

VINCI INVESTOR DAY

EUROVIA

MARSEILLE 20/21 NOVEMBER 2018



AGENDA

- 8.15 INTRODUCTION
- 8.30 EUROVIA IN A NUTSHELL
- 9.00 KEY FINANCIALS
- 9.30 BREAK: TIME TO DISCOVER A FEW INNOVATIONS
- 10.00 STRATEGY
- 11.15 CONCLUSIONS
- 11.30 Q&A

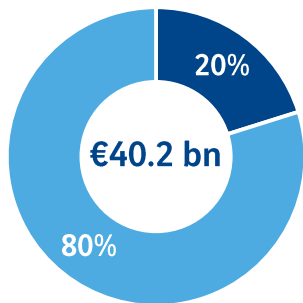
INTRODUCTION

Christian LABEYRIE, VINCI's Executive VP and CFO

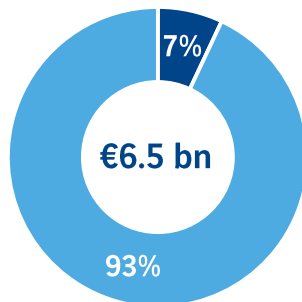


EUROVIA WITHIN VINCI TODAY

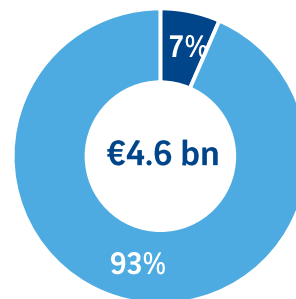
GROUP REVENUE



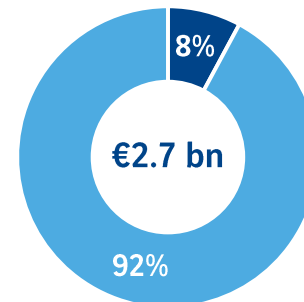
GROUP EBITDA



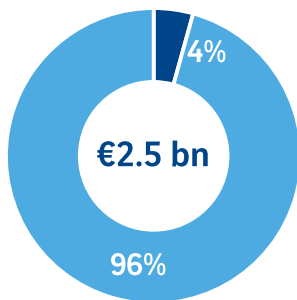
GROUP EBIT



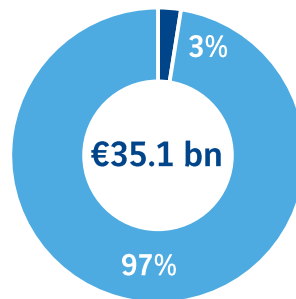
GROUP NET RESULT



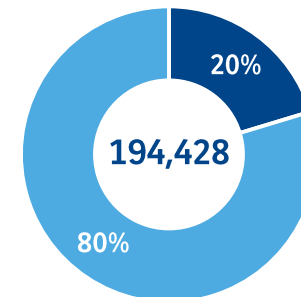
GROUP FREE CASH FLOW



GROUP CAPITAL EMPLOYED

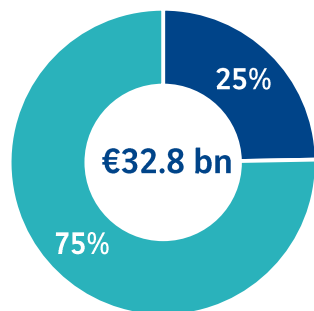


GROUP EMPLOYEES

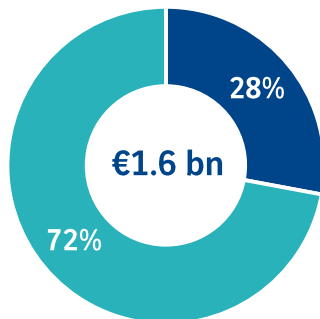


EUROVIA WITHIN VINCI'S CONTRACTING BUSINESS

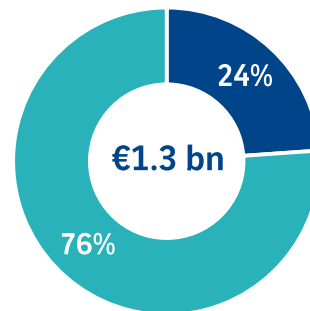
CONTRACTING REVENUE



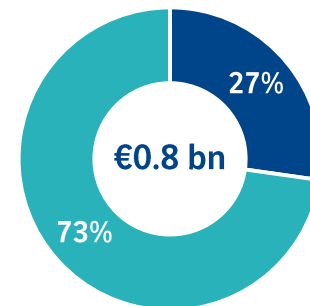
CONTRACTING EBITDA



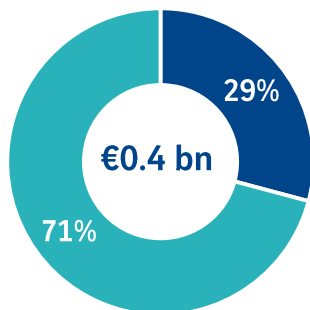
CONTRACTING EBIT



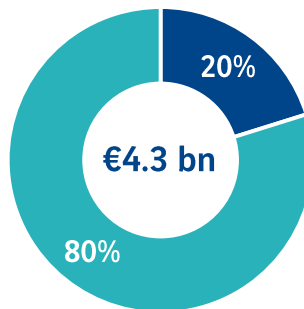
CONTRACTING NET RESULT



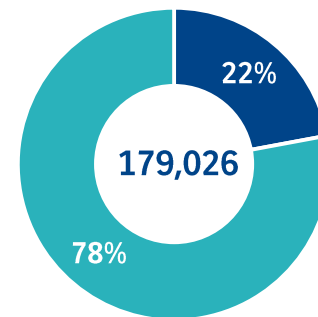
CONTRACTING FREE CASH FLOW



CONTRACTING CAPITAL EMPLOYED



CONTRACTING EMPLOYEES





EUROVIA IN A NUTSHELL

Pierre ANJOLRAS, EUROVIA's President



EUROVIA EXECUTIVE COMMITTEE



PIERRE ANJOLRAS

PRESIDENT



JEAN-PIERRE PASERI

GENERAL MANAGER
FRANCE



XAVIER NEUSCHWANDER

GENERAL MANAGER
EUROPE
RAIL & SPECIALTIES



PATRICK SULLIOT

GENERAL MANAGER
AMERICAS & UK



PATRICK JUTIER

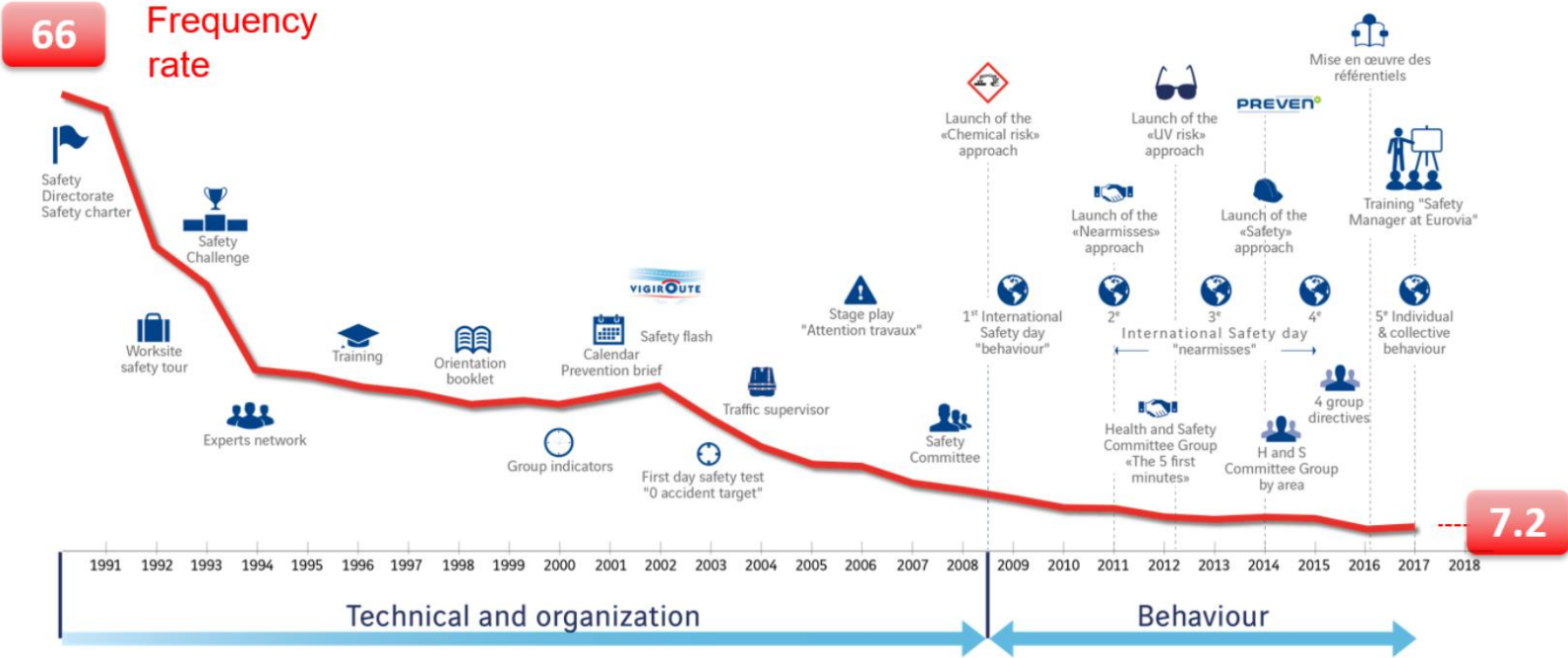
CFO



LUDOVIC DEMIERRE

HR & SUSTAINABLE DEVELOPMENT
DIRECTOR

SAFETY : OUR PRIORITY FOR OUR 39,500 EMPLOYEES



A GLOBAL LEADING TRANSPORT INFRASTRUCTURE CONTRACTOR



9%



13%



70%

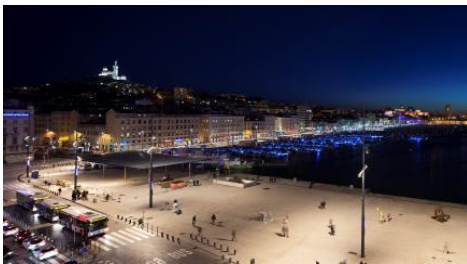


8%

% of revenues 2017 in €M

WORKS

.....



WORKS



300

works
divisions



42,000

annual
worksites



€ 300,000

average
project value



8%

of revenues
for projects
> €30M



ASPHALT PRODUCTION

ASPHALT PRODUCTION



388

production units



30 MILLION

tonnes of asphalt
and binders
annually



AGGREGATES

AGGREGATES



350

quarries



150

recycling
facilities



91* MILLION

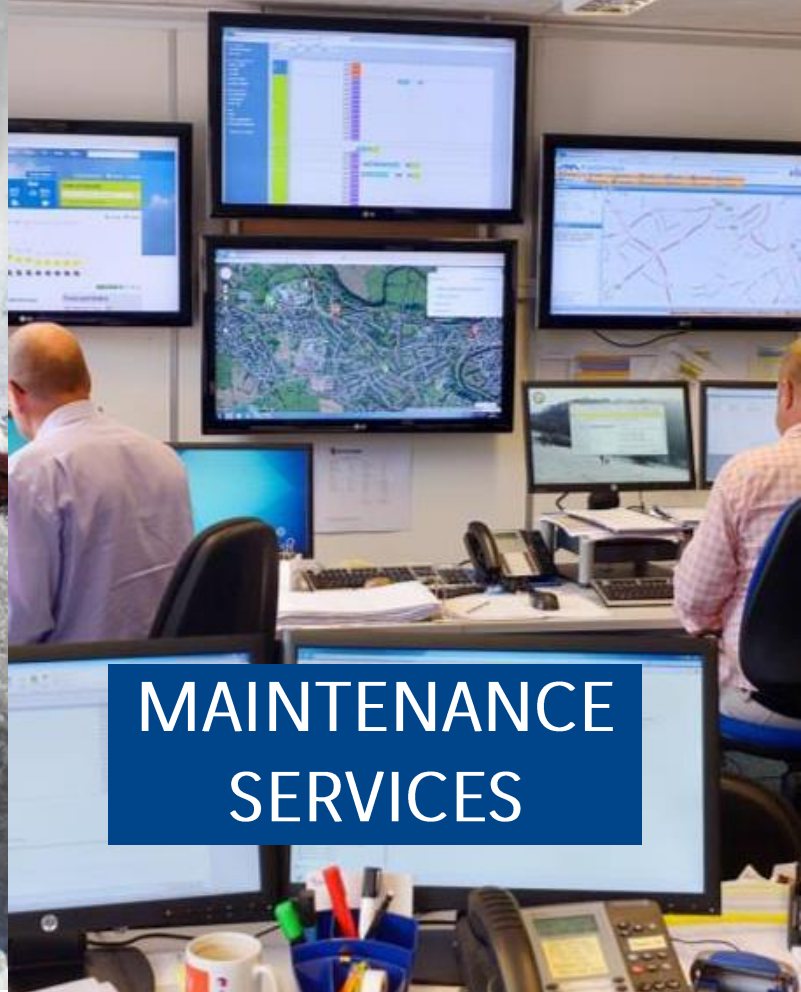
tonnes of aggregates
produced annually

* Eurovias' share : 71 MT



50

years of reserve
supply



MAINTENANCE SERVICES

MAINTENANCE SERVICES



60,000 km

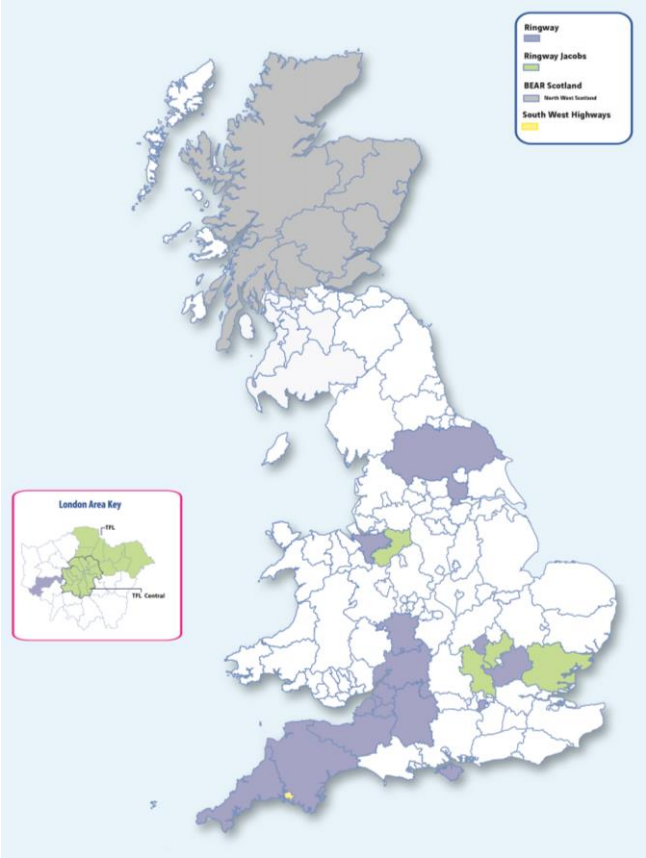
of roads under
maintenance
contracts



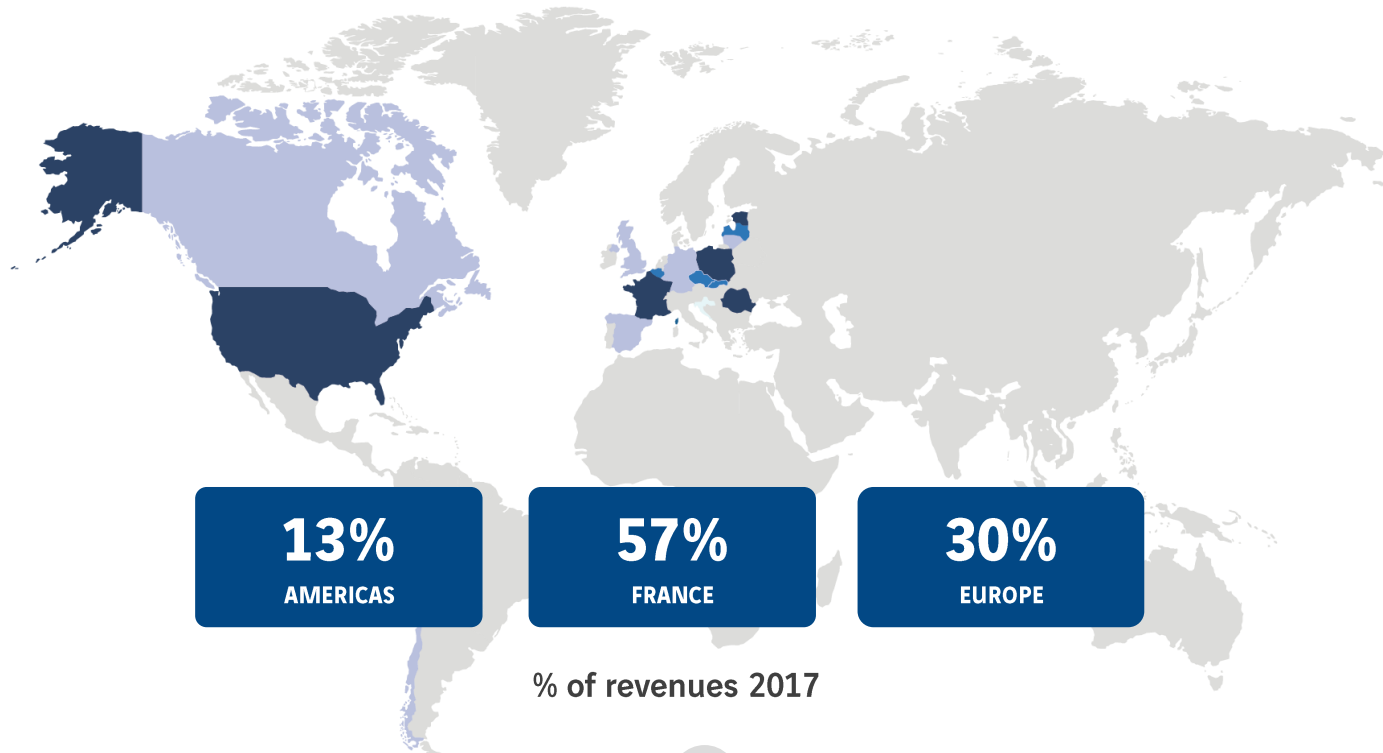
20

long-term
maintenance
contracts

RINGWAY AND JOINT VENTURES TERM SERVICE CONTRACTS



EUROVIA GLOBAL FOOTPRINT

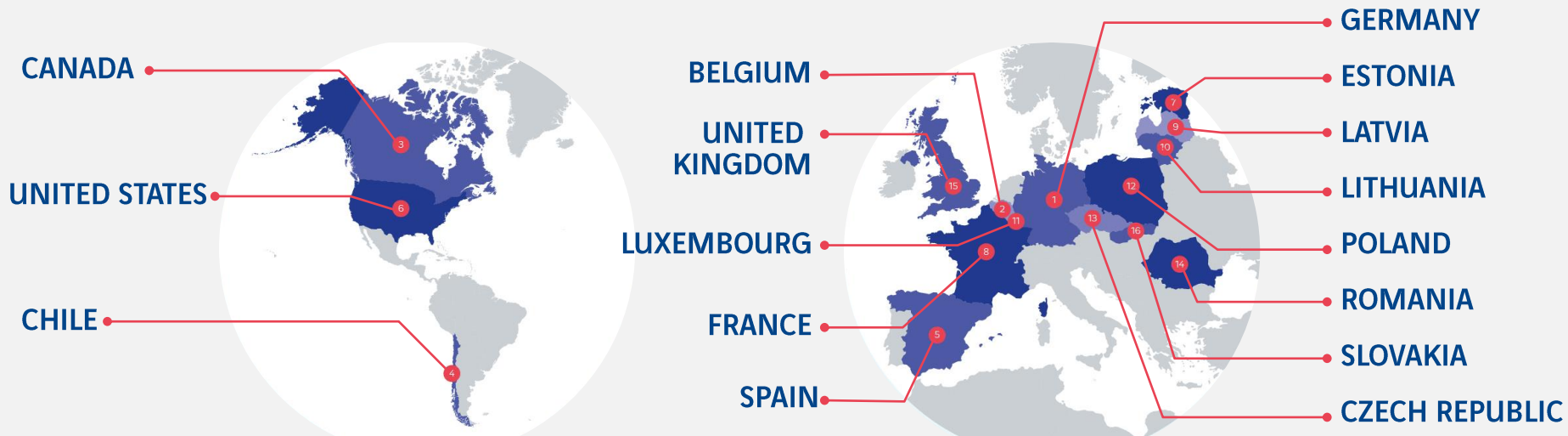


EUROVIA GLOBAL FOOTPRINT

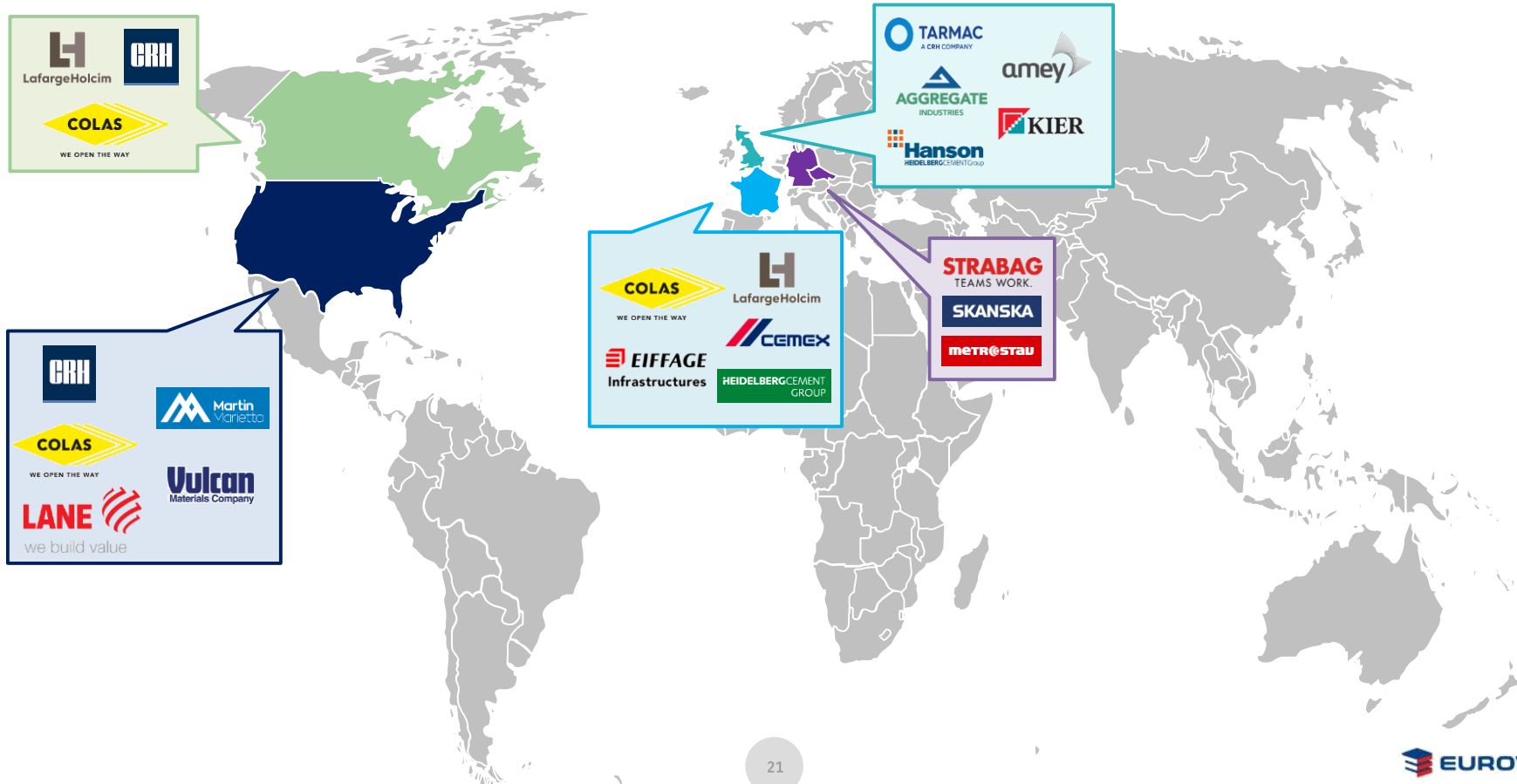
3
ZONES

16
PERMANENT
COUNTRIES

420
BUSINESS UNITS



EUROVIA'S MAIN COMPETITORS



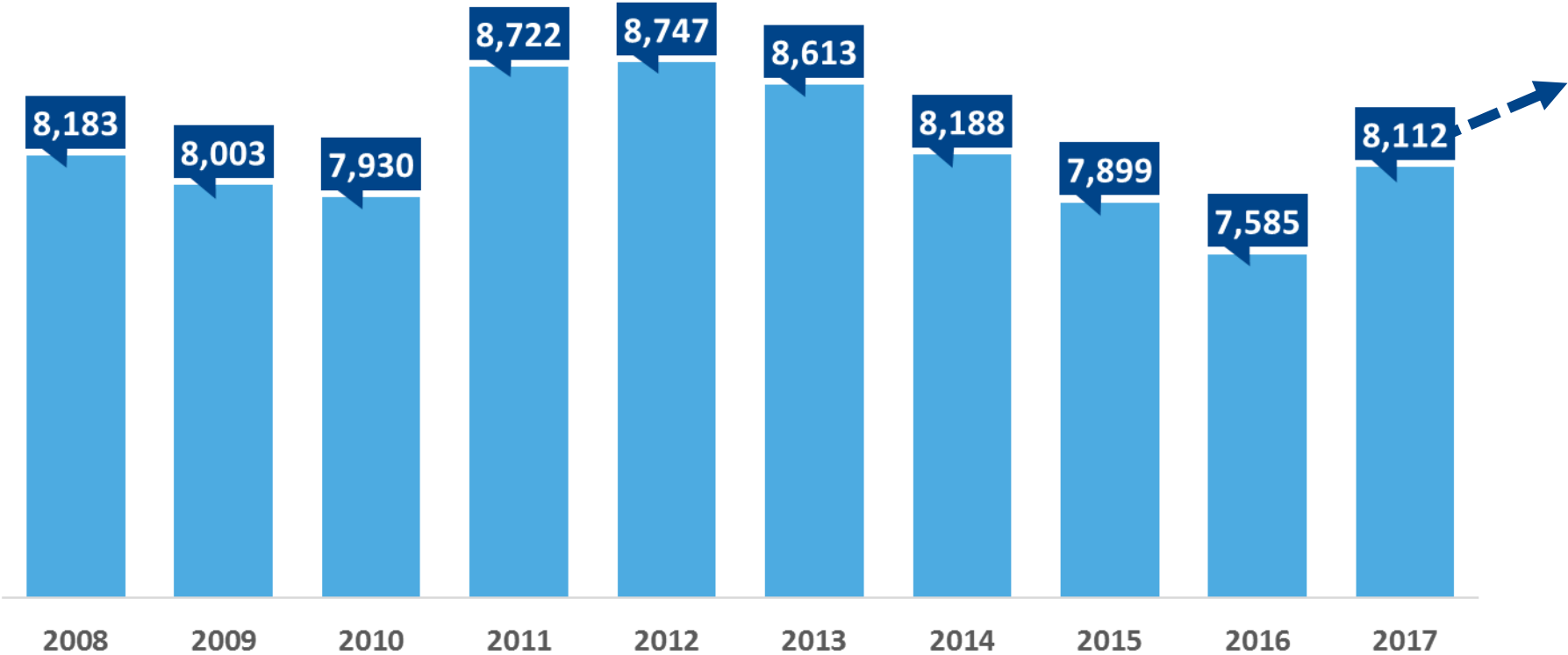


KEY FINANCIALS

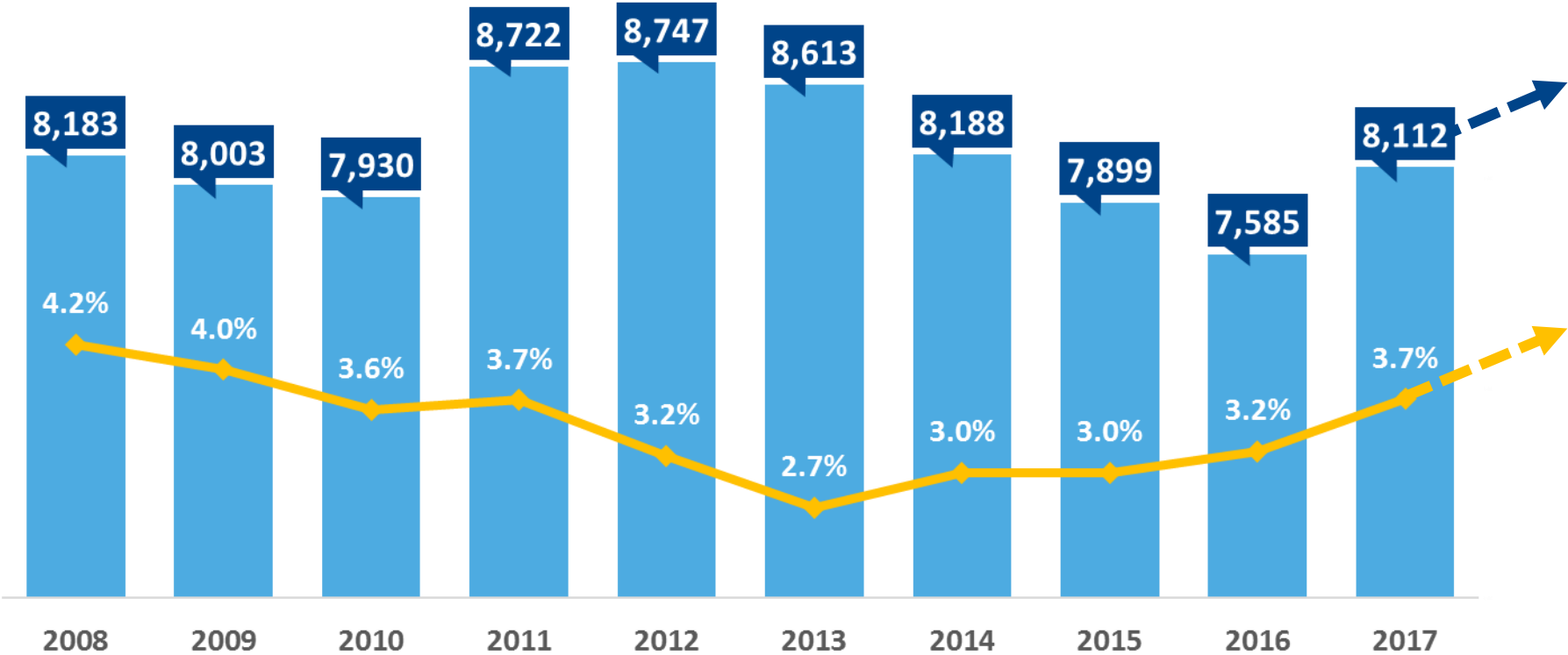
Patrick JUTIER, EUROVIA'S CFO



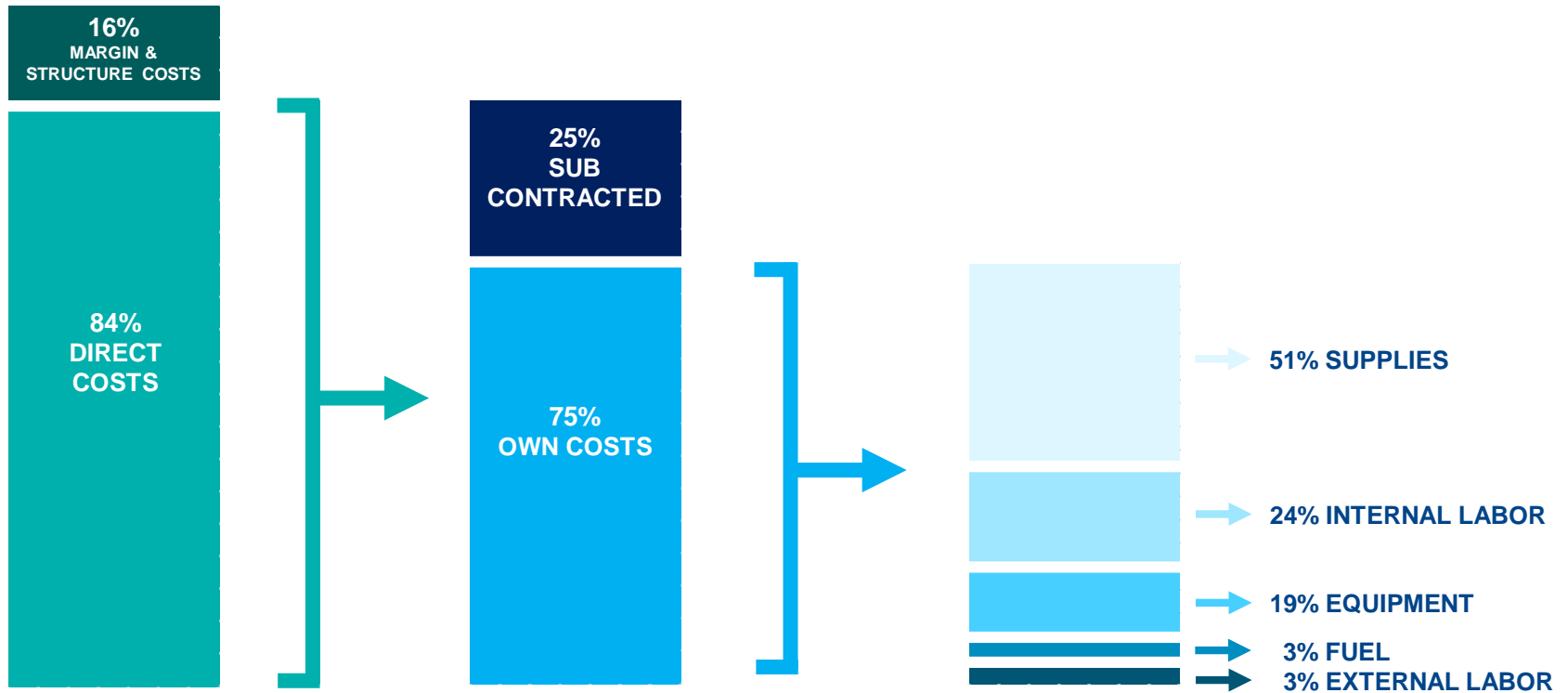
REVENUE EVOLUTION REFLECTS THE MARKET SITUATION



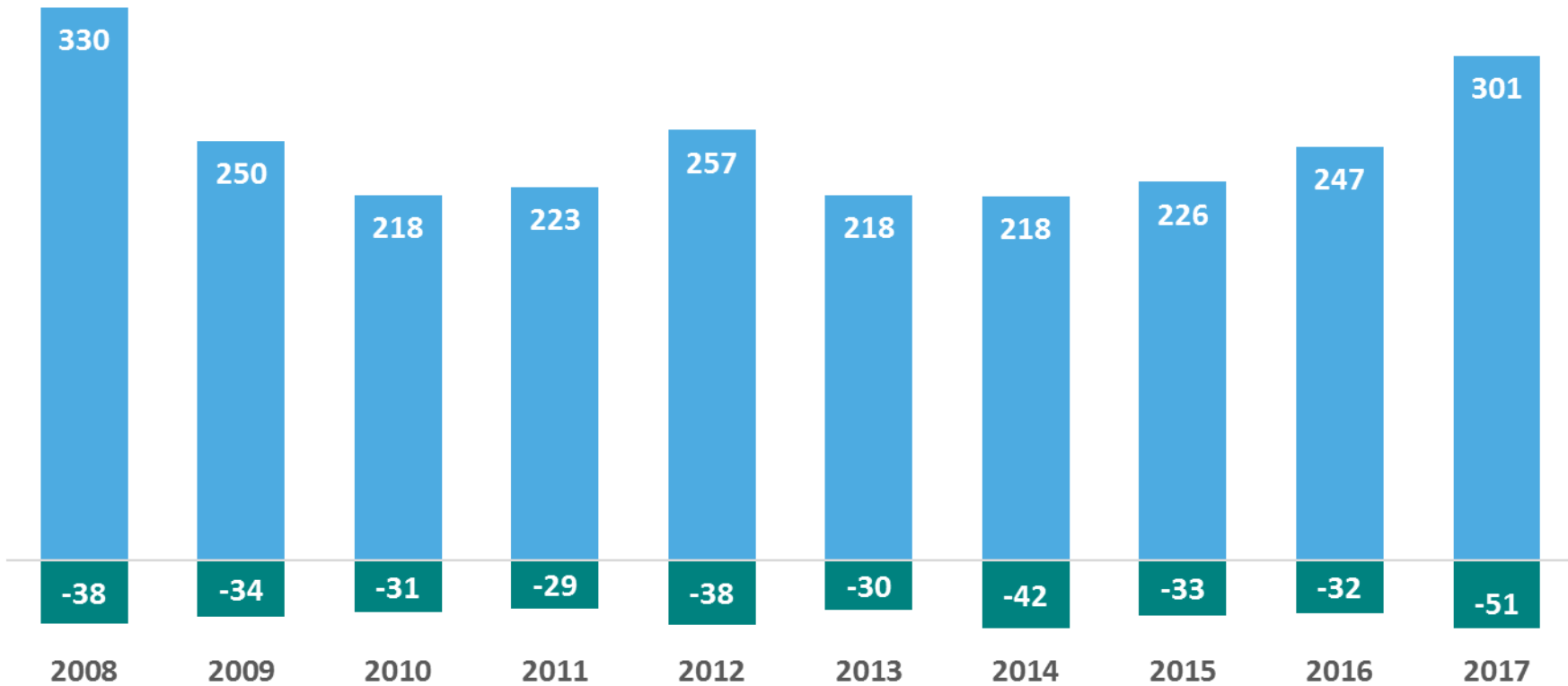
PROFITABILITY : A ROBUST TRAJECTORY



COST ALLOCATION



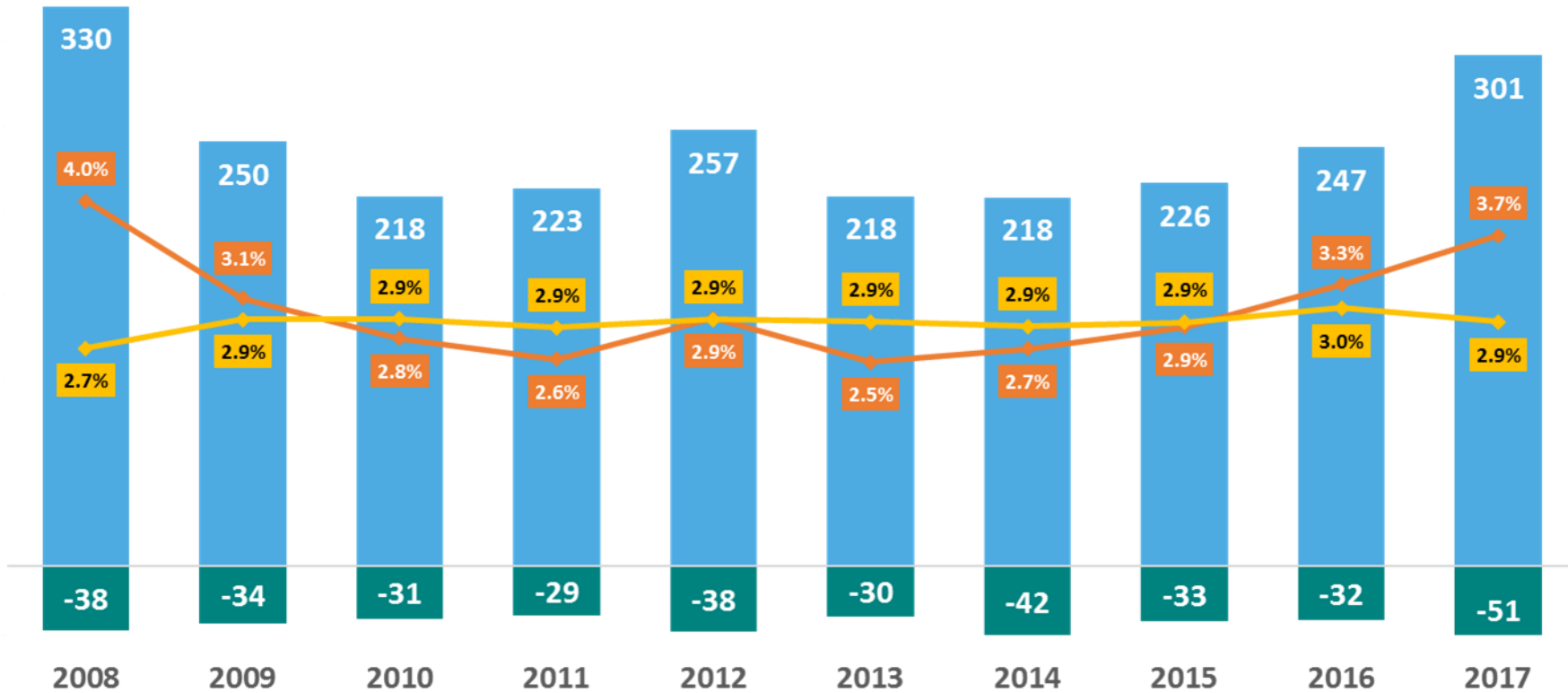
A PROACTIVE CAPEX POLICY...



■ Tangible assets investments (in M€)

■ Divestments of tangible assets (in M€)

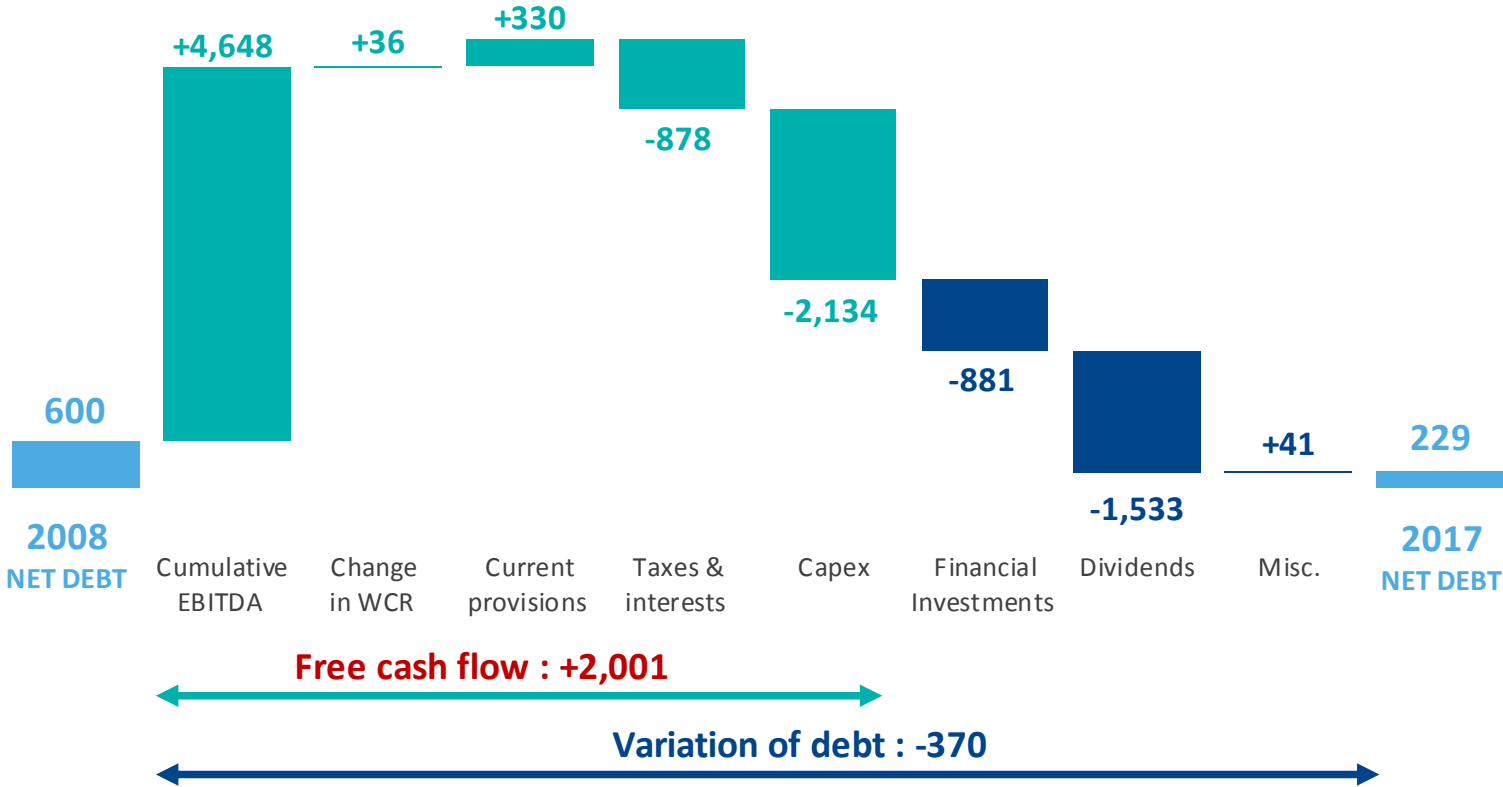
... AND A CLEAR MONITORING



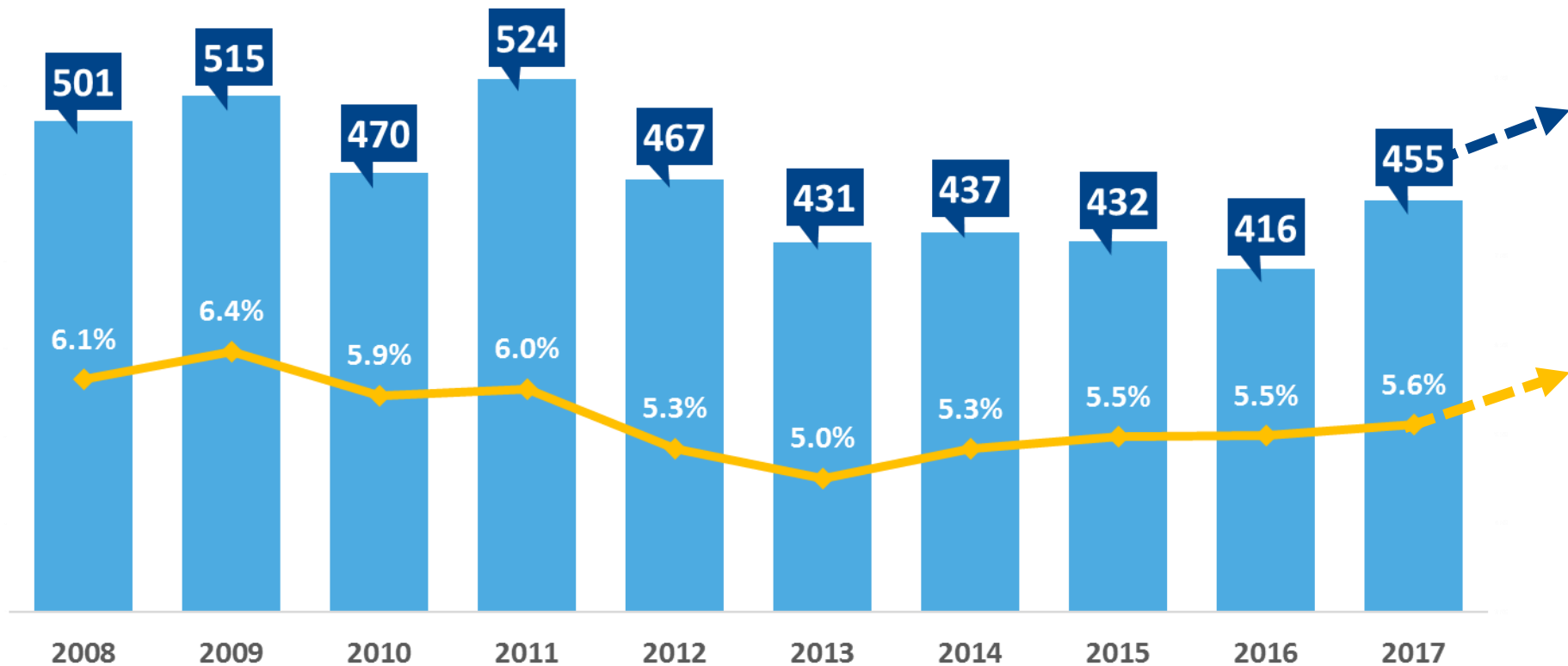
■ Tangible assets investments (in M€)
 —●— Tangible assets investments (revenue %)

■ Divestments of tangible assets (in M€)
 —●— Depreciation and Amortization (revenue %)

NET DEBT EVOLUTION (IN M€) : A STRONG POSITION



A RESILIENT EBITDA



TRANSFORMATION FROM NET PROFIT TO FREE CASH FLOW*

Cumulative Free Cash Flow

2,001 M€

Cumulative Net Profit

1,703 M€

→ Transformation from Net Profit to Free Cash Flow

117%

*Cumulative data from 2008 to 2017

HIGH-LEVEL OF ROCE

Average Capital Employed (2008-2017)

992 M€

ROCE (2008-2017)

21.5%

Capital Employed 2017

872 M€

1,623 M€

Non current assets

319 M€

Goodwill

-1,070 M€

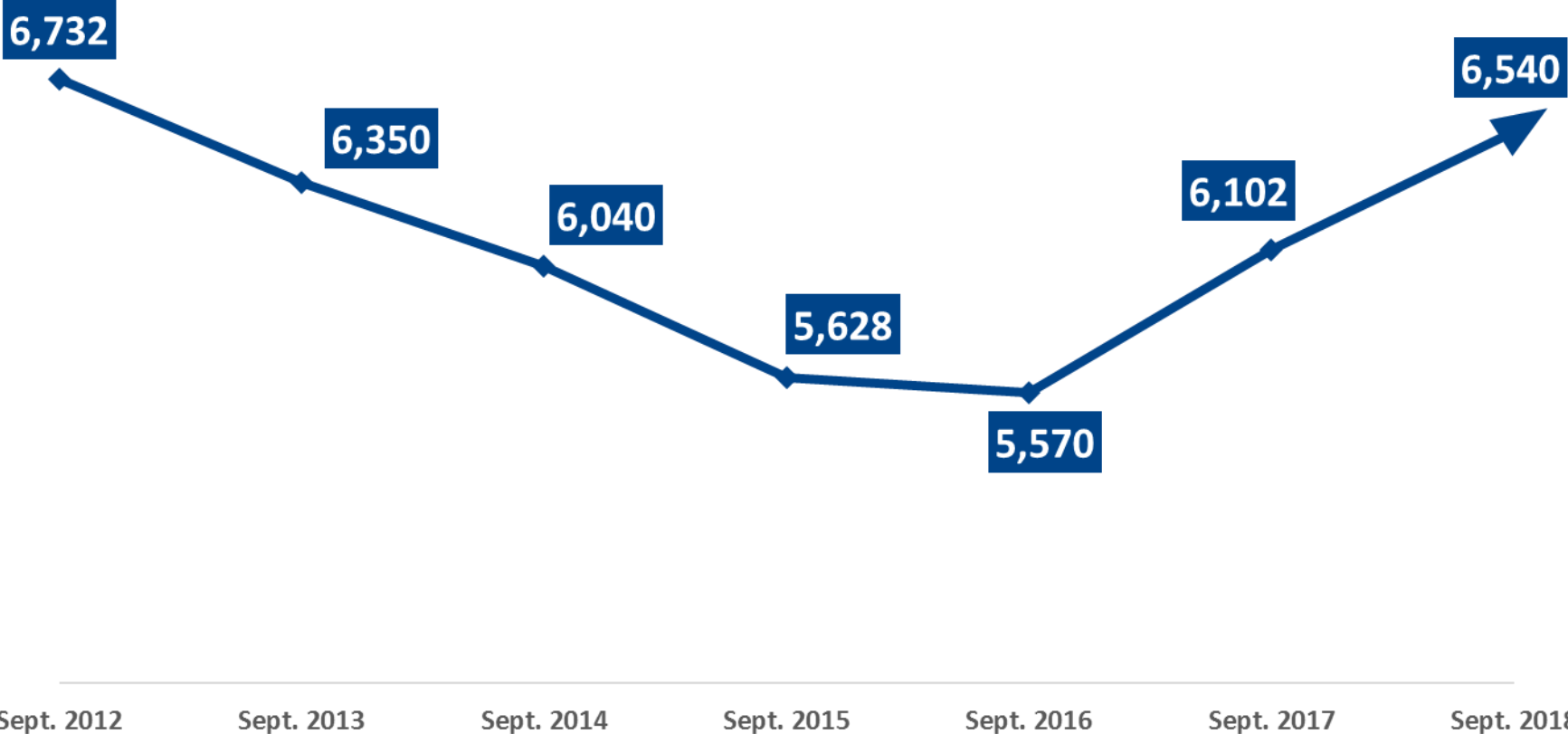
WCR

including current provisions



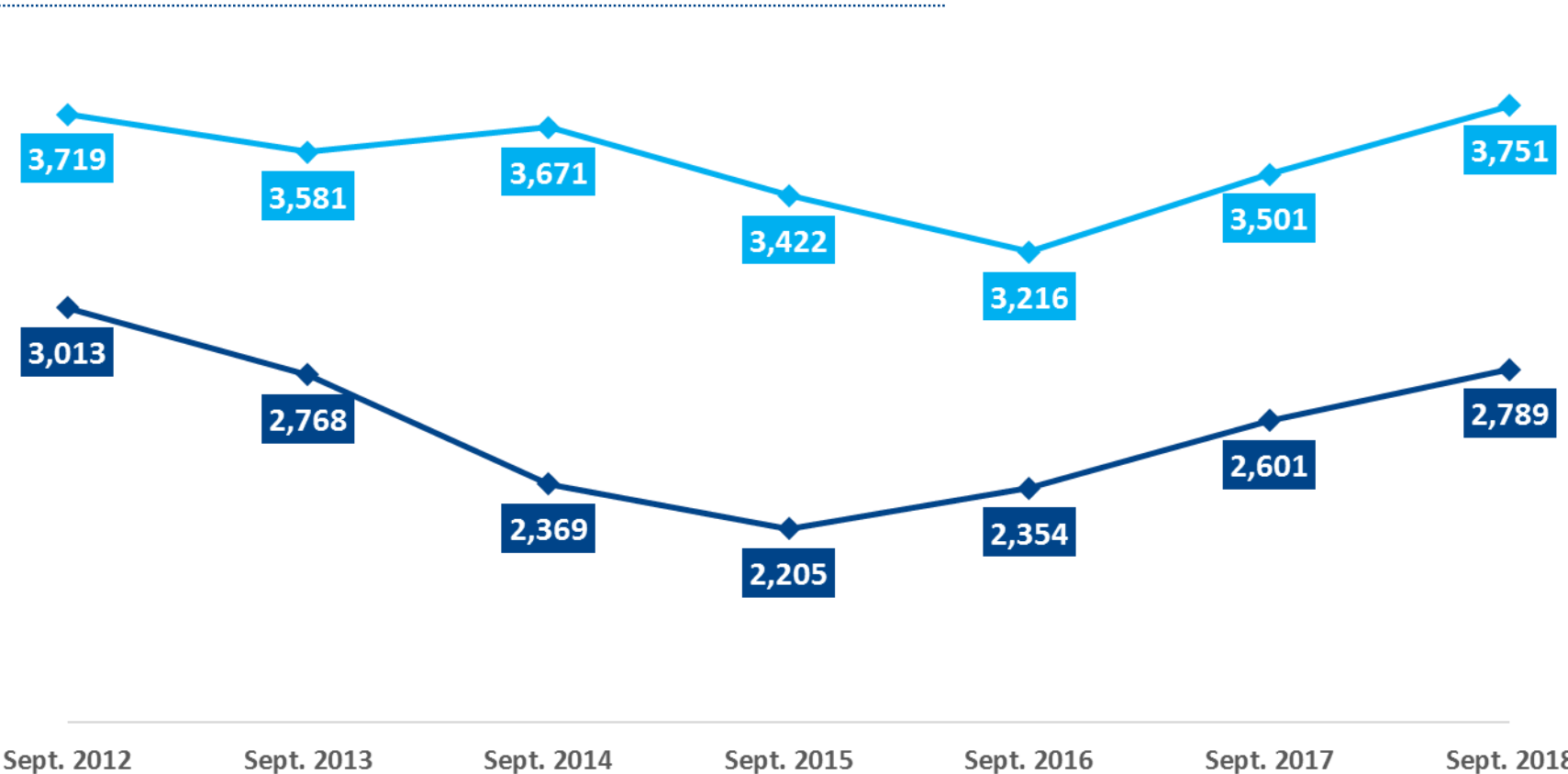
TRENDS

BACKLOG : TURNING POINT IN 2016 (IN M€)

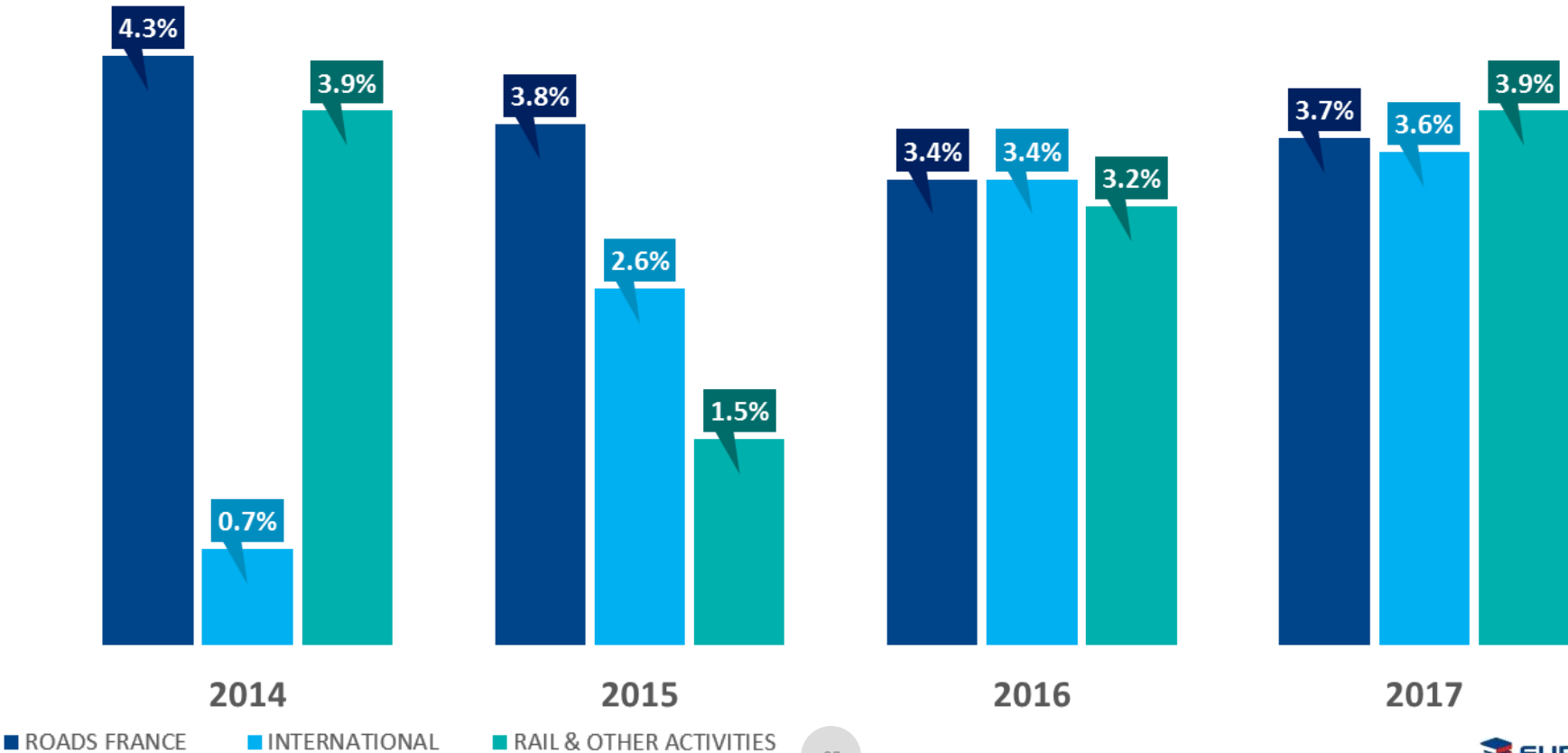


BACKLOG EVOLUTION BY AREA (IN M€)

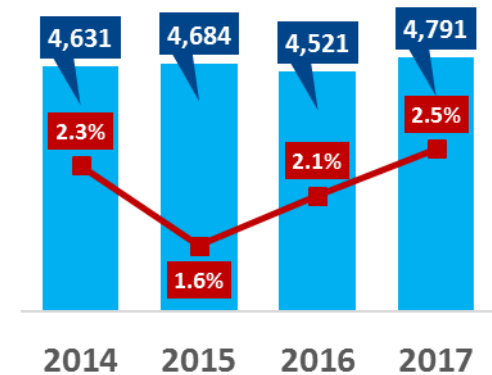
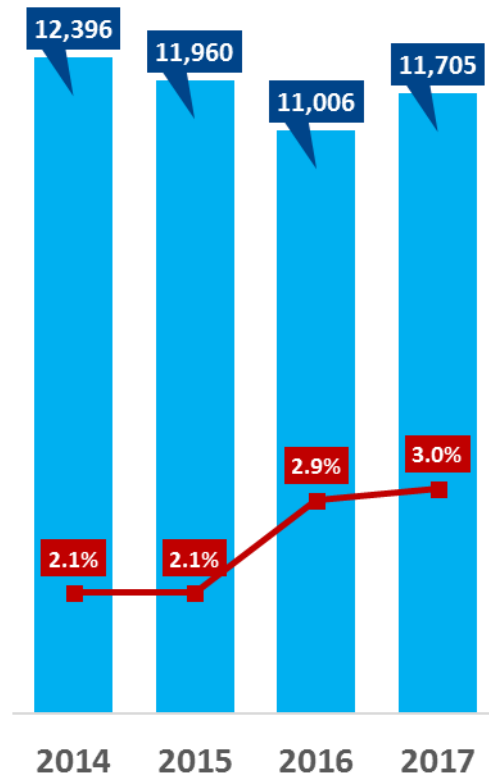
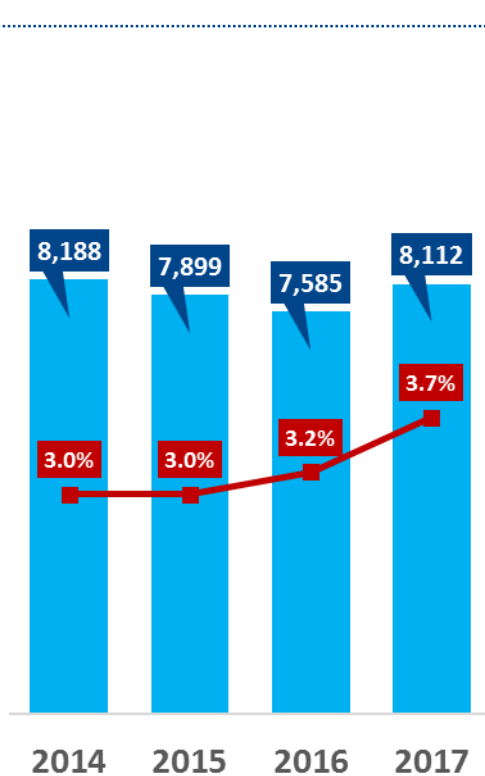
FRANCE
INTERNATIONAL



EBIT MARGIN : HOMOGENEITY AMONG OPERATIONAL AREAS



MAIN COMPETITORS



Revenue (in M€) EBIT %

A scenic view of a rocky coastline with a sailboat on the water. The image shows a steep, rocky cliffside on the left, leading down to a calm body of water. A white sailboat is visible in the lower-left quadrant. The sky is clear and blue, suggesting a bright day. The overall atmosphere is serene and coastal.

STRATEGY

Pierre ANJOLRAS



OUR MISSION

**As a local partner,
Eurovia develops mobility
solutions designed to enhance
local economic competitiveness
and strengthen social bonds
by designing, building
and maintaining transport
infrastructure and fostering
urban development.**

**BUILDING
TOGETHER**

OUR VALUES



CLIENT
SATISFACTION



SAFETY



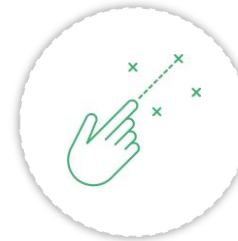
RESPONSIBILITY
& ACCOUNTABILITY



TEAM
WORK

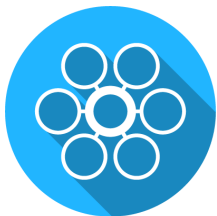


INNOVATION

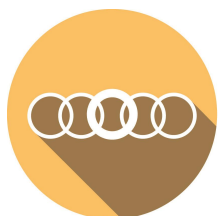


ENTREPRENEURSHIP

OUR STRATEGIC ORIENTATIONS



BE INTERNATIONAL



BE
A PARTNER



BE
INTEGRATED



BE
ATTENTIVE



BE
PERFORMING



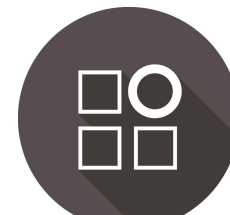
BE
CARING



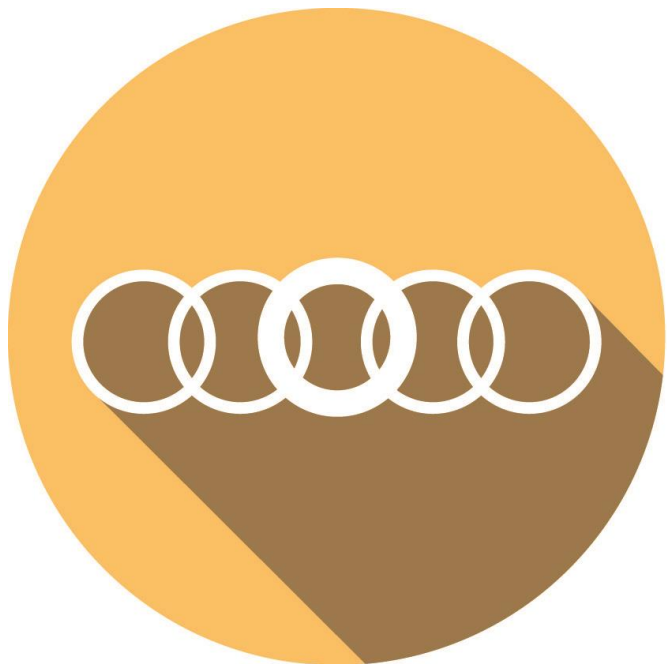
BE
RESPONSIBLE



BE
ENGAGING



BE
INNOVATIVE



BE A PARTNER

- **Assert our position as an infrastructure One-Stop Shop and Design-Build Contractor**
- **Participate in PPP projects with VINCI Concessions**

GERMANY :

A4, A5, A9 & A7





UK

PFI OF HOUNSLOW & ISLE OF WIGHT





CANADA (SASKATCHEWAN)

REGINA BYPASS





FRANCE
HIGH SPEED LINE TOURS-BORDEAUX



BE INNOVATIVE

- **3 priorities**
 - Digitise our activities
 - Transform experience
 - Develop new offers

- **130 active patents**

THE 100% RECYCLED ROAD





**POWER
ROAD**
by Eurovia

THE POSITIVE ENERGY ROAD



USE CASES



TWO OPTIONS

- SUMMER
- WINTER



TWO FUNCTIONALITIES

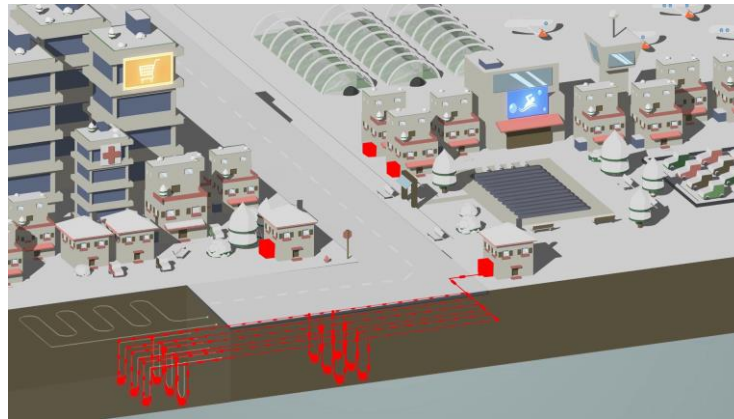
- ON THE ROAD
- FOR BUILDINGS

BUILDING

HOUSING

CITY CENTER

SHOPPING
CENTRE



GREEN DISTRICT

SWIMMING POOL

AIRPORT

ROAD NETWORK

PONTARLIER



2018-01-16 17:21:37Z



DEVELOPMENT OF POWER ROAD®: 70 PROJECTS UNDER REVIEW





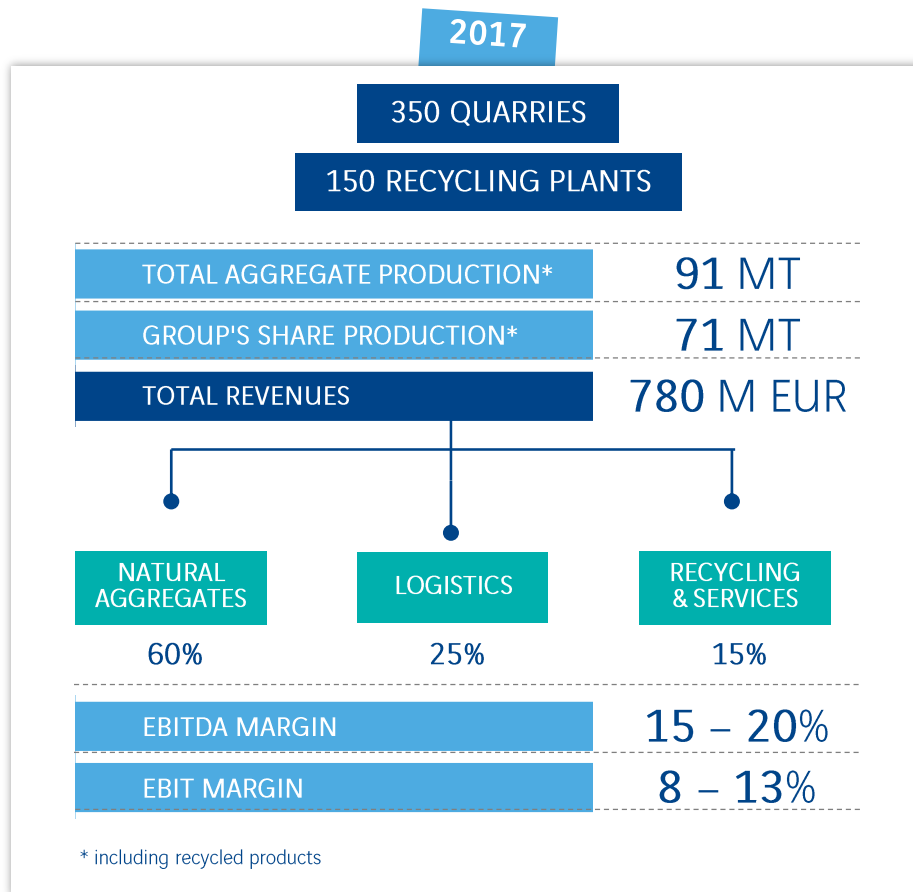
BE INTEGRATED

- Focus on aggregates
- Pursue a vertical integration strategy wherever we operate

INTEGRATED BUSINESS MODEL



KEY FIGURES









A DEEP NETWORK OF LOCAL AND NATIONAL QUARRIES

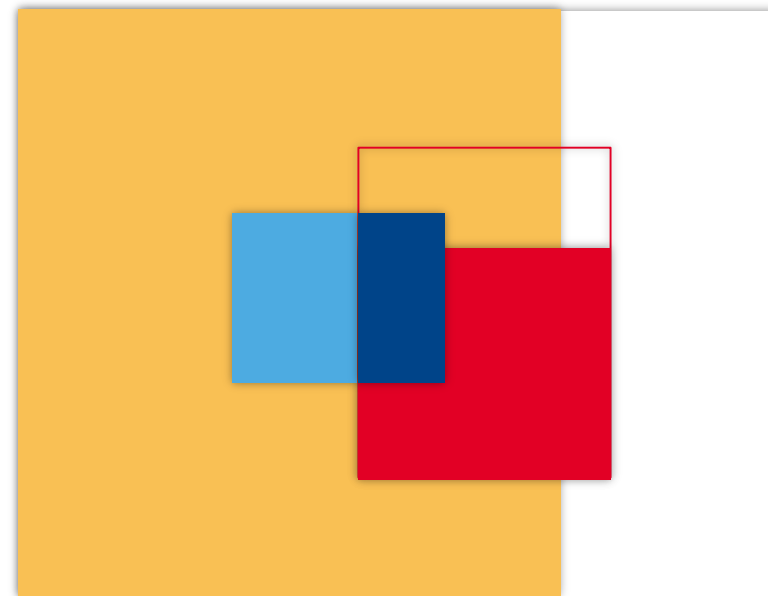
FOCUS ON GROUP'S QUARRIES BY SIZE

| | % OF TOTAL TONNAGE |
|-----------------------------|--------------------|
| 0 - 250 THOUSANDS TONNES | 32% |
| 250 - 500 THOUSANDS TONNES | 25% |
| 500 - 1000 THOUSANDS TONNES | 23% |
| OVER 1000 THOUSANDS TONNES | 20% |

HOW EUROVIA WEIGHS ON THE UPSTREAM MARKET – FRANCE EXAMPLE

| | 2017 | |
|--|------|--|
| TOTAL PRODUCTION OF AGGREGATES ⁽¹⁾ | 338 |  |
| USE IN PUBLIC WORKS AND RAILWORKS ⁽²⁾ | 223 |  |
| EUROVIA TOTAL PRODUCTION | 55 |  |
| GROUP'S SHARE OF PRODUCTION | 41 |  |
| GROUP'S EXTERNAL PURCHASES | 12 |  |
| GROUP'S INTERNAL PURCHASES | 11 |  |
| GROUP'S TOTAL CONSUMPTION | 23 | |

IN MILLION TONNES



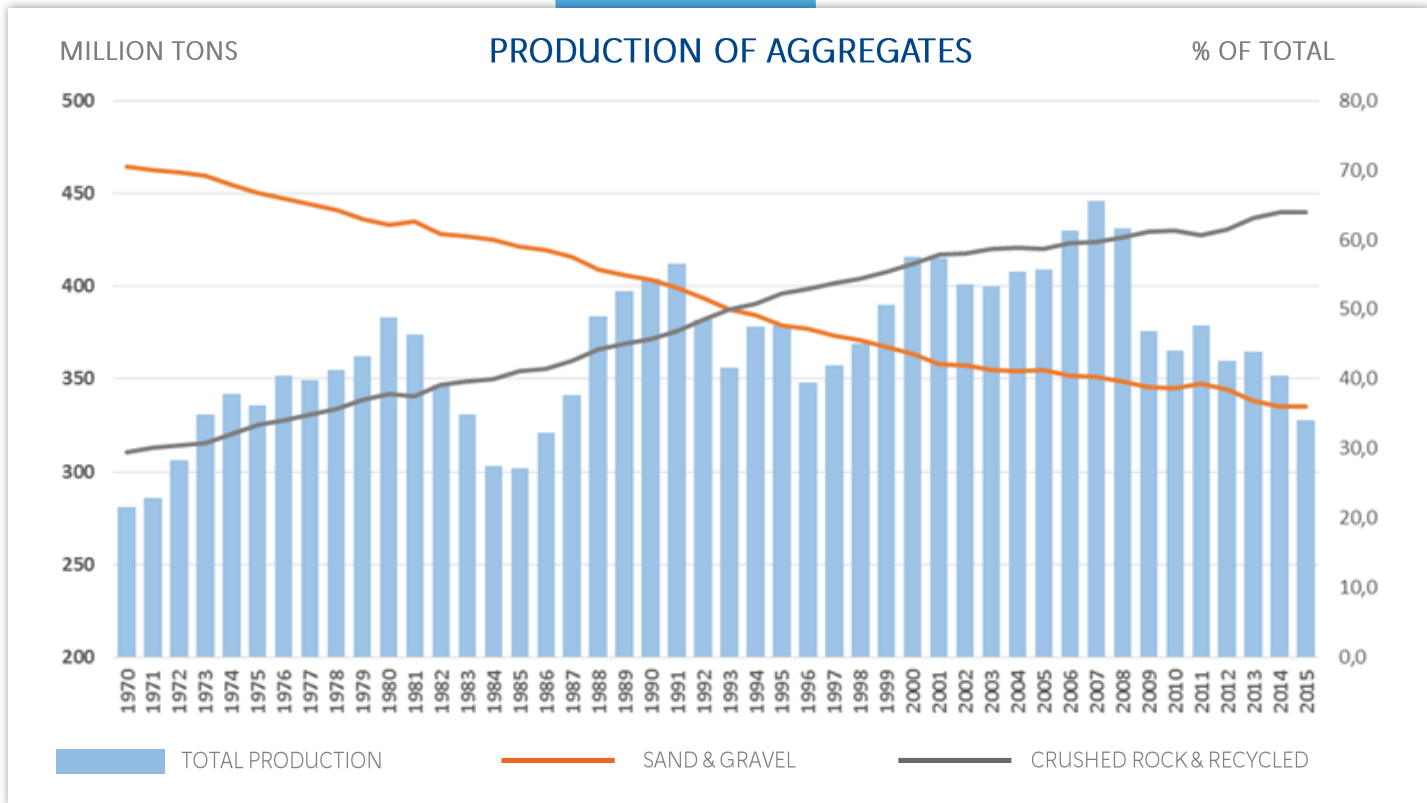
(1) Source : UNICEM - (2) Estimated

A PORTFOLIO OF AGGREGATE SOURCES WITH POTENTIAL

| FOCUS ON FRANCE AGGREGATE PRODUCTION BY TYPE OF RESOURCES | | |
|--|--------|---------|
| | MARKET | EUROVIA |
| CRUSHED ROCK FROM QUARRIES | 56% | 63% |
| SAND & GRAVEL FROM PITS | 36% | 22% |
| RECYCLED AGGREGATES | 8% | 15% |

MARKET TRENDS

FRANCE



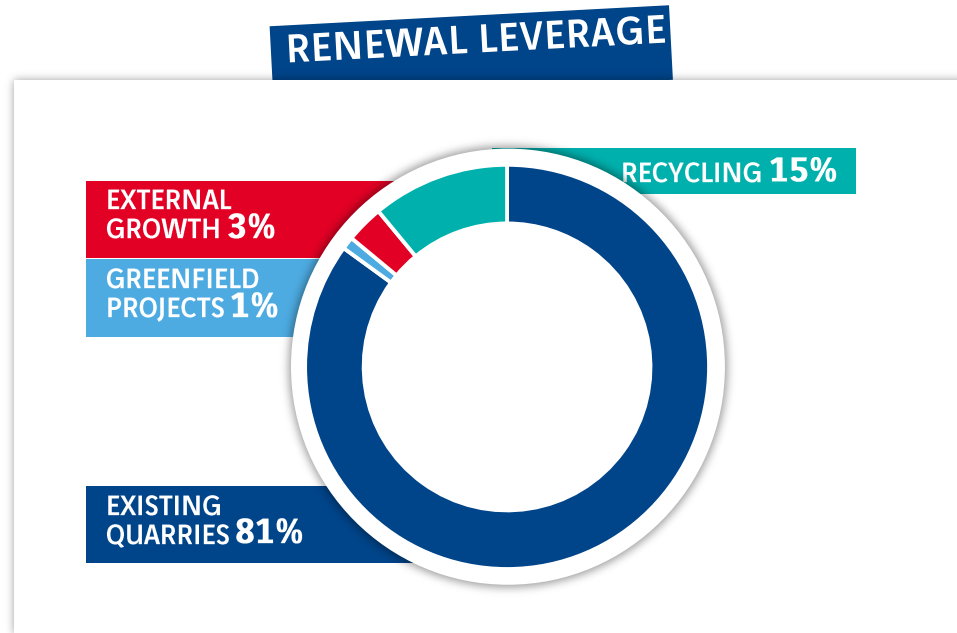
LONG TERM RESERVES POLICY

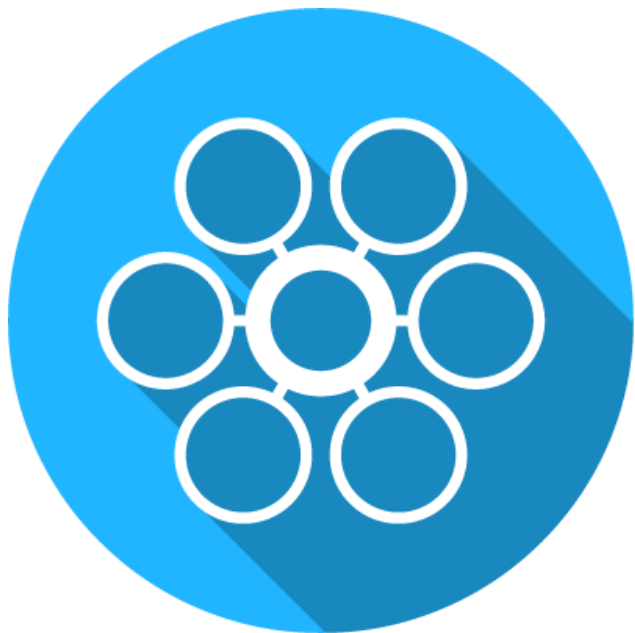
IN MILLION TONNES

| | 2017 |
|---|--------------|
| RESERVES WITH PERMITS | 2,600 |
| RESERVES BEYOND PERMITS | 1,000 |
| TOTAL SECURED RESERVES <small>(100% RESERVES WITH PERMITS + 50% BEYOND PERMITS)</small> | 3,100 |

REPRESENTING 50 YEARS OF ANNUAL PRODUCTION

RESERVES RENEWAL vs. RESERVES CONSUMPTION: A MID TERM POSITIVE BALANCE

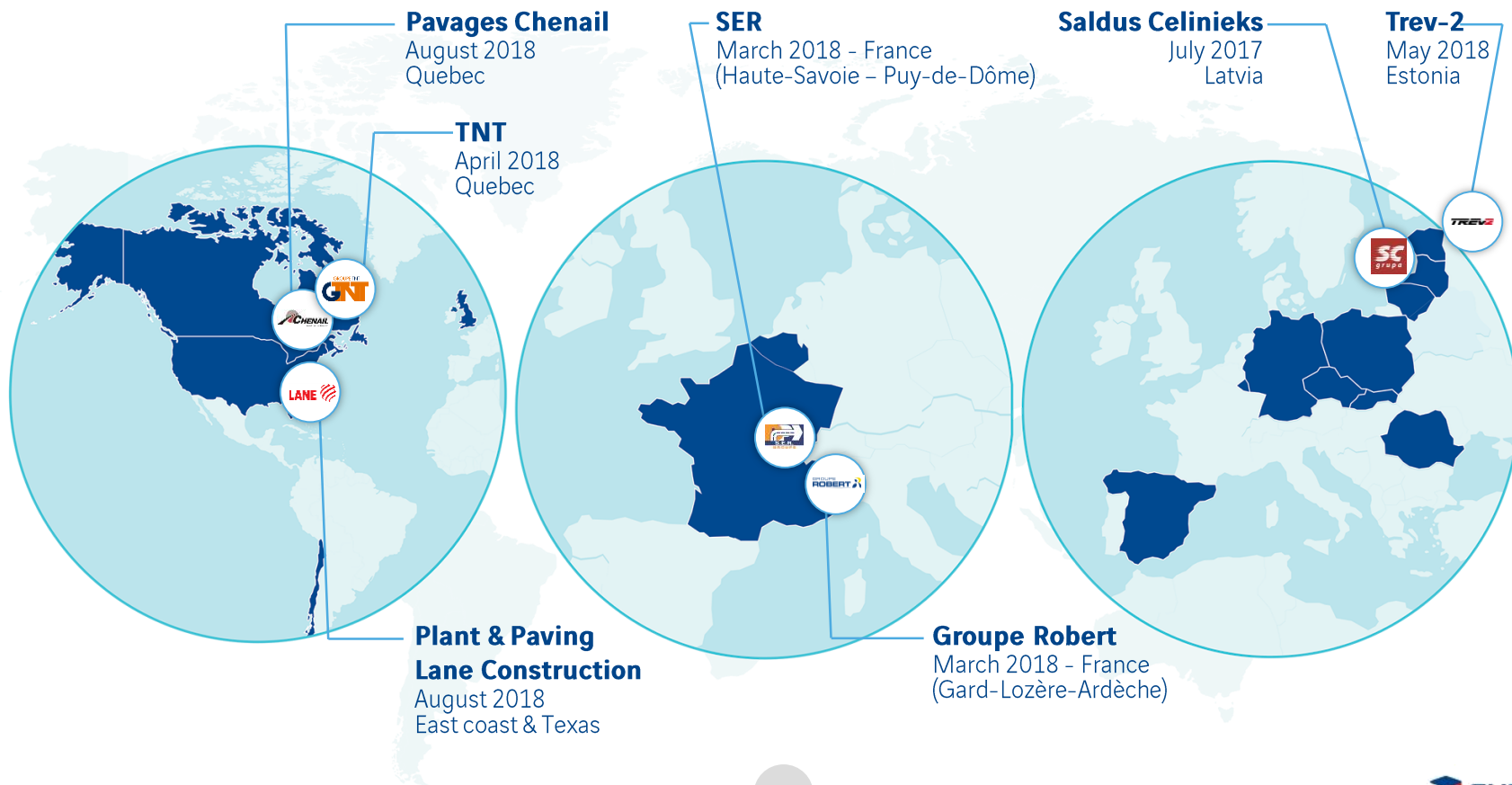




BE INTERNATIONAL

- **Develop in priority where we already operate to enhance our market shares**

ACQUISITIONS



2017 & 2018 ACQUISITIONS

| Country | Name | Annual revenue | Headcount |
|--------------|----------------------------------|----------------|--------------|
| USA | Plant & Paving Lane Construction | €530M | 2,000 |
| Canada | TNT | €110M | 375 |
| Estonia | Trev-2 | €70M | 365 |
| Canada | Pavages Chenail | €50M | 220 |
| France | SER | €40M | 150 |
| Latvia | Saldus Celinieks | €25M | 300 |
| France | Groupe Robert | €20M | 145 |
| Other | | €105M | 528 |
| Total | | €950M | 4,083 |

USA

EXTERNAL GROWTH

LANE'S ASPHALT PLANTS & PAVING SEGMENT



KEY FIGURES

- **38** active Hot Mix Asphalt plants out of a total of 43. Production of 6.3 MT in 2017
- **26** Quarries & pits - Production of 1,3 MT in 2017. Reserves around 100 MT
- **619 MUSD** 2017 revenue
- **437 MUSD** current backlog (as of March 2018)
- **70%** of revenue from publicly funded projects (state or federal)
- **1,400+** contracts per year
- **c. 2,000** employees.

EUROVIA DOUBLES ITS SIZE IN THE COUNTRY, BECOMING ONE OF THE LARGER ASPHALT PRODUCERS ON THE EAST COAST



 HUBBARD CONSTRUCTION & BLYTHE CONSTRUCTION

 LANE P&P

CONCLUSION

Christian LABEYRIE, VINCI's Executive VP and CFO



EUROVIA VALUATION BY FINANCIAL ANALYSTS

EUROVIA ENTERPRISE VALUE

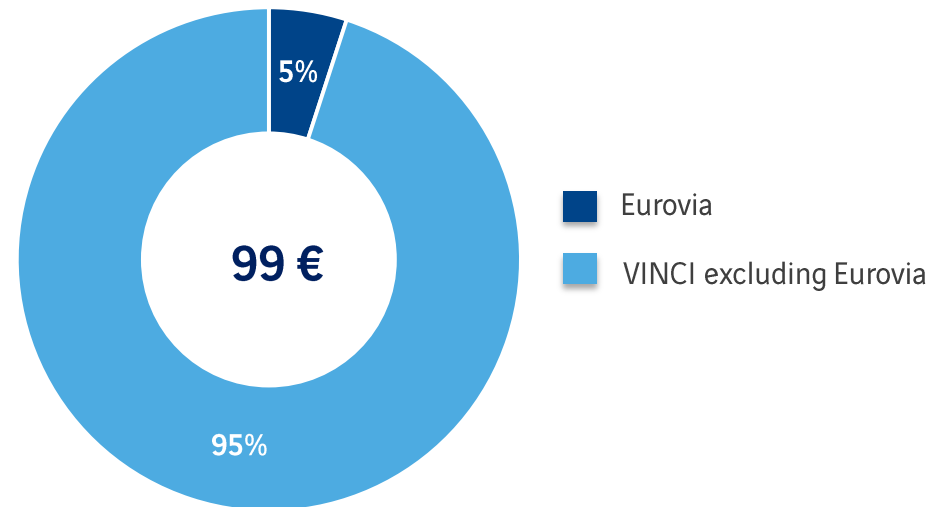
EV Median €2.7 bn

EV Max €4.0 bn

EV Min €1.6 bn

EV / EBIT multiple 8x

VINCI TARGET PRICE



Source: Last updated SoP valuations at 31 October 2018 from 28 analysts contributing to the consensus

EUROVIA 2019 OUTLOOK AND VALUATION METHODOLOGY

2019 OUTLOOK

Sales €9bn - €9.5 bn

Ebit margin 4% minimum

EUROVIA SUM OF THE PARTS

ACTIVITY

VALUATION METHOD



ROADWORKS

EV / EBIT multiples :
6 / 7 x minimum to double digit



QUARRIES

↗ **Aggregates :** €0.6 to €0.7 per ton

↘ **EV/EBITDA multiples :**
Average of listed pure players: 12/14 x



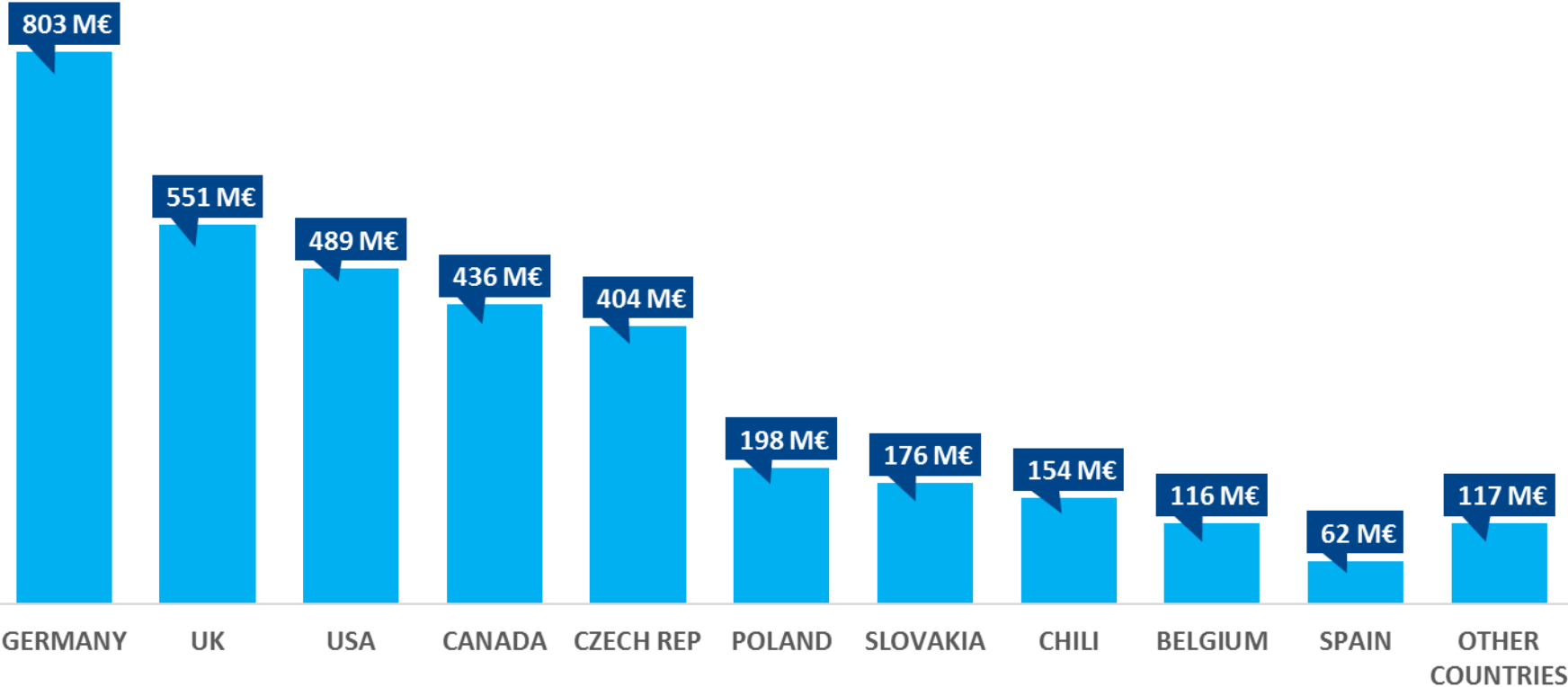
Q&A





APPENDIX

INTERNATIONAL : 43% OF EUROVIA'S 2017 REVENUE



■ Revenue (in M€)

CUSTOMERS ON THE FRENCH MARKET

(SOURCE ROUTE DE FRANCE 2018 – TRADE ASSOCIATION)

| TYPE | SHARE |
|--|-------------|
| French State | 5.0% |
| Local authorities: - Regions (conseils départementaux and régionaux) - Cities (communes and intercommunalités) | 15.0% |
| | 38.0% |
| Public companies and large projects | 6.5% |
| Private | 31.5% |
| Highways (concessions) | 4.0% |
| Total | 100% |



MILLIONS
OF
STORIES

39,500
EMPLOYEES

16
COUNTRIES

42,000
WORKSITES
PER YEAR

Find out more on
stories.eurovia.com



EUROVIA
VINCI 

Create your **next move**