PRESS RELEASE

Paris, July 31, 2008

First-Half 2008 Consolidated Results

- **Robust sales: up + 4.1% on contrasted markets and up + 4.2% at comparable Group structure and exchange rates**
- **Improved fixed costs base thanks to restructuring implemented throughout 2007**
- **Very sharp rise in variable costs (energy, freight and raw materials) and new set of cost reduction measures**
- **Growth in net income from current operations: €2.54 per share, up + 4.3%**

On Wednesday July 30, the Board of Directors of Imerys examined the Group's financial statements for the 1st half of 2008, as presented by Chief Executive Officer Gérard Buffière.

(€ millions)	1st half 2008	1st half 2007	% current change
CONSOLIDATED RESULTS			
Sales	1,774.1	1,704.9	+ 4.1%
Current operating income(1)	236.2	242.9	- 2.8%
Net income from current operations(2), Group's share	159.8	154.8	+ 3.2%
Net income, Group's share	144.4	151.4	- 4.6%
FINANCING			
Current operating cash flow(3)	254.6	264.0	- 3,6%
Booked capital expenditure	(114.1)	(138.2)	- 17,4%
Net financial debt	1,616.1	1,280.7	+ 26.2%
DATA PER SHARE (weighted average number)	62,811,118	63,446,107	- 1.0%
Net income from current operations, Group's share	€2.54	€2.44	+ 4.3%

(1) Operating income before other operating revenue and expenses
(2) Group's share of net income before other operating revenue and expenses, net
(3) EBITDA minus tax on current operating income

Environment

In the 1st half of 2008, Imerys' economic environment became gradually harsher. While markets related to global industrial equipment (refractories, abrasives, graphite, etc.) remained firm throughout the period, markets linked to new construction activity (building materials, ceramics, performance minerals, etc.) were difficult in the United States and took a downturn in Europe in the second quarter. In parallel, energy price rises picked up speed and inflation gradually spread to other major cost factors for the Group, particularly transport and raw materials. The US dollar continued to depreciate.

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Performance

In that context, Imerys continued to prove its ability to weather adverse conditions.

- Sales grew **+ 4.1%** compared with the same period in 2007. Organic growth remained positive at **+ 4.2% at comparable Group structure and exchange rates,** despite a downturn on some end markets. This robustness is particularly due to the diversity of the Group's markets and its continued development in emerging economies, which now account for 22% of sales (vs. 18% in 1st half 2007);
- Current operating income decreased slightly **(- 2.8%),** penalized by the heavy impact of exchange rates (- 7.0%). **At comparable Group structure and exchange rates**, however, it grew **+ 1.2%**, thanks to a reduction in fixed costs and to price rises that offset the high inflation in variable costs;
- Net income from current operations rose **+ 3.2%**, and **+ 4.3%** per share.

CEO Gérard Buffière commented, *"Economic conditions for the 1st half of the year were particularly adverse, with higher inflation heavily affecting our external costs, unfavorable currency trends and a significant downturn on some markets at the end of the period.*

Nevertheless, we continued to improve our performance thanks to Imerys' specific strengths: diversity of markets served; greater penetration of emerging economies; substantial price rises that have, so far, offset the impact of inflation in our purchases; and reduction in industrial fixed costs as announced. The acquisitions made in 2007 and 2008 are enabling the Group to benefit more from high-growth zones, even if their contributions have not yet reached their planned target.

To adapt the Group to an increasingly harsh economic environment, we have taken a new set of cost reduction measures and will implement further price rises wherever possible. All our teams are mobilized to achieve net income from current operations in 2008 that is as close as possible to the 2007 figure.

Beyond that, I remain fully confident in Imerys' capability and the determination of all our people to continue its development and performance growth, whatever the circumstances."

Governance

The Board, at its meeting of July 30, 2008, co-opted Mr. Amaury de Sèze (Vice-Chairman Europe, Power Corporation of Canada) as a new Director of Imerys, for 2 years, in succession to Mr. Paul Desmarais, Jr..

DETAILED COMMENTARY ON THE GROUP'S RESULTS

The consolidated income statement, balance sheet and cash flow statement are provided in appendix to this press release.

Sales up + 4.1% (+ 4.2% at comparable Group structure and exchange rates)

Sales totaled €1,774.1 million for the 1st half of 2008, a + 4.1% increase from the same period in 2007 (+ 3.9% in the 1st quarter; + 4.3% in the 2nd).

The growth in half-yearly sales takes into account:

- A high negative exchange rates impact (- €86.5 million, i.e. - 5.1%, of which - 4.5% in the 1st quarter and - 5.7% in the 2nd), reflecting the depreciation of the US dollar against the euro (- 15.2% compared with the 1st half of 2007).
- The net effect of changes in Group structure for + €85.0 million (+ 5.0%, of which + 5.1% in the 1st quarter and + 4.8% in the 2nd) corresponding to the balance of the positive contribution (+ €102.5 million) of the acquisitions completed since 2007 and the impact of divestments (- €17.5 million).

At comparable Group structure and exchange rates, sales rose + 4.2% (+ 3.2% in the 1st quarter; + 5.1% in the 2nd). This increase reflects the + 3.4% improvement in the price/mix component (+ 3.6% in the 1st quarter; + 3.2% in the 2nd) in all business groups, as well as a slight increase in sales volumes (+ 0.8%).

Sales grew significantly in emerging economies[1] (+ 25%) thanks to the contribution of the acquisitions made in 2007 and to firm organic growth. With 22% of the Group's sales, these zones now represent a greater share than North America (18%). In Western Europe, the Group's sales increased slightly.

[1] Africa, Latin America (inc. Mexico), Asia-Pacific (excluding Japan/Australia), Eastern Europe, Middle East.

Slight decrease (- 2.8%) in current operating income (+ 1.2% at comparable Group structure and exchange rates)

Current operating income, at €236.2 million for the 1st half of 2008, was slightly eroded (- 2.8%) compared with the 1st half of 2007 (+ 3.6% in the 1st quarter; - 8.1% in the 2nd) because of:

- The heavy negative impact of exchange rates (- €17.0 million, of which - €7.2 million in the 1st quarter and - €9.8 million in the 2nd), resulting from the US dollar's depreciation against the euro and the Brazilian real, with impact primarily due to a conversion effect;
- Net effect of changes in Group structure for + €7.3 million (of which + €4.3 million in the 1st quarter and + 3.0 million in the 2nd). This was less than expected for the 1st half, as it is taking longer than planned to implement integration plans, without however calling long-term profitability forecasts into question.

At comparable Group structure and exchange rates, current operating income grew slightly (+ 1.2%) with higher prices offsetting inflation in external costs (energy, raw materials and transport). The fixed and general cost base improved significantly as expected, and despite its natural inflation, thanks to the industrial plans launched in 2007. Sales volumes had a slightly unfavorable effect.

The Group's operating margin was 13.3% (13.8% at comparable Group structure and exchange rates), compared with 14.2% in 2007.

Growth in net income from current operations: up + 3.2%

The Group's share of net income from current operations, at €159.8 million in the 1st half of 2008, compared with €154.8 million for the same period in 2007, increased + 3.2% (+ 6.4% in the 1st quarter; + 0.7% in the 2nd).

- Financial expense totaled - €20.2 million (- €29.0 million for the same period in 2007). It includes €13 million profit resulting from the settlement of financial instruments.
- The current tax charge is stable (- €60.2 million), with an effective tax rate of 27.9% (28.2% for the 1st half of 2007).

At €2.54 compared with €2.44 in 2007, net income from current operations per share increased + 4.3% during the period, with a slight decrease in the weighted average number of outstanding shares at 62,811,118, down from 63,446,107 in the 1st half of 2007.

Slight decrease in net income

The Group's share of net income, at €144.4 million for the 1st half of 2008, compared with €151.4 million for the same period in 2007, includes - €15.4 million (net of tax) in other income and expense, comprising primarily the cost of the restructuring programs undertaken during the period (in US kaolin activities, in particular) and the settlement in the 1st quarter, of a dispute with a supplier. In the 1st half of 2007, this amount was - €3.4 million.

Cash flow and financial structure

Current operating cash flow[(1)] was €254.6 million, compared with €264.0 for the 1st half of 2007. It takes into account:

- EBITDA[(2)] of €320.6 million (€332.4 million in the 1st half of 2007);
- Notional tax on current operating income of - €65.8 million (- €68.4 million in the 1st half of 2007).

Capital expenditure represents 121% of depreciation expense[(3)] (vs. 137% in 1st half 2007), of which €60 million was spent on sustenance of the production assets and €54 million on development projects. The paid amount was €141.6 million (vs. €145.7 million in 1st half 2007)
Change in operating working capital was negative at - €83.0 million (- €64.2 million in 1st half 2007), in accordance with seasonal trends in the Group's activities.

Current free operating cash flow[(4)] totals €38.5 million (€58.8 million in 1st half 2007).

After allowing for financial expense, net of tax (- €14.6 million after tax, vs. - €20.8 million in 1st half 2007) and other working capital and non-cash items for a total of - €37.3 million, compared with + €0.5 million in the 1st half of 2007, **current free cash flow**[(5)] amounts to - €13.4 million (€38.5 million as on June 30, 2007).

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(1) EBITDA minus notional tax on current operating income.
(2) Earnings before income tax, depreciation & amortization.
(3) Recorded capital expenditure divided by fixed asset depreciation expense.
(4) Current operating cash flow minus paid capital expenditure and changes in operating working capital.
(5) Current operating free cash flow minus financial expense net of tax and change in other working capital items and non-cash items (deferred taxes and financial provisions).

The cash impact of external growth operations, mainly used for the acquisition of Astron China on February 5, 2008 is - €119.8 million (- €90.3 million in the 1st half of 2007).

Finally, Imerys paid out €119.5 million in **dividends** on May 13, 2008 (€114.4 million in 2007).

Consolidated **net financial debt** rose to €1,616.1 million, compared with €1,343.0 million as on December 31, 2007 and 1,280.7 million on June 30, 2007. It represents 101.9% of shareholders' equity and 2.5 times EBITDA (77.4% and 1.9 times, respectively, on June 30, 2007).

COMMENTARY BY BUSINESS GROUP

Minerals for Ceramics, Refractories, Abrasives & Foundry

(33% of consolidated sales)

(€ millions)	1st half 2008	1st half 2007	Current change	Comparable change(2)
Sales	595.5	520.4	+ 14.4%	+ 8.8%
Current operating income(1)	74.4	74.4	+ 0.0%	+ 4.8%

(1) Operating income before other operating income and expense; (2) At comparable structure and exchange rates.

- **Higher sales at comparable Group structure and exchange rates, thanks to ongoing market vitality (in industrial equipment)**
- **First contribution to current operating income of the acquisitions completed since 2007; gradual implementation of integration plans**
- **Improvement in product sales prices and mix, offsetting very high inflation in variable costs**

Markets

During the 1st half of the year, the business group's markets showed contrasting trends. Markets for Minerals for Refractories, Fused Minerals (particularly refractories and abrasives) and Graphite (mobile energy, refractories, etc.) benefited throughout the period from the vitality of the global industrial equipment sector. Moreover, the Minerals for Refractories activity's products benefited from the reduced availability of some Chinese raw materials, which they replaced. Ceramics markets, however, were affected by the crisis on the North American construction sector. They also slumped in Europe since the end of the 1st quarter, as a result of the slowdown in new construction in the region.

Highlights

To support the growth in demand for its refractory and abrasive products, the business group undertook capital expenditure programs to selectively increase its production capacities. In Minerals for Refractories, a new kiln for producing chamottes is being built in the Andersonville (USA) plant and andalusite production capacity is being extended in Yilong (China). Similarly, in Fused Minerals, a new alumina furnace was installed on the Treibacher Schleifmittel site (Zschornewitz, Germany) and will come on stream early in the second half of the year.

Production asset improvement programs continue. In Minerals for Ceramics, optimization is in progress at the feldspar units acquired in 2007 in the United States. Moreover, projects to improve energy efficiency in kaolin production units in Cornwall (United Kingdom) were completed.

The acquisitions made in 2007, particularly UCM, made a positive contribution to the Group's performance. The integration of Astron China, an acquisition completed on February 5, 2008, is in progress.

Performance

Sales, at €595.5 million for the 1st half of 2008, showed a substantial increase (+ 14.4%) compared with the same period in 2007. This improvement reflects:

- A substantial Group structure effect of + €60.2 million, i.e. + 11.6%, taking into account the contribution of the acquisitions(1) made since 2007, net of the divestment of trading activities in products for craftsmen;
- Foreign exchange impact of - €30.7 million, i.e. - 5.9%, resulting from the sharp depreciation of the US dollar.

At comparable Group structure and exchange rates, sales rose + 8.8% over the period (+ 6.3% in the 1st quarter; + 11.1% in the 2nd), thanks to an improved price/mix component and growth in sales volumes.

Current operating income, at €74.4 million for the 1st half of 2008, was stable compared with the same period in 2007. restated from exchange rates impact (- €5.7 million) and Group structure (+€2.1 million) effects, the business group's operating performance improved by + €3.6 million. Price increases made up for the sharp rise in some variable cost factors (energy, raw materials and transport).

Operating margin is 12.5% (13.8% at comparable Group structure and exchange rates), compared with 14.3% in the 1st half of 2007, reflecting the integration of acquired companies, particularly Astron China (February 2008), where profitability remains significantly lower than in the business group's other activities. Integration plans are proving slower to implement than planned. The average profitability of these acquisitions, therefore, should rise in the coming quarters.

Capital expenditure amounted to €34.2 million, i.e. 113% of depreciation expense, compared with €29.5 million in 2007.

Performance Minerals & Filtration

(15% of consolidated sales)

(€ millions)	**1st half 2008**	**1st half 2007**	**Current change**	**Comparable change(2)**
Sales	268.5	292.0	- 8.1%	- 0.9%
Current operating income(1)	29.2	26.3	+ 10.8%	+ 8.9%

(1) Operating income before other operating income and expense; (2) At comparable Group structure and exchange rates.

- **Virtually stable sales at comparable Group structure and exchange rates, despite the downturn in construction-related markets**
- **Inflation in variable costs offset by price increases**
- **Significant improvement in operating performance, thanks to cost reduction actions**

Markets

In the 1st half of 2008, the Performance Minerals activity (paint, plastics, adhesives, etc.) faced difficult markets. The downturn continued in North America and business slowed down in Europe, especially in the second quarter due to the slump in new construction, particularly in the UK. Minerals for Filtration markets were stable overall.

Highlights

In Performance Minerals, work to adjust US production capacities to demand is ongoing. In Europe, the reorganization of the industrial platform for kaolin production, launched in 2007, allowed to reduce the cost base.

In the Minerals for Filtration activity, the optimization plan for North American industrial assets is nearing completion with the commissioning of new facilities on the Lompoc site (California, USA). The plan is expected to have its full effect on operating performance in the second half of 2008.

In Argentina, the acquisition of Perfiltra enabled the Group to develop its local production base. Capital expenditure was implemented as planned to adapt production assets; performance is already higher than expected. The integration of Xinlong (China) helped to make the business group a major player on the global vermiculite market.

(1) Baotou (China, February 2007), UCM Group PLC (UK, April 2007), Yilong (China, May 2007), ZAF (China, June 2007), Jumbo Mining (India, June 2007), Vatutinsky (Ukraine, July 2007), The Feldspar Corporation (USA, September 2007), Astron China (China, February 2008).

Performance

Sales, at €268.5 million for the 1st half of 2008, were down - 8.1% from the 1st half of 2007. This decrease takes into account the negative impact of exchange rates for - €26.4 million (- 9.0%) and a Group structure effect(1) of + €5.6 million (+ 1.9%). At comparable Group structure and exchange rates, sales are stable (- 0.9% for H1, of which - 1.9% in the 1st quarter and stable in the 2nd). Price increases were recorded in each activity; volumes on construction-related markets decreased.

Current operating income totaled €29.2 million (€26.3 million in the 1st half of 2007). This result takes into account a Group structure effect for + €0.9 million and an adverse foreign exchange effect for - €0.4 million. Factoring out those items, the business group's operating performance improved by +€2.4 million. The increase in product prices and mix offset the increase in variable costs (energy, transport, etc.). Lower volumes were more than offset by the improvement in fixed and general costs, mainly in Performance Minerals but also in Minerals for Filtration, where the optimization plan for the Lompoc site obtained its first savings in the second quarter.

Operating margin increased to 10.9% (9.9% at comparable Group structure and exchange rates), compared with 9.0% for the same period in 2007.

Capital expenditure totaled €24.0 million, i.e. 165% of depreciation expense, compared with €24.2 million in 2007.

Pigments for Paper

(22% of consolidated sales)

(€ millions)	1st half 2008	1st half 2007	Current change	Comparable change(2)
Sales	388.6	400.1	- 2.9%	+ 3.9%
Current operating income(1)	31.9	44.1	- 27.7%	- 7.0%

(1) Operating income before other operating income and expense; (2) At comparable Group structure and exchange rates.

- **Increase in sales at comparable Group structure and exchange rates, thanks to firm Asian demand**
- **Decrease in current operating income at comparable Group structure and exchange rates due to sharp rises in variable costs, which also mean that the price campaign carried out early this year is retrospectively insufficient; improved cost base thanks to the industrial plan launched in 2007**
- **Further development in carbonates and kaolin production capacity reductions in the USA**

Markets

Global printing and writing paper production increased slightly (+ 0.3%) in the 1st half of 2008, still driven by the sector's vitality in Asia-Pacific (+ 5.0%). Production in North America and Europe, however, was marked by further restructuring of industrial assets, with temporary or definitive paper machine shutdowns.

Highlights

Efforts to optimize the kaolin for paper cost base continued. After the transfer of coating kaolin for paper production from the United Kingdom to Brazil, effective in early 2008, the economic optimization of this new industrial platform was completed in the second quarter. In parallel, it was decided to reduce kaolin production capacities at the Sandersville (Georgia, USA) plant. This plan should be implemented by the end of August and will entail approximately 50 job cuts.

At the same time, the Group continues to implement its development strategy in carbonates, which now represent 55% of the business group's sales volumes with notably 16 plants in Asia. The Niigata (Japan) plant and the Kerinci (Indonesia) plant expansions, two capital expenditures implemented in 2007, are running at full capacity.

(1) Xinlong (China, May 2007), Perfiltra (Argentina, May 2007).

Performance

Sales, at €388.6 million in the 1st half of 2008, were - 2.9% lower than in the same period in 2007. This decrease is due to a negative exchange rate impact of - €25.4 million (- 6.3%) and a Group structure effect of -€1.7 million. At comparable Group structure and exchange rates, sales rose + 3.9% over the period (+ 3.9% in the 1st and 2nd quarters). Volumes grew overall (with dynamic growth in carbonates in Asia canceling out lower volumes in North America) and prices improved.

Current operating income totaled €31.9 million for the 1st half of 2008 (€44.1 million for 1st half 2007). This result factors in an adverse foreign exchange effect for - €9.2 million, resulting from the depreciation of the US dollar compared with the euro (conversion impact) and the Brazilian real (transaction impact). At comparable Group structure and exchange rates, the business group's operating performance decreased by - €3.1 million. The price increases negotiated in late 2007 are now far from sufficient to make up for very high inflation in variable costs (energy, transport, etc.). Fixed costs were improved in line with initial expectations.

The operating margin was 8.2% (9.9% at comparable Group structure and exchange rates), compared with 11.0% for the same period in 2007.

Capital expenditure amounted to €34.8 million, i.e. 124% of depreciation expense, compared with €70.8 million in 2007.

Materials & Monolithics

(30% of consolidated sales)

(€ millions)	1st half 2008	1st half 2007	Current change	Comparable change(2)
Sales	543.2	511.0	+ 6.3%	+ 3.3%
Current operating income(1)	123.6	115.0	+ 7.5%	+ 4.5%

(1) Operating income before other operating income and expense; (2) At comparable Group structure and exchange rates.

- **Higher sales at comparable Group structure and exchange rates thanks to dynamic monolithic refractory markets and a robust clay bricks segment in France**
- **Growth in current operating income**
- **Positive contribution of acquisitions made in 2007**

Markets

In Building Materials, the new single-family housing market in France went through a clear downturn during the 1st half (- 12.0% over the past twelve months). In the clay roof tile segment, this was partly offset by firm renovation business (- 3.5% on the tile market). In structure bricks, clay products continue to gain market share and is gaining speed in tertiary buildings and small collective housing. This trend offsets the downturn in new house construction, with a + 1.5% increase on the clay bricks market in the 1st half of 2008.
Monolithic Refractories markets showed positive trends with firm steel, glass, cement and aluminum sectors in all geographic zones.

Highlights

In that context, productivity improvement efforts continue in Building Materials. The new facilities installed on production lines in the Saint-Germer-de-Fly (Oise, France) plant are now running at full capacity. Moreover, capital expenditure was implemented to improve industrial efficiency and remove bottlenecks on the Sainte-Foy l'Argentière (Rhône, France) site.

In parallel, the capital expenditure program launched in 2007 to support high growth in the technical clay bricks sector continues in line with market growth. The capacity increase in rectified brick manufacturing at the Gironde-sur-Dropt (Gironde) plant was completed and ramp-up of these facilities continues in line with forecasts. New facilities are being installed at the La Boissière du Doré plant (Loire Atlantique, France) and will come on stream in the 1st quarter of 2009.

In Monolithic Refractories, a highlight of the period was the integration, in accordance with the acquisition plan, of ACE, the Indian leader in monolithic refractories. External growth continued with the acquisition on April 30, 2008, of Svenska Silikaverken A.B (SVAB), a Swedish producer of monolithic refractory products. With two plants near Stockholm, SVAB posted sales of €13 million in 2007. Finally, a new production unit started up in South Africa to meet growing demand for monolithic refractories in the country.

Performance

At €543.2 million, the business group's **sales** rose + 6.3% in the 1st half of 2008 compared with the same period in 2007. This further growth includes a net Group structure effect of + €20.8 million (+ 4.1%), corresponding to acquisitions(1) net of divestments(2) and a negative exchange rate impact of -€5.6 million. At comparable Group structure and exchange rates, sales increased + 3.3% compared with the same period in 2007 (+ 3.0% in the 1st quarter; + 3.6% in the 2nd). This growth results from the improvement in the price/mix component, which offsets the slight decrease in sales volumes recorded in the Building Materials activity.

Current operating income increased to €123.6 million, compared with €115.0 million in the 1st half of 2007. Allowing for Group structure (+ €4.2 million) and foreign exchange (- €0.8 million) effects, the business group's operating performance improved by +€5.2 million. The efforts made to increase the price/mix component more than offset the negative impact of some cost factors (energy, particularly in France, and raw material costs for monolithic refractories). The effect of lower sales volumes in Building Materials was contained thanks to aggressive productivity improvement initiatives in that activity.

Operating margin improved slightly to 22.8% (22.8% at comparable Group structure and exchange rates), compared with 22.5% over the same period in 2007.

Capital expenditure totaled €20.4 million, i.e. 98% of depreciation expense, compared with €15.0 million in 2007.

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The world leader in adding value to minerals, Imerys is active in 47 countries through over 260 industrial and commercial sites. The Group achieved €3.4 billion in sales in 2007. Imerys mines and processes minerals from reserves with rare qualities in order to develop solutions that improve its customers' product performance and manufacturing efficiency. The Group's products have a great many applications in everyday life, including construction, personal care, paper, paint, plastic, ceramics, telecommunications and beverage filtration.

Analyst/Investor Relations:
Isabelle Biarnès – +33(0)1 49 55 63 91
Pascale Arnaud – +33(0)1 49 55 63 23

Press contacts:
Isabelle Biarnès – +33(0)1 49 55 63 91 /66 55
Matthieu Roquet-Montégon – +33(0)6 16 92 80 65

(1) B&B (South Africa, August 2007), ACE (India, September 2007) and SVAB (Sweden, April 2008).
(2) Clay brick and roof tile activities in Spain and Portugal (August 2007).

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FIRST-HALF RESULTS 2008

1. Consolidated sales breakdown

Change in consolidated sales	% current change	% structure effect	% change effect	% comparable change[1]
IMERYS GROUP	**+ 4.1%**	+ 5.0%	- 5.1%	**+ 4.2%**

Quarterly comparable change[1] 2008 vs. 2007	Q1 '08	Q2 '08		
	+ 3.2%	+ 5.1%		
Reminder 2007 vs. 2006	**Q1 '07**	**Q2 '07**	**Q3 '07**	**Q4 '07**
	+ 4.3%	+ 4.5%	+ 3.8%	+ 4.1%

Quarterly change	Q1 '08	Q2 '08	H1 2008
IMERYS GROUP – current change	**+ 3.9%**	**+ 4.3%**	**+ 4.1%**
IMERYS GROUP – comparable change[1], of which:	**+ 3.2%**	**+ 5.1%**	**+ 4.2%**
Minerals for Ceramics, Refractories, Abrasives & Foundry	+ 6.3%	+ 11.1%	**+ 8.8%**
Performance Minerals & Filtration	- 1.9%	+ 0.0%	**- 0.9%**
Pigments for Paper	+ 3.9%	+ 3.9%	**+ 3.9%**
Materials & Monolithics	+ 3.0%	+ 3.6%	**+ 3.3%**

Sales by business group	H1 '08	H1 '07
Minerals for Ceramics, Refractories, Abrasives & Foundry	33%	30%
Performance Minerals & Filtration	15%	17%
Pigments for Paper	22%	23%
Materials & Monolithics	30%	30%
TOTAL	**100%**	**100%**

Sales by geographic destination	H1 '08	H1 '07
Western Europe	55%	57%
- of which France	*20%*	*21%*
United States and Canada	18%	21%
Japan / Australia	5%	4%
Emerging countries	22%	18%
TOTAL	**100%**	**100%**

(1) Change at comparable Group structure and exchange rates.

2. Simplified income statement

(€ millions)	Q2 2008	Q2 2007	Change	H1 2008	H1 2007	Change
SALES	**892.3**	**855.8**	**+ 4.3%**	**1,774.1**	**1,704.9**	**+ 4.1%**
CURRENT OPERATING INCOME	**121.1**	**131.9**	**- 8.1%**	**236.2**	**242.9**	**- 2.8%**
Financial income (expense)	(4.4)	(13.1)		(20.2)	(29.0)	
Current tax	(32.4)	(33.6)		(60.2)	(60.3)	
Minority interests / share of income of affiliates	2.7	1.4		4.0	1.2	
NET INCOME FROM CURRENT OPERATIONS (1)	**87.0**	**86.5**	**+ 0.6%**	**159.8**	**154.8**	**+ 3.2%**
Other operating income and expense, net	(9.0)	(0.7)		(15.4)	(3.4)	
NET INCOME(1)	**78.0**	**85.8**	**- 9.0%**	**144.4**	**151.4**	**- 4.6%**

(1) Group's share

CONSOLIDATED INCOME STATEMENT

(€ millions)	June 30, 2008	June 30, 2007
Revenue	**1,774.1**	**1,704.9**
Raw materials and consumables used	(653.2)	(578.7)
External expenses	(440.1)	(431.0)
Staff expenses	(337.0)	(337.7)
Taxes and duties	(27.1)	(24.5)
Amortization, depreciation and impairment losses	(95.0)	(101.1)
Other operational revenue and expenses	14.5	11.0
Current operating income	**236.2**	**242.9**
Income on asset disposals	-	(1.9)
Impairment losses, restructuring and litigation	(22.8)	(1.8)
Other operating revenue and expenses	**(22.8)**	**(3.7)**
Operating income	**213.4**	**239.3**
Income from securities	1.9	3.3
Gross financial debt expense	(29.9)	(31.8)
Net financial debt expense	**(28.0)**	**(28.5)**
Other financial revenue	116.9	8.1
Other financial expenses	(109.1)	(8.6)
Financial income	**(20.2)**	**(29.0)**
Income taxes	(52.8)	(60.0)
Share in net income of associates	4.9	2.3
Net income	**145.3**	**152.6**
of which :		
Net income, Group share	144.4	151.4
Net income, Minority interests	0.9	1.2
Net income, Group share	**144.4**	**151.4**
of which :		
Current operating income, Group share	159.8	154.8
Other net operating revenue and expenses, Group share	(15.4)	(3.4)
(in €)		
Net basic earnings per share from current operations	2.54	2.44
Net basic earnings per share	2.30	2.39
Diluted net earnings per share	2.30	2.38
Average exchange rate euro/USD	*1.5304*	*1.3288*

CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS *(€ millions)*	June 30, 2008	June 30, 2007
Goodwill	934.7	808.3
Intangible assets	48.1	29.6
Mining assets	377.9	431.6
Property, plant and equipment	1,257.3	1,208.5
Investments in associates	47.3	34.9
Available-for-sale financial assets	6.5	44.9
Other financial assets	14.0	12.3
Other receivables	47.0	29.3
Derivative financial assets	4.6	6.0
Deferred tax assets	51.4	46.1
Total non-current assets	**2,788.8**	**2,651.5**
Inventories	530.4	505.6
Trade accounts receivable	676.1	672.8
Other assets	151.8	137.5
Derivative financial assets	13.5	(0.1)
Marketable securities and other financial assets	6.5	3.5
Cash and cash equivalents	155.4	154.7
Total current assets	**1,533.7**	**1,474.0**
TOTAL CONSOLIDATED ASSETS	**4,322.5**	**4,125.5**

CONSOLIDATED LIABILITIES AND SHAREHOLDERS' EQUITY	June 30, 2008	June 30, 2007
Capital	126.3	126.7
Share capital premiums	132.6	158.9
Reserves	1,163.3	1,201.0
Net income	144.4	151.4
Shareholders' equity, Group share	**1,566.6**	**1,638.0**
Minority interests	**19.0**	**16.8**
Shareholders' equity	**1,585.6**	**1,654.8**
Provision for employee benefits	153.6	211.1
Other provisions	153.8	151.1
Loans and financial debts	997.0	1,004.9
Other debts	15.6	27.3
Derivative financial liabilities	25.1	21.6
Deferred tax liabilities	56.2	58.0
Total non-current liabilities	**1,401.3**	**1,474.0**
Other provisions	15.8	23.6
Trade accounts payable	323.8	296.3
Income taxes payable	17.9	32.4
Other debts	215.0	224.8
Derivative financial liabilities	2.4	1.5
Loans and financial debts	662.2	398.7
Bank overdrafts	98.5	19.4
Total current liabilities	**1,335.6**	**996.7**
TOTAL CONSOLIDATED LIABILITIES AND SHAREHOLDERS' EQUITY	**4,322.5**	**4,125.5**
Net financial debt	**1,616.1**	**1,280.7**
Closing exchange rate euro/USD	*1.5764*	*1.3505*

CONSOLIDATED CASH FLOW STATEMENT

(€ millions)	**June 30, 2008**	**June 30, 2007**
Cash flow from operating activities		
Cash flow generated by current operations	209.5	243.1
Paid interests	(34.8)	(31.7)
Income taxes on current operating income and financial income	(64.9)	(46.1)
Dividends received	1.9	2.1
Cash flow generated by other operating revenue and expenses	(23.0)	(19.2)
Cash flow from operating activities	**88.8**	**148.2**
Cash flow from investing activities		
Acquisitions of property, plant and equipment and intangible assets	(141.4)	(145.6)
Acquisitions of investments in consolidated entities after deduction of cash acquired	(114.6)	(75.4)
Acquisitions of available-for-sale financial assets	-	-
Disposals of property, plant and equipment and intangible assets	14.3	14.0
Disposals of investments in consolidated entities after deduction of cash disposed of	-	0.7
Disposals of available-for-sale financial assets	0.1	-
Net change in financial assets	(2.2)	3.1
Paid-in interests	1.3	1.4
Cash flow from investing activities	**(242.5)**	**(201.8)**
Cash flow from financing activities		
Capital increase (decrease)	0.9	-
Disposals (acquisitions) of treasury shares	(18.7)	(16.0)
Dividends paid to shareholders	(119.0)	(114.2)
Dividends paid to minority interests	(0.5)	(0.2)
Loan issues	337.8	500.1
Loan repayments	(13.4)	(383.3)
Net change in other debts	(42.4)	66.4
Cash flow from financing activities	**144.7**	**52.8**
Change in cash and cash equivalents	**(9.0)**	**(0.8)**
Cash and cash equivalents at the beginning of the period	70.8	136.5
Change in cash and cash equivalents	(9.0)	(0.8)
Impact of changes due to exchange rate fluctuations	(4.7)	(0.4)
Impact of changes in accounting policies	(0.2)	-
Cash and cash equivalents at the end of the period	**56.9**	**135.3**
Cash and cash equivalents	155.4	154.7
Bank overdrafts	(98.5)	(19.4)
Cash and cash equivalents at the end of the period	**56.9**	**135.3**