

2016 ANNUAL CONSOLIDATED TURNOVER

Unaudited data (in € millions) From January 1 to December 31, 2016	2016	2015	Change
Fourth quarter			
Thrustmaster gaming accessories product lines	19.1	18.6	+3%
OEM*	0.0	0.2	-
Thrustmaster	19.1	18.8	+2%
Hercules digital peripheral devices	3.6	3.9	-8%
OEM*	0.0	0.5	-
Hercules	3.6	4.4	-18%
Total	22.7	23.2	-2%
Full year			
Thrustmaster gaming accessories product lines	53.2	55.1	-4%
OEM	0.0	0.2	-
Thrustmaster	53.2	55.3	-4%
Hercules digital peripheral devices	9.5	9.3	+2%
OEM	1.5	1.2	+25%
Hercules	11.0	10.5	+5%
Total	64.2	65.8	-2%

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

The Group's annual turnover for fiscal 2016 amounted to €64.2 million, down 2%, with Hercules' sales growing by 5% and Thrustmaster's sales decreasing slightly over the first nine months of the year, but returning to growth in the fourth quarter. Thrustmaster was unable to rely on the launch of its high-end Gran Turismo-licensed racing wheel, which had to be pushed back until 2017 due to the delay of the associated Gran Turismo game.

Key events of 2016

- Delivery of the 500,000th copy of the Hercules DJUCED® DJing software, created for the brand's controllers.
- Implementation of new distribution networks for Hercules in the United States and Canada over the course of the year, in order to make inroads into the music-related products channel.
- An overall sales increase of 25% in North America.
- Signature of a major partnership agreement with the leading chain of video game shops in the United Kingdom.
- Opening of new distributors, particularly in China, Japan, the Nordic countries and Eastern Europe/Russia.
- Positioning of Thrustmaster in the eSports market, and the exclusive use of Thrustmaster racing wheels for the Formula E Vegas eRace competition in Las Vegas.
- Launch of the brand-new TS-PC Racer racing wheel during the fourth quarter, allowing Thrustmaster to position itself in the high-end PC racing wheels market.
- Delay of the very highly-anticipated game Gran Turismo Sport until 2017, resulting in the postponement of the release of Thrustmaster's new Gran Turismo-licensed racing wheel for PlayStation®4.
- Rollout of a new range of flight simulation accessories as part of Thrustmaster's 25th anniversary celebration in the industry.
- Receipt of the CES Innovation Awards Honoree distinction in January 2017 (for the fourth consecutive year), awarded this year to the T.16000M FCS Flight Pack for its technological advances providing flight sim pilots with an unprecedented degree of precision.

Prospects

With its very high-end racing wheels, the TS-PC Racer and the Gran Turismo-licensed wheel for PlayStation®4, the Group will be perfectly positioned in 2017 to benefit from the increasing popularity of the eSports phenomenon, which requires the best accessories.

The Group forecasts growth for fiscal 2017.