Paris, 24th December 2018

# FY 2017 and H1 2018 Results

## *FY 2017 and H1 2018 EBITDA in line with guidance*

Marie Brizard Wine & Spirits (Euronext: MBWS) today announced the publication of its consolidated financial results for FY 2017 and H1 2018[1].

## FY 2017 CONSOLIDATED RESULTS

### FY 2017 condensed income statement

| *in €m, IFRS 15* | 31 December 2017 | 31 December 2016 |
|---|---|---|
| **Net sales** | **423.3** | **431.3** |
| **Gross profit** | **134.2** | **159.8** |
| *Gross margin* | *31.8%* | *37.1%* |
| **EBITDA** | **-11.9** | **17.1** |
| **Operating profit (loss)** | **-72.7** | **15.4** |
| **Attributable net income** | **-67.3** | **6.8** |

Net sales for FY 2017 totaled €423.3m, a -1.8% decrease compared to FY 2016. Excluding the impact of third-party brand contracts that ended in 2017[2] and change in scope, net sales decreased by -0.9% compared to 2016.

Gross margin was 31.8% in FY 2017, a contraction vis-à-vis gross margin in the previous year, which stood at 37.1%. This erosion is due primarily to a higher proportion of Other Businesses in the sales mix, which -- for structural reasons – generates a lower gross margin than the Branded Business. Other Businesses accounted for 43% of consolidated net sales in 2017, compared to 38% in 2016. EBITDA in FY 2017 totaled -€11.9m, within the guidance range provided by the Group.

As part of the process for closing the annual accounts, the Group carried out impairment tests on its assets. In light of the Group's current situation in several of its markets, impairments totaling €57.7m have been recorded. The most significant impact has been on the brands, for a total impairment charge of €26.2m. Goodwill accounted for a charge of €13.6m, and tangible assets were charged an amount of €17.3m. The sale of the Fondaudège site in Bordeaux, finalized in H1 2017, led to a capital gain of €11.1m which is recorded in non-recurring operating income. The Group reported an operating loss of -€72.7m in FY 2017.

[1] The net sales growth mentioned in this press release are expressed at a constant exchange rate and on a like-for-like basis, unless stated otherwise. The figures at constant exchange rates are calculated by applying the exchange rate in the previous year to the figures for the year being reported.

[2] The restated figures reflect the end of the distribution contracts for Mateus and Ferreira in the WEMEA cluster, the reclassification of the Pulco contract in Spain to the Private Label category, and the sale of Augustowianka in Poland.

The attributable net loss in FY 2017 totaled -€67.3m. This includes net financial income of €5.3m related mainly to the reversal of a provision in the amount of €11.3m for the receivable the Group held in Trinidad and Tobago.

**FY 2017 EBITDA by cluster**

| *In €m, IFRS 15* | FY 2016 | Organic change | Currency impact | FY 2017 |
|---|---|---|---|---|
| Branded Business | | | | |
| - Western Europe, Middle East & Africa | 11.6 | -2.4 | | 9.2 |
| - Central and Eastern Europe | 9.6 | -16.9 | -0.3 | -7.6 |
| - Americas | 5.4 | -1.6 | -0.1 | 3.7 |
| - Asia Pacific | -0.6 | - | - | -0.6 |
| Sub-total Branded Business (excl. holding) | 26.1 | -20.9 | -0.4 | 4.8 |
| - Holding | -10.9 | -2.2 | | -13.1 |
| Total Branded Business | 15.2 | -23.1 | -0.4 | -8.4 |
| Other Businesses | 1.9 | -5.4 | -0.1 | -3.6 |
| TOTAL MBWS | 17.1 | -28.5 | -0.5 | -11.9 |

**Western Europe, Middle East & Africa (WEMEA)**

The Western Europe, Middle East & Africa (WEMEA) cluster delivered net sales of €133.3m in 2017, a decrease of -€3.0% versus the previous year. Net sales in France, accounting for 82% of the cluster, were €109.4m, down -2.4% compared to FY 2016. The decrease in sales recorded in 2017 is due primarily to the impact of poor weather on the sale of Fruits and Wines and branded wines. The WEMEA cluster reported EBITDA of €9.2m in 2017, a -20.5% decrease versus the previous year.

**Central and Eastern Europe (CEE)**

The Central and Eastern Europe (CEE) cluster's net sales decreased by -19.8% in FY 2017, to €76.0m. Poland accounted for 57%, with net sales of €43.4m, a -33.9% year-on-year decrease. This decline in sales is attributable to the reconfiguration of the Group's route-to-market, and to continued strong competitive pressure in Poland.

Consequently, the CEE cluster reported an EBITDA loss of -€7.6m in FY 2017, compared to EBITDA of €9.6m in 2016. This result is due to the decrease in volume, an increase in promotional spending in Q4 2017, added to the Polish affiliate's lower absorption of fixed costs.

**Americas**

FY 2017 net sales in the Americas cluster totaled €25.6m, a decrease of -8.3% compared to the previous year. Sales were affected by the establishment of new distribution contracts in the United States. EBITDA in the cluster totaled €3.7m in 2017.

**Asia Pacific**

The Asia Pacific cluster delivered net sales of €4.4m in 2017, a +16.9% increase compared to the previous year. EBITDA in 2017 was flat compared to the previous year, at -€0.6m, as the Group continued to invest in the cluster to strengthen local staff.

**Other Businesses**

The Group's Other Businesses generated 2017 net sales of €184.0m, a year-on-year increase of +11.0%. 2017 EBITDA for Other Businesses totaled -€3.6m, negatively affected by the Sobieski Trade's gross margin, in turn impacted by the strong competitive pressure in the Polish market.

**Balance Sheet and Cash flow items**

At 31 December 2017, the Group's shareholders' equity totaled €163.9m compared to €238.5m at year-end 2016. The decrease is attributable to the net loss generated in FY2017.

At year-end, the Group's gross financial debt was €63.3m, an increase of €11.2m compared to year-end 2016, affected by the Group's investment plan.

At 31 December 2017, the Group's net debt was €3.6m, a decrease of-€1.5m compared to year-end 2016.

The FY 2017 accounts have been audited, and the auditors' reports to certify these accounts are being finalized. The auditors are expected to certify the FY 2017 with observations regarding MBWS' going concern status.

## H1 2018 CONSOLIDATED RESULTS

### H1 2018 condensed income statement

| *In €m* | 30 June 2018 | 30 June 2017 |
|---|---|---|
| **Net sales** | **190.0** | **205.6** |
| **Gross profit** | **48.6** | **65.6** |
| *Gross margin* | *25.6%* | *31.9%* |
| **EBITDA** | **-21.1** | **-1.9** |
| **Operating profit** | **-27.5** | **-6.1** |
| **Attributable net income** | **-35.6** | **2.2** |

Gross profit in H1 2018 was €48.6m, a -25.9% decrease compared to the first half of the previous year. This decline resulted primarily from the -7.6% decrease in the Group's net sales, attributable in large part to a sharp decrease in Poland. The gross margin thus contracted by 6.4 point to 25.5%. This decrease reflects the higher weight of Other Businesses, which represented 53.5% of the Group's net sales, compared to 43.7% in H1 2017. It is also attributable to the proactive destocking in the Group's principal markets which led to a lower rate of fixed cost absorption.

As expected, H1 2018 EBITDA was -€21.1m, a significant decrease compared to H1 2017. This decline resulted mostly from the decrease in sales that negatively affected H1 2018 gross margin and EBITDA.

Marie Brizard Wine & Spirits' attributable net loss was -€35.6m in H1 2018.

**H1 2018 EBITDA by cluster**

| *In €m, IFRS 15* | H1 2017 | Organic Change | Currency impact | H1 2018 |
|---|---|---|---|---|
| **Branded Business** | | | | |
| **- Western Europe, Middle East & Africa** | 3.0 | -2.5 | - | 0.5 |
| **- Central and Eastern Europe** | 2.2 | -13.3 | -0.1 | -11.2 |
| **- Americas** | 1.1 | -2.7 | 0.1 | -1.6 |
| **- Asia Pacific** | -0.7 | 0.1 | - | -0.6 |
| **Sub-total Branded Business (excl. holding)** | 5.6 | -18.3 | - | -12.8 |
| **- Holding** | -6.1 | -0.6 | - | -6.7 |
| **Total Branded Business** | -0.6 | -18.9 | - | -19.5 |
| **Other Businesses** | -1.3 | -0.3 | - | -1.6 |
| **TOTAL MBWS** | -1.9 | -19.2 | -0.1 | -21.1 |

**Western Europe, Middle East & Africa (WEMEA)**

Net sales in the WEMEA cluster totaled €58.7m in H1 2018, a -10.6% decrease versus the year-ago period. In France, which represented 85% of the cluster's revenue, net sales totaled €50.0m, a -9.3% decrease, adversely affected by the destocking carried out by the main distributors at the end of the semester, and by the lack of available stock of 2017 vintage rosé wine.

In the rest of the cluster, net sales totaled €8.7m in H1 2018, a -17.1% decrease, due primarily to the business in Spain.

In H1 2018, the cluster's EBITDA totaled €0.5m, a decrease of -€2.5m compared to the same period in the previous year. This decline is mostly due to a contraction in gross profit.

**Central and Eastern Europe (CEE)**

In H1 2018, the CEE cluster's net sales reached €21.1m, a -43.7% decrease compared to H1 2017. This sharp decline is largely attributable to sales in Poland which decreased by -62.5% during the period, a consequence of the Group's proactive strategy to destock the market, which was finalized at the end of June 2018.

In the rest of the cluster, H1 2018 net sales totaled €12.2m, a -12.0% decrease, affected primarily by a more restrictive regulatory environment regarding the sale of alcohol in Lithuania.

The CEE cluster's EBITDA in the first half of the year totaled -€11.2m, impacted by the sharp gross profit decline at the Group's affiliate in Poland.

**Americas**

Net sales in the Americas cluster reached €7.2m in H1 2018, a decrease of -27.6%, due to the destocking of Sobieski in its old packaging carried out by the Group's distributors in the United States.

The Americas cluster generated an EBITDA loss of -1.6m in H1 2018, affected mostly by the decrease in sales in the United States.

**Asia Pacific**

Net sales in the Asia Pacific cluster in H1 2018 decreased -19.8% off of a low base, to reach €1.3m. The cluster's EBITDA was -€0.6m, marking a slight improvement compared to H1 2017, and reflecting the Group's ongoing investment in the cluster, mainly in China.

**Other Businesses**

The Group's Other Businesses generated net sales of €101.7m in H1 2018, an increase of +13.3% versus the year-ago period. Other Businesses recorded an EBITDA loss of -€1.6m, affected by the ongoing competitive pressure in the Polish market.

**Balance sheet and cash flow items**

At mid-year 2018, the Group's shareholders' equity stood at €130.3m, compared to €163.9m a year earlier. This decrease is due to the Group's net loss in H1 2018. Gross debt totaled €93.9m at the end of H1 2018, an increase of €30.6m compared to year-end 2017. This increase is attributable to the subscription in May 2018 of various bank loans and a current account advance, for a total principal amount of €15m.

At 30 June 2018, the Group's net debt stood at -€51.7m.

## OUTLOOK

**Update on the discussions with the banking partners and the measures announced in September**

The discussions with the Group's banking partners have not yet been concluded. Additionally, the work being undertaken to optimize the Group's cost structure and the project to sell some the Group's brands are still ongoing. The Group has decided to broaden the scope of its asset disposal project to include other assets whose sale would not limit its capacity to grow or execute its strategy.

**Binding agreement with COFEPP to increase their shareholding of MBWS**

In light of the difficulties encountered in reaching an agreement with the Group's banking partners, and given the downturn in the financial outlook, the Board of Directors has assessed the possibility of finding a partner, capable of providing the necessary financial support for the Group's development and to support the execution of the strategy to be communicated by the Chief Executive Officer in Q1 2019.

In conclusion of the discussions carried out over the past few weeks, today the Group reached a binding agreement with COFEPP. The complete terms of this operation are more fully explained in a separate press release published today by the Company.

**Next Annual General Meeting of shareholders to be held 31st January 2019**

Today's publication of the FY 2017 annual accounts enables the Group to hold its Annual General Meeting of shareholders (AGM) on 31st January 2019. This meeting is called, in particular, to approve the FY 2017 annual accounts and to vote on the terms of the operation with COFEPP.

Additionally, shareholders will be asked to vote on the amount of attendance fees allocated to members of the Board of Directors in FY 2018. The Board will propose -- in order to take into account the Group's financial situation -- that the total amount of attendance fees be reduced by 75% compared to the preceding year.

The process for participating in the AGM will be published on 26th December 2018 on the Group's web site and in the Bulletin of Obligatory Legal Announcements (*Bulletin des Annonces Légales Obligatoires*).

**FY 2018 Annual Objectives**

Although it is too early to fully assess the impact of the social movements in France on the Group's Q4 2018 net sales, public information available currently points to a significant sales decrease among large retailers. Additionally, and as announced in the press release regarding Q3 2018 net sales, the Group's activity in the United States is not expected to have increased in Q4 2018.

Consequently, the Group now expects FY 2018 EBITDA to be in a range between -€25m and -€28m.

*Cautionary note: this press release includes forward-looking assumptions and statements which have not been audited, and that are subject to a number of risks and uncertainties.*

**Marie Brizard Wine & Spirits** produces and sells a range of wine and spirits across four geographic clusters: Western Europe, Middle East & Africa, Central and Eastern Europe, the Americas, and Asia-Pacific. MBWS has distinguished itself for its know-how, the range of its brands, and a long tradition and history of innovation. From the inception of Maison Marie Brizard in Bordeaux, France in 1755, to the launch of Fruits and Wine in 2010, MBWS has successfully developed and adapted its brands to make them contemporary while respecting their origins. MBWS is committed to providing value by offering its customers bold, trustworthy, flavorful and experiential brands. The company has a broad portfolio of leading brands in their respective market segments, most notably William Peel scotch whisky, Sobieski vodka, Krupnik vodka, Fruits and Wine flavored wine, Marie Brizard liqueurs and Cognac Gautier. MBWS is listed on the regulated market of Euronext Paris, Compartment B (ISIN code FR0000060873, ticker MBWS) and is in the EnterNext© PEA-PME 150 index, among others.

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**Investor Contact**
**Raquel Lizarraga**
raquel.lizarraga@mbws.com
Tél : +33 1 43 91 50

**Press Contact**
**Simon Zaks, Image Sept**
szaks@image7.fr
Tél : +33 1 53 70 74 63

## ANNEXES

### 1. FY 2017 consolidated accounts

#### Income statement

| (in thousands of euros) | 31.12.2017 | 31.12.2016 |
|---|---|---|
| Revenue | 678,707 | 716,441 |
| Excise tax | (255,399) | (285,156) |
| **NET SALES, EXCLUDING EXCISE TAX** | **423,308** | **431,286** |
| Cost of goods sold | (289,103) | (271,449) |
| External expenses | (71,014) | (71,997) |
| Personnel expense | (67,283) | (63,448) |
| Taxes and levies | (7,161) | (7,442) |
| Depreciation and amortization charges | (9,017) | (7,471) |
| Other operating income | 8,723 | 9,210 |
| Other operating expense | (15,283) | (7,567) |
| **UNDERLYING OPERATING PROFIT** | **(26,831)** | **11,122** |
| Non-recurring operating income | 14,042 | 16,170 |
| Non-recurring operating expenses | (59,927) | (11,887) |
| **OPERATING PROFIT** | **(72,716)** | **15,405** |
| Income from cash and cash equivalents | 95 | 269 |
| Gross cost of debt | (5,727) | (3,198) |
| **NET COST OF DEBT** | **(5,632)** | **(2,929)** |
| Other financial income | 16,323 | 780 |
| Other financial expenses | (5,410) | (17,595) |
| **NET FINANCIAL EXPENSE** | **5,281** | **(19,744)** |
| **PROFIT (LOSS) BEFORE TAX** | **(67,435)** | **(4,339)** |
| Income tax | 39 | 11,089 |
| **NET PROFIT FROM CONTINUING OPERATOINS** | **(67,396)** | **6,751** |
| Profit (loss) from discontinued operations, net of tax | | |
| **NET PROFIT** | **(67,396)** | **6,751** |
| Group share | (67,328) | 6,885 |
| of which net profit from continuing operations | (67,328) | 6,885 |
| of which net profit (loss) from discontinued operations | | |
| Non-controlling interests | (68) | (134) |
| of which net profit (loss) from continuing operations | (68) | (134) |
| of which net profit (loss) from discontinued operations | | |
| Net earnings per share from continuing operations, Group share (€) | - €2.42 | €0.25 |
| Diluted net earnings per share from continuing operations, Group share (€) | - €2.42 | €0.25 |
| Net earnings per share, Group share (€) | - €2.42 | €0.25 |
| Diluted net earnings per share, Group share (€) | - €2.42 | €0.25 |
| Weighted average number of shares outstanding | 27,792,439 | 27,504,562 |
| Diluted weighted average number of shares outstanding | 27,816,197 | 27,541,259 |

## Balance Sheet

| (in thousands of euros) | 31.12.2017 | 31.12.2016 |
|---|---|---|
| **Non-current assets** | | |
| Goodwill | 15,046 | 28,408 |
| Intangible assets | 85,392 | 110,065 |
| Property, plant & equipment | 67,067 | 61,868 |
| Financial assets | 16,285 | 4,602 |
| Non-current derivatives | 127 | 633 |
| Deferred tax assets | 806 | 6,087 |
| **Total non-current assets** | **184,723** | **211,662** |
| **Current assets** | | |
| Inventory and work-in-progress | 69,435 | 75,931 |
| Trade receivables | 81,359 | 103,140 |
| Tax receivables | 3,109 | 699 |
| Other current assets | 23,221 | 28,881 |
| Current derivatives | 273 | 356 |
| Cash and cash equivalents | 59,731 | 49,928 |
| **Total current assets** | **237,127** | **258,936** |
| Assets held for sales | 1,476 | 3,760 |
| **TOTAL ASSETS** | **423,326** | **474,359** |

| (in thousands of euros) | 31.12.2017 | 31.12.2016 |
|---|---|---|
| **Shareholders' equity** | | |
| Share capital | 56,673 | 56,661 |
| Additional paid-in capital | 175,666 | 448,544 |
| Consolidated and other reserves | 17,666 | (260,986) |
| Translation reserves | (21,002) | (18,164) |
| Consolidated net profit (loss) | (67,328) | 6,885 |
| **Shareholders' equity (Group share)** | **161,675** | **232,940** |
| Non-controlling interest | 2,200 | 5,585 |
| **Total shareholders' equity** | **163,875** | **238,525** |
| **Non-current liabilities** | | |
| Employee benefits | 5,963 | 5,470 |
| Non-current provisions | 208 | 1,385 |
| Long-term borrowings – due in > than 1 year | 13,339 | 4,082 |
| Other non-current liabilities | 2,224 | 2,391 |
| Non-current derivatives | 889 | 587 |
| Deferred tax liabilities | 9,832 | 15,493 |
| **Total non-current liabilities** | **32,455** | **29,408** |
| **Current liabilities** | | |
| Current provisions | 4,137 | 3,913 |
| Long-term borrowings – due in less than one year | 48,577 | 45,418 |
| Short-term loans | 1,366 | 2,535 |
| Trade and other payables | 87,911 | 70,993 |
| Tax Liabilities | 865 | 806 |
| Other current liabilities | 82,702 | 82,110 |
| Current derivatives | 1,438 | 650 |
| **Total current liabilities** | **226,997** | **206,425** |
| Liabilities held for sale | | |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **423,326** | **474,359** |

## Cash flow sagement

| (in thousands of euros) | 31.12.2017 | 31.12.2016 |
|---|---|---|
| **Total consolidated net profit (loss)** | **(67,396)** | **6,751** |
| Less net profit (loss) from sold or held-for-sale operations | | |
| **Net profit (loss) on continuing operations** | **(67,396)** | 6,751 |
| Depreciation, amortization and provisions | 48,057 | (10,325) |
| Fair value revaluation gains (losses) | 209 | 128 |
| Impact of financial discounting | | 14,537 |
| Difference between the fair value/cash obtained on the transfer of treasury shares | | 46 |
| Gains (losses) on disposals and dilution | (11,245) | (3,410) |
| Impact of discontinued operations | | 454 |
| **Operating cash flow before net cost of borrowings and tax** | **(30,375)** | **8,181** |
| Income tax charge (credit) | (39) | (11,089) |
| Net cost of borrowings | 5,632 | 2,930 |
| **Operating cash flow after net cost of borrowings and tax** | **(24,781)** | **21** |
| Change in working capital 1 (inventories, trade receivables/payables) | 45,196 | (8,870) |
| Change in working capital 2 (other items) | 7,063 | (74,699) |
| Taxes paid | (2,838) | (3,333) |
| **Cash flow from operating activities** | **24,640** | **(86,882)** |
| Purchase of minority interests | (1,061) | |
| Purchase of PP&E and intangible assets | (22,221) | (18,786) |
| Acquisition of financial assets | | (14) |
| Increase in loans and advances granted | (807) | (2,992) |
| Decrease in loans and advances granted | 3,562 | 620 |
| Disposal of PP&E and intangible assets | 15,524 | 11,885 |
| Disposal of financial assets | | |
| Dividends received | | |
| Impact of change in consolidation scope | (56) | (3,972) |
| **Cash flow related to investment activities** | **(5,060)** | **(13,258)** |
| Capital increase | 35 | 35,559 |
| Purchase of treasury shares | (2,746) | (6,693) |
| Sale of treasury shares | | |
| Loans received | 48,082 | 46,544 |
| Loans repaid | (50,625) | (884) |
| Net interest paid | (3,316) | (2,786) |
| Net change in short-term debt | (1,185) | (10,875) |
| **Cash flow related to financing activities** | **(9,755)** | **60,865** |
| Impact of fluctuations in exchange rates | (23) | 92 |
| Cash flow from discontinued operations and sale proceeds | | |
| **Change in cash and cash equivalents** | **9,803** | **(39,184)** |
| Opening cash and cash equivalents | 49,928 | 89,112 |
| Closing cash and cash equivalents | 59,731 | 49,928 |
| **CHANGE IN CASH AND CASH EQUIVALENTS** | **9,803** | **(39,184)** |

## 2. H1 2018 Consolidated Accounts

### Income Statement

| (in thousands of euros) | 30.06.2018 6 months | 30.06.2017 6 months restated |
|---|---|---|
| Revenue | 266,624 | 317,660 |
| Excise tax | (76,616) | (112,076) |
| **NET SALES, EXCLUDING EXCISE TAX** | **190,008** | **205,584** |
| Cost of goods sold | (141,403) | (139,995) |
| External expenses | (30,724) | (30,005) |
| Personnel expense | (35,497) | (34,370) |
| Taxes and levies | (3,203) | (3,133) |
| Depreciation and amortization charges | (4,494) | (4,095) |
| Other operating income | 5,283 | 4,348 |
| Other operating expense | (7,457) | (4,391) |
| **UNDERLYING OPERATING PROFIT** | **(27,488)** | **(6,058)** |
| Non-recurring operating income | 275 | 12,850 |
| Non-recurring operating expense | (5,445) | (1,012) |
| **OPERATING PROFIT** | **(32,658)** | **5,780** |
| Income from cash and cash equivalents | 24 | 65 |
| Gross cost of debt | (3,252) | (3,594) |
| **NET COST OF DEBT** | **(3,228)** | **(3,529)** |
| Other financial income | 3,873 | 5,283 |
| Other financial expense | (5,275) | (5,067) |
| **NET FINANCIAL EXPENSE** | **(4,630)** | **(3,313)** |
| **PROFIT (LOSS) BEFORE TAX** | **(37,288)** | **2,467** |
| Income tax | 1,583 | (254) |
| **NET PROFIT FROM CONTINUING OPERATIONS** | **(35,705)** | **2,213** |
| Profit (loss) from discontinued operations, net of tax | | |
| **NET PROFIT (LOSS)** | **(35,705)** | **2,213** |
| Group share | (35,598) | 2,160 |
| of which net profit (loss) from continuing operations | (35,598) | 2,160 |
| of which net profit (loss) from discontinued operations | | |
| Non-controlling interest | (106) | 52 |
| of which net profit (loss) from continuing operations | (106) | 52 |
| of which net profit (loss) from discontinued operations | | |
| Net earnings per share from continuing operations, Group share (€) | - €1.28 | €0.08 |
| Diluted net earnings per share from continuing operations, Group share ( €) | - €1.28 | €0.08 |
| Net earnings per share, Group share (en €) | - €1.28 | €0.08 |
| Diluted net earnings per share, Group share (en €) | - €1.28 | €0.08 |
| Weighted average number of shares outstanding | 27 813 971 | 27,855,017 |
| Diluted weighted average number of shares outstanding | 27,831,633 | 27,893,055 |

## Balance Sheet

| (in thousands of euros) | 30.06.2018 | 31.12.2017 |
|---|---|---|
| **Non-current assets** | | |
| Goodwill | 15,031 | 15,046 |
| Intangible assets | 87,375 | 85,392 |
| Property, plant & equipment | 70,740 | 67,067 |
| Financial assets | 2,449 | 16,285 |
| Non-current derivatives | 50 | 127 |
| Deferred tax assets | 35 | 806 |
| **Total non-current assets** | **175,680** | **184,723** |
| **Current assets** | | |
| Inventory and work-in-progress | 77,369 | 69,435 |
| Trade receivables | 53,591 | 81,359 |
| Tax receivables | 4,456 | 3,109 |
| Other current assets | 36,938 | 23,221 |
| Current derivatives | 116 | 273 |
| Cash and cash equivalents | 42,221 | 59,731 |
| **Total current assets** | **214,690** | **237,127** |
| Assets held for sales | 149 | 1,476 |
| **TOTAL ASSETS** | **390,519** | - **423,326** |

| (in thousands of euros) | 30.06.2018 | 31.12.2017 |
|---|---|---|
| **Shareholders' equity** | | |
| Share capital | 56,677 | 56,673 |
| Additional paid-in capital | 175,712 | 175,666 |
| Consolidated and other reserves | (48,998) | 17,666 |
| Translation reserves | (19,530) | (21,002) |
| Consolidated net profit (loss) | (35,598) | (67,328) |
| **Shareholders' equity (Group share)** | **128,263** | **161,675** |
| Non-controlling interest | 2,024 | 2,200 |
| **Total shareholders' equity** | **130,287** | **163,875** |
| **Non-current liabilities** | | |
| Employee benefits | 6,152 | 5,963 |
| Non-current provisions | 199 | 208 |
| Long-term borrowings – due in more than 1 year | 14,129 | 13,339 |
| Other non-current liabilities | 2,106 | 2,224 |
| Non-current derivatives | 366 | 889 |
| Deferred tax liabilities | 10,356 | 9,832 |
| **Total non-current liabilities** | **33,310** | **32,455** |
| **Current liabilities** | | |
| Current provisions | 2,674 | 4,137 |
| Long-term borrowings – due in less than 1 year | 48,495 | 48,577 |
| Short-term loans | 31,290 | 1,366 |
| Trade and other payables | 84,756 | 87,911 |
| Tax liabilities | 479 | 865 |
| Other current liabilities | 58,504 | 82,702 |
| Current derivatives | 725 | 1,438 |
| **Total current liabilities** | **226,922** | **226,997** |
| Liabilities held for sale | | |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **390,519** | **423,326** |

## Cash flow statement

| (in thousands of euros) | 30.06.2018 | 30.06.2017 |
|---|---|---|
| **Total consolidated net profit (loss)** | **(35,705)** | **2,213** |
| Less net profit (loss) from sold or held-for-sale operations | | |
| **Net profit (loss) on continuing operations** | **(35,705)** | **2,213** |
| Depreciation, amortization and provisions | 1,658 | 1,500 |
| Fair value revaluation gains (losses) | 664 | 77 |
| Impact of financial discounting | | |
| Difference between the fair value/cash of the FRN debt | | |
| Difference between the fair value/cash obtained on the transfer of treasury shares | | (140) |
| Gains (losses) on disposals and dilution | (268) | (8,154) |
| Impact of discontinued operations | | |
| **Operating cash flow before net cost of borrowings and tax** | **(33,650)** | **(4,505)** |
| Income tax charge (credit) | (1,583) | 254 |
| Net cost of borrowings | 3,228 | 3,529 |
| **Operating cash flow after net cost of borrowings and tax** | **(32,006)** | **(721)** |
| Change in working capital 1 (inventories, trade receivablese/payables) | 16,679 | 32,955 |
| Change in working capital 2 (other items) | (34,949) | (24,185) |
| Taxes paid | 1,237 | (1,216) |
| **Cash flow related to operating activities** | **(49,039)** | **6,832** |
| Purchase of minority interests<br>Purchase of PP&E and intangible assets | (13,598) | (14,028) |
| Acquisition of financial assets<br>Increase in loans and advances granted | (13) | (313) |
| Decrease in loans and advances granted | 15,594 | 147 |
| Disposal of PP&E and intangible assets | 2,961 | 13,548 |
| Disposal of financial assets | | |
| Dividends received | | |
| Impact of change in consolidation scope | | (925) |
| **Cash flow related to investment activities** | **4,944** | **(1,571)** |
| Capital increase | 53 | 34 |
| Purchase of treasury shares | 52 | (1,500) |
| Sale of treasury shares | | |
| Loans received | | 1,551 |
| Loans repaid | (533) | (349) |
| Net interest paid | (3,178) | (1,332) |
| Net change in short-term debt | 30,523 | (4,149) |
| **Cash flow related to financing activities** | **26,917** | **2,552** |
| Impact of fluctuations in exchange rates | (332) | (84) |
| Cash flow from discontinued operations and sale proceeds | (17,510) | |
| **Change in cash and cash equivalents** | **(17,510)** | **7,729** |
| Opening cash and cash equivalents | 59,731 | 49,928 |
| Closing cash and cash equivalents | 42,221 | 57,657 |
| **CHANGE IN CASH AND CASH EQUIVALENTS** | **(17,510)** | **7,729** |