



EMAKINA
Press release

Half-year results 2017: Growth in sales

*Income of EUR 39,508,000, up 2.4%;
EBITDA of EUR 2,474,000, down 4.7%*

BRUSSELS, 22 SEPTEMBER 2017 (EMBARGO until 5.30 pm) – Emakina Group (Alternext Brussels: ALEMK) announces its half-year results for 2017 today.

1. Key figures half-year 2017

In thousands of EUR	H1 2016	H1 2017	Variation
Income	38,594	39,508	+2.4%
Earnings before interest, depreciation and amortisation (EBITDA)	2,596	2,474	-4.7%
Operating margin %	6.7%	6.3%	
Profit before tax	962	752	- 210
Net result	585	143	- 439

2. Key events in the first half of 2017

a) New business

In 2017, new national and international clients chose an Emakina Group agency as their partner. These included, among others: Austrian Standards, Axa Insurance, Bank Delen, Boucheron, Carrera, Codeta Casino, Gaastra, Intersport, Jacob Holm, Konica Minolta, Makro, Mondj, Red Bull Media House, Renault Nissan, Samsonite.

b) Acquisition

In January 2017 Emakina acquired 100% of the capital in the Swedish agency Doe Blomberg Gottberg (DBG). This agency has a workforce of 15 and has won the Swedish 'Communication Agency of the Year' award three times. This transaction strengthens Emakina's presence in Scandinavia, where it now has over 30 colleagues.

c) Internationalisation

Sales outside Belgium increased by almost 10% over the first half of 2017 and now account for 61% of the consolidated income for the first half of 2017, compared with 57% in 2016.

d) Integration and process

In 2017, Emakina Group has continued to invest in integration and synergies within its network, particularly in Austria. Emakina Group has also strengthened its teams so as to speed up the deployment of joint management platforms. The organisation of regular coordination and training meetings at group level is also a priority so as to improve the sharing of respective know-how, available resources and technologies.

e) Talents

Talent is the cornerstone of Emakina Group's success. Attracting and retaining talented individuals are key objectives for all the managers, while maintaining a correct balance between the skills required by clients and the need to keep costs under control. This subtle balance remains an art in a constantly evolving technological context.

f) Partnerships

Through its commercial partners, Emakina Group continues to offer its clients a wide geographic scope combined with in-depth local knowledge: Asiance (Korea); Bubblegum (Spain); Domino (Italy); Metia (Great Britain, United States and Singapore); and SinnerSchrader (Germany).

3. General comment

Growth in activities

During the first half of 2017, Emakina Group's consolidated sales amounted to EUR 39,507,898 compared with EUR 38,594,477 in the same period in 2016, representing an increase of +2.4% (stable at constant scope).

As stressed above, the international expansion continues, with over 61% of income recorded with clients located outside Belgium, compared with 57% during the same period last year.

Development of EBITDA

The earnings before interest, depreciation and amortisation (EBITDA) amounted to EUR 2,474,788 (EUR 2,310,141 at constant scope) in the first half of 2017, compared with EUR 2,595,805 during the same period in 2016, a fall in absolute terms of 4.7%. Expressed as a percentage of total sales, EBITDA passed from 6.7% to 6.3% (5.8% at constant scope) in the first half of the year between 2016 and 2017.

This development in the operating profitability can be attributed to a range of factors (occupancy rate, cost structure, production efficiency, etc.), but as has been stressed, the work involved in integrating new entities into the group affected performance at the start of 2017.

Current profit under control and positive net result

The current profit before tax (EUR 772,732 EUR) over the first half of 2017 fell by 11% compared with the same period in 2016, owing to (i) the development of operating profitability, (ii) a stable financial result (despite the increase in amortisation of goodwill) and (iii) the lack this year of any major reversals of write-downs on trade debts.

The net result (EUR 143,106) for the first half of 2017 may be attributed to the development of the current profit, the lack of non-recurrent elements and the increase in the tax burden. This positive net profitability helps strengthen the group's equity base.

As a reminder, the amortisation of goodwill (compulsory under Belgian accounting standards) had a negative impact of EUR 1,095,861 on the company's net result in the first half of 2017, compared with EUR 909,263 in the first half of 2016. This element of Belgian accounting law, which imposes systematic amortisation (booked under financial charges), weighs significantly on the consolidated net result.

4. Financial health

In mid-2017, the group's financial health remains stable thanks to a positive net result and the strengthened equity base, a level of financial indebtedness in line with the group's growth, working capital requirements under control and the availability of proportionate credit lines.

5. Outlook for 2017

The Emakina Group management is maintaining its forecasts made at the start of the year and expects an organic increase in its sales for 2017 as a whole, based on the current order book.

6. Directors' statement

The Board of Directors of the company declares that, to the best of its knowledge, the interim condensed consolidated statements as at 30 June 2017, established in accordance with Belgian accounting standards, give a true and fair view of the assets, financial status and results of the Emakina Group. The annual financial report contains an accurate description of the information that must be included in it.

7. Miscellaneous

a) Auditor's report

The auditor has confirmed that this limited review of the consolidated accounts is complete in terms of substance and has not revealed any significant adjustment to be made to the accounting data presented in the half-year report.

b) Belgian accounting standards

All the consolidated figures set out in the appendices have been established in accordance with Belgian accounting standards (in particular as regards the mandatory amortisation of goodwill). These figures provide a summary of the financial results presented in detail in the 2017 half-year report.

c) Shareholders' diary

23 March 2018: Publication of annual results 2017

2 April 2018: Annual report 2017 (brochure)

23 April 2018: General meeting of shareholders

ABOUT EMAKINA GROUP

Emakina Group ranks among the top three independent full-service digital agency groups in Europe.

Emakina Group agencies offer cutting-edge digital marketing services to leading domestic and multinational clients focusing on creating outstanding user experiences for their customers, employees and partners.

Happy users make successful brands.

Eight hundred experts working from 15 offices in nine countries deliver delightful websites, e-commerce, applications and communication campaigns that build user equity, the key to a successful digital transformation.

The Emakina Group reported sales of EUR 77.3 million in 2016 and is listed on Alternext of Euronext Brussels ([ALEMK:BBK](#) - ISIN: BE0003843605).

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In accordance with the Alternext Brussels regulations, all the regulated information is included in the Emakina Group half-year financial report 2017, which contain all the regulatory information, available on our website www.emakina.com (section "Financial - Reports").