Interim Report, first half of 2017

The turnover and consolidated results of the Gévelot Group for the first half of 2017* compared to the first half of 2016, according to IFRS International Accounting Standards are as follows:

In millions of Euros	1st half 2017	1st half 2016	2016
Consolidated turnover	100.5	101.4	196.3
Current operating income	7.6	6.4	12.9
Operating Income(1)	8.1	6.3	14.2
Financial income	- 1.6	0.6	0.8
Current pre-tax income, integrated companies	6.5	6.9	15.0
Tax	- 1.6	- 1.4	- 0.5
Net income, integrated companies	4.9	5.5	14.5
Net income of activities undertaken	4.9	5.5	14.5
Net income of consolidated companies	4.9	5.5	14.5
Proportion of interest not conferring control	0.1	- 0.1	- 0.1
Income attributable to the parent company	4.8	5.6	14.6
(1)including the depreciation of non-current assets:	*-4.0*	*-*	*- 8.1*
including income on contractual regociations	*4.7*	*-*	*9.5*

As discussed in our latest releases, acquisition discussions and formalities for our Extrusion Sector continued with the signing on 11 October 2017 of the transfer of Equity Securities of companies in the Extrusion Sector with the Walor International Group. The official transfer of French real estate property owned by Gévelot SA is also underway.
These transactions, subject to certain suspensive conditions, may lead to the effective closing before the end of 2017.

Costed elements for the first half of 2017 are therefore presented on a like-for-like basis compared to 2016.

The Group's consolidated turnover for the first half of 2017 amounts to €100.5 M (-0.9%) over the same period in 2016; on a like-for-like basis, the decrease is 2.9%.

Turnover of the Extrusion Sector reached €54.4 M and was down 5.4%. The German subsidiary was mainly responsible for this fall (-8.9%), with France down 5.6%.

Turnover of the Pump Sector reached €46.0 M up 4.9% on the first half of 2016; on a like-for-like basis, activity remains stable.

The Group's consolidated operating income is positive with € 6.4 M against a positive result of € 6.4 M at the end of June 2016.

Consolidated operating income is positive at € 8.1 M against € 6.3 M at the end of June 2016.

Given the aforementioned facts and after tax, the net income for the first half of 2017 (Group share) shows profits of €4.8 M against € 5.6 M in the first half of 2016.

**Consolidated financial statements approved by the Board of Directors on 12.10.2017*

GROUP OUTLOOK FOR 2017

Extrusion Sector

In a growing global and European automotive market, activity should however be down in Germany, pending the effects of recently renewed markets.

Activity in France should return to a level close to that of 2016 with an improvement in the second half.

Pumps Sector

The activity of this Sector will continue to be affected by the fall in the international Oil & Gas markets.

Operational profitability however remains generally stable despite geographical differences.

New international installations will however continue as part of the strategic diversification policy.

Overall Group

The net consolidated income - Group Share - for financial year 2017 should be impacted by the transfer of the whole Extrusion Sector (France, Germany, China). The resulting loss should be offset in 2017, excluding tax effects, by the positive effects induced by the termination of a recently renegotiated supply contract. However, this termination could have negative effects in terms of business and profitability as from 2018 for the Pumps sector.