



Guillemot Corporation S.A. 2018 Annual Results

SFAF Presentation
March 29, 2019, Paris



Significant events in fiscal 2018



- **Current operating income: +77%, to €6.9 million.**
- **Gross accounting margin rate: +4 points.**
- **Annual turnover: +1%.**
- **Acceleration of the Group's rollout in the Asia-Pacific region**, with sustained growth of 29% and accounting for more than 12% of the Group's sales.
- **Strengthening of the Group's American distribution with the retailer Walmart**, the worldwide leader in mass-market retailing, allowing it to be represented in more than three thousand additional American stores.
- **Launch of the new Hercules DJing range in music and computer stores** — including the DJControl Inpulse 300 controller, which received the innovation prize at CES 2019.
- **Implementation of a policy of direct deliveries with the key e-tail players worldwide** for Thrustmaster and Hercules.
- **Active participation in the world's largest trade shows**, as well as partnering with Gran Turismo for “FIA Gran Turismo Championship 2018” e-Sports-related events to provide racing gear for the competitions.
- **Furtherance of the Group's partnership with BANDAI NAMCO®**, via the creation of an officially-licensed joystick to accompany the launch of the game ACE COMBAT™ 7.



Overview of 2018 annual results

2018: Key figures

(in € millions) January 1, 2018 – December 31, 2018	31/12/2018	31/12/2017	Change
Turnover	81.2	80.4	+1%
<i>Thrustmaster</i>	76.8	75.7	+1%
<i>Hercules</i>	4.4	4.7	-6%
Current operating income	6.9	3.9	+77%
Operating income	6.9	5.9	+17%
Financial income*	3.1	13.8	-78%
Income taxes	2.2	-2.2	-
Consolidated net income	12.2	17.5	-30%
Basic earnings per share	€0.80	€1.19	-39%

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

(in € millions)	31/12/2018	31/12/2017
Shareholders' equity	58.3	45.5
Inventories	24.9	8.4
Net indebtedness*	7.9	1.2
Current financial assets (MIS)	31.3	28.5

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



■ Turnover by activity

(in € millions)	31/12/2018	31/12/2017
Hercules	4.4	4.7
Standard product lines	3.7	4.3
OEM*	0.7	0.4
Thrustmaster	76.8	75.7
Standard product lines	76.8	75.7
OEM	0.0	0.0
Total	81.2	80.4

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

■ Turnover by geographic region

(in € millions)	31/12/2018	31/12/2017
European Union	40.4	44.5
North America	27.5	24.6
Other	13.3	11.3
Total	81.2	80.4



Statement of income at December 31, 2018

**THRUSTMASTER®****WAE**
Wireless Audio Experience**DJUCED™**
BOOST YOUR MIX

(in €K)	31.12.18	31.12.17
Net turnover	81,222	80,448
Purchases	-57,132	-41,571
External expenses	-15,729	-14,899
Personnel expenses	-9,354	-8,254
Taxes and duties	-443	-358
Depreciation and amortization	-3,126	-3,155
Provisions allow ance	-1,573	-2,870
Changes in inventories	18,713	-87
Other operating revenues	250	398
Other operating expenses	-5,937	-5,707
Current operating income	6,891	3,945
Other revenues from operations	0	3,000
Other expenses from operations	0	-1,000
Operating income	6,891	5,945
Cash and cash equivalents revenues	23	7
Cost of gross financial debt	157	170
Cost of net financial debt	-134	-163
Other financial revenues	3,199	13,992
Other financial expenses	-1	0
Income taxes	2,196	-2,232
Net income before minority interests	12,151	17,542
including net income from discontinued activities	0	0
Minority interest share	0	0
Group net income	12,151	17,542
Base earnings per share	0.80	1.19
Diluted earnings per share	0.80	1.15



Balance sheet at December 31, 2018



ASSETS

(in €K)

	31.12.18	31.12.17
Goodwill	0	0
Intangible fixed assets	11,115	10,649
Tangible fixed assets	2,607	2,318
Financial assets	393	416
Tax assets	674	544
Deferred tax assets	873	0
Non-current assets	15,662	13,927
Inventories	24,925	8,367
Customers	23,779	23,913
Other receivables	1,442	1,348
Financial assets	31,284	28,470
Current tax assets	0	0
Cash and cash equivalents	4,010	10,294
Current assets	85,440	72,392
Total assets	101,102	86,319



LIABILITIES AND SHAREHOLDERS' EQUITY

(in €K)

	31.12.18	31.12.17
Capital (1)	11,771	11,554
Premiums (1)	10,551	10,472
Reserves and consolidated income (2)	35,887	23,162
Forex adjustments	56	281
Group shareholders' equity	58,265	45,469
Minority interests	0	0
Shareholders' equity	58,265	45,469
Personnel commitments/benefits	998	904
Loans	2,532	5,703
Other liabilities	0	0
Deferred tax liabilities	0	2,588
Non-current liabilities	3,530	9,195
Suppliers	18,878	15,376
Short-term loans	9,337	4,861
Fiscal liabilities	1,135	960
Other liabilities	9,921	9,455
Provisions	36	1,003
Current liabilities	39,307	31,655
Total liabilities and shareholders' equity	101,102	86,319

(1) Of the consolidated parent company

(2) Net income for the fiscal year: €+12,151K



Cashflow table at December 31, 2018

(in €K)	31.12.18	31.12.17
Cashflow linked to operating activities		
Net income of integrated companies	12,151	17,542
+ Depreciation, amortization and provisions allowance (apart from that linked to current assets)	3,394	5,552
- Depreciation, amortization and provisions recovery	-970	-3,460
-/+ Unrealized gains and losses linked to changes in fair value	-2,814	-13,467
+/- Expenses and revenues linked to stock options	0	0
-/+ Net gain/loss on disposals	0	-2
Deferred tax change	-3,461	1,570
Cashflow after cost of net financial debt	8,300	7,735
Cost of net financial debt	134	163
Cashflow before cost of net financial debt	8,434	7,898
Cashflow Forex adjustment	-19	-42
Inventories	-16,558	2,002
Customers	134	-2,210
Suppliers	3,502	1,981
Other	1,220	189
Working capital requirements change	-11,702	1,962
Net cashflow linked to operating activities	-3,421	9,655
Cashflow linked to investments		
Intangible fixed asset acquisitions	-2,191	-1,620
Tangible fixed asset acquisitions	-1,284	-667
Intangible and tangible fixed asset disposals	16	2
Financial fixed asset acquisitions	-60	-2
Financial fixed asset disposals	1	0
Net cashflow on subsidiary acquisitions/disposals	0	0
Net cashflow linked to investment activities	-3,518	-2,287



(in €K)

31.12.18 31.12.17

Cashflow linked to financing activities

Capital increase or cash contribution	329	568
Dividends paid to minority shareholders	0	0
Debt issuance	133	9,500
Shareholders' current account reimbursement	-972	0
Debt repayments	-4,822	-3,157
Other cashflow linked to financing activities	0	0
Total cashflow linked to financing activities	-5,332	6,911
Forex adjustment impact	-13	-47

Cashflow change

Cashflow change	-12,284	14,232
Net cashflow at fiscal year start	10,279	-3,953
Net cashflow at fiscal year end	-2,005	10,279



Hercules
IT'S
YOUR
TURN



Hercules' product lines

DJing and digital music

Wireless speakers for smartphones and tablets





In 2018, Hercules:

- Integrated the design thinking method into its strategy, resulting in the successful launch of its brand-new range of DJ controllers.
- Rolled out a recovery plan by way of redefining the brand: this translated into a new logo, a new website and a new visual identity, in order to better respond to popular new trends among consumers, and add contemporary appeal to boost Hercules' standing in the market.
- Expanded its distribution network thanks to the signature of a strategic agreement with Jam Industries/American Music and Sound — the leading American music gear distributor.
- Strengthened its presence among important market influencers for better contact with communities of DJs and young athletes — most recently with Simon Perdrix, a rising star in freeride and slopestyle mountain biking.
- Received the CES 2019 Innovation Awards Honoree prize in late 2018 for its innovative approach toward learning how to DJ, made possible by its Hercules DJControl Inpulse 300 controller.
- Stepped up its participation in international trade shows (CES Las Vegas, NAMM Show, Dancefair, BPM Birmingham...).





Driven by their continuous quest for improvement and creativity, the DJUCED teams made an important step forward with the software: since August 2018, DJUCED 18° and DJUCED 40° have been combined into DJUCED.

This major evolution has resulted in many innovative new features, including:

- A new interface that's perfect for all ability levels: it easily adapts to all needs for beginners through advanced users. The interface is simpler than ever to use and master, more ergonomic and more intuitive.
- A new file browser.
- A simplified approach to learning, via the built-in DJ Academy tutorials.
- IMA: the Intelligent Music Assistant makes it easy to select the best upcoming tracks.
- New sampler modes.



Audio



Hercules



THRUSTMASTER®



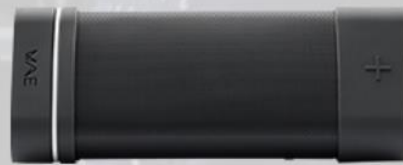
WAE
Wireless Audio Experience



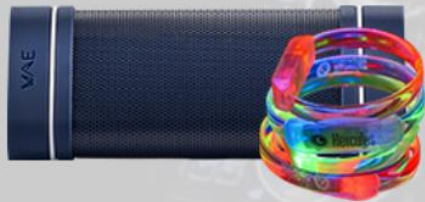
DJUCED™
BOOST YOUR MIX



WAE Outdoor Rush



WAE Outdoor 04 Plus
FM



WAE Outdoor 04 Plus
Party Pack



WAE Outdoor 04 Plus
Pack

WAE
Wireless Audio Experience



WAE Outdoor 04Plus



WAE Music App



DJCONTROL IMPULSE RANGE

DJCONTROL STARLIGHT

DJCONTROL IMPULSE 200

DJCONTROL IMPULSE 300

DJ STARTER KIT



DJCONTROL STARLIGHT



 **serato** DJ Lite

FULL-FEATURED DJ CONTROLLER

CONTROLS

Touch detection on jog wheels



Solid knobs and faders

AUDIO



Headphones output + Speakers output

**START
SERATO**
become a DJ

The perfect DJ controller to get started DJing with Serato:

- **Serato DJ Lite** included
- Mix anywhere with this **full-featured, mobile DJ controller**
- Monitor your mix on **headphones** and play it through **speakers** thanks to the **built-in DJ audio interface**
- Control playback and **scratch easily** with the **touch-detecting jog wheels**
- **Bass EQ/filter rotary knobs** for smooth transitions
- Add colors to your mix with **clear, strong RGB strobe effect backlighting** underneath the base

Hercules DJControl Starlight Test

DJ-CONTROLLER

Kompakt mit Bling-Bling

von Peter Westermeyer | 22.10.2018

★★★★☆ (3,5/5) 43



Wer als Anfänger oder Hobby-DJ auf der Suche nach einem kleinen und kompakten DJ-Controller für zuhause oder unterwegs ist, könnte mitunter Gefallen am Hercules DJControl Starlight finden. Das Gerät ist für Serato DJ konzipiert und kostet schlappe 79,99 €. Neben verschiedenen Bedienelementen für den Mix ist der Controller mit einem integrierten Audiointerface ausgestattet und möchte durch seine spezielle RGB-Unterbodenbeleuchtung beim Aufliegen unterstützen ...

Compact & light
Integrated audio interface
Good choice of control options for SERATO
Serato intro included

PRAXIS

Der Testproband fühlt sich ordentlich verarbeitet und recht wertig an. Aufgrund seiner länglichen Konstruktion nimmt er wenig Platz vor dem Laptop ein und die Kabel laufen seitlich weg. Das passt.



Hercules DJControl Starlight passt prima auf und vor das 15,4 Zoll MacBook Pro



Serato DJ Lite ist via Download von Seratos Website zu beziehen. Ferner findet sich auf Hercules Internetpräsenz ein Treiber-Package, das vermuten lässt, man könne den Starlight vielleicht mit der neuen Hercules DJUCED Software betreiben, doch dem ist nicht so. Das ist schade, denn die Geschwister-Controller arbeiten laut Liste sehr wohl mit dem Programm zusammen.

<https://www.youtube.com/watch?v=vJuKucuS8pA>



Test: Hercules DJControl Starlight

332 views

15 1 2 100% 100% 100% 100%

einfach aufliegen
Abonniere 23. Nov. 2018

ABONNIERE 23. Nov.

HERCULES DJ CONTROLLERS

DJCONTROL IMPULSE 200

**START
EASY**
become a DJ

- **Start to DJ** with the right controller
- **Train your ears** and learn to **beat match manually** with built-in **dynamic light guides**
- Follow the **DJ Academy tutorials** integrated into **DJUCED®**
- The **Intelligent Music Assistant** analyzes and suggests the best tracks using **DJUCED®**
- Set the **Energy** level for your party to match the best songs for the occasion
- Be confident and have fun!

Deck controls:

- **Jog wheels:** touch detection for scratch mode
- **4 pads:** enable 4 modes (hot-cue, roll, fx, sampler)
- **Loop in/Loop Out** keys
- **Tempo/pitch fader**

Mixer controls:

- Set the **gain**, **2 EQ levels**, **filter** on knobs, **volume and mix** on faders
- Set the **master volume** and select a preview

Built-in audio:

- Master speakers output + headphones output



SRP: €99.99

40°
DJUCED

DJ Jetber – Hercules DJControl Inpulse 200/300 (ES - MEX)

NEW!



Hercules DJControl Inpulse 300 | Una Transición Muy fácil | DJ Jetber

2 371 vues

136 1 PARTAGER ENREGISTRER ...



HERCULES DJCONTROL IMPULSE 200 VS HERCULES DJCONTROL IMPULSE 300 | DJ Jetber

2 270 vues

94 2 PARTAGER ENREGISTRER ...



DJ Jetber

Ajoutée le 13 mars 2019

S'ABONNER 27 K

HERCULES DJ CONTROLLERS

DJCONTROL IMPULSE 300



SRP: €199.99



**MIX
EASY**
become a DJ

- **Learn to DJ and mix** in the best way possible
- Train your ears and **manually beat match** with built-in **dynamic light guides**
- Follow the **DJ Academy tutorials** integrated into **DJUCED®**
- The **Intelligent Music Assistant** analyzes and suggests the best tracks using DJUCED®
- Set the **Energy** level for your party to match the best songs for the occasion

Deck controls:

- **Large jog wheels:** 150 mm / 5.9" with touch detection
- **8 pads:** enable 8 modes (hot-cue, roll, slicer, sampler, toneplay and more)
- **Effects control rack:** 1 key and 2 rotary knobs
- Slip, quantize, loop in and loop out keys
- **Tempo/pitch fader**

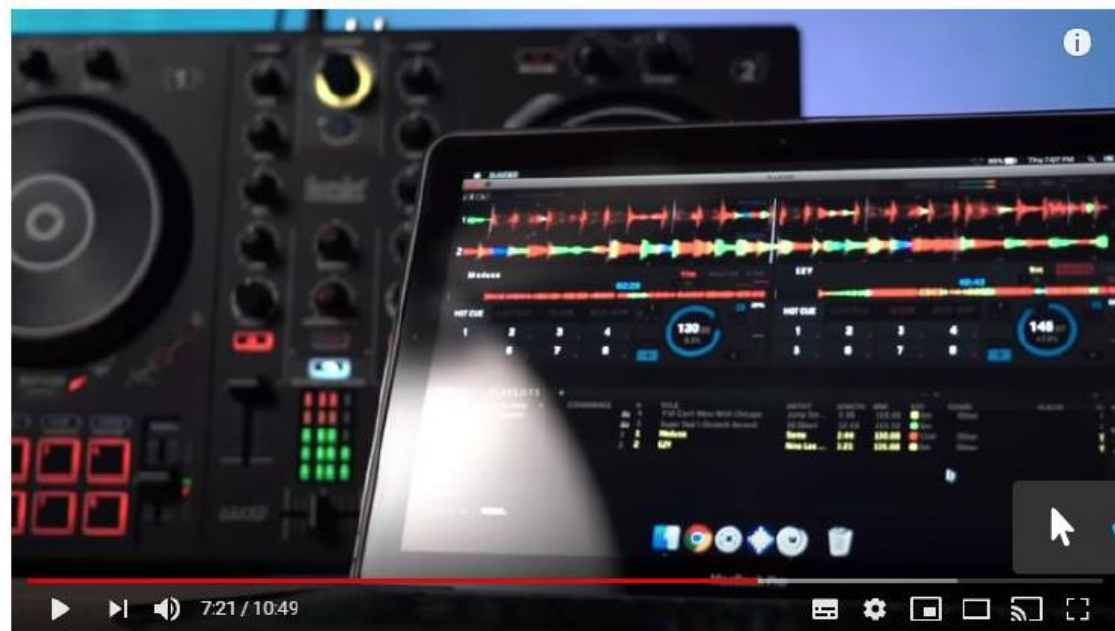
Mixer controls:

- Set the **gain**, **3 EQ levels**, **filter** on knobs, **volume and mix** on faders
- Set the **master volume** and select a preview
- Check levels on the deck VU-meters and master VU-meter

Built-in audio:

- Master speakers output + headphones output

DJ Carlo Atendido – DJControl Inpulse 300 (en)



DJ Carlo Atendido (73K followers) – US

BEST DJ CONTROLLERS
UNDER \$300 + GIVEAWAY
<https://youtu.be/roU7c3BxU2s>

« What I like the most about this controller is that it takes full advantages of every features that DJUCED has »

quite beneficial for beginners DJs

#DJcontroller #DJ #djeequipment

BEST DJ CONTROLLERS UNDER \$300 + GIVEAWAY

7217 vues

637

10

PARTAGER

ENREGISTRER

...



DJ Carlo Atendido

Ajoutée le 15 févr. 2019

S'ABONNER 73 K



Darth Holt il y a 1 jour

Tje impulse 300 is my favourite because it has the simplest layout and some features that help begening djs

<https://youtu.be/roU7c3BxU2s?t=441>



AUDIO

Hercules wants to turn you into a superstar DJ with some new controllers

(Okay, the superstar bit is on you)



by Joe Rice-Jones October 22, 2018



"Both models have a welcome addition aimed at budding DJs – a beatmatch guide. This comes in the form of lighted help arrows along the tempo fader and below the jog wheels, which illustrate which direction the would-be-DJ needs to adjust the controls. Both controllers are also equipped with Hercules' Assistant button, which suggests the best songs from your computer's audio library and the Energy knob, which lets you set the energy that tracks will be suggested to you by the software."

"Both controllers are supported by the newly updated DJUCED software which has a host of useful features like "Trending Songs" which uses AI to reveal tomorrow's hottest songs to help you prepare your new playlists. There's even an Academy with how-to videos to help you learn."

A very descriptive & positive article

<https://knowtechie.com/hercules-dj-controllers/>



Hercules is thrilled to unveil its brand-new, two-in-one solution for unforgettable parties. Who hasn't dreamed about turning their living room into a real nightclub? Well, now you can — and it couldn't be easier, with the freshly-minted **DJSpeaker 32 Party** speakers.

Easily controlled via the included infrared remote, the speakers let you choose between 4 different lighting modes to keep the good vibes going non-stop: say hello to amazing birthday parties, New Year's Eve bashes and spur of the moment get-togethers!

Hercules DJSpeaker 32 Party (EN/ES)

Hercules turns your home into a night club with their new DJSpeaker 32 Party speakers

BARREY STEVENS - 11 HOURS AGO



Hercules are a big player in the DJing and music entertainment scene and they will soon be releasing their new DJSpeaker 32 Party speakers. These little boxes of joy are not your average speakers, oh no! These come complete with their own disco lights!

Entertainment Focus - « They maintain the quality sound that Hercules is known for and with the added light domes you have an instant party at your fingertips. »

<https://www.entertainment-focus.com/technology-section/technology-news/hercules-turns-your-home-into-a-night-club-with-their-new-djspeaker-32-party-speakers/>



Hercules saca al mercado su altavoz para fiestas en casa

14 marzo, 2019 por rafasumu, posted in tecnología

☆☆☆☆☆ Rate This

Los reyes del mando (ES)

<https://losreyesdelmando.com/2019/03/14/como-hercules-es-facilísimo-convertir-tu-salon-en-una-espectacular-sala-de-fiestas/#more-63272>

¿Quién no ha soñado con convertir su salón en una auténtica sala de fiestas? Pues ahora puedes, y no podría ser más sencillo, con los altavoces recién creados DJSpeaker 32 Party.



DJSpeaker 32 Party film



THRUSTMASTER®

PASSION, QUALITY
& INNOVATION

Gaming headsets

Racing wheels

Gamepads

Joysticks





Thrustmaster's product lines

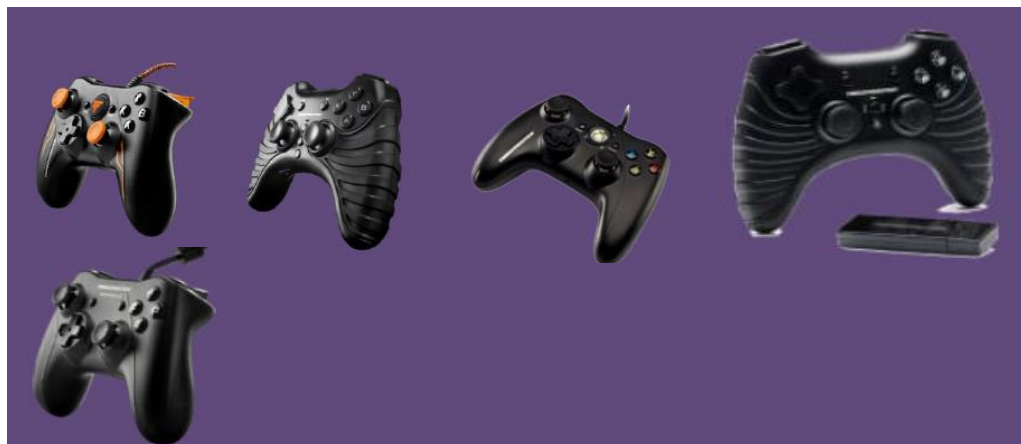
Racing wheels



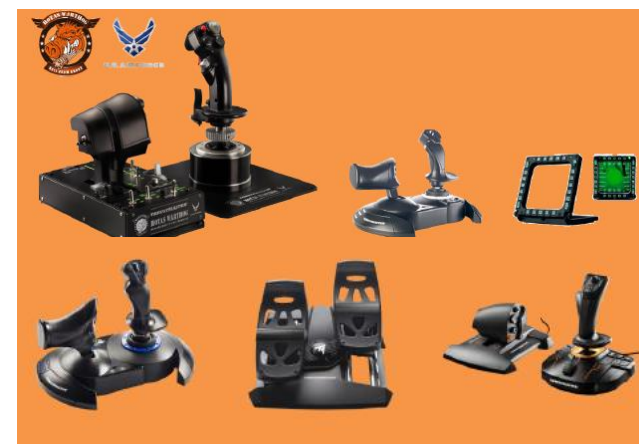
Gaming headsets



Gamepads



Joysticks





In 2018, Thrustmaster:

- Achieved good growth in the joysticks, gaming headsets and gamepads segments.
- Gaming headsets: With the first Ferrari-licensed gaming headset, the T.Racing Scuderia Ferrari Edition, Thrustmaster made a significant breakthrough into this segment. In parallel, the new high-end T.Flight U.S. Air Force Edition gaming headset — officially licensed by the U.S. Air Force — allowed the Group to expand its flight simulation ecosystem, and the Y-300CPX Six Collection Edition headset — with a license for Tom Clancy's Rainbow Six Siege — joined the range in the United States.
- Gamepads: This important category is a priority for the Group, given the increasing popularity of multiplatform competitions and games.
- Joysticks: Thrustmaster launched new limited-edition versions of the T.Flight Hotas One and T.Flight Hotas 4 joysticks, officially licensed for the blockbuster game ACE COMBAT™ 7: SKIES UNKNOWN in partnership with the Japanese publisher BANDAI NAMCO®.
- Officially launched its Ferrari-licensed racing wheels in the Chinese market.
- Adopted a strategy of direct deliveries with the key e-tail players worldwide, translating into Amazon US being directly supplied via Hong Kong.
- Racing wheels: Sales of racing wheels, which had shown strong growth in early 2018 following on from the launch of the game Gran Turismo® Sport in October 2017, did not benefit from as rich a crop of racing game releases and new launches for the Group throughout the year. This resulted in a decrease in terms of resupplying distribution channels during the fourth quarter.



Racing wheels and accessories



JOYSTICKS



Launch of new limited-edition versions of the T.Flight Hotas One and T.Flight Hotas 4 joysticks, officially licensed for the blockbuster game ACE COMBAT™ 7: SKIES UNKNOWN in partnership with the Japanese publisher BANDAI NAMCO®.

T.Flight Hotas 4

ACE COMBAT 7 SKIES UNKNOWN

NEW 2019

PS4 PS3

PC Compatible

T.Flight Hotas One

ACE COMBAT 7 SKIES UNKNOWN

NEW 2019

Designed for
XBOX ONE

PC Compatible



Gaming headsets





THRUSTMASTER®

ESPORTS







RACING:

- ✓ Thrustmaster provided the equipment for the eWRC 2018 finals, and took part in the Assetto Corsa Competizione premiere at E3 2018.
- ✓ Thrustmaster provided the equipment for all of the regional and world finals, in its role as the official racing gear supplier for the game Gran Turismo® Sport on PlayStation®4 worldwide.

This continued throughout the Gran Turismo Sport competition season, with the finals in Monaco featuring thirty-two of the world's best drivers in two different categories.

- ✓ Thrustmaster is currently supporting and sponsoring sixteen drivers and racing teams worldwide, including two world champions.



PARIS GAMES WEEK — FRANCE

Dates:

October 25–30, 2018

Attendance:

316,000 attendees over 5 days





CITY RACE — ITALY

Dates:

August 31–September 2, 2018

Attendance:

Milan residents and local tourists





RTX AUSTIN — USA

Dates:

July 5–7, 2018

Attendance:

More than 5,000 attendees over 3 days





Hercules
▲▲▲



THRUSTMASTER®



WAE
Wireless Audio Experience



DJUCED™
BOOST YOUR MIX





FLIGHT SIM:

2018 also saw Thrustmaster eagerly continue to support flight sim competitions.

The world finals of the Phoenix Tournament aviation competition for the game War Thunder from Gaijin Entertainment took place at Thrustmaster's booth at Paris Games Week in October, where the winning teams from their respective continental zones faced off against one another.

Thanks to its ecosystem, Thrustmaster has become the preferred partner for all gamers looking for a more realistic, performance-oriented gaming experience.



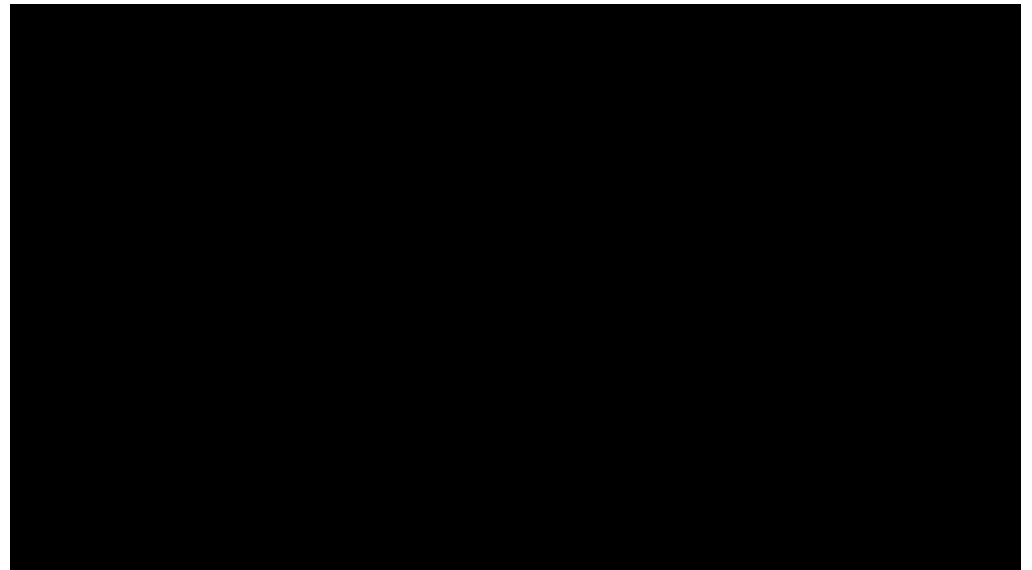
RIAT AIRSHOW — UK

Dates:

July 13–15, 2018

Attendance:

185,000 attendees over 3 days



THE ROYAL INTERNATIONAL
AIR TATTOO





OSHKOSH AIRSHOW — USA

Dates:

July 23–28, 2018

Attendance:

600,000 attendees over 6 days

**EAA AIRVENTURE
OSHKOSH**





War Thunder finale film



New products from Thrustmaster



Thrustmaster® teams up with the Blancpain GT Series to announce the upcoming launches of two new add-on wheel rims in its racing ecosystem.



TM COMPETITION WHEEL ADD-ON sparco® P310 Mod



The **TM Competition Wheel Add-On Sparco® P310 Mod** wheel rim, designed as an official replica of the world-famous Sparco® P310 steering wheel, is a vector for immersion and realism thanks to its unique ergonomically-designed shape, suede grips and various high-quality materials. Designed with performance in mind, it's the perfect solution for gamers searching for lifelike sport-style driving conditions!



TM OPEN WHEEL Add-On

The **TM Open Wheel Add-On**, also sold without a wheel base, has been developed in the style of the wheels on real GT, LMP and LMS cars found on today's racing circuits. It's compact in size (11 inches/28 cm in diameter) to ensure versatile driving ergonomics, and helps users improve their performance.

This wheel rim, the lightest ever designed in Thrustmaster's racing ecosystem, will allow gamers to experience Force Feedback effects that are as close as possible to real-world racing conditions.





THRUSTMASTER®



WAE
Wireless Audio Experience



DJUCED™
BOOST YOUR MIX



Prospects for 2019



2019 is set to be a transitional year in the video gaming sector. Worldwide demand for accessories will remain dynamic — particularly in the e-commerce sales channel, where the Group is currently achieving solid growth, and strengthening its leadership position with regard to racing wheels and joysticks in North America.

However, the Group has noted a high inventory level among wholesalers dealing with traditional distribution. These significant inventory levels will impact sales over the first half of the fiscal year, leading the Group to now forecast turnover between €70 and €75 million, and positive operating income for fiscal 2019.

The Group is working on major innovations for 2020, to coincide with the arrival of the next generation of game consoles.



– Thank you –