

## Turnover over the first 9 months as of September 30<sup>th</sup> 2020: -29.2% at €94.9M

**SOGECLAIR**, designer and manufacturer of innovative high added-value solutions for mobility, announces today its turnover for the 3<sup>rd</sup> quarter 2020. As expected it is decreasing, it stands at -40.1% compared to the 3<sup>rd</sup> quarter 2019. Exchange rate variations as of September 30<sup>th</sup> 2020 are insignificant, whereas they represented + €2.4 million as of September 30<sup>th</sup> 2019.

The decline of activity linked to the consequences of Covid-19 puts an end to 10 years of continuous growth.

The 2020 turnover over 9 months, declining by 29.2% compared to 2019, is equivalent to the turnover over the first 9 months of 2015.

However, we note over the period a significant change in the distribution in favour:

- Of a better sectoral distribution for the benefit of the simulation division which went from less than 9% to more than 25% of the total turnover over the period, it is logically the aerospace sector which decreases the most from 90% to 74%.
- Of balancing the mix with the products which evolve from 26.2% to 49.1%.

By division	Turnover (€ million) 9 months 2020	Turnover (€ million) 9 months 2019	Variation as %
<b>Aerospace</b>	<b>70.3</b>	109.0	-35.5%
<i>At constant exchange rate</i>	70.2	109.0	-35.6%
<b>Simulation</b>	<b>23.9</b>	23.2	+2.8%
<i>At constant exchange rate</i>	24.0	23.2	+3.2%
<b>Vehicle</b>	<b>0.7</b>	1.8	-59.0%
<b>Total</b>	<b>94.9</b>	134.0	-29.2%
<i>International</i>	<b>50.5</b>	76.9	-34.3%

**Aerospace division** (74.1% of turnover) decreases by 35.5%, it is commercial aviation that fell the most at -40% and even -63% during the 3<sup>rd</sup> quarter alone, when business aviation fell by 30% over 9 months and picks up at -21% over Q3.

Space is almost stable at -8% over 9 months and -1% over Q3.

The workforce fell by 197 people over the first 9 months of 2020, taking into account the legal deadlines this represents around 40% to 50% of the total adaptation measures.

**Simulation division** (25.1% of turnover) increased by 2.8%, with an apparent decrease of 26.1% over Q3, which is fully explained by a 2019 base effect which included a higher purchase amount of nearly € 2.4 million. Neutralized from this phenomenon, the added value for Q3 2020 is stable (+ 0.4%).

The workforce increased by 6 people over 9 months.

**Vehicle division** (0.8% of turnover): the activity of the first 9 months fell by 59% and by 40% restated from the intragroup, it should be noted that the Q3 recovered with a decline limited to 15.6%.

The workforce is stable.

By geographical area	2020 (€ million)	Impact on Turnover (as %)	Evolution (as %)
<b>France</b>	44.4	46.8%	-22.3%
<b>Europe</b>	25.4	26.7%	-34.8%
<b>America</b>	20.7	21.8%	-34.0%
<b>Asia-Pacific</b>	3.7	3.9%	-39.3%
<b>Rest of the world</b>	0.7	0.8%	-29.0%

France represents 46.8% of the turnover, decreases by 22.3% over 9 months and by 30.4% during the 3<sup>rd</sup> quarter.

Internationally, these are Europe (-34.8% at 2020/09/30 and -54.3% during the 3<sup>rd</sup> quarter) and the United States (-39.7% over 9 months and -54.6% during the Q3) which decrease the most.

By activity	2020 Turnover (€ million)	Impact on Turnover (as %)	Evolution (as %)
<b>Development</b> (service)	17.9	18.8%	-21.7%
<b>Serie</b> (service)	30.4	32.1%	-46.9%
<b>Products</b>	46.6	49.1%	-16.8%

Services (which represent 50.9% of the activity) decline by 38.1% while products (49.1% of the activity) show a better resilience with a limited decrease by 16.8%.

### Mesures

Faced with the consequences of the health crisis for the sectors in which SOGECLAIR operates, the management team took adaptation measures from the 2<sup>nd</sup> quarter. As of September 30<sup>th</sup> 2020, efforts have already been focused on reducing general expenses, reducing purchases and lowering salary costs. As the decisions were taken before June 30<sup>th</sup>, the non-recurring costs related to these measures were provisioned in S1.

At the same time, actions were taken to benefit from the measures contained in the recovery and support plans in the main countries of operation.

### **Perspectives**

From 2020, the measures taken in terms of lowering costs, positioning on the various support programs, reorienting marketing and sales actions, strengthening them in particular towards the defense and space sectors as well as higher added-value service offer orientations accelerate the transformation of SOGECLAIR, which thus intends to quickly return to its pre-2020 growth rates.

**Next announcement: Q4 2020 turnover on February, 03<sup>rd</sup> 2021 after closing of the Stock Market.**

#### ***About SOGECLAIR***

Designer and manufacturer of innovative high added-value solutions, SOGECLAIR brings its skills in high-quality engineering and production to a broad range of cutting-edge sectors, notably aeronautics, space, vehicle, rail and defense. Supporting its customers and partners from the design and simulation stages through to the end of the product's lifetime, all along the production chain through to entry into service, the collaborators are working worldwide to offer a high-quality, proximity service to all its customers.

SOGECLAIR is listed on Euronext Paris – Compartment C – Indice Euronext® Family Business -Code ISIN : FR0000065864 / (Reuters SCLR.PA – Bloomberg SOG.FP)

Contacts: Philippe ROBARDEY, President & CEO of SOGECLAIR / Marc DAROLLES, Executive Vice President of SOGECLAIR / [www.sogeclair.com](http://www.sogeclair.com) / +33(0)5 61 71 70 33