



## Significant increase in 2012 half-year results

<b>IFRS – to 30 June</b> <i>(€ millions)</i>	<b>HY1 2012*</b>	<b>HY1 2011</b>	<b>% change</b>
<b>Sales</b>	<b>109.9</b>	<b>103.3</b>	<b>+6.3%</b>
<b>Profit from recurring operations</b> <i>as % of sales</i>	<b>7.9</b> <b>7.2%</b>	<b>4.5</b> <b>4.3%</b>	<b>+77%</b>
<b>Operating profit</b> <i>as % of sales</i>	<b>9.4</b> <b>8.6%</b>	<b>4.5</b> <b>4.3%</b>	<b>+110%</b>
<b>Net profit</b> <i>as % of sales</i>	<b>6.3</b> <b>5.7%</b>	<b>1.7</b> <b>1.6%</b>	<b>+270%</b>
<b>Net profit – Group share</b> <i>as % of sales</i>	<b>6.0</b> <b>5.5%</b>	<b>1.3</b> <b>1.3%</b>	<b>+361%</b>

\* Figures include 100% of the Raydiall subsidiary's sales, being € 4.1 million in the first half of 2012, of which 50% of the shares were sold on 4 June 2012.

### Sales growth of 6.3%

RADIALL reports sales of € 109.9 million for the first half of 2012, an increase of 6.3% compared to the first half of 2011. On constant foreign exchange, half-year sales grew by 2.1%.

Growth for the first six months was primarily driven by the civil aeronautics sector.

All of RADIALL's markets were either stable or posted growth except for the Telecom sector which contracted.

### Notable improvement in profitability from recurring operations

Sales growth, driven by the aeronautics sector, combined with favourable foreign exchange effects and more efficient operational execution, generated profit from recurring operations of € 7.9 million, an increase of 77% compared to the first half of 2011. This represents 7.2% of sales, an increase of 2.9 percentage points compared to the first half of 2011.

### Significant increase in net profit

The Group share of net profit was € 6.3 million in the first half of the year, compared to € 1.7 million in the first half of 2011. This significant increase was due to a notable improvement in profit from recurring operations, as well as a profit from non-recurring operations of € 1.5 million, primarily attributable to the capital gain on the disposal on 4 June 2012 of 50% of shares in the Raydiall subsidiary dedicated to the automotive connector industry.

Net profit also benefited from:

- the reduction in the cost of financial debt following the partial redemption of Obsaar bonds, for € 18.6 million in July 2011,
- other financial income of € 0.2 million for the first six months, due in particular to a foreign exchange gains for the period just ended.

## **A sound balance sheet is further strengthened and cash is generated over the first six months**

At 30 June 2012, RADIALL strengthened its already sound balance sheet.

Cash flow generated by operating activities totalled € 6.7 million, bolstered by a self-financing capacity of 12.4 million (€ 8.2 million in the first half of 2011), a moderate increase of € 3.7 million in Working Capital Requirement and by a cash outflow of € 3.1 million for the purchase of property, plant and equipment, which was largely offset by the favourable impact of the disposal of 50% of the Raydiall subsidiary, dedicated to the car industry.

Cash of € 6.5 million was generated over the first half of the year, with cash and cash equivalents net of debt of € 14.9 million at the end of June 2012, compared to € 9.4 million at the end of December 2011.

At 30 June 2012, Group equity totalled € 133.5 million, and cash and cash equivalents were € 44.1 million.

Note that on 22 July 2012, RADIALL redeemed all remaining Obsaar bonds issued in July 2007 at a cost of € 20.8 million.

### **2012 outlook**

The favourable business trend noted over the first half of the year, particularly due to an especially buoyant aeronautics market and a more favourable foreign exchange environment, allows RADIALL to approach the second half of the year in satisfactory conditions. However, other market segments remain subject to a more uncertain business climate.

Against this backdrop, in the second half of the year RADIALL aims to achieve an operating performance close to that of the first half of 2012. This outlook remains subject to a continuation of the current overall business climate, which remains fragile, and, in particular, to a foreign exchange and raw material price environment similar to that which prevailed in the first half.

### **Shareholders' agenda:**

- 2012 half-year financial report: **14 September 2012**.

### **About RADIALL**

*RADIALL designs, develops and manufactures electronic components dedicated to wireless communication, automotive telematics and military and aeronautics equipment applications.*  
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