


Smart Safety Systems

Protection of High-Risk Installations

3D Printing
About Groupe Gorgé

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. It employs around 1,700 people, is located in eight countries and directly exports around 40% of its activity. 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 securing installations - Conducting Robotics projects for industry and service-sector player.

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 2016, the Group reported revenue of €281.2 million. It is backed by 1,700 employees and operations in over ten countries.

More information available on www.groupe-gorge.com

Groupe Gorgé is listed on Euronext Paris and on the US OTC market in the form of ADR.

Euronext Paris:
Compartment B.
ISIN code: FR0000062671
Ticker code: GOE

US OTC market:
CUSIP NUMBER: 399451 103
ISIN NUMBER: US3994511034
Ticker Code: GGRGY / GGRGF

Target revenue achieved: €281.2 M, strong growth in 3D printing

Revenue FY in €M	2016 ⁽¹⁾	2015	Var. (%)
Smart Safety Systems	112.5	105.2	+6.9%
Protection of High-Risk Installations	144.9	142.3	+1.8%
3D printing	25.2	17.8	+41.6%
<i>Revenue between the 3 divisions and structure</i>	(1.4)	(0.8)	NA
Consolidated revenue	281.2	264.5	+6.3%

Revenue Q4 in €M	2016 ⁽¹⁾	2015	Var. (%)
Smart Safety Systems	36.9	39.1	-5.6%
Protection of High-Risk Installations	34.5	45.3	-23.9%
3D printing	7.5	4.8	+54.3%
<i>Revenue between the 3 divisions and structure</i>	(0.3)	(0.2)	NA
Consolidated revenue	78.6	89.1	-11.8%

(1) Unaudited figures

Contact

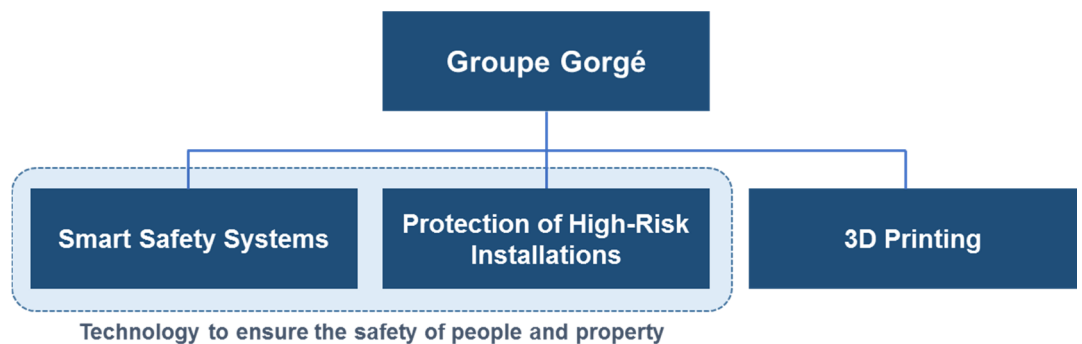
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The **Group** generated revenue of €78.6 million for the 4th quarter - a solid level of activity but down compared to the very positive 4th quarter 2015 (€89.1 M, up 26% on the 4th quarter 2014).

The first half-year showed growth of 24.5% and the second a 7.5% decline.

Over the fiscal year, consolidated revenue exceeded the announced objective at €281.2 M, up by 6.3%.

Following the merger of the Protection in Nuclear Environments and Industrial Projects and Services divisions under the same managerial organization, the Group presents its new organization per business line:



Annual revenue for the **Smart Safety Systems** division exceeded the announced objective of €110 million and topped €112.5 million. The *Robotics and Integrated Systems* and *Aerospace* divisions showed strong growth at respectively +10.2% and +5.3%. The *Simulation* division was down (-4.4%) after a very positive year in 2015 (growth of 16.4% compared to 2014). The acquisitions (ELTA and BE MAURIC at the end of November 2016) only provided a marginal contribution (less than €1.4 million) as they were consolidated only over one month.

After a 1st half-year 2016 at a very high level (€77.1 million, +21.8%), the **Protection of High-Risk Installations** division (*formerly IPS-PNE*) saw a weaker end to the year (€67.8 million), particularly in the nuclear market with delays in several anticipated contracts. Over the financial year, revenue grew by 1.8% to €144.9 million.

Lastly, the **3D printing** division performed well in the last quarter, with growth of 54.3% at €7.5 million, to end the year with growth of 41.6% (€25.2 million compared to €17.8 million in 2015). The *Systems* business (printers and materials) generated €13.1 million in revenue, up by 22.2% and the *Products* activity (parts sales) €12.1 million, up by 68.9% (in 2015, the Initial subsidiary was consolidated only over 9 months).

Bright medium-term outlook

The **Smart Safety Systems** division has shown strong sales momentum over several half-years.

The *Robotics and Integrated Systems* division continues to develop original and complementary robot systems for carrying out one and the same task. These robot systems, with ever greater autonomy and able to cooperate between themselves, and were presented specifically at the year's end Euronaval trade show (for underwater applications). Concurrently, the division also continues to develop sales of its IT180 airborne drone, for both civil (surveillance of sensitive sites, fire surveillance...) and naval applications, particularly to measure ship magnetism.

The acquisition at the year's end of 60% of the share capital in BE Mauric - a naval architecture company that designs different types of ships specifically for defense, security and Oil & Gas – will contribute only marginally to ECA Group's revenue in the future, but should allow it to speed up development of robot systems, extend its USV range and study the best possible integration of its naval and airborne drones on small naval platforms.

The *Aerospace* division strengthened its high-technology positioning with the acquisition of ELTA. This new subsidiary will reinforce the Group's aeronautics skills, through both its business and experience in embedded equipment and also its know-how in the radio-frequency and radio-navigation sectors. With ELTA, the division has also gained an activity in the space sector, in which several ECA Group companies could showcase their know-how. ELTA is currently finalizing or certifying several new products. In the medium term, the acquisition's strategic input will be beneficial for the division's growth.

Lastly, the *Simulation* division should see a buoyant 2017. In June 2016, the Group presented a functional version of its learning simulator for driving light military vehicles and has just announced that it has won a new major contract in the Middle East for this type of simulator.

The trends in the **Protection of High-Risk Installations** division are positive. The protection of oil installations saw a slow-down in new orders in 2016, but in this market, as with the nuclear market, the Group is confident as to prospects in the medium term, even though it is difficult to reliably foresee any future time-frame for a number of major decisions expected from several customers.

In 2017, the division should be looking at business levels comparable to those of 2016. One or more major orders could be won before the end of the first half-year.

The **3D printing** division yet again produced very strong growth in 2016. Prodways Group is exclusively positioned in the professional industrial 3D printing sector, used for rapid manufacturing beyond prototyping and which is the most promising market in terms of volumes and repeat orders.

The range from the **3D Printing** division has broadened to address and better serve specific markets. The division continues to develop applications in the medical sector, particularly in the manufacture of 3D printed parts for this sector and more specifically for dental and chiropody applications.

In 2016, Prodways Group announced the launch of its new powder sintering machine, the ProMaker P1000. This machine is the first professional powder sintering machine sold for under €100,000. The Group hopes to fairly significantly develop sales of this new machine in 2017, for which marketing will be launched during the first half-year.

New propriety technologies for metal 3D printing machines are also being developed.

For 2017, Groupe Gorgé is targeting revenue for all its business activities of close to €300 M.

Next report

Publication of Annual Results on March 22, 2017

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Some of these risk factors are set forth and detailed in our Document de Référence (Registration Document including the annual financial report filed with the French Autorité des Marchés Financiers). This list of risks, uncertainties and other factors is not limitative. Other non-anticipated, unknown or unforeseeable factors could also have material adverse effect on our targets. The Group expressly disclaims any obligation or undertaking to update or revise any forward-looking statements or targets potentially contained in this press release to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based.

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