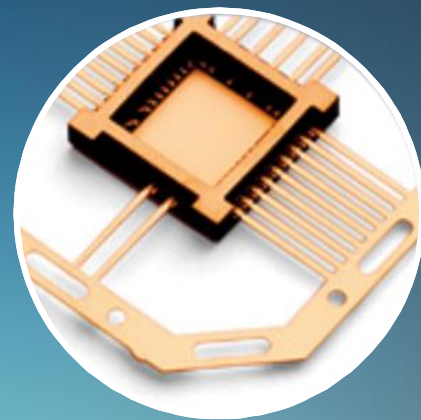


EGIDE

2017 RESULTS - SFAF PRESENTATION

28 March 2018





2017 BUSINESS REVIEW

BUILDING THE BUSINESS FOR GROWTH

2017

€30.89m sales

+39.4% reported sales

+3.5%

*on a comparative basis**

€0.40m EBITDA

+€0.29m YoY

%

Steady annual organic growth

- ✓ Strong performance at Egide SA (+10% YoY)
- ✓ Growth at Egide USA offset by program termination at major customer



Successful integration of Santier

- ✓ Surpassing revenue and profitability expectations

€

Continuous effort to improve profitability at Cambridge & Bollene facilities



Accelerating momentum in 2018

- ✓ 2 director level hires
- ✓ Cambridge ceramic package firm deliverable backlog ramping up to \$800k in 2018



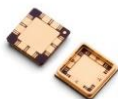


* Comparative basis: at constant currency and constant perimeter

EGIDE BUSINESS AT A GLANCE



INNOVATIVE
HERMETIC
SOLUTIONS

Specialist for hermetic packages and thermal management materials...

	Thermal Imaging	Power	Microwave	Optronics	Other Electronics
					
Sales 2017	€10.95m	€6.54m	€5.96m	€4.16m	€3.28m
Var YoY %	+9.8%	+16.4%	+134%	+68%	+111%

€30.89m revenue in 2017 +3.5% Year-on-Year on a comparative basis*

... for high value and critical electronic applications

Night Vision



Radars



Avionics



Satellites



Data Centers



Communication



A business evenly spread between Europe and the US

Sales 2017
Var YoY %

Egide SA

€15.56m

+10.1% YoY **

Egide USA

€7.25m

-8.2% YoY **

Santier (US)

€8.08m sales

mid-single digit growth**

* At constant currency and perimeter ** local currency

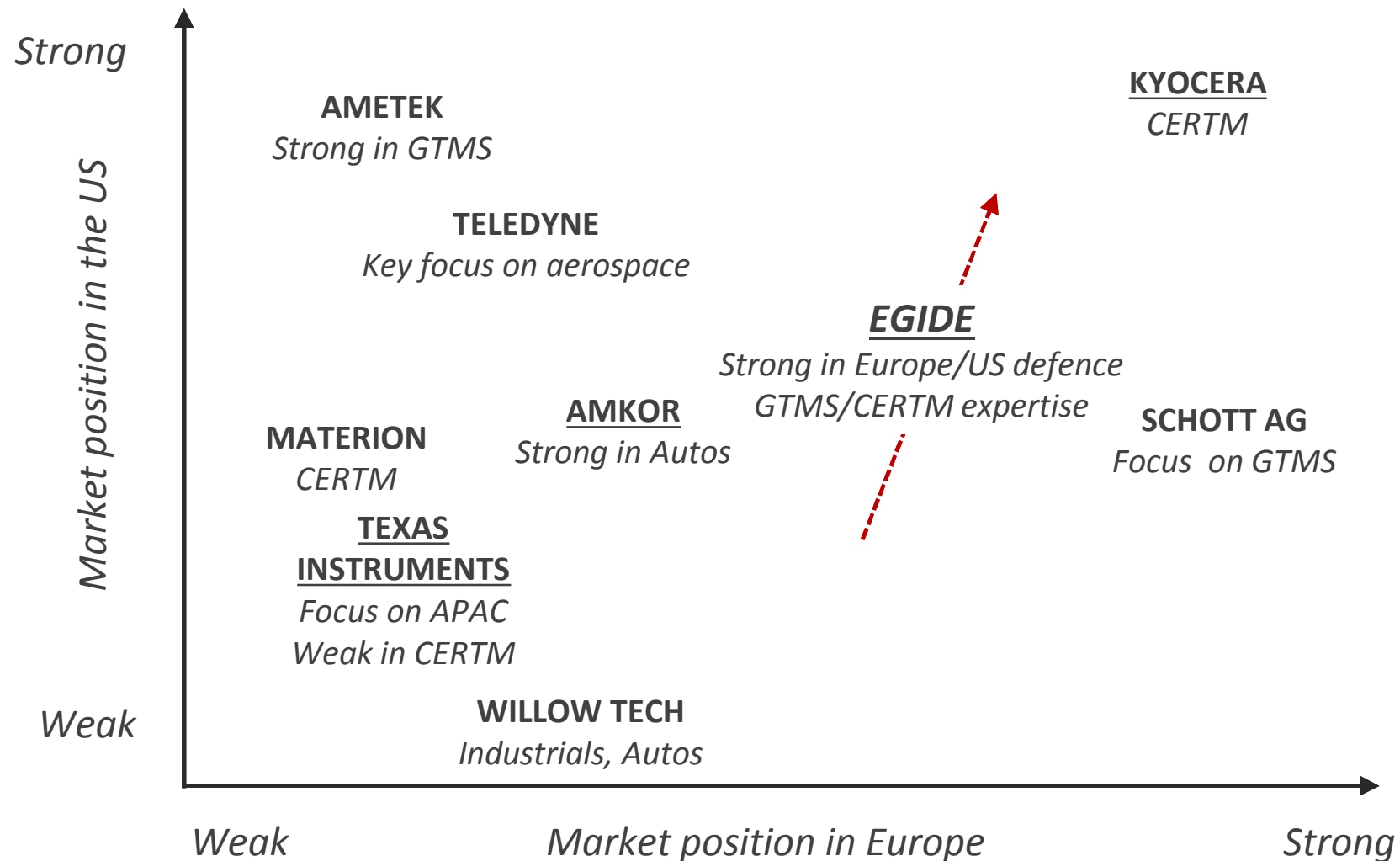
STRENGTHENED COMPETITIVE POSITION



INNOVATIVE
HERMETIC
SOLUTIONS

TRANSFORMATIONAL INITIATIVES IN THE US MARKET

HERMETIC PACKAGING COMPETITIVE ENVIRONMENT



Significant growth opportunities in the Europe and US markets

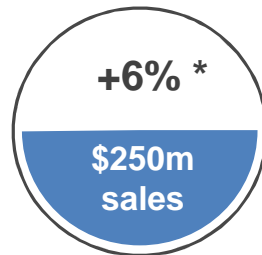


\$500m+ addressable market for Egide - 50% in the US



> +5% market growth per annum estimated until 2020

Military and Defense



Aeronautics and Space



Telecom



✓ **Structural growth** driven by new electronics applications and components innovation

Market share gain opportunities in the US ceramic market

✓ **€75m** Thermal Imaging market growing at **+6.6% over the next 3 years ***

✓ Egide strongly positioned to capture **new programs** in the US market

THE CERAMIC MARKET OPPORTUNITY IN THE US



INNOVATIVE
HERMETIC
SOLUTIONS

TRANSFORMATIONAL INITIATIVES IN THE US MARKET

Egide SA Customers	Location	Client Annual Revenues	Of which Thermal Imaging Market
Sofradir - Ulis	Veurey-Voroize, FR	€225m	100%
SCD	Haifa, IS	€110m	100%
Leonardo	Southampton, UK	€12,000m	5%
Total		€12,335m	

Egide USA Customers	Location	Client Annual Revenues	Of which Thermal Imaging Market
FLIR	Goleta, CA	\$1,500m	100%
DRS Technologies	Dallas, TX	\$12,000m	10%
Raytheon	Goleta, CA	\$36,900m	5%
L-3 Technologies	Mason, OH	\$10,500m	10%
BAE Systems	Nashua, NH	\$24,960m	5%
Total		\$85,860m	

Source: Marketsandmarkets & Egide

THE CERAMIC MARKET OPPORTUNITY IN THE US



INNOVATIVE
HERMETIC
SOLUTIONS

MOVING FROM QUALIFICATION TO DELIVERABLE ORDERS



✓ : Qualifications completed; starting firm deliverable orders

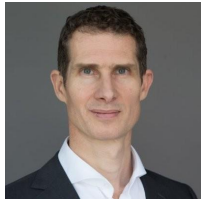


Accelerating momentum in the US ceramic market in 2018

- ✓ Ceramic package deliverable backlog ramping up to **\$800k in 2018**
- ✓ Advancing into the **8-16 months timeframe** required for client **qualifications**
- ✓ Ceramics qualification may lead to **GTMS new program revenue opportunities**

INITIATIVE ON OPERATIONS ACROSS ALL DIVISIONS

New Business Units director at Egide SA and Santier Inc.



- ✓ **Egide SA: Eric DELMAS** – Former Texas Instruments General Manager in Dallas, TX – Will manage the Bollene facility as well as marketing and R&D in France



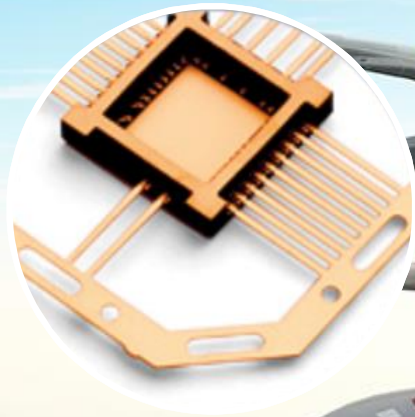
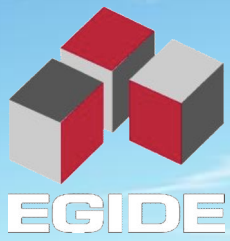
- ✓ **Santier Inc.: Chris KVITEK** – Former L-3 Technologies (Cryogenic cooler division) General Manager – Will manage the San Diego Facility and provide intercompany components

Creation of a new Procurement Director role at the Group level

- ✓ Improve delivery performance and quality of group's supply base
- ✓ Reduce raw material costs
- ✓ Develop supply synergies between Santier and the rest of the group

Plan under way to obtain AS 9100 certification for the US facilities before year-end 2018

- ✓ Opportunity to address new segments in the Aerospace market



2017 FINANCIAL REVIEW

STRONG GROWTH IN REVENUE WITH SANTIER



INNOVATIVE
HERMETIC
SOLUTIONS

In €m	Egide SA	Egide USA	Santier	Total
2016	14.12	8.05	0.00	22.17
2017 *	15.56	7.25	8.08	30.89
Variation	+ 1.44	- 0.80	+ 8.08	+ 8.72
%**	+ 10.1%	- 8.2%	-	+ 3.5%

* Non audited

** At constant currency and perimeter



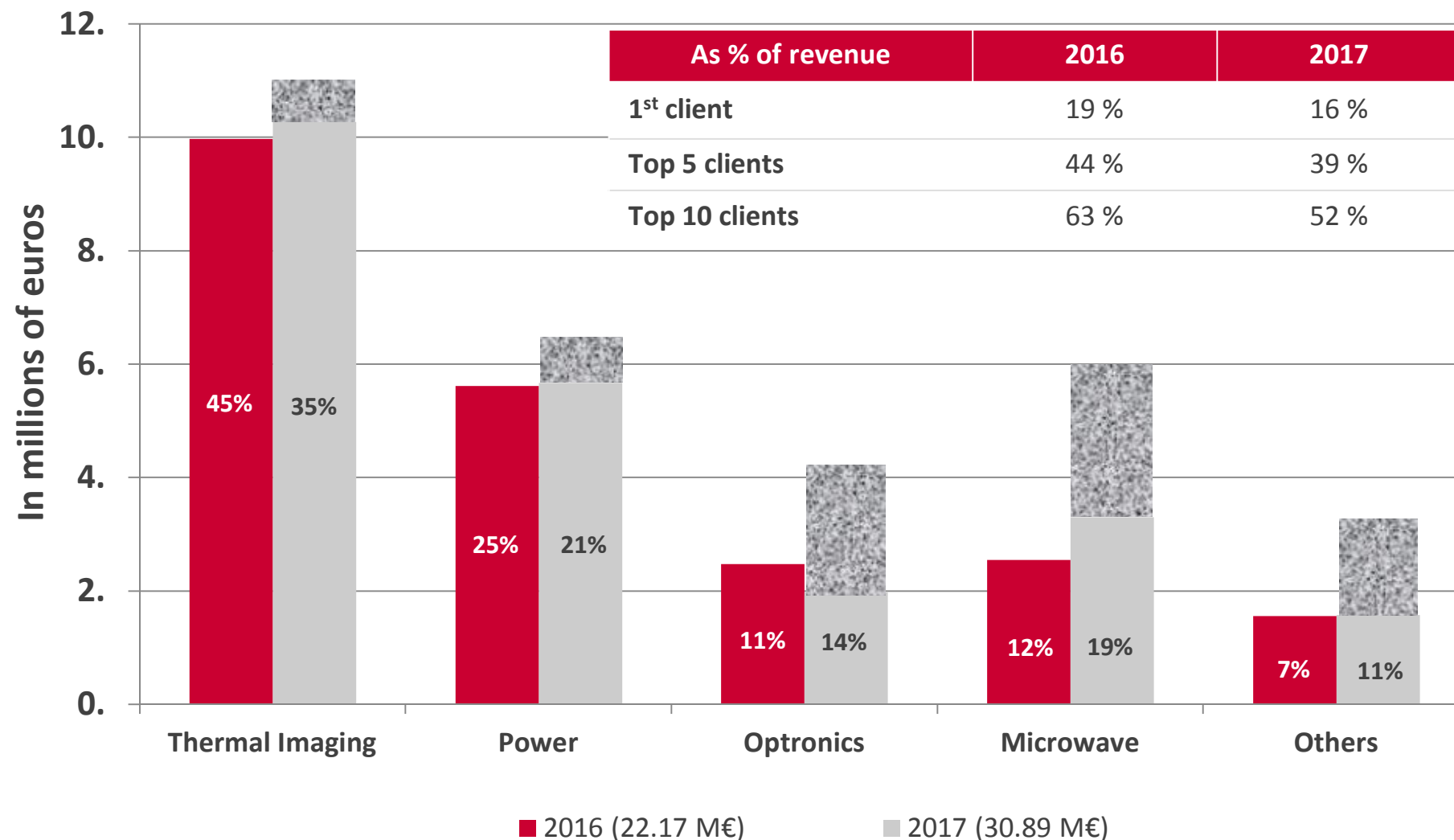
- ✓ Growth in all units, except for Egide USA impacted by the loss of Textron, who terminated the SFW Program
- ✓ Consolidation of Santier since 1st March (10 months)
- ✓ US subsidiaries now representing almost 50% of total revenue

A DIVERSIFIED REVENUE BASE



INNOVATIVE
HERMETIC
SOLUTIONS

EGIDE SA + EGIDE USA + SANTIER IN 2017



P&L: CONTINUED POSITIVE EBITDA



INNOVATIVE
HERMETIC
SOLUTIONS

in €m	2016	2017*	Proforma ⁽³⁾ 2017*
REVENUE	22.17	30.89	30.89
Consumed purchases	-9.13	-12.45	-12.45
Change in WIP & finished goods	0.00	+0.45	+0.45
Personnel costs	-9.16	-13.17	-13.17
External charges, taxes and other	-3.77	-5.07	-5.07
Non recurring items ⁽¹⁾	0.00	-0.25	0.00
EBITDA	+0.11	+0.40	+0.65
Depreciation, amortization and provisions	-0.67	-1.26	-1.26
OPERATING RESULT (EBIT)	-0.56	-0.86	-0.61
Financial items ⁽²⁾	-0.13	-0.62	-0.62
Non recurring financial items ⁽¹⁾	0.00	-0.13	0.00
Tax income ⁽⁴⁾	0.00	+1.10	+1.10
NET RESULT	-0.69	-0.51	-0.13

* Non audited

(1) Total non recurring costs in 2017: 0.38 €m

(2) Of which exchange rate €/ \$ loss in 2017: 0.31 €m (0.27 €m in H1-17)

(3) Proforma: without non recurring costs and exchange rate loss

(4) Differed tax Egide USA LLC

A STRENGTHENED BALANCE SHEET STRUCTURE



INNOVATIVE
HERMETIC
SOLUTIONS

... FOLLOWING THE SUCCESSFUL 8.2 M€ CAPITAL INCREASE (FEB '17)

Consolidated balance sheet as of 31st December 2017 (€m, non audited)

ASSETS		LIABILITIES	
Assets	7.98	Shareholders' Equity	12.68
Differed tax assets	1.10	Debt (over 1 year)	1.85
Inventories and outstanding	6.32	Non-current provisions	0.69
Account receivables	6.88	Debt (under 1 year)	5.13
Cash	2.99	Suppliers and other creditors	5.22
Other current assets	0.30	Other non current liability	0.00
TOTAL	25.57	TOTAL	25.57

- **Intangible assets:** €1.29 (created with Santier)
- **Tangible assets:** €6.22 (building and HTCC line at Egide USA, production equipment all sites)
- **Financial assets:** €0.47 (rent deposits)
- **Working capital requirements:** 83 days of revenue (w/o Tax Credit debt €0.77)
- **Debt >1 year:** Santier loan, Sofired Egide SA loan, Vatel bond, lease contracts
- **Provisions:** employee benefits
- **Debt <1 year:** Egide USA loan, Santier loan, factoring, Sofired loan, lease contracts

CONSOLIDATED CASH-FLOW STATEMENT



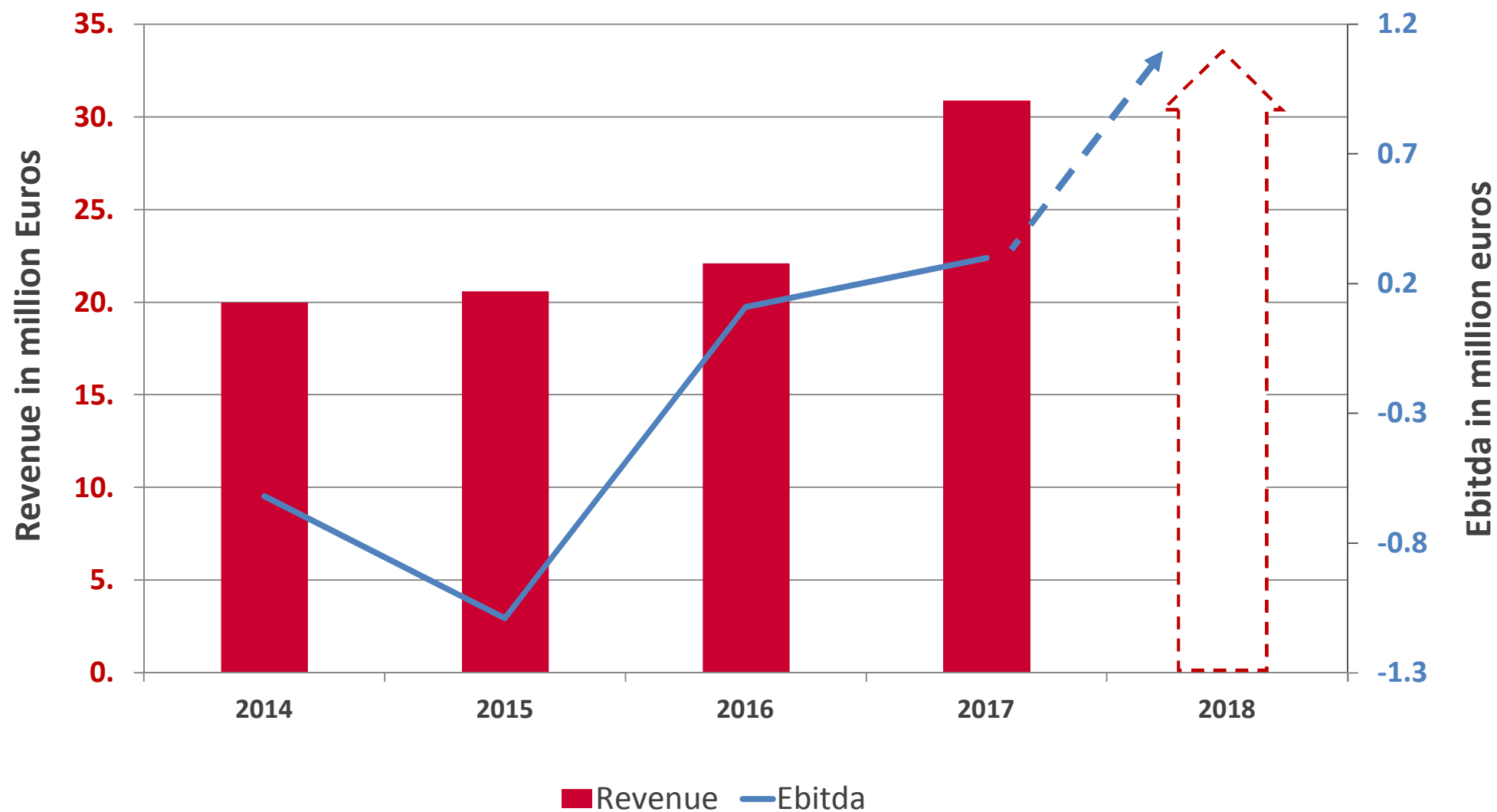
INNOVATIVE
HERMETIC
SOLUTIONS

In €m	2016	2017
Starting cash balance	2.77	1.08
Cash flow from operations	-0.06	- 0,53
Working capital variation	-1.20	-0,89
Fixed assets variation	-1.02	-1.13
Change in perimeter (Santier)	0.00	-5.05
Debt variation	+0.59	+1.81
Capital increase	0.00	+7.70
Ending cash balance	1.08	2.99

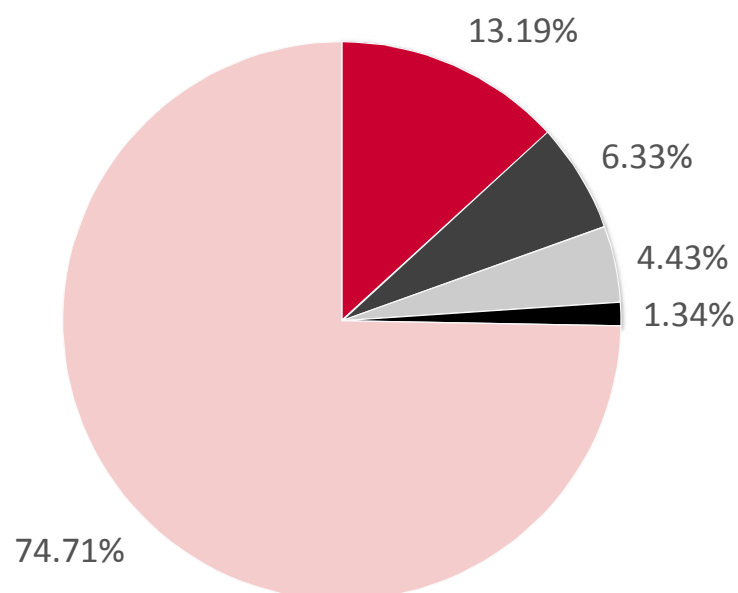
REVENUE & EBITDA: A POSITIVE TREND



INNOVATIVE
HERMETIC
SOLUTIONS

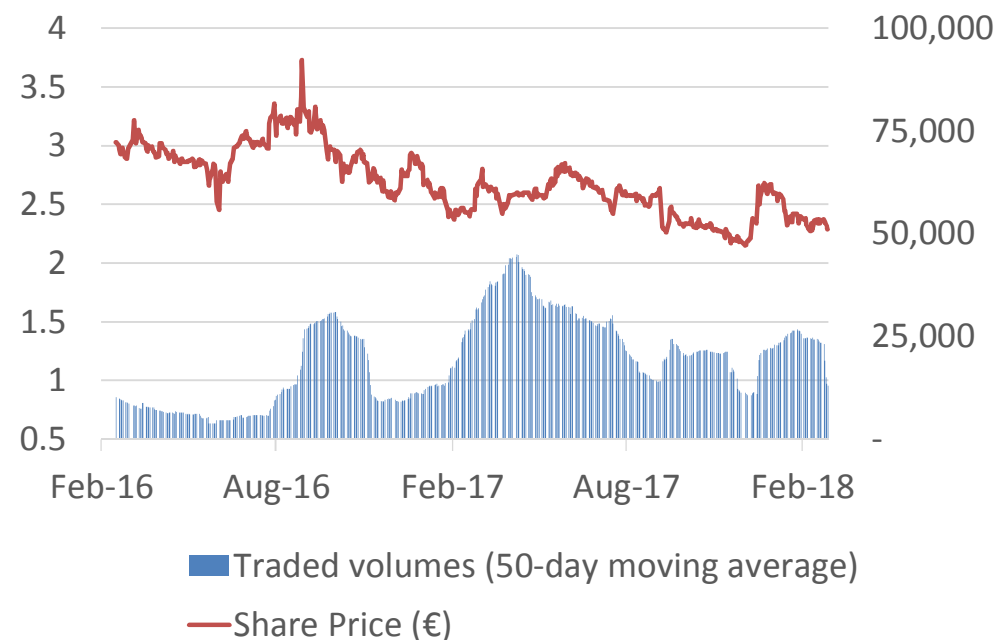


Shareholder structure



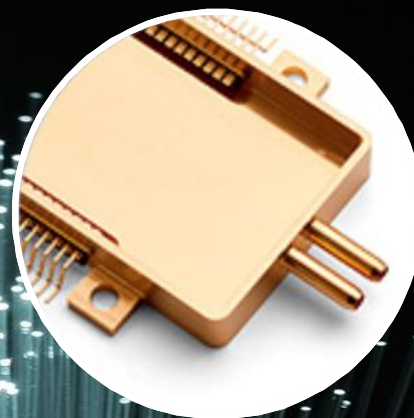
- Sigma Gestion
- Natixis Actions Euro Micro Caps
- Vatel Capital
- Management
- Free Float

Share price (€) and traded volumes



23/03/2018

Market capitalisation	€18.1m
Highest (last 12 months)	€2.85
Lowest (last 12 months)	€2.15
50-day-average volumes	25,589 shares
Annual average volumes	25,751 shares



OUTLOOK

MARKET

- ✓ More positive US environment due to the 2018 tax law impact
- ✓ **Increased visibility in the US defense sector** due to the passage of the 2-year spending bill
- ✓ Trends for the thermal imaging market to remain positive: **+6.6% CAGR 2018-2020**

OPERATIONS

- ✓ Continuous shift from thermal imaging qualification orders to **firm deliverable orders** with key customers **to significantly increase the ceramic activity at Egide USA in 2018**
- ✓ **Santier** expected to maintain good performance and improved capabilities thanks to new investments in 2017 and 2018
- ✓ **Egide SA** to focus on yield and productivity improvements to increase **profitability**
- ✓ Continue aggressive commercial activity on data-centers: Capex done in 2017 allows Egide to address the **optronic market** with high volumes

OVERALL

- ✓ The company is meeting its long term objectives of growth and improvement of profitability

EGIDE GROUP

Parc d'Activités de Pissaloup
4 rue Edouard Branly
78190 Trappes France
Tel: + 33 1 30 68 81 00

CONTACTS

James (Jim) F. Collins (CEO)

Tel: + 1 443 994 5640
jcollins@us.egide-group.com

Philippe Lussiez (CFO)

Tel: +33 1 30 68 81 20
plussiez@fr.egide-group.com

INVESTOR RELATIONS

Frédéric Portier (Inbound Capital)

Tel: +44 7802 533333
fportier@inbound.capital

David Chermont (Inbound Capital)

Tel: +44 7802 403477
dchermont@inbound.capital

PRESS RELATIONS

Isabelle Aprile (Fin'extenso)

Tel: +33 1 39 97 61 22
i.aprile@finextenso.fr