



PRESS RELEASE

Boulogne, August 28, 2014

FIRST HALF 2014

- **Revenue: €5.3 billion (-3%)**
- **Net profit: €317 million (-€32 million in 1st half 2013)**
 - **including net after tax capital gain of €385 million from sale of stake in Cofiroute**
- **Work-on-hand at €8.2 billion (+9%)**
 - **Increase in work-on-hand for international and French overseas units (+30%)**
 - **Decrease in work-on-hand in Mainland France (-11%)**

The Board of Directors of Colas, chaired by Mr. Hervé Le Bouc, met on August 27, 2014 to assess the position for the first half year ended June 30, 2014 and outlook for the full year.

Consolidated Key Figures

(a) The figures at June 30 and December 31, 2013 have been restated to ensure comparability with those at June 30, 2014 pursuant to changes in consolidation methods in compliance with IFRS 11 as of January 1, 2014.

<i>in millions of euros</i>	1 st half year		Change	Reminder fiscal 2013 restated ^(a)
	2014	2013 restated ^(a)		
Consolidated revenue	5,294	5,456	-3%	12,845
<i>of which France</i>	<i>3,155</i>	<i>3,377</i>	<i>-7%</i>	<i>7,388</i>
<i>of which International</i>	<i>2,139</i>	<i>2,079</i>	<i>+3%</i>	<i>5,457</i>
Current operating income	(114)	(87)	-€27 M	390
Operating income	(114)	(87)	-€27 M	379
Net consolidated profit attributable to the Group	317	(32)	+€349 M	312
Net cash (Net debt)¹	(331)	(1,141)	€810 M	31

¹ End of period



Reminder: seasonal nature of business at Colas

Given the highly seasonal nature of the majority of Colas' businesses, it is important to underline the fact that the Group's half-year results are not representative of its full-year figures.

First half 2014 revenue is down 2% at constant scope and exchange rates.

Revenue for the first half of 2014 totaled 5.3 billion euros, down 3% from June 30, 2013 (-2% at constant scope and exchange rates). In France, a 7% decrease in revenue was recorded. On the other hand, the international units posted a 3% increase in revenue, despite an unfavorable 80-million euro foreign exchange effect.

Roads:

Revenue for the first half year in the Roads sector totaled 4.1 billion euros, down 3% compared to June 30, 2013:

- business in Mainland France was down 7%, bearing witness to a slow-down in investments by local authorities;
- business in North America dropped a slight 3% but is up 2% at constant scope and exchange rates. Poor weather negatively impacted business throughout the first half year;
- first-half revenue in Europe rose a sharp 20%, with growth recorded in central Europe;
- in the Rest of the World, revenue figures are down 6%, but business is actually stable compared to first half 2013 at constant exchange rates.

Specialized Activities:

During the first half of 2014, revenue was down 4%:

- Railways posted a 5% increase in business,
- Sales of refined products (-8%) was impacted by a downward price slide,
- Waterproofing (-7%) and Road Safety and Signaling (-8%) are operating in less buoyant markets,
- Pipelines recorded a 10% drop as well, due to a shift in business to the second half.



Profitability

As of June 30, 2014, operating income amounted to -114 million euros, compared to -87 million euros at June 30, 2013. The road market in Mainland France is tougher, and operating income in the Specialized activities has regressed, with notably a 30-million euro operating loss at June 30, 2014 for the Sales of refined products, some 7 million euros more than the loss recorded on June 30, 2013 (operating loss of 23 million euros on June 30, 2013 and 46 million euros on December 31, 2013).

Income from associates and joint ventures totaled 396 million euros, compared to 37 million euros at June 30, 2013, including after tax capital gain of 385 million euros from the sale of Colas' stake in Cofiroute, a highway concession company.

Net profit attributable to the Group at the end of June 2014 amounted to 317 million euros, compared to -32 million euros at June 30, 2013.

Net cash/Net debt

Net debt at June 30, 2014 amounted to 331 million euros. The change from December 31, 2013 (net cash of 31 million euros) reflects the seasonal nature of Colas' businesses. These figures are to be compared to net debt of 1,141 million euros at the end of June 2013. The 810-million euro improvement is mainly due to capital gain from the sale of Cofiroute shares on January 31, 2014.

Work-on-hand

Work-on-hand is high at the end of June 2014, up 9% from the end of June 2013 at 8.2 billion euros. International and French Overseas units have recorded a 30% increase in work-on-hand at 4.7 billion euros. On the other hand, Mainland France posted an 11% drop at 3.5 billion euros, as investments have seen a marked slow-down after local elections.

Board of Directors

The Board of Directors of Colas has voted to approve the co-option of a new Director, Ms. Catherine Ronge, following the resignation of Mr. Gilles Zancanaro. The new composition of the 8-member Board of Directors is now in full compliance with the recommendations made by the Afep-Medef Code of corporate governance regarding independent directors.



Outlook

- Roads:

In the event that orders do not pick up during the second half year, the decrease in 2014 revenue in Mainland France could be higher than forecast at the beginning of the year. Revenue for Colas companies in North America could be higher than the previous year at constant exchange rates if the weather is favorable during the second half year. Revenue should also be on the rise in Europe, in particular in central Europe, and in the Rest of the World at constant exchange rates.

- Specialized activities:

- Railways will enjoy growth, boosted by a high level of work-on-hand,
- Waterproofing and Road Safety and Signaling will be down (slump in the construction market and public investment),
- Pipelines should remain stable,
- The Sales of refined products sector, after two loss-making years, will record a hefty operating loss for the third year (between 45 and 50 million euros). The loss is due to an unprecedented collapse in the base oil market combined with excess production capacity in Europe. Forecasts predict that the situation should remain unchanged in the years to come.
- The Board of Directors of Colas has analyzed the current situation at the Dunkirk, France production site of its wholly-owned subsidiary SRD, examining different options that are currently under study to stem recurrent losses in the Sales of refined products activity. An extraordinary works council at SRD was held on August 27, 2014.

On the basis of currently available information, and given the uncertainties as to the level of investments by local authorities in Mainland France during the second half year, revenue for 2014 could drop 3 to 5% compared to 2013 (12.8 billion euros). Profit margin will be a priority over business volume.

The financial statements and corresponding notes are available at www.colas.com.

The interim financial statement is available at www.colas.com.

The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued.

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Consolidated summary income statement for second quarter 2014

<i>in millions of euros</i>	2 nd quarter		Change 2 nd quarter 2014/2013
	2014	2013	
Revenue	3,129	3,397	-8%
Operating income	101	119	-18%
Net profit attributable to the Group	72	99	-27%

First half year 2014 revenue by operating sector

<i>in millions of euros</i>	1 st half year		Change 1 st half year 2014/2013	Change at constant scope and exchange rates
	2014	2013		
Roads Mainland France	2,135	2,299	-7%	-7%
Roads Europe	666	554	+20%	+18%
Roads North America	704	724	-3%	+2%
Roads Rest of the World	632	670	-6%	=
Total Roads	4,137	4,247	-3%	-1%
Specialized Activities	1,151	1,197	-4%	-4%
Holding company	6	12	ns	ns
TOTAL	5,294	5,456	-3%	-2%



First half year 2014 revenue by geographic zone

<i>in millions of euros</i>	1st half year		Change 1st half year 2014/2013
	2014	2013	
Mainland France	2,942	3,157	-7%
French Overseas Departments	213	220	-3%
France	3,155	3,377	-7%
North America	708	727	-3%
Europe (excl. France)	957	839	+14%
Rest of the World ²	474	513	-8%
International	2,139	2,079	+3%
TOTAL	5,294	5,456	-3%

² including French Overseas Territories