SAINT-GOBAIN NEDERLAND

Dutch corporation with capital of EUR 12 426 800
divided into 66,100 shares of EUR 188

Saint-Gobain Nederland B.V.
Prins Bernhardplein 200
1097 JB Amsterdam

Head office - Westkade 20 - 4551 BV Sas van Gent

SHAREHOLDER

Compagnie de Saint-Gobain 66,100 shares

MANAGEMENT BOARD

Daniel Biarneix
Pieter Willem Geltink

SUPERVISORY BOARD

Appointed for an unlimited term of office
(age limit: 72)

Patrick Motron
Edouard Chartier
Paul Thomson

STATUTORY AUDITORS

PricewaterhouseCoopers
Flight Forum 840
5657 DV Eindhoven
The Netherlands

FIRST-HALF YEAR 2012

SAINT-GOBAIN NEDERLAND

FINANCIAL STATEMENT AT JUNE 30, 2012

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SAINT-GOBAIN NEDERLAND

FINANCIAL STATEMENTS AT JUNE 30, 2012.

ACCOUNTING PRINCIPLES AND METHODS

The accounting methods used to prepare the financial statements were applied in accordance with the principle of prudence and generally accepted rules for preparing and presenting annual financial statements, as well as the following basic assumptions:

- Going concern
- Consistent application of accounting methods from one period to the next
- Accrual basis accounting

The following methods were used to estimate the various balance sheet items:

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded in euros at the exchange rate prevailing on the transaction date.
Payables, receivables and cash in foreign currencies are recorded in euros at the closing rate. The difference arising from the translation of payables and receivables at the closing rate is taken to income under "Foreign exchange losses or gains".

BOND ISSUE EXPENSES

Bond issue expenses are amortized over the duration of the bond and are remeasured at the closing date.

AUDIT COMMITTEE

There is an Audit Committee in the Saint-Gobain Group with regular meetings. Consequently, there is no specific Audit Committee for Saint-Gobain Nederland.

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

ASSETS

IN EUROS

	June 30, 2012	December 31, 2011	CHANGE
TRADE RECEIVABLES	**0,00**	**0,00**	**0,00**
OTHER RECEIVABLES (*)	**37 366 599,97**	**34 862 884,39**	**2 503 715,58**
- CSG current account	37 356 224,28	34 844 372,99	2 511 851,29
- Interest on CSG current account	10 375,69	18 511,40	(8 135,71)
INCOME TAXES RECEIVABLE	**0,00**	**0,00**	**0,00**
CASH ASSETS	**43 192,91**	**96 150,43**	**(52 957,52)**
- Cash on hand and at bank	43 192,91	96 150,43	(52 957,52)
- Other cash assets	0,00	0,00	0,00
- Coupons receivable	0,00	0,00	0,00
LOANS DUE WITHIN ONE YEAR	**0,00**	**0,00**	**0,00**
- Loans - banks	0,00	0,00	0,00
- Loans - Group companies	0,00	0,00	0,00
- Accrued interest - banks	0,00	0,00	0,00
- Accrued interest - Group companies	0,00	0,00	0,00
FINANCIAL INVESTMENTS	**482 391 711,80**	**496 195 495,09**	**(13 803 783,29)**
- Long-term loans	477 346 530,13	477 346 530,13	0,00
- Medium-term loans	0,00	0,00	0,00
- Accrued interest - long-term loans	5 045 181,67	18 848 964,96	(13 803 783,29)
- Accrued interest - medium-term loans	0,00	0,00	0,00
AMORTIZABLE EXPENSES			
- Bond issue expenses	**4 373 608,33**	**5 574 206,69**	**(1 200 598,36)**
	524 175 113,01	536 728 736,60	(12 553 623,59)

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

EQUITY AND LIABILITIES

(Prior to appropriation of net income)

IN EUROS

	June 30, 2012	December 31, 2011	CHANGE
TRADE PAYABLES	**8 291,42**	**12 520,00**	**(4 228,58)**
INCOME TAXES PAYABLE	**35 998,00**	**29 588,00**	**6 410,00**
OVERDRAFTS	**0,00**	**0,00**	**0,00**
- Bank overdrafts	0,00	0,00	0,00
DEBTS DUE WITHIN ONE YEAR	**0,00**	**0,00**	**0,00**
- Borrowings - banks	0,00	0,00	0,00
- Borrowings - Group companies	0,00	0,00	0,00
- Accrued interest - banks	0,00	0,00	0,00
- Accrued interest - Group companies	0,00	0,00	0,00
SHAREHOLDERS' EQUITY	**18 686 261,88**	**18 665 011,39**	**21 250,49**
Net assets			
- Share capital	12 426 800,00	12 426 800,00	0,00
- Reserves	522 274,91	522 274,91	0,00
- Retained earnings	5 715 936,48	5 526 511,63	189 424,85
- Net income for the previous period	0,00	0,00	0,00
- Net income for the period	21 250,49	189 424,85	(168 174,36)
LONG-TERM DEBT	**505 444 561,71**	**518 021 617,21**	**(12 577 055,50)**
Bonds			
- Bonds held by banks	500 847 740,00	500 847 740,00	0,00
- Accrued interest	4 596 821,71	17 173 877,21	(12 577 055,50)
	524 175 113,01	536 728 736,60	(12 553 623,59)

SAINT-GOBAIN NEDERLAND

INCOME STATEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2012

IN EUROS

	Six months ended June 30, 2012	Six months ended June 30, 2011	Year ended December 31, 2011
GENERAL AND ADMINISTRATIVE EXPENSES	**19 406,37**	**28 410,85**	**43 078,78**
FINANCIAL EXPENSES	**13 666 261,01**	**13 599 972,70**	**27 406 308,72**
Financial expense on long-term financing			
- Interest on bonds	13 619 634,06	13 553 679,98	27 310 282,38
- Interests on borrowings from Group companies	0,00	0,00	0,00
Financial expense on short-term financing			
- Interest on bank borrowings	0,00	0,00	0,00
- Interest on borrowings from Group companies	0,00	0,00	0,00
- Interest paid on swaps	0,00	0,00	0,00
Amortization of bond issue expenses	46 295,80	45 966,43	95 609,02
Other expenses related to financial transactions - portfolio management	0,00	0,00	0,00
Other banking fees and commissions	331,15	326,29	417,32
Foreign exchange losses			
OPERATING LOSSES	**0,00**	**0,00**	**0,00**
EXCEPTIONAL LOSSES	**0,00**	**0,00**	**0,00**
INCOME TAXES	**38 400,00**	**66 000,00**	**95 594,00**
NET INCOME	**21 250,49**	**65 808,43**	**189 424,85**
	13 745 317,87	13 760 191,98	27 734 406,35

	Six months ended June 30, 2012	Six months ended June 30, 2011	Year ended December 31, 2011
FINANCIAL INCOME	**13 745 317,87**	**13 760 191,98**	**27 734 406,35**
Financial income			
- Interest on long-term loans	13 681 161,63	13 615 735,94	27 433 301,49
- Income from investment securities	0,00	0,00	0,00
- Interest on swaps	0,00	0,00	0,00
- Interest received from banks	0,00	0,00	0,00
- Income from financial transactions	64 156,24	144 421,02	300 990,78
- Other financial income	0,00	35,02	114,08
- Capital gains on sales of marketable securities	0,00	0,00	0,00
- Foreign exchange gains	0,00	0,00	0,00
OPERATING PROFITS	**0,00**	**0,00**	**0,00**
EXCEPTIONAL PROFITS	**0,00**	**0,00**	**0,00**
NET LOSS			**0,00**
	13 745 317,87	13 760 191,98	27 734 406,35

SAINT-GOBAIN NEDERLAND

AT JUNE 30, 2012

NOTES TO THE FINANCIAL STATEMENTS

NEW BORROWINGS

No new bonds were issued in the first-half year 2012.

There is no significant event in the first-half year 2012.

SAINT-GOBAIN NEDERLAND

Balance Sheet at June 30, 2012

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

OTHER RECEIVABLES

	PRINCIPAL IN ORIGINAL CURRENCY		PRINCIPAL IN EUROS	ACCRUED INTEREST IN ORIGINAL CURRENCY		ACCRUED INTEREST IN EUROS
CURRENT ACCOUNTS						
Compagnie de Saint-Gobain	EUR	37 356 224,28	37 356 224,28	EUR	10 375,69	10 375,69
TOTAL OTHER RECEIVABLES			37 356 224,28			10 375,69

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

CASH ASSETS: CASH ON HAND AND AT BANK

			IN EUROS
DEBIT BALANCES HELD BY DUTCH BANKS			
Fortis Intertrust Bank	EUR	14 684,92	14 684,92
ABN AMRO Amsterdam	EUR	28 507,99	28 507,99
			43 192,91

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

LOANS DUE WITHIN ONE YEAR

	RATE	MATURITY	PRINCIPAL IN ORIGINAL CURRENCY	PRINCIPAL IN EUROS	ACCRUED INTEREST IN ORIGINAL CURRENCY	ACCRUED INTEREST IN EUROS
GROUP COMPANIES			EUR	0,00	EUR	0,00
TOTAL GROUP LOANS			EUR	0,00	EUR	0,00

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

FINANCIAL INVESTMENTS

LONG-TERM LOANS

GROUP COMPANIES	RATE	MATURITY	IN ORIGINAL CURRENCY	IN EUROS	ACCRUED INTEREST IN ORIGINAL CURRENCY	ACCRUED INTEREST EUROS
Compagnie de Saint-Gobain 2004-2014	5,7579	25/04/2014	EUR 477 346 530,13	477 346 530,13	EUR 5 045 181,67	5 045 181,67
				477 346 530,13		5 045 181,67
Of which due in more than one year:				477 346 530,13		0,00
Of which due within one year:						5 045 181,67

CHANGE IN LONG-TERM LOANS

GROUP COMPANIES	December 31, 2011	Increase	Decrease	June 30, 2012
Compagnie de Saint-Gobain 2004 - 2014	477 346 530,13			477 346 530,13
	477 346 530,13	0,00	0,00	477 346 530,13

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

AMORTIZABLE EXPENSES

BOND ISSUE EXPENSES		Gross amount at Jan. 1, 2012		Bond issues in 2012		Amortization in 2012		Rounding	Net amount at June 30, 2012	
		In original currency	In euros	In original currency	In euros	In original currency	In euros	In euros	In original currency	In euros
- BNP Paribas 2004-2014	EUR	5 574 206,69	5 574 206,69			(1 200 598,36)	(1 200 598,36)	0,00	4 373 608,33	4 373 608,33
			5 574 206,69	0,00	0,00		(1 200 598,36)	0,00		4 373 608,33

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

TRADE PAYABLES

		IN EUROS
Trade accounts payable, non-group entities		(221,08)
- CT Corporation	-221,08	
Provision for Statutory Auditors' fees		8 512,50
- PricewaterhouseCoopers Nederlands - 2012 Annual Report	4 462,50	
- PricewaterhouseCoopers France - 2012 Annual Report	4 050,00	
		8 291,42

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

INCOME TAXES PAYABLE AND RECEIVABLE

			IN EUROS
- 2011 balance to pay in 2012		29 588,00	
			29 588,00

			IN EUROS
- Tax payments made in 2012:		(31 990,00)	
february	-6 398,00		
march	-6 398,00		
abril	-6 398,00		
may	-6 398,00		
june	-6 398,00		
- 2012 balance to pay		38 400,00	
- 2012 balance to pay		**6 410,00**	
Balance of income taxes payable at June 2012			**6 410,00**
Income taxes payable			**35 998,00**

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

DEBTS DUE WITHIN ONE YEAR

	PRINCIPAL IN ORIGINAL CURRENCY	PRINCIPAL IN EUROS	ACCRUED INTEREST	
			IN ORIGINAL CURRENCY	IN EUROS
	EUR 0,00	0,00	EUR 0,00	0,00
		0,00		0,00

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

LONG-TERM DEBT

BONDS

BANKS	RATE	MATURITY	IN ORIGINAL CURRENCY	IN EUROS	ACCRUED INTEREST	
					IN ORIGINAL CURRENCY	IN EUROS
BNP Paribas 2004 - 2014	5	April 25, 2014	EUR 500 847 740,00	500 847 740,00	EUR 4 596 821,71	4 596 821,71
				500 847 740,00		4 596 821,71
Of which due in more than one year:				500 847 740,00		0,00
Of which due within one year:				0,00		4 596 821,71

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

LONG-TERM DEBT

CHANGE IN BONDS

BANKS	December 31, 2011	Increase	Decrease	June 30, 2012
BNP Paribas 2004 - 2014	500 847 740,00			500 847 740,00
	500 847 740,00	0,00	0,00	500 847 740,00

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

CHANGES IN SHAREHOLDERS' EQUITY

Shareholders' equity at December 31, 2011	18 665 011,39
Distribution in 2012 of dividends for 2011	0,00
Net income at June 30, 2012	21 250,49
SHAREHOLDERS' EQUITY AT JUNE 30, 2012	**18 686 261,88**

SAINT-GOBAIN NEDERLAND

Income Statement at June 30, 2012

SAINT-GOBAIN NEDERLAND

INCOME STATEMENT AT JUNE 30, 2012

GENERAL AND ADMINISTRATIVE EXPENSES

		IN EUROS
Fees		8 556,37
- PWC Paris	4 050,00	
- PWC Nederland	4 165,00	
- Kamer	120,29	
- CT corporation	221,08	
Other ordinary management expenses		10 850,00
- Assistance Fortis Intertrust 2012	8 925,00	
- VAT 2011	1 903,00	
- Kamer	22,00	
		19 406,37

SAINT-GOBAIN NEDERLAND

INCOME STATEMENT AT JUNE 30, 2012

NET FINANCIAL INCOME

FINANCIAL EXPENSE		IN EUROS
- Interest on bonds	(12 465 331,50)	
- Amortization of the bond discount	(1 154 302,56)	
		(13 619 634,06)
- Amortization of bond issue expenses		(46 295,80)
- Interest on borrowings from Group companies		0,00
- Interest on bank borrowings		0,00
- Other banking fees and commissions		(331,15)
- Other related expenses		0,00
- Foreign exchange losses		0,00
		(13 666 261,01)
FINANCIAL INCOME		
- Interest on long-term loans		13 681 161,63
- Income from financial transactions		64 156,24
- Other financial income		0,00
- Foreign exchange gains		0,00
		13 745 317,87
NET FINANCIAL INCOME		**79 056,86**

SAINT-GOBAIN NEDERLAND

INCOME STATEMENT AT JUNE 30, 2012

CALCULATION OF CORPORATE INCOME TAX

	IN EUROS
Income tax estimation by tax authorities for 2012	70 383,00
Estimated income tax at June 30, 2012	38 400,00
INCOME TAX EXPENSE AT JUNE 2012	**38 400,00**

SAINT-GOBAIN NEDERLAND

BALANCE SHEET AT JUNE 30, 2012

COMMITMENTS RECEIVED

DEBITORS	CREDITORS	DATE		AMOUNT	
		START	EXPIRATION	IN ORIGINAL CURRENCY	IN EUROS June 30, 2012
OTHER COMMITMENTS RECEIVED					
. Compagnie de Saint-Gobain	BNP Paribas	June 22, 2004	April 25, 2014	EUR 500,847,740	500 847 740,00
				TOTAL	500 847 740,00

Saint-Gobain Nederland B.V.

Financial Report

June 30, 2012

Saint-Gobain Nederland B.V.
Prins Bernhardplein 200
1097 JB Amsterdam

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First-half 2012 : report of the directors

Report of the directors June 30, 2012

The management hereby presents to the shareholders the annual financial report for the year half ended June 30, 2012. SAINT-GOBAIN NEDERLAND Company is a finance company without any industrial or commercial activity. The company has no employees. All bonds issued by SAINT-GOBAIN NEDERLAND are secured by COMPAGNIE de SAINT-GOBAIN. Financial instruments related to these bonds are also held directly by COMPAGNIE de SAINT-GOBAIN and not by the company. Therefore, the company is not subject to any risk in this context.

During this first-half year, the company continued its financing activity. The Company did not issue any new bonds or repay it's loans

The financial position of the Company as of June, 2012 is presented in the balance sheet included in the accompanying financial statements. The main financial items are presented below :

- Financial fixed assets (loans to Compagnie de Saint-Gobain): EUR 477 million of euros
- Long term debts (Bond issues): EUR (501) million of euros

The net profit after tax for the year, amounts to EUR 21 thousand, including a net financial income of EUR 79 thousand, other operating expenses EUR (20) thousand and a tax expense of EUR (38) thousand.

No major post-balance sheet events affecting the accounts, herewith presented, have occured to date. No major change in the company's activity is planned to date.

Statement of directors

Further to the requirements set out in Article 5:525c sub 2c of the "Wet Financieel Toezicht (Wft)", the directors of the Company hereby state that, to the best of our knowledge,:

- the financial statements for the first-half year 2012 give a true and fair view of the assets, liabilities, financial position of and the result generated by the Company;
- the report of the directors gives a true and fair view of the status of the Company as per the balance sheet date and the state of affairs during the financial year to which the report relates; and
- this report of the directors includes a description of the substantial risks the issuer is facing.

Amsterdam, July 20, 2012.

D. Biarneix Director

P.W. Geltink Director

Financial statements

Balance sheet as at June 30, 2012

(before profit appropriation)

		June 30, 2012		December 31, 2011	
		EUR	EUR	EUR	EUR
Assets					
Financial assets					
Long term loans to group companies	5	477 346 530		477 346 530	
Bond issue expenses	6	4 373 608		5 574 207	
			481 720 138		482 920 737
Current assets					
Other receivables from group companies	8	42 411 782		53 711 849	
Income tax		-		-	
Cash and cash equivalents		43 193		96 150	
			42 454 975		53 807 999
Total			**524 175 113**		**536 728 736**

		June 30, 2012		December 31, 2011	
		EUR	EUR	EUR	EUR
Equity and liabilities					
Equity					
Share capital	9	12 426 800		12 426 800	
Other reserves	10	6 238 212		6 048 787	
Profit for the year		21 250		189 425	
			18 686 262		18 665 011
Non-current liabilities	11		500 847 740		500 847 740
Current liabilities					
Income tax	14	35 998		29 588	
Payables and accrued expenses	12	4 605 113		17 186 397	
			4 641 111		17 215 985
Total			524 175 113		536 728 737

The accompanying notes form an integral part of the year accounts.

Income statement at June 2012

	June 30, 2012		June 30, 2011	
	EUR	EUR	EUR	EUR
Interest income				
Interest and similar income	13 745 318		13 760 192	
Interest costs				
Interest and similar expense	(13 666 261)		(13 599 973)	
Net financial income		79 057		160 219
Other operating expenses		(19 406)		(28 411)
Profit before tax		59 650		131 808
Income tax expense		(38 400)		(66 000)
Profit after tax		21 250		65 808

The accompanying notes form an integral part of the year accounts.

Cash flow statement at June 30, 2012

	June 30, 2012		December 31, 2011	
	EUR	EUR	EUR	EUR
Cash flow from investing activities				
Interest received	13 745 318		27 734 406	
Interest paid	(13 666 261)		(27 406 309)	
Other expenses	(19 406)		(43 079)	
Income taxes paid	(31 990)		(27 060)	
Decrease capitalized bond issue expenses	1 200 598		2 410 557	
Net cash provided by investment activities		1 228 259		2 668 515
Cash flow from financing activities				
Increase / (Decrease) other receivables (1)	11 300 068		(2 583 024)	
Decrease other payables	(12 581 284)		(49 350)	
Dividend paid	-		-	
Increase short-term loans from third parties	-		-	
Decrease short-term loans from group companies	-		-	
Net cash used in financing activities		(1 281 216)		(2 632 374)
Net cash flows		(52 957)		36 141

Movements in cash and cash equivalents can be broken down as follows:

	2012	2011
	EUR	EUR
At January 1st :	96 150	60 009
Movements during the year	(52 957)	36 141
Balance at the end of the period:	43 193	96 150

(1) Receivables with the group Company

1 Notes to the financial statements

1.1 General

Saint-Gobain Nederland B.V. is a wholly owned subsidiary of Compagnie de Saint-Gobain SA, Courbevoie, France, having its statutory seat in Amsterdam, The Netherlands. The principal activity of the company is that of a finance company. Compagnie de Saint-Gobain SA has confirmed its intention to continue to render financial support to the company when and to the extent needed.

1.2 Group structure

Saint-Gobain Nederland B.V. is a member of the Compagnie de Saint-Gobain group. The ultimate parent company of this group is Compagnie de Saint-Gobain SA. The financial statements of Saint-Gobain Nederland B.V. are included in the consolidated financial statement of Compagnie de Saint-Gobain SA. Copies of the consolidated financial statements of Compagnie de Saint-Gobain SA are available at cost price from the office of Saint-Gobain Nederland B.V.

1.3 Related parties

All subsidiaries of Compagnie de Saint-Gobain SA are considered to be related parties. The parent company Compagnie de Saint-Gobain SA also qualifies as a related party.

1.4 Notes to the cash flow statement

The cash flow statement has been prepared applying the indirect method. The cash items disclosed in the cash flow statement are comprised of cash and cash equivalents. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from investing activities. Dividends paid are recognised as cash used in financing activities.

1.5 Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

2 Accounting policies for the balance sheet

2.1 General information

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The financial statements are denominated in euros.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or fair value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet, income statement and cash flow statement include references to the notes.

2.2 Prior-year comparison

The principles of valuation and determination of result remain unchanged compared to the prior year.

2.3 Foreign currencies

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement, except when deferred in equity as qualifying hedges.

2.4 Financial assets

Long term loans tot group companies and bonds issued to third parties are initially measured at fair value, and subsequently carried at amortised cost. Impairment losses are deducted from amortised cost and expensed in the income statement.

All bonds issued by SAINT-GOBAIN NEDERLAND B.V. are secured by COMPAGNIE de SAINT-GOBAIN and not by the company. Therefore, the company is not subject to any risk in this context.

2.5 Current assets and Non-current liabilities

Current assets mainly include short-term loans and investments relating to financing activities. Other investments are valued at the lower of cost or market value.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within current liabilities on the balance sheet (include interest rate).

3 Accounting policies for the income statement

3.1 General information

Profit or loss is determined as the difference between interest income and interest expense, and the costs and other charges for the period. Gains or losses on transactions are recognised in the period in which they are realised; losses are taken as soon as they are foreseeable.

3.2 Exchange differences

Exchange differences arising upon the settlement of monetary items are recognised in the income statements in the period that they arise, unless they are hedged.

3.3 Interest income and expenses

Interest paid and interest received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received.

3.4 Income tax expense

Income tax is calculated on the profit / loss before tax in the income statement, taking into account any losses carried forward from previous years (where not included in deferred income tax assets) and tax-exempt items, plus non-deductable expenses. Account is also taken of changes in deferred income tax assets & liabilities owing to changes in the applicable tax rates.

Permanent and temporary differences may exist between the net result as presented in these financial statements and the result for corporate income tax purposes. Therefore, the corporate income tax due for the year may differ from the theoretical amount that would arise applying the nominal tax rate applicable in the Netherlands to the net result as presented in these financial statements.

As of June 2010, the Company agreed on a tax ruling (Advance Pricing Agreements (APA) and Advance Tax Rulings (ATR)) with the Dutch tax authorities to obtain in advance certainty for contemplated finance activities of the Company in the Netherlands. The tax ruling was valid till the redemption date, December 31st 2014.

4 Financial instruments and risk management

Price risk

Currency risk

Saint-Gobain Nederland B.V. mainly operates in the European Union and only in Euros.

Interest rate risk

Saint-Gobain Nederland B.V. runs interest rate risks on the interest-bearing debtors (in particular under financial fixed assets) and interest-bearing long-term and current liabilities (including debts to credit institutions).
For debtors and debts with variable interest agreements, Saint-Gobain Nederland B.V. runs risks regarding future cash flows. In addition, regarding fixed-interest debtors and debts, Saint-Gobain Nederland B.V. runs risks on the market value.

5 Long term Loans to group companies

This caption consists of unsecured loans granted to the Company's parent company.

	June 30, 2012		December 31, 2011	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	477 346 530		477 346 530	
Balance at the end of period		477 346 530		477 346 530

6 Other receivables from group companies

This amount relates to the interest receivable on long-term and short-term loans to group companies.

7 Share capital

The authorised share capital consists of 100,000 shares of EUR 188 each of which 66,100 shares have been issued and fully paid up. These shares are held of record by Compagnie de Saint-Gobain SA

8 Other reserves

The movement in other reserves can be specified as follows:

	June 30, 2012		December 31, 2011	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	6 048 787		6 582 658	
Modification of reserves (1)			21 072	
Prior year's profit or loss	189 425		(554 943)	
Dividend paid				
Balance at the year end		6 238 211		6 048 787

(1) In accordance with the new dutch law dated July 03, 2009.
The capital is not more a translation of NLG in EUR but a capital in EUR.
Consequently roundings in capital are transfered in reserves.

9 Non-current liabilities

Non-current liabilities fully consist of bonds issued to third parties.

Non-current liabilities are unconditionally and irrevocably guaranteed by Compagnie de Saint-Gobain SA and may be summarised as follows:

Short term

Nominal value	Interest rate	Date of redemption	June 30, 2012	December 31, 2011
			-	-
			-	-

Long-term

Nominal value		Interest rate	Date of redemption	June 30, 2012	December 31, 2011
EUR	500 847 740	5%	25/04/2014	500 847 740	500 847 740
				500 847 740	500 847 740

10 Payables and accrued expenses

Included under this heading is the interest payable on non-current and current liabilities.

11 Interest income

In the interest income all interests EUR 13,745,318 are received from group.

12 Income tax expense

The income tax expense can be broken down as follows:

EUR	June 30, 2012	December 31, 2011
Profit before tax	59 650	285 019
Income tax expense	38 400	95 594
Total income tax	38 400	95 594
Effective tax rate	NS See below	NS See below

13 Directors

Both the board of directors and the supervisory board of directors did not receive any remuneration in their capacity.

14 Average number of employees

The company has no employees

Amsterdam, July 20, 2012.

Board of Directors

D. Biarneix

P W. Geltink

Supervisory Board of directors

P.Motron

E. Chartier

P. Thomson

Other information

1 Auditor's report

The report is not reviewed by the external auditors at June 30, 2012.