



Integrated Life Support Services

Marseille, 23 April 2019

CIS consolidates its positions in Brazil with the acquisition of the companies Alternativa and Beta in an expectedly fast-growing market.

The CIS Group has decided to consolidate its position in Brazil with the acquisition of 100% of the capital of the companies Alternativa and Beta (A&B).

Created in 2006 and 2017, A&B are two Brazilian sister companies specialising in the provision of services for the offshore market in Brazil. For the 2018 fiscal year, the A&B Group achieved a pro forma turnover of 14 M€ and holds a backlog of new contracts valued at nearly 75 M\$.

A major opportunity in Brazil for CIS

The acquisition of the companies, Alternativa and Beta, by CIS represents a strategic opportunity for many reasons:

- Important logistical assets: a fleet of containers, trucks, and other transportation equipment will enable the entire supply chain to be internalised and thus allow CIS to be the only market player in this position;
- A clientele of new private operators in the offshore market which aids in minimizing a dependence on Petrobras;
- Synergy effects that will optimise the organization;
- Volumes of purchases that will improve our competitiveness.

A strategic position to take advantage of the rebound of the Brazilian market

With this operation, CIS consolidated its position in the offshore Brazilian market with more than 20% of the market shares (compared with 15.6% in 2018) despite the non-renewal of some of the contracts with Petrobras. The Group thus occupies a favourable position to take advantage of the rise of the Brazilian oil market.

2017 and 2018 were marked by the return of investment by major foreign oil groups in Brazil; the NPA (National Petroleum Agency) anticipates a new growth cycle for the period of 2020-2023.

Régis Arnoux, President and CEO of CIS, said: "This external growth allows us to take a new dimension in this region with high potential. With the obvious synergies resulting from the new perimeter, we will be able to offer our customers high quality and competitive services to generate sustainable growth."

The CIS Group has just signed an agreement with the shareholders of the A&B companies declaring the sale of all shares of the A&B companies to CIS. It should be noted that this acquisition remains subject to the fulfilment of certain suspensive conditions.

This accretive operation is financed by 25% in cash and 75% by bank indebtedness. A&B should be incorporated into the consolidated financial statements of the group starting in May 2019.

About CIS

CIS specialises in the management of life bases in extreme environments, both onshore and offshore. As a service integrator, the Group has developed a full range of services (catering, accommodation, facility management, and support services) to offer its customers turnkey solutions. Present in nearly 20 countries and 170 operational sites, CIS now employs more than 10,000 employees worldwide and is very committed to the economic, social, and community development of the people and countries in which it operates.

Next release after the closing of the Stock Exchange 24/04/2019: First quarter turnover 2019

Euronext Paris Compartiment C - ISIN FR0000064446 - CAC All-Tradable - CAC Mid & Small

Reuters CTRG.PA - Bloomberg CTRG :FP

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