PRESS RELEASE

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Solid 2017 Full-year results, with 2.2% organic revenue growth

2017 Key Figures

- 2017 Full-year results in line with guidance
- Revenue of EUR 4,689 million in 2017, up 3.1% year-on-year, with organic growth of +2.2%
- H2 acceleration confirmed with 3.0% organic growth
- Adjusted operating profit of EUR 746 million in 2017, up 1.4%; adjusted operating margin of 15.9%; 16.1% organically
- Adjusted net profit of EUR 416 million (EUR0.95/share), up 1.7%
- Free Cash Flow of EUR 350 million, up 3.2% organically vs. 2016
- Proposed dividend of 56 cents per share[1], up 9.8% over 2 years

2018 Outlook

- Full-year 2018 organic revenue growth to accelerate vs. full-year 2017
- Full-year 2018 adjusted operating margin to slightly improve at constant currency vs. full-year 2017
- Full-year cash flow generation to improve at constant currency vs. full-year 2017

2020 Ambition Reaffirmed

- Strategy execution well underway
- Growth Initiatives generated 6.9% organic growth in 2017
- c.50% of 2020 external growth ambition achieved, including 9 acquisitions in 2017 and 2 YTD
- Digital transformation accelerating across the Group

Didier Michaud-Daniel, Chief Executive Officer, commented:

"In 2017, as presented during our Investor Days, we have made significant progress in the execution of our Strategic Plan, with a focus on Group diversification well underway.

Over the past year, we continued to deploy our ambitious transformation plan. We streamlined the Group's organization enabling a quicker decision-making process. We have reinforced our focus to place our clients' challenges at the heart of our marketing and sales approach. In addition, we are making good progress with the Group digital transformation.

Bureau Veritas' expansion strategy in targeted sectors and countries is delivering results and is making the Group more resilient. Our 5 Growth Initiatives, now representing a third of Group revenue, generated 6.9% organic growth in 2017. We have pursued our external growth through nine targeted acquisitions, all supporting our Growth Initiatives and adding around EUR 150 million of annualized revenue.

The accelerated growth in 2017, which we expect to continue in 2018, reinforces the management's confidence in achieving the 2020 ambition".

[1] Proposed dividend, subject to Shareholders' Meeting approval on May 15, 2018

2017 Key Figures

The Board of Directors of Bureau Veritas met on February 28, 2018 and approved the financial statements for 2017. The main consolidated financial items are:

In EUR millions	2017	2016	Change	@cc
Revenue	4,689.4	4,549.2	+3.1%	+4.7%
Adjusted operating profit[a]	**745.5**	**734.9**	+1.4%	**+4.0%**
Adjusted operating margin	15.9%	16.2%	(25)bp	(15)bp
Operating profit	**606.3**	**609.7**	**(0.6)%**	**+3.4%**
Adjusted net profit[a]	**416.1**	**409.0**	**+1.7%**	**+6.6%**
Net profit	308.0	319.4	(3.6)%	+2.5%
Adjusted EPS[a]	**0.95**	**0.94**	**+1.1%**	**+6.7%**
EPS	0.71	0.73	(2.7)%	+2.7%
Operating cash flow[a]	**581.2**	**594.4**	**(2.2)%**	**+2.2%**
Free Cash Flow[a]	**349.6**	**362.5**	**(3.6)%**	**+5.3%**
Adjusted net financial debt[a]	2,094.4	1,996.4	+4.9%	

(a) Financial indicators not defined by IFRS presented in Appendix 5

2017 Highlights

Growth Initiatives up 6.9% organically while Base Business is stable

Group organic revenue growth achieved 2.2% in FY 2017, with an acceleration in H2 including 3.8% in the last quarter. This is explained by:

- *Strong growth for the 5 Growth Initiatives* (a third of Group revenue), up 6.9% organically and year-on-year (vs. +4.9% in FY 2016). High double-digit growth was achieved in both Automotive and SmartWorld and a mid-single digit for Agri-Food, Opex and Buildings & Infrastructure.
- *Gradual improvement through the year for the Base Business* (two-third of Group revenue), up 0.1% organically and year-on-year with an organic growth of 2.6% in the last quarter. Apart from Marine & Offshore (8% of Group revenue) and Oil & Gas Capex-related activities (less than 5% of Group revenue) which remained under cyclical pressure (down 5% and 16% respectively in 2017), the other activities performed well, with notably Metals & Minerals in a recovery mode, and Certification maintaining robust growth.

This set of figures supports the Group's emphasis on its targeted Growth Initiatives, which are delivering additional growth and intentional diversification.

M&A: nine acquisitions in 2017, all focused on Group strategic Growth Initiatives

In 2017, Bureau Veritas completed nine acquisitions, representing around EUR 150 million in annualized revenue (or 3.2% of 2016 Group revenue) which supported 4 of the 5 Growth Initiatives:

	Annualized revenue	Country	Date	Field of expertise
Buildings & Infrastructure				
Shanghaï Project Management	EUR 50m	China	Feb. 2017	Mandatory supervision of construction projects in China
California Code Check	EUR 4m	USA	June 2017	Construction code compliance review and building safety in the US
Primary Integration Solutions	EUR 20m	USA	Nov. 2017	Data center building commissioning and operational risk management services
INCA	EUR 12m	Mexico	Dec. 2017	Technical supervision of B&I projects
McKenzie Group	EUR 10m	Australia	Dec. 2017	Mandatory constructions compliance services
Agri-Food				
Schutter Group	EUR 35m	Netherlands	Mar. 2017	Food testing and inspections
SmartWorld				
Siemic	EUR 9.5m	USA	Jan. 2017	E&E testing and certification
ICTK	EUR 3m	South Korea	Dec. 2017	Smart payment testing and certification services
Automotive				
IPS Tokai Corporation	EUR 2m	Japan	Dec. 2017	EMC[2] automotive testing

Since the beginning of 2018, the Group has made two additional acquisitions in support of its Opex and Buildings & Infrastructure Growth Initiatives:

- Lubrication Management (Spain, EUR 4m of revenue, specialized in oil conditioning monitoring)
- EMG (USA, EUR 70m of revenue), a provider of technical assessment and project management assistance services in Buildings & Infrastructure in the U.S. This acquisition: i) brings the Group in the US a new expertise with sizeable platform for technical assessment and project management assistance; ii) enhances its growth profile and resiliency by increasing its Opex exposure (90% of EMG is Opex-related services) and thus by reducing the Group's Oil & Gas weight.

At March 1, 2018, Bureau Veritas is on track with its 2020 plan with nearly 50% of its external growth ambition already achieved: since the start of the plan, 23 acquisitions (of which 19 support the Group's 5 Growth Initiatives) have added more than EUR 350 million of incremental revenue out of an ambition of around EUR 750 million of revenue over the period 2015-2020.

[2] EMC: electromagnetic compatibility

Proactive cost management

The Group continued to adjust its cost base in businesses faced with challenging market conditions, notably Marine & Offshore and commodities-related divisions (Oil & Gas, Upstream Metals & Minerals and Government Services). It also made structural efforts to improve its margin.

All in all, this led the Group to book a restructuring charge of EUR 57.1 million in 2017, essentially headcount reduction related.

Digital transformation acceleration supported by key partnerships

Digital is at the forefront of the Group's transformation and focuses on three dimensions:

- improving the Group's efficiency in delivering its core services portfolio
- leveraging digital technologies to implement new operating models
- launching new services to support client compliance needs in the digital world

Recently concluded partnerships with global players will support this program:

- *Blockchain technology with Worldline*

Bureau Veritas is launching today Origin, the world's first blockchain-based complete food traceability solution. Built in partnership with Worldline, a leader in securing digital transactions, it is first solution of its kind to leverage the technology.

- *Digitalization of vessel operations with Bourbon*

Early in 2018, Bourbon and Bureau Veritas have announced a strategic partnership, covering initially the real-time verification of dynamic positioning (DP) operations. Bureau Veritas will also provide classification of on-board connectivity systems, encompassing cyber risk assessments.

- *Next generation inspection services with Avitas Systems*

Through the partnership announced end of 2017, Bureau Veritas will deliver its independent inspection services with the Avitas Systems cloud-based platform, combining automated data collection and artificial intelligence techniques to bring continuous industrial risk management to a new level. The initial focus will be in the Power & Utilities sector.

Refinancing of USD 355 million 10-year US Private Placement

In September 2017, the Group successfully raised USD 355 million on the USPP market through a 10-year dual-issuance: the first USD 200 million tranche was issued by the Group's US subsidiary, Bureau Veritas Holdings, Inc.; the USD 155 million second tranche will be issued by Bureau Veritas SA with a one-year funding delay to July 2018. With this issuance Bureau Veritas anticipated the refinancing of its debts. The Group seized attractive market conditions with a debt cost equivalent to 1.68% in EUR fixed rate while lengthening the maturity of its debt to 5.1 years on average, post operation.

Analysis of the Group's results and financial position

1 – Revenue up 3.1% year-on-year

Revenue in FY 2017 reached EUR 4,689.4 million, a 3.1% increase compared with FY 2016.

- Organic growth was +2.2%, with accelerating growth in H2 compared with H1 (3.0% vs. 1.3% respectively). Q4 2017 recorded a 3.8% organic growth rate.

Solid commercial wins spurred by the 5 Growth Initiatives, firmer upstream Metals & Minerals market as well as softer rates of decline in Oil & Gas capex enabled the Group to return to positive organic revenue growth in 2017 after -0.6% in FY 2016.

Activity wise, 4 out of 6 businesses posted organic growth, with Certification being the best performer (+6.1%) alongside Buildings & Infrastructure (+5.1%) and Consumer Products (+4.7%).

By geography, activities in Europe (34% of Group revenue), increased by 3.2% organically with a marked acceleration in H2 (at 5.5%) primarily driven by Certification, Buildings & Infrastructure and to some extent Industry, notably in France. Business in Asia-Pacific (31% of revenue; 0.8% organic growth) was impacted by the end of large contracts in Oil & Gas in Australia and Korea, and the decline in Marine & Offshore, however compensated by solid growth in China and Japan. Activities in the Americas showed an improvement (25% of revenue; 3.3% organic growth), driven by Latin America (up 5.9% organically) benefiting from the strategy of diversification outside of Oil & Gas.

- Acquisition growth was 2.5%, combining the contribution of acquisitions made in 2017, the acquisitions finalized in 2016 and mitigated by the disposal of non-strategic NDT[3] activities in Europe (EUR 19.7 million of annualized revenue or -0.4% to Group revenue).
- Currency fluctuations had a negative impact of 1.6%, mainly due to the appreciation of the EUR against USD as well as some emerging countries' currencies.

2 – Adjusted operating profit of EUR 745.5 million, margin at 16.1% organically

FY 2017 adjusted operating margin was down c.25 basis points to 15.9% compared to 16.2% in FY 2016. Adjusted for foreign exchange (-c.10bp) and scope (-c.10bp) margin declined organically by c.5 basis points year-on-year at 16.1%.

Above two-thirds of the portfolio have stable or improving margins, adding 40 basis points to Group organic margin: this is driven by a significant improvement in Agri-Food & Commodities and in Buildings & Infrastructure, and maintained high margins in both Certification and Consumer Products. This improvement is the result of a combination of operating leverage, strict cost management, lean efforts and restructuring pay back.

Less than a third of the portfolio has a minus 45 basis points impact on Group margin with: i) -20 basis points coming from Marine & Offshore, due to lower volume of activity, notably for new construction and Offshore Services; ii) -25 basis points resulting from price pressure in Oil and Gas and change of mix in Industry.

[3] NDT: non-destructive testing

Other operating expenses increased to EUR 139.2 million in FY 2017 vs. EUR 125.2 million in FY 2016. These include:

- EUR 77.1 million in amortization of acquisition intangibles (compared with EUR 79.5 million in FY 2016);
- EUR 57.1 million in restructuring charges, with actions taken mainly in Marine & Offshore, government services, Industry and commodities related-activities (compared with EUR 42.6 million in FY 2016);
- EUR 5.0 million in acquisition related items (EUR 3.1 million in FY 2016).

Operating profit came to EUR 606.3 million, down 0.6% compared to EUR 609.7 million in FY 2016.

3 – Adjusted EPS of EUR 0.95, up 6.7% at constant currency

Net financial expense stood at EUR 103.7 million compared with EUR 86.5 million in FY 2016, reflecting mostly foreign exchange losses (EUR 12.1 million vs. foreign exchange gains of EUR 8.7 million in FY 2016) due to significant depreciation of currencies in some emerging countries.

Net finance costs decreased to EUR 86.9 million (vs. EUR 89.9 million in FY 2016) due to a decrease of financial charges explained by the lower average cost of debt (3.1% vs. 3.4%) partially offset by average net debt increase.

Other items (including pensions and other finance charges) stood at EUR 4.8 million, marginally down from EUR 5.3 million in FY 2016.

Income tax expense totaled EUR 164.8 million in FY 2017, compared with EUR 188.9 million in FY 2016. This represents an effective tax rate (ETR) of 32.8% for the period, compared with 36.0% in FY 2016.

The adjusted ETR is 31.8%, down 280 basis points compared with FY 2016, mainly resulting from a combination of exceptional items, including the refund in 2017 of the 3% dividend contribution in France following the decision of the Constitutional Council to invalidate this contribution. In addition, the Group's deferred taxes were revalued as a result of the reduction in the United States tax rate voted at the end of 2017.

Attributable net profit for the period was EUR 308.0 million, vs. EUR 319.4 million in FY 2016.

Earnings Per Share (EPS) stood at EUR 0.71, compared with EUR 0.73 in FY 2016.

Adjusted attributable net profit totaled EUR 416.1 million, vs. EUR 409.0 million in FY 2016.

Adjusted EPS stood at EUR 0.95, a 1.1% increase vs. FY 2016.

4 – Improvement in Free cash flow on an organic basis

FY 2017 operating cash flow stood at EUR 581.2 million vs. EUR 594.4 million in FY 2016. This slight decrease is notably led by negative currency effects, and the increase in working capital linked to revenue growth in Q4 at +3.8%. These are partially offset by the organic increase in the net cash flows and the decrease in taxes paid in 2017.

Purchases of property, plant and equipment and intangible assets, net of disposals (Net Capex), amounted to EUR 133.4 million in FY 2017, a decrease compared to EUR 145.9 million in FY 2016. This showed disciplined control over the Group's net capex-to-revenue ratio at 2.8%, slightly below the level achieved in FY 2016 (3.2%).

Free Cash Flow (available cash flow after tax, interest expenses and capex) achieved EUR 349.6 million, vs. EUR 362.5 million in FY 2016. On an organic basis, the Free Cash Flow is increasing by 3.2% in 2017. Adjusted from unfavorable timing differences in interest payments, organically, the Group's Free Cash Flow progressed by 6.0% compared to the prior year.

At December 31, 2017, adjusted net financial debt was EUR 2,094.4 million, i.e., 2.37x last-twelve-month EBITDA as defined in the calculation of bank covenant, compared with 2.20x at December 31, 2016.

The slight increase in adjusted net financial debt of EUR 98.0 million vs. December 31, 2016 (EUR 1,996.4 million) stems from:

- Free Cash Flow of EUR 349.6 million;
- Dividend payments totaling EUR 295.4 million;
- Acquisitions, accounting for EUR 168.7 million;
- Share buybacks net of the capital increase carried out to cover stock option plans and allocation of performance shares, amounting to EUR 33.4 million;
- Other items that reduced the Group's debt by EUR 49.9 million, mainly attributable to currency fluctuations.

2018 Outlook

For Full-year 2018, the Group expects:

- An acceleration in organic growth revenue compared to full-year 2017
- A slightly improved adjusted operating margin at constant currency compared to full-year 2017
- An improved cash flow generation at constant currency compared to full-year 2017

2020 Ambition reaffirmed

Bureau Veritas reaffirms its 2020 Ambition:

- Adding EUR 1.5 billion of incremental revenue based on the 2015 plan initial exchange rates, half organic and half through external growth
- Reaching 5% to 7% of organic growth by 2020
- Achieving above 17% adjusted operating margin in 2020[4]
- Generating continuous high Free Cash Flow

[4] At the 2015 plan initial exchange rates, as presented at the October 2015 Investor Days

MARINE & OFFSHORE

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Revenue	364.9	391.9	(6.9)%	(5.3)%	+0.6%	(2.2)%
Adjusted Operating Profit	80.2	99.2	(19.1)%			
Adjusted Operating Margin	22.0%	25.3%	(330)bp	(260)bp		

Revenue decreased by 4.7% on a constant currency basis, including 5.3% negative organic growth and 0.6% acquisition-led growth. Q4 2017 revenue fell -4.2% on an organic basis, being mainly affected by the new construction decline.

Revenue for the In-service ship segment (62% of divisional revenue) decreased slightly year-on-year, with a mixed situation by sub-segment: Core In-service grew slightly, a reflection of growth in the classed fleet, partly offset by price pressure while the level of laid-up ships stabilized. Offshore-related activities recorded a single-digit fall, still driven by the lack of deep-sea projects and further reduction of risk assessment studies. Nonetheless, services for offshore clients showed some stabilization towards the end of 2017.

At December 31, 2017, the fleet classified by Bureau Veritas comprised 11,299 ships and represented 118.0 million of Gross Register Tonnage (GRT), up 3.6% on a yearly basis.

While revenue from the New Construction segment (38% of revenue) decreased sharply over the full-year, the new order intake for the year represented 5.1 million GRT, compared to 1.9 million GRT a year ago. The order book reached 12.6 million GRT at the end of 2017 (compared to 13.6 million GRT as of December 2016) and remains well diversified with categories such as Tankers, Bulk and LNG vessels expanding their share.

The adjusted operating margin for the year came in at 22.0%, down 330 basis points compared to 2016, primarily explained by the downturn in new-build activity. The Group has undertaken restructuring actions to counteract the heavy pressure on Marine & Offshore operating margin.

Outlook: In 2018, Bureau Veritas expects organic growth in this business to be slightly negative. This reflects i) a further decline in New Construction given the lead time with a progressive rebound expected from H2 2018 onwards thanks to new orders won in 2017 ii) resilient In-Service activity including the Offshore-related activities.

AGRI-FOOD & COMMODITIES

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Revenue	1,072.5	1,004.6	+6.8%	+2.4%	+5.6%	(1.2)%
Adjusted Operating Profit	134.6	117.1	+14.9%			
Adjusted Operating Margin	12.6%	11.7%	+90bp	+120bp		

Revenue moved up 8.0% on a constant currency basis, including organic growth of 2.4% and acquisition-led growth of 5.6%, driven primarily by the acquisition of Schutter Group (in March). Q4 revenue increased by +7.1% on a constant currency basis, of which 4.9% came from organic growth and 2.2% from scope effect. **Oil & Petrochemicals** (O&P) segment (38% of divisional revenue) achieved 3.0% organic growth, as a result of a good performance in O&P trade activities in the context of challenging price and competitive environment. Growth was particularly strong in China, high in Africa and robust in Europe. Non trade-activities (OCM, Marine fuel) achieved double-digit growth with an increased contribution.

Metals & Minerals segment (27% of revenue) achieved a good performance with organic growth of 5.7% in 2017, led by both Trade and Upstream (excluding coal) activities. Upstream activities, excluding coal which remains under pressure, recorded a significant uptick in the fourth quarter thereby confirming an acceleration in the second half. Trade activities experienced growth across all geographies with particularly steady growth in Europe, benefiting from continued focus on key accounts and market share gains.

Agri-Food (20% of revenue) reported a solid 6.8% organic growth for the full-year, benefiting from the double-digit growth in agricultural testing and inspection activities. This was notably led by the solid performance of Brazilian activities with soybean and corn achieving record production levels. Overall, the Group is enjoying increased depth and scope of Latin American capabilities provided by the acquisition of Schutter Group in the first quarter of 2017 as well as from KMA at the end of 2016.

Government Services (15% of revenue) revenue was down -7.1% organically. The revenue declined essentially as a result of lower volume and value of imports intended for West African countries, the end of a PSI (Pre-Shipment Inspection) contract in Guinea, the normal end of the Concession Scanner contract in Ivory Coast and further deterioration in the Iraqi VOC (Verification of Conformity) program. The latter, however, has been stabilizing in the fourth quarter. 2017 is characterized by the gradual disappearance of PSI in the revenue mix while VOC contracts increased at a sustained pace, notably in Q4 2017. In addition, the Group has expanded the offering of new services such as a one-stop-shop insurance offer in Armenia. This participates in the overall reduction of the risk profile from the Government Services activities.

The adjusted operating margin for the year gained 90 basis points at 12.6%, up from 11.7% in 2016 benefiting primarily from volume and mix effects across the various segments.

Outlook: In 2018, the Group expects its Agri-Food & Commodities business to improve its growth compared to 2017, fuelled by recovering Metal & Minerals markets, healthy Agri-Food businesses and stabilizing government services thanks to the ramp-up of several contract wins.

INDUSTRY

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Revenue	1,096.3	1,132.0	(3.2)%	(0.8)%	(0.9)%	(1.5)%
Adjusted Operating Profit	133.1	148.4	(10.3)%			
Adjusted Operating Margin	12.1%	13.1%	(100)bp	(115)bp		

Revenue decreased by 1.7% on a constant currency basis for the full-year with a slight organic decline of -0.8% (including -0.2% in Q4) and a -0.9% scope impact related to the disposal of non-strategic NDT activities in Europe (France and Germany).

This reflected a marked decline in Oil & Gas Capex-related activities (down 16% at Group level), partly compensated by low single-digit growth in Oil & Gas Opex and solid performances in other end-markets such as Power & Utilities and Transportation (including Automotive).

In Oil & Gas markets (38% of divisional revenue), the conditions remained challenging with persistently weak levels of activity in Oil & Gas Capex with continued reduced investments amongst the major oil companies and continuing pricing pressure. In this context the Group continued its push on Opex-related services, which grew slightly during the year.

Overall solid growth was achieved in Opex-related activities, including an 18% organic growth in Power & Utilities, which remains a key focus in the Group's strategic plan.

In the Automotive sector, the Group is working on several outsourcing projects: this includes Code'nGO launched during the year, which enables learners to take the written test for the French driver's license within a fully automated and digitalized process in over 100 tests centers operated by Bureau Veritas; further deployment is expected in 2018.

By geography, growth was strong in Africa and the Middle East, robust in Latin America (primarily led by Brazil) owing to country and sector diversification while more subdued in both Europe and North America. USA was back in positive territory in Q4. There was a marked decline in Australia and South Korea, as anticipated, due to large contracts ending.

The adjusted operating margin for the year declined 100 basis points to 12.1%, from 13.1% in 2016 due to i) the negative mix effect of Oil & Gas Capex decline and the push towards Opex-related services; ii) some persistent price pressure in Oil & Gas Opex activities.

Outlook: In 2018, Bureau Veritas expects a return to slightly positive organic revenue growth overall for the business as the strategy of diversification will continue to pay off (Power & Utilities, Automotive) alongside bottoming Oil & Gas Capex markets throughout the year.

BUILDINGS & INFRASTRUCTURE

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Revenue	1,119.9	1,029.0	+8.8%	+5.1%	+5.1%	(1.4)%
Adjusted Operating Profit	170.1	154.0	+10.4%			
Adjusted Operating Margin	15.2%	15.0%	+20bp	+75bp		

The Buildings & Infrastructure business demonstrated solid revenue growth of 10.2% at constant currency, equally split between organic (5.1%) and external growth (with five acquisitions completed in 2017: Shanghai Project Management in China, California Code Check and Primary Integration in the US, INCA in Mexico and Mckenzie Group in Australia).

Slightly stronger organic growth was achieved in Construction-related activities (60% of revenue) than for Building in-service activities.

Double-digit organic growth was experienced in Asia (25% of revenue), including 16.4% organic growth for the operations in China (17% of Building & Infrastructure revenue) and 13.2% growth in the more mature Japanese market. China was driven by strong growth in energy and infrastructure project management, sectors where Bureau Veritas has built strong positions.

In the Americas (13% of revenue), the robust growth was driven, in particular, by regional expansion (Chile, Colombia, Argentina) through new construction projects.

Growth in Europe (59% of revenue) was below the divisional average, mainly due to a slow start in France (44% of revenue) although Q4 showed a nice uptick. Capex -related activities is on an upward trend with a good level of sales and opex-related activities benefited from acceleration in the recruitment phase and contract wins in the mass market, notably in France and in the UK.

The adjusted operating margin for the year improved by 20bp to 15.2%, including a 75bp improvement organically thanks to volume and mix effects.

Outlook: In 2018, the outlook for the business remains positive overall with sustained solid growth on both Capex and Opex related services. This outlook reflects the expectation of strong growth in Asia (notably in China led by numerous infrastructure projects) and Latam, as well as improving growthin Europe, notably in France, driven by both Capex and Opex.

CERTIFICATION

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Revenue	368.6	353.5	+4.3%	+6.1%	+0.1%	(1.9)%
Adjusted Operating Profit	62.9	60.3	+4.3%			
Adjusted Operating Margin	17.1%	17.1%	+0bp	(20)bp		

The Certification business achieved solid organic growth of 6.1% for the full-year 2017 (of which 6.8% in Q4), with growth spread across all regions and categories.

Overall the growth was supported by renewed standards (ISO 9001, 14001, AS 9100 in the Aerospace and IATF in the Automotive sectors), along with new product and service launches. At the end of 2017, more than 50% of Bureau Veritas' clients have transitioned to the new QHSE Standards (ISO 9001: 2015 and ISO 14001: 2015). The transition effect is expected to continue until the first-half of 2018.

Double-digit growth was achieved for Customized Audits led by Supplier Risk Management, Brand Protection and Client Operations audits -, as well as for training activities, also benefiting from the transition to the new standards. Food Certification schemes recorded high single-digit growth, notably fuelled by Certification of Organic food products, while the growth of Supply Chain & Sustainability delivered mid-single digit (led by Energy management and Greenhouse Gases partly offset by a decline of Wood Management Systems Certification).

Global Certification contracts grew by 10% organically, with the ramp-up of new contracts signed with international companies, notably in Automotive, Aerospace, Food and Oil & Gas sectors.

Lastly, new products and services launched were also a major contributor to growth. This includes the Group's offering addressing Enterprise Risks: cybersecurity, anti-bribery and business continuity; in the field of cybersecurity, Bureau Veritas obtained in Q3 2017 the authorization to deliver Information Safety Certification in China. Also, the Group has developed its own referential for Data Privacy ahead of the implementation of the GDPR (General Data Protection Regulation) in May 2018 within the EU.

By geography, Eastern Europe and Latin America delivered a double-digit growth, high single-digit growth was achieved in Asia while the rest of Europe and Americas recorded a mid-single digit pace.

The adjusted operating margin for the year was stable at a healthy 17.1%. This reflects a strong increase in Latam and a decrease in North America due to significant investment while the other regions remained broadly stable.

Outlook: In 2018, the Certification business is expected to deliver a sustained robust growth with a stronger first-half than second-half due to the revised standards transition deadline in September 2018.

CONSUMER PRODUCTS

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Revenue	667.1	638.3	+4.5%	+4.7%	+1.9%	(2.1)%
Adjusted Operating Profit	164.6	155.9	+5.6%			
Adjusted Operating Margin	24.7%	24.4%	+30bp	+30bp		

Revenue increased by 6.6% on a constant currency basis, of which 4.7% was organic, with a solid performance across nearly all services categories. Q4 2017 revenue was up 6.5% at constant currency, benefiting from a 4.9% increase on an organic basis.

High single-digit growth was achieved in the Electrical & Electronics segment (33% of divisional revenue) led by Automotive and Mobile testing, primarily in Europe and USA. Hardlines performed strongly, up low double-digit organically led by China and strong momentum with key accounts, notably in Europe; on the other side, Toys remained under structural pressure with a single-digit decline for the full-year although stabilization was achieved in Q4.

Lastly, Softlines (36%) grew in line with the divisional average in the context of a challenging environment with traditional retailers. This supports the Group's strategy of targeting mega-vendors and mid-tier accounts. North Asia and South East Asia was the region that reported the highest growth. China's domestic market contributed to the performance, with the Automotive sector spearheading growth.

The acquisition of Siemic early in 2017 enhanced Bureau Veritas' presence in the SmartWorld and Automotive sectors both in China and in the USA. Moving forward, the Group will leverage its homologation testing business in China (VEO acquisition) and expand the platform in Japan (IPS Tokai).

The adjusted operating margin for the year improved by 30 basis points to a strong 24.7% as margin initiatives (cost management/LEAN) more than offset price pressure and negative mix.

Outlook: In 2018, the Group expects mid-single digit growth, similar to 2017, reflecting strong momentum in Electrical & Electronics supported by SmartWorld and Automotive initiatives as well as for Hardlines helped notably by stabilization in the toys sub-segment.

Presentation

Full-year results will be presented on Thursday, March 1, 2018, at 3:00 p.m. (Paris time).
A video conference will be webcast live. Please connect to: [Link to video conference]
The presentation slides will be available on: http://finance.bureauveritas.com
All supporting documents will be available on the website.

2018 Financial calendar

April 26, 2018:	Q1 2018 trading update
May 15, 2018:	Shareholders' meeting
July 26, 2018:	H1 2018 results
October 25, 2018:	Q3 2018 trading update

About Bureau Veritas
Bureau Veritas is a world leader in laboratory testing, inspection and certification services. Created in 1828, the Group has around 74,000 employees located in more than 1,400 offices and laboratories around the globe. Bureau Veritas helps its clients 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.
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For more information, visit www.bureauveritas.com

Contact

Analysts/Investors:

Laurent Brunelle: +33 (0)1 55 24 76 09
laurent.brunelle@bureauveritas.com

Florent Chaix: +33 (0)1 55 24 77 80
florent.chaix@bureauveritas.com

Press:

Véronique Gielec: +33 (0)1 55 24 76 01
veronique.gielec@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.

Appendix 1: Q4 and FY 2017 Revenue by business

In EUR millions	2017	2016	Change	Organic	Acquis.	Currency
Marine & Offshore	88.3	96.1	(8.2)%	(4.2)%	+0.0%	(4.0)%
Agri-Food & Commodities	265.9	261.8	+1.6%	+4.9%	+2.2%	(5.5)%
Industry	270.8	291.9	(7.2)%	(0.2)%	(1.2)%	(5.8)%
Buildings & Infrastructure	305.6	274.9	+11.2%	+8.0%	+6.1%	(2.9)%
Certification	100.4	100.5	(0.1)%	+6.8%	+0.0%	(6.9)%
Consumer Products	165.7	166.2	(0.3)%	+4.9%	+1.6%	(6.8)%
Total Q4 revenue	**1,196.6**	**1,191.4**	**+0.4%**	**+3.8%**	**+1.8%**	**(5.2)%**
Marine & Offshore	364.9	391.9	(6.9)%	(5.3)%	+0.6%	(2.2)%
Agri-Food & Commodities	1,072.5	1,004.6	+6.8%	+2.4%	+5.6%	(1.2)%
Industry	1,096.3	1,132.0	(3.2)%	(0.8)%	(0.9)%	(1.5)%
Buildings & Infrastructure	1,119.9	1,029.0	+8.8%	+5.1%	+5.1%	(1.4)%
Certification	368.6	353.5	+4.3%	+6.1%	+0.1%	(1.9)%
Consumer Products	667.1	638.3	+4.5%	+4.7%	+1.9%	(2.1)%
Total FY revenue	**4,689.4**	**4,549.2**	**+3.1%**	**+2.2%**	**+2.5%**	**(1.6)%**

2016 figures by business have been restated following a c. EUR 5 million reclassification of activities between Buildings & Infrastructure and Industry

Appendix 2: Adjusted operating profit and margin by business

In EUR millions	Adjusted operating profit			Adjusted operating margin		
	2017	2016	Change	2017	2016	Change (basis points)
Marine & Offshore	80.2	99.2	(19.1)%	22.0%	25.3%	(330)
Agri-Food & Commodities	134.6	117.1	+14.9%	12.6%	11.7%	+90
Industry	133.1	148.4	(10.3)%	12.1%	13.1%	(100)
Buildings & Infrastructure	170.1	154.0	+10.4%	15.2%	15.0%	+20
Certification	62.9	60.3	+4.3%	17.1%	17.1%	+0
Consumer Products	164.6	155.9	+5.6%	24.7%	24.4%	+30
Total Group	**745.5**	**734.9**	**+1.4%**	**15.9%**	**16.2%**	**(25)**

Appendix 3: 2017 Revenue by quarter

	2017 Revenue by quarter			
In EUR millions	Q1	Q2	Q3	Q4
Marine & Offshore	97.1	93.7	85.8	88.3
Agri-Food & Commodities	263.6	277.4	265.7	265.9
Industry	277.2	282.4	265.9	270.8
Buildings & Infrastructure	268.1	279.4	266.8	305.6
Certification	87.0	101.8	79.2	100.4
Consumer Products	145.0	187.4	169.0	165.7
Total revenue	**1,138.0**	**1,222.1**	**1,132.4**	**1,196.6**

Appendix 4: Extracts from the full-year consolidated financial statements

Extracts from the full-year consolidated financial statements audited and approved on February 28, 2018 by the Board of Directors. The audit procedures for the full-year accounts have been undertaken and the Statutory Auditor's report has been published.

Consolidated income statement

In EUR millions	2017	2016
Revenue	**4,689.4**	**4,549.2**
Purchases and external charges	(1,394.1)	(1,340.3)
Personnel costs	(2,449.0)	(2,349.9)
Taxes other than on income	(46.4)	(44.8)
Net (additions to)/reversals of provisions	(11.5)	(31.7)
Depreciation and amortization	(203.7)	(202.4)
Other operating income and expense, net	21.6	29.6
Operating profit	**606.3**	**609.7**
Share of profit of equity-accounted companies	0.6	0.8
Operating profit after share of profit of equity-accounted companies	**606.9**	**610.5**
Income from cash and cash equivalents	1.3	2.9
Finance costs, gross	(88.1)	(92.8)
Finance costs, net	**(86.8)**	**(89.9)**
Other financial income and expense, net	16.9	3.4
Net financial expense	**(103.7)**	**(86.5)**
Profit before income tax	**503.2**	**524.0**
Income tax expense	(164.8)	(188.9)
Net income from continuing operations	**338.4**	**335.1**
Net income from operations to be sold	**(8.6)**	**0.0**
Net profit	**329.8**	**335.1**
Non-controlling interests	21.8	15.7
Attributable net profit	**308.0**	**319.4**
Earnings per share (in euros):		
Basic earnings per share	**0.71**	**0.73**
Diluted earnings per share	**0.70**	**0.73**

Consolidated statement of financial position

In EUR millions	Dec. 2017	Dec. 2016
Goodwill	1,965.1	1,977.6
Intangible assets	640.2	686.8
Property, plant and equipment	486.3	518.6
Investments in equity-accounted companies	4.6	5.0
Deferred income tax assets	138.4	142.9
Investments in non-consolidated companies	1.3	1.3
Other non-current financial assets	118.4	69.2
Total non-current assets	**3,354.3**	**3,401.4**
Trade and other receivables	1,573.1	1,496.1
Current income tax assets	52.8	48.9
Current financial assets	20.3	51.0
Derivative financial instruments	3.8	3.7
Cash and cash equivalents	364.3	1,094.1
Total current assets	**2,014.3**	**2,693.8**
Assets held for sale	1.2	-
TOTAL ASSETS	**5,369.8**	**6,095.2**
Share capital	53.0	53.0
Retained earnings and other reserves	936.1	1,144.4
Equity attributable to owners of the Company	**989.1**	**1,197.4**
Non-controlling interests	43.6	45.6
Total equity	**1,032.7**	**1,243.0**
Non-current borrowings and financial debt	2,240.0	2,492.9
Derivative financial instruments	6.7	8.1
Other non-current financial liabilities	120.2	74.8
Deferred income tax liabilities	143.3	164.8
Pension plans and other long-term employee benefits	190.1	178.3
Provisions for other liabilities and charges	109.6	121.6
Total non-current liabilities	**2,809.9**	**3,040.5**
Trade and other payables	1,119.8	1,041.5
Current income tax liabilities	73.6	66.4
Current borrowings and financial debt	209.0	589.5
Derivative financial instruments	9.7	8.0
Other current financial liabilities	114.1	106.3
Total current liabilities	**1,526.2**	**1,811.7**
Liabilities held for sale	1.0	-
TOTAL EQUITY AND LIABILITIES	**5,369.8**	**6,095.2**

Consolidated statement of cash flows

In EUR millions	FY 2017	FY 2016
Profit before income tax	503.2	524.0
Elimination of cash flows from financing and investing activities	103.8	61.1
Provisions and other non-cash items	(0.3)	57.9
Depreciation, amortization and impairment	203.7	202.4
Movements in working capital requirement attributable to operations	(59.5)	(37.2)
Income tax paid	(169.7)	(213.8)
Net cash generated from operating activities	**581.2**	**594.4**
Acquisitions of subsidiaries	(164.8)	(189.8)
Proceeds from sales of subsidiaries	0.0	0.7
Purchases of property, plant and equipment and intangible assets	(142.3)	(156.6)
Proceeds from sales of property, plant and equipment and intangible assets	8.9	10.7
Purchases of non-current financial assets	(32.2)	(10.7)
Proceeds from sales of non-current financial assets	10.3	19.3
Change in loans and advances granted	7.3	1.0
Dividends received from equity-accounted companies	0.7	0.5
Net cash used in investing activities	**(312.1)**	**(324.9)**
Capital increase	3.4	1.0
Purchases/sales of treasury shares	(36.8)	(42.8)
Dividends paid	(295.4)	(255.1)
Increase in borrowings and other debt	172.6	742.5
Repayment of borrowings and other debt	(717.0)	(35.9)
Repayment of amounts owed to shareholders	(3.4)	(13.3)
Interest paid	(98.2)	(86.0)
Other	(0.3)	0.0
Net cash generated from (used in) financing activities	**(975.1)**	**310.4**
Impact of currency translation differences	(27.7)	(2.6)
Impact of changes in accounting method	0.2	0.0
Net increase (decrease) in cash and cash equivalents	**(733.5)**	**577.3**
Net cash and cash equivalents at beginning of year	1,088.0	510.8
Net cash and cash equivalents at end of year	**354.5**	**1,088.1**
o/w cash and cash equivalents	364.3	1,094.1
o/w bank overdrafts	(9.8)	(6.0)

Appendix 5: Financial indicators not defined by IFRS accounting rules

Adjusted operating profit

In EUR millions	2017	2016
Operating profit	**606.3**	**609.7**
Amortization of acquisition intangibles	77.1	79.5
Restructuring costs	57.1	42.6
Acquisition and disposals	5.0	3.1
Impairment of goodwill	0.0	0.0
Total non-recurring items	**139.2**	**125.2**
Adjusted operating profit	**745.5**	**734.9**

Net financial expenses

In EUR millions	2017	2016
Net financial charges	(86.8)	(89.9)
Foreign exchange gain/loss	(12.1)	8.7
Interest charge on pension plans	(3.1)	(3.1)
Other financial expenses	(2.0)	(2.5)
Other financial products	0.3	0.3
Net financial expenses	**(103.7)**	**(86.5)**

Adjusted ETR[(a)]

In EUR millions	2017	2016
Profit before Tax	503.2	524.0
Tax	(164.8)	(188.9)
ETR[(b)]	32.8%	36.0%
Adjusted ETR	**31.8%**	**34.6%**

(a) Adjusted ETR = Income tax expense adjusted for tax effect on non recurring items / Profit before tax adjusted for non-recurring items
(b) Effective tax rate (ETR) = Income tax expense / Profit before income tax

Attributable adjusted net profit

In EUR millions	2017	2016
Attributable net profit	**308.0**	**319.4**
EPS[(a)] (€ per share)	*0.71*	*0.73*
Non-recurring items	139.2	125.2
Net income from operations to be sold	8.6	0.0
Tax effect on non-recurring items	(39.7)	(35.6)
Adjusted attributable net profit	**416.1**	**409.0**
Adjusted EPS[(a)] (€ per share)	*0.95*	*0.94*

(a) Calculated using the weighted average number of shares of 436,422,741 in FY 2017 and 437,147,988 in FY 2016 shares

Free Cash Flow

In EUR millions	2017	2016
Net cash generated from operating activities (operating cash flow)	**581.2**	**594.4**
Purchases of property, plant and equipment and intangible assets net of disposals	(133.4)	(145.9)
Interest paid	(98.2)	(86.0)
Free Cash Flow	**349.6**	**362.5**

Adjusted net financial debt

In EUR millions	Dec. 2017	Dec. 2016
Gross financial debt	2,449.0	3,082.4
Cash and cash equivalents	(364.3)	(1,094.1)
Consolidated net financial debt	**2,084.7**	**1,988.3**
Currency hedging instruments	9.7	8.1
Adjusted net financial debt	**2,094.4**	**1,996.4**