## Growth in activity and improvement in operating performance

Ramp-up in investments for industrial business units in 2018

<table>
<thead>
<tr>
<th>IFRS – € million</th>
<th>2016 reported(1)</th>
<th>2016 Proforma 2017(2)</th>
<th>2017 (3)</th>
<th>Like-for-like change(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>524.2</td>
<td>523.3</td>
<td>547.3</td>
<td>+5.2%</td>
</tr>
<tr>
<td>EBITDA(5)</td>
<td>18.6</td>
<td>19.9</td>
<td>21.0</td>
<td>+6.3%</td>
</tr>
<tr>
<td>Current operating profit</td>
<td>6.6</td>
<td>8.0</td>
<td>9.1</td>
<td>+14.7%</td>
</tr>
<tr>
<td>Consolidated net profit</td>
<td>1.5</td>
<td>1.5</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Net profit, Group share</td>
<td>1.8</td>
<td>1.8</td>
<td>0.9</td>
<td>-</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>62.6</td>
<td>62.6</td>
<td>63.5</td>
<td>+€0.9 million</td>
</tr>
<tr>
<td>Gearing</td>
<td>56%</td>
<td>56%</td>
<td>57%</td>
<td>+1 point</td>
</tr>
</tbody>
</table>

(1) 2016 accounts were reported in line with IFRS 5 (excluding activities in the process of being sold).
(2) Figures are restated for activities in the process of being sold at 31.12.2017 in accordance with IFRS 5.
(3) Figures for 2017 are reported in line with IFRS 5 (excluding activities in the process of being sold). The audit procedures have been completed and the auditors’ report on the financial statements is in the process of being issued.
(5) EBITDA: current operating income + net depreciation and amortization.

HERIGE has released its audited results for financial year 2017\(^1\). The consolidated financial statements were examined by the Supervisory Board at its 23 March 2017 meeting. As part of its strategic transformation, last February HERIGE Group announced that it is continuing with the divestment of certain assets through the disposal of SXD and Bestkind in China and its precast concrete company Naullet and by stopping activity for its company Biplan. The changes in scope were taken into account in the financial statements for the year ended 31 December 2017.

### Growth in activity and improvement in operating performance

HERIGE Group posted turnover of €547.3 million (restated for IFRS 5) for the full year in 2017, up 5.2% at constant scope\(^2\) on 2016 in line with the gradual sector recovery.

Activity nonetheless continued to be hampered by the same squeeze on margins, taking EBITDA to €21.0 million, up €1.3 million like-for-like\(^2\) on 2016.

Current operating profit for the period amounted to €9.1 million, up 14.7% like-for-like\(^2\), resulting in a current operating margin of 1.7% as against 1.5% one year earlier.

Group net income came in at a positive €0.9 million for 2017 after €1.8 million in 2016, impacted by various exceptional costs linked to the disposal of certain assets.

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\(^1\) The audit procedures have been completed and the auditors’ report on the financial statements will be issued for the released of the 2017 annual report.

\(^2\) Not including VM Piscines and other activities sold.
Financial situation: ongoing internal investment and stable net debt

During 2017 HERIGE Group continued its program of internal investment in its three business divisions (€16.1 million on 31 December 2017 compared with €13.5 million on 31 December 2016), primarily devoted to improving its logistics and production resources.

It was also able to keep net debt stable, finishing the year at €63.5 million (compared with €62.6 million at the end of 2016), taking gearing to 57% as against 56% on 31 December 2016.

Proposed dividend payment of €0.50 per share

HERIGE will propose the payment of a dividend of €0.50 per share in respect of 2017 at its Annual General Meeting on 25 May. Payment would be made from 4 June 2018.

Plan to transfer HERIGE shares to the Euronext Growth market

HERIGE will submit the plan to transfer the listing of its shares to Euronext Growth at the Ordinary General Meeting of Shareholders on 25 May 2018 (see press release published today at 6pm).

The transfer will give HERIGE access to a market that is more adapted to its current organization and enable it to publish its financial statements in accordance with French accounting standards from 31 December 2019. The Group will maintain its same financial reporting schedule and strict internal control.

Outlook and developments

Against a positive backdrop of a recovery in the construction sector, HERIGE Group is confident of its capacity to capitalize in full on this dynamic market in 2018.

As part of its medium-term plan, HERIGE is defining a new strategic roadmap for its business divisions that will enable it to return to profitable and lasting growth.

This strategy will go hand-in-hand with a ramp-up in its industrial investment program to boost productivity (70% of all investment devoted to Concrete and Industrial Joinery). The program’s priority focus is greater innovation to underpin the Group’s competitive differentiation and product performance.

NEXT PUBLICATION: Q1 2018 turnover on 3 May 2018 (after the stock exchange closes).

All our financial communications are available on our website www.groupe-herige.fr

ABOUT HERIGE

HERIGE Group focuses on three sectors of the building industry: Building materials trading, the Concrete industry and Industrial Joinery. Originally based in the Vendée region, HERIGE currently employs more than 2,300 people and has a strong presence in Western France.

HERIGE is listed on Euronext Paris, Compartment C
PEA/PME eligible
Indices: CAC SMALL, CAC MID & SMALL, CAC ALL TRADABLE, ENTERNEXT©PEA-PME 150
Codes: ISIN FR0000066540, Ticker: HERIG
Bloomberg HERIG.FP, Reuters HERIG.PA

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