



## Business Services



### ELIOR (NEUTRAL, FV EUR14.5) | Q3 revenue: In line with expectation. FY 2019 guidance confirmed.

- Reported revenue in line with nevertheless an organic less negative than estimated due to France  
In fact, Q3 revenue reached EUR1,252m, up 0.6% in reported terms with a negative organic of 1.3% after -1.5% in Q2 and +0.2% in Q1. While reported number was in line with consensus, organic was less negative than -1.9% (BG at -1.5%) anticipated. By geography, organic in France (45% of consolidated revenue) was up 2.5% in Q3 which is better than anticipated (consensus at 0.3% with BG & Co. at 0.5%) with a significant improvement compared to previous quarters (Q1 up 1.5%, Q2 up 0.3%). On the other hand, revenue abroad was lower expected with organic down 4.3% (consensus at -3.7% and BG & Co. -3%) after Q1 down 0.7% and Q2 down -3%.
- Outlook confirmed  
Management confirmed its FY 2019 expectation of negative organic revenue growth of 1% including the impact of -1% from voluntary contract exits in Italy. Following this top line, Management aims to stabilize its adjusted EBITA margin at 3.6%, CEO confirming that the turning point have been passed and is now on an upward trajectory bearing in mind that margin was down 40bp in H1. Good news but we continue to consider that guidance a bit ambitious.

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## Distribution of stock ratings

BUY ratings 49.1%

NEUTRAL ratings 44.4%

SELL ratings 6.5%

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