



DESCRIPTION OF THE SHARE BUY-BACK PROGRAMM
in accordance with the articles 241-1 and seq of the French Financial Markets Authority's General Regulation

DATE OF THE SHAREHOLDERS MEETING HAVING AUTHORIZED THE PROGRAM

The ordinary shareholders meeting of the company Elis (the “**Company**”) dated May 19, 2017, as per the eighteenth resolution, renewed for a eighteen month period the authorization granted to the Company to implement a share buy-back program, pursuant to the provisions of the articles L.225-209 and *seq* of the French Commercial Code, the articles 241-1 and *seq* of the French Financial Markets Authority's General Regulation, the regulation (EU) n° 596/2014 of April 16, 2014 on Market Abuse and the related regulations of the European Commission.

To date, the Company has purchased shares under the liquidity agreement entered into between Kepler Cheveux on April 13, 2015.

NUMBER OF SHARES AND PROPORTION OF SHARE CAPITAL HELD BY THE COMPANY

As at 19 May 2017, the number of shares directly held by the Company amounts to 62 000 fully held *via* the liquidity contract.

OBJECTIVES OF THE SHARE BUY-BACK PROGRAM

This new delegation would allow the Company to trade in its shares including by using derivative financial instruments, notably with the following aims, which are subjected to necessary amendments under regulation (EU) n° 596/2014 of April 16, 2014 on Market Abuse and related European Commission regulations and market practices allowed by the French Market Authority (AMF):

- to increase share liquidity in connection with a liquidity agreement consistent with the Code of Conduct issued by the French Financial Market Professionals Association (*Association française des marchés financiers – AMAFI*), using an investment services provider as intermediary;
- to honor the obligations deriving from the exercise of rights attached to securities giving the right by conversion, exercise, redemption, exchange or any other means to the allocation of shares in the Company in compliance with applicable regulations;
- to honor obligations related to stock option plans, the grant of bonus shares to employees and corporate officers, the grant or transfer of shares to employees as part of the Company's expansion-related profit sharing plan, employee share ownership or company savings plans, and any other forms of share grant, allotment, sale or transfer to employees and corporate officers of the Company or Group, and to carry out any hedging transactions in respect of these transactions as provided by law;
- to cancel of shares under an authorization given to the Management Board by the extraordinary shareholders meeting allowing the share capital decrease;

- to hold all or part of the shares acquired for subsequent reintroduction to the market or for use in payment for potential acquisitions in accordance with recognized market practices and applicable regulations, and;
- more generally, to carry out any other transaction that is permitted that or that might be authorized in the future by laws or regulations in force or by the AMF.

MAXIMUM PROPORTION OF CAPITAL THAT MAY BE BOUGHT-BACK, MAXIMUM NUMBER AND TYPE OF SECURITIES, MAXIMUM PRICE

The maximum proportion of the Company's shares to be bought-back under the buy-back program is 10% of the share capital, i.e. as of May 19, 2017, 14 016 704 shares of € 10 par value. This 10% limit is the number of shares purchased less the number of shares resold during the period of authority, in accordance with the Article L.225-209 of the French Commercial code.

The maximum purchase price under this share buy-back program would be €30 per share. The maximum amount of funds that may be used to this share buy-back program would not exceed € 350 million.

The Company may not hold more than 10% of its capital, considering the treasury shares held as of May 19, 2017, i.e. 62 000 shares, the maximum number of shares that may be acquired would be 13 954 704 shares (representing 9,95 % of the share capital), unless transfer or cancel of treasury shares.

DURATION AND TIMEFRAME OF THE SHARE BUY-BACK PROGRAM

The share buy-back program would be implemented over an eighteen-month period as from May 19, 2017, i.e. until November 19, 2018 including.

FINANCING OF THE SHARE BUY-BACK PROGRAM

The repurchases will be funded from available cash flow of the Company.

RECENT EVENTS

Information relating to the Company's activities and financial statements as of 31 December 2016 are detailed in the 2016 Registration Document including the Financial Annual Report available on the Company's website: <http://www.corporate-elis.com>