Press release

Very good H1 2020 results despite the crisis

EBITDA margin improvement and strongly positive free cash-flow

Confirmation of the Group's great resilience

H1 revenue impacted by the crisis; EBITDA margin up and positive free cash flow[1]

- H1 revenue down -15.7% (-14.7% on an organic basis)
- Marked activity slowdown in Hospitality, less so in other end-markets
- EBITDA margin up +20bps at 32.5% of sales
- Adjusted net income down -51.2% at €49.7mn
- Free cash flow of €56.1mn (after lease payments), up +€75mn yoy

Implementation of drastic operational measures to respond to the crisis and prepare for the future

- Headcount adjustments in all country head offices and in all plants impacted by a decrease in activity, to optimize capacity and control costs
- Temporary shutdown or near-total stoppage of up to c. 100 plants during the lockdown period
- In-depth review of the operational organization in every country and implementation of sustainable cost-saving measures: Permanent shutdown of plants, reorganization of plants, reduction of central costs, review of the 2020/2021 industrial capex plan, including the cancellation of most projects to increase capacity
- Launch of numerous commercial initiatives to address new client needs

Active cash management and improvement of financial flexibility

- Waiver obtained for the bank covenant tests as of 30 June 2020, 31 December 2020 and 30 June 2021
- 1.1 billion euros of available liquidity and no major debt maturity before 2023
- Total net leverage ratio of 3.5x as of 30 June 2020, stable vs last year

2020 outlook

- Despite a marked increase of Hospitality in July, the persistent uncertainties regarding activity pickup as well as the very uncertain economic environment do not allow us to provide a revenue outlook for the year
- Thanks to the important efforts to decrease the cost base in H1 and the action plans that have been defined, the Group is facing the next 18 months with serenity
- In this context, 2020 EBITDA margin and free cash flow should be quite close to what the Group delivered in 2019

[1] Alternative performance measures are defined in the "Financial definitions" section, page 7 of this release

Elis SA
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Joint-stock corporation governed by an Executive Board and a Supervisory Board
Registered capital of 221,793,981 euros – RCS: 499 668 440 Nanterre

Saint-Cloud, July 29, 2020 - 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 June 30, 2020. The accounts have been approved by the Management Board and examined by the Supervisory board this day. They have been subject to a limited review by the Company's auditors.

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

"H1 2020 results are very satisfactory with EBITDA margin improvement and largely positive free cash flow in an environment marked by the Covid-19 pandemic. This performance demonstrates once again the Group's responsiveness and resilience, quickly adapting and taking all the necessary operational measures in a context of unprecedented crisis.

The confinement measures implemented in most countries in which we operate obviously had an impact on our activity, especially in Hospitality. As a result, Elis' organic revenue was down c. 15% in H1 with Q2 down -27% and a low point reached in April.

In this context, Elis reacted swiftly: As soon as the first confinement measures were implemented in Europe, the Group adjusted its operational and managerial structures in order to preserve its margins and cash flow. More than 100 plants were shut down during this period and production teams have been cut on a case by case basis. On top of these adjustments linked to activity, Elis has launched a cost reduction plan in all its countries' head offices to ensure a long-term cost base decrease. H1 EBITDA margin was up 20bps and free cash flow after lease payments was 56 million euros, an improvement of + 75 million euros compared to the same period last year.

Other measures have also been taken to improve the Group's liquidity. Elis obtained, at its request, a waiver regarding its bank covenant test as of 30 June 2020, 31 December 2020 and 30 June 2021 in order to benefit from greater financial flexibility to face this sensitive period more comfortably. The Group has no major debt maturity before 2023 and has, as of today, c. €1.1bn of liquidity in the form of two revolving credit lines for an undrawn amount of €900mn and c. €150mn in cash.

Since April, we have been observing a steady pick-up in activity and Hospitality is showing good progress overall in July. However, we feel we are not in a position to give any revenue guidance for 2020 given the uncertainties surrounding a pickup in Hospitality after the summer and the future consequences of the economic crisis.

Nevertheless, the impressive efforts made in H1 in all countries, at plants at head offices, make the group perfectly prepared to confront the coming 18 months. In 2020, Elis should be able to maintain EBITDA margin and free cash flow after lease payments at levels quite close to those achieved in 2019.

Although the current situation requires the utmost vigilance, we face the next months with serenity: The Group's fundamentals are strong, our diversification is a major advantage and our business model will enable Elis to assert its leadership in all the countries in which it is present."

Revenue

In millions of euros	2020			2019			Var.		
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
France	236.9	175.7	412.5	246.9	272.0	518.9	-4.1%	-35.4%	-20.5%
Central Europe	180.1	163.2	343.3	177.3	180.6	357.9	+1.6%	-9.6%	-4.1%
Scandinavia & East. Europe	127.0	106.3	233.3	124.9	124.8	249.8	+1.7%	-14.9%	-6.6%
United Kingdom & Ireland	88.9	54.9	143.8	94.3	100.7	195.0	-5.7%	-45.5%	-26.3%
Southern Europe	60.5	36.6	97.2	64.3	77.8	142.0	-5.8%	-52.9%	-31.6%
Latin America	58.8	49.9	108.7	63.4	66.1	129.5	-7.2%	-24.5%	-16.0%
Others	6.9	6.0	12.9	5.7	5.0	10.6	+22.6%	+20.6%	+21.6%
Total	**759.2**	**592.6**	**1,351.7**	**776.7**	**827.0**	**1,603.7**	**-2.3%**	**-28.3%**	**-15.7%**

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

Organic revenue growth

	Q1 organic growth	Q2 organic growth	H1 organic growth
France	-4.1%	-35.4%	-20.5%
Central Europe	+0.6%	-12.4%	-6.0%
Scandinavia & Eastern Europe	-0.3%	-14.0%	-7.1%
United Kingdom & Ireland	-6.7%	-45.0%	-26.5%
Southern Europe	-5.8%	-52.9%	-31.6%
Latin America	+6.4%	+0.9%	+3.6%
Others	+21.8%	+21.6%	+21.7%
Total	**-1.8%**	**-26.7%**	**-14.7%**

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

EBITDA

In millions of euros	H1 2020	H1 2019	Var.
France	**145.0**	**188.6**	**-23.1%**
As a % of revenue	*35.1%*	*36.3%*	*-120bps*
Central Europe	**110.8**	**108.0**	**+2.6%**
As a % of revenue	*32.1%*	*30.0%*	*+210bps*
Scandinavia & East. Europe	**91.3**	**94.6**	**-3.5%**
As a % of revenue	*39.1%*	*37.9%*	*+130bps*
United Kingdom & Ireland	**36.8**	**54.9**	**-33.0%**
As a % of revenue	*25.6%*	*28.0%*	*-250bps*
Southern Europe	**22.4**	**38.9**	**-42.5%**
As a % of revenue	*23.0%*	*27.4%*	*-440bps*
Latin America	**38.0**	**38.3**	**-0.9%**
As a % of revenue	*34.9%*	*29.6%*	*+530bps*
Others	**(4.5)**	**(4.3)**	**n/a**
Total	**439.9**	**519.0**	**-15.3%**
As a % of revenue	*32.5%*	*32.4%*	*+20bps*

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

France

H1 2020 organic revenue was down -20.5%. After a very good start to the year (+5.8% organic growth in January and +3.5% in February), our activity strongly suffered from the sanitary crisis and from the lockdown measures taken in March, April and May. Hospitality, a segment that represented approximately one-third of the country's revenue in 2019, was particularly affected and activity almost came to a standstill in March and April. Industry, Trade & Services posted a more moderate decrease. Healthcare was slightly down in H1: The good commercial dynamism was offset by a drop in patients in hospitals to make room for Covid-19 patients, implying lower linen rotation.

Despite the strong revenue decrease, EBITDA margin decline was limited to -120bps at 35.1%. This reflects the very significant cost cutting measures implemented in the country, including the complete shutdown of c. 30 plants during the confinement period. Such a complex task necessarily leads to a slight lag between the revenue decrease and the cost base reduction.

Central Europe

H1 2020 organic revenue was down -6.0%. In a region with very limited exposure to Hospitality, the beginning of the year was good and industrial activities showed good resilience. Topline decrease was therefore limited following the implementation of confinement measures, with organic decrease of between -15% and -20% in April and May depending on the country. Germany was down -5% in H1, with a decrease of c. -16% in April. The Netherlands were up +7% in H1 with Q2 close to +5%. Poland was flat in H1. Switzerland and Belgium, countries with a greater exposure to Hospitality, posted a higher contraction.

EBITDA margin was up +210bps at 32.1%. This improvement is mostly attributable to Germany where very significant cost savings have been achieved, along with notable productivity gains in plants.

Scandinavia & Eastern Europe

H1 2020 organic revenue was down -7.1%. The fact that the greater portion of our clients operates in the Industry segment enabled to somewhat limit the decrease at c. -15% in April and c. -20% in May. Sweden, the largest contributor, posted a moderate -7% decrease in H1. Denmark registered a larger contraction (c. -11% in H1). Norway and Russia were up in H1. The Baltic countries were stable.

EBITDA margin was up +130bps at 39.1%. As in Central Europe, this increase was the consequence of the significant cost-cutting measures implemented by the Group, with a controlled revenue decrease. The Group also benefited from a slightly positive mix effect related to the slowdown of Hospitality, as this activity is slightly less profitable than the others in the region.

United Kingdom & Ireland

H1 2020 organic revenue was down -26.5%. After a slight increase in February, the situation deteriorated from March onwards with a drop of nearly -50% in April and May. Approximately one-third of revenue is in Hospitality, a segment that has virtually ground to a halt since the implementation of confinement measures in the second half of March. Industry and Trade & Services represent another third of total revenue and also decreased strongly. The Healthcare segment, accounting for the remaining third, was also down in H1, with a negative effect in March, April and May for the same reasons as in France (non-urgent medical care was postponed to make more room for Covid-19 patients).

EBITDA margin was down -250bps at 25.6%, resulting from the strong revenue decrease despite the significant cost base reduction from April onwards.

Southern Europe

H1 2020 organic revenue decreased by -31.6% with a marked slowdown that started in March (c. -29%) down to nearly -60% in April and May. The geography is highly exposed to the Hospitality segment (more than 60% of total revenue in 2019) and suffered from the near-total interruption of hotel activity (administrative closure of hotels in Spain until May).

EBITDA margin was down -440bps at 25.6%, resulting from the strong revenue decrease despite the significant efforts made to reduce the cost base.

Latin America

H1 2020 organic revenue was up +3.6%. The beginning of the year was very good with January and February at more than 9% growth. From March onwards, growth slowed down in Healthcare, with the same phenomenon we observed in France and the UK: Non-urgent medical care was postponed to make room for Covid-19 patients, implying lower activity in hospitals. April was therefore down c. -10% but activity rebounded in May and June, notably on the back of targeted commercial offers for hospitals.

EBITDA margin was up +530bps at 34.9%. This strong increase is attributable to the focus put on the cost base, and to the signing of very profitable, short-term contracts.

From EBITDA to net result

In millions of euros	H1 2020 reported	H1 2019 restated	Var.
EBITDA	**439.9**	**519.0**	**-15.3%**
As a % of revenue	*32.5%*	*32.4%*	*+20bps*
D&A	(329.6)	(313.6)	
EBIT	**110.3**	**205.5**	**-46.3%**
As a % of revenue	*8.2%*	*12.8%*	*-460bps*
Current operating income	**103.6**	**200.1**	**-48.2%**
Amortization of intangible assets recognized in a business combination	(46.0)	(42.5)	
Non-current operating income and expenses	(37.2)	0.3	
Operating income	**20.4**	**157.9**	**-87.1%**
Financial result	(45.5)	(73.4)	
Income tax	4.1	(24.6)	
Net result from continuing operations	**(21.0)**	**59.9**	**n/a**
Consolidated net result	**(21.0)**	**60.9**	**n/a**
Headline net result*	**49.7**	**101.7**	**-51.2%**

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 revenue, EBIT was down -460bps in the first half, as a consequence of the slight increase of D&A combined with a sharp revenue decline over the period. Depreciation of non-linen assets represented c. 40% of total D&A and was up c. 10% yoy, as a consequence of the finalization, in 2019, of the capex program dedicated to Berendsen. Linen deprecitaion (c. 60% of total) quickly reflect the evolution of activity and has been decreasing since June.

Operating income

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

- Expenses related to free-share plans correspond to the requirements of the IFRS 2 accounting standard;
- The amortization of intangible assets recognized in a business combination is partly related to the goodwill allocation of Berendsen. The amount is in line with last year;
- Non-current operating expenses are made up of c. €22mn of Covid-19 incremental costs (exceptional bonuses to reward the commitment of our employees, waiver fee, protection equipment, etc…) and restructuring costs for c. €12mn.

Financial result

The financial result was -€45.5mn compared to -€73.4mn last year. This lower financial charge is due to the lower cost of debt following the 2019 refinancing and to the high H1 2019 base, which notably included some exceptional costs related to this refinancing.

Net result

Net result was -€21.0mn in the first half, decreasing vs last year. This decrease reflects the drop in Current operating income, and the higher amount of non-current operating expenses.

From net result to headline net result

In millions of euros	H1 2020 reported	H1 2019 restated
Net result from continuing operations	**(21.0)**	**59.9**
Amortization of intangible assets recognized in a business combination (net of tax effect)	36.5	34.2
IFRS 2 expense (net of tax effect)	6.2	4.4
Accelerated amortization of loan issuing costs (net of tax effect)	0.1	1.3
Breakup costs (refinancing)	0.0	4.7
Non-current operating income and expenses	27.9	(2.9)
of which litigation provision allowance / (reversal) (net of tax effect)	*0.4*	*(10.8)*
of which Covid-19 incremental costs (net of tax effect)	*17.1*	*0.0*
of which restructuring costs (net of tax effect)	*8.5*	*5.4*
of which acquisitions-related costs (net of tax effect)	*1.6*	*2.2*
of which others (net of tax effect)	*0.4*	*0.3*
Headline net result	**49.7**	**101.7**

The headline net result was €49.7mn in the first half, down -51.2% compared to the first half of 2019.

Cash-flow statement

In millions of euros	H1 2020	H1 2019
EBITDA	**439.9**	**519.0**
Non-recurring items and provision variance	(32.4)	(8.1)
Acquisition and cession fees	(1.3)	(2.7)
Other	(0.7)	0.4
Cash flows before net finance costs and tax	**405.6**	**508.6**
Net capex	(232.7)	(329.5)
Change in working capital requirement	0.9	(53.2)
Net interest paid	(50.5)	(63.4)
Income tax paid	(34.0)	(46.5)
Free cash-flow	**89.2**	**16.0**
Lease liabilities payments – principal	(33.1)	(35.5)
Free cash-flow after lease liabilities payments	**56.1**	**(19.5)**
Acquisition of subsidiaries, net of cash acquired	(33.6)	(48.7)
Change arising from subsidiaries (gain or loss of control)	(3.2)	(8.1)
Other flows related to financing activities	(5.1)	(20.5)
Dividends paid	-	(81.3)
Other	(3.7)	6.4
Net debt variance	**10.5**	**(171.7)**
Net financial debt	**3,361.7**	**3,529.4**

Capex

In the first half, the Group's capital expenditures (excluding acquisitions of subsidiaries) represented 17.2% of revenue vs 20.1% in H1 2019. This reflects the finalization of the capex program dedicated to Berendsen (completed at the end of 2019) and lower linen investments in H1 in a context of lower client activity.

Change in operating working capital requirement

In the first half, the change in operating working capital requirement was stable, notably due to the strong focus on cash collection. Central inventories were up because of lower linen consumption in the plants, and the lower activity led to lower trade receivables and trade payables.

Net interest paid

In H1 2019, the Group's net interest paid are at -€50.5mn compared to -€63.4mn in H1 2019, reflecting the high base last year and a lower cost of debt following the 2019 refinancing.

Free cash-flow

Free cash-flow after lease liabilities payments reached €56.1mn, up more than +€75mn yoy. This improvement is due to the decrease in capex, to the positive effect from change in working capital requirement, to the lower net interest paid and tax paid.

Pay-out for the 2019 financial year

As announced on March 31st, there will be no pay-out in 2020 for the 2019 financial year in order to further strengthen the Group's liquidity in a context of global sanitary crisis.

Net financial debt

The Group's net financial debt at June 30, 2020 stood at €3,361.7mn compared to €3,372.1mn at December 31, 2019 and €3,529.4mn at June 30, 2019, i.e. a €168mn net debt decrease over the last 12 months.

Total Net Leverage Ratio was 3.5x as of June 30, 2020, stable compared to June 30, 2019.

Restated income statement as of June 30, 2019

The table below presents the adjustments linked to previous business combinations compared to the previously published income statement as of June 30, 2019:

In millions of euros	2019 reported	IFRS 3	2019 restated
Revenue	**1,603.7**	-	**1,603.7**
EBITDA	**519.0**	-	**519.0**
EBIT	**205.5**	-	**205.5**
Current operating income	**200.1**	-	**200.1**
Amortization of intangible assets recognized in a business combination	(42.1)	(0.4)	(42.5)
Non-current operating income and expenses	0.3	-	0.3
Operating income	**158.3**	(0.4)	**157.9**

Financial result	(73.4)	-	(73.4)
Income tax	(24.7)	0.1	(24.6)
Net result from continuing operations	**60.3**	(0.3)	**59.9**
Consolidated net result	**61.3**	(0.3)	**60.9**

Financial definitions

- 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 subsidies transferred to income. It excludes non-recurring items directly related to the sanitary crisis, which are accounted for accounted for in "Non-current operating income and expenses".
- 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, non-current operating income and expenses, miscellaneous financial items (bank fees recognized in operating income) and expenses related to IFRS 2 (share-based payments).
- Free cash-flow after lease payment is defined as cash EBITDA minus non-cash-items items and after (i) change in working capital, (ii) linen purchases and (iii) manufacturing capital expenditures, net of proceeds, minus tax paid, minus financial interests' payments and minus lease liabilities payments.
- The total net leverage ratio is a leverage ratio calculated for bank loan covenants: Total net leverage is equal to [Net financial debt, less current accounts held for employee profit-sharing and accrued interest not yet due, plus unamortized debt issuance costs and finance lease liabilities as measured under IAS 17 had the standard had continued to apply] divided by [Pro forma EBITDA of acquisitions finalized during the last 12 months after synergies and excluding the impact of IFRS 16].

Geographical breakdown

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

Presentation of Elis' H1 2020 results (in English)

Date: Wednesday 29 July 2020 at 5:00pm GMT (6:00pm CET)

Speakers: Xavier Martiré (CEO) and Louis Guyot (CFO)

Webcast link (for live and replay): https://edge.media-server.com/mmc/p/kne6zz6y

Conference call dial in numbers:

United Kingdom: +44(0)207 192 8338
United States: +1 646 741 3167
France: +33(0)1 70 70 07 81

Confirmation code: 7754706

Investor presentation

An investor presentation will be available at 5:45pm CET at this address:
https://fr.elis.com/en/group/investors-relations/regulated-information

Forward looking statements

This document may contain information related to the Group's outlook. Such outlook is based on data, assumptions and estimates that the Group regarded as reasonable at the date of this press release. Those data and assumptions may change or be adjusted as a result of uncertainties relating particularly to the economic, financial, competitive, regulatory or tax environment or as a result of other factors of which the Group was not aware on the date of this press release. Moreover, the materialization of certain risks described in chapter 4 "Risk factors, risk control, insurance policy, and vigilance plan" of the Universal Registration Document for the financial year ended December 31, 2019, and Section 1 .4 "Risk Factors" of the half-year financial report as at June 30, 2020, which are available on Elis's website (www. elis.com), may have an impact on the Group's activities, financial position, results or outlook and therefore lead to a difference between the actual figures and those given or implied by the outlook presented in this document. Elis undertakes no obligation to publicly update or revise the Group's outlook or any of the abovementioned data, assumptions or estimates, except as required by applicable laws and regulations. Reaching the outlook also implies success of the Group's strategy. As a result, the Group makes no representation and gives no warranty regarding the attainment of any outlook set out above.

Next information

Q3 2020 revenue: October 22, 2020 (after market)

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Appendix

Consolidated income statement for the period

In millions of euros	June 30, 2020	June 30, 2019*
REVENUE	1,351.7	1,603.7
Cost of linen, equipment and other consumables	(260.6)	(258.4)
Processing costs	(507.5)	(611.2)
Distribution costs	(230.4)	(264.7)
Gross margin	353.3	469.4
Selling, general and administrative expenses	(242.3)	(267.9)
Impairment loss on trade and other receivables	(7.4)	(1.3)
Operating income before other income and expense and amortization recognized in a business combination	103.6	200.1
Amortization of intangibles recognized in a business combination	(46.0)	(42.5)
Goodwill impairment	-	-
Other income and expense	(37.2)	0.3
OPERATING INCOME	20.4	157.9
NET FINANCIAL EXPENSE	(45.5)	(73.4)
Income (loss) before tax	(25.1)	84.5
Income tax benefit (expense)	4.1	(24.6)
Share of net income of equity-accounted companies	-	-
Net income (loss) from continuing operations	(21.0)	59.9
Profit (loss) from discontinued operation, net of tax	-	1.0
NET INCOME (LOSS)	(21.0)	60.9
Attributable to:		
- owners of the parent	(20.9)	61.1
- non-controlling interests	(0.1)	(0.2)
Earnings (loss) per share (EPS) (in euros):		
- basic, attributable to owners of the parent	€(0.09)	€0.28
- diluted, attributable to owners of the parent	€(0.09)	€0.27
Earnings (loss) per share (EPS) from continuing operations (in euros):		
- basic, attributable to owners of the parent	€(0.09)	€0.27
- diluted, attributable to owners of the parent	€(0.09)	€0.27

*Restated

Consolidated balance sheet

Assets

In millions of euros	June 30, 2020	Dec. 31, 2019*
Goodwill	3,716.7	3,801.3
Intangible assets	805.8	866.7
Right-of-use assets	405.8	411.4
Property, plant and equipment	1,890.5	1,993.0
Equity-accounted companies	-	-
Other investments	0.2	0.2
Other non-current assets	65.9	69.0
Deferred tax assets	31.3	24.4
Employee benefit assets	29.4	32.1
TOTAL NON-CURRENT ASSETS	6,945.5	7,198.1
Inventories	147.3	124.8
Contract assets	24.3	36.2
Trade and other receivables	562.7	632.6
Current tax assets	25.3	11.8
Other assets	21.3	21.1
Cash and cash equivalents	172.1	172.3
Assets held for sale	0.7	0.7
TOTAL CURRENT ASSETS	953.8	999.3
TOTAL ASSETS	**7,899.3**	**8,197.4**

*Restated

Equity and liabilities

In millions of euros	June 30, 2020	Dec. 31, 2019*
Share capital	221.8	221.3
Additional paid-in capital	2,575.7	2,646.4
Treasury share reserve	(11.6)	(10.1)
Other reserves	6.8	6.8
Retained earnings (accumulated deficit)	346.2	290.5
Other components of equity	(396.1)	(198.9)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	**2,742.8**	**2,956.0**
NON-CONTROLLING INTERESTS	**0.6**	**0.8**
TOTAL EQUITY	2,743.4	2,956.8
Non-current provisions	77.5	83.3
Employee benefit liabilities	119.7	119.1
Non-current borrowings	3,100.2	3,116.3
Deferred tax liabilities	302.7	316.7
Lease liabilities	337.2	342.5
Other non-current liabilities	10.3	12.1
TOTAL NON-CURRENT LIABILITIES	3,947.4	3,990.0
Provisions - current	18.1	17.0
Current tax liabilities	24.5	23.7
Trade and other payables	239.5	288.6
Contract liabilities	76.8	71.5
Lease liabilities - current	71.7	63.6
Other liabilities	344.1	358.1
Bank overdrafts and current borrowings	433.6	428.1
Liabilities directly associated with assets held for sale	-	-
TOTAL CURRENT LIABILITIES	1,208.5	1,250.5
TOTAL EQUITY AND LIABILITIES	**7,899.3**	**8,197.4**

*Restated

Consolidated cash-flow statement

In millions of euros	June 30, 2020	June 30, 2019*
Consolidated net income (loss)	**(21.0)**	**60.9**
Income tax expense	(4.1)	24.8
Net financial expense	45.5	73.5
Share-based payments	6.4	4.6
Depreciation, amortization and provisions	378.6	343.0
Portion of grants transferred to income	(0.2)	(0.2)
Net gains and losses on disposal of tangible and intangible assets	0.3	2.0
Other	(0.0)	(0.0)
CASH FLOWS BEFORE NET FINANCE COSTS AND TAX	**405.6**	**508.6**
Change in inventories	(25.8)	(14.7)
Change in trade, other receivables and contract assets	72.2	(41.5)
Change in other assets	(0.2)	3.5
Change in trade and other payables	(50.7)	(9.2)
Change in contract liabilities and other liabilities	2.9	11.1
Other changes	2.3	(2.3)
Employee benefits	0.2	(0.0)
Income tax paid	(34.0)	(46.5)
NET CASH FROM OPERATING ACTIVITIES	**372.4**	**408.8**
Acquisition of intangible assets	(6.5)	(11.0)
Proceeds from sale of intangible assets	0.1	-
Acquisition of property, plant and equipment	(229.1)	(320.8)
Proceeds from sale of property, plant and equipment	2.9	2.3
Acquisition of subsidiaries, net of cash acquired	(33.6)	(48.7)
Proceeds from disposal of subsidiaries, net of cash transferred	0.0	(0.0)
Changes in loans and advances	(0.2)	0.4
Dividends from equity-accounted companies	0.0	0.0
Investment grants	0.0	0.0
NET CASH FROM INVESTING ACTIVITIES	**(266.5)**	**(377.7)**
Capital increase	(0.0)	0.0
Treasury shares	(1.5)	0.0
Dividends paid		
- to owners of the parent	-	(81.3)
- to non-controlling interests	-	-
Change in borrowings (1)	(5.3)	102.3
- *Proceeds from new borrowings*	605.2	1,292.1
- *Repayment of borrowings*	(610.5)	(1,189.8)
Payment of lease liabilities - principle	(33.1)	(35.5)
Net interest paid	(50.5)	(63.4)
Other flows related to financing activities	(5.1)	(20.5)
NET CASH USED IN FINANCING ACTIVITIES	**(95.6)**	**(98.3)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**10.4**	**(67.2)**
Cash and cash equivalents at beginning of period	170.8	179.1
Effect of changes in foreign exchange rates on cash and cash equivalents	(9.3)	0.3
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**171.9**	**112.2**

(1) Net change in credit lines
* Restated