



RADIALL performance in line with targets

- Steady organic growth : + 9,6%
- Current operating profit : +19,5%
- Net result : +18,7%

(M€) – IFRS – as of June 30th, 2007	S1 2007	%	S1 2006	%	Var. y/y-1
Sales	101,4		106,2		- 4,5%
Operating result	10,7	10,6%	9,0	8,4%	+ 19,5%
<i>Cost of financial indebtedness</i>	<i>0,3</i>		<i>0,1</i>		
<i>Other financial income and expenses</i>	<i>0,2</i>		<i>(0,9)</i>		
<i>Tax burden</i>	<i>(3,5)</i>		<i>(1,6)</i>		
Net result	7,8	7,7%	6,5	6,1%	+18,7%

Over the 6 first months of 2007, Radiall recorded an organic growth of 9.6%. This increase of activity is mainly due to sales to military and aviation customers and enables Radiall to partially offset impacts of divestments made in 2006.

Consolidated sales achieved €101.4m down 4.5% compared to same period of 2006. Net of changes of exchange rates, drop in sales would have been limited to -1.2%.

Optimization of market mix, better cost monitoring and productivity increase are the key factors that drove profitability up.

Operating result showed €10.7m, up 19.5% compared to 2006. Operating margin achieved 10.6% or 2.2% increase.

Net result is up by 18.7% although impacted by a higher tax rate that corresponds to a normal taxation of profit compared to previous years that took into account negative differed taxes.

Netted of minority interest, net result showed €7.0m (+19.3%).

In addition to this good performance, capital expenditures raised significantly over the period to reach 7.4% of sales (4.9% in 2006) R&D costs increased as well to 7.3% of sales.

Net shareholders equity is up €4.0m to reach €149m

Net cash is down because of high capital expenditures and disbursements linked to the acquisition of IDFI last January. Net cash amounted to €25.2m (€43.8m on 31/12/2006).

Favourable trends

First half of 2007 was an important momentum for the future:

- Refocus of US activities on growing niches is finalized.
- Major multi annual sales agreement were signed with strategic customers
- IDFI acquisition reinforces Radiall know how and increases flexibility in manufacturing.

With a recognized expertise and a more balanced market portfolio Radiall is ready to intensify its efforts of diversification and target a great deal of promising niches.

For 2007 as a whole, RADIALL confirms its objective of slightly lower billings than 2006 but a higher profitability.

Next press release:

Q3 Sales: October 11th, 2007

Concerning RADIALL

Radiall designs, develops and manufactures electrical components for the wireless applications, automotive telematics and military, aeronautical and space equipment.

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