

Latecoere Reports H1 2025 Results

- Continued revenue growth of +6.4%, driven by the ramp-up of production and the execution of commercial initiatives to partially mitigate inflation.
- Recurring EBITDA of €22.3 million; a significant improvement from H1 2024 loss of €(1.8) million. This reflects the operational leverage coming from volume growth, and execution of the commercial measures tackling inflation.
- Latecoere continues to invest in its platform, people, and a resilient business model, aligning with customer needs through quality and on-time delivery.

Toulouse, September 24, 2025 – Latecoere, a Tier 1 supplier to major international aircraft manufacturers, announced that the Board of Directors approved Latecoere's financial statements for the six-month period ended June 30, 2025.

André-Hubert Roussel Group Chief Executive Officer, stated: *"Thanks to the commitment of our employees and the continued support of our partners, I am pleased to report improving results in H1 2025. These results reflect our key priorities of serving OEM volume growth, the development and growth prospects of our customer service and after-market business, and our keen focus on our cost containment and cash optimization."*

H1 2025 Results

Group (€ million)	June 30, 2025	June 30, 2024
Revenue	374,6	352,1
<i>Reported growth</i>	6,4%	15,9%
Recurring EBITDA	22,3	(1,8)
<i>Recurring EBITDA margin on revenue</i>	5,9%	-0,5%
Operating free cash flows from continuing operations	(0,4)	(40,9)
Net Cash Flow	(18,7)	(46,2)
Cash and cash equivalents ¹	42,4	38,8
Net Debt ²	182,0	201,0

¹ Including €1.7 million Cash in Mades

² Net debt is stated including RMF

Latecoere's unaudited financial results for the half year ended 30 June 2025 reflect the general increased level of production in the aeronautical sector as a whole. Revenues amounted to €374.6 million, up €22.5 million or +6.4%. The increase in revenues was driven by higher production rates from OEMs, additional revenue from new business wins and the conclusion of commercial initiatives to offset inflation.

The Group reported a recurring EBITDA for H1 2025 of €22.3 million, a significant improvement compared to the €(1.8) million reported in H1 2024. This turnaround was mainly driven by the continued operating leverage from increased volumes, and the positive benefits coming from both operational and commercial initiatives undertaken by the Group. These positive benefits are still being offset however by continued inflationary pressures on the material cost base and ongoing supply chain disruptions during the ramp up of the operations.

Latecoere's net financial result amounted to €(16.3) million in H1 2025, compared with €(9.4) million in H1 2024, reflecting net interest cost on the PGE loans and other indebtedness outstanding during the year and unrealised exchange losses on foreign currency denominated debt.

The Group's net result for H1 2025 amounted to €(6.8) million, compared with €(49.9) million for H1 2024.

Operating free cash flow from continuing operations amounting to cash flow losses of €(0.4) million primarily reflects:

- The recurring EBITDA of €22.3 million;
- Non-recurring cash costs of €3.7 million primarily related to the ongoing transfers of work and related restructuring;
- Further investments of €6.8 million into capital expenditures, and;
- A net increase in total working capital of €4.8 million.

At the end of H1 2025, cash and cash equivalent stood at €42.4 million (including €1.7 million held in MADES). The net debt at the end of June 2025 stood at €182.0 million (including the RMF obligation).

As of June 2025, the hedging portfolio amounted to \$541.8 million at an average EUR/USD rate of 1.1358. Since June 30, 2025, the Group has continued to put in place hedges for 2026 to 2027 at attractive terms.

Aerostructures

Revenue for Latecoere's Aerostructures Division increased by +11,5% on a reported basis vs H1 2024. The segment's activity benefited from increased production rates and the benefit of commercial initiatives concluded in 2024.

The division's recurring EBITDA amounted to €4.4 million, representing a significant turnaround from the €(13.2) million loss incurred in the prior year H1. This reflects the operating leverage from the volume increase, tight costs control, and better commercial terms and conditions achieved with customers.

The division's operating free cash-flows amounted to €(5.8) million, but offset by the improving EBITDA and working capital reduction.

Aerostructures (€ million)	June 30, 2025	June 30, 2024
Consolidated revenue	229,2	205,6
<i>Reported growth</i>	<i>11,5%</i>	<i>8,1%</i>
Recurring EBITDA	4,4	(13,2)
<i>Recurring EBITDA margin on revenue</i>	<i>+1,8%</i>	<i>-6,1%</i>

Interconnection Systems

Revenues of €145.4 million were broadly flat on a reported basis compared with H1 2024. This reflects no growth in European programs and a small reduction in activity at Mades.

Recurring EBITDA for the Interconnection Systems division reached €17.9 million, a growth from €11.4 million from the prior year H1, reflecting tight costs control, and better commercial terms and conditions achieved with customers.

The division's operating free cash-flows from continuing operations amounted to €(2.9) million, improving by +€2.7 million compared to 2024. This improvement primarily reflects the stronger EBITDA.

Interconnection Systems (€ million)	June 30, 2025	June 30, 2024
Consolidated revenue	145,4	146,5
<i>Reported growth</i>	<i>-0,7%</i>	<i>28,9%</i>
Recurring EBITDA	17,9	11,4
<i>Recurring EBITDA margin on revenue</i>	<i>12,2%</i>	<i>7,7%</i>

H2 2025 Outlook

Inflationary pressures and challenges arising from operating within a constrained aerospace supply chain will continue in the remainder of 2025. OEM volume growth for commercial, business jet and defense market sub-segments continues to improve overall revenue, but the ramp-up in activity results in challenges and cost pressures for the whole industry. To alleviate these challenges, Latecoere continues to invest in its operating platform, people and geographic footprint, creating a more resilient business model better positioned to grow with customer requirements. We expect to see further improvements in profitability and cash flow resulting from increased volumes and the focus on improving operational efficiency across all parts of the business. We are also convinced that the business is well positioned to capitalise on the continuing, strong market demand for civil, military and space products and from the strong prospects for our customer services and after-market business. Latecoere's outlook for FY 2025 includes:

- Volume growth across most major programs
- A full year effect of the operational and commercial initiatives started in 2024
- Continued cost inflation across bill of materials and labor cost, but largely counterbalanced by **(i)** a reduction in operating expenses and over-costs experienced in 2024, being avoided in 2025; **(ii)** restricting indirect operating costs whilst accommodating volume growth; and **(iii)** delivering cost savings from our value creation programs. Our value creation programs are focused on **(i)** cost improvement from optimization of our industrial operations; **(ii)** improving direct labour efficiency across our manufacturing sites and **(iii)** driving purchasing related savings across both direct materials and indirect cost centre spending;
- Overall growth in EBITDA, resulting from the above realization of operational and commercial initiatives, an improving supply chain situation and increased activity across key commercial, business jet and defense market sub-segments; and
- Improvements in operational free cash flow reflecting the improvements in operational and commercial initiatives partially offset by restructuring costs, increased working capital due to sales growth and key investments to strengthen Latecoere's competitive position.

Significant Events in the Period

On April 4th, 2025, the company entered into a definitive agreement for the sale of Malaga Aerospace, Defense and Electronics Systems (MADES) to Cicor Group.

Post-closing events

The sale of MADES was completed on August 1st, 2025

About Latecoere

A Tier-1 partner to major aerospace manufacturers (Airbus, BAE Systems, Boeing, Bombardier, Dassault Aviation, Embraer, Honda Aircraft, Lockheed Martin, Thales), Latecoere serves aerospace with innovative solutions for a sustainable world.

The Group operates across all segments of the industry (commercial, regional, business aviation, defense), throughout the entire product lifecycle, primarily in four business areas:

- **Aerostructures:** doors, fuselage, wings and empennage, rods;
- **Interconnection Systems:** wiring, avionics racks, on-board systems, test benches;
- **Services and special products :** customer support, maintenance, repair, video systems;
- **Space:** electrical harnesses and sub-assemblies for satellites, launchers, and space vehicles.

Latecoere operates close to its customers through facilities in 13 countries, organized into two regions: EMEA-Asia on one side, and the Americas on the other. In 2024, the Group employed more than 5,000 people and generated revenue of €705.8 million.

Latecoere is listed on Euronext Paris – Compartment B
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Consolidated financial statements (IFRS)

Consolidated Income statement

<i>In thousands of euros</i>	June 30, 2025	June 30, 2024
Sales figures	374 606	352 081
Other operating income	-9	1 742
Stocked production	6 009	16 804
Purchases and external charges	-227 597	-227 282
Personnel expenses	-128 163	-139 946
Taxes	-4 963	-4 542
Depreciation, amortization and impairment	-18 752	-18 550
Net additions to operating provisions	1 574	-4 914
Net additions to current assets	-757	-2 339
Other products	3 849	4 457
Other expenses	-2 277	-1 560
OPERATING INCOME RECURRING	3 519	-24 048
Other non-recurring operating income	5 673	6 485
Other non-current operating expenses	-12 251	-15 648
OPERATING INCOME	-3 059	-33 211
Cost of net financial debt	-6 530	-6 210
Foreign exchange gains and losses	-7 065	-1 079
Unrealized gains and losses on derivative financial instruments	-305	-57
Other financial income and expense	-2 390	-2 089
FINANCIAL RESULT	-16 289	-9 435
Income tax	12 523	-6 674
NET INCOME FROM CONTINUING OPERATIONS	-6 825	-49 319
NET INCOME FROM DISCONTINUED OPERATIONS	-	-
NET INCOME	-6 825	-49 319

Consolidated Balance sheet

<i>In thousands of euros</i>	June 30, 2025	Dec. 31, 2024
Goodwill	13 582	17 970
Intangible assets	99 660	119 949
Property, plant and equipment	89 691	101 679
Other financial assets	6 604	6 408
Deferred taxes	1 453	1 755
Derivative financial instruments	12 831	-
Other long-term assets	-	-
TOTAL NON-CURRENT ASSETS	223 821	247 760
Inventories and work-in-progress	220 724	246 396
Trade and other receivables	109 734	126 998
Tax receivables	5 643	4 380
Derivative financial instruments	13 408	150
Other current assets	13 131	11 058
Cash and cash equivalents	40 822	59 791
Assets held for sale	33 887	-
TOTAL CURRENT ASSETS	437 350	448 773
TOTAL ASSETS	661 171	696 533

<i>In thousands of euros</i>	June. 30, 2025	Dec. 31, 2024
Capital	126 931	126 198
Additional paid-in capital	326 387	326 021
Treasury stock	-449	-443
Other reserves	-350 659	-286 650
Derivative financial instruments - effective portion	9 651	-36 212
Net income / loss for the period	-6 825	-60 550
ISSUED CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	105 037	68 365
NON-CONTROLLING INTERESTS	0	0
TOTAL SHAREHOLDERS' EQUITY	105 037	68 365
Borrowings and financial liabilities	195 278	203 359
Repayable advances	25 740	20 543
Commitments to employees	12 713	12 379
Non-current provisions	26 350	26 169
Deferred taxes	4 107	6 798
Derivative financial instruments	51	16 235
Other non-current liabilities	28	6 488
TOTAL NON-CURRENT LIABILITIES	264 268	291 970
Borrowings and bank overdrafts	29 139	33 909
Repayable advances	2 313	2 360
Current provisions	9 349	9 075
Trade and other payables	153 559	180 173
Tax payable	5 383	3 513
Contract liabilities	39 199	27 100
Other current liabilities	38 215	60 657
Derivative financial instruments	155	19 412
Liabilities held for sale	14 552	-
TOTAL CURRENT LIABILITIES	291 866	336 198
TOTAL LIABILITIES	556 134	628 168
TOTAL EQUITY AND LIABILITIES	661 171	696 533

Consolidated cash flow statement

<i>In thousands of euros</i>	June 30, 2025	June 30, 2024
Net income for the period	-6 825	-49 319
Adjustment for :		
Depreciation and provisions	18 053	26 018
Elimination of revaluation gains/losses (fair value)	305	57
(Gains)/losses on asset disposals	119	3 170
Other non-cash items	-144	1 357
Other	797	3 159
CASH FLOW AFTER COST OF NET DEBT AND TAX	12 306	-15 558
<i>Of which cash flow from discontinued operations</i>	<i>-</i>	<i>-</i>
Income tax expense	-12 523	6 674
Cost of debt	6 530	6 209
CASH FLOW FROM OPERATIONS BEFORE COST OF DEBT AND TAX	6 313	-2 675
Change in inventories net of provisions	-564	-25 014
Change in trade and other receivables net of provisions	16 347	-29 713
Change in trade and other payables	-13 009	12 633
Tax paid	-2 694	-3 044
CASH FLOW FROM OPERATING ACTIVITIES	6 392	-47 813
<i>Of which cash flow from operating activities related to discontinued operations</i>	<i>0</i>	<i>0</i>
Impact of changes in scope of consolidation	0	0
Acquisitions of tangible and intangible fixed assets (including change in fixed asset suppliers)	-7 024	-13 228
Acquisition of financial assets	0	41
Change in loans and advances	-209	1 426
Disposal of property, plant and equipment and intangible assets	374	1 414
Dividends received	0	0
CASH FLOW FROM INVESTING ACTIVITIES	-6 859	-9 974
<i>Of which cash flow from investing activities related to discontinued operations</i>	<i>0</i>	<i>0</i>
Capital increase	1 100	0
Purchase or sale of treasury shares	-6	-8
New loan and advances	-	24 988
Loan repayments	-4 447	-422
Repayment of lease obligations	-5 707	-5 285
Interest paid	-6 770	-6 268
Cash flow from repayable advances	-104	150
Other flows from financing activities	-	-1 556
CASH FLOW FROM FINANCING ACTIVITIES	-15 934	11 598
+/- impact of exchange rate fluctuations	-542	-93
Reclassification of Mades assets held for sale	-1 710	0
CHANGE IN NET CASH AND CASH EQUIVALENTS	-18 653	-46 281
<i>Of which net cash from discontinued operations</i>	<i>-</i>	<i>-</i>
Opening cash and cash equivalents (net of bank overdrafts)	59 374	85 102
Closing cash and cash equivalents (net of bank overdrafts)¹	40 721	38 821

1. Excluding Mades cash of €1.7 million