Figures are in line with the estimates published on October 29.

7.4 2.6 million (+55%) compared with Q4 2014.

Finally, free cash flow was 6.7 million 4 million in Q4 2014, excluding the receipt of 5.7 million

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2. SUMMARY OF EVENTS AND PERFORMANCE IN 2015

Tougher than Expected Macroeconomic Conditions

In its February 11, 2015 report, the company stated that 2015 was likely to be both difficult and unpredictable, with persistently uncertain macroeconomic, geopolitical and monetary conditions liable to delay a return of confidence and continuing to weigh heavily on investment decisions.

Several unforeseen events have aggravated conditions beyond expectations, including the slowing growth of the global economy, with consequences for all Asian countries, which are highly dependent on China, and raw material-exporting countries

oil prices, wars in the Middle East, terrorist attacks in France and elsewhere in the world, etc. The proven competitiveness of the US industry was among the positives, meanwhile.

Companies slowed their investments in response to a lack of visibility and rising concerns.

Positive Impact from Weaker Euro

With an average parity of $1.11 20% compared with 2014 ($1.33

The yuan appreciated 17%, meanwhile.

Exchange rate variations have had a very favorable mechanical impact overall, boosting 2015

16.4 million (+7 8.9 million (+39%) at actual exchange rates compared with like-for-like figures.

Given the complex effects produced by such sharp fluctuations in currency parities, described below, like-for-like comparisons between 2015 and 2014 are of limited relevance.

Lectra's Competitiveness Strengthened

The sharp fall in the euro since summer 2014 has been a major event for the company, significantly bolstering its competitive position worldwide. Indeed, Lectra has opted to maintain its R&D and manufacturing in France, while investing in innovation to enhance its competitiveness.

production costs are thus euro-denominated, with practically zero inflation.

Conversely, most of its competitors especially the main one, a US company manufacture their equipment in China. Consequently, their operating costs, essentially yuan-denominated, are subject not only to continuously rising wages and social charges, but also to higher inflation.

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Complex Effects for Lectra's customers

At the same time, the competitive situations of Lectra customers have altered radically improving or deteriorating depending on the location of their production and sales.

The European companies that have outsourced their production or made their purchases in China must adjust to rising import costs by realigning their supply strategy. As a result, as Chinese manufacturers become less competitive they are experiencing a decline in orders from European customers, leading to industrial overcapacity, which in turn has negatively impacted their investment decisions.

In emerging countries, the sharp depreciation in their currencies against the dollar (in Brazil especially, with a 44% decline in the Brazilian real since summer 2014) has also damaged business investment due to significantly increased costs.

At the exchange rates used when setting these objectives, revenues and income from operations were 226 25.4 million respectively, lagging behind the objectives by 14 million (6%) and 3.6 million (

Revenues from Recurring Contracts and Consumables and Spare Parts

138.5 million) increased by 13% (+6% like-for-like). As in 2014, they accounted for 58% of total revenues.

Revenues from recurring contracts which contributed 58% of recurring revenues and 33% of total revenues 79.7 million, a 11% increase (+5% like-for-like):

- Revenues from software evolution and online services 46 million), up 10% compared with 2014, represented 19% of total revenues;
- Revenues from CAD/CAM equipment maintenance and online services contracts (33.7 million), which increased by 13%, contributed 14% of total revenues.

Revenues from consumables and spare parts 58.8 million), meanwhile, increased by 15% (+7% like-for-like) and represented 25% of total revenues (24% in 2014).

Order Backlog

At December 31, 2015 23 3.5 million relative to December 31, 2014 at actual exchange rates.

This backlog comprised orders for new software licenses and CAD/CAM equipment totaling 17 million, comprising 14.1 million for shipment in Q1 2016 2.9 million over the rest of the 6.1 million for training and consulting, to be delivered as projects progress.

Gross Profit

179.3 million. The 23.6 million increase relative to 2014 represents almost 90% of the growth in revenues.

The overall gross profit margin was 75.4%. It increased by 1.7 percentage points relative to 2014, given the combined effects of exchange rate variations and a new improve

Income from Operations and Net Income

Income from operations was 31.8 million, an increase of 12 million (+61%; +16% like-for-like).

This 12 million increase stems from the positive impact of the growth in recurring revenues 5.4 million), in revenues from new systems sales 1.2 million), and from the positive impact of currency fluctuations . These impacts were partly offset by the natural 2.2 million), and the increase in investments for the 3.9 million).

Financial income and expenses represented a net charge 0.2 million. Foreign exchange gains and 0.5 million.

After an income tax expense 7.7 million, net income amounted to 23.4 million, up 63% 14.4 million in 2014).

Net earnings per share 0.76 0.74 on diluted capital 48 on basic capital and 47 on diluted capital in 2014).

Free Cash Flow

Free cash flow amounted to 21.5 million, versus 19 million in 2014. This includes the receipt of 4.8 million corresponding to the non-deducted research tax credit for fiscal 2011 and 2010.

6.9 million) and the competitiveness and employment tax credit 0.8 million) for 2015, applicable in France, were accounted for but not received. If they had been received, free cash flow would have been 24.5 million, excluding the 2011 research tax credit reimbursement, computed on the same basis.

At December 31, 2015 equity 18.7 million compared to December 31, 2014 and reached 113 million, after

5. APPROPRIATION OF EARNINGS

30 per Share

29, 2016 to

30 per share (+20%) in respect of FY 2015. This dividend would represent a payout ratio of 40% of 2015 net income and a yield of 2.5% based on the December 31, 2015 closing share price.

Previous dividends

In its press release of March 30, 2015, Lectra confirmed that it is eligible for inclusion in French SME (-) equity savings plans qualifying for tax relief in France dedicated to investments in European small- and mid-cap companies.

7. SIGNIFICANT POST-CLOSING EVENTS

No significant event has occurred since December 31, 2015.

8. FINANCIAL CALENDAR

The Annual Shareholders' Meeting will take place on April 29, 2016.

First, second, and third quarter earnings for 2016 will be published on April 28, July 28, and October 27, 2016, respectively, after the close of trading on Euronext. Full year earnings for 2016 will be published on February 9, 2017.

9. BUSINESS TRENDS AND OUTLOOK

2016 Outlook

The company entered 2016 with even more solid operating fundamentals than in 2015 and an even stronger balance sheet. Lectra newly formed sales teams should progressively gain momentum.

However, 2016 looks unpredictable once again. Persistent macroeconomic, geopolitical and monetary uncertainty, together with increased risks, are liable to continue to disrupt the revival of confidence and

As in previous years, the main uncertainty concerns the level of orders for new systems sales and corresponding revenues. Visibility remains limited, calling for continued caution.

In this context, the company are a growth in revenues of 6% to 12% and a growth of income from operations of 8% to 25%.

These variations are like-for-like, on the basis of 2015 financial results restated at 2016 exchange rates. The company has based its 2016

CONSOLIDATED INCOME STATEMENT

STATEMENT OF COMPREHENSIVE INCOME

(1) The impact of the application of IFRIC 21 – Levies with effect from January 1, 2015, is restated retrospectively in the consolidated income

CONSOLIDATED STATEMENT OF CASH FLOWS

Twelve months ended December 31 (in thousands of euros)	2015	2014[1]
I - OPERATING ACTIVITIES		
Net income	23,377	14,370
Net depreciation, amortization and provisions	7,276	4,778
Non-cash operating expenses	(553)	(1,051)
Loss (profit) on sale of fixed assets	(5)	63
Changes in deferred income taxes	(393)	(304)
Changes in inventories	(2,618)	(1,435)
Changes in trade accounts receivable	(2,593)	3,872
Changes in other current assets and liabilities	5,159	5,458
Net cash provided by (used in) operating activities	29,650	25,751
II - INVESTING ACTIVITIES		
Purchases of intangible assets	(2,083)	(1,898)
Purchases of property, plant and equipment	(6,134)	(4,880)
Proceeds from sales of intangible assets and property, plant and equipment	58	47
Acquisition cost of activities purchased[2]	-	(1,560)
Purchases of financial assets[3]	(2,740)	(2,547)
Proceeds from sales of financial assets[3]	2,787	2,574
Net cash provided by (used in) investing activities	(8,112)	(8,264)
III - FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	2,194	2,904
Dividends paid	(7,646)	(6,554)
Purchases of treasury shares	(2,629)	(2,403)
Sales of treasury shares	2,603	2,401
Flows on financial derivatives qualifying net investment hedges	-	484
Repayments of long-term and short-term borrowings	(394)	(500)
Net cash provided by (used in) financing activities	(5,872)	(3,668)
Increase (decrease) in cash and cash equivalents	**15,666**	**13,819**
Cash and cash equivalents at opening	43,484	29,534
Increase (decrease) in cash and cash equivalents	15,666	13,819
Effect of changes in foreign exchange rates	197	131
Cash and cash equivalents at closing	59,347	43,484
Free cash flow before non-recurring items	21,538	19,047
Non-recurring items of the free cash flow	-	-
Free cash flow	21,538	19,047
Income tax (paid) / reimbursed, net	(4,262)	(2,997)
Interest paid	-	-

(1) The impact of the application of IFRIC 21 – Levies with effect from January 1, 2015, is restated retrospectively in the consolidated statement of cash flows at December 31, 2014 (see note 2 "Summary of accounting rules and methods").

(2) At December 31, 2014, this amount corresponded to the acquisition cost of the activities of the Group's former agent in South Korea (see note 3 hereafter).

(3) These amounts mainly correspond to the valuation of purchases and sales of treasury shares made through the Liquidity Agreement, and for which the counterpart is shown in the corresponding cash flows arising from financing activities.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(1) The impact of the application of IFRIC 21 – Levies with effect from January 1, 2015, is restated retrospectively in the consolidated statement of changes in equity at January 1, 2014 and at December 31, 2014 (see note 2 "Summary of accounting rules and methods").

Business Model

business model is based on three pillars:

a balance of risks, which benefit from natural hedging by the distribution of business activity

Critical Accounting Estimates and Judgments

Preparation of the financial statements in accordance with IFRS demands that certain critical accounting estimates be made. Management is also required to exercise its judgment in applying the Group's accounting policies. Although such estimates are made in a particularly uncertain

The areas involving a higher degree of judgment or complexity, or requiring material assumptions and estimates in relation to the establishment of the consolidated financial statements, relate to goodwill impairment and deferred tax.

Revenues

Revenues from sales of hardware are recognized when the significant risks and benefits relating to ownership are transferred to the purchaser.

For hardware, these conditions are fulfilled upon physical transfer of the hardware in accordance with the contractual sale terms. For software, these conditions are generally fulfilled at the time of s computer (either by CD-ROM or downloading).

Revenues from software evolution contracts and recurring services contracts are billed in advance, and their booking is spread over the duration of the contracts.

Revenues from the billing of services not covered by recurring contracts are recognized at the time of performance of the service or, where appropriate, on a percentage of completion basis.

Cost of Goods Sold

Cost of goods sold comprises all purchases of raw materials included in the costs of manufacturing, the change in inventory and inventory write-downs, all labor costs included in manufacturing costs which constitute the added value, freight-out costs on equipments sold, and a share of depreciation of the manufacturing facilities.

Cost of goods sold does not include salaries and expenses associated with service revenues, which

Research and Development Costs

The technical feasibility of software and hardware developed by the Group is generally not established until a prototype has been produced or until feedback is received from its pilot sites, setting the stage for their commercialization. Consequently, the technical and economic criteria requiring the recognition of development costs in assets at the moment they occur are not met, and these, together with research costs, are therefore fully expensed in the period in which they are incurred.

The French research tax credit *(crédit d’impôt recherche)* and the portion of the competitiveness and employment tax credit *(crédit d’impôt compétitivité et emploi)* relating to R&D personnel, as well as grants linked to R&D projects, if any, are deducted from R&D expenses.

Earnings per Share

Basic net earnings per share are calculated by dividing net income by the weighted-average number 500053>8007B005

The dilutive effect of stock options is computed in accordance with the share repurchase method

In April 2014, the company had established a new subsidiary in South Korea, Lectra Korea, which took

4. CONSOLIDATED STATEMENT OF INCOME

5. BREAKDOWN OF REVENUES – LIKE-FOR-LIKE CHANGE

5.1. Q4 2015

Revenues by geographic region

(in thousands of euros)	Three Months Ended December 31 2015		2014 At 2014 exchange rates	2014		Actual	Like-for-like
Europe, of which:	25,830	42%	25,656	27,510	48%	-6%	-7%
- France	4,421	7%	4,428	4,582	8%	-4%	-3%
Americas	19,100	31%	17,312	14,829	26%	+29%	+17%
Asia-Pacific	13,890	22%	12,613	11,147	19%	+25%	+13%
Other countries	3,368	5%	3,407	3,942	7%	-15%	-14%
Total	62,188	100%	58,988	57,428	100%	+8%	+3%

Revenues by product line

(in thousands of euros)	Three Months Ended December 31 2015		2014 At 2014 exchange rates	2014		Actual	Like-for-like
Software, of which:	17,673	28%	16,990	16,755	29%	+5%	+1%
- New licenses	5,977	10%	5,671	5,872	10%	+2%	-3%
- Software evolution and online services contracts	11,696	19%	11,319	10,883	19%	+7%	+4%
CAD/CAM equipment	16,370	26%	15,108	15,519	27%	+5%	-3%
Hardware maintenance and online services contracts	8,577	14%	8,153	7,915	14%	+8%	+3%
Consumables and spare parts	15,894	26%	15,206	14,065	24%	+13%	+8%
Training and consulting services	3,051	5%	2,928	2,640	5%	+16%	+11%
Miscellaneous	623	1%	603	534	1%	+17%	+13%
Total	62,188	100%	58,988	57,428	100%	+8%	+3%

Breakdown of revenues between revenues from new systems sales and recurring revenues

(in thousands of euros)	Three Months Ended December 31 2015		2014 At 2014 exchange rates	2014		Actual	Like-for-like
Revenues from new systems sales(1)	26,021	42%	24,311	24,565	43%	+6%	-1%
Recurring revenues(2), of which:	36,167	58%	34,677	32,863	57%		

(1) Revenues from sales of new systems comprise sales of new software licenses, CAD/CAM equipment, training and consulting and on-call interventions on the installed base.

(2) Recurring revenues fall into two categories:

- *Recurring contracts: software evolution and online services contracts, and CAD/CAM equipment maintenance and online services contracts, which are renewable annually;*
- *Revenues from sales of consumables and spare parts, which are statistically recurrent.*

5.2. Fiscal Year 2015

Revenues by geographic region

(in thousands of euros)	2015 Actual	2015 %	2015 At 2014 exchange rates	2014 Actual	2014 %	Changes 2015/2014 Actual	Changes 2015/2014 Like-for-like
Europe, of which:	101,420	43%	101,005	98,203	46%	+3%	+3%
- France	16,625	7%	16,663	16,620	8%	0%	0%
Americas	65,955	28%	57,254	51,620	24%	+28%	+11%
Asia-Pacific	55,842	23%	48,973	47,770	23%	+17%	+3%
Other countries	14,669	6%	14,291	13,743	7%	+7%	+4%
Total	237,886	100%	221,523	211,336	100%	+13%	+5%

Twelve Months Ended December 31

Revenues by product line

(in thousands of euros)	2015 Actual	2015 %	2015 At 2014 exchange rates	2014 Actual	2014 %	Changes 2015/2014 Actual	Changes 2015/2014 Like-for-like
Software, of which:	69,732	29%	65,822	63,430	30%	+10%	+4%
- New licenses	23,728	10%	22,077	21,784	10%	+9%	+1%
- Software evolution and online services contracts	46,004	19%	43,745	41,646	20%	+10%	+5%
CAD/CAM equipment	61,292	26%	55,889	54,330	26%	+13%	+3%
Hardware maintenance and online services contracts	33,694	14%	31,340	29,852	14%	+13%	+5%
Consumables and spare parts	58,837	25%	54,872	51,256	24%	+15%	+7%
Training and consulting services	12,168	5%	11,514	10,368	5%	+17%	+11%
Miscellaneous	2,163	1%	2,086	2,100	1%	+3%	-1%
Total	237,886	100%	221,523	211,336	100%	+13%	+5%

Twelve Months Ended December 31

Breakdown of revenues between new systems sales and recurring revenues

(in thousands of euros)	2015 Actual	2015 %	2015 At 2014 exchange rates	2014 Actual	2014 %	Changes 2015/2014 Actual	Changes 2015/2014 Like-for-like
Revenues from new systems sales (1)	99,351	42%	91,566	88,582	42%	+12%	+3%
Recurring revenues (2), of which:	138,535	58%	129,957	122,754	58%	+13%	+6%
- Recurring contracts	79,698	33%	75,085	71,498	34%	+11%	+5%
- Consumables and spare parts	58,837	25%	54,872	51,256	24%	+15%	+7%
Total	237,886	100%	221,523	211,336	100%	+13%	+5%

Twelve Months Ended December 31

(1) Revenues from sales of new systems comprise sales of new software licenses, CAD/CAM equipment, training and consulting and on-call interventions on the installed base.

(2) Recurring revenues fall into two categories:
- *Recurring contracts: software evolution and online services contracts, and CAD/CAM equipment maintenance and online services contracts, which are renewable annually;*
- *Revenues from sales of consumables and spare parts, which are statistically recurrent.*

Breakdown of revenues from new systems sales by market sector

(in thousands of euros)	2015 Actual	2015 %	2015 At 2014 exchange rates	2014 Actual	2014 %	Changes 2015/2014 Actual	Changes 2015/2014 Like-for-like
Fashion and apparel	47,078	47%	43,205	41,371	46%	+14%	+4%
Automotive	33,485	34%	30,713	35,433	40%	-5%	-13%
Furniture	13,524	14%	12,781	5,832	7%	+132%	+119%
Other industries	5,264	5%	4,867	5,946	7%	-11%	-18%
Total	99,351	100%	91,566	88,582	100%	+12%	+3%

Twelve Months Ended December 31

+ crease of the receivable held by Lectra SA on the French tax administration *(Trésor public)* corresponding to the research tax credit, after deduction from the corporate income tax due for the year, and net of the 2011 research tax credit

corresponding to an increase in trade accounts payable;

corresponding to the increase of customer down payments in the statement of financial position, due to new systems orders in Q4 2015 being higher than those in Q4 2014;

0.5 million arising from the change in other current assets and liabilities; taken individually, these changes are all immaterial.

The working capital requirement at December 31, 2015, million. It comprised a million on the French tax administration in respect of the research tax credit, which has not been received and has not been deducted from the corporate income tax expense (see note 8 hereafter). Restated for th 27 million,

8. RESEARCH TAX CREDIT COMPETITIVENESS AND EMPLOYMENT TAX CREDIT

When the research tax credit and the competitiveness and employment tax credit applicable in France recognized in the year cannot be deducted from the corporate income tax, they are treated as a receivable on the French tax administration. If unused in the ensuing three years, they are repaid to the company in the course of the fourth year.

The competitiveness and employment tax credits relating to fiscal 2013, 2014 and 2015 have been entirely deducted from the corporate income tax due by Lectra SA.

Thus, at December 31 23.7 million receivable on the French tax administration. This comprised the remaining amount of the research tax credit, after deduction 5.7 million), million). In light of its estimates of tax credits and corporate income tax for the next three fiscal years, the company does not expect to make any payment in respect of corporate income tax, from which will be deducted in full the competitiveness and employment tax credit, and, when applicable, the research tax credit of each fiscal year. In Q3

receive the reimbursement of the balance outstanding of these non-deducted tax credits as follows: in 2016 (in respect of the 2012 tax credit), 2017 (in respect of the 2013 tax credit), 2018 (in respect of the 2014 tax credit) and 2019 (in respect of the 2015 tax credit). This situation will last for as long as the amount of the annual tax credits exceeds the amount of income tax payable.

If the income tax expense were to rise above the amounts of tax credits for the year, the company would continue not paying corporate income tax until the corresponding receivable is deducted in full. Thereafter it would deduct these tax credits each year from the income tax expense for the same year in full and would be required to pay the residual amount.

9. TREASURY SHARES

Since January 1, 2015, the company has purchased 224,037 shares and sold 220,629 shares at an respectively under the Liquidity Agreement administered by Exane BNP Paribas.

At December 31, 2015, the company held 18,340 Lectra shares (i.e. less than 0.1% of the share 11.06 entirely under the Liquidity Agreement.

10. CASH AND CASH EQUIVALENTS AND NET CASH

After the repayment on March 31, 2015 of the remaining of public grants to finance R&D programs for million, which were its sole debt, the Group had no remaining borrowing or financial debt. Thus, 59.3 million.

11. FOREIGN EXCHANGE RISK

unchanged relative to December 31, 2014.

In 2015, the average parity between the US dollar and the euro was $1.11

Exchange Risk Hedging Instruments

Exchange risk hedging instruments at