

Saint-Gobain Nederland B.V.

Financial Report

December 31, 2013

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

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Annual report of the directors

Annual report of the directors 2013

The management hereby presents to the shareholders the annual financial report for the year ended December 31, 2013. 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 year, the company continued its financing activity. The Company did not issue any new bonds or repay its loans

The financial position of the Company as of December 31, 2013 is presented in the balance sheet included in the accompanying financial statements. The main financial items are presented below :

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

The net profit after tax for the year, amounts to EUR 34 thousand, including a net financial income of EUR 70 thousand, other operating expenses EUR (37) thousand and a tax benefit of EUR 1 thousand.

On 25 April 2014, Saint-Gobain Nederland shall repay all of the issued bonds. At the same date, Saint-Gobain Nederland will receive the repayment of the full amount of the loan it has granted to Compagnie de Saint-Gobain together with accrued interests. Following these repayments, Saint-Gobain Nederland will have no remaining financial activity. At the date of this report, the Directors have not made any decision regarding the future of the Company.

No major post-balance sheet events affecting the accounts, herewith presented, have occurred 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 year ending December 31, 2013 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.

On 17 January 2013 the Dutch Accounting Standards Board issued a 'Uiting' on the 'Wet Bestuur en Toezicht' (Article 2:166 respectively 2:276). This law aims at reaching a more balanced division between men and women in Executive and Supervisory Boards. As per 31-12-13 the board and supervisory board don't meet the requirements with respect to Article 2:166 and 2:276 as Saint-Gobain Nederland B.V. found no other suitable options. Saint-Gobain Nederland B.V. will comply with this law when the Executive Board and Supervisory Board are changed in the future.

Amsterdam, April, 4 2014.

D. Biarneix Director



P.W. Geltink Director



Saint-Gobain Nederland B.V. Financial Report

Financial statements

Balance sheet as at December 31, 2013

(before profit appropriation)

		<u>December 31, 2013</u>		<u>December 31, 2012</u>	
		EUR	EUR	EUR	EUR
<i>Assets</i>					
Financial assets					
Long term loans to group companies	5		-		477 346 530
 Current assets					
Loans to group companies	5	477 346 530			
Other receivables from group companies	6	58 648 781		56 260 178	
Income tax		24 681		-	
Cash and cash equivalents		<u>15 616</u>		<u>16 553</u>	
			536 035 608		56 276 732
Total			<u>536 035 608</u>		<u>533 623 262</u>

		<u>December 31, 2013</u>		<u>December 31, 2012</u>	
		EUR	EUR	EUR	EUR
<i>Equity and liabilities</i>					
Equity					
Share capital	7	12 426 800		12 426 800	
Other reserves	8	6 245 657		6 238 211	
Profit for the year		34 081		34 445	
		<hr/>		<hr/>	
			18 706 537		18 699 457
Non-current liabilities	9				
Long Term			-		497 687 923
Current liabilities					
Short term	9	500 095 717			
Income tax	10	-		612	
Payables and accrued expenses	11	17 233 354		17 235 270	
		<hr/>		<hr/>	
			517 329 071		17 235 882
Total		<hr/>		<hr/>	
			536 035 608		533 623 262

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

Income statement for 2013

		2013		2012
		EUR	EUR	EUR
Revenue				
Interest and similar income	12	27 520 990		27 621 121
Expenses				
Interest and similar expense	13	(27 450 544)		(27 504 204)
Operating profit			70 446	116 918
Other operating expenses			(37 397)	(42 519)
Profit before tax			33 049	74 398
Income tax expense	10		1 032	(39 953)
Profit after tax			34 081	34 445

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

Cash flow statement for 2013

In Euro	2 013	2 012
Cash flow from operating activities		
Operating Profit	70 446	116 918
<i>Changes in working capital:</i>		
Correction Interest Income and Expense	(70 446)	(116 918)
Receivables from group	(2 388 603)	(2 548 328)
Accruals	(39 313)	6 353
<i>Other corrections;</i>		
Non cash correction Loan	2 407 794	2 414 390
Cash generated from/(used in) operations	(20 122)	(127 585)
Interest Paid	(27 450 544)	(27 504 204)
Interest Received	27 520 990	27 621 121
Income tax paid	(24 261)	(68 929)
Net cash generated from/(used in) operating activities	26 063	(79 596)
Cash flow from financing activities		
Dividends paid	(27 000)	
Net cash generated from/(used in) financing activities	(27 000)	
Net cash flows	(937)	(79 596)
At January 1st :	16 553	96 150
Movements during the year	(937)	(79 597)
At December 31th:	15 616	16 553

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.

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 Future of the Company

On 25 April 2014, Saint-Gobain Nederland shall repay all of the issued bonds together with accrued interests. At the same date, Saint-Gobain Nederland will receive the repayment of the full amount of the loan it has granted to Compagnie de Saint-Gobain together with accrued interests. Following these repayments, Saint-Gobain Nederland will have no remaining financial activity. At the date of this report, the Directors have not made any decision regarding the future of the Company.

1.4 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. Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

1.5 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.

1.6 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 euro.

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 Financial assets and non-current liabilities

Long term loans to 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. 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.

2.4 Current assets

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.

2.5 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. Cash and cash equivalents are stated at face value. Of cash and cash equivalents, € 0 is not at the Company's free disposal.

2.6 Impairment of non-current assets

At each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the assets is determined. If this proves to be impossible, the recoverable amount of the cash generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. Value in use is determined by calculating the present value of future cash flows. An impairment loss is directly expensed in the income statement.

If it is established that a previously recognized impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognized.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognized in the income statement.

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-deductible 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 18th 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

4.1 Price risk

Currency risk

Saint-Gobain Nederland B.V. operates in the European Union and only in Euros.
Saint-Gobain Nederland B.V. is not subject to currency risk.

Interest rate risk

There is no interest rate risk in the company as both the loan to Compagnie de Saint-Gobain and the bond Issued by Saint-Gobain Nederland are on a fixed interest rate basis and at the same date.
Saint-Gobain Nederland B.V. is not subject to market value risk.

Insolvency risk and market value risk

On 25th April 2014, Saint-Gobain Nederland B.V. will repay bond holders at the nominal value of bonds (500 M€) together with accrued interests. There is no-insolvency risk as on the same date Saint-Gobain Nederland B.V is due to receive repayment from Compagnie de Saint-Gobain of the loan.

In addition all bonds issued by Saint-Gobain Nederland B.V are secured by Compagnie de Saint-Gobain.

Notes to the balance sheet and the statement of income

5 Loans to group companies

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

Long Term Loans	December 31, 2013		December 31, 2012	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	477 346 530		477 346 530	
Transfer to current loans	(477 346 530)		-	
Balance at the end of period		-	477 346 530	
Short Term Loans	December 31, 2013		December 31, 2012	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	-		-	
Transfer to current loans	477 346 530		-	
Balance at the end of period		477 346 530	-	

The fair value of this loan is € 483,73 millions at December 31, 2013 (2012: € 503,11 millions). The fair value of the loan is established based on short term market interest rates which are lower than the contractual long term fixed rate received from Compagnie de Saint-Gobain on this loan. The loan is due for redemption on 24th April 2014. Nominal is € 477 millions and accrued interests are € 27 millions.

6 Other receivables from group companies

This amount relates to the interest receivable on long-term / short-term loans to group companies. The receivables all fall due in less than one year.

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.

Mouvements in the number shares in 2013 were as follows:

	Ordinary shares	Treasury shares	Preference shares
<u>At 1 January 2013</u>	66100		
Issue of ordinary shares	0	0	0
Issue of preference shares	0	0	0
Purchase of treasury shares	0	0	0
Treasury shares granted	0	0	0
Called-up share capital	0	0	0
			0
<u>At 31 December 2013</u>	66100	0	0

There is no issuance of shares in 2013.

8 Other reserves

The movement in other reserves can be specified as follows:

	<u>December 31, 2013</u>		<u>December 31, 2012</u>	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	6 238 211		6 048 787	
Prior year's profit or loss 2011			189 424	
Prior year's profit or loss 2012	34 445			
Dividend paid	(27 000)			
Balance at the end of periode		<u>6 245 657</u>		<u>6 238 211</u>

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	December 31, 2013	December 31, 2012
EUR 500 847 740	5%	25/04/2014	500 847 740	-
Amortised costs valuation of the bonds			(752 023)	-
			<hr/> 500 095 717	-

Long-term

Nominal value	Interest rate	Date of redemption	December 31, 2013	December 31, 2012
EUR 500 847 740	5%	25/04/2014	-	500 847 740
Amortised costs valuation of the bonds			-	(3 159 817)
			<hr/> -	<hr/> 497 687 923

The fair value of this bond is € 507,45 millions at December 31, 2013 (2012: € 528,5 millions).
The fair value of the bond is established based on short term market interest rates which are lower than the contractual long term fixed rate paid to external creditors on this bond.

The bond is due for redemption on 25th April 2014. Nominal is € 501 millions and accrued interests are € 25 millions.

10 Income tax expense

The income tax expense can be broken down as follows:

EUR	December 31, 2013	December 31, 2012
Profit before tax	33 049	74 398
Income tax expense for the year	8 263	18 600
Adjustement of the provision for previous year	(9 295)	21 353
Total income tax	(1 032)	39 953
Effective tax rate (excluding provision movements)	25,00%	25,00%

The company pays the Income tax based on a ruling (agreement with the tax authorities).

11 Payables and accrued expenses

Included under this heading is mainly the interest payable on non-current liabilities.
All current liabilities fall due in less than one year.

12 Revenue

In the interest income all interests EUR 27.520.990 are received from group.

13 Expenses

In the interest expense all interests EUR 27.450.554 are paid to external creditors.

14 Directors

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

15 Average number of employees

The company has no employees (previous year: 0).

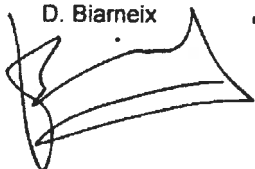
16 Fees paid to the Auditors and the members of their network for 2013

Audit	EUR	15 000
Other audit related services	EUR	0
Other services	EUR	0

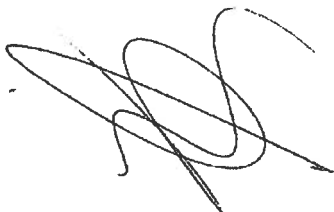
Amsterdam, April, 4 2014.

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 of the auditors, PricewaterhouseCoopers Accountants N.V., is set forth on page 18.

2 Appropriation of results

In accordance with Article 19 of the Articles of Association of the company the general meeting of shareholders decides about the appropriation of the profit for the year under review and determines, based on a proposal thereto of the supervisory board of directors, the dividend and the date of payment thereof.

3 Proposed appropriation of profit

It is proposed to pay a dividend of EUR 33 711, profit remaining will be transferred to the other reserves.

4 Post-balance sheet events

No other events took place that could have a major effect on the financial position of the Company.



Independent auditor's report

To: the general meeting of Saint-Gobain Nederland B.V.

Report on the financial statements

We have audited the accompanying financial statements 2013 of Saint-Gobain Nederland B.V., Amsterdam, which comprise the balance sheet as at 31 December 2013, the income statement for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Board of directors' responsibility

The board of directors is responsible for the preparation and fair presentation of these financial statements and for the preparation of the directors' report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Saint-Gobain Nederland B.V. as at 31 December 2013, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

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Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the directors' report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the directors' report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Rotterdam, 4 April 2014
PricewaterhouseCoopers Accountants N.V.

Original has been signed by: S.A. van Kempen RA