



PRESS RELEASE

Paris, April 25, 2018

2017 ANNUAL RESULTS

- Environmental performance continues to be very unfavorable for the Oil & Gas service sector during 2017
- Three important recall forces:
 - The high sensitivity of the results to the inevitable recovery of O & G investments
 - Successful launch of the new New Energies business
 - Successful fundraising with private investors in April 2018

DIETSWELL announces today its audited results for the year ended December 31, 2017.

Activity and results 2017

The results of the 2017 financial year (€ 6.8 million turnover (-46% vs. 2016), € (0.55) million EBITDA and € (1.21) million net profit) reflects the persistence of very low activity in the Oil & Gas services sector. This is the result of a drastic reduction in investment by oil operators in Exploration / Production since 2014. However, there is a better context is looming due to the rise in oil prices since early 2018. At December 31, 2017, net financial debt amounted to € 0.41 million, down by nearly € 0.2 million compared to June 30, and cash flow amounted to nearly € 1 million. Equity amounted to € 3.3 million, or € 0.62 per share.

Main figures by December 31, 2017

(In Millions of Euros, French norms)	2017	2016
Book Order	7.2	3.7
Consolidated Revenue	6.8	12.5
EBITDA	(0.55)	0.18
Operating result	(0.85)	(0.21)
Net Result ¹	(1.21)	(4,52)
Cash/ (net debt)	(0.41)	1.19
Equity	3.29	4.51
Equity in Euro/share	0.62 €	0.85 €

⁽¹⁾ After exceptional depreciation of certain assets for an amount of € 3.5 million in 2016

Turnover by activity

- **Technical Assistance:** The loss of nearly 75% of the activity since 2014 results from the drastic reduction in Exploration & Production activity over the same period. The decline was observed in all countries and for all customers, with a particularly pronounced impact in West African countries. However, several framework contracts were extended since the end of the year and there is a significant increase in the number of calls for tenders received.
- **Audit / Inspection:** the activity of DIETSWELL Factorig has held up well in a context of oil drilling strongly slowed down. Revenues fell by only 19% in 2017, thanks in particular to the nature of DIETSWELL Factorig's services that benefited in 2017 from high value-added contracts, in smaller numbers but for larger offshore rigs.
- **Engineering and Design, Drilling and Rig Management:** activity levels reflect the suspension of investments by oil companies from the second half of 2016. To ensure the future of the company in the energy sector in the most meaningful sense, the engineering teams were assigned to the design of a float for offshore large capacity wind turbines. The first phase of the concept of this float was validated by ADEME in early 2018.
- **New Energies:** the turnover reflects the recent creation of this activity, the potential of which should be gradually revealed over the coming months. The development of the renewable energy market in which the company participates will be a strong contributor of its activity in the coming years, both for its contribution in engineering and for its technical assistance activities.

Putting the results of 2017 into perspective

These results related to the general O & G environment have to be put in perspective with three major elements :

- The intense work done on the costs basis in 2016 significantly reduced the costs of structure, including an 18-month payroll reduction plan in return for a better-off clause applicable at the end of the plan. As a result, the second part of the year generated a near-equilibrium position for EBIDA and halved losses.

In addition, adjustments were made at the end of 2016 for a total amount of € 3.5m on certain assets (Sedlar 160 and 250 for the most part). Their remaining residual value of € 1.2m at the end of 2016, create a true potential valuation basis for these assets that will make sense in an environment of gradual recovery of O & G investments suggested by the multiple announcements of oil operators. In particular, given the significant workforce reductions made over the last three years by the major players in the Oil & Gas sector, oil companies and major service companies, a strong call for outsourcing cannot be ruled out and would directly benefit at DIETSWELL.

- In addition, the launch of the new New Energies business, a natural extension of the O & G renewable energy business, was successful with the support obtained in 2016 from Bpifrance and in 2017 from ADEME for design and development of the TRUSSFLOAT™ float, a semi-submersible platform with a large capacity offshore wind turbine. The design has already been validated in coupled simulations under real and extreme conditions for a 6 MW wind turbine. The success of this concept is already reflected in solicitations for projects in France, Europe and Asia.

The control of DIETSWELL in the design of floating systems make possible a significant potential value in the future developments of Marine Renewable Energy (RME), the second growth axis of the company completing its historical activities in the O & G sector.

- Lastly, in early April 2018, Dietswell successfully completed a private placement of new ordinary shares with European investors for a total gross amount of € 1.1 million. This placement will permit the acceleration of the development of the semi-submersible float with TRUSSFLOAT™, and in particular to intensify work on a float version that can carry a 12 MW wind turbine.

Prospects

As of March 31, 2018, DIETSWELL's order book stood at € 7.2 million, an increase of around 95% compared to the end of 2017.

The sectoral indicators in the O & G are much better at the beginning of Q2 2018 and make it possible to envisage a strong rebound of the Services activity by the end of the year.

In addition, the market for renewable electricity is also very dynamic and in particular for wind energy. Although the international offshore wind market is currently in its infancy, many pilot and commercial projects are under consideration, signaling strong demand for floats in the medium term.

About DIETSWELL: www.dietswell.com

Founded in 2000, DIETSWELL is an independent specialist in engineering and services in the conventional and renewable energy industry. Thanks to teams of experts and a flexible and responsive structure, DIETSWELL proposes a multidisciplinary offer in the fields of drilling and energies in the broad sense. With its highly experienced teams, DIETSWELL also performs high level audits and studies for the design of drilling equipment and offshore structures, including for the wind industry. In compliance with the highest standards of quality and safety, DIETSWELL is certified as an innovative company and certified API Q2, ISO 9001, ISO / TS 29001 and ISO 14001 for its technical assistance, audit, inspection and engineering.

Euronext Growth™



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DIETSWELL is eligible to PEA-PME**

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