



Boulogne, March 1, 2011

Press Release

2010: a year of adaptation

- **Revenue: €11.7 billion (+1%)**
- **Net profit (Group share): €224 million (-42%)**
- **Proposed dividend: €6.30 per share**

The Board of Directors of Colas, chaired by Mr. Hervé Le Bouc, met on February 28, 2011 to finalize the financial statements for 2010.

Consolidated key figures – in millions of euros

	2010	2009	Variation 2010/2009
Revenue	11,661	11,581	+0.7%
France	6,661	6,698	-0.6%
International	5,000	4,883	+2.4%
Current operating income	365	541	-33%
Current operating margin	3.1%	4.7%	-1.6 pt
Non-current operating expenses	(52)	-	(52)
Net profit (Group share)	224	387	-42%
Net cash position	(57)	117	(174)

Revenue: 11.7 billion euros (+0.7%)

Consolidated revenue for 2010 recorded a very slight increase at 11.7 billion euros, despite a more difficult than expected market. In addition to sluggish public and private investment, a shortage of major projects and recessions in some zones, Group companies also had to contend with disastrous winter weather at the beginning and the end of 2010 in Europe and North America, disruptions stemming from nationwide protests in France, and the cancellation of two major PPP contracts that Colas had already signed and financed. Noteworthy disparities have appeared between the geographic zones.



In France, revenue totaled 6.7 billion euros, down a slight 0.6% (-3.5% with unchanged scope of business).

In mainland France, where the road sector accounts for nearly 75% of total activity, revenue was identical to last year, at 6.3 billion euros. On the other hand, business in the French overseas departments dropped 15% (sluggish market in Caribbean and recession in Reunion Island, exacerbated by the cancellation of the Tram-train project).

In the Group's international units and French overseas territories, revenue was up 2.4% at 5 billion euros (-3.5% with comparable exchange rates and scope of business). North America, northern Europe and Asia have all enjoyed growth. Africa and the Indian Ocean are stable. Central Europe has, on the other hand, seen a 34% plunge in its business (-50% in two years).

Group share of net profit at 224 million euros (net margin at 1.9% of revenue) is down 42% due to a 176-million-euro drop in current operating income, worsened by high non-current operating expenses.

Current operating income totaled 365 million euros, compared to 541 million euros in 2009. Two-thirds of the 176-million euro drop can be written down to major losses posted by Colas subsidiaries in Slovakia, Romania, Hungary and Croatia, that amounted to 109 million euros. Also to blame are eroding profit margins in France where competition is intense and a shortage of major projects, notably in Africa and the Indian Ocean.

In addition to the slump in current operating income, non-current operating expenses for a total of 52 million euros were posted during the year due to old antitrust fines and the decision to depreciate all goodwill in central Europe during the year.

These results must not overshadow the fact that North America performed very well and that their profitability remained on track (similar to 2009), nor the fact that income has also improved in the Group's specialized activities (Railways, Waterproofing, Pipes and mains) and that the mainland French road companies did manage to post a correct level of income, despite a decrease.

A series of new action plans were implemented and existing plans were stepped up to help Group profit centers adapt to market volumes and prices whenever needed, to boost productivity and profitability. As of the end of 2010, in view of all current business forecasts, the roll-out of these plans had practically reached completion.

A cautious investment policy, focusing on industrial production units without neglecting external growth opportunities - in particular with the acquisition of SRD (Société de la Raffinerie de Dunkerque) and road companies in North America, has enabled the Group to uphold its sound financial foundation.



Net profit at Colas

Net profit for parent company Colas amounted to 267 million euros, compared to 329 million euros in 2009.

Dividend 2010

The Board of Directors has decided to put forward a proposal to the General Shareholders' Meeting on April 15, 2011 to pay out a dividend of 6.30 euros per share, payable in cash or in shares as preferred by the shareholder, compared to 6.75 euros per share paid out for 2009, with date of payment set at April 28, 2011. The amount of dividends paid out will total 206 million euros.

Board of Directors

The Board of Directors will ask the General Meeting of Shareholders on April 15, 2011 to appoint Jacques Leost as a Director to the Board of Directors.

Outlook

Work-on-hand at the end of December 2010 was roughly the same as at the end of December 2009, at 6.1 billion euros (-2%). The share of contracts to be performed in 2011 (excluding central Europe) is 3.4% higher than the previous year. The work-on-hand should allow Colas to get off to a satisfactory start, boosted by the fact that weather conditions at the beginning of the year were more favorable. Trends on the numerous markets in which Colas operates are still difficult to anticipate with full accuracy.

In France, the road market should remain strained, with no major drops in volumes thanks to a great number of strong-willed local authorities, tramway contracts, major projects and a budding recovery of private investment. Outlook is favorable for railways. In North America, markets should stay upbeat, especially in Canada but also in the United States where Colas companies have a strong position in the road maintenance market, which should benefit in priority from public funding. Subsidiaries in central Europe will have another difficult year, but the measures taken in 2010 should cut losses in 2011 and put them back on track to equilibrium in 2012. Markets will be less buoyant in northern Europe in the wake of British and Irish austerity plans. Elsewhere around the world, business should remain stable, except for Asia, which should continue to enjoy growth. According to all available data, a first hypothesis for revenue in 2011 has been set at 11.8 billion euros.

The beginning of 2011 was witness to the securing of a concession contract for a section of Highway A63 in southwest France, a tribute to the Group's technical, legal and financial expertise in complex contracts (concessions, PPP, PFI, long-term maintenance contracts).



Transport infrastructure needs, particularly in the maintenance sector, remain high, both in France and elsewhere around the world. Infrastructure maintenance is essential to economic growth. This has always been Colas' core business, and decision-makers will most likely spotlight this sector given the current economic environment. Colas' strategies - notably its choice to focus on profit margin over volume - along with the roll out of streamlining programs, in particular in central Europe, should allow the Group to get back on path to improved profitability in 2011.

Compensation of Corporate Officers

In compliance with AFEP-MEDEF recommendations, information regarding the compensation of corporate officers and the granting of stock options is available on line as of this day at <http://www.colas.com>.

The statutory auditors have duly audited and certified the consolidated financial statements and the parent company financial statements.

Financial statements and annexes are available at <http://www.colas.com>.

A presentation for financial analysts will be held on March 3, 2011 at 11:00 am and will also be made available at <http://www.colas.com>.