

Regulated information, under embargo until 5:45pm on Wednesday, July 24th, 2019

Latécoère reports revenue growth of 13.1% in the first half of 2019 at constant exchange rates

- Q2 2019 revenue was up 13.4% on an organic basis to €189.2 million
- Latécoère's 2019 guidance is unchanged

Toulouse, July 24th, 2019 – Latécoère, a tier 1 partner to major international aircraft manufacturers, is announcing the publication of its second quarter and first half of 2019 revenue for the six months to June 30th, 2019.

Unaudited data, in € millions	Second Quarter				First Half			
	2019	2018	% chg.	% organic growth	2019	2018	% chg.	% organic growth
Aerostructures	113.2	95.7	18.3%	15.6%	215.3	182.5	18.0%	14.5%
Interconnection Systems	75.9	68.7	10.5%	10.3%	156.4	138.2	13.1%	11.3%
Total revenue	189.2	164.4	15.0%	13.4%	371.7	320.8	15.9%	13.1%

In the first half of 2019, Latécoère's revenue increased 15.9% to €371.7 million, 13.1% at constant exchange rates.

Strong business trends in the first half of 2019

Latécoère's Aerostructures division posted a substantial 14.5% revenue growth at constant exchange rates, or 18.0% as reported for the first half of 2019. Revenue totalled €215.3 million, reflecting the last catch-up effects resulting from operational disruptions experienced in 2018, which will not be repeated for the rest of the year. Additionally, due to certain programmes such as Embraer's, the division's revenue is expected to decline on an organic basis in the second half of 2019 in comparison with the same period in 2018.

In Q2 2019, Latécoère's Aerostructures division won new tenders which consolidated its leading position in the door segment and supported its long-term strategy. Latécoère signed a contract with Daher for the industrialization and production of the Dassault Falcon 6X baggage door. Furthermore, the Group signed another door contract for a business jet programme.

The Interconnection Systems division's business momentum continued during the first half of 2019, with revenue up 11.3% at constant exchange rates and 13.1% on a reported basis, reaching €156.4 million. An important milestone has been passed with the delivery of the entire EWIS harness set for the Mitsubishi M90, developed in only 1.5 years (architecture, design, manufacture and certification). Two additional complete harness sets will follow before the end of 2019.

The strong production rate of both divisions impacted the working capital of the Company during the first half of 2019.

Latécoère's established leadership position for LiFi Technology

During the International Paris Air Show in June 2019, Latécoère revealed their pioneering strategy with regards to LiFi and redefined the way passengers can access and send data while flying. LiFi, an optical communication technology serves as an alternative to WiFi and offers multiple benefits. This technology underlines Latécoère's major efforts towards R&T over the past three years.

In order to demonstrate the power of LiFi transmission speeds at Le Bourget, Latécoère has partnered with Ubisoft and Air France to launch a never-seen-before tournament based around Ubisoft's video game *Trackmania² Stadium*. The final rounds of the tournament will take place on a one-off Air France commercial flight in an aircraft specially modified for the occasion, with 12 seats equipped with Latécoère's LiFi technology.

Lastly, Latécoère will participate in the APEX EXPO, the industry's large PaxEx event dedicated to worldwide passenger airline experience in Los Angeles in September and is also shortlisted for the Crystal Awards thanks to its LiFi technology.

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 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.

Post-closing event: US-based acquisition

On July 9th, 2019, Latécoère signed a contract to acquire the monitor business of Aircraft Cabin Systems (ACS), an important monitor supplier for the aeronautics sector based in Washington State, USA. ACS holds more than 100 certifications on products dedicated to IFE (In-flight Entertainment). Its monitors, which range from 6 to 80 inches, are tailor-made and include several high-tech features (HD, 4K, all

types of connectivity, etc.). They are mainly produced in smaller quantities for a large number of aircrafts, including business jets as well as Airbus' and Boeing's programmes. Thanks to this transaction, Latécoère completes its product range in the aircraft cabin sector, whilst strengthening their presence in the United States. The transaction was completed in July 2019.

Appointments

Following GIFAS's (*Groupement des industries françaises aéronautiques et spatiales*) Annual General Meeting held on the 4th of July 2019, Yannick Assouad has been appointed Vice-President of GIFAS. She also became Vice-President of the Aeronautical and Defence Equipment Group (GEAD) of GIFAS during its Plenary Assembly on the same day.

Furthermore, Emmanuel Remy, Director of the Aerostructures Division of the Latécoère Group, has joined the Strategic Orientation Committee of Aerospace Valley and has been appointed President of Excellence Ecosystem (E²) Aerostructures - Mechanics.

Upcoming publications

Interim results on September 4, 2019

Third-quarter revenue on October 23, 2019

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 aircrafts), specializing in two fields:

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

At 31 December 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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