

H1 2015-2016 results



# ELIOR GROUP H1 2015-2016 RESULTS

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**elior**Group   
Time savored

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# AGENDA

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**H1 2015-2016  
ACHIEVEMENTS**

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**2**

**H1 2015-2016  
FINANCIAL PERFORMANCE**

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**3**

**CONTRACT CATERING &  
SERVICES**

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**CONCESSION CATERING**

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**OUTLOOK**

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**CONCLUSION AND Q&A**

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# H1 2015-2016 ACHIEVEMENTS

**PHILIPPE SALLE**

Group Chairman and CEO

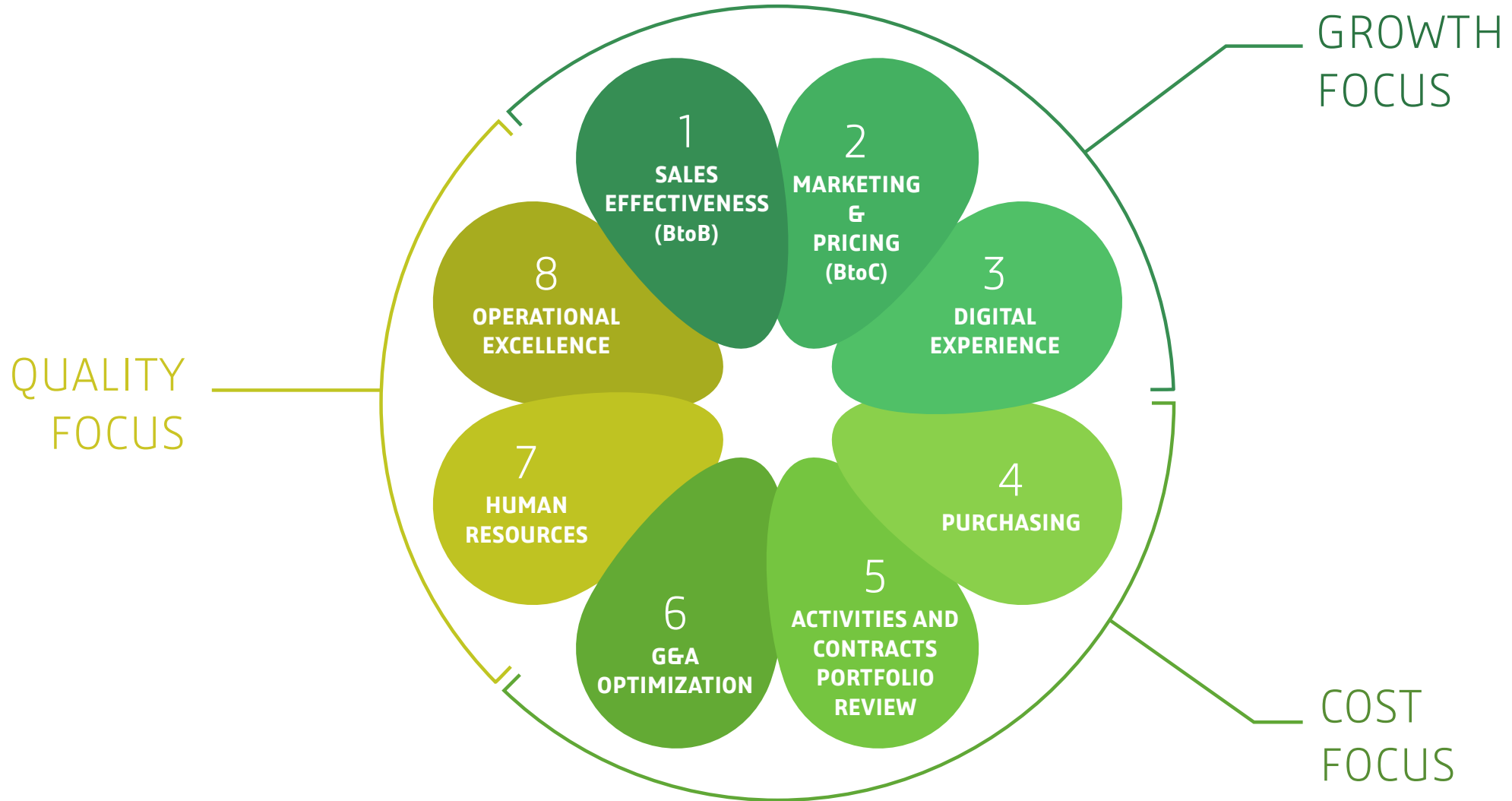
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# H1 2015-2016 HIGHLIGHTS

- Organic growth revenue: +3.4% before impact of voluntary contract exits
- EBITDA margin up 20 bps to 7.4%
- Adjusted EPS up 32.1% to €0.37 per share
- Successful completion of the high yield refinancing in January and in May

# TSUBAKI ROADMAP: 8 PROJECTS



# ACCELERATION OF TSUBAKI DEPLOYMENT

## TSUBAKI 3 DIGITAL EXPERIENCE

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Sponsoring of *Seeds & Chips* European foodtech event in Milan

Investments in *La Belle Assiette* and *Popchef*

## TSUBAKI 4 PURCHASING

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Purchasing diagnosis completed

Reorganisation of the French procurement department

Levers / action plans and sponsors identified

## TSUBAKI 5 PORTFOLIO REVIEW

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Voluntary exit of contracts and disposal of activities in H1 2015-2016 representing c. €90m revenues in H1

(1.9)% impact on H1 2015-2016 organic growth

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# H1 2015-2016 FINANCIAL PERFORMANCE

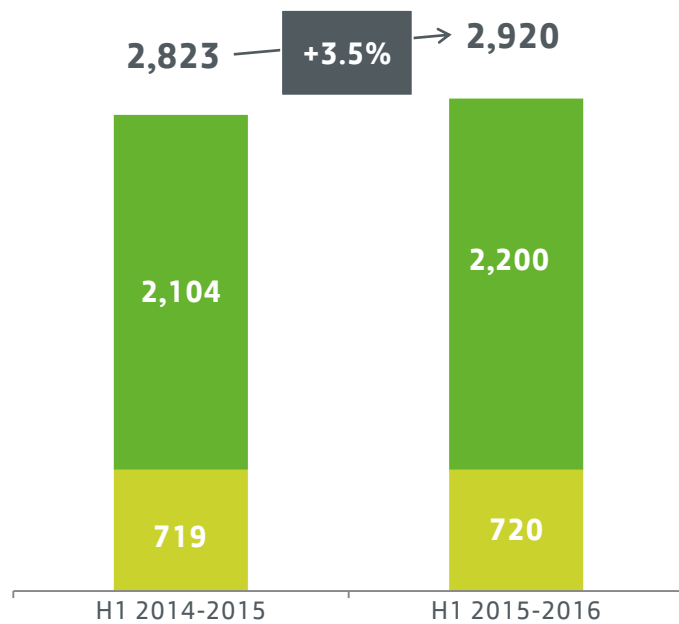
OLIVIER DUBOIS  
Group CFO

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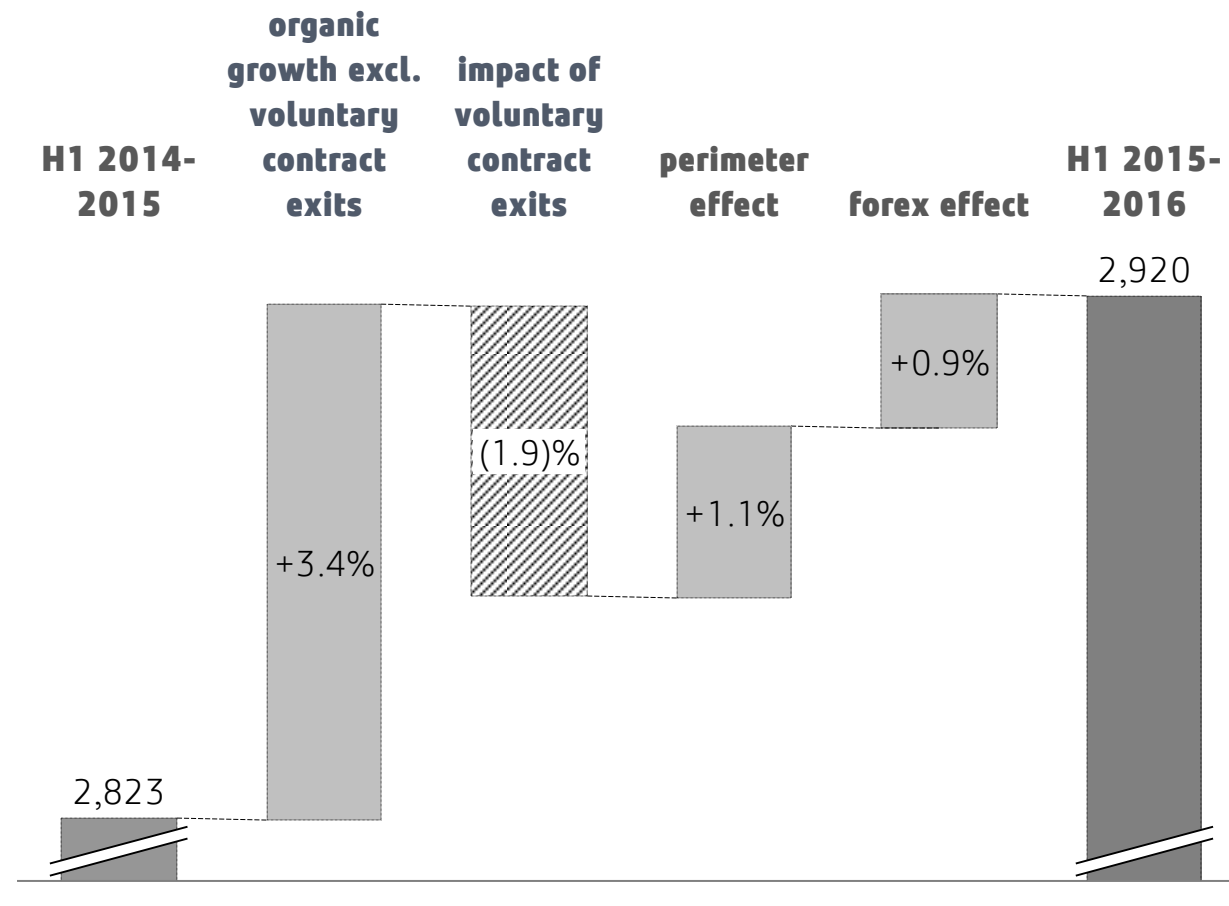


# REVENUE ANALYSIS

## GROUP REVENUE (€m)

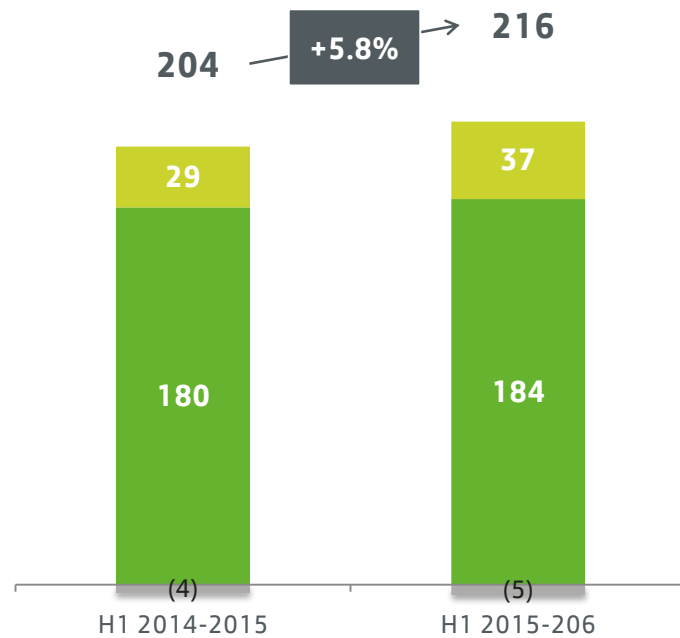


■ Contract Catering & Services   ■ Concession Catering

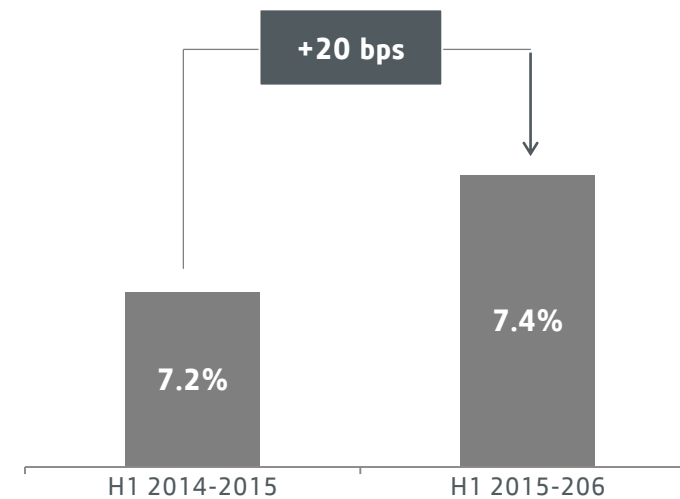


# EBITDA ANALYSIS

## GROUP EBITDA (€m)



## GROUP EBITDA MARGIN (%)



■ Contract Catering & Services 
 ■ Concession Catering 
 ■ Corporate

# PROFIT & LOSS ACCOUNT ANALYSIS

€m	H1 2015-2016	H1 2014-2015	YoY CHANGE
EBITDA	216	204	<b>+5.8%</b>
<i>EBITDA margin</i>	7.4%	7.2%	<b>+20 bps</b>
EBITA	141	127	<b>+11.0%</b>
Non-recurring	(30)	(4)*	<b>€(26)m</b>
GW amortization	(5)	(4)	<b>€(1)m</b>
Financial charges	(31)	(51)*	<b>+€20m</b>
Income tax	(31)	(30)	<b>€(1)m</b>
Minority interest	0	3	<b>€(3)m</b>
<b>NET INCOME GROUP SHARE</b>	<b>40</b>	<b>40</b>	<b>-</b>
EPS (€)	0.24	0.24	-
<b>Adjusted EPS** (€)</b>	<b>0.37</b>	<b>0.28</b>	<b>+32.1%</b>

▶ Restructuring and voluntary contract exits

▶ Refinancing, repricing and decrease in interest rates

▶ c. 41% tax rate

\* Q1 2014-2015 non-recurring financial charges have been reclassified as financial charges

\*\*Adjusted for non recurring and goodwill amortization (net of tax calculated with a normative 34% tax rate)

# NON-RECURRING ITEMS

(excl. M&A costs)

- Acceleration in Q2 of actions associated with the implementation of the Tsubaki transformation plan (restructuring/reorganization/contract exits)
- Total impact on H1 P&L: €28m
- FY 2015-2016 expected total impact: c. €40m
- FY 2016-2017 expected remaining impact: c. €20m



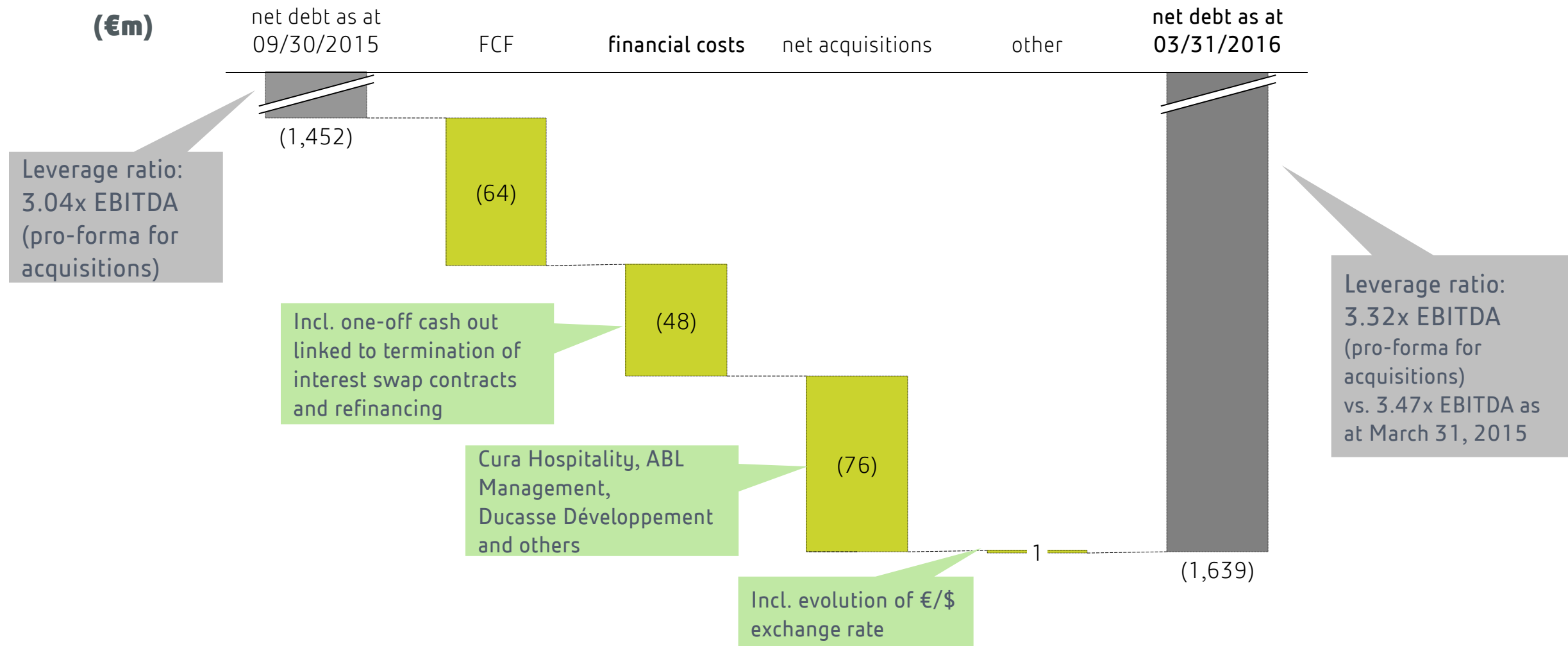
# FREE CASH FLOW ANALYSIS

€m	H1 2015-2016	H1 2014-2015	YOY CHANGE
EBITDA	216	204	<b>+5.8%</b>
Change in WCR	(117)	(122)	<b>+€5m</b>
Net Capex	(86)	(90)	<b>+€4m</b>
Cash tax	(34)	(10)	<b>€(24)m</b>
Non-recurring cash items	(44)	(47)	<b>€(3)m</b>
<b>FREE CASH FLOW</b>	<b>(64)</b>	<b>(64)</b>	<b>-</b>

▶ Non-recurring €20m cash-out related to past years

▶ Restructuring and voluntary contract exits

# NET DEBT ANALYSIS



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# CONTRACT CATERING & SERVICES

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**PHILIPPE SALLE**

Group Chairman and CEO

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# H1 2015-2016 HIGHLIGHTS

## ACQUISITION

- *Preferred meals*, US-based company specialized in education (notably private schools) and senior nutrition  
Strategic fit under our niche market development strategy in the US  
Presence in 30 states, including central kitchens located in attractive locations  
c. \$225m revenues generated in FY 2015

## QUALITY RECOGNITION

- Innovation award for Beak Street Chicken concept in the UK
- 2 awards received at the Scottish Best Bar None Awards for the management of the Murrayfield stadium concession in Edinburgh
- Three-fold Afnor quality and security certification for Elior France

## OPERATIONS & CONCEPTS

- New meal delivery service including on-line pre-ordering aboard high speed trains in Italy
- Partnership with French chef Norbert Tarayre to create recipes inspired by international streetfood
- Opening of new Villeneuve-La-Garenne central kitchen and Ternay culinary workshop in France



# FINANCIAL PERFORMANCE (1/2)

- Strong organic growth at 2.9% before voluntary contract exits
- (2.3)% impact of voluntary contract exits, notably in Italy and France
- Sustained activity level in France
- Acceleration of growth in Q2 in the UK and the US
- Tougher competitive environment in Spain and in Italy: increased selectivity in new bids
- Positive effects of Tsubaki action plan already visible on profitability in Italy and the UK
- Expected dilutive impact of acquisitions in the US

# FINANCIAL PERFORMANCE (2/2)

€m	H1 2015-2016	H1 2014-2015	REPORTED GROWTH	ORGANIC GROWTH
Revenues	2,200	2,104	<b>+4.6%</b>	<b>+0.6%</b>
o/w France	1,137	1,124	<b>+1.1%</b>	<b>+1.4%</b>
o/w International	1,063	980	<b>+8.6%</b>	<b>(0.4)%</b>
EBITDA <i>As % of sales</i>	184 8.4%	180 8.5%	<b>+2.6%</b> <b>(10) bps</b>	
o/w France <i>As % of sales</i>	106 9.3%	106 9.4%	<b>+0.1%</b> <b>(10) bps</b>	
o/w International <i>As % of sales</i>	79 7.4%	74 7.6%	<b>+6.3%</b> <b>(20) bps</b>	
Capex <i>As % of sales</i>	42 1.9%	47 2.2%	<b>(11.0)%</b> <b>(30) bps</b>	

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# CONCESSION CATERING

**PHILIPPE SALLE**  
Group Chairman and CEO

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# H1 2015-2016 HIGHLIGHTS

## ACQUISITION

- Exclusive negotiations with Autogrill to buy their railway assets in France

Acceleration of development strategy in railway

Strengthening of leadership position in France

Participation to the modernization of French train stations

Development and implementation of new innovative concepts

## PORTFOLIO REVIEW

- Disposal of highway retail stores in Mexico
- Disposal of mall food and beverage stores in Chile

## OPERATIONS/CONTRACTS

- Reorganization of Paris and Barcelona headquarters completed
- Renewal and development of attractive own brands and concepts
- New 8-year contract in Bilbao and San Sebastian airports (6 points of sale)



# FINANCIAL PERFORMANCE (1/2)

- Acceleration of organic growth in Q2
- EBITDA growing faster than revenues
- France performance affected by the transfer of the Paris-Charles-de-Gaulle (terminals E and F) contract, impact of terrorist attacks on French tourism and termination of motorway contracts
- Continuing improvement in traffic trends, notably in Southern Europe
- Opening of new points of sale in Italy, Portugal, the US and Mexico

# FINANCIAL PERFORMANCE (2/2)

€m	H1 2015-2016	H1 2014-2015	REPORTED GROWTH	ORGANIC GROWTH
Revenues	720	719	<b>+0.2%</b>	<b>+4.2%</b>
o/w France	287	313	<b>(8.3)%</b>	<b>(3.2)%</b>
o/w International	433	406	<b>+6.7%</b>	<b>+9.8%</b>
EBITDA <i>As % of sales</i>	37 5.1%	29 4.0%	<b>+27.9%</b> <b>+110 bps</b>	
o/w France <i>As % of sales</i>	15 5.2%	17 5.5%	<b>(13.6)%</b> <b>(30) bps</b>	
o/w International <i>As % of sales</i>	22 5.0%	12 2.8%	<b>+91.6%</b> <b>+220 bps</b>	
Capex <i>As % of sales</i>	31 4.4%	40 5.5%	<b>(22.5)%</b> <b>(110) bps</b>	

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# OUTLOOK

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Group Chairman and CEO

**OLIVIER DUBOIS**

Group CFO

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# 2016 AMBITIONS

## REVENUES

Organic growth\* at or above 3% excluding contract exits

Expected impact of contract exits at or below 200bps (vs. 150 bps previously)

## EBITDA MARGIN RATIO

At least +20 bps vs. FY 2014-2015  
→ at/or above 8.6%

## EPS and ADJUSTED EPS\*\*

Strong growth

\*Organic growth = total growth excluding perimeter change and foreign exchange rate impacts

\*\* Adjusted for non recurring and goodwill amortization (net of tax calculated with a normative 34% tax rate)



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# CONCLUSION and Q&A

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Group Chairman and CEO

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**Partenaire Officiel**