

LACROIX Group Results of Financial Year 2017-2018

(Released 20/12/18 after trading hours)

Confirmed increase in the Profit from Operating Activities and setting the trajectory toward the 2020 target

The Board of Directors of the Group met on December 19th, 2018 and reviewed the corporate and consolidated financial statements of the Financial Year ending September 30th, 2018.

LACROIX Group posts an increase in revenue of +6.1% and an increase in Profitability from Operating Activities (PFOA) of +21.1%. The net income is up +€0.2M, although it is affected by a judicial award (non-current expenses of €2.6M) recorded in the first half of the year.

This further growth confirms the Group's ability to increase its profitability while pursuing its investments for the future. *« Beyond the numbers, the Group is continuing its transformation and its investments. In 2018, the resources allocated to marketing and innovation have been increased in order to reinforce our positioning as technological equipment supplier on our markets. We have also further expanded our international footprint. »* said CEO Vincent BEDOUIN.

« Our investments must not weaken margin improvement in order to maintain our ability to finance the deployment of our strategy, seize opportunities arising from the Smart World, particularly through external growth. » said V.BEDOUIN.

<i>In millions Euros</i>	30.09.18	30.09.17	Variation 2017/2018
Revenue	468.3	441.4	+ 6.1 %
Profit from Operating Activities (PFOA)	15.0	12.4	+ 21.1 %
Operating profit	12.0	11.8	+ 2.2 %
Net income (Group share)	8.2	8.0	+ 2.6 %
Net debts / Equity (Group)	0.34	0.32	

The auditing procedures on consolidated accounts have been carried out. The certification report will be issued after reviewing the management report and after releasing the annual financial statements.

A dividend of €0.72 per share will be proposed at the next Shareholders' Meeting.

In 2019, LACROIX Group will benefit from the investments made and from the new business won to pursue its growth in activity despite an overall environment which recently grew uncertain.

The positioning as international technological equipment supplier of the Smart Mobility, Smart Environment and Smart Industry markets delivers on its promise, LACROIX Group confirms its 2020 revenue and results targets.

2018 HIGHLIGHTS PER BUSINESS AREA:

- **LACROIX City:** Further growth in the sales of management equipment for road infrastructures (+7.0%) with all 3 business units contributing positively. As previously announced, the recovery of the business takes time but is confirmed by a PFOA up +€1.0M over the period (+49%).
- **LACROIX Sofrel:** Return to growth in the sales of management equipment for water and energy infrastructures (+3.4%), driven by exports (+14.5%) and enabling a PFOA up +€0.3M over the period (+4%).
- **LACROIX Electronics:** Dynamic growth over the year (+6.2%) in the sales of electronic equipment on behalf of third parties, and further increase of the PFOA by +€2.2M over the period (+31%).

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Upcoming financial information:

SFAF Presentation on January 17th, 2019

Quarterly activity report for Q1 2018/2019 on February 14th, 2019 after trading hours.

Find this press release and further information about LACROIX Group on our website www.lacroix-group.com