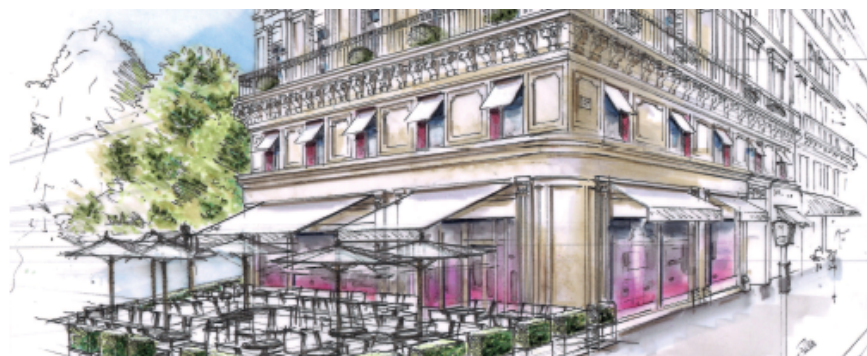


Paris, 06 April 2016

## 2015 ANNUAL RESULTS / 2016 OUTLOOK PERFORMANCE AND NEW GROWTH ENGINES



Architectural drawing of the future Fauchon Hotel, Paris

- All indicators are up: NAV of €365 million, up 5.5% (after distribution), Net Income of €14 million, up 16.7%, €18 million of value created.
- Private Equity reported an excellent year for 2015 and completed the disposal of a first PMC II Fund line
- Real Estate confirmed the success of its high value-added strategy
- Hospitality crossed a milestone in the valuation of its know-how
- The Lebon share is up +11% since 1 January 2015
- Dividend of €3.80 (identical to that of 2015) proposed to the Meeting of June 2016
- Confirmation of the guidance to double value between 2013 and 2023.

The Board of Directors of Compagnie Lebon approved the financial statements for the FY 2015, and the dividend proposed to the upcoming General Shareholders' Meeting:

<i>In (€m) at 31 December 2015</i>	2015	2014	Change
<b>NET ASSET VALUE (NAV)</b>	<b>264.8</b>	<b>251.0</b>	<b>+5.5%</b>
<b>NET INCOME GROUP SHARE (NIGS)</b>	<b>14.0</b>	<b>12.0</b>	<b>+16.7%</b>
<b>VALUE CREATION*</b>	<b>18.1</b>	<b>17.1</b>	<b>+5.8%</b>
<b>DIVIDEND in €</b>	<b>3.80***</b>	<b>3.80**</b>	<b>-</b>

\*Value creation = change in NAV before distribution for the year

\*\* Dividend paid in 2015 for the 2014 financial year

\*\*\* Dividend paid in 2016 for the 2015 financial year

*Auditing of the consolidated financial statements has been completed. The certification report is in the process of being issued.*

*"As entrepreneurs and investors, we control the development of Compagnie Lebon from the basis of value creation, and each of our three segments crossed a milestone in 2015.", analyses Emmanuel Russel, Chief Executive Officer of Compagnie Lebon.*

*"We have confirmed that our business lines with their different cycles, are complementary. We are therefore repeating our guidance of doubling value between 2013 and 2023", confirms Henri de*

Pracomtal, Chairman of Compagnie Lebon.

## 1. Key figures

### **Net Asset Value (NAV): €264.8 million (up 5.5% after distribution)**

2015 performance is in line with the steady growth in the last 12 years, where NAV has grown by an average rate of 7.2%, dividends included.

The mix reflects the investment phase of Compagnie Lebon: €19 million of cash was invested in the Hospitality and Real Estate businesses. Hospitality now accounts for 40% of the total compared to 33% previously (€106.3 million at year end 2015), Real Estate 21% compared to 19% (€56.4 million at year end 2015), Private Equity remained stable at 25% of the total (€65.3 million at year end 2015), the holding dropped from 24% to 14% overall (€36.8 million at year end 2015), following a drop in cash.

### **Value creation<sup>1</sup>: €18.1 million**

Value creation is in line with the guidance of Compagnie Lebon: to double the value between 2013 and 2023. Hospitality generated €8.3 million, i.e. 45% of the total amount vs 42% in 2014. Real estate generated €3.0 million, i.e. 17% of the total amount vs 14% in 2014. Private Equity generated €7 million, i.e. 38% of the total amount, stable vs. 2014. 77% of value was created through income, the rest stemmed from changes in NAV as a result of disposals or exits from the property inventory.

### **Net Income Group Share (NIGS): €14.0 million (+16.7%)**

The mix reflects the complementarity of the investment cycles of the Group's three segments: Private Equity, at €9.5 million, has begun, with the Destia project, the disposal of a first line of the PMC II Fund: it generated 63% of income vs. 51% in 2014; Hospitality, which is in an investment phase, posted income of €2.4 million, while Real Estate reported €3.2 million.

### **Available cash for taking advantage of opportunities, the Group's financial strength: €38 million at year end 2015**

Compagnie Lebon's available cash amounted to €37.8 million at 31/12/2015<sup>2</sup>, vs. €57.4 million in 2014. The difference can be explained by investments in Royal Garden (€14 million, Hospitality) and repayment of the loan on the Compiègne project (€4 million, Real Estate), under refinancing.

### **Reasoned debt: corporate debt of €7 million or 4% of shareholders' equity**

Corporate debt increased in 2015 to €7 million, i.e. less than 4% of shareholders' equity. The average maturity is five years and seven months, the average rate is 2.33%. Total debt, including debt backed by Real Estate, Hospitality or Private Equity projects, totalled €58 million, i.e. 26.7% of shareholders' equity.

### **Funds raised from third-party investors: €18 million at the end of 2015 (+20%)**

Compagnie Lebon formed Club deals with partners for the funding of Hospitality and Real Estate projects, and worked with third parties in the PMC II Fund. Total funds raised amounted to €18 million in 2015, up 20% vs. 2014.

*The entire amount will be presented at the briefing of 7 April 2016 at 9am, then in the registration document published on 22 April 2016. All materials will be available on the website.*

<sup>1</sup> Value creation = change in NAV + distribution

<sup>2</sup> The €37.8 million amount breaks down as follows:

- cash and cash equivalents: €26.4 million
- Tikehau Fund: €11.4 million

## 2. Highlights of the financial year:

### Private Equity reported an excellent year for 2015 and sold off a first PMC II Fund line

Private Equity comprises three business lines: private equity with Paluel-Marmont Capital, Slvepar and the third-party fund.

	2015	2014
<b>Résultat Net Part du Groupe (M€)</b>	<b>9,5</b>	6,1
<b>ANR (M€)</b>	<b>65,3</b>	61,8
<b>Création de valeur (M€)</b>	<b>7,0</b>	6,5

<b>Net Income Group Share (€m)</b>	<b>9.5</b>	<b>6.1</b>
<b>NAV (€m)</b>	<b>65.3</b>	<b>61.8</b>
<b>Value creation (€m)</b>	<b>7.0</b>	<b>6.5</b>

Paluel-Marmont Capital contributed up to €4.2 million to 2015 income (NIGS). It sold a first line of the PMC II Fund, Destia, a major home services group. Paluel-Marmont Capital acquired a stake in the capital of Avidom in December 2012 and drove growth from €10 to €40 million of revenue of its equity interest, both through organic growth and through an alliance between Avidom and Sous mon Toit, which moved from being a regional operator to a national one to form the Destia Group in January 2015. Paluel-Marmont Capital simultaneously acquired a stake in the capital of B-Live, a live shows light and sound service provider, GD Intérim, a temporary employment company for catering businesses and Anaveo, specialist in electronic security. PMC II is now 60% invested.

The third-party fund and Salvepar contributed a total of €5.3 million to 2015 income (NIGS). The funds invested in Chequers Capital and White Knight reported excellent performance, just as the 2015 net income of Salvepar.

### Real Estate confirmed the success of its high value-added strategy

	2015	2014
Chiffre d'affaires (M€)	45,1	30,1
Résultat opérationnel (M€)	5,2	3,6
Résultat net (M€)	4,8	2,8
<b>Résultat Net Part du Groupe (M€)</b>	<b>3,2</b>	2,1
<b>ANR (M€)</b>	<b>56,3</b>	47,4
<b>Création de valeur (M€)</b>	<b>3,0</b>	2,3

Revenue (€m)	45.1	30.1
Operating income (€m)	5.2	3.6
Net income (€m)	4.8	2.8
<b>Net Income Group Share (€m)</b>	<b>3.2</b>	<b>2.1</b>
<b>NAV (€m)</b>	<b>56.3</b>	<b>47.4</b>
<b>Value creation (€m)</b>	<b>3.0</b>	<b>2.3</b>

The sharp increase in revenues (+48%) is linked to the steady activity of residential property development in a more favorable market context.

The major event of 2015 was the acquisition of a portfolio of 11 business buildings from Sofilo, the property subsidiary of EDF. One building has already been sold and call options have been signed for five others. Paluel-Marmont Valorisation carried out this transaction with external partners and can use the experience gained to tackle more ambitious projects while retaining the same risk level and the same oversight responsibility.

The higher NAV highlights the €3 million value creation and reflects both the right valuation of the assets under management and the investment policy focused on high added-value assets: 40% of the created value was generated by investments during the year.

## Hospitality crosses a milestone in the recognition of its expertise

**In Hospitality**, Compagnie Lebon's strategy is built on two pillars, the Esprit de France hotels and the destination spa business with Sources d'Équilibre.

	2015			2014		
	Esprit de France	Sources d'Équilibre	Total Hospitality	Esprit de France	Sources d'Équilibre	Total Hospitality
<b>KPI non financiers</b>	<b>427 chambres sous gestion</b>	<b>16 000 curistes</b>		336 chambres sous gestion	16 000 curistes	
Chiffre d'Affaires (M€)	25,4	13,9	39,3	18,9	12,6	31,5
Flux de trésorerie opérationnelle (M€)	4,9	1,5	6,4	3,8	1,7	5,5
Capex (M€)	4,7	0,5	5,2	2,1	0,3	2,4
<b>Résultat net part du Groupe (M€)</b>	<b>2,5</b>	<b>0</b>	<b>2,5</b>	2,9	0,5	3,4
<b>ANR (M€)</b>	<b>103,0</b>	<b>3,3</b>	<b>106,3</b>	79,8	2,8	82,6
<b>Création de valeur (M€)</b>	<b>8,1</b>	<b>0,2</b>	<b>8,3</b>	6,5	0,5	7,0

	2015			2014		
	Esprit de France	Sources d'Équilibre	Total Hospitality	Esprit de France	Sources d'Équilibre	Total Hospitality
<b>Non-financial KPIs</b>	<b>427 rooms under management</b>	<b>16,000 hydrotherapy customers</b>		336 rooms under management	16,000 hydrotherapy customers	
Revenue (€m)	25.4	13.9	39.3	18.9	12.6	31.5
Operational cash flow (€m)	4.9	1.5	6.4	3.8	1.7	5.5
Capex (€m)	4.7	0.5	5.2	2.1	0.3	2.4
<b>Net income Group share (€m)</b>	<b>2.5</b>	<b>0</b>	<b>2.5</b>	2.9	0.5	3.4
<b>NAV</b>	<b>103.0</b>	<b>3.3</b>	<b>106.3</b>	79.8	2.8	82.6
<b>Value creation (€m)</b>	<b>8.1</b>	<b>0.2</b>	<b>8.3</b>	6.5	0.5	7.0

**The signing of a partnership between Esprit de France and the Fauchon Group was the crowning event in a highly exciting 2015.**

The partnership signed in December 2015 between Esprit de France and the Fauchon Group for the first Fauchon Hotel, Place de la Madeleine in Paris, confirms the recognition of Esprit de France's know-how in the hotel business.

Thanks to this know-how, Esprit de France successfully outperformed the sector once again in 2015, both nationally (organic growth of +1.7%, in a stable sector at +0.1% in 2015, source MKG), and locally, in the City of Paris (organic growth of 0.8% on a market that dropped 3.8% in 2015, source MKG), in a context impacted by the January and November 2015 terror attacks.

Investments in 2014 yielded results in 2015 with 20% revenue growth for Le Pignonnet Hotel in Aix-en-Provence and a ranking among the top five hotels in Paris in e-reputation for La Tamise Hotel. Esprit de France continued to invest by acquiring the goodwill of the Royal Garden Champs-Élysées Hotel for €13 million in July 2015 and spending €7 to €10 million in refurbishments scheduled over two years without shutting down any establishment.

In 2015, Esprit de France reported revenues of €25.4 million, net income of €2.5 million, and investments of €4.7 million. NAV for Esprit de France totalled at year end 2015, €103 million based on a conservative valuation method: hotel funds were valued at four times the revenue for Paris and three times in other French cities, i.e., at the lowest average of current transactions.

Esprit de France aims to reach 700 rooms under management by the end of 2018, vs. 427 today. Organic growth will be achieved through upgrades, e-business, yield management and reliance on an excellent customer satisfaction rate (>85%), and a high loyalty rate (>30%).

### **The bid to acquire Thermes d'Allevard marks the launch of the Sources d'Équilibre brand, for the Thermal baths & Destination Spas business line**

Thermal baths & Destination Spas represent a market segment under consolidation in France, with strong synergies with the hotel business know-how of Compagnie Lebon. The Brides-les-Bains/Allevard entity would represent €17 million in revenue, 416 employees (239 FTE), 20,000 hydrotherapy customers, 2 hotels, making Sources d'Équilibre the fifth largest destination spa group in France. The Grenoble Commercial Court is expected to issue its response to the bid submitted at the end of 2015, on 12 April 2016. The financial plan is to acquire the shares of the Town of Allevard, raise share capital by €0.5 million and contribute to an equivalent current account, to allow an investment programme, in addition to renegotiating the €1.7 million debt spread over 10 years. The 66 jobs will be maintained.

Sources d'Équilibre generated in 2015 revenues of €13.9 million, up 10.3%; reflecting the full year recognition of the destination spa activities of Brides-les-Bains in 2015, versus nine months in 2014. A total of €1.5 million cash was generated and assigned to capital expenditure (capex €0.5 million). Sources d'Équilibre prepared the complete renovation of the equipment and architecture of the Brides-les-Bains spa resort, for an amount of €14 million which will be launched at the end of 2016.

**Lastly, in 2015, Compagnie Lebon invested in digital technology for the entire Hospitality segment**, with the complete revamping of the websites of the Esprit de France hotels and the Brides-les-Bain spa resort (online booking, in particular).

### **The Lebon share is up +11% since 1 January 2015**

The Compagnie Lebon share has gained 5% since 1 January 2016, i.e., 11% since 1 January 2015. Volumes have been rising since the transition to continuous trading on 1 October 2015. Stock market discount is low, with market capitalisation at -42% vs. NAV.

## **3. Dividend and Outlook**

### **Dividend**

Confident in the robust health of Compagnie Lebon, the Board of Directors will propose to the Shareholders' Meeting of 1 June 2016, a dividend payment of €3.80, stable with respect to the prior year and representing a gross yield of 3% compared to the average 2015 price.

## Future Outlook

Management confirms the guidance announced in 2013: double the value in 10 years. This guidance breaks down per segment as follows:

- Hospitality: continuation of an active external growth policy and upgrading.
- Real Estate: development of new added value transactions with investing partners.
- Private Equity: strict selection of new projects and plans to launch a new fund.

For 2016, management has opted for a conservative policy owing to the cyclical nature of Private Equity, and has not yet issued any guidance.

## 4. Upcoming financial communication events:

- 7 April 2016 at 9am: briefing about the 2015 annual results and outlook for 2016
- 22 April 2016: publication of the registration document
- 1 June 2016: Annual Shareholders' Meeting

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### About Compagnie Lebon

Compagnie Lebon is a listed company on Euronext Paris (C compartment) controlled by the Paluel-Marmont family. It operates in three business segments: Hospitality with the Esprit de France hotels and the destination spa business with Sources d'Équilibre, Real Estate with Paluel-Marmont Valorisation and Private Equity with Paluel-Marmont Capital.

NAV at 31/12/2015: €265 million - 2015 Net income group share: €14 million - Workforce 468 people

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