

LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in thousands of euros

ASSETS	<u>1st Half June</u> <u>2017</u>	<u>Four-month</u> <u>period ended</u> <u>December 31,</u> <u>2016</u>	<u>Year ended</u> <u>August 31,</u> <u>2016</u>	<u>1st Half June</u> <u>2016</u>
Goodwill	541,095	501,311	486,341	476,617
Intangible assets	19,983	21,047	17,758	10,094
Property, plant and equipment	89,377	68,277	66,439	65,740
Other non-current financial assets	23,105	21,729	19,233	30,801
Deferred tax assets	62,692	63,181	65,070	59,792
NON CURRENT ASSETS	736,252	675,545	654,841	643,044
Inventories	4,890	4,162	4,332	5,278
Prepayment to suppliers	3,982	4,915	2,377	4,598
Trade receivables	378,826	339,768	329,960	291,448
Current tax assets	1,753	2,387	3,089	3,098
Other receivables	223,423	180,729	170,037	176,868
Cash and cash equivalents	177,544	91,226	108,110	123,660
CURRENT ASSETS	790,418	623,187	617,905	604,949
TOTAL ASSETS	1,526,670	1,298,732	1,272,746	1,247,993
EQUITY AND LIABILITIES	<u>1st Half June</u> <u>2017</u>	<u>Four-month</u> <u>period ended</u> <u>December 31,</u> <u>2016</u>	<u>Year ended</u> <u>August 31,</u> <u>2016</u>	<u>1st Half June</u> <u>2016</u>
Equity				
- Share capital	112,728	112,728	112,728	112,651
- Share premium and other reserves	(5,641)	(3,328)	(2,414)	2,069
- Translation reserves	(9,935)	(6,202)	(5,624)	(4,937)
- Net income for the period	1,330	5,918	13,934	11,784
Equity attributable to owners of the Company	98,482	109,115	118,624	121,567
Non-controlling interests	33,823	20,888	19,543	19,600
TOTAL EQUITY	132,305	130,003	138,167	141,167
Non current financial liabilities	638,048	426,461	442,866	413,224
Non-current provisions	14,571	14,543	15,476	9,501
Deferred tax liabilities	3,273	3,715	3,529	653
NON CURRENT LIABILITIES	655,892	444,719	461,871	423,378
Customers prepayment	2,589	797	599	523
Current portion of financial liabilities	39,615	65,686	39,008	80,259
Current tax liabilities	5,278	5,154	8,150	7,331
Trade payables	152,895	171,796	166,253	145,410
Short-term provisions	30,311	17,602	17,788	17,824
Liabilities related to payroll tax credit prefinancing	129,889	98,812	98,812	98,812
Other current liabilities	370,943	359,936	338,601	326,338
Bank overdrafts and other cash position items	4,895	2,174	2,051	5,605
Financial instruments	2,058	2,053	1,446	1,348
CURRENT LIABILITIES	738,473	724,010	672,708	683,448
TOTAL EQUITY AND LIABILITIES	1,526,670	1,298,732	1,272,746	1,247,993

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CONSOLIDATED INCOME STATEMENT

	in thousands of euros	<u>10 months</u> <u>2017</u>	<u>10 months</u> <u>2016</u>	<u>1st Half June</u> <u>2017</u>	<u>1st Half June</u> <u>2016</u>	<u>As of August</u> <u>31, 2016</u>
REVENUE		1,554,059	1,351,843	936,062	873,984	1,649,378
Raw materials & consumables used		(325,052)	(266,320)	(198,196)	(157,323)	(334,492)
External expenses		(94,528)	(77,533)	(57,170)	(48,441)	(91,646)
Staff costs		(1,020,901)	(909,372)	(613,413)	(604,344)	(1,100,756)
Taxes (other than on income)		(20,567)	(18,963)	(11,743)	(12,293)	(23,573)
Other operating revenue		21,746	6,338	13,900	3,770	16,065
Other operating expenses		(10,885)	(6,369)	(5,599)	(3,907)	(11,835)
OPERATING INCOME BEFORE DEPRECIATION, AMORTIZATION PROVISIONS AND IMPAIRMENT LOSSES		103,872	79,624	63,841	51,446	103,141
Depreciation and amortization, net		(28,521)	(21,733)	(17,046)	(13,655)	(29,793)
Provisions and impairment losses, net		(1,738)	(624)	(683)	(272)	(9,725)
OPERATING PROFIT		73,613	57,268	46,112	37,519	63,623
Cost of gross debt		(49,171)	(26,811)	(36,973)	(17,593)	(32,742)
Income from cash and cash equivalents		336	338	245	296	264
NET FINANCE COSTS		(48,835)	(26,473)	(36,728)	(17,297)	(32,478)
Other financial income and expenses		(1,387)	(1,081)	(1,436)	(754)	(876)
NET FINANCIAL EXPENSE		(50,222)	(27,554)	(38,164)	(18,051)	(33,354)
Income tax expense		(18,637)	(15,145)	(10,544)	(10,954)	(12,590)
Share of net income (loss) of other equity-accounted entities		196	(8)	196	(1)	(53)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		4,950	14,560	(2,400)	8,513	17,626
NET INCOME FOR THE PERIOD		4,950	14,560	(2,400)	8,513	17,626
Attributable to owners of the Company		1,330	11,784	(4,589)	6,681	13,934
Attributable to non-controlling interests		3,620	2,777	2,189	1,832	3,692

LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

in thousands of euros

	<u>10 months</u> <u>2017</u>	<u>10 months</u> <u>2016</u>	<u>1st Half June</u> <u>2017</u>	<u>1st Half June</u> <u>2016</u>	<u>As of August</u> <u>31, 2016</u>
I - CASH FLOW FROM CONTINUING OPERATIONS					
A - NET CASH FROM OPERATING ACTIVITIES					
<u>Operating cash flow before changes in working capital:</u>					
Net income for the period	4,950	14,560	(2,399)	8,512	17,626
Share of net income (loss) of equity-accounted companies	(196)	8	(196)	1	53
Operating depreciation, amortization, provisions and impairment losses	29,250	22,244	17,865	13,823	23,261
Gains/losses on disposal	588	1,322	1,212	861	(1,560)
Other non cash items	(196)	35	-	35	(105)
<u>Operating cash flow before changes in working capital</u>	<u>34,396</u>	<u>38,169</u>	<u>16,481</u>	<u>23,232</u>	<u>39,275</u>
Net finance costs	48,836	26,473	36,728	17,297	32,478
Income tax expense	18,637	15,145	10,544	10,954	12,590
<u>Operating cash flow before changes in working capital, net finance costs and income tax expense</u>	<u>101,869</u>	<u>79,787</u>	<u>63,753</u>	<u>51,483</u>	<u>84,343</u>
Income taxes paid	(19,559)	(16,671)	(10,612)	(8,848)	(17,303)
Changes in operating working capital (excluding change in deconsolidated Factoring)	(36,938)	(38,770)	(9,587)	(13,706)	(30,898)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	A	45,372	24,346	43,554	36,142
B - NET CASH USED IN INVESTING ACTIVITIES					
Purchases of intangible assets, property, plant and equipment	(22,531)	(19,204)	(12,880)	(11,367)	(26,090)
Proceeds from disposal of intangible assets, property, plant and equipment	3,829	1,896	1,133	1,946	4,132
<u>Changes in consolidation scope</u>					
Purchases of consolidated companies (net of cash acquired and sold)	(56,789)	(70,465)	(52,732)	(65,712)	(71,868)
Other cash flows from investing activities	2,612	(229)	3,421	1,193	6,126
NET CASH USED IN INVESTING ACTIVITIES	B	(72,879)	(88,002)	(61,058)	(87,700)
C - NET CASH USED IN FINANCING ACTIVITIES					
<u>Dividends paid</u>					
Dividends paid to shareholders of the parent company	(15,800)	(4,800)	(15,800)	(4,800)	(4,800)
Increase in borrowings	606,965	179,725	606,594	173,775	182,947
Decrease in borrowings	(458,688)	(35,246)	(454,316)	(30,407)	(46,602)
Net finance costs	(48,835)	(26,473)	(36,727)	(17,298)	(32,478)
Non-cash interest expenses	9,393	13,064	(1,320)	6,461	4,018
Other cash flows from financing activities	1,912	1,273	1,931	1,242	263
NET CASH USED IN FINANCING ACTIVITIES	C	94,947	127,543	100,362	103,348
D - EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER	D	(850)	(180)	738	(80)
CHANGE IN NET CASH AND CASH EQUIVALENTS (A + B + C + D)	66,590	63,707	83,596	84,323	51,710
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	106,059	54,349	89,052	33,733	54,349
Net cash flows for the period	66,590	63,707	83,596	84,323	51,710
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	172,649	118,056	172,648	118,056	106,059