



EUROPACORP

PRESS RELEASE

Fundamental Films group takes significant stake in EuropaCorp

Fundamental Films group to become EuropaCorp's second largest shareholder

Funds will finance global growth strategies

- **Issue of 11,428,572 new shares, representing 27.89% of total capital**
- **Price of new shares set at €5.25, a premium of 38.5% on the listed share price¹**

Saint-Denis, 29 September 2016 – EuropaCorp, one of the leading independent film studios in Europe announces today an agreement to a capital increase reserved for FF Motion Invest, a 100% subsidiary of Fundamental Films, a Shanghai-based film producer, distributor and financier, for a total of €60 million, whose principle was approved by the Boards of Directors of EuropaCorp and Fundamental Films at their meetings of 28 and 29 September 2016. This investment would make FF Motion Invest Europacorp's second largest shareholder.

This operation, whose implementation remains subject to usual regulatory requirements, will be presented for approval to an Extraordinary Shareholding meeting of Europacorp, which is expected to be held before the end of 2016.

After the existing output deal between the two companies first signed 2012, and extended in 2015, a series of EuropaCorp's films co-produced by Fundamental Films and, more recently a record equity stake in Luc Besson's mega production, *Valerian and the City of a Thousand Planets*, this financial transaction gives a new dimension to a long-standing industrial partnership.

Luc Besson, EuropaCorp's Chairman, commented:

"This capital increase will enhance EuropaCorp's ability to produce and distribute English-language films and TV series around the world. We are delighted to further strengthen our close links with Fundamental Films and the booming Chinese market. After their significant investment in our film Valerian and the City of a Thousand Planets, this agreement reflects their confidence in both our company and our global strategy."

Mark Gao, Chairman of Fundamental Films, added:

"We are delighted to become the second largest shareholder in EuropaCorp and strengthen our relationship with Luc Besson's studio. We are extremely confident in their ability to achieve its strategic goals and enthusiastic about the opportunity to work with it in this new phase of its development."

¹ Average of last 20 days' prices

Details of the transaction

- **Issue of 11,428,572 new shares representing 27.89% of total capital**
- **Price of new shares set at €5.25, a premium of 38.5% on the listed share price¹**
- **Governance: Fundamental Films to have one voting seat and one observer seat on EuropaCorp's board of directors**
- **Following the transaction, which is expected to take place by the end of this year, the respective stakes of the two main shareholders will be as follows:**
 - Front Line : 31.58% of the capital
 - FF Motion Invest : 27.89%



Photos: Jessica Forde
©EUROPACORP- TF1 FILMS PRODUCTION – GRIVE PRODUCTIONS

Financial calendar

December 2016: 2016/2017 Half-Year 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

ABOUT FUNDAMENTAL FILMS

Fundamental films is an international feature film production, financing and distribution studio founded in 2008 and headquartered in Shanghai, China with offices in Beijing and Los Angeles.

Beginning with distribution of foreign titles in China, the company has built an integrated marketing and merchandising model that's proven to maximize value around its theatrical properties. Fundamental has since expanded into film development and production that places equal emphasis on international and domestic films, building its distribution slate on a combination of in-house and acquired properties. With a dedicated history of international collaboration, Fundamental continues to carve out its unique space in the transforming landscape of the global film industry. It is listed on Shanghai's NEEQ.

¹ Average of last 20 days' prices

Contacts

EuropaCorp Group

Pierre-André Junne | Investor Relations | investors@europacorp.com

Régis Lefèbvre | Communication | rlefebvre@europacorp.com

Tel: +33 1 55 99 50 00

Financial communication

NewCap | Julie Coulot | jcoulot@newcap.fr | +33 1 44 71 20 40

Media relations

CLAI | Simon Lozach | simon.lozach@clai2.com | +33 1 44 69 30 39

EuropaCorp is listed in Compartment C of Euronext Paris
ISIN code: FR0010490920 – Ticker: ECP