



## PRESS RELEASE

**Neuilly-sur-Seine, France, November 3, 2011** – Bureau Veritas, a global leader in conformity assessment and certification services, announces revenue for Q3 and the first nine months of 2011.

- **Revenue to end-September 2011 of €2.5bn, up 18%, including organic growth of 6%**
- **2011 outlook maintained for high growth in constant-currency revenue and adjusted operating profit**

Frank Piedelièvre, Chairman and CEO of Bureau Veritas, stated:

*"The Group generated double-digit overall revenue growth in Q3 2011, in line with the performances seen since the start of the year. Growth levels varied depending on the markets in which we operate. Bureau Veritas should post high growth in 2011 revenue and mid-single digit organic growth in the second half of 2011."*

### Revenue to end-September 2011

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic growth	Scope effects	Currency effects
Q3	<b>830.3</b>	739.1	+12.3%	+5.1%	+10.1%	(2.9)%
Total 9M	<b>2,453.1</b>	2,088.2	+17.5%	+6.0%	+12.7%	(1.2)%



## Key highlights

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Acquisitions bolster the Group's expertise and services portfolio and also round out its geographical coverage, especially in emerging markets, in order to benefit from local growth drivers and to accompany the international expansion of the Group's clients.

As such, since the start of the year, the Group has continued its acquisitions policy, by acquiring seven companies in fast-growing geographies and in high-potential activities, representing total annualized revenue of more than €35 million:

- The Auto Reg group, a leader in vehicle insurance damage inspection in Brazil with 2010 revenue of €23 million.
- Atomic Technologies, specialized in non-destructive testing services (NDT) in south-east Asia, based in Singapore and with 2010 revenue of around €3 million.
- Océanic Développement, specialized in inspection and certification services for the fishing industry, based in France and with 2010 revenue of €1.7 million.
- Scientige, specialized in asset integrity management inspection and assessment services, based in Malaysia, with 2010 revenue of €5 million.
- Toplis, a Philippine company specialized in independent cargo surveys (€0.8 million in revenue).
- Civil-Aid, an Indian company specialized in conformity assessment in the field of construction and infrastructure and which had 2010 revenue of €3 million.
- Medi-Qual, a French company specialized in medical equipment inspection services, with 2010 revenue of €1.4 million.

The integration of Inspectorate at Bureau Veritas is advancing successfully. Since January 1, 2011, all of the Group's commodities inspection and testing activities have been regrouped in the new Commodities business. This global platform is organized around three main market segments: namely oil and petrochemicals products, metals and minerals and agricultural products.

## Revenue at September 30, 2011

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Q3 2011 revenue rose by 12.3% to €830.3 million and broke down as follows:

- Organic growth of 5.1%, calculated on the pro-forma scope including the organic contribution from Inspectorate in Q3 2011.
- A 10.1% positive impact from changes in the scope of consolidation, prompted by the acquisition of Inspectorate.
- A 2.9% negative impact from exchange rates due to the weakness of the US and Hong Kong dollars and the Yuan relative to the euro.

9M 2011 revenue therefore totaled €2,453.1 million with the 17.5% increase relative to the first nine months 2010 stemming from:

- Organic growth of 6.0%, calculated on the pro-forma scope including the organic contribution from Inspectorate over 9M 2011.
- A 12.7% positive impact from changes in the scope of consolidation, primarily owing to the acquisition of Inspectorate.
- A 1.2% negative impact from exchange rates given the weakness of the US and Hong Kong dollars relative to the euro.

## Change in revenue by business

### Marine (10% of revenue)

<i>In millions of euros</i>	2011	2010	Overall change	Organic change	Scope	Currencies
Q3	76.2	79.0	(3.5)%	(1.0)%	-	(2.5)%
9M	235.9	235.0	+0.4%	+1.5%	-	(1.1)%

### **New construction (53% of revenue in the Marine business)**

Bureau Veritas took 5.8 million gross tons (GRT) or 523 ships of new orders at end-September 2011. The Group's market share in worldwide new orders rose to 22.0% in terms of the number of ships over 5,000 GRT and 13.6% in tonnage terms.

Following the rise in deliveries to GRT 9.7 million, up 18% relative to the year-earlier period, the order book for new construction fell to GRT 24.0 million on September 30, 2011 compared with GRT 28.8 million on December 31, 2010.

### **Ships in service (47% of revenue in the Marine business)**

On September 30, 2011, the fleet classed by Bureau Veritas rose by 4.6% relative to September 30, 2010 and was made up of 9,801 ships representing 83.7 million gross tons. The lower growth in Q3 revenue generated by surveillance of ships in service was due to the younger age of the fleet classed by Bureau Veritas since new ships do not require inspection for the 18 months following their delivery.

Over the full-year 2011, the Marine business should post slightly positive organic growth but with some slowdown in new orders intake. In the future, the Group should benefit from new regulations coming on stream.

### Industry (21% of revenue)

<i>In millions of euros</i>	2011	2010	Overall change	Organic change	Scope	Currencies
Q3	183.6	155.5	+18.1%	+18.7%	+2.2%	(2.8)%
9M	520.8	441.6	+17.9%	+17.4%	+1.4%	(0.9)%

*Since 1 January 2011, mining & minerals testing activities have been reclassified in the new Commodities business. 2010 data has been restated accordingly for better comparison.*

Revenue rose sharply in all segments and all geographical regions.

Commercial momentum remained robust and the Group notably won significant QA/QC<sup>(1)</sup> frame agreements with two oil majors, four procurement services contracts with Petrobras, a second-party contract for equipment verification for a gas project in Qatar with Hyundai Heavy Industry, and a QA/QC contract for the construction of 48 wind farm projects in the North Sea.

The Group should post robust double-digit growth in revenue over 2011 in view of the high number of major projects in terms of both new investments (capex) and operations in service (opex).

(1) QA/QC: Quality Assurance / Quality Control

## In-Service Inspection & Verification – IVS (13% of revenue)

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic change	Scope	Currencies
Q3	<b>101.5</b>	99.9	+1.5%	+3.0%	+0.2%	(1.7)%
9M	<b>316.0</b>	309.1	+2.2%	+3.1%	-	(0.9)%

9M 2011 revenue was mixed depending on the geographical region, with France and northern Europe posting growth while southern Europe was in slight decline.

The Group should post slight growth in 2011 revenue as well as the implementation of new regulations for heating, ventilation and air-conditioning (HVAC) equipment in Europe.

## Construction (12% of revenue)

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic change	Scope	Currencies
Q3	<b>100.8</b>	107.5	(6.2)%	(4.5)%	+0.5%	(2.2)%
9M	<b>304.9</b>	317.1	(3.8)%	(1.9)%	(0.7)%	(1.2)%

During the first nine months of 2011, the healthy level of growth in the Construction business in France and in Japan was wiped out by the ongoing weakness in activity in Spain and in the US.

The Group made its first acquisition in India in August 2011 (Civil-Aid).

Bureau Veritas does not expect organic growth to move back into the black before the second half of 2012 and is continuing growth initiatives in fast-growing geographies.

## Certification (9% of revenue)

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic change	Scope	Currencies
Q3	<b>71.0</b>	74.6	(4.8)%	(3.5)%	+0.9%	(2.2)%
9M	<b>227.2</b>	231.7	(1.9)%	(1.7)%	+0.4%	(0.6)%

Revenue was sharply affected by the halt to the GSAC contract in control and verification of civil aviation safety in France. Adjusted for the loss of this contract, organic growth in the business totaled 9.7% in Q3 2011 and 7.4% over 9M 2011.

Revenue should no longer be affected by the GSAC contract as of end of October and the rest of 2011 should benefit from production starts on large contracts especially those concerning environmental and sustainable development schemes.

## Commodities (16% of revenue)

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic change <sup>(1)</sup>	Scope	Currencies
Q3	<b>139.7</b>	70.7	+97.6%	+8.5%	+91.3%	(2.2)%
9M	<b>398.4</b>	134.5	+196.2%	+10.5%	+185.4%	+0.3%

(1) Organic growth is calculated on a pro-forma basis including revenue from Inspectorate in Q3 2010 and over all of 9M 2010.

9M 2011 growth was primarily driven by the Metals and Minerals segment and especially upstream testing despite demanding comparison with the year-earlier period. The Oil and Petrochemical segment continued to grow on the back of new contracts.

For the full-year, organic growth should remain robust. In the future, the business should benefit from the development of new services in the Oil and Petrochemical segment as well as the extension of capacity in the US and Canada (metals and minerals, geochemical testing and coal testing).

## Consumer products (12% of revenue)

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic change	Scope	Currencies
Q3	<b>99.6</b>	104.6	(4.8)%	+0.3%	+0.6%	(5.7)%
9M	<b>283.5</b>	287.3	(1.3)%	+2.1%	+0.6%	(4.0)%

During the first nine months, revenue growth was robust in the electrical & electronics segment with the expansion of the platform in China and in inspections and factory audits, especially with major clients. This growth was offset by the decline in revenue from toys testing in China.

The Group expects slightly positive organic growth, driven especially by the electrical & electronics segment in Asia as well as the rising momentum of new contracts.

## Government Services & International Trade (7% of revenue)

<i>In millions of euros</i>	<b>2011</b>	2010	Overall change	Organic change	Scope	Currencies
Q3	<b>57.9</b>	47.3	+22.4%	+11.1%	+15.0%	(3.7)%
9M	<b>166.4</b>	131.9	+26.2%	+12.1%	+16.9%	(2.8)%

Growth during the first nine months was driven by an increase in volumes inspected in the entire portfolio of existing contracts, the recovery in activity in the Ivory Coast and the start of the new Verification of Conformity contract in Iraq.

The Group expects robust growth in 2011 revenue, driven especially by the rising momentum of the contract in Iraq.

## Outlook

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The Group maintains that it should post high growth in 2011 revenue and adjusted operating profit on a constant-currency basis, with the consolidation of acquisitions and mid-single digit organic growth in the second half of 2011.

On September 20, 2011, the Group announced its strategic plan as well as its targets for 2012-2015:

An international services group with global revenue of around €5 billion and 80,000 employees by end-2015

- Average annual revenue growth: 9-12% <sup>(1)</sup>, of which:
  - Two-thirds from organic growth: 6-8% average annual growth
  - One-third from external growth: 3-4% average annual growth
- Improvement in adjusted operating margin of 100-150bps
- Average annual growth in adjusted EPS: 10-15%
- Significant reduction in leverage ratio (below 1x EBITDA)

## Financial agenda

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February 23, 2012: publication of full-year 2011 results

May 3, 2012: publication of Q1 2012 financial information

August 28, 2012: publication of H1 2012 results

November 6, 2012: publication of Q3 2012 financial information

## Conference call analysts/investors in English

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Date: Thursday November 3, 2011

Time: 6 p.m. CET

The conference call is to be broadcast live and recorded on the Group's website:

<http://finance.bureauveritas.com>

The presentation document will also be available on the website.

(1) On a constant-currency basis

**About Bureau Veritas**

*Bureau Veritas is a world leader in conformity assessment and certification services. Created in 1828, the Group has more than 50,000 employees in 900 offices and 330 laboratories located in 140 countries. Bureau Veritas helps its clients to improve their performances by offering services and innovative solutions in order to ensure that their assets, products, infrastructure and processes meet standards and regulations in terms of quality, health and safety, environmental protection and social responsibility (QHSE).*

*Bureau Veritas is listed on the Euronext Paris and belongs to the Next 20 (Compartment A, code ISIN FR 0006174348, stock symbol: BVI).  
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