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2017 REVENUES: GROWTH REFLECTS THE SUCCESS OF INTEGRATION

In 2017, the KEOPSYS QUANTEL Group generated pro forma consolidated revenues of € 85.1 million, up 5.8% from 2016. Restated for the €2.9 million tender in India, billed in the first quarter of 2016, growth comes out at 9.8%. The Keopsys Quantel Group's business is notably driven by the dynamism of the Lidar Sensors market, on which the group is well positioned. Given the increase in sales, it is expected that the group's overall profitability will improve significantly compared to 2016.

These figures, representative of the new Keopsys Quantel group's activity following the merger on October 6, 2017, include full-year Keopsys and Quantel group revenues. The Group's consolidated revenues, including Quantel from October 6, 2017 to December 31, 2017 in accordance with the reverse takeover accounting method, as well as the revenues from the former Quantel group and Keopsys group scopes, are disclosed in the appendix.

Consolidated pro forma revenues ⁽¹⁾

Revenues (in million euros)	2016	2017 ⁽²⁾	Change	Change excl. India
First half	39.6	40.5	+2.3%	+10.5%
Second half	40.9	44.6	+9.2%	+9.2%
12 months	80.5	85.1	+5.5%	+9.8%
<i>of which</i>				
<i>Industrial and Scientific Products</i>	28.3	32.3	+14.5%	+14.5%
<i>Lidar Sensors</i>	9.1	10.7	+17.9%	+17.9%
<i>Defense</i>	12.6	10.4	-17.7%	-17.7%
<i>Medical</i>	30.5	31.7	+3.9%	+14.9%

(1) Including full-year Keopsys and Quantel group revenues

(2) Unaudited provisional figures

Segmentation presented introduces a fourth business, "Lidar Sensors", one of the specialty areas historically developed by Keopsys Group, which is experiencing strong growth. Keopsys' business also contributes to the new group's Industrial and Scientific segment and to a lesser extent to the Defense segment, formerly known as "Major Contracts".

The trends observed by Quantel since the beginning of the year are confirmed for the integrated group, with a dynamic Industrial and Scientific Division, an anticipated drop in billings performed on completion for the Defense segment and a resumption of growth in the Medical business.

Industrial and Scientific

The Industrial and Scientific Division grew by 7.1% in the second half compared to the second half of 2016, after a strong acceleration in the first half (+ 24.1%), with sales supported by activity in Asia and the rise in production capacity of Diodes whose order book remains at a high level.

Lidar Sensors

The Lidar Sensors business recorded a strong acceleration in 2017 and exceeded € 10 million, to € 10.7 million in sales (+ 18% compared to 2016). This increase reflects the impact of significant investments made by various group customers in the development of autonomous vehicles.

Defense

The slowdown in production and delivery on major contracts business, Megajoule and military, which remains in line with the schedules, accelerated in the fourth quarter. Business in the second half was down 28.2% compared to the second half of 2016, to € 5.0 million, compared to € 5.4 million (down 4.6%) in H1.

Medical

The sales of the Medical Division reflect a dynamic second half, thanks to the positive market response and the ramping up of production of the new Easyret laser. In 2017, business was up 3.9% and 14.9% excluding the non-recurring contract with India of € 2.9 million in 2016,

Outlook

The revitalization of the organization continues in 2018, with the objective of optimizing transversal resources to support business growth and improve profitability. As such, the group is pooling and integrating its sales forces and, for example, has just opened a subsidiary in Poland, in charge of marketing the group offers in Central and Eastern Europe.

Considering the potential of its markets and the commercial dynamics experienced by the Keopsys Quantel Group since the merger, the 2018 target is to achieve a revenues growth at least equivalent to that of 2017, excluding the Indian tender effect.

Next date: annual results, March 29th 2018, before stock market opening

Founded in 1970, Keopsys Quantel Group is one of the world's leading specialists in laser technology for scientific (laboratories and universities), industrial (manufacturing, defense, new technologies) and medical (ophthalmology) markets.

Combined with Keopsys Group in October 2017, the Keopsys Quantel Group has more than 400 employees and over €85 million of revenues (pro forma 2017) and is present in France, the US and Japan..

Quantel shares are listed on the Euronext Paris C Compartment. FR0000038242 – QUA www.quantel.fr

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ANNEXES

IFRS consolidated revenues ⁽¹⁾

Revenues (in million euros)	2016	2017 ⁽²⁾	Change
First half	8.3	7.7	-7.5%
Second half	8.9	29.9	+236%
12 months	17.2	37.6	+119%
<i>of which</i>			
<i>Industrial and Scientific Products</i>	9.3	15.6	+68%
<i>Lidar Sensors</i>	7.2	9.4	+30%
<i>Defense</i>	0.6	3.4	+432%
<i>Medical</i>	-	9.1	N/S

(1) Keopsys Group revenues integrating Quantel Group's business from October 6, 2017

(2) Unaudited provisional figures

Revenues Quantel historic scope ⁽¹⁾

Revenues (in million euros)	2016	2017 ⁽²⁾	Change	Change excl. India
First half	31.3	32.8	+4.9%	+15.7%
Second half	32.0	32.6	+2.0%	+2.0%
12 months	63.3	65.4	+3.4%	+8.5%
<i>of which</i>				
<i>Industrial and Scientific Products</i>	18.9	22.2	+17.4%	+17.4%
<i>Lidar Sensors</i>	1.9	2.1	+13.5%	+13.5%
<i>Defense</i>	12.0	9.5	-21.2%	-21.2%
<i>Medical</i>	30.5	31.6	+3.9%	+14.9%

(1) Revenues over Quantel scope before the merger with Keopsys

(2) Unaudited provisional figures

Revenues Keopsys historic scope ⁽¹⁾

Revenues (in million euros)	2016	2017 ⁽²⁾	Change
First half	8.3	7.7	-7,5%
Second half	8.9	12,0	+34,8%
12 mois	17.2	19.7	+14,4%
<i>of which</i>			
<i>Industrial and Scientific Products</i>	9.3	10,1	+8.4%
<i>Lidar Sensors</i>	7.2	8.6	+19.1%
<i>Defense</i>	0.6	1.0	+49.4%
<i>Medical</i>	0.0	0.0	N/S

(1) Revenues over Keopsys Group scope before the merger

(2) Unaudited provisional figures