

# RADIALL

2005 half yearly results: the operating margin is continuing to improve

<i>In million of •</i>	06/2005		06/2004	
	IFRS		IFRS	
<b>Sales</b>	<b>84.2</b>	100.0 %	<b>84.6</b>	100.0 %
<b>Operating result</b>	<b>4.5</b>	5.3 %	<b>4.1</b>	4.9 %
<b>Ordinary pre-tax income</b>	<b>4.4</b>	5.2 %	<b>4.0</b>	4.7 %
<b>Tax burden</b>	<b>(0.6)</b>		<b>0.1</b>	
<b>Net income</b>	<b>3.8</b>	4.5 %	<b>4.1</b>	4.9 %

- **Stable sales in the first half year**

The first six months of 2005 are characterized by a stationary level of business activity. Investments in cell telephony infrastructures continue to be dull, whereas aeronautic and military applications are very dynamic.

- **Confirmed recovery in margins**

RADIALL continued to adapt its production costs and to streamline its structures. The efforts made in the last several years have borne fruit. The Group's operating margin is over 5%, despite flat sales and an unfavorable foreign currency effect over the period.

- **Very encouraging prospects**

RADIALL anticipates growth in sales of at least 5% in 2005 and a profitability percentage which is at least equal to the figure shown in the half yearly accounts. Beyond, the Group is counting on sustaining growth through the acquisition of AEP (acquired in May 2005) and successfully implanting its products with certain strategic customers.

Invoicing should therefore increase by around 10% in 2006 and profitability continue to improve.

*Radiall designs, develops and manufactures electronic components for wireless telecommunication applications, automotive telematics, and military and aeronautical equipment*

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