



Smart Safety Systems



Protection of High-Risk Installations



3D Printing

## Groupe Gorgé: revenue up +10% in Q3 2018

Groupe Gorgé (Euronext Paris: GOE) reports its revenue for the third quarter and the first nine months of 2018 today.

<i>(in € millions)</i> <sup>1</sup>	9M 2018	9M 2017 restated IFRS 15 <sup>2</sup>	Change	9M 2017 reported	Q3 2018	Q3 2017 restated IFRS 15 <sup>2</sup>	Change	Q3 2017 reported
Smart Safety Systems	69.3	77.2	-10.3%	76.4	18.9	22.0	-14.4%	22.0
Protection of High-Risk Installations	98.4	98.8	-0.4%	98.8	32.7	30.5	+7.1%	30.5
3D Printing	41.5	21.8	+90.5%	21.8	13.9	7.1	+95.3%	7.1
<i>Structure and eliminations</i>	<i>(0.7)</i>	<i>(1.0)</i>	<i>-24.6%</i>	<i>(1.0)</i>	<i>(0.2)</i>	<i>(0.4)</i>	<i>-44.9%</i>	<i>(0.4)</i>
<b>Consolidated revenue</b>	<b>208.4</b>	<b>196.8</b>	<b>+5.9%</b>	<b>196.1</b>	<b>65.3</b>	<b>59.3</b>	<b>+10.1%</b>	<b>59.3</b>
<b>Adjusted revenue</b> <sup>3</sup>	<b>208.2</b>	<b>194.8</b>	<b>+6.8%</b>	<b>194.1</b>	<b>65.3</b>	<b>59.0</b>	<b>+10.7%</b>	<b>59.0</b>

In the third quarter of 2018, Groupe Gorgé recorded a 10.1% increase in revenue, which totaled €65.3 million. This growth was driven by the very strong performance of the 3D Printing division (+95.3%) and the recovery of the Protection of High-Risk Installations division (+7.1%).

In the first nine months of 2018, Groupe Gorgé achieved revenue of €208.4 million, up 5.9% compared with the first nine months of 2017. Adjusted for the contribution of the Smart Safety Systems division, discontinued in 2018, revenue totaled €208.2 million, i.e. an increase of 6.8% compared with the first nine months of 2017.

Revenue from the **Smart Safety Systems** division was €69.3 million in the first nine months of 2018, down 10.3% compared with the first nine months of 2017. Excluding the contribution of a subsidiary deconsolidated in 2018 and that of another whose business was sold, revenue was €69.0

<sup>1</sup> Unaudited 2018 figures.

<sup>2</sup> As of January 1, 2018, the Group applies IFRS 15 "Revenue from Contracts with Customers." " All changes and comments indicated in this press release are in comparison with the 2017 figures restated for the implementation of this standard.

<sup>3</sup> In order to assess the performance of its ongoing activities, the Group will present and comment on the adjusted results in addition to the reported figures. The adjustments concern in particular within the Smart Safety Systems division the contribution of ECA Sindel and SSI. The figures in this press release are not expressed as adjusted figures, unless otherwise specified.

million, down 8.3% compared with the first nine months of 2017. This decline resulted from the insufficient level of orders intake recorded before end-2017. Simulation recorded strong results since the beginning of the financial year (+23.3%), but does not offset the drop in revenue (-18.1%) of the Robotics business. The Robotics business recorded several commercial successes this quarter, together with an increase of more than 50% in its orders intake compared with the first nine months of 2017.

Revenue from the **Protection of High-Risk Installations** division was €98.4 million in the first nine months of 2018, stable compared with 2017 and up 7.1% in the third quarter. The Oil & Gas business was up in the first nine months of 2018 and this quarter, driven by the gradual recovery in investments in the sector. The Nuclear business benefited from the performance of the cable-trays wrapping contract in partnership with Prezioso Linjebygg (Altrad Group) but is still seeing weak contribution from the execution of the first contract for the Hinkley Point project, which is expected to boost its recovery.

Lastly, the **3D Printing** division recorded revenue of €41.5 million in the first nine months of 2018, representing a sharp increase of 90.5%. Revenue maintained a high rate of growth in the third quarter (+95.3%), driven primarily by the contribution of the acquisitions of Avenao (Q4 2017) and Solidscape (Q3 2018), but also by the strong dynamic in the Machines business. Growth in the Products business (+9.9% in the third quarter) was very largely organic, scope effects being negligible this quarter with the integration of Interson Protac from August 1, 2017.

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

At September 30, 2018, **Groupe Gorgé's** backlog was €212.3 million, up 8.2% from September 30, 2017.

At September 30, 2018, the **Smart Safety Systems** division's backlog was €99.8 million, i.e. an increase of 1.1% compared with June 30, 2018, and of 10.3% compared with September 30, 2017 adjusted. The increase in the backlog would be even more significant if it included the letter of intent for a contract valued at more than €12 million signed on October 25 ([see press release](#)) for the supply of equipment to French Barracuda submarines. The division thus recorded several commercial successes in 2018, with an orders intake up 50% at the end of September, compared with the same period last year. This strong commercial performance, combined with other orders under negotiation, will drive business growth in the medium term. In the short term, however, based on the revenue for the first nine months of the financial year, the division is no longer able to confirm its target revenue for 2018, expected to show a slight increase compared with 2017.

As part of the technological and commercial partnership announced with Naval Group ([see press release dated October 9](#)), in early October ECA Group responded to the call for tenders launched by Belgium for a Belgian-Dutch cooperation for the supply of 12 minehunters equipped with drone systems, and would also supply specific products to another consortium that responded to this call for tenders. Being successful in this bid, which remains very hypothetical at this stage, would represent the most significant order in the history of the division, even in its minimum configuration.

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In the **Protection of High-Risk Installations** division, the backlog remained at a high level of €107.1 million at September 30, 2018, up 6.9% compared with September 30, 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. In Oil & Gas, as in Nuclear, the commercial outlook is expected to be promising on account of the rebound in investments.

In **3D Printing**, the two businesses should continue to improve their performance in the medium term. Organic growth should be bolstered by new acquisitions aimed at strengthening the division's existing businesses. The consolidation of the US company Solidscape from July 15, 2018 contributed to the strong business dynamic and has led management to upgrade its revenue objective, which is now expected to exceed €58 million in 2018 compared with €53 million previously announced.

Considering the upward revision of the 3D Printing target, and despite the uncertainty over the achievement of the Smart Safety Systems target, **Groupe Gorgé** confirms its 2018 target revenue of between €290 and €300 million, with the primary goal of a return to profitability.

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#### About Groupe Gorgé

Founded 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 3D printers, premium material, software and 3D printed parts.

In 2017, the Group reported revenue of €276.7 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 Compartment B.  
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#### Contact

Groupe Gorgé - Raphaël GORGÉ – CEO & Chairman - Tel.: +33 1 44 77 94 77 - E-mail: [contact@groupe-gorge.com](mailto:contact@groupe-gorge.com)  
Finance News – Natacha MORANDI – Analysts/Investors Relations - Tel.: +33 1 53 67 36 72 - E-mail: [nmorandi@actus.fr](mailto:nmorandi@actus.fr)  
Finance News – Jean-Michel MARMILLON – Press Relations - Tel.: +33 1 53 67 36 73 - E-mail: [jmmarmillon@actus.fr](mailto:jmmarmillon@actus.fr)