

Toulon, April 25th 2019, 6:00pm

ECA Group: first quarter 2019 revenue

Today, ECA Group (Euronext Paris: ECASA) reports its first quarter 2019 revenue.

(€ million)	Q1 2019 ¹	Q1 2018	Change
Backlog at end of period	129.8	102.7	+26.4%
Robotics	12.3	12.9	-5.3%
Aerospace	7.4	7.8	-5.4%
Simulation	1.5	1.8	-16.1%
Structure & disposals	(0.0)	0.0	Nm
Adjustments ²	0.0	0.2	Nm
Consolidated revenue	21.2	22.8	-6.9%

For the first quarter 2019, **consolidated revenues** amounted to €21.2 million versus €22.8 million last year, down 6.9%. Like-for-like, excluding the contribution of subsidiaries SSI and EN Moteurs disposed of in 2018, the decrease was 4.0%. Revenue is still not benefiting from the very strong business momentum seen over last 6 months.

In the **Robotics** division, the order intake was solid this quarter at €14.3 million. The division posted a record backlog of €96.5 million, an increase of 40.2% in comparison to March 31, 2018.

Revenue for the division stood at €12.3 million, down by €0.7 million in comparison to the first quarter 2018. Excluding the contribution of the subsidiary EN Moteurs, disposed of end 2018, the division was slightly down by €0.1 million. The orders received are in design stage and their contribution to revenue is still little. The division should record a catalyst effect as orders enter production stage.

Over the course of the quarter, the consortium Belgium Naval & Robotics, which brings together Naval Group and ECA Robotics, was awarded an order by [the Belgian navy to supply 12 mine hunting](#)

¹Unaudited figures

²Sectoral data are not adjusted for the contribution of activities whose closure or disposal was decided in 2017 (deconsolidation of ECA SINDEL from the Robotics division on January 1st, 2018 and sale of business of SSI in August 2018 in the Simulation division).

vessels equipped with a total of one hundred drones. Six vessels are destined for the Belgian navy. Six others will be delivered to the Dutch navy.

ECA Group's share of this contract represents an amount of about €450 million, or four years of revenue. The 10-year program will begin with a design stage of about 3 years before entering the production stage and delivery of drone systems. The contract should generate revenue starting 2019. Final notification of this historic contract for ECA Group is expected in the second quarter after handling any potential appeals.

First quarter 2019 revenue for the **Aerospace** division is €7.4 million, down by €0.4 million compared to first quarter 2018. Revenue is not reflecting the solid order intake worth €15.4 million this quarter. Backlog stands out at the very high level of €31.2 million, a strong increase of 34.4% in comparison to December 31, 2018. Delivery of the backlog should contribute to a rebound in activity in coming quarters.

Finally, revenue for the **Simulation** division stood at €1.5 million, down by €0.3 million in comparison to first quarter 2018, reflecting finalization of the contract for military driving simulators. The backlog stood at €2.0 million as at March 31, 2019, compared to €2.5 million on December 31, 2018.

2019 perspectives

On March 31, 2019, the **backlog** for the Group reached €129.8 million, up 26.4% versus March 31, 2018 and up by 7.9% over December 31, 2018, driven by the growth in order from both Robotics and Aerospace divisions.

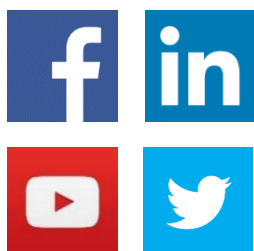
In this favorable business environment, the Group's profitability should continue to improve, benefiting from efforts to cut costs and improve operational efficiency, boosted in the medium term by the volume and series effects of mine clearance contracts. Several major navies, including France, India and Britain, will replace their mine hunting fleet in the years ahead. Additionally, ECA Group believes that many countries will be equipped with transportable drone systems that can be used from the coast.

The Group confirms its full-year 2019 revenue growth target in excess of 5%. This objective does not include yet the contract worth around €450 million to supply 12 mine hunters to the Belgian and Dutch navies.

Next release:

Second quarter 2019 revenue on July 25, 2019 after market close.

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This press release could contain statements on past events and forward-looking statements including statements regarding future goals or targets. Forward-looking statements reflect current expectations for results and future events.

Such forward-looking statements and targets depend on known and unknown risks, uncertainties and other factors that may cause actual results, performance or events to differ materially from those anticipated herein. All these risks and uncertainties could affect the Group's future ability to achieve its targets. Risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements and targets include, among other things: the risks and uncertainties mentioned in the press release; the strength of competition; the continuing growth of the market; currency fluctuations; interest rate fluctuations; raw material price fluctuations; armed conflicts or political instability; control of costs and expenses; changes in tax legislation, rules, regulation or enforcement; our ability to successfully keep pace with technology changes; our ability to attract and retain qualified personnel and key personnel; the evolution, interpretation and uniform application and enforcement of International Financial Reporting Standards (IFRS), according to which we prepare our financial statements; supply chain and manufacturing bottlenecks; the performance of our business partners (subcontractors, agents, suppliers, etc.).

Some of these risk factors are set forth and detailed in our Registration document filed with the French *Autorité des Marchés Financiers*. This list of risks, uncertainties and other factors is not limitative. Other non-anticipated, unknown or unforeseeable factors could also have material adverse effect on our targets.

ECA Group

Recognized for its expertise in robotics, automation systems, simulation and industrial processes, ECA Group has been developing complete, innovative technological solutions for complex missions in hostile and confined environments since 1936. Its product offering is designed for an international client base that is demanding, both in terms of safety and effectiveness. The Group's main markets are in the defense, maritime, aeronautics, simulation, industrial and energy sectors.

In 2018, the Group reported revenue of €102.1 million across its three divisions: Robotics, Aerospace and Simulation.

ECA Group is a Groupe Gorgé company.

ECA Group is listed on Euronext Paris Compartment C.
ISIN Code: FR0010099515
Ticker Code : ECASA - Bloomberg Code : ECASA:FP

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