



# Q3 2012 TRADING UPDATE

November 6, 2012



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# Disclaimer



*This presentation contains forward-looking statements which are based on current plans and forecasts of Bureau Veritas' management. Such forward-looking statements are by their nature subject to a number of important risk and uncertainty factors such as those described in the Document de référence filed with the French AMF that could cause actual results to differ from the plans, objectives and expectations expressed in such forward-looking statements. These forward-looking statements speak only as of the date on which they are made, and Bureau Veritas undertakes no obligation, except to the extent required by law, to update or revise any of them, whether as a result of new information, future events or otherwise.*

# Agenda

KEY HIGHLIGHTS  
BUSINESS REVIEW  
OUTLOOK  
Q&A



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**Sami Badarani**

Chief Financial Officer

# KEY HIGHLIGHTS

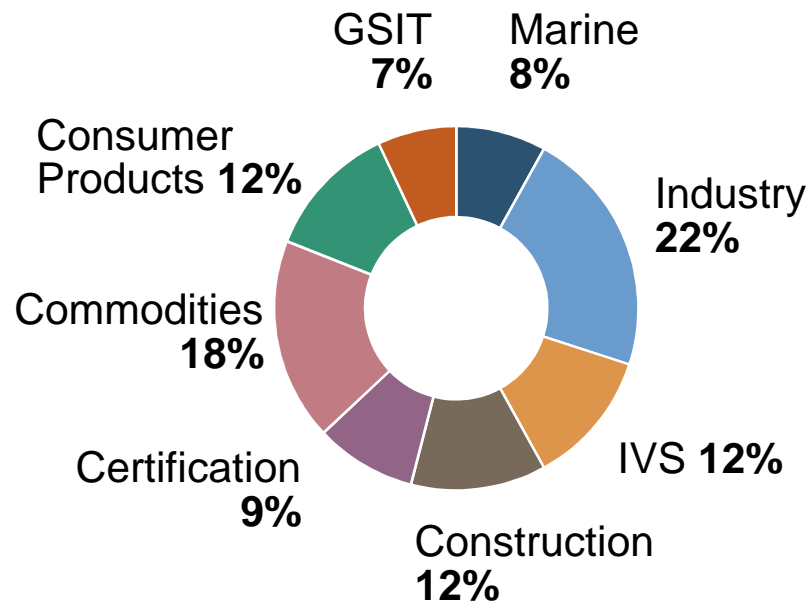


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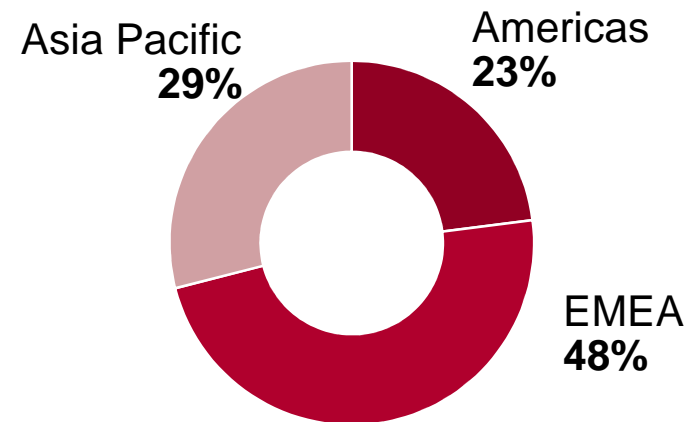
# A balanced portfolio



## 9M 2012 revenue



IVS: In-Service Inspection & Verification  
GSIT: Government Services & International Trade



### Fast growing zones 54%

Latin America, Asia ex. Japan, Pacific, Eastern Europe, the Middle East and Africa

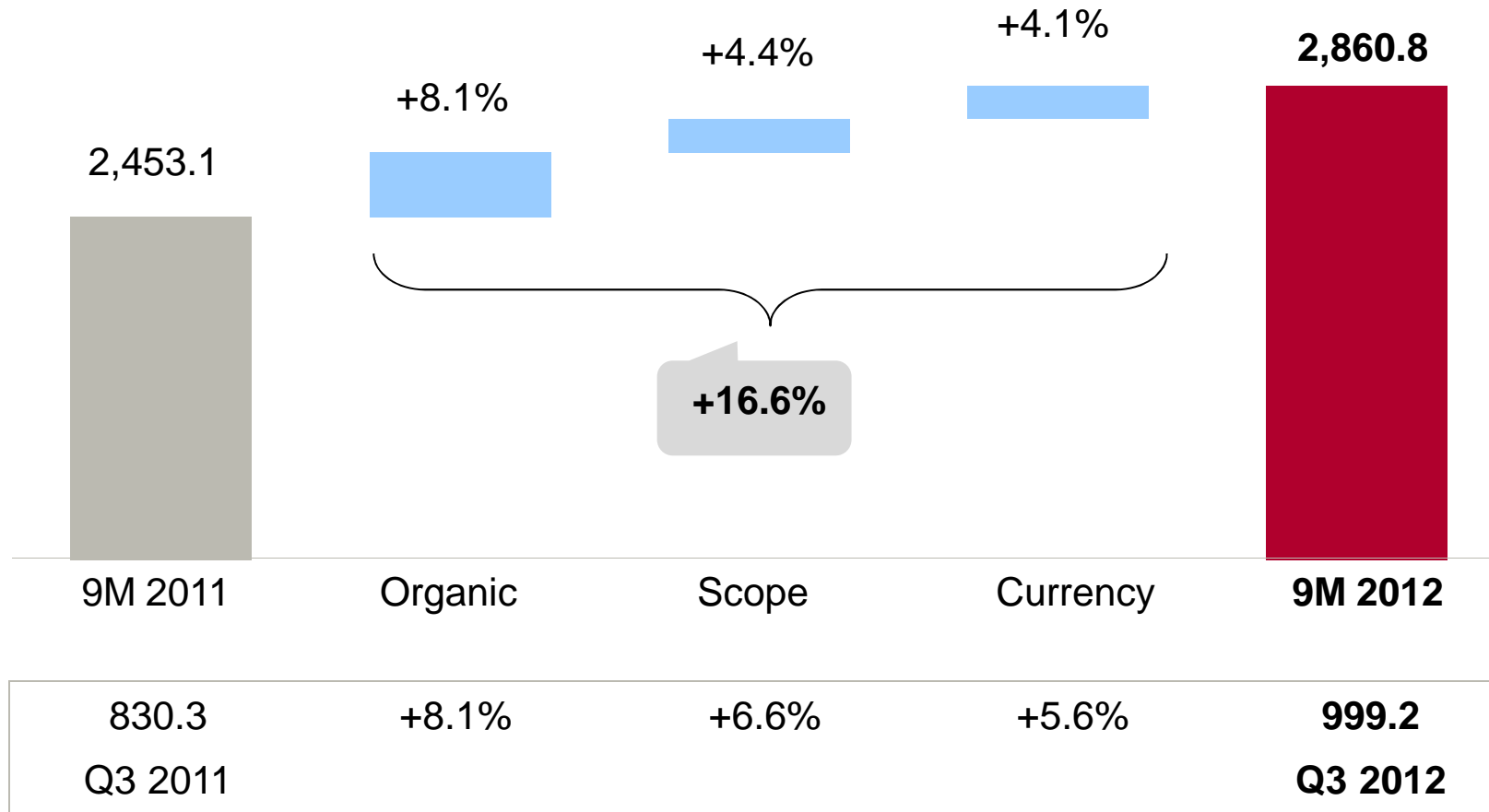
EMEA: Europe, the Middle-East and Africa

▶ ~59,000 employees

# Revenue











(EUR millions)



# Growth by business



		<u>Total growth</u>	<u>Organic growth</u>	
		9M	9M	Q3
	Industry	+31.1%	+16.4%	+14.3%
	Commodities	+29.6%	+14.1%	+14.6%
	GSIT	+28.7%	+25.8%	+34.3%
	Consumer Products	+15.9%	+6.7%	+9.4%
} ~60% revenue				
	Certification	+8.6%	+5.8%	+5.2%
	IVS	+5.4%	+3.2%	+0.9%
} ~20%				
	Construction	+1.9%	(4.5)%	(7.6)%
	Marine	+1.0%	(2.9)%	(3.2)%
} ~20%				
<b>Total Group</b>		<b>+16.6%</b>	<b>+8.1%</b>	<b>+8.1%</b>

Didier Michaud-Daniel

Chief Executive Officer

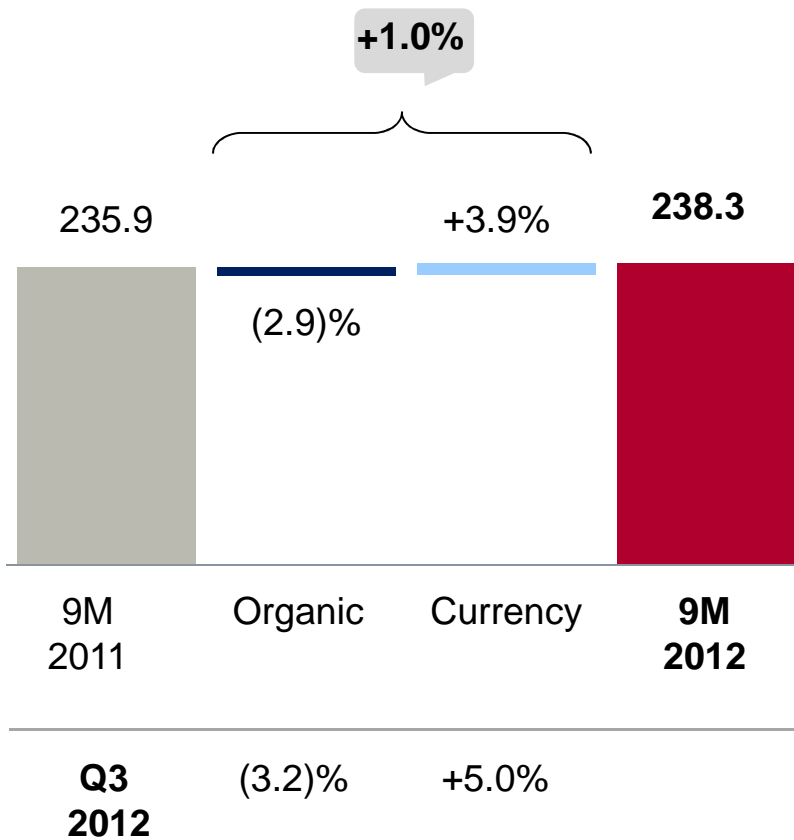
# BUSINESS REVIEW



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## Revenue evolution (EUR millions)



## 9M 2012 Highlights

New construction: 49% of revenue  
 New orders at GRT 3.6m (38)% yoy  
 Order book at GRT17.5m

In-service business: 51% of revenue  
 Fleet: 10,171 ships +3.8% yoy  
 GRT 93.8m +12%

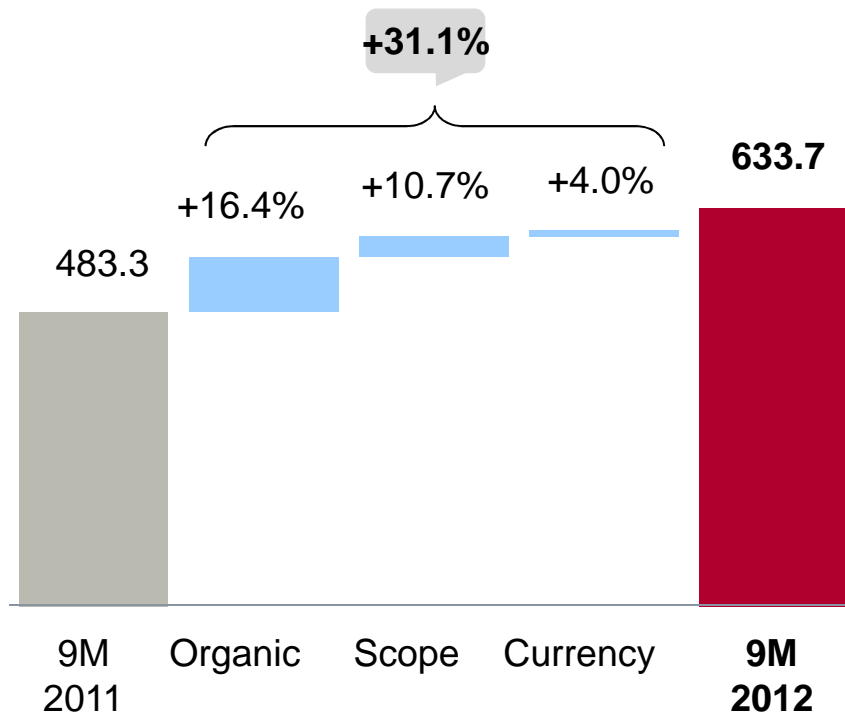
## Outlook

In-service increase partially compensating drop in new construction

New regulations: Energy efficiency, Maritime Labor Convention

Growth initiatives: Offshore, LNG

## Revenue evolution *(EUR millions)*



<b>Q3 2012</b>	+14.3%	+17.2%	+5.1%
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## 9M 2012 Highlights

Sustained growth in Oil&Gas, Power, Fast growing zones

Increase share of large accounts

Major key wins in Colombia, Australia, China

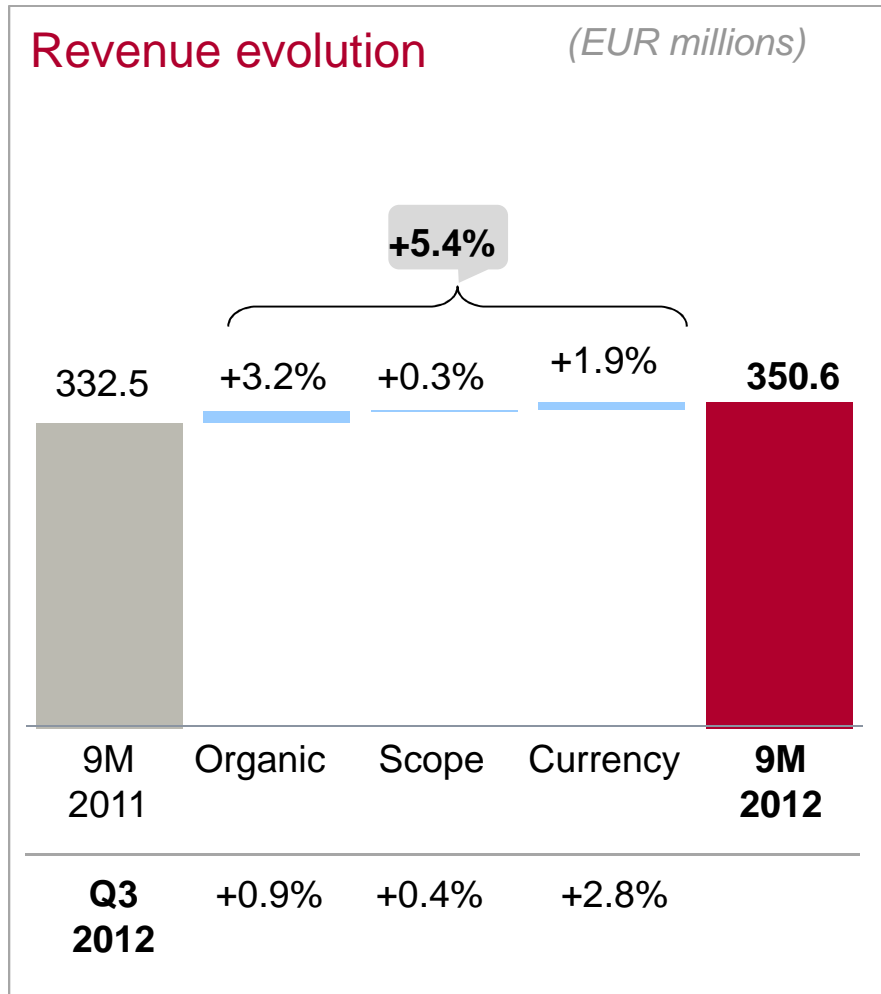
## Outlook

Continuous growth from:

- Oil & Gas Capex
- Asset integrity management (Opex)
- Strengthening of standards
- Supply chain rationalization

Selected acquisitions

# In-service Inspection & Verification



## 9M 2012 Highlights

Double digit growth in Latin America, China

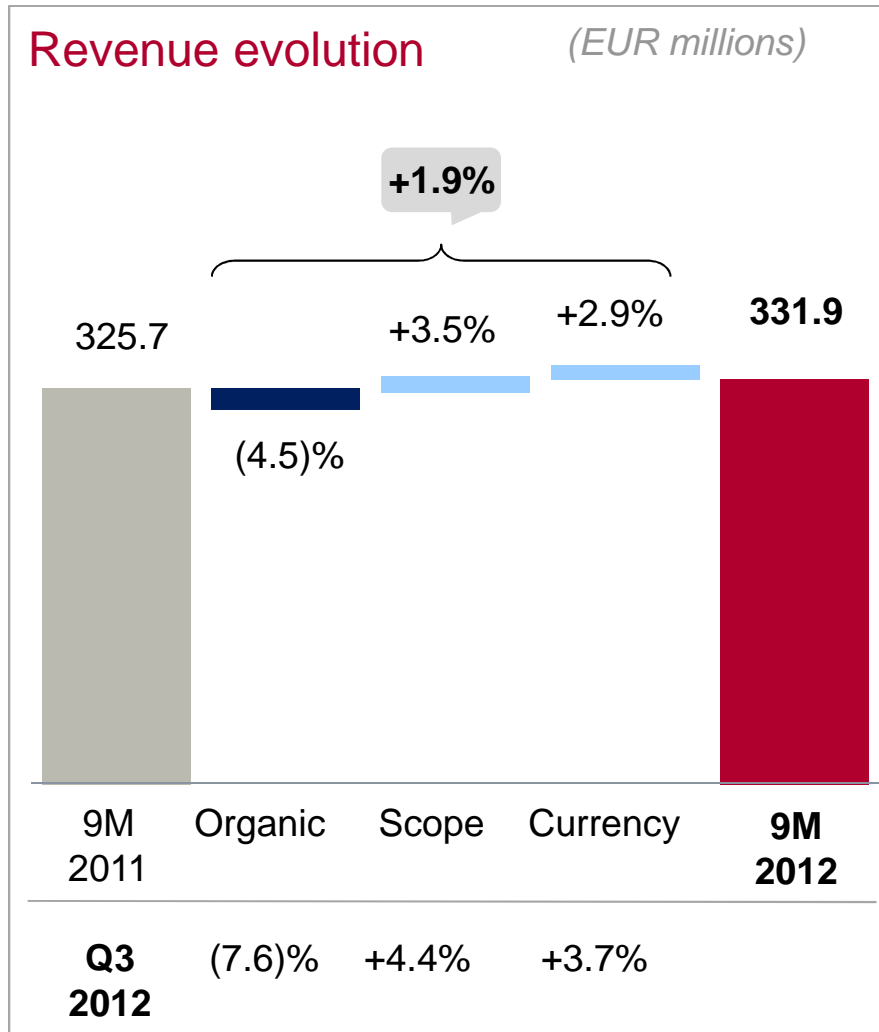
Resilient growth in mature economies except Spain

## Outlook

Overall resilience of the business

Lean initiative in France

Expansion of licenses to operate and geographies



## 9M 2012 Highlights

Slowdown in Europe

Good performance in Japan

Sustained growth in fast growing geographies

Rightsizing of operations and portfolio rationalization in Spain

## Outlook

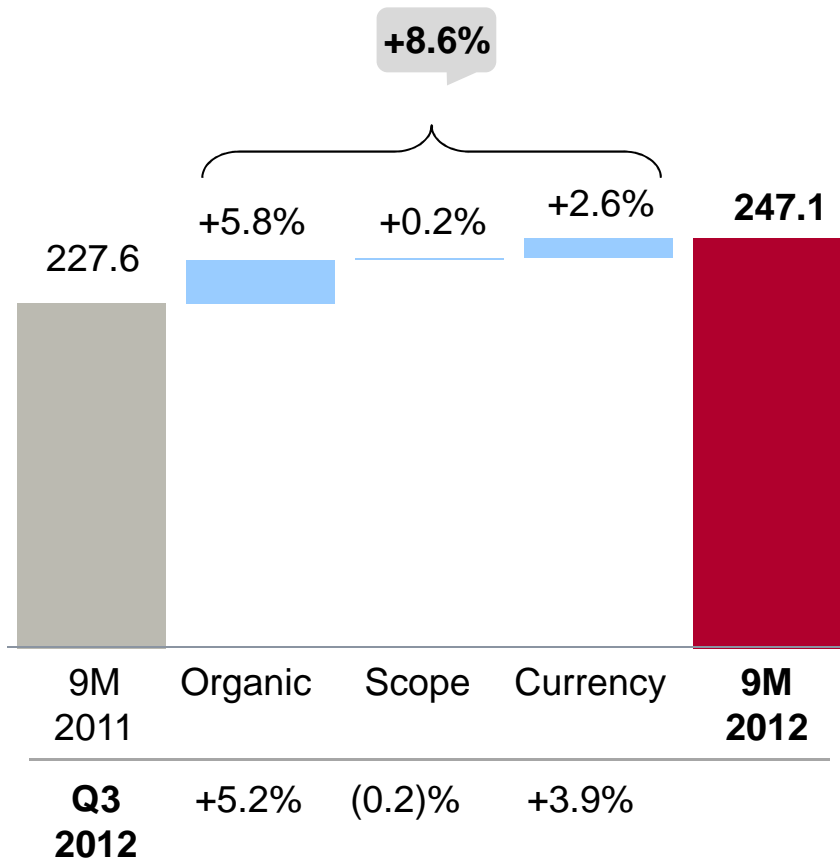
Measures taken to manage difficult market conditions in Europe

Development in fast growing geographies



## Revenue evolution

(EUR millions)



## 9M 2012 Highlights

Strong growth in fast growing zones

Resilience in mature countries

New products: fluids, timber, supply chain, sustainability

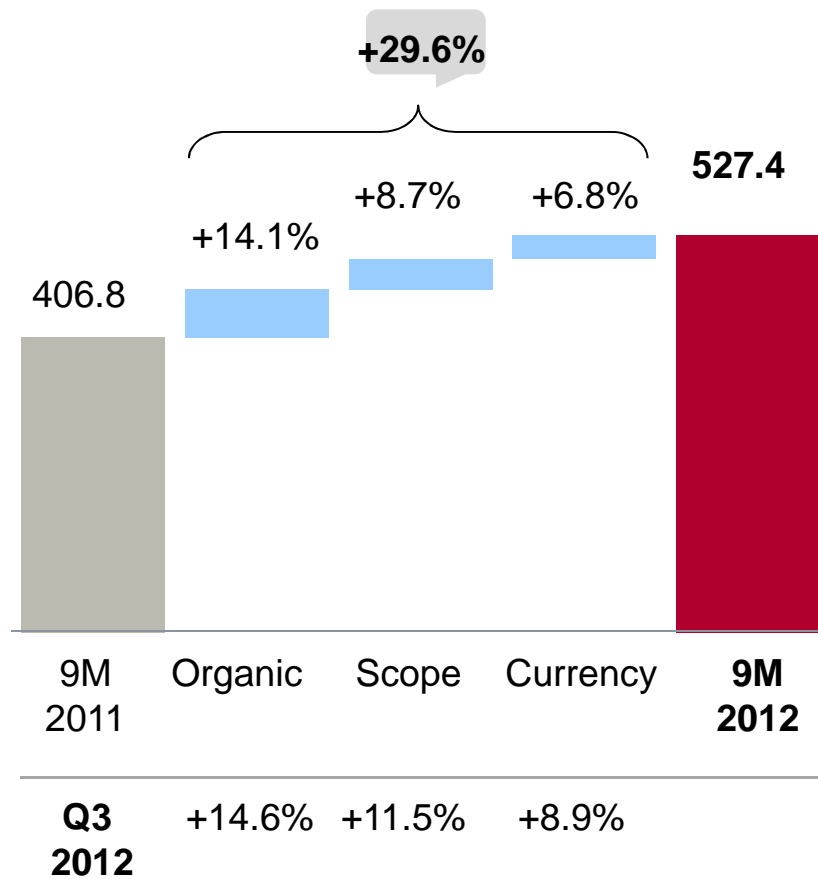
Global contracts

## Outlook

Resilient organic growth:

- Recurring business model
- New products, new schemes
- Fast growing geographies

## Revenue evolution (EUR millions)



## 9M 2012 Highlights

Solid growth in Oil & Petrochemicals (O&P) from new services

High growth in Metals & Minerals (M&M) despite recent slowdown in exploration

Strong growth in coal business (South Africa, Indonesia)

## Outlook

Resilient growth in O&P and Agri

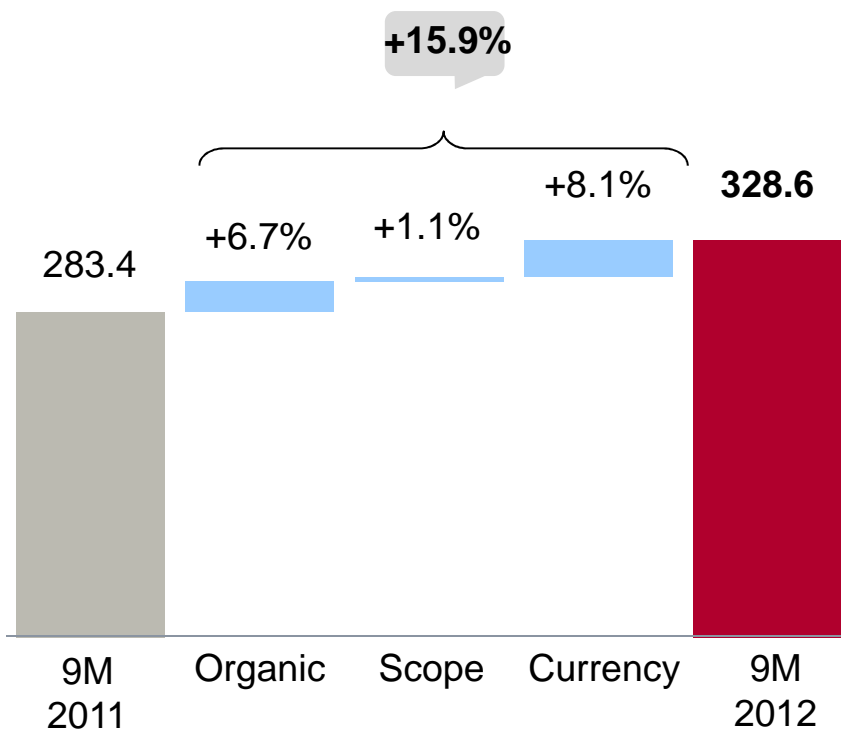
Slowdown in exploration M&M

Development in new zones in Coal

# Consumer Products



Revenue evolution (EUR millions)



<b>Q3 2012</b>	+9.4%	+1.6%	+10.8%
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## 9M 2012 Highlights

Softlines expansion in India, Bangladesh and North China, JC Penney ramp-up

Electricals & Electronics (E&E) strong growth driven by mobiles

Continued toys testing reduction

Investments in automotive equipment testing in China

## Outlook

Continuous strong organic growth

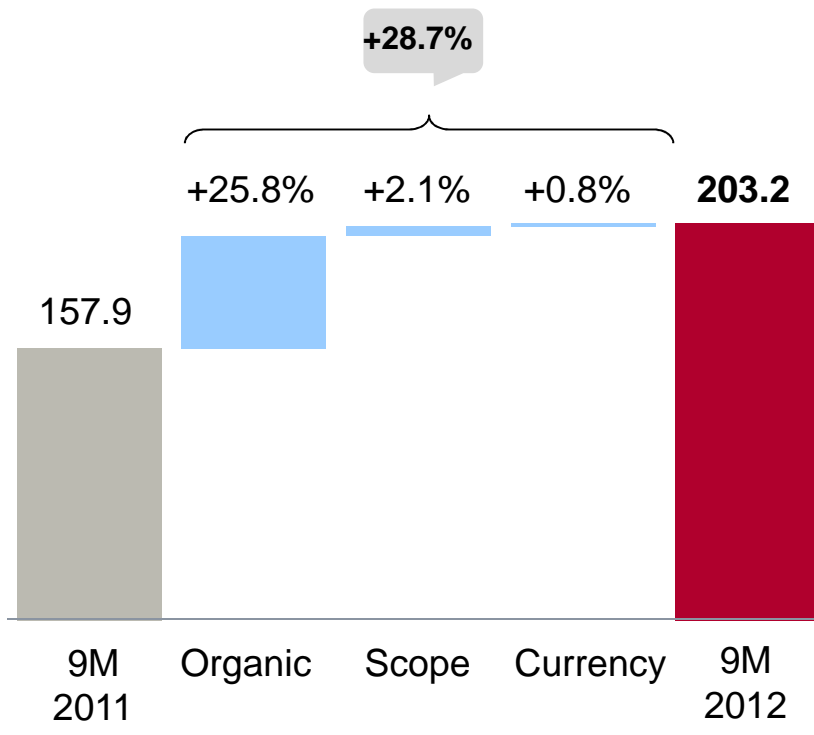
Growth initiatives: E&E, automotive

# Government Services & International Trade



## Revenue evolution

(EUR millions)



<b>Q3 2012</b>	<b>+34.3%</b>	<b>+4.4%</b>	<b>+1.5%</b>
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## 9M 2012 Highlights

Increased volume in existing contracts in Africa: Ivory Coast, Conakry Guinea, Angola, RDC  
 Ramp-up of Iraq and Kurdistan contracts

## Outlook

Sustained growth but higher comparable

New contracts: Single window, automotive, Verification of conformity



**Didier Michaud-Daniel**

Chief Executive Officer

# OUTLOOK



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## ► Outlook

Considering 9M achievements and despite challenging economic environment, the Group should, as expected, deliver strong growth in 2012 revenue and adjusted operating profit, in line with BV2015 strategic plan.

## ► BV2015 Financial objectives for 2012-2015

Revenue <sup>(1)</sup> : +9-12% / year on average

6-8% organic growth

3-4% external growth

2015 Adjusted operating margin +100-150bps vs 2011

Adjusted EPS +10-15% / year on average

(1) At constant exchange rates

# Q&A



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# APPENDIX











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# Revenue by business



## Q3 2012

## 9M 2012

	EURm	Organic	Scope	FX	EURm	Organic	Scope	FX
 Marine	77.6	(3.2)%	-	+5.0%	238.3	(2.9)%	-	+3.9%
 Industry	233.7	+14.3%	+17.2%	+5.1%	633.7	+16.4%	+10.7%	+4.0%
 IVS	111.8	+0.9%	+0.4%	+2.8%	350.6	+3.2%	+0.3%	+1.9%
 Construction	107.8	(7.6)%	+4.4%	+3.7%	331.9	(4.5)%	+3.5%	+2.9%
 Certification	77.4	+5.2%	(0.2)%	+3.9%	247.1	+5.8%	+0.2%	+2.6%
 Commodities	192.9	+14.6%	+11.5%	+8.9%	527.4	+14.1%	+8.7%	+6.8%
 Consumer Products	121.3	+9.4%	+1.6%	+10.8%	328.6	+6.7%	+1.1%	+8.1%
 GSIT	76.7	+34.3%	+4.4%	+1.5%	203.2	+25.8%	+2.1%	+0.8%
<b>Total consolidated</b>	<b>999.2</b>	<b>+8.1%</b>	<b>+6.6%</b>	<b>+5.6%</b>	<b>2,860.8</b>	<b>+8.1%</b>	<b>+4.4%</b>	<b>+4.1%</b>

# Acquisitions completed year-to-date



<u>Name</u>	<u>Date</u>	<u>Description</u>	<u>Country</u>
Pockrandt	Jan. 12	Non Destructive Testing	Germany
Acme	Feb. 12	Metals & Minerals Testing	Canada
HuaXia	Feb. 12	Construction compliance conformity	China
ACR	Feb. 12	Infrastructure compliance conformity	France
JCS	Feb. 12	Food laboratory	Japan
TH Hill	Mar.12	Quality assurance for Oil & Gas drilling	USA
Waterdraws	Mar. 12	Oil metering calibration services	USA
Baghavathi	May.12	HSE and inspection services	India
Tecnicontrol	May.12	Industry quality assurance services	Colombia
UniCar	Jun.12	Automotive inspection services	Germany
ECL	Jun.12	Electrical & Electronic Testing	Germany
Davis	Jun.12	Automotive equipment testing	China
Euroclass	Sept.12	Inland navigation classification	Belgium



***Move Forward with Confidence***