

Revenue

Good commercial dynamic in the first quarter more than compensated the social movement impact in France

Revenue in line with expectations:

- €1,308 million for the first three months, declined -0.7% year-on-year
- Organic growth was -1.8%. Without the social movement impact in France, of around €9 million in December, organic growth would have been -1.1%.
- Retention rate was 92% versus 91% a year ago

Confirm full-year 2019-2020 Outlook, in line with our mid-term growth trajectory

- Organic growth of 2%
- At least a 10 basis-point improvement in adjusted EBITA margin
- Capex below 3% of revenue

Elior Group (Euronext Paris – ISIN: FR 0011950732), one of the world's leading operators in the catering and support services industry, today released its consolidated revenue figures for the first three months of fiscal 2019-2020, ended December 31, 2019.

Commenting on these figures, Philippe Guillemot, Elior Group's Chief Executive Officer, said: *"Elior Group's first-quarter performance was solid and more than compensated for the social movement impact in France. We are on course in our recovery and confirm our full-year objectives. Our New Elior 2024 strategic plan is aimed at generating sustainable and profitable growth while developing our business selectively. This plan is bearing fruit today, as illustrated by the major contract won in Italy with Trenitalia and the strong commercial momentum we have seen in France, Spain and the United States. This dynamic clearly demonstrates our expertise and our ability to capture new attractive markets, both in Contract Catering and Services. At the same time, we are pursuing our strong focus on innovation to create even more added value for our clients and guests. We strive to offer them healthy, environmentally-friendly solutions on a daily basis while continuing to ensure the dining experiences we provide are times to savor. Elior Group's teams are fully mobilized in implementing our strategic plan and are giving their all to achieving our short- and mid-term objectives."*

Revenue (in € millions)	3 months 2019-2020	3 months 2018-2019 ⁽¹⁾	Organic growth	Reported growth
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Contract Catering & Services	1,304	1,311	-1.6%	-0.5%
Corporate & Other	4	6	-45.9%	-45.9%
Group total	1,308	1,317	-1.8%	-0.7%

(1) Restated – see Appendix 3

Business development

In the first quarter 2019-2020, Elior Group signed a number of major catering and services contracts, notably with:

- Ministry of Culture and Communications, Cogeva Sanef and McDonalds for contract catering in France
- CMG (Club Med Gyms), Latécoère, and Hopital privé d'Evry for Elior Services in France
- E.R.S.U di Catania for contract catering and ASST della Valle Olona in the healthcare sector in Italy
- BNP Paribas Finance PLC, Canford Healthcare in the care sector, SS Great Britain and the National Football Museum in the visitor attraction and heritage sector in the United Kingdom
- Allianz in B&I, Hospital Alto Guadalquivir and Gerincia Provincial Malaga for healthcare and educational services in Tarragona, Spain
- Unum Group and Apollo Global Management, Texas Health Hospital Frisco in the healthcare sector, Wheeling University in the higher education sector, and the Sarasota Art Museum at the Ringling College of Art & Design in the cultural sector in North America

The overall retention rate at December 31, 2019 was 92%, an increase compared to the end of September 2019. Excluding the voluntary contract exits in the Italian public sector and reduced scope of the Tesco contracts in the United Kingdom, the retention rate for contract catering was 93% at end-December 2019.

Revenue

Consolidated revenue from continuing operations totaled €1,308 million for the first three months of 2019-2020. The -0.7% year-on-year decline includes (i) organic growth -1.8%, (ii) 0.1% in acquisition-led growth, (iii) 1.0% favorable currency effect.

Excluding the social movement impact, Elior Group organic growth would have been -1.1%. Also excluding the voluntary contract exits in the Italian public sector and reduced scope of the Tesco contracts in the United Kingdom, the Elior Group organic growth would have been +0.5%.

The proportion of revenue generated by international operations was 56% in the first three months of 2019-2020 compared to 55% for the same period in 2018-2019.

International revenues rose 0.6% to €731 million. Organic growth for the period was -1.3% year-on-year, acquisitions added 0.1% to growth, and the currency effect was +1.9%, on a stronger US dollar and slight improvement in the British pound sterling.

- In Italy the business development strategy targeting the private sector and new market segments is now bearing fruit. Yet overall revenues continue to be impacted by the Group's decision to not renew a major public sector contract.
- In the United Kingdom, the reduced scope of the Tesco contracts in April 2019 had an impact on revenues.

- In the United States, organic growth was good and had promising business development opportunities across all segments with the new management team efforts and focus on client retention.
- In Spain, healthy revenue momentum was driven by both, new market segments and new contracts coming from traditional segments, education, B&I and healthcare.

Revenue generated in **France** totaled €573 million. Organic growth for the period was -1.9%.

Without the social movement impact of around €9 million in December, organic growth in France would have been -0.4%. The Business & Industry, notably for the greater Paris region, and Education markets were impacted by the social movement during December 2019. Impact is expected to be less in January 2020.

- The Business & Industry retention rate improved thanks to our innovative offerings.
- Revenue in the Education and healthcare markets were in line with expectations.

The **Corporate & Other segment** generated €4 million in revenue in the first three months of 2019-2020, -45.9% year-on-year. This figure includes the Group's remaining concession catering activities that were not sold with Areas.

Financial calendar:

- March 20, 2020: Annual General Meeting
- May 27, 2020: First-half 2019-2020 results - issue of press release before the start of trading and conference call
- July 23, 2020: Revenue for the first nine months of fiscal 2019-2020 - issue of press release before the start of trading
- November 25, 2020: Full-year 2019-2020 results - issue of press release before the start of trading and conference call

Appendix 1: Revenue by business and geographic region

Appendix 2: Revenue by market

Appendix 3: Restated 2018-2019 consolidated revenue

Appendix 4: Definition of alternative performance indicators

The English-language version of this document is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinion expressed therein, the original language version of this document in French takes precedence over this translation.

About Elior Group

Founded in 1991, Elior Group has grown into one of the world's leading operators in contract catering and support services has become a benchmark player in the business & industry, education, healthcare and leisure markets. With strong positions in 6 countries, the Group generated €4,923 million in revenue in fiscal 2018-2019.

Our 110,000 employees feed over 5 million people on a daily basis in 23,500 restaurants on three continents, and offer services on 2,300 sites in France.

Innovation and social responsibility are at the core of our business model.

Elior Group has been a member of the United Nations Global Compact since 2004, reaching the GC Advanced Level in 2015.

For further information please visit our website at <http://www.eliorgroup.com> or follow us on Twitter ([@Elior_Group](https://twitter.com/Elior_Group))

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Appendix 1: Revenue by Business and Geographic Region

(in € millions)	Q1. 2019-2020	Q1. 2018-2019 ⁽¹⁾	Organic growth	Change in scope of consolidation	Currency effect	Total Growth
France	573	584	-1.9%	0.0%	0.0%	-1.9%
International	731	727	-1.3%	0.1%	1.9%	0.6%
Contract catering & Services	1,304	1,311	-1.6%	0.1%	1.0%	-0.5%
Corporate & Other	4	6	-45.9%	0.0%	0.0%	-45.9%
GROUP TOTAL	1,308	1,317	-1.8%	0.1%	1.0%	-0.7%

(1) Restated

Appendix 2: Revenue by Market

(in € millions)	Q1. 2019-2020	Q1. 2018-2019 ⁽¹⁾	Organic growth	Change in scope of consolidation	Currency effect	Total Growth
Business & industry	570	591	-4.5%	0.0%	0.9%	-3.5%
Education	423	412	1.3%	0.0%	1.2%	2.5%
Healthcare	315	314	-0.9%	0.2%	1.0%	0.3%
GROUP TOTAL	1,308	1,317	-1.8%	0.1%	1.0%	-0.7%

(1) Restated

Appendix 3: Restated 2018-2019-consolidated revenue

(in € millions)	Q1 2018-2019	Q2 2018-2019	H1 2018-2019	Q3 2018-2019	Q4 2018-2019
Reported revenue	1,320	1,280	2,600	1,252	1,071
Restatement	-3	-3	-6	-2	8
Restated Revenue	1,317	1,277	2,594	1,250	1,079
Adjusted EBITA margin	4.7%				

Without any impact on our FY 2018-2019 revenues and adjusted EBITA, quarterly revenues have been restated following an immaterial reclassification of specific credits costs previously reported as operating expenses instead of reduction of revenues as part of the first application of IFRS 15.

Appendix 4: Definition of Alternative Performance Indicators

Organic growth in consolidated revenue: as described in Chapter 4, Section 4.1.2.1 of the fiscal 2018-2019 Universal Registration Document, growth in consolidated revenue expressed as a percentage and adjusted for the impact of (i) changes in exchange rates, (ii) changes in accounting policies, notably the first-time application of IFRS 15 in 2018-2019 and (iii) changes in scope of consolidation.