



28 AUGUST
2014

Financial information meeting

Presentation of 2014 half-year results



Somfy Group
Pierre Ribeiro

HY1 2014 Key figures

Sales

€509.6 M

**Pro forma
change**

+ 9.1%

€87.8 M

**Current operating
result**

Cash flow

€82.2 M

HY1 2014 Highlights



- > Sustained growth of Somfy Activities
- > Significant increase in current operating result
- > Sharply negative impact of exceptional items
- > Study of the proposed demerger of the two operating divisions
- > Proposed disposal of equity investment in CIAT

HY1 2014 Figures Results

Condensed income statement

Consolidated data (€ millions)	HY1 2013*	HY1 2014	2014 / 2013 change
Sales	467.0	509.6	+ 9.1%
Current operating result	77.9	87.8	+ 12.7%
Non-recurring operating items	- 0.8	- 17.1	
Financial items	- 1.0	- 0.4	
Income tax	- 16.8	-19.3	
Share of profit/loss of equity-accounted companies	0.0	- 0.5	
Net profit of operations held for sale or distribution	2.9	4.4	+ 49.2%
Consolidated net profit	62.3	54.8	- 12.0%
Cash flow of continuing operations	79.8	82.2	+ 3.0%

* Financial statements restated for the allocation of the acquisition price of Giga and the application of IFRS 5



Increase in current operating result particularly due to sales growth
Decline in net profit due to substantial non-recurring charges (goodwill impairment)

HY1 2014 Figures

Financial position

Condensed cash flow statement

Consolidated data (€ millions)	HY1 2013*	FY 2013*	HY1 2014
Net cash flow from operating activities	50.8	144.9	47.8
Net cash flow used in investing activities	- 27.7	- 52.7	- 23.1
Net cash flow used in financing activities	- 27.9	- 30.8	- 41.6
Impact of exchange rate movements	- 1.1	- 3.5	1.3
Net change in cash and cash equivalents of continuing operations	- 5.9	57.8	- 15.6
Net change in cash and cash equivalents of operations held for sale or distribution	2.3	2.4	5.3
Net change in cash and cash equivalents	- 3.6	60.2	- 10.3

* Financial statements restated for the allocation of the acquisition price of Giga, the corrections to the opening balance sheet of Garen Automação and the application of IFRS 5

 **Increase in cash flow**
Stabilisation of investments and controlled working capital requirements

HY1 2014 Figures

Financial position

Condensed balance sheet

Consolidated data (€ millions)	HY1 2013*	FY 2013*	HY1 2014
Shareholders' equity	875.6	929.8	961.5
Other non-current items	67.0	70.0	57.3
Net financial debt**	- 21.1	- 94.2	- 10.3
Financial items excluded from net financial debt	- 0.5	- 0.5	- 0.5
Non-current assets, net	769.9	803.3	614.2
Working capital requirements	151.1	101.9	133.4
Net assets held for sale or distribution	-	-	260.3

Breakdown of net financial debt

Consolidated data (€ millions)	HY1 2013*	FY 2013*	HY1 2014
Net financial debt before bonds receivable**	50.3	- 20.8	- 10.3
Bonds receivable (unlisted)***	- 71.4	- 73.4	0.0
Net financial debt	- 21.1	- 94.2	- 10.3

* Financial statements restated for the allocation of the acquisition price of Giga and the corrections to the opening balance sheet of Garen Automação

** (-) Net financial surplus

*** Pursuant to IFRS 5, the subordinated bond issued by CIAT and the convertible bond issued by Sofilab 4, both subscribed to by Somfy SA, have been reclassified as "Assets held for sale or distribution".



Somfy Activities

Jean-Philippe Demaël

HY1 2014 Key figures

Sales

€509.6 M

€88.4 M

**Current operating
result**

**Pro forma
change**

+ 9.1%

€83.9 M

Cash flow

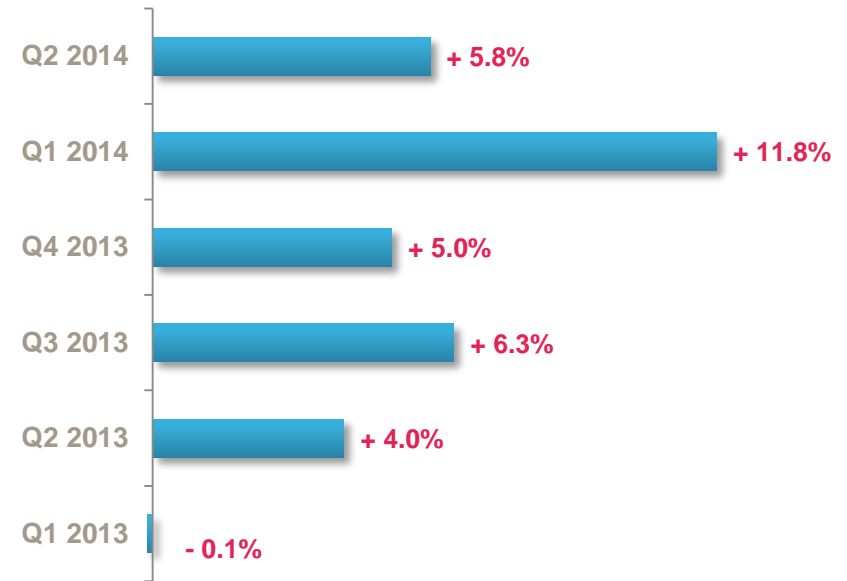
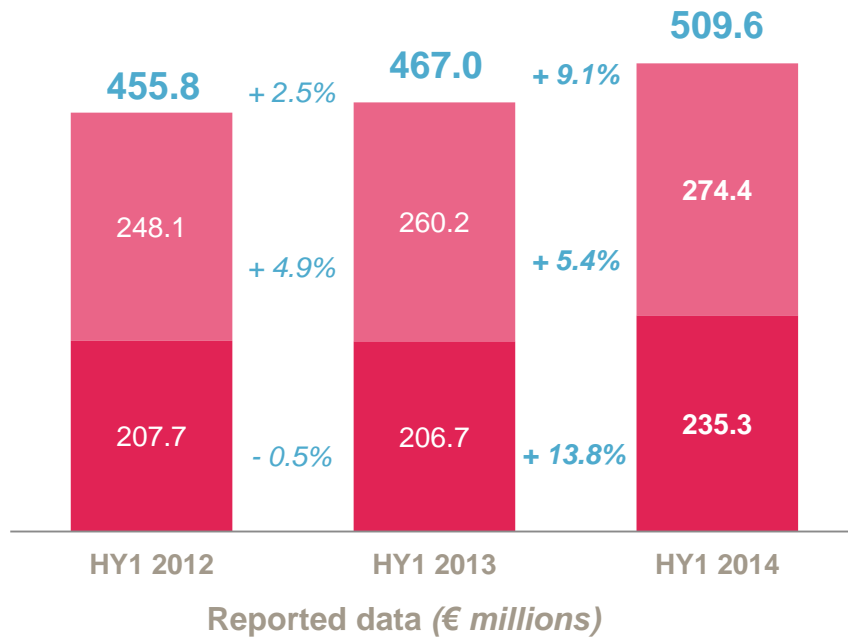
HY1 2014 Highlights



- > Recovery of areas affected by the economic crisis in Europe
- > Good season for blinds
- > Decline in the French construction market
- > Manufacturing capacity strengthened with the opening of two new factories (SOPEM and Dooya)
- > Unfavourable exchange rates

HY1 2014 Figures

Sales growth



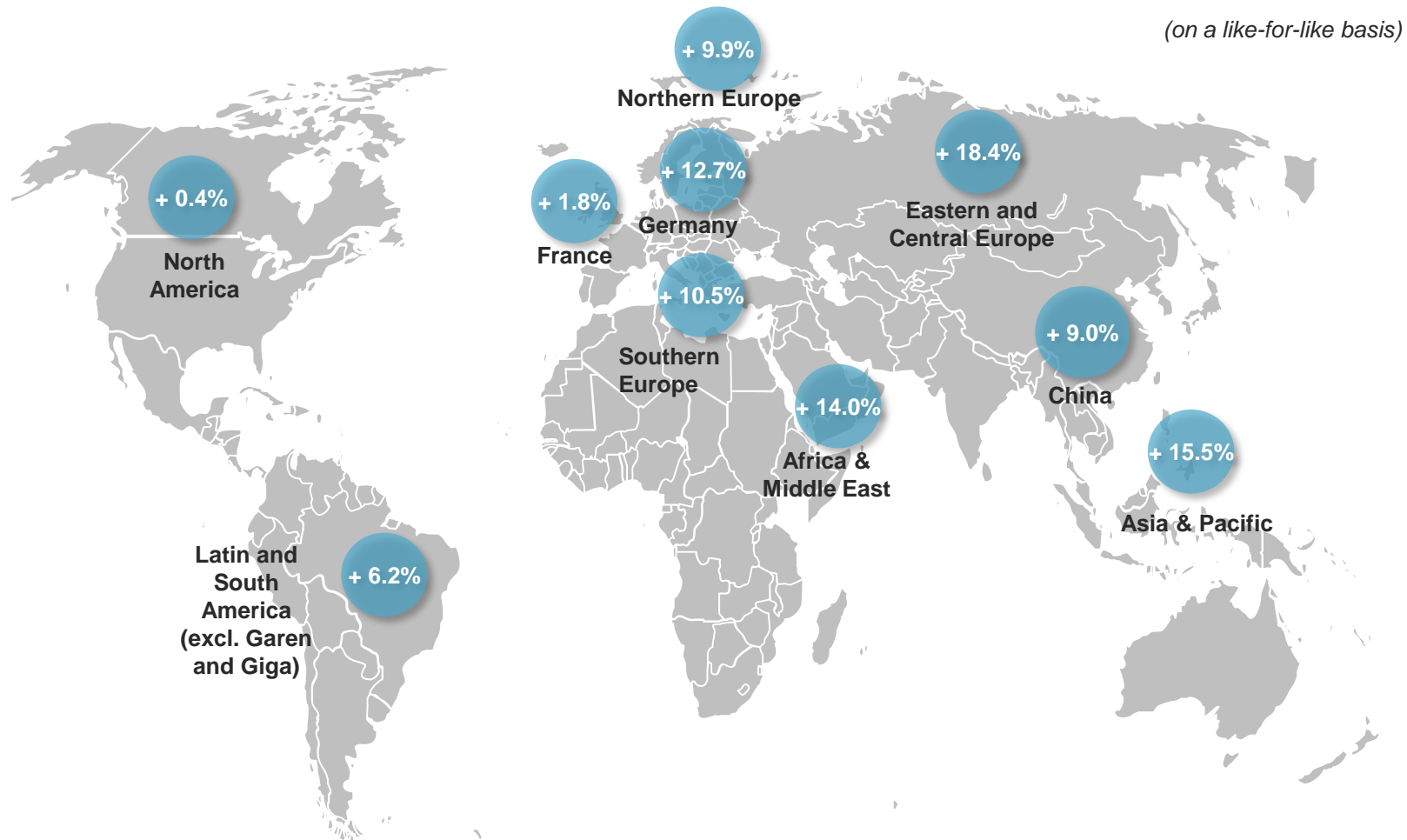
Sales growth over the last six quarters
on a like-for-like basis



Good first half
Slight slowdown in the second quarter

HY1 2014 Figures

Sales distribution and growth by geographic region

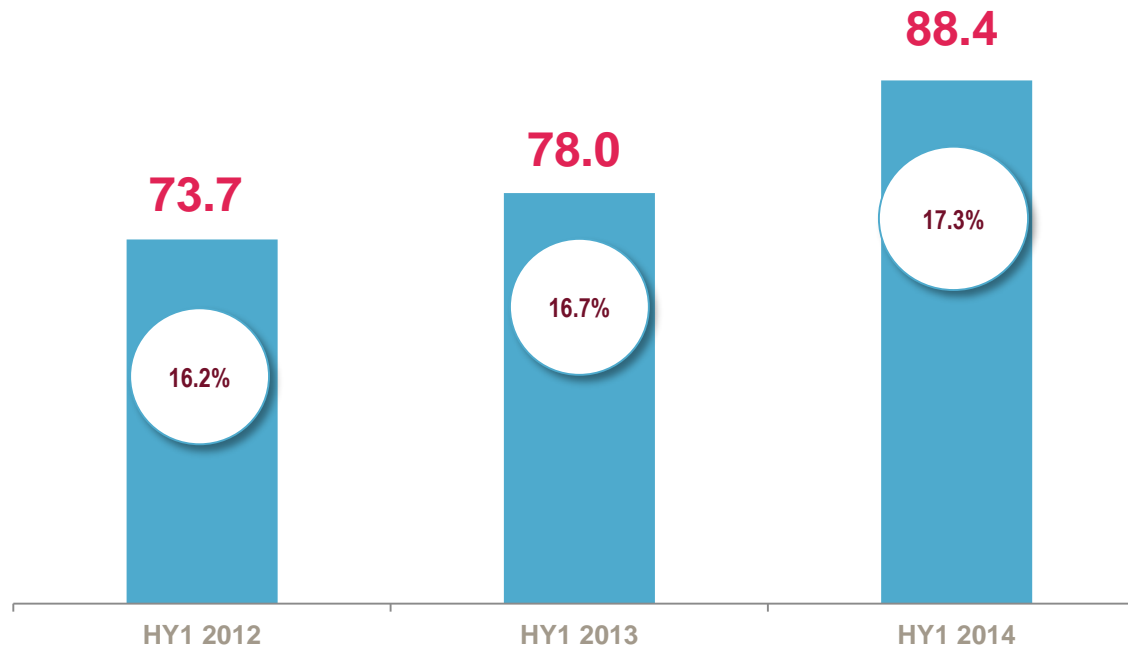


Substantial growth in most geographic regions
A more challenging French market

HY1 2014 Figures

Current operating result

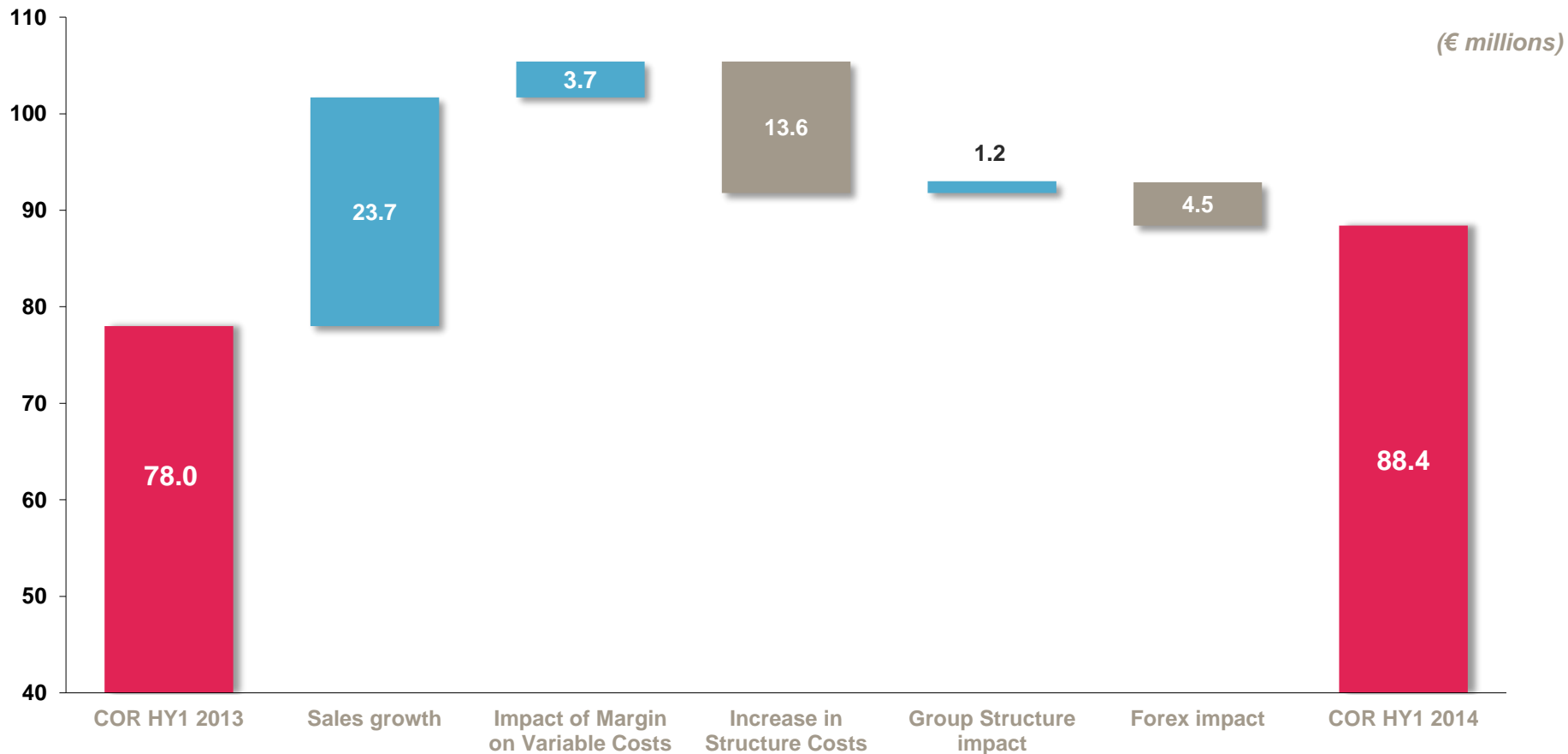
(€ millions)



Significant increase in COR

HY1 2014 Figures

Breakdown of current operating result



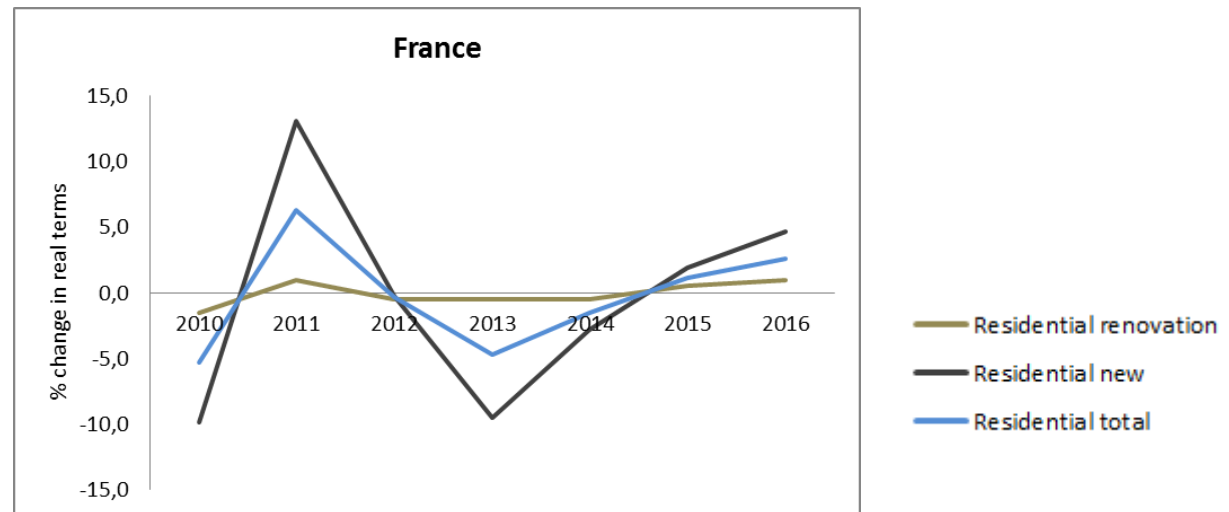
COR benefited from the sales growth and good control of structure costs.

A stagnant construction market in Europe*

European market

	2010	2011	2012	2013	2014	2015	2016
New build	- 6.60%	+ 3.20%	- 6.20%	- 3.50%	+ 1.30%	+ 3.90%	+ 4.30%
Renovation	+ 1.40%	+ 1.00%	- 2.80%	- 0.60%	+ 1.50%	+ 1.00%	+ 1.10%

French market



* Euroconstruct data

Focus on the Access business

> A strong growth driver with buoyant markets:

- > Door and Gate Europe: ≈ €900 M (+ 2% / year)
- > Door and Gate BRIC: ≈ €300 M (+ 8% / year)

> In which the Group has acquired major positions as Europe's co-leader (including via acquisitions):

> Europe:

> Two global brands:



> Stake in a global brand:



> Three local brands:

automatismos



> Brazil:



A strategic market for
Somfy Group

Focus on the Access business



- > A natural market evolution from “Door and Gate” to Access: **extension into security**
 - > Interoperable protocols
 - > Consumers’ desire to acquire **true security solutions**
 - > Security encompasses three fields: surveillance cameras, access control and anti-intrusion systems.
- > Branching out into security allows **brands to expand**:
 - > **In Europe:** **Somfy** and **BFT** through their channels
 - > **In Brazil:** with security professionals via **Giga** and **Garen**

Focus on the Access business



- > Significant contribution to growth between 2010 and 2013:
 - > Sales growth of nearly 20% since 2010
 - > 2013 Access sales: €201.3 M
 - > €120.5 M in HY1 2014
- > Goodwill impairment has been recognised, without calling the strategy into question:
 - > **BFT**: impact of the market decline since 2011 in France, Italy and Portugal and weaker performance of distributors acquired
 - > **Garen / Giga**: impact of the Brazilian macro-economic environment (1.2% GDP growth forecast)



Our plan: strengthen our multi-solution / multi-brand / multi-channel positioning

Startup of the Polish plant in the first half: SOPEM



- > Cluses and SITEM sites saturated
- > Need for additional capacity
- > Proximity to rapidly growing markets
- > Competitiveness balance maintained between our various manufacturing sites



Need to increase the number of manufacturing sites and get closer to buoyant markets

Startup of the Dooya plant in the first half



- > Improved quality
- > Improved operational efficiency
- > Additional R&D and technology resources
- > A strong base to serve the Chinese market

HY2 2014 Outlook

Consolidate our leadership in our traditional markets through investment in innovation

Lower visibility on the evolution of our various markets

Less favourable base effect in the second half

Preparing the future by adapting to the current economic situation



Somfy Participations

Wilfrid Le Naour

HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
CIAT	126.5	+ 2.6%	5.9	- 16.5%	+ 5.7

(*) if negative: reduction in NFD

- > Growth in France (up 10.5%)
- > Success in the roof top market (up 55%)
- > Gross margin under pressure



HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
FAAC	143.9	+ 16.6%	23.4	+ 13.9%	- 4.2

(*) if negative: reduction in NFD

> Integration of Rossi (Brazil)



HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
Gaviota	35.9	+ 12.3%	5.5	+ 50.3%	- 3.0

(*) if negative: reduction in NFD

> Iberian Peninsula: up 24%



HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
Pellenc	58.7	+ 28.0%	- 1.6	+ 36.0%	+ 11.9

(*) if negative: reduction in NFD

- > Great success for the new range of grape harvesters
- > Manufacturing under pressure



HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
Sirem	11.5	+ 0.5%	1.1	+ 84.5%	- 1.7

(*) if negative: reduction in NFD

- > Improved operations
- > Aquafitness segment sales behind schedule



HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
Sofilab 4	9.8	+ 1.8%	nc	nc	nc

(*) if negative: reduction in NFD

- > A difficult French market
- > Good increase in exports



HY1 2014 – Portfolio results

Change in Sales - EBITDA – Net Financial Debt – Highlights

(€ M)	HY1 Sales	% sales Δ 14/13	EBITDA	EBITDA Δ 14/13	NFD Δ (*)
Zurflüh- Feller	30.1	+ 0.1%	7.5	- 1.6%	- 7.4

(*) if negative: reduction in NFD

- > Weakness in the French market (down 3.4%)
- > Dynamic exports (up 32.6%)
- > Repayment of senior debt



Financial transactions

Lacroix Emballages

- > Food packaging
- > Approx. €6 M - 5.9% of share capital
- > Minority investment family succession and development



UMV - Usines Métallurgiques de Vallorbe (post-balance sheet)

- > 68.4% of share capital
- > Value of investment: approx. €12 M
- > Development and value





- > Firm offer from UTC
- > Conditions precedent:
 - > Communication and consultation of employee representatives
 - > Submission to competition authorities
- > Possible completion before November 2014

HY2 2014 Outlook

No significant change in economic situation for our businesses

Excluding CIAT, no disposal planned for 2014

Continued prospection, build-up and new projects

Pellenc question

**Preparing the
proposed
Group
demerger**

Proposed Group demerger

Project: Splitting Somfy Activities and Somfy Participations

Objective: Providing both divisions with greater visibility

Considered scope: Current portfolio of Somfy Participations excluding FAAC and CIAT plus cash funding to support its development

Planned creation and floatation of a new entity in Luxembourg

Next steps:

October: Review of the Independent Expert's report by the Supervisory Board and determination of contribution values

November: General Meeting to rule on the exceptional distribution

A structuring
project for both
divisions



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