

2016 Results

March 23, 2017

- **Bolloré offers to shareholders' Blue Solutions the capacity to sell their shares at a price of €17 per share**

## 2016 results

The Board of Directors of Blue Solutions approved the 2016 financial statements at its meeting of March 23, 2017.

- Turnover: €109 million -10%;
- EBITDA: €18 million, -15%;
- Operating income: -€0.4 million (versus €3 million in 2015);
- Net income Group share: -€0.1 million (versus €0.02 million in 2015);
- Net debt: €22 million (Gearing: 16%).

### 2016 turnover

Consolidated turnover in 2016 was €109.3 million, down 10% from fiscal year 2015 (€121.9 million). In fiscal year 2016 Blue Solutions delivered 2,460 batteries, compared to 2,849 at end December 2015 (-14%).

Strong volumes at Bluebus were not enough to offset the sales decline in stationary electricity storage. Sales to Bluecar, down slightly, were driven by shipments of batteries to E-Mehari. Shipments for car-sharing slowed due to longer battery life in vehicles already on the road.

### 2016 EBITDA and Operating income

- EBITDA was €18 million, down 15% from 2015 (€22 million)
- Operating income was -€0.4 million (€3.2 million in 2015)

The lower EBITDA and operating income were attributable to:

- lower volumes, despite good containment of overhead expenses;
- consolidation of Capacitor Sciences as of September 21, 2016;
- and continued investments in R&D.

## 2016 net income stable versus 2015

The company's net income was -€0.1 million, compared with €0.02 million in 2015. It includes positive net financial income of €1.7 million (versus -€2.9 million in 2015), which benefited from favorable foreign exchange differences (€2.8 million versus -€2.6 million in 2015), due to the revaluation of the Canadian Dollar. On the other hand, a tax-related provision charge of €0.9 million increased the 2016 income tax burden.

## Shareholders' equity: €138 million | Net debt: €22 million

- At December 31, 2016: Shareholders' equity was €138 million, for net debt of €22 million. The ratio of net debt to shareholders' equity was 16%, versus 14% at end 2015.

## Bolloré offers the Blue Solutions' shareholders to acquire their shares at a price of €17 per share

The Blue Solutions Board of Directors reviewed the company's situation and the outlook for the coming years. Electricity storage using batteries is now universally recognized as a large segment. However, there is more competition, and Blue Solutions would like to give itself more time to develop the benefits of its Lithium Metal Polymer (LMP) technology. That technology has seen great success in the field of mobility (Autolib', car-sharing projects in Singapore, London and Los Angeles, and electric buses) and also holds great promise in stationary applications. But the parallel developments of competitors in lithium-ion products, with high volumes and low prices, has meant revising volumes and selling prices for Blue Solutions batteries. This has led the company's Board to take the following positions:

### ▪ Not to exercise the options

Under these circumstances, in answer to a proposal made by the CEO and based on a valuation done by an independent expert<sup>1</sup>, the Blue Solutions Board of Directors decided not to exercise the purchase options it held on Blue Applications until they mature, which will be on June 30, 2018. It was the Board's view that the investments remaining to be made in Blue Applications are still very significant, and they preferred to focus Blue Solutions' efforts on improving its technology.

### ▪ Negotiations to be held between Blue Solutions and Bolloré

The Boards of Directors of Blue Solutions and Bolloré decided to work together towards the following objectives:

- establish a new window for exercising the options;
- revise the terms of the battery procurement contract, as the contract provides; and
- write a new agreement for the financing of Blue Solutions by Bolloré, since the preceding one expired at end June 2016.

Blue Solutions and Bolloré will issue a press release concerning the outcome of these negotiations.

In that context, Bolloré proposes the following transaction:

### ▪ Tender offer by Bolloré to the shareholders of Blue Solutions to acquire their shares at €17

Bolloré, which had listed Blue Solutions at the end of 2013 at €14.50 per share, while it remains confident in the outlooks of the LMP technology but wishes to keep a reasonable pace of development and continue to invest in the

---

<sup>1</sup> Thierry Bergeras was appointed expert by the Paris Commercial Court on November 30, 2016 and submitted his report on March 17, 2017.

long term, will offer to the shareholders of Blue Solutions wishing to withdraw from the company a first possibility to sell their Blue Solutions shares at a price of €17 per share. To this end, a draft tender offer will be filed with the French Market Authority (AMF) by the end of the first semester of 2017, once the aforementioned negotiations are successfully concluded and an independent expert is appointed to review the fairness of the price of the offer. Bolloré specifies that it does not have the intention to implement a squeeze-out procedure once this tender offer is completed.

Shareholders deciding not to tender their shares to this offer and continuing to support Blue Solutions will be offered a second exit window following the publication of the 2019 annual financial statements of Blue Solutions. In this context, if the average of the market prices of the Blue Solutions shares during a reference period is less than €17, Bolloré will file a new tender offer at the same price conditions as the first tender offer. This undertaking will be further described in the offer notice of the first tender offer.

The objectives of these different transactions are, in a different context from the one prevailing at the time of the IPO:

- to provide the shareholders who wish to do so with the possibility to sell their shares,
- to allow the shareholders wishing to continue to support Blue Solutions in its investments to have, in the future, a guarantee that they can exit the company while benefiting from the potential increase of the value of the shares of the company.

#### Blue Solutions consolidated results

(in millions of euros)	Dec. 31st, 2016	Dec. 31st, 2015	Variation
Turnover	109	122	(10%)
<b>EBITDA</b>	<b>18</b>	<b>22</b>	<b>(15%)</b>
<b>Operating income</b>	<b>(0.4)</b>	<b>3</b>	<b>NA</b>
Operating margin (%)	(0.4%)	2.6%	-
Financial income	2	(3)	NA
<b>Net income</b>	<b>(0)</b>	<b>0</b>	<b>NA</b>
Net income Group share	(0.1)	0	NA
<b>Shareholders' equity group share</b>	<b>138</b>	<b>136</b>	<b>3</b>
<b>Net debt</b>	<b>22</b>	<b>19</b>	<b>(3)</b>
Gearing (%) (1)	16%	14%	-

(1) Gearing = Net debt / Equity ratio

The audit of the 2016 consolidated financial statements has been completed, and the certification report will be issued after review of the management report.

#### « IMPORTANT ADDITIONAL INFORMATION

*This communication is for informational purposes only and is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction. »*