



Paris-La Défense, May 7, 2008

### Q1 2008 information

Revenue of €552 million

Total growth of 18%

Organic growth of 9%

### Confirmation of outlook for high growth in 2008

Growth of more than 15% in revenue and adjusted operating profit<sup>1</sup>

Strategic acquisition in minerals testing

## I- Change in consolidated revenue

Q1 2008 revenue totalled €552.0 million, up 17.6% relative to the year-earlier period. Revenue growth broke down as follows:

- **Organic growth of 9.0%**, with high growth in the Marine, Industry and Consumer Products businesses.
- **A 13.1% contribution from acquisitions**, primarily from ECA in Spain, CCI Holdings in Australia and Chemtox in Denmark.
- **A negative impact from currencies of 4.5%**, stemming from the stronger euro in the period relative to the US dollar, the Hong Kong dollar and the British pound.

### Change in revenue by business

<i>millions of euros</i>	<i>2008</i>	<i>2007</i>	<i>Total growth</i>	<i>Organic growth<sup>(*)</sup></i>
Marine	66.9	59.3	<b>12.8%</b>	<b>17.7%</b>
Industry	84.9	62.8	<b>35.1%</b>	<b>23.6%</b>
In Service Inspection & Verification	79.0	62.8	<b>25.8%</b>	<b>3.6%</b>
Health, Safety & Environment	54.2	48.6	<b>11.6%</b>	<b>(2.0)%</b>
Construction	109.4	92.1	<b>18.7%</b>	<b>5.1%</b>
Certification	60.4	55.9	<b>8.1%</b>	<b>3.2%</b>
Consumer Products	58.1	53.9	<b>7.8%</b>	<b>18.3%</b>
Government Services & International Trade	39.1	33.8	<b>15.8%</b>	<b>1.8%</b>
<b>Total Q1</b>	<b>552.0</b>	<b>469.2</b>	<b>17.6%</b>	<b>9.0%</b>

*\*Since January 1, 2008, the activities and networks of Bureau Veritas and ECA in Spain have been merged. Organic growth is calculated on the 2007 pro-forma scope of consolidation including ECA revenue in Q1 2007.*

<sup>1</sup> Based on the scope of consolidation at end-December 2007 (i.e. 2008 acquisitions) and on a same-currency basis

## Marine

Revenue in the Marine business rose 12.8% in Q1 2008, including organic growth of 17.7% and a 4.9% negative impact from currencies, primarily due to the stronger euro relative to the US dollar, the Korean won and the British pound.

Momentum in the Marine business stemmed from both high growth in the classification business for new ships and surveillance of ships in service. The two businesses each account for around 50% of revenue in the division.

The classification business for ships under construction posted high growth, with naval shipyards in Asia (and especially China), Turkey and the Netherlands, as well as with suppliers of equipment in Germany. Demand for new construction remained buoyant and the order book increased to 31.3 million gross tons as of March 31, 2008, vs. 30.2 million gross tons on December 31, 2007. This order book equates to more than four years of deliveries.

Growth in surveillance of ships in service accelerated in Q1 2008, especially with German, Turkish and Chinese ship owners. At March 31, 2008, the fleet registered by Bureau Veritas included 7,964 ships representing 59.4 million gross tons compared with 7,581 ships (or 55.2 million gross tons) at March 31, 2007.

## Industry

Revenue in the Industry business rose 35.1% in Q1 2008, with organic growth of 23.6%, a 16.4% contribution from external growth and a 4.9% negative impact from currencies.

The Industry business continued to benefit from robust growth in investment spending by the oil sector in Latin America (particularly in Brazil, Chile, Peru and Argentina), in Asia (China, India, south-east Asia) and in Russia. In addition, faster growth in power-related investments was noted in France, Finland, China, Japan, India and the USA.

Acquisition growth concerned the consolidation of CCI Holdings (Australia) and ECA (Spain).

## In-Service Inspection & Verification (IVS)

Revenue in the In-Service Inspection & Verification business (IVS) rose 25.8% in Q1 2008, with organic growth of 3.6%, a 24.7% contribution from acquisitions and a 2.5% negative impact from currencies.

In Europe, which accounts for 95% of revenue in this business, the number of days of production in Q1 2008 was lower by two days relative to the same period last year. On a same number of production days basis, organic growth in revenue would have worked out to 6.0%.

Organic growth of 3.6% broke down as follows:

- + 2.1% in France (57% of total revenue in the business).
- + 7.2% in Spain (20% of total revenue in the business).
- + 0.1% in the UK (13% of total revenue in the business).

In addition, the Group is continuing its strategy to roll out the European IVS platform in the Netherlands, Italy and Germany.

Acquisition growth concerned the consolidation of ECA (Spain).

## Health, Safety & Environment (HSE)

Revenue from the Health, Safety & Environment business (HSE) rose 11.6% in Q1 2008, down 2.0% in organic terms, with a 19.9% contribution from acquisitions and a 6.3% negative impact from currencies.

The HSE business continued the efforts undertaken in terms of streamlining the portfolio of businesses and services inherited from the various acquisitions made during recent years in the US, the UK, Spain and Australia. The aim is to position the business in segments with the highest growth and value added potential for coming years: energy efficiency, carbon emissions reduction, green building, sustainable development, safety at work, risk management and surveillance of hazardous substances. At the same time, certain inspection and on-site control businesses with lower value added are gradually being phased out.

In Q1 2007, all of the countries with a strong HSE business were virtually stable (France, US), or in decline (Australia, UK, Spain).

External growth stemmed primarily from the consolidation of ECA in Spain, Trotters and Chemtox in Denmark.

## Construction

Revenue in the Construction business rose 18.7% in Q1 2008, with organic growth of 5.1%, a 16.8% contribution from acquisitions and a 3.2% negative impact from currencies.

Organic growth (+5.1%) broke down as follows:

- In France (47% of Q1 2008 revenue in this business), organic growth totalled 3.1% with a stabilisation in the technical control business for new buildings and sharp growth in new inspection and audit services such as technical audits for property portfolios, technical due diligence and high quality environmental (HQE) certification of buildings.
- In Spain (22% of revenue), organic growth stood at 16.4% with a slowdown for the technical control business for new private buildings, whereas the inspection and control of infrastructure works business enjoyed high growth.
- In the US (12% of revenue), revenue fell 17.8% on a like-for-like basis. The business is divided into a regulatory-based code compliance activity (75% of total) and a voluntary-based business for construction materials testing (25% of total). Revenue from the code compliance business fell 10%, continuing to suffer from a decline in volumes of building permits, although the downtrend is tending to slow. The construction materials testing business incurred a greater downturn of 29%.
- In Japan (5% of revenue), organic growth totalled 55.6%. The business remained underpinned by the gradual privatisation of the code compliance market.
- In the UK (5% of revenue), where the business primarily concerns the testing of construction materials, organic growth totalled 2.3%.
- Three countries with new construction businesses (China, the United Arab Emirates and Russia), posted high organic growth and are each set to account for 1% of total revenue in the business in 2008.

External growth (+16.8%) concerned the consolidation of ECA in Spain and Guardian in the US.

## **Certification**

Revenue in the Certification business rose 8.1% in Q1 2008, with organic growth of 3.2%, a 6.4% contribution from acquisitions and a 1.5% negative impact from currencies.

The apparent weakness of organic growth was due to the fact that revenue in Q1 2007 included a high number of triennial recertifications for ISO 9000-2000 (that clients should normally have carried out before December 31, 2006). During Q1 2008, new sales were healthy and point to full-year organic growth, at least in line with that seen over full-year 2007.

The major global contracts segment continued to post high growth. By product category, the most dynamic reference systems were integrated systems and those concerning the food chain (ISO 22000) and safety of IT systems (ISO 27000).

In geographical terms, growth was high in China, India, Russia, the US, Japan and the UK.

## **Consumer Products**

Revenue in the consumer products business rose 7.8% in Q1 2008, with organic growth of 18.3% and a 10.5% negative impact from currencies (more than 80% of revenue is either US dollar-denominated or in pegged currencies such as the Hong Kong dollar).

All segments were robust in Q1 2008 and more particularly that of toy testing and analytical testing of textiles. The trend seen in Q4 2007 continued at the beginning of the year with a rise in volumes of toy testing following the various product recalls decided by several manufacturers and in anticipation of more stringent regulations in the USA.

By region, demand was particularly strong in Europe where Bureau Veritas gained momentum with German retailers and in Asia for the local market.

## **Government Services and International Trade**

Revenue in the Government Services and International Trade business rose 15.8% in Q1 2008, including organic growth of 1.8%, a 16.3% contribution from acquisitions and a 2.3% negative impact from currencies.

Revenue from the Government Services activity (66% of revenue in Q1 2008 in this business) fell slightly on a same-currency basis (-1%). High growth in imports inspected in the Democratic Republic of Congo, Mali and Benin and an increase in verification of conformity contracts in the Middle East, in particular in Saudi Arabia, offset the gradual termination of the contract in Ecuador (definitive halt in Q2 2008).

Revenue in the International Trade business (34% of revenue) rose by more than 14% on a like-for-like basis. Growth stemmed primarily from beneficial oil conditions (oil contract in the Congo) and an increase in the volume of rice inspection in Thailand.

Consolidation of the CCI's laboratory coal testing business (around half of the revenue of CCI) contributed all of the growth from acquisitions in this business.

## II- Outlook

In view of the revenue posted at the beginning of the year, the Group confirms that growth in full-year 2008 revenue and adjusted operating profit should exceed 15% relative to 2007 on a same-currency basis and assuming the following:

- Organic growth in revenue of at least 8%.
- The consolidation over the full-year of acquisitions made during 2007 and in particular that of Spanish company ECA, acquired on October 15, 2007 and Australian company CCI Holdings acquired on June 29, 2007.

These estimates do not take account of any contribution from the acquisitions made in 2008 and notably, that of Amdel and that of Cesmec.

## III- Further acquisitions

At the beginning of the year, the Group continued its active acquisitions policy. Since January 1, 2008, nine companies have been acquired representing annual revenue of almost €150 million.

- **Tecniter**

In early January 2008, the Group acquired Italian company, Tecniter, specialised in inspection and control of renovation works on historical monuments. In 2007, Tecniter had revenue of €0.4 million. The acquisition should help Bureau Veritas to expand in the construction business in Italy.

- **Ziller ASS**

In January 2008, Bureau Veritas acquired Ziller-ASS Sachverständigen GmbH, a German company specialised in fire safety installation inspection services. In 2007, Ziller-ASS had revenue of around €2 million. The acquisition bolsters Bureau Veritas' still very limited positions in the German inspection and in-service verification business.

- **Codde**

In January 2008, Bureau Veritas acquired Codde, a French company specialised in energy performance measurement tools and the recyclable nature of electrical and electronic products (EcoDesign labels). In 2007, Codde had revenue of around €0.4 million.

- **Cesmec**

On April 1, 2008, Bureau Veritas acquired Cesmec, the Chilean leader in inspection services, laboratory analysis and certification of industrial and agri-food products. Cesmec is also present in Peru and Argentina and had revenue of €21.5 million in 2007. The acquisition is set to substantially bolster the Group's presence in South America, where it now employs 3,700 staff. The acquisition also enables Bureau Veritas to extend its activities in the mining industry, in addition to the coal testing activities of the Australian company CCI acquired in June 2007.

Since its acquisition by Bureau Veritas, Cesmec has won strategic contracts with CODELCO (Corporacion Nacional del Cobre of Chile) representing almost €30 million in revenue over four years. This project consists of four outsourcing contracts for laboratory analysis of copper ore in Chile.

- **Anasol**

In April 2008, Bureau Veritas acquired Brazilian company Analytical Solutions SA (Anasol), the second-largest laboratory-testing group in Brazil. Recognized as one of the most advanced laboratories of its type in Latin America, Anasol offers various industries and agri-businesses a wide range of analysis services for raw materials and processed products. In 2007, Anasol had revenue of around €10 million. Bureau Veritas now employs 1,800 staff in Brazil.

This acquisition strongly complements that of Cesmec, and will strengthen Bureau Veritas' positions in Latin America, one of the highest growth areas in the world. It will enable Bureau Veritas to broaden its capabilities in terms of the laboratory analysis of raw materials and processed products and to strengthen its position with key accounts in the petroleum, food-processing and mining sectors.

- **Sciro**

In April 2008, Bureau Veritas acquired Sciro SpA, a leader in Italy in railway certification. The company had revenue of €2.9 million in 2007. The acquisition enables Bureau Veritas to bolster its positions in the segment of rail transport equipment inspection (freight and passenger), which is rapidly growing in Italy.

- **Graham**

In April 2008, Bureau Veritas acquired Graham Srl, an Italian company specialised in assistance for management of occupational health and safety at work (OHS). In 2007, the company had revenue of €1.7 million. The acquisition positions Bureau Veritas in the OHS market in Italy.

- **Bosun**

In April 2008, Bureau Veritas acquired 51% of Chinese company Bosun specialised in the control and prevention of Health, Safety and Environment risks for the oil and petrochemical industries. The company had revenue of €1.8 million in 2007. With this joint venture, Bureau Veritas has obtained the necessary accreditations to operate in China in a high-growth segment.

- **Amdel**

On May 6, 2008, Bureau Veritas acquired Amdel Holdings Pty Limited, an Australian leader in analytical minerals testing. For the financial year ending June 30, 2009, Amdel's revenue is set to total AUD188 million (or €113 million) and EBITA AUD45 million (€27 million). Growth in the business is set to continue in coming years in view of rapid expansion in exploration and mining operations in Australia and throughout the world, as well as trends to outsource testing and inspection services.

The acquisition of Amdel opens sizeable outlets in the high-growth mining industry market. Revenue synergies are high with expansion in inspection, certification and health, safety and environment services to key accounts in the mining industry. Furthermore, Bureau Veritas' global network will help expand Amdel's analytical minerals testing business in Africa, Asia and Latin America.

The acquisition was financed by an additional credit line of €250 million, created on April 29, 2008.

## **Agenda**

June 2, 2008: Annual General Meeting at 3 p.m. CET at Eurosites, 28 avenue Georges V, Paris 8<sup>ème</sup>

July 30, 2008: Publication of Q2 2008 revenue

## **About Bureau Veritas**

*Founded in 1828, Bureau Veritas is an international group specialised in the inspection, analysis, audit, and certification of products, infrastructure (buildings, industrial sites, equipment, ships, etc.) and management systems (ISO standards etc.) in relation to regulatory or voluntary frameworks.*

*Bureau Veritas ranks as the world's second largest group in conformity assessment and certification services in the fields of quality, health and safety, environment, and social responsibility ("QHSE") and the world leader in QHSE services not including commodity testing. Bureau Veritas is recognised and accredited by major national and international organisations.*

*Bureau Veritas is present in 140 countries through a network of 850 offices and laboratories. At the end of 2007, it has more than 33,000 employees and a client base of more than 300,000.*

*Since 1996, Bureau Veritas has posted average annual growth of 15% in revenue and 22% in adjusted operating profit. In 2007, the Group reported revenue of €2.067 billion, adjusted operating profit of €312 million and adjusted attributable net profit of €193 million.*

*Since October 24, 2007, Bureau Veritas has been listed on the Euronext Paris Eurolist (Compartment A, code ISIN FR 0006174348, mnemonic: BVI).*

*For further information [www.bureauveritas.fr](http://www.bureauveritas.fr)*

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