

Toulouse, 7 February 2018

ACTIVITY AS OF DECEMBER 31, 2017

- **A stable revenue of €652.5 million in 2017**
- **Confirmation of 2017 objectives and outlook**

In € million	9-month			Q4			Total Year		
	2017	2016 ¹	Change (%)	2017	2016 ¹	Change (%)	2017	2016 ¹	Change (%)
Aerostructures	304.2	313.0	-2.8%	92.8	96.3	-3.7%	397.0	409.3	-3.0%
Interconnection Systems ²	189.2	184.2	2.7%	66.3	61.7	7.4%	255.5	245.9	3.9%
Total revenue	493.4	497.2	-0.8%	159.1	158.1	0.6%	652.5	655.2	-0.4%

¹ Following the disposal of Latécoère Services, and in accordance with IFRS 5, revenues for 2016 have been restated to exclude activities that have been sold.

² Revenues for Equipment & Systems are now assigned to the Interconnection Systems division.

Latécoère 2017 revenues were stable compared to 2016, at €652.5 million (-0.4% in reported figures and -0.1% at constant exchange rate). A good activity in the fourth quarter (+0.6% in reported figures) allowed to close the year with a slightly more favorable volume than trends previously announced.

Aerostructures revenue in 2017, down 3% (-2.6% at constant exchange rate), was supported by significant A320 and 787 volumes and affected by the slowdown in production on the A380, Embraer E1 and Falcon 7X/8X programs.

The Interconnection Systems division continued to grow (+3.9% as reported and +4.1% at constant exchange rates in 2017). The latest A350 ramp-up and the positive impact of the new projects were partially offset by lower volumes for the A380, 7X/8X and ATR regional jets.

Industrial roadmap

As part of the Transformation 2020 plan, the takeover of the “smart factory” in Toulouse-Montredon took place at the end of January 2018, and the construction work of the new production site in Bulgaria continues, for an industrial start-up in March 2018.

In addition, the administrative clearance process for the construction of the new Latécoère head offices in Périole is progressing, confirming the disposal plan for part of the site during 2018.

Sales momentum

Contracts were recently signed for the Boeing 777 (Interconnection Systems Division) and the Bombardier Global 7000 (Aerostructures Division) programs. Given the sustained level of new business development activities, Latécoère is confident in its ability to gain markets from new customers in 2018.

Confirmation of 2017 objectives and outlook

In accordance with the 2017 roadmap, the publication of the financial results will confirm an adjusted recurring operating income higher than in 2016 and a positive free cash flow.

Based on the latest production forecasts announced by aircraft manufacturers, Latécoère 2018 revenue is expected to be slightly up at constant exchange rate.

In addition, 2018 will be devoted to the continuation of the 2020 Transformation Plan and start-up of new industrial sites with a gradual production ramp-up by the end of the year which will be temporarily reflected in the Group's operational performance.

The generation of operational free cash flow will allow the implementation of a new investment phase, which prepares the Group for the future, without compromising balance sheet strength.

Next publication: 2017 annual results on Tuesday, March 6, 2018 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 (61% of total revenue): fuselage sections and doors.
- Interconnection Systems (39% of total revenue): onboard wiring, electrical harnesses and avionics bays.

At 31 December 2017, Latécoère employed 4,451 people in 9 different countries.

Latécoère, a French corporation (Société Anonyme) with capital of €188,789,804 divided into 94,394,902 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

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