



PRESS RELEASE

Toulouse, February 6, 2017

2016 revenue up 5.3% (+0.3% at constant exchange rates)

(in € million)	H1			H2			Total Year		
	2016	2015	Change (%)	2016	2015	Change (%)	2016	2015	Change (%)
Aerostructures Industrial	217.6	216.1	0.7%	205.6	206.9	-0.6%	423.2	423.1	0.0%
Interconnexion Systems	124.9	98.0	27.5%	107.1	101.1	6.0%	232.0	199.1	16.6%
Total revenue for the ongoing operations¹	342.5	314.1	9.0%	312.7	308.0	1.5%	655.2	622.1	5.3%

0.3% growth at constant exchange rates

As of December 31, 2016, the Group posted revenues amounting to €655.2 million, up €33 million (+5.3% in reported figures) compared to December 31, 2015. For the period, the Group benefited from a positive exchange rates effect related to the unwound €/€ currency hedging. At constant exchange rates, growth stood at 0.3%, in line with company's announcement beginning of 2016.

The slow down in Group revenue is mainly due to the Aerostructures Industrial division, down 4.4% at constant exchange rates. This evolution mainly derives from the decrease in production rates of the A330 which was initiated in September 2015 and from the B787 program following Boeing's decision to reduce its inventories buffer now that the program has reached maturity (non-recurring effect on 2017). In addition, Q4 2016 confirmed the beginning of the decrease in A380 production rates.

Interconnexion Systems continued its dynamic growth (+10.1% at constant exchange rates), with revenues increasing to €232.1 million as of December 31, 2016, from €199,1 million in 2015 (+16.6%). The division benefited in full from the ramp-up in production of the A350 program on which it is strongly positioned. Such impact will ease gradually over 2017. The decrease in production rates mentioned for the Aerostructure Industry has also an impact on the Interconnexion Systems division, but sustained commercial dynamic led to the awarding of new contracts, including the maintenance of repair and installation (MRO) of all electrical test benches of Airbus in Toulouse.

¹ As a reminder, following the sale of Latécoère Services, and in accordance with IFRS 5, 2015 and 2016 revenues have been restated from Latécoère Services activities.



2016 operational performance expected in line with objectives

From an operational point of view, the Group's performance in the second half of 2016 will be in line with the performance recorded during the first half of the year. The objective of generating operating free cash flow for 2016 of 7% of revenue (approximately €45 million) is confirmed.

Continuing implementation of the *Transformation 2020* strategic plan

With the arrival of Yannick Assouad, CEO, the Group continued to deploy its *Transformation 2020* plan during the last quarter of 2016, notably with the disposal of its Latécoère Services division (see press release dated December 21, 2016).

Next publication: 2016 annual results on Monday, March 27, 2017 before the opening of Euronext market.

About Latécoère

Latécoère is a tier 1 partner to major international aircraft manufacturers (Airbus, Embraer, Dassault, Boeing and Bombardier), in all segments of the aeronautical market (commercial, regional, corporate and military aircraft), specializing in two fields:

- *Aerostructures Industrial (65% of total revenue): fuselage sections and doors.*
- *Interconnexion Systems (35% of total revenue): onboard wiring, electrical harnesses and avionics bays.*

At 31 December 2016, Latécoère employed 4,338 people in 8 different countries.

Latécoère, a French corporation (société anonyme) with capital of €188,398,504 divided into 94,199,252 shares with a par value of €2 per share, is listed on Euronext Paris - Compartment B. ISIN codes: FR0000032278 - Reuters: LAEP.PA - Bloomberg: LAT.FP

