

Paris – January 25, 2017

## Sharply improved performance in 2016:

- €506.4 million in 2016 revenue, representing +5.1% organic growth
- Recurring operating profit target for 2016 revised upward again, now exceeding €38 million
- Widely successful rollout of the “Chargeurs Business Standards” at all levels

Michaël Fribourg, Chargeurs' Chairman and Chief Executive Officer, said: “Our excellent performance in 2016 demonstrates the success of our “Performance, Discipline, Ambition” plan. Despite a still volatile macroeconomic environment, the Group’s revenue topped the symbolic €500 million mark, driven by solid organic growth and successful, profitable external growth thanks to the acquisition of Main Tape (Protective Films). **Recurring operating profit for 2016 is expected to be at least 24% higher than in 2015**, attesting to the successful implementation of our streamlining program and the new “Chargeurs Business Standards”. Going forward, we intend to pursue our global excellence strategy as we develop our niche industrial markets.”

## CHARGEURS’ ORGANIC GROWTH WAS HIGHER THAN GLOBAL ECONOMIC GROWTH AND THREE TIMES HIGHER THAN EURO ZONE GROWTH

The revenue of the fourth quarter of 2016 of €126.8 million rose +2.4% like-for-like.

Revenue for the twelve months ended December 31, 2016 was up +5.1% like-for-like, fueled by a solid increase in business volumes and a further improvement in the product mix across all of the Group’s businesses. Excluding wool trading, year-on-year revenue growth was +4.7% on a like-for-like basis.

Changes in exchange rates – mainly for the Argentine peso – trimmed -2.2% from revenue, while changes in the scope of consolidation had a negative -1.4% effect, reflecting the impact of the deconsolidation of Yak Trading (Fashion Technologies) in China, which was partly offset by the acquisition of Main Tape (Protective Films) in the United States.

in euro millions	Full Year		Change		Fourth quarter		Change	
	2016	2015	reported	like-for-like*	2016	2015	reported	like-for-like*
Protective Films	250.3	227.2	+10.2%	+6.5%	62.8	55.5	+13.2%	+4.0%
Fashion Technologies **	132.0	157.5	-16.2%	+0.1%	31.7	39.5	-19.7%	-4.8%
Technical Substrates	24.6	20.3	+21.2%	+21.2%	7.4	6.4	+15.6%	+15.6%
Wool	99.5	93.7	+6.2%	+6.8%	24.9	22.4	+11.2%	+7.6%
<b>Chargeurs</b>	<b>506.4</b>	<b>498.7</b>	<b>+1.5%</b>	<b>+5.1%</b>	<b>126.8</b>	<b>123.8</b>	<b>+2.4%</b>	<b>+2.4%</b>

\* Based on a comparable scope of consolidation and at constant exchange rates

\*\* Yak Trading is accounted for by the equity method in 2016 (its annual revenue was € 17.3m in 2015)

## PERFORMANCE LEVELS ATTESTING TO THE WIDELY SUCCESSFUL NEW “CHARGEURS BUSINESS STANDARDS”

On like-for-like basis, the revenue growth of +5.1% can be analyzed as follows by operating segment:

- **Chargeurs Protective Films (+6.5%)** recorded robust sales performances thanks to high business volumes and an improved product mix resulting from the segment’s ongoing innovation drive. The integration of U.S.-based Main Tape is increasing Chargeurs Protective Films’ profit and helped to consolidate this operating segment by boosting its production capacity in the dollar zone.

- **Chargeurs Fashion Technologies (+0.1%)** continued its sharp upswing in operating performance and is now feeling the full benefits of the restructuring measures launched in late 2015. As announced in September 2016, during the first half of the year this operating segment capitalized on the decisions of major international fashion brands to start making their winter collections earlier than usual. The implementation of its more selective marketing strategy continues with a focus on the most profitable activities thanks to its worldwide clients.
- **Chargeurs Technical Substrates (+21.2%)** generated strong revenue, led by the ramp-up of its new 5-meter width production line and further innovations for the digital fabric printing market.
- **Chargeurs Wool (+6.8%)** revenue growth on the strength of a marketing strategy more sharply focused on high-end products.

## RECURRING OPERATING PROFIT UP BY AT LEAST 24% HIGHER IN 2016

With revenue of €506.4 million for 2016, and based on unaudited consolidated results, the Group expects recurring operating profit for the year to come in at **over €38 million**, exceeding the previously announced target of at least €35 million. This performance – achieved despite a negative currency effect in 2016 – will represent an increase of at least 24% on the €30.6 million reported for 2015 and a 65% jump on the 2014 figure of €22.9 million.

## AN INCREASINGLY SOLID BALANCE SHEET

Thanks to its operational and financial discipline, **the Group was once again in a positive net cash position at end-2016**. Solid cash flow generation and tight control over working capital in all of the Group's businesses enabled it to finance its strong capital expenditure, the acquisition of Main Tape, a higher 2015 annual dividend and the payment of an interim 2016 annual dividend. In 2016, the Group raised €89 million in financing and at the same time extended the average maturity of its borrowings from 3.4 to 5.1 years. This performance strategy will be pursued, making the most of available opportunities.

### 2017 Financial Calendar

Thursday, March 9, 2017 (before trading)	2016 annual results
Thursday, April 27, 2017 (before trading)	First-quarter 2017 financial information
Thursday, April 27, 2017	Annual General Meeting
Thursday, November 14, 2017 (after trading)	Third-quarter 2017 financial information



### ABOUT CHARGEURS

Chargeurs is a global manufacturing and services group with leading positions in four segments: temporary surface protection, garment interlinings, technical substrates and combed wool.

It has over 1,500 employees based in 34 countries on five continents, who serve a diversified customer base spanning more than 45 countries.

In 2016, consolidated revenue totaled over €500 million, of which more than 90% was generated in its international markets.

### CONTACT

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