Two billion Euros in sales: this was the new record set by Forclum in 2006. For the second year running, this increase in activity of almost 15%, accompanied by sustained profitability that ranks among the industry’s highest, can be attributed to a solid foundation that will no doubt ensure a repeat performance over the years to come: multi-trade networking efforts were continued in France and sales figures throughout the European Union were fairly balanced.

Simultaneously, the process of standardising company names has been launched on the basis of three easily recognised names: the number of legal entities will also be streamlined whilst preserving the geographical network. This re-structuring, which is also to be extended to our European subsidiaries, will further strengthen the Group’s credibility and renowned image, validating our recently-earned reputation of key player in the field of large-scale projects. The high-speed rail network linking Perpignan and Figueras, the Sud Francilien hospital facility and a program for the maintenance of four prisons and the Dijon university hospital facility: the synergies and transversality between Forclum and Eiffage’s other branches are a major element not only in terms of recently acquired concession contracts or PPPs but also with regard to the hundreds of regional worksites currently under management.

This performance alone would not suffice without the implementation of the Group’s sustainable development policy. By personally launching its program in 2006 which unites environmentally friendly measures, performance and steering indicators, the capitalisation and sharing of knowledge, innovation and new technologies and ensures the safety, integration and motivation of staff members at all levels, Forclum has paved the way to future success.

Benoît Heitz, President
Information and energy network projects

- Electrical posts and lines
- Urban and architectural lighting, signals
- Infrastructure and telecommunications
Forclum’s 3 missions
Designing

Forclum perceives business in the same manner as its customers and demands the same results, embarks on the same endless quest for innovation and possesses an outstanding range of multi-technical capabilities that serve as a benchmark in France and throughout Europe.
Transversal by definition

“Multi-technical” means that Forclum knows and masters an array of complex technologies applied to the design, installation and maintenance of information and energy systems and networks. This means being able to comprehend and manage the numerous interventions involved, imagine a project from the customer’s point of view and adapt it to the customer’s existing installations and tune in on the customer’s activity. This implies both a number of specialisations and an effective collaboration. Combining these talents, ensuring the consistency of all trades and making certain that all local units are able to meet demands of any kind or are able to seek out the required skills within the Group are all makings of a high-profile, European, multi-technical player. Forclum’s key asset is defining and organising the synergies of its subsidiaries, teams and information tools and sharing good practices.
ARCHITECTURAL LIGHTING

Police headquarters (21st century) located within the Noailles hotel building (19th century) in Marseille’s 13th precinct

Once the city’s largest hotel, only the façades were maintained and the rest of the building was refurbished by Eiffage Construction. Electrical, heating and air-conditioning systems were installed by Forclum Méditerranée. Particular attention was paid to ensuring the security of the premises via video: monitoring access to the premises and video surveillance both inside and outside the police headquarters using camera domes.
Lighting and signals

The growing number of transport infrastructures has enabled the Group to make the most of its complementarities.

In Valenciennes (department of the Nord), Forclum Réseaux Nord completed the tramway circuit’s lighting system and traffic signals in collaboration with Eiffage Travaux Publics.

A full range of trades

Forclum is a branch of the Eiffage Group that, through synergies developed with the Group’s other branches, is able to meet the wide array of customer needs. Building and public works, multi-technical installations and concessions all work together for the design and completion of projects from A to Z (high-speed rail network linking Perpignan and Figueras, Sud Francilien hospital facility). Forclum organises its local entities so as to ensure a global offer that includes all trades throughout France and Europe.

External growth, which has been quite significant these past few years and even more so in 2006, makes it possible to re-structure and reinforce this network of territories and expertise. The acquisition of new companies is more than just a financial strategy, it also follows in the footsteps of a logic that aims to establish a multi-functional collaboration across the continent. In France, ten or so businesses teamed up with Forclum during 2006. These businesses contribute to the positions and skills of the South-Western and South-Eastern regions or provide specialisations in the field of climatical engineering (Ile-de-France, Antilles) or mechanical engineering (Normandy).
STRONG GROWTH THROUGHOUT EUROPE

The Group's positions were particularly strong in Belgium (Collignon, electrical engineering), Italy (Grossi & Speier, environmental engineering) and Germany where the buyout of NAT, a company specialised in electrical maintenance and industrial automatism, has resulted in the Group's presence in Austria, Hungary, Great Britain and Ireland. The buyout of numerous companies in Spain (Helcosa, Sectrol, Lectro 90, FM2) and Portugal (JJ Tomé) in the electrical engineering sector completes the Group's range of expertise and geographical mobility, promoting the development of synergies between all trades of the multi-technical installation within a rapidly growing market.

On-site maintenance
Maintenance of BMW's technical facility located in Munich (Germany) entrusted to the subsidiary NAT.

Energy production
Installation of a wind-turbine farm by the Spanish company Sectrol.

“a continent-wide, local, multi-functional network”
New commercial tools

Organising this transversality involves an active willingness and making teams work together which in turn requires the use of a shared language and tools. In 2006, Forclum set out to equip itself with new devices capable of improving the quality and consistency of its offers. Trade forums regrouping industry players have been formed providing the opportunity to promote and discuss the best management practices in terms of public lighting, climatical engineering, information technologies and multi-technical maintenance.
The exchanges and analyses of these experts have made it possible to define reference guides aimed at improving the activity and collaboration alongside customers, promoting the creation of lasting partnerships.

Also, two databases — one concerning skills and the other concerning the references of each Forclum entity — provide a precise overview of all possible synergies.

Each entity is now able to find a suitable partner within the Group for the completion of a multi-technical services offer. New, more appealing offers that are more easily tailored to customer’s needs have been developed. These offers cover the entire customer relations chain and better represent the flexibility of Forclum’s service through quality offers established within a reduced timeframe which leaves more time to take care of customer relations.

“new instruments for improved quality and consistency of offers”
Project design means mastering new technologies and staying one step ahead

A cutting edge of the Group is Forclum Ingénierie, a subsidiary entirely dedicated to project design and engineering. It assists the regional subsidiaries by taking care of all engineering on large-scale operations such as public-private partnerships. Therefore, in collaboration with Eiffage’s other branches, Forclum has been able to take advantage of its renewable energy networks expertise by developing solutions to be applied to the future Sud Francilien hospital facility, a project awarded to Eiffage.

Also, the company’s railway signal and radio communications specialists are currently working on the latest technologies to be used for the high-speed rail network project between Perpignan-Figueras by 2009.
Alongside the structures established within each subsidiary, Forclum also has a structure entirely dedicated to engineering. With over a hundred specialised engineers on two sites, the company is able to handle any problematic and engineering study related to the most complex projects and technologies in the field of energy and information systems.

TRANSPORT INFRASTRUCTURES: RAILWAY SECURITY

Safer and more pleasant working conditions on rail networks. For its own teams, one of Forclum Transport’s main customers, the SNCF (French railways), uses equipment that was developed by staff at Forclum Transport for the staff of Forclum Transport. This safety equipment is suited to all weather conditions and all work stations, shielding both the technician and the equipment being connected.

Also, Forclum is in charge of the project for the development of systems used to monitor the access, security or heating/ventilation/air-conditioning systems of the future prisons under concession who have been awarded to Eiffage. Along with the associated costs, engineering studies systematically seek to optimise operating and maintenance costs. Forclum guarantees its customers a global and transparent vision of their projects over a long-term horizon.
Forclum, just like Eiffage, abides by values of responsibility and commitment. The business is above all a commodity that belongs to all those who work there and this fosters a sense of commitment, not only among the employees themselves but also toward customers and the world around us. For Forclum, involvement, willingness and sustainable development are an active part of the Group’s activity each and every day.
values
We’re in this together

The women and men behind Forclum are, as in all other branches of the Eiffage Group, strongly involved in employee share ownership programs that represent a significant portion of the company’s capital to the extent that they exceed that of any other economic player of this scale. This involvement is constantly on the rise as can be seen by 2006’s increase in capital that was dedicated solely to our employees. This commitment to the future of both Forclum and the Group means not only a strong sense of belonging to the company but also a mutual and collective trust. Our employees are indeed “team players” who actively participate every day and make plans for the future, together. This foundation enables those who must make decisions that will impact on the company’s future to do so with a sense of confidence and serenity that others can only envy. Forclum is part of a group that knows how to rely on its own strengths and the loyalty of its employees.
Within a group of almost 60,000 employees (Eiffage), of which 90% are also shareholders of the company, human potential must be taken into account more so than anywhere else. Forclum is actively continuing its policy for the recruitment of young adults: among the new employees having joined the Group in 2006, almost 1,000 were under the age of 30. In 2006, more than 12,000 were granted a work-experience period, of which 60% were labourers. Forclum has also prepared a “mobility charter” alongside its social partners that establishes specific rules and commitments in terms of in-house mobility. Since September 2006, all information concerning job openings within the Group has been made available to each and every employee.

A partner that’s always on hand

Forclum works alongside industrial, public or service sector players that do not have the luxury of time. Whether it be managing the energy distribution of a hospital or a power station or monitoring the information networks of a high-tech factory, most of Forclum’s trades require both availability and efficiency at all times. The missions handled by Forclum are a permanent part of the production process, of the service itself, and are therefore very delicate. The outstanding involvement of Forclum’s employees and the high performance of their techniques make it possible to establish true partnerships with even the most demanding customers: the words customer service say a lot. You would not entrust something you hold dearly to just anyone and hope that partner takes care of it just as well as you would have. The missions entrusted to Forclum are proof that being there for the customer pays.
A single multi-role

Forclum has developed complementarities between its various trades in order to offer customers "turn-key" solutions. A single point of contact simplifies the entire project process, even the most complex. Forclum has been a reputed multi-technical provider for decades now and this tradition ties in perfectly with current market demands be they within the public, industrial or service sectors.

HVA /HVB
Electrical distribution
Forclum is France’s leader of EHV lines and posts. The company works alongside RTE, manager of the EDF (French electricity company) network, on a regular basis for the installation of new lines, the maintenance of existing lines, the disassembly of old lines and the burial of networks. For example, Forclum Massif Central used helihoisting techniques to remove old pylons from a precipitous region in Ardèche.

Floodlighting
For quite a few years now, the subsidiary BMM has been in charge of installing floodlights for the Christmas season on one of the most prestigious avenues, the Champs-Elysées. Nearby avenue Montaigne also basks in the same magical light.
COMMUNICATIONS NETWORKS

Tech Audio was involved in all aspects of the stage management network used in the Pleyel theatre in Paris (audiovisual, sound, inter-communication and video equipment, floodlights). Fully refurbished, this theatre is now one of the most renowned concert halls in terms of sound quality.

point of contact

Forclum is able to adapt to the scale and involvement of these projects by considering the project from the customer’s point of view. From mono-technical installations to multi-technical, multisite operations, expertise unites with operational techniques. Thanks to its past experience in designing and maintaining projects, Forclum has the cutting edge today when it comes to offering the most innovative solutions.

HVA distribution, environmental engineering and telephone networks

The Italian subsidiary Elettromeccanica Galli has spent the past few months working on the construction of a new technical centre in Milan for Vodafone. Galli is in charge of installing all electrical and information systems including networks specifically intended for a call centre that handles communications for all of Southern Europe. Through the integration of Grossi & Speier, specialised in environmental engineering, Forclum is now able to provide Italy’s service and industrial sectors an integrated, global, multi-technical installation offer.
Energy becomes the central issue in a world that has become interdependent. Limited fossil energy resources, the greenhouse effect caused by existing production methods, pervading waste: it’s time to make some major changes to the way we do things. Objectives in terms of economic growth must now account for the reality of their environmental and societal impact. Forclum’s activities represent the very core of the issues surrounding sustainable development: energy, urban networks and utilities, transport infrastructures, production methods.

In light of this delicate situation, groups involved in energy construction and management are among the first players that must act, now. Forclum has decided to make sustainable development more than just a notion to reflect upon: it’s a hands-on, transversal strategy that is put into action by each and every subsidiary. As for all Eiffage branches, Forclum has started to consider the environmental impact of all of its activities within the scope of a vast “carbon audit”.

**Renewable energy**
Forclum is exploring all renewable energy avenues and technologies. Along with photovoltaic solar panels of all kinds, Limpens has been chosen to install all pilot energy management installations for Brussels’ Renewable Energy House (a photo of a wood-fired condensation boiler).
Forclum Val de Loire has become an expert in solar energy solutions throughout the Centre Poitou-Charentes region. This expertise has earned an in-house and external name that benefits all Forclum subsidiaries on a regular basis. One of the many projects completed by the company's teams is the installation from A to Z of photovoltaic panels on Dexia's office building in Bourges (department of Cher).

From the materials to the means of transport used by the employees or the production methods used by the service providers, nothing was left to chance.

In 2006, the subsidiaries completed an environmental analysis of their respective sites and activities in collaboration with the Environmental Quality Directorate. The sharing of "environmentally-friendly practices", derived from the consolidation of the subsidiaries’ individual results, has been launched via the Intranet. This same sharing of experience has also been initiated in terms of handling emergency situations and related tests. The Environmental Guide (the Water and Waste section in particular) has been updated and includes new procedures (Fuel Storage and Distribution, Motor Repairs).

Heating, ventilation and air-conditioning

Forclim Sud Ouest has completed the heating, ventilation and sanitary hot water production (ECS) systems of a new office building (500 m²) located near Périgueux (department of Dordogne) for SMD3 (Syndicat mixte départemental des déchets de la Dordogne). Ventilation has been coupled with earth-cooling/warming tubes that cool down the summer air (and heat up cold air in winter); thermal solar sensors provide sanitary hot water and heating using horizontal geothermics associated with a water/water heat pump all of which is operated by a central technical management system. This building has been awarded the High Environmental Quality (HQE) label.

ENERGY PRODUCTION

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Forclum Aquitaine masters the co-generation technique perfectly. By producing electricity and heating from a combustible (usually gas), carbon-producing energy consumption is optimised. In the Marmande region (department of Lot-et-Garonne), the construction and maintenance of such a station whose civil engineering was entrusted to Eiffage Construction fully heats a tomato farming greenhouse of 8 hectares.

Forclum puts its thoughts into action, offering its customers new solutions for regulating public lighting consumption and new civil engineering possibilities that consume less energy and by investing in renewable energy technologies such as photovoltaic solar panels, wind-turbines and co-generation stations. Sustainable development however implies more than just taking environmental issues into consideration when defining strategies; it also requires that all employees stand by a shared project of sound and socially responsible economic growth. In a company that has over 17,000 employees and that recruits hundreds of new employees each year, the issues that impact on mankind are obviously a priority.

**SOCIAL COMMITMENT**

A sustainable development policy is not limited to a few environmentally friendly actions. The social underpinning is one of the main factors in play. The physical safety and integrity of our employees, recruiting and building the loyalty of new employees, training and internal mobility are all priority actions taken by the Human Resources department which has established a decentralised network of regional leaders in charge of relaying and promoting these actions on-site.
First of all, work safety represents the very core of the system of values established. Each subsidiary, in every region, has implemented a safety actions plan that is consistent with the company’s guidelines for the reduction of work-related accidents. Each journeyman, each team leader is responsible for taking charge of the matter on a daily basis.

An analysis of the specific risks related to our trades and the implementation of appropriate measures, the launch of a safety-management training program intended for managers and team leaders, on-site security audits carried out by superiors, regular 15-minutes safety information sessions and the preparation of a safety brochure for new employees are all major actions taken in 2006. These actions have reduced the number of work-related accidents by 20% and the seriousness rate of these accidents by 18%.

Along with the recruitment of almost 2,000 new employees, efforts were especially directed at promoting apprenticeships and work-school programs aimed at young adults seeking to join the Group and learn its trades. A mobility charter defines Forclum’s commitments in terms of promoting the career development of its employees. Priority for job openings goes to persons already employed within the Group and all job offers are published on the Group’s Intranet and relayed to each subsidiary, making them available to all employees.
Designing, building and operating technical infrastructures for its customers has always been the core of Forclum’s activity. Forclum is present throughout the life cycle of its creations, establishing a long-term partnership that involves providing specialised maintenance services.
tomorrow
“keeping pace with the changing industry of maintenance activities”

The world is evolving, markets are opening, structures are becoming more and more complex and regulations are constantly being amended. Environmental legislation, public market rules, new types of financing: within this ever-changing environment, customers are re-structuring their activities and seek expert industry partners that are able to provide them with the added-value that will enhance the performance of their infrastructures and stay focused on the true core of their business. Economic players have gone from considering a structure to be a simple asset to requiring that a structure offer a certain utility.

Customers no longer purchase the structure but the functionality, a catalogue of services that revolves around an installation that can be disassembled or replaced. Whether we’re dealing with machinery-tools for a production centre, information networks in an office building or a city’s public lighting and video surveillance system, being able to define the long-term cost of operating a structure is key for the originator of a contract.

This is the best angle from which to view the significance of this emerging market and Eiffage’s success in obtaining public-private partnerships contracts and concession-type projects.

New perspectives

Multi-technical maintenance
Total oil refinery in Gonfreville-l’Orcher (department of Seine Maritime)
Norelec Val de Seine collaborates alongside one of the oil group’s largest refineries on a permanent basis so as to ensure the customer’s efficiency and compliance with safety regulations.

Multi-technical maintenance
Total oil refinery in Gonfreville-l’Orcher (department of Seine Maritime)
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Building partnerships

Forclum’s choice of a decentralised structure is based on the autonomy and responsible attitude of its local operational units. On a day-to-day basis, this structure makes Forclum more accessible for its customers, enabling it to provide solutions that meet their needs on a long-term basis thanks to its teams, its values and its skills. To ensure the operation and maintenance of a structure, Forclum must be in a position to be there for its customers once the project has been designed and completed to assist the customer in using the installation. From this point of view, maintenance is a key factor in Forclum’s offer and all efforts are made to ensure that its trades evolve with this vision and leverage on its installation experience as a definite advantage when it comes to being a partner in the operation of a structure. It is no longer unusual to be present throughout the entire life cycle of a structure: a number of Forclum’s teams are based on customer sites for the purpose of operating and maintaining structures.

STAYING AHEAD OF DEMAND

A multi-technical contract with France Télécom in Loire-Atlantique and Vendée and the maintenance of France Télécom infrastructures. Jeanneau Electricité has carried out high-tech tasks for France Télécom such as the detection of line defects, recording service disruptions, ADSL connections and the configuration of new, micro computing communications services. As for Forclum Infra Sud-Est, it is in charge of overseeing the infrastructures and networks managed by France Télécom in the regions of Auvergne, PACA and Rhône Alpes and intervening as necessary. In the event of a crisis, a rapid response team comprising technicians and repair equipment is deployed to the affected site.
Efficiency, performance and service

The shared history of PSA and Forclum goes back to 1993. Initially in charge of the construction and maintenance of control panels on the Vélizy and Carrières-sous-Poissy sites, the subsidiary EGEA progressively expanded its scope of activity as a result of its multi-skilling and the motivation of its teams. For two years now, full-time employees have been working on test cabin compartments and control panels which are a kind of motor trainer used to approve motor performance standards (consumption levels and pollution rates). Automatism, heating, ventilation, air-conditioning (in collaboration with Forclim Normandie), gas analysis, instrumentation, etc.: there’s nothing they can’t handle.
PROVIDING MAINTENANCE SERVICES

Docking for Air France Industries
At both the Orly and Roissy airports, EGEA provides maintenance on all types of docking for Air France Industries. These platforms enable mechanics to reach all areas of the aircraft during verifications. There is a specific dock for each type of aircraft.

EGEA’s interventions range from basic mechanics used for the Boeing 747 docks to the operation of robotics on more recent docks used to service the Boeing 777 or the Airbus A340.
Numerous persons work on the Roissy or Orly sites where EGEA is also in charge of two other contracts: the maintenance of machine-tools (bench grinders, drill presses, milling machines, etc.) and equipment used to treat aircraft surfaces such as sandblasters, shotblasters, high-pressure washing facilities, etc.
Maintenance, a true trade for Forclum

Forclum intends to make its mark among those companies that specialise in maintenance activities. “We must never complete a construction site without having offered our customers a maintenance contract.” This is more than just a simple statement, it’s a desire to make maintenance activities strategic elements in the company’s growth.” And it goes without saying: there are real perspectives for growth that also coincide with real customer demand. This makes the company attentive to its customers’ needs and enables it to better understand their expectations and position itself as an essential partner that can be relied on time and time again.

This is a corporate logic that goes hand in hand with a dedicated structure offering teams of true specialists.

GLOBALISING THE OFFER

The operation and maintenance of the Debrou retirement home in Joué-les-Tours [department of Indre-et-Loire]. For the third time and for a seven-year term, Forclum Val de Loire has been chosen by the Debrou retirement home for the maintenance and operation of its heating, ventilation, air-conditioning and electrical systems. Along with a 7% reduction on operating costs, energy costs have also been optimised over the duration of the contract.
The advantages of maintenance

Forclum has also established a trade group that equips this maintenance activity with all possible advantages. The creation of shared tools (commercial presentation, outline quote, outline contract, range of services...), employee training programs, the development of a computer-assisted maintenance management application, the sharing of experiences, objectives...: there’s no doubt that Forclum has managed to effectively position itself in the field of multi-technical maintenance.
Forclum’s key figures
The continued pursuit of an external growth strategy

This was materialised by the integration of twenty or so new companies: in France, these companies complete Forclum existing skills in the aim of further strengthening either the regional network (South-West and South-East) or specialised activities such a climatical engineering or mechanical engineering. At European level, the new companies integrated late 2006 and early 2007 represent at least an additional 200 million euros over a full year and will contribute to the objective of recording one-quarter of sales in Europe within the next two years. This increased presence in numerous countries (mainly in Spain — Catalonia and Navarra — but also in Portugal, Italy, Belgium and Germany) will balance out the risks related to the economic situation in terms of both trades and the countries involved.

A CLOSER LOOK AT EXTERNAL GROWTH IN FRANCE AND THE OVERSEAS TERRITORIES (DOM-TOM)
Forclum’s European growth
Designing, establishing and sustaining are the three cornerstones of Forclum’s expansion. If these aspects are mastered, Forclum will be able to provide a global and consistent multi-technical offer to all of its customers within all territories covered.

Customer loyalty and the regular renewal of contracts over a period of many years now is proof of the quality of Forclum’s service. The constant will to achieve external growth shall enable the Group to enhance its expertise in speciality trades or further develop its geographical network of establishments in France and throughout Europe. As do concession and multi-technical maintenance activities, the integration of new subsidiaries offers great potential for further growth and a better distribution of risks among the various trades and countries. It also guarantees a high level of recurrent economic performance.

Such performance rose again in 2006 whilst abiding by the main values that ensure the Group’s success: entrepreneurial spirit, innovation, employee involvement and loyalty, being attentive to the customer, respect and transparency of commitments.

In addition, greater synergies in terms of skills and resources are developing not only between the Group’s subsidiaries but also between the other trades of the Eiffage Group. No matter the size of the worksite being handled, Forclum applies the same motivation and professionalism in order to satisfy its customers and offer global energy and information network and systems solutions for their buildings and equipment.