

2018 ANNUAL CONSOLIDATED TURNOVER

Unaudited data (in € millions) From January 1 to December 31, 2018	<u>2018</u>	<u>2017</u>	<u>Change</u>
<u>Annual turnover</u>			
Thrustmaster gaming accessories product lines	76.8	75.7	+1%
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Hercules digital peripheral devices	3.7	4.3	-14%
OEM*	0.7	0.4	+75%
Hercules	4.4	4.7	-6%
Total	81.2	80.4	+1%
<u>Fourth quarter</u>			
Thrustmaster gaming accessories product lines	19.5	25.3	-23%
Thrustmaster	19.5	25.3	-23%
Hercules digital peripheral devices	1.4	2.1	-33%
OEM*	0.3	0.0	-
Hercules	1.7	2.1	-19%
Total	21.2	27.4	-23%

(*) Accessories developed in order to accompany products of third-party companies (Original Equipment Manufacturer).

In 2018, the Group achieved 1% growth with annual turnover of €81.2 million, and will show a sharp increase in its operating profitability for fiscal 2018 as a whole, despite a decrease in turnover in the fourth quarter.

Thrustmaster

2018 was a year of contrasts in terms of product categories, with growth for Thrustmaster's gaming headsets, joysticks and gamepads, and a slowdown with regard to racing wheels:

- **Joysticks:** The Group experienced good growth in this segment, thanks in particular to the launches of a number of new products, including limited-edition versions of the T.Flight Hotas One and T.Flight Hotas 4 joysticks, officially licensed for the blockbuster game ACE COMBAT™ 7: SKIES UNKNOWN in partnership with the Japanese publisher BANDAI NAMCO®. Thrustmaster has further strengthened its leadership in the United States in this high-potential market segment.
- **Gaming headsets:** With the first Ferrari-licensed gaming headset, the T.Racing Scuderia Ferrari Edition, Thrustmaster made a significant breakthrough into this segment. In parallel, the new high-end T.Flight U.S. Air Force Edition gaming headset — officially licensed by the U.S. Air Force — allowed the Group to expand its flight simulation ecosystem, and the Y-300CPX Six Collection Edition headset — with a license for Tom Clancy's Rainbow Six Siege — joined the range in the United States.
- **Gamepads:** This important category is a priority for the Group, given the increasing popularity of multiplatform competitions and games. The Group has put in place a design thinking-based process, in order to create a new line of innovative gamepads.
- **Racing wheels:** Sales of racing wheels, which had shown strong growth in early 2018 following on from the launch of the game Gran Turismo® Sport in October 2017, did not benefit from as rich a crop of racing game releases throughout the year. This resulted in a strong decrease in terms of resupplying distribution channels during the fourth quarter.

The Group expanded its distribution of Thrustmaster products in 2018, extending its coverage area to more than one hundred countries worldwide, with good acceleration of sales momentum in Asia.

Hercules once again recognized as an Honoree at the CES 2019 Innovation Awards

Hercules' integration of the design thinking method into its strategy bore fruit with the successful launch of a new range of DJ controllers — Hercules DJControl Starlight, Hercules DJControl Inpulse 200, Hercules DJControl Inpulse 300 — and the new version of its DJ software, DJUCED®.

At the latest CES trade show in Las Vegas, the DJControl Inpulse 300 controller was named a CES 2019 Innovation Awards Honoree. In addition, at the NAMM Show held in Anaheim, California in late January, the Group was pleased to note the strong interest shown by both members of the public and industry professionals for this brand-new range. The helpful tools built into the products — including the Intelligent Music Assistant (IMA), which suggests the best-suited upcoming tracks for the DJ's playlist, the light guides making it easy for users to learn how to sync (or beat-match) tracks, and the DJ Academy tutorial videos featured right in the software itself — make learning to DJ incredibly easy for beginners, ensuring that they can get started putting on great shows in no time at all.

Prospects

In 2019, the Group will add to its Hercules DJ products and Thrustmaster gaming headsets and joysticks segments, and will launch a new range of professional gamepads aimed at e-Sports gamers.

The Group forecasts slight growth for the year, in relation to fiscal 2018.

At the same time, the Group is ramping up its Research and Development programs in order to prepare for the arrival of new games and next-generation consoles expected as of 2020.

Guillemot Corporation is a designer and manufacturer of interactive entertainment hardware and accessories. The Group offers a diversified range of products under the *Hercules* and *Thrustmaster* brand names. Active in this market since 1984, the Guillemot Corporation Group is currently present in 11 countries (France, Germany, Spain, the UK, the United States, Canada, the Netherlands, Italy, Belgium, China [Shanghai, Hong Kong] and Romania) and distributes its products in more than 100 countries worldwide. The Group's mission is to offer high-performance, ergonomic products which maximize the enjoyment of digital interactive entertainment for end users.

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