



Increase in 2011 half-year results

(€ millions) - IFRS – to 30 June	HY1 2011	HY1 2010	% change
Sales	103.3	88.4	+16.9%
Profit/(loss) from recurring operations <i>as % of sales</i>	4.5 4.3%	3.5 4.0%	+26.6%
Operating profit/(loss) <i>as % of sales</i>	4.5 4.3%	3.4 3.8%	+32.2%
Net profit/(loss) <i>as % of sales</i>	1.7 1.6%	1.5 1.7%	+10.8%
Net profit/(loss) – Group share <i>as % of sales</i>	1.3 1.3%	1.2 1.3%	+10.1%

Sustained sales growth

RADIALL reports sales of € 103.3 million for the first half of 2011, an increase of 16.9 % compared to the first half of 2010. On constant foreign exchange, half-year sales grew by 19.6 %.

All Group divisions reported growth during the period, reflecting a favourable business environment and further market share gains by RADIALL.

Improvement in operating profitability, despite increased pressure on margins

Operating profit, driven by sales growth in the first half, grew to 4.5 million, which was a 32.2 % increase compared to the first half of 2010.

This represented 4.3 % of sales, an increase of 0.5 percentage points compared to the previous year. This performance was achieved despite significant pressure on margins, relating to the rise in raw material prices, a particularly unfavourable foreign exchange situation, and non-recurring operating difficulties caused by the return to growth.

Following the recognition of a € 1.2 million income tax charge and a net financial income that was adversely affected by a € 0.6 million foreign exchange loss, the Group share of net profit was € 1.3 million, which was a moderate increase compared to the first half of 2010.

A sound financial structure

At 30 June 2011, cash and cash equivalents net of debt were a negative € 3.6 million, compared to a negative € 1.8 million at the end of June 2010 and a positive € 6.2 million at the end of December 2010, due in particular to an increase of € 8.9 million in Working Capital Requirements, primarily due to the business recovery, and a high level of cash disbursements relating to capital expenditure, totalling € 4.5 million.

The Group shareholders' equity was € 116.1 million at 30 June 2011, and cash and cash equivalents were € 44.6 million.

Note that on 25 July 2011, in relation to a new financing package signed on 22 July with its banking partners, RADIALL bought back € 18.6 million of OBSAAR warrants (Redeemable Share Subscription or Purchase Warrants), issued in July 2007, thereby reducing its debt and gross cash and cash equivalents by the same amount on that date.

2011 outlook

Both the favourable business trend of the first half of the year, in line with the progress plan, and the actions plans implemented to increase margins allow RADIALL to enter the second half under favourable conditions.

Shareholders' agenda:

- 1st Half Financial Report 2011: **September, 12th 2011.**

About RADIALL

RADIALL designs, develops and manufactures electronic components dedicated to wireless communication, automotive telematics and military and aeronautic equipment applications.

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