

The Guillemot Corporation Group's financial statements at June 30, 2014 are broken down as follows:

2014 CONSOLIDATED HALF-YEAR RESULTS

(in € millions) January 1, 2014 – June 30, 2014	30/06/2014	30/06/2013	Change
Sales	12.0	14.1	-14.89%
Thrustmaster gaming accessories	7.9	5.8	+36.21%
Hercules digital devices	4.1	7.6	-46.05%
Hercules OEM	0.0	0.7	-
Current operating income	-3.5	-3.4	-
Operating income	-3.5	-4.1	-
Financial income*	1.6	1.3	-
Consolidated net income	-2.0	-2.8	-
Earnings per share	€-0.13	€-0.19	-

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

Activity

The first half of fiscal 2014 showed sharp contrasts, with a strong increase in Thrustmaster sales and a significant decrease in sales of Hercules products. After ending its Wi-Fi/PLC activities, **Hercules** will start to benefit from the progressive ramp-up of its new products created for use with smartphones and tablets, and from the takeoff of the European wireless speakers market. The Hercules products WAE NEO (from its *Wireless Audio Experience* range) and DJControlWave, each of which was honored with a 2014 CES Innovations Design and Engineering Award at the American CES trade show, will be followed by other original new WAE and DJ products in late 2014 and early 2015. For **Thrustmaster**, the Group is drawing on its official partnerships with Sony® and Microsoft® to create unique, unrivaled products – such as the *Ferrari 458 Spider Racing Wheel*, a mass-market wheel for the Xbox One™ console, and the high-end T300 wheels for PlayStation®4, launched in the spring. The release of many car racing games for the new consoles, whose installed base now exceeds 15 million units sold, will strengthen the wheels' development potential.

Results

Despite lower sales over the first half of the year, the increase in its gross margin, combined with a decrease in costs of more than 7% (including Research and Development costs capitalized over the period), has allowed the Group to stabilize its operating loss at the same level as for the first half of fiscal 2013, at €-3.5 million.

Financial income amounted to €1.6 million, including a €1.3 million revaluation gain on the Group's portfolio of marketable investment securities, and a net gain of €0.4 million on the disposal of 170,000 Ubisoft securities over the period. Consolidated net income amounted to €-2 million.

Main balance sheet elements:

(in € millions)	30/06/2014	31/12/2013
Shareholders' equity	17.2	19.1
Net indebtedness (excluding MIS)*	8.7	9.0
Inventories	10.6	10.0
Current financial assets (MIS share)	6.4	6.9

* Marketable Investment Securities are not taken into account in calculating net indebtedness.

With shareholders' equity of €17.2 million, the Group's financial structure is solid. Net indebtedness was down slightly at June 30, 2014, to €8.7 million. The Group holds a portfolio of marketable investment securities valued at €6.4 million at June 30, 2014.

Prospects

Thrustmaster, the leader in racing wheels on the new consoles, is well-positioned to achieve an excellent end to fiscal 2014. The ramp-up in terms of new Hercules products will provide a boost for sales over the second half of the year.

The Group forecasts non-OEM sales growth for the year's second half.

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, the UK, 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, ergonomic products which maximize the enjoyment of digital interactive entertainment end users.

APPENDICES
(All entries are in €K)

Consolidated net statement of income at June 30, 2014

(All entries are in €K)	30.06.14	30.06.13
Net sales	12,010	14,121
Purchases	-6,634	-6,121
External expenses	-3,510	-4,260
Personnel expenses	-3,640	-3,705
Taxes and duties	-134	-164
Depreciation and amortization	-1,341	-1,046
Provisions allowance	-390	-177
Changes in inventories	693	-1,740
Other operating revenues	167	108
Other operating expenses	-698	-376
Current operating income	-3,477	-3,360
Other operations-related revenues	0	0
Other operations-related expenses	0	-693
Operating income	-3,477	-4,053
Cash and cash equivalents revenues	0	1
Cost of gross financial debt	98	86
Cost of net financial debt	-98	-85
Other financial revenues	1,831	1,456
Other financial expenses	-148	-28
Income tax expenses	-60	-55
Net income before minority interests	-1,952	-2,765
including net income from terminated activities	0	0
Minority interest share	0	0
Group net income	-1,952	-2,765
Base earnings per share	€-0.13	€-0.19
Diluted earnings per share	€-0.12	€-0.17

Consolidated balance sheet at June 30, 2014

ASSETS	Net 30.06.14	Net 31.12.13
<i>(All entries are in €K)</i>		
Excess fair market values	888	888
Intangible fixed assets	7,022	7,263
Tangible fixed assets	3,088	3,303
Financial assets	439	381
Income tax receivables	0	0
Deferred tax assets	0	0
Non-current assets	11,437	11,835
Inventories	10,645	9,987
Customers	7,132	15,719
Other receivables	1,497	1,434
Financial assets	6,422	6,863
Cash and cash equivalents	1,224	2,135
Income tax receivables	80	99
Current assets	27,000	36,237
Total assets	38,437	48,072

LIABILITIES AND SHAREHOLDERS' EQUITY

	30.06.14	31.12.13
<i>(All entries are in €K)</i>		
Capital (1)	11,554	11,554
Premiums (1)	10,472	10,472
Reserves and consolidated income (2)	-5,269	-3,380
Forex adjustments	448	440
Group shareholders' equity	17,205	19,086
Minority interests		0
Shareholders' equity	17,205	19,086
Personnel commitments	491	441
Loans	1,673	2,339
Other liabilities	1,666	1,666
Deferred tax liabilities	0	0
Non-current liabilities	3,830	4,446
Suppliers	6,955	11,597
Short-term loans	6,558	7,086
Fiscal liabilities	232	229
Other liabilities	3,335	5,345
Provisions	322	283
Current liabilities	17,402	24,540
Total liabilities and shareholders' equity	38,437	48,072

(1) Of the consolidated parent company

(2) Net income for the fiscal year: €-1,952K

Consolidated cashflow table at June 30, 2014

(All entries are in €K)	30.06.14	30.06.13
Cashflow linked to operating activities		
Net income of integrated companies	-1,952	-2,765
+ Depreciation, amortization and provisions allowance (excluding that linked to current assets)	1,466	1,168
- Depreciation, amortization and provisions recovery	-25	-48
-/+ Unrealized gains and losses linked to changes in fair value	-1,304	-1,456
+/- Expenses and revenues linked to stock options	0	0
-/+ Net gain/loss on disposals	-425	19
Deferred tax change	0	0
Cashflow after cost of net financial debt	-2,240	-3,082
Cost of net financial debt	98	85
Cashflow before cost of net financial debt	-2,142	-2,997
Cashflow Forex adjustment	5	10
Inventories	-658	1,844
Customers	8,586	4,918
Suppliers	-4,642	-3,861
Other	-2,045	-779
Working capital requirements change	1,241	2,122
Net cashflow linked to operating activities	-994	-950
Cashflow linked to investments		
Intangible fixed asset acquisitions	-614	-1,158
Tangible fixed asset acquisitions	-297	-458
Intangible and tangible fixed asset disposals	1	8
Financial fixed asset acquisitions	-3	-2
Financial fixed asset disposals	2,185	0
Net cashflow on subsidiary acquisitions/disposals	0	0
Net cashflow linked to investment activities	1,272	-1,610
Cashflow linked to financing activities		
Capital increase or cash contribution	0	0
Dividends paid to minority interests	-8	0
Debt issuance	0	0
Shareholders' current account reimbursement	0	0
Debt repayments	-1,430	-752
Other cashflow linked to financing activities	0	0
Total cashflow linked to financing activities	-1,438	-752
Forex adjustment impact	6	-12
Cashflow change	-1,154	-3,324
Net cashflow at fiscal year start	-2,604	-3,454
Net cashflow at fiscal year end	-3,758	-6,778