SGS INVESTOR DAYS 23-24 SEPTEMBER 2010, ROUEN

FRANCE@SGS

Fabrice Egloff – Managing Director SGS France

September 2010

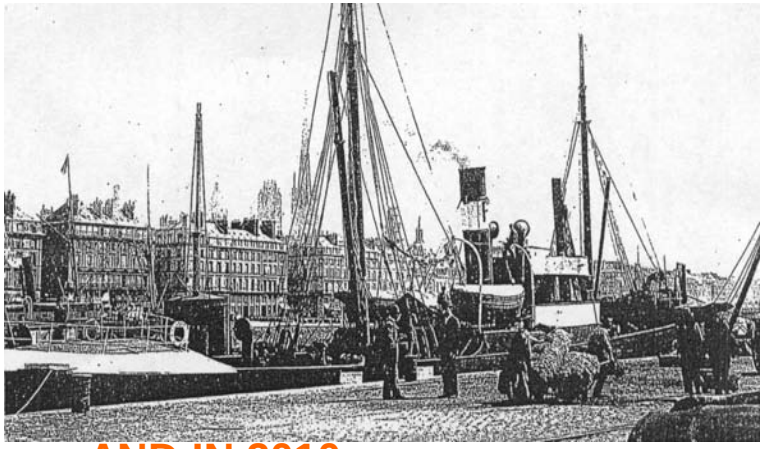
WHEN YOU NEED TO BE SURE

SGS

OUR COMPANY JOURNEY STARTED HERE IN ROUEN…

- Founded in **1878 in Rouen**
- Registered in Geneva in 1919
- **SGS France** development is a mix of organic growth & acquisitions and adaptation to changing environment:
  - 30's: Laboratories
  - 80's: Industry, Environment
  - 90's: Certification and Consumer products
  - Since 2000: Automotive and Life Sciences

THE PORT IN 1880…



… AND IN 2010



© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

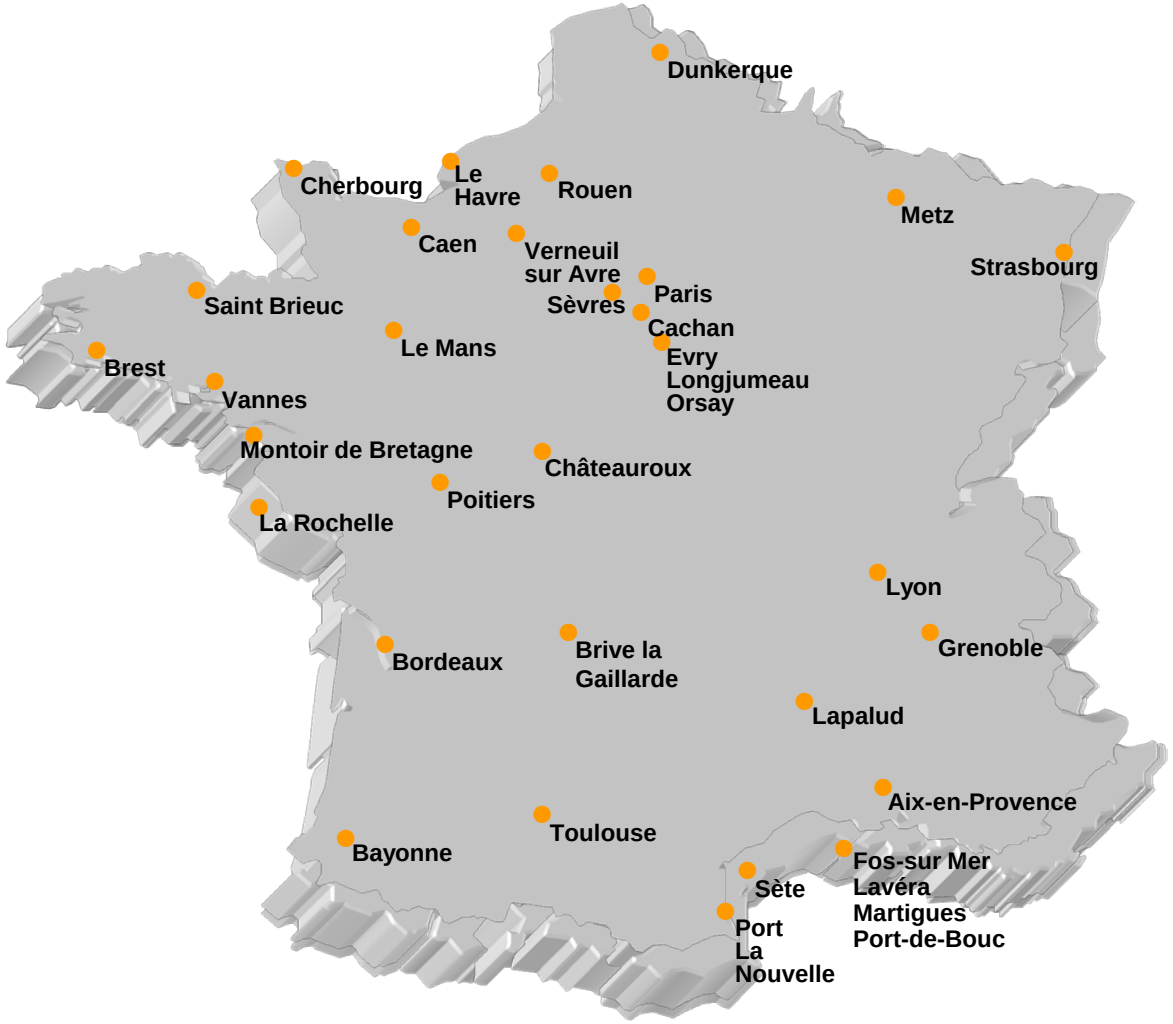
OUR TEAM FOCUS ON



- Growing new businesses
  - A workforce which doubled in 6 years with **2 400+ employees** mid 2010
  - ~500 recruitments in 2010
- Developing our expertise and leadership
  - Training program: 2%+ of personnel expenses
  - 60% of staff received training in 2009
  - Growing talent pool

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

OUR NATIONAL NETWORK



© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

OUR NATIONAL NETWORK

- Head office in Cachan Paris
- 60 branches / offices
- 23 laboratories
- 1 800+ franchised vehicle testing centers, 45 owned, 2 networks

SECURITEST
CONTROLE TECHNIQUE AUTOMOBILE
RÉSEAU SÉCURITEST – GROUPE SGS

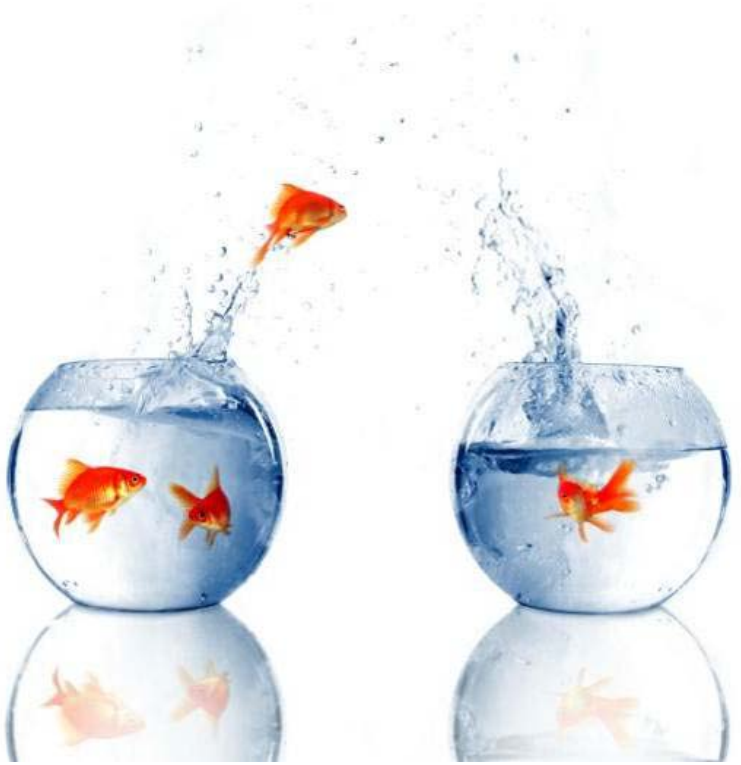
AUTO SECURITE
RÉSEAU AUTO SÉCURITÉ – GROUPE SGS

- 67 Cofrac accreditations
- Numerous client and official approvals

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

OUR ROLE TO LEVERAGE SGS NETWORK

- Marketing and international sales
- Competence center and technical support
- Research and Development
- Develop, drive and replicate new and innovative services
- Develop synergies with other affiliates



© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

OUR MARKET LEADERSHIP IN FRANCE

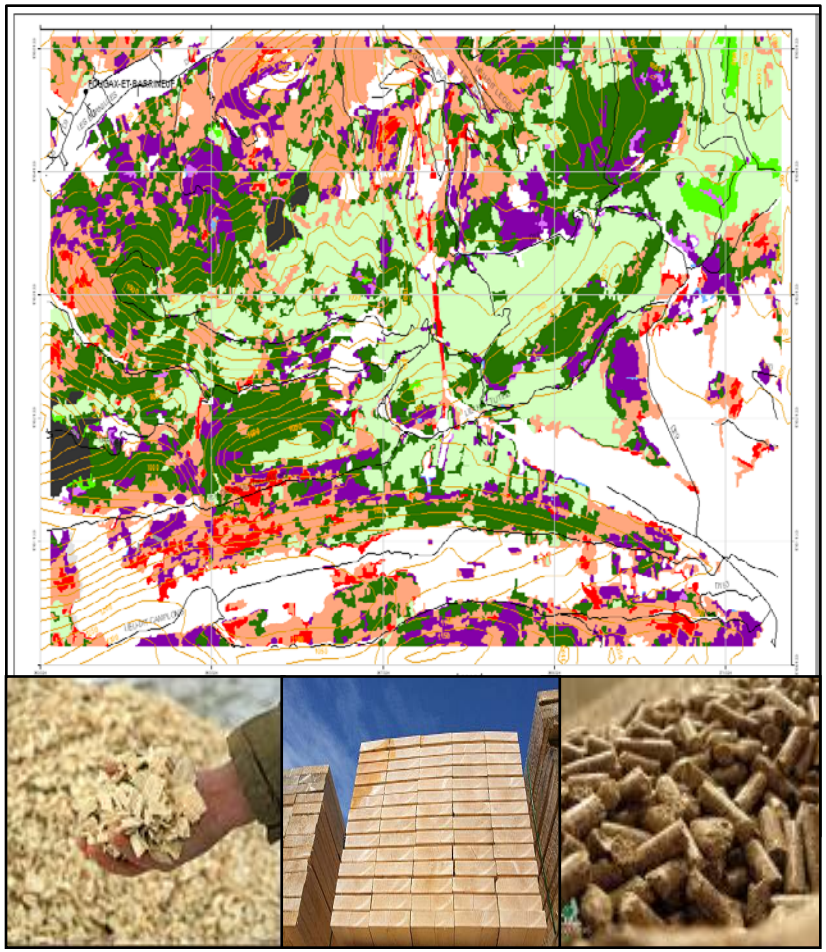
- **Leading position** in all 10 businesses delivering our core services
  - Testing
  - Inspection
  - Certification
- **Innovative growth** in a market driven by
  - Regulations
  - Outsourcing for productivity, quality and expertise
  - Globalisation

- AGRICULTURAL SERVICES
- MINERALS SERVICES
- OIL, GAS & CHEMICALS SERVICES
- LIFE SCIENCE SERVICES
- CONSUMER TESTING SERVICES
- INDUSTRIAL SERVICES
- ENVIRONMENTAL SERVICES
- AUTOMOTIVE SERVICES
- GOVERNMENTS & INSTITUTIONS SERVICES
- SYSTEMS AND SERVICES CERTIFICATION

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

AGRICULTURAL SERVICES

SGS FRANCE IS MARKET LEADER ON ALL COMMODITIES



Development in forest and wood products

- Investors in timberlands are looking for sustainable returns
- EU27 develop and diversify wood products use over a wide range of businesses under sustainable good practices (Construction, Energy, Furniture)
- Initiative focused on AGRI for upstream market in synergy with CTS & Minerals dealing with final consumer downstream

Forest Inventory Tool (FIT):

- Unique method combining remote-sensing and in-field expertise
- Partnership with a leading space imagery company
- Standardised service useable over all temperate forests Worldwide
- Significant SGS competitive offer regarding timberlands assets monitoring on large scale

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

AUTOMOTIVE SERVICES

MARKET LEADER FOR STATUTORY INSPECTION

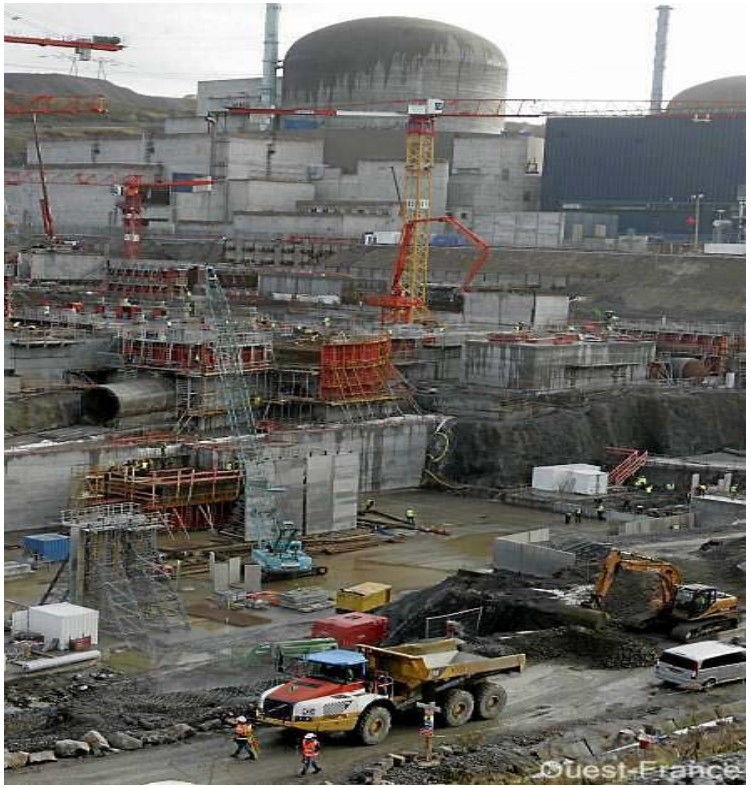


Speed camera project

- New legislation, published in June 2009, stipulates that all verifications must be carried out by independent verification companies
- Competency identified in SGS Australia which provided training and support to prepare tender
- Received our license on 31st Dec 2009 and won exclusive contract from Sagem
- Initial and Periodic Verifications started for 2 500+ Speed Cameras

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

INDUSTRIAL SERVICES MARKET LEADER IN NUCLEAR POWER SECTOR



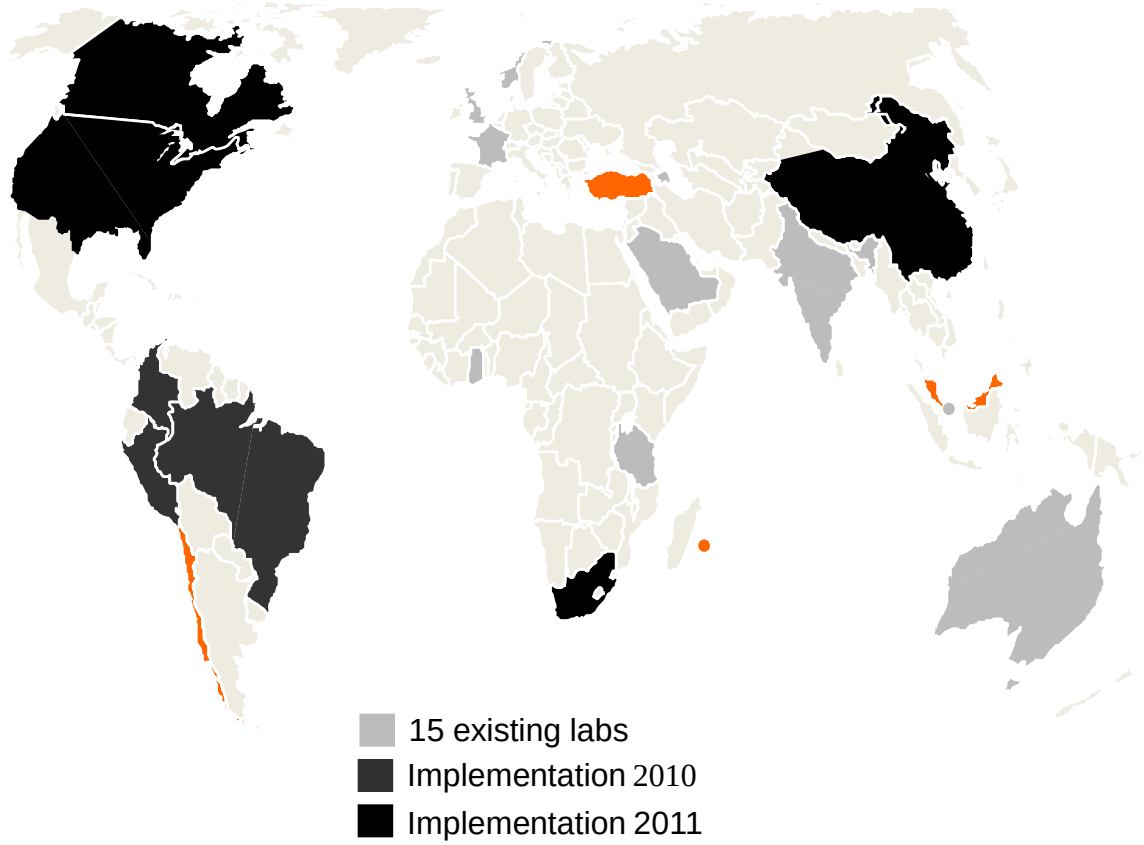
- Nuclear Energy
- Currently a major growth driver for Industrial Services
- Large range of specific services developed in France
  - NDT for nuclear environment
  - Radioprotection
  - International inspections
- Market is short of qualified people
  - SGS Academy: 80 people hired, trained and qualified in 2009
- Long term partnerships with EDF and Areva give opportunity to develop international services (Finland, China, Italy…)

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

OIL, GAS & CHEMICAL SERVICES

SGS FRANCE IS MARKET LEADER

SGS VERNOLAB GLOBAL LOCATIONS



Over 500'000 samples per year

Used oil testing

- SGS acquired Vernolab, ex Shell subsidiary in 2004
- This laboratory located in France is specialised in lubricated equipment diagnosis based on used oil testing
- The Centre of Competences provides support to SGS affiliates for implementation of dedicated labs providing services to local lubricants users in all sectors: mining, marine, transport, industry...
- SGS used oil testing network is developing very fast, with 15 laboratories today, SGS group expects to be the top global provider of this service in 2011

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

THE COSMETIC INDUSTRY
THE STORY BEHIND THE SYNERGY
CTS, LSS, GIS & SSC



- One team to focus on a market segment combining the strengths of 4 business lines
- Unique global SGS offer for the cosmetic industry and added value services to cover
  - Sustainability
  - Packaging
  - Exportation
  - Quality
  - Security
  - Performance
- Realisation of a global sales kit and organisation of cross business event

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

THE FOOD INITIATIVE
ACROSS AGRI, SSC, CTS



- One SGS voice (Team Leader concept) for securing industrial risks, fulfilling food safety constraints and sustainability throughout the whole supply chain
- One unique added value service offer including:
  - Inspection
  - Fumigation & Pest Control
  - Technical Audits – Engineering on raw material sourcing
  - Certification
  - Testing

© SGS SA 2010 ALL RIGHTS RESERVED - FINANCIAL COMMUNITY – 24 SEPTEMBER 2010.

SGS INVESTOR DAYS
23-24 SEPTEMBER 2010, ROUEN



2014 FOR THE COMPLETE PICTURE

WHEN YOU NEED TO BE SURE

SGS