



Results for the 1st half 2015

The SOGECCLAIR Board of Directors met on 11 September 2015 to examine the accounts for the first half 2015. The limited examination procedures were applied to the half yearly accounts. The audit report was issued on 11 September 2015.

	(in € million)	H1 2015	H1 2014	Variation
Turnover		64.47	54.9	+ 17.4 %
	International	47%	27%	
EBITDA ⁽¹⁾		3.61	5.19	(30.4 %)
	as % of turnover	5.6%	9.5%	
Current Operating Result		0.11	1.97	(94.4%)
	as % of turnover	0.2%	3.6%	
Operating Result		0.10	1.98	(94.9%)
	as % of turnover	0.2%	3.6%	
Net Result		-0.74	1.66	
	including group share	-0.49	1.78	

⁽¹⁾ operating result – other operating income and charges + amortization expenses and operating provisions

The half year was marked by:

- upstream positioning on aeronautical programmes,
- integration of the acquisition made in Canada in 2014 and development in America,
- increased share of Products in the activity.

The Operating Result is bearing the restructuring in Germany, which is not going as quickly as expected, and the costs of the reduced workload in the Aerospace Division.

The Net Result stands at -€0.74 million and includes the negative effect of exchange rate hedging amounting to €0.5 million. Equity capital amounts to nearly €37 million. Cash stands at nearly €13.5 million with gearing (excluding qualified prepayments) at 27 %.

Activity of the divisions

Aerospace Division (turnover €57.7 million- EBITDA €1.9 million)

Thanks to our good level of preparedness, the activities linked to aircraft in service and in production are up significantly (+58% like-for-like at €28.7 million), buoyed up by all the “series” programmes, and exceeding the level of activity relative to aircraft under development (-35% like-for-like at €19.6 million) which is suffering from the effects of the significant slowdown in new programmes.

Despite the good contribution made by the MSB group, acquired at the end of 2014, the division’s profitability has been affected by the continued and longer-than-expected restructuring in Germany, and the costs generated by the reduced workloads in France owing to:

- a smaller volume of work than expected for two major contracts,
- the downturn in this sector’s development activities leading to particularly stiff competition on calls for tenders, pressure on prices and dispersion in the granting of contracts.

Simulation Division (turnover €5.6 million - EBITDA €0.9 million)

The activity was stable (+0,04%) under the combined effect of a temporary fall in the sale of synthetic environment software and an increase in the sale of systems.

EBITDA progressed to 15.9% of turnover.

Vehicle Division (turnover €1.15 million - EBITDA €0.3 million)

The activity grew by 33.7% thanks to a favourable base effect (-20% in H1 2014) and EBITDA is stable at 23.5%.

Of note during the first half:

- strengthening of our relations with the sector's major prime contractors,
- participation in size-determining projects: armoured engineering vehicle, route opening means.

Perspectives

In H2, SOGECLAIR is expecting to conclude its ongoing negotiations on amendments that will see the cancellation of its losses on three major contracts, pursue the integration of the Canadian MSB group acquired in 2014, and speed up its development in the USA while reinforcing its Product portfolio in each of its divisions.

In all, SOGECLAIR can confirm that 2015 will be another year of growth.

Next publication

Turnover for Q3 2015: 4 November 2015 after the close of the Stock Market.

A detailed presentation is available in the *Investors* section on www.sogeclair.com.

About SOGECLAIR

Singular player in the innovation sector, SOGECLAIR provides specialist services (73%) and products (27%) in the areas of Aerospace, Simulation and Mission Vehicles, and counts more than 1,400 staff, 40% of whom work outside France.

SOGECLAIR is listed on NYSE Euronext Paris – Compartment C – Code ISIN: FR0000065864 – PEA PME 150 (Reuters SCLR.PA – Bloomberg SOG.FP)

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