



# 2019

## ANNUAL RESULTS

S'engager, grandir, partager, **ensemble** >



[www.groupe-crit.com](http://www.groupe-crit.com)

## TWO BUSINESS DIVISIONS

GROUP CRIT IN 2019

REVENUE: **€2.5bn** EBITDA: **€170m**

## TEMPORARY STAFFING &amp; RECRUITMENT

**€2.0bn** revenue (-2.2% organic growth)  
(81.8% of total revenue)

**19<sup>th</sup>** largest global staffing firm <sup>(1)</sup>

**No.1** independent in France

**600** branches

**> 30,000** clients

**263,000** temp. workers

**1.4 million** temp. assignments in 2019



## MULTI-SERVICES

**€480m** revenue (+4.5%)  
(18.2% of total revenue)

Airport services

**No.1** in France

**Exclusive** licences

**146** airlines

**> 466,000** aircraft movements



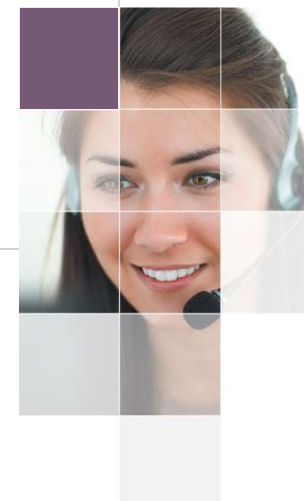


# SOLID RESULTS



- **€2.5<sup>bn</sup>** revenue
- **€170<sup>m</sup>** EBITDA
- **6.8%** EBITDA margin
- **€73<sup>m</sup>** net income
- **€622.3<sup>m</sup>** equity
- **€221.6<sup>m</sup>** net cash

Revenues are presented after application of IFRS 16  
unless indicated otherwise





## Temporary staffing & recruitment

- Strong resilience in France
- International revenue of €500<sup>m</sup>

S'engager, grandir, partager, ensemble >



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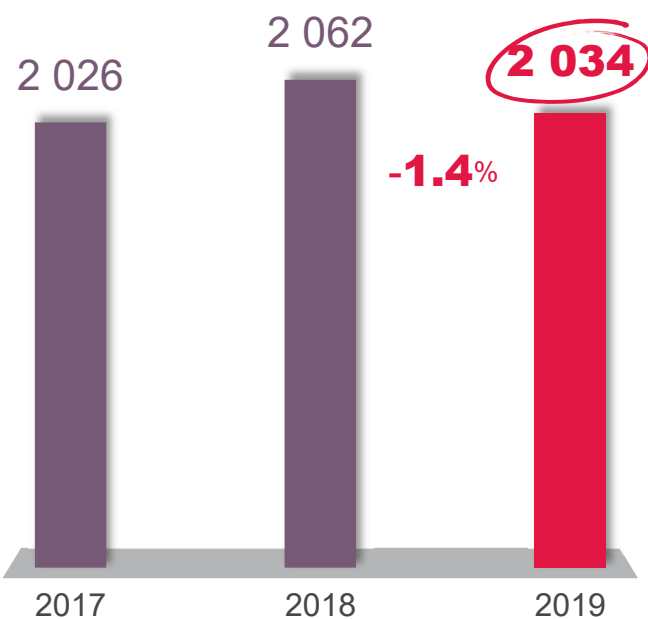


## HIGH LEVEL OF ACTIVITY



Annual revenue of over **€2<sup>bn</sup>**  
**81.8%** of total revenue

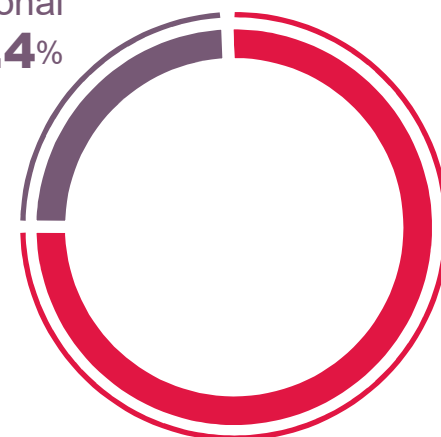
Temporary staffing & recruitment revenue  
(€m)



Organic growth **-2.2%**  
and **-1.9%** working-day adjusted (WDA)

Geographical breakdown

International  
**24.4%**

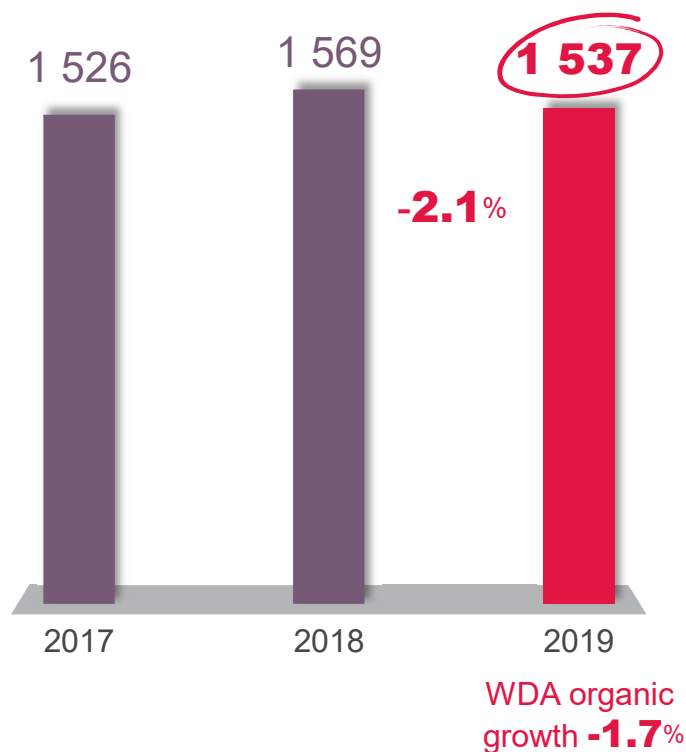


France  
**75.6%**



## STRONG RESILIENCE IN FRANCE

Temp. staffing & recruitment  
revenue – France (€m)



**76%**  
of Temp. Staffing  
revenue

### Thriving business despite:

- Market slowdown from second half
- Decline in automotive industry demand (**2.7%** impact on YoY growth)

20<sup>bp</sup> improvement in EBITDA margin <sup>(1)</sup>

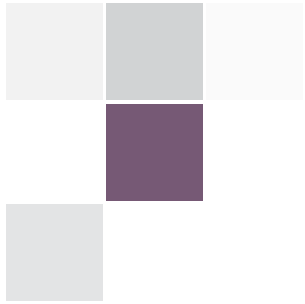


# STRONG RESILIENCE IN FRANCE

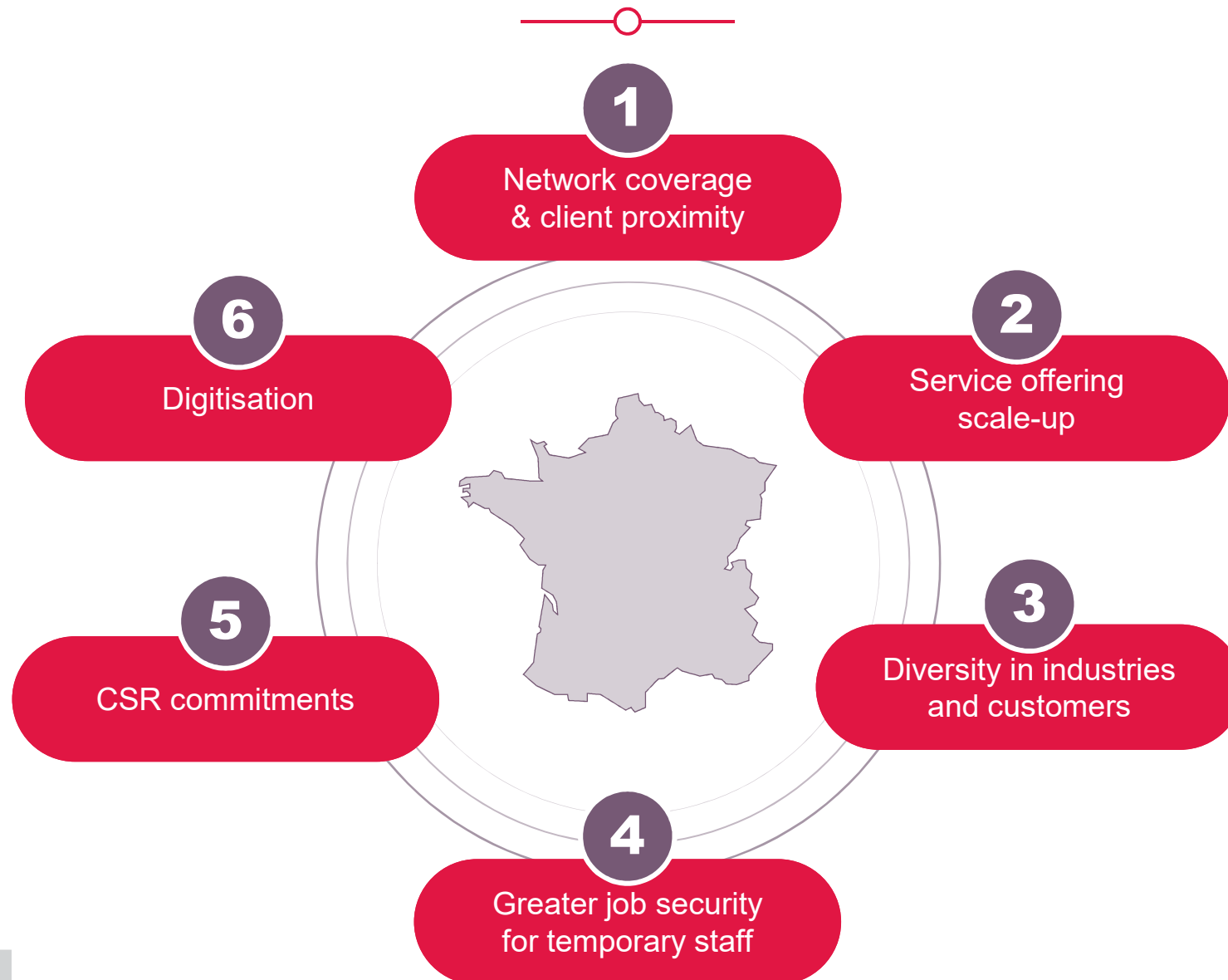


France	2019 revenue growth	CAGR 2014-2019
Crit WDA organic growth	<b>-1.7%</b>	<b>+6.8%</b>
Adecco (WDA)	-3.0%	+2.6%
Manpower	-1.2%	+3.4%
Randstad (WDA)	-1.0%	+3.2%
Synergie (constant consolidation scope)	+4.6%	+6.4%





## STRATEGY CONTINUED



# FLEXIBLE NETWORK SERVING THE MOST BUOYANT EMPLOYMENT CATCHMENT AREAS

Temp. staffing  
& recruitment



1

Network coverage  
& client proximity



An extensive network of branches serving the most buoyant employment catchment areas

Optimisation of France network

**419** branches  
(incl. **49** “on sites” branches)

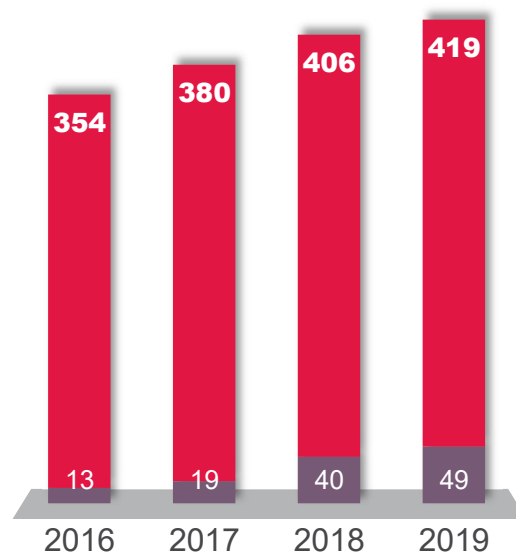
**20** transfers

**13** openings



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Change in number of branches  
since 2016



■ France ■ “On sites” branches

419  
branches  
in France  
in 2019



# FURTHER PROGRESS IN RECRUITMENT AND EXPANSION OF CRIT INSIDE OFFERING

Temp. staffing  
& recruitment



2

Service offering  
scale-up



Emphasis on specialised areas

- > Energy, aeronautics, events, etc.

Development of the CRIT INSIDE offering

- > **19** new “inside” since the start of the year  
2019 annual target reached: **+50%** new “inside” vs 2018  
2020 target  $\approx$  **20** new “inside”

Development of recruitment services

- > 2019 annual target reached: **30%** revenue growth



# GROWTH OF 1% (1) EXCLUDING AUTOMOTIVE

3

Diversity in industries  
and customers



SME/key account mix maintained

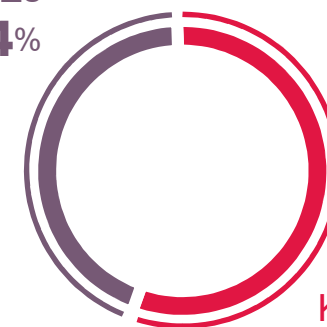
Sector breakdown and revenue growth 2019  
(France)

	% of rev. 2019	Change 2019/2018
Industry	45%	-5.6%
Building	16%	+2.0%
Services	39%	-0.1%
<b>TOTAL</b>	<b>100%</b>	<b>-2.1%</b>

1% growth excluding automotive  
in a market down 1.1%

Breakdown of revenue  
by client segment 2019 (2)

SMEs  
**44%**



Key  
accounts  
**56%** (3)



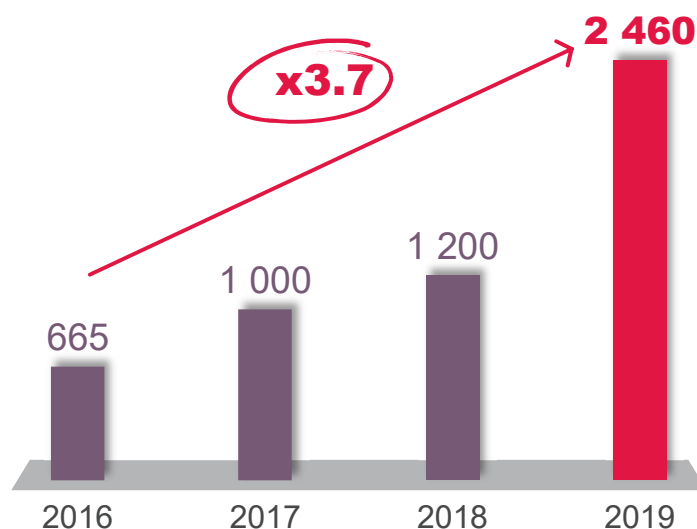


## OUR PRIORITIES: CDII CONTRACTS & TRAINING

4

Greater job security  
for temporary staff

No. of CDII open-ended temp. employment contracts



Ramp-up of CDII open-ended temporary employment contracts:

- > **2,460** CDII contracts signed by 31/12/2019
- > Target of **2,000** CDII contracts exceeded
- > Sustained development: **x3.7** in 4 years

Training temporary employees to improve qualifications and employment potential

- > **16,000** temporary employees trained in 2019



# STRONG COMMITMENTS

5

## CSR commitments

### 2019 commitments recognised...

- > Gaia Index 2019
- > Echos Executives 2019 Best Recruitment Agency ranking
- > Rated "Excellent" in Décideurs magazine 2019 HR - Consultancy Firm ranking
- > Rated Leader in Diversity 2020 (Financial Times)

### ... and considerably strengthened

- > Member of Corporate Association for a More Inclusive Economy
- > Signatory of "PAQTE National" charter in favour of disadvantaged neighbourhoods
- > Signatory of a national agreement with EPIDE
- > to promote the employment of under-qualified youth
- > Signatory of Seine-Saint-Denis Égalité charter to promote regional employment



2019 global  
ranking

**71** /230



## Our commitments and certification

- Adhering member of UN Global Compact
- ISO 9001 certified (quality management system)
- ISO 14001 certified (environmental management system)
- Listed in Gaia Index since 2017





# STRONG COMMITMENTS



February 2019: Crit joins the Corporate Association for a More Inclusive Economy <sup>(1)</sup>

## 3 priorities

- > Inclusion through training and apprenticeship:  
**61,000** young people on work-study programmes at companies in the Association
- > Inclusive procurement policy favouring local SMEs:  
increase procurement from SMEs focusing on rural development areas, priority urban districts and disability-friendly companies
- > Develop solutions for disadvantaged persons: design a suitable service and product offering

## Our initiatives in 2019

- > June 2019:  
Crit, sponsor and joint coordinator of Seine-Saint-Denis Collectif 93 programme
- > September 2019:  
“2nd chance work-study” forum  
at the Salon Jeunes d’Avenir, Paris-La-Villette

(1) Founded on 18 December 2018, this association currently has 35 corporate members committed to furthering social progress. These companies account for 1.5 million employees and €100bn of purchases in France.

Members of the association: Accenture France & Benelux, Accor, Adecco, ADP, AG2R La Mondiale, Axa, BNP Paribas, BPCE Group, Carrefour, Casino, Covea, Crédit Mutuel Alliance Fédérale, Crédit Agricole, Groupama, Group CRIT, Danone, EDF, Elsan, Engie, International SOS, Kering, Korian, L’Oréal, ManpowerGroup France, Microsoft France, Orange, Renault, Rexel, Schneider Electric, Sodexo, Sonepar, Suez, Système U, Veolia and Vinci.



# ECOSYSTEM ESTABLISHED

6

Digitisation



Learning management system

Branches

mycrit  
Sourcing and loyalty

crit-job

Main Group  
website

Commercial visibility  
Employer brand

critonline

Digitisation of customer relations  
Paperless environment  
Productivity

critone

SME platform

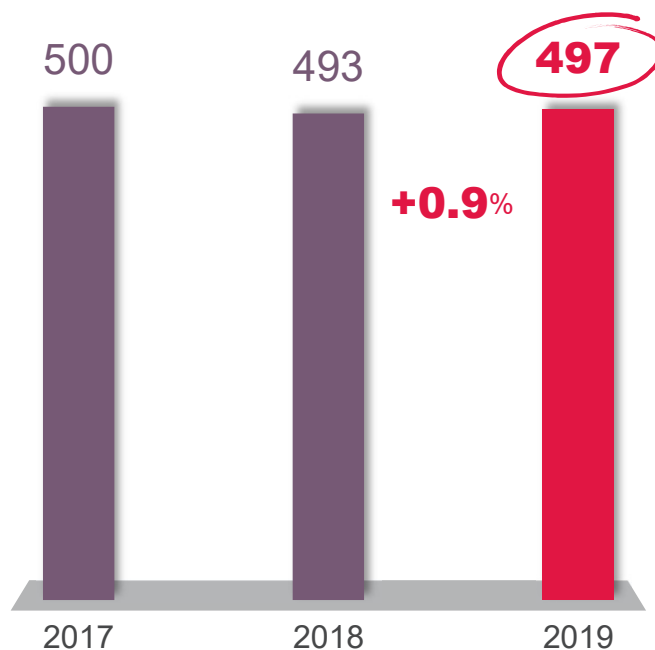
Temp. employees  
Candidates

Businesses

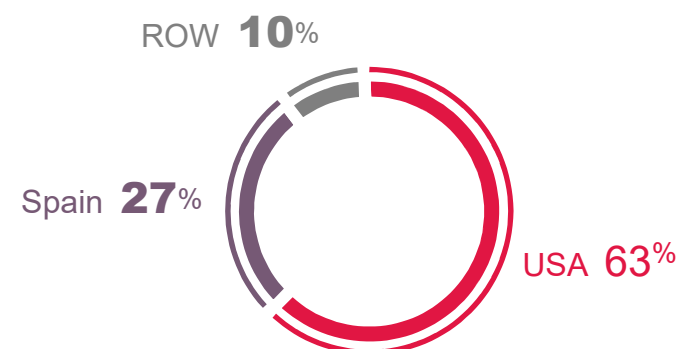


# INTERNATIONAL REVENUE OF €500M

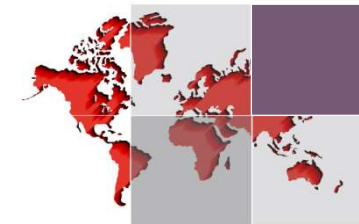
Temp. staffing & recruitment  
revenue – International (€m)



Geographical breakdown



**24.4%** of temp. staffing revenue  
Down **2.5%** at constant exchange rates  
**40<sup>bp</sup> improvement** in EBITDA margin <sup>(1)</sup>

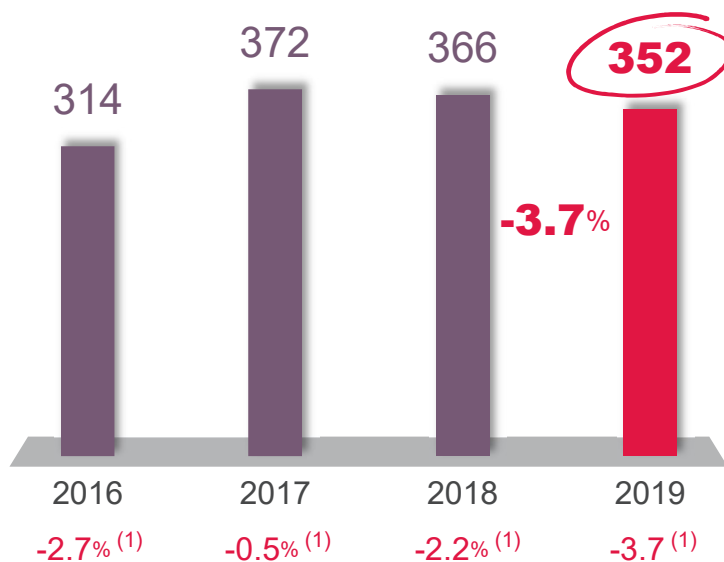


# UNITED STATES: CONTINUATION OF A VALUE-BASED STRATEGY

Temp. staffing  
& recruitment



Annual revenue  
- United States (US\$m)



- > Historically tight job market
- > Positive price impact from services upgrade
- > Sharp improvement in EBITDA margin:  
up **60bp** (2)

Peoplelink  
GROUP



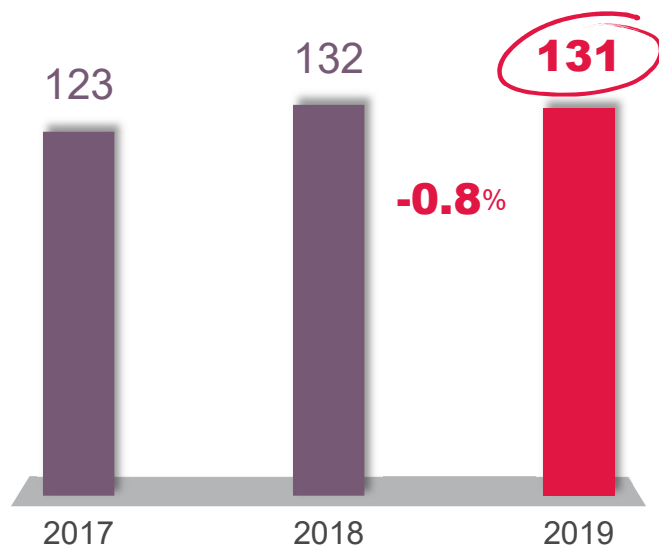
(1) Constant consolidation scope  
(2) Comparable data before IFRS 16 restatement

# SPAIN: SOLID BUSINESS IN A MORE CHALLENGING ENVIRONMENT

Temp. staffing  
& recruitment



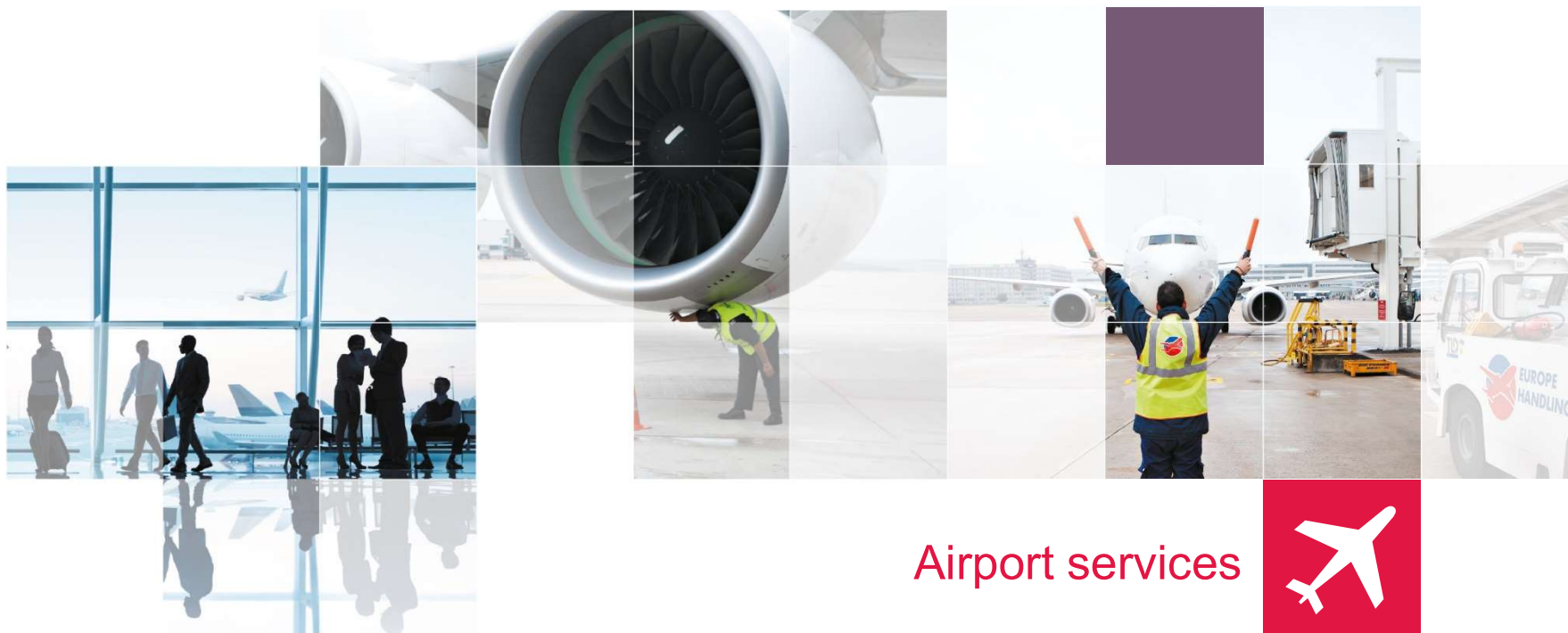
Annual revenue - Spain  
(€m)



## Solid business

- > Challenging basis for comparison:  
4 years of strong growth (**14%** CAGR 2014-2018)
- > Slowdown in economic growth:  
GDP growth of 2.0% <sup>(1)</sup> in 2019 vs 2.4% forecast





Airport services



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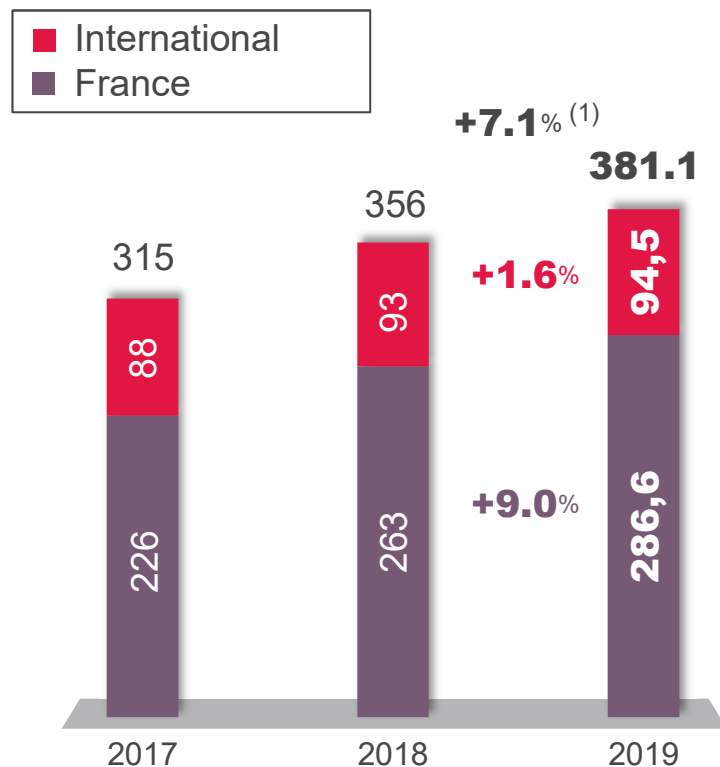
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# AIRPORT SERVICES: STRONG GROWTH DRIVEN BY FRANCE

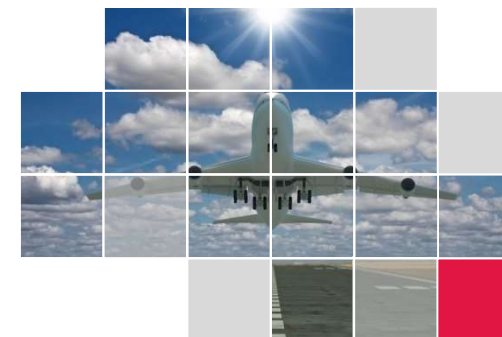
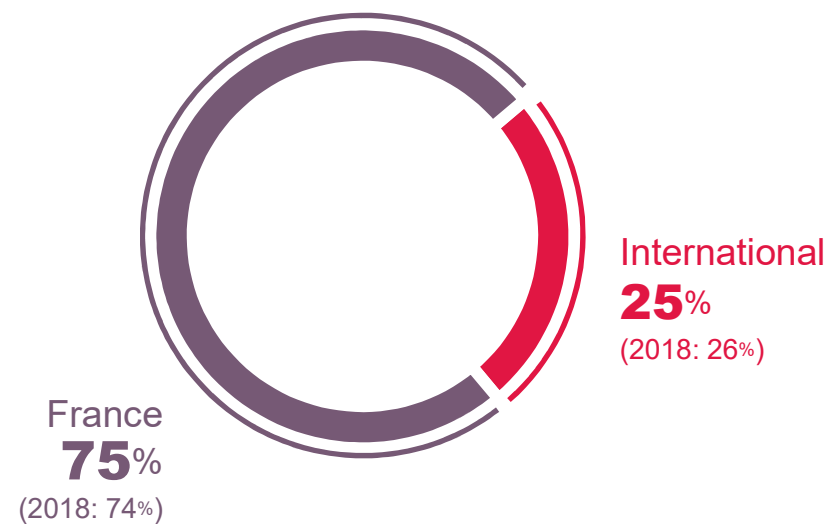
Airport services



Airport services revenue  
(€m)



Breakdown of airport services revenue  
(%)





# LEADERSHIP CONSOLIDATED IN FRANCE, INTERNATIONAL GROWTH



Airport services



## FRANCE

- > Revenue up **7%** to over **€381m** (up **5.6%** at constant consolidation scope)
- > **310,000** flights handled in 2019
- > **11** contracts signed since 1 January 2019, including renewal of major long-term contract (subcontracting) with Air France at CDG 2 (>**20,000** flights/year) and **5** new long-term contracts including a major contract with Qatar Airways at CDG 1
- > Full-year impact of **Cargo Roissy** and **Paris-le-Bourget** contracts

## INTERNATIONAL

- > Revenue up **1.6%** to **€94.5m** (up **0.6%** at constant consolidation scope and exchange rates)



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## Results

- Strong performances in growth and profit margins
- Impact of **IFRS 16**

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# IFRS 16: PRINCIPLES AND IMPACT



- > Effective 1 January 2019, using the simplified retrospective approach (i.e. without restatement of previous accounting periods)
- > Balance sheet Impact
  - Present value of future lease payments recorded under financial debt
  - A right-of-use for the same amount accounted for as fixed assets
- > Income statement impact
  - Rent eliminated by counterpart:
    - debt repayment
    - financial interest
  - The right-of-use asset is depreciated over the term of the lease
- > Cash flow impact
  - Rents replaced by debt repayment



# REVENUE

## Revenue growth (€m)

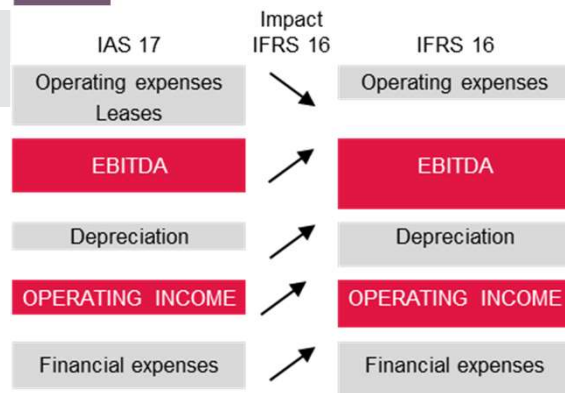
	2018	2019	2019 vs 2018	Organic	Forex <sup>(1)</sup>	Perimeter <sup>(2)</sup>
Temp. staffing & recruitment	2,062.4	<b>2,034.4</b>	-1.4%	-2.2%	0.8%	0.0%
Airport services	355.9	<b>381.1</b>	7.1%	5.6%	0.3%	1.2%
Other services	103.7	<b>99.2</b>	-4.4%	1.8%	0.0%	-6.2%
Inter-segment eliminations	(23.8)	<b>(26.2)</b>	10.0%	10.5%	0.0%	-0.5%
<b>GROUP TOTAL</b>	2,498.2	<b>2,488.5</b>	-0.4%	-1.0%	0.7%	-0.1%

(1) The foreign exchange impact are calculated by applying to the year's foreign exchange revenue, the exchange rate of the prior year.

(2) The perimeter impacts are calculated by restating the revenue:

- on the one hand, from the contribution of the entities acquired during the year and of the entities acquired during the previous year until the anniversary date of the acquisition,
- on the other hand, for the entities sold in the year, from the revenue contribution of the previous year for which the entities are no longer consolidated in N and for the entities sold in N-1, from the revenue contribution of the previous financial year up to the date of transfer.

# EBITDA <sup>(1)</sup> BY BUSINESS UNIT



Financial expenses		Financial expenses		Comparable <sup>(2)</sup>		IFRS 16 <sup>(2)</sup>			
		2018		2019		2019		Impact	
		€m	% of rev.	€m	% of rev.	€m	% of rev.	€m	% of rev.
Temp. staffing & recruitment		106.5	5.2%	110.3	5.4%	119.4	5.9%	9.1	0.5%
- France		81.3	5.2%	83.1	5.4%	88.7	5.8%	5.6	0.4%
- International		25.2	5.1%	27.2	5.5%	30.7	6.2%	3.5	0.7%
Multi-services		42.5	9.3%	42.1	8.8%	50.6	10.5%	8.5	1.7%
- Airport services		34.8	9.8%	35.4	9.3%	43.0	11.3%	7.6	2.0%
- Other		7.8	7.5%	6.7	6.8%	7.6	7.6%	0.9	0.8%
GROUP TOTAL		149.0	6.0%	152.5	6.1%	170.1	6.8%	17.6	0.7%

(1) Current operating income before depreciation and amortisation

(2) IFRS 16 is applied from 1 January 2019 by using the simplified retrospective approach without restatement of the previous accounting period

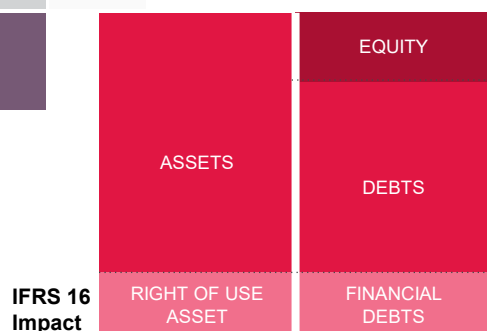
For the purposes of comparison, the 2019 figures are presented before the application of IFRS 16 as are the 2018 figures presented as the comparable

# INCOME STATEMENT

€m	Comparable <sup>(1)</sup>		IFRS 16 <sup>(1)</sup>	
	2018	2019	2019	Impact
REVENUE	2,498.2	<b>2,488.5</b>	<b>2,488.5</b>	-
Operating expenses	(2,341.5)	<b>(2,329.4)</b>	<b>(2,311.8)</b>	<b>17.6</b>
Provisions	(7.7)	<b>(6.6)</b>	<b>(6.6)</b>	-
<b>EBITDA</b>	149.0	<b>152.5</b>	<b>170.1</b>	<b>17.6</b>
<b>EBITDA/REVENUE</b>	6.0%	<b>6.1%</b>	<b>6.8%</b>	<b>0.7%</b>
Depreciation	(23.3)	<b>(24.7)</b>	<b>(41.7)</b>	<b>(17.0)</b>
<b>CURRENT OPERATING INCOME</b>	125.7	<b>127.8</b>	<b>128.3</b>	<b>0.5</b>
<b>COI/REVENUE</b>	5.0%	<b>5.1%</b>	<b>5.2%</b>	<b>0.1%</b>
Other income and expenses	0	<b>0.8</b>	<b>0.8</b>	-
<b>OPERATING INCOME</b>	125.7	<b>128.6</b>	<b>129.2</b>	<b>0.6</b>
Income from equity affiliates	0.1	<b>(0.4)</b>	<b>(0.4)</b>	-
Financial results	3.8	<b>0.1</b>	<b>(0.8)</b>	<b>(0.9)</b>
<b>EARNINGS BEFORE TAX</b>	129.6	<b>128.3</b>	<b>127.9</b>	<b>(0.4)</b>
Income tax	(38.8)	<b>(54.9)</b>	<b>(54.8)</b>	<b>0.1</b>
<b>NET INCOME</b>	90.8	<b>73.4</b>	<b>73.2</b>	<b>(0.2)</b>
<b>NET INCOME (GROUP SHARE)</b>	90.9	<b>73.3</b>	<b>73.0</b>	<b>(0.3)</b>

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# BALANCE SHEET



IFRS 16  
Impact

Comparable <sup>(1)</sup>

IFRS 16 <sup>(1)</sup>

€m	Dec.-18	Dec.-19	Dec.-19 vs Dec.-18	Dec.-19	Impact
Goodwill	158.3	<b>159.5</b>	1.2	<b>159.5</b>	-
Net fixed assets	155.3	<b>144.7</b>	(10.6)	<b>212.6</b>	<b>67.9</b>
Working capital	58.1	<b>56.1</b>	(2.0)	<b>56.1</b>	-
Provisions	(44.9)	<b>(43.2)</b>	1.7	<b>(43.2)</b>	-
Tax payable and deferred tax	8.0	<b>15.6</b>	7.6	<b>15.7</b>	<b>0.1</b>
<b>CAPITAL EMPLOYED</b>	334.8	<b>332.7</b>	(2.1)	<b>400.7</b>	<b>68.0</b>
Shareholders' equity	557.6	<b>622.6</b>	65.0	<b>622.3</b>	<b>(0.3)</b>
Net financial debt after deduction of CICE	(222.8)	<b>(289.9)</b>	(67.1)	<b>(221.6)</b>	<b>68.3</b>
<b>CAPITAL EMPLOYED</b>	334.8	<b>332.7</b>	(2.1)	<b>400.7</b>	<b>68.0</b>

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# WORKING CAPITAL

€m	Dec.-18	Dec.-19	Dec.-19 vs Dec.-18
Inventories and work in progress	2.1	<b>2.3</b>	0.2
Trade receivables	480.7	<b>463.2</b>	(17.5)
Trade payables	(45.7)	<b>(37.7)</b>	8.0
Social security and tax liabilities	(383.6)	<b>(360.4)</b>	23.2
Other receivables and payables	4.7	<b>(11.3)</b>	(16.0)
<b>WORKING CAPITAL</b>	58.1	<b>56.1</b>	(2.0)

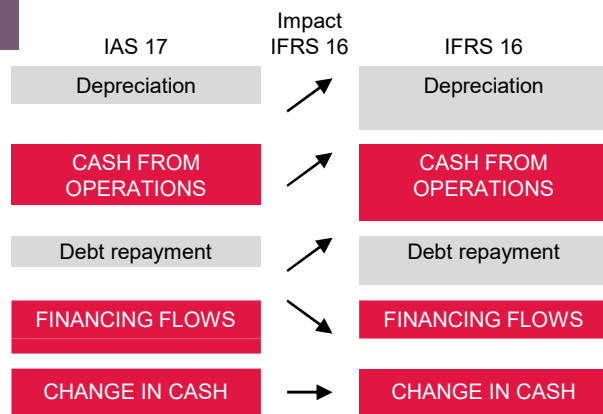
# NET FINANCIAL DEBT



	Comparable <sup>(1)</sup>			IFRS 16 <sup>(1)</sup>	
€m	Dec.-18	Dec.-19	2019 vs 2018	Dec.-19	Impact
Gross financial debt	104.1	<b>72.2</b>	(31.9)	<b>140.4</b>	<b>68.3</b>
Net cash	(116.6)	<b>(224.9)</b>	(108.3)	<b>(224.9)</b>	-
<b>NET FINANCIAL DEBT</b>	(12.5)	<b>(152.7)</b>	(140.2)	<b>(84.5)</b>	<b>68.3</b>
CICE	(210.3)	<b>(137.1)</b>	73.2	<b>(137.1)</b>	-
<b>NET FINANCIAL DEBT AFTER DEDUCTION OF CICE</b>	(222.8)	<b>(289.9)</b>	(67.1)	<b>(221.6)</b>	<b>68.3</b>

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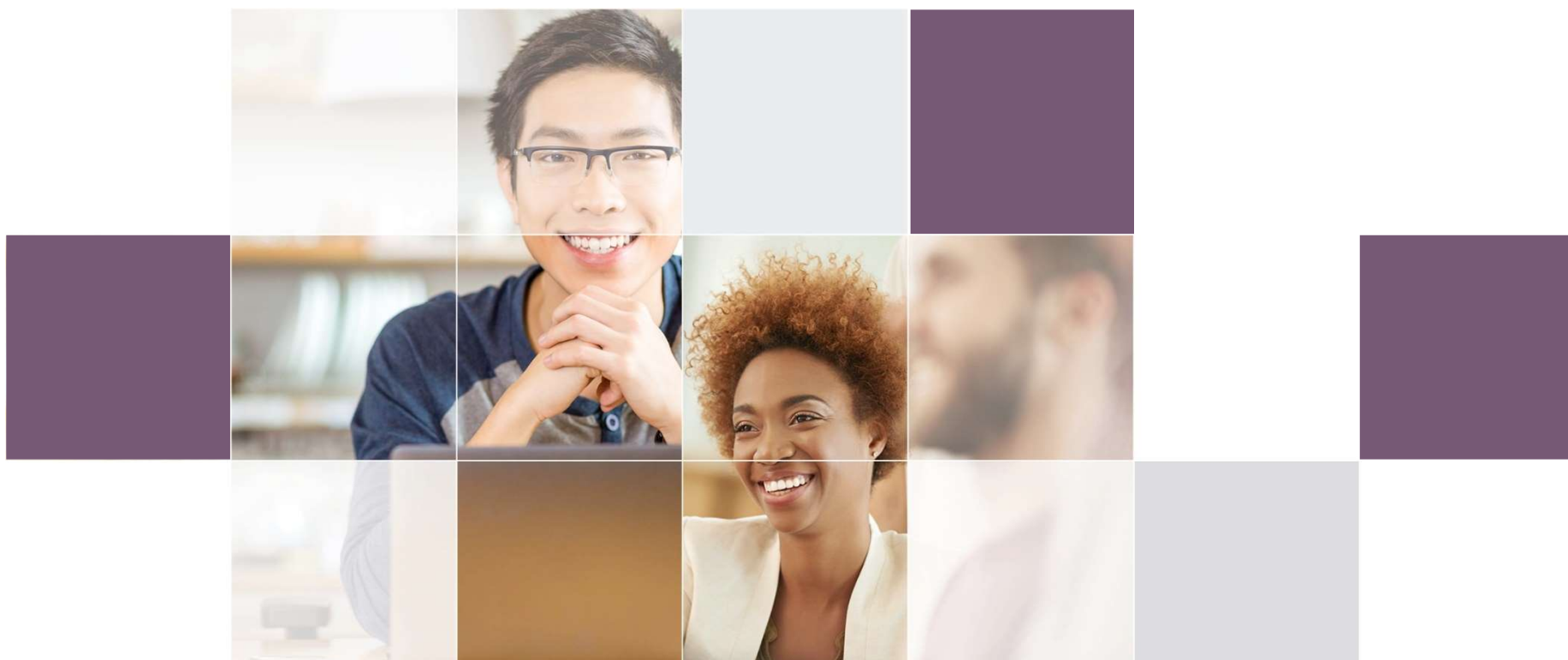
# CASH FLOW STATEMENT



Comparable <sup>(1)</sup>	IFRS 16 <sup>(1)</sup>
---------------------------	------------------------

€m	2018	2019	2019	Impact
Consolidated net income including minority interests	90.8	<b>73.4</b>	<b>73.2</b>	<b>(0.2)</b>
Restatement of non cash items	2.7	<b>63.5</b>	<b>80.2</b>	<b>16.7</b>
Cost of financial debt	2.9	<b>2.7</b>	<b>3.6</b>	<b>0.9</b>
Income tax	38.8	<b>54.9</b>	<b>54.8</b>	<b>(0.1)</b>
<b>CASH FLOW BEFORE NET COST OF DEBT AND INCOME TAX</b>	135.2	<b>194.5</b>	<b>211.8</b>	<b>17.3</b>
Change in working capital	(8.2)	<b>2.3</b>	<b>2.3</b>	-
Tax paid	(30.7)	<b>(29.1)</b>	<b>(29.1)</b>	-
<b>CASH FLOW FROM OPERATIONS</b>	96.3	<b>167.7</b>	<b>185.0</b>	<b>17.3</b>
Cash flow from investing activities	(16.1)	<b>(8.1)</b>	<b>(7.8)</b>	<b>0.3</b>
Cash flow from financing activities	(73.9)	<b>(51.3)</b>	<b>(68.9)</b>	<b>(17.6)</b>
<b>CHANGE IN CASH</b>	6.3	<b>108.3</b>	<b>108.3</b>	<b>0.0</b>

(1) IFRS 16 is applied from 1 January 2019 by using the simplified retrospective approach without restatement of the previous accounting period  
For the purposes of comparison, the 2019 figures are presented before the application of IFRS 16 as are the 2018 figures presented as the comparable



# Outlook

2020

S'engager, grandir, partager, **ensemble** >

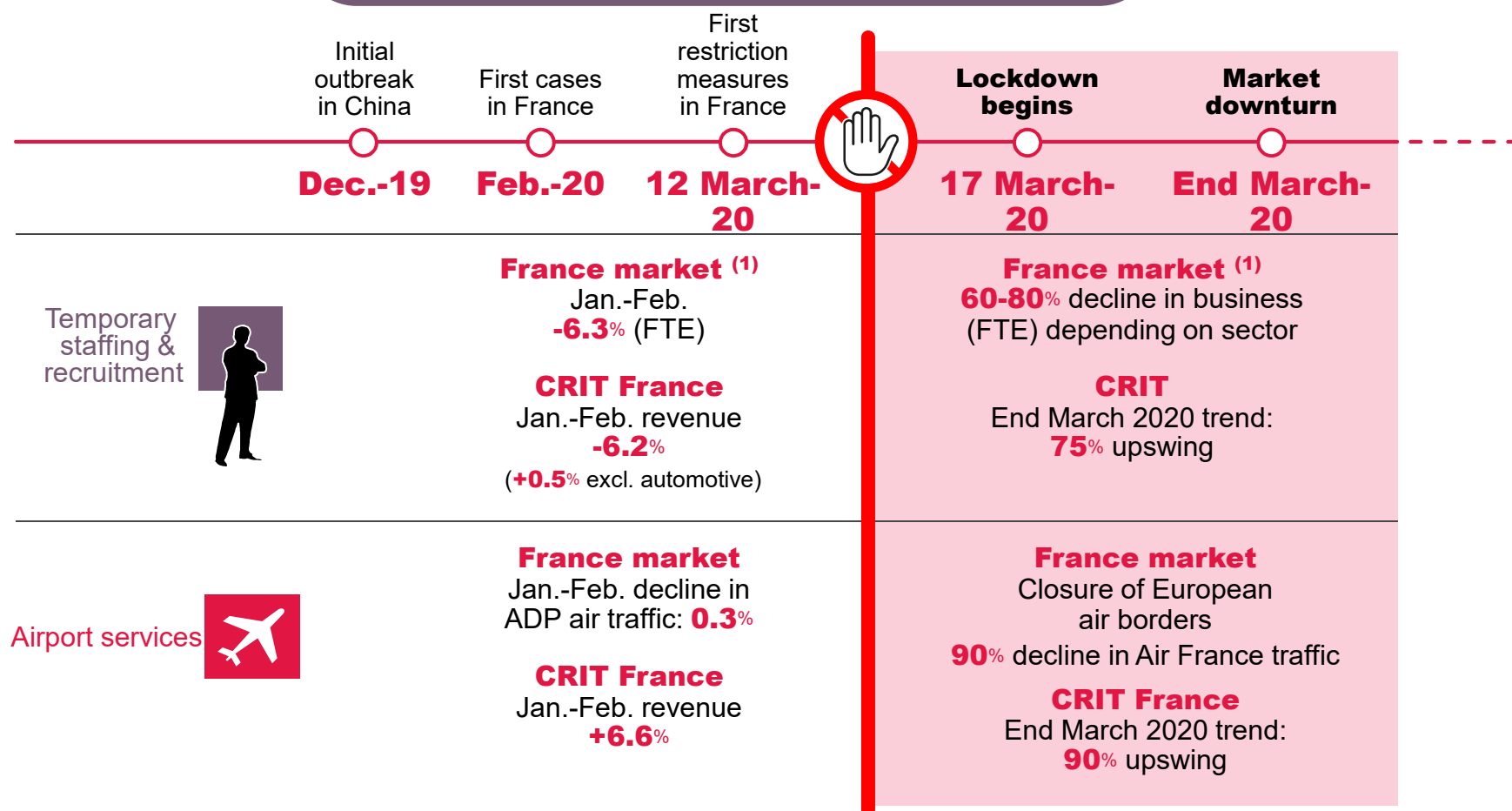


[www.groupe-crit.com](http://www.groupe-crit.com)

# IMPACT OF COVID-19



Exceptional and immediate impact on business  
Outlook unclear on end of crisis





# SWIFT AND APPROPRIATE MEASURES



## **To protect our employees and temporary workers**

- > All branches closed to the public
- > Teleworking introduced for all administrative and support functions
- > All temporary employees notified of prevention measures

## **To ensure continuity of services for clients**

- > Roll-out of service continuity plan among clients

## **To adapt Group operations to the situation**

### Reducing the cost base

- > Short-time working measures
- > Deferred payment of specific charges (URSSAF social security, rent, loan repayments)

### Debt collection measures

- > Debt collection: chase-up measures intensified
- > Procurement of credit insurance coverage

# STRONG CAPACITY TO WEATHER THE CRISIS

Temporary  
staffing &  
recruitment



Highly resilient variable cost base model  
Swift adjustment of cost base

Airport services



Strong capacity for adaptation due to:

- Significant proportion of fixed-term and temporary employment contracts (25% of workforce)
- Significant proportion of subcontracting (20% of revenue)

Airport closures: business hit hard

- Introduction of short-time working across the whole sector



Extremely robust balance sheet and borrowing capacity  
enabling the Group to face the challenges ahead

At 31/12/2019

Cash and cash equivalents	€231m
Available CICE tax credit	€137m
Undrawn credit facilities	€211m (incl. €111m backed by receivables)
Undrawn overdraft facilities	€36m

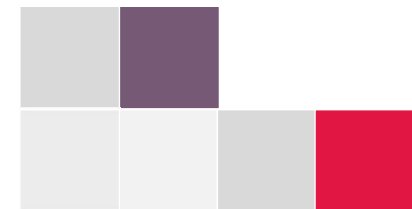
**€615M**



## DIVIDEND MAINTAINED: €1/SHARE

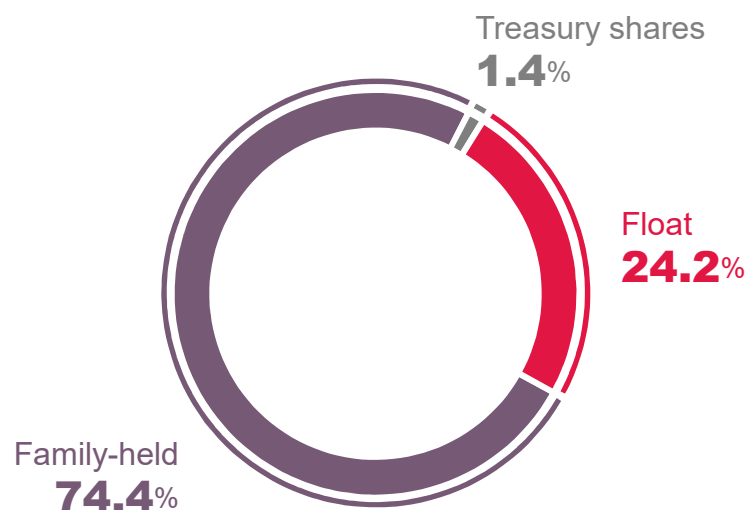


- > Proposal for upcoming Annual Shareholders' Meeting on **5 June 2019**
- > Dividend of €1/share
- > Payment of dividend on **26 June 2020**

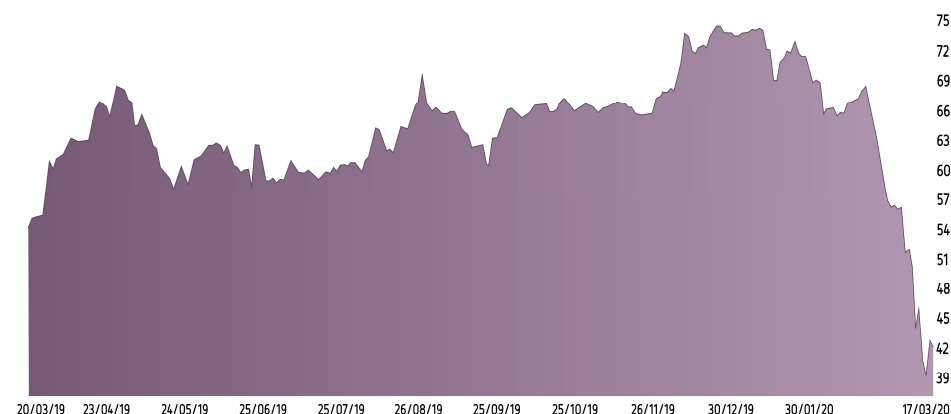


# SHARE CHARACTERISTICS

Shareholder structure  
at 29/02/2020



Share price movements (rolling 12-month)



ISIN code	FR0000036675
Market compartment	<b>Euronext B</b>
Number of shares	<b>11,250,000</b>
Average daily trading volume since 1 January 2020	<b>3,295</b>
Share price at 19/03/2020	<b>€42.7</b>
Capitalisation	<b>€474m</b>
Change since 1 January 2020	<b>-27.4%</b>
Change over 3 years	<b>-42.6%</b>