HALF-YEARLY RESULTS

30th June 2020

Against the backdrop of the global crisis, the LISI Group was able to adapt quickly and strengthen its financial structure in the first half of 2020

- First-half results reflect positive commercial and operational momentum up to March 15, before markets and nearly all client activity stalled in all three divisions
- Global adaptation plan deployed to ensure business continuity, prioritize protection of employees and preservation of cash flow
    - 28.2% drop in sales compared with the first half of 2019 (-46% in Q2)
    - EBITDA held up well at 13.3% compared with 14.7% in the first half of 2019, due to cost and production adjustment measures implemented from the beginning of the crisis
    - Positive current operating profit of €22.5 million, including €58.8 million of depreciation charges
    - Record free cash flow of €90 million, reflecting immediate adjustments to working capital requirements
- Increased financial stability with a €94 million decrease in net debt compared with December 31, 2019
- Continuing focus on high value-added automotive activities with the disposal of the German company Mohr & Friedrich, and the acquisition of the remaining shares in Termax (49%)
- Plan to adapt to new market conditions: NEW DEAL to prepare for the future

Paris, July 24, 2020 - Today, LISI has released its results for the first half-year ended June 30, 2020. The statutory auditors conducted a limited review of the accounts, which were presented at the meeting of the Board of Directors held on July 23, 2020.

6 months ended June 30		**H1 2020**	**H1 2019**	**Change**
Key elements of the income statement				
Revenue	€M	636.7	886.2	-28.2%
EBITDA	€M	84.8	130.2	-34.8%
EBIT	€M	22.5	72.8	-69.1%
Current operating margin	*%*	*3.5*	*8.2*	-4.7 pts
Income for the period attributable to equity holders of parent	€M	4.7	24.9	-81.1%
Diluted earnings per share	€	0.09	0.47	-80.8%
Key elements of the cash flow statement				
Operating cash flow	€M	70.4	107.6	€M -37.2
Net capital expenditure	€M	36.3	67.0	€M -30.7
Free Cash Flow[1]	€M	90.0	48.9	€M +41.1
Key components of the financial position				
		H1 2020	12/31/2019	
Net debt[2]	€M	237.7	331.9[2]	€M -94.2
Ratio of net debt to shareholders' equity	*%*	*23.2%*	*32.6%*	-9.4 pts

[1] Free Cash Flow: operating cash flow minus net capital expenditure and changes in working capital requirements.
[2] Of which €71.6 million of the debt increase was due to IFRS 16 in 2019 and €78.0 in 2020.

Management and impact of the COVID-19 crisis

From the outset of the crisis, the LISI Group put in place a day-to-day crisis control and management protocols to meet a number of objectives, including:

- protecting employees and quickly implementing strict safety conditions in order to reopen all sites;
- adapting production capacity (reducing full time equivalent employees by 3,655, of which 2,377 are on furlough) while continuing deliveries very high levels of customer service;
- controlling and adapting fixed costs to the very low level of business activity in the second quarter, and ensuring that any adjustments are sustainable;
- protecting cash flow and anticipating short- and medium-term needs.

Crisis management units were deployed in each of the main functional areas (Human Resources; Health, Safety and Environment; Finance; Purchasing and Sales) which have deployed all decisions taken.

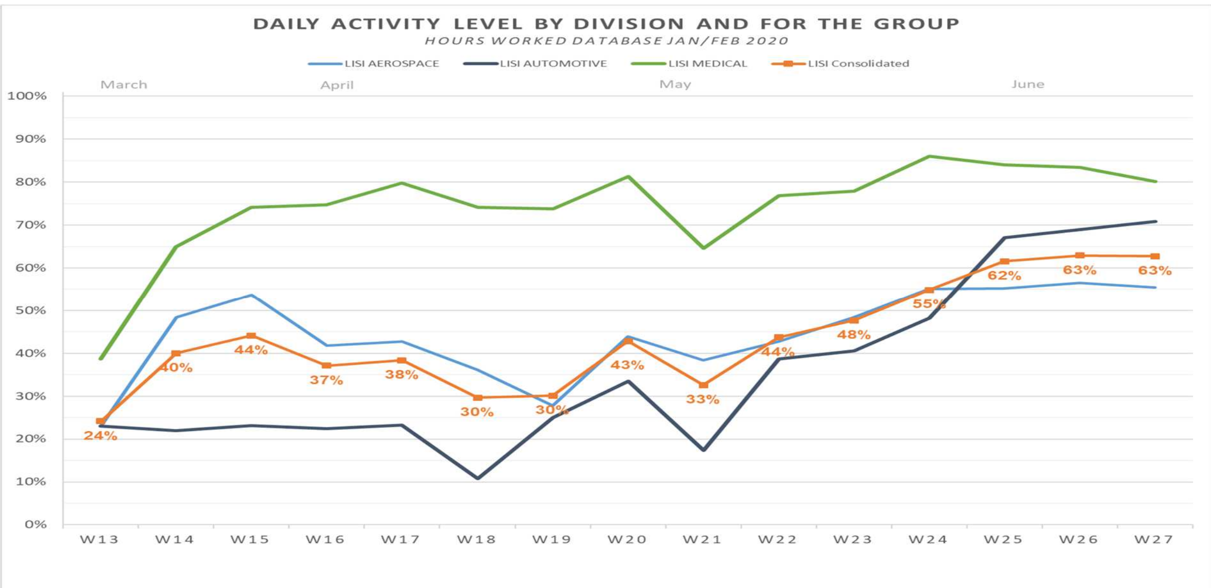
Comments on half-year business activity and results

Sales in € million	**2020**	**2019**	**2020 / 2019**	**At constant scope and exchange rates**
1st quarter	397.9	445.0	-10.6%	-7.9%
2nd quarter	238.8	441.3	-45.9%	-43.7%
6 months ended June 30	**636.7**	**886.2**	**-28.2%**	**-25.7%**

Consolidated sales for the first half of 2020 were €636.7 million. The 28.2% drop on last year is due to the following reasons:

- The sudden closure of nearly all main customer sites from March 15, 2020 vastly restricted the flow of deliveries. However, LISI was able to continue to operate with a good level of service. While the LISI AUTOMOTIVE division was able to resume its activities in June, there has been no notable uptick in business activity for LISI AEROSPACE.

The graph below shows the evolution of business activity between January and June 2022 in the Group:



- A favorable foreign exchange effect of +6.6 million (1.0% of sales) corresponding to the strengthening of the US dollar against the euro;
- A scope effect of -€38.7 million (-6.1%) reflecting the disposal of the screw, chassis stud and ball joint activity by LISI AUTOMOTIVE Former in Saint-Florent-sur-Cher on November 29, 2019, and the deconsolidation of Indraero Siren and LISI AEROSPACE Creuzet Maroc which came into effect on June 30, 2019.

At constant scope and exchange rates, sales decreased by 25.7% compared to the first half of 2019. The impact of the COVID-19 crisis was most noticeable in the second quarter, which was down 43.7% versus the comparative period in 2019.

Thanks to the Group's long-standing practice of flexible working arrangements, payroll was immediately reduced by 20% in the first half-year, 9.8% of which was covered by government packages. Combined with drastic cost reduction measures, this enabled the Group to maintain a double-digit EBITDA margin (13.3%).

However, performance was varied amongst the divisions:

- The LISI AEROSPACE division has gradually adapted its "Fasteners" business to the slowdown in orders;
- The LISI AUTOMOTIVE division saw a particularly steep drop in sales in all activities, which could not be offset in the short term;
- The LISI MEDICAL division has been impacted by unpredictable shutdowns of its main customers, making it more difficult to implement adjustment measures.

Depreciation is stable compared to 2019 at €58.8 million. At -€3.6 million, allowances and the reversal of provisions (primarily on inventories) have had a negative impact compared to the first half of 2019.

At €22.5 million, current operating profit (EBIT) remains positive despite the marked sales decline. Operating margin is 3.5%, down 4.7 points compared to the prior year period, and includes high depreciation charges (9.2% of sales) resulting from the significant capital expenditure programs of the from previous years.

The table below shows the main impacts of the COVID-19 crisis:

COVID-19 impacts **Cumulative 06/30/2020 / 06/30/2019**	**Group TOTAL**	
	€ million	*% change*
Sales	-233.6	*-26.4%*
Payroll	-65.9	*-19.7%*
Change in headcount	-3,655	*-28.3%*
Fixed costs	-41.7	*-13.9%*
Non-recurring expenses	-8.1	

Non-recurring operating income and expenses stand at -€20.1 million, reflecting the costs associated with the disposal of Mohr & Friedrich GmbH (LISI AUTOMOTIVE), industrial reorganization charges and costs incurred by the adjustment to the lower level of activity the first half of the year (Covid-19 crisis).

Financial income stands at +€4.7 million (down €3.8 million versus H1 2019) and includes the following items:

- Foreign currency effects linked to the revaluation of debts and receivables and the change in fair value of hedging instruments (+€7.4 million compared with -€1.5 million in H1 2019);

- Financial expenses, which correspond to the cost of long-term net debt, totaled -€3.4 million (-€3.8 million in H1 2019), representing an average fixed interest rate of 1.4%. Gains on current cash investments totaled €0.7 million, compared to €1.5 million in H1 2019. Net financial expenses therefore stand at 1.1% of net financial debt.

The tax charge, based on the corporate tax as a percentage of net income before taxes, reflects an effective average tax rate of 37.5% (compared with 33.6% in H1 2019). The effective tax rate would be 24.1% if restated for a one-off component of the financial year (impairment of a non-current asset).

Net income remains positive at €4.7 million (or 0.7% of sales), compared with €24.9 million in the first half of 2019.

Thanks to the Group's adaptiveness, operating cash flow remains at a satisfactory level. Indeed, at €70.4 million, it can cover a reduced investment program (€36.3 million or 5.7% of sales) without compromising the initiatives currently underway. These initiatives include new product development, innovation and multi-year industrial programs (Forge 2022, ERP, digitalization, robotics etc.).

Disciplined management and the quick adaptation of production levels in line with demand led to a reduction in working capital requirements from 74 days of sales as at December 31, 2019 to 72 days.

Free Cash Flow therefore reached the record level of €90 million for a first semester.

Net debt was down by €94.2 million compared to December 31, 2019 to €237.7 million, and now only represents 23.2% of shareholders' equity (compared with 32.6% at December 31, 2019. Also, net debt now only accounts for 1.0 x EBITDA, compared with 1.2 x EBITDA at December 31, 2019. Net bank debt fell to the historically low level of €39 million in the first half of 2020.

Moreover, the Shareholders' General Meeting of June 22, 2020 canceled the proposed 2019 dividend, which was initially set at €0.46 per share. This decision was taken to protect the Group's cash flow, in line with other adaptation measures in the light of the COVID-19 pandemic, which will affect all LISI business activities in the months to come.

LISI AEROSPACE (57% of the consolidated sales)

- The "Fasteners" activity benefited from positive pre-pandemic momentum and a full order book.
- The "Structural Components" activity was hit by pre-existing issues linked to the LEAP 1B engine and the COVID-19 crisis.
- Business continuity was ensured for major global customers, enabling LISI to honor and fulfill fast-changing orders, including:
    - Development of new products (compressor blades for MTUs);
    - Ramp up of new contracts (Airbus);
    - Increase in g market shares (F-35 program for Lockheed Martin).
- Adapting the industrial footprint to new market circumstances
- Resilient operating margin at 10.2%
- Solid Free Cash Flow of €66.2 million

Analysis of changes in sales

Sales in € million	**2020**	**2019**	**2020 / 2019**	**At constant scope and exchange rates**
1st quarter	226.7	252.6	-10.3%	-6.8%
2nd quarter	154.3	254.4	-39.4%	-36.2%
6 months ended June 30	**381.0**	**507.0**	**-24.9%**	**-21.5%**

Aerospace market

The aerospace market has borne the full brunt of the COVID-19 crisis, with a collapse in global air traffic. All airlines and aircraft manufacturers have drastically reduced their manufacturing schedules. From April, Airbus reduced all its production rates by approximately 30%. Boeing, which had already been hit hard by issues related to the B737 MAX, also bore the full brunt of the pandemic's negative consequences.

Comments on half-year business activity and results

At €381.0 million, the division's sales were down 24.9% compared to the same period in 2019, with a decline of 39.4% in the second quarter. The steepest fall in sales was recorded in the "Structural Components" activity (down 47.5% over the half-year and down 64.8% in the second quarter), which had already been hit hard by the consequences of a fall and then a halt in production of the Boeing B737 Max. The "Fasteners" business saw a more contained decline in half-year sales (down 8.8% on the same period in 2019, and down 20.9% in the second quarter), due to a better start to the year and fuller order book.

The strengthening of currencies (primarily the US dollar) versus the euro had a positive effect (up €5.4 million).

At constant scope and exchange rates, the division's sales are down 21.5% in the first half ear, and 36.2% in the second quarter.

Results

Thanks to the cost adjustment measures implemented from the beginning of the crisis, and the fact that the "Fasteners" business maintained its productivity levels in Europe and the United States, EBITDA held up well at €75.0 million or 19.7% of sales (17.9% in 2019).

Current operating profit (EBIT) stands at €38.8 million. At 10.2%, the operating margin is down 1.4 points versus the same period of the previous financial year.

This robustness has been driven by the quick implementation of headcount adjustment plans, which primarily involved eliminating temporary work and overtime, and by making use of furlough schemes. Headcount was reduced by 2,204 full time equivalent employees over the period, representing a 28% reduction in the division's headcount. The fixed cost adjustment plan also started to deliver positive impacts towards the end of the half-year.

The division has maintained a robust Free Cash Flow of €66.2 million (or 17.4% of sales).

LISI AUTOMOTIVE (35% of the total consolidated sales)

- Sudden shutdown of the main European manufacturers from the start of the crisis
- Proven flexibility of the manufacturing system by adapting deliveries to the geographic spread of the pandemic and to locked-down areas
- Activity resumed in Europe in June supported by government stimulus packages
- Resilient, positive EBITDA benefitting from short-term adjustment measures (up by 1.4% of sales)
- Focus maintained on high value-added products:
  - disposal, on June 26, 2020, of all shares in LISI AUTOMOTIVE's German subsidiary Mohr & Friedrich, specialized in hot forging and producing spacers and nuts primarily for trucks and trailers (2019 sales: €14.8 million);
  - acquisition of the remaining 49% of the capital of the American company Termax on June 30, 2020. Debt recognized in full upon acquisition of 51% of the shares on November 1, 2017. The successful completion of the deal reduced this acquisition debt by €18.5 million.

Analysis of changes in sales

Sales in € million	**2020**	**2019**	**2020 / 2019**	**At constant scope and exchange rates**
1st quarter	136.3	156.0	-12.6%	-10.2%
2nd quarter	60.4	151.2	-60.1%	-58.4%
6 months ended June 30	**196.7**	**307.2**	**-36.0%**	**-33.9%**

Automotive market

Global automotive markets recorded a steep decline in business in the first few weeks of the pandemic. Global registrations fell by 27.7% in the first half year compared to the prior year period (- 31.8% in the second quarter 2020). In China, the first region to see virus infections, registrations were down by 19.5% in the first half-year (but up 5.3% in the second quarter). Europe, where the virus took hold later, fell by 39.5% in the first six months with a 52.2% drop in the second quarter. However, in late June trends point to a short-term improvement, primarily due to the effects of government stimulus packages in France and Germany. In the Canada, USA and Mexico area ("NAFTA" region), which was affected later still, registrations fell by 25.1% in the half-year and by 35.3% in the second quarter.

Comments on half-year business activity and results

At €196.7 million, the division's sales were down 36.0% versus the same period in 2019 (and down by 60.1% in the second quarter).

At constant scope and exchange rates, half-year sales fell by 33.9% a less pronounced drop than global production, which declined by 37.7%. In the second quarter, global production was down 58.4%. All of the division's business activities were affected, with "Clipped Solutions" down 30.1%, "Safety Mechanical Components" down 31.9% and "Threaded Fasteners" down 35.9% compared to the first half of the previous financial year.

However, orders for new products remained buoyant at 10.9% of sales (approximately €21 million over the half-year), particularly in the “Safety Mechanical Components” and “Clipped Solutions” businesses.

Results

EBITDA remained positive (up 1.4%) due to the quick implementation of headcount adjustment plans, which primarily involved eliminating temporary work and overtime, and making good use of furlough schemes. Headcount fell by 1,239 full-time equivalent employees over the period, representing a 31% reduction in the division’s headcount.

Depreciation charges weighed on Current operating profit (EBIT) which was negative at -€17.1 million (representing 10.5% of sales). The decrease was partially offset by adjustment measures, including the cost savings plan launched at the beginning of the crisis. At -9.0%, the operating margin was down 12.0 points versus the comparable period a year ago. It is worth mentioning that, at the end of the first half, LISI AUTOMOTIVE had regained a level of business activity which took it over the break-even point.

Due to the steep decline in working capital requirements, the division posted a positive Free Cash Flow of €8.4 million or 4.3% of sales.

LISI MEDICAL (8% of the total consolidated sales)

- Unpredictable suspensions of customer orders
- Business continuity maintained until mid-April, particularly for American customers
- Lack of visibility regarding the recovery

Analysis of changes in sales

Sales in € million	**2020**	**2019**	**2020 / 2019**	**At constant scope and exchange rates**
1st quarter	35.1	36.6	-4.2%	-5.9%
2nd quarter	24.4	36.0	-32.2%	-32.9%
6 months ended June 30	**59.5**	**72.6**	**-18.1%**	**-19.3%**

Medical market

The medical market activity has declined, with a lag time of several weeks between Europe and the USA. The fall can be largely attributed to the postponement of non-urgent surgical procedures, and the massive increase in Coronavirus patients admitted to hospitals. Published studies all show a drop in the reconstruction surgery market of 17% to 19% in 2020.

Comments on half-year business activity and results

At €59.5 million, the division’s sales were down 18.1% compared to the same period in 2019, and 32.2% in the second quarter. As expected, the minimally invasive surgery sector benefited from an increased rate of new products at the beginning of the period. Subsequently, the spread of COVID-19 in the USA led to reduced demand, while the LISI MEDICAL Orthopaedics site was affected by a sudden suspension of orders from its main customer at the beginning of the second quarter.

At constant scope and exchange rates, there was a 19.3% contraction in sales.

Results

EBITDA remained positive at 8.2%, supported by the implementation of headcount adjustment plans. The plans reduced headcount by 208 full-time equivalent employees over the period, representing a 20% drop in the division's total headcount.

Current operating profit (EBIT) stands at -€0.7 million. At -1.2%, the operating margin is down 4.7 points compared to the same period in the prior year. The fixed cost adjustment measures launched in the second quarter will begin to have a positive effect in the second half-year.

Thanks to high operating cash flow and good management of working capital requirements, the division posted a positive Free Cash Flow of €8.1 million or 13.6% of sales.

2020 LISI GROUP OUTLOOK AND TARGETS

LISI AEROSPACE

It is likely to take several years before the global aerospace market starts to, which will require adjustments for the long term. Therefore, adjustments implemented at the beginning of the crisis will have to be extended for a prolonged period. Moreover, the expected resumption of Boeing B737 MAX flights will only have a limited impact on the production rates for the "Structural Components" business in the short term.

The capital expenditure program will be reviewed while new product ramp-ups, innovation and production flexibility will remain a priority

The division will also benefit from the support provided by the first long-term fasteners supply contract awarded by Lockheed Martin for the F-35 program, announced on June 6. The contract will be fully supplied by LISI AEROSPACE's North-American platform. It covers 2020-2022 with three annual renewal options until 2025 and has a total value (over six years) of $60 million. The deal will boost LISI AEROSPACE's position as a major fasteners supplier for aerospace and military aviation.

LISI AUTOMOTIVE

Pending the recovery of the European automotive market seen in June. production ramp up costs and working capital requirements will remain the division' s main area of focus. The teams will continue to closely monitor and manage numerous development projects in the "Safety Mechanical Components" and "Clipped Solutions" activities, where multi-material applications and cable fasteners are particularly well-suited to electric and hybrid models. They will also leverage previously established relationships with the US based Termax ("Clipped Solutions") and Hi-Vol ("Safety Mechanical Components"). The realignment of LISI AUTOMOTIVE's business on high value-added fasteners and mechanical components will enable the division to improve its margins in the second half of the year.

LISI MEDICAL

The reconstruction and minimally invasive surgery markets have not lost any of their long-term growth potential. Although the division will attempt to cushion the fall in business activity caused by COVID-19, the short-term recovery of the sector will be dependent on the backlog of surgeries that have been postponed due to pressure on healthcare systems.

LISI Consolidated

Despite the unprecedented current situation, the Group has proven that it can adapt while continuing to focus on its high value-added activities. This resilience is encouraging for the future as regards the Group's ability to maintain positive profitability and generate a good level of cash surplus.

Nevertheless, the results for the current financial year should be impacted by the planned cost savings in the second half-year. The Group's financial stability remains intact, allowing further consolidation of the value chain in its various businesses.

LISI has therefore confirmed its strategic ambition for long-term growth. The Group's "NEW DEAL" adaptation plan will support this process, through its business relaunch and industrial rescaling phases. As it enters a phase of repositioning, it aims at adapting to the new market conditions, and to seize any opportunities that may arise.

LISI Group consolidated balance sheet

ASSETS

(in thousands of euros)	*6/30/2020*	*12/31/2019*	*6/30/2019*
NON-CURRENT ASSETS			
Goodwill	354 946	354 552	350 890
Other intangible assets	31 438	29 393	30 559
Tangible assets	700 612	732 776	740 377
Non-current financial assets	10 897	16 977	15 790
Deferred tax assets	25 797	17 312	14 494
Other non-current assets	105	9	428
Total non-current assets	**1 123 795**	**1 151 022**	**1 152 538**
CURRENT ASSETS			
Inventories	323 287	321 639	334 761
Taxes - Claim on the state	23 296	16 206	17 346
Trade and other receivables	198 123	275 072	274 900
Cash and cash equivalents	253 276	236 809	206 487
Total short-term assets	**797 981**	**849 727**	**833 493**
TOTAL ASSETS	**1 921 776**	**2 000 748**	**1 986 031**

TOTAL EQUITY AND LIABILITIES

(in thousands of euros)	*6/30/2020*	*12/31/2019*	*6/30/2019*
SHAREHOLDERS' EQUITY			
Capital stock	21 646	21 646	21 646
Additional paid-in capital	75 329	75 329	75 329
Treasury shares	(19 845)	(14 435)	(14 413)
Consolidated reserves	934 391	844 386	827 773
Conversion reserves	16 383	21 819	16 348
Other income and expenses recorded directly as shareholders' equity	(9 553)	(6 877)	(4 819)
Profit (loss) for the period	4 719	69 773	24 919
Total shareholders' equity - Group's share	**1 023 073**	**1 011 642**	**946 782**
Minority interests	2 505	9 740	8 875
Total shareholders' equity	**1 025 578**	**1 021 382**	**955 657**
NON-CURRENT LIABILITIES			
Non-current provisions	65 905	64 993	60 670
Non-current borrowings	356 338	412 310	451 659
Other non-current liabilities	7 858	10 705	8 738
Deferred tax liabilities	41 005	40 091	39 867
Total non-current liabilities	**471 106**	**528 099**	**560 934**
SHORT-TERM LIABILITIES			
Current provisions	27 614	23 069	18 670
Current borrowings*	134 616	156 423	141 789
Trade and other accounts payable	258 226	270 447	305 250
Taxes due	4 637	1 328	3 730
Total short-term liabilities	**425 093**	**451 267**	**469 439**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIE	**1 921 776**	**2 000 748**	**1 986 031**
** Of which banking facilities*	*4 682*	*8 273*	*9 330*

LISI Group consolidated income statement

(in thousands of euros)	*6/30/2020*	*6/30/2019*	*12/31/2019*
Pre-tax sales	**636 684**	**886 237**	**1 729 527**
Changes in stock, finished products and production in progress	(3 844)	2 877	(3 513)
Total production	632 840	889 114	1 726 014
Other revenues*	23 169	14 304	28 508
Total operating revenues	**656 009**	**903 418**	**1 754 522**
Consumed goods	(167 012)	(250 049)	(476 490)
Other purchases and external expenses	(138 528)	(179 602)	(349 499)
Taxes and duties**	(9 100)	(9 318)	(11 995)
Payroll costs (including temporary workers)***	(256 523)	(334 281)	(643 338)
Earnings before interest, taxes, depreciation and amortization (EBI	**84 846**	**130 168**	**273 200**
Depreciation	(58 798)	(59 355)	(119 181)
Net provisions	(3 578)	2 011	1 094
Current operating profit (Earnings before interest and taxes [EBIT])	**22 470**	**72 824**	**155 113**
Non-recurring operating expenses	(20 498)	(28 448)	(46 358)
Non-recurring operating revenues	428	112	1 523
Operating profit	**2 400**	**44 488**	**110 278**
Financing expenses and revenue on cash	**(2 609)**	**(2 590)**	**(4 326)**
Revenue on cash	*933*	*1 479*	*3 544*
Financing expenses	*(3 542)*	*(4 069)*	*(7 871)*
Other interest revenue and expenses	**7 279**	**(1 175)**	**(4 221)**
Other financial items	*17 223*	*9 836*	*26 688*
Other interest expenses	*(9 945)*	*(11 012)*	*(30 909)*
Taxes (of which CVAE (Tax on companies' added value))**	**(2 647)**	**(13 691)**	**(27 918)**
Share of net income of companies accounted for by the equity method	**0**	**0**	**0**
Profit (loss) for the period	**4 425**	**27 032**	**73 812**
Attributable as company shareholders' equity	4 719	24 919	69 773
Interest not granting control over the company	(294)	2 113	4 039
Earnings per share (in €):	**0,09**	**0,47**	**1,31**
Diluted earnings per share (in €):	**0,09**	**0,47**	**1,30**

LISI Group consolidated cash flow statement

(in thousands of euros)	*6/30/2020*	*6/30/2019*	*12/31/2019*
Operating activities			
Net earnings	**4 425**	**27 032**	**73 812**
Elim. of the income of companies accounted for by the equity method			
Elimination of net expenses not affecting cash flows:			
- Depreciation and non-recurrent financial provisions	58 636	59 141	119 418
- Changes in deferred taxes	(6 818)	179	(3 467)
- Income on disposals, provisions for liabilities and others	13 170	21 160	34 797
Gross cash flow margin	**69 413**	**107 512**	**224 560**
Net changes in provisions provided by or used for current operations	990	65	(3 299)
Operating cash flow	**70 403**	**107 577**	**221 261**
Income tax expense elimination	9 464	13 512	31 385
Elimination of net borrowing costs	2 783	2 720	5 526
Effect of changes in inventory on cash	(5 928)	(7 437)	10 498
Effect of changes in accounts receivable and accounts payable	65 156	9 705	(18 740)
Net cash provided by or used for operations before tax	**141 877**	**126 076**	**249 929**
Tax paid	(12 866)	(7 432)	(26 108)
Cash provided by or used for operations (A)	**129 011**	**118 644**	**223 824**
Investment activities			
Acquisition of consolidated companies			
Acquired cash			
Acquisition of tangible and intangible fixed assets	(36 429)	(67 847)	(118 555)
Acquisition of financial assets			
Change in granted loans and advances	2 249	(100)	(187)
Investment subsidies received			
Dividends received			
Total cash used for investment activities	**(34 180)**	**(67 947)**	**(118 742)**
Divested cash	(2 914)	(1 244)	(1 249)
Disposal of consolidated companies		3 000	3 000
Disposal of tangible and intangible fixed assets	171	840	1 737
Disposal of financial assets			(3)
Total cash from disposals	**(2 743)**	**2 596**	**3 485**
Cash provided by or used for investment activities (B)	**(36 923)**	**(65 351)**	**(115 257)**
Financing activities			
Capital increase			
Net disposal (acquisition) of treasury shares			
Dividends paid to shareholders of the Group		(23 421)	(23 421)
Dividends paid to minority interests of consolidated companies	(452)	(791)	(1 769)
Total cash from equity operations	**(452)**	**(24 212)**	**(25 190)**
Issue of non-current loans	10 064	60 086	60 520
Issue of short-term loans	1 140	1 373	103 674
Repayment of non-current loans	(1 030)	(5 511)	(5 882)
Repayment of short-term loans	(68 492)	(23 198)	(147 088)
Net interest expense paid	(2 782)	(2 721)	(5 534)
Total cash from operations on loans and other financial liabilities	**(61 101)**	**30 028**	**5 690**
Cash provided by or used for financing activities (C)	**(61 553)**	**5 816**	**(19 501)**
Effect of change in foreign exchange rates (D)	(5 089)	886	2 338
Effect of adjustments in treasury shares (D)*	(5 388)	762	727
Changes in cash (A+B+C+D)	**20 058**	**60 757**	**92 133**
Cash at January 1 (E)	228 533	136 400	136 400
Cash at year-end (A+B+C+D+E)	248 594	197 158	228 533
Cash and cash equivalents	253 276	206 488	236 809
Short-term banking facilities	(4 682)	(9 330)	(8 273)
Closing cash position	**248 594**	**197 158**	**228 533**

Change in LISI Group consolidated shareholders' equity

(in thousands of euros)	**Share capital**	Capital-linked premiums (Note 7.3)	Treasury shares	Consolidated reserves	Conversion reserves	Other income and expenses recorded directly as shareholders' equity	Profit for the period, Group share	**Group's share of shareholders' equity**	**Minority interests**	**Total shareholders' equity**
Shareholders' equity at January 1, 2019	**21 646**	**75 329**	**(15 175)**	**757 720**	**12 339**	**(6 918)**	**92 069**	**937 010**	**6 625**	**943 634**
Profit (loss) for the period N (a)							69 773	**69 773**	4 039	73 812
Translation differences (b)					9 480			**9 480**	(67)	9 413
Payments in shares (c)				104				**104**		104
Capital increase								**0**	947	947
Restatement of treasury shares (d)			740			183		**923**		923
Restatement as per IAS19 (g)						(3 407)		**(3 407)**		(3 407)
Appropriation of N-1 earnings				92 069			(92 069)	**0**		0
Change in scope				14 352				**14 352**	(48)	14 304
Dividends distributed				(23 420)				**(23 420)**	(1 769)	(25 189)
Reclassifications								**0**		0
Restatement of financial instruments (f)						3 265		**3 265**	14	3 279
Various (e)				3 562				**3 562**	0	3 562
Shareholders' equity at December 31, 2019	**21 646**	**75 329**	**(14 435)**	**844 386**	**21 819**	**(6 877)**	**69 773**	**1 011 642**	**9 740**	**1 021 382**
including total income and expenses reported for the year (a) + (b) + (c) + (d) + (e) + (f)					***9 480***	***41***	***69 773***	***79 924***	***3 986***	***83 279***
Shareholders' equity at January 1, 2020	**21 646**	**75 329**	**(14 435)**	**844 386**	**21 819**	**(6 877)**	**69 773**	**1 011 642**	**9 740**	**1 021 382**
Profit (loss) for the period N (a)							4 719	**4 719**	(294)	4 425
Translation differences (b)					(5 436)			**(5 436)**	(3 559)	(8 995)
Payments in shares (c)				(1 153)				**(1 153)**		(1 153)
Capital increase		0						**0**	0	0
Restatement of treasury shares (d)			(5 410)			(210)		**(5 620)**		(5 620)
Restatement as per IAS19 (g)						(852)		**(852)**		(852)
Appropriation of N-1 earnings				69 773			(69 773)	**0**		0
Change in scope				21 385				**21 385**	(2 905)	18 480
Dividends distributed				0				**0**	(452)	(452)
Reclassifications								**0**		0
Restatement of financial instruments (f)						(1 615)		**(1 615)**	(24)	(1 639)
Various (e)								**0**		0
Shareholders' equity at June 30, 2020	**21 646**	**75 329**	**(19 845)**	**934 391**	**16 383**	**(9 553)**	**4 719**	**1 023 073**	**2 505**	**1 025 578**
including total income and expenses reported for the year (a) + (b) + (c) + (d) + (e) + (f) + (g)					***(5 436)***	***(2 676)***	***4 719***	***(3 393)***	***(3 877)***	***(7 270)***