



EMAKINA
Press release

Emakina results 2015: a very good performance

*Income of EUR 70,340,000, up 25%;
EBITDA of EUR 6,070,000, strong growth of 50%*

Regulatory information – translation from the official French version

BRUSSELS, 21 MARCH 2016 (EMBARGO until 8.30 am) – Emakina Group (Alternext Brussels: ALEMK) announces its annual results for 2015 today.

1. Key figures

In thousands of EUR	2014	2015	Variation
Income	56,136	70,340	+ 25.3%
Organic growth	+ 10.7%	+ 20.6%	
Earnings before interest, depreciation and amortisation (EBITDA)	4,053	6,070	+ 49.8%
Organic growth	+ 25.4%	+ 35.3%	
Operating margin	+ 7.2%	+ 8.6%	
Result before tax	-62	1,952	+ 2,014
Net result	-853	1,147	+ 2,000

Karim Chouikri and Brice Le Blévenec, joint CEOs of Emakina Group, said:

“The Emakina group recorded strong progress in its results in 2015, with growth in its income of 25% and a further improvement in its operating margin of almost 150 basis points. This performance is underpinned by very good commercial dynamics led by all the teams in the group.

The remarkable increase in earnings before interest, depreciation and amortisation (EBITDA) of 50% to EUR 6,070,000 can be attributed to improved efficiency and a better balance between resources and requirements, better cost control and synergies between the entities in the group.

Our international expansion continues, with 57% of income coming from outside Belgium. We would like to thank all our clients for their confidence in us, as well as our 700 members of staff for their excellent contribution.”

Frédéric Desonnay, CFO Emakina Group, added:

“This improvement in margins over the past three years is the result of major efforts made in house by our managers to keep our costs under control, optimise talent management and ensure the right technological choices with the support of our shareholders and our bankers, not forgetting the contribution made by the financial and administrative teams”.

2. Key events in 2015

a) New business

In 2015, new national and international clients chose an Emakina group agency as their partner. These included, among others: AstraZeneca, Bosch Siemens, Celio, Carré de l'Habitat, Cofely (Engie), Crea Geneve, Crédit Mutuel Arkéa, De Lijn, European Defence Agency, Floris van Bommel, Generali, Goodman, Greentube, Hypo NÖ, Jimmy Choo, Kenwood, Kiala (UPS), Lola & Lisa, Markafoni, Melexis, Merck, Merkur Markt (REWE), Vecos, WE Fashion and brands in the Ales group, such as Caron, Lierac and Phyto.

b) Synergies

All the entities in the group continued to work together on several client projects, thereby enabling widespread sharing of their respective know-how, available resources and specific technologies.

c) Talents

Talent is the main asset within Emakina Group, which does everything possible to attract extraordinary people and help them evolve. At Emakina Group, talented individuals develop their capacities: through contact with their colleagues and with demanding clients; by receiving training; by taking part in research and development programmes.

d) Acquisitions

In September 2015, Emakina acquired 100% of the capital in the Austrian digital agency diamond:dogs. With 80 staff and locations in Vienna, Zurich, Salzburg and Zagreb, diamond:dogs enables Emakina to expand in central Europe.

After the close of the year, Emakina acquired 100% of the capital in the Swedish digital agency Dempsey in Stockholm. This operation has a workforce of 15 and, by building on the commercial partnership signed in 2013, enables the Emakina group to strengthen its presence in the Scandinavian countries.

e) Partnerships

In 2015, Emakina Group continued to work together with its partners. They help Emakina offer its clients a wide geographic scope as well as unique local know-how.

Emakina Group's partners are: Asiance (Korea - concluded in 2015); Bubblegum (Spain - concluded in 2015); Domino (Italy); Metia (Great Britain, United States and Singapore); Piramit (Turkey) and SinnerSchrader (Germany).

f) EMAKINA/Things launch

Emakina is innovating by setting up a new skills centre made up of experts in the Internet of Things (IoT). In an increasingly connected work, this field offers a host of opportunities to build up unique, creative experiences and thus connect brands with their audiences and improve client commitment.

g) Brand Experience Score©

Emakina has unveiled a new approach to 'Brand Experience' with an original brand management method and indicator. The Brand Experience Score© is presented on a dedicated website and comparative studies have been carried out on brands in the cosmetics, women's fashion, D-I-Y and gardening sectors.

3. General comment

Sharp increase in sales

In 2015, the Emakina Group consolidated sales amounted to EUR 70,340,217, compared with EUR 56,135,588 in 2014, a rise of +25.3% (+20.6% at constant scope).

In geographic terms, the client share 'outside Belgium' stood at 57% of total consolidated sales in 2015, compared with 50% a year earlier. Sales in Belgium rose by 7% in 2015.

It is worth noting that the acquisition in September 2015 of the Diamond Dogs communication group in Vienna, Salzburg, Zurich and Zagreb, as well as the acquisition in January 2016 of the Dempsey agency based in Stockholm are the most recent examples of Emakina's wish to operate more widely in Europe in order to support its international clients here as well as possible.

50% rise in EBITDA

The earnings before interest, depreciation and amortisation (EBITDA) amounted to EUR 6,069,790 (EUR 5,485,000 at constant scope) in 2015, compared with EUR 4,053,307 in 2014. Expressed as a percentage of total sales, the EBITDA rose by 7.2% to 8.6% (8.1% at constant scope) between 2014 and 2015.

This positive development of the operating margin results primarily from a better resource occupancy rate combined with cost control, continuing the trends observed since 2013.

The current result (before amortisation of consolidation differences) rose strongly in line with the EBITDA owing to the limited increase in amortisation charges on tangible and intangible fixed assets and the financial result over 2015 compared with 2014.

Positive net result of EUR 2,792,412 before and EUR 1,147,177 after amortisation of goodwill

The net result for 2015 (before amortisation of consolidation differences) rose by EUR 2,026,138 owing to the development of the current result, the lack of any extraordinary result in 2015 compared with the previous year and a stable tax burden.

Amortisation of consolidation differences (imposed by Belgian accounting standards) had a negative impact on the net result of the company of EUR 1,645,235 in 2015, compared with EUR 1,619,758 in 2014. This element of Belgian accounting law which imposes systematic amortisation weighs significantly on the consolidated net result.

4. Financial health

In 2015, the group's financial health improved thanks to a level of financial indebtedness in line with the growth recorded, lower working capital requirements exerting a positive impact on the cash position and the availability of appropriate credit lines.

5. Outlook for 2016

The Emakina Group management expects an organic increase in its sales at a figure for the year 2016 as a whole based on the commercial debt.

6. Senior management statement

The Board of Directors states that to the best of its knowledge, the condensed and consolidated interim financial statements as closed on 31 December 2015, drawn up in accordance with Belgian accounting standards, give a faithful picture of the assets, the financial situation and the results of the Emakina group. The annual financial report contains an accurate account of the information that has to be included in it.

7. Sundry

a) Auditor's report

The auditor has confirmed that his audit 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 release.

b) Belgian accounting standards

All the consolidated figures set out in the annex 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 that will be presented in detail in the 2015 annual report.

c) Shareholders' diary 2016

1 April:	Annual report 2015 (brochure);
22 April:	General meeting of shareholders;
16 September:	Publication of first half-yearly results 2016.

ABOUT EMAKINA GROUP

Emakina Group is a top 3 independent European full-service digital agency. 700 enthusiastic experts design, execute and evaluate creative customer experiences.

Working from 15 offices in 8 European countries, they deliver cutting-edge local and global services in communication, web building, applications and commerce. Together with its global partners, Emakina guides businesses and institutions in their digital transformation, creating increased user engagement, new opportunities and business lines, and helping them to simply work better.

Emakina recorded a turnover of EUR 70.3 million in 2015 and is included on the Alternext list of Euronext Brussels (mnemo: [ALEMK](#) - ISIN: BE0003843605).

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CONSOLIDATED FIGURES 2015 – EMAKINA GROUP SA

CONSOLIDATED INCOME STATEMENT (EUR) *	31/12/2015	31/12/2014	31/12/2013
SALES AND SERVICES	70,340,217	56,135,588	50,117,336
Turnover	67,561,421	53,444,947	48,680,249
Variations in projects in progress	-436,797	51,959	298,779
Capitalised production	102,199	129,698	110,489
Other operating income	3,113,394	2,508,984	1,027,819
OPERATING CHARGES (BEFORE AMORTISATION)	-64,270,428	-52,082,281	-47,060,983
Purchase of equipment and services linked to sales	-33,621,620	-26,665,481	-24,146,466
Remuneration, social security charges and pensions	-30,458,796	-25,272,915	-23,048,167
Other operating charges	-190,011	-143,885	133,650
EARNINGS BEFORE INTEREST, DEPRECIATION AND AMORTISATION = EBITDA	6,069,790	4,053,307	3,056,353
AMORTISATION AND DEPRECIATION	-1,898,211	-1,692,033	-1,340,574
Amortisation of intangible and tangible fixed assets	-1,367,209	-1,560,223	-1,370,127
Depreciation of trade receivables	-503,482	-131,810	24,553
Provisions for liabilities and charges	-27,520	0	5,000
OPERATING PROFIT	4,171,579	2,361,274	1,715,779
FINANCIAL RESULTS	-599,806	-460,281	81,283
Financial income	238,706	261,454	754,798
Financial charges	-838,513	-721,735	-673,515
CURRENT PROFIT BEFORE AMORTISATION OF CONSOLIDATION DIFFERENCES	3,571,772	1,900,993	1,797,062
AMORTISATION OF GOODWILL**	-1,645,235	-1,619,758	-1,028,432
CURRENT PROFIT	1,926,537	281,235	768,630
EXTRAORDINARY RESULTS	25,576	-343,151	-43,782
RESULTS BEFORE TAXES	1,952,113	-61,916	724,848
DEFERRED TAXES	-74,957	-61,467	-11,193
INCOME TAX	-729,979	-730,101	-550,762
SHARE IN THE RESULTS OF COMPANIES CONSOLIDATED USING THE EQUITY METHOD	0	0	-14,326
NET PROFIT BEFORE AMORTISATION OF CONSOLIDATION DIFFERENCES.	2,792,412	766,274	1,176,999
NET RESULTS	1,147,177	-853,484	148,567
A. Share of minority interests	590,055	278,666	193,264
B. Group share	557,122	-1,132,150	-44,697

DATA PER SHARE	31/12/2015	31/12/2014	31/12/2013
NUMBER OF SHARES	3,893,353	3,844,061	3,844,061
NUMBER OF SHARES AND WARRANTS	3,931,293	3,941,781	3,995,211
CURRENT RESULTS / SHARE (in EUR)	0.4948	0.0732	0.1999
CURRENT RESULTS / SHARE AND WARRANT (in EUR)	0.4899	0.0713	0.1924
GROUP SHARE / SHARE (in EUR)	0.1431	-0.2945	-0.0116
GROUP SHARE / SHARE AND WARRANT (in EUR)	0.1417	-0.2872	-0.0112
NET RESULT / SHARE (in EUR)	0.2947	-0.2220	0.0386
NET RESULT / SHARE AND WARRANT (in EUR)	0.2918	-0.2165	0.0372

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ASSETS (EUR) *	31/12/2015	31/12/2014	31/12/2013
FIXED ASSETS	12,922,391	10,176,906	11,171,038
Formation expenses	141,733	195,055	297,600
Intangible assets	1,829,716	2,063,497	2,038,425
Consolidation differences	9,621,685	6,582,723	7,084,341
Tangible assets	1,069,198	1,028,533	1,484,521
Fixed financial assets	260,059	307,098	266,151
CURRENT ASSETS	28,822,802	24,759,590	22,450,532
Stocks and contracts in progress	2,818,607	3,255,404	4,486,882
Deferred taxes	0	79,136	93,041
Amounts receivable within one year	20,560,092	18,474,777	13,845,816
Current investments	65,935	314,201	305,890
Cash at bank and in hand	4,314,371	2,044,869	2,863,659
Deferred charges and accrued income	1,063,797	591,203	855,244
TOTAL ASSETS	41,745,193	34,936,496	33,621,570
LIABILITIES (EUR) *	31/12/2015	31/12/2014	31/12/2013
CAPITAL AND RESERVES	10,116,550	9,135,600	10,266,607
MINORITY INTERESTS	760,445	670,127	338,629
PROVISIONS FOR LIABILITIES AND CHARGES	105,310	0	0
DEFERRED TAXES AND DEFERRED TAX LIABILITIES	7,889	12,068	44,645
DEBTS	30,754,999	25,118,701	22,971,689
Amounts payable after one year	2,515,600	1,470,618	2,186,146
Amounts payable within one year	27,610,416	23,206,853	20,243,085
<i>Current portion of amounts payable after one year</i>	<i>1,513,116</i>	<i>1,320,845</i>	<i>889,396</i>
<i>Financial debts</i>	<i>3,148,934</i>	<i>4,788,341</i>	<i>6,148,109</i>
<i>Trade debts</i>	<i>7,040,325</i>	<i>4,690,241</i>	<i>3,964,507</i>
<i>Advances received</i>	<i>6,245,727</i>	<i>5,400,122</i>	<i>3,420,199</i>
<i>Taxes, wages and social security</i>	<i>5,520,916</i>	<i>5,233,689</i>	<i>4,443,701</i>
<i>Other amounts payable</i>	<i>4,141,398</i>	<i>1,773,615</i>	<i>1,377,173</i>
Deferred charges and accrued income	628,983	441,230	542,458
TOTAL LIABILITIES	41,745,193	34,936,496	33,621,570

* Drawn up in accordance with Belgian accounting standards.

** In accordance with the valuation rules, consolidation differences (or goodwill) are amortised over eight years, irrespective of any excess values to be taken into consideration in accordance with Belgian accounting standards.

In accordance with the Alternext Brussels regulations, this annual press release is optional. It will be followed by the publication of the Emakina Group annual financial report 2015 which will contain all the regulatory information. This report will be available on our website, www.emakina.com ("Financial - Reports" section) as of 1 April 2016, in accordance with the applicable legal provisions.