La Défense, 23 March 2020

Press release

FY 2019 results
Indigo Group confirms the strength of its long-term development model

KEY FIGURES[1]

€ million	2018	2019	Change at current exchange rate (%)	Change at constant exchange rate (%)
Revenue	**961.4**	**968.6**	**+0.7%**	**-0.4%**
EBITDA PRE IFRS 16	**307.7**	**312.4**	**+1.5%**	**+1.2%**
% Margin Pre IFRS 16	*32.0%*	*32.3%*	*+0.3 pts*	
EBITDA	**307.7**	**351.3**	**+14.2%**	**+13.8%**
% Margin	*32.0%*	*36.3%*	*+4.3 pts*	
Operating income	**196.3**	**71.8**	**-63.4%**	**-63.5%**
Net income attributable to owners of the parent	**82.2**	**3.9**	**n.d.**	**n.d.**
Free Cash-Flow	**230.4**	**192.3**	**-16.5%**	

Serge Clemente, CEO of Indigo Group, said:

"2019 results have confirmed the trajectory of solid growth observed in the previous years, while the disposal of 6 countries in 2018 and accounting standards had a significant negative impact on our headline numbers. We continued to roll out our "Goal 2025" plan, despite the episode of the yellow vests in France, by developing our long-term portfolio in geographies where the Group holds a leading position. In France we acquired in June 2019 Spie Batignolles concessions parking activities operated under the Spie Autocité brand, giving us the opportunity to densify our presence by integrating car parks enjoying prime geographical locations. We have also intensified our policy of acquiring fully owned car parks in countries where we are solidly established. This business model affords the advantage of generating

[1] Consolidated Global Proportionate figures (except for Free cash flow computed according to IFRS standards)

strong recurring cash-flows over the long-term while providing more flexibility in terms of tariff policy management, diversification of activities and optimization of operational plans. Finally, in the majority of the countries in which we operate, we have been able to increase our territorial coverage and diversify our portfolio of customer types.

With the support of its new shareholders Vauban Infrastructure Partners and MEAG, alongside Crédit Agricole Assurances, the Group will continue to play a leading in role in the future of mobility, addressing with local authorities as well as public and private stakeholders, the challenges facing cities in the area of transportation and individual mobility."

It should be noted that since the end of the fiscal year, the COVID-19 pandemic has disrupted the start of the year, which had begun well. Indigo's primary concern has been to preserve its employees while ensuring continuity of service through our remote operations centres.

Our second concern was to manage in the best way the decline in revenue by adapting our costs and preserving our cash flow.

At the same time, we are organizing ourselves to be in a good position to emerge from the crisis. »

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SUMMARY

In 2019, Indigo Group displayed a solid financial performance. The Group also took significant steps towards progressing its GOAL 2025 strategic plan.

As regards to the parking segment, the Group achieved very good commercial breakthroughs in all its countries and strengthened its infrastructure business model, focusing on new concessions and ownerships through the acquisitions of Spie Autocité in France (concessions portfolio) and ownership car parks in France, Belgium and Spain. In North America, Indigo Group expanded its footprint and portfolio of activities notably through gaining control of its former 50-50 joint venture West Park in Canada and developing the promising shuttling activity through an acquisition in the USA. Simultaneously Indigo Group established a partnership with Sunsea Parking to enter the Chinese market. All other geographical areas of the Group continued to show strong operational performance.

As regards to its Mobility and Digital Solutions (MDS) business line, the Group continued in 2019 to increase its contribution to Indigo Group's revenue.

Finally, since September 2019, the group has new supporting and long-term shareholders with Vauban Infrastructure Partners (ex Mirova) and MEAG having completed the acquisition of Ardian's stake in Infra Foch Topco.

OVERVIEW

At 31 December 2019, the Group managed c. 2,400,000 parking spaces across c. 5,450 facilities (based on a 100% share of operations, including in countries where the Group operates through a joint venture). Of those spaces, 56.2% were in North America, 19.2% in France, 16.1% in the IBSA – Iberica South America – region (Spain, Brazil, Colombia and Panama) and 8.4% in other Continental European countries.

The Group's consolidated Global Proportionate revenue for the year 2019 was €968.6 million, down 0.4% on 2018 at constant exchange rates and up 0.7% (€7.2 million) unadjusted for currency movements. Excluding the disposal of the Group's activities in the United Kingdom, Germany, Czech Republic and Slovakia which accounted for €66.2 million in 2018 ("Leo sale"), revenue grew 6.8% (€61.9 million) at constant exchange rates.
In France, despite the termination of several contracts at the end of 2018 and the Yellow Vests events but thanks to strikes at the end of 2019 and the integration of Spie Autocité, revenue was up 1.4%. Continental Europe countries (Belgium, Luxembourg and Switzerland) and North America regions made a strong contribution to growth at constant exchange rates, with revenue growth of 24.3% in Continental Europe countries and 14.4% in North America. The Iberica South America region showed a reduction of 6.2% compared to 2018 due to impacts relating to turnover of variable rent contracts in Brazil (IFRS 15 -€17.1 million with no impact on EBITDA). Finally, the MDS business line generated revenue of €20.6 million in 2019 versus €12.3 million in 2018.

The Group's consolidated Global Proportionate EBITDA was €351.3 million in 2019 and €307.7 million in 2018. Excluding the IFRS 16 standard effect of €38.9 million, EBITDA grew 1.2% or €3.7 million at constant exchange rates compared to 2018 and up 1.5% or €4.7 million unadjusted for currency movements. Excluding the disposal of the Group's activities in the United Kingdom, Germany, Czech Republic and Slovakia which accounted for €15.3 million in 2018, EBITDA grew 6.5% (€19.0 million) at constant exchange rates. In France EBITDA decreased 3.3% pre IFRS 16 mainly impacted by the revenue downside due to the Yellow Vests events impacting hourly revenue on the constant perimeter, the loss of contracts (mostly the ones with the city of Paris) and the negative impact of contracts renewal (mainly Porte Maillot under construction) and partly compensated by the integration of Spie Autocité. All international geographic regions made a considerable contribution to growth at constant exchange rates, with EBITDA increase of 11.4% pre IFRS 16 in Continental Europe, 17.2% pre IFRS 16 in North America and 75.4% pre IFRS 16 in the Iberica South America region. The MDS business line generated an EBITDA of -€7.6 million in 2019 versus -€12.4 million in 2018 reflecting the continued investment in the growth of the MDS business line.

Group EBITDA margin pre IFRS 16 was 32.3% in 2019, 0.3 point higher than in 2018. EBITDA margin pre IFRS 16, was 52.3% in France, 44.2% in Continental Europe, 6.9% in North America and 33.2% in Iberica South America. These figures reflect the different business models used in the latter two geographical zones which, apart from Spain, mainly involve contracts under which the Group bears no traffic risk and carries out little investment but in return generates lower margins.

Indigo Group's global proportionate operating income decreased to €71.8 million in 2019 as opposed to €196.3 million in 2018, the decrease of €124.5 million unadjusted for currency movements is mainly linked to disposal gains in 2018 on the Group's subsidiaries and businesses in the United Kingdom, Germany, Slovakia and Russia (€103.2 million), depreciation, amortization and provision charges on the MDS business line's (€25.8 million) and IFRS 16 (€38.9 million).

Consolidated net income attributable to owners of the parent amounted to €3.9 million in 2019, down from €82.2 million in 2018. The negative variance of the operating income €124.5 million is compensated with a positive variance of the net financial debt and other financial income and expense of €13.8 million, explained by the early redemption of bonds in 2018 that gave rise to a non-recurring financial expense of €19.8 million, and a €32.3 million saving in the net income tax expense mainly caused by the used in 2019 of fiscal deficits generated in 2018 and 2019 by the depreciation of Smovengo net assets value.

IFRS net financial debt amounted to €2,145.5 million at 31 December 2019 as opposed to €1,633.1 million at 31 December 2018. The increase of net debt (€512.4 million) is mainly due to the impact of the application of IFRS 16 for €177.1 million, an increase of debt related to fixed concession fees (IFRIC 12) of €103.4 million mainly due to the acquisition of Spie Autocité (variation of perimeter), the debt repayment of Spie Autocité for €36.1 million (variation of perimeter), significant investments in new infrastructure contracts (financial and development capex for €197.2 million) and a dividend of €93.5 million. Indigo Group's IFRS Free Cash Flow fell to €192.3 million in 2019 from €230.4 million in 2018, with a cash conversion ratio of 59.6% in 2019 (and 66.4% pre IFRS 16 as opposed to 78.0% in 2018); The shrinking of the cash conversion ratio is structurally linked to the application of IFRS 16 and exceptionally to the anticipation of operating debt payments (working capital) in France to facilitate the migration of the accounting tool.

OUTLOOK

In the past few years, structural factors have threatened to put the parking model under significant tension, however disruption is slower than anticipated and several signs point to emerging opportunities. With this momentum, Indigo's resilient business model allows the Group to size these opportunities of growing societal challenges and act as major contributing partner for urban mobility transition through:

- revitalizing city centres in mid-size cities,
- creating new infrastructures and services in hyper dense centres,
- promoting transition to green mobility,

- dedicating on-street spaces to higher value uses

The mission of Indigo goes beyond the traditional Parking business and several initiatives of the group in the last two years have demonstrated that Indigo has a prominent role to play in the transformation of urban mobility and the promotion of new urban models for parking infrastructures.

To excel in this advantageous position engraved in our Goal 2025 strategic plan, we aim to pursue our growth ambitions for the core business by:

- Expanding our geographic footprint being focussed on large countries where we are / can become a leader, by continuing to target tuck-in acquisitions in mature markets to increase market share, by developing new expertise and by monitoring first operations in the Asian platform.
- Consolidating our core model by increasing portfolio duration (greenfield, ownership and yellowfield), by strengthening our position on growing segments (e.g. airports, rail stations, hospitals), by ensuring operational excellence (with automation & AI) and by improving efficiency (processes, back-office).
- Promoting talent and culture by creating common understanding of a shared vision of strategy and roadmap implementation (Goal 2025), by strengthening engagement of the middle management, by attracting and retaining talents in required capabilities (e.g. marketing, business intelligence, compliance, business development, digital) and by implementing an ambitious CSR policy.

And strengthening 3 strategic accelerators for future growth:

- Increasing focus on customers by building loyalty for Indigo, using digital and marketing capabilities to generate additional revenue from previously unleveraged customer behaviours.
- Structuring curbside management offers to contribute to more harmonious cities, to win new concessions and to drive additional traffic into car parks while being profitable.
- Designing new models for parking to support urban space optimization with coordinated innovation across the Group to feed creation of new models for parking spaces in cities (Start-up Lab and Parking of the Future initiative).

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The Indigo Group, like the rest of the world, is facing the COVID-19 crisis. It has relayed government guidelines to its customers and is concerned about the health of its employees through the implementation of various protective measures.

The Group's main risk lies in a drop in hourly traffic or even the closure of sites where Indigo assumes a traffic risk (i.e. infrastructure contracts) linked in particular to the implementation of population containment measures. The on-street parking business is also likely to be strongly impacted due to the free services and the cessation of enforcement activities imposed by the cities. In the event that the closures last and affect a significant number of sites, the Group could claim the existence of a case of unforeseen circumstances or "force majeure" from its clients.

The Indigo Group can rely on its geographical diversity, the variety of its portfolio and its different types of customers and contracts to mitigate the effects of the crisis. The impact of COVID-19 mainly concerns hourly car park revenue and on-street parking revenue, with subscriber revenues expected to be affected to a lesser extent. These impacts on sales will have mechanical consequences on EBITDA, even though part of the costs is variable, and the Indigo Group could, in particular, resort to short-time working and renegotiation of fixed leases and fees.

At the end of February 2020, the revenue is however in line with the budget.

On the operational side, the Group has based its business continuity strategy on tele-operation, which allows Indigo to operate remotely with a sufficient level of service from national and/or local centres. These remote operations centres are fully capable of carrying out most of the security and day-to-day operating controls.

In order to mitigate the risk of unavailability of all remote operation and intervention personnel in the same area over the same period of time (due to illness or containment), specific measures have been taken by Indigo to protect its employees and in particular those in its remote operation centres (such as reinforced health measures, separation of teams or identification of replacements).

Finally, with regard to its liquidity needs, the Group does not need access to the capital markets for any short and medium-term refinancing, as the first maturity of its bonds (without any covenant) is April 2025 and its 300 million euro RCF bank line is undrawn to date and matures in October 2023.

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The audited consolidated statements at 31 December 2019 and management report are available in English and French on the Group's website at www.group-indigo.com under Investors / Financial results section.

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About reported financial figures

To make its performance easier to understand and to improve its presentation, the Group presents operational figures (revenue, EBITDA, operating income) on a "Global Proportionate" (GP) basis, including the Group's share of joint ventures (mainly in the USA, Colombia, Panama and Smovengo) as if they were consolidated proportionately and not under the equity method applied in accordance with IFRS when preparing the consolidated financial statements.

About Indigo Group

Indigo Group, holding about 100% of Indigo Infra, OPnGO and INDIGO® weel, is a key global player in car parking and urban mobility, that manages more than 2.4 million parking spaces and related services in 10 different countries. As of 31 December 2019, Indigo Group revenues and EBITDA amounted to €968.6 million and €351.3 million respectively (Global Proportionate figures).

Indigo Group is held at approximately 47.2% by Crédit Agricole Assurances, 32.9% by Vauban Infrastructure Partners, 14.2% by MEAG, 0.5% in treasury shares and the remainder by the management of the Group.

www.group-indigo.com