



## PRESS RELEASE

Sèvres, April 28<sup>th</sup>, 2016

### First-quarter 2016 revenue

**Q1 revenue down by -2.7%**

- **Difficult economic environment in oil-producing countries**
- **Complex market context for the Group in Maghreb**
- **Good start for the Retail activity launched in Abidjan in December 2015**

*In this press release like-for-like changes mean changes at same group scope and constant exchange rates.*

*CFAO's organizational structure is based around our three strategic development areas: consumer goods, healthcare and equipment & services.*

**Consumer Goods:** CFAO FMCG Industries & Distribution and CFAO Retail

**Healthcare:** Eurapharma

**Equipment & Services:** CFAO Automotive Equipment & Services and CFAO Technologies

Revenue trends by division	First quarter of 2015 (in €m)	First quarter of 2016 (in €m)	Change (like-for-like)	Change (reported)
Consumer goods	84,6	83,6	-10,9%	-1,2%
Healthcare	323,4	321,0	+0,9%	-0,7%
Equipment & Services	437,0	417,3	-2,8%	-4,5%
<b>Group total</b>	<b>845,0</b>	<b>822,0</b>	<b>-2,3%</b>	<b>-2,7%</b>

**CFAO's** first-quarter 2016 revenue reached €822.0 million, declining -2.7% on a reported basis and -2.3% like-for-like compared to 2015 same period.

The main scope changes in first-quarter 2016 were the start of CFAO Retail activity included in the Consumer Goods business line (+€8.3 million) and the first-time consolidation of the Compagnie Mauritanienne de Distribution Automobile in the Equipment & Services business line (+€3.8 million). The total impact of all scope changes during Q1 was an increase in turnover of +€14.7 million.

Currency impacts on the translation of foreign revenue into euros were negative in Q1 at -€18.2 million. Most of the impact relates to the Equipment & Services business line, as some local currencies weakened against the euro, including the Zambian kwacha, the Kenyan shilling and the Algerian dinar.

**Consumer goods** reported revenue of €83.6 million in Q1 2016, down -1.2% on a reported basis and -10.9% like-for-like versus the prior year period.

The Beverage activity was negatively impacted by the presidential elections in Congo, while the Food, Hygiene & Convenience activity continued to be affected by the general slowdown in the Nigerian market. Those adverse effects were nonetheless partially offset by the revenues generated by CFAO Retail activity launched in December 2015 in Côte d'Ivoire and performing according to expectations.

The **Healthcare** business line reported revenue of €321.0 million in Q1 2016, slightly down by -0.7% on a reported basis and up +0.9% like-for-like on the prior year period.

The Import-Wholesale-Resale and Distribution Agents activities are performing well, but the slowdown of the Pre-wholesale activity in Algeria is offsetting this good performance. Moreover, the Healthcare Institutional Client business activity, more volatile by nature, is down compared to the same period last year.

**Equipment and Services** showed a decrease in sales in Q1 2016, of -4.5% on a reported basis and -2.8% like-for-like to €417.3 million.

In line with the trend observed during the previous year, CFAO Automotive Equipment & Services business unit sales, overall decreasing by -3.6% like-for-like, have shrunk again in Maghreb, notably in the Algerian market which is affected by regulatory changes. The other regions are growing except the French Overseas Territories (FOTs) which are negatively impacted by the market slowdown in New Caledonia attributable to the nickel crisis.

Otherwise, CFAO Technologies business unit has performed well in Q1 2016 with a +20.7% increase in sales on a reported basis.

### **Financial position at end-March 2016**

The Group's financial position remains robust at end-March 2016 with a gearing ratio of 0.59.

### **Significant events**

#### **E-commerce**

Africashop, an innovative online shopping solution for Africa, was unveiled on Saturday, April 2, 2016 in Abidjan, Côte d'Ivoire. The new site is the first milestone in CFAO's digital development plan. Africashop is designed to give African customers direct, easy access to leading international brands. Through Africashop.com, consumers in Africa can now shop on partner-brand sites and benefit from home delivery. The platform provides direct access to the latest collections and allows users to add products from a variety of brands to a single basket.

## **Outlook for 2016**

In its World Economic Outlook update published in April 2016, the IMF downgraded by 1 percentage point its 2016 growth forecast for Sub-Saharan Africa to 3.0%, after an estimated 3.5% growth in 2015.

Although the division prospects announced when the 2015 results were published and reiterated in the 2015 Registration Document remain valid, this additional growth forecast downgrade by the IMF confirms the impact on the African continent of the global economic slowdown. This impact should remain particularly significant in countries affected by the oil and commodities prices drop.

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The financial information in this press release is provided in compliance with IFRS and has not been audited. It has been reviewed by the Supervisory Board.  
This press release represents the Company's quarterly financial information.

This document contains forward-looking information, based on current assessments and estimates made by CFAO's management. These statements do not constitute guarantees relating to the Company's future performance. The information may change based on various factors, risks and uncertainties which may result in future publications being materially different from these forward-looking statements. These risk factors are described in CFAO's 2015 Registration Document (*Document de référence*) filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on April 19, 2016 and in other public documents filed with the AMF. CFAO does not make any commitment to update or comment on forward-looking information, except for that which is required by applicable regulations.

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## **About CFAO**

CFAO is a front-ranking specialized distributor and preferred partner of major international brands, serving the high-potential equipment & services, healthcare and consumer goods markets in Africa and the French overseas territories.

The Group is active in 39 countries, including 34 African countries and 7 French Overseas Territories. It employed 12,370 people at end-2015.

In 2015, CFAO generated consolidated revenue of €3,435.7 million and recorded recurring operating income of €269.2 million.

CFAO is a 97.74%-owned subsidiary of TTC (Japan).

CFAO is listed on NYSE Euronext Paris.

Find CFAO on Bloomberg: CFAO: FP and Reuters: CFAO.PA

To find out more, go to [www.cfaogroup.com](http://www.cfaogroup.com)

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## APPENDIX

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### Revenue trends by geographic area:

	First quarter			
	2015 (en M€)	2016 (en M€)	Change (like-for-like)	Change
French-speaking Sub-Saharan Africa	365,3	384,8	+1,6%	+5,3%
English- and Portuguese-speaking Sub-Saharan Africa	118,3	118,4	+9,4%	+0,0%
Algeria and Morocco	70,2	32,7	-48,6%	-53,4%
French overseas territories and Asia	193,9	184,1	-4,9%	-5,0%
Other Europe (*)	97,2	101,9	+4,7%	+4,8%
<b>Total</b>	<b>845,0</b>	<b>822,0</b>	<b>-2,3%</b>	<b>-2,7%</b>

(\*) France Export + Denmark (Missionpharma)+ Italia (Fazzini)