

Financial report for the first half of 2014

The Consolidated Turnover and Accounts for the Gévelot Group in the first half of 2014 compared to the first half of 2013, according to the International Financial Reporting Standards (IFRS), are as follows.

<i>In millions of Euros</i>	First Half 2014 ^(a)	First Half 2013 Restated ^(a)	Full Year 2013 Restated ^(a)
Consolidated turnover	106.7	104.1	199.2
Current Operating Income	4.8	9.2	12.3
Operating Profit	67.4	4.1	6.2
Financial Income	1.1	-0.1	1.1
Pre-tax income from integrated companies	68.5	4.0	7.3
Taxes	-3.8	-1.7	-2.0
Net income of integrated companies	64.7	2.3	5.3
Income from equity affiliates	-	-	-
Net income from continuing operations	64.7	2.3	5.3
Net income from operations scheduled for sale	-5.7	0.5	0.4
Net income from all consolidated accounts	59.0	2.8	5.7
Share attributable to minority interests	-	-	-
Income attributable to the Consolidated Company	59.0	2.8	5.7

(a) Mechanical engineering activity presented in a separate part of the accounts (probability of sale in early 2015)

(b) Including a capital gain on sale of shareholding in KUDU Industries Inc., €62.8 million.

The Consolidated Turnover of the Group for the first half of 2014, on a like-for-like basis, rose to €106.7 million, a 2.5% increase over the same period in 2013.

The Turnover of the Extrusion Sector, at €60 million, shows an increase of 4%, in France as well as in Germany.

The Turnover of the Pumps Sector, at €46.7 million, remains relatively stable (-1.0%).

The current consolidated operating income of the Group remains positive at €4.8 million, compared to €9.2 million at the end of June 2013. The contribution of the Pumps Sector, declining but still positive over this period, accounts for this decrease. That of the Extrusion Sector remained at the same level, the German affiliate having compensated for the lack of contribution from the French affiliate.

The contribution of the Mechanical Engineering Sector decreased over the same period. Sale of this Sector being likely in early 2015, its activity and the impact of its revaluation on 30 June 2014 are presented on the line "Net income from activities scheduled for sale", according to IFRS 5. Consequently, the figures previously published for calendar year 2013 have been restated.

The Operating Profit remains positive at €67.4 million after ascertainment of a capital gain of €62.8 million, linked to the sale, in May 2014, of our minority interest in the Canadian firm KUDU Industries Inc. At the end of June 2013, it had risen to €4.1 million, after taking into account an IFRS Impairment of Assets of €5.1 million.

Taking into account the matters above and after tax, the net result for the first half of 2014 (attributable to the Group) is a profit of €59 million, compared to a profit of €2.8 million in the first half of 2013.

Excluding the net positive effect of the sale of a shareholding, the net result in the first half of 2014 from continuing operations is a profit of €2.9 million.

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GROUP FORECASTS FOR REST OF YEAR 2014

Extrusion Sector

The level of activity should remain satisfactory with the European automobile market in slight recovery.

In France, the impact of failures in materials of production will affect the year's operational performance. Plans for industrial activities and security investments are being put into effect and should be achieved by the end of the financial year. At the same time, optimisation and redistribution of manufacturing between sites, as well as refocussing on strategic families of products, should lead to the recovery of an acceptable level of margin.

In Germany, activity on the Site and income for the next few months remain satisfactory. Diversification of production will be needed to ensure the future.

The contribution of this Sector to net consolidated income should once again be positive in 2014, despite the difficulties encountered in France.

Pumps Sector

As predicted, global activity, in the short term, is in slight decline and should improve during the second half of the year.

Its contribution to the Consolidated Accounts, not taking into account extra-ordinary recent operations, will remain positive. It will be impacted in 2014 by costs linked to international commercial developments and to the pursuit of investments in France as well as abroad and should improve in the medium term

Consolidated Group

Taking account of all the elements above and in the absence of possible economic downturn, the current operating result should remain in profit at the same level as the previous period.

The consolidated net income and the net financial structure of the Group will be favourably influenced by the positive effects of the sale of the minority shareholding mentioned above and announced in our communication of 23 May this year.

Information available on our website: www.gevelot-sa.fr

Site internet : www.gevelot-sa.fr
Cotation sur Alternext : ALGEV - ISIN : FR0000033888

Contact

Mme Dominique FLAMBARD - Tel. 01.41.49.03.26 - contact@gevelot-sa.fr

Next release

Turnover figure 2014/2013 - Februar 2014