



CHAIRMAN AND CEO FOREWORD

Sofradir and ULIS are among the most advanced infrared detector companies. Sofradir was the first European company to have its infrared detectors deployed in space. Today Sofradir's high-quality products are onboard satellites and used in multiple space programs. In addition, ULIS has led the way in developing state-of-the-art infrared detection products for large volume applications and has delivered over 1 million devices.

Last June, we announced a far-reaching structural reorganization program for Sofradir and ULIS, enabling us to enter a new era and continue building on the improvements we achieved through consolidating our operations.

The infrared market is growing. Our revenue has increased steadily over the past several years. In 2018, we reported €225 million (\$259 million) in revenue. At the same time, the global infrared market has become more competitive than ever: the number of infrared technology market players has almost doubled over the past five years.

This dynamic business environment is what spurred us to form Lynred, a company with a single identity with an optimized product line under one brand name. Our ambition is for Lynred to become the partner of choice for infrared technology worldwide. This more robust company is better positioned to meet the needs of the aerospace, defense, industrial, and consumer markets with the broadest range of high-quality infrared detectors available anywhere.

Our new brand name, Lynred, is inspired by the razor-sharp vision, feline agility, power, and performance embodied by the lynx. The Lynred logo evokes the precision, protection, trust, vision, and cooperative spirit that make our products and company unique. The stylized eye, historically present in our visual communications, marks continuity between our past and our exciting future.

This transformative merger will respond effectively to the changing needs of our customers around the globe and empower us to deliver a decisive competitive advantage in all of the markets we serve. It will also enable us to more efficiently focus our resources on our comprehensive portfolio of infrared products and our industrial performance with a view to accelerating the time-to-market of innovative products.

We have set some ambitious targets for 2019 and beyond. I am convinced that the individual and collective excellence of our 1,000 employees, our innovation strategy, our market-leading scientific, industrial know-how and our strong relationships with our customers and suppliers will get us exactly where we want to go.

With Lynred, customers will reap the benefits of our ability to take infrared technology to bold new destinations.

Jean-François Delepau