



Sylis Group : 1st half 2004

Operating profitability reaching 5.7%

Gross Self-financing margin doubled

Balanced net result after goodwill

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In M€ (consolidated figures)	H1 2004	H1 2003
Sales	66.8	77.3
Operating profit	3.8	3.7
<i>Profit margin</i>	<i>5.7%</i>	<i>4.8%</i>
Earning before tax	3.2	3.1
<i>Profit margin</i>	<i>4.8%</i>	<i>4.0%</i>
Non-recurring income (reorganisation)	(0.2)	(2.4)
Net profit before goodwill	1.8	0.1
Net profit after goodwill	0	(6.7)
Gross self-financing margin	2.2	1.2

The **operating result** for the first half has gained ground, reaching 3.8 M€ as opposed to 3.7 M€ in 2003 for the same period.

The operating profit margin has improved significantly, rising from 4.8% to 5.7% of sales, thereby exceeding the level of profitability achieved throughout the entire financial year 2003 (5.2%). These figures reflect all the measures taken by the Group in 2002 and 2003 to take into account the general slide in prices.

In **France**, profitability is improving with an operating profit of 5 M€ (a margin ratio of 10.2%) as opposed to 4.9 M€ (a margin ratio of 9.7%) for the first half of the previous financial year. Sylis has also continued to prepare the future by making commercial investments.

In **Benelux**, with the impetus given by market dynamics in the Netherlands, the operating profit stands at 0.5 M€, a profitability of 2.9%, up by 1.1 points compared with the first half of 2003.

The half year was marked by the end of the reorganisation, so that the consolidated overall **profit/loss** is balanced, compared with a half-year loss of 6.7 M€ for the same period in 2003.

The overall results for the first half of 2004 point to improvements both in level of activity and profitability, which is an encouraging indication that the Sylis Group is ready to move forward.

Assuming the market becomes more favourable, although subject to keen price competition, the Group's priority remains to underpin its profitability. In the second half year, Sylis should be able to restart its organic growth and continue to leverage on its profitability, enabling it to look forward to an operating profit of between 8.5M€ and 10M€ at the end of 2004.

Figures for the third quarter will be published on November 10, 2004.