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FINANCIAL  
NEWS

Time is on our side



# A STRONG YEAR DESPITE CURRENCY EFFECTS

## 2017/2018 ANNUAL RESULTS

The Management Board met on July 9<sup>th</sup> under the leadership of Jérôme François, to examine the accounts at April 30<sup>th</sup>, 2018. These will now be submitted to the General Assembly next October 26<sup>th</sup>, at which point a € 0.35 per dividend will also be suggested:

Consolidated accounts in M€ IFRS	2017/2018	%	2016/2017	%	Var.
Turnover	245.2	100%	227.9	100%	+ 7.6%
Current Operating Income	48.0	19.6%	45.7	20.0%	+ 5.3%
Operating Income	47.3	19.3%	44.7	19.6%	+ 5.9%
ROP after adjustment	47.9	19.5%	45.6	20.0%	+ 5.0%
Net Income	30.6	12.5%	32.5	14.2%	- 5.8%
Net Income Group Share	30.2	13.1%	32.1	14.1%	- 5.8%

### € 255.4 M: A YEAR THAT SURPASSED TARGETS AT CONSTANT EXCHANGE RATES

The Group's sales rose organically by + 7.8%, thanks to the dynamism of its bourbon division.

The negative impact of foreign exchange rates this year reached the exceptional level of - € 10.2 million, well above expectations, thus erasing the full year contribution of the two acquisitions made last year: + € 9.6 million.

### Wine businesses: €158,2 M (+ 1,0 % and + 1,3 % like-on-like)

Despite a historically small 2017 global harvest, the Group achieved organic growth of 1.3%, driven mainly by export markets outside of Europe, with the latter zone particularly affected by the effects of the spring frost.

### Alcohol businesses: €87,0 M (+ 22,1 % and + 22,3 % like-on-like)

The bourbon division's business (> \$ 40 million) continued to grow at a steady pace, exceeding its stated objectives in what is proving a sustainably buoyant market.

The whisky division, having fully anticipated and limited its decline in activity, is already planning for next year's expected market recovery.

## RESULTS THAT REMAIN VERY STRONG AND IN LINE WITH OBJECTIVES

The ROC and the ROP are up by + € 2.3 million, at a slower pace than sales as a result of the ramp-up of the bourbon business, whose profitability levels are dampened by heavy investment in growth. This year's income is impacted by currency effects that amount to - € 3.4 million, the result of intra-group positions in foreign currencies (impact n-1: + € 1 million).

Adjusted for foreign exchange, the Group's net income would amount to € 34 million versus € 31.5 million in 2017.

Net debt, down € 5 million to € 40.9 million, or a gearing of less than 13%, reflects the Group's ability to finance its growth while maintaining a healthy financial structure.

## 2020 TARGETS CONFIRMED: TURNOVER → € 300 M, ROP → € 60 M

Although the goal of € 300m in sales by 2020 was set two years ago on the basis of much more favorable exchange rates, the Group, thanks to its strong momentum, is in a position to stick to them on a like-by-like basis.

## NEW OBJECTIVES FOR 2023 : TURNOVER ~ € 350 M, ROP ~ € 70 M

As part of its 2020 roadmap, the Group has set up a Bourbon stave mill to supply and process the raw material it will need to manufacture barrels.

Activity there began in June 2018 and is aimed both at securing raw materials and strengthening margins, in line with the business model already in place in our wine division. Given both the dynamism of the market and the successes we have already achieved in it, the Group:

- has invested in a new cooperage site in Virginia,
- has acquired a second stave mill in Ohio, where activity will begin in July 2018
- is preparing to install a third stave mill in Virginia

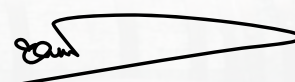
**with, as its target, the doubling of its bourbon activity by 2023, with a turnover of around 120 M\$.**

Thus, the Group is confident of reaching the objective of a 50/50 balance between its wine and alcohol divisions, with a consolidated annual average growth between 5 and 10%, for an operational profitability still close to 20% of sales.

# ABOUT TFF GROUP

**As the global leader in the wine and whisky market, serving the leading luxury wine and spirits sector, TFF Group is present in more than 80 countries and is experiencing strong growth in the bourbon market.**

“As a privileged partner of the biggest names in wine and spirits, we help them to make the most of their crops thanks to our innovative and environmentally-friendly top-end aging containers that are made in the noblest tradition of French know-how. With our 1,043 employees and 245 million in sales in 2017-2018, we strive to promote world-class expertise and the «Made in France» stamp of quality.



**Jérôme FRANCOIS**  
CEO

**TFF GROUP IN 2018:**      **TURNOVER: 245,2 M€**      **1,043 employees**      **80 countries served**  
**ROC: 48,0 M€**      **which 601 internationally**

[www.tff-group.com](http://www.tff-group.com)

**EURONEXT PARIS - Compartiment B - FR0013295789 - Bloomberg TFF.FP - Reuters TEFE.PA**

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