

LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in thousands of euros

ASSETS	<u>1st Quarter</u> <u>March 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 Quarter</u> <u>March 2016</u>
Goodwill	512,503	501,311	486,341	466,414
Intangible assets	21,148	21,047	17,758	9,684
Property, plant and equipment	69,466	68,277	66,439	65,016
Other non-current financial assets	24,667	21,729	19,233	34,134
Deferred tax assets	63,618	63,181	65,070	59,712
NON CURRENT ASSETS	691,402	675,545	654,841	634,960
Inventories	4,691	4,162	4,332	5,107
Prepayment to suppliers	3,295	4,915	2,377	4,615
Trade receivables	308,348	339,768	329,960	344,126
Current tax assets	1,899	2,387	3,089	3,453
Other receivables	203,911	180,729	170,037	156,403
Cash and cash equivalents	130,463	91,226	108,110	86,441
CURRENT ASSETS	652,607	623,187	617,905	600,145
TOTAL ASSETS	1,344,009	1,298,732	1,272,746	1,235,105
EQUITY AND LIABILITIES	<u>1st Quarter</u> <u>March 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 Quarter</u> <u>March 2016</u>
Equity				
- Share capital	112,728	112,728	112,728	112,728
- Share premium and other reserves	(3,961)	(3,329)	(2,414)	1,635
- Translation reserves	(6,587)	(6,202)	(5,624)	(5,053)
- Net income for the period	8,613	5,918	13,934	8,512
Equity attributable to owners of the Company	110,793	109,115	118,624	117,822
Non-controlling interests	21,307	20,888	19,543	18,632
TOTAL EQUITY	132,100	130,003	138,167	136,454
Non current financial liabilities	415,501	426,461	442,866	413,357
Non-current provisions	14,503	14,543	15,476	9,524
Deferred tax liabilities	3,614	3,715	3,529	697
NON CURRENT LIABILITIES	433,618	444,719	461,871	423,578
Customers prepayment	943	797	599	531
Current portion of financial liabilities	120,479	65,686	39,008	67,446
Current tax liabilities	8,875	5,154	8,150	10,652
Trade payables	143,917	171,796	166,253	163,409
Short-term provisions	28,641	17,602	17,788	17,309
Liabilities related to payroll tax credit prefinancing	129,869	98,812	98,812	98,827
Other current liabilities	337,989	359,936	338,601	313,667
Bank overdrafts and other cash position items	5,398	2,174	2,051	2,168
Financial instruments	2,180	2,053	1,446	1,064
CURRENT LIABILITIES	778,291	724,010	672,708	675,073
TOTAL EQUITY AND LIABILITIES	1,344,009	1,298,732	1,272,746	1,235,105

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CONSOLIDATED INCOME STATEMENT

in thousands of euros	<u>7 months</u> <u>2017</u>	<u>7 months</u> <u>2016</u>	<u>1st Quarter</u> <u>March 2017</u>	<u>1st Quarter</u> <u>Mars 2016</u>	<u>As of August</u> <u>31, 2016</u>
REVENUE	1,078,100	913,992	460,103	436,133	1,649,378
Raw materials & consumables used	(218,972)	(187,209)	(92,116)	(78,213)	(334,492)
External expenses	(64,106)	(54,838)	(26,748)	(25,746)	(91,646)
Staff costs	(713,568)	(606,139)	(306,080)	(301,110)	(1,100,756)
Taxes (other than on income)	(14,290)	(12,221)	(5,466)	(5,552)	(23,573)
Other operating revenue	17,838	4,772	9,992	2,205	16,065
Other operating expenses	(11,214)	(5,518)	(5,931)	(3,056)	(11,835)
OPERATING INCOME BEFORE DEPRECIATION, AMORTIZATION PROVISIONS AND IMPAIRMENT LOSSES	73,788	52,839	33,754	24,661	103,141
Depreciation and amortization, net	(19,932)	(14,512)	(8,457)	(6,434)	(29,793)
Provisions and impairment losses, net	(1,171)	(203)	(117)	149	(9,725)
OPERATING PROFIT	52,685	38,124	25,180	18,376	63,623
Cost of gross debt	(21,704)	(17,303)	(9,506)	(8,085)	(32,742)
Income from cash and cash equivalents	220	102	130	59	264
NET FINANCE COSTS	(21,484)	(17,201)	(9,376)	(8,026)	(32,478)
Other financial income and expenses	(7,110)	(529)	(7,159)	(202)	(876)
NET FINANCIAL EXPENSE	(28,594)	(17,730)	(16,535)	(8,228)	(33,354)
Income tax expense	(13,660)	(10,258)	(5,567)	(6,067)	(12,590)
Share of net income (loss) of other equity-accounted entities	130	(8)	130	(1)	(53)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	10,561	10,128	3,208	4,080	17,626
Net income (loss) from discontinued operations	-	-	-	-	-
NET INCOME FOR THE PERIOD	10,561	10,128	3,208	4,080	17,626
Attributable to owners of the Company	8,613	8,512	2,692	3,408	13,934
Attributable to non-controlling interests	1,948	1,616	516	672	3,692

LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

in thousands of euros

	<u>7 months</u> <u>2017</u>	<u>7 months</u> <u>2016</u>	<u>1st Quarter</u> <u>March 2017</u>	<u>1st Quarter</u> <u>March 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	10,561	10,128	3,212	4,080	17,626	
Share of net income (loss) of equity-accounted companies	(130)	8	(130)	1	53	
Operating depreciation, amortization, provisions and impairment losses	20,147	14,604	8,762	6,183	23,261	
Gains/losses on disposal	664	(361)	1,288	(822)	(1,560)	
Other non cash items	(196)	(6)	-	(6)	(105)	
<u>Operating cash flow before changes in working capital</u>	<u>31,046</u>	<u>24,373</u>	<u>13,132</u>	<u>9,436</u>	<u>39,275</u>	
Net finance costs	21,484	17,201	9,376	8,025	32,478	
Income tax expense	13,660	10,258	5,567	6,067	12,590	
<u>Operating cash flow before changes in working capital, net finance costs and income tax expense</u>	<u>66,190</u>	<u>51,832</u>	<u>28,075</u>	<u>23,528</u>	<u>84,343</u>	
Income taxes paid	(10,866)	(8,818)	(1,919)	(994)	(17,303)	
Changes in operating working capital (excluding change in deconsolidated Factoring)	8,181	(66,141)	35,531	(41,077)	(30,898)	
NET CASH FROM (USED IN) OPERATING ACTIVITIES	A	63,505	(23,127)	61,687	(18,543)	36,142
B - NET CASH USED IN INVESTING ACTIVITIES						
Purchases of intangible assets, property, plant and equipment	(16,601)	(13,135)	(6,950)	(5,298)	(26,090)	
Proceeds from disposal of intangible assets, property, plant and equipment	3,435	1,159	739	1,209	4,132	
<u>Changes in consolidation scope</u>						
Purchases of consolidated companies (net of cash acquired and sold)	(34,556)	(65,273)	(30,499)	(60,521)	(71,868)	
Other cash flows from investing activities	(1,356)	1,174	(547)	2,596	6,126	
NET CASH USED IN INVESTING ACTIVITIES	B	(49,078)	(76,075)	(37,257)	(62,014)	(87,700)
C - NET CASH USED IN FINANCING ACTIVITIES						
<u>Dividends paid</u>						
Dividends paid to shareholders of the parent company	(11,000)	(4,800)	(11,000)	(4,800)	(4,800)	
Increase in borrowings	64,417	177,432	64,046	171,481	182,947	
Decrease in borrowings	(31,694)	(32,890)	(27,322)	(28,051)	(46,602)	
Net finance costs	(21,484)	(17,201)	(9,376)	(8,026)	(32,478)	
Non-cash interest expenses	4,259	5,066	(6,454)	(1,537)	4,018	
Other cash flows from financing activities	330	552	350	520	263	
NET CASH USED IN FINANCING ACTIVITIES	C	4,828	128,159	10,244	129,587	103,348
D - EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER	D	(249)	967	1,340	1,510	(80)
CHANGE IN NET CASH AND CASH EQUIVALENTS (A + B + C + D)		19,006	29,924	36,014	50,540	51,710
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		106,059	54,349	89,051	33,733	54,349
Net cash flows for the period		19,006	29,924	36,014	50,540	51,710
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		125,065	84,273	125,065	84,273	106,059