

Release of 2005 Consolidated Sales (non-audited)

January 31, 2006

- Jérôme Pecresse Executive Vice President,
Finance & Strategy
- Isabelle Biarnès Investor Relations



2005 Highlights

➤ A year marked by a difficult environment, with relatively slack markets, except for Building Materials, and non-recurrent adverse factors

- Depressed European economy throughout the year
- Building Materials affected by harsh winter in France in Q1
- Pigments for Paper hit by the 7-week strike in the Finnish paper industry in Q2
- Specialty Minerals markets disrupted by the hurricanes that struck the south-eastern United States in Q3
- Ongoing inflation in variable costs, especially energy

➤ Further growth in the Group's revenues

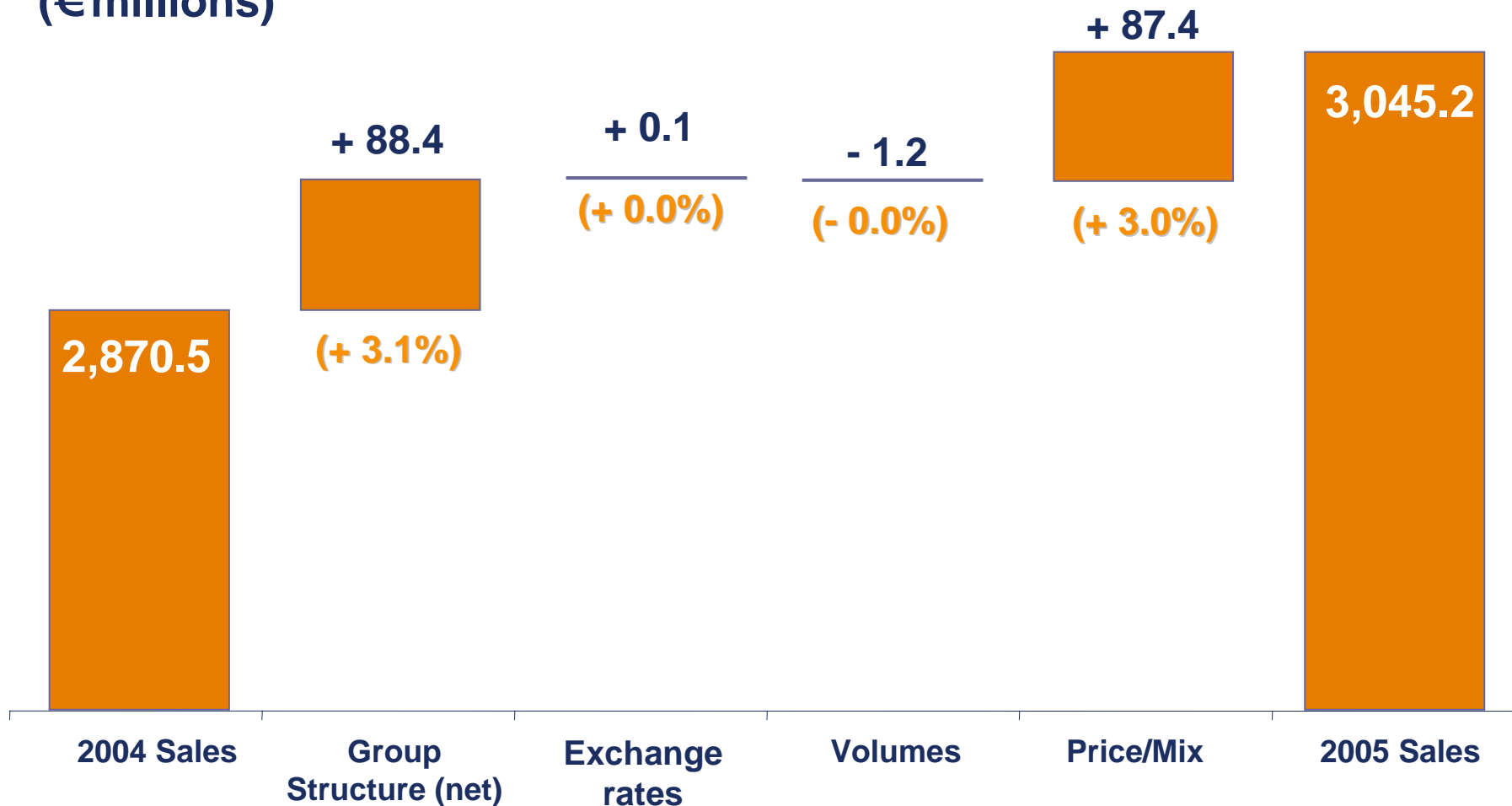
- + 6.1% rise in consolidated sales on a current basis (+ 3.0% at comparable Group structure and exchange rates)
- Greater contribution of acquisitions, the integration of which is going smoothly



IMERYS

2005 Consolidated Sales

(€millions)



- Substantial contribution of acquisitions
- Positive variation in the price/mix component, stable sales volumes
- Exchange rates have overall a neutral impact



Quarterly change in consolidated sales at comparable Group structure and exchange rates



➤ + 3.0% growth over the full year



IMERYS

4th quarter 2005 trends

(€ millions)	Q4 05	Q4 04	Change on reported basis	Change on comp. basis
Consolidated sales	801.3	707.5	+ 13.3%	+ 3.3%

➤ **Healthy pace of sales growth continued in Q4**

- **Greater contribution of acquisitions: + €49.5 million (+ €39.0 million over 9 months)**
- **Effect of exchange rates now positive: + €20.7 million (- €20.6 million over 9 months)**
- **Firm price/mix component: + 3.1% for Q4 (+ 3.0% over 9 months)**
- **Slight growth of volumes with a high basis of comparison: + 0.3% in Q4 (- 0.1% over 9 months)**
 - Good end to the year in Building Materials and good December in Refractories

Specialty Minerals

(€ millions)	2005	2004	Change on reported basis	Change on comp. basis
Consolidated sales	814.9	795.1	+ 2.5%	- 0.5%

➤ A difficult market environment

- Performance minerals markets depressed in Europe and growing - but affected in Q3 by the hurricanes - in the United States
- Slump in ceramics markets in both Europe and North America
- Firm markets for Advanced Technical Solutions

➤ Excluding the effects of Group structure (+ 2.1%) and exchange rates (+ 0.9%), sales decreased slightly (- 0.5% of which 9M: - 0.8%; Q4: + 0.3%)

- Downturn in sales volumes, particularly in H2, mostly offset by an improved price/mix component

➤ Active external growth

- Denain-Anzin Minéraux (France – end of October 2005): foothold in new minerals in Europe (feldspar and mica); positions extended in kaolin
- Gran Bianco Carrara (Italy) and Blancs Minéraux de Tunisie (Tunisia – both May 2005): carbonates for performance minerals



Pigments for Paper

(€ millions)	2005	2004	Change on reported basis	Change on comp. basis
Consolidated sales	755.0	759.2	- 0.6%	+ 3.4%

➤ Slight growth in global market, driven by Asia

- North America: paper production almost stable (- 0.2%)
- Europe: badly affected in Q2 by the strike in the Finnish paper industry, stable for the whole year (- 2.9% in H1, + 3.0% in H2)
- Ongoing strong development of Asian paper market (+ 4.9%)

➤ Excluding the effects of Group structure (- 3.5% due to the divestment of CDM at year-end 2004) and exchange rates (- 0.5%), sales increased + 3.4% (9M: + 3.1%; Q4: 4.4%)

- Improved price/mix component, but not at all enough to compensate for variable costs evolution
- Slight growth of sales volumes: impact of Finnish strike more than offset by the ramp-up of new carbonate capacities

Materials & Monolithics

(€ millions)	2005	2004	Change on reported basis	Change on comp. basis
Consolidated sales	922.4	850.7	+ 8.4%	+ 5.5%

➤ Business group's markets globally firm

- + 2% rise in French roofing market, driven by growth in new single-family housing (start-ups: + 6%), despite the renovation sector being down - 3%; clay structure products continue to make headway (+ 10% vs. 2004)
- Firm monolithic refractories market until the end of the summer, with then a downturn due to conditions in the Western European steel industry (but healthy levels in December)

➤ Excluding the effects of Group structure (+ 2.9%), sales grew + 5.5% (9M: + 4.5%; Q4: + 8.6%)

- Improved price/mix component and increase in sales volumes

➤ Major changes in consolidation scope

- Acquisition of Lafarge Refractories (France, January 2005) and QA Refractories (South Africa, May 2005)
- Divestment of Larivière (France, April 2005)



Refractories, Abrasives & Filtration

(€ millions)	2005	2004	Change on reported basis	Change on comp. basis
Consolidated sales	598.3	502.5	+ 19.1%	+ 5.2%

➤ **Contrasting trends in the business group's markets**

- Refractory markets were buoyant early in the year, then declined in the 2nd half with the downturn in Western European and North American steel production, before a good December
- Gradual slowdown in abrasives markets, with several of its underlying markets being currently slack (automotive and construction sectors in Europe)
- Stability in minerals for filtration

➤ **Excluding the effects of Group structure (+ 13.7%) and exchange rates (+ 0.2%), sales increased + 5.2% (9M: + 6.8%; Q4: + 0.3%)**

- Significant improvement in price/mix component, easily offsetting the slight decrease in sales volumes

➤ **Positions established in new minerals and markets, completion of refocusing**

- Acquisition of World Minerals, the world leader in minerals for filtration (July)
- Divestment of American Minerals (March)



Net Current Income

- **In this business environment and with these revenues trends, Imerys confirms that will achieve its previously announced target of around + 10% growth in net current income in 2005**



IMERYS