2017

SA M.A.J.
31 Chemin Latéral au Chemin de Fer
93500 Pantin, France

Condensed interim accounts statements as of 06/30/2017

I. STATEMENT OF FINANCIAL POSITION AS OF 06/30/2017

A. Statement of financial position – Assets

Figures expressed in euros	Gross amount	Amort. / Depr.	Net 06/30/2017	Net 12/31/2016
Subscribed capital uncalled				
INTANGIBLE ASSETS				
Set-up costs	350	350		
Development costs	2,917	2,917		
Concessions, patents and other rights	4,819,055	3,165,529	1,653,525	1,229,936
Goodwill	41,515,999	13,265,618	28,250,381	17,917,471
Other intangible assets	28,841,209		28,841,209	24,267,878
Advances and prepayments on intangible assets				
PROPERTY, PLANT AND EQUIPMENT				
Land	4,887,425		4,887,424	4,485,966
Buildings	100,606,900	66,262,252	34,344,647	32,081,049
Fittings, machinery and equipment	233,849,567	144,777,971	89,071,595	81,653,961
Other property, plant and equipment	383,559,182	215,764,958	167,794,224	152,880,488
Assets in progress	19,138,871		19,138,870	9,861,903
Advances and prepayments	1,870		1,870	
FINANCIAL ASSETS				
Equity-accounted companies				
Other equity investments	1,121,070,804	50,039,860	1,071,030 944	502,399,785
Receivables related to investments				
Other investments	5,352	1,244	4,108	4,108
Loans	18,700		18,700	19,560
Other financial assets	1,505,010		1,505,010	1,276,535
FIXED ASSETS	**1,939,823,212**	**493,280,699**	**1,446,542,512**	**828,078,641**
INVENTORIES AND WORK IN PROGRESS				
Raw materials, supplies	8,149,141		8,149,141	7,205,940
Goods in progress				
Services in progress				
Finished and semi-finished goods	255,000		255,000	255,000
Goods purchased for resale	23,921		23,921	36,056
Advances and prepayments on orders	7,077		7,077	12,577
RECEIVABLES				
Trade receivables	167,262,386	12,629,540	154,632,845	124,369,553
Other receivables	250,748,687		250,748,687	365,686,434
Subscribed capital called but not paid				
OTHER				
Marketable securities	151,592		151,592	4,116
(o/w treasury shares):				
Cash and cash equivalents	17,927,058		17,927,058	115,226,106
ADJUSTMENT ACCOUNTS				
Prepaid expenses	3,744,256		3,744,256	2,886,942
CURRENT ASSETS	**448,269,120**	**12,629,540**	**435,639,580**	**615,682,725**
Deferred debt issuance costs				
Bond redemption premiums				
Exchange adjustments on assets	7,598		7,598	
GRAND TOTAL	**2,388,099,930**	**505,910,240**	**1,882,189,690**	**1,443,761,365**

B. Statement of financial position – Equity and Liabilities

Figures expressed in euros	06/30/2017	12/31/2016
Issued capital (o/w paid out: 142,515,408)	142,515,408	142,515,408
Additional paid-in capital	161,052,624	161,052,624
Revaluation adjustments (o/w for equity-accounted companies:)	11,159	11,159
Legal reserve	14,251,541	14,251,541
Regulatory or contractual reserves		
Regulated reserves (o/w translation reserve:)		
Other reserves (o/w purchases of original works of art:)	111,611,681	20,890,481
Retained earnings	-4,645,000	577,698
NET PROFIT (LOSS) FOR THE PERIOD	**63,498,250**	**100,199,035**
Investment grants	214,172	201,824
Regulated provisions	181,278,418	165,065,341
EQUITY	**669,788,254**	**604,765,111**
Proceeds from issuance of equity securities		
Conditional advances		
OTHER EQUITY		
Provisions for risks	9,435,047	8,693,883
Provisions for expenses	17,561,065	14,631,231
PROVISIONS	**26,996,112**	23,325,114
FINANCIAL LIABILITIES		
Convertible bond loans		
Other bonds		
Bank loans	3,779,887	109,955,834
Sundry loans & other borrowings (o/w profit-sharing:)	995,609,542	513,140,420
Advances and prepayments on orders in progress		
OPERATING LIABILITIES		
Trade payables and related accounts	53,795,963	50,930,971
Tax and employee-related liabilities	95,645,192	97,376,870
SUNDRY LIABILITIES		
Amounts due on fixed assets and related accounts	6,825,301	6,418,274
Other liabilities	2,240,996	4,505,868
ADJUSTMENT ACCOUNTS		
Deferred income	25,961,831	24,995,556
LIABILITIES	**1,183,858,714**	**807,323,793**
Exchange adjustments on liabilities	1,546,609	8,347,348
GRAND TOTAL	**1,882,189,690**	**1,443,761,365**

II. INCOME STATEMENT AS OF 06/30/2017

Figures expressed in euros	06/30/2017 France	06/30/2017 Exports	06/30/2017 Total	06/30/2016 Total	12/31/2016
Sale of goods purchased for resale	1,415,529	98,006	1,513,535	715,962	1,362,657
Sales of goods					
Sales of services	317,415,386	131,101	317,546,487	275,820,321	559,972,195
REVENUE	**318,830,914**	**229,107**	**319,060,022**	**276,536,283**	**561,334,852**
Production inventoried					
Production capitalized					
Operating grants			18,880	25,865	43,476
Reinvoiced expenses, reversals of prov. & accum. depr./amort. & impairm.			7,343,852	6,248,947	11,491,690
Other income			14,828,633	16,408,225	32,546,104
OPERATING INCOME			**341,251,388**	**299,219,320**	**605,416,121**
Purchases of goods for resale (including customs duties)			132,261	271,957	517,253
Change in inventories – goods purchased for resale			12,134	-3,526	-8,151
Purchases of raw materials and supplies			25,774,534	23,260,680	47,421,638
Change in inventories (raw materials and supplies)			-34,503	-365,074	-1,097,448
Other purchases and external expenses			75,684,477	66,561,819	132,397,069
Taxes and duties			15,146,588	12,016,514	22,936,154
Salaries and wages			87,904,561	74,390,830	149,744,732
Social security contributions			23,601,124	21,004,514	42,358,537
Depreciation, amortization, impairment and provisions:					
Non-current assets: depreciation and amortization expense			55,204,274	49,162,008	99,976,263
Non-current assets: impairment losses					
Current assets: impairment losses			4,205,221	3,787,644	7,732,000
Additions to provisions			879,891	925,321	956,853
Other expenses			2,451,011	2,698,768	4,656,932
OPERATING EXPENSES			**290,961,575**	**253,711,454**	**507,591,830**
OPERATING INCOME (PROFIT/LOSS)			**50,289,813**	**45,507,866**	**97,824,290**
JOINT OPERATIONS					
Net income transferred in or net loss transferred out					
Net loss transferred in or net income transferred out					
FINANCIAL INCOME			**42,377,947**	**18,943,283**	**32,299,414**
Financial income from equity investments				1,220,394	1,567,914
Income from other securities and receivables related to fixed assets					
Other interest income			32,138,476	2,175,370	4,021,587
Reinvoiced expenses and reversals of provisions			4,645,000	7,613,035	26,494,910
Foreign currency translation gains			5,594,471	7,923,525	201,858
Net income on disposals of marketable securities				10,958	13,145
FINANCIAL EXPENSES			**14,518,863**	**14,264,927**	**19,901,648**
Amortization and provisions on financial assets					60,000
Interest expense			14,508,750	13,730,259	19,819,541
Foreign currency translation losses			10,112	534,668	22,107
Net loss on disposals of marketable securities					
FINANCIAL PROFIT/LOSS			**27,859,085**	**4,678,356**	**12,397,767**
CURRENT PROFIT/LOSS BEFORE TAXES			**78,148,898**	**50,186,222**	**110,222,057**
NON-RECURRING INCOME			**31,464,810**	**25,262,340**	**103,742,350**
Non-recurring income from management activities			891,124	696,076	1,331,995
Non-recurring income from capital transactions			332,359	205,801	50,935,264
Reinvoiced expenses and reversals of provisions			30,241,327	24,360,462	51,475,091
NON-RECURRING EXPENSES			**31,122,458**	**26,962,117**	**58,200,618**
Non-recurring expenses on management activities			2,735,072	191,390	3,707,718
Non-recurring expenses on capital transactions			238,555	102,706	1,305,587
Non-recurring depreciation, amortization and provisions			28,148,830	26,668,022	53,187,312
NON-RECURRING PROFIT/LOSS			**342,352**	**-1,699,777**	**45,541,732**
Employee profit-sharing			3,324,000	5,160,000	12,382,550
Income tax expense			11,669,000	16,720,000	43,182,204
TOTAL INCOME			**415,094,146**	**342,424,943**	**741,457,885**
TOTAL EXPENSES			**351,595,896**	**316,818,499**	**641,258,850**
PROFIT OR LOSS			**63,498,250**	**26,606,445**	**100,199,035**

III. NOTES TO THE FINANCIAL STATEMENTS

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1. CONTEXT OF THE STATEMENT AND HIGHLIGHTS OF THE PERIOD

1.1. Context of the statement as of June 30, 2017

In the context of refinancing the bridge loan agreement signed by Elis (parent company of M.A.J.) for the acquisition of the Berendsen Group, Elis is about to launch a Euro Medium Term Note program worth up to EUR 3 million, with M.A.J. acting as guarantor. The condensed interim financial statements as of June 30, 2017 were prepared on October 25, 2017 by the Board of Directors of M.A.J.

1.2. Highlights

During the period from January 1 to June 30, 2017, M.A.J. concluded the following significant transactions:

- merger by absorption of the subsidiary Lovetra, with retroactive effect from January 1, 2017. The merger loss of EUR 4,215,000 was allocated in full to the goodwill provided by Lovetra;

- merger by absorption of the subsidiary Grenelle Service, with retroactive effect from January 1, 2017. The merger gain of EUR 34,149,486.40 was included partly in the statement of financial position in a “merger gains” account, and partly in the income statement as financial income;

- investments made: HTE SANITATION (KEUR 1,018), Blanchisserie Blésoise (KEUR 10,700), SCI Les Gailletrous (KEUR 2,597) ;

- acquisition of a business: Blanchisserie des Gaves (KEUR 690).

1.3. Significant events after June 30, 2017

Subsequent to June 30, 2017, M.A.J. concluded the following significant transactions:

- investments made: EMTM in Hungary (KEUR 2,022);

- takeover of lease management of the HTE SANITATION business as of 08/01/2017.

2. ACCOUNTING METHODS AND RULES

The condensed interim financial statements were prepared in accordance with CNC recommendation 99-R-01.

Generally accepted accounting principles have been applied, including the principle of prudence, in accordance with the following basic assumptions: going concern, consistency of accounting methods from one fiscal year to the next, independence of fiscal years, in accordance with the general rules governing the preparation and presentation of annual financial statements defined by the French General Chart of Accounts.

The basic method used to measure the items recognized in the financial statements is the historical cost method.

2.1. Changes in valuation method

Following the initial application of ANC Regulation no. 2015-05, in the 2017 financial statements, the company recorded a provision for financial risk amounting to EUR 4,645,000 debited from equity.

The main accounting policies applied are as follows:

2.2. Fixed assets

- ***Property, plant and equipment and intangible assets***

Property, plant and equipment are valued at their acquisition cost, comprising ancillary costs incurred for their preparation for use, except for certain ancillary costs (transfer taxes, fees and commissions, and cost of deeds) which are recorded as charges for the year.
Some property, plant and equipment items were revalued (those acquired before December 31, 1976) or recognized at their contribution value when they came from certain absorbed companies.
The depreciable basis for property, plant and equipment is calculated as the acquisition cost less their residual value at the end of their useful life, which is usually zero.
Depreciation of property, plant and equipment is calculated on a straight-line basis over the expected useful life of the item or its component parts. Component parts and their depreciation over time periods that are different from those of the structure itself are identified and implemented for buildings. The conditions of use of the other fixed asset types do not require the prior identification of component parts, except in the event of accidental failure leading to the replacement of significant items essential to the operation of the relevant fixed asset.
The depreciation periods applied by the company prior to the first year of application of CRC Regulation no. 2002-10 were retained for the calculation of accelerated depreciation and amortization allowances, according to the rules outlined below.

Depreciation is calculated according to the expected life of the asset.
The most commonly used rates are as follows (SL = straight line, D = declining balance):

<table>
<tr><th>Intangible assets</th><th>Depreciation and amortization</th><th>Deprec. used for tax purposes</th></tr>
<tr><td>Goodwill</td><td colspan="2">None (1)</td></tr>
<tr><td>Drawings</td><td colspan="2">3 years SL</td></tr>
<tr><td>ERP</td><td colspan="2">15 years SL</td></tr>
<tr><td>Software</td><td>5 years SL</td><td>12 months SL or expenses</td></tr>
<tr><td>Production software</td><td>10 years SL</td><td>5 years SL</td></tr>
</table>

(1) Goodwill acquired up to January 31, 1997 was amortized on a straight-line basis over five years. Those assets acquired after this date were recognized in the statement of financial position at their acquisition cost and no longer amortized, but may be depreciated.

<table>
<tr><th>Property, plant and equipment</th><th>Depreciation and amortization</th><th>Deprec. used for tax purposes</th></tr>
<tr><td>Buildings</td><td></td><td></td></tr>
<tr><td>Envelope (structure, facade, roofing)</td><td colspan="2">50 years SL</td></tr>
<tr><td>Building (internal walls, partitions, painting and floor coverings)</td><td colspan="2">10 years SL</td></tr>
<tr><td>Equipment and tooling</td><td></td><td></td></tr>
<tr><td>Production equipment</td><td>10, 15 or 30 years SL</td><td>5 or 10 years D</td></tr>
<tr><td>Transportation equipment</td><td>4, 6 or 8 years SL</td><td>4 years SL</td></tr>
<tr><td>Office equipment and furniture</td><td colspan="2">5 or 10 years SL</td></tr>
<tr><td>Computer equipment</td><td colspan="2">5 years SL</td></tr>
<tr><td>Textile items</td><td></td><td></td></tr>
<tr><td>Flat linen</td><td>3 years (average) SL</td><td>1.5 years D</td></tr>
<tr><td>Workwear</td><td>3.25 years (average) SL</td><td>1.5 years D</td></tr>
<tr><td>Hand towel rolls</td><td>4 years SL</td><td>1.5 years D</td></tr>
<tr><td>Carpeting</td><td>4 years SL</td><td>2 years SL</td></tr>
<tr><td>Appliances and other rented items</td><td></td><td></td></tr>
<tr><td>Hygiene, air purification, drinks dispensers, etc.</td><td>2, 4 or 5 years SL</td><td>1 or 2 years SL</td></tr>
</table>

- ***Financial assets***

Equity investments and other securities:

Their gross amount is comprised of the acquisition cost, including any ancillary costs, since the first application of Opinion no. 2007-C issued on June 15, 2007 by the Urgent Issues Committee of the French National Accounting Board (CNC). Prior to this Opinion, transfer taxes, fees and commissions, and cost of deeds were recognized in expenses for the year. A five-year accelerated depreciation of these costs is then applied.

When the value in use is less than the gross amount, an impairment loss is recognized for the difference. The value in use is estimated based on the share of the net assets held by the company at the end of the last known fiscal year, with the significant items of property, plant and equipment and intangible assets being remeasured.

2.3. Valuation of inventories

Inventories are valued using the weighted average unit cost method. The gross value of goods and supplies includes the purchase price and ancillary costs, with the exception of any added value.

- ***Raw materials and goods***

Inventories of raw materials, consumables, and spare parts are recorded at acquisition cost and have high turnover.

- ***Work in progress and finished products***

None

- ***Impairment of inventories***

An impairment is recorded if the net realizable value becomes lower than the cost of the inventoried items.

2.4. Receivables and liabilities

Receivables are recorded at their face value.

An impairment is recognized when the recoverable amount is less than the carrying amount.

2.5. Marketable securities

Marketable securities are stated in the statement of financial position at their purchase price. If their expected trading value at the end of the fiscal year is less than their purchase price, an impairment is recognized for the difference.

2.6. Translation of transactions in foreign currencies

Income and expenses denominated in foreign currencies are recorded at their equivalent amount on the transaction date.

Where applicable liabilities, receivables, cash and cash equivalents denominated in foreign currencies are converted and accounted for in the statement of financial position based on the latest known quoted price on the reporting date.

Resulting differences are recognized in the statement of financial position under “Exchange adjustments”.

The amount of unrealized foreign currency translation losses not offset by a foreign exchange hedge is recorded as a provision for risks.

2.7. Regulated provisions

Regulated provisions are reported under “Equity” in the statement of financial position and are detailed in the “Statement of provisions”. They are tax items corresponding to the provision for accelerated depreciation and amortization calculated in accordance with French tax regulations, equal to the difference between:

- depreciation and amortization calculated over the useful lives in effect until the date of the initial application of CRC Regulation no. 2002-10, using the declining balance method for eligible assets or, alternatively, the straight-line method;
- economic depreciation recognized as assets in accordance with the principles described above.

The additions to or reversals of accumulated accelerated depreciation and amortization are recognized in non-recurring income for the year.

2.8. Other provisions for risks and expenses

They primarily comprise environmental provisions that are assessed based on an expert report and the company's experience in this area. They correspond to the gross amount, undiscounted cost of studies or work that must be carried out and borne to meet its environmental obligations. They relate to sites or categories of work which are to be dealt with in the foreseeable future.

2.9. Employee benefit liabilities

Retirement benefits for employees and additional retirement benefit commitments made to a category of senior management outlined at the Ordinary General Meeting of December 10, 1981 are subject to provisions calculated and recorded in accordance with Method 2 of ANC recommendation no. 2013-02 dated 11/7/2013.

Changes in retirement benefit obligations resulting from changes in actuarial assumptions or retirement plans occurring during the year are recognized directly in non-recurring income: the provisions recorded as of the reporting date are thus equal to the actuarial obligation determined in accordance with the revised IAS 19.

Additional provisions are recorded for long-service award obligations, calculated in accordance with the Company’s internal procedures on the basis of statistical and discounting assumptions. Changes in these provisions during the year are immediately and collectively recognized in the income statement.

3. ADDITIONAL NOTES

On 28 April 2015, M.A.J entered into a loan of KEUR 87,753 from ELIS SA, which will expire on April 15, 2022.

At June 30, 2017, this loan amounted to KEUR 87,753 plus the capitalization of KEUR 688 of interest. This loan is registered under **"**sundry loans & other borrowings (o/w profit-sharing**)"** of the company's balance sheet.