



Paris, June 19, 2014

Microwave Vision has announced the launch of a capital increase with preferential subscription rights totaling €24.6M, which may be increased to €28.3M if the extension clause is exercised

- **Subscription price: €10.40 per share**
- **Subscription ratio: 2 new shares for 3 existing shares**

Subscription commitments of Bpifrance and the Seventure funds for a total amount of €11.3M

- **Subscription period from June 20 to July 8, 2014**

MICROWAVE VISION, a global specialist in electromagnetic wave test systems, has today announced the launch of a capital increase with maintenance of the shareholders' preferential subscription rights for a gross proceed of €24.6M (increased to €28.3M if the extension clause is exercised). The Prospectus for this transaction was approved by the AMF (French Financial Markets Authority) on June 18, 2014 under number 14-300.

Objectives of the capital increase

Since its stock exchange introduction on the Alternext in 2005, Microwave Vision has achieved a six-fold increase in its sales due to uninterrupted growth. In 2013, performance has once again been outstanding with sales of €51.5M, growth of 11%, operating income of €4.2M, up by over 12% resulting in an operating margin of over 8%. The Group share net income was €2.9M, up by over 18%.

Drawing on its experience in internal innovation and acquisitions (three successful transactions since 2007), Microwave Vision is now ready to take advantage of new growth opportunities in its markets: rapid growth of connected objects, widespread use of wireless technologies, development of intelligent



vehicles, drones, new space, terrestrial and air surveillance systems, control of the environment and people...2014 has already taken advantage of this momentum, with close to 18% growth in the first quarter and growth of over 20% in orders.

The capital increase should therefore enable the Group to fully benefit from this promising context and strengthen its internal development potential with a first target for 2015 in sight: exceed \$100M in sales. This transaction will also be essential for seeking new acquisition opportunities enabling the Group to enrich its technology portfolio and to serve one purpose: to build a global mid-cap leader in the electromagnetic test systems market.

Microwave Vision plans to allocate the net income from the capital increase in the following manner, with it being specified that it concerns an indicative distribution likely to change according to future opportunities:

1. Enable MVG to have the means to seize external growth opportunities (around 80% of the net income from the Offering). Potential targets could be companies generating between €10M and €50M in revenue, profitable or in the process of rapidly becoming profitable due to their integration within MVG, and present within the MVG value chain or in directly connected and synergistic sectors. Potential targets would mainly be present internationally, particularly in Europe or in the Americas.
2. Strengthen working capital requirements linked to MVG's organic growth, in a context of an increase in orders in major international projects, while ensuring an optimum before and after-sales quality of service for customers (around 10% of the net income from the Offering).
3. Accelerate the MVG R&D effort, concerning its core businesses such as on new developments, as part of a better overall and pooled R&D strategy, in order to maintain the high level of added value that characterizes and differentiates its products and service provisions (around 10% of the net income from the Offering).

A partial realization of the fund-raising, and particularly in the case of achieving 75% of the transaction considered, would ensure reaching the same objectives with a reduction at pro rata of the allocated amounts. Nevertheless, it is specified that the Offering is subject to subscription intentions totaling €11.3M, which is 45.85% of the Offering. The net income in the event of achieving 75% of the transaction is estimated at €18M.

Main terms of the capital increase

The capital increase will be carried out with maintenance of preferential subscription rights and will result in the creation of 2,370,628 new shares at the unit price of €10.40 representing a gross proceed of €24.65M. The total amount may be increased to €28.3M should the extension clause stipulated in the transaction be fully exercised (issue of 355,594 additional shares).



Each Microwave Vision shareholder will receive a preferential subscription right per registered share entered in a share account at the end of the accounting day on June 19, 2014. The subscription of new shares will be carried out at the price of €10.40 per share on the basis of 2 new shares for 3 existing shares.

Based on the closing price of the Microwave Vision share on June 13, 2014, the €10.40 issue price of the new shares will show a face value discount of 10.42%.

The Offering will be open only to the public in France.

Subscription commitments:

Entry of Bpifrance:

Bpifrance has decided to support the development of Microwave Vision by participating in this capital increase.

Bpifrance is obligated under the terms of the memorandum of understanding that it concluded with the executives, other assignors and the Seventure funds, on June 13, 2014, to subscribe to the capital increase for a maximum amount of €9M.

On the date of the Prospectus, Bpifrance does not hold any Microwave Vision shares. Accordingly, Bpifrance will purchase 747,895 preferential subscription rights held with the company's executives, other assignors and the Seventure funds, as set out in the memorandum of understanding. Bpifrance will subscribe on an irreducible basis to a total of €7.32M and will place an order on a reducible basis for a total of €1.68M corresponding to a commitment totaling €9M.

Seventure subscription commitment:

A shareholder since 2003 in Microwave Vision, the Seventure funds wish to continue supporting the Company's development and are committed to subscribing to a capital increase for a maximum amount of €2.3M. The Seventure funds will subscribe on an irreducible basis to a total of €2.26M and will place an order on a reducible basis for a total of €0.034M.

Indicative schedule

The subscription period for the new shares will begin on June 20, 2014 and end on July 8, 2014 at the close of the stock exchange. During this period, the preferential subscription rights will be listed and open for trading on the Alternext market under the ISIN code FR0011991314. The preferential subscription rights not exercised will be null and void upon expiration of the subscription period which is July 8, 2014 at the close of the stock exchange session.

The payment-delivery and listing of the new shares are planned for July 18, 2014. The new shares will be ordinary shares of the same category as the company's existing shares.

The income from the subscriptions will be published on July 17, 2014.



Under the transaction, Aurel BGC acts as sole Book Runner. Euroland Corporate acts as Advisor and Listing Sponsor of Microwave Vision.

Public information

A Prospectus has been produced for the transaction, having received AMF approval no. 14-300 on June 18, 2014.

Copies of the Prospectus in French are available at no cost at the registered office of Microwave Vision, 17, avenue de Norvège, 91140 Villebon-sur-Yvette. The Prospectus can also be viewed on the AMF (www.amf-france.org) and Microwave Vision (investisseur.microwavevision.com) websites.

Investors are invited to carefully take into consideration the risk factors listed both in section 4 of the first part of the Prospectus and in section 2 of the second part of the Prospectus before making their investment decision. The realization of all or part of these risks is likely to have an unfavorable effect on the business, its financial situation, the results of the Group, or its capacity to achieve its objectives.

The original source-language text of this announcement is the official, authoritative version. Translations are provided as an accommodation only, and should be cross-referenced with the source-language text, which is the only version of the text intended to have legal effect.

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Find all the information and terms of the transaction on investisseur.microwavevision.com

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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, 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 4 departments: AMS (Antenna Measurement Systems), EMC (Electro-Magnetic Compatibility), EIC (Environmental & Industrial Control), and NSH (National Security & Healthcare).

MVG is present in 9 countries, and generates 90% of sales from exports. The Group has over 300 employees and a loyal customer base of international companies. The Group generated revenues of € 51.5 million in 2013. MVG has received the BPI "Innovative Enterprise" certification, and is eligible for PEA-PME.

NYSE-Euronext : ALMIC | Alternext, code ISIN FR 0004058949 | For more information: www.microwavevision.com