

GUILLEMOT CORPORATION

A publicly held company (*société anonyme*) with capital of €11,553,646.72

**Registered office: Place du Granier, BP 97143, 35571 Chantepie Cedex,
France**

**Registered company number:
414 196 758 Rennes**

Interim financial report June 30, 2015

Contents	Section
Summary interim consolidated balance sheet	A
Summary interim consolidated statement of gains and losses recognized directly in equity	B
Summary interim consolidated statement of changes in equity	C
Summary interim consolidated cash flow statement	D
Notes to the summary interim consolidated financial statements	E
Statutory auditors' report	F
Declaration by the Chief Executive	G

A- Summary interim consolidated balance sheet

ASSETS	Notes	Net Jun 30, 2015	Net Dec 31, 2014
<i>(All figures in €k)</i>			
Goodwill on acquisitions	7	888	888
Intangible assets	8	6,981	6,917
Property, plant and equipment	8	2,628	2,800
Financial assets	9	463	424
Income tax receivables	17	0	0
Deferred tax assets	17	0	0
Non-current assets		10,960	11,029
Inventories	10	11,763	7,434
Trade receivables		11,898	13,500
Other receivables		1,881	1,507
Financial assets	9	7,354	6,959
Cash and cash equivalents	14	1,900	1,791
Income tax receivables	17	65	100
Current assets		34,861	31,291
Total assets		45,821	42,320
LIABILITIES AND EQUITY			
	Notes	Dec 31, 2015	Dec 31, 2014 *
<i>(All figures in €k)</i>			
Capital (1)		11,554	11,554
Premiums (1)		10,472	10,472
Reserves and consolidated income (2)		-5,486	-4,272
Foreign currency translation adjustments		604	547
Group shareholders' equity	11	17,144	18,301
Minority interests		0	0
Consolidated shareholders' equity		17,144	18,301
Employee benefit liabilities	13	573	517
Borrowings	14	842	1,758
Other payables	21	1,396	1,395
Deferred tax liabilities	17	0	0
Non-current liabilities		2,811	3,670
Trade payables		12,408	9,919
Short-term borrowings	14	7,986	5,558
Taxes payable		304	178
Other payables		4,893	4,428
Provisions	12	275	266
Current liabilities		25,866	20,349
Total liabilities		45,821	42,320

* Impact of the application of IFRIC 21 detailed in note E3

(1) Of the consolidating parent

(2) Of which net income for the period: €1,246k

The notes presented in section E form an integral part of these summary interim consolidated financial statements.

Summary interim consolidated statement of gains and losses recognized directly in equity

- Summary interim consolidated statement of net income

(All figures in €k)	Notes	Dec 31, 2015	Jun 30, 2014*
Net sales	6	21 441	12 010
Purchases		-14 731	-6 634
External expenses		-5 461	-3 510
Employee expenses		-3 664	-3 640
Taxes and duties		-176	-213
Additions to amortization and depreciation		-1 241	-1 341
Additions to provisions		-420	-390
Change in inventories		4 304	693
Other income from ordinary activities		112	167
Other expenses from ordinary activities		-1 558	-698
Net operating income from ordinary activities		-1 394	-3 556
Other operating income		0	0
Other operating expenses		0	0
Net operating income	15	-1 394	-3 556
Income from cash and cash equivalents	16	0	0
Cost of gross financial debt	16	82	98
Cost of net financial debt	16	-82	-98
Other financial income	16	396	1 831
Other financial expenses	16	-124	-148
Tax expense	17	-42	-60
Net income before minority interests		-1 246	-2 031
O/w net income from discontinued operations	18	0	0
Share attributable to minority interests		0	0
Net income attributable to equity holders of the parent		-1 246	-2 031
Basic earnings per share	19	-0,08 €	-0,14 €
Diluted earnings per share	19	-0,08 €	-0,13 €

* Impact of the application of IFRIC 21 detailed in note E3

- Statement of net income and gains and losses recognized directly in equity

(All figures in €k)	Dec 31, 2015	Jun 30, 2014
Net income attributable to equity holders of the parent	-1,246	-2,031
<i>Recyclable items of other comprehensive income</i>		
Foreign currency translation adjustments	57	8
Revaluation of hedging derivatives	0	0
Revaluation of available-for-sale financial assets	0	0
<i>Non-recyclable items of other comprehensive income</i>		
Revaluation of fixed assets	0	0
Actuarial gains and losses on defined benefit plans	2	2
Share of other comprehensive income	0	0
for equity-accounted companies		
Total other comprehensive income attributable to controlling interests	59	10
Net income and other comprehensive income attributable to controlling interests	-1,187	-2,021
Net income and other comprehensive income attributable to minority interests	0	0

The notes presented in section E form an integral part of these summary interim consolidated financial statements.

C - Summary interim consolidated statement of changes in equity

(All figures in €k)	Notes	Capital	Premiums	Consolidated reserves	Net income for the period	Currency translation adjustments	Total shareholders' equity
Balance at Jan 1, 2014		11 554	10 472	-2 484	-841	440	19 141
Comprehensive income at Jun 30, 2014					-2 031	8	-2 023
Appropriated income at Dec 31, 2013				-841	841		0
Stock options company				39			39
Gains and losses on treasury shares				30			30
Other				-6			-6
Balance at Jun 30, 2014*		11 554	10 472	-3 262	-2 031	448	17 181
Balance at Jan 1, 2015*		11 554	10 472	-3 341	-931	547	18 301
Comprehensive income at Jun 30, 2015					-1 246	57	-1 189
Appropriated income at Dec 31, 2014				-931	931		0
Stock options							0
Shares of the consolidating company				18			18
Gains and losses on treasury shares				14			14
Other							0
Balance at Jun 30, 2015	11	11 554	10 472	-4 240	-1 246	604	17 144

* Impact of the application of IFRIC 21 detailed in note E3

The notes presented in section E form an integral part of these summary interim consolidated financial statements.

D - Summary interim consolidated cash flow statement

(All figures in €k)	Notes	Dec 31, 2015	Jun 30, 2014
Cash flows from operating activities			
Net income from consolidated companies		-1,246	-2,031
+ Additions to amortization, depreciation and provisions (except on current assets)		1,571	1,466
- Reversals of amortization, depreciation and provisions		-23	-25
-/+ Unrealized gains and losses arising from changes in fair value	16	-396	-1,304
+/- Expenses and income arising from stock options	11	0	0
-/+ Capital gains and losses on disposals		0	-425
Change in deferred taxes	17	0	0
Operating cash flow after cost of net financial debt		-94	-2,319
Cost of net financial debt	16	82	98
Operating cash flow before cost of net financial debt		-12	-2,221
Foreign currency translation adjustment on gross cash flow from operations		-3	5
Inventories	10	-4,329	-658
Trade receivables		1,602	8,586
Trade payables		2,490	-4,642
Other		561	-1,966
Change in working capital requirement		324	1,320
Net cash flows from operating activities		227	-994
Cash flows from investing activities			
Acquisitions of intangible assets	8	-1,049	-614
Acquisitions of property, plant and equipment	8	-322	-297
Disposals of property, plant and equipment and intangible assets		6	1
Acquisitions of non-current financial assets	9	-4	-3
Disposals of non-current financial assets		0	2,185
Net cash from acquisitions and disposals of subsidiaries		0	0
Net cash flows from investing activities		-1,369	1,272
Cash flows from financing activities			
Increases in capital and cash injections		0	0
Dividends paid to minority shareholders		-1	-8
Borrowings		0	0
Repayment of shareholders' current accounts	21	-271	0
Repayment of borrowings	14	-829	-1,430
Other cash flows from financing activities		0	0
Total cash flows from financing activities		-1,101	-1,438
Impact of foreign currency translation adjustments		10	6
Change in cash		-2,233	-1,154
Net cash at the beginning of the period	A and 14	-2,158	-2,604
Net cash at the end of the period	A and 14	-4,391	-3,758

The notes presented in section E form an integral part of these summary interim consolidated financial statements.

E - Notes to the summary interim consolidated financial statements

(All figures are in thousands of euros unless otherwise stated.)

1) *General information*

The financial statements were signed off by the Board of Directors on September 22, 2015. Guillemot Corporation designs and manufactures interactive entertainment hardware and accessories. The Group offers a diversified range of products under the Hercules and Thrustmaster brands. The Guillemot Corporation Group has been active in this market since 1984 and currently operates in 11 countries (France, Germany, the United Kingdom, the United States, Canada, Belgium, the Netherlands, Hong Kong, Spain, Romania and Italy) and distributes its products in more than 60 countries worldwide. The Group's mission is to offer high-performance, user-friendly products that maximize enjoyment for end users of digital interactive entertainment solutions.

The company is a publicly traded company (*société anonyme*) with its registered office at Place du Granier, BP 97143, 35 571 Chantepie Cedex, France.

2) *Basis of preparation of summary interim financial reporting*

This set of summary interim consolidated financial statements to June 30, 2015 has been prepared in accordance with IAS 34, "Interim financial reporting". The summary interim report should be read in conjunction with the 2014 annual financial statements.

3) *Accounting policies*

The accounting policies employed are the same as those adopted in preparing the annual financial statements for the year ended December 31, 2014, as set out in the annual financial statements for the year ended December 31, 2014, with the exception of IFRIC 21, the effects of which are set out below.

Adoption of the following new standards, amendments to existing standards and interpretations is mandatory in 2015:

- IFRIC 21 – Levies
- Annual improvements 2011-2013
 - . IFRS 1: First-time adoption of IFRS: meaning of "effective IFRSs" in the financial statements of a first-time adopter
 - . IFRS 3 – Business combinations: non-application of IFRS 3 to the formation of a joint arrangement in the financial statements of the joint arrangement itself
 - . IFRS 13 – Fair value measurement: scope of the exception in paragraph 52 on portfolios of financial instruments
 - . IAS 40 – Investment property: clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property

These standards, amendments to existing standards and interpretations have had no material impact on the Group's financial statements.

Application of IFRIC 21, “Levies”:

A public authority has the power to collect levies from an company. The question relates to the date of recognition of a liability linked to the payment of levies other than income taxes, pursuant to IAS 37, “Provisions, contingent liabilities and contingent assets”. A liability for the payment of a levy may not be recognized in the interim financial statements if there is no present obligation to pay the levy at the interim balance sheet date.

Impacts linked to the retrospective application of IFRIC 21, “Levies”, are described below:

- Shareholders’ equity at Jan 1, 2014: +€54k
- Shareholders’ equity at Jan 1, 2015: +€27k
- Net operating income to June 30, 2014: -€79k

4) *Activity report*

The Guillemot Corporation Group’s financial statements to June 30, 2015 are broken down as follows.

2015 CONSOLIDATED INTERIM INCOME STATEMENT

First half (€ millions) January 1, 2015 – June 30, 2015	Jun 30, 2015	Jun 30, 2014	Change
Thrustmaster gaming accessories	17.5	7.9	+122%
Thrustmaster total	17.5	7.9	+122%
Hercules digital devices	3.5	4.1	-15%
OEM*	0.4	0.0	-
Hercules total	3.9	4.1	-5%
Total	21.4	12.0	+78%
Net operating income from ordinary activities	-1.4	-3.6	-
Net operating income	-1.4	-3.6	-
Net financial income**	0.2	1.6	-
Consolidated net income	-1.2	-2.0	-
Earnings per share	-€0.08	-€0.14	-

* Accessories developed for third party companies (Original Equipment Manufacturers).

** Net financial income includes the cost of net financial debt as well as other financial expenses and income.

Activity

Sales in the first half of 2015 totaled €21.4 million, up 78%.

Thrustmaster more than doubled its sales over the period to €17.5 million, buoyed by the success of its racing wheels and growth in the installed base of new consoles. Hercules was more or less stable, generating sales of €3.9 million.

Results

➤ **Growth in the gross accounting profit margin in spite of the rising dollar**

Over the period, the Group was able to increase prices on its existing ranges and launch new products taking into account the new exchange rate. Thanks to these actions, the gross accounting profit margin remained slightly above that achieved in the first half of 2014 in spite of the sharp rise in the dollar.

➤ **Operating loss cut to €1.4 million**

Significant growth in the Group's sales meant that the operating loss traditionally incurred in the first half of the year was only €1.4 million, consistent with a full-year profit.

Net financial income totaled €0.2 million, including a €0.4 million revaluation gain on the Group's portfolio of available-for-sale securities.

The Group posted a consolidated net loss of €1.2 million, compared with a €2 million loss in the first half of 2014.

Key balance sheet items

(€m)	Jun 30, 2015	Dec 31, 2014
Shareholders' equity	17.1	18.3
Net debt (excl. AFS securities)*	8.3	7.2
Inventories	11.8	7.4
Current financial assets (AFS securities portion)	7.4	7.0

* Available-for-sale (AFS) securities are not taken into account when calculating net debt.

Group shareholders' equity stood at €17.1 million. At June 30, 2015, the Group had net debt excluding available-for-sale securities of €8.3 million, slightly higher than the year-end position but lower than at June 30 of the previous year. Its working capital requirement was slightly lower at June 30, 2015.

The value of its portfolio of available-for-sale securities increased to €7.4 million.

New Thrustmaster and Hercules products

At the end of this year, Thrustmaster and Hercules are to launch new products in strategic segments that will broaden their markets.

Thrustmaster: New products are being added to Thrustmaster's racing ecosystem to increase its leadership in the market, which now represents an installed base of more than 38 million next generation consoles (PlayStation®4 and Xbox® One) (*source: VGChartz*). New games continue to be released regularly, including the release on 18 September of Microsoft's driving simulation game Forza Motorsport 6, the October release of World Rally Championship 5, and so on.

❖ **T150 racing wheel**: The Thrustmaster T150 Force Feedback and its Ferrari-licensed alter ego, the T150 Ferrari Force Feedback Wheel, are the only consumer Force Feedback racing wheels for the PlayStation®4. This official racing simulator is equipped with a 1080° Force Feedback system. This new racing wheel, available from October, will be Thrustmaster's flagship product in the latter part of this year.

- ❖ 599XX EVO 30 Wheel Add-On ALCANTARA® Edition: compatible with all Thrustmaster racing wheels with detachable wheels, this new wheel, a true replica of the Ferrari 599XX EVO, expands Thrustmaster's racing ecosystem: It is the first Alcantara® 30 cm wheel named 599XX EVO 30 Wheel Add-On Alcantara® Edition. A genuine collector's item, it will allow buyers to experience the feel of a racing wheel made of the same material used in original Ferrari cars.
- ❖ TX Servo Base Racing Wheel, your tailored racing simulator: since August, Thrustmaster has offered an independent version of the official Xbox® One base model of its famous TX Racing Wheel, the TX Servo Base Racing Wheel. PC and Xbox® One racers will be able to build their own tailored race simulators based on their preferences within the Thrustmaster racing ecosystem.

Hercules:

- ❖ DJControl Compact: with this brand new, ultra-portable controller, Hercules is making its entrance into the new ultra-portable segment. With a surface measuring only 34 cm by 10 cm, this controller stands out as the most complete in its category. Both practical and high-performing, it allows users to quickly get to grips with essential DJing functions.
- ❖ DJControl Jogvision: available since September 12 and launched at the BPM 2015 show in Birmingham (United Kingdom), this new controller embodies Hercules's ambitions in semi-professional DJing. The first Hercules mobile DJ controller to have displays in its jogwheels, it brings brand new functionality to the category that is usually only found in very high-end products.
- ❖ DJControl Glow: with DJControl Glow, available since September 10, Hercules is targeting a young audience of budding DJs keen to discover DJing. Its brand new lighting effects add a completely new dimension to parties, and it is perfectly suited to mobile use. Its two decks allow the user to mix two tracks while simplifying DJing techniques with instant sync.

Outlook

The Group's Asian and North American sales continue to accelerate, while sales in the eurozone are recovering significantly. With strategic new product launches in the latter part of the year that will broaden its market, the Group considers itself well placed to once again deliver double-digit growth in the second half and generate a full-year profit.

5) *Scope of consolidation*

- a) Companies included within the Guillemot Corporation SA Group's consolidated financial statements to June 30, 2015

COMPANY	SIREN number	Country	% control	Accounting method
GUILLEMOT CORPORATION SA	414,196,758	France	Parent	Full consolidation
GUILLEMOT Administration et Logistique SARL	414,215,780	France	99.96%	Full consolidation
HERCULES THRUSTMASTER SAS	399,595,644	France	99.42%	Full consolidation
GUILLEMOT Innovation Labs SAS	752,485,334	France	100.00%	Full consolidation
GUILLEMOT Ltd		UK	99.99%	Full consolidation
GUILLEMOT Inc		Canada	74.89% (a)	Full consolidation
GUILLEMOT GmbH		Germany	99.75%	Full consolidation
GUILLEMOT Corporation (HK) limited		Hong Kong	99.50%	Full consolidation
GUILLEMOT Recherche et Développement Inc		Canada	99.99%	Full consolidation
GUILLEMOT Romania Srl		Romania	100.00%	Full consolidation
GUILLEMOT Inc		United States	99.99%	Full consolidation
GUILLEMOT SA		Belgium	99.93%	Full consolidation
GUILLEMOT SRL		Italy	100.00%	Full consolidation
GUILLEMOT Spain SL		Spain	100.00%	Full consolidation

(a) Guillemot Inc (United States) also holds 25.11%.

In view of their non-material nature, minority interests are not calculated.

- b) Changes in scope

None.

6) *Segment information*

In accordance with IFRS 8 on operating segments, the Group has set out segment information based on the same segments used in internal reports presented to management.

Segment information by business area concerns the Hercules and Thrustmaster business segments. Segment information by geographical region is based on the following geographical segments: France, European Union (excluding France) and Other.

Segment information by business area

The Hercules business segment includes the following product ranges: DJing and digital music, wireless speakers for smartphones and tablets, multimedia speakers and webcams.

The Thrustmaster business segment includes the following gaming accessories for PCs and consoles: racing wheels, gamepads, joysticks and gaming headsets.

- Income statement by business segment (€k):

	Jun 30, 2015			Jun 30, 2014		
	Total	Hercules	Thrustmaster	Total	Hercules	Thrustmaster
Sales	21,441	3,904	17,537	12,010	4,075	7,935
Additions to amortization and c	1,241	672	569	1,341	636	705
Additions to provisions	420	176	244	390	165	225
Net operating income from ord	-1,394	-2,648	1,254	-3,556	-1,944	-1,612
Net operating income	-1,394	-2,648	1,254	-3,556	-1,944	-1,612

- Balance sheet by business segment (€k):

	Jun 30, 2015			Dec 31, 2014		
	Net Jun 30, 2015	Hercules Thrustmaster		Net Dec 31, 2015	Hercules Thrustmaster	
Goodwill on acquisitions	888	888	-	888	888	-
Intangible assets	6,981	3,534	3,447	6,917	3,403	3,514
Property, plant and equipment	2,628	1,244	1,384	2,800	1,341	1,459
Inventories	11,763	4,813	6,950	7,434	3,491	3,943
Trade receivables	11,898	1,739	10,159	13,500	4,129	9,371
Unallocated assets	11,663			10,781		-
TOTAL ASSETS	45,821	12,218	21,940	42,320	13,252	18,287
Shareholders' equity	17,144	-	-	18,301	-	-
Provisions	848	401	447	783	368	415
Trade payables	12,408	4,804	7,604	9,919	4298	5621
Unallocated liabilities	15,421			13,317	-	-
TOTAL LIABILITIES AND EQUITY	45,821	5,205	8,051	42,320	4,666	6,036

Unallocated assets consist of financial assets, income tax assets, other receivables and cash.

Unallocated liabilities consist of borrowings, other payables, pension provisions, taxes payable and deferred tax liabilities.

Segment information by geographical region

- Sales by geographical region (€k):

	Jun 30, 2015	Jun 30, 2014
France	2 749	2 355
European Union (excl. France)	10 196	4 782
Other	8 496	4 873
TOTAL	21 441	12 010

- Aggregate value of assets by geographical location (€k):

	Jun 30, 2015				Dec 31, 2014			
	Net total	France	EU excl. France	Other	Net total	France	EU excl. France	Other
Goodwill on acquisitions	888	888	-	-	888	888	0	0
Property, plant and equipment	2,628	2,521	13	94	2,800	2,685	18	97
Financial assets	7,817	7,767	10	40	7,383	7,340	10	33
Inventories	11,763	6,341	0	5,422	7,434	3,705	0	3,729
Trade receivables	11,898	1,547	5,711	4,640	13,500	2,565	6,750	4,185
Other receivables	1,881	1,660	89	132	1,507	1,309	83	115
Cash and cash equivalents	1,900	908	356	636	1,791	1,016	294	481
Current tax assets	65	65	0	0	100	99	0	1
Unallocated assets	6,981				6,917			
TOTAL ASSETS	45,821	21,697	6,179	10,964	42,320	19,607	7,155	8,641

Unallocated assets consist of intangible assets.

7) *Goodwill*

a) Goodwill on acquisitions

Goodwill at June 30, 2015 is broken down as follows:

Changes in goodwill	Gross at Dec 31, 20	Change	Gross at Jun 30, 2015
Guillemot Ltd (United Kingdom)	1		1
Hercules Thrustmaster SAS (France)	1 299		1 299
Guillemot Administration et Logistique SARL (France)	233		233
Guillemot SA (Belgium)	233		233
Guillemot Inc (USA)	1 034		1 034
Guillemot Corporation SA (France)	941		941
Guillemot Inc (Canada)	16 894		16 894
Guillemot Srl (Italy)	4 392		4 392
Total	25 027	0	25 027

Goodwill impairment	Provisions	Additional	Provisions	
	at Dec 31, 2014	impairment from Jan 1, 2015 to Jun 30, 2015	at Jun 30, 2015	
Guillemot Ltd (United Kingdom)	1	-	1	
Hercules Thrustmaster SAS (France)	411	-	411	
Guillemot Administration et Logistique SARL (France)	233	-	233	
Guillemot SA (Belgium)	233	-	233	
Guillemot Inc (United States)	1,034	-	1,034	
Guillemot Corporation SA (France)	941	-	941	
Guillemot Inc (Canada)	16,894	-	16,894	
Guillemot Srl (Italy)	4,392	-	4,392	
Total	24,139	0	24,139	
Net value	Total	888	0	888

Goodwill is not amortized under IFRS. In accordance with IAS 36, impairment losses recognized during prior periods are not reversed at a later date.

Management does not consider the sharp decline in sales of Hercules products over the past two years and, to a lesser extent, in the first half of 2015 (down 5%) to be an indicator of impairment. Over this period, Hercules was affected by a decline in the traditional PC market and the discontinuation of the WiFi and Powerline ranges. The business is in the process of being refocused around audio products; this change does not call into question the full-year 2015 outlook set out in the 2014 annual financial statements or the medium-to-long-term outlook of the Hercules business. The migration of PC users onto smartphones and tablets is a fundamental shift for which Hercules has been preparing itself over the past two years by extending its research and development capability into these new markets. These efforts have already garnered the brand four innovation awards at the prestigious CES in Las Vegas for the past two years. This global recognition – highly sought after in the IT industry – points to the Hercules brand's ambition of creating increasingly unique and innovative solutions. At June 30, 2015, goodwill on the balance sheet consisted solely of a net amount of €888k corresponding to the fair value of goodwill on the Hercules business arising from the Hercules Thrustmaster SAS subsidiary.

8) *Intangible assets and property, plant and equipment*

a) Intangible assets

Intangible assets are broken down as follows:

Gross values	Dec 31, 2014	Changes in scope	Increases	Decreases	Currency translation adjustments	Jun 30, 2015
Brands	10 842					10 842
Development costs	3 979		197	112	-1	4 063
Development costs in progress	1 358		1 051	341	-1	2 067
Licenses	1 935			26		1 909
Concessions, patents, etc.	868		18	4	4	886
Other intangible assets	982				7	989
TOTAL	19 964	0	1 266	483	9	20 756

Development costs on projects meeting the six eligibility criteria laid down in IAS 38 are capitalized. Assets are transferred from assets under construction to capitalized development costs when they are released into production. The net value of development costs capitalized over the period totaled €281k. The following Guillemot Corporation Group companies generate development costs: Hercules Thrustmaster SAS, Guillemot R&D Inc, Guillemot Romania Srl and Guillemot Corporation (HK) Limited. Capitalized costs relate to all product lines under the Hercules and Thrustmaster brands.

Amortn, deprecn & provns	Dec 31, 2014	Changes in scope	Increases	Decreases	Currency translation adjustments	Jun 30, 2015
Brands	8 110					8 110
Development costs	1 962		639	127		2 474
Licenses	1 214		209	25		1 398
Concessions, patents, etc.	787		24	5	4	810
Other intangible assets	974		2		7	983
TOTAL	13 047	0	874	157	11	13 775

Brands include the Thrustmaster and Hercules acquired brands. These brands are tested for impairment at the end of each financial year and are measured taking into account discounted future cash flows.

In the absence of a deep market for the brands in the Group's business segment, the fair value method is not applied when measuring brands owned by the Group.

The going concern value is the discounted value of future cash flows expected from an asset, i.e. from its continuing use and removal at the end of its useful life. This is the method used to measure the Group's brands.

The Hercules brand is allocated to the Hercules cash-generating unit.

The Thrustmaster brand is allocated to the Thrustmaster cash-generating unit. The Thrustmaster brand has a net balance sheet value of €1,300k compared with a purchase cost of €9,410k, while the Hercules brand has a net balance sheet value of €1,432k compared with a purchase cost of €1,432k. At June 30, 2015 there were no indicators of impairment entailing the need for impairment testing.

b) Property, plant and equipment

Property, plant and equipment for use in operations is broken down as follows:

Gross values	Dec 31, 2014	Changes in			Foreign	Jun 30, 2015
		scope	Increases	Decreases		
Land	399					399
Buildings	5 365					5 365
Plant	5 006		122	121	2	5 009
Other prop., plant & equipt	988		19	35	5	977
Assets under construction	299		292	110		481
TOTAL	12 057	0	433	266	7	12 231

Buildings represent buildings located in Carentoir (France).

The €110k decrease in assets under construction corresponds to assets transferred to the “plant” item. Tangible fixed assets under construction mainly relate to molds and tools allowing for the production of new products.

Depreciation	Dec 31, 2014	Changes in			Currency translation adjustments	Jun 30, 2015
		scope	Increases	Decreases		
Buildings	4,391		100			4,491
Plant	3,970		372	121	3	4,224
Other prop., plant & equi	896		20	30	2	888
TOTAL	9,257	0	492	151	5	9,603

9) *Financial assets*

Non-current financial assets are broken down as follows:

Gross values	Dec 31, 2014	Changes in		Decreases	Currency translation adjustments	Jun 30, 2015
		scope	Increases			
Other long-term investments	126		33			159
Other non-current financial assets	298		4		2	304
TOTAL	424	0	37	0	2	463

Movements in other long-term investments relate to the liquidity agreement currently in force. At June 30, 2015, a total of €300k in cash was allocated to the liquidity agreement.

Other non-current financial assets relate to deposits and guarantees paid out.

Current financial assets include Ubisoft Entertainment and Gameloft shares.

	Net Dec 31, 2014	Disposals Jun 30, 2015	Acquisitions Jun 30, 2015	Currency translation adjustments Jun 30, 2015	Gain/loss on revaluation Jun 30, 2015	Net Jun 30, 2015
Ubisoft Entertainment shares						
Number	443 874			0	0	443 874
Fair value (€k)	6 731			0	362	7 093
Gameloft shares						
Number	68 023	0	0	0	0	68 023
Fair value (€k)	228	0	0	0	34	262
Currency derivatives						
Number	0	0	0	0	0	0
Total value	6 959	0	0	0	396	7 355

Ubisoft Entertainment and Gameloft shares (listed on an active market) are measured at fair value in accordance with IAS 39. When the Group adopted IFRS, these shares were classified in the category “financial assets at fair value through profit and loss”.

At June 30, 2015 the Group held 443,874 Ubisoft Entertainment shares representing 0.40% of the company’s share capital.

The Group also holds 68,023 Gameloft shares, representing 0.08% of the company’s capital. The share prices used at December 31, 2014 were €15.165 per Ubisoft Entertainment share and €3.34 per Gameloft share. The share prices used at June 30, 2015 to measure the shares at fair value were €15.98 per Ubisoft Entertainment share and €3.84 per Gameloft share. The resulting unrealized gain recognized at June 30, 2015 totaled €396k (see point 16).

10) *Inventories*

Inventories	Gross Dec 31, 2014	Change in inventories (result)	Changes in scope	Currency translation adjustments	Gross Jun 30, 2015
Raw materials	1 215	999			2 214
Finished products	7 490	3 074		22	10 586
TOTAL	8 705	4 073	0	22	12 800

Provisions	Dec 31, 2014	Increases	Decreases	Changes in scope	Currency translation adjustments	Jun 30, 2015
Raw materials	162		16			146
Finished products	1 109	-9	213		4	891
TOTAL	1 271	-9	229	0	4	1 037

Total net inventories	7 434					11 763
------------------------------	--------------	--	--	--	--	---------------

Inventories include electronic components and sub-assemblies as well as finished products.

Provisions are set aside whenever the value of inventory is greater than its realizable value. At June 30, 2015 the value of net inventory totaled €11,763k.

11) *Shareholders' equity*

The Group's share capital consists of 15,004,736 shares with a par value of €0.77 each. Guillemot Corporation SA holds 256,897 treasury shares. These treasury shares reduce the value of shareholders' equity by €661k.

At June 30, 2015, the percentage of capital represented by treasury shares was 1.71%.

Maximum potential number of shares to be created:

Via the exercise of options 1,001,500

Principal characteristics of stock option plans:

	Plan no. 7	Plan no. 8	Plan no. 9	Plan no. 10
Date of board meeting	Feb 22, 2006	Feb 22, 2006	Feb 18, 2008	Feb 18, 2008
Number of shares	433,000	246,000	383,000	217,000
Par value	0.77 €	0.77 €	0.77 €	0.77 €
Subscription price	1.74 €	1.77 €	1.91 €	1.91 €
Exercise date	Feb 22, 2010 to Feb 22, 2016	Feb 22, 2008 to Feb 22, 2016	Feb 18, 2012 to Feb 18, 2018	Feb 18, 2010 to Feb 18, 2018
Number of shares subscribed	10500	12000	-	6,360
O/w during 2015 financial year	-	-	-	-
Stock options cancelled or lapsed	-	-	-	-
Stock options outstanding	422,500	234,000	383,000	210,640
Options available for exercise at Jun 30, 2015	367,000	134,500	339,000	161,000

The first six stock option plans have lapsed.

The Group has put in place compensation plans that pay out in the form of equity instruments (stock options). The fair value of services rendered by employees in return for the granting of options is recognized in expenses. The total amount expensed over the vesting period is determined by reference to the fair value of the options granted, without taking into account the vesting conditions, which are not market conditions. The vesting conditions, which are not market conditions, are factored into assumptions as to the number of options that may become available for exercise. At each balance sheet date, the company reassesses the number of options that may become available for exercise. If necessary, the impact of any revision of such estimates is recognized in income, with a corresponding adjustment to shareholders' equity.

The number of options potentially available for exercise takes into account the terms of exercise of options specific to each plan.

In accordance with IFRS 2 on share-based payments, stock options are measured at fair value using the Black & Scholes method. No expenses were recognized for the first half of 2015, all plans having been amortized.

12) Provisions for liabilities and charges

Provisions for liabilities and charges are broken down as follows:

	Increases	Decreases	Currency translation adjustments
	Used	Not used	
	Dec 31, 2014	Jun 30, 2015	Jun 30, 2015
Product returns	138	25	2
Other	128	5	23
TOTAL	266	30	2

13) Employee benefit liabilities

The Group has no post-employment benefit schemes other than the statutory scheme laid down in collective bargaining agreements covering the Group's employees.

Provisions are calculated using the projected unit credit method, based on retirement benefits payable upon retirement according to length of service. (The benefits in question are those payable to employees upon retirement.)

Key actuarial assumptions remain unchanged relative to December 31, 2014.

At June 30, 2015, the amount of the recognized provision stood at €537k.

In accordance with the revised IAS 19, retrospectively applicable as of January 1, 2013, all actuarial gains and losses are now recognized in OCI (Other Comprehensive Income) rather than in profit and loss. The impact on Group shareholders' equity at June 30, 2015 was €20k.

14) *Borrowings*

Financial liabilities are broken down as follows:

	Current (due within 1 year)				Non-current (due within more than 1 year)	Dec 31, 2014
	Jun 30, 2015	0-3 months	3-6 months	6-12 months		
Borrowings from credit institutions	2,510	416	417	835	842	3,340
Bank overdrafts and foreign currency advanc	6,291	6,291				
Sundry	27	27				27
TOTAL	8,828	6,734	417	835	842	3,367

The Group has fixed rate financial liabilities of €638k and floating rate liabilities of €8,190k. To protect itself against changes in interest payments on some floating rate borrowings caused by fluctuations in interest rates, the Group has entered into interest rate swaps. At June 30, 2015, the Group had no borrowings covered by acceleration clauses. Over the period, the Group repaid €829k against bank borrowings.

Net debt	Jun 30, 2015	Dec 31, 2014
Financial liabilities	8,828	7,316
Shareholders' current accounts	1,396	1,666
Cash at bank and in hand	1,900	1,790
Net debt	8,324	7,192

At June 30, 2015 the Group's net debt totaled €8,324k. The Group also has a share portfolio worth €7.4 million (fair value at June 30, 2015).

15) *Net operating income*

Net operating income to June 30, 2015 totaled -€1,394k, compared with -€3,556k to June 30, 2014.

16) *Net financial income*

The cost of net financial debt to June 30, 2015 totaled €82k. This includes interest costs and financial expenses arising from borrowing, as well as foreign exchange gains and losses arising from the payment of financial liabilities.

Other financial income and expenses are broken down as follows:

	Jun 30, 2015	Jun 30, 2014
Foreign currency translation adjustments	0	0
Gain on disposal of Ubisoft Entertainment shares	0	424
Unrealized gain/loss on Gameloft shares	34	0
Unrealized gain/loss on Ubisoft Entertainment shares	362	1,407
Unrealized gain/loss on Ubisoft Entertainment equity wai	0	0
Total other financial income	396	1,831
Foreign currency translation adjustments	-124	-43
Unrealized gain/loss on Gameloft shares	0	-105
Unrealized gain/loss on Ubisoft Entertainment shares	0	0
Total other financial expenses	-124	-148

Currency effects arising from the translation of subsidiaries' accounts:

All subsidiaries conduct business in their local currency; the impact on shareholders' equity was +€57k.

Financial risk:

In accordance with IFRS 7 on financial instruments, a breakdown of the Group's exposure to the various types of financial risk is as follows.

Liquidity risk: At June 30, 2015, the Group's borrowing and bank financing facilities were not fully utilized; net debt totaled €8.3 million. At June 30, 2015 the fair value of the Group's portfolio of available-for-sale securities stood at €7.4 million.

Equity risk: fluctuations in the market price of shareholdings affects the Group's earnings. Over the second half of 2015, a 10% decrease in the price of Ubisoft Entertainment shares (relative to their price at June 30, 2015) would have a €709k negative impact on net financial income. A 10% decrease in the price of Gameloft shares over the same period (relative to their price at June 30, 2015) would have a €26k negative impact on net financial income.

Interest rate risk: based on the Group's outstanding floating rate financial liabilities at June 30, 2015, a 1% increase in interest rates on an annual basis would result in a €49k increase in financial expenses.

Foreign exchange risk: a breakdown of the Group's foreign currency assets and liabilities at June 30, 2015 is as follows (unhedged amounts only – i.e. those exposed to interest rate risk):

Foreign currency amounts exposed to upward or downward interest rate fluctuations:

(€k)	USD	GBP
Assets	7,156	1,057
Liabilities	10,766	25
Net position before hedging	-3,610	1,032
Off balance sheet position	0	0
Net position after hedging	-3,610	1,032

Based on foreign currency values exposed to exchange rate fluctuations at June 30, 2015, a 10% increase in US dollar exchange rates on an annual basis would result in a €304k increase in financial expenses.

Since all major players in the multimedia industry transact in US dollars, no given manufacturer has a competitive advantage that would result in increased market share. Since all industry players

index-link their selling prices to cost prices in US dollars, selling prices rise and fall in line with cost prices.

The main currency for purchases of hardware and accessories is the US dollar. In the United States, Canada and all other countries outside Europe, the trading currency is also the US dollar. In Europe, the Group mainly sells its products in euros. Rapid currency fluctuations, and in particular declines in the value of the US dollar, may result in lower selling prices for the Group's products, thus impacting the value of inventories of goods. Conversely, given the seasonal nature of the company's business, if the US dollar were to rise sharply during the second half of the year, the Group would not be able to adjust its selling prices to reflect the full extent of such an increase, which could therefore have a temporary adverse impact on the Group's gross margin.

However, in order to limit the Group's foreign exchange risk, Guillemot Corporation hedges against currency fluctuations by buying spot currency and currency futures and options. Furthermore, the increase in the Group's export sales over the past few years has boosted the Group's natural hedging and significantly reduced its foreign exchange risk.

Credit risk: the risk of financial loss in the event that a customer should fail to meet its contractual obligations. The Group manages this risk by taking out creditor insurance. Since the Group uses wholesalers, it has a limited number of customers. In a few cases, the Group is obliged to grant additional credit where its insurance cover is considered clearly unsuitable.

17) *Corporate income tax*

a) Income tax assets

At June 30, 2015, this item totaled €50k, consisting of advance income tax payments and a French Employment Competitiveness Tax Credit (*Crédit d'Impôt Compétitivité Emploi*).

In the income statement, the amount of the Employment Competitiveness Tax Credit has been deducted from employee expenses.

b) Income tax expense

Corporate income tax is broken down as follows:

	Jun 30, 2015	Jun 30, 2014
Deferred taxes	0	0
Current taxes	42	60
TOTAL	42	60

Income tax payable corresponds to total income taxes payable by all Group companies.

Deferred tax is calculated on timing differences relating to tax adjustments, consolidation adjustments and tax loss carry-forwards.

Since the probability of future taxable earnings had not yet been fully established, no deferred tax assets were recognized for any of the Group's subsidiaries at June 30, 2015.

At end December 2014, the Group had available tax loss carry-forwards totaling €66 million, €62 million of which related to the parent, Guillemot Corporation SA.

18) *Discontinued operations*

The Group has not discontinued any operations over the past five years.

19) *Earnings per share*

<u>Basic earnings per share</u>	<u>Jun 30, 2015</u>	<u>Jun 30, 2014</u>
Earnings	-1,246	-2,031
Average number of shares (thousar	15,005	15,005
Treasury shares	-256	-232
	14,749	14,773
<u>Basic earnings per share</u>	<u>-0.08</u>	<u>-0.14</u>

<u>Diluted earnings per share</u>	<u>Jun 30, 2015</u>	<u>Jun 30, 2014</u>
Earnings	-1,246	-2,031
Average number of shares (thousands)	15,005	15,005
Treasury shares	-256	-232
	14,749	14,773
Maximum number of shares to be created		
- via conversion of bonds	0	0
- via exercise of options	1,001	1,020
- via exercise of subscription rights	0	0
	15,750	15,793
<u>Diluted earnings per share</u>	<u>-0.08</u>	<u>-0.13</u>

20) *Off balance sheet commitments*

Lease commitments:	€401k
Documentary credits:	€759k

21) *Related party transactions*

The Group is owned by the Guillemot Brothers S.E. (66.87%), the Guillemot family (6.74%), Guillemot Corporation S.A. (1.71%) and public shareholders (24.68%).

Related parties are Guillemot Brothers S.E. and members of the Guillemot family controlling the issuer, the Group's consolidated subsidiaries (see scope of consolidation in note 5) and the Ubisoft Entertainment and Gameloft groups, in which members of the Guillemot family hold significant voting rights.

During prior periods, the founders of the Group's parent and of Guillemot Brothers S.E. waived current account advances to Guillemot Corporation S.A. totaling €7.7 million.

The balance sheet continues to show shareholders' current account advances totaling €1,396k, repayable over future years with the stipulation that repayments may not exceed 20% of the parent's annual net income.

Principal aggregates relating to the Ubisoft Entertainment and Gameloft groups:

	Jun 30, 2015	
(€k)	Ubisoft Entertainment	Gameloft
Trade receivables	69	0
Trade payables	127	2
Revenue	457	1
Expenses	189	28

22) *Seasonality of business*

As a rule, the Guillemot Corporation Group generates 50% of its annual sales between September and December. The Group uses subcontractors to meet its increased production and logistics requirements during this period. The working capital requirement arising from these seasonal fluctuations is financed through short- and medium-term funding.

23) *Subsequent events*

None.

F - Statutory auditors' report on the 2015 interim financial reporting

To the shareholders

Guillemot Corporation S.A.

Place du Granier

BP 97143

35571 Chantepie Cedex

Dear Shareholders,

Under the terms of the engagement entrusted to us at your shareholders' general meeting and in accordance with Article L.451-1-2 III of the French Monetary and Financial Code, we have:

- carried out a limited review of the summary interim consolidated financial statements of Guillemot Corporation SA for the period from January 1 to June 30, 2015, as appended hereto;
- verified the information set out in the interim activity report.

These summary interim consolidated financial statements were prepared under the authority of the board of directors. It is our responsibility to express an opinion on these financial statements on the basis of our limited review.

1. Opinion on the financial statements

We have carried out our limited review in accordance with professional standards applicable in France. A limited review mainly consists of meeting with members of management responsible for accounting and financial matters and applying analytical procedures. These tasks are less comprehensive than those required for an audit carried out in accordance with French professional standards. Consequently, the assurance, following a limited review, that the financial statements taken as a whole contain no material misstatements is a limited assurance that is less certain than that given following a full audit.

On the basis of our limited review, we have identified no material misstatements liable to call into question the compliance of the summary interim consolidated financial statements with IAS 34 – the IFRS standard on interim financial reporting adopted within the European Union.

Without calling into question the conclusion expressed above, we would like to draw your attention to note E.3 of the notes to the summary interim consolidated financial statements, describing the impact of the retrospective application of IFRIC 21, “Levies”.

2. Specific checks

We have also checked the information set out in the interim activity report commenting on the summary interim consolidated financial statements upon which our limited review was based. We have no comments on the accuracy of this information or its consistency with the summary interim consolidated financial statements.

Rennes, September 22, 2015

The statutory auditors

PricewaterhouseCoopers

Audit MB Audit SARL

Jérôme Mouazan

Roland Travers

Partner

Partner

G - Declaration by the Chief Executive

I certify that, to the best of my knowledge, the financial statements set out in this interim financial report have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, financial position and earnings of all companies included within the consolidated Guillemot Corporation Group, and that the interim activity report presented under point 4 provides an accurate view of material events having occurred during the first six months of the financial year, their effect on the interim financial statements and the principal transactions between related parties, together with a description of the principal risks and uncertainties over the remaining six months of the financial year.

Carentoir, September 22, 2015

Claude Guillemot
Chairman and Chief Executive Officer