PRESS RELEASE

PARIS, FEBRUARY 13, 2019

IMERYS
TRANSFORM TO PERFORM

Imerys announces solid performance for full year 2018

- **+ 6.8% revenue growth, with a contrasted trend between the first and the second half**
- **+ 6.5% growth in net income from current[1] operations, in line with the guidance[2]**
- **€286 million net current free operating cash flow[3]**
- **Balance sheet significantly strengthened with net financial debt lowered from 2.5x to 1.6x current EBITDA after the disposal of the Roofing business**
- **€2.15 dividend per share proposal[4] (up +3.6%), reflecting Board of Directors' confidence in the Group's prospects**
- **Imerys North American talc subsidiaries - representing approximately 3% of Group revenue, current EBITDA and current operating income - filing for US chapter 11 protection to seek permanent resolution of their historic talc-related liabilities in the United States**

CEO Conrad Keijzer commented:

"In 2018, Imerys continued to deliver revenue growth, increased net income from current operations in line with its guidance and generated a solid net current free operating cash flow. We have divested the Roofing activity, the last remaining building materials business in the portfolio, and implemented decisive actions to address adverse market changes in some of our operations. Imerys is entering 2019 with a stronger balance sheet, an improved growth profile as a world leader in specialty minerals and a new, more customer focused organization. Considering a still volatile and uncertain market environment, the Group will continue to sustain its performance by giving priority to cost and cash management in 2019."

On February 13, 2019, Imerys' Board of Directors examined the definitive financial statements for 2018. These will be submitted for approval to the Shareholders' General Meeting on May 10, 2019. The consolidated financial statements have been audited and the related certification report will be published once the Management Report prepared by the Board of Directors has undergone its final review and the procedures required to file the Registration Document have been completed. All financial data included in this press release are presented excluding the Roofing division in 2017 and 2018, unless otherwise specified.

Consolidated results (€ millions)	2017	2018	Change
Revenue	4,299.0	4,590.0	+ 6.8 %
Current operating income[5]	551.2	562.1	+ 2.0 %
Current operating margin	12.8%	12.2%	- 0.6 pt
Net income from current operations, Group share	335.1	356.8	+ 6.5 %
Net income, Group share	368.2	559.6	+ 52.0 %
Net current free operating cash flow	293.8	285.8	- 2.7%
Net financial debt	2,246.4	1,297.4	- 42.2%
Net income from current operations, Group share, per share[6]	4.24	4.50	+ 6.2 %
Proposed dividend per share	2.075	2.150	+ 3.6 %

[1] *Throughout this press release, "current" means " before other operating income and expenses", as defined in the notes to the financial statements relating to the consolidated income statement.*

[2] *As a reminder, on October 31, 2018, the Group published an objective to increase 2018 net income from current operations by close to + 7% year on year, assuming no further change in market conditions and including external growth.*

[3] *Net current free operating cash flow: current EBITDA after notional tax, changes in working capital requirement and paid capital expenditure.*

[4] *Proposal made by the Board of Directors and submitted for approval at the Shareholders' General Meeting held on May 10, 2019.*

[5] *Operating income as presented in the Group's financial statements, including other income and operating expenses and excluding income from discontinued activities, amounted to income of €499.1 million in 2017 and an expense of -€89.4 million in 2018.*

[6] *In 2018 the weighted average number of outstanding shares reached 79,238,417 in 2018 compared with 79,015,367 in 2017.*

2018 HIGHLIGHTS

Business portfolio management to improve the growth profile of Imerys

In 2018, Imerys has continued to reshape its business portfolio to reposition itself as a specialty minerals company and to improve its growth profile:

- Imerys has successfully integrated Kerneos, the world's leading provider of high-performance calcium aluminate binders for the growing building chemicals market, consolidated since July 2017. In 2018, the Group generated synergies in line with its plan.

- On October 11, Imerys has completed the disposal of its Roofing division, which represented the last remaining building materials business in its portfolio. Although highly profitable, this French business had limited growth prospects. This transaction significantly strengthened the Group's balance sheet, generating a cash flow of €823 million, and a net capital gain of €740 million.

Decisive actions to address adverse market changes in some of our operations

The Group has also made the following strategic decisions:

- Withdrawal from ceramic proppants in the United States, due to a fundamental technological shift in the market. Imerys decided to exit this business to limit its negative impact on current operating income to €5 million in 2018. The impairment and restructuring costs recognized at December 31, 2018 amounted to €148.4 million.

- Implementing a "care and maintenance regime" for natural graphite assets in Namibia and refocusing of the Graphite & Carbon division. As a result, the negative contribution of these activities to current operating income represented €7 million in 2018 and the impairment and restructuring costs recognized at December 31, 2018 amounted to €77.9 million.

New organization by market to further leverage our successful repositioning as a specialty minerals company

On December 1, 2018, the Group put in place a new structure, with less layers of management, that is simpler and more customer focused, organized around two segments and grouping five newly created business areas, to focus on Imerys' core markets. The General Managers of the five business areas will report directly to the Chief Executive Officer:

- The **Performance Minerals** segment brings together three geographic business areas: Europe Middle East Africa (EMEA), Americas and Asia Pacific (APAC), each serving plastics, paints & coatings, filtration, ceramics, renewable energy and paper & board markets;

- The **High Temperature Materials & Solutions** segment regroups two business areas: High Temperature Solutions, and Refractory Abrasives & Construction serving refractory, foundry, metal flow, abrasives and building chemistry markets.

This new organization will enable us to achieve our full organic growth potential and to further improve our competitive position for sustained value creation.

To mirror this new structure, a new Executive Committee has been appointed.

POST CLOSING EVENT

Imerys North American talc subsidiaries take major step for the permanent resolution of historic talc-related liabilities in the United-States

Certain subsidiaries of the Group, which operate its talc business in North America, are among the defendants in the actions brought before several U.S. federal and state courts by multiple plaintiffs. In these matters, the plaintiffs assert claims based on the alleged hazards related to the use of talc in certain products. Most of this litigation relates to sales made prior to Imerys's 2011 acquisition of its Talc business.

After evaluating a range of possible options, the three talc subsidiaries of Imerys – Imerys Talc America, Imerys Talc Vermont, and Imerys Talc Canada – representing the whole North American talc business of the Group are voluntarily seeking the protection of Chapter 11, a special legal process under U.S. law. This process allows these subsidiaries to safeguard their long-term business interests while working towards a permanent resolution of their historic talc-related liabilities. The Chapter 11 filing will not adversely affect the business operations, employees or customers of the Group, which will continue to operate as usual and honor all its obligations to stakeholders.

While taking this action, the Group continues to believe that the U.S. talc-related litigation is without merit, as the safety of talc has been confirmed by dozens of peer-reviewed studies and multiple regulatory and scientific bodies. The filing subsidiaries' decision was prompted by the actual and projected increase of defense and settlement costs over the next few years. Such increase follows heightened media coverage of U.S. cosmetic talc-related lawsuits and the growing reluctance by the filing entities' insurers and third-party contractual indemnitors to provide coverage against these increases without new and lengthy litigation by the filing subsidiaries to secure their rights.

The process initiated by the filing subsidiaries immediately suspends all outstanding U.S. talc litigation against the filing entities and avoids the overwhelming projected defense costs associated with the specific nature of the U.S judicial system's handling of product liability claims. This process will enable the filing subsidiaries to resolve current and future claims related to past sales of talc in the U.S. through a plan of reorganization to be negotiated with representatives of existing and future claimants in the coming months.

Although significant, the impact of today's decision of the North American talc subsidiaries and the anticipated terms of their plan of reorganization is not expected to materially affect Imerys's overall financial situation, profitability, and cash generative business profile. For the year ended December 31, 2018, these subsidiaries, which will as from today no longer be included within the scope of consolidation of the Group, recorded €143 million in revenue, €25 million in EBITDA and €16 million in current operating income, which represented approximately 3% of the same Group's consolidated figures. The estimated net financial impact of the overall process initiated today amounts to €250 million has been provisioned in the Group's full-year 2018 consolidated financial statements, in addition to €17 million of costs incurred during the year.

The North American talc filing subsidiaries' announcement is available at: www.ITArestructuring.com.

CORPORATE GOVERNANCE

At its meeting on February 13, 2019, Imerys' Board of Directors agreed the draft resolutions that will be submitted for approval by the Shareholders' General Meeting on May 10, 2019. They include in particular the re-appointment Odile Desforges, Lucile Ribot and Ian Gallienne as directors for a three-year period, as their terms of office are due to expire.

DIVIDEND

At the Shareholders' General Meeting of May 10, 2019, the Board of Directors will propose a dividend of €2.150 per share, up 3.6% compared with the dividend paid in 2018, representing a total estimated payout of €171 million equal to 48% of net income from current operations, Group's share. This proposal reflects the Board's confidence in the Group's fundamentals and development prospects. The dividend is expected to be paid out from May 22, 2019.

2019 OUTLOOK

Imerys is entering 2019 with:

- a simpler, more market-focused, more customer-centric and efficient organization;
- the positive impact of actions taken on our operations impacted by adverse market changes starting to show;
- a reshaped portfolio focused on specialty minerals;
- a stronger balance sheet.

In a context that has remained challenging since the beginning of 2019 and a high basis of comparison, the Group will continue to sustain its performance by giving priority to cost reduction and cash flow generation.

DETAILED COMMENTARY ON THE GROUP'S RESULTS

REVENUE GROWTH OF 6.8%

Unaudited quarterly data (€ millions)	2017 Revenue	2018 Revenue	Change	Organic growth[7]	Volumes	Price-mix
First quarter	1,034.1	1,129.6	+ 9.2%	+ 4.7%	+ 1.5%	+ 3.2%
Second quarter	1,030.5	1,180.9	+ 14.6%	+ 6.0%	+ 1.7%	+ 4.3%
Third quarter	1,102.7	1,153.9	+ 4.6%	+ 3.1%	- 0.9%	+ 4.0%
Fourth quarter	1,131.5	1,125.6	-0.5%	+ 0.3%	- 2.9%	+ 3.3%
Year	**4,299.0**	**4,590.0**	**+ 6.8%**	**+ 3.4%**	**- 0.2%**	**+ 3.7%**

Revenue in 2018 totalled €4,590.0 million, up + 6.8% compared with 2017. This increase reflects organic growth of 3.4%, driven in particular by a positive price-mix effect in all business groups (3.7%), in a context of rising inflation of input costs. In addition to a high basis of comparison, volumes were impacted by a slowdown in industrial markets (abrasives, foundry, paints & coatings, and plastics) in the second half of the year, particularly in the fourth quarter.

Revenue was also boosted by a positive perimeter effect of €290.4 million (6.8%), which included in particular €250.0 million from Kerneos (acquired in July 2017), as well as significantly negative exchange rate effect representing €147.1 million euros (3.4%).

CURRENT OPERATING INCOME UP 2.0%

Unaudited quarterly data (€ millions)	2017	2018	Change
First quarter	122.8	129.6	+ 5.6%
Operating margin	*11.9%*	*11.5%*	*- 0.4 point*
Second quarter	140.7	154.2	+ 9.6%
Operating margin	*13.6%*	*13.1%*	*- 0.5 point*
Third quarter	145.4	140.9	-3.1%
Operating margin	*13.2%*	*12.2%*	*-1.0 point*
Fourth quarter	142.4	137.5	-3.4%
Operating margin	*12.6%*	*12.2%*	*-0.4 point*
Year	**551.2**	**562.1**	**+ 2.0%**
Operating margin	*12.8%*	*12.2%*	*-0.6 point*

[7] *Organic growth: growth at comparable perimeter and exchange rates, or "like-for-like"*

Current operating income totaled €562.1 million in 2018, up 2.0% compared with 2017 at 12.2% **operating margin**. This performance benefitted from a positive price-mix effect of €146.4 million, largely offsetting the increase in variable costs (€111.8 million, due mainly to raw materials and energy).

The contribution of recent acquisitions rose to €32.5 million, driven by Kerneos in particular, more than compensating the negative impact of lower sales volumes (€5.4 million) and unfavorable exchange rates (€21.9 million), particularly in the first half of the year.

The €45 million increase in fixed costs and overheads over the full year (up 2.7%) was contained in the fourth quarter (down 0.5%) as a result of the decisions made to withdraw from the ceramic proppants business and mothball the natural graphite operations in Namibia.

INCREASE OF 6.5% IN NET INCOME FROM CURRENT OPERATIONS

Net income from current operations, Group share increased 6.5% to €356.8 million (€334.9 million in 2017).

It includes an improvement in financial result from - €78.4 million in 2017 to - €60.2 million in 2018, thanks to Imerys' optimization of financial costs (1.8% average interest rate) and asset liability management. The current income tax expense of €145.2 million (€136.9 million in 2017) corresponds to an effective tax rate of 28.9%, which remained stable compared with 2017.

Net income from current operations, Group share, per share grew up 6.2% to €4.50.

GROWTH IN NET INCOME OF 52%

Net income, Group share, increased + 52.0% to reach €559.6 million in 2018 (€368.2 million in 2017). It takes into account:

- the net income from discontinued activities related to the disposal of the Roofing activity, for €788 million euros, of which €740 million of capital gain, net of disposal costs;
- other income and operating expenses, net of taxes, for -€585.2 million, which include impairments, restructuring costs and other exceptional items, related to:
    - Imerys North American talc subsidiaries for -€267.3 million,
    - Ceramic proppants for -€148.4 million,
    - Graphite & Carbon for -€77.9 million,
    - Others for -€91.6 million (acquisition costs and provisions for rehabilitation and various restructuring costs).

SOLID GENERATION OF NET CURRENT FREE OPERATING CASH FLOW

(in € millions)	2017	2018
Current EBITDA	777.0	793.2
Change in operating working capital requirement (WCR)	(13.1)	(25.3)
Paid capital expenditure	(319.4)	(333.0)
Other	8.9	13.5
Current free operating cash flow	453.4	448.4
Notional tax	(159.6)	(162.6)
Net current free operating cash flow	293.8	285.8
Financial expense (net of tax)	(57.0)	(31.8)
Other working capital requirement	35.5	38.8
Net current free cash flow	272.3	292.8

Imerys generated a solid level of current free operating cash flow which amounted to €448.4 million before tax, representing a cash conversion of 57% of Group current EBITDA). **Net current free operating cash flow** totaled €285.8 million in 2018, mainly as a results of the following items:

- A €793.2 million contribution from current **EBITDA** in 2018, an increase of 2.1% compared with 2017 (up €16 million);
- A €333.0 million in **paid capital expenditure** (representing 7.3% of revenue and 126% of amortization and depreciation expense, in line with last year) to support the Group development in its key end markets;
- A €25.3 million decrease in the operating **working capital requirement** in 2018 (representing 23.9% of revenue), compared with a €13.1 million drop in 2017, in a rising inflationary environment.

FINANCIAL STRUCTURE

(€ millions)	2017	2018
Net debt at December 31	2,246.4	1,297.4
Average net debt for the year	1,873.2	2,102.0
Shareholders' equity	2,878.2	3,253.5
Current EBITDA	777.0	793.2
Net debt / shareholders' equity	78.1%	39.9%
Net debt / current EBITDA*	2.5 x	1.6x

** published current EBITDA*

Net financial debt amounted to €1,297.4 million as of December 31, 2018, representing a €949.0 million decrease compared with December 31, 2017. As a result, the ratio between net financial debt and current EBITDA fell to 1.6x at December 31, 2018 (from 2.5x at December 31, 2017). This is mainly due to the disposal of the Roofing division, which generated cash flow of €823 million. It also takes into account a solid cash flow generation for the year and €167.8 million paid in dividend.

The Group's robust financial structure is rated Baa2 by Moody's and BBB by Standard & Poor's, with a stable outlook for both rating agencies.

At December 31, 2018, Imerys' bond financing amounted to €1,982 million with an average maturity of 6.5 years. The Group also had €1,330 million in bilateral credit lines. As a result, the Group's **financial resources** totaled €3,312 million with an average maturity of 5,0 years.

COMMENTARY BY BUSINESS GROUP

Energy Solutions & Specialties

(28% of consolidated revenue in 2018)

Unaudited quarterly data (€ millions)	2017	2018	Change	Organic
First quarter revenue	321.6	319.7	- 0.6%	+ 4.9%
Second quarter revenue	332.0	327.9	- 12%	+ 2.6%
Third quarter revenue	338,7	327.7	-3.2%	-1.2%
Fourth quarter revenue	334.3	319.7	- 4.4%	- 4.1%
Annual revenue	**1,326.6**	**1,295.0**	**-2.4%**	**+ 0.5 %**
Current operating income	**141.1**	**123.2**	**-12.7%**	**+ 1.5 %**
Operating margin	*10.6 %*	*9.5 %*	*- 1.1 point*	-

Revenue generated by the **Energy Solutions & Specialties** business group totaled €1,295.0 million in 2018, down 2.4% on published data. This change includes a significant €49.1 million negative exchange rate effect (3.7%) and a net positive perimeter effect of €11.0 million (0.8%). This takes into account external growth operations completed in the Carbonates division (acquisition of Micronita in Brazil, in November 2017 and Vimal Microns in India, in February 2018, as well as disposal in August 2018 of a lime and limestone production business in Brazil, which generated €9 million of revenue in 2017) and in the Monolithic Refractories division (acquisition of Set Linings at end March 2017).

On a like-for-like basis, annual revenue of the business group was flat due to the softness seen in the industrial markets like foundry, petrochemicals, boilers and incinerators, which weighted on the **Monolithic Refractories** division in the fourth quarter. In China, the Group faced a slowdown in the lithium-ion battery market affecting its **Graphite & Carbon** division. The **Carbonates** division continued its development in a context of falling demand in the US construction market. In the fourth quarter, revenue decreased -4.1% on a like-for-like basis compared with the prior year.

Current operating income for the business group came to €123.2 million in 2018, resulting in an operating margin of 9.5%, partly due to the unfavorable exchange rate effect. However, the decision to withdraw from the ceramic proppants business (**Oilfield Services** division) and mothball underperforming natural graphite operations in Namibia, helped to improve the operating margin in the second half of 2018 to 10.2% compared with 8.8% in the first half.

Filtration & Performance Additives

(28% of consolidated revenue in 2018)

Unaudited quarterly data (€ millions)	2017	2018	Change	Organic
First quarter revenue	312.4	322.6	+ 3.3%	+ 5.8%
Second quarter revenue	317.0	333.9	+ 5.3%	+ 5.3%
Third quarter revenue	302.2	325.2	+ 7.6%	+ 3.7%
Fourth quarter revenue	305.5	316.5	+ 3.6 %	+0.4%
Annual revenue	**1,237.0**	**1,298.1**	**+ 4.9 %**	**+ 3.8 %**
Current operating income	**254.2**	**240.1**	**-5.6%**	**+ 1.7 %**
Operating margin	*20.6 %*	*18.5 %*	*-2.1 points*	-

Revenue for the **Filtration & Performance Additives** business group totaled €1,298.1 million in 2018, representing a year-on-year increase of 4.9%. It includes a €53.2 million positive perimeter effect (4.3%) in particular as a result of the acquisition of Regain Polymers (September 2017) and a €39.3 million negative exchange rate effect (3.2%).

On a like-for-like basis. the business group's annual revenue grew 3.8% in 2018, supported by sustained demand in its markets, despite a slowdown in the second half of the year. The **Metallurgy** division benefitted from still supportive iron & steel markets meanwhile foundry demand in Europe was a bit slower. The **Filtration** division has continued its expansion into new segments like cosmetics and agriculture, in a context of high basis of comparison. The **Performance Additives** division continued to face a lack of visibility in the automotive market in Europe and in North America, and limited demand in the paints & coatings markets in Europe, and one of its plants is temporarily suspending deliveries for production issues[8].

The business group's **current operating income** totaled €240.1 million, leading to an operating margin of 18.5% (from 20.6% in 2017), due to a less favorable business mix in the second half.

[8] *Wollastonite plant in Willsboro, United States, with a total yearly revenue of €40 million, and serving mainly industrial applications such as paint and plastics.*

Ceramic Materials

(18% of consolidated revenue in 2018)

Unaudited quarterly data (€ millions)	2017	2018	Change	Organic
First quarter revenue	231.7	208.7	- 9.9%	- 0.7%
Second quarter revenue	224.4	214.6	- 4.4%	+ 3.7%
Third quarter revenue	215.4	214.5	- 0.4%	+ 3.4%
Fourth quarter revenue	211.9	216.3	+ 2.1%	+ 4.0%
Annual revenue	**883.4**	**854.1**	**- 3.3%**	**+ 2.6%**
Current operating income	**115.8**	**102.9**	**-11.2%**	**- 2.6%**
Operating margin	*13.1 %*	*12.0 %*	*- 1.1 point*	-

Revenue for the **Ceramic Materials** business group totaled €854.1 million in 2018. The 3.3% year-on-year drop factors in a significant €42.8 million negative exchange rate effect (4.8%), in particular due to the Brazilian real.

On a like-for-like basis. annual revenue was up + 2.6% in 2018, with a good momentum in the fourth quarter. The **Ceramics** division maintained a positive trend, supported by strong construction markets in emerging countries.

The business group's **current operating income** totaled €102.9 million in 2018, resulting in an operating margin of 12.0%, due to the impact of weak paper markets in the **Kaolin** division.

High Resistance Minerals

(26% of consolidated revenue in 2018)

Unaudited quarterly data (€ millions)	2017	2018	Change	Organic
First quarter revenue	184.2	304.2	+ 65.1%	+ 10.3%
Second quarter revenue	171.5	329.8	+ 92.3%	+ 22.6%
Third quarter revenue	263.1	309.4	+ 17.6%	+ 12.3%
Fourth quarter revenue	296.2	293.7	-0.8%	+ 0.6%
Annual revenue	**915.0**	**1 237.0**	**+ 35.2 %**	**+ 10.1 %**
Current operating income	**111.5**	**152.5**	**+ 36.8 %**	**+ 9.9 %**
Operating margin	*12.2 %*	*12.3 %*	*+ 0.1 point*	-

Revenue for the **High Resistance Minerals** business group totaled €1,237.0 million in 2018. The 35.2% year-on-year reported increase in revenue factors in a significant €254.8 million positive perimeter effect (27.9%) relating to the integration of Kerneos, and to a lesser extent to Zhejiang in China in the Fused Minerals division. The negative exchange rate impact was substantial at €24.9 million (2.7%).

On a like-for-like basis, annual revenue increased 10.1% in 2018, boosted by a significant price mix to offset a strong increase in raw materials. In the fourth quarter, the **Fused Minerals** division faced a slowdown in industrial markets and a particularly high basis of comparison. In the **Aluminates** division, which includes Kerneos, the positive momentum in North America and Asia was slightly mitigated in Europe (Germany in particular).

The business group's **current operating income** rose 36.8% (9.9% like-for-like) to €152.5 million in 2018, as a result of the synergies from the integration of Kerneos and a firm price-mix effect offsetting a high inflation in raw materials.

2019 Financial Calendar

February 13, 2019 (post market)	Full Year 2018 Results
May 6, 2019 (post market)	Q1 2019 Results
May 10, 2019	Shareholders' General Meeting
June 13, 2019	Capital Market Day
July 29, 2019 (post market)	H1 2019 Results
October 29, 2019 (post market)	Q3 2019 Results

The above dates are tentative and may be updated on the Group's website at ***www.imerys.com***. in the *Investors & Analysts/Financial Agenda* section.

Presentation

The press release is available from the Group's website ***www.imerys.com*** in the *News* section on the home page.

The presentation of the 2018 results will begin at 11am (GMT+1) on February 14 and will be streamed live on the Group's website.

Analysts/Investor Relations:	Press Contacts:
Vincent Gouley - + 33 (0)1 4955 6469	Claire Garnier - + 33 (0)1 4955 6427
finance@imerys.com	Philémon Tassel - + 33 (0)6 3010 9611

APPENDICES

1. CONSOLIDATED REVENUE

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Revenue by business group (€ millions)								
Energy Solutions & Specialties	321.6	332.0	338.7	334.3	319.7	327.9	327.7	319.7
Filtration & Performance Additives	312.4	317.0	302.2	305.5	322.6	333.9	325.2	316.5
Ceramic Materials	231.7	224.4	215.4	211.9	208.7	214.6	214.5	216.3
High Resistance Minerals	184.2	171.5	263.1	296.2	304.2	329.8	309.4	293.7
Holding & Eliminations	(15.8)	(14.4)	(16.7)	(16.4)	(25.6)	(25.3)	(22.9)	(20.6)
Group	**1,034.1**	**1,030.5**	**1,102.7**	**1,131.5**	**1,129.6**	**1,180.9**	**1,153.9**	**1,125.6**
Like-for-like revenue proforma growth								
Energy Solutions & Specialties	+ 1.0%	+ 0.7%	+ 5.3%	+ 9.0%	+ 4.9%	+ 2.6%	- 1.2%	- 4.1%
Filtration & Performance Additives	+ 6.5%	+ 4.0%	+ 4.8%	+ 6.1%	+ 5.8%	+ 5.3%	+ 3.7%	+ 0.4%
Ceramic Materials	- 4.5%	- 3.6%	- 1.2%	- 1.2%	- 0.7%	+ 3.7%	+ 3.4%	+ 4.0%
High Resistance Minerals	+ 14.6%	+ 4.4%	+ 10.7%	+ 13.2%	+ 10.3%	+ 22.6%	+ 12.3%	+ 0.6%
Group	**+ 3.1%**	**+ 1.4%**	**+ 4.2%**	**+ 6.3%**	**+ 4.7%**	**+ 6.0%**	**+ 3.1%**	**+ 0.3%**
Current operating income (€ millions)								
Group	**122.8**	**140.7**	**145.4**	**142.4**	**129.6**	**154.2**	**140.9**	**137.5**
Operating margin	**11.9%**	**13.6%**	**13.2%**	**12.6%**	**11.5%**	**13.1%**	**12.2%**	**12.2%**

Revenue by geographical area (€m)	2018 Revenue	Change (current basis) 2018 vs. 2017	% of 2018 revenue	% of 2017 revenue
Western Europe	1,807.8	+ 7.7 %	40%	39 %
of which France	250.7	+10.7%	5%	5%
United States/ Canada	1,118.5	+ 0.4 %	24%	26 %
Emerging countries	1,432.9	+ 11.2 %	31%	30 %
Japan/ Australia	230.8	+ 6.4 %	5 %	5 %

2. KEY RESULTS INDICATORS

(€ millions)	2017	2018	change
Revenue	4 299.0	4 590.0	+6.8%
Current EBITDA	777.0	793.2	+2.1%
Current operating income	551.2	562.1	+2.0%
Financial income	(78.4)	(60.2)	-23.2%
Current tax	(136.9)	(145.2)	+ 6.1%
Minorities	(0.9)	0.1	N/A
Net income from current operations. Group share	335.1	356.8	+6.5%
Other operating income and charges, net	(34.2)	(585.2)	N/A
Net income from discontinued activities	67.3	788.0	N/A
Net income, Group share	**368.2**	**559.6**	**+52.0%**

(€ millions)	Q4 2017	Q4 2018	change
Revenue	1,131.5	1,125.6	-0.5%
Current EBITDA	194.0	192.5	-0.8%
Current operating income	142.4	137.5	-3.4%
Financial income	(15.9)	(11.0)	-30.7%
Current tax	(34.8)	(34.0)	-2.1%
Minorities	(0.4)	(1.6)	N/A
Net income from current operations, Group share	91.3	90.9	-0.2%
Other operating income and charges, net	(8.8)	(560.4)	N/A
Net income from discontinued activities	17.9	739.0	N/A
Net income, Group share	**100.4**	**269.5**	**N/A**

3. GLOSSARY

- The term **"on a comparable basis"** means: "at comparable Group structure and exchange rates";
  - Restatement of the foreign exchange effect consists of calculating aggregates for the current year at the exchange rate of the previous year. The impact of exchange rate instruments qualifying as hedging instruments is taken into account in current data.
  - Restatement of Group structure effect of newly consolidated entities consists of:
    - for entities entering the consolidation scope in the current year, subtracting the contribution of the acquisition from the aggregates of the current year,
    - for entities entering the consolidation scope in the previous year, subtracting the contribution of the acquisition from January 1 of the current year, until the last day of the month of the current year when the acquisition was made the previous year;
    - Restatement of entities leaving the consolidation scope consists of:
    - for entities leaving the consolidation scope in the current year, subtracting the departing entity's contributions from the aggregates of the previous year as from the first day of the month of divestment,
    - for entities leaving the consolidation scope in the previous year, subtracting the departing entity's contributions from the aggregates of the previous year.
- the term **«volume effect »** corresponds to the sum of the change in sales volumes of each division between the current year and the previou one, valued at the average sales price of the previous year.
- the term **«price-mix effect »** corresponds to the sum of the change in average prices by product family of each division between the current year and the previous one, applied to volumes of the current year.
- the term **"Current operating income"** means operating income before other operating income and expenses;
- the term **"Net income from current operations"** means the Group's share of income before other operating revenue and expenses, net;

- the term **"Net current free operating cash flow"** means EBITDA after deduction of notional tax, changes in working capital requirement and paid capital expenditure and including subsidies, value of divested assets and miscellaneous (see change in net financial debt as an appendix to this press release);
- the term "**Net current free cash flow**" means Current free operating cash flow less financial expense (net of tax) and other working capital requirement items (see change in net financial debt as an appendix to this press release).

SUMMARY OF FINANCIAL STATEMENTS AS OF DECEMBER 31, 2018

CONSOLIDATED INCOME STATEMENT

(€ millions)		2018	Discontinued operations(1)	2017	Discontinued operations(1)
Revenue		**4,590.0**	**229.2**	**4,299.0**	**299.4**
Current income and expenses		**(4,027.9)**	**(153.1)**	**(3,747.7)**	**(202.6)**
Raw materials and consumables used		(1,503.2)	(61.0)	(1,351.2)	(78.6)
External expenses		(1,267.8)	(39.7)	(1,205.1)	(46.5)
Staff expenses		(997.7)	(43.0)	(930.5)	(56.9)
Taxes and duties		(41.2)	(3.9)	(46.2)	(4.8)
Amortization, depreciation and impairment		(265.9)	(5.4)	(251.8)	(13.8)
Other current income and expenses		47.9	(0.1)	37.2	(2.0)
Current operating income		**562.1**	**76.1**	**551.2**	**96.9**
Other operating income and expenses		**(651.5)**	**738.8**	**(52.2)**	**(1.4)**
Gain (loss) from obtaining or losing control		3.9	739.7	(11.0)	-
Other non-recurring items		(655.4)	(0.9)	(41.2)	(1.4)
Operating income		**(89.4)**	**814.9**	**499.1**	**95.5**
Net financial debt expense		**(42.0)**	**0.0**	**(46.4)**	**(0.0)**
Income from securities		4.9	-	10.2	-
Gross financial debt expense		(46.9)	-	(56.6)	-
Other financial income and expenses		**(18.2)**	**(0.4)**	**(31.9)**	**(0.8)**
Other financial income		285.4	0.1	212.1	-
Other financial expenses		(303.6)	(0.5)	(244.0)	(0.8)
Financial income (loss)		**(60.2)**	**(0.4)**	**(78.4)**	**(0.9)**
Income tax		(89.0)	(26.5)	(118.9)	(27.3)
Net income from discontinued operations(1)		**788.0**	**788.0**	**67.3**	**67.3**
Net income		**549.4**	**-**	**369.1**	**-**
Net income, Group share(2)		559.6	-	368.2	-
Net income attributable to non-controlling interests		(10.2)	-	0.9	-
(1) Roofing division					
(2) Net income per share					
Basic net income per share (in €)	15	*7.06*	*9.94*	*4.66*	*0.85*
Diluted net income per share (in €)	15	*6.96*	*9.80*	*4.59*	*0.84*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	2018	2017
Non-current assets	**4,908.3**	**5,251.5**
Goodwill	2,143.3	2,135.5
Intangible assets	277.6	305.5
Mining assets	503.7	592.6
Property, plant and equipment	1,662.1	1,896.0
Joint ventures and associates	112.8	115.5
Other financial assets	42.0	52.1
Other receivables	35.1	46.3
Derivative financial assets	19.3	22.5
Deferred tax assets	112.4	85.5
Current assets	**2,685.6**	**2,216.5**
Inventories	867.0	840.2
Trade receivables	656.6	676.1
Other receivables	296.9	302.4
Derivative financial assets	7.3	7.0
Other financial assets(1)	8.9	8.8
Cash and cash equivalents(1)	848.9	381.9
Consolidated assets	**7,593.9**	**7,468.0**
Equity, Group share	**3,217.2**	**2,827.6**
Capital	159.0	159.2
Premiums	520.4	529.1
Reserves	1,978.2	1,771.0
Net income, Group share	559.6	368.3
Equity attributable to non-controlling interests	**36.4**	**50.6**
Equity	**3,253.6**	**2,878.2**
Non-current liabilities	**3,095.5**	**2,859.8**
Provisions for employee benefits	290.0	321.3
Other provisions	666.8	394.6
Borrowings and financial debt(1)	1,995.9	1,986.3
Other debts	17.7	20.2
Derivative financial liabilities	0.4	2.7
Deferred tax liabilities	124.7	134.7
Current liabilities	**1,244.8**	**1,729.9**
Other provisions	23.7	27.1
Trade payables	557.3	510.9
Income tax payable	115.1	100.9
Other debts	358.9	417.2
Derivative financial liabilities	9.7	6.0
Borrowings and financial debt(1)	168.5	664.9
Bank overdrafts(1)	11.6	2.9
Consolidated equity and liabilities	**7,593.9**	**7,468.0**
(1) Included in the calculation of net financial debt	*1,297.4*	*2,246.4*

CURRENT FREE OPERATING CASH FLOW

(€ millions)	2018	Discontinued operations[1]	2017	Discontinued operations[1]
Current operating income	562.1	76.1	551.2	96.9
Operating amortization, depreciation and impairment[2]	265.9	5.4	251.8	13.8
Net change in operating provisions	(38.6)	(0.4)	(25.9)	2.0
Share in net income of joint ventures and associates	(1.7)	-	(6.0)	-
Dividends received from joint ventures and associates	5.6	-	5.8	-
Operating cash flow before taxes (current EBITDA)	**793.3**	**81.1**	**777.0**	**112.7**
Notional tax on current operating income[3]	(162.6)	(26.6)	(159.6)	(28.0)
Current net operating cash flow	**630.7**	**54.5**	**617.4**	**84.7**
Capital expenditure[4] & [5]	**(333.0)**	**(9.9)**	**(319.4)**	**(21.4)**
Intangible assets	(28.4)	(0.3)	(21.6)	(1.2)
Property, plant and equipment	(251.6)	(5.9)	(258.2)	(18.1)
Overburden mining assets[6]	(55.9)	-	(58.0)	-
Debt on acquisitions	2.9	(3.7)	18.4	(2.2)
Carrying amount of current asset disposals	**13.5**	**0.8**	**8.9**	**-**
Change in operational working capital requirement	**(25.4)**	**(0.1)**	**(13.1)**	**1.4**
Inventories	(99.9)	0.4	(47.0)	(5.9)
Accounts receivable, advances and down payments received	15.1	(0.1)	(24.5)	5.5
Accounts payable, advances and down payments paid	59.4	(0.4)	58.4	1.7
Current free operating cash flow	**285.8**	**45.3**	**293.8**	**64.7**

(1) Roofing division				
(2) Operating amortization, depreciation and impairment	*265.9*	*5.4*	*251.8*	*13.8*
Net operating amortization and depreciation (Appendix 1 of the Consolidated Statement of Cash Flows)	*265.4*	*-*	*251.7*	*-*
Finance lease depreciation (Appendix 3 of the Consolidated Statement of Cash Flows)	*(0.6)*	*-*	*(0.1)*	*-*
(3) Effective tax rate on current operating income	*28.9 %*	*-*	*28.9 %*	*-*
(4) Capital expenditure	*(333.0)*	*(9.9)*	*(319.4)*	*(21.4)*
Acquisitions of intangible assets and property, plant and equipment (Consolidated Statement of Cash Flows)	*(332.9)*	*-*	*(319.3)*	*-*
Finance lease acquisitions (Appendix 3 of the Consolidated Statement of Cash Flows)	*-*	*-*	*0.2*	*-*
(5) Recognized capital expenditure/asset depreciation ratio	*126.3 %*	*-*	*134.1 %*	*-*
The recognized capital expenditure/asset depreciation ratio is equal to capital expenditure (except for debt on acquisitions) divided by the increase in amortization and depreciation				
Increase in amortization and depreciation	*265.9*	*-*	*251.8*	*-*
(6) Overburden mining assets	*(55.7)*	*-*	*(48.9)*	*-*
Overburden mining assets – capital expenditure	*(55.9)*	*-*	*(48.9)*	*-*
Neutralization of activated restoration provisions	*0.2*	*-*	*-*	*-*

CHANGE IN NET FINANCIAL DEBT

(€ millions)	2018	Discontinued operations[1]	2017	Discontinued operations[1]
Current free operating cash flow	**285.8**	**45.3**	**293.8**	**64.7**
Financial income (loss)	(60.2)	(0.5)	(78.4)	(0.9)
Financial impairment loss and unwinding of the discount	10.9	0.2	(1.3)	0.2
Income tax on financial income (loss)	17.4	0.2	22.7	0.2
Change in income tax debt	16.5	1.7	2.0	3.0
Change in deferred taxes on current operating income	17.3	0.6	34.0	(7.2)
Change in other items of working capital	(9.2)	6.0	(14.5)	(6.7)
Share-based payment expenses	14.9	0.4	12.9	0.5
Change in the fair value of operational hedge instruments	(0.7)	-	2.1	-
Change in dividends receivable from available-for-sale financial assets	0.1	-	(0.8)	-
Current free cash flow	**292.8**	**53.9**	**272.3**	**53.8**
Acquisitions	**(23.2)**	**0.0**	**(1,056.9)**	**(3.2)**
Acquisitions of shares in consolidated entities minus net debt acquired	(22.9)	-	(1,053.7)	(3.2)
Acquisitions of shares in consolidated entities from non-controlling interests	-	-	(0.2)	-
Acquisitions of available-for-sale financial assets	(0.3)	-	(3.0)	-
Disposals	**51.9**	**851.4**	**10.2**	**0.0**
Disposals of investments in consolidated entities minus net debt disposed	42.2	851.4	4.8	-
Non-recurring disposals of intangible assets and property plant and equipment	9.7	-	5.4	-
Transaction costs	**(5.4)**	**(16.7)**	**(19.3)**	**-**
Changes in the estimated contingent consideration of the seller	**(0.8)**	**-**	**9.5**	**-**
Cash flow from other operating income and expenses	**(46.6)**	**(3.3)**	**(11.3)**	**(2.3)**
Dividends paid to shareholders and non-controlling interests	**(104.9)**	**(62.9)**	**86.5**	**(236.1)**
Financing requirement	**163.8**	**822.4**	**(709.0)**	**(187.7)**
Transactions on equity	2.5	-	(0.5)	-
Net change in financial assets	(7.1)	0.1	(4.2)	-
Cash flow of assets held for sale	**822.5**	**822.5**	**(187.7)**	**(187.7)**
Change in net financial debt	**981.7**	**-**	**(901.3)**	**-**

(1) Roofing division

NET INCOME FROM CURRENT OPERATIONS, AND NET INCOME, GROUP SHARE

(€ millions)	2018	2017
Current operating income	562.1	551.2
Financial income (loss)	(60.2)	(78.4)
Income tax on current operating income and financial income (loss)	(145.2)	(136.9)
Share of non-controlling interests in current operating income and financial income (loss)	0.1	(0.9)
Net income from current operations, Group share	**356.8**	**335.1**
Other operating income and expenses – gross	(651.5)	(52.2)
Income tax on other operating income and expenses	56.2	18.0
Share of non-controlling interests in other operating income and expenses	10.1	-
Net income from discontinued operations[1]	**788.0**	**67.3**
Net income, Group share	**559.6**	**368.2**

(1) Roofing division

CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	2018	2017
Cash flow from operating activities	**615.7**	**621.5**
Of which cash flow from discontinued operations[1]	59.7	73.0
Cash flow from current operations	847.2	836.1
Interest paid	(46.1)	(76.8)
Income tax on current operating income (expense) and financial income (loss)	(135.7)	(132.9)
Dividends received from available-for-sale financial assets	0.1	(0.8)
Cash flow from other operating income and expenses	(49.8)	(4.1)
Cash flow from investing activities	**378.4**	**(639.6)**
Of which cash flow from discontinued operations[1]	676.1	(20.4)
Acquisitions of intangible assets and property, plant and equipment	(342.8)	(340.7)
Acquisitions of shares in consolidated entities, net of acquired cash	(23.7)	(311.9)
Transaction costs	(22.1)	(19.3)
Changes in the estimated contingent consideration of the seller	(0.8)	0.0
Acquisitions of available-for-sale financial assets	(0.1)	(3.2)
Disposals of intangible assets and property, plant and equipment	26.8	19.7
Disposals of shares in consolidated entities, net of disposed cash	743.2	5.1
Net change in financial assets	(7.2)	0.1
Interest income	5.1	10.6
Cash flow from financing activities	**(529.2)**	**(380.1)**
Of which cash flow from discontinued operations[1]	(29.9)	(51.9)
Capital increase and decrease in cash	(6.9)	2.1
Disposals (acquisitions) of treasury shares	9.4	(2.6)
Dividends paid to shareholders	(164.6)	(148.2)
Dividends paid to non-controlling interests	(3.2)	(1.4)
Acquisitions of shares in consolidated entities from non-controlling interests	-	(0.2)
Loans issued	5.6	604.2
Repayment of borrowings	(32.7)	(1 136.9)
Net change in other debts	(336.8)	302.9
Change in cash and cash equivalents	**464.9**	**(398.2)**

(1) Roofing division

(€ millions)	2018	2017
Cash and cash equivalents at January 1	**379.0**	**798.1**
Change in cash and cash equivalents	464.9	(398.1)
Impact of currency fluctuations	(6.6)	(21.0)
Cash and cash equivalents at December 31[2]	**837.3**	**379.0**
Cash	509.1	289.7
Cash equivalents	339.8	92.2
Bank overdrafts	(11.6)	(2.9)

(2) At December 31, 2018, "Cash and cash equivalents at December 31" included a restricted balance of €7.1 million (€1.9 million at December 31, 2017) not available for Imerys SA and its subsidiaries, of which €5.6 million (€1.3 million at December 31, 2017) due to legal restrictions or foreign exchange controls and €1.5 million (€0.6 million at December 31, 2017) due to statutory requirements.