

# OUR ACTIVITY

A rental business model: Elis buys and rents the products



**Flat Linen**  
47%

Bedsheet, duvet covers, bathrobes, towels, table clothes



**Workwear**  
34%

From basic uniforms and aprons to ultraclean garments and other technical clothes



**Hygiene & well-being**  
19%

Washroom appliance, mats, water fountains, espresso machines, pest control

4-year contracts: Volume-based or Monthly fixed fee



**Industry**  
30%



**Hospitality**  
27%



**Healthcare**  
26%



**Trade & services**  
17%

## A unique multiservice approach

Strong track record in new service roll-out and cross-selling

### Field Agents

Frontline touchpoint with clients

Clients always visited by the same Field Agent delivering all services

Strong focus on client satisfaction

Incentivized to cross-sell



### Optimized logistics



c. 50 km range from the plant  
Up to 50 stops per day

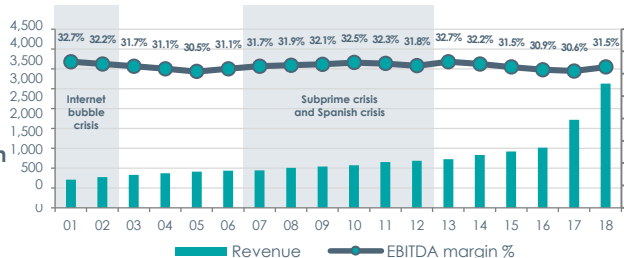
## A highly resilient business model with high barriers to entry

Geographically diversified portfolio

Well-balanced end-markets mix

New plants each cost between €10mn and €20mn

Value creation closely linked to network density



## AT A GLANCE

### 2018 key figures

€3.1bn revenue  
€985.6mn EBITDA  
28 countries  
50,000 employees  
440 plants  
400,000 customers

### 4-pillar strategy

- Consolidate our positions through organic growth & M&A
- Expand our platforms
- Launch new services
- Enhance operational excellence

### 2019 outlook

Organic growth c. 3%

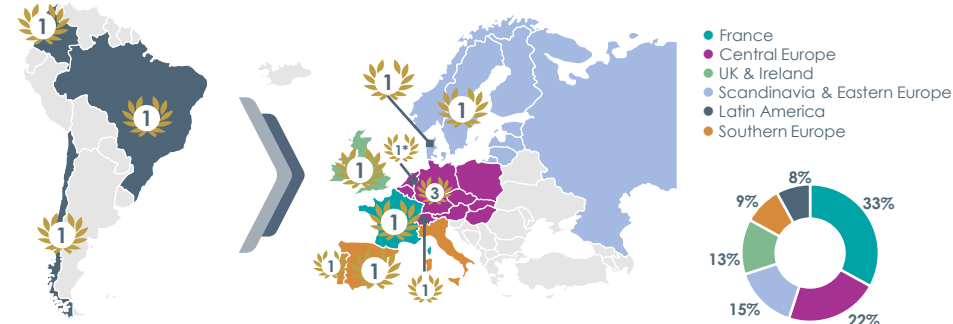
EBITDA margin<sup>1</sup>: between 31.2% and 31.6%

Capex to sales of c. 20%, back to c. 18% in 2020

<sup>1</sup> Excluding IFRS 16 impact

# OUR MARKETS

Well-balanced geographical footprint and successful track record in consolidating our positions



\* In the Netherlands, Elis is leader in Workwear

## High market share leads to high profitability

### EDITDA margin

25%	30%	35%
Italy €30mn	Germany / Austria €370mn	Norway €60mn
Chile €20mn	UK €350mn*	Portugal €50mn
Colombia €10mn	Brazil €220mn	France €1,030mn
	Spain €190mn	Sweden / Finland €220mn
	Switzerland €100mn	Denmark €190mn
	Ireland €50mn	The Netherlands €120mn
	Belux €40mn	Poland €50mn
	Baltics & Russia €20mn	Czech / Slov / Hung €10mn

\* Excluding Clinical Solutions

Moving to the next margin level

# OUR GOVERNANCE

## Executive Committee



**1-Xavier Martiré**  
Chairman of the Management Board & CEO

**2-Louis Guyot**  
Management Board member & CFO

**3-Matthieu Lechardy**  
Management Board member & COO (France, Southern Europe, Latam)

**7-Frédéric Deletombe**  
Engineering, Purchasing & Supply Chain Director

**4-François Blanc**  
Transformation & IT Director

**5-Didier Lachaud**  
HR Director & CSR Director

**6-Andreas Schneider**  
COO (Central Europe, Baltics, Russia)

**11-Alain Bonin**  
COO (France, Switzerland)

**8-Yann Michel**  
COO (France, UK, IRL)

**9-Erik Verstappen**  
COO (Scandinavia, Belux, Netherlands, Finland)

**10-Caroline Roche**  
Marketing and Innovation Director

## Supervisory Board

9 members of which:

5 independent members - 4 women



**1-Thierry Morin**  
Chairman and independent member

**2-Marc Frappier**  
Vice Chairman

**3-Maxime de Bentzmann**

**5-Magali Chessé**

**6-Anne-Laure Commaut**  
Independent member

**7-Philippe Delleur**  
Independent member

**8-Florence Noblot**  
Independent member

**9-Joy Verlé**

## OUR FINANCIALS

### Revenue by geography

(In €mn)	2018 <sup>1</sup>	2017 <sup>1</sup> PF	2016
France	1,032.8	1,009.0	984.2
Central Europe	682.1	640.9	218.6
Scandinavia & Eastern Europe	483.8	484.3	-
UK & Ireland	397.8	406.0	-
Southern Europe	268.0	259.1	158.1
Latin America	247.7	221.2	132.9
Other	21.0	20.0	18.9
<b>Total</b>	<b>3,133.3</b>	<b>3,040.5</b>	<b>1,512.8</b>

### Income statement

(In €mn)	2018 <sup>1</sup>	2017 <sup>1</sup>	2016
<b>EBITDA</b>	<b>985.6</b>	<b>670.2</b>	<b>467.9</b>
As a % of revenue	31.5%	30.6%	30.6%
Depreciation and amortization	(559.2)	(375.8)	(253.8)
<b>EBIT</b>	<b>426.4</b>	<b>294.4</b>	<b>214.1</b>
As a % of revenue	13.6%	13.4%	14.2%
IFRS 2 expense, bank charges and other items	(18.9)	(10.2)	(6.1)
<b>Operating results before PPA amortization &amp; exceptional items</b>	<b>407.5</b>	<b>284.2</b>	<b>207.9</b>
Amortization of customer relationships	(112.5)	(79.1)	(45.8)
Other operating income and expenses	(49.8)	(89.0)	24.5
Financial result	(110.5)	(59.8)	(55.7)
<b>Net result before tax</b>	<b>134.7</b>	<b>56.4</b>	<b>130.9</b>
Tax	(51.7)	(13.6)	(38.0)
<b>Net result</b>	<b>83.0</b>	<b>42.8</b>	<b>93.0</b>
<b>Headline net result</b>	<b>224.3</b>	<b>159.7</b>	<b>107.6</b>

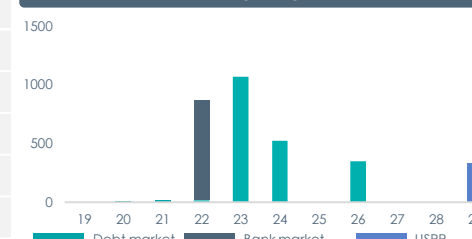
### Economic Balance Sheet as of December 31

(In €mn)	2018	2017	2016
Net assets	6,576.6	6,624.8	3,021.1
Working capital (operating and non operating)	(350.7)	(415.2)	(265.9)
<b>Economic assets</b>	<b>6,225.9</b>	<b>6,209.6</b>	<b>2,755.1</b>
Equity	2,868.2	2,923.0	1,150.8
Net debt of which:	3,357.7	3,286.5	1,604.3
- Financial and bank debt - short, medium & long term	3,554.7	3,703.1	1,773.2
- Cash and cash equivalents	(197.0)	(416.4)	(169.0)
<b>Invested capital into assets</b>	<b>6,225.9</b>	<b>6,209.6</b>	<b>2,755.1</b>

### Cash-flow statement

(In €mn)	2018	2017	2016
<b>EBITDA</b>	<b>985.6</b>	<b>670.2</b>	<b>467.9</b>
Exceptional items	(31.9)	(50.1)	(16.4)
Acquisition fees	(4.4)	(27.3)	(2.6)
Variance of provisions	(3.6)	0.7	(3.8)
<b>Cash flow before net financial costs &amp; tax</b>	<b>945.7</b>	<b>593.4</b>	<b>445.1</b>
Net Capex (linen + industrial)	(644.3)	(480.2)	(210.4)
Change in working capital	(15.8)	(118.4)	26.8
Cost of debt	(55.2)	(60.5)	(50.0)
Tax paid	(76.7)	(53.3)	(47.1)
<b>Free cash-flow</b>	<b>153.7</b>	<b>(119.0)</b>	<b>164.4</b>
Acquisitions of subsidiaries	(62.2)	(1,362.9)	(217.0)
Change arising from acquired or sold subsidiaries excl. overdraft of acquired subsidiaries	(12.7)	(687.2)	(60.3)
Other flows related to financing operations	(26.4)	17.4	(0.2)
Dividends, equity increase and treasury shares	(81.6)	456.6	(37.3)
Other items	(41.9)	12.8	(7.7)
<b>Net debt variance</b>	<b>(71.1)</b>	<b>(1,682.3)</b>	<b>158.1</b>

## DEBT STRUCTURE AS OF DECEMBER 31, 2018 <sup>2</sup>

<b>EMTN (issued April 2019): €500mn</b>	Coupon: 1.75% Maturity 2024	<b>Ratings:</b> Fitch's: <b>BB+ - stable</b> Moody's: <b>Ba2 - positive</b> S&P's: <b>BB+ - stable</b> DBRS: <b>BBB low</b>	<b>Covenants:</b> 3.75x Net Debt/EBITDA  <b>Adjusted net debt to EBITDA ratio of 3.3x</b> as of 31/12/018
<b>USPP (signed April 2019): ~ €335mn</b>	Coupon : to be disclosed by the end of April Maturity 2029		
<b>BOND: €650mn</b>	Coupon: 1.875% Maturity 2023	<b>MATURITIES <sup>2</sup></b>	
<b>BOND: €350mn</b>	Coupon: 2.875% Maturity 2026		
<b>CONVERTIBLE BOND: €356mn</b>	Coupon: 0% Maturity 2023		
<b>COMMERCIAL PAPERS: €413mn</b>	N/A		
<b>SCHULDSCHEIN: €75mn</b>	Maturity 2020 – 2024		
<b>TERM LOAN: €850mn</b>	Maturity 2022		
<b>REVOLVING: Undrawn €900mn</b>	Maturity 2022 (€500mn) Maturity 2023 (€400mn)		
<b>OTHER: €81mn</b>	N/A		

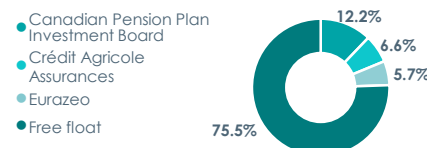
<sup>2</sup> Pro Forma for the April 2019 refinancing (EMTN & USPP)

## SHARE INFORMATION

### Market data (as of April 3, 2019)

Bloomberg: ELIS FP	Reuters: ELIS.PA
Market cap (EURmn)	3,303
No. of shares outstanding (mn)	220.2
Avg. daily volume (EURmn)	5.3
YTD absolute performance	+3.5%
52-week high/low (EUR)	20.60/12.97

### Shareholder structure



## OUR ENGAGEMENT

ELIS ranked 15<sup>th</sup>/230 at 2018 Gaia index



Rating based on transparency and performance

Saving water & energy

In France since 2010:

more than **30%** reduction in water use

more than **25%** energy savings

c. **20%** laundry products savings

And many other actions implemented locally to reduce our environmental footprint

Employee events are part of Elis Culture

Rewarding our best employees to promote commitment and exemplarity since 1987 in France. Program launched in Brazil in 2018



## ANALYST COVERAGE & ELIS CONTACTS

### Broker

Berenberg	A. Patrice
Crédit Suisse	D. Hobden
Deutsche Bank	L. Ferhani
Exane BNP Paribas	M. Lahmidi
Goldman Sachs	M. Gergolet
HSBC	R. Kumar
Kepler Chevreux	D. Cerdan
Mainfirst	N. Tabor
Midcap	F. Thy-Tine
Oddo	C. Chaput
Société Générale	S. Blanc

### Analyst

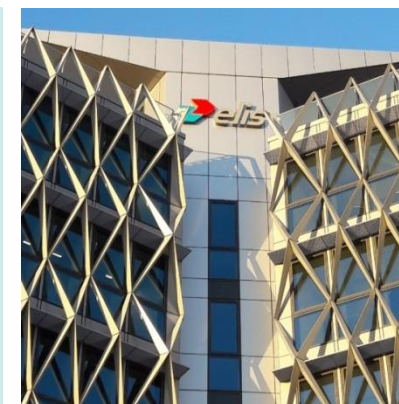
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<sup>1</sup> Excluding Clinical Solutions: In H1 2018, the Group triggered the sale process for its Clinical Solutions activity (operating only in the United Kingdom)