



Half  
year

**Half year  
Financial  
report**

**2017**

<b>HALF-YEAR INCOME STATEMENT (EUR)</b>	<b>30/06/2017</b>	<b>30/06/2016</b>	<b>30/06/2015</b>
<b>Sales and services</b>	<b>39,507,898</b>	<b>38,594,477</b>	<b>32,462,191</b>
<b>Operating charges (before amortisation)</b>	<b>(37,033,110)</b>	<b>(35,998,673)</b>	<b>(30,008,601)</b>
<i>Raw materials, consumables</i>	<i>5,163,113</i>	<i>5,386,095</i>	<i>5,719,764</i>
<i>Services and other goods</i>	<i>11,086,638</i>	<i>11,412,334</i>	<i>9,580,201</i>
<i>Wages, social security and pensions</i>	<i>20,729,521</i>	<i>19,068,668</i>	<i>14,670,637</i>
<i>Other operating charges</i>	<i>53,838</i>	<i>131,576</i>	<i>37,999</i>
<b>Earnings before interest, depreciation and amortisation = EBITDA</b>	<b>2,474,788</b>	<b>2,595,804</b>	<b>2,453,590</b>
<i>Depreciation, amortisation and provisions</i>	<i>662,113</i>	<i>505,853</i>	<i>706,655</i>
<b>Operating profit</b>	<b>1,812,675</b>	<b>2,089,951</b>	<b>1,746,935</b>
<b>Financial result</b>	<b>55,919</b>	<b>(125,721)</b>	<b>(338,053)</b>
<b>Current profit before amortisation of consolidated differences</b>	<b>1,868,593</b>	<b>1,964,230</b>	<b>1,408,882</b>
<i>Amortisation of consolidated differences</i>	<i>1,095,861</i>	<i>909,263</i>	<i>826,980</i>
<b>Current profit</b>	<b>772,732</b>	<b>1,054,967</b>	<b>581,902</b>
<b>Non-recurrent result</b>	<b>-20,889</b>	<b>-92,974</b>	<b>239</b>
<b>Profit before tax</b>	<b>751,843</b>	<b>961,993</b>	<b>582,141</b>
<b>Deferred taxes</b>	<b>-485</b>	<b>3,699</b>	<b>3,909</b>
<b>Income taxes</b>	<b>(609,222)</b>	<b>(380,231)</b>	<b>(345,346)</b>
<b>Net profit before amortisation of consolidated differences</b>	<b>1,237,997</b>	<b>1,494,724</b>	<b>1,067,684</b>
<b>Half-year net profit</b>	<b>143,106</b>	<b>585,461</b>	<b>240,704</b>
<i>A. Share of minority interests</i>	<i>112,098</i>	<i>69,369</i>	<i>195,549</i>
<i>D. Group share</i>	<i>31,008</i>	<i>516,092</i>	<i>45,155</i>

<b>DATA PER SHARE</b>	<b>30/06/2017</b>	<b>30/06/2016</b>	<b>30/06/2015</b>
<b>Share price</b>	<b>14.00</b>	<b>10.5</b>	<b>9.00</b>
<b>Number of shares</b>	<b>3,893,353</b>	<b>3,893,353</b>	<b>3,893,353</b>
<b>Market capitalisation</b>	<b>54,506,942</b>	<b>40,880,207</b>	<b>35,040,177</b>
<b>Number of warrants subscribed</b>	<b>0</b>	<b>0</b>	<b>38,440</b>
<i>Current half-year result / share (in EUR)</i>	<i>0.1985</i>	<i>0.2709</i>	<i>0.1495</i>
<i>Half-year group share / share (in EUR)</i>	<i>0.0080</i>	<i>0.1325</i>	<i>0.0116</i>
<i>Half-year net profit / share (in EUR)</i>	<i>0.0368</i>	<i>0.1504</i>	<i>0.0618</i>
<b>Half-year net profit before amortisation of consolidation differences / share (in EUR)</b>	<b>0.3180</b>	<b>0.3839</b>	<b>0.2742</b>

**INTRODUCTION**

In accordance with the legal provisions incumbent upon issuers listed on Alternext Brussels, this half-year report for 2017 includes (i) the highlights of the first half of 2017 as well as the outlook for the rest of the year, (ii) Emakina Group's half-year condensed consolidated financial statements as at 30 June 2017 with explanatory notes and a comparison with 30 June 2016 for the income statement and with 31 December 2016 for the balance sheet accounts, (iii) the Board of Directors' statement regarding the true and fair view of the financial statements, (iv) the Auditor's Report on the limited review of the interim condensed consolidated financial statements as at 30 June 2017.

The publication of these half-year consolidated accounts was approved by the Board of Directors on 20 September 2017.

The Board of Directors would like to thank the shareholders, employees, clients and partners for their constant and constructive support in the development of Emakina's activities.

Brussels, 20 September 2017.

Mr Brice Le Blévenec

Mr Karim Chouikri

Mr Denis Steisel

Mr Pierre Gatz

Mr François Gillet

Ms Daisy Foquet

VAPM Consulting SPRL,  
Represented by Mr Pierre Cattoir

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## **1. HIGHLIGHTS FROM THE FIRST HALF OF 2017 AND OUTLOOK FOR THE REST OF THE YEAR**

### *New Business*

In 2017, new national and international clients chose an Emakina group agency as their partner. These included, among others: Austrian Standards, Axa Insurance, Bank Delen, Boucheron, Carrera, Codeta Casino, Gaastra, Intersport, Jacob Holm, Konica Minolta, Makro, Mondi, Red Bull Media House, Renault Nissan, Samsonite.

### *Acquisition*

In January 2017, Emakina acquired 100% of the capital in the Swedish agency Doe Blomberg Gottberg (DBG). This agency has a workforce of 15 and has won the Swedish 'Communication Agency of the Year' award three times. This transaction strengthens Emakina's presence in Scandinavia, where it now has over 30 colleagues.

### *Internationalisation*

Sales outside Belgium increased by almost 10% over the first half of 2017 and now account for 61% of the consolidated income for the first half of 2017, compared with 57% in 2016.

### *Integration and process*

In 2017, Emakina Group has continued to invest in integration and synergies within its network, particularly in Austria. Emakina Group has also strengthened its teams so as to speed up the deployment of joint management platforms. The organisation of regular coordination and training meetings at group level is also a priority so as to improve the sharing of respective know-how, available resources and technologies.

### *Talents*

Talent is the cornerstone of Emakina Group's success. Attracting and retaining talented individuals are key objectives for all the managers, while maintaining a correct balance between the skills required by clients and the need to keep costs under control. This subtle balance remains an art in a constantly evolving technological context.

### *Partnerships*

Through its commercial partners, Emakina Group continues to offer its clients a wide geographic scope combined with in-depth local knowledge: Asiance (Korea); Bubblegum (Spain); Domino (Italy); Metia (Great Britain, United States and Singapore) and SinnerSchrader (Germany).

Notes on the results of the first half of 2017

**Growth in activities**

During the first half of 2017, Emakina Group's consolidated sales amounted to EUR 39,507,898 compared with EUR 38,594,477 in the same period in 2016, representing an increase of 2.4% (stable at constant scope).

As stressed above, the international expansion continues, with over 61% of income recorded with clients located outside Belgium, compared with 57% during the same period last year.

**Development of EBITDA**

The earnings before interest, depreciation and amortisation (EBITDA) amounted to EUR 2,474,788 (EUR 2,310,141 at constant scope) in the first half of 2017, compared with EUR 2,595,805 during the same period in 2016, a fall in absolute terms of 4.7%. Expressed as a percentage of total sales, EBITDA passed from 6.7% to 6.3% (5.8% at constant scope) in the first half of the year between 2016 and 2017.

This development in the operating profitability can be attributed to a range of factors (occupancy rate, cost structure, production efficiency, etc.), but as has been stressed, the work involved in integrating new entities into the group affected performance at the start of 2017.

**Current profit under control and positive net result**

The current profit before taxes (EUR 772,732) over the first half of 2017 fell by 11% compared with the same period in 2016, owing to (i) the development of operating profitability, (ii) a stable financial result (despite the increase in amortisation of goodwill) and (iii) the lack this year of any major reversals of write-downs on trade debts.

The net result (EUR 143,106) for the first half of 2017 may be attributed to the development of the current profit, the lack of non-recurrent elements and the increase in the tax burden. This positive net profitability helps strengthen the group's equity base.

As a reminder, the amortisation of goodwill (compulsory under Belgian accounting standards) had a negative impact of EUR 1,095,861 the company's net result in the first half of 2017, compared with EUR 909,263 in the first half of 2016. This element of Belgian accounting law, which imposes systematic amortisation (booked under financial charges), weighs significantly on the consolidated net result.

*Financial health*

In mid-2017, the group's financial health remains stable thanks to a positive net result and the strengthened equity base, a level of financial indebtedness in line with the group's growth, working capital requirements under control and the availability of proportionate credit lines.

*Outlook for 2017*

The Emakina Group management is maintaining its forecasts made at the start of the year and expects an organic increase in its sales for 2017 as a whole, based on the current order book.

## 2. CONSOLIDATED FINANCIAL STATEMENTS ON 30 JUNE 2017

### a. Consolidation scope

During the first half of 2017, the Emakina Group consolidation scope developed as follows further to the investments made:

- Acquisition of 100% of the capital in the company Doe Blomberg Gottberg AB, with its registered office in Stockholm, on 9 January 2017. The companies DBG AB and Emakina AB were then merged with retroactive effect as of 1 January 2017.
- The shares held by Emakina AB in the company Apt 5 Agency AB, amounting to 40.1%, were disposed of.
- The Emakina Group SA holding in Emakina.NL BV rose from 76.7% to 89.9% on 29 June 2017 further to the purchase of additional shares from minority shareholders.

All the companies along with their holding percentage are included in Note I of this half-year report.

### b. Consolidation method

The Emakina Group subsidiaries are consolidated according to the full consolidation method.

The full consolidation method is adopted when the subsidiary is controlled by the parent company insofar as:

- either the parent company directly or indirectly owns more than 50% of the capital;
- or the parent company has control over the management bodies of the company concerned.

This method consists of incorporating into the parent company's accounts every element of the assets and liabilities of the integrated subsidiaries, replacing the balance sheet value of these holdings.

The use of this method leads to the reporting of goodwill on consolidation and of minority interests. Similarly, the expenses and incomes of these subsidiaries are combined with those of the parent company and their results for the year are divided between the Group and the third parties.

The group's internal operations affecting the assets and liabilities, such as holdings, debts and entitlements, and the results, such as interest, expenses and income, are eliminated in the overall consolidation.

**c. Consolidated balance sheet established according to Belgian accounting standards (Belgian GAAP) after appropriation\***

	<b>ASSETS (EUR)</b>	<b>Codes</b>	<b>30/06/2017</b>	<b>31/12/2016</b>
	<b>FIXED ASSETS</b>	<b>20/28</b>	<b>17,355,852</b>	<b>15,290,742</b>
I	Formation expenses (note VII)	20	207,725	88,410
II	Intangible assets (note VIII)	21	1,933,731	1,697,932
III	Consolidation differences (note XII)	9920	13,256,163	11,917,967
IV	Tangible assets (note IX)	22/27	1,517,439	1,289,929
A.	<i>Land and buildings</i>	22	0	0
B.	<i>Plants, machinery and equipment</i>	23	803,216	564,143
C.	<i>Furniture and vehicles</i>	24	420,379	415,004
E.	<i>Other tangible assets</i>	26	293,844	310,782
F.	<i>Fixed assets in progress</i>	27	0	0
V	Financial assets (notes. I - IV and X)	28	440,793	296,505
B.	<i>Other companies</i>	284/8	440,793	296,505
	<i>1. Participating interests and shares</i>	284	170,300	86,642
	<i>2. Amounts receivable</i>	285/8	270,493	209,863
	<b>CURRENT ASSETS</b>	<b>29/58</b>	<b>28,730,629</b>	<b>29,528,681</b>
VII	Stocks and contracts in progress	3	5,725,743	3,479,708
B.	<i>Contracts in progress</i>	37	5,725,743	3,479,708
VIII	Amounts receivable within one year	40/41	17,592,031	21,921,645
A.	<i>Trade debtors</i>	40	16,480,857	20,296,925
B.	<i>Other amounts receivable</i>	41	1,111,174	1,624,720
	<i>1. Deferred taxes</i>		0	0
	<i>2. Other</i>	416	1,111,174	1,624,720
IX	Current investments	50/53	72,413	339,423
A.	<i>Own shares</i>	50	66,393	339,423
B.	<i>Other investments</i>	51/53	6,020	0
X	Cash at bank and in hand	54/58	3,426,597	2,331,210
XI	Deferred charges and accrued income	490/1	1,913,845	1,456,697
	<b>TOTAL ASSETS</b>	<b>20/58</b>	<b>46,086,480</b>	<b>44,819,424</b>

\* Article 124 of the Royal Decree of 30 January 2001 implementing the Companies Code

	<b>LIABILITIES (EUR)</b>	<b>Codes</b>	<b>30/06/2017</b>	<b>31/12/2016</b>
	<b>CAPITAL AND RESERVES</b>	<b>10/15</b>	<b>10,785,684</b>	<b>10,735,919</b>
I	Capital	10	9,347,962	9,347,962
A.	<i>Issued capital</i>	100	9,347,962	9,347,962
II	Share premium account	11	3,436,644	3,436,644
IV	Consolidated reserves (note XI)	9910	-1,975,735	-1,915,608
V	Exchange rate difference	9912	-23,187	-133,079
VI	Capital grants	15	0	0
	<b>MINORITY INTERESTS</b>		<b>256,957</b>	<b>1,012,558</b>
VIII	Minority interests	9913	256,957	1,012,558
	<b>PROVISIONS, DEFERRED TAXES AND TAX LIABILITIES</b>	<b>16</b>	<b>115,950</b>	<b>114,125</b>
IX	Provisions for liabilities and charges	160/5	114,010	111,700
A.	<i>4. Other liabilities and charges</i>	163/5	0	0
IX	Deferred taxes and deferred tax liabilities (note VI, B)	168	1,940	2,425
B.				
	<b>DEBTS</b>	<b>17/49</b>	<b>34,927,889</b>	<b>32,956,822</b>
X	Amounts payable after one year (note XIII)	17	5,561,149	3,822,243
A.	<i>Financial debts</i>	170/4	5,561,149	3,822,243
	<i>3. Leasing debts</i>	172	0	0
	<i>4. Credit institutions</i>	173	5,048,886	3,250,801
	<i>5. Other loans</i>	174	512,263	571,442
XI	Amounts payable within one year (note XIII)	42/48	29,106,796	28,895,668
A.	<i>Current portion of amounts payable after one year</i>	42	765,253	1,463,613
B.	<i>Financial debts</i>	43	7,817,164	6,182,009
	<i>1. Credit institutions</i>	430/8	7,817,164	6,182,009
	<i>2. Other loans</i>	439	0	0
C.	<i>Trade debts</i>	44	5,806,113	5,630,216
	<i>1. Suppliers</i>	440/4	5,806,113	5,630,216
D.	<i>Advances received</i>	46	5,302,711	5,623,111
E.	<i>Taxes, wages and social security</i>	45	6,448,323	5,843,238
	<i>1. Taxes</i>	450/3	2,065,978	1,822,889
	<i>2. Wages and social security</i>	454/9	4,382,345	4,020,349
F.	<i>Other debts</i>	47/48	2,967,232	4,153,481
XII	Accrued charges and deferred income	492/3	259,944	238,911
	<b>TOTAL LIABILITIES</b>	<b>10/49</b>	<b>46,086,480</b>	<b>44,819,424</b>

**d. Consolidated income statements established according to Belgian accounting standards (Belgian GAAP)**

	<b>HALF-YEAR INCOME STATEMENT (EUR)</b>	<b>Codes</b>	<b>30/06/2017</b>	<b>30/06/2016</b>
<b>I.</b>	<b>Operating income</b>			
<b>1.</b>	<b>Sales and services</b>	<b>70/74</b>	<b>39,507,898</b>	<b>38,594,477</b>
	A. Turnover (note XIV, A)	70	35,999,857	33,950,888
	B. Variations in contracts in progress	71	2,642,687	3,226,441
	C. Capitalised production	72	348,351	50,835
	D. Other operating income	74	517,003	1,366,313
<b>2.</b>	<b>Cost of sales and services</b>	<b>60/64</b>	<b>(37,695,223)</b>	<b>(36,504,526)</b>
	A. Raw materials, consumables	60	5,163,113	5,386,095
	1. Purchases	600/8	5,163,113	5,386,095
	B. Services and other goods	61	11,086,638	11,412,334
	C. Wages, social security charges and pensions (note XIV, B)	62	20,729,521	19,068,668
	D. Depreciation and other amounts written off formation expenses, intangible and tangible fixed assets	630	631,231	690,762
	E. Amounts written off stocks, work in progress and trade debts (increase +, decrease -)	631/4	34,882	-192,419
	F. Provisions for liabilities and charges (increase +, decrease -)	635/7	-4,000	7,510
	G. Other operating expenses	640/8	53,838	131,576
<b>3.</b>	<b>Operating profit</b>	<b>9901</b>	<b>1,812,675</b>	<b>2,089,951</b>
	<b>Operating profit before interest, taxes, depreciation and amortisation = EBITDA</b>		<b>2,474,788</b>	<b>2,595,804</b>
<b>II.</b>	<b>Financial results</b>			
<b>1.</b>	<b>Financial income</b>	<b>75</b>	<b>553,449</b>	<b>284,002</b>
	A. Income from financial fixed assets	750	19,283	16,771
	B. Income from current assets	751	37,664	8
	C. Other financial income	752/9	496,502	267,223
<b>2.</b>	<b>Financial charges</b>	<b>65</b>	<b>(1,593,391)</b>	<b>(1,318,986)</b>
	A. Interest and debt charges	650	247,036	169,308
	B. Amortisation of positive consolidation differences	9961	1,095,861	909,263
	D. Other financial charges	652/9	250,494	240,415
<b>III.</b>	<b>Profit on ordinary activities before taxes</b>	<b>70/65</b>	<b>772,732</b>	<b>1,054,967</b>

	<b>INCOME STATEMENT (cont.) (EUR)</b>		<b>30/06/2017</b>	<b>30/06/2016</b>
<b>IV.</b>	<b>Non-recurrent results</b>			
<b>1.</b>	<b>Non-recurrent income</b>	<b>76</b>	<b>17,667</b>	<b>1,767</b>
	<i>C. Write-back of provisions for non-recurrent liabilities and charges</i>	763	13,512	0
	<i>F. Other non-recurrent income</i>	764/9	4,155	1,767
<b>2.</b>	<b>Non-recurrent charges</b>	<b>66</b>	<b>(38,556)</b>	<b>(94,741)</b>
	<i>D. Amounts written off fixed assets</i>	663	(11,667)	0
	<i>E. Other non-recurrent charges (note XIV, C)</i>	664/8	(26,889)	(94,741)
<b>V.</b>	<b>Profit before tax</b>	<b>70/66</b>	<b>751,843</b>	<b>961,993</b>
<b>VI.</b>	<b>Deferred taxes</b>	<b>68/78</b>	<b>(485)</b>	<b>3,699</b>
	<i>A. Transfers from deferred taxes</i>	780	(485)	3,699
<b>VII.</b>	<b>Income tax</b>	<b>67/77</b>	<b>(609,220)</b>	<b>(380,231)</b>
	<i>A. Taxes (note XIV, D)</i>	670/3	(609,222)	(380,231)
	<i>B. Adjustment of income taxes and write-back of tax provisions</i>	77	2	0
<b>VIII</b>	<b>Profit (Loss) of consolidated companies</b>	<b>70/67</b>	<b>143,106</b>	<b>585,461</b>
<b>IX</b>	<b>Share in the results of companies consolidated by the equity method</b>	<b>9976</b>	<b>0</b>	<b>0</b>
<b>X</b>	<b>Consolidated result</b>	<b>9976</b>	<b>143,106</b>	<b>585,461</b>
	<i>A. Share of minority interests</i>	99761	112,098	69,369
	<i>D. Group share</i>	99762	31,008	516,092

**e. Cash flow statement (EUR)**

<b>OPERATING CASH FLOW</b>	<b>30/06/2017</b>	<b>31/12/2016</b>
Group result	31,008	718,663
Result of minority interests	112,098	431,757
Amortisation	1,727,092	3,301,459
<i>Amortisation of goodwill</i>	<i>1,095,861</i>	<i>1,944,636</i>
<i>Other depreciation charges</i>	<i>631,231</i>	<i>1,400,682</i>
<i>Write-backs</i>	<i>0</i>	<i>-43,858</i>
Write-downs	34,882	1,230
Provisions	-4,000	6,390
Transfers to deferred taxes	0	0
Transfers from deferred taxes	-485	-5,465
Net gains or losses on disposal of assets	38,639	-139,634
Other movements (conversion difference, subsidies, etc.)	-645,708	3,232
<b>Operating cash flow before working capital</b>	<b>1,293,526</b>	<b>4,317,633</b>
Variations in current assets	1,893,440	-2,786,407
Stocks	-2,246,036	-661,100
Amounts receivable < 1 year	4,329,614	-1,598,553
Deferred charges and accrued income	-457,148	-392,899
Investments	267,010	-133,854
Variations in liabilities (short-term)	-704,634	-1,851,392
Trade debts	175,897	-1,173,109
Tax and social security debts	605,085	322,322
Contracts in progress	-320,400	-622,616
Other amounts payable	-1,186,249	12,084
Accrued charges and deferred income	21,033	-390,072
<b>Variation in working capital</b>	<b>1,188,806</b>	<b>-4,637,799</b>
<b>Net cash flow from operating activities (A)</b>	<b>2,482,332</b>	<b>-320,166</b>

<b>INVESTMENT CASH FLOW</b>	<b>30/06/2017</b>	<b>31/12/2016</b>
Acquisition of fixed assets		
Tangible and intangible assets	-1,213,856	-1,393,678
Financial assets	-2,554,186	-4,277,363
<b>Total investments</b>	<b>-3,768,042</b>	<b>-5,671,041</b>
Disposal of fixed assets		
Tangible and intangible assets	0	0
Financial assets	0	0
<b>Total disposals</b>	<b>0</b>	<b>0</b>
<b>Net cash flow from investment activities (B)</b>	<b>-3,768,042</b>	<b>-5,671,041</b>

<b>FINANCING CASH FLOW</b>	<b>30/06/2017</b>	<b>31/12/2016</b>
Dividends paid to third parties	-294,604	-282,170
Dividends paid by the parent company	0	0
Variations in long-term loans and debts	2,675,701	4,290,215
Capital increase in cash		
<b>Net cash flow from financial activities (C)</b>	<b>2,381,097</b>	<b>4,008,045</b>

	<b>30/06/2017</b>	<b>31/12/2016</b>
<b>Variation in cash flow over the period (A+B+C)</b>	<b>1,095,387</b>	<b>-1,983,162</b>
<b>Cash flow at start of period</b>	2,331,210	4,314,371
<b>Cash flow at end of period</b>	3,426,597	2,331,210

**f. Notes on the consolidated accounts**
**NOTE I. LIST OF CONSOLIDATED SUBSIDIARIES AND COMPANIES CONSOLIDATED USING THE EQUITY METHOD**

Name and address	Consolidation method	Holding %	Variation %	30 June 2017* (EUR)		
				Capital and reserves	EBITDA	Net result
Emakina.BE SA Rue Middelbourg 64 A 1170 Brussels Belgium BE 0463.478.965	Full	100%	0%	2,634,481	1,188,332	-163,628
Emakina.CH SA Rue Le Royer, 13 CH - 1227 Les Acacias Switzerland	Full	100%	0%	-1,270,606	79,076	-55,021
Emakina.FR SA Rue Atlantis 4 Parc d'Esther BP 26840 87068 Limoges France	Full	100%	0%	430,780	296,150	-49,375
Emakina.NL BV Willem de Zwijgerlaan 350 1055 RD Amsterdam The Netherlands	Full	89.999%	13.3%	6,097,439	952,706	368,944
<i>Emakina.TR Dokuz Eylül Üniversitesi Tinaztepe Yerleşkesi DEPARK Beta Binası Buca-İzmir TURKEY</i>	<i>Full</i>	<i>89.999%**</i>	<i>13.3%</i>	<i>331,133</i>	<i>122,526</i>	<i>311,700</i>
Emakina/Insights SPRL Rue Middelbourg 64 A 1170 Brussels Belgium BE 0556.801.279	Full	100%	0%	-62,537	-55,007	-73,763
The Reference NV Stapelplein 70 9000 Ghent Belgium BE 0474.475.203	Full	100%	0%	671,310	868,548	18,434
Design Is Dead BVBA Duboisstraat 50 2060 Antwerp Belgium BE 0457.419.732	Full	100%	0%	803,705	478,749	206,183
Your Agency SA Rue de Bois-Seigneur-Isaac 40/5 1421 Ophain Belgium BE 0437.615.005	Full	100%	0%	249,566	260,923	152,516

Name and address	Consolidation method	Holding %	Variation %	30 June 2017 * (EUR)		
				Capital and reserves	EBITDA	Net result
Emakina Central & Eastern Europe GmbH (Emakina.CEE) Weyringergasse 30 A-1040 Vienna Austria	Full	100%	0%	44,351	-152,378	-552,980
<i>Netlounge Internet Media Services GmbH</i> <i>Weyringergasse 30</i> <i>A-1040 Vienna</i> <i>Austria</i>	<i>Full</i>	<i>100%***</i>	<i>0%</i>			
<i>Onlinezone Advertising GmbH</i> <i>Robinigstrasse 26A</i> <i>A-5020 Salzburg</i> <i>Austria</i>	<i>Full</i>	<i>100%***</i>	<i>0%</i>			
<i>diamond :dogs Switzerland GmbH</i> <i>Bahnhofstrasse 2</i> <i>CH-9100 Herisau</i> <i>Switzerland</i>	<i>Full</i>	<i>100%***</i>	<i>0%</i>			
<i>Emakina.hr doo</i> <i>Strojarska 20, 6 kat</i> <i>HR-10000 Zagreb</i> <i>Croatia</i>	<i>Full</i>	<i>75,2%***</i>	<i>0%</i>			
<i>k.section immo solutions GmbH</i> <i>Weyringergasse 30</i> <i>A-1040 Vienna</i> <i>Austria</i>	<i>Full</i>	<i>100%***</i>	<i>0%</i>			
<i>k.section business solutions GmbH</i> <i>Weyringergasse 30</i> <i>A-1040 Vienna</i> <i>Austria</i>	<i>Full</i>	<i>100%****</i>	<i>0%</i>			
Emakina DBG AB Fiskargatan 8, 116 20 Stockholm 116 20 STOCKHOLM Sweden	Full	100%	0%	467,113	256,590	238,275

\* "Statutory" or "consolidated" data as at 30 June 2017. These statutory results do not take account of reprocessing or of the consolidation method, but provide a view of their respective profitability over the first half of 2017.

\*\* Company held via Emakina.NL BV

\*\*\* Company held via Emakina Central & Eastern Europe GmbH

\*\*\*\* Company held via k.section immo solutions GmbH

NOTE VI B. DEFERRED AND LATENT TAXES

	<u>30/06/2017</u>	<u>31/12/2016</u>
<b>Breakdown of Liabilities heading 168</b>		
<b>Latent taxes (pursuant to Article 129 of the Royal Decree of 30 January 2001)</b>		
At the end of the previous financial year	2,425	7,890
Latent taxes on acquisition costs of assets	0	0
Adjustment of latent taxes	-485	-5,465
At the end of the financial year	1,940	2,425

Latent tax liabilities acknowledged at Emakina Group relating to the capitalisation in the consolidated account (only) of costs related to acquisitions.

	<u>30/06/2017</u>	<u>31/12/2016</u>
<b>Breakdown of Assets item 291 – Deferred taxes</b>		
At the end of the previous financial year	0	0
Capitalisation of deferred taxes	0	0
Use of deferred taxes	0	0
Transfer of heading	0	0
At the end of the financial year	0	0

Deferred tax assets acknowledged at Emakina.NL corresponding to the balances of tax losses that can be recovered over five years.

NOTE VII. STATEMENT OF FORMATION EXPENSES

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	<u>30/06/2017</u>	<u>31/12/2016</u>
Net book value at the end of the previous financial year	88,410	141,732
Movements during the financial year:		
- New expenses incurred	155,578	0
- Amortisation (-)	-36,263	-53,323
- Variation in the consolidation scope (+)		
Net book value at the end of the financial year	207,725	88,410
Including formation expenses and capital increase costs	477	592
Including restructuring costs	207,248	87,818

**NOTE VIII. STATEMENT OF INTANGIBLE FIXED ASSETS**

	<b>R &amp; D</b>		<b>Concession, patents, licences</b>		<b>Goodwill</b>	
	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>
a/ Acquisition value						
At the end of the previous financial year	2,532,494	2,564,221	2,628,044	2,272,199	1,299,060	1,632,132
Movements during the financial year:						
- Entries into the scope of consolidation	0	0		0	0	0
- Acquisitions	537,221	551,375	49,562	235,044	0	
- Disposals and withdrawals (-)	-15,000	0	-4,208	-113,879	-12,319	-40,000
- Transfers	0	-583,101	-7,038	193,878	0	-300,837
- Other		0	2,064	40,802	0	7,765
At the end of the financial year	3,054,716	2,532,494	2,668,424	2,628,044	1,286,741	1,299,060
C/ Amortisation and write-downs						
At the end of the previous financial year	1,746,696	1,963,137	2,242,527	2,039,951	772,443	635,748
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	0	0	0
- Recorded	180,210	366,979	70,104	170,237	60,040	162,131
- Cancelled further to disposals and withdrawals (-)	-1,750	0	-2,902	-156,530	-4,748	-50,570
- Transfers	0	-583,421	-159	183,902	0	25,135
- Other	0	0	13,687	4,967	0	0
At the end of the financial year	1,925,156	1,746,696	2,323,258	2,242,527	827,735	772,443
d/ Net book value at the end of the financial year: a - c	1,129,560	785,799	345,166	385,517	459,006	526,616

NOTE IX. STATEMENT OF TANGIBLE FIXED ASSETS

STATEMENT OF TANGIBLE FIXED ASSETS	<b><u>Plant, machinery and equipment</u></b>		<b><u>Furniture and vehicles</u></b>		<b><u>Other tangible assets</u></b>	
	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>
a/ Acquisition value						
At the end of the previous financial year	2,898,085	2,276,149	2,116,083	2,366,311	1,068,592	932,981
Movements during the financial year:						
- Entries into the scope of consolidation	0	137,891	23,790	8,500	4,658	0
- Acquisitions	365,087	299,944	155,502	145,290	91,487	56,291
- Disposals and withdrawals (-)	-23,762	-21,111	-143,663	0	-79,560	-1888,22
- Transfers	0	178,383	0	-412,881	0	92,801
- Other	0	26,830	-6,943	8,864	-5,976	-11,593
At the end of the financial year	3,239,411	2,898,085	2,144,768	2,116,083	1,079,200	1,068,592
C/ Amortisation and write-downs						
At the end of the previous financial year	2,333,942	1,953,777	1,701,079	1,942,350	757,810	612,895
Movements during the financial year:						
- Entries into the scope of consolidation	0	56373,33	20,737	4,250	0	0
- Recorded	116,141	212,377	81,048	210,834	43,870	137,197
- Cancelled (disposals and withdrawals) (-)	-13,888	-259	-75,065	0	-14,793	0
- Transfers	0	110,321	0	-455,860	0	5,494
- Other	0	1,353	-3,411	-494	-1,530	2,224
At the end of the financial year	2,436,195	2,333,942	1,724,389	1,701,079	785,356	757,810
d/ Net book value at the end of the financial year: a - c	803,216	564,143	420,379	415,004	293,844	310,782

NOTE X. STATEMENT OF FINANCIAL ASSETS

	<u>30/06/2017</u>	<u>31/12/2016</u>
<b>A. Companies consolidated using the equity method</b>		
1/ Participating interests		
Net book value at the end of the previous financial year	0	0
Movements during the financial year:		
- Acquisitions	0	0
- Exits from the scope of consolidation	0	0
Net book value at the end of the financial year	0	0
<b>B. Other companies</b>		
1/ Participating interests		
Net book value at the end of the previous financial year	86,642	91,635
Movements during the financial year:		
- Acquisitions	100,000	0
- Disposals	0	-5,000
- Write-downs	0	0
- Reversal of write-downs	0	0
- Other	-16,342	0
Net book value at the end of the financial year	170,300	86,642
2/ Amounts receivable		
Net book value at the end of the previous financial year	209,863	168,424
Movements during the financial year:		
- Additions	70,844	28,954
- Reimbursements	-10,214	-235
- Other		12,720
Net book value at the end of the financial year	270,493	209,863

**NOTE XI. STATEMENT OF CONSOLIDATED RESERVES**

	<u>30/06/2017</u>	<u>31/12/2016</u>
Consolidated reserve at the end of the previous financial year	-1,915,608	-2,634,358
Movements during the year		
- Group's share in the consolidated result	31,008	718,663
- Other variations	-91,136	87
Net book value at the end of the financial year	-1,975,735	-1,915,608

**NOTE XII. STATEMENT OF CONSOLIDATION DIFFERENCES**

	Net book value at the end of the previous financial year	Variations due to a change in the % held or price supplement	Amortisation	Other	Net book value at the end of the financial year
Emakina.EU	364,204	0	31,554	0	<b>332,650</b>
Emakina.FR	1,240,232	16,335	248,693	0	<b>1,007,874</b>
Emakina Media	282,986	0	29,284	0	<b>253,702</b>
Your Agency	124,730	0	22,199	0	<b>102,532</b>
Emakina.CH	2,015,680	0	169,380	0	<b>1,846,300</b>
Emakina.NL	3,451,055	2,075,983	303,241	0	<b>5,223,798</b>
Emakina.CEE	4,432,665	0	269,660	0	<b>4,163,005</b>
Emakina.SE	6,414	302,084	22,195	39,999	<b>326,301</b>
<b>TOTAL</b>	<b>11,917,967</b>	<b>2,394,402</b>	<b>1,096,205</b>	<b>39,999</b>	<b>13,256,163</b>

The amount of the variations may be attributed to new acquisitions, price supplements and ancillary costs related to previous acquisitions.

**NOTE XIII. STATEMENT OF AMOUNTS INITIALLY PAYABLE AT MORE THAN ONE YEAR**

	Due within one year		> 1 year and < 5 years		> 5 years			
	Heading 42		Heading 17		Heading 17		Total	
	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>	<u>30/06/2017</u>	<u>31/12/2016</u>
Credit institutions	765,253	1,463,613	5,048,885	1,594,196	0	721,442	5,814,139	3,779,251
Other loans	0	0	512,263	827,736	0	0	512,263	827,736
<b>TOTAL</b>	<b>765,253</b>	<b>1,463,613</b>	<b>5,561,148</b>	<b>2,421,932</b>	<b>0</b>	<b>721,442</b>	<b>6,326,401</b>	<b>4,606,987</b>

**NOTE XIV. RESULTS**

		30/06/2017 (6 months)	30/06/2016 (6 months)
A	Group turnover in Belgium (heading 70/4)	20,882,814	21,598,080
B11.	Average number of persons employed (FTE)	689	699
	<i>Workers</i>	0	0
	<i>Employees</i>	627	573
	<i>Management</i>	30	30
	<i>Other</i>	70	96
	Total number of persons employed at the end of the period	727	723
B12.	Personnel costs (heading 62)	20,729,521	19,068,668
B13.	Average number of persons in Belgium employed by the companies concerned (FTE)	339	333
C2.	Other non-current expenses (heading 664/8)	26,889	94,741
	<i>Restructuring costs</i>	0	87,839
	<i>Exits from the scope of consolidation</i>	0	0
	<i>Other</i>	26,889	6,902

**NOTE XV. RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET**

A	RIGHTS RESULTING FROM TRANSACTIONS RELATING TO:
	interest rates: EUR 4,108,334
B	COMMITMENTS RESULTING FROM TRANSACTIONS RELATING TO:
	interest rates: EUR 4,108,334
C	OTHER MAJOR COMMITMENTS:
	<u>Miscellaneous commitments:</u> <ul style="list-style-type: none"> <li>· Rental guarantees of EUR 398,747</li> <li>· Bank guarantees of EUR 115,788</li> <li>· Credit lines of EUR 9,114,368</li> </ul>
	<u>Major commitments pertaining to participating interests:</u> <ul style="list-style-type: none"> <li>· Joint guarantee from Emakina Group to affiliated companies: EUR 3,880,000.</li> <li>· Commitment in respect of minority shareholders in Emakina.CH and Emakina BV for the purchase of the remaining shares for an amount that varies depending on profitability.</li> <li>· Commitment in respect of shareholders of Emakina.SE and Emakina.CEE regarding price supplements for an amount that varies depending on profitability.</li> </ul>

**g. Summary of main consolidated valuation rules****I - CONSOLIDATION SCOPE AND METHODS**

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Please refer to section 2. a and b, as well as Note I. above.

**II - VALUATION RULES**

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The valuation rules applied to the consolidated accounts closed as at 30 June 2017 are identical to the rules applied on 31 December 2016. Please refer, therefore, to the annual report of 31 December 2016 available on our website ([www.emakina.com](http://www.emakina.com) – financial section).

### **3. DIRECTORS' STATEMENT**

The Board of Directors of the company declares that, to the best of its knowledge, the interim condensed consolidated financial statements as at 30 June 2017, established in accordance with Belgian accounting standards, give a true and fair view of the assets, financial status and results of the Emakina Group. The interim financial report contains an accurate description of the information that must be included in it.

### **4. Auditor's report to the shareholders of Emakina Group SA on the limited review of the interim condensed consolidated financial statements for the first six months of the year as at 30 June 2017**

#### **Introduction**

We have reviewed the interim condensed consolidated balance sheet of Emakina Group SA (the "Company"), and its subsidiaries (referred to jointly as the "Group"), attached, as at 30 June 2017, as well as the interim income statement, summarised and consolidated as at this date and the explanatory notes, referred to jointly as the "Interim and Consolidated Financial Information". This information shows a consolidated balance sheet total of EUR 46,086,480 and a consolidated profit for the six-month period of EUR 143,106. The preparation and presentation of the interim condensed consolidated financial statements in accordance with the legal and statutory provisions applicable in Belgium are the responsibility of the company's management body. Our responsibility consists of expressing a conclusion on this Interim and Consolidated Financial Information, based on our limited review.

#### **Scope of our review**

We have prepared our limited review in accordance with the International Standards on Review Engagements - ISREs. A limited review of interim financial information consists of conducting interviews, primarily with staff members responsible for financial and accounting matters, and applying analytical and other review procedures and well as other tasks. The scope of this work is substantially less than an audit performed in accordance with the International Standards on Auditing – ISAs and consequently offers less assurance of finding all the major elements that would come to light further to a full audit. Consequently, we shall refrain from expressing an audit opinion.

#### **Conclusion**

On the basis of our limited review, no element has come to light which leads us to believe that the attached Interim and Consolidated Financial Information is not presented, as regards all significant aspects, in accordance with the reference accounting system applicable in Belgium.

Diegem, 21 September 2017

Ernst & Young Reviseurs d'Entreprises SCCRL  
Auditor  
Represented by

Eric Golenvaux  
Partner\*

\*Acting on behalf of an SPRL (private limited company)

## 5. INVESTOR RELATIONS

- **Share price fluctuation in the first six months of 2017**



- **Financial calendar**

Annual press release 2017:	23 March 2018
Annual Report 2017:	2 April 2018
Ordinary Meeting of Shareholders 2018:	23 April 2018

**6. CONTACTS****Emakina Group SA**

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