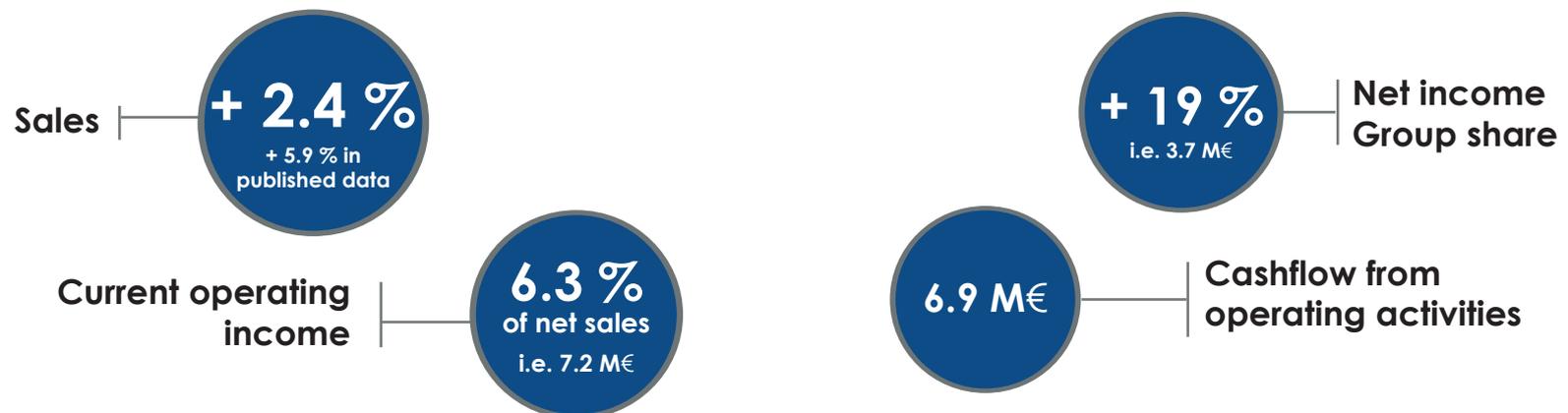


DELFINGEN, a global leader in protection
and routing solutions for electric and fluid on-board networks

Press
release

2019 1st half-year results

In the context of an unfavorable market, outperformance of the global automotive market by 10 pts and increase of current operating income by 21%



In millions euros	1 ST HY 2019	1 ST HY 2018
Net sales	114.5	108.1
Ebitda	13.2 ¹	9.1
Current operating income	7.2 ²	5.9
Operating income	7.0	5.9
Net income Group share	3.7 ³	3.1
Cashflow from operating activities	6.9	0.5
Net financial debt	73.4 ⁴	56.2
Equity	70.7	64.4

¹ Including IFRS 16 impact: + 2.7 M€ | ² Including IFRS 16 impact: + 0.1 M€
³ Including IFRS 16 impact: - 0.1 M€ | ⁴ Including IFRS 16 impact: + 15.0 M€

Net sales increased by 2.4 % at constant exchange rates (+ 5.9 % in published data).

Sales in the Automotive division, representing 80 % of the overall net sales, are up by 3.8 % at constant exchange rates (+ 7.1 % in published data). Global automotive decrease for the same period is 6.7 %¹.

Sales in the “on-board networks protection” business are stable at constant exchange rates (+ 2.8 % in published data).

The “technical tubing for fluid transfer” business increased by 15.3 % at constant exchange rates (+ 21.4 % in published data).

The “mechanical parts assembly” business went up by 12.9 % at constant exchange rates (+ 11.8 % in published data).

Sales in the Industrial market division went down by 3.2 % at constant exchange rates (+ 1.7 % in published data).

The impact of the exchange rates on sales was favorable of 3.8 M€.

DELFINGEN Industry generated a current operating income of 7.2 M€ in the 1st half of 2019 (i.e. 6.3 % of sales), compared with 5.9 M€ of sales (i.e. 5.5 % in the 1st half of 2018).

The main contribution to the improvement of the current operating performance was the increase in gross margin rate due to the impact of product mix.

The evolution of raw material prices was not significant (- 0.1 M€) over the period.

The financial result is - 2.0 M€ compared to - 1.6 M€ in the 1st half-year of 2018, with an impact of - 0.2 M€ due to the application of the IFRS 16 norm as from January 1st, 2019. The effective tax rate went down from 28.5 % to 25 %.

The net income is 3.7 M€ (up by 19 %).

The net financial debt is at 73.4 M€ on June 30th, 2019 compared to 55.2 M€ on December 31st, 2018 due to an investment level of 5.4 M€, a 5.1 M€ working capital requirement and the impact of the IFRS 16 norm application as from January 1st 2019 for 15 M€. The Gearing is at 103 %.

The increase in sales at constant exchange rates in 2019 confirms DELFINGEN's growth potential, in line with its strategic plan: leadership in the protection of on-board network solutions and diversification in the field of technical fluid transfer tubes.

With the increase of media content and safety constraints, the development of hybrid and electric engines along with the advent of connected and autonomous cars, wire harnesses have truly become the nervous system of a vehicle. DELFINGEN's mission is to protect it by providing even more innovative solutions and with more added value.

¹ Source: IHS