

THREE-MONTH TRADING STATEMENT TO 31 MARCH 2018

- **Total sales reached €3.4bn in the first quarter of 2018 (+5.6%)¹**
 - **Activity was brisk in Contracting (+4.8%)¹**
 - **Motorway traffic was upbeat (+4,8% for APRR)**
 - **Noticeable sales growth was recorded in Concessions (+8.8%)¹**
 - **Further growth of activity was recorded by international operations (+16.1%)**
- **Almost €1.9bn of orders taken for the Grand Paris Express project**
- **Contracting order book increased to €14.1bn (+23% year-on-year), representing 13.6 months of Contracting activity²**
- **Confirmation of guidance for 2018**

1 - SALES FOR THE FIRST QUARTER OF 2018

<i>in millions of euros</i>	1st quarter 2017 (restated for IFRS 15) ¹	1st quarter 2018	% change	
			Actual consolidation scope	Like-for-like (iff*)
Construction	796	799	+0.4%	+0.4%
<i>Of which Property</i>	132	174		
Infrastructures	936	1,017	+8.7%	+4.6%
Energy Systems	857	897	+4.7%	+4.1%
Total Contracting	2,589	2,713	+4.8%	+3.1%
Concessions (excluding IFRIC 12)	612	666	+8.8%	+9.2%
Total Group (excluding IFRIC 12)	3,201	3,379	+5.6%	+4.3%
Of which:				
France	2,532	2,602	+2.8%	+2.6%
International	669	777	+16.1%	+10.8%
<i>Rest of Europe</i>	588	614	+4.4%	+3.9%
<i>Rest of world</i>	81	163	+101.2%	+60.5%
Construction revenue of Concessions (IFRIC 12)	67	42	nm	

¹ IFRS 15, which is applicable for annual periods beginning on 1 January 2018, resulted, for the first quarter of 2017, in a €16m reduction in sales reported by property development activities (therefore by Construction) in France and in a €3m reduction in sales reported by Concessions in France. IFRS 15 requires that, in the case of property development, land be taken into account in the determination of the stage of completion for revenue recognition upon the exchange of the notarial deed. As for concessions, for long-term contracts relating to public-private partnerships, IFRS 15 requires revenue in respect of major maintenance and repairs to be recognised as the work is performed, not on the basis of the invoices raised as was the case before. Sales reported for the first quarter of 2017 and the percentage change year-on-year between the first quarter of 2017 and the first quarter of 2018 contained in this press release reflect the restatement of the 2017 comparatives.

² For the order book, IFRS 15 specifies notably:

- new conditions governing the recognition of contracts in the order book, leading to restating certain contracts, for part of all of the order book published in 217,
- the determination and disclosure of the order book for property development, corresponding to the notarial deeds, which were not previously taken into account;
- the determination and disclosure of the order book for concessions, corresponding to operation and maintenance services (including major maintenance and repair work) over the entire term of the contract, which were not previously taken into account.

2 – REVIEW OF ACTIVITY¹

Consolidated sales reported by Eiffage for the first quarter of 2018 reached €3.4bn, up by 5.6% on a reported basis, compared with the first quarter of 2017 after restatement for the application of IFRS 15 (+4.3% like-for-like (lfl)).

Readers are reminded that one quarter taken in isolation is not representative of the year as a whole.

Sales contributed by the **Contracting** activities increased by 4.8% on a reported basis (and by 3.1% lfl) to €2.7bn.

Construction: sales of €799m (up by 0.4% on a reported basis and lfl)

- As regards construction, sales decreased by 4.5% to €634m in France and increased by 25.0% to €165m in the rest of Europe, mainly in the Benelux countries.
- In property development, sales increased by 31.8%. The marketing of new housing units remained very upbeat, with 1,000 reservations to 31 March 2018, compared with 748 to 31 March 2017.

Infrastructures: sales of €1,017m (up by 8.7% on a reported basis and by 4.6% lfl)

- In France, sales increased by 7.2% to €640m with strong increases for civil engineering and metallic construction, but a slight decrease for road construction due to poor weather conditions during the beginning of the year.
- In the rest of Europe, sales decreased by 9.8% to €277m, mainly at Smulders, as had been anticipated.
- Outside Europe, sales stands at €100m, up from €32m in the first quarter of 2017, in part thanks to the maritime works activities acquired from Saipem at the end of 2017.

Energy Systems: sales of €897m (up by 4.7% on a reported basis and by 4.1% lfl)

- In France, sales increased by 0.9% to €673m.
- In the rest of Europe, sales increased by 14.7% to €172m, due mainly to Spain, which recorded a 59.1% increase. EDS Ingeniería y Montajes - a company acquired at the start of 2018 and based in the Spanish Basque Country - contributed €6m towards this increase.
- Outside Europe, sales came to €52m compared with €40m in the first quarter of 2017.

Sales contributed by the **Concessions** activities increased by 8.8% on a reported basis (and by 9.2% lfl) to €666m.

Overall traffic on the APRR network, as measured by the number of kilometres travelled, increased by 4.8% in the first quarter of 2018, light vehicle traffic increasing by 4.5% thanks notably to very favourable calendar effects (timing of Christmas and Easter weekend holidays), good snow conditions in the Alps and, in January 2018, the effect of the two new motorway sections integrated on 1 February 2017, while there was a 6.0% increase in heavy goods vehicle traffic.

Total revenue contributed by APRR (excluding construction revenue) reached €588.5m, up by 6.5%.

As regards the A65 Pau-Langon motorway operated by A'Liéonor, overall traffic increased by 7.3% in the first quarter of 2018, up by 6.8% for light vehicles and by 12.2% for heavy goods vehicles. Total revenue increased by 8.8% to €16.1m.

Overall traffic on the Millau viaduct increased by 2.6% in the first quarter of 2018, light vehicle traffic and heavy goods vehicle traffic each recording increases of 2.6%. Total revenue increased by 5.7% to €7.6m.

Revenue contributed by the Pierre-Mauroy Stadium in Lille amounted to €5.4m, while revenue contributed by the Avenir motorway in Senegal came to €11.4m.

Other concessions and public-private partnerships generated revenue of €36.8m compared with €23.3m in the first quarter of 2017, due notably to the commissioning of the Bretagne-Pays de la Loire high-speed rail line (BPL).

3 – SIGNIFICANT EVENTS IN THE PERIOD

As part of a consortium, Eiffage was awarded two further lots for the Grand Paris Express project, the lot 1 for line 16, along with the extension of the southern section of line 14. These contracts total €2.2bn, with the Group's share amounting to almost €1.9bn.

The Group pressed ahead with its development in Europe, with:

- the acquisition at the end of March 2018 of Priora AG, a leading construction company in German-speaking Switzerland with annual sales of around €340m; and
- the closing in April 2018 of the acquisition of Kropman, a Dutch group based in Nijmegen generating annual sales of around €150m and specialising in multi-technical electrical and mechanical engineering and contamination control and measurement.

The two companies will be consolidated from the second quarter of 2018.

4 – FINANCIAL SITUATION

The Group's liquidity (as measured by money market investments and undrawn confirmed credit lines) reached €2.3bn at 31 March 2018, up slightly year-on-year.

5 - PROSPECTS

Given the favourable dynamics in both Contracting order intake and motorway traffic, Eiffage confirms its outlook for 2018.

The Contracting order book stood at €14.1bn at 31 March 2018, up by 23% year-on-year and by 17% over three months³. The order book represents 13.6 months of activity for the Contracting divisions.

The order book for the property development activity came to €0.6bn at 31 March 2018, up by 2% year-on-year, while for Concessions, it came to €1.1bn, unchanged year-on-year².

The table comparing the order books at 31 March 2018 with those in 2017 restated to reflect the application of IFRS 15 is at the end of this release.

Group sales for the second quarter of 2018 and results for the first half of 2018 will be published on 29 August 2018 after trading hours.

Change in order books after restatement of comparatives to reflect the application of IFRS 15² (in billion of euros):

	At 31/03/2017	At 31/12/2017	At 31/03/2018	% change year-on-year	% change quarter-on-quarter
Contracting	11.5	12.1	14.1	+23%	+17%
Property development	0.6	0.7	0.6	+2%	-5%
Concessions	1.1	1.1	1.1	=	-1%

Glossary:

* Like-for-like (lfl)

Constant consolidation scope calculated by neutralising:

- the 2018 contribution made by companies consolidated for the first time in 2018;
- the 2018 contribution made by companies consolidated for the first time in 2017, for the period equivalent to that in 2017 before consolidated for the first time;
- the 2017 contribution made by companies deconsolidated in 2018, for the period equivalent to that in 2018 after they were deconsolidated;
- the 2017 contribution made by companies deconsolidated in 2017.
- Constant exchange rates: 2017 exchange rates applied to 2018 local currency sales.

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