



2017 first half results

Reunion Island, 6th October 2017 – 8:30am (Paris Time)

“In line with last year’s performance, SAPMER has achieved good results with improved figures for the first 6 months of 2017. Results for its tuna activities, both fishing and processing activities are well orientated. The rock lobster and toothfish activities, despite additional costs during the first semester, also contribute positively to the company’s results.

One of the main announcements for this semester is the implementation of quotas for the Indian Ocean Yellowfin tuna. With this new regulation, the three core fishing activities of SAPMER are now managed with a resource protection system, which ensures the healthy and sustainable management of the marine environment.

Furthermore, since 30th December 2016, SAPMER has integrated in its operational structure four additional tuna vessels, which were previously managed by another company of the Group. This contributes to the strong increase in revenues of S1 2017.

All SAPMER’s teams and crew, living by a pioneering spirit, continue to improve their respective activities and to develop new perspectives for our 100% natural premium sea products” comments Adrien de Chomereau, CEO.

Consolidated results (1st January – 30 June)

The consolidated financial statements for the first semester were not subject to audit procedures.

In millions of euros – IFRS	HY 2017	HY 2016
Revenues	88.4	63.8
EBITDA	18.1	15.4
Operating Income (EBIT)	15.8	6.8
Financial Income	(3.1)	(0.9)
Income before tax	12.8	5.9
Income tax	(2.1)	(0.4)
Share in income in associates	(0.1)	-
Net income Group share	10.6	5.5



Revenues

The half-yearly revenue reached €88.4m. The integration of the revenues linked to four additional tuna vessels explains a large part of this strong increase (revenue of former perimeter is €64.8m).

The fishing activity which includes Southern Seas fishing and whole tuna sales, represents 89% of the total revenues:

- Most of the 2017 rock lobster revenues were registered in the first semester at €6.6m (+5% compared to S1 2016).
- Despite a slightly lower price during the first semester compared to S2 2016 and a less favourable EUR/USD exchange rate, toothfish sales are steady at €29.0m compared to S1 2016 (-1%).
- The increase of whole tuna volumes is mainly due to the entry of the 4 tuna vessels into the fleet. Prices are also on the rise helped by the effect of setting quotas on Indian Ocean yellowfin. Revenues for whole tuna reached €42.7m (€23.0m for the former perimeter)

The €9.8m increase in revenues from the processing activity (€5.9m for the former perimeter) also comes from the increase of the tuna fleet and benefits from higher prices and higher production yields which are the consequences of continuous improvement of the selection quality of our raw material and of the valorisation of our premium products.

Operational profitability

In line with the group's strategy, the new organisation for the toothfish fishery (3 longer fishing trips for 3 longliners and 4 fishing trips for one longliner) generated additional operating costs. This new organisation helps to ensure that the fishing quota is fully attained while improving the onboard conditions for our crew and our fishing products. Thanks to this new organisation, Sapmer had the pleasure of welcoming 21 additional seamen in its longliners fleet.

The high number of regulatory technical stops this year, specifically for the tuna ships, and the increase of fuel prices, also weighed on the first semester operating costs.

However, the stability of the good tuna fishing performance, the positive impact of the four new tuna ships and the reorganisation of the processing activity during the second semester 2016 enabled the tuna business, fishing and processing activities, to significantly improve its operating profitability.

The increase in financial cost compared to S1 2016, which benefited from a favourable euro/dollar hedging, is mainly due to foreign exchange losses following the rapid weakening of the dollar during the first half.

After considering income taxes, the company generated a net income of €10.6m.



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SAPMER, which celebrates its 70th anniversary this year (1947), is still committed to operating responsible practices in the waters of the French Southern and Antarctic Territories and the Indian Ocean and proposes among the noblest species products with exceptional qualities.



Contacts

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About SAPMER – www.sapmer.com

SAPMER is the historical deep-sea fishing operator in the waters of the French Southern and Antarctic Territories (TAAF) based on the island of Reunion. Founded in 1947, SAPMER now operates a wholly owned fleet of four freezer-longliners for Patagonian Toothfish and a Freezer pot Lobster vessel for Rock Lobster and nine tuna purse seiners (on board -40°C deep freeze) for its tuna fishing activity (Yellowfin and Skipjack) in the Indian Ocean.

SAPMER is committed to a responsible and sustainable approach with its Dolphin Safe membership and its Friend of the Sea, IFS/BRS and FAD-Free certifications.

SAPMER is **certified MSC** for its Toothfish fishing at Kerguelen and at Crozet.

Positioned on strong valued niche activities, SAPMER is dividing its activities into two categories:

- A fishing activity which includes Toothfish and Rock Lobster sales fished in the Southern Seas (Economic Zones of the French Southern and Antarctic Territories - TAAF) and whole tuna sales (Yellowfin and Skipjack) fished in the Indian Ocean.
- A value-enhancing and processing activity (sashimi loins, steaks...) based on a well-managed tuna fishery.

SAPMER is listed on Alternext Paris - ISIN code FR0010776617 – ALMER