

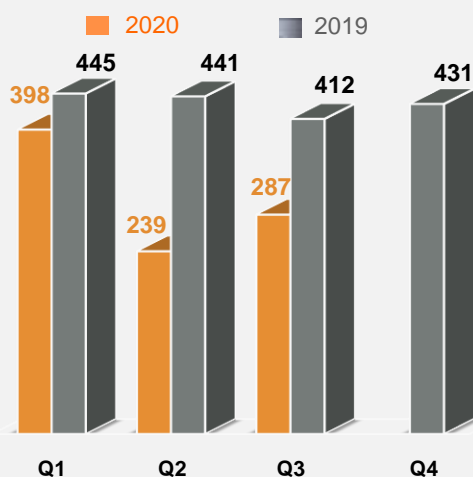
FINANCIAL INFORMATION

The LISI Group achieved consolidated sales of € 923 million in the first nine months of 2020, with an uptick in sales between Q2 (- 45.9%) and Q3 (- 30.4%) driven by the Automotive division



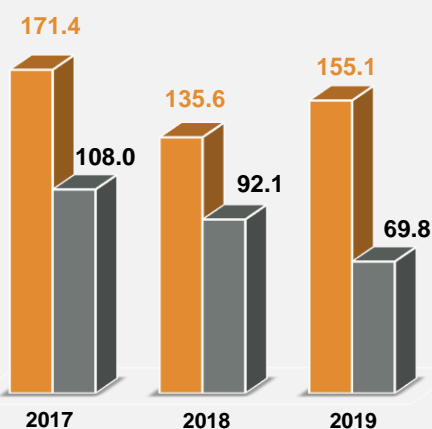
Quarterly Consolidated Sales

In million euros



EBIT* & Net Profit in €M

■ EBIT ■ Net Profit



* After participation and profit-sharing expenses

- LISI AEROSPACE: - 30.1% on a cumulative basis, - 41.4% in Q3, compared to - 39.4% in Q2
 - Lower demand for "Fasteners" in Europe and North America in Q3,
 - "Structural Components" segment still adversely affected by the double effect of the COVID-19 crisis and the suspension of the Boeing B737-Max production,
- LISI AUTOMOTIVE: - 29.1% on a cumulative basis, - 14.3% in Q3, compared to - 60.1% in Q2
 - Significant recovery in activity in Q3,
 - Firm resilience of high added value " Safety Mechanical Components" and "Clipped Solutions" segments confirmed thanks to new market share gains,
- LISI MEDICAL: - 19.2% on a cumulative basis, - 21.5% in Q3 compared to - 32.2% in Q2
 - Demand still marked by significant volatility due to the global health crisis.

In €m	Changes			
	2019	2019	2020 / 2019	On a like-for-like and constant exchange rate basis ¹
Q1	397.9	445.0	- 10.6 %	- 7.9 %
Q2	238.8	441.3	- 45.9 %	- 43.7 %
Q3	286.7	411.9	- 30.4 %	- 27.4 %
3rd quarter ended September 30,	923.4	1 298.1	- 28.9 %	- 26.2 %

At € 923.4 M, consolidated sales for the first nine months of 2020 are down by 28.9% and take into account the following factors:

- a 30.4% decline in activity in Q3, reflecting an improvement compared to the previous quarter (- 45.9%) which saw the closures of almost all the sites of the Group's main customers from March 15, 2020,
- at the end of September, a scope effect of - € 45.2 M (i.e. - 4.9% of sales) reflecting the disposal:
 - of the screws, chassis studs and ball joints segment by LISI AUTOMOTIVE Former of the Saint-Florent-sur-Cher unit on November 29, 2019,
 - of 100% of the shares of the German subsidiary LISI AUTOMOTIVE Mohr + Friedrich GmbH on June 26, 2020,
 - of the companies Indraero Siren and LISI AEROSPACE Creuzet Maroc, effective since June 30, 2019,

¹ The change on a like-for-like and constant exchange rate basis is calculated by:

- Converting sales of companies whose accounts are denominated in foreign currencies to the average rate of year N-1 or month M-1
- Converting sales involved in currencies other than the local currency to the average rate of year N-1 or month M-1
- restated to reflect consolidation scope entries and exits to allow for period-to-period comparison.



• an unfavorable foreign currency effect of - € 0.9 M, linked to the weakening of the US dollar against the euro.

On a like-for-like and constant exchange rate basis, consolidated sales decreased by - 26.4% in the first nine months of the year.

COMMENTS BY DIVISION

LISI AEROSPACE (56% of consolidated sales)

In €m	Changes			
	2020	2019	2020 / 2019	On a like-for-like and constant exchange rate basis ¹
Q1	226.7	252.6	- 10.3 %	- 6.8 %
Q2	154.3	254.4	- 39.4 %	- 36.2 %
Q3	137.5	234.8	- 41.4 %	- 39.6 %
3rd quarter ended September 30,	518.5	741.8	- 30.1 %	- 27.5 %

Aucun des acteurs du marché aéronautique mondial, qu'il s'agisse des compagnies None of the players in the global aeronautics market, whether airlines or aircraft manufacturers, recorded a positive development compared to the trends prevailing at the end of the first half of the year. Global air traffic thus stood at -75.3% at the end of August².

At € 137.5 M, the Q3 sales of the LISI AEROSPACE division were down - 41.4% compared to the same period of the previous year. This decline is amplified by the deconsolidation of Indraero Siren and LISI AEROSPACE Creuzet Maroc since July 1, 2019, which represents a decrease in sales of - € 28.7 M.

The "Fasteners" segment, which had enjoyed good momentum before the COVID-19 pandemic, posted a - 34.7% sales decline in Q3 compared to the same period of the previous fiscal year. In North America, markets outside commercial aviation (business, military, and helicopters) could not offset the collapse in demand for commercial aviation.

The contraction was most marked in the "Structural Components" segment, at - 64.8% in Q2 and stabilizing at - 54.8% in Q3. It should be noted that this activity is exposed both to the LEAP-1B engine intended for the Boeing B737-Max and to the COVID-19 crisis.

On a like-for-like basis and restated for the currency effect, the sales of the LISI AEROSPACE division are down - 39.6% in the third quarter and - 27.5% in the first nine months of the year.

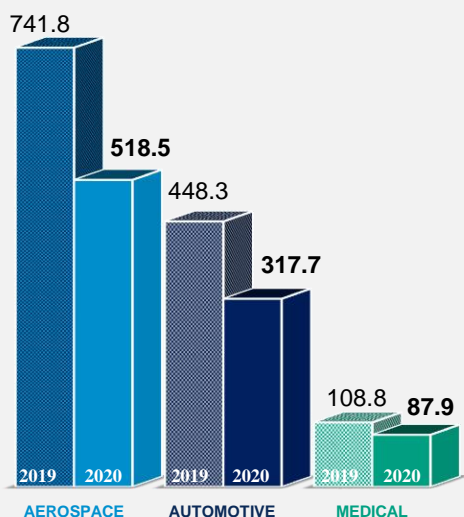
From an operational point of view, the division is responsive and adjusts its production capacities to customer demand while preserving service continuity.

Thanks to the various government support measures, the workforce could be adjusted to the severe drop in business, which is expected to last well into the future. It should also be noted that the drastic action on fixed costs significantly lowers the breakeven point.

LISI AUTOMOTIVE (34% of consolidated sales)

In €m	Changes			
	2020	2019	2020 / 2019	On a like-for-like and constant exchange rate basis ¹
Q1	136.3	156.0	- 12.6 %	- 10.2 %
Q2	60.4	151.2	- 60.1 %	- 58.4 %
Q3	121.0	141.2	- 14.3 %	- 8.7 %
3rd quarter ended September 30,	317.7	448.3	- 29.1 %	- 26.0 %

Sales in million euros End of September



² Source IATA



After a sharp collapse in demand in the first weeks of the COVID-19 crisis, the global automotive market benefited from the success of measures designed to support the automotive industry, especially in Europe. Global sales thus came out at - 5.4% in Q3, a marked improvement compared to Q2 (- 31.8%).

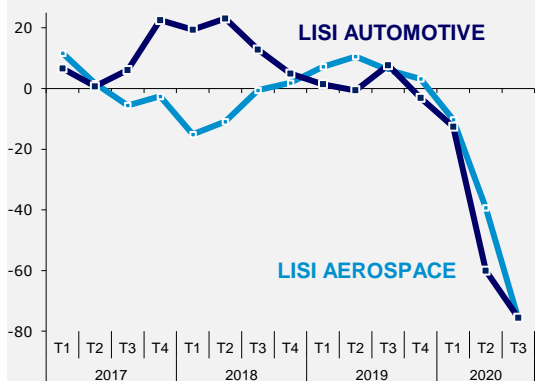
At € 121.0 M, the quarterly sales of the LISI AUTOMOTIVE division recovered to -14.3% compared to the same period of the previous year, after the - 60.1% drop recorded in Q2.

In the first nine months of the year, they were down - 29.1%, compared to a decline in global production of - 27.9% over the period under review. The high value-added "Safety Mechanical Components" and "Clipped Solutions" segments are the most resilient in the health crisis. They are supported by the gradual ramp-up of new products intended for electric, hybrid and plug-in hybrid vehicles, whose market share has more than doubled in one year in Europe (7.5% in Q2 2019; 16.8% in Q2 2020).

The scope effect was negative at - € 16.4 M over the first nine months of the year. It corresponds to the sale of the screw, frame stud and ball joint activity by LISI AUTOMOTIVE Former of the Saint-Florent-sur-Cher unit on November 29, 2019 and of 100% of the shares of the German subsidiary LISI AUTOMOTIVE Mohr + Friedrich GmbH on June 26, 2020. On a like-for-like basis and restated for the currency effect, sales for the quarter were down - 8.7% and - 26.0% on a cumulative basis.

In terms of operations, the LISI AUTOMOTIVE division took adaptation measures to make the most of the rebound in Q3 while continuing to deploy the cost reduction plan launched in the first weeks of the crisis. Inventory levels have fallen sharply and only strategic capital expenditures have been maintained.

% Sales Variation per division / N-1



LISI MEDICAL (10% of consolidated sales)

In €m	Changes			
	2020	2019	2020 / 2019	On a like-for-like and constant exchange rate basis ¹
Q1	35.1	36.6	- 4.2 %	- 5.9 %
Q2	24.4	36.0	- 32.2 %	- 32.9 %
Q3	28.4	36.2	- 21.5 %	- 17.9 %
3rd quarter ended September 30,	87.9	108.8	- 19.2 %	- 18.8 %

The postponement of non-urgent surgical procedures, in order to increase capacity for Covid-19 patients, continues to weigh on the medical market. In this regard, published studies estimate that the reconstruction surgery market could fall by around - 17% to - 19% in 2020.

At € 28.4 M, Q3 sales were down - 21.5% compared to the same period of the previous year, a positive trend effect compared to the - 32.2 % decline observed in Q2.

On a like-for-like basis and restated for the currency effect, sales for Q3 were down - 17.9% and - 18.8% for the first nine months of the year.

From an operational point of view, and in a context of persistent volatility in demand, adaptation is continuing on the two smaller sites of the LISI MEDICAL Fasteners division and LISI MEDICAL Jeropa. Relations with major clients are being strengthened with market share gains for the benefit of LISI MEDICAL Orthopedics and LISI MEDICAL Remmele.



³ Source ACEA

OUTLOOK AND COMMENTS ON THE FINANCIAL IMPACT OF BUSINESS

LISI AEROSPACE

In response to the long-lasting weakness of global air traffic and in view of the further declining order book of LISI AEROSPACE, the actions undertaken as part of the NEW DEAL plan will be pursued vigorously in two areas:

- on the industrial level: resizing, in particular adjusting the cost structure to market conditions as much as necessary,
- on the commercial level: redeploying, in order to secure structuring contracts for the division (renewal of the Airbus contract) and gain market share with major customers in commercial (compressor blades for the Pratt & Whitney engine for the MTU customer) or military aeronautics (fasteners for the F-35 program for the Lockheed Martin customer).

LISI AUTOMOTIVE

In order to benefit until the end of fiscal 2020 from the rebound in activity recorded in Q3, the Automotive division is prioritizing the following actions:

- increase in production capacity to meet the short-term needs generated by the implementation of the support plans dedicated to the automotive industry,
- support for the ramp-up of new programs in the "Safety Mechanical Components" and "Clipped Solutions" segments for electric, hybrid and plug-in hybrid vehicles. In addition, faced with the decline of combustion engines and the rise in vehicle electrification, a project to diversify the product offer of the "Screwed Fasteners" Business Group is targeting a new range of products with high potential: namely the components used for the transmission of power from an electric motor to a comfort component in the passenger compartment of the vehicle of the future. This "Leadscrew" project helped win a subsidy from the French State as part of the automobile modernization fund (cf. Press release of 09/15/2020).

LISI MEDICAL

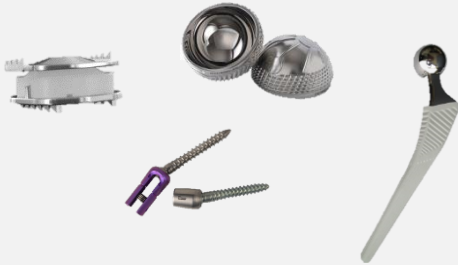
The division must continue to adapt to significant variations in demand from its main customers who are facing uncertainties caused by the global health crisis.

LISI CONSOLIDATE

In a global economic environment still marked by the sanitary and economic crisis with a low short-term visibility, the Group confirms the objectives it announced in the first half:

- refocusing on high added value business,
- cost reduction measures which will have an impact in particular on the net income in the second half of the year,
- maintaining positive operating profitability and a good level of Free Cash Flow⁴.

Thanks to its financial strength, LISI's strategic ambitions for medium and long-term growth remain intact.



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CONTACT

Emmanuel VIELLARD
CEO

Mail: emmanuel.viellard@lisi-group.com

Phone: +33 3 84 57 00 77 - *Website:* www.lisi-group.com



⁴ Free Cash Flow: cash flow from operations minus net capital expenditures and changes in working capital requirements