

## Fiscal year 2010 results

- Turnover: €630.6 million
- Current operating profit: €16.4 million
- Net group profit: €15.4 million

IFRS – €m	2010 <sup>(1)</sup>	2009 <sup>(2)</sup>	Change like-for-like
<b>Turnover</b>	<b>630.6</b>	<b>609.4</b>	+3.5%
<b>Current operating profit</b>	<b>16.4</b>	<b>21.0</b>	-21.8%
<b>Current operating margin</b>	<b>2.6%</b>	<b>3.4%</b>	-
<b>Net profit</b>	<b>16.0</b>	<b>13.7</b>	+16.5%
<b>Net margin</b>	<b>2.5%</b>	<b>2.3%</b>	-
<b>Net group profit</b>	<b>15.4</b>	<b>13.4</b>	+14.5%
<b>Gearing</b>	<b>89%</b>	<b>66%</b>	-

<sup>(1)</sup> Figures include LNTP since 1<sup>st</sup> March 2010 and 100% of Isiland since 1<sup>st</sup> January 2010 (only 50% in 2009).

<sup>(2)</sup> Figures include Vendôme Fermetures since 1<sup>st</sup> May 2009.

Today, VM Matériaux released its audited results for fiscal year 2010. The consolidated financial statements were reviewed by the Supervisory Board of VM Matériaux at its 14<sup>th</sup> March 2011 meeting.

### Business improves in second half

The VM Matériaux Group reported turnover of €630.6 million for the full 12 months of 2010, up from €609.4 million the previous year. By the end of the fiscal year, the Group was again posting positive growth at current scope, with a 3.5% year-on-year increase in turnover (0.6% decrease like-for-like), under slightly more favourable market conditions in terms of new housing starts (+3.5% year-on-year for the 12-months ended 31 December 2010).

Despite the weakness of the market in the first part of the year, shifting the product mix in favour of industrial activities allowed the Group to maintain its gross margin at 36.2% (36.0% in 2009). Unfortunately, higher external charges and personnel costs - including a €1.5 million increase in accruals for paid vacations - lowered the Group's current operating profit to €16.4 million from €21.0 million the previous year.

Following the consolidation of the Concrete operations and various disposals, the Group recorded €6.1 million in non-recurring operating items. Consequently, net group profit rose 14.5% year-on-year to €15.4 million.

### Stronger financial structure

The Group's financial position was strong at year end, with equity increasing to €35.3 million as at 31 December 2010. With net debt of €120.3 million at year end, the gearing ratio increased to 89% from 66% the previous year, due primarily to the impact of the application of the French Economic Modernisation Act (LME).



## Proposed dividend of €1.30 per share

At its AGM on 20 May 2011, VM Matériaux will ask shareholders to approve a dividend of €1.30 per share.

## Outlook for 2011

The construction sector is showing the first signs of recovery, with an increase in housing starts during the latter part of the year. Moreover, the overhaul of government incentives for first-time home buyers (PTZ+ zero-interest loan programme) and initiatives promoted by the Grenelle Environmental Forum should help a structurally buoyant market.

VM Matériaux will continue to pursue a selective investment policy, favouring developing sectors such as green building and others offering new opportunities for growth. Accordingly, in early 2011, VM Matériaux announced the acquisition - through its Atlantem Industrie subsidiary - of Fenêtres Lapco, the Quebec-based manufacturer of PVC joinery. This acquisition is a perfect fit with the Group's international expansion strategy, which already includes trading activities in China and in the French overseas departments.

**NEXT PRESS RELEASE: Q1 2011 turnover on 10 May 2011, after stock exchange closes**

**All our financial communications are available at our website: [www.vm-materiaux.fr](http://www.vm-materiaux.fr)**

## ABOUT VM MATÉRIAUX

The VM Matériaux Group is focused on three different segments of the building industry:

- *Materials trading (70% of total turnover): distribution of building materials for the construction and public works sector, through a network of 116 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 (11% of total turnover): manufacture of ready-to-use and industrial concrete (slabs, paving, breeze blocks and prefabricated facade components);*
- *Industrial joinery (19% 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 is now a multi-regional group with close to 3,000 employees in Western France, the French overseas departments, China and Canada. In 2010, the Group generated total turnover of €630.6 million.

**VM Matériaux is listed on NYSE-Euronext Paris, Compartment C**  
**Indexes: PAX, Gaia Index**  
**Codes: ISIN FR0000066540, Reuters VMMP.PA Bloomberg VMM.FP, Ticker: VMMA**

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