technicolor

PRESS RELEASE

TECHNICOLOR: FIRST HALF 2018 RESULTS

Paris (France), 24 July 2018 – Technicolor (Euronext Paris: TCH; OTCQX: TCLRY) announces today its results for the first half of 2018.

First Half 2018 Key Highlights from continuing operations

In € million	First Half 2017	First Half 2018	At constant rate
Revenues from continuing operations	**2,098**	**1,769**	**(9.3)%**
Adjusted EBITDA from continuing operations	**82**	**57**	**(20.0)%**
As a % of revenues	3.9%	3.2%	
Free Cash Flow from continuing operations	**(109)**	**(150)**	**(41)**

- Revenues from continuing operations amounted to €1,769 million, down 9.3% year-on-year at constant rate, with an Adjusted EBITDA of €57 million compared to €82 million in the first half 2017.
- Production Services recorded a solid performance (+4.6% year-on-year at constant rate) driven by high capacity utilization and strong growth in Film and TV VFX as well as Advertising VFX.
- In DVD Services, revenues declined 9.5% at constant rate year-on-year, reflecting lower Standard Definition DVD volumes partly compensated by continued growth in Blu-ray™ and Ultra HD.
- Connected Home saw an overall 13.6% decline in revenues year-on-year at constant rate, as the shortage of key components led to €210 million of orders which could not be delivered in the first half. Nevertheless, revenues outside North America grew by 15% at current rates year-on-year, only partly compensating for the declines in the US.
- Connected Home launched a three-year transformation targeting market share gains while improving profitability and being able to absorb potential new headwinds in the market. The plan includes reducing the annual fixed cost structure by 40% representing c. €140 million of savings compared to 2017, over a period of three years. Expected future cash costs associated with this plan amount to c.€55 million with an average pay-back of less than 15 months.
- Free cash flow from continuing operations at €(150) million, down by €41 million year-on-year at constant rate, reflecting mainly lower adjusted EBITDA, working capital affected by seasonality of DVD services and higher taxes.
- Solid financial structure, with a nominal gross debt of €1,113 million, up €10 million compared to December 2017. The Group also had a strong level of liquidity at end of June, including cash on hand of €197 million and committed undrawn credit lines of €392 million.

- With regard to the disposal of the Patent Licensing business of Technicolor that was announced on March 1, Technicolor and InterDigital have now entered into a definitive acquisition agreement, the terms of which are in line with those announced on March 1.
- As mentioned, the Group is committed to deleveraging and expects to make significant debt prepayments in the second half of 2018, including from the proceeds of the sale of the Patent licensing business.
- The Board of Directors has appointed Mr. Maarten Wildschut as Board Observer for an 18-month term and intends to propose his election as a Director at the next shareholders meeting. Mr. Wildschut is Co-Head of RWC European Focus Fund, a London investment fund which owns 10,1% of Technicolor's share capital.

Full Year 2018 guidance confirmed

Based on first half performance and current assessment of the market by the management (i.e. 15% year-on-year decline in North American video cable market and no increased supply tightness for components), Technicolor confirms it expects an Adjusted EBITDA from the continuing operations broadly stable compared to 2017 at constant exchange rate.

Segment Review – H1 2018 Result Highlights

Entertainment Services (Represented)	H1 2017 In € million	H1 2017 As a % of revenues	H1 2018 In € million	H1 2018 As a % of revenues	Change YoY Reported	Change YoY At constant rate
Revenues	**838**		**756**		**(9.8)%**	**(3.1)%**
o/w Production Services	383	46%	376	50%	(2.0)%	+4.6%
DVD Services	455	54%	380	50%	(16.4)%	(9.5)%
Adj. EBITDA	**64**[1]	**7.7%**	**55**	**7.2%**	(14.8)%	(7.9)%

- **Production Services** revenues were up 4.6% year-on-year at constant rate and down 2.0% at current rate. The Division achieved significant year-on-year Adjusted EBITDA improvement driven by high capacity utilization and continued operational improvements.

  Business Highlights:

  Film & TV Visual Effects ("VFX"): with a record-breaking revenue performance in the first half of 2018 Production Services achieved strong year-on-year growth during the first half and has secured a significant pipeline of future projects well into 2019. Production continued on major tentpoles, including Disney's *The Lion King* and *Dumbo*, Warner Bros.' *Aquaman*, Fox's *X-MEN: Dark Phoenix*, and Universal's *The Voyage of Doctor Doolittle*;

  Advertising VFX: high single digit revenue growth year-on-year as the division continues to expand capabilities in India thereby benefiting from lower costs and improved margins as the cost structure was further streamlined;

  Animation & Games: In Feature Animation, Technicolor delivered early this year, *Sherlock Gnomes* (Paramount) and *Sgt. Stubby: An American Hero* (Fun Academy). Key awards, including *SpongeBob Squarepants* for Paramount and *Asterix – The Secret of the Magic Potion* for M6 - occurred later than expected impacting the first half performance. High-end episodic CG animation continued to achieve a high utilization rate at the Group's facilities in India with strong visibility over the next 18 months;

  Postproduction continued to show a solid level of activity in the US and the UK driven by episodic and streaming content, but less than prior year reflecting production timing schedules.

- **DVD Services** revenues reached €380 million in the first half of 2018, down 9.5% at constant currency compared to the first half of 2017.

  Blu-rayTM volumes demonstrated strong growth, up 12% in the first half supported by a solid slate of new release titles, the impact of Sony DADC outsourcing volumes and increasing consumer demand for the Ultra HD format. Standard Definition DVD volume declined by 18% in the first half, as the positive second quarter impact from Sony DADC was more than offset by the ongoing shift to the Blu-rayTM

[1] Last year proforma following corporate cost reallocation

format (particularly on major new releases) and reduced catalog activity across several major studio customers. CD volume also decreased in the first half with lower consumer demand for physical music product.

Overall, disc volume was down 13% in the first half, with combined Standard Definition DVD and Blu-ray™ volume down 11%. Volume trends were additionally challenged by a difficult year-on-year comparison to a strong second quarter in 2017, which had combined volume growth of 6% driven in large part by very significant DVD catalog activity that did not reoccur in the second quarter of 2018.

Adjusted EBITDA was in line with expectations, negatively impacted by lower volumes, Sony DADC onboarding costs and selected increases in raw material pricing. Continued cost reduction initiatives and customer product mix partially mitigated the aforementioned effects.

DVD Services division-wide has launched initiatives to adapt distribution operations and related customer agreements in response to continued volume reduction and increasing order profile complexity. Customer contract renegotiations will occur over the next several years in line with specific renewal dates in order to move to volume-based pricing. Ongoing efforts to further grow and diversify the distribution customer base outside of packaged media will also form a key part of this initiative.

Volume data for DVD Services

		First Half		
In million units		**2017**	**2018**	Change
Total combined volumes		**576.1**	**503.7**	***(13)%***
By format	DVD	409.7	337.9	*(18)%*
	Blu-ray™	118.8	133.5	*+12%*
	CD	47.6	32.3	*(32)%*
By segment	Theatrical/Broadcast	506.9	454.6	*(10)%*
	Games	13.6	12.0	*(12)%*
	Software & Kiosk	8.0	4.8	*(40)%*
	Music & Audio	47.6	32.3	*(32)%*

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Connected Home (Represented)	H1 2017 In € million	H1 2017 As a % of revenues	H1 2018 In € million	H1 2018 As a % of revenues	Change YoY Reported	Change YoY At constant rate
Revenues	**1,252**	**-**	**1,003**	**-**	(19.9)%	(13.6)%
Adj. EBITDA	**53**[2]	**4.2%**	**26**	**2.5%**	(51.7)%	(42.1)%

- **Connected Home** revenues totaled €1,003 million in the first half of 2018, down 13.6% year-on-year at constant rate. The year on year decline was due to:
    - an unfavorable comparison with prior year when Technicolor benefited from a sole supplier role at Charter for the launch of the WorldBox;
    - the implementation of the selectivity customer program;
    - c. €210 million revenue delays due to the severe components shortage, mostly MLCCs.

In North America, Technicolor is the only company delivering so far the new DOCSIS 3.1 gateways to Comcast, Cox and Rogers and has also started to deliver the equivalent product to Charter. Latin America revenues grew for the third consecutive quarter on a year-on-year basis and Asia Pacific remained strong with new products introduced in Australia and India, and good performances in Korea and Japan. In Europe, Middle-East and Africa, the segment continued to add AndroidTV and DOCSIS 3.1 new wins, both offers being critical for the coming years.

Looking forward to the rest of the year, Connected Home expects a continued adverse impact resulting from the global shortage of components. While Technicolor has put in place actions to mitigate the impact and guarantee supply, the segment is expected to continue to suffer delays during the second half and early 2019. Connected Home is also expecting the video cable market in North America to drop significantly for the rest of the year (-15% year-on-year), only partly offset by strong demand in broadband.

Technicolor decided to launch a three-year transformation program to adapt to these new market realities. This program will accelerate the customer "selectivity" plan to better achieve product synergies and develop stronger partnerships with key suppliers to improve product costing and time to market. The plan includes reducing the annual fixed cost structure by 40% representing c. €140m million versus 2017, over a period of three years. Total costs associated with this plan amount to c.€90 million with c.€55 million still to be spent with an average pay-back of less than 15 months. It should enable the Group to be more competitive in growing its market share while helping to improve overall profitability.

[2] Last year proforma following corporate cost reallocation

Revenue Breakdown for Connected Home

In € million		First Half 2017	2018	Change[3]
Total revenues		1,252	**1,003**	*(13.6)%*
By region	North America	791	**472**	*(34.3)%*
	Europe, Middle-East and Africa	193	**195**	*+1.3%*
	Latin America	168	**159**	*+7.1%*
	Asia-Pacific	100	**177**	*+86.6%*
By product	Video	748	**543**	*(22.0)%*
	Broadband	504	**460**	*(1.2)%*

First Half Adjusted EBITDA was at €26 million down €27 million at current rate year-on-year, impacted by significant cost increases (€28 million) incurred for memories and MLCCs. As previously communicated, the additional costs for components moving forward, will now be mostly assumed by customers, most of the negotiations being finalized. Pricing will be adapted in line with future price fluctuations.

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Corporate & Other (Represented)	H1 2017 In € million	H1 2017 As a % of revenues	H1 2018 In € million	H1 2018 As a % of revenues	Change YoY Reported	Change YoY At constant rate
Revenues	**8**		**10**		+22.8%	+22.8%
Adj. EBITDA	**(35)[4]**	**-**	**(24)**	**-**	+32.1%	+31.7%

Corporate & Other now includes Research & Innovation activities and Trademark Licensing business.

Corporate & Other recorded revenues of €10 million in the first half of 2018, related to the Trademark Licensing business. Adjusted EBITDA amounted to €(24) million, a significant improvement compared to the first half of 2017, as a result of cost saving initiatives.

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[3] Year-on-year change at constant currency
[4] Last year proforma following corporate cost reallocation

Summary of consolidated results for the first half of 2018

In € million	First Half 2017[5]	2018	Change[6]
Revenues from continuing operations	**2,098**	**1,769**	**(15.7)%**
Change at constant currency (%)			(9.3)%
o/w Entertainment Services	838	756	(9.8)%
Connected Home	1,252	1,003	(19.9)%
Corporate & Other	8	10	+22.8%
Adjusted EBITDA from continuing operations	**82**	**57**	**(31.0)%**
Change at constant currency (%)			(20.0)%
As a % of revenues	3.9%	3.2%	(70)bps
o/w Entertainment Services	64	55	(14.8)%
Connected Home	53	26	(51.7)%
Corporate & Other	(35)	(24)	+32.1%
Adjusted EBIT from continuing operations	**(25)**	**(47)**	**(89.7)%**
Change at constant currency (%)			(86.0)%
As a % of revenues	(1.2)%	(2.7)%	(150)bps
EBIT from continuing operations	**(57)**	**(106)**	**(85.6)%**
Change at constant currency (%)			(87.2)%
As a % of revenues	(2.7)%	(6.0)%	(330)bps
Financial result	(62)	(21)	+41
Income tax	(6)	(11)	(5)
Share of profit/(loss) from associates	-	-	ns
Profit/(loss) from continuing operations	**(125)**	**(138)**	**(13)**
Profit/(loss) from discontinued operations	19	(14)	(33)
Net income	**(106)**	**(152)**	**(46)**

Revenues from continuing operations totaled €1,769 million in the first half of 2018, down by 9.3% at constant currency compared to the first half of 2017, resulting mainly from lower revenues in the Connected Home segment and in DVD Services.

Adjusted EBITDA from continuing operations amounted to €57 million in the first half of 2018, down (20.0)% at constant currency compared to the first half of 2017. The Adjusted EBITDA margin amounted to 3.2%, down by 70 points year-on-year due mainly to the Connected Home segment and the DVD Services division.

Depreciation and Amortization ("D&A")[7] amounted to €(104) million compared to €(107) million in the first half of 2017. D&A also included €(22) million of amortization related to purchase price allocation, mostly related to the 2015 acquisitions (Cisco Connected Devices, The Mill, Cinram North America). As a result,

[5] proforma following corporate cost reallocation
[6] Year-on-year change at current currency.
[7] Including impact of provisions for risks, litigations and warranties.

the Adjusted EBIT from continuing operations amounted to €(47) million, down by 89.7% year-on-year at current rate.

Restructuring provisions accounted for €(38) million at current rate and related to Entertainment Services (Postproduction and DVD Services site closures, both in the US), and Connected Home.

The EBIT from continuing operations amounts to a loss of €(106) million in the first half of 2018.

Financial result totaled €(21) million in the first half of 2018 compared to €(62) million in the first half of 2017, reflecting:

- Net interest costs improved by €5 million reflecting the positive impact of lower average interest rates related to the debt structure, and amount to €(19) million in the first of half of 2018;
- Other financial charges amounted to €(2) million in the first half of 2018 compared to €(38) million in the first half of 2017. First half 2017 included an IFRS adjustment write off for €27 million, generated by the repayment of the old Term Loan maturing in 2020.

Income tax amounted to €(11) million, higher by €5 million at current rate compared to the first half of 2017.

Group net income amounts to €(152) million at current rate in the first half of 2018 compared to a loss of €(106) million in the first half of 2017.

Reconciliation of adjusted indicators (unaudited)

Technicolor is presenting, in addition to published results and with the aim to provide a more comparable view of the evolution of its operating performance in the first half of 2018 compared to the first half of 2017 a set of adjusted indicators, which exclude the following items as per the statement of operations of the Group's consolidated financial statements:

- Restructuring costs, net;
- Net impairment charges;
- Other income and expenses (other non-current items).

These adjustments, the reconciliation of which is detailed in the following table, amounted to an impact on Group EBIT from continuing operations of €(59) million in the first half of 2018 compared to €(32) million in the first half of 2017.

	First Half		
In € million	**2017**	**2018**	Change[8]
EBIT from continuing operations	(57)	(106)	(49)
Restructuring charges, net	(22)	(38)	(16)
Net impairment losses on non-current operating assets	(4)	(3)	+1
Other income/(expense)	(6)	(18)	(12)
Adjusted EBIT from continuing operations	**(25)**	**(47)**	**(22)**
As a % of revenues	(1.2)%	(2.7)%	(150)bps
Depreciation and amortization ("D&A") [9]	107	104	(3)
Adjusted EBITDA from continuing operations	**82**	**57**	**(25)**
As a % of revenues	3.9%	3.2%	(70)bps

[8] Change at current currency.

[9] Including impact of provisions for risks, litigations and warranties.

Free Cash Flow Reconciliation and Summarized financial structure (unaudited)

Technicolor defines "Free Cash Flow" as net cash from operating activities (continuing and discontinued) plus proceeds from sales of property, plant and equipment ("PPE") and intangible assets, minus purchases of PPE, purchases of intangible assets including capitalization of development costs.

In € million	June 30, 2017 Restated	June 30, 2018
Adjusted EBITDA from continuing operations	**82**	**57**
Changes in working capital and other assets and liabilities	(39)	(55)
Pension cash usage of the period	(13)	(13)
Restructuring provisions – cash usage of the period	(25)	(27)
Interest paid	(26)	(20)
Interest received	1	2
Income tax paid	(1)	(12)
Other items	(19)	(7)
Net operating cash generated from continuing activities	**(40)**	**(75)**
Purchases of property, plant and equipment (PPE)	(25)	(30)
Proceeds from sale of PPE and intangible assets	1	-
Purchases of intangible assets including capitalization of development costs	(45)	(45)
Net operating cash used in discontinued activities	(39)	30
Free cash flow	**(148)**	**(120)**
Nominal gross debt	1,099	1,113
Cash position	183	197
Net financial debt at nominal value (non IFRS)	**916**	**916**
IFRS adjustment	**(7)**	**(6)**
Net financial debt (IFRS)	**909**	**910**

- Capital expenditures amounted to €75 million, up by €5 million year-on-year;
- Cash outflow for restructuring totaled €27 million in the first half of 2018, up by €2 million year-on-year, mainly resulting from higher restructuring cash out in Connected Home;
- The change in working capital & other assets and liabilities was negative by €55 million in the first half of 2018 mostly driven by the seasonality of DVD services;
- Cash position at €197 million at end June 2018, compared to €183 at June end 2017.

The Board of Directors approved today these interim consolidated financial statements which have been reviewed by our statutory auditors who are in the process of issuing an unqualified opinion.

An analyst audio webcast hosted by Frederic Rose, CEO, and Laurent Carozzi, CFO, will be held Tuesday, 24 July 2018 at 6:30pm CEST.

Link to the Audio Webcast:

http://www.technicolor.com/webcastH12018

The presentation slides will be made available on our website prior to the webcast

***The replay** will be available at the latest by 9:30pm (CEST) on July 24th, 2018*

Financial calendar

Q3 2018 business update	24 October 2018
FY 2018 results	28 February 2019

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Warning: Forward Looking Statements

This press release contains certain statements that constitute "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements. For a more complete list and description of such risks and uncertainties, refer to Technicolor's filings with the French Autorité des marchés financiers.

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About Technicolor

Technicolor, a worldwide technology leader in the media and entertainment sector, is at the forefront of digital innovation. Our world class research and innovation laboratories enable us to lead the market in delivering advanced video services to content creators and distributors. Our commitment: supporting the delivery of exciting new experiences for consumers in theaters, homes and on-the-go.

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Technicolor shares are on the NYSE Euronext Paris exchange (TCH) and traded in the USA on the OTCQX marketplace (OTCQX: TCLRY).

Investor Relations

Christophe Le Mignan : +33 1 41 86 58 83
christophe.lemignan@technicolor.com

UNAUDITED CONSOLIDATED STATEMENT OF OPERATIONS

(€ in million)	For the 6-month period ended June 30, 2018	2017 (*)
CONTINUING OPERATIONS		
Revenues	1,769	2,098
Cost of sales	(1,571)	(1,832)
Gross Margin	**198**	**266**
Selling and administrative expenses	(168)	(204)
Research and development expenses	(77)	(87)
Restructuring costs	(38)	(22)
Net impairment gains (losses) on non-current operating assets	(3)	(4)
Other income (expense)	(18)	(6)
Earning before Interest & Tax (EBIT) from continuing operations	**(106)**	**(57)**
Interest income	2	1
Interest expense	(21)	(25)
Other financial income (expense)	(2)	(38)
Net financial income (expense)	**(21)**	**(62)**
Share of gain (loss) from associates	-	-
Income tax	(11)	(6)
Profit (loss) from continuing operations	**(138)**	**(125)**
DISCONTINUING OPERATIONS		
Net gain (loss) from discontinuing operations	(14)	19
Net income (loss)	**(152)**	**(106)**
Attribuable to:		
- Equity holders	(152)	(105)
- Non-controlling interest	-	(1)

EARNINGS PER SHARE (in euro, except number of shares)	June 30, 2018	2017
Weighted average number of shares outstanding (basic net of treasury shares held)	413,440,227	412,472,546
Earnings (losses) per share from continuing operations		
- basic	(0.33)	(0.30)
- diluted	(0.33)	(0.30)
Earnings (losses) per share from discontinuing operations		
- basic	(0.04)	0.05
- diluted	(0.04)	0.05
Total earnings (losses) per share		
- basic	(0.37)	(0.25)
- diluted	(0.37)	(0.25)

(*) Amounts for the six months ended June 30, 2017 are re-presented to reflect the impacts of Discontinued Operations.

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ in million)	June 30, 2018	December 31, 2017
ASSETS		
Goodwill	955	942
Intangible assets	626	625
Property, plant & equipment	223	243
Other operating non-current assets	45	38
TOTAL OPERATING NON-CURRENT ASSETS	**1,849**	**1,848**
Investments and other financial assets	18	17
Other non-current financial assets	14	19
TOTAL FINANCIAL NON-CURRENT ASSETS	**32**	**36**
Investments in associates and joint-ventures	2	2
Deferred tax assets	276	275
TOTAL NON-CURRENT ASSETS	**2,159**	**2,161**
Inventories	242	238
Trade accounts and notes receivable	541	684
Contract assets	95	-
Other operating current assets	206	256
TOTAL OPERATING CURRENT ASSETS	**1,084**	**1,178**
Income tax receivable	41	37
Other financial current assets	9	10
Cash and cash equivalents	197	319
Assets classified as held for sale	2	7
TOTAL CURRENT ASSETS	**1,333**	**1,551**
TOTAL ASSETS	**3,492**	**3,712**

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ in million)	June 30, 2018	December 31, 2017
EQUITY & LIABILITIES		
Common stock (414,461,178 shares at June 30, 2018 with nominal value of 1 euro per share)	414	414
Treasury shares	(158)	(158)
Subordinated Perpetual Notes	500	500
Additional paid-in capital & reserves	(190)	(38)
Cumulative translation adjustment	(384)	(385)
Shareholders' equity attributable to owners of the parent	**182**	**333**
Non-controlling interest	3	3
TOTAL EQUITY	**185**	**336**
Retirement benefits obligations	335	355
Provisions	25	23
Contract liabilities	2	-
Other non-current operating liabilities	58	59
TOTAL OPERATING NON-CURRENT LIABILITIES	**420**	**437**
Borrowings	1,085	1,077
Deferred tax liabilities	196	193
TOTAL NON-CURRENT LIABILITIES	**1,701**	**1,707**
Retirement benefits obligations	28	27
Provisions	111	110
Trade accounts and notes payable	850	947
Accrued employee expenses	117	129
Contract liabilities	85	-
Other current operating liabilities	298	334
TOTAL OPERATING CURRENT LIABILITIES	**1,489**	**1,547**
Borrowings	22	20
Income tax payable	27	33
Other current financial liabilities	-	1
Liabilities classified as held for sale	68	68
TOTAL CURRENT LIABILITIES	**1,606**	**1,669**
TOTAL LIABILITIES	**3,307**	**3,376**
TOTAL EQUITY & LIABILITIES	**3,492**	**3,712**

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

(€ in million)	For the 6-month period ended June 30, 2018	2017(*)
Net income (loss)	**(152)**	**(106)**
Income (loss) from discontinuing activities	(14)	19
Profit (loss) from continuing activities	**(138)**	**(125)**
Summary adjustments to reconcile profit from continuing activities to cash generated from continuing operations		
Depreciation and amortization	109	115
Impairment of assets	10	3
Net changes in provisions	(3)	(29)
Gain (loss) on asset disposals	(4)	(2)
Interest (income) and expense	19	24
Other non-cash items (including tax)	17	39
Changes in working capital and other assets and liabilities	(55)	(39)
Cash generated from continuing activities	**(45)**	**(14)**
Interest paid	(20)	(26)
Interest received	2	1
Income tax paid	(12)	(1)
NET OPERATING CASH GENERATED FROM CONTINUING ACTIVITIES (I)	**(75)**	**(40)**
Acquisition of subsidiaries, associates and investments, net of cash acquired	1	(21)
Proceeds from sale of investments, net of cash	4	10
Purchases of property, plant and equipment (PPE)	(30)	(25)
Proceeds from sale of PPE and intangible assets	-	1
Purchases of intangible assets including capitalization of development costs	(45)	(45)
Cash collateral and security deposits granted to third parties	(1)	(1)
Cash collateral and security deposits reimbursed by third parties	6	9
Loans (granted to) / reimbursed by third parties	-	-
NET INVESTING CASH USED IN CONTINUING ACTIVITIES (II)	**(65)**	**(72)**
Increase of Capital	-	1
Proceeds from borrowings	-	647
Repayments of borrowings	(13)	(606)
Fees paid linked to the debt	(1)	(7)
Dividends and distributions paid to Group's shareholders	-	(25)
Other	16	(19)
NET FINANCING CASH USED IN CONTINUING ACTIVITIES (III)	**2**	**(9)**
NET CASH FROM DISCONTINUED ACTIVITIES (IV)	**30**	**(45)**
CASH AND CASH EQUIVALENTS AT BEGINING OF THE PERIOD	**319**	**371**
Net decrease in cash and cash equivalents (I+II+III+IV)	**(108)**	**(166)**
Exchange gains / (losses) on cash and cash equivalents	(14)	(22)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**197**	**183**

(*) Amounts for the six months ended June 30, 2017 are re-presented to reflect the impacts of Discontinued Operations.