

## Financial Year 2022

- **Order backlog at €11.7B, up 9% year-on-year** (+7% at constant exchange rates and excluding major acquisitions and disposals)
- **Revenue at €15.5B, up 17% from 2021** (+9% at constant scope and exchange rates)
- **Current operating profit at €460M, up €20M** from 2021, boosted by good performance during 2<sup>nd</sup> half
- **Net profit attributable to the Group up 15% at €301M**
- **Free cash flow at €287M** against €358M in 2021
- **Net debt at €292M as of end-December 2022** against €33M end 2021

The Board of Directors of Colas, chaired by Mr. Frédéric Gardès, met on February 21, 2023 to finalize the 2022 financial statements that are to be presented to the Annual General Shareholders' Meeting on April 25, 2023.

### Consolidated key figures

<i>in millions of euros</i>	2021	2022	Change vs 2021	At constant scope and exchange rates
<b>Revenue</b>	<b>13,226</b>	<b>15,529</b>	<b>+17%</b>	<b>+9%</b>
<i>o/w France</i>	6,051	6,241	+3%	+3%
<i>o/w International</i>	7,175	9,288	+29%	+14%
<b>Current operating profit from activities<sup>(a)</sup></b>	<b>447</b>	<b>468</b>	<b>+21</b>	
<i>Profit margin from activities</i>	3.4%	3.0%	-0.4 pt	
<b>Current operating profit</b>	<b>440</b>	<b>460</b>	<b>+20</b>	
<b>Operating profit</b>	<b>430<sup>(b)</sup></b>	<b>460</b>	<b>+30</b>	
<b>Net profit attributable to the Group</b>	<b>261</b>	<b>301</b>	<b>+40</b>	
<b>Free cash flow</b>	<b>358</b>	<b>287</b>	<b>-71</b>	
<b>Net surplus cash / (Net debt)</b>	<b>(33)</b>	<b>(292)</b>	<b>-259</b>	

(a) See definition in glossary.

(b) including €10 million of non-current expenses related to the acquisition of Destia and continued dismantling work at the Dunkirk site.



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## Order backlog

The order backlog at the end of December 2022 amounted to €11.7 billion euros, up 9% year-on-year (+7% at constant exchange rates and excluding major acquisitions and disposals).

The **order backlog for Mainland France** totaled €3.1 billion, up 3% year-on-year, in particular in the Roads segment where a 5% increase was recorded.

The **order backlog for the Group's international and overseas France** units amounted to €8.6 billion, up 12% year-on-year (+9% at constant exchange rates and excluding major acquisitions and disposals). Highlights of 2022 include the signing of major contracts by Colas Rail, such as the extension of the Birmingham, England tramway for €192 million, the construction of the first phase of line 4 of the Cairo, Egypt metro for €159 million, and the extension for five years of the alliance contract with Network Rail for the renewal and modernization of the railway infrastructure in the south of England for €540 million.

The International and Overseas France units account for 73% of the order book, compared with 72% at the end of 2021.

## Revenue

Consolidated revenue for FY 2022 amounted to €15.5 billion, up 17% compared to 2021 (+9% at constant scope and exchange rates). Revenue amounted to €6.2 billion in France (+3% year-on-year) and €9.3 billion internationally (+14% at constant scope and exchange rates).

### Roads:

In 2022, the Roads segment generated €14.2 billion in revenue, up 10% at constant scope and exchange rates compared to 2021:

- In the France – Indian Ocean zone, business was up 4%, against a backdrop of rising prices and slumping volumes for industrial production;
- In the EMEA zone (Europe, Middle East, Africa), business was up 16% at constant scope and exchange rates. Inflation is especially high in Central European countries. Destia's contribution exceeds €600 million over the year;
- In the United States, revenue was up a sharp 16% at constant scope and exchange rates due to inflation, particularly in the industrial production segment;
- In Canada, revenue was up 12% at constant scope and exchange rates, mainly due to price hikes for the bitumen sold by McAsphalt;
- Lastly, in the Asia-Pacific zone, revenue was up 22% at constant scope and exchange rates.

### Railways & Other Activities:

Railways and Other Activities posted 2% increase in revenue at constant scope and exchange rates compared to 2021, boosted by Colas Rail's activities outside of France.

## New Financial Performance Indicator

Acquisitions result in the amortization of assets recognized as part of the Purchase Price Allocation (PPA) process. Consequently, to provide an accurate view of the operational performance of the Group, Colas will report a new financial indicator, “**Current operating profit from activities**” (**COPA**), which equates to current operating profit before amortization of intangible assets recognized from acquisitions.



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The new indicator will replace current operating profit in the Group's financial information from fiscal year 2023 onwards. The "Current operating profit" indicator will continue to be shown as a line item in the financial statements, and the financial publications released by the Group will include a reconciliation table for "Current operating profit from activities" and "Current operating profit".

## Financial performance

**Current operating profit from activities (COPA)** amounted to €468 million, up €21 million from 2021. This corresponds to current operating profit before amortization of intangible assets recognized from acquisitions for €8 million, €7 million of which pertain to the acquisition of Miller McAsphalt. Action plans to offset the impact of inflation (higher material prices, price adjustments, etc.) continued to make headway in the 4<sup>th</sup> quarter. COPA for the 2<sup>nd</sup> half of 2022 is therefore up €79 million compared to the 2<sup>nd</sup> half of 2021, including €40 million for the 4<sup>th</sup> quarter.

**Current operating profit** totaled €460 million, up €20 million from 2021.

**Operating profit** amounted to €460 million, up €30 million compared to 2021.

The **financial result** amounted to -€68 million compared to -€41 million in 2021.

The share of **net income of joint ventures and associates** amounted to €49 million, up €27 million compared to 2021.

Lastly, **net profit attributable to the Group** totaled €301 million, up €40 million compared to 2021.

## Net debt

Net debt at end-December 2022 amounted to €292 million, compared to net debt of €33 million at end-December 2021:

- **Free cash flow** was €287 million, compared to €358 million in 2021;
- The **change in working capital requirements** amounted to -€251 million compared to -€140 million in 2021, mainly reflecting an increase in the value of inventories linked to increasing material prices, as well as an increase in receivables;
- **Cash flows from investment activities** amounted to €91 million, €125 million less than in 2021. In 2022, Colas acquired the Hasselmann Group, a German company specialized in the construction of railways and railway infrastructure. As a reminder, 2021 included the acquisition of Destia in Finland for €222 million (excluding acquisition costs);
- Lastly, **dividends** paid out amounted to €228 million, €132 million more than in 2021.

Shareholders' equity amounted to €3.2 billion at end-December 2022, compared to €3.0 billion at end-December 2021. Colas' financial position is solid, with a net debt ratio of 9% at the end of 2022.

## Dividends

The Board of Directors will put forward to the Annual General Shareholders' Meeting on April 25, 2023 a proposal to distribute a dividend per share of €7.35, up 7% compared to the dividend per share of €6.85 paid out last year.



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## Outlook

In an unstable environment, marked by inflation, rising interest rates and currency volatility, the Colas Group has strong fundamentals and will continue to benefit from the positive impact of the transformation plans that it has undertaken.

As announced during the 3<sup>rd</sup> quarter 2022, Colas confirms its objective of increasing current operating profit in 2023 compared to 2022.

Current operating profit from activities (COPA) being the Group's new financial performance indicator, Colas confirms that it is also expected to increase in 2023 compared to 2022.

## Governance

The Board of Directors has decided to put forward the following proposal to the General Shareholders' Meeting of April 25, 2023:

- to renew the terms of office of Frédéric Gardès, Cyril Bouygues, Bouygues (whose permanent representative is Pascal Grangé), Olivier Roussat and Colette Lewiner (independent Director);
- to appoint Anne-Christine Champion as an independent Director to replace Stéphanie Rivoal, whose term of office expires at the end of the General Shareholders' Meeting of April 25, 2023;
- to set the term of office of Directors at three years (instead of two years) and to amend Article 14 of the bylaws accordingly.

In addition, the Board of Directors decided to renew the term of office of Frédéric Gardès as Chairman and Chief Executive Officer for a period of three years, subject to the renewal of his term of office as Director by the General Shareholders' Meeting of April 25, 2025.

## Extension of the Company term

Given that the Company term is due to expire in 2028, the Board of Directors has decided to put forward to the General Shareholders' Meeting of April 25, 2023 a proposal to extend the Company term for a further 99 years, i.e. until April 25, 2122.

## Climate Strategy

In 2022, the Colas Group continued to roll out its low-carbon and biodiversity roadmap across the entire Colas network of business units worldwide.

Nearly 6,000 employees have participated in Climate Fresco awareness-raising sessions, the aim being to train all Colas executives, office staff and field staff by the end of 2023. A "Low Carbon Way" Fresco has been designed to present the impact of the Group's activities, as well as solutions to reduce their carbon footprint. Low-carbon and biodiversity e-learning programs have also been made available to employees.

A number of actions have been implemented around the six paths for progress that form the Group's low-carbon and biodiversity roadmap:

- Path 1 - Integrating climate change issues into strategy
  - Creating a business line dedicated to active mobility (cycling, walking)
  - Updating catalogue of products and solutions (France) with low environmental impact

- Path 2 - Implementing actions to reduce the carbon intensity of direct emissions (scopes 1 and 2)
  - In France, more than 700 trucks use Oléo 100, a bio-based fuel that reduces GHG emissions by 60% and fine particulate emissions by up to 80% compared to diesel fuel
  - Switching the light vehicle fleet over to full electric and continuing to install charging stations across all 300 agencies in Mainland France
- Path 3 - Developing and promoting low-carbon techniques and solutions
  - 250 eco-alternatives were proposed to customers, more than double the 2021 figures.
  - The average RAP (reclaimed asphalt pavement) content reached 17.5% in 2022 compared to 16% in 2021
  - International rollout of processes designed to reduce carbon footprint: bio-based binders (Vegecol, Vegeroad), cold mixes (Valorcol), in place recycling (Recycol)
  - At the end of the year in France, Colas launched the Valormat and Ecotri network to increase its production of recycled materials by 50% by 2026
- Path 4 - Implementing carbon accounting and reducing upstream indirect emissions from our businesses (scope 3a)
  - The Colas Carbon Counter is a tool designed to measure the carbon footprint of a construction project by scope and by category of materials. It has been launched throughout France
  - Colas has also rolled out a new way of calculating its carbon footprint based on the physical flows of its main purchasing families, correlated with its actions to reduce emissions
- Path 5 - Contributing to carbon neutrality and reduce customer and user emissions
  - Wattway Pack was launched in Japan to provide energy autonomy to small-scale roadside equipment
  - The quantity of materials transported by rail and/or waterway is up compared to 2021, particularly in France
- Path 6 - Integrating issues related to the preservation of biodiversity into our businesses
  - The 2022 Environment Day was dedicated to biodiversity
  - Several subsidiaries worked on a rehabilitation project for the Duralex brownfield site in Rive-de-Gier, France: earthworks, river works and ecological engineering, pollution remediation, roads and networks
  - Forest & Life educational program to raise awareness of biodiversity among young people by planting trees in France (Mont Ventoux) and Côte d'Ivoire

All these actions are part of Colas' low-carbon commitment, which has set ambitious objectives, compatible with the Paris Agreement and validated by the Science Based Targets initiative (SBTi): reducing its direct greenhouse gas emissions by 30% and its upstream indirect emissions by 30% by 2030, compared to 2019.



**Colas ([www.colas.com](http://www.colas.com))**

Colas, a subsidiary of the Bouygues Group, has one mission: to imagine, build and maintain sustainable transport infrastructure. Backed by a network of 900 construction business units and 3,000 material production units in more than 50 countries on five continents, the Group's 58,000 employees act locally to connect communities and foster exchanges for today and tomorrow. Colas' ambition is to be the world leader in innovative, sustainable mobility solutions.

In 2022, consolidated revenue at Colas totaled €15.5 billion (60% outside of France).

**FOR FURTHER INFORMATION:**



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## Consolidated 4<sup>th</sup> quarter condensed income statement 2022

<i>in millions of euros</i>	Q4 2021	Q4 2022	Change vs 2021	At constant scope and exchange rates
Revenue	3,439	4,005	+16%	+9%
Current operating profit from activities	209	249	+40	
Current operating profit	207	247	+40	
Operating profit	197	247	+50	
Net profit attributable to the Group	134	162	+28	

## Revenue at December 31, 2022 by business segment

<i>in millions of euros</i>	2021 <sup>(a)</sup>	2022	Change vs 2021	At constant scope and exchange rates
Roads France – Indian Ocean	5,688	5,939	+4%	+4%
Roads EMEA	2,267	3,245	+43%	+16%
Roads United States	1,687	2,210	+31%	+16%
Roads Canada	1,937	2,347	+21%	+12%
Roads Asia - Pacific	339	434	+28%	+22%
<b>Total Roads</b>	<b>11,918</b>	<b>14,175</b>	<b>+19%</b>	<b>+10%</b>
<b>Railways &amp; Other Activities</b>	<b>1,302</b>	<b>1,346</b>	<b>+3%</b>	<b>+2%</b>
<b>Parent company</b>	<b>6</b>	<b>8</b>	<b>ns</b>	<b>ns</b>
<b>TOTAL</b>	<b>13,226</b>	<b>15,529</b>	<b>+17%</b>	<b>+9%</b>

(a) In 2022, Latin America began reporting to EMEA. The figures have been restated to reflect this reorganization.

The Statutory auditors have duly audited and fully certified the financial statements.

Financial statements and notes are available at [www.colas.com](http://www.colas.com).

The presentation to financial analysts will be held on February 23, 2023 at 2:30 pm and will be made available on line at [www.colas.com](http://www.colas.com).



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## Glossary

**Order backlog:** the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensory clauses have been lifted).

### **Changes in revenue at constant scope and exchange rates:**

- at constant exchange rates: change after translating foreign-currency sales for the current period at the exchange rates for the comparative period;
- at constant scope: change in revenue for the periods compared, adjusted as follows:
  - for acquisitions, by deducting from the current period those sales of the acquired entity that have no equivalent during the comparative period;
  - for divestments, by deducting from the comparative period those sales of the divested entity that have no equivalent during the current period.

**Current operating profit from activities (COPA):** current operating profit before amortization of intangible assets recognized from acquisitions.

**Free Cash Flow:** net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in WCR (working capital requirement).

**Net surplus cash/(Net debt):** the aggregate of cash and cash equivalents, overdrafts and short-term bank borrowings, non-current and current debt, and financial instruments. Net surplus cash/(Net debt) does not include non-current and current lease obligations. A positive figure represents net surplus cash and a negative figure represents net debt.