PRESS RELEASE Lyon, December 7, 2016

Half-year results, September 30, 2016
Operating loss limited to -€0.78 million
More positive outlook forecast for S2

Six-month period analysis:

- Hardware and Home Décor sales down
- Printing Activity continues to resist well
- Operating losses limited to -€0.78 million thanks to the careful control of operating costs

Outlook 2016/2017:

- €1.3 million costs savings plan programmed to begin in Q1 2017/2018
- Positive sales forecasts and order backlog on October 31, 2016 standing at **€15.4 million** compared with €5.5 million in N-1
- Upturn in performance forecast in S2

Consolidated statement of income (April 1 – September 30, 2016)

On November 30th, 2016, Prismaflex International board closed the accounts for the 2016/2017 SI period. The financial statements were subject to a limited audit review.

In € million	6 months 30.09.16	6 months 30.09.15
Total Sales	**22.18**	**25.38**
Current operating profit	-0.45	1.05
Operating profit	**-0.78**	**1.05**
Financial result excl. foreign exchange	-0.14	-0.18
Foreign exchange losses and gains	0.09	-0.26
Tax	-0.14	-0.14
Result of discontinued operations / equity method proportion	-0.09	-0.11
Net result	**-1.07**	**0.36**
Net consolidated result	**-1.02**	**0.37**
Cash flow	**0.1**	**1.36**

In € million	30.09.16	31.03.16
Consolidated equity capital	**11.66**	13.00
Net debt	**7.63**	7.02
Gearing	**0.65**	0.54

Significant points for the S1 2016/2017 period:

S1 2016/2017 results impacted essentially by 3 key factors:

1/ The global drop in sales (-€3.2 million) with notably:

- Hardware activity down €2.66 million. Sluggish analogue activity for the period and stable LED display sales levels,
- Home Décor activity down €1.09 million due principally to the launch of new product lines by a key customer and stop of aluminium supply.

Simultaneously, Printing activity continues to resist well and is up for the S1 period at €0.55 million.

2/ The increase in fixed and variable production costs for Printing and LED activities (investment in capacity and skills).

3/ The deployment of a costs savings plan (planed savings 1.3 million Euros) with staff cuts in all the Group's subsidiaries.
The impact on operating profit for the period is -€0.2 million (severance payments). The objective is to lower the company's breakeven point to a low cycle level. The first positive effects of the plan are forecast in Q1 2017/2018.

Operating profit stands at -€0.78 million, which is up on forecasts presented with the six-month total sales figures.
The financial result is up on N-1 with slightly lower financial costs and a foreign exchange gain of €0.09 million compared to a €0.26 million loss over the same period of the previous year.
Net result at -€1.07 includes taxes of €0.14 million and the company's share of the business losses at the Chinese JV of €0.09 million.
Overall, net consolidated result for the period stands at -€1.02 million.

Capital structure

Working capital needs at €7.97 million represents 18% of total sales, which is more or less stable compared to the figures for September 2015 (19%) and March 2016 (16%).

Gearing stands at 0.65. Consolidated equity capital stands at €11.66 million compared with €13.00 million on March 31, 2016. Net debt is at €7.63 million against €7.02 million on March 31, 2016. This includes a new real estate lease to increase production printing capacity in France.

Outlook for the year

On October 31, 2016, order backlog, mainly for Hardware, is high at €15.4 million against €5.5 million for the same period the previous year. This includes orders for street furniture and more importantly major orders for LED displays notably from a key German company with delivery planned for Q4 2016/2017 and S1 2017/2018.
S2 2016/2017 figures are expected to record an upward activity trend.

On December 2016, Prismaflex received an order confirmation for analog products in Russia for €2.15 million.

Forthcoming dates

- ***Conference call****: Pierre Henri Bassouls CEO and Emmanuel Guzman, CFO will be available to answer your questions at 10 am on Thursday December 8, 2016. Please contact Actus Lyon on +33 (0)4 72 18 04 90.*
- ***Press release****: Q3 2016/2017 sales figures January 19, 2017 after closure*

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