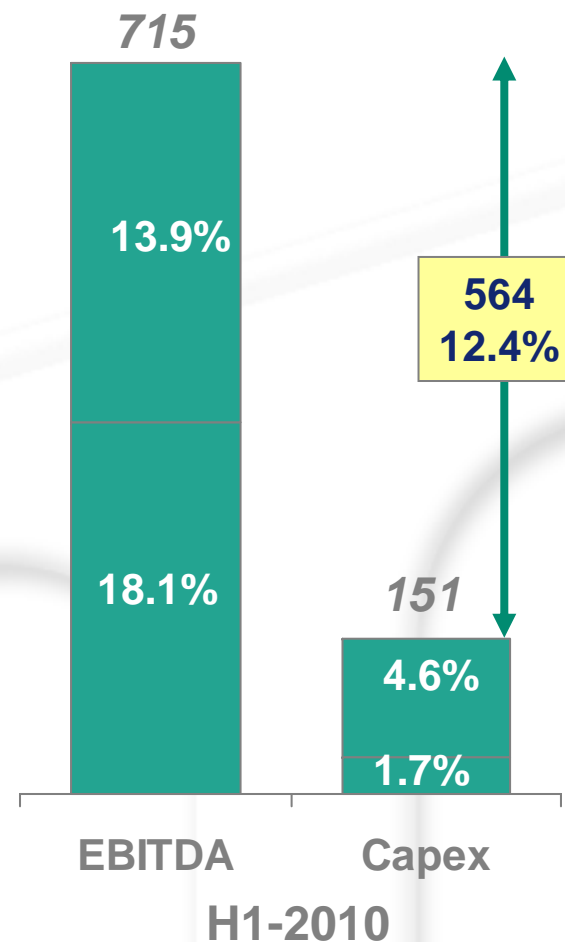
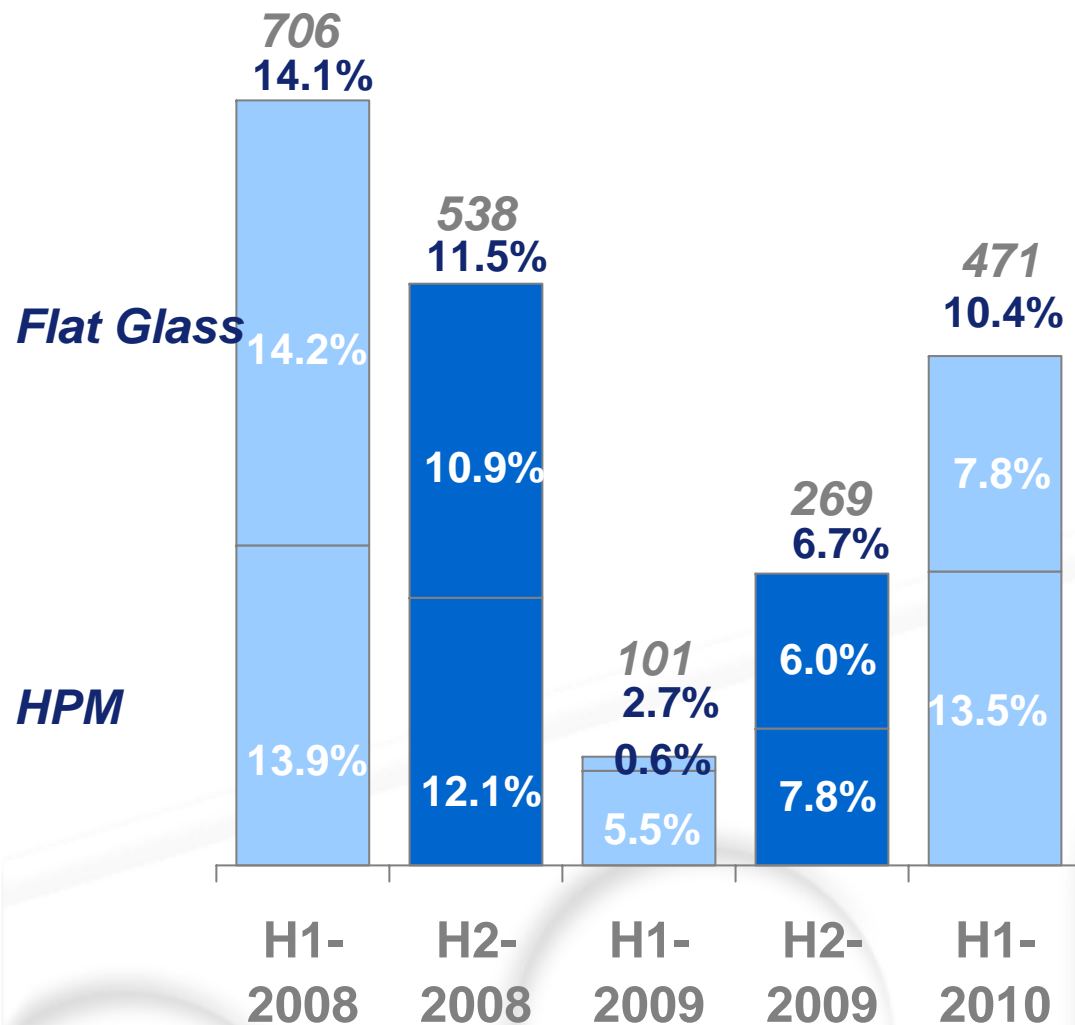


Organic growth H1-2010/H1-2009	
IM	+13.8%
Flat Glass	+10.1%
HPM	+19.1%

Innovative Materials (Flat Glass - HPM) (€m and % of sales)

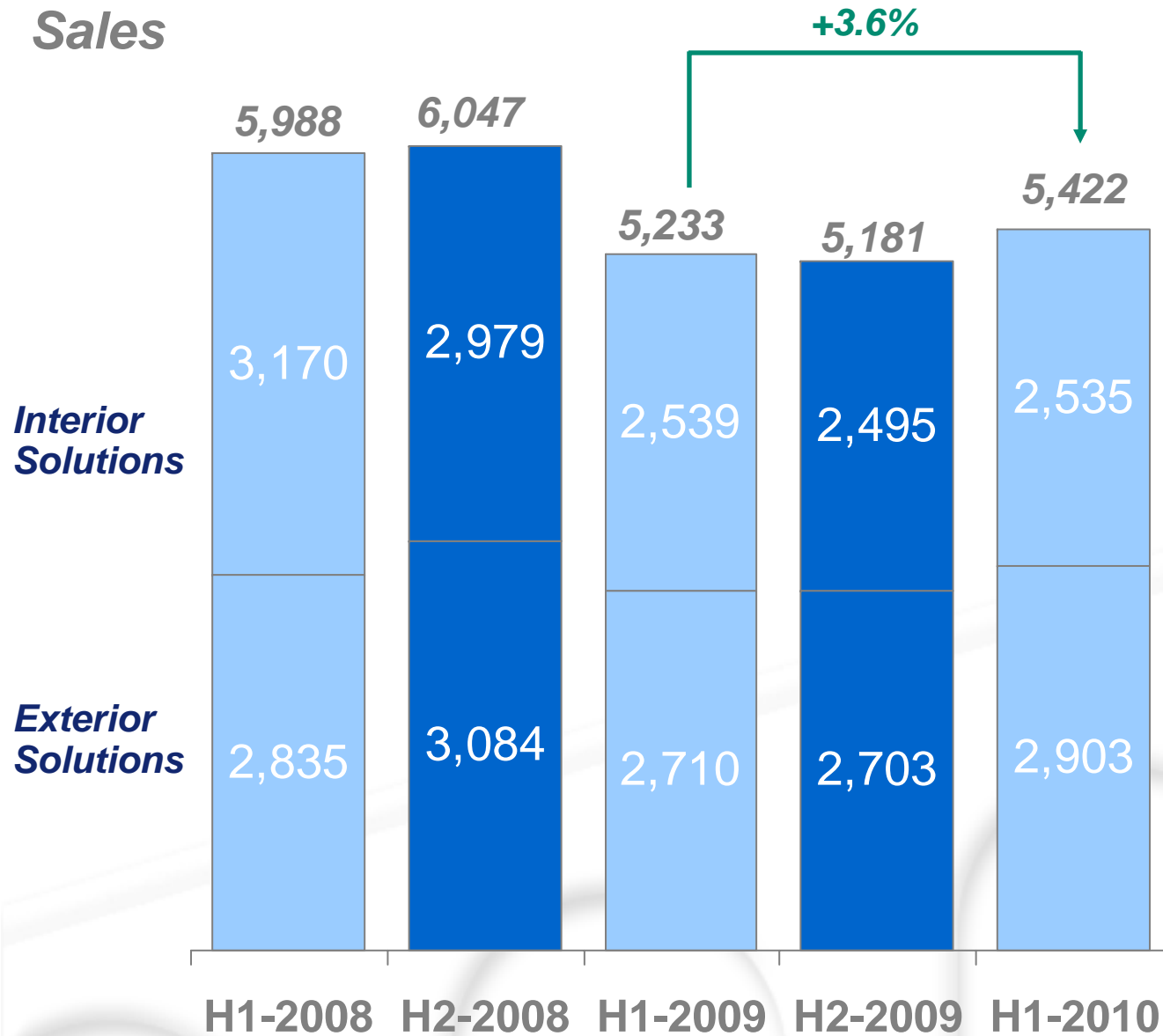
Operating income

EBITDA & Capex



Construction Products (€m)

Sales



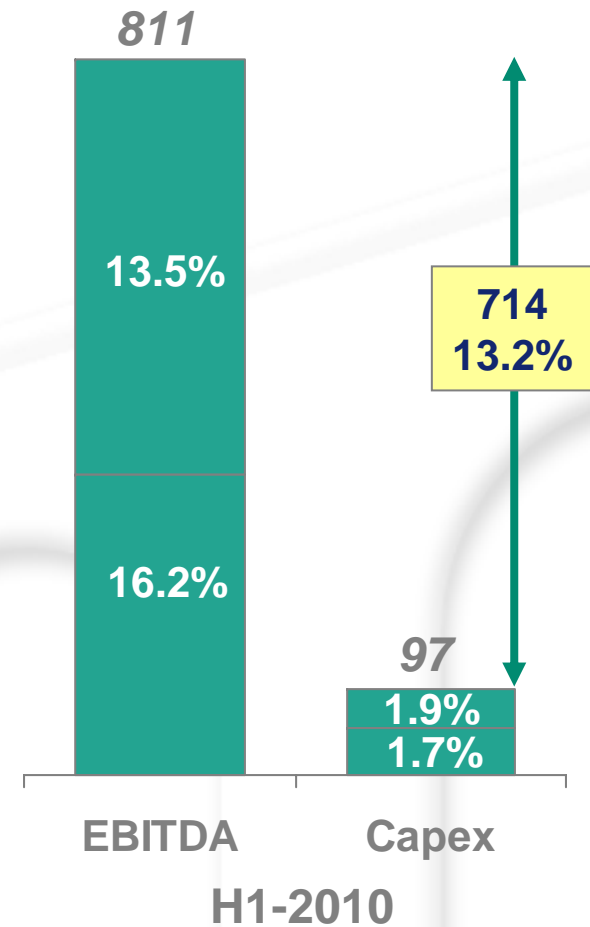
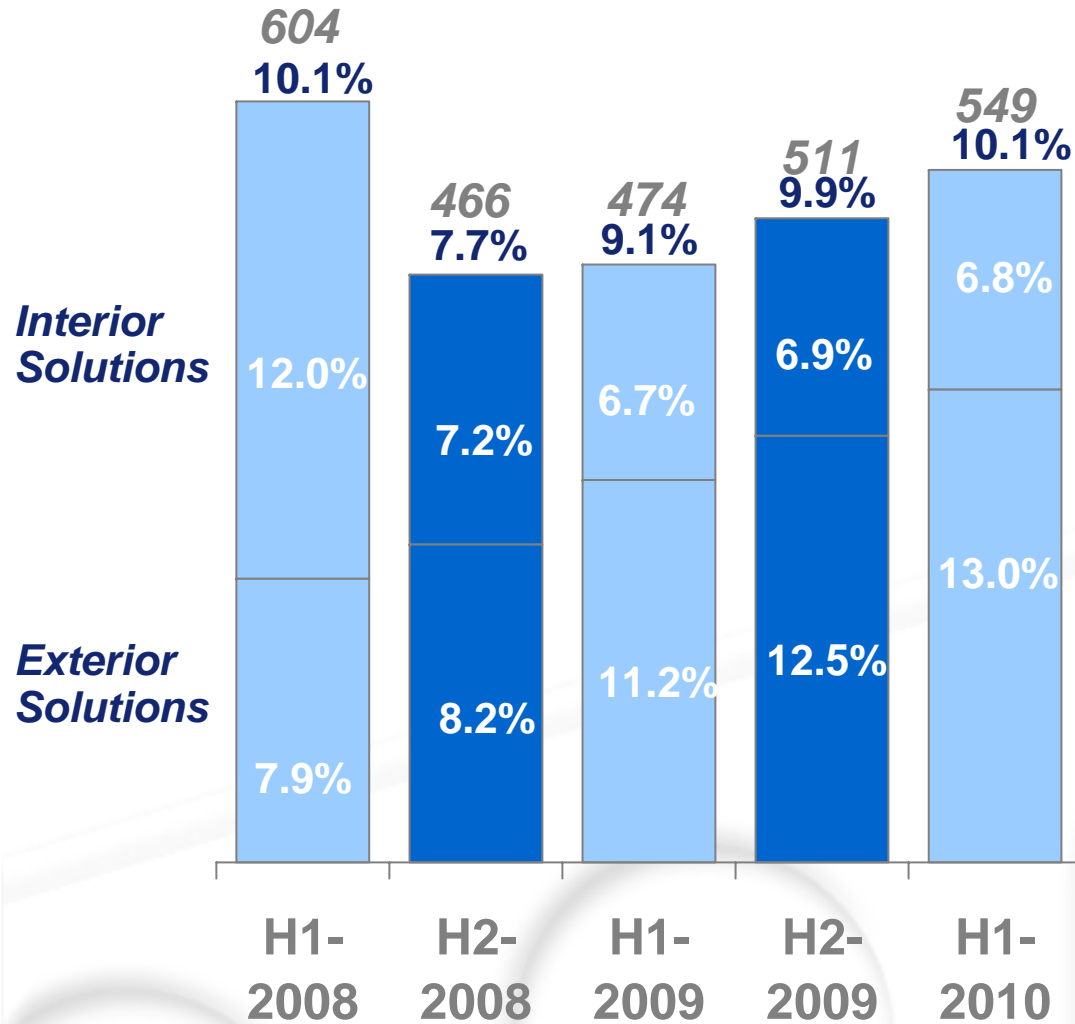
Organic growth H1-2010/H1-2009

CP	+0%
Int. Sol.	-3.6%
Ext. Sol.	+3.4%

Construction Products *(€m and % of sales)*

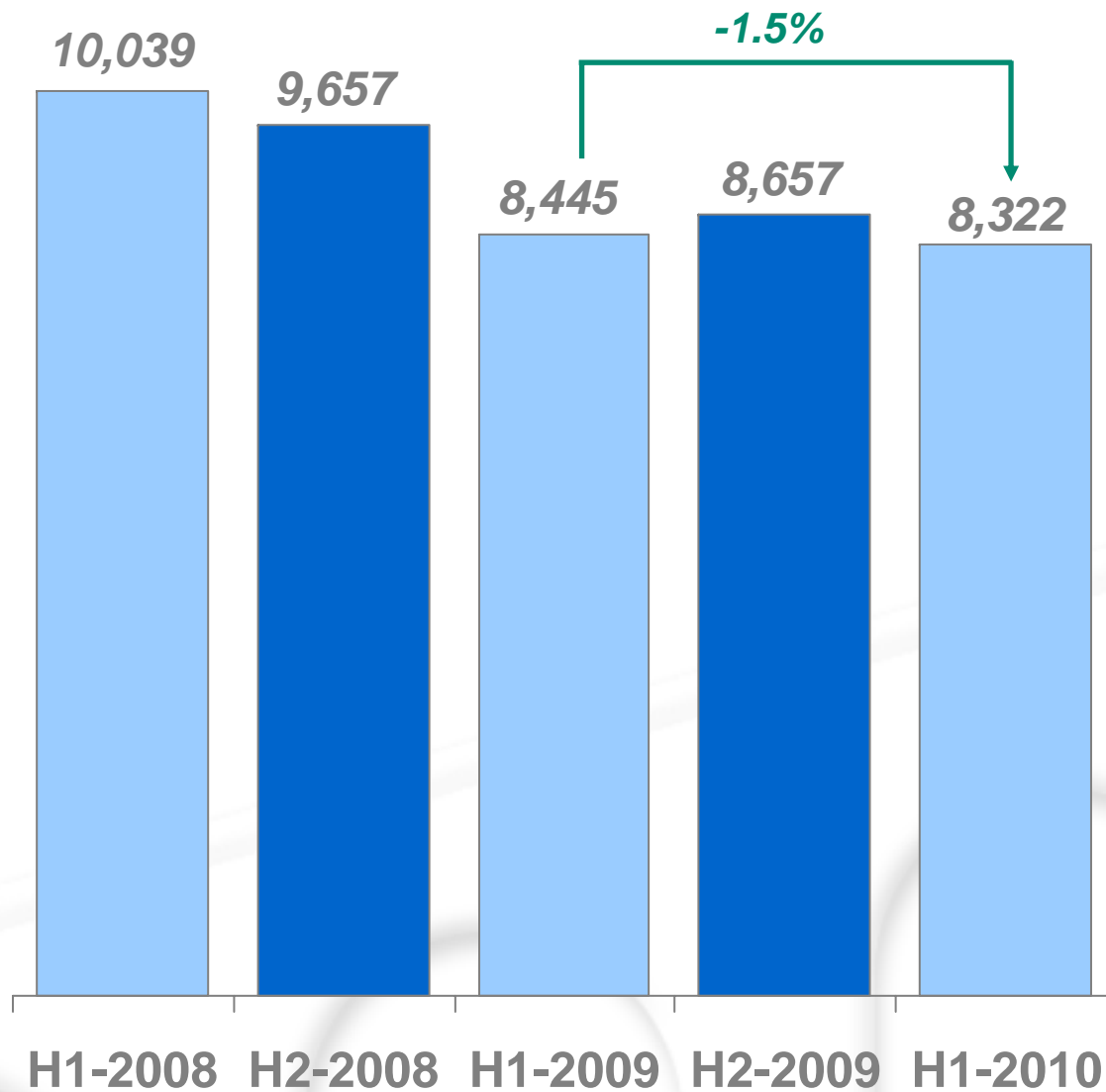
Operating income

EBITDA & Capex



Building Distribution (€m)

Sales

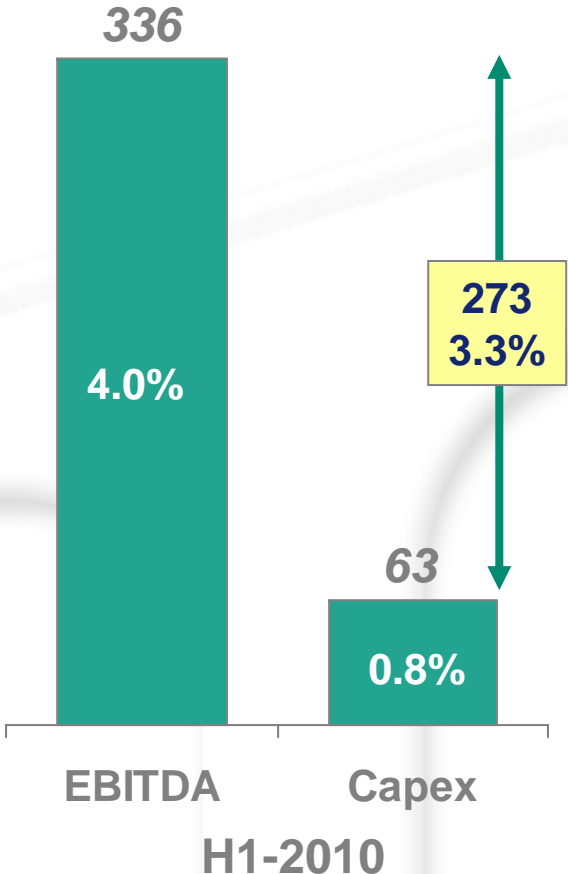
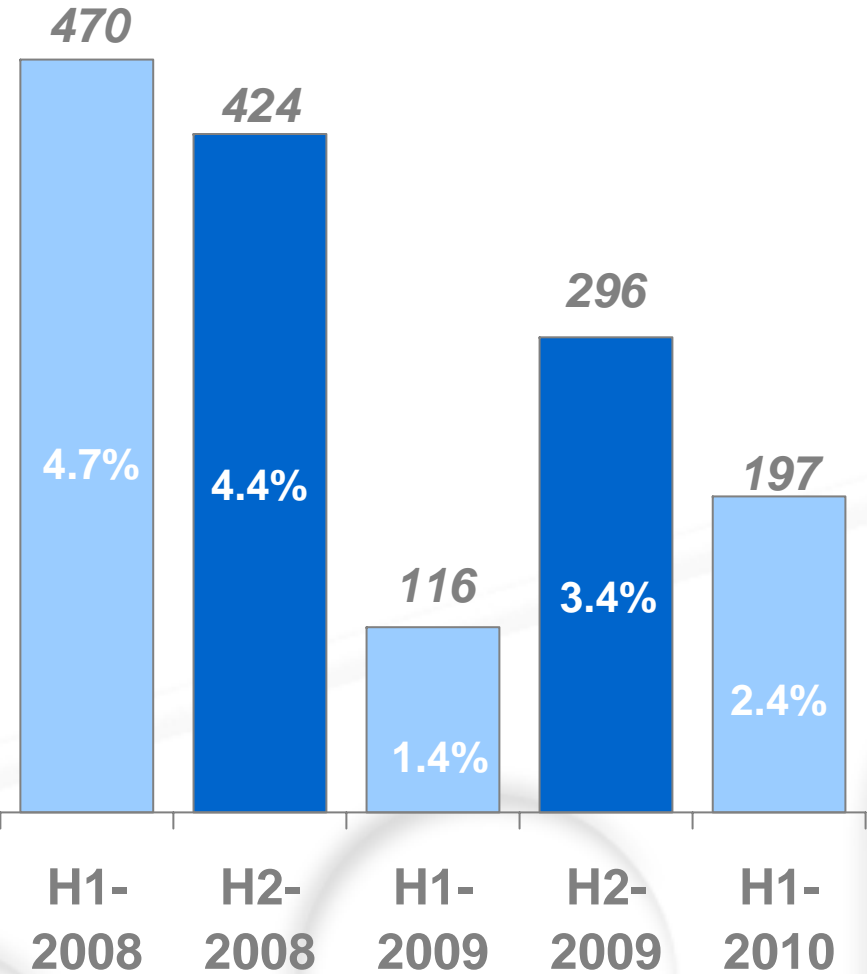


Organic growth
H1-2010/H1-2009
-4.1%

Building Distribution *(€m and % of sales)*

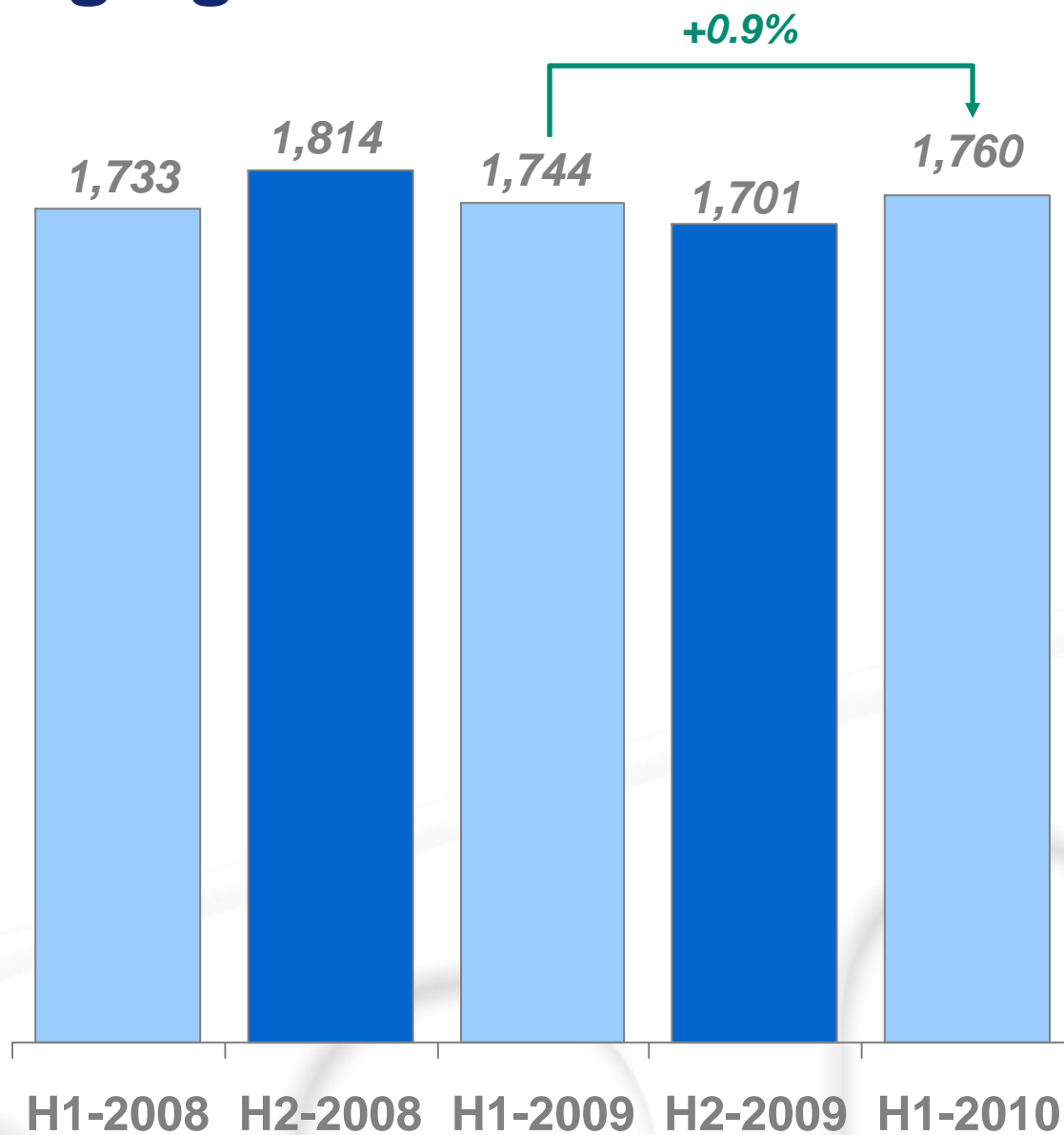
Operating income

*EBITDA
& Capex*



Packaging (€m)

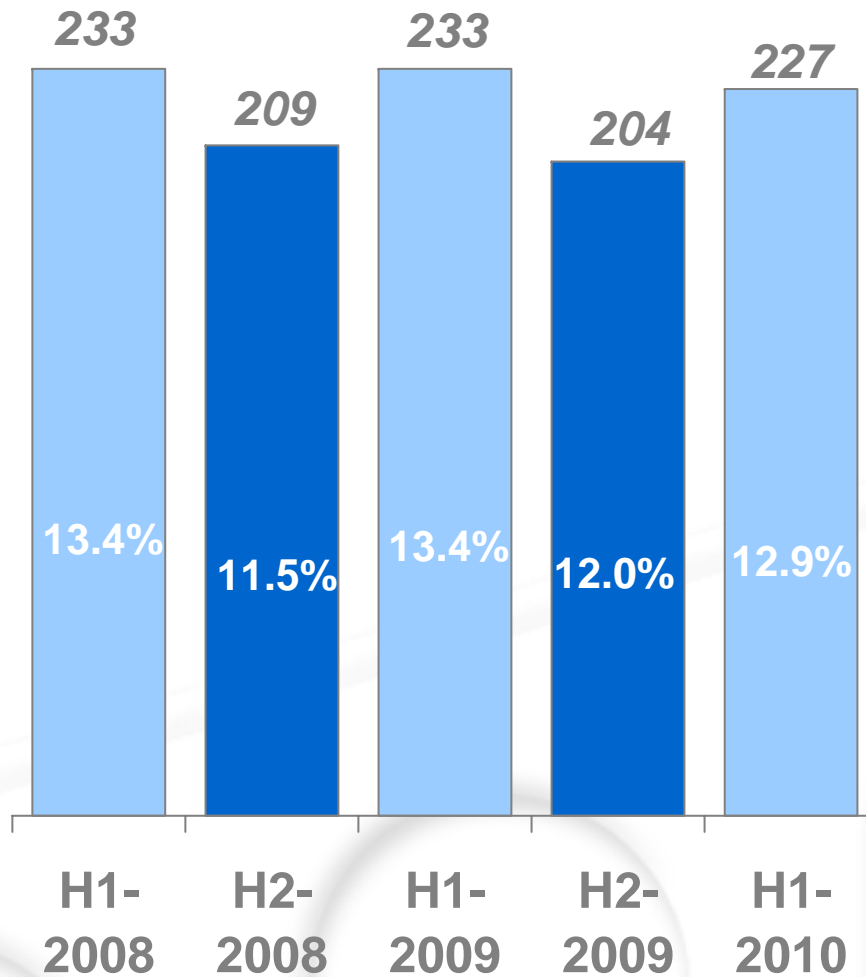
Sales



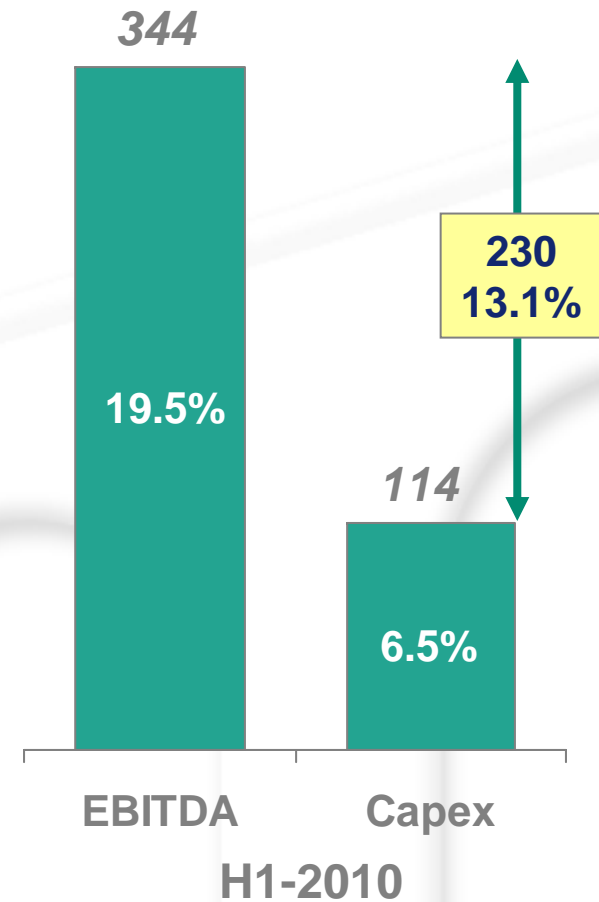
Organic growth
H1-2010/H1-2009
-0.2%

Packaging (€m and % of sales)

Operating income



EBITDA & Capex



2

H1-2010 Results

a. Group

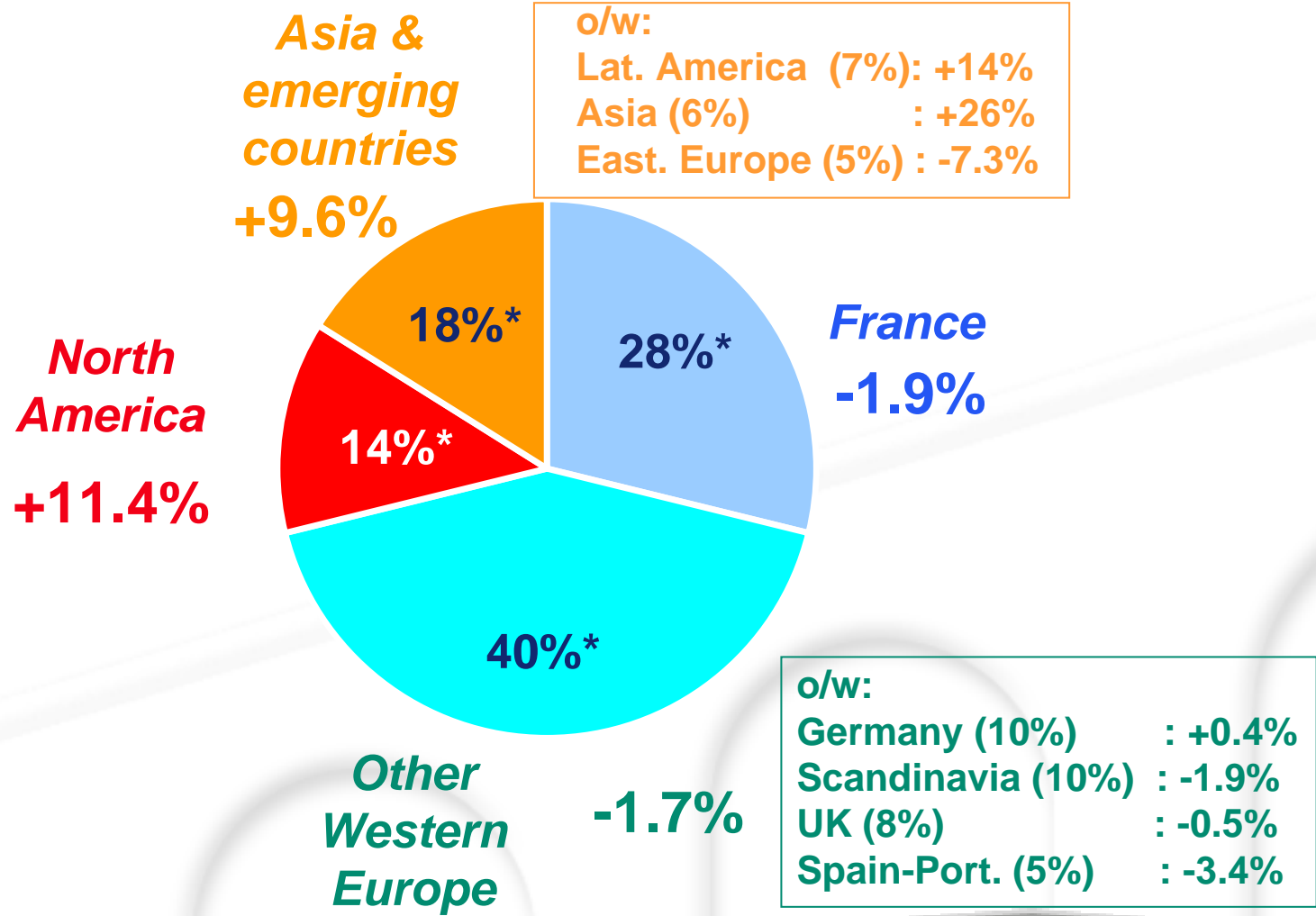
b. Business Sectors

c. Geographic Areas

Business trends by geographic area

% change in first-half 2010/2009 sales
on a like-for-like basis

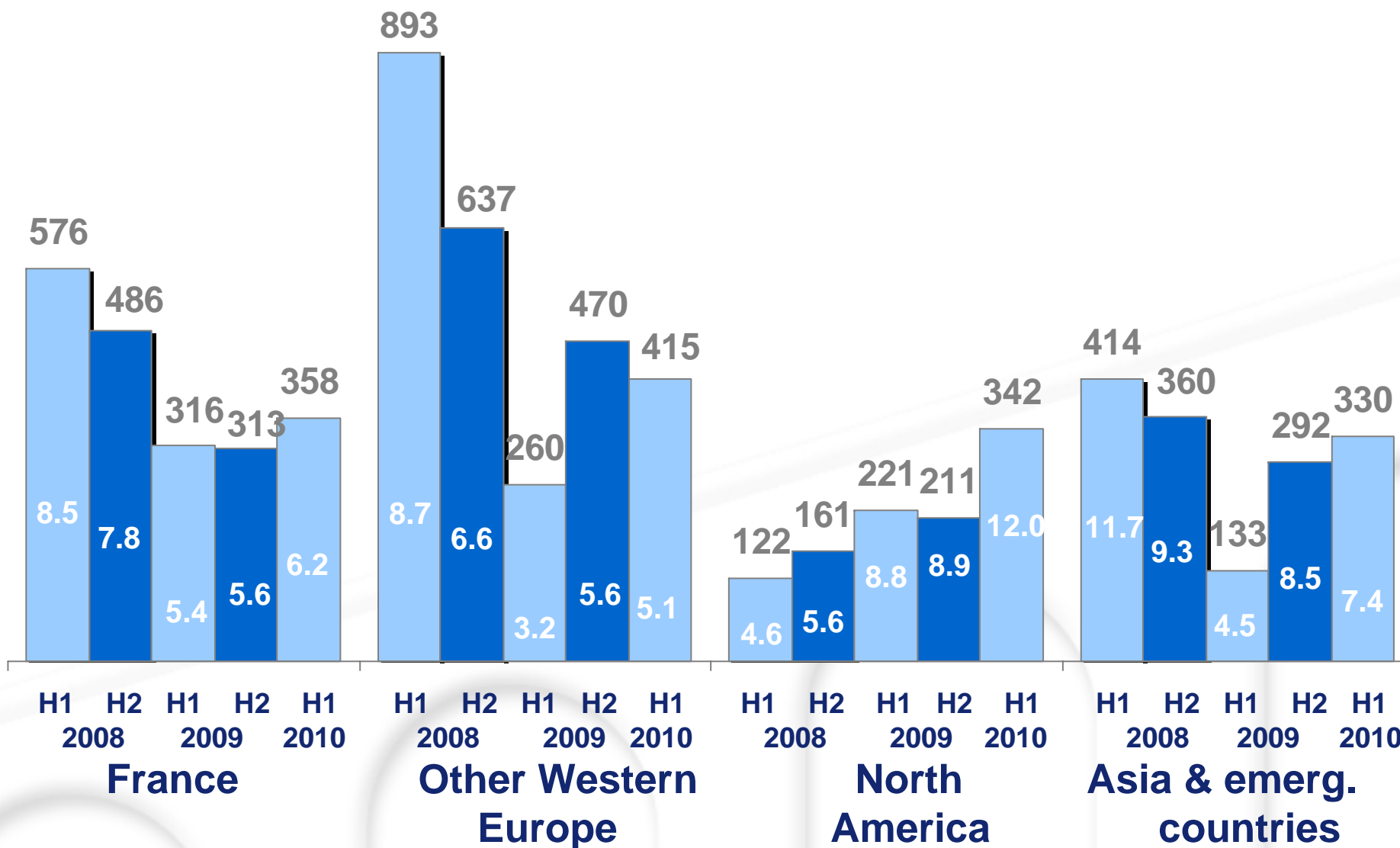
Group: +1.0%



* Breakdown of H1-2010 sales

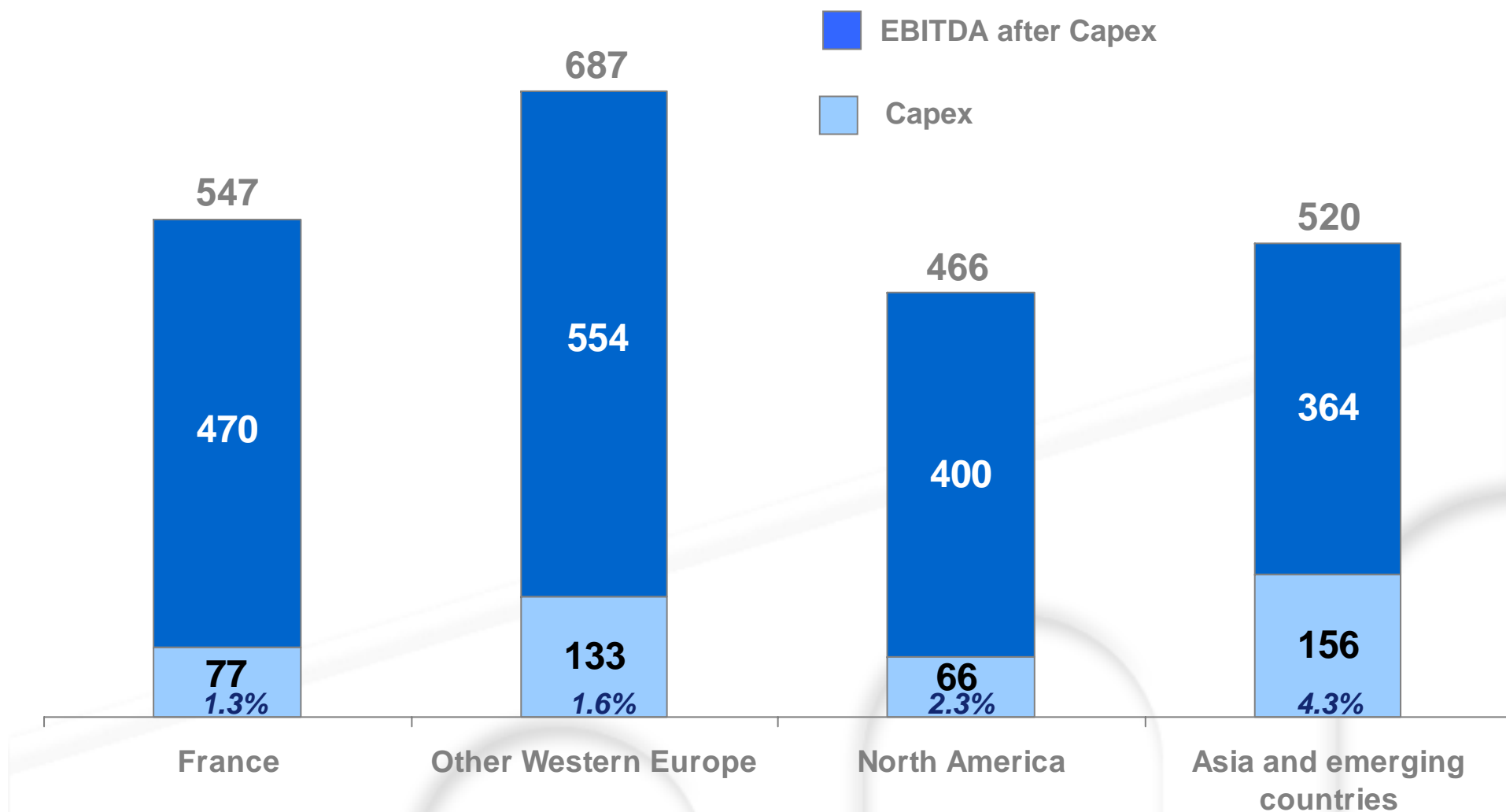
Operating income by geographic area

(€m and % of sales)



EBITDA and Capex by geographic area

(H1-2010, €m and % of sales)



3

H2-2010 Outlook

Economic outlook for H2-2010

Economic climate

> **Asia and Latin America:**

- ongoing vigorous growth

> **Eastern Europe:**

- recovery in Poland to pick up pace
- more difficult situation in other countries

> **North America:**

- continuing upbeat momentum in industrial markets
- construction markets to remain fragile

> **Western Europe:**

- ongoing robust trading in industrial markets
- continuing wide disparities from one country to next, but overall upward trend

Overall:

- **global economy still fragile, but improving on the whole**
- **higher comparison basis than in H1, especially in Q4**

Economic outlook for H2-2010

Group businesses (1)

Innovative Materials

- > Continuing strong momentum
- > Confirmation of upswing in margins

CP

- > Vigorous growth in Latin America and Asia
- > Gradual improvement in mature markets
- > Impact of rise in raw material costs

Building Distribution

- > Gradual improvement in Europe
- > Further gains in margins

Packaging

- > Trading and results to remain robust

Economic outlook for H2-2010

Group as a whole (2)

- > **confirmation of gradual upturn in sales volumes**
- > **impact on operating income of additional cost reduction programs launched in 2010**
(€200m over the year, most of which in the second half)
- > **impact of higher raw material and energy costs** (€200m over the year, most of which in the second half)



Overall: ongoing improvement in operating income, despite higher basis for comparison than in H1-2010

Action priorities to remain unchanged in H2-2010

- > **Priority given to sales prices**
- > **Strong capacity to adapt to changes in environment**
- > **Tight rein on cash flow and enhanced financial strength**
- > **Selective capex and acquisitions policy intensified in the second half as compared to the first**
- > **Ongoing R&D efforts**

2010 Objectives

- > **Strong growth in operating income** (at constant exchange rates*), with H2 operating income slightly above the H1 figure
- > **Free cash flow target increased to €1.4bn from €1bn initially**
- > **Continuing robust financial structure**

* average exchange rates for 2009

Conclusion: a strong, resourceful Group poised to benefit fully from economic recovery

- > Strong strategic positioning in both emerging and mature markets**
- > Cost base sharply reduced, providing the Group with significant operating leverage**
- > Strong capacity to adapt to changes in various Group markets**
- > Robust financial structure allowing the Group to capitalize on any growth opportunities**

Energy-saving, innovation, environment-protecting.

First-Half 2010 Results

Analyst-Investor meeting

July 30, 2010

