



GSE

A global player in
Corporate real-estate

Avignon

PRESS RELEASE

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GSE: STRONG TRENDS IN 2017 PROMISE SUSTAINED ACTIVITY LEVELS IN 2018

With a considerable increase in orders, GSE confirmed in 2017 its continuing growth and consolidating profitability.

2018 outlook: a longer order book ensuring a sustained level of activity

2018 began with a solid order book (€560 M), which guarantees the continuation of a sustained level of activity, with expected revenues of €550 million this year.

GSE's development is based on the strong trends in the industrial and logistics property markets in France and Europe, particularly in Germany. Internally, this growing market is mirrored by the company's drive to innovate in building design, digital modelling, working environment enhancement, and energy & environmental efficiency.

A significant breakthrough in the industrial sector

2017 came with a rebound in GSE's activity in the industrial sector, with more than €100M in orders – including a lab for EUROGENTEC-KANEKA in Liège (Belgium) and two “technocentres” for France's national train operator SNCF in Venissieux and Romilly-sur-Seine.

The breakthrough in the food industry is illustrated by significant operations such as the EAST BALT industrial bakery project and the construction of an 11,000 m² (118,000 ft²) plant for AGRANA FRUIT, a fruit-based food preparation specialist, in Changzhou, China, for which GSE supported its client throughout the project lifecycle – from the search for land to the design and turnkey construction of the building.

GSE's expertise in this field is demonstrated by the construction of a plant for the start-up YNSECT, in Dole, to breed edible insects for protein-rich animal feed.

The future plant and European head office of Japan's IRIS OHYAMA, a global leader in the manufacture of consumer plastics, in Lieusaint (Paris region), is one of the significant industrial projects added to GSE's order book in early 2018.

The services sector

In the field of commercial buildings, GSE completed the PERNOD RICARD UNIVERSITY campus in Clairefontaine-en-Yvelines, a BREEAM (very good) and HQE certified project, nominated for the SIMI 2017 Grand Prix. GSE was also commissioned by XENOCS to build its future head office in Grenoble.

The film industry is well represented, with the creation of the emblematic EUROPARCORP Cinémas La Joliette multiplex in Marseille, the foundation stone of which was laid in May 2017.

SME business driven in particular by GSE's product offering

GSE Régions offers small and medium-sized companies a local service through its network of branches in France, building production facilities, storage and office buildings for unit prices usually within the €2 to €5 million bracket. Orders in 2017 totalled €85 million.

2017 was therefore a pivotal year in the history of GSE Régions. The market is growing overall, but the business environment is becoming tougher, GSE Régions' product offering (CECODIA, MODULOG, IDEA'PARK) was a relevant asset and accounted for 37% of orders taken last year.

Logistics: nearly one million m² built

The dynamics of the logistics market in France continue to be driven by the logistical reorganisations carried out by major retail chains (more than half the end users of the facilities built) and by the building automation trend (nearly 50% of projects).

The logistics segment in France generated sales of €200 million in 2017 and ended the year with an order book of €230 million, boding well for 2018.

More than ten logistics platforms totalling approximately 400,000 m² (4.3 million ft²) have been delivered to major retailers, including three for E. LECLERC Group and three for CARREFOUR, including the emblematic Poupry site delivered at the end of the year (126,000 m² = 1.36 million ft²).

Overall, all the projects under construction in 2017 account for a total surface area of nearly 1 million m² (10.7 million ft²).

Emblematic retail projects

The group's Retail activity in 2017 was marked by the signing of major projects for top players, including the Galeries Lafayette project to completely remodel the technical sections its flagship Paris-Hausmann store, as part of its ambitious *Lumières* makeover. The Auchan group has entrusted GSE with redeveloping its *Les 4 Temps* hypermarket in Paris's business district of La Défense and refurbishing the sales areas of its Villebon hypermarket. In 2017, GSE delivered several retail projects, including the new Auchan supermarket in Villepinte (Paris region) and the Unibail Parly 2 BHV shopping centre.

GSE maintains its European and international presence

GSE continued to grow in Germany, with more than €100M of orders taken in 2017. Five logistics platforms totalling 86,000 m² (926,000 ft²) were delivered over the year.

In Hungary, GSE is building for AUCHAN the country's largest logistical platform, a 88,000 m² (947,000 ft²) fresh and dry product storage unit in Ullö. Work began in October and the project is due for delivery in August 2018. Also in Hungary, but in Belgium as well, GSE is pursuing its collaboration with the American medical equipment manufacturer BECTON DICKINSON.

The industrial laundry currently being built in Barcelona, Spain, is the second unit entrusted to GSE by the ELIS group, after the one built in 2017 in Aix-les-Bains, France. Construction on a third, in Nantes, will begin later in 2018.

ABOUT GSE

GSE is a major player in commercial property and the leader in the "turnkey" market. GSE oversees all design, construction and/or renovation work with a promise on price, deadlines and quality.

The company is managed by CEO Roland Paul. It employs 367 people and generated revenues of €429 million in 2017, carrying out a total of 70 projects.

A division dedicated to agribusiness accompanies the industrial companies on their management of flows, logistics, storage, process and cold equipment. GSE has a very high expertise / know how of high-bay storage with the implementation of automated stacker cranes.

GSE RÉGIONS, a member of the GSE group (formerly CCR), is the leading French national network of design & build turnkey contractor. Its 12 branches located throughout France build real estate projects for industrial, tertiary, logistics and commercial SMEs.

GSE is established in Europe and China.

PRESS CONTACT

Galivel & Associés - Carol GALIVEL / Valentin EYNAC

21-23, rue Klock – 92110 Clichy

Tel: +33 (0)1 41 05 02 02 // Fax: +33 (0)1 41 05 02 03

galivel@galivel.com // www.galivel.com

GSE - Isabelle TESSIER

Communication Manager

itessier@gsegroupe.com // www.gsegroupe.com