



**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 27, 2016, as per the eleventh resolution, authorized 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 to 241-5 of the French Financial Markets Authority's General Regulation, and the 2273/2003 (EC) Regulation dated December 22, 2003.

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 27 May 2016, the number of shares directly held by the Company amounts to 92 398, fully held *via* the liquidity contract.

**OBJECTIVES OF THE SHARE BUY-BACK PROGRAM**

Shares may be purchased for any allocation permitted by European Commission Rule 2273/2003 of December 22, 2003 and by law, or that would be permitted by law or French or European regulations, and in particular for the following purposes:

- to increase share liquidity in connection with a liquidity agreement consistent with the Code of Conduct issued by the French Association of Financial Market Professionals (Association française des marchés financiers – AMAFI), using an investment services provider as intermediary;
- to honor the obligations related to the issuance of all securities granting the right in any way whatsoever to the grant of Company shares, and to grant shares when exercising rights attached to securities granting the right in any way whatsoever to the grant of Company shares;
- 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 grants to employees and corporate officers of the Company or Group;
- to lock up shares with a view to granting them as payment or consideration or otherwise in connection with acquisitions made by the Company or Group, in accordance with market practices and applicable regulations, on the understanding that the number of shares purchased with a view to being granted subsequently as part of a merger, demerger or contribution may not exceed 5% of the Company's share capital;
- to cancel of shares under an authorization given to the Management Board by the extraordinary shareholders meeting allowing the share capital decrease.

**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 27, 2016, 11 400 616 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 27, 2016, i.e. 93 398 shares, the maximum number of shares that may be acquired would be 11 308 218 shares (representing 9,92 % of the share capital), unless transfer or cancel of treasury shares. As a guide, based on the maximum purchase price, this would correspond to a net expense (excluding trading costs) of € 339,246,540.

**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 27, 2016, i.e. until November 27, 2017 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 2015 are detailed in the 2015 Registration Document including the Financial Annual Report available on the Company's website: <http://www.corporate-elis.com>