

12 June 2017

The Directors  
1 Knightsbridge  
London, SW1X 7LX  
United Kingdom

**Proposed recommended acquisition of Berendsen plc by Elis SA (the “Acquisition”)**

Dear Sirs

We refer to the announcement to be released on 12 June 2017 by Berendsen plc and Elis SA in respect of the Acquisition (the “Announcement”) and attached hereto as appendix 1. Pursuant to Rule 23.2 of the Takeover Code, we hereby give our consent to the issue of the Announcement and to the inclusion therein of our name and references thereto in the form and context in which they appear.

Yours faithfully



.....  
Jonathan Grundy

***For and on behalf of Credit Suisse International***



.....  
Joe Hannon

***For and on behalf of Credit Suisse International***



In addition, under the Transaction, Berendsen Shareholders will be entitled to a dividend of £0.11 per Berendsen Share expected to be declared and paid by Berendsen in respect of the six month period ending 30 June 2017 (the “**Interim Dividend**”). Further details of the expected record date, payment date and ex-dividend date for the Interim Dividend will be set out in the Scheme Document.

- The terms of the Transaction as set out above valued each Berendsen Share at £12.50<sup>1</sup> (excluding the Interim Dividend) and £12.61 (including the Interim Dividend) at the time of the announcement by Elis and Berendsen of agreement on the key terms of the Transaction on 7 June 2017.
- As at 9 June 2017, being the last Business Day before the date of this Announcement, and based on the Closing Price of an Elis Share of €19.90 on 9 June 2017 and a £:€ exchange rate of £1 = €1.138 on 9 June 2017, the terms of the Transaction value each Berendsen Share at £12.45 (excluding the Interim Dividend) and imply a total equity value for Berendsen of approximately £2.17 billion on a fully diluted basis<sup>2</sup>.
- The cash portion of the Transaction represents approximately 63 per cent. of the Closing Price of a Berendsen Share of £8.64 on 17 May 2017, the last Business Day preceding the announcement by Elis of a possible offer for Berendsen.
- Under the terms of the Transaction, Elis intends to make available a Mix and Match Facility to Berendsen Shareholders. Under the Mix and Match Facility, Berendsen Shareholders may elect to vary the proportions in which they receive New Elis Shares and cash consideration, subject to off-setting elections being made by other Berendsen Shareholders. To the extent the elections cannot be satisfied in full, they will be scaled down on a pro rata basis. Elis and Berendsen will seek to work together to address costs of holding and dealing in Elis Shares for certain Berendsen Shareholders.
- Berendsen Shareholders would receive New Elis Shares representing approximately 32 per cent. of the enlarged Elis share capital in issue immediately following completion of the Transaction (assuming completion of the CPPIB Cash Placing).
- The value of the Transaction represents as at 9 June 2017:
  - a premium of approximately 44 per cent. to the Closing Price of a Berendsen Share of £8.64 on 17 May 2017, the last Business Day preceding the announcement by Elis of a possible offer for Berendsen; and

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<sup>1</sup> Based on the Closing Price of an Elis Share of €20.17 on 6 June 2017 and a £:€ exchange rate of £1 = €1.145 on 6 June 2017.

<sup>2</sup> On the basis of a fully diluted share capital for Berendsen of 174,412,423 shares, being the aggregate of 172,627,894 Berendsen Shares currently in issue and 1,784,529 Berendsen options and awards (being the maximum number of Berendsen options which become exercisable or awards that vest on a change of control which must be satisfied using newly issued Berendsen Shares and cannot be satisfied by Berendsen Shares currently held by the Berendsen EBT).

- a premium of approximately 50 per cent. to Berendsen's six month volume weighted average share price to 17 May 2017 of £8.29.
- The Transaction values Berendsen as at 9 June 2017 at an implied Enterprise Value / 2016 Adjusted EBITDA multiple of 7.6x and an implied Enterprise Value / 2016 Adjusted Operating Profit multiple of 16.5x.<sup>3</sup>
- CPPIB, which currently holds approximately 5 per cent. of the Elis Shares in issue, has agreed to subscribe for 10,131,713 new Elis Shares to be issued to it through a reserved capital increase (the “**CPPIB Shares**”) at a price of €19.74<sup>4</sup> per Elis Share (the “**CPPIB Cash Placing**”). The total proceeds of the CPPIB Cash Placing would be €200 million. CPPIB is a leading global institutional investor that manages the funds of the Canada Pension Plan. At 31 March 2017, the CPP Fund totalled CAD\$316.7 billion. The funds raised by the CPPIB Cash Placing will not be used to fund the cash portion of the Consideration but will be used to repay borrowing incurred by Elis to finance the Consideration and to help Elis meet its 2018 leverage target of ~3x (consistent with its current level) if the Transaction is completed. The CPPIB Cash Placing is conditional on, amongst other matters, the Scheme being approved by Berendsen Shareholders and sanctioned by the Court and approval of the Elis Shareholder Resolutions. While Elis is firmly committed to the CPPIB Cash Placing, the Transaction is not conditional upon the CPPIB Cash Placing becoming unconditional or being completed.
- It is intended that the Transaction will be implemented by means of Court-sanctioned scheme of arrangement of Berendsen under Part 26 of the 2006 Act. However, Elis reserves the right to implement the Transaction by way of an Offer, subject to the Panel's consent.
- The Berendsen Directors, who have been so advised by Credit Suisse and J.P. Morgan Cazenove as to the financial terms of the Transaction, consider the terms of the Transaction to be fair and reasonable. In providing its financial advice, each of Credit Suisse and J.P. Morgan Cazenove has taken into account the commercial assessments of the Berendsen Directors.
- Accordingly, the Berendsen Directors intend unanimously to recommend that Berendsen Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Berendsen General Meeting (or, in the event that the Transaction is implemented by way of an Offer, to recommend that Berendsen Shareholders accept the Offer), as they have irrevocably undertaken to do in respect of the beneficial holdings which are under their control of, in aggregate, 572,144 Berendsen Shares representing approximately 0.33 per cent. of

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<sup>3</sup> Adjusted EBITDA and Adjusted Operating Profit are stated before exceptional costs, goodwill impairment and amortisation of customer contracts and have been extracted from Berendsen's annual report and accounts for the year ended 31 December 2016. The EBITDA multiple is based on Enterprise Value, which is defined as Equity Value on a fully diluted basis plus net debt (adjusted for the payment of the Interim Dividend), tax adjusted net pension deficit and minority interests, in each case as extracted from Berendsen's annual report and accounts for the year ended 31 December 2016.

<sup>4</sup> Based on Elis' 20 day volume weighted average share price to 6 June 2017.

Berendsen's issued share capital on 9 June 2017, being the last Business Day before this Announcement.<sup>5</sup>

- The Elis Directors intend unanimously to recommend that Elis Shareholders vote in favour of the Elis Shareholder Resolutions at the Elis General Meeting, as the chief executive officer and chief financial officer of Elis have irrevocably undertaken to do in respect of the beneficial holdings which are under their control of, in aggregate 197,457 Elis Shares representing in aggregate approximately 0.19 per cent. of the voting rights of Elis Shares in issue on 5 June 2017, being the latest practicable date before the date of this Announcement.
- Elis has received irrevocable undertakings from certain Elis Shareholders to vote (or procure the voting) in favour of the Elis Shareholder Resolutions in respect of, in aggregate, 44,395,942 Elis Shares representing in aggregate approximately 39.8 per cent. of the voting rights of Elis Shares in issue on 5 June 2017, being the latest practicable date before the date of this Announcement. For as long as the Elis Directors continue to recommend that Elis Shareholders vote in favour of the Elis Shareholder Resolutions at the Elis General Meeting, Elis will not agree, except with Berendsen's consent, to the release of such undertakings.
- Further details of the irrevocable undertakings received by Elis and Berendsen (including details of the circumstances in which the irrevocable undertakings will cease to be binding) are set out in paragraphs 15, 16 and 17 of this Announcement.
- Elis believes the combination of Berendsen and Elis offers a compelling opportunity to create a pan-European textile, hygiene and facility services leader, combining Berendsen's competitive position in Northern Europe with Elis' strengths in the rest of Europe and a number of high-growth emerging markets. Elis also notes that:
  - together, the Combined Group would have revenues in excess of €3 billion<sup>6</sup> and EBITDA of c.€960 million<sup>7</sup>, with over 440 sites and operations in 28 countries;
  - the Combined Group would be geographically diversified and well-positioned in the majority of the geographies in which it would operate, including France, the UK,

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<sup>5</sup> The irrevocable undertakings for James Drummond and Kevin Quinn also apply to Berendsen Shares that are issued or received on the exercise of any options or the vesting of any awards held by the relevant Berendsen Director. Accordingly, the number of Berendsen Shares the subject of the irrevocable undertakings will change in the event any options or awards held by those Berendsen Directors are exercised or vest.

<sup>6</sup> Combined Group 2016 revenue of €3,102 million represents the aggregate of the Adjusted Elis 2016 Revenue (as defined in note 22) and the consolidated revenue of Berendsen (€1,359 million) for the 12 month period ended 31 December 2016 extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the average 2016 GBP/EUR rate of 1:1.225. The resulting aggregate revenue is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

<sup>7</sup> Combined Group 2016 EBITDA of €959 million represents the aggregate of the Adjusted Elis 2016 EBITDA (as defined in note 23) and the consolidated EBITDA of Berendsen (€427 million) for the 12 month period ended 31 December 2016 extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the average 2016 GBP/EUR rate of 1:1.225. The resulting aggregate EBITDA is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

Germany, Sweden, Brazil, Denmark, Spain, Portugal, the Netherlands, Switzerland and Norway; and

- in Germany, the Transaction would result in a stronger, more balanced footprint with combined revenues of approximately €310 million<sup>8</sup>, from over 30 industrial sites and an enhanced product offering.
- Elis further believes the Combined Group will be well-positioned to deliver enhanced value to both Berendsen Shareholders and Elis Shareholders from a strategic and financial perspective by continuing to pursue the four pillars of Elis' strategic plan: (i) consolidating its positions through organic growth and acquisitions across new and existing services and markets; (ii) developing activities in Latin America; (iii) continuing to improve its operational excellence; and (iv) introducing new products and services at limited marginal cost.
- Elis expects the Combined Group to generate recurring pre-tax operating and capital expenditure synergies of at least €40 million per annum by the end of the third year following completion of the Transaction. This is comprised of €35 million per annum of operating expenditure EBITDA synergies and €5 million per annum of capital expenditure synergies.
- Elis expects the Transaction to lead to double digit earnings accretion on an adjusted earnings per share basis for Elis in 2018 by comparison with the position if the Transaction had not taken place.<sup>9</sup>
- Elis intends to retain a strong and robust balance sheet with a target leverage of ~3x (consistent with its current level) by the end of 2018. Elis' pro forma leverage (as at 31 December 2016) taking into account the impact of the Transaction, the CPPIB Cash Placing and the Interim Dividend would be 3.1x.<sup>10</sup>

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<sup>8</sup> Represents the aggregate of: (a) the consolidated revenue of Elis in Germany (€81 million) for the 12 month period ended 31 December 2016 extracted from Elis' annual reports and accounts for the year ended 31 December 2016; (b) an unaudited adjustment for the full-year 2016 impact of the acquisition of Puschendorf (€37 million) as provided by Elis' management; and (c) the consolidated revenue of Berendsen in Germany (€193 million) for the 12 month period ended 31 December 2016 extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the average 2016 GBP/EUR rate of 1:1.225 (the "Adjusted Combined Germany 2016 Revenue"). The resulting aggregate revenue for Germany is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

<sup>9</sup> Adjusted EPS excludes goodwill impairments, amortisation of customer relationships, restructuring, intangible assets, and other exceptional items. The estimated adjusted EPS for 2018 of Elis assumes completion of the Transaction, and accordingly includes Elis' estimate of the Berendsen adjusted net income contribution for 2018 and takes account of the synergies expected to occur in 2018. It is then compared to Elis' estimated adjusted EPS for 2018 assuming no Transaction. The statement that the Transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 28 of the Code. It should not be interpreted to mean that the earnings per share in 2018 or any other future financial period will necessarily match or be greater than those for any preceding financial period. This statement is the sole responsibility of Elis. The Berendsen estimated 2018 adjusted net income contribution referred to above is Elis' own estimate of such net income which takes into account publicly available information on Berendsen.

<sup>10</sup> Adjusted 2016 net debt figure for Elis of €1,611 million ("Adjusted Elis 2016 net debt") represents the aggregate of: (a) the consolidated net debt of Elis (€1,596 million) as of 31 December 2016 extracted from Elis' financial statements for the year ended 31 December 2016; (b) the proceeds from the share capital increase launched by Elis in January 2017 (€325 million); and (c) the consideration paid as part of the acquisition of Lavebras (€340 million) which closed on 23 May 2017.

- Elis intends to finance the cash portion of the Consideration from third party debt. Elis has entered into a bridge loan facility with two of its relationship banks, BNP Paribas and Crédit Agricole Corporate and Investment Bank, in connection with, amongst other matters, financing the cash portion of the Consideration.
- Commenting on the Transaction, Xavier Martiré, CEO of Elis, said:
 

*“I am delighted to have reached agreement on a recommended acquisition to bring together Berendsen and Elis. In a consolidating sector, we believe there is a strong rationale for combining these businesses, with highly complementary geographic footprints, to create a pan-European leader in textile, hygiene and facility services. The combined group would be well-positioned to pursue further growth and we see the potential to create substantial financial value for both Berendsen and Elis shareholders.”*
- Commenting on the Transaction, Iain Ferguson, Chairman of Berendsen said:
 

*“The Berendsen Board believes that the offer from Elis, which represents £12.61 per share<sup>11</sup> (including an interim dividend), recognises the quality of our business and the strength of our future prospects. The offer provides shareholders with immediate value for their shares, whilst allowing them to participate in any future growth of the enlarged group. As a result, the Berendsen Board intends to recommend unanimously that Berendsen Shareholders accept this offer from Elis and we wish the combined entity all the very best going forward.”*
- The Transaction will be formally proposed to Berendsen Shareholders for approval at the Court Meeting and the Berendsen General Meeting (which is expected to take place shortly after the Court Meeting). The Court Meeting and the Berendsen General Meeting are required to enable Berendsen Shareholders to consider, and if thought fit, vote in favour of the resolutions to approve the Scheme and its implementation. In order to become effective, the Scheme must be approved by a majority in number of Scheme Shareholders on the register of members of Berendsen at the Voting Record Time, present and voting, whether in person or by proxy,

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The resulting aggregate net debt is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

Combined Group 2016 net debt of €3,007 million represents the aggregate of: (a) the Adjusted Elis 2016 net debt; (b) the consolidated net debt of Berendsen (€502 million) extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the exchange rate of 1:170 on 31 December 2016; (c) the cash component of the Offer (€1,072 million) based on a cash consideration of £5.40 per Berendsen Share multiplied by the aggregate of 172,627,894 Berendsen Shares currently in issue and 1,784,529 Berendsen options and awards (being the maximum number of Berendsen options which become exercisable or awards that vest on a change of control must be satisfied using newly issued Berendsen Shares and cannot be satisfied by Berendsen Shares currently held by the Berendsen EBT) (assuming the issue of new Berendsen Shares to satisfy all such options), and converted to euro at the exchange rate of 1:138 on 9 June 2017; (d) the aggregate amount of the Interim Dividend payable to Berendsen Shareholders of €22 million (based on an Interim Dividend of £0.11 per Berendsen Share and multiplied by 172,627,894 outstanding Berendsen Shares and converted to euro at an exchange rate of 1:138); less the proceeds from the reserved capital increase subscribed by CPPIB of €200 million. The resulting aggregate net debt is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

<sup>11</sup> Based on the Closing Price of an Elis Share of €20.17 on 6 June 2017 and a £:€ exchange rate of £1 = €1.145 on 6 June 2017.

representing 75 per cent. or more in nominal value of the Scheme Shares held by those Scheme Shareholders.

- Elis will convene the Elis General Meeting for a date which is as close as reasonably practicable to the date for the Court Meeting and the Berendsen General Meeting.
- The Transaction will be on the terms and subject to the Conditions set out in Appendix 1 to this Announcement. It is expected that the Scheme Document, containing further information about the Transaction and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be posted to Berendsen Shareholders no later than 31 July 2017. An expected timetable of principal events will be included in the Scheme Document.
- The Scheme is expected to become effective in the third or fourth quarter of 2017, subject to satisfaction or (where permissible) waiver of the Conditions and compliance with certain further terms set out in Appendix 1 to this Announcement.
- It is intended that the French Prospectus will be published at or around the same time as the Scheme Document is posted to Berendsen Shareholders.

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement (including the Appendices). The Transaction will be subject to the satisfaction or waiver of the Conditions and certain further terms set out in Part B of Appendix 1 and to the full terms and conditions which will be set out in the Scheme Document. Appendix 2 contains the sources of information and bases of calculation of certain information contained in this Announcement and Appendix 5 contains definitions of certain terms used in this Announcement.**

#### **Investor and Analyst Conference Call Details**

*Elis will host a conference call for investors and analysts today at 8:00 a.m. BST / 9:00 a.m. CEST. For regulatory reasons, this conference call may not be accessed by any person in, and any associated materials may not be released, published, or distributed directly or indirectly, in or into or from the United States of America, Australia, Canada, Japan or any other jurisdiction where to do so would constitute a violation of applicable law.*

Webcast Link: [www.corporate-elis.com](http://www.corporate-elis.com)

UK Dial-In Number: +44 (0) 20 3427 1918

UK Freephone Number: 0800 279 4977

France Dial-in Number: +33 (0) 1 76 77 22 29

France Freephone Number: 0805 631 580

Confirmation Code: 4742373



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## Further information

Berendsen Shareholders should carefully review the French Prospectus (including the French Registration Document, the French Registration Document Update (if applicable) and the French Listing Prospectus, which includes the summary of the French Prospectus set out therein), when approved by the AMF and published. The French Prospectus (including the French Registration Document) will be available free of charge from the AMF's website ([www.amf-france.org](http://www.amf-france.org)) and Elis' website ([www.corporate-elis.com](http://www.corporate-elis.com)). The French Prospectus will present a detailed description of Elis, its business, strategy, financial condition and results of operations. Berendsen Shareholders' attention is drawn to the risk factors described in Chapter 2 "Risk factors and insurance policy" of the French Registration Document, as will be amended and supplemented by Chapter 2 of the French Registration Document Update (if applicable) and the risk factors section of the French Listing Prospectus. The materialisation of one or more of the risks described in the French Prospectus may have a material adverse effect on Elis' activities, assets, financial position, results or prospects, as well as on the market price of Elis Shares. Any investment decision relating to the New Elis Shares should only be made on the basis of the French Prospectus.

Lazard & Co., Limited ("**Lazard**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Elis and no one else in connection with the Transaction and will not be responsible to anyone other than Elis for providing the protections afforded to clients of Lazard & Co., Limited nor for providing advice in relation to the Transaction and matters referred to in this Announcement. Neither Lazard & Co., Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard & Co., Limited in connection with the Transaction, this Announcement, any statement contained herein or otherwise.

Zaoui & Co Ltd ("**Zaoui & Co**") is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Zaoui & Co is acting exclusively as financial adviser for Elis and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than Elis for providing the protections afforded to clients of Zaoui & Co, nor for providing advice in relation to any matter referred to herein.

Deutsche Bank AG is authorised under German Banking Law (competent authority: European Central Bank) and, in France, by the *Autorité de Contrôle Prudentiel et de Résolution*. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in France by the AMF. Details about the extent of its authorisation and regulation by BaFin, the *Autorité de Contrôle Prudentiel et de Résolution* and the AMF are available on request. Deutsche Bank is acting as financial adviser and corporate broker to Elis and no one else in connection with the Transaction or the contents of this Announcement and will not be responsible to anyone other than Elis for providing the protections afforded to clients of Deutsche Bank or for providing advice in relation to the Transaction or any other matters referred to herein.

In accordance with, and to the extent permitted by, the Code, normal UK market practice and Rule 14e-5 under the US Exchange Act, Deutsche Bank AG, London Branch and its affiliates may continue to act as

exempt principal traders in Berendsen Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the US Exchange Act. To the extent required to be disclosed in accordance with applicable regulatory requirements, information about any such purchases will be disclosed to the Panel by no later than 12 noon on the next “business day”, as such term is defined in the Code, and will be available from any Regulatory Information Service, including the regulatory news service on the London Stock Exchange website ([www.londonstockexchange.com](http://www.londonstockexchange.com)).

Credit Suisse International (“**Credit Suisse**”), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Berendsen and no one else in connection with the matters set out in this announcement and will not be responsible to any person other than Berendsen for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the content of this announcement or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this announcement, any statement contained herein or otherwise.

J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove (“**J.P. Morgan Cazenove**”), is authorised and regulated by the Financial Conduct Authority in the UK. J.P. Morgan Cazenove is acting exclusively as financial adviser to Berendsen and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than Berendsen for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to the contents of this announcement or any other matter referred to herein.

HSBC Bank plc (“**HSBC**”), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting as financial adviser to Berendsen and for no one else in connection with the contents of this announcement and will not be responsible to anyone other than Berendsen for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement or any other matters referred to in this announcement.

In accordance with, and to the extent permitted by, the Code, normal UK market practice and Rule 14e-5 under the US Exchange Act, Credit Suisse, J.P. Morgan Limited and HSBC and their respective affiliates may continue to act as exempt principal traders in Berendsen Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the US Exchange Act. To the extent required to be disclosed in accordance with applicable regulatory requirements, information about any such purchases will be disclosed to the Panel by no later than 12 noon on the next “business day”, as such term is defined in the Code, and will be available from any Regulatory Information Service, including the regulatory news service on the London Stock Exchange website ([www.londonstockexchange.com](http://www.londonstockexchange.com)).

### **Additional restrictions regarding the United States and other Overseas Jurisdictions**

This Announcement does not constitute the extension of an offer to acquire, purchase, subscribe for, sell or exchange (or the solicitation of an offer to acquire, purchase, subscribe for, sell or exchange), any securities in any jurisdiction, including the United States of America, Australia, Canada, Japan or any other jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and any such offer (or solicitation) may not be extended in any such jurisdiction. Any securities to be offered have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from registration thereunder. There may be no public offering of securities in the United States.

This document has been prepared in accordance with English law and the Code and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

### **Cautionary note regarding forward-looking statements**

This Announcement contains certain statements which are, or may be deemed to be, “forward-looking statements” which are prospective in nature. The words “believe”, “anticipate”, “expect”, “intend”, “aim”, “plan”, “predict”, “continue”, “assume”, “positioned”, “may”, “will”, “should”, “shall”, “risk” and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not current or historical facts. By their nature, forward-looking statements involve risks and uncertainties because such statements relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not indicative of future performance and Elis’ or Berendsen’s actual results of operations, financial condition and liquidity, and the development of the industry in which Elis or Berendsen operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Announcement. The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that Elis, or persons acting on its behalf, may issue.

### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening

Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

#### **Publication on website and availability of hard copies**

This Announcement will be available on Elis' website ([www.corporate-elis.com](http://www.corporate-elis.com)) and Berendsen's website ([www.berendsen.com](http://www.berendsen.com)) by no later than 12 noon (London time) on 13 June 2017, but will not be available to persons in the United States, Australia, Canada, Japan or any other jurisdiction where this would violate applicable law. For the avoidance of doubt, the content of such websites is not incorporated into and does not form part of this document.

You may request a hard copy of this Announcement by contacting Berendsen on +44 (0) 20 7259 6663. You may also request that all future documents, announcements and information to be sent to you in relation to the Transaction should be in hard copy form.

Copies of this Announcement and any other document relating to the Transaction or any offering of New Elis Shares may not be mailed, distributed, forwarded or otherwise transmitted or made available in, into or from the United States, Australia, Canada, Japan or any other jurisdiction where this would violate applicable law (including by custodians, nominees and trustees).

### **Responsibility**

The Elis Directors accept responsibility for the information set out in this Announcement, except for that information for which the Berendsen Directors accept responsibility as set out below. To the best of the knowledge and belief of the Elis Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Berendsen Directors accept responsibility for the information set out in this Announcement which relates to Berendsen, to the Berendsen Directors, or to their respective close relatives, related trusts and other connected persons and persons acting in concert with Berendsen. To the best of the knowledge and belief of the Berendsen Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

12 June 2017

**RECOMMENDED ACQUISITION**

**OF**

**BERENDSEN PLC**

**BY**

**ELIS SA**

**TO CREATE A PAN-EUROPEAN TEXTILE, HYGIENE AND FACILITY SERVICES LEADER**

**1. Introduction**

The boards of Elis SA ("**Elis**") and Berendsen plc ("**Berendsen**") are pleased to announce that they have reached agreement on the terms of a recommended acquisition by Elis of the entire issued and to be issued share capital of Berendsen.

It is intended that the Transaction will be implemented by way of a Court-sanctioned scheme of arrangement of Berendsen under Part 26 of the 2006 Act.

**2. The Transaction**

Under the terms of the Transaction, which will be subject to the Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document, Berendsen Shareholders will receive:

for each Berendsen Share:       £5.40 in cash; and

0.403 New Elis Shares.

In addition, under the Transaction, Berendsen Shareholders will be entitled to a dividend of £0.11 per Berendsen Share expected to be declared and paid by Berendsen in respect of the six month period

ending 30 June 2017 (the “**Interim Dividend**”). Further details of the expected record date, payment date and ex-dividend date for the Interim Dividend will be set out in the Scheme Document.

The terms of the Transaction as set out above valued each Berendsen Share at £12.50<sup>12</sup> (excluding the Interim Dividend) and £12.61 (including the Interim Dividend) at the time of the announcement by Elis and Berendsen of agreement on the key terms of the Transaction on 7 June 2017.

As at 9 June 2017, being the last Business Day before the date of this Announcement, and based on the Closing Price of an Elis Share of €19.90 on 9 June 2017 and a £:€ exchange rate of £1 = €1.138 on 9 June 2017, the terms of the Transaction value each Berendsen Share at £12.45 (excluding the Interim Dividend) and imply a total equity value for Berendsen of approximately £2.17 billion on a fully diluted basis<sup>13</sup>.

The cash portion of the Transaction represents approximately 63 per cent. of the Closing Price of a Berendsen Share of £8.64 on 17 May 2017, the last Business Day preceding the announcement by Elis of a possible offer for Berendsen.

Berendsen Shareholders would receive New Elis Shares representing approximately 32 per cent. of the enlarged Elis share capital in issue immediately following completion of the Transaction (assuming completion of the CPPIB Cash Placing).

The value of the Transaction represents as at 9 June 2017:

- a premium of approximately 44 per cent. to the Closing Price of a Berendsen Share of £8.64 on 17 May 2017, the last Business Day preceding the announcement by Elis of a possible offer for Berendsen; and
- a premium of approximately 50 per cent. to Berendsen’s six month volume weighted average share price to 17 May 2017 of £8.29.

The Transaction values Berendsen as at 9 June 2017 at an implied Enterprise Value / 2016 Adjusted EBITDA multiple of 7.6x and an implied Equity Value / 2016 Adjusted Profit After Tax multiple of 20.1x<sup>14</sup>. In addition, the Transaction values Berendsen as at 9 June 2017 at an implied Enterprise Value / 2016 Adjusted Operating Profit multiple of 16.5x.

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<sup>12</sup> Based on the Closing Price of an Elis Share of €20.17 on 6 June 2017 and a £:€ exchange rate of £1 = €1.145 on 6 June 2017.

<sup>13</sup> On the basis of a fully diluted share capital for Berendsen of 174,412,423 shares, being the aggregate of 172,627,894 Berendsen Shares currently in issue and 1,784,529 Berendsen options and awards (being the maximum number of Berendsen options which become exercisable or awards that vest on a change of control which must be satisfied using newly issued Berendsen Shares and cannot be satisfied by Berendsen Shares currently held by the Berendsen EBT).

<sup>14</sup> Adjusted EBITDA, Adjusted Profit After Tax and Adjusted Operating Profit are stated before exceptional costs, goodwill impairment and amortisation of customer contracts and have been extracted from Berendsen’s annual report and accounts for the year ended 31 December 2016. The EBITDA multiple is based on Enterprise Value, which is defined as Equity Value on a fully diluted basis plus net debt (adjusted for the payment of the Interim Dividend), tax adjusted net pension deficit and minority interests, in each case as extracted from Berendsen’s annual report and accounts for the year ended 31 December 2016



### 3. Background to, and reasons for, the Transaction

#### ***A Compelling Opportunity: Transaction Would Create a Pan-European Leader In Textile, Hygiene and Facility Services***

Elis believes that a combination of Berendsen and Elis offers a compelling opportunity to create a pan-European textile, hygiene and facility services group, combining Berendsen's competitive position in Northern Europe with Elis' strengths in the rest of Europe and a number of high-growth emerging markets. Together, the Combined Group would have revenues in excess of €3 billion<sup>15</sup> and EBITDA of c.€960 million<sup>16</sup>, with over 440 sites and operations in 28 countries.

Elis believes that the Combined Group would be geographically diversified and well-positioned in the majority of the geographies in which it would operate, including France, the UK, Germany, Sweden, Brazil, Denmark, Spain, Portugal, the Netherlands, Switzerland and Norway.

Elis believes that in Germany, the Transaction would result in a stronger, more balanced footprint with combined revenues of approximately €310 million<sup>17</sup>, from over 30 industrial sites and an enhanced product offering.

Elis further believes the Combined Group will be well-positioned to deliver enhanced value to both Berendsen and Elis shareholders from a strategic and financial perspective by continuing to pursue Elis' four strategic pillars of: (i) consolidating its positions through organic growth and acquisitions across new and existing services and markets; (ii) developing activities in Latin America; (iii) continuing to improve its operational excellence; and (iv) introducing new products and services at limited marginal cost.

#### ***Significant Synergy Opportunity for Both Berendsen Shareholders and Elis Shareholders***

The Elis Board believes that the Combined Group would generate attractive synergies and create additional shareholder value.

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<sup>15</sup> Combined Group 2016 revenue of €3,102 million represents the aggregate of the Adjusted Elis 2016 Revenue (as defined in note 22) and the consolidated revenue of Berendsen (€1,359 million) for the 12 month period ended 31 December 2016 extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the average 2016 GBP/EUR rate of 1:1.225. The resulting aggregate revenue is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

<sup>16</sup> Combined Group 2016 EBITDA of €959 million represents the aggregate of the Adjusted Elis 2016 EBITDA (as defined in note 23) and the consolidated EBITDA of Berendsen (€427 million) for the 12 month period ended 31 December 2016 extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the average 2016 GBP/EUR rate of 1:1.225. The resulting aggregate EBITDA is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

<sup>17</sup> Represents the aggregate of: (a) the consolidated revenue of Elis in Germany (€81 million) for the 12 month period ended 31 December 2016 extracted from Elis' annual reports and accounts for the year ended 31 December 2016; (b) an unaudited adjustment for the full-year 2016 impact of the acquisition of Puschendorf (€37 million) as provided by Elis' management; and (c) the consolidated revenue of Berendsen in Germany (€193 million) for the 12 month period ended 31 December 2016 extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the average 2016 GBP/EUR rate of 1:1.225 (the "Adjusted Combined Germany 2016 Revenue"). The resulting aggregate revenue for Germany is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

Further details of the composition of these synergies are set out in the Elis Quantified Financial Benefits Statement in Part A of Appendix 3 to this Announcement.

The Elis Board expects the Combined Group to generate recurring run-rate pre-tax operating and capital expenditure synergies (together, “**Cost Synergies**”) of at least €40 million per annum by the end of the third year following completion. This is comprised of €35 million per annum of operating expenditure EBITDA synergies, and €5 million per annum of capital expenditure synergies.

These synergies are expected to arise as a direct result of the Transaction and could not be achieved independently of the Transaction.

It is expected that the realisation of the Cost Synergies will require estimated one-off cash costs of approximately €40 million, incurred materially in the first two years after completion. The phasing will be assessed further and refined as part of the detailed integration planning in due course. Aside from the one-off costs referred to above, the Elis Board does not expect any material dis-synergies to arise as a direct result of the Transaction.

The Elis Quantified Financial Benefits Statement has been reported on under Rule 28.1 of the Code by Deloitte LLP, Elis’ reporting accountants, and by Lazard and Zaoui, Elis’ financial advisers, as set out in Part B and Part C of Appendix 3 to this Announcement.

The Elis Board is confident of realising significant further value via the delivery of incremental revenue synergies and growth that have not been quantified for reporting under the Code. The Elis Board believes such further value could be generated, for example, by:

- replicating Elis’ track record of introducing new service offerings to existing clients (notably pest control and beverages), across Berendsen’s clients to leverage existing distribution channels;
- providing an attractive, integrated offering to customers who organise procurement at a pan-European level;
- developing and maintaining Berendsen’s relationships with a broad range of customers in Berendsen’s territories; and
- combining Berendsen and Elis’ planned and ongoing development initiatives, such as in RFID tags and connected appliances.

#### **4. Impact of the Transaction on the balance sheet of the Combined Group**

##### ***Reserve capital increase from CPPIB***

CPPIB, which currently holds approximately 5 per cent. of the Elis Shares in issue, has agreed to subscribe for 10,131,713 new Elis Shares to be issued to it through a reserved capital increase (the “**CPPIB Shares**”) at a price of €19.74<sup>18</sup> per Elis Share (the “**CPPIB Cash Placing**”). The total proceeds of

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<sup>18</sup> Based on Elis’ 20 day volume weighted average share price to 6 June 2017.

the CPPIB Cash Placing would be €200 million. CPPIB is a leading global institutional investor that manages the funds of the Canada Pension Plan. At 31 March 2017, the CPP Fund totalled CAD\$316.7 billion. The funds raised by the CPPIB Cash Placing will not be used to fund the cash portion of the Consideration but will be used to repay borrowing incurred by Elis to finance the Consideration and to help Elis meet its 2018 leverage target of ~3x (consistent with its current level) if the Transaction is completed. The CPPIB Cash Placing is conditional on, amongst other matters, the Scheme being approved by Berendsen Shareholders and sanctioned by the Court and approval of the Elis Shareholder Resolutions. While Elis is firmly committed to the CPPIB Cash Placing, the Transaction is not conditional upon the CPPIB Cash Placing becoming unconditional or being completed.

Following the CPPIB Cash Placing and completion of the Transaction, Eurazeo will remain the largest shareholder, CPPIB will become the second largest shareholder and Predica will remain a significant shareholder, in each case in the Combined Group, with shareholdings of approximately 10.7 per cent., 7.7 per cent. and 6.3 per cent. respectively of the number of Elis Shares in issue immediately following completion of the Transaction.

### ***Robust balance sheet for the Combined Group***

Elis intends to retain a strong and robust balance sheet with a target leverage of ~3x (consistent with its current levels) by the end of 2018. Elis' pro forma leverage (as at 31 December 2016) taking into account the impact of the Transaction, the CPPIB Cash Placing and the Interim Dividend would be 3.1x<sup>19</sup>.

Elis expects the Transaction to result in a stronger business profile for the Combined Group given its increased geographical reach and diversified business mix with exposure to resilient end-markets, the expected cost synergies of at least €40 million per annum with potential for further revenue synergies, and robust EBITDA margins of above 30 per cent. (before synergies).

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<sup>19</sup> Adjusted 2016 net debt figure for Elis of €1,611 million ("Adjusted Elis 2016 net debt") represents the aggregate of: (a) the consolidated net debt of Elis (€1,596 million) as of 31 December 2016 extracted from Elis' financial statements for the year ended 31 December 2016; (b) the proceeds from the share capital increase launched by Elis in January 2017 (€325 million); and (c) the consideration paid as part of the acquisition of Lavebras (€340 million) which closed on 23 May 2017. The resulting aggregate net debt is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

Combined Group 2016 net debt of €3,007 million represents the aggregate of: (a) the Adjusted Elis 2016 net debt; (b) the consolidated net debt of Berendsen (€502 million) extracted from Berendsen's annual report and accounts for the year ended 31 December 2016 and converted to euro at the exchange rate of 1:170 on 31 December 2016; (c) the cash component of the Offer (€1,072 million) based on a cash consideration of £5.40 per Berendsen Share multiplied by the aggregate of 172,627,894 Berendsen Shares currently in issue and 1,784,529 Berendsen options and awards (being the maximum number of Berendsen options which become exercisable or awards that vest on a change of control must be satisfied using newly issued Berendsen Shares and cannot be satisfied by Berendsen Shares currently held by the Berendsen EBT) (assuming the issue of new Berendsen Shares to satisfy all such options), and converted to euro at the exchange rate of 1:138 on 9 June 2017; (d) the aggregate amount of the Interim Dividend payable to Berendsen Shareholders of €22 million (based on an Interim Dividend of £0.11 per Berendsen Share and multiplied by 172,627,894 outstanding Berendsen Shares and converted to euro at an exchange rate of 1:138); less the proceeds from the reserved capital increase subscribed by CPPIB of €200 million. The resulting aggregate net debt is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

### ***Double digit earnings accretion***

Elis expects the Transaction to lead to double digit earnings accretion on an adjusted earnings per share basis for Elis in 2018 by comparison with the position if the Transaction had not taken place.<sup>20</sup>

## **5. Background to and reasons for the recommendation**

In November 2015, Berendsen announced its Berendsen Excellence strategy, a strategy designed to enhance the capability of the company's operations, improving the quality of services and providing a platform for sustainable growth. The strategy was based on four key pillars: customer focus, operational excellence, organisational capability and effective use of capital.

In early March 2017, Berendsen announced an update to its strategy. Berendsen's management had identified three common root causes to the problems in the UK textile businesses: underinvestment in customer and market focus, underinvestment in plant and machinery and underinvestment in people and capabilities. The consequences of this underinvestment were significant increases in the costs of quality in the UK textile businesses. Berendsen's management identified a significant opportunity to minimise these increased costs of quality and put in place a clear strategy to take advantage of that opportunity including an investment in Berendsen's commercial and customer service capabilities, accelerating its capital investment in plant and machinery in the UK and in Europe, and investing in plant conversions and new builds. The growth investment in the business of £300 million was expected to generate a return on capital employed in excess of 15%.

The updated strategy has provided the Berendsen Board with greater visibility and confidence in Berendsen's medium-term growth opportunities and the Berendsen Board believes it represents a competitive and sustainable platform for future value creation. Berendsen has built good momentum in the delivery of its strategy, underpinning the Berendsen Board's confidence in its medium-term targets. This was reflected in Berendsen's announcement on 24 May 2017 in which the Berendsen Board reconfirmed the 2017 Profit Forecast of approximately £150 million and announced a new 2018 Profit Forecast of approximately £170 million. Further details of the 2017 Profit Forecast and the 2018 Profit Forecast are set out at Appendix 4 to this Announcement.

The Berendsen Board remains confident that Berendsen's strategy would deliver significant value for the Berendsen Shareholders on a standalone basis. However, it also believes that the terms of the Transaction substantially acknowledges the quality of the Berendsen business and the strength of its future prospects. Furthermore, the Berendsen Board recognises that the Transaction will create a pan-European leader in textile services, with attractive positions in the markets in which it operates and with

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<sup>20</sup> Adjusted EPS excludes goodwill impairments, amortisation of customer relationships, restructuring, intangible assets, and other exceptional items. The estimated adjusted EPS for 2018 of Elis assumes completion of the Transaction, and accordingly includes Elis' estimate of the Berendsen adjusted net income contribution for 2018 and takes account of the synergies expected to occur in 2018. It is then compared to Elis' estimated adjusted EPS for 2018 assuming no Transaction. The statement that the Transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 28 of the Code. It should not be interpreted to mean that the earnings per share in 2018 or any other future financial period will necessarily match or be greater than those for any preceding financial period. This statement is the sole responsibility of Elis. The Berendsen estimated 2018 adjusted net income contribution referred to above is Elis' own estimate of such net income which takes into account publicly available information on Berendsen.

sufficient scale and footprint to provide customers with the most efficient and comprehensive textile services offering across the European continent.

In addition, the value of the Transaction represents, as at 9 June 2017, an attractive premium of approximately 44% to Berendsen's share price on 17 May 2017, the last business day preceding the announcement by Elis of a possible offer for Berendsen, and an implied Enterprise Value / 2016 Adjusted Operating Profit multiple of 16.5x, which is above that of the 15.2x valuation of Rentokil Initial's workwear and hygiene businesses transferring into its joint venture with Haniel & Cie.<sup>21</sup> It also secures delivery of Berendsen's medium-term value potential today, whilst allowing the Berendsen Shareholders to participate in the possible future value creation accruing from the combination. As such, the Berendsen Board intends unanimously to recommend the Transaction to Berendsen Shareholders.

In reaching its conclusion, the Berendsen Board considered the terms of the Transaction in relation to the value and prospects of Berendsen's underlying business and the potential medium-term value of the Berendsen Shares on a standalone basis, the potential financial and strategic benefits resulting from a combination of Elis and Berendsen, the target leverage of the Combined Group as well as the potential prospects and value of the Combined Group.

## **6. Recommendations**

The Elis Directors intend unanimously to recommend that Elis Shareholders vote in favour of the Elis Shareholder Resolutions at the Elis General Meeting.

The Berendsen Directors, who have been so advised by Credit Suisse and J.P. Morgan Cazenove as to the financial terms of the Transaction, consider the terms of the Transaction to be fair and reasonable. In providing its financial advice, each of Credit Suisse and J.P. Morgan Cazenove has taken into account the commercial assessments of the Berendsen Directors.

Accordingly, the Berendsen Directors intend unanimously to recommend that Berendsen Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Berendsen General Meeting (or, in the event that the Transaction is implemented by way of an Offer, to recommend that Berendsen Shareholders accept the Offer), as they have irrevocably undertaken to do in respect of the beneficial holdings which are under their control of, in aggregate, 572,144 Berendsen Shares representing approximately 0.33 per cent. of Berendsen's issued share capital on 9 June 2017, being the last Business Day before this Announcement.

Further details of these irrevocable undertakings (including details of the circumstances in which the irrevocable undertakings will cease to be binding) are set out in paragraph 15 of this Announcement.

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<sup>21</sup> Based on adjusted profit before interest, tax and amortisation for 12 months to 30 June 2016 for the business transferred by Rentokil Initial into the JV with Haniel & Cie as extracted from Rentokil Initial's investor presentation "Joint Venture with Haniel, Delivering Shareholder Value" dated 16 December 2016.

## 7. Information relating to Berendsen

Berendsen is a focused European textile, hygiene and safety solutions business. Berendsen provides service solutions to design, source, lease, clean and maintain textiles, medical and well-being devices. Its services includes investment in the stock of goods, management of the stock, pick-up of soiled items, and delivery of professionally cleaned, repaired and quality-checked goods.

Berendsen provides professional expertise in design of workwear, textile sourcing and purchasing, textile maintenance, decontamination and sterilisation of medical and well-being devices and an optimised service for each customer. Outsourcing such services to Berendsen offers significant benefits to the customer, saving costs, freeing up time, space, staff and capital and allowing our customers to concentrate on their core business.

In 2016, Berendsen put into effect a new organisational structure with four customer-facing business lines: (i) Workwear, (ii) Facility (iii) Healthcare; and (iv) Hospitality, to ensure direct alignment with their customers' needs. The Workwear business line provides efficient and cost-effective outsourced workwear services to 80,000 customers across Europe supporting them in management of complexity and risk in areas such as hygiene, protection, safety and corporate identity. The Facility business line offers three distinct services: washroom, mats and cleanroom, all of which address specific requirements for both large sophisticated customers and very small customers. The Healthcare business line offers services for hospital wards, clinics, operating theatres and elderly care homes, support customers' drive for greater patient safety, infection control and efficiency. The Hospitality business line provides linen solution, such as linen hire and laundry services, primarily to customers who operate in the hotel, restaurant and catering services.

Berendsen employs approximately 16,000 employees across 16 countries throughout Europe. Its headquarters are located in London, while its business line offices are found in Basingstoke and in Copenhagen.

## 8. Information relating to Elis

Elis is a multi-service leader in the rental, laundry and maintenance of flat linen, workwear and hygiene and well-being appliances in Europe and Latin America. With a workforce of approximately 30,000 people in 14 countries, Elis recorded consolidated revenue of €1.7 billion<sup>22</sup> and consolidated EBITDA of €530 million<sup>23</sup> in 2016. Elis serves more than 240,000 customers of all sizes in the Hospitality, Healthcare,

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<sup>22</sup> Adjusted 2016 revenue figure for Elis of €1,742 million ("Adjusted Elis 2016 Revenue") represents the aggregate of: (a) the consolidated revenue of Elis (€1,513 million) for the 12 month period ended 31 December 2016 extracted from Elis' financial statements for the year ended 31 December 2016; (b) the estimated unaudited consolidated revenue of each of Indusal (€90 million) and Lavebras (€103 million) for the 12 month period ended 31 December 2016 as published by Elis on 20 December 2016; and (c) an unaudited adjustment for the full-year 2016 impact of the acquisition of Puschendorf (€37 million) as provided by Elis' management. The resulting aggregate revenue is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

<sup>23</sup> Adjusted 2016 EBITDA figure for Elis of €532 million ("Adjusted Elis 2016 EBITDA") represents the aggregate of: (a) the consolidated EBITDA of Elis (€468 million) for the 12 month period ended 31 December 2016 extracted from Elis' financial statements for the year ended 31 December 2016; (b) the estimated unaudited consolidated EBITDA of each of Indusal (€24 million based on estimated EBITDA margin of 27 per cent. as published by Elis on 20 December 2016) and Lavebras (€31 million based on minimum estimated EBITDA margin of 30 per cent. as published by Elis on 20 December 2016) for

Industry, Retail and Services sectors, via its network of more than 300 production and distribution centres and 13 clean rooms, ensuring that it has close proximity to its customers.

Elis provides multi-service offerings to its customers in its various end markets, thanks to its good network coverage and industrial know-how. Elis aims to continue to strengthen its network and its offering in order to maintain its growth and improve returns, which are already among the highest in the sector. To reach this objective, its strategy focuses on four pillars:

- consolidating its positions through organic growth and acquisitions;
- developing its activities in Latin America;
- continuing to improve its operational excellence; and
- introducing new products and services at limited marginal cost.

## **9. Management and employees**

Elis attaches great importance to the skills and experience of the existing employees of Berendsen. Elis intends to approach the integration of the broader management team in an open and transparent manner with the aim of retaining and motivating the best talent across the Combined Group. Once integration is completed, Elis aims to create a stable working environment across the Combined Group to facilitate employee development.

Elis confirms that it intends to safeguard the existing employment and pension rights of all existing management and employees of Berendsen in accordance with applicable law.

## **10. Berendsen current trading**

Berendsen released its AGM trading update on 27 April 2017, for the first quarter, from 1 January to 31 March 2017, which included the following information in relation to its current trading and prospects:

*“Trading in the period was in line with management expectations. Underlying revenue, at constant exchange rates and before acquisitions, grew by 3% compared to the prior year; solid underlying revenue growth in Continental Europe more than offset an expected decline in each of the UK textile businesses. Reported revenue, including the impact of foreign exchange and acquisitions, grew by over 10%.*

*The Berendsen Group continues to implement its Berendsen Excellence strategy. In the UK, progress remains on track, as we invest in our people, processes, systems, plant and machinery. We are confident that the actions being taken will enable us to progressively capture the sizeable opportunity for margin improvement in the UK. Common processes and controls continue to be installed across the Berendsen Group; these are giving greater operational visibility and strengthening our ability to share best practice*

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the 12 month period ended 31 December 2016; and (c) an unaudited adjustment for the full-year 2016 impact of the acquisition of Puschendorf (€9 million) as provided by Elis' management. The resulting aggregate EBITDA is derived from the addition of these components with no further adjustments to conform to Elis' accounting policies or otherwise.

*within our business lines. Our outlook for 2017 is unchanged and we remain confident in the medium term growth prospects for the Berendsen Group.”*

## **11. Elis current trading**

An extract from Elis' Q1 2017 press release dated 27 April 2017 is set out below:

### **“France**

*Q1 revenue in France was up +1.3 per cent. (+0.7 per cent. on an organic basis).*

- *Revenues for the Trade & Services segment increased by 1.5 per cent. on an organic basis, in an economic environment that remains uncertain.*
- *Organic revenue growth for the Hospitality segment was 2.8 per cent.. Elis noted an improvement in activity in the Parisian region, despite the positive calendar effect seen in 2016 (Easter week in March and the impact of an additional day in February as 2016 was a leap year) which made the comparable base more challenging.*
- *Revenues for the Industry segment were down 2.6 per cent. on an organic basis due to the loss of some contracts in 2016.*
- *Revenues for the Healthcare segment grew by 1.5 per cent., as the rollout of large contracts for both shortstay and long-stay came to an end in 2016.*

### **Europe (excluding France)**

*Q1 revenue growth in Northern Europe was +27.8 per cent., driven by the acquisitions made in 2016 in Germany and Switzerland. Organic revenue growth was +3.0 per cent. despite subdued hospitality activity in Switzerland during the winter.*

*Southern Europe continued to be very dynamic with revenue growth of +65.9 per cent., driven by the acquisition of Indusal in Spain in December 2016. Organic growth in the region was +6.8 per cent.. This performance was again driven by Spain and Portugal, which both delivered organic revenue growth above 7 per cent. despite the same unfavourable calendar effect as the one described for France, but with an even more material impact. This performance reflects the Elis Group's commercial momentum with the opening of new markets.*

### **Latin America**

*Q1 revenue growth was +38.2 per cent.. Organic growth was +7.2 per cent., also unfavourably impacted by the 2016 calendar effect. Elis recorded a positive 27.7 per cent. impact from currency evolution. Commercial momentum remains very good in Brazil (more than 8 per cent. organic growth, with c. +4 per cent. from price increases despite the marked slowdown in inflation). For the record, on top of the calendar effect, activity from hospitals, laboratories and medical centers was very strong in Q1 2016 as a consequence of epidemics that impacted Brazil during its summer period.”*



## **12. Mix and Match Facility and dealing arrangements**

Under the terms of the Transaction, Elis intends to make available a Mix and Match Facility to Berendsen Shareholders. Under the Mix and Match Facility, accepting Berendsen Shareholders may elect to vary the proportions in which they receive New Elis Shares and cash consideration, subject to off-setting elections being made by other Berendsen Shareholders. To the extent the elections cannot be satisfied in full, they will be scaled down on a pro rata basis. Elis and Berendsen will seek to work together to address costs of holding and dealing in Elis Shares for certain Berendsen Shareholders.

## **13. Berendsen Share Schemes**

Participants in the Berendsen Share Schemes will be contacted regarding the effect of the Transaction on their rights under these schemes and appropriate proposals will be made and communicated to such participants in due course.

## **14. Transaction-related arrangements**

Elis and Berendsen entered into a mutual confidentiality agreement on 8 June 2017 (the “**Confidentiality Agreement**”) pursuant to which each of them has undertaken to keep certain information relating to: (i) the Transaction; and (ii) the other party and its businesses, customers or financial affairs confidential and not to disclose such information to third parties, except (a) to its directors, officers, employees, advisers and, in certain circumstances, certain other permitted recipients for the purposes of evaluating the Transaction, or (b) if required to do so by law or regulation or by any regulatory or governmental authority to which it is subject.

Pursuant to the Confidentiality Agreement, each of Elis and Berendsen undertook, for a period of 12 months from the date of the Confidentiality Agreement, not to have any contact in relation to the Proposed Transaction (as defined therein) with the other party’s directors, officers and employees (other than certain individuals designated by each party for the purpose from time to time), customers, contractors, sub-contractors, suppliers or lenders without the other party’s prior written consent and not to solicit, engage or employ or offer to employ any senior employee of the other party, save in certain circumstances.

Save as referred to above, the obligations pursuant to the Confidentiality Agreement will remain in force until completion of the Transaction or, if the Transaction fails to complete, for a period of 18 months from the date of the Confidentiality Agreement.

## **15. Irrevocable undertakings from Berendsen Directors**

All of the Berendsen Directors who hold Berendsen Shares or otherwise control the voting rights in respect of such shares have irrevocably undertaken to vote (or procure the voting) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Berendsen General Meeting (or, in the event that the Transaction is implemented by way of an Offer, accept the Offer), in respect of the beneficial holdings which are under their control, of, in aggregate, 572,144 Berendsen Shares

representing approximately 0.33 per cent. of the issued ordinary share capital of Berendsen on 9 June 2017 (being the last business day before the date of this Announcement).<sup>24</sup> The individual irrevocable undertakings which have been provided by the Berendsen Directors who hold Berendsen Shares are as follows:

<b>Director</b>	<b>Number of Berendsen Shares</b>	<b>Percentage of Berendsen Shares in Issue (%)</b>
James Drummond	142,840	0.083
Kevin Quinn	215,404	0.125
Iain Ferguson	150,000	0.087
David Lowden	32,500	0.019
Andrew Wood	20,000	0.012
Maarit Aarni-Sirviö	1,400	0.001
Lucy Dimes	10,000	0.006
<b>Total</b>	<b>572,144</b>	<b>0.33</b>

The undertakings from the Berendsen Directors will cease to be binding only if: (i) the Transaction is not completed on or prior to the Long Stop Date; (ii) the Panel consents to Elis not proceeding with the Transaction; or (iii) the Scheme or Offer lapses or is withdrawn and, in the case of (ii) and (iii), no new, revised or replacement Scheme or Offer is announced by Elis in accordance with Rule 2.7 of the Code at the same time. The undertakings will remain binding in the event that a higher competing offer for Berendsen is made.

## **16. Irrevocable undertakings from Elis Shareholders**

Elis has received undertakings from<sup>25</sup>:

- Eurazeo, on behalf of itself and its subsidiary Legendre Holding 27, to vote in favour of the Elis Shareholder Resolutions, in respect of a total of 23,635,032 Elis Shares carrying the right to cast

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<sup>24</sup> The irrevocable undertakings for James Drummond and Kevin Quinn also apply to Berendsen Shares that are issued or received on the exercise of any options or the vesting of any awards held by the relevant Berendsen Director. Accordingly, the number of Berendsen Shares the subject of the irrevocable undertakings will change in the event any options or awards held by those Berendsen Directors are exercised or vest.

<sup>25</sup> Berendsen Shareholders should be aware that, under French law, Elis Shares held in registered form for more than two years attract additional voting rights, so voting rights at Elis general meetings do not necessarily match economic ownership.

42,892,699 votes, representing approximately 26.8 per cent. of the voting rights<sup>26</sup> of Elis Shares in issue on 5 June 2017, being the latest practicable date before the date of this Announcement;

- Predica to vote in favour of the Elis Shareholder Resolutions, in respect of a total of 13,991,662 Elis Shares carrying the right to cast 13,991,662 votes, representing approximately 8.8 per cent. of the voting rights of Elis Shares in issue on 5 June 2017, being the latest practicable date before the date of this Announcement; and
- CPPIB to vote in favour of the Elis Shareholder Resolutions, in respect of a total of 6,769,248 Elis Shares carrying the right to cast 6,769,248 votes, representing approximately 4.2 per cent. of the voting rights of Elis Shares in issue on 5 June 2017, being the latest practicable date before the date of this Announcement.

The undertakings given by Eurazeo and Predica to vote in favour of the Elis Shareholder Resolutions are not subject to any conditions and will expire on 31 December 2017 (but cannot otherwise be terminated other than by mutual agreement).

For as long as the Elis Directors continue to recommend that Elis Shareholders vote in favour of the Elis Shareholder Resolutions at the Elis General Meeting, Elis will not agree, except with Berendsen's consent, to the release of the undertakings given by Eurazeo or Predica to vote in favour of the Elis Shareholder Resolutions.

The undertaking given by CPPIB to vote in favour of the Elis Shareholder Resolutions is set out in the agreement between Elis and CPPIB relating to the CPPIB Cash Placing. It is not subject to any conditions and can be terminated by CPPIB in the following circumstances: (a) if the Effective Date does not occur on or prior to the earlier of (i) 31 March 2018, and (ii) the last day of the 9-month period starting on the date of this Announcement; (b) if the resolutions required to approve and implement the Elis Reserved Capital Increase are not duly passed by Elis Shareholders on or prior to 31 December 2017; (c) if the Elis Shareholder Resolutions are not duly passed by Elis Shareholders on or prior to 31 December 2017; (d) if the Scheme or any resolution relating to the implementation of the Scheme is not approved by the requisite majority at the Court Meeting or the General Meeting; (e) if the Scheme is not sanctioned by the Court; (f) in the event the Transaction is implemented by means of an Offer, if such Offer lapses or is withdrawn; (g) if Elis announces to the public, in accordance with the Code, that it does not intend to proceed with the Transaction; or (h) if an event of default entitling the lenders under the bridge facility agreement entered into by Elis (as described in paragraph 20) to refuse to lend under such agreement has occurred and CPPIB has not waived its right to terminate.

For as long as the Elis Directors continue to recommend that Elis Shareholders vote in favour of the Elis Shareholder Resolutions at the Elis General Meeting, Elis will not agree, except with Berendsen's consent, to the release of the undertaking given by CPPIB to vote in favour of the Elis Shareholder Resolutions. For the avoidance of doubt, this shall not apply to the remainder of the agreement with CPPIB relating to the CPPIB Cash Placing.

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<sup>26</sup> Elis Shares in issue as at 5 June 2017 carry the right to cast 159,823,503 votes in total (including voting rights attached to treasury shares).

## 17. Irrevocable undertakings from Elis management

The following members of Elis management have irrevocably undertaken to vote (or procure the voting) in favour of the Elis Shareholder Resolutions at the Elis General Meeting in respect of the beneficial holdings which are under their control of, in aggregate, 197,457 Elis Shares representing in aggregate approximately 0.19 per cent. of the voting rights of Elis Shares in issue on 5 June 2017, being the latest practicable date before the date of this Announcement:

<b>Member of Elis Management</b>	<b>Number of Elis Shares</b>	<b>Number of Voting Rights</b>	<b>Percentage of Voting Rights of Elis Shares in Issue (%)</b>
Xavier Martire	153,119	239,041	0.150
Louis Guyot	44,338	67,401	0.042
<b>Total</b>	<b>197,457</b>	<b>306,442</b>	<b>0.19</b>

The undertakings from Elis management will cease to be binding only if: (i) the Transaction is not completed on or prior to the Long Stop Date; (ii) the Panel consents to Elis not proceeding with the Transaction; or (iii) the Scheme or Offer lapses or is withdrawn and, in the case of (ii) and (iii), no new, revised or replacement Scheme or Offer is announced by Elis in accordance with Rule 2.7 of the Code at the same time.

## 18. Structure of the Transaction

It is intended that the Transaction will be effected by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act. The Scheme is an arrangement between Berendsen and the Scheme Shareholders, to which Elis will adhere, and is subject to the approval of the Court. The purpose of the Scheme is to provide for Elis to become the owner of the whole of the share capital of Berendsen in issue at the Scheme Record Time. This will be achieved by the transfer to Elis of the Scheme Shares held by Scheme Shareholders. In consideration, the Scheme Shareholders will receive consideration in the form of cash and New Elis Shares on the basis set out in paragraph 2 above. The procedure involves, amongst other matters, applications by Berendsen to the Court to convene the Court Meeting and to sanction the Scheme.

The Transaction will be subject to the Conditions and certain further terms and conditions set out in Appendix 1 to this Announcement and to the full terms and Conditions which will be set out in the Scheme Document.

The Scheme will only become effective if, amongst other matters, the following events occur on or before the Long Stop Date:

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by

proxy, representing 75 per cent. or more in value of each class of the Scheme Shares held by those Scheme Shareholders;

- all resolutions necessary in connection with the Scheme (including, without limitation, the Berendsen Resolutions) are passed by the requisite majority or majorities at the Berendsen General Meeting; and
- following the Court Meeting and the Berendsen General Meeting, the Scheme is sanctioned by the Court with or without modification (but subject to any such modification being acceptable to Elis and Berendsen) and, following such sanction, an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

Upon the Scheme becoming effective: (i) it will be binding on all Berendsen Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Berendsen General Meeting (and, if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Berendsen Shares will cease to be valid and entitlements to Berendsen Shares held in CREST will be cancelled.

Any Berendsen Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The Berendsen Resolutions will, amongst other matters, amend the Berendsen Articles to incorporate new provisions and/or other amendments, in terms approved by Elis, requiring any Berendsen Shares issued after the Scheme Record Time (other than to Elis and/or its nominee(s)) to be automatically transferred to Elis on the same terms as the Scheme (other than terms as to timings, formalities and the ability to make an election under the Mix and Match Facility). These new provisions of and/or amendments to the Berendsen Articles will avoid any person (other than Elis and its nominee(s)) holding shares in the capital of Berendsen after the Effective Date.

If the Scheme does not become effective on or before the Long Stop Date (or such later date as Berendsen and Elis may, with the consent of the Panel, agree and, if required, the Court may approve), it will lapse and the Transaction will not proceed (unless the Panel otherwise consents).

The Scheme Document will include full details of the Scheme, together with notice of the Court Meeting and the Berendsen General Meeting. The Scheme Document will also specify the actions available to be taken by the Scheme Shareholders. It is expected that the Scheme Document, containing further information about the Transaction and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be posted to Berendsen Shareholders no later than 31 July 2017. An expected timetable of principal events will be included in the Scheme Document.

The Berendsen Shares will be acquired under the Scheme fully paid and free from all liens, charges, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, save for the right to receive the Interim Dividend and any other dividend and/or distribution and/or share repurchase payment and/or return of capital in respect of which a corresponding reduction has been made to the Consideration in accordance with paragraph 4(d) of Appendix 1.

Any New Elis Shares issued to Berendsen Shareholders in connection with the Scheme will carry the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling on or after the date on which they are issued (but will not, for the avoidance of doubt, carry the right to receive any dividends and other distributions for which the record date is before the date on which they are issued).

Elis will be entitled, in the event that any dividend or other distribution or return of value is authorised, announced, declared, made or paid by Berendsen on or after the date of this Announcement and prior to the Effective Date (other than the Interim Dividend), to reduce the cash and/or share component of the Consideration by the gross amount of such dividend, other distribution or return of value in accordance with paragraph 4(d) of Appendix 1.

The Scheme will be governed by English law and will be subject to the jurisdiction of the courts of England. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the UK Listing Authority.

Elis reserves the right to elect (subject to the prior consent of the Panel) to effect the Transaction by way of an Offer.

#### **19. Delisting and re-registration**

It is intended that dealings in Berendsen Shares will be suspended at 5:00 p.m. London time on the business day prior to the Effective Date. It is further intended that Berendsen will apply for the cancellation of the listing of the Berendsen Shares on the Official List and trading on the London Stock Exchange for listed securities, with effect as of or shortly following the Effective Date. Elis also proposes that, after the Berendsen Shares are delisted, Berendsen will be re-registered as a private company.

#### **20. Financing of the cash portion of the Consideration**

Elis intends to finance the cash portion of the Consideration from third party debt.

Elis has entered into a bridge loan facility with two of its relationship banks, BNP Paribas and Crédit Agricole Corporate and Investment Bank, in connection with, amongst other matters, financing the cash portion of the Consideration.

The funds raised by the CPPIB Cash Placing will not be used to fund the cash portion of the Consideration but will be used to repay borrowing incurred by Elis to finance the cash portion of the Consideration and to help Elis meet its 2018 leverage target of ~3x (consistent with its current level) if the Transaction is completed.

In accordance with Rule 2.7(d) of the Code, Lazard, as financial adviser to Elis, is satisfied that sufficient resources are available to Elis to satisfy in full the cash portion of the Consideration.

Further information on the financing of the Transaction will be set out in the Scheme Document.

## 21. Disclosure of interests in Berendsen Shares

Save for 121,965 Berendsen Shares held by Amundi Asset Management<sup>27</sup>, as at 8 June 2017 (being the latest practicable date prior to the date of this Announcement) neither Elis nor, so far as Elis is aware, any person acting in concert (within the meaning of the Code) with Elis:

- has any interest in, or right to subscribe for, any Berendsen Shares nor does any such person have any short position in Berendsen Shares, including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of Berendsen Shares; or
- has borrowed or lent any Berendsen Shares; or
- is party to any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code in relation to Berendsen Shares.

## 22. Overseas shareholders

The availability of the Transaction, and the distribution of this Announcement, to persons who are not resident in the United Kingdom, may be affected by the laws of the relevant jurisdiction in which they are located. Such persons should inform themselves of and observe any applicable legal or regulatory requirements of their jurisdiction. Berendsen Shareholders who are in doubt about such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This Announcement does not constitute an offer for sale of any securities or an offer or an invitation to purchase any securities. Berendsen Shareholders are advised to read carefully the Scheme Document once these have been dispatched.

This Announcement does not constitute the extension of an offer to acquire, purchase, subscribe for, sell or exchange (or the solicitation of an offer to acquire, purchase, subscribe for, sell or exchange), any securities in any jurisdiction, including the United States of America, Australia, Canada, Japan or any other jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and any such offer (or solicitation) may not be extended in any such jurisdiction. Any securities to be offered have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from registration thereunder. There may be no public offering of securities in the United States.

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<sup>27</sup> The 27,460 Berendsen Shares held by Oppenheim Asset Management Services S.à.r.l as at 1 June 2017, as set out in Elis' Opening Position Disclosure dated 31 May 2017 (as updated on 8 June 2017), have been transferred to a third party agent outside of the Deutsche Bank group as part of the transfer of fund administration on 1 June 2017. These Berendsen Shares are therefore no longer considered to be a holding of a person acting in concert with Elis.

## **23. Conditions**

The Transaction will require merger control approvals in Germany, Austria and Poland. The Transaction is conditional on Elis obtaining these approvals. To the extent that any aspect of the Transaction constitutes a concentration with a European Union dimension within the meaning of the EU Merger Regulation, Elis will file a notification with the European Commission and the Transaction will be conditional on Elis obtaining the approval of the European Commission in Phase 1.

Because Berendsen UK Limited, a wholly-owned subsidiary of Berendsen, is regulated (on a limited permission basis) by the FCA in relation to its entry into consumer hire agreements, the Transaction is also conditional on the FCA Clearance.

The Transaction is also conditional upon, amongst other matters:

- the approval of the Scheme by a majority in number representing not less than three-quarters in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) present and voting, either in person or by proxy, at the Court Meeting no later than the 22<sup>nd</sup> day after the expected date for such meeting to be set out in the Scheme Document (or such later date as Elis may agree and the Court may allow);
- all resolutions necessary in connection with the Scheme (including, without limitation, the Berendsen Resolutions) being duly passed by the requisite majority or majorities at the Berendsen General Meeting no later than the 22<sup>nd</sup> day after the expected date for such meeting to be set out in the Scheme Document (or such later date as Elis may agree and the Court may allow); and
- the sanction of the Scheme by the Court with or without modification (but subject to any such modification being acceptable to Elis and Berendsen), and, following such approval, the delivery of a copy of the Scheme Court Order to the Registrar of Companies, by no later than the 42<sup>nd</sup> day after the expected date for the sanction of the Scheme to be set out in the Scheme Document (or such later date as Elis may agree and the Court may allow).

The Transaction is also conditional upon Elis Shareholders passing at the Elis General Meeting the resolution to authorise the issue of the New Elis Shares by a two-thirds majority of the votes of Elis Shareholders present or represented at the Elis General Meeting and the admission of the New Elis Shares to listing on Euronext Paris.

Elis will convene the Elis General Meeting for a date which is as close as reasonably practicable to the date for the Court Meeting and the Berendsen General Meeting.

## **24. Consents**

Each of Lazard, Zaoui, Credit Suisse and J.P. Morgan Cazenove has given and not withdrawn its consent to the publication of this Announcement with the inclusion in it of the references to its name in the form and context in which they appear.



## 25. Documents published on a website

Copies of the following documents will, by no later than 12 noon on 13 June 2017, be published on Elis' website at [www.corporate-elis.com](http://www.corporate-elis.com) and Berendsen's website at [www.berendsen.com](http://www.berendsen.com) until the end of the Offer Period:

- this Announcement;
- the confidentiality agreement referred to in paragraph 14 above;
- the irrevocable undertakings from the Berendsen Directors referred to in paragraph 15 above;
- the irrevocable undertakings from Eurazeo and Predica referred to in paragraph 16 above;
- the irrevocable undertakings from Elis management referred to in paragraph 17 above;
- the bridge loan facility referred to in paragraph 20 above and the syndication and fee letter relating thereto; and
- the agreement with CPPIB relating to the CPPIB Cash Placing referred to in paragraph 4 above (which also includes the undertaking from CPPIB referred to in paragraph 16 above).

## 26. General

The Transaction will be on the terms and subject to the conditions set out in this Announcement (including in Appendix 1), and the full terms to be set out in the Scheme Document when issued. Relevant documentation will be sent to Berendsen Shareholders and, for information purposes, to persons with information rights and participants in the Berendsen Share Schemes, in due course. It is intended that the French Prospectus will be published on the same date as the Scheme Document.

In deciding whether or not to vote in favour of the Scheme in respect of their Berendsen Shares, Berendsen Shareholders should consider the information contained in, and the procedures described in such documentation.

The bases and sources of certain information contained in this Announcement are set out in Appendix 2. Certain terms used in this Announcement are defined in Appendix 5.

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**Further information**

Berendsen Shareholders should carefully review the French Prospectus (including the French Registration Document, the French Registration Document Update (if applicable) and the French Listing Prospectus, which includes the summary of the French Prospectus set out therein), when approved by the AMF and published. The French Prospectus (including the French Registration Document) will be available free of charge from the AMF's website ([www.amf-france.org](http://www.amf-france.org)) and Elis' website ([www.corporate-elis.com](http://www.corporate-elis.com)). The French Prospectus will present a detailed description of Elis, its business, strategy, financial condition and results of operations. Berendsen Shareholders' attention is drawn to the risk factors described in Chapter 2 "Risk factors and insurance policy" of the French Registration Document, as will be amended and supplemented by Chapter 2 of the French Registration Document Update (if

applicable) and the risk factors section of the French Listing Prospectus. The materialisation of one or more of the risks described in the French Prospectus may have a material adverse effect on Elis' activities, assets, financial position, results or prospects, as well as on the market price of Elis Shares. Any investment decision relating to the New Elis Shares should only be made on the basis of the French Prospectus.

Lazard & Co., Limited ("**Lazard**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Elis and no one else in connection with the Transaction and will not be responsible to anyone other than Elis for providing the protections afforded to clients of Lazard & Co., Limited nor for providing advice in relation to the Transaction and matters referred to in this Announcement. Neither Lazard & Co., Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard & Co., Limited in connection with the Transaction, this Announcement, any statement contained herein or otherwise.

Zaoui & Co Ltd ("**Zaoui & Co**") is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Zaoui & Co is acting exclusively as financial adviser for Elis and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than Elis for providing the protections afforded to clients of Zaoui & Co, nor for providing advice in relation to any matter referred to herein.

Deutsche Bank AG is authorised under German Banking Law (competent authority: European Central Bank) and, in France, by the *Autorité de Contrôle Prudentiel et de Résolution*. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in France by the AMF. Details about the extent of its authorisation and regulation by BaFin, the *Autorité de Contrôle Prudentiel et de Résolution* and the AMF are available on request. Deutsche Bank is acting as financial adviser and corporate broker to Elis and no one else in connection with the Transaction or the contents of this Announcement and will not be responsible to anyone other than Elis for providing the protections afforded to clients of Deutsche Bank or for providing advice in relation to the Transaction or any other matters referred to herein.

In accordance with, and to the extent permitted by, the City Code, normal UK market practice and Rule 14e-5 under the US Exchange Act, Deutsche Bank AG, London Branch and its affiliates may continue to act as exempt principal traders in Berendsen Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the US Exchange Act. To the extent required to be disclosed in accordance with applicable regulatory requirements, information about any such purchases will be disclosed to the Panel by no later than 12 noon on the next "business day", as such term is defined in the Code, and will be available from any Regulatory Information Service, including the regulatory news service on the London Stock Exchange website ([www.londonstockexchange.com](http://www.londonstockexchange.com)).

Credit Suisse International ("**Credit Suisse**"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Berendsen and no one else in connection with the matters set out in this announcement and will not be responsible to any

person other than Berendsen for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the content of this announcement or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this announcement, any statement contained herein or otherwise.

J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove (“**J.P. Morgan Cazenove**”), is authorised and regulated by the Financial Conduct Authority in the UK. J.P. Morgan Cazenove is acting exclusively as financial adviser to Berendsen and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than Berendsen for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to the contents of this announcement or any other matter referred to herein.

HSBC Bank plc (“**HSBC**”), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting as financial adviser to Berendsen and for no one else in connection with the contents of this announcement and will not be responsible to anyone other than Berendsen for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement or any other matters referred to in this announcement.

In accordance with, and to the extent permitted by, the Code, normal UK market practice and Rule 14e-5 under the US Exchange Act, Credit Suisse, J.P. Morgan Limited and HSBC and their respective affiliates may continue to act as exempt principal traders in Berendsen Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the US Exchange Act. To the extent required to be disclosed in accordance with applicable regulatory requirements, information about any such purchases will be disclosed to the Panel by no later than 12 noon on the next “business day”, as such term is defined in the Code, and will be available from any Regulatory Information Service, including the regulatory news service on the London Stock Exchange website ([www.londonstockexchange.com](http://www.londonstockexchange.com)).

#### **Additional Restrictions regarding the United States and other Overseas Jurisdictions**

This Announcement does not constitute the extension of an offer to acquire, purchase, subscribe for, sell or exchange (or the solicitation of an offer to acquire, purchase, subscribe for, sell or exchange), any securities in any jurisdiction, including the United States of America, Australia, Canada, Japan or any other jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and any such offer (or solicitation) may not be extended in any such jurisdiction. Any securities to be offered have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from registration thereunder. There may be no public offering of securities in the United States.

This document has been prepared in accordance with English law and the Code and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

### **Cautionary note regarding forward-looking statements**

This Announcement contains certain statements which are, or may be deemed to be, “forward-looking statements” which are prospective in nature. The words “believe”, “anticipate”, “expect”, “intend”, “aim”, “plan”, “predict”, “continue”, “assume”, “positioned”, “may”, “will”, “should”, “shall”, “risk” and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not current or historical facts. By their nature, forward-looking statements involve risks and uncertainties because such statements relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not indicative of future performance and Elis’ or Berendsen’s actual results of operations, financial condition and liquidity, and the development of the industry in which Elis or Berendsen operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Announcement. The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that Elis, or persons acting on its behalf, may issue.

### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any

securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

#### **Publication on website and availability of hard copies**

This Announcement will be available on Elis' website ([www.corporate-elis.com](http://www.corporate-elis.com)) and Berendsen's website ([www.berendsen.com](http://www.berendsen.com)) by no later than 12 noon (London time) on 13 June 2017, but will not be available to persons in the United States, Australia, Canada, Japan or any other jurisdiction where this would violate applicable law. For the avoidance of doubt, the content of such websites is not incorporated into and does not form part of this document.

You may request a hard copy of this Announcement by contacting Berendsen on +44 (0) 20 7259 6663. You may also request that all future documents, announcements and information to be sent to you in relation to the Transaction should be in hard copy form.

Copies of this Announcement and any other document relating to the Transaction or any offering of New Elis Shares may not be mailed, distributed, forwarded or otherwise transmitted or made available in, into or from the United States, Australia, Canada, Japan or any other jurisdiction where this would violate applicable law (including by custodians, nominees and trustees).

#### **Responsibility**

The Elis Directors accept responsibility for the information set out in this Announcement, except for that information for which the Berendsen Directors accept responsibility as set out below. To the best of the knowledge and belief of the Elis Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Berendsen Directors accept responsibility for the information set out in this Announcement which relates to Berendsen, to the Berendsen Directors, or to their respective close relatives, related trusts and other connected persons and persons acting in concert with Berendsen. To the best of the knowledge and belief of the Berendsen Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Appendix 1**  
**CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE TRANSACTION**

**Part A: Conditions to the Transaction**

The Transaction will comply with the Code and all applicable rules and regulations of the London Stock Exchange, the FCA, Euronext Paris and the AMF, will be governed by and construed in accordance with English law and will be subject to the jurisdiction of the courts of England and Wales. In addition, it will be subject to the following conditions and to the terms and conditions set out in the Scheme Document.

The Transaction will be conditional upon the Scheme becoming effective, subject to the Code, by no later than the Long Stop Date.

**1. Scheme approval**

The Scheme will be conditional upon:

- (a) the approval of the Scheme by a majority in number of the Scheme Shareholders who are on the register of members of Berendsen at the Voting Record Time representing not less than three-quarters in value of the Scheme Shares held by the Scheme Shareholders who are on the register of members of Berendsen at the Voting Record Time (or the relevant class or classes thereof, if applicable) in each case present and voting, either in person or by proxy, at the Court Meeting, such Court Meeting being held on or before the 22<sup>nd</sup> day after the expected date for the Court Meeting to be set out in the Scheme Document (or such later date, if any, as Elis may agree and the Court may allow);
- (b) all resolutions necessary in connection with the Scheme (including, without limitation, the Berendsen Resolutions) being duly passed by the requisite majority or majorities at the Berendsen General Meeting, such Berendsen General Meeting being held on or before the 22<sup>nd</sup> day after the expected date for the Berendsen General Meeting to be set out in the Scheme Document (or such later date, if any, as Elis may agree and the Court may allow); and
- (c) the sanction of the Scheme by the Court with or without modification (but subject to any such modification being acceptable to Elis and Berendsen), and the delivery of an office copy of the Scheme Court Order to the Registrar of Companies for registration, such sanction and delivery having taken place on or before the 42<sup>nd</sup> day after the expected date for the sanction of the Scheme to be set out in the Scheme Document (or such later date, if any, as Elis may agree and the Court may allow).

**2. Other Conditions**

In addition, subject to the requirements of the Panel and the Code, the Transaction is subject to the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken (i) unless such Conditions have been satisfied and continue to be satisfied immediately prior to the commencement of the Scheme Court Hearing or, if capable of waiver, are waived by Elis



immediately prior to the Scheme Court Hearing, or (ii) in the event that any Condition becomes incapable of fulfilment at any time:

### **Approval of Elis Shareholders**

- (a) the passing at the Elis General Meeting of the Elis Shareholder Resolutions (as such resolutions are set out in the notice of the Elis General Meeting) by a two-thirds majority of the votes of Elis Shareholders present or represented at the Elis General Meeting;

### **Admission to trading**

- (b) (i) Elis obtaining the AMF approval (*visa*) on the French Listing Prospectus and (ii) the publication of Euronext Paris's notice confirming the future admission to trading of the New Elis Shares on Euronext Paris, with such admission to become effective on or shortly after the date of issue of such notice;

### **FCA Clearance**

- (c) in respect of each notice under section 178 of FSMA which Elis or any other person who has decided to acquire or increase control over any member of the Wider Berendsen Group which is a UK authorised person (as that expression is defined in section 191G of FSMA) is under a duty to give in connection with the Transaction:
  - (i) the FCA having given notice in writing pursuant to section 189(4)(a) or 189(7) of FSMA that it has determined to approve on terms reasonably satisfactory to Elis each such acquisition or increase in control pursuant to section 185 of FSMA which would result from implementation of the Transaction; or
  - (ii) the FCA being treated, under section 189(6) of FSMA, as having approved each such acquisition of or increase in control;

### **Other Regulatory Clearances and Filings**

- (d) insofar as any aspect of the Transaction constitutes a concentration with a European Union dimension within the meaning of the EU Merger Regulation:
  - (i) the European Commission having issued a decision not to initiate Phase 2 European Commission Proceedings in terms reasonably satisfactory to Elis (or having been deemed to have done so under the EU Merger Regulation); and
  - (ii) to the extent that the European Commission refers (or is deemed to have referred) any part of the Transaction to the Merger Control Authority of one or more Member States of the European Union under Article 9 of the EU Merger Regulation (other than in the case of a reference to the CMA, which shall be addressed pursuant to Condition 2(e)), the relevant Merger Control Authority having approved the Transaction on terms reasonably satisfactory to Elis;

- (e) to the extent that the European Commission refers any part of the Transaction to the CMA under Article 9 of the EU Merger Regulation, confirmation having been received on terms reasonably satisfactory to Elis that there will not be a reference by the CMA of the Transaction, any part of it or any matter arising from it to its chair for the constitution of a group under schedule 4 to the Enterprise and Regulatory Reform Act 2013;
- (f) insofar as the Transaction requires a mandatory merger control filing under the Austrian Cartel Act to the Austrian Federal Competition Authority, the Transaction having been cleared in accordance with the Austrian Cartel Act, by way of:
  - (i) each of the Austrian Federal Competition Authority and the Austrian Federal Cartel Prosecutor having issued a waiver of its right to apply for an in-depth investigation of the Transaction by the Austrian Cartel Court under Section 11(4) of the Austrian Cartel Act; or
  - (ii) expiry of the statutory four-week waiting period set out in Section 11(1) of the Austrian Cartel Act or the extended six-week waiting period set out in Section 11(1a) of the Austrian Cartel Act, as the case may be, without the Austrian Federal Competition Authority or the Austrian Federal Cartel Prosecutor having applied for an in-depth investigation of the Transaction by the Austrian Cartel Court; or
  - (iii) the Austrian Cartel Court or the Austrian Cartel Supreme Court having issued a final and binding decision in accordance with Section 12(1)1 of the Austrian Cartel Act that the Transaction is not subject to Austrian merger control laws; or
  - (iv) the Austrian Cartel Court or the Austrian Cartel Supreme Court having issued a final and binding decision in accordance with Section 14 of the Austrian Cartel Act terminating any investigation proceedings regarding the Transaction (*Einstellungsbeschluss*), with the statutory effect that the Transaction is not, or is no longer, subject to the prohibition on implementing a merger (*Durchführungsverbot*) in Section 17 of the Austrian Cartel Act; or
  - (v) the Austrian Cartel Court or the Austrian Cartel Supreme Court having issued a final and binding decision in accordance with Section 12(1)3 of the Austrian Cartel Act stating that the Transaction is not subject to the prohibition on implementing a merger (*Durchführungsverbot*) in Section 17 of the Austrian Cartel Act;
- (g) insofar as the Transaction requires a mandatory merger control filing for review by the Bundeskartellamt, any one or more of the following having occurred:
  - (i) within one month from receipt of the complete notification from Elis to the Bundeskartellamt in respect of the Transaction (in this Appendix 1, the “**Bundeskartellamt Notification**”), the Bundeskartellamt having notified Elis that the conditions for a prohibition of the Transaction under Section 36(1) of the GWB are not satisfied; or
  - (ii) within one month from receipt of the Bundeskartellamt Notification, the Bundeskartellamt not having informed Elis that it has opened an in-depth investigation of the Transaction (*Hauptprüfverfahren*) pursuant to Section 40(1) GWB; or

- (iii) the Bundeskartellamt having issued a notice stating that it has declined jurisdiction to review the Transaction; or
  - (iv) within one month from receipt of the Bundeskartellamt Notification, the Bundeskartellamt having notified Elis that it has opened an in-depth investigation of the Transaction (*Hauptprüfverfahren*) in accordance with Section 40(1) GWB, and within the waiting period of a further three months (or, if extended, four months, or such other waiting period as may be agreed by Elis and Berendsen or by suspension under Sections 40(2)5 and 40(2)6 GWB) the Bundeskartellamt having notified Elis of its clearance decision under Section 40(2) GWB, either with or without conditions or obligations under Section 40(3) GWB; or
  - (v) within one month from receipt of the Bundeskartellamt Notification, the Bundeskartellamt having notified Elis that it has opened an in-depth investigation of the Transaction (*Hauptprüfverfahren*) pursuant to Section 40(1) GWB, and the waiting period of four months (or such extended waiting period pursuant to Section 40(2)2 GWB) having expired without the Bundeskartellamt having issued a decision;
- (h) insofar as the Transaction requires a mandatory merger control filing in Poland, all required filings having been made under the Act on Competition and Consumer Protection, and any other competition or equivalent legislation in force and applicable in Poland, and either (i) the President of the Office of Competition and Consumer Protection of Poland having approved the Transaction either unconditionally or subject to conditions; or (ii) the applicable waiting period pursuant to Article 96 or Article 96a of the Act on Competition and Consumer Protection having expired;

### **Third Party clearances, notifications, waiting periods and Authorisations**

- (i) (other than in respect of or in connection with Conditions 2(c) to 2(h) (inclusive)) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, agency (including any trade agency), association, institution, environmental body, employee representative body, antitrust regulator, financial or securities regulator or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
  - (i) make the Transaction or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Berendsen Group by Elis or any member of the Wider Elis Group, or the implementation of any of the foregoing, void, voidable, illegal or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or restrain, restrict, delay or otherwise interfere with the implementation of, or give rise to additional conditions or obligations with respect to, or otherwise impede, challenge, interfere or require amendment of the Transaction or its terms or any matter arising from the acquisition of any shares or other

securities in, or control or management of, Berendsen by any member of the Wider Elis Group;

- (ii) require, prevent or materially delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Elis Group or by any member of the Wider Berendsen Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any material portion of their assets or properties (or any part thereof);
- (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Elis Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Berendsen or on the ability of any member of the Wider Berendsen Group or any member of the Wider Elis Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Berendsen Group;
- (iv) except pursuant to Chapter 3 of Part 28 of the 2006 Act, require any member of the Wider Elis Group or the Wider Berendsen Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Berendsen Group or any asset owned by any third party (other than in connection with the implementation of the Transaction);
- (v) require, prevent or delay a material divestiture by any member of the Wider Elis Group of any shares or other securities (or the equivalent) in any member of the Wider Berendsen Group or any member of the Wider Elis Group;
- (vi) result in any member of the Wider Berendsen Group or any member of the Wider Elis Group ceasing to be able to carry on a material business under any name under which it presently carries on business;
- (vii) impose any material limitation on the ability of any member of the Wider Elis Group or any member of the Wider Berendsen Group to conduct, integrate or co-ordinate all or any material part of its business with all or any material part of the business of any other member of the Wider Elis Group and/or the Wider Berendsen Group; or
- (viii) save as Disclosed, otherwise materially adversely affect any or all of the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Berendsen Group in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any

jurisdiction in respect of the Transaction or the acquisition or proposed acquisition of any Berendsen Shares or otherwise intervene having expired, lapsed, or been terminated;

- (j) other than in respect of or in connection with Conditions 2(c) to 2(h) (inclusive):
- (i) all notifications, filings or applications which are necessary or reasonably considered appropriate or desirable by Elis having been made in connection with the Transaction, and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate), and all statutory and regulatory obligations in any jurisdiction having been complied with, in each case in respect of the Transaction, the Scheme and the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Berendsen or any other member of the Wider Berendsen Group by Elis or any other member of the Wider Elis Group; and
  - (ii) all Authorisations necessary or appropriate in any jurisdiction for or in respect of the Transaction, the Scheme or the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Berendsen or any other member of the Wider Berendsen Group by Elis or any other member of the Wider Elis Group (including necessary consents and approvals from any Third Party) having been obtained in terms and in a form reasonably satisfactory to Elis from all appropriate Third Parties or from any person or bodies with whom any member of the Wider Berendsen Group or the Wider Elis Group has entered into contractual arrangements and all such Authorisations necessary, reasonably considered appropriate or desirable by Elis to carry on the business of any member of the Wider Berendsen Group in any jurisdiction having been obtained, and all such Authorisations remaining in full force and effect and there being no notice or intimation of an intention to revoke, suspend, materially restrict, materially modify or not to renew such Authorisations;

**No injunction**

- (k) no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other equivalent order threatened or issued and being in effect by a court or other Third Party which has the effect of making the Transaction, the Scheme or the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Berendsen Group by Elis or any other member of the Wider Elis Group, or the implementation of any of the foregoing, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction or otherwise directly or indirectly preventing, prohibiting or restraining the consummation of the Transaction or Scheme or any matter arising from the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Berendsen Group by Elis or any other member of the Wider Elis Group;

### **No undertakings or assurances**

- (l) the UK Secretary of State for Business, Energy and Industrial Strategy or any Third Party not requiring any undertakings or assurances from Elis, any member of the Wider Elis Group or any member of the Wider Berendsen Group, except on terms reasonably satisfactory to Elis, or prohibiting the Transaction, the Scheme or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Berendsen Group by Elis or any other member of the Wider Elis Group, or the implementation of any of the foregoing, or taking any other action to directly or indirectly prevent, prohibit, retain, restrict, delay or otherwise interfere with the implementation of any of the foregoing, in each case to an extent which is material in the context of the Wider Elis Group or Wider Berendsen Group taken as a whole or in the context of the Transaction;

### **Certain matters arising as a result of any arrangement, agreement etc.**

- (m) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Berendsen Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject which, as a consequence of the Transaction, its implementation or the acquisition or the proposed acquisition by any member of the Wider Elis Group of any shares or other securities in Berendsen or because of a change in the control or management of any member of the Wider Berendsen Group would or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction:
  - (i) any monies borrowed by, or any other indebtedness, actual or contingent, or any grant available to any member of the Wider Berendsen Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (ii) any such arrangement, agreement, lease, licence, permit, franchise or other instrument, or the rights, liabilities, obligations, interests or business of any member of the Wider Berendsen Group or any member of the Wider Elis Group thereunder or the interests or business of any member of the Wider Berendsen Group or any member of the Wider Elis Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or becoming capable of being terminated or modified or affected or any onerous obligation or liability arising or any action being taken thereunder;
  - (iii) any member of the Wider Berendsen Group ceasing to be able to carry on business under any name under which it presently carries on business;
  - (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Berendsen Group being or falling to be disposed of or charged or any right arising

under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Berendsen Group;

- (v) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Berendsen Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (vi) the business, assets, value of, financial or trading position, profits, prospects or operational performance of any member of the Wider Berendsen Group being prejudiced or adversely affected;
- (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Berendsen Group; or
- (viii) any liability of any member of the Wider Berendsen Group to make any severance, termination, bonus or other payment to any of its directors or other officers,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Berendsen Group is a party or by or to which any such member or any of its assets may be bound, entitled or be subject, would or might result in any events or circumstances as are referred to in paragraphs (m)(i) to (viii), in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;

#### **Certain events occurring since 31 December 2016**

- (n) except as Disclosed, no member of the Wider Berendsen Group having since 31 December 2016:
  - (i) issued or agreed to issue, or authorised or proposed the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of any shares out of treasury (except, where relevant, as between Berendsen and its wholly owned subsidiaries and except for the issue of shares on the exercise of employee share options or vesting of share awards granted, vested or exercised, as applicable, before the date of this Announcement in the ordinary course under the Berendsen Share Schemes);
  - (ii) (except for (i) the final dividend of 22.50 pence per Berendsen Share in respect of the year ended 31 December 2016 that was paid on 5 May 2017 to Berendsen Shareholders in the register of members on 7 April 2017, and (ii) the Interim Dividend) recommended, declared, paid or made or proposed to recommend, declare, pay or make any dividend or other distribution (whether payable in cash or otherwise) or any bonus issue, in each case other than to Berendsen or one of its wholly owned subsidiaries;

- (iii) (other than pursuant to the Transaction) implemented, effected, authorised, proposed or announced its intention to implement, effect, authorise or propose any joint venture, asset or profit sharing arrangement, partnership, merger (by statutory merger or otherwise), demerger, reconstruction, assignment, composition, amalgamation, scheme, commitment or acquisition or disposal of any assets or shares (or the equivalent thereof), or any right, title or interest in any assets or shares (or equivalent thereof), in any undertaking or undertakings, disposed of or transferred, mortgaged or created any security interest over any asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (iv) made, authorised, proposed or announced an intention to propose any change in its loan capital;
- (v) issued, authorised or proposed, or made any change in or to, the issue of any debentures or incurred or increased any indebtedness or become subject to any contingent liability which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous or restrictive nature or which involves or could involve an obligation of such nature or magnitude, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (vii) terminated or varied the terms of any agreement or arrangement between any member of the Wider Berendsen Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Berendsen Group taken as a whole;
- (viii) entered into or varied (in a material respect) or made (or authorised, proposed or announced its intention to enter into, vary or make) an offer (which remains open for acceptance) to vary (in a material respect) the terms of any contract, commitment or arrangement with any director or senior executive of any member of the Wider Berendsen Group;
- (ix) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other similar material benefit relating to the employment or termination of employment of any employee of the Wider Berendsen Group;
- (x) the trustees of the relevant pension scheme having (l) proposed, made or agreed to any significant change to: (a) the terms of the trust deeds, rules, policy or other governing documents constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Berendsen Group or their dependants (in this



Appendix 1, a “**Relevant Pension Plan**”); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; (d) the manner in which the assets of any Relevant Pension Plan are invested; (e) the basis or rate of employer contribution to a Relevant Pension Plan; or (II) entered into or proposed to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (III) carried out any act: (a) which would or might lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or might create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to a Relevant Pension Plan; or (d) which would or might give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 to 56 inclusive of the Pensions Act 2004 in relation to the scheme;

- (xi) changed the trustee or trustee directors or other fiduciary of any Relevant Pension Plan;
- (xii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in paragraph (n)(i), made any other change to any part of its share capital;
- (xiii) had any claim made or threatened against it, or litigation, arbitration proceedings, prosecution or other legal proceedings commenced against it involving a claim in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (xiv) waived, compromised or settled any claim which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (xv) made any alteration to its memorandum or articles of association or other incorporation documents;
- (xvi) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvii) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business or compromised or settled any claim;

- (xviii) entered into any contract, commitment, agreement or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition; or
- (xix) taken or proposed or proposed to take any action which requires, or would require, the consent of the Panel or the approval of Elis Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code.

**No adverse change, litigation, regulatory enquiry or similar**

(o) since 31 December 2016, and except as Disclosed:

- (i) no adverse change having occurred, and no circumstance having arisen which would or might reasonably be expected to result in any adverse change, in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Berendsen Group, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Berendsen Group or to which any member of the Wider Berendsen Group is or may become a party (whether as claimant or defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider Berendsen Group in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (iii) no enquiry, review investigation by any Third Party or other investigative body against or in respect of any member of the Wider Berendsen Group having been threatened, announced, instituted or remaining outstanding by, against or in respect of any member of the Wider Berendsen Group in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (iv) no contingent or other liability in respect of the Wider Berendsen Group having arisen or become apparent or increased in each case to the extent material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction; and
- (v) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Berendsen Group which is necessary for the proper carrying on of its business in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;

### **No discovery of certain matters regarding information and liabilities**

(p) except as Disclosed, Elis not having discovered:

- (i) that any financial, business or other information concerning the Wider Berendsen Group publicly disclosed or disclosed to any member of the Wider Elis Group at any time by or on behalf of any member of the Wider Berendsen Group is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (ii) that any member of the Wider Berendsen Group is subject to any liability, contingent or otherwise, to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction; or
- (iii) any information which affects the import of any information disclosed to Elis at any time by or on behalf of any member of the Wider Berendsen Group which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;

### **No discovery of environmental issues**

(q) except as Disclosed, Elis not having discovered:

- (i) that any past or present member of the Wider Berendsen Group has not complied with all applicable legislation or regulations of any jurisdiction or any Authorisations relating to the storage, carriage, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health, which non-compliance would be reasonably likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Berendsen Group, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (ii) that there has been a disposal, discharge, spillage, accumulation, leak, emission, release or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation) would be reasonably likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider Berendsen Group, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;
- (iii) that there is or is likely to be any liability (whether actual or contingent) or requirement to make good, remediate, repair, re-instate or clean up any property or asset currently or previously owned, occupied or made use of by any past or present member of the Wider Berendsen Group (or on its behalf), or in which any such member may have or previously

have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation, other legally binding requirement or order of any Third Party or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction;

(iv) that circumstances exist (whether as a result of the making of the Transaction, the Scheme, their implementation or otherwise):

(1) which would reasonably be likely to lead to any Third Party instituting; or

(2) whereby any present or past member of the Wider Berendsen Group would be likely to be required to institute,

an environmental audit or take any other equivalent steps which would in any such case be likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Berendsen Group (or on its behalf) or by any person for which a member of the Wider Berendsen Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction; or

(v) that circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider Berendsen Group which claim or claims would be reasonably likely to affect any member of the Wider Berendsen Group to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction; and

#### **Anti-corruption, sanctions and criminal property**

(r) except as Disclosed, Elis not having discovered that:

(i) (A) any past or present member, director, officer, employee or agent of any person within the Wider Berendsen Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation or (B) any co-venturer, or person that performs or has performed services or otherwise acts or had otherwise acted for or on behalf of the Wider Berendsen Group is or has at any time engaged in any activity, practice or conduct in such capacity or in connection with such activity which would constitute an offence under the Bribery Act 2010, the US Foreign

Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation and regulation;

- (ii) (A) any past or present member, director, officer, employee or agent of any person within the Wider Berendsen Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the US Bank Secrecy Act of 1970, the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Money Laundering Regulations 2007 or any other applicable anti-money laundering legislation or (B) any co-venturer, or person that performs or has performed services or otherwise acts or had otherwise acted for or on behalf of the Wider Berendsen Group is or has at any time engaged in any activity, practice or conduct in such capacity or in connection with such activity which would constitute an offence under the US Bank Secrecy Act of 1970, the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Money Laundering Regulations 2007 or any other applicable anti-money laundering legislation and regulation;
- (iii) any asset of any member of the Wider Berendsen Group constitutes criminal property as defined section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (iv) any past or present member, director, officer, employee or agent of any person within the Wider Berendsen Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (A) any government, entity or individual in respect of which US or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HMRC; or (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states; or
- (v) any past or present member, director, officer, employee or agent of any person within the Wider Berendsen Group is or has at any time engaged in any activity, practice or conduct which is in material non-compliance with applicable export control laws and regulations in jurisdictions in which any such entity of the Wider Berendsen Group does business or is otherwise subject to jurisdiction, including the United States International Traffic in Arms Regulations, the Export Administration Regulations, the Export Control Act 2002 or the Export Control Order 2008;

### **Intellectual property**

- (s) since 31 December 2016 and save as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned, used or licensed by the Wider Berendsen Group or to any third parties that has resulted or would reasonably be expected to result in:

- (i) any member of the Wider Berendsen Group losing its title to any intellectual property or any intellectual property owned by the Wider Berendsen Group being revoked, cancelled or declared invalid;
- (ii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Berendsen Group being terminated or varied; or
- (iii) any claim being filed suggesting that any member of the Wider Berendsen Group infringed the intellectual property rights of a third party or any member of the Wider Berendsen Group being found to have infringed the intellectual property rights of a third party,

in each case to an extent which is material in the context of the Wider Berendsen Group taken as a whole or in the context of the Transaction.

### **3. Waiver and amendment of Conditions**

- (a) To the extent permitted by law and subject to the requirements of the Panel and the Code, Elis reserves the right at its absolute discretion to waive, in whole or in part, all or any of the Conditions except Conditions 1(a), 1(b) 1(c), 2(a) and 2(b).
- (b) Conditions 2(a) to 2(s) (inclusive) must be fulfilled, be determined by Elis to be fulfilled or (if capable of waiver) waived by Elis by 11:59 p.m. on the date immediately preceding the date of the Scheme Court Hearing or such later time and/or date as the Court may allow, failing which the Scheme will lapse.
- (c) Elis shall be under no obligation to waive (if capable of waiver) or treat as fulfilled any of Conditions 2(a) to 2(s) (inclusive) by a date earlier than the latest date specified in paragraph 3(b) for the fulfilment of those Conditions, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such Condition may not be capable of fulfilment.
- (d) Each of the Conditions shall be regarded as a separate condition and shall not be limited by reference to any other Condition.

### **4. Further terms of the Transaction**

- (a) If the Transaction is implemented by way of an Offer, and if Elis is required by the Panel to make an offer for any Berendsen Shares under the provisions of Rule 9 of the Code, Elis may make such alterations to the Offer and the Conditions as are necessary to comply with the provisions of that Rule.
- (b) Elis reserves the right, subject to the prior consent of the Panel, to implement the Transaction by way of an Offer as an alternative to the Scheme. In such an event, the Offer will be implemented on the same terms (subject to appropriate amendments, including, if the Panel so agrees, an acceptance condition set at 90 per cent. of the shares to which such offer relates or such lesser

percentage, being more than 50 per cent. as Elis may decide), so far as applicable, as those which would apply to the Scheme.

- (c) The Berendsen Shares will be acquired pursuant to the Transaction fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, save for the right to receive the Interim Dividend and any other dividend, distribution, share repurchase payment and/or return of capital in respect of which a corresponding reduction has been made to the Consideration as specified below.
- (d) If, on or after the date of this Announcement, any dividend and/or other distribution and/or share repurchase and/or return of capital (other than the Interim Dividend) is declared, paid or otherwise effected by Berendsen or becomes payable in respect of any Berendsen Shares by reference to a record date falling on or after the date of this Announcement, Elis reserves the right (without prejudice to any right of Elis to invoke Condition 2(n)(ii)) to reduce the Consideration by (i) a cash amount equal to the gross amount of such dividend and/or distribution and/or return of capital, and/or (ii) a number of New Elis Shares having a value equal to not more than the gross amount of such dividend and/or distribution and/or share repurchase and/or return of capital (with the value of an Elis Share for such purpose being the lower of (x) the Closing Price of an Elis Share on 6 June 2017, being the last Business Day preceding the announcement by Elis and Berendsen of the key terms of the Transaction; and (y) the Closing Price of an Elis Share on the Business Day immediately prior to the payment of such dividend and/or distribution and/or share repurchase and/or return of capital), in which case any reference in this Announcement to the Consideration to be delivered by Elis under the terms of the Transaction will be deemed to be a reference to the Consideration as so reduced and Berendsen Shareholders will be entitled to receive and retain the amount by reference to which the Consideration has been reduced. To the extent that any such dividend and/or distribution and/or share repurchase and/or return of capital (other than the Interim Dividend) is declared, made or paid or is payable and it is: (aa) transferred pursuant to the Transaction on a basis which entitles Elis to receive and retain it; or (bb) cancelled in full prior to payment, the Consideration to be delivered by Elis under the terms of the Transaction will not be subject to reduction in accordance with this paragraph. Any exercise by Elis of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Transaction.
- (e) Fractions of New Elis Shares will not be issued pursuant to the Transaction. Berendsen Shareholders who otherwise would have received a fraction of a New Elis Share will instead receive an amount in cash rounded to the nearest 1p, based on the amount obtained by multiplying such fraction by the average of the high and low sales prices of Elis Shares on Euronext Paris on each of the five consecutive trading days ending on the trading day that is two trading days prior to the Effective Date, except that individual entitlements of less than 1p will not be paid but will be retained for the benefit of the Combined Group.

- (f) Each New Elis Share will be issued credited as fully paid and will rank pari passu in all respects with Elis Shares in issue at the time it is issued pursuant to the Transaction, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling on or after the Effective Date. Application will be made to Euronext Paris for the New Elis Shares to be listed on Euronext Paris.
- (g) Under Rule 13.5(a) of the Code, Elis may not invoke a Condition so as to cause the Transaction not to proceed, to lapse or any offer to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Elis in the context of the Transaction. Conditions 1(a), 1(b), 1(c), 2(a) and 2(b) and, if applicable, Conditions 2(d)(i) and 2(e) and/or any Offer acceptance condition adopted on the basis specified in paragraph 4(b), are not subject to this provision of the Code.
- (h) The Scheme will lapse if (i) there is a Phase 2 CMA reference (as defined in the Code) made in respect of the Transaction; or (ii) the European Commission either initiates Phase 2 European Commission proceedings (as defined in the Code) or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the EU Merger Regulation and there is a subsequent Phase 2 CMA reference, in either case before the date of the Court Meeting and the Berendsen General Meeting.
- (i) The Scheme will be governed by English law and be subject to the exclusive jurisdiction of the English courts. The Transaction will be on the terms and will be subject, amongst other matters, to the Conditions which are set out in Appendix 1 and to the full terms and conditions out in the Scheme Document and to such further terms as may be required to comply with the applicable rules and regulations of the FCA, the AMF, the London Stock Exchange and the Code and with other laws applicable to the Transaction.



## **Appendix 2**

### **SOURCES OF INFORMATION AND BASES OF CALCULATION**

In this Announcement, unless otherwise stated, or the context otherwise requires, the following sources and bases of calculation have been used:

1. Historical financial information relating to Elis has been extracted or derived (without material adjustment) from the audited financial statements of Elis for the financial year ended 31 December 2016.
2. Historical financial information relating to Berendsen has been extracted or derived (without material adjustment) from the audited financial statements of Berendsen contained in the Berendsen Annual Report and Accounts.
3. The total equity value attributed to Berendsen is calculated:
  - (a) by reference to the price of €19.90 per Elis Share, being the Closing Price on 9 June 2017, the last Business Day prior to this Announcement; and
  - (b) on the basis of the fully diluted number of Berendsen Shares in issue referred to in paragraph 6 below.
4. As at the close of business on 9 June 2017, being the last Business Day prior to the date of this Announcement, Berendsen had in issue 172,627,894 Berendsen Shares and Elis had in issue 140,111,549 Elis Shares (excluding 55,500 Elis Shares held in treasury). The ISIN for Berendsen Shares is GB00B0F99717 and for Elis Shares is FR0012435121. As at 5 June 2017, being the latest practicable date prior to the date of this Announcement, the Elis Shares in issue carried the right to cast 159,823,503 votes in total (including voting rights attached to treasury shares).
5. The percentage of the share capital of the Combined Group that will be owned by Berendsen Shareholders of 32 per cent. is calculated by dividing the number of New Elis Shares to be issued under the terms of the Transaction referred to in paragraph 7(b) below by the share capital of the Combined Group (as set out in paragraph 7 below) and multiplying the resulting sum by 100 to produce a percentage.
6. The fully diluted share capital of Berendsen (being 174,412,423 Berendsen Shares) is calculated on the basis of:
  - (a) the number of issued Berendsen Shares referred to in paragraph 4 above; and
  - (b) the maximum number of Berendsen options and awards which become exercisable or awards that vest on a change of control which must be satisfied using newly issued Berendsen Shares and cannot be satisfied by Berendsen Shares currently held by the Berendsen EBT, amounting to 1,784,529 Berendsen Shares.

7. The share capital of the Combined Group (being 220,586,968 shares) has been calculated as the sum of:
  - (a) a total number of 140,111,549 Elis Shares, being the number of Elis Shares in issue (excluding 55,500 Elis Shares held in treasury) as at the close of business on 9 June 2017, being the last Business Day prior to the date of this Announcement;
  - (b) 70,288,206 New Elis Shares which would be issued under the terms of the Transaction (being 0.403 New Elis Shares to be issued per Berendsen Share multiplied by the fully diluted share capital of Berendsen as referred to in paragraph 6 above);
  - (c) 10,131,713 Elis Shares which would be issued to CPPIB pursuant to the CPPIB Cash Placing; and
  - (d) 55,500 Elis Shares held in treasury as at 9 June 2017.
8. Unless otherwise stated, all prices for Berendsen Shares and Elis Shares are Closing Prices as of the relevant date.
9. The premium calculations to the price of a Berendsen Share have been calculated by reference to:
  - (a) the Closing Price of a Berendsen Share of £8.64 per on 17 May 2017, the last Business Day preceding the announcement by Elis of a possible offer for Berendsen; and
  - (b) the prior 6 month volume weighted average price of a Berendsen Share of £8.29 in respect of the period from 18 November 2017 to 17 May 2017 (both dates inclusive).
10. The volume weighted average prices of an Elis Share and of a Berendsen Share are derived from data provided by Bloomberg.
11. Unless otherwise stated, all amounts converted from GBP to EUR and vice versa are converted based on the exchange rate of GBP 1 = EUR 1.138 as at 4:00 p.m. GMT on 9 June 2017 derived from Bloomberg.

### Appendix 3

## QUANTIFIED FINANCIAL BENEFITS STATEMENT

The information in this Appendix 3 has been compiled by Elis.

### Part A

The following statements of estimated cost savings and synergies arising from the Transaction together comprise the “**Elis Quantified Financial Benefits Statement**”.

“The Elis Board believes that the Combined Group will generate attractive synergies and create additional shareholder value.

The Elis Board expects the Combined Group to generate recurring run-rate pre-tax operating and capital expenditure synergies (together, “**Cost Synergies**”) of at least €40 million per annum by the end of the third year following completion. This is comprised of €35 million per annum of operating expenditure EBITDA synergies, and €5 million per annum of capital expenditure synergies.

These synergies are expected to arise as a direct result of the Transaction and could not be achieved independently of the Transaction.

#### Cost Synergies

The constituent elements of quantified operating and capital expenditure synergies, which are expected to originate from the cost bases of both Elis and Berendsen, comprise:

- Operational savings: Elis expects to generate €8 million per annum in operational cost savings (corresponding to approximately 20 per cent. of the identified Cost Synergies) in two overlapping geographies, Germany and the Benelux region. The operational cost savings are expected to be generated from:
  - The rationalisation of the industrial plant footprint and service site network; and
  - Optimised logistics by rerouting customer service trips.

Further benefit may be derived from productivity gains from sharing of best practices, however these have not been included in the quantified operational cost synergies.

- Procurement savings: Elis expects to generate €6 million per annum in procurement savings (corresponding to approximately 15 per cent. of the identified Cost Synergies) from purchasing of key items such as linen, workwear, sanitary equipment, sanitary consumables, energy, machines, trucks and chemicals. Elis expects to generate these savings from sources such as:
  - Alignment on most favourable supplier terms for comparable products;
  - Renegotiation of supplier terms on the basis of consolidated order volumes;

- Fewer small batch orders, cutting down on related additional expenses;
- Attaining critical scale for Far East imports for a larger number of textile purchasing items; and
- Internal supply of sanitary equipment via Elis' UK-based subsidiary Kennedy.

The identified procurement savings consist of €5 million in capital expenditure synergies and €1 million in operating expenditure EBITDA synergies.

- Corporate overhead savings: Elis expects to generate €9 million per annum in corporate overhead savings (corresponding to approximately 25 per cent. of the identified Cost Synergies), from the elimination of duplicate corporate overhead costs, including:
  - Salaries and expenses of governance bodies;
  - Expenses for listing-related services provided by external parties (auditors, legal counsel, compliance, etc.); and
  - Investor relations costs.

Elis expects to achieve the identified corporate overhead savings in the first full year following completion.

- Central cost savings: Elis expects to generate €17 million per annum in central cost savings (corresponding to approximately 40 per cent. of the identified Cost Synergies) from the reduction of duplicate costs across central administration and support functions.

#### Synergy realisation costs and dis-synergies

It is expected that the realisation of the quantified synergies will require estimated one-off cash costs of approximately €40 million, incurred materially in the first two years after completion. The phasing will be assessed further and refined as part of the detailed integration planning in due course.

Aside from the one-off costs referred to above, the Elis Board does not expect any material dis-synergies to arise as a direct result of the Transaction.”

Further information on the bases of belief supporting the Elis Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

#### **Bases of Belief for the Elis Quantified Financial Benefits Statement**

In preparing the Elis Quantified Financial Benefits Statement of potential synergies that are expected to be available from the Transaction, Elis has performed a detailed analysis based on publicly available sources of information. In circumstances where data has been limited for commercial or other reasons, Elis has made estimates and assumptions to aid the development of individual synergy initiatives.

The assessment and quantification of the potential synergies has been informed by Elis management's deep industry and customer expertise, as well as its track record of driving incremental shareholder value from past acquisitions and its recent experience in the ongoing integrations of Indusal and Lavebras.

The cost bases for Berendsen and Elis used as the basis for the Elis Quantified Financial Benefits Statement are those contained in Berendsen's 2016 Annual Report and Accounts (with additional reference to Berendsen's 2014 and 2015 Annual Report and Accounts to determine a normalised level of executive compensation) and Elis' 2016 Management Accounts, respectively.

In arriving at the estimate of synergies set out in this Announcement, the Elis Board made the following operational assumptions:

- The achievement of Elis' operational benchmarks, taken across the Elis organisation, in Berendsen's businesses and markets, will be in line with past Elis experience of acquisitions;
- Berendsen will itself bring operational practices that can be applied, where applicable, to Elis' existing operations;
- The ability to generate third party cost efficiencies from economies of scale will be in line with past Elis experience;
- The conversion of existing customers to new product offerings in Berendsen's markets will be comparable to past Elis experience; and
- The quantum and nature of one-off implementation costs will be similar to those costs incurred in past experience within Elis.

The majority of the forecast Cost Synergies are driven by physical consolidation that is within the influence of the Elis Board, whereas the delivery of the revenue synergies is more complex and to some extent outside the full control of the Elis Board.

The Elis Board has also assumed that Elis will own 100 per cent. of the ordinary share capital of Berendsen.

The Elis Board has, in addition, made the following assumptions, all of which are outside the influence of the Elis Board:

- There will be no material impact on the underlying operations of either company or their ability to continue to conduct their businesses;
- There will be no material change to macroeconomic, political or legal conditions in the markets or regions in which Elis and Berendsen operate that materially impact on the implementation or costs to achieve the proposed cost savings;
- There will be no material change in current foreign exchange rates; and

- There will be no change in tax legislation or tax rates or other legislation or regulation in the countries in which Elis and Berendsen operate that could materially impact the ability to achieve any benefits.

## **Reports**

As required by Rule 28.1(a) of the Code, Deloitte, as reporting accountants to Elis, and Lazard and Zaoui, as financial advisers to Elis, have provided the reports required under that Rule. Each of Deloitte, Lazard and Zaoui has given and has not withdrawn its consent to the publication of its report in the form and context in which it is included herein.

## **Notes**

- The statements of estimated synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the synergies referred to may not be achieved, or may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated.
- Due to the size of the Transaction, there may be additional changes to the Combined Group's operations. As a result, and given the fact that the changes relate to the future, the resulting synergies may be materially greater or less than those estimated.
- No statement in this Appendix 3 should be construed as a profit forecast or interpreted to mean that the Combined Group's earnings in the first full year following implementation of the Transaction, or in any subsequent period, would necessarily match or be greater than or be less than those of Elis and/or Berendsen for any preceding financial period.

**Part B**  
**Report from Deloitte**

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France

Lazard & Co., Limited  
50 Stratton Street  
London  
W1J 8LL  
United Kingdom

Zaoui & Co., Ltd  
11 Hill Street  
London  
W1J 5LF  
United Kingdom

12 June 2017

Dear Sirs

**RECOMMENDED ACQUISITION OF BERENDSEN PLC (the “Target”) BY ELIS SA (the “Offeror”)**

We report on the statement made by the directors of the Offeror (the “Directors”) of synergy benefits set out in Part A of Appendix 3 to the announcement (the “Announcement”) issued by the Offeror (the “Quantified Financial Benefits Statement” or the “Statement”). The Statement has been made in the context of the disclosures within Part A setting out, *inter alia*, the basis of the Directors’ belief (identifying the principal assumptions and sources of information) supporting the Statement and their analysis, explanation and quantification of the constituent elements.

**Responsibilities**

It is the responsibility of the Directors to prepare the Statement in accordance with Rule 28 of the City Code on Takeovers and Mergers (the “Takeover Code”).

It is our responsibility to form our opinion, as required by Rule 28.1(a) of the Takeover Code, as to whether: the Statement has been properly compiled on the basis stated and to report that opinion to you.

This report is given solely for the purposes of complying with Rule 28.1(a)(i) of the Takeover Code and for no other purpose. Therefore, to the fullest extent permitted by law we do not assume any other responsibility to any person for any loss suffered by any such person as a result of, arising out of, or in

connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.2 of the Takeover Code, consenting to its inclusion in the Announcement.

### **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom.

Our work included considering whether the Statement has been accurately computed based upon the disclosed bases of belief (including the principal assumptions). Whilst the bases of belief (and the principal assumptions) upon which the Statement is based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the bases of belief (or principal assumptions) adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Statement have not been disclosed or if any basis of belief (or principal assumption) made by the Directors appears to us to be unrealistic. Our work did not involve any independent examination of any of the financial or other information underlying the Statement.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Quantified Financial Benefits Statement has been properly compiled on the basis stated.

Since the Statement (and the principal assumptions on which it is based) relates to the future, the actual synergy benefits achieved are likely to be different from those anticipated in the Statement and the differences may be material. Accordingly, we can express no opinion as to the achievability of the synergy benefits identified by the Directors in the Statement.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. We have not consented to the inclusion of this report and our opinion in any registration statement filed with the SEC under the US Securities Act of 1933 (either directly or by incorporation by reference). Save for our responsibilities referred to above to comply with Rule 28.1 of the Takeover Code, we therefore accept no responsibility to, and deny any liability to, any person using this report and opinion in connection with any offering of securities inside the United States of America. We accept no responsibility to, and deny any liability to, any person who makes a claim on the basis they had acted in reliance on the protections afforded by United States of America law and regulation.

### **Opinion**

In our opinion, based on the foregoing, the Quantified Financial Benefits Statement has been properly compiled on the basis stated.

Yours faithfully

Deloitte LLP



Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London, EC4A 3BZ, United Kingdom.

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**Part C**  
**Report from Lazard and Zaoui**

The Boards of Directors  
Elis SA  
5, Boulevard Louis Loucheur  
92210 Saint-Cloud  
France

12 June 2017

Dear Sirs,

**Recommended Acquisition of Berendsen plc by Elis SA (“Elis”)**

We refer to the Quantified Financial Benefits Statement, the bases of belief thereof and the notes thereto (together, the “**Statement**”) as set out in Part A of Appendix 3 to this Announcement, for which the board of directors of Elis (the “**Elis Board**”) are solely responsible under Rule 28 of the City Code on Takeovers and Mergers (the “**Code**”).

We have discussed the Statement (including the assumptions and sources of information referred to therein), with the Elis Board and those officers and employees of Elis who developed the underlying plans. The Statement is subject to uncertainty as described in this Announcement and our work did not involve an independent examination of any of the financial or other information underlying the Statement.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by, or on behalf of, Elis, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any opinion as to the achievability of the quantified financial benefits identified by the Elis Board.

We have also reviewed the work carried out by Deloitte LLP and have discussed with them the opinion set out in Part B of Appendix 3 to this Announcement addressed to yourselves and ourselves on this matter.

This letter is provided to you solely in connection with Rule 28.1(a)(ii) of the Code and for no other purpose. We accept no responsibility to Elis or its shareholders or any person other than the Elis Board in respect of the contents of this letter; no person other than the Elis Board can rely on the contents of this letter, and to the fullest extent permitted by law, we exclude all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its contents, or the work undertaken in connection with this letter, or any of the results or conclusions that can be derived from this letter or any written or oral information provided in connection with this letter, and any such liability is expressly disclaimed except to the extent that such liability cannot be excluded by law.

On the basis of the foregoing, we consider that the Statement, for which you as the Elis Board are solely responsible, has been prepared with due care and consideration.

Yours faithfully,

Lazard & Co., Limited

Zaoui & Co Ltd

## **Appendix 4 BERENDSEN PROFIT FORECASTS**

### **Profit forecast regarding the financial year to 31 December 2017**

In the announcement titled "Berendsen plc Results for the Full Year ended 31 December 2016" dated 3 March 2017, Berendsen announced that "we expect adjusted operating profit<sup>1</sup> for 2017 to be approximately £150 million" and "Profitability is expected to be more weighted to the second half (approximately 40:60 split), than in previous years" (the "**2017 Profit Forecast**").

The 2017 Profit Forecast was published before Elis made an approach with regard to a possible offer for Berendsen and therefore the requirements of Rule 28.1(c) of the City Code apply to the 2017 Profit Forecast. In accordance with Rule 28.1(c) the Berendsen Directors confirm that the 2017 Profit Forecast remains valid and confirm that the 2017 Profit Forecast has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with Berendsen's accounting policies.

The 2017 Profit Forecast does not take into account any impact of Elis' possible offer.

The Berendsen Directors prepared the 2017 Profit Forecast on the basis of the following assumptions, any of which could turn out to be incorrect and therefore affect whether the 2017 Profit Forecast is achieved:

#### *Factors outside the influence and control of the Berendsen Board*

- (a) There will be no material change in the political and/or economic environment that would materially affect Berendsen;
- (b) there will be no material change in market conditions in relation to customer demand or the competitive environment;
- (c) there will be no material change in legislation or regulatory requirements impacting on the Berendsen Group's operations or its accounting policies;
- (d) there will be no material litigation or regulatory investigations, or material unexpected developments in any existing litigation or regulatory investigation, in relation to any of Berendsen's operations, products or services;
- (e) there will be no business disruptions that materially affect Berendsen, its customers, operations, supply chain or labour supply, including natural disasters, acts of terrorism, cyber-attack and/or technological issues;
- (f) foreign exchange rates will be an average of GBP:EUR sterling exchange rate of 1.16; and
- (g) there will be no material change in the management or control of Berendsen.

*Factors within the influence and control of the Berendsen Board*

- (a) There will be no material acquisitions or disposals;
- (b) there will be no material change in the existing operational strategy of Berendsen; and
- (c) there are no material strategic investments or capital expenditure in addition to those already planned.

**Profit forecast regarding the financial year to 31 December 2018**

On the basis of the assumptions stated below, the Berendsen Directors expect adjusted operating profit<sup>1</sup> for the financial year to 31 December 2018 to be approximately £170 million (the "**2018 Profit Forecast**").

In accordance with Rule 28.2 of the City Code, the Panel has granted Berendsen a dispensation from the requirement to include reports from reporting accountants and Berendsen's financial advisers in relation to the 2018 Profit Forecast because it is for a financial period ending more than 15 months from the date of this announcement, which is the date on which it is first published.

The Berendsen Directors confirm that the 2018 Profit Forecast has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with Berendsen's accounting policies.

The 2018 Profit Forecast does not take into account any impact of Elis' possible offer.

The Berendsen Directors prepared the 2018 Profit Forecast on the basis of the following assumptions, any of which could turn out to be incorrect and therefore affect whether the 2018 Profit Forecast is achieved.

*Factors outside the influence and control of the Berendsen Board*

- (a) There will be no material change in the political and/or economic environment that would materially affect Berendsen;
- (b) there will be no material change in market conditions in relation to customer demand or the competitive environment;
- (c) there will be no material change in legislation or regulatory requirements impacting on the Berendsen Group's operations or its accounting policies;
- (d) there will be no material litigation or regulatory investigations, or material unexpected developments in any existing litigation or regulatory investigation, in relation to any of Berendsen's operations, products or services;
- (e) there will be no business disruptions that materially affect Berendsen, its customers, operations, supply chain or labour supply, including natural disasters, acts of terrorism, cyber-attack and/or technological issues;

- (f) foreign exchange rates will be an average of GBP:EUR sterling exchange rate of 1.16; and
- (g) there will be no material change in the management or control of Berendsen.

*Factors within the influence and control of the Berendsen Board*

- (a) There will be no material acquisitions or disposals;
- (b) there will be no material change in the existing operational strategy of Berendsen;
- (c) there are no material strategic investments or capital expenditure in addition to those already planned.

**Notes**

1: Adjusted operating profit is the basis that Berendsen uses for its adjusted earnings per share calculation. Adjusted operating profit is presented to eliminate the impact of exceptional items, amortisation of customer contracts and non-recurring tax items for a transparent comparison of the year on year performance of the group's operations.

## **Appendix 5 DEFINITIONS**

“2006 Act”	the Companies Act 2006
“2017 Profit Forecast”	has the meaning given in Appendix 4
“2018 Profit Forecast”	has the meaning given in Appendix 4
“Act on Competition and Consumer Protection”	the Act on Competition and Consumer Protection of 16 February 2007 of Poland (2017 Journal of Laws, item 229, consolidated text as amended)
“AMF”	the <i>Autorité des marchés financiers</i>
“Announcement”	this Announcement made pursuant to Rule 2.7 of the Code
“associated undertaking”	has the meaning given in paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 other than paragraph 19(1)(b) of Schedule 6 to those Regulations which shall be excluded for this purpose
“Austrian Cartel Act”	the Austrian Cartel Act 2005
“Authorisations”	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals
“Berendsen”	Berendsen plc, a public limited company incorporated in England and Wales with its registered address at 1 Knightsbridge, London SW1X 7LX and company number 01480047
“Berendsen Annual Report and Accounts”	the annual report and accounts of Berendsen for the year ended 31 December 2016
“Berendsen Articles”	the articles of association of Berendsen in force from time to time
“Berendsen Board”	the Berendsen Directors collectively
“Berendsen Directors”	at any relevant time, the directors of Berendsen at that

	time
“Berendsen EBT”	Estera Trust (Jersey) Limited as the trustee of the Berendsen Employee Benefit Trust
“Berendsen General Meeting”	the general meeting of Berendsen Shareholders (including any adjournment thereof) to be convened in connection with the Scheme
“Berendsen Group”	Berendsen and its subsidiaries and subsidiary undertakings
“Berendsen Resolutions”	the resolutions to be proposed at the Berendsen General Meeting in connection with the Scheme, including a resolution to amend the Berendsen Articles to incorporate new provisions and/or other amendments, in terms approved by Elis, that avoid any person (other than Elis and its nominee(s)) remaining as a holder of Berendsen Shares after the Effective Date, such new provisions and/or amendments to be set out in full in the notice of the Berendsen General Meeting in the Scheme Document
“Berendsen Share Schemes”	the following employee share schemes of Berendsen: <ul style="list-style-type: none"> <li>(a) the Performance Share Plan 2016;</li> <li>(b) the Performance Share Plan 2006;</li> <li>(c) the Co-Investment Plan;</li> <li>(d) the Deferred Bonus Share Plan 2016;</li> <li>(e) the Deferred Bonus Share Plan 2006;</li> <li>(f) the Sharesave Plan 2016;</li> <li>(g) the Sharesave Plan 2006;</li> <li>(h) the Berendsen Long Term Incentive Plan; and</li> <li>(i) the UK Reinvestment Plan</li> </ul>
“Berendsen Shareholders”	the holders of Berendsen Shares from time to time



“Berendsen Shares”	the ordinary shares of £0.30 each in the capital of Berendsen
“Bundeskartellamt”	the German Federal Cartel Office
“Business Day”	a day (not being a Saturday or Sunday) on which clearing banks are generally open in London and Paris for the transaction of normal banking business
“Closing Price”	the closing middle market price of a share as derived from (i) for Berendsen, the daily official list of the London Stock Exchange; and (ii) for Elis, Euronext Paris
“CMA”	the UK Competition and Markets Authority, being the body responsible for investigating mergers, market shares and conditions and the regulation of firms under UK competition law created by the Enterprise and Regulatory Reform Act 2013
“Code”	the City Code on Takeovers and Mergers
“Combined Group”	the group of companies, comprising the Elis Group and the Berendsen Group, following the Transaction
“Condition”	a condition of the Transaction set out in Part A of Appendix 1 to this Announcement and to be set out in the Scheme Document
“Consideration”	the consideration to be delivered by Elis under the terms of the Transaction in the form of £5.40 in cash and 0.403 New Elis Shares for each Berendsen Share
“Court”	the High Court of Justice in England and Wales
“Court Meeting”	the meeting of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) convened by order of the Court pursuant to Section 899 of the 2006 Act for the purpose of considering, and if thought fit, approving the Scheme (with or without amendment) and any adjournment thereof
“CPP Fund”	the funds of the Canada Pension Plan managed by CPPIB
“CPPIB”	Canada Pension Plan Investment Board, a federal crown corporation incorporated pursuant to the Canada

	Pension Plan Investment Board Act 1997, whose registered address is One Queen Street East, Suite 2500, Toronto, Ontario M5C 2W5, Canada
“CPPIB Cash Placing”	the issue of 10,131,713 New Elis Shares to CPPIB at a price of €19.74 per Elis Share
“CPPIB Shares”	the 10,131,713 new Elis Shares to be issued by Elis to CPPIB following the Elis Reserved Capital Increase
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations)
“Deloitte LLP”	Deloitte LLP, the United Kingdom affiliate of Deloitte NWE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, whose member firms are legally separate and independent entities
“Deutsche Bank”	Deutsche Bank AG, Paris Branch ( <i>Succursale de Paris</i> ) of 23-25 avenue Franklin Delano Roosevelt, 75008 Paris, France
“Disclosed”	Information <ul style="list-style-type: none"> <li>(a) which has been disclosed by or on behalf of Berendsen to Elis between 8 June 2017 and 11 June 2017 (both dates inclusive), whether verbally or in writing;</li> <li>(b) which has been publicly announced to a Regulatory Information Service by Berendsen before the date of this Announcement;</li> <li>(c) which is set out in the Berendsen Annual Report and Accounts; or</li> <li>(d) which is set out in this Announcement</li> </ul>
“EBITDA”	earnings before interest, taxation, depreciation and amortisation
“Effective Date”	the date upon which either: <ul style="list-style-type: none"> <li>(a) the Scheme becomes effective in accordance</li> </ul>

with its terms; or

- (b) if Elis implements the Transaction by way of an Offer, the Offer becomes or is declared unconditional in all respects

“Elis”	Elis SA, a joint stock corporation ( <i>société anonyme</i> ), with its registered office at 5 Boulevard Louis Loucheur, 92210 Saint-Cloud, France, and registered with the Trade and Companies Register of Nanterre under number 499 668 440
“Elis Board”	the Elis Directors collectively
“Elis Directors”	at any relevant time, the members of the supervisory board of Elis at that time
“Elis General Meeting”	a general meeting of Elis Shareholders to be convened to approve certain matters in connection with the Transaction and the Elis Reserved Capital Increase, notice of which will be sent to Elis Shareholders, including any adjournment thereof
“Elis Group”	Elis and its subsidiaries and subsidiary undertakings from time to time
“Elis Quantified Financial Benefits Statement”	has the meaning given in Part A of Appendix 3
“Elis Reserved Capital Increase”	the proposed reserved capital increase of Elis in an amount of EUR 200 million for the purpose of the issue by Elis of the CPPIB Shares to CPPIB
“Elis Shareholder Resolutions”	the resolutions to be proposed at the Elis General Meeting for the approval of the issue of the New Elis Shares in connection with the Transaction (but not, for the avoidance of doubt, the CPPIB Cash Placing), by a two-thirds majority of the votes cast on such resolution of Elis Shareholders present or represented at the Elis General Meeting
“Elis Shareholders”	the holders of Elis Shares from time to time
“Elis Shares”	shares of common stock in the capital of Elis having a par value of €10 each at the date of this Announcement, such par value to be decreased to €1

	each on 15 June 2017 as a result of the share capital decrease approved by Elis in general meeting on 19 May 2017, subject to the absence of any admissible creditors' objections
"Eurazeo"	Eurazeo SE, <i>societas europaea</i> , with its registered office at 1 rue Georges Berger 75017 Paris, France and registered with the Trade and Companies Register of Paris under number 692 030 992
"EU Merger Regulation"	Council Regulation (EC) No. 139/2004 (as amended)
"Euronext Paris"	Euronext Paris S.A.
"European Commission Proceedings"	proceedings initiated by the European Commission under Article 6(1)(c) of the EU Merger Regulation in respect of the Transaction
"Excluded Shares"	any Berendsen Shares which are registered in the name of or beneficially owned by any member of the Elis Group or its nominee(s) and any Berendsen Shares which are held or become held in treasury (unless such Berendsen Shares cease to be so held)
"FCA"	the Financial Conduct Authority
"FCA Clearance"	the FCA having been given, or being treated as having given, the approvals set out in Condition 2(c)
"Forms of Proxy"	the form of proxy in connection with each of the Court Meeting and the Berendsen General Meeting, which shall accompany the Scheme Document
"French Listing Prospectus"	the listing prospectus ( <i>note d'opération</i> ) to be filed by Elis with the AMF
"French Prospectus"	the prospectus prepared in connection with the issue of the New Elis Shares, comprised of: <ul style="list-style-type: none"> <li>(A) the French Registration Document;</li> <li>(B) the French Registration Document Update, if applicable; and</li> <li>(C) the French Listing Prospectus (including the summary of the French Prospectus set out</li> </ul>

therein)

“French Registration Document”	the registration document ( <i>document de référence</i> ) registered by Elis with the AMF under no. R.17-0013 on 6 April 2017
“French Registration Document Update”	any update to the French Registration Document ( <i>actualisation du document de référence</i> ) to be filed by Elis with the AMF, if applicable
“FSMA”	the Financial Services and Markets Act 2000
“GWB”	the German Act Against Restrictions of Competition
“J.P. Morgan Cazenove”	J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove
“Lazard”	Lazard & Co., Limited
“Legendre Holding 27”	Legendre Holding 27 SAS, a simplified joint stock corporation ( <i>société par actions simplifiée</i> ), with its registered office at 1 rue Georges Berger 75017 Paris, France and registered with the Trade and Companies Register of Paris under number 532 862 877
“London Stock Exchange”	London Stock Exchange plc
“Long Stop Date”	31 December 2017, or such later date (if any) as may be agreed between Berendsen and Elis which the Panel and, if required, the Court may permit;
“Merger Control Authority”	any national, supra-national or regional, government or governmental, quasi-governmental, statutory, regulatory or investigative body or court, in any jurisdiction, responsible for the review and/or approval of mergers, acquisitions, concentrations, joint ventures, or any other similar matter
“Mix and Match Facility”	a facility under which Berendsen Shareholders would be permitted to elect, subject to availability and off-setting elections, to vary the proportion of New Elis Shares and cash consideration they will receive pursuant to the Scheme
“New Elis Shares”	the new Elis Shares proposed to be issued to Berendsen Shareholders pursuant to the Scheme

“Offer”	if the Transaction is implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the 2006 Act, the offer made by Elis to acquire the entire issued and to be issued share capital of Berendsen on the terms and subject to the conditions set out in the related offer document (and, where the context so requires, any subsequent revision, variation, extension or renewal of such offer, including any election or alternative available in connection with it)
“Offer Period”	the offer period (as defined by the Code) relating to Berendsen, which commenced on 18 May 2017
“Official List”	the official list maintained by the UK Listing Authority
“Opening Position Disclosure”	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Transaction if the person concerned has such a position
“Overseas Shareholders”	Berendsen Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Panel”	the Panel on Takeovers and Mergers
“Predica”	Predica Prévoyance Dialogue du Crédit Agricole, with its registered office at 50-56 rue de la Procession, 75015 Paris, France and registered with the Trade and Companies Register of Paris under number 334 028 123
“Regulatory Information Service”	any service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
“Scheme”	the proposed scheme of arrangement under Part 26 of the 2006 Act between Berendsen and the Scheme Shareholders to implement the Transaction
“Scheme Court Hearing”	the hearing of the Court to sanction the Scheme under section 899 of the 2006 Act
“Scheme Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act

“Scheme Document”	the document to be despatched to Berendsen Shareholders containing and setting out, amongst other matters, the full terms of the Scheme and the explanatory statement required by section 897 of the 2006 Act, and containing the notices convening the Court Meeting and the Berendsen General Meeting
“Scheme Record Time”	the time and date specified as such in the Scheme Document (as may be amended as set out in the Scheme Document)
“Scheme Shareholder”	a holder of Scheme Shares
“Scheme Shares”	<p>(a) the Berendsen Shares in issue at the date of the Scheme Document; and</p> <p>(b) any Berendsen Shares issued after the date of the Scheme Document and before the Voting Record Time; and</p> <p>(c) any Berendsen Shares issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,</p> <p>but in each case other than any Excluded Shares</p>
“SEC”	the US Securities and Exchange Commission
“subsidiary”	has the meaning given in section 1159 of the 2006 Act
“subsidiary undertaking”	has the meaning given in section 1162 of the 2006 Act
“Third Party”	has the meaning given in Condition 2(i)
“Transaction”	the proposed acquisition by Elis of the entire issued and to be issued share capital of Berendsen, pursuant to the Scheme as described in this Announcement (or pursuant to the Offer under certain circumstances described in this Announcement)
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland

“UK Listing Authority”	the FCA acting in its capacity as the authority for listing in the UK
“US Exchange Act”	the US Securities Exchange Act of 1934, as amended
“US Securities Act”	the US Securities Act of 1933, as amended
“Voting Record Time”	the time and date specified as such in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, which is expected to be 6:00 p.m. on the day which is two days before the Court Meeting or, if the Court Meeting is adjourned, 6:00 p.m. on the day which is two days before the date of such adjourned Court Meeting
“Wider Berendsen Group”	Berendsen and its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Berendsen and all such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent
“Wider Elis Group”	Elis and its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Elis and all such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent
“Zaoui”	Zaoui & Co Ltd

A reference to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be construed accordingly.

All times referred to are London time unless otherwise stated.

All references to “€”, “EUR” and “Euro” are to the lawful currency of the European Union.

All references to “GBP”, “pence”, “pounds sterling”, “sterling” or “£” are to the lawful currency of the United Kingdom.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time



and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.