

2014 first half-year results and second half-year outlook

Consolidated data (€ millions)	HY1 2014 Published	HY1 2013 Pro forma	HY1 2013 Published	Pro forma change
Sales ¹	509.6	467.0	506.9	+9.1%
Current operating result ¹	87.8	77.9	81.8	+12.7%
Net profit of continuing operations	50.4	59.3	-	-15.0%
Net profit of operations held for sale or distribution ²	4.4	2.9	-	+49.2%
Consolidated net profit	54.8	62.3	62.5	-12.0%
Cash flow of continuing operations	82.2	79.8	-	+3.0%

Disclaimer: *The planned demerger of the Group's two divisions, announced in May 2014, led to the reclassification of Somfy Participations' equity investments as assets held for sale or distribution, excluding the investment in FAAC, pursuant to IFRS 5, with retroactive effect from 1 January 2014 and to the preparation of pro forma financial statements to ensure comparability.*

Sales

Group sales, representing Somfy Activities' contribution, totalled €509.6 million for the first six months of the financial year, thus posting growth of 9.1% on a pro forma basis and 8.5% on a like-for-like basis compared with the same period of the previous year.

Strong gains were recorded in Central and Eastern Europe, Germany and Asia-Pacific (up 18.4%, 12.7% and 12.0% respectively, on a like-for-like basis), as well as in Southern and Northern Europe (up 11.8% and 9.9% respectively, on a like-for-like basis), as a result of a good season for sales of motors and automation for blinds and the recovery in Benelux, the UK, Spain and Italy.

France also continued on an upward trend (up 1.8% on a like-for-like basis), despite sluggish economic conditions and a weak construction sector.

¹ Somfy Participations' equity investments in Sirem and Zurflüh-Feller are not included in the actual (published) consolidation scope for 2014 and pro forma for 2013. Conversely, they are included in the actual (published) consolidation scope for 2013.

² The net profit of operations held for sale or distribution corresponds to the contribution of companies included in the scope of Somfy Participations, with the exception of FAAC which would be maintained within the Group if the planned demerger of the two divisions were to happen.

Results

The Group's current operating result was €87.8 million for the half year, an increase of 12.7% on a pro forma basis. It represented 17.2% of sales compared with 16.7% on the same basis for the same period of the previous year despite the continued unfavourable impact of foreign exchange movements.

The performance recorded was both attributable to sales growth and good control of the main expense items as a result of efficiency plans implemented over the last few years.

Consolidated net profit was €54.8 million, a decline of 12.0% on a pro forma basis.

The decline recorded was of an exceptional nature, essentially attributable to non-recurring operating expenses, the majority of which corresponded to provisions for goodwill impairment of newly-acquired entities. Excluding the latter, net profit would have totalled €69.6 million and would have grown by 11.7%.

Financial position

The balance sheet shows a net cash surplus of €10.3 million at the end of June, compared with net financial debt of €50.3 million twelve months previously, before taking account of bonds receivable.

This improvement reflects a substantial level of cash flow and good control of working capital requirements.

Outlook

The strategy implemented over the last two years will be continued and tailored to the current economic situation during the second half of the year in order to preserve the level of profitability. Likewise, investment in innovation will be maintained and directed chiefly at Somfy Activities' strategic markets (motors, automation, home automation).

The next six months should also and above all be marked by the proposed demerger of the Group's two divisions, Somfy Activities and Somfy Participations.

The transaction will be submitted for approval to the Supervisory Board next October and to the General Meeting in November. If authorised, Somfy Participations will be floated on the Euro MTF market of the Luxembourg stock exchange, chosen for its adequacy with the activity and size of Somfy Participations.

FAAC will be excluded from Somfy Participations' portfolio as part of this transaction and will be retained within the Group's scope due to existing complementarities with Somfy Activities (gate and garage door automation and systems). CIAT will also be excluded if the takeover bid submitted by UTC in July 2014 is carried through.



Corporate profile

The Somfy Group is structured as two separate branches: Somfy Activities, which is dedicated to the automation and control of openings and closures in residential and commercial buildings (blinds, shutters, curtains, screens, doors, gates, etc.), and Somfy Participations, which is dedicated to investments and equity shareholdings in industrial companies operating in other business sectors.

Financial statements

The half-year financial statements have been reviewed by the Supervisory Board. They can be downloaded from the Company's website (www.somfyfinance.com).

Limited review procedures have been performed and the Statutory Auditors' report has been issued.

Contacts

Somfy: Pierre Ribeiro (CFO): Tel: +33 4 50 40 48 49 / Jean-Michel Jaud (Communication Director): Tel: +33 4 50 96 70 65 / François-Xavier Dupont: Tel: +33 1 44 50 58 74

Shareholders' agenda

Publication of third quarter sales: 21 October 2014 after close of trading

Income statement

Consolidated data (€ millions)	HY1 2014 Published*	HY1 2013 Pro forma**
Sales	509.6	467.0
EBITDA	105.2	94.3
Current operating result	87.8	77.9
Non-recurring income and expenses	(17.1)	(0.8)
Operating result	70.7	77.1
Financial income and expenses	(0.4)	(1.0)
Profit before tax	70.2	76.1
Income tax	(19.3)	(16.8)
Share of profit/(loss) of equity-accounted companies	(0.5)	0.0
Net profit of operations held for sale or distribution*	4.4	2.9
Consolidated net profit	54.8	62.3
Attributable to: - non-controlling interests	(0.4)	0.2
- Group share	54.4	62.5

* Somfy Participations' assets, with the exception of the investment in FAAC, have been reclassified as assets held for sale or distribution due to the proposed demerger of the Group's two divisions. Their contribution is included under net profit of operations held for sale or distribution.

** The financial statements for the first half of 2013 have been restated following the allocation of the acquisition cost of Giga.

Condensed balance sheet

Consolidated data (€ millions)	HY1 2014 Published	HY1 2013 Restated*
Equity	961.5	875.6
Net financial surplus**	10.3	21.1
Net non-current assets	614.2	769.9
Working capital requirements	133.4	151.1
Net assets held for sale or distribution***	260.3	-

* The financial statements for the first half of 2013 have been restated following the allocation of the acquisition cost of Giga and the correction to the opening balance sheet of Garen Automação.

** The net financial surplus is the difference between cash and cash equivalents and financial liabilities. In 2013, it took into account unlisted bonds receivable issued by certain close shareholdings or entities, but not in 2014 as a result of their classification as assets held for sale or distribution.

*** Assets included within the scope of Somfy Participations have been classified in 2014 as assets held for sale or distribution.