



Press Release

Paris, 5th January 2017

Xilam Animation Posts the Best Stock Market Performance of the CAC All Tradable Index in France in 2016, rising more than 400%

PARIS - Regulatory News:

With an increase of 406%, the shares of Xilam Animation (Paris: XIL) posted the largest increase in the CAC All Tradable index in 2016, reaching a market capitalization of 44 million euros as at December 31 2016.

The market cap, which was very low up until mid-2016, did not reflect the upturn in financial fundamentals or the significant potential for development.

The corporate communication regarding the transformation of Xilam's business model, that started last April, brought about this turnaround in the stock market price which, for now, is merely a recovery.

Xilam is a leading independent animation company in Europe, a pure-play provider of cartoons for children. It now has four production studios of which three are located in France. Xilam Animation employs 400 people who currently produce content for 200 half-hour programs. This record production volume perfectly reflects the technical and artistic level of know-how achieved by the company as well as the confidence of the major channels and digital platforms.

Xilam also bases its model on a unique 20-year heritage strategy of working almost exclusively on content created in-house. Xilam therefore has full control and ownership of a catalog of strong brands that it exports worldwide: in 2015, international sales accounted for 50% of total sales and 68% of the catalog.

In a rapidly changing market, powerful levers now foster Xilam's strategy, making it possible to forecast a significant short- and long-term growth in catalog sales.

This is due, on the one hand, to the rise of emerging markets, notably India and South-East Asia, where Xilam has already garnered significant market share. The group hopes to replicate this level of success in China owing, in particular, to the distribution contract signed at the end of 2016 with the Uyoung Media Group in China.

On the other hand, the rapid deployment of digital platforms enables a near-instantaneous worldwide distribution of the catalog: this has notably resulted in exponential growth of the videos viewed and, consequently, in a new revenue stream that will account, as from 2016, for about 50% of catalog income. For instance the consumption of Xilam content on YouTube reached more than 2.2 billion views last year, a 98% increase compared to 2015.

The new commercial policy established by the group during the past financial year (doubling the sales teams and strengthening the digital team) aims to increase these first positive results.

All these levers should further reveal the significance of the latent added value of the catalog.

Turnover for 2016 will be published on 28 February 2017.

About Xilam

Xilam is one of Europe's leading animation companies, producing and distributing original children's and family entertainment content in both 2D and CGI formats across TV, film and digital media platforms. Founded in 1995 by Marc du Pontavice, the award-winning Paris-based company owns a catalogue of more than 2,000 animated episodes and 3 feature films including strong brands such as *Oggy & the Cockroaches*, *Zig & Sharko*, *The Daltons*, *Rolling with the Ronks* and its first pre-school property, *Paprika*. Broadcast in over 160 countries on all the major global children's TV networks, these series are also breaking records on all the major digital platforms, notably YouTube with over 2.2 billion views in 2016, ranking Xilam as one of the top global digital content providers in animation.

Xilam employs more than 400 people, including 300 artists, who are based across its four studios located in Paris, Lyon, Angoulême and Hô-Chi-Minh Ville in Vietnam.

Xilam listed on the Euronext Paris / Ticker: XIL / ISIN code: FR0004034072

Xilam eligible for the PEA-PME.



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