Gévelot

The Board of Directors meeting on 12 April 2018 approved the Company's financial statements and the Consolidated financial statements for the year 2017, according to IFRS International Accounting Standards, after having obtained confirmation from the Auditors that the auditing procedures had been followed and that the Certification Reports are in the process of being issued.

Consolidated Accounts *(in millions of Euros)*	**2017 Fiscal year**	2016 Fiscal year*
Turnover	**89.5**	**91.2**
Current operating income	3.5	5.8
Operating income	24.6	15.2
Financial income	- 1.7	1.3
Current pre-tax income, integrated companies	22.9	16.5
Tax	- 8.4	- 1.4
Net income of activities undertaken	**14.5**	**15.1**
Net income of abandoned activities	- 12.6	- 0.6
Net income of consolidated companies	1.9	14.5
Minority interests' share	0.1	- 0.1
Income attributable to the parent company	**1.8**	**14.6**

** The Extrusion Sector activity is reclassified in compliance with IFRS 5.*

Consolidated turnover for 2017 (excluding the Extrusion Sector that was sold at the end of 2017) amounted to €89.5 M against €91.2 M in 2016, down 1.9%. It now mainly consists of the Pumps Sector (€89.4M against €91.1 M in 2016). At constant scope and exchange rates, the fall amounted to 2.9%.

Oil & Gas was down, Industry slightly progressed and the Food market fell slightly.

The Group's consolidated operating income in 2017 amounted to a profit of €3.5 M against €5.8 M in 2016. The contribution of the Pumps Sector was positive at €5.0 M against €7.4 M in 2016, as it was impacted by provisions on circulating international assets in 2017.

Operating income was positive: €24.6 M against €15.2 M in 2016. It mainly resulted from the remaining effects of the renegotiation in 2016 of a major supply contract with our leading Oil & Gas customer, completed by the effects of its termination which came into effect at the end of 2017.

Financial income was negative: €1.7 M, against a positive €1.3 M in 2016. Negative foreign exchange differences of €1.2 M mainly explain this decline, whereas last year, net exchange differences had amounted to €0.7 M.

In 2017, net consolidated taxes amounted to €8.4 M against €1.4 M in 2016, an increase mainly due to the inclusion in 2017 of the effects of the termination of trade.

The net consolidated operating income in 2017 for continuing activities amounted to a profit of €14.5 M against €15.1 M in 2016.

The net income of the abandoned activity at the end of November 2017 amounted to a deficit of €12.6 M against €0.6 M in 2016. This income included a net shortfall made on the sale of the Extrusion Sector in late November 2017 (-€16.7 M), partly offset by the net positive contribution on this Sector’s activity in the eleven months of 2017 (€4.1 M).

In the end, the net income of Gévelot, the consolidating company, for 2017, amounted to a positive sum of €1.8 M against a profit of €14.6 M in 2016.

Net cash flow was €21.2 M against €14.8 M in 2016.

The net consolidated financial structure amounted to €163.3 M against €107.7 M in 2016, up €54.6 M. This increase included the €22.8 M in financial flows linked to the sale of the Extrusion Sector together with a guarantee agreement of €4 M which may be implemented before the end of 2019. In addition, it was increased by the effects of the variation of the scope on net financial debt of +€11.8 M.

Furthermore, there was the financial impact related to the renegotiation of the €19 M Oil & Gas supply contract.

Turnover of Gévelot SA for 2017, consisting of rents and services, amounted to €2.1 M against €2.3 M in 2016.

The operating result of Gévelot SA, the Group Holding Company, was € 0.3 million, against €0.4 million in 2016.

The financial result amounted to €1.7 M in 2017 against €7.0 M in 2016. In 2017, it included a dividend of €1.5 M against €6.0 M in 2016, when an exceptional dividend of the German subsidiary of the Extrusion Sector was taken into account, and financial net income of €0.3 M (€0.4 M in 2016) minus exchange differences of €0.1 M.

In all, after factoring in a negative extraordinary income of €5.0 M, mainly consisting of the negative net effects of the sale of the Extrusion Sector for €5.0 M before tax, the **net corporate income of Gévelot S.A. in 2017 showed a loss of €3.0 M against €9. M of profits in 2016.**

For the Group, 2018 will be a year of transition.

The sale of the Extrusion Sector with the end of its positive contribution to results and, in the Pumps Sector, the termination, at the end of 2017, of the major Oil & Gas supply contract, could have negative effects on the business and profitability of the Group.

In this new context, the Gévelot Group is implementing actions to achieve a positive result in 2018 excluding extraordinary events not identified to date.

The Combined Ordinary and Extraordinary Meeting of Shareholders, on Wednesday 20 June 2018, will propose the distribution of a dividend identical to that of 2017, i.e. €1.80 per share.

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

Website: www.gevelot-sa.fr
Listing on Euronext Growth: ALGEV - ISIN: FR0000033888

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Next release:
Combined Ordinary and Extraordinary Meeting of Shareholders, 20 June 2018