



## PRESENTATION OF THE RESULTS FOR 2010

SFAF meeting on 17 March 2011

# Key events

- Strong improvement in profitability
- Pick-up in growth – commercial successes
- New simplified international organisation
- Dividend proposed to the AGM: €0.70 per share

## SOGELAIR in short

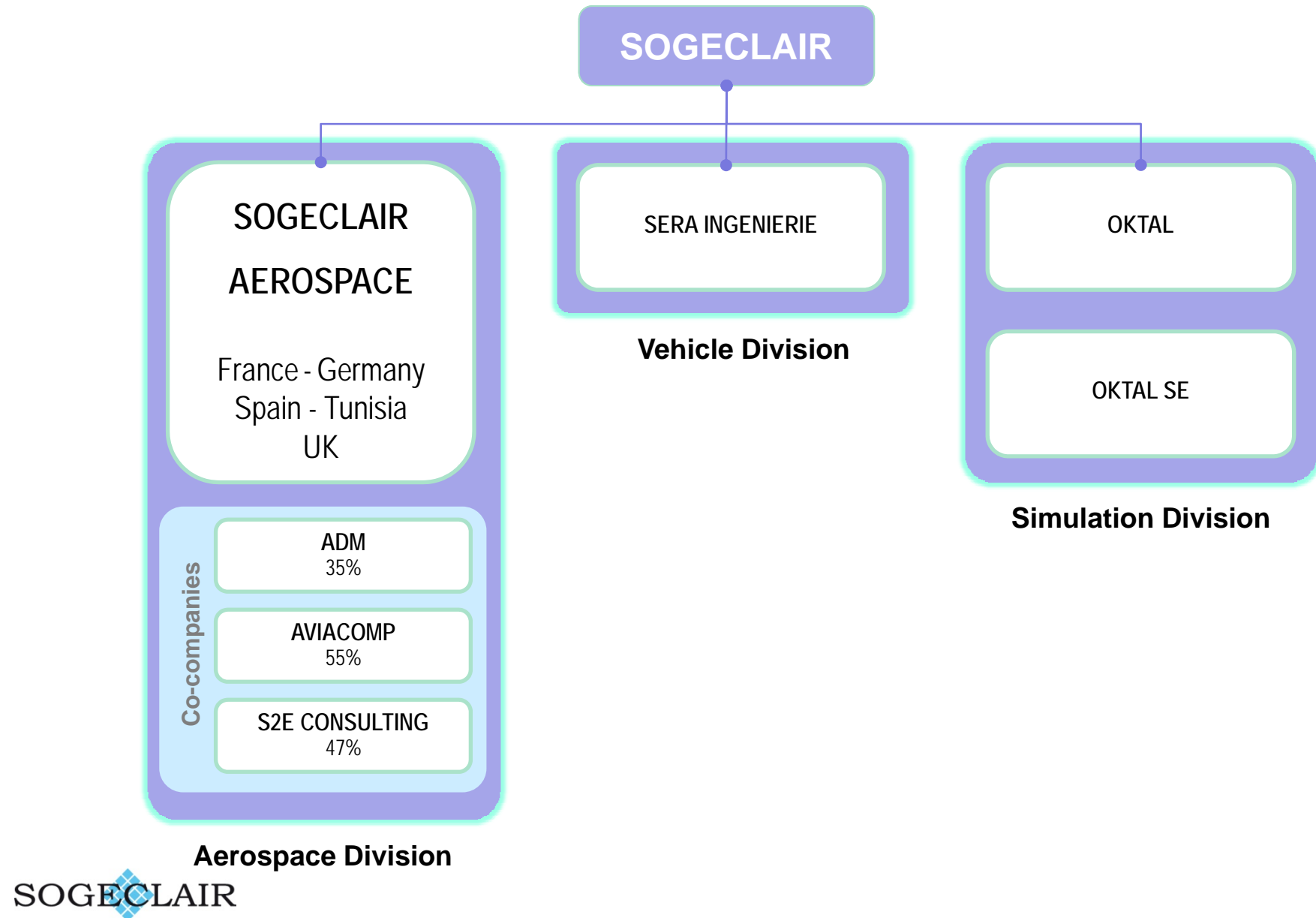
- 900 staff
- International :
  - 31% of the workforce
  - 37% of turnover in 24 countries



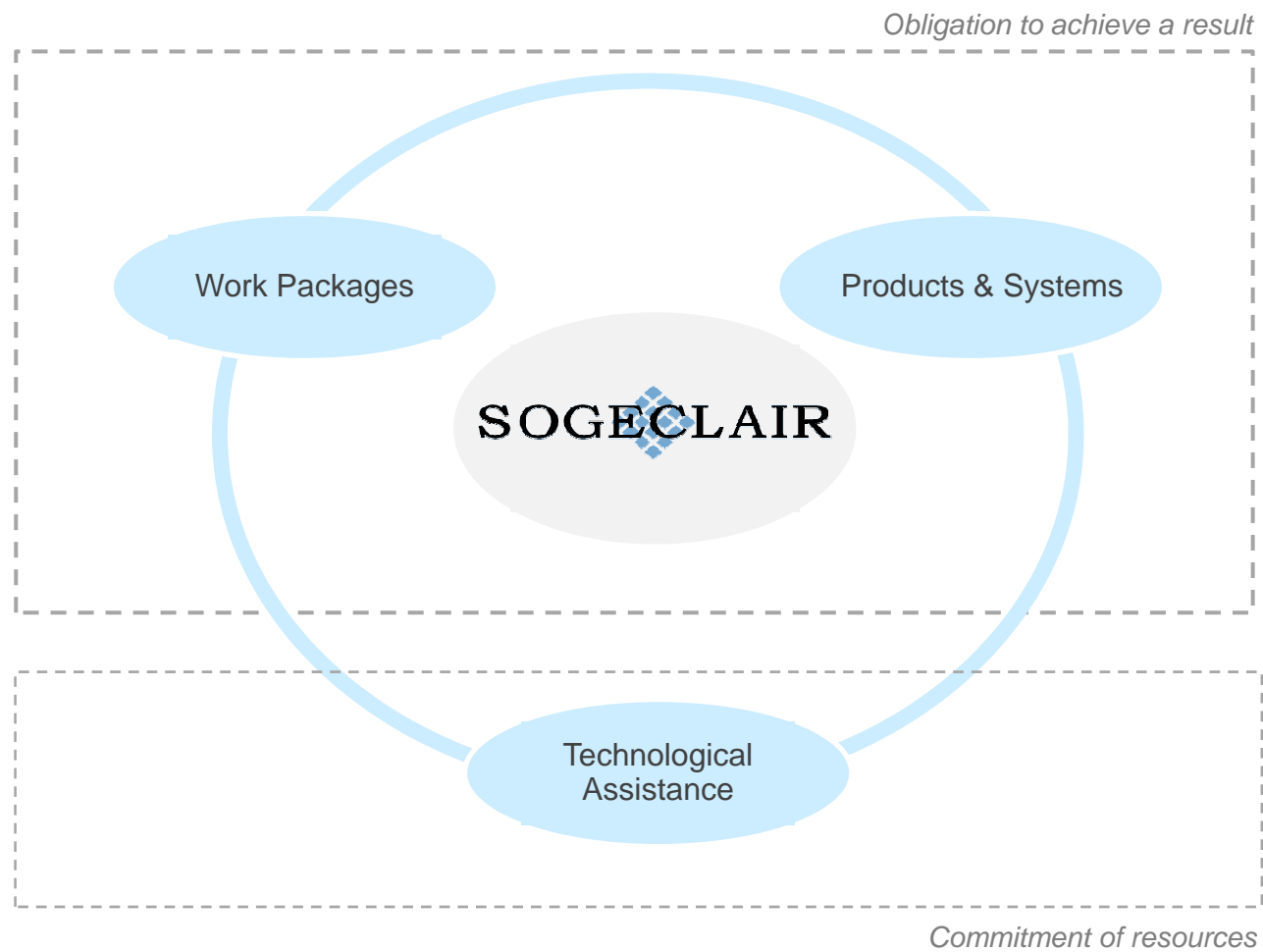
# SOGECLAIR in short

- Engineering and prime contracting for clearly defined product-market pairs
- Positioning on buoyant markets in the area of R&D and in the deployment of complex systems
- Strong specific features:
  - Structuring industrial cooperation projects
  - Long-term contracts (>10 years)
  - Control of the obligation to achieve a result
- Risk-sharing, differentiating offer in the engineering sector :
  - Anchoring the customer relationship in the long term
  - Enhancing know-how
  - Structuring the order book (15 months' turnover compared with 3 to 4 months in the rest of the sector)

## 3 divisions



# Three contractual modes



# The SOGECLAIR offer

## AEROSPACE

- Aerostructure :
  - Metallic and composite subassemblies
  - Engineering
- Installation of systems:
  - Electrical systems
  - Mechanical/electrical engineering and integration
- Configuration management:
  - Engineering
  - Quality and training
- Equipment:
  - Mechanical engineering
  - Cockpit and tooling replicas,

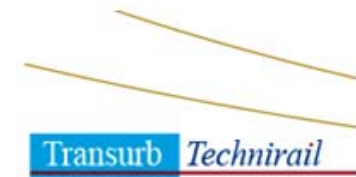
## VEHICLE

- Defence: vehicles and adaptations
- Civil : expertise and engineering

## SIMULATION

- Research and training simulators
- Synthetic environment software

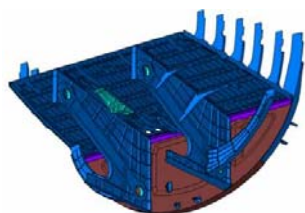
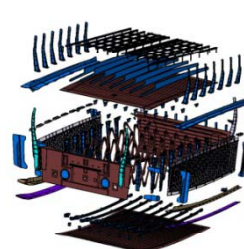
# Cooperation



# Developments – Aerospace Division



Wing Centre Box – A350



Landing Gear Compartment



Fuselage and wing engineering – civil and military



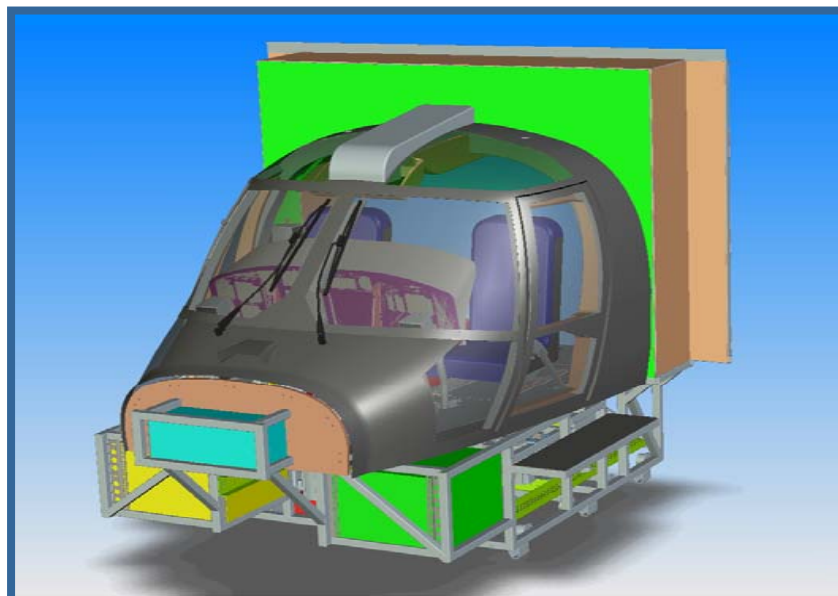
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## Developments – Aerospace Division (cont'd)

Installation of electrical systems



Simulated Dauphin helicopter cockpit



THALES

SOGECLAIR

# Developments – Simulation Division

## Driving simulators – Shanghai



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# Developments – Vehicle Division

Mine detector vehicle – deployment in Afghanistan - H2 2011

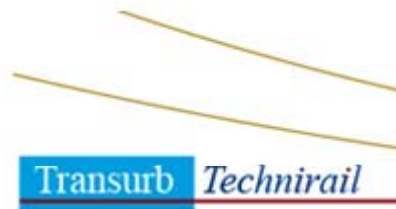


**MBDA**  
MISSILE SYSTEMS

SOGECLAIR

# International Customers

Top 20 customers = 87% of turnover in 2010



DAIMLER

GROUPE  
LATECOERE



THALES

SOGECLAIR



# Simplified income statement (in €million)

The difference between Ebitda and Ebit includes the amortisation on R&D

=> Income and margin reservoir for the future

	2009	2010	
<b>Turnover</b>	<b>69.27</b>	<b>71.97</b>	<b>+3.9%</b>
including international sales of	41%	37%	
<b>EBITDA<sup>(1)</sup></b>	<b>5.13</b>	<b>6.83</b>	<b>+33.1%</b>
as % of turnover	7.4%	9.5%	
<b>Operating result (EBIT)</b>	<b>1.97</b>	<b>3.55</b>	<b>+80.2%</b>
<b>Net result</b>	<b>1.67</b>	<b>2.74</b>	<b>+64.1%</b>
including Group Share	1.50	2.49	

<sup>(1)</sup> Current Operating Income + Operating Provisions

**SOGECCLAIR**

# Simplified Balance Sheet (in €million)

Impacted by €7.2 million of R&D amortisation on Risk-sharing programme

	2009	2010
Equity Capital	15.01	17.74
Qualified Pre-Payments	1.51	2.45
Net Debt <sup>(1)</sup>	0.09	1.57
Gearing <sup>(1)</sup>	0.01	0,09
WCR <sup>(2)</sup>	5.35	9.73

<sup>(1)</sup> Excluding qualified pre-payments

<sup>(2)</sup> Excluding deferred tax credit/debit

# Risk-sharing : impact on the accounts

Conservative accounting:

- R&D is straight-line amortised over 8 to 10 years according to the initial plan
- Customer postponements leading to delays in income with respect to amortisation

Risk-sharing at end of 2010	Amount in € million
R&D invested	10.7
R&D amortised	7.2
Income received	3.1
Income postponed (delays)	3.9
Order book	62.7

# Perspectives

- International strategy with an organisation to match
- High profile in our specialities
- Robust economic model in the engineering sector (Ebitda between 7.4% and 10% for more than 5 years)
- Well-filled order book standing at €89 million thanks to investments in R&D



Accelerated growth expected

# Appendix 1: Consolidated income statement

Impacted by €1.2 million annual R&D amortisations on Risk-sharing programme

INCOME STATEMENT (in € k)	2009	2010
Turnover	69,264	71,975
Other operating income	4,418	4,794
Cost of goods sold	-21,209	-20,459
Payroll expenses	-45,951	-47,846
Taxes and duties	-1,211	-1,334
Amortisation and provisions	-3,436	-3,264
Other expenses	-177	-298
Current operating income	1,699	3,568
Income from sale of consolidated holdings		8
Other operating income and expenses	276	-23
Operating income	1,974	3,553
Income from cash and cash equivalents	15	90
Gross finance costs	-194	-163
Net finance costs	-179	-73
Other financial income and expenses	-63	32
Income before taxes	1,732	3,511
Income tax expenses	-59	-766
Income after taxes	1,672	2,745
Net profit	1,672	2,745

## Appendix 2 : Consolidated balance sheet – Assets

<b>ASSETS</b> (in € k)	<b>2009</b>	<b>2010</b>
Goodwill	3,908	3,908
Intangible assets	4,769	4,742
Tangible fixed assets	2,121	2,755
Financial fixed assets	596	666
Other long term assets	100	300
<b>Non-current assets</b>	<b>11,493</b>	<b>12,372</b>
Inventory	80	91
Trade notes, receivables and related accounts	28,102	35,357
Other current debtors	3,661	2,976
Deferred income tax	879	1,044
Cash and cash equivalents	4,253	3,123
<b>Current assets</b>	<b>36,974</b>	<b>42,592</b>
<b>TOTAL ASSETS</b>	<b>48,467</b>	<b>54,964</b>

## Appendix 3 : Consolidated balance sheet – Liabilities

<b>LIABILITIES</b> (in € k)	<b>2009</b>	<b>2010</b>
Shareholders' equity	2,900	2,900
Share premium	2,630	2,630
Own shares	-1,095	-829
Reserves and accrued profits	9,661	11,738
<b>Equity capital, group share</b>	<b>14,096</b>	<b>16,439</b>
Minority interest	910	1,299
<b>Equity capital, consolidated</b>	<b>15,006</b>	<b>17,738</b>
Long-term provisions	1,114	1,282
Long-term qualified pre-payments	1,344	2,344
Long-term loans and financial debts	2,444	1,693
<b>Non-current liabilities</b>	<b>4,903</b>	<b>5,319</b>
Short-term qualified pre-payments	162	108
Current part of loans and financial debts	1,886	1,937
Short-term loans and financial debts	13	1,062
Short-term provisions		103
Trade creditors, instalments and related accounts	9,724	9,245
Tax and social liabilities	13,482	15,176
Deferred income tax	3	1
Other current liabilities	3,288	4,275
<b>Current liabilities</b>	<b>28,558</b>	<b>31,907</b>
<b>TOTAL LIABILITIES</b>	<b>48,467</b>	<b>54,964</b>

## Appendix 4: Consolidated sector-by-sector analysis

INCOME STATEMENT (in €k)	AEROSPACE	VEHICLE	SIMULATION	HOLDING	TOTAL
Turnover	56,791	2,077	13,120	-13	71,975
Other operating income	2,244	59	2,339	153	4,794
Cost of goods sold	-13,395	-779	-4,821	-1,464	-20,459
Payroll expenses	-36,966	-829	-8,276	-1,775	-47 846
Taxes and duties	-834	-41	-293	-167	-1,334
Amortisation and provisions	-2,410	-57	-731	-66	-3,264
Other expenses	-233	-1	-4	-60	-298
Intra-Group operations	-3 409	-114	-344	3,867	
Current operating income	1,788	316	989	475	3 568
Income from cash and cash equivalents			8		8
Other operating income and expenses	-9	3	-8	-9	-23
Operating income	1,779	318	990	466	3,553

Impacted by €1.2 million R&D  
on Risk-sharing programme