

# LA FINANCIERE ATALIAN - CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	<u>Period ended</u> <u>June 2018</u>	<u>Year ended</u> <u>December 31,</u> <u>2017</u>	<u>Period ended</u> <u>June 2017</u>
Goodwill	1 180 325	608 430	541 095
Intangible assets	22 503	21 260	19 983
Property, plant and equipment	128 633	85 732	89 377
Other non-current financial assets	40 760	18 268	23 105
Deferred tax assets	62 123	62 108	62 692
<b>NON CURRENT ASSETS</b>	<b>1 434 344</b>	<b>795 799</b>	<b>736 253</b>
Inventories	57 467	5 917	4 890
Prepayment to suppliers	7 814	3 525	3 982
Trade receivables	581 387	387 876	378 826
Current tax assets	9 120	4 716	1 753
Other receivables	707 255	239 118	223 423
Cash and cash equivalents	115 865	144 503	177 544
<b>CURRENT ASSETS</b>	<b>1 478 907</b>	<b>785 655</b>	<b>790 418</b>
<b>TOTAL ASSETS</b>	<b>2 913 251</b>	<b>1 581 454</b>	<b>1 526 670</b>

EQUITY AND LIABILITIES	<u>Period ended</u> <u>June 2018</u>	<u>Year ended</u> <u>December 31,</u> <u>2017</u>	<u>Period ended</u> <u>June 2017</u>
Equity			
- Share capital	149 728	112 728	112 728
- Share premium and other reserves	(31 727)	(16 861)	(5 641)
- Translation reserves	(19 931)	(13 720)	(9 935)
- Net income for the period	(1 947)	11 226	1 330
Equity attributable to owners of the Company	96 123	93 373	98 482
Non-controlling interests	52 300	50 031	33 823
<b>TOTAL EQUITY</b>	<b>148 423</b>	<b>143 404</b>	<b>132 305</b>
Non current financial liabilities	1 237 478	636 216	638 048
Non-current provisions	28 022	27 858	14 571
Deferred tax liabilities	5 409	2 338	3 273
<b>NON CURRENT LIABILITIES</b>	<b>1 270 909</b>	<b>666 413</b>	<b>655 892</b>
Customers prepayment	13 225	3 716	2 589
Current portion of financial liabilities	143 871	25 718	39 615
Current tax liabilities	7 818	8 252	5 278
Trade payables	287 942	198 353	152 895
Short-term provisions	17 286	17 862	30 311
Liabilities related to payroll tax credit prefinancing	175 947	129 889	129 889
Other current liabilities	841 481	386 367	370 943
Bank overdrafts and other cash position items	4 913	212	4 895
Financial instruments	1 433	1 268	2 058
<b>CURRENT LIABILITIES</b>	<b>1 493 919</b>	<b>771 637</b>	<b>738 473</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2 913 251</b>	<b>1 581 454</b>	<b>1 526 670</b>

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## CONSOLIDATED INCOME STATEMENT

in thousands of euros	<u>6 months</u> <u>2018</u>	<u>6 months</u> <u>2017</u>	<u>As of December</u> <u>31, 2017</u> <u>16 months</u>
<b>REVENUE</b>	<b>1 224 399</b>	<b>936 062</b>	<b>2 646 515</b>
Raw materials & consumables used	(251 206)	(198 196)	(570 748)
External expenses	(76 555)	(57 170)	(159 666)
Staff costs	(814 267)	(613 413)	(1 715 408)
Taxes (other than on income)	(14 588)	(11 743)	(38 258)
Other operating revenue	12 146	13 900	31 743
Other operating expenses	(20 315)	(5 599)	(17 684)
<b>OPERATING INCOME BEFORE DEPRECIATION, AMORTIZATION PROVISIONS AND IMPAIRMENT LOSSES</b>	<b>59 613</b>	<b>63 841</b>	<b>176 495</b>
Depreciation and amortization, net	(23 025)	(17 046)	(50 793)
Provisions and impairment losses, net	(2 226)	(683)	(17 071)
<b>OPERATING PROFIT</b>	<b>34 362</b>	<b>46 112</b>	<b>108 631</b>
Cost of gross debt	(22 605)	(36 973)	(65 038)
Income from cash and cash equivalents	564	245	826
<b>NET FINANCE COSTS</b>	<b>(22 042)</b>	<b>(36 728)</b>	<b>(64 212)</b>
Other financial income and expenses	24	(1 436)	(2 459)
<b>NET FINANCIAL EXPENSE</b>	<b>(22 018)</b>	<b>(38 164)</b>	<b>(66 671)</b>
Income tax expense	(10 101)	(10 544)	(24 691)
Share of net income (loss) of other equity-accounted entities	96	196	233
<b>NET INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	<b>2 340</b>	<b>(2 400)</b>	<b>17 503</b>
<b>NET INCOME FOR THE PERIOD</b>	<b>2 340</b>	<b>(2 400)</b>	<b>17 503</b>
Attributable to owners of the Company	(1 813)	(4 589)	11 225
Attributable to non-controlling interests	4 153	2 189	6 278

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## CONSOLIDATED CASH FLOW STATEMENT

in thousands of euros

	<u>6 months</u> <u>2018</u>	<u>6 months</u> <u>2017</u>	<u>As of</u> <u>December</u> <u>31, 2017</u>
<b>I - CASH FLOW FROM CONTINUING OPERATIONS</b>			
<b>A - NET CASH FROM OPERATING ACTIVITIES</b>			
<u>Operating cash flow before changes in working capital:</u>			
Net income for the period	2 340	(2 399)	17 503
Share of net income (loss) of equity-accounted companies	(96)	(196)	(233)
Operating depreciation, amortization, provisions and impairment losses	22 274	17 865	48 884
Gains/losses on disposal	264	1 212	(3 561)
Other non cash items	1	-	(297)
<u>Operating cash flow before changes in working capital</u>	<u>24 783</u>	<u>16 481</u>	<u>62 296</u>
Net finance costs	22 042	36 728	64 212
Other non cash financial net expenses	156	-	-
Income tax expense	10 101	10 544	24 691
<u>Operating cash flow before changes in working capital, net finance costs and income tax expense</u>	<u>57 082</u>	<u>63 753</u>	<u>151 199</u>
Income taxes paid	(13 805)	(10 612)	(27 780)
Changes in operating working capital (excluding change in deconsolidated Factoring)	(76 572)	(9 587)	(17 011)
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>A</b>	<b>(33 295)</b>	<b>43 554</b>
<b>B - NET CASH USED IN INVESTING ACTIVITIES</b>			
Purchases of intangible assets, property, plant and equipment	(20 299)	(12 880)	(41 399)
Proceeds from disposal of intangible assets, property, plant and equipment	2 867	1 133	7 642
<u>Changes in consolidation scope</u>			
Purchases of consolidated companies (net of cash acquired and sold)	(467 320)	(52 732)	(84 584)
Other cash flows from investing activities	(1 668)	3 421	4 668
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>B</b>	<b>(486 420)</b>	<b>(61 058)</b>
<b>C - NET CASH USED IN FINANCING ACTIVITIES</b>			
<u>Dividends paid</u>			
Dividends paid to shareholders of the parent company	(15 294)	(15 800)	(15 800)
Dividends paid to non-controlling interests	(2 525)	-	-
Increase in borrowings	686 721	606 594	623 772
Decrease in borrowings	(189 747)	(454 316)	(499 914)
Net finance costs	(22 042)	(36 727)	(64 212)
Non-cash interest expenses	(3 254)	(1 320)	9 626
Increase in Capital	37 019	528	137
Other cash flows from financing activities	(3 431)	1 931	(6 709)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>C</b>	<b>487 448</b>	<b>100 362</b>
<b>D - EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER</b>	<b>D</b>	<b>(1 072)</b>	<b>738</b>
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS (A + B + C + D)</b>	<b>(33 339)</b>	<b>83 596</b>	<b>38 232</b>
<b>NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>			
	144 291	89 052	106 059
<b>Net cash flows for the period</b>			
	(33 339)	83 596	38 232
<b>NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>			
	110 952	172 648	144 291