



# H1 2019

## RESULTS

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



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

## TWO BUSINESS DIVISIONS

## CRIT GROUP

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

## TEMPORARY STAFFING &amp; 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 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** in France

**Exclusive** licences

**143** airlines

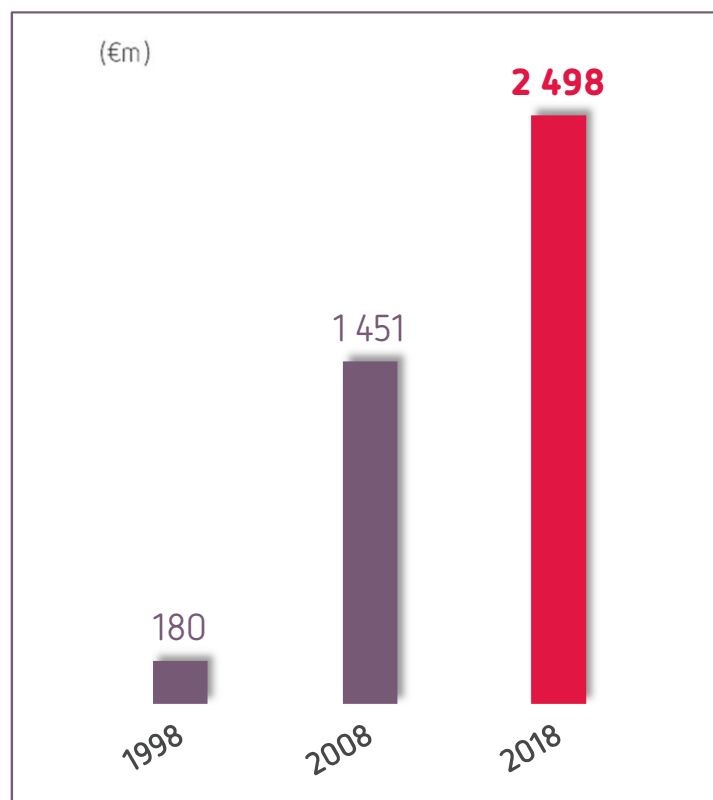
**> 486,000** aircrafts movements



# 20 YEARS OF STRONG GROWTH

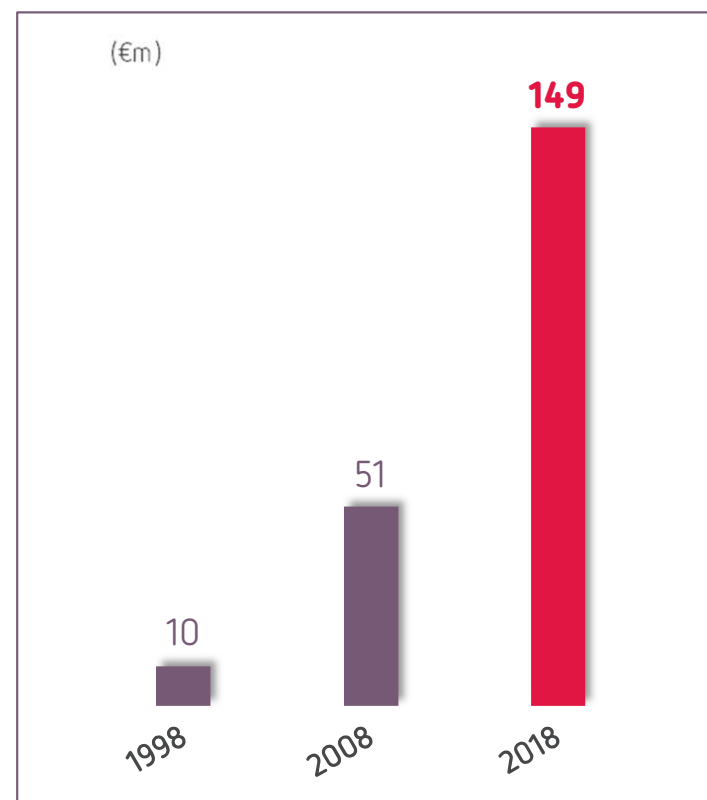
Revenue growth

**+14.1% CAGR**



EBITDA growth

**+14.4% CAGR**





# H1 2019 RESULTS

A high level of activity  
in a more demanding environment

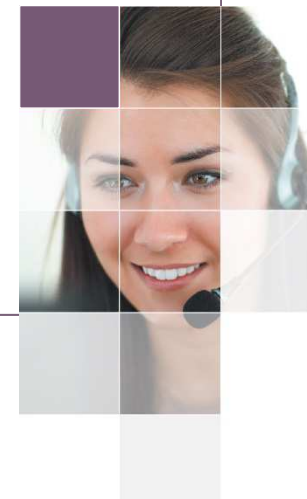
S'engager, grandir, partager, ensemble >



## A HIGH LEVEL OF ACTIVITY IN A MORE DEMANDING ENVIRONMENT

---

- > Revenues: over **€1.2bn** over the period, growth of **1.3%**
- > More than **€78m** in EBITDA
- > EBITDA margin of **6.3%**
- > Net profit of **€32.4 m**
- > **€576m** of equity
- > **€157m** of net cash



*Revenues are presented after application of IFRS 16 unless indicated otherwise*

Temp.staffing  
& recruitment



**TEMP. STAFFING & RECRUITMENT**  
A high level of activity  
in a more demanding environment

S'engager, grandir, partager, ensemble >



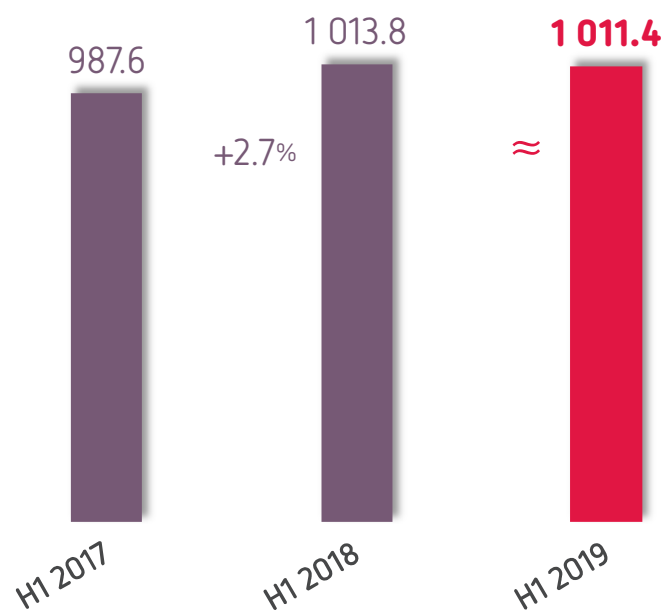
[www.groupe-crit.com](http://www.groupe-crit.com)



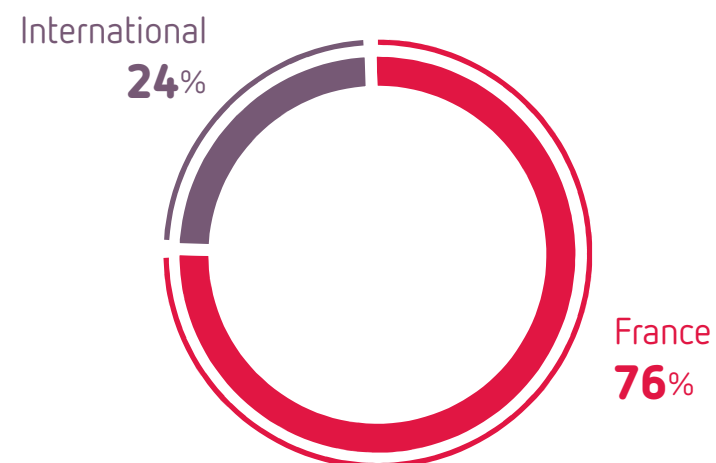
## A HIGH LEVEL OF ACTIVITY

> More than **€1bn** over the period  
**83%** of total revenue

Temp. staffing & recruitment revenue  
(€m)



Geographical breakdown

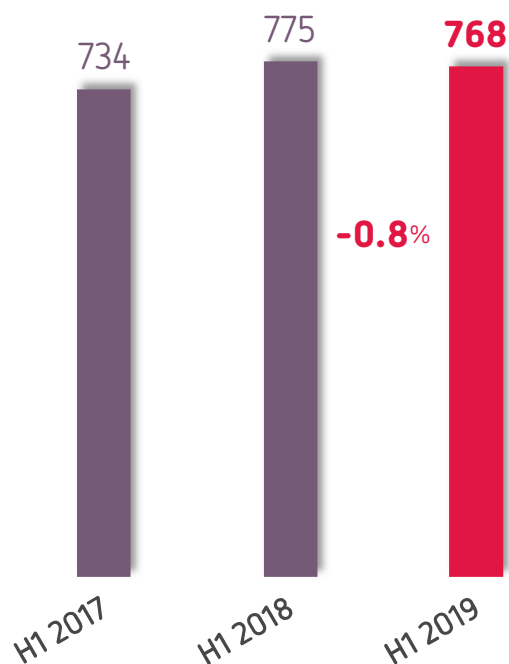




## STRONG RESILIENCE IN FRANCE

> Business level remains high

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



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

**Strong resilience** despite the market slowdown in Q2

Activity **stable** after working day adjustment





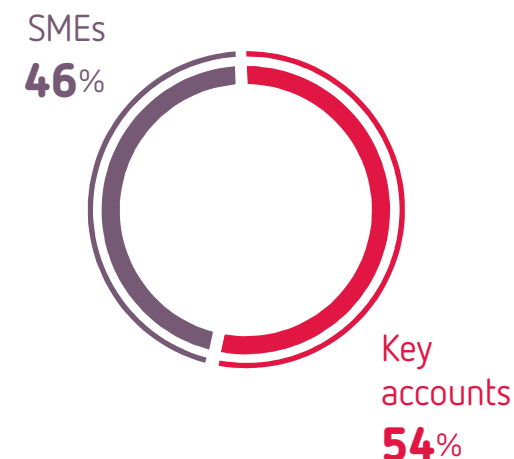
# GROWTH OF 1% EXCLUDING AUTOMOTIVE

## > Growth in the construction and services sectors

H1 2019 revenue growth by sector  
(France)

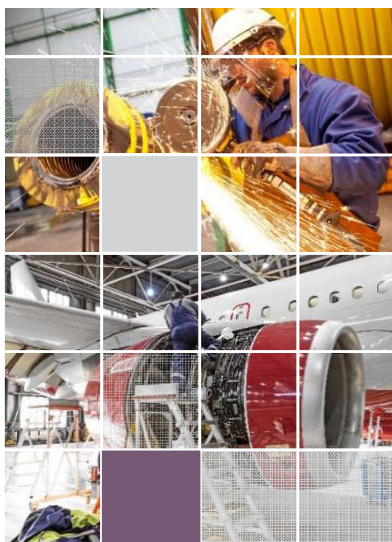
	% of rev. H1 2019	Change H1 2019 vs H1 2018
Industry	47%	-4.0%
<i>Excl. automotive</i>		-0.9%
Building	15%	+5.6%
Services	37%	+0.7%
<b>TOTAL</b>	<b>100%</b>	<b>-0.8%</b>

H1 2019 revenue  
by client segment <sup>(1)</sup>



(1) H1 2018: Key accounts (52%); SME (48%)

## > Industrial activity incorporating the slowdown in the automotive sector



# IN LINE WITH MAIN COMPETITORS' PERFORMANCE

Temp. staffing  
& recruitment



## > Historical outperformance

France	Revenue growth H1 2015	Revenue growth H1 2016	Revenue growth H1 2017	Revenue growth H1 2018	Revenue Growth H1 2019	CAGR H1 2015- H1 2019
CRIT ORGANIC	+12.5%	+15.1%	+10.9%	+5.5%	-0.8%	+8.5%
Adecco	0.0%	+5.0%	+8.0%	+9.0%	-3.0%	+3.9%
Manpower	+4.9%	+3.7%	+10.2%	+5.5%	-0.7%	+4.8%
Randstad <sup>(1)</sup>	+1.9%	+7.9%	+11.0%	+7.0%	-1.0%	+5.3%
Synergie	+2.2%	+11.0%	+12.5%	+6.1%	+4.1% <sup>(2)</sup>	+7.1%

Source: corporate – press release reported figures

Growth at constant exchange rates

(1) Revenue growth per working day

(2) At constant consolidation scope; +7.1% in reported data

# DEVELOPING OUR GROWTH DRIVERS

Temp. staffing  
& recruitment



## Increase of CDIIs (open-ended temp. employment contracts):

- > **2,150** CDI contracts signed by the end of August 2019  
Target of **2,000** CDI contracts exceeded

## Expansion of perm. fees (recruitment activities)

- > Half-year revenues: **+16%**  
2019 annual target confirmed: **+30%** in revenue

## Development of the CRIT INSIDE ("on sites" branches)

- > **+16** "inside" since the start of the year  
2019 annual target confirmed: **+50%** new "inside" vs. 2018

## Ongoing digitisation

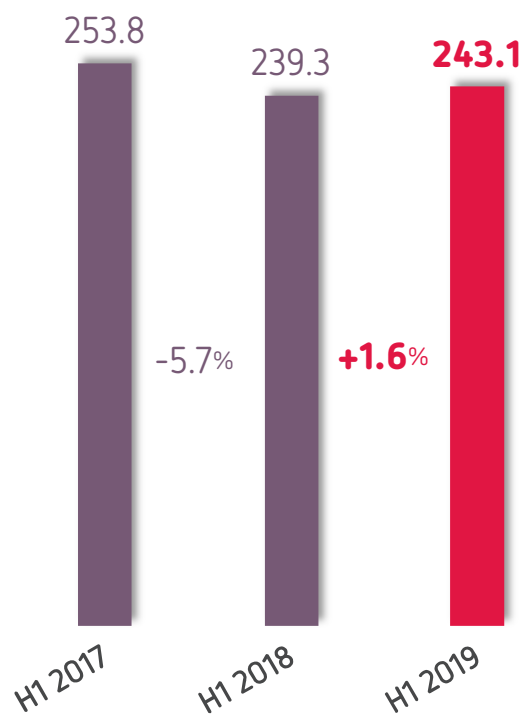
- > **Over 70%** of employment contracts digitised to date  
Target **100%**





## INTERNATIONAL GROWTH: +1.6%

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



**24%** of Temp. staffing division revenue  
On a like-for-like perimeter and constant forex:  
**-2.4%**

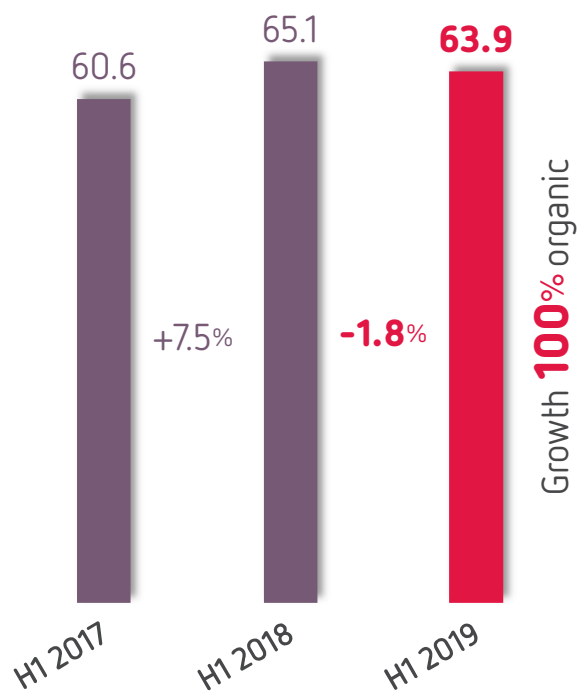
Improvement in EBITDA **margin**





# SPAIN: STABILITY IN A MORE CHALLENGING CONTEXT

First half revenue - Spain  
(€m)



Activity **stable** after working day adjustment despite:

- > An unfavourable basis for comparison  
4 years of strong growth (+14% CAGR 2014/2018)
- > A slowdown in economic growth in H1



**-0.3%**  
after working day adjustment



# UNITED-STATES: CONTINUATION OF A VALUE-BASED STRATEGY

First half revenue - United States  
(US\$m)



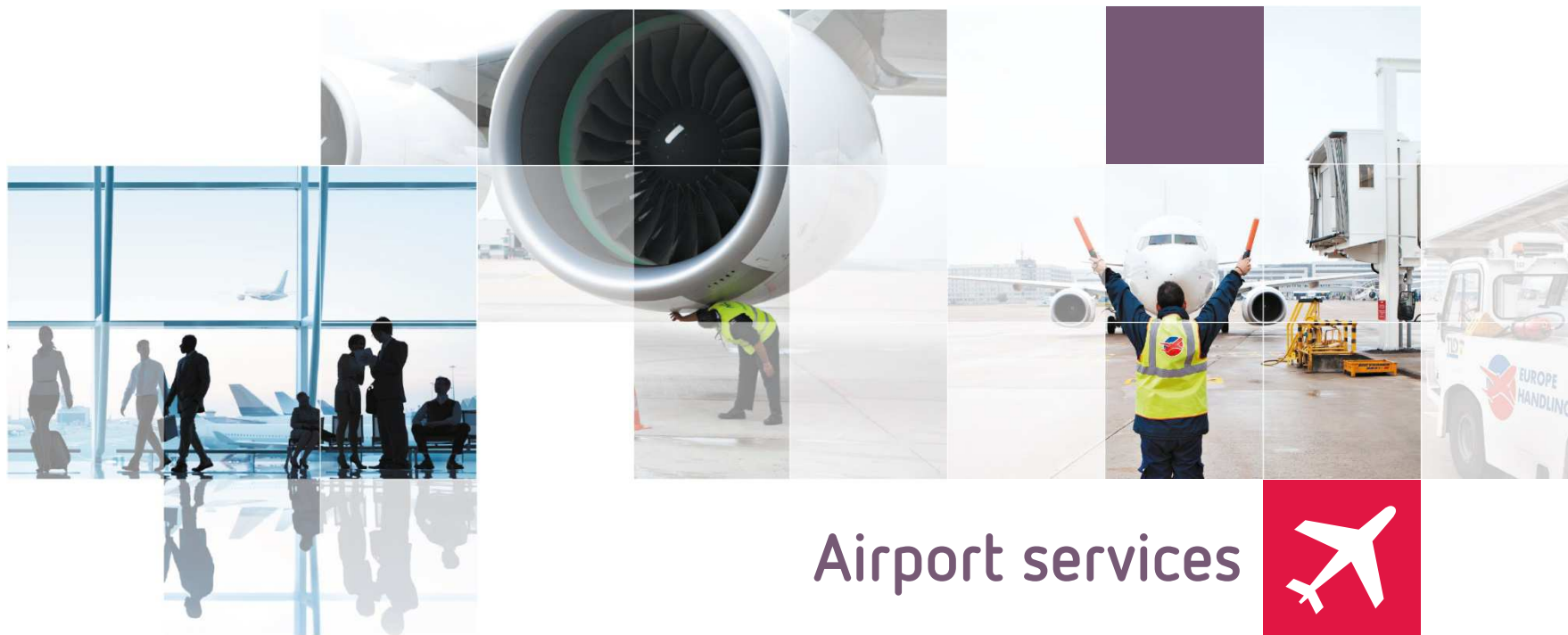
> Positive price effects due to value growth in services

> Sharp improvement in EBITDA margin

- Up **100** bps in H1 2019 <sup>(2)</sup>

Peoplelink  
GROUP





Airport services



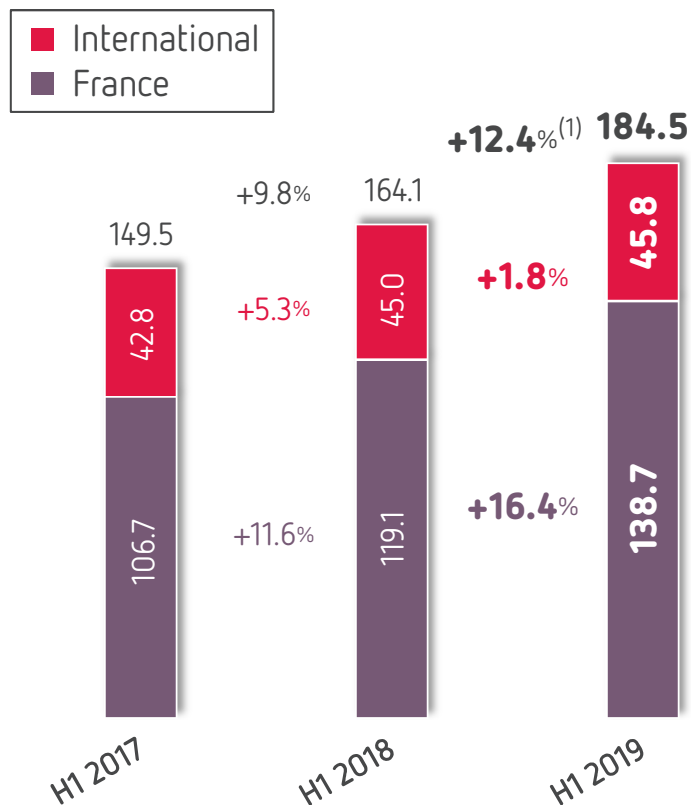
S'engager, grandir, partager, ensemble >



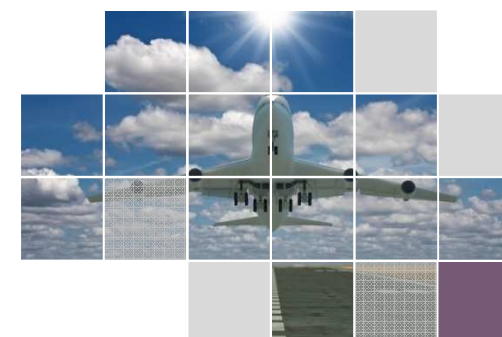
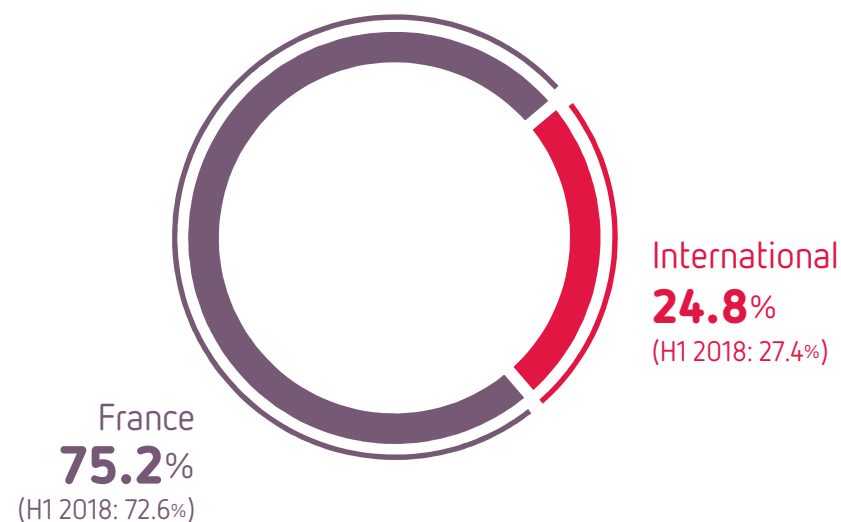


# AIRPORT SERVICES: STRONG GROWTH DRIVEN BY FRANCE

Airport services revenue  
(€m)



Geographical breakdown  
(%)





# LEADERSHIP CONSOLIDATED IN FRANCE, INTERNATIONAL GROWTH

---

Airport services



## FRANCE

- > Revenue up **12.8%** fully organic closed to **€139m**
- > **8** contracts signed since 1 January 2019... including a major contract renewal (sub-contracting) with Air France at CDG 2 (>**20,000** flights/year)
  - New premium contract at **Nice Côte d'Azur**
  - Major growth in **Vueling** activity at CDG (**+60%** of flights)
- > Full benefit of the **Roissy** and **Paris le Bourget Cargo** contracts in H1

## INTERNATIONAL

- > Revenue growth **up 1.7%** to **€45.8m** (up **+0.9%** on a like-for-like perimeter and constant forex)



2



## RESULTS

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

S'engager, grandir, partager, ensemble >



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



# IFRS 16: PRINCIPLES AND IMPACT

---

- > Effective January 1<sup>st</sup> 2019, implemented with 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 asset
- > 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



# ACTIVITY

## Change in half-year revenues (€m)

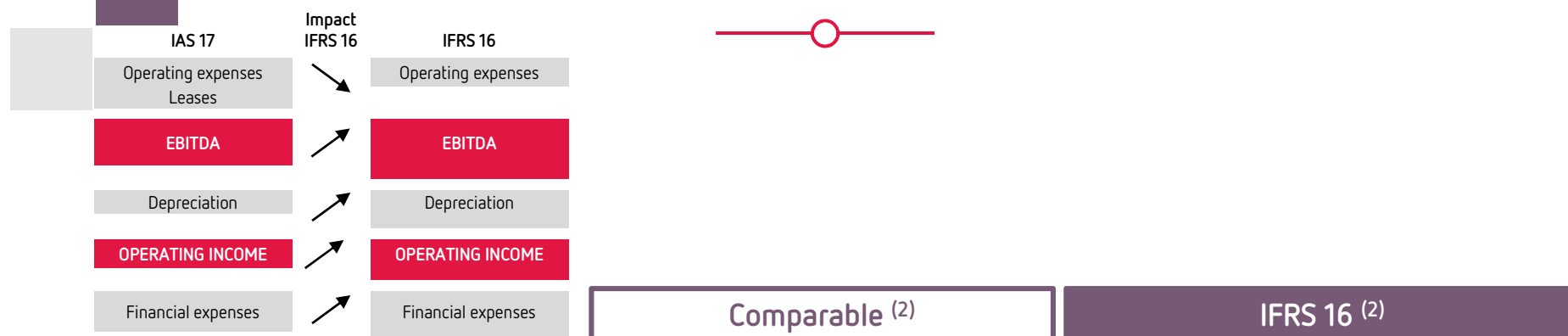
	H1 2018	H1 2019	<i>Change H1 2019/ H1 2018</i>	<i>Organic change</i>	<i>Forex impact (1)</i>	<i>Perimeter impact (2)</i>
Temp. staffing & recruitment	1,013.8	<b>1,011.4</b>	<i>(0.2)%</i>	<i>(1.2)%</i>	<i>1.0%</i>	<i>0.0%</i>
Airport services	164.1	<b>184.5</b>	<i>12.4%</i>	<i>9.5%</i>	<i>0.2%</i>	<i>2.7%</i>
Other services	50.0	<b>49.0</b>	<i>(2.1)%</i>	<i>4.0%</i>	<i>0.0%</i>	<i>(6.1)%</i>
Inter-segment eliminations	(11.3)	<b>(12.4)</b>	<i>9.4%</i>	<i>10.1%</i>	<i>0.0%</i>	<i>(0.7)%</i>
<b>GROUP TOTAL</b>	1,216.7	<b>1,232.5</b>	<i>1.3%</i>	<i>0.4%</i>	<i>0.8%</i>	<i>0.1%</i>

(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



	H1 2018		H1 2019		H1 2019		Impact	
	€m	% of rev.	€m	% of rev.	€m	% of rev.	€m	% of rev.
Temp. staffing & recruitment	47.4	4.7%	51.4	5.1%	55.9	5.5%	4.5	0.4%
- France	36.2	4.7%	38.7	5.0%	41.5	5.4%	2.8	0.4%
- International	11.2	4.7%	12.7	5.2%	14.4	5.9%	1.7	0.7%
Multi-services	17.2	8.0%	18.0	7.7%	22.2	9.5%	4.2	1.8%
- Airport services	14.7	9.0%	14.3	7.8%	18.1	9.8%	3.8	2.0%
- Other	2.5	4.9%	3.7	7.6%	4.1	8.4%	0.4	0.8%
GROUP TOTAL	64.6	5.3%	69.4	5.6%	78.1	6.3%	8.7	0.7%

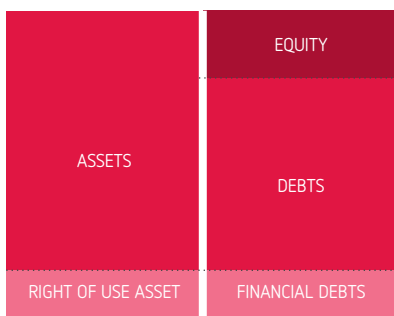
# INCOME STATEMENT

€m	Comparable <sup>(1)</sup>		IFRS 16 <sup>(1)</sup>	
	H1 2018	H1 2019	H1 2019	Impact
<b>REVENUES</b>	1,216.7	<b>1,232.5</b>	<b>1,232.5</b>	-
Operating expenses	(1,148.7)	<b>(1,159.5)</b>	<b>(1,150.8)</b>	<b>8.7</b>
Provisions	(3.4)	<b>(3.6)</b>	<b>(3.6)</b>	-
<b>EBITDA</b>	64.6	<b>69.4</b>	<b>78.1</b>	<b>8.7</b>
<i>EBITDA/Revenue</i>	<i>5.3%</i>	<i>5.6%</i>	<i>6.3%</i>	<i>0.7%</i>
Depreciation	(11.4)	<b>(11.9)</b>	<b>(20.3)</b>	<b>(8.4)</b>
<b>CURRENT OPERATING INCOME</b>	53.2	<b>57.5</b>	<b>57.7</b>	<b>0.3</b>
<i>COI/REVENUE</i>	<i>4.4%</i>	<i>4.7%</i>	<i>4.7%</i>	<i>0.0%</i>
Other income and expenses	(0.1)	<b>0.8</b>	<b>0.8</b>	-
<b>OPERATING INCOME</b>	53.1	<b>58.3</b>	<b>58.6</b>	<b>0.3</b>
Income from equity affiliates	(0.1)	<b>(0.3)</b>	<b>(0.3)</b>	-
Financial result	2.7	<b>(0.1)</b>	<b>(0.6)</b>	<b>(0.5)</b>
<b>EARNINGS BEFORE TAX</b>	55.7	<b>57.9</b>	<b>57.7</b>	<b>(0.2)</b>
Income tax	(15.5)	<b>(25.4)</b>	<b>(25.3)</b>	<b>0.1</b>
<b>NET INCOME</b>	40.2	<b>32.5</b>	<b>32.4</b>	<b>(0.1)</b>
<b>NET INCOME (GROUP SHARE)</b>	40.2	<b>32.6</b>	<b>32.5</b>	<b>(0.1)</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

# BALANCE SHEET

IFRS 16  
Impact



Comparable <sup>(1)</sup>

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

€m	June-18	Dec.-18	June-19	June-19 vs Dec.-18	June-19	Impact
Goodwill	157.9	158.3	<b>158.7</b>	0.4	<b>158.7</b>	-
Competitiveness and Employment Tax Credit CICE	228.6	210.3	<b>206.8</b>	(3.5)	<b>206.8</b>	-
Net fixed assets	151.0	155.3	<b>149.3</b>	(6.0)	<b>222.5</b>	<b>73.2</b>
Working capital	86.2	58.1	<b>82.9</b>	24.8	<b>82.9</b>	-
Provisions	(45.8)	(44.9)	<b>(48.6)</b>	(3.7)	<b>(48.6)</b>	-
Tax payable and deferred tax	11.3	8.0	<b>3.5</b>	(4.5)	<b>3.5</b>	<b>0.0</b>
<b>CAPITAL EMPLOYED</b>	589.2	545.1	<b>552.5</b>	7.4	<b>625.8</b>	<b>73.3</b>
Shareholders' equity	504.7	557.6	<b>575.7</b>	18.1	<b>575.6</b>	<b>(0.1)</b>
Net financial debt	84.5	(12.5)	<b>(23.2)</b>	(10.7)	<b>50.2</b>	<b>73.4</b>
<b>CAPITAL</b>	589.2	545.1	<b>552.5</b>	7.4	<b>625.8</b>	<b>73.3</b>

# WORKING CAPITAL

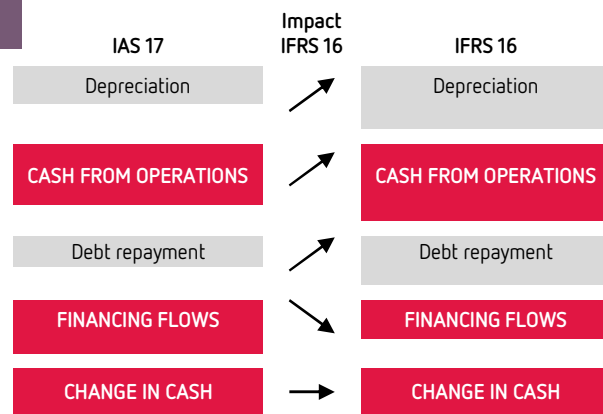
€m	June 2018	Dec. 2018	June 2019	<i>June 2019 vs Dec. 2018</i>
Inventories and work in progress	2.7	2.1	<b>2.1</b>	<i>0.0</i>
Trade receivables	530.8	480.7	<b>522.1</b>	<i>41.4</i>
Trade payables	(47.3)	(45.7)	<b>(44.3)</b>	<i>1.5</i>
Social security and tax liabilities	(407.9)	(383.6)	<b>(395.8)</b>	<i>(12.2)</i>
Other receivables and payables	7.8	4.7	<b>(1.3)</b>	<i>(6.0)</i>
<b>WORKING CAPITAL</b>	86.2	58.1	<b>82.9</b>	<i>24.8</i>

# NET FINANCIAL DEBT



	Comparable <sup>(1)</sup>				IFRS 16 <sup>(1)</sup>	
€m	June-18	Dec.-18	June-19	June-19 vs Dec.-18	June-19	Impact
Gross Financial debt	123.6	104.1	<b>96.7</b>	(7.4)	<b>170.1</b>	<b>73.4</b>
Net cash	(39.1)	(116.6)	<b>(120.0)</b>	(3.4)	<b>(120.0)</b>	-
<b>NET FINANCIAL DEBT</b>	84.5	(12.5)	<b>(23.2)</b>	(10.7)	<b>50.2</b>	<b>73.4</b>
Competitiveness and Employment Tax Credit CICE	(228.6)	(210.3)	<b>(206.8)</b>	3.5	<b>(206.8)</b>	-
<b>NET FINANCIAL DEBT AFTER DEDUCTION OF CICE</b>	(144.1)	(222.8)	<b>(230.0)</b>	(7.2)	<b>(156.7)</b>	<b>73.4</b>

# CASH FLOW STATEMENT



€m	H1 2018	H1 2019	H1 2019	Impact
Net results including minority interests	40.2	32.6	32.4	(0.1)
Restatement of non cash items	(18.5)	15.3	23.7	8.4
Cost of financial debt	1.2	1.7	2.1	0.5
Income tax	15.5	25.4	25.3	(0.0)
CASH FLOW BEFORE NET COST OF DEBT AND INCOME TAX	38.4	74.9	83.5	8.6
Change in working capital	(37.8)	(24.7)	(24.7)	-
Tax paid	(19.1)	(19.9)	(19.9)	-
CASH FLOW FROM OPERATIONS	(18.5)	30.3	38.9	8.6
Cash flow from investing activities	(4.8)	(3.9)	(3.9)	-
Cash flow from financing activities	(47.9)	(23.0)	(31.6)	(8.6)
CHANGE IN CASH	(71.2)	3.4	3.4	0.0



# OUTLOOK

2019

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

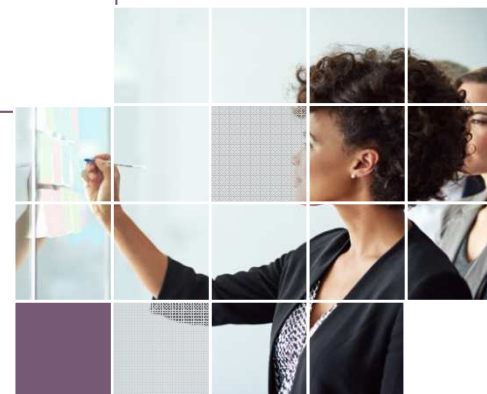


# TEMP. STAFFING & RECRUITMENT: CONTINUED HIGH LEVEL OF ACTIVITY

Staffing  
& recruitment



- > **Activity:** confirmation of H1 trends  
Market slowdown...  
... but sustained high activity levels
- > **Results:** strengthened capacity to  
maintain solid profitability
- > **Following acquisition opportunities in Europe**



# AIRPORT SERVICES: GOOD VISIBILITY

## FRANCE

- > Good orientation in airlines traffic (+1.1% in July 2019 <sup>(1)</sup> at CDG and Orly)
- > Full benefit of the cargo contracts and commercial successes of recent months



## INTERNATIONAL

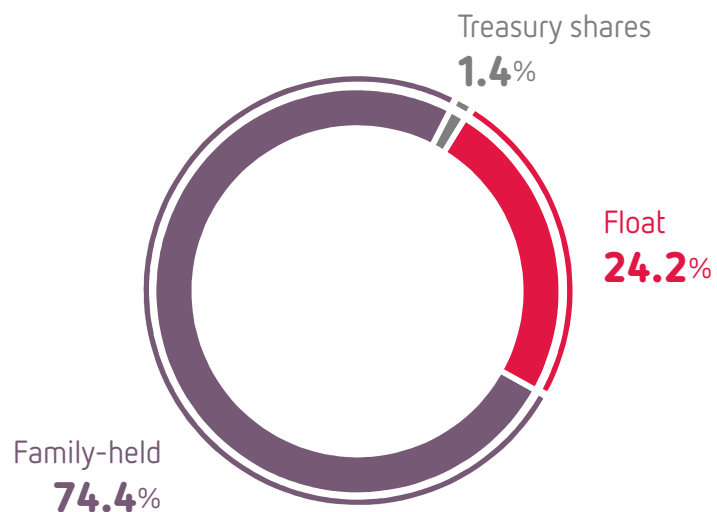
- > Activity expected to continue in line with H1 trends
- > **Brexit:** potential impact of around 10-15% of activity in the UK and Ireland in the event of *no deal*



Strong organic growth expected over the year

# SHARE CHARACTERISTICS

Shareholder structure  
at 30/06/2019



Share price movements (rolling 12-month)



ISIN code	FR0000036675
Market compartment	Euronext B
Number of shares	11,250,000
Average daily trading volume since 1 January 2019	1,999
Share price at 20/09/2019	€68.7
Capitalisation	€683m
Change since 1 January 2019	+14%
Change over 3 years	+8.6%