



PRESS RELEASE

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Record growth reported by Altrad (by Grahame Anderson)

ScaffMag.com – the scaffolding magazine

Altrad Group

The Altrad group has reported strong growth in revenue and earnings from the Group's expanded and diversified platform for the last fiscal half year.

Up to February 28th, they achieved record group revenue of €1,678 million with a full half-year contribution from Cape Altrad. A successful strategic focus on services contributed to 82 percent of turnover. Their Integration of the Cape business is progressing well and delivering expected synergies.

Positive Figures

Impressive earnings before interest, taxes, depreciation and amortization (EBITDA) of €205million – a margin of 12 percent, offers a popular indicator of the company's financial performance.

The management expects to deliver a sustainably higher EBITDA margin going forward. Other highlights include a total backlog of €2,782 million providing good visibility on future revenue and diversification of geographic revenue with more than 30 percent coming out of Europe.

Altrad has consolidated its position as a multi-disciplinary, industrial leader in key markets around the world, with a focus on Europe, Australia, Middle East, Africa and Asia.

Securing Contracts

During the period, the Group was pleased to secure a number of material contracts, including an offshore maintenance contract in Angola awarded by BP for more than €30 million over three years and £25 million annual maintenance contracts, across the Grangemouth petrochemical facility in the UK.

The strategic focus on Services provides strong visibility on future revenue, with more than 70 percent of the Group's reported services revenue coming from recurring maintenance contracts.

Setting Down A Marker

Commenting on the Results, CEO Louis Huetz said: "These results showcase the strength and breadth of our expanded business, highlighting the considerable progress we have made along our strategic growth path in the last few years. Our business is underpinned by strong cash flow and profitability,



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and our strategic focus on Services now provides good visibility on future revenue, with a secured order book of nearly €3 billion for delivery over the next few years.”

The completion of the Cape acquisition has enabled the creation of a stronger and more balanced business, capable of delivering multi-disciplinary services to industry leaders throughout our chosen markets. The organic growth opportunities for the business remain compelling as we leverage our industry-leading platform to achieve better synergies, and demonstrate to our client base the benefits of our greater geographic footprint and diversified services.”

Catalyst for Success

In effect, the acquisition of Cape represents a truly transformative catalyst for the Altrad Group and continues the strategic development achieved by the acquisitions of Prezioso Linjebygg and Hertel in previous years.

This delivery of record revenue and earnings surpasses internal budgets and supports the Group’s Full Year expectations. Such an outstanding performance was achieved within the first six-month contribution of the Cape business.

The near-term outlook for the Group is positive, underpinned by improving market conditions in core sectors and geographies. Their strong order book comprises of diverse, recurring maintenance services contracts. Altrad’s business is now underpinned by diverse and steady revenue streams, from an international footprint and a balanced sales mix between its core sectors: Construction, Oil & Gas, Process Industries and Power Generation.

During the period, the construction market has seen a recovery in activity, especially in continental Europe. As a result, the equipment business has seen an improved like-for-like performance, and the Group won a number of key services contracts including in France, where the Group was selected for the renovation of the Austerlitz railway station. This award follows the successful work delivered on Bordeaux Railway station last year, leaving Altrad well placed to benefit from the broader renovation program of the main French railway stations.

Other key contract awards included the Acetylene project for BASF, a greenfield development of a new plant and the second largest project for German chemicals industry over the last decade.

Looking forward

Altrad’s strategic objectives remain to build a worldwide leader in industrial services, with market leading positions in key geographies and a diverse range of services.

Grahame Anderson

Grahame is a professional writer and researcher based in Tyne & Wear. In the past he has written quality features for publications across the board on a variety of topics from My Weekly to the Daily Express.



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ABOUT ALTRAD GROUP

Altrad is a global leader in the provision of industrial services, generating high added value solutions principally for the Oil & Gas, Energy, Power Generation, Process, Environment and Construction sectors. The group is also a recognised leader in the manufacturing of equipment dedicated to the Construction and Building market. Altrad's multidisciplinary services range from engineering and technical services to maintenance, access solutions and specialised services for industry leaders. The Group, headquartered in France, employs around 39,000 people and owns established international brands including Cape, Hertel and Prezioso Linjebygg.

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