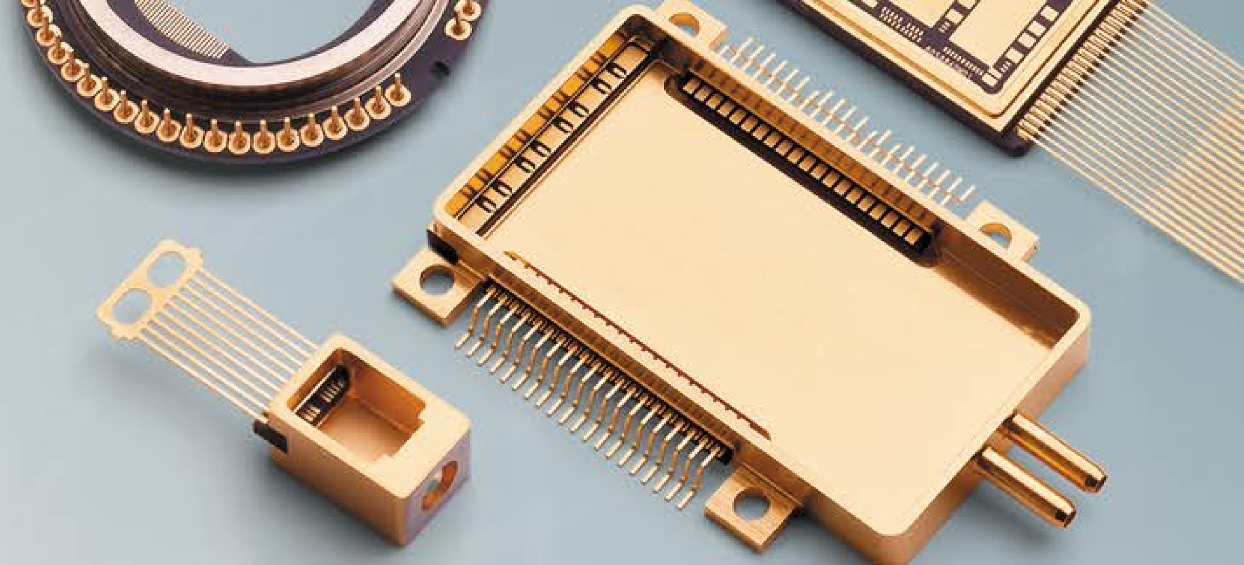
EGIDE



2016 FIRST HALF RESULTS
JUNE 30, 2017

Trappes, September 30, 2017 - 6:30 p.m. (CET) - The interim financial statements for the six-month period ended June 30, 2017 were approved by the audit committee and the board of directors on September 29, 2017. The auditors performed a limited review of these interim financial statements and their report thereon will be issued in accordance with the provisions of the law.

FIRST-HALF RESULTS

The acquisition of the assets of TMS LLC was completed on February 28, 2017. Its integration into Egide Group has been proceeding very well since this date, with sales and earnings of the new subsidiary, Santier Inc., exceeding targets.

The HTCC ceramic production line opened at Egide USA continued to produce components for FLIR (thermal imaging), Data Science (medical) and Santier (power management for Microsemi Corp). The qualification process for DRS and Raytheon (thermal imaging) is also moving forward.

The development of processes to manufacture optoelectronic components at the Bollène site is continuing. These include notably optimizing HTCC ceramic capacity (for handling larger size sheets), installing a cleanroom for attaching lenses, creating a dedicated surface treatment line and qualifying low cost components using the metal injection molding technology.

The Group's gross operating profit remained positive as it continues to develop sales and reduce its costs.

IFRS (€m)	H1 2016	H1 2017	H1 2017 pro forma*
Revenue	11.54	14.69	14.69
Gross operating profit	0.17	0.12	0.34
Operating profit / (loss)	(0.16)	(0.36)	(0.14)
Net financial income (expense)	(0.16)	(0.55)	(0.14)
Net income/(loss)	(0.31)	(0.90)	(0.28)

** H1-2017pro forma: excluding non-recurring items and currency effects*

Group revenue in the 2017 first half grew 27%, driven by sales by Santier. Gross operating profit remained positive despite the impacts of the Santier acquisition costs (€160,000) and moving costs for the administrative site in Trappes (€57,000). The development of the HTCC ceramic business line in the United States and processes for the manufacture of datacenter products in Bollène continued with the related costs impacting the profitability of Egide USA and Egide SA. Profitability for Santier furthermore exceeded expectations.

Expenditures for raw materials and supplies remained stable. Staff costs as a percentage of sales reflected the increase in the number of employees at Egide SA for the production of components for datacenters.

Borrowing costs linked to the use of factoring by Egide SA and interest expense on loans paid by Egide USA in connection with the financing of its building and working capital requirements, increased marginally. The new financing agreement entered into at the start of the year between Egide USA and Midcap Business Partners, replacing Bank of America, also resulted into non-recurring loan arrangement costs in the amount of €131,000. Fluctuations in the Euro/US dollar exchange rate in the first half generated a net currency loss of €271,000 at the Group level. On that basis, net financial expense amounted to €546,000 at June 30, 2017.

The loss of the period was €554,000, and with the non-recurring items mentioned above (totaling €348,000), the net loss for the period was €902,000.

ABOUT D'EGIDE

Egide is a group with an international dimension, specialized in the manufacture of hermetic packages for sensitive electronic components. It operates in cutting edge markets with strong technology barriers to entry in all critical industry segments (Space, Defense, Security, Aeronautics, Telecommunications, Energy,...). Egide is the only pure player in this market niche with manufacturing bases in France and the United States.

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CONSOLIDATED BALANCE SHEET HIGHLIGHTS AT JUNE 30, 2017

ASSETS	Fixed assets	8.80
	Inventory, trade and other receivables	13.94
	Cash	2.28
	TOTAL	**25.02**
EQUITY AND LIABILITIES	Shareholders' equity	12.71
	Financial debt (non-current and current)	6.56
	Trade and other payables	5.75
	TOTAL	**25.02**

At June 30, 2017, the balance sheet included €1.62 million in intangible assets, linked mainly to the first-time consolidation of Santier (trademarks, customer relationships and technologies), €6.67 million in property, plant and equipment and €0.50 million in financial assets. The cost of tangible fixed assets acquired in the first half, excluding Santier assets, amounted to €0.72 million, financed from equity.

Working capital requirements (inventory + trade receivables + other current assets - trade payables - other current liabilities) represented 95 days of sales, and reflecting mainly inventories of services in process and accounts receivable.

Shareholders' equity amounted to €12.71 million or 51% of total assets. Equity was strengthened in February 2017 by a capital increase for €8.20 million in gross proceeds (€7.70 million in net proceeds) Financial debt consists primarily of the Santier loan, the Egide USA revolving credit, the "Sofired – PME Défense" loan and Egide SA factoring debt.

The Group cash position was strengthened in February 2017 by an inflow of €7.70 million in net proceeds from the capital increase carried out for the purpose of acquiring the assets and liabilities of TMS LLC transferred to Santier Inc., a subsidiary created for that purpose, and to finance working capital requirements. Excluding these items, cash burn was deployed to finance the loss of the first half linked to operations, the acquisition of tangible fixed assets and the increase in working capital requirements.

James (Jim) F. Collins, Chair-CEO, commented: *"Santier's integration has proceeded as planned after four months of operations within the Group and exceeded our expectations in terms of sales and earnings. The Bollène site has been equipped with a clean room in addition to a chemical gold-plating line for optoelectronic applications. The costs associated with these investments, additional personnel required and startup costs impacted Egide SA's results in the period, with an improvement in productivity expected in the months ahead. Revenue for Egide USA remained stable despite the impact of the decision of our customer Textron Defense Systems to discontinue its Sensor Fused Weapon program."*

OUTLOOK

We are currently expecting revenue of €30.9 million for the 2017 full year. The change in relation to our minimum guidance issued at the start of the year reflects mainly the impact of the Euro/US dollar exchange rate of 1.13 for the year compared to an initial target of 1.05. This change in the Euro/US dollar exchange rate, amplified by sales in US dollars following Santier's integration into the Group, will result in a negative currency effect on consolidated sales of approximately €1.2 million in relation to objectives at the year's start. To this will be added other less significant factors, including notably the postponement until early 2018 of certain deliveries to Egide USA's largest customer in addition to selected delays at Egide SA.

Our book-to-bill ratio is currently above 1.1, reflecting continuing growth in sales.

Jim Collins concluded: *"While our 2017 first-half results came in below our expectations, with solid foundations for continuing growth, highlighted by our book-to-bill ratio, results are expected to improve in the second half. The integration of Santier components will be ramped up within Egide SA and Egide USA, and we are expecting more orders for HTCC ceramic prototypes from Egide USA and improved productivity by all three entities."*

FINANCIAL AGENDA

European Large & Midcap Event: October 4 and 5, 2017 - Paris
Press release - 2017 third-quarter sales: October 10, 2017 - 07:00 (CET)
Press release - 2017 annual revenue: January 09, 2018 - 07:00 (CET)

To find out more about Egide:
www.egide-group.com

ELIGIBLE PEA PME
Egide shares are eligible for the French tax incentivized PEA-PME and FCPI investment vehicles

FIN'EXTENSO

Egide renews OSEO certification as an innovative company (entreprise innovante) on July 30, 2015
ISO 9001:2008 and ISO 14001:2004 certified quality and environmental management systems