



2011 ACTIVITY REPORT



somfy *activities*

# 2011 key figures

€842.8m

sales

€118.2m

current operating income

+5.0%

on a like-for-like basis

6,900

employees

71%

generated outside France

100 millions

motors sold worldwide

Over

40

products launched in 2011

36

patents filed

# Profile

## ***Somfy Activities: helping transform living environments***

As world leader in the automatic control of openings in homes and buildings, Somfy Activities has, for the last few years, been using its skills and its strong innovation culture to help resolve the major environmental and societal challenges posed by buildings.

The solutions it offers to improve comfort, security and energy efficiency can be seen today in homes, offices, stores and public spaces, and are constantly finding new applications in our daily lives. Guided by people's new expectations regarding their well-being at home and in other buildings, Somfy Activities is pursuing its ambition to serve every market and every need a building may have for automatic controls, by developing new technologies and increasing the number of features on offer.

To implement this strategy, Somfy Activities is speeding up its international development through a distribution network which is alert to its professional customers' needs, and diversifying its Business Models in order to serve each market and each region with differentiated offers and commercial structures.

# ***Somfy Activities is the world leader in the automatic control of openings and closures in homes and buildings***

**3 activities organized  
by application:**

Shutter & Awning

**+5.5%**

2011 sales\*

Window & Blind

**+7.0%**

2011 sales\*

Access

**+2.0%**

2011 sales\*

\* on a like-for-like basis.

## **NORTH AMERICA**

**184 employees**

Canada  
United States

## **LATIN AMERICA**

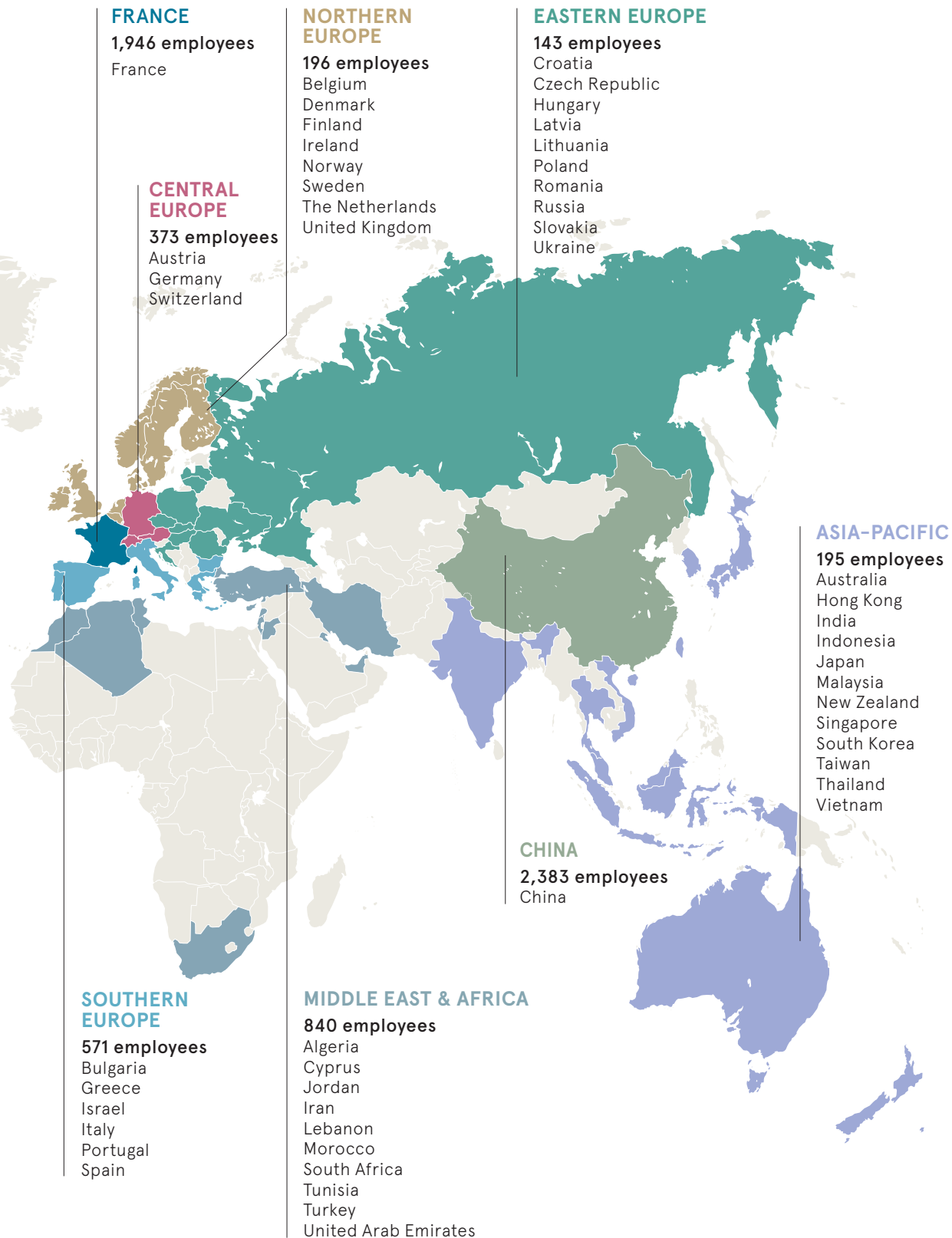
**55 employees**

Argentina  
Brazil  
Colombia  
Mexico

**8 complementary brands:**

Somfy, Simu, BFT, Asa, Mingardi,  
Dooya, LianDa, Pujol.

**Somfy Activities operates in 56 countries,  
with 73 subsidiaries and 51 offices and agencies**



# *'Somfy has invested at the right time in the levers of its future growth''*

Interview with **Jean-Philippe Demaël**  
CEO Somfy Activities

## **H**ow would you summarize the business in 2011?

The pattern for our activity reflected worldwide trends in GDP: sustained growth until May, then a noticeable slowdown in all geographical regions. But even if the economic climate did have some impact, Somfy Activities came out of it pretty well: our growth rate was higher than that of our markets, which meant that we strengthened our positions, in particular on roller shutters in Europe, which is our traditional market. The other cause for satisfaction was the fact that the majority shareholding which we took in Dooya in China, at the end of 2010, fully achieved one of its main objectives: to make Somfy leader in its sector on the Chinese domestic market. In 2011, Dooya recorded overall growth of 37%, with a 67% increase in China.

Last year, thanks to the commercial and technological partnership signed with Garen Automação in Brazil, we passed a second major milestone in our strategy to accelerate our expansion in the emerging economies.

Garen Automação is the leader in access solutions, the market in which we have the strongest growth potential in South America.

## **Profitability dipped in 2011. Will this trend continue?**

The fall in our current operating income (14% of sales in 2011 compared to 17% in 2010) was the result of two factors, of which the first was the increase in raw material prices. As we predicted in 2010, our reduced profitability also, and above all, reflects the intensification of our investments in favor of product development and our distribution network, as defined in the sustainable growth project which we launched two years ago and which aims to create new growth spaces. Given the current economic climate and the uncertainty hanging over the future, we are convinced that we invested, in the right way and at the right time, in the major growth levers for our company. In order to maintain our level of profitability in 2012, however, we will adapt our investments as and when the economic climate evolves.



**Two years ago, you launched a major corporate project whose goal was to develop and nurture your future growth levers. What are its foundations and its initial results?**

Our entire strategy revolves around a conviction that throughout the world, the building sector is facing an increasingly high level of expectation in terms of comfort, security, energy savings and autonomy for senior citizens. These increasing needs represent very significant growth potential for the company, and our ambition is for Somfy Activities, through its brands, to become a byword worldwide for living environment transformation. That is why we are currently investing in favor of three priority fields: home automation, in order to become the leader in that sector, emerging countries, to make them a stronghold for our activities, and the commercial building market, in which we want to confirm our status as a top-ranking player.

On each of these strategic priorities, we already made significant advances in 2011. We launched the TaHoma® home automation box across Europe and brought out an adapted version on the North American market. Volumes remain limited for the moment, but we have already installed more equipment of this type than anyone else. On the Chinese market, a year after we boosted our distribution structures there, we are already the leading player

in both entry and high-end products, thanks to the Dooya and Somfy brands respectively. Lastly, in the commercial building market, we have strengthened our strategic partnership with Philips Lighting for the combined management of natural and artificial light, and we have noticed that more and more countries are adopting our solutions for automating solar protections in their thermal regulations. —



***'We are currently investing in favor of 3 priority fields: home automation, emerging countries, and the commercial building market.'***





Improving living

expectation

environments...

An ageing population

**1.5 billion**

*the number  
of senior citizens will  
have tripled by  
the year 2050<sup>(1)</sup>*

Technological revolution

**4 billion**

*the number of  
cellphone users*

Developing countries

**1 billion**

*children in Asia  
and Africa, who will  
each become a future  
consumer*

Urbanization

**2 billion**

*people will need  
accommodation  
between now  
and 2030<sup>(2)</sup>*

Preserving the environment

**40%**

*of worldwide electrical  
consumption and 30% of CO<sub>2</sub>  
emissions are generated by  
the building industry*

... a fundamental

(1) Source: United Nations – World Population Ageing 2009

(2) Source: ONU-Habitat 2005

# Our vision

Somfy has understood that for every person around the world, improving the quality of their living environment (comfort, well-being, energy savings, security, need for autonomy) has become a fundamental expectation. This aspiration is common to everybody, whatever the time or place (e.g. house, apartment, office, hotel, public place).

We are convinced that our Group must play a major role in this transformation, by contributing strongly so that these essential needs can be satisfied.

As a local economic and social stakeholder, we also believe that companies have a more important role to play in the countries where they are present, and that is why we have decided to exercise our civic responsibility in our area of legitimacy, which is housing.

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# 10

## Residential

*Innovating for enhanced well-being in the home, through accessible home automation and new applications.*

# 18

## Commercial buildings

*Speeding up the contribution made from automatic controls for energy savings and occupants' visual comfort.*



# 24

## Emerging economies

*Throughout the world, enhancing comfort through solutions adapted to local needs.*

# 30

## Civic responsibilities

*Showing an example in terms of corporate responsibility, combating housing-related exclusion.*



# Residential

**As the world leader in the automatic control of openings and closures, Somfy is continuing to create solutions offering comfort, energy savings and remotely controlled home automation**

**#1**

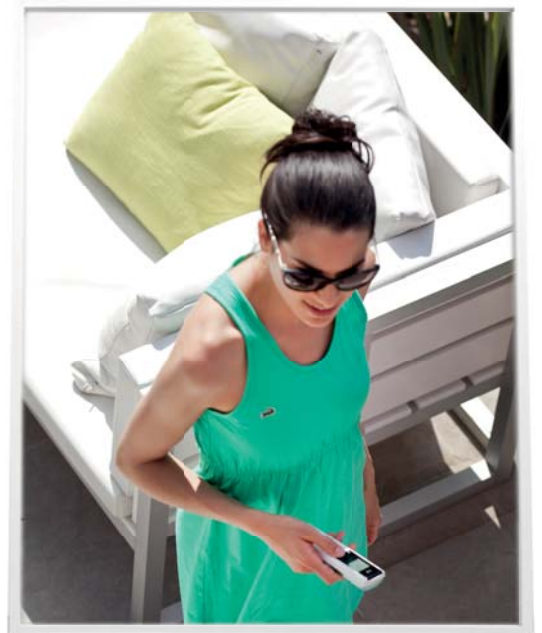
in the alarm market  
in DIY superstores in France

**+250%**

in sales of the io home  
automation range

**100,000**

io motors sold in 2011





# Home automation: where our skills overlap with people's well-being

**B**ecause home automation simultaneously offers all the benefits of well-being, security, energy savings and personal autonomy, Somfy has made it a priority vector for improving comfort in the home.

In the forthcoming years, home automation will nurture the growth of its three Activities in the sense that it will, in the long run, bring together all of Somfy's motorized applications in the residential sector (roller shutters, awnings, gates, garage doors, etc.). Its development therefore represents a major growth challenge, particularly in Europe where its new features (remote management, alert service via cellphone, and interface with other household equipment) have increased the attractiveness of automated roller shutters, which are Somfy's traditional market. In 2011 Somfy therefore chose to extend its TaHoma® web interface to Belgium and the Netherlands. This interface, which has been sold in France and Germany since late 2010, marked a genuine breakthrough in the Somfy product offer: it enables you to manage automatic controls remotely from a computer or smartphone, through an Internet connection.

## A comprehensive range of applications

Roller shutters, swing shutters, gates, garage doors, awnings, alarms, control points and Somfy associated sensors.

In partnership with other manufacturers: front door locks, lighting, heating, windows, room thermostats, heat pumps, heated and cooled floors.

## Strategy Making Somfy the leading brand in home automation

home automation. This approach received initial acclamation in 2011: TaHoma® was distributed from the end of December in more than 700 professional outlets, and has already been fitted in over 1,500 homes in the four countries where it is available. Its launch also allowed sales of motorized systems and control points in the io home automation range, with sales increasing fourfold in the space of a year. ...

Being easy to use and less costly than a traditional home automation system, TaHoma® perfectly embodies Somfy's preference for simple, scalable and widely accessible



**TaHoma®, an interface that is compatible with every communication standard on the market**

The TaHoma® interface, launched in Europe at the end of 2010, offers great flexibility of use, being already capable of interfacing with four communication systems, including two protocols developed by Somfy: io homecontrol® and Radio Technology Somfy®. TaHoma® is potentially compatible with every communication standard on the market.





... In order to sustain the development of the home automation market on its territories, the Somfy brand has continued to broaden both the features and the scope of application of its automatic controls in the io home automation range. In 2011, the Access Activity developed its home automation offer (gates, garage doors, alarms, lighting, heating, interphones and videophones) with the goal of offering professionals a full range of access and security solutions by summer 2012. Awnings can be raised automatically using Eolis wind sensors, which are now available in the io range.

In Europe and North America, where Somfy is also marketing a home automation offer, 2011 saw the distribution teams intensify their efforts to train installers and make consumers aware of these new solutions. Germany organized a roadshow through 15 cities, during which 900 people were trained. Developing home automation also means implementing new Business Models: Central Europe, for example, has inaugurated a partnership with a producer of prefabricated houses with a view to integrating Somfy's home automation solutions as a standard. —



## FRANCE A PIONEER IN HOME AUTOMATION DISTRIBUTION

### 350 CERTIFIED RETAILERS

France, which has been marketing the TaHoma® web interface since the end of 2010, acts as a testing ground for structuring the distribution channels for home automation. Using its traditional Business Model, the territory works primarily with a network of certified dealer-installers (Somfy Experts), for whom Somfy

provides dedicated training. The Experts' stores which sell these home automation solutions numbered 350 at the end of 2011, and they also act as showrooms to promote the offer for the general public.

### A SPECIFIC CHANNEL OF HOME AUTOMATION SPECIALISTS

In parallel, Somfy France's distribution teams are currently developing a specific channel of home automation specialists with nationwide coverage. Because Somfy's home automation solutions cost ten times less than a traditional wired system, home automation specialists will now be able to prospect new market segments.

### NEW BUSINESS MODELS

France is also continuing to innovate with new Business Models, for example through partnerships with around sixty builders of new houses at the end of 2011. —



# Security: Controlling your accesses at a distance, for total peace of mind

**T**he security of people's homes and possessions is a matter of growing concern throughout the world. In the residential sector, the great majority of security purchases primarily meet a need for peace of mind on a day-to-day basis, and this means putting together an offer combining security and comfort, with applications capable of interacting together and being controlled from a distance.

As a specialist in controlling closures (e.g. gates and garage doors), Somfy's Access Activity has for the last few years been broadening its field of activity to include alarm systems which operate interactively with the other Somfy automatic controls in the house. In 2011 Somfy became the number one brand for alarms sold in DIY superstores in France, with a 39% market share.

## Strategy Opening out onto new related markets

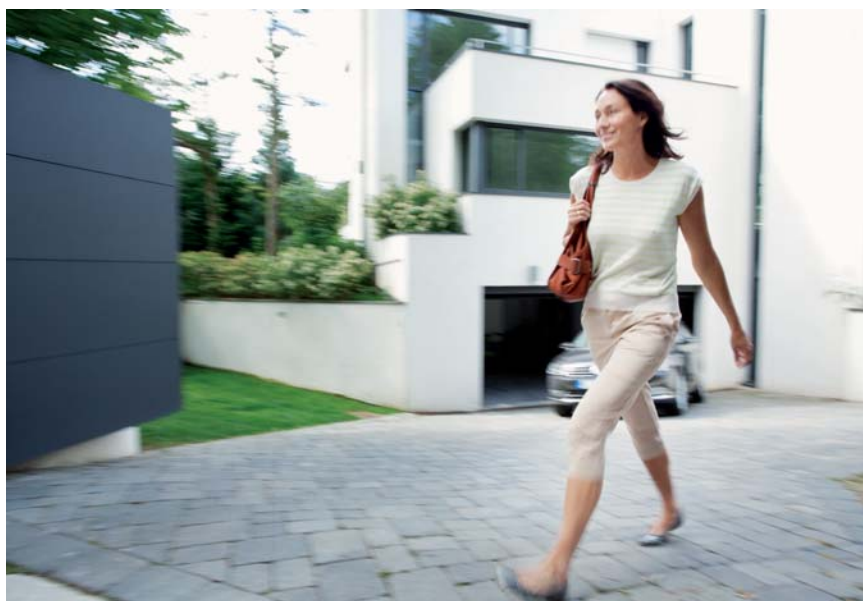
automation. That is why the Access Activity speeded up the development of these products in 2011, in order to boost Somfy's ambition to become the benchmark brand in automation solutions for the home, with products enabling it to serve its two distribution channels, professional installers and DIY superstores, in a differentiated manner.

For this channel, Somfy has broadened its range of applications to include new product segments: management of light, of heat, and of interphone and videophone stations for doors. All of these home automation features may soon be controlled centrally from a computer or a smartphone. ...

Along with energy savings, security is one of the two ways in which consumers first come into contact with home

## The Access Activity: a network of complementary brands

On both the residential and commercial building sectors, the Access Activity operates through five brands which complement one another in terms of applications, price range and geographical coverage. As a global brand, Somfy expresses the promise of comfort and security of the Somfy Group's Home Motion and home automation offer. BFT completes the Somfy offer for professional installers and provides a distribution network covering 120 countries on the other brands' behalf. Simu is positioned on the mid-range segments, and accelerates the expansion of the Access Activity on the emerging markets. Pujol, based in Spain, consolidates the European distribution network. Lastly, O&O enables the activity to provide solutions for the urban access segment.



**39%**  
Somfy market share in alarms for the general public in France in 2011



... using as a model the TaHoma® web interface, which is only sold to professional customers, in early 2012 the Access Activity launched the Somfy Box in France, a home automation supervision center for the entire house.

## 'Security, leveraging growth in emerging countries'

Security is also an important lever for accelerating business development in emerging markets. In the residential sector, this is especially the case in South American countries, where in 2011 Somfy Activities signed a strategic partnership with the Brazilian company Garen Automação. —



## **BRAZIL:** **SOMFY FORGES AN ALLIANCE WITH GAREN, SOUTH AMERICAN LEADER IN AUTOMATIC ACCESS CONTROL**

In Brazil, where security is a major urban problem, Somfy Activities signed a commercial and technological alliance in May 2011 with Garen Automação, the South American leader in automatic controls for doors and gates. The agreement signed between the two companies will see Garen's Door and Gate activity housed in a new

jointly owned company of 350 people, which will include the entire production line, from manufacture of the parts to assembly of the motors. This partnership will be reinforced progressively between now and 2016, when Somfy will be able to take up its purchase option and take total control of Garen Automação.

### **45% SHARE OF THE ACCESS MARKET IN BRAZIL**

Garen Automação, the Brazilian market leader in motorized and automatic access with a 45% market share, records average sales growth 15 to 20% per year. Garen Automação's presence across South America, with 20% of its products available outside Brazil, will enable Somfy to speed up the commercial development of its brand in that continent, with solutions for security, energy savings and home automation. —





# More features, more simplicity, more applications

**O**n its mature markets and in its traditional activity of automated roller shutters, Somfy is continuing to innovate through products which enhance the advantages available both to end-users and professional customers.

Control points through which motors can be piloted and automatically controlled represent a key driver for ensuring that the product offer remains attractive. In 2011 innovation helped to simplify the use of remote controls to create preprogrammed life scenarios, with the launch of two new models (Telis 16 and Chronis 6), using the Radio Technology Somfy® standard, to replace the previous range. With people expressing increasingly personal expectations, the new Smooove wall control points adapt to the interior decoration of every house, with their modular finish which lets you choose the color and material of the fitting.

## Strategy Continuing to create added value on our traditional markets

The launch of new motorized solutions has widened the range of features for automated roller shutters and awnings. In Spain, the roller shutter now acts

as a solar screen following the launch, in partnership with a shutter manufacturer, of a motor for external venetian blinds. Meanwhile external venetian blinds incorporate Home Motion Somfy solutions thanks to the development of the first motor (J4 RTS) in this range to be equipped with Radio Technology Somfy® (RTS). They can now be piloted alongside other applications in the home (alarm system and all house closures) from a single control point. For a long time external venetian blinds were only used in German-speaking countries, but in recent years they have seen growing success in other countries (in Asia and the USA), because they allow natural daylight ...

## Protexial io: a new all-in-one alarm system

- Movement and opening detector
- Alert service via cellphone
- Access control by camera via internet
- Simulated presence.
- Interconnection with other equipment in the home.



**+89%**  
increase  
in sales for  
SONESSE silent  
motors



... to penetrate while still offering protection from the heat.

Inside the house, the trend is toward silent motors and solutions which do not require any electrical connection, and that is why Somfy is pursuing its strategy to make silent motors a standard on interior products, by broadening its range of Sonesse motors to all applications: roller blinds, pleated blinds, venetian blinds, and projection screens. Meanwhile in 2011, battery-operated autonomous solutions (WireFree range) recorded 14-16% growth in the USA.

## ***'The Shutter & Awning Activity has opened up new markets'***

In its mature European markets, it is Somfy's long-term ambition to anchor its leadership on all applications in the home. In 2011, the company continued to open up new markets for its Shutter and Awning Activity by launching automatic control solutions for swing shutters (in France and Italy) and for pergolas (in Italy, Greece and Spain). The latter offer, developed in partnership with pergola manufacturers, meets the growing demand for outdoor living rooms. Pergola io uses io communication technology, and now plays an integral part in Somfy's home automation solutions. —



### **EUROPE:**

## **THE SWING SHUTTER, A NEW SOMFY APPLICATION FOR THE HOME**

40 years after it created the market for motorized roller shutters, Somfy is now extending the scope of its applications to include swing shutters. This new offer was launched at the end of 2010 in France and has already reached its target public: sales increased by 50% in 2011, and it is approved by 316 installers and producers of swing shutters.

### **LESS THAN 1% MOTORIZED**

Even if it remains a niche market today, it offers significant growth potential in Europe: in France alone, out of an estimated 91 million swing shutter

units, less than 1% are currently motorized.

### **THE ADVANTAGES OF COMFORT AND SAFETY**

The motorization of roller shutters is an application which meets the expectations of senior citizens in terms of comfort, and also reinforces the shutter's protection against break-ins, while its automatic control enables you to close the shutter from a distance and to simulate presence.

To make people more aware of this new application, Somfy conducted a major communication campaign among both professional customers (e.g. Somfy Expert installers, roller shutter manufacturers) and users. The main target is home owners who are looking to replace their old swing shutters.

2012 will see the start of the internationalization phase, with the products being launched on the Italian and Austrian markets. —





# Other 2011 highlights for our Activities and territories

## HOME AUTOMATISATION

### A SPECIAL TAHOMA® INTERFACE FOR THE NORTH AMERICAN MARKET

Outside Europe, Somfy mainly operates in the commercial sector, and home automation is the ideal way to raise the brand's public profile with a high-end offer. So, in 2011, the United States launched its own TaHoma® interface. Just like its European predecessor, it converges the operation of all applications in the home using a smartphone application or a computer. In response to expectations on the North American market, TaHoma® is positioned as a centralized system for managing energy use in the building, using a solution that combines solar protection, lighting and thermostats.



## HOME AUTOMATISATION

### Home Motion House a hit in the Netherlands

As a "live-in" technology, home automation has to be tested in real conditions. In the first drive of its kind for Somfy, the Group opened a public Experience Center in Amsterdam in the Netherlands in early 2011, in a home improvement shopping center. This giant showroom was a huge success, attracting 10,000 visitors during the year. Shoppers can then buy the solutions from certified retailers.

## ENERGY SAVINGS

### French heat regulations recommend Dynamic Insulation™

RT2012, the new French heat regulation, which came into force at the end of 2011, includes Somfy's Dynamic Insulation™ solutions in its recommendations. This is a strong specification driver for new home builders. Somfy has lobbyists in the residential sector in around ten European countries, including Germany and Spain, promoting its energy saving solutions in new environmental regulations for buildings.



## BUSINESS

### THE DOOR & GATE ACTIVITY IS RENAMED ACCESS

In 2011, the activity previously known as Door & Gate became Access. Eleven years after its creation, first focused largely on the residential market, this broader term reflects the deployment of new growth lines: its expansion into the tertiary sector (access to commercial, industrial, municipal buildings); the widening of its homes offer to include alarms, interphones and home automation; its strong ambition for growth into new regions and new

applications, driven by internal expansion and acquisitions; finally, its assertive positioning on "solutions" (security, access management, etc.). The Access Activity currently comprises five complementary brands—Somfy, BFT, Simu, Pujol, O&O—and has set two priorities for its growth strategy: in homes, helping to set Somfy as the benchmark in home automation by expanding its offer, and in the commercial building sector, boosting its positions on all access control markets.



# Commercial buildings

**As a solar protection specialist for commercial buildings, Somfy is widening its field of convergence to cover more of the building's electrical equipment to offer innovative solutions for saving energy and improving visual and thermal comfort.**

**+50%**

sales in the Middle East

**600**

new projects won in 2011  
compared to 450 in 2010 (up 27%)

**100**

dedicated employees



# Automatic solar protection: an effective source of energy savings

**T**he automatic control of solar protection in commercial buildings is one of the most effective energy-saving measures. Bioclimatic facade solutions designed by Somfy cut the building's total energy requirement (for electricity, air conditioning and heating) by 20-40%, depending on the type of climate and the equipment used.

In order to boost performance and enhance the appeal of its solutions, Somfy is working on all-inclusive offers. It is forming partnerships with other manufacturers in order to interface its products with all energy-producing equipment in the building.

Somfy is currently developing solutions for all sizes of buildings, either with their own proprietary application, or with open protocols enabling communication with all types of equipment (e.g. solar protection, lighting, air conditioning). In 2011, Somfy launched a new version of its Animeo solution designed to work with KNX, an international communication standard. Animeo KNX helps leverage the significant growth potential of solar protection automation, especially in Europe with the application by EU member states of the new European directive on the energy performance of buildings (2010).

## Strategy

### Become the benchmark player in commercial buildings

to a bright future in all territories. All local distribution teams are now responsible for promoting bioclimatic facade solutions and investing in specification, by allocating adequate resources for the local market. In Eastern Europe, where there is significant growth potential, Somfy has put together a dedicated team and created a network of professional associations (Russia, Croatia), in order to promote automatic solar protection among architects, engineers and developers. ...

Somfy also continued to consolidate its specification and lobbying actions which are the main growth drivers for this activity which is looking forward



### For commercial buildings, Somfy Activities has created Somfy for Bioclimatic Facades:

**customized solutions offering energy savings and thermal and visual comfort, based on the automatic control of building facades (solar protection, glass cladding) and their dynamic interface with artificial light and the generation of heating and cooling.**

UCLH Cancer Center London



### Three skills generating energy savings and thermal and visual comfort:

- **Dynamic Insulation™**
- **Natural light management**
- **Natural ventilation**





... In Spain and Italy, the deployment of appropriate Business Models will help spur the maturing of currently emerging markets. Experience has shown that it is vital to approach every player in the property industry—developers, architects, service managers, purchasing managers, etc.—with a specific sales pitch.

## 'Bioclimatic facade solutions cut energy costs by 20-40%'

In 2011 Somfy therefor refined its specification system (staff training, identification of targets and communication materials tailored to each market).

In Europe, to harness the growth potential of imminent new heat regulations for buildings, Somfy has redoubled its lobbying effort in Germany, Spain, the Netherlands, Poland and the Czech Republic. Somfy is active among trade associations such as EuroACE, which liaises with EU institutions over all issues relating to building energy efficiency, and also at a national and supranational level with bodies such as ES-SO, the European Solar-Shading Organization. —



### 2011 PROJECT

## THE LEIPZIG NATIONAL LIBRARY (GERMANY)

The new extension to the Leipzig national library, completed in 2011, exemplifies Somfy's expertise in all-inclusive solutions.

### ANIMEO KNX SOLUTION

In order to control both interior and exterior solar protection as well as windows that open to allow natural ventilation, Somfy has devised Animeo KNX. Animeo KNX is an international, open communication system that allows automatic controls on the facade to interact with all the equipment inside the building (heating, cooling, lighting), for a perfect compromise between energy saving and comfort of occupants. —

**CLIENT:** Federal Republic of Germany

**PLANNING AND DEPLOYMENT:** ARGE-German National Library - Gabriele Glöckler / ZSP Architekten, Stuttgart.



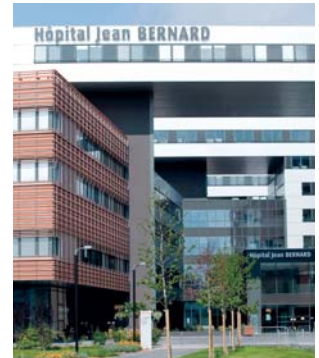
# Asserting Somfy as a provider of well-being in cities and buildings

Improving people's living environments means offering turnkey benefits tailored to customers' needs, and Somfy's commercial building activity has been running a technological and commercial partnership program for several years with other players in the building equipment market. Designed with Philips Lighting, the combined offer for the management of natural and artificial light has already proved its added value in the United Kingdom and in France, where several office building projects have been accepted based on the use of this solution, which was introduced to the North American market in 2011. Other local and regional partnership deals for the delivery of energy savings have been signed with heating and cooling equipment manufacturers.

In addition to its products, Somfy is also increasingly positioning itself upstream of the projects it works on, with the development of related services that allow the Group to support customers from scheduling through technical specification to installation. Northern Europe took this route in 2011, boosting sales in the tertiary sector by between 30% and 40% in the United Kingdom and Norway on the commercial buildings segment. In order to increase its added value at point of specification, in 2011 Somfy

## **Strategy** **Demonstrating our added value in all markets connected with the transformation of living environments**

launched the first market tool for the simulation and shadow management on buildings. Before a building has even been put into service, this new tool creates a computer model of the shade over the facade, depending on the path of the sun and the other surrounding buildings and trees, for fine control of the automatic solar protection: solar protections can now be automated individually without installing sun sensors at each window. The system is linked to an exterior temperature sensor, allowing it to calculate the best compromise between energy savings and the visual and thermal comfort of the building's occupants. This solution was decisive in winning several projects, including the Robert Schumann Hospital in Metz in France. ...



**A sector-based approach to bioclimatic facade applications**  
Office buildings, solar buildings, medical establishments, hotels.

## **4 solutions**

- Visual and thermal comfort
- Energy savings
- Security
- Access control





... On the urban access segment, the Access Activity has taken on the necessary resources to meet the growing needs for controlling and restricting access to vehicles in city centers. In 2011, its subsidiary brand BFT took over the management of two Italian companies that it had acquired previously: SACS (in 2006), a car park access-payment specialist and O&O

## 'Deploying urban access solutions worldwide'

(in 2009), which produces retractable barriers and bollards. The inclusion of their offers within BFT will help accelerate the regional deployment of urban access solutions, through the company's international distribution network (120 countries). There is an emerging market for barriers and bollards in the Middle East, Asia and Eastern Europe. —

## LIGHT MANAGEMENT

### SOMFY AND PHILIPS LIGHTING FORM A COMMON BRAND

Natural light management specialist, in 2011 Somfy continued to step up its technological and commercial partnership with Philips Lighting for the joint promotion of a solution that also uses artificial light for visual comfort and energy savings.



## REINFORCED TECHNOLOGICAL PARTNERSHIP

The main advance was commercial, with the launch of a common brand—Philips Somfy Light Balancing Solution. The principal target of this cooperation is office buildings. Joint prospection campaigns have been carried out among architects (in France, the United States, China and Germany), and a presence sensor has been launched that is compatible with both partners' technologies.

## MARKET SUCCESS

The two systems will eventually become fully interoperable. The partners are lobbying to have the visual comfort advantages of this solution recognized by environmental certification bodies (Leed, Breeam, HQE®).

In 2011, this partnership doubled the sales value of projects won using the joint offer compared to the previous year. —



**75% of a building's energy requirement is connected to lighting, heating and cooling. The Somfy Philips Lighting partnership combines the management of light and solar protection to provide up to 50% energy savings for these functions.**

# Other 2011 highlights for our Activities and territories

## OFFICE BUILDINGS

### Solar protection preinstalled in the facade

The Northern Europe Business Area has signed a partnership with a Dutch-based glazed facade manufacturer for the integration of Somfy solar protection and some of the connected control points during production. These pre-equipped facades offer customers significant advantages in terms of installation efficiency and cost reduction. Once they have been delivered to the site, they can simply be connected to the electrics and the building's control system. This technological and commercial partnership can deliver to customers worldwide and, in 2011, led to a first delivery of 27,000 facades for a London project.

## SERVICES

**Somfy System Integration launched in the United Kingdom**  
In order to serve its customers in the commercial buildings sector, Somfy UK has, since 2011, offered an installation service for its solar protection solutions. Somfy System Integration is a unique offer for companies, including developer specification, written specifications for Somfy solutions, and installation and operational launch thereof. The installation phase is subcontracted and supervised by Somfy's local teams. In 2011, this offer was chosen for the construction of Rolex's British head office in London.

## TORONTO

### SHANGRI-LA TOWER

For the 65-floor Toronto Shangri-La Tower, scheduled for opening in 2012, Somfy provided automatic Glydea curtain controls and Sonesse interior solar protection. The building is aiming to win Gold Leed environmental certification. —



## SAUDI ARABIA

### Princess Noura University

Princess Noura University in Saudi Arabia, which will soon open its doors to 26,000 female students, is equipped with Somfy solar protection. Animeo KNX automatic controls, combined with weather stations measuring solar radiation in real time, have three functions in these buildings: controlling glare and natural light in order to ensure interior comfort; blocking infrared to improve thermal comfort and reduce the need for air conditioning; generating energy savings by interacting with the lighting system.

## HEAT REGULATIONS

### FIRST RESULTS FOR OUR LOBBYISTS

2011 saw Somfy organize its lobbying approach, charging at least one employee in each region to spend some of their time on this role, and the significant results immediately confirmed the importance of this function. The automation of solar protection is now enshrined in Norwegian regulations, and in the new French RT2012 regulation which came into force at the end of 2011. This new regulation sets an ambitious upper energy limit of 50kWh/m<sup>2</sup> per year, i.e. one quarter of the current consumption, which can only reasonably be reached with the use of automatic solar protection. Bioclimatic performance assessment now covers this equipment. Assessments are carried out before filing of the construction permit, and installation is therefore mandatory for accepted projects. In France, the total surface area of all buildings of over 500m<sup>2</sup> that come under the new laws comes to around 10 million square meters every year, or a potential 600,000-700,000 automatic solar protections.

# Emerging economies

**In 2011, Somfy Activities continued to invest in its positions on emerging markets, which have already begun to stimulate the company's growth, especially in China.**

**+16%**

investment in emerging markets in 2011

**7**

new subsidiaries or distribution offices opened in 7 countries

**+163.1%**

sales increase for the China Business Area





# Adapting to local needs

In 2011, Somfy Activities intensified the deployment of its activities in emerging markets. It signed a strategic partnership with Garen Automação in Brazil, and consolidated its distribution network in five different regions, creating a subsidiary in Thailand and opening offices in Ukraine, Egypt, Iran and Chile.

In every territory, the distribution teams deploy a local strategy and Business Models adapted to the specific local context and culture. In Brazil, for example, where the residential sector accounts for 80% of business, Somfy sells its interior applications directly to builders of apartment blocks. Since 2011, Glydea curtain motors have been sold to professionals online.

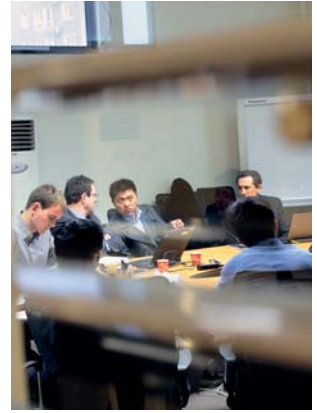
In emerging markets, Somfy's strategy is to reach critical mass fast. To do this, it can fall back on partnerships with local companies and on its multibrand portfolio that allows it to differentiate its offer for all price segments, especially the entry level, a market which is more significant in less mature territories. In the Middle

## Strategy Creating Business Models that reflect the situation in each region

the motorization and automatic control of industrial and commercial security shutters, offering a gateway to many emerging markets, such as Eastern Europe and the Middle East. In 2011, it deployed its offer in India, a market with strong potential and BFT created a subsidiary in China. ...

East and Africa, where entry-level competition is fierce, these brands support the competitiveness of their professional customers with a high-quality offer.

The Access activity manages



**The China Business Area created in early 2011 is the Group's first BA to encompass both production and distribution, to reflect the specific needs of the Chinese market.**

**Somfy has subsidiaries and distribution offices in 11 countries located in emerging regions.**

**Their activities are coordinated by 5 Business Areas: Eastern Europe, the Middle East and Africa, Latin America, Asia Pacific and China.**



... In the commercial sector, the growth of the bioclimatic facade market in emerging countries requires an adaptation to the local climate and style of architecture. Somfy has therefore launched a pilot project in Dubai, designed to highlight the advantages in terms of comfort and energy savings offered by automatic solar protection, with solutions that address the particular problems faced by cities located in the desert, such as sandstorms that prevent natural ventilation and the installation of external solar protection. The scheme is piloting a double-skin facade containing the solar protection. In order to harness the strong growth in demand for motorized curtains in China, the LianDa plant has developed a product specially designed for local needs. China is now the world's leading market for this application.

## ***'Launch of lobbying in Turkey and the Arabian peninsula'***

Awareness is also increasing in these markets of the potential energy savings linked to buildings. Somfy has therefore begun lobbying in the Arabian peninsula and in Turkey. In 2011, solar protection for commercial buildings performed well in the Middle East, especially in schools and hospitals, and in China and Brazil. For energy-saving solutions, the Chinese market presents significant growth potential in high-end housing. —



## **ROLLER SHUTTERS IN EMERGING MARKETS**

Emerging markets also represent an important source of future growth for Somfy's traditional business.

### **OFFERING ENERGY SAVINGS IN CHINA**

In 2011, sales of roller shutter solutions saw strong growth in China, Turkey and Poland. Driven by the Chinese authorities' increasing concern for energy savings, the roller shutter market has begun to grow in China, especially in

Jiangsu province (40% of the Chinese market), where Somfy (20% market share) and Dooya (80% market share), one of its two Chinese brands, are the only two players. Since 2009, it has been compulsory to install exterior solar protection on homes, including apartment blocks, in Jiangsu.

### **CAPITALIZING ON THE JIANGSU PROVINCE'S INITIATIVE**

Capitalizing on this roller shutter breakthrough on a territory where this product used to be seen only in high-end European-style houses, Somfy China and Dooya are lobbying property developers in the Beijing and Shanghai regions to apply the Dynamic Insulation™ solution in other provinces. —





# Developing partnerships

In emerging markets with significant growth potential, Somfy is consolidating the development of its own brands by forming alliances with local players in its sector. This strategy helps both to drive the regional deployment of its activities and to quickly grasp the culture and specifics of the domestic market. The commercial and technological partnership with Garen Automação, signed in Brazil in 2011 and the acquisition of a 70% stake in Dooya in China in 2010 are the first major materializations of this strategy.

In the Middle East, Somfy has signed a major commercial partnership to motorize products for home interiors: Sedar, the leading regional manufacturer of this kind of application (with one million units a year) has chosen Somfy as exclusive supplier for all its markets (Saudi Arabia, United Arab Emirates, Oman, Qatar and Bahrain). Somfy also featured in the 2011 TV campaign for Sedar, the third-ranking advertiser in the UAE. This partnership led to Somfy's training 150 Sedar sales staff and equipping the brand's showrooms.

In Asia, one of Somfy's activity drivers is the hotel sector (China, India, South-East Asia). The cost of energy can be higher than in Europe, boosting demand for energy saving solutions that can include vacant rooms.

## Strategy Reaching critical size fast on all our markets

Somfy's 2009 acquisition of Energy Eye™, a start-up specializing in energy-saving solutions for the hotel industry, has also begun to bear fruit, with wins in the Maldives and Thailand. The company's activity complements automatic solar protection with automatic presence detection systems that interface with the air-conditioning thermostats. Together, these solutions help to reduce energy costs by 30-40%. —

Somfy is therefore forming partnerships with local players making control systems for hotels.



### BRAZIL

Garen Automação's leading position in Brazil and its foothold in other South American countries will help Somfy Activities move into these markets.





## CHINA:

### A WINNING MULTIBRAND STRATEGY

Somfy has been operating in China for 14 years, and for the last two has been pushing to reach its ambition to become the country's market leader in the motorization of blinds and roller shutters.

#### MARKET LEADER IN TUBULAR MOTORS THANKS TO DOOYA

The acquisition of a majority stake of 70% in Dooya in late 2010 gave Somfy a leadership position on the domestic market for tubular motors, particularly at the entry-level. The creation of the China Business Area on January 1st, 2011 has allowed Somfy to devote itself fully to its ambition and to structure the role and objectives of its three independently managed brands—Somfy, LianDa and Dooya—for this purpose. In 2011, BFT also set up a

Chinese subsidiary in order to expand the deployment of the Access Activity, first in homes and, eventually, the office buildings and urban access segments.

#### GROWTH OF SALES ON THE DOMESTIC MARKET

These steps helped Somfy to increase its weight on the Chinese market in 2011, pushing its global Chinese sales up by 163.1% (10.8% like-for-like). On the interior market, all the brands also saw significant growth in sales: 13% for Somfy China. —



**Today, all Somfy activities are represented in China by four brands: Somfy, LianDa, Dooya and BFT for Access**

## SOMFY IN CHINA

**2,383**  
employees

**4** brands

### Somfy,

at the top of the range, with a solutions approach.

### Dooya,

leader on the Chinese tubular motor market. Its main customers are manufacturers of end-products for export or the domestic market.

### LianDa

LianDa makes entry-level products that complement the Somfy range.

### BFT

is developing the Access Activity for homes.

The activity generates 60% of sales on the commercial building sector and 40% in the residential sector.

### A country under construction...

By 2025, cities will have to accommodate an additional 350 million people, requiring the building of 40 billion m<sup>2</sup>, or the equivalent of 5 million new apartment blocks.

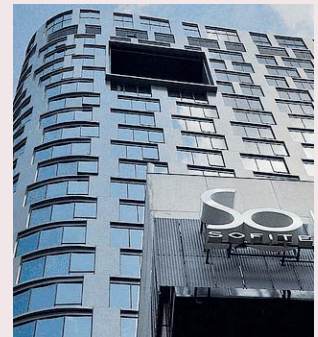
Source: McKinsey report.

China is a new build market, but it is also launching its first big renovation projects for existing buildings.

# Other 2011 highlights for our Activities and territories

## Business start-up in Chile

In Chile, where Somfy opened an office in 2011, the initial business has been generated by specification and by responding to calls for bids, for example for Philips Chile, where lighting management solutions will be implemented. Somfy already has customers in this region, where the two most promising markets are commercial buildings and interior solutions for homes.



## DISTRIBUTION

### THAI OFFICE TURNS SUBSIDIARY

Somfy's operation in Thailand now has a distribution subsidiary that will allow the company to reach the downstream end (retailers, interior decorators, etc.) to widen its current base of customers, mostly consisting of integrators.

*New warehouses  
have been set up  
in Columbia  
and Guadeloupe.*



## PRODUCTION

### A new Chinese plant

LianDa, Somfy's joint venture with Chinese manufacturer YueQiu, has started building a second plant in order to support growth on the Chinese market.



# responsibilities

## Civic

The definition of its governance in 2011 will allow Somfy to drive an integrated sustainable development strategy, with a strong ambition: setting the example in terms of societal and social corporate responsibility.

7

partners  
for Somfy Foundation

16

current projects

€660,000

budget the Somfy Foundation  
in 2011





# Social and environmental Somfy Foundation's new mission: helping people to access housing

Seven years after its creation, Somfy Foundation has refocused its attention on housing, its natural sphere, in order to boost its initiatives on society's behalf. In the face of the authorities' increasing difficulty in solving social problems, Somfy considers that the private sector should make a firmer commitment to housing people, alongside the public sector, charities and NGOs. The Foundation hopes one day to work in all countries in which Somfy has major operations.

The Somfy Foundation works in three major fields that conform to Somfy's business ambition to provide answers to essential needs. First, the Foundation will work on improving housing access and getting people out of substandard housing. The first tangible result was the signing in July 2011 of an agreement with the Emmaüs France charity to donate €190,000 over the year. The Foundation

## **Strategy** **Commitment** **In the inner** **city through** **housing, our** **legitimate** **environment**

Several projects are under examination, in collaboration with the Rhone-Alps region, especially new housing concepts that allow the elderly and students to help one other. Finally, the Foundation will help marginalized people into work, with apprenticeships in various building jobs, which offer the advantage of availability to workers with few qualifications. ...

also wants to support pilot schemes or innovative projects that promote diversity, whether social, intergenerational or ethnic, on the theme of "living together better".



## **Leading the way** **in corporate** **responsibility**

Somfy Group also wants to boost its civic role outside the Foundation, beginning in its home territory of Haute-Savoie in the French Alps. In 2010 and 2011, in order to boost the attractiveness of the region, Somfy was number one economic partner of Annecy's bid to host the 2018 Winter Olympics. In order to involve other financial players in its discussion of corporate social responsibility, Somfy has since late 2011 chaired the Club Haute-Savoie Responsable. This forum brings together some thirty companies in order to turn the Haute-Savoie region into a pioneering model of social, economic and environmental responsibility.

## **A first partnership with Emmaüs France**

In 2011, the refocusing of Somfy Foundation's attention to issues surrounding housing led to the July signing of an agreement with Emmaüs France, a long-standing champion in the fight against poverty and substandard housing. During the second half year, the Foundation donated €66,400 to the funding of two Emmaüs projects in the Rhône-Alpes region: the renovation and construction of childcare centers for the towns of Bourg-en-Bresse and Vienne. On September 25, 24 Somfy employees also volunteered for an Emmaüs sale in Annemasse.



... The Foundation has expanded its support channels in order to pursue its activities. Somfy's employees are now more involved in the allocation of subsidies for some or all of the projects selected by the Foundation's Board of Directors, either through volunteering or skills sponsorship, as an assertion of this civic role as a universally shared corporate plan. As of 2012, every employee will have the option of spending two days a year working for the Foundation, the first of which is counted as time worked and the second as time off.

The Foundation has also reinforced its manpower and increased its funding in order to fulfill its new commitments. Every year, Somfy Activities earmarks part of its net profit for the Foundation, which came to €660,000 in 2012. In 2011, the Foundation also put together a dedicated team, appointing as director the Olympic biathlon champion Vincent Defrasne, with whom Somfy has been involved for some years as a sports sponsor. The Board of Directors, which is responsible for selecting projects for the Foundation, has also approached five other celebrities for a discussion of issues surrounding housing and sustainable development. \_



## INTERVIEW

### VINCENT DEFRASNE, Director, Somfy Foundation

#### Why refocus the Foundation on housing?

Somfy managers had been looking to boost the Foundation's activity for over a year. Housing, which is at the core of the Group's business, seemed to us to be the field in which we would have the greatest

financially. We have to think hard about the way in which the private sector can make more of a contribution to social cohesion in liaison with the public sector. The Foundation is also a bridge between the Group and society, so the project corresponds perfectly to Somfy's identity as a company that is closely involved in the local community and has preserved a strong sense of sharing from its days as a family business.

#### After a career as an international athlete, what drew you to the Foundation?

It really came from meeting an enthusiastic, driven team who wanted to boost the Foundation's societal role.

## *'The Foundation's new focus started with a firm conviction held by Somfy's managers'*

legitimacy and efficiency to conduct initiatives on society's behalf and share our skills with our partners on these projects.

**In line with Somfy's core ambition to improve people's living environments, the Foundation focuses on people's primary needs for comfort, generated by homelessness and substandard housing. Why has Somfy moved into this field?**

The Foundation's new direction started with the firm belief of Somfy's management that in the current economic crisis and deep social distress, business should play a bigger role, and not just

For me, a project that is focused on other people is also a way of compensating for 15 years during which, as I was competing internationally, I had to be thinking about myself all the time. \_

# Environmental responsibility

## A Sustainable Development Division to coordinate our environmental actions

In 2011, Somfy Activities created a transversal Sustainable Development Division covering all fields connected with the company's environmental responsibility. This new Division works under joint governance with the other entities responsible for the societal and internal aspects of Somfy's civic responsibility (Somfy Foundation and the Human Resources Department). The Sustainable Development Division's mission is to coordinate the improvement of Somfy's environmental performance in three areas: control of the environmental footprint of its industrial sites and activities; reducing the impact of its products with eco-design and finally, improving the efficiency of the energy-saving solutions offered by Somfy Activities. The last of these, which covers bioclimatic facades for commercial buildings and Dynamic Insulation™ in homes, is also ensured on a day-to-day basis by the Somfy Activities' development teams.

In 2011, Somfy Activities' French sites continued to pursue the measures deployed to reduce their environmental impact. These fall into three main categories: implementation of best practices in internal operations (waste management, economical use of paper, energy, etc.), green transport of goods and people.

In order to reduce the energy requirement of French production sites (plants, warehouses and offices), Somfy has carried out significant building work. Existing buildings have received additional insulation and have been equipped with high-yield boilers with heat economizers. The newly fitted offices on the Méca2 site

### Strategy

#### Improving the environmental performance of our activities and our products

These initiatives follow on from the energy assessments carried out in France and Tunisia that helped to define new equipment standards. In 2010 and 2011, the four sites at Cluses and Bonneville in Eastern France cut their heating by 7%, in terms of space occupied, with adjustment to take climatic variations into account. ...

have lighting systems that adapt their power to the level of natural light and the presence of occupants, reducing electricity consumption by 30%.



**A network of 30 eco-ambassadors raising awareness in the field**  
In order to make sure that its environmental action plan is extended to all departments, Somfy Activities has set up a network of eco-ambassadors. In 2011, there were 30 such ambassadors in France. Their role is to inform personnel of measures taken by the Sustainable Development Division, and to identify new green actions and practices. In October 2011, network of eco-ambassadors met for a Sustainable Development day, during which they compiled a list of around thirty new actions for improving Somfy's environmental performance. They will be evaluated in 2012 and mainly concern the pursuit of waste recycling, double-sided printing and the expanded use of recycled paper.

... Since 2009, the company's travel policy has encouraged people to travel by train rather than plane for domestic trips. In 2011, train travel between Cluses and Paris remained constant compared to the previous year, representing an annual CO<sub>2</sub> emission reduction of 22% compared to 2008. Use of the bicycles available for employees to travel between the different sites in Cluses rose by 30% between 2010 and 2011.

## '2011 saw the deployment of the first eco-design actions'

In terms of reducing the environmental impact of its products, Somfy Activities took an important step forward in 2011 with the deployment of the first eco-design actions in its production units. Changes in manufacturing techniques for electric motors will help to reduce the energy requirement for the new generation products. This measure was made possible by the 2010 ACV lifecycle analysis of the most typical products in Somfy's ranges, from the extraction of the raw materials required to make them, to the reprocessing of their components on disposal. In 2012, this analysis will also allow Somfy Activities to display the PEP ecopassport® label on its products in order to inform customers and specifiers of their energy efficiency. Initially this labeling will only apply to a selection of key products, but will gradually be extended to others. In line with current international standards, the PEP ecopassport® program that Somfy joined in 2010,



provides an international reference framework for the environmental evaluation of electric, electronic and climatic products. In recent years, Somfy Activities has launched several initiatives in an attempt to reduce the amount of cardboard used for packaging its products; since 2011, some kinds of cardboard used for the supply of components to French plants have then been reused in packaging products delivered to customers. In 2011, this measure saved some 15.8 MWh, 19.6 tons of carbon dioxide equivalent (teq CO<sub>2</sub>) and 3.2 tons of cardboard, or 54 trees. —



### WASTE SORTING

## GOOD PRACTICES LEAD TO 76% RECYCLED WASTE

### 21 TONS OF PAPER RECYCLED

Waste sorting measures adopted in France in 2010 to reduce the proportion of non recoverable waste generated by the company were stepped up. In the staff canteens and break rooms, they now include special bins for plastic, drinks cans and cartons.

In 2011, 76% of waste produced on the four sites at Cluses and Bonneville in the French Alps were recycled through specific channels. Paper recycling in the offices led to the collection, sorting and reuse of 21 tons of paper, equivalent to 29 tons of wood.

### INTERIM REPORTING

Key to the success of this project was the staff's adoption of good sorting practices, which is the subject of a regular report: every six months, the company carries out a performance audit and the results are shared by internal communication materials. —





# Social responsibility

## Focusing on disability, safety and work-related stress in-house in 2011

In 2011, Somfy Activities carried out an in-depth study on how to apply in-house its ambition to improve people's living environments. The first concrete results of this drive will appear in 2012, with the implementation of various social measures and new equipment to improve everyday life and make Somfy a company where it feels good to work. In 2011, this process had started with the renovation of the offices on the Méca2 site in the French Alps and the decision to organize working hours in order to make time for the Somfy Foundation.

In accordance with the Disability pledge signed in 2010, Somfy continues to recruit people with a disability and to preserve their jobs. Workstations have been converted, hearing aids financed and workers relocated and retrained. An assessment of all French sites will lead to accessibility improvements in 2012. In late 2011, the employment of workers with a disability on French sites had risen to 5.5% compared to 3% in 2008.

### Strategy

#### Turning Somfy into a company where it feels good to work

A drive launched in the summer of 2010 to reduce safety risks on the four sites at Cluses and Bonneville in Eastern France has begun to generate positive results. One year after the initial audit, the July 2011 survey found that risks had fallen by 7.9% in a year, and that major risks were down a dramatic 58%. Risks associated with electricity, which topped the frequency list, were down sharply. This action plan, which went well beyond legal obligations, was based on a standard safety organization and extra training. In one year, the company has spent over 500 days on accident prevention and invested €100,000 in risk classification, tooling, emergency stoppages, upgrading test equipment etc. —

A drive launched in the summer of 2010 to reduce safety risks on the four sites at Cluses and Bonneville in Eastern France has begun to generate positive results. One year after the initial audit,



### **Stress at work: 1,234 employees give their opinion**

**In 2011, Somfy audited its French sites to quantify and identify the level of risk connected with work-related stress. 1,234 employees gave their opinion in a questionnaire or interview. The findings were positive overall, showing a good working atmosphere in the company, with few situations likely to induce stress.**

# €100,000

spent on accident prevention on the 4 Cluses and Bonneville sites in Eastern France



# Group results

## *Somfy: one Group, two branches, for a dual growth strategy*

Somfy is an international group whose activities are structured into two branches: Somfy Activities, world leader in the automatic control of openings and closures in homes and buildings, and Somfy Participations, the private equity branch which invests in companies operating outside Somfy's core business, preferably through LBO, expansion capital and transmission capital deals.

Somfy Participations, created in January 2008, invests in companies undergoing change or transition (development, internationalization, transmission etc.) whose projects require the involvement of long-term shareholders. The purpose of Somfy Participations is to consolidate the Group's strategy for profitable and sustainable growth. Dynamic management of its investments and development of its investment portfolio are the main levers for creating value.

€952m

sales

€125m

current operating income

8,000

employees worldwide

€1,400m

market capitalization  
(mid-February 2012)

# 2011 results

## Sales

(€ million)



The increase in the Group's sales from 2010 to 2011 was 11.7% in real terms and 4.9% like-for-like. Somfy Activities contributed €842.8 million to the Group's sales (+12.8% in real terms and +5.0% like-for-like). All regions reported a growth in sales by the end of the year except for Southern Europe, which is suffering more from the economic crisis. The contribution from Somfy Participations came to €112.5 million (+4.9% in real terms and +5.0% like-for-like). The three fully integrated companies ended 2011 with substantial growth.

## Current operating income

(€ million)



Current operating income for the year fell from €138.6 million to €124.7 million (- 10.1%), and represented 13.1% of sales. Current operating income totaled €118.2 million for Somfy Activities, a decline of 7.7%. This change reflects both the higher production costs due to the rise in raw materials prices and the increased investment in development and marketing. For Somfy Participations, current operating income totaled €6.6 million (including €3.6 million in structural costs), down 38.2% compared to 2010. This decline is mainly due to the higher cost of raw materials.

## Cash flow from operating activities

(€ million)



At €149.0 million, cash flow from operating activities remained stable compared to 2010.

## Net financial debt

(€ million)



Net financial debt came to €15.7 million, which is 1.9% of equity. This was increased by earn-outs and debts attached to options granted to the minority shareholders in the fully integrated companies. It was decreased by obligatory, unlisted debts, issued by certain holdings or related companies.

Several significant financial transactions took place during the period. Somfy Activities merged with Garen Automação (subscription to a convertible bond issue with the option of a takeover at a later date). And Somfy Participations disposed of its interests in agta record and Babeau Seguin, then acquired a share in the capital of Pellenc (acquisition of a minority holding with the option to acquire all the capital in the medium term).

## Net income

(€ million)



Consolidated net income rose by 67.9% to €161.4 million. This includes goodwill depreciations (-€6.4 million), a much higher financial result following capital gains from the disposal of the holding in agta record, and a significant increase in the contribution from equity-consolidated companies, due to the recovery of CIAT.

## INDUSTRIAL AND COMMERCIAL INVESTMENTS

(€ million)



At €44.9 million (compared to €29.9 million in 2010), the level of industrial and commercial investments was in line with the implementation of the strategy defined two years ago.

# 2011 indicators

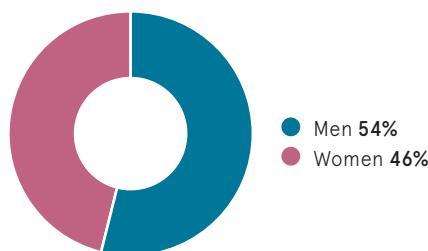
## Sales by geographic region

(in € million)  
like-for-like

	31/12/2011	31/12/2010	N/N-1 Change	N/N-1 Change like-for-like
France	240.6	225.6	6.7 %	6.3 %
Germany	131.6	113.6	15.9 %	10.8 %
Northern Europe	90.8	88.8	2.3 %	0.0 %
Central and Eastern Europe	73.9	60.4	22.3 %	11.9 %
Southern Europe, Middle East & Africa	158.4	143.2	10.6 %	-1.3 %
Asia-Pacific	76.7	52.1	47.3 %	3.3 %
Americas	70.6	63.8	10.7 %	6.2 %
<b>Somfy Activities</b>	<b>842.8</b>	<b>747.5</b>	<b>12.8 %</b>	<b>5.0 %</b>
<b>Somfy Participations</b>	<b>112.5</b>	<b>107.2</b>	<b>4.9 %</b>	<b>5.0 %</b>
<b>Intercos</b>	<b>-2.8</b>	<b>-2.1</b>		
<b>Somfy Consolidated</b>	<b>952.4</b>	<b>852.6</b>	<b>11.7 %</b>	<b>4.9 %</b>

## Headcount by gender

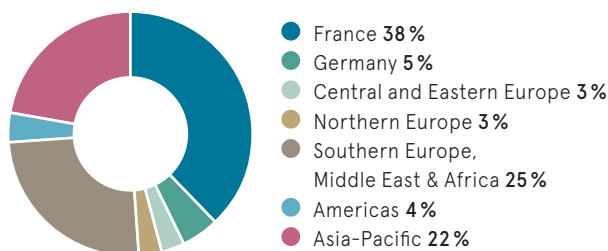
### Headcount



## Headcount by age group



## Headcount by region

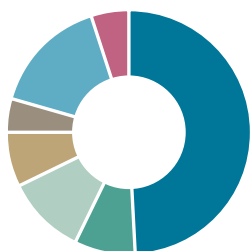




# Relations actionnaires

## Breakdown of capital

(as %)



- JPJS 49,24 %
- JPJ2 8,03 %
- Despature Family 10,53 %
- FAAC Holding SAS 7,29 %
- Treasury shares 4,55 %
- Public 15,36 %
- Manacor 5,00 %

## CAPITAL

At December 31<sup>st</sup>, 2011, Somfy's capital amounted to €7,836,800, divided into 7,836,800 shares with a nominal value of €1, fully paid up and all in the same class.

The company has not issued any securities giving rights to capital. Stock options that may be exercised after December 31<sup>st</sup>, 2011 are purchase options. As authorized, the company owned 356,583 Somfy shares at December 31<sup>st</sup>, 2011.

## Net dividend

(per share, in €, at December 31)

09		4,80
10		5,20
11		5,20

## Net dividend

(per share, in €, at December 31)

09		11,65
10		12,55
11		21,47

## LISTING

Somfy SA has a Management Board and a Supervisory Board and is listed on the Eurolist at Euronext Paris in Compartment A (ISIN code FR 0000120495).

## CONTRACT

On December 6<sup>th</sup>, 2005, Somfy SA signed a liquidity provider agreement with Société Générale Securities.

## Financial calendar 2012

### JANUARY 20<sup>th</sup>, 2012

Release of Q4 2011 quarterly sales

### FEBRUARY 27<sup>th</sup>, 2012

Supervisory Board

### FEBRUARY 28<sup>th</sup>, 2012

Financial Information Meeting – 2011 annual results

### APRIL 20<sup>th</sup>, 2012

Release of Q1 2012 quarterly sales

### APRIL 24<sup>th</sup>, 2012

Release of 2011 consolidated accounts

### MAY 15<sup>th</sup>, 2012

Supervisory Board

### MAY 15<sup>th</sup>, 2012

Annual General Meeting

### JULY 20<sup>th</sup>, 2012

Release of Q2 2012 quarterly sales

### AUGUST 30<sup>th</sup>, 2012

Supervisory Board

### AUGUST 31<sup>st</sup>, 2012

Release of H1 2012 consolidated accounts

### AUGUST 31<sup>st</sup>, 2012

Release of half-yearly results and conference call

### OCTOBER 19<sup>th</sup>, 2012

Release of Q3 2012 quarterly sales

### NOVEMBER 14<sup>th</sup>, 2012

Supervisory Board

# Organization

## SUPERVISORY BOARD

**Chairman:** Jean-Bernard Guillebert

**Vice-Chairman:** Jean Despature

**Members:** Martine Charbonnier, Jean Despature, Victor Despature, Jean-Bernard Guillebert, Xavier Leurent, Valérie Pilcer, Anthony Stahl

## AUDIT COMMITTEE

Jean-Bernard Guillebert, Martine Charbonnier,  
Victor Despature, Valérie Pilcer

## REMUNERATION COMMITTEE

Jean-Bernard Guillebert, Victor Despature

## MANAGEMENT BOARD

**Chairman:** Paul Georges Despature

**Somfy Activities CEO:** Jean-Philippe Demaël

**Somfy Participations CEO:** Wilfrid Le Naour

## AUDITORS

Ernst & Young et Autres  
Ledouble SA

## FOR FURTHER INFORMATION

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**Group Financial Director**

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