



BALYO announces its annual results for 2017

- **A 218% increase in 2017 sales revenue; orders double to reach €17.6 million as at December 31, 2017**
- **Continued investments in strategic divisions to keep pace with strong growth**
- **A solid cash position as at December 31, 2017: €30.7 million**
- **Confirmation of the profitability and sales objectives**

Fabien Bardinnet, CEO, and Stanislas Piot, Financial Director, will host **a conference call today in French at 8:30 am cest** to answer questions from investors.

To access the conference call, please use the following call-in number and access code:

Tel: +33(0)1 72 72 74 03

Code: 46452311#

To listen to the playback, which will be available for 90 days, please use the following call-in number and access code, then follow the instructions:

Tel: +33(0)1 70 71 01 60

Code: 418748579#

Ivry-sur-Seine, France; Woburn, MA, United States, March 29, 2018, 8:00 AM CEST – **BALYO** (FR0013258399, Ticker: BALYO, eligible for the PEA-PME plan), a technological leader in the design and development of innovative robotic solutions for material handling trucks, today announces its annual results for 2017, as approved by the Board of Directors on March 28, 2018.

Fabien Bardinnet, Chairman and Chief Executive Officer, stated: *“We bolstered our operational resources dedicated to the production of robotic trucks and to the deployment and integration of our robots on our customers’ sites. Our improved capabilities position BALYO ideally to absorb the continued increase in demand expected in 2018. In parallel, we also added to our R&D teams to maintain our leading position in this rapidly growing industry. Finally, new hires reinforced the sales teams to fuel our growth even further. Thanks to our stronger operational and sales capabilities, our unequalled positioning as a technological leader and a solid order portfolio, we are confident in the future. BALYO’s growth is led by the increasing automation needs of industry and logistics throughout the world. Based on the successful implementation of our roadmap, today, we can confirm our performance objectives, with operational profitability reaching close to break-even in 2018.”*



2017 annual results*

<i>In millions of euros</i>	December 31, 2016	December 31, 2017
Sales revenue	5.15	16.41
Cost of sales	-3.64	-10.98
Gross margin	1.51	5.44
Gross margin ratio	29.3%	33.1%
Research and development	-2.41	-5.67
Sales and marketing	-3.12	-4.05
Overhead	-2.44	-4.83
Payments in shares	-0.16	-1.09
Operating loss/gain	-6.62	-10.10
Financial income	-0.10	-0.52
Net loss/gain	-6.83	-10.63
Cash position	3.64	30.68

**The consolidated financial statements were audited. The certification report will be issued once the management report has been verified and the requisite procedures have been finalized.*

As announced when the 2017 sales revenue was published, revenue grew significantly - +218% - compared to 2016, higher than the objectives adopted at the time of the Company's IPO in June 2017. Orders doubled over the year, reaching €17.6 million as at December 31, 2017, providing the group with solid visibility over its 2018 revenue.

The continued increase in the gross margin ratio - 33.1% in 2017 - reflects the progressive improvement in the industrial process with the first economies of scale.

Operating expenses increased but much less than the increase in revenue: R&D expenses rose by 131%, S&M expenses by 30% and G&A expenses by 98%.

The operating loss totaled €10.1 million in 2017 after accounting for the IFRS2 charge, compared to €6.62 million in 2016. This loss is attributable to BALYO's investments over the year. During this period, the Company hired 85 new employees, boosting all of its departments and bringing its total workforce to 158 as at December 31, 2017, compared to 73 at the end of 2016.

After taking into account financial income of -€0.52 million, attributable to exchange losses, the net result is -€10.63 million in 2017, compared to -€6.83 in 2016.

Significant events in 2017 and post-closing

During the period, the Company grew its customer portfolio and also benefited from extended agreements with many existing customers. In 2018, this positive trend will continue, in particular in the consumer goods, distribution and automobile sectors in which BALYO's solutions are experiencing ever-growing success.



In 2017, BALYO also recorded significant growth in its installed robots, totaling 223 as at December 31, 2017, and representing a 63% increase compared to the 137 installed robots as at December 31, 2016.

Also during this period, the Company moved to new premises in Ivry-sur-Seine. In particular, this site, which is home to the R&D teams, offers new infrastructures for tests and the technological equipment for the trucks. The original Moissy-Cramayel site remains dedicated to the assembly of BALYO's robotic solutions.

Strategy and outlook

Thanks to the numerous hires in 2017, BALYO's deployment capabilities will further increase in 2018. Investments will continue in Research & Development, in particular in the fields of perception and traffic management, a priority to maintain the Company's edge by offering a standardized technological solution that provides customers with significant ROI. Compared to revenue, the proportion of these investments should decrease, however.

The Company confirms its profitability objective of reaching close to break-even in 2018, as well as sales of €200 million in 2022.

The annual financial report is available on the Company's website under the "Investors" heading: <https://www.balyo.fr/Societe/Investisseurs>.

Next financial release: sales revenue for Q1 2018 on April 26, 2018, after the market closes.

ABOUT BALYO

Balyo transforms standard forklift trucks into standalone intelligent robots thanks to its breakthrough proprietary Driven by Balyo™ technology. The geoguidance navigation system developed by Balyo allows vehicles equipped with the system to locate their position and navigate autonomously inside buildings. Within the automated handling vehicle market, Balyo has entered into two strategic agreements with Kion Group AG (Linde Material Handling's parent company) and Hyster-Yale Group, two major operators in the material handling sector. Balyo is present in three major geographic regions (Americas, Europe and Asia-Pacific). Its sales revenue reached €16.4 million in 2017. For more information, please visit our website at www.balyo.com.



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