

Ordinary and Extraordinary Shareholders' Meeting

April 29, 2010

- Aimery Langlois-Meurinne
- Gérard Buffière
- Michel Delville
- Denis Musson

Chairman of the Board of Directors
Chief Executive Officer
Chief Financial Officer
General Counsel and Secretary
of the Board of Directors



Disclaimer

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More comprehensive information about Imerys may be obtained on its Internet website (www.imerys.com), under Regulated Information, including its document de référence filed under No. D.10-0205 on April 1, 2010 with Autorité des marchés financiers.

Imerys draws the attention of investors to the “Risk factors” set forth in section 4 of the 2009 Document de Référence.

This document contains projections and other forward-looking statements. Investors are cautioned that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.



➤ **2009 Activity and Results**

➤ **1st Quarter 2010 Results**

➤ **Outlook and Conclusion**

➤ **Presentation of Resolutions**

➤ **Questions & Answers**

➤ **Vote on Resolutions**

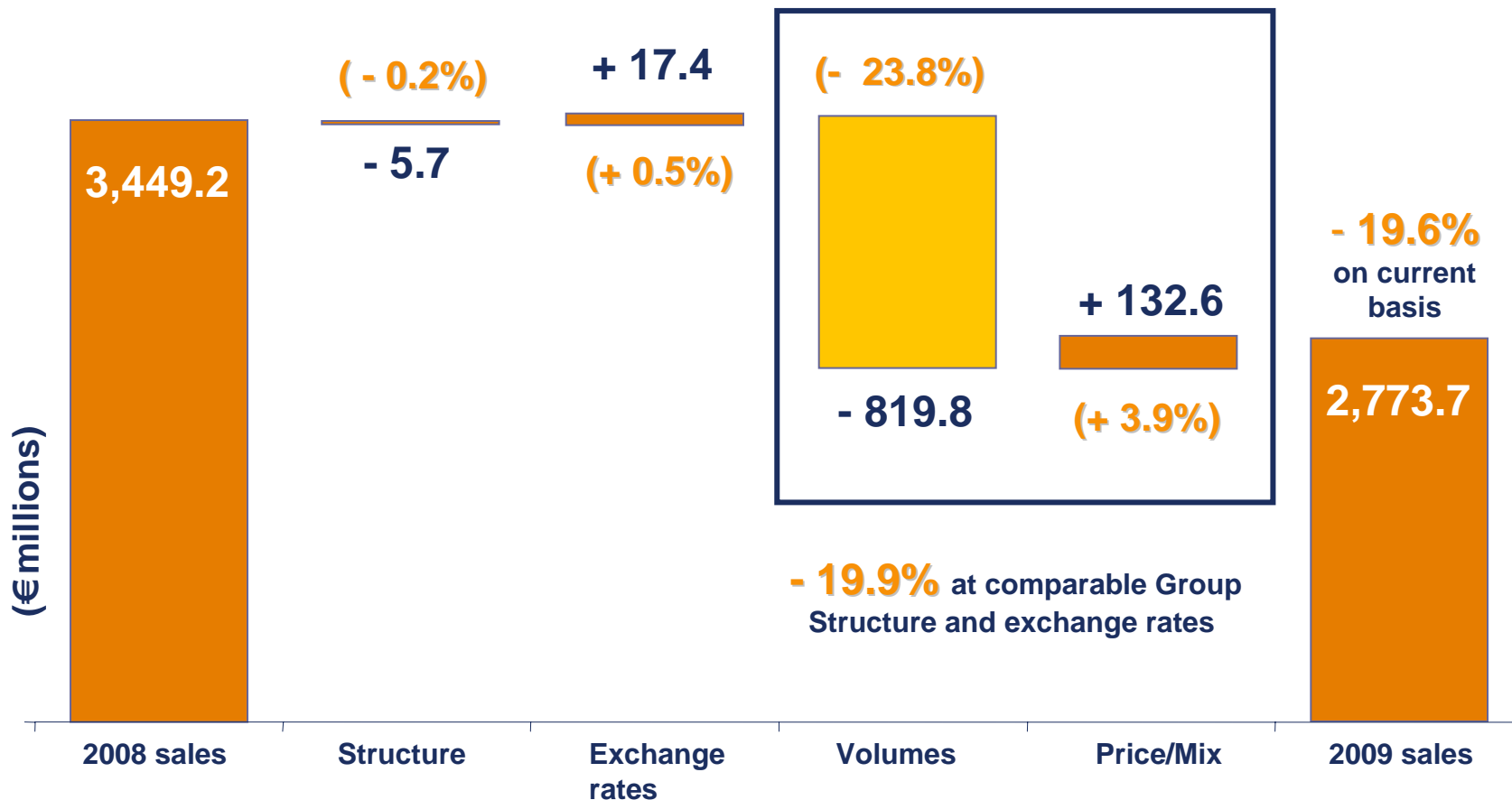
> Record collapse in volumes

- **Sales: €2,773.7 million**
 - - 19.9% at comparable Group structure and exchange rates, including - 23.8% volume effect

> Efficiency of action plans

- **Current operating margin: 9.0% (- 3.0 points)**
 - Reduction in fixed costs and overheads (cash): - 15%
- **Current free operating cash flow: €450.3 million**
(vs. €257.8 million in 2008)
 - Substantial inventory reduction
 - Control of capital expenditure

Unprecedented collapse in volumes in all business groups



- Positive price/mix effect in all 4 business groups
- Positive year-on-year exchange rate effect

- Positive effect of US dollar's appreciation against the euro **1 € = 1.39 USD** in 2009 vs. **1.47 USD** in 2008, i.e. **+5.2%**; but weakened in Q4
- Euro appreciated against other currencies



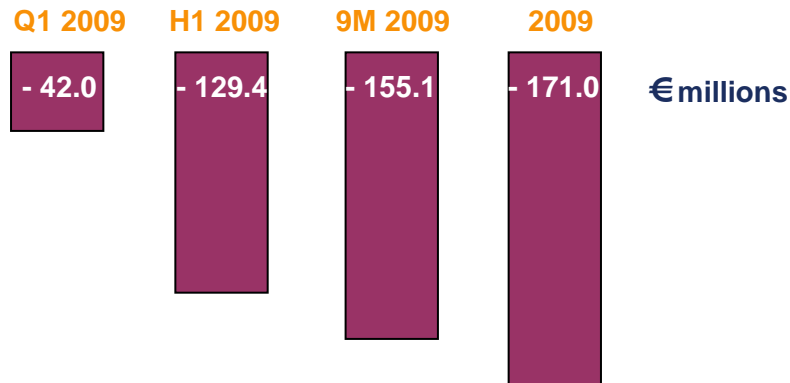
Efficiency of action plans

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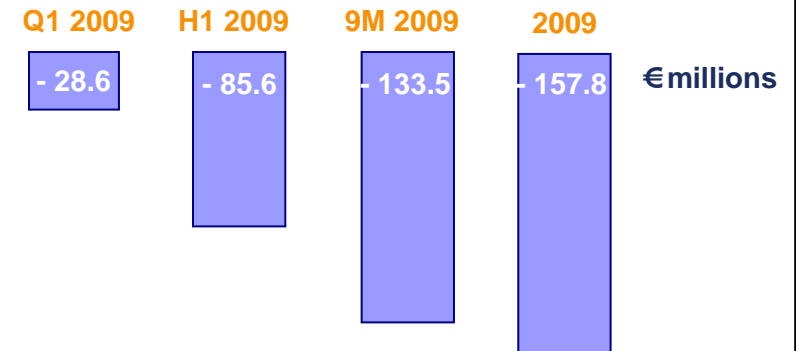
➤ Results of action plans above Group's expectations

- Inventories: - €171 million
- Fixed cost savings: - €158 million

Sharp decline in production



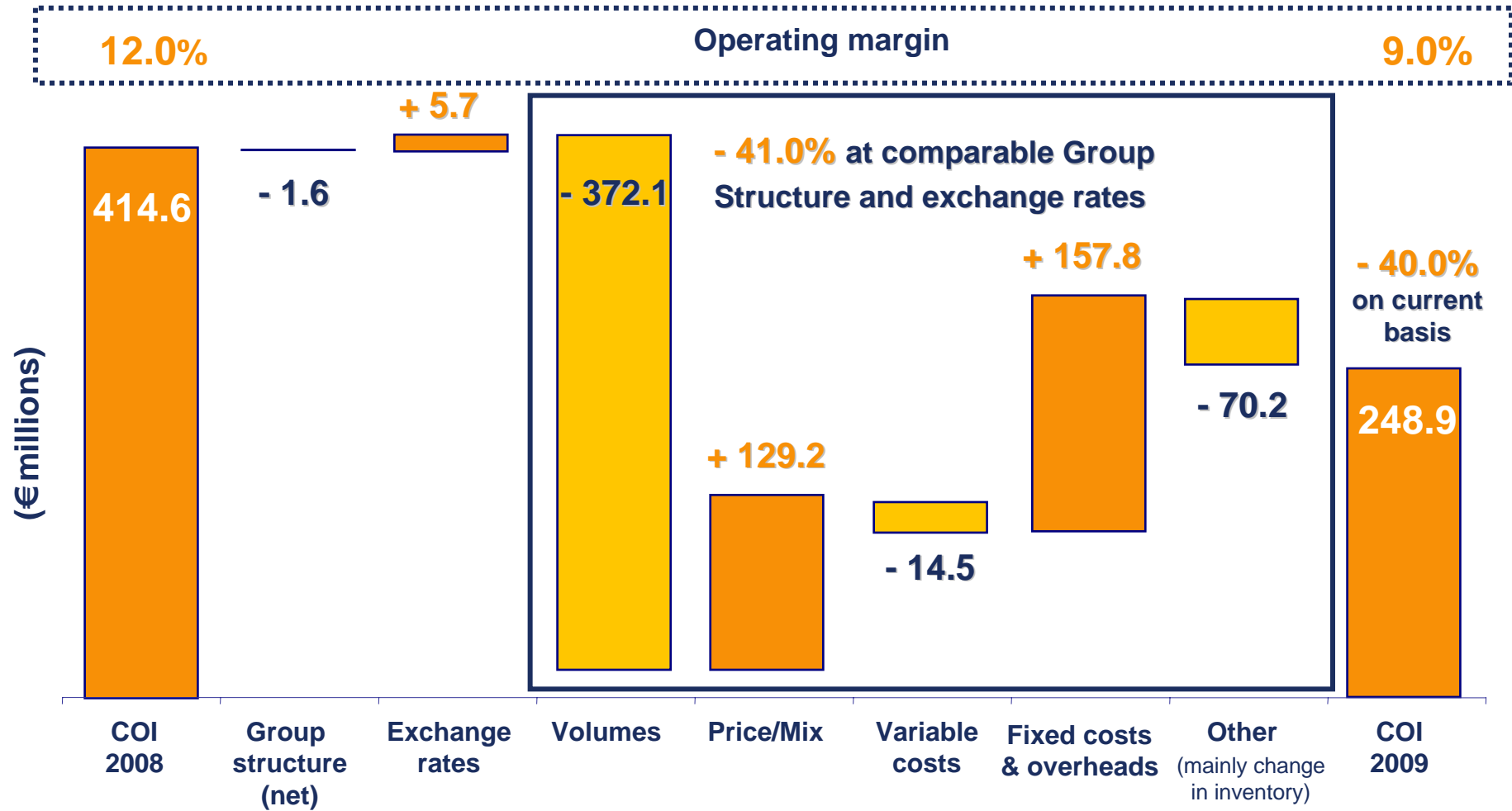
Group inventories: - 27%



Fixed costs and overheads (cash): - 15%



Operating margin



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2009 operating performance by business group

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(€ millions)	2009 sales	Comparable change ⁽²⁾	2009 COI	Comparable change ⁽²⁾
Minerals for Ceramics, Refractories, Abrasives & Foundry	794.5	- 32.2%	44.0	- 67.0%
Performance & Filtration Minerals	500.7	- 14.5%	26.9	- 48.9%
Pigments for Paper	631.9	- 14.0%	41.6	- 34.2%
Materials & Monolithics	875.6	- 13.9%	168.0	- 25.5%
Imerys Group⁽¹⁾	2,773.7	- 19.9%	248.9	- 41.0%

(1) After holding companies results and eliminations

(2) At comparable structure and exchange rates



Results

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(€ millions)	2009	2008 ⁽¹⁾	Change
Current operating income⁽²⁾	248.9	414.6	- 40.0%
Financial expense	(83.4)	(47.1)	
Current income tax	(46.2)	(98.0)	
Net income from current operations, Group share⁽³⁾⁽⁴⁾	119.3	267.1	- 55.3%
Other revenue and expenses, net	(78.0)	(105.8)	
Net income, Group share⁽³⁾	41.3	161.3	n.s.

(1) 2008 results were restated following two presentation changes applied as of January 1, 2009

(2) Including share in income (loss) of affiliates

(3) Net of minority interests

(4) Net income, Group share, before other operating revenue and expenses, net

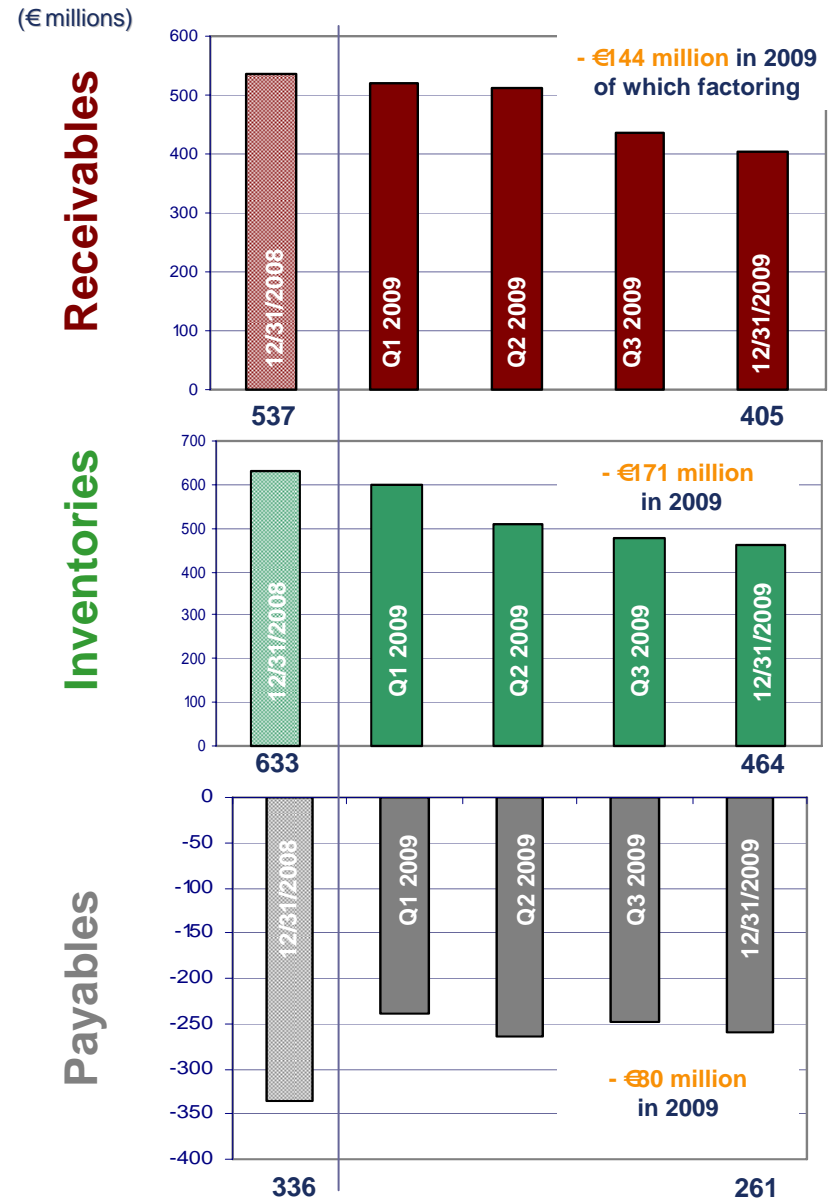
➤ **Current tax rate: 27.9% vs. 26.7% in 2008**

➤ **Net income affected by restructuring plans**

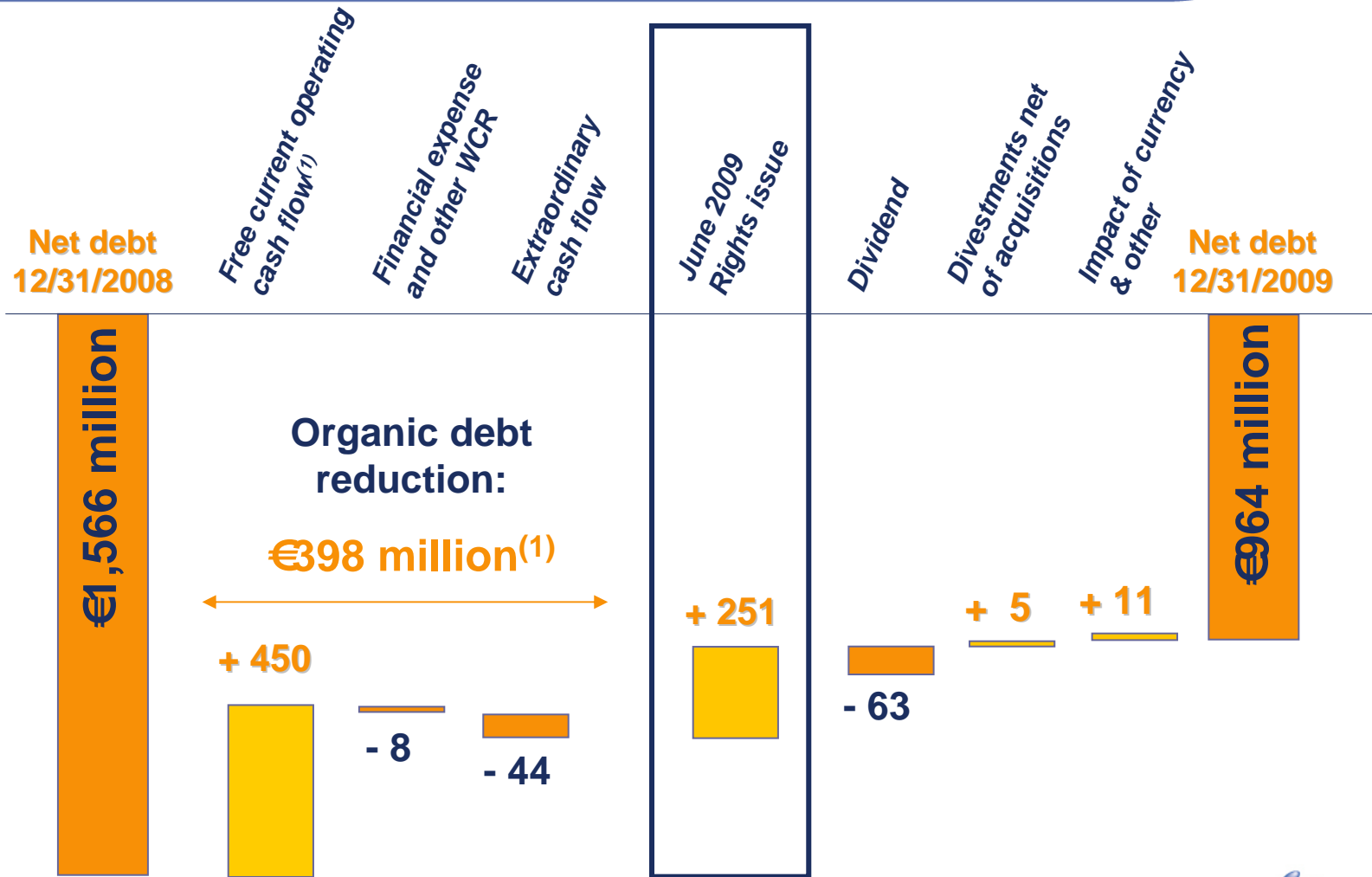


Tight management of Operating Working Capital (OWC)

- Deconsolidating factoring contract implemented in 3rd quarter 2009 (€33.0 million trade receivables transferred as on December 31, 2009)
- Substantial inventory reduction (- 27%, i.e. - €171 million)
- Reduction in trade payables due to lower activity
 - ➔ Working capital reduced by €235 million
 - ➔ Working capital at 21.9% of sales



Net debt below €1 billion

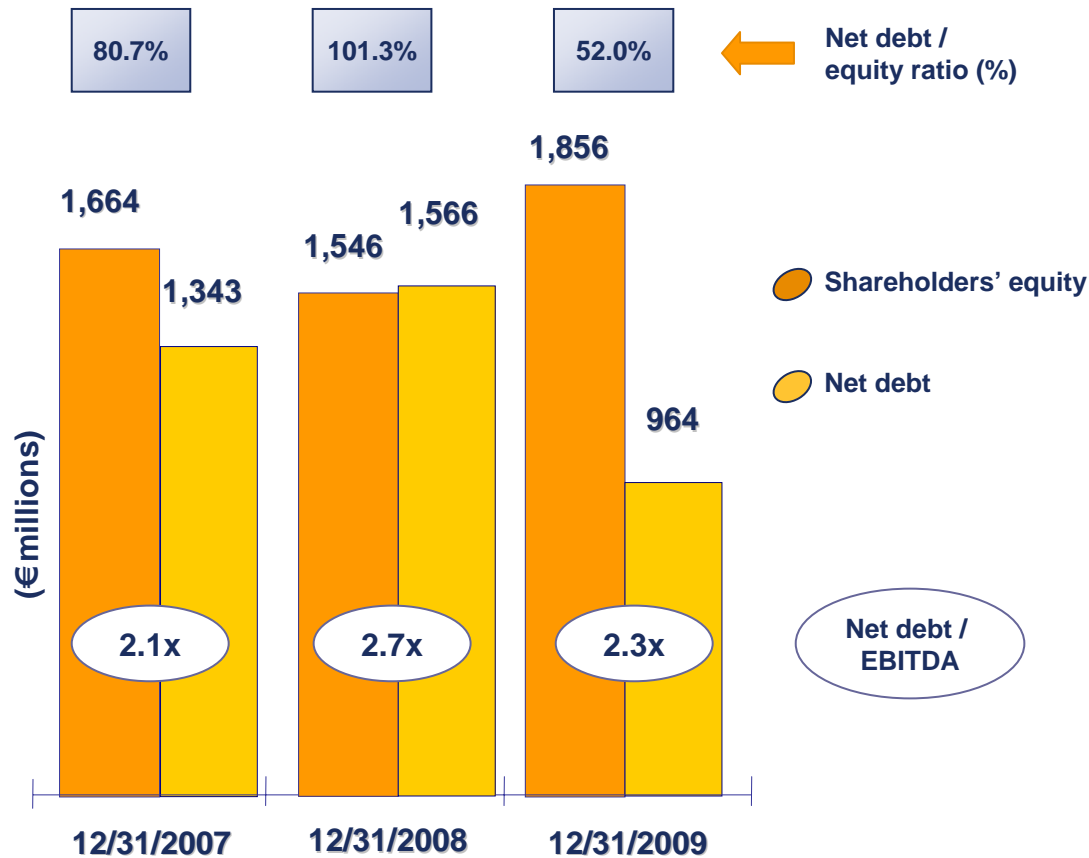


➤ Industrial capex under control
 (amount paid: €138 million in '09 vs. €249 million in '08)

(1) Of which factoring: €83 million



Strengthened financial structure



> As on December 31, 2009

- Total financial resources **€2.3 billion**
- Available financial resources **€1.4 billion**

➤ Further improvement in workplace safety

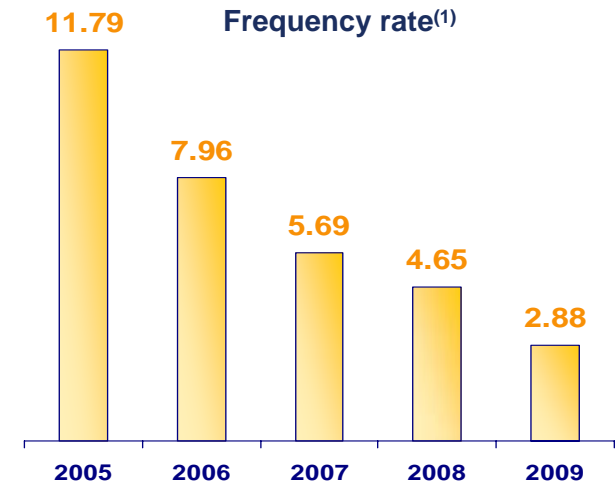
- Frequency rate⁽¹⁾ : - **76%** since 2005

➤ Development of environmental management systems (EMS)

- **107** of the Group's sites have an EMS
→ further rollout in 2010

➤ Reduction in greenhouse gas emissions

- Improve the Group's energy and carbon efficiency
- 2009 energy yield: high impact of lower volumes partly offset by good process control and recent investments



(1) (lost-time accidents x 1,000,000) / hours worked
- Imerys employees

Ongoing research activities and innovation efforts

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- Innovation goals factored into the Sustainable Development plan
- Launch of high-tech products and development of environment-friendly products and processes
 - ➔ **30 to 35% of sales⁽¹⁾** achieved with products delivering an Environmental, Health or Safety benefit
 - **Graphite & carbon** for Li-Ion batteries
 - **Fast-drying refractory concrete**
 - ➔ energy and cost savings; greater safety
 - **FibreLean™**: paper fiber replaced with coating kaolin
 - ➔ limited drying; energy savings
 - **ImerCure™X10**: mineral replacing resins for wood varnish
 - ➔ less environmental impact
 - **Optibric PV 4G**: clay brick with 40% more insulation than concrete
 - ➔ complies with RT 2012 regulations for low-consumption buildings
- Creation of an “Oilfield Minerals” activity



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(1) Imerys' estimates

Stable dividend despite decrease in current net income

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	2009	2008	Change
Net income from current operations per share (euros)	1.66	3.96	- 58.3%
Dividend per share (euros)	1.00⁽¹⁾	1.00	Stable
Total payout (€ millions)	75.4	62.8	+ 20.0%
Payout ratio	63.2%	23.5%	
Average weighted number of shares⁽²⁾	72,054,523	67,486,365	

(1) Proposed at General Meeting on April 29, 2010

(2) Based on the number of outstanding shares at the end of the year
(Historical figures adjusted following the June 2, 2009 capital increase)

➤ **Average payout ratio: 35.8% of net current income over the past two years**

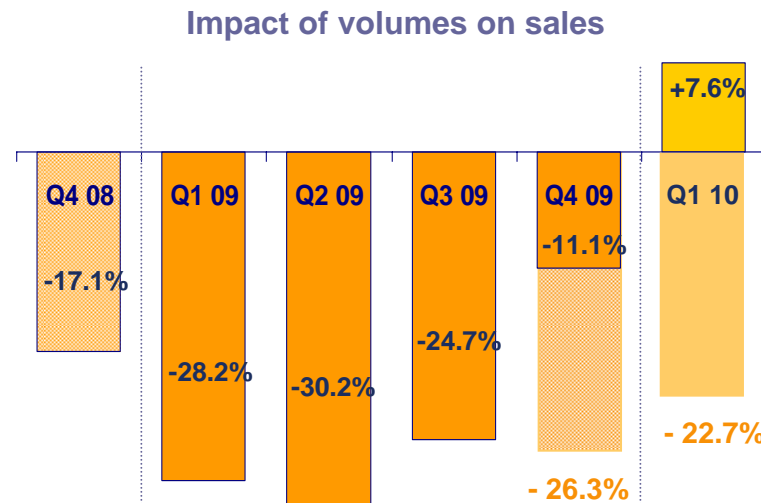


- **2009 Activity and Results**
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1st quarter 2010: a contrasting upturn

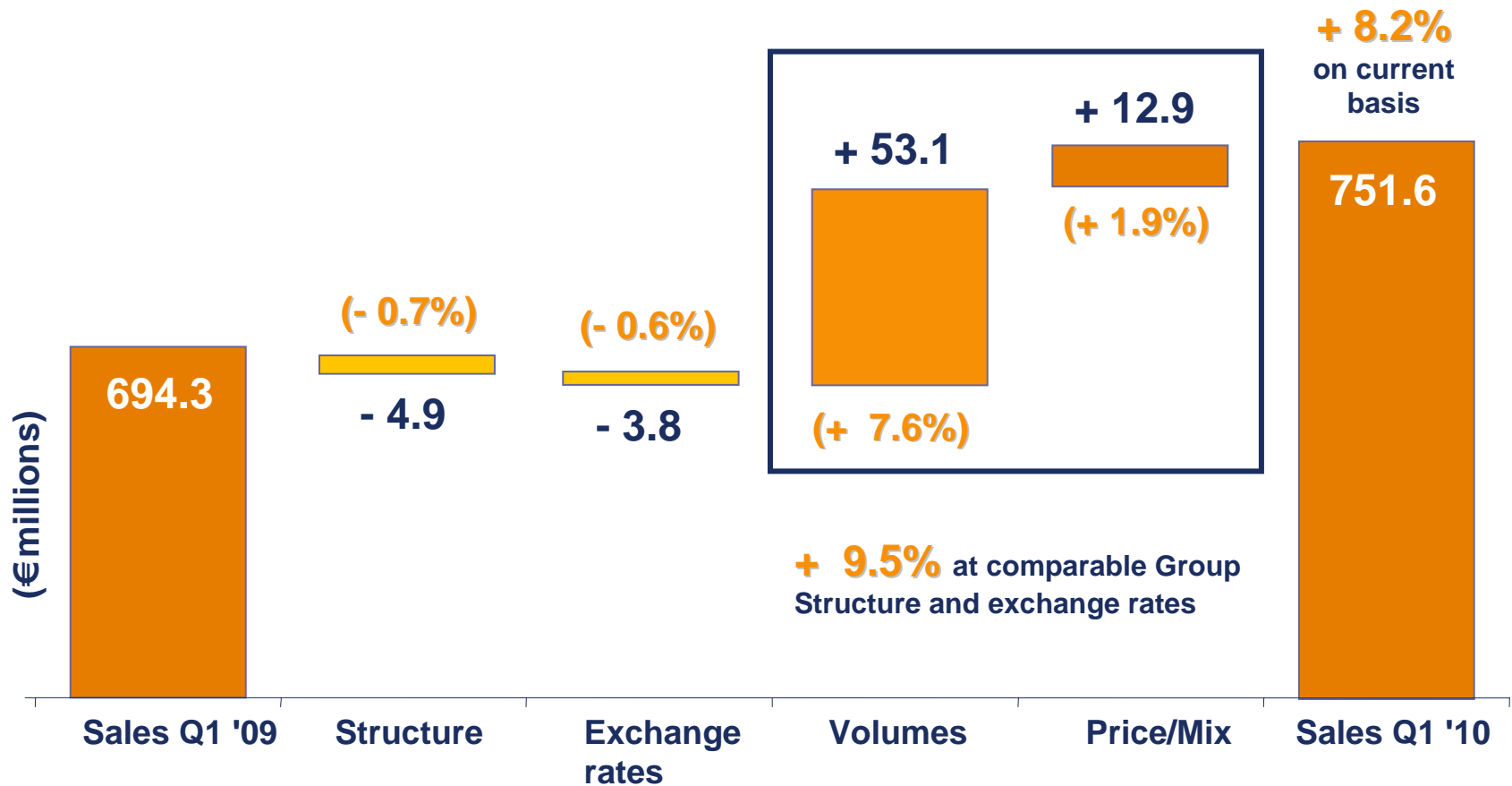
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- **Slow improvement in business since the second half of 2009**
 - ➔ The sectors that were worst hit in 2009 bounced back significantly, driven by inventory rebuilding on industrial equipment markets
- **No significant upturn in the construction sector**



- **Robust momentum in emerging countries**

Sales: + 8.2%



- Upturn in volumes, inventory rebuilding in certain industrial market segments
- Product price / mix benefiting from the inventory rebuilding, particularly in high value-added products
- Emerging countries: + 29%



Highly favorable basis of comparison vs. 1st quarter 2009

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(€ millions)	Q1 2010	Comparable change ⁽²⁾
Minerals for Ceramics, Refractories, Abrasives & Foundry	244.6	+ 28.6%
Performance & Filtration Minerals	137.6	+ 19.8%
Pigments for Paper	167.4	+ 7.1%
Materials & Monolithics	212.1	- 8.4%
Imerys Group⁽¹⁾	751.6	+ 9.5%

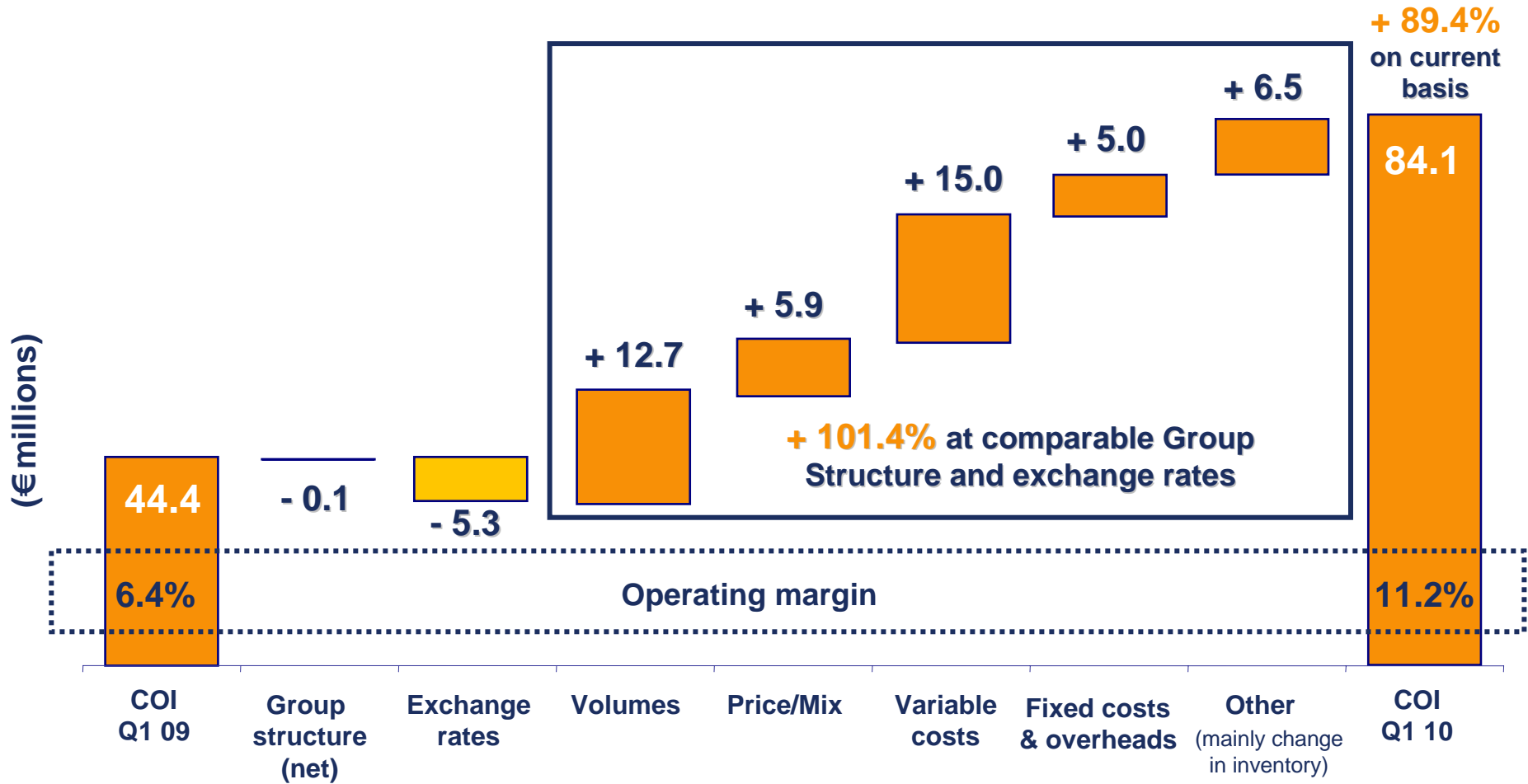
- Substantial inventory rebuilding in industrial sector
- Resilient filtration market; construction still flat in mature countries
- Global printing & writing paper production: + 5.3% vs. Q1 '09
- Poor weather conditions for Building Materials, business still slack

(1) After holding companies results and eliminations

(2) At comparable structure and exchange rates



Operating margin goal achieved: 11.2%



➤ Favorable basis of comparison for variable and fixed costs



Positive net income

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(€ millions)	Q1 2010	Q1 2009	Change
Current operating income⁽¹⁾	84.1	44,4	+ 89%
Financial expense	(19.9)	(24.0)	
Current income tax	(18.0)	(5.7)	
Net income from current operations, Group share⁽²⁾⁽³⁾	45.1	14.6	+ 209%
Other revenue and expenses, net	(0.1)	(21.2)	
Net income, Group share⁽²⁾	45.0	(6.6)	n.a.

(1) Including share in income (loss) of affiliates

(2) Net of minority interests

(3) Net income, Group share, before other operating revenue and expenses, net

➤ **No significant change in net financial debt since end of December 2009**



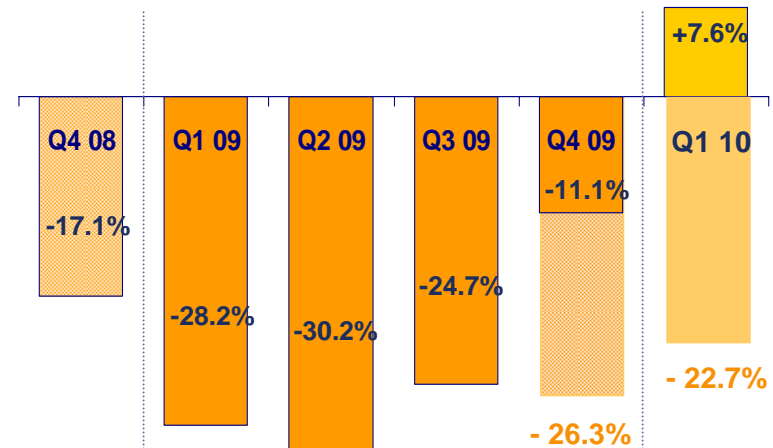
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- Positive trends to be confirmed in coming quarters
- Business still below pre-recession levels



- Strict management of fixed and external costs maintained
 - ➔ Operating margin to improve in the long run

Impact of volumes on sales



In conclusion, Imerys means:

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- **A proven business model**
 - Ability to achieve a double-digit operating margin
 - Strong free operating cash flow generation
 - High payout
(35 to 40% of net income from current operations)
 - Debt cut to below €1 billion

- **A world leader in its business**

- **Strong competitive advantages**
 - High-quality industrial assets (mines, production facilities)
 - Acknowledged expertise in technology and processes: geology, operations, marketing, R&D, sales, M&A
 - Strong, experienced teams



- **2009 Activity and Results**
- **1st Quarter 2010 Results**
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Presentation of Resolutions

**Ordinary and Extraordinary
Shareholders' Meeting**

April 29, 2010



Agenda of the Shareholders' General Meeting of April 29, 2010

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Ordinary Part

- Approval of the Company's management, the annual financial statements and the Group's consolidated financial statements for 2009
- Allocation of earnings and determining of dividend at €1,00 per share
- Statutory Auditors' report on a regulated commitment taken by the Company in favor of the Chief Executive Officer; approval of said commitment
- Statutory Auditors' report on regulated commitments taken by the Company in favor of the Chief Operating Officer; approval of said commitments
- Renewal of 3 Directors' term of office
- Appointment of 4 new Directors
- Terms of office of the Auditors: renewal or appointment within Deloitte's network and Ernst & Young's network
- Repurchase by the Company of its own shares



Agenda of the Shareholders' General Meeting of April 29, 2010

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Extraordinary Part

- **Delegation of authority to the Board of Directors to issue share subscription and/or acquisition warrants, with cancellation of the shareholders' preemptive subscription right in favor of employees or officers of the Group**
- **Powers**

2009 management and financial statements / allocation of earnings and setting of dividend (Resolutions 1 to 3)

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- Approval of the Company's management and financial statements (1st resolution) and the Group's consolidated financial statements (2nd resolution) for 2009
- Allocation of earnings and determination of dividend (3rd resolution)

Net income for financial year 2009	€71,934,964
Allocation to the legal reserve	€(2,352,553)
Retained earnings	+ €375,038,843
	<hr/>
Total distributable amount	= €444,621,254
payment of dividend of €1,00 per share for 75,389,496 existing shares as on 01/01/2010	€(75,389,496)
	<hr/>
Leaving retained earnings of	= €369,231,758

- Dividend payment date: as from May 11, 2010



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Regulated agreements and commitments concluded by the Company (Resolutions 4 and 5)

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- **Auditors' special report**

- **Regulated commitments authorized by the Board of Directors:**
 - amendment made to the collective supplementary pension plan with defined benefits of which the Chief Executive Officer and the Chief Operating Officer are among the beneficiaries
 - setting up of a collective defined contribution supplementary pension plan of which the Chief Operating Officer is among the beneficiaries

- **Continuation of the regulated agreements previously approved by the Shareholders' General Meeting of April 30, 2008**



AFEP-MEDEF recommendations: supplementary pension plan with defined benefits – executive corporate officers

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	AFEP-MEDEF recommendations	Pension plan set up by Imerys
<u>Beneficiaries</u>	The group of beneficiaries must be materially broader than the sole executive corporate officers	<ul style="list-style-type: none"> - 8 beneficiaries, principal managers of the Group's French companies including the Chief Executive Officer and the Chief Operating Officer - 1 Director, former executive of the Company
<u>Conditions for eligibility</u>	The beneficiaries must meet reasonable requirements of seniority within the Group	<ul style="list-style-type: none"> - Minimum of 10 years of seniority within the Group - Minimum of 2 years of seniority within the Executive Committee - Minimum age to assert his/her rights: 60
	The beneficiary must be a corporate officer or an employee of the company when asserting his/her pension rights	<i>Imerys group must be the last beneficiary's employer at the time of assertion of the pension rights</i>
<u>Expected benefits</u>	The reference period taken into account for the calculation of the benefits must cover several years	<i>Reference salary: average of the compensation (fixed and variable) of the last 2 years preceding the retirement date, with a cap raised in 2010 from 8 to 22 of the Social Security annual ceiling</i>
	Yearly increases in potential rights must only represent a limited percentage of the beneficiary's compensation	<i>Life annuity capped in any cases at 25% of the reference salary, i.e 5.5 times the Social Security annual ceiling (€190,000 per year)</i>

Chief Executive Officer's compensation

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	<u>2008</u>	<u>2009</u>	<u>2010</u>
Compensation of the CEO			
Fixed part	€ 630,000	€ 630,000	€ 630,000
Benefits	€ 3,024	€ 2,661	€ 2,556
Variable part			
with respect to the previous year	€ 724,500	€ 87,600	€ 756,000
Global compensation	€ 1 357,524	€ 720,261	€ 1 388,556
Number of conditional stock options	0	0	40,000
Number of conditional free shares	40,000	95,000	10,000



Composition of the Board of Directors (Resolutions 6 to 12)

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➤ **Renewal for a period of 3 years of the term of office of:**

- Mr. Jean MONVILLE (6th resolution)
- Mr. Robert PEUGEOT (7th resolution)
- Mr. Amaury de SEZE (8th resolution)

➤ **Appointment for a period of 3 years of 4 new Directors:**

- Mr. Olivier PIROTTE, in replacement of Mr. Thierry de RUDDER who did not seek the renewal of his term of office (9th resolution)
- Mr. Ian GALLIENNE (10th resolution)
- Mrs. Fatine LAYT (11th resolution)
- Mr. Pierre-Jean SIVIGNON (12th resolution)



Composition of the Board of Directors

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- **Composition of the Board of Directors after the General Meeting, subject to the approval of the proposed resolutions:**

Directors	dependent or independent		end of the term
Aimery Langlois-Meurinne, Chairman	d		2011
Gérard Buffière, CEO	d		2011
Aldo Cardoso		i	2011
Maximilien de Limburg Stirum	d		2011
Jacques Veyrat		i	2011
Jacques Drijard	d		2012
Jocelyn Lefebvre	d		2012
Eric Le Moyne de Sérigny	d		2012
Gilbert Milan		i	2012
Ian Gallienne*	d		2013
Fatine Layt*		i	2013
Jean Monville		i	2013
Robert Peugeot		i	2013
Olivier Pirotte*	d		2013
Amaury de Sèze	d		2013
Pierre-Jean Sivignon*		i	2013
16 members	9	7	

** appointment proposed to the General Meeting of April 29, 2010*

- **In 2009, the Audit Committee carried out a survey on:**
 - the improvement of the assignments of the current Auditors (Deloitte and Ernst & Young networks) which terms of office are expiring
 - the financial efforts agreed to reduce their fees

- **The Board of Directors considered that the financial and qualitative efforts proposed by the Auditors were satisfactory, in particular:**
 - the improvement in network facilitation in order to ensure a better control of technical treatment of closing issues
 - a greater transparency in the goals of local audit assignments

=> The Board of Directors decided not to go ahead with a more structured call for tenders

- **Proposed renewal of the terms of office of the joint statutory auditors and the joint alternate auditors of Deloitte network (13th and 14th resolutions) and Ernst & Young network (15th and 16th resolutions)**

Renewal of the authorization given to the Company to buy back its own shares (Resolution 17)

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➤ Objectives of the authorization:

- cancellation of the re-purchased shares to offset dilution impact resulting from the grant of share subscription options and/or free shares
- employees' participation in shareholding plans set up by the Company, grant of share purchase options or free shares to employees and officers of the Company
- delivery or exchange of shares with respect to external growth operations
- ensuring the liquidity of the market through a liquidity contract

➤ Implementation terms, conditions and limits:

- within the limit of 10% of share capital as of 01/01/2010, i.e 7,538,949 shares
- for a period of 18 months, i.e until October 28, 2011
- maximum purchase price: €80, re-purchases being not authorized during public purchase offer periods
- for a maximum investment amount of M€603 considering the maximum purchase price per share and the maximum number of shares which could be purchased



Delegation of authority to issue share subscription warrants in favor of employees and corporate officers of the Group (Resolution 18)

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- **Objectives:** to enhance and diversify the financial instruments enabling the Board of Directors to involve in the share capital the employees and the corporate officers of the Group and to contribute to its future development

- **Terms and conditions:**
 - Cancellation of the preemptive subscription right of the shareholders in favor of employees and corporate officers of the Group
 - Issue of subscription warrants, redeemable or not, to new shares of the Company within the following limits:
 - total nominal amount of the shares that may be issued= €4.7 million (i.e. 2,350,000 shares)
 - this amount would be charged to the global ceiling of the existing authorizations of stock subscription or purchase options and free shares grants (authorizations granted to the Board by the General Meeting of April 30, 2008, which the balance was €4,702,452 as of December 31, 2009)
 - Delegation valid until: June 28, 2011



Questions & Answers

Ordinary and Extraordinary Shareholders' Meeting

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Resolutions' vote

**Ordinary and Extraordinary
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➤ **1st resolution:** Approval of management and financial statements for financial year 2009

- Votes "FOR" sent by post: 14,438,358
- Votes "AGAINST" sent by post: 274,509

➤ **2nd resolution:** Approval of consolidated financial statements for financial year 2009

- Votes "FOR" sent by post: 14,658,821
- Votes "AGAINST" sent by post: 54,046

➤ **3rd resolution:** Allocation of earnings and determining of dividend of €1.00

- Votes "FOR" sent by post: 14,663,911
- Votes "AGAINST" sent by post: 48,956

Resolutions' vote (ordinary part)

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- **4th resolution:** regulated commitment concluded by the Company in favor of the CEO
 - Votes "FOR" sent by post: 11,611,766
 - Votes "AGAINST" sent by post: 3,101,101

- **5th resolution:** regulated commitments concluded by the Company in favor of the COO
 - Votes "FOR" sent by post: 11,890,196
 - Votes "AGAINST" sent by post: 2,822,671



Resolutions' vote (ordinary part)

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- **6th resolution:** Renewal of Mr. Jean Monville's term of office as Director for a 3 year-period
 - Votes "FOR" sent by post: 14,616,007
 - Votes "AGAINST" sent by post: 96,860

- **7th resolution:** Renewal of Mr. Robert Peugeot's term of office as Director for a 3 year-period
 - Votes "FOR" sent by post: 11,537,680
 - Votes "AGAINST" sent by post: 3,175,187

- **8th resolution:** Renewal of Mr. Amaury de Sèze's term of office as Director for a 3 year-period
 - Votes "FOR" sent by post: 9,906,792
 - Votes "AGAINST" sent by post: 4,806,075



Resolutions' vote (ordinary part)

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- **9th resolution:** Appointment of Mr. Olivier Pirotte as new Director, in replacement of Mr. Thierry de Rudder, for a 3 year-period
 - Votes "FOR" sent by post: 14,154,434
 - Votes "AGAINST" sent by post: 558,433
- **10th resolution:** Appointment of Mr. Ian Gallienne as new Director for a 3 years period
 - Votes "FOR" sent by post: 14,185,740
 - Votes "AGAINST" sent by post: 527,127
- **11th resolution:** Appointment of Mrs. Fatine Layt as new Director for a 3 year-period
 - Votes "FOR" sent by post: 14,631,226
 - Votes "AGAINST" sent by post: 81,641
- **12th resolution:** Appointment of Mr. Pierre-Jean Sivignon as new Director for a 3 year-period
 - Votes "FOR" sent by post: 14,631,694
 - Votes "AGAINST" sent by post: 81,173



Resolutions' vote (ordinary part)

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- **13th resolution:** Renewal for a 6 year-period of the term of office of **Deloitte & Associés** as joint statutory Auditor
 - Votes "FOR" sent by post: 14,660,194
 - Votes "AGAINST" sent by post: 52,673
- **14th resolution:** Renewal for a 6 year-period of the term of office of **BEAS** as joint alternate Auditor
 - Votes "FOR" sent by post: 12,907,102
 - Votes "AGAINST" sent by post: 1,805,765
- **15th resolution:** Appointment for a 6 year-period of **Ernst & Young et Autres** as new joint statutory Auditor
 - Votes "FOR" sent by post: 11,779,243
 - Votes "AGAINST" sent by post: 2,933,624
- **16th resolution:** Appointment for a 6 year-period of **Auditex** as new joint alternate Auditor
 - Votes "FOR" sent by post: 12,910,823
 - Votes "AGAINST" sent by post: 1,802,044



Resolutions' vote (ordinary and extraordinary parts)

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- **17th resolution:** Renewal of the authorization given to the Company to buy back its own shares
 - Votes "FOR" sent by post: 14,587,322
 - Votes "AGAINST" sent by post: 125,545

- **18th resolution:** Delegation of authority to issue share subscription warrants with cancellation of Shareholders' preemptive subscription rights in favor of employees and corporate officers of the Group
 - Votes "FOR" sent by post: 8,497,732
 - Votes "AGAINST" sent by post: 6,215,135

- **19th resolution:** Powers
 - Votes "FOR" sent by post: 14,663,641
 - Votes "AGAINST" sent by post: 49,226



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