

## 2014 first-half results

- Revenue up 15%
- First half focused on rolling out development strategy

As announced when listed on Euronext, McPhy Energy concentrated efforts in the 2014 first-half on implementing its development strategy.

*La Motte-Fanjas, July 29<sup>th</sup>, 2014* – McPhy Energy, specialized in hydrogen production and storage equipment for industry and energy markets, reported 15% growth in revenue to reach €3.2 million.

This momentum reflected strong growth in revenue from the Energy segment for subsidized demonstration projects including the delivery of an integrated solution combining hydrogen production and solid storage capabilities for the Berlin-Schoenefeld airport refueling station on May 23 of this year.

Revenue originating, as in 2013, from sales of small and medium hydrogen production units along with related services for the Industry market amounted to €1.4 million. Sales volume for the first half was impacted by the temporary redeployment of management for the IPO and the relocation of the Italian production site.

The increase in staff costs reflects the reinforced Group structure and the integration as from September 2013 of a team specialized in large-scale hydrogen production units in Germany.

With the success of its listing on Euronext Paris (Segment C) in March of this year, McPhy Energy significantly strengthen its equity now amounting to €27.8 million for total assets of €39.0 million at June 30, 2014 compared to respectively €3.9 million and €16.9 million at December 31, 2013.

Based on cash and cash equivalents of €24.7 million and financial debt of €4.9 million, net cash amounted to €19.8 million.

As a result, the company has a solid balance sheet to pursue its development strategy.

## Operating highlights

In the six-month period ended, the company rolled out its strategic development plan and has already reached several key milestones:

- Acceleration of commercial deployment: McPhy Energy integrated six sales veterans specialized in the energy and hydrogen markets: four sales managers in the key regions of North America, Asia-Pacific, Russia and Eastern Europe as well as the Middle East, India and Africa; two senior sales engineers to strengthen the sales force in France and Italy.
- Increase its manufacturing capacity: After commissioning its assembly unit for large-scale hydrogen production units in the first quarter in Wildau (Germany), the recent relocation of Italian manufacturing operations to a new ultra-modern 5,000 m<sup>2</sup> plant in San Miniato (Italy) will provide with McPhy Energy with a base to address the anticipated strong ramp-up.
- Intensifying the industrial deployment of its exclusive technology for storing hydrogen in solid form: The technological partnership agreement recently concluded with GKN, global leader in powder metal is destined to accelerate the process of scaling up its solutions for solid state hydrogen storage.

McPhy Energy has also continued to ramp up commercial operations, namely in the following areas:

- H<sub>2</sub> mobility. Following the contract signed with shipbuilding group, Fincantieri, the company won an emblematic call for tenders as part of a consortium of international partners to supply a hydrogen refueling station in Woodside (California). McPhy Energy will provide the electrolyzer which will produce green hydrogen fuel using renewable electricity.
- H<sub>2</sub> energy. In the first quarter, the company joined forces with Electro Power Systems (EPS), a market leader for hydrogen fuel cells in the stationary market, to become the exclusive manufacturer of the electrolysis stack to produce hydrogen for its self-rechargeable full-green fuel cell solution. In the second half, it partnered with Ataway, a off-grid stationary energy solutions specialist, to become the exclusive supplier of the solid state hydrogen storage systems to be integrated within this solutions



Mcphy's offices

– IFRS - € millions	H1 2014	H1 2013	2013
Net sales	1.4	1.6	3.1
Other revenue from ordinary activities	1.8	1.2	3.8
<b>Revenue from ordinary activities</b>	<b>3.2</b>	<b>2.8</b>	<b>6.9</b>
Staff costs	(3.4)	(2.8)	(5.7)
Other operating expenses	(4.7)	(2.4)	(8.3)
Allowances for depr., amortiz. and reserves	(0.6)	(0.5)	(0.8)
<b>Current operating income (EBIT)</b>	<b>(5.5)</b>	<b>(2.9)</b>	<b>(7.9)</b>
Other operating income and expenses	(0.0)	(0.3)	(0.3)
Net interest expense	(0.3)	(0.0)	(0.1)
Income tax expense	(0.1)	(0.1)	(0.1)
<b>Net income</b>	<b>(5.8)</b>	<b>(3.4)</b>	<b>(8.5)</b>

*Audited accounts adopted by the Executive Board meeting of July 29<sup>th</sup>, 2014*

## About McPhy Energy

McPhy Energy, a leading developer of hydrogen-based solutions, was founded at La Motte Fanjas in France in 2008. The company draws on its exclusive technique for storing hydrogen in solid form and its years of experience in producing hydrogen through water electrolysis to design and manufacture flexible production and storage equipment.

McPhy Energy markets easy-to-use, environmental-friendly solutions combining unique safety features and energy independence to over 1,000 clients in the renewable energy, mobility and industry sectors.

The group has three production sites in France, Germany and Italy and an R&D laboratory in France.

Since March 2014, McPhy Energy is listed on Euronext Paris (Segment C, ISIN code: FR0011742329; ticker: MCPHY).

[www.mcphy.com](http://www.mcphy.com)

### McPhy Energy press contact

Calyptus

Marie-Anne Garigue

Tel: + 33 1 53 65 68 63

marie-anne.garigue@calyptus.net



Mcphy's offices