

RIBER

Press release

2015 FIRST-HALF EARNINGS

Bezons, September 25th, 2015 - 7 am - RIBER, the global specialist for molecular beam epitaxy (MBE), is announcing its earnings for the first half of 2015 and its outlook for the full year, as well as the appointment of Mr. Dominique Pons as Chairman of the Supervisory Board.

(€M)	H1 2015	H1 2014	2014
Revenues	5.7	4.8	16.6
Systems revenues	2.8	2.1	9.3
Services and accessories revenues	2.1	2.3	6.1
Cells and sources revenues	0.8	0.4	1.1
Gross margin	0.5	0.6	3.8
Operating income	(3.6)	(3.6)	(3.8)
Pre-tax earnings	(3.5)	(3.6)	(3.8)
Net income	(3.5)	(3.6)	(3.8)

BUSINESS DEVELOPMENTS

In a still challenging market environment, 2015 first-half revenues came to €5.7 million, slightly higher than the first half of last year, factoring in:

- The difficult MBE market, particularly with regards to the sales to industrial customers.
- The increase in MBE system sales, with four research machines billed during the first half of 2015, up from two for the first half of 2014;
- The focus of service and accessory sales toward research customers, offsetting the weak level of demand from industrial customers;
- The higher level of effusion source sales, driven by the delivery of linear sources to the OLED industry;
- The gradual improvement in the order book, which is expected to be over €10 million by the end of September.

CHANGE IN EARNINGS

Taking into account the seasonality of the production plan and one-off costs related to the installation of the many systems produced at the end of 2014, earnings at June 30th were adversely affected by the low level of revenues, with a half-year gross margin of €0.5 million at June 30th, 2015.

RIBER is moving forward with its drive to ensure effective control over operating costs, down 8% from the previous year and 12% over the past two years, reflecting the savings plans rolled out. However, the company has maintained a high level of R&D innovation to support its future development.

In this context, consolidated net income shows a loss of €3.5 million (-€3.6 million at June 30th, 2014), including €0.4 million in costs linked to the acquisition of MBE Control Solutions in the US.

Reflecting the low point in the business cycle during the first half of the year, the cash position at end-June 2015 shows a €0.1 million loss, while improving compared with June 30th, 2014 (-€0.9 million). It will continue to improve over the second half of the year, in line with the upturn in orders and the planned delivery schedule.

OUTLOOK

The order book represented €8.0 million at end-August 2015, with five MBE systems (including one production machine), orders for services and accessories (€1.8 million, including €0.7 million for business in the US) and orders for cells and sources (including prototype equipment for the OLED market).

The gradual upturn in the order book has been consolidated since July with three new systems orders in Asia and Europe, as well as a major maintenance contract in the US. Buoyed by this dynamic performance, the order book is expected to represent over €10 million at end-September. Its development is benefiting from a major sales drive to promote the range of services offered following the acquisition of MBE Control Solutions in the US in March. Alongside this, RIBER is moving forward with the industrial qualification process for its new range of OLED cells, currently being tested in manufacturing conditions.

In view of the production timeframes involved, deliveries of the systems ordered will be staggered through to 2016 and earnings for 2015 are expected to be down from 2014.

As Frédéric Goutard, Chairman of the Executive Board, confirms: *“2015 represents a key step forward with the gradual turnaround in RIBER’s order book. The leadership team has been working to enhance our range of solutions, optimize our organization and adapt our cost base to a particularly challenging market environment. The order book is continuing to build up again, supported by the market share gains in fundamental research markets, RIBER’s core customer base, and the development of our range of services, consolidated with the acquisition of MBE Control Solutions in the United States. Our continued diversification into OLEDs, working closely with Korea’s leading industrial firms in this business, is further strengthening our expert capabilities and opening up major opportunities for RIBER. Alongside this, we are fully focused on managing our cash effectively, which is a priority for the company”.*

GOVERNANCE

Acknowledging the recent resignation of Mr Gildas Sorin, the Supervisory Board appointed Mr Dominique Pons, 62, as Chairman during the meeting on September 24th, 2015.

With a doctorate in material sciences, Dominique Pons has led research and development activities in the laboratories of major electronics groups and, until 2014, chaired GIE III-V Lab, a joint industrial research laboratory on III-V semiconductors involving Thales, Alcatel-Lucent and CEA-Leti. Since then, he joined the Thales Group’s Technical Division as VP Technology Intelligence, focusing in particular on innovation through partnerships with start-ups. He has been a member of RIBER’s Supervisory Board since 2013.

NEXT DATE: 2015 third-quarter revenues on October 22nd (after close of trading)

The condensed consolidated half-year accounts have been subject to a limited review by the statutory auditors. The half-year financial report was approved by the Executive and Supervisory Boards on September 24th, 2015. It is available in French on the company website (www.riber.com).

ABOUT RIBER:

Riber designs and produces molecular beam epitaxy (MBE) systems as well as evaporation sources and cells for the semiconductor industry. This high-tech equipment is essential for the manufacturing of compound semiconductor materials and new materials that are used in numerous consumer applications, from new information technologies to OLED flat screens and new-generation solar cells.

Riber recorded €16.6 million in revenues for 2014, with 96 employees at the end of 2014. The company is ISO9001 certified. Riber is listed on NYSE-Euronext Paris, Compartment "C", and is part of the CAC Small, CAC Mid & Small, CAC Technology and CAC T. HARD. & EQ indices. Riber is one of the best-rated companies in the Gaïa-index, the leading SRI index for French mid-caps. Riber is eligible for SME share-based savings schemes.



ISIN: FR0000075954 - RIB
Reuters: RIBE.PA
Bloomberg: RIB: FP
BPI France-approved innovative company

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