

PARIS, FEBRUARY 17, 2022

**Imerys: strong financial performance in 2021**

- Revenue at €4,383 million (+15,4%), with robust organic growth of 15.6% vs. last year (+10.7% in Q4)
- Positive price mix impact at +3.2% for the year (+5.9% in Q4) in high cost inflation environment
- Current EBITDA up 20.5% to €761 million, above guidance range<sup>1</sup>, and current EBITDA margin at 17.4% (16.6% in 2020)
- Solid net current free operating cash flow of €255 million
- Net income from current operations up 72% to €288 million
- Proposed dividend of €1.55 per share, up 35% versus prior year
- Significant progress on ambitious ESG roadmap

Alessandro Dazza, Chief Executive Officer, said:

*"Imerys delivered another quarter of solid earnings in Q4, marked by continuing good momentum on most of our end markets and strong commercial performance. I want to thank the teams for their commitment and support to our customers despite severe constraints on logistics and supply in a context of record high inflation of all input costs. In this context, the Group exceeded its guidance for 2021. For this year, we expect demand for the Group's specialty minerals solutions to remain sustained. In a volatile environment, Imerys will continue to give priority to price, cost and cash management, while actively pursuing growth opportunities and focusing on rapidly rising demand for sustainable solutions."*

*The audit procedures on the consolidated accounts are finalized. The audit report will be issued after the finalization of the procedures for the verification of the management report, and the presentation of the accounts to be included in the Universal Registration Document, in the format provided for in the ESEF Regulation.*

Consolidated results <sup>2</sup> (€ millions)	Q4 2020	Q4 2021	Change (%)	FY 2020	FY 2021	Change (%)
Revenue	986	1,121	+13.6%	3,799	4,383	+15.4%
Organic change (like-for-like)	+1.7%	+10.7%	-	-10.7%	+15.6%	-
Current EBITDA	177	167	-5.9%	631	761	+20.5%
Current EBITDA margin	18.0%	14.9%	-300 bps	16.6%	17.4%	+80 bp
Current operating income	89	89	+0.7%	299	452	+51.5%
Current operating margin	9.0%	8.0%	-100 bp	7.9%	10.3%	+240 bps
Operating income	(42)	46	-	138	<b>385</b>	-
Net income from current operations, Group share	50	55	+8.9%	167	288	+72.4%
Net income, Group share	(65)	24	-	30	240	-
Net current free operating cash flow	-	-	-	373	255	-31.7%
Net financial debt (as at December 31)	-	-	-	1,508	1,451	-3.8%
Net income, Group share, per share <sup>3</sup>	€(0.80)	€0.28	-	€0.37	€2.83	-
Net income from current operations per share <sup>3</sup>	€0.59	€0.65	+9.4%	€2.03	€3.40	+67.3%

<sup>1</sup> Guidance announced on November 2, 2021: FY 2021 current EBITDA between €735 million and €755 million

<sup>2</sup> The definition of alternative performance measures can be found in the glossary at the end of the press release.

<sup>3</sup> Weighted average number of outstanding shares: 84,689,581 in 2021 compared with 82,168,061 in 2020.

## Growth projects

In 2021, the Group continued to expand its footprint and production capacity to meet demand for its products in regions and markets with the highest growth potential.

In the Performance Minerals segment, Imerys has invested €35 million in its plant in Bodio, Switzerland, and is currently completing a €60 million investment in Willebroek, Belgium, to expand production capacity for high-purity, synthetic graphite and carbon black used in Lithium-ion batteries, mostly used in electric cars. These investments are the first of a series of capacity expansion projects addressing the strong demand growth expected in the electric vehicles market worldwide.

In the Refractory, Abrasives and Construction business area, Imerys has invested €37 million for the construction and commissioning of a greenfield plant in Vizag, India, to serve the rising needs of the domestic refractory industry for high performance solutions. India is the second largest steel producer in the world.

In addition to these developments, Imerys has completed the integration of the Haznedar Group, acquired in December 2020. Haznedar has generated revenue of €75 million, well above expectations, and has enlarged Imerys product offering with high-grade refractory monolithics and bricks, while further strengthening the Group position in the growing Turkish market.

## Innovation push in new products and technologies

The Group launched 80 new products in 2021 primarily in green mobility, sustainable construction and natural solutions for consumer goods and life sciences. Each innovation project is assessed through a specific Portfolio Sustainability Assessment (PSA) framework developed by the World Business Council for Sustainable Development (WBCSD) and verified by an external independent body.

Imerys targets 50% of new products to be launched in 2022 to be ranked as “SustainAgility™ solutions”<sup>4</sup> and has promoted a specific label for its products with the highest sustainability rating. Imerys is also actively working on the recyclability of minerals.

## Sustainability: recent ESG developments

The Group made progress across the six pillars that constitute its SustainAgility ESG program: safety & health, human capital, environmental stewardship, climate change, business conduct and product portfolio management.

In the area of corporate governance, the Board of Directors has appointed Mrs Véronique Saubot, one of its independent members, as ESG Referent Director dedicated to sustainability-related issues. The Group's ESG roadmap and performance is now reviewed by the relevant Committees where applicable and in any event twice a year by the Board.

A climate change risk and opportunity scenario analysis has been completed assessing physical risks as well as transition risks and opportunities in line with the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Potential, substantive financial or strategic impacts are disclosed via the CDP disclosure and will be presented in Imerys' Universal Registration Document.

As part of its ESG strategy, the Group has introduced an internal price for carbon emissions in the assessment of its capital expenditure projects and has committed to a reduction of its greenhouse gas emissions of 36% by 2030 relative to revenue (tCO<sub>2</sub>/M€) from a 2018 base year, as validated by the Science Based Target initiative (SBTi). The Group has also successfully issued its first Sustainability-Linked Bond of €300 million in May, with an annual coupon of 1% maturing in 2031 and indexed on the above-mentioned targets.

---

<sup>4</sup> Based on the SustainAgility Solutions Assessment framework. A “SustainAgility Solution” is a product in an application that has scored within the two highest categories of the four possible categories (A+ or A).

<b>2021 Achievements on selected ESG KPIs</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Target</b>
Occupational health & safety: Total recordable accident frequency rate <sup>5</sup>	3.22	2.66	2.63	2.50 (2022)
Diversity and inclusion: proportion of women within the Group's senior management team	22%	26%	26%	30% (2022)
Climate change strategy: % reduction in CO <sub>2</sub> e emissions by million euro of revenue compared to 2018 <sup>6, 7</sup>	-12%	-12%	-23%	-36% (2030)
Business conduct and responsible purchasing management: proportion of suppliers assessed against environmental, social and governance criteria <sup>8</sup>	16%	14%	35%	50% (2022)
Environmental, social and economic impact of products: proportion of product portfolio measured against environmental social and governance criteria	-	6%	21%	40% (2022)

## Active portfolio management

### Disposal of non-core natural graphite assets

On December 2, 2021, Imerys has signed an agreement to sell its mothballed natural graphite mine and plant in Namibia, as well as its natural graphite mine in Lac des Iles (Canada), which is primarily supplying non-processed products for refractory and engineering applications, for an asset value of ca. €40 million. These assets generated ca. €15 million of revenue in 2021 with 50 employees and were accounted for in the Performance Minerals Asia Pacific business area. The deal is expected to be completed at the end of the first quarter of 2022.

### Disposal of kaolin assets in North America

Imerys is expecting to close in the coming weeks the sale of certain US assets and mining resources supplying hydrous kaolin to the paper and board markets to Thiele Kaolin Company, one of the world's leading producers of processed kaolin clay. These assets, which are part of Imerys' Performance Minerals Americas business area, posted revenue of approximately \$76 million in 2020 with 109 employees.

## Dividend

At the Shareholders' General Meeting of May 10, 2022, the Board of Directors will propose a cash dividend of €1.55 per share, up 34.7% vs last year, representing a total estimated payout of €132 million, equal to 46% of net income from current operations, Group's share. This proposal reflects the Board's confidence in the Group's fundamentals and its development prospects.

<sup>5</sup> Includes all accidents without lost time whenever a healthcare professional is involved in the treatment, even if only for first aid.

<sup>6</sup> Scopes 1 & 2 – Greenhouse gas emissions expressed in tons of CO<sub>2</sub>e equivalent.

<sup>7</sup> In 2021, Imerys improved its data reporting accuracy and updated the methodology for the calculation of its greenhouse gas (GHG) emissions. As per the Group GHG Recalculation Policy made public in May 2021, audited by Deloitte and available on Imerys.com, the Group recalculated the 2018 base year emission inventory. To facilitate comparison, Imerys has also recalculated 2019 and 2020 data. Based on the updated emission factors and calculation methodology, 2019 and 2020 Group GHG emissions were reduced by -14% in 2019 and by -15% in 2020 versus 2018.

<sup>8</sup> By expenditure. In 2018 and 2019, this percentage represented the suppliers assessed within high risk categories and countries. In 2020 a new program was launched, including for some of the previously assessed suppliers.

## Outlook

Imerys expects the demand for its specialty minerals solutions to remain sustained across most market segments in 2022. Furthermore, Imerys is set to benefit from its positioning in the automotive sector once the semiconductor shortages and supply chain constraints have disappeared.

Continued pricing discipline is expected to support the Group's profitability in 2022, while tight cost control will remain a key area of focus in a context of persistent high inflation. Active portfolio management and an acceleration of growth capex projects will boost the Group's long-term expansion. The ongoing ecological transition will contribute to Imerys future development, as natural minerals solutions gradually replace less environmentally-friendly products.

## COMMENTARY ON THE FOURTH QUARTER AND 2021 ANNUAL RESULTS

### Revenue

Unaudited quarterly data (€ millions)	2020	2021	Reported Change	Like-for-like change	Volumes	Price mix
First quarter	1,028	1,058	+2.9%	+6.3%	+5.8%	+0.5%
Second quarter	872	1,100	+26.2%	+28.9%	+26.3%	+2.6%
Third quarter	912	1,104	+21.0%	+18.6%	+15.0%	+3.6%
Fourth quarter	986	1,121	+13.6%	+10.7%	+4.8%	+5.9%
<b>Total</b>	<b>3,799</b>	<b>4,383</b>	<b>+15.4%</b>	<b>+15.6%</b>	<b>+12.4%</b>	<b>+3.2%</b>

Revenue was €4,383 million, up 15.6% year-on-year at constant scope and exchange rates. Group sales volumes were up 12.4% in 2021, confirming the demand recovery across all underlying markets despite logistics and supply constraints..

In a context of high inflation, Imerys' price mix accelerated in Q4 (+5.9%), averaging 3.2% for the year.

Revenue included a negative currency effect of €54 million (-1.4%), primarily as a result of the depreciation of the U.S. dollar against the euro in the first part of the year.

The scope effect amounted to €57 million for the year, related mostly to the positive contribution of acquisitions (Haznedar group, Cornerstone, Sunward Refractories and Hysil) and the divestiture of the kaolin operations in Australia.

### Current EBITDA

Unaudited quarterly data (€ millions)	2020	2021	Change
First quarter	165	183	+10.9%
Second quarter	125	218	+74.5%
Third quarter	165	194	+17.7%
Fourth quarter	177	167	-5.9%
<b>Year</b>	<b>631</b>	<b>761</b>	<b>+20.5%</b>
Margin	16.6%	17.4%	+80 bps

**Current EBITDA** was above the upper range of the guidance and reached €761 million for 2021, a 20.5% increase vs. 2020. The margin improved by 80 basis points versus 2020 to 17.4%. In the fourth quarter of 2021, current EBITDA did not yet fully benefit from the most recent price increases, which will become effective in 2022.

2021 Current EBITDA benefitted from positive volume contribution (€224 million) and strong price mix (€97 million, of which €58 million in the fourth quarter alone), which compensated for the €97 million increase in variable costs, a consequence of extremely high inflation on freight, raw materials, energy and packaging costs.

Fixed costs and overheads were up €115 million vs last year, following increased activity at all production sites.

The currency effect was negative at €9 million.

**Current operating income** reached €452 million for 2021, a 51.5% increase compared to last year.

### Net income from current operations

**Net income from current operations, Group share**, totaled €288 million, up 72.4% vs. 2020. Net financial result was negative at €40 million. The income tax expense of €111 million corresponds to an effective tax rate of 27.0%, compared with 27.8% in 2020. **Net income from current operations, Group share, per share**, was up 67.3% to €3.40.

### Net income

**Net income, Group share**, totaled €240 million in 2021, after -€48 million of other income and expenses, after tax.

### Net current free operating cash flow

(€ millions)	2020	2021
Current EBITDA	631	761
Increase (-)/ decrease (+) in operating working capital	75	(19)
Notional tax on current operating income	(83)	(122)
Other	36	6
Net current operating cash flow (before capital expenditure)	659	626
Capital expenditure	(262)	(336)
Right-of-use assets (IFRS 16)	(23)	(34)
<b>Net current free operating cash flow</b>	<b>373</b>	<b>255</b>

Imerys generated a net current free operating cash flow of €255 million in 2021 (€373 million in 2020). This figure includes €336 million of capital expenditure (representing 7.7% of revenue), up €74 million year-on-year, reflecting increased spending on strategic projects aimed at increasing production capacity in the most promising markets. Despite inflation and the activity rebound, operating working capital requirements grew more slowly than revenue.

After the cash outflow corresponding to the dividend payment (€107 million in 2021 versus €17 million in 2020), the net financial debt decreased by €57 million (after €177 million in 2020).

(€ millions)	2020	2021
<b>Net current free operating cash flow</b>	<b>373</b>	<b>255</b>
Acquisitions and disposals	(98)	19
Dividend	(17)	(107)
Change in equity	(1)	(8)
Increase (-)/ decrease (+) in non-operating working capital <sup>9</sup>	25	2
Other non-recurring income and expenses	(69)	(56)
Debt servicing costs	(40)	(29)
Exchange rates and other	3	(19)
<b>Change in net financial debt</b>	<b>177</b>	<b>57</b>

## Financial structure

(€ millions)	2020	2021
Net financial debt at January 1	1,685	1,508
Net financial debt at December 31	1,508	1,451
Equity at December 31	2,956	3,242
Current EBITDA	631	761
<b>Net financial debt/Equity</b>	<b>51.0%</b>	<b>44.8%</b>
<b>Net financial debt/current EBITDA</b>	<b>2.4x</b>	<b>1.9x</b>

At December 31, 2021, the net financial debt totaled €1,451 million, which represents 1.9x current EBITDA.

Imerys "investment grade" ratings were confirmed by Standard and Poor's (December 1, 2021, BBB-, stable outlook) and Moody's (August 18, 2021, Baa3, stable outlook).

At December 31, 2021, Imerys' bond financing amounted to €1.7 billion with an average maturity of 5.4 years. The Group also has €1.16 billion available in bilateral credit lines.

<sup>9</sup> Change in income taxes liabilities and receivables

## SEGMENT PERFORMANCE

Performance Minerals (54% of consolidated revenue)

Q4 2020	Q4 2021	LFL change on Q4 2020	Unaudited quarterly data (€ millions)	2020	2021	LFL change on 2020
205	240	+11.3%	Revenue Americas	886	957	+10.7%
264	267	+0.2%	Revenue Europe, Middle East and Africa (EMEA)	1,009	1,130	+12.4%
120	129	+7.3%	Revenue Asia-Pacific (APAC)	440	515	+22.0%
(25)	(41)	-	Eliminations	(157)	(177)	-
<b>564</b>	<b>594</b>	<b>+3.3%</b>	<b>Total revenue</b>	<b>2,178</b>	<b>2,425</b>	<b>+13.2%</b>
-	-	-	<b>Current EBITDA</b>	<b>430</b>	<b>497</b>	<b>+15.7% *</b>
-	-	-	Current EBITDA margin	19.7%	20.5%	+80 bps

\* reported growth

Revenue generated by the **Performance Minerals** segment was up 13.2% like-for-like in 2021, of which +8.7% of volume growth and +4.5% of price mix effect. On a reported basis, revenue was up 11.4% after a negative currency effect of €32 million (-1.5%).

Revenue in the **Americas** was up 10.7% at constant scope and exchange rates in 2021, of which +11.3% in the fourth quarter, despite persisting logistic issues which created a significant order backlog. The rebound in activity was supported by sales of products for paints, rubber, polymers and ceramics in the construction industry and a good performance of the filtration and agriculture markets in the consumer goods sector.

Revenue in **Europe, Middle East and Africa** increased by 12.4% at constant scope and exchange rates in 2021. During the fourth quarter (+0.2%), growth in the dynamic construction sector, especially in renovation (paints & coatings, tiles and sanitaryware) and a strong consumer goods market (filtration and life science applications) were offset by weak sales to graphic paper and to the automotive sectors, which continued to suffer from the global semiconductors shortage.

Revenue in **Asia-Pacific** was up 22.0% at constant scope and exchange rates in 2021 (+7.3% in the fourth quarter) thanks to the strong demand for carbon black and synthetic graphite for mobile energy overall and the recovery of paper & board, ceramics and filtration in APAC.

Current EBITDA for the segment totaled €497 million in 2021, or 20.5% of revenue.

## High Temperature Materials & Solutions (46% of consolidated revenue)

Q4 2020	Q4 2021	LFL change on Q4 2020	Unaudited quarterly data (€ millions)	2020	2021	LFL change on 2020
171	213	+17.5%	Revenue High Temperature Solutions	632	801	+17.2%
264	328	+20.9%	Revenue Refractory, Abrasives & Construction	1,050	1,240	+19.9%
(8)	(5)	-	Eliminations	(34)	(47)	-
<b>428</b>	<b>536</b>	<b>+21.0%</b>	<b>Total revenue</b>	<b>1,648</b>	<b>1,995</b>	<b>+18.4%</b>
-	-	-	<b>Current EBITDA</b>	<b>188</b>	<b>279</b>	<b>+48.1% *</b>
-	-	-	Current EBITDA margin	11.4%	14.0%	+260 bps

\* reported growth

Revenue generated by the **High Temperature Materials and Solutions** segment was up 18.4% in 2021 at constant scope and exchange rates, of which +17.1% of volume growth and +1.3% of price mix effect. Organic growth remained strong in the fourth quarter at +21.0%. On a reported basis, revenue increased by 21.0% with a positive scope effect of €60 million (+3.6%) and an unfavorable currency effect of €13.5 million (-0.8%).

Revenue in **High Temperature Solutions**, which is serving the iron & steel, thermal and foundry markets, increased by 17.2% year-on-year at constant scope and exchange rates in 2021, posting growth of 17.5% in the fourth quarter. The business continued to benefit from various commercial initiatives and the strong underlying market recovery. The rebound was supported by the dynamism of the iron & steel and foundry segments, despite persisting issues in the automotive market.

Revenue in the **Refractory, Abrasives & Construction** business area was up 19.9% at constant scope and exchange rates in 2021 (+20.9% in the fourth quarter), driven by a strong recovery in refractories and abrasives, as well as further growth in building and infrastructure (specialty binders). In India, the new greenfield plant in Vizag continued to ramp up production to serve the dynamic domestic refractory and construction markets.

Current EBITDA for the segment totaled €279 million, or 14.0% of revenue in 2021.

### Update on Chapter 11 process of North American talc entities

The North American talc entities, representatives of current and future potential claimants, and other stakeholders in the chapter 11 process are engaged in a court-approved mediation to reach a revised plan of reorganization that will achieve the required 75% majority approval vote by claimants. The Group continues to consider that the balance of the provision in the financial statements as of the end of 2021 is appropriate to cover the expected financial impact of the Chapter 11 process on Imerys.

### 2021 annual results webcast

The press release is available on the Group's website [www.imerys.com](http://www.imerys.com). The Group will hold a live webcast to discuss the 2021 annual results at 11.00 AM (CET) on February 17, 2022, which can be accessed on the Group's website [www.imerys.com](http://www.imerys.com).

## Financial Calendar

April 28, 2022	1st quarter 2022 results
July 28, 2022	1st half 2022 results
November 2, 2022	3rd quarter 2022 results

These dates are subject to change and may be updated on the Group's website <https://www.imerys.com/finance>.

*The world's leading supplier of mineral-based specialty solutions for industry with €4.4 billion in revenue and 17,000 employees in 2021. Imerys delivers high value-added, functional solutions to a great number of sectors, from processing industries to consumer goods. The Group draws on its understanding of applications, technological knowledge and expertise in material science to deliver solutions by beneficiating its mineral resources, synthetic minerals and formulations. Imerys' solutions contribute essential properties to customers' products and their performance, including heat resistance, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption and water repellency. Imerys is determined to develop responsibly, in particular by fostering the emergence of environmentally-friendly products and processes.*

*More comprehensive information about Imerys may be obtained from its website ([www.imerys.com](http://www.imerys.com)) in the Regulated Information section, particularly in its Registration Document filed with the French financial markets authority (Autorité des marchés financiers, AMF) on March 22, 2021 under number D.21-0167 (also available from the AMF website, [www.amf-france.org](http://www.amf-france.org)). Imerys draws investors' attention to chapter 2 "Risk Factors and Internal Control" of its Registration Document.*

*Disclaimer: This document contains projections and other forward-looking statements. Investors should be aware 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.*

### Analyst/Investor Relations:

Vincent Gouley: +33 (0)1 49 55 64 69

[finance@imerys.com](mailto:finance@imerys.com)

### Press contacts:

Claire Lauvernier: +33 (0)1 49 55 66 65

Hugues Schmitt (DGM Conseil): +33 (0)1 40 70 11 89

## APPENDIX

### REVENUE BY BUSINESS AREAS

Q4 2020	Q4 2021	Reported change on Q4 2020	Unaudited quarterly data (€ millions)	2020	2021	Reported change on 2020
205	240	+17.4%	Revenue Americas	886	957	+8.0%
264	267	+0.9%	Revenue Europe, Middle East and Africa (EMEA)	1,009	1,130	+12.0%
120	129	+7.3%	Revenue Asia-Pacific (APAC)	440	515	+17.0%
(25)	(41)	-	Eliminations	(157)	(177)	-
<b>564</b>	<b>594</b>	<b>+5.3%</b>	<b>Total Performance Minerals revenue</b>	<b>2,178</b>	<b>2,425</b>	<b>+ 11.4%</b>
171	213	+24.8%	Revenue High Temperature Solutions	632	801	+26.8%
264	328	+23.9%	Revenue Refractory, Abrasives & Construction	1,050	1,240	+18.2%
(8)	(5)	-	Eliminations	(34)	(47)	-
<b>428</b>	<b>536</b>	<b>+25.2%</b>	<b>Total High Temperature Materials &amp; Solutions revenue</b>	<b>1,648</b>	<b>1,995</b>	<b>+21.0%</b>

### KEY INCOME STATEMENT INDICATORS

(€ millions)	Q4 2020	Q4 2021	Change	2020	2021	Change
<b>Revenue</b>	<b>986</b>	<b>1,121</b>	<b>+13.6%</b>	<b>3,799</b>	<b>4,383</b>	<b>+15.4%</b>
<b>Current EBITDA</b>	<b>177</b>	<b>167</b>	<b>-5.9%</b>	<b>631</b>	<b>761</b>	<b>+20.5%</b>
<b>Current operating income</b>	<b>89</b>	<b>89</b>	<b>+0.7%</b>	<b>299</b>	<b>452</b>	<b>+51.5%</b>
Current financial expense	(17)	(10)	-	(61)	(40)	-
Current taxes	(20)	(21)	-	(66)	(111)	-
Minority interests	(2)	3	-	(4)	(13)	-
<b>Net income from current operations, Group share</b>	<b>50</b>	<b>55</b>	<b>+8.9%</b>	<b>167</b>	<b>288</b>	<b>+72.4%</b>
Other operating income and expenses, net	(115)	(31)	-	(137)	(48)	-
<b>Net income, Group share</b>	<b>(65)</b>	<b>24</b>	<b>-</b>	<b>30</b>	<b>240</b>	<b>-</b>

## CONSOLIDATED INCOME STATEMENT

(€ millions)	2021	2020
<b>Revenue</b>	<b>4,382.9</b>	<b>3,798.5</b>
Raw materials and consumables used	(1,495.6)	(1,292.9)
External expenses	(1,162.8)	(968.4)
Staff expenses	(939.8)	(875.2)
Taxes and duties	(39.0)	(41.7)
Amortization, depreciation and impairment	(323.9)	(342.3)
Intangible assets, mining assets and property, plant and equipment	(270.5)	(268.9)
Right-of-use assets	(53.4)	(73.4)
Other current income and expenses	30.5	20.5
<b>Current operating income</b>	<b>452.3</b>	<b>298.5</b>
Gain (loss) from obtaining or losing control	(0.5)	(5.0)
Other non-recurring items	(67.3)	(155.5)
<b>Operating income</b>	<b>384.5</b>	<b>138.0</b>
<b>Net financial debt expense</b>	<b>(37.8)</b>	<b>(44.4)</b>
Income from securities	2.6	2.7
Gross financial debt expense	(40.4)	(47.1)
Interest expense on borrowings and financial debt	(36.6)	(42.2)
Interest expense on lease liabilities	(3.8)	(4.9)
<b>Other financial income (expenses)</b>	<b>(1.9)</b>	<b>(17.0)</b>
Other financial income	153.7	270.8
Other financial expenses	(155.6)	(287.8)
<b>Financial income (loss)</b>	<b>(39.7)</b>	<b>(61.4)</b>
Income taxes	(95.1)	(44.3)
<b>Net income</b>	<b>249.7</b>	<b>32.3</b>
Net income, Group share <sup>(1)</sup>	240.1	30.1
Net income attributable to non-controlling interests	9.6	2.2
<i>(1) Net income per share</i>		
Basic net income per share (in €)	2.83	0.37
Diluted net income per share (in €)	2.79	0.36

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	2021	2020
<b>Non-current assets</b>	<b>4,990.3</b>	<b>4,861.4</b>
Goodwill	2,144.7	2,149.1
Intangible assets	303.9	287.6
Right-of-use assets	175.6	192.5
Mining assets	419.0	425.6
Property, plant and equipment	1,622.6	1,506.9
Joint ventures and associates	100.3	87.3
Other financial assets	43.4	49.1
Other receivables	41.6	29.8
Derivative financial assets	0.6	4.1
Deferred tax assets <sup>(1)</sup>	138.6	129.4
<b>Current assets</b>	<b>2,362.7</b>	<b>2,128.7</b>
Inventories	849.1	691.8
Trade receivables	614.3	568.0
Other receivables	238.7	196.3
Derivative financial assets	75.4	14.2
Other financial assets	8.0	9.9

Cash and cash equivalents	577.2	648.5
<b>Assets held for sale</b>	<b>63.1</b>	<b>-</b>
<b>Consolidated assets</b>	<b>7,416.1</b>	<b>6,990.1</b>
<b>Equity, Group share</b>	<b>3,193.4</b>	<b>2,901.5</b>
Share capital	169.9	169.9
Share premium	614.4	614.4
Treasury shares	(13.4)	(6.7)
Reserves <sup>(1)</sup>	2,182.4	2,093.8
Net income, Group share	240.1	30.1
<b>Equity attributable to non-controlling interests</b>	<b>48.5</b>	<b>59.0</b>
<b>Equity</b>	<b>3,241.9</b>	<b>2,960.5</b>
<b>Non-current liabilities</b>	<b>2,726.5</b>	<b>2,734.3</b>
Provisions for employee benefits <sup>(1)</sup>	259.7	346.5
Other provisions	414.0	394.9
Borrowings and financial debt	1,695.0	1,698.3
Lease liabilities	155.7	167.8
Other debts	70.7	34.3
Derivative financial liabilities	1.8	0.5
Deferred tax liabilities	129.6	92.0
<b>Current liabilities</b>	<b>1,434.2</b>	<b>1,295.3</b>
Other provisions	53.2	58.8
Trade payables	660.1	475.6
Income tax payable	115.4	79.1
Other debts	410.1	371.6
Derivative financial liabilities	7.9	6.0
Borrowings and financial debt	124.9	260.9
Lease liabilities	32.5	42.6
Bank overdrafts	30.1	0.7
<b>Liabilities related to assets held for sale</b>	<b>13.5</b>	<b>-</b>
<b>Consolidated equity and liabilities</b>	<b>7,416.1</b>	<b>6,990.1</b>

(1) Change in accounting policy IFRS IC IAS 19.

## NET CURRENT FREE OPERATING CASH FLOW

(€ millions)	2021	2020
<b>Consolidated Income Statement</b>		
Revenue	4,382.9	3,798.5
Raw materials and consumables used	(1,495.6)	(1,292.9)
External expenses	(1,162.8)	(968.4)
Staff expenses	(939.8)	(875.2)
Taxes and duties <sup>(1)</sup>	(39.0)	(41.7)
Other current income and expenses	30.5	20.5
<b>Adjustments</b>		
Change in provisions for employee benefits	(6.5)	(2.5)
Change in current operating write-downs and provisions	0.8	(10.0)
Share in net income of joint ventures and associates	(14.7)	(1.2)
Dividends received from joint ventures and associates	5.2	4.4
<b>Current EBITDA</b>	<b>761.0</b>	<b>631.5</b>
<b>Income taxes</b>		
Notional income tax on current operating income	(122.1)	(83.0)
<b>Adjustments</b>		
Change in operating working capital requirement <sup>(2)</sup>	(19.3)	74.9

Carrying amount of intangible assets and property, plant and equipment disposed of	6.2	35.7
<b>Net current operating cash flow</b>	<b>625.8</b>	<b>659.1</b>
<b>Investing activities</b>		
Acquisitions of intangible assets and property, plant and equipment <sup>(3)</sup>	(336.3)	(262.1)
Additions to right-of-use assets	(34.4)	(23.5)
<b>Net current free operating cash flow</b>	<b>255.1</b>	<b>373.5</b>
<i>(1) Consolidated Income Statement</i>		
<i>(2) Change in operating working capital requirement (Consolidated Statement of Cash Flows)</i>		
Adjustments for decrease (increase) in inventories	(145.7)	86.3
Adjustments for decrease (increase) in trade receivables	(40.7)	34.9
Adjustments for increase (decrease) in trade payables	167.1	(46.3)
<i>(3) Acquisitions of intangible assets and property, plant and equipment (Consolidated Statement of Cash Flows)</i>		
Acquisitions of intangible assets	(24.3)	(22.3)
Acquisitions of property, plant and equipment	(337.0)	(231.6)
Change in payables on acquisitions of intangible assets and property, plant and equipment	25.0	(8.2)

The following table presents the cash flow from non-recurring operations, i.e. non-recurring operating transactions, changes in the scope of consolidation, financing transactions and transactions with shareholders. These cash flows, added to the net current free operating cash flow from the previous table, give the total change in net financial debt.

<i>(€ millions)</i>	<b>2021</b>	<b>2020</b>
<b>Net current free operating cash flow</b>	<b>255.1</b>	<b>373.5</b>
<b>Income taxes</b>		
Notional income tax on financial income (loss) and non-recurring income and expenses	10.7	17.1
Change in current and deferred tax assets and liabilities	(1.5)	(16.4)
Change in income tax payables and receivables	32.5	0.8
Income taxes paid on non-recurring income and expenses	8.3	17.7
<b>Consolidated Income Statement</b>		
Financial income (loss)	(39.7)	(61.4)
Other operating income and expenses	(67.8)	(160.5)
<b>Adjustments</b>		
Change in non-operating working capital requirement	(32.6)	34.7
Change in financial write-downs and provisions	-	4.1
Change in fair value of hedging instruments	(4.8)	0.4
Non-recurring impairment losses	(1.7)	12.7
Change in non-recurring write-downs and provisions	8.2	48.2
Share in net income of joint ventures and associates	-	8.9
Gain (loss) on businesses disposed of	(3.2)	2.7
Gain (loss) on intangible assets and property, plant and equipment disposed of	0.5	1.3
<b>Investing activities</b>		
Acquisition of businesses	(45.3)	(99.0)
Disposal of businesses	38.7	0.8
Disposal of intangible assets and property, plant and equipment	-	0.5
Loans and advances in cash received from (granted to) third parties	25.4	(0.1)

<b>Equity</b>		
Share capital increases (decreases)	1.5	-
Disposals (acquisitions) of treasury shares	(10.0)	(0.5)
Share-based payments	8.6	5.8
Dividends	(106.5)	(17.6)
<b>Change in net financial debt excl. exchange rate effects</b>	<b>76.4</b>	<b>173.5</b>

## CHANGE IN NET FINANCIAL DEBT

<i>(€ millions)</i>	<b>2021</b>	<b>2020</b>
<b>Net financial debt at January 1</b>	<b>(1,508.0)</b>	<b>(1,685.0)</b>
Change in net financial debt excl. exchange rate effects	76.4	173.5
Impact of exchange rate effects	(19.5)	3.5
<b>Change in net financial debt</b>	<b>56.9</b>	<b>177.0</b>
<b>Net financial debt at December 31</b>	<b>(1,451.1)</b>	<b>(1,508.0)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(€ millions)</i>	<b>2021</b>	<b>2020</b>
<b>Net income</b>	<b>249.7</b>	<b>32.3</b>
<b>Adjustments</b>		
Adjustments for depreciation and amortization	352.7	407.7
Adjustments for impairment loss on goodwill	-	12.7
Adjustments for impairment loss (reversal of impairment loss) recognized in profit or loss, trade and other receivables	4.4	1.0
Adjustments for impairment loss (reversal of impairment loss) recognized in profit or loss, inventories	(5.9)	7.5
Adjustments for provisions	(24.8)	(32.7)
Adjustments for share-based payments	8.6	5.8
Adjustments for losses (gains) on disposal of non-current assets	(7.0)	1.6
Adjustments for undistributed profits from joint ventures and associates	(14.7)	7.7
Adjustments for net interest income and expense	37.8	44.2
Adjustments for fair value losses (gains)	(4.6)	0.4
Other adjustments for non-cash items	(0.2)	-
Other adjustments for which cash effects are investing or financing cash flow	5.4	2.3
<b>Change in working capital requirement</b>	<b>(51.9)</b>	<b>109.5</b>
Adjustments for decrease (increase) in inventories	(145.7)	86.3
Adjustments for decrease (increase) in trade receivables	(40.7)	34.9
Adjustments for increase (decrease) in trade payables	167.1	(46.3)
Adjustments for other receivables and debts	(32.6)	34.6
<b>Adjustments for income tax expense</b>	<b>95.1</b>	<b>44.2</b>
<b>Net cash flow from (used in) operations</b>	<b>644.6</b>	<b>644.2</b>
Interest paid	(34.9)	(46.5)
Income taxes refund (paid)	(72.0)	(63.9)
Adjustments for dividends received from joint ventures and associates	5.2	4.4

<b>Net cash flows from (used in) operating activities</b>	<b>542.9</b>	<b>538.2</b>
<i>(€ millions)</i>	<b>2021</b>	<b>2020</b>
Acquisitions of intangible assets	(24.3)	(22.3)
Acquisitions of property, plant and equipment	(337.0)	(231.6)
Change in payables on acquisitions of intangible assets and property, plant and equipment	25.0	(8.2)
Cash flows used in (from gaining) control of subsidiaries or other businesses	(46.4)	(71.3)
Proceeds from disposals of intangible assets and property, plant and equipment	8.8	38.7
Cash flows from losing control of subsidiaries or other businesses	33.9	0.5
Cash advances and loans granted to third parties	(6.3)	(10.5)
Cash receipts from repayment of advances and loans granted to third parties	34.3	7.6
Interest received	2.4	2.4
<b>Cash flow from investing activities</b>	<b>(309.6)</b>	<b>(294.7)</b>
Proceeds from issuing shares	1.5	-
Payments to acquire or redeem treasury shares	(10.0)	(0.5)
Dividends paid	(106.5)	(17.6)
Proceeds from borrowings	298.3	30.5
Repayments of borrowings	(312.3)	(294.0)
Payments of lease liabilities	(58.8)	(79.3)
Other cash inflows (outflows)	(153.5)	144.0
<b>Cash flow from financing activities</b>	<b>(341.3)</b>	<b>(216.9)</b>
<b>Change in cash and cash equivalents</b>	<b>(108.0)</b>	<b>26.6</b>

## GLOSSARY

Imerys uses “current” indicators to measure the recurrent performance of its operations, excluding significant items that, because of their nature and their relatively infrequent occurrence, cannot be considered as inherent to the recurring performance of the Group (see section 5.5 Definitions and reconciliation of alternative performance measures to IFRS indicators in the 2020 Universal Registration Document).

Alternative Performance Indicators	Definitions and reconciliation to IFRS indicators
Growth at constant scope and exchange rates (also called life-for-like change, LFL growth organic or internal growth)	<p>Calculated by stripping out the impact of currency fluctuations as well as acquisitions and disposals (scope effect).            Restatement of the currency effect consists of calculating aggregates for the current year at the exchange rate of the prior year. The impact of exchange rate instruments qualifying as hedging instruments is taken into account in current data.            Restatement of Group structure to take into account newly consolidated entities consists of:            subtracting the contribution of the acquisition from the aggregates of the current year, for entities entering the consolidation scope in the current 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 prior year, for entities entering the consolidation scope in the prior year.            Restatement of entities leaving the consolidation scope consists of:            subtracting the departing entity's contribution from the aggregates of the prior year as from the first day of the month of divestment, for entities leaving the consolidation scope in the current year;            subtracting the departing entity's contribution from the aggregates of the prior year, for entities leaving the consolidation scope in the prior year.</p>
Volume effect	The sum of the change in sales volumes of each business area between the current and prior year, valued at the average sales price of the prior year.
Price mix effect	The sum of the change in average prices by product family of each business area between the current and prior year, applied to volumes of the current year.
Current operating income	The operating income before other operating income and expenses (income from changes in control and other non-recurring items).
Net income from current operations	The Group's share of income before other operating income and expenses, net (income from changes in control and other non-recurring items, net of tax) and income from discontinued operations.
Current EBITDA	Calculated from current operating income before operating amortization, depreciation and impairment losses and adjusted for changes in operating provisions and write-downs, share in net income and dividends received from joint ventures and associates.
Net current operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement and proceeds from divested intangible and tangible assets.
Net current free operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement, proceeds from divested intangible and tangible assets, paid intangible and tangible capital expenditure and changes in right-of-use assets.
Net financial debt	Difference between financial liabilities (borrowings, financial debts, and IFRS 16 liabilities) and cash and cash equivalents.