Press release

2018 half-year results driven by the successful integration of acquisitions

Solid organic growth
EBITDA margin improvement in all geographies
Doubling of headline net result
Good progress in the integration of Berendsen

Very solid financial performance

- Organic growth of +2.7% in H1, in line with full-year target
- Group EBITDA margin pro forma improving by +125bps at 30.6%, and progress in all geographies including Scandinavia (+190bps), UK & Ireland (+115bps) and in Latin America (+280bps)
- Satisfactory performance in France: Organic growth of c. +2% and +10bps improvement in margin despite the negative impact of CICE tax
- Headline net result doubled to €97.0mn and headline free cash-flow at €66.3mn

Berendsen integration is progressing very well

- UK: Further headcount adjustments, improvement in operational KPIs and in profitability
- Scandinavia: Very significant central costs savings and conclusive first tests of Elis' multi-service model
- Germany: Reorganization of logistics network underway and commercial initiatives in the Healthcare segment

Further external growth and rationalization of services portfolio

- 2 new acquisitions in Germany in H1 2018
- Entry in the Flat linen market in Belgium
- Launch of a sale process for the Clinical Solutions business, identified as non-core (€34mn revenue in H1)

2018 outlook confirmed

- Group organic growth of between +2.5% and +3.0%
- Group EBITDA margin at c. 31.5%; improvement in all geographies
- Capex of c. 20% of revenue
- Adjusted net debt to EBITDA ratio expected at between 3.1x and 3.2x at the end of December 2018

Elis SA
Head Office: 5 Boulevard Louis Loucheur, 92210 Saint-Cloud – France – Phone: +33 (0) 1 75 49 94 00
www.corporate-elis.com
Joint-stock corporation governed by an Executive Board and a Supervisory Board
Registered capital of 219,872,942 euros – RCS: 499 668 440 Nanterre

Saint-Cloud, July 25, 2018 – Elis, an international multi-service provider, offering textile, hygiene and facility services solutions that is present in Europe and Latin America, today announces its results for the 6 months ended 30 June 2018. The accounts have been approved by the Management Board and examined by the Supervisory Board on July 25, 2018. They have been subject to a limited review by the company's auditors.

Commenting on the results, **Xavier Martiré, CEO of Elis**, said:

« Elis delivered solid 2018 half-year results, notably driven by the acquisition of Berendsen. Organic growth was dynamic. On a pro-forma basis, Group margin increased by 125bps at 30.6% with profitability improvement in all geographies, notably in the Berendsen scope. Headline net result doubled compared to H1 2017 to 97 million euros.

The Group continues to successfully implement its strategy in all geographies. In France, organic growth was nearly 2% and margin improved slightly. Latin America continued to deliver very good results with double-digit organic growth in the first-half and +280bps margin improvement. This was driven by Brazil, where the Lavebras integration is progressing very well. In Southern Europe, activity slowed in Hospitality in Spain, but organic growth in the region remains well-oriented and margin also improved.

Operational progress in the integration of Berendsen is also remarkable: In the UK, headcount adjustments and the first industrial measures that were implemented have already started to generate very significant productivity gains. Margin in the region improved by 115bps, despite marked inflation of certain costs. In Scandinavia, central cost rationalization led to a strong margin increase and the initial tests of Elis' multi-service model are very promising. In Central Europe, savings have also been achieved and logistics optimizations are currently being mapped out in Germany. Margin in the region is already slightly progressing.

Elis continued its consolidation strategy in its existing geographies with new value-creating acquisitions in Germany and in Belgium, and the acceleration of Elis' international development over the last years has largely diversified our geographical exposure: France now represents one-third of Group revenue compared to 70% three years ago.

On the back of these very good first-half results, we confirm our full-year targets: We anticipate Group organic revenue growth to be between +2.5% and +3.0%. Furthermore, we confirm our EBITDA margin target of c. 31.5%, with margin improvement in all geographies.

We are convinced that Elis is now ideally positioned to create strategic and financial value, as well as to seize additional growth opportunities. »

Revenues

In the 2018 half-year, the Group triggered the sale process for its Clinical Solutions activity (operating only in the United Kingdom) and anticipates that the sale will occur in the next 12 months. Consequently, the figures presented in the present press release exclude the Clinical Solutions activity (revenues of 33.7 million in the first half of 2018).

Reported revenue

(EUR million)	2018			2017			Var.		
	Q1	**Q2**	**H1**	**Q1**	**Q2**	**H1**	**Q1**	**Q2**	**H1**
France	242.1	263.8	505.9	237.0	257.6	494.6	+2.2%	+2.4%	+2.3%
Central Europe	160.8	167.9	328.7	64.3	66.2	130.4	+150.3%	+153.7%	+152.0%
Scandinavia & East. Europe	121.3	119.5	240.8	-	-	-	n/a	n/a	n/a
United Kingdom and Ireland	94.8	101.7	196.6	-	-	-	n/a	n/a	n/a
Southern Europe	57.8	69.2	126.9	55.5	68.3	123.8	+4.0%	+1.2%	+2.5%
Latin America	63.5	62.0	125.5	38.8	48.7	87.5	+63.4%	+27.4%	+43.4%
Others	4.7	4.9	9.6	5.0	4.4	9.4	-7.3%	+12.7%	+2.0%
Total	**744.8**	**789.0**	**1,533.9**	**400.6**	**445.2**	**845.8**	**+86,0%**	**+77.2%**	**+81.4%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

Reported organic revenue growth

(EUR million)	Q1 organic growth	Q2 organic growth	H1 organic growth
France	+1.4%	+2.4%	+1.9%
Central Europe	-0.3%	-1.9%	-1.1%
Scandinavia & East. Europe	n/a	n/a	n/a
United Kingdom and Ireland	n/a	n/a	n/a
Southern Europe	+4.0%	+1.2%	+2.5%
Latin America	+18.8%	+9.3%	+13.5%
Others	-9.7%	+0.6%	-5.4%
Total	**+3.1%**	**+2.3%**	**+2.7%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

Revenue pro forma for the acquisition of Berendsen

(EUR million)		2018			2017			Var.	
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
France	242.1	263.8	505.9	237.0	257.6	494.6	+2.2%	+2.4%	+2.3%
Central Europe	160.8	167.9	328.7	159.6	160.3	320.0	+0.7%	+4.5%	+2.6%
Scandinavia & East. Europe	121.3	119.5	240.8	122.0	118.4	240.4	-0.6%	+0.9%	+0.1%
United Kingdom & Ireland	94.8	101.7	196.6	99.6	104.7	204.3	-5.0%	-2.9%	-3.9%
Southern Europe	57.8	69.2	126.9	55.5	68.3	123.8	+4.0%	+1.2%	+2.5%
Latin America	63.5	62.0	125.5	38.8	48.7	87.5	+63.4%	+27.4%	+43.4%
Others	4.7	4.9	9.6	5.1	4.8	9.9	-9.5%	+1.5%	-4.1%
Total	**744.8**	**789.0**	**1,533.9**	**717.6**	**762.8**	**1,480.5**	**+3.8%**	**+3.3%**	**+3.6%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

Organic revenue growth pro forma for the acquisition of Berendsen

(EUR million)	Q1 organic growth	Q2 organic growth	H1 organic growth
France	+1.4%	+2.4%	+1.9%
Central Europe	+1.1%	+0.8%	+0.9%
Scandinavia & East. Europe	+2.5%	+4.1%	+3.3%
United Kingdom and Ireland	-2.8%	-1.2%	-2.0%
Southern Europe	+4.0%	+1.2%	+2.5%
Latin America	+18.8%	+9.3%	+13.5%
Others	-9.5%	+0.6%	-5.1%
Total	**+2.1%**	**+2.1%**	**+2.1%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

EBITDA (pro forma for the acquisition of Berendsen)

(EUR million)	H1 2018	H1 2017	Variation
France	**171.1**	**166.9**	**+2.5%**
As a % of revenues	*33.8%*	*33.7%*	*+10bps*
Central Europe	**98.7**	**95.1**	**+3.9%**
As a % of revenues	*29.9%*	*29.5%*	*+35bps*
Scandinavia & East. Europe	**87.6**	**82.9**	**+5.7%**
As a % of revenues	*36.4%*	*34.5%*	*+190bps*
United Kingdom & Ireland	**52.9**	**52.8**	**+0.3%**
As a % of revenues	*26.8%*	*25.7%*	*+115bps*
Southern Europe	**32.5**	**30.7**	**+5.9%**
As a % of revenues	*25.6%*	*24.8%*	*+80bps*
Latin America	**32.2**	**20.0**	**+61.1%**
As a % of revenues	*25.6%*	*22.8%*	*+280bps*
Others	**(6.0)**	**(13.3)**	**-55.0%**
Total	**469.1**	**435.0**	**+7.8%**
As a % of revenues	*30.6%*	*29.4%*	*+125bps*

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

France

In the first half, revenue growth was +2.3% in France, with organic growth of +1.9%. We observed a sequential improvement of organic growth for the third consecutive quarter, driven by Hospitality and Trade & Services. Industry also improved sequentially in the half-year. Healthcare was down following the non-renewal of a few contracts. The strikes in France in April and May did not have material impacts on our activity.

H1 EBITDA margin increased by +10bps to 33.8% despite the negative impact of the CICE tax (c. -30bps). This reflects the stabilization of the competitive landscape and continuous productivity gains in our plants.

Central Europe

In the first half in Central Europe, pro forma organic growth was +0.9%. On the Elis scope, organic growth decreased by -1.1%. This decrease was entirely due to the challenging comparable base related to exceptional sales of garments in Belgium in 2017. In Germany, the Flat Linen market remained challenging due to the fragmented market landscape and the relatively low level of prices. Workwear activity was well-oriented. Countries such as the Netherlands, Poland, Czech Republic, Slovakia and Hungary post excellent momentum.

EBITDA margin was 29.9%, increasing by +35bps during the first half. This enhancement stems from savings made on structure costs and initial encouraging results from the gradual implementation of Elis' multi-service model, especially in the Netherlands.

Scandinavia & Eastern Europe

In the first half, commercial momentum was very good in the region. Organic revenue growth pro forma was +3.3%.

The region's EBITDA margin reached 36.4% in H1, increasing by +190bps. This expansion reflects mainly the savings made on central costs (inherited from Berendsen) that used to be largely borne by this region.

United Kingdom & Ireland

In the first half, organic growth was down -2.0% pro forma. Nevertheless, the trend improved over the past three quarters. In the United Kingdom, specific attention was paid to client retention, allowing to limit contract losses and leading to the signing of new contracts as well. Moreover, the English market is solid, with satisfactory average prices and a healthy competitive landscape. At this stage, we have not identified any slowdown related to Brexit: Our exposure to Healthcare and Hospitality (totalling 70% of revenue in United Kingdom) provides strong resilience to our business.

H1 EBITDA margin was 26.8%, increasing by +115bps. This good performance reflects the positive effects of the first adjustments that were made at plant level, as well as savings on overhead costs. This is especially remarkable as the country is facing inflation in specific costs such as wages (minimum wage increase of +4.4% in April 2018 after an increase of +6.6% in 2017) and energy. Moreover, the savings on Berendsen's central costs had a very limited impact on the region's margin as these costs were mainly borne by Scandinavia.

Southern Europe

In the first half, revenue growth was entirely organic for +2.5%. The slowdown observed in Spain at the beginning of the year was confirmed: Hospitality was less dynamic and price increases remain moderate.

The region's EBITDA margin improved by +80bps in H1, to 25.6%. This reflects productivity gains in the region and the success of the integration of Indusal in Spain, with synergies in line with our target schedule.

Latin America

In the first half, organic revenue growth was +13.5%. The environment remained favourable for Group activity, both in pricing dynamics and commercial development. Moreover, the truckers' strike had only a slight impact on our activity during the second quarter. The foreign exchange impact was -16.1% for the first half.

H1 EBITDA margin increased by +280bps at 25.6%. This rise reflects the success of Lavebras' integration and productivity gains in the region.

From EBITDA to net result

(EUR million)	H1 2018	H1 2017	Variation
EBITDA	**469.1**	**244.1**	**+92.2%**
As a % of revenues	*30.6%*	*28.9%*	*+170bps*
EBIT	**192.9**	**102.3**	**+88.5%**
As a % of revenues	*12.6%*	*12.1%*	+50bps
Current operating income	**182.5**	**96.5**	**+89.1%**
Amortization of customer relationships	(30.9)	(24.3)	
Other operating income and expenses (non current)	(41.6)	(11.0)	
Operating income	**110.0**	**61.2**	**+79.8%**
Financial result	(58.2)	(26.9)	
Income tax expense	(23.4)	(15.2)	
Net result	**28.4**	**19.1**	**+48.4%**
Consolidated net result	**27.5**	**19.1**	**+43.7%**
Healdine net result*	**97.0**	**49.2**	**+97.3%**

Percentage change calculations are based on actual figures.
*A reconciliation of net result and headline net result is provided in the section "From net result to headline net result" below.

EBIT

As a percentage of revenues, EBIT was up +50bps in the first-half.

Operating income

The main items between EBIT and operating income are as follows:

- The expenses related to free shares plans correspond to the requirements of the IFRS 2 accounting standard.
- The amortization of customer relationships is partly related to assets recognized in 2007, for which amortization will be completed by October 2018 and assets recognized in 2018 related to the acquisition of Lavebras.
- Non-current operating expenses are mainly (i) Berendsen restructuring costs for c. €12mn, (ii) other restructuring costs for c. €4mn and (iii) the non-accrued portion of earn-outs regarding previous acquisitions for c. €21mn.

Financial result

The financial result decreased by -€31.3mn compared to H1 2017. This decrease was mainly driven by the issuing costs of bonds issued by Elis (OCEANE for €11mn and EMTN for €8mn) and the variance of fair value of derivatives and other financial income for €5mn. The Group's average cost of debt is now slightly above 2% and c. 81% of the debt is at fixed rate or hedged.

Net result

Net result reached €28.4mn in the first half. The increase compared to first half 2017 is mainly due to the consolidation of Berendsen and Lavebras since September 2017 and June 2017 respectively.

From net result to headline net result

(EUR million)	H1 2018	H1 2017
Net result	**28.4**	**19.1**
Amortization of customer relationships (net of tax effect)	21.1	16.8
- IFRS 2 expense (net of tax effect)	8.4	4.7
- Accelerated amortization of issuing costs of bridge loan	2.6	-
- Non-current operating income and expenses	36.5	8.5
of which restructuring costs related to Berendsen acquisition (net of tax effect)	*8.6*	*-*
of which other costs of restructuring (net of tax effect)	*3.3*	*3.8*
of which costs of transactions (net of tax effect)	*22.5*	*2.3*
of which others (net of tax effect)	*2.1*	*2.4*
Headline net result	**97.0**	**49.2**

The headline net result reached €97.0mn in the first half, almost doubling compared to the first half 2017.

Cash-flow statement

(EUR million)	H1 2018	H1 2017 pro forma	Change
Gross cash-flow	**467.4**	**420.7**	**+46.7**
Change in operating working capital	(46.1)	(44.2)	
Capex (net)	(295.8)	(334.8)	
Cost of net indebtedness	(33.1)	(37.5)	
Income tax paid	(26.1)	(51.5)	
Headline free cash-flow	**66.3**	**(47.4)**	**+113.7**
Dividend paid	(81.0)	(96.8)	
Acquisitions of subsidiaries (net) and transaction costs	(86.8)	(396.4)	
Equity increase	9.4	313.4	
Other items	(36.7)	(36.2)	
Change in net debt	**(128.8)**	**(263.4)**	**+134.6**

Change in operating working capital requirement

In the first half, the change in operating working capital requirement was €(46.1)mn (compared to €(44.2)mn in first half 2017 pro forma). As the last business day in June was a Saturday, cash-ins were impacted in countries in which clients largely pay at the end of the month. That is notably the case in France, Sweden, Spain and Denmark. In these four countries, €32mn were cashed-in on Monday, July 2, 2018.

Capex

In the first half, the Group's capital expenditures (excluding acquisitions of subsidiaries) represent 19.3% of revenues. The Group confirms its Capex guidance for full-year 2018 of c. 20% of revenues.

Headline free cash-flow

Headline free cash-flow reached €66.3mn, increasing by +€113.7mn compared to last year pro forma. This improvement is due to stronger cash generation from operations, lower investments and lower income tax paid compared to first half 2017.

Payment for the 2017 financial year

The Annual General Meeting held on May 18, 2018 approved the cash payment of €0.37 per share for the 2017 financial year. This payment was made on May 31, 2018 for a total amount of €81.0mn.

Acquisitions of subsidiaries and transaction costs

Acquisitions of subsidiaries and transaction costs mainly include (i) the price paid for acquisitions closed in the first-half and (ii) some earn-outs regarding previous acquisitions (c. €26mn)

Other items

Other items mainly include restructuring costs (c. €22mn) and refinancing costs (c. €9mn)

Net financial debt

The Group's net financial debt at June 30, 2018 stood at €3,415.4mn compared to €3,286.6mn at December 31, 2017. Leverage (Adjusted net debt / Pro forma EBITDA for acquisitions closed over the last 12 months and after synergies) amounted to 3.4 times. The group aims for leverage of between 3.1 times and 3.2 times as of December 31, 2018.

Financial definitions

- The pro forma figures considered the hypothesis that Berendsen was integrated 1st January 2018 to capture the full year impact of figures.
- Organic growth in the Group's revenue is calculated excluding (i) the impacts of changes in the scope of consolidation of "major acquisitions" and "major disposals" (as defined in the Document de Base) in each of the periods under comparison, as well as (ii) the impact of exchange rate fluctuations.
- EBITDA is defined as EBIT before depreciation and amortization net of the portion of grants transferred to income.
- EBITDA margin is defined as EBITDA divided by revenues.
- EBIT is defined as net income (or net loss) before financial expense, income tax, share in income of equity-accounted companies, amortization of customer relationships, goodwill impairment, other operating income and expenses, miscellaneous financial items (bank fees recognized in operating income) and expenses related to IFRS 2 (share-based payments).
- Headline free cash-flow is defined as cash EBITDA minus non- cash-items items and after (i) change in working capital (restated of exceptional items), (ii) linen purchases and (iii) manufacturing capital expenditures, net of proceeds, minus tax paid and minus financial interests' payments.
- The concept of Adjusted net financial debt used by the Group consists of the sum of non-current financial liabilities, current financial liabilities and cash and cash equivalents adjusted by capitalized debt arrangement costs, the impact of applying the effective interest rate method, and the loan from employee profit-sharing fund.

Geographical breakdown

- France
- Central Europe: Germany, Netherlands, Switzerland, Poland, Belgium, Austria, Czech Republic, Hungary, Slovakia, Luxemburg
- Scandinavia & Eastern Europe: Sweden, Denmark, Norway, Finland, Latvia, Estonia, Lithuania, Russia
- United Kingdom & Ireland
- Southern Europe: Spain & Andorra, Portugal, Italy
- Latin America: Brazil, Chile, Colombia

	Elis	**Berendsen**
France	**yes**	
Central Europe	yes	yes
Germany	yes	yes
Netherlands		yes
Switzerland	yes	
Poland		yes
Belgium	yes	yes
Austria		yes
Czech Republic	yes	yes
Hungary	yes	
Slovakia		yes
Luxemburg	yes	
Scandinavia & Eastern Europe		yes
Sweden		yes
Denmark		yes
Norway		yes
Finland		yes
Estonia		yes
Latvia		yes
Lithuania		yes
Russia		yes
UK & Ireland		yes
UK		yes
Ireland		yes
Southern Europe	yes	
Spain & Andorra	yes	
Portugal	yes	
Italy	yes	
Latin America	yes	
Brazil	yes	
Chile	yes	
Colombia	yes	
Manufacturing entities		
France	yes	
UK	yes	

Investor and analyst conference call/Webcast in English

Speakers:

Xavier Martiré, CEO
Louis Guyot, CFO

Date:

Wednesday, July 25th, 2018
6:00pm CET

Presentation

A presentation will be available online at 5:45pm (CET) on the corporate Elis Website:
http://www.corporate-elis.com/en/investor-relations

Webcast link (live and replay):

https://edge.media-server.com/m6/p/6hj8zpqx
Webcast replay will be available for 1 year following the event.

Dial-in numbers:

From France: +33 (0)1 76 77 22 57
From United Kingdom: +44 (0)330 336 9411
From the US: +1 323-794-2094
Code: 7079317

Replay numbers:

From France: +33 (0) 1 70 48 00 94
From United Kingdom: +44 (0) 207 660 0134
From the US: +1 719-457-0820
Code for the replay: 7079317

Audio replay will be available for 1 week following the event.

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Next information

Q3 2018 revenues: October 25, 2018 (before market)

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Appendices

Consolidated income statement for the period

In millions of euros	H1 2018	H1 2017
Revenue	1,533.9	845.8
Cost of linen, equipment and other consumables	(255.7)	(136.5)
Processing costs	(573.4)	(334.5)
Distribution costs	(254.6)	(135.0)
Gross margin	450.3	239.7
Selling, general and administrative expenses	(264.5)	(141.4)
Impairment loss on trade and other receivables	(3.3)	(1.7)
Operating income before other income and expense and amortization of customer relationships	182.5	96.5
Amortization of customer relationships	(30.9)	(24.3)
Goodwill impairment	-	-
Other income and expense	(41.6)	(11.0)
Operating income	110.0	61.2
Net financial expense	(58.2)	(26.9)
Income (loss) before tax	51.8	34.3
Income tax benefit (expense)	(23.4)	(15.2)
Share of net income of equity-accounted companies	-	-
Net income (loss) from continuing operations	28.4	19.1
Profit (loss) from discontinued operation, net of tax	(0.9)	-
Net income (loss)	27.5	19.1
Attributable to:		
owners of the parent	27.7	18.7
non-controlling interests	(0.2)	0.4
Earnings (loss) per share (EPS):		
basic, attributable to owners of the parent	€0.13	€0.14
diluted, attributable to owners of the parent	€0.13	€0.14

Consolidated balance sheet

Assets

In millions of euros	June 30th 2018	December 31st 2017
Goodwill	4,225.5	4,268.1
Intangible assets	387.2	423.7
Property, plant and equipment	1,779.6	1,771.8
Other investments	0.2	0.1
Other non-current assets	51.6	24.5
Deferred tax assets	44.2	49.5
Employee benefit assets	39.0	16.4
TOTAL NON-CURRENT ASSETS	6,527.3	6,554.0
Inventories	122.4	126.4
Contract assets	38.3	-
Trade and other receivables	678.4	705.5
Current tax assets	14.1	18.1
Other assets	29.5	30.4
Cash and cash equivalents	382.7	416.4
Assets held for sale	79.7	1.0
TOTAL CURRENT ASSETS	1,345.2	1,297.9
TOTAL ASSETS	7,872.5	7,852.0

Equity and liabilities

In millions of euros	June 30th 2018	December 31st 2017
Share capital	219.9	219.4
Additional paid-in capital	2,944.0	3,025.7
Treasury share reserve	(11.0)	(0.7)
Other reserves	0.7	0.7
Retained earnings (accumulated deficit)	(98.9)	(188.7)
Other components of equity	(210.9)	(110.2)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	2,843.8	2,946.2
NON-CONTROLLING INTERESTS	8.9	8.9
TOTAL EQUITY	2,852.8	2,955.1
Non-current provisions	53.3	61.0
Employee benefit liabilities	97.8	96.6
Non-current borrowings	3,149.2	2,060.9
Deferred tax liabilities	258.5	246.2
Other non-current liabilities	19.6	12.6
TOTAL NON-CURRENT LIABILITIES	3,578.3	2,477.3
Current provisions	11.6	16.1
Current tax liabilities	16.9	21.8
Trade and other payables	267.2	277.5
Contract liabilities	69.5	-
Other liabilities	365.8	462.0
Bank overdrafts and current borrowings	649.0	1,642.2
Liabilities directly associated with assets held for sale	61.4	0.0
TOTAL CURRENT LIABILITIES	1,441.4	2,419.5
TOTAL EQUITY AND LIABILITIES	7,872.5	7,852.0

Consolidated cash-flow statement

In millions of euros	H1 2018	H1 2017
CASH-FLOWS FROM OPERATING ACTIVITIES		
CONSOLIDATED NET INCOME (LOSS)	27.5	19.1
Depreciation, amortization and provisions	302.2	164.8
Portion of grants transferred to income	(0.1)	(0.1)
Share-based payments	6.9	4.1
Discounting adjustment on provisions and retirement benefits	0.5	0.4
Net gains and losses on disposal of assets	2.2	0.5
Other	21.5	(0.1)
Dividends received (from non-consolidated entities)	(0.1)	(0.0)
CASH-FLOWS AFTER FINANCE COSTS AND TAX	360.5	188.8
Net finance costs	56.4	26.3
Income tax expense	23.3	15.2
CASH-FLOWS BEFORE FINANCE COSTS AND TAX	440.2	230.3
Income tax paid	(26.1)	(25.4)
Change in inventories	(9.1)	(1.4)
Change in trade, other receivables and contract assets	(60.0)	(37.5)
Change in other assets	(1.8)	(5.1)
Change in trade and other payables	(11.7)	13.1
Change in contract liabilities and other liabilities	26.8	(7.4)
Other changes	(1.1)	(0.1)
Employee benefits	(0.1)	0.3
NET CASH FROM OPERATING ACTIVITIES	357.1	166.9
CASH-FLOWS FROM INVESTING ACTIVITIES		
Acquisition of intangible assets	(7.5)	(6.9)
Proceeds from sale of intangible assets	0.5	-
Acquisition of property, plant and equipment	(291.2)	(157.4)
Proceeds from sale of property, plant and equipment	4.0	(0.1)
Acquisition of subsidiaries, net of cash acquired	(56.6)	(395.7)
Proceeds from disposal of subsidiaries, net of cash transferred	1.0	1.0
Changes in loans and advances	0.4	(0.0)
Dividends from equity-accounted companies	0.1	0.0
Investment grants	-	0.0
NET CASH FROM INVESTING ACTIVITIES	(349.1)	(559.2)
CASH-FLOWS FROM FINANCING ACTIVITIES		
Capital increase	9.4	313.4
Treasury shares	(10.4)	1.3
Dividends paid		
- to owners of the parent	(81.0)	(51.9)
- to non-controlling interests	-	(0.1)
Change in borrowings (1)	135.9	66.5
- Proceeds from new borrowings	1,447.1	1,124.7
- Repayment of borrowings	(1,311.2)	(1,058.2)
Net interest paid	(30.3)	(36.4)
Other flows related to financing activities	(30.0)	(0.3)
NET CASH USED IN FINANCING ACTIVITIES	(6.4)	292.6
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1.5	(99.7)
Cash and cash equivalents at beginning of period	203.0	165.2
Effect of changes in foreign exchange rates on cash and cash equivalents	(2.9)	(10.4)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	201.6	55.1

(1) Net change in credit lines