

## A solid Q3, confirming the success of Chargeurs' excellence plan:

- Organic growth of 7.5% on a like-for-like basis
- Success of the "Performance, Discipline, Ambition" plan and new "Chargeurs Business Standards"
- A new Euro Private Placement notes issue raising €15 million in 7-year financing

Michaël Fribourg, Chargeurs' Chairman and Chief Executive Officer, said: "Our solid performance for the first nine months of 2016 demonstrates the success of our "Performance, Discipline, Ambition" plan launched in late 2015. Through establishing its new standards of excellence ("Chargeurs Business Standards") within its businesses, the Group is continuing the deployment of its distinctive business model underpinned by excellence and innovation worldwide. Chargeurs is stepping up its operating performance, and once again strengthening its development resources for the long term."

## CHARGEUR'S ORGANIC GROWTH BEATS GLOBAL GROWTH

In the third quarter of 2016, Chargeurs' revenue rose 7.5% like-for-like to €126.2 million, with good performances by all of the Group's businesses contributing to the outcome. The year-on-year increase was more than double the growth figure for the global economy.

Revenue for the nine months ended September 30, 2016 was up 6.0% like-for-like, fueled by a solid increase in business volumes and a further improvement in the product mix. Excluding wool trading, year-on-year revenue growth was 5.9% on a like-for-like basis.

Changes in exchange rates – mainly for the Argentine peso and Chinese yuan – trimmed 2.6% from revenue, while changes in the scope of consolidation had a negative 2.1% 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 of America.

(in euro millions)	Third quarter		Change		Nine months		Change	
	2016	2015	reported	like-for-like*	2016	2015	reported	like-for-like*
Protective Films	67.0	58.1	+15.3%	+7.9%	187.5	171.7	+9.2%	+7.3%
Fashion Technologies**	31.5	38.3	-17.8%	-1.8%	100.3	118.0	-15.0%	+1.8%
Technical Substrates	5.6	4.1	+36.6%	+36.6%	17.2	13.9	+23.7%	+23.7%
Wool	22.1	17.8	+24.2%	+19.7%	74.6	71.3	+4.6%	+6.6%
<b>Chargeurs</b>	<b>126.2</b>	<b>118.3</b>	<b>+6.7%</b>	<b>+7.5%</b>	<b>379.6</b>	<b>374.9</b>	<b>+1.3%</b>	<b>+6.0%</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)

## ORGANIC GROWTH OF 6% IN THE FIRST NINE MONTHS OF 2016, DEMONSTRATING THE SUCCESS OF CHARGEURS' EXCELLENCE PLAN AND NEW "CHARGEURS BUSINESS STANDARDS"

The 6.0% like-for-like revenue growth in the nine months ended September 30, 2016 can be analyzed as follows:

- **Chargeurs Protective Films** posted a 7.3% revenue rise, driven by robust sales performances thanks to high business volumes and an improved product mix. The acquisition of U.S.-based Main Tape during the period helped to consolidate the operating segment by increasing its production capacity in the dollar zone.
- **Chargeurs Fashion Technologies** reported a 1.8% increase in revenue, led by an improved product mix. As announced in September 2016, the Group capitalized on the anticipation of decisions by major international fashion brands to start making their winter collections earlier than usual and pursues the implementation of its selective marketing strategy. Chargeurs Fashion Technologies is now feeling the full benefits of the restructuring measures launched in late 2015 and pursues in the first half of 2016, and its year-to-date showing has confirmed the recovery in its operating performance.

- **Chargeurs Technical Substrates** experienced another period of strong growth, with revenue jumping 23.7%, led by the success of the new 5-meter with coating line and ongoing innovations for the digital fabric printing market.
- **Chargeurs Wool** delivered 6.6% revenue growth thanks to its marketing strategy focused on high-end products.

## NEW 7-YEAR €15 MILLION EURO PRIVATE PLACEMENT

As part of its overall development and consolidation strategy of its financial structure, Chargeurs carried out a new bond placement (Euro PP) in the third quarter of 2016, raising a total of €15 million in 7-year financing repayable at maturity with a 2.45% coupon. This placement – which was underwritten by the French government-sponsored Novo 1 midcap fund, advised by BNP Paribas Investment Partners and managed by France Titrisations – is in addition to the €57 million Euro PP and €33 million worth of confirmed credit lines, negotiated in the first half of 2016.

## FULL-YEAR OUTLOOK

On the basis of its solid performance for the first nine months of the year and the outlook at October 31, 2016, despite a continuing volatile economic environment, Chargeurs confirms its target of an operating profit in progress and is aiming to achieve recurring operating profit of **at least €35 million** for full-year 2016 (versus €30.6 million in 2015 and €22.9 million in 2014), representing an increase of more than 50% compared with 2014.

**Next announcement: Full-year 2016 revenue on January 25, 2017**

### CONTACT

#### Financial Communications

*Tel: +33 (0)1 47 04 13 40*

*E-mail: [comfin@chargeurs.fr](mailto:comfin@chargeurs.fr)*

*Website: [www.chargeurs.fr](http://www.chargeurs.fr)*

## ABOUT CHARGEURS

Chargeurs is a global manufacturing and services group with leading positions in four segments: temporary surface protection, technical substrates, garment interlinings, 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 2015, consolidated revenue totaled almost €500 million, of which more than 90% was generated outside France.

