

PRESS RELEASE

Paris, April 1,  
2020

## ORGANIZATION OF THE SHAREHOLDERS' MEETING OF APRIL 22, 2020

### WITHDRAWAL OF 2020 TARGETS PROPOSAL FOR APPROPRIATION OF 2019 EARNINGS

The Board of Directors of Colas SA, chaired by Mr. Olivier Roussat, held exceptional meetings on Friday, March 27 and Wednesday, April 1, 2020.

The decision to hold these Board Meetings was made in light of the Covid-19 pandemic, as the virus is actively circulating in a great number of countries, which has led governments to take restrictive measures.

#### **1. Modifying the Organization of the Combined Shareholders' Meeting of April 22, 2020**

The Board of Directors met on March 27, 2020 in particular to modify the organization of the Combined Shareholders' Meeting of April 22, 2020.

In accordance with measures taken by the French government to try to curb the spread of the virus as well as the French ordinance no. 2020-321 of March 25, 2020, the Board of Directors decided to organize the aforesaid Shareholders' Meeting without the physical presence of shareholders.

The procedures for participating in the Shareholders' Meeting of April 22, 2020 are available on the Colas Group website in the **Finance / Regulated Information / 2020 / Shareholders' Meeting** section and will be mentioned in the Notice of Meeting to appear in the Bulletin des Annonces Légales Obligatoires on Monday, April 6, 2020.

#### **2. Targets for the Colas Group in 2020**

On March 25, 2020, Colas published a press release to inform the financial markets that it was suspending the targets it had announced when the 2019 financial statements were released.

Since this date, economic uncertainties linked to the pandemic have grown stronger in the wake of the extension of lockdown measures announced by the French government on the one hand, and, on the other, the roll-out of similar measures by governments in several countries in which the Colas Group operates. In view of this new information, the Board of Directors, in an April 1 meeting, took note of the fact that the current crisis will have a substantial impact on the Group's results in 2020. Consequently, it appears that the Colas Group's targets for 2020 can not be met.

As a reminder, these targets were worded as follows:

*“For 2020, revenue is expected to record a slight decrease due to the foreseeable impact of municipal elections in France and the comparison effect pertaining to the sale of Smac, which contributed €141 million to consolidated revenue in 2019. Business should remain stable in the other geographic areas.*

*The current operating profit margin will gradually benefit from the operational excellence initiatives being rolled out, particularly across the Group’s industrial activities. After returning to breakeven in 2019, Colas Rail should begin to contribute positively to current operating profit in 2020.”*

### **3. Modifying the proposal on Appropriation of Earnings**

Amid the major health crisis that is rapidly unfolding, which in turn generates economic uncertainties, Colas intends to underline its sense of responsibility and solidarity in light of the significant efforts that are being asked of the Group’s stakeholders, in particular employees. This is why the Board of Directors decided on April 1 to modify the proposal to appropriate 2019 earnings that had been approved at the meeting of the Board of Directors on February 18, 2020.

The Board of Directors has therefore decided to cancel the proposal to distribute dividends that was to be put forward to the Shareholders’ Meeting of April 22, 2020. The Board of Directors will meet in August to reassess the situation and analyze the advisability of proposing the distribution of a dividend for the 2019 financial year.

Consequently, the Board of Directors has modified the following information in the Annual Report published on March 25 in French:

- article 15 "Colas Earnings and Appropriation" in the management report,
- the third resolution “Allocation and Appropriation of Earnings”,
- the Report on the Resolutions to be submitted to the Shareholders’ Meeting.

All information relating to the Shareholders’ Meeting of April 22, 2020 is available on the Colas website in the **Finance / Regulated Information / 2020 / Shareholders’ Meeting** section.

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