



Consolidated financial statements of the Colas group

Year ended December 31, 2025

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Consolidated balance sheet

(€ million)	Note	12/31/2025	12/31/2024
Property, plant and equipment	3.2.1	2,254	2,332
Right of use of leased assets	3.2.2	847	808
Intangible assets	3.2.3	184	197
Goodwill	3.2.4	945	939
Joint ventures and associates	3.2.6	363	383
Other non-current financial assets	3.2.5	107	113
Deferred tax assets	7	167	157
Non-current assets		4,867	4,929
Inventories	4.1	759	813
Advances and down-payments made on orders	4.1	74	51
Trade receivables	4.1	2,427	2,470
Customer contract assets	4.1/4.2	879	832
Current tax assets	4.1	41	46
Other current receivables and prepaid expenses	4.1	616	664
Cash and cash equivalents	4.3	1,711	1,504
Financial instruments – Hedging of debt	18	5	15
Other current financial assets	18	8	7
Current assets		6,520	6,402
Total assets		11,387	11,331
Share capital		49	49
Share premium and reserves		2,882	2,816
Translation reserve		(89)	76
Net profit/(loss) attributable to the Group		295	310
Shareholders' equity attributable to the Group		3,137	3,251
Non-controlling interests		28	27
Shareholders' equity	5	3,165	3,278
Non-current debt	8	132	155
Non-current lease obligations	10	737	721
Non-current provisions	6.1	794	713
Deferred tax liabilities	7	128	118
Non-current liabilities		1,791	1,707
Current debt	8	58	85
Current lease obligations	10	237	214
Current tax liabilities	11.1	112	114
Trade payables	11.1	2,192	2,289
Customer contract liabilities	11.2	1,505	1,384
Current provisions	6.2/11.2	525	487
Other current liabilities	11.1	1,482	1,454
Overdrafts and short-term bank borrowings	8	314	312
Financial instruments – Hedging of debt	18	3	2
Other current financial liabilities	18	3	5
Current liabilities		6,431	6,346
Total liabilities and shareholders' equity		11,387	11,331
Net surplus cash/(net debt)		1,209	965

Consolidated income statement

(€ million)	Note	FY 2025	FY 2024
Sales (1)	12	16,020	15,907
Purchases used in production		(7,463)	(7,660)
Personnel costs		(4,254)	(4,278)
External charges		(3,076)	(3,077)
Taxes other than income tax		(142)	(148)
Net charges for depreciation, amortization and impairment losses on property, plant & equipment and intangible assets	4.4	(301)	(332)
Net amortization and impairment expense on right of use of leased assets	4.4	(239)	(207)
Charges to provisions and other impairment losses, net of reversals due to utilization	4.4	(225)	(134)
Change in production inventories		(11)	4
Other income from operations (2)	13.1	444	665
Other expenses on operations	13.1	(174)	(196)
Current operating profit/(loss)		579	544
Other operating income	13.2	-	-
Other operating expenses	13.2	(42)	-
Operating profit		537	544
Financial income		79	35
Financial expenses		(91)	(65)
Income from net surplus cash/(cost of net debt)	14.1	(12)	(30)
Interest expense on lease obligations		(46)	(41)
Other financial income	14.2	12	16
Other financial expenses	14.2	(20)	(28)
Income tax	15	(195)	(178)
Share of net profits/(losses) of joint ventures and associates	3.2.6	22	31
Net profit/(loss) from continuing operations		298	314
Net profit/(loss) from discontinued operations			
Net profit/(loss)		298	314
Net profit/(loss) attributable to the Group		295	310
Net profit/(loss) attributable to non-controlling interests		3	4
(1) of which sales generated outside France		9,423	9,435
(2) of which reversals of unused provisions and impairment	4.4	131	133

Consolidated statement of recognized income and expense

(€ million)	FY 2025	FY 2024
Net profit/(loss)	298	314
Items not reclassifiable to profit or loss		
Actuarial gains/(losses) on post-employment benefits	(4)	(13)
Net tax effect of items not reclassifiable to profit or loss	1	4
Items reclassifiable to profit or loss		
Translation adjustments	(141)	27
Remeasurement of hedging assets	4	7
Net tax effect of items reclassifiable to profit or loss	(0)	-
Share of reclassifiable income and expense of joint ventures and associates	(24)	8
Total income and expense recognized in equity	(164)	33
Total recognized income and expense	134	347
Attributable to the Group	132	343
Attributable to non-controlling interests	2	4

Consolidated statement of changes in shareholders' equity

(€ million)	Share capital Share premium	Reserves related to capital/retained earnings	Consolidated reserves and profit/(loss) for period	Treasury shares	Items recognized directly in equity	Total attributable to the Group	Non-controlling interests	Total
Position at 12/31/2023	455	1,019	1,643	(2)	63	3,178	20	3,198
Movements during 2024								
Net profit/(loss)			310			310	4	314
Income and expense recognized directly in equity ⁽¹⁾					33	33	-	33
Total recognized income and expense	-	-	310	-	33	343	4	347
Capital and reserves transactions, net		(150)	150			-		-
Acquisitions/disposals of treasury shares			(2)	2				
Dividend paid			(269)			(269)	(2)	(271)
Other transactions (changes in scope of consolidation, other transactions with shareholders and other items)					(1)	(1)	5	4
Position at 12/31/2024	455	869	1,832	-	95	3,251	27	3,278
Movements during 2025								
Net profit/(loss)			295			295	3	298
Income and expense recognized directly in equity ⁽¹⁾					(163)	(163)	(1)	(164)
Total recognized income and expense	-	-	295	-	(163)	132	2	134
Capital and reserves transactions, net		(41)	41			-		-
Dividend paid			(248)			(248)	(1)	(249)
Share-based payment			2			2		2
Position at 12/31/2025	455	828	1,922	-	(68)	3,137	28	3,165

(1) Change in translation reserve:

(€ million)	Group	Non-controlling interests	Total
Companies controlled by Colas	(140)	(1)	(141)
Joint ventures and associates	(24)	-	(24)
Total	(164)	(1)	(165)

Consolidated cash flow statement

(€ million)	Note	FY 2025	FY 2024
Net profit/(loss) from continuing operations		298	314
Adjustments:			
Share of net profits/losses of joint ventures and associates, net of dividends received		38	14
Dividends from non-consolidated companies		(1)	(3)
Net charges to/reversals of depreciation, amortization and impairment of property, plant and equipment and intangible assets and non-current provisions		389	351
Amortization and impairment expense and other adjustments to right of use of leased assets		238	207
Gains and losses on asset disposals		(80)	(72)
Income taxes, including uncertain tax positions		195	178
Income taxes paid		(177)	(205)
Other non-cash income and expenses		2	9
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid		902	793
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations		58	71
Changes in working capital requirements related to operating activities (including current impairment and provisions)	22.2	155	275
Net cash generated by/(used in) operating activities (a)		1,115	1,139
Purchase price of property, plant and equipment and intangible assets	3.1	(339)	(321)
Proceeds from disposals of property, plant and equipment and intangible assets	3.1	110	81
Net liabilities related to property, plant and equipment and intangible assets		15	(8)
Purchase price of non-consolidated companies and other investments			(15)
Purchase price of consolidated activities, net of cash held by acquired entities		(86)	(29)
Proceeds from disposals of consolidated activities, net of cash held by divested entities		13	25
Net liabilities related to consolidated activities	22.2	1	5
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		6	5
Net cash generated by/(used in) investing activities (b)		(280)	(257)
Dividends paid to shareholders of the parent company		(248)	(269)
Dividends paid by consolidated companies to non-controlling interests		(1)	(2)
Increase in current and non-current debt		318	657
Decrease in current and non-current debt		(357)	(671)
Repayment of lease obligations		(236)	(201)
Income from net surplus cash/cost of net debt and interest expense on lease obligations		(58)	(71)
Other cash flows related to financing activities		7	(9)
Net cash generated by/(used in) financing activities (c)		(575)	(566)
Effect of foreign exchange fluctuations (d)		(55)	9
Change in net cash position (a+b+c+d)		205	325
Net cash position at start of period		1,192	867
Net cash flows		205	325
Net cash position at end of period		1,397	1,192

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NOTE 1 SIGNIFICANT EVENTS OF THE YEAR

1.1 Scope of consolidation as of December 31, 2025

As of December 31, 2025, 490 entities were consolidated by Colas SA, compared with 482 as of December 31, 2024.

Number of consolidated entities	2025	2024
Companies controlled by Colas	308	307
Joint operations	56	58
Joint ventures and associates	127	117
Total	491	482

A list of the main entities in the Group is provided in Note 25.

1.2 Significant events

1.2.1 Significant events of 2025

- The French Finance Act was adopted on February 14, 2025, and the French Social Security Act on February 28, 2025. Income tax expense for the period includes €17 million relating to the exceptional income tax surcharge for French companies introduced by the 2025 Finance Act, comprising (i) a portion of the full surcharge based on 2024 taxable profits (expense of €8 million), and a portion of the surcharge based on taxable profits for 2025 as recognized in the accounts (expense of €9 million).
- On August 5, 2025 Colas Inc., the US subsidiary of Colas, announced that it had signed a memorandum of understanding with a view to acquiring 100% of the capital of Suit-Kote, then held by the Suits family (who founded the business in 1921), for a consideration of more than USD 450 million. Suit-Kote operates as a liquid asphalt reseller, asphalt emulsion manufacturer/applicator, and provider of construction and road preservation services in the north-eastern United States. The company employs more than 750 people, and generates annual sales in the region of USD 500 million. The proposed deal is currently being examined by the US antitrust authorities
- Operating profit includes non-current expenses of €42 million, comprising (i) a provision of €30 million to reflect new developments in a case dating back to 2011 involving Colas Rail internationally and (ii) a provision of €12 million relating to a case in the United States.

1.2.2 Reminder of the significant events of 2024

None.

1.3 Significant events and changes in scope of consolidation subsequent to December 31, 2025

The Group is not aware of any significant events subsequent to the end of the reporting period.

NOTE 2 GROUP ACCOUNTING POLICIES

2.1 Activities

Colas is a world leader in the construction and maintenance of transport infrastructure.

Roads represent approximately 90% of total operations, including:

- the construction and maintenance of roads, motorways, airport runways, port facilities, industrial and logistics platforms, urban design features, reserved-lane public transport systems (tramways), recreational facilities, but also road safety and signaling, traffic management, and the manufacture, installation and maintenance of safety equipment. Such projects may be carried out through infrastructure concession and management activities including motorways, airports, urban road networks and urban public transport systems;
- civil engineering (small and large-scale infrastructure projects) and building (new build, renovation and demolition/deconstruction) activities, carried on by roads subsidiaries in certain regions;
- upstream of construction: production and recycling of construction materials (aggregates, emulsions and binders, asphalt mixes, ready-mix concrete, bitumen), built on a dense international network of quarries, emulsion plants, asphalt plants and concrete plants.

Colas also operates in other sectors, which account for approximately 10% of total operations:

- railways, including design and engineering on complex major projects, and the construction, renewal and maintenance of railway infrastructure;
- water and energy transport, which includes the laying and maintenance of pipelines and ducting.

2.2 Basis of preparation of the financial statements

The consolidated financial statements of the Colas group include the financial statements of Colas SA and its subsidiaries.

They were closed off by the Board of Directors on February 25, 2026, and will be submitted for approval by the forthcoming Annual General Meeting of the shareholders on April 23, 2026.

The consolidated financial statements for the year ended December 31, 2025 were prepared in millions of euros (unless otherwise mentioned) and in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is a requirement under IFRS. They include comparatives with the financial statements for the year ended December 31, 2024.

2.2.1 Changes in accounting standards, rules and policies

The Colas group applied the same standards, interpretations and accounting policies for the year ended December 31, 2025 as were applied in its consolidated financial statements for the year ended December 31, 2024, except for changes required to meet new IFRS requirements applicable in 2025 (see below).

- **Principal amendments effective within the European Union and applicable in 2025:**

- **Lack of Exchangeability – Amendments to IAS 21**

On November 12, 2024, the European Commission endorsed amendments to IAS 21 relating to the lack of exchangeability of a currency. Those amendments specify how to determine whether a currency is exchangeable, and how to determine the exchange rate when a currency is not exchangeable. The Group has not identified any currencies likely to be affected by a lack of exchangeability as of December 31, 2025.

- **Principal new essential standards, amendments and interpretations mandatorily applicable from January 1, 2026 and not early adopted by the Group**

- **Corporate Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7**

On December 18, 2024, the IASB issued amendments to IFRS 9 and IFRS 7 relating to the accounting for Corporate Power Purchase Agreements (CPPAs), with the aim of improving financial information about the effects of such contracts. Those amendments:

- clarify the application of the ‘own-use’ exemption to CPPAs with physical delivery of electricity from green energy sources;
- allow hedge accounting to be used for certain CPPAs involving electricity from renewable sources; and
- impose new disclosure requirements on entities regarding the terms, volume, price and fair value of their CPPAs.

The amendments were endorsed by the European Union on July 1, 2025, and are applicable as of and from January 1, 2026. The Group does not expect the amendments to have a material impact on the consolidated financial statements.

- **Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7**

On May 30, 2024, the IASB issued amendments to IFRS 9 and IFRS 7 relating to the date of classification and measurement of financial instruments. Those amendments deal with the initial recognition and derecognition of financial assets and financial liabilities, and with how to assess the features of contractual cash flows when classifying financial assets (financial assets containing a contingent clause, securitization assets, and non-recourse assets).

The amendments were endorsed by the European Union on May 28, 2025, and are applicable as of and from January 1, 2026. The Group does not expect the amendments to have a material impact on the consolidated financial statements.

- **Principal essential standards, interpretations and amendments issued by the IASB but not endorsed by the European Union**

- **IFRS 18 – Presentation and Disclosures in Financial Statements**

On April 9, 2024, the IASB issued IFRS 18, “Presentation and Disclosure in Financial Statements”. IFRS 18 will replace IAS 1, and the associated IFRIC and SIC interpretations, and is intended to provide investors with more transparent and comparable information about corporate financial performance. It focuses on three main areas:

- improved income statement comparability, with the introduction of new income and expense categories (operating, investing and financing) and of new mandatory sub-totals;
- improved disclosures about performance measures; and
- a review of the relevance of disclosures in primary financial statements and notes to the financial statements, to make them more useful for investors.

Subject to endorsement by the European Union, IFRS 18 will apply as of and from January 1, 2027, with retrospective application. Entities may early adopt IFRS 18 in 2026. The impact of IFRS 18 on the presentation of the primary financial statements and the notes thereto is currently being analyzed by the Group, which does not intend to early adopt the new standard.

2.2.2 Exercise of judgement and use of estimates:

In preparing consolidated financial statements to comply with IFRS standards and interpretations, the Group uses estimates and assumptions which may affect the amounts reported for assets, liabilities and contingent liabilities at the end of the reporting period, and the amounts of income and expenses reported for the period.

These estimates and assumptions have been applied consistently on the basis of past experience and of information available as of the date the financial statements were closed off, and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may subsequently differ materially from these estimates.

The main items involved are the impairment testing of goodwill and equity investments (see Note 3.2.4); the measurement of identifiable assets and liabilities in a purchase price allocation; employee benefits (lump-sum retirement benefits, pensions, etc.); the fair value of unlisted financial instruments; the recoverability of deferred tax assets, especially where there is a history of tax losses over a number of years; provisions (for litigation and claims, etc.); review of contracts to determine whether they contain a lease; factors taken into account when restating leases (lease terms and incremental borrowing rates, as described respectively in Notes 2.7.2. and Note 2.11.2); and end-of-contract margins on construction contracts (see Note 2.13.1).

Group management exercises judgement in the application of IFRS to certain transactions, in particular in (i) determining the level of control exercised over certain entities; (ii) identifying whether a contract is a lease; (iii) analyzing contingent consideration in business combinations; and (iv) identifying separate performance obligations for revenue recognition purposes.

Where no standard or interpretation applies to a specific transaction, Group management adopts accounting policies that will provide relevant information that gives a fair presentation and is comparable between periods, such that the consolidated financial statements

- represent faithfully the financial position, financial performance and cash flows of the Group;
- reflect the economic substance of the underlying transactions;
- are neutral, prudent, and complete in all material respects.

Disclosures about judgements made by management are provided in the notes to the consolidated financial statements.

2.2.3 Held-for-sale assets and operations and discontinued operations

A non-current asset, or a group of directly-associated assets and liabilities, is regarded as being held for sale if its carrying amount will be recovered primarily through a sale rather than through continuing use. For this to be the case, the asset must be available for immediate sale, and its sale must be highly probable. Such held-for-sale assets or asset groups are measured at the lower of the carrying amount or the estimated selling price less costs to sell.

A discontinued operation is one that is material to the Group (having been treated as a cash generating unit) and that has either been divested or has been classified as a held-for-sale asset. Income statement and cash flow statement information about discontinued operations is reported in separate line items in the consolidated financial statements for all periods presented.

2.2.4 Climate-related issues

Climate policy at Colas is built on six pillars:

- embedding climate change issues into the corporate strategy;
- reducing carbon intensity of direct emissions from industrial operations, and from the vehicle fleet and heavy plant;
- developing and promoting lower-carbon products, techniques and solutions;
- developing reliable carbon accounting;
- contributing to carbon neutrality and reducing emissions of customers and end users; and
- embedding protection of biodiversity into the Group's operations.

- **Principal opportunities and risks identified**

The principal opportunities identified by Colas derive from the development of solutions that contribute to energy transition, are nature-based, and support circular economy principles.

The principal risks identified by the Group are physical risks, which mainly affect fixed sites (especially industrial sites), and transition risks. An impact assessment of risks associated with climate change, begun in 2025, will inform the development of adaptation plans to address physical risks.

The consequences of global warming (higher temperatures, drought and floods, coastal erosion, rising sea levels, etc.) may increasingly impair the resilience of infrastructure, and reduce the effectiveness of industrial processes (for example, through water stress). The greater incidence of heatwaves and extreme weather events (hurricanes, floods, wildfires, etc.) is also liable to disrupt implementation on some projects; this may impact productivity, operating costs and insurance premiums, with a knock-on effect of the profitability of operations. If such risks crystallize, this could even lead to the suspension of operations at production sites in affected regions.

Transition risks associated with adaptation to legal, technical or regulatory changes include (i) risks around carbon pricing and taxes such as carbon border adjustment mechanisms (the EU CBAM went live on January 1, 2026, risks of increases in duties payable and raw material costs, extensions to the EU emissions trading system (EU-ETS), and market uncertainties around projected future carbon taxes on fossil-fuel energy and/or associated regulatory changes; (ii) supply chain risks (risk of late delivery or stockouts, and fluctuations in raw material prices); and (iii) risks related to regulatory requirements (obligation to replace some existing technologies with lower greenhouse gas emission alternatives).

At present, the impact of the EU-ETS on Colas is low: barely 2% of its scope 1 emissions (i.e. 34,000 tonnes of CO₂ equivalent) are subject to the EU-ETS system. Those emissions relate to mobile and fixed bitumen plants, mainly located in Belgium, Denmark and France.

- **Climate strategy and governance**

The Colas climate strategy was established by senior management and signed off by the Board of Directors; roll-out of the strategy is overseen by a Carbon Committee headed up by the Environment Directorate, with input from carbon sponsors within regional business units and from heads of support functions. The Group's objectives for reductions in greenhouse gas emissions were revised at the end of 2024, and now call for a 46.5% reduction in Scope 1 & 2 and a 30% reduction in Scope 3 between 2019 and 2030.

Those objectives have been certified using the Science Based Targets initiative (SBTi). SBTi certification attests that the commitments made are consistent with currently available scientific climate data and with the Paris Agreement, which sets a target of keeping the increase in average global temperature at well below 2°C above pre-industrial levels, while continuing with efforts to limit the increase to 1.5°C. Having an SBTi certified decarbonization trajectory also provides alignment with the framework and requirements of the Corporate Sustainability Reporting Directive) (CSRD).

To ensure that environmental performance can be tracked alongside financial performance, the climate strategy is embedded into each business segment's management cycle. So the Colas Group implemented a carbon management cycle in 2025, consistently with the Bouygues group's sustainability cycle. Based on simulation tools for the Scope 1, 2 & 3a trajectory out to 2030, Colas

subsidiaries are in an ongoing process of identifying levers that will enable them to deliver on the decarbonization objectives, by targeting CO₂ savings and associated budgets.

In addition to the decarbonization scenarios prepared for each Colas subsidiary, greenhouse gas mitigation measures have been defined and actioned in specific priority areas, and new business models founded on circular economy principles are being devised and rolled out. Colas has prepared greenhouse gas emissions forecasts that spell out how consistency with the strategic plan can be achieved (for example through changes to customer offers, new processes, capital expenditure, or reorganization of personnel). Key performance indicators linked to decarbonization levers are monitored annually.

The Board of Directors and the Selection and Remuneration Committee seek to ensure the variable remuneration of the Chief Executive Officer is consistent with the company's performance objectives, so that it is aligned with the corporate interest and with the company's medium/long-term strategy. That remuneration is determined with reference to three non-financial criteria linked to the Group's compliance record and CSR performance (climate and environment, gender balance, health and safety); those criteria represent a sizeable proportion of the variable remuneration of Executive Officers (up to 40% of annual fixed remuneration for 2025, including 10% for the climate-related criterion).

- **Adaptation strategy and impact on the financial statements**

In preparing the financial statements, Colas has analyzed the potential impacts of climate change as of the present time. That analysis did not call into question the useful lives and residual or recoverable amounts of non-financial assets such as property, plant and equipment, intangible assets, goodwill, or rights of use of leased assets.

To date, Colas has not identified any significant assets whose useful lives would need to be reduced for regulatory or admissibility reasons, or that would have to be abandoned.

As part of the financial cycle, costs associated with decarbonization trajectories are incorporated into the budget used for impairment testing.

2.3 Consolidation methods

2.3.1 Companies controlled by Colas

Companies over which Colas exercises control are consolidated.

2.3.2 Jointly-controlled companies

A joint venture or joint operation derives from a contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control. In the case of joint operations (which give each party direct rights over the assets and obligations for the liabilities), the assets, liabilities, income and expenses of the joint operation are consolidated in accordance with the interests held in the joint operation. Joint ventures, which give the parties rights over the net assets, are accounted for using the equity method.

Most of the consortia involving Colas are organized as translucent entities in the form of *Sociétés en Participation* (SEPs) that meet the definition of joint operations.

2.3.3 Companies over which Colas exercises significant influence

An associate is a company over which Colas exercises significant influence without exercising control. Significant influence is presumed to exist where Colas directly or indirectly holds at least 20% of the entity's voting rights.

The net profit or loss and the assets and liabilities of such entities are accounted for by the equity method, and dividends received from them are presented within net cash flow from operating activities.

2.4 Business combinations

In a business combination, goodwill at the acquisition date represents (i) the sum total of the consideration transferred (i.e. acquisition price) and non-controlling interests minus (ii) the net amount recognized (usually at fair value) for the identifiable assets acquired and liabilities assumed, adjusted to reflect the fair value remeasurement of any previously-acquired equity interest. The revised IFRS 3 allows entities to elect one of two methods of accounting for non-controlling interests in each business combination:

- at fair value (full goodwill method), i.e. the non-controlling interests are allocated their share of goodwill; or
- at the non-controlling interests' proportionate share of the acquired entity's identifiable assets and liabilities (partial goodwill method), i.e. no share of goodwill is allocated to the non-controlling interests.

Fair value is the price that would be received for selling an asset or paid for transferring a liability in an arm's length transaction between market participants as of the date of measurement.

Goodwill is allocated to the Cash Generating Unit (CGU) benefiting from the business combination or to the group of CGUs at the level of which return on investment is measured.

The purchase price allocation period is limited to the time required to identify and measure the acquired entity's assets and liabilities, the non-controlling interests, the consideration transferred and the fair value of any previously-held equity interest, subject to a maximum period of 12 months.

Amortization of intangible assets recognized in a purchase price allocation is charged against current operating profit.

Negative goodwill (i.e. gain from a bargain purchase) is taken to the income statement in the period in which the acquisition is made.

Subsequently, goodwill is carried at cost net of any impairment losses identified annually using the methods described in the sections on impairment testing in Note 2.7.5 ("Impairment testing of non-current assets, joint ventures and associates), in accordance with IAS 36. Impairment losses are charged to the income statement as an operating item. In accordance with the revised IFRS 3, the previously-held equity interest in a step acquisition is remeasured at fair value through profit or loss on the date when control is obtained. In the event of loss of control with a retained equity interest, that retained interest is remeasured at fair value; the gain or loss on remeasurement is recognized in profit or loss, along with the gain or loss arising on the disposal.

In the event of a change in percentage interest with no effect on control, the difference between the consideration transferred and the carrying amount of the non-controlling interest is recognized directly in equity attributable to the Group. Consequently, no additional goodwill is recognized.

All acquisition-related costs are recognized as a non-current item within "Other operating expenses" if they are regarded as material.

In the event of a partial divestment of the component operations of a CGU, the Group usually allocates the goodwill in proportion to the value of the divested operation relative to the value of the CGU as measured at the date of divestment, unless it can be demonstrated that another method better reflects the goodwill of the divested operation; this policy complies with paragraph 86 of IAS 36.

Goodwill recognized prior to January 1, 2004 continues to be measured using the partial fair value method. Non-controlling interests are measured on the basis of the carrying amount of the relevant items as shown in the balance sheet of the acquired entity.

2.5 Foreign currency translation

2.5.1 Transactions denominated in foreign currencies

Transactions denominated in foreign currencies are translated into euros at the average exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the closing exchange rate. Translation differences are recognized in profit or loss for the period. Non-monetary assets and liabilities denominated in foreign currencies and accounted for at historical cost are translated using the exchange rate on the date of the transaction.

2.5.2 Financial statements of entities with a functional currency other than the euro

All assets and liabilities of consolidated entities with a functional currency other than the euro are translated at the closing exchange rate. Income and expenses are translated at the average exchange rate for the period. Translation differences arising from this treatment, and arising from the retranslation of a subsidiary's opening shareholders' equity at the closing exchange rate, are presented within "Change in translation reserve" in the consolidated statement of changes in shareholders' equity.

Translation differences arising on the net investment in foreign subsidiaries and associates are recognized in shareholders' equity.

2.6 Assessment of income taxes

Deferred taxation is recognized on differences between the carrying amount and tax base of assets or liabilities, and arises as a result of:

- temporary differences between the carrying amount and tax base of assets or liabilities, which may be:
 - o items generating a tax liability in the future (deferred tax liabilities), arising mainly from accelerated tax depreciation that is liable to tax in future periods;
 - o items deductible from taxable profits in the future (deferred tax assets), mainly provisions that are temporarily non-deductible for tax purposes. Such assets are recognized to the extent that it is probable that sufficient taxable profits will be available against which to offset the temporary differences, and are reviewed at the end of each reporting period;
- tax losses available for carry-forward (deferred tax assets), where it is probable that these losses will be recovered in future periods.

Deferred taxes are measured using national tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted in the relevant country at the end of the reporting period. As of December 31, 2025, the temporary differences and tax losses available for carry-forward of French entities were measured at the enacted rate of 25.83% for 2025 and future years.

Deferred taxes are not discounted, and are reported in non-current assets and liabilities.

2.7 Non-current assets

2.7.1 Property, plant and equipment

Property, plant and equipment is measured at acquisition cost net of accumulated depreciation and impairment. Depreciation is recognized on a straight line basis over the estimated useful life of the asset.

Principal useful lives applied

Land	(see below)
Non-operating buildings	20 to 40 years
Industrial buildings	10 to 20 years
Plant, equipment and tooling	5 to 20 years
Other property, plant and equipment (vehicles and office equipment)	3 to 10 years

Undeveloped and built-on land is not depreciated, but may be written down by an impairment allowance if required.

Land containing mineral deposits is depreciated on the basis of the rate of depletion, up to a maximum of 40 years.

Accumulated depreciation computed on this basis may not be lower than straight-line depreciation.

If an item of property, plant and equipment requires a long period of preparation before it can be used or sold, borrowing costs directly attributable to its acquisition or construction are capitalized as part of the acquisition cost.

In accordance with IAS 16, when an item of property, plant and equipment consists of components with different useful lives, each component is accounted for and depreciated as a separate item of property, plant and equipment.

Gains and losses on disposal represent the difference between the sale proceeds and the carrying amount, and are recognized in the income statement under "Other income and expenses from operations" unless they meet the criteria for classification within "Other operating income and expenses" (see Note 2.13.2).

Depreciation periods are reviewed annually, and may be adjusted if expected use differs from previous estimates.

Grants received

Investment grants received from national, regional or local governments are netted off the value of the assets concerned in the balance sheet, and depreciated at the same rate as those assets once receipt of the grant becomes unconditional.

2.7.2 Right of use of leased assets

IFRS 16 defines the right of use under a lease as an asset that represents a lessee's right to use an underlying asset for the lease term.

Right-of-use assets relate mainly to property (office leases).

The Group applies the two exemptions offered by IFRS 16, relating to short-term leases and assets with a low as-new value. Rental expenses on leases covered by either of those exemptions are recognized in profit or loss, within "External charges" (see Note 13).

The lease term is the non-cancellable period for which the lessee has the right to use the underlying asset, including any extension or termination options the lessee is reasonably certain to exercise.

Within the Colas group, rights of use relate mainly to property leases and equipment leases.

This right of use is recognized by the Group on the commencement date of the lease (the date on which the asset is made available). It is measured at cost, which includes:

- the initial amount of the lease obligation (see Note 2.11.2);
- lease payments made in advance to the lessor, less any lease incentives received from the lessor;
- material initial direct costs incurred by the lessee to obtain the lease, i.e. costs that would not have been incurred if the lease had not been obtained; and
- an estimate of the costs of dismantling the leased asset, or restoring it to the condition required by the terms of the lease.

The right of use asset is amortized on a straight line basis over the lease term. It is written down by means of an impairment allowance if there is an indication that it may have become impaired.

Where the Group enters into sale-and-leaseback transactions, involving a sale (within the meaning of IFRS 15) of an asset to a third party followed by leasing the asset back as lessee, the right of use asset (representing the Group's retained right of use) is calculated based on the proportion of the prior carrying amount of the transferred asset. That proportion is determined by reference to the ratio of the lease obligations to the selling price of the asset. Similarly, the gain on disposal is recognized only to the extent of the rights effectively transferred to the acquirer/lessor. In the cash flow statement, the sale proceeds from the sold portion are classified within investing activities, while the retained portion is classified within financing activities as a reduction in the repayment of the lease obligation.

2.7.3 Intangible assets

IAS 38 defines an intangible asset as an identifiable non-monetary asset without physical substance which is controlled by the entity. An asset is identifiable:

- if it is separable, i.e. capable of being independently sold, transferred, licensed, rented or exchanged; or
- if it is derived from contractual or other legal rights, whether separable or not.

An asset is controlled if the entity has the power to obtain the future economic benefits from that asset and to restrict the access of others to those benefits.

Intangible assets with finite useful lives are depreciable. Intangible assets with indefinite useful lives are not depreciable, but are subject to annual impairment testing and are reviewed at the end of each reporting period to ensure that their useful lives are still indefinite.

Intangible assets comprise:

- quarry operating rights;
- brands and customer relationships recognized as part of a purchase price allocation;
- development expenses:
 - o Development expenses are capitalized if the IAS 38 criteria are met (i.e. if they are expected to generate future economic benefits and their cost can be reliably measured).
 - o In accordance with IFRS, incorporation and research expenses are expensed as incurred.
- concessions, patents and similar rights.

Gains and losses on disposal represent the difference between the sale proceeds and the carrying amount, and are recognized in the income statement under “Other income and expenses from operations” unless they meet the criteria for classification within “Other operating income and expenses” (see Note 2.13.2).

2.7.4 Other intangible assets

None.

2.7.5 Impairment testing of non-current assets, joint ventures and associates

Impairment tests are carried out on the carrying amount of non-current assets and investments in joint ventures and associates if there is objective evidence that they may have become impaired.

The carrying amounts of indefinite-lived intangible assets and goodwill are compared to their recoverable amounts at least at the end of each financial year.

Impairment testing method used:

In determining the recoverable amount, intangible assets to which independent cash flows cannot be directly allocated are grouped within the CGU to which they belong, or within the appropriate group of CGUs representing the lowest level at which management monitors return on investment.

The groups of CGUs used within Colas reflect the Group’s organizational structure.

- Roads France/OD-IO/Corporate: consists of the Roads business and Road Safety & Signaling activities in France, the French overseas departments and the Indian Ocean, and Colas corporate headquarters;
- Roads EMEA (Europe-Middle East-Africa) CGU: consists of the Roads business in Europe (excluding France), the Middle East, Africa, and Latin America;
- Roads United States CGU: consists of the Roads business in the United States;
- Roads Canada CGU: consists of the Roads business in Canada;
- Roads Asia-Pacific CGU: consists of the Roads business in Asia and Oceania;
- Railways CGU: consists of the Railways business, in France and internationally;
- Water & Energy Transport CGU: consists of the Water & Energy Transport business, in France and internationally.

The recoverable amount is determined using the discounted cash flow (DCF) method, applied as follows:

- The cash flows are derived from the three-year business plan prepared by the CGU's management and presented to the Colas Board of Directors.
- The discount rate is determined on the basis of a weighted average cost of capital, in the case of equity by reference to a panel of comparable companies, and in the case of debt by applying two alternative capital structure scenarios: 1/3 debt – 2/3 equity (scenario 1); 2/3 debt – 1/3 equity (scenario 2).
- The terminal value is calculated by aggregating the discounted cash flows to infinity, based on normative cash flows after lease expenses and a perpetual growth rate.

The recoverable amount of the assets of the CGU as determined above is then compared with their carrying amount in the consolidated balance sheet, after including right of use assets and deducting lease obligations:

- If the recoverable amount exceeds the carrying amount in both scenarios, sensitivity to each of the parameters is analyzed on the basis of the two scenarios.
- If the recoverable amount is less than the carrying amount in either or both of the scenarios a more detailed analysis is performed to determine the recoverable amount, for example by using an independent valuer.

If the carrying amount in the consolidated balance sheet is greater than the recoverable amount, an impairment loss is recognized. Any such losses are allocated in the first instance to any goodwill carried in the balance sheet, and may not be subsequently reversed.

The method used to take account of IFRS 16 in impairment testing (as described above) is an accepted simplified approach.

Impairment testing of investments in joint ventures and associates:

Because goodwill included in the carrying amount of a joint venture or associate is not reported separately, it is not tested separately for impairment, in line with IAS 36. An impairment loss is recognized if the carrying amount of the investment exceeds its recoverable amount; this loss is charged against the carrying amount of the investment, and may be reversed.

2.7.6 Other non-current financial assets

Other non-current financial assets include loans and receivables (including advances to non-consolidated companies), deposits and caution money, and investments in non-consolidated companies (i.e. those over which the Group exercises neither control nor significant influence).

Investments in non-consolidated companies (including associated loans receivable) are measured at fair value, with changes in fair value taken either to shareholders' equity in "Items not reclassifiable to profit or loss" or to the income statement in "Other financial income" or "Other financial expenses", depending on the treatment elected by the Group for each individual investment.

Fair value is the market price for listed investments, and estimated value in use for unlisted investments. Value in use is determined using the most appropriate financial criteria for each individual investment.

Advances to non-consolidated companies, and other loans and receivables, are accounted for at amortized cost, determined using the effective interest method.

In the case of floating-rate loans and receivables, cash flows are periodically re-estimated to reflect changes in market interest rates, resulting in an adjustment to the effective interest rate and hence to the valuation of the loan or receivable.

Loans and receivables are accounted for at amortized cost. In accordance with IFRS 9 an impairment allowance is recognized on initial recognition to reflect the expected risk of loss during the next 12 months, and charged to profit or loss (see Note 3.2.6).

Concession arrangements and Public-Private Partnership (PPP) contracts

The Colas group holds equity interests in entities that have entered into concession arrangements or PPP contracts. These contracts, which are accounted for in accordance with IFRIC 12, are assessed on a case by case basis.

Under the financial receivable method, the initial receivable represents the fair value of the activity undertaken; this receivable is subsequently measured at amortized cost using the method defined in IFRS 9.

Consequently, the receivable represents the fair value of the activity undertaken, plus cumulative interest calculated using the effective interest method, minus payments received from the grantor.

2.8 Current assets

2.8.1 Inventories

Inventories are measured at the lower of cost or net realizable value.

Cost includes all acquisition and transformation costs.

Acquisition cost includes the purchase price, customs duties and other non-recoverable taxes and duties, and transport and handling costs incurred to bring inventories to their current location.

Transformation cost includes all direct and indirect costs incurred to transform raw materials into finished goods.

On subsequent measurement, cost is calculated using the first in first out method or the weighted average cost method, depending on the nature of the inventory.

Net realizable value is the estimated selling price of the product less the estimated costs to complete and sell it.

Where the realizable value of inventory is lower than cost, the necessary provision for impairment is recognized.

2.8.2 Property development programs

None.

2.8.3 Programs and broadcasting rights

None.

2.8.4 Trade receivables

Trade receivables are carried at face value, net of impairment recorded to reflect the probability of recovery. These receivables are usually short-term and non interest-bearing. They are measured at the original invoice amount, unless application of an implied interest rate would have a material effect.

For contracts accounted for using the percentage of completion method, trade receivables include invoices and statements issued as works are executed or services provided, and accepted by the project owner.

2.8.5 Customer contract assets

Customer contract assets represent revenue recognized on a percentage of completion basis where billing is contingent on the supply of other goods and services and/or on the attainment of contractually agreed milestones.

2.8.6 Other current receivables and prepaid expenses

Other receivables are carried at face value, net of impairment recorded to reflect the probability of recovery.

2.9 Financial instruments

Some Group entities use hedging instruments to limit the impact on profit or loss of fluctuations in exchange rates and interest rates. The Group's policy on the use of financial instruments is described below.

2.9.1 Risks to which the Group is exposed

2.9.1.1 Foreign exchange risk

The Group has low exposure to foreign exchange risk in its ordinary commercial operations, because half of its revenues are generated within the euro zone, and the subsidiaries generate only a very small proportion of their revenue from exports.

In most cases, international revenue is generated by local subsidiaries that invoice and incur expenditure in the currency of the country where the works are carried out. That means that fluctuations in exchange rates have no material impact on the Group's revenue and profits apart from currency translation effects arising from fluctuations in average exchange rates. Because more than a quarter of revenue is generated in North America, the Group is sensitive to fluctuations in the exchange rate of the US and Canadian dollars against the euro.

Borrowings and deposits are pooled in the local currency of each country (euro, US dollar, Canadian dollar, etc).

The Group pays particular attention to risks relating to assets denominated in non-convertible currencies, and to country risk generally.

2.9.1.2 Interest rate risk

Long-term debt is hedged at fixed rates, and consequently is not sensitive to interest rate risk. Short-term debt is at floating rate, but is partly matched by surplus cash invested at floating rates. Interest rate hedges are contracted on an as-needed basis.

The Group's exposure to interest rate risk is therefore limited to short-term debt.

2.9.1.3 Commodities risk

The Group is sensitive to fluctuations in commodity prices (especially petroleum-based products in the Roads business); there is also some exposure to the prices of certain metals in the Road Safety & Signaling and Railway businesses.

2.9.1.4 Credit and counterparty risk

The Group is not exposed to any risk of commercial dependency on a specific customer, given its diversified customer base.

The quality of the Group's counterparties (suppliers, subcontractors, bankers, etc.) is analyzed and monitored. Depending on the contractual or commercial framework, bank guarantees or insurance cover may be sought.

The positive cash position held by operational subsidiaries and project management companies is subject to regular monitoring and analysis. Surplus cash is invested with leading banks, in investments with a maturity of no more than three months that present no capital risk (money market funds, term deposits and accounts, etc).

2.9.1.5 Equities risk

The Group is not exposed to equities risk.

2.9.2 Principles applied to all hedging instruments

Instruments used for hedging purposes are restricted to products such as:

- for hedging foreign exchange risk: forward currency purchases and sales, currency swaps, cross-currency swaps and currency options;
- for hedging interest rate risk: interest rate swaps, future rate agreements, purchases of caps and collars, and interest rate options;
- for hedging commodities risk: forward commodity purchases and sales, commodity swaps and commodity options.

These instruments have the following characteristics:

- they are used solely for hedging purposes;
- they are contracted solely with high-quality French and foreign banks;
- they carry no liquidity risk in the event of reversal.

The use of hedging instruments and selection of counterparties - and more generally, the management of exposure to foreign exchange risk, interest rate risk and commodities risk - are subject to specific detailed monitoring which is reported to the bodies responsible for management and control within the relevant companies, including the parent company (Colas SA).

2.9.3 Hedging rules

2.9.3.1 Foreign exchange risk

The policy applied is to hedge systematically all residual foreign exchange exposure relating to commercial transactions. If the future cash flow is certain, the foreign exchange risk is hedged by buying or selling currency forward, or by means of currency swaps. For some large contracts, options may be taken out for hedging purposes before the contract award has been confirmed; if the hedged item ceases to exist (for example, if the service is not provided or the contract is cancelled), the hedge is closed out immediately.

As part of the process of optimizing the Group's cash position by enabling surplus cash loaned to or borrowed from subsidiaries to be converted into the subsidiary's local currency as a substitute for bank credit facilities, forward currency hedges may be used to eliminate foreign exchange risk.

In the interests of efficiency, the currency positions of some Group entities may be managed centrally, which in some cases may result in the offset of matching positions.

2.9.3.2 Interest rate risk

The policy applied is to hedge at Group level some or all financial assets and liabilities, where those are foreseeable and recurring.

The aim is to control future interest expense by fixing the cost of debt using swaps and future rate agreements, or by limiting it through the use of caps, for a term linked to that of the hedged financial liabilities.

As with foreign exchange risk, the interest rate positions of some Group entities may, in the interests of efficiency, be managed centrally and partially offset.

2.9.3.3 Commodities risk

The policy applied is to hedge at Group level some or all of the exposure to movements in commodity prices on specific contracts.

2.9.4 Accounting policy on financial instruments

In general, the financial instruments used by the Group qualify for hedge accounting, which means that the hedging relationship is documented in accordance with the requirements of IFRS 9. Three types of accounting treatment are used:

- fair value hedges: changes in the fair value of the hedging instrument and changes in the fair value of the hedged item are recognized symmetrically in the income statement;
- cash flow hedges: changes in the fair value of the hedging instrument are recognized in the income statement for the ineffective portion of the hedging relationship, and in shareholders' equity (until the hedge is closed out) for the effective portion;
- hedges of a net investment in a foreign operation: changes in the intrinsic value of the hedging instrument are recognized in shareholders' equity until the hedge is closed out.

2.10 Consolidated shareholders' equity

Treasury shares are deducted from consolidated shareholders' equity. If a Group subsidiary holds its own shares, an additional percentage interest in that subsidiary is recognized at Group level.

2.10.1 Translation reserve

The translation reserve represents translation differences arising since January 1, 2004, when the reserve was deemed to be zero and the balance transferred to "Retained earnings". In the event of disposal of a subsidiary, associate or joint venture that prepares its accounts in a foreign currency, the cumulative translation reserve as of the date of disposal is reversed out through profit or loss, such that the gain or loss on disposal is calculated without the effect of exchange rate fluctuations.

2.11 Non-current liabilities

2.11.1 Non-current debt

With the exception of derivative instruments accounted for as liabilities measured at fair value (including a counterparty risk component, which is immaterial), all other borrowings and financial liabilities are accounted for at amortized cost using the effective interest method.

The portion of debt due within less than one year is included in current liabilities.

2.11.2 Non-current lease obligations

In accordance with IFRS 16, on commencement of a lease the lessee recognizes a lease obligation in the balance sheet, equivalent to the present value of the lease payments over the lease term.

The following amounts are included in the lease payments used to measure the obligation:

- fixed payments (including in-substance fixed payments, i.e. payments that may in form contain variability, but in substance are unavoidable);
- variable lease payments that depend on an index or a rate at the commencement date of the lease;
- payments due by the lessee under residual value guarantees;
- the exercise price of a purchase option, if that option is reasonably certain to be exercised;
- payments of penalties for terminating or not extending the lease.

During the term of the lease, the carrying amount of the lease obligation is:

- increased to reflect interest on the lease obligation, which is recognized as an expense in the income statement and calculated using the discount rate used on initial measurement; and
- reduced to reflect lease payments made.

The discount rate used to calculate the lease obligation is determined for each asset on the basis of the incremental borrowing rate at the inception date of the lease. That rate is obtained by aggregating a market rate that reflects the location, currency and lease term, and a sector-specific spread that reflects the nature of the lease.

The Group has elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than twelve months. Such leases are recognized in profit or loss as and when lease payments are made. The Group has also elected to account for each lease component separately, distinguishing the lease components from the non-lease (service) components.

As permitted by IFRS 16, the Colas group has not elected to apply the standard to leases of intangible assets.

The portion of lease obligations due within less than one year is included in current liabilities.

2.11.3 Non-current provisions

In accordance with IAS 37, a provision is recorded at the end of the reporting period if the Group has an obligation to a third party resulting from a past event and it is probable that settlement of the obligation will result in a net outflow from the Group of resources embodying economic benefits.

The amount recognized as a provision represents the Group's best estimate of the net outflow of resources.

In general, non-current provisions are not associated with the Colas group's normal operating cycle.

Non-current provisions mainly comprise:

- **Employee benefits**

- **Pensions**

To cover their post-employment pension obligations to employees, Group companies make regular payments to external bodies including public-sector and private-sector pension schemes and independent pension fund managers (defined-contribution plans).

However, some defined-benefit pension plans remain in place in the United Kingdom, Ireland, Canada and Switzerland. With the exception of the Colas Rail Ltd plan, those plans cover only a limited number of employees, as it was decided some years ago to close them to new entrants. These pension plans are managed by independent pension fund managers.

Actuarial gains and losses are recognized in "Other recognized income and expense".

- **Lump-sum retirement benefits:**

The cost of these benefits is calculated using the projected unit credit method based on final salary. The calculation method is based on individual projections and takes into account:

- status, age and length of service for each employee category;
- employee turnover, calculated on the basis of the average number of voluntary leavers by business segment, age bracket and employee category;
- average salary and wages including bonuses and benefits in kind, uplifted by a coefficient to reflect the applicable percentage of employer's social security charges;
- a final salary inflation rate;
- a discount rate applied to the obligation over the projected period to the retirement date;
- estimated mortality, based on mortality tables.

Actuarial gains and losses are recognized in "Other recognized income and expense".

Benefit entitlements are recognized on a straight line basis only over the final years of the period of service during which employees' capped benefits vest.

- **Long service awards:**

The vast majority of Group companies have a long-standing and systematic policy of awarding long service bonuses. The calculation method is based on individual projections and takes into account (i) employee turnover and (ii) estimated mortality, based on mortality tables.

Actuarial gains and losses are recognized in profit or loss.

- **Litigation and claims**

- **Litigation and claims on contracts:**

The amount of risk provided for is measured on the basis of the claim made by the complainant, or an estimate of remedial works issued by court-appointed experts.

- **Risks relating to tax, social security and other official inspections:**

Reassessments are recognized in profit or loss in the period in which they are accepted by the Group; if they are contested, a provision is recognized (except where they relate to corporate income taxes, in which case a tax liability is recognized).

- **Provisions for customer warranties (long term)**

These represent an estimate of works to be carried out under warranties that exceed the length of the operating cycle (1 to 2 years), such as the 10-year warranty provided on some constructions.

- **Site remediation costs (long term)**

Detailed estimates are prepared of the remediation costs that will be incurred when quarries are exhausted or their operating licenses expire; these include labor and materials costs, and a share of overheads. Only costs that will be incurred more than twelve months after the end of the reporting period are included in this line item.

2.12 Current liabilities

2.12.1 Current provisions

These are provisions related to the Colas group's normal operating cycle, and mainly comprise:

- **Provisions for customer warranties (valid for up to two years)**

Provisions for completion of snagging lists under contractual warranties are assessed individually for each project.

- **Provisions for site clean-up**

These comprise costs to be incurred on post-contract clean-up, including the removal of plant and equipment. Such costs are assessed individually for each project, taking account of the size of the project and the distance of the site from permanent Colas facilities.

- **Provisions for expected losses to completion**

These relate to construction contracts in progress, and take account of claims accepted by the customer. They are measured on a contract by contract basis, with no netting between them.

- **Site rehabilitation costs**

These provisions cover the cost of rehabilitating sites (mainly quarries) after operations cease, where the work is to be carried out within the twelve months following the end of the reporting period.

As required by IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", information about the most significant provisions is disclosed to the extent that such disclosure is not prejudicial to the Group's interests.

2.12.2 Trade payables

Because of the short-term nature of these liabilities, they are carried at face value in the consolidated financial statements, which is considered a reasonable estimate of their market value.

2.12.3 Customer contract liabilities

Customer contract liabilities represent the Group's obligation to transfer goods and services for which payment has already been received from a customer, or where the Group has an unconditional right to receive payment. They include advances and down-payments received on orders, and differences arising from the percentage of completion on a contract (see Note 11.2).

2.13 Income statement

As allowed under IAS 1, the Group presents an income statement that classifies expenses by nature. In presenting its income statement, the Group has applied ANC Recommendations 2013-03 of November 7, 2013, and 2012-01 and 2012-02 of December 21, 2012.

2.13.1 Revenue recognition

The Group recognizes revenue when:

- a customer contract, and the performance obligations within that contract, have been identified;
- a transaction price has been determined, and allocated between the performance obligations;
- the distinct performance obligations under the contract have been satisfied;
- it is probable that the future economic benefits of the transaction will flow to the Group;
- the amount of revenue can be reliably measured;
- at the transaction date, it is probable that the amount of the sale will be recovered.

Customer contracts are analyzed to determine what performance obligations they contain; most of the Group's contracts contain a single performance obligation.

- **Sales of goods (bitumen and aggregates)**

Revenue is recognized when control of the goods is transferred, i.e. on delivery, unless the Group acts only as an intermediary with the end customer (without setting the price or carrying the inventory risk), in which case it is treated as an agent.

- **Sales of services (railway infrastructure maintenance, rail networks, water & energy transport)**

Revenue is recognized as and when the service is provided.

- **Construction contracts (road or railway infrastructure construction)**

Revenue from construction activities corresponds to the latest estimate of the total selling price, and takes account of claims that have been accepted by the customer or are highly probable.

Such revenue is recognized at the end of each period using the percentage of completion method, with the rate of completion determined on the basis of the cost of works completed.

As soon as a loss on a contract is known and can be reliably measured, it is covered by a provision for expected losses to completion within "Current provisions" in the balance sheet. The loss is provided for in full, irrespective of the completion rate.

2.13.2 Other operating income/(expenses), net

These line items contain a very limited number of income and expense items, which are unusual and occur infrequently but are of particularly large amounts. The Group reports these items separately in its income statement to give users of the financial statements a better understanding of ongoing operational performance.

For a description of these items, refer to Note 13.2.

2.13.3 Share-based payment

None.

2.13.4 Cost of net debt

“Cost of net debt” includes expenses and income related to cash and cash equivalents, and borrowing costs.

2.14 Consolidated cash flow statement

The consolidated cash flow statement is presented in accordance with the amended IAS 7 and with ANC Recommendation 2013-03 of November 7, 2013 (using the indirect method). The cash flow statement explains changes in the Group’s net cash position, which is defined as the net total of the following balance sheet items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings.

Consolidated net profit is adjusted to eliminate the impact of transactions with no cash effect, and of income and expenses related to investing or financing activities.

2.15 Other financial indicators

“Current operating profit from activities”, “EBITDA after Leases”, “Net surplus cash/(net debt)” and “Free cash flow” are non-IFRS financial measures that provide additional information of relevance to shareholders in understanding the Group’s performance and financial position. Those indicators are presented in Note 17 to the consolidated financial statements.

2.15.1 Current operating profit from activities

“Current operating profit from activities” (COPA) represents current operating profit before amortization and impairment of intangible assets recognized in business combinations.

“Other income from operations” and “Other expenses from operations”, which are a component of current operating profit (see Note 13.1), mainly comprise:

- reversals of unutilized provisions and impairment;
- net foreign exchange differences on commercial transactions;
- gains and losses on disposals of property, plant and equipment and intangible assets;
- profits and losses from joint operations, representing the Group’s share of profits or losses from non-consolidated companies such as *Sociétés en Participation* (SEPs), for example those that operate asphalt and binder production facilities;
- royalties from the licensing of patents; and
- revenue from sales of raw material (bitumen) by Colas subsidiaries to asphalt and emulsion entities in the form of SEPs or economic interest groupings that subsequently sell the asphalt and emulsion back to Colas subsidiaries (with the expense recognized in “Purchases used in production”).

2.15.2 EBITDA after Leases

“EBITDA after Leases” is defined as current operating profit after taking account of interest expense on lease obligations, before (i) net depreciation, amortization and impairment expense on property, plant and equipment and intangible assets, (ii) net charges to provisions and impairment losses, and (iii) effects of losses of control (i.e. effects relating to the remeasurement of retained equity interests).

2.15.3 Net debt/net surplus cash

Net debt (or net surplus cash) is obtained by aggregating the following items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt, mainly comprising borrowings, plus any financial liabilities arising from securitized receivables for which the Group does not transfer the risks and rewards; and
- financial instruments (fair value hedges of debt).

Net debt/net surplus cash does not include non-current and current lease obligations.

A positive figure represents net surplus cash and a negative figure represents net debt.

2.15.4 Free cash flow

Free cash flow is defined as net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements related to (i) operating activities and (ii) non-current assets used in operations.

2.15.5 Changes in working capital requirements related to operating activities

“Changes in working capital requirements related to operating activities” as presented in the cash flow statement is obtained by aggregating net changes in:

- inventories and work in progress;
- advances and down-payments made on orders;
- trade receivables;
- customer contract assets;
- trade payables;
- customer contract liabilities;
- current provisions; and
- other current asset and liability items, excluding (i) income taxes; (ii) net cash and cash equivalents and current debt; (iii) hedging instruments; (iv) current lease obligations; and (v) receivables/liabilities related to property, plant and equipment and intangible assets.

NOTE 3 NON-CURRENT ASSETS

3.1 Acquisitions of non-current assets during the year, net of disposals

	2025	2024
Property, plant and equipment	334	313
Intangible assets and goodwill	5	8
Capital expenditure (a)	339	321
Non-current financial assets (interests in consolidated and non-consolidated companies, and other investments) (b)	86	44
Acquisitions of non-current assets	425	365
Proceeds from disposals of property, plant and equipment and intangible assets (c)	(110)	(81)
Proceeds from disposals of equity investments	(13)	(25)
Acquisitions of non-current assets, net of disposals	302	259

(a) Corresponds to the total of the "Purchase price of property, plant and equipment and intangible assets" line in the consolidated cash flow statement.

(b) Corresponds to the total of the "Purchase price of non-consolidated companies and other investments" and "Purchase price of consolidated activities" lines in the consolidated cash flow statement.

(c) Corresponds to the total of the "Proceeds from disposals of property, plant and equipment and intangible assets", "Proceeds from disposals of non-consolidated companies and other investments" and "Proceeds from disposals of consolidated activities" lines in the consolidated cash flow statement.

3.2 Non-current assets: movements during the period

3.2.1 Property, plant and equipment

	Land and buildings	Plant, equipment and tooling	PP&E under construction and advance payments	Total
Gross value				
12/31/2023	1,743	5,894	157	7,794
Translation adjustments	10	38	4	52
Transfers between accounts	22	143	(145)	20
Changes in scope of consolidation	2	(2)		
Acquisitions during the period	29	144	140	313
Disposals and other reductions	(20)	(316)	(1)	(337)
12/31/2024	1,786	5,901	155	7,842
Translation adjustments	(62)	(215)	(7)	(284)
Transfers between accounts	19	168	(177)	10
Changes in scope of consolidation	6	24		30
Acquisitions during the period	25	133	176	334
Disposals and other reductions	(50)	(288)	(1)	(339)
12/31/2025	1,724	5,723	146	7,593
Depreciation and impairment				
12/31/2023	(803)	(4,680)		(5,483)
Translation adjustments	(5)	(31)		(36)
Transfers between accounts	2	(6)		(4)
Changes in scope of consolidation		13		13
Charges and reversals	(53)	(258)		(311)
Disposals and other reductions	13	298		311
12/31/2024	(846)	(4,664)		(5,510)
Translation adjustments	21	160		181
Transfers between accounts		(15)		(15)
Changes in scope of consolidation	(1)	(8)		(9)
Charges and reversals	(52)	(227)		(279)
Disposals and other reductions	33	260		293
12/31/2025	(845)	(4,494)		(5,339)
Carrying amount				
12/31/2023	940	1,214	157	2,311
Of which mineral deposits (quarries)	326			326
12/31/2024	940	1,237	155	2,332
Of which mineral deposits (quarries)	327			327
12/31/2025	879	1,229	146	2,254
Of which mineral deposits (quarries)	289			289

3.2.2 Right of use of leased assets

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	Total
Gross value				
12/31/2023	539	424	361	1,324
Translation adjustments	3	(4)	10	9
Changes in scope of consolidation	(9)	(23)	15	(17)
New leases, lease modifications, and other lease-related movements	19	112	77	208
12/31/2024	552	509	463	1,524
Translation adjustments	(13)	(10)	(23)	(46)
Changes in scope of consolidation	(4)	(17)	(9)	(30)
New leases, lease modifications, and other lease-related movements	14	93	90	197
12/31/2025	549	575	521	1,645
Amortization and impairment				
12/31/2023	(271)	(136)	(161)	(568)
Translation adjustments	(1)	1	(5)	(5)
Changes in scope of consolidation	4	8	(1)	11
Charges and reversals	(58)	(88)	(61)	(207)
New leases, lease modifications, and other lease-related movements	29	13	11	53
12/31/2024	(297)	(202)	(217)	(716)
Translation adjustments	7	4	11	22
Changes in scope of consolidation	6	14	9	29
Charges and reversals	(57)	(105)	(77)	(239)
New leases, lease modifications, and other lease-related movements	43	29	34	106
12/31/2025	(298)	(260)	(240)	(798)
Carrying amount				
12/31/2023	268	288	200	756
12/31/2024	255	307	246	808
12/31/2025	251	315	281	847

3.2.3 Intangible assets

	Concessions, patents and other rights ⁽¹⁾	Other	Total
Gross value			
12/31/2023	266	195	461
Transfers between accounts	6	(7)	(1)
Changes in scope of consolidation	(1)	(2)	(3)
Acquisitions during the period	3	5	8
Disposals and other reductions	(5)	(9)	(14)
12/31/2024	269	182	451
Translation adjustments	(4)	(11)	(15)
Transfers between accounts	6	(4)	2
Changes in scope of consolidation	10	4	14
Acquisitions during the period	1	4	5
Disposals and other reductions	(1)		(1)
12/31/2025	281	175	456
Amortization and impairment			
12/31/2023	(150)	(97)	(247)
Translation adjustments	(1)		(1)
Changes in scope of consolidation	1	1	2
Charges and reversals	(12)	(9)	(21)
Disposals and other reductions	4	9	13
12/31/2024	(158)	(96)	(254)
Translation adjustments	4	6	10
Transfers between accounts	(2)		(2)
Changes in scope of consolidation	(2)	(3)	(5)
Charges and reversals	(12)	(10)	(22)
Disposals and other reductions	1		1
12/31/2025	(169)	(103)	(272)
Carrying amount			
12/31/2023	116	98	214
12/31/2024	111	86	197
12/31/2025	112	72	184

(1) "Concessions, patent and other rights" mainly comprise quarry operating rights and, to a lesser extent, patents and software.

In accordance with IFRS, research costs are expensed as incurred.

Development costs (including software development costs) are in most cases also expensed as incurred, either because they do not meet the capitalization criteria under IAS 38 or because they represent permanent recurring expenditure.

3.2.4 Goodwill

	Gross value	Impairment	Carrying amount
12/31/2023	977	(55)	922
Changes in scope of consolidation	2	14	16
Other movements (including translation adjustments)	1		1
12/31/2024	980	(41)	939
Changes in scope of consolidation	26	-	26
Other movements (including translation adjustments)	(20)	-	(20)
12/31/2025	986	(41)	945

Impairment testing of indefinite-lived intangible assets and goodwill

When there is an indication that an asset may have become impaired, it is tested for impairment using the method described in Note 2.7. Such tests are performed at least once a year, after management has updated the budgets and three-year plans. An impairment loss is recognized within operating profit if the carrying amount of an asset or CGU exceeds its recoverable amount.

The cash flows used for impairment testing reflect any financial impacts arising from the commitments made by the Group in its roadmap for addressing climate risks.

An analysis as of December 31, 2025 of indefinite-lived intangible assets and goodwill by CGU, and of the main assumptions used in impairment testing, is provided below:

Cash Generating Unit	Goodwill	Indefinite-lived intangible assets	Growth rate	Discount rate	
				Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾
Roads France / OD-IO / Corporate	170	20	2.00%	7.76%	7.26%
Roads EMEA	249	21	2.00%	7.76%	7.26%
Roads United States	57		2.00%	7.76%	7.26%
Roads Canada	148	15	2.00%	7.76%	7.26%
Roads Asia-Pacific	22		2.00%	7.76%	7.26%
Railways	298		2.00%	7.76%	7.26%
Water & Energy Networks	1		2.00%	7.76%	7.26%
Total	945	56			

(1) Depending on the capital structure: ⅓ debt - ⅔ equity (scenario 1); ⅔ debt - ⅓ equity (scenario 2).

For all the CGUs tested, the recoverable amounts determined under each capital structure scenario remain above the carrying amounts of the assets tested. Consequently, Colas did not consider recording impairment losses against the carrying amounts of the CGUs.

Sensitivity analyses were performed for each CGU to determine the sensitivity of the calculation to key parameters, either individually or using combined scenarios for discount rates and normative cash flows (including reasonably possible changes in normative cash flows).

Changes in assumptions applied for sensitivity analysis purposes:

Discount rate: +100 basis points

Growth rate: -200 basis points

Normative cash flows: -20%

For all sensitivities, recoverable amounts would exceed carrying amount for all assets tested.

The recoverable amount of the CGUs would equal the carrying amount of the assets tested in each of the scenarios (1 & 2) taken individually if the following data were applied:

Cash Generating Unit	Discount rate	Change in normative cash flows		Perpetual growth rate	
	Scenario 1/ Scenario 2 ⁽¹⁾	Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾	Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾
Roads France / OD-IO / Corporate	N/M	(141%)	(137%)	N/M	N/M
Roads EMEA	20%	(79%)	(81%)	(15%)	(16%)
Roads United States	27%	(89%)	(90%)	(28%)	(29%)
Roads Canada	14%	(59%)	(63%)	(5%)	(6%)
Roads Asia-Pacific	12%	(48%)	(53%)	(1%)	(1%)
Railways	N/M	(105%)	(105%)	N/M	N/M
Water and energy transport	N/M	(128%)	(125%)	N/M	N/M

(1) Depending on the capital structure: ½ debt - ½ equity (scenario 1); ⅔ debt - ⅓ equity (scenario 2); N/M= not meaningful.

3.2.5 Investments in joint ventures and associates

	Share of net assets held	Goodwill and fair value remeasurements	Total gross value	Impairment	Carrying amount
12/31/2023	337	102	439	(44)	395
Share of net profits/(losses) for the period	35		35	(4)	31
Translation adjustments	11		11		11
Changes in scope of consolidation	3	(13)	(10)		(10)
Acquisitions and other increases	1		1		1
Dividends distributed	(45)		(45)		(45)
12/31/2024	342	89	431	(48)	383
Share of net profits/(losses) for the period	26		26	(4)	22
Translation adjustments	(23)	(2)	(25)	1	(24)
Changes in scope of consolidation	27	9	36		36
Acquisitions and other increases	(2)		(2)		(2)
Dividends distributed	(60)		(60)		(60)
Transfers and other movements	8		8		8
12/31/2025	318	96	414	(51)	363

The share of net profits for the period was derived mainly from Tipco Asphalt (€9 million); Hincol (€7 million); and Al-Futtaim (€4 million).

Dividends distributed derived mainly from Tipco Asphalt (€22 million); subsidiaries of Colas Canada (€10 million); Hincol (€6 million); Mak Mecsek (€4 million); Someca (€4 million); and Gamma Materials (€4 million).

Principal associates and joint ventures

	Share of net assets held		Share of net profit/(loss) for period	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Associates				
Tipco Asphalt ⁽¹⁾	115	139	9	12
Mak Mecsek ⁽²⁾	26	29	1	1
Miscellaneous associates	32	6	2	2
Joint ventures				
The Miller Group & Sintra (Canada)	35	46	3	21
Hincol	18	21	7	5
Al-Futtaim Colas LLC	17	20	4	3
Colas Contracting Pty Ltd	12	13	1	1
Someca SAS	11	11	3	4
Miscellaneous joint ventures ⁽³⁾	52	57	(8)	(18)
Total	318	342	22	31

(1) Tipco Asphalt, based in Bangkok (Thailand), distributes and sells bituminous products in south-east Asia, and is listed on the Stock Exchange of Thailand. Tipco Asphalt had a carrying amount of €115 million in the Colas financial statements as of December 31, 2025.

(2) Mak Mecsek holds a 30-year PPP concession to build and operate a new 80-km section of the M6 (50 km) and M60 (30 km) motorways in south-west Hungary.

(3) Most of these joint ventures are industrial entities (quarries, emulsion plants) operated jointly with partners from outside the Group, none of which is individually material.

3.2.6 Investments in non-consolidated companies and other non-current financial assets

	Investments in non- consolidated companies	Other financial assets	Total gross value	Impairment	Carrying amount
12/31/2023	26	91	117	(5)	112
Translation adjustments		1	1		1
Changes in scope of consolidation	(3)		(3)		(3)
Acquisitions and other increases	15	13	28		28
Charges, reversals and changes in fair value	(9)		(9)	(2)	(11)
Disposals and other reductions	(1)	(14)	(15)		(15)
Transfers and other movements	1		1		1
12/31/2024	29	91	120	(7)	113
Translation adjustments		(2)	(2)		(2)
Changes in scope of consolidation		1	1		1
Acquisitions and other increases		9	9		9
Charges, reversals and changes in fair value	(1)		(1)	(3)	(4)
Disposals and other reductions	(1)	(10)	(11)		(11)
Transfers and other movements	1		1		1
12/31/2025	28	89	117	(10)	107
Impairment		(10)	(10)		
12/31/2025 - Carrying amount	28	79	107		

As of December 31, 2025, these comprised:

- investments in non-consolidated companies: €28 million;
- other financial assets (loans, receivables, etc) with a carrying amount of €79 million.

3.2.6.1 Analysis of principal investments in non-consolidated companies

	12/31/2025 Carrying amount	12/31/2024 Carrying amount
Asphalt, binder and quarry companies	15	15
Companies not controlled by the Group	6	6
Dormant companies and companies in process of liquidation	3	5
Other	4	3
Total	28	29

3.2.6.2 Analysis of other financial assets

	Gross value	Impairment	12/31/2025 Carrying amount	12/31/2024 Carrying amount
Loans receivable ⁽¹⁾	35	(9)	26	25
City of Portsmouth (UK) ⁽²⁾	25		25	30
Other financial receivables	29	(1)	28	29
Total	89	(10)	79	84

(1) "Loans receivable" mainly comprises interest-free 20-year loans granted in connection with the French legal obligation for employers to invest in construction, which are recognized at net present value as of the inception date of the loan.

(2) Amount receivable from the City of Portsmouth (UK) in consideration of services provided under the 25-year public-private partnership deal signed in 2004 to upgrade and maintain the urban road network, expiring in 2029. This receivable is measured using the financial asset model in accordance with IFRIC 12.

3.2.6.3 Investments in non-consolidated companies and other non-current financial assets

Analysis of non-current financial assets by accounting category:

	Financial assets at fair value through profit or loss	Loans and receivables at amortized cost	Total
12/31/2024	29	84	113
Movements during 2025	(1)	(5)	(6)
12/31/2025	28	79	107

NOTE 4 CURRENT ASSETS

4.1 Inventories, current receivables and prepaid expenses

	12/31/2025			12/31/2024		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Inventories ⁽¹⁾	828	(69)	759	882	(69)	813
Advances and down-payments made on orders	74		74	51		51
Trade receivables ⁽²⁾	2,565	(138)	2,427	2,597	(127)	2,470
Customer contract assets	879		879	832		832
Current tax assets	41		41	46		46
Amounts due from employees, social security & government	304		304	335		335
Amounts due from related companies (joint ventures, associates, and investments in non-consolidated companies) and sundry receivables	225	(18)	207	224	(18)	206
Pension plan assets	20		20	23		23
Prepaid expenses	85		85	100		100
Other receivables	634	(18)	616	682	(18)	664

(1) Inventories consist of stocks of bitumen, aggregates, raw materials and other supplies.

(2) An analysis of the ageing of trade receivables is provided below:

	Balance		Balance past due by:			Total
	Not past due	Less than 6 months	6 months to 1 year	More than 1 year		
Trade receivables (gross)	1,368	867	111	219	2,565	
Impairment	(5)	(21)	(5)	(107)	(138)	
Trade receivables at 12/31/2025 (net)	1,363	846	106	112	2,427	
<i>Comparative at 12/31/2024 (net)</i>	<i>1,308</i>	<i>993</i>	<i>61</i>	<i>108</i>	<i>2,470</i>	

An analysis of trade receivables more than twelve months past due and not covered by impairment allowances revealed no additional credit risk.

4.2 Customer contract assets

	Movements during 2025				Maturity	
	12/31/2024	Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	12/31/2025	< 1 year > 1 year
Differences arising from percentage of completion on contracts (unbilled receivables on construction contracts)	832	(23)	(3)	73	879	879
Total customer contract assets	832	(23)	(3)	73	879	879

4.3 Cash and cash equivalents

	12/31/2025			12/31/2024		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Cash (1)	1,630		1,630	1,434		1,434
Cash equivalents	81		81	70		70
Total	1,711		1,711	1,504		1,504

(1) Includes €946 million in current accounts with Bouygues Relais and Uniservice as of December 31, 2025, compared with €787 million as of December 31, 2024.

Cash and cash equivalents meet the criteria set out in IAS 7 in that they are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The funds involved are primarily invested in:

- instant-access bank deposit accounts;
- negotiable debt securities and term deposits with a maturity of less than three months at inception, or with an early withdrawal option within three months offered by the bank; and
- UCITS that fall within the “money-market” or “short-term money-market” classifications of the *Autorité des Marchés Financiers*.

Surplus cash is invested with high-quality French and foreign banks. Cash and cash equivalents are measured at fair value, and cash equivalents are readily convertible into cash.

The table below shows an analysis of cash and cash equivalents by currency as of December 31, 2025:

	Euro	USD ⁽¹⁾	CAD ⁽¹⁾	GBP ⁽¹⁾	AUD ⁽¹⁾	Other ⁽¹⁾⁽²⁾	Total
Cash	1,092	22	122	34	17	343	1,630
Cash equivalents	-	-	-	22	-	59	81
Total	1,092	22	122	56	17	402	1,711
Comparative at 12/31/2024 (net)	932	27	109	80	11	345	1,504

(1) Equivalent value in euros.

(2) Other currencies as of December 31, 2025 mainly comprise the Philippine peso, Egyptian pound, Polish zloty and Moroccan dirham, for a combined amount of €224 million.

4.4 Depreciation, amortization, impairment and provisions in the balance sheet

	12/31/2024	Translation adjustments	Changes in scope of consolidation	Charges and reversals through current operating profit			Other impairment losses & other provisions ⁽²⁾	Reversals on disposal & other movements ⁽³⁾	12/31/2025
				Depreciation, amortization & impairment ⁽¹⁾	Other impairment losses & provisions, net	Reversals (provisions not used)			
Property, plant and equipment and intangible assets	(5,764)	191	(14)	(301)			277	(5,611)	
Right of use of leased assets	(716)	22	29	(239)			106	(798)	
Goodwill	(41)							(41)	
Other non-current financial assets	(55)	1			(6)			(60)	
Sub-total: non-current assets	(6,576)	214	15	(540)	(6)		383	(6,510)	
Inventories	(69)				(2)	2		(69)	
Trade receivables	(127)	2	2		(24)	9		(138)	
Other current receivables and prepaid expenses	(18)		1		(1)			(18)	
Sub-total: current assets	(214)	2	3		(27)	11		(225)	
Total assets	(6,790)	216	18	(540)	(33)	11	383	(6,735)	
Non-current provisions	(713)	6	1		(78)	41	(48)	(794)	
Current provisions	(487)	14	(1)		(120)	79	2	(525)	
Total liabilities	(1,200)	20			(198)	120	(46)	(1,319)	
Grand total	(7,990)	236	18	(540)	(231)	131	(46)	(8,054)	

(1) Charged against property plant and equipment, intangible assets, and rights of use of leased assets.

(2) Recognized in "Other operating income and expenses" or "Other financial income/(expenses), net".

(3) Mainly comprises reductions in accumulated depreciation following disposals or retirements of plant and equipment.

NOTE 5 CONSOLIDATED SHAREHOLDERS' EQUITY

5.1 Information about the management of capital

The objective of Colas management in managing capital is to maintain consolidated shareholders' equity at a level consistent with:

- maintaining a reasonable ratio of net debt to shareholders' equity; and
- distributing regular dividends to shareholders.

However, the level of equity may vary over short periods, especially if a strategically important investment opportunity arises.

The business plan is a key management tool, used by the parent company to assess the financial position of each operating segment and of the Group as a whole, and the effects on consolidated shareholders' equity.

Some performance indicators used by Colas may be calculated with reference to shareholders' equity, but most are not.

The shareholders' equity of the Colas group is not subject to any restriction under the articles of association.

5.2 Composition of the share capital

The share capital of Colas as of December 31, 2025 was €48,961,890.

It consists of 32,641,260 shares with a par value of €1.50, all ranking equally (although registered shares held by the same shareholder for more than two years carry double voting rights).

The share capital of Colas is 100% owned, directly or indirectly, by Bouygues SA.

5.3 Translation reserve

The table below shows the principal translation reserves as of December 31, 2025, as determined for financial statements of foreign subsidiaries and associates expressed in currencies other than the euro:

	12/31/2024	Movements during 2025	12/31/2025
United States	98	(74)	24
Canada	(8)	(51)	(59)
United Kingdom	(8)	(8)	(16)
Slovakia	12	(0)	12
Czech Republic	8	2	10
Australia	(13)	(5)	(18)
Other countries	(13)	(28)	(42)
Total translation reserve	76	(164)	(89)

NOTE 6 NON-CURRENT AND CURRENT PROVISIONS

6.1 Non-current provisions

As of December 31, 2025, non-current provisions amounted to €794 million.

	Employee benefits ^a	Litigation and claims ^b	Warranties ^(c)	Site remediation	Other non-current provisions ^d	Total
12/31/2023	236	142	76	180	58	692
Translation adjustments	-	-	(1)	-	-	(1)
Charges to provisions	34	21	18	13	26	112
Reversals of utilized provisions	(21)	(16)	(10)	(7)	(8)	(62)
Reversals of unutilized provisions	(2)	(17)	(6)	(4)	(4)	(33)
Actuarial gains and losses	13	-	-	-	-	13
Transfers and other movements	(2)	-	(2)	(1)	(4)	(9)
12/31/2024	258	130	75	181	68	713
Translation adjustments	(1)	(1)	1	(4)	(1)	(6)
Changes in scope of consolidation	1	(2)	-	1	(1)	(1)
Charges to provisions	26	88	18	14	36	182
Reversals of utilized provisions	(19)	(17)	(9)	(6)	(5)	(56)
Reversals of unutilized provisions	(4)	(15)	(7)	(7)	(8)	(41)
Actuarial gains and losses	4	-	-	-	-	4
Transfers and other movements	(4)	2	(3)	4	-	(1)
12/31/2025	261	185	75	183	90	794

Analysis of principal provisions:

(a) Employee benefits	261
Lump-sum retirement benefits	173
Long service awards	66
Pensions	22
(b) Litigation and claims	185
Disputes with customers	33
Disputes with social security bodies	51
Disputes with employees	25
Disputes with subcontractors	6
Disputes with tax authorities	4
Disputes with other official bodies	8
Other disputes	58

(c) Warranties	75
10-year construction warranties	43
Provisions for additional building/civil engineering/civil works guarantees	28
Provisions for performance bonds	4
(d) Other non-current provisions	90
Provisions for risks related to non-controlled entities	26
Provisions for miscellaneous foreign risks	2
Other non-current provisions	62

The assumptions used to determine provisions for employee benefits have been updated (see Note 20.3.3.).

The impact of the changes in actuarial assumptions was recorded in recognized income and expense (for lump-sum retirement benefits and pensions), and in profit or loss under “Personnel costs” (for long service awards).

6.2 Current provisions

As of December 31, 2025, non-current provisions amounted to €525 million.

Provisions relating to operations	Provisions for customer warranties	Project risks and project completion ^a	Provisions for expected losses to completion ^a	Site remediation	Other current provisions ^b	Total
12/31/2023	55	109	206	19	100	489
Translation adjustments	-	-	(1)	-	1	-
Charges to provisions	24	45	224	4	36	334
Reversals of utilized provisions	(6)	(26)	(194)	(2)	(32)	(260)
Reversals of unutilized provisions	(18)	(19)	(44)	(2)	(5)	(87)
Transfers and other movements	1	-	4	1	5	11
12/31/2024	56	109	196	20	106	487
Translation adjustments	(2)	(2)	(5)	-	(5)	(14)
Changes in scope of consolidation	-	-	-	-	1	1
Charges to provisions	23	66	188	1	48	326
Reversals of utilized provisions	(3)	(40)	(130)	(3)	(31)	(207)
Reversals of unutilized provisions	(14)	(17)	(42)	-	(6)	(79)
Transfers and other movements	0	2	-	1	8	11
12/31/2025	60	118	207	19	121	525

(a) Individual project provisions are not disclosed for confidentiality reasons.

(b) Other current provisions:	121
Provision for excess in accident claims	40
Provisions for redundancy costs	8
Provisions for restructuring	9
Other current provisions	64

NOTE 7 DEFERRED TAX ASSETS AND LIABILITIES

7.1 Movement in deferred taxes

	Deferred tax assets	Deferred tax liabilities	Net deferred tax position
12/31/2023	157	(127)	30
Translation adjustments	(1)	(1)	(2)
Changes in scope of consolidation	(1)	(2)	(3)
Movements recognized in profit or loss	(1)	11	10
Other movements	3	1	4
12/31/2024	157	(118)	39
Translation adjustments	(2)	9	7
Changes in scope of consolidation		(1)	(1)
Movements recognized in profit or loss	11	(17)	(6)
Other movements	1	(1)	(0)
12/31/2025	167	(128)	39

Deferred tax assets not recognized because recovery is judged not to be probable amounted to €306 million as of December 31, 2025 (€307 million as of December 31, 2024).

The period to recovery of deferred tax assets is in most cases more than two years.

Deferred tax liabilities arise mainly from temporary differences between tax and accounting treatments, including fair value remeasurements and differences in depreciation methods.

7.2 Principal sources of deferred taxation

	12/31/2025	12/31/2024
Provision for employee benefits (mainly lump-sum retirement benefits and pensions)	41	40
Tax losses	29	35
Non-current assets (including restricted provisions and fair value remeasurements)	(105)	(98)
Other temporary differences	73	62
Net deferred tax asset/(liability)	39	39

Deferred tax liabilities on non-current assets include €8 million relating to restricted provisions of French subsidiaries included in the group tax election (2024: €7 million).

NOTE 8 NON-CURRENT AND CURRENT DEBT

8.1 Interest-bearing debt by maturity

12/31/2025	Maturing in less than 1 year	Maturing after more than 1 year					Total maturing after >1 year 12/31/2025
		1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Bank borrowings	55	36	17	30	5	33	121
Other borrowings	3	11					11
Sub-total	58	47	17	30	5	33	132
Overdrafts and short-term bank borrowings (1)	314						
Total	372	47	17	30	5	33	132

(1) Of which current account with Bouygues group cash pool: €17m.

12/31/2024	Maturing in less than 1 year	Maturing after more than 1 year					Total maturing after >1 year 12/31/2024
		1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Bank borrowings	82	57	17	18	7	43	142
Other borrowings	3	2	2	2	2	5	13
Sub-total	85	59	19	20	9	48	155
Overdrafts and short-term bank borrowings ⁽¹⁾	312						
Total	397	59	19	20	9	48	155

(1) Of which current account with Bouygues group cash pool: €13m.

The table below shows the maturity of lease obligations (principal and interest) based on undiscounted contractual cash flows and interest rate as of December 31, 2025:

	Current and non-current debt								
	Carrying amount	Total contractual cash flows	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years and over
Bond issues	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Future interest	-	-	-	-	-	-	-	-	-
Bank borrowings	178	197	61	42	20	32	6	5	31
Principal	178	178	55	38	17	30	5	4	29
Future interest		19	6	4	3	2	1	1	2
Other borrowings	13	14	4	2	2	2	2	2	-
Principal	13	13	3	2	2	2	2	2	-
Future interest	-	1	1	-	-	-	-	-	-
Total 12/31/2025	191	211	65	44	22	34	8	7	31
<i>Total 12/31/2024</i>	<i>240</i>	<i>264</i>	<i>93</i>	<i>64</i>	<i>22</i>	<i>22</i>	<i>10</i>	<i>8</i>	<i>45</i>

8.2 Confirmed credit facilities and drawdowns

As of December 31, 2024, confirmed facilities amounted to €2,524 million, of which €240 million was drawn down. As of December 31, 2025, confirmed credit facilities and drawdowns were as follows:

	Confirmed facilities – Maturity				Drawdowns – Maturity			
	Less than 1 year	1 to 5 years	More than 5 years	Total	Less than 1 year	1 to 5 years	More than 5 years	Total
Credit facilities	58	2,289	33	2,380	58	100	33	191

Undrawn confirmed credit facilities amounted to €2,189 million as of December 31, 2025.

8.3 Liquidity at December 31, 2025

As of December 31, 2025, net cash and cash equivalents (plus financial instruments used to hedge debt) stood at €1,209 million. The Group also had €2,189 million of undrawn confirmed medium-term credit facilities (maturing after more than one year) as of that date, versus €2,284 million as of December 31, 2024.

The confirmed bank credit facilities contracted by companies under the control of Colas are not subject to any material contractual clauses liable to make them due on demand or before maturity.

8.4 Split of current and non-current debt by interest rate type

Fixed rate debt represented 55% of total current and non-current debt (including the effect of all open interest rate hedges at the end of the reporting period, and excluding overdrafts and short-term bank loans), compared with 44% at the end of 2024.

The table below gives a maturity analysis of floating rate debt not hedged by interest rate swaps:

	Maturity						Total
	Less than 1 year ⁽¹⁾	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
	2026	2027	2028	2029	2030	2031 and later	
Floating-rate debt	58	4	1	23	-	-	86

(1) Fixed rate debt maturing within less than one year is treated as though it were floating rate.

8.5 Interest rate risk

The split of financial assets and financial liabilities by type of interest as of December 31, 2025 is shown below:

	Floating rate	Fixed rate	Total
Cash and cash equivalents	1,711	-	1,711
Borrowings (1) (2)	(169)	(19)	(188)
Bank overdrafts and short-term bank loans	(314)	-	(314)
Net pre-hedging position	1,228	(19)	1,209
Interest rate hedges (2)	86	(86)	-
Net post-hedging position	1,314	(105)	1,209
Adjustment for seasonal nature of operations (3)	(1,090)	-	(1,090)
Adjustment for seasonal nature of interest rate hedges (4)	24	(24)	-
Net post-hedging position after adjustment	248	(129)	119

- (1) Includes the fair value of interest rate swaps recognized in the balance sheet within "Financial instruments – Hedging of debt" (net amount: €2 million).
- (2) The portion maturing within less than one year of fixed rate debt, and of floating rate debt hedged by swaps, is treated as though it were floating rate.
- (3) Operations, and cash flows from operations, are subject to marked seasonal fluctuations. This adjustment gives an approximation of the average cash or debt position over the full year, which is used as the basis for analyzing the sensitivity of interest expense to changes in interest rates. It corresponds to the difference between average net debt over the full year (calculated on the basis of average monthly debt positions) and the net position in the balance sheet at December 31.
- (4) Colas has adopted a treatment of cyclical interest rate hedges (the notional amount of which varies through the year) that is aligned on debt forecasts. This adjustment enables the average notional amount of these hedges to be taken into account.

Given that Colas has a positive net post-hedging position, the effect of an immediate 1% fall in short-term interest rates would be to reduce financial income by €2 million.

8.6 Split of current and non-current debt by currency

	Euro	USD ⁽¹⁾	CAD ⁽¹⁾	GBP ⁽¹⁾	AUD ⁽¹⁾	Other ⁽¹⁾	Total
Debt at December 31, 2025							
Non-current	9	45	-	25	23	30	132
Current	129	3	85	18	40	97	372
Debt at December 31, 2024							
Non-current	12	54	-	37	36	16	155
Current	120	3	69	20	36	149	397

(1) Equivalent value in euros.

8.7 Receivables assignment program

No assigned receivables were derecognized as of December 31, 2025, compared with €3 million as of December 31, 2024.

NOTE 9 MAIN COMPONENTS OF CHANGE IN NET DEBT

9.1 Change in net debt

	12/31/2024	Translation adjustments	Changes in scope of consolidation	Cash flows	Fair value adjustments	Other movements	12/31/2025
Cash and cash equivalents	1,504	(35)	(0)	242			1,711
Overdrafts and short-term bank borrowings	(312)	(21)	1	18			(314)
Net cash position (A)	1,192	(56) ^a	1 ^a	260 ^a	-	-	1,397
Non-current debt	155	(9)		(27) ^b		13	132
Current debt	85	(2)		(12) ^b		(13)	58
Financial instruments, net	(13)	2		7	2		(2)
Total debt (B)	227	(9)	-	(32)	2	0	188
Net surplus cash/ (Net debt) (A) – (B)	965	(47)	1	292	(2)	(0)	1,209

(a) Increase of €205 million in net cash position as shown in the consolidated cash flow statement.

(b) Net cash used in financing activities of €39 million as shown in the consolidated statement of cash flows, comprising an inflow of €318 million and an outflow of €357 million.

9.2 Principal changes in net debt during 2025

	12/31/2025	12/31/2024
Net surplus cash/(net debt) at start of period	965	623
Net cash generated by/(used in) operating activities	1,115	1,139
Net cash generated by/(used in) investing activities	(280)	(257)
Interest expense on debt and lease obligations	(58)	(71)
Dividends paid	(249)	(271)
Adjustment for repayments of lease obligations	(236)	(201)
Other (exchange rate fluctuations, changes in scope of consolidation, etc)	(48)	3
Net surplus cash/(net debt) at end of period	1,209	965

NOTE 10 NON-CURRENT AND CURRENT LEASE OBLIGATIONS

10.1 Maturity analysis of lease obligations

	Current lease obligations	Non-current lease obligations						Total maturing after >1 year
	Maturing in less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years and over	
12/31/2025	237	217	174	125	74	40	107	737
12/31/2024	214	191	164	122	76	45	123	721

The table below shows the maturity of lease obligations based on undiscounted contractual cash flows:

	Current and non-current lease obligations								
	Carrying amount	Total undiscounted contractual cash flows	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years and over
12/31/2025	974	1,104	274	241	194	138	83	52	122
12/31/2024	935	1,089	251	223	188	140	88	53	146

10.2 Movement in lease obligations

	12/31/2024	Translation adjustments	Changes in scope of consolidation	Cash flows	New leases, lease modifications, and other lease-related movements	12/31/2025
Non-current lease obligations	721	(23)	(1)		40	737
Current lease obligations	214	(5)	1	(236)	263	237
Total lease obligations	935	(28)	-	(236)	303	974

NOTE 11 CURRENT LIABILITIES

11.1 Current liabilities

	12/31/2025	12/31/2024
Current debt (1)	58	85
Current lease obligations	237	214
Current tax liabilities	112	114
Trade payables	2,192	2,289
Customer contract liabilities (2)	1,505	1,384
Current provisions (3)	525	487
Other current liabilities, accruals/deferred income and similar:	1,482	1,454
<i>amounts due to employees, social security and government</i>	1,165	1,161
<i>other non-financial liabilities</i>	317	293
Overdrafts and short-term bank borrowings	314	312
Financial instruments – Hedging of debt	3	2
Other current financial liabilities	3	5
Total	6,431	6,346

(1) See analysis in Note 8.

(2) See analysis in Note 11.2.

(3) See analysis in Note 6.2.

11.2 Customer contract liabilities

	12/31/2024	Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	12/31/2025
Advances and down-payments received on orders	702	(19)		49	732
Differences relating to percentage of completion on contracts ⁽¹⁾	682	(25)	4	112	773
Total customer contract liabilities	1,384	(44)	4	161	1,505

(1) Primarily deferred income on construction contracts.

NOTE 12 SALES

12.1 Analysis by type of revenue

	2025 sales	2024 sales
Sales of goods	3,090	3,182
Sales of services	523	536
Construction contracts	12,407	12,189
Sales	16,020	15,907

There were no material exchanges of goods or services in 2025 or 2024, and there is no material revenue that is contingent on a performance obligation that pre-dates the reporting period.

12.2 Order backlog

The order backlog represents the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensive conditions lifted).

The order backlog stood at €13,685 million as of December 31, 2025.

	12/31/2024	Translation adjustments	Changes in scope of consolidation	Other movements arising from operating activities	12/31/2025
Order backlog	13,124	-261	105	717	13,685
maturing within less than 1 year	7,150				7,179
maturing within 1 to 5 years	5,342				5,699
maturing after more than 5 years	632				807

NOTE 13 OPERATING PROFIT

Current operating profit for 2025 includes rental expenses of approximately €839 million on leases exempt from IFRS 16. Most of that amount relates to short-term leases, or leases of assets with a low as-new value.

13.1 Other income and expenses from operations

“Other income from operations” and “Other expenses from operations”, which are a component of current operating profit, mainly comprise:

	2025	2024
Profits transferred from/losses transferred to joint operations	41	37
Proceeds from asset disposals	126	111
Reversals of unutilized provisions and impairment	131	133
Other operating income	146	384
Other income from operations	444	665
Profits transferred to/losses transferred from joint operations	(25)	(22)
Carrying amount of divested assets	(46)	(38)
Other operating expenses	(103)	(136)
Other expenses on operations	(174)	(196)

With effect from 2025, Colas has reclassified cost transfers (previously presented within “Other operating income”) as deductions from the operating expense item to which they relate. That reclassification does not affect the performance of Colas, but alters the presentation of the income statement line items “Purchases used in production”, “Personnel costs” and “External charges”.

13.2 Current operating profit and other operating income and expenses

	2025	2024
Current operating profit/(loss)	579	544
Other operating income	-	-
Other operating expenses	(42)	-
Operating profit	537	544

Operating profit includes non-current expenses of €42 million, comprising (i) a provision of €30 million to reflect new developments in a case dating back to 2011 involving Colas Rail internationally and (ii) a provision of €12 million relating to a case in the United States.

NOTE 14 COST OF NET DEBT AND OTHER FINANCIAL INCOME AND EXPENSES

14.1 Analysis of cost of net debt

	2025	2024
Interest income relating to the net cash position	28	28
Income from short-term investments	51	7
Financial income	79	35
Interest expense relating to the net cash position	(29)	(45)
Interest expense on debt	(62)	(20)
Financial expenses	(91)	(65)
Cost of net debt	(12)	(30)

14.2 Other financial income/(expenses), net

	2025	2024
Dividends received from non-consolidated companies	1	3
Reversals of financial provisions	2	11
Other income	9	2
Other financial income	12	16
Charges to financial provisions	(10)	(7)
Carrying amount of divested financial assets	(1)	(1)
Other expenses	(9)	(20)
Other financial expenses	(20)	(28)
Other financial income/(expenses), net	(8)	(12)

NOTE 15 INCOME TAXES

15.1 Analysis of income tax expense

	2025	2024
Current taxes	(164)	(167)
Deferred taxes	(7)	11
Back tax, tax relief, and other taxes not related to profit or loss	(18)	(17)
Taxes on dividends	(6)	(5)
Income tax expense, net	(195)	(178)

15.2 Tax proof (reconciliation between theoretical tax rate and effective tax rate)

The table below shows reconciling items between (i) the theoretical income tax rate rate applicable to the parent company, Colas SA (25.83% in both 2025 and 2024) and (ii) the effective tax rate for the period:

	2025	2024
Net profit (100%)	298	314
Eliminations:		
Income tax	195	178
Share of net profits/(losses) of joint ventures and associates	(22)	(31)
Net pre-tax profit from continuing operations	471	461
Standard French tax rate for the year	25.8%	25.8%
Effect of permanent differences	3.6%	1.4%
Unrecognized deferred tax assets	4.5%	9.7%
Flat rate taxes, taxes on dividends and tax credits	5.0%	4.6%
Differential tax rates and foreign taxes	2.4%	(2.9%)
Effective tax rate	41.4%	38.6%

The effective tax rate for 2025 includes the effect of a €17 million charge for the exceptional income tax surcharge on large companies in France.

NOTE 16 BASIC AND DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS

Because Colas shares have been withdrawn from listing, a diluted earnings per share calculation is no longer required.

NOTE 17 SEGMENT INFORMATION AND OTHER FINANCIAL INDICATORS

17.1 Segment information

In accordance with paragraph 2(b) of IFRS 8, because Colas shares have been withdrawn from listing, segment information is no longer required.

17.2 Other indicators

	2025	2024
Current operating profit/(loss)	579	544
Interest expense on lease obligations	(46)	(41)
Adjusted current operating profit/(loss)	533	503
Elimination of net depreciation and amortization expense and net charges to provisions and impairment losses		
- Net depreciation and amortization expense on property, plant and equipment and intangible assets	301	332
- Net charges to provisions & impairment losses	225	134
Elimination of items included in other income from operations		
- Reversals of unutilized provisions and impairment & other items	(131)	(133)
EBITDA after Leases	928	836

	2025	2024
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (i)	902	793
Acquisitions of property, plant & equipment and intangible assets, net of disposals (ii)	(229)	(240)
Repayment of lease obligations (iii)	(236)	(201)
Free cash flow (iv) = (i) + (ii) + (iii)	437	352

NOTE 18 FINANCIAL INSTRUMENTS

The tables below show aggregate notional amounts as of December 31, 2025 for each category of hedging instrument used, split by final maturity (for interest rate hedges) and by currency (for currency hedges).

All open derivative positions were contracted for hedging purposes.

18.1 Hedges of interest rate risk

Interest rate swaps	Less than 1 year	1 to 5 years	Maturity More than 5 years	Total	Total
				12/31/2025	12/31/2024
On financial assets	-	-	-	-	-
On financial liabilities	2	30	48	80	220

Interest rate options	Less than 1 year	Maturity 1 to 5 years	More than 5 years	Total	Total
				12/31/2025	12/31/2024
On financial assets	-	-	-	-	-
On financial liabilities	-	-	-	-	-

To ensure that the City of Portsmouth (UK) can pay a fixed monthly fee under the 25-year urban road network upgrade and maintenance contract, Colas has contracted an interest rate swap maturing in January 2028.

That swap (receive floating rate, pay fixed rate) has a nominal amount perfectly aligned on the drawdown and repayment profile of the non-recourse loan financing the contract, such that the fixed cost of the loan is matched with the monthly fee received. As of December 31, 2025, the swap had a notional amount of €22 million (£19 million).

18.2 Hedges of foreign exchange risk

	USD ⁽¹⁾	GBP ⁽¹⁾	CAD ⁽¹⁾	HUF ⁽¹⁾	CHF ⁽¹⁾	Other ⁽¹⁾	12/31/2025	12/31/2024
Forward purchases	231	100	-	60	32	43	466	844
Forward sales	13	32	69	-	22	20	156	234

⁽¹⁾ Equivalent value in euros

18.3 Hedges of commodities risk

	12/31/2025	12/31/2024
Forward purchases	82	53
Forward sales	31	13

18.4 Other hedges

	12/31/2025	12/31/2024
Cross-currency swap	20	20

A cross-currency swap was contracted in 2025 to hedge foreign exchange and interest rate risk on the debt carried in the books of Colvias Chile.

18.5 Market value of hedging instruments

The hedging portfolio was valued by an independent valuer using standard market practice.

As of December 31, 2025, the hedging instruments portfolio had a positive market value (net present value) of €6 million, including accrued interest. This mainly reflects the net present value of foreign exchange and interest rate hedges, and comprises negative €1 million for fair value hedges and positive €7 million for cash flow hedges.

The negative market value of the interest rate swap contracted for the City of Portsmouth contract (€0.5 million, including accrued interest) is entirely offset by the €0.5 million positive market value of the derivative embedded in the fixed contractual fee paid by the customer.

Consequently, after taking account of the derivative embedded in the fixed contractual fee paid by the City of Portsmouth, the financial instruments portfolio has a market value of €7 million (including accrued interest), presented in the balance sheet as follows:

	2025	2024
Financial instruments – Hedging of debt	5	15
Other current financial assets	13	7
Total financial instruments recognized as assets (a)	18	22
Financial instruments – Hedging of debt	3	2
Other current financial liabilities	8	5
Total financial instruments recognized as liabilities (b)	11	7
Net value of financial instruments (a)-(b)	7	15

In the event of a +1% movement in the yield curve, the positive market value of the financial instruments portfolio (including accrued interest) would increase from €6 million to €10 million; in the event of a -1% movement, it would fall to €4 million.

In the event of a uniform 1% adverse movement in the exchange rate of the euro against all the other currencies, the positive market value of the financial instruments portfolio would increase from €6 million to €9 million (including accrued interest).

In the event of a uniform 1% adverse movement in commodity prices, the positive market value of the financial instruments portfolio would increase from €6 million to €7 million (including accrued interest).

NOTE 19 OFF BALANCE SHEET COMMITMENTS

This note supplements the disclosures provided in Notes 3.2.1, 3.2.2, 3.2.3, 4.1 and 8.2.

No material off balance sheet commitments have been omitted from this disclosure, in accordance with applicable accounting standards.

Guarantee commitments and other contractual commitments

Maturity	Less than 1 year	1 to 5 years	More than 5 years	Total 12/31/2025	Total 12/31/2024
Commitments given					
Guarantees and endorsements	196	64	65	325	311
Miscellaneous contractual commitments (1)	21	54	88	163	174
Commitments received					
Contractual obligations	-	-	-	-	-
Collateral given					
Mortgages and pledges	12	227	151	54	64

(1) As of December 31, 2025, committed orders placed for plant and equipment amounted to €71 million (versus €21 million as of December 31, 2024).

Colas SA issued guarantees during 2025 pursuant to Section 357 of the Irish Companies Act 2014, to cover commitments entered into by the following subsidiaries: Colas Teoranta, Colas Bitumen Emulsion (East), Continental Bitumen Emulsion (West), Colas Joint Venture, Colas Contracting Ltd, Atlantic Bitumen Company Ltd, Siac Bituminous Products Limited, and Continental Bitumen Ltd.

NOTE 20 EMPLOYEE BENEFIT OBLIGATIONS

20.1 Average headcount

The Group had an average headcount of 62,782 in 2025, compared with 64,357 in 2024.

20.2 Employee benefit obligations

	12/31/2024	Movements during 2025	12/31/2025
Lump-sum retirement benefits	175	(1)	174
Long service awards and other benefits	67	(1)	66
Other post-employment benefits (pensions, net of plan assets) (1)	(7)	8	1
Total	235	6	241

(1) As of December 31, 2025, the fair value of plan assets exceeded the present value of the obligation by €1 million (see Note 20.3.2).

Those obligations are recognized as a non-current provision (see Note 6.1).

20.3 Employee benefit obligations and post-employment benefit obligations (excluding long service awards)

20.3.1 Defined-contribution plans

	2025	2024
Amount recognized as an expense	1,156	1,105

Defined-contribution plan expense consists of contributions to:

- health insurance funds;
- pension funds (compulsory and supplementary schemes);
- unemployment insurance funds.

20.3.2 Defined-benefit plans

Obligations in respect of lump-sum retirement benefits and pension plans as of December 31, 2025 break down as follows:

	Lump-sum retirement benefits		Pensions	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Present value of obligation	174	175	520	553
Fair value of plan assets (dedicated funds)	-	-	(534)	(573)
Asset ceiling	-	-	15	13
Net (asset)/liability recognized	174	175	1	(7)
of which: deficit recognized as a provision	-	-	21	16
of which: overfunded plans recognized as an asset	-	-	(20)	(23)
Ratio of plan assets to present value of obligation	-	-	103%	104%

The fair value of plan assets by investment category is as follows:

	12/31/2025		12/31/2024	
	€ million	%	€ million	%
Equity instruments	125	23%	160	28%
Debt instruments	261	49%	283	49%
Property	65	12%	61	11%
Investment funds	13	2%	10	2%
Cash	52	10%	10	2%
Other items	18	3%	49	9%
Total	534	100%	573	100%

	Lump-sum retirement benefits		Pensions	
	2025	2024	2025	2024
Start of period (January 1)	175	156	(7)	(7)
Current and past service cost	2	4	(3)	(3)
Net interest cost	5	7	1	
Total expense recognized	7	11	(2)	(3)
Translation adjustments				
Changes in scope of consolidation				
Actuarial (gains)/losses recognized in equity (1)	(8)	8	12	5
Transfers between accounts & other			(2)	(2)
End of period (December 31)	174	175	1	(7)

(1) Corresponds to the €4 million of total actuarial losses on post-employment benefits reported in the statement of recognized income and expense for the year ended December 31, 2025. Of the €12 million net actuarial losses on pensions in 2025, provisions account for positive €4 million, and assets recognized on overfunded plans for negative €16 million.

Actuarial gains and losses recognized in equity break down as follows:

	Lump-sum retirement benefits		Pensions	
	2025	2024	2025	2024
Effect of changes in demographic assumptions			1	(2)
Effect of changes in financial assumptions	(8)	8		
Effect of experience adjustments			8	3
Return on plan assets (excluding financial income)			3	(3)
Effect of asset ceiling			-	7
Total	(8)	8	12	5

The amount of contributions to be paid to pension funds in 2025 is estimated at €11 million.

20.3.3 Main actuarial assumptions used for lump-sum retirement benefits, pensions and long service awards

	2025	2024
Discount rate for lump-sum retirement benefits and long service awards: IBoxx € Corporate A10	3.845%	3.381%
Discount rate for pensions	1.00% to 5.60%	0.90% to 5.70%
Lump-sum retirement benefits and long service awards: Salary inflation rate (1)	2.50%	2.50%
Pensions: Salary inflation rate (1)	1.00% to 4.00%	1.00% to 4.00%
Life table - women	INSEE 2017-2019 Women	INSEE 2017-2019 Women
Life table - men	INSEE 2017-2019 Men	INSEE 2017-2019 Men
Age on retirement: managerial grades	65	65
Age on retirement: technical, supervisory & clerical staff, and site workers	64	64

(1) Includes the general inflation rate.

The sensitivity of provisions for lump-sum retirement benefits and pensions to changes in discount rates is presented below:

Lump-sum retirement benefits (France)	Impact of a 70 bp movement	
	decrease (€m)	increase (€m)
12/31/2025	+14	-10

Pensions (Other countries)	Impact of a 50 bp movement	
	decrease (€m)	increase (€m)
12/31/2025	+28	-27

A rise of 50 basis points in the salary inflation rate for employees in France would require an increase of €10 million in the provision.

Any such impacts would be recognized in the statement of recognized income and expense.

20.3.4 Share-based payment

In 2025, options to subscribe for new Bouygues shares were awarded by Bouygues to certain employees of Colas and its subsidiaries.

NOTE 21 DISCLOSURES ON RELATED PARTIES AND REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES

21.1 Related-party disclosures

Identity of related parties:

Parties with an ownership interest:	Bouygues and its subsidiaries, equity investees and associates.
Joint operations:	<i>Sociétés en participation</i> (construction project entities).
Joint ventures:	Carrières Roy, Ibys and various immaterial joint ventures.
Associates:	Tipco Asphalt, Mak Mecsek and various immaterial associates.
Other related parties:	Various non-consolidated companies owned by the Group.

Analysis of transactions with related parties

	Expenses		Income		Receivables and cash		Liabilities	
	2025	2024	2025	2024	2025	2024	2025	2024
Parties with an ownership interest (1)	83	90	93	78	984	817	47	42
Joint operations	21	18	44	75	136	113	45	41
Joint ventures and associates	22	19	58	68	31	31	8	4
Other related parties	143	127	29	92	65	65	24	29
Total	269	254	224	313	1,216	1,026	124	116
Due within less than 1 year					1,216	1,026	124	116
Due within 1 to 5 years						-		-
Due after more than 5 years						-		-

21.2 Disclosures about remuneration and benefits awarded to directors and senior executives in office on December 31, 2025

The senior executives covered by this disclosure are the members of the Strategic Committee.

As of December 31, 2025, the Strategic Committee had five members: the Chief Executive Officer, and five salaried executives.

Direct remuneration:

The total amount of direct remuneration awarded to the Strategic Committee in 2025 was €6.5 million (versus €6.3 million in 2024), including €3.4 million of variable remuneration accrued as of December 31, 2025 (the actual amount paid will be contingent on the attainment of performance conditions).

Supplementary pension scheme:

The Chief Executive Officer benefits from a discretionary, opt-in collective retirement insurance scheme governed by Article 82 of the General Tax Code, which replaced a previous scheme governed by Article L. 137-11-2 of the Social Security Code.

The Chief Executive Officer retains all the rights acquired prior to January 1, 2025 under the previous scheme governed by Article L. 137-11-2 of the Social Security Code, but can acquire no further rights under that scheme.

The commitment in respect of the 2025 financial year under those schemes amounted to €404,934 as of December 31, 2025 (i.e. 11,000 shares). No payments were made during 2025.

Other senior executives:

The other senior executives belong to a top-up defined-contribution pension scheme (employer contribution equal to 5.6% of the executive's total remuneration, in a range of 3x to 12x the annual social security ceiling).

The net increase during 2025 in the provision for lump-sum retirement benefits for those employees was €304,514.

Long-term remuneration

Senior executives received a contingent award of up to 62,000 consideration-free Bouygues shares subject to performance conditions calculated over a three-year period (2025, 2026 and 2027).

Directors' remuneration

The gross amount of remuneration paid to directors of Colas by Colas SA and Colas group companies during 2025 was €224,940 (versus €219,880 in 2024).

NOTE 22 ADDITIONAL INFORMATION ABOUT THE CASH FLOW STATEMENT AND CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES

22.1 Information on cash flows relating to acquisitions and divestments of subsidiaries

The main acquisitions of 2025 were Tipco Foods (Thailand), Seaboard (United States), Saferail (France) and Guignard (France), representing a combined purchase price of €88 million (less €2 million of cash held by the acquired entities).

The main divestments were Allied (UK) and JV Obalovna Rancirov (Czechia), for combined sales proceeds of €16 million (less €3 million of cash held by the divested entities).

Overall, the net acquisition cost of consolidated activities (after sales proceeds from divestments, and cash held by acquired and divested entities) was €73 million, comprising:

	2025	2024
Non-current assets	(74)	5
Current assets	(7)	28
Non-current liabilities	-	(13)
Current liabilities	8	(24)
Purchase price of consolidated activities net of proceeds from divestments, and net of cash held by acquired and divested entities	(73)	(4)
Net liabilities related to consolidated activities	1	5
Net cash inflow/(outflow) from acquisitions and divestments of subsidiaries	(72)	1

22.2 Changes in working capital requirements related to operating activities

Changes in working capital requirements include movements in current provisions recognized in the balance sheet.

	2025	2024
Assets		
Inventories	27	(20)
Advances and down-payments made on orders	(25)	1
Trade receivables	(13)	159
Customer contract assets	(73)	65
Other current receivables and current financial assets	40	69
Sub-total: Assets ⁽¹⁾	(44)	274
Liabilities		
Trade payables	(47)	(101)
Customer contract liabilities	161	162
Current provisions	39	(13)
Other current liabilities and current financial liabilities	46	(47)
Sub-total: Liabilities ⁽²⁾	199	1
Changes in working capital requirements related to operating activities	155	275

(1) (Increase) / Decrease in working capital requirements related to operating activities

(2) Increase / (Decrease) in working capital requirements related to operating activities

NOTE 23 LITIGATION AND CLAIMS

23.1 Significant litigation and claims

Colas group companies are involved in a variety of litigation and claims in the normal course of their business. Risks are assessed on the basis of past experience and analysis by the Group's in-house legal departments and external counsel. As far as Colas is aware, there is at present no exceptional event, dispute or claim likely to have a significant negative impact on the business, assets and liabilities, results or financial position of the Group as a whole. Disputes and claims are subject to regular review, especially when new facts emerge. The provisions recorded in the financial statements appear to be adequate in light of these assessments. The Group uses all legal means to defend its legitimate interests. Details about which claims are or are not covered by provisions have not been disclosed, since such disclosure might affect the outcome of some ongoing claims.

23.1.1 France – URSSAF inspections

All ongoing URSSAF inspections, and the related disputes and challenges concerning social security relief under the "TEPA" and "Fillon" regimes, have been assessed on an overall basis by Colas. The total potential amount of the reassessments, including late payment penalties, is estimated at €56.8 million.

These disputes were referred to the Social Security section of the Judicial Courts, which found in favor of Colas in its first rulings (issued on June 30, 2025). URSSAF has lodged an appeal.

23.1.2 France – Nouvelle Route du Littoral

The consortium awarded the MT 5.1 contract package to build the sea wall (the "MT 5.1 Consortium"), of which Colas subsidiary GTOI is a member with a 55% stake, filed a claim for compensation against its client, the region of La Réunion (the "Region"), in the Saint-Denis de La Réunion Administrative Court. The claim seeks compensation inter alia for difficulties in sourcing rock armor and obtaining payment for site installations, and extended delays; it also seeks recovery of late delivery penalties.

The total amount claimed was €216,8 million.

In two rulings issued on October 22, 2024, the court rejected virtually all of the MT 5.1 Consortium's claims, ordering the Region to pay it €122,000.

On December 23, 2024, the MT5.1 Consortium lodged an appeal with the Bordeaux Administrative Court of Appeal. Proceedings are ongoing.

The MT 5.1 Consortium also brought an action in the Saint-Denis de La Réunion Administrative Court, requesting the Court to establish a definitive statement of account for the contract package.

The Region, which is also facing a compensation claim in the Saint-Denis de La Réunion Administrative Court from the consortium awarded the MT 3 contract package for construction of a viaduct (the "MT 3 Consortium"), called in a guarantee from the MT 5.1 Consortium in relation to a portion of that claim, alleging that the claim made by the MT 3 Consortium has its origins in non-performance by the MT 5.1 Consortium.

In February 2025, the Saint-Denis de La Réunion Administrative Court, having rejected the MT 3 Consortium's claim, also rejected the Region's claim to call in the guarantee. The MT 3 Consortium and the Region lodged appeals against those judgments in April and July 2025.

23.1.3 International – Complaint filed by Colas Rail in relation to an international project

In 2017, an internal audit and subsequent external investigation requested by Colas Rail revealed suspicious payments dating back to 2021 made to local consultants by a foreign subsidiary of Colas Rail.

Colas Rail filed a complaint in France. The contracts with these consultants were terminated and all payments prohibited. In agreement with the customer, Colas Rail transferred the construction contract, with no major economic impact on the Colas group.

Investigation of the complaint filed by Colas Rail is ongoing. The case had remained dormant for a long period, but further developments occurred in October 2025 that expose Colas to new risks.

NOTE 24 AUDITORS' FEES

Colas is audited by Forvis Mazars and PricewaterhouseCoopers Audit, appointed as statutory auditors by the Annual General Meetings of April 25, 2001 and April 17, 2019, respectively.

The table below shows fees paid to the auditors (and member firms of their networks) responsible for the audit of the consolidated financial statements of the Colas group (parent company and subsidiaries).

	Forvis Mazars		PwC	
	2025	2024	2025	2024
A – Audit				
Colas SA	0.2	0.2	0.2	0.2
Subsidiaries	4.6	4.7	3.3	3.7
Sub-total	4.8	4.9	3.5	3.9
B – Non-audit services (1)				
Total	4.8	4.9	3.5	3.9

(1) Non-audit services: primarily tax engagements for various international subsidiaries.

NOTE 25 LIST OF PRINCIPAL CONSOLIDATED COMPANIES

Unless indicated as being accounted for by the equity method, all the companies listed are consolidated as subsidiaries.

Company	Registered office	% interest	
		2025	2024
France			
Mainland France			
Colas France and its subsidiaries	Paris (75)	100.0	100.0
Aximum and its subsidiaries	Magny-les-Hameaux (78)	100.0	100.0
Spac	Nanterre (92)	100.0	100.0
Colas Rail and its subsidiaries	Courbevoie (92)	100.0	100.0
Société de la Raffinerie de Dunkerque	Dunkerque (59)	100.0	100.0
Colas Digital Solutions	Vélizy-Villacoublay (78)	100.0	100.0
French overseas departments			
Grands Travaux Océan Indien GTOI	Le Port - Réunion Island	100.0	100.0
Société de Concassage et Préfabrication de La Réunion SCPR	Le Port - Réunion Island	100.0	100.0
Colas Mayotte	Mamoudzou – Mayotte	100.0	100.0
Colas Martinique	Le Lamentin – Martinique	100.0	100.0
Sogetra	Les Abymes – Guadeloupe	100.0	100.0
Ribal Travaux Publics	Cayenne – Guyana	100.0	100.0
French overseas territories			
Société Colas de Nouvelle-Calédonie	Nouméa – New Caledonia	100.0	100.0
Europe (excluding France)			
Colas Belgium and its subsidiaries	Brussels – Belgium	100.0	100.0
Colas Danmark A/S	Glostrup – Denmark	100.0	100.0
Colas Ltd.	Birmingham – United Kingdom	100.0	100.0
Colas Hungaria	Budapest – Hungary	100.0	100.0
Colas Polska	Sroda Wielkopolska – Poland	100.0	100.0
Colas CZ	Prague – Czech Republic	99.1	99.1
Colas Slovakia	Kosice – Slovakia	99.6	99.6
Colas Teoranta	Dublin – Irish Republic	100.0	100.0
Colas Suisse Holding SA	Lausanne – Switzerland	99.2	99.2
Destia Oy	Helsinki – Finland	100.0	100.0
Mak Mecsek zrt (equity method)	Budapest – Hungary	30.0	30.0
North America			
Colas Canada Inc. and its subsidiaries	Toronto, Ontario – Canada	100.0	100.0
Colas Inc. and its subsidiaries	Morristown, New Jersey – United States	100.0	100.0
Africa – Indian Ocean			
Colas Gabon	Libreville – Gabon	89.9	89.9
Colas Madagascar	Antananarivo – Madagascar	100.0	100.0
Colas Africa	Cotonou – Benin	100.0	100.0
Transinvest Construction Ltd.	Petite Rivière – Mauritius	100.0	100.0
Gamma Materials (equity method)	Beau Bassin – Mauritius	50.0	50.0
Colas du Maroc	Casablanca – Morocco	100.0	100.0
Grands Travaux Routiers	Rabat – Morocco	67.9	67.9
Colas Africa Holdings	Cape Town – South Africa	100.0	100.0
Asia			
Tipco Asphalt (equity method)	Bangkok – Thailand	31.1	31.1
Hincol (equity method)	Mumbai – India	30.0	30.0
Colas Australia Group and its subsidiaries	Sydney – Australia	100.0	100.0