

Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2016

NOTICE OF MEETING



IMERYS
TRANSFORM TO PERFORM



a Limited Liability Company (*Société Anonyme*)
with a share capital of €159,144,982
registered office: 154, rue de l'Université
75007 Paris - France
562 008 151 R.C.S Paris

Ladies and Gentlemen, Dear Shareholders,

We are pleased to invite you at the **Ordinary and Extraordinary Shareholders' General Meeting of Imerys** which will be held:

on Wednesday May 4, 2016 at 11 a.m
at Shangri-La Hôtel Paris
(*room Roland Bonaparte*)
10, avenue d'Iéna - 75116 Paris (France)

We inform you that this **Shareholders' General Meeting will not be followed by a cocktail.**

Kindly find enclosed the practical details to attend the General Meeting, its agenda, the drafts of resolution that will be submitted to the shareholders' vote, a summarized presentation of the Company's situation over the past financial year and a form that may be used to request the documents and information provided for by article R. 225-83 of the French Code of Commerce.

The Board of Directors

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HOW TO ATTEND THE SHAREHOLDERS' GENERAL MEETING?

THE DIFFERENT WAYS TO ATTEND THE SHAREHOLDERS' GENERAL MEETING

Regardless of the number of shares you hold, you are entitled to take part in and vote at the Meeting by choosing one of the following ways of participation:

- 1) attend in person
- 2) vote by mail
- 3) give proxy to the Chairman of the Meeting
- 4) be represented by any person of your choice
- 5) vote via internet.

REQUIREMENTS FOR PARTICIPATING IN THE SHAREHOLDERS' GENERAL MEETING

The right to participate in the Shareholders' General Meeting is subject to the record of your shares **at the latest on May 2, 2016, at 0:00 a.m** (Paris time).

- If your shares are **registered shares**, they are automatically recorded and you have nothing to do; recording of your shares in the Company's registers is sufficient.
- If your shares are **bearer shares**, you may obtain from your usual financial intermediary (bank, financial institution, broker) that manages your account, a **certificate of participation** that gives evidence of the recording of your shares in a bearer security account.

YOU WISH TO ATTEND THE MEETING

You shall request beforehand an **admission card**. To do so, please check box **A** on the **Form** that is enclosed to this notice.

YOU WISH TO VOTE BY MAIL OR TO BE REPRESENTED AT THE MEETING

Please check box **B** on the **Form** as well as the appropriate box corresponding to your choice among the three following options:

- **vote by mail**, by checking **box 1**, as well as the boxes of the resolutions on which you wish to vote against, if any;
- **give proxy to the Chairman** of the Meeting, by checking **box 2**; in that case, the Chairman of the Meeting will vote in favor of the adoption of draft resolutions submitted or approved by the Board of Directors and vote against the adoption of all other draft resolutions.
- **give proxy to another person of your choice**, by checking **box 3**; please enter the name and address of the person you wish to designate. Moreover and in accordance with the law, you may also designate (and as the case maybe, revoke) your proxy by way of electronic means. To do so, you must send a copy of the Form, duly completed and signed, by e-mail to actionnaires@imerys.com, on **May 1, 2016** at the latest. If your shares are bearer shares, the certificate of participation mentioned above must be necessarily attached to the Form. Please note that the person you will have designated shall come to the Meeting with a copy of the Form duly completed and signed, his/her identity card and a copy of yours. The revocation, if any, of such proxy shall be made in the same conditions of his/her designation: by letter sent by e-mail to actionnaires@imerys.com, on **May 1, 2016** at the latest.

RETURN OF THE FORM

- If your shares are registered shares, the completed, signed and dated **Form** shall be returned par mail exclusively to CACEIS CT.
- If your shares are bearer shares, the completed, signed and dated **Form** shall be sent to your usual financial intermediary which will forward it to CACEIS CT along with the **certificate of participation** mentioned above.

In any case, the **Form** shall reach CACEIS CT **on May 1, 2016** at the latest to be taken into account. CACEIS CT details are as follows: **Crédit Agricole Caisse d'Épargne Investor Services Corporate Trust (CACEIS CT)** – Service Assemblées - 14 rue Rouget de Lisle, 92862 Issy Les Moulineaux Cedex 09 (France).

phone number: +33 (0) 1 57 78 32 32 / fax number: + 33 (0) 1 49 08 05 82.

Please do not send the Form directly to Imerys.

YOU WISH TO VOTE VIA INTERNET

You may also take part in the vote before the Meeting via Internet, by accessing **OLIS-Actionnaire** website via www.nomi.olisnet.com.

- If your shares are **registered shares**:

you must sign in on the website using the login mentioned on the Form and follow the instructions given on the screen.

- If your shares are **bearer shares**:

you must request a certificate of participation to your financial intermediary mentioning "vote by Internet". Your financial intermediary will have to return this certificate to CACEIS CT (with the mention "vote by Internet" and your e-mail address). Upon reception of the certificate of participation, CACEIS CT will send you an e-mail with the login needed to your connection to the site. You will then be able to vote.

This secure website dedicated to prior voting to the Shareholders' General Meeting will be open from April 14, 2016 to 3:00 p.m. (Paris time) on May 3, 2016, the day before the Meeting.

Any shareholder who has voted by mail or Internet, given a proxy or requested an admission card, will not be able to choose another way to vote in the Meeting; nevertheless, any shareholder who has voted by mail or Internet, or given a proxy, will be able to attend the Meeting, without taking part in the vote.

TRANSFER OF YOUR SHARES

In accordance with article R. 225-85 of the French Code of Commerce, any shareholder who has carried out one of the above formalities may nevertheless transfer all or part of his or her shares. However, if the disposal takes place before the second business day prior to the Meeting, i.e. **May 2, 2016**, 00:00 a.m (Paris time), the Company shall, as the case may be, invalidate or amend accordingly the mail vote, the proxy, the admission card or the certificate of participation. For that purpose, the authorized financial intermediary shall notify the Company or CACEIS CT of the transfer and provide the necessary information. However, no disposal or any other transaction made after **May 2, 2016**, 00:00 a.m (Paris time), shall be notified by the financial intermediary or taken into consideration by the Company.

INFORMATION AND DOCUMENTS AT SHAREHOLDERS' DISPOSAL

Documents and information to be put at Shareholders' disposal according to the law will be available at the Company's registered office, on its website or obtained on simple request to CACEIS CT. Please kindly note that documents provided for by article R. 225-73-1 of the French Code of Commerce were published on www.imerys.com, within the time limits required by law.

You can also obtain the financial statements of the Company, the Group consolidated financial statements and the management report of the Board of Directors for the year 2015, information and professional information concerning the Directors of the Company in function on December 31, 2015 or whose appointment is proposed to the Shareholders' General Meeting of May 4, 2016, by consulting and downloading on www.imerys.com the 2015 Registration Document of Imerys filed with the Autorité des marchés financiers on March 17, 2016.

AGENDA

ORDINARY PART

1. Approval of the Company's management and annual financial statements for the financial year ended on December 31, 2015;
2. approval of the Group's consolidated financial statements for the financial year ended on December 31, 2015;
3. allocation of earnings and determining of dividend with respect to the financial year ended on December 31, 2015;
4. Statutory Auditors' special report referred to in article L. 225-40 of the French Code of Commerce on regulated agreements and commitments governed by articles L. 225-38 et seq. of the French Code of Commerce and approval, pursuant to paragraph 4 of article L. 225-42-1 of the French Code of Commerce, of the modification made to commitments made by the Company in favor of Mr. Gilles Michel, Chairman and Chief Executive Officer;
5. opinion on the compensation items due or awarded for the financial year ended on December 31, 2015 to Mr. Gilles Michel, Chairman and Chief Executive Officer;
6. ratification of the appointment of Mr. Laurent Raets as Director;
7. ratification of the appointment of Mr. Colin Hall as Director;
8. renewal of the term of office as Director of Mr. Ian Gallienne;
9. renewal of the term of office as Director of Mr. Laurent Raets;
10. appointment of Mrs. Odile Desforges as a new Director;
11. appointment of Mr. Arnaud Vial as a new Director;
12. renewal of the term of office as joint Statutory Auditor of Ernst & Young et Autres;
13. renewal of the term of office as joint Alternate Auditor of Auditex;
14. renewal of the term of office as joint Statutory Auditor of Deloitte & Associés;
15. renewal of the term of office as joint Alternate Auditor of BEAS;
16. repurchase by the Company of its own shares.

EXTRAORDINARY PART

17. Authorization to make allotments of free Company's shares to employees or officers of the Company and its subsidiaries, or to certain categories of them;
18. powers.

PRESENTATION OF THE RESOLUTIONS

BY THE BOARD OF DIRECTORS

FINANCIAL YEAR 2015 - ANNUAL FINANCIAL STATEMENTS AND ALLOCATION OF EARNINGS

We first submit for your approval the Company's financial statements (**first resolution**) and the Group's consolidated financial statements (**second resolution**) for the 2015 financial year.

The presentation of these financial statements and the description of the financial situation, business and results of the Group and the Company for the financial year just ended, as well as the various items of information required by current legal and regulatory provisions, appear in chapters 2 and 6 of the Registration Document.

You are then called upon to decide on the allocation of the Company's 2015 earnings (**third resolution**). The Company's net income in 2015 totalled €340,118,961 to which the retained earnings appearing in the balance sheet of €27,815,615 be added in order to give a total distributable amount of €367,934,576. The Board of Directors proposes the payment of a dividend of €1.75 per share, i.e. a 6.1% increase compared with the dividend paid in 2015 with respect to the previous financial year. The dividend will be payable as from May 12, 2016.

In accordance with the provisions of article 243 bis of the French General Tax Code, the entire proposed dividend with respect to 2015 is eligible for the 40% tax credit provided for by article 158-3-2° of the French General Tax Code, which natural persons resident in France for tax purposes may benefit from.

Dividends paid out with respect to the previous three financial years were as follows:

Financial year ending	12/31/2014	12/31/2013	12/31/2012
Net dividend per share	€1.65 ⁽¹⁾	€1.60 ⁽¹⁾	€1.55 ⁽¹⁾
Number of shares entitled to dividend	80,298,521	76,519,723	75,455,357
Total net distribution	€132.5 M	€122.4 M	€116.9 M

REGULATED AGREEMENTS AND COMMITMENTS

You are asked under the **fourth resolution** to consider the Statutory Auditors' special report relating to the regulated agreements and commitments governed by the provisions of articles L. 225-38 et seq. of the French Code of Commerce as well as the modification made to the commitment made by the Company in favor of Gilles Michel, Chairman and Chief Executive Officer, regarding the severance indemnity that could be owed to him in case of end of his corporate office.

At its meeting of February 11, 2016, the Board of Directors, on the recommendation of the Appointments and Compensation Committee and in order to comply with the terms of the AFEP-MEDEF Corporate Governance Code, amended the conditions for the payment of the severance indemnity that could be owed to Gilles Michel in the event of the end of his corporate office. Consequently, Gilles Michel's employment contract now provides that severance indemnity would only be owed in the event of forced departure linked to a change of control, a change of strategy or a major disagreement over them; no indemnity would be owed in the event of Gilles Michel's voluntary departure or if he had the possibility of benefiting from his pension rights at short notice after he reaches the age of 63. It is specified that the other payout conditions (calculation of amount, applicable performance conditions) are unchanged.

At the same meeting, the Board of Directors, in accordance with legal provisions, reexamined all the other regulated agreements and commitments authorized and entered into in previous years in favor of Gilles Michel (collective pension schemes and social guarantee for company managers and executives) and confirmed that said commitments were to continue unchanged according to their initial terms and conditions (for more information see chapter 3, paragraph 3.3.2 of the Registration Document).

All the commitments made by the Company are detailed in the Statutory Auditors' special report inserted in chapter 2, paragraph 2.2.3 of the Registration Document.

COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code, your opinion is required under the **fifth resolution** on the compensation items and benefits due or awarded for the 2015 financial year to Gilles Michel, as Chairman and Chief Executive Officer, and that are summarized in the table below (for further details on the compensation policy, see chapter 3, section 3.3 of the Registration Document).

Compensation items due or awarded for the year ended	Amounts or accounting valuation submitted to the vote	Presentation
Fixed compensation	€800,000	Gross fixed compensation decided by the Board of Directors on February 12, 2015, unchanged since 2010.
Annual variable compensation	€666,400 paid in 2015 €882,816 to be paid in 2016	The economic performance criteria for 2015 were related to the achievement of financial targets: net income, Group operating cash flow for 2015 and return on capital employed. A multiplier of 0.8 to 1.2 could be applied to the resulting amount according to the achievement of other specific goals, the confidential nature of which prevents their publication. A ceiling of 132% of the fixed amount of Gilles Michel's compensation is set for the variable part of his compensation.
Deferred variable compensation	NA	No deferred variable compensation was paid to the Chairman and Chief Executive Officer.
Multi-annual variable compensation	NA	No multi-annual variable compensation was paid to the Chairman and Chief Executive Officer.
Extraordinary compensation	NA	No extraordinary compensation was paid to the Chairman and Chief Executive Officer.
Stock options, performance shares and any other element of long-term compensation	Valuation of performance shares awarded = €1,608,513	35,000 performance shares were granted to the Chairman and Chief Executive Officer upon the decision of the Board of Directors of April 30, 2015 pursuant to the Ordinary and Extraordinary Shareholders' General Meeting authorization of April 29, 2014 (15 th resolution), representing 0.04% of the Company's share capital after dilution. These performance shares, and their number, are conditioned by and proportionate to the achievement of economic performance goals related to the growth of the Group's net income per share and of the Group's ROCE (return on capital employed) during the 2015-2017 period.
	Other element = NA	
Attendance fees	NA	No attendance fees are allotted to the Chairman and Chief Executive Officer.
Valuation of any benefits	€16,562 (accounting valuation)	Company car with driver.
Indemnity due to end of duties	€0	In 2015, Gilles Michel's employment contract as Executive Corporate Officer was providing for an indemnity in the event that his corporate office is terminated at the Company's initiative or in the event of forced departure linked to a change of control or strategy. The amount of this severance indemnity would be calculated on the basis of a maximum of two years' compensation (fixed + variable). The amount of this indemnity would be calculated on the basis of a maximum of two years' compensation (fixed + variable). Its payment would be subject and proportional to performance conditions appraised on the basis of the arithmetic average of the percentages of achievement of the sole economic and financial goals of the last three financial years, as set down for the determination of the variable compensation with respect to each of those financial years. In addition, Gilles Michel benefits from the social guarantee for Company managers and executives (GSC). The Board of Directors on February 11, 2016 decided to modify the conditions for the payment of this severance indemnity in order to comply with the terms of the AFEP-MEDEF Corporate Governance Code (see chapter 3, paragraph 3.3.2 of the Registration Document).

Compensation items due or awarded for the year ended	Amounts or accounting valuation submitted to the vote	Presentation
		In accordance with legal provisions, the amendment made by the Board of Directors on February 11, 2016 was published on the Company's website and notified to the Statutory Auditors for the drafting of their special report on regulated agreements and commitments (see chapter 2, paragraph 2.2.3 of the Registration Document) and will be submitted to the approval of the present Shareholders' General Meeting (resolution 4) (see paragraph 8.1.3 and section 8.4 of this chapter).
Indemnity under a non-competition clause	NA	There is no indemnity under a non-competition clause.
Supplementary pension plans	€0	<p>The Chairman and Chief Executive Officer since April 28, 2011 is among the potential beneficiaries of the collective supplementary pension plan with defined benefits for the principal managers of Imerys who meet the restrictive and objective eligibility criteria.</p> <p>The maximum amount of the life annuity that may be paid to the beneficiaries of the plan as from the liquidation of their pension rights is calculated in order to guarantee them:</p> <ul style="list-style-type: none"> • a total annual gross amount (after allowing for pensions from obligatory and other supplementary plans, including the defined contribution supplementary pension plan described below) of 60% of their reference salary (average of the last two years of the beneficiary's fixed plus variable compensation); said salary is limited to 30 times the annual French social security ceiling (PASS); • subject to a pay-in ceiling equal to 25% of said reference salary. <p>Furthermore, the Company decided to set up, as from October 1, 2009, a defined contribution supplementary pension plan for the benefit of some of Imerys' top managers, including the Chairman and Chief Executive Officer. Contributions to this scheme, set at 8% of the compensation of eligible employees with a ceiling of 8 PASS, are made jointly by the employee (for 3%) and the Company (for 5%). These commitments taken by the Company in favor, among others, of Gilles Michel, Chairman and Chief Executive Officer, were approved again by the Ordinary and Extraordinary Shareholders' General Meeting of April 30, 2015 on the occasion of the renewal of his office as Director. They continued without any modification during the financial year 2015 and they were notified to the Statutory Auditors for the drafting of their special report on regulated agreements and commitments (see chapter 2, paragraph 2.2.3 of the Registration Document).</p>

COMPOSITION OF THE BOARD OF DIRECTORS

In accordance with the law, you are first asked to ratify the appointment as new Directors of Mr. Laurent Raets (**sixth resolution**) and Mr. Colin Hall (**seventh resolution**) who were appointed in succession to respectively Mr. Olivier Pirotte and Mr. Arnaud Laviolette by the Board of Directors at its meetings of July 29, 2015 and December 15, 2015 (for further details, see chapter 3, paragraph 3.1.2 of the Registration Document). Subject to your approval, Mr. Raets and Mr. Hall will hold their office for the remaining duration of their respective predecessor, i.e. regarding Mr. Raets until this Shareholders' General Meeting and concerning Mr. Hall until the close of the Shareholders' General Meeting that will be called in 2017 to rule on the management and financial statements for the 2016 financial year.

Moreover, the terms of office of Mrs. Fatine Layt and Messrs. Ian Gallienne, Robert Peugeot, Laurent Raets (subject to the ratification of his appointment proposed above) and Amaury de Seze will expire at the end of this Meeting. At its meeting of February 11, 2016, the Board of Directors acknowledged that Mrs. Fatine Layt, Mr. Robert Peugeot and Mr. Amaury de Seze did not request the renewal of their expiring term of office and, in accordance with the recommendations of the Appointments and Compensation Committee, decided to propose to the Shareholders' General Meeting to:

- renew the term of office of Mr. Ian Gallienne and Mr. Laurent Raets for a further three-year period, i.e. until the close of the Shareholders' General Meeting that will be called in 2019 to rule on the management and financial statements for the 2018 financial year (**eighth and ninth resolutions**); and
- appoint for the same three-year period, i.e. until also the end of the Shareholders' General Meeting called in 2019 to rule on the management and financial statements for the 2018 financial year, Mrs. Odile Desforges and Mr. Arnaud Vial as new Directors (**tenth and eleventh resolutions**) to succeed respectively Mr. Robert Peugeot and Mr. Amaury de Seze, Mrs. Fatine Layt being not replaced in her duties.

Professional information regarding Messrs. Ian Gallienne, Laurent Raets and Colin Hall is included in chapter 3, paragraph 3.1.3 of the Registration Document.

Information concerning Mrs. Odile Desforges and Mr. Arnaud Vial is provided below.

Professional information concerning Mrs. Odile Desforges (born in 1950, French national):

A graduate of École Centrale de Paris, Odile Desforges began her career in 1973 as a researcher at Institut de Recherche des Transports (transport research institute). She joined the Renault group (France) in 1981 as a researcher in the automotive planning department before becoming a product engineer. In 1986 she joined the purchasing department as head of the external parts section then was appointed body part purchasing Manager, from 1992 at GIE Renault Volvo Car Purchasing then in the Renault Purchasing Department in 1994. In March 1999, she became Deputy CEO of the Renault VI-Mack group in charge of 3P (Product Planning, Product Development, Purchasing, Project). In 2001 she was appointed President of the AB Volvo group's 3P Business Unit. In 2003, Odile Desforges became VP Purchasing at Renault and Chairman & CEO of Renault Nissan Purchasing Organization. On that date she became a member of Renault's Management Committee. In 2009, Odile Desforges was appointed a member of the Executive Committee, VP Engineering and Quality for the Renault Group, an office that she held until July 2012, when she ended her professional activities.

Professional information concerning Mr. Arnaud Vial (born in 1953, French and Canadian national):

A graduate of École Supérieure d'Électricité de Paris, Arnaud Vial began his career in 1977 at BNP Paribas (France). In 1988, he joined the Pargesa Group as Vice-President Accounting & Financial Services then Deputy CEO of Parfinance (France). In 1993 he was appointed General Secretary of Pargesa Holding SA (Switzerland). Since 1997, Arnaud Vial has held the office of Senior Vice-President of Power Corporation of Canada and Corporation Financière Power (Canada). He has also been Director and CEO of Pargesa Holding SA since 2013.

In accordance with the principles used by the Company to determine the independent status of its Directors, and after examining their personal situation, the Board of Directors, upon proposal of the Appointments and Compensation Committee, recognized the independent status of Mrs. Odile Desforges. Independent status was not awarded to Messrs. Ian Gallienne, Colin Hall, Laurent Raets and Arnaud Vial, who represent Imerys controlling shareholders (for more details, see chapter 3, paragraph 3.1.2 of the Registration Document).

Following the Shareholders' General Meeting of May 4, 2016 and subject to its approval of the above proposals, the Board of Directors will be made up as follows:

Year of end of term of office	Name	Independent member
2017	Aldo CARDOSO	Yes
	Paul DESMARAIS III	No
	Marion GUILLOU	Yes
	Colin HALL	No
	Arielle MALARD de ROTHSCHILD	Yes
2018	Xavier Le CLEF	No
	Gilles MICHEL	No
	Giovanna KAMPOURI MONNAS	Yes
	Ulysses KYRIACOPOULOS	No
	Katherine TAAFFE RICHARD	Yes
	Marie-Françoise WALBAUM	Yes
2019	Odile DESFORGES	Yes
	Ian GALLIENNE	No
	Laurent RAETS	No
	Arnaud VIAL	No

According to legal and statutory provisions, Mrs. Éliane AUGÉLET-PETIT and Mr. Enrico d'ORTONA were appointed as Directors representing employees on October 6, 2014 for a three-year period, i.e. until October 6, 2017.

AUDITORS

The term of office of the Joint Statutory Auditors and the Joint Alternate Auditors will expire at the close of this Shareholders' General Meeting. At its meeting of February 11, 2016, the Board of Directors, in accordance with the recommendations of the Audit Committee, decided to propose to the Shareholders' General Meeting to renew the terms of office of:

- Ernst & Young et Autres (**twelfth resolution**) and Deloitte & Associés (**fourteenth resolution**) as Joint Statutory Auditors, and
- Auditex (**thirteenth resolution**) and BEAS (**fifteenth resolution**) as their respective Alternate Auditors.

These terms of office would be held for the legal and statutory six-year period and would consequently expire at the close of the Shareholders' General Meeting that will be called in 2022 to rule on the management and financial statements for the 2021 financial year.

SHARE BUYBACK PROGRAM

The authorization to buy back the Company's shares on the market, given to the Board of Directors for a 18 month-period by the Ordinary and Extraordinary Shareholders' General Meeting of April 30, 2015 will expire on October 29, 2016; it is therefore proposed that you renew it now in accordance with the provisions of articles L. 225-209 et seq. of the French Code of Commerce and articles 241-1 to 241-6 of the AMF's General Regulations (**sixteenth resolution**). For further information about the Company's implementation of its share buyback programs in 2015, see chapter 7, paragraph 7.2.4 of the Registration Document.

This authorization is intended to enable the Board of Directors to purchase a maximum number of Company shares representing 10% of the outstanding shares at January 1, 2016 (i.e. 7,957,249 shares) mainly for the purpose of:

- their subsequent cancellation by reducing the Company's capital;
- covering the stock purchase option plans and/or free share grant plans, as well as any grant of shares under shareholding plans set up by the Company (or assimilated plans), or with respect to profit-sharing and/or any other forms of grant, award or transfer of shares to current employees, former employees and/or corporate officers of the Company and/or any related companies pursuant to articles L. 225-180 and L. 233-16 of the French Code of commerce, within the frame of the regulations in force or ad hoc plans set up by the Company;
- awarding or exchanging shares purchased on the occasion, in particular, of rights exercises or issues of securities giving the right by redemption, conversion, swap, warrant or in any other manner to the grant of shares;
- keeping shares with a view to their later transfer for exchange or payment, under or following external growth, merger, split or contribution operations;
- ensuring the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity contract in accordance with a code of conduct recognized by the AMF; and
- more generally, operating for any other purpose that is or may come to be authorized by law, and/or implementing any market practice that may come to be authorized by Autorité des Marchés Financiers.

The number of shares that may be held, whether directly or indirectly and at any time whatsoever, shall not exceed 10% of the shares making up the capital. Finally, the maximum purchase price would be €85 per share, representing a maximum total investment of €676 million.

Acquisitions will be carried out by any means, including the transfer of blocks and the use of derivatives.

The description of this new program, drawn up in accordance with the provisions of articles 241-1 to 242-6 of AMF's General Regulations, will be available on the Company's website (**www.imerys.com** – News & Media Center – Regulated Information section) prior to the Shareholders' General Meeting of May 4, 2016. A copy of this description can also be obtained on request from the Company's head office.

AUTHORIZATION FOR FREE ALLOTMENT OF SHARES IN FAVOR OF EMPLOYEES AND/OR CORPORATE OFFICERS OF THE GROUP

In accordance with the provisions of the Macron law published on August 7, 2015, the allotment and taxation mechanisms for free shares granted by French companies to their employees were made simpler and lighter through shorter vesting and holding periods, possible tax relief for the beneficiary and reduced employee and employer contributions.

In order to benefit from this new legislative framework while continuing the Group's policy for retaining high-potential managers as described in chapter 3, section 3.5 of the Registration Document, it is proposed that you grant the Board of Directors a new authorization for the free allotment of shares to the Group's employees and/or corporate officers (**seventeenth resolution**) which would then replace the authorization previously approved by the Ordinary and Extraordinary Shareholders' General Meeting of April 29, 2014. The allotment conditions and mechanisms provided by this new authorization would be identical to the authorization currently in force, i.e.:

- In accordance with the Company grant policy, acquisition of free shares, in particular by executive corporate officers, shall be necessarily subject to the achievement of one or more performance criteria determined by the Board of Directors;
- the maximum number of conditional free shares that could be awarded to executive corporate officers pursuant to this authorization shall not be greater than 0.5% of the Company's capital on the day of the Board's granting decision;
- the total number of shares that may be the subject of free grants could not exceed an overall ceiling of 3% of the Company's capital on the day of the Board's granting decision;
- the sub-ceilings of 0.5% and 3% shall be common to those set up for grants of stock subscription or stock purchase options, specified in the fourteenth resolution approved by the Ordinary and Extraordinary Shareholders' General Meeting of April 29, 2014;
- the minimum vesting period as well as the minimum holding period for that shares would be determined by the Board of Directors in accordance with the regulations in force on the day of their grant;
- Last, with a view to homogenization between specific authorizations granted to the Board of Directors in favor of employees and/or corporate officers of the Group, this authorization shall be granted for a period of 14 months, i.e. until July 3, 2017 and shall replace the previous one which shall thus be rendered null and void for the unused part.

POWERS

The **eighteenth resolution**, and **the last one**, confers all necessary powers to complete legal formalities arising from the Shareholders' General Meeting.

DRAFTS OF RESOLUTIONS PROPOSED

BY THE BOARD OF DIRECTORS

ORDINARY PART

FIRST RESOLUTION

Approval of the Company's management and annual financial statements for the financial year ended on December 31, 2015

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Auditors' Report relating to the Company's financial statements for the financial year ended on December 31, 2015 approves, as presented, such financial statements, as well as the transactions evidenced by such financial statements and summarized in such reports.

SECOND RESOLUTION

Approval of the Group's consolidated financial statements for the financial year ended on December 31, 2015

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Auditors' Report relating to the Group's consolidated financial statements for the financial year ended on December 31, 2015 approves, as presented, such financial statements as well as the transactions evidenced by such financial statements and summarized in such reports.

THIRD RESOLUTION

Allocation of earnings and determining of dividend with respect to the financial year ended on December 31, 2015

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report:

▪ acknowledges that the Company's profit for the past financial year is:	€340,118,960.90
▪ increased by the retained earnings amounting to:	€27,815,614.94
▪ representing a total distributable amount of:	€367,934,575.84
▪ resolves to pay in respect of financial 2015 a dividend of €1.75 to each of the 79,572,491 shares that make up the share capital as on December 31, 2015, which represents a distribution of:	€(139,251,859.25)
▪ and allocates the remaining amount to retained earnings which now amount to:	€228,682,716.59

The Shareholders' General Meeting decides that the total amount of the dividend paid out shall be adjusted according to the exercise as from January 1, 2016 of subscription options for shares entitled to the dividend with respect to financial year 2015 as on the payment date of that dividend. The amount allocated to retained earnings shall be determined on the basis of the total amount of dividend effectively paid out. Moreover, if the Company were to be holding some of its own shares on the date of payment of the dividend, the sums corresponding to the dividends that would not have been paid out as a result would be allocated to retained earnings.

The Shareholders' General Meeting decides that the dividend will be paid as from May 12, 2016.

In accordance with article 243 bis of the French General Tax Code, the proposed dividend is eligible for the 40% allowance provided for by article 158-3-2° of the French General Tax Code, from which private individuals domiciled in France for tax purposes may benefit.

The Shareholders' General Meeting acknowledges that the sums paid out as dividends with respect to the previous three financial years were as follows:

	Fiscal year 2014	Fiscal year 2013	Fiscal year 2012
Net dividend per share	€1.65 ⁽¹⁾	€1.60 ⁽¹⁾	€1.55 ⁽¹⁾
Number of shares compensated	80,298,521	76,519,723	75,455,357
Total net distribution	€132.5 M	€122.4 M	€116.9 M

(1) Dividend eligible for the 40% allowance.

FOURTH RESOLUTION

Statutory Auditors' special report referred to in article L. 225-40 of the French Code of Commerce on regulated agreements and commitments governed by articles L. 225-38 et seq. of the French Code of Commerce and approval, pursuant to paragraph 4 of article L. 225-42-1 of the French Code of Commerce, of the modification made to commitments made by the Company in favor of Mr. Gilles Michel, Chairman and Chief Executive Officer

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report drawn up pursuant to the provisions of article L. 225-40 of the Code of Commerce, and ruling on that report, again approves, in accordance with the provisions of paragraph 4 of article L. 225-42-1 of the French Code of Commerce, the modification made to the commitment made by the Company in favor of Mr. Gilles Michel, Chairman and Chief Executive Officer, relating to the severance indemnity that would be owed to him in the event that his corporate office was terminated. The Shareholders' General Meeting acknowledges that all the other regulated agreements or commitments concluded and approved during previous years continued without modification.

FIFTH RESOLUTION

Opinion on the compensation items due or awarded for the financial year ended December 31, 2015 to Mr. Gilles Michel, Chairman and Chief Executive Officer

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, consulted pursuant to the AFEP-MEDEF Corporate Governance Code, gives a favorable opinion on the compensation items due or awarded for the 2015 financial year to Mr. Gilles Michel, Chairman and Chief Executive Officer, as described in the presentation of the resolutions by the Board of Directors, in chapter 8 of the Company's 2015 Registration Document.

SIXTH RESOLUTION

Ratification of Mr. Laurent Raets' appointment as Director

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, resolves to ratify the appointment of Mr. Laurent Raets as a new Director decided by the Board of Directors at its meeting of July 29, 2015, for the remaining duration of the term of Mr. Olivier Pirotte, his predecessor, that is until the end of this Shareholders' General Meeting.

SEVENTH RESOLUTION

Ratification of Mr. Colin Hall's appointment as Director

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, resolves to ratify the appointment of Mr. Colin Hall as a new Director decided by the Board of Directors at its meeting of December 15, 2015 for the remaining duration of the term of Mr. Arnaud Laviolette, his predecessor, that is until the end of the Shareholders' General Meeting called upon in 2017 to rule on the management and financial statements for financial year 2016.

EIGHTH RESOLUTION

Renewal of the term of office as Director of Mr. Ian Gallienne

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, acknowledging that Mr. Ian Gallienne's term of office as Director expires following the present General Meeting, resolves to renew such term for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2019 to rule on the management and financial statements for financial year 2018.

NINTH RESOLUTION

Renewal of the term of office as Director of Mr. Laurent Raets

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, acknowledging that Mr. Laurent Raets' term of office as Director expires following the present General Meeting, resolves, subject to the approval of the sixth resolution above, to renew such term for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2019 to rule on the management and financial statements for financial year 2018.

TENTH RESOLUTION

Appointment of Mrs. Odile Desforges as a new Director

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, resolves to appoint as a new Director, Mrs. Odile Desforges for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2019 to rule on the management and financial statements for financial year 2018.

ELEVENTH RESOLUTION

Appointment of Mr. Arnaud Vial as a new Director

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, resolves to appoint as a new Director Mr. Arnaud Vial for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2019 to rule on the management and financial statements for financial year 2018.

TWELFTH RESOLUTION

Renewal of the term of office of Ernst & Young et Autres as joint statutory Auditor

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, acknowledging that the term of office of Ernst & Young et Autres as joint statutory Auditor expires following the present General Meeting, resolves to renew such term for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2022 to rule on the management and financial statements for financial year 2021.

THIRTEENTH RESOLUTION

Renewal of the term of office of Auditex as joint alternate Auditor

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, acknowledging that the term of office of Auditex as joint alternate Auditor expires following the present General Meeting, resolves to renew such term for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2022 to rule on the management and financial statements for financial year 2021.

FOURTEENTH RESOLUTION

Renewal of the term of office of Deloitte & Associés as joint statutory Auditor

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, acknowledging that the term of office of Deloitte & Associés as joint statutory Auditor expires following the present General Meeting, resolves to renew such term for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2022 to rule on the management and financial statements for financial year 2021.

FIFTEENTH RESOLUTION

Renewal of the term of office of BEAS as joint alternate Auditor

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report, acknowledging that the term of office of BEAS as joint alternate Auditor expires following the present General Meeting, resolves to renew such term for a period that, pursuant to statutory provisions, will expire at the end of the Shareholders' General Meeting called upon in 2016 to rule on the management and financial statements for financial year 2015.

SIXTEENTH RESOLUTION

Repurchase by the Company of its own shares

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for ordinary Shareholders' General Meetings, having considered the Board of Directors' report pursuant to the provisions of articles L. 225-209 et seq. of the French Code of Commerce and articles 241-1 to 241-6 of the General Regulations of Autorité des marchés financiers (AMF):

- 1) authorizes the Board of Directors, with the possibility of sub-delegating under the conditions provided by law, to make purchases of the Company's own shares for:
 - the subsequent cancellation of the shares acquired by reducing the Company's capital,

- covering the stock purchase option plans and/or free share award plans, as well as any grant of shares under shareholding plans set up by the Company (or assimilated plans), or with respect to profit-sharing and/or any other forms of grant, award or transfer of shares to current employees, former employees and/or corporate officers of the Company and/or any related companies pursuant to articles L. 225-180 and L. 23-16 of the French code of commerce,
- awarding or exchanging shares purchased on the occasion, in particular, of rights exercises or issues of securities giving the right by redemption, conversion, swap, warrant or in any other manner to the grant of shares,
- keeping shares with a view to their later transfer for exchange or payment, under or following external growth, merger, split or contribution operations,
- ensuring the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity contract in accordance with a code of conduct recognized by the AMF, and
- more generally, operating for any other purpose that is or may come to be authorized by law, and/or implementing any market practice that may come to be authorized by Autorité des Marchés Financiers.

The acquisition, sale, transfer or exchange of the shares may be carried out, in compliance with the regulations in force, on the market or by mutual agreement and by any means, including the transfer of blocks of shares and the use or exercise of any financial instrument or derivative;

2) sets the following limits for the use of the present authorization by the Board of Directors:

- the maximum number of shares that may be purchased shall not exceed 10% of the total number of shares issued and outstanding as of January 1, 2016, that is 7,957,249 shares,
- the number of shares that the Company may hold, whether directly or indirectly and at any time whatsoever, shall not exceed 10% of the shares that make up the Company's capital,
- the maximum purchase price of the shares shall not be greater than €85,
- consequently, the maximum amount that the Company is liable to use for such repurchases shall not be greater than €676 million;

3) resolves that, in the event that the par value of the stock is modified, the capital is increased by the capitalization of reserves or free shares are granted, or in the event of a stock split or consolidation, the above-stated maximum amount devoted to these buybacks and the maximum number of shares to be repurchased will be adjusted accordingly by a multiplier equal to the ratio between the number of shares that made up the capital before the operation and the resulting number after the operation;

4) sets at eighteen months from the date of this General Meeting the term of this authorization, which renders null and void, for the unused part, any previous authorizations granted to the Board of Directors with regard to the Company's repurchase of its shares;

5) grants full powers to the Board of Directors, with the authority to delegate such powers under the conditions provided by law, to implement this authorization and, in particular, to sign any stock purchase, sale, exchange or transfer agreements, file any statements with Autorité des marchés financiers or any other agency, proceed with the adjustments set forth above, complete any formalities and, generally, do what is necessary.

EXTRAORDINARY PART

SEVENTEENTH RESOLUTION

Authorization to make free allotments of Company's shares to employees or corporate officers of the Company and its subsidiaries, or certain categories of them

The Shareholders' General Meeting, ruling under the quorum and majority conditions required for extraordinary Shareholders' General Meetings, after examining the Board of Directors' report and the Auditors' special report, pursuant to the provisions of articles L. 225-197-1 et seq. of the French Code of Commerce:

- 1) authorizes the Board of Directors to make, as it judges appropriate, in one or more times, free allotments of existing shares or shares to be issued in the Company to the employees and corporate officers of the Company and, as the case may be, companies and groups that are affiliated to it in the conditions provided in article L. 225-197-2 of the French Code of Commerce, or certain categories of them;
- 2) resolves that the shares, whether in existence or to be issued, that may be granted pursuant to this authorization shall not represent more than 3% of the Company's capital on the date of the Board's decision to grant the shares, it being specified that this ceiling is common to the present resolution and the fourteenth resolution of the Shareholders' General Meeting of April 29, 2014 and that it is set without taking into account the number of shares to be issued, as the case may be, to maintain, in accordance with the law and applicable contractual stipulations, the rights of the bearers of securities or rights giving access to capital;

- 3) resolves that any shares, whether existing or to be issued, that may be granted pursuant to the present authorization to executive corporate officers shall not represent more than 0.5% of the Company's capital on the day of the Board's decision to grant the shares, it being specified that that this sub-ceiling is common to both the present resolution and the fourteenth resolution of the Shareholders' General Meeting of April 29, 2014;
- 4) resolves that the vesting of the free shares granted to executive corporate officers shall be subject necessarily to the achievement of one or more performance criteria determined by the Board of Directors on the date of grant, except however for any free shares that may be granted with respect to employee shareholding operations implemented by the Company;
- 5) resolves that the shares shall be definitively granted to their beneficiaries at the end of the vesting period set by the Board of Directors, while such period may not be less than that provided by the regulations in force on the grant date;
- 6) resolves that the minimum period for which the beneficiaries must hold the shares shall be that set by the Board of Directors, while such period may not be less than that provided by the regulations in force on the date of granting;
- 7) notes that, in the event of granting free shares to be issued, this decision constitutes, in favor of the beneficiaries, a waiver ipso jure by the shareholders of any right to the new shares freely granted and the portion of the reserves, profits or premiums that will be incorporated into capital if new shares are issued;
- 8) states that the existing shares that may be granted pursuant to the present resolution must be acquired by the Company, either under article L. 225-208 of the French Code of Commerce, or, as the case may be, under the share buyback program authorized by the twelfth resolution put to the present Meeting with respect to article L. 225-209 of the French Code of Commerce or any share buyback program implemented before or after the passing of the present resolution;
- 9) delegates full powers to the Board of Directors, with the option of subdelegating in the conditions provided by law, to implement the present authorization, in particular in order to:
 - determine the categories of the beneficiaries of the allotments and the terms and conditions, in particular the performance conditions, and, as the case may be, the criteria for granting the shares;
 - set the vesting and holding periods for the shares in accordance with the minimum periods provided for by the applicable law,
 - set and define the issue conditions for the shares that may be issued under this authorization,
 - adjust, as the case may be, during the acquisition period, the number of shares pertaining to any operations on the Company's share capital in order to protect the rights of the beneficiaries;
 - acknowledge, as the case maybe, the capital increase or capital increases that may be carried out pursuant to this authorization, modify the by-laws accordingly, and carry out or have carried out any acts and formalities in order to make such capital increases definitive,
 - and, in general, do whatever is necessary.
- 10) sets at fourteen months as from the date of the present Shareholders' Meeting the term of validity of the present delegation, which renders null and void, for the unused part, any previous delegation granted to the Board of Directors for the same purposes.

EIGHTEENTH RESOLUTION

Powers

The Shareholders' General Meeting, ruling in the quorum and majority conditions required for ordinary Shareholders' General Meetings, fully empowers the bearer of a duplicate or an extract of the minutes of the present Meeting to carry out any formalities with respect to registration or publication.

IMERYS 2015: ACTIVITY SUMMARY

Consolidated results (€ millions)	2014	2015	% current change
Revenue	3,688.2	4,086.7	+ 10.8%
Current operating income ⁽¹⁾	494.6	538.1	+ 8.8%
<i>Operating margin</i>	<i>13.4%</i>	<i>13.2%</i>	<i>- 0.2 point</i>
Net income from current operations, Group share ⁽²⁾	316.3	341.5	+ 8.0%
Net income, Group's share	271.6	68.4	n.a.
Financing			
Paid capital expenditure	241.5	271.6	+ 12.5%
Current free operating cash flow ⁽³⁾	244.1	342.5	+ 40.3%
Shareholders' equity	2,470.5	2,671.8	+ 8.1%
Net financial debt	869.9	1 480.4	+ 70.2%
Data per share (euros)			
Net income from current operations, Group's share ⁽³⁾⁽⁴⁾	€4.15	€4.31	+ 3.7%
Proposed dividend	€1.65	€1.75	+ 6.1%
Headcount as of December 31	14,900	16,130	+ 8.3%

HIGHLIGHTS

On February 26, 2015, Imerys completed the acquisition of S&B. A global player and European leader in bentonite (binders for foundry, sealing solutions, additives for drilling and functional additives), S&B is also the world leader in continuous casting fluxes for steel and in wollastonite (functional additives for polymers and paints). It also provides perlite-based solutions used in building materials and horticulture. This acquisition, which was accretive on Imerys' net income from current operations per share in 2015, should create value from 2018, with total annual synergies estimated at over €25 million, half of which will be achieved in 2016.

Other external growth operations were completed in 2015:

- On October 30, Imerys completed the acquisition of the Precipitated Calcium Carbonate (PCC) division of Solvay, Europe's leading producer of fine and ultra-fine PCC, which is used as a functional additive in specialty applications. It operates 4 plants in Europe (Austria, France, Germany, UK) and mainly serves the automotive (polymers, etc.), construction (paints, coatings, sealants) and consumer goods (health & beauty, etc.) markets. It generated €59 million revenue in 2014.
- On November 1st, the Group acquired BASF's paper hydrous kaolin (PHK) activity in the US. This transaction enables Imerys to improve its service offering for the paper industry through optimization of its production assets and generate incremental revenue of \$60 million on a full-year basis.
- On October 27, Imerys completed the acquisition of Matisco, a specialized manufacturer of metal accessories for roofing, enabling the Imerys Group to broaden its offering for the roofing market in France by integrating a wide range of accessories (rainwater drainage profiles, waterproofing, etc.). Matisco posted revenue of €23 million in 2014.

In the context of a sharp downturn on the ceramic proppants market in the United States, the Group recorded a non-cash impairment charge on the Oilfield Solutions division corresponding to a net loss of value of €209 million. The prospects of an upturn in this activity in the short term, which still seemed possible early in the year, have become more remote since the second half. These non-recurrent items do not undermine the Group's sound balance sheet.

EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred between the end of the period and the date of the Board of Directors meeting.

¹ Throughout this summarized statement, "Current operating income" means operating income before other operating revenue and expenses.

² Group's share of net income before other operating revenue and expenses net.

³ Current free operating cash flow: EBITDA after deduction of notional tax, changes in working capital requirement and paid capital expenditure.

⁴ The weighted average number of outstanding shares was 79,275,846 in 2015 compared with 76,134,904 in 2014.

DETAILED COMMENTARY ON THE GROUP'S RESULTS

REVENUE

	Revenue (€ millions)	Change in Revenue (% previous year)	Comparable change in Revenue (% previous year)	Of which Volume effect	Of which Price/Mix effect
2013	3,697.6	- 4.8%	- 1.3%	- 2.5%	+ 1.2%
2014	3,688.2	- 0.3%	+ 3.2%	+ 1.7%	+ 1.5%
2015	4,086.7	+ 10.8%	- 4.6%	- 5.9%	+ 1.3%

- **Integration of S&B and positive impact of exchange rates**
- **Volumes affected by fall in ceramic proppants market**
- **Development of new products**
- **Positive price/mix in each business group**

Revenue in 2015 totaled €4,086.7 million, a + 10.8% increase on a current basis from 2014. This growth results from:

- a positive net Group structure effect of + €350.3 million (+ 9.5%) mainly comprised of the consolidation since March 1, 2015 of S&B and, to a lesser extent, the acquisitions made in the Kaolin, Carbonates, Roofing and Monolithic Refractories divisions;
- a positive exchange rate effect of + €218.2 million (+ 5.9%), relating to the euro's depreciation against the US dollar in particular.

At comparable Group structure and exchange rates, revenue decreased - 4.6% in 2015 compared with 2014 and - 5.3% in the second half, due to the persistent weakness of some markets and geographic zones, as well as a particularly unfavorable basis of comparison in ceramic proppants (gradual ramp-up of production during the previous year). Excluding ceramic proppants, comparable change in revenue is - 2.7% in the second half and - 2.5% for full-year 2015.

In this difficult environment, revenue from new products increased + 8.5% to €490 million, i.e. a + 29.9% rise excluding ceramic proppants, which contributed €21 million in 2015 vs. €90 million in 2014. The price/mix effect remained firm at + 1.3% for the whole Group for 2015 (+ €46.0 million).

CURRENT OPERATING INCOME

- **Firm operating margin at 13.2%**
- **Favorable impact of price-mix component and exchange rates**
- **Effectiveness of cost reduction programs**

Current operating income, at €538.1 million in 2015, grew + 8.8% compared with 2014. It includes a favorable exchange rate effect of + €41.1 million, reflecting in particular the euro's depreciation against the dollar, and a + €47.7 million Group structure effect that includes S&B's contribution.

The slump in sales volumes (- €95.9 million) is partly offset by group structure and exchange rates effects. Current operating income also benefits from a favorable trend in the activity mix and the effectiveness of management measures:

- Change in product price/mix (+ €35.1 million);
- Improvement in variable costs (+ €19.6 million), supported in particular by the I-Cube operating excellence program;
- Decrease in fixed costs and general expenses (+ €20.4 million).

The Group's **operating margin** remains firm at 13.2% (13.4% in 2014).

NET INCOME FROM CURRENT OPERATIONS

Net income from current operations rose + 8.0% to €341.5 million (€316.3 million in 2014). It includes the following items:

- Financial expense for - €55.5 million (vs. - €45.1 million in 2014), with three components:
 - interest expense on net financial debt for - €49.1 million in 2015 (vs. - €40.2 million in 2014). This increase is mainly due to the rise in average net financial debt over the period (€1,467.0 million in 2015 vs. €922.3 million in 2014), mainly relating to the acquisition of S&B;
 - net financial cost of pensions and other changes in provisions for - €14.9 million in 2015 (vs. - €10.7 million one year earlier);
 - net impact of foreign exchange and financial instruments, corresponding to a gain of + €8.5 million in 2015 (vs. + €5.8 million in 2014).
- - €140.5 million current tax charge (- €131.5 million in 2014). The effective tax rate is stable at 29.1% (29.2% in 2014).

Net income from current operations per share increased + 3.7% to €4.31. It takes into account a + 4.1% increase in the weighted average number of outstanding shares, following the issue of new shares with respect to the acquisition of S&B.

NET INCOME

Other operating income and expenses, net of tax, total - €273.1 million (vs. - €44.7 million one year earlier). They include the following items:

- Restructuring costs for - €64.1 million, comprised in particular of restructuring expenses relating to the integration of S&B and the adaptation of the industrial facilities to the market evolution.
- Non-cash impairment charge on the Oilfield Solutions division (Energy Solutions & Specialties business group), corresponding to a net loss of value of €209.0 million, half of which is on the whole goodwill and the rest on part of the division's assets.

After taking into account other operating income and expenses net of tax, **the Group's share of net income** amounted to €68.4 million in 2015 (€271.6 million in 2014).

CASH FLOW

(€ millions)	2014	2015
EBITDA	673.8	745.4
Change in operating working capital requirement (WCR)	(48.9)	21.8
Paid capital expenditure	(241.5)	(271.6)
Current notional tax	(144.6)	(156.7)
Current free operating cash flow*	244.1	342.5
Paid financial expense (net of tax)	(21.0)	(31.8)
Other WCR items	4.4	27.7
Current free cash flow	227.5	338.4

* including subsidies, value of divested assets and miscellaneous

5.3

3.6

- **Further development capital expenditure**
- **High generation of current free operating cash flow at 343 M€**

The Group's operating working capital requirement, stated as a percentage of annualized sales in the last quarter, amounted to 23.5% in 2015.

Paid capital expenditure totaled €271.6 million in 2015. The booked amount (€274.2 million) represents 122% of depreciation expense (vs. 115% in 2014). Development capital expenditure continued selectively, totaling €78.4 million (€82.2 million in 2014), to support the Group's growth potential. Details of the main projects are given under each business group.

Consequently, Imerys generated substantially higher **current free operating cash flow** in 2015, at €342.5 million (€244.1 million in 2014).

FINANCIAL STRUCTURE

(€ millions)	December 31, 2014	December 31, 2015
Paid dividends	(125.3)	(132.6)
Net debt, end of period	869.9	1,480.4
Average net debt of the period	922.3	1,467.0
Shareholders' equity	2,470.5	2,671.8
EBITDA	673.8	745.4
Net debt / shareholders' equity	35.2%	55.4%
Net debt / EBITDA	1.3x	2.0x

- **Increase in net financial debt due to acquisition of S&B**

- **Sound financial ratios**

The Group's net financial debt grew + €610.5 million to €1,480.4 million as of December 31, 2015, mainly due to the acquisition of S&B, which was completed at the end of February 2015 and paid partly in cash, partly in stock, the payment of dividends for an amount of €132.6 million and purchases of the Group's own shares under its buyback program. These transactions concerned 1.5% of the Company's capital, i.e. €74 million.

Imerys therefore has €2.9 billion in **total financial resources** as of December 31, 2015. After deduction of gross financial debt, available non-cash resources total €1 billion with an average maturity of 4.6 years.

Imerys' financial ratios remain sound with gearing at 55% and net financial debt at 2.0 times EBITDA.

On November 20, 2015, Moody's confirmed its rating for Imerys' unsecured senior debt, at Baa-2 since 2011 with a stable outlook. The short-term rating was also confirmed at P-2, also with a stable outlook.

DIVIDEND

The Board of Directors will propose the payment of a €1.75 dividend per share to the Shareholders' General Meeting of May 4, 2016. This corresponds to a + 6.1% increase compared with the dividend paid in 2015, i.e. a total distributed amount of €139 million, which represents 40.6% of net income from current operations. This proposal reflects the Board's confidence in the Group's development potential. The dividend should be paid out from May 12, 2016.

OUTLOOK

Imerys can draw on real strengths to face a highly uncertain macroeconomic environment. The Group will not only benefit from S&B's full-year contribution, but also from the continued momentum of innovation projects and new developments. In addition, Imerys will continue to manage its costs with discipline and adjust its industrial assets to market trends.



A Limited Liability Company (*Société Anonyme*)
with a share capital of €159,144,982
Registered office: 154, rue de l'Université
75007 Paris - France
562 008 151 R.C.S Paris

REQUEST FOR DOCUMENTS

Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2016

Any holder of registered shares may ask the Company to send him/her, to the address to be specified below, the "2015 Registration Document" which in particular includes the 2015 Annual Financial Report as well as information provided for by article R. 225-83 of the French Code of Commerce.

The same right to information is available to any holder of bearer shares whose shareholding is evidenced by a certificate of participation, in accordance with the provisions referred to in the present notice of meeting on pages 3 and 4 above.

Holders of registered shares may, on request, have the Company systematically send them the above-mentioned documents and information on the occasion of every subsequent shareholders meeting. Should that request have been made already, the documents will be sent shortly, without the shareholder having to return the present form.

✂ -----

I, the undersigned

residing at

owner of shares in Imerys

- request that I be sent the information and documents provided for shareholders with respect to the Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2016^(*),
- request that I be systematically sent, as the owner of..... registered shares, the information and documents provided for shareholders on the occasion of each subsequent Imerys Shareholders' General Meeting^(*).

Signed in, on 2016

Signature

This request form, once duly completed, dated and signed, shall be returned exclusively to CACEIS CT : Services Assemblées (*Shareholders Services*) – 14 rue Rouget de Lisle, 92862 Issy les Moulineaux Cedex 09, France.

If you hold bearer shares, this request form, shall be returned to your usual financial intermediary.

^(*) please check the box corresponding to your choice.



LEGAL DEPARTMENT – CORPORATE SERVICES
154, rue de l'Université – F-75007 Paris (France)
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