

**EMAKINA  
GROUP**

Half  
year

**Half year  
Financial  
report  
2018**

<b>HALF-YEAR INCOME STATEMENT (EUR)</b>	<b>30/06/2018</b>	<b>30/06/2017</b>	<b>30/06/2016</b>
<b>Sales and services</b>	<b>46,763,193</b>	<b>39,507,898</b>	<b>38,594,477</b>
<b>Operating charges (before amortisation)</b>	<b>(42,995,833)</b>	<b>(37,033,110)</b>	<b>(35,998,673)</b>
<i>Raw materials, consumables</i>	<i>6,780,262</i>	<i>5,163,113</i>	<i>5,386,095</i>
<i>Services and other goods</i>	<i>13,518,580</i>	<i>11,086,638</i>	<i>11,412,334</i>
<i>Wages, social security charges and pensions</i>	<i>22,604,323</i>	<i>20,729,521</i>	<i>19,068,668</i>
<i>Other operating charges</i>	<i>92,668</i>	<i>53,838</i>	<i>131,576</i>
<b>Earnings before interest, depreciation and amortisation = EBITDA</b>	<b>3,767,360</b>	<b>2,474,788</b>	<b>2,595,804</b>
<i>Depreciation, amortisation and provisions</i>	<i>1,040,483</i>	<i>662,113</i>	<i>505,853</i>
<b>Operating profit</b>	<b>2,726,877</b>	<b>1,812,675</b>	<b>2,089,951</b>
<b>Financial result</b>	<b>(194,611)</b>	<b>55,919</b>	<b>(125,721)</b>
<b>Current profit before amortisation of consolidated differences</b>	<b>2,532,266</b>	<b>1,868,593</b>	<b>1,964,230</b>
<i>Amortisation of consolidated differences</i>	<i>1,330,499</i>	<i>1,095,861</i>	<i>909,263</i>
<b>Current profit</b>	<b>1,201,767</b>	<b>772,732</b>	<b>1,054,967</b>
<b>Non-recurrent profit</b>	<b>(33,124)</b>	<b>(20,889)</b>	<b>(92,974)</b>
<b>Profit before tax</b>	<b>1,168,643</b>	<b>751,843</b>	<b>961,993</b>
<b>Deferred taxes</b>	<b>(485)</b>	<b>(485)</b>	<b>3,699</b>
<b>Income taxes</b>	<b>(561,683)</b>	<b>(609,222)</b>	<b>(380,231)</b>
<b>Net profit before amortisation of consolidated differences</b>	<b>1,936,974</b>	<b>1,237,997</b>	<b>1,494,724</b>
<b>Half-year net profit</b>	<b>607,445</b>	<b>143,106</b>	<b>585,461</b>
<i>A. Share of minority interests</i>	<i>151,693</i>	<i>112,098</i>	<i>69,369</i>
<i>D. Group share</i>	<i>455,752</i>	<i>31,008</i>	<i>516,092</i>

<b>DATA PER SHARE</b>	<b>30/06/2018</b>	<b>30/06/2017</b>	<b>30/06/2016</b>
<b>Share price</b>	<b>14.00</b>	<b>14.00</b>	<b>10.5</b>
<b>Number of shares</b>	<b>3,893,353</b>	<b>3,893,353</b>	<b>3,893,353</b>
<b>Market capitalisation</b>	<b>54,506,942</b>	<b>54,506,942</b>	<b>40,880,207</b>
<b>Number of warrants issued</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Current half-year result / share (in EUR)</i>	<i>0.3087</i>	<i>0.1985</i>	<i>0.2709</i>
<i>Half-year group share / share (in EUR)</i>	<i>0.1171</i>	<i>0.0080</i>	<i>0.1325</i>
<i>Half-year net profit / share (in EUR)</i>	<i>0.1560</i>	<i>0.0368</i>	<i>0.1504</i>
<b>Half-year net profit before amortisation of consolidation differences / share (in EUR)</b>	<b>0.4975</b>	<b>0.3180</b>	<b>0.3839</b>

**INTRODUCTION**

In accordance with the legal provisions incumbent upon issuers listed on Euronext Growth Brussels, this half-year report 2018 includes:

- (i) the highlights of the first half of 2018 as well as the outlook for the rest of the year,
- (ii) Emakina Group's half-year condensed consolidated financial statements as at 30 June 2018 with explanatory notes and a comparison with 30 June 2017 for the income statement and with 31 December 2017 for the balance sheet accounts,
- (iii) the Board of Directors' statement regarding the true and fair view of the financial statements,
- (iv) the Auditor's Report on the limited review of the interim condensed consolidated financial statements as at 30 June 2018.

The publication of these half-year consolidated accounts was approved by the Board of Directors on 13 September 2018.

The Board of Directors would like to thank the shareholders, employees, clients and partners for their constant and constructive support in the development of Emakina's activities.

Brussels, 13 September 2018.

Mr Brice Le Blévenec

Mr Karim Chouikri

Mr Denis Steisel

Mr Pierre Gatz

Mr François Gillet

Ms Daisy Foquet

Mr Valentin Cogels

Ms Anne Pinchart

## 1. HIGHLIGHTS FROM THE FIRST HALF OF 2018 AND OUTLOOK FOR THE REST OF THE YEAR

### New Business

In 2018, new national and international clients chose an Emakina agency as their partner.

These include, among others: ATPS, Bardahl, Comdata Group, Fermacell, Frankstahl, Groupe Descamps, Hutchison 3G, Kastner & Öhler, KitchenAid, LuLu Hypermarkets, Micromania-Zing, Omron, REWE/Öcard.

### Acquisitions

In February 2018, Emakina Group acquired 100% of the shares in the New York agency **Karbyn**, with a workforce of around ten, through its subsidiary The Reference, based in Ghent. This transaction bears witness to Emakina's development ambitions in America and opens up new opportunities for the acquisition of international clients. The initial purchase price amounts to USD 500,000 in cash. The final price of the transaction will be based on the operating results recorded until 2022.

In March 2018, Emakina Group took control of 100% of the capital of **WittyCommerce**, through its Turkish subsidiary Emakina.TR, established in Izmir. This acquisition confirms Emakina Group's ambitions in the region. As a reminder, the 30 experts at WittyCommerce have been sharing their experience in the strategy and development of e-commerce websites with Emakina through a commercial partnership since 2016. The initial purchase price amounts to EUR 1,000,000 in cash. The final price of the transaction will be based on the operating results recorded until 2022.

### Internationalisation

Sales outside Belgium increased by almost 24% over the first half of 2018 and now account for 62.5% of the consolidated income for the first half of 2018, compared with 61% in the first half of 2017.

### Integration and process

In 2018, Emakina Group has continued to invest in integration and synergies within its network, particularly in the Netherlands, where the new centralised management platform for projects combined with the new version of the ERP is to be deployed at the end of the year and then extended to the group as a whole. In this context, Emakina Group continues to strengthen its teams and organise regular coordination meetings and training sessions so as to share 'best practices' more effectively.

**Talents**

The management of human capital remains the crucial issue for the success of any leading player in the digital sector. As we approach 900 talented individuals at Emakina, the capacity to attract the best and accompany them in their career is *the* priority for the management, whilst taking care to maintain a subtle balance between the skills required by clients and technological progress and the need to keep costs under control.

**Partnerships**

Through its commercial partners, Emakina Group continues to offer its clients a wide geographic scope combined with in-depth local knowledge: Asiance (South Korea, Japan); Bubblegum (Spain); Domino (Italy); Metia (Great Britain, United States and Singapore), Portalgroup (Turkey), SinnerSchrader (Germany), and Air (Belgium).

**Notes on the results of the first half of 2018****Growth in activities**

During the first half of 2018, Emakina Group's consolidated sales amounted to EUR 46,763,193 compared with EUR 39,507,898 over the same period in 2017, representing an increase of +18.4% (+16.7% at constant scope).

As stressed above, the international expansion continues, with over 62.5% of income recorded with clients located outside Belgium, compared with 61% during the same period last year.

**Development of EBITDA**

Earnings before interest, depreciation and amortisation (EBITDA) amounted to EUR 3,767,360 (EUR 3,718,000 at constant scope) in the first half of 2018, compared with EUR 2,474,788 during the same period in 2017, representing growth in absolute terms of 52.2%. Expressed as a percentage of total sales, EBITDA rose from 6.3% to 8.1% (8.1% at constant scope, as well) in the first half of the year between 2017 and 2018.

Cost control combined with a better level of resource use is a major element explaining the good performance in the first half of 2018, following on from the second half of 2017.

**Current profit under control and positive net result**

The current profit before taxes (EUR 1,201,767) over the first half of 2018 rose by 56% compared with the same period in 2017 (EUR 772,732) owing to (i) the development of operating profitability, partially offset by (ii) a lower financial result, mainly due to the increase in the amortisation of goodwill linked to the development of the group's scope.

The sharp rise in the net profit (EUR 607,445) in the first half of 2018 compared with the first half of 2017 (EUR 143,106) may be attributed to the development of the current profit, the lack of non-recurrent elements and the tax burden under control.

This sharp rise in net profitability helps strengthen the group's equity base.

As a reminder, the amortisation of goodwill (compulsory under Belgian accounting standards) had a negative impact of EUR 1,330,499 on the company's net result in the first half of 2018, compared with EUR 1,095,861 in the same period last year. This element of Belgian accounting law, which imposes systematic amortisation (booked under financial charges), weighs significantly on the group's consolidated net result.

**Financial health**

As at 30 June 2018, the group's financial health was strengthened thanks to an increase in net profit and the resultant improvement in the equity base, a level of financial indebtedness in line with the growth in activities and the availability of proportionate credit lines. It is important to keep an eye on the impact of the growth on working capital requirements and the cash position.

**Outlook for 2018**

The Emakina Group management is slightly raising its forecasts made at the start of the year and expects an organic increase in its income close to double figures for 2018 as a whole, based on the current order book.

## 2. CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2018

### a. Consolidation scope

During the first half of 2018, the consolidation scope developed as follows further to the investments made:

- Acquisition of 100% of the capital in the company **Karbyn** Inc (renamed The Reference.US), with its registered office in New York, in March 2018 by The Reference NV through a newly created entity, also in New York, named Emakina.US Inc. Price paid: USD 880,000 funded by a bank loan of USD 500,000 over five years
- Acquisition of 100% of the capital in the company **WittyCommerce**, with its registered office in Izmir, in March 2018 by Emakina Turkey. Price paid: EUR 1,000,000 funded by a bank loan over five years
- The holding company **Emakina Asia**, based in Singapore, and its subsidiary **Emakina.SG**, both created in 2017, were consolidated using the full consolidation method as of 1 January 2018
- Emakina Group SA's holding in **Emakina.CH** SA fell from 100% to 90% on 3 January 2018 further to a share transfer to the local management.

All companies along with their holding percentage are included in Note 1 of this half-year report.

### b. Consolidation method

The Emakina Group subsidiaries are consolidated according to the full consolidation method.

The full consolidation method is adopted when the subsidiary is controlled by the parent company insofar as:

- either the parent company directly or indirectly owns more than 50 % of the capital;
- or the parent company has control over the management bodies of the company concerned.

This method involves incorporating into the parent company's accounts every element of the assets and liabilities of the integrated subsidiaries, replacing the balance sheet value of these holdings.

With this method, goodwill on consolidation and minority interests are noted. Similarly, the expenses and incomes of these subsidiaries are combined with those of the parent company and their results for the year are divided between the Group and the third parties.

The group's internal operations affecting the assets and liabilities, such as holdings, debts and entitlements, and the results, such as interest, expenses and income, are eliminated in the overall consolidation.

**c. Consolidated balance sheet established according to Belgian accounting standards  
(Belgian GAAP) after appropriation\***

	<b>ASSETS (EUR)</b>	<b>Codes</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
	<b>FIXED ASSETS</b>	<b>20/28</b>	<b>17,011,355</b>	<b>17,471,191</b>
I	Formation expenses (note VII)	20	132,170	175,937
II	Intangible assets (note VIII)	21	2,195,862	2,344,601
III	Consolidation differences (note XII)	9920	12,193,682	12,578,751
IV	Tangible assets (note IX)	22/27	1,985,320	1,828,617
A.	<i>Land and buildings</i>	22	0	0
B.	<i>Plants, machinery and equipment</i>	23	625,922	704,514
C.	<i>Furniture and vehicles</i>	24	622,471	573,119
E.	<i>Other tangible assets</i>	26	573,254	550,984
F.	<i>Fixed assets in progress</i>	27	163,673	0
V	Financial assets (notes I to IV and X)	28	504,321	543,285
B.	<i>Other companies</i>	284/8	504,321	543,285
	<i>1. Participating interests and shares</i>	284	71,015	170,300
	<i>2. Amounts receivable</i>	285/8	433,306	372,985
	<b>CURRENT ASSETS</b>	<b>29/58</b>	<b>34,405,688</b>	<b>30,541,335</b>
VII	Stocks and contracts in progress	3	7,124,200	4,835,151
B.	<i>Contracts in progress</i>	37	7,124,200	4,835,151
VIII	Amounts receivable within one year	40/41	22,704,652	21,131,512
A.	<i>Trade debtors</i>	40	20,652,289	19,234,002
B.	<i>Other amounts receivable</i>	41	2,052,363	1,897,510
	<i>1. Deferred taxes</i>	412	0	0
	<i>2. Other</i>	416	2,052,363	1,897,510
IX	Current investments	50/53	234,780	238,980
A.	<i>Own shares</i>	50	234,780	238,980
B.	<i>Other investments</i>	51/53	0	0
X	Cash at bank and in hand	54/58	2,418,029	3,003,982
XI	Deferred charges and accrued income	490/1	1,924,027	1,331,710
	<b>TOTAL ASSETS</b>	<b>20/58</b>	<b>51,417,043</b>	<b>48,012,526</b>

\* Article 124 of the Royal Decree of 30 January 2001 implementing the Companies Code



	<b>LIABILITIES (EUR)</b>	<b>Codes</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
	<b>CAPITAL AND RESERVES</b>	<b>10/15</b>	<b>10,990,844</b>	<b>10,729,513</b>
I	Capital	10	9,347,962	9,347,962
A.	<i>Issued capital</i>	<i>100</i>	<i>9,347,262</i>	<i>9,347,962</i>
II	Share premium account	11	3,436,644	3,436,644
IV	Consolidated reserves (note XI)	9910	(1,627,252)	(2,077,421)
V	Exchange rate difference	9912	(166,510)	22,328
VI	Capital grants	15	0	0
	<b>MINORITY INTERESTS</b>		<b>330,362</b>	<b>287,513</b>
VIII	Minority interests	9913	330,362	287,513
	<b>PROVISIONS, DEFERRED TAXES AND TAX LIABILITIES</b>	<b>16</b>	<b>414,420</b>	<b>198,361</b>
IX	Provisions for liabilities and charges	160/5	213,450	196,906
A.	<i>4. Other liabilities and charges</i>	<i>163/5</i>	<i>200,000</i>	<i>0</i>
IX	Deferred and latent taxes (note VI, B)	168	970	1,455
B.				
	<b>DEBTS</b>	<b>17/49</b>	<b>39,681,417</b>	<b>36,797,139</b>
X	Amounts payable after one year (note XIII)	17	5,091,135	3,766,343
A.	<i>Financial debts</i>	<i>170/4</i>	<i>5,091,135</i>	<i>3,766,343</i>
	<i>3. Leasing debts</i>	<i>172</i>	<i>0</i>	<i>0</i>
	<i>4. Credit institutions</i>	<i>173</i>	<i>4,618,556</i>	<i>3,719,415</i>
	<i>5. Other loans</i>	<i>174</i>	<i>472,579</i>	<i>46,928</i>
XI	Amounts payable within one year (note XIII)	42/48	34,416,440	32,509,046
A.	<i>Current portion of amounts payable after one year</i>	<i>42</i>	<i>1,000,645</i>	<i>1,715,265</i>
B.	<i>Financial debts</i>	<i>43</i>	<i>8,839,144</i>	<i>7,462,653</i>
	<i>1. Credit institutions</i>	<i>430/8</i>	<i>8,839,144</i>	<i>7,462,653</i>
	<i>2. Other loans</i>	<i>439</i>	<i>0</i>	<i>0</i>
C.	<i>Trade debts</i>	<i>44</i>	<i>7,691,926</i>	<i>7,698,382</i>
	<i>1. Suppliers</i>	<i>440/4</i>	<i>7,691,926</i>	<i>7,698,382</i>
D.	<i>Advances received</i>	<i>46</i>	<i>6,356,245</i>	<i>5,135,002</i>
E.	<i>Taxes, wages and social security charges</i>	<i>45</i>	<i>7,453,710</i>	<i>6,837,322</i>
	<i>1. Taxes</i>	<i>450/3</i>	<i>2,293,561</i>	<i>2,365,309</i>
	<i>2. Wages and social security charges</i>	<i>454/9</i>	<i>5,160,149</i>	<i>4,472,013</i>
F.	<i>Other debts</i>	<i>47/48</i>	<i>3,074,770</i>	<i>3,659,922</i>
XII	Accrued charges and deferred income	492/3	173,842	521,750
	<b>TOTAL LIABILITIES</b>	<b>10/49</b>	<b>51,417,043</b>	<b>48,012,526</b>

**d. Consolidated income statements established according to Belgian accounting standards (Belgian GAAP)**

	<b>HALF-YEAR INCOME STATEMENT (EUR)</b>	<b>Codes</b>	<b>30/06/2018</b>	<b>30/06/2017</b>
<b>I.</b>	<b>Operating income</b>			
<b>1.</b>	<b>Sales and services</b>	<b>70/74</b>	<b>46,760,277</b>	<b>39,525,565</b>
	<i>A. Turnover (note XIV, A)</i>	70	43,581,981	35,999,857
	<i>B. Variations in contracts in progress</i>	71	2,328,677	2,642,687
	<i>C. Capitalised production</i>	72	52,902	348,351
	<i>D. Other operating income</i>	74	799,633	517,003
	<i>E. Non-recurrent operating income</i>	76A	(2,916)	17,667
<b>2.</b>	<b>Cost of sales and services</b>	<b>60/64</b>	<b>(44,066,524)</b>	<b>(37,733,779)</b>
	<i>A. Raw materials, consumables</i>	60	6,780,262	5,163,113
	<i>1. Purchases</i>	600/8	6,780,262	5,163,113
	<i>B. Services and other goods</i>	61	13,518,580	11,086,638
	<i>C. Wages, social security charges and pensions (note XIV, B)</i>	62	22,604,323	20,729,521
	<i>D. Depreciation and other amounts written off formation expenses, intangible and tangible fixed assets</i>	630	849,087	631,231
	<i>E. Amounts written off stocks, contracts in progress and trade debts (increase +, decrease -)</i>	631/4	(25,148)	34,882
	<i>F. Provisions for liabilities and charges (increase +, decrease -)</i>	635/7	216,544	(4,000)
	<i>G. Other operating expenses</i>	640/8	92,668	53,838
	<i>H. Non-recurrent operating expenses</i>	66A	30,208	38,556
<b>3.</b>	<b>Operating profit</b>	<b>9901</b>	<b>2,693,753</b>	<b>1,791,786</b>
	<b><i>Operating profit before interest, taxes, depreciation and amortisation = EBITDA</i></b>		<b>3,767,360</b>	<b>2,474,788</b>
<b>II.</b>	<b>Financial results</b>			
<b>1.</b>	<b>Financial income</b>	<b>75</b>	<b>473,357</b>	<b>553,449</b>
	<i>A. Income from financial fixed assets</i>	750	10,310	19,283
	<i>B. Income from current assets</i>	751	45,079	37,664
	<i>C. Other financial income</i>	752/9	417,968	496,502
<b>2.</b>	<b>Financial charges</b>	<b>65</b>	<b>(1,998,467)</b>	<b>(1,593,391)</b>
	<i>A. Debt charges</i>	650	194,272	247,036
	<i>B. Amortisation of positive consolidation differences</i>	9961	1,330,499	1,095,861
	<i>D. Other financial charges</i>	652/9	473,696	250,494
<b>III.</b>	<b>Profit on ordinary activities before taxes</b>	<b>70/65</b>	<b>1,168,643</b>	<b>751,843</b>

<b>INCOME STATEMENT (cont.) (EUR)</b>			<b>30/06/2018</b>	<b>30/06/2017</b>
<b>V.</b>	<b>Profit before tax</b>	<b>70/66</b>	<b>1,168,643</b>	<b>751,843</b>
<b>VI.</b>	<b>Deferred taxes</b>	<b>68/78</b>	<b>(485)</b>	<b>(485)</b>
	<i>A. Transfers from deferred taxes</i>	780	<i>(485)</i>	<i>(485)</i>
<b>VII.</b>	<b>Income tax</b>	<b>67/77</b>	<b>(561,683)</b>	<b>(609,220)</b>
	<i>A. Taxes (note XIV, D)</i>	670/3	<i>(579,423)</i>	<i>(609,222)</i>
	<i>B. Adjustment of income taxes and write-back of tax provisions</i>	77	<i>17,740</i>	<i>2</i>
<b>VIII</b>	<b>Profit (Loss) of consolidated companies</b>	<b>70/67</b>	<b>607,445</b>	<b>143,106</b>
<b>IX</b>	<b>Share in the results of companies consolidated using the equity method</b>	<b>9976</b>	<b>0</b>	<b>0</b>
<b>X</b>	<b>Consolidated result</b>	<b>9976</b>	<b>607,445</b>	<b>143,106</b>
	<i>A. Share of minority interests</i>	99761	<i>151,693</i>	<i>112,098</i>
	<i>D. Group share</i>	99762	<i>455,752</i>	<i>31,008</i>

**e. Cash flow statement (EUR)**

<b>OPERATING CASH FLOW</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
Group result	455,752	-111,182
Result of minority interests	151,693	143,388
Amortisation	2,179,586	3,895,637
<i>Amortisation of goodwill</i>	<i>1,330,499</i>	<i>2,390,944</i>
<i>Other depreciation charges</i>	<i>849,087</i>	<i>1,504,694</i>
<i>Write-backs</i>	<i>0</i>	<i>0</i>
Write-downs	-25,148	58,166
Provisions	216,544	85,206
Transfers to deferred taxes	0	0
Transfers from deferred taxes	-485	-970
Net gains or losses on disposal of assets	34,231	27,075
Other movements (exchange rate difference, subsidies, etc.)	-188,839	-569,637
<b>Operating cash flow before working capital</b>	<b>2,823,334</b>	<b>3,527,683</b>
Variations in current assets	-4,425,158	-332,543
Stocks	-2,289,049	-1,355,444
Amounts receivable < 1 year	-1,547,992	797,471
Deferred charges and accrued income	-592,317	124,986
Investments	4,200	100,443
Variations in liabilities (short-term)	897,614	2,298,417
Trade debts	-6,456	2,068,167
Tax and social security debts	616,388	928,580
Contracts in progress	1,220,743	-487,609
Other amounts payable	-585,151	-493,560
Accrued charges and deferred income	-347,910	282,839
<b>Variation in working capital</b>	<b>-3,527,544</b>	<b>1,965,874</b>
<b>Net cash flow from operating activities (A)</b>	<b>-704,210</b>	<b>5,493,557</b>

<b>INVESTMENT CASH FLOW</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
Acquisition of fixed assets		
Tangible and intangible assets	-886,470	-2,950,849
Financial assets	-945,430	-3,051,728
<b>Total investments</b>	<b>-1,831,900</b>	<b>-6,002,577</b>
Disposal of fixed assets		
Tangible and intangible assets	33,374	0
Financial assets	38,964	0
<b>Total disposals</b>	<b>72,338</b>	<b>0</b>
<b>Net cash flow from investment activities (B)</b>	<b>-1,759,562</b>	<b>-6,002,577</b>

<b>FINANCING CASH FLOW</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
Dividends paid to third parties	-108,843	-294,604
Dividends paid by the parent company	0	0
Variations in long-term loans and debts	1,986,662	1,476,396
Capital increase in cash	0	0
<b>Net cash flow from financial activities (C)</b>	<b>1,877,819</b>	<b>1,181,792</b>

	<b>30/06/2018</b>	<b>31/12/2017</b>
<b>Variation in cash flow over the period (A+B+C)</b>	<b>-585,953</b>	<b>672,772</b>
<b>Cash flow at start of period</b>	<b>3,003,982</b>	<b>2,331,210</b>
<b>Cash flow at end of period</b>	<b>2,418,029</b>	<b>3,003,982</b>

**f. Notes on the consolidated accounts**
**NOTE I. LIST OF CONSOLIDATED SUBSIDIARIES AND COMPANIES  
CONSOLIDATED USING THE EQUITY METHOD**

Name and address	Consolidation method	Holding %	Variation %	30 June 2018* (EUR)		
				Capital and reserves	EBITDA	Net result
Emakina.BE SA Rue Middelbourg 64 A 1170 Brussels Belgium BE 0463.478.965	Full	100%	0%	2,418,687	164,424	-330,668
Emakina.CH SA Rue Le Royer, 13 CH - 1227 Les Acacias Switzerland	Full	90%	10%	-875,303	414,947	272,586
Emakina.FR SA Rue Atlantis 4 Parc d'Ester BP 26840 87068 Limoges France	Full	100%	0%	822,230	236,523	185,873
Emakina.NL BV Willem de Zwijgerlaan 350 1055 RD Amsterdam The Netherlands	Full	89.999%	0%	6,514,002	1,300,211	775,700
<i>Emakina.TR Dokuz Eylül Üniversitesi Tinaztepe Yerleşkesi DEPARK Beta Binası Buca-İzmir TURKEY</i>	<i>Full</i>	<i>89.999%**</i>	<i>0%</i>	<i>3,998,465</i>	<i>403,553</i>	<i>505,999</i>
<i>WittyCommerce Dokuz Eylül Üniversitesi Tinaztepe Yerleşkesi DEPARK Beta Binası Buca-İzmir TURKEY</i>	<i>Full</i>	<i>89.999%****</i>	<i>89,999%</i>	<i>747,000</i>	<i>214,108</i>	<i>252,410</i>
Emakina/Insights SPRL Rue Middelbourg 64 A 1170 Brussels BE 0556.801.279	Full	100%	0%	2,039	-6,568	-6,867
The Reference NV Stapelplein 70 9000 Ghent Belgium BE 0474.475.203	Full	100%	0%	916,053	572,438	255,840
<i>The Reference.US INC &amp; Emakina.US INC 79 Madison Ave, New York, NY 10016, USA</i>	<i>Full</i>	<i>100%*****</i>	<i>100%</i>	<i>632,072</i>	<i>-72,643</i>	<i>-74,295</i>

Name and address	Consolidation method	Holding %	Variation %	30 June 2018* (EUR)		
				Capital and reserves	EBITDA	Net result
Design Is Dead BVBA Duboisstraat 50 2060 Antwerp Belgium BE 0457.419.732	Full	100%	0%	613,144	202,850	112,460
Your Agency SA Rue de Bois-Seigneur-Isaac 40/5 1421 Ophain Belgium BE 0437.615.005	Full	100%	0%	129,247	98,723	43,853
Emakina Central & Eastern Europe GmbH (Emakina.CEE) Weyringergasse 30 A-1040 Vienna Austria	Full	100%	0%	-182,414	-275,799	-368,943
<i>Netlounge Internet Media Services GmbH Weyringergasse 30 A-1040 Vienna Austria</i>	Full	100%***	0%			
<i>Diamond Dogs Switzerland GmbH Bahnhofstrasse 2 CH-9100 Herisau Switzerland</i>	Full	100%***	0%			
<i>Emakina.hr doo Strojarska 20, 6 kat HR-10000 Zagreb Croatia</i>	Full	75.2%***	0%			
<i>K.section Business solutions GmbH Weyringergasse 30 A-1040 Vienna Austria</i>	Full	100%***	0%			
<i>Emakina Inbound Marketing GmbH Weyringergasse 30 A-1040 Vienna Austria</i>	Full	100%***	0%			
Emakina DBG AB Fiskargatan 8, 116 20 Stockholm 116 20 STOCKHOLM Sweden	Full	100%	0%	691,865	338,958	257,620
Emakina Asia and Emakina SG 6 Shenton Way, #38-01 OUE Downtown Singapore 068809 Singapore	Full	100%	0%	67,508	-34,503	-34,503

\* 'Statutory' or 'consolidated' data as at 30 June 2018. These statutory results do not take account of reprocessing or of the consolidation method, but provide a view of their respective profitability over the first half of 2018

\*\* Company held via Emakina.NL BV

\*\*\* Company held via Emakina Central & Eastern Europe GmbH

\*\*\*\* Company held via Emakina.TR

\*\*\*\*\* Company held via The Reference NV

## NOTE VI B. DEFERRED AND LATENT TAXES

	<u>30/06/2018</u>	<u>31/12/2017</u>
<b>Breakdown of Liabilities heading 168</b>		
<b>Latent taxes (pursuant to Article 129 of the Royal Decree of 30 January 2001)</b>		
At the end of the previous financial year	1,455	2,425
Latent taxes on capitalisation of acquisition costs	0	0
Adjustment of latent taxes	-485	-970
At the end of the financial year	970	1,455

Latent tax liabilities acknowledged at Emakina Group relating to the capitalisation in the consolidated accounts (only) of costs related to acquisitions.



## NOTE VII. STATEMENT OF FORMATION EXPENSES

	<u>30/06/2018</u>	<u>31/12/2017</u>
Net book value at the end of the previous financial year	175,937	88,410
Movements during the financial year:		
- New expenses incurred	0	87,527
- Amortisation (-)	42,219	0
- Variation in the consolidation scope (+)		
- Transfers	1,548	
Net book value at the end of the financial year	132,170	175,937
Including formation expenses and capital increase costs	248	0
Including restructuring costs	131,922	175,937

**NOTE VIII. STATEMENT OF INTANGIBLE FIXED ASSETS**

<b>STATEMENT OF INTANGIBLE FIXED ASSETS</b>	<b>R &amp; D</b>		<b>Concession, patents, licences</b>		<b>Goodwill</b>	
	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>
	<b>a/ Acquisition value</b>					
At the end of the previous financial year	2,517,494	2,532,494	4,029,517	2,628,044	1,052,196	1,299,060
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	0	0	0
- Acquisitions	261,668	0	28,220	1,461,050	0	0
- Transfers and withdrawals (-)	0	-15,000	-514,662	-4,208	0	-174,933
- Transfers	0	0	1,085	-5,898	10,278	0
- Other	0	0	-21,017	-49,470	-152	-71,931
At the end of the financial year	2,779,162	2,517,494	3,523,144	4,029,517	1,062,322	1,052,196
<b>c/ Amortisation and write-downs</b>						
At the end of the previous financial year	2,061,207	1,746,696	2,415,982	2,242,527	777,417	772,443
Movements during the financial year:						
- Entries into the scope of consolidation	0	0	0	0	0	0
- Recorded	114,763	316,261	233,080	227,279	89,606	125,930
- Cancelled further to disposals and withdrawals (-)	0	-1,750	-514,662	-7,155	0	-120,957
- Transfers	0	0	1,442	0	7,597	0
- Other	0	0	-17,665	-46,668	0	0
At the end of the financial year	2,175,970	2,061,207	2,118,178	2,415,982	874,620	777,417
<b>d/ Net book value at the end of the financial year: a - c</b>	603,192	456,288	1,404,966	1,613,535	187,701	274,778

**NOTE IX. STATEMENT OF TANGIBLE FIXED ASSETS**

<b>STATEMENT OF TANGIBLE FIXED ASSETS</b>	<b><u>Plant, machinery and equipment</u></b>		<b><u>Furniture and vehicles</u></b>	
	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>
a/ Acquisition value				
At the end of the previous financial year	3,220,846	2,898,085	2,409,228	2,116,083
Movements during the financial year:				
- Entries into the scope of consolidation	0	0	0	23,790
- Acquisitions	91,662	383,829	186,192	425,045
- Transfers and withdrawals (-)	-610,164	-58,531	-14,337	-138,892
- Transfers	-2,167	0	2,167	0
- Other	25,611	-2,538	18,119	-16,798
At the end of the financial year	2,725,788	3,220,846	2,601,369	2,409,228
c/ Amortisation and write-downs				
At the end of the previous financial year	2,516,332	2,333,942	1,836,108	1,701,079
Movements during the financial year:				
- Entries into the scope of consolidation	0	0	0	20,737
- Recorded	133,856	228,887	152,651	212,555
- Cancelled (disposals and withdrawals) (-)	-551,388	-46,496	-14,337	-90,365
- Transfers	0	0	0	0
- Other	1,066	0	4,476	-7,899
At the end of the financial year	2,099,866	2,516,332	1,978,898	1,836,108
d/ Net book value at the end of the financial year: a - c	625,922	704,514	622,471	573,120

<b>STATEMENT OF TANGIBLE FIXED ASSETS</b>	<b><u>Other fixed assets</u></b>		<b><u>Fixed assets in progress</u></b>	
	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>
a/ Acquisition value				
At the end of the previous financial year	1,407,393	1,068,592	0	0
Movements during the financial year:				
- Entries into the scope of consolidation	0	4,520	0	0
- Acquisitions	155,054	428,300	163,674	0
- Transfers and withdrawals (-)	-52,227	-157,890	0	0
- Transfers	158,779	0	0	0
- Other	-3,767	63,871	0	0
At the end of the financial year	1,665,232	1,407,393	163,674	0
C/ Amortisation and write-downs				
At the end of the previous financial year	856,409	757,810	0	0
Movements during the financial year:				
- Entries into the scope of consolidation	0	0	0	0
- Recorded	79,409	117,097	0	0
- Cancelled (disposals and withdrawals) (-)	0	-34,864	0	0
- Transfers	158,779	0	0	0
- Other	-2,619	16,366	0	0
At the end of the financial year	1,091,978	856,409	0	0
d/ Net book value at the end of the financial year: a - c	573,253	550,983	163,674	0

NOTE X. STATEMENT OF FINANCIAL ASSETS

	<u>30/06/2018</u>	<u>31/12/2017</u>
<b>A. Companies consolidated using the equity method</b>		
1/ Participating interests		
Net book value at the end of the previous financial year	0	0
Movements during the financial year:		
- Acquisitions	0	0
- Exits from the scope of consolidation	0	0
Net book value at the end of the financial year	0	0
<b>B. Other companies</b>		
1/ Participating interests		
Net book value at the end of the previous financial year	170,300	86,642
Movements during the financial year:		
- Acquisitions	715	100,000
- Disposals		-16,342
- Write-downs		0
- Reversal of write-downs		0
- Other	-100,000	0
Net book value at the end of the financial year	71,015	170,300
2/ Amounts receivable		
Net book value at the end of the previous financial year	372,985	209,863
Movements during the financial year:		
- Additions	67,310	205,197
- Reimbursements	-8,447	-42,075
- Other	1,458	0
Net book value at the end of the financial year	433,306	372,985

**NOTE XI. STATEMENT OF CONSOLIDATED RESERVES**

	<u>30/06/2018</u>	<u>31/12/2017</u>
Consolidated reserve at the end of the previous financial year	-2,077,421	-1,915,608
Movements during the financial year:		
- Group share of the consolidated result	455,752	-111,182
- Other variations	-5,583	-50,632
Net book value at the end of the financial year	-1,627,252	-2,077,421

**NOTE XII. STATEMENT OF CONSOLIDATION DIFFERENCES**

	V.C. Nette au terme de l'exercice précédent	Variations dues à une variation du % de détention ou complément de prix	Amortissements	Autres	V.C. Nette au terme de l'exercice
Emakina.BE	0	0		0	0
Emakina.EU (1)	301.229	0	31.554	0	269.675
Design Is Dead (2)	0	0		0	0
Emakina.FR (3)	882.634	0	268.520	0	594.114
The Reference (4)	0	0		0	0
Emakina Media (5)	224.418	0	29.284	0	195.134
Your Agency (6)	80.333	0	22.199	0	58.134
Emakina.CH (7)	1.946.498	-141.434	165.063	0	1.639.999
Emakina.NL (8)	4.825.324		420.788	0	4.404.558
Emakina.CEE (9)	4.034.212	2.188	370.782	0	3.665.616
Emakina.SE (10)	304.108		22.195		281.911
WittyCommerce (11)		547.778			547.778
The Reference USA (12)		536.899			536.899
<b>TOTAL</b>	<b>12.578.751</b>	<b>945.429</b>	<b>1.330.365</b>	<b>0</b>	<b>12.193.815</b>

The amount of the variations may be attributed to new acquisitions, price supplements and ancillary costs related to previous acquisitions.

**NOTE XIII. STATEMENT OF AMOUNTS INITIALLY PAYABLE AT MORE THAN ONE YEAR**

	Due within one year		> 1 year and < 5 years		> 5 years			
	Heading 42		Heading 17		Heading 17		Total	
	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>	<u>30/06/2018</u>	<u>31/12/2017</u>
Credit institutions	1,000,644	1,715,265	4,618,556	3,719,415	0	0	5,619,200	5,434,680
Other loans	0	0	472,579	46,928	0	0	472,579	46,928
<b>TOTAL</b>	<b>1,000,644</b>	<b>1,715,265</b>	<b>5,091,135</b>	<b>3,766,343</b>	<b>0</b>	<b>0</b>	<b>6,091,779</b>	<b>5,481,608</b>

**NOTE XIV. RESULTS**

		<b>30/06/2018</b> (6 months)	<b>30/06/2017</b> (6 months)
A	Group turnover in Belgium (heading 70/4)	23,154,412	20,882,814
B11.	Average number of persons employed	830	689
	<i>Workers</i>	0	0
	<i>Employees</i>	690	627
	<i>Management</i>	40	30
	<i>Other</i>	100	70
	Total number of persons employed at the end of the period	875	727
B12.	Personnel costs (heading 62)	22,604,323	20,729,521
B13.	Average number of persons employed in Belgium by the companies concerned	394	339
C2.	Other non-current expenses (heading 664/8)	8,177	26,889
	<i>Restructuring costs</i>	0	0
	<i>Exits from the scope of consolidation</i>	0	0
	<i>Other</i>	8,177	26,889

**NOTE XV. RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET**

A	RIGHTS RESULTING FROM TRANSACTIONS RELATING TO:
	interest rates: EUR 2,140,000
B	COMMITMENTS RESULTING FROM TRANSACTIONS RELATING TO:
	interest rates: EUR 2,140,000
C	OTHER MAJOR COMMITMENTS:
	<u>Miscellaneous commitments:</u> <ul style="list-style-type: none"> <li>· Rental guarantees of EUR 256,292</li> <li>· Bank guarantees of EUR 111,723</li> <li>· Credit lines of EUR 10,211,278</li> </ul>
	<u>Major commitments pertaining to participating interests:</u> <ul style="list-style-type: none"> <li>· Joint guarantee from Emakina Group to affiliated companies: EUR 3,130,000.</li> <li>· Commitment in respect of minority shareholders in Emakina.CH and Emakina BV for the purchase of the remaining shares for an amount that varies depending on profitability.</li> <li>· Commitment in respect of former shareholders of Emakina.SE, Emakina.CEE, WittyCommerce and The Reference US regarding price supplements for an amount that varies depending on profitability.</li> </ul>



**g. Summary of main consolidation valuation rules**I - CONSOLIDATION SCOPE AND METHODS

---

Please refer to section 2. a and b, as well as Note I. above.

II - VALUATION RULES

---

The valuation rules applied to the consolidated accounts closed as at 30 June 2018 are identical to the rules applied on 31 December 2017. Please refer, therefore, to the annual report of 31 December 2017 available on our website ([www.emakina.com](http://www.emakina.com) - 'financial' section).

### 3. DIRECTORS' STATEMENT

The Board of Directors of the company declares that, to the best of its knowledge, the interim condensed consolidated financial statements as at 30 June 2018, established in accordance with Belgian accounting standards, give a true and fair view of the assets, financial status and results of the Emakina Group. The interim financial report contains an accurate description of the information that must be included in it.

### 4. Report of the statutory auditor of Emakina Group SA on the review of the interim condensed consolidated financial statements as of June 30, 2018 and for the month period then ended



Ernst & Young  
Réviseurs d'Entreprises  
Bedrijfsrevisoren  
De Kleetlaan 2  
B - 1831 Diegem  
Tet: +32 (0)2 774 91 11  
Fax: +32 (0)2 774 90 90  
ey.com

#### Report of the statutory auditor of Emakina Group SA on the review of the interim condensed consolidated financial statements as of June 30, 2018 and for the month period then ended

##### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Emakina Group SA (the "Company"), and its subsidiaries as at June 30, 2018 and the related interim consolidated statements of income, for the six month period then ended, and explanatory notes, collectively, the "Interim Condensed Consolidated Financial Statements". The board of directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance the financial-reporting framework applicable in Belgium. Our responsibility is to express a conclusion on these Interim Condensed Consolidated Financial Statements based on our review.

##### Scope of Review

We conducted our review in accordance the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

##### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements are not prepared, in all material aspects, in accordance with the financial-reporting framework applicable in Belgium.

Diegem, September 13, 2018

Ernst & Young Réviseurs d'Entreprises SCRL  
Statutory auditor  
represented by

Marie Kaisin  
Associate Partner

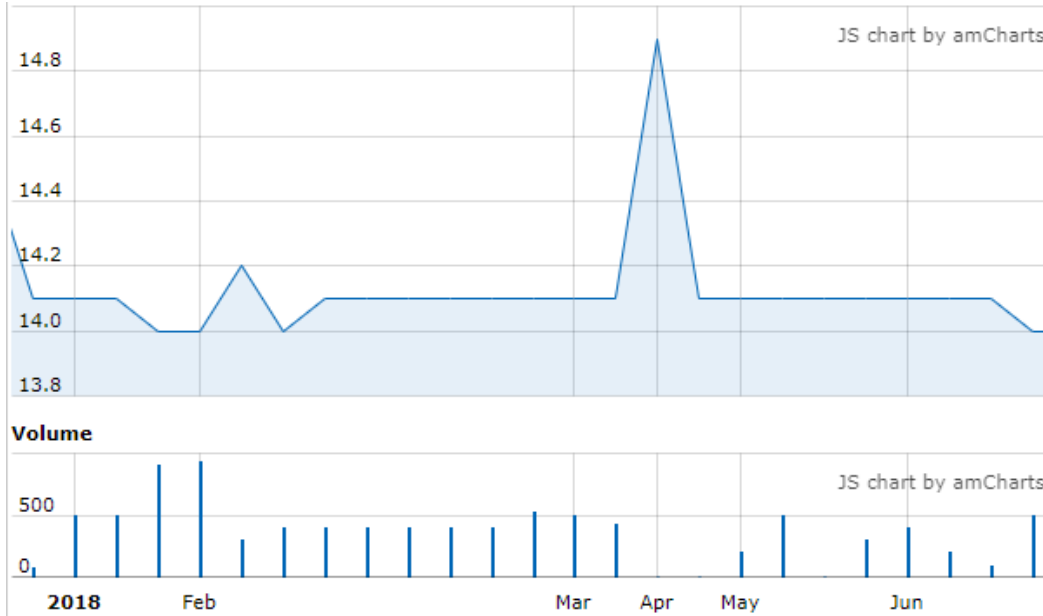
Ref: 19/MK/0001

Société civile sous la forme d'une société coopérative à responsabilité limitée  
Burgerlijke vennootschap onder de vorm van een colperatieve vennootschap met beperkte aansprakelijkheid  
RPM Bruxelles - RPR Brussel - B.T.W. - T.V.A. BE 0446.334.711 - IBAN N° BE71 2100 9059 0069  
\* agissant au nom d'une société/handclend in naam van een vennootschap

A member firm of Ernst & Young Global Limited

**5. INVESTOR RELATIONS**

**Share price fluctuation in the first six months of 2018**



**Financial calendar**

- 15 March 2019** Annual press release 2018
- 29 March 2019** Annual report 2018
- 23 April 2019** Ordinary Meeting of Shareholders 2019

## 6. CONTACTS

### Emakina Group SA

Rue Middelbourg 64A  
1170 Brussels

Tel.: +32 2 400 40 00  
Fax: +32 2 400 40 01

**VAT:** BE 0464.812.221  
**ISIN** BE003843605

[www.emakina.com](http://www.emakina.com)  
[think@emakina.com](mailto:think@emakina.com)

### Investors

**Karim Chouikri**  
CEO

Tel.: +32 2 400 40 00  
[kch@emakina.com](mailto:kch@emakina.com)

**Frédéric Desonnay**  
CFO

Tel.: +32 2 788 79 26  
[fds@emakina.com](mailto:fds@emakina.com)

### Media

**Brice Le Blévennec**  
CEO

Tel.: +32 2 400 40 00  
[blb@emakina.com](mailto:blb@emakina.com)

**Luc Malcorps**  
Director of Media Relations

Tel.: +32 2 788 79 73  
[lma@emakina.com](mailto:lma@emakina.com)