



Results at June 30, 2013

Trappes, September 30, 2013 - The interim consolidated financial statements for the period ended June 30, 2013 were reviewed and adopted by the Board of Directors' meeting chaired by Philippe Brégi and attended by the auditors. The auditors performed a limited review of these financial statements and their report will be issued in accordance with the provisions of the law.

FIRST-HALF RESULTS

IFRS (€m)	H1 2012	H2 2012	H1 2013
Sales	13.0	12.6	12.2
Operating profit (loss)	(0.6)	(0.1)	(0.2)
Net income	(0.5)	(0.4)	(0.3)

On these results, Philippe Brégi commented: *"In light of the current economic environment, these results are in line with expectations. Year-to-date, Egide SA's sales were stable while Egide USA was impacted in the second quarter by a slowdown in its domestic defense market. With a €0.2 million operating loss and net financial expense of €0.1 million, the first half registered a net loss of €0.3 million and the measures taken to limit the impact of the crisis on earnings have demonstrated their relevance."*

CONSOLIDATED BALANCE SHEET HIGHLIGHTS

At June 30, 2013 the Group had assets of €3.8 million that include the building and land of Egide USA (€1.5 million) and the new surface treatment production line of Bollène (€0.6 million). Cash and cash equivalents amounted to €0.6 million. Working capital remained stable at approximately 49 days of sales. Shareholders' equity stood at €4.4 million. Total debt amounted to €3.7 million that included €2.2 million in factoring, a €0.1 million regional job preservation loan (PRME) with Egide SA, a €1.1 million loan from Egide USA, and €0.2 million in Egima debt that will be assumed by the buyer of the subsidiary.

POST-CLOSING EVENTS

Virtually all Egima's tax, customs and employee-related liabilities were discharged at the end of July. Only the bank loan will remain until its term as it will be taken over by the buyer. The preliminary sale agreement is currently under review. Egima's disposal will have no impact on the Group's cash position though will reduce its debt.

To align costs with sales expected for the second half, Egide SA had recourse to one week of part-time activity in September while due to the prospects of a slowdown in the US defense market, Egide USA implemented a downsizing plan involving ten employees.

The Board of Directors has tasked a specialized firm to organize the disposal of Egide UK either through a sale to management or to an industrial buyer. The first solution that represented the preferred option is currently being implemented. The disposal of Egide UK will generate proceeds of approximately €0.5 million.

Egide SA, as planned, applied to the French innovation agency, OSEO, for Research Tax Credit (RTC) funding that will represent between €0.6 million and €0.7 million.

If neither the Egide UK disposal is completed, or the RTC funding is obtained within the short term, the company could be obliged to defer selected debt payment installments.

OUTLOOK

In the near-term, the Group's defense markets are impacted by the slowdown in capital spending in the US and Europe only partially offset by the positive trends in Asia. The outlook for the telecom market is more positive and deliveries of significant orders are scheduled to commence in early 2014. The industrial market is adversely affected by the absence of visibility. On this basis, Group sales in the second half will remain in line with the level of the first six months for Egide SA and Egide UK though experience a sharp downturn for Egide USA.

In the midterm, Egide's dominant position in infrared technologies for military applications will contribute to significant sales, especially as many market participants are currently migrating from glass-to-metal to ceramic technology. Also, Egide's positioning in 100 Gbits/s networks and optical switches will ensure its profitable development in the telecom sector. In industrial markets, Egide will develop its offering of packages for microwave components. The strategic plan for the combined development of Egide SA/ Egide USA will be accompanied by a financial operation to support its implementation.

Philippe Brégi concluded: "*The Group's reorganization (Egima and Egide UK disposals) will strengthen its balance sheet and refocus operations on its core business as a supplier of hermetic packages for high-end applications in glass-to-metal, ceramics-to-metal and all-ceramics. In these high-end markets, Egide occupies a key position based on the quality of its products and established reputation for expertise that allows it to preserve its margins despite the crisis. Remaining confident in its near and medium term outlook, Egide plans to accelerate sales growth and strengthen its technological leadership.*"

FINANCIAL CALENDAR

Publication of 2013 third-quarter sales: October 10, 2013 – 07:00 (CET)

About Egide

Egide SA is a European group with an international dimension, specialized in the manufacture of hermetic packages for sensitive electronic components. Operating in a broad range of high-tech sectors including aerospace, defense, security, aeronautics, telecommunications automotive and medical segments and with manufacturing bases in France, the United States and Great Britain, Egide is the only pure player in this market niche.

To find out more about Egide: www.egide.fr

Egide is listed on NYSE Euronext Paris™ - Segment C - ISIN: FR0000072373 – Reuters : VLS.PA – Bloomberg: GID

**Egide renews its OSEO label as an innovative company (*entreprise innovante*) on June 11, 2012
ISO 9001:2008 and ISO 14001:2004 certified quality and environmental management systems**

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