

Note to the reader: This English version is a free translation from the original press release in French and is available on the company's corporate website (logic-instrument.com). In the event of inconsistencies between the original French language version and this English translation, the French version will take precedence.

LOGIC INSTRUMENT announces a strong increase of its result and a positive EBIDTA on the financial year

- 20% increase in sales
- Continued reduction of expenses (6%)
- A positive EBIDTA of +0.5 million Euros for the year

Consolidated income statement in k€	2015	2016	VAR° in k€	VAR° in %
Turnover	8 422	10 112	1 690	20,1%
Purchase cost of sold goods	6 035	6 861	826	13,7%
Commercial margin	2 387	3 250	864	
<i>Commercial Margin Rate</i>	<i>28,3%</i>	<i>32,1%</i>		
Exploitation charges	3 431	3 213	-219	-6,4%
Operating income	-821	50	871	
Current result	-846	85	931	
Exceptional income & IS	-193	-190	4	
Consolidated net income	-1 039	-104	935	

The consolidated financial statements were approved by the Board of Directors on March 13th 2017 and the audit procedures are in progress

Consolidated sales of Logic instrument increased by 20% in 2016. This increase is mainly due to the success of new launched products in the period (tablets and smartphones) and the development of customization offers that have convinced new customers such as La Poste (Ardoiz), Groupama and Arkea Crédit Mutuel.

The Group's sales margin increased by 0.9 million € with a margin rate up 4 points. The reorganization efforts continued during the year, reducing expenses by 0.2 million € (-6%). The operating result is thus slightly positive. The Group's consolidated net income was -0.1 million €, a improvement of 0.9 million € net compared to 2015.

CONSOLIDATED EBIDTA in K €	2015	2016
Consolidated operating income	-821	50
Depreciation and amortization	-494	-458
Consolidated EBIDTA¹	-328	508

¹ EBIDTA - Operating income before depreciation and amortization - is an indicator used by management to measure operating and financial performance and to make investment decisions and allocate resource. The EBIDTA subtotal is not necessarily comparable to indicators with similar names presented by other companies.

Financial and balance sheet position

The main items of consolidated balance sheet balances are as follows:

ACTIVE BALANCE SHEET in k€	31/12/2016	31/12/2015	VAR°	VAR° %
Fixed assets	490	909	-419	-46%
Stock	1 947	1 742	205	12%
Customer receivables	1 760	1 923	-163	-8%
Other receivables and accounts de régularisation	713	1 429	-716	-50%
Availabilities	1 988	855	1 133	133%
Total active	6 898	6 858	40	1%

PASSIVE BALANCE SHEET in k€	31/12/2016	31/12/2015	VAR°	VAR°
Shareholders' equity excluding earnings	3 843	3 448	395	11%
Consolidated net income	-104	-1 039	935	-90%
Prov° Risks & Charges	386	423	-37	-9%
Loans and overdrafts	516	888	-372	-42%
Supplier payables	1 073	838	235	28%
Other payables and accruals	1 184	2 299	-1 115	-48%
Total passive	6 898	6 858	40	1%

The main change in the balance sheet relates to other receivables and other liabilities, the decrease of which is due to the sharp reduction in the use of factoring. Net cash and cash equivalents stood at 2 million € at 31/12/2016, up 1.1 million €, mainly as a result of the 2 drawdowns on OCABSAs in the first half, the impact of changes in working capital requirements (-0,24 million €) and self-financing capacity (+0.25 million €) balanced over the period.

Outlook and other highlights

2017 promises strong and profitable growth.

The Group will offer a range of complementary products in connected objects and industrial drones. Customization of software layers and applications Logic Instrument's entire product range will be offered in service offerings covering the customization of software layers and applications.

The Group is now ready to expand to other European countries in order to better serve its key accounts.

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About Logic Instrument

Established 1987 and labeled as “Innovative Enterprise”, Logic Instrument develops and markets tablets, Smartphones and laptops for hostile environments and the business world, with Android™ and Microsoft operating systems. LOGIC INSTRUMENT operates on all continents through its subsidiaries and partners. Since January 2014 LOGIC INSTRUMENT belongs to the ARCHOS Group. LOGIC INSTRUMENT is listed on NYSE-Alternext Paris (ALLOG). Website: www.logic-instrument.com Twitter: @LogicNewsEN