

Q1 2020: revenues and earnings impacted by the COVID-19 virus

Revenues: 63.5 million euros (-6%)*
 Income from operations: 5.1 million euros (-39%)*
 Net income: 3.4 million euros (-41%)
 Free cash flow: 3.7 million euros
 Net cash: 124 million euros

* Like-for-like

in millions of euros	January 1 . March 31	
	2020	2019
Revenues	63.5	67
<i>Change like-for-like (%)⁽¹⁾</i>	-6%	
Income from operations	5.1	7.9
<i>Change like-for-like (%)⁽¹⁾</i>	-41%	
Operating margin (in % of revenues)	8%	11.8%
Net income	3.4	5.7
<i>Change at actual exchange rates (%)</i>	-41%	
Free cash flow	3.7	9.8
Ú@#^@ á^!•q~`ã ⁽²⁾	186.9	183
Net cash ⁽²⁾	124	120.6

(1) Like-for-like: 2020 figures restated at 2019 exchange rates

(2) At March 31, 2020 and December 31, 2019

Paris, April 29, 2020. V[áæ Æ&çæ Á[æáÁ -Öá^&ç!•Èçæ^áÁ^ Öá a|P æáÁ^çá, ^áÁ@Á} æ áæ^áÁ consolidated financial statements for the first quarter of 2020.

(Detailed comparisons between 2020 and 2019 are like-for-like, unless otherwise stated. As the impact of the acquisition of Retviews on the financial statements for the first quarter is not material, like-for-like changes exclude only the variations in exchange rates).

The COVID-19 epidemic and its consequences marked the first quarter of 2020. After emerging in China in December 2019, the health crisis quickly spread across the world in March, causing a global economic crisis of unprecedented proportions.

From the start of the crisis, the Group took the necessary hygiene and distancing measures to safeguard the health of employees, customers, suppliers and other stakeholders. A remote working system was immediately put in place for all employees whose physical presence on site is not required; this was done in France and other countries where such measures were ordered or recommended by the government.

In parallel, the Group has maintained



Orders and revenues from software licenses, equipment and accompanying software, and non-recurring services

Orders for perpetual software licenses, equipment and accompanying software, and non-recurring services (19.3 million euros) were down 28%. The slowdown in orders was particularly acute in March. Orders for perpetual software licenses (2.7 million euros), equipment and accompanying software (13.5 million euros), and training and consulting (2.6 million euros) decreased by 26%, 30% and 21%, respectively.

2020 outlook

The year 2020 will be marked by the COVID-19 crisis and its consequences.

Lectra can face the impacts of the epidemic with a particularly robust balance sheet, a positive net cash position of 124 million euros at March 31, 2020, and a proven business model with, among other strengths, a very high percentage of recurring revenues. The Group therefore considers that it is financially equipped to deal with a temporary or more sustained reduction in its business activity.

While the Group has implemented measures to control its fixed overhead costs, it has decided not to put in place short-time working arrangements (under the partial activity scheme), and not to benefit from any financial support from the French government, in light of its sound financial position, capacity for resilience, and medium-term



The 2019 Annual Financial Report, as well as the Management Discussion and Analysis of Financial Conditions and Results of Operations and the financial statements for Q1 2020 are available on lectra.com

The Combined Annual Shareholders' Meeting will be held on April 30, 2020, without the physical presence of shareholders.

Q2 and H1 2020 earnings will be published on July 27, 2020, after the close of trading on Euronext Paris.

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