

January 26, 2016 - Rousset, France

## 2015 – ANNUAL RESULTS

**Income before employee profit-sharing : € 1 302K (-9.6%)**

**Net consolidated income (group share) : € 513K (+31.9%)**

CUSTOM SOLUTIONS (ISIN: FR0010889386 - Ticker: ALSOL) major player in France in digital & data marketing solutions, announces today its consolidated results for fiscal year 2015 (Oct 1<sup>st</sup> 2014- Sept 30<sup>th</sup>, 2015).

## ANNUAL RESULTS

The figures presented are extracted from audited annual statements.

<i>In thousands of euros</i>	<b>2015</b>	<b>2014</b>	<b>Variation 2015/2014</b>
<b>Sales Turnover</b>	18 494	19 727	<b>-6.2%</b>
<b>Income before employee profit-sharing</b>	<b>1 302</b>	<b>1 441</b>	<b>-9.6%</b>
In % of sales rev.	<b>7%</b>	<b>7.3%</b>	
<b>Financial Result</b>	-153	774	<b>-119.8%</b>
In % of sales rev.	-0.8%	+3.9%	
<b>Current result before tax</b>	<b>1 149</b>	<b>2 215</b>	<b>-48.1%</b>
In % of sales rev.	<b>6.2%</b>	<b>11.2%</b>	
<b>Exceptional result</b>	736	-357	<b>+306.2%</b>
In % of sales rev.	4%	-1.8%	
<b>Net income prior to amortization of goodwill</b>	<b>974</b>	<b>1 227</b>	<b>-20.6%</b>
In % of sales rev.	<b>5.3%</b>	<b>6.2%</b>	
<b>Amortization Goodwill</b>	-353	-719	<b>+50.9%</b>
	-1.9%	-3.6%	
<b>Results of equity affiliates</b>	-19	-52	<b>+63.5%</b>
	-0.1%	-0.3%	
<b>Net consolidated income</b>	<b>602</b>	<b>456</b>	<b>+32%</b>
In % of sales rev.	<b>3.2%</b>	<b>2.3%</b>	
<b>Minority interests</b>	-89	-66	<b>-34.8%</b>
In % of sales rev.	-0.5%	-0.3%	
<b>Net consolidated income (group share)</b>	<b>513</b>	<b>389</b>	<b>31.9%</b>
In % of sales rev.	<b>2.8%</b>	<b>2%</b>	

## A MAINTAINED PROFITABILITY IN THE DIGITAL TRANSFORMATION OF THE GROUP

The Group recorded a drop in sales for the year 2015 of 6.2%. However, on a comparable basis (adjusted for the sold logistics business and the H1 2015 sales from the acquisitions of APP and Lojaali, integrated as of the 2nd half of 2014), the turnover is stable compared to the previous year.

Accelerating digital transformation and refocusing on marketing allows a of 2-points increase of the gross margin restored at 67%. The operating profit amounted to € 1.302K (- 9.6 %). The Group is still impacted by the decline of its historic flow activities.

Despite maintaining its level of liquidity, the financial result is for the first time exceptionally negative (€ -153K), taking into account an unrealized loss of € 973K at the reporting date, due to certain financial investments exposed to market volatility.

The exceptional income is in sharp increase thanks to the sale of the logistics business. This product generates an employee's profit sharing of € 66K, impacting by the same amount the operating income (when there was no profit sharing in 2014).

The corporate income tax rises sharply, due to the added-value of the sale of the logistics business taken into account from the first euro, the activity being created by the Group.

After amortization of goodwill, equity affiliates and minority interests, the consolidated net income (group share) increases by 31.9%, to € 513K against € 389K in 2014, a year affected by the depreciation of participation in Q3.

## SIGNIFICANT FACTS FOR THE 2015 FISCAL YEAR

The year 2015, during which the Group completed its strategic refocusing on marketing and accelerated its digital transformation , was also marked by:

- the continued decline in flow of traditional markets (primarily consumer electronics which continue to decline),
- the closure of business in Poland, Spain, Italy and Benelux with a centralization in France of sales activity follow-up for these countries,
- the opening of the Danish subsidiary "Loyalty Denmark" in January 2015, 100% owned by Lojaali,
- a shareholding in the capital of Bilendi in July 2015, for 28.25% of the capital,
- a shareholding in the capital of Incentive Office (Highten) on September 30, 2015 of 33%, increased to 40% in the 1st half of 2016,

- the participation in Q3's capital increase, in the same proportion as the percentage of the initial detention (25%),
- the renewal of the qualification "Innovative Company" by Bpifrance, linked to the proactive investment policy in the Group's innovation, and
- maintaining a high level of cash, amounting to € 6M (net of bank overdrafts but no debt).

With these results, the Board of Directors proposes to the General Assembly the distribution of a dividend of € 0.10 per share identical to the previous year.

### THE TREND SHOULD IMPROVE ON THE SECOND HALF OF 2016

The Group, which has reorganized its historical activities by deploying a HR savings plan for more than € 500K in 2016, should benefit from new customers and gain additional sales thanks to its new digital marketing platforms including PromoAnalytics, which has already been sold to several advertisers.

The Group should also benefit from the growth of its subsidiaries or shareholdings, namely Q3 and Lojaali, whose activities are well oriented.

In addition, the financial investment strategy was reviewed to ensure consistency of its revenue in the future by significantly reducing the exposure to market volatility.

Finally, the Group confirms its position in Bilendi and does not intend to have it evolve over the next six months. The Group continues to evolve in parallel with its offer in the Big Data and the optimization of collected data.

**Cédric Reny, Chief Executive Officer of Custom Solutions, comments :**

*« We have respected the commitments of our RIO 2016 project that would bring us in 3 years' time to a Group transformation towards digital and a refocusing towards marketing. The IT workforce is now the most represented in the Group, and our digital offer, with its many products, is encouraging. In 3 years' time, we sold our logistics business and made five strategic investments that have amplified this movement, while keeping a strong investment capacity with nearly € 12 M in available net cash. Despite the continued decline of our traditional business and the increase of our digital investments, we have been able to maintain our sales turnover while keeping positive cash flows. We will now develop our collected data optimization strategy that should lead the Group in the years ahead to a new phase of growth. »*

## NEXT PRESS RELEASE

**1st Half year, 2016**

**May 17<sup>th</sup>, 2016**

(After market closure)

### ABOUT CUSTOM SOLUTIONS

Custom Solutions is a company expert in Digital and Data Marketing solutions, based in Aix-en-Provence, Paris and in the Nordics.

Since 1997, the company assists its customers in designing, deploying and analyzing promotional campaigns data to recruit and retain its clients and consumers.

With 18 years of expertise and a diverse skills set, Custom Solutions has acquired a solid reputation among 300 major brands, including Sony, Michelin, Nokia, Total, Kärcher, Butagaz ...

The Group accelerated its digital transformation and has a unique digital Platform on the market to assist the marketing efforts of major brands and improve the ROI from their promotional investments.

It is with this in mind that Custom Solutions acquired in 2014 70% of the french marketing group « APP » (specialized in packaged solutions) (brand Flexistart), and 55% of the finnish digital promotion agency “LOJAALI” and its Swedish antenna “LOYALTIC”.

In 2015, Custom Solutions also acquired 40% of “Incentive Office” (Highten) and took a stake of 28,25% in Bilendi.



Listed on Euronext's Alternext Paris

ISIN : FR0010889386 – Mnemonic : ALSOL

**Eligible to PEA-PME**

Labelized « Innovative Company » by BPIFRANCE

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