



2013 results

KEY CONSOLIDATED FINANCIALS (UNAUDITED DATA)

IFRS (€m)	2013	2012
Revenue	20.4	22.6
Operating profit/(loss)	(0.7)	(0.4)*
Income (loss) from discontinued operations	+ 0.4	(0.4)
Net financial income/(loss)	(0.2)	(0.1)
Net income	(0.5)	(0.9)

*of which €0.6 million in non-recurring items (insurance payment)

Trappes, April 3, 2014 - Results here presented are based on consolidated financial statements as of yet unaudited though reviewed by the Audit Committee on March 25, 2014. Following the disposal of the UK and Moroccan subsidiaries on October 31, 2013, in accordance with IFRS, they are accounted for according to a special method in the consolidated financial statements. On that basis, all income and expenses from these subsidiaries are shown separately under "Income (loss) from discontinued operations". 2012 figures have been restated and are presented on a comparable basis with 2013. While the annual closure-of-accounts is still in progress, no changes to the figures presented above are expected.

Commenting these 2013 financial highlights, Philippe Bregi, Chairman of the Egide Group, stated: "Despite continuing economic slow-down in 2013, Egide's results showed improvements from the prior year. The Group's reorganization, with the disposal of the two non-strategic subsidiaries, Egima and Egide UK, has allowed it to refocus on its core business as a supplier of hermetic packages for high-end applications where it is an essential player due to the quality of its products and the expertise of its teams."

2013 CONSOLIDATED FINANCIAL DATA

Revenue

2013 Egide Group's consolidated revenue (unaudited) amounted to €20.4 million, compared to €22.6 million in 2012.

By market, the revenue breakdown for Egide SA and Egide USA is as follows:

(€m)	2012	2013	Change
Defense and space	12.1	11.8	- 2.5 %
Telecoms	4.5	4.2	- 6.7 %
Industrial and civil security	6.0	4.4	- 26.7 %
Revenue – Egide SA + USA	22.6	20.4	- 9.7 %

Revenue declined in 2013, in line with expectations, reflecting the global economic situation. Egide responded by selling two non-strategic subsidiaries, Egide UK and Egima, and by adapting its manufacturing base to demand (staff reductions at Egide USA, partial unemployment at Egide SA).

Operating result

2013 showed an operating loss of €0.7 million compared to a loss of €0.4 million in 2012 that included however €0.6 million in non-recurring income from an insurance payment. For the year, the French entity came in below breakdown whereas the US subsidiary reached breakdown.

Financial result and net income

Net financial result (unaudited) for 2013 of € - 0.2 million corresponded to financing costs on factoring and loans. Gains and losses on exchange rates in 2013 offset each other as in the prior year. The (unaudited) net loss for the year of €0.5 million (vs a loss of €0.9 million in 2012) included net proceeds of €0.4 million from the Egide UK and Egima disposals.

Balance sheet

At December 31, 2013, cash amounted to €0.5 million, compared to €1.1 million at year-end 2012. Working capital represented 49 days of sales outstanding. Shareholders' equity stood at €3.7 million. Group debt, excluding factoring amounted to €1.2 million and factoring commitments to €1.5 million.

2014 FIRST QUARTER HIGHLIGHTS

Two important contracts for 100 Gb/s optical receivers were signed at the beginning of the year, the first in January with one of its Chinese customers for the version destined for metropolitan area optical networks, (Gen-2 ICR), and the second in February with a new South Korean customer for the version destined for long-distance optical backbone networks (Gen-1 ICR).

The quarter was also marked by very active R&D efforts with several projects under evaluation in various areas such as ultra-wide-band optical amplifiers, high-power GaN-based components, microwave components for T erab/s and packages for optical MEMS.

The cash position was strengthened by €0.6 million in pre-financing provided by Bpifrance for 2010-2012 research tax credits.

Egide Group had consolidated revenue (unaudited) for the 2014 first quarter of €5.3 million, down 5% year-on-year and up 10% from the 2013 fourth quarter.

(€m)	2014*	2013	Change
1 st quarter	5.3	5.6	- 5%

* *unaudited*

In the 1st quarter 2014, Egide SA contributed 64% to total consolidated revenue (unaudited) and Egide USA 36 %. By sector, defense and space accounted for 63% of revenue, telecoms 19% and industry 18%.

NEW CORPORATE GOVERNANCE

To enhance corporate governance, the Board of Directors separated the functions of Chairman and Chief Executive Officer previously jointly exercised by Philippe Bregi who will henceforth serve exclusively as the Group's Chairman. Eric Michel, a Board of Directors member since January 30, 2013, has been appointed Chief Executive Officer. This new corporate governance model entered into effect on April 2 of this year.

2014-2018 STRATEGIC PLAN

An ambitious plan for the company's transformation has been adopted. Specifically, it provides for developing sales by sector and region, strengthening the Group's market leadership for high-end hermetic packages and developing and optimizing the performances of its French and US manufacturing bases.

In quantitative terms, the objectives of this plan include doubling sales in five years (€41 million for 2018), improving operating performances (12% of sales for 2018), breakeven expected by 2016 and profit-sharing payments to Group employees.

It also fixes an objective of distributing dividends to shareholders.

The focuses for development of this plan are:

- restructuring Egide Group's commercial offering,
- optimizing the Group's technical excellence,
- promoting Egide SA's ceramic technology expertise by Egide USA for the US market for civilian applications,
- the production of ceramic components by Egide USA.

To finance these measures, this plan will be accompanied by a public offering with pre-emptive subscription rights maintained expected to be implemented before June 30, 2014. For this offering, Invest Securities has been selected as the investment services provider.

This strategic plan will be implemented through investments in human resources (€530,000 at Egide SA and €440,000 at Egide USA), total capital expenditures for equipment of €4,485,000 (€980,000 for Egide SA and €3,505,000 for Egide USA) and approximately €0.5 million for WCR financing. Capital budget projections for these expenditures are €835,000 in 2014, €3,230,000 in 2015 and €420,000 in 2016.

Eric Michel, Chief Executive Officer commented: "*This plan is ambitious because I am confident in the Group's future, its capacity for redeployment and prospects for a return to profit within the medium term.*"

EGIDE GROUP'S ELIGIBILITY FOR PEA-PME

Egide Group complies with all the eligibility criteria for the new French equity savings vehicle for small and mid caps (PEA-PME) set forth in Decree No. 2014-283 of March 4, 2014, namely having less than, respectively, 5,000 employees and €1.5 billion in revenue or less than €2 billion in total assets.

Egide shares accordingly qualify for inclusion in "PEA-PME" accounts that offer the same tax advantages as the traditional equity savings plan (PEA). The PEA-PME savings vehicle was created to promote national savings and create a new instrument to finance small and medium-sized enterprises (SMEs) and mid-size companies.

Philippe Brégi concluded: "*This new mechanism will provide support to French SMEs and mid-size companies such as Egide to strengthen their capacities for innovation and time-to-market performance for innovative products.*"

Visit Egide at Smallcap Event Paris, April 7 and 8, 2014 – Pullmann Tour Eiffel – www.midcapevents.com

About Egide

Egide SA is a European group with an international dimension specialized in the manufacture of hermetic packages for sensitive electronic components. The Group operates in a broad range of high-tech sectors that include the Aerospace, Defense, Security, Aeronautics, Telecommunications and Medical Segments. Egide is the only pure player in this market niche with manufacturing bases in France and the United States.

To find out more about Egide: www.egide.fr

Egide is listed on NYSE Euronext Paris™ - Segment C - ISIN: FR0000072373 – Reuters : EGID.PA – Bloomberg: GID
Egide renewed its OSEO label as an innovative company (*entreprise innovante*) on June 11, 2012 and is eligible for PEA-PME equity savings plans.

ISO 9001:2008 and ISO 14001:2004 certified quality and environmental management systems

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