



Rioz, 6 June 2017

## Strong growth of full-year 2016/2017 results

- > Current EBITDA of €15.1m, up 21%
- > Record net income of €9.6m, representing 5.8% of revenue

The ABEO Board of Directors met today and approved the full-year 2016/2017 financial statements.

Following its announcement of 13% revenue growth in early May, ABEO, a designer of sports and leisure equipment, today announces sharp growth in its 2016/2017 full-year results, with current EBITDA up 21% to €15.1m and record net income of €9.6m, compared with a €0.5m loss the previous year.

Olivier Estèves, Group CEO, said: “Our 2016/2017 roadmap was “sporty”: IPO, step-up in the international development of our brands, Rio Olympic Games, acquisitions - to name just a few of the year’s challenges. By the end of the financial year, all of these projects had been completed successfully, and I sincerely thank every Group employee for the vital role they played in this success. We intend to maintain this trend of profitable growth into 2017/2018 and to continue rolling out our strategic plan; this will involve international expansion with a particular focus on Asia, brand management aimed at generating synergies, partnerships with sports federations and a strengthened presence in the leisure and services sectors. Backed by the high-growth potential of our sports equipment markets and our capacity to grow our market share, we can confirm our ambition to post revenue of €300 million by 2020.”

- > **2016/2017 consolidated results** (1 April 2016 to 31 March 2017) – audited

€m	31/03/2017 12 months	31/03/2016 12 months	Change
Revenue	167.1	148.4	+12.6%
Current EBITDA <sup>1</sup>	15.1	12.5	+20.5%
% revenue	9.0%	8.4%	+0.6pt
Current operating income	11.6	9.4	+24.3%
Operating income	12.5	2.7	x 4.6
Net income	9.6	(0.5)	

### Strong revenue growth driven by international development

Group revenue growth was particularly strong in the 2016/2017 financial year: 2016/2017 revenue amounted to €167.1m, up 12.6% (13.1% organic growth, 2.2% growth from acquisitions, 2.7% currency losses). The Group continued to step up its international growth, with revenue generated outside France accounting for 70% of total revenue, up from 66% in the previous year.

<sup>1</sup> Current operating income + depreciation of fixed assets

In line with its strategic plan, international growth was also marked by **two acquisitions** in the second half of the financial year, which will produce their full effects in 2017/2018: **Erhard Sport**, a major German sports equipment brand consolidated on 11 November 2016, and **Sportsafe UK**, a sports equipment maintenance specialist based in the UK, consolidated on 1 January 2017. The Group also acquired the remaining 20% minority interests in Prospec and increased its stake in Clip'n Climb International in New Zealand to 70%.

## Sharp growth in results

**Driven by strong business momentum, current EBITDA soared 20.5% to €15.1m.** The EBITDA margin<sup>2</sup> rose 0.6 bp over the previous year to 9.0% of revenue. This improvement is primarily the result of: i) strong business growth in the Sports division, which posted EBITDA of €10.4m and sustained a high EBITDA margin of 11.7%, ii) the Climbing division's turnaround, thanks to strong sales momentum in fun climbing, which resulted in EBITDA of €0.9m compared with a €0.7m loss in the previous year. The Locker Room division posted EBITDA of €3.8m, down slightly by €0.6m. This segment experienced strong growth, particularly abroad, despite the decline in the Sanitec business (as a reminder, Sanitec's assets were purchased in April 2015 while under court-ordered liquidation) which shaved €0.9m off the division's EBITDA. A recovery plan was implemented, as a result of which business picked up again in the fourth quarter of 2016/2017.

**Net income amounted to a record €9.6m, up €10.2m over the previous year.** This sharp growth is primarily due to a €2.6m increase in current EBITDA and a €7.5m decrease in non-current expenses. As a reminder, the Group recorded non-current expenses of €6.6m in 2015/2016, mainly relating to the Janssen-Fritsen integration. In 2016/2017, ABEO posted total net non-recurring income of €0.9m, comprising income of €2.6m from the revaluation of the Clip'nClimb International share following sharp revenue growth since ABEO first acquired a stake in the company, IPO-related expenses of 0.9m and Sanitec restructuring costs of €0.4m.

## A robust balance sheet bolstered by the initial public offering and record results

**Group shareholders' equity amounted to €64.2m as at 31 March 2017, up from €37.4m one year ago,** boosted by net income growth and the funds raised via the initial public offering.

**ABEO posted cash and cash equivalents of €20.6m as at 31 March 2017,** which will enable it to quickly seize targeted acquisition opportunities over the coming months. Group net debt stood at €10.6m as at 31 March 2017, resulting in a gearing ratio of 0.2. It should be noted that a €5.9m cash outflow relating to the Sportsafe UK and Clip'n Climb acquisitions will occur during the first half of the 2017/2018 financial year.

## Partnerships with sports federations and presence at major events

ABEO has always been backed by a portfolio of strong sports brands in its bid to step up its expansion. The solid reputation of the Group's long-standing brands is bolstered by its presence at local, national and international sports competitions. In addition to events already announced, **a few days ago Spieth Gymnastics was appointed Official Supplier for the Commonwealth Games,** to be held in Australia in April 2018. The International Federation of Sport Climbing (IFSC) also announced today that Entre-Prises will supply the Sport Climbing World Cup in Switzerland in July 2017, and that it will be renewing its **exclusive partnership as Official Supplier of competition climbing walls until the 2020 Tokyo Olympic Games,** where sport climbing will feature as an Olympic sport for the very first time.

<sup>2</sup> Current EBITDA/revenue

