

Q2-18 & H1-18 REVENUE

- 1st half 2018 sales: €16.3 million, in line with the budget
- Organic growth satisfactory in the first half year: +6.6%
- Organic growth in all the three business units
- Backlog of ceramic HTCC at Egide USA over \$1 million
- Modification of the current sales process with a view to diversifying the activities

Trappes, Bollène, Cambridge & San Diego, July 16, 2018 - 7:00am (CET) - The unaudited consolidated revenue of the Egide Group at June 30, 2018 rose by 10.9% to €16.3 million (vs €14.7 million in H1-2017). On a like-for-like basis and constant currency effects, revenue growth in the first half of 2018 was +6.6%. Santier posted a 29.2% contribution to revenue in the first half of 2018 and revenue of the US entities now represent 53% of the group's total sales for the six-month period, compared to 48.6% in H1 2017.

Revenues for the second quarter reached €8.25 million, stable (+0.2%), and up 4.7% to € 8.62 million at constant exchange rates ⁽¹⁾.

DISTRIBUTION BY BUSINESS UNIT

In million Euros	Q2 2017	Q2 2018*	Change	Change on constant ex-change rate ⁽¹⁾	HY 2017	HY 2018*	Change	Change on a comparative basis ^{(1) (2)}
Egide SA	3,706.9	3,834.2	3.4%	3.4%	7,549.8	7,660.4	1.5%	1.5%
Egide USA	2,134.4	1,989.5	-6.8%	1.0%	3,985.8	3,878.1	-2.7%	8.8%
Santier	2,399.5	2,431.6	1.3%	9.8%	3,153.5	4,749.7	50.6%	15.9%
Group	8,240.8	8,255.2	0.2%	4.7%	14,689.1	16,288.1	10.9%	6.6%

* Non audited ⁽¹⁾ Exchange rate of \$1.21/€ in 2018; \$1.08/€ in 2017 ⁽²⁾ Only 4 month activity of Santier in H1-17

As expected, Egide USA recorded a strong acceleration in its sales of ceramic products, with current anticipated shipments in 2018 of more than \$1 million, as of June 30th.

DISTRIBUTION BY APPLICATION

In millions Euros	Q2 2017	Q2 2018*	Change	Change on constant ex-change rate ⁽¹⁾	HY 2017	HY 2018*	Change	Change on a comparative basis ^{(1) (2)}
Power	1,894.6	1,566.7	-17.3%	-10.6%	3,321.9	3,008.8	-9.4%	-2.8%
Microwave/RF	1,699.4	1,532.4	-9.8%	-4.3%	2,766.5	3,355.6	21.3%	-6.4%
Optronics	952.9	1,437.8	50.9%	59.3%	1,729.8	2,623.4	51.7%	36.3%
Thermal Imag.	2,670.1	2,838.7	6.3%	6.9%	5,332.6	5,516.9	3.5%	6.4%
Misc.	1,023.9	879.7	-14.1%	-8.7%	1,538.3	1,783.4	15.9%	17.2%
Group	8,240.8	8,255.2	0.2%	4.7%	14,689.1	16,288.1	10.9%	6.6%

* Non audited ⁽¹⁾ Exchange rate of \$1.21/€ in 2018; \$1.08/€ in 2017 ⁽²⁾ Only 4 month activity of Santier in H1-17

In the first half of 2018, the company has continued the development of the **HTCC ceramics business** for the thermal imaging market in the US. Sales in the **thermal imaging segment**, the group's core business (33.9% of sales in H1 2018), posted growth in line with expectations in both the US and EU market, while anticipating temporary softness in the EU for H2 2018.

Growth of the **optronics market** in 2018 was mainly driven by Santier's sales of high power laser modules. We expect that to continue with additional opportunities in the EU, as the commercial team is now working on new potential customers.

Finally, the increase in **various applications** is due to the addition of medical and instrumentation accounts in the US.

OUTLOOK

The ceramic business in the US is expanding due to complimentary processes at our Cambridge and San Diego facilities. Some legacy programs will be manufactured using Cambridge ceramic that would be assembled and plated in San Diego. New programs will be manufactured primarily at the Cambridge facility.

The Egide Group is improving its sales process and is expected to expand its international commercial effort by capitalizing on the arrival of Vincent Courty as Vice President of Global Sales. The company continues to develop relationships with customers by adding both direct and indirect sales channels. This commercial plan will be able to take full advantage of the synergies in products made at all locations to solve customer's technical requirements.

FINANCIAL CALENDAR

October 2nd, 2018: Half Year results

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

ABOUT 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 (Thermal imaging, Optronics, High-Frequency, Power Units...). Egide is the only pure player in this market niche with manufacturing facilities in France and the United States.

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

Egide renews its certification as an innovative company for Innovation-focused mutual funds (FCPI) on May 14, 2018
ISO 9001:2015 and ISO 14001:2015 certified quality and environmental management systems