

CONNECTED TECHNOLOGIES FOR A SMARTER WORLD

Press Release

Saint-Herblain, 13 February 2020



A successful start to the year

Q1 2019/2020 revenue +7.6%

Annual targets confirmed

<i>In € million</i>	Fiscal Year 2019/2020	Fiscal Year 2018/2019	<i>Change</i>
LACROIX Electronics	79.9	75.5	+5.8%
LACROIX Environment	18.3	13.3	+37.6%
LACROIX City	27.2	27.6	-1.5%
Total LACROIX Group	125.4	116.5	+7.6%

LACROIX Group (LACR - FR0000066607), an international technology equipment supplier, recorded revenue of €125.4m for the first quarter of fiscal 2019-2020 (running from 1 October to 31 December, 2019), an increase of 7.6% relative to the year-earlier period. On a like-for-like basis, organic growth came to 3.3%.

LACROIX Electronics gets back on the growth path

The LACROIX Electronics business chalked up 5.8% growth in revenue to €79.9m, compared with a 5% decline over the same period of fiscal 2018-2019. This return to growth was driven by the improvement seen in Poland, with the rally in demand for onboard electronics in the auto industry. Business activity also gained from the return to normal operating conditions at the Tunisian plant, after the fire that hindered production in 2019.

LACROIX City: stable revenue again underpinned by Public Lighting

LACROIX City recorded revenue of €27.2m, compared to €27.6m in Q1 2018-2019, after a slight dip of 1.5%. As in previous months, business activity was again underpinned primarily by Public Lighting control and management equipment (+9.7% at €4.8m). Meanwhile, sales of Road Signalling systems were on the rise, with revenue up 1.1% at €16.9m.

LACROIX Equipment: solid momentum becoming firm trend

LACROIX Equipment generated solid growth in revenue of 37.6% (+2.1% on like-for-like) to €18.3m. This is a highly satisfactory performance given the extremely demanding comparison with the first quarter of fiscal 2018-2019 (+19%).

Excluding the positive contribution from SAE-IT Systems, which was acquired in February 2019, revenue was fuelled by healthy momentum in the water market, with LACROIX consolidating its positions in France (organic growth of 2.5%) despite the tough comparison base in Q1 2018-2019 (+29%), and confirming the sustained rate of growth generated abroad (+7.8%).

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Project Symbiose: financial partnership with Bpifrance

In addition to these favourable trends in business activity, the start of the year saw a major step forward with the Symbiose project, the aim of which being to launch a smart, digital, automated and environmentally-friendly factory by end 2021.

To that end, LACROIX Group announced in early February that it was forming a partnership with SPI (Sociétés de Projets Industriels), a fund investing in industrial projects managed by Bpifrance. The aim is to create a joint industrial company that will invest €25m in this new Industry 4.0 production plant based in Beaupréau-en-Mauges (in the North West of France).

Annual targets confirmed

Spurred by this fine start to the year, LACROIX Group is confirming its targets for the full fiscal year, i.e. growth of nearly 7%, compared to 2.8% in 2018-2019. This will put it on track to generate revenue of around €515m in line with the target initially set in its strategic plan.

Surpassing this historic milestone of €500m is expected to come in step with additional earnings growth. The Group has already set a current operating income target of more than €21m, which is perfectly in line with its ambitions. Achieving that goal would mean more than doubling current operating income in four years (2.5x in fact), consistent with the performance objective in which the Group is fully invested.

Upcoming events

Annual General Meeting: 13 March 2020¹

First-half revenue: 14 May 2020

About LACROIX Group

LACROIX Group is an international technological equipment manufacturer determined to put its technical and industrial expertise to work building a connected, responsible world.

A 30% listed, 70% family-owned ISE, LACROIX Group combines the agility that is crucial for innovating in a constantly changing technological world with the capacity to industrialise robust, secure equipment and the long-term vision to invest and build the future.

LACROIX Group supplies secure, connected equipment used to manage Smart City infrastructures (public lighting, signage, traffic management, V2X) as well as water and energy infrastructures.

LACROIX Group also designs and manufactures electronics for its clients, particularly in the automotive, automation, aerospace, industry and healthcare sectors.

Drawing on its extensive experience and expertise, the Group is working with its clients and partners to forge a bridge between the world of today and the world of tomorrow. It is helping them build the industry of the future and seize the opportunities for innovation all around them, and providing them with the equipment for a smarter world.

¹ And not 17 February 2020 as initially scheduled

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