



Smart Safety Systems



Protection of High-Risk Installations



3D Printing

## Revenue up by 4.1% in the first half of 2018, 2018 objectives upgraded

Groupe Gorgé (Euronext Paris: GOE) announces its 2018 second quarter and first half year revenue today.

<i>(in € millions)</i> <sup>1</sup>	H1 2018	H1 2017 restated IFRS 15 <sup>2</sup>	H1 2017 reported	Change <sup>2</sup>	Q2 2018	Q2 2017 restated IFRS 15 <sup>2</sup>	Q2 2017 reported	Change <sup>2</sup>
Smart Safety Systems	50.4	55.2	54.4	-8.6%	27.7	30.3	29.6	-8.8%
Protection of High-Risk Installations	65.7	68.3	68.3	-3.8%	33.4	34.1	34.1	-1.9%
3D Printing	27.6	14.6	14.6	+88.1%	14.1	7.2	7.2	+95.4%
<i>Structure and eliminations</i>	<i>(0.5)</i>	<i>(0.6)</i>	<i>(0.6)</i>	<i>n/a</i>	<i>(0.0)</i>	<i>(0.3)</i>	<i>(0.3)</i>	<i>n/a</i>
<b>Consolidated revenue</b>	<b>143.2</b>	<b>137.5</b>	<b>136.8</b>	<b>+4.1%</b>	<b>75.1</b>	<b>71.3</b>	<b>70.6</b>	<b>+5.3%</b>
<b>Adjusted revenue<sup>3</sup></b>	<b>142.9</b>	<b>135.9</b>	<b>135.1</b>	<b>+5.1%</b>	<b>75.0</b>	<b>70.7</b>	<b>69.9</b>	<b>+6.1%</b>

1. 2018 unaudited figures

2. As of January 1, 2018, the Group applies IFRS 15 "Revenue from Contracts with Customers." All the changes referred to in this press release are calculated in relation to the restated figures for 2017 for application of this standard. Detailed reconciliations will be given in the financial report for the first half of 2018

3. In order to assess the performance of ongoing activities, the Group has decided to present and comment on the adjusted results, in addition to the reported figures. The adjustments pertain to the Smart Safety Systems division: the contribution of ECA Sindel (deconsolidated as of January 1, 2018) and the contribution of SSI, which is being disposed, to the Simulation business. The figures in this press release are not expressed as adjusted figures, unless otherwise specified.

In the first half of 2018, **Groupe Gorgé's** revenue was €143.2 million, a 4.1% increase compared to the first half of 2017, driven by the excellent performance of the 3D Printing division. Adjusted from the contribution of the subsidiaries of the Smart Safety Systems division that are deconsolidated or under disposal, Group revenue was €142.9 million, a 5.1% increase over the first half of 2017.

In the first half of 2018, the **Smart Safety Systems** division revenue was €50.4 million, down 8.6% compared with the first half of 2017 restated under IFRS 15. This decline resulted from the insufficient level of order intake recorded before end-2017. The strong performance of the Simulation business since the start of the year (+54.1%) and that of the Aerospace business in the second quarter (+3.1%) partially offset the performance of the Robotics business (-17.9%). Adjusted for the contribution of one subsidiary that was deconsolidated in 2018 and another that is being disposed, the division's revenue was €50.1 million, down 6.3% compared to the first half of 2017.

Revenue for the **Protection of High-Risk Installations** division came to €65.7 million in the first half of 2018, down by 3.8% compared to the first half of 2017. The division continued to improve in the second quarter but was still penalized by order delays in 2017 in the Nuclear business. The first order received in 2017 for the Hinkley Point EPR in the United Kingdom contributed only marginally to the revenue for this half and is expected to contribute more in the second half ([see May 15, 2018 press release](#)).

The Oil & Gas business showed its first signs of recovery in terms of revenue, and especially with regard to order intake. During this quarter, the AI Group subsidiary, which specializes in active protection for this segment, executed the first phase of a contract won in 2017 for an LNG terminal. During the second quarter, DuPont de Nemours awarded Van Dam a multi-million euro contract to supply a petrochemical module in Luxembourg ([see June 13, 2018 press release](#)).

Finally, the **3D Printing** division posted revenue of €27.6 million in the first half of 2018, up from €14.6 million over the same period last year, an 88.1% jump that reflected fast growth in the second quarter (+95.4%).

The Systems business (+113.8%) benefited from strong performance in software during this half and the acceleration of sales of the ProMaker LD-10 printer, which is aimed at the dental segment. The Products business (+59.3%) continued to be driven by sustained strong sales of parts on demand.

### **A good medium-term outlook**

At June 30, 2018, **Groupe Gorgé's** backlog was €218 million, up 6.3% from December 31, 2017.

The level of order intake in the half year for the **Smart Safety Systems** division was up close to 50% compared with the same period last year, due particularly to the good order intake recorded in the Robotics division during the period. The division is responding to significant calls for tenders in the Robotics and Aerospace segments.

During 2018, the division expects to continue to grow as it markets products developed in recent years, and advances initiatives relating to improving its profitability, with an emphasis on enhancing operating efficiency and reducing costs. The division aims to generate savings of €4 million over the full year from 2019.

In this context, the Smart Safety Systems confirms its target of slightly higher revenue in 2018 compared with 2017 and, above all, a target of improved profitability over the year.

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In the **Protection of High-Risk Installations** division, the backlog reached a record level. At €115 million at June 30, 2018, it was up 10.7% from December 31, 2017. In the Nuclear business, the fulfilment of orders and major new orders that may come in this year are expected to contribute to the recovery of the business. Initiatives implemented during this half to improve profitability are expected to bear fruit in the medium term.

In view of the solid performance recorded during the first half year, the **3D Printing** division upgrades its 2018 objective and now expects revenue above €53 million (previously above €50 million). This financial target does not take into account the impact of Solidscape or other projected acquisition.

In this context, **Groupe Gorgé** is now expecting 2018 revenue that is revised slightly upward, between €290 million and €300 million, with above all a target of improved profitability.

**Next key date:**

Half-year results released on Friday, September 14, 2018 before market opening.

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#### About Groupe Gorgé

Created in 1990, Groupe Gorgé is an independent group that specializes in high-tech industries. Today, the Group is active in the fields of security and protection in extreme environments, as well as in the 3D printing sector. In its more than twenty-five year history, Groupe Gorgé has always developed and driven the latest technological and industrial innovations.

#### Smart Safety Systems:

Developing complete, innovative technological solutions for complex missions in hostile and confined environments.

#### Protection of High-Risk Installations:

Protecting people and ensuring the active and passive protection of installations for energy markets and industrial and tertiary sectors in France. Ensuring the maintenance of these protection systems.

#### 3D Printing:

Enabling major industry players to find new routes to successful innovation and production processes by providing systems, 3D printers and new premium material.

In 2017, the Group reported revenue of €267.7 million. It is backed by 2,000 employees and operations in over ten countries.

**More information available on [www.groupe-gorge.com](http://www.groupe-gorge.com)**

Groupe Gorgé is listed on Euronext Paris.

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