

ATALIAN GROUP FULL-YEAR 2019 RESULTS

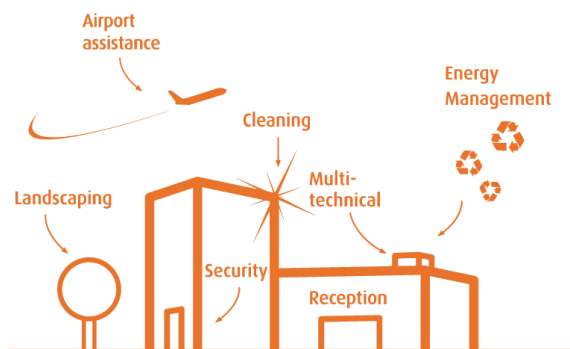
April 2, 2020



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EUROPE - USA - ASIA - AFRICA

Rob Legge
Deputy CEO & Group COO









Jean-Jacques Gauthier
Deputy CEO & Group CFO











Bruno Bayet
Group Controller



Strong operational performance improvement in FY19

-  **All 2019 key targets announced at Capital Markets Day (CMD) achieved.**
-  **Solid growth in Net Sales of +5,4% like-for-like to €3,058m** with robust contribution from all segments and regions.
-  **Recurring EBITDA €207m (post-IFRS 16)** and €168m (pre-IFRS 16) with a growth of +12,4%, mainly driven by a solid margin expansion in France and UK.
-  Achieved respectively **savings of €10,6m and €5,1m** for procurement and fixed costs in 2019
-  Strong **Cash Flow from Operations of €109m** (pre-IFRS 16) leading to a Net Financial Debt position at €1,263m (pre-IFRS 16), in line with expectations and a leverage of 6,5x (post-IFRS 16)
-  Divestment program on track with divestment of Landscaping completed and deconsolidation of Ramky Cleantech in Singapore. Simplification of Group entities ongoing with a reduction of 8% in 2019

The Group delivered on its financial key targets in 2019 announced during the Capital Markets Day

	2019 Targets	Achievements as of 31 Dec. 2019	
Net Sales	> 3,000 M€	3,059 M€	
<i>LFL Growth (%)</i>	-	5.4%	
Total EBITDA post-IFRS	>200 M€	207 M€	
<i>LFL Growth (%)</i>	-	6.8%	
CFFO	> 120M€	96 M€	
<i>Cash conversion¹(%)</i>	≥60%	46,4%	
Net financial debt post IFRS 16	1,335 M€	1,343 M€ ³	
<i>Leverage ratio²</i>	6.4x	6.5x	
Liquidity	 vs Q3 2019	185M€	

Notes

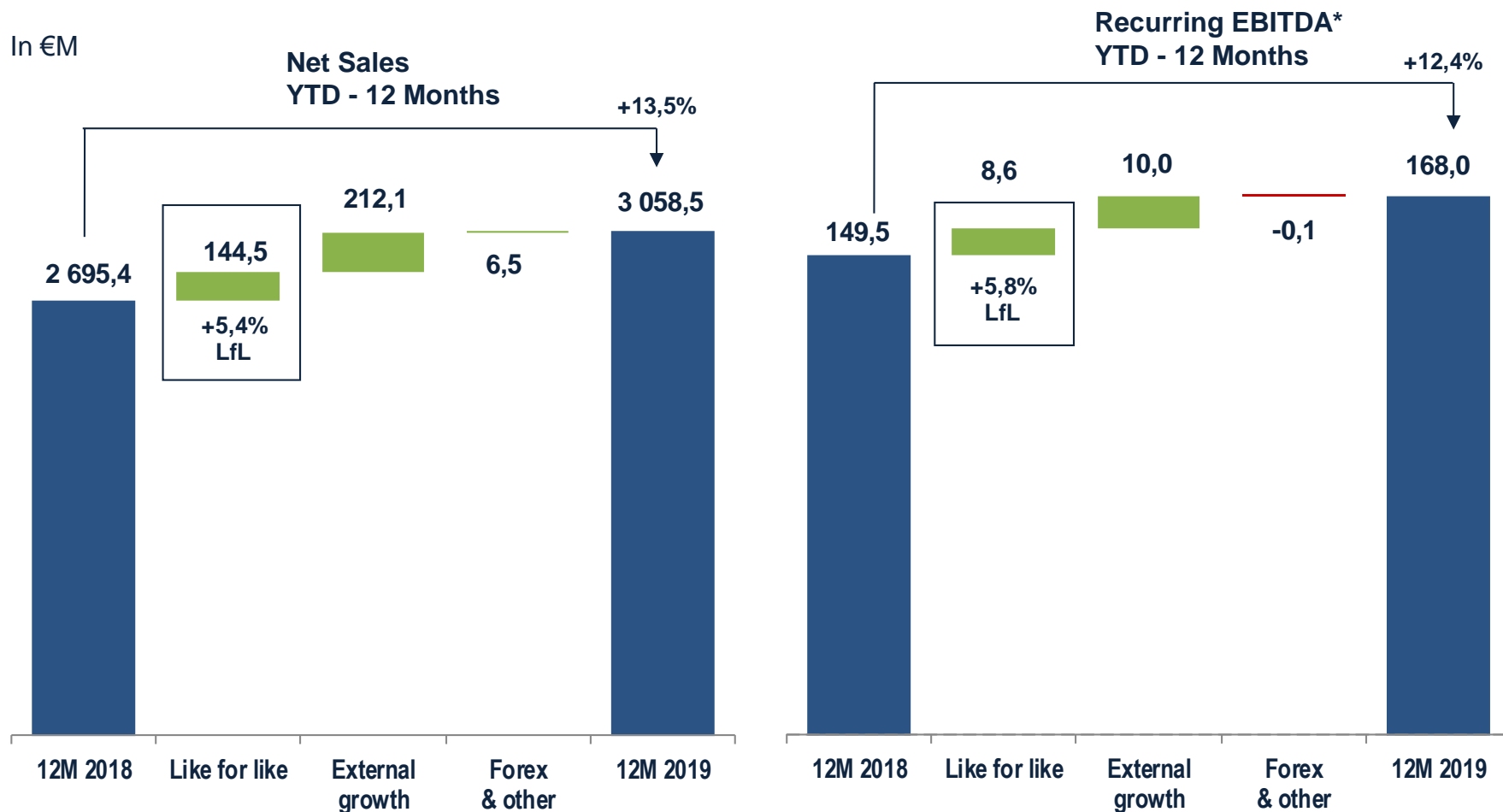
1) Cash conversion: Cash Flow From Operations after Capex / EBITDA, post-IFRS 16 and incl Non Recourse Factoring

2) Leverage ratio: net financial debt (including non-recourse factoring) / EBITDA; post-IFRS 16

3) Net Financial Debt impacted by deconsolidation of Ramky CleanTech Singapore for €8,8m

 Achieved

Strong organic growth and financial performance in FY2019



* pre-IFRS 16

in €M	Q4 2019 post-IFRS 16	Q4 2019 pre-IFRS 16	Q4 2018 pre-IFRS 16	change	var LfL (%)	12M 2019 post-IFRS 16	12M 2019 pre-IFRS 16	12M 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	780,3	780,3	750,1	4,0%	6,1%	3 058,5	3 058,5	2 695,4	13,5%	5,4%
Recurring EBITDA	51,9	40,9	43,7	-6,4%	-0,7%	206,9	168,0	149,5	12,4%	5,8%
<i>EBITDA Margin (%)</i>	<i>6,7%</i>	<i>5,3%</i>	<i>5,8%</i>	<i>-50 bps</i>		<i>6,8%</i>	<i>5,5%</i>	<i>5,6%</i>	<i>-5 bps</i>	
Operating Profit	13,1	11,6	(19,1)	160,7%		77,7	73,1	37,3	96,0%	
Free Cash Flow from Operations ⁽¹⁾	30,0	40,0	5,0	35,0		96,0	109,0	(3,0)	97,6	
<i>Cash generation (%)</i>	<i>57,8%</i>	<i>97,8%</i>	<i>11,4%</i>			<i>46,4%</i>	<i>64,9%</i>	<i>-2,0%</i>		
Net Financial Debt	1 343	1 263	1 279	(15,9)		1 343	1 263	1 279	(15,9)	
<i>Leverage ratio</i>						<i>6,5x</i>	<i>7,5x</i>	<i>8,6x</i>		

⁽¹⁾ FCF from Operations before financial Interests, dividends, acquisitions and divestments

- Like-for-like increase in revenue mainly driven by strong organic growth in France, United Kingdom and solid growth in International
- Margins have improved in all regions, US profitability impacted by restructuring
- Cash Flow from operations 109m€ pre-IFRS 16 and leverage ratio reduced to 6.5x post-IFRS 16

in €M	Q4 2019 post-IFRS 16	Q4 2019 pre-IFRS 16	Q4 2018 pre-IFRS 16	change	var LfL (%)	12M 2019 post-IFRS 16	12M 2019 pre-IFRS 16	12M 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	341,5	341,5	337,2	1,3%	5,0%	1 363,1	1 363,1	1 294,8	5,3%	4,4%
Recurring EBITDA	36,1	31,0	27,3	13,6%	17,9%	133,0	116,7	107,5	8,6%	8,6%
<i>EBITDA Margin (%)</i>	<i>10,6%</i>	<i>9,1%</i>	<i>8,1%</i>	<i>+100 bps</i>		<i>9,8%</i>	<i>8,6%</i>	<i>8,3%</i>	<i>+30 bps</i>	
of which Cleaning	30,0	25,7	20,8	23,6%	23,6%	102,6	89,3	80,7	10,7%	10,4%
FM	6,1	5,4	6,5	-16,9%	1,5%	30,4	27,4	26,8	2,2%	3,4%

- France segment revenue increased with strong organic growth in both business lines
- Cleaning revenue increased up by +7.0% mainly due to organic growth (€45m) from new contracts booked in 2019
- Facility Management revenue with strong organic growth of €16m from new contracts in 2019 and the full year impact of the acquisitions partially offset by the disposal of the Landscaping activities
- EBITDA for the France segment increased in absolute figures (+8.6%) and on LFL partially compensating the deconsolidation impact of the landscaping activity

* Excluding corporate holdings

in €M	Q4 2019 post-IFRS 16	Q4 2019 pre-IFRS 16	Q4 2018 pre-IFRS 16	change	var LfL (%)	12M 2019 post-IFRS 16	12M 2019 pre-IFRS 16	12M 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	214,9	214,9	192,5	11,6%	7,8%	796,0	796,0	508,0	56,7%	12,2%
Recurring EBITDA	11,7	10,6	13,2	-19,7%	-22,7%	50,6	47,4	29,3	61,8%	20,8%
<i>EBITDA Margin (%)</i>	<i>5,4%</i>	<i>4,9%</i>	<i>6,9%</i>	<i>-190 bps</i>		<i>6,4%</i>	<i>6,0%</i>	<i>5,8%</i>	<i>+20 bps</i>	

- UK entities revenues up by 57% over prior year including the full year impact of Servest Group acquisition
- Strong organic growth of 12.2% was mainly due to new customer wins in Cleaning and Technical Services
- A series of new contracts in the cleaning and catering divisions generated a strong organic growth in profitability and margins in 2019
- Quarterly EBITDA lower due to the impact of seasonality on our catering and multi-technical business units but in line with expectations

* Excluding Aktrion & including Ireland in 2019

in €M	Q4 2019 post-IFRS 16	Q4 2019 pre-IFRS 16	Q4 2018 pre-IFRS 16	change	var LfL (%)	12M 2019 post-IFRS 16	12M 2019 pre-IFRS 16	12M 2018 pre-IFRS 16	change	var LfL (%)
Net Sales	222,8	222,8	225,6	-1,2%	3,8%	902,7	902,7	896,3	0,7%	2,4%
Recurring EBITDA	12,5	10,0	13,6	-26,5%	-13,2%	55,0	43,3	50,6	-14,4%	-11,1%
<i>EBITDA Margin (%)</i>	<i>5,6%</i>	<i>4,5%</i>	<i>6,0%</i>	<i>-150 bps</i>		<i>6,1%</i>	<i>4,8%</i>	<i>5,6%</i>	<i>-80 bps</i>	
of which Central Europe	6,1	6,1	7,4	-17,6%		21,6	18,5	18,6	-0,5%	
USA	(1,1)	(1,6)	1,0	-260,0%		2,2	(0,2)	6,2	-103,2%	
Other	7,5	5,5	5,2	5,8%		31,2	25,0	25,8	-3,1%	

- International segment revenue increased by €6.4m in 2019 with good organic growth in Asia, Central Europe and Africa.
- Profitability impacted by contract losses and restructuring cost in the US business, negative foreign exchange effects in Turkey and Czech Republic and operational losses in Singapore.
- Ramky Singapore deconsolidated in Q4 2019, and being currently divested.

* Excluding corporate holdings / including Aktrion



Fixed costs reduction

- Staff costs streamlining
- HQ rental costs
- Ongoing operational fixed cost optimization

€5,1m



Procurement savings

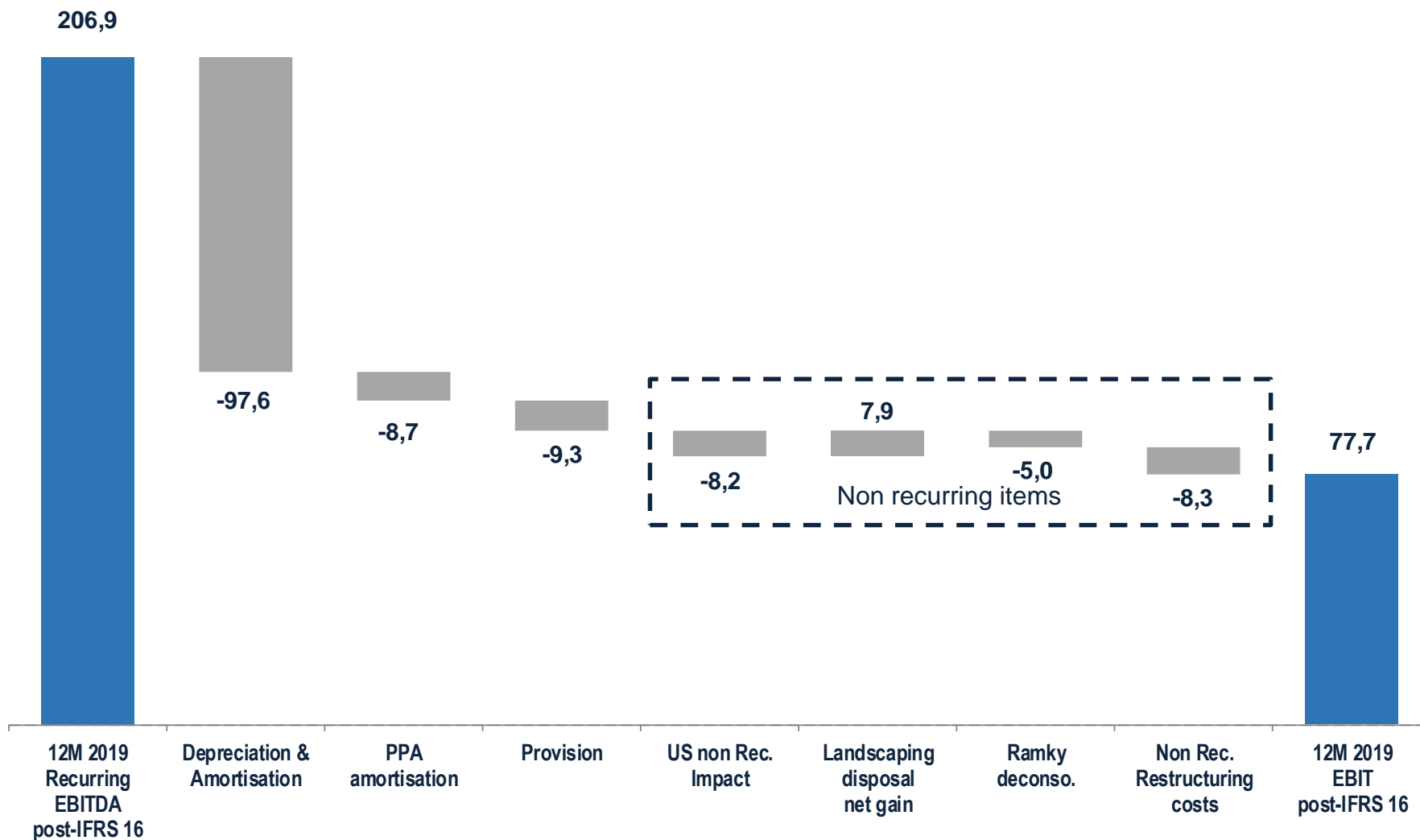
Reduction of the number of vendors

Suppliers year-end rebates renegotiation:

- Cleaning machines
- Vehicle leasing
- Cleaning supplies and consumables
- Group insurance
- Recruitment agencies etc.

€10,6m

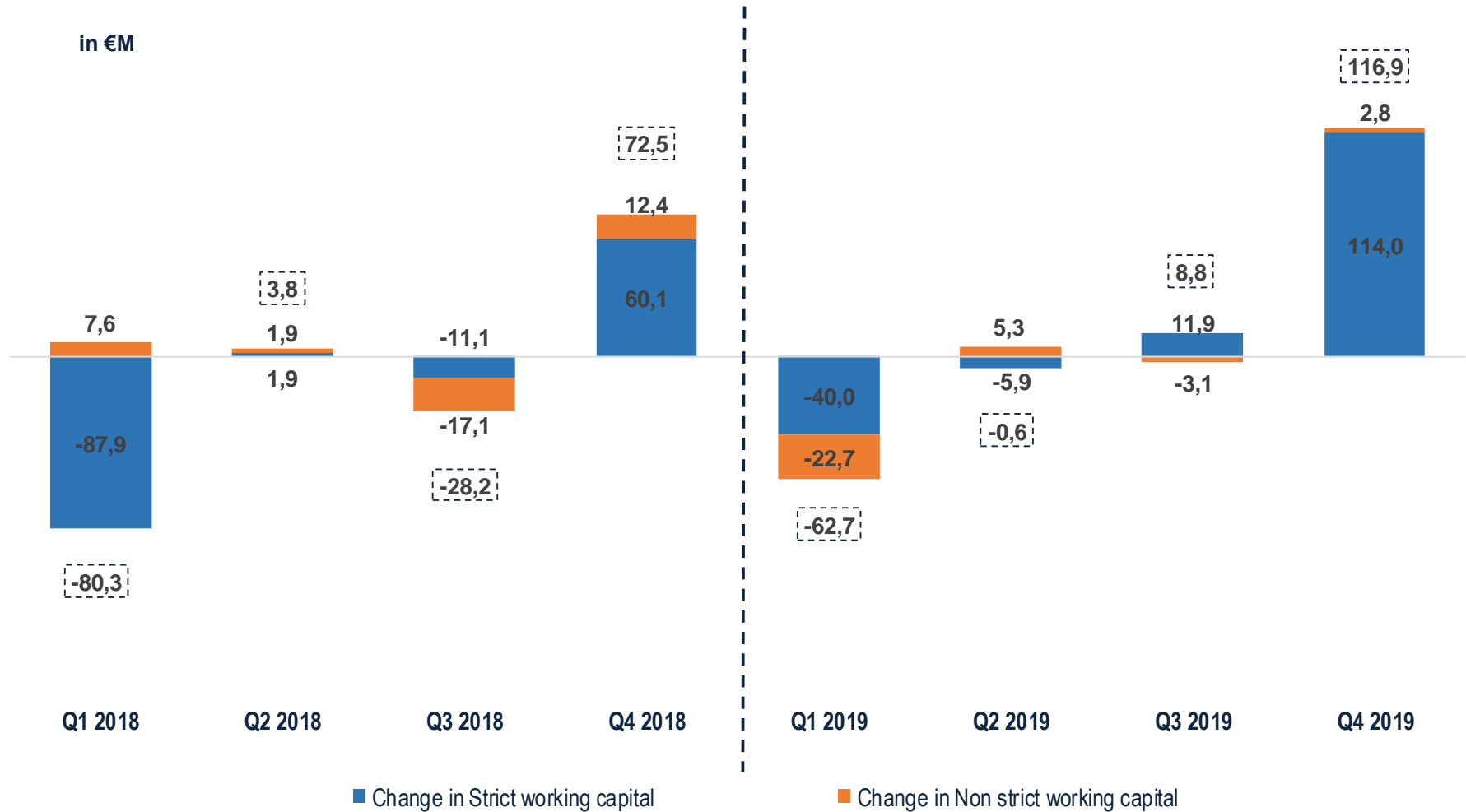
In €M



in €M	Q4 2019 post-IFRS 16	Q4 2019 pre-IFRS 16	Q4 2018 pre-IFRS 16	change	Var LFL (%)	12M 2019 post-IFRS 16	12M 2019 pre-IFRS 16	12M 2018 pre-IFRS 16	change
Net Sales	780,3	780,3	750,1	30,2	6,1%	3 058,5	3 058,5	2 695,4	363,1
Recurring EBITDA	51,9	40,9	43,7	- 2,8	-0,7%	206,9	168,0	149,5	18,5
<i>EBITDA Margin (%)</i>	<i>6,7%</i>	<i>5,3%</i>	<i>5,8%</i>	<i>-50 bps</i>		<i>6,8%</i>	<i>5,5%</i>	<i>5,6%</i>	<i>-5 bps</i>
Depreciation and Amortisation	(24,2)	(14,7)	(18,3)	3,6		(97,6)	(63,3)	(54,4)	(8,9)
PPA amortisation	(2,2)	(2,2)	(5,4)	3,2		(8,7)	(8,7)	(6,0)	(2,7)
Provisions and Impairment losses (net)	(6,4)	(6,4)	(12,1)	5,7		(9,3)	(9,3)	(15,2)	5,9
Current Operating Profit	19,1	17,6	7,9	9,7		91,3	86,7	73,9	12,8
<i>Current operating profit margin (%)</i>	<i>2,4%</i>	<i>2,3%</i>	<i>1,1%</i>	<i>+120 bps</i>		<i>3,0%</i>	<i>2,8%</i>	<i>2,7%</i>	<i>10 bps</i>
Other operating net expenses	(6,0)	(6,0)	(27,0)	21,0		(13,6)	(13,6)	(36,9)	23,3
Operating Profit	13,1	11,6	(19,1)	30,7		77,7	73,1	37,0	36,1
Net financial costs	(17,1)	(17,5)	(19,6)	2,1		(81,9)	(75,8)	(60,2)	(15,6)
Other financial expenses	(3,0)	(3,0)	(2,8)	(0,2)		(3,9)	(3,9)	(2,7)	(1,2)
Income tax expenses	0,2	0,2	(3,3)	3,5		(14,0)	(14,0)	(20,0)	6,0
Net Profit (loss) for the period before associates and Getronics impairment	(6,8)	(8,7)	(44,8)	36,1		(22,1)	(20,6)	(45,9)	25,3

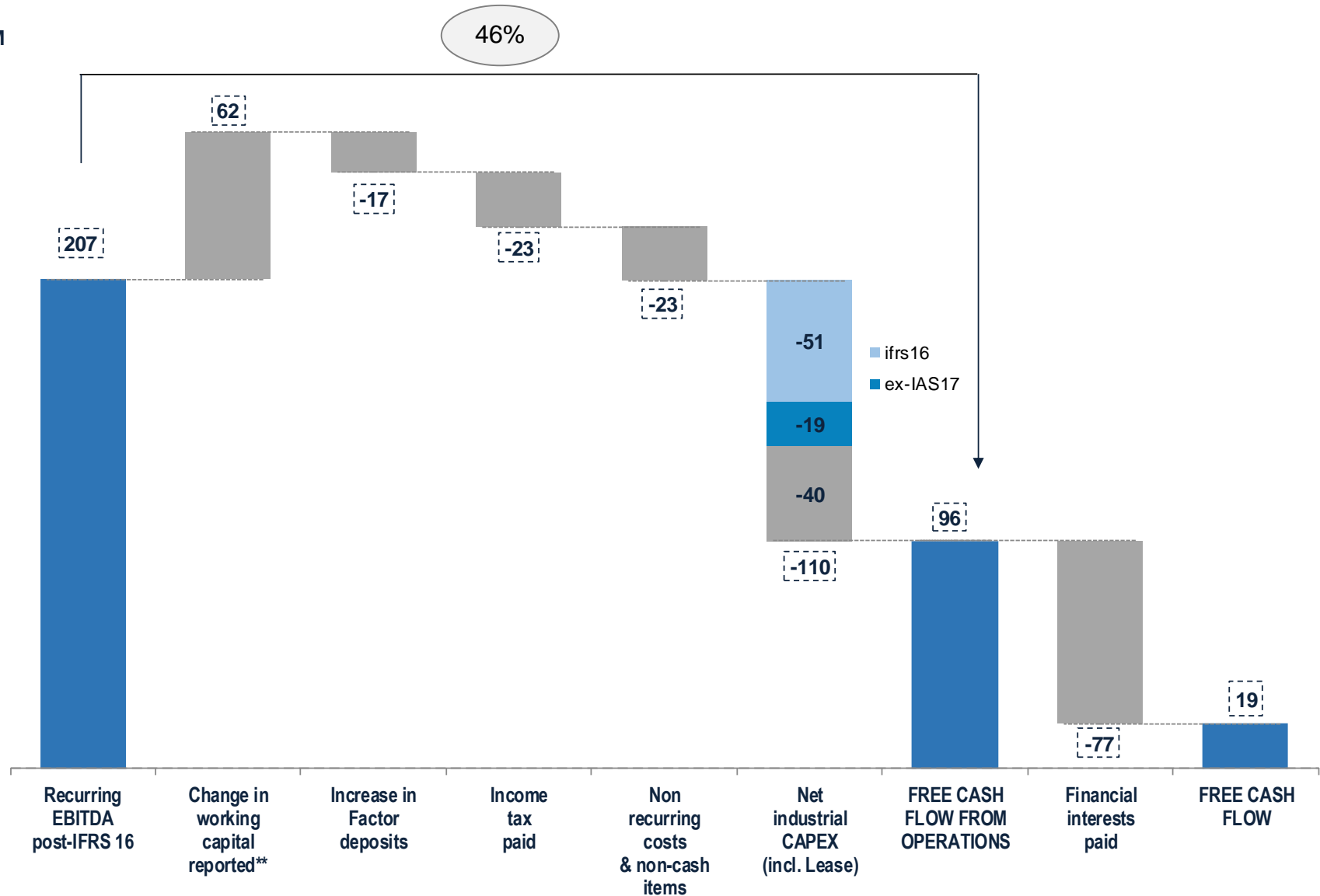
- 🎯 New US team executed a comprehensive restructuring to better align and integrate the business; pension claims under former NY DoE contract finally settled
- 🎯 Full depreciation of 27% share in Getronics due to ongoing major losses, divestment of Ramky Cleantech Singapore initiated in 2019 and to be concluded shortly

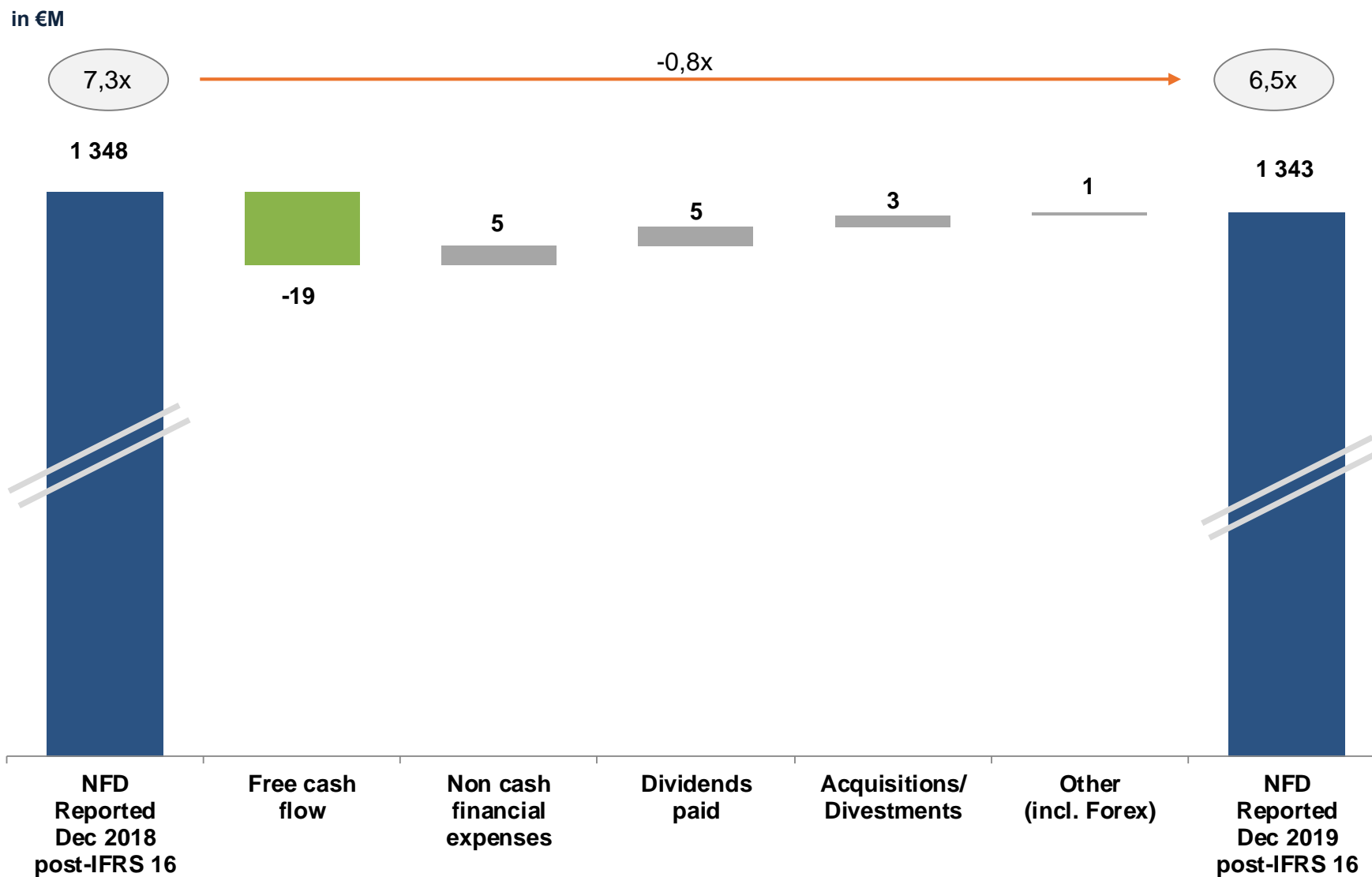
Continuous improvement of change in working capital quarter after quarter



* Change in non-recourse factoring: €85m in Q4 2019 & FY 2019

in €M





€M	Capitalisation (incl. IFRS 16)				Tenor	Margin / Coupon
	FY 2018		FY 2019			
	Amount	xRef. EBITDA	Amount	xRef. EBITDA		
Rec. EBITDA	185		207			
Cash	(104)	(0,6x)	(87)	(0,4x)		
Revolver	30	0,2x	54	0,3x	5 years	E+250bps
Factoring	106	0,6x	31	0,1x		c.2,500%
Other debt	21	0,1x	27	0,1x		c.4,000%
Gross secured debt	157	0,8x	111	0,5x		
Net secured debt	52	0,3x	24	0,1x		
EUR 4.000% Senior Notes	625	3,4x	625	3,0x	May-24	4.000%
EUR 5.125% Senior Notes	350	1,9x	350	1,7x	May-25	5.125%
GBP 6.625% Senior Notes	252	1,4x	265	1,3x	May-25	6.625%
IFRS 16 adjustment	69	0,4x	80	0,4x		
Total debt	1 453	7,9x	1 431	6,9x		
Total net debt	1 348	7,3x	1 343	6,5x		

in €M	December 2019	December 2019 pre-IFRS 16	December 2018	December 2018 pre-IFRS 16
Net cash and cash equivalents	87,2	87,2	104,4	104,4
HY bonds	1 239,5	1 239,5	1 226,5	1 226,5
Factoring	30,5	30,5	105,7	105,7
Other	160,6	80,5	120,2	51,4
Total gross debt	1 430,6	1 350,5	1 452,4	1 383,6
Total net debt	1 343,4	1 263,3	1 348,0	1 279,2

	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Cash & Cash Equivalent	104	93	115	107	87
Head Room RCF	68	53	-	20	49
ss-Total	172	146	115	127	136
Head Room Factoring	57	43	49	52	49
Liquidity	230	188	164	179	185

- Non-recourse factoring: €54m in FY18 & €139m in FY 2019

- **Strong business momentum in January/February** consistent with 2019 trends
- **Shortfalls in revenue in France, the United Kingdom** and to a lesser extent the United States since mid March 2020, operations in Asia not materially affected to date by the outbreak, despite softness in specific areas.
- We are **pro-actively reducing our cost base in all regions** :
 - Active management of workforce
 - Review and renegotiation of supplier arrangements
 - Rigorous management of operating expenses
 - Strong contract management.
- The relevant facilities or arrangements provided by the various national authorities have been initiated to **mitigate the impact of the outbreak on our financial results** and in particular our profitability, cash position and maintain our liquidity.
- **Active monitoring of any new business opportunities** that may arise for us from the current situation, particularly in our Cleaning activity (disinfection and sanitisation).
- While our current view is that a majority of the impact on demand for our services in the first half of 2020 demand will be recovered throughout the second half of the year, the impact on 2020 Financial Results will depend on the timing of the ramp up of the business post crisis.
- We expect **recurring benefit on our business post crisis**, following likely behavior changes and increase of spending of our customers.

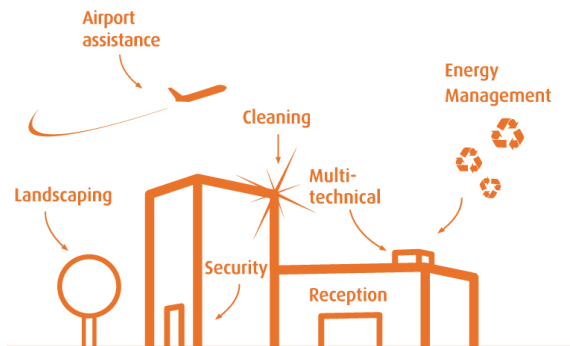
 **MAY 29, 2020:** Q1 2020 Results

 **JULY 30, 2020:** Q2 & H1 2020 Results

 **OCTOBER 29, 2020:** Q3 et 9M 2020 Results

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BACKUP PAGES FOR DISCUSSION



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Net Sales	3 058,5	3 058,5	2 695,4	363,1
Recurring EBITDA	206,9	168,0	149,5	18,5
<i>EBITDA Margin (%)</i>	<i>6,8%</i>	<i>5,5%</i>	<i>5,6%</i>	<i>-5 bps</i>
Depreciation and Amortisation	(97,6)	(63,3)	(54,4)	(8,9)
PPA amortisation	(8,7)	(8,7)	(6,0)	(2,7)
Provisions and Impairment losses (net)	(9,3)	(9,3)	(15,2)	5,9
Current Operating Profit	91,3	86,7	73,9	12,8
<i>Current operating profit margin (%)</i>	<i>3,0%</i>	<i>2,8%</i>	<i>2,7%</i>	<i>10 bps</i>
Other operating net expenses	(13,6)	(13,6)	(36,9)	23,3
Operating Profit	77,7	73,1	37,0	36,1
Net financial costs	(81,9)	(75,8)	(60,2)	(15,6)
Other financial expenses	(3,9)	(3,9)	(2,7)	(1,2)
Income tax expenses	(14,0)	(14,0)	(20,0)	6,0
Net Profit (loss) for the period before associates and Getronics impairment	(22,1)	(20,6)	(45,9)	25,3
Share of profit (loss) of associates	(106,1)	(106,1)	(13,1)	(93,0)
Net Profit (loss) for the period from continuing operations	(128,2)	(126,7)	(59,0)	(67,7)

In €M	December 31, 2019 pre- IFRS 16	Full impact IFRS 16	December 31, 2019 post-IFRS 16
Intangible assets	1,147.7	-	1,147.7
Property, plant and equipment	112.9	76.8	189.7
Other non-current assets	123.6	-	123.6
Trade receivables	388.8	-	388.8
Cash and cash equivalents	89.7	-	89.7
Other current assets	315.5	-	315.5
Total assets	2,178.2	76.8	2,255.0
Equity (including non-controlling interests)	(65.9)	(3.3)	(69.2)
Financial debt (current and non-current)	1,346.8	80.1	1,426.9
Other non-current liabilities	44.0	-	44.0
Trade payables	258.0	-	258.0
Bank overdrafts	2.5	-	2.5
Other current liabilities	592.8	-	592.8
Total liabilities	2,178.2	76.8	2,255.0