

ANNUAL REPORT 2016

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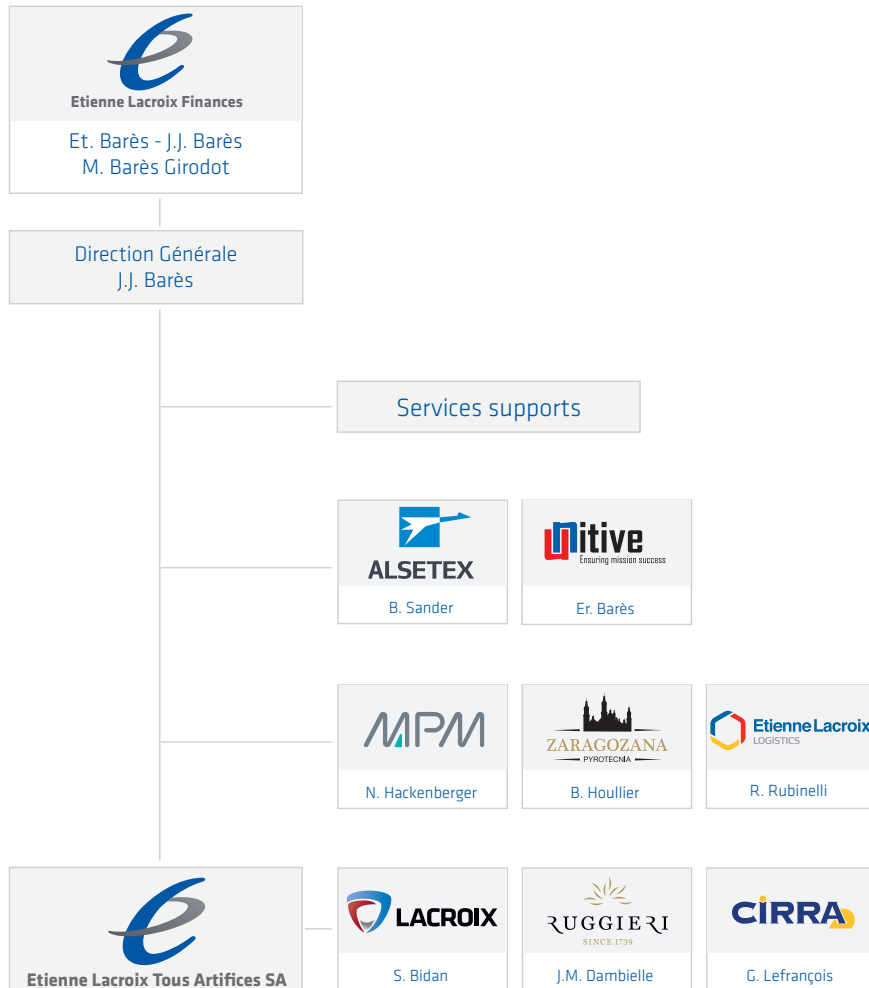


Etienne BARÈS
Chairman

Marie BARÈS GIRODOT
Chief Executive Officer of Lacroix Finances
Chief Financial Officer

Jean-Jacques BARÈS
Chief Executive Officer

ORGANIZATIONAL CHART



SUPPORT DEPARTMENTS

CEO Lacroix Finances and Chief Financial Officer	M. Barès Girodot
• General Counsel	C. Raynaud
• IT Manager	J.C. Chague
• Director of Accounting and Administration	B. Thiery
• Financial Controller	F. Girodot
• Communications & Design Manager	B. Grégoire
Human Ressources Manager	C. DufLOT
HSE Director	J. Gabilan
International Business Development Manager	J.M. Puech
Procurement Manager	J. Gauvin
Quality Systems Manager	F. Verleysen
Defense Advisor	B. Guillet
Security Advisor	R. Marion

The Lacroix Group realized a significant increase in turnover and financial results in 2016, as forecasted.

Since 2013, a substantial rise in order intake from abroad in its three main business segments has given new momentum to Group growth.

LACROIX : Budgets were held to over the financial period. An improved control over industrial and commercial operations as well as short and medium term growth in our activities have been consolidated.

CIRRA : With turnover and results in line with the projected budget, CIRRA consolidated its activities and showed encouraging prospects for development at the end of the year.

RUGGIERI : Subject to the whims of its export market, Ruggieri saw a marked decline in its turnover. The renewing of Ruggieri's offering and the strong potential for growth internationally signals a significant rebound for its activity in the short term.

ZARAGOZANA : Despite the difficult period the company has experienced since 2015, the projected turnover for the financial year was achieved. Intensive efforts made throughout the year to acquire property on which to rebuild a manufacturing facility came to no avail, and will continue to be pursued in the first semester of 2017. Rehabilitation of the original manufacturing site into a logistics center was launched at the end of the year.

ALSETEX : Thanks to meeting the requirements of its major contracts, Alsetex's turnover and results rose sharply.

UNITIVE : The creation of UNITIVE in December 2016 marked the Group's commitment to meeting customer needs comprehensively and to evolving with the market. Once all authorizations and licensing have been obtained, UNITIVE will be a tool for achieving the aims of the Group's strategy through enhancement of the defense and security product and service offer as well as all commercial agreements and external growth that the company will provide.

MPM : Subcontracting business remained in line with that of last year at a particularly sustained level. The redeployment of its own name product activities has yielded its first fruits in terms of sales and income.

ELL : While maintaining its level of activity, ELL bolstered its offering with new dedicated freight forwarding and customs services.

For the fourth time in the last 15 years, a strategic analysis of the Group's activity portfolio was carried out. The resulting 2025 Business Plan points towards significant growth potential. The two instruments to achieve our objectives will be expanding our offer to more integrated solutions and sustained deployment of its activities abroad.

KEY FIGURES

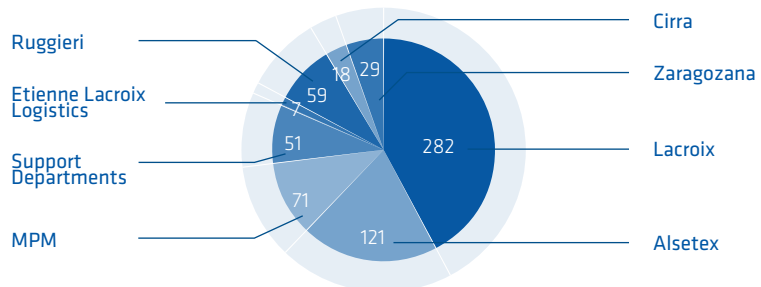
BALANCE SHEET

Amount in million €	2016	2015	2014	2013
FIXED ASSETS	39	33	31	28
CAPITAL RESERVES	83	72	64	63
LONG TERM DEBTS	11	12	6,4	5,4
TOTAL ASSETS & LIABILITIES	227	229	171	153

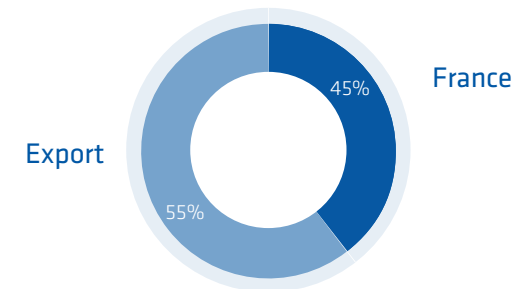
INCOME

Amount in million €	2016	2015	2014	2013
TOTAL TURNOVER	139	138	101	99
EXPORT	76	85	61	48
NET PROFIT	13,2	10,6	2,6	4,5

GROUP WORKFORCE



GROUP SALES



GROUP ORDER BOOK

