

PRESS RELEASE

Paris, 17 July 2019

2019 half year (H1) financial results

- H1 results in line with annual forecasts
- Order intake of €3.9 billion, of which €2.7 billion international
- Sales at €1.8 billion, of which €500 million from international
- Increase in EBITA up to €131 million and in return on sales up to 7.3%.

On 16 July 2019 the Board of Naval Group met to review 2019 half year financial statements, closed on 30 June.

Commenting these results, Frank Le Rebeller, Senior Executive Vice President Finance, Legal and Purchasing, said: "The H1 results for 2019 show a slightly higher than expected operating profit and we have already exceeded our full year order intake target. In addition to the order for a sixth Barracuda submarine, this dynamism is due to a large extent to international orders and in particular to the Dutch/Belgian mine hunters contract and to the Australian design contract. 70% of the order intake is non domestic, highlighting the group's international growth".

Main consolidated data

Key consolidated figures (million euros)	1st half 2019	1st half 2018	2018
Order intake	3 853	1 919	3 686
Sales	1 797	1 871	3 608
EBITA ¹ return on sales (EBITA/turnover) (%)	130.7 7.3%	126.9 6.8%	265.9 7.4%
Net consolidated profit - group share	85.8	104.6	178.2

Order intake - €3.9 billion

In the first half of 2019 order intake reached €3.853 billion. This is above the €3.4 billion target set for all of 2019 and boosted the order book to €15.5 billion at end June 2019.

International orders represented a large percentage of all new orders at 30 June 2019 and are mainly for new ships. The Belgian and the Dutch mine hunters contract and the design contract

¹ Earning before interest, tax and amortisation of goodwill

for the Australian submarine program have been awarded to Naval Group. The French order for a sixth Barracuda submarine also boosted Naval Group orders this half.

Sales - €1.8 billion

First half sales stood at €1.797 billion: 57% new ships and 43% services. The biggest contributors to sales were the Barracuda, FREMM and Brazil programs and maintenance for the *Le Téméraire* ballistic missile submarine.

Profitability - EBITA and operating profit up

EBITA (earnings before interest, taxes and amortisation) totalled €130.7 million. Operating profit rose again for the fourth consecutive year from 6.8% in the first half of 2018 to 7.3% for the same period in 2019. The group share of net profit is €85.8 million for the half year to be compared to 104.6 million for H1 2018 which benefitted from one-off impacts.

Perspectives - an established international player

In the second half of 2019 Naval Group will keep on improving the competitiveness of its products offering as well as mastering its ongoing programs through on time, costs and quality deliveries. Operating profitability is therefore expected to increase through 2019 along with the group's share of net profit that should grow by 5% as compared to 2018.

These financial results are delivered in the context of strengthened naval defence cooperation between Naval Group and its Italian partner Fincantieri, with a project to develop a more efficient and competitive European naval construction industry.

Photos and videos on www.salledepresse.com

Press contacts:

Emmanuel GAUDEZ

Tel: +33 (0)1 40 59 55 69

Mob: +33 (0)6 61 97 36 63

emmanuel.gaudez@naval-group.com

Bérengère GOURAUD

Tel. : +33 (0)1 40 59 56 44

Mob. : +33 (0)7 86 76 53 79

berengere.gouraud@naval-group.com

About Naval Group

Naval Group is a European leader in naval defence. As an international high-tech company, Naval Group uses its extraordinary know-how, unique industrial resources and capacity to arrange innovative strategic partnerships to meet its customers' requirements. The group designs, builds and supports submarines and surface ships. It also supplies services to shipyards and naval bases. In addition, the group offers a wide range of marine renewable energy solutions. Attentive to corporate social responsibility, Naval Group adheres to the United Nations Global Compact. The group reports revenues of €3.6 billion and has a workforce of 14,860 (data for 2018).

www.naval-group.com

