

Carentoir, March 23, 2017

## 2016 ANNUAL RESULTS

Guillemot Corporation's financial statements for fiscal 2016, ended December 31, 2016, are broken down as follows:

(Audited financial statements, approved by the Board of Directors' meeting held March 22, 2017, and Independent Auditors' report regarding certification are pending)

(in € millions) January 1, 2016 – December 31, 2016	<b>31/12/2016</b>	<b>31/12/2015</b>	<b>Change</b>
Turnover	64.2	65.8	-2%
<i>Thrustmaster</i>	53.2	55.3	-4%
<i>Hercules</i>	11.0	10.5	+5%
Current operating income	0.6	2.4	-75%
Operating income	0.7	2.9	-76%
Financial income*	2.7	4.9	-45%
Consolidated net income	3.1	7.0	-56%
Income per share	€0.21	€0.48	-56%

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

### Activity

The Group's annual turnover in 2016 amounted to €64.2 million, down slightly by 2%.

- Sales for Hercules posted annual growth of 5%.
- Thrustmaster returned to growth in the fourth quarter, after a decline over the first nine months of the year resulting from the pushing back until 2017 of the launch of the brand's high-end Gran Turismo-licensed racing wheel, following on from the delay of the game of the same name.

### Results and key balance sheet elements

The Group maintained positive profitability in fiscal 2016 with current operating income of €0.6 million, compared with a gain of €2.4 million in 2015, the lower result being mainly linked to the decrease in terms of the gross accounting margin of €2.8 million, partially compensated for by a €1 million decrease in costs over the year.

Operating income for fiscal 2016 showed a gain of €0.7 million. It includes an "Other operating revenue" of €1.0 million linked to a write-down reversal on the Thrustmaster brand, and an "Other operating expense" of €0.9 million resulting from impairment on "Goodwill" relating to Hercules' activity.

The Group has maintained its Research and Development investments, which amounted to €3.5 million, accounting for more than 5% of turnover.

Financial income of €2.7 million includes a revaluation gain of €3.1 million on current financial assets composed of Ubisoft Entertainment securities. Net income for the fiscal year amounted to €3.1 million, compared with €7.0 million in 2015.

## Balance sheet elements

(in € millions)	31/12/2016	31/12/2015
Shareholders' equity	28.4	25.2
Inventories	10.4	17.3
Net indebtedness*	9.1	6.1
Current financial assets (MIS)	15.0	12.2

\*Marketable Investment Securities (MIS) are not taken into account in calculating net indebtedness.

Current financial assets composed of Ubisoft Entertainment securities amounted to €15.0 million at December 31, 2016. The Group's financial structure is solid, with shareholders' equity increasing to €28.4 million compared with €25.2 million at December 31, 2015. The Group's inventory was down to €10.4 million in 2016, compared with €17.3 million for the previous year. The Group's net indebtedness amounted to €9.1 million (before Marketable Investment Securities), mainly due to the increase in working capital requirements of €4.7 million linked to strong end-of-year sales.

## Prospects for 2017

In 2017 the Group will benefit from a strong crop of top-tier video games encouraging sales of accessories, particularly in the realm of car racing. The games Gran Turismo® Sport on PlayStation®4, the new Forza Motorsport® on the Xbox One® console and PC, and Project Cars™ 2 are very highly anticipated amongst gamers.

Two new Gran Turismo-licensed wheels have been added to the Group's racing wheel ranges, along with the new TS-PC Racer, to meet the needs of the most demanding gamers battling for supremacy in the world of eSports.

The Group forecasts growth with respect to its turnover and operating income in fiscal 2017.

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](http://www.guillemot.com)

**APPENDICES**  
(All entries are in €K)

**Consolidated statement of income at December 31, 2016 year end**

(in €K)	31.12.16	31.12.15
<b>Net turnover</b>	64,226	65,799
Purchases	-27,002	-42,790
External expenses	-14,488	-14,547
Personnel expenses	-8,276	-7,137
Taxes and duties	-264	-314
Depreciation and amortization	-2,641	-2,557
Provisions allowance	-1,361	-1,528
Changes in inventories	-6,411	10,667
Other operating revenues	168	141
Other operating expenses	-3,342	-5,286
<b>Current operating income</b>	<b>609</b>	<b>2,448</b>
Other revenues from operations	1,000	483
Other expenses from operations	-887	0
<b>Operating income</b>	<b>722</b>	<b>2,931</b>
Cash and cash equivalents revenues	1	0
Cost of gross financial debt	264	199
<b>Cost of net financial debt</b>	<b>-263</b>	<b>-199</b>
Other financial revenues	3,297	5,291
Other financial expenses	-321	-163
Income tax expenses	-376	-817
<b>Net income before minority interests</b>	<b>3,059</b>	<b>7,043</b>
<b>including net income from discontinued activities</b>	<b>0</b>	<b>0</b>
Minority interest share	0	0
<b>Group net income</b>	<b>3,059</b>	<b>7,043</b>
Base earnings per share	0.21	0.48
Diluted earnings per share	0.20	0.45

**Consolidated balance sheet at December 31, 2016 year end**

**ASSETS**

(in €K)	31.12.16	31.12.15
Goodwill	0	888
Intangible fixed assets	7,781	7,081
Tangible fixed assets	2,683	2,682
Financial assets	457	459
Tax assets	380	0
Deferred tax assets	0	0
<b>Non-current assets</b>	<b>11,301</b>	<b>11,110</b>
Inventories	10,369	17,336
Customers	21,703	14,876
Other receivables	1,497	1,445
Financial assets	15,003	12,250
Current tax assets	50	329
Cash and cash equivalents	2,164	6,372
<b>Current assets</b>	<b>50,786</b>	<b>52,608</b>
<b>Total assets</b>	<b>62,087</b>	<b>63,718</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

(in €K)	31.12.16	31.12.15
Capital (1)	11,554	11,554
Premiums (1)	10,472	10,472
Reserves and consolidated income (2)	5,634	2,803
Forex adjustments	705	419
<b>Group shareholders' equity</b>	<b>28,365</b>	<b>25,248</b>
Minority interests	0	0
<b>Shareholders' equity</b>	<b>28,365</b>	<b>25,248</b>
Personnel commitments/benefits	847	589
Loans	1,672	4,182
Other liabilities	972	972
Deferred tax liabilities	1,018	715
<b>Non-current liabilities</b>	<b>4,509</b>	<b>6,458</b>
Suppliers	13,395	18,337
Short-term loans	8,643	6,870
Fiscal liabilities	224	273
Other liabilities	6,175	6,195
Provisions	776	337
<b>Current liabilities</b>	<b>29,213</b>	<b>32,012</b>
<b>Total liabilities and shareholders' equity</b>	<b>62,087</b>	<b>63,718</b>

(1) Of the consolidated parent company

(2) Net income for the fiscal year: €+3,059K

## Consolidated cashflow table at December 31, 2016 year end

(in €K)	31.12.16	31.12.15
<b>Cashflow linked to operating activities</b>		
Net income of integrated companies	3,059	7,043
+ Depreciation, amortization and provisions allowance (apart from that linked to current assets)	4,184	3,425
- Depreciation, amortization and provisions recovery	-1,000	-34
-/+ Unrealized gains and losses linked to changes in fair value	-3,165	-5,292
+/- Expenses and revenues linked to stock options	0	0
-/+ Net gain/loss on disposals	-131	3
Research Tax Credit on previous fiscal years recorded in income statement	0	-483
Research Tax Credit on previous fiscal years received over the period	0	483
Deferred tax change	303	715
<b>Cashflow after cost of net financial debt</b>	<b>3,250</b>	<b>5,860</b>
Cost of net financial debt	263	199
<b>Cashflow before cost of net financial debt</b>	<b>3,513</b>	<b>6,059</b>
Cashflow Forex adjustment	91	-131
Inventories	6,966	-9,902
Customers	-6,827	-1,376
Suppliers	-4,943	8,418
Other	63	1,114
<b>Working capital requirements change</b>	<b>-4,741</b>	<b>-1,746</b>
<b>Net cashflow linked to operating activities</b>	<b>-1,400</b>	<b>3,983</b>
<b>Cashflow linked to investments</b>		
Intangible fixed asset acquisitions	-1,442	-1,979
Tangible fixed asset acquisitions	-804	-857
Intangible and tangible fixed asset disposals	2	6
Financial fixed asset acquisitions	-33	-6
Financial fixed asset disposals	547	0
Net cashflow on subsidiary acquisitions/disposals	0	0
<b>Net cashflow linked to investment activities</b>	<b>-1,730</b>	<b>-2,836</b>
<b>Cashflow linked to financing activities</b>		
Capital increase or cash contribution	0	0
Dividends paid to minority shareholders	0	-1
Debt issuance	0	6,500
Shareholders' current account reimbursement	-424	-271
Debt repayments	-3,501	-2,157
Other cashflow linked to financing activities	0	0
<b>Total cashflow linked to financing activities</b>	<b>-3,925</b>	<b>4,071</b>
<b>Forex adjustment impact</b>	<b>75</b>	<b>-33</b>
<b>Cashflow change</b>	<b>-6,980</b>	<b>5,185</b>
Net cashflow at fiscal year start	3,027	-2,158
Net cashflow at fiscal year end	-3,953	3,027