

Saint-Gobain Nederland B.V.

Financial Report

June 30, 2014

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

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Report of the directors

Report of the directors June 30, 2014

The management hereby presents to the shareholders the half-year financial report for the first-half year ended June 30, 2014. 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 were secured by COMPAGNIE de SAINT-GOBAIN. Financial instruments related to these bonds were 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 but repaid its last bond.

The financial position of the Company as of June, 2014 is presented in the balance sheet included in the accompanying financial statements. There is no more financial item.

The net profit after tax for the first-half year, amounts to EUR (16) thousand, including a net financial income of EUR 41 thousand, other operating expenses EUR (37) thousand and a tax expense of EUR (20) thousand.

On 25 April 2014, Saint-Gobain Nederland repaid all of the issued bonds. At the same date, Saint-Gobain Nederland received 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 had 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 June 30, 2014 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 30-06-2014 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, July, 25 2014.

D. Biarneix Director



P.W. Geltink Director



Saint-Gobain Nederland B.V. Financial Report

Financial statements

Balance sheet as at June 30, 2014

(before profit appropriation)

		<u>June 30, 2014</u>		<u>December 31, 2013</u>	
		EUR	EUR	EUR	EUR
<i>Assets</i>					
Financial assets					
Long term loans to group companies	5		-		-
Current assets					
Loans to group companies	5		-	477 346 530	
Other receivables from group companies	6	18 616 027		58 648 781	
Income tax		51 128		24 681	
Cash and cash equivalents		<u>14 932</u>		<u>15 616</u>	
			18 682 087		536 035 608
Total			<u>18 682 087</u>		<u>536 035 608</u>

		<u>June 30, 2014</u>		<u>December 31, 2013</u>	
		EUR	EUR	EUR	EUR
<i>Equity and liabilities</i>					
Equity					
Share capital	7	12 426 800		12 426 800	
Other reserves	8	6 246 026		6 245 657	
Profit for the year		(16 244)		34 081	
		<hr/>		<hr/>	
			18 656 582		18 706 537
Non-current liabilities					
Long Term	9		-		-
Current liabilities					
Short term	9	-		500 095 717	
Income tax	10	-		-	
Payables and accrued expenses	11	25 505		17 233 354	
		<hr/>		<hr/>	
			25 505		517 329 071
Total		<hr/>		<hr/>	
			18 682 087		536 035 608

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

Income statement at June 30, 2014

		June 30, 2014		June 30, 2013	
		EUR	EUR	EUR	EUR
Interest income					
Interest and similar income	12	8 615 054		13 644 445	
Interest costs					
Interest and similar expense	13	(8 573 803)		(13 612 585)	
		<hr/>		<hr/>	
Operating profit			41 251		31 860
Other operating expenses			(37 495)		(18 641)
		<hr/>		<hr/>	
Profit before tax			3 756		13 219
Income tax expense	10		(20 000)		(35 400)
		<hr/>		<hr/>	
Profit after tax			(16 244)		(22 181)

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

Cash flow statement at June 30, 2014

	<u>June 30, 2014</u>		<u>December 31, 2013</u>	
	EUR	EUR	EUR	EUR
Cash flow from financing activities				
(Increase) / Decrease other receivables (6)	40 032 754		(2 388 603)	
Increase other payables (05)(09)(13)	(39 957 036)		(1 916)	
Dividend paid	(33 711)		(27 000)	
Interest received (12)	8 615 054		27 520 990	
Interest paid (13)	(8 573 803)		(25 042 751)	
Net cash used in financing activities		<u>83 258</u>		<u>60 721</u>
Cash flow from operation				
Other expenses paid (See Income statement)	(37 495)		(37 397)	
Income taxes paid	(46 447)		(24 260)	
Net cash operation		<u>(83 942)</u>		<u>(61 658)</u>
Net cash flows		<u>(684)</u>		<u>(937)</u>

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

	<u>2013</u>	<u>2013</u>
	EUR	EUR
At January 1st :	15 616	16 553
Movements during the year	<u>(684)</u>	<u>(937)</u>
At December 31th:	14 932	15 616

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 repaid all of the issued bonds together with accrued interests. At the same date, Saint-Gobain Nederland received the repayment of the full amount of the loan it had granted to Compagnie de Saint-Gobain together with accrued interests. Following these repayments, Saint-Gobain Nederland has 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 half year.

2.3 Financial assets and non-current liabilities

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

All bonds issued by SAINT-GOBAIN NEDERLAND B.V. were 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, was 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-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 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 were 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. has repaid bond holders at the nominal value of bonds (500 M€) together with accrued interests. There was no-insolvency risk as on the same date Saint-Gobain Nederland B.V was due to receive repayment from Compagnie de Saint-Gobain of the loan.

In addition all bonds issued by Saint-Gobain Nederland B.V were 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 Loans	June 30, 2014		December 31, 2013	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	-		477 346 530	
Transfer to current loans			-477 346 530	
Balance at the end of period		-		-
Short Loans	June 30, 2014		December 31, 2013	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	477 346 530		-	
Transfer to current loans			477 346 530	
Payment of the current loans	(477 356 530)			
Balance at the end of period		-		477 346 530

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 2014 were as follows:

	Ordinary shares	Treasury shares	Preference shares
<u>At 1 January 2014</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 30 June 2014</u>	66100	0	0

There is no issuance of shares for the first-half year 2014.

8 Other reserves

The movement in other reserves can be specified as follows:

	<u>June 30, 2014</u>		<u>December 31, 2013</u>	
	EUR	EUR	EUR	EUR
Balance at the beginning of period	6 063 677		6 056 232	
Prior year's profit or loss 2012			34 445	
Prior year's profit or loss 2013	34 081			
Dividend paid	(33 100)		(27 000)	
Balance at the end of periode		6 064 658		6 063 677

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

10 Income tax expense

The income tax expense can be broken down as follows:

EUR	June 30, 2014	December 31, 2013
Profit before tax	36 244	33 049
Income tax expense for the first -half year	20 000	40 000
Adjustement of the provision for previuos year		(41 032)
Total income tax	20 000	(1 032)
Effective tax rate (excluded provision movements)	55,18%	121,03%

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 8.615.054 are received from group.

13 Expenses

In the interest expense all interests EUR 8.573.803 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).

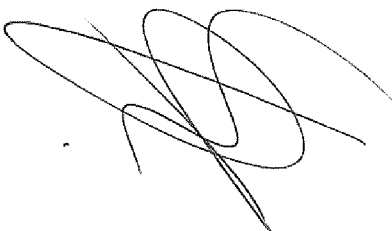
Amsterdam, July 25, 2014.

Board of Directors

D. Biarneix



P.W. Geltink



Supervisory Board of directors

P. Motron



E. Chartier



P. Thomson

