

A blurred office scene with people working at desks and a laptop in the foreground.

PRESENTATION OF 2018 ANNUAL RESULTS

SOMFY[®]

2018 HIGHLIGHTS

- **Continued rollout of the Believe & ACT roadmap**
- **Signing of strategic partnerships** with Free, the second largest broadband provider in France, and top-tier property developers, including Nexity and Bouygues Immobilier
- **Change in Dooya's governance and consolidation method**
- **Continued sales growth** despite a high comparison base and the negative foreign exchange impact
- **Increase in current operating margin** on a like-for-like basis, thanks to robust sales prices and controlled production costs

2018 KEY FIGURES

€1,127 m

Sales

40

Patent
applications

€140 m

Net profit

€179 m

Cash flow

€222 m

Net financial surplus

20.4%

Return on
capital employed (ROCE)

6,120

Workforce at period end

2.87 million

Products connected
to our servers

Note: Figures exclude Dooya in accordance with the Group's new consolidation method.

A background image showing several hands in white shirts working on a document. One hand is pointing at a line graph with green circles, while others hold pens and glasses. The document has a grid and some text. The scene is brightly lit, suggesting an office environment.

ANALYSIS OF **2018** ANNUAL RESULTS

Presentation of 2018 Annual Results

SUMMARY OF THE DOOYA TRANSACTION

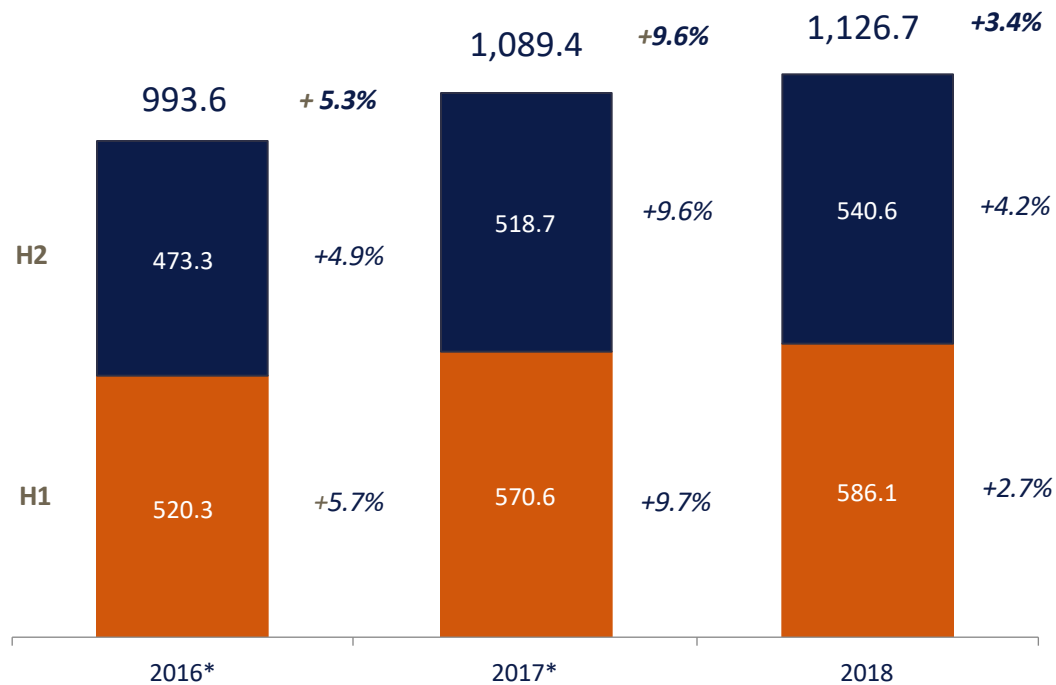
- Managed as an autonomous entity, in partnership with the minority shareholder
- Adoption of new governance rules with no impact on the capital structure, resulting in joint control of the company and to ensure better control of its development and competitive environment
- Exit of the company from the Group's full consolidation scope and consolidation under the equity method
- Positive impacts of the transaction: €2.6 million on net profit, €35.8 million on equity and €42.1 million on the Group's net cash position

All figures for the 2017 financial year included in the presentation, except those in the balance sheet, have been restated following the change in Dooya's consolidation method and in accordance with IFRS 5.

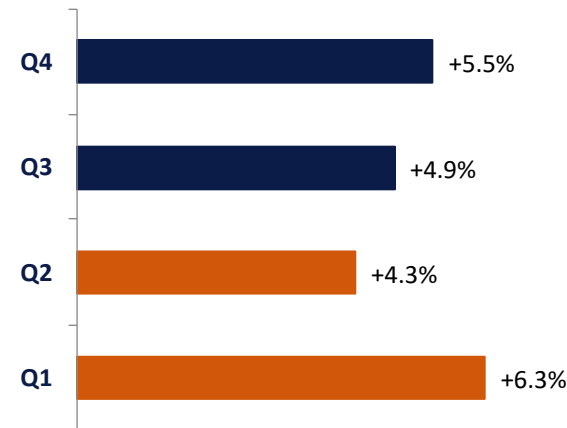
Note: please refer to the appendices for Dooya's key financial indicators.

SALES

Data in € millions	2016*	2017*	2018	Change 2018/17
Sales	993.6	1,089.4	1,126.7	+3.4%



**+5.2% over the year
like-for-like**



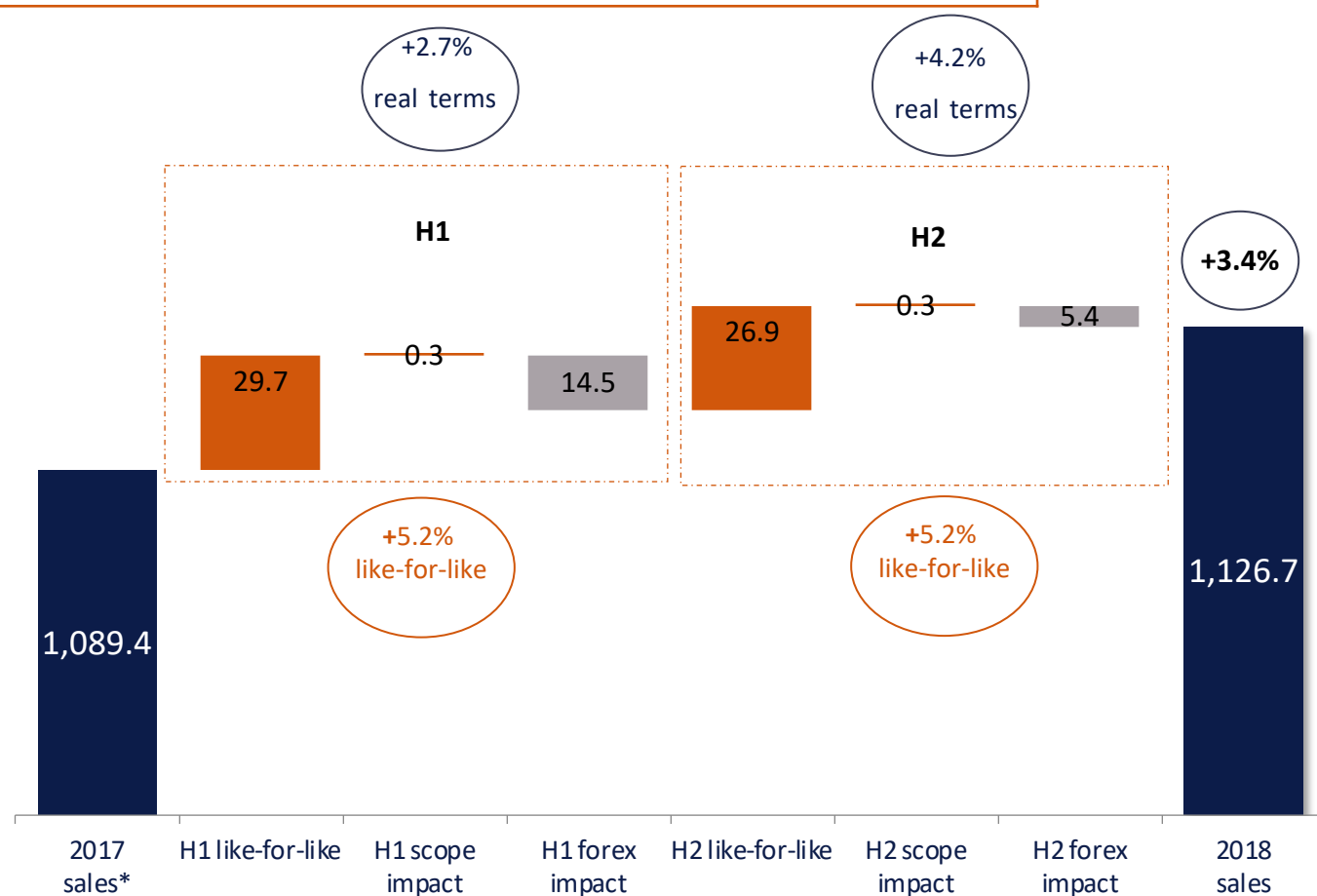
Change on a like-for-like basis

- Challenging base effect due to excellent performances in the previous financial year
- Acceleration from quarter to quarter after the early part of the year was stimulated by the reform of CITE in France

* 2016 and 2017 sales have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

SALES (continued)

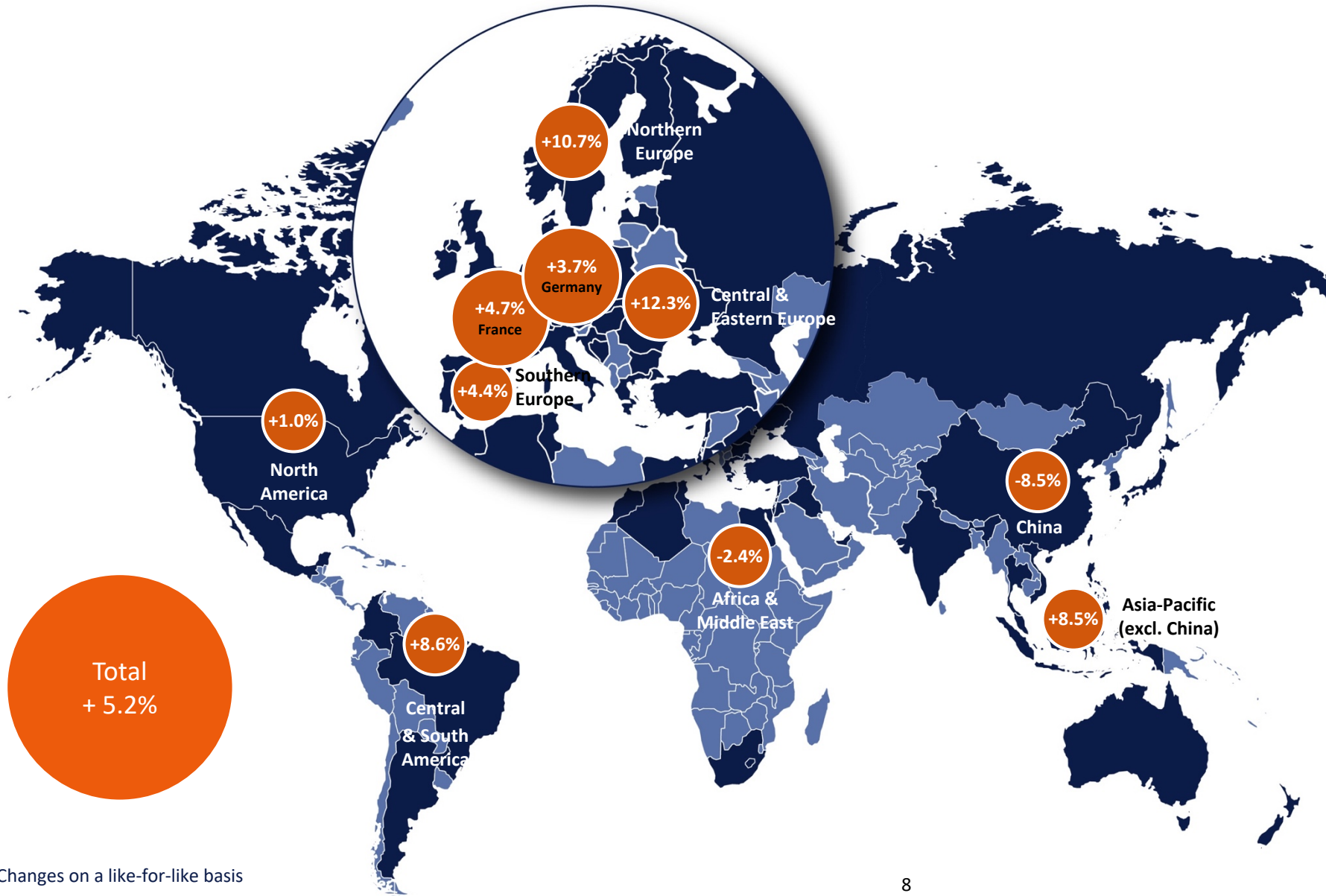
Data in € millions	2017*	2018	Change 2018/17
Sales	1,089.4	1,126.7	+3.4%



- Steady sales growth despite a negative currency effect, mainly over the first half of the year
- Negligible impact of changes to the consolidation scope

* 2017 sales have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

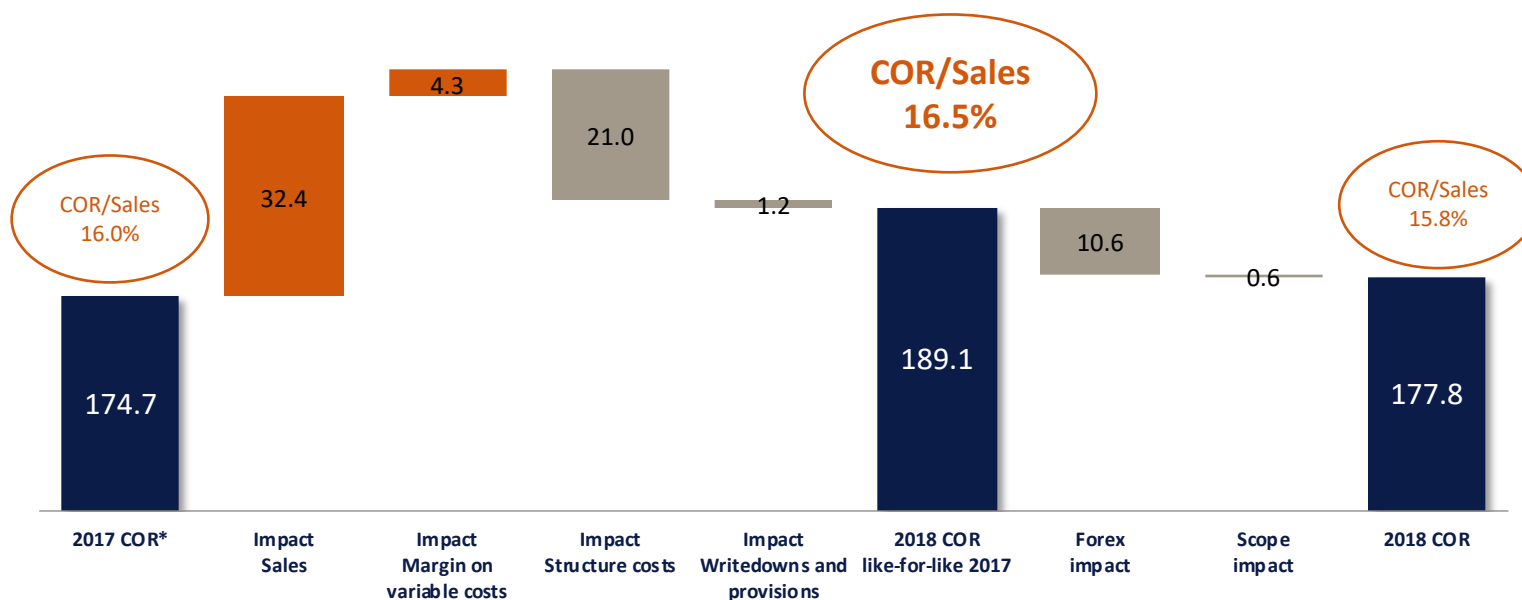
SALES (continued)



- Excellent performance in Northern Europe, particularly in the UK despite the prospect of Brexit
- Good performance in France
- Upturn in Germany at the end of the year
- Moderate growth in the US due to an unfavourable base effect and the restructuring of the main customer's supply chain

CURRENT OPERATING RESULT

Data in € millions	2017*	2018	Change 2018/17
Current operating result	174.7	177.8	+1.8%
Current operating margin (COR/sales)	16.0%	15.8%	-20 bp



- Increase in current operating margin to 16.5% (up 50 bp on a like-for-like basis)
- Increase in raw material prices offset by productivity gains
- Controlled growth in structure costs

* 2017 data has been restated following the change in the consolidation method of Dooya (application of IFRS 5).

CONDENSED INCOME STATEMENT

Data in € millions	2017*	2018	Change 2018/17
Sales	1,089.4	1,126.7	+3.4%
Current operating result	174.7	177.8	+1.8%
Non-recurring operating items	(0.2)	(7.7)	NS
Net financial expense	(4.6)	(4.3)	+7.2%
Income tax	(4.0)	(29.5)	NS
Share of net profit/(loss) from associates	(1.5)	1.4	NS
Net profit from continuing operations	164.4	137.7	-16.2%
Net profit from operations treated in accordance with IFRS 5 (Dooya)	(6.6)	2.6	NS
Consolidated net profit	157.7	140.4	-11.0%
Restated consolidated net profit**	135.6	148.1	+9.2%

* Financial statements have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

**Amounts adjusted to reflect both non-recurring operating charges and income and tax reliefs recorded over the previous financial year (€22.3 million).

| OVERVIEW OF RESULTS

- Strong sales growth despite unfavourable base and exchange rate effects
- Robust sales prices and controlled production costs
- Increase in current operating margin on a like-for-like basis (up 50 bp)
- Impact of the termination of a project in China recognised in non-recurring operating items
- Negligible impact of the change in the accounting treatment of Dooya on net profit
- Standardisation of the tax rate
- Significant increase in net profit after adjustment for non-recurring items and tax reliefs

CONDENSED CASH FLOW STATEMENT

Data in € millions	2017*	2018
Cash flow	207.7	178.6
Change in working capital requirements	(34.5)	(8.7)
Other cash flows	0.6	1.2
Net cash flow from operating activities	173.8	171.1
Net cash flow from investing activities	(46.5)	(60.8)
Net cash flow from financing and equity activities	(46.0)	(49.2)
Net cash flow from operations treated in accordance with IFRS 5 (Dooya)	6.5	(20.3)
Impact of changes in exchange rates	(1.6)	0.0
Net change in cash and cash equivalents	86.3	40.8

- Solid cash flow maintained
- Good control of WCR growth
- Investments maintained at a normative level
- “Technical” flow related to the change in the consolidation method of Dooya

* Financial statements have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

CONDENSED BALANCE SHEET

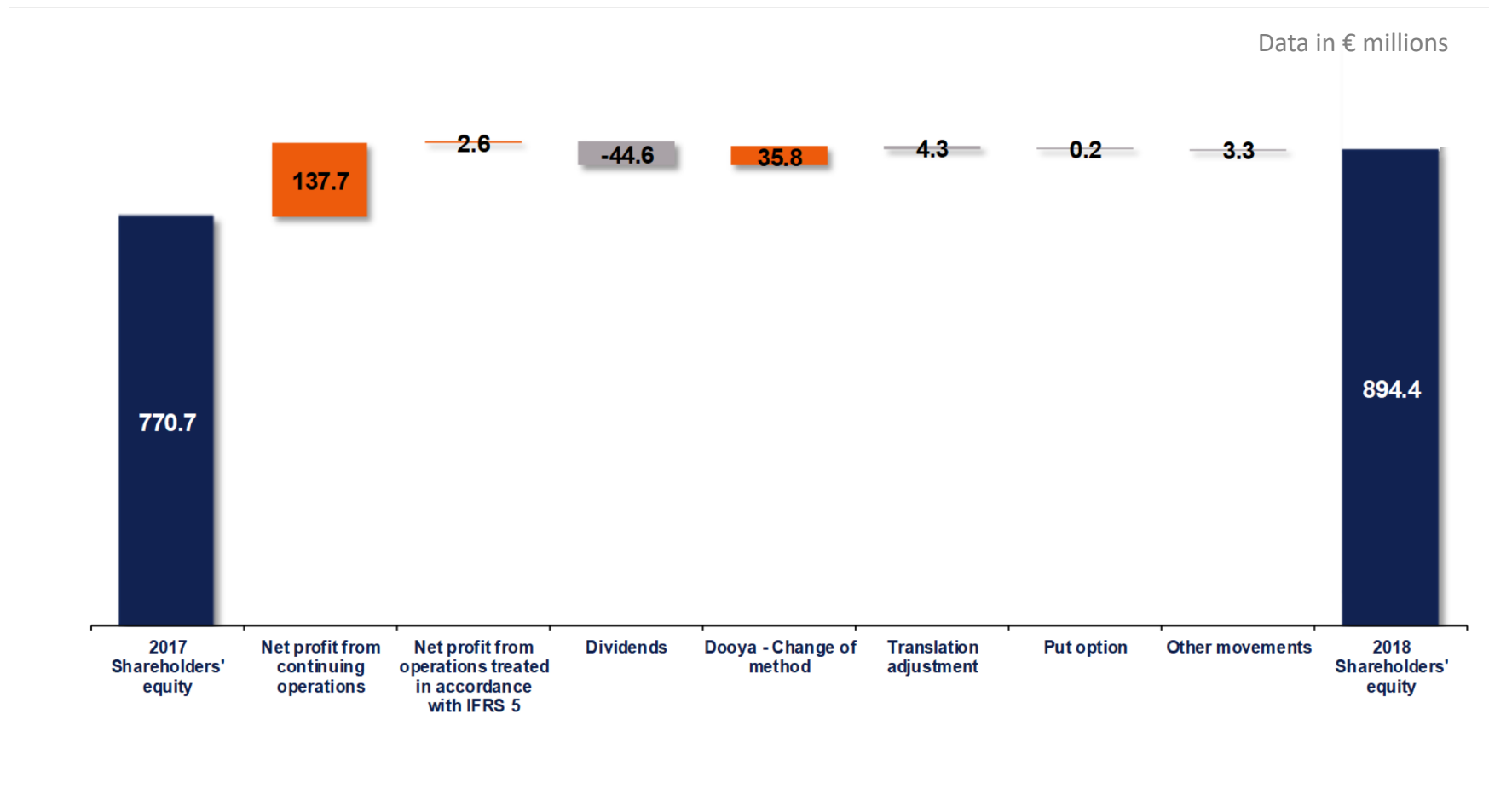
Data in € millions	2017	2018
Equity	770.7	894.4
Long-term borrowings	33.5	11.6
Provisions and retirement commitments	35.3	36.4
Other non-current liabilities	17.3	18.0
Permanent capital	856.9	960.4
Goodwill	196.8	96.2
Net non-current assets	323.2	284.8
Investments in associates and joint ventures	0.9	132.8
Other non-current receivables	27.3	26.4
Working capital	308.6	420.2
Working capital requirements	171.7	186.1
Cash and cash equivalents	136.9	234.1
Net financial debt*	(104.6)	(222.4)

- Comparability difficult due to Dooya securities equity-accounted in 2018
- Strong financial structure
- Significant increase in net cash surplus

The 2017 balance sheet has not been restated following the change in the consolidation method of Dooya (application of IFRS 5).

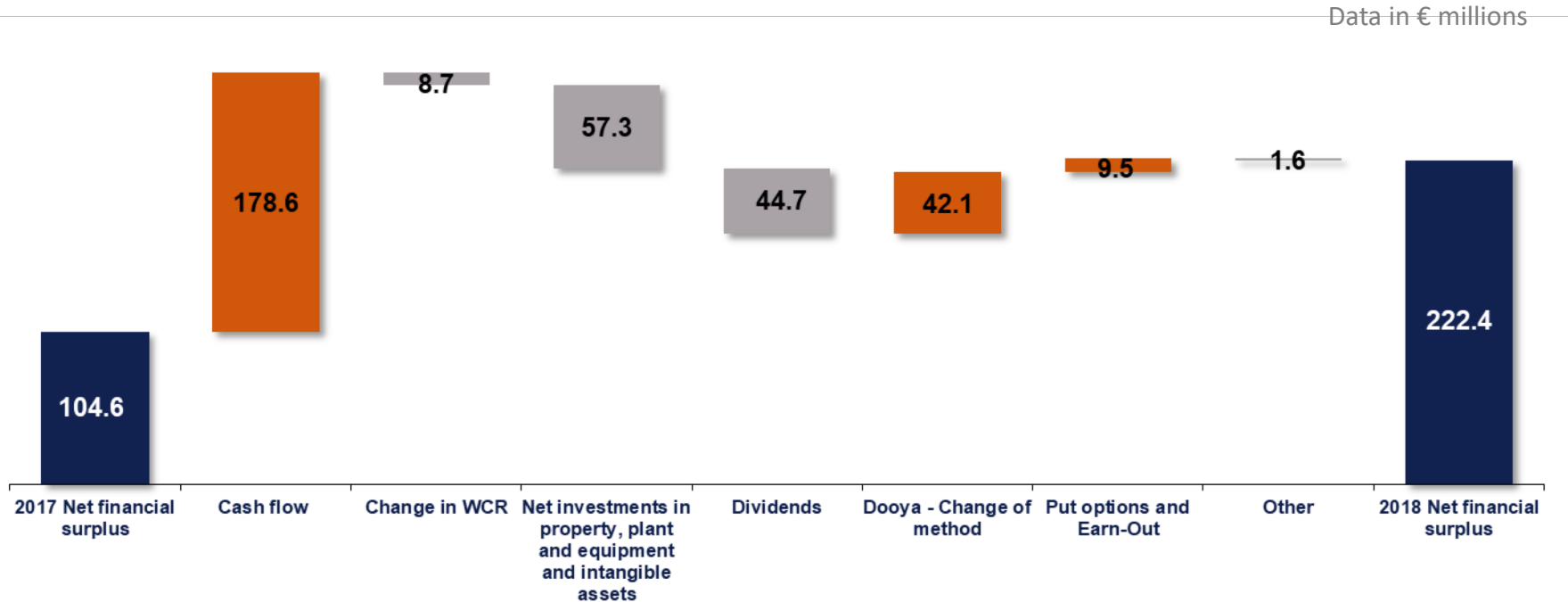
* The balance equates to a liability where it is positive and a surplus where it is negative.

ANALYSIS OF SHAREHOLDERS' EQUITY



- Positive impact of the change in Dooya's consolidation method
- Sound equity structure maintained

NET FINANCIAL DEBT/SURPLUS



- Free cash flow of €67.9 million after the change in WCR, investments and dividends
- Positive impact of the change in Dooya's consolidation method
- Adjustment to the earnout of Myfox

| OVERVIEW OF FINANCIAL POSITION

- Strong financial structure
- High level of cash flow maintained
- Significant increase in net cash surplus



REVIEW OF THE MAIN ACHIEVEMENTS OF THE **2018** FINANCIAL YEAR

Presentation of 2018 Annual Results

2018 HIGHLIGHTS

HOME & BUILDINGS



1 million RS100 motors sold

Sales growth: 4.7%

ACCESS



Launch of the Smart IO platform

Sales growth: 2.8%

CONNECTED SOLUTIONS



*Launch of professional alarm
Home Keeper Pro*

Sales growth: 24.7%

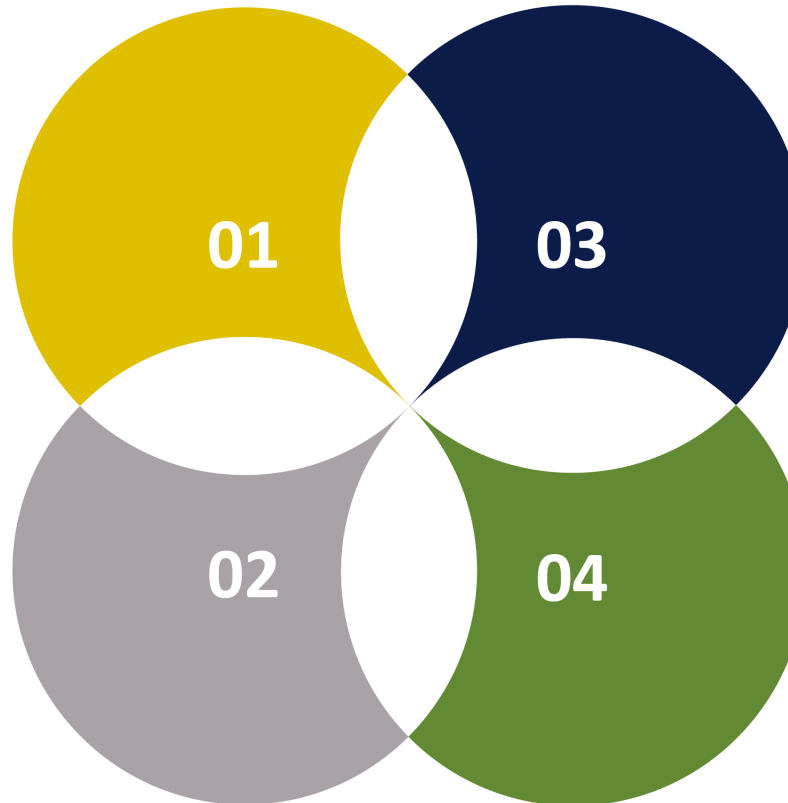
FOCUS ON OUR ROADMAP: BELIEVE & ACT

CLOSER TO OUR END-USERS

#SOMFYBRAND
#ENDUSERJOURNEY
#USEREXPERIENCE
#CONNECTIVITY

BOLDER ON THE INTERIOR MARKET

#MASSMARKET
#BREAKTHROUGINNOVATION
#PROJECTBUSINESS



STRONGER ON OPERATIONAL EXCELLENCE

#CUSTOMERSATISFACTION
#OVERHEADAGILITY
#TIMETOMARKET
#BUSINESSMODEL

BETTER TOGETHER

#SOMFYSPIRIT
#EMPLOYEEJOURNEY
#CSR

STRENGTHENING OUR PRESENCE IN OUR CHANNELS

01
CLOSER
TO OUR
CONSUMERS

Solutions that meet the specific needs of each segment
by offering a broad ecosystem and supporting the digitalisation of our sector

Creation of an ecosystem compatible with more than 20 brands

- Rapid development in new-build collective housing thanks to contracts with numerous builders
- Creation of the Connectivity Alliance with

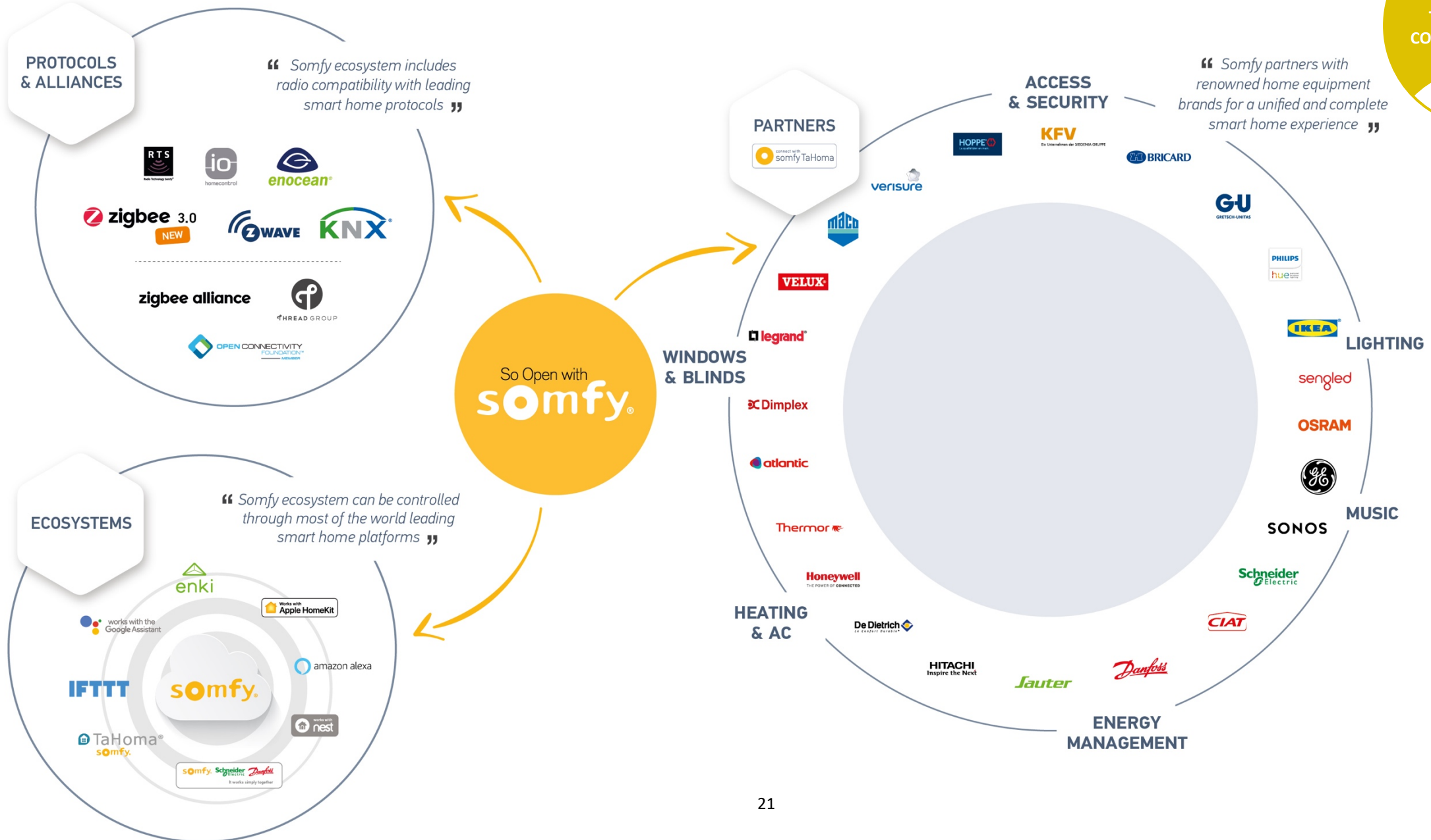


Stepping up our efforts to digitalise our industry

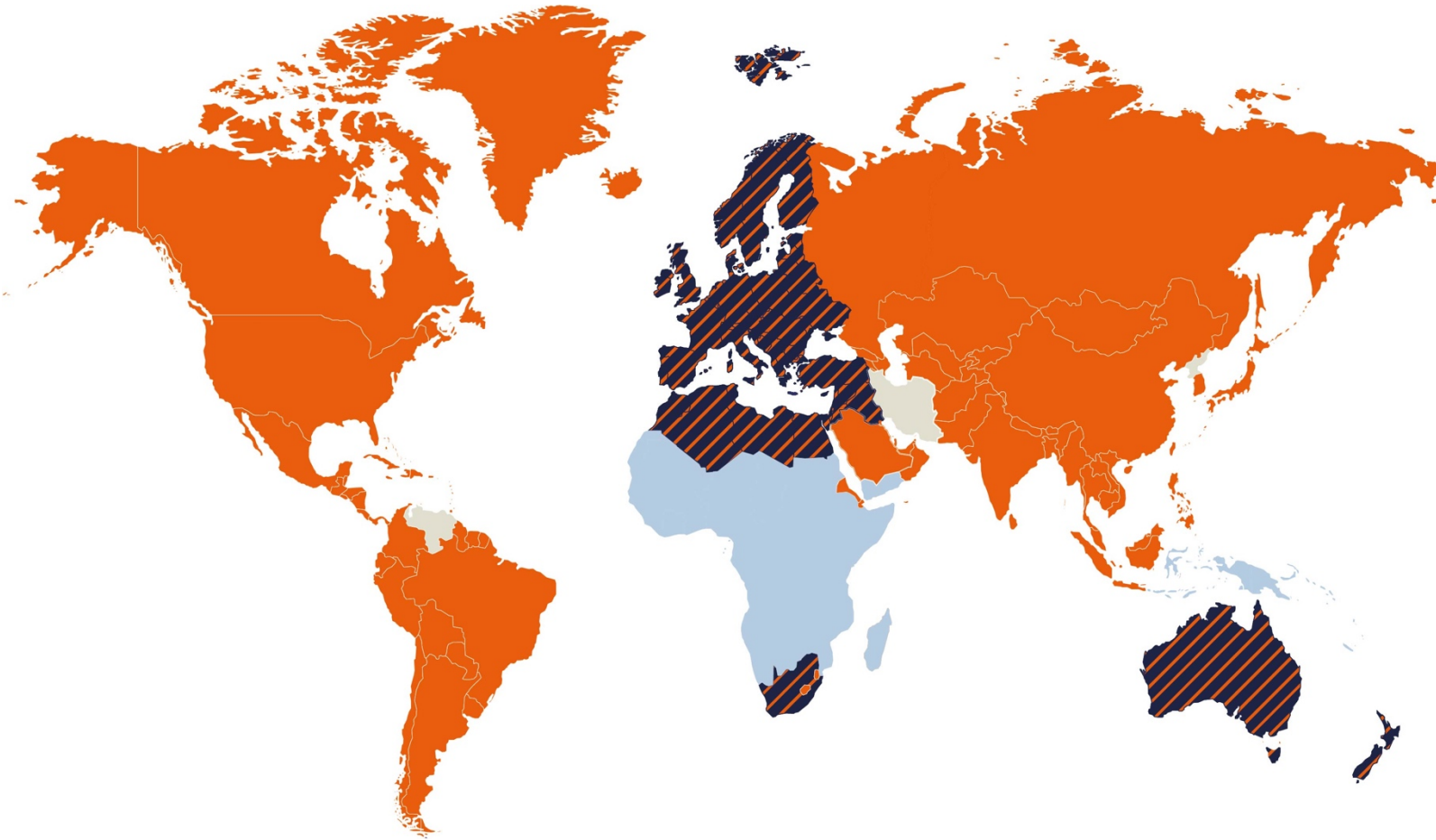
- To make our installers the leading prescribers of our connected solutions
- Presentation of “serv-e-go” at the R+T trade show

SO OPEN WITH SOMFY

01
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OUR UNDERLYING MARKETS



Individual housing



Collective housing



Service industry



INDIVIDUAL HOUSING



PARTNERSHIP WITH FREE SECOND LARGEST BROADBAND PROVIDER IN FRANCE



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First **multimedia box with an embedded** home automation system
compatible with the IO and RTS protocols

Preferential access to Free's household customers and **strong**
visibility of the Somfy brand during the launch

CONTRACT WITH A GERMAN BUILDER OF INDIVIDUAL HOMES



TaHoma installed as standard since January 2019: **800 homes per year**

Motorised rolling shutters with **hybrid RS100 +**
offering packs with **other Somfy solutions** embedded

COLLECTIVE HOUSING

AGREEMENTS SIGNED WITH PROPERTY DEVELOPERS IN FRANCE:



More than **1,000 pilot apartments**
delivered in 2019

By 2021, potential for
35,000 connected apartments annually

AGREEMENTS SIGNED WITH INTERNATIONAL PROPERTY DEVELOPERS:



SANSIRI

4,500 apartments over 3 years
from 2019 in Poland

To equip **more than 4,500
apartments** in Bangkok
by 2020

01
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INTERIOR SOLAR PROTECTION MARKET ENVIRONMENT

02
BOLDER ON
THE INTERIOR
MARKET

850 MILLION
BLINDS AND
CURTAINS

CURTAINS, ROLLER
BLINDS, VENETIAN
BLINDS



140 MILLION
BLINDS AND
CURTAINS

CUSTOM MADE

3.6 MILLION
MOTORISED
CURTAINS AND BLINDS

MOTORISATION RATE
< 3%



INTERIOR SOLAR PROTECTION CHALLENGES

02
BOLDER ON
THE INTERIOR
MARKET



DESIGNED FOR
SILENCE

Silent operation



WireFree™

Easier installation with wireless products



Benefiting from a connected home to make managing the need for privacy and solar protection easy



Widespread adoption necessary to develop the mass market

INTERIOR SOLAR PROTECTION UPDATE

02
BOLDER ON
THE INTERIOR
MARKET

Adoption of the ZigBee protocol and **first ZigBee 3.0 certification** for a home automation box



Acceleration of our roadmap:

- **23 motors** launched in 2018
- **30 motors** planned for 2019, including **18 wirefree**



Launch in September 2018 of the **Sonesse 40 IO**, **the first IO interior motor** compatible with the entire Somfy ecosystem: TaHoma, Connexoon Window, animeo Connect IO, Set&Go...

OUR CSR APPROACH: THE SOMFY FOUNDATION



THE SOMFY FOUNDATION COMBATS
POOR HOUSING
THROUGH TWO PROGRAMMES:
LES PETITES PIERRES AND **A HOUSE IS A HOME**.

LAUNCHED IN 2013, THE **LES PETITES PIERRES** CROWDFUNDING PLATFORM REPRESENTS:



- **209** successful projects
- **€2,366,978** collected
- **11,276** donations

IN 2018, LES PETITES PIERRES WELCOMED THE **SCHNEIDER ELECTRIC**
AND **BTP PLUS** FOUNDATIONS AS PARTNERS.



OUR CSR APPROACH: ACT FOR GREEN

PROGRAMME STRENGTHENED IN 2018 AROUND THREE PILLARS



GREEN BUILDINGS

SOMFY products and solutions help improve the **energy performance of buildings**.



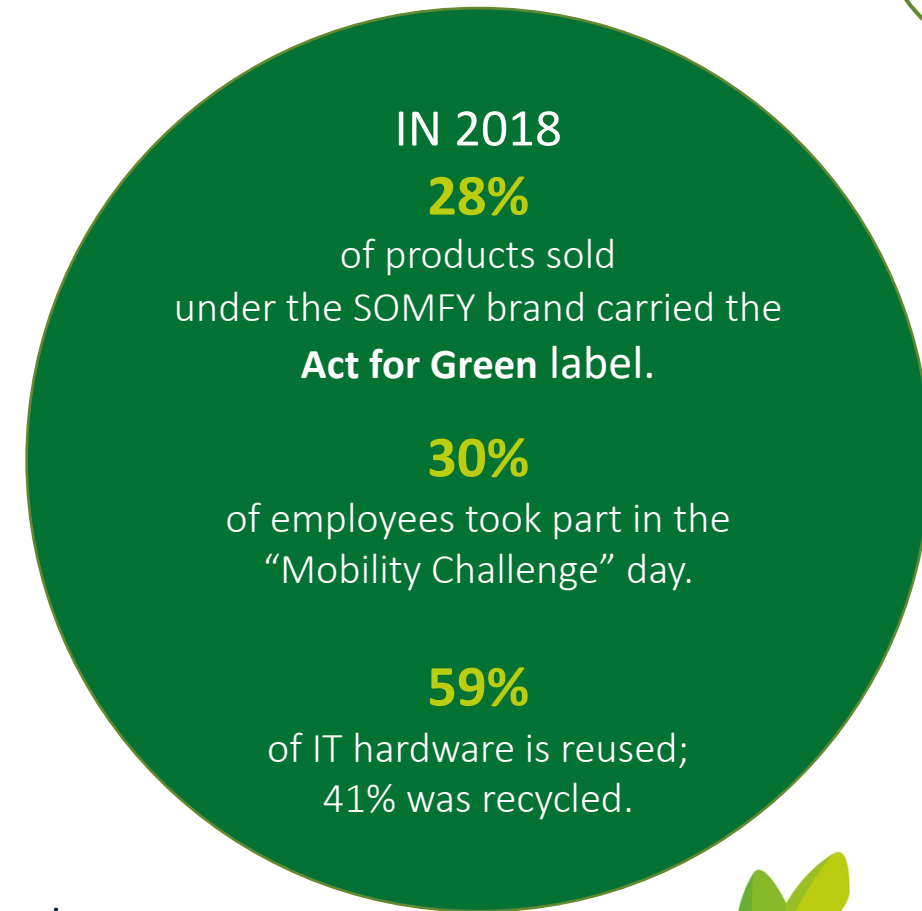
GREEN PRODUCTS

SOMFY products and solutions are **eco-designed in accordance with our "Act for Green" framework**.



GREEN TEAMS

SOMFY products and solutions are manufactured and distributed **by teams who are adopting environmentally responsible practices in the workplace**.





OUTLOOK FOR THE **2019** FINANCIAL YEAR

Presentation of 2018 Annual Results

2019 OUTLOOK



STRUCTURALLY POSITIVE TREND FOR DIGITAL HOME EQUIPMENT SOLUTIONS



UNCERTAINTIES IN **THE ECONOMIC ENVIRONMENT**
DUE TO THE **INCREASE IN GEOPOLITICAL RISKS**



SLOWDOWN IN THE NEW-BUILD MARKET

PROJECTS

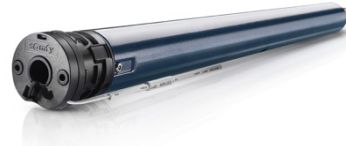
62 NEW PRODUCTS LAUNCHED IN 2019



animeo Connect
for non-residential



IO thermostatic valve



30 motors for interior solar protection



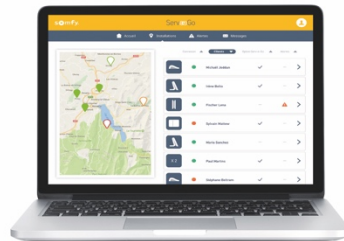
Smart IO range
in access



Home Keeper
professional alarm



TaHoma rail-DIN



Serv-e-Go



New range of Situo
remote controls



Izymo lighting and
receiver modules



IWC WireFree
range

2019 PROJECTS



CONTINUED DIGITALISATION
OF ORGANISATIONS AND SOLUTIONS (CRM, ERP, MES...)

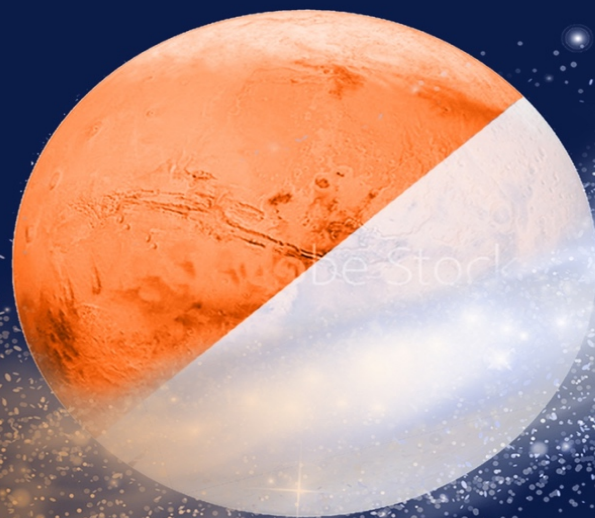


CONTINUED POLICY OF ALLIANCES
AND PARTNERSHIPS



REVIEW OF
POTENTIAL ACQUISITIONS

50
ans



DISCOVERING

SOMFY

JULY

5

2019



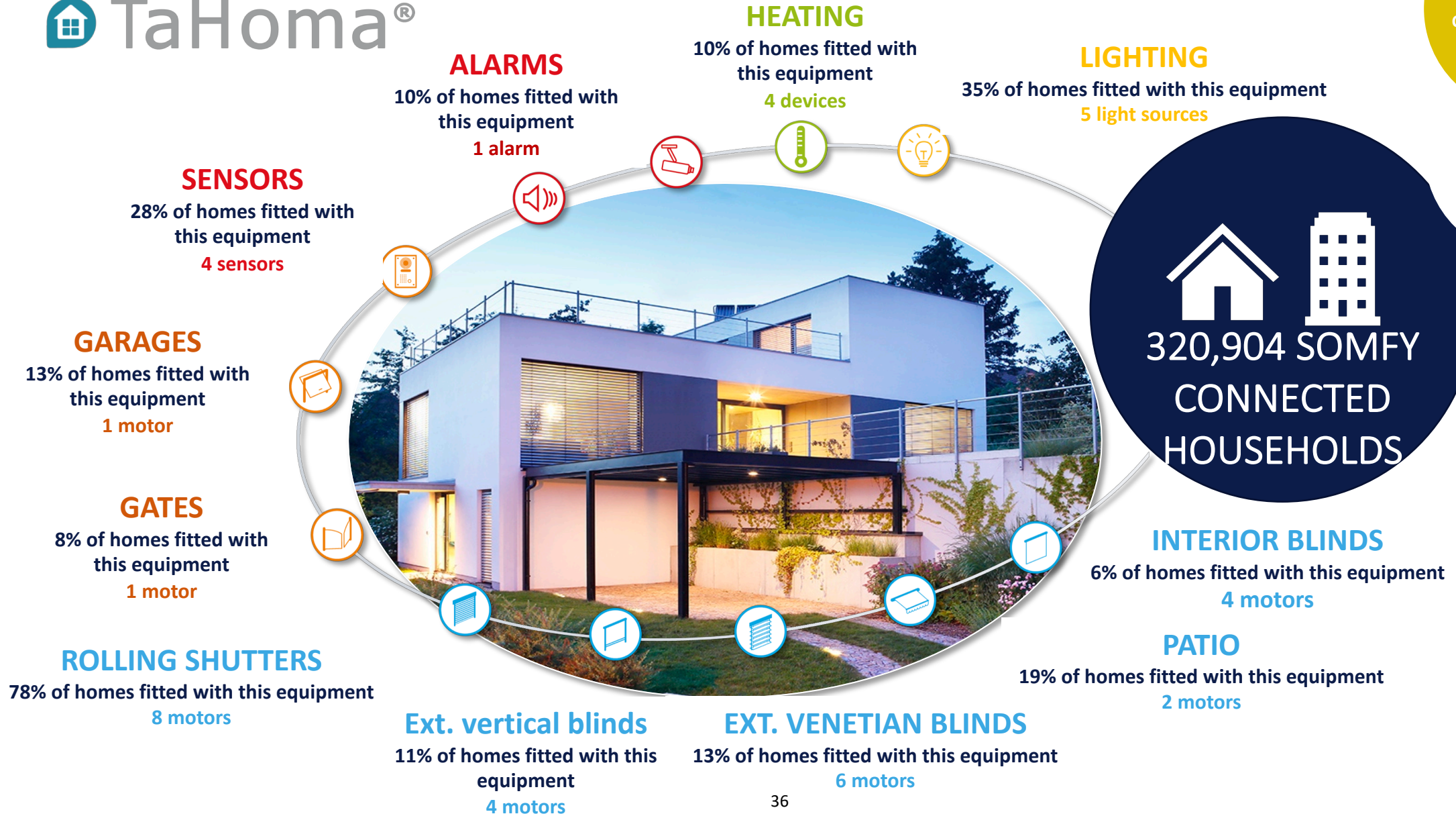
APPENDICES

Presentation of 2018 Annual Results

1,800,000 PRODUCTS CONNECTED VIA TAHOMA



01
CLOSER
TO OUR
CONSUMERS



OVERVIEW

Data in € millions	2017*	2018
Sales	1,089.4	1,126.7
Current operating result	174.7	177.8
Operating result	174.5	170.1
Net profit from continuing operations	164.4	137.7
Net profit from operations treated in accordance with IFRS 5 (Dooya)	(6.6)	2.6
Consolidated net profit	157.7	140.4
Cash flow	207.7	178.6
Net investments in intangible assets and property, plant and equipment	56.0	57.3
Depreciation and amortisation charges**	(38.2)	(40.6)
Equity	770.7	894.4
Net financial debt***	(104.6)	(222.4)
Non-current assets	548.3	540.2
Total workforce	6,060	6,120

* Financial statements have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

** Excluding goodwill impairment

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

Takes into account liabilities related to put options granted to holders of non-controlling interests, earnouts, unlisted bonds receivable and deferred payments of a financial nature. The 2017 amount has not been restated for Dooya.

SALES BY GEOGRAPHIC REGION

Data in € millions	2017*	2018	Change 2018/17	Change 2018/17 on a like-for-like basis
France	310.1	324.5	4.7%	4.7%
Germany	172.0	178.3	3.7%	3.7%
Northern Europe	109.7	120.5	9.8%	10.7%
Central & Eastern Europe	118.4	131.5	11.1%	12.3%
Southern Europe	114.7	119.2	3.9%	4.4%
Africa & Middle East	75.3	67.2	-10.7%	-2.4%
Asia & Pacific (excl. China)	52.8	54.8	3.8%	8.5%
China	15.4	13.7	-10.9%	-8.5%
North America	96.9	93.6	-3.4%	1.0%
Central & South America	24.0	23.3	-3.2%	8.6%
TOTAL	1,089.4	1,126.7	3.4%	5.2%

* 2017 sales have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

INCOME STATEMENT

Data in € millions	2017*	% sales	2018	% sales	Change 2018/17
Sales	1,089.4		1,126.7		3.4%
Current operating result	174.7	16.0%	177.8	15.8%	1.8%
Other non-current items	(0.2)		2.4		
Impairment of goodwill	0.0		(10.1)		
Operating result	174.5	16.0%	170.1	15.1%	-2.5%
Net financial expense	(4.6)		(4.3)		
Profit before tax	169.8	15.6%	165.8	14.7%	-2.4%
Income tax	(4.0)		(29.5)		
Share of net profit/(loss) from associates	(1.5)		1.4		
Net profit from continuing operations	164.4	15.1%	137.7	12.2%	-16.2%
Net profit from operations treated in accordance with IFRS 5 (Dooya)	(6.6)		2.6		
Consolidated net profit	157.7	14.5%	140.4	12.5%	-11.0%
Restated consolidated net profit**	135.6	12.5%	148.1	13.1%	+9.2%

* Financial statements have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

** Amounts adjusted to reflect both non-recurring operating charges and income and tax reliefs recorded over the previous financial year (€22.3 million).

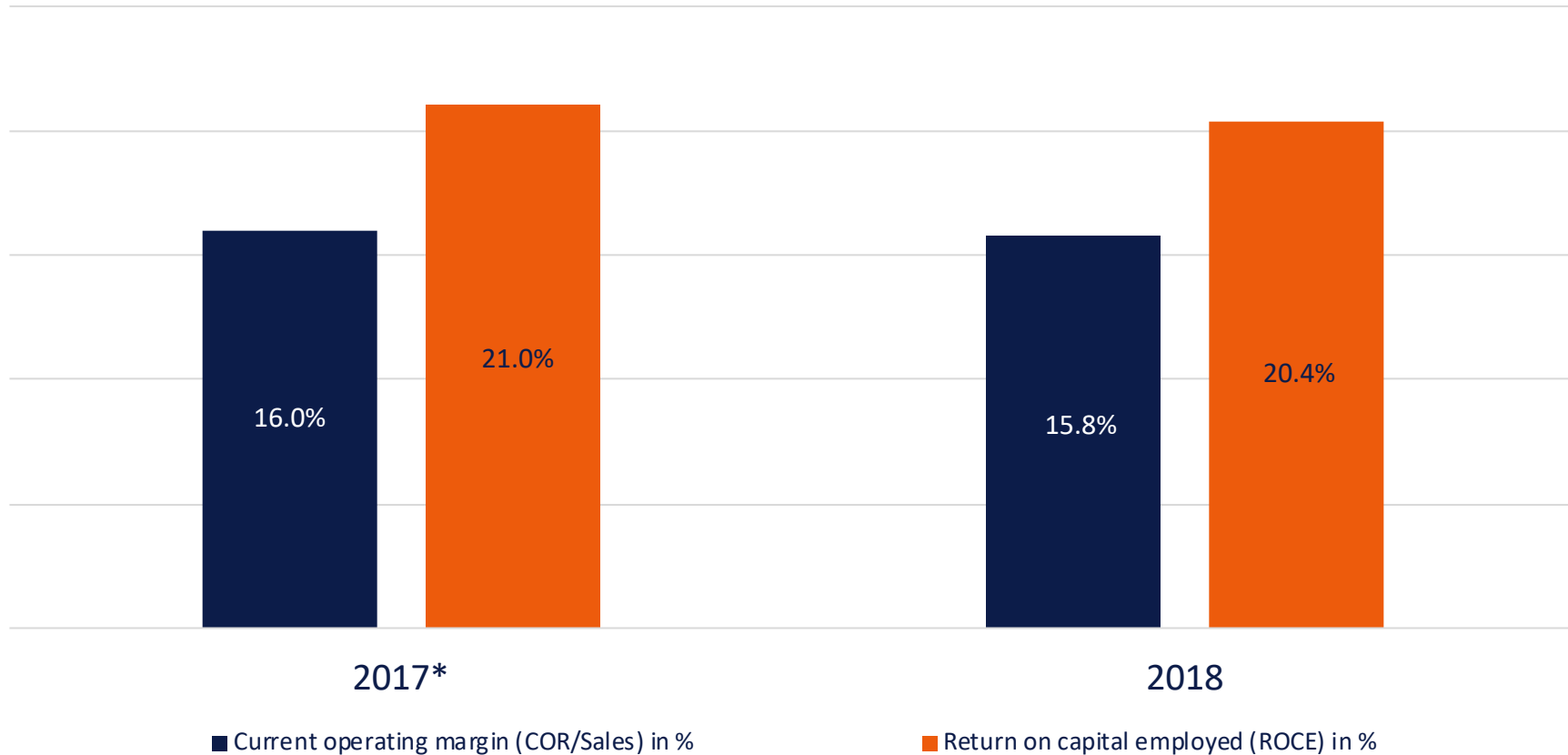
CASH FLOW STATEMENT

Data in € millions	2017*	2018
Cash flow	207.7	178.6
Change in working capital requirements	(34.5)	(8.7)
Other cash flows	0.6	1.2
Net cash flow from operating activities	173.8	171.1
Net investments in property, plant and equipment and intangible assets	(56.0)	(57.3)
Net non-current financial assets	9.1	3.2
Acquisition of entities, net of cash acquired	0.0	(7.1)
Interest received	0.4	0.4
Net cash flow from investing activities	(46.5)	(60.8)
Dividends paid	(41.9)	(44.7)
Change in borrowings	(2.1)	(1.7)
Interest paid	(2.3)	(2.3)
Movements in treasury shares	0.3	(0.5)
Net cash flow from financing and equity activities	(46.0)	(49.2)
Net cash flow from operations treated in accordance with IFRS 5 (Dooya)	6.5	(20.3)
Impact of changes in exchange rates	(1.6)	0.0
Net change in cash and cash equivalents	86.3	40.8

* Financial statements have been restated following the change in the consolidation method of Dooya (application of IFRS 5).

PROFITABILITY

Operating margin and return on capital employed (after normative tax)



- Current operating margin of 16.5% on a like-for-like basis
- High level of profitability maintained

* 2017 data has been restated following the change in the consolidation method of Dooya (application of IFRS 5).

CONDENSED BALANCE SHEET

Data in € millions	2017	2018
Equity	770.7	894.4
Long-term borrowings	33.5	11.6
Provisions and retirement commitments	35.3	36.4
Other non-current liabilities	17.3	18.0
Permanent capital	856.9	960.4
Goodwill	196.8	96.2
Net intangible assets	45.8	37.1
Net property, plant and equipment	272.0	243.9
Investments in associates and joint ventures	0.9	132.8
Net financial assets	5.4	3.8
Other non-current receivables	27.3	26.4
Working capital	308.6	420.2
Net inventories	184.7	175.0
Net trade receivables	173.5	140.1
Other current receivables	62.4	69.2
Trade payables	135.0	90.1
Other current liabilities	113.9	108.1
Working capital requirements	171.7	186.1
Cash and cash equivalents	136.9	234.1
Net financial debt*	(104.6)	(222.4)

The 2017 balance sheet has not been restated following the change in the consolidation method of Dooya (application of IFRS 5).

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

Takes into account liabilities related to put options granted to holders of non-controlling interests, earnouts, unlisted bonds receivable and deferred payments of a financial nature. The 2017 amount has not been restated for Dooya.

ANALYSIS OF NET FINANCIAL DEBT

Data in € millions	2017	2018	
Bank borrowings (non-current portion)	6.3	4.9	
Liabilities related to put options and earn-out	22.0	6.7	
Other financial liabilities	5.3	0.0	
Non-current financial assets	(2.1)	(0.2)	
Net long-term financial debt	31.4	11.4	
Bank borrowings (current portion)	20.5	1.6	
Liabilities related to put options and earn-out	56.1	18.1	
Cash and cash equivalents	(212.6)	(253.4)	
Other cash items	(0.1)	(0.1)	
Net short-term financial debt	(136.1)	(233.8)	
Net financial debt*	(104.6)	(222.4)	

2018/17 change
from cash flow
statement
€40.8 m

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

Takes into account liabilities related to put options granted to holders of non-controlling interests, earnouts, unlisted bonds receivable and deferred payments of a financial nature. The 2017 amount has not been restated for Dooya.

RESTATED 2017 INCOME STATEMENT

- The 2017 income statement has been restated following the change in the consolidation method of Dooya (IFRS 5).

Data in € millions	2017 published	Restatement of Dooya contribution	2017 restated
Sales	1,246.6	(157.2)	1,089.4
Current operating result	168.4	6.3	174.7
Non-recurring operating items	(0.2)	0.0	(0.2)
Net financial expense	(5.9)	1.2	(4.6)
Income tax	(3.1)	(0.9)	(4.0)
Share of net profit/(loss) from associates	(1.5)	0.0	(1.5)
Net profit from continuing operations	157.7	6.6	164.4
Net profit from operations treated in accordance with IFRS 5 (Dooya)	0.0	(6.6)	(6.6)
Consolidated net profit	157.7	0.0	157.7

RESTATED 2017 CASH FLOW STATEMENT

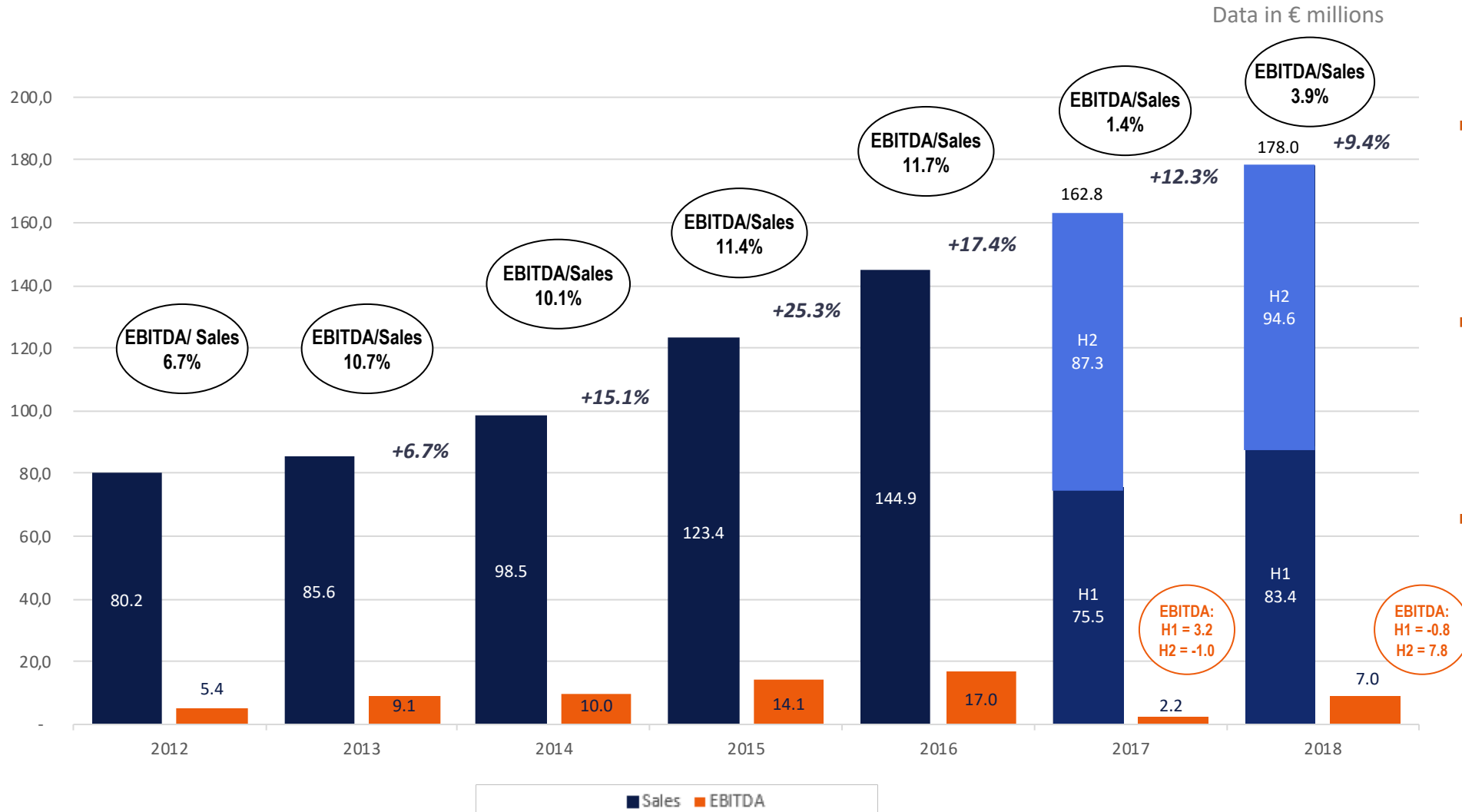
- The 2017 cash flow statement has been restated following the change in the consolidation method of Dooya (IFRS 5).

Data in € millions	2017 published	Restatement of Dooya contribution	2017 restated
Cash flow	208.1	0.4	207.7
Change in working capital requirements	(23.5)	(11.0)	(34.5)
Other flows	1.5	(0.8)	0.6
Net cash flow from operating activities	186.0	(12.2)	173.8
Net cash flow from investing activities	(55.2)	8.7	(46.5)
Net cash flow from financing and equity activities	(41.9)	(4.0)	(46.0)
Net cash flow from operations treated in accordance with IFRS 5 (Dooya)	0.0	6.5	6.5
Impact of changes in exchange rates	(2.6)	1.1	(1.6)
Net change in cash and cash equivalents	86.3	0.0	86.3

DOOYA 2017 CONTRIBUTION BALANCE SHEET

Data in € millions	2017
Equity	75.7
Long-term borrowings	5.3
Provisions and retirement commitments	2.7
Other non-current liabilities	1.2
Permanent capital	84.9
Goodwill	90.5
Net non-current assets	51.4
Investments in associates and joint ventures	0.0
Other non-current receivables	1.6
Working capital	(58.7)
Working capital requirements	(5.7)
Cash and cash equivalents	(53.0)
Net financial debt	58.7

DOOYA SALES AND EBITDA



- Strong sales growth over a long period (sales doubled in 5 years, equating to a CAGR of 15%)
- Over 2017 and 2018, weaker profitability due to significant commercial and industrial investments
- Recovery initiated in H2 2018

DEFINITIONS

- **On a like-for-like basis:** at constant scope and exchange rates
- **Current operating margin (COR/Sales):** ratio of current operating result to sales
- **Return on capital employed (ROCE):** profitability of capital invested (also termed capital employed) = ratio of current operating result, after normative tax, to capital invested (capital employed)
- **Capital invested (capital employed):** sum of shareholders' equity, after offsetting the effects of goodwill impairment, and net financial debt