



DESCRIPTION OF THE SHARE BUYBACK PROGRAMME

FIGEAC AÉRO (ticker code: FGA) (the "Company"), a key partner for leading aerospace industry companies, has today published the description of the share buyback programme for its own shares, which was authorised by the Combined General Meeting of 29 September 2017 (the "Shareholders' Meeting") and that its Board of Directors has decided to implement in full.

This description, prepared in accordance with the provisions of article 241-2 of the AMF's General Regulations, aims to describe the purpose and methods of the Company's treasury share buyback programme.

1) Breakdown by objectives of the capital securities owned at the date of 13 April 2018:

At 16 April 2018, the number of shares owned directly or indirectly by the Company is 78,367 representing 0.246% of the Company's capital.

These shares are all allocated to fostering trading in Company securities as part of the liquidity contract signed with Louis Capital Markets on 13 January 2014.

2) Description of the share buyback programme authorised by the Shareholders' Meeting:

- **Authorisation for the programme:** eighth resolution of the Combined General Meeting of 29 September 2017;
- **Securities concerned:** ordinary shares ;
- **Maximum share of the share capital for which the buyback is authorised by the Shareholders' Meeting:** 10% of the capital (i.e. 3,178,753 shares at this date).

However, in accordance with the law, the number of shares purchased for the purpose of being kept and subsequently remitted in payment or exchange in connection with a merger, split-off or capital contribution may not exceed 5% of its share capital (i.e. 1,589,376 shares at this date).

As the Company may not own more than 10% of its share capital and given the number of shares already owned amounting to 78,367 (i.e. 0.246% of the capital), the maximum number of shares that may be purchased shall be 3,105,580 (i.e. 9.78% of the capital), unless the Company sells or cancels shares already owned.

- **Maximum purchase price authorised by the Shareholders' Meeting:** €27 per share, with it being clear that in the case of a change in the nominal value of the shares, a capital increase by incorporation of reserves and share grants for no consideration, as well as in the case of a stock split or reverse stock split, redemption or reduction of share capital, distribution of retained earnings and any other transactions related to equity, this unit price will be adjusted by a multiplier equal to the ratio of the number of shares making up the share capital before the transaction and the number of shares after the transaction.
- **Maximum amount of the programme authorised by the Shareholders' Meeting:** €3,000,000.
- **Objectives of the share buyback programme authorised by the Shareholders' Meeting:** the Shareholders' Meeting authorised the Board of Directors to proceed with or arrange for the purchase by the Company of its own shares in accordance with the AMF General Regulations and articles L.225-209 et seq. of the French Commercial Code, in order to:
 - act on the secondary market, particularly to bolster liquidity, through an independent Investment Services Provider, under a liquidity agreement consistent with the Code of Ethics approved by the AMF;
 - implement any share purchase option plan of the Company pursuant to Articles L. 225-177 et seq. of the French Commercial Code;
 - grant shares for no consideration pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code;
 - allocate shares to employees for their contribution to the Company's growth and put in place any company savings scheme under the conditions provided by law, particularly Articles L. 3332-1 et seq. of the French Labour Code;
 - hold shares for subsequent remittance by way of payment or exchange in the context of any external growth transactions;
 - deliver shares upon the exercise of rights attached to securities giving access to the capital;
 - cancel all or part of the repurchased shares to decrease the share capital subject to authorisation by an Extraordinary General Meeting having validity;



- and, more broadly, carry out any transaction currently authorised or subsequently authorised by law or any market practice approved by the AMF, with the understanding that the Company will inform its shareholders of any transactions by way of a press release.

The shares may be bought by any means, on one or more occasions, on regulated markets or over the counter, under the conditions authorised by the relevant market authorities and admissible market practices approved by the AMF. These means include the use of any financial derivative instrument or the implementation of option strategies, with the Company taking measures, however, to avoid materially increasing the volatility of its stock.

The Company reserves the right to buy back blocks of shares.

The Company reserves the right to pursue this share buyback programme in the event of a hostile tender or exchange offer for its securities, in compliance with Article 231-40 of AMF's General Regulations.

- **Duration of the authorisation to implement the programme:** 18 months from the Shareholders' Meeting of 29 September 2017, i.e. up to 29 March 2019.

3) Implementation of the share buyback program authorised by the Shareholders' Meeting:

The Company decided to implement the share buyback programme authorised by the Shareholders' Meeting in order to carry out the following two objectives:

- 1) act on the secondary market, particularly to bolster liquidity, through an independent Investment Services Provider, under a liquidity agreement consistent with the Code of Ethics approved by the AMF, and subject to AMF approved market practices.

The Company reiterates that on 11 December 2017 it completed an additional contribution of **€1,500,000** as part of the liquidity contract signed on 13 January 2014 with Louis Capital Markets (see press release dated 12 December 2017).

- 2) optimise the Company's cash management by purchasing its own shares for the purpose of subsequently selling them on the market, with the aim of generating capital gains.

In addition, the Company has decided to implement the buyback programme in accordance with the last objective authorised by the Shareholders' Meeting, which excludes transactions prohibited by law, which is not the case here. A separate mandate was given to Louis Capital Markets, under a contract signed today, for the purpose of purchasing Company shares on the market up to a **maximum purchase amount of €1,000,000**.

The Company considers that given the current price of its shares, it is in its proprietary interest (and indirectly that of its shareholders, notably from the perspective of future dividends) to acquire Company shares, with the aim of generating a profit, if possible, on their resale, once the buyback period for this objective has been completed.

Whilst not holding any privileged information at the date of this document, the Company, which remains confident that the medium-term share price will increase (which seems to be confirmed by the different analysts followed by the Company), considers that it could not use its cash in a better way than investing in its own shares, with these purchases constituting a real investment opportunity for the Company.

It is stated as required that this objective shall not allow the Company as such to benefit from the presumption of legitimacy introduced by European Regulation (EC) no. 596/2014 of 16 April 2014 on market abuse (known as the "MAR Regulation") in respect of a possible qualification as market manipulation. However, the AMF has itself confirmed¹ that share buybacks carried out to meet other objectives than those giving right to the presumption of legitimacy are not prohibited, and are not in themselves considered as market abuse, even though they do not benefit from a presumption of legitimacy in respect of the MAR Regulation.

On the other hand, nothing prevents these transactions being carried out under similar conditions to those under legal presumptions, in such a way as to ensure that they do not affect normal market operations. It is for this reason that the Company has chosen to call upon Louis Capital Markets, acting as an investment service provider, to ensure that all purchases under the programme are carried out on the market, independently from the Company.

Moreover, these purchases will comply with all the aspects of the criteria introduced by the MAR Regulation in terms of the presumption of legitimacy (in particular the price and daily volume conditions, it being stated that the daily volume constraint of purchases lower than 25% of the average daily volume will be assessed in a broad sense, i.e. by aggregating the shares purchased daily by Louis Capital Markets on the market in respect of the two objectives).

In accordance with articles 2.2 and 2.3 of the delegated ruling (EU) 2016/1052 completing the MAR Regulation, the Company will declare each operation linked to the share buyback programme to the AMF, no later than the seventh trading day after their execution date. This information will also be published on the Company's internet site.

Moreover, in application of article 241-4 of the AMF's General Regulations, the Company will declare these transactions to the AMF on a monthly basis.

¹ AMF Position-Recommandation: Guide on listed issuer interventions on their own securities and stabilisation measures - DOC-2017-04, page 4.

The Company will publish the date at which the share buybacks carried out as part of the second objective are completed, it being stated that it will not continue to resell them on the market after that date (through Louis Capital Markets).

This document is published in accordance with the provisions of the AMF's General Regulations and is available on the Company's website (www.figeac-aero.com).

ABOUT FIGEAC AERO

The FIGÉAC AÉRO Group, a leading partner of major aerospace manufacturers, specialises in the production of light alloy and hard metal structural parts, engine parts, landing gear parts and sub-assemblies. An international group with a workforce of over 3,300 employees, FIGEAC AÉRO operates in France, the United States, Morocco, Mexico and Tunisia. In the year ended 31 March 2017, the Group reported annual revenue of €325 million.

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