EIFFAGE

PRESS RELEASE - 2014 ANNUAL RESULTS

25th February 2015

Increase in profit, reduction in net debt and preservation of a high order book

2014 group results are again progressing thanks to the efficient execution of ongoing projects and the control of overheads in areas where the fall in volume is significant, in particular in France.
The offerings that bring together the Group branches' know how (Eiffage integrated offering) provide a noticeable complement of activity. They contribute to the preservation of a high order book.

The Board of Directors of Eiffage met on 25 February 2015 to approve the financial statements for the year ended 31 December 2014 (*).

2014 SALES

Consolidated sales in the year ended 31 December 2014 came to €14bn, down slightly year-on-year by 1.9% on a reported basis (and by 3.4% like-for-like).

At the Contracting activities, the dynamism of the European subsidiaries and recent developments outside Europe (acquisition of ICCI in Canada) fuelled the growth of the Group's international operations (+8.1%). The weaker sales in France (-5.9%) are due to the cutback in orders from the public sector, notably for road works in France. There follows that the Contracting divisions recorded a 3.3% decline in sales.

The Concessions division recorded a sharp 5.2% increase in sales, driven by the increase in motorway traffic at APRR (+1.6%) and by the ramping up of the A65 motorway in France, the Avenir motorway in Senegal and the Pierre-Mauroy stadium in Lille, France.

2014 RESULTS

The operating profit on ordinary activities increased to €1,347m, the operating margin improving to the historical level of 9.6% from 9.2% in 2013 (after reaching 8.5% in 2012 and 8% in 2011).

The operating margin at the Contracting divisions improved to 3.3% from 3.2% in 2013 despite the lower level of activity. The tight control of overheads and the efficient execution of ongoing projects explain this good operating performance. In particular, the BPL high-speed rail line project is proceeding to plan and to budget. Under these conditions, the Public Works division's operating margin improved to 2.4% from 2.2% in 2013, despite the lower level of activity in road construction and maintenance in France. The Construction division's operating margin held on high at 4.2%. At the property development activity, the marketing of new residential units remained very upbeat, the number of reservations in France reaching 3,231 (compared with the record high of 3,267 set in 2013). At the Energy division, the reorganisation of underperforming entities and the satisfactory profitability of the Systems business unit contributed to the turnaround in the operating margin, which increased to 3.7% (from 3.1% in 2013). Finally, the Metal division's operating margin declined to 1.9% (from 4%

in 2013) due to the decline in the level of production in France. The reorganisation to restore the competitiveness of the branch in France, which started in 2014, will continue in 2015.

The operating profit on ordinary activities contributed by the Concessions division increased by 3.2%, the operating margin reaching 41.4% (compared with 42.2% in 2013). The dip in the operating margin is a one off due to the accounting treatment, arising from the settlement of the dispute concerning the Centre Hospitalier Sud Francilien (CHSF). APRR's EBITDA margin improved to 70.7% (from 70.3% in 2013) thanks to the tight control of operating costs and satisfactory motorway traffic.

Net finance costs came to €726m (compared with €727m in 2013), with a pronounced decline in finance costs in the second half of the year. Profit attributable to the equity holders of the parent increased to €275m (from €257m in 2013), up 7% thanks to the solid operating performance.

FINANCIAL SITUATION

On 26 November 2014, credit rating agency Standard and Poor's upgraded APRR's credit rating to BBB+ (Stable outlook). In 2014, APRR issued four bond tranches totalling €2.4bn at historically low rates. On 19 February 2015, Eiffarie and APRR signed the early refinancing of the bank facilities available until February 2017 for a total amount of €3.3bn, with margins one third the levels for the previous facilities.

Net debt - excluding the fair value of the swaps and the debt with Caisse Nationale des Autoroutes (CNA) - amounted to €12bn at 31 December 2014, a decrease of €565m compared with 31 December 2013. Over the four years from 2010 to 2014, net debt has been cut by €1.2bn. Note that the assignment of the long-term lease for the CHSF to a public sector entity in the first half resulted in a €332m reduction in net debt. There was a decrease in working capital requirements in 2014 that increased the cash position by €47m.

From having net debt of €166m at 31 December 2013, the holding company and Contracting divisions found themselves in a net cash position (for the first time since 2009) amounting to €31m at 31 December 2014.

The group's liquidity amounts to €2.5bn (from €1.6bn at 31 December 2013). It consisted of available net cash of €1.5bn and an unused credit line of €1bn. This credit line, arranged at the end of September 2014 for 5 years (with two options to extend by one year), replaced the previous credit line, which amounted to €700m.

GENERAL MEETING – DIVIDEND

Eiffage SA statutory accounts recorded a net profit of €286m in 2014. At the General Meeting convened on 15 April 2015, the Board of Directors will propose distributing a dividend of €1.20 per share. This dividend will be paid on 20 May 2015 on the 92,271,466 shares that make up the share capital as well as on the shares to be issued in connection with the capital increase reserved for employees decided by the Board of Directors on 25 February 2015.

2015 PROSPECTS

In 2014, the Group strengthened its financial structure, paving the way for a significant reduction in finance costs in the coming years. While the order book was renewed, increasing by 0.2% to €11.8bn, which is equivalent to 12.2 months of activity at the Contracting divisions, the proportion of which scheduled for completion this year is slightly lower.

Under these conditions, expectations are that sales will decline slightly in 2015 but that that there will be another increase in profit.

(*) The audit procedures have been completed and the auditors' report on the financial statements is in the process of being issued.

A more detailed presentation of the financial statements for the year ended 31 December 2014, in French and English, is available on the company's website: www.eiffage.com