

PRESS RELEASE
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LACROIX Group
Financial Year 2014-2015 results
(Released on 21/12/15 after trading hours)

The Supervisory Board of LACROIX SA met on December 17th 2015, and reviewed the corporate and consolidated financial statements of the Financial Year ending September 30th 2015.

2015 OVERVIEW:

Vincent BEDOUIN, the new Chairman of the Board, said: *« We are going through an unprecedented digital transformation, with revolutions in technology and use challenging organizational patterns within companies and society. The Group is at the heart of these changes through its complementary focus areas. This is a strategic opportunity to make the most of their natural convergence. »*

In this context, 2015 is part of a long-term vision of transformation based on a clearer corporate mission, on streamlined operations and on internal and external investments in our future growth drivers.

As he takes on these challenges, Vincent BEDOUIN is committed: *« one of the fundamental assets of the LACROIX Group is to be part of a financially sound structure, combining a mid-term and long-term strategy and efficient decision-making processes. We are confident in the future and in our ability to open up to new spaces and markets. ».*

In Million Euros	30.09.2015	30.09.2014	Variation 2014/2015
Revenue	395.1	355.9	+11,0%
Profit from Operating Activities	8.2	13.3	-38,3%
Operating Profit	4.5	12.6	-64,2%
Net income (Group share)	1.0	8.9	-88,7%
Net debts / equity (gearing)	0.33	0.22	

DIVIDEND PROPOSAL:

In this context of investment in the future and repositioning, the 2014/2015 results show a sharp decline. As a consequence, a €0.40 dividend per share will be proposed at the next General Meeting, i.e. a 43% decrease against the previous year.

PROSPECTS 2016:

The activity growth should slow down in 2016 even if the Group's prospects are significantly better in terms of profit compared to 2015.

Year 2016 is in line with the clearly expressed will to continue transformation and investments, in order to further strengthen the Group in its promising business areas in France and abroad.

In this context, while maintaining a significant investment level, the financial structure allows us to consider external growth which would aim at accelerating the implementation of our strategic areas.

APPENDIX

2015 HIGHLIGHTS PER BUSINESS AREA:

- **LACROIX Electronics** [*electronics assemblies design and manufacturing for third parties*]: A sharp growth in activity (+22%), far beyond initial forecasts. Positive profit was however limited by the difficult management of this sharp growth and by persisting difficulties in Germany and in R&D centers.
- **LACROIX Sofrel** [*design and marketing of device for the management of water and energy remote networks*]: as expected, a levelling-off activity in France after a sharp growth in 2014, and a good performance in exports (+22%) leading to moderate increase of activity (+3,9%). This increase was accompanied by very satisfactory results, including more than €1,0M additional costs, in particular in R&D.
- **LACROIX City** [*design and marketing of products for the signage, information processing, management, planning and lighting of city and roads*]: a significant decline in revenue (-10,1%) due to the structural contraction of central government grants to local governments. Measures have been taken to reposition the activity on its mission for the future, enhance agility and cross-functionality, lower the breakeven point and expand the offering, in particular through the acquisition of DSTA (dynamic signage in Spain) and Sogexi (street lighting), in order to position LACROIX City as a major player in smart roads, addressing « Smart Cities ».

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