

July 31, 2017

Dear Shareholder,

Here are the main indicators on the current situation of our group.

HALF YEAR TURNOVER 2017 : + 12.3%

In thousands of euros	2017	2016	Variation 2017/2016
1st quarter	68,513	59,776	+ 14.6%
2d quarter	71,241	64,637	+ 10.2%
Total half year	139,754	124,413	+ 12.3%
Breakdown by business:			
Jetly, pumps	26,197	24,432	+ 7.2%
Sferaco, valves	25,601	23,127	+ 10.7%
Thermador, accessories for central heating	19,891	17,933	+ 10.9%
Mecafer and Domac, heavy tools in DIY stores*	15,489	12,434	+ 24.6%
PBtub, tubes in synthetic materials	13,301	12,722	+ 4.6%
Dipra, pumps and plumbing in DIY stores	11,767	10,920	+ 7.8%
Thermador International	10,708	9,634	+ 11.1%
Sectoriel, motorised valves and air compressors	9,165	8,554	+ 7.1%
Aello, equipment for swimming pools	3,435	946	x 3.6
Isocel, components for boilers	2,756	2,636	+ 4.6%
Axelair, ventilation equipment	1,294	869	+ 48.9%
Other structures	150	206	- 27.2%

* 2017 turnover taking into account acquisition of Domac by Mecafer since March 1, 2017, consolidated since March 1, 2017.
Domac net turnover from March 1 to June 30, 2017 was €2,175,000.

CONSOLIDATED HALF-YEAR POSITION ON JUNE 30, 2017

Simplified P&L statement (thousand euros)	Half year 2017	Half year 2016
Turnover	139,754	124,413
Current operating income for the business	19,716	16,329
Net profit as a portion of the group	12,684	10,193

Detailed accounts are available on our website www.thermador-groupe.fr.

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BUSINESS CLIMATE AND RESULTS

We are currently closing a good first half year thanks to an improved economic context in construction finishing works and a very favourable weather. Our teams have been able to respond effectively to strong demand from the market whilst maintaining control over costs. Our profit margin is thus improving quicker than turnover.

Mecafer's information system has been installed in record time at Domac, who joined the Group in March 2017. Our teams have shown great professionalism and remarkable commitment in driving this successful project.

PROSPECTS

We expect to end the year with more moderate organic growth, and remain resolutely optimistic.

On June 27 via a press release, we informed our shareholders of discussions that are under way for the acquisition of the company FG INOX, located in France near Lyon. FG Inox sells a wide range of connectors, flanges, valves and accessories in stainless steel that will serve as a perfect complement to the industrial valves and fittings portfolio of three Thermador Group subsidiaries: Sferaco, Sectoriel and Thermador International.

FG Inox reported turnover of €14.6 million in 2016, EBITDA of €2.08 million and a net profit of €1.34 million. Its debt on December 31, 2016 was €0.3 million.

This deal, which we hope to seal before the end of September 2017, would allow us over time to reduce our dependence on new housing build cycles in France and opens up new prospects internationally.

In the meantime, we are studying other external growth possibilities which could be concluded in 2017. This unusual plethora of opportunities and particularly low interest rates could lead us to taking out some cautious debt. This would not affect our dividend distribution policy, given that our net cash position was €21.4m on June 30, 2017.

STOCK EXCHANGE NEWS

On May 17, 2017, 33% of dividends were paid in shares, leading to the creation of 55,609 new shares issued at 85.75 euros each, and a tax saving of €143,000 on our 2017 accounts (€136,000 in 2016). The average share price over the 20 stock exchange sessions preceding July 25 was 93.94 euros.

The Chairman
Guillaume Robin