



## Activity report for first half 2011

The Gévelot Group's Turnover and Consolidated Results for the first half of 2011, compared with the first half of 2010, based on IFRS, are as follows:

In millions of euros	1 <sup>st</sup> half 2011	1 <sup>st</sup> half 2010	2010
<b>Consolidated turnover</b>	<b>109.7</b>	<b>97.2</b>	<b>189.6</b>
<b>Current Operating Income</b>	<b>10.9</b>	<b>9.9</b>	<b>16.2</b>
<b>Operating Income</b>	<b>10.9</b>	<b>8.2</b>	<b>13.3</b>
Net Financial Income	- 0.3	- 0.4	- 0.6
Pre-tax Current Income of Consolidated Companies	10.6	7.8	12.7
Tax	- 3.5	- 2.7	- 4.3
Net Income of Consolidated Companies	7.1	5.1	8.4
Associate Undertakings	- 0.1	- 0.5	0.5
<b>Consolidated Net Income</b>	<b>7.0</b>	<b>4.6</b>	<b>8.9</b>
Minority Interests	-	-	-
Net Income (Group share)	7.0	4.6	8.9

**Thanks to solid activity in the Extrusion and Engineering Divisions and a stable performance in the Pump Division, Consolidated Turnover rose 12.9% to €109.7 million in the first half of 2011.**

Turnover in the **Extrusion Division** rose by 20.0% vs. the first half of 2010, to €59.4 million on an almost flat European market (-2%). French facilities received a boost from residual government incentives for the automotive sector and a favourable product mix. The German facility was driven by the sales performances of its main customer for its new models.

Turnover in the **Pump Division** rose by 2.4% to €41.4 million, thanks to continued strength in the Industry and Oil & Gas sectors, despite an uncertain international political context.

Turnover in the **Engineering Division** was up 24.3%, to €8.9 million, thanks to the increased shipments of certain engine equipment for the Automotive sector and the return to solid sales of spare parts carburettors.

**The Group's Consolidated Current Operating Income was €10.9 million in the first six months, vs. €9.9 million in the first six months of 2010.**

The improvement in Current Operating Income of the Extrusion Division in France is not proportional to turnover trends, due to changes in the Client programmes and disruptions in manufacturing operations. An improvement in manufacturing performance is the priority for the second half of 2011.

In Germany, there was a greater improvement in operating profitability and, on the whole, led to a sharp improvement in this Division's profitability.

In the Pump Division, the higher operating costs incurred by international expansion had an impact on operating profitability.

**Operating Income came to €10.9 million vs. €8.2 million in the first half of 2010, figures for which included restructuring costs.**

The share of associate undertakings (Pump Division affiliates: Kudu Inc. in Canada; the Asian companies EMA/EMS) was a negative €0.1 million, vs. a negative €0.5 million in the first half of 2010. The nature of transactions that the Group

has undertaken with these affiliates will be detailed in the Notes to the interim Consolidated Accounts, which will be filed in September 2011.

After-tax Net Income (Group share) for the first half of 2011 came to €7.0 million vs. €4.6 million in the first half of 2010.

At the end of the first half of 2011, the Group cancelled 45,377 treasury shares, resulting in Shareholders' Funds of €31,925,810, or 912,166 shares with a €35 par value each.

Since the end of June, Gévelot shares have been traded on the NYSE Alternext market. For this purpose, Oddo Corporate Finance has been appointed Listing Sponsor, effective 1 August 2011.

## GROUP OUTLOOK FOR THE FULL YEAR 2011

### Extrusion Division

Because of an announced contraction in Customer programmes for the last four months of 2011, full-year Turnover growth could be less significant than in the first half. The improvement in our French facilities' industrial performances will have to continue for this Division to improve its contribution to Group Net Income compared to 2010. The solid level of revenues and profitability at the German subsidiary should help it achieve that.

### Pump Division

Despite an uncertain international environment, turnover and earnings prospects appear to be satisfactory on most of our markets.

More international sales offices will be set up, with related hiring, to go with growth in this Division.

### Engineering Division

Revenues in the second half of 2011 are likely to be lower than the strong increase in the first half.

Even so, thanks to a favourable product mix and the full impact of previous adjustments, Net Income is likely to show a significant improvement over 2010.

This Division will nonetheless have to adjust to the medium-term contraction in its historic markets.

**After a solid first half and assuming a weaker second half, Consolidated Net Income for full-year 2011 is expected to be in the black and up slightly vs. 2010, barring any further decline in the economic and international geopolitical environment.**

Website: [www.gevelot-sa.fr](http://www.gevelot-sa.fr)  
Listed on Alternext under ALGEV; ISIN: FR0000033888

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#### Next release

Full-year 2011 turnover on 15 February 2012