



# Q1 2015

## TRADING UPDATE

May 5, 2015



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# Disclaimer

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*This presentation contains forward-looking statements which are based on current plans and forecasts of Bureau Veritas' management. Such forward-looking statements are by their nature subject to a number of important risk and uncertainty factors such as those described in the Document de référence filed with the French AMF that could cause actual results to differ from the plans, objectives and expectations expressed in such forward-looking statements. These forward-looking statements speak only as of the date on which they are made, and Bureau Veritas undertakes no obligation, except to the extent required by law, to update or revise any of them, whether as a result of new information, future events or otherwise.*

Agenda

# ► HIGHLIGHTS

Business review

2015 Outlook

Q&A

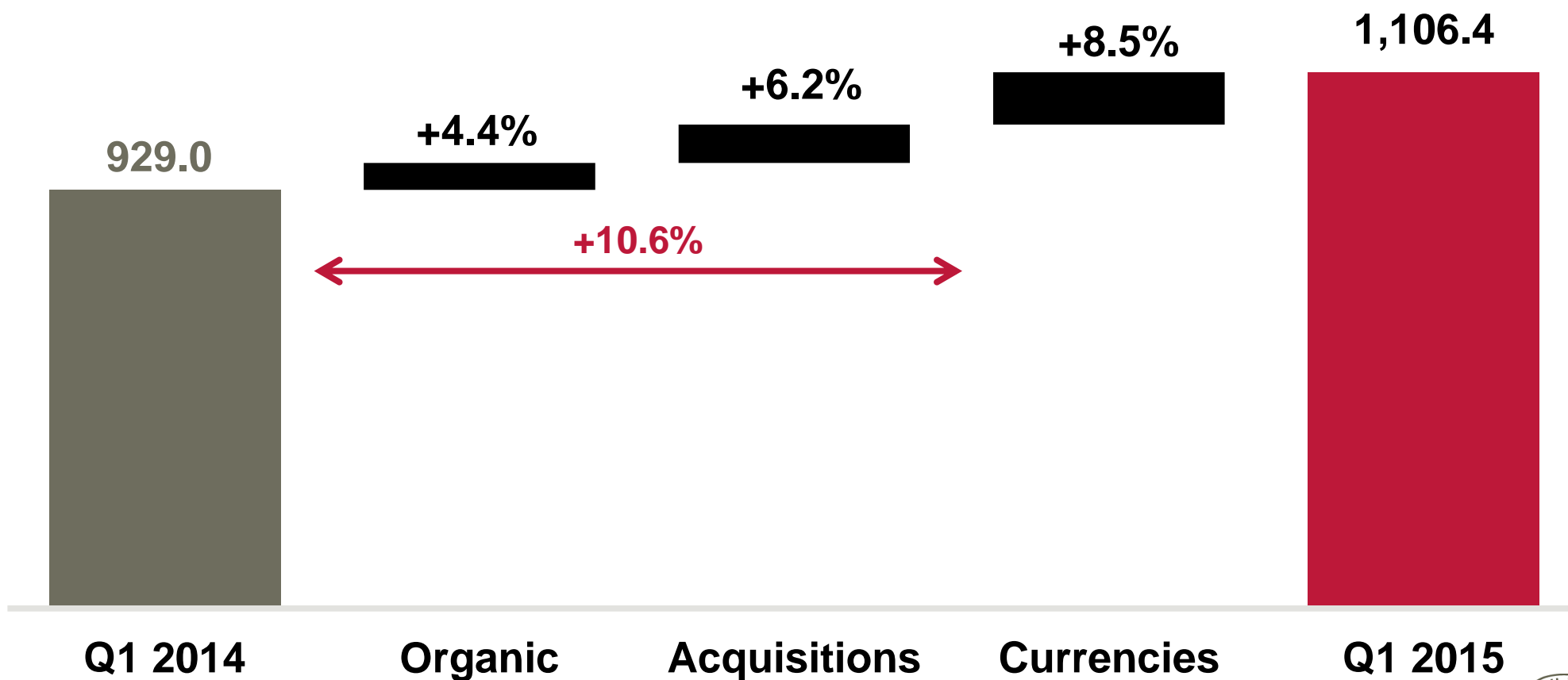
Appendix





# Q1 2015 Revenue up 19.1%

(in EUR millions)



# Organic growth by business

Q1 2015	% Group revenue	Organic	Acquisitions
Marine & Offshore	9%	+13.7%	+14.9%
Commodities	17%	+6.3%	+5.6%
Consumer Products	13%	+5.1%	+2.3%
Industry	23%	+4.6%	+3.6%
Certification	7%	+4.5%	-
IVS	13%	+1.1%	+3.3%
Construction	12%	+0.5%	+18.1%
GSIT	6%	(0.7)%	+7.6%
<b>Total Group</b>	<b>100%</b>	<b>+4.4%</b>	<b>+6.2%</b>

# Organic growth by geography

	Q1 2015		
	% Group	Organic %	vs Q4 2014
Europe	32%	+5.1%	↑
Asia Pacific	28%	+4.0%	↔
Americas	28%	+2.3%	↓
Middle East, Africa, Eastern Europe	12%	+7.2%	↑
<b>Total Group</b>	<b>100%</b>	<b>+4.4%</b>	↑

Agenda

Highlights

# **BUSINESS ► REVIEW**

2015 Outlook

Q&A

Appendix

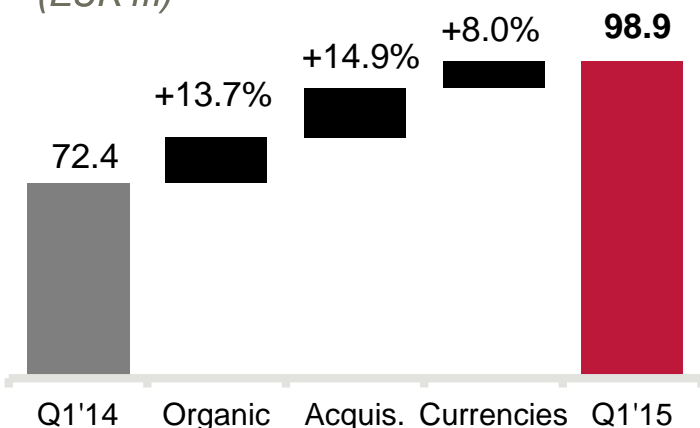


# Marine & Offshore

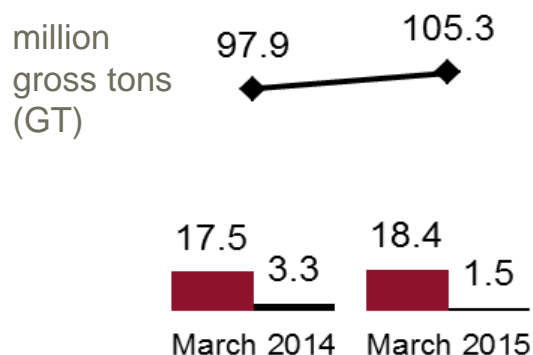


## Revenue evolution

(EUR m)



## Key indicators



- In-service fleet
- Order book
- New orders

## Q1 2015 Highlights

In-service (58% of revenue)

- Fleet up 7.6% in GT
- Special surveys

New construction (42%)

- New order intake slowdown
- Market share gains in equipment certification

MatthewsDaniel acquisition

## 2015 outlook

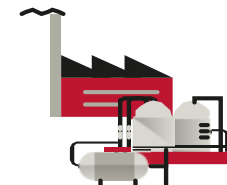
- A strong year for new ships deliveries
- Continuous In-service growth, high volume of special surveys
- Commercial initiative to mitigate new orders market slowdown
- Leverage new expertise in warranty survey and risk assessment



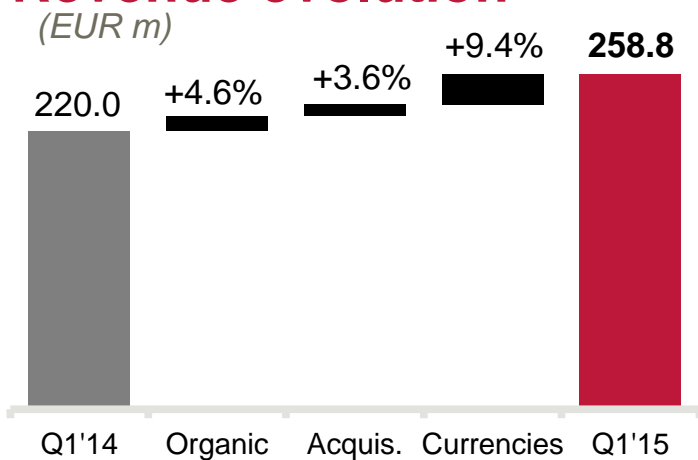
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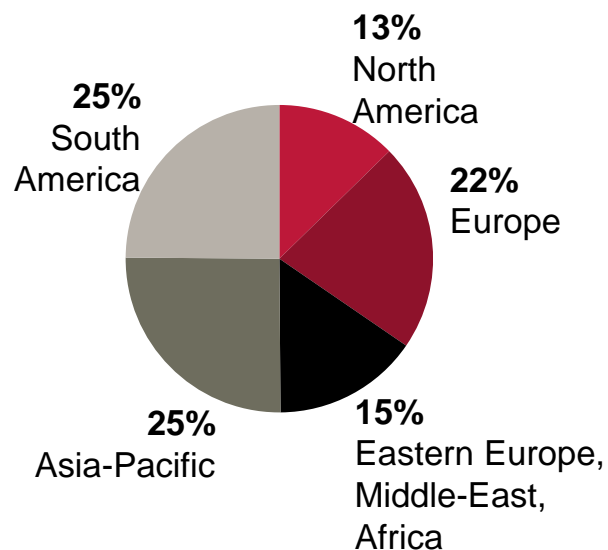
# Industry



## Revenue evolution



## Revenue breakdown



## Q1 2015 Highlights

- Oil price impact: Americas
- Europe favorable comps, good performance in the Middle East
- Asia-Pacific stable: Prelude completed, Yamgaz first contribution
- Acquisitions: DTI (USA), Ningbo (China)

## 2015 outlook

- Focus on OPEX services: disseminate in O&G, power, mining
- Diversification: power (nuclear, conventional), manufacturing, transportation (container, rail), mining
- Implement production tool to improve global productivity

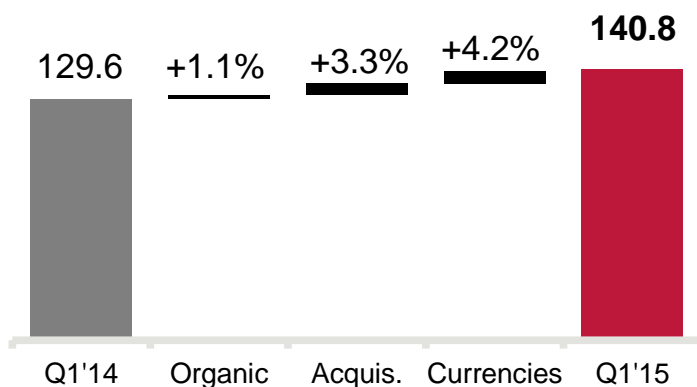


# In-Service Inspection & Verification



## Revenue evolution

(EUR m)

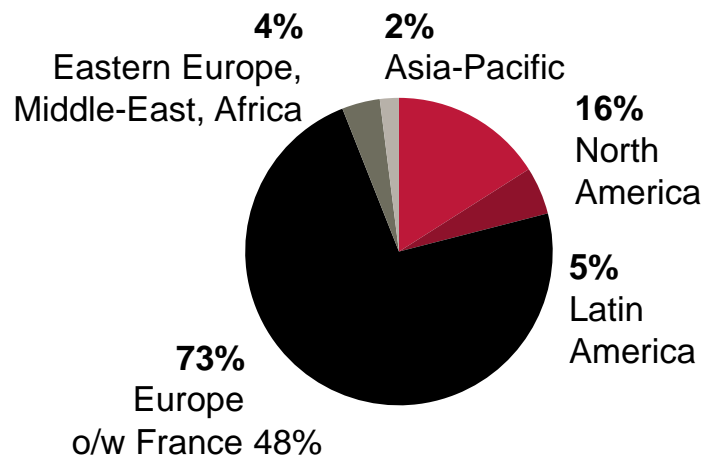


## Q1 2015 Highlights

- France improving
- UK new contracts ramp up
- US development for key accounts
- Development in the Middle East
- Canada impacted by delays in O&G remediation work



## Revenue breakdown

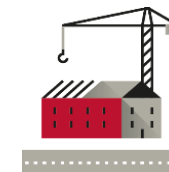


## 2015 outlook

- Resilient business in Europe
- New services in Asia
- Commercial initiatives in the US
- Development in Latin America
- Delays from Oil & Gas companies

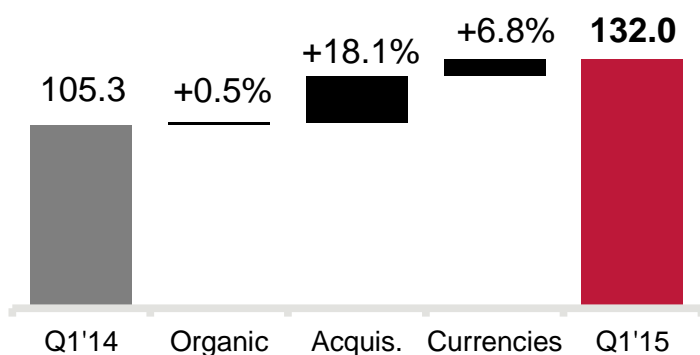


# Construction



## Revenue evolution

(EUR m)

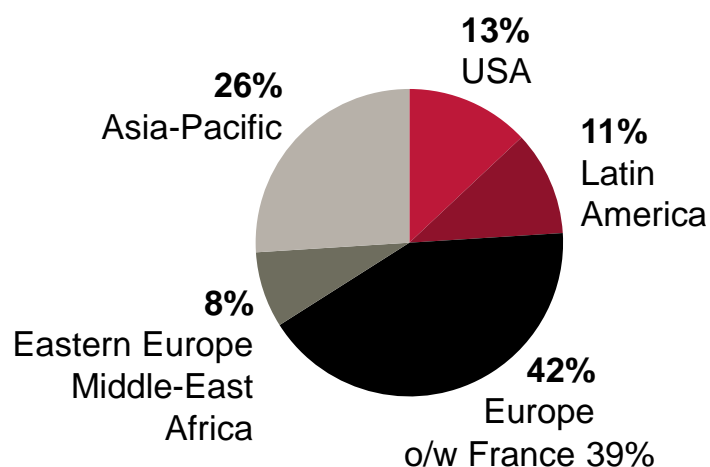


## Q1 2015 Highlights

- Improved mature/fast growing mix
- France challenging
- Growth in Latin America and the Middle-East (Riyadh)
- China slowdown for O&G projects
- Acquisition of Shandong Chengxin (China), good performance of Sistema PRI (Brazil)



## Revenue breakdown



## 2015 outlook

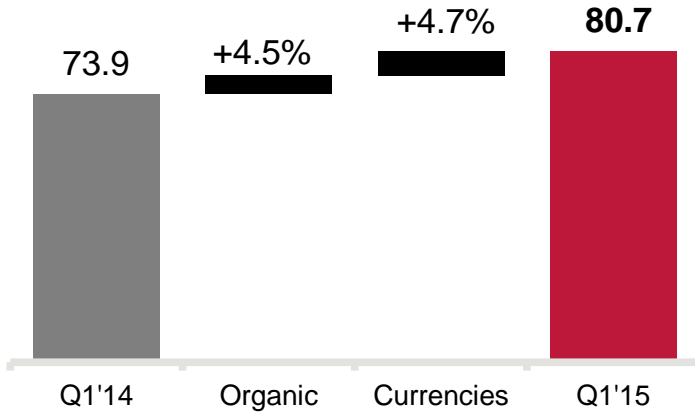
- China expansion
- Middle East: contracts ramp up
- Infrastructure in Latin America
- Stabilization in France in Q4
- Turnaround plan in North America
- Building in One™

# Certification

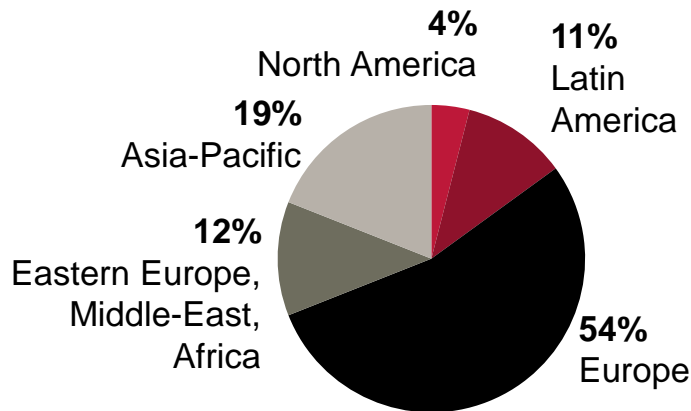


## Revenue evolution

(EUR m)



## Revenue breakdown



## Q1 2015 Highlights

- Good performance of QHSE schemes (ISO 9K, 14K, 18K), Supply chain management schemes (TS-Auto), and training services
- Recovery in Europe and in the Americas, Asia still impacted by end of CDM certificates
- Key global contracts awarded

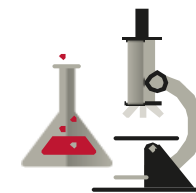
## 2015 Outlook

- New QHSE standards: ISO 9K by end 2015
- Development of global contracts for International Key Accounts
- Focus on the Americas and Asia
- Growth markets: supply-chain (food, automotive, aerospace), IT Security, medical devices, and training



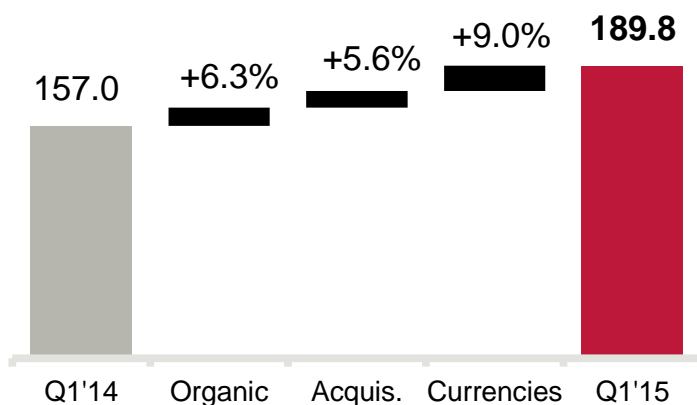


# Commodities



## Revenue evolution

(EUR m)



## Revenue breakdown

### Organic growth / segment

Q1

Oil & Petrochemicals (52%)	+5.1%
Metals & Minerals (M&M) including Coal (39%)	+4.1%
Agriculture (9%)	+24.6%

## Q1 2015 Highlights

Good performance across portfolio

- Resilient Oil & Petrochemicals
- Strong growth in M&M trade, Agri
- Stabilization in M&M upstream, new outsourcing contracts
- Acquisitions: Maxxam, Analysts, Andes Control

## 2015 outlook

- O&P: resilient for trading related services, new services (OCM...)
- M&M: expansion in Trade, stabilization in other activities
- Development in Agri
- Investment in IT platforms and new services



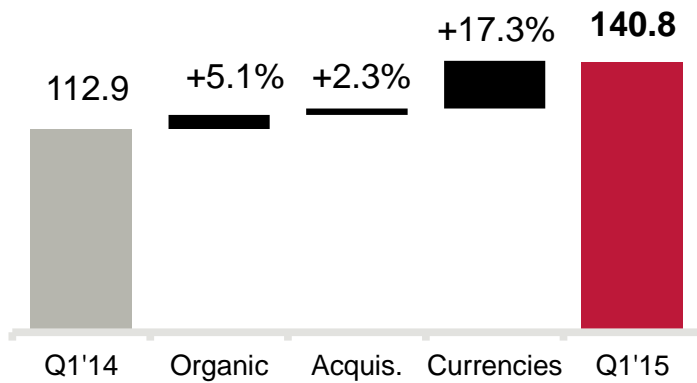
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# Consumer Products

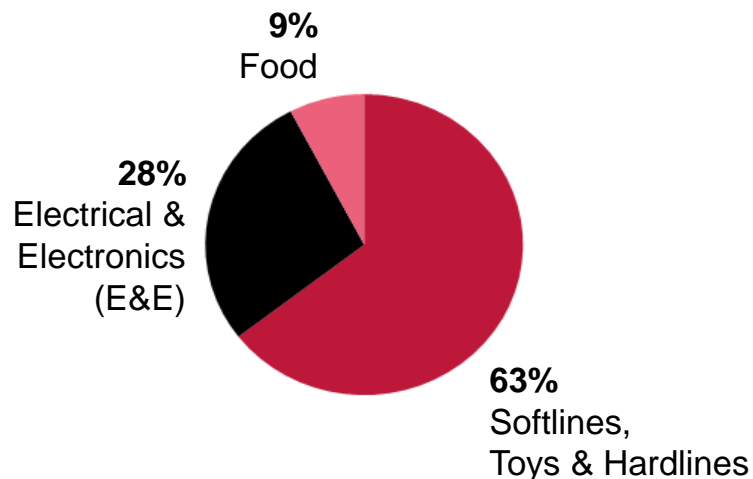


## Revenue evolution

(EUR m)



## Revenue breakdown



## Q1 2015 Highlights

- Strong growth in Softlines with US key accounts
- Toys & Hardlines stabilization
- E&E high comps vs Q1 2014
- Focus on China
  - New labs: regional expansion and new categories (Auto)
  - CTS: domestic market



## 2015 outlook

Sustained growth in H2 from initiatives:

- Domestic markets in Asia (China, India)
- SmartWorld, Automotive, Accessories, Food
- Expansion in analytical testing across regions

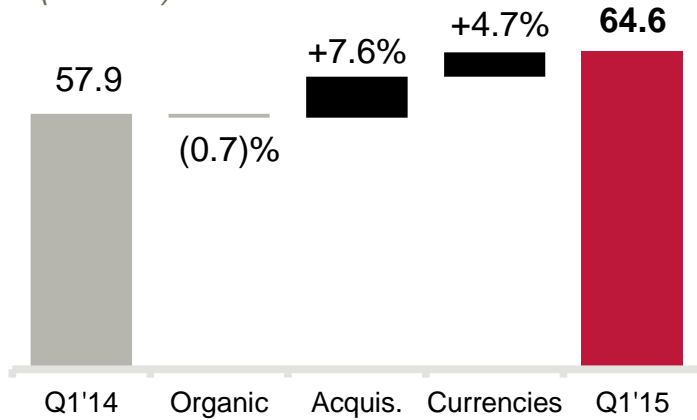


# Government Services & International Trade

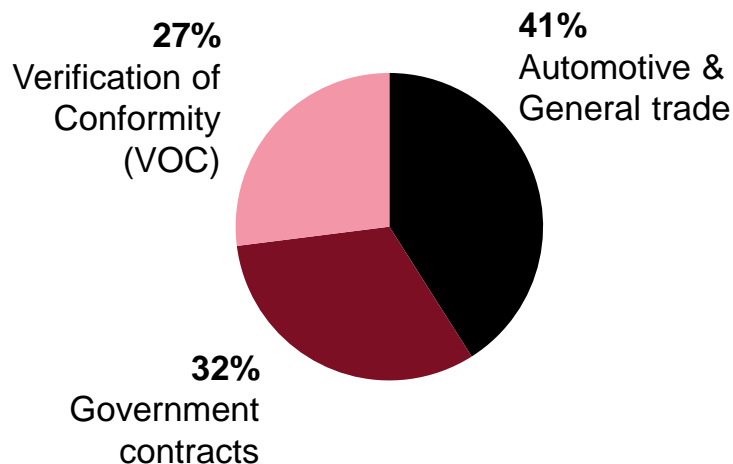


## Revenue evolution

(EUR m)



## Revenue breakdown



## Q1 2015 Highlights

- Excellent performance in DRC and in the Middle East
- Challenging in Iraq
- New VOC in Zimbabwe
- Start up of Single Window contracts in Togo and Armenia
- Quiktrak acquisition



## 2015 outlook

- Ramp-up of new contracts
  - DRC, Togo, Zimbabwe, Armenia, Laos
- Automotive expansion
- Easing comparable in H2



Agenda

Highlights

Business review

## ► 2015 OUTLOOK

Q&A

Appendix





# Outlook

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## The Group reiterates its outlook for 2015

- In 2015, Bureau Veritas expects a slight improvement in organic growth over 2014, as weak Oil&Gas market conditions should be balanced by growth in other end-markets.
- The operating margin should also improve moderately thanks to ongoing operational excellence initiatives.
- The Group will continue to generate strong cash flow.
- Acquisitions in attractive markets will contribute to overall growth.

Agenda

Highlights

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2015 Outlook

► **Q&A**

Appendix



Agenda

Highlights

Business review

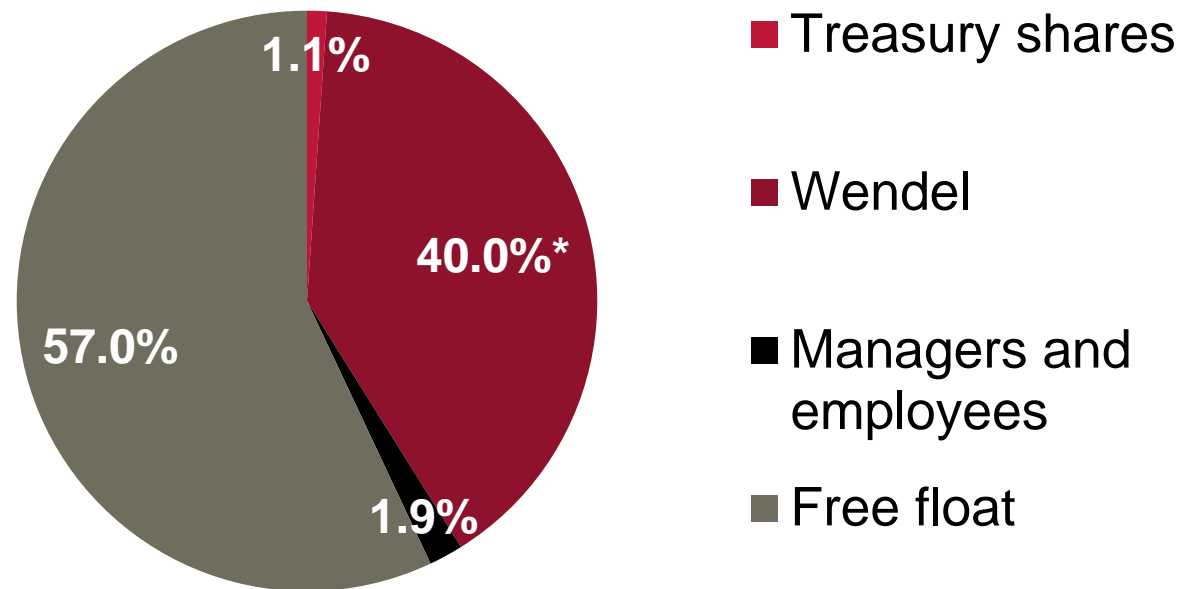
2015 Outlook

Q&A

## ► **APPENDIX**



# Ownership as of March 31, 2015

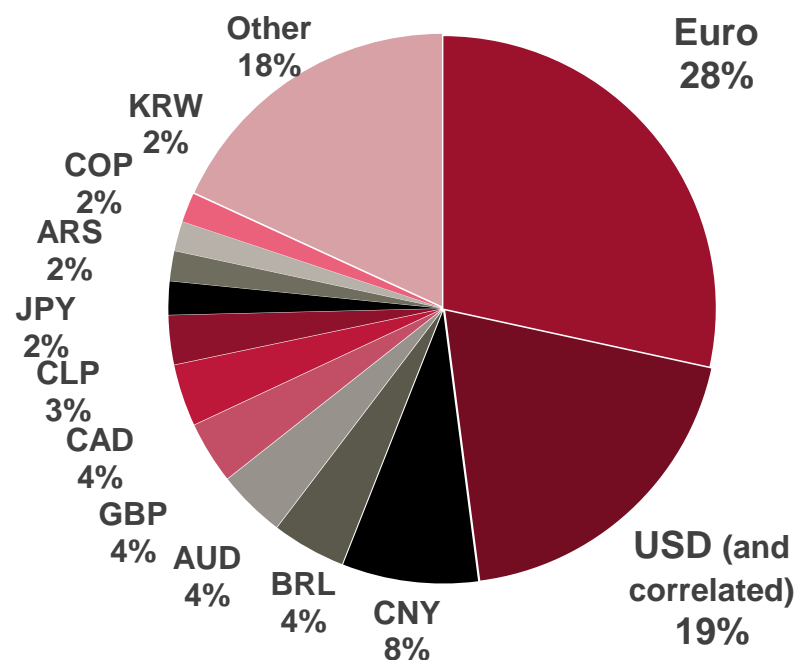


*\* As of March 31, 2015, Wendel held 56.13% of the theoretical voting rights*



# Revenue by main currency

## Q1 2015 Revenue by functional currency



## Q1 2015 vs Q1 2014 variations @ average rates

