

ANNUAL RESULTS

2018



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



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

# GROWTH IN BOTH BUSINESS UNITS

Group profile

## GROUP CRIT

2018 REVENUE: **€2.5bn** (+3.7% organic growth) EBITDA: **€149m** (stable)



## TEMPORARY STAFFING & RECRUITMENT

**€2.1bn** revenue (+2.4% organic growth)  
(82.6% of total revenue)

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

**No.1** independent operator in France

**600** branches

**33,000** clients

**265,000** temp. workers

**1.4 million** temp. assignments in 2018



## MULTI-SERVICES

**€460m** revenue (+11.4%)  
(17.4% of total revenue)

Airport services



**No.1** operator in France

**Exclusive** licences

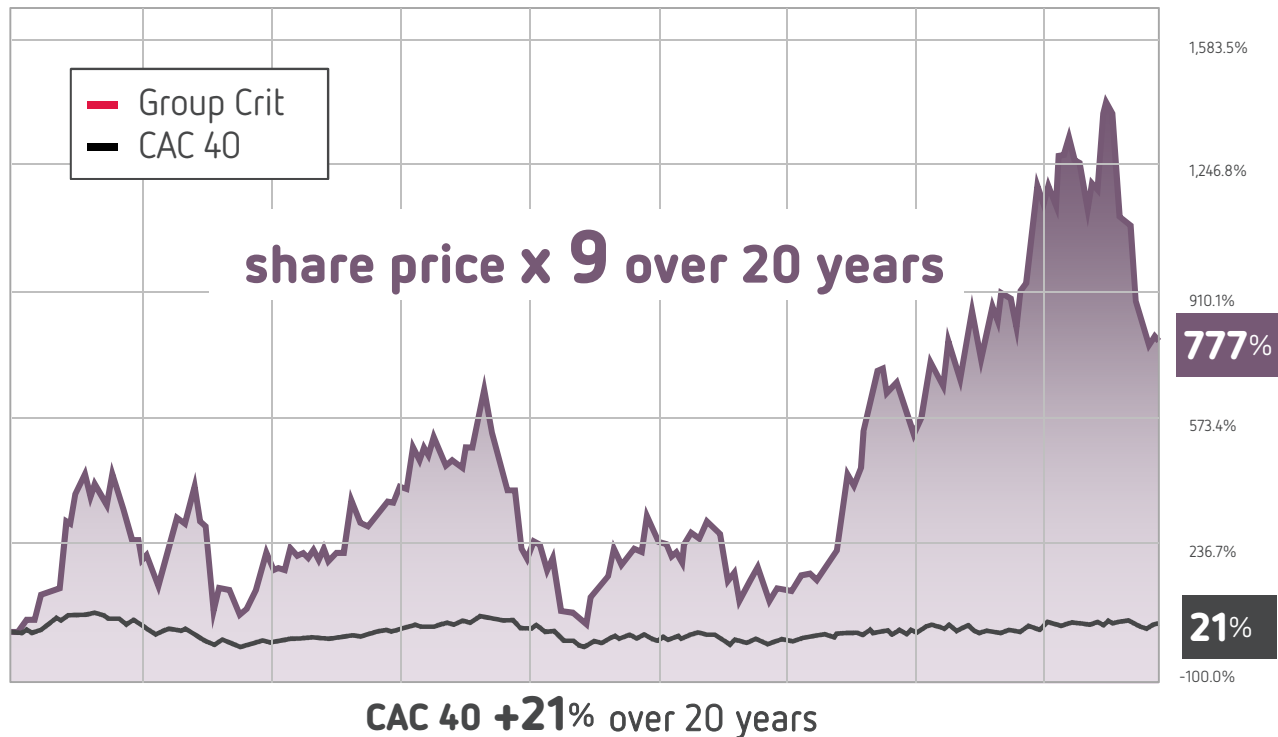
**143** airlines

**> 486,000** aircraft movements

# THE GROUP CELEBRATES ITS 20TH ANNIVERSARY LISTED ON THE PARIS STOCK EXCHANGE

Group profile

Share price since 18 March 1999



Listed on Euronext Paris  
March 18<sup>th</sup>, 1999  
at €6

18 March 2019  
Share price €53.1

> Outperformed CAC 40 Index: x37

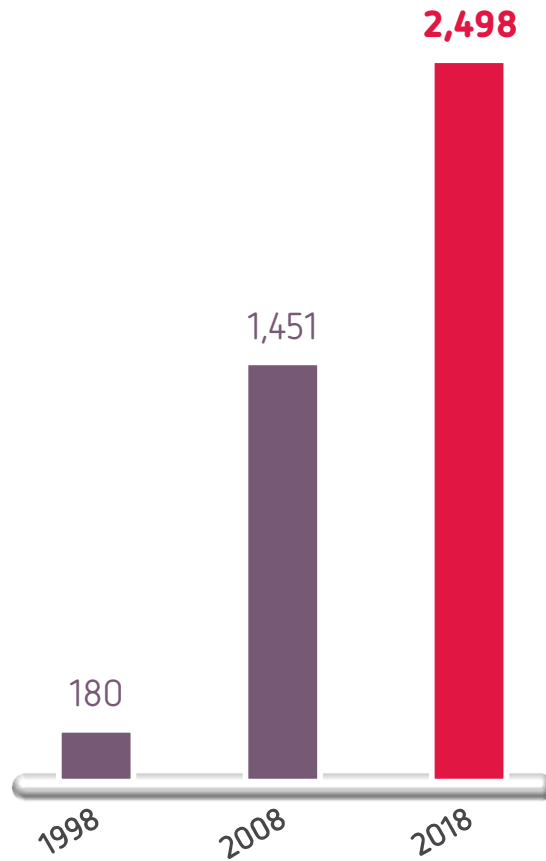


# 20 YEARS OF STRONG GROWTH



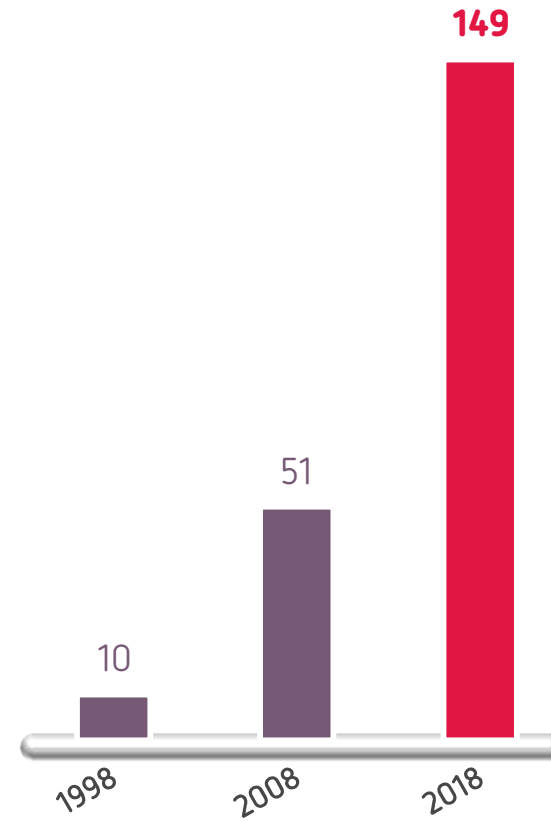
Revenue growth (€m)

**+14.1% CAGR**



EBITDA growth (€m)

**+14.4% CAGR**





**FY 2018**

Strong performance in terms of growth  
and profitability

S'engager, grandir, partager, ensemble >



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



## EXCELLENT PERFORMANCE



- > Revenue: peaked at **€2.5<sup>bn</sup>**  
up **3.7%** on a like-for-like perimeter and constant forex
- > almost **€150<sup>m</sup>** in EBITDA
- > EBITDA margin of **6.0%**
- > Net profit of **€91<sup>m</sup>**
- > **€557.6<sup>m</sup>** of shareholder's equity
- > **€222.8<sup>m</sup>** of net cash





# TEMPORARY STAFFING & RECRUITMENT

S'engager, grandir, partager, ensemble >



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



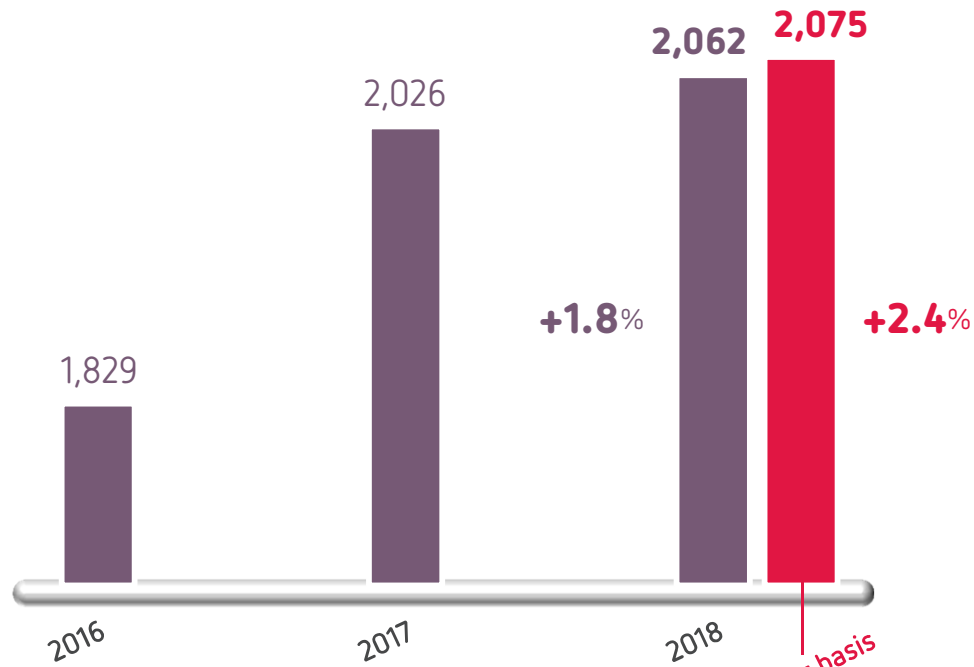
# STRONG GROWTH

Temporary staffing  
& recruitment



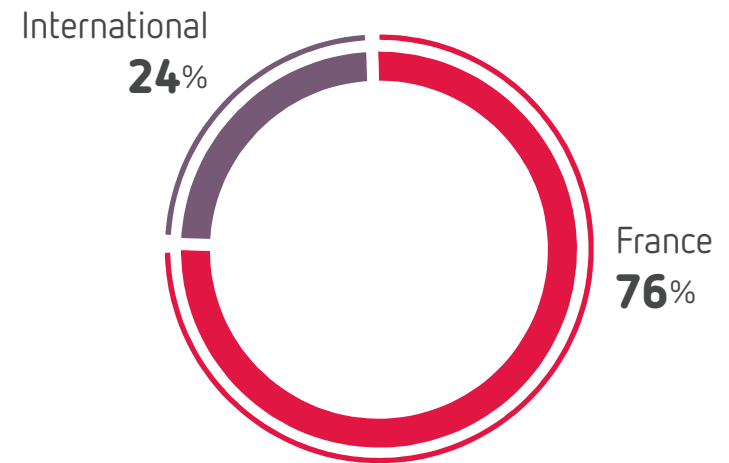
More than **€2bn** over the year  
**82.6%** of total revenue

Temp. staffing & recruitment revenue  
(€m)



On a like-for-like perimeter basis  
and constant forex

Geographical breakdown







# STRONG GROWTH

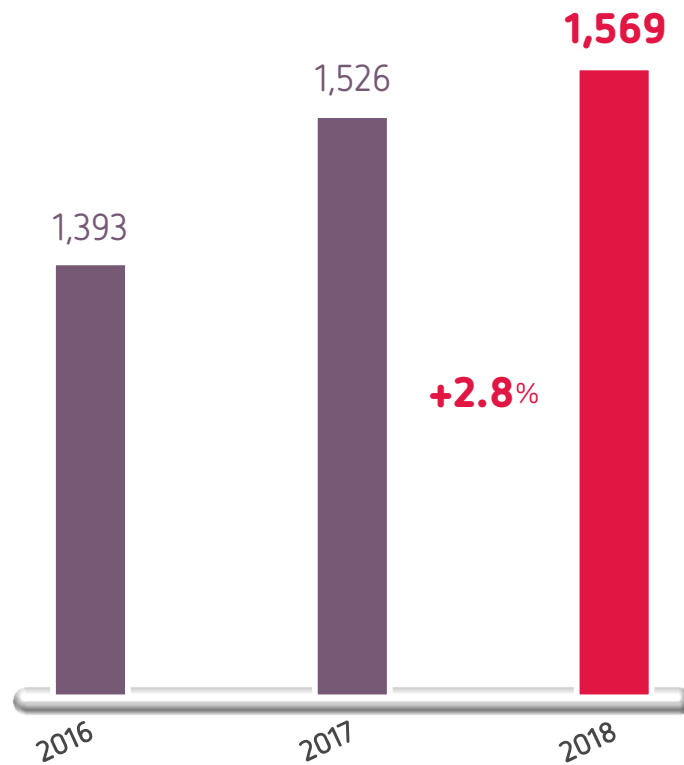


Temporary staffing  
& recruitment



> France: +2.8% organic growth

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



**76%** of the business unit's revenue

**100%** organic growth

- Strong 2018 first half **+5.5%**
- Slowdown in second half **+0.3%**





# STRONG GROWTH



Temporary staffing  
& recruitment



> France: growth historically above market leaders

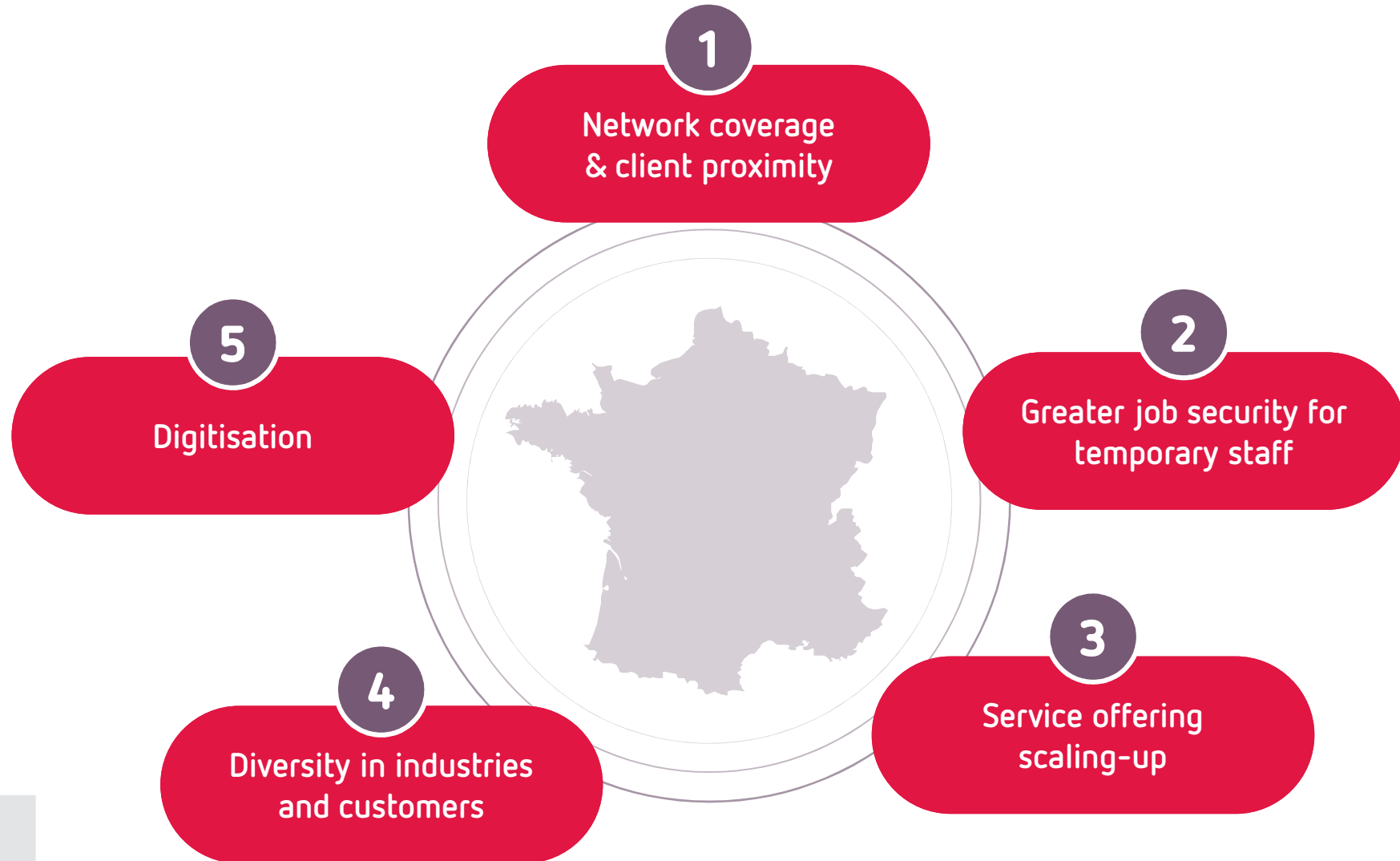
France	Revenue growth in 2018	CAGR 2014-2018
<b>CRIT ORGANIC</b>	<b>+2.8%</b>	<b>+9.5%</b>
Adecco	+6.0%	+5.2%
Manpower	+1.9%	+5.1%
Randstad (including acquisitions)	+2.0%	+6.2%
Synergie (at constant consolidation scope)	+2.8%	+7.2%





# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing  
& recruitment



# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing & recruitment



1

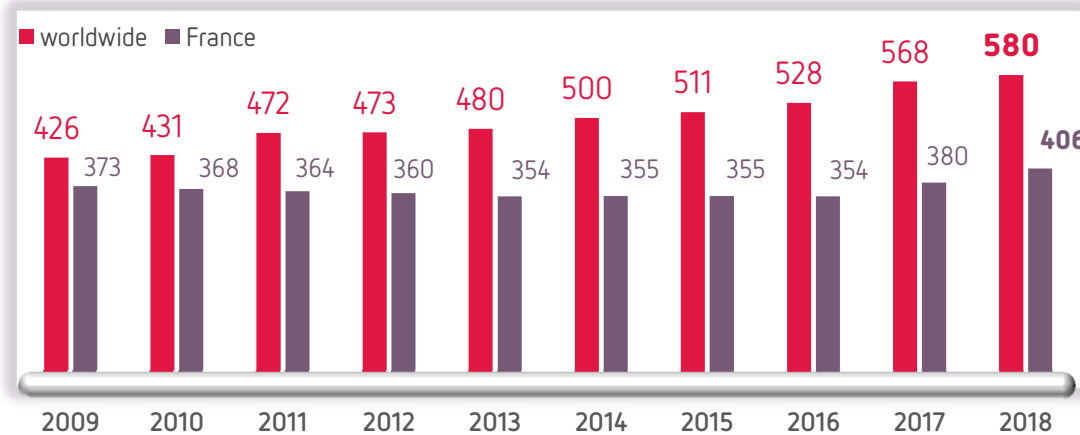
Network coverage & client proximity



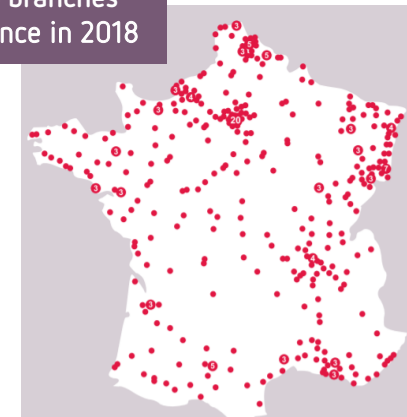
GRUPE  
**crit**

An extensive network serving dynamic economic regions

CRIT network since 2009



406 branches in France in 2018



# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing  
& recruitment



2

Greater job security for  
temporary staff

## Training:

enhancement of training investment

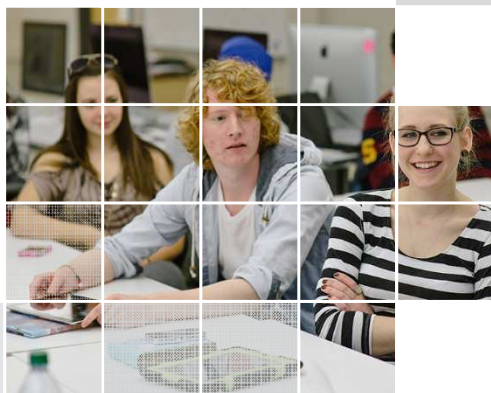
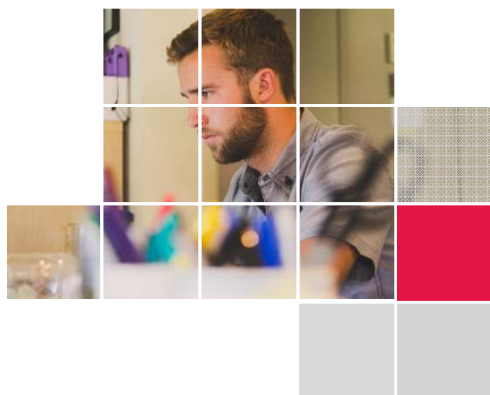
> **18,900** employees trained in 2018, **+6.6%** vs. 2017

## CDII open-ended temporary employment contracts

- > Sustained development
- > **1,200** CDII in 2018
- > Target: **2,000** CDII

## CSR:

Signature of a national agreement with EPIDE  
to promote the employment of under-qualified youth



# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing  
& recruitment



3

Service offering  
scaling-up

## Capitalise on specialised expertise

- > Energy, aeronautics, events, etc.

## Development of perm. fees (recruitment activities)

- > Revenue up by: **+29%** vs. 2017
- > Outperformed the market (up **19%**)
- > Target 2019: **+30%** in revenue

## Creation of "on sites" branches (CRIT INSIDE)

- > **40** "Inside" set up by 2018 year-end
- > **x2** vs. 2017

Target 2019:  
**+50%** new "Inside"



# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing  
& recruitment



4

Diversity in industries  
and customers

## > Growth driven by services and industry

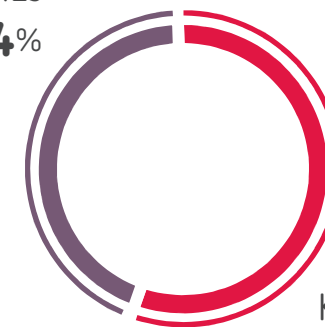
Sector breakdown  
and revenue growth 2018 (France)

Breakdown of revenue  
by client sector 2018 <sup>(1)</sup>



	% revenue 2018	Change 2018 vs. 2017
Industry	48%	+1.3%
Building	16%	-1.4%
Services	36%	+7.9%
<b>TOTAL</b>	<b>100%</b>	<b>+2.8%</b>

SMEs  
**44%**



Key  
accounts  
**56%**

(1) 2017: Key accounts (54%); SME (46%)

Around **25,000** clients invoiced in France

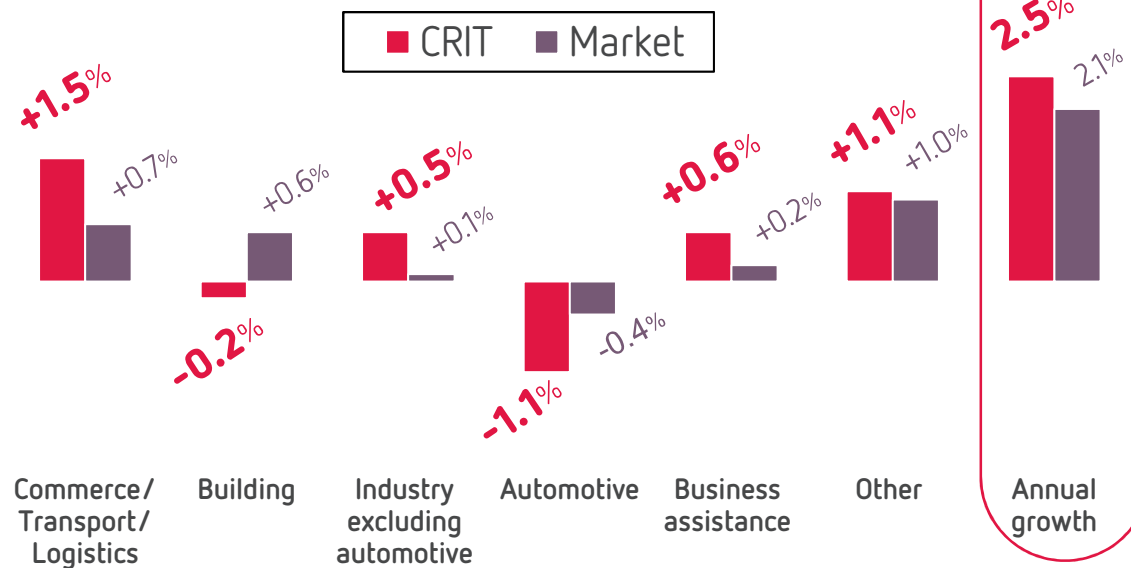
# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing  
& recruitment



> Performance driven by commerce, logistics and business assistance

Contribution of key sectors to annual growth  
(FTE temp.employees – France)



CRIT: **+4.2%**  
FTE growth  
excl. automotive

Market <sup>(1)</sup>: **+2.7%**  
FTE growth  
excl. automotive



(1) Source Prism'emploi raw data



# STRENGTHENED FUNDAMENTALS FOR ACCOMPANYING MARKETS EVOLUTION

Temporary staffing  
& recruitment



5

Digitisation  
of services

A digital strategy  
focused on 3 key vectors

## 1. Customer relations digitisation

- > Promote client use of **CRIT Online** portal

**crit**online

## 2. Temporary staff loyalty

- > Use of **My-Crit** "temporary staff personal space"

## 3. Productivity tools

- > Ongoing digitisation  
**60%** of job contracts and **40%** of placement contracts digitised by end of 2018

Sharp improvement in back office management





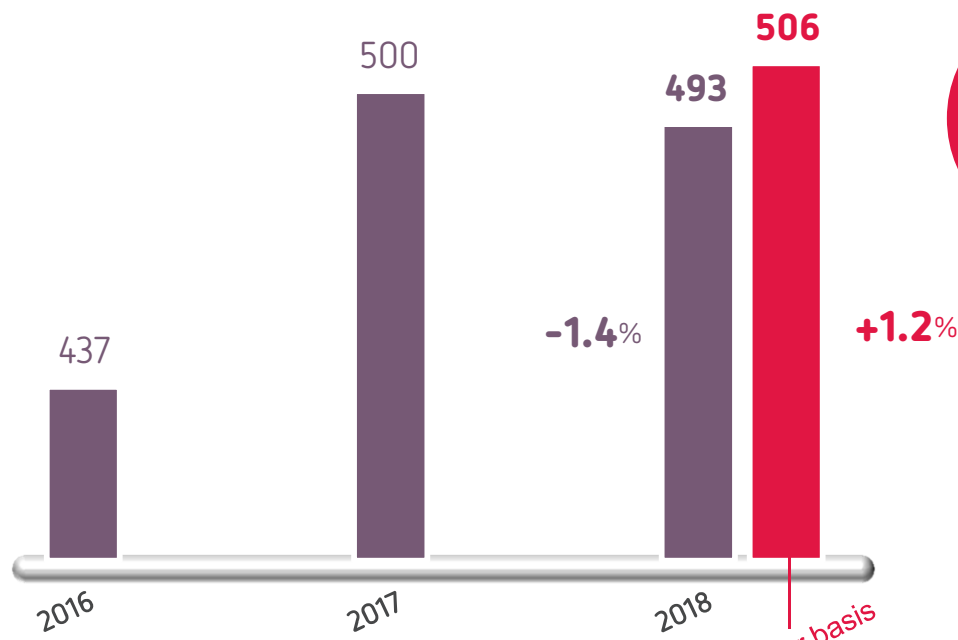
# STRENGTHENED INTERNATIONAL POSITIONS

Temporary staffing & recruitment



> International: up 1.2% organic growth

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



24% of Temp. staffing division revenue  
Negative exchange rate impact (-3%)  
Organic growth: +1.2%

On a like-for-like perimeter basis and constant forex





# STRENGTHENED INTERNATIONAL POSITIONS

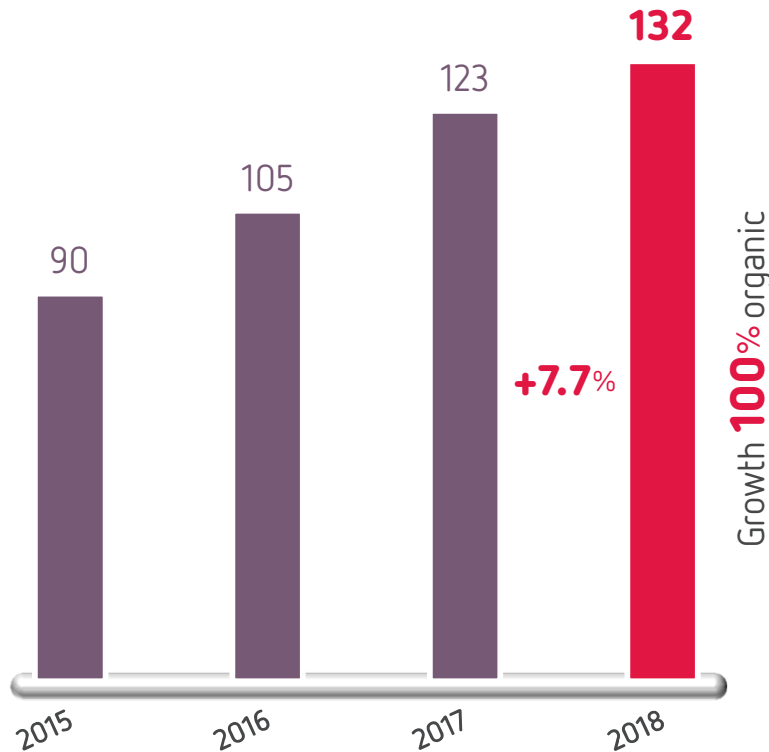


Temporary staffing  
& recruitment



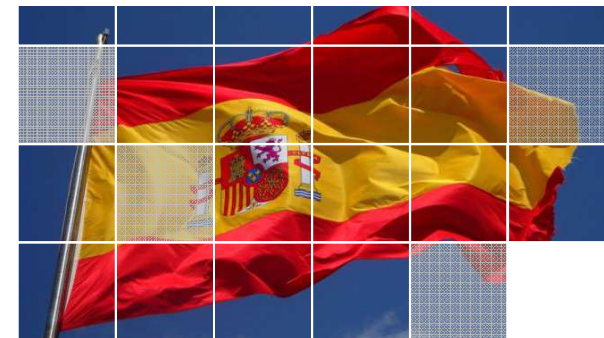
Spain: strong growth

Revenue growth in Spain  
(€m)



## Spain: solid growth

- Four consecutive years of strong growth
- Further improvement in EBITDA margin up **40 bps** in 2018



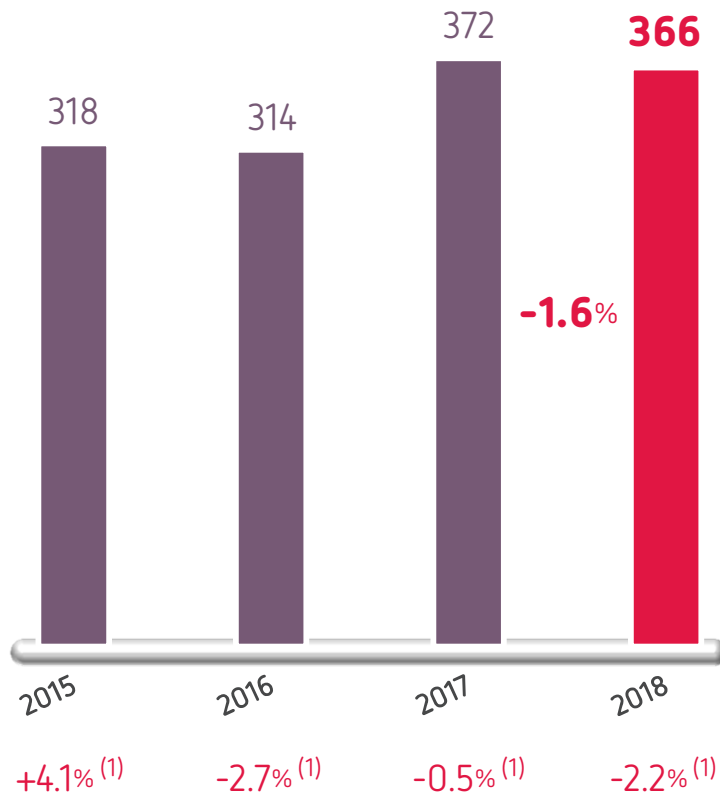
# STRENGTHENED INTERNATIONAL POSITIONS

Temporary staffing & recruitment



> US: returned to organic growth at year-end and improved margins

Annual revenues in the United States (\$m)



Further optimization of the network

- 95 agencies

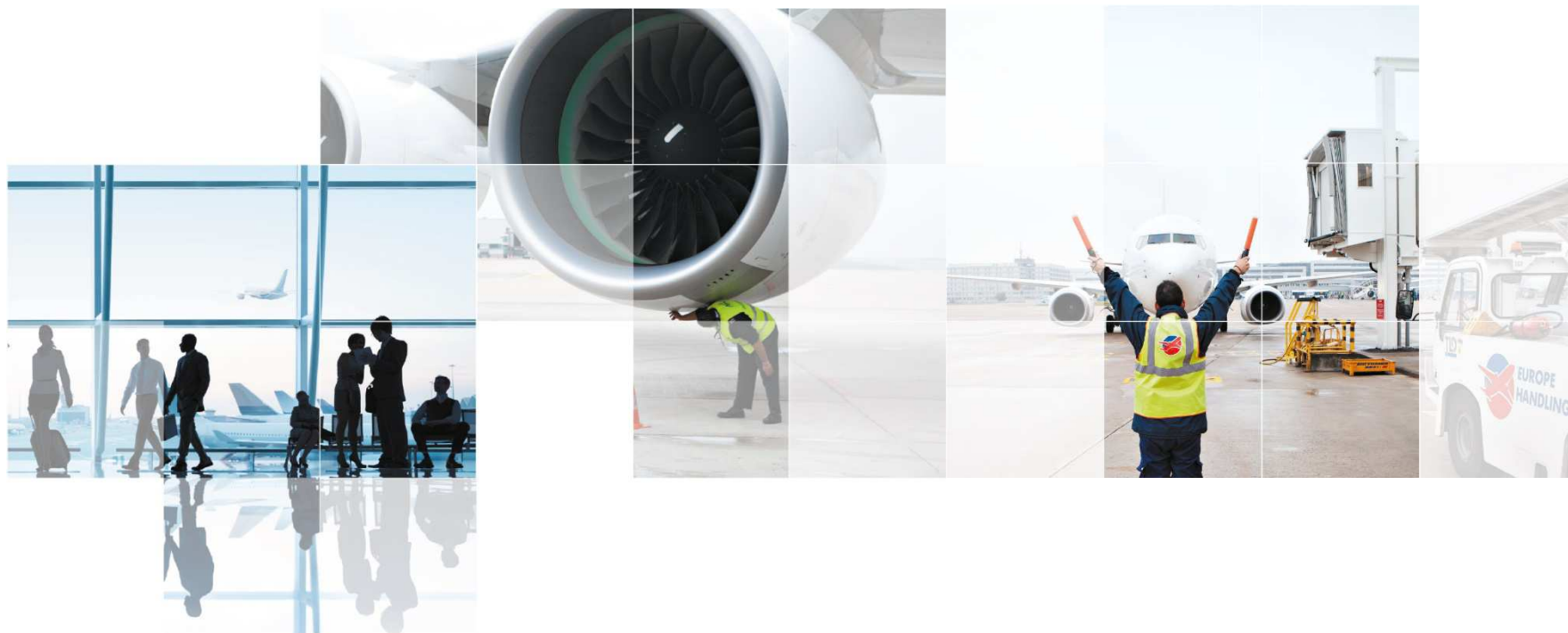
Positive price effect

- Strong improvement in EBITDA margin (up 110 bps in 2018)

Returned to organic growth in Q4: +2.2% vs. Q4 2017

Peoplelink GROUP





# AIRPORT SERVICES



S'engager, grandir, partager, ensemble >



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



# AIRPORT SERVICES: LONG-TERM GROWTH DRIVER



Airport services



2000

2018

Revenue: €**31.5**m

Revenue **x11**

Revenue: €**355.9**m

EBITDA: €**3.2**m

EBITDA **x11**

EBITDA: €**34.8**m

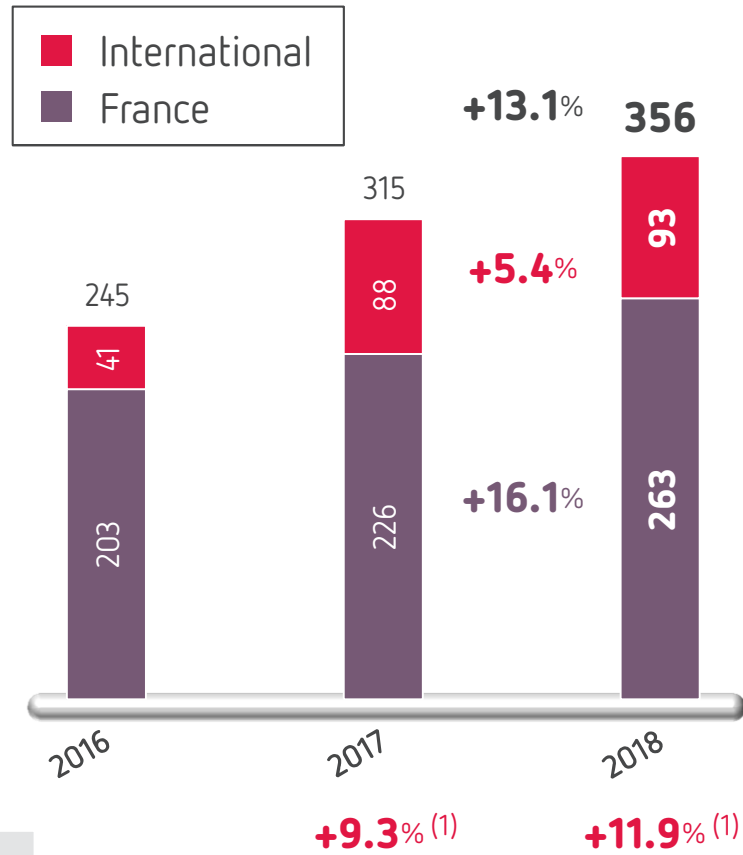




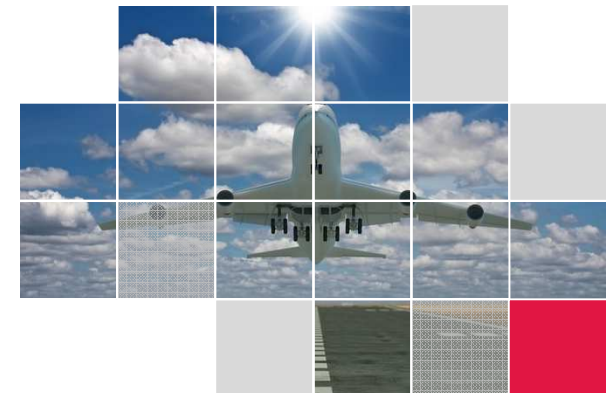
# AIRPORT SERVICES: STRONG GROWTH IN FRANCE AND OVERSEAS



Airport services revenue  
(€m)



Breakdown of airport services revenue  
(%)



(1) On a like-for-like perimeter basis and constant forex



# AIRPORT SERVICES: STRONG GROWTH IN FRANCE AND OVERSEAS

Airport services



## FRANCE

- > Organic growth: **14.2%**
- > **290,000** flights handled
- > **7** new contracts signed in 2018, including **4** cargo handling contracts
- > Expansion of business aviation and cargo flights:
  - > Additional revenue
  - > €**20m** on a full-year basis

## INTERNATIONAL

- > Organic growth: **6.1%** (on a like-for-like perimeter basis and constant forex)
- > **196,000** flights handled
- > **6 new** contracts signed in 2018, including a 5 year contract with **Norwegian in Boston**
  - > Flights **x3** at US airport in 2018
- > Renewal of a 5 year contract with **Norwegian** at Dublin airport



New increase in airport services margins in 2018: **+ 50 pbs**



2



## RESULTS

Strong performances in **growth** and **profit margins**

S'engager, grandir, partager, ensemble >



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

# ACTIVITY

Revenue growth  
(€m)

	2017	2018	Change 2018 vs 2017	Organic change	Forex impact <sup>(1)</sup>	Perimeter effect <sup>(2)</sup>
Temp. staffing & recruitment	2,026.3	2,062.4	1.8%	2.4%	(0.7)%	0.1%
Airport services	314.6	355.9	13.1%	11.9%	(0.3)%	1.5%
Other services	98.1	103.7	5.7%	5.7%	-	-
Inter-segment eliminations	(20.8)	(23.8)	14.5%	14.5%	-	-
<b>GROUP TOTAL</b>	<b>2,418.2</b>	<b>2,498.2</b>	<b>3.3%</b>	<b>3.7%</b>	<b>(0.7)%</b>	<b>0.3%</b>

(1) The exchange rate impact is calculated by applying the previous year's exchange rates to current-year revenue denominated in foreign currencies.

(2) The scope 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



	2017		2018	
	€m	% of rev.	€m	% of rev.
<b>Temp. staffing &amp; recruitment</b>	115.4	5.7%	<b>106.5</b>	<b>5.2%</b>
- France	93.5	6.1%	<b>81.3</b>	<b>5.2%</b>
- International	21.9	4.4%	<b>25.2</b>	<b>5.1%</b>
<b>Multi-services</b>	34.2	8.3%	<b>42.5</b>	<b>9.3%</b>
- Airport services	29.2	9.3%	<b>34.8</b>	<b>9.8%</b>
- Other	5.0	5.1%	<b>7.8</b>	<b>7.5%</b>
<b>GROUP TOTAL</b>	<b>149.6</b>	<b>6.2%</b>	<b>149.0</b>	<b>6.0%</b>

# PROFIT & LOSS

€m	2017	2018
<b>REVENUES</b>	<b>2,418.2</b>	<b>2,498.2</b>
Operating expenses	(2,259.8)	(2,341.5)
Provisions	(8.8)	(7.7)
<b>EBITDA</b> <i>EBITDA/revenue</i>	<b>149.6</b> <i>6.2%</i>	<b>149.0</b> <i>6.0%</i>
Depreciation	(23.0)	(23.3)
<b>CURRENT OPERATING INCOME</b> <i>COI/revenue</i>	<b>126.6</b> <i>5.2%</i>	<b>125.7</b> <i>5.0%</i>
Other income and expenses	0.2	0
<b>OPERATING INCOME</b>	<b>126.8</b>	<b>125.7</b>
Share of profit in associates	(3.5)	0.1
Financial result	(8.2)	3.8
<b>EARNINGS BEFORE TAX</b>	<b>115.1</b>	<b>129.6</b>
Income tax	(31.7)	(38.8)
<b>NET INCOME</b>	<b>83.4</b>	<b>90.8</b>
<b>NET INCOME (GROUP SHARE)</b>	<b>84.8</b>	<b>90.9</b>

# BALANCE SHEET

€m	31/12/2017	31/12/2018
Fixed assets	518.0	531.1
Current assets	517.3	528.0
Treasury	137.6	213.8
Assets held for sale	-	2.4
<b>ASSETS</b>	<b>1,172.9</b>	<b>1,275.3</b>
Shareholder's equity	511.9	557.6
Provisions	43.5	44.9
Financial debt	146.8	201.3
Current liabilities	470.7	470.0
Liabilities held for sale	-	1.5
<b>LIABILITIES</b>	<b>1,172.9</b>	<b>1,275.3</b>

## NET FINANCIAL DEBT

€m	31/12/2017	31/12/2018
Borrowings, non-current portion	62.8	41.6
Borrowings, current portion	56.6	62.5
<b>S/T Gross Financial debt</b>	<b>119.4</b>	<b>104.1</b>
Cash and cash equivalents	(137.6)	(213.8)
Overdrafts	27.4	97.2
<b>S/T Net cash</b>	<b>(110.2)</b>	<b>(116.6)</b>
<b>NET FINANCIAL DEBT</b>	<b>9.2</b>	<b>(12.5)</b>
Competitiveness and employment tax credit (CICE)	(198.8)	(210.3)
<b>NET FINANCIAL DEBT AFTER DEDUCTION OF CICE</b>	<b>(189.6)</b>	<b>(222.8)</b>

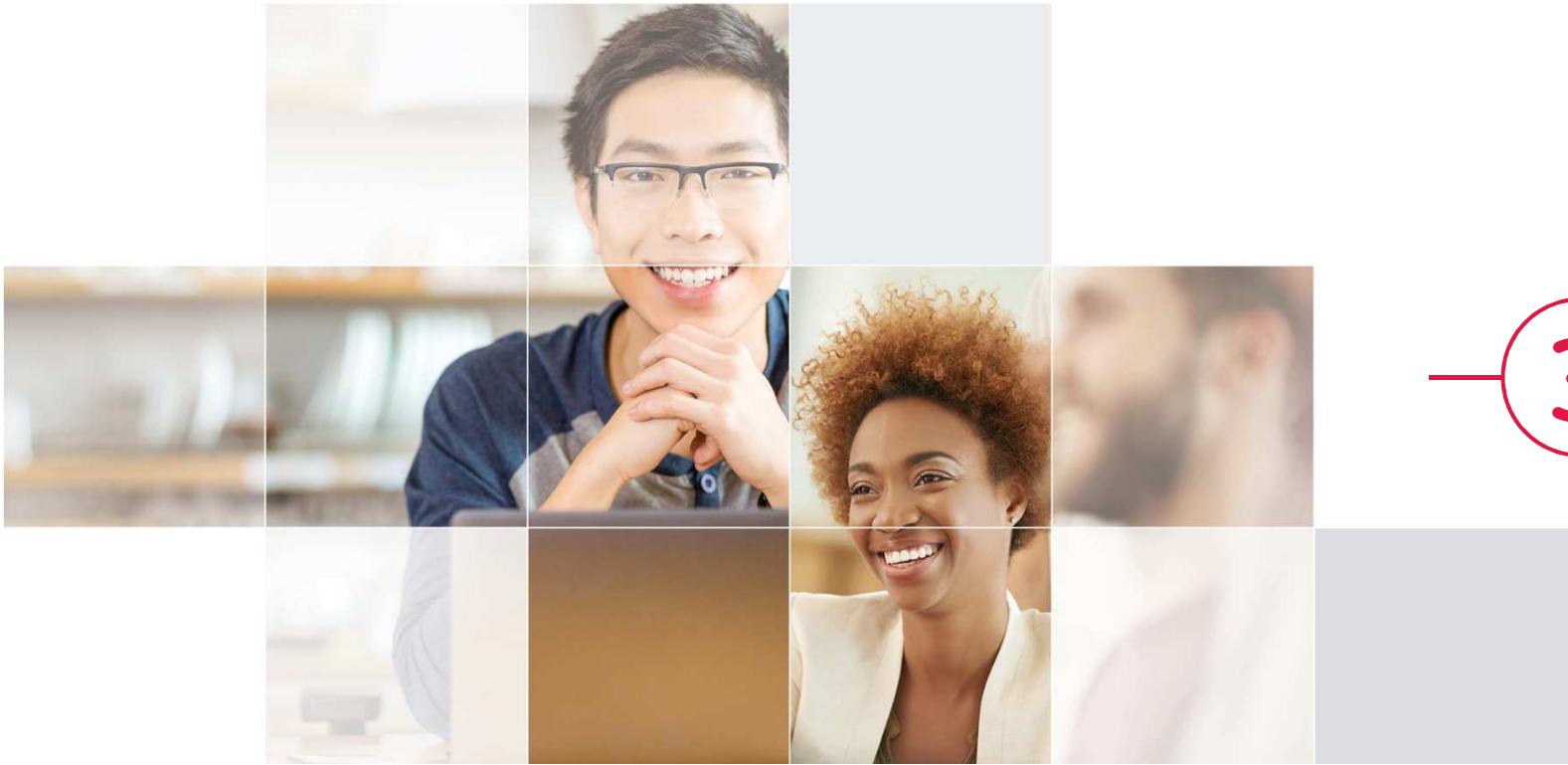
# CASH FLOW STATEMENT

€m

31/12/2017

31/12/2018

Net results including minority interests	83.4	90.8
Restatement of non cash items	1.1	11.6
Cost of financial debt	2.6	2.9
Income tax	31.7	38.8
<b>CASH FLOW BEFORE COST OF NET DEBT AND INCOME TAX</b>	<b>118.8</b>	<b>144.1</b>
Change in working capital	(17.1)	(8.2)
Taxes paid	(33.2)	(39.6)
<b>CASH FLOW FROM OPERATIONS</b>	<b>68.5</b>	<b>96.3</b>
Cash flow from investing activities	(17.9)	(16.1)
Cash flow from financial activities	(24.3)	(73.9)
<b>CHANGE IN CASH</b>	<b>26.3</b>	<b>6.3</b>



# OUTLOOK

2019

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



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



# TEMPORARY STAFFING & RECRUITMENT: CONSOLIDATE OUR POSITION

Temporary staffing  
& recruitment



## FRANCE

- > **CRIT: growth at beginning of the year**
- > Stabilisation of the temp. staffing market at beginning of year
- > **GDP forecast growth: +1.5%** <sup>(1)</sup> in 2019  
Forecast of **+0.4%** in Q1 2019 then in Q2 2019 <sup>(2)</sup> following **+0.3%** in Q3 and Q4 2018

## INTERNATIONAL: a good start to the year

- > **Spain:** forecast GDP growth of **+2.2%** in 2019 <sup>(3)</sup>
- > **USA:** forecast GDP growth of **+2.5%** in 2019 <sup>(4)</sup>

## EXTERNAL GROWTH

- > Following acquisition opportunities in Europe



# AIRPORT SERVICES: EXCELLENT VISIBILITY

Airport services



## FRANCE

## INTERNATIONAL OPERATIONS

### — An excellent start to the year

### Continue growth momentum —

- > Good orientation in airlines traffic (+1.4% in January 2019 at CDG and Orly)
- > Cumulated revenues Jan./Feb. 2019: **+16.1%** (+12.5% organic)
  - Including cargo contracts at Roissy CDG and Paris -Le Bourget general aviation
- > Since 1 January 2019: **2** multi-year contracts at Orly and Nice
- > **1** significant 4-year contract renewed at Roissy CDG

- > **7** contracts signed since 1 January 2019...  
...including **2** new multi-year contracts in the USA in **Boston** with airlines SAS and KLM
- > Positive operating margin expected in Boston after 2 years of operation





## DIVIDEND: €1.00 / SHARE



- > Proposal at the next General Meeting held on **7 June 2019**
- > Dividend of €**1.00**/share
- > Dividend payment on **28 June 2019**

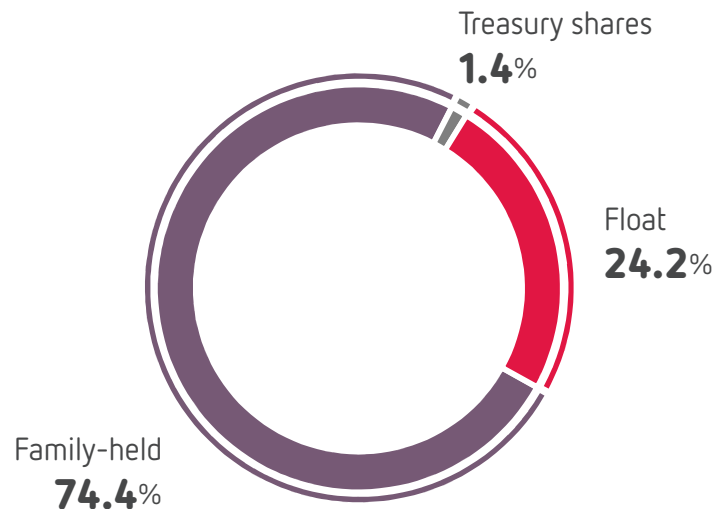




# SHARE CHARACTERISTICS



Shareholder structure  
at 28/02/2019



Share price movements (rolling 12-month)



<b>ISIN code</b>	<b>FR000036675</b>
Market compartment	<b>Euronext B</b>
Number of shares	<b>11,250,000</b>
Average daily trading volume since 1 January 2019	<b>2,819</b>
Share price at 25/03/2019	<b>€55.40</b>
Capitalisation	<b>€623m</b>
Change since 1 January 2019	<b>+4.5%</b>
Change over 3 years	<b>+13.3%</b>



Source: ABC Bourse