



Increase in profits for 2006

- Turnover: + 9.6%
- Net group profit: + 6.4%

New acquisition

Favourable outlook for 2007

Consolidated - M€	2006	2005	Var. %
Turnover	503.7	459.5	+ 9.6%
Current operating profit	26.2	25.2	+ 3.9%
<i>Current operating margin</i>	<i>5.2%</i>	<i>5.5%</i>	
Net profit	16.3	15.5	+ 5.4%
<i>Net margin</i>	<i>3.2%</i>	<i>3.4%</i>	
Net group profit	15.8	14.8	+ 6.4%
Debt / own funds	36%	54%	

The 2006 data include the acquisition of Montauban Matériaux January 06)

Business: Annual target exceeded

Strengthened by its positioning (3 activities -Trade, Concrete, Industrial Joinery -, with the Grand Ouest construction markets of Western France particularly sustained) and its dynamic commercial policy, the VM Matériaux group recorded a turnover of 503.7 M€ in 2006, an increase of 9.6% (+ 8.3% on a constant perimeter) compared to that achieved in 2005.

Thus the, annual turnover target, revised upwards last October (498.5 M€, + 8.5%), is very clearly exceeded, activity in the 4th quarter being particularly sustained (+ 13.3%). All three group activities shared in this performance.

Renewed increase in profits

Against a background of increasing competition, the Group succeeded in maintaining its gross margin level.

The new agency opening plan, initiated in 2005 and continued in 2006, and advertising investments have slightly weighed down the current operating profit, which has however increased by 3.9 % compared to 2005.

The net Group profit increases from 6.4% to 15.8 M€.

Financial structure strengthened again

At 31 December 2006, the Group shows own funds of 74 M€ producing a debt ratio of 36% against 54% at 31 December 2005.

Dividend: + 6.7%

A dividend distribution of 1.60 € per share, an increase of 6.7 % compared to the 2005 dividend, will be proposed to the General Meeting that will be held on 25 May 2007.

New acquisitions in 2007

Since January 2007, several external growth operations have taken place.

Thus, in March, VM Matériaux made its fifth acquisition of the year: 50% of the capital of Point Bois, a wood trading and processing company in Guyana (Turnover: 3.3 M€, 10 employees).

All the external growth operations should represent an additional turnover of about 54 M€ for 2007.

Favourable outlook

The dynamic activity of the construction and renovation sector in France, and more particularly in the Grand Ouest regions, allows the VM Matériaux group to look forward to a further year of growth in its business with a consolidated turnover target of 585 M€ (+ 16.1% for the current perimeter, + 5.4% for a constant perimeter), and the maintenance of the profit ratio.

In addition the Group remains alert to new external growth opportunities in a consolidating market.

Next press release: 1st quarter 2007 results, 15 May 2007.

About VM Matériaux

VM Matériaux works in the Building industry, centred on three areas of business:

- *Building material trading (74% of turnover managed): distribution of materials for the building and public works sector, with a network of 89 specialised agencies, offering locally-based advice to industry professionals and DIY customers;*
- *the Concrete industry (13%): industrial pre-cast and ready-mix concrete;*
- *Industrial joinery (13%): a full range of fittings for outside use (PVC, aluminium or wooden windows, roller shutters, front doors) and industrial frames.*

The Group was originally based in the Vendée region but is now multi-regional. It employs 2,270 people and is developing its business over Western France and in the overseas departments.

VM Matériaux is quoted on Eurolist, Compartment B.

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Codes: ISIN FR0000066540, Reuters VMMP.NT, Bloomberg VMM.FP, Mnémo: VMMA

Find all our financial communication at www.vm-materiaux.fr

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