



## RESULTS FOR THE YEAR ENDED DECEMBER 31, 2014

### IMPLEMENTATION OF THE DEVELOPMENT PLAN – 13.8% INCREASE IN NET INCOME

Saint-Jean de Soudain, March 18, 2015.

SergeFerrari Group (FR0011950682) creates, manufactures and distributes innovative flexible composite materials, and is listed on Euronext Paris - Compartment C.

The Board of Directors of SergeFerrari Group met on March 18, 2015 in order to approve the 2014 consolidated financial statements.

#### (Audited) consolidated annual results

(€000)	Dec 31, 2014	Dec 31, 2013	2014/13 Change
Total revenues	142,324	139,592	2.0%
Adjusted EBITDA*	17,319	16,947	2.2%
<i>Adjusted EBITDA (as a % of revenues)</i>	12.1%	12.1%	---
EBIT	8,534	8,960	-4.8%
Net income, Group share	4,355	3,826	+13.8%
WCR (as a % of revenues)	37.0%	37.6%	---
Net cash and equivalents/(Net debt)	17,461	(27,703)	45,164

\*restated for the expenses relating to the IPO and for the presentation of the Corporate Value-Added Tax under tax.

Sales of flexible composite materials increased by 2.0%, primarily due to a 2.3% increase in volumes:

- according to a breakdown by geographical origin, revenues generated outside Europe increased by 6.7%, and accounted for 25% of 2014 sales; sales growth in Europe was 0.6%.
- composite membranes for the consumer market, where sales increased by 6.8% over the financial year, accounted for 25% of materials sales.

The gross margin for composite material sales, based on standard costs, amounted to 46.5% in 2014, an increase of 70 points compared with 2013 (45.8%). This performance was due to an improvement in the product mix and to the positive trend in production costs.

SergeFerrari Group began implementing its development plan, and specifically boosting its international marketing momentum, during the second half of the financial year. The sales headcount increased by 15, bringing the total to 122 people at December 31, 2014. The fall in purchases consumed enabled the Group to offset part of the 7.3% and €1.5 million increase in marketing costs compared with 2013.

Net income increased by €0.5 million and 13.8% compared with 2013.





The operating working capital requirement, expressed as a percentage of revenues, fell by 60 points, and amounted to 37% of revenues in 2014 compared with 37.6% in the previous year.

The Group's net cash and cash equivalents amounted to €17.5 million at December 31, 2014, compared with net debt of €27.7 million at December 31, 2013, primarily as a result of the €43.4 million fund-raising performed at the time of the IPO, and of €10.2 million in operating cash flows.

### Dividend

SergeFerrari Group will recommend the pay-out of 30% of its net earnings per share, or €0.12 for every share that grants entitlement to a dividend, to the Annual General Meeting to be held on April 29, 2015.

### Outlook

SergeFerrari Group is continuing to strengthen its sales teams during the early part of this financial year; those teams should reach a total headcount of 140 sales staff by the end of the year (i.e. an extra 33 people hired over an 18 month period). The initial effects of the sales leverage should be apparent as from the second quarter of 2015.

Given the progress in the implementation of its development plan, SergeFerrari Group is confirming its target of achieving revenues of €215 million in 2018, as well as an EBITDA margin amounting to 15% of revenues.

### Annual financial report

In accordance with the Transparency Directive, the Company hereby confirms that it has published its 2014 financial report, and filed it with the French Financial Markets Authority. The report can be viewed at the following address: [www.sergeferrari.com](http://www.sergeferrari.com), under the Investors & Financial Information heading.

**Publication of the 2015 1<sup>st</sup> quarter revenues:** May 6 after the Stock Market close.

Find all Company details at [www.sergeferrari.com](http://www.sergeferrari.com)

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#### About Serge Ferrari

Serge Ferrari Group designs, makes and distributes high-tech eco-responsible flexible composite materials in a global market with an estimated medium-term value of €31 billion. The unique characteristics of these products make them ideal for technical applications in three fields: architecture, specialties for industry professionals, and composite membranes for the consumer market. The Group's principal competitive advantage lies in its differentiating technology – Précontraint® - and its associated proprietary industrial know-how. The Group has three production sites: one in France and two in Switzerland. Serge Ferrari is present in 80 countries through four subsidiaries (in the US, Japan, Hong Kong, Brazil), 5 representative offices (in Spain, Turkey, China, Singapore and Dubai) and a network of more than 100 distributors. At the end of 2014, Serge Ferrari posted consolidated revenue of €142,3 million of which 75% was achieved outside France, with 605 employees. The company SergeFerrari Group is listed on Euronext Paris – Compartiment C (ISIN code: FR0011950682). The SergeFerrari Group share is eligible for PEA-SME and FCPI Investment.

