PRESS RELEASE

Paris, France, July 26, 2018

Robust H1 2018 performance, organic growth accelerating to 4.4% in Q2, 2018 outlook confirmed

H1 2018 Key Figures

- Revenue of EUR 2.34 billion in H1 2018, up 6.1% year-on-year at constant currency
- Organic revenue[1] growth of +3.5% in H1 with acceleration in Q2 at 4.4%
- Adjusted operating profit of EUR 348.1 million in H1 2018, up 7.8% at constant currency; adjusted operating margin of 14.9%; 15.4% at constant currency (+20bps year-on-year)
- Adjusted net profit of EUR 189.5 million, up 12.9% at constant currency
- Free cash flow of EUR 62.9 million, up 182.4% at constant currency
- Negative currency impact of 7.0% on revenue and 50bps on adjusted operating margin

H1 2018 Highlights

- Growth Initiatives generated 6.6% organic growth in H1 2018 with Q2 at +7.0%
- Opex Services wins largest ever contract from Qatargas
- Global alliance with Autodesk to accelerate collaborative BIM
- 6 acquisitions in H1 2018 representing c.EUR 85 million of annualized revenue[2]
- Management changes to strengthen the Group's organization
- Renewed credit facilities and further diversification of the debt profile

2018 Outlook confirmed

- 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 2018 cash flow generation to improve at constant currency vs. full-year 2017

Didier Michaud-Daniel, Chief Executive Officer, commented:

"We are now halfway through the execution of our 2020 Strategic Plan, which made significant further progress in the first half of 2018. The Group's organic revenue growth totalled 3.5% with a 4.4% acceleration in the second quarter. This reflected sustained growth for Bureau Veritas' 5 Growth Initiatives and improving growth for the Base Business. We have pursued our external growth through six targeted acquisitions, all in support of our Growth Initiatives and bringing around EUR 85 million of additional annualized revenue.

Five businesses out of six grew overall at 4.3% on average, with the exception of Marine & Offshore, which is still impacted by the down-cycle in shipping however we expect some recovery by year-end. Industry, our second largest business, confirmed its return to organic growth, as a result of our successful diversification. In the last quarter we were awarded a 5-year EUR 64 million contract in Opex services by Qatargas, highlighting the success of our Opex Growth Initiative.

Performance in the first half allows us to confirm our 2018 outlook: an acceleration of organic revenue growth with an adjusted operating margin slightly up at constant currency, as well as a higher cash flow at constant currency compared to 2017."

[1] Organic growth is the increase in revenue versus last year, at constant currency and scope (i.e. acquisitions excluded).
[2] Including Permulab signed on June 27, 2018 and closed on July 4, 2018.

H1 2018 Key Figures

The Board of Directors of Bureau Veritas met on July 25, 2018 and approved the financial statements for the first-half of 2018 (H1 2018). The main consolidated financial items are:

In EUR millions	H1 2018	H1 2017	Change	@cc
Revenue	2,338.3	2,360.1	(0.9)%	+6.1%
Adjusted operating profit[(a)]	**348.1**	**359.4**	**(3.1)%**	**+7.8%**
Adjusted operating margin	14.9%	15.2%	(30)bps	+20bps
Operating profit	**291.0**	**286.2**	**+1.7%**	**+14.3%**
Adjusted net profit[(a)]	**189.5**	**187.6**	**+1.0%**	**+12.9%**
Net profit	149.7	130.2	+15.0%	+30.3%
Adjusted EPS[(a)]	**0.44**	**0.43**	**+2.3%**	**+13.1%**
EPS	0.34	0.30	+13.3%	+30.5%
Operating cash flow[(a)]	**165.9**	**149.9**	**+10.7%**	**+24.4%**
Free cash flow	**62.9**	**28.4**	**+121.5%**	**+182.4%**
Adjusted net financial debt[(a)]	2,463.0	2,270.6	+8.5%	

(a) Financial indicators not defined by IFRS presented in Appendix 4

H1 2018 Highlights

Growth Initiatives up 6.6% organically while Base Business is up 2.0%

The Group achieved 3.5% organic revenue growth in H1 2018, with an acceleration in Q2 to 4.4%. This is explained by:

- *Strong growth of the 5 Growth Initiatives* (one-third of Group revenue), up 6.6% organically year-on-year (+7.0% in Q2 2018). High single-digit growth was achieved in both Buildings & Infrastructure and Automotive, and low to mid-single digit organic growth for Agri-Food and Opex services. In the meantime, SmartWorld grew double-digit.

  In Opex Oil & Gas, the Group has won a global contract with Qatargas, the world's largest LNG producer, as the primary supplier of Inspection, NDT [3] and Asset Management services for all their assets in Qatar. This contract, the largest ever in Opex services for Bureau Veritas, will run for 5 years with an option for 2 additional years. It has an estimated total value of EUR 64 million and represents a major step forward for the Group's Opex Strategic Initiative. It has been awarded as a result of the newly developed Integrated Solution Approach (ISA). The aim is to replicate ISA across Bureau Veritas globally.

- *Improving growth of the Base Business* (two-thirds of Group revenue), up 2.0% organically and with organic growth of 3.1% in the second quarter. Most activities performed well in the period, notably Certification which recorded strong growth thanks to revisions of standards (ISO 9001, 14001, AS 9100 and IATF standards). The exceptions were Marine & Offshore (7% of Group revenue) and Oil & Gas Capex-related activities (less than 4% of Group revenue) which, whilst experiencing improving markets, remained under cyclical pressure (down 5% and 15% respectively in H1 2018).

[3] NDT: non-destructive testing.

Global alliance with Autodesk to accelerate collaborative BIM

Building Information Modeling (BIM) has become a pre-requisite to winning most Buildings & Infrastructure tenders. It is also an effective way for the Group to raise barriers to entry against existing competition or new entrants. In this context, Bureau Veritas is developing a strategy based around three main axes:

- Technical control & safety coordination enhanced by BIM
- BIM management & BIM quality assurance
- Project management assistance enhanced by BIM

Bureau Veritas notably draws on its Shanghai-based BIM competence center to further develop its strategic B&I positioning and a key differentiating factor. The Group is focusing its efforts on China first as this is the most mature and growing market around collaborative BIM so far.

In addition, to accelerate the deployment of its strategy, Bureau Veritas is pleased to announce a global alliance with Autodesk, leader in 3D software used as a technical support for automated verification. The partnership will enable improvement to current building compliance practices through BIM from the earliest stages of building project design. Through this partnership, both companies are accelerating the digitalization of control processes during all phases of the project (design, construction, operation).

M&A: six acquisitions in 2018 YTD, all focused on Group strategic Growth Initiatives

In H1 2018[4], the Group completed six acquisitions, representing around EUR 85 million in annualized revenue (or 1.8% of 2017 Group revenue) which supported 3 of the 5 Growth Initiatives:

	Annualized revenue	Country	Date	Field of expertise
Buildings & Infrastructure				
EMG	c.EUR 70m	USA	Feb. 2018	Technical assessment and project management assistance services
Agri-Food				
Shandong Cigna	Total of EUR 10m	China	Mar. 2018	Agri-Food testing and analysis
FEAC		Japan	Mar. 2018	Food & Environment testing
Labomag		Morocco	Mar. 2018	Agri-Food laboratory testing and analysis
Permulab		Malaysia	Jul. 2018	Food, Water and Environment laboratory testing services
Opex services				
Lubrication Management	EUR 4m	Spain	Jan. 2018	Oil conditioning monitoring

On July 4, Bureau Veritas acquired Permulab Sdn. Bhd., a leading player in Food, Water and Environment laboratory testing services in Malaysia. Founded in 1996 and headquartered in Kuala Lumpur, Permulab will enable the Group to reinforce its footprint notably in the Food space in Asia-Pacific. Permulab generated revenue of around EUR 4 million in 2017.

As at July 2018, Bureau Veritas remains fully on track with its 2020 plan with nearly 50% of its external growth ambition already achieved. Since the start of the plan, 28 acquisitions (of which

[4] Including Permulab signed on June 27, 2018 and closed on July 4, 2018.

23 support the Group's 5 Growth Initiatives) have added close to EUR 365 million of incremental revenue, out of an ambition of around EUR 750 million of revenue over the period 2016-2020.

Management changes to strengthen the Group's organization

Effective since May 1, 2018, Bureau Veritas appointed:

- Jacques Pommeraud, as Executive Vice President, in charge of the Commodities, Industry & Facilities division in France and Africa as well as the Government Services and International Trade operating group. Jacques Pommeraud is a member of the Group Executive Committee.
- Laurent Louail, as Executive Vice President, in charge of the Commodities, Industry & Facilities division in South & West Europe[5]. Laurent Louail is a member of the Group Executive Committee.

These appointments strengthen the operational management of the Commodities, Industry & Facilities division in Europe and Africa as well as Government Services with two newly created, more focused and more integrated scopes.

In addition, effective since June 1, 2018, Helen Bradley was appointed as Executive Vice President, in charge of Group Human Resources. Helen's responsibilities further extend to Quality, Health & Safety and Environment, Corporate Social Responsibility and External affairs. Helen Bradley is a member of the Group Executive Committee.

The Executive Committee is now composed of ten members.

Renewed credit facilities and further diversification of the debt profile

Bureau Veritas' funding activity over the first half of 2018 demonstrates the strong support and confidence of the Group's banks and credit investor base:

- On March 29, 2018, Bureau Veritas SA seized the excellent conditions in the debt markets to successfully issue a EUR 200 million, unrated, zero-coupon senior fixed rate note with a 13-month maturity. This new instrument allows the Group to benefit from incremental liquidity without incurring additional interest costs.
- On May 17, 2018, Bureau Veritas SA signed a EUR 600 million multicurrency Revolving Credit Facility replacing the previous EUR 450 million facility on more favorable terms. This new facility has a five-year maturity, with two 1-year extension options which can be exercised in 2019 and 2020. This facility, which further enhances the Group's liquidity profile, was substantially oversubscribed by an international syndicate of 14 banks[6].

Following these successful operations, Bureau Veritas further diversified its debt profile, with access to various sources of liquidity, including, the bank loan market, Euro-denominated bonds, US private placements, Schuldschein notes and commercial paper, while keeping a competitive average cost of funds.

At the end of June 2018, the average duration of the Group's financial debt exceeded 4 years, with a blended average cost of funds over the first half of the year of 3.2%.

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[5] Austria, Belgium, Bosnia-Herzegovina, Bulgaria, Cyprus, Croatia, Czech Republic, Denmark, Estonia, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Montenegro, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Sweden, Switzerland, Spain, The Netherlands, UK, Ukraine.

[6] as Bookrunner & Mandated Lead Arranger: Bank of America Merrill Lynch International Limited, Barclays Bank Plc, BNP Paribas, Crédit Agricole CIB, HSBC France, Natixis and Société Générale CIB and, as Mandated Lead Arrangers: Banco Santander S.A., Commerzbank AG, Crédit Industriel et Commercial, ING Bank N.V., Mizuho Bank Ltd, National Westminster Bank Plc, Unicredit Bank AG.

Analysis of the Group's results and financial position

1 – Revenue up 6.1% year-on-year at constant currency

Revenue in H1 2018 reached EUR 2,338.3 million, a 0.9% decrease compared with H1 2017:

- Organic growth was +3.5%, with accelerating growth in Q2 compared with Q1 (4.4% vs. 2.6% respectively).

  5 out of 6 businesses grew overall at 4.3% on average (of which 4.9% in Q2). The exception was Marine & Offshore, which is still impacted by the down-cycle in shipping.

  By geography, activities in Europe (35% of Group revenue) increased by 5.3% organically with an acceleration in Q2 (at 6.2%) primarily driven by Certification and Buildings & Infrastructure. Business in Asia-Pacific (36% of revenue; 2.2% organic growth) remained impacted by the end of large contracts in Oil & Gas in Australia and the decline in Marine & Offshore, but this was more than offset by solid growth in other businesses. Activities in the Americas showed further improvement (25% of revenue; 4.0% organic growth), driven by Latin America (up 6.0% organically) and Canada (up 5.4% organically) benefiting from the strategy of diversification outside of Oil & Gas.

- Net acquisition growth was 2.6%, combining the contribution of acquisitions made in 2018, acquisitions finalized in 2017 and the reduction from the disposal of non-strategic NDT[7] activities in Europe (EUR 19.7 million of annualized revenue or -0.4% to Group revenue).

- Currency fluctuations had a negative impact of 7.0%, mainly due to the appreciation of the Euro against the USD and pegged currencies as well as most emerging countries' currencies.

2 – Adjusted operating profit of EUR 348.1 million, margin at 15.4% at constant currency

The Group adjusted operating margin was up 10bps organically at 15.3% and up 20bps at constant exchange rates at 15.4%.

Change in adjusted operating margin

(in percentage and basis points)	
Adjusted operating margin at June 30, 2017	**15.2%**
Organic change	+10bps
Organic adjusted operating margin	**15.3%**
Scope	+10bps
Constant currency adjusted operating margin	**15.4%**
Currency	(50)bps
Adjusted operating margin at June 30, 2018	**14.9%**

Two thirds of the portfolio have stable or improving margins, adding 40 basis points to the Group's organic margin: this is led by a significant improvement in Certification and to some extent Consumer Products. This improvement is the result of a combination of operating leverage, strict cost management, lean efforts and restructuring pay back.

[7] NDT: non-destructive testing.

A third of the portfolio has a minus 30 basis points impact on Group organic margin with: i) -10 basis points coming from Marine & Offshore, due to lower volume of activity, notably for new construction and Offshore Services; ii) -20 basis points resulting from negative mix and price effects in Buildings & Infrastructure.

Other operating expenses increased to EUR 57.1 million in H1 2018 vs. EUR 73.2 million in H1 2017. These include:

- EUR 35.8 million in amortization of acquisition intangibles (compared with EUR 40.1 million in H1 2017);
- EUR 19.5 million in restructuring charges, with actions taken mainly in government services, Buildings & Infrastructure, and commodities related-activities (compared with EUR 31.4 million in H1 2017);
- EUR 1.8 million in acquisition related items (EUR 1.7 million in H1 2017).

Operating profit came to EUR 291.0 million, up 1.7% compared to EUR 286.2 million in H1 2017.

3 – Adjusted EPS of EUR 0.44, up 13.1% at constant currency

Net financial expenses stood at EUR 45.2 million compared with EUR 60.7 million in H1 2017, reflecting lower foreign exchange losses (EUR 2.0 million vs. foreign exchange losses of EUR 10.9 million in H1 2017).

Net finance costs decreased to EUR 40.9 million (vs. EUR 46.7 million in H1 2017) due to lower financial charges resulting mainly from the decrease in the average gross debt.

Other items (including pensions and other finance charges) stood at EUR 2.3 million, down from EUR 3.0 million in H1 2017.

Income tax expense totaled EUR 84.4 million in H1 2018, compared with EUR 80.0 million in H1 2017. This represents an effective tax rate (ETR) of 34.2% for the period, compared with 35.4% in H1 2017.

The adjusted ETR is 32.8%, down 110 basis points compared with H1 2017, mainly resulting from the absence of the 3% dividend contribution in France after this was declared null and void by the French Constitutional Court in 2017.

Attributable net profit for the period was EUR 149.7 million, vs. EUR 130.2 million in H1 2017.

Earnings Per Share (EPS) stood at EUR 0.34, compared with EUR 0.30 in H1 2017.

Adjusted attributable net profit totaled EUR 189.5 million, vs. EUR 187.6 million in H1 2017.

Adjusted EPS stood at EUR 0.44, a 2.3% increase vs. H1 2017.

4 – Significant improvement in free cash flow from a low base

H1 2018 operating cash flow stood at EUR 165.9 million vs. EUR 149.9 million in H1 2017, up 10.7% year-on-year. This increase is primarily driven by the lower taxes paid in the first half. These are partially offset by negative foreign exchange effects. Despite accelerating organic revenue growth in Q2, the change in working capital requirements was contained.

Purchases of property, plant and equipment and intangible assets, net of disposals (Net Capex), amounted to EUR 59.0 million in H1 2018, broadly stable compared to EUR 58.2 million in

H1 2017. This shows disciplined control over the Group's net capex-to-revenue ratio at 2.5%, broadly stable compared to the level achieved in H1 2017 (2.5%).

Free cash flow (available cash flow after tax, interest expenses and capex) stood at EUR 62.9 million, vs. EUR 28.4 million in H1 2017, up 121.5% year-on-year and up 182.4% on a constant currency basis. On an organic basis, the free cash flow increased by 156.7% in H1 2018. However, the evolution of free cash flow benefited from a low comparison base due to high financial interest costs in the context of the Group's debt refinancing as well as higher taxes paid in H1 2017.

Change in free cash flow

(€ millions)	
Free cash flow at June 30, 2017	**28.4**
Organic change	+44.5
Organic free cash flow	**72.9**
Scope	+7.3
Free cash flow at constant currency	**80.2**
Currency	(17.3)
Free cash flow at June 30, 2018	**62.9**

At June 30, 2018, adjusted net financial debt was EUR 2,463.0 million, i.e., 2.82x last-twelve-month EBITDA as defined in the calculation of the bank covenant, compared with 2.51x at June 30, 2017. The increase in adjusted net financial debt of EUR 368.6 million vs. December, 2017 (EUR 2,094.4 million) stems from:

- Free Cash Flow of EUR 62.9 million;
- Dividend payments totaling EUR 254.8 million;
- Acquisitions, accounting for EUR 123.7 million;
- Share buybacks net of the capital increase carried out to cover stock option plans and allocation of performance shares, amounting to EUR 24.1 million;
- Other items that increased the Group's debt by EUR 28.9 million, mainly attributable to currency fluctuations.

2018 Outlook confirmed

For Full-year 2018, the Group expects:

- An acceleration in organic revenue growth 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

H1 2018 Business Review

MARINE & OFFSHORE

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Revenue	170.4	190.8	(10.7)%	(5.4)%	+0.0%	(5.3)%
Adjusted Operating Profit	36.3	45.0	(19.3)%			
Adjusted Operating Margin	21.3%	23.6%	(230)bps	(120)bps		

Revenue decreased by 5.4% organically in the first half of 2018 (of which -2.2% in Q2), not yet benefiting from the recovery in new orders. This results mainly from:

- A high single-digit decline in New Construction (38% of revenue), still dragged down by a low level of activity in Asia due to the time lag.
- A slight decline in Core In-service (45% of divisional revenue), due to the unfavorable timing of inspections (special surveys; although improving trends in Q2) and some price pressure while the level of laid up ships stabilized. At June 30, 2018, the fleet classified by Bureau Veritas comprised 11,293 ships and represented 119.1 million of Gross Register Tonnage (GRT), up 2.2% year-on-year.
- A mid-single digit decline in Offshore-related activities still driven by the lack of deep-sea projects and a further reduction of risk assessment studies, notably in Asia and in Americas.

New orders amounted to 3.5 million gross tons at the end of June 2018, up from 2.9 million gross tons in the prior year period. The order book, which stood at 13.4 million gross tons at the end of the period has now stabilized, and is indeed slightly up compared to December 2017, while remaining well diversified with categories such as bulk, container and gas vessels expanding their share.

The adjusted operating margin for H1 2018 came in at 21.3%, down 230 basis points compared to H1 2017, primarily explained by the decline of volumes (-120bps organically) and also by the negative foreign exchange impact (-110bps). The Group has undertaken additional restructuring actions in the In-service activity.

Outlook: In 2018, Bureau Veritas still expects organic revenue growth in this business to be slightly negative with i) the decline in New Construction expected to gradually reduce throughout the year, with a progressive rebound from H2 2018 onwards due to new orders won since 2017; and ii) resilient In-Service activity.

AGRI-FOOD & COMMODITIES

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Revenue	523.7	541.0	(3.2)%	+4.0%	+0.9%	(8.1)%
Adjusted Operating Profit	58.6	61.4	(4.6)%			
Adjusted Operating Margin	11.2%	11.3%	(10)bps	+0bp		

H1 2018 revenue accelerated by 4.0% organically (+4.8% in Q2 2018) from +0.8% in the first half of 2017, with the following performances across sub-segments:

Oil & Petrochemicals (O&P) segment (38% of divisional revenue) achieved 1.2% organic growth. It reflects mixed geographic situations: good growth in Europe thanks to new services (Verifuel, growing at double-digit) and strong growth in core markets such as Belgium and Spain; double-digit growth in China benefitting notably from new lab capabilities, while more difficult in North America due to a challenging competitive environment. Non trade-activities (OCM, Marine fuel) achieved good growth in the first half of 2018.

Metals & Minerals segment (27% of divisional revenue) achieved a strong performance with organic growth of 11.5% in H1 2018, primarily led by Upstream and to some extent Trade activities. Upstream activities recorded high double-digit growth driven by the strength in the gold sector across all geographies (Africa, Americas, Oceania), and energy minerals. Coal activities benefited from a strong recovery due to the development of Bureau Veritas' Mozambican business following a large contract win in 2017. Trade activities experienced low single-digit growth in the first half of 2018 with some improvement during the second quarter.

Agri-Food (20% of divisional revenue) reported positive organic growth of 3.9% in H1 2018, benefiting from the double-digit growth in Food activities. Q2 performance (+0.2% organic growth) was impacted by poor market conditions in Europe, and the lower volume of exports from Brazil due to the truckers' strike disrupting the export supply chain. In the first half, Bureau Veritas completed four acquisitions in the Agri-Food space, Labomag in Morocco, Shandong Cigna in China, FEAC in Japan, and Permulab[8] in Malaysia; these represent additional annualized revenue of EUR 10 million.

Government Services (15% of divisional revenue) revenue was up 4.2% organically in Q2 2018 (-1.5% organically in H1). Despite the end of some PSI (Pre-Shipment Inspection) contracts, revenue benefited from the progressive ramp-up of VOC (Verification of Conformity) and single window contracts in Ghana, Ivory Coast and in the Democratic Republic of the Congo.

The adjusted operating margin for the first half of 2018 was stable on an organic basis, although slightly eroded to 11.2% due to currency effects, from 11.3% in H1 2017.

Outlook: In 2018, the Group expects its Agri-Food & Commodities business to deliver improved organic revenue growth compared to 2017, fueled by recovering Metals & Minerals markets, healthy Agri-Food businesses and stabilizing Government Services due to the ramp-up of several contract wins.

[8] Including Permulab signed on June 27, 2018 and closed on July 4, 2018.

INDUSTRY

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Revenue	519.5	559.6	(7.2)%	+2.2%	(0.6)%	(8.8)%
Adjusted Operating Profit	59.5	64.6	(7.9)%			
Adjusted Operating Margin	11.5%	11.5%	+0bp	+0bp		

Revenue increased by 1.6% on a constant currency basis in H1 2018, with good organic growth of 2.2% (including +2.8% in Q2). This reflects the benefits of the diversification of the Group's activities towards Opex services, which are growing at 4.2% organically as part of the Growth Initiative. Power & Utilities Opex-related activities grew by 20.0%, with the ramp-up of a large contract in Latin America. Industry performance was impacted by the decline in Oil & Gas Capex-related activities which, whilst easing, remained a drag on H1 2018 (down -14.8% at Group level).

In Oil & Gas markets (35% of divisional revenue), Opex-related activities were up slightly with a volume increase more than offsetting price pressure whilst conditions remained challenging with continued weak levels of activity in Oil & Gas Capex overall. The Group experienced some positive trends in the United States and in South Korea, driven by a few Capex projects. In the meantime, growth remained subdued notably in Australia and China.

During the first half of 2018, the Group won a 5-year global contract (with an option for 2 additional years) with Qatargas, the world's largest LNG producer, as the primary supplier of Inspection, NDT[9] and Asset Management services for all their assets in Qatar.

Overall for the Industry business, growth was strong in Africa and Latin America (primarily led by Argentina, Colombia and Peru) while it rebounded in Europe, in particular in the UK. The decline was marked in Asia-Pacific.

The adjusted operating margin for the first half of 2018 was stable year-on-year at 11.5%, with the scope effect (+10bps) offsetting foreign exchange impacts (-10bps). The adjusted operating margin was stable organically.

Outlook: In 2018, Bureau Veritas continues to expect a return to slightly positive organic revenue growth overall for the business as the diversification strategy continues to pay off together with the bottoming of Oil & Gas Capex markets throughout the year.

[9] NDT: non-destructive testing.

BUILDINGS & INFRASTRUCTURE

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Revenue	609.6	547.5	+11.3%	+4.1%	+10.5%	(3.3)%
Adjusted Operating Profit	83.0	76.8	+8.1%			
Adjusted Operating Margin	13.6%	14.0%	(40)bps	(80)bps		

Revenue increased by 4.1% organically both in H1 and Q2, with mid-single digit growth in Construction-related activities (62% of divisional revenue) and in Buildings in-service activities (38% of divisional revenue). The Buildings & Infrastructure business demonstrated solid revenue growth of 14.6% at constant currency in H1 2018 with a 10.5% impact from external growth (with 1 acquisition completed in 2018: EMG in the US).

High single-digit organic growth was experienced in Asia (23% of divisional revenue) in H1, including high single-digit organic growth for operations in China (15% of Buildings & Infrastructure revenue). China continued to benefit from healthy growth in energy and infrastructure project management assistance thanks to its past acquisitions.

In the Americas (19% of divisional revenue), growth was notably driven by the growing Construction market in the United States during the second quarter, in particular for code compliance services, and good growth in Colombia. Due to the lack of new projects, activity remained subdued in most Latin America countries (Brazil, Chile, Argentina). The Group recorded a strong scope effect in the US, notably with the acquisitions of California Code Check (June 2017), Primary Integration Solutions (November 2017) and EMG (February 2018).

Growth in Europe (56% of divisional revenue) was in line with the divisional average, benefiting from a positive calendar effect in Q2, notably in France (41% of revenue). Both Capex and Opex-related activities are performing well, despite some price pressure for the latter.

The adjusted operating margin for the first half of 2018 was down slightly (-40bps) to 13.6%, primarily due to mix and price effects. Acquisitions contributed positively to the divisional margin (+50bps).

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

CERTIFICATION

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Revenue	190.9	188.8	+1.1%	+10.8%	+0.0%	(9.7)%
Adjusted Operating Profit	34.2	33.6	+1.8%			
Adjusted Operating Margin	17.9%	17.8%	+10bps	+210bps		

The Certification business demonstrated strong organic growth of 10.8% for the first half 2018 (of which 14.2% in Q2), with growth across all regions and most service categories.

Overall, growth was fueled by the revision of standards (ISO 9001, 14001, AS 9100 in the Aerospace and IATF in the Automotive sectors), especially in Q2 2018 which strongly benefited from most customers anticipating audits ahead of the transition deadline on September 15, 2018. At June 30, 2018, 96% of Bureau Veritas' clients were in the transition process or have already transitioned to the new QHSE Standards (ISO 9001: 2015 and ISO 14001: 2015). The transition effect is expected to cease from Q3 2018 onwards.

Double digit growth was achieved in Supply Chain led by Automotive. Food Certification schemes achieved high single-digit growth, notably fueled by Certification of Organic food products, while Sustainability delivered mid-single digit growth (led by Energy management and Wood Management Systems Certification). Growth also benefited from new product and service launches. This includes the Group's offering addressing Enterprise Risks including anti-bribery, business continuity, cybersecurity and GDPR Data privacy certification which grew double digit in the first half.

Lastly, Global Certification contracts grew by 10% organically, with the ramp-up of new contracts signed with international companies, notably in Automotive (Europe and Asia), QHSE (Europe), GDPR Data Privacy (Asia), Health & Safety (Latin America), Environment (Latin America) and Customized audits (Europe).

By geography, double-digit growth was achieved in Europe (led by France, Italy and Spain) and Asia (led by China and Japan) while a high single-digit pace was recorded in the Americas and Africa.

The adjusted operating margin for the first half of 2018 improved slightly to a healthy 17.9%. This reflects a strong organic increase fueled by the revision of standards mostly offset by a significant negative foreign exchange impact, owing to the depreciation of most emerging countries' currencies, and notably in Latam.

Outlook: In 2018, the Certification business is expected to deliver robust organic revenue growth on a full year basis implying a second-half at a much slower pace than during the first-half due to the revised standards transition ending in September 2018.

CONSUMER PRODUCTS

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Revenue	324.2	332.4	(2.5)%	+5.0%	+0.7%	(8.2)%
Adjusted Operating Profit	76.5	78.0	(1.9)%			
Adjusted Operating Margin	23.6%	23.5%	+10bps	+30bps		

Revenue increased by 5.7% on a constant currency basis, of which 5.0% was organic, with a strong performance, especially in the sub-segments Hardlines and Electrical & Electronics (including Automotive). Q2 2018 revenue was up 4.3% on an organic basis.

High single-digit organic growth was achieved in the Electrical & Electronics segment (34% of divisional revenue), including double digit growth in Q2, led by Automotive and Wireless testing. The E&E sub-segment notably benefited from the contribution of Siemic acquired in early 2017, enhancing the Group's presence in the SmartWorld sector.

Hardlines recorded a good performance, up high single-digit organically in both H1 and Q2, led by China, South Asia and South-East Asia; conversely, Toys recorded a slowdown in Q2 compared to Q1, impacted by the loss of a traditional retailer account experiencing structural difficulties. The Group however gained some market share among the targeted mid-tier accounts.

Lastly, Softlines (36% of divisional revenue) achieved growth below the divisional average, in the context of a challenging environment with traditional retailers. The Group recorded robust growth in South Asia and South-East Asia, benefiting from the relocation of Chinese manufacturing activities. Growth was also good in Europe during the first half of 2018.

The adjusted operating margin for the first half increased by 10 basis points, despite a negative foreign exchange impact. Organically, the adjusted operating margin progressed by 30 basis points to a strong 23.8% (compared to 23.5% in H1 2017), as operating leverage and margin initiatives more than offset some price pressure and a negative mix.

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

Conference call

Thursday, July 26, 2018 at 3:00 p.m. CET
The conference call in English will be broadcast live (link to webcast) and available after the event on the Group's websites (https://www.bureauveritas.com and http://finance.bureauveritas.com).
The presentation document will also be available on the websites.

Live dial-in numbers:
France: +33 (0)1 70 70 07 80
UK : +44 (0)1 452 541 003
US: +1 (646) 741 2120 / +1 (866) 254 0808
Confirmation code (ID number): 6682597

2018 half-year financial report

The 2018 half-year financial report is to be filed with the French financial markets authority (AMF) today and can be consulted on the Bureau Veritas website at the following addresses: https://www.bureauveritas.com and http://finance.bureauveritas.com

2018 financial calendar

September 20, 2018: 2018 Field Trip in Mississauga (Toronto Metro), Canada - REGISTER
October 25, 2018: Q3 2018 revenue

About Bureau Veritas
Bureau Veritas is a world leader in laboratory testing, inspection and certification services. Created in 1828, the Group has around 75,000 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.
Compartment A, ISIN code FR 0006174348, stock symbol: BVI.
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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: Q2 and H1 2018 Revenue by business

In EUR millions	H1 2018	H1 2017	Change	Organic	Acquis.	Currency
Marine & Offshore	86.8	93.7	(7.4)%	(2.2)%	+0.0%	(5.2)%
Agri-Food & Commodities	273.6	277.4	(1.4)%	+4.8%	+0.7%	(6.9)%
Industry	269.3	282.4	(4.6)%	+2.8%	+0.1%	(7.5)%
Buildings & Infrastructure	317.8	279.4	+13.7%	+4.1%	+12.1%	(2.5)%
Certification	106.0	101.8	+4.1%	+14.2%	+0.0%	(10.1)%
Consumer Products	184.5	187.4	(1.5)%	+4.3%	+0.6%	(6.4)%
Total Q2 revenue	**1,238.0**	**1,222.1**	**+1.3%**	**+4.4%**	**+3.0%**	**(6.1)%**
Marine & Offshore	170.4	190.8	(10.7)%	(5.4)%	+0.0%	(5.3)%
Agri-Food & Commodities	523.7	541.0	(3.2)%	+4.0%	+0.9%	(8.1)%
Industry	519.5	559.6	(7.2)%	+2.2%	(0.6)%	(8.8)%
Buildings & Infrastructure	609.6	547.5	+11.3%	+4.1%	+10.5%	(3.3)%
Certification	190.9	188.8	+1.1%	+10.8%	+0.0%	(9.7)%
Consumer Products	324.2	332.4	(2.5)%	+5.0%	+0.7%	(8.2)%
Total H1 revenue	**2,338.3**	**2,360.1**	**(0.9)%**	**+3.5%**	**+2.6%**	**(7.0)%**

Appendix 2: Adjusted operating profit and margin by business

In EUR millions	Adjusted operating profit			Adjusted operating margin		
	H1 2018	H1 2017	Change	H1 2018	H1 2017	Change (basis points)
Marine & Offshore	36.3	45.0	(19.3)%	21.3%	23.6%	(230)
Agri-Food & Commodities	58.6	61.4	(4.6)%	11.2%	11.3%	(10)
Industry	59.5	64.6	(7.9)%	11.5%	11.5%	+0
Buildings & Infrastructure	83.0	76.8	+8.1%	13.6%	14.0%	(40)
Certification	34.2	33.6	+1.8%	17.9%	17.8%	+10
Consumer Products	76.5	78.0	(1.9)%	23.6%	23.5%	+10
Total Group	**348.1**	**359.4**	**(3.1)%**	**14.9%**	**15.2%**	**(30)**

Appendix 3: Extracts from the half-year consolidated financial statements

Extracts from the half-year consolidated financial statements audited and closed on July 25, 2018 by the Board of Directors. The limited review procedures for the half-year accounts have been undertaken and the Statutory Auditor's report has been published.

Consolidated income statement

In EUR millions	H1 2018	H1 2017
Revenue	**2,338.3**	**2,360.1**
Purchases and external charges	(689.8)	(690.4)
Personnel costs	(1,243.9)	(1,244.8)
Taxes other than on income	(23.3)	(23.9)
Net (additions to)/reversals of provisions	(0.3)	(11.7)
Depreciation and amortization	(98.1)	(107.9)
Other operating income and expense, net	8.1	4.8
Operating profit	**291.0**	**286.2**
Share of profit of equity-accounted companies	0.7	0.5
Operating profit after share of profit of equity-accounted companies	**291.7**	**286.7**
Income from cash and cash equivalents	1.0	1.1
Finance costs, gross	(41.9)	(47.8)
Finance costs, net	**(40.9)**	**(46.7)**
Other financial income and expense, net	(4.3)	(14.0)
Net financial expense	**(45.2)**	**(60.7)**
Profit before income tax	**246.5**	**226.0**
Income tax expense	(84.4)	(80.0)
Net income from continuing operations	**162.1**	**146.0**
Net income (loss) from discontinued operations	**0.0**	**(5.7)**
Net profit	**162.1**	**140.3**
Non-controlling interests	12.4	10.1
Attributable net profit	**149.7**	**130.2**
Earnings per share (in euros):		
Basic earnings per share	**0.34**	**0.30**
Diluted earnings per share	**0.34**	**0.30**

Consolidated statement of financial position

In EUR millions	June 2018	Dec. 2017 restated	IFRS 9 restat.	Dec. 2017 published
Goodwill	2,021.9	1,965.1		1,965.1
Intangible assets	649.6	640.2		640.2
Property, plant and equipment	477.0	486.3		486.3
Investments in equity-accounted companies	5.0	4.6		4.6
Deferred income tax assets	137.6	145.3	6.9	138.4
Investments in non-consolidated companies	1.3	1.3		1.3
Other non-current financial assets	111.1	118.4		118.4
Total non-current assets	**3,403.5**	**3,361.2**	**6.9**	**3,354.3**
Trade and other receivables	1,657.9	1,546.6	(26.5)	1,573.1
Current income tax assets	48.9	52.8		52.8
Current financial assets	27.8	20.3		20.3
Derivative financial instruments	5.1	3.8		3.8
Cash and cash equivalents	286.7	364.3		364.3
Total current assets	**2,026.4**	**1,987.8**	**(26.5)**	**2,014.3**
Assets held for sale	0.3	1.2		1.2
TOTAL ASSETS	**5,430.2**	**5,350.2**	**(19.6)**	**5,369.8**
Share capital	53.0	53.0		53.0
Retained earnings and other reserves	747.5	917.4	(18.7)	936.1
Equity attributable to owners of the Company	**800.5**	**970.4**		**989.1**
Non-controlling interests	51.6	42.7	(0.9)	43.6
Total equity	**852.1**	**1,013.1**	**(19.6)**	**1,032.7**
Non-current borrowings and financial debt	2,195.3	2,240.0		2,240.0
Derivative financial instruments	6.7	6.7		6.7
Other non-current financial liabilities	115.2	120.2		120.2
Deferred income tax liabilities	142.5	143.3		143.3
Pension plans and other long-term employee benefits	189.4	190.1		190.1
Provisions for other liabilities and charges	104.3	109.6		109.6
Total non-current liabilities	**2,753.4**	**2,809.9**		**2,809.9**
Trade and other payables	1,080.2	1,119.8		1,119.8
Current income tax liabilities	69.6	73.6		73.6
Current borrowings and financial debt	544.7	209.0		209.0
Derivative financial instruments	6.1	9.7		9.7
Other current financial liabilities	123.9	114.1		114.1
Total current liabilities	**1,824.5**	**1,526.2**		**1,526.2**
Liabilities held for sale	0.2	1.0		1.0
TOTAL EQUITY AND LIABILITIES	**5,430.2**	**5,350.2**	**(19.6)**	**5,369.8**

Consolidated statement of cash flows

In EUR millions	H1 2018	H1 2017
Profit before income tax	246.6	226.0
Elimination of cash flows from financing and investing activities	44.0	78.5
Provisions and other non-cash items	3.9	(16.8)
Depreciation, amortization and impairment	98.1	107.9
Movements in working capital requirement attributable to operations	(148.8)	(144.8)
Income tax paid	(77.9)	(100.9)
Net cash generated from operating activities	**165.9**	**149.9**
Acquisitions of subsidiaries	(122.7)	(75.6)
Proceeds from sales of subsidiaries	-	-
Purchases of property, plant and equipment and intangible assets	(63.1)	(60.0)
Proceeds from sales of property, plant and equipment and intangible assets	4.1	1.8
Purchases of non-current financial assets	(14.8)	(16.1)
Proceeds from sales of non-current financial assets	10.6	5.4
Change in loans and advances granted	(1.9)	6.6
Dividends received from equity-accounted companies	0.5	0.5
Net cash used in investing activities	**(187.3)**	**(137.4)**
Capital increase	2.6	1.1
Purchases/sales of treasury shares	(26.7)	(16.7)
Dividends paid	(254.8)	(254.4)
Increase in borrowings and other debt	263.8	77.7
Repayment of borrowings and other debt	(5.7)	(612.2)
Repayment of amounts owed to shareholders	0.0	(0.8)
Interest paid	(44.0)	(63.3)
Other	-	-
Net cash generated from (used in) financing activities	**(64.8)**	**(868.6)**
Impact of currency translation differences	(7.2)	2.1
Impact of changes in accounting method	-	-
Net increase (decrease) in cash and cash equivalents	**(93.4)**	**(854.0)**
Net cash and cash equivalents at beginning of the period	354.5	1,088.0
Net cash and cash equivalents at end of the period	**261.1**	**234.0**
o/w cash and cash equivalents	286.7	284.8
o/w bank overdrafts	(25.6)	(50.8)

Appendix 4: Financial indicators not defined by IFRS accounting rules

Adjusted operating profit

In EUR millions	H1 2018	H1 2017
Operating profit	**291.0**	**286.2**
Amortization of acquisition intangibles	35.8	40.1
Restructuring costs	19.5	31.4
Acquisition and disposals	1.8	1.7
Impairment of goodwill	-	-
Total non-recurring items	**57.1**	**73.2**
Adjusted operating profit	**348.1**	**359.4**

Net financial expenses

In EUR millions	H1 2018	H1 2017
Net financial charges	(40.9)	(46.7)
Foreign exchange gain/loss	(2.0)	(10.9)
Interest charge on pension plans	(1.1)	(1.3)
Other	(1.2)	(1.8)
Net financial expenses	**(45.2)**	**(60.7)**

Adjusted ETR[(a)]

In EUR millions	H1 2018	H1 2017
Profit before Tax	246.5	226.0
Tax	(84.4)	(80.0)
ETR[(b)]	34.2%	35.4%
Adjusted ETR	**32.8%**	**33.9%**

(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	H1 2018	H1 2017
Attributable net profit	**149.7**	**130.2**
EPS[(a)] (€ per share)	*0.34*	*0.30*
Non-recurring items	54.3	73.2
Net income from operations to be sold	0.0	5.7
Tax effect on non-recurring items	(14.5)	(21.5)
Adjusted attributable net profit	**189.5**	**187.6**
Adjusted EPS[(a)] (€ per share)	*0.44*	*0.43*

(a) Calculated using the weighted average number of shares of 435,410,677 in H1 2018 and 436,176,351 in H1 2017 shares

Free cash flow

In EUR millions	H1 2018	H1 2017
Net cash generated from operating activities (operating cash flow)	**165.9**	**149.9**
Purchases of property, plant and equipment and intangible assets net of disposals	(59.0)	(58.2)
Interest paid	(44.0)	(63.3)
Free cash flow	**62.9**	**28.4**

Adjusted net financial debt

In EUR millions	June 2018	Dec. 2017
Gross financial debt	2,740.0	2,449.0
Cash and cash equivalents	(286.7)	(364.3)
Consolidated net financial debt	**2,453.3**	**2,084.7**
Currency hedging instruments	9.7	9.7
Adjusted net financial debt	**2,463.0**	**2,094.4**