

## **Lectra receives €15.1 million from calls on bank guarantees following the October 2009 award rendered by the International Arbitral Tribunal against Induyco**

**Paris, October 7, 2010.** On September 20, 2010, the Madrid Court of Appeals issued a decision overturning and vacating the interim order entered by the Madrid Court of First Instance, and thereby lifted the temporary injunction obtained by Induyco in November 2009. That injunction had temporarily suspended execution of the first demand bank guarantees that were provided to Lectra by Induyco.

Following the appellate court's decision, which cannot be appealed, Lectra called on the first demand guarantees and in accordance with their terms Lectra received €15.1 million on October 7.

Induyco (a member of the Spanish group El Corte Inglés), former shareholder of Investronica Sistemas, provided these first demand bank guarantees to secure its obligations under the stock purchase agreement signed on April 2, 2004. The parties agreed that any disputes arising out of the stock purchase agreement would be finally settled by international arbitration under the Rules of the International Chamber of Commerce in London, England.

In June 2005, Lectra commenced arbitration against Induyco and on October 21, 2009, the international arbitral tribunal awarded Lectra €25.7 million in damages and interest (as of September 30, 2010).

Following the notification of the award, Lectra called on the demand guarantees and requested that Induyco pay the full amount of the award. Induyco had then initiated an action in Spain and obtained the interim order temporarily suspending the operation of the first demand guarantees.

In addition, Induyco commenced an action in England to set aside the award. On July 1, 2010, the London High Court of Justice dismissed in its entirety and put an end to Induyco's action.

The decisions of the Madrid Court of Appeals and the London High Court of Justice reinforce Lectra in its commitment to vigorously enforce its rights and to recover the full amount due to it under the award.

As at June 30, 2010, the company had not recorded in its accounts the amounts awarded by the arbitral tribunal. It will review, in its financial report that will be released on October 28, 2010, the impact of the decision of the Madrid Court of Appeals and of the receipt of €15.1 million in its third quarter accounts.

*With nearly 1,400 employees worldwide, Lectra is the world leader in software, CAD/CAM equipment and related services specially created for large-scale users of textiles, leather and industrial fabrics. Lectra serves a broad array of major global markets including the fashion (apparel, accessories, and footwear), automotive (car seats and interiors, airbags), and furniture industries, as well as a wide variety of other sectors, such as the aeronautical and marine industries, wind energy, etc.*

*Lectra (code ISIN FR0000065484) is listed on Euronext Paris (compartment C).*

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