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Frost & Sullivan Confers Lectra's Versalis® Digital Leather Cutting Solution with Product Leadership Award

Lectra's Versalis Boosts Automotive Leather Suppliers' Overall Productivity with Fully Integrated,
Digitalized Approach to Automotive Leather Cutting

LONDON, U.K. — July 18, 2017 — Based on its recent analysis of the automotive leather- cutting equipment market, Frost & Sullivan has conferred Lectra with the 2017 Global Frost & Sullivan Award for Product Leadership.

Lectra has leveraged more than 10 years of experience in connected manufacturing to offer Versalis[®], an innovative digital solution designed to cut leather without compromise on quality. Featuring a powerful automatic nesting system for



overall improvements in efficiency, the fully automated solution enables automotive leather suppliers to cut costs, improve productivity and minimize waste while also establishing a pathway to value-added Industry 4.0 processes.

Currently, almost 90% of leather used for automotive applications is cut using manual die presses, which require designers to build a physical prototype and finalize the design through trial and error. Lectra offers a fully digitalized leather solution from prototyping to cut parts—when used in combination with Lectra's 3D prototyping and pattern-making software, Versalis digital leather cutting solution enables a 12-16 week reduction in development and launch cycles for vehicle seating models.

During the leather-cutting phase, the latest release of Versalis LeatherSuite allows automotive leather suppliers to achieve up to 15% greater productivity. Lectra's end-to-end automotive leather offering furthermore guarantees optimal uptime through an extensive worldwide support network of field engineers and technical experts.

"Lectra focuses on a consultative approach that allows it to fully understand the customer's needs before building a solution comprising software, hardware, consulting, training, and after-sales support," said Frost & Sullivan Industry Analyst Kamalesh Mohanarangam. "Lectra's equipment is fitted with more than 200 sensors that predict failure and immediately report issues to its call centres. This product feature and service has resulted in 98% uptime and very fast mean time to repair."

Although digital leather cutting solutions are an investment, leather cutters and Tier-1 suppliers have begun to recognize the value of these products. On average, Lectra's solutions help customers achieve up to 7% savings on leather compared to manual die-press methods by minimizing human error and variability in the cutting room. A benchmark test of leather trim cutting for door panels demonstrated a 3.5% gain in material made possible by Versalis' superior nesting capabilities compared to the customer's yield using manual nesting with die press machines, representing potential savings of €9 million per year.

Versalis is the fruit of significant R&D investment for the company, which has always made reinvestment of capital a priority. As part of a transformational plan, Lectra spent more than €50 million in investments between 2011 and 2015. With Lectra's new strategy focusing on supporting



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www.frost.com their customers' transition to Industry 4.0 standards, Lectra will increase the share of revenues dedicated to R&D to 10% for the period from 2017 to 2019, representing a rise of about 50%

"Digitalization opens up a range of opportunities, from improving operations to building new business models. The emergence of Industry 4.0 and better capabilities for mass production has enabled large-scale personalization and a more profitable manufacturing set-up," noted Kamlaesh Mohanarangam. "More than 10 years of experience in IoT connectivity for industry gives Lectra a tremendous competitive advantage as increasing numbers of suppliers adopt digitalized processes and transition to Industry 4.0 standards."



between 2016 and 2019.

Each year, Frost & Sullivan presents this award to the company that has developed a product with innovative features and functionality and is gaining rapid market acceptance. The award recognizes the quality of the solution and the customer value enhancements it supports.

Frost & Sullivan Best Practices awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth

interviews, analysis, and extensive secondary research to identify best practices in the industry.

About Lectra

Lectra is the world leader in integrated technology solutions (software, automated cutting equipment, and associated services) specifically designed for industries using fabrics, leather, technical textiles, and composite materials to manufacture their products. It serves major world markets: fashion and apparel, automotive, and furniture as well as a broad array of other industries. Lectra's solutions, specific to each market, enable customers to automate and optimize product design, development, and manufacturing. With more than 1,550 employees, Lectra has developed privileged relationships with prestigious customers in more than 100 countries, contributing to their operational excellence. Lectra registered revenues of \$288 million in 2016 and is listed on Euronext.

For more information, please visit www.lectra.com and demandmore.lectra.com

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