



Half yearly results 2016

SAPMER, back to profitability

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“2016 first half was marked by SAPMER’s return to profitability, one and half year after the launch of a plan to improve its activities. This is the result of the commitment of SAPMER’s team (seafarers and land based workers), it is also an encouragement to continue our commitments with renewed determination. Still many improvements have to be implemented to become profitable and sustainable throughout the cycles that are inherent to the fishing sector. SAPMER, amongst the Reunion Island and French leading fishing operators of the Indian Ocean, continues to work to meet its standards of exemplarity in terms of management of the resource and excellence in terms of management of the operations, and continues to promote natural sea products of exceptional taste” comments Adrien de Chomereau, CEO.

Yearly consolidated results (1st January – 30 June)

In millions of euros – IFRS	HY 2016	HY 2015
Revenue	63.8	45.1
EBITDA	15.4	2.3
Operating Income (EBIT)	6.8	(1.2)
Financial Income	(0.9)	(1.7)
Income before tax	5.9	(2.9)
Income tax	(0.4)	(0.6)
Net Income Group share	5.5	(3.5)

Revenues

The 2016 half yearly results for SAPMER was €63.8m, a significant increase compared to 2015 first semester. Revenues benefited from the improvement of the tuna activity and a favourable context for its Southern activities with toothfish unloading volumes being greater than 2015 first half (cut-off effect), well oriented sales prices and an exchange rate EUR/USD particularly advantageous.

The fishing activity, which includes the southern seas fishing activity and the whole tuna sales, represents 90% of the total revenues for the period, a 47% increase compared to 2015 first half:

- Almost all the rock lobster sales were recorded in the first half and reached €6.3m against €6.8m in 2015. For the full year 2016, revenues for rock lobster sales will be stable, despite a slightly lower fishing quota.
- Toothfish sales are satisfactory and reached €29.3m against €20.3m for the previous year. This variation is mainly due to a volume effect, the 2016 first half benefiting from an extra shift being unloaded, compared to the 2015 first half (cut-off effect). Sales prices are meanwhile well oriented and supported by a particularly favourable EUR/USD effect.



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- Whole tuna sales reached €21.6m, a good increase compared to 2015 first half (€11.7m). After a low cycle, which was reached in 2015, whole tuna sales are benefiting from increased market prices as well as improved fishing operating conditions implemented by a plan which was initiated early 2015.

Processed tuna sales (loins, steaks, etc.) are stable and reached €6.3m (against €6.2m for 2015 first half). In accordance with the implementation of the improvement plan for its tuna activity, SAPMER only processes and value-enhances the premium quality of its tuna catches. The quality improvement continues to thrive with the selling prices of noble products benefiting from this process in progress.

Operational profitability

The cost structure consisting of mainly fixed costs and the continuous efforts to generate savings have led to a decrease in the Group processing capacity (a provision was recorded accordingly). In this context, this measure will allow improved operating conditions and therefore an increase in operational profitability. SAPMER operating income reached €6.9m, 11% of the revenues, against €-1.2m in 2015 first half.

Financial Income is also improving, mostly benefiting from a favourable euro/dollar coverage, contracted end of 2015, which impacts the 2016 first half.

After consideration of income taxes, the company generated net income of €5.5m against a loss of €-3.5m in the 2015 first half.

SAPMER, committed to quality fishing since 1947, fishes in the French Southern and Antarctic Lands (TAAF) and the Indian Ocean, and offers amongst the noblest species, natural sea products of premium quality.

Contacts

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A propos de 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 five tuna purse seiners (on board -40°C deep freeze) for its tuna fishing activity (Yellowfin and Skipjack) in the Indian Ocean.

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