

2013 : Custom Solutions Sales Turnover

Sales Turnover 2013 : € 18 million (-19%)
Sales Turnover 2nd Semester 2013 : constant with € 8.9 million

Aix en Provence, December 9, 2013

Custom Solutions (ISIN : FR0010889386 - Mnémonic : ALSOL) : French leader in innovative recruitment marketing solutions, development of customer loyalty and stimulation for major brands, Custom Solutions announces today its annual sales turnover for the past financial year, ended on September 30th, 2013.

A 2013 sales turnover of 18M€ (-19%)

Consolidated figures on September 30th, 2013, currently being audited.

In million euros	Exercice 2013	Exercice 2012	Variation 2013/2012
Marketing	11,0	13,6	-19%
% of total TU	62%	61%	
Supply Chain	7,0	8,6	-19%
% of total TU	38%	39%	
Total TU	18,0	22,2	-19%

The sales turnover of the 2013 financial year (from October 1st, 2012 till September 30th, 2013) totalled in **18 M€, decreasing by 19 %** compared with the previous fiscal year.

The H2 2013 totalled in **8,9M€ - constant** compared with the H2 2012.

After a sharp decline of 31% in the first half due mainly to a big non recurrent European campaign which took place on H1 2012, the 2nd half of 2013 was marked by an improvement trend, with a return to stability after two consecutive semesters downside. The Group has managed to halt the decline in business recorded since 12 months through the implementation of a non-recurring European operation and maintaining many of its historical customers.

Throughout the year, the two main activities of the group (marketing and supply chain) were affected in the same proportions, reflecting a general demand slowdown.



On 2013 financial year, the activity of Custom Solutions has been marked by:

- A decline of the Marketing activity of **19%**, related to :
 - a contraction in consumption of non-food products in France as well as the number of customers billed,
 - but also the decrease of the marketing expenses of the industrials of the sector, in particular the Consumer electronics,
- A decrease in the logistics business by 19%, due to lower general activity of the Group's customers,
- The sharp slowdown in retention activities, reflecting the short-term objectives the advertisers focused on (more recruitment than retention),
- The decline in network stimulation activity caused by the entry into force of new fiscal and social regulations which are much more restrictive and expensive for advertisers
- A sharp drop in activity of consumer brands, which was not offset by the continued activity of clients in Industries and Services.

Perspectives for 2014

In the event of a further decline in consumption in France in the non-food sector, activity in financial year 2014 should be stable, thanks to the acquisition of new customers and the launch of new products.

The Group has reorganized its sales team in France with an ambitious strategy. It also accelerates its deployment in Europe: after the establishment of its European subsidiary in London during the summer of 2013, which has already contracted with a first customer, opening several European offices is underway. The first results are expected in the 2nd half of 2014.

Finally, the Group has accelerated its targets researches in the CRM world, marketing & digital and intends to rely on this source of growth in the next 12 to 18 months.

Cedric Reny, CEO of Custom Solutions comments: *"Our company has been heavily impacted by the slowdown of its clients activity in France and Europe, coupled with increased competitive pressure. However, the Group was able to resist and adapt to gradually return to the path of growth in the coming year. The 2nd half of 2013 showed a trend improvement that has yet to be confirmed, but which is an encouraging sign. The commercial dynamics are in position both in France and in Europe, and the results should be felt by the end of the year. Our outlook for 2014 is to become a leader in operational marketing in Europe, objective supported by the "RIO 2014" project."*

NEXT PRESS RELEASE

Results of 2013's financial year

January 27, 2014

(after market close)

About CUSTOM SOLUTIONS

Founded in 1997, Custom Solutions is a major player in Operational Marketing Solutions. The company supports its customers in developing their sales, acquisition and retention of their consumers and motivating their sales networks in designing and deploying innovative and effective marketing offers from the most classic to the most personalized, throughout France and Europe.

Thanks to its global offer, its recognized capacity of innovation and its 16 years of expertise, **Custom Solutions** built a robust fame with about **400 prestigious customers**, among which Danone, Nestlé, Ferrero, Procter and Gamble, Sony, LG, Warner Bros, Orange, Free, Renault or Total

On the 5 last financial years, **Custom Solutions** knew a growth of 40 % of its sales turnover to achieve 18M€ on September 30th, 2013. The activity was always profitable since its creation.

The Group, which has a subsidiary of processing in Morocco, acquired in 2010 the GECIP company, specialized in databases and took in July, 2013 a participation of 25 % of the capital of Q3, company specialized in advocacy marketing.



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