LECTRA

Press release

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First nine months 2026: structural improvement of profitability

- Q3 2026 revenues: €121.6 million (stable / -2%)*
- Q3 2026 EBITDA before non-recurring items: €23.4 million (+10% / +10%)*, representing a margin of 19.3%, up 200 basis points
- 2026 growth in SaaS ARR and recurring contract revenues expected below 2026-2028 roadmap ambitions**
- Contribution from the structural increase in 2026 EBITDA margin before non-recurring items to exceed the 120 to 180 basis points improvement target**

(*) Change at actual exchange rates / on a comparable scope
(**) On a comparable scope

	July 1 – September 30				January 1 – September 30			
	2026	2025	Changes 2026/2025		2026	2025	Changes 2026/2025	
(in millions of euros)			Actual exchange rates	Like-for-like [1]			Actual exchange rates	Like-for-like [1]
Revenues	121.6	121.8	0%	-2%	361.3	383.1	-6%	-4%
ARR [2]		-	-	-	106.5	97.2	10%	8%
EBITDA before non-recurring items	23.4	21.2	10%	10%	57.1	61.6	-7%	-3%
EBITDA margin before non-recurring items	*19.3%*	*17.4%*	*+1.9 points*	*+2.0 points*	*15.8%*	*16.1%*	*-0.3 point*	*+0.3 point*
Net income	10.4	7.2	45%	-	20.1	18.3	10%	-
Consolidated Shareholders' Equity [2]		-	-	-	347.9	360.3	-	-
Net cash (+) / Net debt (-) [2]		-	-	-	-62.4	-21.3	-	-

[1] At constant exchange rates and comparable scope
[2] At September 30, 2026, and December 31, 2025
[3] The definition of performance indicators is included in the financial report at September 30, 2026

Paris, October 28, 2026. Today, the Board of Directors, chaired by Daniel Harari, examined the consolidated financial statements for the third quarter and the first nine months of 2026, which have not been subject to a review by the Statutory Auditors.

1. Q3 2026: SIGNIFICANT IMPROVEMENT IN EBITDA MARGIN BEFORE NON-RECURRING ITEMS

In a market environment that remains highly volatile, Lectra benefited from the resilience of its recurring revenues, the favorable evolution of its business mix and rigorous operational discipline. These factors drove a significant improvement in profitability in the third quarter, despite a slight decline in revenues.

Equipment orders amounted to €18.9 million, down 10% like-for-like compared with the third quarter of 2025. Their level remained low, reflecting customers' continued wait-and-see approach to investment.

Third quarter 2026 revenues amounted to €121.6 million, stable at actual exchange rates and slightly down 2% like-for-like. Recurring revenues (78% of total revenues) were stable during the quarter:

sustained growth in SaaS subscriptions, up 12% like-for-like, offset the decline in consumables and parts revenues and the more mixed performance of maintenance contracts. Non-recurring revenues (22% of total revenues) declined by 7% like-for-like.

EBITDA before non-recurring items amounted to €23.4 million in the third quarter, up 10% like-for-like. EBITDA margin before non-recurring items reached 19.3%, up 200 basis points. This increase demonstrates the Group's strong ability to adjust its cost base, improve its margin mix and preserve its operating performance in a weaker demand environment.

After depreciation and amortization expense of €9.9 million, income from operations before non-recurring items and income from operations, which were identical, amounted to €13.5 million, up 23% compared with the third quarter of 2025.

Net income amounted to €10.4 million, compared with €7.2 million in the third quarter of 2025, representing an increase of 45% at actual exchange rates, which reflects a significantly lower income tax expense notably due to the use of tax loss carryforwards.

2. FIRST NINE MONTHS OF 2026: FURTHER STRENGTHENING OF THE BUSINESS MODEL

Revenues for the first nine months of 2026 amounted to €361.3 million, down 4% like-for-like. This breaks down into €285.0 million in recurring revenues (79% of total revenues), up 1%, including €73.7 million in SaaS subscription revenues, up 13%, and €76.2 million in non-recurring revenues (21% of total revenues), down 21%.

ARR reached €106.5 million at September 30, 2026, up 8% like-for-like compared with December 31, 2025, representing an annualized growth rate of 11%.

Gross profit amounted to €269.3 million, representing a gross margin of 74.5%, up 190 basis points thanks to a favorable mix.

The security ratio, which measures fixed costs covered by the gross profit generated by recurring activities, reached 99% at the end of September 2026, close to the target of more than 100% set for 2028.

EBITDA before non-recurring items stood at €57.1 million, down 3% like-for-like, with a margin of 15.8%, up 0.3 points. Thanks to the levers activated by Lectra to transform its business model, EBITDA before non-recurring items benefited from a structural impact of €9.1 million (€5.5 million from the growth in recurring contracts and €3.6 million from the reduction in fixed costs), which helped offset most of the negative cyclical impact resulting from the lower contribution of cyclical activities.

Income from operations amounted to €27.7 million, stable compared with the first nine months of 2025. After an income tax expense of €1.0 million, net income reached €20.1 million, up 10% at actual exchange rates.

The working capital requirement related to operating activities was negative at €54.1 million at September 30, 2026. Free cash flow before non-recurring items reached €36.4 million over the first nine months, confirming the Group's strong cash generation capacity in a challenging environment.

At September 30, 2026, the Group maintained a very solid financial structure, with shareholders' equity of €347.9 million and net debt of €62.4 million. The change since December 31, 2025, primarily reflects the acquisition of minority interests in TextileGenesis and Launchmetrics, the dividend payment and the implementation of the share buyback program (€20.1 million treasury shares repurchased at September 30, 2026).

3. 2026 OUTLOOK

In a more challenging market environment than anticipated in 2026, SaaS ARR and recurring contract revenues continue to grow. However, their growth for the full year 2026 is expected to be below the average annual trajectories of the 2026-2028 roadmap, namely +15% and +5% to +8% respectively on a like-for-like basis.

Despite this unfavorable business environment, the Group continues to drive its transformation and is strengthening its structural profitability, which has enabled it to offset the cyclical impact of equipment orders below 2025 levels and to structurally increase its EBITDA margin before non-recurring items.

Accordingly, the contribution from the structural improvement in the EBITDA margin before non-recurring items in 2026 is expected to exceed the 120 to 180 basis point improvement target on a like-for-like basis announced in February.

The Group also reiterates its objective of improving the security ratio.

Lectra's 2025 Annual Financial Report, together with the report of the Board of Directors and the financial statements for the first nine months of 2026, are available on the Company's website (lectra.com). The Company will publish its financial results for the fourth quarter and full-year 2026 on February 10, 2027, after market close.

About Lectra

Lectra sparks customer transformation.

The Group offers solutions that combine software, cutting equipment, data, and services, leveraging advanced technologies, particularly agentic artificial intelligence. By blending deep sector expertise with industrial intelligence, Lectra helps players in the fashion, automotive, and furniture industries rethink their operations.

In fashion, Lectra supports product development, manufacturing, and marketing, while strengthening collaboration and product traceability. In automotive and furniture, the Group brings its know-how to optimize production processes.

Founded in 1973, the Group is present in more than one hundred countries. Lectra's 2,800 employees are driven by three core values: being open-minded thinkers, trusted partners and passionate innovators. They all share the same commitment to sustainability, which is one of the pillars of Lectra's strategy to ensure its sustainable growth and that of its customers.

Lectra reported revenues of €507 million in 2025, including €89 million in SaaS revenues. The Company is listed on Euronext, and is included in the CAC Small, CAC Mid & Small, CAC All-Tradable, CAC All Shares, CAC Technology, EN Tech Leaders et ENT PEA-PME 150 indices.

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