

Q3 2016 FINANCIAL REPORTING

Unaudited data (in € millions) January 1, 2016 – September 30, 2016	2016	2015	Change
<u>Third quarter</u>			
Thrustmaster gaming accessories ranges	17.7	19.0	-7%
Thrustmaster	17.7	19.0	-7%
Hercules digital devices	2.0	1.9	+5%
OEM*	1.3	0.3	+333%
Hercules	3.3	2.2	+50%
Total	21.0	21.2	-1%
<u>Cumulative (9 months)</u>			
Thrustmaster gaming accessories ranges	34.1	36.5	-7%
Thrustmaster	34.1	36.5	-7%
Hercules digital devices	5.9	5.4	+9%
OEM	1.5	0.7	+114%
Hercules	7.4	6.1	+21%
Total	41.5	42.6	-3%

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

For the third quarter of fiscal 2016, the Group's sales amounted to €21 million, stable in relation to the previous year. Hercules maintained sales growth in terms of both its OEM activities and its standard product lines, while Thrustmaster's sales were down again, by 7%.

Hercules sales evolution

Sales for Hercules grew again during the third quarter. The DJing and WAE Outdoor wireless speakers departments posted double-digit growth, making up for the expected decrease in terms of multimedia speakers, which now only account for 10% of Hercules' sales.

Thrustmaster sales evolution

Thrustmaster's activity remains at a very good level, close to the performance achieved last year which saw the brand's sales double. The joysticks category experienced double-digit growth, while sales of gaming headsets more than doubled over the period.

Geographical evolution

The Group achieved a return to growth in Russia and accelerated its sales expansion in Asia, particularly in South Korea, Japan and China. The Group also achieved more than 50% growth in North America.

New products for the end of the year

❖ Hercules

- DJing range: The new DJControl Instinct P8 controller, launched in September, lets beginner DJs get started in the world of remixing thanks to its eight pads. Hercules also offers a party-oriented ecosystem with its three Hercules DJ Party Packs: this unique offering, based on the Group's mass-market controllers, adds lighting accessories for the perfect party ambience.

- WAE Outdoor wireless speakers range: The new WAE Outdoor 04Plus FM speaker, specially designed for urban riders, will be launched in early December. It will be the range's second water and dust-resistant speaker incorporating *Bluetooth*[®] wireless technology to feature a built-in FM radio, alongside the WAE Outdoor Rush model, designed for water sports fans.
- ❖ **Thrustmaster**
- Racing wheels range: A new crop of car racing games appeared over the period, with the launches of Forza Horizon 3, Assetto Corsa, WRC 6 and F1 2016. The major event expected for the fourth quarter had been the release of the game Gran Turismo Sport, for which the Group has developed a very high-end, officially-licensed wheel. It was jointly agreed with the game's publisher to push back the launch of this wheel, so that gamers would be able to benefit from all of the advanced technologies to be available in conjunction with the game. The Group therefore revised its sales forecast for the year, with sales of this wheel being delayed until 2017. However, in order to provide a new product for racing fans on PC, Thrustmaster has moved forward with the launch of another high-end wheel, the first units of which will be delivered by the end of this year.
- Joysticks range: The Group's new range of joysticks is currently being rolled out, and points toward a great success. The high degree of innovation with respect to all of the flight controls incorporated into Thrustmaster's T.16000M FCS Flight Pack resulted in it being named an Innovation Awards Honoree in the Gaming category at the upcoming CES, the world's largest trade show dedicated to innovation and technology, taking place from January 5-8, 2017 in Las Vegas. Honored and featured at the CES Unveiled Paris event, this pack brings together a host of innovations, some of which have been patented by the Group, for flight simulation fans.

Financial standing at September 30, 2016

At September 30, 2016, the Group's net indebtedness excluding Marketable Investment Securities stood at €14 million. The Group's MIS portfolio was valued at €14.9 million at that date.

Prospects

Sony's new PlayStation®4 Slim console, along with the Xbox® One S from Microsoft, are giving a strong boost to console sales and expanding the Group's market. The mid-November launch of the PS4 Pro console will further strengthen this momentum, being optimized for use with the PlayStation®VR virtual reality headset.

The Group maintains its forecast of sales in excess of €60 million 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.

Contact: Guillemot Financial Information – Telephone: +33 (0) 2 99 08 08 80 – www.guillemot.com