

## SALES FOR THE FIRST NINE MONTHS OF 2007:

- ▶ **+5.5% ON A REPORTED BASIS**
- ▶ **+6.0% LIKE-FOR-LIKE**

The Saint-Gobain Group delivered consolidated sales of **€32,630 million** for the first nine months of 2007, compared to €30,925 million for the same year-ago period, representing a **rise** of 5.5% on a reported basis and of **6.7% at constant exchange rates\***.

Changes in the scope of consolidation over the first nine months of the year accounted for an increase of 0.7% in sales, with contributions from bolt-on acquisitions (mainly in the Construction Products and Building Distribution sectors) slightly ahead of contributions from divestments (mainly Desjonquères and Calmar in the Packaging sector and Synflex in the High-Performance Materials business). Fluctuations in exchange rates had a negative 1.2% impact, chiefly reflecting the fall in the value of the US dollar.

**On a like-for-like basis (constant Group structure and exchange rates\*), the Group's sales advanced €1,825 million, or 6.0%**, buoyed by a significant rise in sales prices (3.6%) and, to a lesser extent, volumes (2.4%). The vigorous growth in the first half of the year (organic growth of 6.9% at end-June), buoyed by the very favorable weather conditions during the first quarter, continued into the third quarter (up 4.2%), albeit at a slightly slower pace due to a higher comparison basis (for information, the Group's organic growth for third-quarter 2006 was 6.2% versus 4.0% in the three months to June 30, 2006) as well as more moderate growth in certain European countries in the third quarter.

All of the Group's business sectors saw a rise in like-for-like sales for the first nine months of the year, as well as for the third quarter. Overall, demand held firm in all of the Group's construction-related businesses: vigorous markets in western Europe, bolstered by the impact of regulations promoting energy efficiency in the building industry, more than offset the low level of construction activity in the US. Demand related to industrial output and capital spending remained satisfactory in both Europe and the US. Lastly, all of the Group's businesses in emerging countries and Asia continued to report very robust growth (up 17.3%).

*(\*) Based on average exchange rates for the first nine months of 2006.*

Sales trends by business sector and geographic area are as follows:

	Sales for the first nine months of 2007 (€m)	Sales for the first nine months of 2006 (€m)	Change based on actual structure (%)	Change based on comparable structure (%)	Change based on comparable structure and exchange rates (%)
<b><u>SECTORS</u></b>					
<b>Flat Glass</b>	<b>4,152</b>	<b>3,716</b>	<b>+11.7%</b>	<b>+11.8%</b>	<b>+12.4%</b>
<b>High-Performance Materials (1)</b>	<b>3,670</b>	<b>3,745</b>	<b>-2.0%</b>	<b>-1.6%</b>	<b>+1.9%</b>
<i>Ceramics &amp; Plastics and Abrasives</i>	2,688	2,706	-0.7%	0.0%	+3.9%
<i>Reinforcements</i>	992	1,050	-5.5%	-6.1%	-3.3%
<b>Construction Products (1)</b>	<b>8,447</b>	<b>8,198</b>	<b>+3.0%</b>	<b>+1.3%</b>	<b>+3.3%</b>
<i>Interior solutions (2)</i>	5,028	4,795	+4.9%	+3.0%	+4.6%
<i>Exterior solutions (3)</i>	3,442	3,420	+0.6%	-0.9%	+1.7%
<b>Building Distribution</b>	<b>14,445</b>	<b>12,883</b>	<b>+12.1%</b>	<b>+7.5%</b>	<b>+7.3%</b>
<b>Packaging</b>	<b>2,712</b>	<b>3,094</b>	<b>-12.3%</b>	<b>+3.1%</b>	<b>+5.9%</b>
<i>Internal sales and misc.</i>	(796)	(711)	-----	-----	-----
<b>GROUP</b>	<b>32,630</b>	<b>30,925</b>	<b>+5.5%</b>	<b>+4.8%</b>	<b>+6.0%</b>
<b><u>GEOGRAPHIC AREAS</u></b>					
France	9,702	9,296	+4.4%	+6.0%	+6.0%
Other western European countries	14,960	13,604	+10.0%	+7.6%	+7.5%
North America	4,475	5,309	-15.7%	-13.8%	-7.0%
Emerging countries and Asia/Pacific	5,112	4,316	+18.4%	+16.2%	+17.3%
<i>Internal sales</i>	(1,619)	(1,600)	----	----	----
<b>GROUP</b>	<b>32,630</b>	<b>30,925</b>	<b>+5.5%</b>	<b>+4.8%</b>	<b>+6.0%</b>

(1) including inter-division eliminations.

(2) including:

- Insulation: €2,087 million for the first nine months of 2007, up 11.5% on the year-earlier period (up 3.5% on a comparable structure basis and up 5.0% on a comparable structure and exchange rate basis).

- Gypsum: €2,958 million for the first nine months of 2007, up 0.9% on the year-earlier period (up 3.0% on a comparable structure basis and up 4.4% on a comparable structure and exchange rate basis).

(3) including:

- Building Materials: €2,025 million for the first nine months of 2007, down 3.0% on the year-earlier period (down by 4.5% on a comparable structure basis and by 0.4% on a comparable structure and exchange rate basis).

- Pipe: €1,417 million for the first nine months of 2007, up 6.3% on the year-earlier period (up 4.7% on a comparable structure basis, and up 5.1% on a comparable structure and exchange rate basis).

## Performance of Group sectors

**The Flat Glass sector delivered the Group's strongest organic growth** for the first nine months of the year and for the third quarter (**respectively up 12.4% and 11.3%**). Amid buoyant building markets in western Europe and emerging countries, the Flat Glass business also benefited from growing demand for energy-efficient glass. European building markets also continued to enjoy a highly favorable pricing environment throughout the period. Automotive Flat Glass reported robust trading activity worldwide.

In the **High-Performance Materials sector, Ceramics, Plastics and Abrasives** delivered **solid organic growth, at 3.9%**, contrasting with the slowdown in the Reinforcements business. **Overall, High-Performance Materials posted a moderate 1.9% rise in sales on a like-for-like basis.**

**The Construction Products sector (CP) advanced 3.3% on a like-for-like basis**, with western Europe and emerging countries (74% of sales) more than offsetting the fall-off in construction in the United States (26% of sales). Interior Solutions businesses (Insulation and Gypsum) **reported solid organic growth of 4.6%** on the back of regulatory measures and tax incentives designed to encourage energy-efficient buildings. Exterior Solutions businesses (Building Materials and Pipe) delivered more moderate 1.7% growth, with improving sales of mortars and pipe in western Europe and emerging countries countering the strong downturn in sales of siding and roofing products in the US.

**The Building Distribution sector posted sharp 7.3% organic growth.** Most European countries contributed to this vigorous performance, especially France, Spain, Scandinavia and central Europe, while the UK market reported more modest growth. After a strong upward growth momentum early in the year, trading in Germany has been slower since the end of the second quarter.

**The Packaging sector delivered organic growth of 5.9%**, bolstered by significant advances in sales prices and volumes in Europe throughout the first nine months of the year.

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## Analysis by geographic area

Overall, the geographic breakdown of sales is in line with the trends observed in the first six months of 2007, although the growth momentum appears to have slowed. On a like-for-like basis:

- **Growth remained a buoyant 6.0% like-for-like in France** (28.0% of consolidated sales over the first nine months of 2007) and 7.5% like-for-like **in other western European countries** (44.1% of consolidated sales). Growth held firm in southern Europe and Scandinavia. UK and German markets reported a more subdued performance, with Germany seeing a reversal of its upward momentum as from May.
- **Sales declined (by 7.0% like-for-like, compared to a 7.2% fall at end-June 2007) in North America** (13.4% of consolidated sales), due to the continuing low level of construction activity, partially offset by the upbeat performance of other sectors of the US economy, particularly capital spending.
- **Asia and emerging countries** (14.5% of consolidated sales) **reported vigorous 17.3% organic growth**, driven in particular by eastern Europe (organic growth of around 28%). Trading in Latin America and Asia was also buoyant (organic growth of around 13%).

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## Update on asbestos claims in the United States

Some 5,000 claims were filed against CertainTeed in the first nine months of 2007, versus 6,000 in the first nine months of 2006. After taking into account settlements made during the first nine months of 2007, the number of outstanding claims at September 30, 2007 remained unchanged since June 30, 2007, at 75,000.

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## 2007 outlook and targets

The Group expects business in its key markets in western Europe, Asia and emerging countries to remain satisfactory in the fourth quarter (which will be compared against the strong growth momentum recorded in fourth-quarter 2006), while US construction markets should continue to post a low level of activity. The Group confirms its objectives (which were raised on July 26, 2007) for full-year 2007, namely:

- **double-digit growth in operating income** at constant exchange rates (average exchange rates for 2006);
- **growth in recurring\* net income of at least 20%.**

These objectives take into account the sale of Desjonquères at March 31, 2007 and of the Reinforcements and Composites business in the fourth quarter of 2007.

\* excluding capital gains, asset write-downs and the provision for the Flat Glass fines (European Commission).

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## Forthcoming results announcements:

- Estimated 2007 results: January 24, 2008, after close of trading on the Paris Bourse.

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Appendix : Q3 Sales by Sector and Division and by Geographic Area  
(in compliance with the interim information regulation as defined by the "Loi Breton")

	Sales (in EURm)		2007/2006 Change (in %)		
	Q3-2007	Q3-2006	Change on an actual structure basis	Change on a comparable structure basis	Change on a comparable structure and currency basis
<b><u>By Sector and division</u></b>					
<b>Flat Glass</b>	<b>1,355</b>	<b>1,219</b>	<b>11.2%</b>	<b>11.5%</b>	<b>11.3%</b>
<b>High Performance Materials (1)</b>	<b>1,184</b>	<b>1,201</b>	<b>-1.4%</b>	<b>-1.8%</b>	<b>1.0%</b>
<i>Ceramics &amp; Plastics and Abrasives</i>	863	873	-1.1%	-1.5%	1.5%
<i>Reinforcements</i>	325	332	-2.1%	-2.9%	-0.5%
<b>Construction Products</b>	<b>2,803</b>	<b>2,738</b>	<b>2.4%</b>	<b>0.2%</b>	<b>1.7%</b>
<i>Interior Solutions (2)</i>	1,636	1,612	1.5%	-0.5%	0.5%
<i>Exterior Solutions (3)</i>	1,175	1,132	3.8%	1.4%	3.5%
<b>Building Distribution</b>	<b>4,923</b>	<b>4,481</b>	<b>9.9%</b>	<b>5.0%</b>	<b>4.8%</b>
<b>Packaging</b>	<b>842</b>	<b>965</b>	<b>-12.7%</b>	<b>2.1%</b>	<b>4.7%</b>
<i>Internal sales and Miscellaneous</i>	-257	-230	-----	-----	-----
<b>GROUP TOTAL</b>	<b>10,850</b>	<b>10,374</b>	<b>4.6%</b>	<b>3.4%</b>	<b>4.2%</b>
<b><u>By geographic area</u></b>					
France	2,996	2,938	2.0%	4.9%	4.9%
Other Western European countries	5,040	4,718	6.8%	4.1%	4.1%
North America	1,495	1,676	-10.8%	-12.9%	-6.5%
Emerging countries and Asia	1,823	1,554	17.3%	15.8%	14.5%
<i>Internal sales</i>	-504	-512	-----	-----	-----
<b>GROUP TOTAL</b>	<b>10,850</b>	<b>10,374</b>	<b>4.6%</b>	<b>3.4%</b>	<b>4.2%</b>

(1) including intra-sector eliminations

(2) of which :

- Insulation : EUR 688m in Q3 2007, up 6.1% vs. Q3 2006 (down 1.6% on a comparable structure basis and down 0.1% on a l.f.l. basis)
- Gypsum : EUR 954m in Q3 2007, down by 1.5% vs. Q3 2006 (up 0.4% on a comparable structure basis and up 1.1% on a l.f.l. basis)

(3) of which :

- Building Materials : EUR 712m in Q3 2007, up 1.2% vs. Q3 2006 (down 2.2% on a comparable structure basis and up 1.2% on a l.f.l. basis)
- Pipe : EUR 463m in Q3 2007, up 8.1% vs. Q3 2006 (up 7.2% on a comparable structure basis and up 7.2% on a l.f.l. basis)