

2018 CONSOLIDATED HALF-YEAR RESULTS

The Guillemot Corporation Group's financial statements at June 30, 2018 are broken down as follows:

| Q1 + Q2 (in € millions) January 1, 2018 – June 30, 2018 | 30/06/2018 | 30/06/2017 | Change |
|--|------------|------------|--------|
| Thrustmaster gaming accessories ranges | 30.9 | 24.8 | +25% |
| Thrustmaster total | 30.9 | 24.8 | +25% |
| Hercules digital devices | 1.1 | 1.3 | -15% |
| OEM* | 0.2 | 0.4 | -50% |
| Hercules total | 1.3 | 1.7 | -24% |
| Total turnover | 32.2 | 26.5 | +21% |
| Current operating income | 2.7 | -0.2 | - |
| Operating income | 2.7 | -0.2 | - |
| Financial income** | 13.3 | 7.4 | - |
| Income tax expenses | -1.9 | -1.1 | - |
| Consolidated net income | 14.2 | 6.1 | - |
| Earnings per share | €0.93 | €0.41 | - |

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

** Financial income includes the cost of net financial indebtedness, as well as other financial expenses and revenues.

Activity

During the first half of fiscal 2018, the Group's turnover amounted to €32.2 million, up 21%. Over the year's first half, sales in the APAC (Asia-Pacific) region drove growth with an increase of 130%, while sales in Europe and the United States grew by more than 10%. Thrustmaster expanded its distribution to include more than one hundred countries worldwide.

Results

The Group posted positive operating income (8.5% operating margin) for the first half of fiscal 2018. Operating income amounted to €2.7 million, compared with a loss of €0.2 million for the first half of fiscal 2017. The gross accounting margin rate was up by more than five points. Total costs increased by 14% over the period. Financial income of €13.3 million included in particular an unrealized gain of €13.2 million linked to the revaluation of the Group's portfolio of Ubisoft Entertainment securities. Income tax expenses amounted to €1.9 million for the year's first half. Consolidated net income stood at €14.2 million, compared with €6.1 million for the first half of fiscal 2017.

Main balance sheet elements

| (in € millions) | 30/06/2018 | 31/12/2017 |
|--------------------------------------|------------|------------|
| Shareholders' equity | 60.5 | 45.5 |
| Inventories | 13.8 | 8.4 |
| Net indebtedness (excluding MIS)* | 1.6 | 1.2 |
| Current financial assets (MIS share) | 41.7 | 28.5 |

* Marketable Investment Securities are not taken into account in calculating net indebtedness.

The Group's shareholders' equity significantly increased to €60.5 million at June 30, 2018. Net indebtedness excluding Marketable Investment Securities (MIS) stood at €1.6 million. The Group's portfolio of marketable investment securities was valued at €41.7 million in fair value at June 30, 2018. Working capital requirements were up by €1.9 million. Research and Development costs capitalized on the balance sheet increased by €0.5 million.

Product launches for the end of the year

The end-of-year season for Thrustmaster and Hercules will be eventful, with the launches of many new products:

❖ **Thrustmaster**

- **Racing range:** In mid-August, Thrustmaster announced the releases of three different accessories specially designed for gamers looking for an ultra-realistic gaming experience. Riding the wave of developments in the world of eWRC, Thrustmaster's racing ecosystem has expanded with the arrival of the TM Racing Clamp on August 20 — as well as the TSS Handbrake Sparco Mod + and the TM Sim Hub, both of which were launched on September 20. In late August, Thrustmaster launched its first-ever Ferrari-licensed gaming headset, the T.Racing Scuderia Ferrari Edition, inspired by the Scuderia Ferrari paddock. Unveiled at the 2018 edition of the Ferrari Store City Race in Milan, this headset is the first Ferrari accessory aimed not only at racing fans, but also at casual gamers who are fans of the Ferrari brand.
- **Flight simulation range:** Over the period, Thrustmaster will be adding to its flight simulation ecosystem with the launch of the new, high-end T.Flight U.S. Air Force Edition gaming headset, officially licensed by the U.S. Air Force. At the most recent Gamescom trade fair, which took place in late August in Cologne, Germany, and in conjunction with the presentation of the upcoming game in the Ace Combat series, Thrustmaster announced the launch of its T.Flight Hotas 4 Ace Combat 7: Skies Unknown joystick on both the PlayStation® 4 and Xbox One® consoles. Thrustmaster is proud to have become Bandai Namco's partner, and be associated with this legendary game.
- **FPS gaming headsets range:** At the same time, two new officially-licensed Rainbow Six Collection Edition gaming headsets, specially designed for the game, will be launched in the coming months in North America, Central America and South America.

❖ **Hercules**

Hercules is preparing for the launches of new DJ controllers and new DJ speakers, which will be released during the fourth quarter. As of September, Hercules has adopted a new brand identity — highlighted and promoted by way of its revamped website, with a design more focused on living in the moment and sharing on social media (www.hercules.com).

Increase in customs duties on certain products assembled in China and imported into the United States

The American government, as part of its negotiations with China, has decided to increase tariffs on certain products manufactured in China. This initiative impacts some customs codes of products manufactured by the Group and assembled in China. The goods involved represent approximately one-quarter of the products sold by the Group in the United States, which will see additional customs duties of 10% applied for imports as of September 24, 2018, and 25% from January 1, 2019. The Group intends to pass these increases on in its sales prices. Nevertheless, the Group expects that it will keep up good sales growth in the United States in 2019.

Prospects

The Group maintains its forecast of growth with respect to both its turnover and its operating income for the fiscal year.

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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APPENDICES
(All entries are in €K)

Consolidated net statement of income at June 30, 2018

| (All entries are in €K) | 30.06.18 | 30.06.17 |
|---|---------------|--------------|
| Net turnover | 32,200 | 26,538 |
| Purchases | -20,823 | -18,104 |
| External expenses | -6,107 | -5,794 |
| Personnel expenses | -4,628 | -4,082 |
| Taxes and duties | -242 | -166 |
| Depreciation and amortization | -1,526 | -1,440 |
| Provisions allowance | -661 | -596 |
| Changes in inventories | 6,903 | 4,995 |
| Other operating revenues | 150 | 341 |
| Other operating expenses | -2,516 | -1,918 |
| Current operating income | 2,750 | -226 |
| Other operations-related revenues | 0 | 0 |
| Other operations-related expenses | 0 | 0 |
| Operating income | 2,750 | -226 |
| Cash and cash equivalents revenues | 16 | 1 |
| Cost of gross financial debt | 44 | 84 |
| Cost of net financial debt | -28 | -83 |
| Other financial revenues | 13,373 | 7,453 |
| Other financial expenses | 0 | 0 |
| Income tax expenses | -1,910 | -1,052 |
| Net income before minority interests | 14,185 | 6,092 |
| including net income from terminated activities | 0 | 0 |
| Minority interest share | 0 | 0 |
| Group net income | 14,185 | 6,092 |
| Base earnings per share | €0.93 | €0.41 |
| Diluted earnings per share | €0.93 | €0.40 |

Consolidated balance sheet at June 30, 2018

| ASSETS | Net 30.06.18 | Net 31.12.17 |
|---|-----------------|-----------------|
| <i>(All entries are in €K)</i> | | |
| Excess fair market values | 0 | 0 |
| Intangible fixed assets | 11,216 | 10,649 |
| Tangible fixed assets | 2,537 | 2,318 |
| Financial assets | 593 | 416 |
| Income tax assets | 554 | 544 |
| Deferred tax assets | 0 | 0 |
| Non-current assets | 14,900 | 13,927 |
| Inventories | 13,779 | 8,367 |
| Customers | 17,718 | 23,913 |
| Other receivables | 2,194 | 1,348 |
| Financial assets | 41,715 | 28,470 |
| Income tax assets receivables | 0 | 0 |
| Cash and cash equivalents | 6,454 | 10,294 |
| Current assets | 81,860 | 72,392 |
| Total assets | 96,760 | 86,319 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| | 30.06.18 | 31.12.17 |
| <i>(All entries are in €K)</i> | | |
| Capital (1) | 11,771 | 11,554 |
| Premiums (1) | 10,551 | 10,472 |
| Reserves and consolidated income (2) | 38,077 | 23,162 |
| Forex adjustments | 144 | 281 |
| Group shareholders' equity | 60,543 | 45,469 |
| Minority interests | 0 | 0 |
| Shareholders' equity | 60,543 | 45,469 |
| Personnel commitments | 959 | 904 |
| Loans | 4,120 | 5,703 |
| Other liabilities | 0 | 0 |
| Deferred tax liabilities | 4,244 | 2,588 |
| Non-current liabilities | 9,323 | 9,195 |
| Suppliers | 15,040 | 15,376 |
| Short-term loans | 3,908 | 4,861 |
| Fiscal liabilities | 435 | 960 |
| Other liabilities | 7,444 | 9,455 |
| Provisions | 67 | 1,003 |
| Current liabilities | 26,894 | 31,655 |
| Total liabilities and shareholders' equity | 96,760 | 86,319 |

(1) Of the consolidated parent company

(2) Net income for the fiscal year: €+14,185K

Consolidated cashflow table at June 30, 2018

| (All entries are in €K) | 30.06.18 | 30.06.17 |
|---|---------------|---------------|
| Cashflow linked to operating activities | | |
| Net income of integrated companies | 14,185 | 6,092 |
| + Depreciation, amortization and provisions allowance (excluding that linked to current assets) | 1,667 | 1,545 |
| - Depreciation, amortization and provisions recovery | -930 | -502 |
| -/+ Unrealized gains and losses linked to changes in fair value | -13,245 | -7,049 |
| +/- Expenses and revenues linked to stock options | 0 | 0 |
| -/+ Net gain/loss on disposals | 0 | -2 |
| Deferred tax change | 1,656 | 982 |
| Cashflow after cost of net financial debt | 3,333 | 1,066 |
| Cost of net financial debt | 28 | 83 |
| Cashflow before cost of net financial debt | 3,361 | 1,149 |
| Cashflow Forex adjustment | 1 | -17 |
| Inventories | -5,412 | -4,260 |
| Customers | 6,195 | 7,480 |
| Suppliers | -336 | 804 |
| Other | -2,378 | -2,475 |
| Working capital requirements change | -1,931 | 1,549 |
| Net cashflow linked to operating activities | 1,403 | 2,598 |
| Cashflow linked to investments | | |
| Intangible fixed asset acquisitions | -1,305 | -946 |
| Tangible fixed asset acquisitions | -715 | -229 |
| Intangible and tangible fixed asset disposals | 0 | 2 |
| Financial fixed asset acquisitions | -43 | -2 |
| Financial fixed asset disposals | 1 | 0 |
| Net cashflow on subsidiary acquisitions/disposals | 0 | 0 |
| Net cashflow linked to investment activities | -2,062 | -1,175 |
| Cashflow linked to financing activities | | |
| Capital increase or cash contribution | 329 | 0 |
| Dividends paid to minority interests | 0 | 0 |
| Debt issuance | 0 | 0 |
| Shareholders' current account reimbursement | -972 | 0 |
| Debt repayments | -2,661 | -1,253 |
| Other cashflow linked to financing activities | 0 | 0 |
| Total cashflow linked to financing activities | -3,304 | -1,253 |
| Forex adjustment impact | -5 | -32 |
| Cashflow change | -3,968 | 138 |
| Net cashflow at fiscal year start | 10,279 | -3,953 |
| Net cashflow at fiscal year end | 6,311 | -3,815 |