

Results to September 30, 2007 (non-audited)

November 6, 2007



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TRANSFORM TO PERFORM

Highlights to September 30, 2007 (1/3)

➤ **Healthy overall market trends**

- However, signs of further downturn in the US construction sector towards the end of the period

➤ **Further depreciation of the US dollar vs. the euro**

- Down - 8.0% vs. 1st 9 months of 2006
(average 2007 rate: 1.3440; average 2006 rate: 1.2450)



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Highlights to September 30, 2007 (2/3)

- **Price rises for some raw materials during Q3 '07**
- **Stable overall energy bill**
- **Stretched shipping markets**



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Highlights to September 30, 2007 ^(3/3)

➤ **Acquisitions net of divestments⁽¹⁾ for a total of approx. €316 million**

- Total net sales approx. €270 million and full-year EBIT around €32 million
- Foothold in new mineral: zircon⁽²⁾
- Development stepped up in high-growth zones (China, India, Argentina, Ukraine, etc.)

➤ **Implementation of 'kaolin' plan and 'World Minerals optimization' is progressing satisfactorily**

- (1) Clay roof tiles & bricks activities in Spain & Portugal
(2) Acquisition of Astron China remains subject to prior conditions



Key figures as on September 30, 2007

- **Strong organic growth over 9 months**
 - At comparable Group structure and exchange rates + 4.2% rise in sales and + 8.6% growth in current operating income

- **Increase in contribution of acquisitions⁽¹⁾**
 - + €43 million on sales; + €2.9 million on current operating income

- **Heavy impact of exchange rates on our current data**

- **+ 3.0% rise in net income from current operations**



Group key figures

(€ millions)	9 months 2007	9 months 2006	Change
Sales	2,552.6	2,477.3	+ 3.0%
Current operating income⁽¹⁾	361.8	345.7	+ 4.7%
Net income from current operations⁽²⁾⁽³⁾	231.9	225.2	+ 3.0%
Net income⁽²⁾	216.7	116.2	n.a.

(1) Operating income before other operating revenue and expenses

(2) Group's share

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

➤ **Improvement in main financial indicators over first nine months of the year**



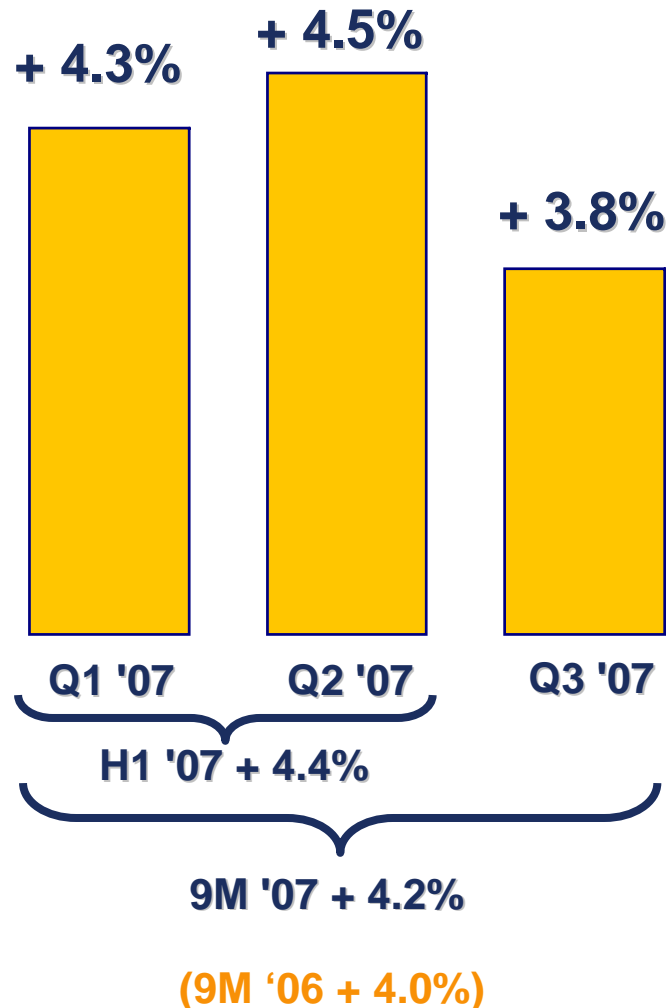
Trends by quarter

(€ millions)	Q1 07	Q1 06	Change	Q2 07	Q2 06	Change	Q3 07	Q3 06	Change
Sales	849.1	834.0	+ 1.8%	855.8	831.7	+ 2.9%	847.8	811.5	+ 4.5%
Current operating income⁽¹⁾	111.1	104.1	+ 6.7%	131,8	124.7	+ 5.7%	118.8	116.9	+ 1.7%
Net income from current operations⁽²⁾⁽³⁾	68.3	64.7	+ 5.6%	86,5	85.6	+ 1.0%	77.1	74.9	+ 3.0%

(1) Operating income before other operating revenue and expenses; (2) Group's share;
 (3) Net income before other operating revenue and expenses, net

- **Ongoing weakness of US dollar**
- **Further downturn in US construction market at the end of Q3**
- **Rise in raw material costs**

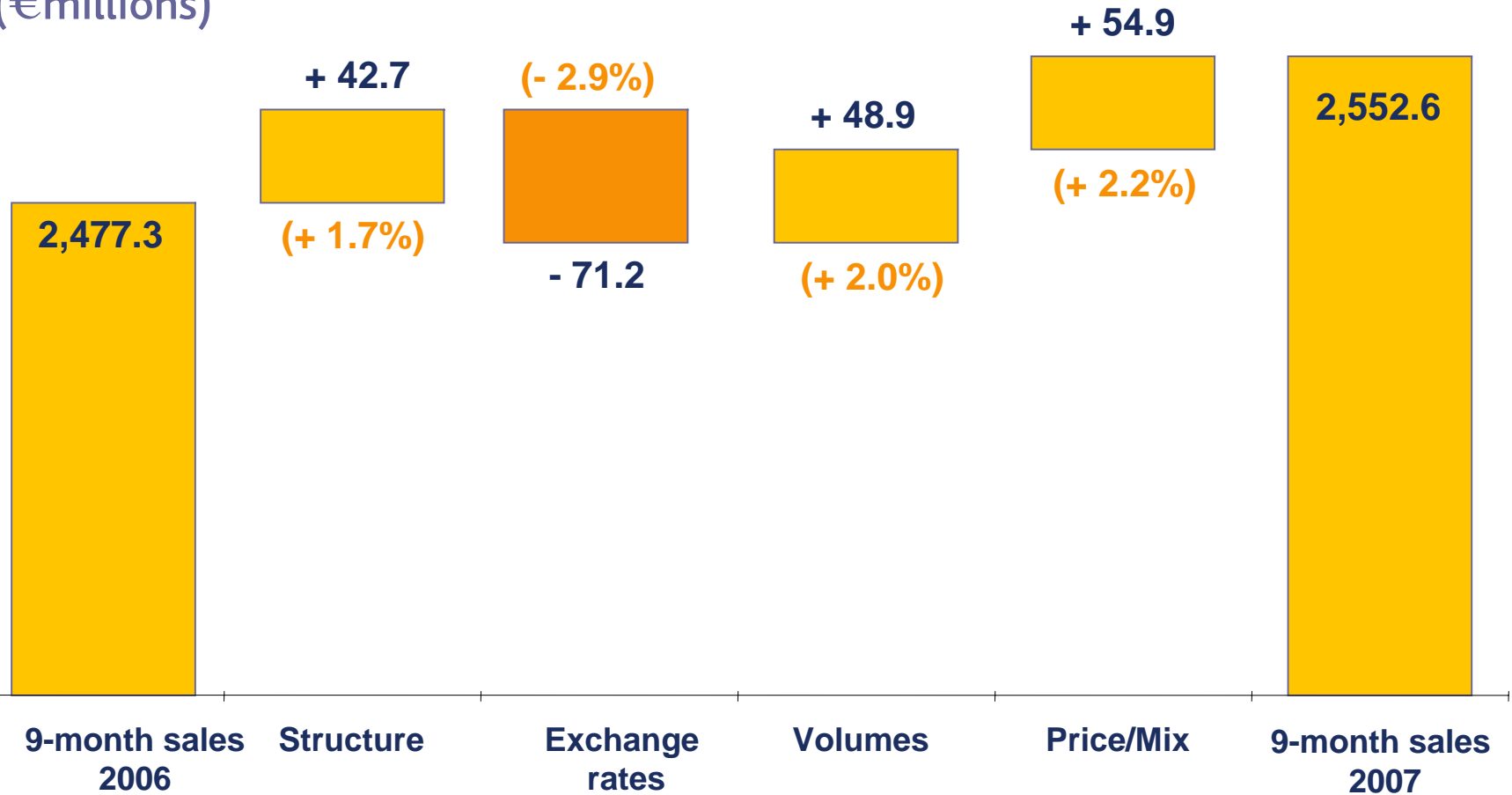
Quarterly change in sales at comparable Group structure and exchange rates⁽¹⁾



- > **Firm organic growth over the period**
- All business groups contributed to the increase

Sales growth

(€millions)



- Significant contribution of acquisitions made since 2006
- Strong negative impact of US dollar depreciation
- Healthy trends in volumes and product offering



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Sales by business group

(€ millions)	9 months 2007	9 months 2006	Current change	Comparable change
Performance Minerals & Pigments	844.0	864.9	- 2.4%	+ 1.0%
<i>Of which Pigments for Paper</i>	<i>566.2</i>	<i>575.6</i>	<i>- 1.6%</i>	<i>+ 2.4%</i>
Materials & Monolithics	763.0	701.7	+ 8.7%	+ 9.0%
Ceramics, Refractories, Abrasives & Filtration	963.4	925.9	+ 4.1%	+ 3.7%
Imerys Group⁽¹⁾	2,552.6	2,447.3	+ 3.0%	+ 4.2%

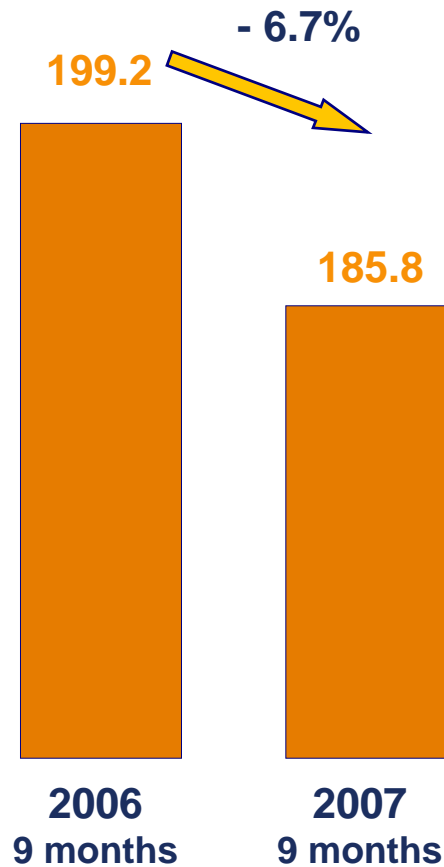
(1) After holding companies and eliminations

- Significant structure effect in Ceramics, Refractories, Abrasives & Filtration
- Heavy negative impact of exchange rates in Performance Minerals & Pigments and in Ceramics, Refractories, Abrasives & Filtration
- Firm volumes overall but US construction-related activities still in slump and non-recurrent downturn in Building Materials in Q3 '07 in France
- Improved product offering in all business groups

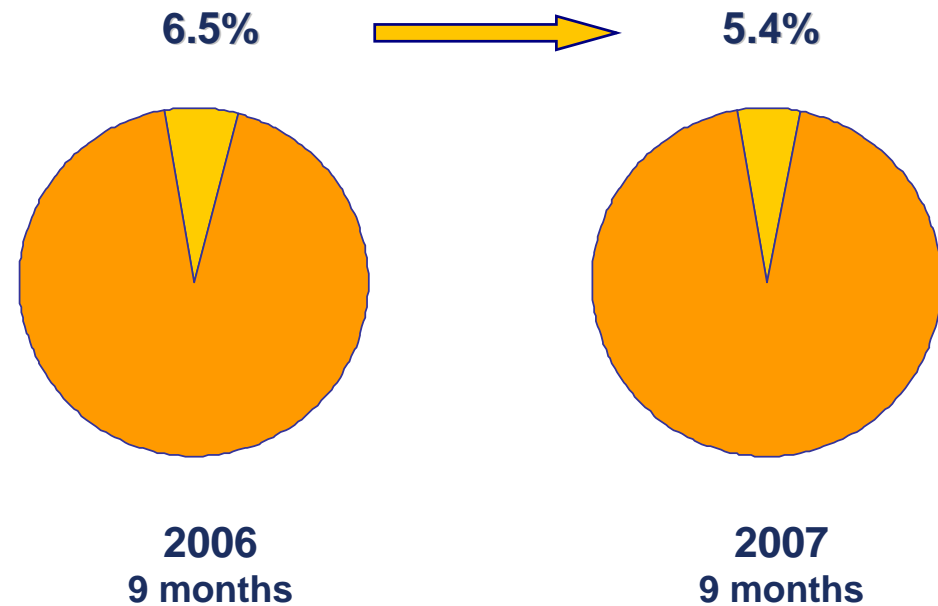


Group's exposure to US construction market

> Sales to US construction market⁽¹⁾ (MUSD)



> % of total Group's sales⁽¹⁾



(1) Imerys estimates : new housing and renovation

Growth in current operating income

- + 4.7% growth over the period to €361.8 million (+ 8.6% at comparable Group structure and exchange rates), driven by all three business groups
- Negative impact of exchange rates (- €16.6 million) with contribution of acquisitions remaining moderate (+ €2.9 million⁽¹⁾ over 9 months '07 vs. + €1 million in H1 '07)
- Improved product offering and volumes offset the impact of inflation in fixed and variable costs (raw materials and logistical costs)
- Operating margin of 14.2%, stable vs. H1 '07 (14.0% for first nine months in 2006)



Steady growth in net income from current operations

(€ millions)	9 months 2007	9 months 2006	Change
Current operating income	361.8	345.7	+ 4.7%
Financial income (expense)	(41.9)	(31.4)	
Current tax	(89.0)	(88.4)	
Minority interests and equity method	1.0	(0.7)	
Net income from current operations⁽¹⁾	231.9	225.2	+ 3.0%

(1) Net income before other operating revenue and expenses, net

- **Significant increase in financial expense, despite a €4.2 million non-recurrent gain on financial instruments in Q3 '07**
- **Slight increase in tax rate at 27.8%, compared with 28.1% as on 9/30/2006**

Net income

(€ millions)	9 months 2007	9 months 2006	Change
Net income from current operations⁽¹⁾⁽²⁾	231.9	225.2	+ 3.0%
Other operating revenue and expenses, net⁽²⁾, of which:	(15.2)	(109.0)	
• Value adjustments with respect to UK plan, net of tax	(0.4)	(81.2)	
• Other value adjustments and restructuring expense, net of tax	(14.8)	(27,8)	
Net income⁽²⁾	216.7	116.2	n.a.

(1) Net income before other operating revenue and expenses, net

(2) Group's share

➤ **Low amount of other revenue and expenses net of tax vs. H1 2006, which was marked by substantial extraordinary items (mainly Group kaolin restructuring plan)**

- Principally Performance Minerals US → adjustment of production capacities in line with demand

2007 outlook

- **Improvement in the Group's main financial indicators for the first nine months of 2007**

- **More difficult economic conditions since end of summer**
 - Unfavorable fluctuations in exchange rates for the Group
 - Uncertain US economy

- **For 2007 as a whole, objective of moderate growth in net current income maintained**



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