

A blurred office scene with people working at desks and laptops. A woman in the foreground is looking at a laptop. A man in the background is also working. The scene is brightly lit with natural light from a window.

INVESTOR PRESENTATION October 2020

SOMFY[®]

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.

SOMFY OVERVIEW

Investor Presentation 2020

BACKGROUND

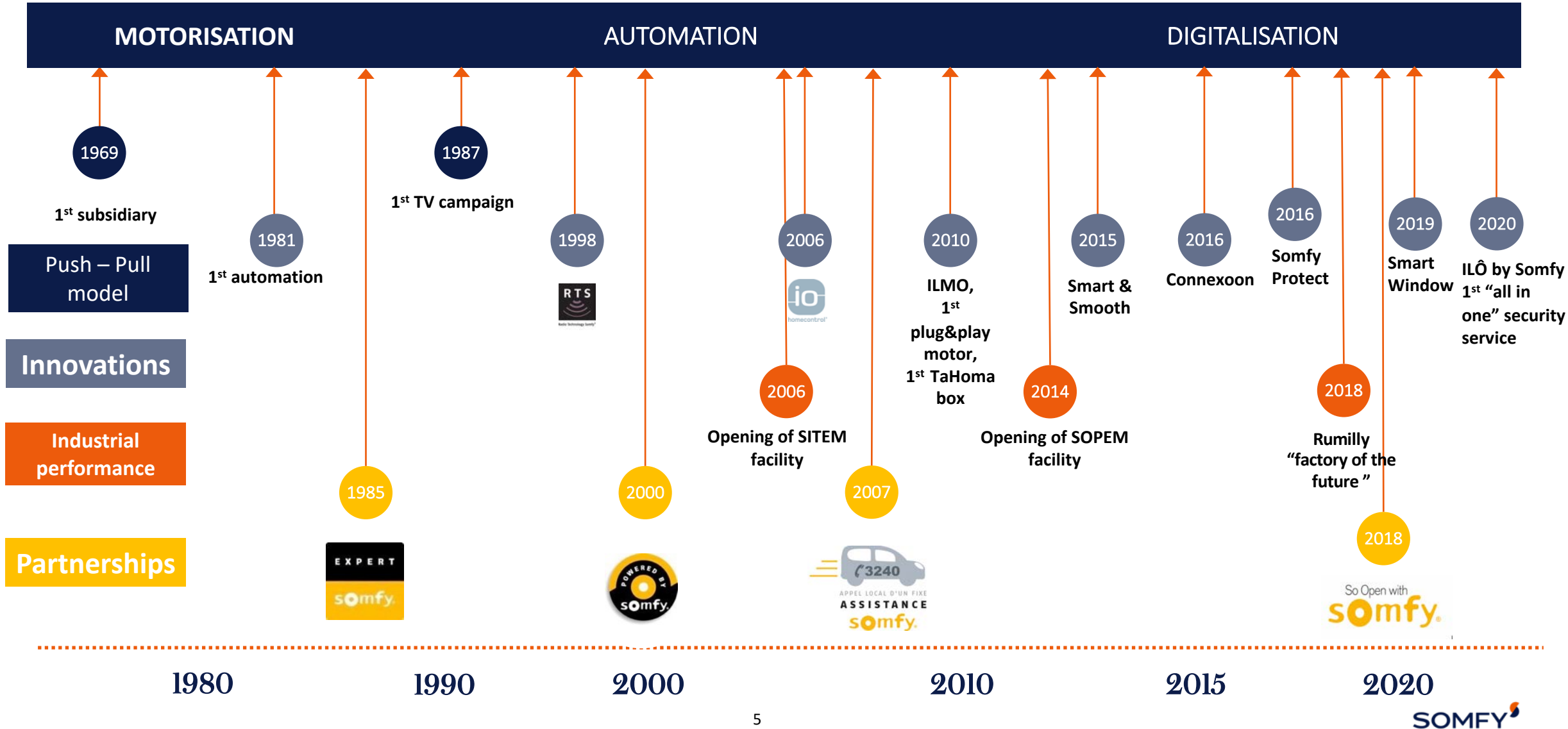
- Growing aspiration of people throughout the world to enjoy safe, healthy and environmentally friendly living spaces
- Confirmation of the importance of comfortable and responsible housing underlined by the pandemic and climate change
- Addressing the need for comfort, security and efficiency (energy, etc.) by developing innovative and connected solutions for residential and commercial buildings
- Commitment to making the solutions as widely accessible as possible thanks to the wide-ranging portfolio of brands and products, and to the breadth and depth of the distribution network



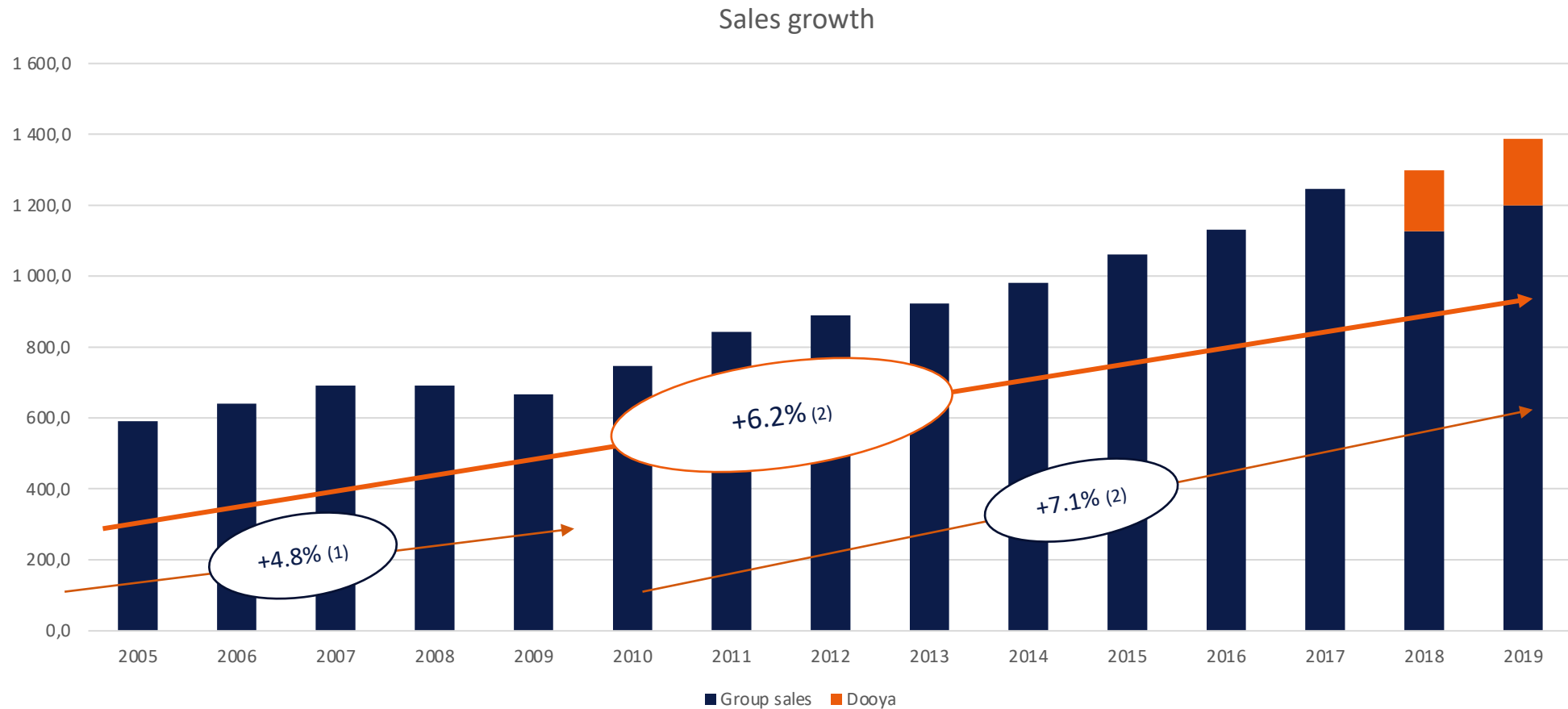
| PROFILE

- **Global leader in opening and closing automation for both residential and commercial buildings** (motors, remote controls, sensors, control panels)
 - Addressing the residential and commercial construction and renovation markets
 - Compatible with all major existing installations, i.e. blinds, shutters, interior solutions (screens, curtains, solar protection, etc.) and access (automatic barriers, gates, doors, etc.)
 - Extension to security systems (alarms, cameras, videophones, etc.)
 - Can be integrated and used in home automation protocols
- **Pioneer in the digitalisation of living spaces and key player in the connected home**

50 YEARS OF INNOVATION AND PARTNERSHIPS



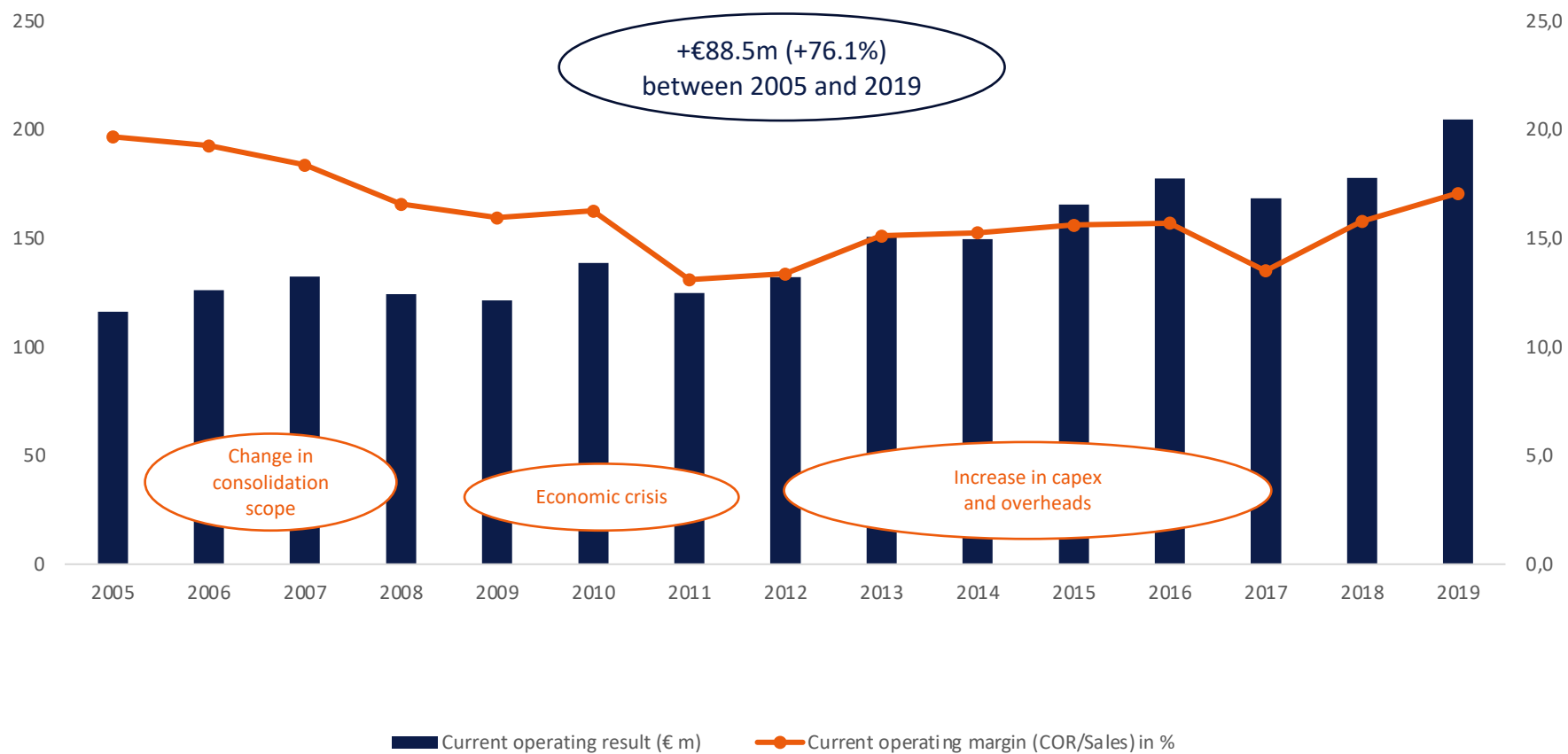
LONG-TERM GROWTH



(1) Average growth over the period
(2) Average proforma growth over the period including
Dooya sales in 2018 & 2019

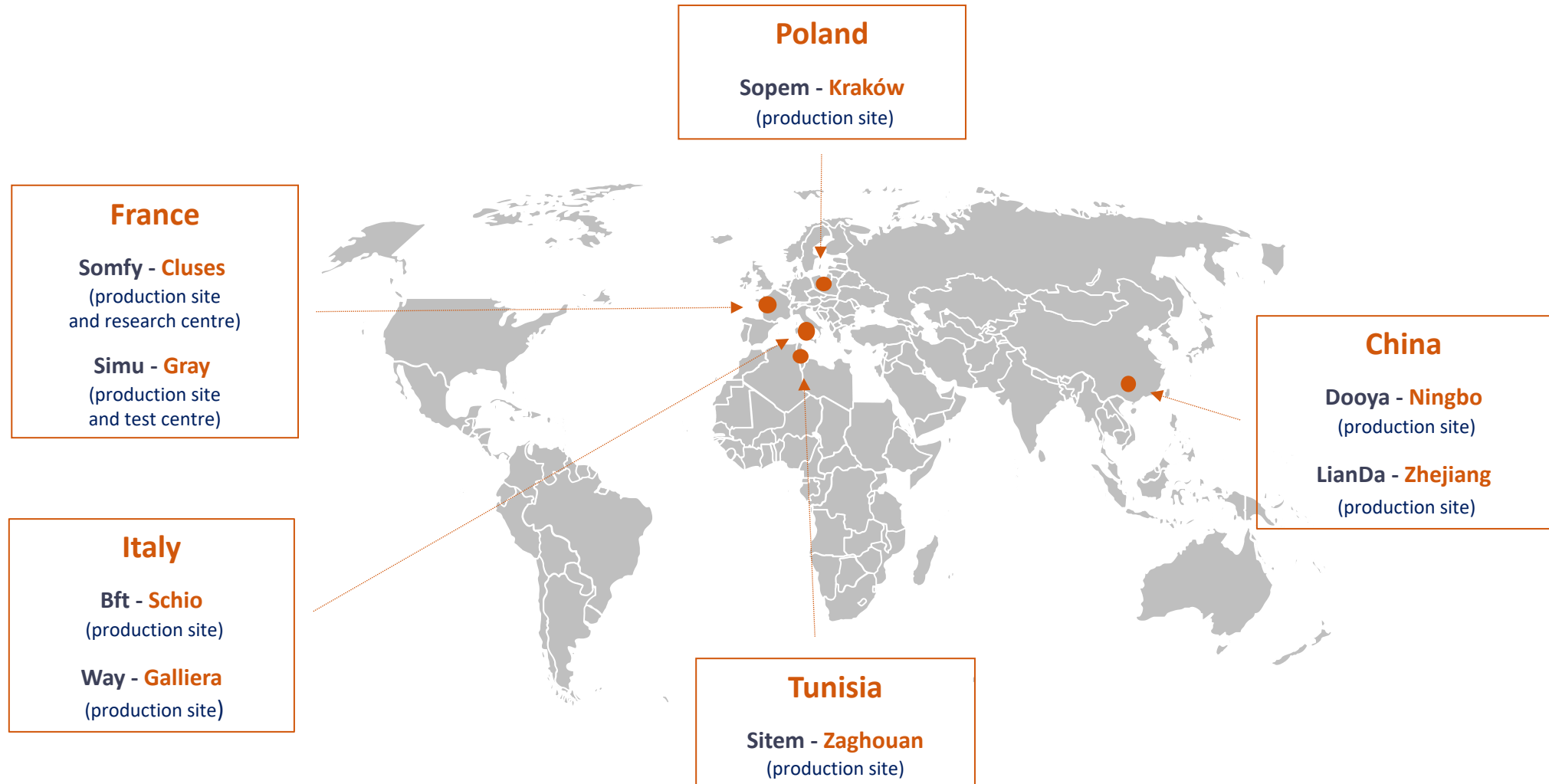
LONG-TERM PROFITABILITY

Change in current operating profit and current operating margin



Dooya not included in 2018 & 2019

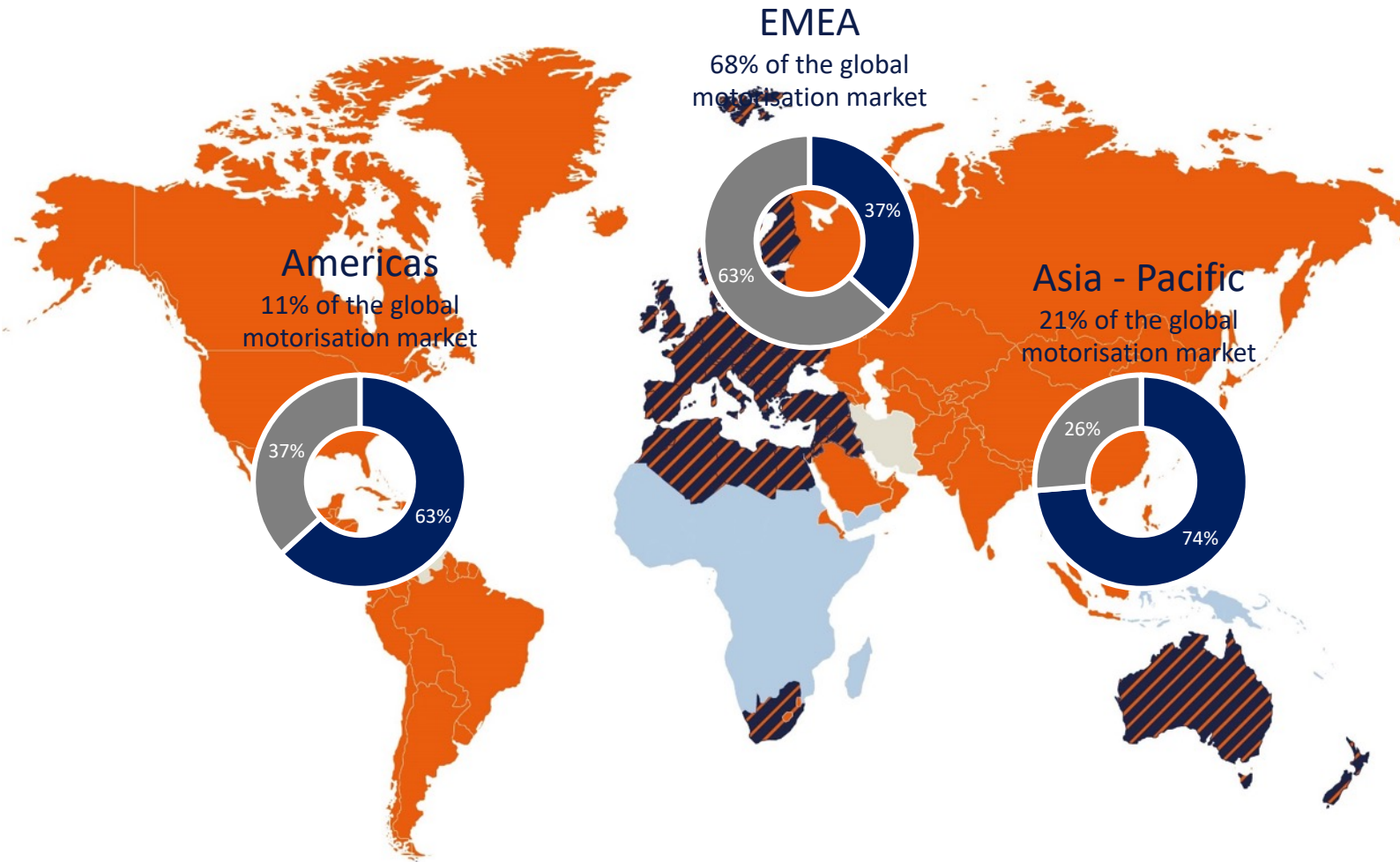
INDUSTRIAL FOOTPRINT



| MARKETS

- Multitude of growth drivers
 - Demand for comfort and security
 - Awareness of climate and energy issues
 - Widespread adoption of motors and automation
 - Increased usage due to the boom in connected objects
 - Growth of new industrialised countries
- Synergies between the various distribution channels
- Diversity of competitor profiles

MARKETS (continued)



New build Renovation

Individual housing

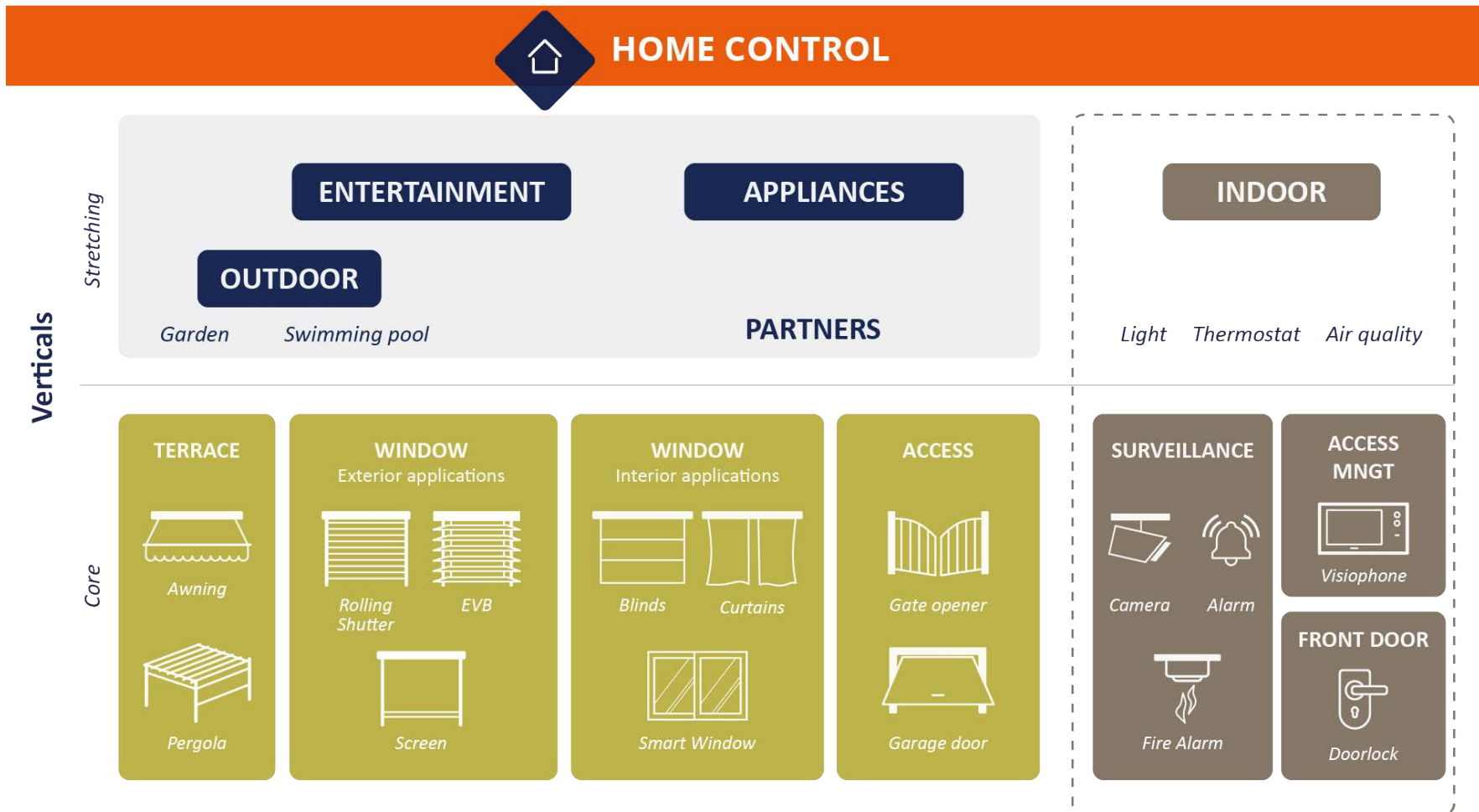
Collective housing

Commercial buildings

Parking

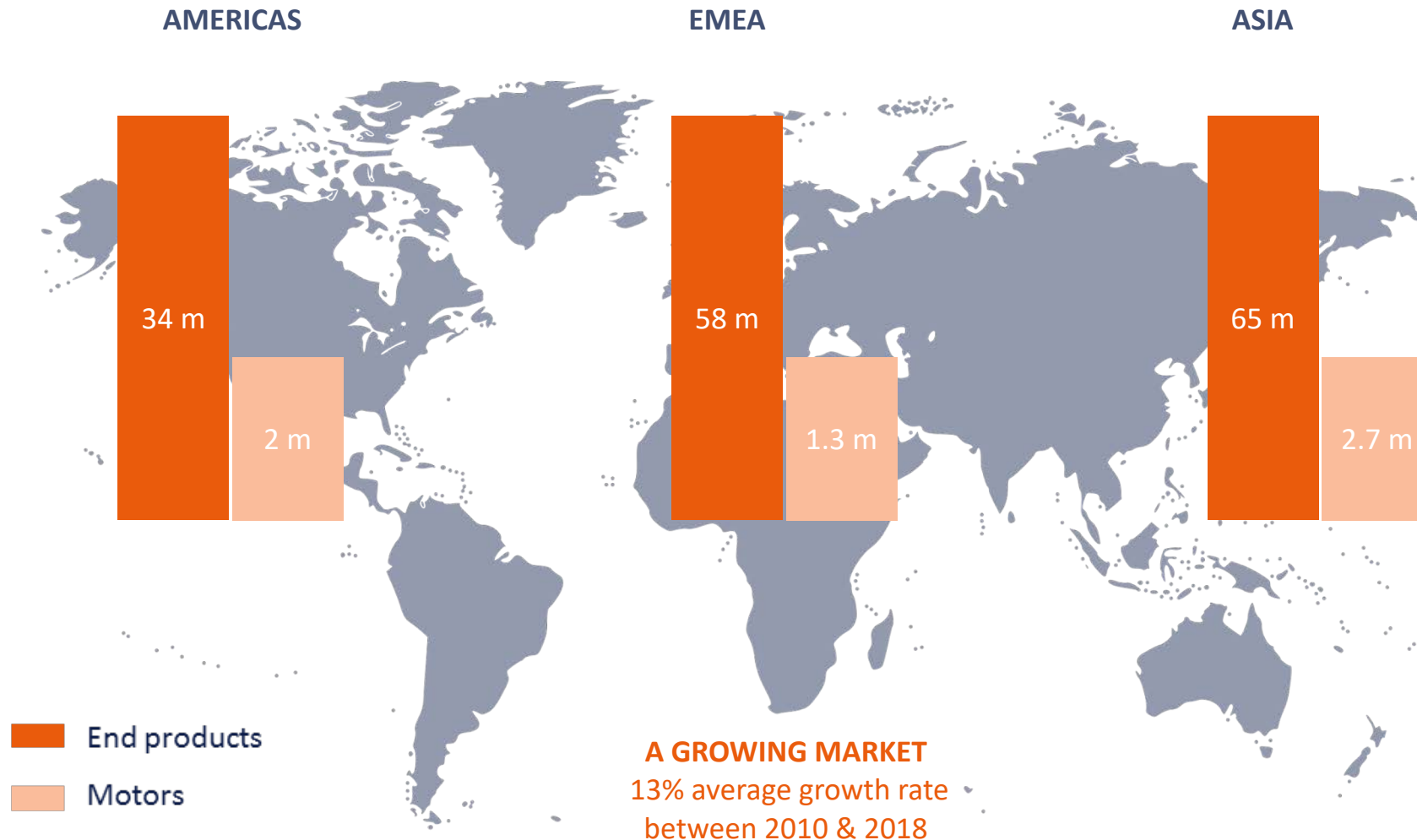
MARKETS (continued)

Fields of activity



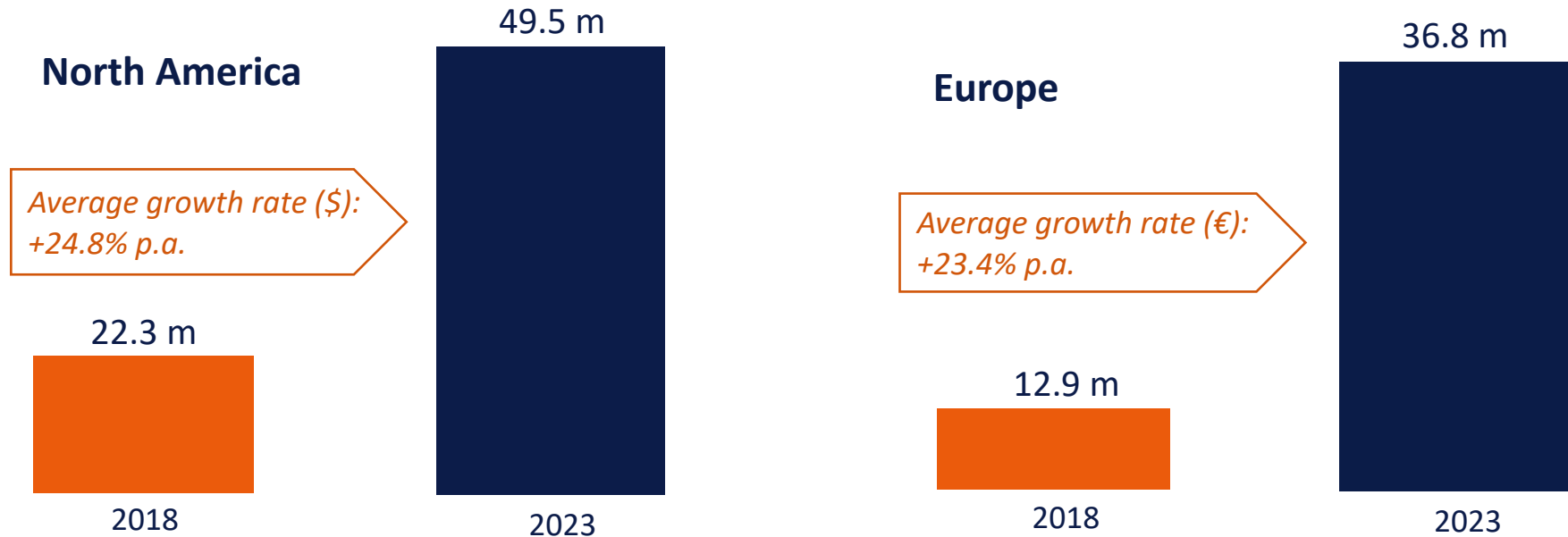
MARKETS (continued)

Potential of the interior motorisation market

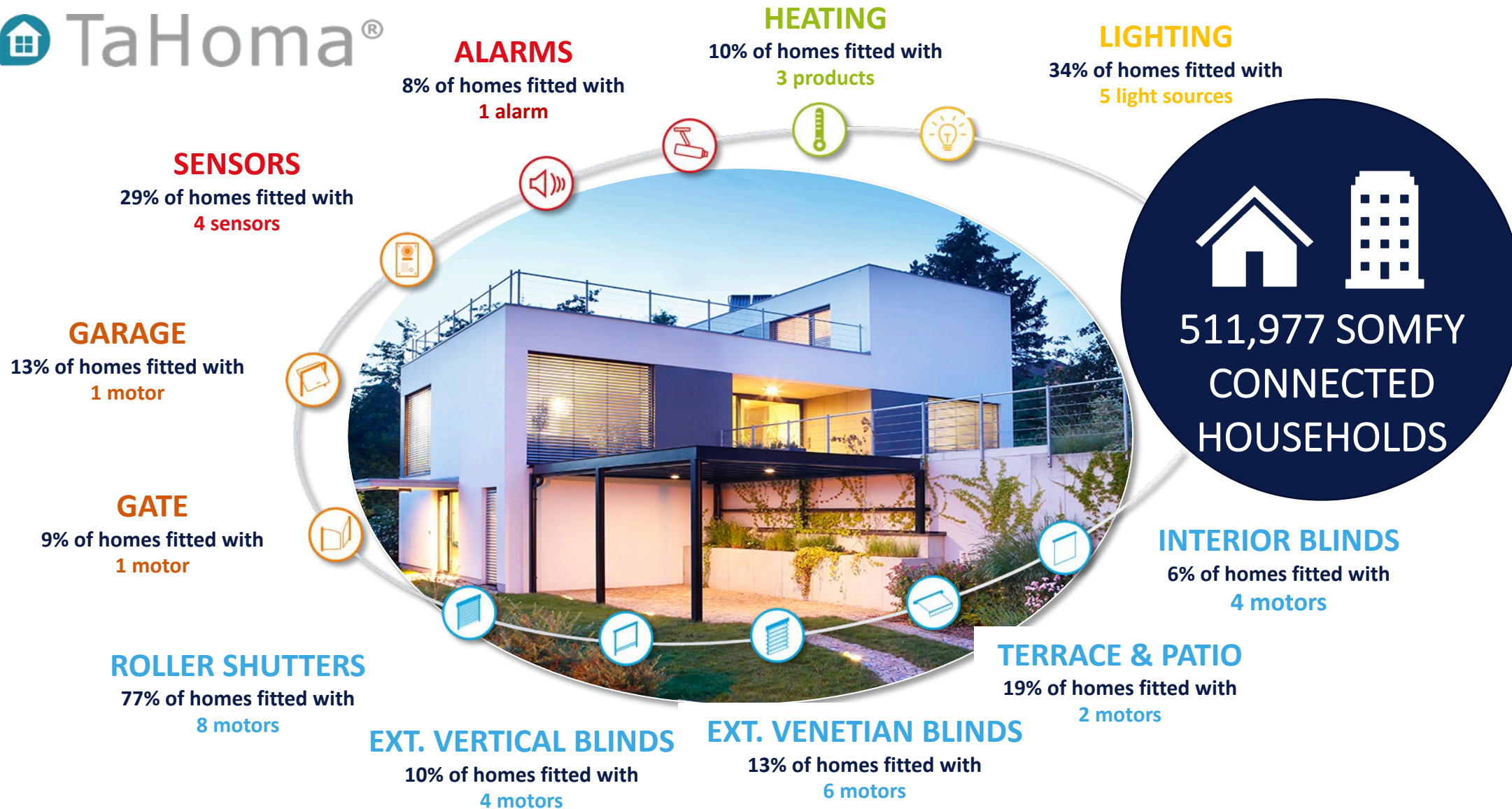


MARKETS (continued)

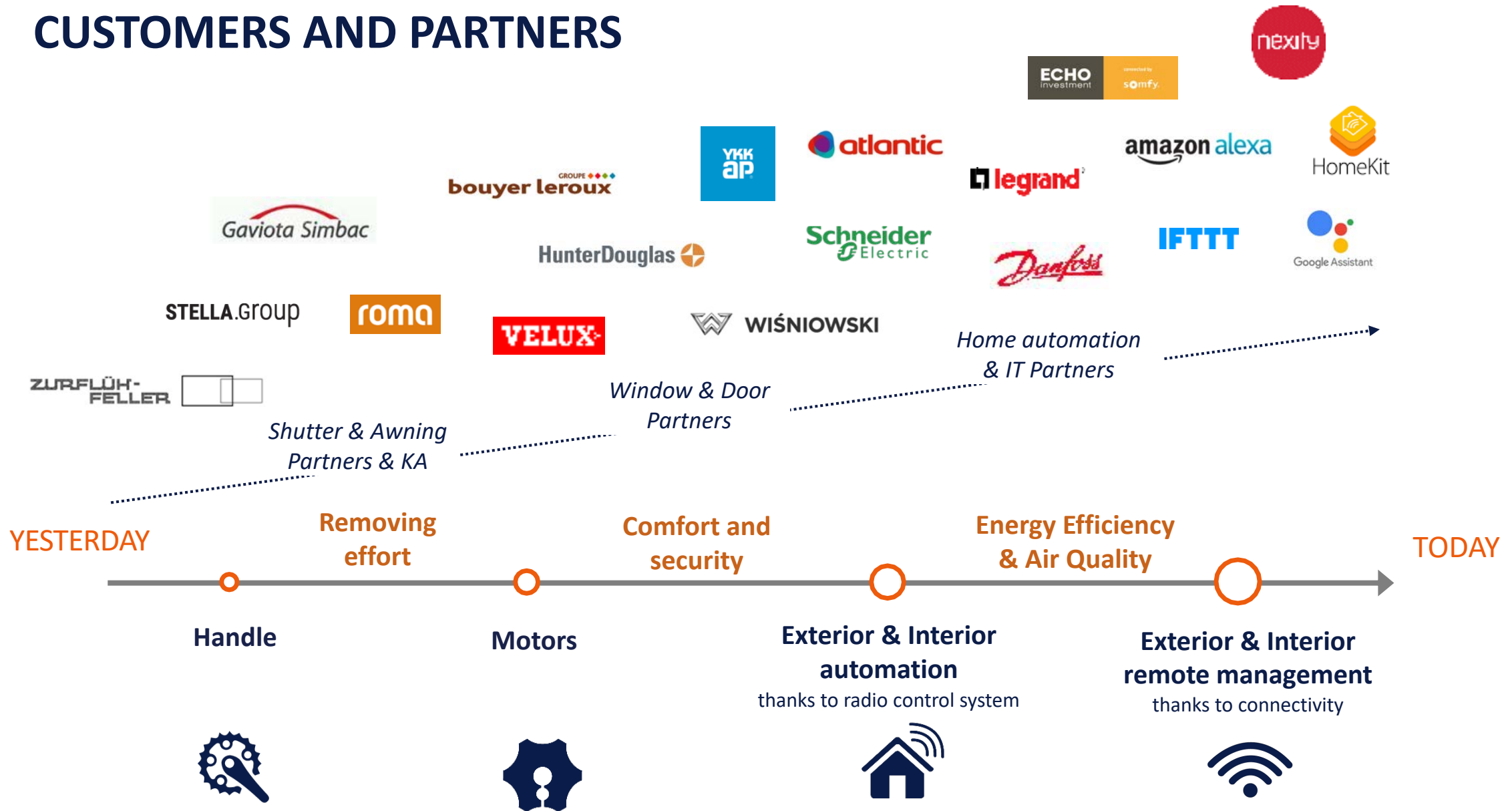
Potential of the home automation (smart home) market



MARKETS (continued)



CUSTOMERS AND PARTNERS





SUSTAINABLE DEVELOPMENT

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| CORE OF THE GROUP'S STRATEGY

4

cornerstones of
sustainable
development



**ENVIRONMENTAL IMPACT
REDUCTION**



**ENGAGEMENT
OF OUR EMPLOYEES**



**BETTER WAYS OF LIVING
FOR SOCIETY**



**CONSUMER
CARE**

ETHICS AND REGULATIONS PERMEATE THESE FOUR CORNERSTONES.

ENVIRONMENTAL IMPACT REDUCTION

GREEN PRODUCTS

Taking action with the eco-design of our products and prioritising materials and components with low greenhouse gas emissions
Adopting the principles of the circular economy

GREEN OPERATIONS

Producing and distributing solutions with a lower environmental impact

GREEN TEAMS

Introducing environmentally friendly practices in the workplace



GREEN BENEFITS

Helping to reduce our collective carbon footprint thanks to solutions and products that help optimise and reduce the energy consumption of residential and commercial buildings

ENVIRONMENTAL IMPACT REDUCTION: 2019 KEY FIGURES

50%

of Somfy products on sale
worldwide at 1 January
2020 were eco-designed

61

Somfy product ranges
are certified
“Act for Green®”,
compared with 17 in 2018

7.2% in 2 years

reduction in CO₂ emissions
related to the electricity
consumption of Somfy
brand motors on standby

88%

of IT equipment was
reused in 2019,
with 12% recycled

BETTER WAYS OF LIVING FOR SOCIETY

Supports charities to help combat poor housing, thanks to two **levers for action** in France and internationally.

PEOPLE

Involving people and adding meaning through **an employee engagement programme - during working hours - in France and internationally.**

Up to 3 days per year and with the option of getting involved in 6 different ways: projects, during holidays, workshops, talents, challenges and volunteering during retirement



FINANCE

- International financial endowment
- Crowdfunding platform in France



650

employees involved in France
and internationally in 2019,
as part of **87 projects**



| BETTER WAYS OF LIVING FOR SOCIETY (continued)



Doubling of donations to support access to decent housing through community crowdfunding

€3,413,603

donated to charities

311

projects supported

14,900

donations

91%

success rate

Through our partners



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.

FOCUS ON 2020 HY RESULTS

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BUSINESS CONTINUITY PLANNING (COVID-19)

Rapid rollout of a set of measures to **deal with the crisis** and **balance the safety** of employees **with business continuity**

Operations

- Implementation of a remote working system
- Temporary suspension of production at certain sites
- Development of a safety protocol (individual and collective measures)

Workforce

- Signing of an agreement between management and the trade union delegations on the taking of paid leave
- Safeguarding of all jobs until the end of June

Finance

- Reduction of the dividend proposed in relation to the 2019 financial year

ROLLOUT OF CHARITABLE INITIATIVES (COVID-19)

Stepping up of initiatives to support local non-profit organisations and regional communities during the crisis

A COMMITTED COMPANY

DONATION OF EQUIPMENT TO HELP
COMBAT THE PANDEMIC

almost **100,000**
masks donated
to various local organisations and
communities

INCREASED SUPPORT FOR THE “LES PETITES
PIERRES” ENDOWMENT FUND

support for **non-profit organisations’
emergency projects** to help the
homeless, victims of social exclusion and
people exposed to additional risks of
abuse or isolation during the lockdown

FONDATION 
SOMFY
MIEUX HABITER ENSEMBLE



HIGHLIGHTS

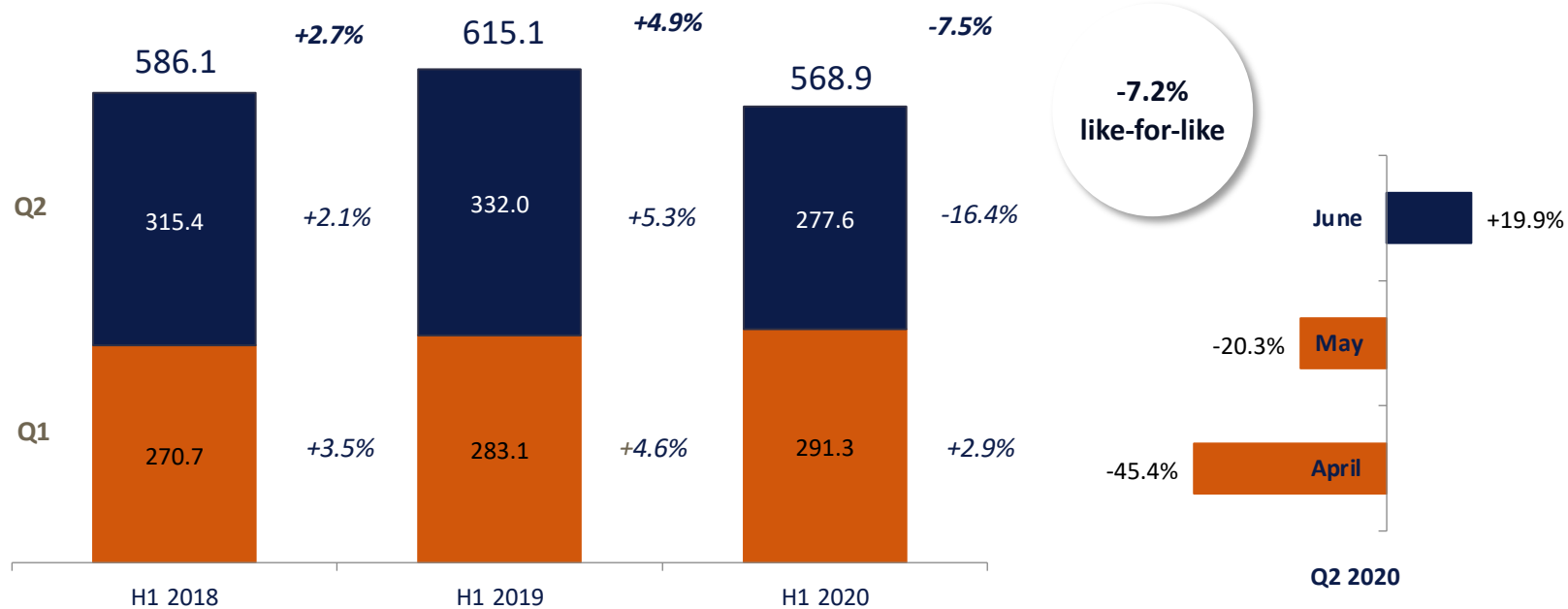
- New structure and new Executive Committee introduced **in early January**
- Abrupt change in environment and reversal of trend **midway through the half-year** due to the health crisis
 - Suspension of operations at several manufacturing sites **in late March** and gradual restart **early April**
 - Massive rollout of remote working **from mid-March to late June** for suitable roles
- Launch in late June of an **integrated remote surveillance and alarm solution** (Ilô by Somfy)

KEY FIGURES

- Sales: €568.9m (-7.5%)
- Current operating margin 18.0% (-70 bps)
- Net profit: €80.9m (-11.3%)
- Cash flow: €117.7m (+0.2%)
- Net financial surplus: €325.6m (+€15.1m compared with 31/12/2019)

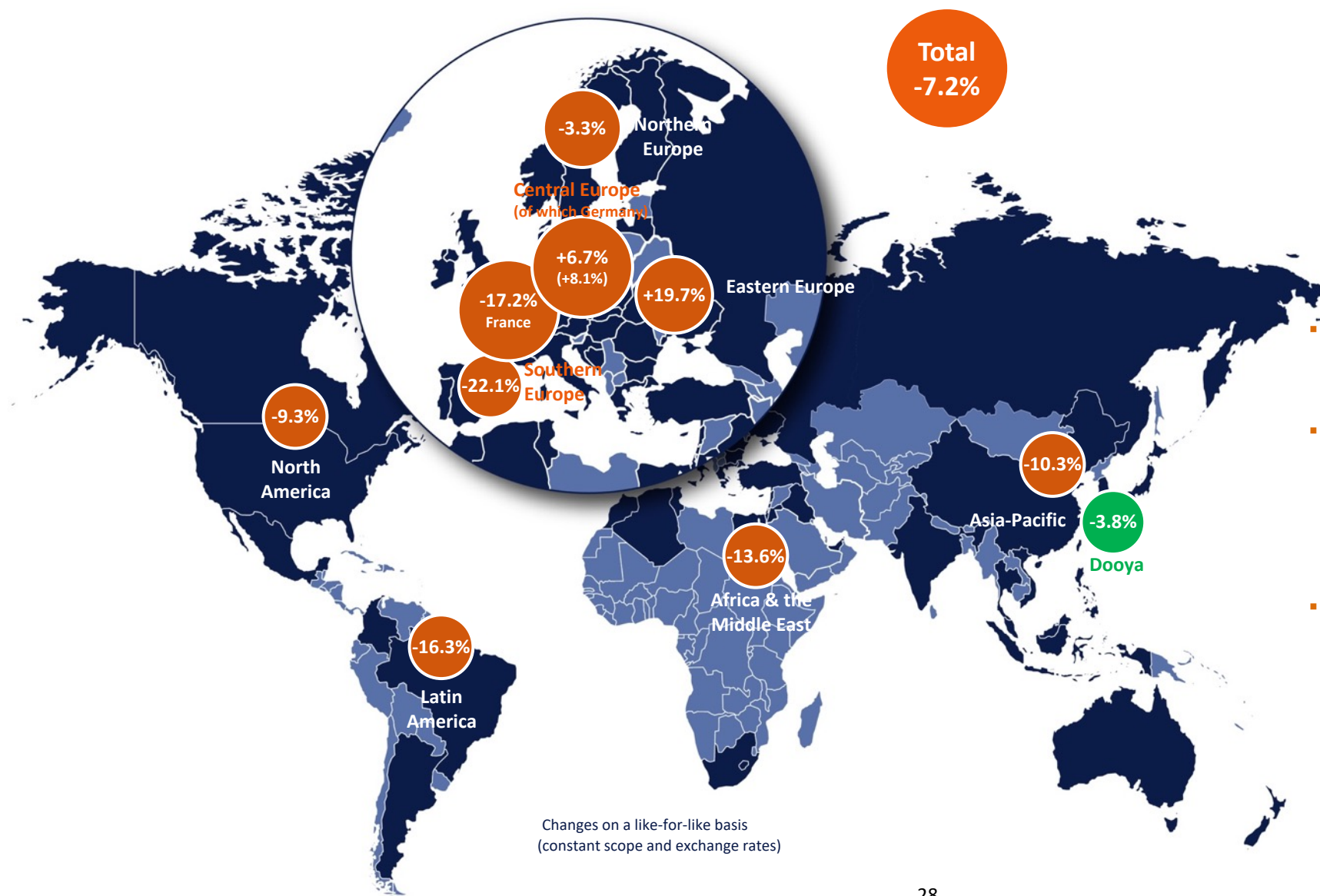
SALES

Data in € millions	30/06/18	30/06/19	30/06/20	Change 2020/19
Sales	586.1	615.1	568.9	-7.5%



- Strong growth in January and February in most markets
- Almost universal downturn in mid-March due to the severity of the health crisis
- Spectacular fall in April, followed by a change of course in May and a significant upturn in June in many countries
- Peak of the crisis at one of the key points of the year (awnings season)

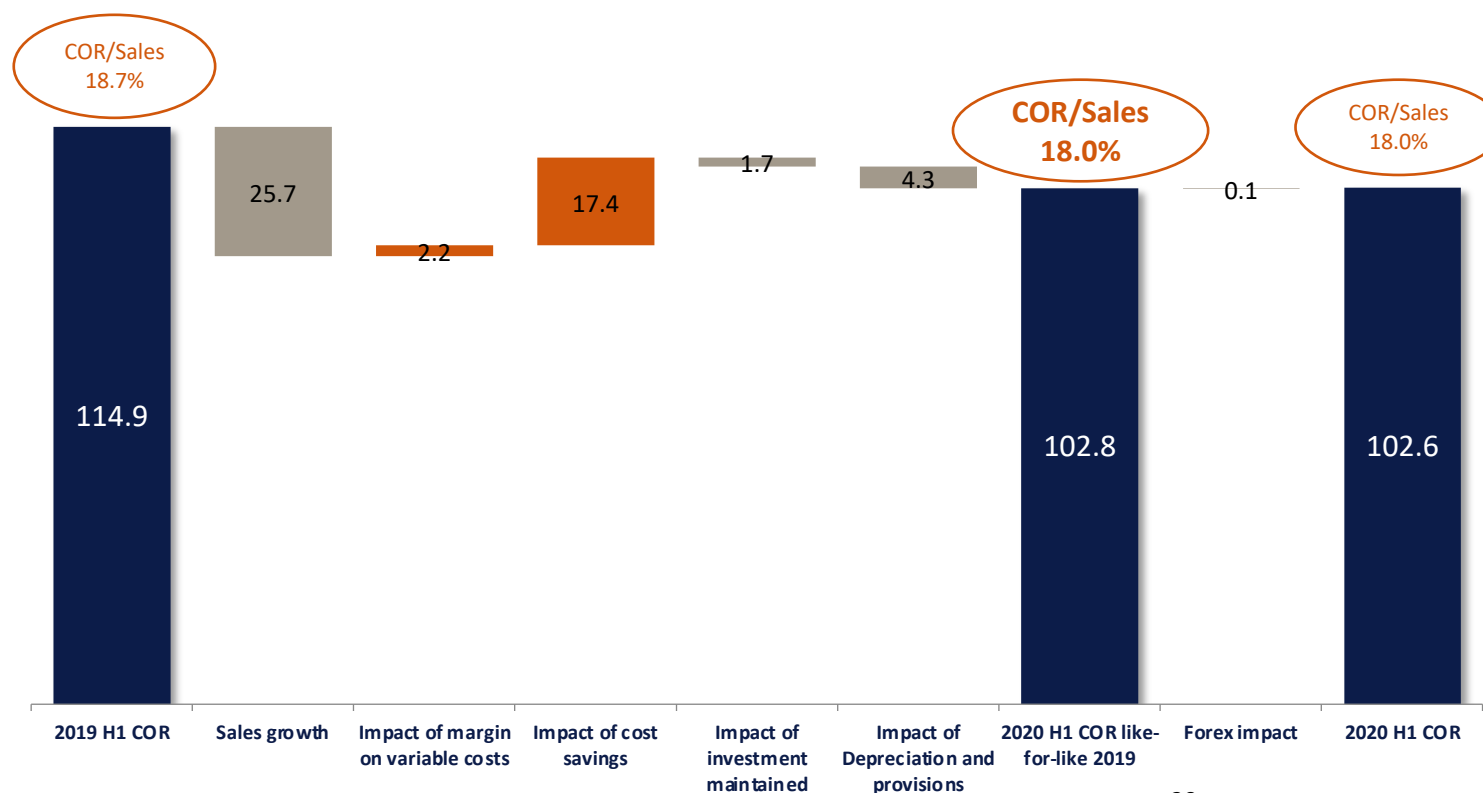
SALES (continued)



- Central and Eastern Europe held up very well
- Fairly marked decline in the other regions, but all returned to growth by the end of the half-year, except Latin America
- Sharp decline of Dooya at the start of the year and subsequent recovery due to the significance of China and Asia

CURRENT OPERATING RESULT

Data in € millions	30/06/19	30/06/20	Change 2020/19
Sales	615.1	568.9	-7.5%
Current operating result	114.9	102.6	-10.7%
Current operating margin (COR/Sales)	18.7%	18.0%	-70 bps



- Decline in current operating result slightly higher than fall in sales
- Implementation of measures in response to the crisis, resulting in a control of salaries and a reduction in commercial costs and overheads
- Current operating margin maintained at a high level (COR/Sales: 18.0%)

CONDENSED INCOME STATEMENT

Data in € millions	30/06/19	30/06/20	Change 2020/19
Sales	615.1	568.9	-7.5%
Current operating result	114.9	102.6	-10.7%
Non-recurring operating items	(0.7)	(0.8)	N/S
Net financial expense	(1.9)	(4.0)	-109.0%
Income tax	(22.5)	(18.3)	-18.6%
Share of net profit from associates	1.3	1.4	N/S
Consolidated net profit	91.2	80.9	-11.3%

- Expected but contained decline in current operating result
- Limited impact of non-recurring and financial operating items
- Knock-on decrease in income tax
- Decline, albeit limited, in net profit

UPDATE ON DOOYA

Data in € millions	30/06/19	30/06/20	Change 2020/19
Sales*	89.2	84.9	-4.8%
First quarter	43.0	35.1	-18.2%
Second quarter	46.2	49.8	+7.7%

Data in € millions	30/06/19	30/06/20	Change 2020/19
Sales*	89.2	84.9	-4.8%
EBITDA	7.4	7.9	+6.3%
EBITDA/Sales	8.3%	9.3%	+100 bps
Net profit	1.9	2.0	+6.0%

* Including €87.4 million with customers outside the Group as of 30 June 2019 and €83.2 million as of 30 June 2020

- Slight fall in sales, thanks to a sharp upturn in the second quarter, after a severe decline in the first quarter due to the progression of the health crisis in China and Asia
- The main expense items were contained as a result of the actions taken in recent months, leading to a slight increase in EBITDA and net profit

| OVERVIEW OF RESULTS

- Resilience of sales
- Limited decline in net profit
- Profitability maintained at a high level
- Further illustration of the soundness of the business model

CONDENSED CASH FLOW STATEMENT

Data in € millions	30/06/19	30/06/20
Cash flow	117.4	117.7
Change in working capital requirements	(39.1)	(28.6)
Other cash flows	1.1	0.9
Net cash flow from operating activities	79.4	90.0
Net cash flow from investing activities	(24.0)	(23.1)
Net cash flow from financing and equity activities	(55.9)	(8.8)
Impact of changes in exchange rates	1.4	(2.4)
Net change in cash and cash equivalents	0.9	55.8

- **Stable cash flow, maintained at a high level**
- **Limited increase in working capital requirements compared to the end of last year, due in particular to the release of customer deliveries**
- **Investment maintained at its normative level**
- **One-off deferral of dividend payment to July (€43 million)**
- **Positive cash generation**

CONDENSED BALANCE SHEET


Data in € millions	30/06/19	31/12/19	30/06/20
Equity	939.6	1,012.8	1,044.4
Long-term borrowings	54.8	45.0	49.2
Provisions and retirement commitments	38.2	39.1	40.8
Other non-current liabilities	16.3	17.5	17.6
Permanent capital	1,048.8	1,114.5	1,152.0
Goodwill	95.4	95.6	94.5
Net non-current assets	337.0	340.7	337.7
Investments in associates and joint ventures	134.2	136.5	137.0
Other non-current receivables	26.8	26.0	23.6
Working capital	455.3	515.6	559.2
Working capital requirements	225.6	159.8	184.1
Cash and cash equivalents*	229.7	355.8	375.2
Net financial debt	(174.7)	(310.5)	(325.6)

- **Financial ratios preserved**
- **Decrease in working capital requirements compared to last year, due to the effects of the crisis (destocking and lower invoicing)**
- **Stability of net financial surplus (net of liability corresponding to dividends payable)**

* Item includes the current portion of financial liabilities

OVERVIEW OF FINANCIAL POSITION

- Major financial ratios preserved
- Stable net financial surplus
- Availability of authorised credit facilities (€184 million)

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FOCUS ON 2020 Q3 SALES

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SALES

Data in € millions	Q3/20	Δ like-for-like	30/9/20	Δ like-for-like
Central Europe	73.7	+14.0%	200.6	+9.3%
Northern Europe	44.4	+32.0%	114.8	+7.8%
North America	32.6	+27.2%	82.0	+2.8%
Latin America	5.1	+11.9%	13.3	-7.0%
Total North & West	155.7	+21.3%	410.6	+6.9%
France	100.4	+26.7%	248.4	-3.8%
Southern Europe	37.4	+34.5%	88.1	-5.1%
Africa & the Middle East	18.7	+27.1%	45.4	+0.1%
Eastern Europe	38.1	+34.5%	97.2	+25.1%
Asia-Pacific	18.0	-0.2%	47.5	-6.7%
Total South & East	212.6	+26.4%	526.6	+0.4%
Total	368.3	+24.2%	937.2	+3.1%

- **Continuation, with unexpected intensity and strength, of the recovery seen at the end of the first half-year**
- **Continued improvement throughout July, August and September**
- **Particularly strong growth in Eastern and Northern Europe, as well as Southern Europe, North America and France, some of the regions hardest hit at the peak of the pandemic**

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2030 AMBITION VISION

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STRATEGIC FRAMEWORK

2030 AMBITION

THE PREFERRED PARTNER FOR WINDOW AND DOOR AUTOMATION

1

Forward-looking in Smart Living

- Supporting the transformation of the building industry
- Safeguarding market share while anticipating changing demands
- Pursuing the policy of developing partnerships to build a strong ecosystem
- Creating homes that combine comfort, well-being and safety with a responsible approach

3

Delivering performance

- Drafting a new roadmap to capture opportunities
- Strengthening the Somfy brand portfolio and image
- Placing operational excellence at the heart of the strategy
- Reducing the environmental footprint for greater corporate responsibility

2

Rising value to customers

- Putting customers at the centre of the organisation
- Accelerating the digitalisation of core business products
- Developing high value added services
- Anticipating and satisfying customers' new habits

4

Inspiring & Engaging

- Focusing on a single vision "One Somfy, One Team" and a collective commitment
- Supporting the development of in-house talents and offering stimulating careers and career development opportunities
- Fostering inclusion through diverse recruitment
- Making teams performance drivers



| BUSINESS LINE – A NEW SEGMENTATION TO MANAGE THE PRODUCT RANGES



Core business

Strengthen leadership in the core business.

Innovate, develop brands, digitalise ranges and strengthen partnerships to deliver an increasingly diverse and high-performance offering to customers.

Exterior Applications*
Interior Applications*
EMEA residential access

* Including patios, controls and sensors



Accelerators

Optimise the value proposition and business performance.

Capture opportunities and anticipate risks.

Smart windows
Doorlock
Security (Europe)
Urban Road Systems & Parking Management
Smart Home + Overkiz
Building controls
Services



Add-ons

Develop alternative revenue streams.

Gain market share and adopt a positioning that promotes the new vision.

Air quality (Thermostat)
Lighting management
Swinging shutters
Industrial and commercial closing systems
Window opener (Mingardi)
Projection screens

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OUTLOOK FOR THE **2020** FINANCIAL YEAR

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OUTLOOK FOR THE YEAR

- Improved confidence in the Group's fundamentals and the Ambition 2030 transformation project, notably as a result of the lessons learnt from the pandemic (further demonstration of the importance of the digitalisation of homes and commercial buildings, as they are vehicles for comfort and energy performance)
- Continuation over the third quarter of the recovery seen at the end of the first half-year, with unexpected intensity and strength
- Outlook for the full financial year of sales growth ranging between 3% and 4% on a like-for-like basis and a recovery in current operating margin of approximately 18%, under the combined effect of sales growth and exceptional and one-off cost savings, related to the measures implemented at the start of the pandemic