

Latecoere Reports 2026 Half Year Results: Delivering on customer ramp up and investing in revenue growth

- Revenue reached €431.6 million - c.19% organic growth - driven by higher customer demand, production ramp-ups, and commercial initiatives.
- Ca. €18m drop in recurring EBITDA reflecting growth-related investments and headwinds (inflation, supply chain and FX impacts).
- Negative cash flow driven by strategic investments and higher working capital requirements.
- Continued investment to meet customer expectations.
- Cautious H2 2026 outlook given ongoing geopolitical and macroeconomic uncertainties.

Toulouse, September 22, 2026 – Latecoere, a Tier 1 supplier to major international aircraft manufacturers, announced that the Board of Directors approved Latecoere's financial statements for the half -year period ended June 30, 2026.

André-Hubert Roussel, Group Chief Executive Officer, stated:

"H1 2026 reflects both the strength of customer demand and the operational intensity required to support the aerospace industry's ramp-up while continuing to improve our operations. Across Latecoere, our teams are fully mobilized to meet our customers' production rate objectives and to support their programs with the highest level of commitment. This mobilization comes with clear priorities: we will continue to do everything possible to improve execution, delivery performance and efficiency, while never compromising on the quality of the products and services we deliver. Our newly established Latecoere Services division continued to deliver strong growth & profitability in line with our strategy. Our people's safety and engagement remain a clear foundation for our performance.

In a demanding environment marked by supply chain constraints, inflationary pressures and foreign exchange headwinds, our focus remains on operational discipline, cash management and the gradual improvement of our industrial performance. We are continuing to invest in our platform, our people and our capabilities to build a more resilient Group, aligned with our customers' needs and positioned to support their long-term growth. We are also engaging our customers on pricing and contractual discussions to propose a fair sharing of the burden of the global inflationary pressures."

2026 Half year Results

Group (€ million)	Jun 30, 2026	Jun 30, 2025
Revenue	431,6	374,6
<i>Reported growth</i>	<i>15,2%</i>	<i>6,4%</i>
<i>Organic growth</i>	<i>19,3%</i>	<i>6,9%</i>
Recurring EBITDA	3,7	22,3
<i>Recurring EBITDA margin on revenue</i>	<i>0,8%</i>	<i>5,9%</i>
Operating free cash flows from continuing operations	(5,6)	(0,4)
Net Cash Flow	(11,1)	(18,7)
Cash and cash equivalents¹	45,6	42,4
Net Debt²	162,6	174,8

¹ Cash & Cash equivalents at 30 June 2025 include €1.7 million in Mades

² Net debt is stated before consideration of RMF

Latecoere's unaudited financial results for the H1 period ended June 30, 2026, reflects the general increased level of production in the aeronautical sector as a whole. Revenues amounted to €431.6 million reflecting organic revenue growth of 19%. Actual growth including the effect of the disposal of MADES in August 2025 was +15.2%. This underlying increase in revenues was driven by higher production rates from OEMs, additional revenue from new business wins and the conclusion of commercial initiatives.

The Group reported recurring EBITDA of €3.7 million in the first half of 2026, compared with €22.3 million in the first half of 2025. The decline in underlying profitability reflects investment in short-term resources to support the significant increase in customer demand as well as continued inflationary pressures, increasing order lead times and ongoing supply chain disruptions. The investment in these resources will enable continued growth in H2 2026 and 2027 and management expects productivity to improve in H2 2026. However, given the complex global macro environment with the ongoing Iran crisis and high oil prices, Latecoere is cautious on the knock-on raw materials and energy inflation impact ahead both in H2 2026 and looking towards 2027

The group has also suffered from adverse foreign currency movements with the medium-term trends of weakening US Dollars and strengthening Mexican Pesos and Brazilian Real against the Euro. .

Latecoere's net financial result amounted to -€7.9million in H1 2026, compared with -€16.3 million in H1 2025, reflecting similar net interest cost on the PGE loans and other indebtedness outstanding during the period but with lower unrealised exchange losses on foreign currency denominated debt in H1 2026.

The Group's net result for H1 2026 amounted to -€23.5 million, compared with -€6.8 million for H1 2025.

Operating free cash flow from continuing operations amounting to (€5.6) million outflow primarily reflects:

- The recurring EBITDA of €3.7 million.
- Non-recurring cash costs of €0.1 million primarily related to the ongoing transfers of work and related restructuring offset by the gain on the disposal of our plant in Labège, France.
- Further investments of €6.3 million into capital expenditures.
- A net increase in total working capital of €1.9 million; and
- Tax payments of €1.5 million

At the end of June 2026, cash and cash equivalent stood at €45.6 million. The net debt at the end of June 2026 stood at €162.6 million (excluding the Retour à Meilleur fortune ('RMF') obligation of €7.2 million).

New Segmental reporting

On July 1, 2025, the group formalized a transformation towards a more integrated and customer-centric organization. The new structure moves from a product-oriented structure to an integrated matrix model, combining the product approach and the geographical approach and where regions focus on serial production of Aerostructures and Interconnection Systems activities for OEMs according to customer location. Latecoere Services presents a global offering with two platforms to serve its customers: Toronto Canada and Los Angeles US for American customers and Toulouse France for other customers worldwide. These organizations now form the backbone of the Latecoere group.

In accordance with IFRS, the Group applied this new segment structure prospectively, starting with the annual consolidated financial statements for the year ended December 31, 2025. Therefore, the Group's historically defined business segments were modified to reflect the Group's new organizational structure. The Group now operates through the following four activities: Aerostructures, Interconnection systems, Latecoere Services and Space, but only segmentally report Aerostructures, Interconnection System and Latecoere Services, as the Space business does not individually exceed any of the thresholds defined by IFRS. For the H1 period ended June 30, 2026 the Group's new segments reported the following results:

New Definition (€ million)	Aerostructures	Interconnections Systems	Latecoere Services	Total Group
Consolidated revenue	237,0	139,2	55,3	431,6
Recurring EBITDA	-25,6	16,0	13,3	3,7
<i>Recurring EBITDA margin on revenue</i>	<i>-10,8%</i>	<i>11,5%</i>	<i>24,1%</i>	<i>0,8%</i>

Aerostructures

Revenue for Latecoere's Aerostructures Division increased by +16.6% on a reported basis vs 2025. The segment's activity benefited from increased production rates and the benefit of commercial initiatives concluded in 2025 and beginning of 2026.

The division's recurring EBITDA amounted to a loss of (€25.6) million, representing a significant decline from the €5.6 million reported in the prior year. This reflects an investment in short term resources to support the significant increase in customer demand as well as continued inflationary pressures, [increasing order](#) lead times and ongoing supply chain disruptions. The supply chain disruptions and lower initial productivity in the ramp up period has led to costs outpacing deliveries and hence margin compression. The Aerostructures Division has also been significantly affected by the adverse foreign currency movements with the medium-term trends of weakening US Dollars and strengthening Mexican Pesos and Brazilian Real against the Euro. Through conscious focus on cost control, productivity improvements, pricing discussions with customers and the continuation of the ramp up, the Group expects to return normal margins in the remainder of 2026.

Aerostructures (€ million)	Jun 30, 2026	Jun 30, 2025
Consolidated revenue	237,0	203,2
<i>Reported growth</i>	<i>16,6%</i>	
Recurring EBITDA	(25,6)	5,6
<i>Recurring EBITDA margin on revenue</i>	<i>-10,8%</i>	<i>2,8%</i>

Interconnection Systems

Revenues of €139.2 million a significant growth of 16% compared with 2025 on a reported basis. Underlying growth, considering the effect of the disposal of MADES in August 2025, is approximate 30%. This underlying performance reflects growth in both European and American programs and a richer mix of configuration types year over year.

Recurring EBITDA for the Interconnection Systems division reached €16.0 million, an increase of €8.3 million from €7.7 million from the prior year. Removing the effect of the MADES disposal, the underlying recurring EBITDA grew by €9.9 million, which is approximately 2.6 times the previous year's level, reflecting tight costs control, and better commercial terms and conditions achieved with customers plus improved product configuration mix.

Nevertheless, the group had to invest to support certain programs experiencing significant increase in customer demand, inflationary pressures, increasing order lead times and ongoing supply chain disruptions. The supply chain disruptions and low initial productivity in the ramp up period for these programs has led to costs outpacing deliveries. The Interconnection Systems division has also been affected by the adverse foreign currency movements with the medium-term trends of weakening US Dollars and strengthening Mexican Pesos against the Euro.

Interconnection Systems (€ million)	Jun 30, 2026	Jun 30, 2025
Consolidated revenue	139,2	120,1
<i>Reported growth</i>	<i>16,0%</i>	
<i>Organic growth</i>	<i>29,9%</i>	
Recurring EBITDA	16,0	7,7
<i>Recurring EBITDA margin on revenue</i>	<i>11,5%</i>	<i>6,4%</i>

Latecoere Services

Revenues of €55.3 million delivering a growth of 7.8% compared with 2025 on a reported basis. This performance reflects growth in both European and American aftermarket and services market, key contract wins and better commercial terms.

Recurring EBITDA for the Services division reached €13.3 million, an increase of €4.4 million from €8.9 million from the prior year reflecting volume growth, tight costs control, and better commercial terms and conditions achieved with customers.

Latecoere services (€ million)	Jun 30, 2026	Jun 30, 2025
Consolidated revenue	55,3	51,3
Reported growth	7,8%	
Recurring EBITDA	13,3	8,9
Recurring EBITDA margin on revenue	24,1%	17,4%

2026 Outlook

Inflationary pressures and challenges arising from operating within a constrained aerospace supply chain are continuing in 2026. OEM volume growth for commercial, business jet and defense market sub-segments continue to significantly ramp up and improve overall revenue, but the ramp-up in activity results in challenges and cost pressures for the whole industry, as precisely experienced by Latecoere in H1 2026. To alleviate these challenges, Latecoere continues to invest in its operating platform, people and geographic footprint, creating a more resilient business model better positioned to grow with customer requirements and it will continue to monitor its liquidity and key operating metrics very closely. We expect to see further improvements in profitability and cash flow resulting from increased volumes and the focus on improving operational efficiency across all parts of the business versus H1 2026. We are also convinced that the business is well positioned to capitalise on the continuing, strong market demand for civil, military and space products and from the strong prospects for our customer services and after-market business. Latecoere's outlook for FY 2026 includes:

- Continued volume growth across most major programs
- A full year effect of the operational and commercial initiatives started in H1 2026 plus improving productivity and cost control in H2 2026
- Continued cost inflation across bill of materials and labour cost but largely counterbalanced by (i) new commercial negotiation; (ii) restricting indirect operating costs whilst accommodating volume growth; and (iii) delivering cost savings from our value creation programs.
- Notwithstanding our last press release, given all the factors cited above along with our H1 2026 operating performance, we now forecast lower underlying profitability / Recurring EBITDA than the level achieved in 2025.
- This deterioration of the profitability as well as the working capital needs to support the ramp ups will lead to a marginal decline in operating free cash flow compared that generated in the prior year.

Significant Events in the Period

No significant events occurred in the period.

Post-closing events

An agreement in principle has been reached with the PGE (French State-Guaranteed Loan) lenders regarding a renegotiation of the terms and conditions of the PGE debt. This agreement in principle provides for an extension of the maturity period for this debt until December 31, 2029, a revision of the ratios incorporated into the financial covenants for the period from December 2026 to December 2029 and an amendment to the debt amortization schedule. The finalization of this agreement is expected by end of October 2026.

In addition, an agreement to increase the Group's asset-backed financing facility was finalized in July with BZ Private Credit Limited.

About Latecoere

A Tier-1 partner to major industry leaders (Airbus, Boeing, BAE System, Bombardier, Dassault Aviation, Embraer, Honda Aircraft, Lockheed Martin, Thales, etc.), Latecoere pushes the boundaries of aerospace industrial excellence by leading and innovating toward a sustainable world.

The Group operates across all segments of the industry (commercial, regional, business aviation, defense), throughout the entire product lifecycle, primarily in four business areas:

- **Aerostructures**: doors, fuselage, wings and empennage, rods;
- **Interconnection Systems**: wiring, avionics racks, on-board systems, test benches;
- **Services and special products** : customer support, maintenance, repair, video systems;
- **Space** : electrical harnesses and sub-assemblies for satellites, launchers, and space vehicles.

Latecoere operates close to its customers through facilities in 13 countries, organized into two regions: EMEA-Asia on one side, and the Americas on the other. In 2025, the Group employed more than 6,000 people and generated revenue of €756.7 million.

Latecoere is listed on Euronext Paris – Compartment B
ISIN Code: FR001400JY13 – Reuters: AEP.PA – Bloomberg: AT.FP

www.latecoere.aero

Media Relations

Thierry Mahé, Group Communications Director
+33 (0)6 60 69 63 85
LatecoereGroupCommunication@latecoere.aero

Investor Relations

mandataires-ag-latecoere@latecoere.aero

Consolidated financial statements (IFRS)

Consolidated Income statement

<i>In thousands of euros</i>	Jun 30, 2026	Jun 30, 2025
Sales figures	431 555	374 606
Other operating income	1 285	-9
Stocked production	2 899	6 009
Purchases and external charges	-275 751	-227 597
Personnel expenses	-156 170	-128 163
Taxes	-5 093	-4 963
Depreciation, amortization and impairment	-16 934	-18 752
Net additions to operating provisions	1 060	1 574
Net additions to current assets	-303	-757
Other products	2 961	3 849
Other expenses	-25	-2 277
OPERATING INCOME RECURRING	-14 517	3 519
Other non-recurring operating income	6 504	5 673
Other non-current operating expenses	-6 513	-12 251
OPERATING INCOME	-14 526	-3 059
Cost of net financial debt	-6 460	-6 530
Foreign exchange gains and losses	318	-7 065
Unrealized gains and losses on derivative financial instruments	99	-305
Other financial income and expense	-1 816	-2 390
FINANCIAL RESULT	-7 858	-16 289
Income tax	-1 155	12 523
NET INCOME FROM CONTINUING OPERATIONS	-23 539	-6 825
NET INCOME FROM DISCONTINUED OPERATIONS	-	-
NET INCOME	-23 539	-6 825

Consolidated Balance sheet

<i>In thousands of euros</i>	Jun 30, 2026	Dec 31, 2025
Goodwill	14 227	14 227
Intangible assets	87 603	95 339
Property, plant and equipment	85 795	89 552
Other financial assets	6 430	6 446
Deferred taxes	1 015	0
Derivative financial instruments	0	3 704
Other long-term assets	0	-
TOTAL NON-CURRENT ASSETS	195 070	209 268
Inventories and work-in-progress	250 743	232 813
Trade and other receivables	125 276	108 990
Tax receivables	9 501	8 089
Derivative financial instruments	2 800	11 582
Other current assets	5 395	3 789
Cash and cash equivalents	45 694	56 769
TOTAL CURRENT ASSETS	439 410	422 032
TOTAL ASSETS	634 480	631 300

<i>In thousands of euros</i>	Jun 30, 2026	Dec 31, 2025
Capital	127 319	127 231
Additional paid-in capital	326 000	326 087
Treasury stock	-452	-447
Other reserves	-370 682	-341 732
Derivative financial instruments - effective portion	-7 162	9 701
Net income / loss for the period	-23 539	-32 141
ISSUED CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	51 484	88 699
NON-CONTROLLING INTERESTS	-	-
TOTAL SHAREHOLDERS' EQUITY	51 484	88 699
Borrowings and financial liabilities	104 840	186 869
Repayable advances	24 071	25 603
Commitments to employees	13 148	12 553
Non-current provisions	15 530	19 253
Deferred taxes	4 767	9 525
Derivative financial instruments	5 841	1 446
Other non-current liabilities	771	99
TOTAL NON-CURRENT LIABILITIES	168 969	255 349
Borrowings and bank overdrafts	110 878	28 289
Repayable advances	2 830	2 313
Current provisions	8 121	10 648
Trade and other payables	206 403	165 329
Tax payable	4 242	4 239
Contract liabilities	37 374	39 746
Other current liabilities	38 910	36 658
Derivative financial instruments	5 270	30
TOTAL CURRENT LIABILITIES	414 028	287 252
TOTAL LIABILITIES	582 996	542 601
TOTAL EQUITY AND LIABILITIES	634 480	631 300

Consolidated cash flow statement

<i>In thousands of euros</i>	Jun 30, 2026	Jun 30, 2025
Net income for the period	-23 539	-6 825
Adjustment for :	-	-
Depreciation and provisions	16 406	18 053
Elimination of revaluation gains/losses (fair value)	-99	305
(Gains)/losses on asset disposals	-3 223	119
Other non-cash items	1 179	-144
Other	1 256	797
CASH FLOW AFTER COST OF NET DEBT AND TAX	-8 020	12 306
<i>Of which cash flow from discontinued operations</i>	-	-
Income tax expense	1 155	-12 523
Cost of debt	6 460	6 530
CASH FLOW FROM OPERATIONS BEFORE COST OF DEBT AND TAX	-404	6 313
Change in inventories net of provisions	-16 157	-564
Change in trade and other receivables net of provisions	-18 697	16 347
Change in trade and other payables	35 139	-13 009
Tax paid	-1 527	-2 694
CASH FLOW FROM OPERATING ACTIVITIES	-1 648	6 392
<i>Of which cash flow from operating activities related to discontinued operations</i>	-	-
Impact of changes in scope of consolidation	-	-
Acquisitions of tangible and intangible fixed assets (including change in fixed asset suppliers)	-6 343	-7 024
Acquisition of financial assets	-	-
Change in loans and advances	59	-209
Disposal of property, plant and equipment and intangible assets	4 414	374
Dividends received	1	-
CASH FLOW FROM INVESTING ACTIVITIES	-1 870	-6 859
<i>Of which cash flow from investing activities related to discontinued operations</i>	-	-
Capital increase	-	1 100
Purchase or sale of treasury shares	-5	-6
Bond issues	4 544	-
Loan repayments	-148	-4 447
Repayment of lease obligations	-5 492	-5 707
Interest paid	-5 636	-6 770
Cash flow from repayable advances	-1 017	-104
Other flows from financing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES	-7 754	-15 934
+/- impact of exchange rate fluctuations	188	-2 252
CHANGE IN NET CASH AND CASH EQUIVALENTS	-11 083	-18 653
<i>Of which net cash from discontinued operations</i>	-	-
Opening cash and cash equivalents (net of bank overdrafts)	56 715	59 374
Closing cash and cash equivalents (net of bank overdrafts)	45 632	40 721