



GROWTH IN SALES AND IMPROVEMENT IN PERFORMANCE

**SALES UP 15% AT €496.2 MILLION
INCOME FROM ORDINARY ACTIVITIES UP 34% AT €57.6 MILLION**

Consolidated first-half sales (1 January to 30 June)

In € m – unaudited	H1 2016	H1 2015	Chg. in %
Sales	496.2	430.3	+15%
Income from ordinary activities	57.6	43.0	+34%
Margin on ordinary activities (operating margin)	11.6%	10.0%	+1.6 pt.
Operating income	58.9	42.9	+37%
Financial income/(expense)	(1.8)	(1.2)	-
Profit before tax and non-recurring items	57.1	41.7	+37%
Group share of consolidated net income	43.8	29.7	+47%

SIGNIFICANT RISE IN OPERATING PROFITABILITY TO 11.6%

First-half sales totalled €496.2 million, up 15.3% unadjusted and up 17.1% on a like-for-like basis. Sales of Products & Functions increased by 15.2% unadjusted to €476.2 million.

Sales in MGI Coutier's historical businesses increased by 21.4% during the period to €262.1 million. Avon Automotive posted good performance, with sales growing 11.3% to €197.6 million. Autotube AB's sales were virtually stable at €36.4 million.

As in 2015, first-half results were once again on the rise, with EBITDA increasing by 37% from €57.9 million to €79.3 million.

Income from ordinary activities totalled €57.6 million. Operating margin widened by 1.6 percentage points to 11.6%, its highest level in five years, vs. 10.0% in H1 2015. As previously indicated, the first half generally contributes more to full-year earnings than the second half.

This €14.6 million increase in income from ordinary activities derived from good performance in MGI Coutier's historical scope and at Avon Automotive. Specifically, MGI Coutier's income from ordinary activities advanced by €10.4 million (including increases of €3.3 million at MGI Coutier France and €7.1 million at its subsidiaries) and that of Avon Automotive by €5.1 million. Conversely, Autotube AB's contribution to consolidated operating income contracted by €0.9 million during the first half. Nevertheless, Group synergies should enable Autotube AB to post better performance in the coming months.

The Group continued to roll out its international operations with the construction of two new facilities during the period. The El Jadida site in Morocco started production (fuel and windscreen fluids) in June 2016. The

Chongqing site in China (cooling systems) will enter production in the second half. Their launch will have an impact of €-0.8 million on operating income. The Group also plans to construct a third site in China near Wuhan and to build up its production capacity in Mexico with a second site in Orizaba.

Design study costs and R&D totalled €24.0 million, vs. €25.9 million in H1 2015.

After net financial expense of €1.8 million, including a currency loss of €0.4 million, and tax expense of €13.2 million, vs. €12.0 million in H1 2015, MGI Coutier saw its consolidated net income, Group share, rise 47% to €43.8 million. Net margin was 8.8% of H1 2016 sales, vs. 6.9% in H1 2015.

Cash flow totalled €66.0 million vs. €44.5 million in H1 2015.

As of 30 June 2016, MGI Coutier's financial debt totalled €36.1 million, down €20.5 million from €56.6 million at year-end 2015. Group equity increased from €285.1 million as of 31 December 2015 to €318.1 million as of 30 June 2016. Gearing was 11.3%, compared with 20% at year-end 2015.

TARGETS CONFIRMED

Management confirms that sales of the MGI Coutier Group will exceed €900 million in 2016. Capital expenditure will remain high to support the Group's innovation and international development. Income from ordinary activities is expected to rise, in monetary terms, compared with 2015.

The Group aims to achieve annual sales of €1 billion by 2018 with an operating margin in excess of 8%.

Next press release: *Third-quarter 2015 sales on 15 November 2016 after the market close*

Information meeting: *23 September 2016 at 10.00 a.m. at SFAF, 135 boulevard Haussmann, 75008 Paris.*

Automotive component manufacturer MGI Coutier is active in two main product lines:
Fluids management and mechanisms.
The Group has more than 9,500 employees worldwide.

Euronext Paris - Segment B - ISIN: FR0000053027 – Reuters: MGIP.PA - Bloomberg: MGIC

Contacts:

MGI Coutier

Jean-Louis Thomasset - Vice-Chairman of the Executive Board/CFO – Tel.: +33 (0)4 50 56 99 25

Actus Lyon

Amalia Naveira – Marie-Claude Triquet – Analysts/Investors/Press relations – Tel.: +33 (0)4 72 18 04 93 – anaveira@actus.fr – mctriquet@actus.fr