

Regulated information, under embargo until 5:45pm on Wednesday, April 17, 2019

## Latécoère reports revenue growth of 12.8% in the first quarter of 2019 on a comparable basis

- Q1 2019 revenue of €182.6 million
- Very healthy business trends at both divisions during the quarter
- 2019 guidance reiterated

**Toulouse, April 17, 2019** – Latécoère, a tier 1 partner to major international aircraft manufacturers, is announcing the publication of its first quarter 2019 revenue for the three months to March 31, 2019.

Unaudited data, in € millions	First quarter			
	2019	2018	% chg.	% organic growth
Aerostructures	102.1	86.8	17.6%	13.3%
Interconnection Systems	80.5	69.5	15.8%	12.3%
<b>Total revenue</b>	<b>182.6</b>	<b>156.3</b>	<b>16.8%</b>	<b>12.8%</b>

In the first quarter of 2019, Latécoère group's revenue grew by 16.8% to €182.6 million. That represents an increase of 12.8% at constant exchange rates. This healthy performance reflects the positive momentum at both the Group's divisions.

### Strong business trends in the first quarter of 2019

The Aerostructures division posted a substantial 13.3% revenue growth at constant exchange rates and of 17.6% on a reported basis in the first quarter of 2019. Its revenue totaled €102.1 million as a result of the higher volume contributions from Boeing programs, including B787 and B777F aircrafts. The Aerostructures division's very healthy business trends during the quarter demonstrate that the difficulties linked to the program of in-sourcing primary aerostructure parts during the second half of 2018 have now been resolved.

The Interconnection Systems division continued to accelerate during the first quarter of 2019, with its revenue reaching €80.5 million. The division's revenue grew by 12.3% at constant exchange rates and by 15.8% on a reported basis. Services and new contracts with Mitsubishi MRJ and cabin equipment suppliers were the key growth drivers.

## **Progress under the Transformation 2020 plan**

Latécoère continues its transformation under its business plan. Work on extending the Montredon plant continues, as does the transfer of operations to the plant in Bulgaria where the expansion will be completed in 2019.

## **2019 guidance reiterated**

Latécoère confirms its outlook. In 2019, the Group is expected to deliver significant organic growth in sales, excluding currency effects, and to carry out significant investments to finalize the Transformation 2020 plan. Due to the start-up costs in the Interconnection Systems division and progress towards the Transformation 2020 plan in the Aerostructures division, the Group will generate a positive recurring operating margin and a negative operating free cash flow after capital expenditures.

## **Latécoère is accelerating on the innovation front**

### **Latécoère's pioneering LiFi (Light Fidelity) strategy**

At the Hamburg Aircraft Interiors Expo in April 2019, Latécoère presented its pioneering LiFi strategy, an optical communication technology that serves as an alternative to WiFi. Latécoère has designed a simple, reliable and affordable infrastructure solution enabling providers of in-flight entertainment and connectivity systems and also content systems to optimize onboard connectivity. This LiFi infrastructure will deliver a simple and rapid solution that can be installed as original equipment or during an aircraft cabin system retrofit.

### **Latécoère joins the ThermoPlastic composites Research Center**

The ThermoPlastic composites Research Center (TPRC) is an international consortium active in industrializing thermoplastic composites used to develop innovative materials. Its members include some of the most prominent industrial companies in the aerospace sector and well-known academic researchers. Thermoplastic materials raise the prospect of high-performance, profitable and sustainable manufacturing processes. Latécoère has developed in the past 30 years an extended expertise in various fields of composite technologies, such as Resin Transfer Molding (RTM) and Liquid Resin Injection (LRI). Latécoère's TPRC membership will enable it to broaden its expertise and forge international R&T partnerships in areas ranging from applied research to product development.

## Upcoming publications

Group's Annual General Meeting on May 13, 2019

First-half revenue on July 24, 2019

Interim results on September 4, 2019

Third-quarter revenue on October 23, 2019

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## 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), specialising in two fields:*

- *Aerostructures (58% of total revenue): fuselage sections and doors.*
- *Interconnection systems (42% of total revenue): onboard wiring, electrical harnesses and avionics bays.*

*At December 31, 2018, Latécoère employed 4,958 people in 13 different countries. Latécoère, a French corporation (société anonyme) with capital of €190,337,036 divided into 95,168,518 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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