PRESS RELEASE

Rekeep S.p.A.: The Board of Directors approves the draft Separate and Consolidated Financial Statements at 31 December 2018, which show a sharp rise in profits, revenues and tendered, renewed existing contracts, as well as substantially stable margins.

Consolidated highlights for 2018 (compared to 2017):

- **Revenue: €949.9 million** (+3.5% compared to €918.1 million);
- **Normalized EBITDA[1]: €101.3 million** (+1.0% compared to €100.3 million);
- **Net Profit: €15.8 million** (up sharply compared to €0.7 million).

- **Tendered and renewed existing contracts**: €**647 million** (+48% compared to €438 million).

Zola Predosa (Bologna), 25 March 2019 – The Board of Directors of **Rekeep S.p.A. ("Rekeep"),** the leading Italian group in the Integrated Facility Management sector, under the chairmanship of Giuliano Di Bernardo approved the **draft Separate and Consolidated Financial Statements at 31 December 2018, which show a sharp increase in Net Profit, Revenues (+3.5%), tendered and renewed existing contracts (+48%) and substantially stable margins**.

"*The results achieved in 2018 allow us to look to the current and future business performance with great optimism"* said **Giuliano Di Bernardo, Chairman and Chief Executive Officer of Rekeep S.p.A.** – **"***The growth in revenues shows, in fact, a recovery in the facility management market, as well as the good performance recorded by our Group in specialist services through our subsidiaries and, in particular, through Sicura Group. Furthermore, the efficiency improvement process carried out by our Group in previous financial years, with substantial cost saving actions, is continuing to have positive effects on its margins, as well as, clearly, on its profits, which are rising sharply despite the pressure on prices that impacts on our sector. Finally, the increase in tendered and renewed existing contracts allows us to be confident, even prospectively, in our Group's performance in future years and further confirms our ability to proactively anticipate market demand.*"

Rekeep Group main Consolidated Results at 31 December 2018

As of 31 December 2018, **Revenue** for the Rekeep Group was **€949.9 million, up by 3.5%** compared to €918.1 million in 2017. This rise was driven by the performance in the Facility Management sector, and, mainly, in the Healthcare sector (+5%), as well as by the results posted by the Group subsidiaries, and, in particular, by Sicura Group.

[1] *EBIT and Normalized EBITDA: values net of start up costs (B2C and international development), as well as "non-recurring" income components or costs for operations that are not repeated frequently in the normal course of business and that have a significant impact on the Group companies' financial position, results of operations and cash flows.*

EBITDA[2] (*Margine Operativo Lordo*) reached €89.5 million, **up by 1.0%** compared to €88.6 million at 31 December 2017. Net of non-recurring and start-up costs, **Normalized EBITDA**[1] was **€101.3 million, up by 1.0%** compared to €100.3 million in 2017.

EBIT (*Risultato Operativo*) was €55.7 million compared to €58.2 million in the previous year. **Normalized EBIT**[1], **net of said non-recurring and start-up costs, was €68.4 million**, down by 1.5% compared to €69.4 million at 31 December 2017.

Net Profit was €15.8 million, up sharply compared to a net profit of €0.7 million at 31 December 2017.

Net Financial Indebtedness at 31 December 2018 amounted to **€298.8 million.** With effect from 1 July 2018, the merger of CMF S.p.A. into its subsidiary Rekeep S.p.A. became effective; this entailed the transfer of the title to the Senior Secured Notes for a nominal amount of Euro 360,000,000, at a rate of 9.0% and due 15 June 2022, which CMF S.p.A. had issued during the 2017 financial year. Therefore, the Net Financial Indebtedness of Rekeep was equal to €156.7 million at 31 December 2017; however, in considering the effects of the merger with CMF S.p.A., the pro-forma Net Financial Indebtedness would have been equal to €332.9 million. Therefore, the Net Financial Indebtedness at 31 December 2018 shows an improvement of €34.1 million compared to the previous year.

Business highlights

During the 2018 financial year, the **Rekeep Group won tendered contracts and renewed existing contracts for a long-term aggregate amount of about €647 million, up by 48% compared to €438 million at 31 December 2017.**

As of 31 December 2018, the Rekeep Group won **tendered contracts, or renewed existing contracts, for €2,599 million, substantially in line** compared to €2,608 million at 31 December 2017.

Main events occurred after 31 December 2018

On **14 January** Rekeep informed that it had signed an agreement relating to the acquisition by 3i European Operational Projects SCSp, an investment fund managed by 3i Investments plc, of a stake of 95% in MFM Capital S.r.l., for a total consideration of up to about €16 million. MFM Capital is the holding company set up by Rekeep, to which the Group has transferred its major investments in Special Purpose Vehicles (SPVs) in its portfolio, i.e. the project companies active in the various concession projects.
3i EOPF will pay Rekeep a value of up to €16 million in subsequent tranches, an amount of €8.7 million of which was already paid upon signature of the agreement; the remaining amount will be paid partly upon completion of ongoing construction projects and partly upon achievement of certain performance levels of each SPV. In addition to retaining 5% of MFM Capital S.r.l., the Rekeep Group also remains the direct shareholder of each SPV, with a minority interest, thus ensuring its own support to the development of the operations under its responsibility. The transaction, which took place at the end of the planned operational and authorisation

[2] *"EBITDA" is defined as operating income before accrual to the provisions for risks and charges and amortization/depreciation, write-downs and write-backs of assets. EBITDA is used by management to monitor and assess the group's performance and is not an accounting measure under IFRS. Accordingly, EBITDA should not be considered as an alternative to assess the Group's performance. In view of the fact that EBITDA is not regulated by accounting principles, our determination of EBITDA may differ from the determination made by other companies and may therefore not be comparable to the latter.*

procedure, also allows the creation of a strategic partnership with 3i EOPF, with a view to pursuing further concession projects in next future.

Rekeep S.p.A.

Rekeep S.p.A. ("Rekeep") is the leading Italian operator and one of the main European players in the Integrated Facility Management sector, i.e., it manages and provides integrated services targeted at properties, the environment and in support of healthcare services. Specifically, the services provided by the Rekeep Group are divided into two main business areas: 1. Integrated Facility Management – property management and maintenance services (environmental hygiene, technical and maintenance services, landscaping, logistics, auxiliary services, heat management, lighting, document management, fire prevention and video surveillance systems) delivered also through specialized companies; 2. Laundering & Sterilization – linen rental and industrial laundering services and linen and surgical instruments sterilization for healthcare operations, delivered through the subsidiary Servizi Ospedalieri S.p.A.. Rekeep's headquarter is located in Zola Predosa (Bologna), it has offices all over Italy and employs more than 17,000 people throughout Italy.

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The following tables present the consolidated statement of financial position, the consolidated statement of income and the consolidated statement of cash flows at 31 December 2018 (as well as details regarding the net financial indebtedness).

Consolidated statement of financial position of the Rekeep Group at 31 December 2018:

(in thousands of Euro)	**December 31, 2018**	**December 31, 2017**
Assets		
Non-current assets		
Property, plant and equipments	67.991	65.564
Property, plant and equipments under lease	5.984	5.779
Goodwill	407.622	370.363
Other intangible assets	25.634	25.169
Investments accounted for under the equity method	19.207	27.294
Other investments	4.905	4.757
Non-current financial assets	5.662	11.369
Other non-current assets	2.897	2.998
Deferred tax assets	15.017	16.383
Total non-current assets	**554.919**	**529.676**
Current assets		
Inventories	7.421	6.057
Trade receivables and contractual liablities	417.930	429.165
Current taxes receivables	14.658	8.745
Other current assets	22.320	30.842
Current financial assets	5.532	1.870
Cash and cash equivalents	94.733	59.870
Total current assets	**562.594**	**536.549**
Assets classified as held for sale	0	0
Total assets classified as held for sale	**0**	**0**
Total assets	**1.117.513**	**1.066.225**

(in thousands of Euro)	**December 31, 2018**	**December 31, 2017**
Shareholders' equity and Liabilities		
Share capital	109.150	109.150
Reserves	5.029	144.854
Retained earnings	34.911	43.755
Profit attributable to equity holders of the Parent	15.734	642
Equity attributable to equity holders of the Parent	*164.824*	*298.401*
Capital and reserves attributable to non-controlling interests	559	308
Profit attributable to non-controlling interests	109	73
Equity attributable to non-controlling interests	*668*	*381*
Total shareholders' equity	**165.492**	**298.782**
Non-current liabilities		
Employee termination indemnity	14.730	15.519

Provisions for risks and charges, non-current	25.189	27.624
Long-term financial debt	361.687	175.281
Deferred tax liabilities	14.525	12.294
Other non-current liabilities	660	86
Total non-current liabilities	**416.791**	**230.804**
Current liabilities		
Provisions for risks and charges, current	6.948	6.711
Trade payables and advances from customers	399.602	393.022
Current tax payables	954	326
Other current liabilities	90.360	93.415
Bank borrowings, including current portion of long-term debt, and other financial liabilities	37.366	43.165
Total current liabilities	**535.230**	**536.639**
Liabilities directly associated with assets classified as held for sale	0	0
Total liabilities directly associated with assets classified as held for sale	**0**	**0**
Total shareholders' equity and Liabilities	**1.117.513**	**1.066.225**

Consolidated statement of income of the Rekeep Group at 31 December 2018:

(in thousands of Euro)	For the 12 months ended December 31,	
	2018	**2017**
Revenues		
Revenue from sales and services	943.740	916.127
Other revenue	6.142	1.964
Total revenues	**949.882**	**918.091**
Operating costs		
Costs of raw materials and consumables	(140.144)	(119.742)
Change in inventories of finished goods	43	0
Costs for services and use of third party assets	(325.258)	(328.258)
Personnel costs	(392.548)	(382.138)
Other operating costs	(6.660)	(281)
Capitalized internal construction costs	4.140	935
Amortization, depreciation, write-downs and write-backs of assets	(31.122)	(30.280)
Accrual of provisions for risks and charges	(2.584)	(143)
Total operating costs	**(894.133)**	**(859.907)**
Operating Income	**55.749**	**58.184**
Financial income and expenses		
Share of net profit of associates	1.466	(1.945)
Dividends and income from sales of investments	(843)	175
Financial income	1.597	3.762
Financial charges	(33.544)	(43.125)
Profit/(loss) on exchange rate	(156)	(326)
Profit (loss) before taxes from continuing operations	**24.269**	**16.725**
Income taxes	(8.426)	(16.010)
Profit (loss) from continuing operations	**15.843**	**715**
Profit (loss) from discontinued operation	0	0
Net profit (loss)	**15.843**	**715**
Net profit (loss) attributable to non controlling interests	(109)	(73)
Net profit (loss) attributable to equity holders of the Parent	**15.734**	**642**

Consolidated statement of cash flow of the Rekeep Group at 31 December 2018:

(in thousands of Euro)	For the 12 months ended December 31,	
	2018	**2017**
Net profit (loss) from continuing operations	15.843	715
Income taxes for the period	8.426	16.010
Profit before taxes from continuing operations	**24.269**	**16.725**
Amortization, depreciation, write-downs and (write-backs) of assets	31.121	30.280
Accrual (reversal) of provisions for risks and charges	2.584	143
Employee termination indemnity provision	1.073	935
Payments of employee termination indemnity	(1.875)	(2.453)
Utilization of provisions	(5.305)	(6.252)
Share of net profit of associates	2.841	3.610
Financial charges (income) for the period	32.103	39.689
Operating cash flows before movements in Working Capital	**86.812**	**82.677**
Decrease (increase) of inventories	(281)	(1.675)
Decrease (increase) of trade receivables and advances to suppliers	11.289	24.131
Decrease (increase) of other current assets	8.413	(5.902)
Increase (decrease) of trade payables and advances from customers	3.957	38.582
Increase (decrease) of other current liabilities	(5.984)	(7.212)
Change in Working Capital	**17.395**	**47.924**
Net interests received (paid) in the period	(25.823)	(43.495)
Income taxes paid in the period	(11.808)	(17.231)
Net cash flow from operating activities	**66.575**	**69.876**
Purchase of intangible assets, net of sales	(7.947)	(6.501)
Purchase of property, plant and equipment	(24.040)	(25.048)
Proceeds from sales of property, plant and equipment	457	498
Disposal (acquisition) of investments	11.041	(1.487)
Decrase (increase) of financial assets	460	(27)
Net cash used in business combination	(1.529)	0
Net cash from assets held for sale	220	1.060
Net cash flow from (used in) investing activities	**(21.339)**	**(31.504)**
Change in finance lease liabilities	(445)	2.708
Proceeds from non-current borrowings	6.676	195.300
Proceeds from/(repayment of) current borrowings	(86)	(5.857)
Other change in financial debt	(14.391)	3.683
Dividends paid	(70)	(25.111)
Change in scope of consolidation	(1.500)	93
Differences on foreign currencies	(126)	0
Net cash flow from/(used in) financing activities	**(9.942)**	**(153.494)**
Changes in cash and cash equivalents	**35.295**	**(115.122)**
Cash and cash equivalents at the beginning of the year	59.870	174.992
Changes in cash and cash equivalents	35.295	(115.122)
Differences on cash and cash equivalents in foreign currencies	(432)	0
Cash and cash equivalents at the end of the period	**94.733**	**59.870**
Details of cash and cash equivalents		
Cash and bank current accounts	94.733	59.870
Total cash and cash equivalents	**94.733**	**59.870**

(in thousands of Euro)	**December 31, 2018**	**December 31, 2017**
Long-term financial debt	361.687	175.281
Bank borrowings, including current portion of long-term debt, and other financial liabilities	37.366	43.165
Gross financial indebtedness	**399.053**	**218.446**
Cash and cash equivalents	(94.733)	(59.870)
Current financial assets	(5.532)	(1.870)
Net financial indebtedness	**298.788**	**156.706**