GROUPE PARTOUCHE

NEW GROWTH IN 1ST HALF OF 2016

TURNOVER + 2% at €210.3m

EBITDA + 16% at €46.9m – MARGIN INCREASED BY 260 bp at 22.3%

NET INCOME GROUP SHARE + 25% at €15.3m

Paris, 29 June 2016

The profitability of the Group witnessed a new significant growth during the 1st half of the current financial year (at 30 April), that is linked to a sustained growth of the business activity (1st Half 2016 – on a like-for-like basis: GGR + 4.4% at €315.7m and Turnover + 3.3% at €210.3m).

NEW INCREASE IN THE PROFITABILITY INDICATORS

On reported 1st half year data : based on a turnover up by 2% at €210.3m, **EBITDA increased** from €6.2m **to € 46.9m (+20%)** and the margin ratio (EBITDA/TURNOVER) **improved** by 260 bp, from 19.7% **to 22.3%**. The current operating profit (COP) increased from €8.4m to €27.7m (+44%). The Group net income was up by 21% at €19.3m. **The net income group share was up by 25% at €15.3m** following a slight increase of minority interests: €4m vs. €3.8m during 1st half 2015.

On 1st half-year data on a like-for-like basis, mainly restating the 1st half 2015 of the Garden Beach hotel with an operating loss, the new strong improvement of the profitability ratios confirmed the excellent conversion of the additional turnover. With a turnover up by €6.7m (+3,3% at €210.3m) EBITDA increased from €4.2m to €46.9€ representing thus 22.3% of the turnover, compared with 21% during 1st half 2015 and the COP increased by €5.9m reaching €27.8m i.e. 13.2% of turnover, compared with 10.7% during the 1st half 2015.

A STABILIZED FINANCIAL STRUCTURE

Over the year, the financial debt of Groupe Partouche decreased from €106m (end of April 2015) to €74m (end of April 2016) leading to a Gearing (Net debt to Equity) at x0,22.

OUTLOOK

Groupe Partouche recently executed an agreement for the divestment of its subsidiary Cannes Balnéaire SA, holder of the occupation right of the « Palm Beach » site in Cannes, the latter being rented to the Casino de la Pointe Croisette.

This casino structurally heavily loss-making for many years, could be relocated as the present site is no longer suitable to its purpose. Works will be undertaken at the Hotel 3.14 following the authorizations granted by Cannes city council and the Ministry of the Interior and relocation is scheduled beginning of 2017.

Now that it refocused on its core casino business with a constantly enriched offering mainly due to new electronic tables games, Groupe Partouche strengthened by a sound financial position, can look to the future with confidence. With a daily implementation of this new strategy, the group can increase its leadership and improve its performance, beyond the excellent present trend and the benefits generated by its reorganization.

Groupe Partouche was established in 1973 and has grown to become one of the market leaders in Europe in its business sector. Listed on the stock exchange, it operates casinos, hotels, restaurants, spas and golf courses. The Group operates 43 casinos and employs nearly 4,500 people. It is well known for innovating and testing the games of tomorrow, which allows it to be confident about its future, while aiming to strengthen its leading position and continue to enhance its profitability. Groupe Partouche was floated on the stock exchange in 1995, and is listed on Euronext Paris, Compartment B. ISIN : FR0000053548 - Reuters : PARP.PA - Bloomberg : PARP:FP

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FINANCIAL INFORMATION

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ANNEX

1st HALF STATEMENT OF ACCOUNTS

During its meeting held on 28 June 2016, the Supervisory Board examined the audited statements of accounts for the 1st half of the financial year and reviewed the report of the Executive Board.

1. Income statement

CONSOLIDATED INCOME STATEMENT In €M at 30 April	**2016**	**2015**
Turnover	210,3	206,2
External purchases and expenses	(64,8)	(63,4)
Taxes and duties	(11,0)	(11,0)
Personnel expenses	(84,6)	(86,9)
Depreciation, amortization and impairment of fixed assets	(17,5)	(18,1)
Other current operating income and expenses	(4,8)	(7,6)
Current operating profit	**27,7**	**19,2**
Other non-current operating income and expenses	0,2	0,1
Gain (loss) on the sale of consolidated investments	0,1	4,6
Impairment of non-current assets	-	-
Non-current operating gain (loss)	**0,4**	**4,7**
Operating income	**28,0**	**23,9**
Financial income	**(1,8)**	**(1,9)**
Income before tax	**26,2**	**22,0**
Corporate income tax	(5,2)	(4,3)
CVAE tax	(1,8)	(1,8)
Profit after tax	**19,3**	**15,9**
Share in earnings of equity-accounted associates	-	(0,0)
Total net profit	**19,3**	**15,9**
o/w Group share	15,3	12,2

EBITDA	**46,9**	**40,6**

2-Current operating profitability on a like-for-like basis

Business activity must be analysed taking into account the changes in the scope of consolidation in 2015 following the divestment of the Chaudfontaine casino and the Garden Beach hotel in Juan-les-Pins on the one side and the closing of the La Trinité-sur-Mer casino on the other side. The following tables show developments on a like-for-like basis.

In €M	GROUP REPORTED		NEUTRALISED COMPANIES		GROUPE ON A LIKE-FOR-LIKE BASIS			
	1st half 2016	1st half 2015	1st half 2016	1st half 2015	1st half 2016	1st half 2015	DIFFERENCE	VARIATION
Turnover	**210,3**	**206,2**	**0,0**	**2,6**	**210,3**	**203,6**	**6,7**	**3,3%**
External purchases & expenses	(64,8)	(63,3)	(0,0)	(1,6)	(64,8)	(61,8)	(3,0)	4,9%
Taxes and duties	(11,0)	(11,0)	(0,0)	(0,4)	(11,0)	(10,6)	(0,4)	4,0%
Personnel expenses	(84,6)	(86,9)	(0,1)	(2,1)	(84,5)	(84,8)	0,3	-0,3%
Depreciation, amortization and impairment of fixed assets	(17,5)	(18,1)	(0,1)	(0,4)	(17,4)	(17,7)	0,4	-2,0%
Other current operating income & expenses	(4,8)	(7,6)	0,1	(0,8)	(4,9)	(6,8)	1,9	-28,4%
Current operating profit	**27,7**	**19,2**	**(0,1)**	**(2,7)**	**27,8**	**21,9**	**5,9**	**26,9%**
EBITDA	**46,9**	**40,6**	**(0,1)**	**(2,1)**	**46,9**	**42,7**	**4,2**	**9,9%**

The single significant increase in the above operating expenses on a like-for-like, is the external purchases and expenses for €3m, mainly due to :

- The emphasized marketing operations linked with the growth of the activity for €1.4m
- The subcontracting expenses of CKO Betting (sports betting) due to a growth in its activity for € 1.3m

The item Tax increased slightly by €0.4m mainly due to expenses generated by professional training (of which a balance of the previous financial year)

Personnel expenses are stable at €84.5m

Depreciation, amortization and impairment of fixed assets reached €17.4m slightly down by €0.4m.

The item Other current operating income & expenses declined by €1.9m.; as following legislative development, a complementary levy of € 1.7m due to be paid during 2nd half-year, was accounted for in 1st half 2015.

Segment information: the changes in COP and EBITDA on a like-for-like are mainly from the casino segment.

3-Net income

Reported data (as reference for the comments to follow) including the changes in the scope of consolidation, COR reached €27.7m, up by €8.4m.

Non-current operating income at 30 April 2016 is an income of €0.4m while in 1st half 2015 an income of €4.7m is mainly due to the result of the divestment of the Belgian casino of Chaudfontaine.

Thus operating income reached during 1st half 2015, €28m up by €4.1m.

Financial income is a net expense of -€1.8m compared to -€1.9m during 1st half 2015. Net financial expenses decreased by € 0.8m over the period, while 2015 benefited from the positive impact of the exchange income in the subsidiaries bordering Switzerland.

Net income before tax is a profit of €26.2m up by €4.2m.

Tax expenses (including CVAE) slightly increased by €0.8m, from €6.1m to €6.9m due to an increase in the corporate income tax.

The net income for the half-year is a profit of €19.3m compared to €15.9m for the 1st half 2015, of which the Group share represents a profit of €15.3m compared to €12.2m at 30 April 2015.

4-Balance Sheet

The notable changes in assets on the balance sheet 30 April 2016at are as follows :

- An increase in non-current assets of €7.1m : it should be noted that the net flow linked to investments represented over the period -€2.7m, comprising in particular the acquisition of minority shares of the casinos of La Roche Posay and Agon-Coutainville, the acquisition of the new premises of the Juan-les-Pins casino together with the annual budget early commitment for the renewal of the slot machines fleet.
- A decrease of €31.8m in the Group's cash position, mainly due to the reimbursements carried on in December 2015 of the syndicated loan and of the shareholder advance, for a total amount of €23.8m.

On the liability side, shareholders' equity including minority interests, increased by €4.4m thus reaching €336.6m and borrowings decreased by €22.9m.

The financial structure of the Group, now stabilized with a gearing at approximately 20%, can be summarized as follows :

In €M	30/04/2016 6 months	31/10/2015 12 months	30/04/2015 6 months
Equity	336,6	332,2	339,8
Consolidated EBITDA	46,9	75,0	40,6
Gross debt *	177,7	200,5	212,1
Cash net of levies	103,7	135,1	106,3
Net debt	74,0	65,4	105,7
Net debt to equity ("gearing")	0,22	0,20	0,31

** The notion of gross debt includes bank borrowings and restated capital leases, accrued interest, miscellaneous borrowings and financial debts, banking facilities and financial instruments.*

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