



PRESS RELEASE

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Fiscal year 2012 results

- Turnover: -2.5% to €689.6 million
- Current operating profit: €11.3 million (-48.7%)
- Group profit: -€16.0 million

IFRS – €m	2012 ⁽¹⁾	2011	Change like-for-like
Turnover	689.6	707.0	-2.5%
Current operating profit	11.3	22.0	-48.7%
Current operating margin	1.6%	3.1%	-
Net profit	-15.2	13.5	-
Net margin	-2.2%	1.9%	-
Net group profit	-16.0	12.7	-

⁽¹⁾ Figures include 100% of Havraise de Matériaux since 1st January 2012 (50% in 2011) and 100% of Fene-Tech since 1st April 2012.

Today, VM Matériaux released its audited results for fiscal year 2012. The consolidated financial statements were reviewed by the Supervisory Board of VM Matériaux at its 15 March 2013 meeting.

Results for 2012 reflect a decline in turnover and implementation of an adaptation plan

VM Matériaux showed a decline in turnover as lower housing starts had an impact on new construction business (-19.6% for the last 12 months) and caused volumes to fall considerably. For 2012 as a whole, the Group posted turnover of €689.6 million. The year's second half was stronger than the first half, helping to limit the fall-off to 2.5% compared with 2011 (-5.7% at same scope).

Consolidated gross profit followed the same pattern as turnover, at €254 million, down 3.0% from the 31 December 2011. Thanks to the product mix, the gross margin was stable at 36.8% of turnover.

Current operating profit for 2012 amounted to €11.3 million (1.6% of turnover), down €10.7 million from the 2011 (€22 million, or 3.1% of turnover). The Group's profitability was damaged by the deteriorating turnover. Operating expenses increased by 1.2%, reflecting changes in scope, but they were lower by 1.5% (-€3.6 million) at same scope thanks to a policy implemented in the second quarter of 2012 to cut external and personnel costs.

The measures of the reorganisation plan announced in November 2012 generated non-recurring provisions of €10.8 million during 2012. In addition, following the announcement of the plan and the unfavourable trend in turnover, goodwill was impaired in the amount of €13.4 million.

Net Group profit accordingly declined to a loss of -€15.2 million compared with €13.5 million in net Group profit for the 2011 financial year.

Financial structure: net debt remains within limits

At end-December 2012, net debt was €129.9 million, compared with €127.4 million at end-2011. Following the decline in total equity (-€22 million), mainly reflecting the net loss for the year, VM Matériaux has a net debt ratio (gearing) of 107%.





Proposal to distribute no dividend

In addition to the measures to adapt to the economic environment, VM Matériaux will propose to the 2013 Annual Meeting that no dividend be distributed in respect of the 2012 financial year.

Outlook and action priorities for 2013

Acknowledging that the construction market's deterioration has been durable, in 2013 the Group is continuing to trim operating costs and aims to lower its net debt.

Accordingly, the Group is reducing its internal investment programme and has cut this budget to between €5 million and €6 million. It is also continuing to sell off non-strategic assets. In February 2013, VM Matériaux finalised the sale to SAMSE Group of 9 Building distribution branch offices in Southwest France.

At the same time, VM Matériaux is adjusting its positioning and adapting its industrial facilities to the changing marketplace. It is bolstering its sales strategy by deploying a new organisation within its Building distribution arm. It is also continuing to develop new products to improve energy performance, thanks to the complementary nature of its activities and its innovation policy.

NEXT PRESS RELEASE: Q1 2013 on 14 May 2013 (after stock exchange closes)

All our financial communications are available at our website www.vm-materiaux.com

ABOUT VM MATÉRIAUX

The VM Matériaux Group focuses on three business sectors of the building industry:

- *Building distribution (70% of total turnover): distribution of building materials for the construction and public works sector, through a network of a hundred specialized branch offices (including 24 overseas) providing locally-based advice to professional and DIY customers; the Group is also present in China, where it trades in natural stone for exterior work and interior decoration;*
- *Concrete industry (12% of total turnover): manufacture of ready-to-use and industrial concrete (slabs, paving, breeze blocks and prefabricated facade components);*
- *Industrial joinery (18% of total turnover): manufacture of exterior joinery (windows and doors in PVC, aluminium or wood), closures (roller shutters, gates, garage doors) and wood structures (trusses, traditional frames and wood panels).*

Originally based in the Vendée region, VM Matériaux now employs 2800 people and is active in Western France and the French overseas departments as well as in China and Canada. In 2012, the Group generated total turnover of €689.6 million.

**VM Matériaux is listed on NYSE-Euronext Paris, Compartment C
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