

HALF-YEAR FINANCIAL REPORT 2016

LIVING

INNOVATION FOR & BY THE PEOPLE

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01

2016 HALF-YEAR BUSINESS REPORT

KEY FIGURES

€ millions	30/06/16	30/06/15	% change
Sales	587.5	547.8	+ 7.3%
Current operating result	114.4	96.8	+ 18.2%
Operating result	114.3	97.4	+ 17.3%
Net profit	92.7	104.6	- 11.4%
Net investments in intangible assets and property, plant and equipment	30.4	25.8	+ 18.1%
Cash flow	108.8	92.2	+ 18.0%
Net financial debt	24.6	90.2	-

Somfy Group is the global leader in opening and closing automation for both residential and commercial buildings.

SALES GROWTH

Group sales totalled €587.5 million for the first six months of the financial year, an increase of 7.3% in real terms, a rate that includes negative foreign exchange and scope effects. Sales grew by 12.1% on a like-for-like basis¹, including 11.9% in the first quarter and 12.2% in the second.

All geographic regions² ended the half-year on a strong positive note. Some of them experienced a particularly dynamic start to the year, due to the favourable effect of the comparison base³ and mild weather conditions.

The most noteworthy performances were achieved in Central and Eastern Europe, America, Germany, Asia-Pacific and Southern Europe⁴ (up 21.6%, 16.2%, 12.9%, 11.5% and 11.3% respectively on a like-for-like basis).

Sales also held up well in France (up 9.6% on a like-for-like basis), particularly in the large DIY store sector, as well as in Northern Europe (up 6.5% on a like-for-like basis), despite the slowdown noted in certain countries.

1. Brazilian companies Garen Automação and Giga exited the consolidation scope as of 1 July 2015, for the former, and as of 1 January 2016 for the latter.

2. Germany, America, Asia-Pacific, France, Central and Eastern Europe, Northern Europe and Southern Europe are all considered as autonomous geographic regions in the sales breakdown, due to their respective scopes and weightings.

3. Group sales grew by 0.8% and 4.7% respectively over the first and second quarters of the 2015 financial year.

4. Africa and the Middle East are included in Southern Europe.

CHANGE IN CURRENT OPERATING RESULT

The Group's current operating result was €114.4 million for the first half-year, an increase of 18.2% compared with the same period of the previous year, and represented 19.5% of sales.

This increase is attributable to sales growth and an improved industrial margin. It was nevertheless affected by higher structure costs, related to the continuation of the strategic investment plan initiated in recent times, and by the negative impact of changes in both exchange rates and consolidation scope.

CHANGE IN NET PROFIT

Consolidated net profit was €92.7 million, a decline of 11.4%. It was little affected by non-recurring and financial operating items, as they represented negligible amounts, unlike the previous year.

Restated for exceptional income and expenses, which were significant during the previous financial year notably due to the exit from the share capital of both CIAT and Faac, net profit recorded an increase of 28.8%.

NET FINANCIAL DEBT

The net financial debt is defined and detailed in Note 8.2.3 to the condensed consolidated interim financial statements.

Cash flow reached €108.8 million for the first six months of the financial year, thereby growing 18.0%. It covered the increase in working capital requirements, resulting partially from seasonality-related effects and the acceleration of business growth, and all investments over the period.

As a result, net financial debt was limited to €24.6 million at the end of June, compared with a surplus of €1.2 million at the end of the previous financial year, and represented only 4.0% of equity.

OUTLOOK

More than half of Somfy Group's sales are generated in the first half of the year.

The second half-year will not benefit from the favourable comparison base of the first two quarters and should continue to suffer from a negative currency effect.

Nevertheless, the investment effort will be maintained, whilst preserving the Group's profitability. It will continue to be focused mainly on product innovation, sales force development and brand promotion, in order to fully capitalise on the new and many market opportunities: the boom in connected objects, widespread adoption of interior products, emergence of new distribution channels, growing demand in the service sector for environmentally responsible solutions, etc.

HIGHLIGHTS

GIGA

At the end of 2015, **Somfy SA** decided to sell the company **Giga** to the Gouvéa family. At 31 December 2015, the financial statements of the Giga entity were treated in accordance with IFRS 5. Balance sheet items were classified as assets and liabilities held for sale and income statement and cash flow statement items were not restated. In addition, a provision for writedown was recognised to cover the estimated risk.

An agreement was signed on 30 May 2016, providing for the sale of the shares for a token price and the disposal of all financial receivables of €4.6 million for €1.2 million. Given the writedown recognised in 2015, the disposal had a €0.3 million impact on net profit for the six months to 30 June 2016.

CONTINGENT LIABILITIES

The dispute between **Somfy SA** and **Spirel** employees is ongoing before the Albertville District Court. The employees seek annulment of the transfer of the Spirel securities, which took place in 2010, and to have Somfy SA ordered to pay them damages for the alleged deliberate bankruptcy of Spirel and non-material damage caused as a result of the anxiety, disappointment and vexation they considered to have been victim of, for a total of approximately €9.7 million. The submissions of Chappel Industries France and Spirel have been tabled and hearings should take place during the second half of 2016.

During the first half of 2016, the liquidator of the company Spirel also sought to have Somfy SA ordered to refund advances of €2.9 million paid by the AGS (Guarantee Fund for the payment of salary claims) in the event the disposal was declared null and void.

Somfy SA continues to dispute the arguments put forward by counsel for the Spirel employees, believes it has complied with its obligations and remains confident of its chances of receiving a favourable ruling.

In addition, in the course of July 2015 the employees also brought Spirel, Chappel Industries France et Somfy SA before the Albertville Labour Court, disputing the grounds for their dismissal and claiming damages of a substantially similar amount to those claimed before the District Court. To date, the claimants' submissions have not yet been filed and Somfy SA is unaware of the grounds on which the employees are basing their claims.

Therefore, the Group continues to qualify these risks as contingent liabilities and no provision was recognised in relation to these disputes at 30 June 2016.

On 5 January 2015, **Somfy SA** transferred to **United Technologies Corporation** its 46.1% equity investment in the share capital of CIAT Group, realising a consolidated net capital gain of €5.9 million, recognised under "Net profit from operations sold". A deferred settlement of €10.5 million relating to the disposal of the shares is included in Somfy SA's financial statements with payment spread over the period 2016 to 2019.

On 31 March 2016, United Technologies Corporation filed a claim against the sellers of the CIAT shares under the liability guarantee for a total of €22 million (Somfy's share being €10 million).

The requests included in the claim are unfounded and insufficiently detailed and justified, leading the Group to send a letter dated 2 May 2016 to UTC, requesting detailed documentation. To date, no reply has been received by the Group. It remains confident that this dispute will be resolved favourably and as such has qualified the risk as a contingent liability and no provision was recognised at 30 June 2016.

OTHER CHANGES TO THE CONSOLIDATION SCOPE

The Group did not make any major acquisition over the first six months of 2016.

POST BALANCE-SHEET EVENT

No significant post-balance sheet event has occurred since 30 June 2016.

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2016 CONDENSED CONSOLIDATED INTERIM
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2016 CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

€ thousands	Notes	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Sales	(5.1)	587,538	547,810	1,061,149
Other operating income		8,372	6,309	14,141
Cost of sales		- 204,685	- 195,822	- 381,075
Employee expenses		- 166,568	- 157,531	- 313,290
External expenses		- 91,226	- 84,844	- 175,956
EBITDA		133,430	115,922	204,971
Amortisation and depreciation charges	(6.2) & (6.3)	- 17,856	- 17,815	- 36,115
Charges to/reversal of current provisions		260	- 426	- 373
Gains and losses on disposal of non-current operating assets		- 186	598	- 107
EBITA		115,647	98,278	168,376
Amortisation of allocated intangible assets	(6.2)	- 1,213	- 1,453	- 2,773
CURRENT OPERATING RESULT		114,433	96,825	165,602
Other operating income and expenses	(5.2)	- 153	580	118
Impairment of goodwill	(6.1)	-	-	-
OPERATING RESULT		114,280	97,405	165,720
- Financial income from investments		1,083	391	1,347
- Financial expenses related to borrowings		- 1,339	- 2,631	- 4,354
Cost of net financial debt		- 255	- 2,239	- 3,007
Other financial income and expenses		234	17,923	14,476
NET FINANCIAL INCOME/(EXPENSE)	(8.1)	- 22	15,684	11,469
PROFIT BEFORE TAX		114,258	113,089	177,189
Income tax	(12)	- 21,540	- 12,582	- 18,442
Share of net profit/(loss) from associates	(13)	- 7	111	101
NET PROFIT FROM CONTINUING OPERATIONS		92,711	100,618	158,848
NET PROFIT FROM OPERATIONS HELD FOR SALE OR DISTRIBUTION		-	3,976	5,946
CONSOLIDATED NET PROFIT		92,711	104,594	164,794
Attributable to: Group		91,379	104,871	163,669
Attributable to: Non-controlling interests		1,331	- 277	1,126
Basic earnings per share (€)	(7.2)	13.31	15.28	23.84
Diluted earnings per share (€)	(7.2)	13.30	15.25	23.81

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ thousands	30/06/16	30/06/15
Net profit for the period	92,711	104,594
Movement in gains and losses on translation of foreign currency	- 5,764	8,724
Movement in fair value of assets available for sale	-	- 17,370
Movement in fair value of foreign currency hedges	- 487	- 579
Movement in tax on items that may be reclassified to profit or loss	154	6,063
Items that may be reclassified to profit or loss	- 6,097	- 3,162
Movement in actuarial gains and losses	- 2,083	-
Movement in tax on items that will not be reclassified to profit or loss	935	-
Items that will not be reclassified to profit or loss	- 1,148	-
Items of other comprehensive income directly recognised in equity	- 7,246	- 3,162
Total comprehensive income for the period*	85,465	101,432
Attributable to: Group	84,134	101,709
Attributable to: Non-controlling interests*	1,331	- 277

* The difference in the net profit with the consolidated statement of changes in equity corresponds to the reclassification of the share of minority interests subject to the put option to "Shareholders' equity - Group share", pursuant to IAS 32, representing €1.4 million at 30 June 2016 and a negative €0.2 million at 30 June 2015.

CONSOLIDATED BALANCE SHEET – ASSETS

€ thousands	Notes	30/06/16 Net	31/12/15 Net
Non-current assets			
Goodwill	(6.1)	179,940	182,269
Net intangible assets	(6.2)	43,285	43,492
Net property, plant and equipment	(6.3)	238,378	231,230
Investments in associates	(13)	2,559	2,258
Financial assets	(8.2.1)	2,375	2,354
Other receivables	(5.4.1)	18,140	18,119
Deferred tax assets		41,692	38,505
Employee benefits		38	38
Total Non-current assets		526,407	518,266
Current assets			
Inventories	(5.3)	172,877	154,091
Trade receivables		216,367	142,538
Other receivables	(5.4.2)	23,910	27,892
Current tax assets		10,359	17,404
Financial assets	(8.2.1)	772	820
Derivative instruments - assets		-	226
Cash and cash equivalents		72,117	103,787
Total Current assets		496,402	446,758
Assets held for sale or distribution		-	2,732
TOTAL ASSETS		1,022,809	967,755

CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

€ thousands	Notes	30/06/16	31/12/15
Shareholders' equity			
Share capital		7,400	7,400
Share premium		1,866	1,866
Other reserves		518,181	404,725
Net profit for the period		91,379	163,669
Group share		618,827	577,659
Non-controlling interests		203	262
Total Shareholders' equity		619,030	577,921
Non-current liabilities			
Non-current provisions	(10.1.1)	12,867	13,236
Other financial liabilities	(8.2.2)	14,194	14,723
Other liabilities		1,539	1,715
Employee benefits		25,279	21,983
Deferred tax liabilities		36,392	36,860
Total Non-current liabilities		90,272	88,518
Current liabilities			
Current provisions	(10.1.2)	8,887	8,580
Other financial liabilities	(8.2.2)	82,787	88,529
Trade payables		124,389	106,608
Other liabilities		83,312	90,883
Tax liabilities		13,935	4,913
Derivative instruments - liabilities		199	–
Total Current liabilities		313,508	299,512
Liabilities related to assets held for sale or distribution		–	1,804
TOTAL EQUITY AND LIABILITIES		1,022,809	967,755

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AT 30 JUNE 2016

€ thousands	Share capital (1)	Share premium	Treasury shares	Actuarial gains and losses	Foreign currency hedges
AT 31 DECEMBER 2015	7,400	1,866	- 99,275	- 12,283	251
Total comprehensive income for the period	-	-	-	- 2,083	- 450
Treasury share transactions	-	-	- 210	-	-
Dividends	-	-	-	-	-
Other movements (3)	-	-	-	-	-
AT 30 JUNE 2016	7,400	1,866	- 99,485	- 14,366	- 199

Movements in put options (2)	Deferred tax	Changes in foreign exchange rates	Consolidated reserves and net profit	Total shareholders' equity	Non-controlling interests	Total equity (Group share)
- 532	4,301	14,515	661,678	577,921	262	577,659
-	1,089	- 5,764	91,300	84,091	- 44	84,134
-	-	-	- 202	- 412	-	- 412
-	-	-	- 39,126	- 39,126	-	- 39,126
- 12,185	-	-	8,739	- 3,444	- 16	- 3,428
- 12,717	5,390	8,751	722,389	619,030	203	618,827

(1) Share capital comprises 7,400,000 shares with a par value of €1. No changes occurred in the first half of 2016.

(2) The subsequent fair values of liabilities corresponding to put options granted to holders of non-controlling interests are recognised in equity. The flow for the financial year corresponds to the change in the fair value of the Dooya put option and the reclassification of the Giga put option through consolidated reserves.

(3) Changes to the consolidation scope and foreign exchange gains and losses on equity transactions.

AT 30 JUNE 2015

€ thousands	Share capital (4)	Share premium	Treasury shares	Gain/loss on fair value of assets available for sale	Actuarial gains and losses
AT 31 DECEMBER 2014	7,837	1,866	- 72,013	17,370	- 10,393
Total comprehensive income for the period	-	-	-	- 17,370	-
Treasury share transactions (6)	- 437	-	- 27,363	-	-
Dividends	-	-	-	-	-
Other movements (7)	-	-	-	-	-
AT 30 JUNE 2015	7,400	1,866	- 99,376	-	- 10,393

Foreign currency hedges	Movements in put options (5)	Deferred tax	Changes in foreign exchange rates	Consolidated reserves and net profit	Total shareholders' equity	Non-controlling interests	Total equity (Group share)
- 220	- 336	- 1,910	9,210	619,426	570,839	210	570,629
- 579	-	6,063	8,724	104,822	101,660	- 49	101,709
-	-	-	-	- 87,881	- 115,681	-	- 115,681
-	-	-	-	- 35,693	- 35,693	-	- 35,693
-	- 2,654	- 12	-	- 112	- 2,778	43	- 2,821
- 799	- 2,990	4,142	17,934	600,562	518,347	204	518,143

(4) Share capital comprises 7,400,000 shares with a par value of €1, after cancellation of part of the Somfy shares returned following the cancellation transaction relating to the Faac shares.

(5) The subsequent fair values of liabilities corresponding to put options granted to holders of non-controlling interests are recognised in equity.

(6) Cancellation of the 571,400 shares received as part of the Faac transaction

(7) Changes to the consolidation scope and foreign exchange gains and losses on equity transactions.

CONSOLIDATED CASH FLOW STATEMENT

€ thousands	Notes	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Consolidated net profit		92,711	104,594	164,794
Net profit from operations held for sale or distribution		–	– 3,976	– 5,946
Net profit from continuing operations		92,711	100,618	158,848
Depreciation and amortisation of assets (excluding current assets)		21,484	31,497	50,487
Charges to/reversals of provisions for liabilities		– 242	284	– 843
Unrealised gains and losses related to fair value movements		– 80	401	– 11
Unrealised foreign exchange gains and losses		– 4,504	– 358	6,033
Income and expenses related to stock options and employee benefits		1,344	1,511	3,687
Depreciation, amortisation, provisions and other non-cash items		18,002	33,335	59,353
Profit on disposal of assets and others		1,119	– 36,266	– 35,674
Share of net profit/(loss) from associates		7	– 111	– 101
Deferred tax expense		– 3,004	– 5,356	– 10,795
Cash flow		108,837	92,220	171,632
Cost of net financial debt (excluding non-cash items)		255	2,239	3,007
Tax expense (excluding deferred tax)		24,544	17,979	29,154
Change in working capital requirements	(9.2)	– 82,170	– 40,164	231
Tax paid		– 8,748	– 15,476	– 37,687
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		42,718	56,798	166,335
Acquisition-related disbursements:				
– intangible assets and property, plant and equipment		– 30,777	– 27,504	– 49,496
– non-current financial assets		– 395	– 113	– 118
Disposal-related proceeds:				
– intangible assets and property, plant and equipment		346	1,746	2,282
– non-current financial assets		4,400	150,620	150,754
Change in current financial assets		983	168	304
Acquisition of companies, net of cash acquired		– 55	– 763	– 2,291
Disposal of companies, net of cash disposed of		1,205	–	–
Dividends paid by non-consolidated companies		–	–	1
Interest received		111	411	397
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		– 24,182	124,566	101,833
Increase in loans		2,734	1,749	2,255
Reimbursement of loans		– 17,317	– 128,696	– 200,400
Net increase in shareholders' equity of subsidiaries		– 2	– 18	27
Dividends and interim dividends paid		– 39,126	– 35,693	– 35,694
Movement in treasury shares		– 180	– 115,772	– 115,618
Interest paid		– 1,343	– 2,790	– 4,622
NET CASH FLOW FROM FINANCING AND CAPITAL ACTIVITIES (C)		– 55,234	– 281,220	– 354,053
Net cash flow from operations held for sale or distribution (D)		–	81,631	82,836
Impact of changes in foreign exchange rates on cash and cash equivalents (E)		– 1,698	3,558	2,145
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D + E)		– 38,395	– 14,667	– 903
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	(9.1)	99,272	100,175	100,175
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	(9.1)	60,877	85,508	99,272

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Somfy SA is a company governed by a Management Board and a Supervisory Board, listed on the Eurolist of Euronext Paris (compartment A, ISIN code: FR 0000120495). Somfy Group is specialised in opening and closing automation and controls for both residential and commercial buildings (blinds motors, shutters, curtains, screens, doors, gates, etc.). The head office is based in Cluses, Haute-Savoie, France. The condensed consolidated financial statements of **Somfy Group** at 30 June 2016 have been prepared by the Management Board on 29 August 2016. Total assets were €1,022,809 thousand and consolidated net profit €92,711 thousand (Group share: €91,379 thousand).

NOTE 1 – HIGHLIGHTS

NOTE 1.1: GIGA

At the end of 2015, **Somfy SA** decided to sell the company **Giga** to the Gouvéa family. At 31 December 2015, the financial statements of the Giga entity were treated in accordance with IFRS 5. Balance sheet items were classified as assets and liabilities held for sale and income statement and cash flow statement items were not restated. In addition, a provision for writedown was recognised to cover the estimated risk.

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NOTE 1.2: CONTINGENT LIABILITIES

The dispute between **Somfy SA** and **Spirel** employees is ongoing before the Albertville District Court. The employees seek annulment of the transfer of the Spirel securities, which took place in 2010, and to have Somfy SA ordered to pay them damages for the alleged deliberate bankruptcy of Spirel and non-material damage caused as a result of the anxiety, disappointment and vexation they considered to have been victim of, for a total of approximately €9.7 million. The submissions of Chappel Industries France and Spirel have been tabled and hearings should take place during the second half of 2016.

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NOTE 1.3: OTHER CHANGES TO THE CONSOLIDATION SCOPE

The Group did not make any major acquisition over the first six months of 2016.

NOTE 2 – POST BALANCE-SHEET EVENT

No significant post-balance sheet event has occurred since 30 June 2016.

NOTE 3 – ACCOUNTING RULES AND METHODS

NOTE 3.1: COMPLIANCE WITH ACCOUNTING STANDARDS

In application of European Regulation 1606/2002 of 19 July 2002, the Somfy Group's condensed consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board), as adopted by the European Union at 30 June 2016.

These standards are available on the European Commission website at http://ec.europa.eu/finance/accounting/ias/index_en.htm

The condensed consolidated interim financial statements have been prepared in accordance with the international financial reporting standard IAS 34 ("Interim financial reporting"). They do not contain all disclosures and notes included in the full-year financial statements. As a result, they must be read in conjunction with the Group's consolidated financial statements at 31 December 2015.

The Group's consolidated financial statements for the year ended 31 December 2015 are available from the Group's website www.somfyfinance.com and upon request from head office.

NOTE 3.2: JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires Management to make a number of judgments, estimates and assumptions liable to affect the values of certain assets, liabilities, and income and expense items in the financial statements, and certain information provided in the notes to the financial statements. Due to the inherently uncertain nature of the assumptions, actual results may differ from estimates. The Group reviews its estimates and assessments on a regular basis to take past experience into account and incorporate factors considered relevant under current economic conditions.

As part of the preparation of these consolidated interim financial statements, the main judgments made and the main assumptions used by Management have been updated based on the latest indicators available.

At 30 June, Somfy Group reviews its performance indicators and, if necessary, carries out impairment tests if there is any indication that an asset may have been impaired.

NOTE 3.3: NEW APPLICABLE STANDARDS AND INTERPRETATIONS**Note 3.3.1: Standards, amendments and interpretations applicable within the European Union from the financial year beginning on or after 1 January 2016**

The Group has applied the following standards, amendments and interpretations as of 1 January 2016 at the latest:

Standards	Content	Application date
Annual improvements to IFRS	2012-2014 cycle	Applicable from 1 January 2016
Amendments to IAS 16 and IAS 38	Clarification on acceptable methods of depreciation and amortisation	Applicable from 1 January 2016
Amendment to IAS 27	Equity method in separate financial statements	Applicable from 1 January 2016
Amendment to IAS 1	Preparation of financial statements	Applicable from 1 January 2016
Amendments to IFRS 11	Acquisition of interests in a joint operation	Applicable from 1 January 2016

These new standards have not had a material impact on the Group's results and financial position.

Note 3.3.2: Standards and interpretations not yet applicable in the European Union

Standards	Content	Application date
IFRS 9	Financial instruments: classification and measurement and subsequent amendments to IFRS 9 and IFRS 7	Applicable from 1 January 2018
IFRS 15	Revenue recognition	Applicable from 1 January 2018
Amendments to IFRS 2	Classification and measurement of share-based payment transactions	Applicable from 1 January 2018
Amendments to IFRS 10, IFRS 12, and IAS 28	Investment entities: exemption from preparing consolidated financial statements	Applicable from 1 January 2016
Amendment to IFRS 10 and IAS 28	Sales or contributions of assets between the group and its equity associates	Application date not specified
IFRS 14	Regulatory deferral accounts	Adoption suspended
Amendments to IFRS 15	Clarifications to IFRS 15	Applicable from 1 January 2018
IFRS 16	Leases	Applicable from 1 January 2019
Amendments to IAS 12	Recognition of deferred tax assets for unrealised losses	Applicable from 1 January 2017
Amendments to IAS 7	Disclosure initiative	Applicable from 1 January 2017

Amendments will apply prospectively for annual periods beginning on or after 1 January 2017.

The Group did not opt for the early application of any of these new standards or amendments and is currently assessing the impact resulting from their initial application.

Detailed information is available on the following website: <http://www.ifrs.org>

NOTE 4 – SEGMENT REPORTING

Somfy brings together entities the business of which comes under the “Home & Building”, “Access” and “Home Automation” applications and is organised in two geographic regions.

The geographic location of assets is used as sole segment reporting criterion. Management makes its decisions based on this strategic focus using reporting by geographic region as its key analysis tool.

The two geographic regions are:

- Europe, Middle East & Africa (EMEA),
- Asia & Americas (A&A).

AT 30 JUNE 2016

€ thousands	Europe, Middle East & Africa	Asia & Americas	Intra-regional eliminations	Consolidated
Segment sales	471,264	165,626	– 49,352	587,538
Intra-segment sales	– 33,359	– 15,994	49,352	–
Segment sales - Contribution to sales	437,906	149,632	–	587,538
Segment current operating result	96,278	18,155	–	114,433
Net profit/(loss) from operations sold or held for sale (IFRS 5)	–	–	–	–
Share of net profit/(loss) from associates	– 1	– 7	–	– 7
Cash flow	93,847	14,990	–	108,837
Net investments in intangible assets and PPE	23,372	7,058	–	30,430
Goodwill	86,182	93,758	–	179,940
Net intangible assets and PPE	222,445	59,219	–	281,664
Non-controlling equity investments	182	–	–	182
Investments in associates	723	1,836	–	2,559
Net assets held for sale (IFRS 5)	–	–	–	–

AT 30 JUNE 2015

€ thousands	Europe, Middle East & Africa	Asia & Americas	Intra-regional eliminations	Consolidated
Segment sales	421,909	161,179	– 35,278	547,810
Intra-segment sales	– 23,755	– 11,523	35,278	–
Segment sales - Contribution to sales	398,154	149,656	–	547,810
Segment current operating result	87,069	9,756	–	96,825
Net profit/(loss) from operations sold or held for sale (IFRS 5)	3,976	–	–	3,976
Share of net profit/(loss) from associates	–	111	–	111
Cash flow	83,782	8,438	–	92,220
Net investments in intangible assets and PPE	19,994	5,764	–	25,758
Goodwill	86,769	96,549	–	183,318
Net intangible assets and PPE	211,097	62,532	–	273,630
Non-controlling equity investments	181	–	–	181
Investments in associates	612	1,905	–	2,517
Net assets held for sale (IFRS 5)	–	–	–	–

AT 31 DECEMBER 2015

€ thousands	Europe, Middle East & Africa	Asia & Americas	Intra-regional eliminations	Consolidated
Segment sales	811,467	319,051	- 69,369	1,061,149
Intra-segment sales	- 44,986	- 24,382	69,369	-
Segment sales - Contribution to sales	766,481	294,668	-	1,061,149
Segment current operating result	142,468	23,134	-	165,602
Net profit/(loss) from operations sold or held for sale (IFRS 5)	5,946	-	-	5,946
Share of net profit/(loss) from associates	-	101	-	101
Cash flow	154,096	17,535	-	171,632
Net investments in intangible assets and PPE	39,051	8,163	-	47,214
Goodwill	86,532	95,738	-	182,269
Net intangible assets and PPE	214,847	59,876	-	274,722
Non-controlling equity investments	182	-	-	182
Investments in associates	723	1,535	-	2,258
Net assets held for sale (IFRS 5)	-	928	-	928

NOTE 5 – OPERATING DATA

NOTE 5.1: SALES BY CUSTOMER LOCATION

€ thousands	30/06/16 6 months	30/06/15 6 months	Change N/N-1	Change N/N-1 like-for-like	31/12/15 FY
France	147,249	134,350	9.6%	9.6%	254,060
Germany	92,005	81,796	12.5%	12.9%	165,153
Northern Europe	58,703	56,254	4.4%	6.5%	103,865
Central and Eastern Europe	58,694	49,940	17.5%	21.6%	104,756
Southern Europe, Middle East and Africa	110,912	101,731	9.0%	11.3%	190,160
Asia-Pacific	56,788	52,970	7.2%	11.5%	115,176
Americas	63,187	70,769	- 10.7%	16.2%	127,979
TOTAL SALES	587,538	547,810	7.3%	12.1%	1,061,149

NOTE 5.2: OTHER OPERATING INCOME AND EXPENSES

€ thousands	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Charge to/reversal of non-current provisions	- 264	655	635
Other non-current items	111	- 54	- 498
- Non-current income	127	417	544
- Non-current expenses	- 16	- 471	- 1,042
Net gain/(loss) on disposal of non-current assets	-	- 21	- 19
OTHER OPERATING INCOME AND EXPENSES	- 153	580	118

NOTE 5.3: INVENTORIES

€ thousands	30/06/16	31/12/15
Gross value		
Raw materials and other supplies	55,533	52,900
Finished goods and merchandise	128,540	111,903
Total	184,072	164,803
Provisions	- 11,195	- 10,712
NET VALUE	172,877	154,091

€ thousands	Value 31/12/15	Net charges	Exchange rate movement	Other movements	Value 30/06/16
Inventory provisions	- 10,712	- 523	41	- 1	- 11,195

NOTE 5.4: OTHER NON-CURRENT AND CURRENT RECEIVABLES**Note 5.4.1: Other non-current receivables**

€ thousands	30/06/16	31/12/15
Gross value		
Other operating receivables	105	84
Other non-operating receivables	18,035	18,035
TOTAL	18,140	18,119

Other non-operating receivables notably include non-current receivables totalling €18.0 million on the disposal of CIAT and the Faac transaction.

Note 5.4.2: Other current receivables

€ thousands	30/06/16	31/12/15
Gross value		
Receivables from employees	2,912	1,364
Other taxes (including VAT)	8,701	10,807
Prepaid expenses	7,398	7,266
Other receivables	4,900	8,455
TOTAL	23,910	27,892

At 31 December 2015, this item notably included current receivables totalling €5.6 million on the disposal of CIAT and the Faac transaction. The amount of €4.4 million related to the Faac transaction was paid during the first half of 2016.

NOTE 6 – INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT**NOTE 6.1: GOODWILL AND IMPAIRMENT TESTS****Note 6.1.1: Goodwill**

€ thousands	Valeur
At 1 January 2016	182,269
Changes in scope of consolidation	-
Changes in foreign exchange rates	- 2,329
Other movements	-
Charge for impairment	-
AT 30 JUNE 2016	179,940

Note 6.1.2: Impairment tests

At 30 June 2016 as at 30 June 2015, as part of its review of significant intangible assets, the Group did not identify any indications of impairment that would require impairment testing.

NOTE 6.2: OTHER INTANGIBLE ASSETS

€ thousands	Allocated intangible assets	Development costs	Patents and brands	Software	Other	In progress and advance payments	Total
Gross value at 1 January 2016	31,961	35,868	8,817	41,703	1,577	2,813	122,738
Acquisitions	–	6	23	473	14	4,433	4,949
Disposals	– 3,805	–	–	– 492	–	–	– 4,297
Changes in foreign exchange rates	– 1,052	–	– 194	– 43	–	–	– 1,290
Changes in scope of consolidation	–	–	–	–	–	–	–
Other movements	–	212	–	1,445	24	– 1,656	25
AT 30 JUNE 2016	27,103	36,086	8,645	43,086	1,614	5,590	122,124
Accumulated amortisation at 1 January 2016	– 19,378	– 22,216	– 2,700	– 33,771	– 1,181	–	– 79,246
Amortisation charge for the period	– 1,213	– 1,599	– 136	– 1,344	– 156	–	– 4,449
Disposals	3,805	–	–	433	–	–	4,238
Changes in foreign exchange rates	586	–	28	27	–	–	642
Changes in scope of consolidation	–	–	–	–	–	–	–
Other movements	–	–	–	–	– 25	–	– 25
AT 30 JUNE 2016	– 16,200	– 23,815	– 2,808	– 34,655	– 1,362	–	– 78,839
NET VALUE AT 30 JUNE 2016	10,903	12,271	5,838	8,431	253	5,590*	43,285

* Of which development expenses in progress amounting to €5.1 million.

The decrease in allocated intangible assets is due to certain fully-amortised patents held by the main US subsidiary being scrapped.

NOTE 6.3: PROPERTY, PLANT AND EQUIPMENT

€ thousands	Land	Buildings	Plant, machinery and tools	Other	In progress and advance payments	Total
Gross value at 1 January 2016	21,605	168,561	228,391	61,176	12,366	492,098
Acquisitions	4	927	3,958	4,068	16,110	25,067
Disposals	–	– 3	– 3,094	– 1,308	–	– 4,405
Changes in foreign exchange rates	– 193	– 1,734	– 1,212	– 441	– 179	– 3,759
Changes in scope of consolidation	–	–	– 68	– 4	72	–
Other movements	141	663	6,918	134	– 7,863	– 8
AT 30 JUNE 2016	21,556	168,414	234,893	63,624	20,505	508,993
Accumulated depreciation at 1 January 2016	– 441	– 67,431	– 150,560	– 42,437	–	– 260,869
Depreciation charge for the period	– 83	– 3,748	– 7,726	– 3,064	–	– 14,621
Disposals	–	–	2,701	1,231	–	3,932
Changes in foreign exchange rates	10	133	483	310	–	935
Changes in scope of consolidation	–	–	–	–	–	–
Other movements	–	–	– 27	35	–	8
AT 30 JUNE 2016	– 514	– 71,045	– 155,130	– 43,925	–	– 270,615
NET VALUE AT 30 JUNE 2016	21,042	97,369	79,764	19,699	20,505	238,378

NOTE 7 – DIVIDENDS AND EARNINGS PER SHARE**NOTE 7.1: DIVIDENDS**

The gross dividend proposed at the AGM of 24 May 2016 called to approve the 2015 financial statements was €5.70. It was paid on 3 June 2016.

NOTE 7.2: EARNINGS PER SHARE

Basic earnings per share	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Net profit - Group share (€ thousands)	91,379	104,871	163,669
Total number of shares (1)	7,400,000	7,400,000	7,400,000
Treasury shares* (2)	533,128	536,307	535,880
Number of shares used in calculation (1) – (2)	6,866,872	6,863,693	6,864,120
BASIC EARNINGS PER SHARE (€)	13.31	15.28	23.84

* Representing all treasury shares held by Somfy SA.

Diluted earnings per share	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Net profit - Group share (€ thousands)	91,379	104,871	163,669
Total number of shares (1)	7,400,000	7,400,000	7,400,000
Treasury shares** (2)	531,423	524,837	527,010
Number of shares used in calculation (1) – (2)	6,868,577	6,875,163	6,872,990
DILUTED EARNINGS PER SHARE (€)	13.30	15.25	23.81

** Treasury shares allocated to stock option and free share plans are excluded.

Treasury shares acquired by Somfy SA and allocated to share option plans and free share plans at the balance sheet date contribute towards diluted earnings per share.

NOTE 8 – FINANCIAL ITEMS**NOTE 8.1: NET FINANCIAL INCOME/(EXPENSE)**

€ thousands	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Cost of net financial debt	- 255	- 2,239	- 3,007
– Financial income from investments	1,083	391	1,347
– Financial expenses related to borrowings	- 1,339	- 2,631	- 4,354
Foreign exchange effect	3,495	- 3,703	- 9,501
Other	- 3,262	21,626	23,976
NET FINANCIAL INCOME/(EXPENSE)	- 22	15,684	11,469

Net financial expense was virtually nil for the six months to 30 June 2016, compared with an income of €15.7 million for the period to 30 June 2015. Restated for non-recurring items (foreign exchange gain of €0.3 million on the exit of Giga and €0.6 million reversal of provision on Garen financial assets), net financial expense to 30 June 2016 was €0.9 million. Likewise, net financial expense to the end of June 2015 was €6.0 million if restated for the cancellation of the Faac shares for a positive €35.7 million (after related costs) and the writedown of the Brazilian financial assets for a negative €13.9 million. The change in restated net financial income/(expense) between the first half of 2015 and the first half of 2016 was mainly due to a more favourable exchange rates effect and a lower net financial interest expense due to the reduction in debt.

NOTE 8.2: FINANCIAL ASSETS AND LIABILITIES**Note 8.2.1: Financial assets**

€ thousands	Financial assets available for sale	Non-controlling equity investments	Marketable securities	Loans	Other	Current and non-current financial assets	Realisable within 1 year	Non-current financial assets
At 1 January 2016	348	182	166	475	2,351	3,174	820	2,354
Increase	24	–	24	2,957	373	3,355	–	3,355
Decrease	–	–	–	– 979	– 6	– 985	– 983	– 2
Net change in amortisation	–	–	–	– 2,414	–	– 2,414	–	– 2,414
Changes in foreign exchange rates	–	–	–	– 1	18	16	– 17	33
Changes in scope of consolidation	–	–	–	–	–	–	–	–
Other movements	–	–	–	–	–	–	952	– 952
AT 30 JUNE 2016	372	182	190	38	2,736	3,147	772	2,375

Financial assets available for sale and marketable securities are recorded at fair value.

Financial assets realisable within one year comprise short-term deposits and loans to companies over which Somfy Group has significant influence. "Other" essentially includes deposits and guarantees.

Note 8.2.2: Financial liabilities

€ thousands	Borrowings from credit institutions	Lease commitments	Other borrowings and financial liabilities	Bank overdrafts	Current and non-current financial liabilities	Due within 1 year	Non-current financial liabilities
At 1 January 2016	36,814	10,259	51,664	4,515	103,252	88,529	14,723
New/repayment of borrowings	– 13,303	– 1,108	– 624	6,088	– 8,947	– 8,536	– 411
Impact of the revaluation of put options	–	–	4,815	–	4,815	4,815	–
Changes in foreign exchange rates	– 781	–	– 1,940	637	– 2,084	– 2,175	91
Changes in scope of consolidation	–	–	– 55	–	– 55	–	– 55
Other movements	–	–	–	–	–	154	– 154
AT 30 JUNE 2016	22,732	9,151	53,859	11,240	96,981	82,787	14,194

Other borrowings and financial liabilities include the debt relating to the put options granted to the holders of non-controlling interests and to earn-outs, which amounted to €48.3 million at 30 June 2016 and €45.8 million at 31 December 2015, as well as to deferred settlements of €5.6 million at 30 June 2016 and to €5.8 million at 31 December 2015.

The largest amount relates to the put option granted to minority shareholders in Dooya, valued at €47.5 million at 30 June 2016 compared with €44.8 million at 31 December 2015 and exercisable since end 2015. The financial debt relating to this put option has been reclassified under current liabilities.

The subsequent fair values of liabilities corresponding to put options granted to holders of non-controlling interests are recognised in equity.

Note 8.2.3: Analysis of net financial debt

The net financial debt corresponds to the difference between financial assets and financial liabilities. Notably it takes into account unlisted bonds receivable, issued by certain companies in which shares are held or related entities, earn-outs on acquisitions, liabilities relating to options granted to minority shareholders in fully-consolidated companies and deferred settlements of a financial nature. Not included are securities in non-controlling equity investments, deposits & guarantees and government grants.

€ thousands	30/06/16	31/12/15
Financial liabilities included in net financial debt	96,971	103,242
Financial assets included in net financial debt	228	641
– Marketable securities	190	166
– Loans	38	475
Cash and cash equivalents	72,117	103,787
NET FINANCIAL DEBT	24,627	– 1,186
NET FINANCIAL DEBT BEFORE UNLISTED BONDS RECEIVABLE	24,627	– 1,186

(-) Net financial surplus.

NOTE 9 – ANALYSIS OF CASH FLOW STATEMENT**NOTE 9.1: CASH AND CASH EQUIVALENTS**

€ thousands	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	99,272	100,175	100,175
Cash and cash equivalents at the start of the period	103,787	102,587	102,587
Bank overdrafts	– 4,515	– 2,413	– 2,413
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	60,877	85,508	99,272
Cash and cash equivalents at the end of the period	72,117	89,563	103,787
Bank overdrafts	– 11,240	– 4,056	– 4,515

NOTE 9.2: CHANGE IN WORKING CAPITAL REQUIREMENTS

€ thousands	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Net decrease/(increase) in inventory	– 19,915	– 8,806	– 14,962
Net decrease/(increase) in trade receivables	– 73,841	– 51,004	2,885
Net (decrease)/increase in trade payables	18,369	23,456	13,277
Net movement in other receivables and payables	– 6,784	– 3,810	– 970
CHANGE IN WORKING CAPITAL REQUIREMENTS	– 82,170	– 40,164	231

NOTE 10 – PROVISIONS AND CONTINGENT LIABILITIES**NOTE 10.1: PROVISIONS****Note 10.1.1: Non-current provisions**

	Provisions for guarantees	Provisions for litigation	Provision for employee liability	Provisions for liabilities and charges	Total 2016
€ thousands					
At 1 January 2016	5,727	1,988	540	4,982	13,236
Charges	343	694	28	30	1,095
Used reversals	–	– 99	–	– 301	– 400
Unused reversals	–	– 817	–	– 120	– 937
Changes in foreign exchange rates	– 27	–	–	– 101	– 127
Changes in scope of consolidation	–	–	–	–	–
Other movements	–	–	–	–	–
AT 30 JUNE 2016	6,043	1,766	568	4,491	12,867

Note 10.1.2: Current provisions

	Provisions for guarantees	Provisions for litigation	Provisions for liabilities and charges	Total 2016
€ thousands				
At 1 January 2016	4,989	1,266	2,325	8,580
Charges	180	378	437	995
Used reversals	–	– 53	– 317	– 370
Unused reversals	–	– 157	– 122	– 279
Changes in foreign exchange rates	– 39	–	– 1	– 40
Changes in scope of consolidation	–	–	–	–
Other movements	–	1	–	1
AT 30 JUNE 2016	5,131	1,435	2,321	8,887

NOTE 10.2: CONTINGENT LIABILITIES

All of the Group's contingent liabilities are set out in the Highlights of the Business Report.

NOTE 11 – WORKFORCE

Somfy Group's average workforce at 30 June 2016, including temporary and part-time employees recorded on a full-time equivalent basis, was as follows:

	30/06/16	30/06/15	31/12/15
Average workforce	8,499	7,936	7,824

NOTE 12 – INCOME TAX

€ thousands	30/06/16 6 months	30/06/15 6 months	31/12/15 FY
Profit before tax from continuing operations	114,258	113,089	177,189
<i>Share of expenses on dividends</i>	1,589	8,202	8,366
<i>Dividends of non-consolidated companies</i>	–	– 38,339	– 38,343
<i>Goodwill impairment</i>	–	–	–
<i>Reclassification of CVAE to Income tax</i>	– 1,567	– 1,512	– 3,101
<i>Reclassification of CICE to Employee expenses</i>	– 967	– 986	– 1,995
<i>Reclassification of CIR to Other operating income</i>	– 2,050	– 1,693	– 4,409
<i>Other</i>	– 2,999	– 7,463	– 4,254
Permanent differences	– 5,994	– 41,791	– 43,736
Net profit taxed at reduced rate	– 14,625	– 12,924	– 24,039
Net profit taxable at standard rate	93,639	58,374	109,414
<i>Tax rate in France</i>	34.43%	38.00%	38.00%
Tax charge recalculated at the French standard rate	32,240	22,182	41,577
Tax at reduced rate	2,259	2,210	4,111
<i>Difference in standard rate in foreign countries</i>	– 13,999	– 14,773	– 27,039
<i>Tax losses for the year, unrecognised in previous periods, deficits used</i>	422	1,140	211
Effect of the rate difference	– 13,576	– 13,633	– 26,828
Tax credits	– 1,912	– 1,678	– 2,361
Other taxes and miscellaneous	2,530	3,501	1,943
Group tax	21,540	12,582	18,442
Effective rate	18.85%	11.13%	10.41%

The results taxed at a **reduced rate** involve royalties, which were taxed at 15.5% (17.1% in 2015).

The main countries that contribute to the **difference in the tax rate** are Tunisia (€8.9 million), Germany (€0.4 million), other European countries (€2.3 million), Middle Eastern countries (€0.9 million), and China (€1.2 million).

Tax credits are primarily affected by the SOPEM tax credit (Poland): €1.6 million at 30 June 2016, compared with €1.5 million at 30 June 2015 and €2.3 million at 31 December 2015.

Other taxes and miscellaneous includes, in particular, the CVAE tax of €1.6 million, €1.5 million and €3.1 million for the periods ended 30 June 2016, 30 June 2015 and 31 December 2015 respectively, as well as the 3% contribution on dividends of €1.1 million in both 2016 and 2015.

Restated for non-recurring items (gain on the exit from Faac's share capital, provisions for writedown of financial interests in Garen Automação and Giga, change to deferred tax rates in both France and Spain), effective tax rates were 21.4% for the six months ended 30 June 2015 and 18.4% for the year ended 31 December 2015.

The fall in the adjusted effective rate was primarily due to the reduction in the French income tax rate, from 38% in 2015 to 34.43% in 2016.

As at 31 December 2015, the analysis of the accounting treatment of SOPEM's investment tax credit led the Group to conclude that it falls within the scope of IAS 12. This tax credit was therefore accounted for as tax income. In order to benefit from this tax credit, SOPEM is required to meet a number of commitments, such as an investment threshold, a minimum number of people employed at the site and a deadline for finalising the investment (30 June 2020).

NOTE 13 – INVESTMENTS IN ASSOCIATES

€ thousands	30/06/16	31/12/15
Investments in associates at the beginning of the period	2,258	1,680
Change in scope of consolidation and other	–	983
Share of profit/(loss) from associates	–7	101
Dividends paid	–	–
Changes in foreign exchange rates	308	– 506
INVESTMENTS IN ASSOCIATES AT THE END OF THE PERIOD	2,559	2,258

“Investments in associates” consists of investments in Neocontrol and Arve Finance.

NOTE 14 – LIST OF CONSOLIDATED ENTITIES

Company name	Head office	% control 30/06/16	% interest 30/06/16	% interest 31/12/15
Somfy SA	74300 Cluses (France)	(parent company)	parent company)	parent company)
Fully-consolidated companies				
Somfy SAS	Cluses (France)	100.00	100.00	100.00
CMC SARL	Cluses (France)	100.00	100.00	100.00
Somfybat SNC	Cluses (France)	100.00	100.00	100.00
Domis SA	Rumilly (France)	100.00	100.00	100.00
Stor'm	Saint Clair de la Tour (France)	100.00	100.00	100.00
SITEM SARL	Zaghouan (Tunisia)	100.00	100.00	100.00
SITEM Services	Zaghouan (Tunisia)	100.00	100.00	100.00
SOPEM	Krakow (Poland)	100.00	100.00	100.00
Somfy Eastern Europe Area SP. Zoo	Warsaw (Poland)	100.00	100.00	100.00
Somfy Ltd	Yeadon (UK)	100.00	100.00	100.00
Somfy PTY Ltd	Rydalme (Australia)	100.00	100.00	100.00
Somfy Automation Services PTY	Rydalme (Australia)	100.00	100.00	100.00
NV Somfy SA	Zaventem (Belgium)	100.00	100.00	100.00
Somfy Brazil LTDA	Sao Paulo (Brazil)	100.00	100.00	100.00
Somfy Columbia SAS	Bogota (Colombia)	100.00	100.00	100.00
Somfy Argentina	Buenos Aires (Argentina)	100.00	100.00	100.00
Giga Indústria e Comércio de Produtos de Segurança Eletrônica S.A.	Santa Rita do Sapucaí (Brazil)	–	–	51.00
GABR Participações LTDA	Sao Paulo (Brazil)	100.00	100.00	100.00
Somfy GmbH	Rottenburg (Germany)	100.00	100.00	100.00
HIMOTION BV	Leiden (Netherlands)	100.00	100.00	100.00
Somfy GmbH	Elsbethen-Glasenbach (Austria)	100.00	100.00	100.00
Somfy KFT	Budapest (Hungary)	100.00	100.00	100.00
Somfy Sp zoo	Warsaw (Poland)	100.00	100.00	100.00
Somfy Spol sro	Prague (Czech Republic)	100.00	100.00	100.00
SC Somfy SRL	Brasov (Romania)	100.00	100.00	100.00
Somfy LLC	Moscow (Russia)	100.00	100.00	100.00
Somfy SIA	Riga (Latvia)	100.00	100.00	100.00
Somfy LLC	Kiev (Ukraine)	100.00	100.00	100.00
Somfy Bulgaria AD	Sofia (Bulgaria)	100.00	100.00	100.00

Company name	Head office	% control 30/06/16	% interest 30/06/16	% interest 31/12/15
Somfy Joo	Seoul (Korea)	100.00	100.00	100.00
Somfy Italia SRL	Milan (Italy)	100.00	100.00	100.00
Somfy BV	Hoofddorp (Netherlands)	100.00	100.00	100.00
Somfy España SA	Barcelona (Spain)	100.00	100.00	100.00
Automatismos Pujol SL	Barcelona (Spain)	100.00	100.00	100.00
Pujol Redutores de Velocidade LDA	Esmoriz (Portugal)	100.00	100.00	100.00
Sistemi Automatici Pujol SRL	Pavona (Italy)	100.00	100.00	100.00
Somfy Systems Inc.	Cranbury NJ (US)	100.00	100.00	100.00
Somfy AG	Bassersdorf (Switzerland)	100.00	100.00	100.00
Somfy Nordic AB	Limhamn (Sweden)	100.00	100.00	100.00
Somfy Norway AS	Skedsmokorset (Norway)	100.00	100.00	100.00
Somfy PTE Ltd	Singapore	100.00	100.00	100.00
Somfy Thailand	Bangkok (Thailand)	100.00	100.00	100.00
Somfy Taiwan Co Ltd	Taipei (Taiwan)	100.00	100.00	100.00
Asian Capital International LTD	Hong Kong	100.00	100.00	100.00
Sino Global International Holdings LTD	Hong Kong	100.00	100.00	100.00
Sino Link Trading LTD	Hong Kong	100.00	100.00	100.00
Hong Kong CTLT Trade Co. LTD	Hong Kong	70.00	70.00	70.00
Somfy Asia-Pacific Co Ltd	Hong Kong	100.00	100.00	100.00
Dooya China	Ningbo (China)	70.00	70.00	70.00
New Unity LTD	Hong Kong	70.00	70.00	70.00
Ningbo Sleepwell Co Ltd	Ningbo (China)	70.00	70.00	70.00
Somfy Co Ltd	Hong Kong	100.00	100.00	100.00
Somfy China Co Ltd	Shanghai (China)	100.00	100.00	100.00
LianDa	Zhejiang (China)	95.00	95.00	95.00
Baixing Co Ltd	Ningbo (China)	70.00	70.00	70.00
Herzborg Technology	Ningbo (China)	70.00	70.00	70.00
Shanghai Goodnight	Ningbo (China)	70.00	70.00	70.00
Somfy Middle East Co Ltd	Limassol (Republic of Cyprus)	100.00	100.00	100.00
Somfy Egypt	Cairo (Egypt)	100.00	100.00	100.00
Sisa Home Automation Ltd	Rishone Le Zion (Israel)	100.00	100.00	100.00
Somfy Maroc SARL	Casablanca (Morocco)	100.00	100.00	100.00
Somfy Hellas SA	Acharnai (Greece)	100.00	100.00	100.00
Somfy Ev Otomasyon Sistemleri Ticaret Ltd Sti	Istanbul (Turkey)	100.00	100.00	100.00
Somfy South Africa (PTY) Limited	Durban (South Africa)	100.00	100.00	100.00
Somfy Tunisie	Tunis (Tunisia)	100.00	100.00	100.00
Somfy Tunisie Services	Tunis (Tunisia)	50.00	50.00	50.00
Somfy Mexico SA DE CV	Tlalnepantla (Mexico)	100.00	100.00	100.00
Syservmex	Tlalnepantla (Mexico)	100.00	100.00	100.00
Somfy K.K.	Tokyo (Japan)	100.00	100.00	100.00
Somfy India Pvt Ltd	New Dehli (India)	100.00	100.00	100.00
PROMOFI BV	Hoofddorp (Netherlands)	100.00	100.00	100.00
FIGEST BV	Leiden (Netherlands)	100.00	100.00	100.00
Somfy LLC USA	Dover (US)	100.00	100.00	100.00
Somfy ULC	Halifax (Canada)	100.00	100.00	100.00
Simu SAS	Gray (France)	100.00	100.00	100.00

Company name	Head office	% control 30/06/16	% interest 30/06/16	% interest 31/12/15
Simu GmbH	Iserlohn (Germany)	100.00	100.00	100.00
WAY SRL	Galliera (Italy)	100.00	100.00	100.00
Overkiz SAS	Archamps (France)	80.00	80.00	80.00
Opendoors SAS	Cluses (France)	100.00	100.00	100.00
SEM-T	Cluses (France)	100.00	100.00	100.00
DSG	Mouscron (Belgium)	100.00	100.00	100.00
TTMD SA	Geneva (Switzerland)	100.00	100.00	100.00
BFT SpA	Schio (Italy)	100.00	100.00	100.00
Automatismes BFT France SAS	Saint-Priest (France)	100.00	100.00	100.00
BFT Group Italiberica de Automatismos SL	Barcelona (Spain)	98.70	98.70	98.70
BFT Torantriebssysteme GmbH	Furth (Germany)	100.00	100.00	100.00
BFT Automation UK Limited	Stockport (UK)	100.00	100.00	100.00
BFT Benelux SA	Nivelles (Belgium)	100.00	100.00	100.00
BFT Adria d.o.o.	Drazice (Croatia)	75.00	75.00	75.00
BFT Polska Sp.zoo	Warsaw (Poland)	100.00	100.00	100.00
SACS SRL	Trento (Italy)	100.00	100.00	100.00
BFT US Inc.	Boca Raton (US)	100.00	100.00	100.00
BFT Portugal SA	Coimbra (Portugal)	100.00	100.00	100.00
BFT Gates systems Limited	Berkshire (UK)	100.00	100.00	100.00
BFT Australie	Sydney (Australia)	100.00	100.00	100.00
BFT CZ Sro	Prague (Czech Republic)	100.00	100.00	100.00
BFT Piemonte	Dronero (Italy)	100.00	100.00	90.00
O&O	Corregio (Italy)	100.00	100.00	100.00
BFT Veneto	Schio (Italy)	100.00	100.00	100.00
BFT Anatolia	Istanbul (Turkey)	100.00	100.00	100.00
BFT Istanbul	Istanbul (Turkey)	100.00	100.00	100.00
BFT Grèce	Athens (Greece)	100.00	100.00	100.00
BFT Eire	Dublin (Ireland)	100.00	100.00	100.00
BFT Automation Systems PTL	Hyderabad (India)	51.00	51.00	51.00
Nord Logistica E Servizi SRL	Legnago (Italy)	100.00	100.00	100.00
BFT Gulf	Dubai (United Arab Emirates))	100.00	100.00	100.00
BFT China	Shanghai (China)	100.00	100.00	100.00
BFT Romania	Bucharest (Romania)	100.00	100.00	100.00
BFT New Zealand	New Zealand	100.00	100.00	100.00
BFT Sud Est	Saint Laurent du Var (France)	100.00	100.00	100.00
BFT Lazio S.r.l.	Rome (Italy)	100.00	100.00	100.00
TRS Standard S.r.l.	Verona (Italy)	100.00	100.00	100.00
Equity-accounted companies				
Arve Finance	Cluses (France)	50.17	50.17	50.17
Neocontrol	Belo Horizonte (Brazil)	61.00	61.00	61.00

03

STATUTORY AUDITORS' REPORT ON THE 2016 INTERIM FINANCIAL REPORT

03

STATUTORY AUDITORS' REPORT ON THE 2016 INTERIM FINANCIAL REPORT

To the Shareholders,

In compliance with the assignment entrusted to us at your General Meeting and pursuant to Article L. 451-1-2 III of the Monetary and Financial Code, we have proceeded with:

- A limited review of the accompanying condensed consolidated interim financial statements of the company Somfy SA, for the period from 1 January to 30 June 2016;
- A review of the information disclosed in the half-year business report.

The Management Board is responsible for the preparation of the condensed consolidated interim financial statements. It is our responsibility to express an opinion on these financial statements on the basis of our limited review.

OPINION ON THE FINANCIAL STATEMENTS

We have conducted our limited review in accordance with professional auditing standards applicable in France. A limited review consists principally of making inquiries of persons responsible for financial and

accounting matters and applying analytical procedures. The scope is substantially less than an audit conducted in accordance with professional auditing standards applicable in France. Consequently, this review can only provide reasonable assurance, to a lesser degree than an audit, as to whether the interim financial statements are free of material misstatements.

Based on our limited review, nothing has come to our attention that would challenge the compliance of the condensed consolidated interim financial statements with IAS 34 – a standard of the IFRS framework relating to interim financial reporting as adopted within the European Union.

SPECIFIC VERIFICATION

We have also verified the information disclosed in the half-year business report commenting on the condensed consolidated interim financial statements, which were the subject of our limited review.

We have no observation to make with regard to the fairness of such information and its consistency with the condensed consolidated interim financial statements.

Lyon, 7 September 2016
The Statutory Auditors

KPMG Audit
Division of KPMG SA
Stéphane Devin

ERNST & YOUNG et Autres
Lionel Denjean

04

STATEMENT FROM THE INDIVIDUAL RESPONSIBLE FOR THE 2016 HALF-YEAR FINANCIAL REPORT

04

STATEMENT FROM THE INDIVIDUAL RESPONSIBLE FOR THE 2016 HALF-YEAR FINANCIAL REPORT

I certify that, to the best of my knowledge, the condensed consolidated interim financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the net equity position, financial position and financial performance of the company and all companies included in the consolidation, and that the half-year business report gives a true and fair view of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main transactions carried out between related parties, as well as a description of the major risks and uncertainties for the remaining six months of the financial year.

Cluses, 7 September 2016

Pierre RIBEIRO
Group CFO