

Strong growth in Q3 2018 revenue (+38.7%)
Sequential improvement in pro forma organic growth (+2.5%)
Very satisfactory progress in the integration of Berendsen

Pro forma organic growth acceleration: +2.5% in Q3

- Satisfying summer season in France (+1.8%)
- Good commercial momentum in Central Europe (+3.2%) and in Scandinavia (+2.6%)
- Continued sequential improvement in United Kingdom & Ireland (-0.7% this quarter vs. -2.8% in Q1)
- Resilient activity in Southern Europe (+1.9%) despite a slowdown in the hospitality industry in Spain
- Commercial activity still dynamic in Latin America (+7.6%)

Berendsen's integration continues to show excellent progress in all geographies

- UK: Further rationalization of client portfolio in Hospitality
- Scandinavia: First benefits from the implementation of Elis' multi-service model
- Germany: Positive effect from our commercial initiatives in the Healthcare segment

2018 outlook

- Group revenue in Q4 up +2.5% pro forma, supported by a similar growth rate in the historic Elis scope
- Group EBITDA margin slightly above 31.5%, improving in all geographies
- Capex of c. 20% of sales
- Net debt / EBITDA ratio at 3.2x at year-end

Saint-Cloud, October 25, 2018 – Elis, an international multi-service provider, offering textile, hygiene and facility services solutions across 28 countries in Europe and Latin America, today announces its revenues for the 9 months ended September 30, 2018.

Commenting on the announcement, **Xavier Martiré, CEO of Elis**, said:

"Elis posted revenue growth of nearly 40% in Q3. Pro forma organic growth was +2.5%, marking an acceleration compared to the two previous quarters. This illustrates the good commercial momentum of Elis' historical scope, as well as continued success in the integration of Berendsen.

In France, organic growth is close to 2%. The complementarity of Elis' and Berendsen's networks is very good in Central Europe, with noteworthy benefits in our Healthcare business in Germany. In Scandinavia, we are gradually implementing Elis' multi-service approach and can already see some first positive effects on commercial activity. In Southern Europe, organic growth remains satisfactory despite the significant slowdown in Hospitality this summer in Spain. Finally, the turnaround in activity continues in the United Kingdom, especially in Hospitality, where improved quality of service allows us to increase prices.

In addition, the Group continues the implementation of its synergies plan for Berendsen and the progress made since the beginning of the year is perfectly in line with the planned timetable.

For full-year 2018, we anticipate revenue above €3.1bn excluding Clinical Solutions, an activity that has been put up for sale. Moreover, our EBITDA margin should be slightly above 31.5% with improved profitability in all our geographies."

Revenues

At the end of H1 2018, the Group initiated the sale process for its Clinical Solutions activity (operating only in the United Kingdom) and anticipates that the sale will occur in the next 9 months. The figures disclosed in the present press release exclude the Clinical Solutions activity for both 2017 and 2018.

Reported revenues (with Berendsen consolidated from 1st September 2017)

(EUR million)	2018			2017			Var.		
	H1	Q3	9M	H1	Q3	9M	H1	Q3	9M
France	505.9	272.0	777.8	494.6	267.2	761.8	+2.3%	+1.8%	+2.1%
Central Europe	328.7	176.8	505.5	130.4	98.1	228.6	+152.0%	+80.2%	+121.2%
Scandinavia & East. Europe	240.8	117.4	358.2	-	39.9	39.9	n/a	+194.6%	+798.7%
United Kingdom & Ireland	196.6	102.3	298.9	-	32.8	32.8	n/a	+212.2%	+812.4%
Southern Europe	126.9	76.5	203.5	123.8	75.1	198.9	+2.5%	+1.9%	+2.3%
Latin America	125.5	59.3	184.8	87.5	67.0	154.6	+43.4%	-11.5%	+19.6%
Others	9.6	6.3	15.8	9.4	4.4	13.8	+2.0%	+41.8%	+14.8%
Total	1,533.9	810.6	2,344.5	845.8	584.5	1,430.3	+81.4%	+38.7%	+63.9%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

Revenues, pro forma for the acquisition of Berendsen (as if Berendsen was consolidated from 1st January 2017)

(EUR million)	2018			2017			Var.		
	H1	Q3	9M	H1	Q3	9M	H1	Q3	9M
France	505.9	272.0	777.8	494.6	267.2	761.8	+2.3%	+1.8%	+2.1%
Central Europe	328.7	176.8	505.5	320.0	160.8	480.8	+2.6%	+10.0%	+5.2%
Scandinavia & East. Europe	240.8	117.4	358.2	240.4	119.5	359.9	+0.1%	-1.7%	-0.5%
United Kingdom & Ireland	196.6	102.3	298.9	204.3	102.7	307.0	-3.9%	-0.5%	-2.7%
Southern Europe	126.9	76.5	203.5	123.8	75.1	198.9	+2.5%	+1.9%	+2.3%
Latin America	125.5	59.3	184.8	87.5	67.0	154.6	+43.4%	-11.6%	+19.6%
Others	9.6	6.3	15.8	9.9	4.0	13.9	-4.1%	+55.8%	+13.7%
Total	1,533.9	810.6	2,344.5	1,480.5	796.4	2,276.8	+3.6%	+1.8%	+3.0%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

2018 organic revenue growth, pro forma for the acquisition of Berendsen (as if Berendsen was consolidated from 1st January 2017)

(EUR million)	H1 organic growth	Q3 organic growth	9M organic growth
France	+1.9%	+1.8%	+1.9%
Central Europe	+0.9%	+3.2%	+1.7%
Scandinavia & East. Europe	+3.3%	+2.6%	+3.1%
United Kingdom & Ireland	-2.0%	-0.7%	-1.6%
Southern Europe	+2.5%	+1.9%	+2.3%
Latin America	+13.5%	+7.6%	+10.9%
Others	-5.1%	n/a	+14.3%
Total	+2.1%	+2.5%	+2.3%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

France

In Q3 2018, revenue grew by +1.8% (exclusively organic growth). September was penalized by one less billing day (impact of c. -50bps on the quarter's growth). A positive calendar effect of the same magnitude is expected to occur in October.

The trend we observed in the first half continues: Hospitality and Trade & Services are dynamic. Industry is well-oriented. Healthcare remains slightly down with the delayed impact of the non-renewal of a few contracts at the end of 2017.

Central Europe

Q3 2018 revenue in Central Europe is growing by +80.2%, driven by the acquisition of Berendsen. Organic growth for the region is +3.2% pro forma on the back of good commercial dynamism in countries such as Poland and the Netherlands. Germany grew slightly, and the situation is improving in Switzerland despite a marginal decline in revenue.

Scandinavia & Eastern Europe

Commercial momentum remained good in Q3 2018 and pro forma organic sales grew by +2.6%. September was penalized by one less billing day (impact of c. -50bps on the quarter's growth). A positive calendar effect of the same magnitude is expected to occur in October.

United Kingdom & Ireland

Q3 2018 organic revenue was down -0.7% pro forma, marking nevertheless a new improvement compared to the second quarter. In Hospitality, we remain focused on commercial activity to raise price levels. As far as the Workwear market is concerned, prices are at a satisfactory level and specific attention is paid to the customer retention rate.

Furthermore, we continue our industrial adjustments as well as additional savings on overhead costs.

Southern Europe

Q3 2018 revenue growth was entirely organic, at +1.9%. The slowdown observed in Spain since the beginning of the year was confirmed during the summer season: Hospitality activity is less dynamic, but commercial momentum in the other end-markets (Healthcare, Industry) remains very satisfactory. Moreover, Portugal remains well-oriented.

Latin America

Q3 2018 organic revenue grew +7.6%. The slowdown observed compared to the previous quarter is linked to (i) the base effect from the integration of Lavebras, whose organic growth rate is lower than that of the historical scope of Elis in Brazil and (ii) to a mild winter that had a negative impact on the volume of bed covers washed for hospitals. However, the environment remains very favorable for the Group's activity, both regarding pricing dynamics and commercial development. The foreign exchange impact in Q3 is -19.1% in the region.

Group governance

Agnès Pannier-Runacher, a member of the Supervisory Board since 2014, has informed Elis that she was resigning from her duties as member of the Supervisory Board, effective October 17, 2018. This follows her appointment to the French Government as State Secretary to the Minister for Finance.

Thierry Morin, Chairman of the Supervisory Board took note of this resignation and expressed his thanks to Mrs. Agnès Pannier-Runacher for her contribution to the work of the Supervisory Board and of the Audit Committee.

Financial definitions

Organic growth in the Group's revenue is calculated excluding (i) the impacts of changes in the scope of consolidation of "major acquisitions" and "major disposals" (as defined in the Document de Base) in each of the periods under comparison, as well as (ii) the impact of exchange rate fluctuations.

Geographical breakdown

- France
- Central Europe: Germany, Netherlands, Switzerland, Poland, Belgium, Austria, Czech Republic, Hungary, Slovakia, Luxemburg
- Scandinavia & Eastern Europe: Sweden, Denmark, Norway, Finland, Latvia, Estonia, Lithuania, Russia
- UK & Ireland
- Southern Europe: Spain, Portugal, Italy
- Latin America: Brazil, Chile, Colombia

Investor and analyst conference call in English

Speakers:

Louis Guyot, CFO

Date:

Thursday, October 25th, 2018
9:00am CET

Webcast link (live and replay):

<https://edge.media-server.com/m6/p/h24mtnsj>

A webcast replay will be available for one year following the event.

Dial-in numbers:

France: +33 (0)1 76 77 22 57

United Kingdom: +44 (0)330 336 9411

United States of America: +1 646-828-8143

Code: 5806783

Replay numbers:

France: +33 (0)1 70 48 00 94

United Kingdom: +44 (0) 207 660 0134

United States of America: +1 719-457-0820

Code: 5806783

An audio replay will be available for one week following the event.

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Next information

FY 2018 revenue: January 30, 2019 (after market)

Annual results 2018: March 7, 2019

Contact

Nicolas Buron, Investor Relations Director - Phone: +33 1 75 49 98 30 – nicolas.buron@elis.com

Audrey Bourgeois, Investor Relations - Phone: +33 1 75 49 96 25 – audrey.bourgeois@elis.com