

PRESS RELEASE
(ISIN FR 0000066607)

LACROIX Group
1st Half-Year 2016 revenue

The LACROIX Group announced last January a refocus of its organization around the concept « *connected technologies for a smarter world* », which will lead in 2020 to a global corporate approach based on its know-how as technological equipment supplier and on its complementary business areas.

The revenue for the 1st Half-Year shows early signs of this shift, in particular with the good performance of recent acquisitions (Sogexi, DSTA). This is encouraging, with the prospect of the « 2020 ambition », although traditional markets are struggling –in particular that of public communities- and re-organizing the Group will take time.

This results in a revenue increase by 13,1%. Revenue breaks down as follows:

- LACROIX Electronics: a still sustained growth during the 1st half-year, (+17.3%), although the 2nd quarter is starting to see a slowdown phase (+13.8%) which had been announced for the year. The growth of our Polish and Tunisian sites allows to confirm an improvement of income despite the difficulties remaining in Germany and in the R&D centers,
- LACROIX Sofrel: well performing exports (+17.1%) allowing the whole activity to be up +6.8% in satisfactory economic conditions. This growth is expected to continue over the 2nd half-year at a slower pace, which should enable the business to absorb part of its investment efforts in terms of human resources and R&D.
- LACROIX City: the integration of acquisitions allows to record a slight +2.9% growth. However, the sharp decline in the activity level of the original road signage business (-9.5%) should be noted. This downward trend of the market both in volume and prices, combined with the one-off impact of re-organization should continue over the 2nd half-year ; it will weigh on income more than expected.

In this mixed and uncertain environment, the Group continues to work toward the positioning of its business areas in their future markets. The Profit from Operating Activities (PFOA) will remain largely positive though much more affected than expected by the downward evolution of LACROIX City.

Attachment: consolidated revenue as of March 31st, 2016

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Consolidated revenue as of March 31st, 2016

It breaks down as follows:

<i>(in million Euros)</i>	Financial Year 15/16	Financial Year 14/15	Variation N / N-1
LACROIX Electronics	152.4	129.9	+ 17.3 %
LACROIX Sofrel	19.7	18.5	+ 6.8 %
LACROIX City	43.6	42.4	+ 2.9 %
Total LACROIX	215.8	190.7	+ 13.1 %

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