

## Press Release

**Results for Financial Year 2011**

On February 27<sup>th</sup> 2012, the Supervisory Board of Somfy examined the annual accounts for the company and its subsidiaries for the year ending on December 31<sup>st</sup> 2011.

<i>Consolidated figures in €million</i>	2011	2010	Change
Sales	952.4	852.6	+11.7%
Current Operating Result	124.7	138.6	-10.1%
Operating Result	116.3	132.1	-11.9%
Net Profit	161.4	96.2	+67.9%
Cash Flow	149.0	149.4	-0.2%

**Sales**

Group sales<sup>1</sup> went from €852.6M to €952.4M for the year just ended (+11.7% in real terms and +4.9% on like for like). Growth slowed during the last two quarters as a result of a less favourable base effect in the second half of the year and of worsening market conditions, particularly from the summer.

**Somfy Activities** sales reached €842.8M (+12.8% in real terms and +5.0% on like for like).

Several areas closed the year markedly higher on like for like in spite of the slowdown in the second part of the year. Such was the case in Eastern and Central Europe (+11.9%), Germany (+10.8%), France (+6.3%) and the Americas (+6.2%). Other areas closed with more contrasting results. Asia-Pacific (+3.3%) suffered as a result of the natural disasters during the year, while Northern Europe and Southern Europe<sup>2</sup> (respectively -0.0% and -1.3%) were affected by the economic crisis.

**Somfy Participations** sales came to €112.5M (+4.9% in real terms and +5.0% on like for like).

The three fully integrated companies grew on like for like over the year. Cotherm (+4.3%) closed strongly thus compensating well for the slowdown at the start of the year. The other two, Sirem and Zurflüh-Feller, fell back at the end of the year but still closed with significant gains (respectively +8.7% and +4.0%).

<sup>1</sup> The difference between Group sales and the sum of Somfy Activities sales plus Somfy Participations sales corresponds to sales made between Somfy Activities and Somfy Participations.

<sup>2</sup> Africa and the Middle East are consolidated with Southern Europe.

## Results

The current operating result for the Group went from €138.6M to €124.7M for the year (-10.1%). It represents 13.1% of sales.

The current operating result for **Somfy Activities** was €118.2M (-7.7%). This decline is partly explained by increased production costs due to the rising price of raw materials and the troubles in the Tunisian plant at the start of the year. It also comes as a result of major actions carried out during the year to implement growth strategies (building up sales forces, particularly in emerging markets, accelerating R&D, particularly in the home automation field,...).

The current operating result for **Somfy Participations** came to €6.6M (-38.2%). It breaks down as €10.2M (-23.3%) contributed by the fully consolidated companies and €3.6M for overheads (acquisition costs,...). This decrease is mainly due to the rise in raw material prices and, to a lesser extent, to the increase in sub-contracting costs (a temporary measure to use external contractors).

Net consolidated profit for the Group went from €96.2M to €161.4M (+67.9%). This includes non-current items, notably depreciation of goodwill for O&O and Sirem, a much higher financial income with capital gains from the sale of the stake in agta record, and a much-improved contribution from equity accounted companies thanks to the turnaround at Ciat.

Excluding the non current capital gain recorded from the sale of shares in agta record, net profit would be €99.8M (+3.8%).

## Financial Situation

The group's net financial debt<sup>3</sup> stands at €15.7M at the end of December, representing 1.9% of equity. It is increased by earn outs on acquisitions and debts associated with options granted to minority shareholders in the fully consolidated companies. It is reduced by non-listed bonds issued by some participations or related companies.

Several significant financial operations took place during the year. **Somfy Activities** has allied with Garen Automação (subscription to convertible bonds with the potential to take full control at a later date). **Somfy Participations** has sold its interests in agta record and Babeau Seguin and has taken a share in the capital of Pellenc (acquisition of a minority stake with the option to buy the capital outright in the medium term).

The net asset value of **Somfy Participations** is estimated at €357.5M (-9.3% on like for like). The drop against 2010 is due to lower valuation ratios as a result of the financial crisis (a fall in stock prices and of valuation multiples used as benchmarks).

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<sup>3</sup> Net financial debt corresponds to the difference between financial debt and the sum of available cash, plus unlisted bonds.

## **Dividends**

At the forthcoming shareholders' general meeting, where last year's accounts will be submitted for approval, the board will propose to maintain the dividend at €5.2 per share.

## **Outlook**

In the prevailing economic climate the Group is preparing for a period of uncertainty on all its markets over the coming months and is ready to adapt its action plans accordingly.

**Somfy Activities** will bear the costs undertaken in the course of last year over the full year and will therefore have to adjust and adapt its efforts to suit the changing context in order to preserve and maintain its level of profitability. However, consumers are clearly looking for further improvements in their home environment, which underlines the validity of the strategic choices made over the last two years.

The goals are similar for **Somfy Participations**, which will continue to work with the companies in its portfolio to optimise their business models and develop their activity, while looking out for further opportunities to invest and divest.

## **Changing Corporate Governance Code**

At the Supervisory Board meeting of 27 February 2012, it was decided to change the reference code for corporate governance from the AFEP/MEDEF code to the MIDDLENEXT code on the grounds that their prescriptions (recommendations and critical points of governance) are more in line with the company, in particular in relation to its shareholding structure.

## **Company profile**

*Somfy is organised into two separate branches: Somfy Activities is dedicated to the Group's core business of automating openings and closures in residential and commercial buildings; Somfy Participations is dedicated to investing and participating in industrial companies in other business sectors.*

## **Contacts**

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## **Notice**

*Auditing procedures have been completed.*

*The report of the certified accounts and the complete annual results will be published later and will be available on the company website.*

*Areas most exposed to the current economic crisis are Southern Europe (Spain, Greece, Italy, ...) and Northern Europe (Benelux, United Kingdom, ...). They contributed respectively 12.1% and 10.4% to Group sales in 2011.*

## **Agenda**

*First quarter sales announcement: 19<sup>th</sup> April 2012 after stock exchange closing  
Annual shareholders meeting: 15<sup>th</sup> May 2012, at 5:00 pm at Cluses (company headquarters)*

## Income Statement

Consolidated figures in €million	2011	2010
<b>Sales</b>	<b>952.4</b>	<b>852.6</b>
. Somfy Activities	842.8	747.5
. Somfy Participations	112.5	107.2
. Intercompany Sales Adjustments	(2.8)	(2.1)
<b>EBITDA</b>	<b>162.9</b>	<b>175.4</b>
<b>Current operating result</b>	<b>124.7</b>	<b>138.6</b>
. Somfy Activities	118.2	128.1
. Somfy Participations	6.6	10.7
. Others	(0.1)	(0.1)
<b>Other non current items</b>	<b>(8.4)</b>	<b>(6.5)</b>
<b>Operating Result</b>	<b>116.3</b>	<b>132.1</b>
<b>Financial income</b>	<b>70.4</b>	<b>4.8</b>
<b>Profit before tax</b>	<b>186.8</b>	<b>136.8</b>
<b>Income tax</b>	<b>(24.9)</b>	<b>(29.1)</b>
<b>Share of profit of equity-accounted companies</b>	<b>(0.5)</b>	<b>(11.6)</b>
<b>Net Profit</b>	<b>161.4</b>	<b>96.2</b>
<b>Share of non controlling interests</b>	<b>(0.8)</b>	<b>(0.7)</b>
<b>Group share of net income</b>	<b>160.6</b>	<b>95.4</b>
<b>Cash flow</b>	<b>149.0</b>	<b>149.4</b>

*Note: Results for Ningbo Dooya are integrated from the start of 2011.*

## Balance sheet summary

Consolidated figures in €million	2011	2010
<b>Equity</b>	<b>841.2</b>	<b>807.8</b>
<b>Long term liabilities and equity</b>	<b>1009.1</b>	<b>992.8</b>
<b>Working capital</b>	<b>125.1</b>	<b>96.8</b>
<b>Working capital requirement</b>	<b>135.3</b>	<b>94.2</b>
<b>Net financial debt *</b>	<b>15.7</b>	<b>36.0</b>

\* Debt breakdown :

Net financial debt before bonds	81.0	94.1
Unlisted bonds	(65.3)	(58.1)
Net financial debt	15.7	36.0

*Note: Data for financial year 2010 has been restated following the integration of Ningbo Dooya (allocation of goodwill)*