

## PRESS RELEASE

### PRESS CONTACT

Agency ACTUS  
Guillaume Le Floch  
Tel. 01 53 67 36 70  
glefloch@actus.fr  
www.actus.fr



## 2015 Yearly Earnings – Outlook for 2016

- **EBITDA: €5.5 million, i.e. 9.1% of revenue**
- **NIGS: -0.1 (€M)**
- **Record number of new orders as of January 1, 2016: 55.2 (€M)**

in millions of euro	2014	2015	2015 at a constant exchange rate
<b>Revenue</b>	<b>56.7</b>	<b>60.1</b>	<b>54.7</b>
<b>EBITDA</b>	<b>7.0</b>	<b>5.5</b>	<b>5.5</b>
<i>Margin</i>	12.4%	9.1%	10.0%
<b>Current operating profit</b>	<b>5.0</b>	<b>3.2</b>	<b>3.4</b>
<i>Margin</i>	8.8%	5.3%	6.2%
Operating income	4.1	0.4	0.8
Net finance costs	(0.5)	(0.7)	(0.7)
Taxes	(0.9)	(0.5)	(0.5)
Net income	2.6	(0.8)	(0.4)
<b>Net Income, Group Share</b>	<b>2.3</b>	<b>(0.1)</b>	<b>0.3</b>

The MVG Group published annual earnings figures for 2015 that match the estimates made on April 7, 2016. The financial statements were approved by the Board of Directors on April 22, 2016. Consolidated account audit procedures were carried out. The certification report will be released after certain procedures are completed that are necessary for publishing the annual financial report.

**Fiscal Year 2015 had its highs and lows, with vigorous sales and a record level of orders placed on one hand, and financial results that were lower than 2014 on the other due mostly to some 2015 revenue being deferred to 2016 and to a volatile exchange market.**

Activity

The MVG Group had €60.1 million in annual revenue in 2015, compared to €56.7 million in 2014. This growth is based on +€5.5 million in positive exchange effects. At constant exchange rates, total sales have fallen by -3.6%.

This change is due to some revenue being deferred from 2015 to 2016 after changes were made to the production calendars of some European projects (Pit Radwar) and after some contracts in the United States were signed later than expected.

### **Operating margin**

This revenue deferral had a direct impact on the Group's operating margins.

EBITDA stood at €5.5 million, compared to €7.0 million last year, and was equivalent to 9.1% of revenue, 3.3 points lower than 2014, including 0.9 points due to exchange effects.

Changing exchange rates had a -€5.7 million negative effect on operating costs, canceling out the positive effects of higher revenue. This shows the Group's natural hedge against exchange rate risks.

At a constant exchange rates, payroll costs fell slightly (-1.6%) thanks to production reorganization and rationalization efforts in the United States and Israel. The Group's mean employment fell to 335 employees in 2015 from 353 in 2014.

After depreciation, amortization and provisions, current operating income stood at €3.2 million (€3.4 million at constant exchange rates), compared to €5.0 million in 2014, i.e. 5.3% of revenue (6.2% at constant exchange rates).

### **Net income impacted by one-time expenses**

Fiscal Year 2015 also saw €2.8 million in one-time expenses written into the books. These expenses include €1.3 million in reorganization costs, €1.0 million in legal fees related to protecting intellectual property in the United States and China (with some cases still pending in 2016), and various other expenses, including some related to an abandoned external growth project.

In this context, and after financial expenses, taxes, and minority interests (Orbit/FR), Net Income, Group Share was almost flat, falling €0.1 million (+€0.3 million at constant exchange rates).

### **Healthy financial structure**

The Group's shareholders' equity stood at €70.1 million as of December 31, 2015. Cash flow rose by €0.8 million with better WCR control according to the report dated June 30, 2015. Investments over the Fiscal Year stood at €3.1 million. Available cash continues to show a surplus, standing at €26.0 million. Net cash flow stood at €17.4 million, higher than on June 30, 2015, when it was €15.5 million.

The Group therefore still has the financial means to seize new external growth opportunities, while remaining highly selective.

---

## 2016 Outlook

Due to a record number of orders received in 2015 (€72.2 million), the Group began Fiscal Year 2016 with a high number of new orders worth €55.2 million (compared to €43.1 million on January 1, 2015). Most of these orders will be filled in 2016.

The Group currently has a large portfolio of consulting requests in both the Telecommunications and Aerospace/Defense sectors. This proves its clients' interest in its technological and innovative solutions. Fiscal Year 2016 will therefore be marked by a large and organic return to growth.

2016 first quarter sales will be published on Wednesday, May 25, 2016

This English translation is for the convenience of English-speaking readers. However, only the French text has any legal value. Consequently, the translation may not be relied upon to sustain any legal claim, nor should it be used as the basis of any legal opinion. Microwave Vision SA expressly disclaims all liability for any inaccuracy herein.

### About MICROWAVE VISION

Since its creation in 1987, The Microwave Vision Group (MVG) has developed a unique expertise in the visualization of electromagnetic waves. These waves are at the heart of our daily lives: Smartphones, computers, tablets, cars, trains and planes -- all these devices and vehicles would not work without them. Year after year, the Group develops and markets systems that allow for the visualization of these waves, while evaluating the characteristics of antennas, and helping speed up the development of products using microwave frequencies. The Group's mission is to extend this unique technology to all sectors where it will bring strong added value. Since 2012, MVG is structured around 3 departments: AMS (Antenna Measurement Systems), EMC (Electro-Magnetic Compatibility), EIC (Environmental & Industrial Control). MVG is present in 10 countries, and generates 90% of sales from exports. MVG has over 300 employees and a loyal customer base of international companies. The Group generated revenues of €60.1 million in 2015. MVG has received the BPI "Innovative Enterprise" award, and is eligible for PEA-PME.

NYSE Euronext : ALMIC | Alternext, code ISIN FR 0004058949 | For more information: <http://www.mvg-world.com>

---