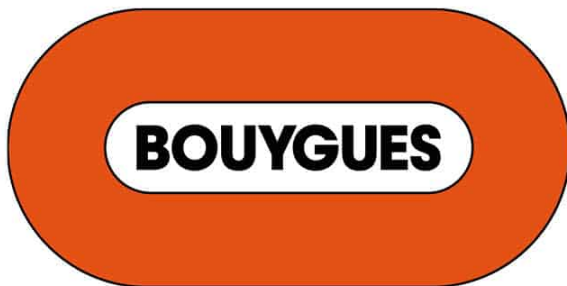


Bouygues completes acquisition of Equans

3 years ago



Today, Bouygues completed the acquisition of Equans, a key milestone in its development.

The final purchase price for the Equans shares is €6.1 billion. After factoring in the net debt of Equans on the day of acquisition, the impact on the net debt of Bouygues is €6.5 billion (including €130 million paid to Engie on 12 May 2022 on signature of the Share Purchase Agreement).

Thanks to this transaction, Bouygues becomes a world leader in the promising multi-technical services market which is at the heart of the environmental, industrial and digital transitions. Such services offer, in particular, solutions to optimise energy consumption, an even more strategic issue in the current context.

The new business segment comprised of Equans and Bouygues' Energies & Services arm will generate around €17 billion in sales, employ around 97,000 people in over 20 countries and enjoy increased capacity to design and roll out innovative and sustainable products and services.

The strong geographical and technical match between Equans and Bouygues' Energies & Services arm will offer many opportunities for all Bouygues group employees who share a common culture and strong values.

This transaction will lift the Bouygues group's total sales from €38 billion to nearly €51 billion and the headcount to around 200,000 in over 80 countries.

The deal makes the Group even more resilient and creates value for all stakeholders.

Martin Bouygues, Chairman of the Bouygues Board of Directors, said: "Acquiring Equans is a major milestone in the history of Bouygues. It makes our Group a global leader in multi-technical services and reinforces our resilience. Our businesses have in common that they are services businesses with a local footprint, run by dedicated and self-reliant teams of entrepreneurs and employees. I warmly welcome the

75,000 of Equans employees who are joining our Group.”

Olivier Roussat, Chief Executive Officer of the Bouygues group, commented: “Equans joining the Bouygues group offers a tremendous opportunity to create a global leader with strong local roots that can play a key role in meeting the challenges of the environmental, industrial and digital transitions, helping deliver more sustainable and energy-efficient growth, and supporting our customers as they switch to a low-carbon model. We have everything in place to make this acquisition a success for all of the Group’s stakeholders, especially its employees, customers and shareholders.”

To create this new global leader, which will keep the name Equans, the operations of the Bouygues group’s Energies & Services arm — currently part of Bouygues Construction — will merge at the beginning of January 2023 with those of Equans. It will become the largest business segment within the Group by sales (approximately €17 billion(g)) and number of employees (approximately 97,000(h)).

Key strengths and powerful growth drivers

Operating in a resilient and promising market, the new entity will have many decisive strengths:

- Position as a leading force in the multi-technical services market, combining expertise in electrical engineering, HVAC engineering, mechanical engineering & robotics, information and telecommunications systems, facilities management and smart cities;
- Strong local footprint in targeted countries;
- Acknowledged expertise and brands, both in locally-based services and speciality activities;
- Capacity to design and roll out innovative and sustainable solutions.
- The entity has the leverage to grow its business and increase margins through synergies and operational efficiency plans.

The Bouygues group’s strength, combined with its high quality labour relations and robust ethical values, will also help accelerate growth for the new entity.

Governance and management

Effective from today, Jérôme Stubler takes up the post of Chairman of Equans, reporting to Olivier Roussat, and becomes a member of the Bouygues Group Management Committee. During the transition period between now and the beginning of January 2023, Jérôme Stubler and Pierre Vanstoflegatte (CEO of the Bouygues’ Energies & Services arm) will work together to build the future Equans and start the roll out of synergies, particularly in purchasing.

Final purchase price

Bouygues has acquired 100% of the shares of Equans for a final price of €6.1 billion. The net debt of Equans as of the acquisition date is €0.4 billion. The total impact on the Group’s(i) net debt is €6.5 billion (including €130 million paid to Engie on 12 May 2022 on signature of the Share Purchase Agreement).

This acquisition was financed by available cash and a syndicated loan contracted in December 2021 maturing two years from today. This syndicated loan was already partially refinanced on 17 May 2022 via the issue of bonds.

In line with its cautious financial policy, the Group contracted interest rate hedging instruments between November 2021 and January 2022. As of 3 October 2022, those instruments had a fair value of €952

million, of which €287 million locked-in in connection with the bond issues already carried out.

Next step

Bouygues will hold a Capital Markets Day dedicated to Equans at the beginning of 2023.

a Estimated data.

b Combined 2021 sales (Equans + Bouygues' Energies & Services arm), unaudited data.

c Combined figure (Equans + Bouygues' Energies & Services arm) as of 31 December 2021.

d Combined 2021 sales (Bouygues group + Equans), unaudited data.

e Combined figure (Bouygues group + Equans) as of 31 December 2021.

f Figure as of 31 December 2021.

g Combined 2021 sales (Equans + Bouygues' Energies & Services arm), unaudited data.

h Combined figure (Equans + Bouygues' Energies & Services arm) as of 31 December 2021.

i Estimated data.