



**FOR** : **QUALIFLOW**  
**APPROVED BY** : **Claude P. Jacquemin**  
Chairman  
**CONTACTS** : **Michel Landon**  
CEO  
Tel. : + 33 (0)4 67 99 47 47  
**NewCap.**  
Pierre Laurent / Axelle Vuillermet  
Tel. : + 33 (0)1 44 71 94 94

## Half-year sales 2003 : 1.78 M€

**Montpellier, July 9th, 2003** : QUALIFLOW (ISIN FR0004157592, Euroclear 7786), a company specialising in the design, development, production and marketing of ultra-high purity gas flow control components, today announced its unaudited sales for the second quarter, ended June 30th, 2003.

### Quarterly sales :

<i>Million Euros</i>	<b>Quarterly Sales</b>		
	<b>Q2 2003</b>	<b>Q2 2002</b>	<b>Delta</b>
<b>Gas Systems</b>	0.05	0.41	(87.0 %)
<b>Valves</b>	0.26	0.32	(17.5 %)
<b>MFC</b>	0.25	0.17	+41.7 %
<b>Jipelec</b>	0.45	-	-
<b>Other</b>	0.06	0.01	+500 %
<b>TOTAL</b>	<b>1.07</b>	<b>0.91</b>	<b>+17.6 %</b>

QUALIFLOW's had a turnover of 1.068 million euros in the second quarter of 2003, up 17.6% over the same period last year. On the 30th of June 2003, QUALIFLOW's order book stood at 387,000 euros, compared with 524,000 euros at the end of March 2003.

### Half-year Sales :

<i>Million Euros</i>	<b>Half-year Sales</b>		
	<b>S1 2003</b>	<b>S1 2002</b>	<b>Delta</b>
<b>Gas Systems</b>	0.07	1.58	(95.5 %)
<b>Valves</b>	0.48	0.44	+7.9 %
<b>MFC</b>	0.45	0.46	(3.0 %)
<b>Jipelec</b>	0.70	-	-
<b>Other</b>	0.07	0.01	+600%
<b>TOTAL</b>	<b>1.78</b>	<b>2.49</b>	<b>(28.9 %)</b>

The company's turnover for the first half of the year was down 28.9% compared with the figure for the first half of 2002. JIPELEC's contribution to the group's turnover could not compensate for the loss of turnover on optical fibre applications.

## **QUALIFLOW sales breakdown per geographic zone**

	<b>2003</b>	<b>2002</b>
<b>Europe</b>	45.9 %	82.9 %
<b>United-States</b>	44.2 %	14.0 %
<b>Asia</b>	3.8 %	3.1 %

Thanks to intensive commercial prospecting in the United States, the group now derives a large proportion of its turnover from that market.

### **2003 prospects:**

Due to the depressed level of activity during the second quarter and the lack of an improvement in our order book, we have been compelled to downgrade our forecast turnover for the current trading year from 8 million euros to 5 million euros.

The company is planning to implement a number of measures designed to drastically lower the break-even point based on an annual turnover of 5 million euros. These measures will be unveiled at a meeting of the Board of Directors of QUALIFLOW in late August.

### **General Meeting of shareholders regarding the acquisition of Jipelec: see our recent press release**

The first, second, third, fourth, fifth, sixth and seventh extraordinary resolutions regarding the acquisition of JIPELEC by QUALIFLOW were not put to the ballot, given that the document E relating to the operation is currently being drawn up. A decision was taken to convene a new General Meeting in late August / early September to rule on these resolutions. The Meeting will be convened according to the normal formalities.

However, since the takeover contracts have already been signed, QUALIFLOW informed its shareholders that the parity rate for this operation has already been set. Payment for all 28,710 shares forming the share capital of JIPELEC will take the form of 1,099,320 new QUALIFLOW shares with a nominal value of 0.1 euro each, to be issued as part of an increase in the company's share capital. The difference between the net value of the shares, 1,616,000 euros and the increase in QUALIFLOW's share capital, 109,932 euros, shall constitute the purchase premium.

**QUALIFLOW – [www.QUALIFLOW.com](http://www.QUALIFLOW.com)** - specialises in the design, development, production and marketing of ultra-high purity gas control systems and components : valves, mass flow controllers (MFC) and gas systems. QUALIFLOW plans to become the world leader in gas components. QUALIFLOW is one of the foremost technological firms specialising in digital Mass Flow Controllers which are revolutionising the control of ultra-high purity gases. The company's expertise is vitally important in the manufacturing of semiconductors, fibre optics and electronic components used to support the development of consumer telecommunications applications. QUALIFLOW is quoted in the NextEconomy segment of Euronext.

Nouveau Marché – ISIN : FR0004157592 - Euroclear : 7786 - Bloomberg : QUFL - NM Reuters : QFLW.LN - FTSE : 93/936

## **Half year results for first semester 2003 : October 16th, 2003**



If you no longer wish to receive QUALIFLOW's press releases, please return the first page of this document by fax to the following number : **FAX : +33 (0)1 44 71 94 90**