

ATALIAN. For a better performance

2016 ANNUAL REPORT



ATALIAN
GLOBAL SERVICES



2016, A Transformative Year

By Franck JULIEN,
Chairman, ATALIAN Holding

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A Word from the Chairman

2016, A TRANSFORMATIVE YEAR



We are entering a period of major change. Since ATALIAN was founded, we have acquired and integrated more than 250 companies around the world. Our small cleaning company has become an international group dedicated to providing services to businesses and local authorities. As we begin this new transformative phase, I would like to underscore the strength of the ATALIAN business model – the source of our success for the past twenty years – which consists in sharing ideas and resources among our various business lines and in growing our activities, including cleaning, technical maintenance, safety and surveillance, landscaping, energy management, front of house, airport services and more.

Regardless of the changes to come, ATALIAN is and will continue to be a human-scale and independent family business, driven by an entrepreneurial culture based on an effective mix of motivation, will, combativeness, agility and audacity.

In 2016, we acquired Temco-Euroclean, a remarkable 92-year old family business. Through this major step in our development strategy, we have established a foothold in the United States, gaining access to an enormous market worth an estimated \$53 billion. Acquiring an American subsidiary has brought us physically closer to the decision-making hubs of several large American corporations with significant operations in Southeast Asia, a region where ATALIAN is also undergoing strong growth. It has also enabled us to become a leading industry player in Belgium and Luxembourg.

Our change in size has also impacted our strategic priorities. We are now able to support our customers in most of the countries where they have operations, which will lead to enhanced relationships and service levels. Our goal remains to expand into three new countries per year and to generate, within 24 months, 50% of our revenue through international business. We also plan to enrich our offering with any services our customers wish to subcontract, thus providing them with the convenience of a "one-stop shop".

We will tirelessly continue to devise effective solutions to ensure progress in our business lines and to fulfil the ambitions of our markets. Innovation is in our DNA and is one of the pillars of our strategy. I strongly believe in smart objects, artificial intelligence and robotics. Over the next twenty years, technologies such as smart fencing and robotic cleaning devices will revolutionize our lives. Our innovation team currently devotes all of its energy to utilising available data to roll out predictive maintenance and optimize the organization of labor, while the Innovation by ATALIAN programme strives to identify the start-ups, new devices and applications that will be most useful to our customers.

Our financial performance and our investors' faith in our business model have allowed us to achieve our ambitions and look to the future with confidence, as illustrated by the success of our bond issue: investors placed orders amounting to three times the issue amount, in record time.

Our positive results have proved the soundness of our strategy, enabling continued growth on all the continents, driven by the collective action of our 95,000 employees and by our customers' trust. A path has been forged by our commitments, which are to make the Group an exemplary employer, to constantly innovate and to continually improve our service by building closer customer relationships and delivering excellence.

Franck JULIEN,
Chairman, ATALIAN Holding

A handwritten signature in black ink that reads "Franck Julien". The signature is written in a cursive, flowing style.



ATALIAN, a family-owned independent French group of companies, has been a leading provider of comprehensive services to businesses and local authorities for more than 70 years. The Group delivers multidisciplinary expertise through an international network spanning multiple continents. This makes it one of the few operators capable of covering most of its customers' outsourcing needs by relying solely on in-house resources.

To serve its 25,000 customers, ATALIAN is backed by 95,000 employees who share a common entrepreneurial culture. With its strong global presence, ATALIAN ranks among the top three operators in most of the 28 countries where it operates.



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The ATALIAN business model

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EXCELLENCE

For global quality

Our standards of excellence are ingrained in our DNA. They guide our strategic choices, shape our management methods and influence our day-to-day service delivery. Because of these standards, the Group has integrated a full range of service-oriented business lines which deliver the same level of quality, no matter where they are in the world.

5 FOUNDING VALUES

Entrepreneurial spirit

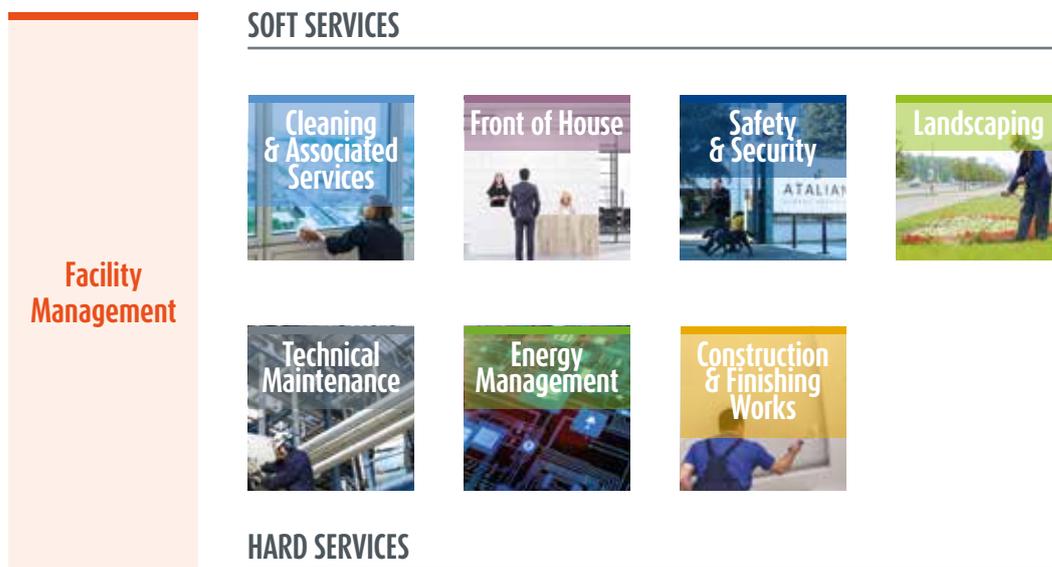
Integrity

Responsibility

Agility

Simplicity

INTEGRATED BUSINESS LINES FOR TAILORED SERVICES



MORE THAN 70 YEARS OF OPERATIONAL EXCELLENCE

- 2016** Success of our 2nd bond issuance. Penetration of United States market with the acquisition of Temco-Euroclean. Accelerated expansion into Asia and reinforcement of our network in France and Europe.
- 2015** New operations in Malaysia, the Philippines, Bosnia, Serbia, Russia and Ivory Coast.
- 2014** Expansion into Asia: Thailand and Indonesia. Became majority shareholder of Ergelis (Building Management Systems and Energy Management).
- 2013** Listed on the French bond market. Expansion into Turkey.
- 2010-2011** Increased international growth (Slovakia, Czech Republic, Belgium, Croatia, Morocco).
- 2009** Acquisition of VEOLIA Propreté Nettoyage et Multiservices. Acquisition of EUROGEM. TFN becomes ATALIAN GLOBAL SERVICES.
- 2007** Signature of an exclusive partnership with City One Group (Front of House business). Launch of our Landscaping business with the acquisition of Pinson Paysage.
- 2003** Launch of our Technical Maintenance business with the creation of MTO.
- 2000** Launch of our Safety & Security business. International expansion with our first operations in Central Europe (Hungary, Poland).
- 1999** Founding of TFN Group. Franck JULIEN appointed Chairman of the Management Board.
- 1944** Founding of TFN, originally specialized in cleaning services.

PERFORMANCE

Rising indicators

Despite today's complex economic environment, ATALIAN has continued to thrive, reaping the benefits of an offensive growth strategy. Every one of our business lines does its part to ensure our growth and create lasting value.

ACTIVITY ON A GLOBAL SCALE

Key Figures

95,000
employees

including

50,000
in France

and **45,000**
outside France

25,000
customers

€1.6 billion
in revenue

€1.1 billion
in revenue in France

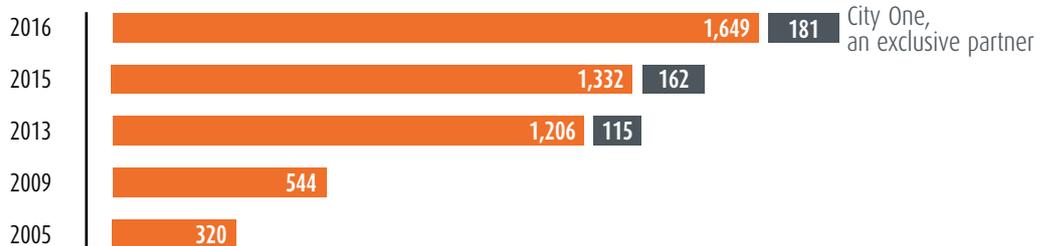
€531 million
in international revenue

28
countries around
the world

REVENUE: A COMMITMENT TO SUSTAINABLE GROWTH

Revenue increase between 2005 and 2016

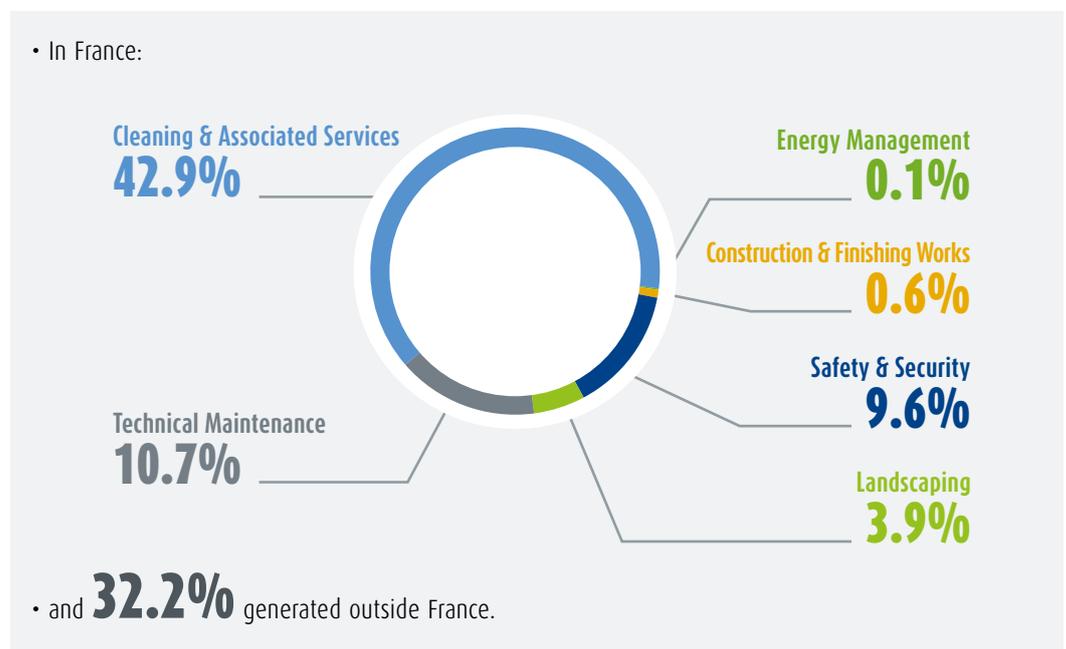
In millions of euros



+24% increase compared with 2015 (excluding City One).

BUSINESS LINES: COMPREHENSIVE SERVICES TO BUSINESS AND LOCAL AUTHORITIES

Breakdown of revenue by activity (excluding City One)

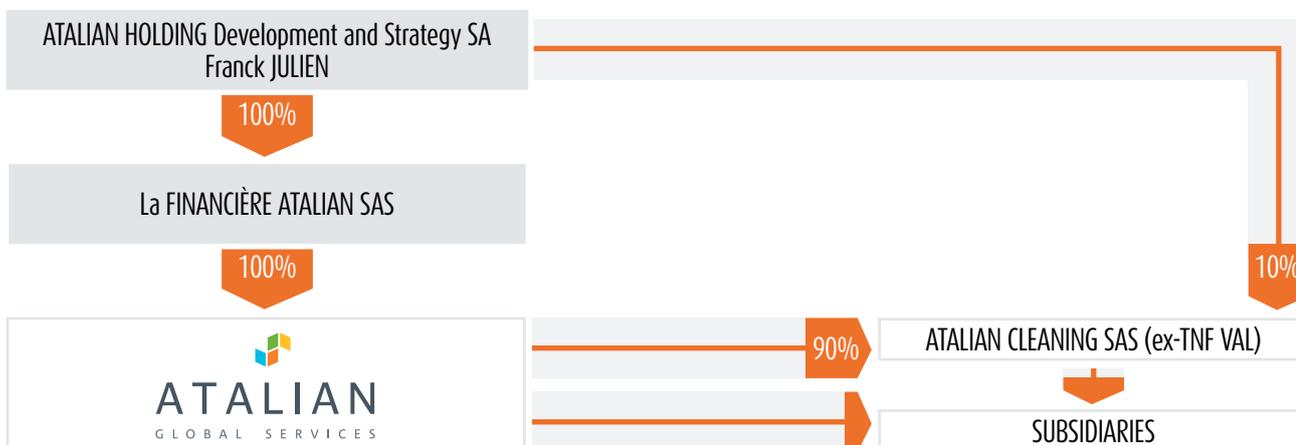


GOVERNANCE

A close team with shared ambitions

ATALIAN is an independent Group managed by a solid, close-knit governance team. Our family shareholding structure enables us to combine our long-term vision with adaptability and our culture of excellence with agile growth.

CORPORATE STRUCTURE



ATALIAN HOLDING Development and Strategy (AHD&S)

Board of Directors:

Franck JULIEN
Chairman, ATALIAN Holding
Sophie PÉCRIAUX-JULIEN
Jean-Pierre JULIEN

Loïc Évrard
John PENNING
Quentin VERCAUTEREN DRUBBEL

LA FINANCIÈRE ATALIAN

La Financière ATALIAN is a simplified joint stock company (*Société par Actions Simplifiée*) fully owned by the JULIEN family and steered by 3 dedicated management committees.

Chairman

Jean-Claude SALTIEL

Investment Committee

Jean-Claude SALTIEL
Loïc ÉVRARD
Matthieu de BAYNAST de SEPTFONTAINES
Antoine TERZIKHAN
Pierre VACHERON
Richard TRANCHÉ

Account Closing Committee

AHD&S represented by Franck JULIEN
Jean-Claude SALTIEL
Loïc ÉVRARD

Remuneration Committee

AHD&S represented by Franck JULIEN
Jean-Claude SALTIEL
Loïc ÉVRARD



Franck JULIEN



Sophie PÉCRIAUX-JULIEN



Loïc ÉVRARD



Jean-Claude SALTIEL



Antoine TERZIKHAN



Pierre VACHERON



Richard TRANCHÉ



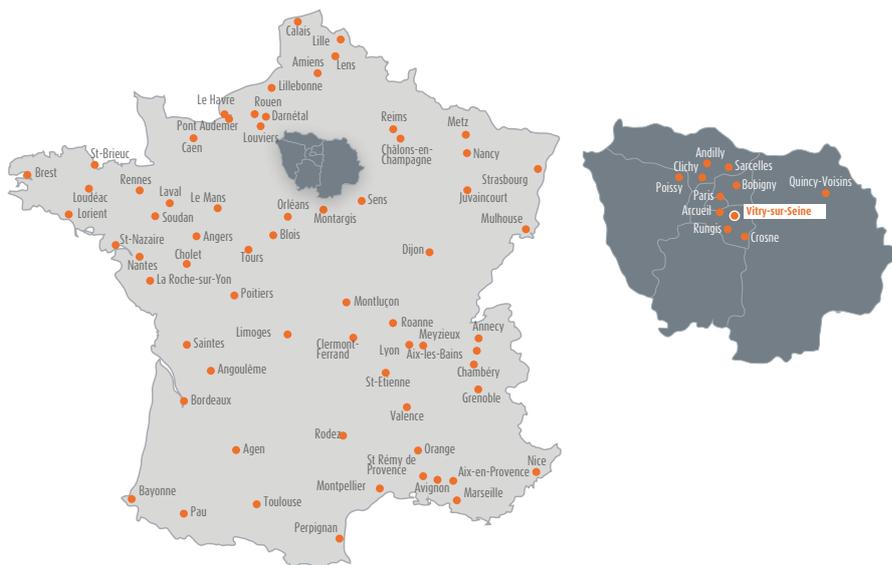
Matthieu de BAYNAST

REGIONS & OPERATIONS

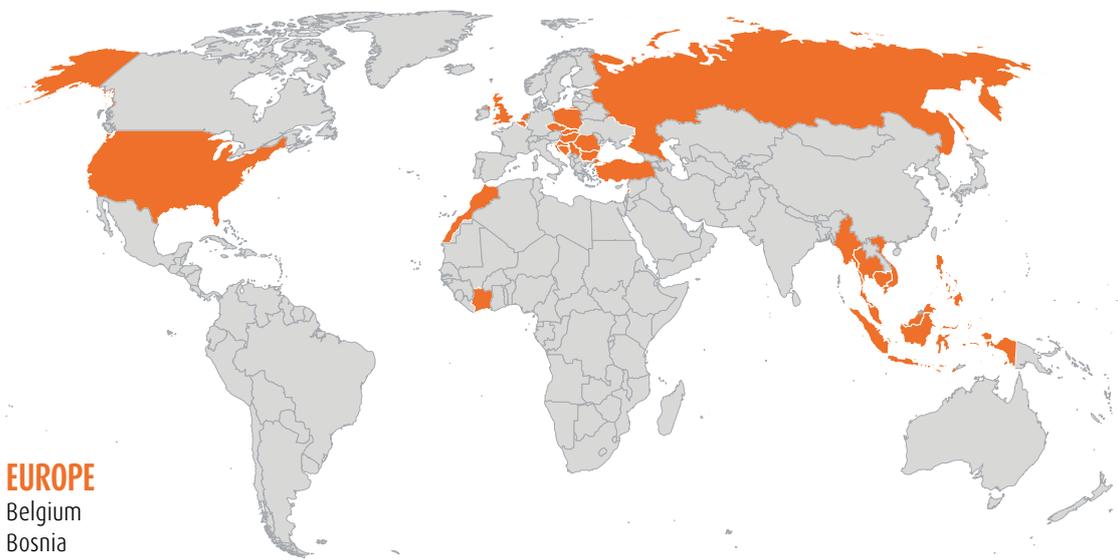
A customer-oriented strategy supported by a dense network

ATALIAN has been expanding since 2001 by acquiring companies and densifying its coverage. Operating on four continents, our Group stands out for its excellent understanding of local requirements and its ability to adapt its management methods and services accordingly, without ever compromising excellence.

FRANCE
more than **100**
locations



INTERNATIONAL
52 locations
in **27** countries
(excluding France)



EUROPE

- Belgium
- Bosnia
- Bulgaria
- Croatia
- Czech Republic
- Hungary
- Luxembourg
- Netherlands
- Poland
- Romania
- Russia
- Serbia
- Slovakia
- Turkey
- United Kingdom (joint venture)

ASIA

- Cambodia
- Indonesia
- Malaysia
- Myanmar
- Philippines
- Thailand
- Vietnam

AFRICA

- Ivory Coast
- Lebanon
- Mauritius
- Morocco

NORTH AMERICA

- United States

FINANCIAL RESULTS

A profitable growth model

Despite the difficult conjuncture in France, which is ATALIAN's chief market, the Group reached all of its targets and reduced its debt. Our investors confirmed their confidence in our strategy, which promotes profitable, controlled growth.

In 2017, ATALIAN will have doubled its earnings since its first bond issuance in 2013.



TAKING STOCK by Loïc EVRARD, Chief Financial Officer

How would you assess the past year?

The 2016 financial year appears to be an outstanding one in all respects. Our revenue increased by 24% and our earnings by 15%. We proved the Group's ability to generate growth around the world while tackling major internal transformations. In France, the Group prevented profit erosion by stepping up innovation and by enhancing synergies between business lines. On the international market, the targeted acquisition of immediately accretive companies multiplied the proportion of revenue generated outside France by 2.2.

The bond issuance at the beginning of the year was a major success for ATALIAN. Do you plan to launch similar transactions in the near future?

The operation was a success, which is proof that our business model is reassuring to investors. ATALIAN is perceived as a Group with strong market value that fulfils its financial commitments over time. Debt management is a key factor of our financial strategy, and year after year we have successfully managed to reduce our debt.

ATALIAN is currently focusing on organic growth, but we wouldn't rule out a new issuance if a major growth opportunity were to arise.

FOCUS ON

A bond issuance to fund our expansion

In January 2016, three years after our initial bond issuance, ATALIAN issued an additional €150 million in bonds maturing in 2020 (coupons attached). We received bids amounting to three times this amount. The funds raised will enable ATALIAN to finance future growth in France and abroad.



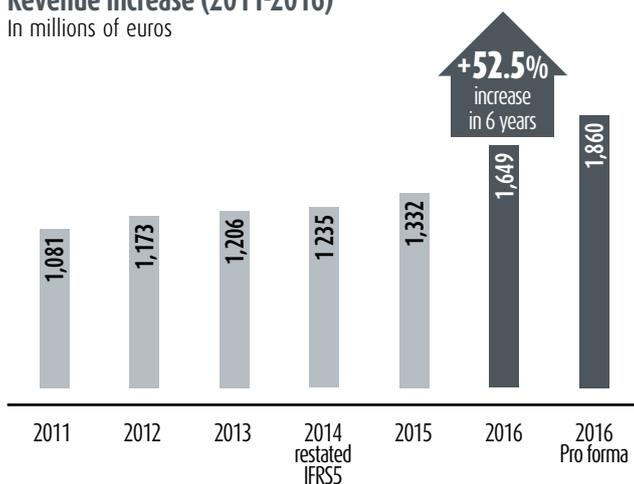
How does international growth affect the Group's financial strategy?

Our big challenge in 2016 was to successfully complete our acquisitions and quickly integrate the new companies, so as to build a coherent and immediately operational network. We rose to the occasion, increasing our earnings to €103 million (€120 million pro forma). In 2017, this critical mass should have a multiplier effect on the revenue and earnings we generate through organic and external growth. Geographical diversification is a high-stakes goal that should increase international revenue beyond the level of revenue generated in France. Today, ATALIAN is capable of independently financing its external growth. We are going to focus our investments on segments where our expertise will generate high profit margins (abroad) while remaining open to opportunities in France as well.

TAKEAWAYS

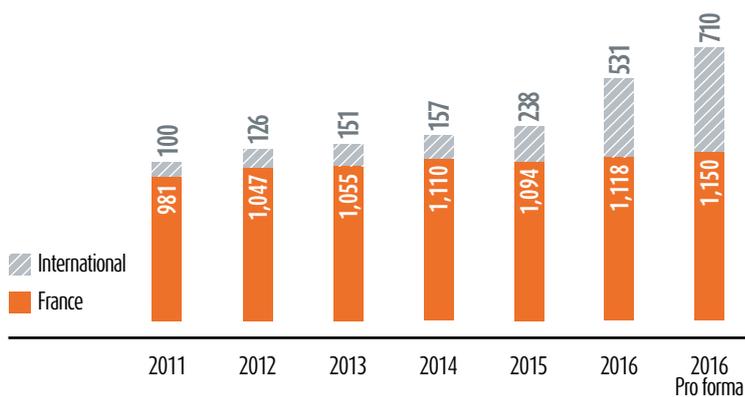
Revenue increase (2011-2016)

In millions of euros



Breakdown of revenue (2011-2016)

In millions of euros





ATALIAN, a leading French operator, continues to gain ground on the national market thanks to external growth and an enhanced customer portfolio. The Group benefits from differentiating assets including a domestic network of 100 different locations, a comprehensive service offering spanning a range of business lines and multidisciplinary expertise.

In 2017, **ATALIAN** plans to activate three levers to maintain profitable growth: service excellence, the strengthening of its sales force and, if the opportunity arises, targeted acquisitions in high-potential regions and sectors.



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BUSINESS

Expertise

Integrating the full spectrum of service-oriented and technical business lines and adapting them to precisely fit customer needs is one of ATALIAN's unique areas of know-how, honed over the past 70 years through close contact with the French economic fabric.

In each of the Group's eight lines of business, a team of experts and reference persons works to ensure our service offering matches the needs of our target markets. Factors such as regulatory changes, safety standards, certifications, frames of reference, environmental impact, social climate and technical and behavioral prerequisites are carefully analyzed and taken into account in every solution we propose. Our operational teams, armed with specific knowledge about their sector, can therefore adapt their on-site interventions from day one of the contract.

AIRPORT SERVICES



AÉROPORT NICE CÔTE D'AZUR • PARIS AÉROPORT • AIR FRANCE

AGRIBUSINESS



AGROMOUSQUETAIRES • LABEYRIE • SOCOPA • WILLIAM SAURIN

SHOPPING CENTERS



ATRIUM • KLEPIERRE • UNIBAIL-RODAMCO

COSMETIC/ PHARMACEUTICAL



APTAR PHARMA • DIOR PARFUMS / LVMH CENTRE DE RECHERCHE • GALDERMA • L'ORÉAL

MASS DISTRIBUTION



AUCHAN • CARREFOUR • CONFORAMA • LE PRINTEMPS • METRO • MONOPRIX

ADVANCED TECHNOLOGY



AIRBUS • ST MICROELECTRONICS

INDUSTRY



AIRBUS • ARCELORMITTAL • BOSCH • LAFARGEHOLCIM • MICHELIN • SAFRAN • ST GOBAIN

LUXURY GOODS



BERLUTI • CARTIER • DIOR PARFUMS • LVMH • MUMM PERRIER-JOUËT

NUCLEAR ENERGY



AREVA • EDF

PUBLIC SERVICE



L'ÉLYSÉE • MINISTÈRE DES AFFAIRES ÉTRANGÈRES • MUSÉE DU LOUVRE • OCDE • UGAP

HEALTHCARE



AREPA • ASSISTANCE PUBLIQUE HÔPITAUX DE PARIS • INSTITUT CURIE • INSTITUT PASTEUR • INSTITUT GUSTAVE ROUSSY

TRANSPORTATION NETWORKS



AIR FRANCE • RATP • SNCF

RETAIL



SEPHORA • SOCIÉTÉ GÉNÉRALE • ZARA

REAL ESTATE



AXA • BNP PARIBAS • EY • ICADÉ • ORANGE • PERNOD RICARD • PUBLICIS

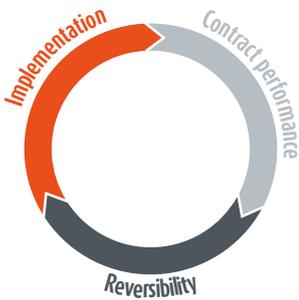
FACILITY Management

Backed by 8 integrated expert business divisions, ATALIAN develops solutions to partially or fully manage its customers' outsourced services. It aims to optimize performance and flow between the various steps of the service outsourcing chain.

FOCUS ON

Lifecycle of an FM contract

For a contract to succeed, the following steps must be meticulously prepared.



A MULTI-BUSINESS RESPONSE TO PERFORMANCE REQUIREMENTS

By **Philippe LÉONARD**,
Managing Director, Corporate Strategy

The Facility Management (FM) market is expanding as organizations increasingly seek to increase productivity and leverage value-creating niche markets.

An additional and equally important goal for our customers is to satisfy new occupant demand for technology, energy management and quality of life. Bearing this in mind, we have reinforced our position as a major player in this sector, signing high-power deals such as our five-year €30 million contract with AREVA La Hague. ATALIAN's strength is its integration of eight complementary and synergy-building areas of expertise covering the complete range of companies' needs. Our DNA consists in sharing ideas and resources among our business lines and in growing our activities. Over the years we have developed unmatched expertise in the management of complex projects, to the benefit of our customers.

In 2016, the relevance of our business model was confirmed. We now have the capacity to propose integrated Facility Management solutions adapted to our customers' every need. Our global presence also represents a major competitive advantage for our Key Accounts, who call on us for their international growth.

Competition in this sector is fierce, and remaining proactive is our biggest challenge. Maintaining our lead will be our ambition over the coming years, and we have already begun to lay the groundwork by working closely with our Innovation and Key Accounts Divisions.

Technological innovation gives us a wonderful opportunity to adapt and combine our services with increasing granularity.

HIGHLIGHTS

Full FM service delivery at the AREVA nuclear plant in La Hague, France

As a partner of AREVA, one of the world's leading producers of nuclear energy, ATALIAN has managed its fuel reprocessing facility in La Hague, France, since December 2015. Our main mission is to deliver occupant services, maintenance and construction work.

In July 2016, the Group widened its scope of intervention by signing a major deal to clean the nuclear facility's buildings. 70 employees have been commissioned to the site, which has a surface area of 620,000 square meters and 80,000 square meters of terraces.

TAKEAWAYS

- > ATALIAN is the only player on the market to offer in-house expertise covering the full range of Facility Management services: Soft FM, Hard FM and Integrated FM.
- > A year marked by the landing of major contracts and the recognition of ATALIAN's integrated business model by key customers.
- > Strategic focus on innovation and on providing international business insight to strategic customers.
- > **Objective for 2017:** continue rolling out innovative technological and robotic solutions that create value for our customers.

CUSTOMER REFERENCES

AIRBUS • AIR FRANCE • AREVA •
EDF • ELECTROLUX • EXXONMOBIL •
LAFARGEHOLCIM • ORANGE •
SAFRAN • STANLEY BLACK & DECKER



CLEANING & Associated Services

Our Cleaning & Associated Services Division, the sector's second largest operator in France, is using three main levers to continue gaining market shares: internal growth, external growth and customer satisfaction.

€716 million
in revenue in 2016

2nd
largest operator in France

>21,000
FTE employees

+2.3%
revenue increase

70
local branches

HIGHLIGHTS

CEFRI Standard:
extension of the CEFRI standard (for radiation safety in a nuclear setting) at national level.

EcoVadis:
gold medal awarded by the rating agency EcoVadis to ATALIAN Group and its subsidiary EPPSI for their commitment to CSR. EPPSI specializes in transport cleaning services, with key customers such as SNCF and RATP.



OUR OFFENSIVE STRATEGY HAS PAID OFF
By Pierre VACHERON,
Chairman,
Cleaning & Associated Services

Despite a highly competitive environment, we bolstered our positions on the French market and increased our market share. We pushed our targeted acquisition strategy forward with the purchase of Net'Express in France's Saône-et Loire department and of HEI, an industry leader in the strategic Rhône-Alpes region. At the same time, we expanded our sales force by creating additional positions and rolled out a new commercial organization, more flexible and incentivising for managers. Thanks to this boost in organic growth, we met or exceeded our budget targets and posted a customer renewal rate of over 96%.

This performance validates our quality assurance strategy, whose success is due to the close relationships and partnerships we have forged with our customers across France. To better serve these customers, in 2016 we increased the number of contracts managed by our Key Accounts Division responsible for building a stronger, more loyal base of key customers.

We have developed innovative quality tracking tools which we use to measure our level of performance, conduct fine-grained analysis of our areas for improvement and propose relevant, creative ideas to our customers.

We plan to intensify these efforts, which have already led to a €20 million revenue increase in less than one year. Our goal is to offer increasingly higher levels of proximity, quality and flexibility to our customers in order to become a part of their decision-making process as far upstream as possible.

We have improved our operational agility by streamlining our regional structures and management processes.

FOCUS ON

Strong positions in France

ATALIAN solidified its regional positions with the acquisition of two cleaning specialists: HEI (Rhône-Alpes Auvergne region) and Net'Express (Bourgogne region). These transactions increased our 2016 revenue by a total of €20 million (€35 million on a full-year basis). In line with the Group's QHSE* policy, the acquisition of DPS, a business facilitating reintegration into the workplace, demonstrates our division's commitment to combining growth and social responsibility.

* Quality, Health, Safety, Environment.

CUSTOMER REFERENCES

AGROMOUSQUETAIRES • AIRBUS • AIR FRANCE • AUCHAN • BNP PARIBAS • CARREFOUR • COVEA • DIOR • EY • FRANCE TÉLÉVISIONS • GROUPE BIGARD • GUSTAVE ROUSSY • INSTITUT CURIE • KINGFISHER • LAFARGEHOLCIM • L'ORÉAL • LVMH • MUSÉE DU LOUVRE • NESTLÉ • PARIS AÉROPORT • RATP • RICHEMONT • SAFRAN • SOCOPA • SNCF •

TAKEAWAYS

- > End-to-end service delivery thanks to the integration of complementary expertise in cleaning, management of shared spaces, on-site waste management, air quality, stock and supply management and so on.
- > Strategy focused on customer satisfaction, combining organizational flexibility and service adaptability.
- > **Objective for 2017:** intensify organic growth by reinforcing our sales force and building loyalty, while remaining open to targeted external growth opportunities.



SAFETY & Security

The Safety & Security Division, France's fifth largest surveillance operator, pursued its strategy to gain market shares by enhancing its service offering and strengthening its sales force. Its goal is to achieve double-digit growth by the end of 2017.

€161 million
in revenue in 2016

5th
largest operator in France

4,600
employees

14
agencies

+13%
revenue increase



CONTINUALLY ENRICHING OUR SERVICE RANGE TO MEET NEW CHALLENGES

By **Richard TRANCHÉ**,
Chairman, Safety & Security Division

Profit erosion is a dominant trend on the surveillance market, forcing industry players to invent new ways to create value. In 2016, we did just that by increasing the commercial synergies of our business, widening our scope of intervention and optimizing our processes. Our revenue rose by 15% and earnings by 10.3% compared to 2015. What stands out most among these highly satisfactory results are the major new deals signed with SNCF Thalys and Institut Catholique de Lille as well as the success of our new services.

One example of such a service are the risk audits performed by ATALIAN Sécurité Technologique (AST), which our customers particularly appreciate when coping with today's constantly evolving safety regulations. To develop these services, we recruited new engineers. Our division's ambition is to generate €20 million in revenue over the next three years.

We also enhanced our offering, launching a trained dog service for the detection of explosives and firearms on mobile persons as well as a mobile video surveillance unit concept. Over the coming years we aim to achieve double-digit growth. Specifically, our target is to triple our sales force by 2018 and double our revenue within five years. Profitability is also on the agenda with our new automated service management process, due to be operational in early 2017. This will free our operators from administrative tasks, enabling them to focus on winning over new customers and on being even more responsive to their needs.

We intend to triple our sales force between now and 2018 and double our revenue within five years.

TAKEAWAYS

- > Four subsidiaries offering a comprehensive range of services: in-company surveillance, security and safety (Lancry), airport security (APFS), canine detection service (ACS), safety technologies (AST).
- > Strategy: capitalise on the quality of our customer relationships and develop digital tools to optimize our interventions.
- > **Objective for 2017:** intensify our conquest strategy in order to double revenue within five years.

HIGHLIGHTS

Detection:
launch of ATALIAN Canin Solutions, a brand new concept imported from the United States in which we provide dogs trained to detect firearms and explosives on mobile persons.

Surveillance:
creation of a mobile video unit concept to ensure public safety during large crowd-drawing events.

FOCUS ON

ATALIAN secures access to the Thalys

In 2016, our Safety & Security Division was selected to secure access to the Thalys train line at Gare du Nord station in Paris. Impressed by our bid combining the expertise of Lancry and APFS, we were commissioned by SNCF to install security gates and to control passenger luggage.

CUSTOMER REFERENCES

- ACCOR PULLMAN LA DÉFENSE • AIR FRANCE • AREVA • BANQUE PALATINE • BOSCH • CARREFOUR • CRÉDIT AGRICOLE • CITADIUM • EDF • LE PRINTEMPS • MONOPRIX • NATIXIS • ORANGE • SAFRAN • SCHLUMBERGER • SNCF • SOLVAY • UGAP • UNIBAIL-RODAMCO



TECHNICAL MAINTENANCE & Engineering Services

The Technical Maintenance Division centralizes the technical expertise required to meet our customers' building operating needs. In 2016, we stepped up our commercial presence and won new contracts with major industrial operators.

€174 million
in revenue in 2016

6th
largest operator in France

1,200
employees



RESOLVING ENERGY-RELATED ISSUES, A PRIORITY PATHWAY TO GROWTH

By Antoine TERZIKHAN,
Chairman, Technical Maintenance Division

2016 was another year of progress despite a difficult context marked by two dominant customer trends: contract bundling and outsourcing. Our driving mission is to be a partner in these efforts to optimize costs, and we owe our success in 2016 to this approach. Thanks to the expertise of our thermal engineering department and to the synergies created with Ergelis, we have become a leader in the highly profitable segment of energy management. Our extensive national network has allowed us to win major deals with Orange and AREVA and to renew close to 90% of our existing contract portfolio. Most notably, we have renewed agreements with shopping centers and Key Accounts such as Cofinoga, Safran and the Élysée Palace.

In 2017, our improved commercial organization and the reinforcement of our regional presence should further boost our activities. We also plan to accelerate our growth on the heating market, chiefly through acquisitions. Our objective is to reach €350 million in revenue within five years through a combination of organic and external growth.

Innovation focused on energy performance is one of the main pillars of our business.

TAKEAWAYS

- > We decided to set up a Sales & Marketing Division whose role is to coordinate our 11 regional sales representatives. This sales force will lead to increased revenue over the next five years.
- > Full building operation management: overall steering, air conditioning, heating, plumbing, ventilation, lighting, remote network surveillance, etc.

FOCUS ON

A CSR partner to our customers

Through our building management contracts, we help our customers achieve energy efficiency and promote sustainable development. To this end, site managers receive training in environmental building performance. Once environmental measures are underway (HQE Exploitation, ISO 14 001, BREEAM In-Use), our QHSE Department steps in to help raise customer and user awareness further.

HIGHLIGHTS

Proximity: French telecom operator Orange chose our division to provide Technical Maintenance services in South Western and Alsace regions of France.

Quality: ISO 9001 Certification (2015 version) achieved at national level; a sign of the company's commitment to continuous improvement, that also proves its ability to adapt to and comply with new regulations, standards and frames of reference. MTO-EUROGEM is also certified to the 2014 version of MASE (Company Safety Improvement Manual).

Rating: appointment of a dedicated Health and Environment Officer for certain customers. Our division received an "A" ranking at all facilities concerned.

CUSTOMER REFERENCES

AIRBUS • AIR FRANCE • AREVA • AXA • BNP PARIBAS • BPCE • CCIP • CENTRE HOSPITALIER NATIONAL OPHTHALMOLOGIQUE DES QUINZE-VINGTS • CENTRES HOSPITALIERS LABORIT, LAVAL, SAINT-NAZAIRE, PONTOISE • COFINOGA • CONSEIL GÉNÉRAL DES BOUCHES-DU-RHÔNE • DANISCO • DASSAULT • HÔTEL HILTON • ICADE • LA POSTE • L'ÉLYSÉE • MBDA • MERCK • MINISTÈRE DES AFFAIRES ÉTRANGÈRES • OCDE • ORANGE • SAFRAN • UGAP • UNIBAIL-RODAMCO

STRATEGIC RESULTS

A structuring transformation for ATALIAN

In 2016, ATALIAN reached a new milestone in its rapid and profitable growth strategy. This change in size, combined with a solid business model and strong values, has paved the way for the Group to grow, reinforce its structure and achieve profitable growth driven by innovation, sustainable growth and excellent market knowledge.



MEETING with Jean-Claude SALTIEL, Chairman, La Financière ATALIAN

In one year, Group revenue increased by close to 25% and the number of employees rose from 65,000 to 95,000. Is ATALIAN writing a new chapter of its history?

Throughout its 70 years of existence, ATALIAN has consistently demonstrated an ability to seize growth opportunities, enhance the value of its investments and effectively manage transitions. We've proved it again this year, with the acquisition of Temco-Euroclean. This operation has propelled our Group into the club of leading "global" actors providing services to multinational corporations. Our new size implies a new company organization and new challenges, one of which is to ensure that our units all move in the same direction, in all countries and regardless of their maturity, while simultaneously enriching the entire Group with good practices. Growing together is an exciting challenge that involves each one of us.



Yes, a new chapter is beginning, but it won't jeopardize our core values, which have been our key success factors for three decades: our stable shareholding structure, financial capability, rapid decision-making processes, managerial involvement and entrepreneurial culture. To preserve these fundamental values, we have created a frame of reference that is currently being rolled out on a global scale. We are going to shift from sharing practices to sharing methods, which will be a highly structuring new step for the Group.

What challenges does ATALIAN face today?

We are going to intensify our growth while leveraging our new stature. 2016 was marked by an unprecedented effort to adapt our organization to the Group's new size. We have restructured our Corporate Strategic Division to more efficiently serve our Key Accounts, created an Organization and Methods Division, strengthened the Innovation Division and created an International Information Systems Division to standardize our digital tools. Plus we have made considerable investments in an offensive sales policy in order to gain market share across all markets.

How do you envision ATALIAN in ten years?

Our goal is to become a leading global player, capable of defining a vision, creating, and initiating change on our markets. A robust structure with powerful, centralized tools to support our growth, including digital platforms, information systems, methods, and frames of reference. A Group focused on its strategic lines of business and on profitable organic growth, utilising the different levers under its control such as synergies between our various activities, close customer relationships and commercial strength. A Group that has achieved balance with regard to its locations and its customer portfolio, combining mature markets with sources of new growth. And always true to our DNA, fuelled by a strong, integrated, agile and customer-oriented entrepreneurial culture.

Our new size is game-changing. Instead of merely providing services, we are becoming a partner to our international customers.

FOCUS ON

Organization & Methods Division

This new division was created in March 2016 to define and roll out the Group's global frame of reference and to enforce its implementation.

The frame of reference addresses all of the Group's activities across all business lines. Designed to harmonize our practices and improve our agility and performance, it contains detailed descriptions of more than one hundred missions and associated tools, and is implemented based on the maturity of each subsidiary and on local needs.

TAKEAWAYS

- > Through the acquisition of Temco-Euroclean, ATALIAN has become a global group boasting a well-balanced presence on a range of markets.
- > New organization, new countries, new investments: ATALIAN is doing everything in its power to leverage the full potential of its critical mass.
- > The Group has remained true to its entrepreneurial business model, which promotes the rapid integration of acquisitions and leads to strong organic growth.
- > **Objectives for 2017:** roll out the ATALIAN frame of reference to all subsidiaries and continue gaining market shares through a strategy tailored to the maturity of each targeted region and segment.



ENERGY Management

Specializing in building energy performance, our Energy Management Division delivers innovative business solutions to optimize operations and energy performance on customer premises.

€2.2 million
in revenue in 2016

22
employees

Close to 150
buildings currently managed
in France and Europe

CUSTOMER REFERENCES

ACCENTURE • AEW EUROPE •
AIR FRANCE • ATRIUM • DEKA •
DTZ • GOODMAN • ICADE •
IMMOFINANZ • METRO •
PROLOGIS • TECHNIP •
TOYS'R'US • UNIBAIL-RODAMCO

HIGHLIGHTS

Two office buildings fitted with ATALIAN's energy management solutions were honored by the CUBE 2020 contest organized by IFPEB (French institute for building performance). These awards recognized buildings that have made the most progress in terms of energy savings.



TOWARD BUILDINGS THAT GENERATE VALUE



By Florence
TANTOT,
Chairwoman,
Energy
Management
Division

The energy management market is thriving, as illustrated by the fact that most maintenance consultations now also include a plan to improve energy performance. Customers expect practical, innovative solutions and a rapid return on their investments. We take these issues to heart through a customized, proactive approach. Results have been positive, as we renewed the majority of our contracts and signed important new deals with major real estate players, shopping centers and large office buildings, both in France and abroad.

We owe this performance to our technical expertise and to our advanced technologies such as remote control solutions, dedicated applications and web reporting, which have made ATALIAN a leading player in the field of connected buildings.

Over the coming years, our aim is to increase synergies with the maintenance business lines. The technical and energy-related data captured by our servers can be used to optimize our technicians' work and develop innovative services for our customers.

Because the current context favors responsible development, we have set an ambitious growth target of €3 million in revenue in 2017.

CONSTRUCTION & Finishing Works

Our Construction & Finishing Works Division, one of the top ten finishing works companies in the greater Paris region, is a full service provider covering a wide range of business lines including painting, hardwood flooring, floor and wall covering, tiling, joinery, carpentry, repair and maintenance.

€10.5 million
in revenue in 2016

10th
largest operator
in the greater Paris region

60
employees

A STRONGER CLIENT BASE TO BOOST BUSINESS IN 2017



By Serge
VIVIER,
Chairman,
Construction
& Finishing
Works Division

The upswing in the construction and finishing works sector in 2016 will not reach the finishing sector until 2017. In today's still difficult context, our division offset the drop in demand by reinforcing its commercial engagement.

We also benefitted from the satisfaction of major customers who renewed their trust through new contracts, leading to an overall renewal rate of 80%. Our sales teams' efforts to expand our portfolio also paid off: in 2017, new customers combined with the expected upswing will ensure higher growth for us compared to the market average. Our goal is to increase revenue by at least 10% annually over the next five years!

Our brands
are widely known
and reputed
for their longevity
in the sector.

CUSTOMER REFERENCES

BNP PARIBAS IMMOBILIER •
BOUYGUES BÂTIMENT •
EIFFAGE CONSTRUCTION • ICADE •
KAUFFMAN & BROAD • NEXITY •
PARIS HABITAT • SEFRI CIME • SEPIMO •
SNCF RÉSEAU • SOGEPROM •
VINCI CONSTRUCTION •
VINCI IMMOBILIER



FRONT OF HOUSE

Corporate & Events Management

ATALIAN's exclusive partner for the management of its Front of House services, City One today ranks second in its sector thanks to a strategy combining excellence and service. In 2016, City One launched a large-scale digital transformation and strengthened its positions with its Key Accounts.

€181 million
in revenue in 2016

2nd
largest operator in France

4,800
employees

+11.7%
revenue increase

HIGHLIGHTS

Passenger services: renewal of several contracts with SNCF. City One oversees and coordinates SNCF's "Red Vest" passenger assistants as well as the escorts of its "Junior & Cie" service.

Events management: City One affirmed its position as a leading partner for major events such as the UEFA Europa League competition.

VIP lounge: Qatar Airways selected Sheltair, a joint venture between City One and Servair, the world's third largest airline catering company, to manage and operate its lounge at CDG 1.

Partnership: thanks to its joint venture between John Paul and Chabé Limousines, City One was awarded a contract to provide concierge services to the Paris Aéroport airport authority.



DOUBLE-DIGIT ORGANIC GROWTH GROUNDED IN SERVICE EXCELLENCE AND INNOVATION

By Sophie PÉCRIAUX-JULIEN,
Chairwoman, City One

Our division serves rapidly evolving markets with a strong appetite for innovation and quality of service. More than providing a mere physical presence, our customers expect us to fully manage the relational side of their business, and their standards are high when it comes to brand image, digitalization and comprehensive service provision. We anticipated this trend, and our results are here to prove it: an 11.7% revenue increase in 2016 combined with international growth and exciting prospects in terms of renewing and winning major contracts.

City One differentiates itself by focusing on its core business. When customer demand goes beyond our speciality, we create lasting partnerships with recognized experts. That's how we won several major contracts in 2016, including the concierge services for the Paris Aéroport airport authority and the management of the Toit de la Grande Arche monument rooftop in the La Défense business district of Paris. So to a certain extent, we are growth integrators.

In 2017, we plan to intensify this strategy by focusing on innovation and in-house employee training programmes. Our goal is to achieve an annual international growth of 8%.

TAKEAWAYS

- > New business lines and know-how in areas such as space management and concierge services are integrated through joint ventures and intense employee training.
- > **Objectives for 2017:** ensure the success of the Toit de la Grande Arche management contract, increase the contribution of international business to overall revenue, and continue to invest in digitalization to enhance customer relationships.

INNOVATION

Rethinking customer relationships in light of technology

Working in collaboration with ATALIAN's Innovation Division, City One is developing applications designed to free up time to enhance the quality of our relationships. One example is "En train," a software solution that facilitates the dispatching of mobile City Junior teams. Or the application we designed specifically for the UEFA Europa League competition which individually assigns, identifies and locates City One agents on site and escalates their feedback from the ground in real time.

FOCUS ON

From Front of House services to value creation: managing the rooftop of the Toit de la Grande Arche, La Défense

In partnership with Eiffage, City One signed a nine-year deal to manage the Toit de la Grande Arche monument in the La Défense business district of Paris. Over a surface area of 11,000 square meters, City One and its partners will leverage the site's breathtaking view of Paris, offering an enticing array of entertainment options including restaurants, photo exhibitions, boutiques, conference rooms and private event coordination services.

CUSTOMER REFERENCES

- AIR FRANCE • BANQUE LAZARD • DASSAULT • L'ORÉAL • LE MONDE • MICROSOFT • NOKIA • NRJ • PARIS AÉROPORT • PERNOD RICARD • PHILARMONIE DE PARIS • ROLAND GARROS • SERVAIR • SNCF • STADE DE FRANCE



LANDSCAPING

Two pillars spearhead the expansion of the Landscaping Division: landscape creation and maintenance. The latter in particular saw a sharp increase in business which enabled the division to maintain positive growth.

€67 million
in revenue in 2016

2nd
largest operator in France

700
employees

+2%
revenue increase

Works:

48%

Maintenance:

52%



SUSTAINABLE GROWTH BUOYED BY OUR MAINTENANCE BUSINESS

By **Thierry BREMENT**,
Chairman, Landscaping Division

In spite of today's difficult economic context and highly competitive environment, the Landscaping Division attained its target results, posting a 2% increase in revenue. Our Maintenance business, up 6%, offset the lesser performance of our Landscape creation business, which suffered from the drop in public commissions. Given these conditions, our greatest success was renewing 97% of our maintenance contracts and increasing our Landscape Maintenance revenue to €36 million, up €4 million from last year. Our next goal will be to consolidate this growth through new market shares in the Maintenance segment. We are also working to increase profitability by raising our employees awareness of this priority.

Another key area is growing our football stadium and sports field business, where we won several new contracts this year.

We hope to see Maintenance account for 60% of our activity by 2020 through both organic growth and acquisitions.

Our greatest success was renewing 97% of our maintenance contracts.

FOCUS ON

Phasing out pesticides

The Pinson Paysage France subsidiary closely follows and enforces regulatory changes, and for several years has promoted alternative non-chemical weed control solutions, such as transforming chemically weeded areas into mow zones or using mechanical techniques to eliminate unwanted vegetation.

HIGHLIGHTS

Recognized know-how in sports field interventions: football fields in Liévin, Lens and Sartrouville (France).

Major landscape development contracts signed: Saclay research center; LGV Bretagne-Pays de Loire high-speed rail line.

We are the leading landscape maintenance operator in France, generating 50% of our revenue in this segment.

TAKEAWAYS

- > As a leading player in the landscaping sector, we deliver services to meet the diverse needs of both private and public markets. Services include tree pruning, care and maintenance, sustainable fertilisation, rigging, thermal weed control, eco-grazing, reforestation, protection and rehabilitation of natural sites.
- > Strategy: building on our outstanding customer loyalty rate, we aim to grow our Maintenance business by promoting our eco-friendly approach.
- > **Objective for 2017:** systematically provide training to our agents on direct cost control and further conquer the profitable maintenance and sports field segments.

CUSTOMER REFERENCES

- AIRBUS • ASSEMBLÉE NATIONALE • CHÂTEAU DE VERSAILLES • DISNEYLAND PARIS • EXXON • ICADE • PDC HABITAT • PIERRE ET VACANCES • SNCF • UNESCO • PARIS AÉROPORT • VILLEPINTE



Between 2013 and 2016, the proportion of Group revenue generated through international sales rose from 12.5% to 32.2%. To support this growth, ATALIAN's goal is to reinforce its network within the countries where it operates, while expanding at a rate of three new countries per year. This concerns all geographical regions, each with a targeted strategy based on market maturity.

Growing our network in the United States is also a top priority that will benefit from a significant share of the investments we make in 2017.



3

ATALIAN around the World

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INTERNATIONAL EXPANSION

New structure, new context

With our expansion into ten new countries, including a major operation in the United States, ATALIAN's role as a global player was confirmed in 2016. Having achieved critical mass in all of its regions, the Group can now propose a comprehensive service offering to its key customers.

€531 million
in revenue

representing 32%
of Group revenue

+123%
revenue increase vs 2015

45,000
employees abroad

27
countries
(excluding France)



MEETING with Matthieu de BAYNAST, Chairman, ATALIAN International

How would you assess the past year? In 2015, you went above and beyond your target of €350 million in international revenue...

2016 was a year that I would qualify as "transformative" as the ATALIAN business model grew increasingly more international-focused. We broke records in terms of the number of new countries and revenue, which doubled. Our acquisition in the United States has given us access to a market worth more than \$50 billion and we have stepped up our presence in Europe. Today, 32% of our revenue is generated through our international business - that's a 123% increase from last year, meaning we have gained a head start on our goal of conducting half of our business beyond French borders within the next two years. This result is even better with the knowledge that our international network is becoming a major source of organic growth for the Group, which is up 8% on a like-for-like basis.

Mature markets or high-growth countries, acquisitions or organic growth... What are the Group's current strategic orientations?

Our target for every acquisition is profitable growth. The goal is to reinforce and expand our coverage, and above all to achieve rapid growth by leveraging our size. External growth is a necessary lever that we have learned to keep under control. We have developed the know-how needed to buy companies at a competitive price and then increase their profitability. For instance, in less than one year, our Temco-Euroclean earnings more than doubled thanks to our action plan. To build up our network, we integrate companies run by entrepreneurs and increase their earnings by creating synergies. We also set up strategic partnerships, such as the one signed in Poland with Aspen group, a major player on the cleaning, catering and safety markets. And with SERVEST, the UK's Facility Management leader, we have created a joint venture called ATALIAN SERVEST Ltd. which will offer joint solutions across Europe.

In what way is this international growth transformative?

In less than five years, the number of employees in our International division has increased from 10,000 to 45,000. Our critical mass means we can now accelerate growth on our markets around the globe and, in particular, satisfy the needs of our Key Accounts, wherever they may be. This international dimension is currently shaping our business Group-wide, and requires that we adapt our support functions - IT security, management and HR - accordingly. Our main challenge is to capitalise on our assets, namely the quality and customization of our services and the performance of our processes. We must therefore augment our success factors and effectively deploy them in all of our subsidiaries. This large-scale project is radically transforming our organization.

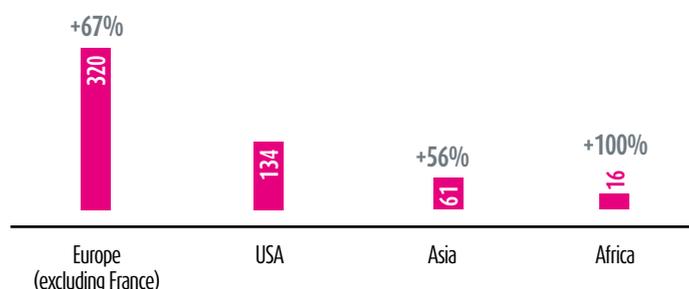
Our new stature is also changing how we are perceived by our international customers. ATALIAN has become a major partner capable of proposing solutions that are commensurate with their global stakes.

The US market is going to propel us into another dimension.

FOCUS ON

2016 REVENUE AND GROWTH (2015-2016)

In millions of euros



OBJECTIVES IN THE USA

Temco and its local operations are ATALIAN's bridgehead into a very dynamic market.

The Group's strategy consists in building up its network on the East coast and in the South, and in developing Cleaning services in high-potential sectors such as education, industry and commerce.

OBJECTIVES IN EUROPE

Within Western Europe's mature markets, ATALIAN is focusing on organic growth by investing in its sales force and innovation. Energy management and digitalization services are the Group's different areas of expertise, appreciated by customers seeking to optimize costs.

In high-potential Eastern Europe, the goal is to reinforce our Facility Management and Cleaning service offerings and to extend our network all the way to Russia through partnerships and external growth.

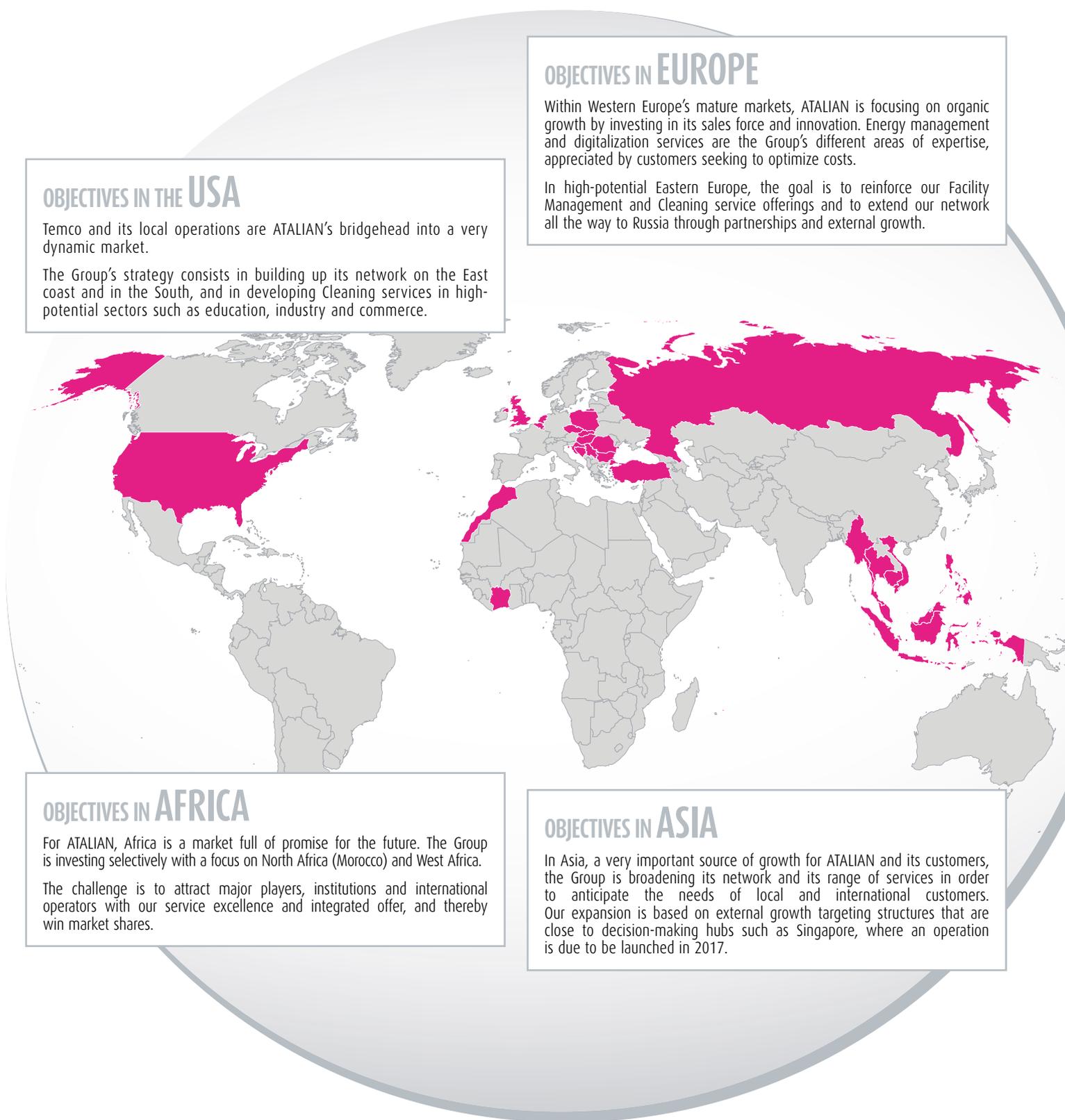
OBJECTIVES IN AFRICA

For ATALIAN, Africa is a market full of promise for the future. The Group is investing selectively with a focus on North Africa (Morocco) and West Africa.

The challenge is to attract major players, institutions and international operators with our service excellence and integrated offer, and thereby win market shares.

OBJECTIVES IN ASIA

In Asia, a very important source of growth for ATALIAN and its customers, the Group is broadening its network and its range of services in order to anticipate the needs of local and international customers. Our expansion is based on external growth targeting structures that are close to decision-making hubs such as Singapore, where an operation is due to be launched in 2017.



FOCUS ON EUROPE

With operations in 15 European countries, ATALIAN is reinforcing its network through rapidly accretive acquisitions. Facility Management, Safety and Maintenance are the growth drivers in this region, where our Cleaning business already has a strong foothold.

€320 million
in revenue in 2016

60%
of ATALIAN International
revenue

15
countries

20,000
employees



STRATEGY OF GROWTH THROUGH THE REINFORCEMENT OF OUR POSITION

By **Frédéric PATRIER**,
Deputy CEO Europe

2016 results are very satisfying. Our revenue is up 67%, an excellent performance given many of our markets' advanced maturity level. A single strategy is applied in all countries, and consists in withstanding price pressure by constantly adapting our business model and proposing innovative, differentiating services. In this context, our responsiveness and ability to diffuse and augment Group know-how within our subsidiaries are valuable assets.

In both Western and Eastern Europe, all subsidiaries have seen substantial growth. In Eastern Europe, we are the current leader in the Balkans, with a strong anchor in Croatia where we practically doubled our size this year (€23 million in revenue). Hungary delivered 2.5 times its target with €350 thousand in monthly revenue from new contracts. We are continuing our network consolidation on Turkey's highly dynamic market, where we posted organic growth of nearly 12%. And we strengthened our position in Benelux with the integration of Temco-Euroclean in under three months. Following this transaction, we structured our organization so as to take on new business lines and build closer relationships with our customers. As a result, we multiplied our business by 3.5 and now rank among the sector's five leading players.

In 2017, we intend to forge ahead, with a revenue of €401 million for this region. The challenge will be to leverage our Facility Management (FM) expertise. In this regard, our flexible business model, our ability to operate across the entire spectrum of FM services and our efficient network have positioned us as a partner that our Key Accounts can count on. In parallel we have also begun the digital transformation of our business lines.

Within five years, our aim is to incorporate the main FM business lines into all of our European subsidiaries – cleaning, technical maintenance and safety. We also intend to expand our network in Eastern Europe. New operations are due to open in Austria, and are under study in the Commonwealth of Independent States (CIS), particularly Russia.

HIGHLIGHTS 2016

Integration of the subsidiaries of the American group Temco-Euroclean in Belgium, Luxembourg and the Netherlands.

Deeper cohesion thanks to the rollout of ATALIAN's new graphic design guidelines in all subsidiaries.

TAKEAWAYS

- > With operations in 15 European countries (excluding France), ATALIAN is expanding through external growth and partnerships.
- > Strategy: consolidation in Western Europe through the acquisition of Temco-Euroclean, very present in Benelux. Strong growth in strategic Eastern Europe, where a significant share of our investments are being made.
- > **Objectives for 2017:** to rank among the top three FM operators in each country; to continue enhancing our service offering and integrate new entities into our network; to launch operations in Austria, close to decision-making hubs.

CUSTOMER REFERENCES

AHOLD • ATRIUM • CARREFOUR • ELECTROLUX • EXXON • FLEXTRONICS • GROUPE PSA • INA • KLÉPIERRE • METRO • MIGROS • RENAULT • STAD GENT • TESCO • TURKCELL

PODIUM

TOP 3 ATALIAN COUNTRIES IN EUROPE

1. **Belgium** (Cleaning)
2. **Turkey** (Cleaning, Technical Maintenance, Safety)
3. **Czech Republic** (Cleaning, Technical Maintenance, Safety)



Acquisitions to reinforce current locations in 2016:

- > Belgium
- > Bosnia
- > Croatia
- > Czech Republic
- > Hungary
- > Luxembourg
- > Poland
- > Romania
- > Russia
- > Slovakia
- > Turkey



Acquisitions to expand into new countries in 2016:

- > Bulgaria
- > Netherlands
- > Serbia
- > United Kingdom (joint venture)

One of our biggest strengths lies in our responsiveness and ability to spread the Group's know-how. ATALIAN's business experts regularly contribute differentiating input to our strategic customers in Europe.

COMMERCIAL SUCCESSES

Renewal of existing contracts:

- > PSA - Slovakia
- > Klepierre - Hungary
- > Atrium - Central Europe
- > Ismer Mobile services and Oyak Renault - Turkey
- > Metro Cash & Carry - Russia

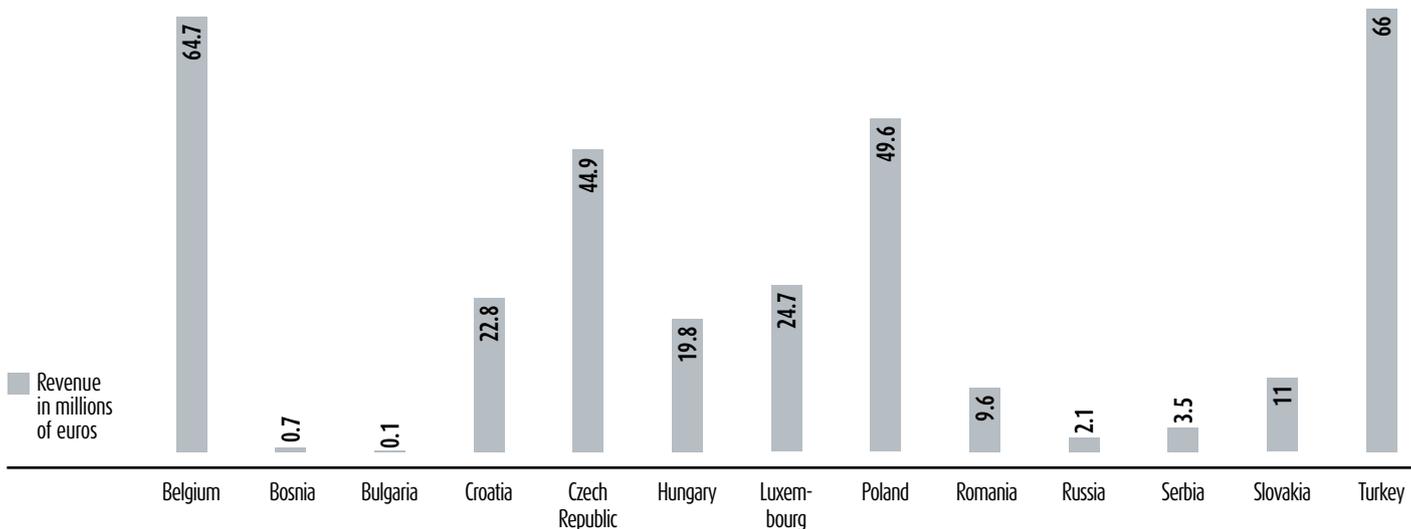
Acquisitions:

- > Temco-Eurodean Group - Luxembourg, Belgium and the Netherlands
- > Luxor - Croatia
- > MT&T - Romania
- > Idetek - Turkey

FOCUS ON

The ATALIAN SERVEST Ltd. joint venture, providing integrated FM solutions

In May 2016, ATALIAN and SERVEST, a leading FM service provider in the UK, announced their joint venture, with each party holding 50% of the shares. ATALIAN SERVEST Ltd. will serve companies seeking unified, integrated solutions on a European scale. Active in 15 countries, this new operation will call on the skills of a combined workforce of 40,000 European employees from both Groups.





FOCUS ON USA

The United States is a strategic market for ATALIAN, not only because of its size but also its strong concentration of decision-making hubs. After joining forces with a company already well-established in its core business, the Group quickly gained footing and is prepared to conquer this new continent.

€134 million
in revenue in 2016
(January 1st to August 31st, 2016)

25%
of ATALIAN International
revenue

13
states

3,500
employees



A NEW CONTINENT AT ATALIAN'S FINGERTIPS

By Chris HUGHES,
CEO USA

Since acquiring Temco-Euroclean in January 2016, we have identified our main markets and finalized our strategy. After rapidly integrating the subsidiary, we were able to focus on expanding our network in the second half of the year. The priority is to build up our current geographic coverage through external growth, in order to develop our range of cleaning services. The next step will be to enhance this offering with complementary services such as safety, maintenance, energy management and landscaping to meet the needs of our customer portfolio. We are concentrating our investments on the East Coast (Maine, Florida) and the markets we have identified as being "vertical", that is to say which offer interesting prospects in Integrated Facility Management: university campuses, industrial sites etc. In the eyes of these cost-conscious customers, we stand out for our technological advance which leads to increased service optimization and monitoring. In addition, we are one of the rare players to boast a CIMS (Cleaning Industry Management Standard) certification.

Over the next five years our aim is to generate \$1 billion in revenue by combining organic growth and acquisitions. To reach this goal, we plan to enhance our cleaning and safety service offerings, deliver Facility Management services to our Key Accounts and conquer new markets such as health care, sports and leisure.

PODIUM

TOP 3 COMMERCIAL OPPORTUNITIES

1. New York
2. New Jersey
3. North Carolina





Acquisitions for expansion in 2016:

- > Arkansas
- > Connecticut
- > Georgia
- > Kentucky
- > Massachusetts
- > Minnesota
- > Missouri
- > New Jersey
- > New York
- > North Carolina
- > Ohio
- > Pennsylvania
- > Texas

HIGHLIGHTS

- Expansion:** acquisition of Temco-Euroclean group.
- Certification:** renewal of CIMS (Cleaning Industry Management Standard) certification awarded by ISSA, the worldwide cleaning industry association.
- Employee safety:** thanks to the "Zero Accident" programme created by our Safety Division, the work accident rate fell by 0.71 points - one of the lowest scores in the sector.

With an annual €201 million revenue, the American subsidiary alone accounted for more than 25% of International Division revenue.

TAKEAWAYS

- > Targeted acquisition strategy aimed at establishing and developing our Cleaning and Facility Management offering in high-potential regions and sectors.
- > Two competitive advantages: our technological lead and CIMS certification.
- > **Objectives for 2017:** increase revenue through organic growth and roll out CIMS-certified procedures in all operations.

FOCUS ON

Temco, ATALIAN's bridgehead into the US

Temco-Euroclean, founded in 1917 and specializing in facility support services (cleaning and associated services, safety) contributed €134 million to Group revenue in 2016.

Based in New York, our new acquisition operates in 13 American states as well as in Europe through subsidiaries located in the United Kingdom, the Netherlands, Belgium and Luxembourg. 10,000 full-time employees around the world serve customers in sectors ranging from tertiary, industry, real estate and education.

CUSTOMER REFERENCES

- ANHEUSER-BUSCH • CARNEGIE HALL • CBRE • IBM • JLL (GRAND CENTRAL TERMINAL) • NEW YORK CITY DEPARTMENT OF EDUCATION • OHIO STATE UNIVERSITY • PARAMOUNT GROUP • SETON HALL UNIVERSITY • TISHMAN SPEYER • UTICA COLLEGE



FOCUS ON ASIA

ATALIAN's efforts to densify its Asian network have paid off. We are currently the most active operator in Southeast Asia, with a solid foundation for profitable, rapid growth.

€61 million
in revenue in 2016

11.5%
of ATALIAN International
revenue

7
countries

18,500
employees



BROADENING OUR SERVICE SCOPE, BOOSTING OUR COVERAGE

By Rory MALLON,
Regional CEO, Asia

In Southeast Asia, high local demand, favorable demographics and the rising middle class protected most countries from the global economic crisis and the slowdown in China. Many countries are investing in infrastructure to boost their appeal in the eyes of international industrial operators and investors. This context has been conducive to the expansion of our business lines. Our local and international customers appreciate integrated Facility Management services managed by a single operator that complies with harmonized standards for high quality. This is what makes ATALIAN stand out in this part of the world, and we have leveraged this asset in all countries, which has led to important new contracts in Indonesia, Malaysia, the Philippines and Vietnam.

We have also broadened our range of services and reinforced our back office by creating a regional support team. Our subsidiaries have worked together across borders to harmonize the processes and information systems of our support functions, including accounting, purchasing and commercial development.

Meanwhile, we accelerated the growth of our network through ten acquisitions, three of which took place in new countries. In 2017, we will finalize external growth transactions in Singapore designed to expand and diversify our customer portfolio.

We are targeting revenue growth of 100% for next year, and aim to rank among the top three in each country while developing Full FM services on all of our markets. Human resources will play an important role, with a target of 100,000 employees in the region within five years. The recruitment of managers and training are therefore top priorities today.

TAKEAWAYS

- > Present in seven countries with more than 18,500 employees, the Group operates in Indonesia, Malaysia, the Philippines, Thailand, and since 2016 in Vietnam, Cambodia and Myanmar.
- > Achievements in 2016: expansion of our service offering and centralization of central management and monitoring systems.
- > Strategy: adapt to the different maturity levels of our markets, broaden the service portfolio, develop multi-service delivery and increase ATALIAN brand awareness.
- > **Objectives for 2017:** develop our geographical presence; expand service offering through external growth and partnerships; set up policy for recruiting high-potential talent.

CUSTOMER REFERENCES

ACCOR HÔTELS • AEON MALL • ASIAN DEVELOPMENT BANK •
BUREAU VERITAS • CHEVRON • DEUTSCHE BANK • ERICSSON •
GIANT • HATARI • HÔPITAL DE BANGKOK • SHANGRI-LA •
THAI AIRWAYS • TOTAL INDONÉSIE

PODIUM

TOP 3 ATALIAN COUNTRIES IN SOUTHEAST ASIA

1. Malaysia
2. Indonesia
3. Thailand



Acquisitions to reinforce our current locations in 2016:

- > Indoservice, Rafindo - Indonesia
- > Northcom, Able - Philippines
- > Phuket Guard Services, The Guard - Thailand



Acquisitions to expand into new countries in 2016:

- > Unicare Vietnam - Vietnam
- > Kleen Eleven - Cambodia
- > Scipio, Myanmar Assurance - Myanmar

HIGHLIGHTS

Expansion into 3 new countries

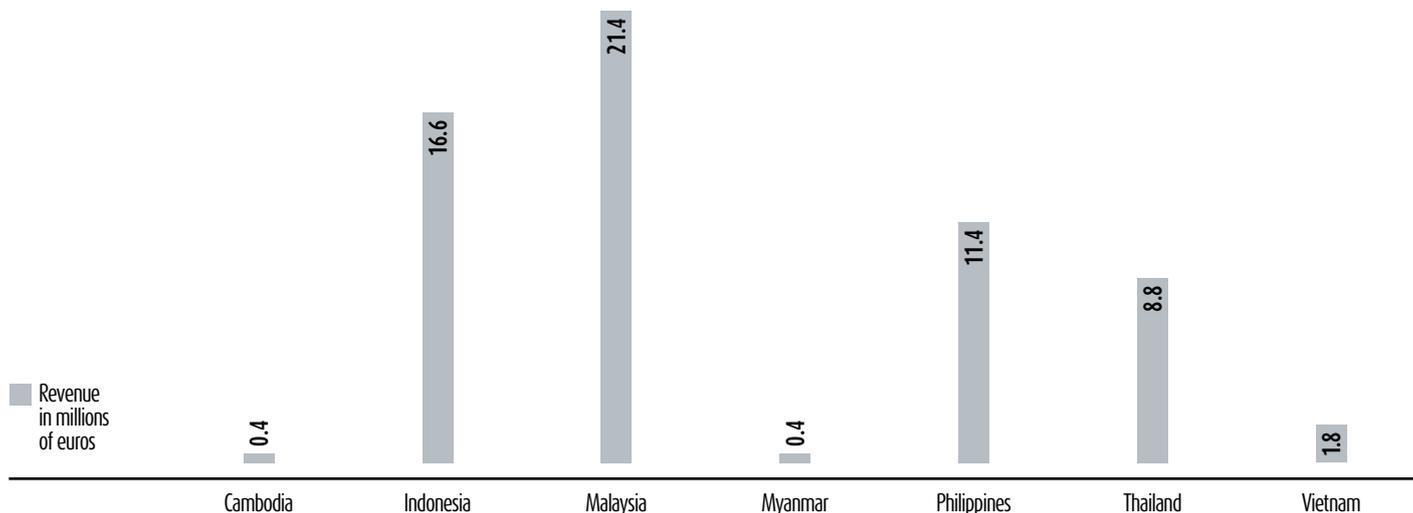
- > **Vietnam:** acquisition of Unicare, a company based in Ho Chi Minh City employing 850 people. Unicare delivers cleaning, landscaping and pest control services to a wide range of national and international customers in sectors such as hospitality, industry, retail and real estate.
- > **Cambodia:** acquisition of Kleen Eleven based in Phnom Penh. Kleen Eleven provides cleaning, landscaping and pest control services in the retail and secondary education sectors, and employs 200 people.
- > **Myanmar:** acquisition of Scipio specializing in facility management and safety. With its staff of 700 employees, Scipio provides solutions to its customers in the telecommunications, energy, real estate and tertiary sectors.

In this vast region, ATALIAN has earned recognition as a leading brand with strong values and high quality standards.

FOCUS ON

Solid coverage in Southeast Asia

With its 20 subsidiaries, eight of which were acquired in 2016, ATALIAN is the region's most active international company. Thanks to its strong positions, reinforced year after year through targeted acquisitions, the Group is ready to tackle the challenges faced by its international customers. Its selling point: a constant service offering and associated processes regardless of the country, coordinated by our dedicated and highly qualified staff.





FOCUS ON AFRICA

ATALIAN is growing rapidly in North and West Africa thanks to subsidiaries that have a clear understanding of local issues and requirements. In 2016, the Group leveraged its comprehensive service offering to become the leading provider of Facility Management services to international Key Accounts.

€16 million
in revenue in 2016

3%
of ATALIAN International revenue

3
countries
(excluding Lebanon)

3,000
employees



SUPPORTING THE EXPANSION OF OUR INTERNATIONAL CUSTOMERS

**By Patrick ARNAUD,
General Manager, West Africa**

We want to develop rapidly on the continent, with a view to becoming a leading provider of Technical Maintenance, multi-facility and multi-country services. Facility Management (FM) is still emerging in Africa, but the concept is gradually gaining ground, spurred on by large international corporations in their effort to streamline costs and globalize their service contracts. While the market is relatively well-established in Morocco, it is still in its early stages in West Africa. Oil and mining companies are driving demand as they seek to outsource the daily management of their operating base. Our contracts mainly cover the provision of cleaning, pest control, landscape management and temporary employment services.

In Morocco, we stepped up our presence in Casablanca by opening a representative office, and gained new market shares in Marrakesh, Rabat and Kenitra. In Ivory Coast, we grouped our two new subsidiaries, Quick Net' Services and IVNET into a single location, thereby boosting synergies. In Mauritius, our subsidiary rolled out its new brand, ATALIAN Interactive, and inaugurated a customer relationships center in Hungary.

Our pioneering approach, with its strong focus on CSR, is gaining increasing attention from customers in the tertiary and industrial sectors. In 2016, we were contacted by companies such as BNP Paribas, via their local subsidiaries, interested in the evolving Moroccan and West African markets. Delphi and Sanofi inquired about an FM contract for all of their industrial facilities.

Our ambition over the next five years is to expand into two new countries per year and become the leading major FM service provider in North and West Africa within three years, by offering the broadest geographic coverage. We also want to position ourselves on the East African market.

PODIUM

TOP 3 ATALIAN COUNTRIES IN AFRICA

1. Morocco
2. Ivory Coast
3. Mauritius

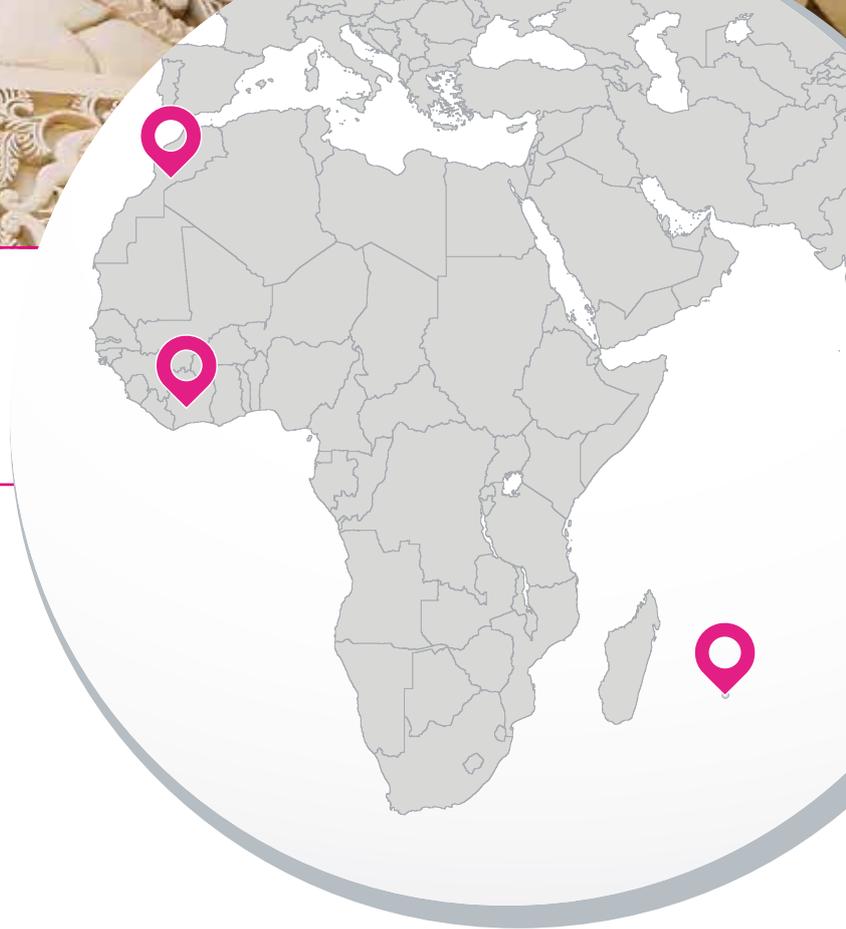
QHSE

Recognized for our commitment to quality

Our QHSE policy allows us to deliver the same quality of service to our international customers, wherever they may be. In 2016, this approach translated into the recruitment by our Cleanco subsidiary in Morocco of a QHSE manager and the renewal of its ISO 9001 certification. ATALIAN Interactive in Mauritius also earned this same certification.

TAKEAWAYS

- > A well-established and respected player among the top-ranking multi-service providers in Morocco (top 5) and Ivory Coast (top 3).
- > A global partner proposition: framework agreements with parent companies and their regional offices in Morocco and Ivory Coast.
- > **Objectives for 2017:** generate €21 million excluding organic growth for a 23% revenue increase, through external growth in two countries that have already been targeted: Senegal and Ghana. Augment synergies in Morocco, where we plan to develop Total Facility Management.



Africa is brimming with opportunities. We want to be the first to seize them.

HIGHLIGHTS

- > **Morocco:** ATALIAN continued its densification strategy with the acquisition of new contracts: the Marrakesh Palais des Congrès, the new Tanger City Mall and the OCP Group's green city project. Customers in the automotive sector such as Delphi, Yazaki and Lear Corporation also renewed long-time contracts, illustrating their trust in the Group.
- > **Ivory Coast:** new landscape cleaning and maintenance contract with ONUCI (United Nations Operation in Ivory Coast), an international institution active in each of the country's major cities. New multi-site deal signed with Banque Atlantique Ivory Coast.
- > **Support services:** partnership between ATALIAN Interactive and VWR, the world's leading laboratory product supplier, renewed for a three-year period.
- > **Trade fairs:** ATALIAN participated in the first "Rencontres Africa 2016" event held in Paris and in the ISSA InterClean event in Chicago, the cleaning industry's largest professional trade show.

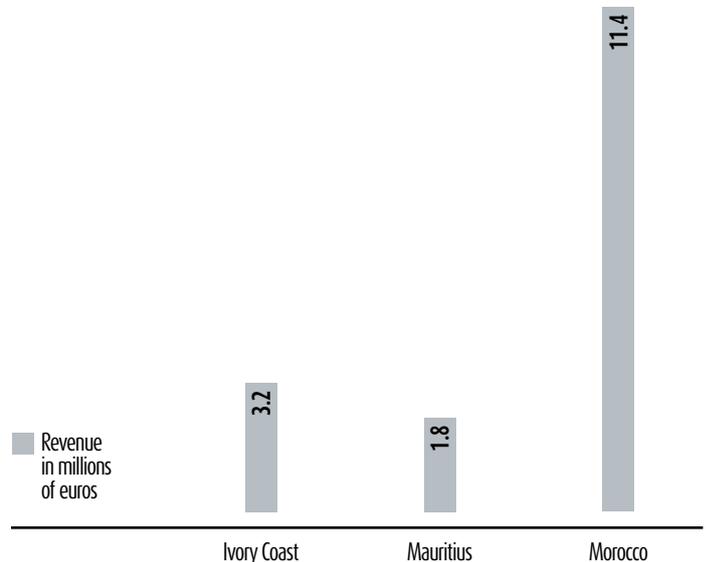
FOCUS ON

Cleanco oversees security at the Port of Tangier

In Morocco, our Cleanco subsidiary signed a three-year contract with Port of Tangier Ville to manage security at the new marina and cruise port located in the city, at the entrance to the Strait of Gibraltar. 90 Cleanco security agents will deliver security, surveillance and patrol services across this 84-hectare site, which welcomed approximately 300,000 cruise passengers in 2016.

CUSTOMER REFERENCES

ACIMA • ANFA PLAS • APM TERMINALS • BAD • BANQUE ATLANTIQUE • CARGILL • CEMOI • CIMAF • COFIPA • DELPHI • DHL • ECOBANK • ETAM • EUROGATE • FUJIKORA • GOLDEN TULIP • HÔPITAL CHEIKH KHALIFA • HÔTEL MICHLIFEN • KITEA • LEAR CORPORATION POLYDESIGN • MARJANNE • MTN • ONUCI • SACO • SDV • SOCIÉTÉ GÉNÉRALE • SOCIÉTÉ IVOIRIENNE DE RAFFINAGE • TANGER CITY MALL • TANGER FREE ZONE • TANGER MED • TMSA • TOTAL • VERSUS BANK • VWR • YAZAKI





Our ambition – to satisfy our customers every day, around the world – requires strong commitment combined with a true desire for continuous improvement from all employees and members of management. Our quest for excellence and performance is guided by a three-fold commitment to service quality and conformity, to innovation leading to progress and to social and corporate responsibility.



4

Building Excellence through three commitments

- > Human Capital 38
- > Innovation 39
- > QHSE Policy 40

HUMAN Capital

ATALIAN's success is rooted in the involvement of multiple talents who continually strive to convey the Group's values and image of excellence. The Human Resources Division has made it a priority to support these talents while ensuring their professional development. In 2016, we created a special programme to effectively rise to these challenges.

155
nationalities represented

381
work/study contracts

9.8%
of employees are disabled

More than
20,000
appraisal interviews conducted

8,000
employees trained



ATTRACTING AND DEVELOPING TALENT

By Carol RAMBON,
Head of Human Resources

ATALIAN strives to forge lasting relationships with its employees, placing special emphasis on loyalty-building and training. In 2016, Human Resources tackled several projects essential to the Group's future, that consisted in integrating our people, promoting their sustainable professional development and adapting their skills to the current and future needs of our markets and customers.

This year's major undertaking was to define our employment and expertise plan (GPEC), a project designed to identify employee training needs and build lasting professional pathways. We also created a repository of skills and assessment tools and conducted tests in a pilot region of the Cleaning Division. On-site and in-agency project rollout will begin in 2017.

Based on the 20,000 employee appraisals conducted between 2015 and 2016, we increased our training resources. We plan to recruit regional Training Officers to conduct in-house training sessions using dedicated e-learning tools. Lastly, to enrich our pool of high-potential managers and encourage international mobility, we created a Mobility and Career Management Division.

As we move forward with initiatives to promote integration and equal opportunity, the number of disabled employees in our Group has almost reached 10%.

Today, the HR team is gearing up for a major new project: the shift to digital. By making it standard procedure to use mobile and collaborative technologies, we can increase our operators' autonomy and optimize customer relationships.

An operational HR approach designed to benefit operators and optimize our continuous quest for performance.

FOCUS ON

ATALIAN partners with Paris-Dauphine University to attract young talents

In September 2016, ATALIAN signed an agreement with Paris Dauphine University to promote the training and professional integration of its recent graduates through work placements, work/study contracts and fixed- and open-term employment contracts. Our goal is to pass on the Group's culture and values to students, to provide them with training of our business lines, integrate them and offer fulfilling professional pathways, both in France and abroad. We will also contribute to funding for International Mobility, Equal Opportunity and Student Housing scholarships.

HIGHLIGHTS

Competencies: employment and expertise (GPEC) project launched and tested by the Cleaning Division.

Training: 15 in-house instructors trained per region.

Careers: creation of the Mobility and Career Management Division in charge of international mobility for managers, operational career monitoring and the recruitment of future talents through partnerships with French universities.

Integration: acquisition of DPS, a company facilitating reintegration into the workplace



TAKEAWAYS

- > Our top priority: build employee loyalty through sustainable integration and motivating professional pathways.
- > Tools: GPEC employment and expertise plan, continuing education and a "high-potential" policy.
- > **Objectives for 2017:** to accelerate the digitalization of our HR processes to free up time and energy for activities that generate greater added value.

INNOVATION

By ATALIAN

The Innovation Division was created in 2015 to identify, test, approve and roll out the innovations that are most useful to our customers. In 2016, our teams developed new applications to help ATALIAN's business lines adapt their service offerings to the economic and environmental requirements of their specific markets.

The Innovation Division benefits from the support of "innovating" players from our different business lines. Thanks to this multi-disciplinarity, we can rapidly develop relevant new services with high added value.



TRANSFORMING THE ORGANIZATION OF OUR BUSINESS LINES

By Tanguy DESAILLOUD,
Manager, Innovation Division

Technological advances such as smart buildings, connectivity and robots are revolutionizing the construction world and, consequently, our business lines. In the near future, the quasi-predictive management of buildings will lead to more controlled investments and day-to-day operating. Given this context, one of ATALIAN's top priorities is to acquire the expertise and cutting-edge resources needed to keep its building management systems at the forefront of progress. The Innovation Division was therefore assigned a dual mission: to design applications that are useful to our customers, and to set up projects promoting organizational innovation in order to adapt our practices and operations to today's new environment. We achieve these goals in-house through brainstorming and organizing working groups, by involving suppliers and start-ups and by co-innovating with our partners and customers.

Initial results have proven the value of this initiative: most of the Innovation team's proposals were adopted by the customers for whom they were designed, including France Télévisions, Kingfisher and Institut Gustave Roussy. Initial tests on smart objects, such as the automatic meter reading system installed at the Icade business park in Aubervilliers (France), have demonstrated the benefit of such solutions, which relieve our teams of time-consuming tasks, allowing them to concentrate on more technically demanding services.

Our three-year goal is to create and develop a multi-disciplinary innovation center whose team would remotely coordinate all of the services provided to a given customer. The boundaries between Safety, Maintenance, Cleaning and Front of House would be eliminated in order to create a more flexible and profitable central structure.

TAKEAWAYS

- > An innovation strategy led by ATALIAN's CEO and the Innovation Division. Its multidisciplinary teams include more than 50 support functions and operational experts.
- > Research areas: smart buildings (detection of building requirements and anomalies), remote real-time management (connected objects), mobile resources (live reporting, agent clock-in/clock-out, geolocation).
- > **Objective for 2017:** develop the tools and organization necessary for predictive service delivery while continuing to adapt robotics to our business lines.



FOCUS ON

SmartConfort, the tracking application for strategic zones

This smartphone application, developed jointly with Air France, is the perfect example of collaborative innovation. With it, users can monitor the comfort level of strategic areas such as the front desk, dining areas or senior management offices. It can also be used to oversee the reliability of certain business-critical devices. Air France was involved throughout the process, taking part in rapid prototyping workshops and simulations.

HIGHLIGHTS

Among the applications developed by ATALIAN this year: autonomous sensors, smartphone-enabled building management system, mobile CMMS, ATALIAN Energy box, machine fleet management, connected trolleys.



POLICY

Quality Health Safety Environment

ATALIAN Group's cross-cutting international QHSE policy structurally impacts the entire company. It is designed to boost the performance of in-house processes, enhance business cohesion and harmonize practices at every level of the organization.

30-35%
of the products used
for our cleaning business
are eco-friendly

100%
success rate
in certification audits



COMMITTED TO CONTINUING GLOBAL PROGRESS

By **Tayeb BELDJOUDI**,
Director of Quality, Health,
Safety, Environment (QHSE)

Our QHSE policy was designed to fulfil three complementary goals: ensure customer satisfaction and loyalty, promote the health and safety of our employees and reduce our environmental footprint. Implemented worldwide at all company levels, this policy is based on rigorous, controlled management methods and systems that are continuously being improved.

In 2016, we further industrialized and optimized the performance of our business processes and achieved a 100% success rate in all of our certification audits, whether pertaining to quality, safety or the environment. We began our transition to the revised ISO 9001:2015 standard, which is already in effect within the Technical Maintenance Division. In terms of safety, thanks to our now mature OHSAS 18001-certified management systems, our employees know that they also have a role to play with regard to occupational health and safety, especially accident prevention. These tools provide a valuable basis for the analysis and improvement of working methods and behaviors.

Today, our goal is to develop innovative, connected QHSE monitoring tools which enable us to improve our responsiveness in the field. More generally speaking, the Group rolled out a new CSR charter in 2016, thereby renewing and updating its commitment to its customers, employees and suppliers and to the environment. This charter was used as a framework by the Organization and Methods Division to define a repository of good QHSE practices, which will be deployed at the beginning of 2017 in all countries where we operate.

The next steps will be overseen by a new CSR Strategic Committee tasked with validating and officializing the Group's key corporate, economic and environmental orientations. We will, of course, continue deploying our Group CSR strategy, and our goal is to obtain an "Outstanding" performance evaluation from EcoVadis within five years. This significant and tangible investment in favor of sustainable development helps us to increase proximity with our customers, especially our Key Accounts who also face CSR-related challenges.

FOCUS ON

Recognized for our commitment to CSR

In 2016, the Group's overall CSR strategy received the EcoVadis gold medal rating. This rating, awarded to just 5% of the top-rated companies by EcoVadis, demonstrates the level of commitment and maturity that ATALIAN's CSR policy has attained. The gold medal was also awarded to EPPSI, our transportation network cleaning subsidiary.

CSR is an integral part of our DNA, and we consider it to be a true performance driver. Performance not only for the Group, as it encourages us to implement a continuous improvement process, but also and most importantly, performance for our customers.

TAKEAWAYS

- > Management systems designed to increase excellence while contributing to ongoing progress.
- > An intense certification process involving all Group business lines.
- > A strategy to reinforce our business by gradually improving our indicators.
- > **Objectives for 2017:** roll out standards worldwide and integrate QHSE into our loyalty-building processes.

THE 4 PRINCIPLES OF THE QHSE CHARTER

1

ATALIAN ensures compliance with all laws, regulations and other applicable requirements and supplements them with specific requirements if necessary.

2

ATALIAN ensures its entire workforce shares a common company culture whose key features are skills management, use of feedback, information and dialogue. This approach relies on the involvement and exemplarity of management.

3

ATALIAN defines specific risk analysis and control policies in all of its business divisions.

4

ATALIAN adopts a constructive attitude of transparency and dialogue with its customers and institutional stakeholders. It strives to be proactive in the development of responsible partnerships.



A RESPONSIBLE CORPORATE STANCE



HIGHLIGHTS 2016

International subsidiaries certified:

- ISO 9001 (Quality): Belgium, Croatia, Czech Republic, Hungary and Romania.
- ISO 14001 (Environment): Romania, Czech Republic, Hungary and Croatia.
- OHSAS 18001 (Safety): Czech Republic, Croatia and Luxembourg.

Policy: group-wide deployment of new CSR charter, QHSE policy and customer commitments.

Measurement: first cleaning service lifecycle analysis; ATALIAN acquires a tool to measure its environmental footprint.

Nuclear facility: creation of a network of Radiation Safety Officers (RSO) as part of CEFRI-E certification.

FOCUS ON

ATALIAN certifications

CLEANING & ASSOCIATED SERVICES

- ISO 9001
- OHSAS 18001
- MASE (Company Safety Improvement Manual)
- ISO 14001
- CEFRI-E
- CERTIPHYTO
- PEST CONTROL ACTIVITIES
- ECOVADIS

FRONT OF HOUSE

- NF SERVICE
- ECOVADIS

NUCLEAR

- CEFRI-E
- UTO 85-114

TECHNICAL & CONSTRUCTION SERVICE

- ISO 9001
- MASE (Company Safety Improvement Manual)
- QUALIBAT
- QUALIFELEC
- OPERATION OF HQE®-CERTIFIED BUILDINGS

LANDSCAPING

- ISO 9001
- MASE (Company Safety Improvement Manual)
- QUALIPAYSAGE
- QUALISPORT
- QUALIGOLF
- CERTIPHYTO
- ISO 26000

SAFETY

- ISO 9001
- OHSAS 18001
- MASE (Company Safety Improvement Manual)



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