

OUR ADVENTURE IS ALSO YOURS

Transform to Perform

2017-18



GROUPE  BENETEAU

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Global boating market player and European leader for leisure home

Through its 17 brands and its outstanding services, Groupe Beneteau has developed unique expertise and know-how in the boating and leisure home sectors.

With its international industrial capabilities and global sales network, the Group employs 7,400 people.

FROM 1884 TO TODAY

The Beneteau family boatyard has successfully evolved through the decades, from fishing to recreational boating and diversification into other industrial sectors (leisure homes and services).

2

BUSINESS LINES

BOATS
AND
HOUSING



BRANDS AND SERVICES



Governance

Groupe Beneteau is a limited company with Management and Supervisory Boards, with this organization enabling it to separate the management and control functions assigned to each of these two bodies

MANAGEMENT BOARD

It is responsible for the Group's executive management and its members are appointed by the Supervisory Board. The Management Board is made up of 2 members :

Hervé GASTINEL
Chief Executive Officer
and Boat Division CEO

Christophe CAUDRELIER
Board member
and Group Chief Financial Officer



SUPERVISORY BOARD

The Supervisory Board exercises control over the company's management, general affairs and activities. It also has a mission to advise the Management Board. It has 7 members and 3 observers :

Yves LYON-CAEN
Chairman of the Supervisory Board

Christian DE LABRIFFE
Observer

Jean-Pierre GOUDANT
Considered to be an independent member

Anne LEITZGEN
Considered to be an independent member

Annette ROUX
Member

Claude BRIGNON
Considered to be an independent member

Catherine POURRE
Considered to be an independent member

Luc DUPÉ
Observer

Louis-Claude ROUX
Vice-Chairman

Sébastien MOYNOT
Representative of BPI France, observer

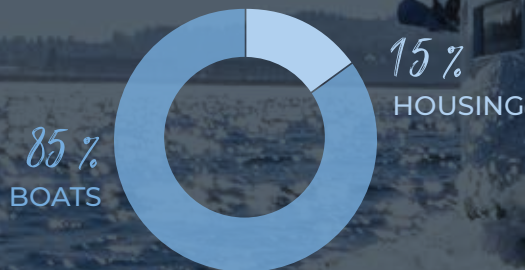
Solid growth

REVENUES

€ 1,287.20 M

Change at constant
exchange rates

+ 8.5 %



€1,093.7 M
+ 9 %

€193.4 M
+ 5.8 %

NET INCOME (GROUP SHARE)

€ 61.3 M

Change

+ 2.7 %

INVESTMENT

€ 81.3 M

with 42.4 M
for product development

INCOME FROM ORDINARY OPERATIONS

€ 87.6 M

Change at constant
exchange rates

+ 15.3 %

Boats	€ 73.1 M	+ 6.9 %
Housing	€ 14.5 M	+ 116.5 %

NET DEBT / POSITIVE CASH POSITION

€ 161.9 M

+ 47.7 %

OPERATING CASH FLOW

€ 121.2 M

Change

- 7.7 %

Boat EBITDA*	€ 135.1 M	+ 4.5 %
Housing EBITDA*	€ 17.7 M	+ 40.4 %

*EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization i.e. operating income restated for allocation / reversal of provisions for liabilities and charges and depreciation charges. See Annual Financial Report > Management Board's Management Report – Point 3 Financial Structure.

INTERNATIONAL PRESENCE



28

PRODUCTION
SITES AROUND
THE WORLD

▲ BOAT SITES

14 in France
2 in USA
2 in Poland
1 in Italy
1 in Hong Kong*

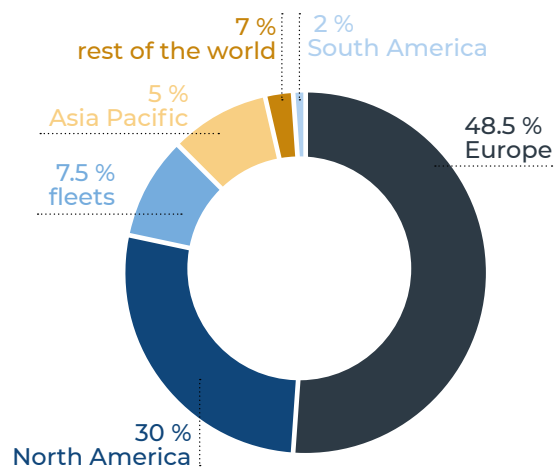
■ HOUSING SITES

7 in France
1 in Italy

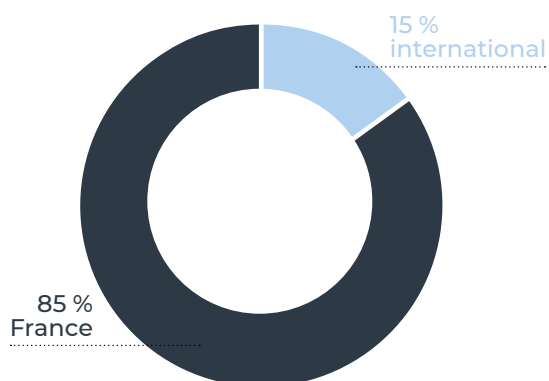
* commercial presence

REGIONAL BREAKDOWN OF REVENUES

Boats



Housing



7,379

EMPLOYEES AROUND
THE WORLD



5,326

EMPLOYEES
IN FRANCE



2,053

EMPLOYEES IN THE REST
OF THE WORLD

Transform to Perform

2017-20

Deployed in 2017, the Transform to Perform plan sets Groupe Beneteau's strategic heading as it looks ahead to 2020.
In a demanding recovery context, Groupe Beneteau needs to achieve operational performance gains despite the product plan's growing complexity.



In a changing economic and societal environment, Transform to Perform engages all the Group's employees, suppliers, dealers and partners in the drive for sustainable and profitable growth, in France and around the world.



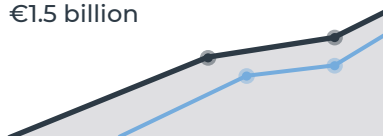
LEADERSHIP

Leadership for motorboats, while maintaining our world-leading position for sailboats

OFFERING

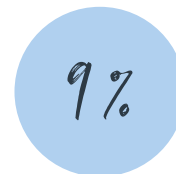
Innovative and comprehensive, the boats and leisure homes offered are supported by an extensive range of services

Revenues of around €1.5 billion



INDUSTRIAL EXCELLENCE

With a global industrial base, the production sites operate in line with World Class Manufacturing principles and are benefiting from the digital transformation



Margin at 8.5% to 9% of income from ordinary operations at constant exchange rate, of around €130 million



Aggregate cash position of €200 to 250 million for 2017-20



Focus



Interview with our presidents



“This year, we made two acquisitions and launched the Band of Boats platform and two boat clubs.”

What do you feel most satisfied with from the past year?

Yves Lyon-Caen "Our fourth consecutive year of profitable strong growth, with revenues climbing 9% for the Boat Division, outpacing the market's growth."

Hervé Gastinel "The Group has successfully met the challenge of growth, while effectively serving all its customers, from leisure homes (+11%) to boats (+9%). To achieve this, we have had to recruit, train and integrate more than 500 permanent staff, while

ramping up production speeds in our facilities and operational agility in our support functions. The 2017-18 season was also a year of external growth, with two acquisitions in Eastern Europe and the launch of the digital platform Band of Boats."

“The Group has successfully met the challenge of growth.”

Hervé Gastinel
Chief Executive Officer

The announcement of the 500 Permanent Contracts Plan was a major event in 2018, considering its scale, in a sector whose careers are less well-known. How would you assess this?

H.G. "The attractiveness of companies is no longer measured just within a specific industrial sector, but across multiple regions. Paradoxically in France, recruiting has become a real difficulty, requiring us to deploy all our energies. Two factors are essential in this area: training and the quality of the "employer brand". The Group has made major investments in these two key areas."

Y.L.C. "The response to the Group's recruitment plan highlights first of all that the boat industry really does make dreams come true. But it also implicitly expresses our need to improve knowledge and understanding of our career opportunities. The #OurJobs webseries represents a first response to this."

“ The Group
is working to reduce
the environmental
footprint of its processes
and products. ”

Climate change is a concern for many citizens, industrial firms and politicians. What is Groupe Beneteau doing in this area?

Y.L.C. “The Group is working diligently to reduce greenhouse gas emissions for its processes and products, thanks in particular to constant improvements in its boats’ hulls and engine performance levels.”

H.G. “Looking beyond climate change, I would say that the boat industry still needs to make strong progress with taking into account its environmental footprint. Within Groupe Beneteau, all the Boat division’s sites in Vendée are ISO 14001 and ISO 50001 certified. We have also set up a steering committee for our environmental management based on six pillars, focusing in priority on eco-design and setting up the decommissioning channel.”

With 10 brands already in its Boat Division, the Group has made two acquisitions (Seascope and Delphia Yachts) and launched its second catamaran brand Excess. Why?

H.G. “The Group is moving forward with its development strategy in all areas for the FRP recreational boat offering. It is the only one in the world

to cover all the market segments for sailing and motor boats, monohulls and multihulls, from 4 to 30 meters. Thanks to these developments, we are further strengthening our positions on the segment for multifunctional and fast small sailboats (Seascope), the segment for lake and river boats, as well as outboards (Delphia), and the very buoyant market for catamarans.”

Y.L.C. “These two acquisitions meet different objectives: Seascope’s acquisition is reestablishing a strong presence for the Group on the 15 to 35-foot performance sailing segment. With

“ The boat industry
really does make dreams
come true. ”

Yves Lyon-Caen
Chairman of the Supervisory Board

Delphia, we are further strengthening our production capacity following four years of strong growth. The creation of the Excess brand is a response to the necessary segmentation of our offering on the catamaran market, which has doubled in size over the last 10 years.”



Ambitious brands

38 new boat models



Beneteau Gran Turismo 50 with SHIP CONTROL



Jeanneau SUN ODYSSEY 490



Lagoon 50



CNB 66



Prestige 630 S



Monte Carlo Yachts 96

4 highlights
in 2017-18



• Band of Boats •
offers a truly on-demand boating experience
and has been further strengthened with Digital Nautic

OVERVIEW OF PRODUCTS IN 2017-18



Glastron GTD 225



Four Winns Vista 355 Coupe



Wellcraft 352 Fisherman



Scarab 255 ID



IRM



O'HARA



Coco Sweet



• Monte Carlo Yachts •
celebrates its
10th anniversary



• Seascope •
joins Beneteau



• Delphia •
joins the Group



STORY

Talents

2017-18

SKILLS TRAINING & SHARING

Hire, train, develop: this year a lot of energy was mobilized to make our talents the pillars of sustainable growth.

500 Permanent Contracts Plan : mission accomplished!

More than 500 new employees have joined Groupe Beneteau's teams in France, renewing 10% of its workforce. Here, we look back on this ambitious recruitment plan, which is continuing to move forward in 2018-19.

Announced in September 2017 during the Grand Pavois boat show in La Rochelle (France), the 500 Permanent Contracts Plan was a truly outstanding initiative, thanks to its scale, its wide range of positions and its direct offer of a permanent contract.

Following several months of campaigns and the efforts of the HR teams and their recruitment partners, the 500th contract was signed in May 2018, successfully bringing to a close the Group's largest ever plan.

Hené Gastinel

Group CEO, looks back on the plan's origins :

“It was and indeed is still essential today to further strengthen our organization in order to take on board the growth in our business lines! ”



“I launched the Transform to Perform plan for Groupe Beneteau with talents as one of its three pillars, making it possible to ensure sustainable growth for the Group and achieve our goals. It was and indeed is still essential today to further strengthen our organization in order to take on board the growth in our Boat and Leisure Homes business lines, while ensuring the successful transfer of our specific know-how in a generational transition phase and contributing to the managerial transformation that is underway.”

“Our teams showed outstanding dedication to ensure this plan's success : they organized specific days for work-based training programs, students, operators and engineers; they recruited at fairs and prospected in regions near to our sites, and all of these efforts paid off.”

Corinne Margot

Group HR Director

“Our teams showed outstanding dedication to ensure this plan's success.”



And the adventure continues...

THE GROUP PLANS TO RECRUIT MORE THAN 650 STAFF ON PERMANENT CONTRACTS IN 2018-19, WITH NEARLY 490 PERMANENT POSITIONS IN FRANCE AND OVER 160 IN OTHER COUNTRIES.

THE ARRANGEMENTS FOR TRAINING AND ONBOARDING NEW STAFF ARE BEING FURTHER STRENGTHENED ACROSS ALL THE SITES, IN FRANCE AND AROUND THE WORLD.

Take a look at open positions on
www.beneteau-group.com/en/join-us

Building careers within the Group

One of the strong promises that a major group can offer is to promote professional development and career growth internally. This opens up outstanding opportunities for employees.

“In the HR development team, we build career paths. Everyone can find the route that is best suited to them.”

Clémence Douillard
Head of HR development at SPBI



At the end of 2017, when the timber product development team in the Vendée-based subsidiary SPBI identified various needs for recruitment to support its new products, the search for candidates turned to our internal resources. Four timber development technician positions were offered to the plant's staff.

The skills needed were based on core technical and IT knowledge. Geographical mobility cove-

ring SPBI's two sectors was also required.

43 applications were reviewed, testing the candidates' IT skills and personalities until the final choice was made. After one month's training on IT tools, the successful candidates took on their new positions within the Group at the start of the year.

“Other development opportunities will open up within the product development team for these new recruits over the coming years. We hope to reproduce this successful experience when new job opportunities arise.”

Christophe Marionneau
Timber and fittings section head

“It is a real advantage for the product development team to welcome people with production experience.”

Sébastien L'Hours
Timber design project leader

Training at the heart of knowledge and know-how

To develop technical know-how, optimize managerial efficiency and further strengthen safety, Groupe Beneteau is able to benefit from a valuable resource: in-house training. Launched in Vendée in 2012, this approach is now operational in Bordeaux, the US and Poland.

“Boatbuilding professions suffer from a shortage of both initial and ongoing training, from France to the United States and Poland.”

Corinne Margot
Group HR Director

“The head of the Marion site in South Carolina contacted me because he could see differences between the methods developed in France and their application in the US”, recalls Pierre Scherer, who heads up the Group’s internal training center. An initiative was therefore launched to extend the internal training capabilities to cover all the production sites around the world.

“Boatbuilding professions suffer from a shortage of both initial and ongoing training, from France to the United States and Poland”, explains Corinne Margot, Group HR Director. To offer training programs that are effectively aligned with production needs, Construction Navale Bordeaux opened an in-house training school in December 2017, working with the in-house training center in Vendée. Three trainers, who are all former operators, lead the technical courses on molding, assembly and safety. Their beneficiaries include both permanent employees and temporary staff. Its scope for action will continue to be ramped up, with the arrival of two new trainers in 2019.

In Poland, the training center created in January 2018 has focused on pre-recruitment training for new operators to respond to growing production needs

and the new production capacity brought online. 110 operators have been trained over 20 days by the two permanent trainers, who were previously team leaders with Ostroda Yacht. 59 of them have joined the site after completing their training.

In the US, the Cadillac site launched the Groupe Beneteau Marine University in May 2018. Led by nine in-house trainers, the training programs cover all production activities. In Marion, South Carolina, the training center offers 40 modules that have been identified as priority areas, developed jointly with the training center in Vendée. The courses are led by technical guides, current operators tasked with sharing their know-how both in the classroom and on the job. They are intended for new recruits and provided during the first four days of their onboarding process at the production site.

In addition to its HR dimension, from an industrial perspective training makes it possible to ensure the convergence of our boatbuilding methods and processes, which is essential when production is being transferred between Europe and North America.

Key figures

Vendée, France

2,507 people trained
469 certifications issued for “quality-risky activities”
100 training topics, 8 trainers

Bordeaux, France

1,200 hours of training
3 trainers, soon 5 trainers

USA

Cadillac, Michigan,

60 new recruits trained

Marion, South Carolina

40 training modules

Ostroda, Poland

110 people in pre-recruitment training programs
59 people recruited after training
2 trainers

“It is very rewarding to see to what extent internal training is helping improve quality and safety. It enables us to integrate new recruits and develop our employees’ skills.”

Pierre Scherer
Head of the Group internal training center

Spotlight on talents 2017-18

From financial and logistical to moral support, the Beneteau Foundation puts everything in place to encourage the emergence of new professions, new initiatives and new sources of performance. It organizes its actions around key areas such as protecting the environment and supporting the creation of new skills and innovation in the boating and housing sectors. Here we meet the talents who shone in 2017-18.

Benjamin Dutreux



“This training is about much more than just sports performance.”

From young to experienced skipper. His first-place finish in 2015, ranked as best newcomer in the French Elite Solo Offshore Racing Championship on the Figaro Beneteau circuit, proved the relevance of Team Vendée's training approach. Since then, he has become the Team's veteran skipper, sharing his experience with the new recruits.

“I was the first to have the opportunity to take part in the La Solitaire event with Team Vendée in 2015. I was there when the association was launched. I had spent the previous five years working in a company, and when I said to myself that I was going to give offshore racing a go, this was clearly a real opportunity for me, as a young skipper from the Vendée region, to get started with the right resources in place, with everything needed to be able to perform well. Once you are on the water and racing, trying to achieve the best possible performance,

this really is the final step in your journey. Beforehand, you need to successfully put your project together, find partners, manage your budgets, your financing, your team... All these vital aspects that are necessary, looking beyond the weather conditions and your sports and technical preparations. Running a sports project is above all like a real business. The Beneteau Foundation's links with Team Vendée are very interesting and create exchanges of experiences for young people with non-sailing profiles, such as technicians for instance.”

Thomas Cardrin

Performing thanks to a well-prepared sports project. After joining Team Vendée in 2018, Thomas Cardrin was also the top-ranked newcomer in the French Elite Solo Offshore Racing Championship, confirming the excellent preparations offered by Team Vendée for its pupils.

“When I returned from my experience in the America's Cup, I received a call from Team Vendée to be a Figaro Beneteau 3 boat captain for Groupe Beneteau. This was firstly a professional experience, with the boat's development in Saint-Gilles-Croix-de-Vie. This enabled me to work on this new boat, which I believe is going to be a big hit over the coming years! Team Vendée offered me a wonderful opportunity to express myself as a skipper and offshore racer. I had already been working as a professional in the boating world for

around 10 years. I have always loved the technical aspect, racing boats, and have made this my career. This additional experience has enabled me to express myself, not only as a technician, but also as a sailor. I have been able to show that, on top of my technical skills, I also know how to sail. This gives my comments a real sense of legitimacy, particularly when talking about a boat's performance, my opinion has more impact with this Solitaire du Figaro result on my CV.”

www.teamvendeeformation.com



“This project was very well put together, with a budget, a boat, a coach and an intensive training structure, helping me achieve a great performance in the La Solitaire race.”

Les Glénan sailing school

Initiative focused on transmission. In 2018, the Beneteau Foundation decided to support the Glénans Avenir fund for three years in three key societal areas: education, sustainable development and safeguarding communal heritage.

"We are first and foremost a sailing school, but we have a visionary human-focused project that aims to build our society together. Today, our challenge is to maintain and develop this project, looking at how to put in place contemporary solutions making it possible to meet the real challenges facing our society.

“We see Les Glénan as a vehicle for transmission, a value that really is at the heart of our project.”

Tom Daune
Executive Director

Young people first

We have developed a partnership with the priority education network Les jeunes d'abord, which means young people first. We welcome high school students aged 11 to 15 from priority education areas for sailing and environment trips at very low prices: €40 per day all-inclusive (accommodation, food and sailing activities). We used to offer 2,000 days a year, and in 2018 we were up to over 3,500 days, while we aim to gradually work our way up to 5,000 days.

We want to educate current and future generations to protect the environment by focusing on the transmission of heritage and knowledge, from material to immaterial aspects, such as the concept of community living, building, learning and taking constraints on board. The issues surrounding accessibility to the sea create links between people from different backgrounds with different social representations.



Les Glénan, an example for sustainable development

In terms of the environment we want to make the Les Glénan archipelago an example for sustainable development. Our sites are remote and we are looking into solutions we can propose for energy production, water collection, water treatment, sanitation, waste management... This is also a wonderful educational tool, because everyone understands the constraints affecting an environment when you can see straight away that it is limited. We want to empower communities to be set free because we are still convinced that this marine environment, with constraints that people can understand, is a fabulous tool to help people fulfil their potential and realize their dreams.



Cigogne Fort, our communal heritage

We are working to bring communal heritage back to life. Cigogne Fort is a unique project: this is a historic monument, an element that we need to restore so that it can support our community project in the future. After being restored, it will become a place for transmission, learning, welcoming communities who are far away from the sea, with a focus once again on transmission, education, training...

This is a vast project, which the Beneteau Foundation is supporting us with."

www.glenans.asso.fr



2017-18

USES & EXPERIENCES

A year where challenges were met with success by the Boat Division, strengthening its offer and its production capacities to match new trends.



STORY

Boats



Key figures *Boats*

200+

BOAT MODELS
sail or motor,
mono or multihull

Hull length
from 4.5 to 30+m

10,000+

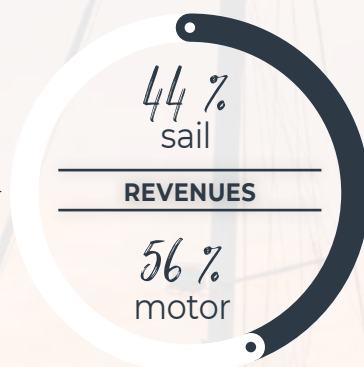


BOATS SOLD
in 2017-18



1,000

POINTS OF SALE
around the world



38

NEW MODELS
for the 2017-18
season





External perspectives

“This is where the real revolution will be and this fits in perfectly with catamarans”



“At VPLP, we have always been convinced of the bright future for catamarans. They offer clear advantages when cruising: stability, space on board and performance. This was expected to attract people, but at the time, in 1986, we had identified two obstacles: aesthetic aspects and space in ports.

When our drawings won the competition for a series-built 50-foot catamaran, the specifications said that it needed to be “beautiful”. Beautiful, this meant that it needed to look like a monohull from the side!

As a naval architect, I interpreted this by seeking the best balance between aesthetics, performance and space. I wanted a simple and enjoyable boat. The trend for the core market, which Lagoon has successfully embraced and developed, then moved towards more comfort, going on to reach second home status.

“This has brought more weight, more equipment and a general improvement in the facilities.”

Performance has given way to comfort for holidays on the water. While the overall catamaran market is developing quickly and diversifying, an offer focused more on performance seems to be taking shape alongside this.

The rapid growth in catamarans has been driven by their customers, generally people who have previously had motorboats or are complete newcomers. They have never been sailing and they are attracted by the ‘home on the water’ concept and the comfort offered to meet

up with family and friends. The success of catamarans is linked to the fact that they attract very diverse profiles, in terms of their geographical origins or boating culture, as well as the reassurance factor they offer. There is also a small segment of customers who choose catamarans for round-the-world trips with their families.

Charter professionals have clearly understood that catamarans are a perfect product from this perspective: they do not roll and offer both space and a welcoming environment for their crew.

The challenge for architects and builders like Groupe Beneteau is to make their sailing as simple as possible, with technologies making it possible to automate many of the actions that crews have done by hand for centuries. This is where the real revolution will be and this fits in perfectly with catamarans. I look forward to the technological developments and innovations that will soon make it possible to offer clean propulsion solutions that are adapted for slow cruising and self-sufficient for energy. Various innovative developments are moving forward in terms of rigging, such as wing sails, inflated wing sails (IWS) or rigid sails, which will also be game changers. Simple rigging provides the main wind propulsion and will be able to be combined with an efficient low-power electric engine. These solutions will attract recreational users from motor to sail catamarans.”

Marc van Peteghem

Naval architect and co-founder of VPLP Design

The naval architecture firm VPLP is specialized in multihulls and racing boats

Lagoon and Excess *Two visions for multihulls*

The multihull niche has seen spectacular levels of growth over the last 10 years. It has become a significant market segment, on which Lagoon is the world number one. In 2018, a new brand - Excess - was launched.

The boating community had been talking about this for some time and the secret was revealed at the Cannes Yachting Festival in September 2018: Excess will be Groupe Beneteau's new sporty and modern brand. We will need to wait to discover the first models on the water, at the Cannes show in September 2019. Excess has also launched an outstanding challenge: a prize draw combined with a virtual regatta, with a target to beat the Barcelona-Minorca-Corsica/Sardinia-Cannes record under real-life weather conditions. The prize itself is far from virtual: an Excess catamaran worth €300,000!

On top of the buzz generated by this game, Groupe Beneteau is once again setting out its visionary market approach. "Cruising catamarans are progressing very well and Lagoon has led the market for years. Lagoon's success with both owners and charter firms has enabled catamarans to become a mainstream alternative to monohull sailing and motor yachts", explains Yann Masselot, CEO of the Bordeaux-based subsidiary Construction Navale Bordeaux.

In response to strong demand, the Group has launched an investment

plan aiming to double catamaran production capacity, in Vendée and Bordeaux, up from 400 to 800 boats. It is on track to meet this target, with capacity already up to 600 units by the end of 2018. To achieve this, it has extended the Bellevigny site and transformed the Poiré-sur-Vie plant to produce both mono and multihulls. Lastly, the Construction Navale Bordeaux site has created a dedicated building for producing its luxurious SEVENTY 7 and SEVENTY 8 units, which have continued to enjoy great success since their launch in 2016.

“Cruising catamarans are progressing very well and Lagoon has led the market for years.”



“We believe there is room for a more sporty catamaran offer on a market dominated by comfortable cruising. Excess will strike this balance between performance, space and comfort.”

Yann Masselot
CEO of the Bordeaux-based
subsidiary Construction Navale
Bordeaux



EXCESS Challenge
excess-catamarans.com/challenge

Lagoon
www.cata-lagoon.com

Small boats continue to grow

Out of all the different boats, they are the world's top sellers, with truly global success. Outboards have always been seen as affordable and easy to use. Here, we analyze a buoyant market.

“Today, the core market for outboards is six to eight-meter dayboats and this is evolving towards 8 to 12-meter boats designed for both dayboating and pure cruising.”

Merry de la Poeze
Motorboat marketing director
at Jeanneau



With hull lengths now up to 10 meters and over in Europe, and 12 to 15m in North America, yards are clearly moving towards larger units, supported by the innovation and R&D work carried out by engine manufacturers.

Engine manufacturers' technological developments are a key factor behind this, because they have made it possible to increase power and reduce consumption and noise, while strengthening product reliability and robustness. In a very competitive environment, builders with a global footprint like Jeanneau and Beneteau have established partnerships with engine manufacturers to jointly develop better-performing boat-engine combinations that anticipate customers' needs depending on where they operate, from Scandinavia to the Mediterranean, Florida and the American Lakes. While Europe has historically seen strong interest in outboards, recreational boaters in America are fans of powerful engines and do not hesitate to combine two or even three outboard engines. Christophe Lavigne, President of the American brands, is clear about this :

“We have reviewed all our Four Winns and Glastron models to systematically offer an outboard propulsion option in addition to inboards for these brands”. Faced with commercial pressures, the Group has also started transferring its first motorboat production operations from Europe to the US. Alongside this, the Polish sites are now preparing to build their first American boats for the European market. From an industrial perspective, production capacity has been further strengthened in Poland

through two operations: firstly, the extension of the Ostroda Yacht site, with two new buildings developed in 2018 and operational from the summer of the same year. Secondly, the acquisition of Delphia in Olecko, with effect from autumn 2018, bringing on board additional product development and production capacity. In the US, the American teams were delighted to start up the Sport Plant in Cadillac, Michigan, again after this facility had been shut down during the crisis 10 years ago.

The end of inboard boats ?

“Certainly not!” confirms Merry de la Poeze. “While outboards are growing in size and rivalling the smallest inboard boats, this primarily means that the differentiation between outboards and inboards is no longer relevant”. Today, the boat's on-board experience and use are becoming decisive factors, and Jeanneau is leading the way forward by offering several models from its Leader range with out/inboard propulsion.

Robert Chaffer, motorboat marketing coordinator for Beneteau, shares this approach: “Above all, this requires marketing to work more on defining and enhancing the facilities offered by our ranges like Gran Turismo. We are rethinking our interior and exterior layouts, because our customers want to be able to entertain a lot of friends and family during the day, there are lots of water-based activities to consider, and the boat must be able to offer all of this. On the other hand, our customers are looking for tranquility and intimacy at night. It is up to us to create and innovate!”



Meeting the challenge of renewal

Prestige owes its leading position on the segment for 50-foot motor yachts to its flagship model, the Prestige 500. Following its launch at the Cannes Yachting Festival in September 2010, its order book was already full by January 2011. Since then, it has continued to build on this success, securing Prestige's highly coveted position as the leading brand on the 50-foot motor yacht segment, the core market in Europe and the US, alongside the major English and Italian names.

“When we needed to look at renewing this iconic model, this was a major challenge for the architects and the yard, because this model has been so popular with European and American owners.”

Erik Stromberg

Prestige's marketing director, who joined the brand after heading up marketing for sailing yachts at Jeanneau

With more than 450 Prestige 500s in use worldwide, this is the most widely sold 50-foot model in the world and probably in the history of motor yachts. “We interviewed a lot of customers and dealers. This model's exceptional longevity and the large number of yachts sold gave us a wealth of feedback that we could use to improve future models. Now, we needed to link up the factors behind the Prestige 500's success with the new trends that we had identified. Our approach wanted to respect this history, while looking ahead to the future of motor yachts, to embark on a new phase in Prestige's journey. The yacht must continue to be attractive

in terms of its features and timeless in its design”, adds Erik Stromberg.

Alongside Garroni, the design studio behind the entire Prestige range, the brand's marketing and product development teams have sought to maintain the model's core features, while enabling it to benefit from the latest technological and aesthetic advances. Prestige enthusiasts expressed their appreciation for this evolution-based approach when the new 520 model was unveiled at the Cannes Yachting Festival in September 2017. At this show alone, one third of the yachts were sold to Prestige 500 owners, who recognized their boats' distinctive features and approved the innovations introduced, offering an opportunity to have even more features on board without moving away from the 50-foot segment. “With this model, our customers are very often couples who sail together and do not want a larger boat”, notes Erwin Bamps,

“Our approach wanted to respect this history, while looking ahead to the future of motor yachts.”

Prestige's CEO, who joined the brand recently. “We have seen the same robust sales trends for the new model as during our first year with the Prestige 500, an outstanding benchmark for success”, confirms the delighted Jean-Paul Chapeleau, CEO of Jeanneau and Prestige.

Today, all Prestige models are built at the Les Herbiers site in Vendée, France, at the heart of dedicated industrial facilities focused on high-end boats, with know-how built up over more than two decades.

www.prestige-yachts.com



Boating in the digital age

*Or how Groupe Beneteau is taking new ways
of consuming on board*

Following the success of BlaBlaCar, Airbnb and even Uber, community platforms are developing rapidly. They all group together a community of users around a shared need or interest. This year, Groupe Beneteau has launched several initiatives to take on board these changes in the way we consume. From Leasyboat to the boat clubs and Band of Boats, the past year has seen a number of announcements!

A world first for the boating market, developed with SGB Finance, Leasyboat is an all-inclusive solution designed to offer an alternative to buying a boat. Inspired by the automotive sector, Leasyboat



“While solutions between consumers make it possible to reduce boat ownership costs, we have chosen to capitalize on our networks of dealers in France, Italy and Spain, because professionals play a crucial role in providing support so that people can enjoy the boats with complete safety and peace of mind.”

Yannick Hemet
Beneteau Boat Club Chairman

offers access to ownership without any up-front fee, for a limited time-frame (four to five years), including financing, insurance, engine maintenance and guaranteed trade-ins at term. Customers are then free to take up the option to buy or return their boat.

Made possible by digital technology, the boat clubs and the Band of Boats platform are freed up from space and time. You no longer need to be located nearby or spend hours looking to find your ideal boat: everything is optimized to bring people together and facilitate transactions online, with complete security.

The Beneteau Boat Club's launch in autumn 2017 was followed in 2018 by the Jeanneau brand's exclusive partnership in Europe with the American market leader Freedom Boat Club. The boat club concept is simple: recreational boaters pay an initial joining fee and then monthly membership fees to have access to a fleet of recent boats – all new or less than three years old – enabling

them to enjoy the water from one of the club's many locations. They no longer have to worry about preparing, mooring, cleaning or maintaining the boat. The boat club's professionals ensure safety and peace of mind for users, and provide them with advice and support before they head out to sea. Thanks to a diversified fleet, members can now enjoy a truly on-demand boating experience, from outboards to sailing yachts, from fishing to cruising, from the Mediterranean to the Atlantic coast.

“The boat club opens up access to a vast selection of new boats and unlimited boating without the concerns of being an owner.”

Samuel Dubois
Jeanneau's Commercial Director

NEW TRENDS



In addition to their ease-of-use, the boat clubs are developing their community aspect, while focusing on their user experience. When you join the Beneteau Boat Club or Freedom Boat Club, you find a community of recreational boaters, with more or less experience, who all share the same passion for the sea and boats.

Launched in spring 2018, the Band of Boats platform also groups together a community of enthusiasts around boats, from renting to buying, selling or even sharing

experiences. It has been further strengthened with the acquisition in October 2018 of Digital Nautic, a Nantes-based startup with a mission to support boat industry professionals with the digital transition by developing online solutions enabling them to improve their quality of service. "Thanks to our integration of the teams from Digital Nautic, we are expanding our offer by adding daily rentals, while accelerating our development in Europe", explains Olivier Maynard, President of Band of Boats.

“Our aim is to become a complete multi-brand boat services platform in Europe.”

Olivier Maynard
President of Band of Boats



14 BASES OPEN IN FRANCE,
ITALY AND SPAIN
15 BASES CURRENTLY BEING
OPENED IN EUROPE
beneteau-boat-club.com



5 BASES
IN FRANCE
freedomboatclub.com



7,000
BOATS FOR SALE
IN EUROPE
15,000
BOATS FOR RENT
AROUND THE WORLD
bandofboats.com

Moving towards eco-responsible boating

Being able to access unforgettable landscapes with your boat is one of the joys of boating. So, let's look at how they are built...



For several years, Groupe Beneteau and its brands have been committed to an industry-leading environmental approach.

With a truly global focus, its approach ensures effective control over environmental impacts from design through to decommissioning. This is reflected in the ISO 14001 and 50001 certification of the Group's French production sites and the launch of a new environmental policy in 2018. Thanks to this environmental management program, Groupe Beneteau is delivering improvements in its environmental performance each year, while providing further proof, if it was needed, that environmentally responsible solutions also improve business competitiveness.

2018 was marked by the creation of the decommissioning sector for recreational boats in France. This is a pioneering initiative globally: in place from January 1, 2019, the French system will handle the decommissioning of boats for owners free of charge. The target is to process 20,000 to 25,000 boats within five years.

Decommissioning is an issue that Groupe Beneteau has been working on within the French boat industry Federation (FIN) since 2009. Recognizing this commitment, Jean-Paul Chapeleau, CEO of the Jeanneau and Prestige brands, was recently elected President of the Association for eco-responsible recreational boating (APER), the official eco-organization that will manage the sector for decommissioning recreational boats in France. "Being the first is never easy, even if the APER has already been offering a collection and decommissioning service for the past decade. This French initiative is being closely monitored by the entire global boating industry, as well as institutions like the European Commission", adds Jean-Paul Chapeleau.

With builders looking for innovative and environmentally responsible solutions, recreational users adopting eco-boating practices and a decommissioning sector being put in place, efforts are converging to develop eco-responsible recreational boating.

“We want to offer our customers boats that are less heavy, with better performing hulls and reduced consumption levels. And we want to be able to produce them while limiting our environmental impact, which means reducing consumption of raw materials (primarily timber and resin) and VOC emissions thanks to our styrene plan, as well as electricity, gas and water consumption, all while generating less industrial waste.”*

Eric Gréaud

HSEE director for the Vendée-based subsidiary SPBI

Details of the actions are presented in the sustainability performance report in the 2017-18 financial report

BECOME AN ECO-RESPONSIBLE BOAT USER
<https://nautisme-durable.com>

LEARN MORE ABOUT DECOMMISSIONING AT
www.aper.asso.fr

* volatile organic compounds

New developments in the East

From Slovenia to Poland, Groupe Beneteau invested in the East in 2018.



In July 2018, the announcement of Seascope's acquisition received a very positive response in the sailing world. In just 10 years, this dynamic Slovenian company, specialized in designing, building and marketing performance sailing yachts, has successfully attracted and united an outstanding community of enthusiasts. The founders, Andraž Mihelin and Kristian Hajnšek, two Mini Transat Class skippers, are now continuing this adventure within the Group.

With their innovative design and advanced ergonomics, their affordable performance sailing yachts combine great sensations and speed with easy use and simple transportation. They offer multifunctional and adaptable designs, covering a range of sailing programs, from regattas to family trips and raid events. Since September 2018, the four units designed

by renowned architect Sam Manuard have been marketed as Beneteau First 14, 18, 24 and 27 models.

This acquisition is in line with the Transform to Perform plan to ramp up the Group's product range.

Also in the East, the Group has carried out major operations in Poland for its future development. Its subsidiary Ostroda Yacht, already the country's leading builder, completed the construction of new production capacity in summer 2018, making it possible to take on board the positive trends for outboard motorboats. The new buildings started up their activities in September.



As announced in summer 2018, Delphia has now joined Groupe Beneteau. Founded in 1990 and based in Olecko, Delphia is today one of Central and Eastern Europe's leading boat builders and it has been



“ Our acquisition of a stake in Seascope will enable us to offer a selection of small sailing yachts designed for both novice sailors and enthusiasts, often younger and first-time buyers. ”

Hervé Gastinel
Group CEO

working with Groupe Beneteau for many years. This acquisition has further strengthened its industrial capabilities: it provides a second production site with 18,000 sq.m specialized in building outboard motorboats and small sailing yachts, on which the Group is developing a strategy to drive progress. Thanks to Delphia's new R&D and prototyping center, product development capacities in Poland have also been ramped up. The river motor yachts from the BluEscape range effectively complement the Group's product offering in a segment that was not previously covered.







STORY

Housing

2017-18

SPACE & SENSATIONS

The Housing Division has placed this year under the sign of sensory revolution, carefully listening to clients' expectations and search for new experiences.

Key figures *Housing*

29 MODELS

for a complete range
of eco-designed leisure
homes and lodges

10,000+

LEISURE HOMES
AND LODGES
sold in 2017-18



29,000
CAMPSITES
in Europe with
8,500 in France



LEISURE HOME
SURFACES
FROM 20
TO 40 SQ.M

O'HARA
Le plein de vie !

IRM
IDEALE RESIDENCE MOBILE

Coco
Sweet



External perspectives

“The general premiumization of the outdoor hospitality sector is also being seen for leisure homes themselves”



“The general premiumization of the outdoor hospitality sector is also being seen for leisure homes themselves, which I am working on with BIO Habitat. Unlike others, they have really understood what the word ‘integration’ means for me. Often, integration is interpreted as hiding or concealing, which I completely disagree with. An element can be highlighted as long as it fits in with the surrounding architectural style or architecture. This also means adapting to what is present: plants, inclines, everything that already exists, like when a village is built. The land creates the agglomerate, then the agglomeration. Doing this is great fun, like travelling through time. To mark out access, I imagine the passing of a donkey that has ended up making a trail on the ground.”

“For me, integrating means rethinking the home’s construction in line with a natural process.”

I want everything to be brand-new and at the same time give the impression that it has been there forever, or in any case that it is perfectly coherent for it to be there.

This also means that I do not have any rules with which I would create small boxes of the same size, positioned the same distance apart. This is interesting because it creates diversity for campsites, it can be tailored to each situation. Neither is the aim to copy the style of neighboring villages, but sometimes just to ensure that the color of a leisure home’s cladding matches what is there. The architecture can also be extremely modern, but must respect this idea that there is a natural logic for creating living spaces.

Up until a few years ago, campsites were all about clipped hedges, small plots and everything that goes with this. For me, it was completely ludicrous, from a social perspective, to leave a small apartment in Paris to go and lock myself up in another box. For a long time, I had to fight to change things, until I found an owner who gave me complete freedom for part of his campsite. I needed to convince him, having a number of discussions, which is normal. I am introducing a new way of thinking about space, which may cause some fear to begin with. I pooled everything together. The owner scrupulously followed this idea to completely open up the space. I removed the plot boundaries, moved cars outside, positioned pedestrians at the heart of everything. I work exclusively with integrated local plants, not by following straight lines, but by breaking up lines of sight to make it possible to free up movements, while protecting intimacy.

This has been a major change for this campsite. Following the remodeling of this area, covering around 50 leisure homes, the owner realized that they could be rented out for higher prices and more easily, with extremely positive feedback from customers. This development has inspired a certain number of other campsites. This trend is becoming increasingly strong, particularly in large high-end campsites.”

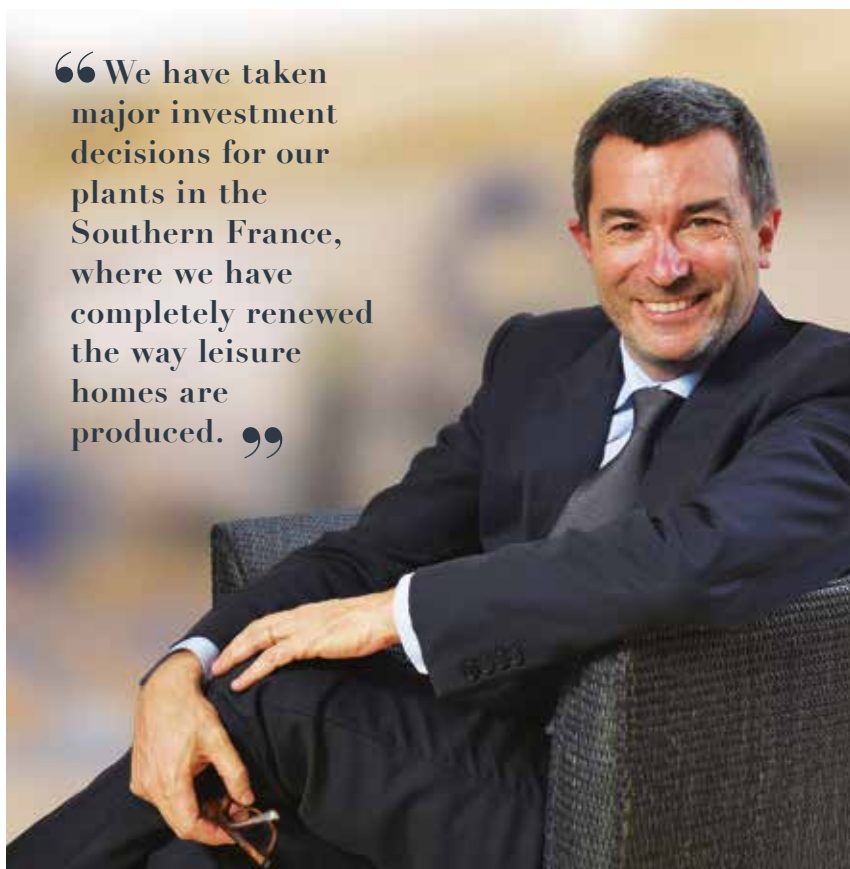
“This is about going back to the fundamentals for holidays: being surrounded by nature and feeling free.”

Bram Schuurbiers
Landscape designer

Year of transformation

With outstanding success, the Housing Division has brought to a close a year of transformation, which has also seen a succession within its leadership team.

“We have taken major investment decisions for our plants in the Southern France, where we have completely renewed the way leisure homes are produced.”



INTERVIEW WITH
Bruno Marotte
Housing Division CEO

How would you assess this past year?

“We have moved from a global strategy, where we changed all our ranges every year, to a rotation-based strategy, renewing one range per year. We will therefore focus on a specific product range each year, based on a three-year product plan. Our customers are also evolving and some are developing their products with us. We therefore needed to take these factors on board and adapt our strategy. Last year, we repositioned our IRM core

market range, which has been greatly appreciated by customers.

This year, we decided to make a breakthrough change for our high-end premium range O'Hara. We have really focused on space, which is always a complex issue with leisure homes because the regulations limit us to 40 sq.m. We have increased both their height and their width. We have worked on their sense of space. This is a real groundbreaking change for a market on which the overall trend is moving towards high-end. We have successfully made this leap forward in terms of quality, while keeping our pricing under control, which represents an outstanding achievement for the year.

“This year, we decided to make a breakthrough change for our high-end premium range O'Hara.”

This year, we also drew up our industrial roadmap with a medium-term strategy for the development of our plants. We have taken major investment decisions for our plants in Southern France, where we have completely renewed the way leisure homes are produced. We wanted to further strengthen production in this region in order to rebalance our industrial capabilities and minimize transport.”

This assessment is also your own to some extent, you are leaving for other horizons...

“Yes, definitely. In three years, we have achieved major improvements in our results and we are now profitable again. We have continued to prepare for the future in terms of both changes to our products, as with the O'Hara range, and a robust industrial organization. Moving forward, we now need to improve our industrial performance.”

“In three years, we have achieved major improvements in our results and we are now profitable again.”

What could we wish for you in the future, Bruno Marotte ?

“To meet other challenges, because this is what I love to do!”

Succession at the top of the Housing Division

In July 2018, Patrick Mahé was named CEO of the Housing Division, succeeding Bruno Marotte.

INTERVIEW WITH
Patrick Mahé
Housing Division CEO

What motivated you, what challenge led you to agree to take on this position?

"What motivated me first of all is the positive global environment, because we are growing in terms of both revenues and earnings. The Board of Directors therefore wanted to continue building on what has been achieved by calling on me. I have supported the Group from the outset, as General Manager of IRM, then a Group director, and as part of the Board of Directors of BIO Habitat since it was created.

“ I am focused on continuity. ”

My perspective is not focused on challenges. I am focused on continuity. The Group has trusted me for over 10 years, notably as a member of the Board of Directors. The acquisition of IRM led to a lot of hope and expectations among our staff. I have really supported this integration within Groupe Beneteau and it has been very positive for us. Today, the Group is calling on me, which is a very strong sign of confidence and trust, and I greatly appreciate this. I am returning with a desire to continue building on what has been put in place. The Group has made a major investment and I really want it to work."



Patrick Mahé has previously held various roles, giving him in-depth knowledge of leisure homes. With a background in the banking industry, he spent many years supporting the IRM brand as a financial partner before becoming its CEO in 2004.

Very active in the outdoor hospitality world, in 2011 he founded the decommissioning organization EcoMH, which groups together

“ I am returning with a desire to continue building on what has been put in place. ”

the leading leisure home manufacturers, serving as its president, alongside his role as chairman of the leisure homes section of the industry association UNI VDL.

Luxury, space and sensations

Our world has become a world of images. Holiday sites and hotels are designing their architectures to become as “Instagrammable” as possible and glamping has brought camping back into eco-chic fashion. Alongside this, leisure homes are becoming increasingly popular, with a firmly contemporary spirit, moving towards high-end facilities. The time of shabby, antiquated cabins is over: leisure homes are now fashionable and offer new features that are attracting increasingly demanding guests.

Three experts from the Housing Division decipher these new uses for us here: Florence Bugeon, marketing director, Elise Vallée, designer, and Marie Bécart, product manager.



From camping to glamour: glamping

This new term, a combination of glamour and camping, first appeared in the UK around a decade ago. It refers to a new outdoor hospitality trend initiated by an affluent clientele looking for new experiences.

“Camping is still the leading destination for holidays in France.”

These new users are embracing the authenticity and change of scenery offered by camping, while adding originality, comfort and getting back to nature. “Camping is still the leading destination for holidays in France. It is benefiting from a new popularity, which has transformed over the years. Illustrating this, more and more magazines, including some prestigious names, are publishing articles in the run-up to the summer on the wellbeing offered by camping, often describing examples of glamping

concepts, treehouses, yurts, chalets on stilts... Places to stay that enable you to get a real break from everyday life; leaving behind comforts, from a bathroom to a shower or oven... Disconnecting is the new trend: I get physically closer to others within my family or my friends, I want to have a new experience”, explains Florence Bugeon.

“This explains the success of the Coco Sweet range, an outstanding hybrid between a tent and leisure home, taking its authenticity from one and its comfort from the other.”



This is about the origins of camping, tents and conviviality. The transformation of campsites in the last few years has not led to the disappearance of camping’s main attraction: nature. Coco has been created by actively listening to customers, providing affordable, smart accommodation, with a complete change of scenery”, notes Florence Bugeon. “This

SUCCESS STORY

is confirmed by the French camping industry federation (FNHPA). Campsites have had to restructure their offers and they have often created different neighborhoods: premium areas, sometimes customized with timber cladding and flat roofs, other sectors aimed more at families, identifiable by other features, and others that are more eco-chic with the Coco range."

While campsites are getting a makeover, leisure homes are clearly premiumizing.

Leisure homes going premium

The outdoor hospitality sector and leisure homes in particular have embraced the trend for high-end facilities that is deeply embedded in the minds of the new generations of customers.

Elise Vallée, designer, recalls her surprise when she joined the Housing Division: "When I was shown the catalogues, I was blown away. We can sometimes have quite an outdated image of leisure homes. When I started to work on O'Hara, I saw this desire for premiumization". "This trend has been taking shape for some time and is becoming increasingly clear each year. We are continuing to premiumize the O'Hara range and we can already see a very positive response to them", confirms Marie Bécart, product manager.

Florence Bugeon can see this same phenomenon: "Marketing is done online now. Image is a priority. Vaca-



tioners choose their holidays based on photos of campsites, so the exteriors and interiors of their places to stay need to stand out through their designs. More and more facilities are offered, from air-conditioning to hairdryers and heating. Our clients are segmenting their offers and differentiating thanks to the choices that we are able to offer them."

“ BIO Habitat has been a pioneer for design features and the variety of options offered. ”

Sensory revolution with volumes: luxury means space

This slogan from a car manufacturer reflects a need that can also be seen for leisure homes: "We have had to define what high-end means. Surveys with our customers and users showed us that high-end means space. In our business, space is a luxury", explains Florence Bugeon.

Leisure homes are subject to strict legislation and rules that limit them to 40 sq.m of living space. But the Housing Division has found a solu-

tion thanks to its ingenuity: "We have developed a system that complies with all these rules, but has enabled us to push back the walls and think outside the box: optimizing their shape in terms of forms, functions and their choice of materials for the last 25 years. We have adopted a different approach for certain elements like the gutters, the sloping of the roofs or even insulation, with O'Hara's latest leisure homes showing significant gains in terms of their width and height".

These innovations are difficult to set out on paper and need to be experienced. "As soon as you walk in, something has clearly changed. There is a volume effect. I can talk about the extra 30cm of ceiling height, but this will not speak to you. Neither will you know what 13cm more width means. You can only see how high the bar has been raised for innovation when you step inside this new space", explains Florence Bugeon.

“ You can only see how high the bar has been raised for innovation when you step inside this new space. ”

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