ELIOR GROUP
H1 2018-2019 RESULTS

May 29, 2019

eliorgroup
Time savored

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TODAY'S AGENDA

1. H1 HIGHLIGHTS
2. NEW ELIOR
3. H1 PERFORMANCE
4. OUTLOOK
5. CONCLUSION AND Q&A

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H1 HIGHLIGHTS

PHILIPPE GUILLEMOT
ELIOR GROUP CEO

SIGNIFICANT ACHIEVEMENTS IN H1

- Binding offer received for Areas
- Successful execution of the Group's strategy:
  - Operations
  - Contracts
  - Innovation
  - People

BINDING OFFER RECEIVED FOR AREAS

- Enterprise value: c. €1.54bn
- Equity value* expected to amount to c. €1.4bn
  - c. €50m minorities and pension commitments to be deconsolidated by Elior Group
  - c. €50m WCR adjustments subject to closing accounts
  - c. €50m transaction/separation costs
- c. €70m vendor loan granted to PAI (8.5-year maturity), monetizable depending on market conditions
- Elior will consolidate Areas cash flows until end of June 30, 2019 with summer results being captured by a locked box mechanism
- Closing to take place during summer 2019

* Including repayment of intra-group debt

OPERATIONS

- Elior France: concentration and optimization of central kitchens network
- Elior India: expansion in Delhi and Hyderabad in B&I
- Elior Italy:
  - Termination of large contracts in the public sector
  - Reallocation of resources to SMBs end-market
- Elior Spain: first airport VIP lounge contract
- Elior UK:
  - Redesigned development and operations structures to be more efficient in difficult and uncertain market environment
  - First on-board catering contract

CONTRACTS

- Elior France: Renault, Télécom ParisTech, APEI Chambéry
- Elior India: Mercedes-Benz
- Elior Italy: Sanremo Casino
- Elior NA: University of Wisconsin
- Elior Services: Bordeaux University
- Elior Spain: Bellvitge Hospital, BASF
- Elior UK: South Western Railway

CONCEPTS & INNOVATION

- Development of well-being offering:
  - BeWell in North America
  - Therapeutic diet menu in India
- Launch of MaCantine and Twenty salads concepts in France
- Launch of Cheatah offering in the UK

PEOPLE

- Elior France:
  - Appointment of Jean-Yves Fontaine as CEO
  - Strengthening of the executive team
- Elior NA: appointment of Olivier Poirot as CEO
- Support functions:
  - Reinforcement of HR, purchasing and finance departments
  - Creation of a Group Nutrition Officer position

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NEW ELIOR

PHILIPPE GUILLEMOT
ELIOR GROUP CEO

SECOND LARGEST GLOBAL PURE PLAYER IN CONTRACT CATERING

- Focus on contract catering and ancillary services
- Focus on 6 countries

- Strong positions locally
- Recognized expertise and brands

- Challenger in fast-growing geographies
- New segment opportunities in mature markets

ATTRACTIVE AND SUSTAINABLE CASH-GENERATIVE PROFILE

- Steady growth potential in the industry
- Significant margin improvement potential
- Lower capex requirement following Areas disposal
- Limited working capital requirements

Strong cash flow generation and value creation potential

RESILIENT AND ROBUST PROFILE

- Reduced cyclicality and seasonality of operations

- Strengthened balance sheet:

→ Leverage ratio reduced to 1.5x-2.0x net debt/EBITDA

→ Ratings confirmed by S&P and Moody's

- Attractive financing conditions:

→ c. 1% gross cost of debt

→ May 2023 maturity

STRONG VALUE CREATION OPPORTUNITY

Attractive cash generative profile and incremental organic opportunities

- Mid-term annual organic growth target: +2-4%
- Mid-term adjusted EBITA margin growth target: +10-30 bps p.a.
- Annual capex below 3% of sales

Strong cash flow generation

Uses of cash

Total returns to shareholders up to €350m over FY2020 and FY2021

- Share buy-back: authorization granted by the March 22, 2019 AGM
- Dividend policy subject to share price evolution and SBB opportunity

External growth opportunities

- Disciplined bolt-on in existing geographies

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H1 FINANCIAL PERFORMANCE

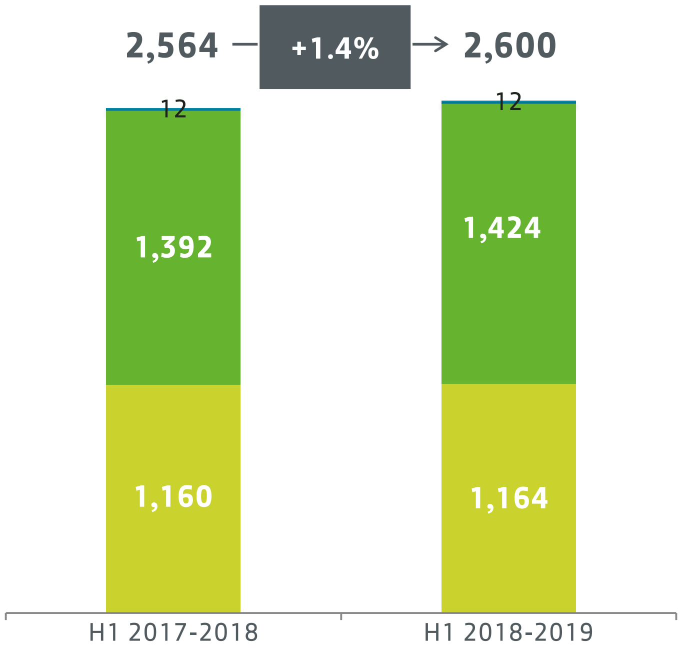
ESTHER GAIDE
ELIOR GROUP CFO

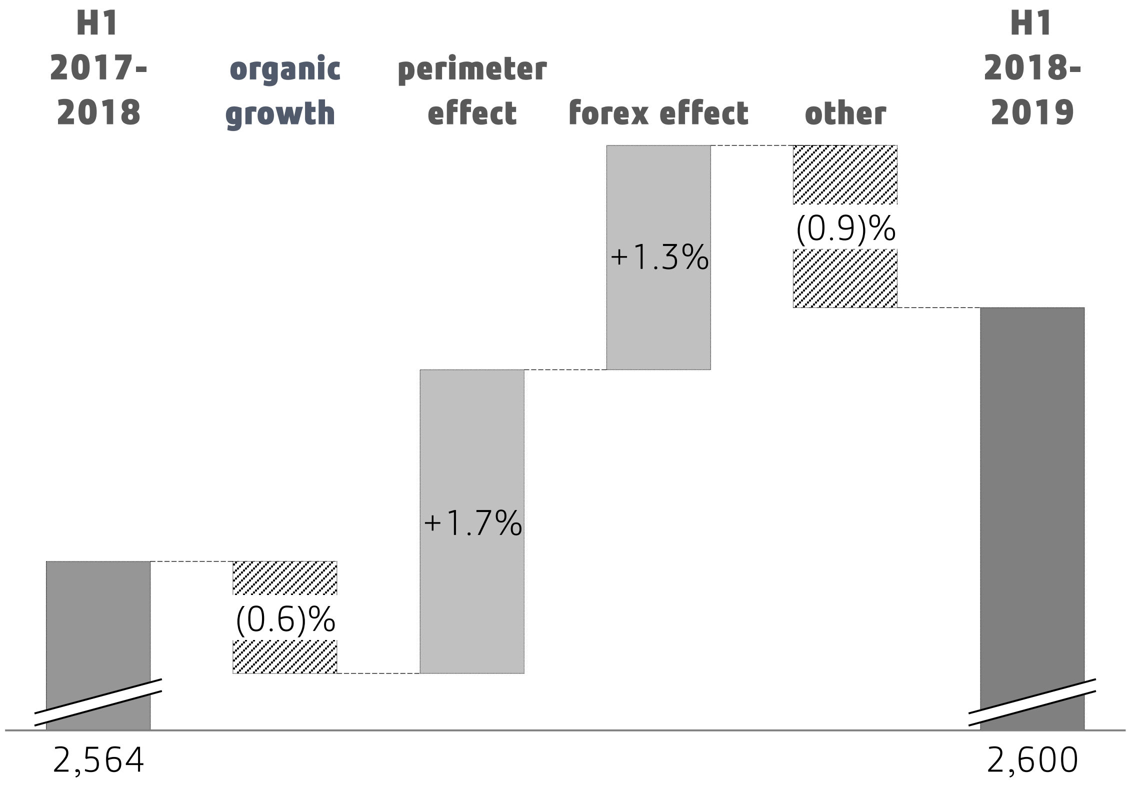
IMPACT OF AREAS TRANSACTION ON FINANCIAL STATEMENTS

- Following the announcement of a binding offer received by the Group for the acquisition of its Areas subsidiary
- Application of IFRS 5 to concessions activities: treated as assets held for sale/discontinued operations as from H1 2018-2019
- Continuing operations now include:
  - Contract catering and services (formerly reported as such)
  - Corporate & other (former corporate + assets and results formerly reported within Concession catering but not part of the Areas transaction)

H1 REVENUE ANALYSIS

GROUP REVENUE (€m)



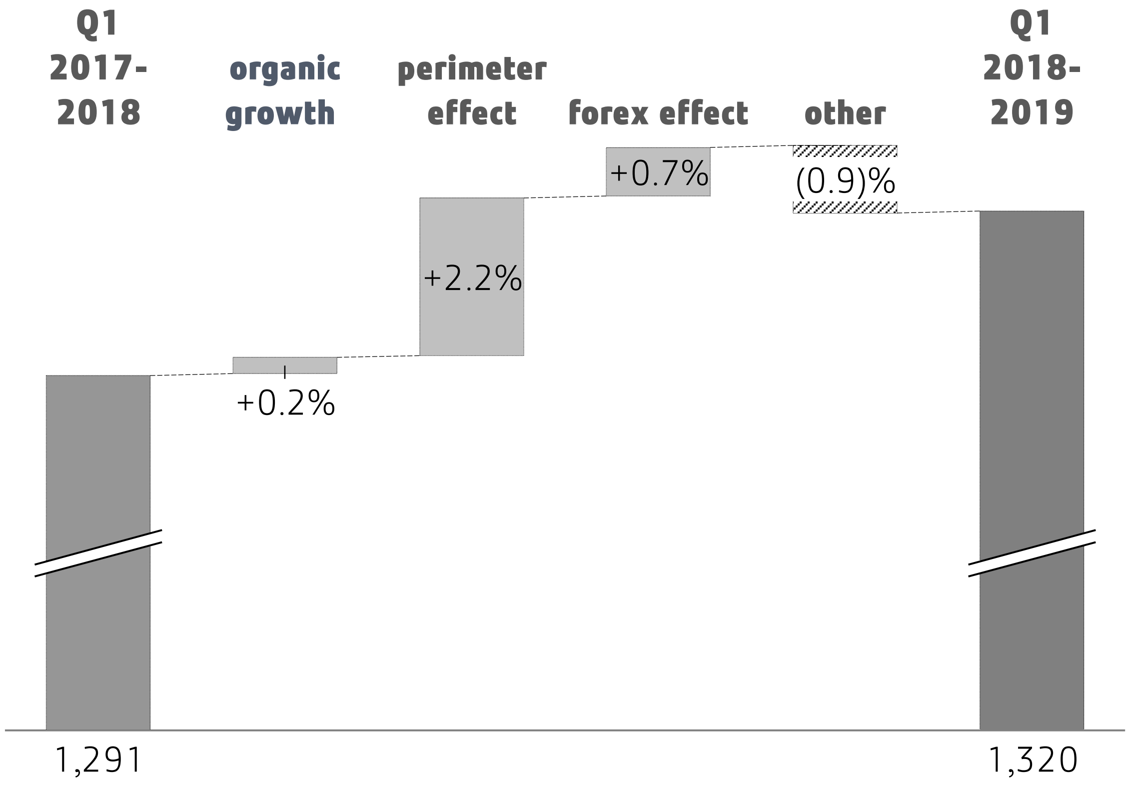


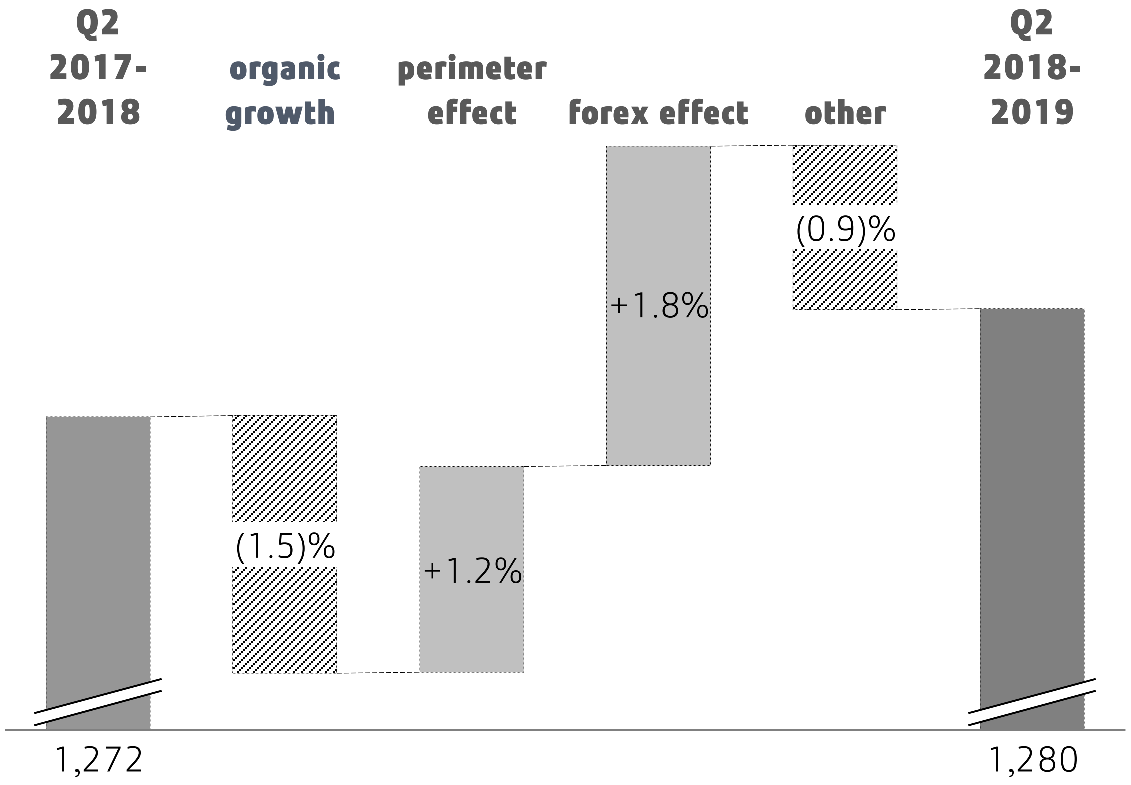
France contract catering & services

International contract catering & services

Corporate & other

Q1/Q2 REVENUE ANALYSIS



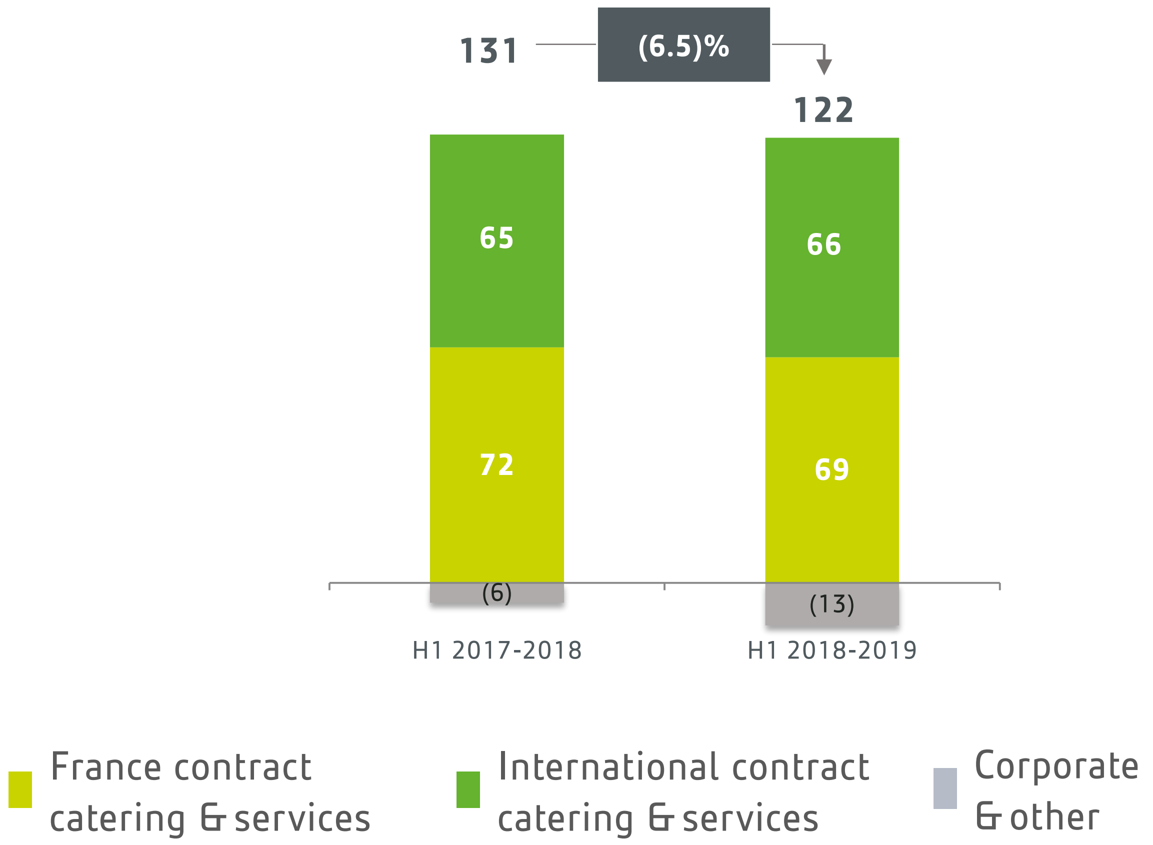


ORGANIC GROWTH ANALYSIS

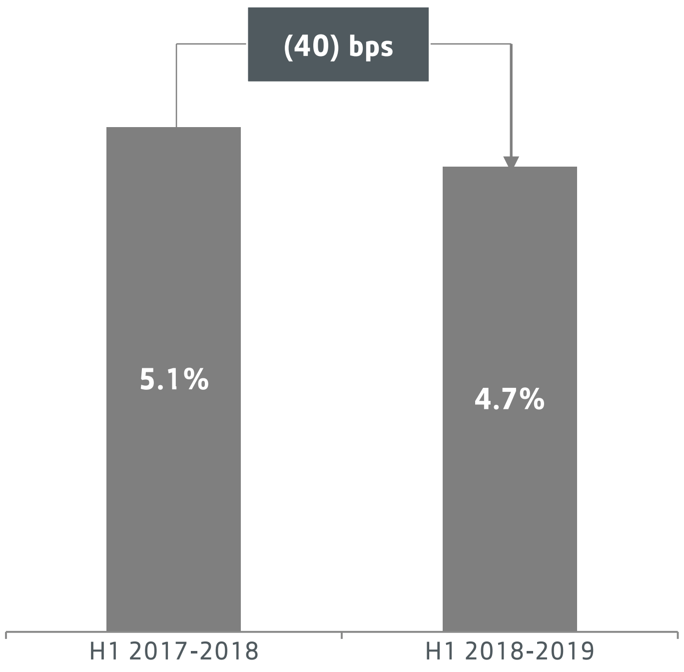
- France organic growth: +0.9% yoy
  - Good performance on existing sites in B&I
  - Good development and retention in Healthcare
  - Slowdown in education in Q2 due to increased selectivity
- International growth: (1.8)% yoy
  - Negative impact of contract exits in Italy
  - Termination of MoD contract and more difficult market environment in the UK
  - Slow down of growth in the US due to Alabama contract loss
- Corporate and others marginal revenue contribution and yoy change

H1 EBITA ANALYSIS (1/2)

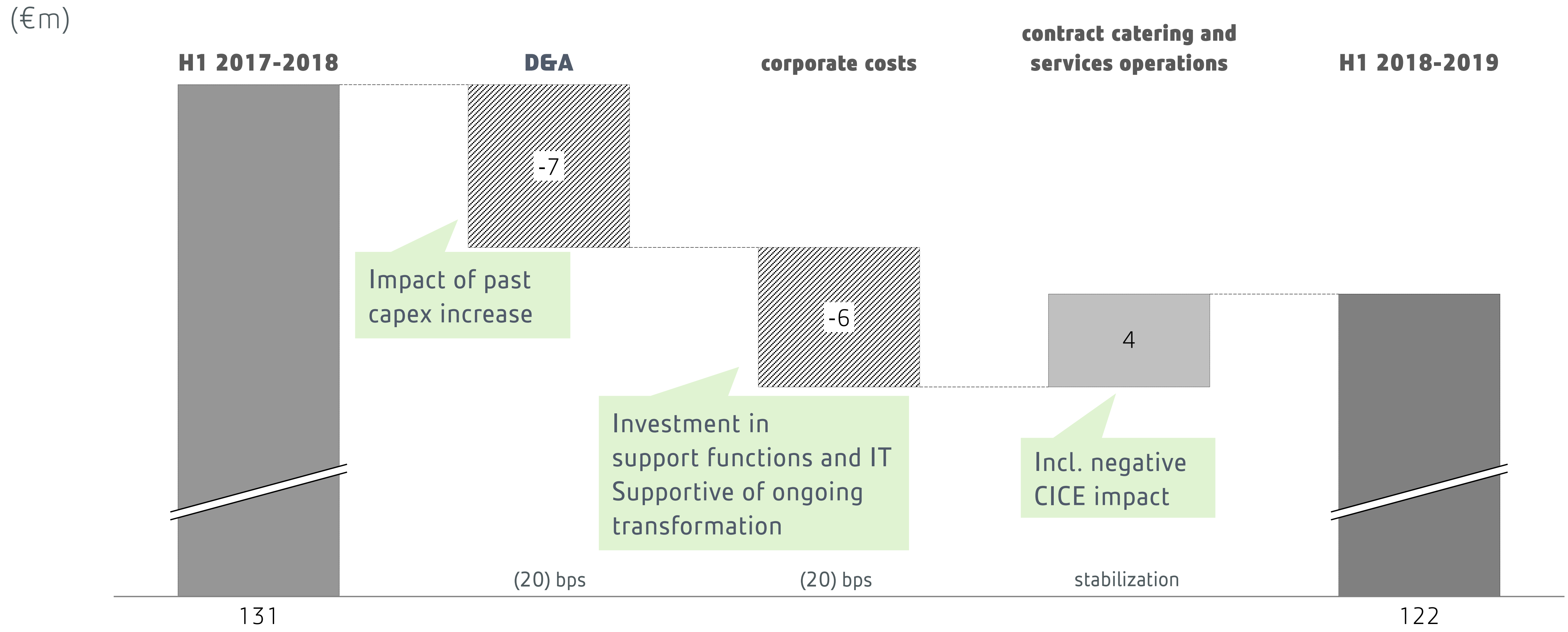
GROUP ADJUSTED EBITA (€m)



GROUP ADJUSTED EBITA MARGIN



H1 EBITA ANALYSIS (2/2)



Inflexion in operational performance trend started in H1

PROFIT & LOSS ACCOUNT ANALYSIS

€m	H1 2018-2019	H1 2017-2018	YoY CHANGE
Revenue	**2,600**	**2,564**	**+1.4%**
Adjusted EBITA	**122**	**131**	**€(9)m**
Adjusted EBITA margin	*4.7%*	*5.1%*	*(40) bps*
EBITA	**116**	**126**	**€(10)m**
Acq. intangible amortization	(10)	(9)	€(1)m
Non-recurring	(6)	(9)	+€3m
Financial charges	(31)	(34)	+€3m
Income tax	(37)	(16)	€(21)m
NET INCOME FROM CONT. OP.	**32**	**58**	**€(26)m**
Net loss from discontinued operations	(33)	(17)	€(16)m
Minority interest	1	(4)	+€5m
NET INCOME GROUP SHARE	**0**	**37**	**€(37)m**

Including charges related to share-based compensation

Impairment of financial assets LY
Slight increase in cost of debt

Details on slide 24

Including exceptional charges related to the Areas transaction

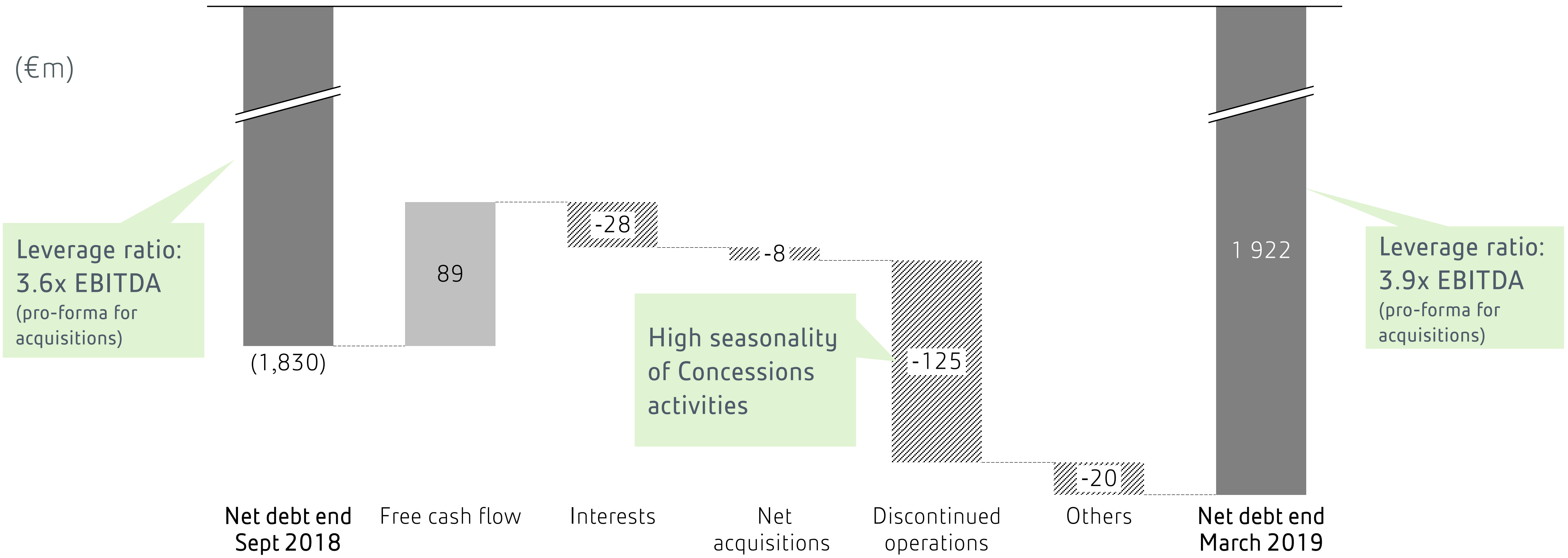
FOCUS ON TAX

- H1 2019 P&L tax charge: yoy increase
  - €14m one-off income in H1 2018
  - Replacement of CICE tax credit by taxable reduction in social charges
  - 23% estimated yearly income tax rate in FY 2019 (excluding CVAE)
  - CVAE expected to remain flat yoy at c. €24m
- No cash tax spent in H1 2019
  Below 20% estimated cash tax rate in FY 2019 (excluding CVAE)
- Deferred tax assets: €110m on the balance sheet at end of March, 2019
- No tax impact expected on capital gain on Areas transaction

FREE CASH FLOW ANALYSIS

€m	H1 2018-2019	H1 2017-2018	YoY CHANGE	
Adjusted EBITDA	184	190	**€(6)m**	
Share-based compensation impact	(6)	(5)	**€(1)m**	
EBITDA	**178**	**185**	**€(7)m**	
Change in WCR	(18)	(78)	**+€60m**	Incl. €35m securitization Benefit from CICE termination
Net capex *As % of revenue*	(60) *2.3%*	(96) *3.7%*	**+€36m** ***(140) bps***	Expected to accelerate in H2
Non-current cash items	(11)	(15)	**+€4m**	
Operating free cash flow	**89**	**(4)**	**+€93m**	
Cash tax	0	4	**€(4)m**	Details on slide 24
Free cash flow	**89**	**0**	**+€89m**	

NET DEBT ANALYSIS



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OUTLOOK

PHILIPPE GUILLEMOT
ELIOR GROUP CEO

2019: GETTING BACK ON TRACK

- (1)% organic revenue growth for continuing activities – including a c. 1% estimated impact of voluntary contract exits in Italy
- c. 1% additional revenue growth from acquisitions
- Stable adjusted EBITA margin at 3.6%
- Capex below 3% of sales
- Sharp increase in operating free cash flow

FINANCIAL AGENDA

- July 25, 2019: Revenue for the first nine months of 2018-2019
- December 4, 2019: Full year 2018-2019 results

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CONCLUSION
Q&A

PHILIPPE GUILLEMOT
ELIOR GROUP CEO

ESTHER GAIDE
ELIOR GROUP CFO

APPENDIX

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 FY 2015-2016 Registration Document, and (ii) other-than-marginal changes in scope of consolidation.

Adjusted EBITA: IFRS reported current operating result adjusted for the impact of stock options and free shares granted by Group companies and amortization of intangible assets recognized on consolidation (mainly customer relationships).

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 adjusted for non-recurring items net of the income tax effect calculated at the Group's standard tax rate of 34% and amortization of intangible assets recognized on consolidation (mainly customer relationships).

Operating free cash flow: The sum of the following items as defined in the FY 2015-2016 Registration Document and recorded either as individual line items or as the sum of several individual line items in the consolidated cash flow statement:

- adjusted 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 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.

Conversion rate: operating free cash flow as a percentage of adjusted EBITDA.

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 a 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 FY 2017-2018 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.