



## Q1 2018: Revenues and income from operations lower than Company expectations

Revenues: €67.2 million (+3%)\*

Income from operations: €7.2 million (+5%)\*

Net income: €5.4 million (-17%)

Free cash flow: €2.5 million

Yearly objectives unchanged

\* Like-for-like

in millions of euros	January 1 – March 31	
	2018	2017
Revenues	67.2	69.5
<i>Change like-for-like (%)<sup>(1)</sup></i>	+3%	
Income from operations	7.2	9.4
<i>Change like-for-like (%)<sup>(1)</sup></i>	+5%	
Operating margin (in % of revenues)	10.7%	13.5%
Net income	5.4	6.5
<i>Change at actual exchange rates (%)</i>	-17%	
Free cash flow	2.5	13.9
Shareholders' equity <sup>(2)</sup>	156.7	151.2
Net cash <sup>(2)</sup>	93.6	98.1

(1) Like-for-like: 2018 figures restated at 2017 exchange rates

(2) At March 31, 2018 and December 31, 2017

**Paris, April 26, 2018.** Today, Lectra's Board of Directors, chaired by Daniel Harari, reviewed the unaudited consolidated financial statements for the first quarter of 2018.

*(Comparisons between 2018 and 2017 are like-for-like, unless stated otherwise).*

### Negative impact of euro appreciation

The strong appreciation of the euro against most currencies had a major negative mechanical impact on the first-quarter results.

The exchange-rate impact was all the more pronounced as in Q1 2017 the euro reached its lowest level against the US dollar (\$1.04/€1) since 2003, as well as against many other currencies. The euro then began to gradually appreciate in Q2 2017.

Thus, if the average currency rates in Q1 2018 were to remain in effect through to the end of the year, the impact of the euro appreciation in comparison with the corresponding prior-year figures would diminish each quarter.

### Lower than expected orders for new systems

The macroeconomic environment suddenly worsened in Q1 against the backdrop of tensions between the United States and its trading partners including Europe, China, Mexico and Russia. These tensions have raised concern among many companies, particularly in the automotive industry, prompting them to delay their investment decisions.

In these

