

Press kit
Bouygues Construction in Canada

July 2014

PATTISON OUTPATIENT CARE AND SURGERY CENTRE

BOUYGUES
CONSTRUCTION

Shaping a Better Life

A multifaceted international strategy

The Group, which has key references on five continents, operates in 80 countries through sustainable locations due to its subsidiaries that are well-established in their countries or temporarily for major projects with high technical expertise, with the involvement of its central engineering divisions. It is particularly active in Western and Eastern Europe, Asia, Africa, the Caribbean and North America. In 2013, Bouygues Construction generated 46% of its turnover abroad.

Three development plans

The international strategy of Bouygues Construction is expressed in three ways:

- continue to expand in countries where it has traditionally been well-established. Examples: South-East Asia, United Kingdom, Switzerland;
- confirm its hold in the countries where it has recently invested. Examples: Canada, United States;
- target countries with high growth potential. Examples: Myanmar, Ghana, India.

From an opportunistic strategy to a determination to become established abroad

In 1972, the Bouygues Group conservatively embarked on an international adventure: risks were numerous and potential losses high. Iran and then Saudi Arabia and Côte d'Ivoire were targeted. In 1981, Francis Bouygues contracted the largest building site in the world: 12,000 men would take 40 months to build the Saudi University in Riyadh. Bouygues thus acquired the status of world leader in construction, and opportunities blossomed.

In 1986, the acquisition of Dragages et Travaux Publics, established in Asia and Africa, was a milestone in the international strategy. Bouygues Construction adopted the local rooting concept by creating subsidiaries (Bymaro, Bouygues Polska, Bouygues-Thai, etc.) or by acquisition (Basil Read, Losinger, etc.).

In the late 2000s, with sustainable growth slowdown and pressure on public finances in Europe, Bouygues Construction found growth drivers in the Anglo-Saxon world and emerging countries. Whenever possible, its entities endeavoured to take a foothold by localising and pooling their forces.

The implementation required considerable thought: ethics, governance of the country, market conditions, competition, working conditions, etc. Bouygues Construction continued this thought process with an imperative: to bring added value to the market. This value can be a distinctive offer (general contractor in Switzerland, real estate development in Central Europe, public-private partnerships in Anglo-Saxon countries) or expertise: management of major projects, financial engineering, sustainable development, design, etc.

Organic or external path

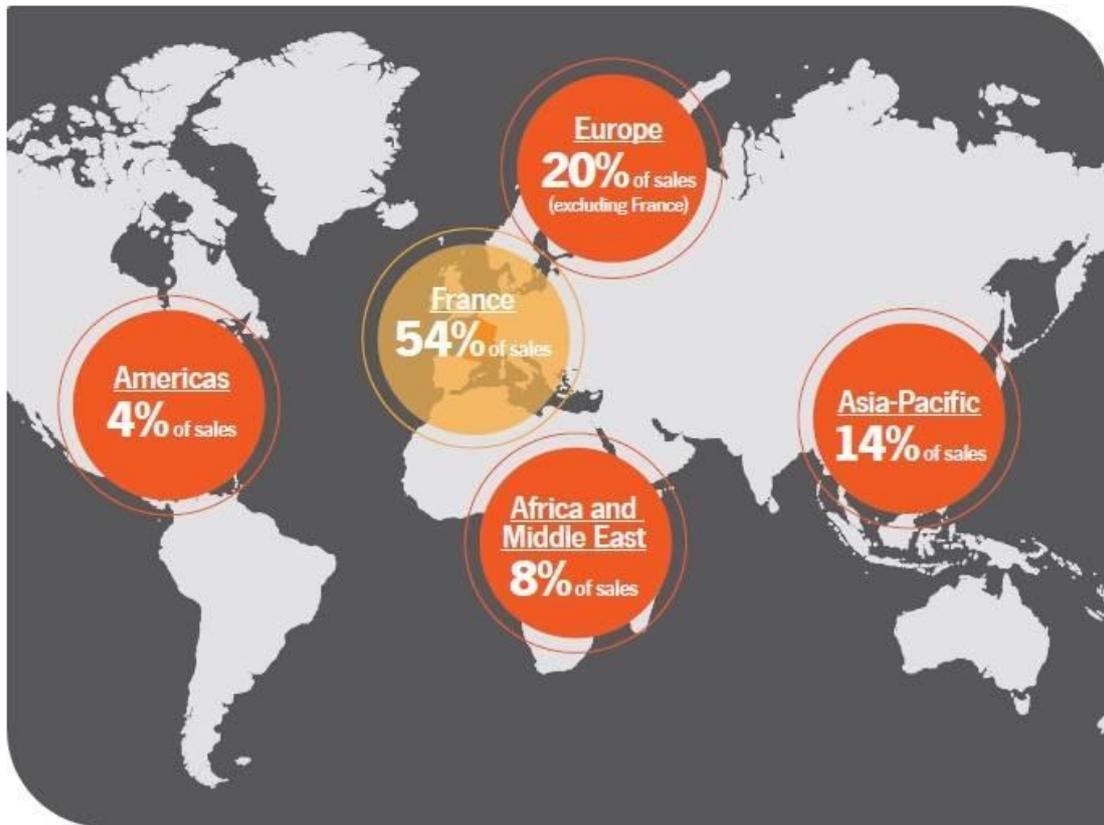
Several pathways became available to Bouygues Construction to enter new countries and set up in a sustainable way there. They may be organic: Bouygues Construction brings its high added value offers, as was the case in Canada in 2008 with an initial PPP hospital contract won by Bouygues Bâtiment International and Bouygues Energies & Services, followed in 2010 by a PPP for the Royal Canadian Mounted Police headquarters.

Second approach: external. The association with a local partner thus brought market knowledge and national culture, but also new projects and competitive prices. Bouygues Construction Australia then aimed at competitive alliances with local medium-sized companies, such as MacMahon for a railway tunnel project signed in late 2012. This was also the strategy established in Switzerland with Marazzi and the United Kingdom with the subsequent acquisition of three local players (Warings, Leadbitter, and Thomas Vale).



Intensive international business

In 2013, Bouygues Construction generated 46% of its business abroad including 20% in Europe (excluding France).



North America, developing a presence

Strategy

Since 2008 and its first contract signed in Canada for the Surrey Hospital (British Columbia), Bouygues Construction has grown in North America around major equipment and infrastructure projects. The Group is positioned on complex projects with high added value by relying on:

- a presence on the entire construction value chain (PPP in Canada, Miami tunnel);
- strong technical skills (Miami tunnel);
- presence of one of the Group's business lines in the region (public works in Miami) or of one of its clients (Swire Properties for the Brickell City Centre).

The Group, after winning the first projects, is developing its facilities in a lasting way.

In Canada, after setting up in British Columbia, Western Canada, Bouygues Construction has gained initial success in Ontario and the far north.

In 2013, Bouygues Construction recorded a turnover of 400 million euros in the Americas and Caribbean region (4% of Group revenues).

Projects completed and underway in Canada

Surrey Hospital (British Columbia)



- PPP contract for the financing, design, construction and operation/maintenance for 30 years of a hospital in Surrey, British Columbia.
- Amount: more than 230 million euros including 114 million euros for Bouygues Construction.
- Work dates: 2008-2011
- Duration of the operation and maintenance: 30 years

Royal Canadian Mounted Police (British Columbia)



- PPP contract for the financing, design, construction, operations and maintenance of the new headquarters of E Division of the Royal Canadian Mounted Police (British Columbia).
- Amount: around 450 million euros (€175 million for the design-construction and €275 million for operations and maintenance).
- Work dates: 2010-2012
- Duration of the operation and maintenance: 25 years

Sports structures for the Pan American Games (Ontario)



- Financing, design and construction of a sports complex in Ontario for the 2015 Pan American Games:
 - > a Canadian football stadium seating 22,500 in Hamilton
 - > an athletics and rugby stadium with a capacity of just over 3,000 seats on the York University campus
 - > an indoor velodrome with a capacity of 2,500 seats in Milton
 - > renovation of four running tracks.
- Amount: 206 million Canadian dollars, 142 million dollars (€110.5 million) for Bouygues Building Canada.
- Work dates: 2012-2014

Modernising the Iqaluit International Airport



- A 34-year PPP contract in the Arctic Infrastructure Partners consortium (Bouygues Building Canada, a subsidiary of Bouygues Construction, Sintra, a subsidiary of ColasCanada, Infrared Capital Partners, Winnipeg Airports Authority Inc.) for the financing, design, construction and operation/maintenance of a new airport terminal.
- Total amount of work for Bouygues Building Canada and Sintra: around 170 million euros, including €90 million for Bouygues Building Canada.
- Bouygues Building Canada and Sintra are responsible for the design and construction of the new 10,000 m² airport terminal, a related 4,500 m² services building and the rehabilitation and extension of about 400,000 m² of runway and aircraft parking areas.
- Work dates: 2014-2017