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Dear colleagues,

The shock our industry is facing is unparalleled for most of us and goes with a 40% drop in revenues and no recovery forecast for many years.

This said, our vision and strategy remain the same, as do our values boldness, excellence and commitment. These are never more important as now.

It is essential that we now fully adapt to this new environment. This will not be without pain for many of our colleagues and you will be aware that outside France, over 1100 jobs have been cut since March. These are very difficult but necessary decisions that must be taken in order to secure the long-term future of Latécoère.

For the previous months, we have worked on a plan to respond to that crisis. I will be transparent with you on what happened. The closure of several production sites in both branches in France has been a strong scenario up until very recently. During the summer we have worked in conjunction with the French ministries responsible for employment, industry and transport to find an alternative plan, which will require the support of everyone to ensure it works.

The global project we unveil is a transformation which will ensure that we preserve capabilities in France whilst adapting to a new reality. According to the project presented today to French employee representative bodies:

- We would downsize our workforce to adapt to the sharp and long term reduction of business volume. Consequently, 475 jobs would be cut in France.
- Both branches would deploy a strategy to adapt each site and each department to these challenges and align our competitiveness to that of our competitors, which is vital.

Now it is time to work on this project with employee representative bodies and stakeholders, as dialogue is essential to move forward.

Many challenges lay ahead. For us and for our industry. The aviation sector is still full of promise. As a prime example of that, Airbus has unveiled earlier this week new concepts of greener aircraft. We must support this momentum and play our role as an innovative equipment manufacturer.

Our customers come to Latécoère because of our unique capabilities and we are protecting them, even during this time of crisis, we will continue to invest in R&T, future programmes, facilities and our people. Our shareholders also support this strategy.

How we come together now will send important messages to our customers and differentiate us from our competitors. In order to succeed we need everyone to play their part. Help each other through this time of change, embrace the challenges we will face, invest your energies in making us a better team and a better company.

Be the best you can be, your company depends on it.



Phil Swash
Group CEO