Half-year report
for the period ending 30 June 2011

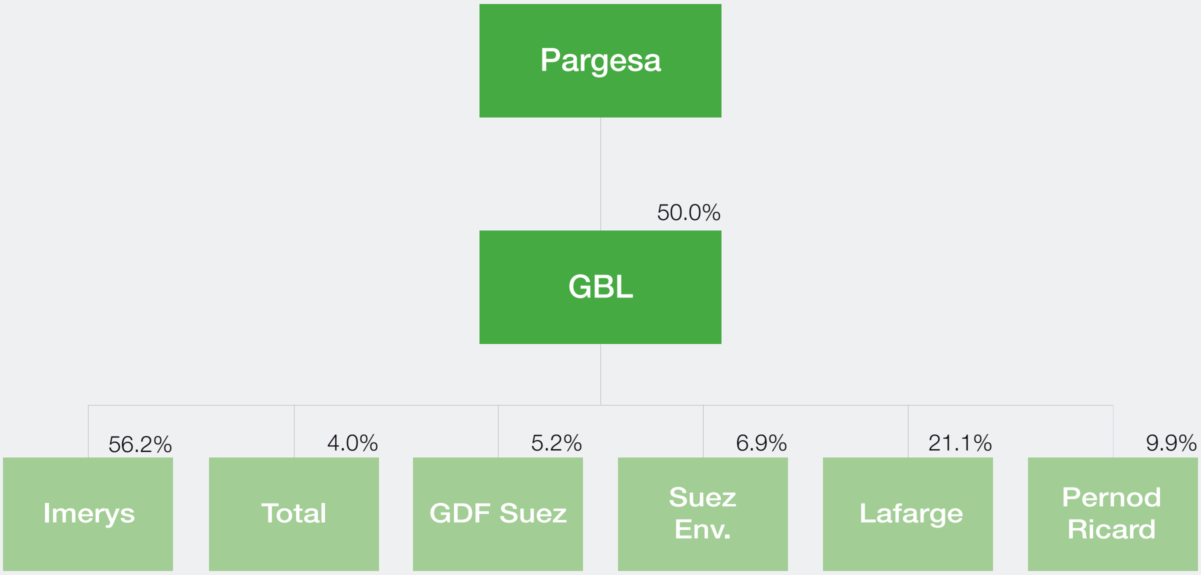
Pargesa

Holding SA

Half-year report of Pargesa Holding SA for the period ending 30 June 2011

Through its holdings, Pargesa Holding SA is active in various industrial and services sectors. The company seeks to create long-term value by focusing its portfolio on a limited number of significant holdings and by implementing a continuous professional activity as a strategic shareholder.

1. Economic diagram of Pargesa Group at 30 June 2011 [1]



[1] shareholdings are expressed as a percentage of capital

2. Highlights

The repositioning of Pargesa's stake in Imerys within GBL was executed at the beginning of April.

This operation within the Group enabled it to concentrate within GBL the oversight of its controlling stake in Imerys. It also provides Pargesa with greater flexibility in its cash management. The reclassification executed within the Group's consolidation scope does not generate any capital gain or loss at the level of Pargesa's consolidated earnings. Finally, this reclassification does not imply any change at the level of Imerys, neither in its strategy, nor in its listing, which remains active. GBL now controls 56.2% of Imerys' share capital. Pargesa holds a 50% stake in GBL's equity and controls 52% of its voting rights.

GBL slightly increased its position in Arkema, which represents 6.1% of this company's share capital at the end of June.

During the first half of the year, in the context of the group's cash management, Pargesa Netherlands BV purchased in the market CHF 200 million in face value of its convertible bonds maturing in 2013 and 2014.

3. Main shareholdings

Imerys

Imerys, a world leader in adding value to minerals, benefited from continued growth on its markets in the first half of 2011 and recorded a further increase in its results The completion of the acquisition of Luzenac Group, the world's leading talc producer, on 1 August, will help to improve Group performance.

In the first half of 2011, Imerys recorded a turnover of EUR 1'807 million, up 11% compared with the same period in 2010.

Current operating income grew 21% to EUR 253 million, thanks to higher volumes and better price/mix, and current net income increased 27% to EUR 157 million.

Group share of net income was EUR 155 million compared with EUR 121 million in the first half of 2010.

Imerys' industrial development continued with the acquisition of Luzenac Group, the world's leading talc producer, which will be consolidated from 1 August 2011. This acquisition will help to improve Group commercial and technological performance, and will also create value for Imerys from 2013.

In this context, Imerys aims to maintain its current net income rate of growth above +20% for the whole of 2011, despite a more uncertain market environment in the second half.

Lafarge

A world leader in building materials, Lafarge holds top-ranking positions in each of its businesses: Cement, Aggregates and Concrete & Gypsum.

During the first six months of 2011, the main factors were a sustained increase in volumes in most of the emerging markets, a mix of trends in the mature markets and high cost inflation which penalised results.

Against that background, turnover rose 3% to EUR 7'973 million and current operating income, at EUR 926 million, fell -14% (-15% at constant group structure and exchange rates), the increase in volumes and structural cost-saving measures only partially offsetting the impact of the high rate of production cost inflation.

Net income for the period amounted to EUR 260 million, compared with EUR 393 million in the first half of 2010, when the group benefited from an exceptional capital gain of EUR 160 million from the disposal of its Cimpor shares.

In general, the Group continues to anticipate a rising demand for cement and predicts market growth of 2 to 5 % in 2011 compared with 2010. The emerging markets are still the main driver of demand, and Lafarge will benefit from its balanced portfolio in geographical terms and from the quality of its assets. Overall, prices should remain stable, or even increase slightly over the year, against a backdrop of strong cost inflation.

Total

Total is a leading international oil and gas company. With operations in more than 130 countries, the group's activities span all aspects of the oil industry, from Upstream – oil and gas exploration, development and production – to Downstream – refining and marketing of all oil products, as well as international trading in both crude and refined products. Total is also a major player in the Chemicals markets and, moreover, involved in the development of renewable energies.

During the first half of 2011, the petroleum environment was marked by a 44% rise in the average price of Brent crude (to 111.1 $/b) compared with the first half of 2010, whilst the average gas sales price increased by 29%. Refining margins in Europe went down -33% and the environment for Total's petrochemicals and specialty chemicals remained generally favourable.

Against that background, the group posted an adjusted net income of EUR 5.9 billion for the first half of 2011, a rise of 12% compared with 2010. Hydrocarbon production fell -2% over the half-year. Investments excluding acquisitions amounted to EUR 6.3 billion in the first half of 2011 compared with EUR 5.5 billion in the first half of 2010.

GDF Suez

Formed through the merger of Suez and Gaz de France, GDF SUEZ is a world energy leader, active across the entire energy value chain, in electricity and natural gas, Upstream to Downstream.

In the first half of 2011, GDF Suez recorded robust operating results despite the negative impact of the weather conditions in France and Belgium.

Revenue was EUR 45.7 billion, a rise of +7.9%. Gross operating profit (EBITDA), at EUR 8.9 billion, grew +8.2%. The group share of net income was EUR 2.7 billion, compared with EUR 3.6 billion in the first half of 2010.

These results lead GDF Suez to confirm its goal of achieving an EBITDA of EUR 17.0 to 17.5 billion in 2011, before taking into account the negative impacts of the weather in the first half, and the risk of a utility gas price freeze in France.

SUEZ Environnement

Suez Environnement is a leading global player exclusively dedicated to water and waste management services.

In the first half of 2011, Suez Environnement produced a solid performance with double-digit growth of revenue and operating results. This improvement was achieved in Europe through profitable growth of the water businesses and higher processed waste volumes. Group growth benefited from the positive effects of the integration of Agbar in Spain and the acquisition, completed at the start of the year, of the Australian waste management company WSN.

Revenue rose +11.8% to EUR 7'376 million (+11.3% at constant exchange rates) and gross operating profit, at EUR 1'233 million, grew +18.3% (+17.6% at constant exchange rates). Net income, group share, was EUR 221 million, compared with EUR 386 million in the first half of 2010, when the realisation of capital gains was an important factor.

Based on these half-year results and given the overall situation of gradual economic recovery, Suez Environnement is confirming all its profitability growth and dividend objectives for the year and the medium term.

Pernod Ricard

Joint world leader for wines and spirits, Pernod Ricard occupies leading positions in every continent.

Pernod Ricard's financial year ends on 30 June and the results for the year will be published at the start of September 2011.

4. Consolidated results for the first half of 2011 (unaudited)

4.1. Presentation of results in accordance with IFRS standards

The simplified presentation of the income statement in accordance with IFRS standards is as follows :

CHF million	**1st half 2011**	**1st half 2010** [1]
Operating income	2'419.2	2'404.6
Operating expenses	(2'132.1)	(2'150.2)
Other income and expenses	44.8	(30.7)
Operating income	**331.9**	**223.7**
Dividends and interest from long-term investments	353.2	326.1
Other financial income (expenses)	(126.6)	(92.0)
Taxes	(82.0)	(73.6)
Income from associates	68.1	129.1
Consolidated net profit (including minorities)	**544.6**	**513.3**
Attributable to minority interests	342.4	284.0
Attributable to Pargesa shareholders (Group share)	**202.2**	**229.3**
Average number of shares in circulation (thousands)	*84'638*	*84'638*
Basic earnings per share, (Group share) CHF	*2.39*	*2.71*
EUR/CHF average exchange rate	*1.270*	*1.437*

[1] *The 2010 results have been restated following the change in the method of accounting for employee benefits applied at 1 January 2011*

Operating income and *expenses* are principally the turnover and operating expenses of Imerys, whose accounts are 100% integrated into those of Pargesa.

Other income and expenses are the net capital gains and losses and impairment on Group shareholdings and operations.

The *dividends and interest from long-term investments* item comprises the net dividends received by the Group from its non-consolidated holdings, mainly those from GDF Suez, Suez Environnement, Total and Pernod Ricard.

The *other financial income (expenses)* and *taxes* items consolidate the figures for Pargesa, GBL and Imerys.

Income from associates represents the share in the consolidated net profit contributed by shareholdings accounted for in the Pargesa financial statements using the equity method. It includes in particular the Lafarge contribution.

Minority interests essentially relates to the share of results due to the minority shareholders of GBL and Imerys, these two companies being 100% integrated into the Pargesa Group accounts.

4.2. Economic presentation of Pargesa results

As a supplement to the accounts drawn up under the format recommended by the IFRS standards, Pargesa continues to publish an economic presentation of its results, in order to provide continuous information over the long-term about the contribution of each of its major shareholdings to its results. Because the IFRS standards impose different accounting treatments depending on the Group's percentage holding in each of its investments (full integration of Imerys, equity accounting of Lafarge, and classification of Total, GDF Suez, Suez Environnement, Pernod Ricard and Iberdrola as financial instruments), this continuous view would be interrupted without this supplementary information.

The economic presentation shows, in terms of Group share, the operating contribution of the main shareholdings to the consolidated income of Pargesa together with the income from the operations of the holding companies (Pargesa and GBL). The analysis also draws a distinction between the operating and non-operating items in the income, the non-operating part being composed of capital gains and losses in connection with disposals and any restructuring costs and impairment.

According to this approach, the economic results for the first half of 2011 can be analysed as follows:

CHF million		1st half 2011	1st half 2010 [1]	Full year 2010 [1]
Operating contribution of the main shareholdings				
■ **Consolidated (Imerys) or equity-accounted (Lafarge) :**				
Imerys	share of operating income	69.6	73.7	139.4
Lafarge	share of operating income	36.1	36.7	100.7
■ **Non-consolidated**				
Total	net dividend	98.5	76.0	149.2
GDF Suez	net dividend	51.8	58.6	128.1
Suez Environnement	net dividend	15.0	17.0	17.0
Pernod Ricard	net dividend	11.6	11.8	25.4
Operating contribution of the main shareholdings		**282.6**	**273.8**	**559.8**
per share (CHF)		*3.34*	*3.23*	*6.61*
Operating contribution of other shareholdings		0.8	9.1	17.8
Operating income contributed by holding companies		(73.4)	(61.8)	(111.8)
Operating income		**210.0**	**221.1**	**465.8**
per share (CHF)		*2.48*	*2.61*	*5.50*
Non-operating income from consolidated or equity-accounted companies		(0.9)	23.4	25.3
Non-operating income contributed by holding companies		(6.9)	(15.2)	(25.2)
Net income		**202.2**	**229.3**	**465.9**
per share (CHF)		*2.39*	*2.71*	*5.50*
Average number of shares in circulation (thousands)		84'638	84'638	84'638
EUR/CHF average exchange rate		1.270	1.437	1.382

[1] The 2010 results have been restated following the change in the method of accounting for employee benefits applied at 1 January 2011

Consolidated or equity-accounted holdings:

Imerys recorded a 27% increase in net operating income to EUR 157 million. Pargesa's share of the Imerys operating contribution, expressed in Swiss francs, dropped by 6% to CHF 69.6 million, due to the combined effect of a lower average exchange rate and the drop of percentage in economic ownership of Imerys by Pargesa, further to the repositioning within GBL of the stake previously owned by Pargesa.

Lafarge recorded a net income of EUR 260 million. Pargesa's share of the net operating income of Lafarge, expressed in Swiss francs, is CHF 36.1 million.

Non-consolidated holdings:

The contributions of **Total, GDF Suez, Suez Environnement** and **Pernod Ricard** represent Pargesa's share of the net dividends received by GBL from these companies.

Total, which announced an annual dividend of EUR 2.28 per share, unchanged, paid its final 2010 dividend in the second quarter of 2011, i.e. EUR 1.14 per share, representing a contribution to Pargesa of CHF 68.5 million. Total is due to pay for the first time, during the 3rd quarter, a quarterly interim 2011 dividend of EUR 0.57 per share, representing a contribution to Pargesa of CHF 30.0 million, which was already recorded in the first half.

In the second quarter of 2011, **GDF Suez** paid its final dividend, unchanged, of EUR 0.67 per share for 2010, representing a contribution of CHF 51.8 million. An interim dividend for 2011 should be paid in the fourth quarter of 2011.

Suez Environnement paid its annual dividend of EUR 0.65 per share, unchanged, in the second quarter of 2011, representing a Pargesa share of CHF 15.0 million.

Pernod Ricard distributed an interim dividend of EUR 0.67 per share, up 9.8%, in the second quarter of 2011, representing a Pargesa share of CHF 11.6 million. The final dividend is due in the second half.

The **net operating contribution from other shareholdings** includes the contribution of Ergon Capital Partners, owned by GBL, and the balance of the Iberdrola dividend received by GBL.

Operating income contributed by holding companies, which is the net sum of financial income and expenses, of overheads and taxes, stands at CHF -73.4 million, compared with CHF -61.8 million for the first half of 2010. This amount includes an unrealised foreign exchange loss of approximately CHF -50 million, recorded on the balance of the EUR position resulting from Pargesa's sale of its stake in Imerys. The figure also includes a positive amount of CHF 18.4 million, representing income recognized by GBL on its private equity business (PAI, Sagard).

Non-operating income: the *non-operating income from consolidated or equity-accounted companies* mainly comprises Pargesa's share of the non-operating income of Imerys. The net *non-operating income contributed by holding companies* of CHF -6.9 million at 30 June 2011, represents mainly the loss recorded on the repurchase by Pargesa Netherlands BV of its convertible bonds. The decrease of the Lafarge share price at 30 June 2011 required an impairment test to be conducted, which concluded that no impairment was necessary at 30 June 2011 on the consolidated value (EUR 63.2 per share) of this associate.

5. Outlook for 2011 as a whole

A considerable proportion of the net dividends from shareholdings is recorded during the first half of the year. Interim or final dividends (mainly Total, GDF Suez and Pernod Ricard) are expected during the second half of 2011.

Income for the year will also be influenced by the contributions in the second half from the associates (mainly Lafarge) and fully-integrated companies (mainly Imerys), and by any profits from disposals and fair value adjustments. Finally, because some of Pargesa's cash, and the whole of its portfolio, are in euros, the income for the year will be influenced by changes in EUR/CHF parity during the second half.

6. Adjusted net asset value

Pargesa's flow-through adjusted net asset value, calculated on the basis of the current market prices and exchange rates for the listed shareholdings, and on the basis of the share of consolidated shareholders' equity and current exchange rates for unlisted investments, was CHF 87.66 per share at 22 July 2011.

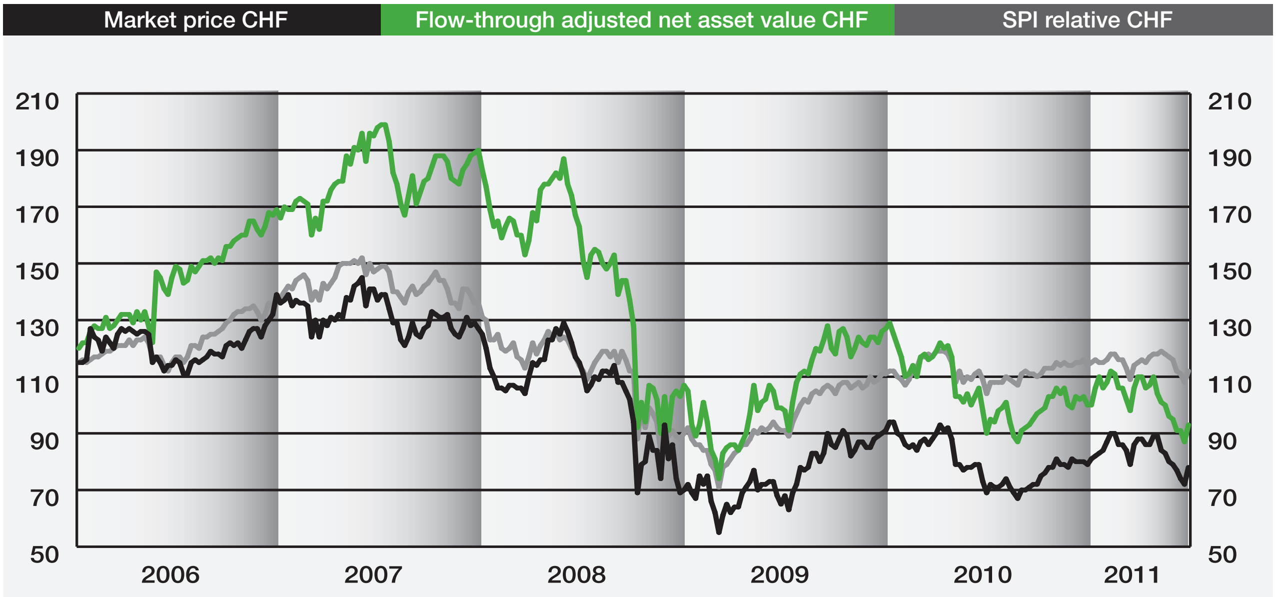
Pargesa flow-through adjusted net asset value at 22 July 2011

CHF million	% capital	% economic interest	Share price in local currency		Flow-through value	Weighting as % of total
Total	4.0%	2.0%	EUR	39.5	2'175	29%
GDF Suez	5.2%	2.6%	EUR	23.9	1'646	22%
Lafarge	21.1%	10.6%	EUR	40.1	1'420	19%
Imerys	56.2%	28.1%	EUR	47.2	1'177	16%
Pernod Ricard	9.9%	5.0%	EUR	69.7	1'067	14%
Suez Environnement	6.9%	3.5%	EUR	13.4	274	4%
Arkema	6.1%	3.1%	EUR	70.6	156	2%
Iberdrola	0.5%	0.3%	EUR	5.9	109	1%
Other holdings					180	2%
Total portfolio					**8'204**	**111%**
Net cash (debt)					(784)	(11%)
Adjusted net asset value					**7'420**	**100%**
per Pargesa share			*CHF*	*73.9*	*87.66*	
EUR/CHF exchange rate					1.173	

Pargesa's adjusted net asset value is published every week on the Pargesa website.

7. Data per share and stock market performance

CHF per share	2008	2009	2010	30.06.2011
Share price at the end of the period	70.00	90.60	79.40	77.90
Average share price	105.00	75.64	79.82	90.70
Adjusted net asset value at the end of the period	102.03	127.10	99.82	92.91
Gross dividend attributed for the period	2.62	2.72	2.72	n.a.
(Average) gross yield	2.5%	3.6%	3.4%	



8. Pargesa's Group consolidated financial statements at 30 June 2011 (unaudited)

Contents

Consolidated income statement

	Note	1st half 2011 CHF million	1st half 2010 CHF million *
Revenue	2	2'344.9	2'332.3
Other operating income		37.9	30.4
Changes in inventory		36.4	41.9
Raw materials, goods intended for resale and consumables		(864.4)	(863.3)
Staff costs		(454.8)	(471.3)
Amortisation of tangible and intangible assets		(124.2)	(142.5)
Other operating expenses		(688.7)	(673.1)
Other operating income and expenses	4	44.8	(30.7)
Operating profit		**331.9**	**223.7**
Net interest and dividends on available-for-sale financial assets	5	353.2	326.1
Other financial income		27.9	22.8
Other financial expenses		(154.5)	(114.8)
Financial profit		**226.6**	**234.1**
Operating and financial profit		**558.5**	**457.8**
Income from associates	10	68.1	129.1
Net profit for the period		**626.6**	**586.9**
Income taxes		(82.0)	(73.6)
Net profit for the period (including minority interests)		**544.6**	**513.3**
- attributable to non-controlling interests		342.4	284.0
- attributable to Pargesa shareholders (Group share)		**202.2**	**229.3**
Basic net earnings per share in CHF (Group share)		**2.39**	**2.71**
Diluted net earnings per share in CHF (Group share)		**2.36**	**2.71**

Consolidated statement of comprehensive income

	Note	1st half 2011 CHF million	1st half 2010 CHF million *
Net profit for the period (including minority interests)		**544.6**	**513.3**
Other comprehensive income			
Change in fair value of available-for-sale financial assets	11.3	(355.1)	(2'102.1)
Change in hedging reserve	11.3	2.1	4.2
Translation difference	11.3	(747.7)	(2'251.8)
Actuarial gains/losses	11.3	25.5	(72.0)
Share of other comprehensive income of associates	11.3	(286.5)	523.1
Total other comprehensive income [(1)]		**(1'361.7)**	**(3'898.6)**
Total comprehensive income for the period (including minorities)		**(817.1)**	**(3'385.3)**
- attributable to non-controlling interests		(388.3)	(1'596.8)
- attributable to Pargesa shareholders (Group share)		**(428.8)**	**(1'788.5)**

[(1)] of which CHF - 13.7 million in tax in the first half of 2011 (CHF + 35.0 million in the first half of 2010)

* certain amounts have been restated following the change in the accounting method for the recognition of employee benefits (see Note 1)

Consolidated balance sheet

ASSETS	Note	30.06.2011 CHF million	31.12.2010 * CHF million	01.01.2010 * CHF million
Long-term assets				
Intangible assets		128.3	60.9	65.0
Goodwill		1'377.2	1'429.4	1'519.9
Tangible assets		2'009.2	2'207.5	2'402.3
Investments in associates	10	4'806.7	5'268.9	5'857.8
Available-for-sale financial assets	6	11'464.1	12'126.5	15'040.4
Deferred tax assets		73.3	88.5	112.7
Other long-term financial assets		145.7	165.4	131.9
Other long-term assets		13.1	18.2	14.6
Total long-term assets		**20'017.6**	**21'365.3**	**25'144.6**
Short-term assets				
Inventories		695.1	681.8	653.6
Trade receivables		648.4	586.9	540.7
Financial assets held for trading		61.4	30.5	26.6
Cash and cash equivalents		1'746.4	1'298.3	1'321.4
Other short-term financial assets		131.1	60.4	17.6
Other short-term assets		259.1	229.9	177.8
Total short-term assets		**3'541.5**	**2'887.8**	**2'737.7**
TOTAL ASSETS		23'559.1	24'253.1	27'882.3

LIABILITIES AND EQUITY	Note	30.06.2011 CHF million	31.12.2010 * CHF million	01.01.2010 * CHF million
Equity				
Share capital	11.1	1'698.7	1'698.7	1'698.7
Share premium reserve		255.9	255.9	255.9
Treasury shares	11.2	(5.9)	(5.9)	(5.9)
Revaluation and hedging reserve		2'506.8	2'691.1	3'086.5
Translation reserve		(3'264.2)	(2'811.1)	(1'131.0)
Consolidated reserves		6'817.8	6'842.3	6'611.7
Total equity (Group share)		**8'009.1**	**8'671.0**	**10'515.9**
Equity attributable to non-controlling interests		9'372.5	10'049.7	11'742.4
Total equity (including minority interests)		**17'381.6**	**18'720.7**	**22'258.3**
Long-term liabilities				
Provisions		238.0	253.7	256.9
Pensions and post-employment benefits		144.9	199.6	229.9
Deferred tax liabilities		114.5	104.0	98.3
Finance lease liabilities		4.0	3.4	5.0
Financial debt	7	3'088.3	3'751.6	3'823.8
Other long-term financial liabilities		23.4	28.1	24.5
Other long-term non-financial liabilities		10.0	12.7	14.2
Total long-term liabilities		**3'623.1**	**4'353.1**	**4'452.6**
Short-term liabilities				
Provisions		18.5	18.0	27.7
Trade payables		452.6	411.7	387.4
Income tax payable		67.4	33.4	32.7
Financial lease liabilities due within a year		1.0	0.6	0.9
Finance debt due within a year		1'663.4	289.5	322.9
Other short-term financial liabilities		55.5	126.1	124.1
Other short-term non-financial liabilities		296.0	300.0	275.7
Total short-term liabilities		**2'554.4**	**1'179.3**	**1'171.4**
TOTAL LIABILITIES AND EQUITY		23'559.1	24'253.1	27'882.3

* certain amounts have been restated following the change in the accounting method for the recognition of staff benefits (see Note 1)

Consolidated cash flow statement

	Note	1st half 2011 CHF million	1st half 2010 CHF million *
OPERATING ACTIVITIES			
Net income before tax		**626.6**	**586.9**
Adjusted for :			
Income from associates		(68.1)	(129.1)
Dividends received from associates		2.6	2.8
Profit/loss from the sale of tangible and intangible assets		(2.3)	(1.2)
Profit/loss from the sale of available-for-sale financial assets		(35.4)	-
Profit/loss from the sale of subsidiaries		(12.5)	(0.7)
Amortisation, impairment, provisions and negative goodwill		136.3	193.2
Miscellaneous items of income not involving cash movements		(152.5)	(33.6)
Interest income		(8.3)	(3.6)
Interest expenses		91.6	82.8
Operating cash flow before changes in working capital and provisions		**578.0**	**697.5**
Changes in working capital and provisions		(82.0)	(129.8)
Cash from operating activities		**496.0**	**567.7**
Income taxes paid		(76.4)	(50.8)
Operating cash flow		**419.6**	**516.9**
INVESTMENT ACTIVITIES			
Acquisitions of subsidiaries, net of cash acquired	3	(22.4)	0.8
Disposals of subsidiaries, net of cash paid	3	32.4	1.1
Acquisitions of associates		(28.4)	(1.4)
Acquisition of tangible and intangible assets		(131.5)	(81.3)
Disposal of tangible and intangible assets		5.2	4.5
Long-term advances granted		-	(1.2)
Repayment of long-term advances		0.3	2.2
Acquisition of available-for-sale financial assets		(72.5)	(187.4)
Disposal of available-for-sale financial assets		26.4	(0.1)
Cash flows from investments		**(190.5)**	**(262.8)**
FINANCING ACTIVITIES			
Share issue/cancellation of capital by subsidiaries (share of non-controlling interests)		8.9	6.8
Additional/partial acquisitions in existing subsidiaries		(17.9)	0.4
Long-term financial debt		168.0	613.7
Interest received		9.9	3.6
Interest paid		(97.3)	(118.8)
Dividend paid by parent company to shareholders	12	(230.2)	(230.2)
Dividends paid by subsidiaries to minority shareholders		(291.3)	(307.5)
Repayment of long-term debt and finance lease debt		(384.0)	(230.4)
Short-term financial debt		1’094.4	8.0
Short-term financial debt repaid		(59.5)	(142.1)
Cash flows from financing		**201.0**	**(396.5)**
Effect of exchange rate variation		18.8	(101.3)
Effect of changes in scope of consolidation		(0.8)	
Increase/decrease in cash and cash equivalents		**448.1**	**(244.7)**
Cash and cash equivalents at 1 January		**1’298.3**	**1’321.4**
Cash and cash equivalents at 31 December		**1’746.4**	**1’076.7**

* certain amounts have been restated following the change in the accounting method for the recognition of staff benefits (see Note 1)

Consolidated statement of changes in equity *

CHF million	Share capital	Share premium	Treasury shares	Revaluation and hedging reserve	Translation reserve	Consolidated reserves	Group share of equity	Non-controlling interests	Total equity
01 January 2010	1'698.7	255.9	(5.9)	3'086.5	(1'131.0)	6'644.7	10'548.9	11'787.9	22'336.8
Impact of retrospective application, retrospective restatement or reclassification	-	-	-	-	-	(33.0)	(33.0)	(45.5)	(78.5)
01 January 2010 restated	**1'698.7**	**255.9**	**(5.9)**	**3'086.5**	**(1'131.0)**	**6'611.7**	**10'515.9**	**11'742.4**	**22'258.3**
Total comprehensive income in 1st half 2010	**-**	**-**	**-**	**(1'115.8)**	**(860.4)**	**187.7**	**(1'788.5)**	**(1'596.8)**	**(3'385.3)**
Dividend paid by parent company (see Note 12)	-	-	-	-	-	(230.2)	(230.2)	-	(230.2)
Dividends paid by subsidiaries	-	-	-	-	-	-	-	(307.5)	(307.5)
Other changes in equity	-	-	-	-	-	7.9	7.9	8.0	15.9
Effects of changes in scope and capital increases on non-controlling interests	-	-	-	-	-	1.2	1.2	6.8	8.0
Changes in items other than total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(221.1)**	**(221.1)**	**(292.7)**	**(513.8)**
Total changes in 1st half 2010	**-**	**-**	**-**	**(1'115.8)**	**(860.4)**	**(33.4)**	**(2'009.6)**	**(1'889.5)**	**(3'899.1)**
30 June 2010	**1'698.7**	**255.9**	**(5.9)**	**1'970.7**	**(1'991.4)**	**6'578.3**	**8'506.3**	**9'852.9**	**18'359.2**

01 January 2011	1'698.7	255.9	(5.9)	2'691.1	(2'811.1)	6'842.3	8'671.0	10'049.7	18'720.7
Total comprehensive income in 1st half 2011	**-**	**-**	**-**	**(184.3)**	**(453.1)**	**208.6**	**(428.8)**	**(388.3)**	**(817.1)**
Dividend paid by parent company (see Note 12)	-	-	-	-	-	(230.2)	(230.2)	-	(230.2)
Dividends paid by subsidiaries	-	-	-	-	-	-	-	(291.6)	(291.6)
Other changes in equity	-	-	-	-	-	3.0	3.0	4.5	7.5
Effects of changes in scope and capital increases on non-controlling interests	-	-	-	-	-	(5.9)	(5.9)	(1.8)	(7.7)
Changes in items other than total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(233.1)**	**(233.1)**	**(288.9)**	**(522.0)**
Total changes in 1st half 2011	**-**	**-**	**-**	**(184.3)**	**(453.1)**	**(24.5)**	**(661.9)**	**(677.2)**	**(1'339.1)**
30 June 2011	**1'698.7**	**255.9**	**(5.9)**	**2'506.8**	**(3'264.2)**	**6'817.8**	**8'009.1**	**9'372.5**	**17'381.6**

* certain amounts have been restated following the change in the accounting method for the recognition of staff benefits (see Note 1)

A reconciliation of the carrying amount at the start and end of the period for each equity component and comments on changes are given in Note 11.3.

Notes to the consolidated financial statements

Note 1 – Accounting policies

PARGESA HOLDING SA ("the Company"), 11, Grand-Rue, 1204 Geneva, Switzerland, is registered in the Commercial Register of the Canton of Geneva. Its main purpose is the purchase, sale, administration and management, in Switzerland and abroad, of investments of a financial, commercial and industrial nature.

The half-yearly consolidated accounts of the Company for the accounting period ending 30 June 2011 bring together the Company and its controlled subsidiaries (collectively described as "the Group") and the Group's interests in associated undertakings. The Board of Directors of the Company authorized the publication of the consolidated accounts for the first half of 2011 on 29 July 2011.

Accounting and consolidation principles

The unaudited, half-yearly consolidated financial statements have been prepared in accordance with the IFRS accounting standards and comply with IAS 34 "Interim Financial Reporting". The half-yearly financial statements are presented in condensed form and must be read in conjunction with the annual financial statements of 31 December 2010.

The accounting procedures and computing methods used in the preparation of the interim financial statements are exactly the same as those used in the 2010 consolidated financial statements with the exception of those referred to in the "Changes in accounting principles and methods" section.

Changes in accounting principles and methods

The new standards, interpretations and amendments below, which came into effect in 2011, apply to the accounting for, the valuation and the presentation of transactions, events or conditions existing in the Group, but they were not applied in advance at 31 December 2010 :

Standard		Date of application
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	01.07.10
Amendments to IFRS 1	Limited exemption from Comparative IFRS 7 Disclosures for First-time Adopters	01.07.10
Amendments to IAS 32	Financial Instruments : Presentation - Classification of Rights Issues	01.02.10
Amendment to IFRIC 14	Prepayments of a Minimal Funding Requirement	01.01.11
IAS 24 (revised)	Related Party Disclosures	01.01.11
IFRS Annual Improvements		01.07.10-01.01.11

These new standards, interpretations and amendments had no significant impact on the accounts at 30 June 2011.

In 2011, the Pargesa Group made a change to the accounting method for the recognition of staff benefits. IAS 19 Employee Benefits authorises the recognition either in income or in equity of actuarial gains/losses in post-employment benefits. The Group, which had opted for recognition under income and was applying that principle using the corridor method, decided, in its application of the current standard, to opt for the immediate recognition of all actuarial gains/losses in equity with no subsequent reclassification in income (SoRIE method - Statement of Recognised Income and Expense). By choosing this option, the Group is improving the legibility of staff benefits assets and liabilities by significantly reducing off-balance sheet items and is changing its accounting policies in line with the decision of the IASB and of most of the major publicly-listed issuers. IAS 19 (revised) published by IASB in June 2011 and applicable in 2013 has removed the income option. The 2010 comparative information has been restated.

The impact of the change in the accounting method on the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet and the consolidated cash flow statement is presented below :

Consolidated income statement for 1st half 2010 **CHF million**	**1st half 2010** **Published**	**Restatement**	**1st half 2010** **Restated**
Other operating expenses	(673.9)	0.8	(673.1)
Other operating income and expenses	(32.7)	2.0	(30.7)
Operating profit	**220.9**	**2.8**	**223.7**
Operating and financial profit	**455.0**	**2.8**	**457.8**
Net profit for the period	**584.1**	**2.8**	**586.9**
Income taxes	(72.7)	(0.9)	(73.6)
Net profit for the period (including minority interests)	**511.4**	**1.9**	**513.3**
- attributable to non-controlling interests	282.9	1.1	284.0
- attributable to Pargesa shareholders (Group share)	**228.5**	**0.8**	**229.3**

The impact on net and diluted earnings per share for the first half of 2010 is CHF +0.01 per share.

Consolidated statement of comprehensive income for 1st half 2010	**1st half 2010**		**1st half 2010**
CHF million	**Published**	**Restatement**	**Restated**
Net profit for the period (including minority interests)	**511.4**	**1.9**	**513.3**
Translation difference	(2’246.4)	(5.4)	(2’251.8)
Actuarial gains/losses	-	(72.0)	(72.0)
Total other comprehensive income	**(3’821.2)**	**(77.4)**	**(3’898.6)**
Total comprehensive income for the period (including minority interests)	**(3’309.8)**	**(75.5)**	**(3’385.3)**
- attributable to non-controlling interests	(1’552.6)	(44.2)	(1’596.8)
- attributable to Pargesa shareholders (Group share)	**(1’757.2)**	**(31.3)**	**(1’788.5)**

Consolidated balance sheet at 31.12.2010 and 01.01.2010						
	31.12.2010		**31.12.2010**	**01.01.2010**		**01.01.2010**
CHF million	**Published**	**Restatement**	**Restated**	**Published**	**Restatement**	**Restated**
Deferred tax assets	59.5	29.0	88.5	83.7	29.0	112.7
Other long-term financial assets	34.0	(15.8)	18.2	24.9	(10.3)	14.6
Total long-term assets	**21’352.1**	**13.2**	**21’365.3**	**25’125.9**	**18.7**	**25’144.6**
Other short-term financial assets	60.3	0.1	60.4	17.6	-	17.6
Total short-term assets	**2’887.7**	**0.1**	**2’887.8**	**2’737.7**	**-**	**2’737.7**
Total assets	**24’239.8**	**13.3**	**24’253.1**	**27’863.6**	**18.7**	**27’882.3**
Translation difference	(2’814.4)	3.3	(2’811.1)	(1’131.0)	-	(1’131.0)
Consolidated reserves	6’879.3	(37.0)	6’842.3	6’644.7	(33.0)	6’611.7
Shareholders’ equity (Group share)	**8’704.7**	**(33.7)**	**8’671.0**	**10’548.9**	**(33.0)**	**10’515.9**
Equity attributable to non-controlling interests	10’096.8	(47.1)	10’049.7	11’787.9	(45.5)	11’742.4
Total equity (including minority interests)	**18’801.5**	**(80.8)**	**18’720.7**	**22’336.8**	**(78.5)**	**22’258.3**
Pensions and post-employment benefits	105.5	94.1	199.6	132.7	97.2	229.9
Total long-term liabilities	**4’259.0**	**94.1**	**4’353.1**	**4’355.4**	**97.2**	**4’452.6**
Total liabilities and equity	**24’239.8**	**13.3**	**24’253.1**	**27’863.6**	**18.7**	**27’882.3**

Consolidated cash flow statement for 1st half 2010	**1st half 2010**		**1st half 2010**
CHF million	**Published**	**Restatement**	**Restated**
Net profit before tax	**584.1**	**2.8**	**586.9**
Amortisation, impairment, provisions and negative goodwill	204.9	(11.7)	193.2
Operating cash flow before changes to working capital and provisions	**706.4**	**(8.9)**	**697.5**
Changes to working capital and provisions	(138.7)	8.9	(129.8)

Changes in the scope of consolidation

At the beginning of April 2011, Pargesa Netherlands BV, a wholly-owned subsidiary of Pargesa Holding SA, sold its 25.6% stake in Imerys to Belgian Securities BV, a wholly-owned subsidiary of GBL, which already owned 30.7% of Imerys. After this reclassification, GBL has a 56.2% controlling interest in the capital of Imerys (at 30 June 2011). Pargesa holds 50% of the capital and 52% of the voting rights of GBL and thus continues to fully integrate the Imerys group into its financial statements. The cost of the transaction was EUR 1'087 million, or EUR 56.20 per share.

This internal reclassification within the Group did not lead to any capital gain or loss in the consolidated income of Pargesa.

Rates of exchange

The following rates of exchange have been used in the translation of the consolidated half-yearly accounts :

	Closing rate of exchange			Average rate of exchange		
	30.06.2011	**31.12.2010**	**30.06.2010**	**1st half 2011**	**Full year 2010**	**1st half 2010**
EUR / CHF	1.2050	1.2507	1.3250	1.2700	1.3821	1.4371

Seasonality

Some net dividends from investments are received during the first half of the year. Interim or final dividends (mainly Total, GDF Suez and Pernod Ricard) are also expected during the second half of 2011.

Annual income will also be affected by contributions in the second half from associates (principally Lafarge) and consolidated companies (principally Imerys), and by any results from disposals and impairments. Finally, the result will be affected by changes in EUR/CHF parity during the second half.

Note 2 - Segment reporting

The Group's businesses are subdivided into 2 segments, i.e. Holdings and Imerys.

The Holdings segment groups Pargesa and GBL, a company listed on NYSE Euronext Brussels, and their wholly-owned subsidiaries and private equity funds. The main purpose of the group of companies in the Holdings segment is the management of investments.

The Imerys segment includes the Imerys group, which holds leading positions in each of its 4 business groups: Minerals for Ceramics, Refractories, Abrasives & Foundry; Performance & Filtration Minerals; Pigments for Paper and Materials & Monolithics. Imerys is listed on NYSE Euronext Paris.

Segment analysis by business

1st half 2011 segment income

CHF million	Holdings	Imerys	Total
Revenue	49.6	2'295.3	2'344.9
Other operating income	4.2	33.7	37.9
Changes in inventory	4.2	32.2	36.4
Raw materials, goods intended for resale and consumables	(16.5)	(847.9)	(864.4)
Staff costs	(23.2)	(431.6)	(454.8)
Amortisation of tangible and intangible assets	(4.8)	(119.4)	(124.2)
Other operating expenses	(30.6)	(658.1)	(688.7)
Other operating income and expenses	35.2	9.6	44.8
Operating profit	**18.1**	**313.8**	**331.9**
Net dividends and interest from available-for-sale financial assets	353.1	0.1	353.2
Other financial income	23.8	4.1	27.9
Other financial expenses	(111.7)	(42.8)	(154.5)
Financial profit	**265.2**	**(38.6)**	**226.6**
Operating and financial profit	**283.3**	**275.2**	**558.5**
Income from associates	63.4	4.7	68.1
Net income before tax	**346.7**	**279.9**	**626.6**
Income taxes	(0.9)	(81.1)	(82.0)
Net profit or loss for the period (including minority interests)	**345.8**	**198.8**	**544.6**
Other information :			
Impairment of tangible assets	-	-	-
Impairment (reversal) on investments, operations, goodwill, intangible assets and negative goodwill		(1.4)	(2.4)
Capital gains/losses on investments and operations	36.2	11.0	47.2
Interest income	7.3	1.5	8.8
Interest expenses	(54.2)	(38.3)	(92.5)

1st half 2010 segment income*

CHF million	Holdings	Imerys	Total
Revenue	-	2'332.3	2'332.3
Other operating income	-	30.4	30.4
Changes in inventory	-	41.9	41.9
Raw materials, goods intended for resale and consumables	-	(863.3)	(863.3)
Staff costs	(15.7)	(455.6)	(471.3)
Amortisation of tangible and intangible assets		(141.5)	(142.5)
Other operating expenses	(9.3)	(663.8)	(673.1)
Other operating income and expenses	(31.1)	0.4	(30.7)
Operating profit	**(57.1)**	**280.8**	**223.7**
Net dividends and interest from available-for-sale financial assets	325.9	0.2	326.1
Other financial income	2.2	20.6	22.8
Other financial expenses	(62.4)	(52.4)	(114.8)
Financial profit	**265.7**	**(31.6)**	**234.1**
Operating and financial profit	**208.6**	**249.2**	**457.8**
Income from associates	127.5	1.6	129.1
Net profit before tax	**336.1**	**250.8**	**586.9**
Income taxes	0.9	(74.5)	(73.6)
Net profit for the period (including minority interests)	**337.0**	**176.3**	**513.3**
Other information :			
Impairment of tangible assets	-	(0.1)	(0.1)
Impairment (reversal) on investments, operations, goodwill, intangible assets and negative goodwill	(31.1)	(0.1)	(31.2)
Capital gains/losses on investments and operations	-	0.5	0.5
Interest income	2.2	1.7	3.9
Interest expenses	(40.2)	(43.6)	(83.8)

* certain amounts have been restated following the change in the accounting method for the recognition of employee benefits (see Note 1)

Revenue is mainly derived from Imerys and distributed as follows :

CHF million	1st half 2011	1st half 2010
Sale of goods	2'063.6	2'091.8
Supply of services	281.3	240.5
Total	**2'344.9**	**2'332.3**

The revenue from ordinary operations resulting from transactions between Imerys and each of its external clients never exceeds 10% of the revenue from the ordinary operations of the Imerys Group.

Note 3 - Acquisitions and disposals of subsidiaries

During the first half of 2011, there were no acquisitions or disposals of subsidiaries having a material impact.

Note 4 - Other operating income and expenses

Capital gains/losses and impairments on investments and operations

CHF million	1st half 2011	1st half 2010
Capital gain realised by the private equity funds at GBL	36.2	-
Impairment on the private equity funds held by Pargesa and GBL		(1.8)
Impairment on goodwill at Imerys	(1.4)	-
Impairment on Iberdrola at GBL	-	(29.3)
Miscellaneous	11.0	0.4
Total	**44.8**	**(30.7)**

Note 5 - Net dividends and interest from available-for-sale financial assets

CHF million	1st half 2011	1st half 2010
Total dividend	189.5	146.3
GDF Suez dividend	99.7	112.8
Pernod Ricard dividend	22.2	22.7
Suez Environnement dividend	29.0	32.8
Iberdrola dividend	7.4	8.9
Other dividends and interest	5.4	2.6
Total	**353.2**	**326.1**

Note 6 - Marketable securities

Available-for-sale financial assets

CHF million	Total	GDF Suez	Pernod Ricard	Suez Environnement	Iberdrola	Private equity funds	Other	Total
Fair value at 1 January 2010	**6'272.3**	**5'265.2**	**2'142.9**	**837.4**	**311.0**	**96.7**	**114.9**	**15'040.4**
Acquisitions	-	-	168.3	-	-	13.5	37.9	219.7
Disposals at acquistion cost	-	-	-	-	-	(4.4)	-	(4.4)
Changes in fair value	(629.1)	(503.5)	337.3	(29.5)	(9.9)	12.6	95.7	(726.4)
Impairment	-	-	-	-	(28.2)	(2.7)	-	(30.9)
Translation differences	(984.6)	(826.6)	(352.3)	(131.5)	(46.1)	(13.7)	(20.0)	(2'374.8)
Other	-	-	-	-	-	2.9	-	2.9
Fair value at 31 December 2010	**4'658.6**	**3'935.1**	**2'296.2**	**676.4**	**226.8**	**104.9**	**228.5**	**12'126.5**
Acquisitions	-	-	-	-	-	0.7	45.5	46.2
Disposals at acquistion cost	-	-	-	-	-	-	(2.7)	(2.7)
Changes in fair value	(29.0)	(228.0)	(96.2)	(71.6)	7.0	(15.7)	78.4	(355.1)
Impairment	-	-	-	-	-	(1.0)	-	(1.0)
Translation differences	(170.2)	(143.8)	(83.9)	(24.7)	(8.3)	(3.1)	(10.3)	(444.3)
Other	54.8	-	21.1	-	7.0	11.1	0.5	94.5
Fair value at 30 June 2010	**4'514.2**	**3'563.3**	**2'137.2**	**580.1**	**232.5**	**96.9**	**339.9**	**11'464.1**

Total, GDF Suez, Pernod Ricard, Suez Environnement and Iberdrola are GBL shareholdings. These shares, all listed in EUR, are recorded at fair value, i.e. at their share price in CHF on the reference date.

The "Private equity funds" column includes the Group's investments in the PAI and Sagard funds. These funds are recorded at their fair value on the reference date.

In 2011, the "Other" line includes the dividends declared by but not yet received from Total, Pernod Ricard and Iberdrola, which were recognised as income in the first half of 2011.

Note 7 - Financial debt

Changes in Pargesa exchangeable bonds during the first half of 2011

	Maturing in 2013		Maturing in 2014		Total
CHF million	bearer	registered	bearer	registered	
Par value at 1 January 2011	**540.1**	**60.0**	**774.2**	**92.0**	**1'466.3**
Buybacks in the first half of 2011	(34.5)	-	(165.9)	-	**(200.4)**
Par value at 30 June 2011	**505.6**	**60.0**	**608.3**	**92.0**	**1'265.9**

Note 8 - Restructuring costs

CHF million	1st half 2011	1st half 2010
Restructuring expenditure during the period	(10.8)	(19.7)
Depreciation of assets in connection with restructuring	-	(0.1)
Change in restructuring provisions	1.5	3.2
Total	**(9.3)**	**(16.6)**

Restructuring costs in the first half of 2011 mainly concerned Imerys and are recognised in the income statement under "Other operating expenses".

Note 9 - Impairment of assets

Net impairment of assets in the 1st half of 2011, amounting to CHF 2.4 million, was not significant.

Note 10 - Investments in associates

CHF million	30.06.2011	31.12.2010
Carrying amount at 01 January	**5'268.9**	**5'857.8**
Acquisitions and transfer	26.3	1.5
Income	68.1	255.7
Dividend paid (declared)	(79.2)	(170.2)
Impairment reversal/(impairment)	-	11.7
Translation and other differences (1)	(477.4)	(687.6)
Carrying amount at 30 June / 31 December	**4'806.7**	**5'268.9**

(1) this line comprises translation differences associated with Lafarge

Analysis of investments in associates

CHF million	30.06.2011	31.12.2010
Lafarge	4'590.9	5'068.8
Ergon Capital Partners I and II	124.0	132.0
Other GBL and Imerys associates	91.8	68.1
Carrying amount	**4'806.7**	**5'268.9**

Lafarge and Ergon are part of the "Holdings" segment in Segment Reporting and "Other GBL and Imerys associates" are part of the "Holdings" segment when they are GBL associates and of the "Imerys" segment when they are Imerys associates.

At 30 June 2011, the market value of the Lafarge investment was EUR 2'650 million (CHF 3'194 million) compared with EUR 2'830 million (CHF 3'539 million) at 31 December 2010. As was also the case at 31 December 2010, the review of GBL's calculation of the value of Lafarge did not lead to a change in value at 30 June 2011.

Analysis of income from associates

CHF million	1st half 2011	1st half 2010
Lafarge	69.5	119.0
Ergon Capital Partners I and II	(5.9)	8.5
Other GBL and Imerys associates	4.5	1.6
Income from equity associates	**68.1**	**129.1**

Note 11 - Share capital, treasury shares, equity and other comprehensive income

11.1 Share capital

	Registered shares		Bearer shares		Total shares	
CHF million	**Number**	**Par value** (1)	**Number**	**Par value** (2)	**Number** (3)	**Par value**
Share capital at 01 January 2011	77'214'700	154.4	77'214'700	1'544.3	84'936'170	1'698.7
Share capital at 30 June 2011	**77'214'700** (4)	**154.4**	**77'214'700** (4)	**1'544.3**	**84'936'170**	**1'698.7**
Share capital outstanding at 30 June 2011						
Share capital	77'214'700	154.4	77'214'700	1'544.3	84'936'170	1'698.7
Treasury shares (5)			(297'800)	(5.9)	(297'800)	(5.9)
Share capital outstanding	**77'214'700**	**154.4**	**76'916'900**	**1'538.4**	**84'638'370**	**1'692.8**

(1) CHF 2 per share

(2) CHF 20 per share

(3) the number of registered shares is converted into the equivalent number of bearer shares by dividing by ten

(4) each share carries one vote

(5) these shares do not give entitlement to dividends or voting rights

On 1 June 1994, the Company created a conditional capital with a par value of up to CHF 242 million by issuing 11'000'000 registered shares with a par value of CHF 2 and 11'000'000 bearer shares with a par value of CHF 20.of CHF 2 and 11'000'000 bearer shares with a par value of CHF 20.

Following the 2006 issue of the 1.7% - 2013 bond exchangeable for Pargesa Holding SA shares by Pargesa Netherlands BV, 3'756'574 bearer shares and 3'756'574 registered shares may potentially be exchanged for these Pargesa Netherlands BV bonds.

Following the 2007 issue of the 1.75% - 2014 bond exchangeable for Pargesa Holding SA shares by Pargesa Netherlands BV, 4'906'588 bearer shares and 4'906'588 registered shares may potentially be exchanged for these Pargesa Netherlands BV bonds.

On 5 May 2010, the Company renewed its authorised capital. Consequently, the Board of Directors is authorised to increase, until 5 May 2012, the share capital by CHF 253 millions by issuing 11'500'000 registered shares with a par value of CHF 2 and 11'500'000 bearer shares with a par value of CHF 20.

Bearer shares are listed on the SIX Swiss Exchange.

11.2 Treasury shares (1)

	Not yet outstanding, reserved for Board use		Not yet outstanding reserved for the exercise of options (2)		Total	
CHF million	**Number**	**Carrying amount**	**Number**	**Carrying amount**	**Number**	**Carrying amount**
01 January 2011	**213'760**	**4.2**	**84'040**	**1.7**	**297'800**	**5.9**
Grant of options	(20'210)	(0.4)	20'210	0.4	-	-
30 June 2011	**193'550**	**3.8**	**104'250**	**2.1**	**297'800**	**5.9**

(1) treasury shares are all bearer shares

(2) shares, not yet outstanding, reserved for the exercise of options granted to the beneficiaries of share option schemes established by the Company (see Note 13.1)

11.3 Reconciliation of equity *

CHF million	Share capital	Premium reserve	Treasury share	Revaluation and hedging reserve	Translation reserve	Consolidated reserves	Shareholders' equity Group share	Non-controlling interests	Total equity
01 January 2010	**1'698.7**	**255.9**	**(5.9)**	**3'086.5**	**(1'131.0)**	**6'644.7**	**10'548.9**	**11'787.9**	**22'336.8**
Impact of a retrospective application, retrospective restatement or reclassification	-	-	-	-	-	(33.0)	**(33.0)**	(45.5)	**(78.5)**
01 January 2010 restated	**1'698.7**	**255.9**	**(5.9)**	**3'086.5**	**(1'131.0)**	**6'611.7**	**10'515.9**	**11'742.4**	**22'258.3**
Income in first half 2010	**-**	**-**	**-**	**-**	**-**	**229.3**	**229.3**	**284.0**	**513.3**
Change in fair value of available-for-sale financial assets	-	-	-	(1'096.4)	-	-	**(1'096.4)**	(1'005.7)	**(2'102.1)**
Change in hedging reserve	-	-	-	1.8	-	-	**1.8**	2.4	**4.2**
Translation difference	-	-	-	-	(1'165.1)	-	**(1'165.1)**	(1'086.7)	**(2'251.8)**
Actuarial gains/losses	-	-	-	-	-	(29.9)	**(29.9)**	(42.1)	**(72.0)**
Share of other comprehensive income of associates	-	-	-	(21.2)	304.7	(11.7)	**271.8**	251.3	**523.1**
Other comprehensive income	**-**	**-**	**-**	**(1'115.8)**	**(860.4)**	**(41.6)**	**(2'017.8)**	**(1'880.8)**	**(3'898.6)**
1st half 2010 total comprehensive income	**-**	**-**	**-**	**(1'115.8)**	**(860.4)**	**187.7**	**(1'788.5)**	**(1'596.8)**	**(3'385.3)**
Dividend paid by parent company	-	-	-	-	-	(230.2)	**(230.2)**	-	**(230.2)**
Dividends paid by subsidiaries	-	-	-	-	-	-	**-**	(307.5)	**(307.5)**
Other changes in equity(1)	-	-	-	-	-	7.9	**7.9**	8.0	**15.9**
Impact of changes in scope of consolidation and capital increases on non-controlling interests	-	-	-	-	-	1.2	**1.2**	6.8	**8.0**
Changes in items other than total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(221.1)**	**(221.1)**	**(292.7)**	**(513.8)**
30 June 2010	**1'698.7**	**255.9**	**(5.9)**	**1'970.7**	**(1'991.4)**	**6'578.3**	**8'506.3**	**9'852.9**	**18'359.2**

CHF million	Share capital	Premium reserve	Treasury share	Revaluation and hedging reserve	Translation reserve	Consolidated reserves	Shareholders' equity Group share	Non-controlling interests	Total equity
01 January 2011	**1'698.7**	**255.9**	**(5.9)**	**2'691.1**	**(2'811.1)**	**6'842.3**	**8'671.0**	**10'049.7**	**18'720.7**
Income in first half 2011	**-**	**-**	**-**	**-**	**-**	**202.2**	**202.2**	**342.4**	**544.6**
Change in fair value of available-for-sale financial assets	-	-	-	(184.7)	-	-	**(184.7)**	(170.4)	**(355.1)**
Change in hedging reserve	-	-	-	1.1	-	-	**1.1**	1.0	**2.1**
Translation difference	-	-	-	-	(306.0)	-	**(306.0)**	(441.7)	**(747.7)**
Actuarial gains/losses	-	-	-	-	-	7.5	**7.5**	18.0	**25.5**
Share of other comprehensive income of associates	-	-	-	(0.7)	(147.1)	(1.1)	**(148.9)**	(137.6)	**(286.5)**
Other comprehensive income	**-**	**-**	**-**	**(184.3)**	**(453.1)**	**6.4**	**(631.0)**	**(730.7)**	**(1'361.7)**
1st half 2010 total comprehensive income	**-**	**-**	**-**	**(184.3)**	**(453.1)**	**208.6**	**(428.8)**	**(388.3)**	**(817.1)**
Dividend paid by parent company	-	-	-	-	-	(230.2)	**(230.2)**	-	**(230.2)**
Dividends paid by subsidiaries	-	-	-	-	-	-	**-**	(291.6)	**(291.6)**
Other changes in equity (1)	-	-	-	-	-	3.0	**3.0**	4.5	**7.5**
Impact of changes in scope of consolidation and capital increases on non-controlling interests	-	-	-	-	-	(5.9)	**(5.9)**	(1.8)	**(7.7)**
Changes in items other than comprehensive income	**-**	**-**	**-**	**-**	**-**	**(233.1)**	**(233.1)**	**(288.9)**	**(522.0)**
30 June 2011	**1'698.7**	**255.9**	**(5.9)**	**2'506.8**	**(3'264.2)**	**6'817.8**	**8'009.1**	**9'372.5**	**17'381.6**

(1) these lines essentially comprise various changes originating in subsidiaries, in particular the cost of share-based payments at GBL and Imerys

* certain amounts have been restated following the change in the accounting method for the recognition of staff benefits (see Note 1)

11.4 Impact of changes in percentage interest in subsidiaries not resulting in a loss of control

GBL

During the first half of 2011, the consolidated percentage interest in GBL remained stable at 52.0%.

Imerys

During the first half of 2011, the consolidated percentage interest (including the share held by GBL) in Imerys changed from 41.7% at 31 December 2010 to 29.2% at 30 June 2011. This percentage change is mainly due to reclassifying in GBL the Pargesa investment in Imerys and to the sale of Imerys shares on the market, treasury share movements at Imerys and share issues by Imerys following the exercise of options by Imerys employees.

CHF million	1st half 2011
Share of equity at 01 January	**1'097.4 ***
Impact of percentage interest change	(318.0)
Comprehensive income and dividend	(44.2)
Other changes	1.8
Share of equity at 30 June	**737.0**

* figure restated following the change in the accounting method for the recognition of employee benefits (see Note 1)

Following the percentage interest change at Imerys in the first half of 2011, a negative amount - CHF 5.9 million (Group share) - was recognised under Pargesa equity in the consolidated reserves.

Note 12 - Dividend paid by Pargesa Holding SA

CHF million	1st half 2011	1st half 2010
Dividend for the previous year paid during the period	**230.2**	**230.2**
- CHF per bearer share	2.72	2.72
- CHF per registered share	0.272	0.272

The dividend for 2010 was approved by the Annual General Meeting on 5 May 2011 and distributed on 12 May 2011.

Note 13 - Share-based payments

13.1 Pargesa share options granted by Pargesa Holding SA

On 3 May 2007, the Company implemented an incentive plan in favour of its employees and management by granting options each year on Pargesa Holding SA shares. The right to exercise the options is vested over time, i.e. one third after one year, two thirds after 2 years and the entirety after 3 years, the options having a maximum term of ten years. The options can be exercised at any time after the 4th year and until their expiry. The shares required for the exercise of the options will be taken from the Company's treasury shares. At the end of the first half of 2011, the Company had granted 20'210 options, each option allowing one share to be acquired from Pargesa Holding SA, at a price of CHF 87, equal to the stock exchange price on the grant date.

At 30 June 2011, the total cost of this option plan was recognised in staff costs and amounted to CHF 0.1 million.

Changes in options granted

		1st half 2011
CHF per share	Number of options	Weighted average exercise price
Options at 01 January	**84'040**	**84.40**
Granted during the period	20'210	87.00
Options at 30 June	**104'250**	**84.90**

13.2 GBL share options granted by GBL

GBL issued incentive plans involving GBL shares for its executive management and staff. During the first half of 2011, 187’093 GBL share options were granted by GBL. These options have a lifetime of 10 years and will be fully vested three years after the offer date, at the rate of one third per year. The strike price has been set at EUR 65.04 per option.

At 30 June 2011, the total cost of this stock option plan was recognised in staff costs and amounted to CHF 1.4 million.

Changes in the options granted

		1st half 2011
EUR per share	**Number of options**	**Average weighted exercise price**
Options at 01 January	**691’013**	**66.12**
Granted during the period	187’093	65.04
Exercised during the period	(8’433)	32.24
Options at 30 June	**869’673**	**66.22**

13.3 Imerys share options granted by Imerys

Imerys has an incentive plan for the group’s executives and certain managers and employees involving the award of Imerys share options. Each option allows one share to be bought at a predetermined fixed price. The right to exercise the options is generally vested 3 years after the grant date and the options have a maximum term of ten years.

Changes in the options granted

		1st half 2011
EUR per share	**Number of options**	**Average weighted exercise price**
Options at 01 January	**4’170’563**	**49.28**
Granted during the period	331’875	53.05
Cancelled during the period	(15’403)	49.12
Exercised during the period	(183’582)	27.44
Options at 30 June	**4’303’453**	**50.51**

At 30 June 2011, the total cost to the Imerys group of the option plans recognised in staff costs was CHF 5.3 million.

Note 14 - Important events after the balance sheet date

Imerys planned to acquire 100% of the capital of Luzenac Group, the world’s leading talc producer, at the beginning of August 2011, for the sum of USD 340 million (CHF 283 million) to be paid in cash to Rio Tinto.

Note 15 - Related party disclosures

On 4 March 2011, Pargesa Netherlands BV acquired from CNP bonds exchangeable for shares, i.e. a par value of CHF 18.5 million for bonds maturing in 2013 and CHF 99.0 million for bonds maturing in 2014. Both operations were executed at the market price prevailing on the day of the transaction.

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