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PRESS RELEASE

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COLAS ADJUSTS OUTLOOK ON OPERATING MARGIN FOR 2018

On August 30, 2018, in a press release detailing the 2018 first half-year results, Colas reported difficulties in its railway segment.

Colas Rail is dealing with a difficult situation in France, which worsened in the second and third quarters of 2018. Strikes at the French national railway operator SNCF had a negative impact on railway works as well as on freight, causing a sharp drop in business in a sector known for its high fixed costs.

Furthermore, at Spac, a pipeline project in southwestern France was impacted by poor weather in the first quarter of 2018. The company was obliged to roll out significant additional resources to make up for lost time, which led to extra costs.

Over the first nine months of the year, the difficulties encountered by Colas Rail and Spac have only been partially offset by the good results recorded by the road segment in mainland France.

As a result, Colas' current operating income over the first nine months of 2018 is expected to decrease by approximately €25 million compared to the first nine months of 2017.

For full year 2018:

- revenue should be significantly higher than in 2017, in particular because of Miller McAsphalt's contribution;
- current operating margin is now expected to remain stable or decrease slightly from 2017, compared to a forecast improvement.

Colas (www.colas.com)

Colas, a subsidiary of the Bouygues Group, is a world leader aiming to promote transport infrastructure solutions for sustainable mobility. With 55,000 employees in more than 50 countries on five continents, the Group performs some 80,000 road construction and maintenance projects each year via 800 construction business units and 2,000 material production units.

In 2017, consolidated revenue at Colas totaled 11.7 billion euros (48% outside of France). Net profit attributable to the Group amounted to 328 million euros.

For further information:

Mr. Jean-Paul Jorro (tel.: +33 1 47 61 74 23) / Ms. Zorah Chaouche (tel.: +33 1 47 61 74 36) contact-investors@colas.fr
Ms. Delphine Lombard (tel.: +33 6 60 07 76 17) / Mr. Rémi Colin (tel.: +33 7 60 78 25 74) contact-presse@colas.fr