



# EUROPACORP

## PRESS RELEASE

### Annual revenue FY2015/2016

- **Consolidated annual revenue of €147.2 million, down 35%, mainly due to:**
  - only one film with broad international appeal distributed during the financial year
  - a limited theatrical distribution activity in France compared to the previous financial year which included 3 blockbusters' releases
- **Lower revenue will result in a loss for fiscal year 2015/2016**
- **Expect line-up on new film and TV projects to return Company to higher revenue levels: *Valerian and the city of a thousand planets, Nine Lives, TV series Taken, Room(H)ates, etc.***

**Saint-Denis, May 24, 2016** – EuropaCorp, one of the leading independent film studios in Europe, film producer and distributor, today reports its annual consolidated revenue for FY2015/2016, which ended on March 31, 2016, as approved by the Board of Directors and currently being audited.

Marc Shmuger, CEO, and Edouard de Vésinne, Deputy CEO, commented:

*"This past year was a transitional year for the company. EuropaCorp released only one film of broad international appeal and saw a sharp drop in revenues year over year, which will result in a loss for 2015/2016. However, looking ahead, we have a ramped up slate of film and TV projects in both French and English language. Operating under our new model of expanded US distribution, our increased output should provide not only significant revenue growth for the company, but also continue to expand our existing franchises and potentially create new ones."*

## H2 and Annual Consolidated Revenue (unaudited)

€m	H2 FY2015/2016	H2 FY2014/2015	12 months FY2015/2016	12 months FY2014/2015	Δ 12 months
<b>International sales</b>	<b>19.1</b>	<b>57.7</b>	<b>55.5</b>	<b>95.7</b>	
% of revenue	27.1%	44.8%	37.7%	42.1%	-42.0%
<b>Cinemas distribution</b>	<b>1.7</b>	<b>12.7</b>	<b>9.8</b>	<b>29.2</b>	
% of revenue	2.4%	9.8%	6.6%	12.9%	-66.5%
<b>Video &amp; VOD</b>	<b>8.2</b>	<b>10.0</b>	<b>15.2</b>	<b>13.7</b>	
% of revenue	11.5%	7.8%	10.3%	6.0%	+10.6%
<b>Television</b>	<b>12.7</b>	<b>20.0</b>	<b>23.8</b>	<b>29.1</b>	
% of revenue	18.0%	15.5%	16.2%	12.8%	-18.1%
<b>Subsidiaries</b>	<b>1.7</b>	<b>4.9</b>	<b>4.1</b>	<b>9.7</b>	
% of revenue	2.3%	3.8%	2.8%	4.3%	-57.9%
<b>TV series</b>	<b>18.4</b>	<b>14.1</b>	<b>21.8</b>	<b>32.8</b>	
% of revenue	26.0%	10.9%	14.8%	14.5%	-33.6%
<b>Events</b>	<b>0.5</b>	<b>3.0</b>	<b>2.6</b>	<b>4.4</b>	
% of revenue	0.8%	2.3%	1.8%	1.9%	-41.1%
<b>Multiplexes</b>	<b>4.2</b>	<b>3.1</b>	<b>7.5</b>	<b>5.8</b>	
% of revenue	6.0%	2.4%	5.1%	2.6%	+28.6%
<b>Others</b>	<b>4.1</b>	<b>3.5</b>	<b>7.1</b>	<b>6.4</b>	
% of revenue	5.8%	2.7%	4.8%	2.8%	+10.2%
<b>Group total</b>	<b>70.6</b>	<b>128.9</b>	<b>147.2</b>	<b>226.9</b>	<b>-35.1%</b>

**International sales** amounted to €55.5 million for the year, i.e. 38% of annual revenue, and mainly reflected the international deliveries of the film *The Transporter Refueled* and royalties on catalogue films (*Lucy*, *Taken 3* and *Colombiana*). The delivery of one single film with global reach (*The Transporter Refueled*) compared to 3 in the previous period, including *Lucy* and *Taken 3* accounted for the fall in international sales (-42%).

**Cinemas distribution revenue in both France and the US** amounted to €9.8 million for the year, i.e. 6.6% of annual revenue

(-66.5% compared with FY2014/2015) and included the following feature films:

- *Buddy Guards*, April 2015 in France: 152 thousand admissions;
- *A Love You*, June 2015 in France: 28 thousand admissions;
- *The Transporter Refueled*, September 2015 in North America and France: \$16 million in the domestic box office (US and Canada) and 595 thousand admissions in France;
- *Stop Me Here*, January 2016 in France: 52 thousand admissions;
- *Hopefully*, January 2016 in France: 375 thousand admissions.

The sharp drop in Cinemas distribution revenue is explained by the low number of films distributed in France and the US during the financial year – 5 compared to 8 during the previous year – and the lack of a major hit over FY2015/2016, compared to the strong performance of the 3 blockbusters released in theaters over the previous year (*Lucy*, *Taken 3* and *Bis*).

The **Video segment in both France and the US** represented 10.3% of the annual revenue, coming in at €15.2 million, i.e. an increase of 10.6% compared with FY2014/2015. The segment was mainly driven by the following releases:

- *Taken 3*, April in the US and June 2015 in France;
- *Bis*, June 2015 in France;

- *Big Game*, June 2015 in the US;
- *Buddy Guards*, September 2015 in France;
- Season 6 of *Un village français*, December 2015 in France;
- *The Transporter Refueled*, December in the US and January 2016 in France.

This item also includes continued sales of *Lucy*, *Taken*, *Taken 2* and other catalogue films.

The FY2015/2016 **Television segment in both France and the US** sales amounted to €23.8 million, down 18.1% compared to the previous financial year. As a reminder, the recognition of Television revenue is linked to the opening of broadcasting rights windows on the period. During FY2015/2016, the number of significant windows openings amounted to 6 (notably for the films *Lucy*, *Taken 3*, *The Family (Malavita)* and *Bis*) against 12 during the previous financial year.

Directly related to the Group's production and distribution activities, **Subsidies** generated €4.1 million over the financial year (-57.9% compared with FY2014/2015).

Revenue for the **TV Series** business amounted to €21.8 million for FY2015/2016, down 33.6% compared to FY2014/2015, during which two TV series and a greater number of TV fictions were delivered. Whereas the first half of FY2015/2016 posted an 82% fall in revenue compared to the same period of FY2014/2015, the second half recorded an increase of 30.5% to €18.4 million, driven by the delivery of *Section Zero* season 1 directed by Olivier Marchal for Canal+, several TV fictions and continued rights for the *Taxi Brooklyn* series.

**Multiplexes** segment kept on recording an increasing revenue, grossing €7.5 million for the financial year, up 28.6% compared to the previous year, driven by an attendance growth of the EuropaCorp Cinemas multiplex in Aéroville.

The **Events** business generated revenue of €2.6 million, corresponding to events held inside and outside the Cité du Cinéma during the year, and representing a fall of 44.1% compared with the previous year. This evolution is explained by a fall down in event organization in Paris area over the H2 FY2015/2016.

The **Others** item corresponds mainly to licenses, partnerships, music publishing and post-production. It recorded revenue of €7.1 million, up 10.2% compared with the previous year, reaching 4.8% of total revenue.

## Outlook

The company's diminished level of releases over the financial year will impact earnings for FY 2015/2016. Nevertheless, as reflected in the rich slate of film and TV projects below, and under the company's new management, EuropaCorp is looking at a strong and competitive line up of product.

### ➤ Films

Eight English-speaking films, either produced or acquired by EuropaCorp, are currently in post-production or completed:

- *The Nice Guys*, directed Shane Black and starring Russell Crowe and Ryan Gosling, a film of which EuropaCorp acquired the French distribution rights. The film was released in France on May 15, 2016;
- *Nine Lives*, directed by Barry Sonnenfeld (the *Men in Black* trilogy), with Jennifer Garner, Kevin Spacey and Christopher Walken, and produced by EuropaCorp. The film is completed and its release is scheduled on August 3, 2016 in France and on August 5, 2016 in the US;
- *Shut In*, directed by Farren Blackburn, starring Naomi Watts. Produced by EuropaCorp, the film is shot and currently in post-production. Its planned released is due to November 11, 2016 in the US;
- *Warrior's Gate*, directed by Matthias Hoene with Uriah Shelton, first ever French-Chinese coproduction with Fundamental Films. The film is completed;
- *The Lake*, directed by Steven Quale, starring J.K. Simmons and Sullivan Stapleton, and produced by EuropaCorp. The film is shot and currently in post-production;
- *The Circle*, by James Ponsoldt, with Emma Watson and Tom Hanks, a film of which EuropaCorp acquired the distribution rights for the US. The film is currently in post-production;
- *Miss Sloane*, directed by John Madden with Jessica Chastain in the title role, and produced by EuropaCorp. The

film is shot and currently in post-production;

- *The Founder*, by John Lee Hancock, with Michael Keaton in the starring role, film which EuropaCorp acquired distribution right for France. The film is completed.

The number of films distributed in H1 FY2016/2017 will be relatively limited, with most releases planned to occur over the second half.

On June 20, 2016, the new comedy directed by Dominique Farrugia, *Room(H)ates*, with Gilles Lellouche and Louise Bourgoïn, will start shooting.

Further, the shooting of *Valerian and the city of a thousand planets* is ongoing and will be completed in June 2016 on schedule and on budget.

#### ➤ TV series

EuropaCorp's next TV project of international dimension is the series *Taken*, a 10 one-hour episodes prequel of the hit trilogy, coproduced with Universal Television for NBC. The series is currently in production and its first broadcast is scheduled early 2017. Alexander Cary (*Homeland*) is the showrunner and Alex Graves (*Game of Thrones*) directs its pilot episode.

Two English-speaking TV series are in a mature stage of development and already under agreement with North-American networks:

- *AI (Artificial Intelligence)* based on the original idea of Luc Besson, for the cabled network TNT, in coproduction with TNT Studios et co-written by par Bill Wheeler (*Ghost in the Shell*);
- *Bulletproof*, written by Corey Miller (*Reckless*), signed with Amazon Studios;

Three other series in English language are in an active development phase as well, to strengthen the line-up:

- *Hunch*, written by Chris Murphey (*Body of Proof*);
- *Life After Life*, after an idea of Luc Besson, co-written by Naren Shankar (*CSI*);
- *Inside*, written by Dmitry Lipkin (*Hung*, *The Riches*) and Colette Burson.

On the French productions side, EuropaCorp Television will produce several fictions during FY2016/2017, including two new 90' from the Mary Higgins Clark collection for France 3, as well as a 90' fiction entitled *Un Ciel Radieux (Hare Yuku Sora)* for Arte, an adaptation of the graphic novel by Jirō Taniguchi, directed by Nicolas Boukhrief.

EuropaCorp Television is currently developing numerous projects with different French networks, among them notably:

- The series adaptation of the *Crimson Rivers* novel, along with France 2, ProSieben et Maze Pictures, and of which Jean-Christophe Grangé will be the showrunner (8 one-hour episodes);
- season 2 of *Section Zero*, for Canal+;
- *Traqués*, a 90' fiction for TF1;
- *La main sur le cœur*, a 3 one-hour episodes for France 3.

EuropaCorp Television will be pursuing collaborative efforts with all the French and international broadcasters to diversify its genres.

## Financial calendar

Tuesday 28 June 2016, before the market opens: FY2015/2016 consolidated annual results

## ABOUT EUROPACORP

EuropaCorp is one of Europe's leading film studios. Founded in 1999, EuropaCorp has operations spanning production, theatrical distribution, video and VOD, and French TV sales, as well as the operation of theaters since the opening of the first EuropaCorp multiplex in Aéroville in 2013. EuropaCorp also has international rights, partnerships and licensing, production and soundtrack publishing activities. The Group has also been producing TV series since 2010. EuropaCorp's integrated business model allows

*it to benefit from diversified sources of revenue. With a line-up boasting various types of films and a very strong foothold in international markets, the Group has produced France's biggest international hits in recent years. In February 2014, EuropaCorp joined forces with Relativity Media to create RED, a distribution joint venture in the United States, allowing it to fully control its distribution in the United States and maximize the visibility of its films in international markets. EuropaCorp was founded by French filmmaker, screenwriter and producer Luc Besson. The Group owns a catalogue of 500 movies and has 150 permanent employees.*

*For more information, go to [www.europacorp-corporate.com](http://www.europacorp-corporate.com)*

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