



Earnings up on 30th June 2006

- Turnover: + 9.1%
- Net profit - group share: + 8.9%

Further strategic acquisitions

IFRS - Consolidated (€m)	1 st half-year 2006	1 st half-year 2005	Var. %	Reminder 2005
Turnover	254.3	233.2	+ 9.1%	459.5
Current operating profit	12.5	11.5	+ 8.6%	25.2
<i>Current operating margin</i>	4.9%	4.9%		5.5%
Net profit	7.9	7.3	+ 7.9%	15.5
<i>Net margin</i>	3.1 %	3.1 %		3.4%
Net profit - group share	7.6	7.0	+ 8.6%	14.8
Debt/Capital	60%	78%		54%

The 2006 data includes the acquisitions of SCTPI (April 2005) and Montauban Matériaux (January 06)

Business enjoying growth

On 30th June 2006, VM Matériaux recorded half-yearly turnover of €254.3m, showing growth of 9.1% (+ 7.6% when like-for-like figures are taken). This performance was higher than the average growth on the private homes market at the end of June 2006 (+ 5.9% over the last twelve months), which is the Group's reference market. All three lines of business (Materials' trading, Concrete Production and Industrial Joinery) contributed to this performance.

Margins holding up

The operational margin for the first half of 2006 remains stable at 4.9% of turnover, when compared with that of the first half of 2005. This comes as new sites are opened whilst others are being renovated, generating extra costs.

The Group share of the net profit is up 8.9% to €7.6 million.

Stronger financial structure

On 30th June 2006, the Group had equity capital of €66 million, resulting in a debt ratio of 60 %, versus 78% on 30th June 2005.

Further strategic acquisitions

After giving investment priority to organic growth (opening and modernising sales agencies, renovating concrete production sites, new joinery processes) VM Matériaux can now announce strategic external growth operations for 2007:

- Acquisition of Paul Thébault in La Rochelle (2005 sales = €12.8 million, 51 employees, 3 sites: multi-specialist trading and ready-to-use concrete);
- Acquisition of CIOB-Moisan in the Morbihan region, giving VM Matériaux a third industrial carpentry business in this area (2005 sales = €4.4 million, 48 employees);

- 49.9% stake in the capital of Joseph Cottrell, the leader on the Materials' trading market in Martinique (2005 sales = €27.3 million, 5 agencies open to the general public, 100 employees). VM Matériaux is thus adding to its presence in this region.

These three operations will be concluded next January and should mean an extra €30 million in sales revenue for the Group.

Outlook: sales objectives revised upwards

Business over the 3rd quarter should be slightly lower than that expected for the 4th quarter, but the Group is now able to review its annual sales objectives for 2006 upwards to €498.5 million, meaning growth of 8.5%, compared with the 6% initially forecast.

With an encouraging private homes market, supported by strong underlying trends (increase in the number of households, the preferred housing type of the French people, neo-rural living), VM Matériaux, with its dynamic investment policy, remains confident in its outlook for growth over the short and medium-term.

Next press release: 3rd quarter 2006 turnover, 26 October 2006.

About VM Matériaux

VM Matériaux works in the Building industry, centred on three areas of business:

- *Building material trading (75% of turnover managed): distribution of materials for the building and public works sector, with a network of 82 specialised agencies, offering locally-based advice to industry professionals and DIY customers;*
- *the Concrete industry (15%): industrial pre-cast and ready-mix concrete;*
- *Industrial joinery (10%): a full range of fittings for outside use (PVC, aluminium or wooden windows, roller shutters, front doors) and industrial frames.*

The Group was originally based in the Vendée region but is now multi-regional. It employs 2100 people and is developing its business over Western France and in the overseas departments.

VM Matériaux is listed in the B compartment of Eurolist Paris.

Index: SBF 250, CAC Mid & Small 190

Codes: ISIN FR0000066540, Reuters VMMP.NT, Bloomberg VMM.FP, Mnemonic: VMMA

See all of our financial information at www.vm-materiaux.fr

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