

2016: First-half sales

Unaudited data (in € millions) January 1, 2016 – June 30, 2016	2016	2015	Change
<u>Second quarter</u>			
Thrustmaster gaming accessories ranges	9.8	11.1	-11.71%
Thrustmaster total	9.8	11.1	-11.71%
Hercules digital devices	1.5	1.5	+0%
OEM (*)	0.2	0.4	-50.00%
Hercules total	1.7	1.9	-10.53%
Total	11.5	13.0	-11.54%
<u>Q1 + Q2 total</u>			
Thrustmaster gaming accessories ranges	16.4	17.5	-6.29%
Thrustmaster total	16.4	17.5	-6.29%
Hercules digital devices	3.9	3.5	+11.43%
OEM	0.2	0.4	-50.00%
Hercules total	4.1	3.9	+5.13%
Total	20.5	21.4	-4.21%

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

During the first half of fiscal 2016, the Group posted sales of €20.5 million, down 4%.

In the second quarter, Thrustmaster's sales of €9.8 million were up 48% on a sequential basis in relation to the first quarter, without reaching the sales level achieved a year earlier – which had more than doubled, thanks to the release of many car racing games. This year, the launches of new racing and flight simulation titles are set for the second half of the year.

Sales of Hercules digital devices remained stable at €1.5 million in the second quarter, while OEM revenues were down in relation to the same period of the previous fiscal year.

New products

Thrustmaster:

- Racing wheels range: The new TMX Force Feedback racing wheel for the Xbox One® console, released in May, provides a more accessible entry point for car racing fans keen to experience Force Feedback sensations in their favorite games on this console. The wheel's quality and positioning have resulted in it being carried by many retail chains, including in North America in particular – which bodes well in terms of strong sales to be expected over the second half of the year.
- eSports: Thrustmaster is the official partner of Gran Turismo Sport on PlayStation®4, set to be launched in November. A new dimension in eSports will be ushered in thanks to the partnership between Polyphony Digital® and the Fédération Internationale de l'Automobile (FIA – the International Automobile Federation), which will make it possible to acquire a real motorsport license – the “FIA Gran Turismo Digital License” – that will hold the same value as a real-life license.
A prototype of the new Thrustmaster racing wheel made a preview appearance at the announcement event for the game Gran Turismo Sport, embodying the cooperation between the two companies. This new high-end wheel will soon be unveiled, boasting unique features to give gamers a winning edge in Gran Turismo Sport competition.
- Gaming headsets: The Thrustmaster Y-350X headset, featuring a worldwide DOOM® license, was released in mid-May to coincide with the launch of the game, resulting in increased sales of the brand's headsets.

- **Virtual reality:** At the E3 Expo in Los Angeles, California, Thrustmaster – teaming up with the biggest developers of virtual reality-enabled games – positioned itself as the undisputed leader in simulation accessories for this new era. Both members of the specialist press and the public were highly enthusiastic: iDigitalTimes, the New York-based news website, wrote that “VR Gaming has never felt more immersive,” while the Neoseeker website described it as “the best gaming experience I’ve had so far at the Show.” At the booth, members of the public had the opportunity to try out the Oculus Rift® VR headset alongside cockpits equipped with Thrustmaster accessories, for a hands-on preview of new flight and racing simulation titles designed for virtual reality – including Elite: Dangerous (Frontier Developments), War Thunder, Project CARS, DiRT, and more. Thrustmaster was able to demonstrate how its high-end accessories provide a completely immersive simulation experience in virtual reality.

Hercules:

- **DJing range:** In May, the Group launched its new Hercules P32 DJ controller, featuring 32 performance pads allowing users to take their music to the next level by playing samples live. Press feedback has been excellent, and the controller is positioning itself well in the market.
- **WAE range:** The new WAE Outdoor Rush wireless speaker was launched before the start of the summer season, as planned. Its original features – including seawater resistance and an autonomous design, with a built-in FM radio function – make this a very popular product for outdoor activities, particularly those out on the water. The WAE Outdoor Rush was a 2016 Innovation Awards Honoree at CES Las Vegas in January.

Prospects

A large number of racing and simulation games will be launched between now and the end of the year, with the upcoming releases of Gran Turismo Sport (scheduled for November 15), F1 2016 (scheduled for August 19), Assetto Corsa, Forza Horizon 3 (scheduled for September 27) and WRC 6: FIA World Rally Championship (scheduled for October).

The announcement of new, more affordable graphics cards, and the upcoming October 13 launch of the PlayStation®VR virtual reality headset, are set to make the VR market more mainstream – with the first space and car racing simulation games announced, which will promote sales of Thrustmaster’s accessories.

The impending launches of new consoles over the second half of the year, with Microsoft’s Xbox One S set for release on August 2 and Sony’s new PlayStation®4 4K forthcoming as well, will also give the market a boost going forward.

The Group forecasts growth 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 [Hong Kong] and Romania) and distributes its products in more than 85 countries worldwide. The Group’s mission is to offer high-performance, ergonomic products which maximize the enjoyment of digital interactive entertainment end users.

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