2019 results: Keolis exceeds the 6 billion euro turnover mark

In 2019, Keolis achieved another year of strong growth, characterised by an increase in turnover (+11%) and the operating result EBITDA (+7%).

- **Revenues** rose sharply, thanks in particular to the full-year effect of the Transport for Wales contract, and surpass the 6 billion euro mark for the first time, at €6.579bn.

- **Revenue growth** exceeds 10% for the second consecutive year and comes with an increase of 6.6% in operational profitability (recurring EBITDA), progressing from €392m in 2018 to €418m. Operating margin is at 6.4%.

- **Net Recurring Income, Group share**, rose to €84m, up 7.3% on a comparable basis. This includes adjustments for the one-off impacts related to the change in accounting methods for the French State tax benefit for Competitiveness & Employment (CICE) and the first year of implementation of IFRS16.

- For the first time in Keolis' history, revenues in international transport exceeded those of France (53% vs. 47%).

- The **Group accelerated its contribution to the energy transition throughout the world**, by winning, preparing and launching several mobility services using alternative energies.

"The Group continues its strong two-digit growth trajectory reflecting the robust development of our activities, notably internationally. 2019 marked a turning point in sustainable mobility and alternative energies which was illustrated in particular by emblematic wins internationally and by the launch of major mobility services in France." Patrick Jeantet, Group Executive Chairman, Keolis.

2019 results: continued strong growth

The Group's **turnover** reached €6.6bn in 2019, up €645m compared to 2018 (+10.9%).

Revenues grew organically by +9.7%, excluding the effects of foreign exchange and changes in scope, and by +10.6% at constant exchange rates. This sustained growth was driven by the
full-year effect of major contracts which began in 2018 and new contracts won in 2019. The contract awarded by the public transport authority Transport for Wales in June 2018 and which started operations in October 2018, generated a turnover of €414m in 2019 compared to €91m in 2018.

The Group’s operational profitability (recurring EBITDA excluding IFRS 16) increased compared to the previous year (+6.6%) and amounts to €418m, driven by both portfolio (contract wins and losses) and organic effects. At the same time, operating margin came in at 6.4% of turnover (vs. 6.6% in 2018).

Net financial debt (excluding IFRS16) remains under control at €1bn and is growing at a slower pace than revenues, once adjusted for the impact of the two strategic acquisitions made in 2019 (MyPark and CarPostal France).

The debt leverage ratio (with IFRS16, not comparable with 2018) is 2.98x, and remains well below the limits set out in banking documentation.

Adjusted to reflect the accounting impacts of IFRS16 and the CICE (tax credit for competitiveness and employment), recurring net profit Group share is €84.3m, up +7.3%.

The Group share of net income amounts to -€72m and notably takes into account the strategic decision to review the New Mobilities portfolio (LeCab, etc.) as well as restructuring / losses on bus contracts in the USA and in Continental Europe.

<table>
<thead>
<tr>
<th>In €m</th>
<th>31 Dec 2018</th>
<th>31 Dec 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>5,934</td>
<td>6,579</td>
<td>+10.9%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>392</td>
<td>418</td>
<td>+6.6%</td>
</tr>
<tr>
<td>Operational margin</td>
<td>6.6%</td>
<td>6.3%</td>
<td>-4.54%</td>
</tr>
<tr>
<td>Recurring net income, Group share (with IFRS16 and conversion of CICE)</td>
<td>79</td>
<td>47</td>
<td>-39.8%</td>
</tr>
<tr>
<td>Recurring net income, Group share, comparable to 2018</td>
<td>79</td>
<td>84</td>
<td>+7.3%</td>
</tr>
<tr>
<td>Net income, Group share</td>
<td>31</td>
<td>-72</td>
<td>N/A</td>
</tr>
<tr>
<td>Net debt (excluding acquisitions in 2019)</td>
<td>982</td>
<td>1,053</td>
<td>+7.2%</td>
</tr>
</tbody>
</table>

**Good performance for commercial revenues**

In 2019, the commercial revenues of the Group’s largest urban networks in France (those with an annual turnover in excess of €20m) – which account for more than 95% of patronage – reached €620m. This represents an iso-perimeter progression of +3.6% compared to 2018 (€602m). The level of income from these networks, which represents a new record figure, confirms the Group’s expertise in designing attractive networks, taking commercial initiatives to attract and retain passengers and combat fare evasion.

In Lille for example, the network’s revenues increased by +6.4%, illustrating the successful launch of the new network in January 2019, while the network of Besançon, where the Group has been deploying fare evasion measures since 2018, recorded an increase in revenue of +5.2%.
A solid commercial year, both in France and internationally

Keolis maintained its leading position on the French market open to competition. The year was marked by the symbolic win of the tram network T9, which is the first tram line to be brought to tender by Île-de-France Mobilités. It was also marked by the acquisition from Swiss Post of the French activities of CarPostal, firmly implanted in eastern France.

Internationally, the year was marked by the awards and launches of several alternative energy bus contracts, including the one obtained in the Netherlands, Keolis' largest electric mobility contract, with 346 electric vehicles.

New contracts...

In France, Keolis was selected in July 2019 by Île-de-France Mobilités, the public transport authority for the Paris Île-de-France region, to launch and operate the tram T9 and the Bord de l'Eau bus network in the Val-de-Marne department. By the end of 2020, tram T9 will link Paris-Porte de Choisy to the centre of Orly (10 km of track). With this five-and-a-half year contract, Keolis has won Île-de-France Mobilités' first call to tender for the operation of a rail mode.

In July 2019, the French government and the "Hello Paris" consortium, formed by Keolis and RATP Dev, officially concluded the concession for the future operation of the CDG Express, a direct rail link between Paris Gare de l'Est station and Paris-Charles de Gaulle airport (32 km long). The contract includes a six-year preparatory period (2019-2025) and a 15-year operating period (2025-2040).

In other parts of France, Keolis won and initiated three new contracts:

- **Antibes-Sophia Antipolis**, in the south of France. As of July 2019, Keolis is the new operator of the transport network serving 12 towns and villages and 170,000 inhabitants. During this four-year contract - renewable three times for a one-year period each time - Keolis will support the energy transition with the commissioning of a BRT (Bus Rapid Transit) line in 2020, running on natural gas.

- **Menton**: Since July 2019, Keolis has been operating the transport network of the 15 towns and villages of the French Riviera Agglomeration Community. As part of this new contract, the Group is committed to achieving a 17% increase in network patronage by 2025.

- **Moulins**, in central France. Since September 2019, Keolis has been operating the transport network of the Moulins Community which counts 44 towns and villages. The six-year contract aims in particular to strengthen transport on demand and to develop soft modes, with the management of a fleet of 350 electrically-assisted bicycles for hire.

In Europe, the Group won three major sustainable mobility contracts in the Netherlands (346 electric buses), Norway (140 carbon-free buses, of which about 100 are electric and the rest run on Hydrotreated Vegetable Oil biofuel) and Sweden (biodiesel buses).

In the United States, Keolis won a new contract in Reno, in Nevada, to operate and maintain 75 buses, including 21 electric, with the objective to replace the entire fleet by electric buses.
... several renewals...

In France, in July 2019, the Aix-Marseille-Provence Metropolis once again entrusted Keolis with the management of its public transport network and park-and-ride services in the Pays d’Aix area, for a period of nine years. By 2024, the fleet of 204 vehicles will be entirely replaced with vehicles with electric and hybrid engines. The new contract, expected to generate cumulative revenues of €450m, began in November 2019. This renewal has enabled the Group to consolidate its position as leader in city and intercity transport in the Sud Provence-Alpes-Côte d’Azur region.

Including renewed contracts for medium-sized city public transport networks and for intercity transport, the turnover resulting from transport tenders won in France in 2019 represents a total volume of €239m.

In the United Kingdom, the Group obtained a four-year extension for the management of the Docklands Light Railway (DLR) automated network in London. Since the start of this operation and maintenance contract in 2014, patronage of the 40-km long network has increased by +11%, reaching 125 million passengers in 2019.

In the United States, Keolis has been entrusted with the renewal of the service to Fort Lauderdale airport in Florida for another five years. As part of this contract, Keolis is in the process of replacing the 54 existing buses with buses suitable for transporting persons with reduced mobility.

... and launches of several BRT, tram and automated metro services

In 2019, with the launch of the hydrogen BRT service in Pau¹ and the electric BRT services in Amiens and Bayonne-Biarritz-Anglet, Keolis has established itself as the leading French operator in electro-mobility.

The Group has also strengthened its status as world leader for trams with several launches, both in France (Caen: new steel-wheeled tram; Lyon: new line T6; Bordeaux: new line D) and internationally:

- **Australia:** with the launch in February 2019 of the tram in Newcastle (north of Sydney), a city of 360,000 inhabitants. The 2.7-km long line, which has no catenaries, preserves the urban landscape and enhances the city’s appeal.

- **Canada:** with the launch in June 2019 of the tram network in Waterloo, home to more than 500,000 people and one of the most dynamic regions in Ontario. The 16 km long network serving 19 stations is Keolis’ first light rail network in North America.

- **China:** with the opening in December 2019 of the final section of the tram network in Songjiang, the southwestern suburb of Shanghai with 1.8 million inhabitants. Now complete, the 31-km, 46-station network is expected to reduce car travel in the city by carrying up to 170,000 passengers daily.

In total, the Group operates or is preparing to launch 25 tram networks worldwide.

¹ technical assistance
Keolis has also reaffirmed its position as the **world's leading operator of automated metro systems** by successfully completing three launches in:

- **China**: with the opening in September 2019 of the automated metro serving the four terminals of **Shanghai Pudong International Airport** for a period of 20 years.

- **India**: with the launch of the third section of **Hyderabad** automated metro network. The network, which is now 69-km long, was completed in two years.

- **Qatar**: where Keolis, as part of RKH Qitarat, the joint venture formed with RATP Dev and Hamad Group, has been operating the entire automated metro in **Doha** (76 km long) since December 2019.

**Acquisition of CarPostal France**

In September 2019, the Group acquired **CarPostal France** taking over 1,200 employees, its subsidiaries and vehicles. This will significantly strengthen Keolis’ regional coverage throughout Eastern France, where CarPostal France operates six urban networks and intercity activities in several departments. It will also enable the Group to increase its annual turnover by **+€100m**. Excluding EFFIA, this represents **Keolis' largest acquisition in France since its creation**.

**Outlook: growth potential in Île-de-France; launch of major alternative energy bus contracts in Europe**

Île-de-France, where the market is gradually being opened to competition, in particular with **Optile**, the network covering Paris’ outer ring of suburbs, represents the main growth potential in France for Keolis in the years to come. The Group’s share in Optile amounts to approximately 20%. It intends to respond significantly to the calls to tender issued or soon to be issued by Île-de-France Mobilités. Keolis also aims to position itself for the opening-up to competition of the bus network within Paris and the inner suburbs, as well as for the award of the **Grand Paris Express automated metro lines** (the new metro of the Capital Region features 68 new stations and 200 kilometers of additional tracks consisting of a ring route around Paris, lines connecting developing neighbourhoods and extended existing metro lines).

Outside France, the Group will work to ensure the successful launch of alternative energy bus contracts, particularly those won in the **Netherlands, Norway** and **Sweden**, due to begin in 2020.

**Parking: continued strong growth for EFFIA**

As a global integrator of mobility, Keolis has consolidated its ambitions in parking. Its subsidiary EFFIA has acquired **Mypark**, a historic player in parking in Belgium. With this transaction, EFFIA has taken an important step in its international development strategy and is now the fourth largest operator on the Belgian parking market, managing more than 32,000 parking spaces.

Excluding acquisitions, EFFIA recorded strong turnover growth in 2019 (**+13.6%**), driven by contracts won in 2018 (Le Havre, Limoges and Grenoble in particular) and by an increase in car park use. This was in spite of the SNCF strike at the end of 2019, which had a strong impact on station car parks.
In 2019, EFFIA confirmed its commercial vitality by winning new contracts (notably the Lyon impound and the car park at the new Nîmes-Pont du Gard station), representing €25m in calls to tender, including €16m of new contracts.

In total, as of 1 January 2020, EFFIA manages **258,000 parking spaces**, four times more than when it was acquired by Keolis in 2010.

### Accelerating innovation to serve the regions

**Keolis, actor of the energy transition**

Committed to accompanying its clients in the energy transition for many years now, Keolis stepped up its contribution in this area in 2019, which proved to be a key year for electro-mobility in the Group worldwide.

As part of a proactive environmental policy, France's Energy Transition Law has set targets and deadlines for local authorities to renew vehicle fleets. To encourage thinking on the challenges of climate change and promote more sustainable mobility in the regions, November 2019 saw Keolis take the *Keolis New Energy Tour* to six different-sized French cities, where the Group's alternative energy experts presented state of play and developments forecast in the different energy sectors.

This approach is part of the historic "multi-energy" position of the Group. It reflects its determination as an operator to objectively inform public transport authorities of the advantages and disadvantages of each solution, both from an environmental and financial perspective, before supporting them in the implementation of their projects.

In France, Keolis launched several mobility services running on alternative energy (electric, hydrogen, natural gas, hydrocarbon fuel, etc.), commissioning quiet, environmentally-friendly vehicles that emit no atmospheric pollutants and considerably reduce noise and vibrations:

- In **Pau**, as part of the technical assistance it provides to the Pau Béarn Pyrénées Mobilités public transport network, Keolis contributed to the commissioning of the **100% hydrogen BRT line**, a global first for an 18-metre long vehicle. The eight vehicles of the fleet produce their electricity on board, using a hydrogen fuel cell. The hydrogen used to power the vehicles is produced in the station built near the bus depot in Pau.

- In **Amiens**, Amiens Métropole and Keolis launched France's first **fully electric BRT** service consisting of a fleet of 43 vehicles. A first in Europe, these electric vehicles are characterised by their charging system, fast if carried out at the terminus (4 to 5 minutes on average for a range of 40 km), or slow if carried out in the depot at night (between 3 and 4 hours to charge to 100%).

- In the French Basque Country, Keolis has begun operating a **fully electric Tram’bus line** on behalf of the Syndicat des Mobilités Pays Basque Adour. The line, which links **Biarritz, Anglet** and **Bayonne**, consists of 10 vehicles. It will be followed in 2020 by a second line, also electric, between Bayonne and Tarnos.
In Île-de-France, since September, Keolis Seine Val-de-Marne has been using HVO (hydrotreated vegetable oil) biofuel as a substitute for diesel for the fleet of shuttles connecting the car parks at Paris-Orly airport, on behalf of the ADP Group. This biofuel is a synthetic fuel, 100% made up of renewable raw materials (waste and waste oils). It reduces overall CO₂ emissions by more than 50% while significantly reducing local emissions of nitrogen oxides and particles for vehicles.

Internationally, Keolis has won or begun a number of contracts for buses running on alternative energies:

- In the Netherlands, the Group won the largest electric bus contract in its history. By the end of 2020, the Group will be in charge of operating and maintaining 346 new 100%-electric buses, which will serve the provinces of Overijssel, Flevoland and Gelderland via 122 routes and transport more than 17 million passengers per year.

- In Norway, Keolis won its first bus contract in the country in the city of Bergen. It will operate 140 mostly electric buses which are expected to cover 5.7 million kilometres per year and carry 17 million passengers.

- In the United States:
  - In Reno, in Nevada, Keolis won a contract in April 2019 to operate and maintain 75 buses. These will be gradually replaced by electric buses, 21 of which are already in service.
  - In Greensboro, North Carolina, the Group launched the state's first all-electric bus route in February 2019. By 2030, the entire fleet of 43 buses will be converted to electric. 14 vehicles are currently in circulation.
  - In Foothill, Los Angeles County, in Southern California, Foothill Transit has chosen the Group to provide support for the replacement of its network of 158 diesel buses with electric buses by 2030. 15 electric buses are already in operation.

In total, the Group operates 3,704 vehicles running on alternative energy, representing nearly 20% of its total bus fleet.

Keolis, partnering with the regions to serve sparsely populated areas

Mobility is increasingly considered a key quality of life issue with inhabitants of regions suffering from a lack of transport solutions penalised in their daily journeys. In this context, Keolis is working with public transport authorities to make shared mobility an asset for the appeal and development of territories of all sizes.

By way of example, Keolis and the Agglomeration Community of the Region of Château-Thierry (east of France) wished, as part of the renewal of the operating contract, to extend the area served by public transport to new areas, to make mobility as inclusive as possible. The number of municipalities served has increased from 35 to 87, notably thanks to the creation of an on-demand transport service.
To meet all mobility needs, the Group designs and deploys new mobility solutions that meet the challenges of each region. An example of this commitment is the development of real-time, on-demand transport services, which provide a real alternative to the private car in sparsely populated areas.

In 2019, Keolis launched several services in France, notably in Orléans, where a new real-time on-demand transport service has been connecting suburban areas with little or no bus or tram services since September 2019. In the United States, the Group conducted a six-month trial in Las Vegas, carrying more than 60,000 passengers. In Australia, the real-time on-demand transport service Keoride, launched in the Sydney area at the end of 2017, was extended to December 2020. This service, which provides connections to Sydney's northern beaches seven days a week, made nearly 20,000 trips per month in 2019. In Newcastle, a second real-time, on-demand transport service was launched, as well as in Mount Barker and the Barossa Valley near Adelaide, South Australia.

Keolis, actor of connected mobility

In 2019, Keolis once again helped to make tomorrow's mobility more connected by launching new innovations in its networks.

In Dijon, Keolis launched the first "mobility coach". As of October 2019, passengers can simplify their journeys in the Divia Mobilités network with the help of a mobility coach. This virtual mobility assistant provides an end-to-end conversational, voice-assisted experience via a mobile app. Downloadable free of charge from iOS and Android, the mobility coach uses artificial intelligence, smart data and voice assistance to provide passengers with an inclusive experience, supporting them with their essential mobility requirements (route search, times of next services, traffic conditions, etc.).

In Dreux, for the first time in a medium-sized French city, the Group launched a contactless payment solution for buses, compatible with all banks and contactless payment cards affiliated to Mastercard and Visa. The new service encourages access to the shared mobility network and helps to improve the frequency and punctuality of the network. Likewise, in Manchester, in the United Kingdom, passengers of Greater Manchester’s tram network are able to pay their fare using a contactless credit card or smartwatch since July 2019. This new system is expected to increase the patronage by more than 25%.

Keolis, actor of autonomous mobility

A pioneer in autonomous mobility, Keolis, with the support of its partner Navya, deployed France’s first autonomous shuttle service in Lyon in 2016. Since this first launch, some 15 autonomous shuttles operated by Keolis have covered 94,000 km and transported nearly 200,000 passengers in numerous locations in France, Belgium, the United Kingdom, Australia, Canada and the United States.

In 2019, Keolis achieved a new milestone in the development of autonomous mobility. In December, the Group inaugurated its "national test site for autonomous mobility" near Châteauroux to develop its expertise in autonomous fleet management, with a view to future “fully autonomous” operation, without an operator on board.
The Group also launched new services, notably in Lyon with the entry into circulation of two shuttles which are fully integrated into the traffic, to serve the Groupama Football Stadium, and in Rennes, with the introduction of two new-generation shuttles manufactured by EasyMile.

At the same time, Keolis, in partnership with Volvo, presented a 12-metre long electric bus at its depot in Gothenburg, Sweden. The prototype is able to park and proceed to washing and charging areas completely autonomously.

In 2019, for the first time, the Group's international business activity was slightly higher than that of France (including non-transport related activities such as EFFIA and Kisio), as illustrated by respective turnovers of 50.1% and 49.9%. In terms of numbers of passengers carried in 2019, the breakdown was even (1.7 billion internationally versus 1.7 billion in France).

Symbolising the dynamic nature of the Group, Keolis' workforce grew by +3%, totalling 68,500 employees at the end of 2019 (37,700 in France and 30,800 internationally), spread over 15 countries.

In 2019, the Group recruited 4,748 employees in France and 4,000 internationally, excluding acquisitions.

About Keolis

Keolis is a pioneer in developing public transport systems and works alongside public decision-makers who want to turn shared mobility systems into levers to enhance the appeal and vitality of their regions. A world leader in operating automated metro and tramway systems, Keolis is supported by a sustained and open innovative policy alongside all of its partners and subsidiaries – Kisio, EFFIA, Keolis Santé and Cykleo – to bolster its core business and develop new innovative and bespoke shared mobility solutions, including trains, buses and coaches, trolleybuses, shared car solutions, river and sea shuttle services, bike share services, car sharing, fully electric driverless shuttles and urban cable cars. In France, Keolis is the second largest parking company through its subsidiary EFFIA, and the country's leading medical transport solution since the creation of Keolis Santé in July 2017.

The Group is 70%-owned by SNCF and 30%-owned by the Caisse de Dépôt et Placement du Québec (Quebec Deposit and Investment Fund), and employs some 68,500 people in 15 countries. In 2019, it posted revenue of €6.6 billion. In 2019, 3.4 billion passengers used one of Keolis' shared mobility services. www.keolis.com

* Australia, Belgium, Canada, China, Denmark, France, Germany, India, the Netherlands, Norway, Qatar, Senegal, Sweden, the United Kingdom and the United States.

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