



Half-year results 2017

Delta Plus Group continues its dynamic of profitable growth
Increase in the turnover by +15.2% to 108.4M€
Current operational profitability increasing by +21.8%

On 4 September 2017, the Board of Directors of Delta Plus Group, a major actor in the market of Personal Protective Equipment (PPE), approved the consolidated accounts of the Group for the first semester of the 2017 fiscal year.

These accounts were the subject of a review limited by the statutory auditors.

The results of the first semester 2017 confirm the dynamic of profitable growth which the Group has registered for several years.

The sales of Delta Plus Group progressed by +15.2% over the first six months of 2017 (+3.5% at constant scope and exchange rates) to reach 108.4M€.

The current operational result has significantly increased (+21.8% compared to 2016).

The net result, which amounts to 7.9M€, progresses by +4.9% compared to 2016, and this despite the non-recurring costs linked to the operations of external growth and of the anticipated unfavourable evolution of the financial result and of the tax.

The balance sheet structure, affected at the start of the year by the financing of the recent acquisitions, remains very satisfactory.

The continuation of the efforts over optimization of the elements of WCR enable to confirm, in the first semester of 2017, an optimized balance sheet structure.

Reminder on the 2017 half-yearly Turnover

- A turnover of 108.4M€ increasing by +15.2%
- A dynamic organic growth: +3.5%
- Positive scope effects up to 10.5M€ (+11.2%), consequence of the integration of Aspreseg (Colombia), Safety Plus (Costa Rica) and Vertic-Alpic (France)
- A slight favourable exchange effect (0.5M€ namely +0.5%) linked to evolution of the parity between the Brazilian Real and the Euro

Current operational profitability

- An increase of +21.8% in the first semester of 2017 (13.5M€)
- Current operational profitability of 12.4% of the turnover compared with 11.8% on 30 June 2016

in million Euro	30.06.2017	30.06.2016	Variation	%
Turnover	108.4	94.1	14.3	+15.2%
Cost price of sales	-49.7	-46.4	-3.3	+7.3%
Variable charges	-8.8	-6.9	-1.9	+27.0%
Personnel costs	-20.3	-17.0	-3.3	+19.5%
Fixed charges	-16.5	-12.7	-3.8	+29.1%
Other products & operating charges	0.4	-	0.4	
Current operational result	13.5	11.1	2.4	+21.8%
<i>in % of the turnover</i>	<i>12.4%</i>	<i>11.8%</i>		
Non-current operational products	-	0.6	-0.6	
Non-current operational charges	-0.5	-0.6	0.1	
Operational result	13.0	11.1	1.9	+16.9%
Cost of the financial debt	-0.9	-0.9	-	
Other financial elements	-0.9	-0.3	-0.6	
Pre-tax result	11.2	9.9	1.3	+13.6%
Income taxes	-3.3	-2.3	-1.0	+41.8%
Net result of the activities continued	7.9	7.6	0.3	+4.9%
Result of abandoned activities	-	-	-	
Net result of the consolidated ensemble	7.9	7.6	0.3	+4.9%
including Group Share	7.9	7.6	0.3	+4.9%

Thanks to the increase in its turnover, linked in particular to the integration of the activity of Vertic from January 2017, and to the confirmation of the increase in its margins in the continuity of the fiscal year 2016, due notably to the gains in productivity, Delta Plus Group displayed over the first semester of 2017 a progression of more than one half-point of its operational profitability, which reached 12.4% of the turnover on 30 June 2017.

Considering the specificity of its activity, the result of the integration of Vertic was lightening of the weight relating to the cost price of sales, compensated by an increase in the relative weight of the other operating charges (variable costs, personnel costs and fixed costs).

The non-current operational result includes essentially the costs of acquisition linked to the recent operations of external growth. It was null in 2016.

The cost of the financing is stable compared to 2016, whereas the other financial elements are affected by the fair value of forward currency purchases.

The effective tax rate, which amounted to 29% in 2017, is increasing compared to the one registered last year (23%) due in particular to the increase in the relative weight of the results generated in France (Vertic) and in China.

Integrating these different elements, the net result climbed by +4.9% on 30 June 2017, at 7.9M€, compared with 7.6M€ for the first six months of the previous fiscal year.

Consolidated balance-sheet

- A WCR stabilized on normative levels
- A debt which remains contained despite the acquisition of Vertic at the start of the year
- Conversion variations which penalise the variation in shareholders' equity

ASSETS

in million €	30.06.2017	31.12.2016	30.06.2016	Variation 6 months
Acquisition variations	83.0	65.7	61.6	+17.3
Intangible assets	1.4	0.7	0.7	+0.7
Fixed assets	7.0	6.4	6.1	+0.6
Other financial assets	2.4	2.0	1.7	+0.4
Deferred tax assets	3.0	2.2	1.9	+0.8
Fixed assets	96.8	77.0	72.0	+19.8
Stocks	53.8	51.4	46.7	+2.4
Customer receivables	42.1	38.4	37.0	+3.7
Other receivables	11.7	11.0	10.3	+0.7
Availabilities	18.8	19.2	16.5	-0.4
Current assets	126.4	120.0	110.5	+6.4
Total Assets	223.2	197.0	182.5	+26.2

LIABILITIES

in million €	30.06.2017	31.12.2016	30.06.2016	Variation 6 months
Capital	3.7	3.7	3.7	-
Treasury shares	-3.0	-0.6	-0.6	-2.4
Consolidated reserves & result	105.5	103.9	90.9	+1.6
Non-controlling interests	-	-	-	-
Shareholders' equity	106.2	107.0	94.0	-0.8
Non-current financial liabilities	41.2	30.9	30.7	+10.3
Commitments made to the employees	1.3	1.0	1.0	+0.3
Non-current provisions	1.4	0.4	0.2	+1.0
Non-current liabilities	43.9	32.3	31.9	+11.6
Supplier debts	24.6	21.8	18.1	+2.8
Fiscal and corporate debts	9.7	9.9	8.9	-0.2
Other debts	3.5	3.5	3.3	-
Current financial liabilities	35.3	22.5	26.3	+12.8
Current liabilities	73.1	57.7	56.6	+15.4
Total Liabilities	223.2	197.0	182.5	+26.2

On the balance sheet level, the first semester of 2017 enabled the Group to consolidate the improvements implemented in these last few years, notably in terms of operational Working Capital Requirements. The latter was stabilised at 125 days of turnover on 30 June 2017.

The net financial debts are increasing by 23.5M€ compared to on 31 December 2016. In particular, the net bank debt increased by 31.6M€ over the first semester, a result of the bank loans put in place at the start of the year to finance the acquisitions of Vertic and reinforcement of the Group in the capital of Elvex in the United States.

The shareholders' equity is in slight retreat by 0.8M€ over the semester, the net result of the first six months of 2017 being compensated for by the payment of dividends made in June as well as by the negative currency effects.

Forecasts

- **A 2017 turnover positively affected by the scope effects**
- **A continuation of the organic growth**
- **A confirmation of the levels of operational profitability achieved in 2016**

The performance of the first semester 2017 consolidates Delta Plus Group in its objective to register at the end of the year a new fiscal year of organic turnover growth.

The growth which was confirmed in Europe and the continuation of the positive orientation in the majority of emerging nations enables to envisage organic growth over these two geographical zones, and this despite activity in the Middle-East which remains negatively affected, as in 2016, by the level of the price of oil.

In parallel, the Group is maintaining its cost management efforts, continuing the process of integration of the recent acquisitions, and anticipates for 2017 a slight increase in its current operational result.

On the balance sheet level, the Group's objective is to continue optimization of its financial structure with a view to giving it in the future the means to finance the next stages of its development.

Division in two of the nominal of the share

Delta Plus Group announced that to improve the liquidity of the share and promote diversification of its shareholding, the General Assembly of the shareholders of 9 June 2017 decided on division in two of the nominal value of the Delta Plus Group share. This division of the nominal will be effective at the latest on 29 September 2017.

For any former share of 1 Euro in nominal value held on this date, shareholders will receive in exchange two new shares of 0.50 Euro of nominal value.

The division of the nominal value of the Delta Plus Group share will be expressed by a doubling of the number of shares comprising the share capital, which will go from 3,679,354 shares to 7,358,708 shares.

This operation will be performed without costs or formalities for the shareholders of Delta Plus Group.

The new shares issued will benefit from maintenance, from their issue, of the same rights as the old shares.

A press release will specify mid-September the practical modalities and the precise dates of this operation.

Next publication: Turnover 3rd quarter 2017
Tuesday 7 November 2017 after closure of the stock exchange

About DELTA PLUS

Delta Plus Group designs, standardizes and manufactures or has manufactured, and distributes a complete range of Personal Protective Equipment (PPE). Delta Plus Group is quoted on compartment B of NYSE-EURONEXT (ISIN: FR0012928612 - Mnemo: DLTA)

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