

# Agreement to resolve talc-related liabilities

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May 15<sup>th</sup>, 2020

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**Frédérique Berthier** - Group General Counsel  
& **Denis Musson** - Special Advisor

# Disclaimer

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More comprehensive information about :

(i) Imerys may be obtained on its website ([www.imerys.com](http://www.imerys.com)), under Regulated Information, including its Universal Registration Document filed under No. D.20-0165 on March 24, 2020 with Autorité des Marchés Financiers. Imerys draws the attention of investors to the “Risk factors and Internal control” set forth in the Universal Registration Document.

(ii) the terms of the proposed plan of reorganization of the North American talc subsidiaries of Imerys and related legal documents on [www.ITArestructuring.com](http://www.ITArestructuring.com)

This document contains projections and other forward-looking statements. Investors are cautioned that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.

# Agreement on a joint Plan of Reorganization

Imerys SA  
("the Group")

The "Talc Subsidiaries" <sup>(1)</sup>

Representatives  
of existing and potential future  
claimants

## JOINT PLAN OF REORGANIZATION

**Agreement to resolve historic talc-related liabilities filed  
in the US Bankruptcy Court for the District of Delaware**

Once necessary approvals obtained from relevant US courts:

North American talc assets  
will be sold and the Talc  
Subsidiaries  
will emerge from the  
chapter 11 process

The Group will be released from all  
existing and future potential  
talc-related liabilities arising out of  
Talc Subsidiaries' past operations

These talc-related liabilities  
will be channeled into an  
independent, dedicated trust

*(1) Imerys Talc America, Imerys Talc Vermont and Imerys Talc Canada, as well as Imerys Talc Italy SpA since named in few US existing lawsuits*

# Financial Terms of the joint Plan of Reorganization

## Imerys Group's contribution to the joint Plan of Reorganization

Minimum cash  
payment  
of USD \$75 million



Additional amount of up to USD \$102.5 million  
subject to a reduction mechanism  
proportionate to the sale price for the assets  
of the North American Talc Subsidiaries <sup>(1)</sup>



Certain other  
components <sup>(2)</sup>

## Imerys Group provision considered as appropriate

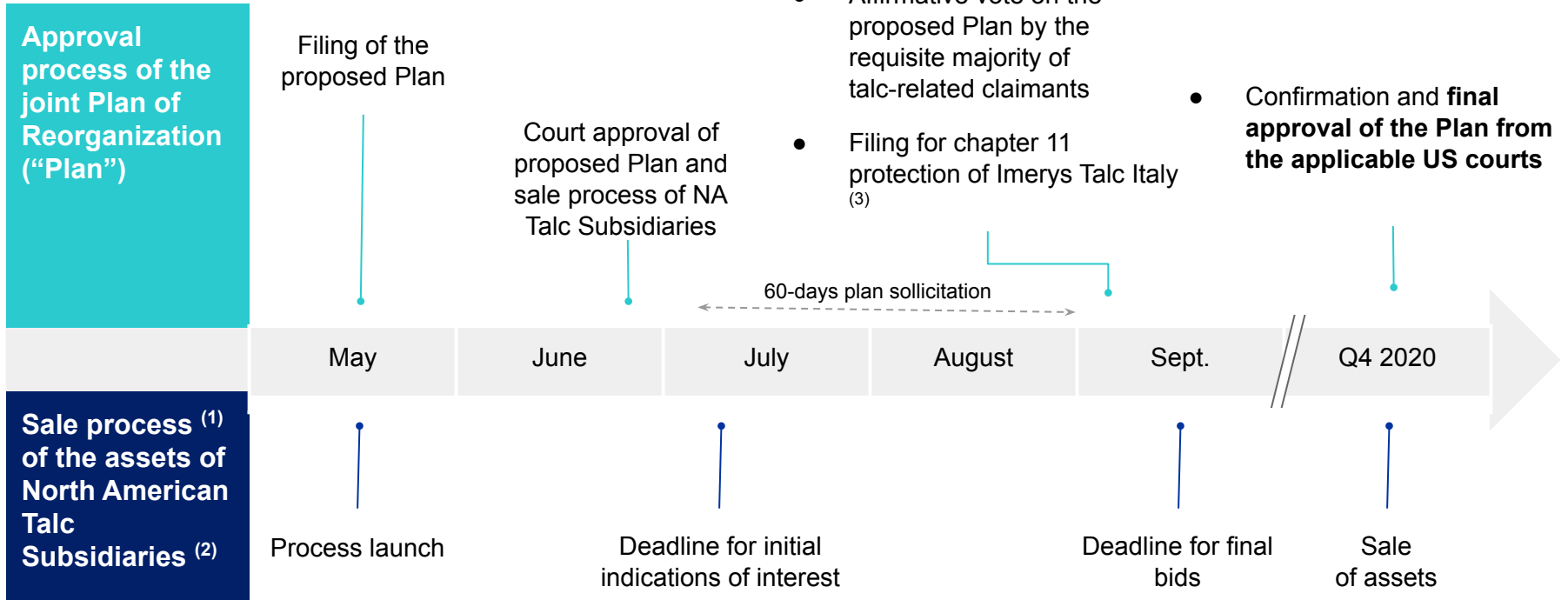
The Group USD \$114 million provision <sup>(3)</sup> considered  
as appropriate to cover the financial impact of the joint Plan of Reorganization,  
taking into account the expected market value of the North American Talc Subsidiaries

*(1) The expected market value of the North American talc subsidiaries remains subject to the uncertainty related to a sale of assets in a difficult economic environment.*

*(2) Such as certain insurance assets related to its talc operations in the US, financing of minor unsecured trade claims (USD \$ 5 million) or certain potential excess administrative costs of the North American Talc Subsidiaries up to a maximum of USD \$ 15 m*

*(3) A provision of €250 million was initially accrued in Imerys' 2018 consolidated financial accounts, before the deconsolidation of the North American talc subsidiaries in February 13, 2019*

# Indicative Timetable



(1) to which the Group will be allowed to participate.

(2) North American Talc Subsidiaries which have been deconsolidated since February 13, 2019 generated revenue of USD \$162 million and EBITDA of USD \$34 million in 2019.

(3) Imerys Talc Italy is not subject to a sale process and will remain part of the Group throughout and after closing of the chapter 11 proceedings.

# Key Takeaways

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- Significant step for Imerys towards a permanent and final resolution of historic talc-related liabilities
- Plan not expected to materially affect the Group's financial situation, as well as its current business operations, employees and customers
- Favorable outcome for the Group allowing to move forward and focus on its current operations, free of historic talc-related liabilities

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**Imerys will be fundamentally strengthened by the permanent resolution of historic talc-related liabilities contemplated under the Plan**

# Thank you for your attention

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## Next events

<b>July 27, 2020</b>	H1 2020 Results
<b>November 2, 2020</b>	Results 9M 2020

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 [@imerys](https://twitter.com/imerys)

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