

Proposed demerger of the two operating divisions

The Supervisory Board, having reviewed the report of the independent expert, namely the Valphi firm, on the contribution value of the assets and the fairness of the financial terms and conditions of the transaction, unanimously approved the demerger of the Group's two operating divisions, Somfy Activities and Somfy Participations. Furthermore, it authorised the Management Board to take all necessary steps to finalise the said demerger and in particular to sign the Contribution Agreement today.

The transaction will be completed in two stages:

. The first, scheduled for 29 October 2014, will involve the transfer of Somfy Participations' assets, excluding the equity investments in CIAT¹ and FAAC², to Edify, a "société anonyme" (public limited company) incorporated under the laws of Luxembourg, established on 16 September 2014 for the purpose of the transaction and intended to be listed on the Euro MTF market of the Luxembourg Stock Exchange.

Following the transfer, Edify will be valued at €253 million, divided into 5,060,620 shares, and will comprise an equity portfolio of €192 million and other financial assets (receivables and cash) of €61 million.

. The second stage, subject to approval by the Somfy General Meeting scheduled for 27 November 2014, will involve an exceptional distribution of reserves with, at Somfy shareholders' discretion, a payment either in shares in the newly-formed Edify company or in cash.

Somfy's shareholders would therefore be offered the option of receiving one Edify share valued at €50 or a gross cash amount of €50 for each Somfy share held.

The majority shareholder has already indicated that it would opt for payment in shares.

¹ The 46.1% equity investment in CIAT will be acquired by UTC if the bid currently being considered is carried through.

² The 34.0% equity investment in FAAC will be retained by Somfy due to their businesses being very complementary.



Edify will be first listed on the day the distribution is paid by Somfy, which is due to take place in December. This listing will be preceded by the provision of a prospectus, approved by the Luxembourg Stock Exchange, with the notice of General Meeting of 27 November.

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, and Somfy Participations, which is dedicated to investments and equity shareholdings in industrial companies operating in other business sectors.

The two branches operate in accordance with different business models and are already independent from each other. Their split into separate listed companies will provide greater visibility to their respective activities and improve the readability and analysis of their financial statements. It will also give shareholders the opportunity to invest in their activities of choice.

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