Atalian New 9M 2017 results

November 30, 2017

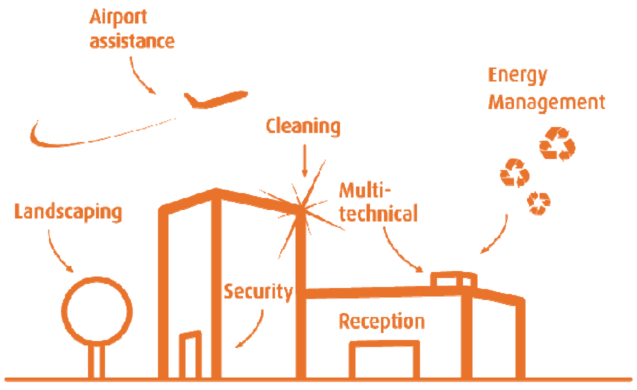
ATALIAN
GLOBAL SERVICES

Disclaimer

Certain statements in this presentation are forward-looking. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. These include, among other factors, changes in economic, business, social, political and market conditions, success of business and operating initiatives, and changes in the legal and regulatory environment and other government actions. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation.

Information contained herein relating to markets, market size, market share, market position, growth rates, penetration rates and other industry data pertaining to the Company’s business is based on the Company’s estimates and is provided solely for illustrative purposes. In many cases, there is no readily available external information to validate market-related analyses and estimates, thus requiring the Company to rely on internal surveys and studies. The Company has also compiled, extracted and reproduced market or other industry data from external sources, including third parties or industry or general publications, for the purposes of its internal surveys and studies. Any such information may be subject to significant uncertainty due to differing definitions of the relevant markets and market segments described.

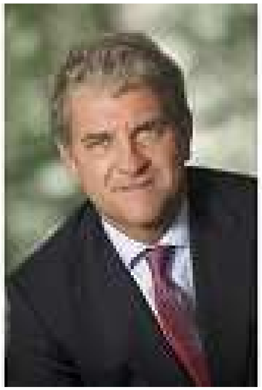
This presentation contains references to certain non-IFRS financial measures and operating measures. These supplemental measures should not be viewed in isolation or as alternatives to measures of the Company’s financial condition, results of operations or cash flows as presented in accordance with IFRS in its consolidated financial statements. The non-IFRS financial and operating measures used by the Company may differ from, and not be comparable to, similarly titled measures used by other companies.



Summary & presenting team

Loïc Evrard

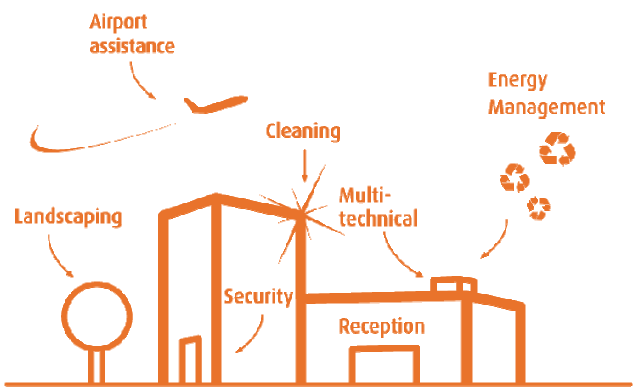
Chief Financial Officer of ATALIAN Group



Matthieu de Baynast

Chief Executive Officer of ATALIAN Group
Chairman of ATALIAN International

1 KEY HIGHLIGHTS OF NEW 9M 2017



EUROPE - USA - ASIA - AFRICA

Key items of New Q3 2017

Financial performance

- Overall good financial performance despite challenging environment
  - Group **revenue**: €517M in new Q3 2017 vs. €450M for new Q3 2016, +15% mainly due to external growth in France and abroad
  - Continued increase of **EBITDA** reaching €30.3M in new Q3 2017 vs. €27M in in new Q3 2016 restated* (+12%)
  - **Adjusted net debt** as of September 30, 2017 of €540M vs. €435M at the end of December 2016 with successful refinancing through new bond issuance of €625M at 4% closed on May 5, 2017

New Contracts

Le Havre

Malési Narbonne

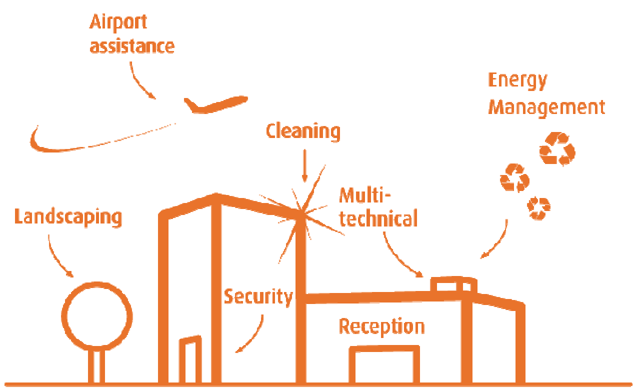
Last acquisitions

- **Significant acquisitions in Europe, Asia and USA**
  - Slovakia and Czech Republic: **AB Facility** (FM business) signed in November 2016 – FY turnover around €73M – EBITDA Proforma expected around €7M
  - Belgium: **Hectas** signed in December 2016 – FY turnover around €1.8M
  - Russia: **Espro** signed in November 2016 (FY turnover around €1.4M) and **Novy Dom** completed in May 2017 (FY turnover around €9M– EBITDA Proforma expected around €1M)
  - Netherlands: **Visschedijk** signed in January 2017 – FY turnover around €24M – EBITDA Proforma expected around €2M
  - France: acquisition completed of **Facilicom Group**'s French subsidiaries (from Netherlands) – FY turnover around €70M – EBITDA Proforma expected around €4M
  - Singapore: **Cleaning Express (**FY turnover around €22M – EBITDA Proforma expected around €3M) and **Ramky** signed in May 2017 (FY year turnover around €40M – EBITDA Proforma expected around €4M)
  - USA : **AETNA** completed in June 2017 – FY turnover around €28M – EBITDA Proforma expected around €2.4M

*** New Q3 2016 restated from provisions recognized as revenue in EBITDA as the related cost incurred in August 2016**

2 FINANCIAL REVIEW

2 FINANCIAL REVIEW



EUROPE - USA - ASIA - AFRICA

EBITDA – New 9M 2017

in €M	New 9M 2017	New 9M 2016	*Change*
Revenue	**1,453.5**	**1,323.6**	***9.8%***
Payroll costs	(951.7)	(898.7)	
% of revenue	*65.5%*	*67.9%*	
Raw materials & consumables used	(308.7)	(254.4)	
% of revenue	*21.2%*	*19.2%*	
External expenses	(89.9)	(71.4)	
% of revenue	*6.2%*	*5.4%*	
Other operating net expenses	(15.2)	(14.8)	
% of revenue	*1.0%*	*1.1%*	
Total operating costs	**(1,365.5)**	**(1,239.3)**	***10.2%***
% of revenue	*93.9%*	*93.6%*	
Recurring EBITDA	**88.0**	**84.3**	***4.4%***
Recurring EBITDA margin	***6.1%***	***6.4%***	
EBITDA	**94.1**	**84.3**	***11.6%***
EBITDA margin	***6.5%***	***6.4%***	

- Continued EBITDA and EBITDA margins growth validates Group's strategy pursued in the last 4 years

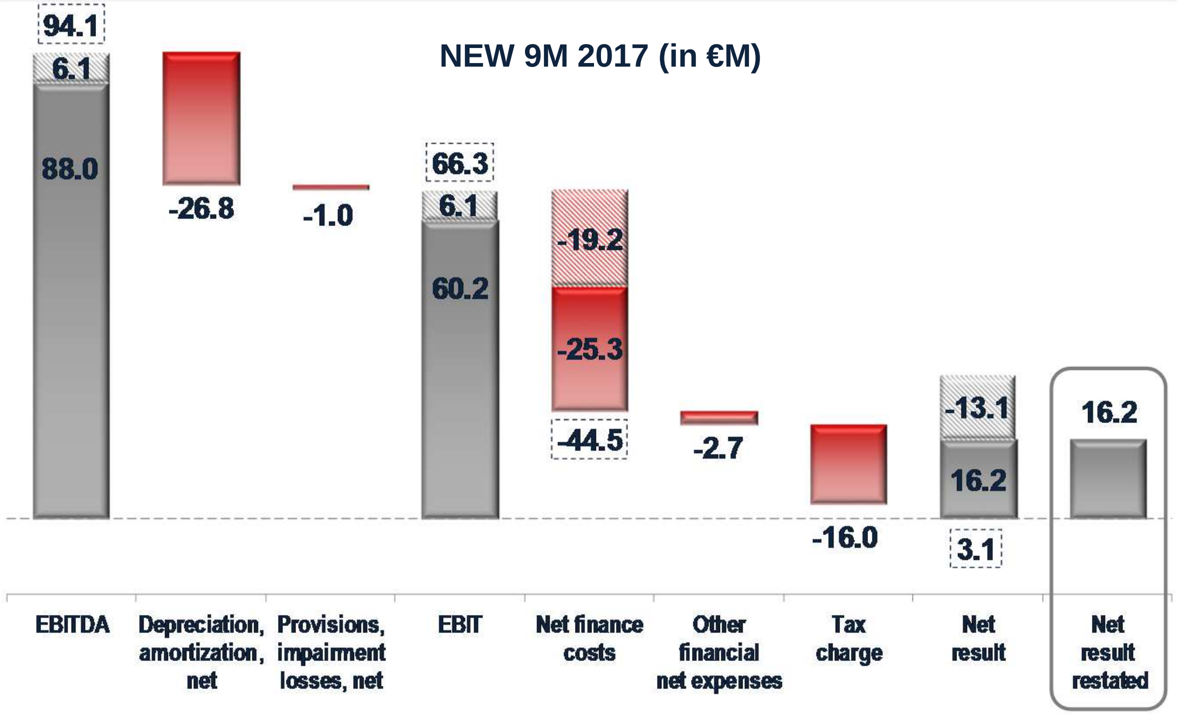
  ➡ Recurring EBITDA margin reached 6.1% on track to deliver our target for the end of the year between 6.1% and 6.3%

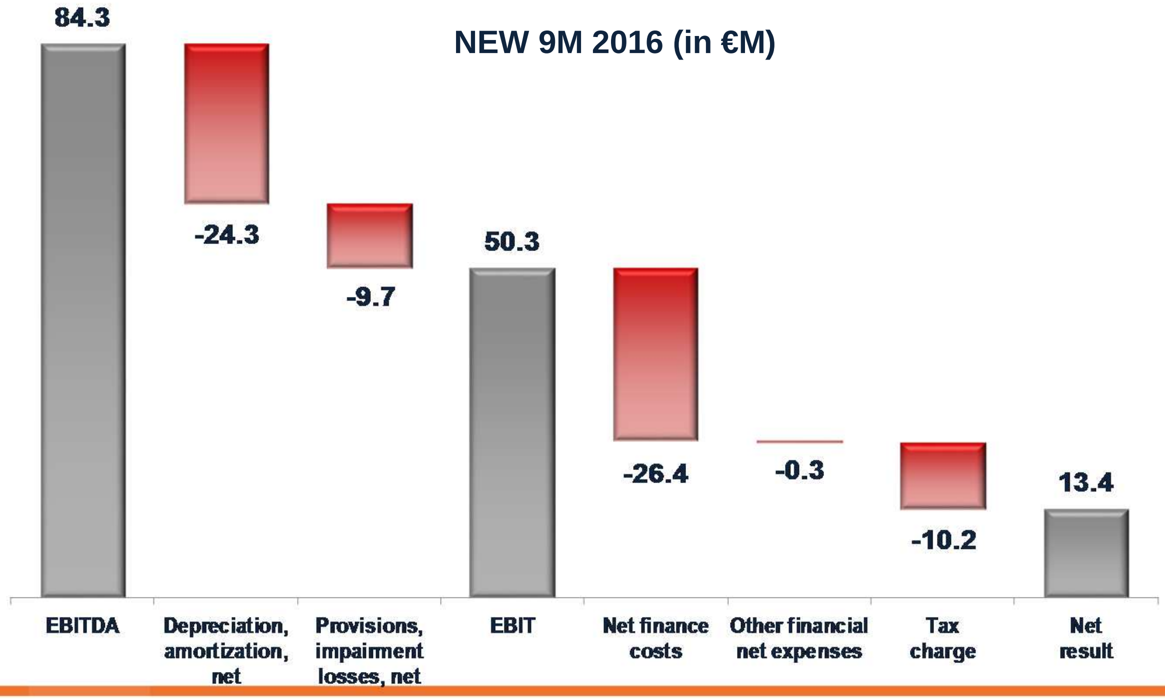
- Slight decrease of percentage of revenue for payroll costs mainly related to Temco US following the loss of DOE contract and subcontracting's effect, impacting also Raw materials & consumables used

- Non recurring EBITDA: assignment of certain trademarks relating to our business outside of France (€6.1M at the end of 9M 2017) – as already disclosed during the last bond issue

- Constant tight control of operating expenses

Net Result – New 9M 2017





NEW 9M 2017 vs NEW 9M 2016

- Depreciation, amortization, net: 1.8% of revenue, expecting to remain stable by the end of fiscal year
- Recurring EBIT: restated from €6.1M (non-recurring assignment of trademarks), stabilized margin around 4%
- Decrease in recurring net financing costs from -3.1M before new bond issuance to -€2.5M per month after the debts restructuration
- Non recurring net finance costs: mainly due to payment of penalties related to early repayment of previous bonds and related issue costs write-off (-€19.2M)
- Tax charge: including an effect of deferred tax due to a step down of the tax rate in France from 34% to 28% by 2020
- Net result excluding non recurring items would reach +€16.2M at the end of September 2017 compared to +€13.4M in September 2016

Revenue – New 9M 2017

(1) Including inter-sectors transactions (-€25.4M in 2017 and 2016)

FRANCE: strong increase of revenue (**+€25.5M**) as a combination of

– **Cleaning's turnover rise of +€19.4M related to**
  - Increase of revenue mainly due to external growth: acquisition of **Facilicom Group**'s French subsidiaries
  - Organic growth thanks to strengthening of commercial teams focusing on key accounts

– An increase of €6.1M in **Facility management** revenue mostly explained by external growth
  - Increase of Landscaping's turnover thanks to the acquisition of Bordet Services and a good commercial trend line in general
  - Acquisition of a Facilicom Group's subsidiary operating in Security and Safety
  - Acquisition of several entities operating in technical heating maintenance

INTERNATIONAL: strong increase of revenue (+€104.4M) mainly driven by recent acquisitions

– Integration of AB Facility in Czech Republic and Slovakia (+€54.5M)

– Integration of Atalian BV and Visschedijk in Netherlands (+€30M)

– Integration of Cleaning express group and Ramky in Singapore (+€46.5M)

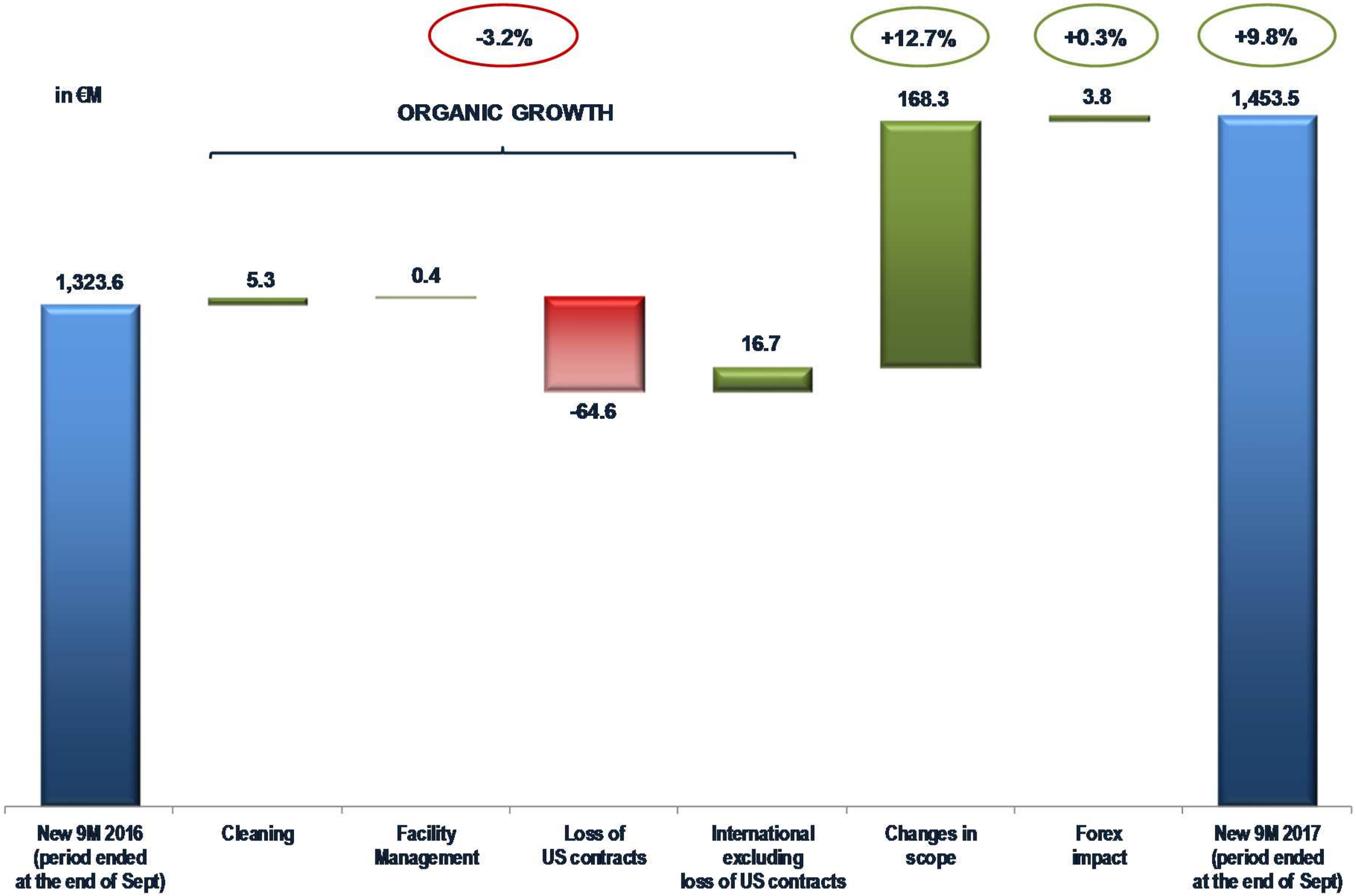
– Other external growth mainly in Philippines (Northcom and Able), USA (Aetna) and Russia

Regarding organic growth, there are two trends:

– negative impact related to the loss of significant US contracts

– increase of turnover mainly in Turkey, Czech Republic, Hungary, Russia, Morocco and Asia

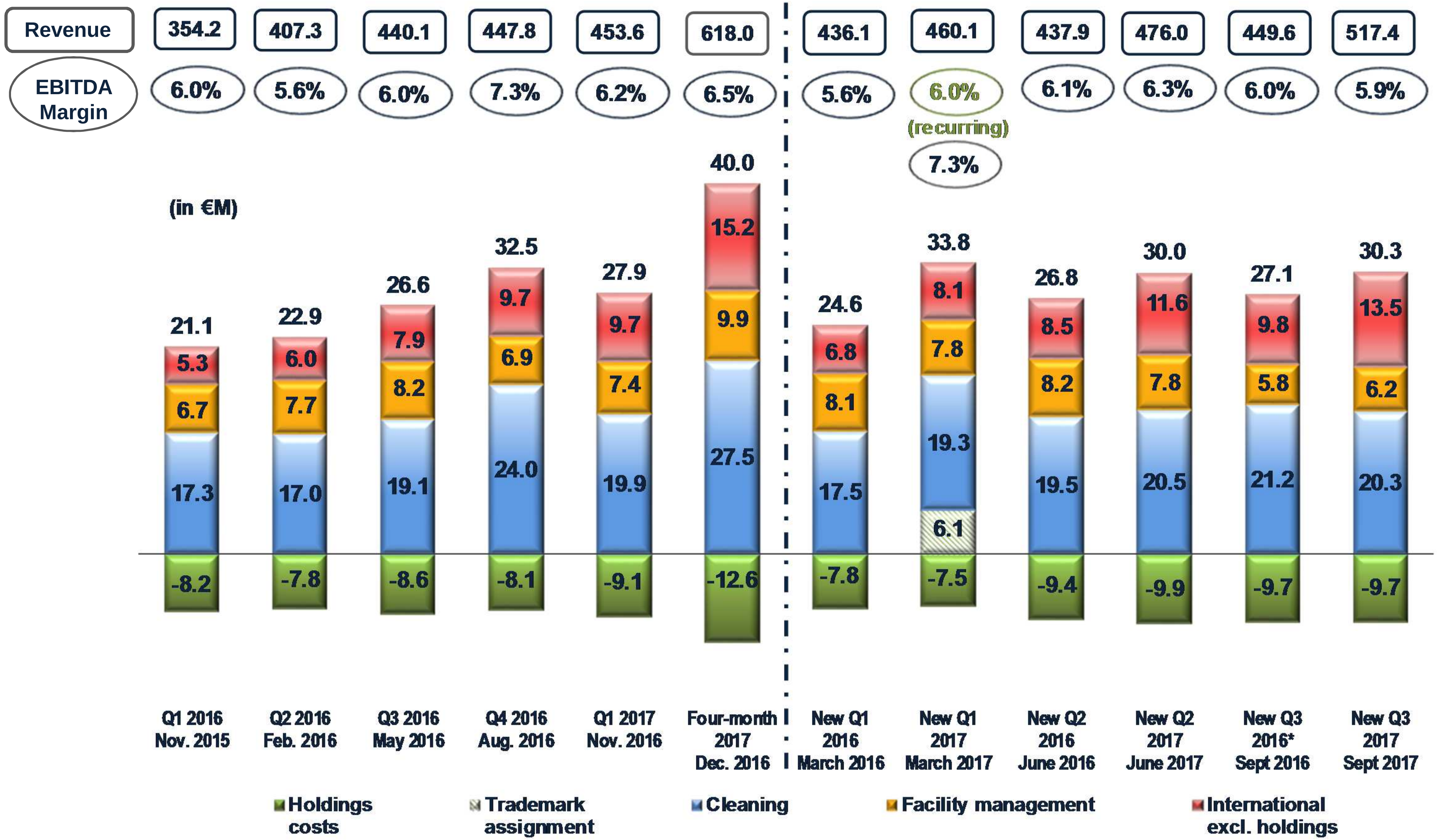
Revenue bridge – New 9M 2016 to New 9M 2017



- Negative organic growth of -3.2% mainly due to the loss of DOE contract in New York (-4%) partially offset by positive organic growth in France and in other countries (mainly Europe, Africa and Asia)

- Positive impact of change in International scope of +€168.3M, mainly related to AB Facility in Czech Republic and Slovakia, and other significant acquisitions in Netherlands, USA and South East Asia (Singapore)
- Positive forex impact essentially due to US Dollar

EBITDA – Quarterly evolution

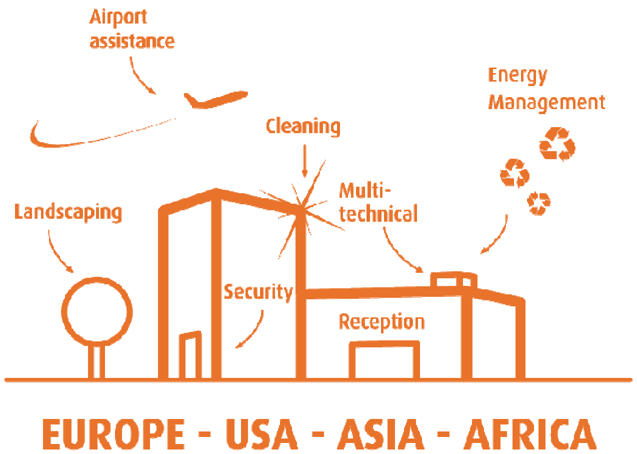


- Continuous increase of recurring EBITDA in new Q3 2017 at €30.3M (+€3.2M vs. new Q3 2016 restated)
- Non recurring item in new Q1 2017: trademark assignment of €6.1M
- Holdings costs rate slight decreased reaching 1.8% of revenue in Q3 2017

* New Q3 2016 restated from provisions recognized as revenue in EBITDA as the related cost incurred in August 2016

ATALIAN GLOBAL SERVICES

2 FINANCIAL REVIEW



Net debt

in €M	New 9M 2017	Four-month period ended December 31, 2016
Net cash and cash equivalents	**131.2**	**89.1**
HY bonds	625.0	400.0
Factoring	11.0	22.5
Bilateral credit lines	–	29.0
Others	33.9	40.7
Total gross debt (1)	**669.9**	**492.2**
Financial instrument	2.2	2.1
Total net debt	**540.9**	**405.2**
Deconsolidated Factoring	(0.5)	30.0
Adjusted Net Debt (2)	**540.4**	**435.2**
Proforma EBITDA (3)	138	115
Adjusted net debt / proforma EBITDA (3)	**3.9x**	**3.8x**

- Reported net debt increased to €540M as of September 30, 2017 (+€105M vs. net debt as of December 31, 2016) following refinancing of existing €400M 2020 Senior Notes with €625M of new 2024 Senior Notes
- Leverage ratio Net debt / Proforma EBITDA stabilized

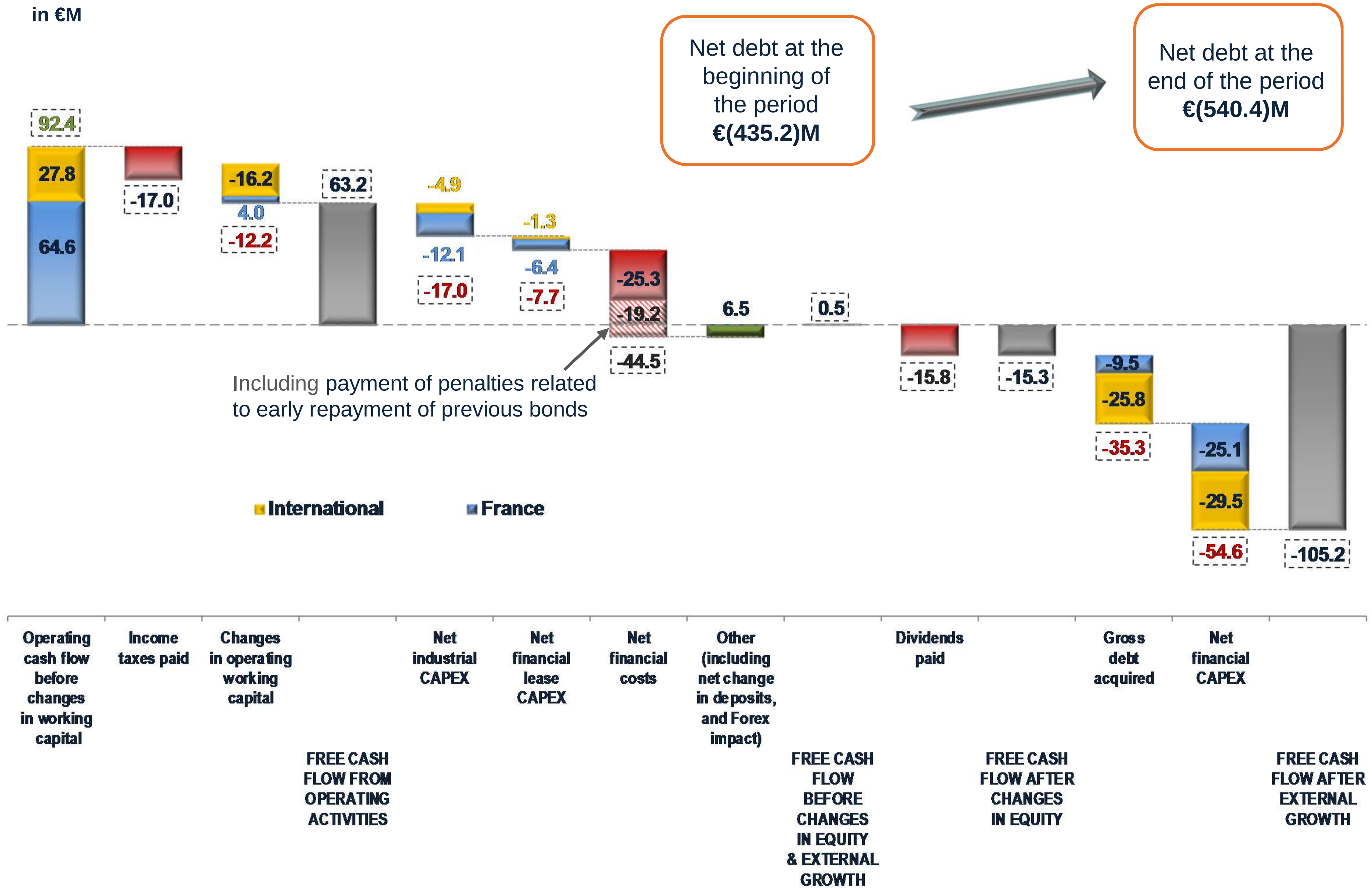
(1) **Excluding the fair value of financial instrument**

(2) **Adjusted of the deconsolidating factoring of receivables**

(3) **Proforma EBITDA 2017 is calculated as if the main acquisitions realized during the 9M 2017 and FY 2016 had occurred for 12 months**

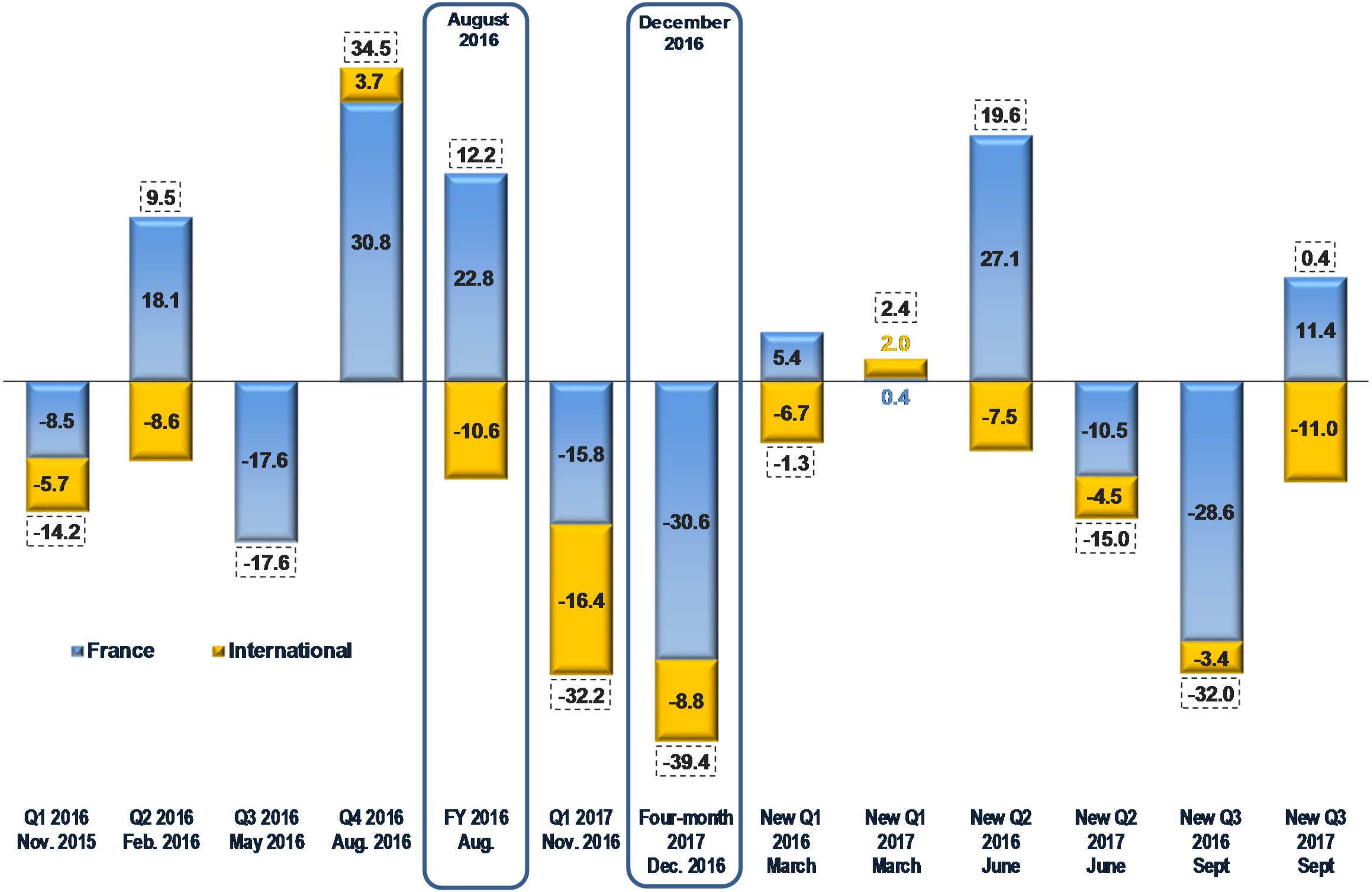
In €M	Cash and cash equivalents	Factoring loans	Bilateral credit lines	Revolving Credit Facility	Total
Confirmed lines		140.0		18.0	
Utilised lines		10.5		-	
Head room		**129.5**		**18.0**	
Cash available to support Group development	**131.2**	**129.5**		**-**	**260.7**

New 9M net debt evolution



ATALIAN GLOBAL SERVICES

Focus on change in working capital*



*** Including change in deconsolidated Factoring**

ATALIAN GLOBAL SERVICES

3 STRATEGY UPDATE

Strategy update and outlook

- Annual guidance for **December 2017** for the Group:
  – Proforma EBITDA target of €138M
  – EBITDA margin target between 6.1% and 6.3% including holding costs
  – Leverage ratio Net debt / Proforma EBITDA between 3.7 and 3.9
- Ongoing **reorganization of Group's structure**: since new CEO nomination, the Group is reinforcing its governance and management team
  – Appointment of a **Chief Human Resources Officer**: Franck Aimé is coming from Danone and led significant project or transformation, communication, talent development and corporate social responsibility in France and Europe
  – Appointment of a new **Group General Secretary** in charge of finance departments, IT departments, legal and purchase departments: Stéphane Vermersch is coming from Europ Assistance with a strong experience as international CFO and general manager
  – Nomination of a new **Managing Director Europe** and a new **Procurement Director**
  – Reorganization of IT departments

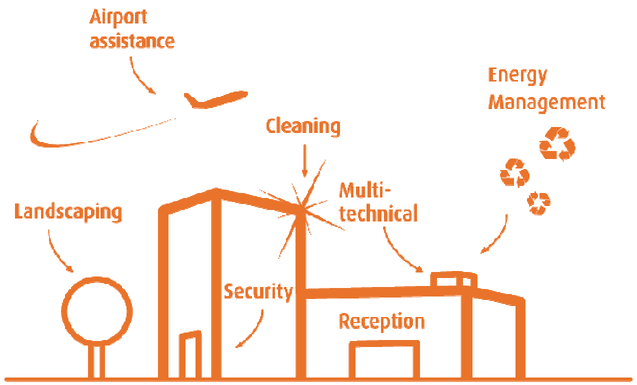
Current acquisitions

- Asia
  – Philippines: 2 LOI signed
  – Due Diligences in Vietnam (FY revenue ~$20M) and Thailand (FY revenue ~$20M)
- USA
  – 2 acquisitions completed before the end of the year: Boston (FY revenue ~$50M) and Saint-Louis (FY revenue ~$30M)
- Africa: 1 LOI signed in Senegal

Acquisitions targets for 2018

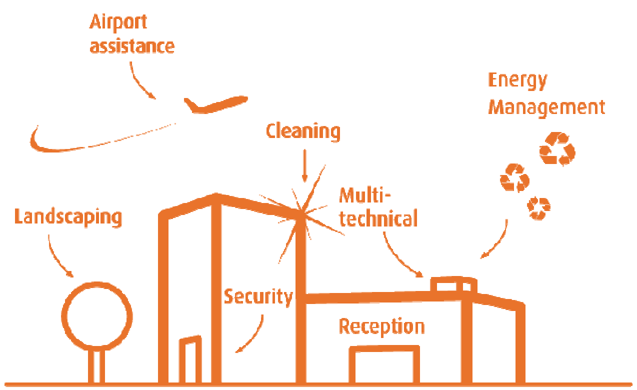
Countries	Nb Targets	Expected revenue (M€)
France	7	156
Poland, Serbia, Austria, Belgium, Turkey	10	146
Russia, Belorussia	5/6	42
Asia	19	147
USA	9	257
Africa	10	67

Q&A



EUROPE - USA - ASIA - AFRICA

APPENDICES



EUROPE - USA - ASIA - AFRICA

Summary of consolidated statement of financial position

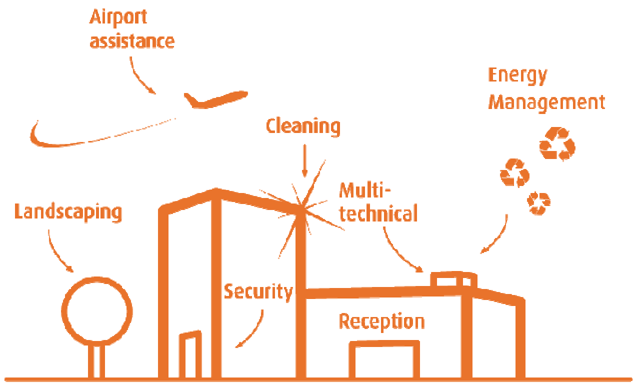
In €M	9M period ended September 30, 2017	Four-month period ended December 31, 2016
Intangible assets	561.1	522.4
Property, plant and equipment	88.2	68.3
Other non-current assets	84.0	84.9
Trade receivables	417.6	339.8
Cash and cash equivalents	136.5	91.2
Other current assets	250.8	192.1
Total assets	**1,538.2**	**1,298.7**
Equity (including non-controlling interests)	131.1	130.0
Financial debt (current and non-current)	672.1	494.2
Other non-current liabilities	17.6	18.3
Trade payables	168.5	171.8
Bank overdrafts	5.3	2.2
Other current liabilities	543.6	482.2
Total liabilities	**1,538.2**	**1,298.7**

P&L 13 months

in €M	Period ended September 30, 2017 (13M)	Period ended September 30, 2016 (13M)	*Change*
Revenue	**2,071.5**	**1,801.5**	***270.0***
Recurring EBITDA	**128.0**	**112.5**	***15.5***
% margin	*6.2%*	*6.2%*	
Non-recurring EBITDA	**134.1**	**112.4**	***21.7***
% margin	*6.5%*	*6.2%*	
Depreciation and amortization, net	(38.3)	(32.3)	
Provisions and impairment losses, net	(2.0)	(10.0)	
Operating profit	**93.8**	**70.1**	***23.7***
% margin	*4.5%*	*3.9%*	
Financial income	0.5	0.3	
Financial expenses (including non-recurring item in 2017)	(57.0)	(35.8)	
Net finance costs	**(56.5)**	**(35.5)**	***(21.0)***
Other financial income and expenses	(2.7)	(0.7)	*(2.0)*
Net financial expense	**(59.2)**	**(36.2)**	*(23.0)*
Income tax expense	(24.1)	(14.4)	*(9.7)*
Share of profit (loss) of associates	0.2	(0.1)	
Profit for the period	**10.7**	**19.4**	***(8.7)***

INVESTOR RELATIONS CONTACT

investorcontact@atalian.com



EUROPE - USA - ASIA - AFRICA

ATALIAN
GLOBAL SERVICES