



Board of Directors

8 March 2000



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1. The Vivendi pull-out

The Vivendi pull-out

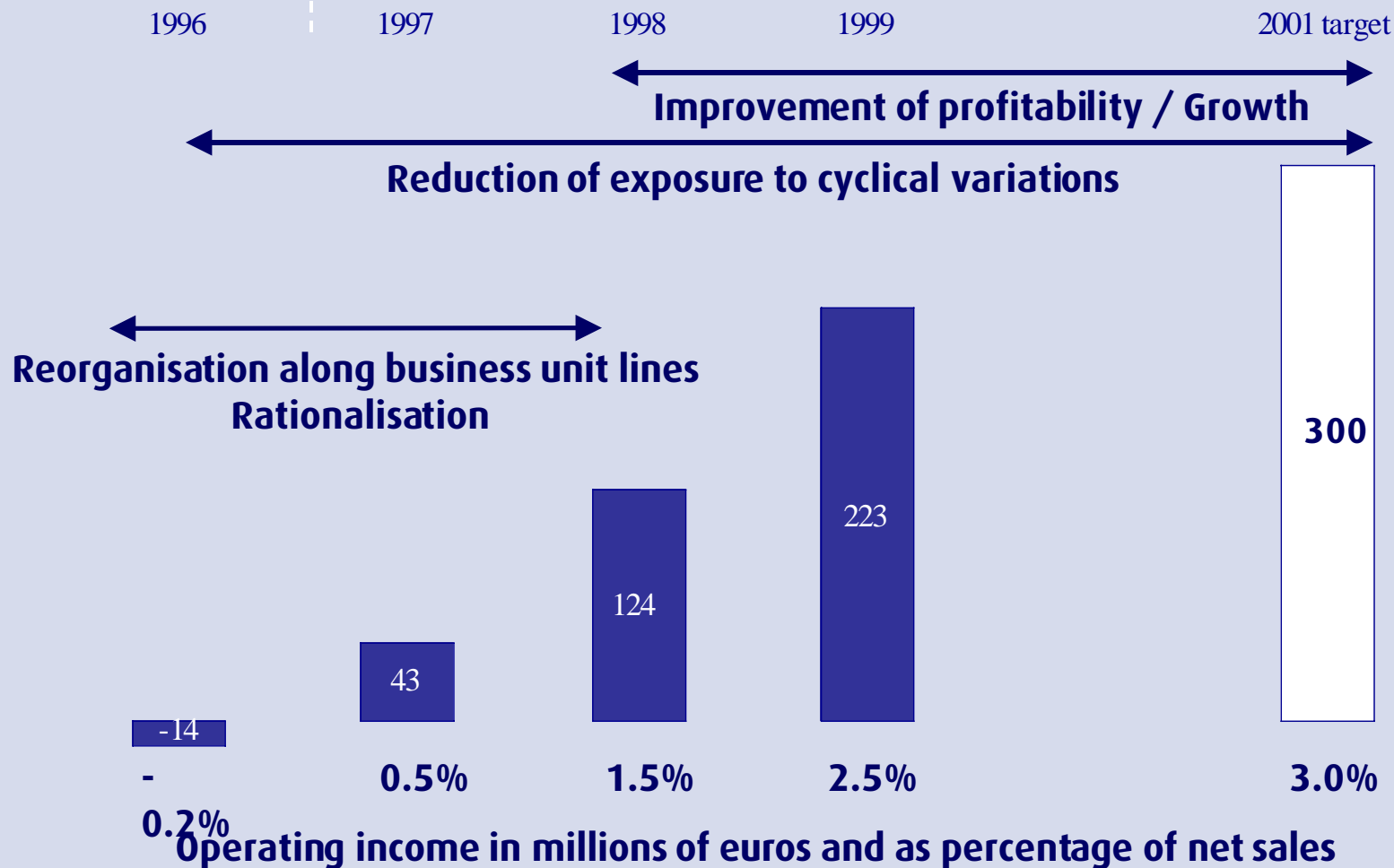
The offering		Private placement in Europe and the United States (144a)
Number of shares placed		13,800,000 amounting to 34.3% of the share capital, including a greenshoe of 1,800,000 shares given by Vivendi to the banks
	Price	44 euros (i.e. -1.1% less than the closing price on 8 February 2000)
Vivendi's remaining stake		14.9% if the greenshoe is fully exercised by the banks
Closing date		15 March 2000

The roadshow

- Pre-marketing by the banks from 17 to 26 January 2000 to identify target investors
- Roadshow from 27 January to 8 February 2000
- The two teams met about 250 investors,
12 public presentations - 70 one on ones
 - Europe : France, UK, Germany, Netherlands, Italy, Denmark, Sweden, Switzerland
 - United States : New York, Boston, California



Summary of the roadshow



Summary of the roadshow

SGE has a clear and ambitious project:

- **Increase the share of recurrent business activities (concessions, electrical engineering, roadworks)**
- **Grow the businesses with greater value added (information and communication technologies, specialised civil engineering, fire protection)**
- **New approach to building and civil engineering (restructuring and selectivity)**

Outcome of the private placement

Total orders booked : 28.9 millions, i.e. 2.8 times the initial offering

Geographic breakdown of allocations

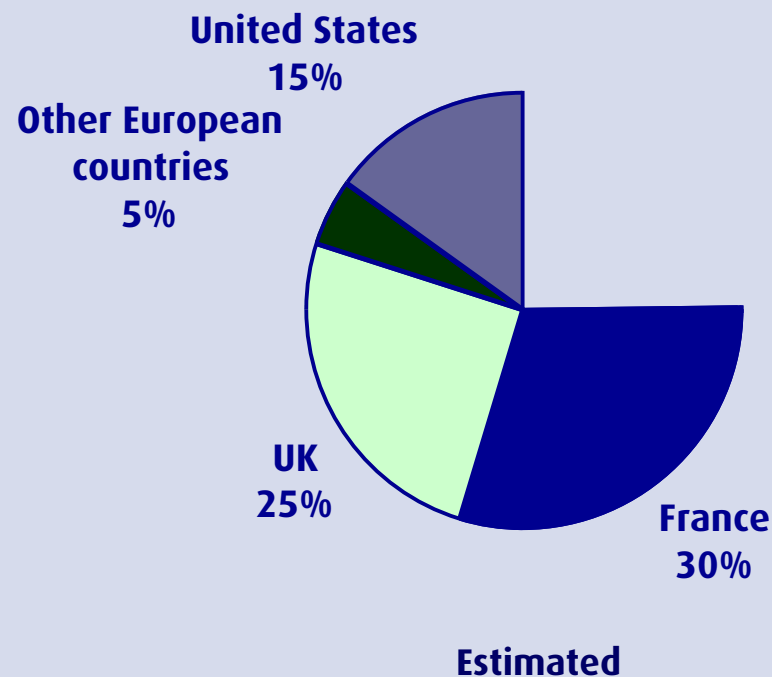
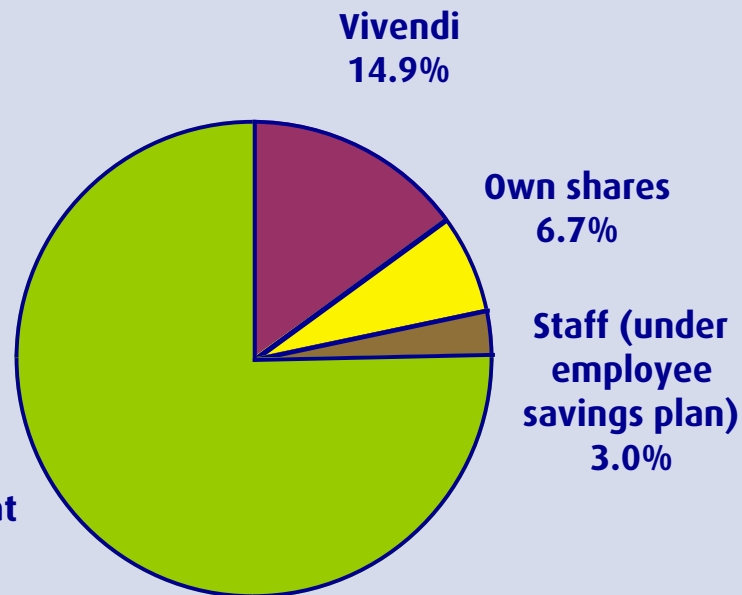
	%	Number of investors
UK	47	27
France	26	48
Other European countries	12	30
United States	15	10
	100	115

Main investors

% of share capital

- Deutsche Morgan Grenfell (UK)	4.3
- Gartmore Investment (UK)	2.7
- Franklin / Templeton (US)	1.7
- Caisse des Dépôts (F)	1.6
- CGU (UK)	1.5

New shareholding (after the private placement)



2. 1999 Accounts

Continued the shift towards a better balanced business mix, with more concessions, electrical engineering and roadworks

in millions of euros	1998	1999	Variation 99/98
Concessions			
Car parks	27	138	n.s. (a)
Cofiroute (prorata)	221	236	+ 7 %
Other concessions (prorata)	30	35	+ 19 %
Mechanical and electrical			
Electrical engineering	1,735	1,854	+ 7%
Thermal and mechanical activities	1,047	1,052	+ 0.5%
	1,559	2,149	+ 38% (b)
Roadworks			
Building and civil engineering			
General contracting	3,401	3,451	+ 1.5%
Freyssinet	226	360	+ 59% (c)
	8,262	9,328	+ 13%
Total economic turnover			
	8,012	9,057	+ 13% (d)
Of which consolidated net sales			

99 Results

**The final figures are even better than the estimates published
on January 11th 2000**

in millions of euros

Actual

Estimate

EBITDA

476

435

Operating income

223

210

Net income (group share)

146

142

Earnings per share (in euros)

3.64

3.53

Cach flow from operations

372

343

Growth of 81% in operating income thanks to better operating margins in all lines of business

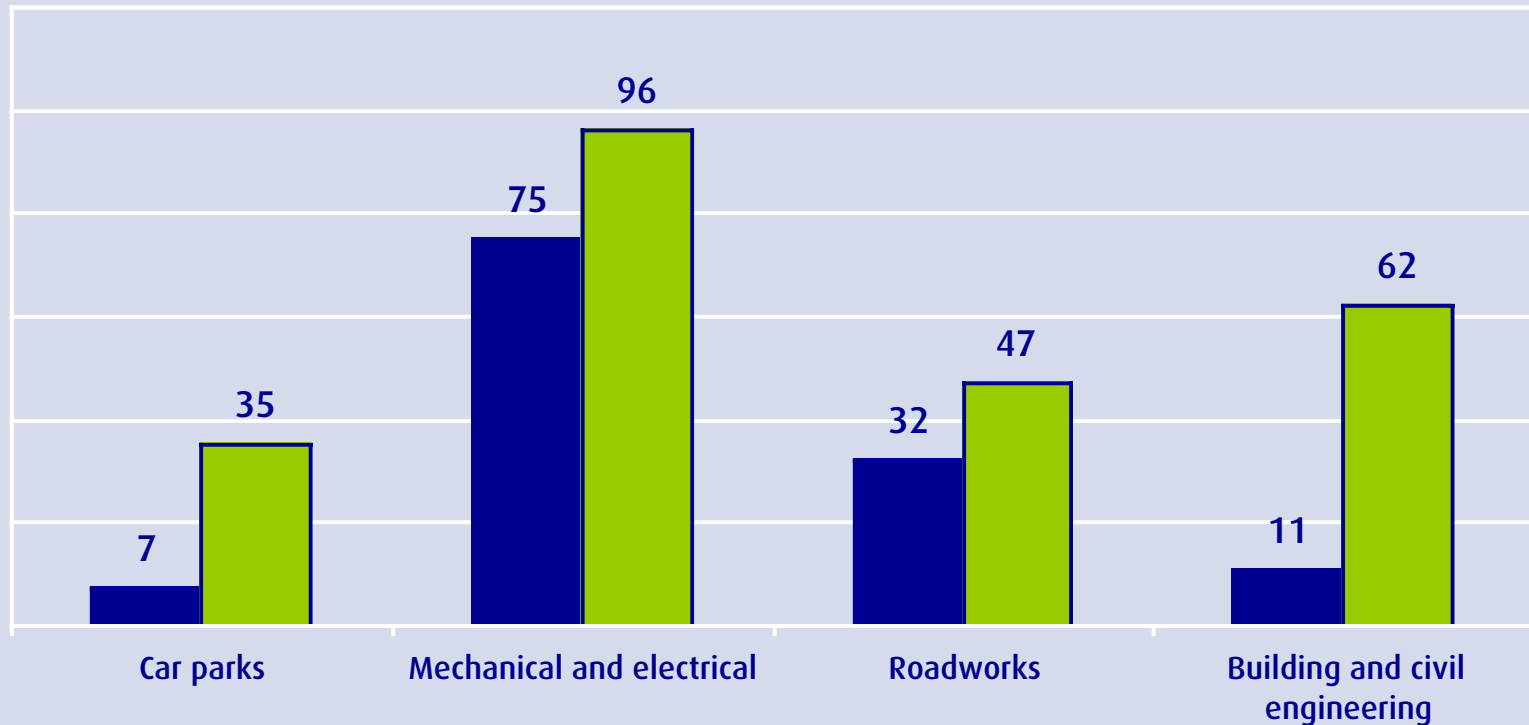
in millions of euros

	1998	% net sales	1999	% net sales
Car parks	7	27.3%	35	25.1%
Mechanical and electrical				
Electrical engineering	72*	4.1%	77	4.2%
Thermal and mechanical activities	3	0.3%	19	1.8%
Roadworks	32	2.0%	47	2.2%
Buiding and civil engineering				
General contracting	2	0.1%	42	1.2%
Freyssinet	9	3.8%	20	5.5%
Total consolidated operating income	124	1.5%	223	2.5%

* of which non recurrent items : 20

Operating income: better balance of contributions from the different lines of business

Operating income by lines of business (in millions of euros)



■ 1998 actual ■ 1999 actual (including Teerbau and Sogeparc for 6 months)

The contribution from concessions is growing

<i>in millions of euros</i>	1997	1998	1999	Variation 99/98
Cofiroute (31.1%)	37.2	42.4	54.4	+ 12.0
Stade de France (33.33%)	-	(0.3)	0.6	+ 0.9
Tagus bridges (24.8%)	-	* (2.9)	(2.0)	+ 0.9
Prado-Carénage Tunnel (27.9%)	-	0	0.6	+ 0.6
Total Concessions	37.2	39.2	53.6	+ 14.4
Other equity method companies and miscellaneous adjustments	0	1.1	2.2	+ 1.1
Group share of income from companies consolidated using the equity method	37.2	40.3	55.8	+ 15.5

Results show huge improvement

<i>in millions of euros</i>	1997	1998	1999	Variation 99/98
Net sales	8,140	8,012	9,057	+13%
EBITDA <i>as % of net sales</i>	268 3.3%	311 3.9%	476 5.3%	+53%
Operating income <i>as % of net sales</i>	43 0.5%	124 1.5%	223 2.5%	+81%
<i>Financial income</i>	29	20	6	
Operating plus financial income	72	143	229	+60%
<i>Exceptional expense</i>	(8)	(41)	(32)	
<i>Goodwill</i>	(21)	(36)	(55)	
<i>Taxes and profit-sharing</i>	(30)	(10)	(48)	
<i>Net income from equity method companies</i>	37	40	56	+38%
<i>Total net income</i>	49	96	151	
of which group share	47	92	146	+59%
Earnings per share (in euros)	1.17	2.25	3.64	+62%

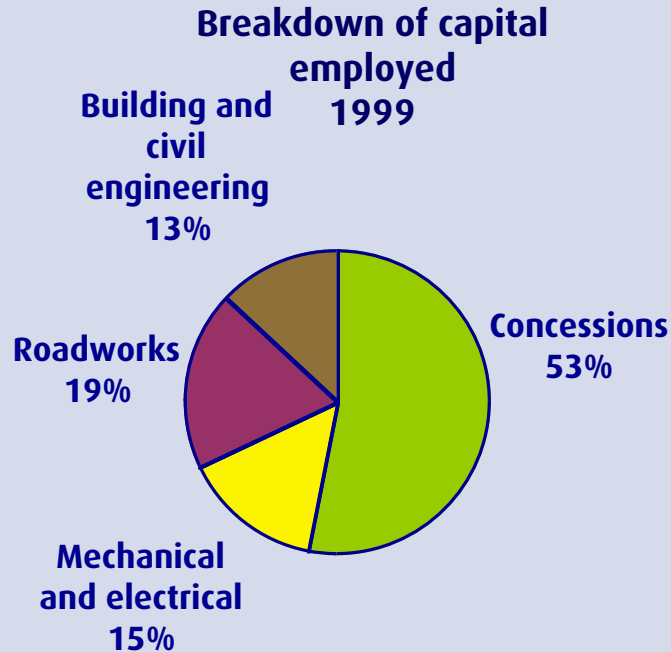
Much improved operating cash flow

<i>in millions of euros</i>	1997	1998	1999	Variation 99/98
Operating cash flow	179	234	342	+46%
WCR variation	18	20	218	
Net capital expenditures	(128)	(196)	(189)	
Free operating cash flow	69	58	371	
Acquisitions net of disposals	132	(42)	(683)	
Share buy-back	-	(40)	(156)	
Dividends paid	(2)	(28)	(57)	
Others	33	45	62	
Change in net debt or cash for the financial year	232	(7)	(463)	

A strong balance sheet

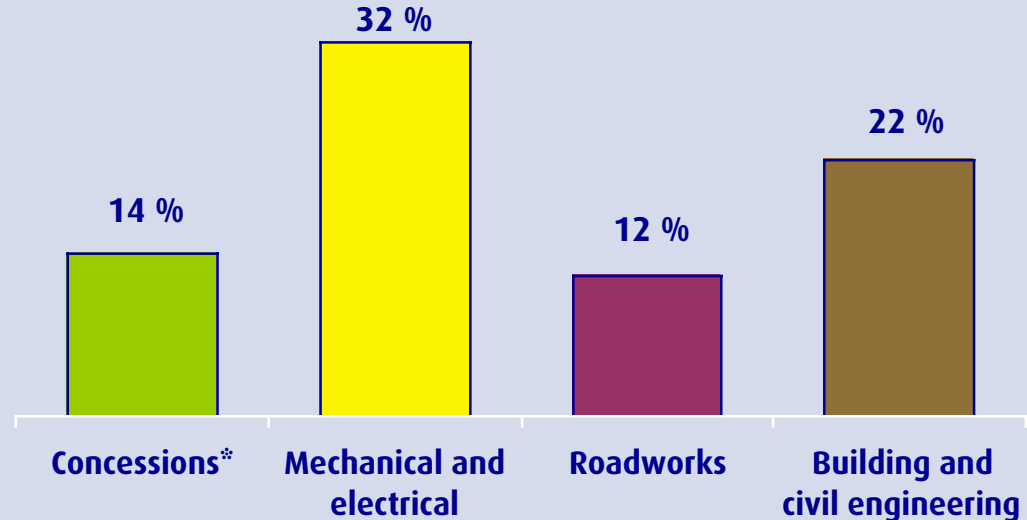
	1998	1999
<i>in millions of euros</i>		
Fixed assets <i>including Goodwill</i>	1,458 202	2,372 671
Working capital requirement (surplus)	(326)	(426)
Capital employed	1,132	1,946
Shareholders' equity and minority interest	552	593
Provisions	1,265	1,406
Net financial debt (surplus) <i>of which financial debt (surplus)</i> <i>of which SGE shares</i>	(685) (657) (28)	(53) 57 (110)
Resources	1,132	1,946

Reallocation of capital employed into recurrent and growth businesses. A group creating value



Total Group about 1,900 million euros

ROCE (Operating income/capital employed)* 1999



**Total Group 17.6%
(10.6% after theoretical tax)**

3. Outlook

To be

A group

A European group

A growing group

**A group with sustainable
profitability**

Concessions

**Mechanical
& Electrical**

Construction

Outlook

THE PROJECT :

Continue working towards a better balanced business mix, focusing on recurrent profitability

⇒ **Via external growth, mainly in Europe**

⇒ **Via selective internal growth (in-house "start-ups")**

Give priority to businesses that have competitive edge through technology and high value added

Take a new approach to traditional building and civil engineering (selective order policy)

⇒ **Encourage a refocus towards the more profitable segments**

⇒ **Invest in product and market niches**

⇒ **Pull out of businesses offering low margins**

Outlook

CLOSER COOPERATION BETWEEN GTIE AND SOPHIANE

- ⇒ **Development of the industrial clientele**
- ⇒ **Stronger European presence**
- ⇒ **Synergies between businesses**

ALL BUSINESSES HAVE GREAT POTENTIAL FOR IMPROVEMENT

Concessions

- ⇒ Existing concessions ramping up
- ⇒ Highly selective development

Mechanical and electrical

- Electrical engineering
 - ⇒ Strong growth in ICTs (Information and Communication Technologies)
 - ⇒ Infrastructure works resisting very well
 - ⇒ External growth in Europe
- Thermal and mechanical activities
 - ⇒ Pull out of low-tech businesses
 - ⇒ Growth of high value-added niches



Outlook

ALL BUSINESSES HAVE GREAT POTENTIAL FOR IMPROVEMENT

Roadworks

- ⇒ Bring Teerbau up to Eurovia's level of profitability
- ⇒ Build up material production capacity
- ⇒ External growth

Building and civil engineering

- ⇒ Targeted positioning
 - ⇒ Facility management
 - ⇒ Private industrial clients
 - ⇒ Project financing
- ⇒ International growth of specialised civil engineering

Outlook

A POSITIVE ECONOMIC CLIMATE

Growth in France and the UK

Turn-around expected in Germany

In general, the outlook for our markets is good

⇒ Order backlog at the end of 1999 : +27%
(+11% on a like-to-like basis)



Targets

<i>in millions of euros</i>	1999 actual	2001 target
Operating income	223	+40%
<i>as % of net sales</i>	<i>2.5%</i>	<i>3%</i>
Income before tax	186	+50%
Net income (group share)	146	+40%
Return on capital employed* (before tax)	17.6%	>20%

As of 2000, net income close to 2% of sales

* *Income from operations / capital employed*

Increased dividend

**1.60 euros per share (net before tax credit)
against 1.40 euros in 1998**

- **14% increase over 1998**
- **44% pay-out**
- **5.5% gross yield**

* based on a share price of 44 euros





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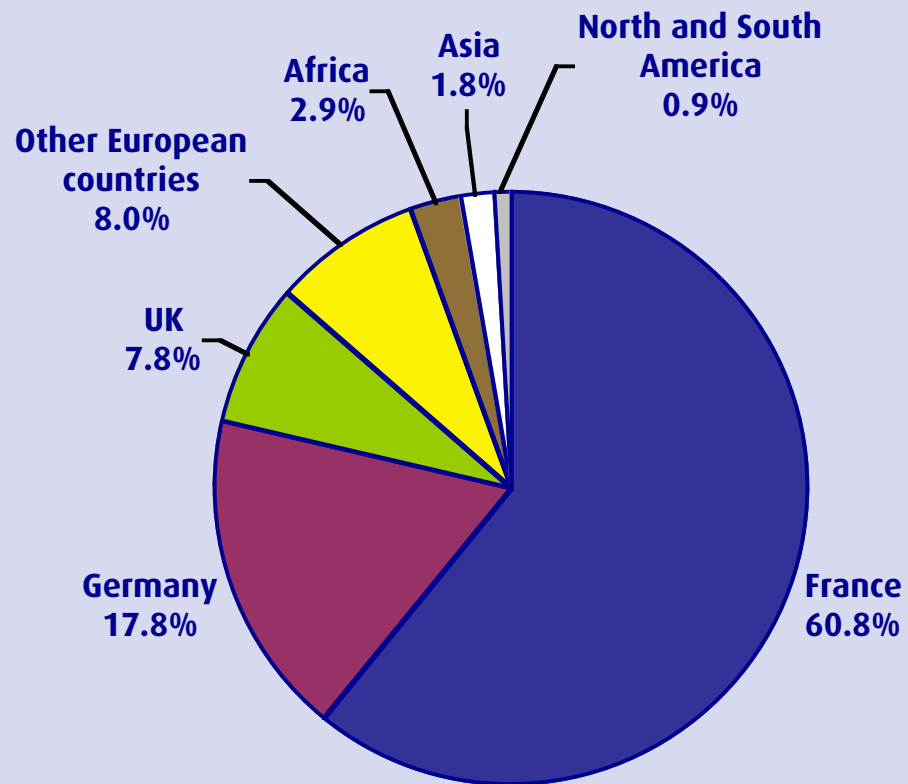
Net sales in France by lines of business

<i>in millions of euros</i>	1998	1999	Variation 99/98
Concessions			
Car parks	27	115	* n.s.
Cofiroute (prorata)	221	236	+ 7 %
Other concessions (prorata)	20	20	+ 1 %
Mechanical and electrical			
Electrical engineering	1,505	1,568	+ 4 %
Thermal and mechanical activities	308	312	+ 1 %
Roadworks	1,335	1,434	+ 7 %
Building and civil engineering			
General contracting	1,955	1,943	- 0.6 %
Freyssinet	66	80	** + 21 %
Total economic turnover	5,456	5,765	+ 6 %
Of which consolidated net sales	5,216	5,509	*** + 6 %

Net international sales by lines of business

<i>in millions of euros</i>	1998	1999	Variation 99/98
Concessions			
Car parks	-	23	*n.s.
Cofiroute (prorata)	-	-	-
Other concessions (prorata)	10	15	+ 54 %
Mechanical and electrical			
Electrical engineering	230	286	+ 24%
Thermal and mechanical activities	739	740	+ 0.1 %
Roadworks	224	715	**+ 219 %
Building and civil engineering			
General contracting	1,446	1,508	+ 4 %
Freyssinet	160	280	***+ 75 %
Total economic turnover	2,806	3,563	+ 27 %
Of which consolidated net sales	2,796	3,548	****+ 27 %

A European group



Geographic breakdown of net sales 1999

Net sales by line of business and geographic area

in millions of euros

	1998	1999	variation 99/98
Car parks	27	138	n.s.
Electrical engineering	1,735	1,854	+ 7 %
France and international	1,598	1,680	+ 5 %
Germany	81	116	+ 43 %
UK	56	58	+ 2%
Thermal and mechanical activities	1,047	1,052	+ 0.5 %
France and international	315	323	+ 3 %
Germany	732	729	- 1 %
Roadworks	1,559	2,149	+ 38 %
France and international	1,388	1,503	+ 8 %
Germany (VBU)	171	189	+ 11 %
Germany (Teerbau)	-	458	
Building and civil engineering	3,627	3,811	+ 5%
France and international	2,902	2,967	+ 2 %
Germany	246	235	- 4%
UK	478	609	+ 27 %
Total consolidated net sales	8,012	9,057	+ 13%

Operating income by line of business and geographic area

<i>in millions of euros</i>	1998	% <i>net sales</i>	1999	% <i>net sales</i>
Car parks	7	27.3%	35	25.1%
Electrical engineering	72*	4.1%	77	4.2%
France and international	64	4.0%	66	3.9%
Germany	4	5.3%	7	6.0%
UK	4	6.9%	5	8.1%
Thermal and mechanical activities	3	0.3%	19	1.8%
France and international	6	1.8%	15	4.6%
Germany	(3)	-0.4%	4	0.5%
Roadworks	32	2.0%	47	2.2%
France and international	35	2.5%	41	2.7%
Germany (VBU)	(3)	-2.0%	4	2.3%
Germany (Teerbau)	-	-	2	0.5%
Building and civil engineering	11	0.3%	62	1.6%
France and international	18	0.6%	51	1.7%
Germany	(10)	- 3.9%	0	0.1%
UK	3	0.6%	10	1.7%
Total consolidated operating profit	124	1.5%	223	2.5%

The performance of financial income has reflected the group's development policy

in millions of euros

	1997	1998	1999
Net interest income (expense)	12.1	11.5	(4.8)
<i>of which financial cost of capital leases *</i>	-	(6.5)	(6.5)
<i>other financial income (expense)</i>	12.1	18.0	1.7
Dividends from non-consolidated companies	10.6	8.2	6.2
Other financial items (provisions, exchange losses and gains)	5.8	0.1	4.5
Financial income (expense)	28.5	19.8	5.9

* change of method as of 31 December 1998

Exceptional expense: the group's restructuring has been completed

in millions of euros

	1997	1998	1999
Capital gains from disposals	136.4	13.9	21.4
Restructuring costs	(90.4)	(64.3)	(25.1)
Other exceptional items	(54.1)	9.4	(27.8)
Exceptional expense	(8.1)	(41.1)	(31.5)

Increase in goodwill amortisation due to resumed external growth

in millions of euros

	1997	1998	1999
Exceptional amortisation	3.1	17.8	25.6
Sogeparc and Teerbau (6 months in 1999)	-	-	8.4
Other amortisation of goodwill	18.2	18.5	20.9
Total amortisation of goodwill	(21.3)	(36.3)	(54.9)

The end of december 99 business situation reflects progress of recurrent businesses (roadworks, electrical engineering)

AWARDS *(in millions of euros)*

	1998	1999	Variation
	12 months	12 months	99/98
TOTAL	7,659	9,363	+22%
			(+9% on a like-to-like basis)

By line of business, on a like-to-like basis:

- Building and civil engineering +11% (+3% excluding A86)
- Roadworks + 8%
- Electrical engineering + 8%
- Thermal and mechanical activities + 3%

The end of december 99 business situation reflects progress of recurrent businesses (roadworks, electrical engineering)

ORDER BACKLOG *(in millions of euros)*

	31.12.1998	31.12.1999	Variation 99/98
TOTAL	4,282	5,456	+27% (+11% on a like-to-like basis)
<i>in number of months</i>	<i>5.8 months</i>	<i>6.9 months</i>	

By line of business :

	variation on a like-to-like basis	in number of months
• Building and civil engineering	+ 9% (- 1% excluding A86)	10.6
• Roadworks	+ 12%	3
• Electrical engineering	+ 14%	4.2
• Thermal and mechanical activities	+ 16%	4.5



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