

SOMFY

Presentation of 2015 annual results

10 MARCH 2016



Jean Guillaume Despature



Introduction



Growth in real terms

8.1%

Sales

€1,061.1 m

Current operating result

€165.6 m

Net cash position

€1.2 m





SOMFY[®]

Pierre Ribeiro



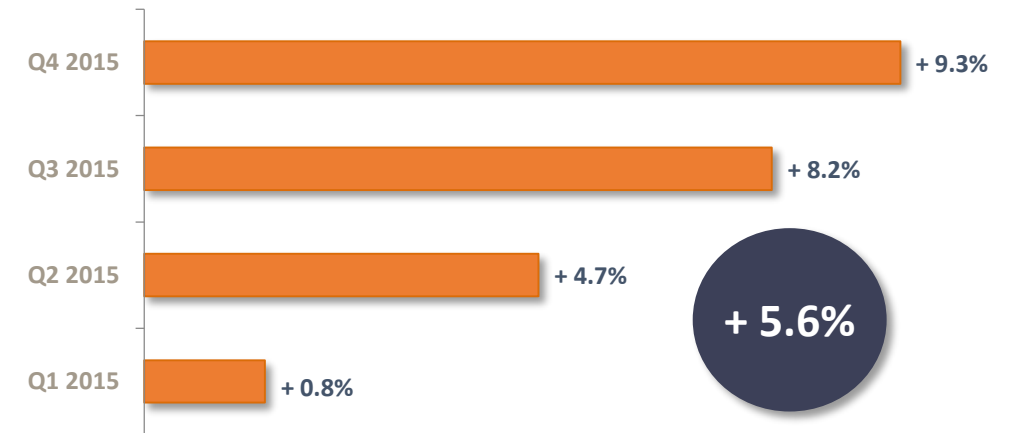
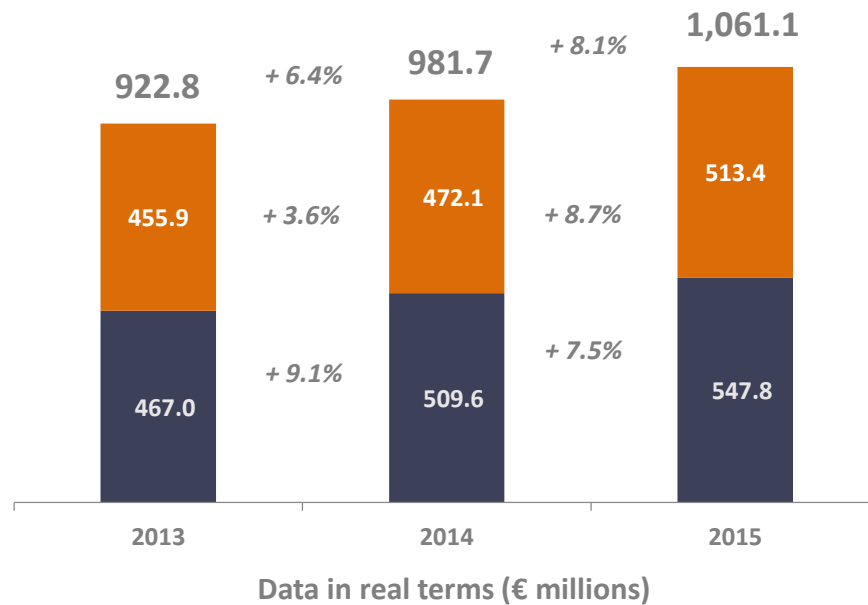
Financial Results

Highlights

-  Disposal of the CIAT equity investment
-  Exit of Faac (restructuring of shareholding structure and of Somfy's share capital)
-  Deconsolidation of Garen Automação following return of the usufruct
-  Reclassification of the equity investment in Giga under assets available for sale

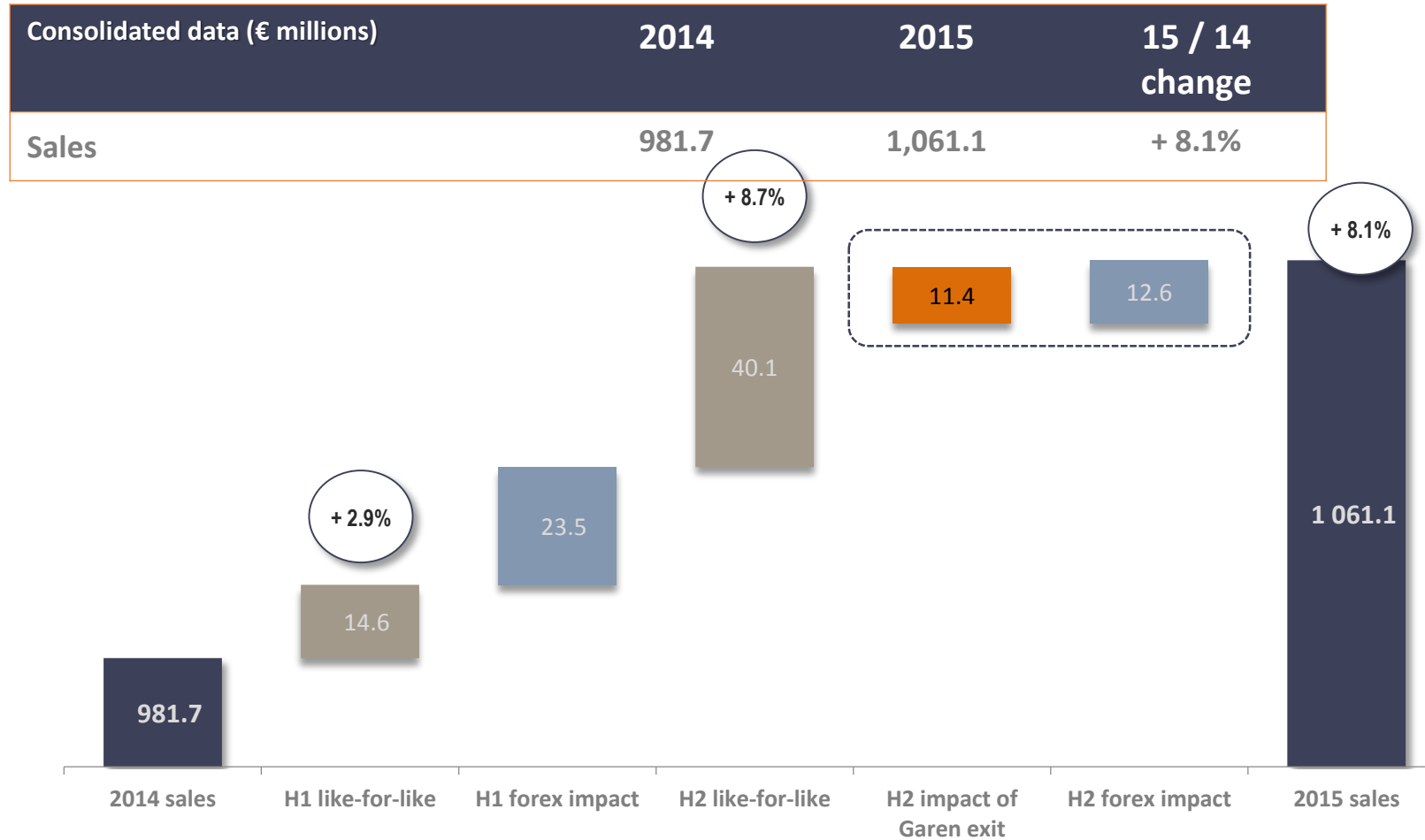
Sales

Consolidated data (€ millions)	2014	2015	15 / 14 change
Sales	981.7	1,061.1	8.1%



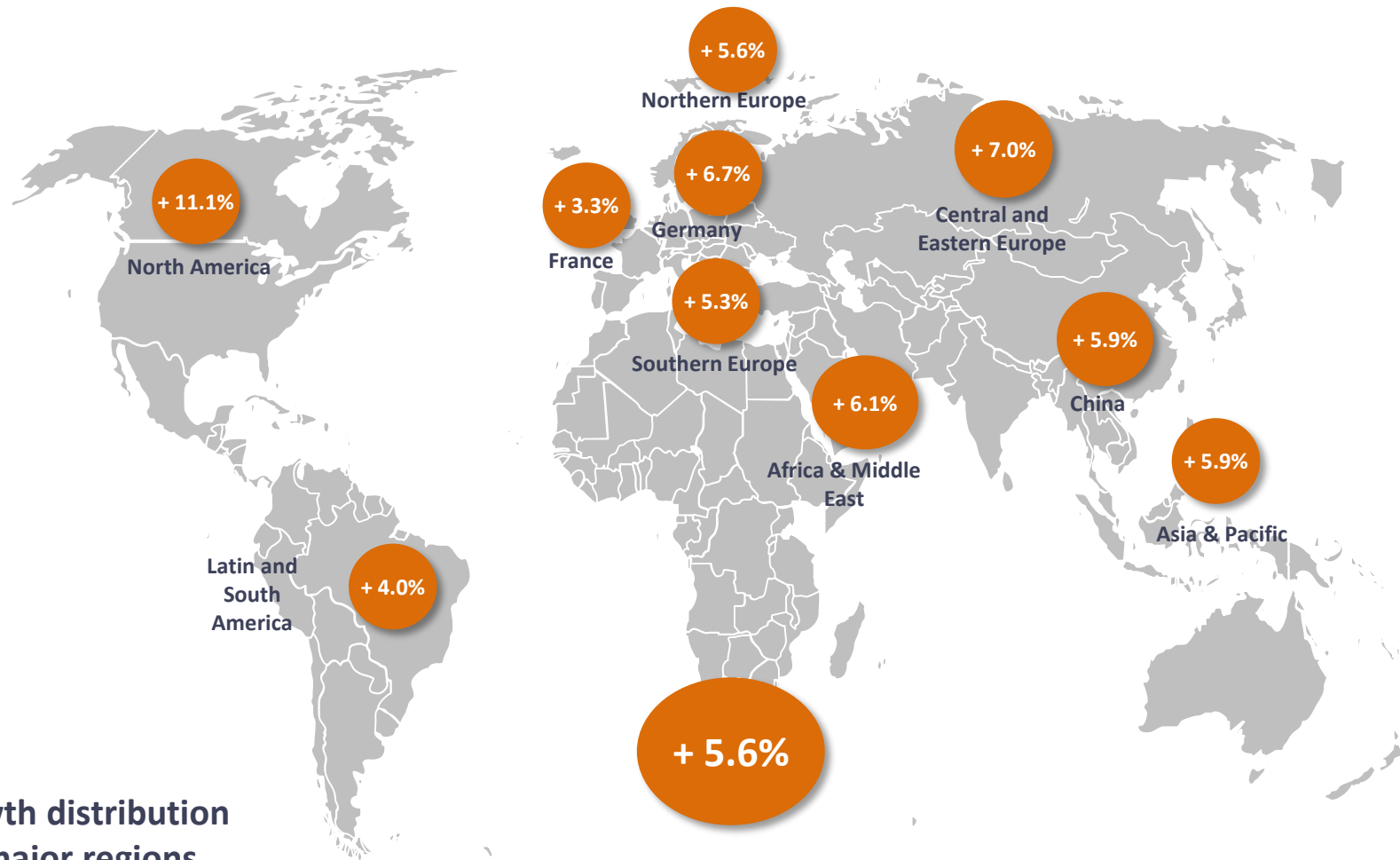
Acceleration over the last quarters due to the base effect

Sales



Sales distribution by geographic region*

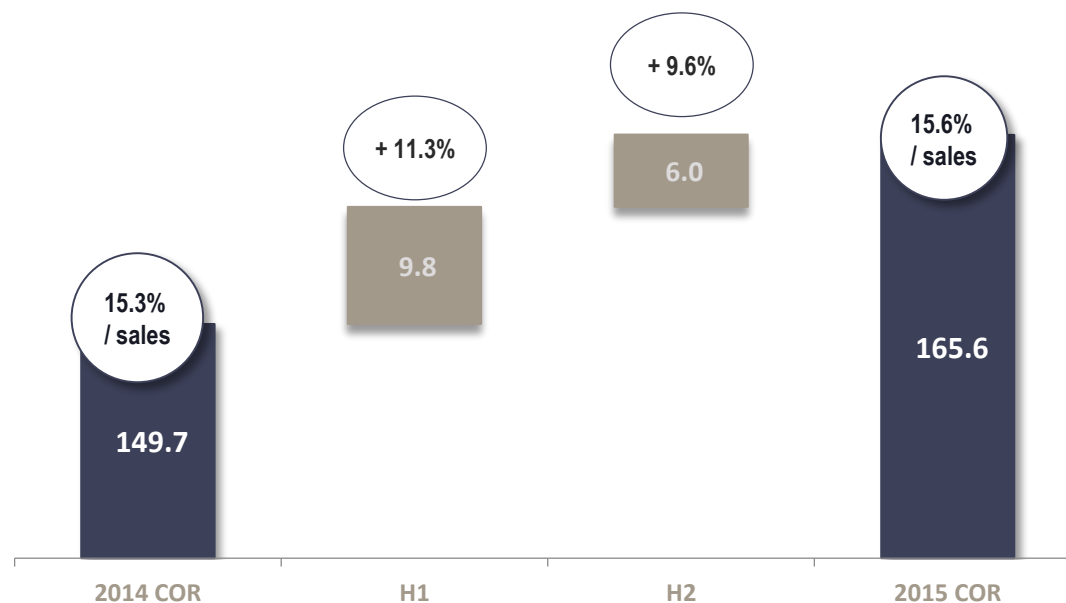
* On a like-for-like basis



Balanced growth distribution
between the major regions

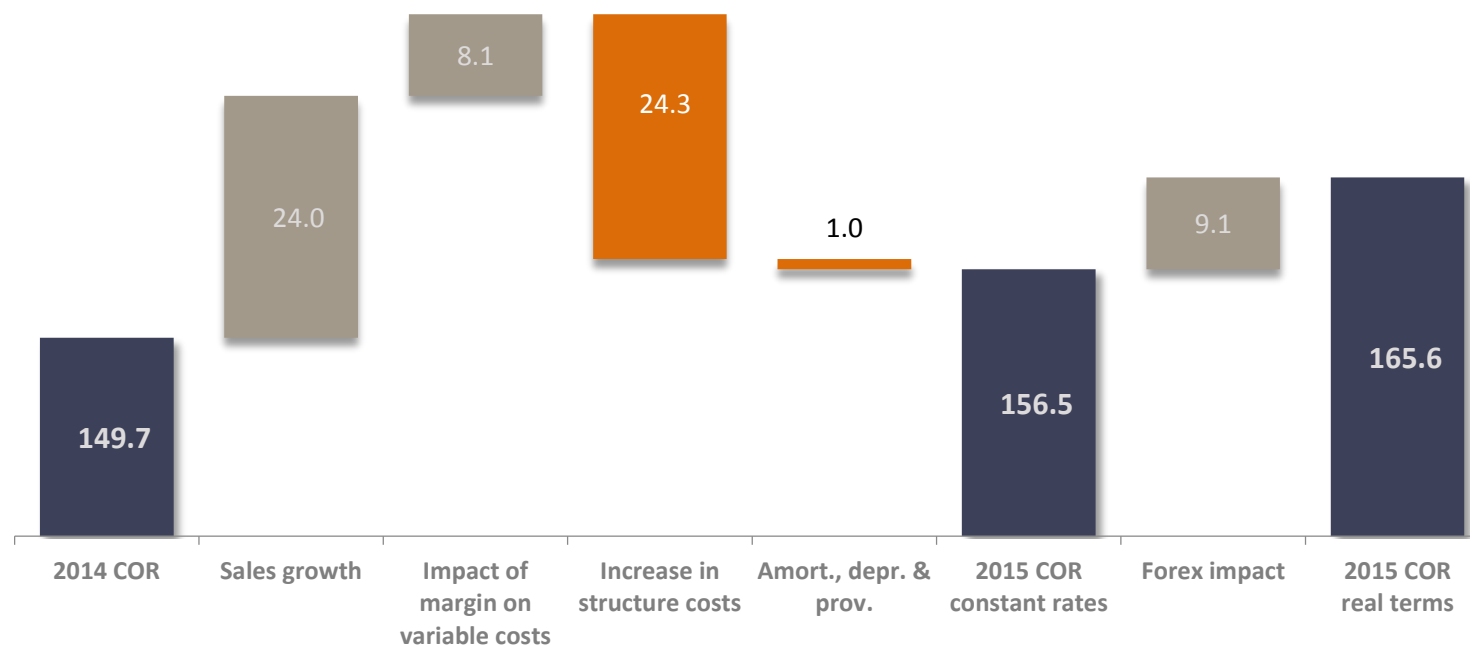
Change in COR

Consolidated data (€ millions)	2014	2015	15 / 14 change
Sales	981.7	1,061.1	+ 8.1%
Current operating result	149.7	165.6	+ 10.6%



Change in COR

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Current operating result	149.7	165.6	+ 10.6%



Condensed income statement

Consolidated data (€ millions)	2014	2015	15 / 14 change
Sales	981.7	1,061.1	8.1%
Current operating result	149.7	165.6	10.6%
Non-recurring operating items	(23.9)	0.1	NS
Financial items	(6.3)	11.5	NS
Income tax	(27.3)	(18.4)	- 32.4%
Share of profit/(loss) of EACs*	(0.4)	0.1	NS
Net profit of continuing operations	91.9	158.8	72.9%
Net profit/(loss) of operations distributed and held for sale	(53.8)	5.9	NS
Consolidated net profit	38.1	164.8	NS
Net profit restated for exceptional items	116.5	127.2	+ 9.2%

* Equity-accounted companies

Condensed income statement



Increase in gross margin rate

Improved product mix

Fall in the prices of raw materials

Optimisation of industrial capacity (ramp-up of the Polish site)



Increase in structure costs

Intensification of innovation effort (focus on connected objects)

Sales force consolidation



Negligible impact of non-recurring operating items



Positive impact of net financial income

Cash flow statement

Consolidated data (€ millions)	2014	2015
Cash flow	148.4	171.6
WCR	(31.1)	(8.3)
Other cash flows	3.9	3.0
Net cash flow from operating activities	121.2	166.3
Net cash flow from investment activities	(45.7)	101.8
Net cash flow from financing and equity activities	169.8	(354.1)
Net cash flow of operations distributed and held for sale	(278.1)	82.8
Impact of exchange rate movements	2.3	2.1
Net change in cash and cash equivalents	(30.5)	(0.9)

Cash flow statement

 Controlled working capital requirement

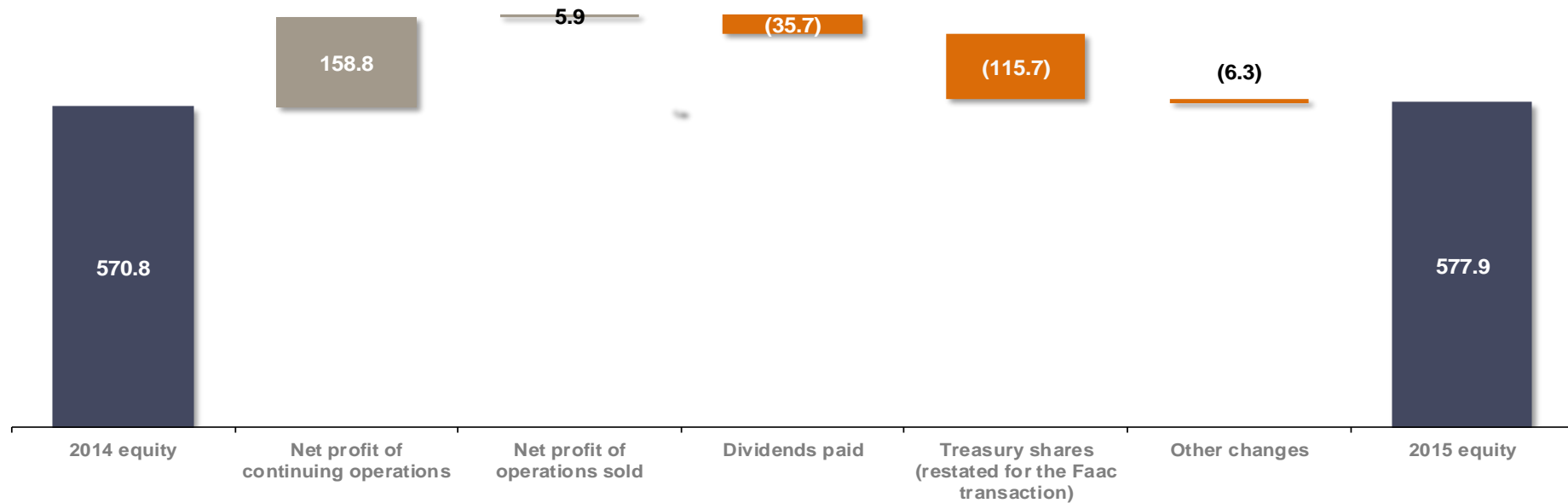
 High level of cash flow

 Proceeds from disposals

 Repayment of major borrowings

Analysis of shareholders' equity

Consolidated data (€ millions)	2014*	2015
Equity	570.8	577.9



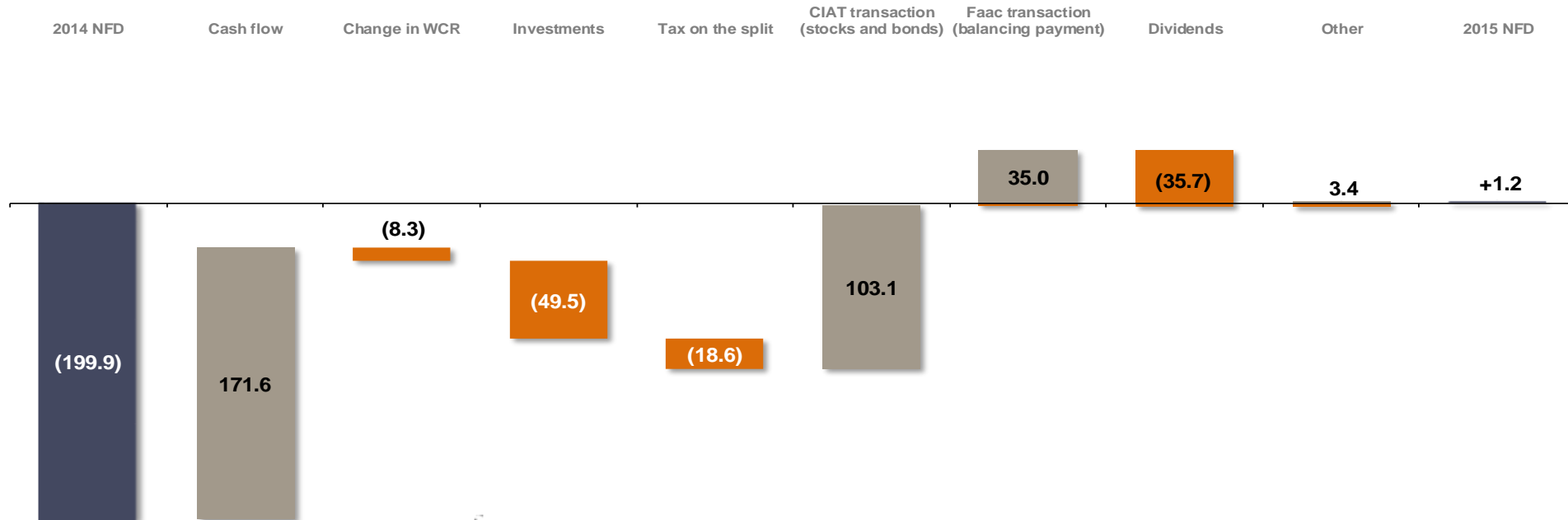
Condensed balance sheet

Consolidated data (€ millions)	2014*	2015
Equity	570.8	577.9
Long-term borrowings	63.1	14.7
Provisions and retirement commitments	41.8	35.2
Other non-current liabilities	53.3	38.6
Permanent capital	729.0	666.4
Goodwill	188.4	182.3
Net non-current assets	423.6	279.3
Other non-current receivables	36.3	56.7
Net assets held for sale	90.4	0.9
Working capital	(9.6)	147.2
WCR	127.3	131.2
Cash and cash equivalents	(137.0)	16.1
Net financial debt/(net financial surplus)**	199.9	(1.2)

* Financial statements restated pursuant to IFRIC 21

** Financial debt less cash and cash equivalents

Analysis of net financial debt




Jean Guillaume Despature



Achievements and strategy

Highlights

 Finalisation of the Group's refocusing on its core business

 Product innovations launched at R+T Stuttgart
“New generation” solutions
Roll-out in France, Germany and Northern Europe

 Creation of the “Connected Solutions” business

Market environment

Complementarity of
geographical regions

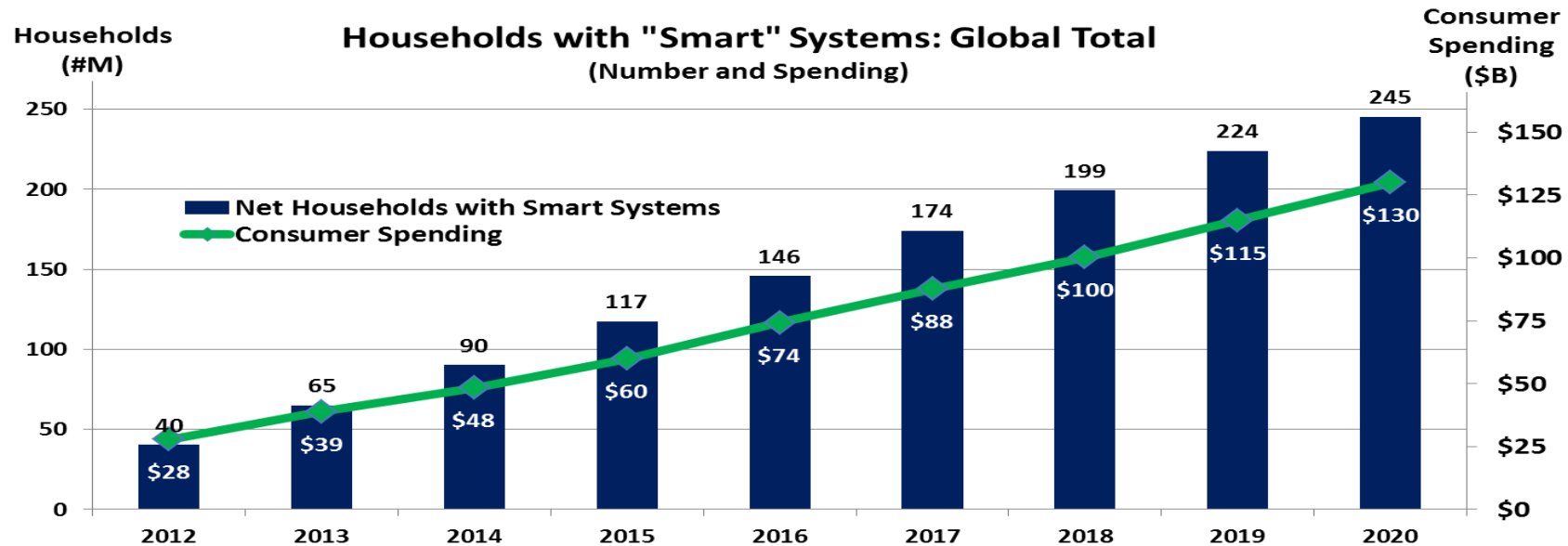
A stagnating new build
market

Positive momentum in
renovation

Development of the
connected home
confirmed



The connected home / growing opportunities



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In-depth transformation of our industry



Long cycle, inherent in the building industry



Market in renovation rather than in the construction of new smart homes

The connected home / 3 possible configurations

1) Direct control of an area



First step to the connected home



Connection by family of equipment



Via a dedicated application or interface

The connected home / 3 possible configurations

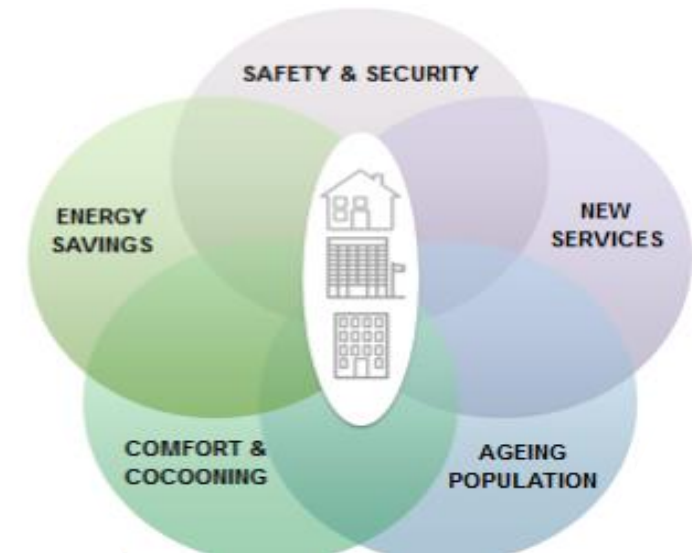
2) Optimisation by key benefit



Via a home automation platform (based on scenarios) or a dedicated solution

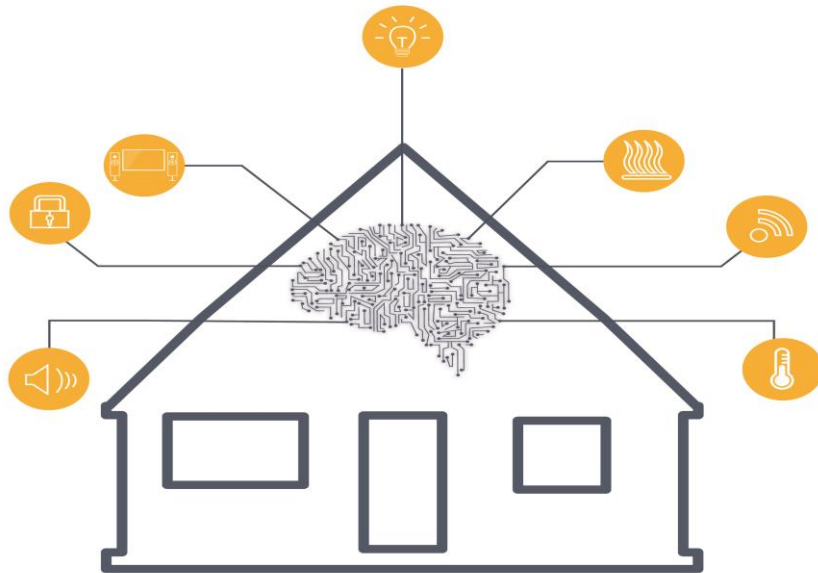


Meeting the consumers' specific expectations:



The connected home / 3 possible configurations

3) The self-learning home



“Ultimate” stage in the development of the connected home



With extensive sensors and the ability to communicate, it replicates our lifestyles and habits

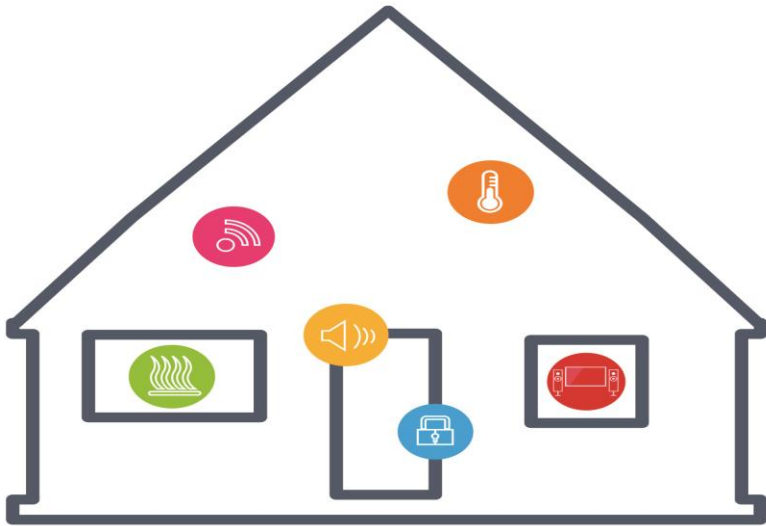


The occupier has only to manage exceptions

Intelligence allocated to each family of equipment rather than centralised

Clarification of the competitive environment

The connected home / Opportunities for Somfy



A major opportunity for our historical activities:

- Modernisation of the installed base
- New momentum for innovation and value creation
- Establish Somfy as the preferred partner



Emergence of new growth drivers:

- Continuation of our strategy on home automation platforms (TaHoma)
- Opportunities in sectors closely related to ours and in services

Home & Building



The Group's core business with sales of €797 million

Of which 20% from interior products

6.2% growth in 2015

Average annual growth of 5.4% since 2010



Growth fuelled by innovation

Smart & Smooth, the first smart tubular motor

Nina, a new range of controls with an intuitive interface

Ultra Quiet, the most powerful and silent motor in the market

Animeo IP



Improvement in quality with a 33% reduction in quality-related customer returns over the last 5 years

Access



A strategy that bears fruit:

Sales of €215 million, with growth of 1.9% in 2015
Market share gains



An effective multi-brand strategy

Presence in all fields: Home, Building, Urban
Presence in the major channels
Development of synergies between our various ranges




BFT: launch of the U-link modular connectivity programme




Somfy: continued development of the security range (Home Protect)



Connected Solutions

 **TaHoma**
30,000 connected homes
500,000 connected objects (more than 15,000 new connected objects / month)
User satisfaction rate: 93%
70% of users use TaHoma daily

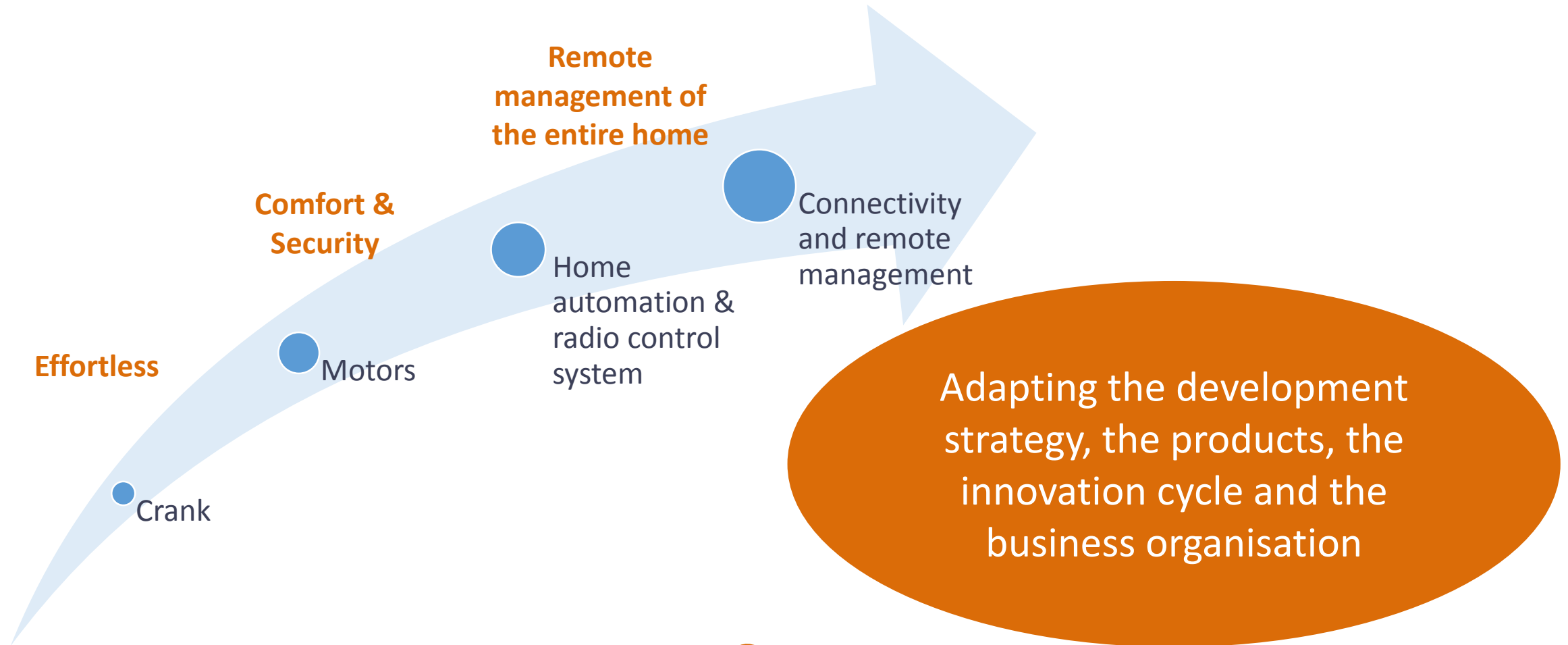
 **Rollout of TaHoma 2.0 connected ranges / solutions**
Launch of the connected security range TaHoma Serenity
Launch of a streamlined range for professional networks (window, access and terraces): Connexoon

 **Launch of new countries**
Italy, Spain, Lebanon, Morocco, Hungary, Turkey and Greece

 **Growing significance of strategic partnerships**



Somfy enters a new era



Jean Guillaume Despature



Outlook

Outlook 2016



Confident for 2016 despite some uncertainties in certain geographic regions



Continued digitalisation of the company



Continued innovation and rollout of new solutions



Finalisation and implementation of the 2020 strategy based on 3 priorities:

Reinvent our exterior market (roller shutters, retractable awnings, etc.)

Increase the popularity of interior products (curtains, venetian blinds, etc.)

Consolidate access (gates, garage doors, alarms, etc.)



Appendices

Overview

<i>Consolidated data (€ millions)</i>	2014*	2015
Sales	981.7	1,061.1
Current operating result**	149.7	165.6
Operating profit	125.9	165.7
Net profit of continuing operations	91.9	158.8
Net profit/(loss) of operations distributed and held for sale	(53.8)	5.9
Consolidated net profit	38.1	164.8
Cash flow	148.4	171.6
Net investments in intangible assets and property, plant and equipment	45.5	47.2
Depreciation and amortisation charges***	(39.7)	(38.9)
Equity	570.8	577.9
Net financial debt****	199.9	(1.2)
Non-current assets	648.3	518.3
Net assets held for sale	90.4	0.9
Total workforce	7,700	7,800

** The financial statements have been restated pursuant to IFRIC 21.*

*** Including amortisation charges relating to intangible assets allocated following acquisitions*

**** Excluding goodwill impairment and including amortisation charges relating to intangible assets allocated following acquisitions*

***** (-) Net financial surplus*

Takes into account liabilities related to put options granted to holders of non-controlling interests, earnouts, unlisted bonds receivables and deferred payments of a financial nature

Consolidated income statement

<i>Consolidated data (€ millions)</i>	2014	% sales	2015	% sales	15 / 14 change
Sales	981.7		1,061.1		8.1%
Current operating result*	149.7	15.3%	165.6	15.6%	10.6%
Other non-current items	0.4		0.1		
Goodwill impairment	(24.3)		0.0		
Operating profit	125.9	12.8%	165.7	15.6%	31.7%
Net financial expense	(6.3)		11.5		
Profit before tax	119.6	12.2%	177.2	16.7%	48.2%
Income tax	(27.3)		(18.4)		
Share of profit/(loss) of EACs**	(0.4)		0.1		
Net profit of continuing operations	91.9	9.4%	158.8	15.0%	72.9%
Net profit/(loss) of operations distributed and held for sale	(53.8)	-5.5%	5.9	0.6%	
Consolidated net profit	38.1	3.9%	164.8	15.5%	NS

* Including amortisation charges relating to intangible assets allocated following acquisitions

** Equity-accounted companies

Sales by geographic region

<i>Consolidated data (€ millions)</i>	2014	2015	15 / 14 change	15 / 14 change On a like-for-like basis
France	245.7	254.1	3.4%	3.3%
Germany	153.2	165.2	7.8%	6.7%
Northern Europe	95.7	103.9	8.5%	5.6%
Central and Eastern Europe	95.0	104.8	10.3%	7.0%
Southern Europe, Middle East and Africa	174.3	190.2	9.1%	5.6%
Asia Pacific	96.9	115.2	18.8%	5.9%
Americas	120.9	128.0	5.9%	8.0%
Somfy consolidated sales	981.7	1,061.1	8.1%	5.6%

Consolidated balance sheet

Consolidated data (€ millions)	2014*	2015
Equity	570.8	577.9
Long-term borrowings	63.1	14.7
Provisions & retirement commitments	41.8	35.2
Other non-current liabilities	53.3	38.6
Permanent capital	729.0	666.4
Goodwill	188.4	182.3
Net intangible assets	44.9	43.5
Net property, plant and equipment	228.6	231.2
Net non-current financial assets	150.0	4.6
Other non-current receivables	36.3	56.7
Net assets held for sale	90.4	0.9
Working capital	(9.6)	147.2
Net inventories	142.4	154.1
Trade receivables	150.2	142.5
Other current receivables	37.1	45.5
Trade payables	91.8	106.6
Other current liabilities	110.6	104.4
WCR	127.3	131.2
Cash and cash equivalents	(137.0)	16.1
Net financial debt**	199.9	(1.2)

* The financial statements have been restated pursuant to IFRIC 21.

** (-) Net financial surplus

Net financial debt includes liabilities related to put options granted to holders of non-controlling interests and earn-out of €45.9 million at 31 December 2014 and €45.8 million at 31 December 2015. It also includes deferred payments of €5.5 million in 2014 and €5.8 million in 2015.

Analysis of net financial debt

Consolidated data (€ millions)	2014	2015
Bank borrowings (<i>non-current portion</i>)	12.8	8.1
Liabilities related to put options and earn-out	44.9	0.8
Other financial liabilities	5.5	5.8
Non-current financial assets	(0.8)	(0.5)
Net long-term financial debt	62.3	14.2
Bank borrowings (<i>current portion</i>)	236.9	39.0
Liabilities related to put options and earn-out	1.0	45.0
Cash and cash equivalents	(100.2)	(99.3)
Other cash items	(0.1)	(0.1)
Short-term net financial debt	137.6	(15.4)
Net financial debt*	199.9	(1.2)

15 / 14 change
from cash flow
statement
€(0.9) m

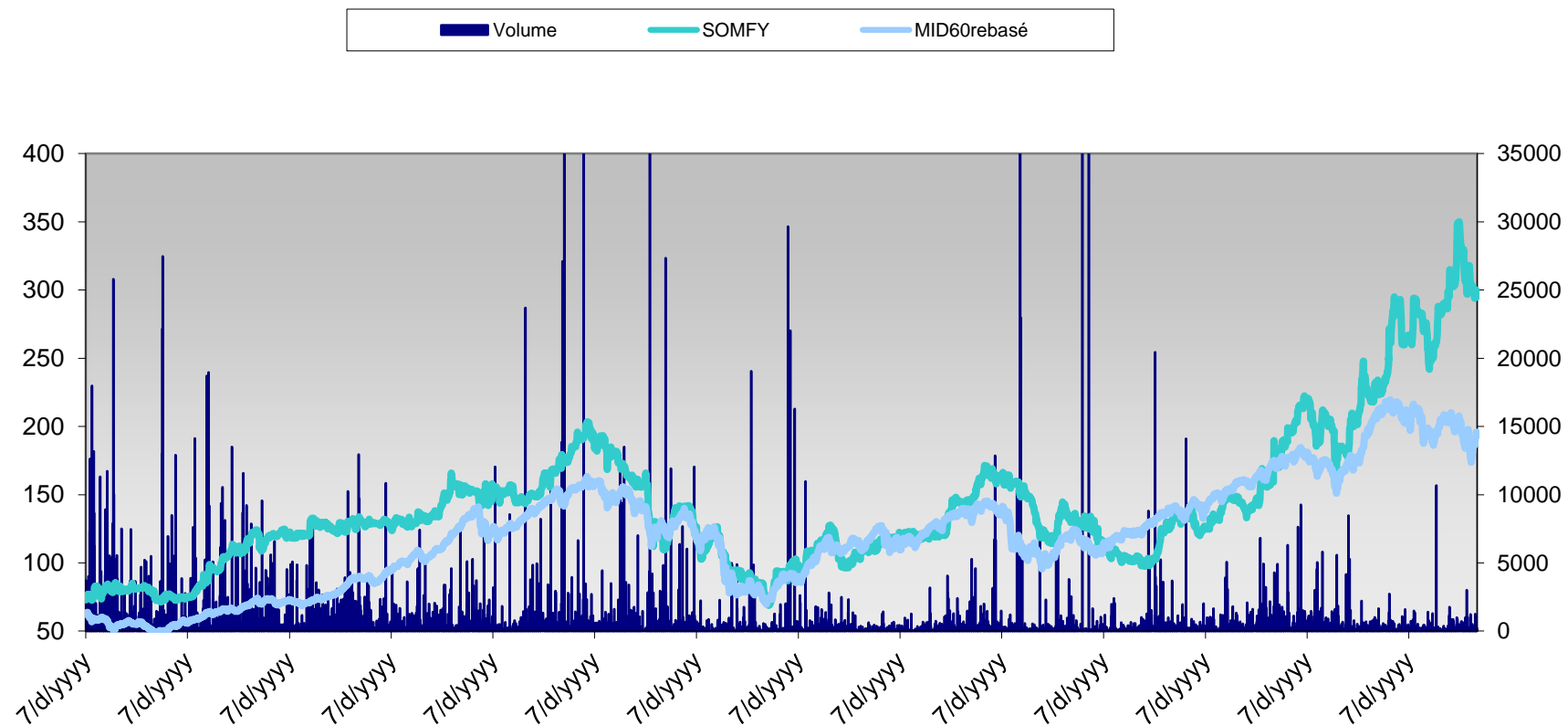
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Cash flow statement

<i>Consolidated data (€ millions)</i>	2014	2015
<i>Cash flow</i>	148.4	171.6
<i>Cost of net financial debt and other (excluding calculated items)</i>	3.9	3.0
<i>Change in WCR (CFS)</i>	(31.1)	(8.3)
Net cash flow from operating activities	121.2	166.3
<i>Net investments in property, plant and equipment and intangible assets</i>	(45.5)	(47.2)
<i>Net non-current financial assets</i>	1.3	150.9
<i>Dividends received</i>	0.2	0.0
<i>Acquisition of entities, net of cash acquired</i>	(2.2)	(2.3)
<i>Interest received</i>	0.5	0.4
Net cash flow from investment activities	(45.7)	101.8
<i>Dividends paid</i>	(38.7)	(35.7)
<i>Change in borrowings</i>	211.3	(198.1)
<i>Interest paid</i>	(4.7)	(4.6)
<i>Movements in treasury shares</i>	1.9	(115.6)
Net cash flow from financing and equity activities	169.8	(354.1)
<i>Net cash flow of operations distributed or held for sale</i>	(278.1)	82.8
<i>Change</i>	2.3	2.1
Net change in cash and cash equivalents	(30.5)	(0.9)

Stock market performance*



* Source Euronext.

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