

Paris, July 28, 2016

## Revenue Solid growth in revenue for the first nine months of the fiscal year and objectives for the full twelve months confirmed

- 3.3% revenue growth  
of which 3.5% organic growth excluding the impact of voluntary contract exits
- Full-year objectives confirmed

Elior Group (Euronext Paris – ISIN: FR 0011950732), one of the world's leading operators in the catering and related services industry, today released its consolidated revenue figures for the first nine months of fiscal 2015-2016, corresponding to the nine months ended June 30, 2016.

Commenting on these figures, **Philippe Salle, Elior Group's Chairman and Chief Executive Officer**, stated: "Our performance in the third quarter of 2015-2016 confirmed the strong trends seen since the beginning of the fiscal year. Excluding the effect of voluntary contract exits – which mainly affected the contract catering business – organic growth for the nine months ended June 30, 2016 came in at 3.5%. The acceleration in growth reported by the Group's international contract catering operations, notably in the United Kingdom and the United States, proves that we have got our business development strategy right. And our acquisitions of Preferred Meals in the United States and Waterfall Catering Group in the United Kingdom will enable us to continue to strengthen our positions in these two countries. In the concession catering business, international operations continued to drive growth. We are standing by our objectives for the full fiscal year and we confirm the Group's longer-term outlook."

Revenue (in € millions)	9 months 2015-2016	9 months 2014-2015	Organic growth	Reported growth
Contract catering & services	3,277	3,119	+1.7%	+5.1%
Concession catering	1,143	1,162	+2.1%	-1.6%
Group total	4,421	4,281	+1.8%	+3.3%

### Business development

Business development was strong in the first nine months of FY 2015-2016. The retention rate for contract catering & services rose during the period although it was negatively affected by the Group's deliberate strategy of taking a more selective approach to renewals of contracts, particularly in France and Italy. A number of major contracts were won in the third

quarter of the fiscal year in the contract catering & services business, including with Natixis, the municipality of Saint-Michel-sur-Orge, Le Village Saint-Michel de Paris and Eaubonne hospital in France as well as Maggiore Policlinico hospital in Italy, Greig City Academy in the United Kingdom and the University of Wisconsin – Parkside in the United States.

## Revenue

**Consolidated revenue totaled €4,421 million** for the first nine months of FY 2015-2016. The 3.3% increase reflects (i) organic growth of 1.8% (taking into account the 1.7% negative effect of voluntary contract exits), and (ii) positive impacts of 1.3% and 0.2% respectively from external growth and changes in exchange rates.

The portion of revenue generated by international operations rose to 51% in the first nine months of FY 2015-2016 from 49% in the comparable prior-year period.

**Contract catering & services revenue** was up €159 million, or 5.1%, on the figure for the first nine months of FY 2014-2015, coming in at €3,277 million and accounting for 74% of total consolidated revenue.

Organic growth was 1.7%, reflecting a positive calendar effect compared with the first nine months of FY 2014-2015 but also the adverse impact of the Group's strategy of withdrawing from low- and non-profit-making contracts in Europe. Excluding contract exits organic growth was 4.0%.

The acquisitions carried out in the United States<sup>1</sup> had a €107 million favorable effect during the first nine months of FY 2015-2016 and net of the impact of the sale of non-strategic operations in the education market in France, changes in the scope of consolidation pushed up contract catering & services revenue by an overall 3.0%.

The currency effect during the period was a positive 0.4%.

In **France**, organic growth amounted to 2.2% and revenue totaled €1,689 million.

- In the business & industry market, revenue was buoyed by strong business development, a more favorable calendar effect, and an increase in average customer spend.
- Revenue generated in the education market was up on the first nine months of FY 2014-2015, driven by increased restaurant attendance and a robust level of business development.
- Revenue also rose in the healthcare market, led by the performance of existing sites.

Revenue for the **international segment** climbed 9.3% to €1,589 million. Organic growth for this segment was 1.1% for the full nine months but the pace of growth was a much faster 4.2% in the third quarter. The Group's acquisitions in the United States and positive currency effects generated additional growth of 7.3% and 0.8% respectively.

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<sup>1</sup> Starr Restaurant Catering Group and Cura Hospitality have been consolidated since October 1, 2015, and ABL Management since December 1, 2015.

- In Spain, the business & industry and healthcare markets reported strong performances, fueled by sustained business development, which more than offset a revenue contraction in the education market.
- In the United States, growth continued to accelerate in the third quarter, particularly in the education and corrections markets.
- In Italy, revenue stabilized in the third quarter after a start to the year that saw a high level of voluntary contract exits and a more selective approach to replying to invitations to tender.
- The United Kingdom felt the positive effects of the start-up of new contracts in both the healthcare market (notably with Four Seasons Health Care) and the education market.

At €1,143 million, **concession catering revenue** declined €19 million compared with the first nine months of FY 2014-2015, and represented 26% of total consolidated revenue.

Organic growth for the period came to 2.1%. Changes in the scope of consolidation had a 3.4% overall adverse impact on revenue and resulted from (i) completed and planned sales of non-strategic assets following the Group's review of its business portfolio, and (ii) the acquisition of a portfolio of contracts in the French railway stations market. Changes in exchange rates – notably for the Mexican peso – had a 0.3% negative effect.

Revenue generated in **France** amounted to €455 million, down 8.8% on the same period of FY 2014-2015, with changes in the scope of consolidation accounting for 3.3 points of the overall year-on-year contraction.

- Performance in the motorways market was weighed down by the termination of a number of contracts and by the effects of flooding which led to the closure of several motorway service plazas in May.
- Revenue in the airports market decreased year on year due to the loss of the catering contract for terminals E and F at Paris-Charles-de-Gaulle airport and the impact of the terrorist attacks on tourism.
- The city sites & leisure market reported a revenue decline due to lower numbers of visitors to sites in Paris and to leisure venues. At the same time, the railways market was adversely affected by the strikes that took place in June.

In the **international segment**, 3.8% growth drove revenue up to €688 million for the first nine months of FY 2015-2016. Organic growth was 7.7%, but completed or planned sales of non-strategic assets and changes in exchange rates trimmed 3.5% and 0.5% respectively off the overall revenue figure.

- The motorways market felt the positive effects of higher traffic volumes in Spain and Portugal as well as the reopening of the Okahumpka service plaza in Florida (USA).
- Revenue in the airports market was lifted by upward trends in traffic volumes in Spain, the United States and Latin America, as well as the opening of new points of sale.

## Outlook

As part of its strategic plan for 2016-2020, the Group has embarked on a transformation plan with a view to accelerating its development, and full-year fiscal 2015-2016 should see the initial benefits of this new momentum. Thanks to our solid performance in the first nine months of FY 2015-2016 we are standing by our objectives for the full fiscal year, namely:

- Organic growth<sup>2</sup> at or above 3%, excluding the impact of voluntary contract exits (which is expected to be less than 200 basis points).
- An EBITDA margin at or above 8.6%, representing an increase of at least 20 basis points compared with FY 2014-2015 (excluding the dilutive impact of the Preferred meals' acquisition. Consolidated as from July 1<sup>st</sup> 2016, Preferred Meals should add c. \$50 million to fourth quarter revenue without contributing to EBITDA due to the specific seasonality of activity in the education market).
- A significant rise in reported earnings per share and adjusted earnings per share<sup>3</sup>.

## Subsequent events

- Elior Group has acquired Waterfall Catering Group, a UK-based leading contract caterer for the education, care and welfare markets. This acquisition has significantly strengthened Elior Group's position in the UK.

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<sup>2</sup> Excluding the impact of changes in scope of consolidation and the currency effect.

<sup>3</sup> Adjusted for non-recurring operating items net of the tax effect calculated at the standard rate of 34%.

**Financial calendar:**

- December 9, 2016: Full-year 2015-2016 results – issue of press release before the start of trading plus press conference

Appendix 1: Revenue by business line and geographic region

Appendix 2: Revenue by geographic region

Appendix 3: Revenue by market

*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 opinions expressed therein, the original language version of the document in French takes precedence over this translation.*

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**About Elior Group**

Founded in 1991, Elior Group has grown into one of the world's leading operators in the catering and support services industry, and is now a benchmark player in the business & industry, education, healthcare, and travel markets. In FY 2014-2015, it generated €5,674 million in revenue through 18,600 restaurants and points of sale in 13 countries. Our 108,000 employees serve 4 million customers on a daily basis, taking genuine care of each and every one by providing personalized catering and service solutions to ensure an innovative customer experience.

We place particular importance on corporate social responsibility and have been a member of the United Nations Global Compact since 2004. The professional excellence of our teams, as well as their unwavering commitment to quality and innovation and to providing best-in-class service is embodied in our corporate motto: "Time savored".

For further information: <http://www.eliorgroup.com> Elior Group on Twitter: @Elior\_Group

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### Appendix 1: Revenue by Business Line and Geographic Region

(in € millions)	Q1 2015-2016	Q1 2014-2015	Organic growth(1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	558	556	1.0%	-0.5%	0.0%	0.5%
International	535	487	-0.9%	6.2%	4.6%	9.8%
Contract catering & services	1,093	1,043	0.2%	2.6%	2.1%	4.9%
France	154	168	-3.3%	-5.4%	0.0%	-8.8%
International	225	209	9.2%	-3.9%	2.6%	7.9%
Concession catering	379	377	3.6%	-4.6%	1.4%	0.5%
<b>GROUP TOTAL</b>	<b>1,472</b>	<b>1,420</b>	<b>1.1%</b>	<b>0.7%</b>	<b>1.9%</b>	<b>3.7%</b>

(in € millions)	Q2 2015-2016	Q2 2014-2015	Organic growth(1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	573	569	1.8%	-1.0%	0.0%	0.8%
International	528	492	0.1%	7.2%	0.0%	7.3%
Contract catering & services	1,101	1,061	1.0%	2.8%	0.0%	3.8%
France	133	145	-3.0%	-4.8%	0.0%	-7.8%
International	208	197	10.5%	-3.5%	-1.5%	5.5%
Concession catering	341	342	4.8%	-4.0%	-0.9%	-0.1%
<b>GROUP TOTAL</b>	<b>1,443</b>	<b>1,403</b>	<b>1.9%</b>	<b>1.1%</b>	<b>-0.2%</b>	<b>2.9%</b>

(in € millions)	Q3 2015-2016	Q3 2014-2015	Organic growth(1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	557	540	3.9%	-0.8%	0.0%	3.1%
International	525	475	4.2%	8.7%	-2.2%	10.7%
Contract catering & services	1,083	1,015	4.0%	3.6%	-1.0%	6.7%
France	168	186	-9.3%	-0.2%	0.0%	-9.6%
International	254	257	4.5%	-3.3%	-2.1%	-0.9%
Concession catering	423	443	-1.3%	-2.0%	-1.2%	-4.5%
<b>GROUP TOTAL</b>	<b>1,506</b>	<b>1,458</b>	<b>2.4%</b>	<b>1.9%</b>	<b>-1.1%</b>	<b>3.3%</b>

(in € millions)	9 months 2015-2016	9 months 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	1,689	1,665	2.2%	-0.8%	0.0%	1.5%
International	1,589	1,454	1.1%	7.3%	0.8%	9.3%
Contract catering & services	3,278	3,119	1.7%	3.0%	0.4%	5.1%
France	455	499	-5.5%	-3.3%	0.0%	-8.8%
International	688	663	7.7%	-3.5%	-0.5%	3.8%
Concession catering	1,143	1,162	2.1%	-3.4%	-0.3%	-1.6%
<b>GROUP TOTAL</b>	<b>4,421</b>	<b>4,281</b>	<b>1.8%</b>	<b>1.3%</b>	<b>0.2%</b>	<b>3.3%</b>

1. Organic growth: change in revenue on a constant Group structure basis and excluding the currency effect.
2. Changes in scope of consolidation correspond to the acquisitions carried out in the United States and completed and planned sales of non-strategic assets.
3. The currency effect stems from changes in the USD, GBP, MXN and CLP exchange rates.

NB: The figures for the first two quarters of 2015-2016 have been restated due to the classification of non-strategic assets as discontinued operations.

## Appendix 2: Revenue by Geographic Region

(in € millions)	Q1 2015-2016	Q1 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	712	723	0.0%	-1.7%	0.0%	-1.6%
Other European countries	543	530	1.9%	-0.9%	1.6%	2.6%
Rest of the world	217	167	3.0%	16.0%	11.4%	30.4%
<b>GROUP TOTAL</b>	<b>1,472</b>	<b>1,420</b>	<b>1.1%</b>	<b>0.7%</b>	<b>1.9%</b>	<b>3.7%</b>

(in € millions)	Q2 2015-2016	Q2 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	707	713	0.9%	-1.8%	0.0%	-1.0%
Other European countries	510	510	1.4%	-0.8%	-0.7%	0.0%
Rest of the world	227	180	7.9%	18.0%	0.2%	26.0%
<b>GROUP TOTAL</b>	<b>1,443</b>	<b>1,403</b>	<b>1.9%</b>	<b>1.1%</b>	<b>-0.2%</b>	<b>2.9%</b>

(in € millions)	Q3 2015- 2016	Q3 2014- 2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	726	726	0.5%	-0.6%	0.0%	-0.1%
Other European countries	555	550	3.4%	-1.0%	-1.5%	0.9%
Rest of the world	225	182	7.1%	21.1%	-4.1%	24.0%
<b>GROUP TOTAL</b>	<b>1,506</b>	<b>1,458</b>	<b>2.4%</b>	<b>1.9%</b>	<b>-1.1%</b>	<b>3.3%</b>

(in € millions)	9 months 2015-2016	9 months 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
France	2,144	2,164	0.5%	-1.4%	0.0%	-0.9%
Other European countries	1,608	1,589	2.2%	-0.9%	-0.2%	1.2%
Rest of the world	669	528	6.0%	18.5%	2.3%	26.8%
<b>GROUP TOTAL</b>	<b>4,421</b>	<b>4,281</b>	<b>1.8%</b>	<b>1.3%</b>	<b>0.2%</b>	<b>3.3%</b>

1. Organic growth: change in revenue on a constant Group structure basis and excluding the currency effect.
2. Changes in scope of consolidation correspond to the acquisitions carried out in the United States and completed and planned divestments of non-strategic assets.
3. The currency effect stems from changes in the USD, GBP, MXN and CLP exchange rates.

NB: The figures for the first two quarters of 2015-2016 have been restated due to the classification of non-strategic assets as discontinued operations.

### Appendix 3: Revenue by Market

(in € millions)	Q1 2015-2016	Q1 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
Business & Industry	500	474	-0.3%	3.9%	2.0%	5.6%
Education	305	305	-1.0%	-0.7%	1.6%	-0.1%
Healthcare	288	264	2.3%	4.1%	2.9%	9.3%
Contract catering & services	1,093	1,043	0.2%	2.6%	2.1%	4.9%
Motorways	132	131	1.1%	-1.7%	1.8%	1.3%
Airports	165	151	8.6%	-1.6%	2.3%	9.2%
City Sites & Leisure	82	96	-0.8%	-13.1%	-0.4%	14.4%
Concession catering	379	377	3.6%	-4.6%	1.4%	0.5%
<b>GROUP TOTAL</b>	<b>1,472</b>	<b>1,420</b>	<b>1.1%</b>	<b>0.7%</b>	<b>1.9%</b>	<b>3.7%</b>

(in € millions)	Q2 2015-2016	Q2 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
Business & Industry	497	473	1.4%	4.2%	-0.4%	5.0%
Education	315	320	-0.9%	-0.9%	0.3%	-1.5%
Healthcare	290	268	3.0%	4.7%	0.4%	8.1%
Contract catering & services	1,101	1,061	1.0%	2.8%	0.0%	3.8%
Motorways	120	118	2.8%	-1.5%	0.2%	1.6%
Airports	145	140	6.7%	-1.5%	-1.4%	3.8%
City Sites & Leisure	76	84	4.4%	-11.9%	-1.7%	-9.1%
Concession catering	341	342	4.8%	-4.0%	-0.9%	-0.1%
<b>GROUP TOTAL</b>	<b>1,443</b>	<b>1,403</b>	<b>1.9%</b>	<b>1.1%</b>	<b>-0.2%</b>	<b>2.9%</b>

(in € millions)	Q2 2015-2016	Q2 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
Business & Industry	506	470	3.3%	5.8%	-1.5%	7.6%
Education	292	278	6.3%	-0.8%	-0.6%	4.9%
Healthcare	285	267	3.1%	4.4%	-0.7%	6.7%
Contract catering & services	1,083	1,015	4.0%	3.6%	-1.0%	6.7%
Motorways	145	160	-8.0%	-1.5%	-0.2%	-9.8%
Airports	185	185	3.5%	-1.7%	-1.9%	-0.1%
City Sites & Leisure	94	98	0.5%	-3.4%	-1.6%	-4.4%
Concession catering	423	443	-1.3%	-2.0%	-1.2%	-4.5%
<b>GROUP TOTAL</b>	<b>1,506</b>	<b>1,458</b>	<b>2.4%</b>	<b>1.9%</b>	<b>-1.1%</b>	<b>3.3%</b>



(in € millions)	9 months 2015-2016	9 months 2014-2015	Organic growth (1)	Changes in perimeter (2)	Currency effect (3)	Total growth
Business & Industry	1,503	1,417	1.4%	4.6%	0.0%	6.1%
Education	911	903	1.3%	-0.8%	0.5%	0.9%
Healthcare	863	799	2.8%	4.4%	0.9%	8.0%
Contract catering & services	3,278	3,119	1.7%	3.0%	0.4%	5.1%
Motorways	396	409	-2.0%	-1.5%	0.5%	-3.0%
Airports	495	476	6.1%	-1.7%	-0.4%	4.0%
City Sites & Leisure	252	278	1.2%	-9.3%	-1.2%	-9.3%
Concession catering	1,143	1,162	2.1%	-3.4%	-0.3%	-1.6%
<b>GROUP TOTAL</b>	<b>4,421</b>	<b>4,281</b>	<b>1.8%</b>	<b>1.3%</b>	<b>0.2%</b>	<b>3.3%</b>

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