



ACQUISITIONS OF INDUSAL AND LAVEBRAS

December 22, 2016



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Historical data related to Indusal and Lavebras included in this presentation were furnished by Indusal and Lavebras, respectively, to Elis in connection with the acquisitions described herein. Estimated data related to Indusal and Lavebras are based on information made available to Elis by Indusal and Lavebras, respectively, as adjusted based on current estimates and assumptions deemed reasonable by Elis's management. All data related to Indusal and Lavebras, as well as estimated financial data related to the Group, have been neither audited nor reviewed by Elis's auditors.

Readers should consult the registration document of Elis S.A. ("Elis"), registered with the AMF under n° R.16-019 on 13 April 2016 (the "Registration Document"), which is available from the AMF's website at www.amf-france.org and from Elis's website at www.corporate-elis.com. The Registration Document includes a detailed description of Elis, its business, strategy, financial condition, results of operations and risk factors.

TWO STRATEGIC ACQUISITIONS FOR ELIS



Acquisition of two leading players in Spain (Indusal) and Brazil (Lavebras)

- 2 longstanding geographical priorities for Elis's international expansion strategy
- Elis now #1 in both markets, doubling its market share¹ to more than 25% in both countries

Significant growth potential in these countries

- Attractive market outlook in both markets, further opportunities due to fragmentation
- Elis posting double-digit organic growth in both countries since 2014
- Profitability improvement fueled by the combination with Elis's existing assets

Investment consideration of €510m

- Investment of €170m for 100% of Indusal → 5x FY2016 estimated EBITDA post-synergies
- Investment of €340m for 100% of Lavebras → 8x FY2016 estimated EBIT post-synergies²

Optimized financing

- €550m bridge loan
- €325m rights issue with core shareholders³ committed to fully take-up their rights
- New syndicated credit → Maturity extended to Jan 2022 and reduction of margin grid by c.50bps

Strong value creation

- €25m-€30m synergies p.a. by 2019, excluding tax credit
 - Target c.30% EBITDA margin by 2019 in both countries
- c.+7% impact on adjusted EPS⁴ in FY2017

Notes: 1 Source: Elis estimates

2 Based on deducting the present value of expected tax goodwill amortization from the enterprise value of BRL1,300m

3 Eurazeo (directly and indirectly through Legendre Holding 27, controlled by Eurazeo) and Crédit Agricole Assurances hold a 26.9% aggregate stake



4 Adjusted earnings per share: earnings attributable to shareholders of the parent company, adjusted for exceptional items and divided by the number of ordinary shares outstanding post completion of the rights issue. The adjusted earnings per share herein are calculated based on the integration of Lavebras and Indusal as of January 1, 2017 and expected synergies for 2017.



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TRANSACTION HIGHLIGHTS



	Indusal 	Lavebras 
Key Figures	<ul style="list-style-type: none"> ➤ 2016e revenue c.€90m ➤ 2016e EBITDA margin c.27% 	<ul style="list-style-type: none"> ➤ 2016e revenue c.BRL370m / c.€103m² ➤ 2016e EBITDA margin >30% ➤ 2016e EBIT margin c.19%
Strategic rationale	<p>Elis position in Spain</p> <ul style="list-style-type: none"> ➤ Double its revenues ➤ Become the undisputed leader ➤ Double market share to more than 25% <p>Competitive landscape in Spain</p> <ul style="list-style-type: none"> ➤ Fragmented market ➤ No other international players 	<p>Elis position in Brazil</p> <ul style="list-style-type: none"> ➤ Consolidate its leadership position ➤ Double market share to more than 25% <p>Competitive landscape in Brazil</p> <ul style="list-style-type: none"> ➤ Fragmented market
Synergies	<p>2019 targets</p> <ul style="list-style-type: none"> ➤ Synergies c.€10m p.a. ➤ Combined EBITDA margin c.30% 	<p>2019 targets</p> <ul style="list-style-type: none"> ➤ Synergies c.BRL60m p.a. / c.€17m² ➤ Combined EBITDA margin c.30% <p>Expected tax credit of c.BRL300m amortized over 5y</p>
Valuation	<ul style="list-style-type: none"> ➤ Enterprise Value €170m <p>Implied EV/EBITDA 2016e</p> <ul style="list-style-type: none"> ➤ Pre-synergies 7x ➤ Post-synergies 5x 	<ul style="list-style-type: none"> ➤ Enterprise Value BRL1,300m¹ <p>Implied EV/EBIT 2016e</p> <ul style="list-style-type: none"> ➤ Pre-synergies 18x ➤ Post-synergies 8x³
Timetable	<ul style="list-style-type: none"> ➤ Transaction closed on December 21, 2016 	<ul style="list-style-type: none"> ➤ Closing expected by the end of H1 2017 subject to Brazilian antitrust process



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Note

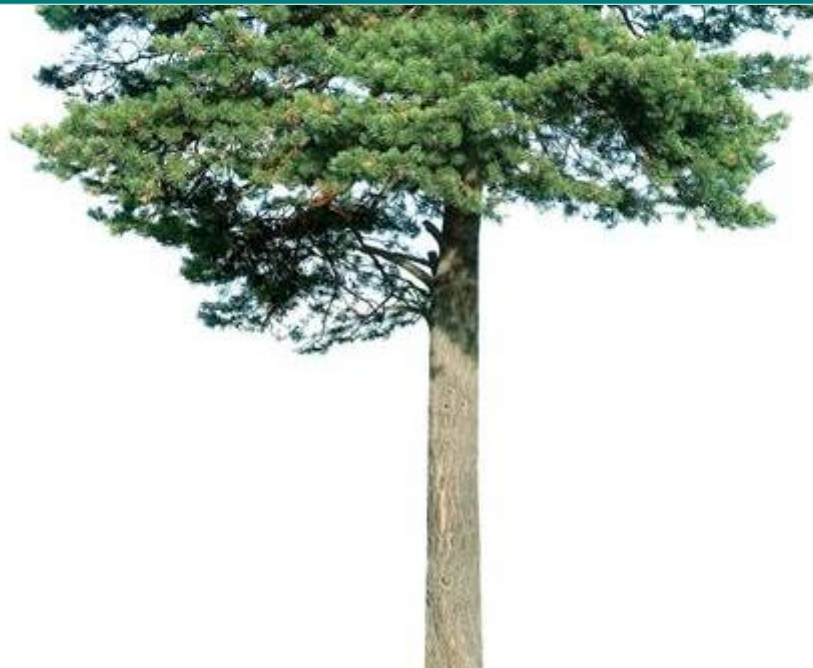
1 Excluding reinvestment from DNA

2 Exchange rate of 3.60 reals per euro

3 Based on deducting the present value of expected tax goodwill amortization from the enterprise value of BRL1,300m



PRESENTATION OF THE INDUSAL ACQUISITION



SPAIN: STRONG UPSIDE POTENTIAL



Elis in Spain before Indusal acquisition



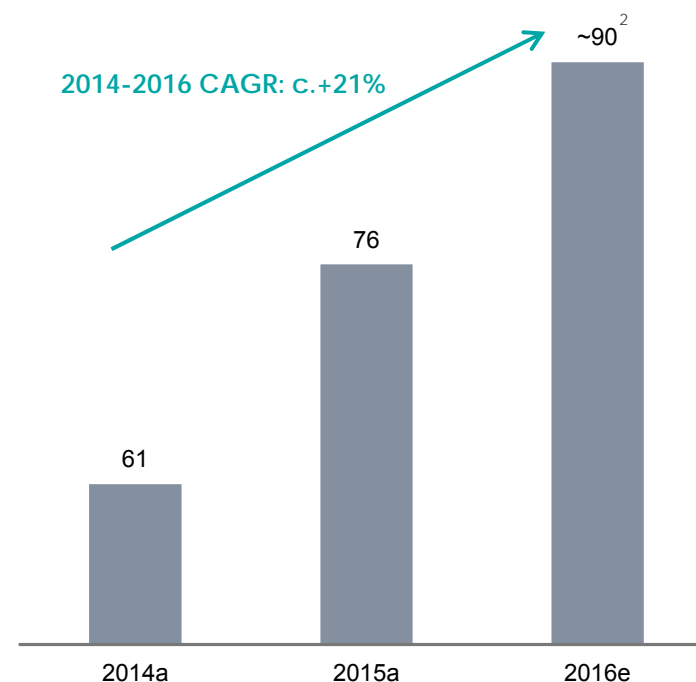
Key market drivers

- ✓ Strong potential for market expansion
 - ➔ Market size of €600m in 2014 vs. €2bn in France¹
- ✓ Potential improvement of **operational profitability** triggered by the **densification of networks** and **competitive leverage**
- ✓ **Fragmented market** with no other international player

Elis is already a strong player¹ and is posting double-digit organic revenue growth in the country since 2014

Key figures of Elis in Spain

Revenues (in €m)



Organic growth for the first 9 months of 2016: +14%



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Notes

- 1 Source: KPMG, August 2014
- 2 Before Indusal acquisition

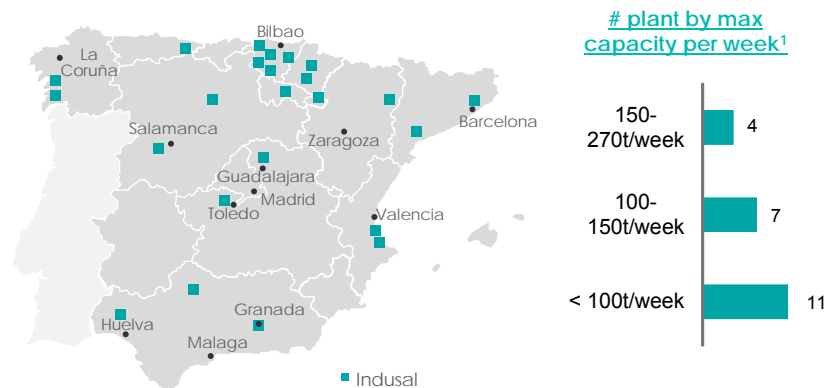
INDUSAL AT A GLANCE



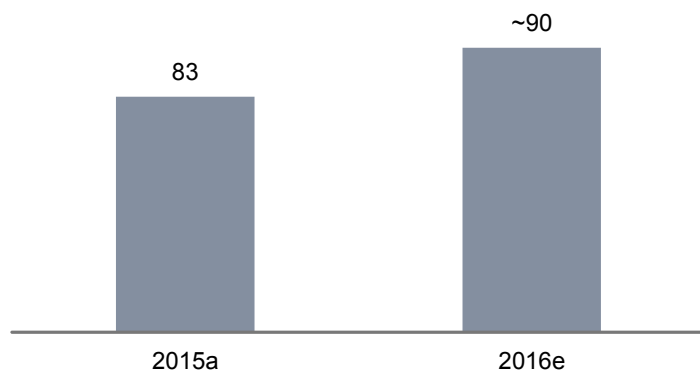
Company description

- Founded in 1981 in Pamplona, Indusal is a **family business**, **#2 player in the Spanish linen rental and laundering sector**
- Indusal provides **flat linen and workwear services**, mainly for the **hospitality sector**, and does **mainly rental**
- Strong focus on **flat linen** with an estimated capacity of approximately **120,000 tons of whitened linen** per year
- **Diversified customer base** with more than **3,000 clients**
- **Extensive network** of 24 plants in Spain, with a strong presence in Northern Spain
- **c.1,450 employees** (June 2016)

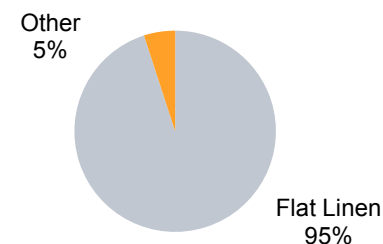
Geographic footprint



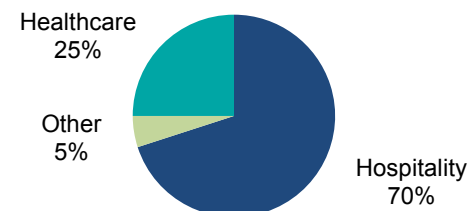
Revenues (in €m)



Breakdown by activity (2015 revenues)



Breakdown by market (2015 revenues)



THE NEW MARKET LEADER IN SPAIN: KEY OPERATIONAL FIGURES



indusal

Elis in Spain

2016e

c.€90m
revenues



c.1,100
employees



c.15%
market share



#1 Ilunion²: €120/140m
#2 Elis & Indusal: €90m

Multi regional player

Combined entity¹

2016e

c.x2
revenues to
c.€180m



c.2,550
employees



>25%
market share



#1 Elis: €180m
#2 Ilunion²: €120/140m
#3 L'emporda²: c.€20m

National player



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Notes

- 1 Figures based on Elis and Indusal estimates for illustrative purposes
- 2 Elis estimates

THE NEW MARKET LEADER IN SPAIN: A STRONG COMBINATION

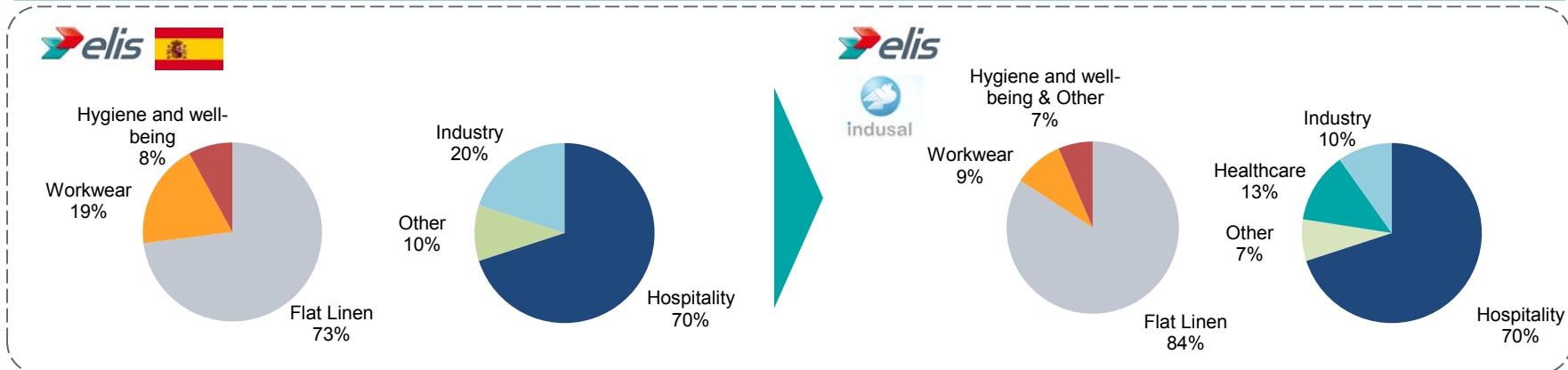


indusal

Combined geographical footprint

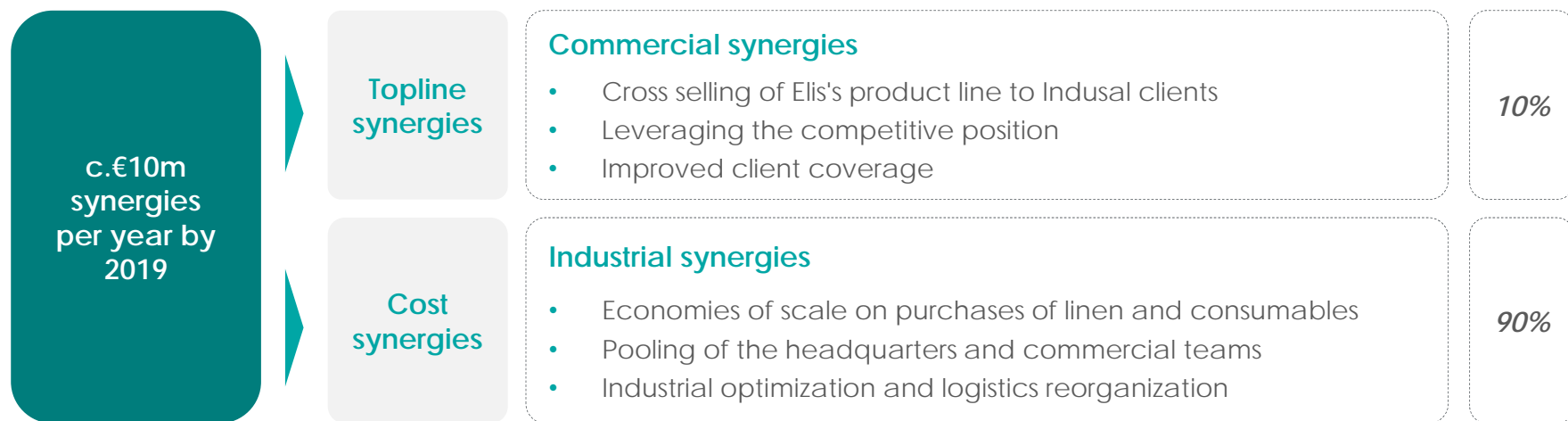


Combined activity and segment breakdown (2015 revenues)



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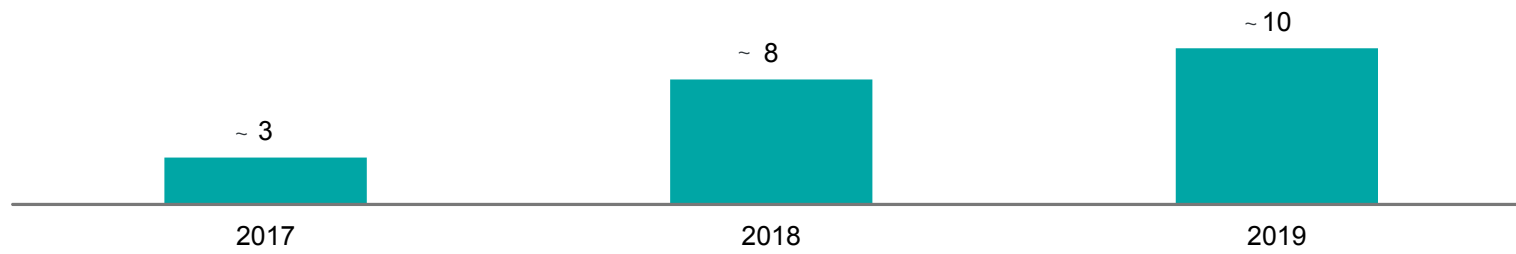
THE NEW MARKET LEADER IN SPAIN: EXPECTED VALUE CREATION



Target EBITDA margin by 2019

c.30%

Phasing of synergies (in €m)



INDUSAL TRANSACTION: KEY FINANCIAL HIGHLIGHTS



- €170m investment for Elis in a 100% cash consideration
- Double market share in Spain to more than 25%
- Double revenues in Spain to c.€180m based on estimated figures
- Additional EBITDA contribution with a c.27% margin in 2016^e
- Implied Indusal valuation of 7x 2016e EBITDA pre-synergies and 5x 2016e EBITDA post-synergies
- Transaction closed on December 21, 2016





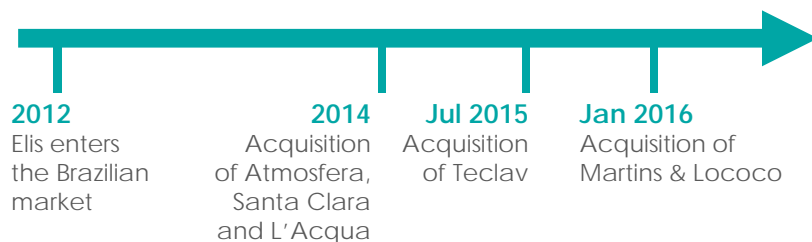
PRESENTATION OF THE LAVEBRAS ACQUISITION



BRAZIL: A MARKET WITH STRONG POTENTIAL



Elis in Brazil before Lavebras acquisition



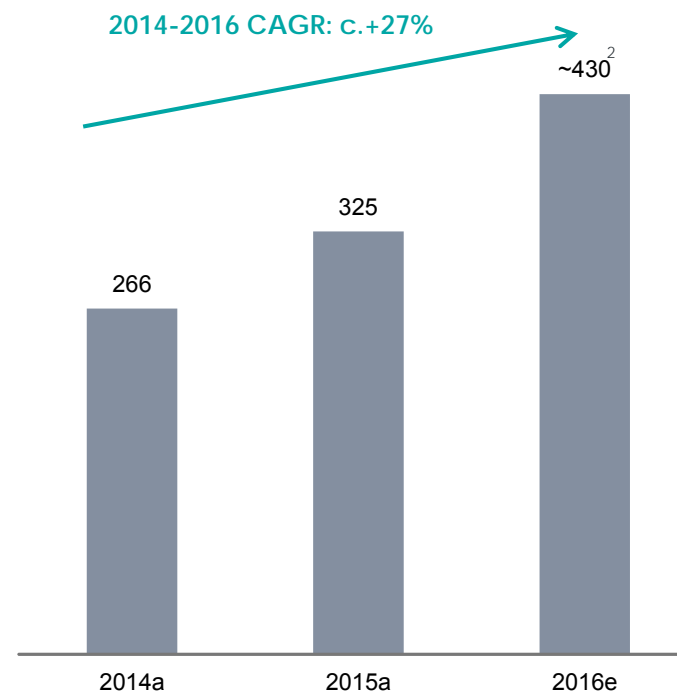
Key drivers of the market

- ✓ Strong potential of market expansion
 - ➔ Market size of €900m in 2014 vs. €2bn in France¹
 - ➔ Very low outsourcing ratio, especially on workwear
- ✓ Potential improvement of operational profitability triggered by the densification of networks
- ✓ Fragmented market

Elis is a market leader¹ and has posted double-digit organic revenue growth as well as profitability improvement since it entered the country in 2014 despite current macroeconomic conditions

Key figures of Elis in Brazil

Revenues (in BRLm)



Organic growth for the first 9 months of 2016: +14%



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Notes

¹ Source: KPMG, August 2014

² Before Lavebras acquisition

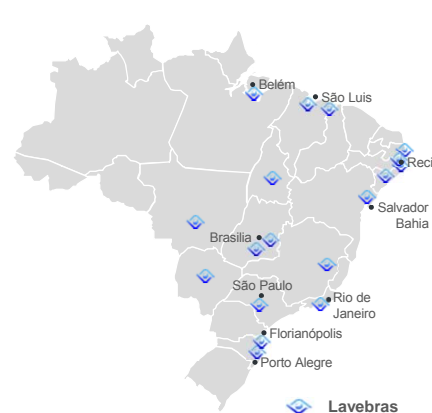
LAVEBRAS AT A GLANCE



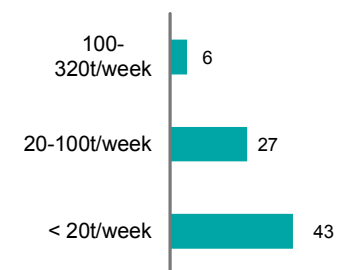
Company overview

- Created in 1997, Lavebras is a family-owned business and one of Brazil's largest and most dense industrial laundry companies
- Lavebras offers complete linen solutions for hotels and hospitals
- The Company has grown both organically and externally in the past few years, with 12 acquisitions since 2015
- Extensive network of 76 plants in 17 different states
- Network of small laundries in-situ (agri-food and healthcare industries)
- Limited linen capex requirements¹ linked to Brazilian market specificities (higher weight of non-rented linen²)
- c.4,000 employees (July 2016)

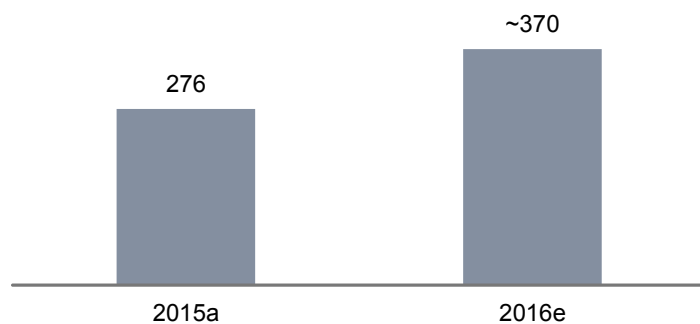
Geographical footprint



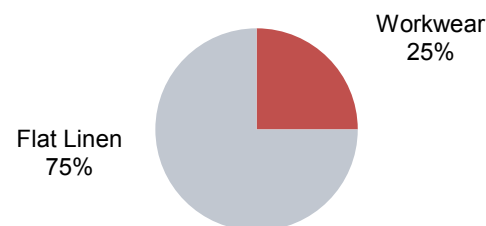
plant by max capacity per week



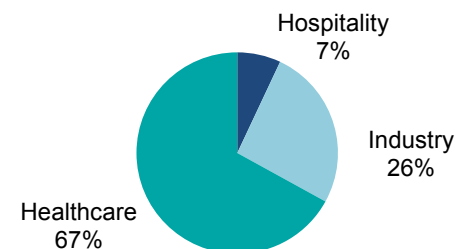
Revenues (BRLm)



Breakdown by activity (2015 revenues)



Breakdown by market (2015 revenues)



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Note
 1 Around 13% Lavebras revenues vs. c.18% for Elis at group level
 2 Half of Lavebras revenues vs. less than 10% for Elis at group level

CREATING THE CLEAR BRAZILIAN LEADER: KEY OPERATIONAL FIGURES



Elis in Brazil

2016e

c.BRL430m
revenues



c.3,700
employees



c.15%
market share



#1 Elis: BRL430m
#2 Lavebras: BRL370m
#3 Alisco²: c.BRL200m

Combined entity¹

2016e

c.BRL800m
revenues



c.7,700
employees



>25%
market share



#1 Elis: BRL800m
#2 Alisco²: c.BRL200m
#3 Servizi Italia²: c.BRL120m



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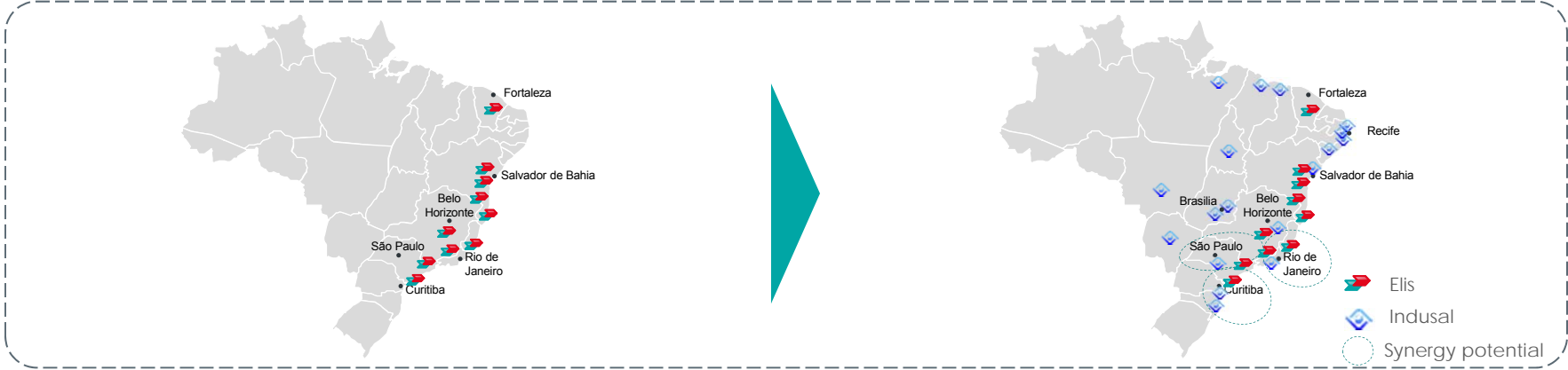
Notes

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- 2 Elis estimates

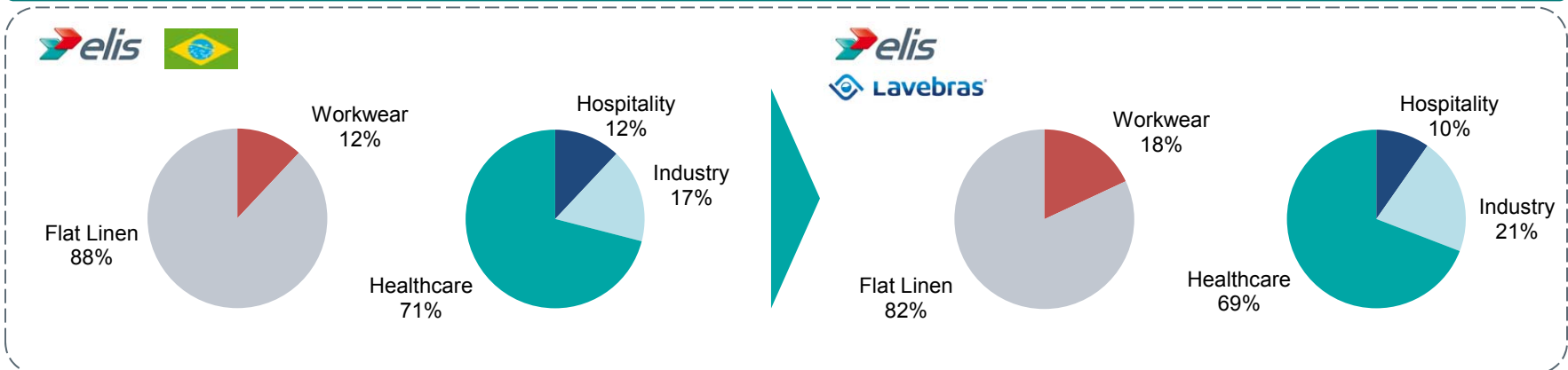
CREATING THE CLEAR BRAZILIAN LEADER: KEY CONSOLIDATED POSITIONS



Combined geographical footprint



Combined activity, segment breakdown (2015 revenues)



CREATING THE CLEAR BRAZILIAN LEADER: EXPECTED VALUE CREATION



c.BRL60m synergies per year by 2019

Topline synergies

Commercial synergies

- Improvement of revenue efficiency
- Leveraging the competitive position

33%

Cost synergies

Industrial synergies

- Economies of scale on purchases of linen and consumables
- Pooling of the headquarters and commercial teams
- Industrial optimization and logistics reorganization

67%

Target EBITDA margin by 2019

c.30%

c.BRL300m tax credit over 5 years

Tax credit of c.BRL300m to be amortized over expected 5 years (tax goodwill amortization)

Phasing of synergies (in BRLm)



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~ 10

2017

~ 40

2018

~ 60

2019

LAVEBRAS TRANSACTION: KEY FINANCIAL HIGHLIGHTS



- BRL1,230m (c.€340m¹) investment for Elis in a 100% cash consideration based on an enterprise value of BRL1,300m²
- Double market share in Brazil to more than 25%
- Increase revenues in Brazil to c.BRL800m (c.€222m¹) based on estimated figures
- Additional EBITDA contribution with more than 30% EBITDA margin and c.19% EBIT margin in 2016e
- Implied Lavebras valuation of 18x 2016e EBIT pre-synergies and 8x 2016e EBIT post-synergies³
- Closing of the transaction expected in H1 2017, subject to Brazilian antitrust process



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Note

1 Exchange rate of 3.60 reals per euro

2 DNA capital, the investment holding of the Bueno family that currently holds 30% of the capital of Lavebras will reinvest part of its proceeds to hold a stake in the new Brazilian combined entity with an exit option in 2019

3 Based on deducting the present value of expected tax goodwill amortization from the enterprise value of BRL1,300m



A FUNDING STRATEGY DESIGNED TO MAINTAIN
A SOUND FINANCIAL PROFILE



A FUNDING STRATEGY DESIGNED TO MAINTAIN A SOUND FINANCIAL PROFILE



Elis has secured a €550m bridge loan to finance these acquisitions

Bridge financing expected to be refinanced via:

- A c.€325m rights issue to be launched in H1 2017 subject to favorable market conditions
- Eurazeo and Crédit Agricole Assurances, Elis's two biggest shareholders with stakes of 16.9%¹ and 10.0% respectively, committed to fully take-up their rights, i.e. a combined amount of c.€87m
- A drawing of the new syndicated loan

Taking advantage of the current favorable credit environment, Elis has renegotiated with an enlarged pool of banks the refinancing of its current syndicated loan:

- Maturity extended to January 2022 (c.2 years)
- Size increased to €1,150m (vs. €850m today)
- Reduction of margin grid by c.50bps
- Elis already received firm commitments from banks on the new syndicated loan and expects to sign the documentation in January 2017

Financial leverage ratio post-transactions of c.3.0x EBITDA



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Note

¹ Of which 16.1% indirectly through Legendre Holding 27, company controlled by Eurazeo



CONCLUSION



MAJOR STRATEGIC MILESTONES FOR THE GROUP DEVELOPMENT



Demonstrated M&A track-record, intensified since IPO

	2010	2011	2012	2013	2014	2015	2016
No of acquisitions	7	7	4	8	7	9	4
Annual revenue (€m)	52	22	11	47	c.100	c.70	c.270
Countries							
<i>Of which structuring acquisitions</i>							

Elis at IPO

Elis markets ¹	Elis position	Market share
France		c.40-50%
Brazil		c.10-20%
Switzerland		c.10-20%
Spain		c.10-20%
Germany	Niche market player	<10%
Portugal		c.25-35%
Belux		<10%
Italy	Niche market player	<10%

Elis post Indusal & Lavebras acquisitions

Elis markets ¹	Elis position	Market share
France		c.40-50%
Brazil		c.25-30%
Spain		c.25-30%
Germany		<10%
Switzerland		c.30-40%
Portugal		c.35-45%
Belux		<10%
Italy	Niche market player	<10%
Chile		c.25-35%

Notes

- 1 From highest to lowest revenue, proforma of the full year impact of the acquisitions achieved during the year
- 2 Sources: KPMG and Elis estimates



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CONCLUSION



- Compelling opportunities to strengthen and diversify Elis's growth profile in longstanding key strategic markets
- Creation and development of leading players in Spain and Brazil
- Improvement of Elis's margins in these geographies
- Significant levers of value creation
- Elis teams have an excellent track-record in integrating assets
- Significant synergies to fully materialize by 2019 and beyond
- Financing secured through 2022
- c.7% accretive impact on adjusted EPS¹ expected in FY2017



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Note: 1 Adjusted earnings per share: earnings attributable to shareholders of the parent company, adjusted for exceptional items and divided by the number of ordinary shares outstanding post completion of the rights issue. The adjusted earnings per share herein are calculated based on the integration of Lavebras and Indusal as of January 1, 2017 and expected synergies for 2017.



Q&A

