

A blurred office scene with people working at desks and laptops. A woman in the foreground is looking at a laptop screen. In the background, a man is standing and talking to another person. The scene is brightly lit with natural light from a window.

# PRESENTATION OF **2019** HALF-YEAR RESULTS

SOMFY<sup>®</sup>

# HIGHLIGHTS

- **Increase in the rate of new product releases**, with more than 60 launches anticipated for the entire year
- **Implementation of an ERP (SAP)**, as part of the process to digitalise the company
- **Signing of a partnership with French window specialist Liébot**, for the development of an automated sliding window
- **Work on the strategic plan for the coming financial years**, with a view to making an announcement early next year
- **Application of IFRS 16**, and resultant restatement of leases according to the simplified method without restatement of comparative periods
- **Growth in sales and profits**, resulting in an upturn in the current operating margin rate



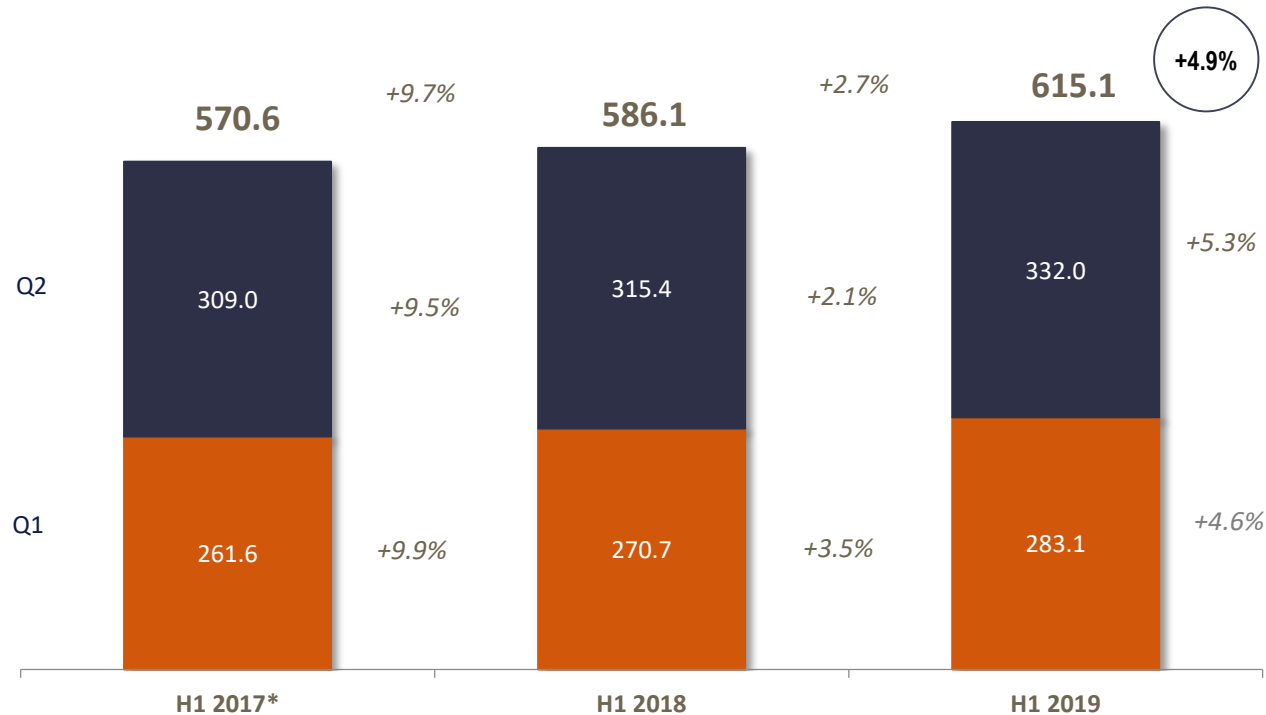
# ANALYSIS OF **2019** HALF-YEAR RESULTS

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Presentation of 2019 half-year results

# SALES

Data in € millions	30/6/18	30/6/19	Change 19/18
Sales	586.1	615.1	+4.9%



**+4.7%  
like-for-like**

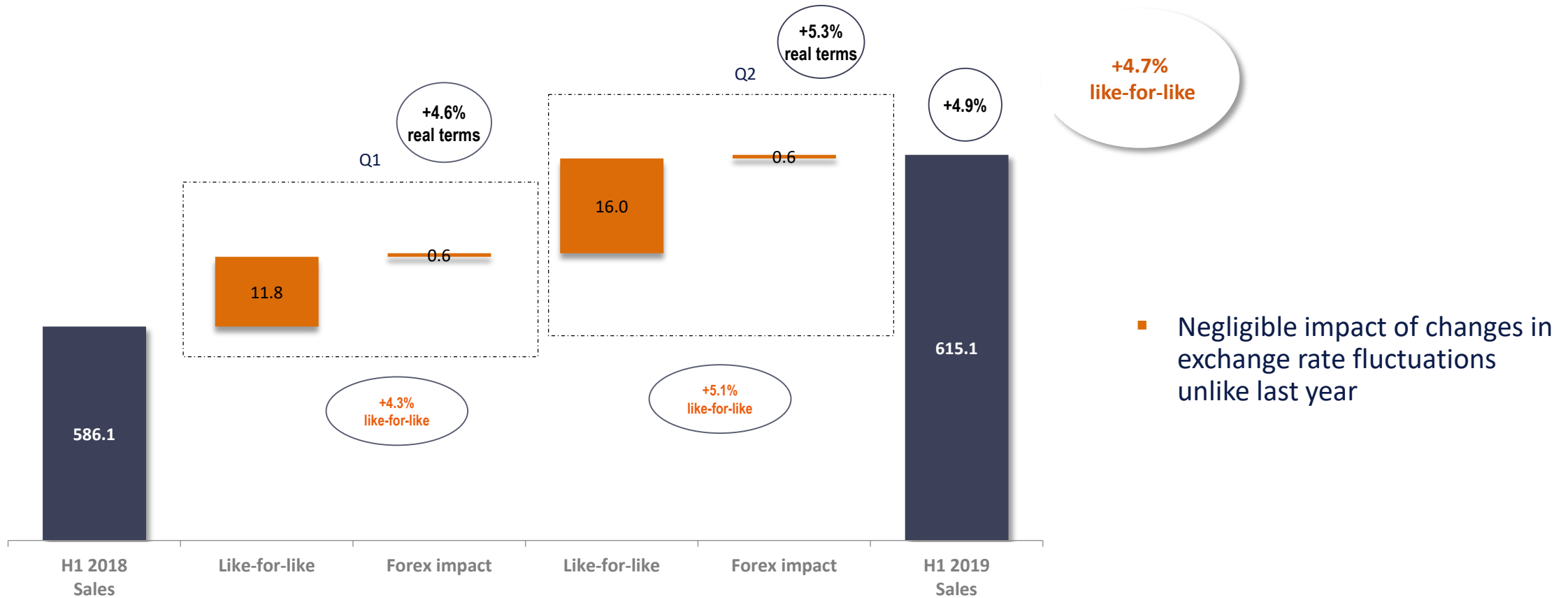
- Growth on a like-for-like basis in line with the trend seen in the previous financial year (5.2% increase in the first and second half-years of 2018)

\* H1 2017 sales were restated following the change in the consolidation method of Dooya (application of IFRS 5)

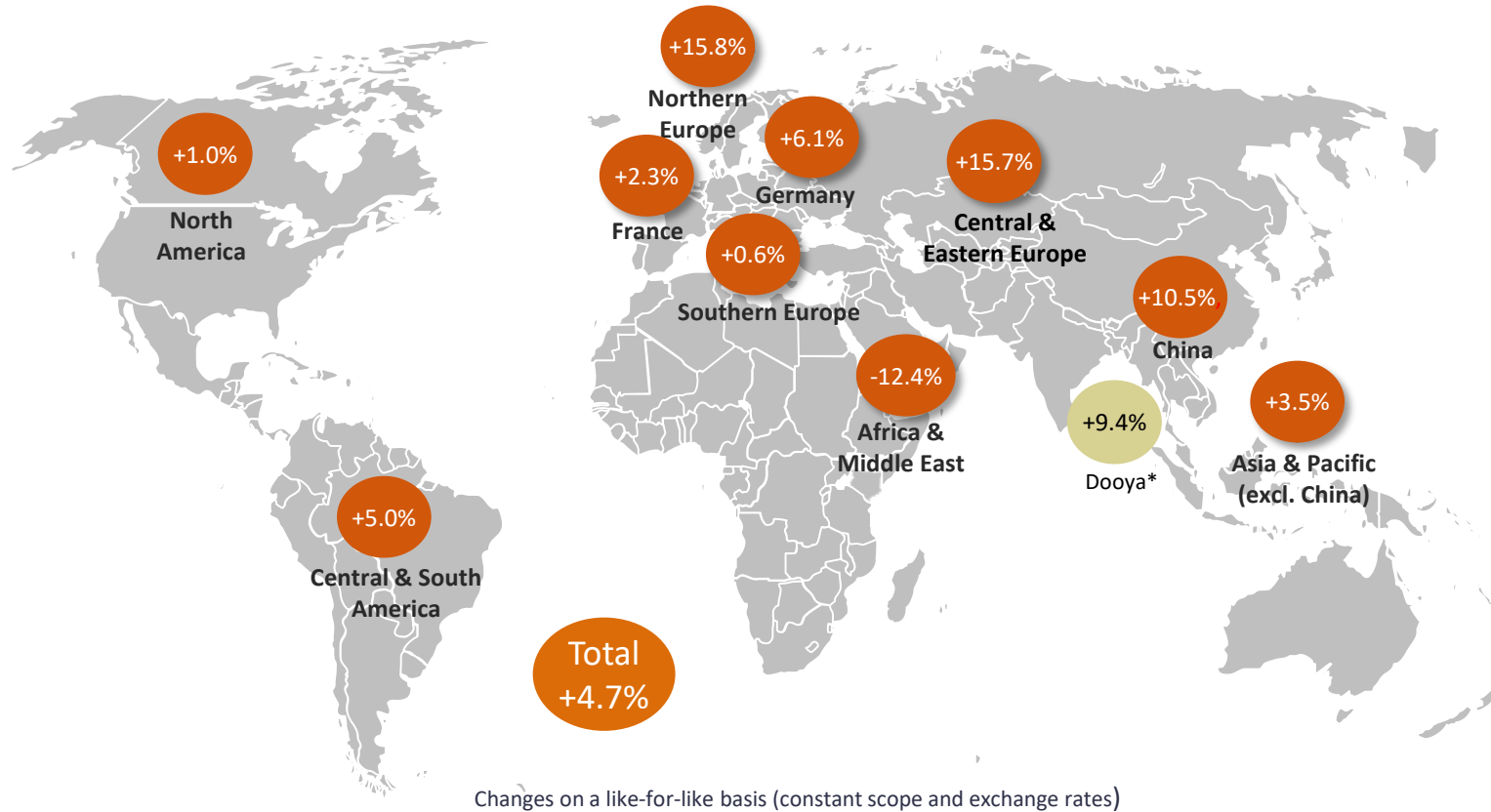


# SALES (continued)

Data in € millions	30/6/18	30/6/19	Change 19/18
Sales	586.1	615.1	+4.9%



# SALES (continued)

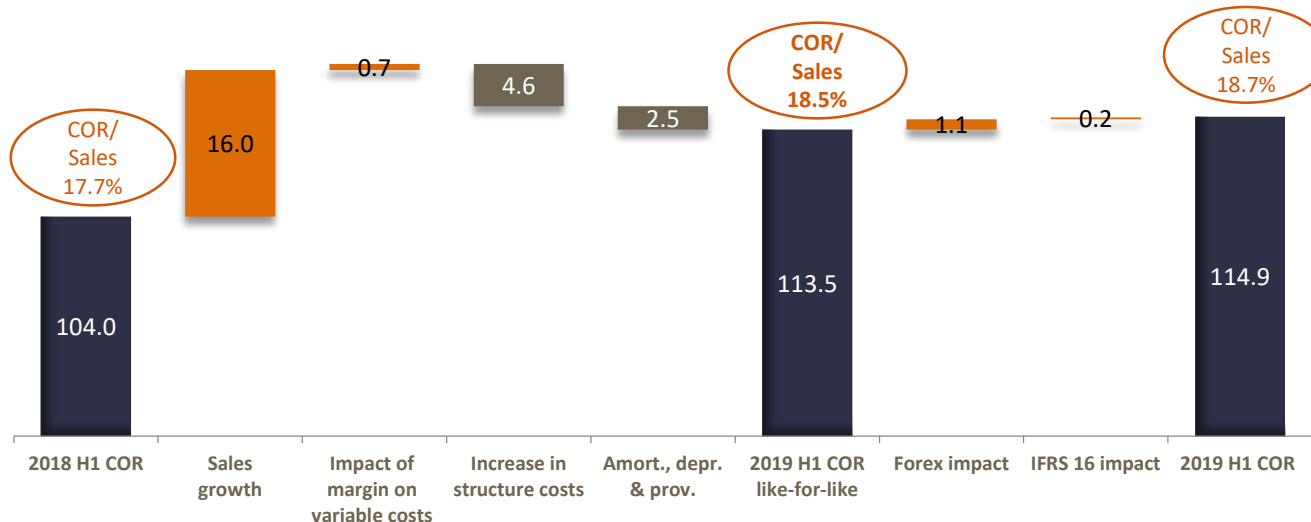


- Sustained growth in Central & Eastern Europe and Northern Europe
- Recovery in Germany
- Resilience in France despite the change in the taxation framework (modification of CITE)
- Unfavourable context in North America (weather conditions, base effects) and the Middle East (economic and political tensions)

\* Chinese subsidiary consolidated via the equity method

# CURRENT OPERATING RESULT

Data in € millions	30/6/18	30/6/19	Change 19/18
Sales	586.1	615.1	+4.9%
Current operating result	104.0	114.9	+10.5%



- Increase in sales (growth of 4.7% on a like-for-like basis)
- Stabilisation of gross margin rate
- Normalisation of investments deemed strategic and non-reoccurrence of periodic charges (participation in 2018 R+T trade fair)
- Negligible effect of change in accounting treatment of leases (application of IFRS 16)
- Upturn in current operating margin rate

# CONDENSED INCOME STATEMENT

Data in € millions	30/6/18	30/6/19	Change 19/18	IFRS 16 impact at 30/6/19
Sales	586.1	615.1	4.9%	
Current operating result	104.0	114.9	10.5%	0.2
Non-recurring operating items	(0.2)	(0.7)	N/S	
Net financial expense	(2.5)	(1.9)	24.0%	(0.6)
Income tax	(20.7)	(22.5)	8.8%	0.0
Share of net profit from associates	0.0	1.3	N/S	
<b>Net profit from continuing operations</b>	<b>80.6</b>	<b>91.2</b>	<b>13.2%</b>	<b>(0.3)</b>
Net profit from operations treated in accordance with IFRS 5 (Dooya)*	2.6	0.0	N/S	
<b>Consolidated net profit</b>	<b>83.2</b>	<b>91.2</b>	<b>9.6%</b>	<b>(0.3)</b>

\* Change in Dooya's consolidation method



# | OVERVIEW OF RESULTS

- Sales growth
- Upturn in current operating margin rate
- Marginal impact of currency fluctuations unlike last year
- Low impact of non-recurring operating items and financial items
- Negligible effect of IFRS 16
- Upturn in net profit

# CONDENSED CASH FLOW STATEMENT

Data in € millions	30/6/18	30/6/19	IFRS 16 impact at 30/6/19
Cash flow	101.7	117.4	6.3
Change in working capital requirements	(58.1)	(39.1)	
Other flows	0.6	1.1	0.6
<b>Net cash flow from operating activities</b>	<b>44.2</b>	<b>79.4</b>	<b>6.8</b>
<b>Net cash flow from investing activities</b>	<b>(28.0)</b>	<b>(24.0)</b>	
<b>Net cash flow from financing and capital activities</b>	<b>(47.3)</b>	<b>(55.9)</b>	<b>(6.8)</b>
<b>Net cash flow from operations treated in accordance with IFRS 5 (Dooya)</b>	<b>(20.3)</b>	<b>0.0</b>	
Impact of changes in foreign exchange rates	(0.7)	1.4	
<b>Net change in cash and cash equivalents</b>	<b>(52.0)</b>	<b>0.9</b>	<b>0.0</b>

- Impacts of IFRS 16 on several items (increase in cash flow and net cash flow from financing activities), but neutral on the net change in cash and cash equivalents
- Controlled increase in working capital requirements
- Sharp increase in cash flow from operating activities
- Technical impact of IFRS 5 on the previous financial year following the change in Dooya's consolidation method

# | CONDENSED BALANCE SHEET

Data in € millions	30/6/18	31/12/18	30/6/19	IFRS 16 impact at 30/6/19
<b>Equity</b>	<b>841.3</b>	<b>894.4</b>	<b>939.6</b>	<b>(0.3)</b>
Long-term borrowings	11.9	11.6	54.8	43.1
Provisions & retirement commitments	33.5	36.4	38.2	
Other non-current liabilities	16.9	18.0	16.3	
<b>Permanent capital</b>	<b>903.6</b>	<b>960.4</b>	<b>1,048.8</b>	<b>42.8</b>
Goodwill	96.8	96.2	95.4	
Net non-current assets	276.1	284.8	337.0	49.8
Investments in associates and joint ventures	132.9	132.8	134.2	
Other non-current receivables	26.5	26.4	26.8	
<b>Working capital</b>	<b>371.3</b>	<b>420.2</b>	<b>455.3</b>	<b>(7.0)</b>
<b>Working capital requirements</b>	<b>234.9</b>	<b>186.1</b>	<b>225.6</b>	<b>0.0</b>
<b>Cash and cash equivalents*</b>	<b>136.4</b>	<b>234.1</b>	<b>229.7</b>	<b>(7.0)</b>
<b>Net financial debt**</b>	<b>(124.0)</b>	<b>(222.4)</b>	<b>(174.7)</b>	<b>50.1</b>

- Increase in non-current assets and financial liabilities (additional €50 million due to the application of IFRS 16)
- Control over working capital requirements
- Cash and cash equivalents and net financial surplus maintained at a high level

\* Item including the current portion of financial liabilities

\*\* The balance equates to a liability where it is positive and a surplus where it is negative

# NET FINANCIAL DEBT/SURPLUS



- Increase in liabilities due to recognition of leases in opening balance sheet (first-time application of IFRS 16)
- Self-financing of the main cash outflows over the half-year (investments, change in working capital requirements and dividends)

# | OVERVIEW OF FINANCIAL POSITION

- **Balanced cash flows (self-financing of main requirements)**
- **Significant impact of IFRS 16 on assets and net financial surplus**
- **Sound balance sheet (high level of cash and cash equivalents)**



# FOCUS ON THE FIRST HALF OF **2019**

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Presentation of 2019 half-year results



# NEW PRODUCTS

## LAUNCHES IN LINE WITH TARGETS



**Animeo Connect**  
for non-residential



**IWC WireFree**  
range

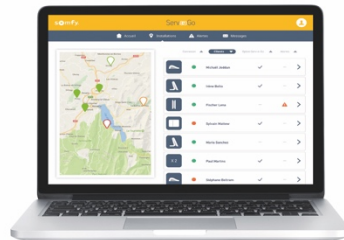


**Home Keeper**  
professional  
alarm

- Increase in rate of new product launches during the first half-year (up more than 20% year-on-year)
- Roll-out of high added value solutions with standout features in the Believe & Act line (Serv-e-go, Animeo Connect, IWC WireFree range)
- Development of new partnerships as part of the So Open strategy

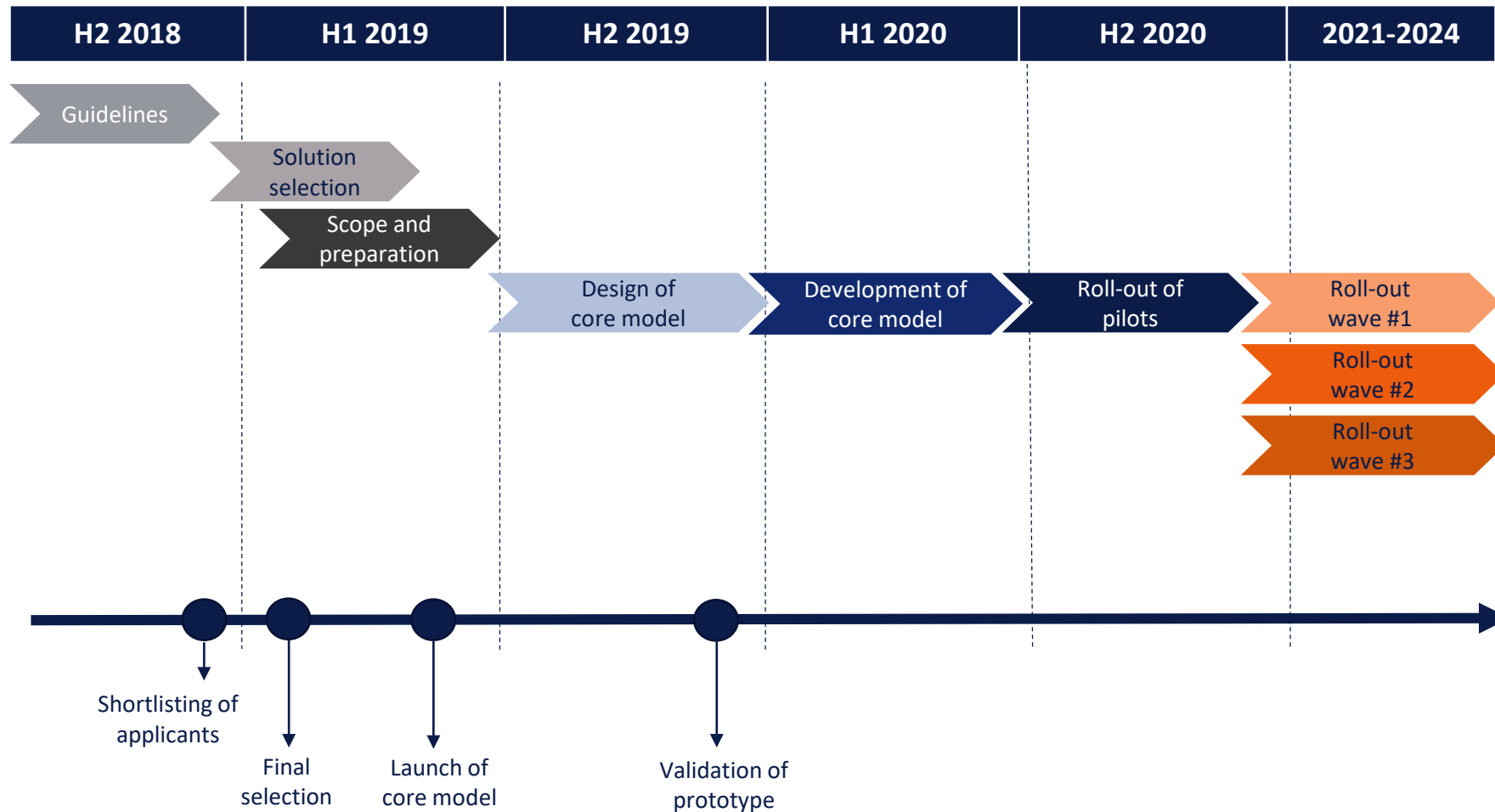


**TaHoma rail-DIN**



**Serv-e-Go**

# IMPLEMENTATION OF A NEW ERP (SAP)



- Group-wide roll-out of a new ERP
- Selection of the SAP solution
- Major investments, notably in human resources (mobilisation of 40 full-time staff in-house)
- Multi-year project (ending in 2024, with initial results in 2021)

A close-up photograph of a person's hand holding a pencil, poised to write on a document. The document features a line graph with data points and several paragraphs of text. The background is softly blurred, showing what appears to be a desk and some office equipment.

# OUTLOOK FOR **2019** FINANCIAL YEAR

Presentation of 2019 half-year results

# | PROJECTIONS FOR THE YEAR

- Sales growth in line with the trend seen over the first six months, with continued mixed performances in the different geographic regions
- Slight improvement in current operating margin rate in comparison with last year
- Consolidation of the financial position, despite the negative impact of the new recognition rule for leases (IFRS 16)