

A recognized leadership

Lectra is the world leader in integrated technology solutions—software, CAD/CAM 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 (aeronautics, marine, wind power, etc.). A transnational company of close to 1,500 employees, Lectra has developed privileged relationships with prestigious customers in more than 100 countries, contributing to their operational excellence.

A French company, Lectra has built up a unique worldwide presence. Through its network of 32 subsidiaries, it generates 92% of its revenues outside France and 91% directly. Lectra has preserved its DNA by keeping R&D and production in France.

A clear and ambitious strategy

Continuing to focus on the long term, the Lectra 3.0 strategy initiated in late 2009 demonstrates, year after year, its relevance and further strengthens the company's business model. In five years, Lectra has renewed almost all of its offer, bolstered its premium positioning, increased its lead over its competitors and won market share.

Lectra's five strategic objectives are:

1. **Accentuate technological leadership** and the strong value of the product and service offer
2. **Strengthen the competitive position** and long-term relationships with customers
3. **Accelerate organic growth** and preserve cash for future acquisitions
4. **Boost profitability** by regularly increasing the operating margin
5. **Generate free cash flow** serving to finance future growth

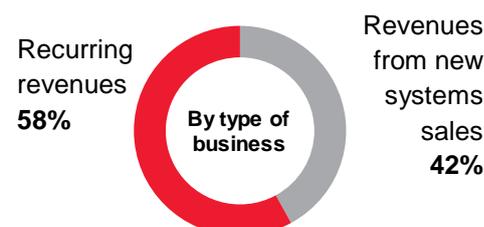
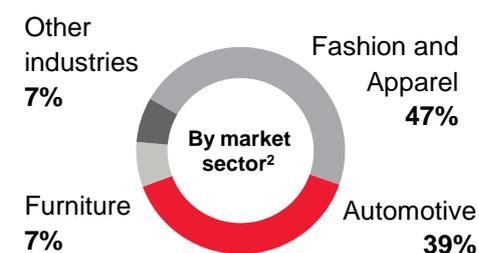
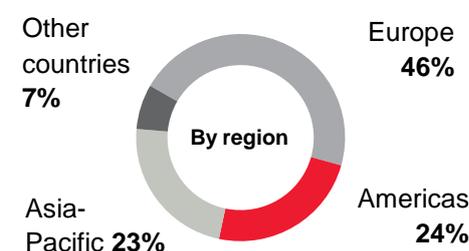
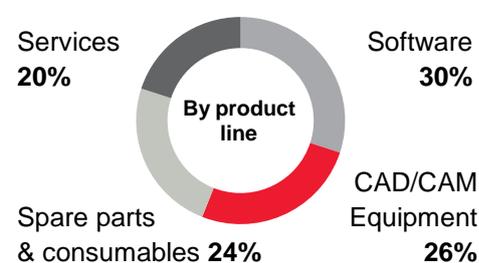
A solid, proven business model. Completely self-financed development

Lectra's business model is based on three pillars: 1. A balance of risks, which benefit from natural hedging by the distribution of business activity over market sectors and geographic markets with cycles that are different from each other, and by the very large number of customers throughout the world. 2. A balanced revenue mix between revenues from new systems sales, the company's growth driver, and revenues from recurring contracts and spare parts and consumables, a key factor in the company's stability, that provide a cushion in periods of difficult economic conditions. 3. The generation of annual free cash flow exceeding net income⁽³⁾. With zero-debt, bolstered by solid operating fundamentals, its development is completely self-financed, enabling a sustainable dividend policy.

2014 Key figures

Revenues	€211.3 m
Income from operations ⁽¹⁾	€19.8 m
Operating margin ⁽¹⁾	9.4%
Net income	€14.4 m
Free cash flow ⁽¹⁾	€19.0 m
Net cash	€43.1 m
Shareholders' equity	€94.1 m
Research & Development	€21.7 m
Capital expenditure	€6.8 m
Employees	1,474

Breakdown of 2014 revenues



⁽¹⁾ Before non-recurring items.

⁽²⁾ Revenues from new systems sales.

⁽³⁾ Assuming utilization or receipt of the annual research tax credit and the competitiveness and employment tax credit applicable in France.



40 years of expertise for the benefit of customers

A willingness to accelerate growth

The world is seeing a redistribution of positions in all geographic and industrial markets and changes in companies' business models. To build its future, Lectra has undertaken vital reforms since 2009. At the end of 2011, it decided to accelerate its transformation by devoting the requisite financial and human resources to enable the company to fully realize its growth potential. The company's transformation plan (including a major recruitment plan to strengthen sales, marketing and R&D teams), supported by €50 million in investments for the future over the 2012-2015 period, enables it to meet the challenges of shifting global economic balances and seize the resulting opportunities.

Among Lectra's five growth accelerators, three priority areas will drive most of the company's growth in 2015-2016:

1. **China**, where the emergence of the middle class is resulting in unprecedented growth on the domestic market, which is becoming increasingly upscale.
2. **The automotive market**, which will be boosted by the strong growth in emerging countries, as well the rising demand for leather interiors and the increase in the number of airbags.
3. **The growing interest in Product Lifecycle Management (PLM) solutions** for fashion and apparel.

A highly committed, experienced management team

Under the leadership of **André Harari**, Chairman of the Board of Directors, and **Daniel Harari**, Chief Executive Officer—who hold 36% of the capital, guaranteeing a stable shareholder structure—, Lectra's management is fully determined to provide the company with particularly solid financial fundamentals, enhance its competitiveness, and pursue the company's long-term entrepreneurial strategy.

The Executive Committee is comprised of:

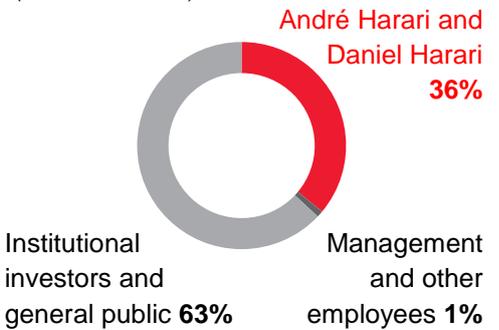
- **Daniel Harari**, Chief Executive Officer, Chairman of the Committee
- **Jérôme Viala**, Chief Financial Officer
- **Véronique Zoccoletto**, Chief Human Capital and Information Officer
- **Edouard Macquin**, Executive Vice President, Sales

Dividend

Dividend increased to €0.25 per share, in respect of FY 2014, representing a payout ratio of 53% of 2014 net income and a yield of 2.7% based on the December 31, 2014 closing share price.

Breakdown of capital

(October 31, 2015)



Clear and ambitious 2016 financial goals

33+% revenue growth rate over the 2013-2016 period

15% operating margin

2x more than double income from operations and net income in four years

75+% percentage of annual fixed overhead costs covered by gross profit on recurring revenues

(Before non-recurring items. Exchange rates at February 1, 2013. Like-for-like change.)

Financial calendar

Feb 11, 2016	FY 15 results release
Feb 12, 2016	Analyst Conference

Stock information

(October 31, 2015)

Ticker	LSS
Market	Euronext (Compartment B)
Share price	€10.75
52 weeks %	+36.4%
Number of shares	30.8 million
Market cap.	€330.7 million

Lectra is eligible for inclusion in French SME equity savings plans "PEA-PME".