Press release

Paris, 18 July 2018

H1 2018 REVENUE: +50%

Continued strong growth momentum
Acceleration in new productions
Strong catalogue sales growth
Record sales outlook for 2018

The Xilam Group posted consolidated H1 2018 revenue of **EUR 13,866 thousand**, an increase of **50%**. This increase represents an excellent performance, as it follows on the heels of growth of **54%** in H1 2017. Revenue for the first part of this financial year breaks down as follows.

<table>
<thead>
<tr>
<th>In thousands of euros</th>
<th>30.06.2018(1)</th>
<th>30.06.2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>New productions</td>
<td>8,465</td>
<td>4,571</td>
<td>+85%</td>
</tr>
<tr>
<td>Catalogue</td>
<td>5,385</td>
<td>4,652</td>
<td>+16%</td>
</tr>
<tr>
<td>Other</td>
<td>16</td>
<td>16</td>
<td>+0%</td>
</tr>
<tr>
<td><strong>Revenue and subsidies</strong></td>
<td><strong>13,866</strong></td>
<td><strong>9,239</strong></td>
<td><strong>+50%</strong></td>
</tr>
</tbody>
</table>

(1) Unaudited data.

**Remarkable success for new releases +85%**

Excellent H1 growth was driven by the two main businesses, New Productions and Catalogue.

In New Productions, H1 deliveries generated record revenue of EUR 8,465 thousand, an **85%** increase compared with H1 2017, and confirmed Xilam’s position as a major European animation company.

Catalogue revenue was up **16%** compared with H1 2017, thanks again to traditional TV channels and digital platforms, in both France and abroad.

**A fast-paced delivery schedule**

Thanks to its increasing production capacity in recent years, Xilam delivered 37 half-hour programmes over the half year, and has thus completed production of all episodes of:

- the fifth season of *Oggy & the Cockroaches*, which has notably been pre-purchased by Gulli in France, and Cartoon Network and Netflix internationally; this season is already ranked among the top audience figures of the main broadcasters associated with the brand;
- **Paprika**, the Group’s first preschool show, which has been pre-purchased by France Télévisions, Disney Channel and Netflix; Initial launches in France, Italy and Australia are already very promising.

- The second season of **Magic**, pre-purchased by Gulli in France, Discovery and Amazon internationally, which will be launched at the end of the year.

- **If I were an animal**, a wildlife series designed especially for children, pre-purchased notably by France Télévisions and Netflix, and for which international pre-sales point to excellent longevity as a catalogue property.

**A well-furnished catalogue which has again provided record catalogue revenue**

H1 saw yet another historical performance for the catalogue, with sales up a further 16%.

YouTube income rocketed 73%, driven by almost 1.9 billion video views over the period, confirming Xilam’s position among the leading animated content providers on the largest global streaming platform. This growth was mainly due to the success of **Oggy & the Cockroaches** and **Zig & Sharko**, with the number of video views for the latter now equalling that of **Oggy & the Cockroaches**.

The Group’s other content also contributed to sales growth in France, Italy and India, such as the two seasons of **The Daltons**.

**Record sales expected in 2018**

After this successful H1, the delivery of new productions will continue in H2 at a rapid rate, and catalogue sales are expected to enjoy a fresh increase, thus confirming continued robust growth.

**Mr. Magoo, Zig & Sharko 3, Coach me if you can: expected global success**

H2 will see the delivery of the first episodes of **Mr. Magoo, Zig & Sharko 3** and **Coach me if you can**:

- **Mr. Magoo**, based on the famous American character from the 1950s (which won several Oscars), has already broken Xilam’s all-time pre-sale record, as its broadcast is already guaranteed in at least 150 countries.

- The keenly awaited and widely pre-purchased season three of **Zig & Sharko**, should again ensure the content’s strength worldwide, placing **Zig & Sharko** side by side with **Oggy & the Cockroaches**.

- **Coach me if you can**: an original, football-themed creation from the Xilam studio that is expected to be released worldwide and will be gradually launched at the end of 2019 to be fully broadcast to coincide with Euro 2020.

In view of this highly favourable outlook, Xilam is confident in its ability to post further record-breaking results for the financial year as a whole.
Xilam is also currently working on *Tiny Bad Wolf* (a new preschool series) and *The Fabulous Adventures of Prince Moka* (a new comedy), confirming its target of delivering 100 half-hour programmes per year as of 2020.

Xilam thus confirms its growing ability to create, produce and distribute high-quality animated programmes and market them at an increasingly rapid rate on the world’s largest global broadcasting platforms, providing these programmes, which it fully owns, with an excellent long-term asset value.

**NB:** The Group has adopted IFRS 15 - Revenue from Contracts with Customers, and this document therefore presents 2018 revenue after the application of this new standard. Using the same revenue recognition method as in 2017, H1 2018 revenue would have been EUR 8,094 thousand for New Productions and EUR 4,771 thousand for the Catalogue business. As the Group has opted for the cumulative recovery method, H1 2018 and FY 2018 financial statements will be restated in the notes to the financial statements for the effects of the application of this new standard.

**About Xilam**

Xilam is one of Europe’s leading animation companies, creating, producing and distributing original children’s and family entertainment content across TV, film and digital media platforms.

Founded in 1999 by Marc du Pontavice, Xilam owns a catalogue of more than 2,000 animated episodes and three feature films including strong brands such as Oggy & the Cockroaches, Zig & Sharko, The Daltons and its first preschool series, Paprika.

Broadcast in over 190 countries on all the major TV networks and digital platforms, including YouTube with over 300 million video views monthly, Xilam’s programme catalogue makes the company one of the top global content providers in animation.

Xilam employs more than 400 people, including 300 artists, who are based across its four studios located in Paris, Lyon, Angoulême and Ho-Chi-Minh City in Vietnam.

Xilam is listed on Compartiment B of Euronext Paris
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