MITUXA

BEYOND THE OBVIOUS

PREMIUM RESEARCH REPORT

23 JULY 2026

EIFFAGE

The debt is visible.
The compounding engine is not.

Concessions fund duration. Energy Systems lifts quality.
The core is priced like a contractor.

EPA: FGR | Reference price: €121.60 at 24 July 2026 close

The ex-Getlink core trades at ~9× while quality is rising

The balance sheet is cleaner than headline debt, and the five-year return clears our hurdle.

BUY	€121.60	€224	€108–115
MITUXA RATING	REFERENCE PRICE	BASE VALUE	PREFERRED ENTRY
Accumulate in tranches; preserve entry discipline.	24 July 2026 close.	Base-case five-year total value.	Preferred full-size entry zone.

5 YEARS	MEDIUM	4 / 5	13.0%
Horizon	Risk	Business conviction	Base-case CAGR

MITUXA VIEW

Buy the concession-backed compounder — but keep entry discipline.

Sources: [1] [3] [8] [14] [15] | MITUXA valuation model.

Two truths define the case — and both are mispriced

THE BUSINESS

Cash duration and Contracting quality are improving together.

- Concessions supply 64% of segment profit from 16% of revenue.
- Energy Systems reached 6.2% margin and 51% of Contracting profit.
- Q1 order book reached €31.1B, up 5% year over year.
- Holding + Contracting ended 2025 with >€1.5B net cash.

THE STOCK

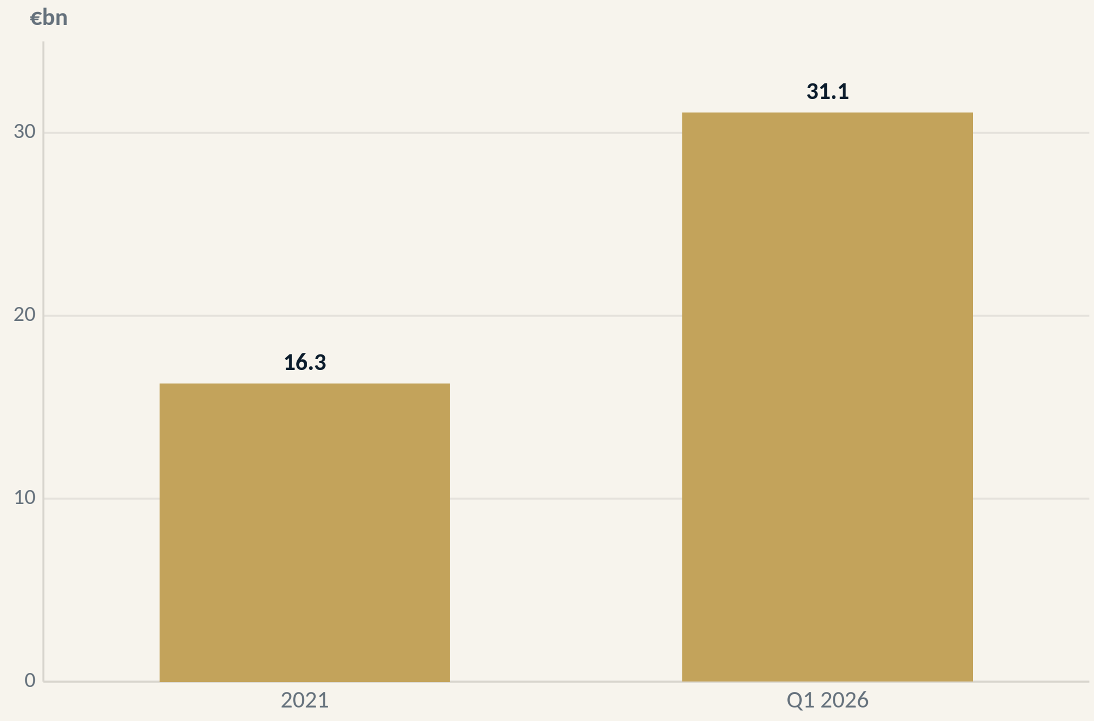
At €121.60, the market still prices a leveraged contractor.

- The 29.4% Getlink stake is worth about €3.0B.
- Ex-Getlink core is valued at roughly 9× 2025 earnings.
- 2026 consensus EPS implies 10.9× P/E; dividend yield is 3.9%.
- APRR expiry and France risk explain part — not all — of the discount.

Sources: [1] [3] [7] [8] [14] [15].

Europe's capex cycle is already visible in Eiffage's order book

Energy, mobility, defence and digital infrastructure all require scarce local engineering capacity.



+91%

CONTRACTING ORDER BOOK

€16.3B to €31.1B, 2021–Q1 2026.

Electrification, renewables, rail, defence, data centres and industrial sovereignty all require local execution. Eiffage's 100,000-project footprint converts the same European bottlenecks into repeat work across Energy Systems and Infrastructure.

Sources: [2] [3] [4].

Four engines have radically different economics

INFRASTRUCTURE

€9.2B

2025 REVENUE

Roads, rail, civil works, metals and materials. Scale is high; operating margin is 3.5%.

ENERGY SYSTEMS

€8.1B

2025 REVENUE

Electrical, industrial, HVAC and digital services. Margin is 6.2%; the fastest-improving profit pool.

CONSTRUCTION

€4.1B

2025 REVENUE

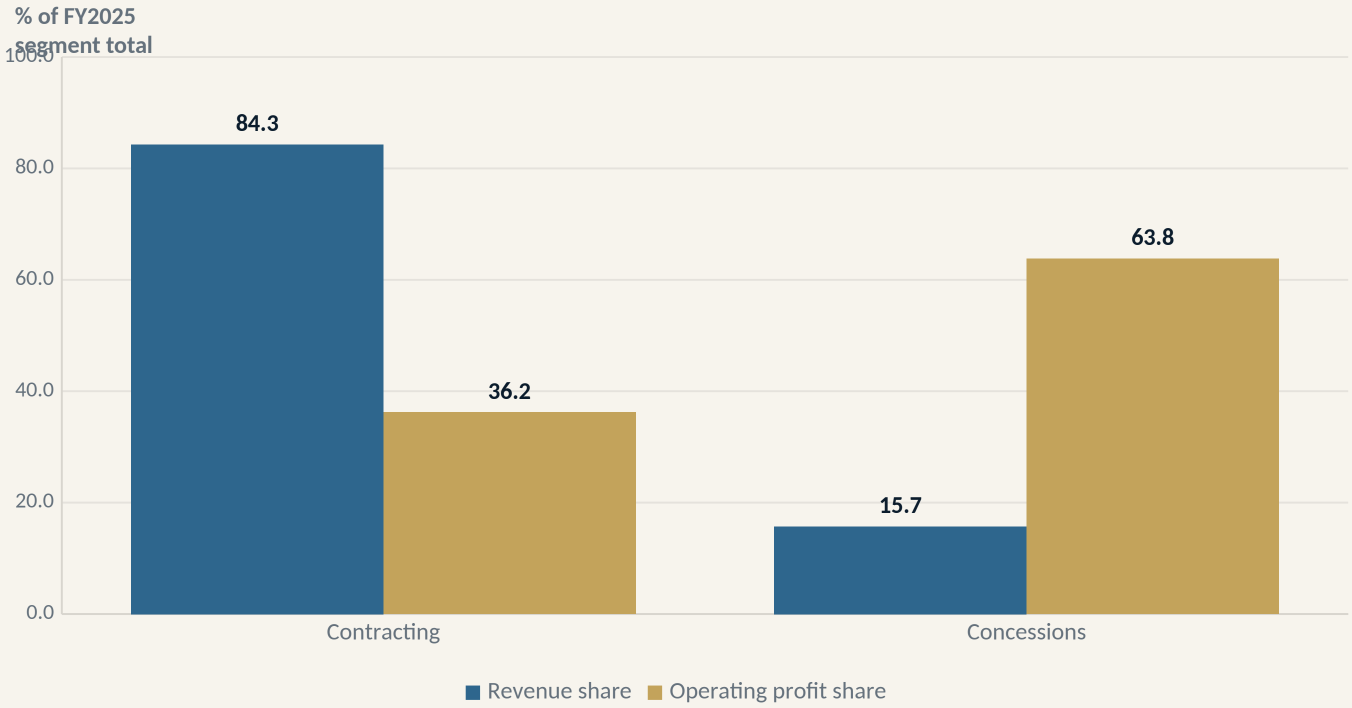
Building, refurbishment and property development. Margin is 3.7%; French housing remains soft.

Economic engine

Concessions: 16% of revenue, 64% of segment profit.

Sources: [1] [2].

Concessions deliver 64% of profit from 16% of revenue



16%

CONCESSIONS SHARE OF REVENUE

€4.0B of €25.3B.

64%

CONCESSIONS SHARE OF PROFIT

€1.71B of €2.69B before holding.

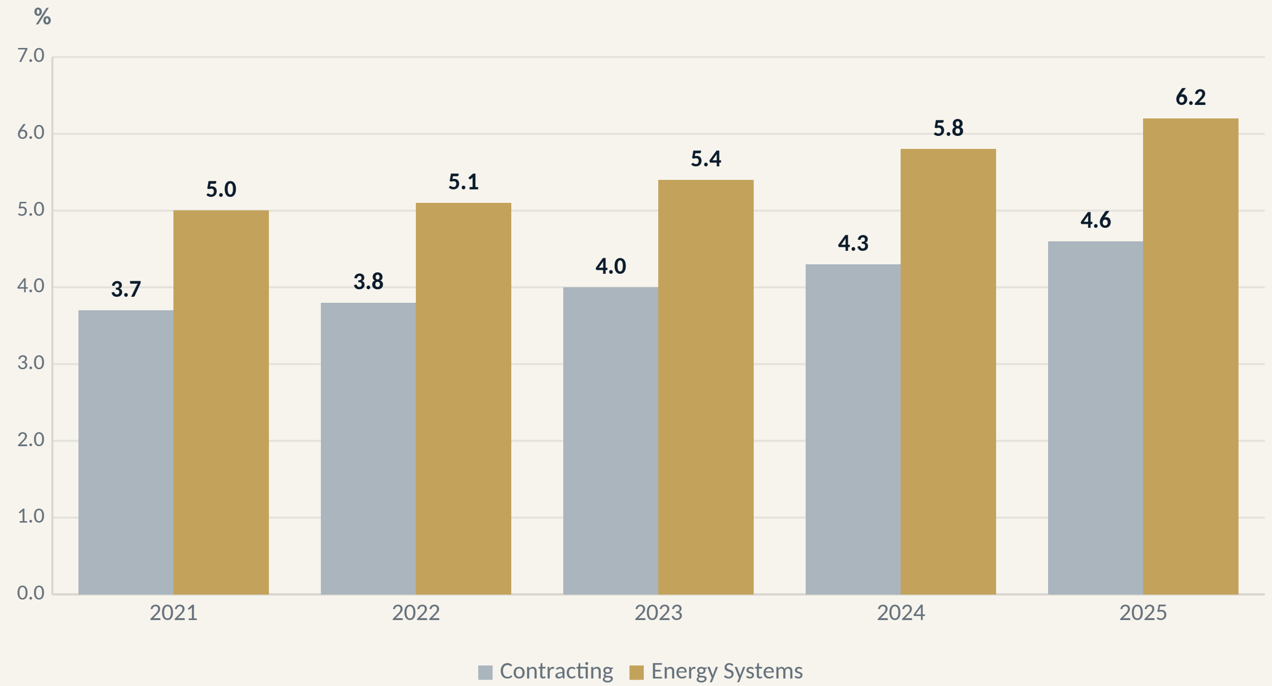
MITUXA TAKEAWAY

The blended group margin hides a high-return annuity funding a higher-quality Contracting franchise.

Sources: [1] [2].

Energy Systems has become the marginal profit engine

Margin expansion has compounded with European density and capability-led bolt-on M&A.



6.2%

2025 OPERATING MARGIN

+120 bps since 2021.

51%

SHARE OF CONTRACTING PROFIT

€500M of €973M.

What changed

Local density, pricing and technical scope are turning revenue growth into operating leverage.

Sources: [1] [2] [5].

Eiffage compounds through a concession–Contracting flywheel

Technical capability wins duration; duration funds the next technical franchise.

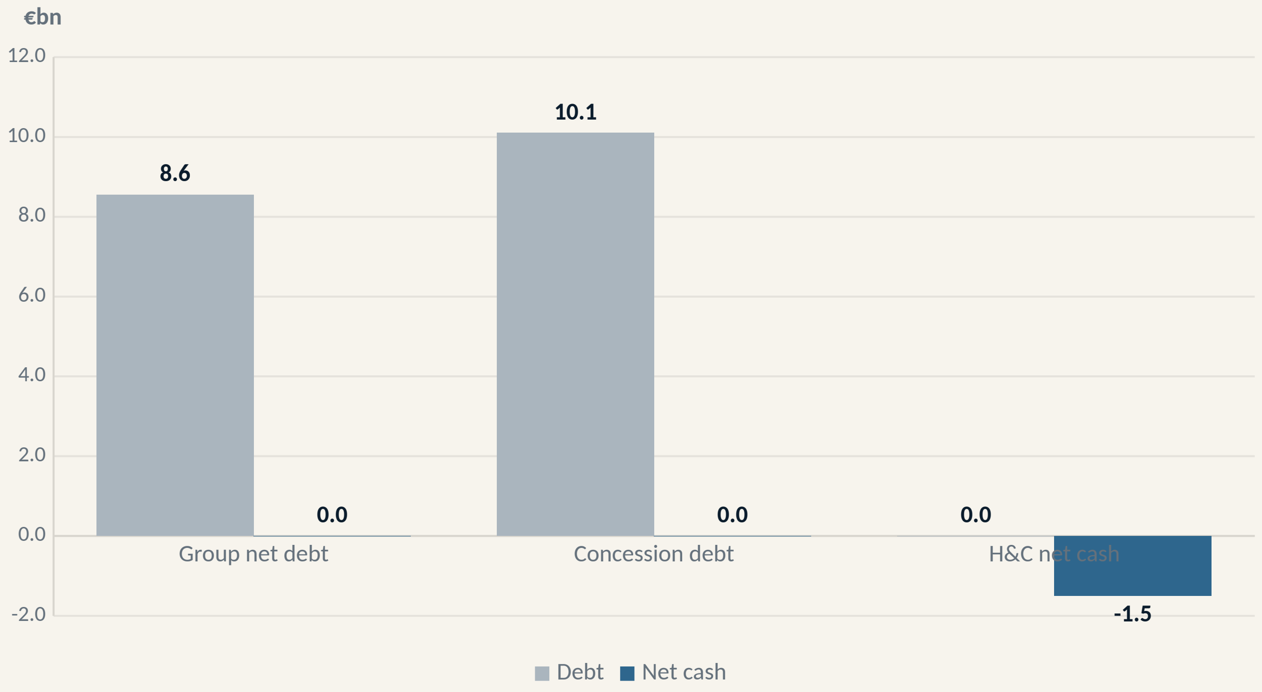
1 ORIGINATE	2 DESIGN & BUILD	3 OPERATE	4 RECYCLE
Secure duration	**Create backlog**	**Generate cash**	**Extend duration**
Bid for 20–50 year concessions and PPPs.	Internal expertise captures project value.	Inflation-linked assets fund reinvestment.	Getlink, A79 and bolt-ons replace legacy run-off.

MITUXA VIEW

This is not a contractor plus toll roads. It is a capital-recycling system that converts engineering capability into long-duration cash.

Sources: [1] [2] [4] [7].

The debt is ring-fenced where the cash is ring-fenced



€10.1B

CONCESSION DEBT

Non-recourse to Eiffage SA.

>€1.5B

HOLDING + CONTRACTING NET CASH

Financial capacity outside concessions.

Economic reality

Headline net debt overstates risk: the cash-generating concession assets carry their own debt.

Sources: [1] [2].

Getlink is no side investment — it is 26% of Eiffage's market value

The 29.4% stake adds a second long-duration concession just as APRR's expiry enters view.

€3.0B

STAKE MARKET VALUE

At €18.65 per Getlink share.

€128M

2026 DIVIDEND INFLOW

29.4% look-through estimate.

2086

EUROTUNNEL CONCESSION

~60 years of remaining duration.

Reported

H1 2026 EBITDA €404M (+12%); guidance raised today to €835–870M.

Consensus

Associate earnings are visible, but the asset's duration is often lost inside group multiples.

MITUXA View

Market value equals 26% of Eiffage's equity and the dividend covers ~28% of Eiffage's payout.

Sources: [7] [8] [9] [15].

Bolt-ons add scarce skills where local density pays

€0.8B

2025 acquisitions, including the Getlink block

Strategic logic

- European electrical-services density
- Data-centre engineering in Germany
- Offshore substations and metals capability
- Local leadership with Group procurement

€85M

HAND & WERK REVENUE

2025.

200

DATA-CENTRE SPECIALISTS

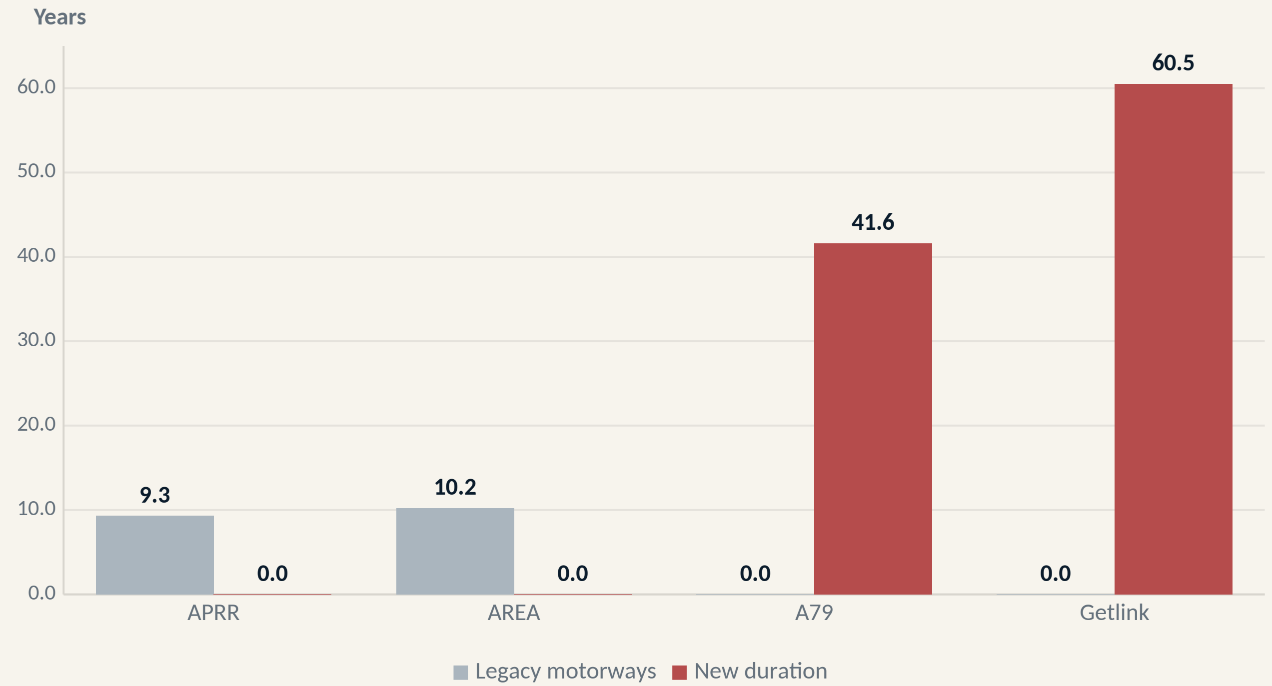
26 projects delivered.

INTEGRATION SIGNAL

The 74.9% stake adds hyperscale capability without betting the Group on a single megaproject.

Sources: [1] [3] [4].

Motorway cash is finite; replacement duration is already visible



2035 / 36

APRR / AREA EXPIRIES

Legacy duration is ~9–10 years.

2068 / 86

A79 / GETLINK EXPIRIES

New duration extends beyond legacy.

Strategic response

Getlink, greenfield PPPs and selective concessions diversify political and contract concentration.

Sources: [7] [10] [11].

Q1 slowed, but the profit and backlog signals remained intact

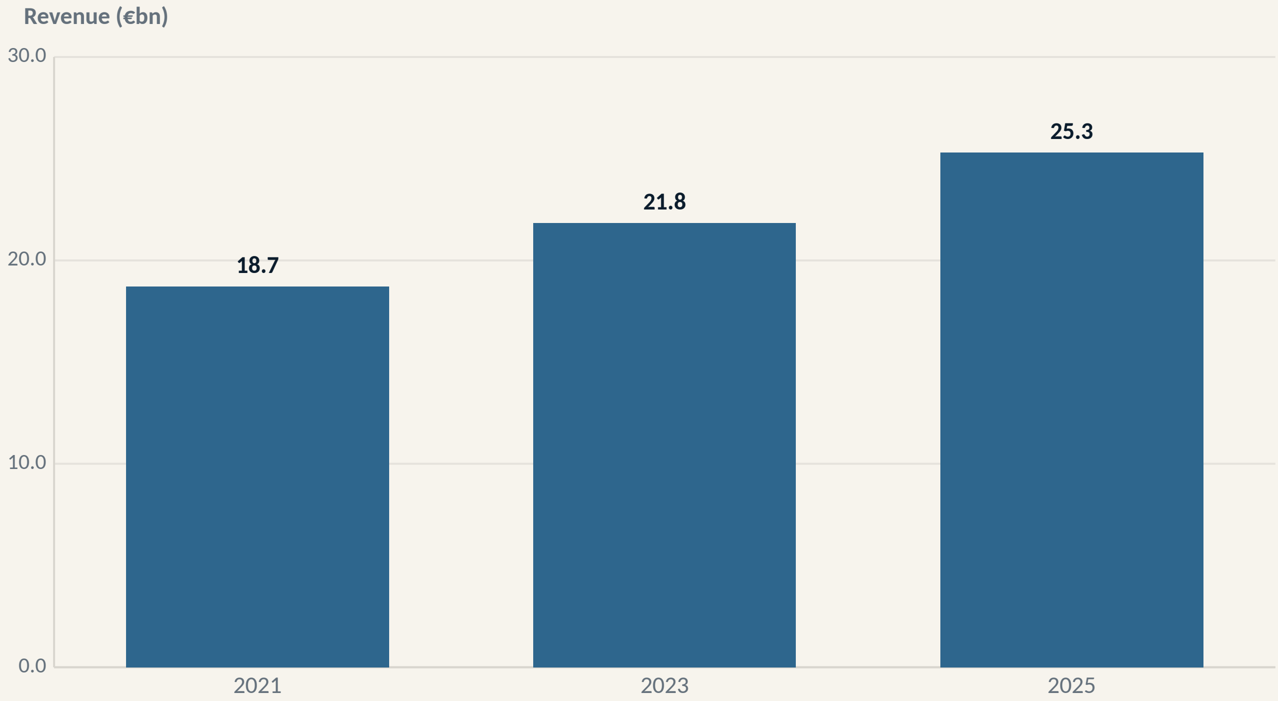
METRIC	REPORTED	PRIOR	CHANGE	READ-THROUGH
FY2025 revenue	€25.31B	€23.43B	+8.0%	Strong
Contracting op. profit	€973M	€840M	+15.8%	Quality beat
Net profit	€1.02B	€1.04B	−1.6%	Tax-driven
Q1 2026 revenue	€5.65B	€5.62B	+0.6%	Soft start
Q1 order book	€31.1B	€29.7B	+5% y/y	Strong

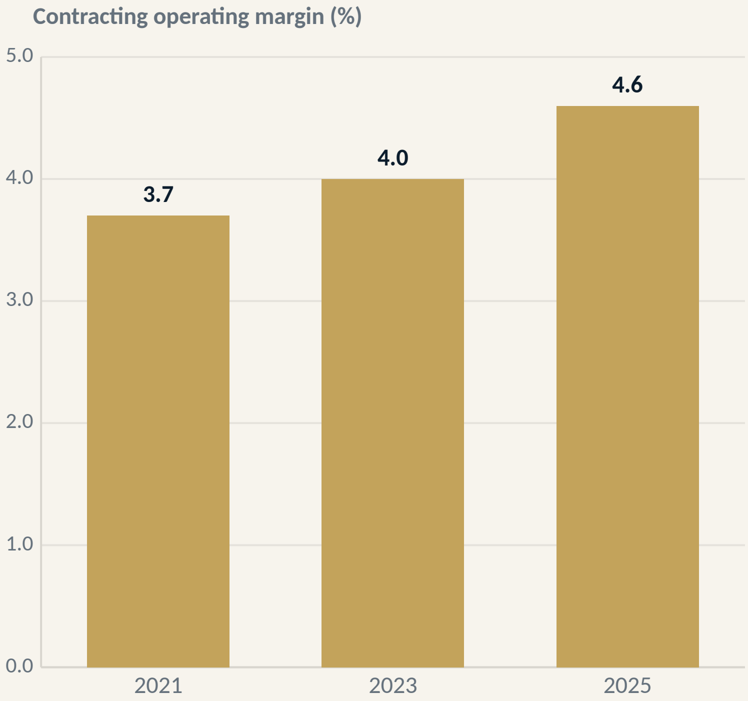
2026 guidance

Higher operating profit and net income confirmed; growth will be slower than in 2025.

Sources: [1] [3].

Revenue growth is now translating into Contracting margin

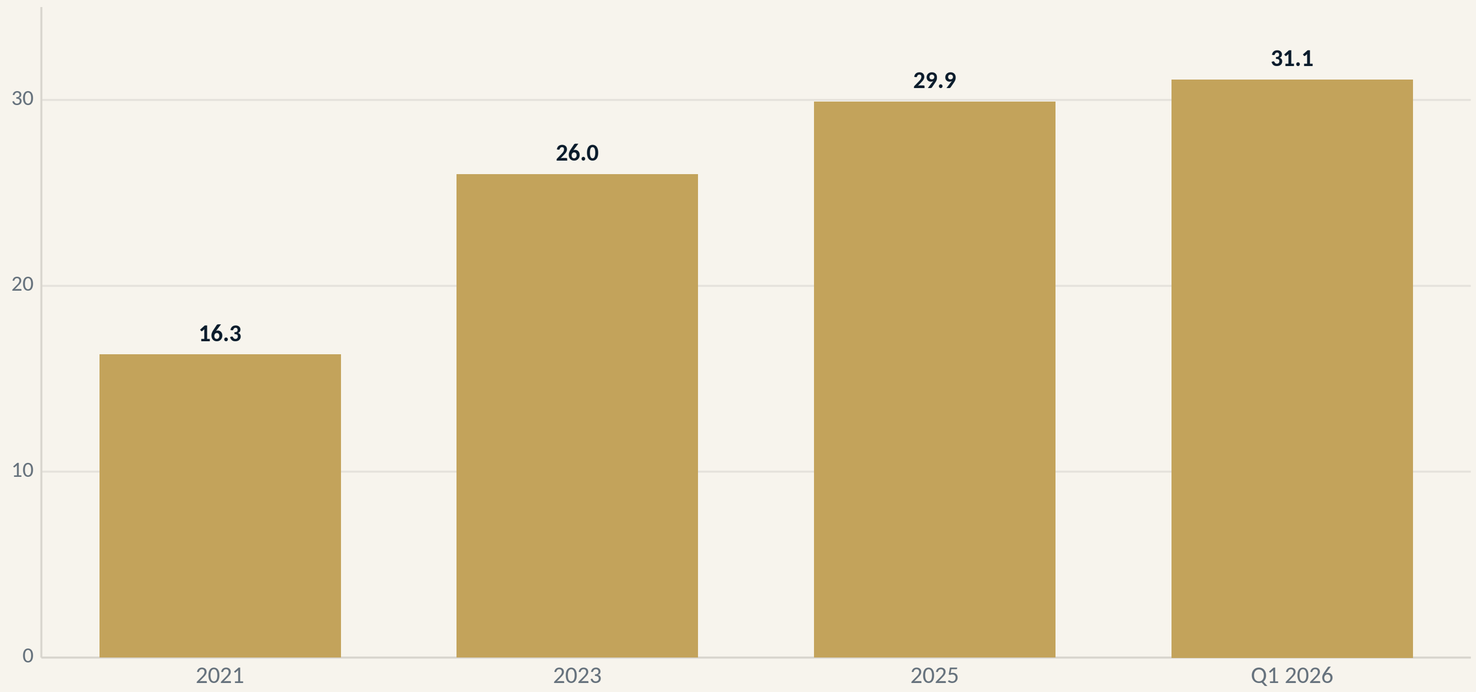




FY2025 margins: Construction 3.7%, Infrastructure 3.5%, Energy Systems 6.2%.

Sources: [1] [2].

The order book almost doubled in four years



€31.1B

CONTRACTING ORDER BOOK

At 31 March 2026.

€10.0B

DELIVERY 2028+

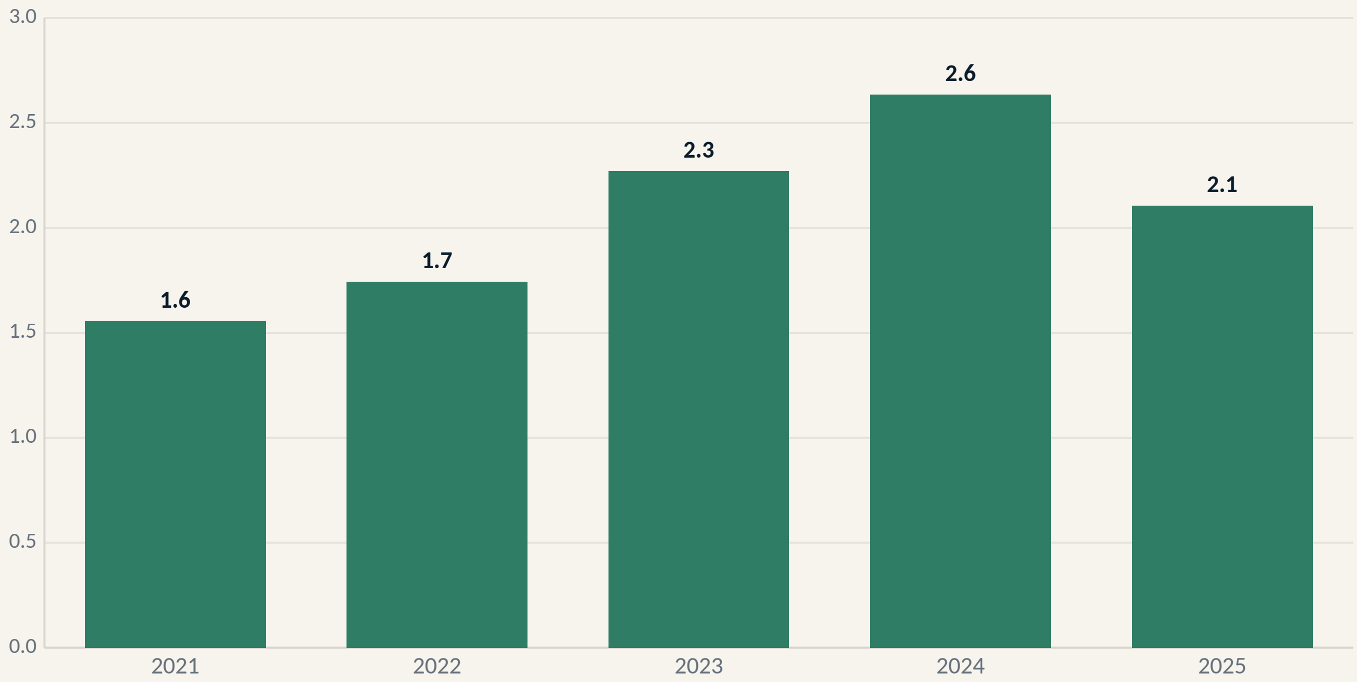
Beyond N+1.

Quality test

Visibility is high, but margins still depend on project selection, execution and advances.

Sources: [2] [3].

Cash generation stayed high after funding new concessions



€2.1B

REPORTED FY2025 FCF

Down from record €2.6B.

PRUDENT BASE

Do not annualise WCR inflows. Consolidated FCF also includes cash attributable to concession minorities.

Sources: [1] [2].

Six straight WCR inflows are evidence — not a forecast

EVIDENCE	€B / SIGNAL	HOW TO MODEL IT
2024 WCR inflow	+0.7	Exceptional
2025 WCR inflow	+0.3	Positive, lower
Consecutive positive years	6 / 6	Better discipline
CFO base case	0.0	Prudent norm
CEO warning	Volatile	December timing
MITUXA bear case	−0.5	Stress reversal
Recurring base case	0.0	Do not capitalise

MITUXA VIEW **Treat the process improvement as real, but set recurring WCR contribution to zero.**

Source: [5] FY2025 earnings call and [1] FY2025 results.

2025 cash allocation reconciles cleanly — and stayed disciplined

€2.1B
FREE CASH FLOW
Reported, after concession capex.

€0.8B
ACQUISITIONS
Including €0.7B Getlink block.

€0.46B
DIVIDEND
€4.80 per share.

€0.87B
NET DEBT REDUCTION
€9.41B to €8.55B.

What is working

- Holding + Contracting net cash exceeds €1.5B.
- Getlink stake was bought without external financing.

What to watch

- M&A must preserve Energy Systems margin.
- APRR run-off requires replacement, not empire-building.

Sources: [1] [2] [7].

The moat is cultural, local and financial — not technological

MOAT DRIVER	EVIDENCE	DURABILITY	MITUXA SCORE
Employee ownership	80% of employees; 23.3% of capital	High	5 / 5
Local density	100,000 projects; decentralised network	High	4 / 5
Integrated scope	Design, build, finance, operate and maintain	High	5 / 5
Concession access	APRR, A79, Getlink and PPP track record	Medium–high	4 / 5
Energy Systems scale	€8.1B revenue; European bolt-on platform	Medium–high	4 / 5
Contracting execution	€31.1B backlog; structurally thin margins	Medium	3 / 5

Sources: [1] [3] [4] [6].

Eiffage is the cheapest integrated model in the peer set

COMPANY	MODEL	2025 SCALE	OPERATING EDGE	2026E P/E
Eiffage	Contracting + concessions	€25.3B revenue	4.6% / 43% margins	10.9×
VINCI	Global concessions + works	€74.6B revenue	Airports + roads scale	12.8×
Bouygues	Conglomerate + Equans	€56.9B revenue	Telecom / media balance	14.2×
SPIE	Pure technical services	€10.4B revenue	7.6% EBITA margin	15.7×
Ferrovial	Concessions + construction	€9.6B revenue	N. America / asset rotation	n/m*

France and concession-expiry risk explain part of the discount; Energy Systems receives little credit. *Project accounting limits P/E comparability.

Sources: [12] [13] [15] and company FY2025 results.

Management sounded selective, not defensive

GREEN FLAGS

- Quality and margin — not data-centre volume — drive bidding.
- Roughly half the Energy Systems margin gain was organic.
- A €1B liquidity comfort buffer is preserved around WCR volatility.
- Getlink is explicit diversification from APRR concentration.

YELLOW FLAGS

- No FCF guidance; year-end cash timing remains volatile.
- German stimulus is not yet visible in awarded work.
- Offshore-wind foundations lag substation demand.
- French housing recovery is more likely in 2027.

Read-through

Caution is about timing and execution — not a withdrawal of the strategy.

Source: [5] FY2025 earnings-call transcript and official presentation.

The market values the ex-Getlink core at roughly 9× earnings

Reference price: €121.60. Shares outstanding: 95.08M. Market capitalisation: €11.56B.

€11.56B

EQUITY VALUE

Current market capitalisation.

€3.02B

GETLINK STAKE

29.4% at €18.65 per share.

~9.0×

RESIDUAL P/E

€8.66B residual / €0.96B ex-Getlink NI.

CONSENSUS / MARKET CHECK

€11.31 2026E EPS

10.9× forward P/E

€161 consensus target

The market is charging a contractor multiple for a core that includes a concession annuity and a rising-quality Energy Systems franchise.

Sources: [1] [7] [8] [14] [15] and MITUXA calculations.

Current price clears the hurdle without needing a heroic multiple

Five-year total values include estimated dividends; all operating assumptions are MITUXA estimates.

BEAR

€129

20% probability

2031 EPS: €11.5

Exit P/E: 9.0×

Cumulative dividends: €25

Terminal price: €104

5Y CAGR: +1.2%

BASE

€224

55% probability

2031 EPS: €15.5

Exit P/E: 12.5×

Cumulative dividends: €30

Terminal price: €194

5Y CAGR: +13.0%

BULL

€286

25% probability

2031 EPS: €18.0

Exit P/E: 14.0×

Cumulative dividends: €34

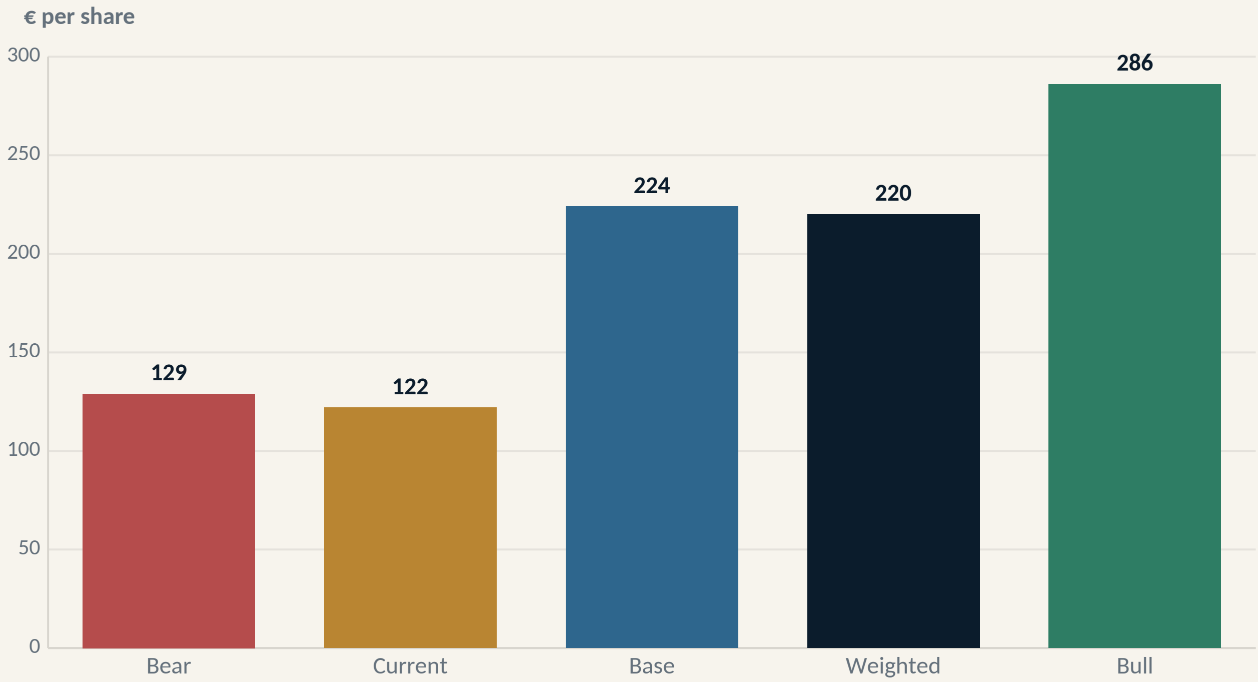
Terminal price: €252

5Y CAGR: +18.7%

Probability-weighted value **€220 | ≈12.6% five-year CAGR from €121.60**

MITUXA valuation model. Scenario outputs are estimates, not reported facts.

Buy the structure, not the quarter



€108–115

PREFERRED ENTRY ZONE

Full-size position below €115.

≤€125

BUY / ACCUMULATE CEILING

≈12% weighted return hurdle.

VERDICT: BUY

Business conviction 4/5 | Risk medium

MITUXA valuation model; reference price €121.60 at 24 July 2026 close.

What would invalidate the thesis?

- Contracting margin falls below 4.2% for two years without a cyclical explanation.
- Energy Systems margin slips below 5.8% as bolt-on M&A and data-centre work scale.
- Working capital reverses by >€0.7B without matching EBITDA or backlog conversion.
- Holding + Contracting net cash falls below €0.5B due to undisciplined capital allocation.
- APRR/AREA replacement and Getlink cash growth fail to offset concession run-off.

KEY SOURCES

[1] Eiffage FY2025 Results

[2] Eiffage FY2025 Presentation

[3] Eiffage Q1 2026 Financial Information

[4] Eiffage 2025 Universal Registration Document

[5] Eiffage FY2025 Earnings Call

[6] Eiffage Employee Share Ownership

[7] Eiffage Getlink Stake Releases

[8] Getlink H1 2026 Results

[9] Getlink FY2025 / 2030 Investor Update

[10–11] French Senate / Atlas Arteria concession data

[12–15] Peer results, S&P consensus and market data