

**Chargeurs steps up the pace of growth again:**

- Revenue up 8.1% like for like
- Ongoing implementation of the Group's growth strategy and operational excellence model
- On track for meeting full-year targets

*“The very strong sales increase in the first quarter of 2017 is clear proof of the success of our growth strategy which is focused on achieving higher profit margins from the best-in-class services we deliver to our customers around the world despite a persistently volatile economic environment. The Group is fully committed to its model for operational excellence, with the deployment of the Chargeurs Business Standards set to increase the long-term competitiveness of our niche businesses and ensure our place as a sector game changer”* said Michaël Fribourg, Chargeurs Chairman and Chief Executive Officer.

**STRONG ORGANIC GROWTH IN FIRST-QUARTER 2017**

In the first quarter of 2017, Chargeurs’ consolidated revenue rose 8.1% like-for-like, fueled by robust business volumes, the continued optimization of its product mix and the acquisition of Main Tape (which has been included in the Chargeurs Protective Films operating segment and added 4.9% to consolidated revenue) in July 2016. Changes in exchange rates – mainly related to the New Zealand dollar – had a positive 1.4% impact during the period.

**Excluding the Luxury Materials segment (formerly Chargeurs Wool), organic revenue growth came to 5.6%, versus 4.7% for the same period in 2016.**

<i>(in euro millions)</i>	First quarter		Change	
	2017	2016	reported	like-for-like*
Protective Films	70.9	58.7	+20.8%	+10.2%
Fashion Technologies	33.6	34.3	-2.0%	-3.8%
Technical Substrates	6.6	5.8	+13.8%	+13.8%
Luxury Materials**	32.3	26.5	+21.9%	+17.7%
<b>Chargeurs</b>	<b>143.4</b>	<b>125.3</b>	<b>+14.4%</b>	<b>+8.1%</b>
<b>Chargeurs, excluding Luxury Materials</b>	<b>111.1</b>	<b>98.8</b>	<b>+12.4%</b>	<b>+5.6%</b>

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

\*\* Chargeurs Luxury Materials is the new name given to Chargeurs Wool to reflect its expertise in the supply of premium combed wool for luxury market customers.

**SIGNIFICANT EVENTS OF THE PERIOD**

Changes in operating segment revenue between the first quarters of 2016 and 2017 break down as follows:

- **Chargeurs Protective Films posted a 20.8% revenue jump**, with strong growth driven by a sharp increase in business volumes, an enhanced product mix (led by a steady stream of innovations), and new production capacity in the United States resulting from the acquisition of Main Tape.
- **Chargeurs Fashion Technologies** is continuing its strategy, already highly successful in 2015 and 2016, of concentrating on the most profitable turnover segments. Since its customers also started their winter supplies earlier than last year, the business recorded a **turnover in line with this less advanced schedule, at -2.0%**. This standardization of the timetable should be more favorable to its annual operating balance.
- **Chargeurs Technical Substrates saw another period of strong growth, with revenue up 13.8% year on year.** This performance was fueled by the gradual ramp-up of the segment’s 5-meter width production line (which was inaugurated in late 2015) and further innovations for the digital textile printing market.
- **Chargeurs Luxury Materials** registered a 21.9% revenue hike, boosted by record-high wool prices and a favorable currency effect arising from the New Zealand dollar. Furthermore, since this business does not have any open positions (so that its yields are not exposed to wool price volatility), this effect **will not have any impact on its operating margin in absolute value term**. Chargeurs Luxury Materials is pursuing its capital expenditure programs aimed at moving its offering towards the higher end of the market and enhancing its supply chain so that it can provide premium services to its global customers in the luxury and sportswear markets.

## OUTLOOK

Leveraging the positive impacts of the Chargeurs Business Standards, the Group has confirmed that, like-for-like and barring any unforeseen changes in the geopolitical and economic environment, it is well positioned to increase its recurring operating profit and generate high free cash flow in 2017, Chargeurs is investing more than ever in the qualitative aspects of its business growth in order to stand out from the competition over the long term.

The 2017 guidance announced when the Group published its 2016 results was as follows:

Revenue (excluding Chargeurs Luxury Materials) *	+
Recurring Operating Profit	++
Cash flow	+++

*\* Based on a comparable scope of consolidation and at constant exchange rates, barring any major global macro-economic upset*

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### Appendices – Definitions

**Organic growth:** determined by excluding the effects of changes in the scope of consolidation or exchange rates. The impact of exchange rate changes is calculated by converting current period figures using the prior period exchange rate.

**Operating margin:** recurring operating profit

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### 2017 Financial Calendar

Thursday, September 7, 2017 (before the start of trading)

First-half 2017 results

Thursday, November 14, 2017 (after the close of 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 70 countries.

In 2016, revenue totaled more than €500 million, of which over 90% was generated outside France.

## CONTACT

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