

Return to organic revenue growth in the first quarter of 2017 FY 2017 outlook confirmed

Revenue of €1.14 billion in the first quarter (Q1) 2017, +7.4% vs. Q1 2016

- **Organic growth¹ at +1.9%**
 - 4 out of 6 businesses posted organic growth, with Certification being the best performer (+10.6% organically) alongside Building & Infrastructure (+4.5%) and Consumer Products (+4.0%)
 - 5 Growth Initiatives up 4.6% organically year-on-year
 - Q1 benefited from a positive calendar effect which will reverse in Q2
- **External growth of +3.5%**
 - Three acquisitions closed year to date supporting the Building & Infrastructure/ Agri-Food/ SmartWorld Growth Initiatives
- **Currency impact of +2.0%**
 - Appreciation of USD and pegged currencies as well as some emerging countries' currencies against the Euro

Chief Executive Officer Didier Michaud-Daniel commented:

“2017 is the year of strengthening Bureau Veritas’ global transformation. We continue progressing in this journey, through our commercial development, innovation efforts and acquisition strategy. All reinforce the growth profile and resilience of the Group, and put us in a position to reach our mid-term ambition.

Solid commercial wins spurred by our 5 Growth Initiatives, stabilizing Oil & Gas, as well as upstream Metals & Minerals markets enabled us to return to organic growth in Q1 2017. All our major businesses, with the exception of Marine & Offshore, are stabilizing or on improving trends and this is expected to carry on.

Our 2017 outlook is confirmed. We anticipate a slightly positive organic growth with an adjusted operating margin at circa 16%, as well as a higher cash flow compared to 2016.”

Q1 2017 Revenue by business

(EUR millions)	2017	2016 ²	Growth			
			Total	Organic	Acquis.	FX
Marine & Offshore	97.1	97.7	(0.6)%	(1.4)%	1.6%	(0.8)%
Agri-Food & Commodities	263.6	236.4	11.5%	0.6%	7.8%	3.1%
Industry	277.2	268.2	3.4%	(1.8)%	1.5%	3.7%
Building & Infrastructure	268.1	245.8	9.1%	4.5%	3.8%	0.8%
Certification	87.0	78.7	10.5%	10.6%	0.2%	(0.3)%
Consumer Products	145.0	132.6	9.4%	4.0%	2.7%	2.7%
Total Group Revenue	1,138.0	1,059.4	7.4%	1.9%	3.5%	2.0%

1) Organic growth is the increase in revenue versus last year, at constant currency and scope (i.e. acquisitions excluded)

2) Q1 2016 figures by business reflect the change of segment profit reporting announced on February 24, 2017

MARINE & OFFSHORE

The business posted negative organic growth in Q1 2017 (-1.4%), driven by

- a contained slowdown in New Construction, with equipment certification buffering new-build activities, which were down mid-single digits owing to depressed markets in Asia;
- another contraction in Offshore-related activities driven by the lack of deep sea projects and the sharp reduction of risk assessment studies, partly offset by slight growth in Core In-service, thanks to the growth in the classed fleet.

New orders amounted to 1.3 million gross tons at the end of March 2017, up from 0.9 million gross tons in the prior year period, but still not enough to replenish the order book, which stood at 13.1 million gross tons at the end of the quarter. The order book remains well diversified, with categories such as Tankers and Passenger vessels growing their share.

Looking ahead in 2017, Bureau Veritas expects the decline in New Construction to accelerate, notably in Q2 (on unfavorable comps), chiefly a reflection of the challenging market environment for categories such as bulk carriers and container ships. The In-service ships segment is expected to be resilient, with the exception of the offshore market which is more sensitive to fluctuations in oil prices. Regulations should be supportive by year end driven by Water Ballast management and MRV (Monitoring, Reporting and Verification).

AGRI-FOOD & COMMODITIES

Revenue increased by 0.6% organically, with mixed performances across sub-segments:

The Oil & Petrochemicals segment (39% of divisional revenue) reported 2.2% organic growth, reflecting good growth in Europe.

The Metals & Minerals segment (26% of revenue) reported 2.3% organic growth, with overall Trade activities back in positive territory in the quarter, supported by European and Asian operations, and Upstream activities (excluding Coal) showing good growth, mostly driven by Australia.

Agri-Food (19% of revenue) reported a 3.8% decline in the quarter, owing to a contract termination in inspection for Agri products and bad crop conditions in Latin America, as well as a seasonal slowdown for fertilizers in Europe, not compensated by better performances in the Food space. In the quarter, Bureau Veritas finalized the acquisition of Schutter¹, expanding its footprint in agri-commodities in Europe, South America and Asia.

Government Services (16% of revenue) was down by 2.6% in the quarter still impacted by lower volume and value of imports intended for West African countries and further decline in the Iraqi program.

The environment should improve for the entire division in 2017, with less growth disparity between the various segments. Metals & Minerals should benefit from the rally in commodity prices.

INDUSTRY

Organic growth in Industry was down by 1.8% in Q1 2017, as Oil & Gas Capex-related activities retreated further, although at a slower pace than in previous quarters (-9% vs. -20% in Q4 2016 at Group level), and other end-markets were generally better oriented, including the in-service inspection for industrial assets and the Automotive activities.

¹ Consolidation as of March 2017

By geography, there was a marked decline in Australia, due to a contract end in Oil & Gas, and broadly stable to improved decline rates in other major geographies, owing to country and sector diversification.

The Group registered good growth in Opex-related activities, which are the focus of a growth initiative in the Group's strategic plan.

For 2017, Bureau Veritas expects organic growth to be slightly negative, reflecting persistent weak levels of activity in Oil & Gas Capex. In the second half of 2017 the Group expects to benefit from weaker prior-year comparables.

BUILDING & INFRASTRUCTURE

Revenue increased by 4.5% organically with a stronger organic growth in construction-related activities (57% of revenue), and a more GDP-like growth in the buildings in-service activities (43%).

The Group recorded very strong organic growth in the Americas (14% of revenue), driven in particular by regional expansion (Chile, Colombia, Argentina) for new construction projects.

Growth was also strong in Asia (20% of revenue): the Group's construction business in China grew by 10% on an organic basis, driven by growth in energy and infrastructure project management, sectors where Bureau Veritas has built strong positions. The acquisition of Shanghai Project Management², a company specialized in construction project supervision for industrial assets, illustrates the Group's strategy in this sector. Growth was also robust in the more mature Japanese market.

Growth in Europe (61% of revenue) was slower, driven by subdued growth in France (46% of revenue) due to a lack of housing starts and postponements of projects in the context of the presidential election. Sales were good, and numerous opportunities will arise from the Grand Paris project.

Looking ahead, market trends and the Group's order book point to accelerating growth in Europe, skewed towards the second half of 2017. Business is expected to be upbeat in the Americas and Asia.

CERTIFICATION

Revenue increased by 10.6% organically, with a strong performance across all major service categories and regions. This quarter benefited from a positive calendar effect, which will reverse in Q2.

The QHSE segment was a major contributor to growth, driven in particular by the positive impact of the transition to the new ISO 9001: 2015 and ISO 14001: 2015 versions. Customized solutions' double-digit growth was fueled by Service Certification, as well as Supplier and Distribution Network Audits as issues about Supplier Risk Management and Brand Protection are becoming critical in many sectors. Standard revisions also benefited Training activities. Supply Chain & Sustainability-related services showed good growth, buoyed in particular by Energy Management, Green House Gases and Food Certification schemes. Large Certification contracts grew by double-digits thanks to new contracts signed with international companies, in various sectors. By geography, a large part of the growth was fueled by Latin America.

In 2017, the Certification business is expected to maintain robust growth, although at a lower pace than in the first quarter, driven by renewed standards (ISO 9K, 14K, AS 9100 in the Aerospace and IATF in the Automotive sectors), along with new product and service launches (including a new Certification E-commerce platform in 5 key countries).

² Consolidation as of Feb. 2017

CONSUMER PRODUCTS

The Consumer products business demonstrated robust organic growth of 4.0%, with growth across all regions and categories.

Electrical & Electronics (34% of revenue) was the best performing category, driven by Automotive and Mobile testing, Softlines (36%) was in-line, while a strong performing Hardlines business more than offset the decline in Toys. China domestic market was a positive contributor to the performance, with Automotive spearheading growth. The acquisition of Siemic³ enhances Bureau Veritas' presence in SmartWorld and Automotive both in China and in the USA.

In 2017, the business should grow at least in line with 2016, with an overall performance reflecting good momentum in Softlines and developments in SmartWorld and Automotive initiatives.

Financial position

At the end of March 2017, the Group's adjusted net financial debt has slightly increased compared with the level at December 31, 2016, due to the financing of the acquisitions carried out since the beginning of the year.

Confirmed 2017 outlook

The global macroeconomic environment is likely to remain volatile in 2017, with persistent weakness in the oil & gas and shipping markets. Thanks to its diversified portfolio and the ramp-up of its Growth Initiatives, the Group still anticipates a slightly positive organic revenue growth for the full-year. Growth in the second quarter of 2017 will be penalized by an adverse calendar effect and deterioration of Marine revenue.

The Group confirms its outlook of an adjusted operating margin of circa 16%. Cash flow is expected to improve compared to 2016.

³ Consolidation as of Jan. 2017

Conference call

Thursday April 27, 2017 at 6:00 p.m. CET

The conference call in English will be broadcast live and after the event on the Group's website (<http://finance.bureauveritas.com>).

The presentation document will also be available on the website.

Live dial-in numbers:

For French users: +33 (0)1 70 70 07 80

For UK users: +44 (0) 1452 541003

For US users: +1 646 741 2120

Confirmation code (conf. ID number): 7361616

2017 financial calendar

May 16, 2017: Shareholders' meeting

July 28, 2017: H1 2017 results

October 25, 2017: Q3 2017 trading update

H2 2017: Investor Days

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About Bureau Veritas

Bureau Veritas is a world-leading provider in testing, inspection and certification. Created in 1828, the Group has more than 72,000 employees in around 1,400 offices and laboratories all across the world. Bureau Veritas helps its clients to improve their performance 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.

Bureau Veritas is listed on Euronext Paris and belongs to the Next 20 index.

Compartment A, code ISIN FR 0006174348, stock symbol: BVI.

For more information, visit www.bureauveritas.com

This press release (including the appendices) 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 registration document filed by Bureau Veritas with the French Financial Markets Authority 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 to update or revise any of them, whether as a result of new information, future events or otherwise, according to applicable regulations.