Toulon, February 27, 2019, 6 p.m.

ECA Group: full-year 2018 revenue

- Full-year 2018 revenue down 10.1%
- Rebound in Robotics revenue in the 4th quarter of 2018 (+4.8%)
- Backlog up by 24.6%, to €120 million, driven by historic backlog figures in Robotics
- 2019 objective: revenue growth above 5%

ECA Group (Euronext Paris: ECASA) reports its revenue for the fourth quarter and the full year 2018 today.

(in € millions)[1]	2018	2017 restated IFRS 15[2]	Change	2017 reported	Q4 2018	Q4 2017 restated IFRS 15[2]	Change	Q4 2017 reported
Backlog at end of period	120.3	96.5	*+24.6%*					
Robotics	59.2	66.6	*-11.2%*	65.1	21.2	20.2	*+4.8%*	19.5
Aerospace	32.6	36.9	*-11.5%*	36.9	8.3	11.7	*-28.6%*	11.7
Simulation	10.3	10.1	*+1.5%*	10.1	3.2	4.4	*-26.5%*	4.4
Structure & disposals	*(0.0)*	*(0.1)*	*n.s.*	*(0.1)*	*(0.0)*	*(0.0)*	*n.s.*	*(0.0)*
Consolidated revenue	***102.1***	***113.5***	***-10.1%***	**112.0**	**32.8**	**36.3**	***-9.6%***	**35.5**
Adjusted revenue [3]	101.8	110.8	*-8.2%*	109.3	32.8	35.6	*-7.9%*	34.8

[1]Unaudited 2018 figures.

[2] As of January 1, 2018, the Group applies IFRS 15 "Revenue from Contracts with Customers." All changes and comments indicated in this press release are in comparison with the 2017 figures restated for the implementation of this standard.

[3] In order to assess the performance of its ongoing activities, the Group will present and comment on the adjusted results in addition to the reported figures. The adjustments concern the contribution of ECA Sindel and SSI. The figures in this press release are not expressed as adjusted figures, unless otherwise specified.

For 2018, **consolidated revenue** was €102.1 million, compared to €113.5 million in 2017, down 10.1% for the financial year and 9.6% in the fourth quarter. Full-year 2018 order intake was strong, up 45.3% to €128.0 million, reflecting the excellent commercial activity in the Robotics and Aerospace divisions, where several major successes were recorded in the fourth quarter of 2018. However, these orders intakes, which occurred at the end of the year, did not generate revenue for financial year 2018.

Revenue for the **Robotics** division was €59.2 million for 2018, down 11.2% from 2017. The division was impacted during the first nine months of the year by the insufficient order intake level in 2017. In the fourth quarter of 2018, this trend was reversed and revenue was €21.2 million, up 4.8% compared to the same period in 2017.

Order intake for the year amounted to €91.0 million thanks to an especially active fourth quarter. This surge of 72.3%, reflects the expansion of the drone market.

As part of the review of its strategic assets, in December the division disposed of EN Moteurs, specialized in motor and special electric generator production. This business contributed €2.3 million to 2018 revenue and will contribute several hundred thousand euros to 2018 income.

In the **Aerospace** division, revenue fell by 11.5% to €32.6 million in 2018, due largely to a slowdown in assembly line operations. Order intake for the year amounted to €32.8 million, a 2.4% increase, and given strong order intake of nearly €8.6 million in January, it is expected to contribute to the resumption of the division's growth in 2019.

Finally, **Simulation** was up 1.5%, to €10.3 million in 2018, driven by the performance of the second contract for driving simulators for military vehicles during the financial year. Adjusted for the contribution of the SSI subsidiary, whose business was sold on August 31, the division's revenue was €10.0 million, up 3.1% compared with the previous financial year. Order intake was up 25.2%, to €4.2 million.

2019 perspectives

At December 31, 2018, the **consolidated backlog** was €120.3 million, compared to €96.5 million in 2017, thanks to the 45.1% increase in the Robotics division, whose backlog reached a record level of €94.5 million. Backlog for the Aerospace division was €23.2 million, up 2.0%. Major new orders received in January will contribute to the division's growth. The backlog of the Simulation division, which represents 10% of the Group's revenue, dropped by 70.7%, to €2.5 million, reflecting the finalization of the contract for driving simulators for military vehicles.

Full-year 2018 stood out for its remarkably high order intake. Continuing this trend, 2019 will feature growth in operations, particularly Aerospace and Robotics, which are supported by the strong backlog at the start of the year and the commercial outlook of these divisions in the first half.

In 2019, the Group is targeting full-year revenue growth above 5%. This outlook does not factor in the potential success of the structuring tender submitted to the Belgian and Dutch navies (see October 9, 2018 press release).

Next release

Annual results released on April 3, 2019, before market opening.

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Some of these risk factors are set forth and detailed in our Registration Document including the annual financial report filed with the French Autorité des Marchés Financiers. This list of risks, uncertainties and other factors is not limitative. Other non-anticipated, unknown or unforeseeable factors could also have material adverse effect on our targets.

ECA Group

Recognized for its expertise in robotics, automation systems, simulation and industrial processes, the ECA Group has been developing complete, innovative technological solutions for complex missions in hostile and confined environments since 1936. Its product offering is designed for an international client base that is demanding, both in terms of safety and effectiveness. The Group’s main markets are in the defense, maritime, aeronautics, simulation, industrial and energy sectors.
In 2018, the Group reported revenue of €102 million across its three divisions: Robotics, Aerospace and Simulation.

The ECA Group is a Groupe Gorgé company.

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