



2018 EARNINGS – 2019 INVESTMENTS LAMBERET GROUP

Lamberet consolidated its growth in 2018 and announces the expansion of its plant in Saint-Cyr/Menthon.

In 2018, the Group capitalised on its recent investments devoted to refrigerated utility vehicles to reach a new sales record of €210 million.

In 2019, Lamberet is launching a new long-term industrial plan. It began in May 2019 with the acquisition of a 40,000 m² plot of land adjacent to the historic plant in Saint-Cyr/Menthon. This expansion addresses the needs brought about by the company's evolution and past 10 years of continuous growth. It will make it possible to build a large new facility with multiple workshops and parking lots.

Erick Méjean, Chief Executive Officer of Lamberet SAS, explains:

“The acquisition of these 40,000 m² of land is a decisive step for the future of Lamberet.

With the support of the community of Veyle and the town of Saint-Cyr-sur-Menthon, we have purchased 4 hectares separated from our historic plant by a local highway. The Mayor's office and City Council have helped by allowing this stretch of road to be rerouted so that the new plot can be joined to the current site. We also have a one-hectare plot that is expected to be converted into parking lots for staff and our used vehicle fleet.

We will be using these four hectares to build a second production facility. It will include a unit devoted to manufacturing our new chassis and subframes developed by our R&D centre, as well as a production line for manufacturing panels and assembling 12-to-26-tonne straight truck bodies. The first workshops are to be completed in 2021. At the same time, this project will substantially increase our refrigerated semi-trailer production capacity, by turning over the entire current plant to them.

This plan is part of our long-term growth and investment strategy. In 2016, we opened a new plant with 21,000 m² of indoor space in Burgundy, in order to meet the heavy demand for our other product line, utility vehicles. In 2019, we're also expanding this site, which now employs nearly 150 people.”



2018 EARNINGS

Record revenue driven by growth in market share in France.

The Group's revenue in 2018 was €210 million, a €5 million increase from 2017. The result is the production of 7,400 temperature-controlled bodies, including 4,400 industrial vehicles and 3,000 utility vehicles. **These vehicle volumes strengthen Lamberet's position as France's leading maker of refrigerated bodies.**

A solid international presence

40% of our business was for export in 2018. Lamberet has a network of approved distributors in 40 countries and subsidiaries in Spain and Germany.

In Europe, the sharp decline in volume recorded since 2016 in the troubled Spanish market has been offset by Lamberet's increased market share in Germany and Italy. Furthermore, Lamberet is not affected by Brexit because the company has stayed away from the English market since the recovery in 2009.

In Germany, the Kerstner brand, which is owned by the Group, is the segment leader in refrigerated vans, and Lamberet is the top imported refrigerated body maker.

In Italy, despite heightened competition in the semi-trailer segment, Lamberet has consolidated its leading position in the overall temperature-controlled vehicle market.

Outside of the European continent, development in China should be a source of future growth. It is becoming a reality through a commercial and industrial partnership with Renault-Brilliance and the construction of a body production site near Shanghai. As such, Lamberet successfully took part in the SIAL CHINA trade show for the third time, from May 14 to 16, 2019 in Shanghai.

Dynamism and growth in France

Lamberet's performance in France in 2018, in terms of volume and market share, was remarkable. It was seen in all three segments that make up the temperature-controlled vehicles market: Utility vehicles, straight trucks, and refrigerated semis.

The first one, refrigerated utility vehicles, accounted for the largest registration volume, with 6604 vehicles in 2018 (source AAA DATA). Its 1.4% growth was moderate, but its level is historically high. One-third of their registrations were by an institutional renter. Excluding them, **Lamberet saw its refrigerated UV market share reach 36% in 2018.** The second segment, refrigerated straight trucks, was marked by 5% growth, to 3086 registrations in 2018 (source AAA DATA). Setting aside the percentage - 37% - given to an institutional renter, **Lamberet's market share reached 30%** strengthening a position as the leader in straight truck body sales, which it has held since 2017.

The third segment, semi-trailers, underwent 13% exceptional growth in 2018, with 3730 vehicles registered (source AAA DATA). This segment has benefited Lamberet, with 15% sales growth in 2018, marking nine years of above-market growth! **For the first time, Lamberet's market share accounted for more than 31% of semitrailers in France. Combining the first five months of 2019, this growth has accelerated, with a current market share of 35%.**

Erick Méjean, Chief Executive Officer of Lamberet SAS, adds:

"In 2018, Lamberet reached a new revenue record, although this was not our primary goal. We prioritised profitability over volume. The solidity of our earnings in recent years gives us the means to carry out an ambitious investment plan. Nearly €10 million will be invested in 2019 in our various projects. Since 2009, nearly all of our developments, investments, and WCR increases have come from our own funds!"



2019 INVESTMENTS

A 40,000 m² expansion for the future of the Saint-Cyr/Menthon plant!

Lamberet's Saint-Cyr-sur-Menthon site was founded 50 years ago in 1969. Located in Ain, it includes the Group's head office, one of its R&D centres, and the brand's largest plant. Its 210,000 m² of space includes two assembly lines, one for straight trucks and one for semi-trailers (both refrigerated). It features autonomous production of panels, doors, frames, and chassis. The site produces 21 industrial vehicles per day, in two shifts.

Erick Méjean, Chief Executive Officer of Lamberet SAS, recounts the origin of the expansion plans:

“Our vehicles are increasingly complex. They take longer to manufacture, but generate more added value. Demand has been soaring. Since 2009, we have brought as much production back in-house as possible, adding new machines to be more efficient than subcontracting. For instance, we installed a laser cutting unit. It allows us to carry out highly technical sheet metal operations internally, substantially lowering our costs while improving our workshops’ lead times. Today, our industrial plan is meant to increase our technical vehicle production capacity. That’s what’s behind this property development.”

Creating a second production unit, to be operational in 2021.

This is a major industrial project to expand the site by 40,000 m². Formalised in May 2019, it involves the town of Saint-Cyr-sur-Menthon and the community of Veyle, which worked to unite the new land with the historic plant. Lamberet plans to build two new production units. The first will be devoted to manufacturing and painting/treating the chassis of straight trucks and semi-trailers. The second will be devoted to the assembly of bodies for straight trucks larger than 12 tonnes. The current production lines will be fully devoted to refrigerated semi production.

Lamberet’s industrial project, with the support of local institutional partners, will raise the number of employees at the site to over a thousand, directly creating 250 jobs by its completion.

Applying innovations developed in-house.

Loyal to its tradition of innovation, Lamberet will implement brand-new technologies at its freshly built workshops. Developed in-house by its R&D centre, they will enable the brand’s clients to benefit from exclusive competitive advantages in sustainability and performance, both economically and environmentally. Lamberet refrigerated semi chassis are based on the brand’s native-assembled modular technology and have become a standard. They offer the widest range of sector-specific variants, while being more lightweight and stable. This expertise has already earned three innovation prizes, for the wide-lane SuperBeef and steering-axle Supercity and X-City models.

Erick Méjean, Chief Executive Officer of Lamberet SAS, details the strategy behind this new location:

“The changes to our chassis, using brand-new technology, will make it possible to enhance our productivity while improving their performance. There was no way to adapt the current buildings to the new workflow given the need for laser cutters, bending machines, and robots. As a carbon footprint matter, we did not think it feasible to bring them in from a remote site either.

Lamberet has overcome a major hurdle. Our new buildings and reintegrated workshops will improve our process and productivity. The space freed up will strengthen the efficiency of our current lines. Our new capacities will make it possible to grow in Europe beyond the 10% penetration, all segments combined. In France, our ambition is to be a leader in all three market segments: Refrigerated utility vehicles, straight trucks, and semi-trailers. I am convinced that the in the future, supply will drive demand, and this will be the rule in the world of industrial vehicles. When this comes, we’ll be ready to offer volumes and timeframes. These will be the next two challenges to overcome to survive in this industry.”



INFOGRAPHIC

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2018 key figures, Lamberet Group

- Group revenue of €210 million
- Increase in orders by volume: +8%
- Production: 7,400 bodies, including 2,500 semi-trailers, 1,900 straight trucks, and 3,000 utility vehicles
- Leading maker of refrigerated bodies in France and 9% Europe market share, all segments combined
- €30 million invested in three years in industrial facilities and R&D.

2019 key figures, Lamberet Group

- Launching a new major industrial investment plan at the Group's four plants
- Expanding the production floor by 40,000 m² at the Saint-Cyr-sur-Menthon site
- Selling 10 new products
- Deploying the Lamberet Services label in 40 countries
- 85 years of the brand celebrated at the SOLUTRANS trade show in Lyon, from November 19 to 23

Key figures, Saint-Cyr/Menthon site

- Founded: 1969
- Total area in 2018: 210,000 m²
- Expansion acquired in May 2019: +40,000 m² (production) +10,000 m² (parking lots)
- Employees at the site: 800 employees
- Currently at the site: The Group's head office, Research & Development centre, main production site for refrigerated semi-trailers and heavy straight trucks.

About Lamberet, the strong link in the cold chain.

Since 2010, the Group has been deploying an investment plan that is massive for the sector, combining technological innovations, new product developments, and expansions of its industrial sites. Among them, Lamberet opened a new plant in Saint-Eusèbe (Burgundy, France) in 2016.

Lamberet stands apart for its unique-in-Europe experience. It's the only player in the sector that designs and produces five types of temperature-controlled vehicles: Integrated insulation for vans, lowered cells for flatbeds, frames for chassis-cabs, and bodies for both industrial straight trucks and semi-trailers. The brand also manufactures its own refrigerated semi-trailer chassis.

Incorporated as a SAS under French law, headquartered at Saint-Cyr/Menthon in Ain, Lamberet is a part of the AVIC global industrial group. The Lamberet Group earned €210 million of consolidated revenue in 2018, 40% of which was for export, where the brand has a distribution network in 40 countries.

Production takes place at four specialized plants: Saint-Cyr-sur-Menthon, France; Saint-Eusèbe, France; Sarreguemines, France; and Kerstner, Germany. After-sales service is a strength of the brand, with 11 service branches of our own and a network of 350 approved bodymakers.

Visit the SOLUTRANS trade show from 19 to 23 November in Lyon-Eurexpo, France!

Lamberet will be an exhibitor at the next SOLUTRANS trade show, the largest expo for refrigerated vehicles, with 1,000 m² of space. 10 innovative new products will be revealed there, dedicated to the everyday needs of carriers and their drivers.

To learn more, visit our website www.lamberet.com and follow @Lamberet:



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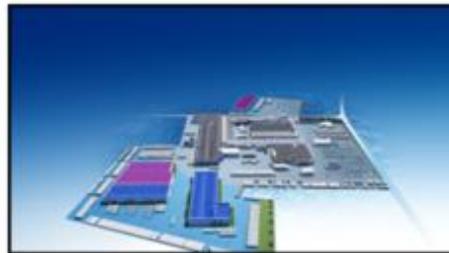
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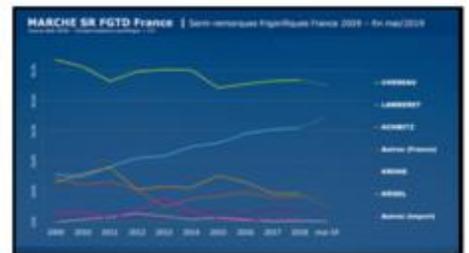
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