

# PRESS RELEASE

10 SEPTEMBER 2019

## 2019 HALF-YEAR RESULTS AND FULL-YEAR OUTLOOK

Consolidated data at end June (€ millions)	2019	2018	△
Sales	615.1	586.1	+4.9%
Current operating result	114.9	104.0	+10.5%
Consolidated net profit	91.2	83.2	+9.6%
Cash flow	117.4	101.7	+15.5%

*Note:*

*The change in real terms corresponds to the change at constant consolidation method, and the change on a like-for-like basis corresponds to the change at constant consolidation and accounting methods, consolidation scope and exchange rates.*

*Disclaimer:*

*IFRS 16 – Leases, whose application was mandatory from 1 January 2019, was applied for the first time to the financial statements for the half-year to 30 June 2019, using the simplified retrospective approach. Its main impacts are detailed in the Appendix.*

### SALES

Group sales totalled €615.1 million for the first six months of the financial year, an increase of 4.9% in real terms and 4.7% on a like-for-like basis. It is in line with the trend seen in previous half-years and reflects the continued mixed fortunes of the different geographic regions.

Significant growth was recorded in Northern Europe and Central & Eastern Europe, a result of the momentum of local markets and the successful launches of new products in recent months.

Significant growth was also posted in Germany, continuing the recovery seen at the end of last year, as well as in Central & South America, China and Asia & Pacific.

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In contrast, mixed performances were recorded in other regions, such as France, North America, Southern Europe and Africa & Middle East, for primarily contextual reasons.

Sales<sup>1</sup> of the equity-accounted entity Dooya totalled €87.4 million, an increase of 10.0% in real terms and 9.4% on a like-for-like basis.

## RESULTS

The current operating result for the half-year stood at €114.9 million, up 10.5% in real terms, equating to 18.7% of sales compared with 17.7% over the same period of the previous year. It was barely impacted by exchange rate fluctuations, unlike the previous year, or by the new accounting rules for leases (application of IFRS 16), and grew 9.2% on a like-for-like basis.

The improvement seen was due to sales growth, good management of sales prices, optimisation of production costs (savings on purchases and productivity gains) and tight control of operating expenses. It also reflects the stabilisation in investments deemed strategic (digitalisation of structures, consolidation of the sales force, etc.).

Consolidated net profit grew 9.6% to €91.2 million. This reflects a slightly negative net financial expense, a slightly positive share of net profit from associates and a proportionate increase in the tax expense.

## FINANCIAL POSITION

Equity rose from €894.4 million to €939.6 million in the half-year, while the net cash surplus<sup>2</sup> fell from €222.4 million to €174.7 million, mainly due to a €50.1 million liability being recognised against capitalised leases (as a result of the switch to IFRS 16).

This strong cash performance is explained by the sharp increase in cash flow, partly due to the new method of recognising the aforementioned leases, and by the limited increase in working capital requirements.

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<sup>1</sup>The sales figures provided refer to the sales amounts generated with customers outside the Group.

<sup>2</sup>The net cash surplus corresponds to the difference between cash and cash equivalents and financial liabilities.

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## OUTLOOK

Current market data does not suggest significant changes in trends within the different geographical regions over the coming months. Similarly, ongoing projects and developments do not point to any reversal in the main expense items over the second half of the year.

That is why the growth in sales over the financial year should be in the region of the figure published at the end of June, and the current operating margin rate should be slightly higher than that recorded last year, it being specified that the improvement seen over the first six months cannot be extrapolated due to the disparity between the half-years.

## CORPORATE PROFILE

Somfy is the global leader in automated opening and closing systems for both residential and commercial buildings, and a key player in the connected home.

## NOTE

The half-year financial statements were reviewed by the Supervisory Board on 10 September 2019. They may be accessed via the Company's website ([www.somfyfinance.com](http://www.somfyfinance.com)).

The limited audit review has been completed and the Statutory Auditors' report has been issued.

## CONTACTS

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## SHAREHOLDERS' AGENDA

Publication of third quarter sales: 17 October 2019 (after close of trading)

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## APPENDICES

### SALES

Consolidated data (€ millions)	2019 June	2018 June	△ Like-for-like
France	178.8	174.7	+2.3%
Germany	95.5	90.0	+6.1%
Northern Europe	73.4	63.5	+15.8%
Central & Eastern Europe	73.2	63.4	+15.7%
Southern Europe	64.7	64.0	+0.6%
North America	53.2	49.4	+1.0%
Africa & Middle East	31.8	38.3	-12.4%
Asia & Pacific (excluding China)	26.5	25.2	+3.5%
Central & South America	11.2	11.6	+5.0%
China	6.7	6.0	+10.5%
<b>Total</b>	<b>615.1</b>	<b>586.1</b>	<b>+4.7%</b>

*Note: The country sales figures are calculated based on customer location and therefore the destination of the sales.*

### RECONCILIATION OF CHANGES ON A LIKE-FOR-LIKE BASIS AND IN REAL TERMS

	Sales	Current operating result
<b>Change on a like-for-like basis</b>	<b>+4.7%</b>	<b>+9.2%</b>
Forex impact	+0.2%	+1.0%
Scope impact	-	-
Impact of IFRS 16	-	+0.2%
<b>Change in real terms</b>	<b>+4.9%</b>	<b>+10.5%</b>

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## CONDENSED INCOME STATEMENT

<b>Consolidated data (€ millions)</b>	<b>2019 June</b>	<b>2018 June</b>
Sales	615.1	586.1
EBITDA	142.2	123.2
Current operating result	114.9	104.0
Non-recurring operating items	(0.7)	(0.2)
Net financial expense	(1.9)	(2.5)
Income tax	(22.5)	(20.7)
Share of net profit from associates	1.3	0.0
Net profit from continuing operations	91.2	80.6
Net profit from operations treated in accordance with IFRS 5 (Dooya)	0.0	2.6
Consolidated net profit	91.2	83.2
Attributable to Non-controlling interests	0.0	(0.1)
Attributable to Group share	91.2	83.3

## CONDENSED BALANCE SHEET

<b>Consolidated data (€ millions)</b>	<b>2019 June</b>	<b>2018 Dec.</b>	<b>2018 June</b>
Equity	939.6	894.4	841.3
Goodwill	95.4	96.2	96.8
Net non-current assets	337.0	284.8	276.1
Investments in associates and joint ventures	134.2	132.8	132.9
Working capital	455.3	420.2	371.3
Working capital requirements	225.6	186.1	234.9
Net financial surplus*	174.7	222.4	124.0

\* The net cash surplus corresponds to the difference between cash and cash equivalents and financial liabilities.

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## MAIN IMPACTS OF THE APPLICATION OF IFRS 16

<b>Consolidated data (€ millions)</b>	<b>2019 June</b>	<b>Including IFRS 16 impacts</b>
<b>Income statement</b>		
Current operating result	114.9	0.2
Net financial expense	(1.9)	(0.6)
Consolidated net profit	91.2	(0.3)
<b>Cash flow statement</b>		
Cash flow	117.4	6.3
Cost of net financial debt (excluding non-cash items)	1.1	0.6
Net cash flow from financing and capital activities	(55.9)	(6.8)
Net change in cash and cash equivalents	0.9	0.0
<b>Balance sheet</b>		
Equity	939.6	(0.3)
Long-term borrowings	54.8	43.1
Net non-current assets	337.0	49.8
Working capital	455.3	(7.0)
Cash and cash equivalents (including current portion of financial liabilities)	229.7	(7.0)
Net financial surplus/(debt)	174.7	(50.1)