NEW RECORD YEAR IN 2018
ROP[1] UP 10.4% TO €49.0 MILLION

"A WORLD OF" NICHE MARKET LEADERS

PRESS RELEASE

Paris – March 12, 2019

Ongoing success of the Game Changer strategic plan

- **Consolidated annual revenue of €573.3 million, up 7.6% year-on-year, or €619 million including the full-year contribution of companies acquired in 2018**
- **Another very sharp increase in operating performance, with double-digit growth in ROP[1], up 10.4% to €49.0 million**
- **Recommended 2018 dividend of €0.67 per share, up 12%**
- **Groupe Familial Fribourg raises its interest in and acquires control of Colombus Holding, Chargeurs' reference shareholder**

2019 guidance:

- **Further growth in revenue and recurring operating profit[1] and solid cash generation**
- **Continued execution of the Iconic Champions strategy**

By end-2021:

- **Target to top the €1bn profitable revenue mark confirmed, provided the macro-economic, geopolitical and currency environment remains constant**

*"Chargeurs had an record year in 2018 despite a volatile operating environment. Thanks to the success of our **Game Changer plan** and our targeted acquisitions strategy, we moved up another gear with **premiumizing the product ranges** of all of our businesses, reinforced our **leadership** positions and created new structural growth opportunities. These ground-breaking achievements despite an increasingly difficult backdrop, combined with the long-term commitment of the Groupe Familial Fribourg to our reference shareholder, Colombus Holding, mean we are confident that we have got our profitable growth strategy right. Consequently, we are standing by our target of topping €1 billion in revenue by end-2021, one year ahead of schedule, barring any changes in the macro-economic environment"*, said ***Michaël Fribourg, Chargeurs' Chairman and Chief Executive Officer.***

The Board of Directors of Chargeurs met on March 11, 2019 under the chairmanship of Michaël Fribourg to approve the 2018 consolidated financial statements. These financial statements have been audited and the Statutory Auditors' report is in the process of being prepared.

2018 CONSOLIDATED FINANCIAL HIGHLIGHTS

	Twelve months			Change 18/17		Change
In euro millions	**2018**	**2017**	**2016**	**reported**	**like-for-like** (2)	**18/16**
Revenue	**573.3**	533.0	506.4	+7.6 %	+2.6 %	+13.2 %
EBITDA	**59.8**	54.6	48.8	+9.5 %		+22.5 %
as a % of revenue	***10.4 %***	*10.2 %*	*9.6 %*			
Recurring operating profit (1)	**49.0**	44.4	38.9	+10.4 %		+26.0 %
as a % of revenue	***8.5 %***	*8.3 %*	*7.7 %*			
Attributable net profit	**26.6**	25.2	25.0	+5.6 %		+6.4 %

(1) Before amortization of intangible assets resulting from acquisitions
(2) Based on a comparable scope of consolidation and at constant exchange rates

[1] Recurring operating profit before amortization of intangible assets resulting from acquisitions

Robust revenue growth in 2018 despite a demanding and volatile operating context

Revenue for 2018 was up by a solid 7.6% compared with 2017 and by 13.2% versus 2016. Like-for-like growth was 2.6%, against a volatile economic backdrop and with a high basis of comparison for 2017. Including the full-year contribution of the companies acquired in 2018, the 2018 revenue figure was €619 million.

In 2018, the Group's operations were affected by inventory shedding at Chargeurs Protective Films' customers, a further acceleration of our selective sales strategy to step up the premiumization of our solutions offering across all of our businesses, and technological upgrades at several strategic manufacturing sites. The Group was also impacted by a 3.6% negative currency effect, mainly arising from the Argentine peso, US dollar and New Zealand dollar.

Growth for 2018 was buoyed by the integration of PCC Interlining into Chargeurs PCC Fashion Technologies in the fourth quarter and by the integration of Leach into Chargeurs Technical Substrates in the second quarter.

An excellent operating performance, driving a further acceleration in profitable growth

Chargeurs' profitable growth accelerated again in 2018, with another solid increase in recurring operating profit[1], which saw double-digit growth of 10.4% to €49.0 million, and a 20 basis-point rise in recurring operating margin to 8.5%. These showings once again demonstrate the success of the Game Changer performance acceleration plan, which was launched in 2017 and reinforced in 2018 by the new Iconic Brands strategy. This new strategy is aimed at creating high value-added brands and enabling each business to consolidate their positions as the partner of choice for customers and therefore enhance their product mix and ultimately step up the pace of profitable growth.

The across-the-board strong performance delivered by the Group was achieved despite (i) a high basis of comparison with 2017, (ii) an unfavorable currency effect, and (iii) higher operating expenses incurred to drive growth (notably to accelerate the premiumization of our solutions offerings).

ANALYSIS BY BUSINESS SEGMENT

Chargeurs Protective Films: record-high revenue in 2018 and preparations for stepping up the premiumization of the solutions offering in 2019

	Twelve months			Change 18/17		Change
In euro millions	**2018**	**2017**	**2016**	**reported**	**like-for-like (2)**	**18/16**
Revenue	**283.3**	281.0	250.3	+0.8%	+0.0%	+13.2%
EBITDA	**39.4**	40.3	33.2	-2.2%		+18.7%
as a % of revenue	***13.9%***	*14.3%*	*13.3%*			
Recurring operating profit (1)	**33.0**	34.3	28.0	-3.8%		+17.8%
as a % of revenue	***11.6%***	*12.2%*	*11.2%*			

(1) Before amortization of intangible assets resulting from acquisitions

(2) Based on a comparable scope of consolidation and at constant exchange rates

Chargeurs Protective Films had another good year in 2018, with revenue reaching a record €283.3 million, **up 0.8%** on 2017 – which was already an exceptional year – despite an extremely unfavorable currency effect arising from the US dollar. Since 2016, revenue for this segment has surged 13.2%.

After a brisk first six months, the second half of the year saw major customers' inventories returning to more routine levels as expected as they continued to reduce their stand-by inventories in a persistently volatile environment.

During 2018, Chargeurs Protective Films successfully pursued its premiumization strategy for its solutions offering, as well as its selective marketing policy and the development of its innovative end-to-end solutions offering – Chargeurs Protective Specialty Machines – with the aim of improving its product mix and strengthening its pricing power. It also prepared for the launch of its new techno-smart production line at its Sessa plant in Italy, scheduled for mid-2019, which will allow it to augment its production capacity for premium, high value-added products with a view to consolidating its global leadership position.

Recurring operating profit[1] came to €33.0 million, reflecting – together with the above factors – the effect of a change in consolidation scope related to the development of the segment's new end-to-end offering – Chargeurs Protective Specialty Machines – and productivity gains achieved thanks to the Annual Productivity Plan. Recurring operating margin came in at over 11.5% despite an adverse currency effect (mainly stemming from the US dollar) and the continued outlay of growth opex. **Excluding the currency effect, recurring operating margin would have been over 12.5%.**

Driven by this operational and industrial dynamic, the business is now armed to cement its global leadership in the surface protection market in 2019 with an increasing focus on premiumization.

[1] Recurring operating profit before amortization of intangible assets resulting from acquisitions

Chargeurs PCC Fashion Technologies: an excellent operating performance, with a 300 basis-point increase in recurring operating margin

In euro millions	Twelve months 2018	2017	2016	Change 18/17 reported	Change 18/17 like-for-like (2)	Change 18/16
Revenue	**161.1**	131.2	132.0	+22.8%	+6.9%	+22.0%
EBITDA	**17.9**	11.3	11.7	+58.4%		+53.0%
as a % of revenue	***11.1%***	*8.6%*	*8.9%*			
Recurring operating profit (1)	**14.8**	8.1	8.0	+82.7%		+85.0%
as a % of revenue	***9.2%***	*6.2%*	*6.1%*			

(1) Before amortization of intangible assets resulting from acquisitions
(2) Based on a comparable scope of consolidation and at constant exchange rates

Revenue generated by Chargeurs PCC Fashion Technologies **surged 22.8%**, fueled by both the rapid integration of PCC Interlining in the United States and Asia, and its customer-centric strategy (with brisk like-for-like growth of 6.9%).
This business segment delivered **an excellent operating performance, with a 300 basis-point increase in recurring operating margin** to 9.2% in 2018. Drawing on Angela Chan's in-depth experience of working with major apparel players in the United States and Asia, Chargeurs PCC Fashion Technologies saw strong momentum for its commercial strategy of premiumizing its offering of product and service solutions and leveraged new synergies generated through PCC Interlining's expertise. PCC Fashion Technologies also accelerated its geographic expansion and significantly increased the proportion of its sales derived from the nomination of its products, which creates long-term, profitable customer relationships.
Buoyed by its new position as a global leader in technical textiles for the luxury and fashion industries, Chargeurs PCC Fashion Technologies has the solid fundamentals it needs to accelerate its value creation.

Chargeurs Technical Substrates: acceleration of growth opex to top the €100 million revenue mark

In euro millions	Twelve months 2018	2017	2016	Change 18/17 reported	Change 18/17 like-for-like (2)	Change 18/16
Revenue	**30.7**	25.8	24.6	+19.0%	-5.4%	+24.8%
EBITDA	**5.1**	4.9	4.7	+4.1%		+8.5%
as a % of revenue	***16.6%***	*19.0%*	*19.1%*			
Recurring operating profit (1)	**4.0**	4.0	3.8	+0.0%		+5.3%
as a % of revenue	***13.0%***	*15.5%*	*15.4%*			

(1) Before amortization of intangible assets resulting from acquisitions
(2) Based on a comparable scope of consolidation and at constant exchange rates

Chargeurs Technical Substrates reported €30.7 million in revenue for 2018, **up 19.0%** on 2017. This year-on-year growth was fueled by the strategic acquisition of Leach – a leading UK-based specialist in large-format graphic displays – which has enabled the segment to broaden its unrivaled solutions offering and given it access to new niche markets. In 2018 it also accelerated its launches of ground-breaking innovations, such as Sublimis, which was voted "product of the year" at the SGIA Expo printing technology trade show in Las Vegas.
Additionally, Chargeurs Technical Substrates pursued its strategy of forging strategic partnerships with key customers – which represent revenue growth potential of up to 10% a year on a full-year basis – and signed its first industrial partnership in innovation-intensive textiles.
Focused on executing its profitable growth strategy centered on high value-added end-to-end solutions, Chargeurs Technical Substrates carried out growth opex projects in 2018 to help drive its future business development, while managing to keep its recurring operating profit[1] at €4.0 million.
Thanks to these futureproofing investments and the mid-January 2019 appointment of Sampiero Lanfranchi as its Managing Director to intensify its external growth, Chargeurs Technical Substrates is well-equipped to achieve its target of topping €100 million in profitable revenue by 2021.

[1]Recurring operating profit before amortization of intangible assets acquired through business combinations

Chargeurs Luxury Materials: successful premiumization strategy

In euro millions	Twelve months 2018	2017	2016	Change 18/17 reported	Change 18/17 like-for-like [(2)]	Change 18/16
Revenue	**98.2**	95.0	99.5	+3.4%	+6.4%	-1.3%
EBITDA	**2.7**	2.6	2.9	+3.8%		-6.9%
as a % of revenue	***2.7%***	*2.7%*	*2.9%*			
Recurring operating profit [(1)]	**2.7**	2.6	2.9	+2.1%		-8.5%
as a % of revenue	***2.7%***	*2.7%*	*2.9%*			

(1) Before amortization of intangible assets resulting from acquisitions
(2) Based on a comparable scope of consolidation and at constant exchange rates

Chargeurs Luxury Materials – whose business involves trades of premium fibers that are hedged by forward sale contracts – delivered a robust sales performance in 2018, with **revenue advancing 3.4%** to €98.2 million. Business in Europe was particularly buoyed by the signing of a new strategic commercial contract.

In 2018, this segment accelerated the premiumization of its product range, launching Amédée 1851, an online luxury brand specialized in scarves and squares made of premium-grade fibers (www.amedee1851.com). It also added to its marketing clout by incorporating the Responsible Wool Standard (RWS) certification into its Organica Precious Fiber label, the world's leading label for certified and traceable premium-grade fibers designed for the most prestigious global luxury and sportswear brands.

Chargeurs Luxury Materials' recurring operating profit[1] came in **2.1% higher** than in 2017, directly reflecting the segment's strategy of premiumizing its offering of premium-grade fibers.

ROBUST BALANCE SHEET STRUCTURE MAINTAINED AND STRONGER FINANCIAL RESOURCES

Chargeurs' robust financial position was further strengthened during the year, with equity attributable to owners of the parent rising to €237.2 million at December 31, 2018 from €229.9 million at the previous year-end.

At December 31, 2018 the Group was in a net debt position of €92.2 million compared with an €8.9 million net cash position at December 31, 2017. The year-on-year swing was mainly due to the acquisitions of Leach and PCC Interlining in 2018, the financing set up for Chargeurs Protective Films' new techno-smart coating line in Italy, and an increase in operating working capital.

In addition, in order to reinforce its financial strength, in December 2018 Chargeurs signed a game-changing €230 million syndicated credit agreement, with drawdown flexibility and no leverage covenant with a pool of seven leading French and international banks – BPCE (including Natixis, CE IdF, Bred, Palatine), CIC, HSBC, Saar LB, BNP Paribas, Bank of China and Commerzbank. As a result of this new facility the Group will be able to continue its strategy of optimizing its balance sheet and very long-term financial resources.

ANOTHER DIVIDEND INCREASE

In light of the Group's accelerated operating performance in 2018, the Board of Directors will ask shareholders at the Annual Meeting on May 6, 2019 to approve a per-share dividend of €0.67 for 2018 – representing a 12% increase compared with 2017 – again with a reinvestment option.

After deducting the interim dividend of €0.30, paid on September 28, 2018 after the 2018 interim financial statements were approved, if the shareholders approve the proposed dividend for 2018, the dividend balance of €0.37 per share will be paid according to the following schedule:

- Ex-dividend date May 10, 2019
- Payment date: May 29, 2019

[1]Recurring operating profit before amortization of intangible assets acquired through business combinations

OUTLOOK

Backed by solid fundamentals, new financial clout, lasting shareholder commitment and its new iconic brands and marketing strategy underpinning the Game Changer plan, and barring any changes in the geopolitical and macro-economic climate, Chargeurs is **targeting new growth in revenue and in its recurring operating profit[1] and robust cash generation in 2019**.

Drawing on the success of its strategy in recent years, the next 12 months should bring new impetus but also a **more balanced contribution from the Group's different business segments to its overall profitability**.

As it continues with the consolidation of its acquisitions over the year and the integration of new capacity, Chargeurs Protective Films will also continue to focus on its strategy of premiumization. The upbeat market environment in the first half of the year led to a record performance for **Chargeurs Protective Films** in 2018. Given the very high basis for comparison, the operational priorities and choices linked to the arrival of new strategic capacity in the second half of 2019, and to a persistently volatile climate in certain regions, notably Germany and China, the division, which has a satisfactory order book, is not expected to deliver the same record results in the first six months but will nonetheless be looking to post a very solid performance for the year that reflects **its market strength**.

Chargeurs PCC Fashion Technologies and Chargeurs Technical Substrates, for their part, will benefit from the integration of their most recent acquisitions over a full year and from their winning market strategies, as they up their presence around the world, target new segments, and bring new innovation with strong and lasting growth potential to their respective markets. Chargeurs Technical Substrates will also be looking to continue its strategy of consolidation and to top €100 million in profitable revenue by 2021.

Leveraging the competitive advantages that set it apart from its competition, **the Group** is confidently pursuing its strategic objective of **exceeding €1 billion in profitable revenue by the end of 2021**.

SHARE BUYBACK PROGRAM

Chargeurs' one-year share buyback program launched in September 2018 is still in force and expires on September 6, 2019. Under this program, Chargeurs' investment services provider is authorized to buy back Chargeurs shares (depending on market conditions) for up to €12 million at maximum price of €32 per share.

In 2018, the investment services provider purchased 456,044 Chargeurs shares for an aggregate €8,401,399.83.

REFERENCE OWNERSHIP STRUCTURE

Chargeurs has been informed by its shareholder Colombus Holding – which was set up in October 2015 by Michaël Fribourg and has been Chargeurs' reference shareholder since that date – that following a reorganization of Colombus Holding's long-term shareholding structure:

- Groupe Familial Fribourg is now Columbus Holding's controlling shareholder;
- Groupama, a French mutual insurance group, has become a shareholder of Colombus Holding.
- As well as reinvesting in Groupe Familial Fribourg, CM-CIC Investissement and BNP Paribas Développement will remain shareholders of Colombus Holding.

To achieve the reorganization, Groupe Familial Fribourg acquired the Colombus Holding shares held by Effi Invest II, and CM-CIC Investissement and BNP Paribas Développement contributed Colombus Holding shares to Groupe Familial Fribourg in exchange for newly-issued Groupe Familial Fribourg shares.

The strengthening of Groupe Familial Fribourg's capital base, backed by long-term institutional investors and the entry of a new well-known shareholder into the capital of Colombus Holding attests to a high level of confidence in the ability of the Chargeurs Group, a benchmark player in high value-added niche markets, to create significant industrial and shareholder value over the long-term.

[1] Recurring operating profit before amortization of intangible assets linked to acquisitions

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Appendices – Definitions:

Like-for-like change (LFL) – Like-for-like growth:

Like-for-like changes in year Y compared with year Y-1 are calculated:

- by applying the average exchange rates for year Y-1 to the period concerned (year, half-year, quarter); and
- based on the scope of consolidation for Year Y-1.

EBITDA corresponds to recurring operating profit (as defined below) before depreciation and amortization.

Recurring operating profit (ROP) corresponds to gross profit after distribution costs, administrative expenses and research and development costs. It is stated:

- before amortization of intangible assets resulting from acquisitions; and
- before other operating income and expense, which correspond to non-recurring items that represent material amounts, are unusual in nature and occur infrequently, and therefore distort assessments of the Group's underlying performance.

Recurring operating margin: recurring operating profit as a % of revenue.

2019 Financial Calendar

Monday, May 6, 2019 (before start of trading)	First-quarter 2019 financial information
Monday, May 6, 2019	Annual Shareholders' Meeting
Thursday, September 12, 2019 (before the start of trading)	First-half 2019 results
Thursday, November 14, 2019 (after the close of trading)	Third-quarter 2019 financial information

ABOUT CHARGEURS

Chargeurs is a global manufacturing and services group with leading positions in four segments: temporary surface protection, garment interlinings, technical substrates and combed wool.

It has over 2,000 employees based in 45 countries on five continents, who serve a diversified customer base spanning more than 90 countries.

In 2018, revenue totaled €573.3 million, of which more than 90% was generated outside France.

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