



## **Details of the growth and profitability action plan and launch of the last tranche of the capital increase**

### **Subscription from 28 November to 12 December 2014 inclusive**

Cybergun, a world-leader in the leisure shooting market, today presents the details of the action plan implemented following the audit conducted by Bernard Liatti, the Group's new CEO, and launches the last stage of the balance sheet consolidation plan through a capital increase in the maximum amount of 15.3 MEUR, retaining preferential subscription rights (PSR).

#### **DEFENSIVE STRATEGIES: IMPROVEMENT IN EBITDA EXPECTED**

For the record, the findings of this audit resulted in the construction of a road map based on 5 "defensive" strategies and 4 "offensive" strategies.

The 5 defensive strategies (reduction of costs, optimisation of gross margins, improvements to WCR, simplification and security of processes and mobilisation of staff) are intended to return the company to operational equilibrium, excluding the costs of reorganisation and de-stocking. The findings of the audit have allowed us to identify improvements in results which will need to be achieved over the next 2 years.

- Progressive growth in gross margin between 2013/2014 and 2015/2016;
- A reduction in consultancy fees;
- Structural simplification;
- Optimisation of rates of return.

The more efficient WCR management plan should also allow Cybergun to improve its financial situation through its impact on stocks and trade receivables.

#### **"OFFENSIVE" STRATEGIES SELF-FINANCED INVESTMENT FOR A RETURN TO GROWTH**

These measures are part of the "offensive" strategy intended to achieve a sustainable and profitable recovery. The strategy calls for a return to growth during the 2015/2016 financial year through an increase in marketing and sales resources. These investments will be entirely self-financed by the expected rise in gross margin (increased turnover + improved margin rate due to the measures described above).

These measures should begin to bear fruit during the 2015/2016 financial year, starting on 31 March next. Before then, the 2014/2015 financial year should see a continuity of preceding years. The results for the 6 month period closing on 30 September 2014 will be published on 31 January next.

Bernard Liatti, CEO of CYBERGUN, says: *"The audit I conducted over a period of a few weeks allowed me to clearly identify areas in which the financial performance of the company could be improved. All the assets are in place, we now need to mobilise them in order to recover a favourable dynamic. This is what we intend to do and we are depending on the strength of the staff at Cybergun and the support of shareholders and Board members. "*

### **CAPITAL INCREASE WITH RETENTION OF PSR**

As per the announcements made in July, Cybergun is launching the second tranche of its capital increase with retention of preferential subscription rights. This operation was authorised by the General Assembly of shareholders of 10 September 2014. The Financial Markets Authority (AMF) affixed visa n°14-625 on the Securities Note. The main characteristics are as follows:

- **Maximum amount: 15,317,973.93 EUR ;**
- **Issue ratio: 5 new shares for 2 existing ones;**
- **Subscription price: 0.33 EUR per new share;**
- **Subscription period: from 28 November to 12 December 2014 (inclusive);**

The issue is 75% guaranteed by RESTARTED INVESTMENT<sup>1</sup> who will be able to subscribe through offsetting of receivables. In consideration of this commitment, RESTARTED INVESTMENT requested and obtained from the AMF, on 30 September 2014, an exemption from the requirement to file a mandatory tender offer pursuant to Articles 234-8, 234-9, 2nd and 234-10 of the AMF's General Regulations.

The income from the cash offer will not be used to repay the outstanding debt of RESTARTED INVESTMENT, which will be amortized over a period of 5 years following a 12-month waiting period after the completion of the transaction.

In the event that the capital increase is 100% subscribed, and based on the financial situation on 31 August 2014<sup>2</sup>, Cybergun will have 20.760 MEUR in equity with net financial borrowings of 19.718 MEUR. The ratio of net financial debt will therefore drop below 95% once more.

For Claude Solarz, Chairman of the Board, *"This operation marks the end of a long process of financial restructuring of the company which has been ongoing for the last 2 years. I am very pleased that we are able, on the same day, to reveal the details of the plan established by Bernard Liatti, which should allow us to come out of this difficult period on top, thanks to the efforts of all the staff at the company. I hope that CYBERGUN's shareholders and supporters will share our enthusiasm and take part in this operation and help us to write a new chapter in the company's history. "*

You can receive a financial report for Cybergun including all information by registering at:  
[www.cybergun.com](http://www.cybergun.com)

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<sup>1</sup> Under the control of Mr Amaury de Botmiliau and Mr Claude Solarz

<sup>2</sup> 5.442 MEUR of Equity and 35.036 MEUR net financial debt.

**About Cybergun:** [www.cybergun.com](http://www.cybergun.com)

Cybergun is a world leader in the leisure shooting market and has been classified as an "Innovative Enterprise" by Bpifrance. During the financial year closing 31 March 2013, the company generated a turnover of 51 MUSD (51 MEUR). Cybergun securities are eligible for Innovation Funds, the PEA and PEA-SME.

Cybergun shares: FR0004031839 – ALCYB

Cybergun bonds: FR0010945725 – CYBO

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*This press release may include estimated financial information, information about future projects and transactions, and future business performance. These items are provided as forecasts only. They are subject to market risks and uncertainties and might vary substantially from the actual results that will be published following the audit by the Group's auditors.*

**MAIN PARAMETERS OF THE OPERATION**

<b>Total amount of proceeds from the capital increase</b>	15,317,973.99 EUR
<b>Number of new shares issued</b>	46,418,103 new shares
<b>Subscription price for new shares</b>	0.33 EUR (including issue premium)
<b>Preferential subscription right (PSR)</b>	<p>Subscription to new shares will be preferentially reserved for:</p> <ul style="list-style-type: none"><li>• Bearers of existing shares recognised in their custody account at the end of the accounting day of 27 November 2014.</li><li>• Assignees of preferential subscription rights (PSR).</li></ul> <p> Holders of preferential subscription rights may subscribe:</p> <ul style="list-style-type: none"><li>• On an irreducible basis, 5 new shares for each 2 existing shares held (2 preferential subscription rights for subscription to 5 new shares at a price of 0.33 EUR per share); and</li><li>• On a reducible basis, the number of new shares desired in addition to those due to them through exercising of their irreducible rights.</li></ul>
<b>Intention to subscribe</b>	RESTARTED INVESTMENT, holding 4,020,479 shares representing 20.68% of the capital and 20.75% of the voting rights of Cybergun, undertakes to subscribe to this capital increase in the amount of 11,488,480.49 EUR through partial offsetting of receivables.
<b>PEA and PEA-PME eligibility</b>	Cybergun securities are eligible for PEA and PEA-SME.

## GUIDE SCHEDULE

<b>26 November 2014</b>	AMF visa for the Prospectus
<b>28 November 2014</b>	Subscription period opens. Detachment and start of PSR negotiations.
<b>12 December 2014</b>	Subscription period closes. End of the PSR trading.
<b>17 December 2014</b>	PSR centralisation date.
<b>19 December 2014</b>	Press release by the Company announcing the results of the subscription. Dissemination by Euronext Paris of the admission notice for the new shares indicating the definitive amount of the capital increase and the allotment ratio of reducible subscriptions.
<b>23 December 2014</b>	Issue of the new shares Settlement / delivery. Listing of the new shares.

The Prospectus, having received visa n° 14-625 from the AMF on 26 November 2014, comprises (i) the Cybergun reference document filed with the AMF on 24 November 2014 under number R.14-070, (ii) a transaction note and (iii) a summary of the Prospectus (included in the transaction note attached as an appendix). Copies of the Prospectus are available at no charge from the head offices of Cybergun, on the website [www.cybergun.com](http://www.cybergun.com) and on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)).

Potential investor's attention is drawn to the risk factors described in Chapter 4 of the Reference Document and section 2 of the transaction note.