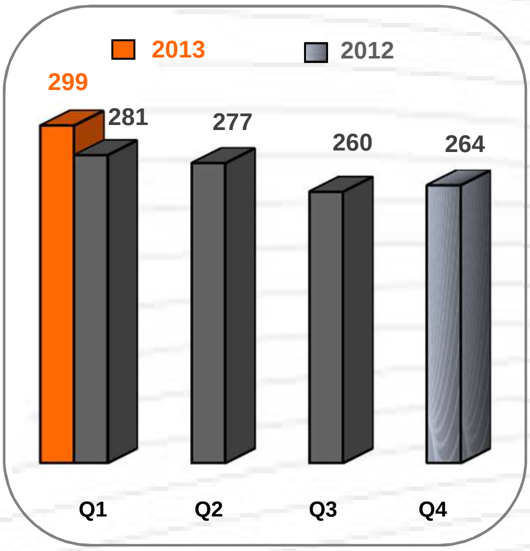
LINK SOLUTIONS FOR INDUSTRY

Internal growth up 7%, benefits from continuing dynamism in aerospace

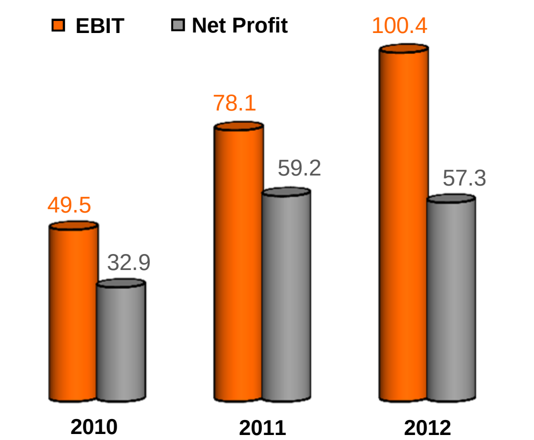
FINANCIAL INFORMATION

Quarterly Consolidated sales

In million euros



EBIT* & Net Profit in €M



* After participation and profit-sharing expenses

- Maintained increased rate of growth at LISI AEROSPACE: +21.9%
- Drop at LISI AUTOMOTIVE limited to 9.7%, bearing in mind a high point for comparison with Q1 2012
- Drop of 10.8% in the business of LISI MEDICAL, which is still repositioning itself in a flat market

in millions of euros			Change	
	2013	2012	2013/2012	2013/2012 on a like for like basis
Cumulative, as of March 31	**298.6**	**281.2**	**+ 6.2 %**	**+ 7.0 %**

At €298.6m for Q1 2013, growth of 6.2% in LISI Group sales revenues and 7% at same consolidation scope and unchanged exchange rates reflects the sustained dynamism of the aerospace business: it represents 58% of consolidated sales revenues, as against 50% for the comparable period last year.

The effect of variation of the US dollar to the euro was not material for the period (average exchange rate in 2013 of US$1.32 per euro as against US$1.33 in Q1 2012). With persistent growth over several consecutive quarters, the share of consolidated sales revenues outside France represented 68% of the total, being €201.9m for the quarter.

COMMENTS BY LINE OF BUSINESS

LISI AEROSPACE (58% of total consolidated revenue)

- Sustained growth in the USA (+27.3%) on account of Boeing
- Good performance by "Europe Fasteners" (+16.0%)
- Structural components were up in line with the growth rates (+14.8%)

in millions of euros			Change	
	2013	2012	2013/2012	2013/2012 on a like for like basis
Cumulative, as of March 31	**172.9**	**141.8**	**+ 21.9 %**	**+ 21.6 %**

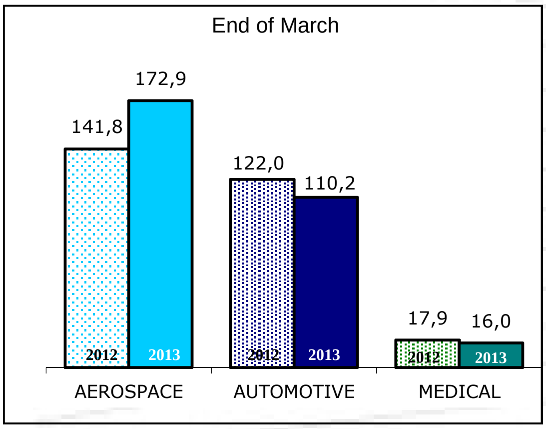
Very large orders placed by the two major global manufacturers during Q1 2013 have sustained the favorable climate for growth in the sector and confirm their growth scenarios. In a very favorable environment, Airbus has started an assembly line for the A320 in Mobile (Alabama) and expects 750 orders in 2013, at a higher level than deliveries (about 640 aircraft).

At the end of March Airbus had already accounted for 431 gross orders and Boeing for 220, which is 384 counting the 175 B737 NG ordered by Ryanair. Deliveries were 144 for Airbus and 137 for Boeing. These figures strengthen the back order book and accordingly the sector's visibility.

Deliveries by LISI AEROSPACE during Q1 were sharply up in all areas. The "Europe Fasteners" business benefited from changes made to the A320 range (sharklets) and A380 (wings retrofit), as well as the retention of certain parts for the A350. Increased business can also be seen in equipment and engines. Growth in the USA reached 27.3%, sustained by growth in all models, continuation of production of the B787 and full operation of a new contract with Boeing. Increases in market share of high added-value products with GEAE should be highlighted, benefiting the Dorval (Canada) plant.

Business of the "Structural Components" segment, maintained by growth in both aerostructures and equipment, has continued the growth path seen for several quarters (+14.8%). Deliveries of parts for the new programs are also going ahead according to schedule.
Operations of all the LISI AEROSPACE industrial sites do not call for particular comment in respect of quality, on time deliveries and the development of new products. These favorable factors have allowed the division to sustain the excellent financial performance of 2012. Such achievements are of course due to a high level of industrial investments across the division.

Sales in million euros



LISI AUTOMOTIVE (37% of total consolidated revenue)

- Strong performance by premium manufacturers in still declining European market (-10%)
- LISI AUTOMOTIVE has limited the drop (-7.9%) on account of German manufacturers and worldwide parts manufacturers, notwithstanding an unfavorable basis of comparison.

in millions of euros			**Change**	
	2013	**2012**	**2013/2012**	**2013/2012 on a like for like basis**
Cumulative, as of March 31	**110.2**	**122.0**	**- 9.7 %**	**- 7.9 %**

New registrations of private vehicles in Western Europe were down 9.7% for the quarter (source ACEA), with sharp drops recorded in France, Italy, Spain as well as Germany. This deterioration was expected and does not put into question a drop of about 5% for the whole year.

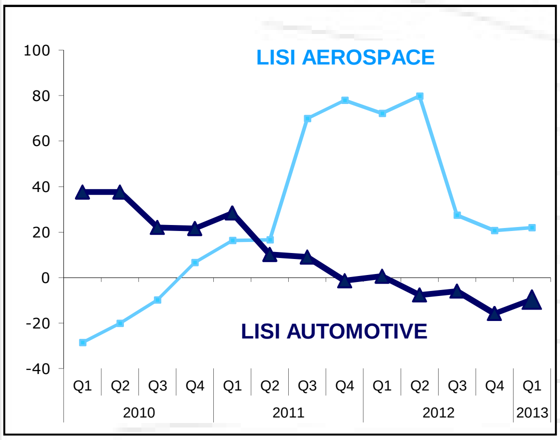
Some premium manufacturers are still posting encouraging growth, such as BMW (+5.6% for worldwide sales), Audi (+6.8%) and Mercedes (+3.5%). Among regular manufacturers, Volkswagen (+5.2%) is benefiting from its strong position in Asia.

The sales revenues comparison reference for 2012 included the sales of KUT, sold in April 2012, of €2.4m and a stronger automotive market. In this context a reduction of 9.7% in the division's sales revenues to €110m nonetheless represents performance close to internal targets and exactly in line with market developments

Among LISI AUTOMOTIVE customers the drop in business has been particularly marked for French car manufacturers, and two times less for German customers. For the quarter, March has seen a bigger decline than the previous months; however, the order books are more solid for April and May. The major world equipment manufacturers are showing stronger performance in the area of passive safety (brakes, steering and safety belts).

The operations of the LISI AUTOMOTIVE sites have been adjusted gradually to maintain a stable inventory value level. The general execution level has also improved, especially in Germany and in the fields of clipped fasteners and safety components.

% Sales Variation per division / N-1

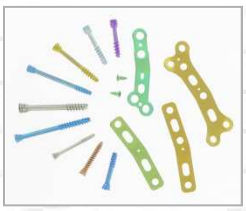


LISI MEDICAL (5% of total consolidated revenue)

- Slower levels than expected
- Continuing repositioning and growth efforts

in millions of euros			Change	
	2013	**2012**	**2013/2012**	**2013/ 2012 on a like for like basis**
Cumulative, as of March 31	**16.0**	**17.9**	**- 10.8 %**	**- 10.9 %**

Overall the medical sector is still growing, but thanks only to high-growth countries where the orthopedics market is only getting organized. In developed countries and especially in the USA, flat demand reflects the caution shown by all players and has weighed on the expected re-establishment of inventories at the start of the year.



In an extension of the end of 2012, LISI MEDICAL has posted a drop that mainly affects LISI MEDICAL Orthopedics on account of weak demand from its largest customer, Stryker, which could not be set off against new products in development. In addition, the Caen site lost 3 manufacturing days on account of exceptional weather conditions in March. The "Fasteners" segment, which is still sharply down in the dental market, is undergoing a gradual recovery, with many projects in the spinal column field.

The correctness of the LISI MEDICAL strategy has been reinforced by many contacts and current projects, which ought to support volumes in the current financial year and at the end of the day will be reflected in the division's financial performance. The plan to launch unbranded orthopedic products has been started off with a first, major customer.

PROSPECTS AND COMMENTS ON THE FINANCIAL IMPACT OF THE BUSINESS

The depth and visibility of the order book for the entire aerospace sector allows some optimism for the coming quarters. However, on the US platform, the uncertainty of restarting B787 flights might cause some delays to the expected growth in this region. Accordingly the growth rate of the "Fasteners" business ought logically to slow down progressively over the coming quarters. The "Structural components" business ought to continue at a more dynamic pace.

In the car world, the first highly worrying figures from the European market are not incompatible with a drop restricted to -5% across the whole year. The target of maintaining in 2013 business levels for LISI AUTOMOTIVE close to those of 2012 still remains all the more likely since the sites working with German car makers and parts manufacturers have posted relatively good performance. Despite certain continuing difficulties in execution, the division's recovery is underway and will develop as the industrial reorganization and performance improvement projects start to bear fruit.

LISI MEDICAL's business ought to gradually benefit from repositioning and from the many development projects.

Achievements in the first quarter were in line with the Group's broad strategy and allow it to confirm its target of improving its consolidated sales revenues and operating margin[1] sustained by still strong demand in aerospace. The strength of its financial structure has been reinforced, providing the resources required to implement an ambitious investment policy while generating a Free Cash Flow[2] that ought to remain positive.

[1] Operating margin is the ratio of EBIT to sales revenues

[2] Free Cash Flow is defined as Net Income plus such non-monetary items as depreciation less investments and variances in Working Capital Requirements

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The next announcements will appear after close of trading on Paris Euronext

- **H1 results 2013: July 24th, 2013**
- **Q3 2013: October 24th, 2013**