

PRESS RELEASE

Paris, November 8, 2006

Capital increase for employees

Imerys implements a capital increase operation reserved for its employees and thus intends to involve its employees closely in the Group's development and results.

Description and reasons for operation

The shareholders, at their Extraordinary and Ordinary General Meeting of May 3, 2005:

- In their thirty-first resolution, empowered the Board of Directors to carry out an increase in share capital in one or more times for a maximum total amount of 1,600,000 euros by the issue of new shares in the Company or other securities giving access to capital, reserved for employees and corporate officers of Imerys and/or its French or foreign affiliates in the sense of article L. 225-180 of the French code of commerce who join a company savings plan,
- In their thirty-third resolution, authorized the Board of Directors to grant in one more times to certain employees and corporate officers of Imerys and/or its French or foreign affiliates in the sense of article L. 225-180 of the French code of commerce options giving the right to subscribe new shares or purchase existing shares in Imerys, within the limit of a total maximum amount of 5,500,000 euros.

To facilitate the Group's employees' access to its capital, pursuant to these authorizations the Board of Directors of Imerys, at its meeting of November 7, 2006, decided to carry out a capital increase for Group employees and to grant Imerys share subscription options to the employees taking part in that capital increase.

Securities offered

➤ Type of issue

Issue of common shares with par value 2 euros each and withdrawal of the preferential subscription right in favor of employees of Group companies that are members of the Group savings plan.

➤ Maximum nominal number of shares issued

The maximum nominal number of shares to be issued is:

- 50,000 new shares under the reserved capital increase, i.e. a maximum nominal capital increase of 100,000 euros,
- 50,000 new shares in the event of the exercise of the subscription options granted, i.e. a maximum nominal capital increase of 100,000 euros,



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Subscription

➤ Share subscription and holding arrangements

Shares shall be subscribed either directly by employees or through a company mutual fund (FCPE) within the maximum limit of 30 shares. Each of the first 15 shares or FCPE units thus subscribed shall give rise to the grant of one option to subscribe a new Imerys share.

➤ Subscription ceiling

In accordance with article L. 443-2 of the French labor code, voluntary payments (including profit-sharing) by an employee into a savings plan may not total more than one quarter of his or her gross professional earnings. Subscriptions to the reserved capital increase must therefore comply with that limit, taking into account all other payments made by employees under their company savings plan and/or the Imerys Group savings plan.

➤ Employee beneficiaries of the reserved capital increase

The capital increase is reserved for employees:

- of Imerys and its at least 50% directly or indirectly held subsidiaries with registered offices in Austria, Belgium, Brazil, Canada, France, Germany, Hungary, Italy, Malaysia, Mexico, Netherlands, Portugal, Singapore, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, the United Kingdom and the United States.
- with at least 3 months' service as on the date of closing the subscription period, i.e. November 22, 2006.

➤ Subscription price for new shares

The subscription price totals euros 53,57. It was set by Imerys' Board of Directors on November 7, 2006 and corresponds to the average opening price for the Imerys share on the Eurolist market of Euronext Paris for the 20 trading days leading up to that date, i.e. October 10 to November 6, 2006 inclusive, minus a 20% discount. This subscription price is definitive and will remain valid regardless of upward or downward fluctuations in the Imerys share price until the closing date of the subscription period.

➤ Exercise price of share subscription options

The exercise price of Imerys share subscription options granted to employees taking part in the capital increase totals euros 66,96. It was set by the Board of Directors of Imerys on November 7, 2006 and corresponds to the average opening price for the Imerys share on the Eurolist market of Euronext Paris for the 20 trading days leading up to that date, i.e. October 10 to November 6, 2006 inclusive.

➤ Subscription period: from November 8 to November 22, 2006 at midnight, Paris time, inclusive.

➤ Payment arrangements for shares or FCPE units

The price of the subscribed shares or FCPE units shall be settled, subject to any constraints arising from the legislation on force in certain countries:

- Either in cash,
- Or with the help of an advance granted by the employer to subscribing employees, which shall be repayable by deduction from the employees' salaries.

➤ Immobilization period for subscribed FCPE units or subscribed shares

In accordance with current regulations, employees who subscribe to the reserved capital increase shall keep the FCPE units or directly held Imerys shares for a statutory immobilization period of 5 years, i.e. until June 30, 2011 inclusive, except in cases of longer immobilization periods or early releases provided by the regulations of the Imerys Groups savings plan.

Rights attached to new shares

The shares:

- offered with respect to the capital increase shall be fully paid-up upon subscription. They shall be subject to all statutory provisions, assimilated to old shares and enjoy the same rights as from the date of completion of the capital increase, including with respect to dividends;
- resulting from the exercise of the subscription options granted shall bear rights as from the first day of the financial year in which they are exercised, including with respect to dividends and shall be fully assimilated to old shares and subject to all the provisions of the by-laws. They shall be in registered form.

The rights attached to Imerys shares, particularly the allocation of earnings, calling and admission to general meetings and the conditions for exercising voting rights are described in paragraph 5.1 “Information on the Company” on pages 196 to 198 of the full translation in English of the Annual Report filed with Autorité des marchés financiers on April 6, 2006 and available free on request from the headquarters of Imerys and the website www.imerys.com.

With respect to the subscription of new shares through the FCPE, the company mutual fund shall exercise the rights attached to said shares.

Listing of new shares

The new shares shall be admitted for listing on the Eurolist market of Euronext Paris on the same line as existing shares (code ISIN FR0000120859).

The world leader in adding value to minerals, Imerys is active in 43 countries through over 250 locations. The Group achieved more than €3 billion in sales in 2005. 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.