



Smart Safety Systems



Industrial Projects and services



Protection in Nuclear Environments



3D Printing

#### About Groupe Gorgé

Established in 1990, Group Gorgé is an industrial group operating in different areas of expertise:

**Smart Safety Systems** – Using technology to work in risk environments;

**Protection in Nuclear Environments** – Protecting people and securing buildings operating with radioactive materials;

**Industrial Projects & Services** Conducting Robotics and Fire protection systems 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 2015, the Group reported revenue of €264.5 million. It is backed by 1,536 employees and operations in over ten countries.

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

Group 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

## Revenue up +15.5% over the first nine months of the year

In €m	2016 <sup>(1)</sup>	2015	Var. (%)
<b>Smart Safety Systems</b>			
Q1	19.5	17.7	+10.4%
Q2	33.5	25.4	+31.7%
Q3	22.6	23.0	-1.9%
<b>Year to date</b>	<b>75.6</b>	<b>66.1</b>	<b>+14.3%</b>
<b>Industrial Projects and Services - Protection in Nuclear Environments</b>			
Q1	35.1	32.8	+7.2%
Q2	42.0	30.6	+37.5%
Q3	33.3	33.7	-1.2%
<b>Year to date</b>	<b>110.4</b>	<b>97.1</b>	<b>+13.8%</b>
<b>3D printing</b>			
Q1	5.9	2.9	+105.9%
Q2	6.5	5.1	+26.3%
Q3	5.3	4.9	+7.5%
<b>Year to date</b>	<b>17.7</b>	<b>13.0</b>	<b>+36.8%</b>
<b>Revenue between the divisions and structure</b>			
<b>Year to date</b>	<b>(1.1)</b>	<b>(0.7)</b>	<b>n.a</b>
<b>Consolidated revenue</b>			
Q1	60.3	53.1	+13.6%
Q2	81.6	61.0	+33.9%
Q3	60.7	61.4	-1.2%
<b>Year to date</b>	<b>202.6</b>	<b>175.5</b>	<b>+15.5%</b>

(1) Unaudited figures

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## Change of the organizational structure of the Group's activities

At the time of publishing this financial information, the group takes the opportunity to announce a change to the structure of its activities: the **Industrial Projects and Services** and **Protection in Nuclear Environments** divisions will be merged. The name of the new division will be communicated shortly. Rodolphe Bassi, who has managed the Industrial Projects and Services division since 2015, has been appointed as the head of this new division, which has now become the Group's highest revenue earner.

This reorganization strengthens the Group's positioning as a major player in the property and people safety market, and now provides a global offering across all energy sectors.

This convergence also improves the consistency of its activities with regard to both products and services, by drawing on complementary geographical factors to build a shared global marketing network.

Moreover, the operational synergies already in place in the Industrial Projects and Services division should in time contribute to a better management of costs.

## Activities over the quarter

The Group posted +15.5% growth over the first nine months of the year, with revenue of €202.6 million compared with €175.5 million in 2015.

Once again, the second half of the year should post a better performance than the first, both in terms of revenue and of profitability.

The **Smart Safety Systems** division, this year far less affected by seasonality than in previous years, and the new **Industrial Projects and Services - Protection in Nuclear Environments** (IPS - PNE) division were stable compared with Q3 2015 (-1.9% and -1.2%). The **3D Printing** division saw slight business growth (+7.5%).

## Outlook

The **Smart Safety Systems** division very recently attended the Euronaval trade show (one of the leading global trade shows specializing in naval solutions). This trade show brought the Group in contact with a wealth of qualified sales contacts. More than 60 official delegations visited its stand, and the Group hopes to turn these visits into sales opportunities during this end-of-year period and the first half of 2017. In particular, the Group presented its entire range of underwater robots (A9, A18 and A27-type AUVs; K-STER-type minekillers; H300/800-type ROVs, and more) and INSPECTOR-type surface drones. Combined on the same ship, these products are capable of conducting an entire mine disposal mission (as well as hydrography, surveillance or even research and assistance missions) through the sequential and/or parallel deployment of the different robots equipping the ship. Moreover, the Group has already announced that it has delivered a number of systems of this type to two Navies, including that of Kazakhstan, since the start of the year (*see press release dated September 20, 2016*).

Furthermore, also with regard to underwater robotics, the Group just announced that it would supply six A27-M-type autonomous underwater vehicles (AUVs) as well as other peripheral equipment as part of the MMCM FR/UK program. The contract is worth more than €15 million for this additional tranche, most of the revenue of which will be recognized in 2017 (*see press release dated October 20, 2016*).

The **Smart Safety Systems** division is also looking to increase the sales of its IT180 aerial drone, whether for civilian use (surveillance of sensitive sites, surveillance of fires, etc.) or for dedicated naval purposes, notably to measure a vessel's magnetism (*see press release dated October 18, 2016*).

The outlook for the new division grouping together the **Industrial Projects and Services** and **Protection in Nuclear Environments** divisions is also positive.

Demand is up in the markets for fire protection in demanding environments (energy, oil and gas, maritime and offshore wind). Safety standards and regulations are being tightened, particularly in extreme environments.

In the nuclear market, the Group could benefit from the British government's go-ahead for the construction of the *Hinckley Point* project. After many months of anticipation, this €21 billion project should finally get off the ground and could represent a significant available market for its subsidiary BAUMERT, which has been working with the EDF group for a number of years, supplying it with high-performance doors for nuclear plants (neutron, biological, blast deflector, noise-proof, fire protection, and airtight doors). Furthermore, the division continues to pursue the integration of PORTAFEU, a struggling historical competitor of the Group, acquired during the first half of the year. Its loss-making activities will be revived gradually.

Regarding the **3D Printing** division, the Group remains confident of its strategic positioning. Over the third quarter, during which the metal 3D printing industry saw important changes (two of the major players in the sector were bought by General Electric), the Group announced that it has developed a new metal 3D printing technology (*see press release of October 3, 2016*). If developed at a production-line level, this new technology would offer significant advantages compared to the top-performing procedures currently used.

At the same time, the **3D Printing** division continues to develop applications for use in the medical sector, notably with regard to the production of 3D printed pieces dedicated to this sector, and more specifically with regard to dental and podiatry applications.

Lastly, the Group, which will take part in the *Formnext* trade show in Frankfurt from November 15 to 18, should be able to take advantage of new sales opportunities, notably regarding its P1000 machine - a plastic powder sintering machine using laser technology - which was pre-launched during the RAPID trade show in March 2016. This machine is the first professional powder sintering machine sold for less than €100,000. The Group hopes sales of this machine will develop significantly over the 2017 financial year.

Management confirms revenue could exceed €280 million in 2016.

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