

GROUPE BENETEAU

Forecasts for 2016-17

- Consolidated revenue growth of 4.5% to 7%
- Group income from ordinary operations: €53-60 million (expected margin up 70 to 120bp)
- Continued improvement in the cash position

2017-2020 positive transformation plan

- Above-market revenue growth
- Target margin within three years: 8% of income from ordinary operations
- Optimization of free cash-flow generation

During its financial information meeting, held on January 26, 2017 in Paris (France), Groupe Beneteau presented its full-year forecasts for 2016-17, as well as the key measures from its 2017-2020 positive transformation plan, which will enable it to continue with its sustainable and profitable growth.

Boat Division

- Continued turnaround in profitability in a market on which growth has stabilized at around 3%.
- 2016-17 season: 32 new models to respond to demand from growing market segments (multihull, outboard, large sailing and motor units). The Group has continued moving forward with its investments to adapt its product offering in line with the market's demands and further strengthen its leadership.

For FY 2016-17, the orders recorded at December 31, 2016 came in +13.9% higher than the order book for the same period last year. This progress reflects +22% growth for the sailboat segment and +7% for the motorboat segment. Orders on the Group's core markets (Europe and North America) are up +5%, while growth came to +65% for fleets and +34% for other markets.

Considering the time needed to ramp up the Group's new production capacity, the effective growth in orders at December 31, 2016 is not representative of the expected growth in full-year revenues for the Boat division, which will grow by +5.5% to +7.5%, outpacing the market.

Positive trends for recreational boat markets globally

The sailboat market has continued to see modest growth, driven by the multihull segment, up by more than 5% in the main regions. On the other hand, the monohull segment has remained stable despite the dynamic performance by large sailing units and fleets.

For the 2016-17 boat season, the Group has launched six new monohull sailing models and focused on large units. To capitalize on the multihull segment's dynamic development, the Group has launched four new models (sailing and motor) and announced the launch of a new brand.

The motorboat market has continued to see strong growth, in line with the last few years (>5%), driven by the outboard segments in North America and France. The inboard (<60 feet) and motor yacht (>60 feet) segments are stable (0 to 2%).

The Group is moving forward with the development of its motor range, launching 22 new models, with 16 new models for the outboard segment, three for the inboard segment and three motor yachts, in order to further strengthen its market shares.

Housing Division

- Moderate growth for Leisure Homes: priority focus on profitability
- Shutdown of Residential Housing business and completion of projects

For FY 2016-17, the level of orders recorded at December 31, 2016 is up +2.1% versus the order book for the same period last year, with +2.6% growth in France.

Dynamic sector that is growing again

The leisure homes market reflects the renewal of existing stock and the development of key account customers, as well as networks and groups.

For 2016-17, the French market is expected to see 3-5% growth, characterized by a premiumization of leisure home holidays, services and products, as well as customization for holiday homes.

To capitalize on the European market's potential for growth, Groupe Beneteau will be accelerating its geographical development in Italy, Spain and Croatia. Growth will be supported by the relaunch of a residential leisure home range for individuals, the continued premiumization of products, and a more complete range of services both upstream (financing, design support, resale of used leisure homes) and downstream (aftersales, full installation, sales of spare parts).

Consolidated forecasts for 2016-17

As the Group is further strengthening its product plan and investing in new production capacity, investments are expected to reach a peak of nearly €88 million for FY 2016-17, up +30% year-on-year.

Consolidated revenue growth is expected to reach +4.5% to +7% compared with FY 2015-16, with between €53 million and €60 million in income from ordinary operations, up from €43.6 million the previous year.

Despite the investments made and the increase in fixed costs, the operating margin is expected to increase by 70 to 120bp, supported by growth in volumes for the Boat division and the improvement in profitability for the Leisure Homes business.

Free cash-flow generation will enable the Group to continue improving its net cash position.

2017-2020: Positive transformation plan for sustainable and profitable growth

The Group has presented the areas for action from its 2017-2020 positive transformation plan, which is focused on two key pillars:

- I. **Sustainable growth:** developing in international markets and ramping up the development of the products and services offered

For the Boat division, Groupe Beneteau plans to further strengthen its positions in Europe, create the conditions needed to succeed in North America, and optimize its distribution networks. The range of products and services will be developed by enhancing the product plan (launch of a second multihull brand, strengthening of outboard production capacity, development of the range of large yachts, focus on first-time buyers), further strengthening innovation and developing a portal for digital services supporting the distribution networks.

In terms of the Housing division, Groupe Beneteau plans to further strengthen its positions in Italy and certain key countries. The range of leisure homes will be enhanced, particularly on the core market, and the division will develop new leisure home concepts based on BH's expertise.

2. **Profitable growth:** reducing development costs and increasing operational efficiency

The Group plans to accelerate its cost reduction process by optimizing and sharing resources between brands for product developments, in addition to developing shared platforms and standardizing components.

The optimization of the industrial plan and the reduction in production costs will make it possible to improve operational efficiency.

The 2017-2020 positive transformation plan will be presented in detail during the Investor Day on June 7, 2017 at the Group's CNB site in Bordeaux (France).

The presentation from the financial information meeting is available on the Groupe Beneteau website.

About Groupe Beneteau

As the boating industry's global market leader, Groupe Beneteau, through its Boat division's 11 brands, offers over 200 recreational and professional boat models serving its customers' diverse navigational needs and uses, from sailing to motorboating, monohulls and catamarans.

Leading the European leisure homes market, the three brands from the Group's Housing division offer a comprehensive range of leisure homes, lodges and pods that combine eco-design with high standards of quality, comfort and practicality.

With its international industrial capabilities and global sales network, the Group employs 6,500 people, primarily in France, the US, Poland, Italy, Brazil and China.

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