

A bright sun rising over a dark horizon, creating a lens flare effect. The sun is positioned on the right side of the frame, and its light illuminates the horizon line.

ANALYST PRESENTATION H1 2019

October 15, 2019

H1 2019 – BUSINESS SNAPSHOT



- > Revenues: EUR 373.4 mill.
- > EBIT: EUR 16.0 mill.
- > Free Cash-Flow: EUR 12.2 mill.
- > New Orders: > USD 800 mill.
- > Passenger traffic growth in H1 2019
- > FACC Croatia progressing as planned
- > Short Fiscal Year ends in December
- > Market environment under review

WTO JUSTIFIES TARIFFS AGAINST AIRBUS

.... but FACC products not affected

- WTO acknowledged EUR subsidies to be not legal
- As a result Airbus aircraft above 30,000kg delivered into US will be taxed with 10% tariffs
- However only aircrafts are taxed, not aircraft components
- 13% of Airbus backlog are US customers (thereof 88% are narrow bodies excluding A220)
 - A32F – US assembled (Airbus Mobile / Alabama) aircraft not affected
 - A220 – not affected due to US and Canada assembly lines
- WTO decision regarding Boeing subsidies still outstanding

COLLINS AEROSPACE PARTNERSHIP CONTINUES

New contract terms for Boeing 787 translating sleeve agreed



CONTRACT PROLONGATION

- Current contract terms ending by the end of 2021
- New contract terms starting with 2022 onwards
- No set-up costs, production fully established at leaned out cost
- High triple digit volume secured on two important aerospace program (A350 XWB & B787)

NEW CONTRACT FOR A320NEO NACELLE

FACC Translating Sleeves for best selling Airplane



NEW CONTRACT

- Increased market share on the most important aerospace program of the industry (A32F)
- First delivery in Q4/2020
- Ramp up to full rate in 2021
- FACC innovation for one of two offered new engine option configuration

NEW PRODUCT FAMILY WITH RADOMS

Front End “Technology” for Bombardier BJ and A220



Airbus A220



Bombardier Global



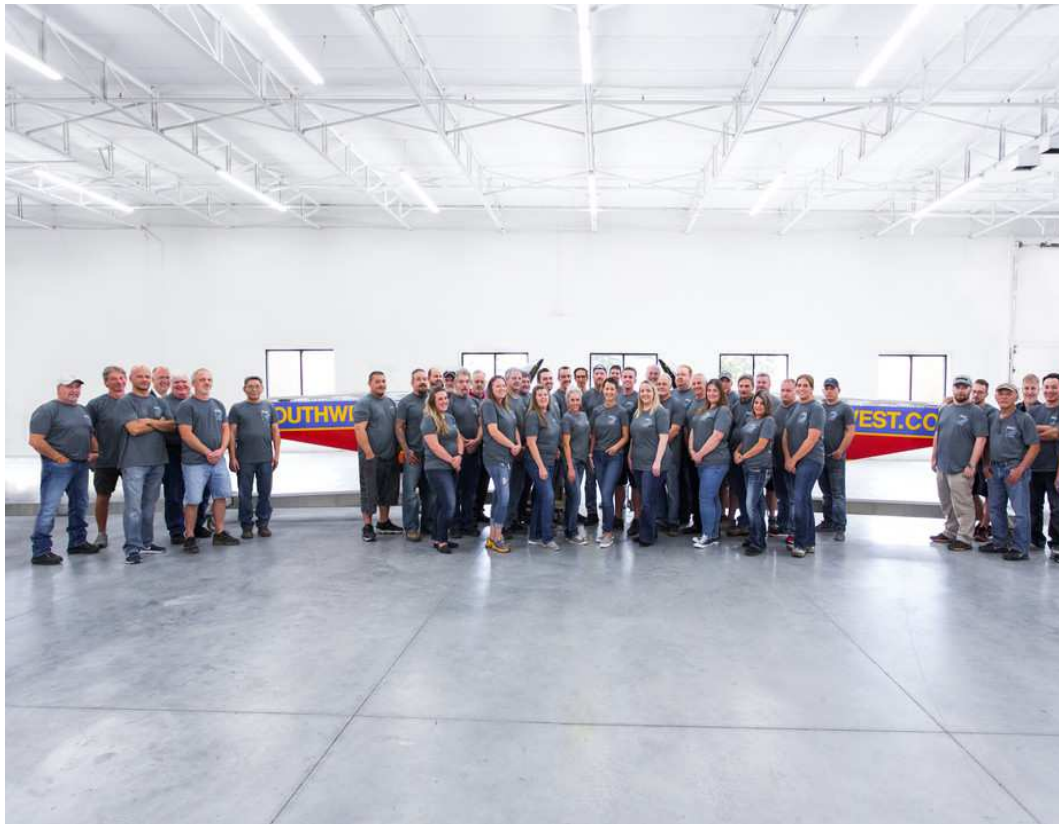
Bombardier Challenger

NEW CONTRACT

- Radom’s for all Airbus A220 (Bombardier C-Series)
- Bombardier Global- and Challenger Business Jets
- Life Time Contract for both program
- Extension of FACC’s product portfolio and an on sales volume order

MRO BUSINESS ON TRACK

Extended Partner Network and Increasing MRO business



Business Growth as Planned

- 1.000th Winglet retrofit finished and delivered to customers
- Contract with Boeing Global Services signed for Boeing 737 Winglet (NG & MAX Version) spares and repairs
- Business Jet Cabin Retrofit activity started and first Aircrafts retrofitted
- New FACC STC's in the pipeline replacing original products and providing long term performance benefits

FINANCIALS H1 2019

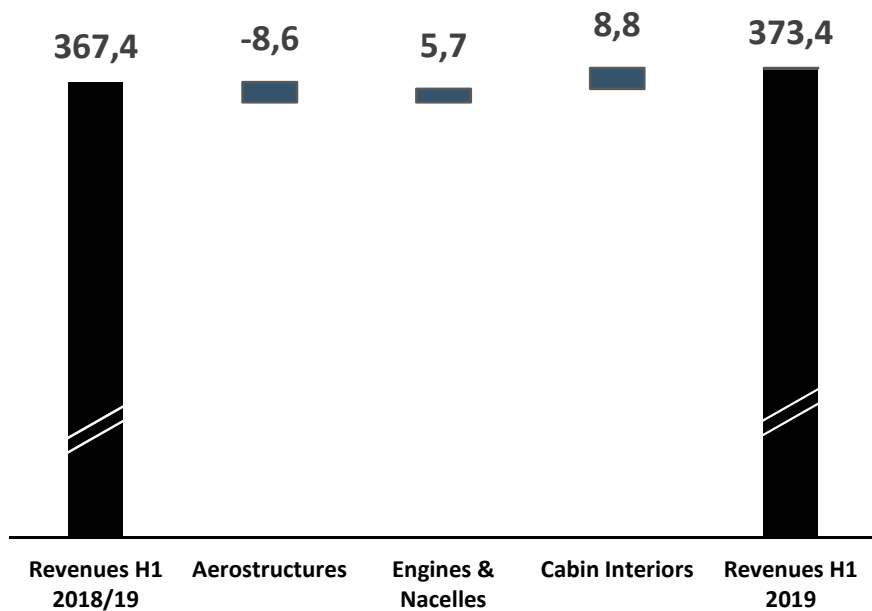


FACC GROUP

Solid growth in the Engines & Nacelles and Cabin Interiors segments

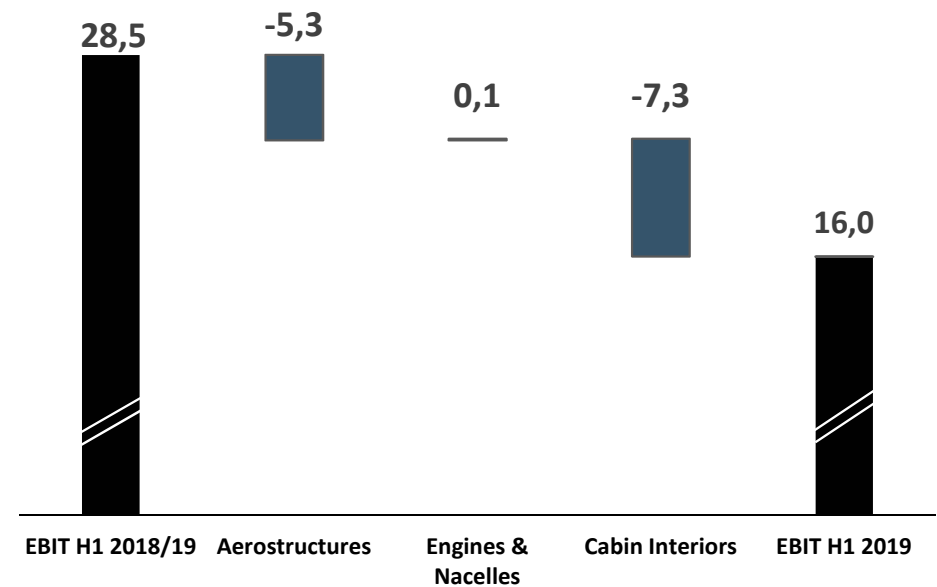
Revenues

in EUR mill.



Earnings before Interest and Taxes

in EUR mill.

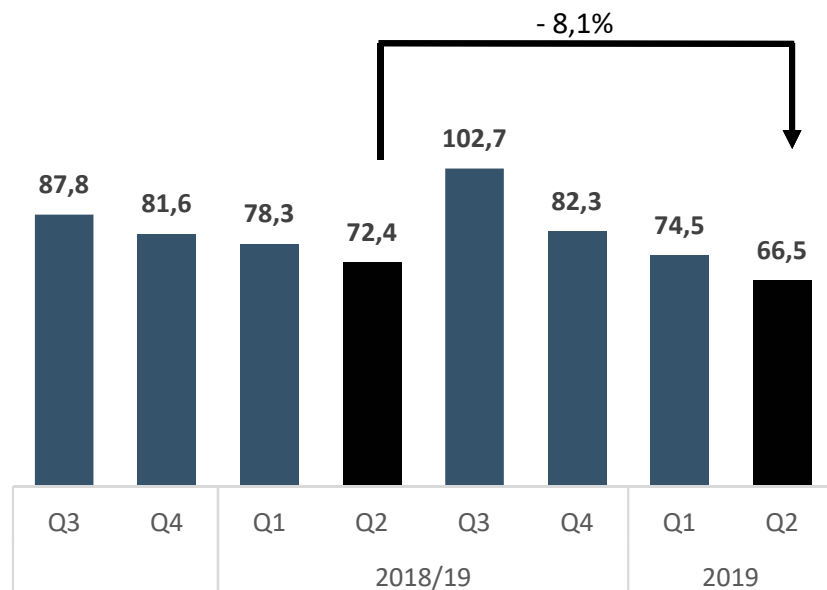


AEROSTRUCTURES

Results impacted by phase out of Boeing 737NG winglet program

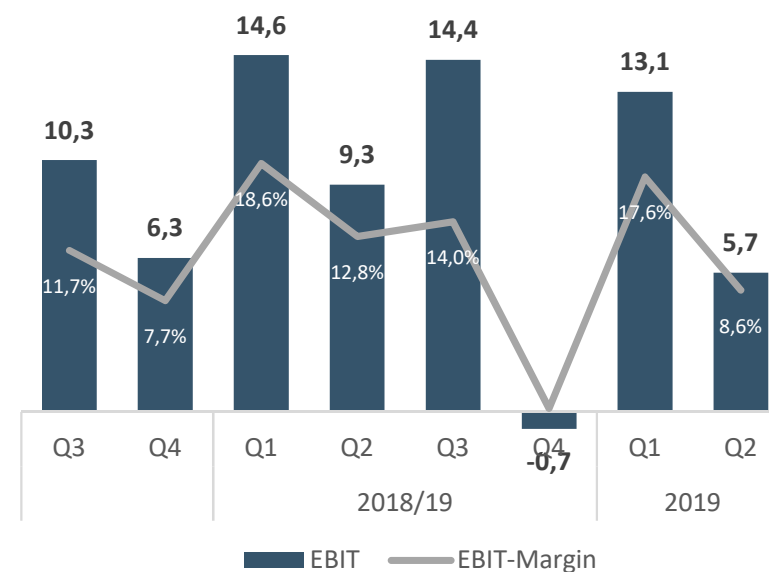
Revenue

in EUR mill.



EBIT and EBIT-Margin

in EUR mill.

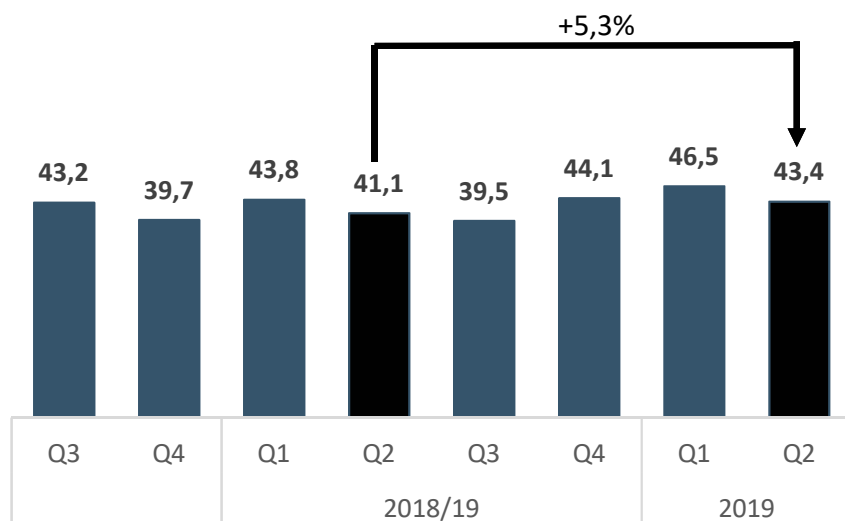


ENGINES & NACELLES

Revenue and EBIT remains on constant levels

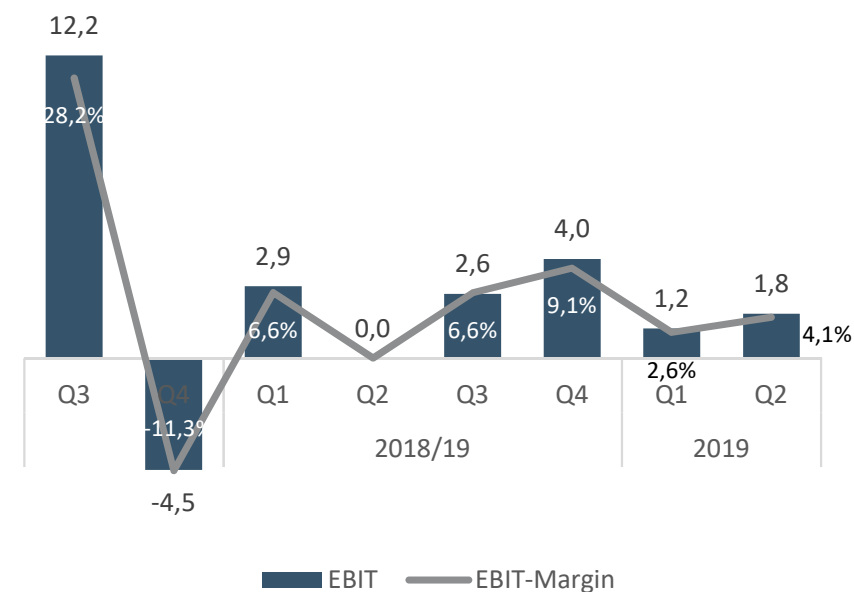
Revenue

in EUR mill.



EBIT and EBIT-Margin

in EUR mill.

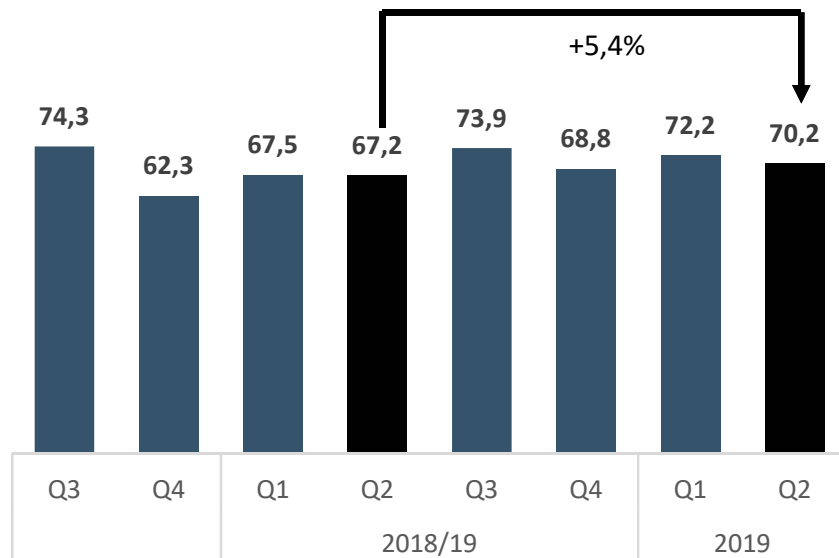


CABIN INTERIORS

Revenue slightly increasing while margin still under pressure

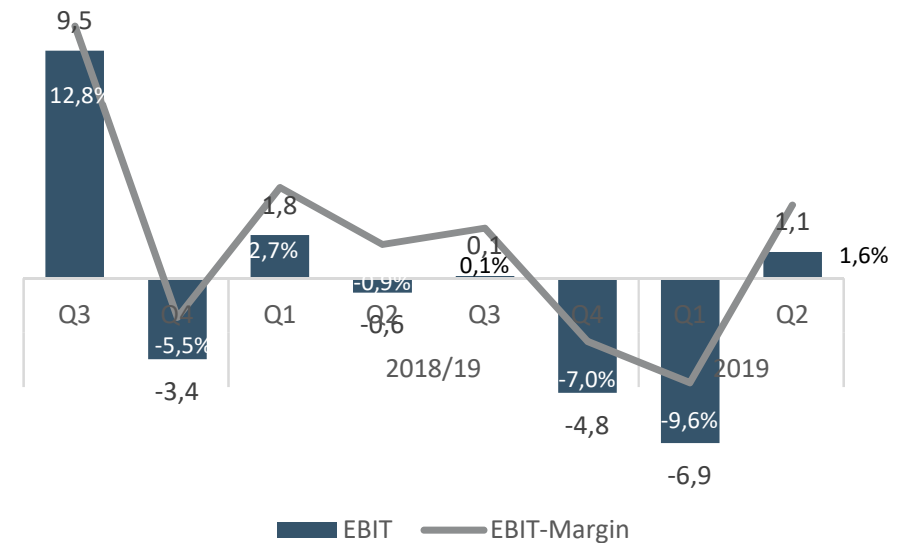
Revenue

in EUR mill.



EBIT and EBIT-Margin

in EUR mill.

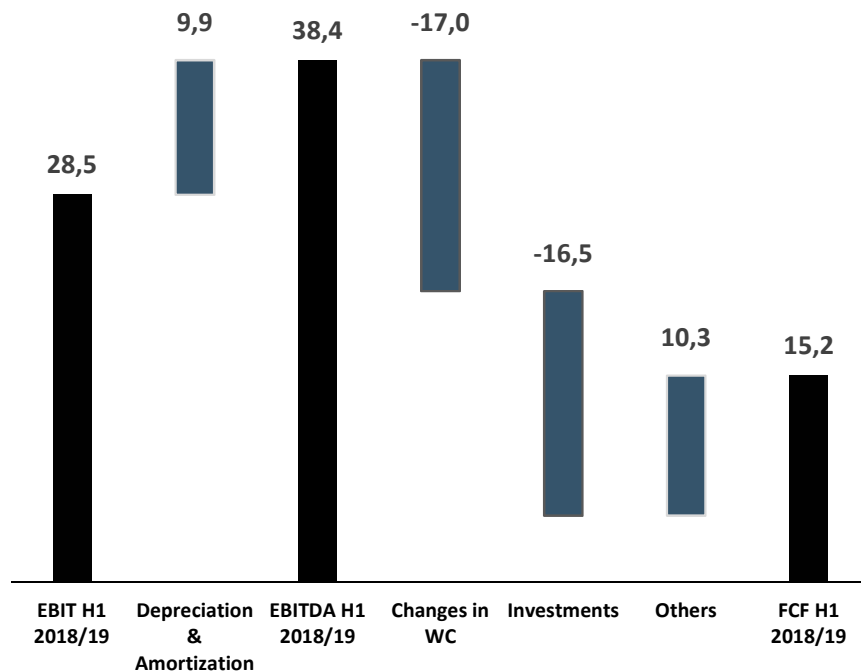


FREE CASHFLOW

Reduced investment demand and concentrated cash management in focus

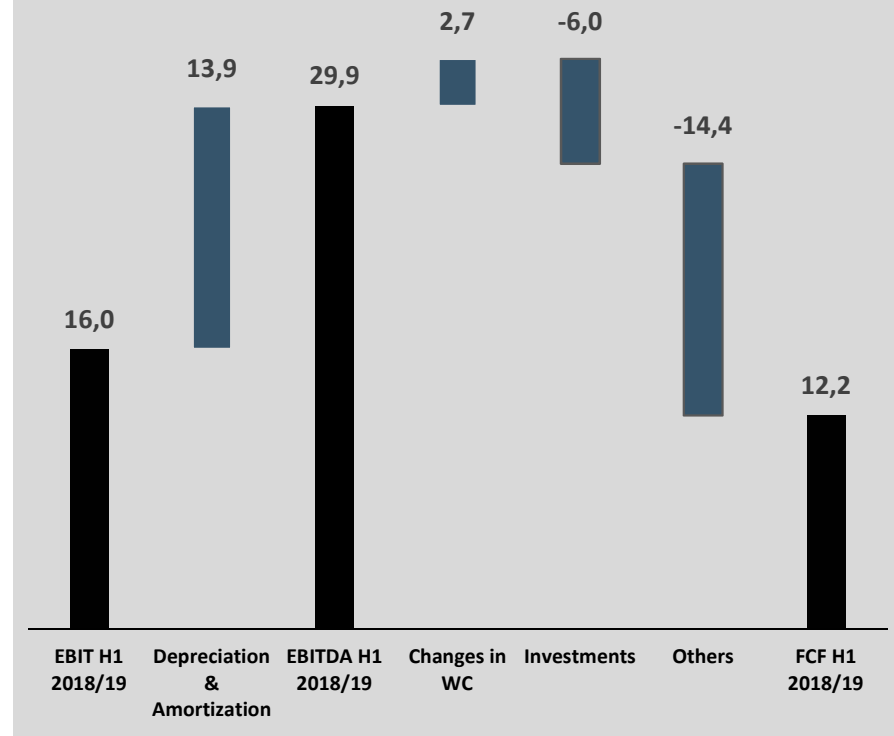
Free cashflow – H1 2018/19

in EUR mill.



Free cashflow – H1 2019

in EUR mill.

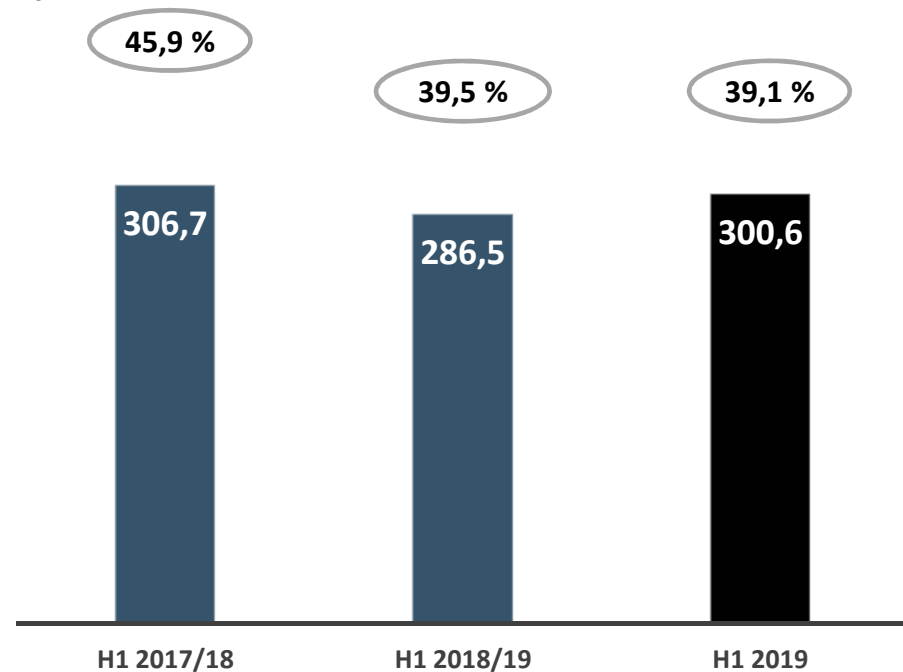


BALANCE SHEET INDICATORS

Stable equity ratio and net debt impacted by IFRS16 reclassification

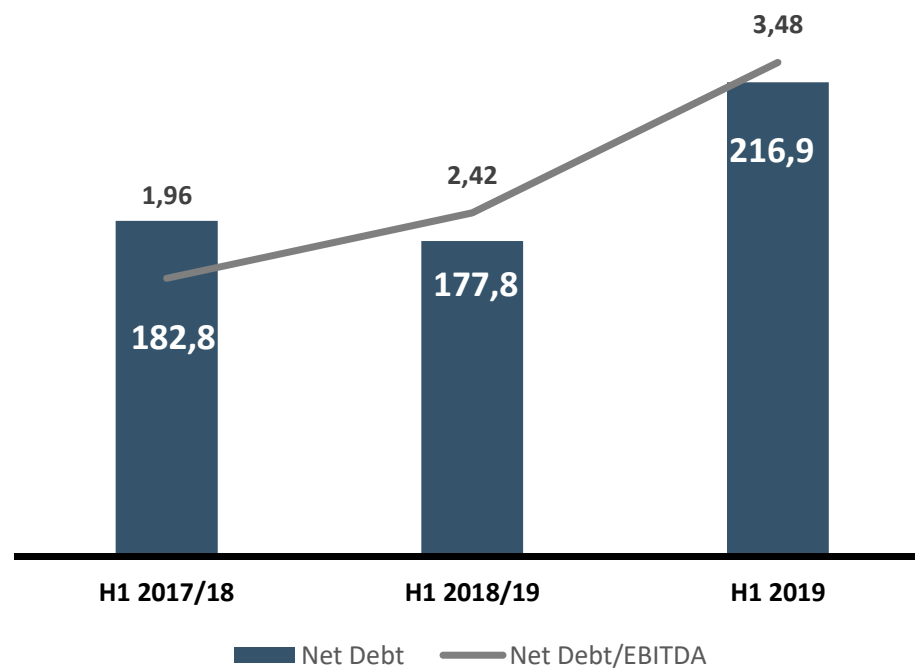
Equity

in EUR mill.



Net debt and net debt / EBITDA ratio

in EUR mill.

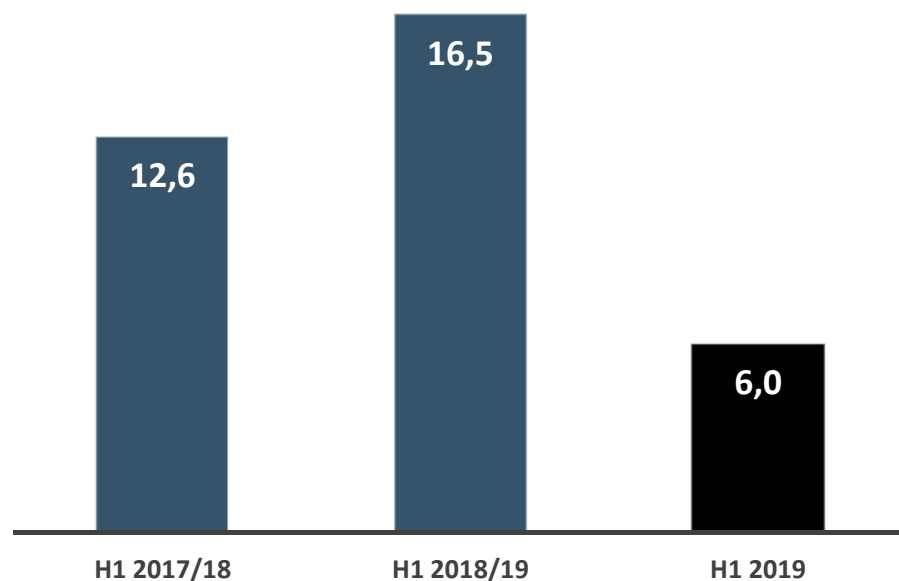


CASHFLOW DRIVERS

Low investments and stable working capital due to constant production rates

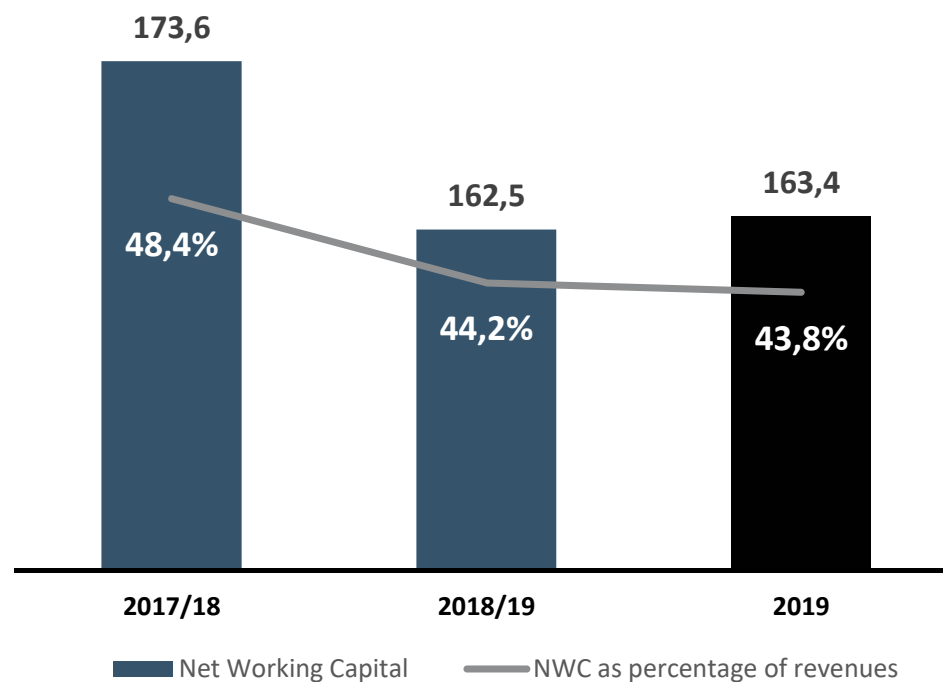
Investments

in EUR mill.



Working capital

in EUR mill.



OUTLOOK

Sustainable performance



FINANCIAL KEY PERFORMANCE INDICATORS... (2020-2024)

... BASED ON

- Demand driven by constant annual market growth (RPK) of 4.5 %
- OEM forecasts demand for up to 40,000 new aircraft until 2037
- Gaining market share on existing platforms and entering new markets
- Stable economic and political environment

REVENUE GROWTH
> 5 %

- Outperformance of the market
- Continuing renewal of orders and gaining new contracts

SUSTAINABLE EARNINGS (EBIT)
8 - 10 %

- Sustainable efficiency gains from product and customer mix
- Rate development as anticipated
- Automation & Fixed Cost reductions

SOUND CAPITAL STRUCTURE
(Net Debt / EBITDA)
~ 2.5x

- Cost control
- Focus on a stable capital structure
- Impact of new IFRS standards (IFRS 15 & 16)

DIVIDEND POLICY
20 -30 %

- Step by Step increase of dividend to targets as defined
- Based on distributable profits

OUTLOOK 2019

- In the context of the 5th Annual General Meeting on July 9, 2019, it was decided among other things to change the fiscal year to the calendar year. Thus, the year 2019 is a shortened fiscal year which ends on December 31, 2019 (March 1, 2019 - December 31, 2019).
- **For the current fiscal year (short financial year), management expects sales of around EUR 600 million and an EBIT margin of approximately 6%. This expectation corresponds to a continuation of customer requirements for the remainder of the financial year. It should be noted here that the development during the year is not linear due to various seasonal effects.**
- It should be noted here that the development during the year is not linear due to various seasonal effects. The further statements on the influences and measures for the sales and earnings expectation and increase are still valid - taking into account the shortened financial year.

A dark, atmospheric image featuring a bright light source, possibly a star or planet, partially obscured by a dark, curved horizon. The light creates a prominent lens flare with multiple rays extending outwards. The overall scene is set against a black background.

BEYOND HORIZONS

DISCLAIMER

- This document contains forward-looking statements. Words such as 'outlook', 'believe', 'intend', 'anticipate', 'plan', 'expect', 'objective', 'goal', 'estimate', 'may', 'will' and similar expressions often identify these forward-looking statements.
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