

## The LISI Group delivers improved financial performance in the first half of 2019, in line with objectives

- Target of return to organic growth reached in the half-year with activity up +1.3% versus the first half of 2018
- Current operating income up to €72.8 million, or 8.2% of sales, with mixed divisional performance
- Net income down, mainly due to the disposal of Indraero Siren (Argenton-sur-Creuse) and LISI AEROSPACE Creuzet Maroc
- Free Cash Flow increased to a robust level of €48.9 million as capital expenditure are stabilizing
- Decrease in net financial debt, excluding impact of +€71.6 million resulting from the first application of IFRS 16
- Targets reaffirmed: positive organic growth and Free Cash Flow, increase in financial performance

Paris, July 24, 2019 - LISI announced today its results for the first six months ended June 30, 2019, which were presented to the Board of Directors held today.

Six months ended June 30,		H1 2019	H1 2018	Change
<b>Key components of the income statement</b>				
Sales revenue	€m	886.2	835.1	+ 6.1%
EBITDA	€m	130.2	111.0	+ 17.3%
EBIT	€m	72.8	67.7	+ 7.6%
Current operating margin	%	8.2	8.1	+ 0.1 pt
Income for the period attributable to holders of the company's shareholders' equity	€m	24.9	45.8	- 45.6%
Diluted earnings per share	€	0.47	0.86	
<b>Key components of the cash flow statement</b>				
Operating cash flow	€m	107.6	94.0	+ €13.6 m
Net industrial CAPEX	€m	67.0	65.5	+ €1.5 m
Free Cash Flow <sup>1</sup>	€m	48.9	34.5	+ €14.4 m
<b>Key components of the financial situation</b>				
		H1 2019	12/31/18	
Net debt	€m	387.0 <sup>2</sup>	339.3	+ €47.7 m
Ratio of net debt to equity	%	40.5%	36.0%	+ 4.5 pts

The Group's annual consolidated outlook should be a positive natural continuation of the first half trend. The aeronautical performance of the second half of the year should largely offset the lack of recovery of the LISI AUTOMOTIVE division as well as the differences in capacity utilization among LISI MEDICAL division's sites.

The Group therefore confirms it is targeting to return to positive organic growth, to improve its financial performance of 2018 and to generate a good level of Free Cash Flow.

<sup>1</sup>Free Cash Flow: net operating cash flow minus net capital expenditure and changes in working capital requirements

<sup>2</sup> included + €71.6 million of increase of net financial debt due to IFRS 16 standard implementation