

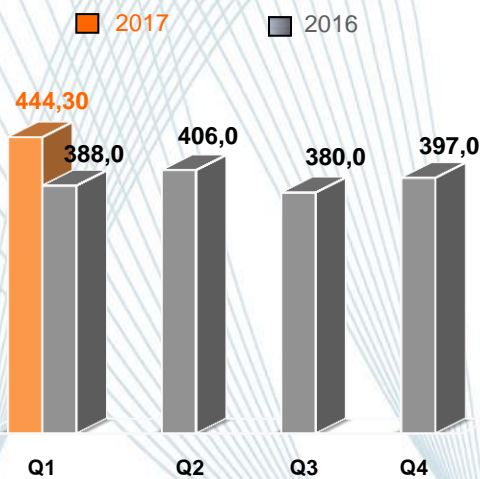


LISI Group announces a 14.5% revenue growth in Q1 2017, supported by organic growth of nearly 10%

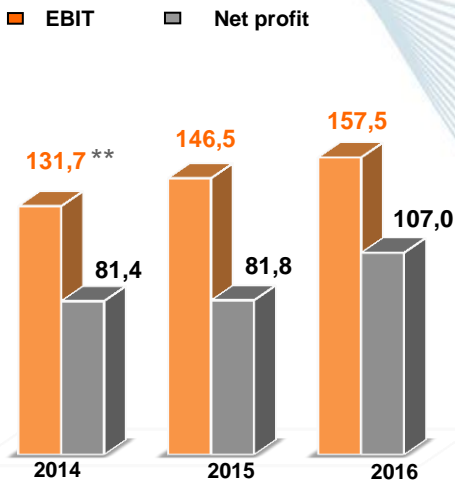
- **LISI AEROSPACE** : +11.7%
 - European market extremely dynamic
 - Sustained ramp-up of new programs
- **LISI AUTOMOTIVE** : +6.6%
 - Steady European market Increased contribution from new developments launched in previous years
- **LISI MEDICAL** : +103.1%
 - Organic growth: +11.5%

Quarterly Consolidated sale

In million euros



EBIT* & Net Profit in €M



Revenue in €m	Changes			
	2017	2016	2017/2016	2017 / 2016 On a like for like basis
Cumulative as of March 31	444.3	388.0	14.5 %	9.9 %

On a like-for-like basis, the 9.9% increase in revenue in the first quarter of 2017 confirms the acceleration in organic growth recorded in 2016 (+3.6% in the first half and +5.6% in the second half).

These consolidated figures are the result of the positive performance of the Group's three divisions. The aerospace division gained +11.7%, benefiting from a very dynamic European market and from the still sustained ramp-up of new programs. In the automotive division, the growth rate is solid at +6.6% and confirms the good trend of 2016. The division is also benefiting from a robust European market (+8.4%) and from the developments initiated in recent years. The medical division increased by +103.1% after the consolidation of LISI MEDICAL Remmele with organic growth at 11.5%.

The difference between reported revenue and organic growth can be explained by:

- A positive impact related to the consolidation of acquisitions:
 - LISI MEDICAL Remmele (USA) was consolidated as of May 1st, contributing, as expected, €17.4 million or 3.9% of consolidated revenue,
 - Ankit Fasteners (India), following the purchase of a majority stake by the LISI Group, is contributing €1.4 million, or 0.3% of consolidated revenue
- The favorable impact of foreign currencies (€2.8 million)
- The disposal of Précimétal Fonderie de Précision (Belgium) on February 2nd, 2017 (-€2.9 million) in 2016.

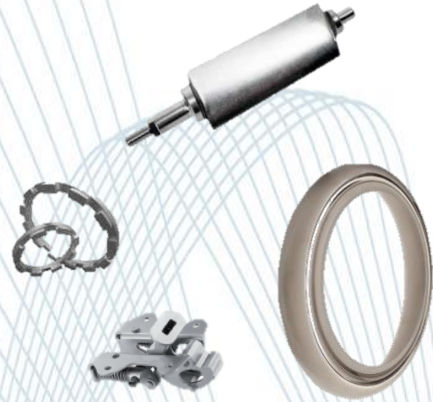
Consolidated revenues generated outside France account for 65% of consolidated revenue, or €287.9 million in total, stable compared to 2016 (62%; €241.7 million).

* After participation and profit-sharing expenses

** IFRIC 21 restated

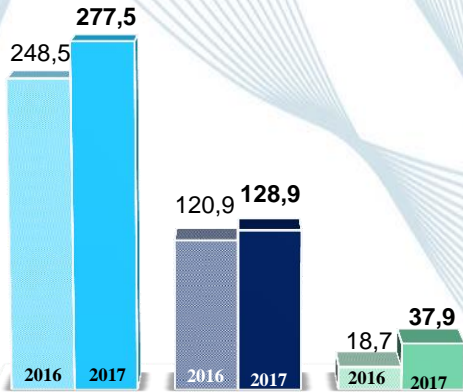
LISI AEROSPACE (62% of the consolidated total)

- Sustained organic growth in a solid European market
- Fast ramp-up of new programs
- First signs of recovery in businesses generated with Boeing in the United States, yet below expected levels
- Strong prospects in the commercial aircraft market



Sales in million euros

End of March



AEROSPACE AUTOMOTIVE MEDICAL



Revenue in €m

	Changes			
	2017	2016	2017/2016	2017 / 2016 On a like for like basis
Cumulative as of March 31	277.5	248.5	11.7 %	11.7 %

At €277.5 million, Q1 2017 revenue increased by 11.7% compared to the same period in the previous financial year (€248.5 million).

In line with 2016, the division is benefiting from the continuing rapid ramp-up of new programs on the European market. The "Fasteners Europe" segment grew by +20.1% with the completion of deliveries for the assembly line of the A350. The "Fasteners North America" segment reported an increase in shipments to Boeing over the quarter but did not return to levels recorded prior to the aircraft manufacturer's reorganization in 2016. The "Structural Components" segment, whose products are mainly for the European market, is also experiencing satisfactory growth of +8.9%.

On a like-for-like basis, taking into account the foreign exchange effect, sales rose by +11.7%.

In terms of operations, the structuring projects launched by the division are on track with the announced roadmap: service rate targets for the new programs and the modernization plan for the "Forging" segment are in line with objectives.

Production facilities of the "Fasteners" segment benefits not only from a favorable volume effect in Europe but also from the productivity gains resulting from the implementation of the LEAP plan (LISI Excellence Achievement Program) which includes the deployment of the robotization project.

Comments on performance and outlook

The commercial aircraft segment continues to enjoy good visibility, in particular regarding single-aisle aircraft and new programs. The confirmation that Boeing's order books are picking up still remains an area of focus. By the end of the current financial year, it should make it possible to offset the expected slowdown in the "Fasteners Europe" business after the peak of activity caused by the initial allocation phase of the Airbus A350 program.

Other market segments served by LISI AEROSPACE, including helicopters, military and business aircraft, as well as regional aircraft, are experiencing persistent difficulties.

The ambitious ramp-ups of the new programs initiated since 2016, although largely anticipated, raise real challenges that the LISI Group will continue to overcome. The still significant costs of non-quality and industrialization of parts with a high technical complexity dedicated to new programs (Airbus and Safran) in various sites should continue to be gradually absorbed.

The Aerospace division is also continuing to modernize its production facilities by investing in long-term projects, such as the development of new products and the implementation of the "robotization" project.

LISI AUTOMOTIVE (29% of the consolidated total)

- Good trend observed in 2016 confirmed
- Organic growth in steady European markets
- Good dynamics in mechanical safety components and clipped solutions



Revenue in €m	Changes			
	2017	2016	2017/2016	2017 / 2016 On a like for like basis
Cumulative as of March 31	128.9	120.9	6.6 %	6.6 %

The division posted +6.6% growth for the first quarter compared to last year. It is the "Mechanical Safety Components" business that fully benefits from the new developments of recent years and which, therefore, is showing the strongest increase. The "Clipped Solutions" segment also contributed to this good performance, while the "Threaded Fasteners" business lagged behind.

The general level of demand is still sustained by LISI AUTOMOTIVE's exposure to Europe (market: +8.4%). One should mention in particular the dynamism of OEMs as well as of German manufacturers. Order intake for new products in the "Clipped Solutions" and "Safety Mechanical Components" segments remains strong and has represented over 10% of revenue since the beginning of the year.

Comments on performance and outlook

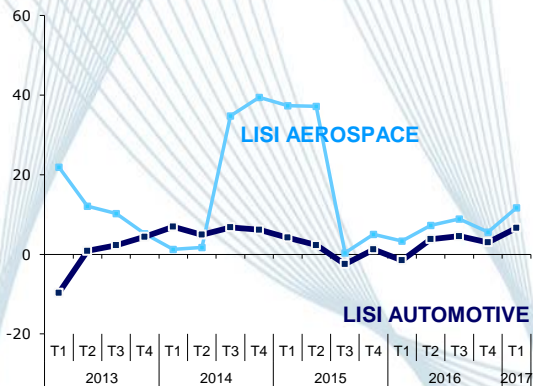
In terms of operations, "Clipped Solutions" and "Security Mechanical Components" Business Groups are enjoying the benefits of the gradual recovery of most of the French sites in the "Threaded Fasteners" Business Group.

Improvement works to the Saint-Florent-sur-Cher site, launched in 2016, are producing encouraging initial results and will continue into 2017.

The division's logistics remains very good, enabling teams to focus on streamlining the production organization, implementing the LISI Excellence Achievement Program (LEAP), and increasing productivity, with view to improve the return on actual investments.

The level of order intake remains very high, while the site in Monterrey (Mexico) confirms the interest of LISI AUTOMOTIVE customers for this geographical area. The same goes for projects launched in China (Shanghai plant).

% Sales Variation per division / N-1





LISI MEDICAL (9% of the consolidated total)

- Good level of order intake and business with existing clients and new clients (orthopedics and minimally invasive surgery)
- Good consolidation of LISI MEDICAL Remmele

Revenue in €m

	Changes			
	2017	2016	2017/2016	2017 / 2016 On a like for like basis
Cumulative as of March 31	37.9	18.7	103.1 %	11.5 %

On a like-for-like basis and at constant exchange rates, first quarter revenues were up on previous quarters, confirming the development of existing products and the gradual ramp-up of clients' new programs.

In line with expectations, since May 2016 the division has benefited from the consolidation of LISI MEDICAL Remmele (United States), which contributed €17.4 million in revenue over the period.

In terms of operations, the division's French sites confirm the progress achieved since 2016. The sites of LISI MEDICAL Remmele reach performance levels that are in line with expectations.

Comments on performance and outlook

The division is consolidating its fundamentals and its positioning as a reference supplier for its customers. The integration of LISI MEDICAL Remmele also provides higher visibility in the market and opens new prospects for organic growth.

PROSPECTS AND COMMENTS ON THE FINANCIAL IMPACT OF THE BUSINESS

All of the divisions of the LISI Group operate in buoyant markets with prospects for strong development.

For LISI AEROSPACE, the main point of attention for the coming months will be the control over industrialization costs of the "Structural Components" segment in the rapid ramp-up of new programs. The confirmation of the resumption of the Boeing business in the United States will also remain an area of focus.

LISI AUTOMOTIVE shows tangible signs of improvement in its performance and good progress in international projects.

LISI MEDICAL will benefit, as expected, from the full-year consolidation of LISI MEDICAL Remmele, which opens up promising prospects for organic growth with new and very dynamic markets for medical devices outside orthopedics.

After this positive first quarter, the Group confirms its objectives to grow its business and its current operating profit, as well as its Free Cash Flow¹ in value terms for 2017, with a more balanced contribution from all divisions.

¹Free Cash Flow: net operating cash flow minus net CAPEX and changes in working capital requirements



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