

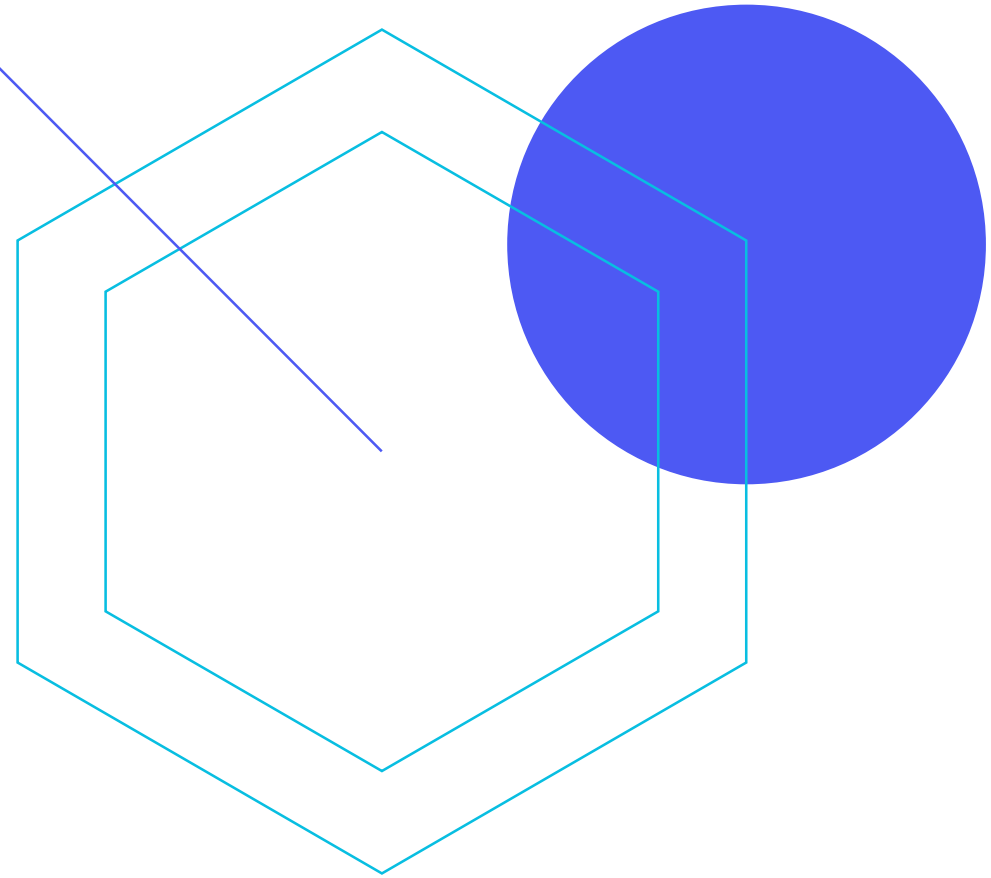
Groupe SFPI

Annual Results 2017

Henri Morel, CEO

Damien Chauveinc, Deputy CEO

Nicolas Loyau, CFO



25th April 2018

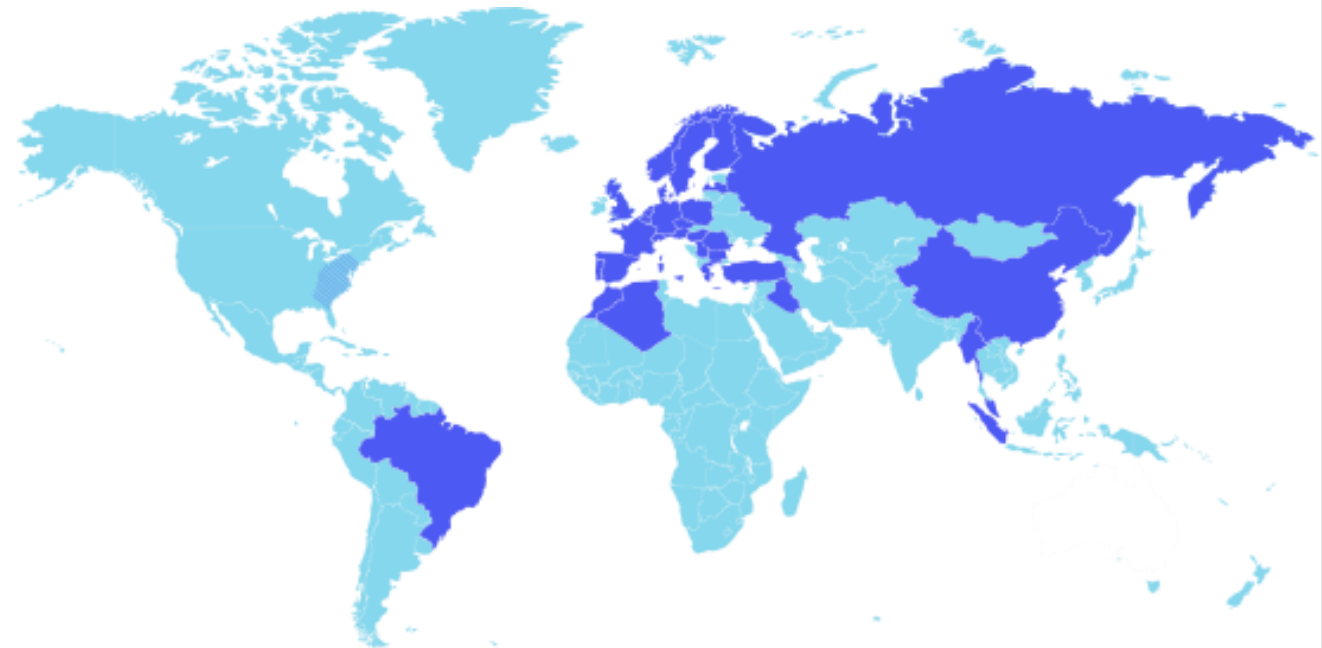
Independent, industrial, international

SFPI Group was created in France in 1985 by entrepreneurs led by Henri Morel, who wanted to engage in the recovery and development of industrial companies.

In 2017, SFPI Group generated a turnover of more than 504,5 million Euros, in the safety industry.

38 % of revenues are generated outside of France.

SFPI Group has 3 820 employees, 40 % of whom are based outside of France.



Specialized in the safety industry for people, goods and environment

Business Group « Construction » Security and comfort for buildings

364 M€
72 % of 2017 Group revenues

MAC

Windows, blinds, awnings, shutters, garage doors for residential and non residential buildings

DOM Security

Locking and access control equipment and systems

Business Group « Industry » Air treatment and energy control

141 M€
28 % of 2017 Group revenues

MMD

Heat exchanger and sterilization equipment and systems

NEU-JKF

Air treatment solutions for the industry

Foster our principles of Industrial Responsibility to create value for its customers, employees and shareholders

Commercial Responsibility

To deliver its customers with products and services that meet the highest standards

Managerial Responsibility

Entrepreneurial agility of our managers

Develop and rely on skills of our employees

Financial Responsibility

Thorough and rigorous financial controlling of the Business Units

Industrial Capital Expenditure and innovation for a long term growth of revenues

Corporate and Social Responsibility

Improve energy efficiency and reduce the environmental footprint of our products, services and premises

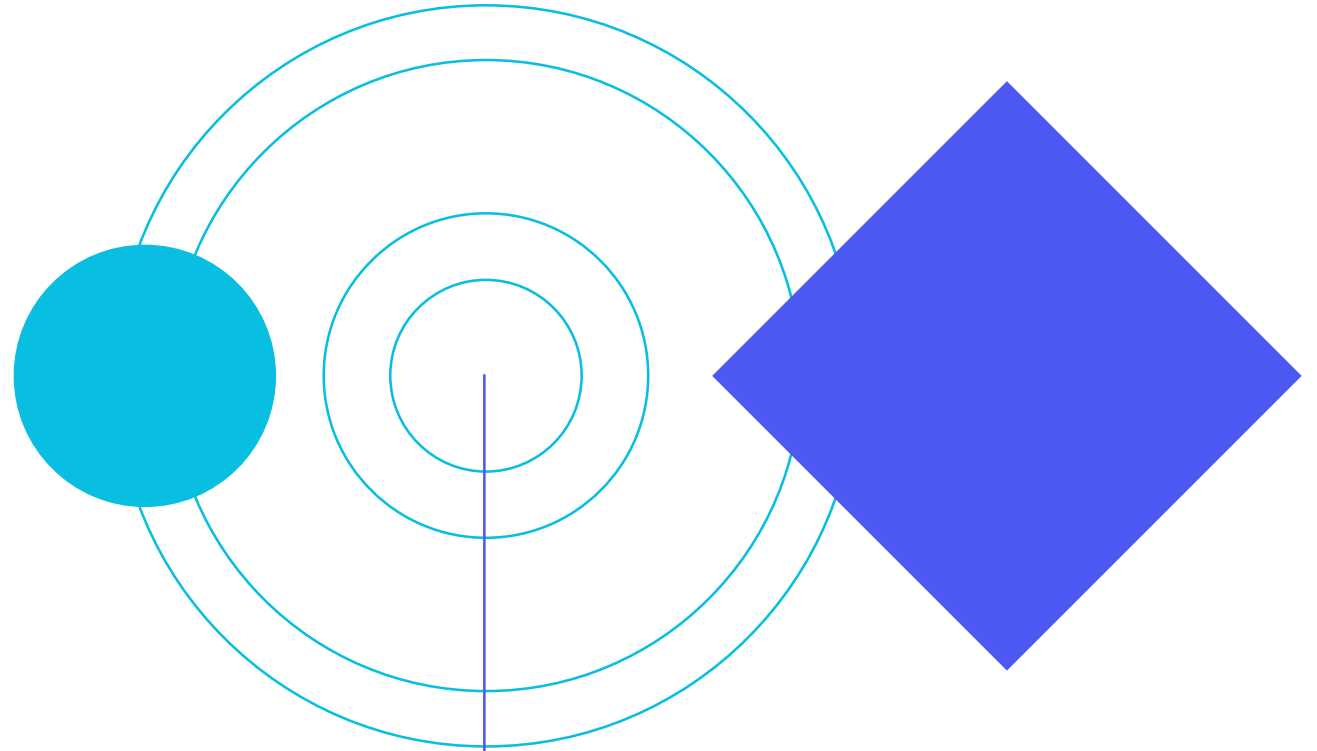
Be part of the Community

SFPI Group is now a global brand name that bears the historical values of the Group and that is inspiring for its stakeholders.

Sfpi GROUP

Safety for
people &
industry

Key figures 2017



Key figures 2017

Sales*	504,5 M€	+ 6,1 %
Operating Income*	34,1 M€	+12,7 %
Net Income, Group share	25,2 M€	+50,0 %
Self-financing capacity **	38,1 M€	+19,0 %
Net Financial excess	50,4 M€	(16,7) %

* 2017 date and variances exclude Eryma, restated as Divestment.

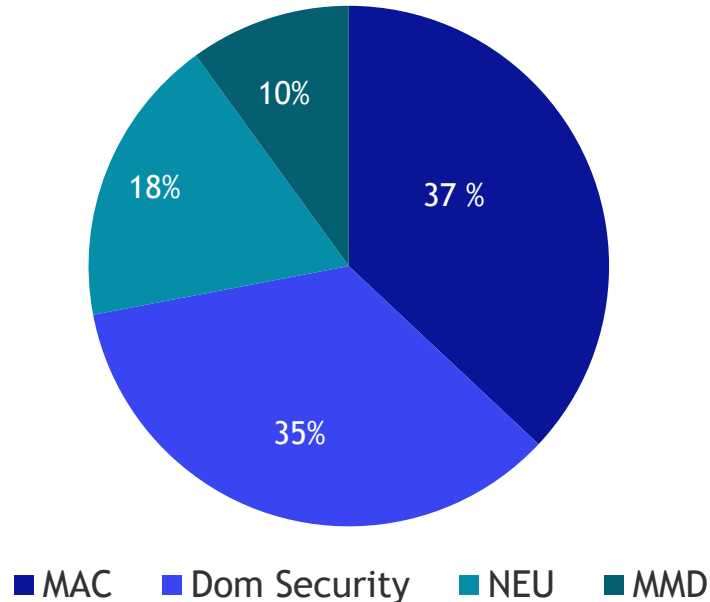
** Of Continuing activities

Consolidated 2017 revenues: 504,5 M€

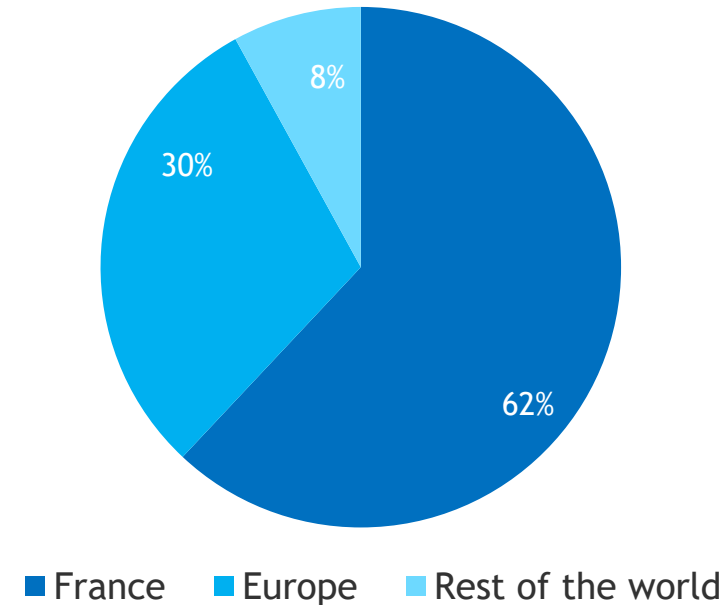
Sales Increase by 6,1 % vs. 2016 (475 M€ excluding Eryma)

- ▶ Organic growth on a comparable basis: +2,7 % (13 M€)
- ▶ Sales contribution of JKF Industri A/S: +3,4 % (16 M€)

2017 Sales split per
Business Units



2017 Sales split per
Geographies



Sales outside of
France : 193 M€

Highlights 2017

ERYMA ► Divestment of Eryma to SOGETREL completed on September 25th 2017

- Cash-in : 15 M€
- Net Profit from the Divestment: +6,2 M€
 - Impact of activities held for sale: +2,8 M€
 - Profit resulting from tax integration at SFPI Group: +3,4 M€

JKF ► Acquisition of 98 % of JKF Industri A/S by NEU SA for an equity value at 28,9M€ on July 31st 2017

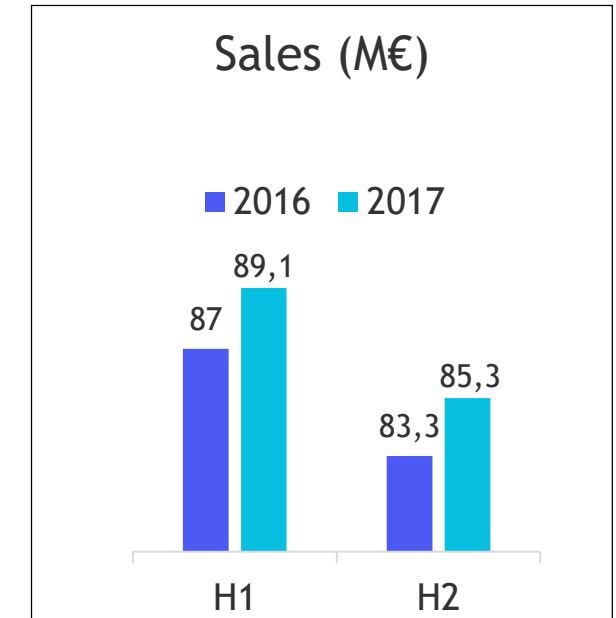
- Financed by bank Loan: 25,0M€
- Tentative Goodwill: 16,5M€
- Contribution to 2017 sales: 16,3M€ (5 months)
- Contribution to 2017 ROI: 1,4 M€ (5 months)

MAC ► 99,9 % ownership following minority shareholders buy-out (8,8 %) for 5,4 M€

Financials & Highlights 2017

DOM SECURITY

M€	2016	2017	
Sales	170,3	174,4	← Increase in sales: + 2,5 %
Gross margin, as % of revenues	71,5%	71,0%	← Sustained gross margin despite raw materials inflation
Recurring operating income	16,6	16,0	← Variances per area:
Operating income	15,5	16,2	+0,7 M€ W. Europe (2,0) M€ N. Europe (0,4) M€ C. Europe +0,5 M€ S. Europe
1579 employees	CAPEX: 8,8 M€		



Highlights

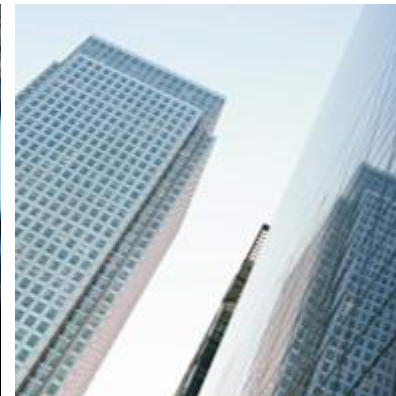
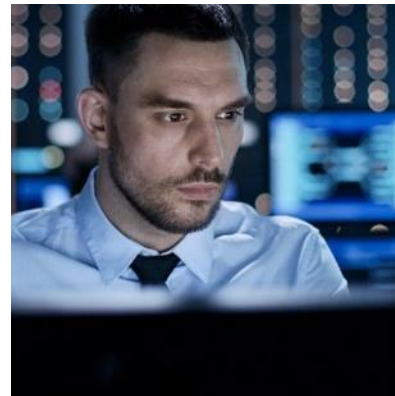
- Acquisition of a majority stake in INVISSYS start up, specialized in IOT
- Acquisition of a new building and relocation for DOM UK (CAPEX 1,3 M€)

Locking and access control equipment and systems

- Launch of a new product: TwinStar
- Phase 2 of digitalization: 1 single website for DOM brand in France
- Combination of electronic and mechanical locks with Clip Tac
- Spanish brands under the single umbrella brand DOM

Market size 2016

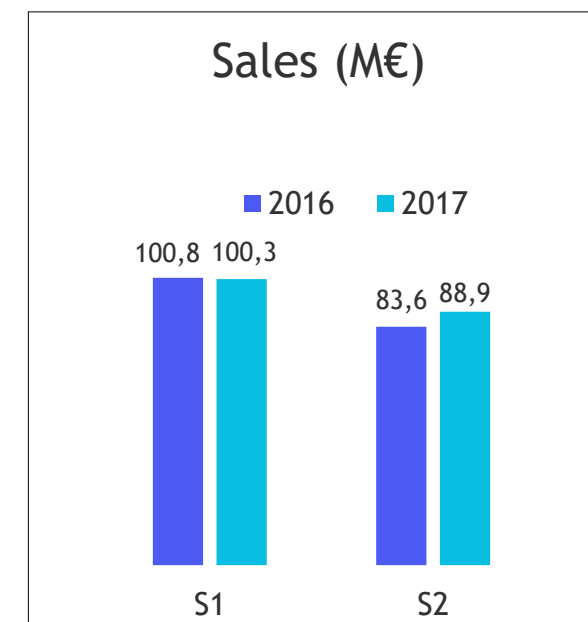
- ▶ Locks: 600M€ +2,3 %
- ▶ Access control: 1600M€ +6 %



Financials & Highlights 2017

MAC

M€	2016	2017	
Sales	184,4	189,2	← Increase in sales: +2,6 %
Gross margin, as % of revenues	54,2 %	54,8 %	← Increase in gross margin (CREAL up from 33 % to 46 %)
Recurring operating income	6,2	8,8	← Improvement in ROI resulting from volume increase and good control of salary and other fixed costs
Operating income	6,0	9,8	
1 202 employees	CAPEX: 3,2 M€		



Highlights

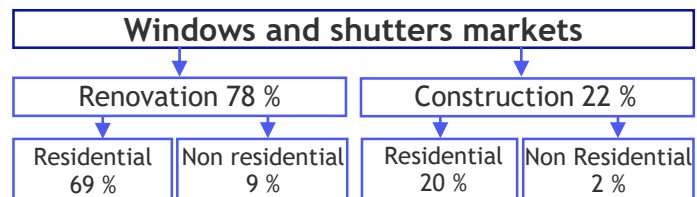
- Strong growth of blinds and awnings
- Recovery of windows sales in Q4
- Industrial CAPEX
 - Blinds : 800 K€
 - Garage door: 600 K€
 - Shutters: 380 K€
- Digitalization of the value chain with 360™ ERP in progress (from order to delivery)
 - 2 sites already implemented: Créal & Faber
 - Implementation of on-line configurator for our customers (shutters and garage doors)

Windows, blinds, awnings, shutters, garage doors

- Launch of a new closure that can be sold either as residential /commercial shutter or garage door, burglar resistant: Qcompact® (certification A2P* in progress)
- Rejuvenated range of lateral garage doors: Évolution Maestro, Milano et Makao
- New range of aluminum windows

Market size France 2017

- ▶ Windows: 10 millions units
- ▶ Shutters: 5,4 millions units of which 78 % rolling



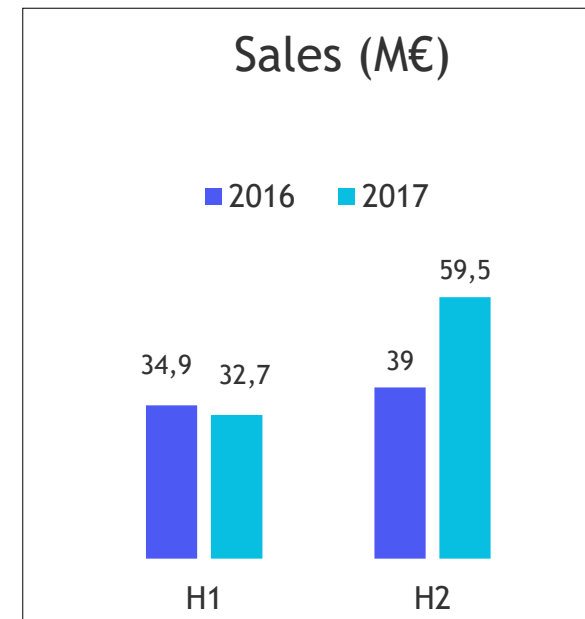
Financials & Highlights 2017

NEU-JKF

M€	2016	2017	
Sales	73,9	92,2	← Increase in sales: +24,7 % +22,1% (16,4 M€) from JKF +2,6 % organic growth
Gross margin, as % of revenues	51,6 %	50,1 %	← Drop in gross margin: 1,4 % at Delta NEU related to 3 orders taken at low margin early 2017
Recurring operating income	3,7	3,5	
Operating income	3,7	2,8	← Acquisition costs for JKF (0,6 M€)

672 employees
(303 with JKF)

CAPEX: 0,9 M€



Highlights

- Synergies NEU-JKF in progress
 - Sourcing of NEU Ducting from JKF
 - Creation of NEU-JKF Wood Industry in France (Ex NEU RLS)
- Restructuring costs at Fevi and Delta NEU: 0,8 M€
- Digitalization: Implementation of a new CRM and a Lead Management position
⇒ 450k€ of sales coming from Web in 2017, 600 k€ in Q1 2018

Air treatment solutions for the industry

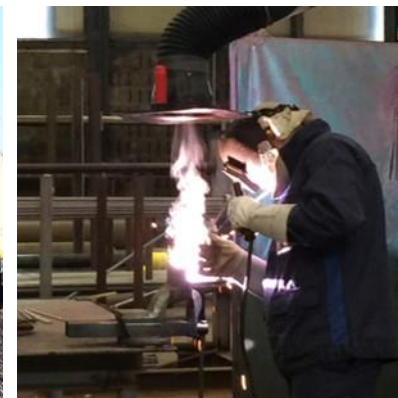
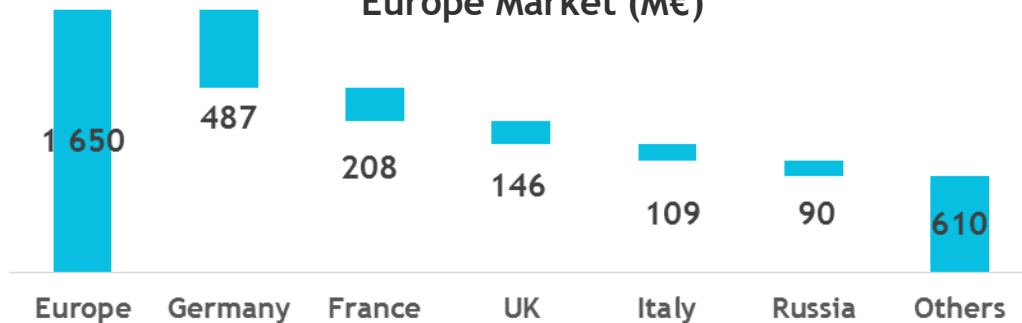
Launch of working groups following JKF acquisition:

- Communication-marketing -Brand:
Neu-JKF – Dedicated to clean air
- Purchasing and in-sourcing Synergies
- R & D
- Single product portfolio for NEU-JKF group (PIM)

Industrial (non-residential) air filtration market: 3€Mds

+8,5 %/year between 2015 & 2020

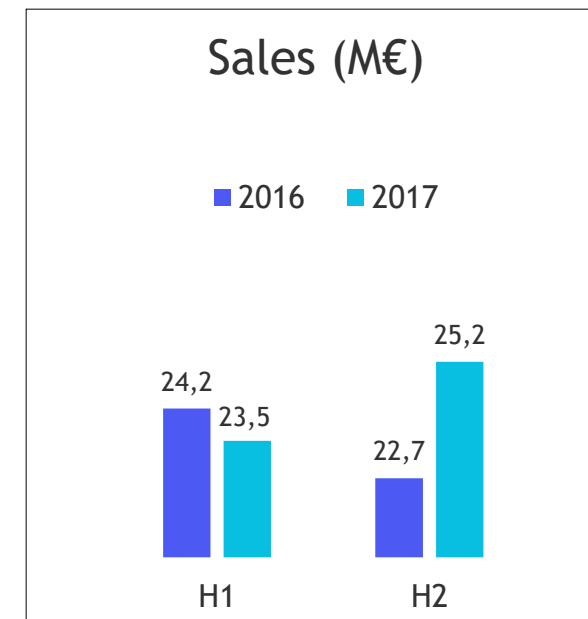
Europe Market (M€)



Financials & Highlights 2017

MMD

M€	2016	2017	
Sales	46,9	48,7	← Increase in sales: + 4,1 %
Gross margin, as % of revenues	61,6 %	61,1 %	← Drop in gross margin at SPOMASZ & ASET
Recurring operating income	5,2	5,8	← Productivity improvement Labor costs savings: 1,5 %
Operating income	5,2	5,8	
356 employees	CAPEX: 1,1 M€		



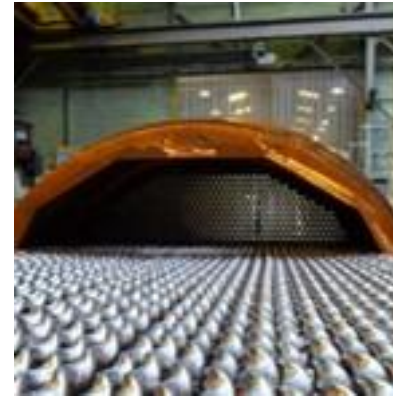
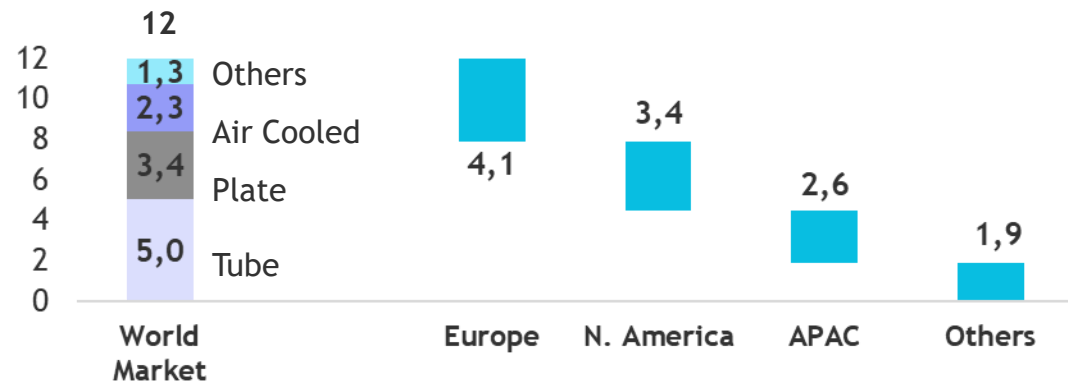
Highlights

- STERIFLOW: amongst the best years in sales with 23M€ & 15% of ROI
- BARRIQUAND ECHANGEURS: Tough H1 but strong recovery in H2
- The Polish company SPOMASZ is being divested on 31/12/2017 and has been restated in the balance sheet as “Non-current assets or liabilities of affiliates that are held for sale” 17

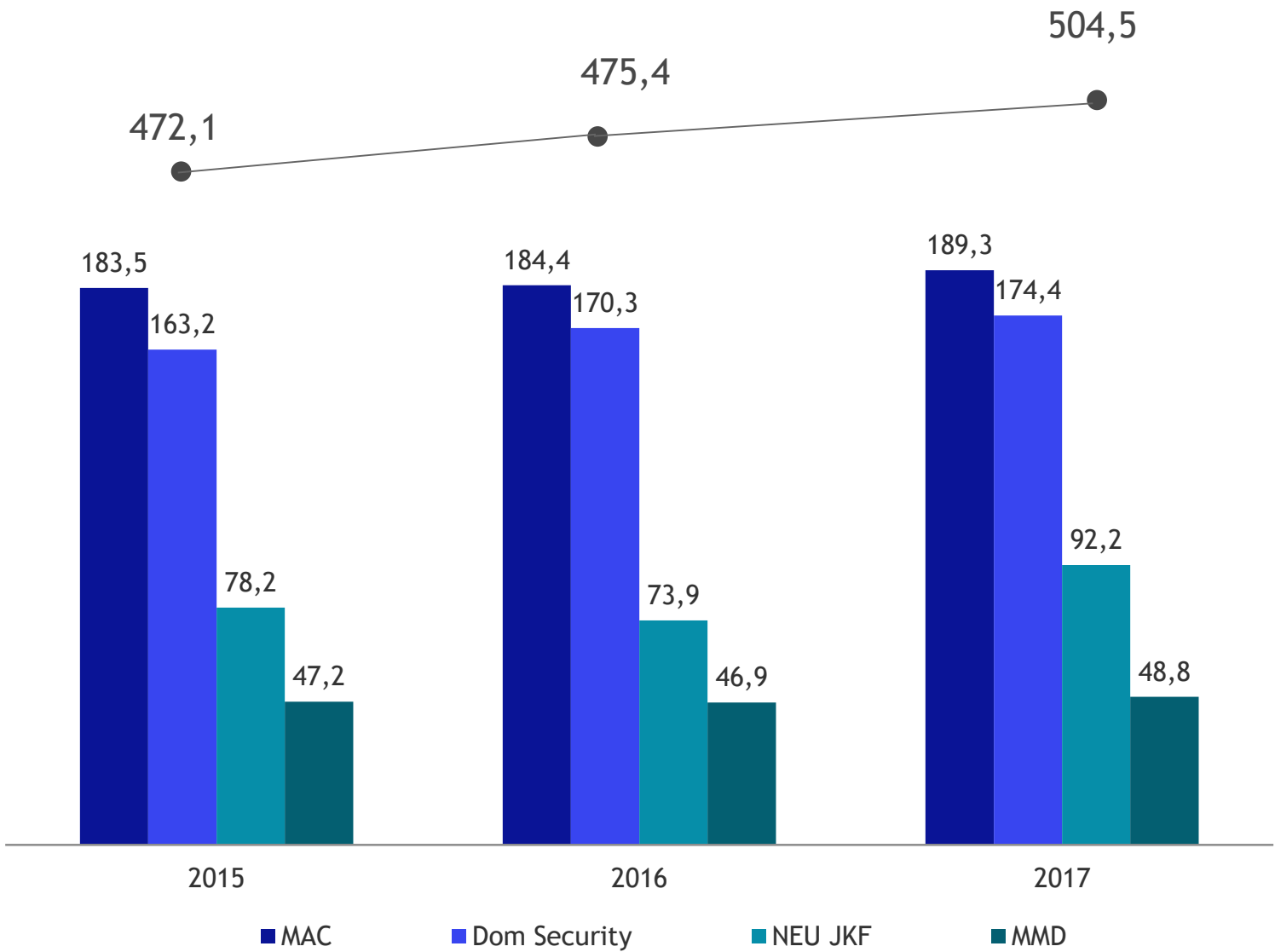
Heat exchanger & sterilization equipment and systems

- Industrial Capital Expenditures in production equipment enhancement and air quality improvement
- Digitalization: 3 000 leads, 270 quotes, 80 orders and 0,8 M€ of sales

Heat exchangers market 2016: 12 \$Mds
+7,5% / year between 2015 & 2022



Sales split per Business Units



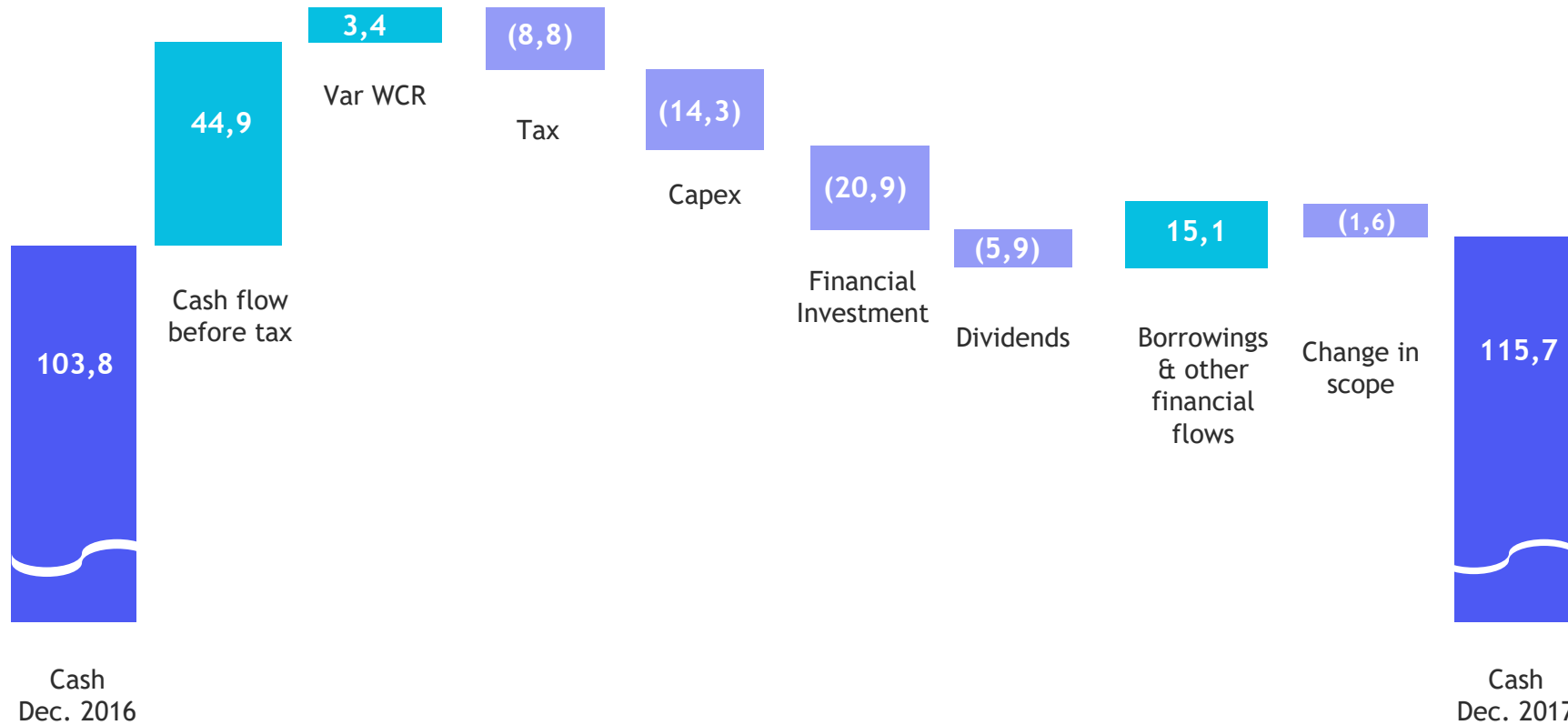
CAGR : 3,3 %

Consolidated Financials

M€	2016*	% of sales	2017*	% of sales
Revenues	475,4		504,5	
Gross Margin	288,8	60,7 %	303,5	60,2 %
Payroll expenses	(158,7)		(168,8)	
Other charges	(85,3)		(87,9)	
Depreciation	(13,2)		(13,9)	
Recurring operating income	31,6	6,6 %	32,9	6,5 %
Non-recurring charges and amortization	(1,4)		1,2	
Operating income	30,2	6,4 %	34,1	6,8 %
Financial charges	0,2		(0,6)	
Tax	(9,6)		(10,4)	
Net income from continuing operations	20,8	4,4 %	23,2	4,6 %
Net income from Divestment	(0,1)		6,2	
Consolidated Net Income	20,7	4,4 %	29,4	5,8% ← + 42,2 %
Group Share	16,8		25,2	

* 2016 et 2017 restated - Excluding ERYMA

Cash flow



Consolidated cash flow bridge(M€)

Simplified consolidated balance sheet

31/12/2017

2016

Assets	Liabilities
Fixed 106,8	Equity 202,4
Other non-current Assets 24,5	
WCR 79,8	
Net cash 60,5	Non-current Liabilities and Provisions 69,2

2017

Assets	Liabilities
Fixed 126,4	Equity 218,6
Other non-current Assets 23,5	
WCR 87,2	
Net cash 50,4	Non-current Liabilities and Provisions 68,9

A sound financial position: Net cash at 50,4M€ at the end of 2017
Net assets of activities held for sale: 3,2 M€

Strategy & Outlooks

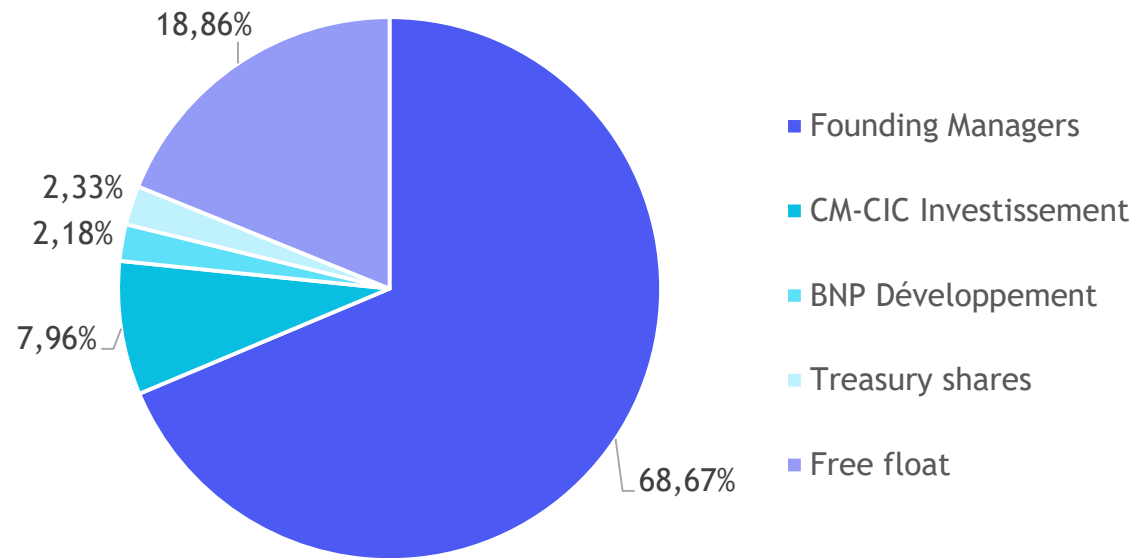
- Organic growth:
 - Development and enhancement of products portfolios. An active R&D policy which accounts for 4,5% of the payroll expenses
 - Increase of production capacity (+38 M€ in 3 years)

	Buildings	Industrial equipment
2015	6,3 M€	7 M€
2016	3,7 M€	10 M€
2017	2,1 M€	9 M€

- Digitalization of products portfolios to meet our customers and distributors new requirements
- Acquisition of new companies allowing us to strengthen our position in our different markets

2018 Revenue forecast of around 530M€ (on a comparable basis)

Stock market mapping



Shareholder structure on 17/04/2018

- Free float 31/12/2016: 6,6 %
- Free float 31/12/2017: 18,9 %

- Number of shares: 89 969 862
- ISIN code: FR0004155000
- Listing market: Euronext compartment B
- Eligibility: Equity savings plans / PEA-PME (equity savings plans for SMEs)

- Dividends 2018 : proposal of 0,06 € per share to the Shareholders meeting on June 14th 2018

Stock market

Stock price 31/12/2017: 3,20 euros



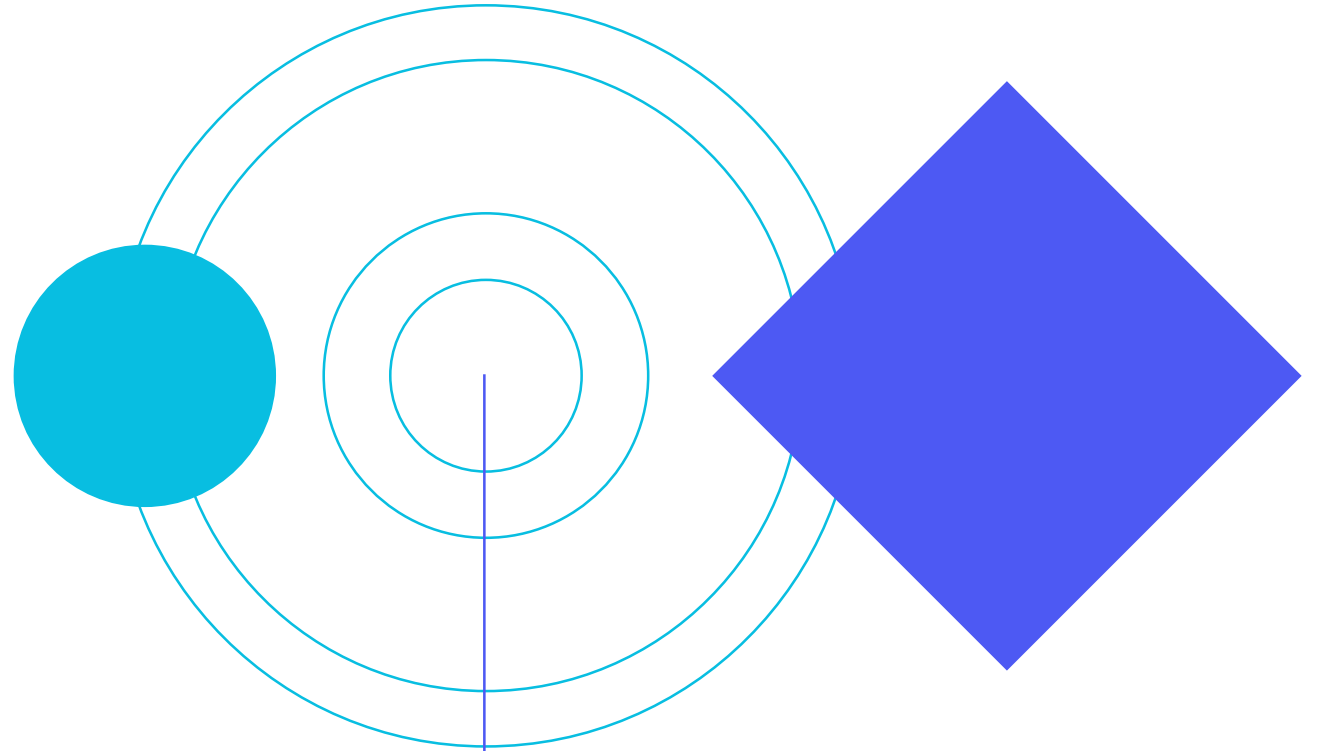
Stock market
Capitalization:

- 31/12/2017 : 288 M€
- 23/04/2018 : 283 M€

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Appendices



Kpi's

- The indicators "Current operating income" and "Net financial debt" comply with the 2013-03 recommendation of November 7, 2013 issued by the French Accounting Standards Authority.
- The term "Net Financial excess" refers to a "Net Financial Debt" where the net cash is greater than the gross financial debt.
- The Gross Margin results from the difference from:
 - Sales
 - WIP and finished products inventory
 - Consumed purchases
 - And the external charged allocated to customers orders