PRESS RELEASE

Paris, January 24, 2019

Revenue

First-quarter revenue in line with forecasts. Full-year guidance confirmed.

- 3.5% revenue growth (or 4.2% excluding IFRS 15 impact)
- 1.8% organic growth
- Further execution of the Elior Group 2021 plan
- Full-year guidance confirmed

Elior Group (Euronext Paris – ISIN: FR 0011950732), one of the world's leading operators in the catering and support services industry, today released its consolidated revenue figures for the first quarter of fiscal 2018-2019, corresponding to the three months ended December 31, 2018.

Commenting on the Group's performance, **Philippe Guillemot, Elior Group's Chief Executive Officer**, said: "*We had a good first quarter, with our revenue performance in line with forecasts. The 1.8% organic growth figure reflects a combination of robust sales momentum and our stricter approach to selecting and managing contracts. Our teams are fully committed to executing the Elior Group 2021 plan, and mobilized, in the first instance, to stabilize our performance during the fiscal year. Despite the troubled climate in France I am confident in our ability to meet the full-year targets we have set ourselves.*"

Revenue *(in € millions)*	**Q1 2018-2019**	**Q1 2017-2018**	**Organic growth**	**Reported growth**
Contract catering & services	**1,314**	**1,285**	**0.2%**	**2.2%**
Concession catering	**440**	**409**	**6.7%**	**7.7%**
Group total	**1,754**	**1,694**	**1.8%**	**3.5%**

Business development

Business development since the start of fiscal 2018-2019 has continued to reflect the more selective approach we have taken since 2017-2018 to bidding for new contracts and seeking contract renewals, with the client retention rate for the contract catering & services business line declining to approximately 91%, reflecting in particular the Group's decision not to renew contracts with the Ministry of Defense and the police in Italy.
Several major contracts were won in first-quarter 2018-2019:

- in contract catering & services with the Tour Initiale office building at Paris La Défense, Zenitude hotels, la Croix Saint-Simon and the Enghien-les-Bains high schools in France, EDUCatt Roma university in Italy, Wiltshire College and University Centre in the United Kingdom, the VIP lounges at Palma de Mallorca and Alicante airports in Spain, Ramsey Solutions in the United States and Hewlett-Packard in India.
- in concession catering with the Paris-Charles-de-Gaulle, Alicante, Sevilla and Palma de Mallorca airports.

Revenue

Consolidated revenue totaled €1,754 million for the first quarter of fiscal 2018-2019. The 3.5% year-on-year increase reflects (i) organic growth of 1.8%, (ii) 1.8% in acquisition-led growth, (iii) a favorable 0.6% currency effect, and (iv) a negative 0.7% impact from changes in accounting policies, mainly due to the first-time application of IFRS 15.

The proportion of revenue generated by international operations rose to 58% in the first quarter of fiscal 2018-2019 from 57% in the comparable prior-year period.

Contract catering & services revenue was up €29 million, or 2.2%, year on year (+3.1% excluding the impact of IFRS 15), coming in at €1,314 million and representing 75% of total consolidated revenue.

Organic growth for this business line was 0.2% in the first quarter of 2018-2019, reflecting the Group's deliberate strategy over the past year of exiting low-profitable contracts and taking a more selective approach to contract bids.

Recent acquisitions[1] accounted for €28 million, or 2.2% of total contract catering & services revenue, and the currency effect was a positive 0.7%.

Revenue for the **international** segment rose 3.3% to €729 million. This segment's organic growth was a negative 0.7% for the period whereas recent acquisitions and the currency effect pushed up revenue by 4.0% and 1.2% respectively.

- In Spain, growth was driven by a favorable calendar effect.

- In the United States, revenue was driven by the buoyant business development levels seen in 2017-2018.

[1] CBM Managed Services, consolidated since December 1, 2017; Bateman Community Living, consolidated since August 1, 2018; and bolt-on acquisitions.

- In Italy and the United Kingdom, revenue was down year on year, despite strong momentum at existing sites, due to the termination of public sector contracts, particularly with the UK Ministry of Defence.

Revenue generated in **France** by this business line totaled €585 million. Organic growth for the quarter was 1.4%. It was boosted by a slightly favorable calendar effect.

- In the business & industry and education markets, revenue was buoyed by the positive calendar effect and good performances delivered by existing sites.

- Revenue in the healthcare market was spurred by robust business development.

Concession catering revenue advanced 7.7% in the first three months of 2018-2019 to €440 million, representing 25% of total consolidated revenue for the period.

Organic growth for the period came to 6.7%. Acquisition-led growth was 0.5% and changes in exchange rates – notably for the US dollar and Mexican peso – had a positive 0.4% effect.

In the **international** segment, revenue jumped 12.2% to €285 million. Organic growth was 10.8% and acquisitions and the currency effect added 1.4% to the revenue figure.

- The motorways market felt the positive effect of higher traffic volumes in Spain and Portugal, the opening of new service plazas in Spain and Portugal and the end of renovation works in the United States.

- The airports market was boosted by increased traffic volumes, notably in Spain and Portugal, as well as new points of sale in Spain, the United States, Denmark, Colombia and Mexico.

Revenue generated by this business line in **France** totaled €155 million, more or less unchanged compared with the first quarter of 2017-2018 despite being slightly weighed down by the protests seen in the country towards the end of the period.

- The motorways market saw good traffic volumes, refurbished services plazas and the opening of new points of sale performed well, but revenue was still hampered by the termination of certain contracts.

- In the airports market, revenue was boosted by new points of sale opened at Paris-Charles-de-Gaulle and Lyon-Saint-Exupéry.

- Revenue in the railway stations, city sites & leisure market was stable year on year. The negative impact of the temporary closure of the Lac d'Ailette Center Parcs village and the permanent closure of points of sale at the Gare Montparnasse railway station in Paris was offset by the positive effect of the Paris Motor Show, which is held every two years and took place in 2018.

Outlook

The Group is standing by its full-year guidance for fiscal 2018-2019 – a year of stabilization – with:

- Organic growth of over 1% based on comparable accounting methods, including the negative impact of voluntary contract exits in Italy. Acquisitions carried out to date should generate additional revenue growth of close to 1%.
- A stable adjusted EBITA margin (based on a constant scope of consolidation and constant exchange rates).
- A sharp increase in operating free cash flow.

Financial calendar:

- March 22, 2019: Annual General Meeting
- May 29, 2019: First-half fiscal 2018-2019 results – issue of press release before the start of trading and conference call
- July 25, 2019: Revenue for the first nine months of fiscal 2018-2019 – issue of press release before the start of trading

Appendix 1: Revenue by business line and geographic region
Appendix 2: Revenue by geographic region
Appendix 3: Revenue by market
Appendix 4: Definition of alternative performance indicators

The English-language version of this document is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein, the original language version of the document in French takes precedence over this translation.

About Elior Group

Founded in 1991, Elior Group has grown into one of the world's leading operators in contract catering, concession catering and support services, and has become a benchmark player in the business & industry, education, healthcare and travel markets. Operating in 15 countries, the Group generated €6,694 million in revenue in FY 2017-2018. Our 132,000 employees serve 6 million people on a daily basis through 25,600 restaurants and points of sale. Our mission is to feed and take care of each and every one, at every moment in life. Innovation and social responsibility are at the core of our business model. Elior Group has been a member of the United Nations Global Compact since 2004, reaching the GC Advanced Level in 2015.

For further information please visit our website (http://www.eliorgroup.com) or follow us on Twitter (@Elior_Group)

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Appendix 1: Revenue by business line and geographic region

(in € millions)	Q1 2018-2019	Q1 2017-2018	Organic growth	Changes in scope of consolidation	Currency effect	Change in accounting method	Total growth
France	**585**	579	1.4%	0.0%	0.0%	-0.5%	0.9%
International	**729**	706	-0.7%	4.0%	1.2%	-1.2%	3.3%
Contract catering & services	**1,314**	1,285	0.2%	2.2%	0.7%	-0.9%	2.2%
France	**155**	155	0.2%	0.0%	0.0%	0.0%	0.2%
International	**285**	254	10.8%	0.8%	0.6%	0.0%	12.2%
Concession catering	**440**	409	6.7%	0.5%	0.4%	0.0%	7.7%
GROUP TOTAL	**1,754**	1,694	1.8%	1.8%	0.6%	-0.7%	3.5%

Appendix 2: Revenue by geographic region

(in € millions)	Q1 2018-2019	Q1 2017-2018	Organic growth	Changes in scope of consolidation	Currency effect	Change in accounting method	Total growth
France	**740**	735	1.1%	0.0%	0.0%	-0.4%	0.7%
Other European countries	**589**	585	1.7%	0.0%	0.0%	-1.1%	0.6%
Rest of the world	**425**	374	3.2%	8.0%	2.7%	-0.5%	13.5%
GROUP TOTAL	**1,754**	1,694	1.8%	1.8%	0.6%	-0.7%	3.5%

Appendix 3: Revenue by market

(in € millions)	Q1 2018-2019	Q1 2017-2018	Organic growth	Changes in scope of consolidation	Currency effect	Change in accounting method	Total growth
Business & industry	**584**	569	0.7%	2.2%	0.4%	-0.6%	2.8%
Education	**415**	420	-1.0%	0.0%	0.9%	-1.1%	-1.2%
Healthcare	**314**	297	1.0%	5.2%	0.8%	-1.1%	5.9%
Contract catering & services	**1,314**	1,285	0.2%	2.2%	0.7%	-0.9%	2.2%
Motorways	**127**	125	0.9%	0.0%	0.5%	0.0%	1.4%
Airports	**214**	188	12.0%	1.1%	0.6%	0.0%	13.7%
City sites & leisure	**100**	96	4.0%	0.0%	0.0%	0.0%	4.0%
Concession catering	**440**	409	6.7%	0.5%	0.4%	0.0%	7.7%
GROUP TOTAL	**1,754**	1,694	1.8%	1.8%	0.6%	-0.7%	3.5%

Appendix 4: Definition of alternative performance indicators

Organic growth in consolidated revenue: Growth in consolidated revenue expressed as a percentage and adjusted for the impact of (i) changes in exchange rates, using the calculation method described in Chapter 4, Section 4.1.4.1 of the fiscal 2016-2017 Registration Document, and (ii) change in accounting policies, notably the first-time application of IFRS 15 in 2018-2019 and (iii) changes in scope of consolidation.

Reported EBITDA: This indicator corresponds to the following, as recorded in the consolidated income statement: recurring operating profit reported under IFRS including share of profit of equity-accounted investees whose activities are the same or similar to those of the Group, before (i) net depreciation and amortization expense included in recurring operating profit and (ii) net additions to provisions included in recurring operating profit.

Adjusted EBITDA: Reported EBITDA as defined above adjusted for the impact of share-based compensation expense (stock options and free shares granted by Group companies).

Adjusted EBITA: Recurring operating profit reported under IFRS adjusted for the impact of share-based compensation expense (stock options and free shares granted by Group companies) and amortization of intangible assets recognized on consolidation.
The Group considers that this indicator best reflects the operating performance of its businesses as it includes the depreciation and amortization arising as a result of the capex inherent to the Group's business model. It is also the most commonly used indicator in the industry and therefore permits comparisons between the Group and its peers.

Adjusted EBITA margin: Adjusted EBITA as a percentage of consolidated revenue.

Adjusted earnings per share: This indicator is calculated based on consolidated profit for the period attributable to owners of the parent excluding (i) non-recurring income and expenses, net, and exceptional impairment of investments in and loans to non-consolidated companies, net of the income tax effect calculated at the Group's standard tax rate of 34%, and (ii) amortization of intangible assets recognized on consolidation (mainly customer relationships).

Operating free cash flow: The sum of the following items as defined in the fiscal 2016-2017 Registration Document and recorded either as individual line items or as the sum of several individual line items in the consolidated cash flow statement:

- Reported EBITDA.
- Net capital expenditure (i.e. amounts paid as consideration for property, plant and equipment and intangible assets used in operations less the proceeds received from sales of these types of assets).
- Change in net operating working capital.
- Other cash movements, which primarily comprise cash outflows related to (i) non-recurring items in the income statement and (ii) provisions recognized for liabilities resulting from fair value adjustments recognized on the acquisition of consolidated companies.

This indicator reflects cash generated by operations and is the indicator used internally for the annual performance appraisals of the Group's managers.

Leverage ratio (as defined in the covenants in the Senior Facilities Agreement and presented for the Group's debt at a given period-end): The ratio between (i) the Group's net debt (at the given period-end determined based on the definition and covenants in the Senior Facilities Agreement as described in Chapter 4, Section 4.7.2 of the fiscal 2016-2017 Registration Document: "Senior Facilities Agreement", i.e. excluding unamortized issuance costs and the fair value of derivative instruments) and (ii) adjusted EBITDA calculated on a rolling basis for the twelve months preceding the period-end concerned, further adjusted to exclude the impacts of acquisitions and divestments of consolidated companies during the twelve months preceding said period-end.