



2014 ANNUAL RESULTS

11 March 2015



BUSINESS OVERVIEW

Xavier Martiré
CEO



Solid performance in 2014



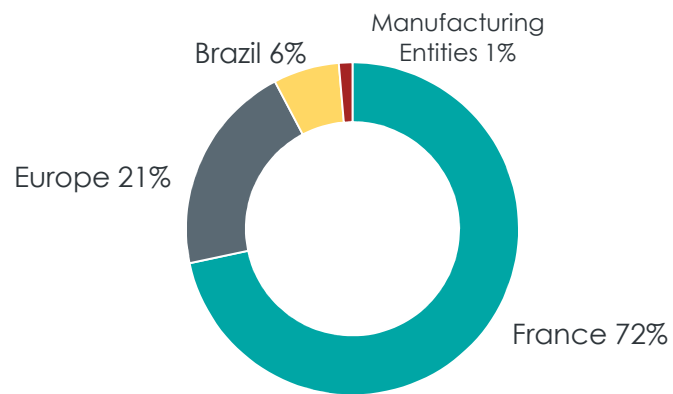
In million Euros	2014	2013	Variation
▪ Revenues	1,331.0	1,225.4	+8.6%
▪ EBITDA	429.0	400.7	+7.0%
<i>% of revenues</i>	32.2%	32.7%	
▪ Operating cash flow	272.8	208.7	+30.7%
<i>% of revenues</i>	20.5%	17.0%	

- Operating performance in line with expectations
- Roll-out of new commercial initiatives
- Dynamic M&A activity



- European leader in linen & workwear rental, laundry services, hygiene and well-being services
- c.240,000 customers served by more than 19,000 employees, including c.2,500 Field Agents, 97 processing centres, 161 dispatching centres (including 64 independent dispatching centres) and 13 clean rooms in 12 countries
- 2014 revenues of €1,331m (+8.6%) and EBITDA of €429m with 32.2% margin

2014 Revenue composition^(a)



Hospitality

30% of revenues^(b)



Healthcare

16% revenues^(b)



Industry

19% of revenues^(b)



Trade & Services

35% of revenues^(b)



a) Based on 2014 revenue of €1,331m, including only 11 months of Atmosfera (consolidated since February 2014)

b) 2014 France revenue breakdown by end market excluding €(15.4)m of other net sales

Unique multi-service model drives growth



Strong track record in roll out of new services and cross selling

Field Agents



- Frontline touchpoint with clients
- Clients always visited by the same Field Agent who can provide the full Elis offer
- Strong client satisfaction
- Incentivized to cross-sell



Elis brand and network



c.1,934 vans with c.50 stops per day

Flat Linen

(40% of revenues^(a))

- Flat linen rental, pick up, cleaning and delivery
- Complying with the most stringent hygiene standards



Workwear

(32% of revenues^(a))

- Uniform rental and maintenance services (cleaning, repairs...)
- Strong focus on health and safety



Hygiene and well-being

(27% of revenues^(a))



- **Washroom:** Rental, maintenance and recharge
- **Mats:** Rental and industrial washing of carpets
- **Water Coolers and Espresso:** Rental, maintenance and recharge
- **Pest control:** Removal, prevention and deterrence of insects, rodents and bacteria

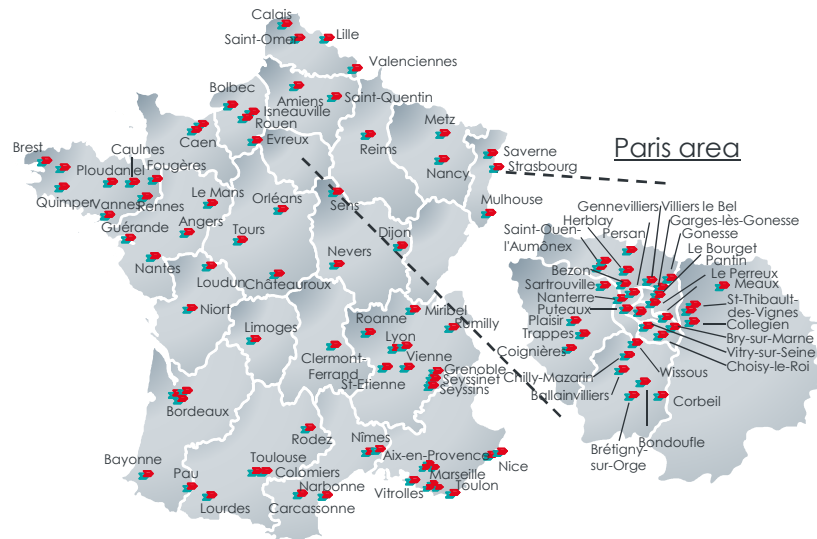
a) 2014 Group revenues breakdown by services, others representing c.1%

Unrivaled industrial footprint provides dense coverage



Key competitive advantage

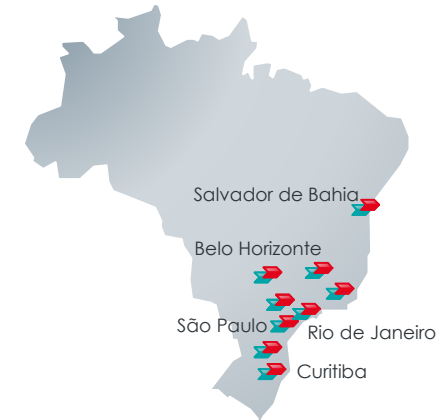
France



Europe



Brazil



- Well-invested, state-of-the-art footprint: 97 processing centres, 161 dispatching centres and 13 clean rooms
- In addition to c.2,500 Field Agents, a dedicated net sales force of 655 “hunters”, generate c.25,000 new contracts with new clients per year
- Very dense network to optimize proximity to clients



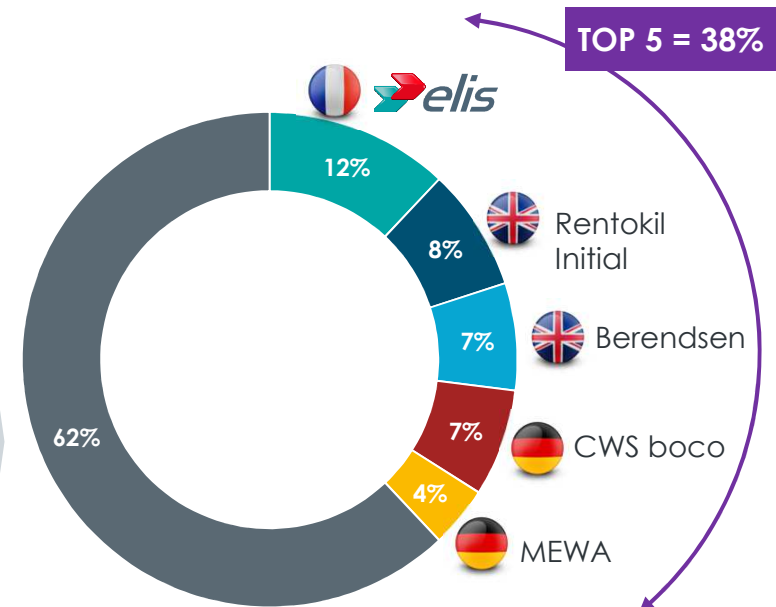
A recognized leader across Europe and Brazil



Market leading positions which benefit from economies of scale

	Market size	Elis position	Market share ^(a)
France	c.€2.0bn		c.47%
Portugal ^(b)	c.€0.1bn		c.30%
Brazil	c.€0.9bn		c.11%
Switzerland	c.€0.4bn		c.16%
Spain	c.€0.6bn		c.11%
Belux	c.€0.4bn		c.7%
Italy	c.€1.0bn	Niche market player	c.3%
Germany	c.€3.0bn	Niche market player	na

Leadership position in c.€10bn Continental Europe market^{(a)(c)}



Barriers to entry

- Cost of greenfield market penetration (e.g. industrial and linen capex, network density to reach economic scale, sales force...)
- Regulatory, environmental and health requirements

a) Calculated as Elis net sales divided by market size, €1 = BRL3.1

b) Nearly 40% of Elis Portugal's sales outside of textile rental services, therefore only the revenues for the textile rental services market are included in the share calculation

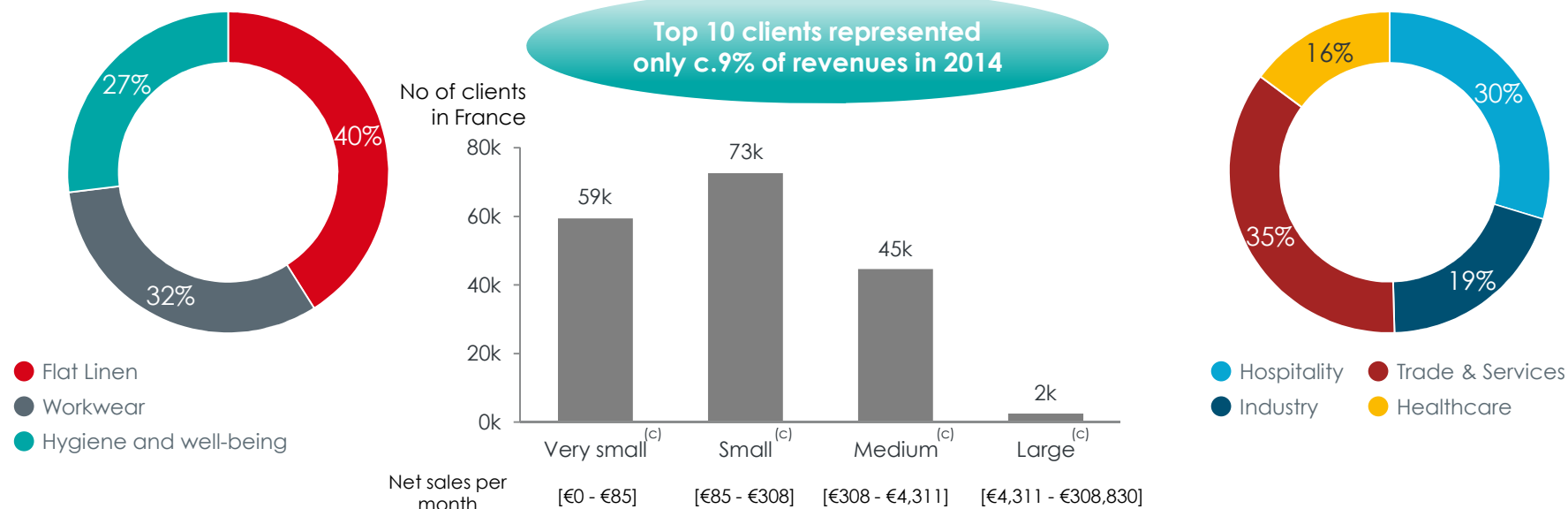
c) Includes France

Source: KPMG study August 2014, midpoint of estimated ranges, management estimates

Diversified and long term customer base provides resilient revenue stream



Balanced revenue streams by product, size and end market^{(a)(b)}



c.240,000 customers with c.half billed below €142 per month

Long-term visibility on customer contracts

- Standard contracts including pass-through clauses for price fluctuations (e.g. cotton in 2011)
- Average contract duration: 4 years with a renewal option
- Strong retention rate of contract renewals: 94%^(d)

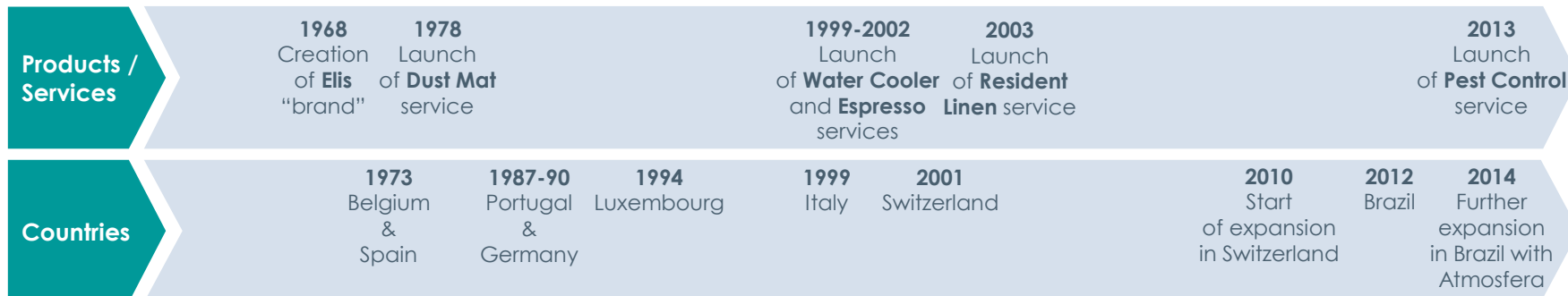
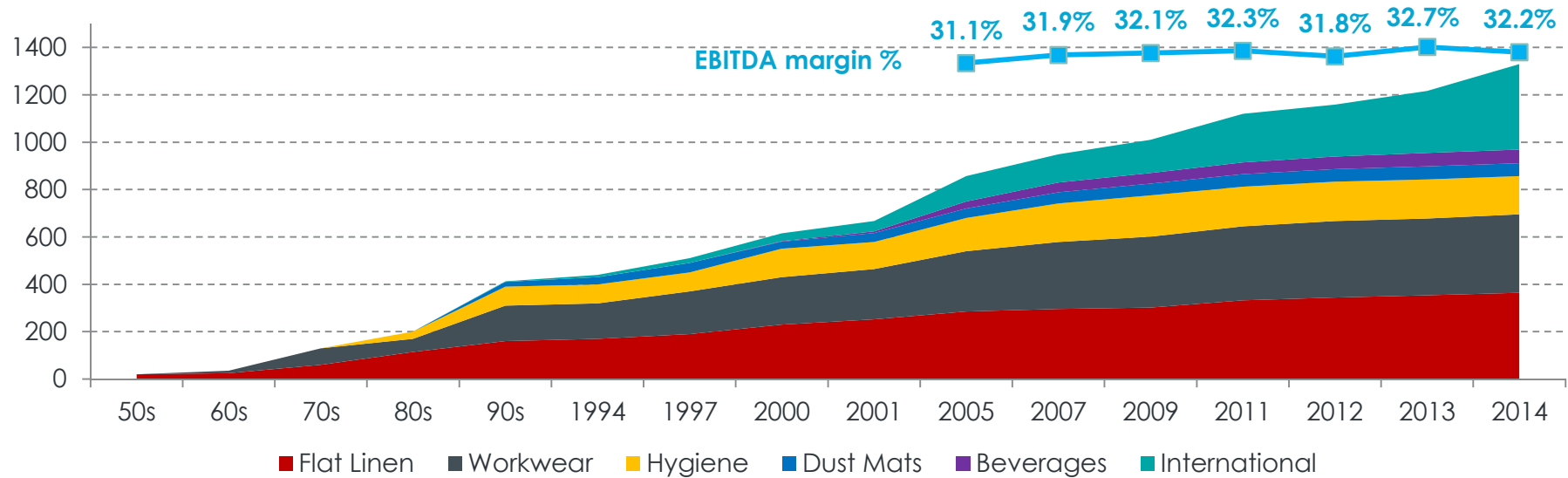
a) 2014 Group revenue breakdown by products and others representing c.1%.
 b) 2014 France revenue breakdown by end market excluding €(15.4)m of other revenues
 c) Very small clients: from €0 to €85 of net sales per month; Small clients: from €85 to €308 of net sales per month; Medium clients: from €308 to €4,311 of net sales per month; Large clients: from €4,311 to €308,830 of net sales per month
 d) Excludes discontinued activities, management estimates
 Source: Company information, customers' survey

Over 60 years of uninterrupted profitable growth



Continuous expansion of new services and international footprint

Historical net sales evolution^(a) (in €m)



a) Excluding Manufacturing Entities and intercos; Includes organic growth as well as external growth

FINANCIAL HIGHLIGHTS

Louis Guyot
CFO



Solid performance in 2014



In million Euros	2014	2013	Variation
▪ Revenues	1,331.0	1,225.4	+8.6%
▪ EBITDA	429.0	400.7	+7.0%
<i>% of revenues</i>	32.2%	32.7%	
▪ EBIT	210.1	212.6*	-1.2%
<i>% of revenues</i>	15.8%	17.4%	
▪ Net result	(21.8)	(44.1)	n/a

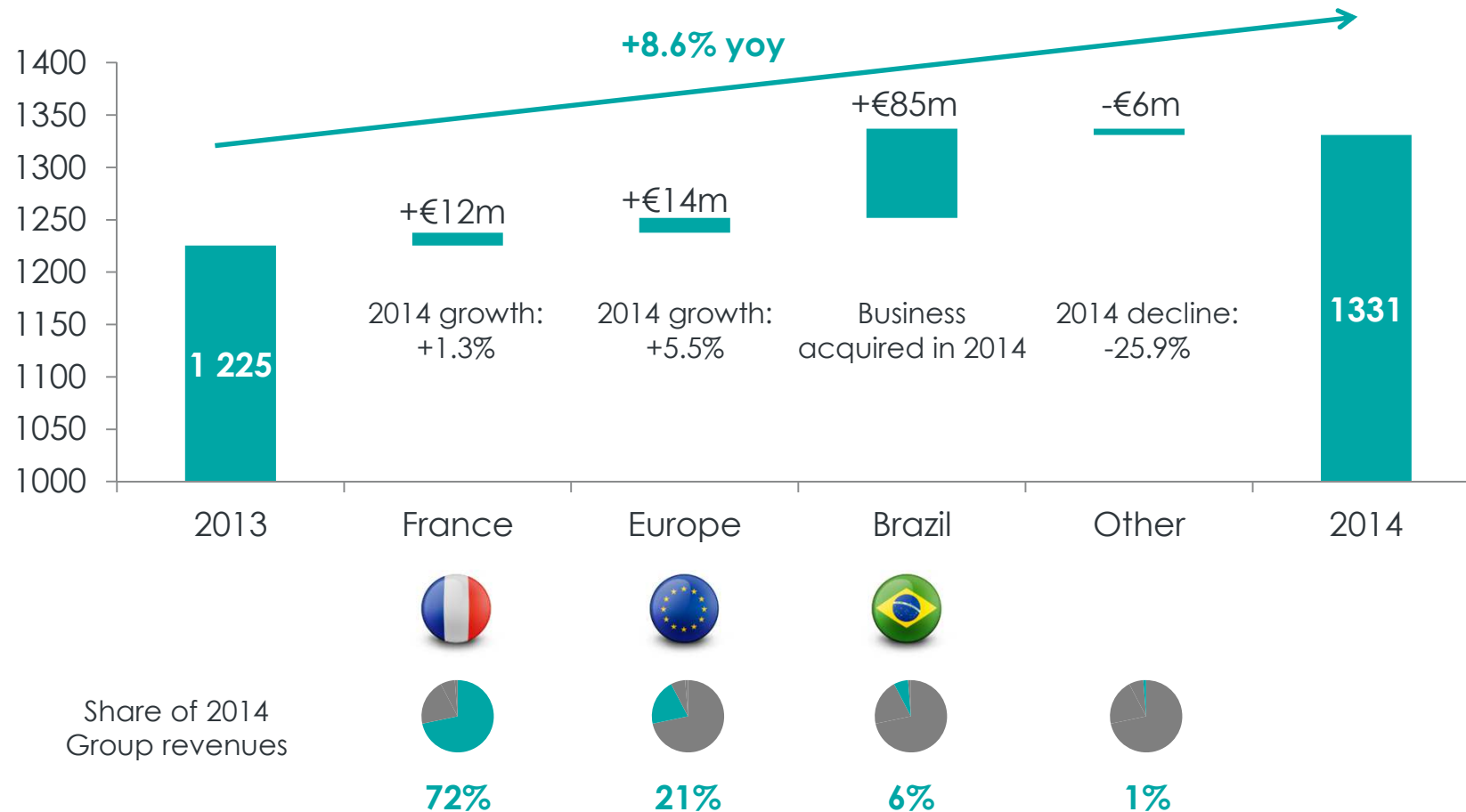
▪ Operating cash flow	272.8	208.7
▪ Company free cash flow	134.4	65.8
▪ Adjusted net debt at end of period	2,019.1	1,991.7

- **Operating performance in line with expectations**
 - ✓ Strong revenues growth
 - ✓ Margin improvement in all geographies
 - ✓ Improved cash generation
- **New commercial initiatives**
 - ✓ Successful launch of pest control activity
 - ✓ Strengthening of salesforce with large accounts
- **Dynamic M&A activity**
 - ✓ 7 acquisitions closed in 2014
 - ✓ bigger pipeline of targets

Strong revenue growth in 2014



2014 revenue evolution (€m)



Revenue evolution driven by:

- France, Germany and Southern Europe
- Integration of Brazilian acquisitions

Strong revenue growth in 2014



In million Euros	2014	2013	Variation
Hospitality	290.5	282.5	+2.8%
Industry	187.6	187.7	-0.0%
Trade & Services	338.8	340.5	-0.5%
Healthcare	152.5	144.7	+5.4%
France ⁽¹⁾	954.0	941.9	+1.3%
Northern Europe	148.7	147.2	+1.0%
Southern Europe	125.5	112.8	+11.2%
Europe	274.3	260.1	+5.5%
Brazil	85.3	0.0	n/a
Manufacturing entities	17.4	23.4	-25.9%
Total	1 331.0	1 225.4	+8.6%

⁽¹⁾ After other items including rebates

Revenue evolution driven by:

- France, Germany and Southern Europe
- Integration of Brazilian acquisitions

Scope effect on the Manufacturing entities (sale of Molinel in 2013)

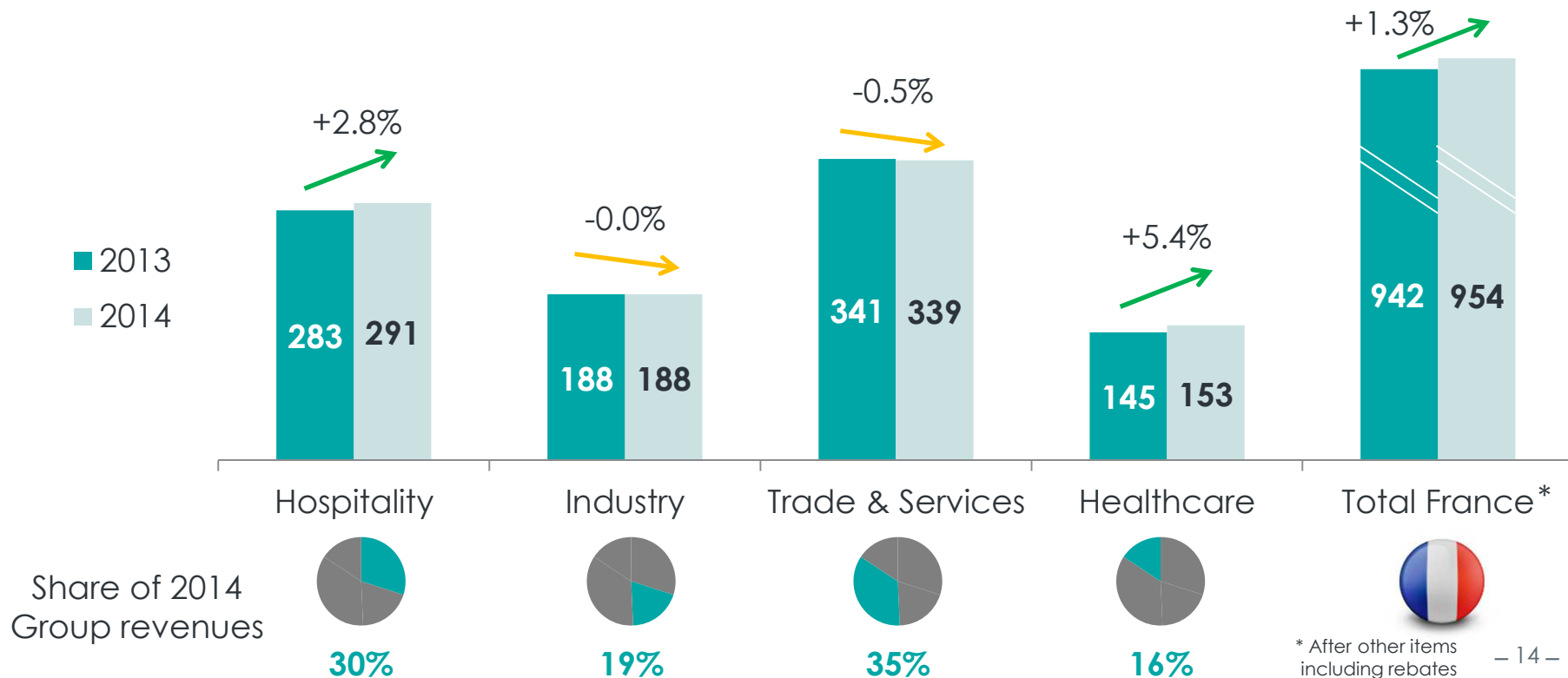
Growth in France



- **Hospitality**: strong commercial activity with hotels, mitigated by traditional catering
- Tough macro environment weighed on **Industry** and **Trade & Services**
- **Healthcare**: strong commercial activity with short stay and long stay clients

2015 perspectives:

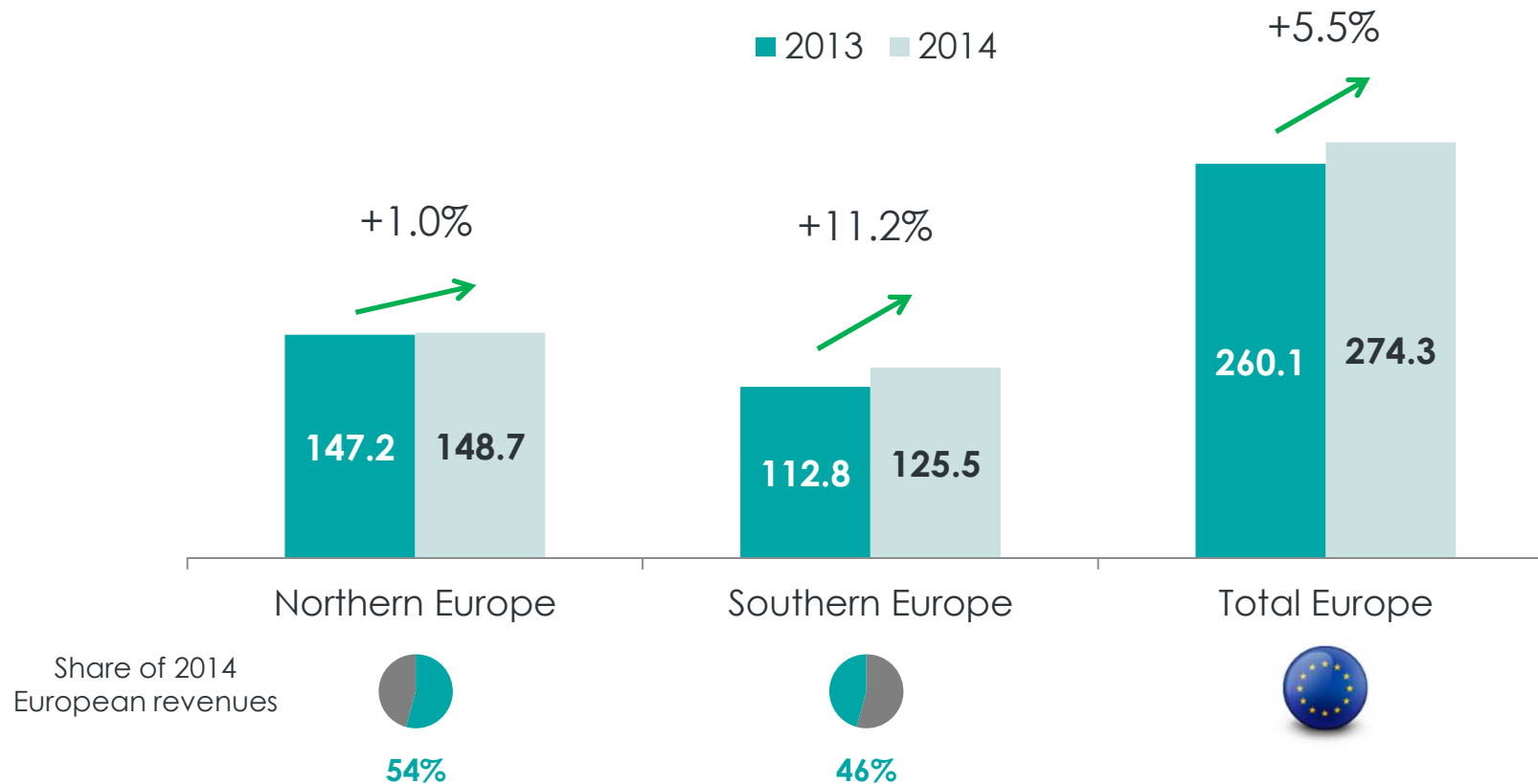
- Roll over of the Pest control activity (3D)
- Large accounts sales force reinforcement led to significant new contract wins



Important contribution of Europe



- Northern Europe:
 - Strong growth on hotels in Germany
 - Mitigated by the loss of 3 Industry contracts in Belgium
- Southern Europe:
 - Spectacular recovery driven by the initiatives taken during the crisis
 - Spain is nearly up 20%



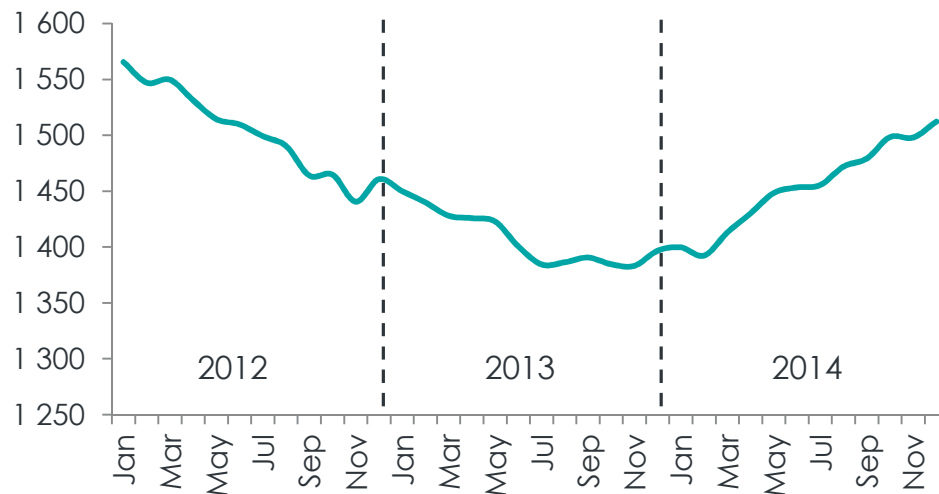
Impressive rebound in Spain



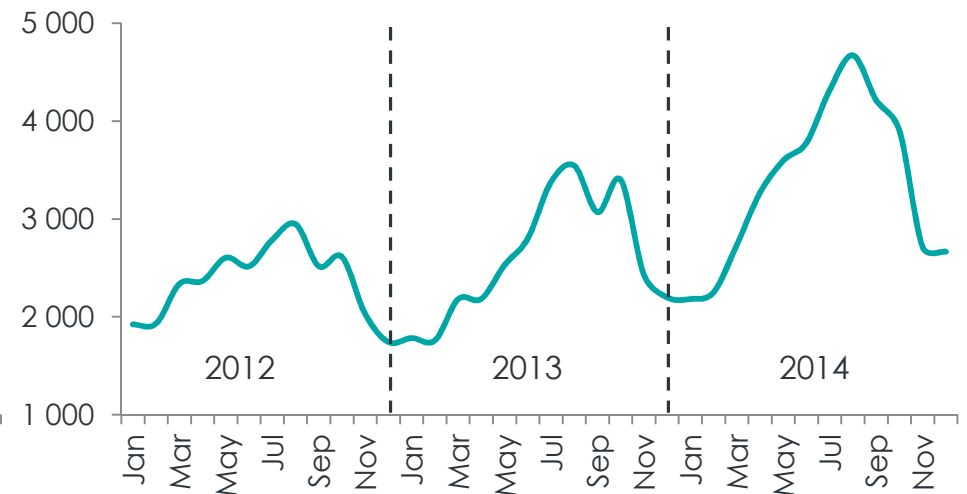
- Elis has identified Spain as a promising market 10 years ago
- We have consolidated our position, including with the assets of international competitors (now all withdrawn from the country)
- During the 2012-2013 crisis, we have reinforced the management team, accelerated the transfer of best practice and set up a specific program for young managers trained in France
- Now is the “time to collect”: the slight economic rebound has translated into spectacular organic growth and 3pp improvement of EBITDA margin.

In million Euros	2008	2009	2010	2011	2012	2013	2014
Revenues	26.6	30.8	37.8	49.3	50.2	51.1	60.9
Yoy growth %		15.8%	22.7%	30.6%	1.8%	1.9%	19.2%

Non flat linen Monthly billings 2014 (€k/m)



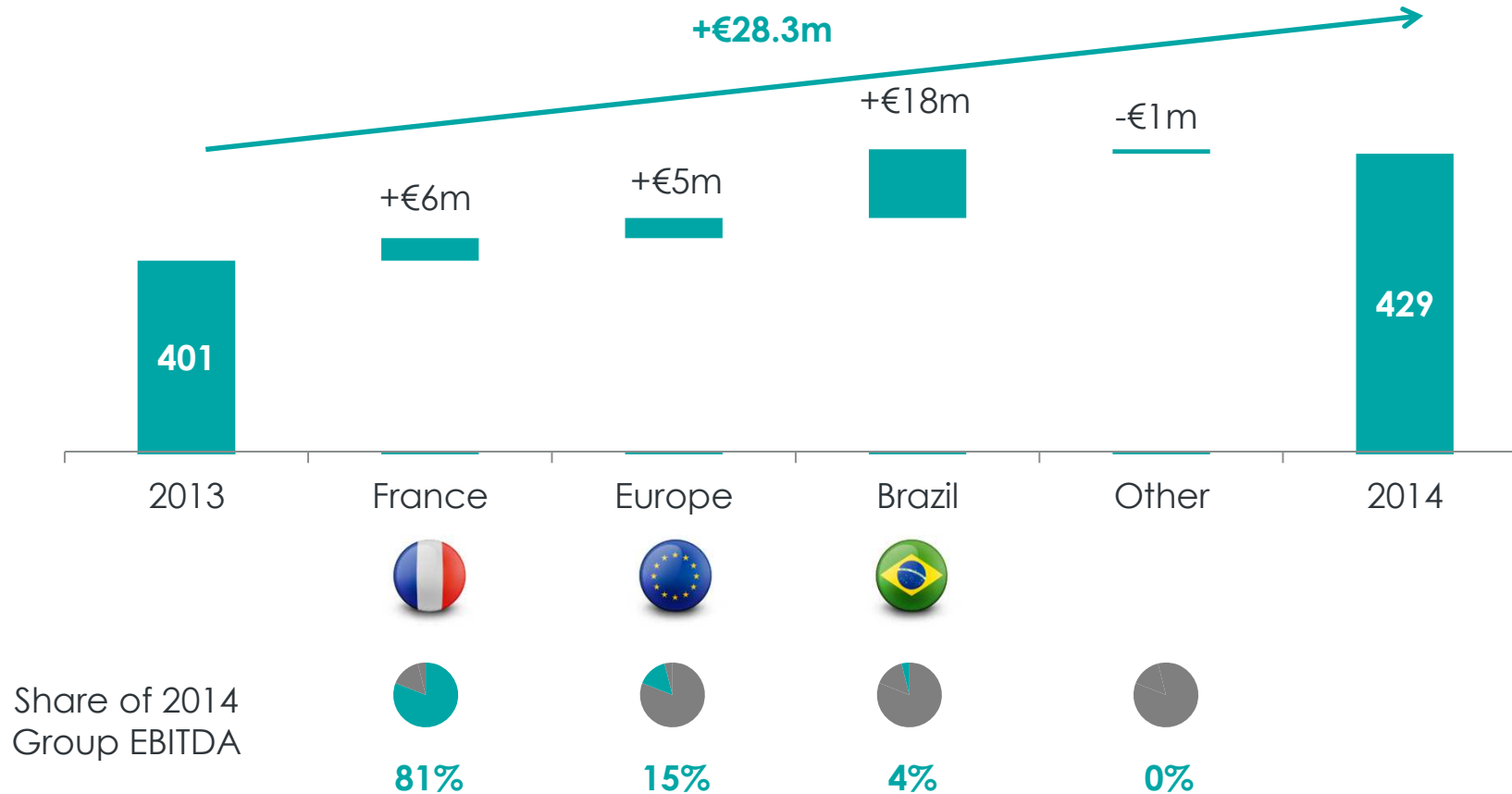
Flat linen monthly revenues 2012-2014 (€k/m)



EBITDA up +€28m

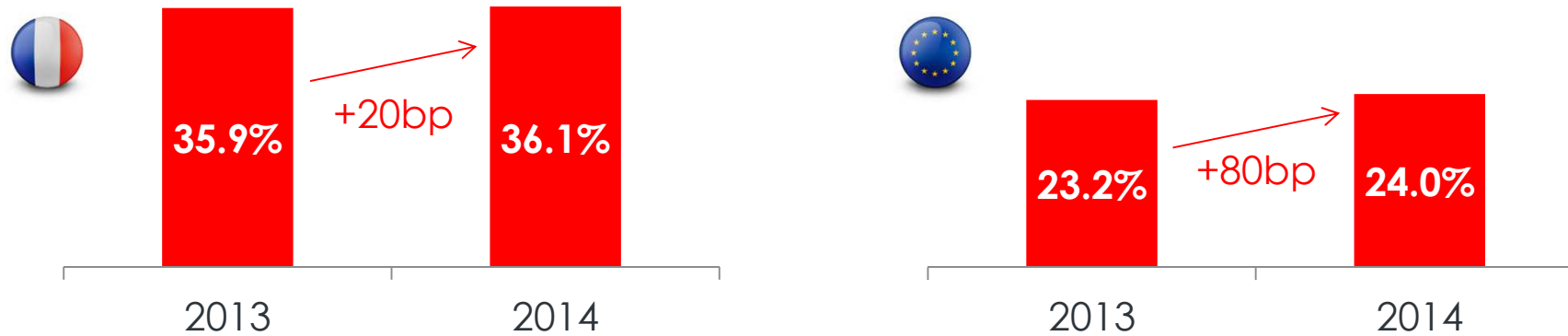


2014 EBITDA evolution

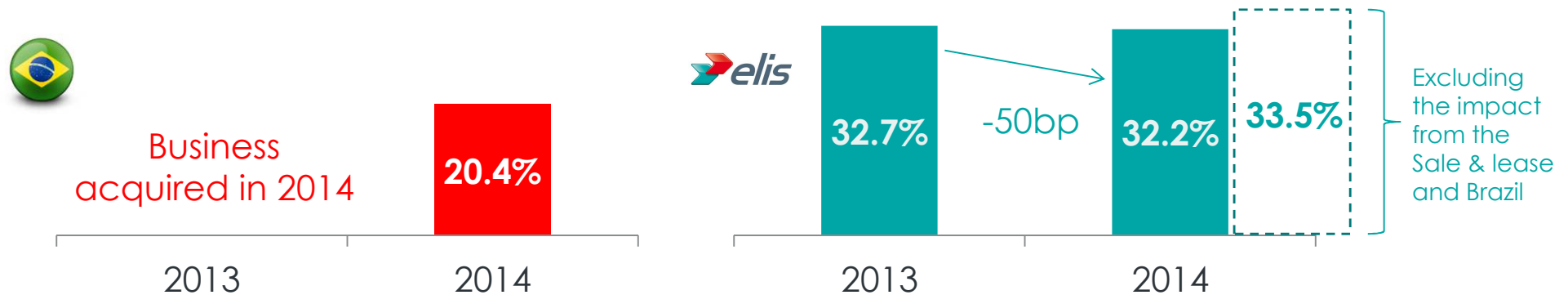


Robust performance across all regions
Margin improvement in France and Europe
Brazil integrated in 2014

EBITDA margins improved in all geographies



France: permanent focus on productivity leads to margin improvement
 Europe: densification of the network and transfer of know-hows generate margin improvement every year (+200pb in 2013)



Brazil: integrated with lower margin
 Group: margin down 80bp due to the dilutive effect of Brazil and the impact from Sale and lease program in France

Income statement after EBITDA



In million Euros	2014	2013	Variation
EBITDA	429.0	400.7	+7.0%
Depreciation and amortization*	(218.9)	(188.2)*	
EBIT*	210.1	212.6*	-1.2%*
Bank charges	(1.1)	(0.9)	
PPA depreciation	(41.1)	(39.6)	
Goodwill impairment	0.0	(4.0)	
Other operating income and expenses	(23.1)	(49.2)	
Operating result	144.8	118.9	+21.8%
Financial income / (expenses)	(153.6)	(164.2)	
Tax	(13.0)	1.2	
Equity affiliates	0.0	0.1	
Net result	(21.8)	(44.1)	n/a

***Depreciation and amortization:** 2013 has to be adjusted by €9.7m linked to the extension of linen depreciation encountered in 2012 (no more effect in 2014)

PPA depreciation: mainly the depreciation of intangible assets linked to the Eurazeo take over in 2007. This depreciation will significantly decrease after 2018

Operating income and charges: end of the IT renovation program launched in 2012

Financial expenses: reduction of the costs related to the 2013 refinancing

Strong FCF generation



In million Euros	2014	2013	Variation
Gross cash flow	426	401	6.2%
working cap	-9	14	
capex	-236	-215	
% of revenues	-17.8%	-17.5%	
Divestments	93	9	
Operating cash flow	273	209	30.7%
% of revenues	20.5%	17.1%	
Interests payments	-117	-120	
Tax	-21	-23	
Company free cash flow	134	66	104.2%
Other income and expense	-32	-23	
Capital increase	43	0	
Financial investments / disposals	-96	-24	
Change in debt	-40	-24	
CF total	10	-15	

Adjusted Net debt	2,019	1,992
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Capex impacted by the purchase of linen in anticipation of the deployment of the large contracts won by the end of 2014

Divestments mainly corresponds to the Sale & lease program (1 site in 2013 and 22 sites in 2012)

Last 3 lines are mainly linked to the Atmosfera acquisition



Adjusted Net Debt, pro forma of IPO capital increase (€825m) is €1,194m

GROWTH STRATEGY AND OUTLOOK

Xavier Martiré
CEO



A proven strategy to deliver profitable growth



Consolidate position through organic and external growth

Develop Brazilian footprint



Expand and launch new services

Achieve operational excellence

Spectacular commercial achievements in 2014



Reinforcement of the sales force

France: major contracts signed in 2014

<p><u>Hospitality</u></p>  	<p><u>Industry</u></p> 
<p><u>Trade & Services</u></p>   	<p><u>Healthcare</u></p>  

Europe and Brazil: intense commercial activity

<p><u>Hospitality</u></p>     	<p><u>Industry</u></p>    
<p><u>Trade & Services</u></p>   	<p><u>Healthcare</u></p>  

Generating additional value through a pro-active M&A strategy



2010-2013

- A total of 26 acquisitions for a cumulated additional revenue of c. €130m
- Focus on Europe only : France, Spain, Portugal, Belgium, Italy, Germany, Switzerland

2014

7 acquisitions for a cumulated full year additional revenue of c. €100m:

- 4 acquisitions in Brazil: Atmosfera (Brazilian market leader), Santa Clara, L'Acqua and Lavtec
- 3 acquisitions in France: including Pro Services Environnement in Pest Control

2015

- Already 1 deal closed: Kress in Munich, Germany (Hospitality, revenue of c. €6m)
- 2 additional transactions signed*: 1 in Germany, 1 in Switzerland
- Extensive acquisition pipeline under review

*Closing expected in Q1

Elis now a strong number one in Brazil



- **Atmosfera:** Brazilian leader in Hospitality, Healthcare and Industry segments
- Following the acquisition, immediate integration of our management systems and transfer of know-how:
 - ✓ **Commercially:** new contracts won
 - ✓ **Industrially:** already +10% productivity gains
- **Continuous bolt-ons in Brazil** will consolidate our position: 3 other acquisitions in 2014
- The Brazilian and Latam markets remain attractive despite a tough macro economic environment

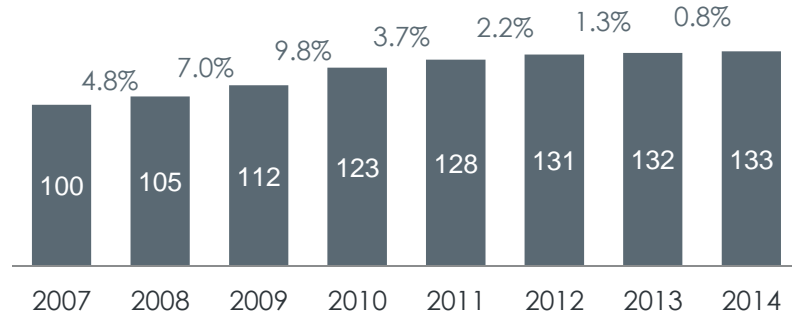
Strong cost improvement track record with further potential



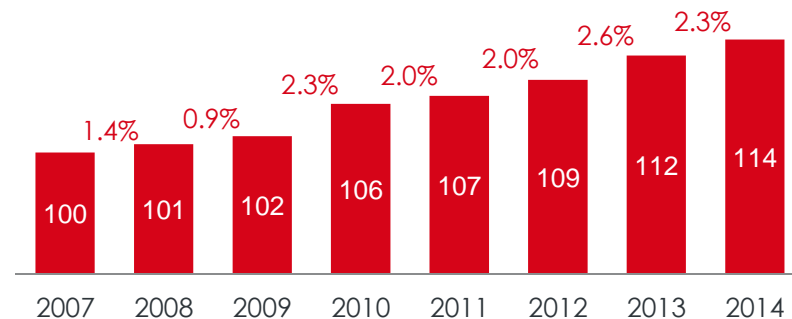
Additional productivity gains recorded in 2014... with further benefits in 2015
 Leverage scale and industrial footprint (cost and price leadership, optimized purchasing, best practice)...

Productivity improvements

Workwear productivity in units per hour (100 basis in 2007)

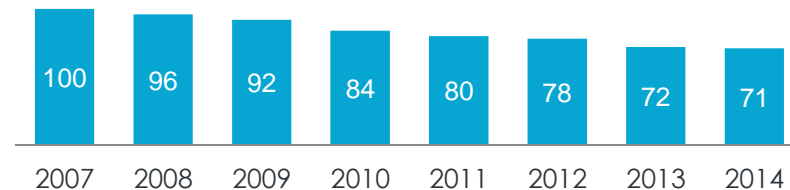


Flat linen productivity in kg per hour (100 basis in 2007)

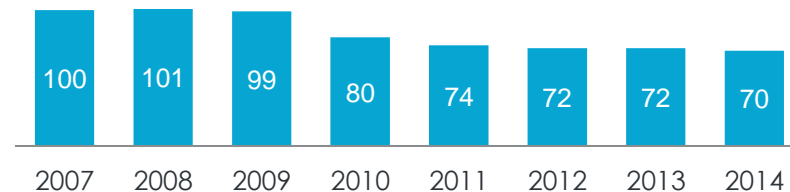


Cost reduction and efficiency gains

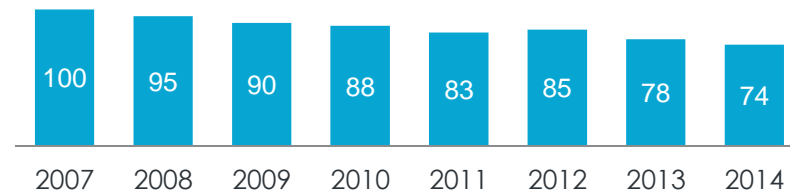
Water consumption in l/kg (100 basis in 2007)



Cost of washing products in €ct/kg (100 basis in 2007)



Energy consumption in kWh/kg (100 basis in 2007)



...with further benefits from on-going initiatives (washing product 2014 negotiation, roll-up of IT monitoring systems, new higher efficiency plants...)



Successful launch of Pest Control in 2013:

- Now fully part of the Elis service in our main geographies
- Reinforcement of our know-how with a selective acquisition in 2014



Regular innovation in existing services:

JUST' AIR





“We are confident in our growth opportunities and we therefore confirm our target of +6.5% revenue increase in 2015.

According to the commitment we made during the IPO process, we will recommend a dividend payment of €0.35 per share at the General Assembly in June.”



EBITDA is defined as EBIT before depreciation and amortization net of the portion of grants transferred to income.

EBIT is defined as net income (loss) before net financial expense, income tax, share in income of equity-accounted companies, amortization of customer relationships, goodwill impairment, other income and expense and miscellaneous financial items (bank fees and recurring dividends recognized in operating income).

Operating result is defined as net income (loss) before net financial expense, income tax, share in income of equity-accounted companies.

Operating cash flow is defined as EBITDA minus non cash-items and after (i) business-related changes in working capital, (ii) linen purchases and (iii) manufacturing capital expenditures, net of proceeds.

Company free cash flow is defined as Operating cash flow minus interests payments and minus tax paid.

The concept of **adjusted net debt** used by the Group consists of the sum of non-current financial liabilities, current financial liabilities and cash and cash equivalents adjusted by capitalized debt arrangement costs, the impact of applying the effective interest rate method, the loan from employee profit-sharing fund and the bonds subscribed by Eurazeo/ECIP Elis including accrued interest.

Forward looking statements



This presentation may contain some forward-looking statements. These statements are not undertakings as to the future performance of the Company. Although the Company considers that such statements are based on reasonable expectations and assumptions on the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual performance to differ from those indicated or implied in such statements.

These risks and uncertainties include without limitation the risk factors that are described in the Document de Base registered in France with the French Autorité des Marchés Financiers.

Investors and holders of shares of the Company may obtain copy of such annual report by contacting the Autorité des Marchés Financiers on its website www.amf-france.org or directly on the Company website www.corporate-elis.com

The Company does not have the obligation and undertakes no obligation to update or revise any of the forward-looking statements.

APPENDICES



2014 Balance Sheet



In million Euros, as of December 31	2014	2013
Goodwill	1539.5	1454.9
Intangible assets	402.6	428.3
Property, plant and equipment	705.7	631.1
Other non-current assets	19.4	16.8
Non-current assets	2,667.3	2,531.1
Inventories	58.6	44.4
Trade and other receivables	327.9	297.1
Other current assets	62.1	7.6
Cash and cash equivalents	13.5	49.5
Current assets	462.1	398.6
Assets classified as held for sale	0.0	88.9
Total assets	<u>3,129.4</u>	<u>3,018.6</u>
Equity	366.9	347.4
Provisions	29.0	15.7
Long-term borrowings	1,947.3	1,908.7
Other non-current liabilities	279.9	270.1
Non-current liabilities	2,256.2	2,194.6
Trade and other payables	139.6	118.3
Other current liabilities	242.0	231.6
Bank overdrafts & short-term debts	124.7	118.0
Current liabilities	506.3	468.0
Liabilities directly related to assets held for sale	0.0	8.6
Total liabilities and equity	<u>3,129.4</u>	<u>3,018.6</u>

2014 CFS - SSN Bond Holders template (€450m High Yield Bond)



In million Euros	2014	2013
Operating income before other income and expense and amortization of acquired contracts	209.0	211.7
Linen depreciation	140.5	114.2
Depreciation and amortization (other than linen)	78.3	74.0
Other	1.1	0.9
Adjusted EBITDA	429.0	400.7
Non cash items	(3.3)	0.3
Other income and expenses	(32.1)	(23.3)
Business-related changes in working capital	(9.0)	14.0
Linen purchases	(168.2)	(126.1)
Manufacturing capital exp., net of proceeds	24.3	(80.3)
Tax paid	(21.4)	(23.1)
Free cash flow before financing cost	219.3	162.4
Net interest paid	(117.0)	(119.9)
Bank fees	(13.4)	(41.1)
Other investing activities	1.1	15.2
Free cash flow	90.1	16.5
Acquisition of subsidiaries, net of cash acquired	(97.2)	(39.0)
Capital increase	43.0	-
Dividends paid to minority shareholders	-	-
Changes in drawings on financial facilities	(26.3)	17.5
Changes in cash flow	9.5	(4.9)

2014 Debt structure - SSN Bond Holders template (€450m High Yield Bond)



In million Euros, as of December 31	2014	2013
Cash and cash equivalents	59.3	49.5
Debt		
Senior Facilities		
General Purpose Credit Facility	113.0	100.0
Term Loan Facilities	899.9	894.9
Finance leases	5.8	6.3
Senior Mezzanine Notes	0.0	0.0
Junior Mezzanine Notes	0.0	0.0
Senior Mezzanine Notes	450.0	450.0
Senior Subordinated Notes	380.0	380.0
Other debt	9.3	14.5
Third party financial debt	1,858.0	1,845.7
Shareholder Notes	0.0	0.0
PIK Proceeds Loan	192.9	173.0
Shareholders' equity	366.9	347.4
Total capitalization	2,417.7	2,366.1
Third party net financial debt	1,798.7	1,796.3
Ratio of third party net financial debt to Pro Forma Adjusted EBITDA	4.2	
Ratio of Pro Forma Adjusted EBITDA to net cash interest expense	3.5	

Pro Forma Adjusted EBITDA is defined as Group EBITDA adjusted with the EBITDA of Acquired Entities