



H1 2019: solid performance

Sharp rise in EBITDA

Increase in profit before tax

The Board of Directors meeting on 23 September 2019 approved the financial statements for the first half of 2019.

€m	H1 2018	H1 2019 comparable	H1 2019 IFRS 16*	Change
Revenues	1,216.7	1,232.5	1,232.5	+1.3%
EBITDA⁽¹⁾	64.6	69.4	78.1	+20.9%
<i>% of revenues</i>	5.3%	5.6%	6.3%	
Current operating income	53.2	57.5	57.7	+8.6%
Net financial income/(expense)	2.7	(0.1)	(0.6)	NA
Profit before tax	55.7	57.9	57.7	+3.6%
Income tax	(15.5)	(25.4) **	(25.3)	NA
Net profit	40.2	32.5	32.4	-19.4%
Net profit Group share	40.2	32.6	32.5	-19.1%

The audit procedures have been completed and the auditor's report on the financial statements is in the process of being issued.

*IFRS 16 "Leases" is applicable from 1 January 2019. Groupe CRIT elected to apply this standard using the simplified retrospective approach which does not require restatement of the previous financial year.

**The increase in tax expense includes the impact of the abolition of the CICE tax credit.

Groupe CRIT delivered a strong H1 2019 posting revenues of €1,232.5 million, up 1.3% compared to H1 2018.

Staffing & recruitment: high level of activity in a more demanding environment

The staffing & recruitment division (82% of the Group's business) posted stable first half revenues of €1,011.4 million ⁽²⁾.

In France (76% of the division total), H1 revenues amounted to €768.2 million, stable after working day adjustment. The Group performed well despite a less favourable environment.

International operations H1 revenues amounted to €243.1 million, up 1.6% including a positive exchange rate impact. Revenues were down 2.4% at constant consolidation scope and exchange rates.

Multi-services: strong growth

The multi-services division achieved a very good first half with revenues of €233.5 million, up 9.0% (up 8.2% like-for-like at constant consolidation scope and exchange rates).

Airport services, which account for three-quarters of the division's business, posted revenues up 12.4% to €184.5 million (up 9.5% like-for-like). Business was driven by France, which posted solid growth of 16.4% including 12.8% organic growth.

Sharp rise in EBITDA

EBITDA for H1 amounted to €78.1 million, up 20.9% compared to H1 2018. The EBITDA margin as a percentage of revenues was 6.3% for the period compared to 5.3% in H1 2018. These favourable trends include the positive impact of the application of IFRS 16. Excluding the application of this standard and despite the impact of the abolition of the CICE tax credit, the EBITDA margin was 5.6%, an improvement of 30 basis points.

The staffing & recruitment division posted EBITDA of €55.9 million, up 17.9%. Both France and international operations contributed to this excellent performance.

The multi-services division posted EBITDA of €22.2 million, up 28.8%, giving an EBITDA margin of 9.5% compared to 8% in the first half of 2018.

Current operating income was up 8.6% to €57.7 million.

Net profit Group share amounted to €32.5 million, including a €9 million additional tax expense related to the abolition of the CICE tax credit. As a result, the tax rate rose from 27.7% in H1 2018 to 43.6% in H1 2019.

A solid financial structure

At 30 June 2019, having generated cash flow of €83.5 million, more than double the previous year figure, with equity of €576 million and net cash of €157 million (after inclusion of liabilities totalling €73 million related to IFRS 16), the Group is in a strong financial position to continue its development in France and abroad.

2019: confidence confirmed

Groupe CRIT enters the second half of the year with confidence.

In France, the market trends observed in the first half of the year look set to continue. In this environment, the Group expects to continue to record high levels of business.

The Group also remains on the lookout for potential acquisitions to expand its footprint in Europe.

With regard to performance, the Group expects to continue the upward trend in profit margins.

Detailed analysis of foreign exchange and consolidation scope impacts

	Revenues €m		Change 2019 vs. 2018	Organic change	Forex impact ⁽³⁾	Change in conso. scope ⁽⁴⁾
	H1 2019	H1 2018				
Staffing & recruitment	1,011.4	1,013.8	-0.2%	-1.2%	+1%	0.0%
Multi-services	233.5	214.2	+9.0%	+8.2%	+0.2%	+0.6%
Inter-segment eliminations	(12.4)	(11.3)	+9.4%	+10.1%		-0.7%
GROUP TOTAL	1,232.5	1,216.7	+1.3%	+0.4%	+0.8%	+0.1%

⁽¹⁾ Current operating income before depreciation and amortisation

⁽²⁾ Excluding inter-segment eliminations

⁽³⁾ The exchange rate impact is calculated by applying the previous year's exchange rates to current-year revenue denominated in foreign currencies.

⁽⁴⁾ Changes in consolidation scope are calculated by restating revenues for:

- the contribution of entities acquired during the current year and the contribution of entities acquired the previous year until the anniversary date of their acquisition,
- for entities sold during the current year, the contribution to revenues during the months of the previous year for which the entities are no longer consolidated in the current year and, for entities sold the previous year, the contribution to revenues of the previous year until the date of their sale.

Next release:

2019 Q3 revenues: 23 October after close of trading

Groupe CRIT is a leading company in staffing and airport assistance in France and abroad. The Group is listed on Euronext Paris (Compartment B FR0000036675) and is included in the CAC All-tradable, CAC All-shares, CAC Mid&Small, Euronext Family Business and Gaïa indices.

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