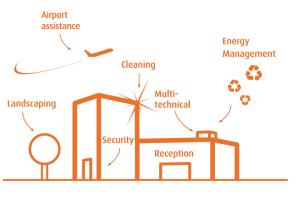


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Jean-Jacques Gauthier
Group CFO and Deputy CEO



Bruno Bayet Group Controller









- ♣ Net sales up +4.0% LfL and Recurring EBITDA\* up +10.8% LfL in Q2
  - France: Net sales +4.3% LfL, Recurring EBITDA\* +8.8% LfL
  - UK: Net sales +11.9% LfL, Recurring EBITDA\* +53.5% LfL
  - International: Net sales +0.7% LfL, Recurring EBITDA\* -10.9% LfL
- Clear inflection in Group's Performance in Q2, with a 20bps EBITDA margin improvement
- ♣ Acquisition synergies on track
- Improvement of cash generation and solid €M31 Free Cash Flow from Operations\* in Q2
- ♪Divestments for circa €M60 to be secured and closed before year-end

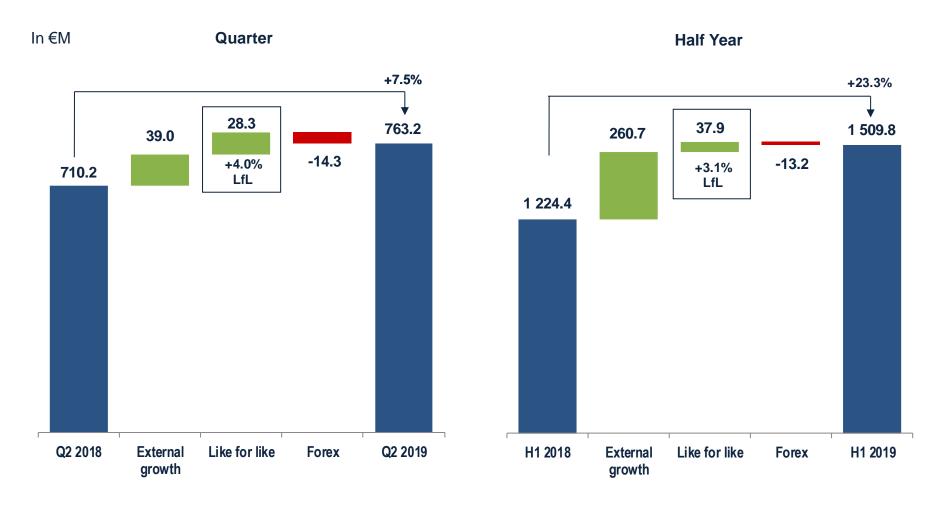


in €M	Q2 2019 Reported	Q2 2019 pre-IFRS 16	Q2 2018 pre-IFRS 16	change	var LfL (%)	H1 2019 Reported	H1 2019 pre-IFRS 16	H1 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	763.2	763.2	710.2	7.5%	4.0%	1 509.8	1 509.8	1 224.4	23.3%	3.1%
Recurring EBITDA	50.8	41.9	37.9	10.6%	10.8%	99.1	81.3	66.5	22.3%	0.2%
EBITDA Margin (%)	6.7%	5.5%	5.3%	+20 bps		6.6%	5.4%	5.4%		
Operating Profit	19.7	18.7	17.1	9.4%		42.3	40.4	34.4	17.4%	
Net profit (loss) for the period	(17.5)	(16.6)	(0.7)	(15.9)		(27.4)	(26.2)	2.3	(28.5)	
Free Cash Flow from Operations (1)	42.6	31.4	20.5	10.9		22.5	2.9	(18.5)	21.4	
Net Financial Debt	1 422	1 350	1 267	83		1 422	1 350	1 267	83	

<sup>&</sup>lt;sup>(1)</sup> FCF from Operations before Capex, financial Interests, dividends, acquisitions and divestments

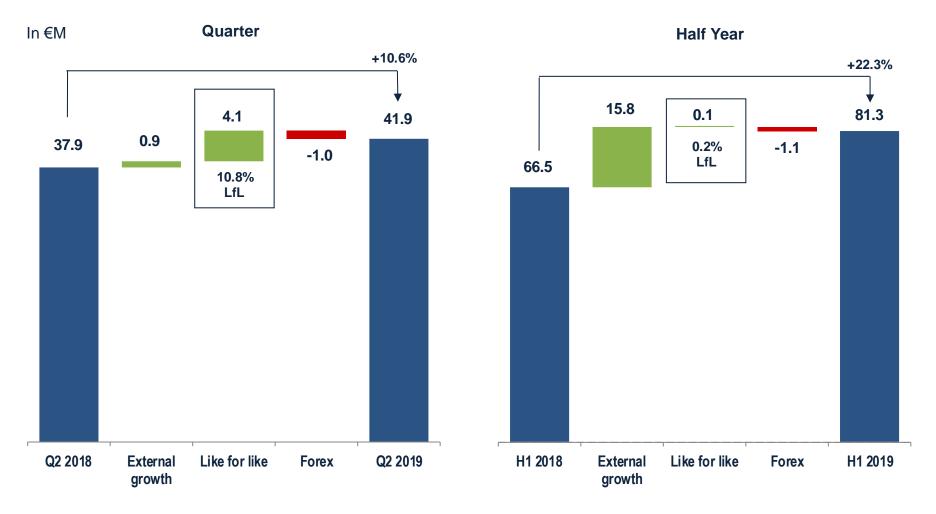


Net sales up +7.5% in Q2 and +23.3% in H1

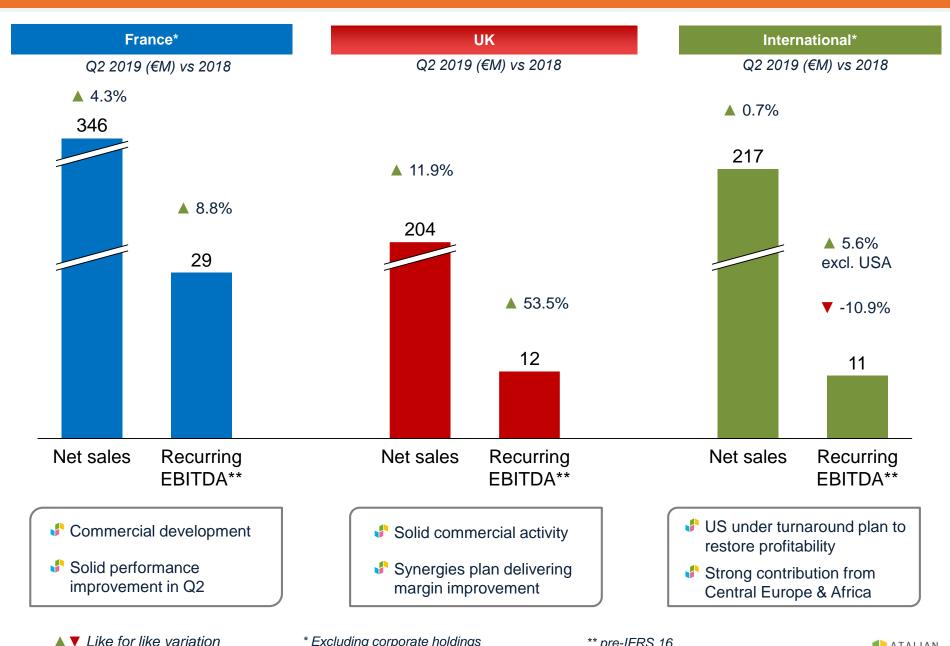




## Strong progression of Recurring EBITDA\* in Q2









in €M	Q2 2019 Reported	Q2 2019 pre-IFRS 16	Q2 2018 pre-IFRS 16	change	var LfL (%)	H1 2019 Reported	H1 2019 pre-IFRS 16	H1 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	346.4	346.4	348.7	-0.7%	4.3%	675.9	675.9	647.4	4.4%	2.9%
Recurring EBITDA	32.8	28.9	27.2	6.3%	8.8%	61.5	54.0	53.1	1.7%	0.2%
EBITDA Margin (%)	9.5%	8.3%	7.8%	+50 bps		9.1%	8.0%	8.2%	-20 bps	
of which Cleaning	23.8	20.8	20.0	4.0%	10.0%	45.4	39.4	39.0	1.0%	1.3%
FM	9.0	8.2	7.2	13.9%	5.6%	16.1	14.6	14.1	3.5%	-2.8%

- Robust second quarter, growth trend confirmed, with a solid improvement in operational performance
- Commercial development, with key contracts win and improved contracts renewal rate
- Positive contribution of 2018 acquisitions\*\*
- Acquisitions synergies and fixed costs reductions



## **Business Development**

- Commercial strategy to drive sales growth
- Commercial transformation, with a higher focus on gross margin improvement through operational excellence
- Target customers with high contribution rate through sales force

#### Operational Performance

- Improve operational management and focus on all contracts
- Improvement of operational equipments utilization

## **Cash generation**

- Timely invoicing, in particular on key accounts and multitechnical activities
- DSO reduction

#### People

- Improvement of teams performance culture and customer satisfaction
- Implementation of new operational governance
- Management empowerment and accountability



in €M	Q2 2019 Reported	Q2 2019 pre-IFRS 16	Q2 2018 pre-IFRS 16	change	var LfL (%)	H1 2019 Reported	H1 2019 pre-IFRS 16	H1 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	204.4	204.4	136.5	49.7%	11.9%	401.7	401.7	136.5	194.3%	11.9%
Recurring EBITDA	12.4	11.7	7.1	64.8%	53.5%	26.2	24.9	7.1	250.7%	56.3%
EBITDA Margin (%)	6.1%	5.7%	5.2%	+50 bps		6.5%	6.2%	5.2%	+100 bps	

- ♣ Strong results, with +54% LfL growth of Recurring EBITDA
- Significant improvement from transformation initiated by the new management team since Q4 2018
- Significant contract wins despite loss of Tesco catering in April 2019, with limited impact on gross margin

ATALIAN SERVEST

## Key Actions to improve performance

- New Governance in UK since October 2018 and new management team appointed in 2019
- Reorganization of activities around Catering, Cleaning and Security
- Commercial strategy to drive sales growth
- Catering Transformation plan to drive performance
- Operational and productivity plan being rolled-out
- Strong processes and controls with strict cost discipline

ATALIAN SERVEST

in €M	Q2 2019 Reported	Q2 2019 pre-IFRS 16	Q2 2018 pre-IFRS 16	change	var LfL (%)	H1 2019 Reported	H1 2019 pre-IFRS 16	H1 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	217.2	217.2	225.6	-3.7%	0.7%	435.7	435.7	438.4	-0.6%	1.9%
Recurring EBITDA	13.8	10.9	12.9	-15.5%	-10.9%	27.6	21.7	23.8	-8.8%	-8.4%
EBITDA Margin (%)	6.4%	5.0%	5.7%	-70 bps		6.3%	5.0%	5.4%	-40 bps	
Recurring EBITDA excl. USA	12.9	10.6	10.7	-0.9%	5.6%	25.3	20.6	19.8	4.0%	5.1%
EBITDA Margin (%) excl. USA	7.8%	6.4%	6.2%	+20 bps		7.6%	6.2%	5.9%	+30 bps	

- Strong performance in several sub-regions impacted by disappointing performance in the US:
  - Strong Central Europe, mainly in Turkey, Czech Republic and Russia
  - Asia consolidating its performance in Q2, supported by Indonesia
  - Improvement of Africa, mainly in Morocco
  - USA underperforming. Turnaround plan being deployed



#### **USA**

- New Management team
- Implementation of a turnaround plan to drive growth, performance and cash generation
- Drive an strong and profitable growth strategy
- Gross Margin improvement with strict cost discipline
- Relocation of HQ and development of shared services

#### Central Europe

- Ongoing optimization of our activities, with rapid deployment of a specific productivity improvement plan
- Commercial focus on Key Accounts

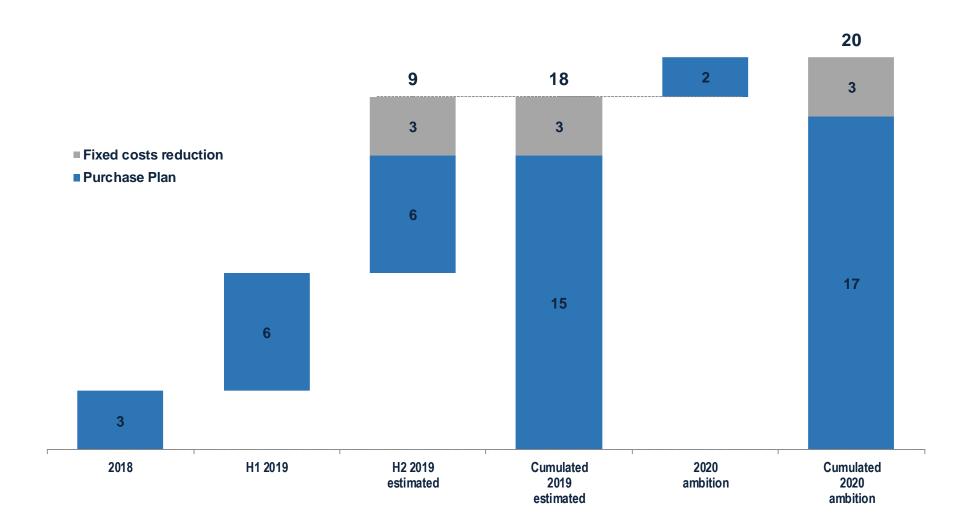
#### 🗗 Asia

- Focus on improving attrition rate in the region
- New team in Thailand to drive performance
- Fixed costs reduction plan ongoing

#### Africa & Middle East

- Simplification of current organization
- Positive market trends supporting commercial developments
- Cost savings initiatives to drive performance





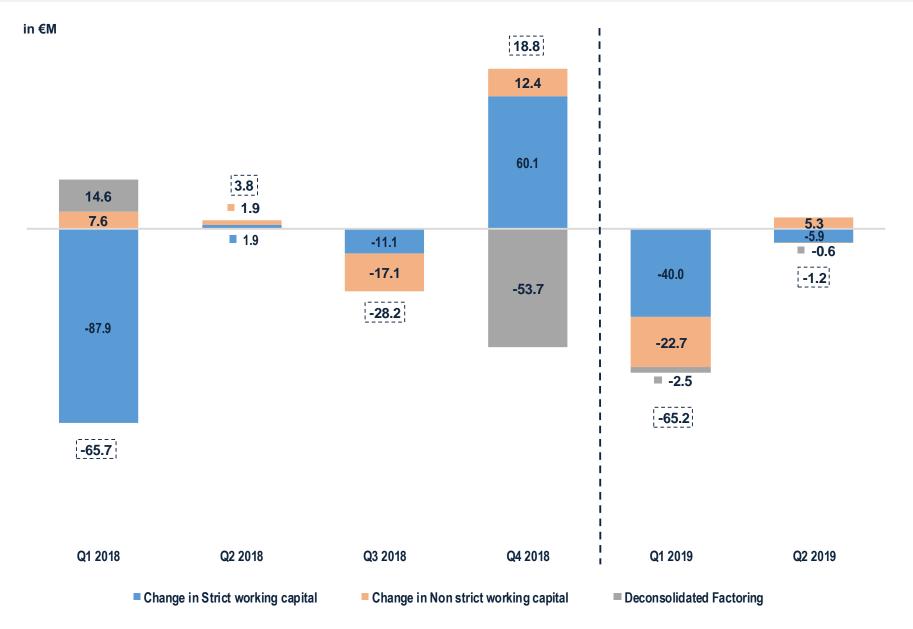


	Q2 2019	Q2 2019	Q2 2018	change	H1 2019	H1 2019	H1 2018	change
in €M	Reported	pre-IFRS 16	pre-IFRS 16		Reported	pre-IFRS 16	pre-IFRS 16	
Net Sales	763.2	763.2	710.2	53.0	1 509.8	1 509.8	1 224.4	285.4
Recurring EBITDA	50.8	41.9	37.9	4.0	99.1	81.3	66.5	14.8
EBITDA Margin (%)	6.7%	5.5%	5.3%		6.6%	5.4%	5.4%	
Depreciation and Amortization	(27.5)	(19.6)	(13.3)	(6.3)	(52.0)	(36.1)	(22.6)	(13.5)
Provisions and Impairment losses (net)	(3.8)	(3.8)	(0.2)	(3.6)	(4.8)	(4.8)	(2.2)	(2.6)
Current Operating Profit	19.5	18.5	24.4	(5.9)	42.3	40.4	41.7	(1.3)
Other operating net expenses	0.2	0.2	(7.3)	7.5	-	-	(7.3)	7.3
Operating Profit	19.7	18.7	17.1	1.6	42.3	40.4	34.4	6.0
Net financial costs	(21.6)	(19.7)	(13.9)	(5.8)	(41.6)	(38.5)	(22.1)	(16.4)
Other financial expenses	(2.5)	(2.5)	1.3	(3.8)	(1.1)	(1.1)	-	(1.1)
Income tax expenses	(4.3)	(4.3)	(5.2)	0.9	(11.0)	(11.0)	(10.1)	(0.9)
Net Profit (loss) for the period before associates	(8.7)	(7.8)	(0.7)	(7.1)	(11.4)	(10.2)	2.2	(12.4)
Share of profit (loss) of associates	(8.8)	(8.8)	-	(8.8)	(16.0)	(16.0)	-	(16.0)
Net Profit (loss) for the period	(17.5)	(16.6)	(0.7)	(15.9)	(27.4)	(26.2)	2.2	(28.4)

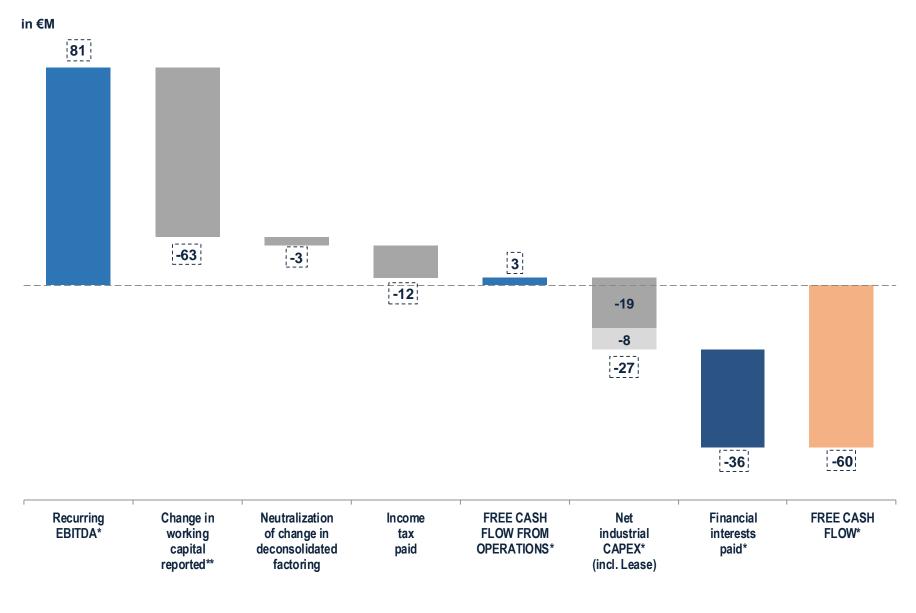
- Provisions impacted in Q2 by a claim in the US
- Other financial expenses mainly related to forex impact (essentially UK and Asia)
- ♣ Net result impacted by Getronics investment



# WORKING CAPITAL QUARTERLY EVOLUTION

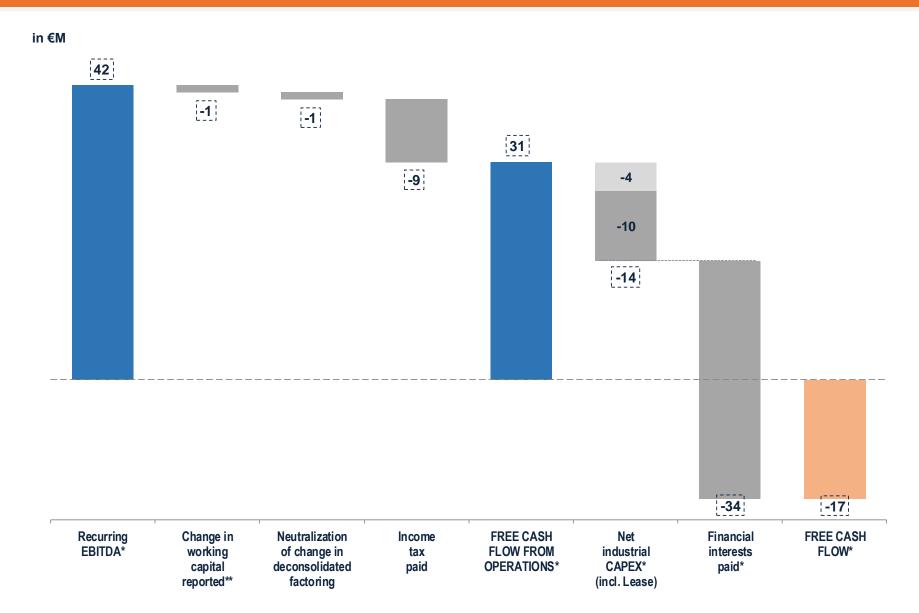






<sup>\*</sup> pre-IFRS 16 \*\* before neutralization of deconsolidated factoring change



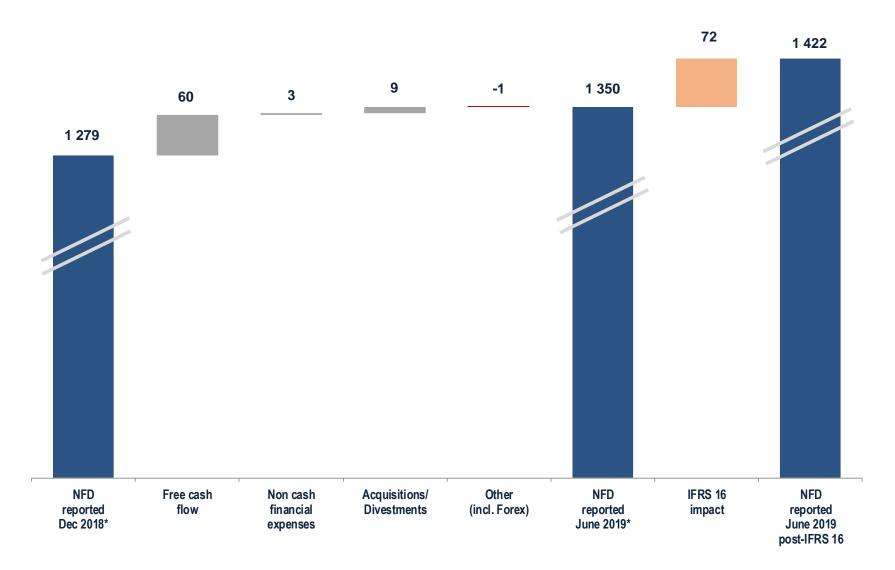


<sup>\*</sup> pre-IFRS 16



<sup>\*\*</sup> before neutralization of deconsolidated factoring change

in €M



<sup>\*</sup> pre-IFRS 16



€M	capital	rent lisation FRS 16)		PF capitalisation (incl. IFRS 16)			
PF 30-June-19	Amount	xRef. EBITDA	Adj.	Amount	xRef. EBITDA	Tenor	Margin / Coupon
Reference EBITDA	192		36	228			
Cash	(115)	(0.6x)	_	(115)	(0.5x)		
Revolver	103	0.5x	<u> </u>	103	0.5x	5 years	E+250bps
Factoring	110	0.6x	-	110	0.5x		c.2,500%
Other debt	26	0.1x	_	26	0.1x		c.4,000%
Gross secured debt	239	1.2x	_	239	1.0x		
Net secured debt	124	0.6x	-	124	0.5x		
EUR 4.000% Senior Notes	625	3.3x	_	625	2.7x	May-24	4.000%
EUR 5.125% Senior Notes	350	1.8x	_	350	1.5x	May-25	5.125%
GBP 6.625% Senior Notes	251	1.3x	<u> </u>	251	1.1x	May-25	6.625%
IFRS 16 adjustment	_	-	72	72	0.3x		
Total debt	1 465	7.6x	72	1 537	6.7x	<b>_</b> _	<b>_</b> _
Total net debt	1 350	7.0x	72	1 422	6.2x		



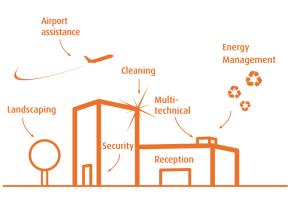
- Net sales growth between 3% and 4% like for like in H2
- Recurring EBITDA margin improvement to continue
  - France : progressive improvement
  - UK : strong growth
  - International: gradual improvement from the US, starting Q4. Continuing robust growth in Asia and Africa, low single digit growth in Europe
  - Holding and Corporate costs reduction plan underway
- Acceleration of deleveraging actions with an improved working capital trend and first results of our divestment program
  - Sound working capital management practices being implemented
  - Capex (capped at circa €M50 for 2019)
  - Divestment program of €M100 to 200 within the next 15 months



- **₽**30 November 2019: **Q3 2019 Financial results**
- Mid-December 2019: Capital Markets Day



# **APPENDICES**



**EUROPE - USA - ASIA - AFRICA** 



In €M	Q2 2019 pre-IFRS 16	Full impact IFRS16	Q2 2019 post-IFRS 16
Recurring EBITDA	41.9	8.9	50.8
Amortization / Provision / other	-23.2	-7.9	-31.1
Operating profit	18.7	1.0	19.7
Net financial expenses	-22.1	-1.9	-24.0
Income tax expense	-4.3	0.0	-4.3
Share of net income (loss) of equity- accounted entities	-8.9	0.0	-8.9
Net result	-16.6	-0.9	-17.5

In €M	H1 2019 pre-IFRS 16	Full impact IFRS16	H1 2019 post-IFRS 16
Recurring EBITDA	81.3	17.8	99.1
Amortization / Provision	-40.9	-15.9	-56.8
Operating profit	40.4	1.9	42.3
Net financial expenses	-39.6	-3.1	-42.7
Income tax expense	-11.0	0.0	-11.0
Share of net income (loss) of equity- accounted entities	-16.0	0.0	-16.0
Net result	-26.2	-1.2	-27.4



in €M	June 2019	June 2019 pre-IFRS 16	December 2018	December 2018 pre-IFRS 16
Net cash and cash equivalents	114.8	114.8	104.4	104.4
HY bonds	1 226.0	1 226.0	1 226.5	1 226.5
Factoring	110.0	110.0	105.7	105.7
Other	200.9	128.5	120.2	51.4
Total gross debt	1 536.9	1 464.5	1 452.4	1 383.6
Total net debt	1 422.1	1 349.7	1 348.0	1 279.2
Deconsolidated Factoring	56.8	56.8	53.7	53.7
Adjusted Net Debt	1 478.9	1 406.5	1 401.7	1 332.9

In €M	Net cash and cash equivalents	Factoring Ioans	Bilateral credit lines	Revolving Credit Facility	Total
Confirmed lines		216		103	319
Utilised lines		167		103	270
Head room		49		-	49
Cash available to support Group development	115	49		-	164



In €M	June, 2019 pre- IFRS 16	Full impact IFRS 16	June 30, 2019 post-IFRS 16
Intangible assets	1,192.2	-	1,192.2
Property, plant and equipment	87.4	69.0	156.4
Other non-current assets	174.1	-	174.1
Trade receivables	571.0	-	571.0
Cash and cash equivalents	119.6	-	119.6
Other current assets	334.9	-	334.9
Total assets	2,479.2	69.0	2,548.2
Equity (including non-controlling interests)	51.4	-3.4	48.0
Financial debt (current and non-current)	1,462.0	72.4	1,534.4
Other non-current liabilities	37.3	-	37.3
Trade payables	285.0	-	285.0
Bank overdrafts	4.8	-	4.8
Other current liabilities	638.7	-	638.7
Total liabilities	2,479.2	69.0	2,548.2



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