17 march 2014

2013 ANNUAL RESULTS

(in EUR thousands)	2012 reported	2013 restated (*)	Non-recurring impact	2013 reported
Revenues	**107,827**	**102,933**		**102,933**
EBITDA	**16,187**	**13,153**	(2,451)	**10,703**
Recurring operating income	**12 240**	**9,430**	(2,977)	**6,453**
Recurring operating margin	11.4%	9.2%		6.3%
Operating income	**12,146**	**9,430**	(5,222)	**4,117**
Group net income	**6,895**	**5,227**	(5,168)	**59**

(*) excludes non-recurring impact

An audit of the consolidated accounts is currently underway. The statutory auditors' report will be issued once the management report has been verified and the procedures required for the purposes of filing the registration document have been finalized.

The 2013 consolidated financial statements were approved by the Board of Directors on March 17, 2014.

The 2013 financial year was categorized by an adverse economic environment, which served to dampen momentum on the hearing correction market. Audika chose to use this transition period to optimize its costs and processes and restructure management and operations on its network. Consequently, the Group's net profitability was impacted by non-recurring expenses (restructuring expenses, provisions) amounting to €3.0 million, in addition to the impairment of non-current assets (goodwill and deferred tax assets) in Italy.

Recurring operating margin (excl. non-recurring expenses) holds up well

For the 2013 financial year, Audika posted annual revenues of €102.9 million, a decrease of 4.5% (-5.8% in organic terms). Of these revenues, 93% were generated in France and Belgium, with Italy accounting for the remaining 7%.

Before non-recurring expenses, the Group's restated recurring operating margin held up well at 9.2%. The impact from the shortage of business was mitigated through savings on the Group's fixed expenses. For French and Belgian operations, this restated margin was 11.0%. In Italy, the Group had a restated recurring operating loss of -€1.1 million.

Taking into account non-recurring impairment and provisions (€3.0 million), recurring operating income reported was €6.5 million (a recurring operating margin of 6.3%).

Net income impacted by the impairment of non-current assets in Italy

The Group incorporated the impairment of non-current assets (goodwill and deferred tax assets), which had a negative impact on the Group's reported net income; however, this figure remained slightly positive at €0.1 million.

Gearing down to 24.3%

Cash flows generated by business were €6.3 million, enough to cover the investments made over the financial year (€4.3 million). At the end of the financial year, Audika once again reduced its net debt (to €15.7 million), while shareholders' equity was €64.6 million. As such, gearing fell to an all-time low of 24.3%.

Outlook for 2014

Audika has set the goal of reviving growth in 2014 in France and Italy. In France, the Group enjoys an optimized sales structure and recently launched its new hearing correction solution, «Connect by Audika», under its own brand, leveraging its solid reputation. In Italy, the Group is committed to consolidating the success of its business as observed since mid-2013.

A return to growth would have an immediate positive impact on the Group's margins thanks to the optimization of its cost structure in 2013. The Group's primary objective is to achieve a recurring operating margin of at least 10% over the financial year.

Audika remains committed to strengthening its assets in a sector that holds strong long-term potential, given the inevitable growth of its target demographic in the years to come.

About Audika:
With more than 460 centers in 91 different regions, Audika is the number one network offering hearing correction consulting and solutions in France. The Group has been present in Italy since 2007 (54 centers) and Belgium since 2013 (four centers). Positioned on the market for hearing correction solutions for senior citizens, Audika aims to consolidate its leadership in a sector that remains very highly fragmented. Audika is listed on Euronext Paris, Segment C.

Audika Group will publish its revenues for the first quarter of 2014 on April 21, 2014 after market close.

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ISIN FR0000063752-ADI
Reuters DIKA.PA
Bloomberg ADI:FP
Number of shares:
9,450,000

Audika contact:
Alain Tonnard /
Etienne Sirand-Pugnet
at +33 (0) 1 55 37 30 30

Actus Finance contact:
Guillaume Le Floch
at +33 (0) 1 72 74 82 25