

BIGBEN INTERACTIVE

Press Release

Lesquin, 20 October 2014, 7 pm

TURNOVER FOR THE FIRST HALF OF 2014/2015: €73.1 M, +7.2%
SUSTAINED GROWTH IN CORE BUSINESS ACTIVITIES: + 9.5%

FULL YEAR OUTLOOK CONFIRMED

IFRS – €M Turnover	2014/2015	2013/2014	Change
1 st Quarter	35.4	32.0	+ 10.6%
2 nd Quarter	37.7	36.2	+ 4.2%
1 st Half	73.1	68.2	+ 7.2%

Unaudited data

In the 2nd quarter of financial year 2014/2015 (from 1 July to 30 September 2014), Bigben Interactive generated a turnover of €37.7 M, up 4.2% compared to the same period in the last financial year.

This increase was due to the acceleration in the growth of the Group's Core Business activities, generating €36.8 M (+ 14.7% vs. + 4.0% in the 1st quarter):

- The Accessories business saw accelerated growth (+ 6.6% to €29.0 M) driven by strong demand for Smartphone accessories (+13%). Gaming accessories reported an activity decline slowdown (-13% compared with -30% in the 1st quarter) due to the strong performance of the Turtle Beach headsets;
- Audio generated strong growth (+58.3% to €6.8 M) due to the growing contribution from products under the Thomson licence (respectively 12% and 28% of Audio sales in the 1st and 2nd quarters);
- Publishing continued to perform well (+ 53.1% to €0.7 M) with the latest sales of the WRC4 and Handball Challenge video games prior to the imminent release of the Group's flagship game: Rugby 15 (Top 14 licence). Of particular note is the growth in digital sales, which represented almost 50% of the Group's business.

Distribution, a non-core activity, with an unpredictable sales trend, generated a turnover of €1.0 M down by 76.7% given the high comparison basis of the 2nd quarter of 2013 (release of the video game Grand Theft Auto 5).

The consolidated turnover of Bigben Interactive in the 1st half of 2014/2015 (from 1st April to 30 September 2014) therefore stands at €73.1 M, up 7.2% compared to the 1st half of the last financial year. The growth of + 9.5% of the Core Business activities (93.4% of overall sales) contributed to this rise.

Breakdown of turnover by businesses

Turnover in €	1 st half 2014/2015	Relative share	1 st half 2013/2014	Relative share	Change
Core Business	68.3	93.4%	62.4	91.4%	+ 9.5%
Accessories (Gaming+ Smartphones+ IT)	56.4	77.0%	54.1	79.3%	+ 4.1%
Audio	10.4	14.3%	7.6	11.1%	+ 38.1%
Publishing	1.5	2.1%	0.7	1.0%	x 2.2
Distribution	4.8	6.6%	5.9	8.6%	- 17.3%
Total	73.1	100.0%	68.2	100.0%	+ 7.2%

Breakdown of turnover by territories, including domestic sales and export sales from these territories (like for like)

Turnover in €M	1 st half 2014/2015	1 st half 2013/2014	Change
France	60.2	54.8	+ 9.9%
Benelux	4.9	4.5	+ 8.5%
Germany	5.2	5.1	+ 2.0%
Other territories	2.8	3.9	- 26.0%
Total	73.1	68.2	+ 7.2%

Outlook:

High sales anticipated for a strategic 3rd quarter

Backed by a new product range from the Smartphone market leaders (Apple and Samsung), tailored for the Christmas sales (children's tablets, audio tours etc.) and by the likely success of the new video game Rugby 15, Bigben Interactive is particularly confident about its business outlook for the 3rd quarter of its financial year, covering the Christmas season.

With regards to the Accessories business, the joint launch of the iPhone 6 and iPhone 6+ provides Bigben Interactive with the opportunity to offer its customers a full range of dedicated accessories. The main licences, such as Christian Lacroix and Jean-Paul Gaultier, as well as a core range of products marketed under its own name, were met with success since the 1st day of marketing these new smartphones, which have achieved worldwide sales success.

The Publishing business is forecast to achieve strong growth with the release of the "Rugby 15" game (Top 14 licence) on 14 November 2014. Following the successful launch of WRC4 (250 000 units sold) and Handball Challenge (70,000) in 2013/2014, the Bigben Interactive Group has grown in strength in the operation of sports game licences. The Top 14 licence, signed for a duration of 3 years, has already proved to be the greatest success of Bigben Interactive with over 200,000 games pre-sold before the launch date, and the significant interest of new distributors to establish themselves in new territories as a result of this video game.

At the end of this 1st half and given the promising business potential in the 3rd quarter, Bigben Interactive confirms its objective of an annual turnover of over €190 M (equal to a growth of + 6.5% compared to financial year 2013/2014).

A significant recovery of operating profitability forecast for the year

The sales growth of Smartphone accessories under its own brand and under licence, combined with the acceleration of Audio sales and the continuation of the growth trend in Publishing, has allowed Bigben Interactive to improve its product mix in terms of margin. Accompanied by the optimisation of structural costs, this favourable growth has initiated the recovery of the Group's annual operating profitability.

For the 1st half, a period that is unrepresentative of annual profitability, as it is driven mainly by the 2nd half (over 60% of annual turnover), Bigben Interactive is anticipating a significant reduction in its operating losses.

Bigben Interactive shall announce its annual profitability objective in the next press release of its half-year results on 24 November this year.

Next press release:

Half-year results 2014/2015: Monday 24 November 2014

Press Release after trading

About Bigben Interactive

A leading player specialized in the design and distribution of accessories for video games and cell phones, as well as audio products, Bigben Interactive has a presence in France, Benelux, Germany and Hong Kong. Buoyed by the rapid expansion of the Smartphone market and changes in the video game market, the Group, which is recognized for its capacities in terms of innovation and creation, seeks to become one of Europe's leaders in multimedia accessories.

The Bigben Interactive group has 283 employees in France, Benelux, Germany, Spain and Hong Kong. Sales published for last year (to the end of March 2013) amounted to €164M.

Contacts

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