



MINERAL SOLUTIONS FOR A CHANGING WORLD

ANNUAL REPORT 2014



IMERYS
TRANSFORM TO PERFORM

IMERYYS

*Annual
report
2014*

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Chairman & CEO

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THE WORLD LEADER IN MINERAL-BASED SPECIALTY SOLUTIONS FOR INDUSTRY



*Imerys transforms a unique range of **minerals** to deliver functional specialty solutions (heat resistance, mechanical strength, conductivity, coverage, barrier effect, etc.) essential for its customers' products and manufacturing processes.*

*Whether mineral components, functional additives, process enablers or finished products, Imerys' solutions contribute to the **quality of a great many applications** in consumer goods, industrial equipment and construction.*

Combining expertise, creativity and attentiveness to their customers, the Group's teams constantly identify new applications and develop high value-added solutions, in line with a determined approach to responsible development.

PRESENCE IN A GREAT NUMBER OF MARKETS

Imerys serves a wide range of industries, guaranteeing balanced exposure to different economic cycles. The Group's sales are spread across over 20 markets.

AUTOMOTIVE, INDUSTRIAL EQUIPMENT AND CONSUMER DURABLES

*Plastics, batteries,
paint bodywork, tooling...*



ELECTRONICS

*Device structure, processors,
semi-conductors...*



ENERGY

*Batteries,
photovoltaic cells
and panels, oil and gas drilling...*



CONSTRUCTION

*Roof tiles, cement production,
window profiles...*



DECORATIVE MATERIALS AND FITTINGS

*Sanitaryware, tableware, flooring,
paint, floor tiles...*



STEELMAKING AND METALLURGY

*Refractory linings
for furnaces...*



AGRI-FOOD

*Filtration of beer, wine, drinking
water and fruit juice...*



PAPER

*Catalogues, advertising materials,
brochures, magazines, specialty
papers...*



PACKAGING

*Plastic film,
specific packaging...*



HEALTH, BEAUTY AND CARE

*Deodorant, skin creams,
toothpaste, hygiene products...*



HORTICULTURE, PROTECTION OF FLORA

*Hydroponics,
UV production, repellents...*



OUR BUSINESS: WORLD LEADER OF SPECIALTY MINERALS FOR INDUSTRY

Imerys dedicates 1.7% of its revenue to Research & Development. This amount represents quite a significant share for the industrial minerals industry and reflects the Group's determination to make innovation the driver of its internal growth.

HIGH-QUALITY MINERALS

The Group develops specialty solutions from transforming and formulating a range of around 30 minerals. Thanks to its mining sites, where it holds on average 20 years' high-quality mineral reserves and with teams dedicated to exploring additional resources, Imerys guarantees its customers a lasting supply.

The Group also converts a number of minerals (e.g. bauxite, alumina, zirconium, magnesia) purchased from external suppliers.



THE ART OF MINING

By selecting relevant techniques for the characteristics of every deposit, Imerys can extract minerals with an economically efficient yet environmentally friendly approach. Sites at the end of their industrial lives are restored to the best possible environmental conditions. The Group has established common responsible management processes, including for restoration plans that are studied from the outset of mine opening projects.

BENEFICIATION KNOW-HOW

To obtain the required properties and so add value, minerals are processed using various technologies, many of which are specific to Imerys, e.g. grinding, grading, drying, calcination, sintering, melting, bleaching, surface chemistry, magnetic purification and flotation, but also shaping processes such as pressing, extrusion, granulation and casting.



INDUSTRIAL AND TECHNOLOGICAL SKILLS

The Group calls substantial resources into play to innovate in line with its customers' needs: 300 scientists based in market-focused Research & Development centers across the world, and collaboration with renowned institutes.

The Group has developed many exclusive processes, technologies and products that it strives to protect. Imerys particularly has cutting-edge know-how in grinding, particle grading, surface chemistry, suspension rheology, calcination and high temperature melting. This enables the necessary purity, size, shape or particle arrangement maximizing the required properties for a given application, to be obtained on an industrial scale.

SPECIALTIES FOR WIDE-RANGING APPLICATIONS

Imerys' mineral-based specialty solutions can be used in four different ways in the industrial chain:

- mineral components
- functional additives
- manufacturing process enablers
- finished products

Impermeability, whiteness, strength, energy efficiency, conductivity, purity and longevity are some of the key functions delivered by the Group's mineral solutions.



A WIDE VARIETY OF USES

- **Graphite** is converted to meet the specifications of mobile energy and precision engineering industries (lithium-ion batteries, brake pads).
- **Monolithic refractories** are used as linings in high-temperature industries (steelmaking, foundry, etc.).
- **Diatomite and perlite** are filtration agents for edible beverages.
- **Electrofused magnesia** is commonly used in domestic appliances (dishwashers, etc.) to guarantee high electrical resistance and low heat conductivity.

A PRESENCE ON THE FIVE CONTINENTS

ENERGY SOLUTIONS & SPECIALTIES

- Carbonates
- Monolithic Refractories
- Graphite & Carbon
- Oilfield Solutions

FILTRATION & PERFORMANCE ADDITIVES

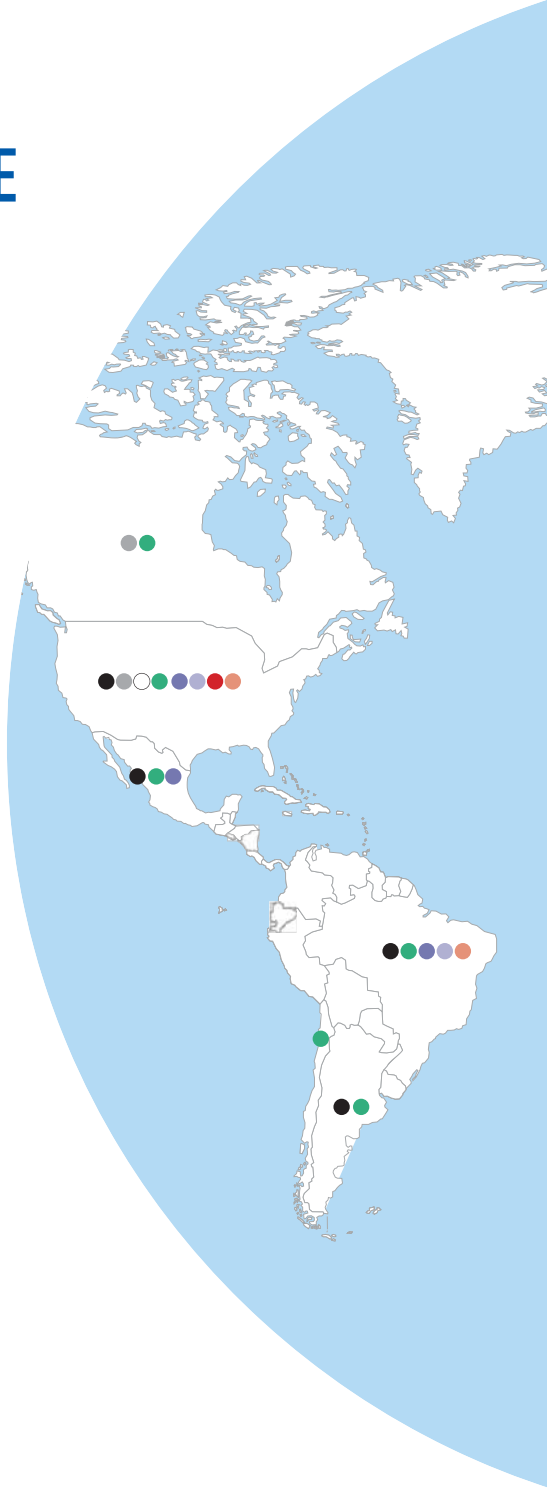
- Filtration & Performance Additives

CERAMIC MATERIALS

- Kaolin
- Minerals for Ceramics
- Clay Roof Tiles

HIGH RESISTANCE MINERALS

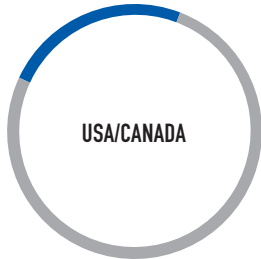
- Fused Minerals
- Refractory Minerals



WESTERN EUROPE

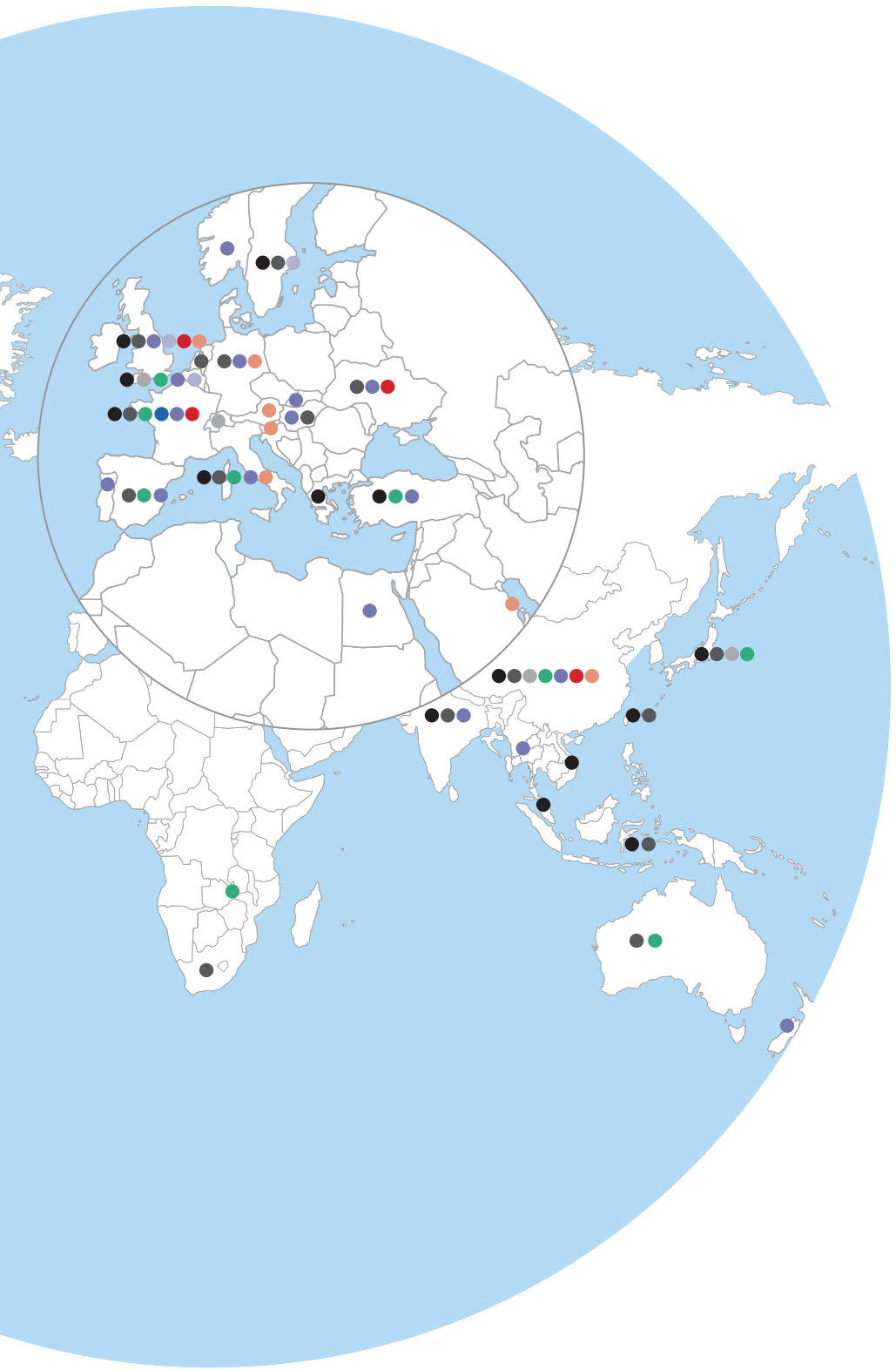
45%

including 12.8% for France



USA/CANADA

24%



234

industrial sites

50

countries

14,900

employees

€3,688M

revenue

€495M

*current
operating income*



ACQUISITION: S&B BECOMES A PART OF IMERYS

Known for its industrial know-how and the quality of its mineral resources, S&B is a major player in industrial minerals.

*The European leader in **bentonite** (binders for foundry, sealing solutions, additives for drilling and for consumer products), the group is also the world leader in **continuous casting fluxes** for the **steel industry**, in **wollastonite** (functional additives for polymers and paints) and in **perlite-based** solutions used in building materials and horticulture.*

Imerys closed the S&B acquisition end of February 2015.

*With the integration of S&B's activities into the Filtration & Performance Additives (F&PA) business group, Imerys is welcoming a player with shared advantages: a leading position in its markets, high quality resources, a diversified and complementary mineral portfolio, similarities in terms of management **culture, values and performance achievements**.*

*To consolidate its leadership position Imerys counts on a number of **synergies**: businesses exposure on existing and growing markets, increased geographic presence and potential innovation development.*

*With this acquisition, Imerys accelerates its development and increases its offer in **mineral-based specialty** solutions for industry.*

2014 IN FIGURES

22
countries

28
distribution centers

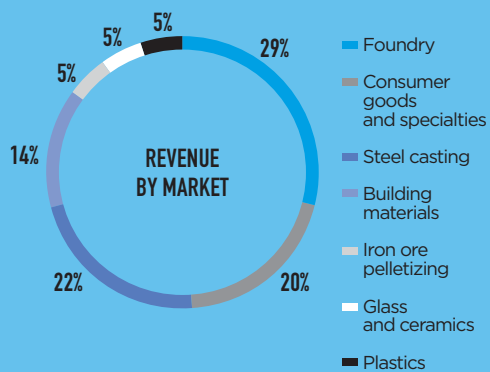
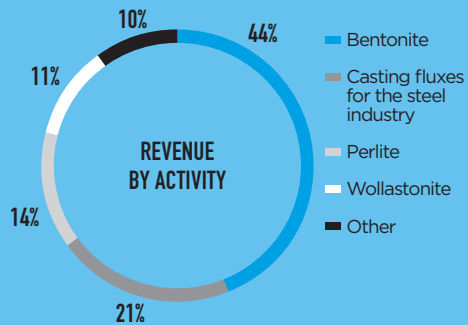
31
mining sites

51
industrial sites

1,650
employees

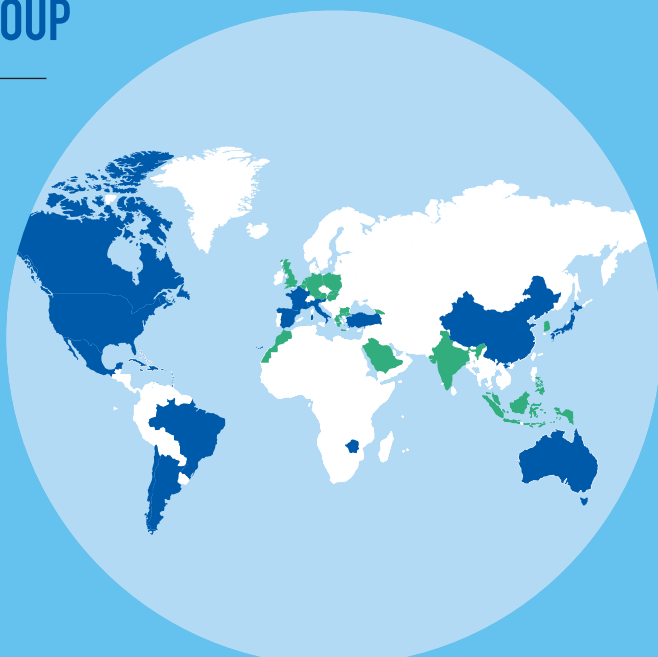
€412 M*
revenue

* perimeter integrated within Imerys activities



A STRENGTHENED INTERNATIONAL PRESENCE FOR THE FILTRATION AND PERFORMANCE ADDITIVES BUSINESS GROUP

- Historical presence
- New countries



“At Imerys every day we work to provide innovative solutions to our industrial customers. These innovations can be found in the goods and products we use every day.

They contribute to achieving technological performance whilst answering the growing concerns of sustainable development.”

Gilles Michel

Chairman & CEO



Developing our growth potential

Interview
GILLES MICHEL
Chairman & CEO

What were the main trends of 2014?

Gilles Michel: In 2014, the economic environment was marked by sharp disparities. While North American markets remained buoyant, Imerys coped with a slowdown in European industry in the second half after a good start to the year. Emerging markets, which represented 26% of our revenue, grew overall although the situation varied from one country to another.

In this context, Imerys, which recorded an outstanding operating and financial performance, again achieved its growth target in net income from current operations. The Group posted +3.2% organic growth and improved its profitability by increasing the operating margin from 12.9% to 13.4%. The ramp-up of new production units, geographic diversification of our activities and good control of costs supported growth in our results. Operating excellence is also one of our priorities. In 2014 we launched Imerys Industrial Improvement (I-Cube), an initiative that is being rolled out on all of our sites.



Finally, the end of the year was marked by the announcement of our acquisition of S&B, a major milestone in the Group's development.

Given the current context, how is Imerys approaching 2015?

G.M.: Our 2014 results show that growth levers are in place and that the Group is not dependent on a single economic cycle. In an economic environment that remains complex and uncertain, Imerys is approaching 2015 with confidence and determination for several reasons.

First, Imerys' strategic development on high-potential markets and in emerging zones is working. That's why we'll continue to invest in innovation despite the lower contribution expected from ceramic proppants in the United States.

Next, the Group has sound fundamentals and has proven its ability to adapt its cost structure and industrial organization to fluctuating economic conditions. We'll continue to do so with agility and responsiveness.

Finally, the integration of S&B, which posted sound results in 2014, will help to speed up the Group's growth in 2015. Following this operation, our financial structure remains healthy and allows us to consider other developments in the future.

What are your orientations for the years ahead?

G.M.: Our ambition is to build up Imerys' growth potential through innovation, geographic development, and carefully targeted acquisitions. ■■■

“2014's results bear out our development strategy. Imerys' organic growth is showing positive results again and has improved its profitability in all sectors.”



■ ■ ■ The Group's transformation is well under way, as seen in the share of new products in our revenue, which has grown from 5% in 2011 to more than 12% in 2014. A twofold increase in R&D spending from 0.9% of revenue in 2011 to 1.7% in 2014 helped the Group's profile to evolve. It is now much more exposed to growing markets such as the automotive, energy, general public electronics, health and recycling sectors.

We'll keep up this innovation and development momentum. Several major projects have been or are being launched in monolithic refractories in India, performance minerals for the pharma and automotive industries in Europe and the USA, and in ceramic materials in Brazil.

We'll continue to implement our policy of selective acquisitions, while complying with our usual value creation criteria.

All of these developments sustain the Group's growth momentum. That's why I remain confident in Imerys' medium-term prospects and in our ability to meet today's challenges. ■

GROWTH drivers

INNOVATE

to increase the Group's presence on high-potential markets.

To enrich its specialty mineral offering, Imerys has made innovation the driver of its organic growth.

IMPROVE

industrial performance.

Rolling out operational excellence on the Group's sites will enable Imerys to reach the highest standards of performance and quality.

GROW

through targeted operations.

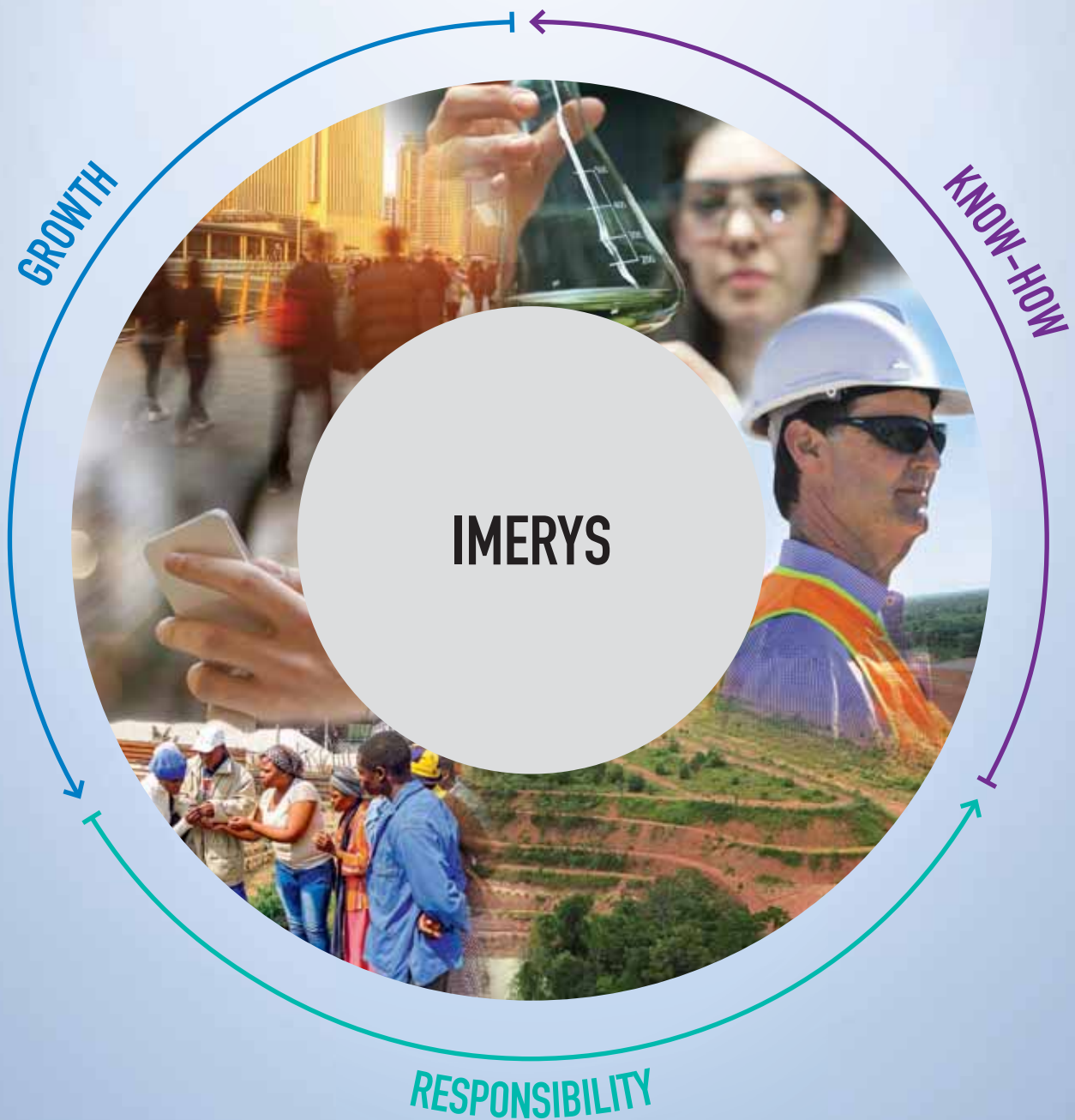
Imerys keeps developing to meet demand both on high-potential new markets and in emerging countries, and is stepping up its external growth with the integration of S&B in 2015 in particular.

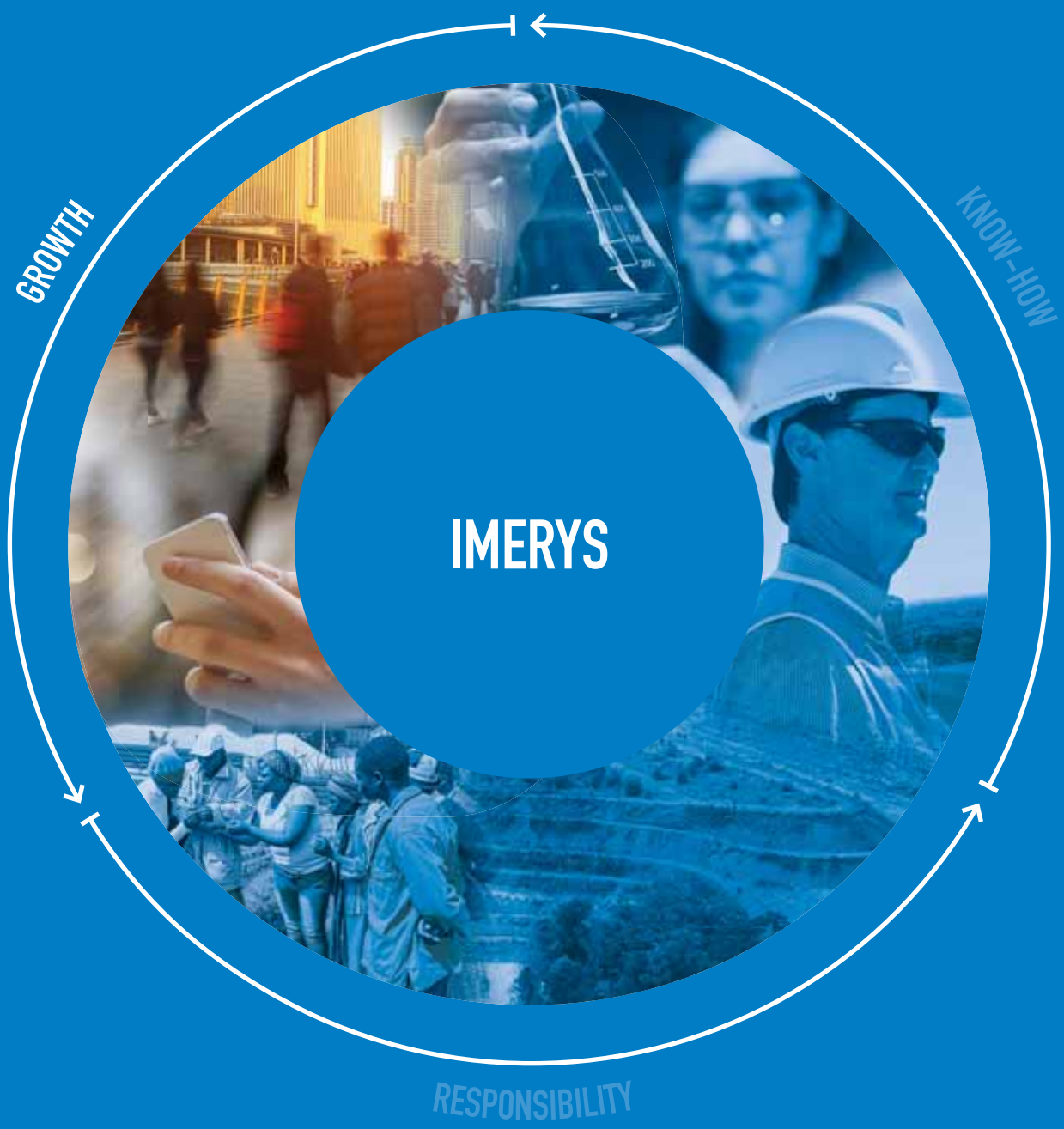
DEVELOP

skills and attract talents.

Imerys' Human Resources policy is based on the clearly stated aim of developing its employees through training, encouraging internal mobility and promoting diversity in terms of the profiles and cultures in its workforce.

OUR COMMITMENTS





01

GUARANTEEING
THE GROUP'S GROWTH
IS PREPARING
FOR THE FUTURE

—

Innovation

—

*Production capacities
development*

—

*Geographic
expansion*



+3.2%

revenue growth

in 2014 at comparable Group structure and exchange rates

More than
1,000
granted and pending
patents



Guaranteeing the Group's growth is preparing for the future

*Imerys has developed rapidly since the early 2000s thanks to **a strategy based on innovation, expanding its geographic footprint and activity portfolio, and stepping up its presence on profitable markets.***

This policy is reflected in substantial Research & Development expenditure and the launch of new products that fulfil the requirements of industrial customers whose performance standards are as high as end consumers' expectations.

*To meet its markets' growing demand, Imerys continues to develop its production capacities. Guaranteeing its growth also means deployment in high-potential regions and a selective approach to acquisitions. **Imerys' ambition of consolidating its leadership in mineral specialties** comes under a strategy of large-scale internal and external growth whose efficiency also stems from strict financial discipline that creates long-term value.*

Focus
**Ever more minerals
 in high-tech products**

Imerys plays an increasingly important part in automotive and mobile technology innovation, providing manufacturers with renewed solutions.



As well as its leading role in weight reduction, talc helps to make plastic parts stronger. The average amount of talc used to make a car has increased from 4.9 kg in 2006 to 13 kg in 2014.

The effectiveness of anti-pollution systems is measured by an oxygen sensor whose membrane is a fused zirconia-based ceramic.

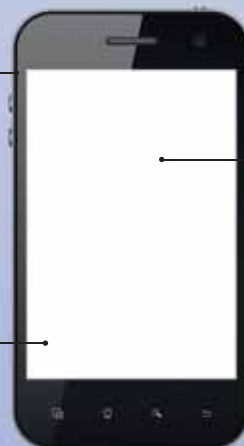
Talc goes into interior fittings like seats and dashboards, under the hood in engine parts, and exterior equipment like bumpers and lighting systems.

Zirconia, vermiculite, graphite and micas can also be found in brake pads.

These are also marketed for various applications such as soundproofing and varnish.

The plastic shells for today's smartphones are robust, lightweight, fire-resistant and recyclable thanks to the properties of carbonates, mica, talc and carbon black.

The processor and silicon circuits are made in furnaces lined with refractory minerals, then cast for refining in very high-purity quartz crucibles. Insulating graphite sheets prevent processors from overheating.



Very high-precision abrasive minerals are used to polish high-tech screens that have to be highly touch-sensitive as well as extremely strong. Graphites and carbon black are used to make batteries, contributing to their miniaturization, recharging speed and lifespan.

INNOVATION

Anticipating our customers' needs



Imerys' ability to develop made-to-measure solutions for each of its customers is reflected in all the areas of its activity and on every continent. The Group has centered its growth strategy on innovation.

STAYING ONE INNOVATION AHEAD

Imerys innovates with and for its customers. 300 researchers and technicians are mobilized at all times worldwide to meet customers' expectations while the marketing teams try and anticipate their needs. In 2014 Imerys launched 75 new products on the various markets served by its customers. They include continuity innovations stemming from improvements to existing ranges, or disruptive innovations based on the development of new concepts. From new-generation lithium-ion batteries to high-precision abrasives, via environmentally-friendly protection of crops from insects, to ceramic proppants for oilfields, mineral solutions for plastic recycling or the cosmetics industry, the vast range of applications offers many possibilities to our teams' creativity. In 2014 alone, the new products introduced over the last five years generated €449 million, i.e. 12% sales revenue, against 5% in 2011.

GROWING MARKETS

Imerys focuses its research efforts on the areas with the highest probability of growth. The projects launched in 2014 particularly reflect the vitality of the plastics, photovoltaic tile, lithium-ion battery and organic agriculture markets. The Group stands out through its technical know-how and in-depth knowledge of its customers. Its innovation capability is strengthened every year, enabling customers to meet new challenges: environmental impact, added value, technical reliability and economic performance.

In Japan for example, Imerys Graphite & Carbon was selected to create a dedicated technical development center for environmentally-friendly, high-performance synthetic graphite applications, including rechargeable batteries, super-capacitors and fuel cells. This new facility will bolster Imerys Graphite & Carbon's presence in Asia-Pacific, where lithium-ion battery production is now concentrated and where most major innovations in this field are now developed. ■

“Innovation is the cornerstone of Imerys' strategy. An increasing amount of sales revenue is dedicated to Research & Development.”

THIERRY SALMONA

*Vice-President, Innovation,
Research & Technology & Business Support*

+€60
million

*dedicated to R&D
and innovation in 2014*



75

new products marketed in 2014
The new products introduced over the last five years have generated €449 million.

INNOVATION AROUND THE WORLD



8 A.M. GMT

ENERGY (EUROPE)

Greener batteries

After the success of Actillion-1, with sales that have grown steadily since its launch in 2012, Imerys has broadened its range of active graphites for lithium-ion batteries. Produced using a more environmentally-friendly process, C-ENERGY™ Generation 2.1 and 2.2 materials for electrodes are sustainable development benchmarks for high-performance battery manufacturing.

PACKAGING (EUROPE)

A second life for plastics

Talc is chemically inert and thermally stable, so it can be recycled indefinitely without losing its initial properties. Steagreen™, a new range of talcs designed for plastics recycling and launched in 2014, can restore mechanical properties to plastics compounds, allowing them to meet the specifications of high-performance engineering applications. Imerys talcs offer an excellent alternative to less environmentally-friendly glass fiber.

COSMETICS (EUROPE)

More natural foam in the shower

The ImerCare™ Scrub range, launched in 2014, is based on engineered perlite and was developed in response to growing demand in the cosmetics industry for natural ingredients. ImerCare™ Scrub is an alternative to polyethylene beads in a range of personal care products. This Ecocert labelled range increases the volume and improves the texture of foam.



3 P.M. GMT

CERAMICS (ASIA)

A cheaper, greener formulation

Ceraflux™, a new range of fluxes for glazes developed by Imerys Ceramics Thailand, delivers the benefit of lower sintering temperatures, reducing tile production costs and making more environmentally-friendly products possible.



1 P.M. GMT

AUTOMOTIVE (NORTH AMERICA)

Higher-performance talc

Imerys introduced the JetWhite® product series as functional additives for polymer compounds used in color-sensitive automotive and appliance end uses. These new products are derived from Imerys' unique talc ore reserves in North America.

PRODUCTION CAPACITY DEVELOPMENT

Targeting new markets



From the United States to Brazil via Belgium, Imerys bolstered its production capacities by bringing new capacities on stream.

FULL USE OF THE NEW PLANTS

Imerys continues its development in markets identified as having the highest potential, i.e. automotive, packaging, energy, electronics, semi-conductors, the environment, personal care, health & beauty and aerospace. In 2014 the Group kept up high capital expenditure with the continuation of the projects started the previous year and the launch of new capacities.

The Wrens proppants production unit located in Georgia, set up to enhance Imerys' industrial network in Oilfield Solutions in the USA, has started production. Proppants are used to keep rock fractures open in "non-conventional" oil and gas field operations.

Likewise in Brazil, the Doresópolis lime plant has reached its targeted production capacity. This installation will enable Imerys to benefit from its local calcium carbonate reserves and gain footholds in sectors that are growing in this country,

including steelmaking, chemicals, the environment and agriculture.

The new production line in Willebroek enabled Imerys Graphite & Carbon to double its capacity for carbon black, an essential component in lithium-ion batteries; a market driven by the acceleration in manufacturing of mobile electronic devices (laptops, smartphones and tablets), electric and hybrid vehicles, and energy storage systems. Carbon black is essential in polymer applications that prevent electric discharges and keep components in working order. It also makes additional treatments possible, such as electrostatic paint on vehicles, and can be used to secure electricity transmission.

NEW PRODUCTION CAPACITIES

Minerals for Ceramics unveiled a new blending platform in Brazil addressing mainly the local sanitaryware and floor tiles markets with new solutions. The High Resistance Minerals business group launched a new production line in Austria for ultrafine alumina to meet demand on the abrasives market, mainly sintered shanks to increase grinding efficiency.

The Energy Solutions & Specialties business group opened a new natural graphite quarry in Canada and commissioned a third production line for monolithic refractories in India. In 2014 Imerys also increased its production capacities to serve the pharmaceutical industry in the United States and talc for the automotive sector in France and the United States. ■

€242
million

industrial investments in 2014

GEOGRAPHIC EXPANSION

Consolidating our leadership position



Brazil, India, South Africa and China, emerging countries where Imerys already has a significant size, have a driving role in its geographic expansion strategy.

TARGETED EXPANSION

In the regions identified as high potential development sources, the Group is expanding extensively through organic growth projects, acquisitions or partnerships. Development initiatives in these areas are coordinated by the business groups' managers together with the local teams.

The Energy Solutions & Specialties business group completed the acquisition of Termorak, a Finnish refractory material producer, and Kinta Powdertec Sdn Bhd, a Malaysian producer of ground calcium carbonates.

In 2015 Imerys will start the construction of a fifth carbonate processing plant in India. The new plant, located in the Eastern part of India, increases Imerys' geographic presence in the country and continues to build its leadership position servicing the paper market in India.

Another highlight of 2014 was Imerys' first industrial facility in the Middle East. The Bahrain fused alumina plant, built under a joint venture with the Al Zayani Investments group, came on stream in early July and recorded its first sales in the summer. Its production is ramping up on schedule and its location will enable the Group to extend its geographic footprint to serve new customers. ■

“Imerys is consolidating its position on high-potential markets and continuing its development in emerging countries, where its presence grows every year. Its selective acquisition policy has enabled it to become its sectors' world leader.”

OLIVIER HAUTIN

Vice-President, Energy Solutions & Specialties business group

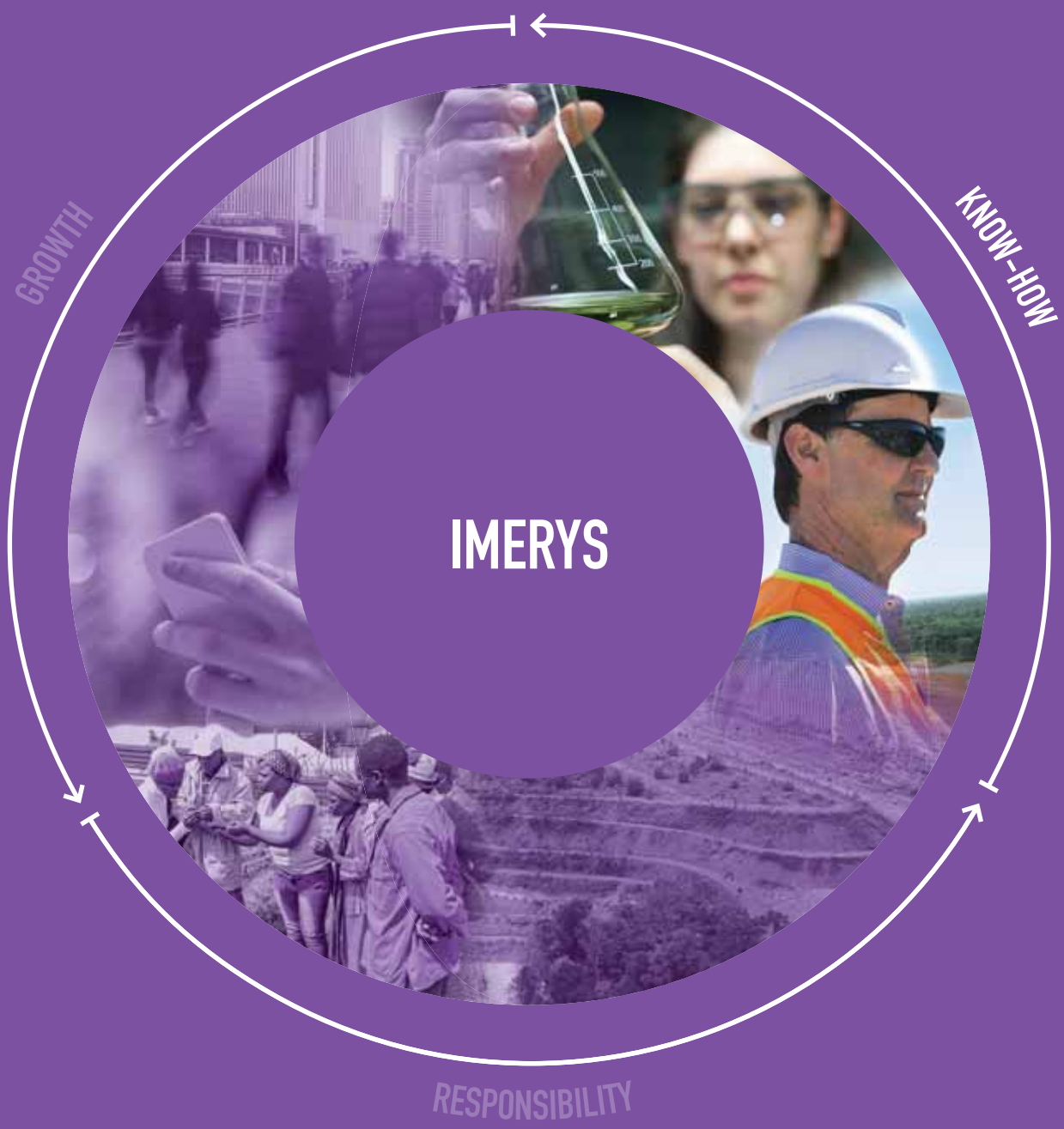
234

industrial facilities

Imerys is active in 50 countries.

BAHRAIN - A JV IN A STRATEGIC LOCATION

The joint venture established with the group Al Zayani Investments for the construction of a white fused aluminum oxide production plant in Bahrain, supports Imerys growth strategy in this region. Imerys is a world leader in fused aluminum oxide products, fine grains obtained by the electro-fusion of high-purity alumina. These specialty products are used in a wide range of applications: abrasives, refractories, sandblasting, thermal coating and other specialized markets.



02

DEVELOPING
KNOW-HOW IS PREPARING
FOR THE FUTURE

—

Human Resources

—

Operational excellence

221,000

training hours
were allocated
to 10,200 employees

3,000

employees
trained in the Code of Business
Conduct and Ethics



*Developing
know-how
is preparing
for the future*

*For Imerys, developing know-how means not only recruiting for new **skills**, but also ensuring employees' career development within the company. To do so the Group provides employees with relevant training programs and mobility opportunities. Imerys also favors a swift integration of new arrivals.*

*Maintaining a strong corporate culture contributes to **Imerys' attractiveness** and ensures it remains diverse and multicultural with a wealth of expertise and talent.*

*Developing know-how also means continuously improving processes to safeguard long-term industrial success. To achieve **the highest standards of operating excellence**, in 2014 the Group set up an optimization strategy called I-Cube, with a goal aligned with the company's overall ambition: continuously improving performance to maintain its leadership.*

HUMAN RESOURCES

Our employees embody our strengths



Driven by entrepreneurship and sound values focused on ethics and integrity, the Group implements a Human Resources policy that is consistent with the shifts it is facing. From ongoing education and skill development to career opportunities in other divisions or countries, every step is taken to foster career development and mobility.

TRAINING TO ENHANCE EXPERTISE

To accompany its strategy implementation, the Group has designed training programs through Imerys Learning Center (the Group's training center) and its business groups on security, industrial performance, etc. In total, over 10,200 employees, e.g. 66% of the average annual workforce, were trained during 2014. Imerys Learning Center provides training on all continents to allow employees to develop their skills, broaden their internal network and share the Group's culture. In addition to the partnership with specialized agencies, internal business experts are also involved in the development of training programs. Management, finance, geology and project management now form the so-called "Fundamentals" training modules. In parallel to these, specific training such as business excellence or industrial

management programs are also proposed to consolidate operational skills. As part of I-Cube, the industrial performance improvement program, the Industrial Department has created trainings for "Champions", the coordinators of the program at each participating site. Safety-related training courses are held throughout the year via the Safety University and virtual conferences to continually improve vigilance and encourage best practice exchanges.

ALL ONLINE

Since 2006 Imerys Learning Center has proposed on-site or remote training programs for a limited number of employees. In 2014, the Group decided to extend the scope of its training through IM-Pulse, a new e-learning solution. The aims of this online training platform are to reach as many employees as possible, especially in the most remote regions, and to offer personalized training. Gathering the entire Imerys' current training offering, particularly in the environmental, health and safety, finance, legal and marketing fields, the platform will also enable the Group to implement new programs. Training sessions will be available in English, French, Mandarin and Brazilian Portuguese, with the possibility of adding

49

training sessions

organized by Imerys Learning Center in various key areas: geology, finance, project management, management, industrial performance improvement.

other languages as needed. After the pilot phase organized in December 2014 on a test population of 200 people, IM-Pulse will be rolled out on a wider scale from spring 2015. More than 4,000 employees will eventually benefit from this new ongoing training offering from 2017. As a leading international player in its field, Imerys is preparing its future by developing a training solution in-line with 21st century learning methods and society's growing digitalization.

A SHARED CORPORATE CULTURE

Every day Imerys counts on its teams' commitment to meet new challenges. All over the world, the Group's men and women add its value, build its success and forge to its reputation. Many in-house initiatives are taken to strengthen this company spirit. Cross-division seminars are organized by function to share best practices. An internal magazine is ■■■

27%

of women
on the Board of Directors and
15% in management positions

75%

of employees
are covered by
a collective agreement



■■■ published online for all employees. Keeping them up to date with the Group's news, it explains the new issues and highlights product innovations, operational performance, human resources and sustainable development initiatives. Electronic newsletters are also developed within entities or on major cross-cutting issues such as security. Imerys also set up a social network that hosts various professional communities with targeted information. All of the Group's videos are also published online via YouTube on Imerys Replay channel. The Group is continuing the work on its identity harmonization. Thus Graphite and Carbon activity now communicates under the Imerys brand.

WELCOMING NEW EMPLOYEES

Every year Imerys welcomes new employees into its various units worldwide. New tools were set up in 2014 to help them settle in and strengthen the Group's culture. To facilitate integration, a welcome program called "Onboarding" was launched in 2014. This program, based in part on the best practices of the Group's entities, ensures consistency and relevance of messages delivered, regardless of the employee's work location. Every new arrival is handed a practical presentation

kit on Imerys, its businesses and its sustainable development policy, as well as essential information for smooth integration. "Welcome Sessions" for new employees are organized several times a year in Europe, North America and Asia. In 2014, a session was organized in Brazil for the first time.

SETTING THE SOCIAL EXAMPLE

With bases in almost 50 countries, Imerys also has to take account of specific social legislation and practices that can vary widely. Considering that its employees' benefits had to be harmonized if not identical, the Group set down the principle of gradually aligning its subsidiaries' compensation and benefits. ■

ETHICS AND BUSINESS CONDUCT

In 2014, Imerys updated its Code of Ethics and Business Conduct to strengthen policies and procedures against fraud and corruption. Pillar of all the Group's policies and procedures, the code presents the principles of ethical behavior that each employee, whatever their level of responsibility, should respect in their daily work. The code also applies to sub-contractors, suppliers and all other commercial partners.

These ethical values cover a wide spectrum of topics such as environmental and human rights protection, local community relations, health and safety, as well as the prevention of fraud and corruption. To ensure employee awareness on the subject, training sessions have been designed and relayed by Human Resources managers.

Focus

Evolving within Imerys, employee testimonials

HAKIMUDDIN ALI

*Managing Director
Calderys India*

Nationality: Indian



“ Three critical parameters motivated me to join Imerys: being Head of Business for a premium profitable refractory brand globally, the possibility of multinational exposure and future options in multiple businesses. All three wishes have come true! After I was nominated to the Global Management Team (GMT) of Calderys, I was able to take part in the Senior Leadership Program. These experiences opened up great prospects for me. Imerys offers many opportunities for individuals who are ready to evolve. ”

HURRIYET OZKAN

*Marketing Manager
Imerys Ceramics*

Nationality: Turkish



“ I joined Imerys Ceramics Turkey as Sales Manager, based in Istanbul, and was responsible for the Middle East region for 8 years. I've recently moved to Paris for a marketing position in the Ceramics division. Imerys having young management, empowering all employees and encouraging diversity made me want to join and remain in the company. My dream job would be a global position with a strategic role linked to growing markets and thus to contribute to the company's future. ”

SUZANNE MATARRESE

*Talent Management Director
Imerys North America*

Nationality: American



“ I was afforded the opportunity to work for Imerys as a consultant and was impressed with the quality of talents and the global nature of the company. These factors were instrumental in my decision to work for Imerys as a full-time employee. I've attended many of our Imerys Learning Center classes which provided me with a deeper understanding of the company as well as the opportunity to network and form relationships with employees across many Groups. I'm privileged to work with an amazing team that strives to improve the way we recruit, engage, and retain talent. I look forward to growing with Imerys: I'm always open to exploring new endeavors! ”

OPERATIONAL EXCELLENCE

Developing and sharing best practices

A Group-wide analysis of industrial assets showed performance levels that varied from site to site. To reach a common standard of operating excellence, Imerys implemented in 2014 a program to improve its industrial processes called Imerys Industrial Improvement (I-Cube). The implementation of the program follows a three-phase roadmap expected to conclude in 2018.

The decision to create and introduce the I-Cube program is driven by our need for a strengthened, systemized, consistent and enduring culture of continuous industrial improvement, at all our sites. The program, which does not require major investment, is a new guarantee from Imerys on its commitment to supply increasingly high-performance products that meet strict quality criteria.

Defining common minimum standards, empowering employees, encouraging initiatives and sharing knowledge are essential components of the program. Sharing experiences will foster the creation of a community of experts at the different sites in Imerys' business groups, improving performance in every country where the Group is active. On every participating site, expert groups with in-depth knowledge of specific topics as well as "champions" are identified to manage the project's coordination.

The Group's operational excellence is based on three pillars: excellent management of teams and resources, systematic documentation of process knowledge, and continuous evolution through ongoing improvement initiatives.

Reaching a common standard

The I-Cube program is a new guarantee from Imerys on its commitment to supply increasingly high-performance products that meet strict quality criteria.



“I-Cube will enable us to create a systemized, consistent and enduring culture of continuous improvement at all our sites, turning our industrial performance into a key competitive advantage.”

PIERRE CHABRY

Group Industrial Director

CHAMPIONS: CROSS-INTERVIEW

BEN McCALLEN

Continuous Improvement Manager in Sylacauga (USA) for the Carbonates activity



How did you become I-Cube Champions?
SEBASTIAN SACHSE: My 12 years' international experience in engineering and continuous improvement definitely played in my favor.

BEN McCALLEN: As an engineer specializing in industrial process optimization, the I-Cube champion role fit perfectly.

SEBASTIAN SACHSE

Project Manager for the Fused Minerals activity in Villach (Austria)



What were your first tasks?
SEBASTIAN S. Villach is one of our most complex production units. Here the aim of I-Cube is to familiarize highly experienced teams with the continuous improvement concept, while motivating and empowering personnel. This collaborative approach involves dialogue and teaching skills.

BEN McC. Utilizing root-cause analysis, we developed a mineral optimization and process management plan. We drew up standard procedures. Upon review with each employee, we formed training plans to address identified gaps.



What have been the effects of the optimization plans you coordinated?

BEN McC. With our action plans in place, we are all able to drive day-to-day performance while keeping an eye on our longer-term goals.

SEBASTIAN S. The usefulness of the approach is now perfectly understood, which simplifies communication between management and operating teams and fosters initiatives by everyone involved in the project. ”

THE 4 STAGES in an I-Cube plan

– 1 –

RESPONSIBILITY

An I-Cube Champion takes responsibility for a site for the duration of the program's setup.

– 2 –

ASSESSMENT

He or she conducts an audit to benchmark operating performance against the Group's best practices.

– 3 –

ACTION PLAN

The Champion sets up an action plan in consultation with the site's management and the I-Cube support team.

– 4 –

APPROPRIATION

The teams then manage the continuous improvement measures autonomously.



03

ACTING WITH A RESPONSIBLE APPROACH IS PREPARING FOR THE FUTURE

—

Environment

—

Security

—

Community

100%

of sites

have implemented
an Environmental management
system (EMS).

500

projects

have been proposed as part
of the internal challenge for
Sustainable Development since 2005.



**Acting with
a responsible
approach
is preparing
for the future**

Imerys' business model and international scale mean that it evolves with a large number of stakeholders, including employees, neighboring communities, customers, suppliers and contractors.

*To reconcile its growth ambitions with its social and environmental **responsibilities** over the long term, the Group has centered its Sustainable Development strategy on three main areas: social, environment and governance. A steering committee was appointed to turn those orientations into actions. Working groups comprised of experts, draw up **a plan every three years for gradual, continuous performance improvement**. Each facility, including production, administrative offices and research & development centers, is responsible for allocating the resources needed for **concrete local actions**.*

*To guarantee high standards of commitment and responsibility, the Group regularly checks its progress using **performance** indicators.*

Focus
The three areas of commitment

*In line with its main issues for the future,
the Group has made commitments in three key areas:
social, environment and governance.*

SOCIAL

Health and Safety

Develop a Health & Safety culture on the three pillars of the Imerys Safety System: compliance, continuous improvement and communication.

Human Resources

Develop employees' professional and personal skills, provide them with suitable social benefits, promote diversity and maintain industrial relations by fostering a climate of mutual respect.

Communities

Forge positive, trusting relations around our sites and contribute to local social and economic development.

Human Rights

Respect fundamental human rights in accordance with the main international conventions and the Universal Declaration of Human Rights, and set up specific actions to avoid child or forced labor.

ENVIRONMENT

Environmental Management Systems (EMS)

Assess environmental aspects and commit to continuous improvement and the reduction of impacts.

Resource Efficiency

Set up the best technologies and develop operating excellence to foster sustainable use of raw materials and other natural resources such as soil, energy and water.

Biodiversity

Protect and enhance biodiversity by favoring quarry restoration during their lifespans, respecting existing ecosystems.

“Green” Innovation

Factor environmental benefits into research & development for products, processes and services, in order to reduce the Group's environmental footprint throughout its products' lifecycles.

GOVERNANCE

Corporate Governance

Comply with and implement best corporate governance practices.

Ethics and Business Conduct

Promote and manage ethical business behavior by rolling out suitable policies and protocols and checking their effective, compliant implementation.



ENVIRONMENT

Resources conservation



“The amount of alumina in our new product is significantly higher than that in fly ash used by cement plants. The product substitution allows many economies. In the end everyone wins, including the environment.”

DAVID SECRET
Managing Director,
Imerys Refractory Minerals
(South Africa)



[environment] noun:

All of the conditions in which living organisms develop. Industries can reduce their environmental footprint and use natural resources efficiently to limit the impacts of human activity on the environment.

The nature of its mining activities means that Imerys is in the front line on environmental issues. Beyond its regulatory obligations, the Group aims for an exemplary attitude in order to reconcile its growth objective with its stakeholders' concerns.

All of Imerys' facilities worldwide have set up an Environmental Management System (EMS) and 81 of them are ISO 14001 or Eco Management and Audit Scheme (EMAS) certified. An EMS enables each operation to manage and control the risks and issues relating to the protection of the environment. The systems are fully integrated into the Group's Environment, Health & Safety (EHS) audit program. This framework leads to many local initiatives and to constant improvements in terms of raw material and natural resource management, energy and carbon efficiency, and biodiversity conservation. Imerys also factors sustainability benefits

into its innovation processes. Every year research & development efforts lead to new patent filings; 54 for 2014.

This year, for example, Imerplast™ made the news. This mineral-based solution, which gives used plastics a second life, received an award from the Industrial Minerals Association (IMA Europe). Not only does Imerplast™ increase the recyclability of plastics at a competitive cost, but also it broadens the outlets for recycled polymers.

BETTER MANAGEMENT OF WATER CONSUMPTION

Every site has to measure its water consumption, ensure waste water is recycled and check the quality of discharged water. These actions have achieved tangible results as the Group's total water withdrawals have been cut by 13.2% since 2013 and by almost a third over the past five years. The sites that withdraw the most water have to set up a management and optimization plan.

81

sites

are ISO 14001
or EMAS certified.

More than
one-third of the
75

new products

launched in 2014 are
of benefit to the environment.



ENVIRONMENTALLY-FRIENDLY CEMENT

Until 2014 the Pretoria Portland Cement (PPC) plant in Dwaalboom, South Africa, brought in fly ash from thermal power plants to extract the alumina

needed to make its cement. Since these were a considerable distance away, their high alumina and low cost did not compensate their ever higher carbon footprint and environmental

impacts. With Andalusite quarries close to cement plants, Imerys was able to offer a more efficient and environmentally-friendly product.



This measure also concerns the 16 operations in regions where water is a scarce resource. In the Amazon Basin, where kaolin extraction and process facilities are located, precipitation is frequent during the rainy season, but irregular. Imerys found a solution for reducing its year-round water use. Thanks to an automatic system comprised of guttering connected to an impound basin, the water table is only tapped as a last resort. As a result, ground water withdrawals have fallen by 50% in winter and 30% in summer.

AIMING FOR ENERGY AND CARBON EFFICIENCY

Every year Imerys steps up its efforts to reduce greenhouse gas emissions, particularly through energy efficiency optimization programs. In 2014, for example, the Filtration activity sites in Mexico and France replaced heavy fuel oil with liquified petroleum gas (LPG) and natural gas. On a Group scale, the measures taken since 2009 in favor of renewable or low-carbon energies have already led to a 9% decrease in atmospheric CO₂ emissions.

RECOVERING WASTE AND MORE

For Imerys, waste can also be a resource. In 2014 more than 40% of the 318,000 tons of industrial waste from the Group's

various activities was recycled. 99% of this waste is non-hazardous and total industrial waste per euro of turnover remained at the low rate of 80 g/€. The Group's European facilities have set the standard since the EU directive on mining waste management came into force in 2011. Today they all have a management plan for their internal waste. Fifteen material recycling and waste reduction projects were entered for the 2014 Sustainable Development Challenge. A Carbonates site in the USA took the initiative of transforming 800,000 tons of Hi-Cal sand into a marketable product for asphalt shingle makers. The Monolithic Refractories activity undertook a project to recycle materials recovered from its customers' furnaces – including steel, cement and glass works – that were previously treated as industrial waste. Another example of green innovation comes from Brazil, where the sites of the Carbonates activity launched Pack Less, a lightweight, durable palette made entirely of polypropylene.

CONSERVING BIODIVERSITY

Quarries offer many possibilities for enriching biodiversity both during and after activity. Imerys pledges to respect the ecosystems around its facilities and

conserve their value. In-depth studies are conducted on fauna and flora before any operations start on a pit. In addition, a restoration program is systematically set up for the site's entire lifespan. The Group, which has conducted a sensitivity analysis on the ecosystems where it is active, takes every step to make sure they are not only developed but also enriched through its presence. ■

SAFETY

Spreading safety awareness to protect

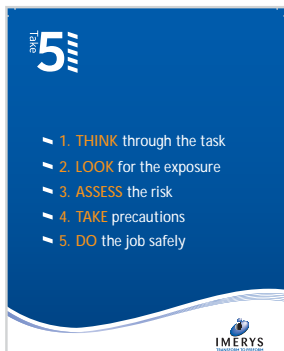


-61%

in five years
for the frequency rate
of lost-time accidents
(including subcontractors).

51%

of training hours
in 2014 focused on health
and safety.



[safety] noun:

The condition of being protected from or unlikely to cause danger, risk, or injury. Risk prevention and health at work are the levers that can be used by companies to improve the safety of its employees.

ts employees' health and safety are Imerys' primary concerns. After a global rollout lasting several years, the Imerys Safety System program is now in place.

It has three pillars - compliance, continuous improvement, and communication/training - and is enhanced every year with new components. The purpose of this integrated approach is to communicate the Group's safety culture and ensure compliance with the same safety standards and rules among all of its activities worldwide. It presents the main continuous improvement levers for safety and provides site managers with constantly updated training and communication tools to support the setup of optimization plans.

The disciplined rollout of the Imerys Safety System has helped to cut the lost-time accident rate (including subcontractors) by 61% in five years.

Prevention efforts have been stepped up since 2013, leading to a 27% reduction in frequency.

In 2014, Imerys rolled out the "Take 5" program in all operations worldwide. Each employee without exception is asked to acquire the habit of taking five safety steps before starting any task. This means five minutes of preparation to weigh up any risks and take any safety measures needed. "Take 5" was the focus of a broad awareness campaign. A computer-assisted training module has also been developed for site managers. ■

COMMUNITY

To be an integrated partner



“Used as a clay replacement to manufacture bricks, fine perlite, transformed in our factories, is a sustainable and economical solution, which helps to develop local activity but also to stop degradation and protect flora and fauna.”

PATRICIA GREGORINI
Human Resources Manager,
Filtration & Performance Additives
(Argentina)



[community] noun:

A group of people living in the same place or having characteristics, goods or interests in common. Respect for industrial sites' neighboring populations and consideration for their expectations are essentials for forging lasting bonds that contribute to everyone's fulfilment.

Building and sustaining the best possible relations with the communities near its sites is an essential condition for Imerys' successful growth.

The Group integrates social responsibilities into its sustainable development policy based on respect for its neighbors, leading to tangible actions on education, culture or health. Imerys favors dialogue and mutual understanding with local parties and strives to contribute to the economic and social development of the communities in its host territories. Worldwide - in Europe, the USA and particularly in emerging countries - the Group's commitment is reflected in tangible progress on jobs and public interest projects in education, health or culture. This engagement enhances the Group's image as a local player with its stakeholders. A specific protocol on community relations has been published,

translated into seven languages and has been implemented in all Imerys sites.

The Group's organizational structure fosters direct relations between operations and communities. Every entity can freely adapt the document to local needs and expectations. The protocol requires every site to task the most senior Site Manager with mapping stakeholders in order to identify them, determine priorities, define relevant action plans and conduct regular management reviews. In addition, the protocol encourages constructive dialogue with stakeholders and demands that every admissible complaint be addressed. Many new initiatives were taken in 2014. These included farming cooperatives to bring food and prosperity to underprivileged populations in South Africa, and a program that enables communities in short supply of clay to make housing bricks from perlite waste in Argentina. ■

Governance

—

EXECUTIVE COMMITTEE

Under the responsibility of the Chairman & Chief Executive Officer, the Executive Committee implements the strategy determined by the Board of Directors, draws up policies, sets improvement goals for the Group's performance, determines the action plans to be set up by operating activities and monitors their progress. It is composed of the principal operations and support managers.



From left to right, top to bottom
(As on June 1st, 2015)

GILLES MICHEL
Chairman & Chief Executive Officer

FRÉDÉRIC BEUCHER
Vice-President, Ceramic Materials business group

ALESSANDRO DAZZA
Vice-President, High Resistance Minerals business group

OLIVIER HAUTIN
Vice-President, Energy Solutions & Specialties business group

DANIEL MONCINO
Vice-President, Filtration & Performance Additives business group

DENIS MUSSON
Vice-President, General Counsel and Company Secretary

OLIVIER PIROTTE
Chief Financial Officer

THIERRY SALMONA
Vice-President, Innovation, Research & Technology & Business Support

BERNARD VILAIN
Vice-President, Human Resources

BOARD OF DIRECTORS

Assisted by the specialized Committees, the Board of Directors has permanent control over the Executive Management's running of the Company. It approves strategic orientations and authorizes major operations binding on the Group's future.

(As on June 1st, 2015)

GILLES MICHEL ⁽¹⁾
Chairman & Chief Executive Officer

AMAURY DE SEZE *Vice-Chairman*

ALDO CARDOSO*

PAUL DESMARAIS III

IAN GALLIENNE

MARION GUILLOU*

GIOVANNA KAMPOURI MONNAS ⁽²⁾

ULYSSES KYRIACOPOULOS ⁽²⁾

ARNAUD LAVIOLETTE

FATINE LAYT*

XAVIER LE CLEF ⁽¹⁾

ARIELLE MALARD DE ROTHSCHILD*

ROBERT PEUGEOT*

KATHERINE TAAFFE RICHARD ^{*(2)}

MARIE-FRANÇOISE WALBAUM ^{*(1)}

Employee representative Directors

ÉLIANE AUGÉLET-PÉTIIT

ENRICO D'ORTONA

* Independent director

FUNCTIONING

The Company is organized as a French Limited Liability Company (Société Anonyme) with a Board of Directors (Conseil d'Administration) chaired since April 28, 2011, by Mr. Gilles Michel, Chairman and Chief Executive Officer. From its members, the Board has also appointed a Vice-Chairman, tasked in particular with assisting the Chairman of the Board of Directors in managing and organizing the work of the Board and the Committees. Mr. Amaury de Seze has been assuming this function since April 29, 2014.

In accordance with legal provisions and following the amendment of the Company's by-laws by the Shareholders' General Meeting of April 30, 2014, two new Directors were appointed by Imerys' French Group Works Council

and European Works Council on October 6, 2014. One representative of the Company Works Council attends all Board meetings on an advisory basis.

The Board of Directors met ten times in 2014, with an 86% attendance rate. Six meetings are scheduled in 2015.

⁽¹⁾ Director whose term of office was renewed for a three year period at the General Meeting of April 30, 2015.

⁽²⁾ Director appointed by the Shareholders' General Meeting of April 30, 2015.

SPECIALIZED COMMITTEES

Under the responsibility of the Board of Directors, the specialized Committees have an advisory role. They provide the Board with recommendations.

STRATEGIC COMMITTEE

(As from April 30, 2015)

IAN GALLIENNE *Chairman*
ALDO CARDOSO*
PAUL DESMARAIS III
ULYSSES KYRIACOPOULOS⁽¹⁾
ARNAUD LAVIOLETTE⁽¹⁾
XAVIER LE CLEF
ROBERT PEUGEOT*
AMAURY DE SEZE

The Committee examines the Group's industrial, commercial and financial strategic orientations and checks that the strategy set by the Board of Directors is implemented by the Executive Management. It also examines the main risk factors for the Group and the related internal controls in the following fields: external environment (investor relations, market positions), internal processes (financial resources management, human resources potential, mineral reserves and resources) and management information (management control and financial reporting, capital projects).

The Strategic Committee met nine times in 2014, with a 83.33% attendance rate. Seven meetings are scheduled in 2015.

APPOINTMENTS AND COMPENSATION COMMITTEE

AMAURY DE SEZE *Chairman*
IAN GALLIENNE
MARION GUILLOU*
ARIELLE MALARD DE ROTHSCHILD*
ROBERT PEUGEOT*

The Committee is mostly made up of independent members and therefore complies with the proportion recommended by the AFEP-MEDEF Code of Corporate Governance.

The Committee gives an opinion on the composition of the Board of Directors and its evolution with respect, in particular, to the shareholding of the Company, the diversity of its members and their independent status. It also studies Executive Management appointments, compensation and benefit proposals for corporate officers and the general compensation and retention policy for top managers (grants of stock subscription or purchase options, or performance shares in the Company).

The Appointments and Compensation Committee met twice in 2014, with a 80% attendance rate. Two meetings are scheduled in 2015.

AUDIT COMMITTEE

ALDO CARDOSO* *Chairman*
MARIE-FRANÇOISE WALBAUM*
(a third member will be appointed by the Board at its next meeting.)

The composition of this Committee complies with the 2/3 proportion of independent members recommended by the AFEP-MEDEF Code of Corporate Governance. The Audit Committee examines Imerys' annual and half-yearly corporate and consolidated financial statements, makes sure the accounting methods used are relevant and consistent, and examines the Group's debt position. It checks the process for producing and disseminating accounting and financial information, supervises the related communication policy and procedures, and checks the consistency and relevance of published information.

This Committee selects and recommends candidates for Statutory Auditor positions. It examines the schedule and results of work by internal and external auditors and by internal control. It reviews the orientations and achievements of the Group's Sustainable Development Strategy, the mapping of the Group's main risks and, in depth, its financial or legal risks, as well as the related internal controls or policies on prevention and insurance.

The Audit Committee met five times in 2014, with an attendance rate of 100%. Four meetings are scheduled in 2014.

STATUTORY AUDITORS

ACTING: *Ernst & Young et Autres*
Represented by Jean-Roch Varon

ALTERNATE: *Auditex*

ACTING: *Deloitte & Associés*
Represented by Arnaud de Planta

ALTERNATE: *BEAS*

* Independent director

⁽¹⁾ Director whose term of office was renewed for a three year period at the General Meeting of April 30, 2015.

Shareholder's Notebook

-

IMERYS

at its Shareholders' service

In 2014, the Imerys' share price, which rose +31% in 2013, has limited its -3% decline while its reference index, the SBF 120, rose +1% over the period, after an increase of +20% in 2013. The Group continued to develop its relations with shareholders and institutional investors.

KEEPING YOU INFORMED

Imerys pays special attention to its shareholders by keeping them updated on its activities, strategy, capital expenditure, results and outlook. This goal is reflected in the various communication vehicles that involve shareholders in the Group's life:

- the website www.imerys.com provides news of the Group's developments and share prices, etc.; a specific section for individual shareholders gives direct access to the "Individual Shareholder's Guide"
- a "Letter to Shareholders" is published several times a year, presenting the Group's news, results and outlook
- an "annual business report"
- a "Registration Document" - "Annual Financial Report", and a "half-year financial report"
- a dedicated phone line and email address.

MAKING YOUR SHARE MANAGEMENT EASIER

Imerys offers a special service for its shareholders who opt to register their shares in their own name⁽¹⁾. In addition to exemption from all custody fees and some current management fees, the Group provides a secure online tool for managing share portfolios, www.nomi.olisnet.com. This website gives access to features and prices of

the securities, the latest movements and availability of shares and attached voting rights (each share held for more than two years benefits from double voting rights). All the documentation concerning the Company's annual General Meeting is available on the website, where shareholders can also vote online. Registered shareholders also receive notice of General Meetings and information about the Group. To register in their own name, shareholders should make a request to their financial intermediary who will contact CACEIS Corporate Trust, which will send shareholders any documents needed for registration.

ENRICHING CONTACTS WITH THE FINANCIAL COMMUNITY

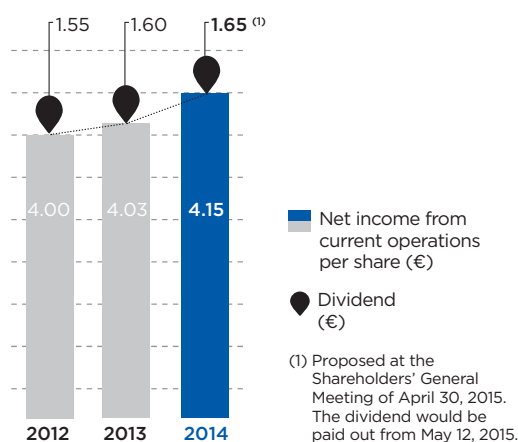
Imerys keeps up ongoing, open and transparent relations with the entire financial, institutional and socially responsible community through individual meetings, sector conferences and conference calls. More than 400 meetings organized throughout 2014 allowed the Executive Management and the Investor Relations team to open dialog with financial analysts, institutional investors and international fund managers.

IMERYS SHARE

On the SBF 120 and DJ Eurostoxx 600 indexes, Imerys share is part of the mining sector ("1775 General Mining Activities" under ICB classification) and comprised in more than 60 international indexes. The Group remains attentive to the ratings of non-financial analysis agencies, particularly EIRIS, Vigeo, Ethifinance, Oekom, Trucost and Sustainalytics and FTSE. It also part of the NYSE Euronext Vigeo Europe 120 and Eurozone 120 and Ethibel's "Excellence Europe" responsible indices, made up of 200 companies recorded on the Ethibel investment register based on an ethical standards "best in class" approach. Ethifinance also includes Imerys on its Gaïa index, made up of the 70 best small & mid capitalizations under socially responsible criteria.

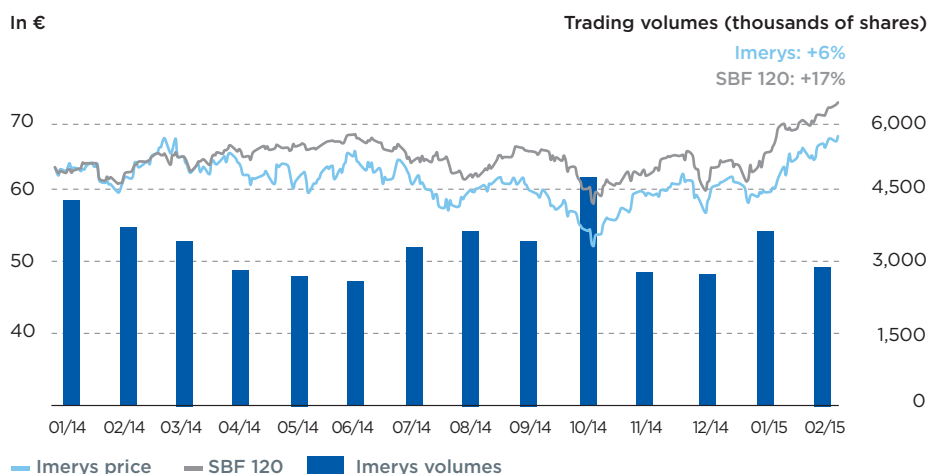
(1) Shares registered in the holder's name are kept on Imerys' books and administrated by CACEIS. This identification makes direct, personalized contact possible.

DATA PER SHARE: NET INCOME FROM CURRENT OPERATIONS, GROUP SHARE AND DIVIDEND



Data per share	2014	2013	2012
Weighted average number of outstanding shares (thousands)	76,135	75,551	75,166
Outstanding shares on December 31 (thousands)	75,886	76,238	75,369
High	€67.50	€63.51	€48.70
Low	€51.59	€45.76	€35.09
Closing price	€61.01	€63.21	€48.19
Market capitalization as on December 31	€4,630m	€4,819m	€3,632m

SHARE PRICE TRENDS FROM 1/1/2014 TO 2/27/2015 (source: Euronext)



In 2014, volatility has remained very high on stock markets, partly because of growing uncertainties regarding the European macroeconomic context. However, the Imerys share benefited from the rebound in stock markets subsequent to the publication of healthier macroeconomic indicators, since mid-October. The publication of strong quarterly results and the announcement of its strategic alliance with S&B were also favorable. In this context, the Imerys share price has limited its decline while its reference index, the SBF 120, increased by +1% over the period.

LISTING MARKET:

Euronext Paris
Eligible for SRD
Eurolist Market
Compartment A
Nominal: €2

CODES:

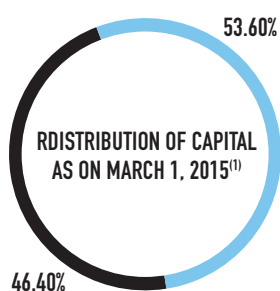
ISIN FR0000120859
Mnemo NK
Reuters IMTP.PA,
Bloomberg NK:FP

INDEXES:

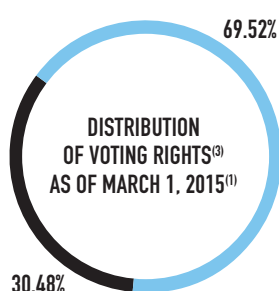
Imerys share is part of more than 60 international indexes, primarily the followings: SBF 120, CAC All tradable index, CAC Mid & Small, DJ Eurostoxx 600, STO XX Europe 600 Basic Resources, Euro STO XX Basic Resources, MSCI Standard Developed, MSCI Europe.

SRI INDEXES:

FTSE4Good,
Vigeo Europe 120
and Eurozone 120,
Ethibel Sustainability
Index Excellence Europe,
Gaia index.



■ Belgian Securities BV⁽²⁾
■ Other shareholders



■ Belgian Securities BV⁽²⁾
■ Other shareholders

- (1) At the end of the S&B acquisition.
(2) Belgian Securities is a subsidiary of the Belgian company Groupe Bruxelles Lambert (GBL), of which the Frère (Belgium) and Desmarais (Canada) families indirectly hold joint equal control.
(3) Based on a total number of theoretical voting rights as of March 1, 2015.

FINANCIAL COMMUNICATION
AGENDA 2015

THURSDAY, FEBRUARY 12
2014 results

WEDNESDAY, APRIL 29
1st quarter 2015 results

THURSDAY, APRIL 30
Shareholders'
General Meeting

TUESDAY, MAY 12
Release dividend payment

WEDNESDAY, JULY 29
1st half 2015 results

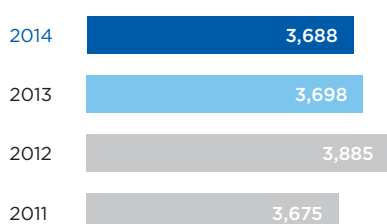
THURSDAY, OCTOBER 29
3rd quarter 2015 results

ACTIVITIES

and results in 2014

In 2014, Imerys achieved its goal by improving its net income from current operations in an economic environment that was marked by sharp geographic contrasts. The Group maintained a sound financial structure while continuing its development.

REVENUE (€ millions)

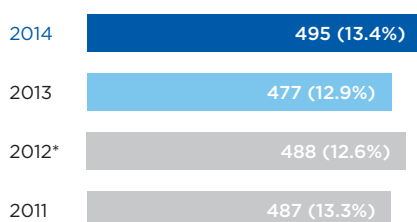


At comparable Group structure and exchange rates, revenue in 2014 totaled €3,688 million, a +3.2%⁽¹⁾ increase from 2013. Over the full year, the rise in sales volumes represents +€63 million (+1.7%), driven by the ramp-up of new capacities. The price/mix effect, which is positive in all business groups, increased +€55 million (+1.5%), supported by innovation. In 2014 new products generated €449 million in revenue (+35% vs. 2013) and now account for

12% of the Group's consolidated sales (vs. 9% in 2013).

(1) At comparable structure and exchange rates.

CURRENT OPERATING INCOME ⁽²⁾ (€ millions) & OPERATING MARGIN



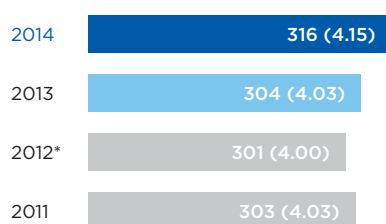
Current operating income totaled €495 million. At comparable structure and exchange rates, it improved +2.5% compared with 2013. Growth in volumes, which contributed +€27 million, partly explains the rise in fixed production costs and general expenses. More than half of their total increase relates to the launch of new capacities and higher R&D spending. On a current basis, current operating income rose +3.7% in 2014. It includes a favorable exchange rate effect of +€12.6 million, resulting from the depreciation of currencies

based on costs in some countries where Imerys exports its specialties (Brazil, South Africa) and a structural effect of -€6.9 million. Taking these elements into account, the Group's **operating margin** improved by 50 basis points to 13.4%.

(2) Operating income before other operating revenue and expenses.

(*) 2012 information has been restated pursuant to the application, as of January 1, 2013, of the standard IAS 19 Revised, for the sake of data comparability.

NET INCOME FROM CURRENT OPERATIONS, GROUP'S SHARE ⁽³⁾ (€ millions) & NET INCOME FROM CURRENT OPERATIONS PER SHARE (€)

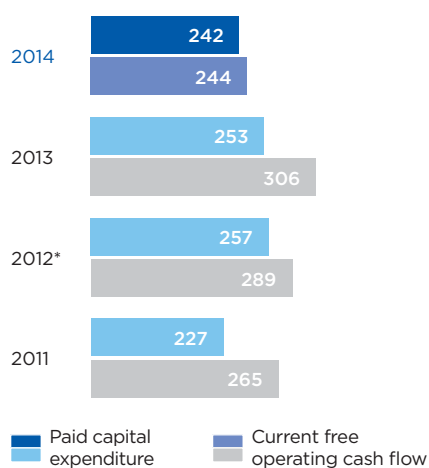


(3) Net income before other net operating revenue and expenses.

Imerys achieved its growth target for **net income** from current operations in 2014: it rose +4.0% to €316 million, above the €304 million achieved in 2013. Financial income improved by +€8 million (-€45 million in 2014) thanks to a lower debt than 2013 and the decrease of the Group's financing costs. The current tax charge amounted €132 million (-€118 million in 2013)

because of the impact of fiscal changes, particularly in France, and the weight of geographic breakdown on results.

CURRENT FREE OPERATING CASH FLOW ⁽⁴⁾ & CAPITAL EXPENDITURE (€ millions)

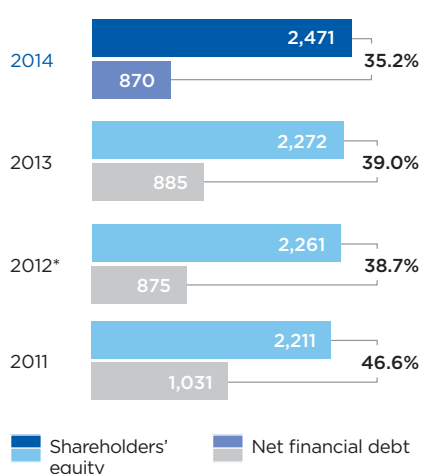


At 23% of annualized sales in the last quarter, the increase in operating working capital requirement remains under control and results from the constitution of start-up inventories for new capacities. **Paid capital expenditure** totaled €242 million in 2014. The booked amount (€240 million) represented 115% of depreciation expense (120% in 2013). Selective development capital expenditure continued for €82 million (€106 million in 2013) to support the Group's growth potential. Imerys maintained sound **current free**

operating cash flow at €244 million in 2014 (€306 million in 2013).

(4) EBITDA minus notional tax, change in working capital requirement and paid capital expenditure.
(5) Continuation of factoring contract signed on July 23, 2009 under which transferred receivables are deconsolidated, with the risks and benefits related to receivables transferred to the factor bank. €45.7 million in receivables was factored as of December 31, 2014.

SHAREHOLDERS' EQUITY, NET DEBT (€ millions) & DEBT-TO-EQUITY RATIO



Net financial debt totaled €870 million as of December 31, 2014, a €15.5 million decrease from December 31, 2013. It notably included the payment of €125 million in dividends, the final payment of part of the additional contractual price for PyraMax Ceramics LLC, the divestment of four Carbonates units and the termination fees received from AMCOL.

December 2013, Imerys completed the placement of a €500 million bond maturing in December 2024 with an annual coupon of 2.0%, and of a €100 million tap on its November 2020 bond. The offers were oversubscribed 2.5 times.

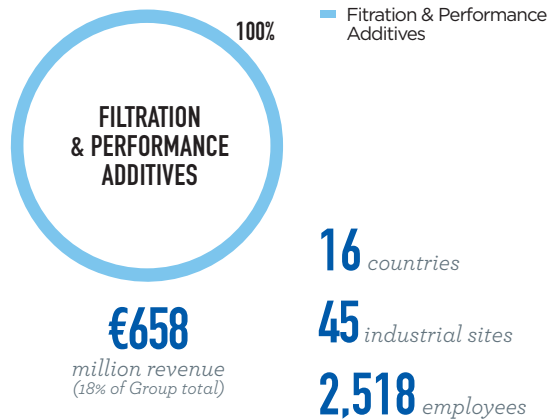
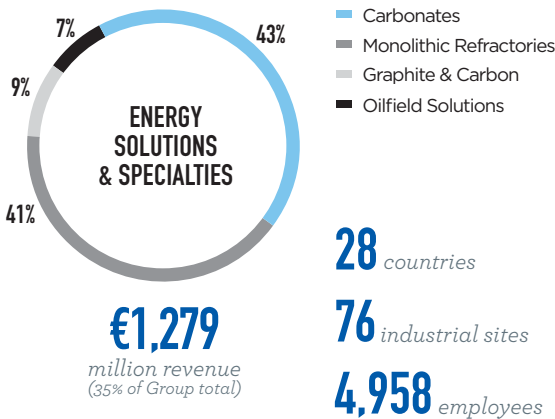
of December 31, 2014, and before settlement of the acquisition of S&B, Imerys' total financial resources amount to €2.8 billion. After deduction of gross financial debt, available non-cash resources total €1.3 billion with an average maturity of 5.2 years.

Imerys' unsecured senior debt is rated Baa-2 by Moody's with a stable outlook, while the short-term outlook is P-2, also with a stable outlook. Including S&B's **net financial debt**, which totaled €225 million as of December 31, 2014, Imerys would maintain a sound financial structure with gearing below 60%, upon completion of the transaction.

Benefiting from highly favorable market conditions, these additional resources enabled the Group to anticipate the financing of the acquisition of S&B's main activities and meet its general financing needs. Consequently, as

2014 RESULTS

by Business Group



NEWS

The expansion of the **Carbonates** activity, which mainly serves the consumer goods, construction, board, packaging and paper markets, continued. The Group divested four calcium carbonate for paper plants in Europe and the United States and a production unit in Tunisia. Furthermore, it acquired Kinta Powdertec Sdn Bhd in Malaysia. The **Monolithic Refractories** activity, which serves high-temperature industries (steel, metallurgy, power generation, incineration, etc.), posted good results in the Nordic countries, India and Asia. The **Graphite & Carbon** activity was buoyant, particularly in the mobile energy sector. Sales growth in carbon black for Lithium-ion batteries firm in Asia and an applied R&D center has been opened in Japan. In the **Oilfield Solutions** activity, the Wrens proppants plant has ramped up and made a positive contribution to results from the second half. Revenue for the Oilfield Solutions activity totaled almost €100 million in 2014, which represented less than 3% of Imerys consolidated revenue. However, the market for ceramic proppants has turned at the end of last year because of falling oil prices.

PERFORMANCE

The Energy Solutions & Specialties business group's revenue totaled €1,279 million 2014, up +9.0% at comparable structure and exchange rates compared with 2013. At €150 million in 2014, **current operating income** improved +16.7% compared with 2013. Current operating margin rose to +11.7% in 2014, a +1.4 point improvement on 2013.

Capital expenditure programs included: new calcium carbonate capacities in the United States and Malaysia to address market growth in plastics and polymers; doubling of carbon black production capacity; opening of a new natural graphite quarry in Canada; construction of a third monolithic refractory manufacturing unit in India; and completion of the second ceramic proppants plant in the United States.

NEWS

Growth was driven by consumer goods (beverages, food, etc.), and demand for capital goods (particularly automotive) and in construction (new and renovation) in North America. In Europe, a slight improvement was observed but the contrasts between countries remain high. The business group's buoyancy also stems from the development of new applications (e.g. talc for automotive polymers) and the extension of its offering into new segments (cosmetics, pharmaceutical specialties, recycled polymers).

PERFORMANCE

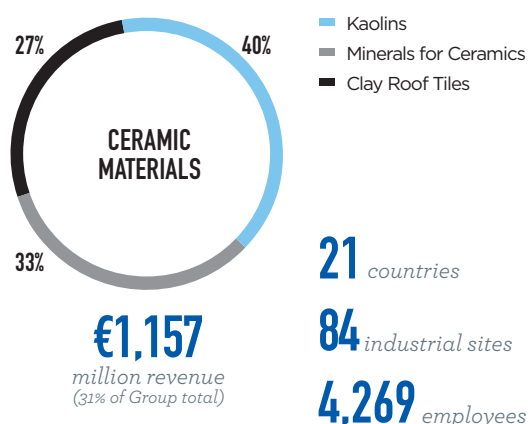
Revenue for the Filtration & Performance Additives business group, which serves the agri-food industry and a large number of intermediate industries (plastics, paint, rubber, catalysts, paper, pharma, personal care & beauty, etc.), totaled €658 million in 2014, a +4.1% increase at comparable structure and exchange rates compared with 2013.

Current operating income totaled €113 million in 2014, a +8.8% increase at comparable structure and exchange rates compared with 2013.

Current operating margin improved by +1.3 point to 17.2% thanks to good cost control, higher volumes and a greater contribution from new products.

Capital expenditure increased sharply and was dedicated to capacity expansion on existing production sites. These included the extension of production capacity for diatomite for the pharmaceutical industry in the United States and for high-aspect-ratio talc for the automotive industry in France and the United States. Their full effect is expected from 2015.

The composition of Imerys' business groups was changed in 2014 as a result of the acquisition of S&B. The Kaolin activity was integrated into the Ceramic Materials business group and S&B's activities will be integrated into the Filtration & Performance Additives business group as of March 1, 2015. All 2014 financial data will therefore be presented under the new organization.



NEWS

The **Kaolin** activity developed new specialty applications to offset the structural slump in the printing & writing paper market in mature countries (-3.1% in 2014). The end of the year was marked by the announcement of several facility closures by papermakers in the United States and Europe. However, paper production (-1.4% worldwide) continued to grow in emerging countries, albeit at a slower pace (+0.6%). The **Minerals for Ceramics** activity benefited from the results of its geographic redeployment strategy (Mediterranean Basin, Middle East, Asia) and its diversification. Growth was driven by new capacities in Southeast Asia, South America and the Middle East, particularly in floor tiles, tableware and sanitaryware. Sales held out well in Europe.

In **Clay Roof Tiles** in France, the resilient renovation segment, which accounts for almost two-thirds of sales, partly offset the slump in new construction, which reached a new low in 2014. In this context, the decrease in clay roof tile sales was limited to -3.8%.

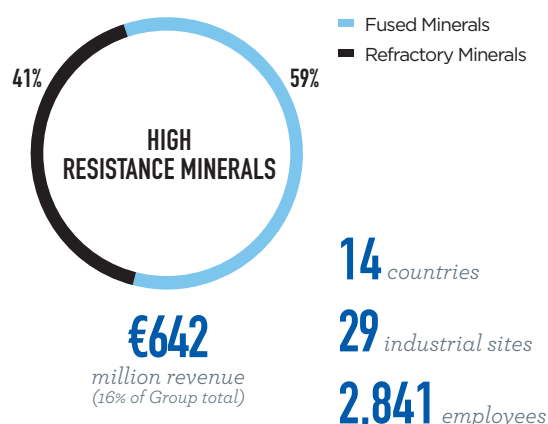
PERFORMANCE

The **Ceramic Materials business group's revenue** totaled €1,157 million in 2014. The decrease in revenue was limited to -0.8% at comparable structure and exchange rates compared with 2013, thanks to the development of specialty applications in the Kaolin activity, growth on ceramics markets and a resilient renovation sector.

Current operating income totaled €211 million in 2014, a -9.9% drop at comparable structure and exchange rates compared with 2013.

On a current basis, the decrease in **current operating income** was limited to -3.9% thanks to a +€12.5 exchange rate effect. However, cost reduction efforts helped keep current operating margin at 18.2%.

Capital expenditure includes the setup of a new ceramic blending platform in Brazil.



NEWS

The **Refractory Minerals** activity's sales held out well because of vibrant demand in North America, its main market, particularly in casting and refractories.

The **Fused Minerals** activity saw a decrease in sales, particularly in the second half, because of a slack European market. The refocusing of the Chinese zirconia activity on higher value-added specialty products contributed to the improvement in its margin, despite a lower contribution to revenue. Qualification of products from the fused alumina plant in Bahrain is progressing to schedule and the unit will ramp up in 2015.

PERFORMANCE

The **revenue for the High Resistance Minerals business group**, which mainly serves the high-temperature (steel, foundry, glass, etc.) and abrasives industries, totaled €642 million in 2014, a -1.1% decrease at comparable structure and exchange rates compared with 2013.

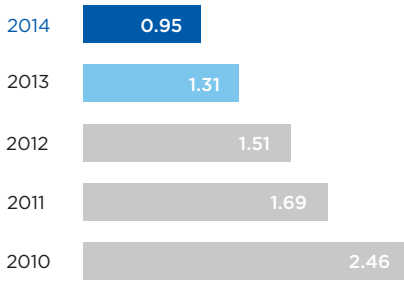
Manufacturing activity recorded slight growth in Europe in early 2014 but slowed down from mid-year, while remaining vibrant in North America. In China, the construction and industrial sectors showed signs of a slowdown.

Current operating income totaled €73 million in 2014, a -6.8% decrease at comparable structure and exchange rates compared with 2013, due to lower volumes. The +3.8% rise on a current basis includes a +€5.9 exchange rate impact. However, **current operating margin** recovered to 11.3% in 2014 thanks to cost reduction efforts and industrial asset optimization. Following the construction of the fused alumina plant in Bahrain in 2013, the pace of **capital expenditure** remained firm. In 2014, the Group started a new production line for ultrafine alumina in Austria and a new zirconia alumina line in China.

SUSTAINABLE DEVELOPMENT *Indicators*

In 2014, Imerys completed its current three-year plan and 88% of the 2012-2014 objectives were achieved. Some examples are described below.

SAFETY (Frequency rate⁽¹⁾)



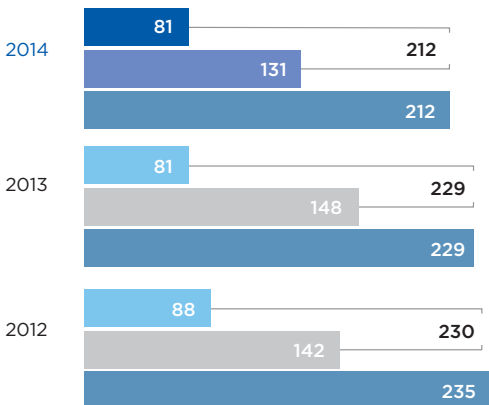
A NEW PROGRAM

2014 saw a further significant improvement in reduction of lost time accidents. Now at 0.95 the frequency rate decreased 27% compared with 2013 and 61% compared to 2010. In 2014, the Group launched a new

program called “Take 5”, aiming at increasing safety awareness to all employees.

(1) Frequency rate (employees/other employees): (number of lost-time accidents x 1,000,000)/ number of hours worked.

SITES WITH ENVIRONMENTAL MANAGEMENT SYSTEMS (EMS)⁽¹⁾:



100% OF INDUSTRIAL SITES WITH EMS

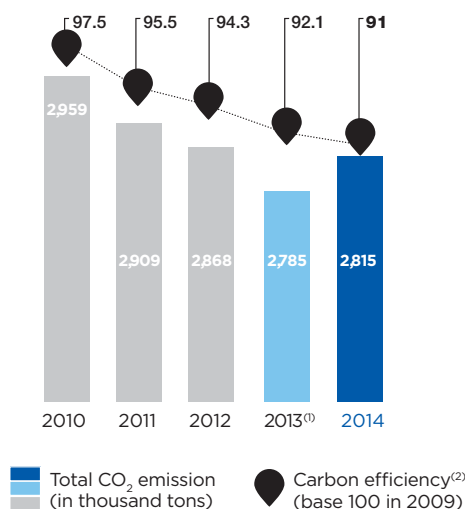
Each mining and industrial operation has established a fundamental environmental management system and presents a high priority environmental scorecard quarterly to Executive Management.

Since early 2012, special attention has been given to assessing the robustness of existing management systems. The operations are also closely monitored through in-depth EHS⁽²⁾ auditing by a multidisciplinary internal team.

- ISO 14001 or EMAS⁽³⁾ certified
- Sites required to establish an EMS⁽⁴⁾
- Sites with Imerys 8-pillar EMS

(1) Excluding sites under construction, commissioning or closing.
 (2) Environment, Health & Safety.
 (3) EMAS: Eco Management and Audit Scheme (European Standard).
 (4) The number of sites required for EMS reporting exclude those divested, closed, newly acquired or newly constructed during the reporting period.

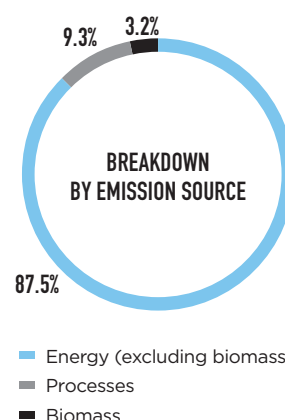
CARBON EMISSIONS AND EFFICIENCY



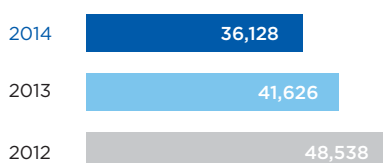
CONTINUOUS IMPROVEMENT

Imerys' reduction in direct CO₂ emissions is mainly obtained through initiatives to optimize the energy sources and use renewable energy in some of the Group's sites. The Overall carbon efficiency improved by 1.2% (2014 vs. 2013), which led the accumulative improvement to 9.0% from base year 2009.

- (1) The carbon emissions of year Y-1 are slightly calibrated because of continual improvement on the data verification and analysis.
 (2) It is the ratio analyzing the change (from year Y-1 to year Y in total CO₂ emissions per ton (Scope 1 and Scope 2) at constant perimeter and mix.



WATER WITHDRAWALS (millions of liters)



IMPROVING WATER MANAGEMENT

The water the Group withdraws to keep quarries in good operating order and to convert minerals is stored in impound basins. This water is reused or released after settling and treatment. In 2014, the Group started to introduce to its large water users a water management planning approach for efficiency improvement. This approach has been set with those operations located in water-scarce areas (according to the Global Water

Tool) before. At the end of 2014, four operations among the top 10 large water users have established their site level water management plans. The Group's total water withdrawal decreased by 13.2% from 2013 and reduced by almost one-third in the past five years.

WASTE MANAGEMENT

	2014	2013	2012
Total industrial waste (tons) of which:	281,654	264,270	287,827
Hazardous industrial waste	1,739	920	2,217
Recycled hazardous industrial waste	1,434	1,919	1,112
Non-hazardous industrial waste	150,631	125,104	120,187
Recycled non-hazardous industrial waste	127,850	136,327	164,312

INDUSTRIAL WASTE RECYCLING

Imerys' activities generate industrial waste in relatively small quantities. The Group, nonetheless, continues to seek appropriate actions to recycle this industrial waste. In 2014 the Group generated 281,654 tons of industrial waste, almost 99% of which was non-hazardous and more than 45% was recycled.



DISCOVER ALL OUR SUSTAINABLE
DEVELOPMENT OBJECTIVES AND
PERFORMANCES

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SIMPLIFIED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT (€ millions)

	2014	2013	2012	2011
Revenue	3,688.2	3,697.6	3,884.8	3,674.8
EBITDA⁽¹⁾	673.8	650.4	662.5	686.0
Current operating income⁽²⁾	494.6	477.0	488.1	487.0
Current financial income	(45.1)	(52.7)	(69.1)	(57.2)
Current tax	(131.5)	(118.0)	(116.6)	(123.3)
Minority interests	(1.7)	(2.1)	(1.7)	(3.5)
Net income from current operations, Group share⁽³⁾	316.3	304.2	300.7	303.1
Other net revenue and expenses, Group share	(44.7)	(62.2)	(9.4)	(21.1)
Net income, Group share	271.6	242.0	291.3	282.0

(1) Current operating income plus depreciation expense and provisions, net of reversals.

(2) Operating income before other operating revenue and expenses.

(3) Net income before other operating revenue and expenses, net.

CONSOLIDATED BALANCE SHEET (€ millions)

	2014	2013	2012	2011
Assets				
Net non-current assets ⁽¹⁾	3,148.0	2,966.1	2,952.6	2,944.4
Current assets	1,426.8	1,282.6	1,367.2	1,388.4
Other assets	163.8	202.5	202.7	205.7
Cash ⁽²⁾	683.8	421.7	299.1	417.9
Total	5,422.4	4,872.9	4,821.6	4,956.4
Liabilities and shareholders' equity				
Net worth (including minority interests)	2,470.5	2,271.7	2,261.0	2,210.9
Provisions	589.2	484.7	579.5	515.7
Gross financial debts ⁽²⁾	1,553.6	1,307.1	1,174.0	1,449.0
Other liabilities	809.1	809.4	807.1	780.8
Total	5,422.4	4,872.9	4,821.6	4,956.4
(1) Of which mining assets.	459.7	428.2	493.4	502.9
(2) i.e. net financial debt.	869.8	885.4	874.8	1,031.1

€3,688M
revenue

€272M
net income

€132M
*Dividend payout
proposed with
respect to 2014*

CASH FLOW STATEMENT AND CHANGE IN NET FINANCIAL DEBT (€ millions)

	2014	2013	2012	2011
EBITDA	673.8	650.4	662.5	686.0
Notional tax on current operating income and other depreciations	(144.6)	(132.7)	(135.7)	(139.6)
Current operating cash flow	529.2	517.7	526.8	546.4
Change in operating WCR ⁽¹⁾	48.9	32.0	15.3	(59.4)
Paid capital expenditure	241.5	(253.1)	(257.1)	(227.4)
Current free operating cash flow ⁽²⁾	244.1	306.4	289.4	264.9
Financial income (expense) net of tax	(21.0)	(24.3)	(49.9)	(37.3)
Change in other WCR items, deferred tax and other	4.4	6.1	62.8	(1.0)
Current free cash flow	227.5	288.2	302.3	226.6
External growth / Divestments	(0.5)	(143.6)	17.5 ⁽³⁾	(213.0)
Non-recurring cash flow	(15.0)	(54.5)	(54.7)	(17.4)
Dividends*	(125.3)	(119.2)	(114.1)	(91.4)
Capital transactions	(42.6)	30.9	(2.4)	(21.5)
Foreign exchange / Other movements	(28.6)	(12.4)	7.7	(41.6)
Decrease (increase) in net financial debt	15.5	(10.6)	156.3	(158.3)

(1) Working Capital Requirement.

(2) Of which divestments and subsidiaries.

(3) Including non-recurrent sales of fixed assets for €66 million in 2012.

* Based on the total number of Imerys shares as of December 31, 2014.

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NOTES

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