

48.7% GROWTH OF CURRENT OPERATING PROFIT IN FY 2017/18

PROPOSAL OF A 0.20 € FULL YEAR DIVIDEND PER SHARE

OUTLOOK: 265 TO 280 M€ SALES TARGET AND CURRENT OPERATING PROFIT EXCEEDING 8% IN FY 2018/19

BIGBEN INTERACTIVE (ISIN FR0000074072) today releases its audited consolidated results for the financial year closing on 31 March 2018 as approved by its Board of directors on 28 May 2018.

Consolidated highlights in €m (IFRS)	03/2018	03/2017	Change
Sales	245.4	208.1	+17.9%
Gross margin <i>In % of Sales</i>	77.5 31.6%	66.3 31.9%	+16.9%
EBITDA <i>In % of Sales</i>	29.7 12.1%	20.6 9.9%	+44.2%
Result from current operations <i>In % of Sales</i>	16.4 6.7%	11.0 5.3%	+48.7%
Non recurrent items <i>(including Bonus Shares)</i>	(1.5)	(0.5)	
Operating result <i>In % of Sales</i>	14.9 6.1%	10.6 5.1%	+40.8%
Financial result <i>Including currency gain (loss)</i>	(2.8) (1.8)	1.6 2.6	
Earnings before tax <i>In % of Sales</i>	12.1 4.9%	12.2 5.8%	-0.5%
Tax	(3.2)	(3.0)	
Income from equity acc'td investments	-	(0.2)	
Net result for the period <i>In % of Sales</i>	8.9 3.6%	9.0 4.3%	- 0.1%

A year of strong growth

Bigben Interactive achieved sales of 245.4 M€ up by 17.9% for its 2017/2018 financial year ended 31 March 2018 despite the shift of two major games to the 1st quarter of FY 2018/2019.

Net rise of operating profitability

The Bigben Group recorded a growth of its operating profit in FY 2017/2018 thanks to a gross margin up by 11.2 M€ as well as contained operating expenses and staff costs.

EBITDA reached 29.7 M€ up by 9.1 M€ (+44.2%) when compared with FY 2016/2017, the EBITDA rate representing 12.1 % of sales i.e. an increase of 220 basis points. This achievement enabled additional depreciation of 3.7 M€ linked to the development of new games.

Result from Current Operations was up by 5.4 M€ against previous FY and reached 16.4 M€ i.e. 6.7 % of sales against 5.3 % in 2016/2017.

Net result for the period 2017/2018 was 8.9 M€ and remained nearly stable despite the impact of a (1.8) M€ currency loss against a 2.6 M€ currency gain in previous FY.

Balance sheet: further drop of financial debt

Bigben's balance sheet as at 31 March 2018 showed shareholders' funds rising to 134.6 M€ against 126.0 M€ as at 31 March 2017.

Cash-flow generation during past FY enabled the Group to reduce financial debt to 9.6 M€ with a 7.2% net financial debt rate against 10.5 % as at 31 March 2017.

It should be noted that notwithstanding a strong growth environment Bigben managed to contain its stock level which remains close to that recorded as at 31 March 2017.

Two post-closing transactions allowing the integration of games development

Bigben has recently invested in two game development studios which will allow the Group, until now publisher and distributor of games, to go upstream by integrating the development phase of games in its own value creating chain.

On 18 April 2018, Bigben increased its stake to 45 % in the share capital of Kylotonn, the French development studio in charge of developing flagship games for the Group such as *WRC*, *TT Isle of Man* and *V-Rally 4*.

In addition, Bigben announced on 14 May 2018 having signed an agreement for the acquisition of 100% of the share capital of Cyanide, a French reference studio recognized for the development of creative video games which posted 6.1 M€ sales as at 31 March 2018. Cyanide has created over 50 games since inception, maintaining a balance between the creation of new intellectual properties (*Pro Cycling Manager*, *Styx*, *The Council...*) and productions under license (*Game of Thrones*, *Blood bowl*, *Tour de France...*).

Nine games are currently under development in the studio and productions currently under progress to be published or co-published with a third party publisher will be continued until completion. As soon as teams of developers are set free from aforementioned obligations, other game developments will be initiated in order to complete Bigben's catalogue.

These acquisitions support Bigben's declared ambition to become one of the world leaders in the market segment for AA rated video games.

Outlook: further sales growth and rise of operating profitability

FY 2018/2019 should record a significant growth as from the 1st Half supported by the Gaming segment with the release of both *Tennis World Tour®* and *Warhammer Inquisitor Martyr* games. These releases will be followed by other opuses (*V-Rally 4*, *Farmer's Dynasty*, *Sinking City* as well as other titles not yet announced) which should allow Publishing sales to double in the new financial year.

Sales will benefit across the financial year from the marketing of new accessories in the Gaming segment notably the *PS4™ Revolution Arcade Stick* and from the launch of a new premium brand in the Mobile segment, *Force Power®* (a complete range of high performance chargers and cables for smartphones), following the success of *Force Glass®* and *Force Case®*.

Banking on this expected momentum and on the acquisition of Cyanide, the Group announces for its FY 2018/2019 a 265 to 280 M€ sales target and a current operating profit rate exceeding 8.0 % against 6.7 % in 2017/2018.

The 2019/20 target initially set in the BIGBEN 2020 Plan (sales in excess of 280 M€ with a current operating profit rate of 9.0 %) may be already achieved in the current Financial Year. In consideration of the synergies expected from the integration of Cyanide, the new targets set for the Group in 2022 will be disclosed to the financial community on the release of its interim result 2018/2019 on 26 November 2018.

Full-year dividend

Given the quality of these year-end results, the Board meeting on 28 May 2018 decided to submit to the Annual General Meeting of Shareholders the proposal of a 0.20 € full year dividend per share for FY 2017/2018. Further to the 0.10 € advance payment on the full year dividend effected on 08 January 2018, the final balance to be distributed amounts to 0.10 € per share. The ex-dividend date will be on 30 July 2018 and payment will take place on 03 August 2018.

Upcoming publication:

Sales for 1st quarter of FY 2018/2019: Monday 23 July 2018

Press release after close of business on Euronext Paris stock market

ABOUT BIGBEN INTERACTIVE

SALES 2017-2018

245.4 M€

Bigben Interactive is a European player in video game publishing, in design and distribution of smartphone and gaming accessories as well as in audio products.

The Group, which is recognized for its capacities in terms of innovation and creativity, intends to become one of Europe's leaders in each of its business segments.

HEADCOUNT

ca. 350 employees

Company listed on Euronext Paris, compartment B – Index : CAC SMALL – Eligible SRD long

ISN : FR0000074072 ; Reuters : BIGPA ; Bloomberg : BIGFP

INTERNATIONAL

9 subsidiaries and a distribution network in 50 countries

PRESS CONTACTS

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