

Building Distribution

European No.1
in the distribution of
building materials

World No.1
in the distribution
of ceramic tiles

European No.1
on the heating and
plumbing market

Distribution of
building materials



Brand-name chains



Sustainable building solutions



Solutions and services



Saint Gobain Building Distribution employs a workforce of over **72,600** in **24 countries**, serving the construction, renovation and sustainable home improvement market. Target customers include building contractors, tradespeople, architects, contractors and homeowners.



Saint-Gobain **Building Distribution** is Europe's leading distributor of building materials, the world's leading distributor of ceramic tiles, and, since 2007, the **European number-one** in heating and plumbing.

Saint-Gobain Building Distribution is developing its **distribution** business in the **United States** with the acquisition of façade products specialist Norandex.

With over 4,000 outlets in 24 countries, Saint-Gobain Building Distribution boasts a building materials distribution network that is unique in Europe, composed of well-known banners that achieve a tight strategic fit to cover a very wide range of products addressing different customer profiles and fulfilling customer expectations as products, services, styles and trends.

Saint-Gobain Building Distribution continued its fast-paced acquisition program in 2007; **53 new units** joined the Sector, bringing full-year **net sales of €1.3 billion**. The Sector's two main development focuses remained unchanged:

- First, the Sector pursued geographical expansion, with the acquisition of two bridgeheads: Norandex in the United States (153 outlets specializing in façade products), and Vemac in Italy (one of the country's biggest building supplies merchants).
- Second, it strengthened existing networks with a series of local acquisitions: in the UK, the Norman group (biggest building supplies merchant in the Channel Islands); in Germany, Schulte Tiefbau (specialists in distribution for public works) and Schäfer (roofing specialists); in Holland, Galvano Groothandel BV (heating and plumbing wholesalers) and Van Keulen

(building supplies merchant); in Spain, Discesur (second biggest distributor of ceramic tiles in the country).

The La Plateforme du Bâtiment network also continued to expand, opening its first outlet in the Czech Republic.



New leading position

In 2007, Saint-Gobain Building Distribution rose to first place on Europe's buoyant heating and plumbing market. The European network of more than 1,100 outlets addresses a primarily trade clientele, and achieved net sales of more than €4.7 billion in 2007. The Heating & Plumbing division includes specialist chains such as Cedeo in France, Graham in the United Kingdom, Dahl in Sweden, Norway, Denmark and Finland, Tadmar in Poland, and Sanitas Troesch in Switzerland.

Key consolidated data

(in € millions)	2005	2006	2007
NET SALES	15,451	17,581	19,480
Operating income	888	1,001	1,102
Cash flow from operations	667	817	825
Capital expenditure	327	315	353

Innovation: new concepts



Saint-Gobain Building Distribution opened its biggest **La Maison showroom** in a busy neighborhood of downtown Shanghai (China). On show at the new center, which measures 7,000 sq.m., there are 35 kitchens and 35 bathrooms along with two fully-fitted apartments measuring 150 square meters each. Interior architects and fitters are available on-site to advise customers on the products best suited to their needs, from a catalogue of several thousand items.



Mobissimmo, launched in 2006 by the Point.P group, is continuing to expand in response to demand from the timber-frame construction market, which accounts for 7% of individual homes in France. With 120 items (structure, frame, panels, insulation, etc.) in stock or to order across a network of 40 outlets in France, Mobissimmo addresses trade needs through a unique range of products for all timber-frame construction projects.



La Plateforme du Bâtiment pushed ahead with European development, opening twelve new outlets in 2007: three in France, three in Spain, two in Italy, and one each in the United Kingdom, Germany, the Czech Republic and Hungary. In December 2007, a thirteenth outlet was opened in Kuwait, with the first Plateforme du Bâtiment franchise. La Plateforme du Bâtiment operates a trade-only self-service concept addressing the needs of smaller building companies in large urban centers. There are currently 79 La Plateforme du Bâtiment outlets worldwide.

An ambitious EHS policy

Consistent with the Group policy, Saint-Gobain Building Distribution runs an ambitious, determined environment-health-safety policy that earned various forms of recognition and certification in 2007.



Two major prizes at the **Builders Merchants Awards for Excellence 2007** put Jewson at the forefront of the builders' merchant industry in the UK.



Two Lapeyre group plants – Menuiseries du Centre and Lagrange – renewed their **ISO 9001 certification** and obtained ISO 14001 environmental management certification in 2007. **ISO 14001 certification** attests that the plants' design, development and manufacturing operations are geared to reducing environmental impact. Four Lapeyre group plants have obtained ISO 14001 certification to date: Lagrange, Azur Production, Cougnaud and Menuiseries du Centre.



All Raab Karcher outlets in Germany now hold **quality, safety and environmental protection certification** issued by the German technical inspection organization TÜV SÜD. Raab Karcher Baustoffe GmbH received official certificates from TÜV SÜD Management Service GmbH marking compliance with the ISO 9001 quality management standard, the ISO 14001 environmental management standard and the OHSAS 18001 safety management standard. Certification covers the company's headquarters in Frankfurt and its 220 or so outlets throughout the country.