

21 November 2016, 19:00

RISE OF 2016/2017 INTERIM RESULTS

CURRENT OPERATING PROFIT: € 1.8 M (+ 26.2%)

NET PROFIT BEFORE INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD: € 2.3 M (+ 82.7%)

NET FINANCIAL DEBT RATE DOWN TO 21%

STRATEGIC PARTNERSHIP WITH SONY

BIGBEN INTERACTIVE (ISIN FR0000074072 today releases its audited consolidated interim results for the financial year closing on 31 March 2017 as approved by its Board of directors on 21 November 2016.

Like for like scope

Consolidated financial highlights in €M IFRS	09/2016	09/2015	Change
Sales	84.9	88.6	-4.2%
EBITDA <i>In % of sales</i>	6.2 7.3%	6.9 7.8%	-10.1%
Current operating result <i>In % of sales</i>	1.8 2.1%	1.4 1.6%	+26.2%
Operating result <i>In % of sales</i>	1.7 2.0%	1.4 1.6%	+23.9%
Financial result <i>Of which currency gain/(loss)</i>	0.8 1.3	0.2 0.8	
Earnings before tax <i>In % of sales</i>	2.6 3.0%	1.6 1.9%	+55.6%
Tax	(0.3)	(0.4)	
Result after tax and before results from equity investments <i>In % of sales</i>	2.3 2.7%	1.2 1.4%	+82.7%

As a reminder, the *Result after tax and before results from equity investments* (i.e. *Result from Investments accounted for by the equity method*) included in September 2015 the share in ModeLabs Mobiles SAS profit. As this interest was sold in March 2016, the *Result for the period* as at September 30, 2016 appears to be less representative of the Group's profitability than the *Result after tax and before results from equity investments*. The table below reconciles both income statement balances over the last twelve months.

Results from investments accounted for by the equity method

Consolidated financial highlights in €M	09/2016	03/2016	09/2015
Result after tax and before results from equity investments	2.3	4.1	1.2
Results from equity investments	(0.2)	(0.2)	1.4
Result of the period <i>In % of sales</i>	2.1 2.4%	3.9 1.9%	2.6 3.0%

A first half activity faced with an adverse comparison basis

Over the first-half of FY 2016/2017 (from April 1 to September 30, 2016), Bigben Group's consolidated net sales amounted to € 84.9 million, a decrease of 4.2% when compared to the 1st half of the previous year.

The growth of the Mobile business over the period could not offset the strong base effect in Publishing. The *WRC6* video game title released during the period is restricted to "New Generation" formats while its predecessor *WRC 5* launched in the first half of 2015-2016 was compatible with all console formats.

Growth of Operating Profit

The Bigben Interactive Group posted a significant increase in profit in the first half of FY 2016/2017, during a period not representative of the annual profitability mainly supported by the 3rd quarter (year-end) sales.

The EBITDA rate, for once faced with a high basis of comparison in the strong margin Publishing business segment, decreased slightly to 7.3% against 7.8% in the first half of the previous year. However current operating income amounted to € 1.8 million due to lower depreciation and amortization of Publishing titles i. e. a 26.2 % increase when compared with the first half of FY 2015/2016.

Group current operating result per territory in first half of FY 2016/2017

In M€ 2016/2017	France	Benelux	Germany	Other territories	Total
Sales	69.3	4.3	4.9	6.4	84.9
Current operating profit	2.1	(0.1)	(0.7)	0.4	1.8

Significant rise of Net Result

Thanks to an improvement of the financial result supported by the dollar hedging policy, the result for the period for continued activities (i.e. excluding earnings from investments accounted for by the equity method) amounted to 2,3 M€ up by 82.7%.

Including earnings accounted for by the equity method, the result for the period amounted to 2.1 M€.

Strong drop of Financial Debt

As at 30 September 2016, Bigben Interactive consolidated balance sheet showed shareholder funds of 118.6 M€ against 107.7 M€ at the end of 2015-2016 first half.

Over the last twelve months of current financial year, Group net financial debt dropped by 21.1 M€ to reach 25.2 M€, representing a net financial debt rate down from 43 % to 21 % as at 30 September 2016. This favourable evolution results from both the higher Group profitability and the 7.3 M€ share capital increase through the exercise of BSA equity warrants.

Furthermore it should be noted that Bigben obtained a non interest bearing facility from BPI France in November 2016, following the renewal of its "Innovative Company" label,.

Outlook:

Strengthening of strategic partnership with Sony

As for Gaming accessories, Bigben strengthens its strategic partnership with *Sony Interactive Entertainment Europe* through the launch before year end of a high performance, PlayStation®4 compatible controller (*REVOLUTION Pro Controller NACON™*). This licensing agreement represents a strategic growth driver for the Group in a market hallmarked by Next Generation console hardware closed to third party accessories. The potential seems particularly important given a global PS4 console park estimated at 50 million units by the end of December 2016.

Other development factors

Bigben will launch a range of accessories for the new *Nintendo Switch* console to be released in March 2017.

For Publishing in the 2nd half year, the gaming software line-up includes the launch of *The Voice* with a strong marketing campaign on French major TV channel TF1, *2Dark*, *Handball 17*, *Flat Out 4 – Total Insanity* as well as the distribution across the Americas and Asia of *WRC6* and *Sherlock Holmes*, *The Devil's Daughter*.

In addition, the Group now announces a release target of 10 new software titles in 2017/18, which should generate over 50 M€ sales in next financial year.

In the Mobile business segment, Bigben will further develop its range of accessories for iPhone, Samsung, Huawei and intensify the commercial deployment of its successful *Force Glass™* product.

Finally, the Group continues to build on the *Thomson* brand with new innovations in the Audio business segment.

Banking on these prospects, the Bigben Group confirms the targets announced for its *Horizon 2018 Plan* as follows:

- 2016/2017: sales between 200 M€ and 210 M€ and a result from current operations over 5%,
- 2017/2018 an accelerated sales growth and a result from current operations over 7%.

Upcoming publication:

3rd quarter sales 2016/ 2017: Monday 23 January 2017

Press release after close of the stock market

ABOUT BIGBEN INTERACTIVE

SALES 2015-2016
202,2M€

Bigben Interactive is a European player in video game publishing, the design and distribution of accessories for smartphones and video games as well as in audio products. The Group, which is recognized for its capacities in terms of innovation and creation, seeks to become one of Europe's leaders in each of its business segments.

HEADCOUNT
ca. 350 employees

Company listed on Euronext Paris, compartment C – Index : CAC SMALL – Éligible SRD long
ISN : FR0000074072 ; Reuters : BIGPA ; Bloomberg : BIGFP

INTERNATIONAL
9 subsidiaries and a distribution network in 50 countries

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