

LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in thousands of euros

ASSETS	<u>Period ended September 2017</u>	<u>Four-month period ended December 31, 2016</u>	<u>Year ended August 31, 2016</u>
Goodwill	541,139	501,311	486,341
Intangible assets	19,968	21,047	17,758
Property, plant and equipment	88,166	68,277	66,439
Other non-current financial assets	23,144	21,729	19,233
Deferred tax assets	60,907	63,181	65,070
NON CURRENT ASSETS	733,323	675,545	654,841
Inventories	4,864	4,162	4,332
Prepayment to suppliers	5,083	4,915	2,377
Trade receivables	417,573	339,768	329,960
Current tax assets	2,212	2,387	3,089
Other receivables	238,549	180,729	170,037
Cash and cash equivalents	136,566	91,226	108,110
CURRENT ASSETS	804,848	623,187	617,905
TOTAL ASSETS	1,538,171	1,298,732	1,272,746
EQUITY AND LIABILITIES	<u>Period ended September 2017</u>	<u>Four-month period ended December 31, 2016</u>	<u>Year ended August 31, 2016</u>
Equity			
- Share capital	112,728	112,728	112,728
- Share premium and other reserves	(11,718)	(3,328)	(2,414)
- Translation reserves	(12,306)	(6,202)	(5,624)
- Net income for the period	5,371	5,918	13,934
Equity attributable to owners of the Company	94,075	109,115	118,624
Non-controlling interests	36,991	20,888	19,543
TOTAL EQUITY	131,066	130,003	138,167
Non current financial liabilities	634,778	426,461	442,866
Non-current provisions	14,367	14,543	15,476
Deferred tax liabilities	3,168	3,715	3,529
NON CURRENT LIABILITIES	652,313	444,719	461,871
Customers prepayment	1,377	797	599
Current portion of financial liabilities	35,138	65,686	39,008
Current tax liabilities	3,507	5,154	8,150
Trade payables	168,479	171,796	166,253
Short-term provisions	26,720	17,602	17,788
Liabilities related to payroll tax credit prefinancing	129,889	98,812	98,812
Other current liabilities	382,108	359,936	338,601
Bank overdrafts and other cash position items	5,346	2,174	2,051
Financial instruments	2,229	2,053	1,446
CURRENT LIABILITIES	754,792	724,010	672,708
TOTAL EQUITY AND LIABILITIES	1,538,171	1,298,732	1,272,746

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CONSOLIDATED INCOME STATEMENT

	in thousands of euros	<u>13 months</u> <u>2017</u>	<u>13 months</u> <u>2016</u>	<u>Period ended</u> <u>September</u> <u>2017</u>	<u>Period ended</u> <u>September</u> <u>2016</u>	<u>As of August</u> <u>31, 2016</u>
REVENUE		2,071,456	1,801,501	1,453,460	1,323,642	1,649,378
Raw materials & consumables used		(435,571)	(363,350)	(308,716)	(254,354)	(334,492)
External expenses		(127,217)	(100,501)	(89,860)	(71,409)	(91,646)
Staff costs		(1,359,195)	(1,203,764)	(951,707)	(898,736)	(1,100,756)
Taxes (other than on income)		(27,128)	(25,835)	(18,304)	(19,165)	(23,573)
Other operating revenue		26,502	16,523	18,657	13,955	16,065
Other operating expenses		(14,760)	(12,119)	(9,474)	(9,657)	(11,835)
OPERATING INCOME BEFORE DEPRECIATION, AMORTIZATION PROVISIONS AND IMPAIRMENT LOSSES		134,087	112,455	94,056	84,277	103,141
Depreciation and amortization, net		(38,303)	(32,343)	(26,828)	(24,265)	(29,793)
Provisions and impairment losses, net		(2,034)	(10,043)	(979)	(9,692)	(9,725)
OPERATING PROFIT		93,750	70,069	66,249	50,320	63,623
Cost of gross debt		(57,023)	(35,825)	(44,825)	(26,607)	(32,742)
Income from cash and cash equivalents		464	281	374	239	264
NET FINANCE COSTS		(56,559)	(35,544)	(44,451)	(26,367)	(32,478)
Other financial income and expenses		(2,680)	(724)	(2,728)	(396)	(876)
NET FINANCIAL EXPENSE		(59,238)	(36,267)	(47,180)	(26,764)	(33,354)
Income tax expense		(24,073)	(14,374)	(15,981)	(10,183)	(12,590)
Share of net income (loss) of other equity-accounted entities		200	(53)	200	(46)	(53)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		10,638	19,374	3,288	13,327	17,626
NET INCOME FOR THE PERIOD		10,638	19,374	3,288	13,327	17,626
Attributable to owners of the Company		5,371	15,371	(548)	10,268	13,934
Attributable to non-controlling interests		5,267	4,004	3,836	3,059	3,692

LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

in thousands of euros

	13 months 2017	13 months 2016	Period ended September 2017	Period ended September 2016	As of August 31, 2016
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	10,638	19,374	3,289	13,326	17,626
Share of net income (loss) of equity-accounted companies	(200)	53	(200)	45	53
Operating depreciation, amortization, provisions and impairment losses	38,790	26,038	27,404	17,617	23,261
Gains/losses on disposal	914	(1,571)	1,538	(2,032)	(1,560)
Other non cash items	(298)	(301)	(102)	(301)	(105)
<u>Operating cash flow before changes in working capital</u>	49,844	43,593	31,930	28,655	39,275
Net finance costs	56,559	35,544	44,451	26,368	32,478
Income tax expense	24,073	14,374	15,981	10,183	12,590
<u>Operating cash flow before changes in working capital, net finance costs and income tax expense</u>	130,477	93,511	92,362	65,206	84,343
Income taxes paid	(25,987)	(24,788)	(17,039)	(16,965)	(17,303)
Changes in operating working capital (excluding change in deconsolidated Factoring)	(70,142)	(63,526)	(42,791)	(38,462)	(30,898)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	A	34,349	5,196	32,531	36,142
B - NET CASH USED IN INVESTING ACTIVITIES					
Purchases of intangible assets, property, plant and equipment	(29,322)	(29,359)	(19,671)	(21,522)	(26,090)
Proceeds from disposal of intangible assets, property, plant and equipment	5,362	4,196	2,666	4,246	4,132
<u>Changes in consolidation scope</u>					
Purchases of consolidated companies (net of cash acquired and sold)	(59,624)	(71,748)	(55,567)	(66,996)	(71,868)
Other cash flows from investing activities	3,072	4,183	3,881	5,605	6,126
NET CASH USED IN INVESTING ACTIVITIES	B	(80,512)	(92,728)	(68,691)	(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	602,958	182,025	602,586	176,075	182,947
Decrease in borrowings	(476,724)	(33,651)	(472,352)	(28,812)	(46,602)
Net finance costs	(56,559)	(35,544)	(44,451)	(26,368)	(32,478)
Non-cash interest expenses	16,099	6,689	5,386	85	4,018
Other cash flows from financing activities	2,881	(687)	2,900	(718)	263
NET CASH USED IN FINANCING ACTIVITIES	C	72,856	114,032	78,270	103,348
D - EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER	D	(1,533)	(214)	57	(80)
CHANGE IN NET CASH AND CASH EQUIVALENTS (A + B + C + D)	25,160	26,286	42,168	46,902	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	25,160	26,286	42,168	46,902	51,710
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	131,219	80,635	131,220	80,635	106,059