

A large, dark, curved horizon of a planet or moon against a black background. A bright sun is rising or setting behind the horizon, creating a lens flare effect with several rays of light.

INVESTOR PRESENTATION

October 2019

FACC GROUP

FACC AT A GLANCE // SPOT LIGHT

A partner of the global aerospace industry

100% 

Aerospace composite
lightweight

2 

Engineering centers
in Austria

5 

Plants

Global 

Network of engineering- &
Production locations in 13 countries


Tier 1

Partner for all
aerospace OEMs

100%

Export



3,500 

Employees worldwide

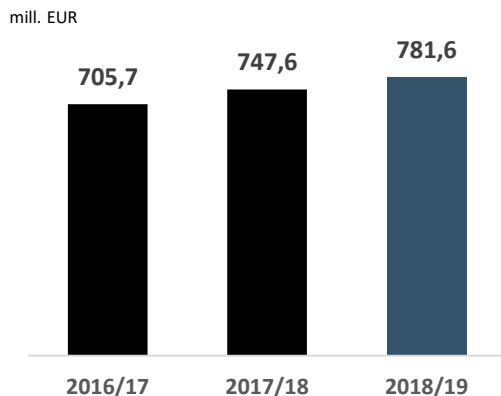
All 

Represented of every
modern aircraft

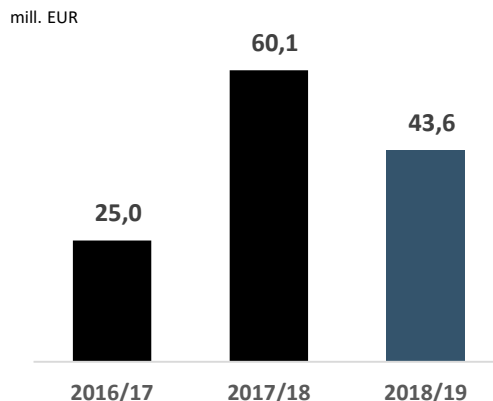
HIGHLIGHTS - CONTINUOUS POSITIVE

A partner of the global aerospace industry

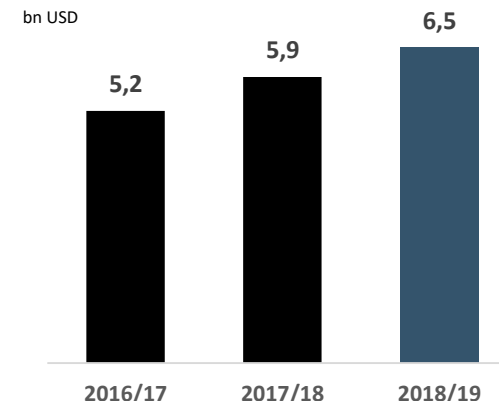
Revenues



EBIT (reported)



Order Backlog



Revenue growth driven by...

- > Positive effects from major aircraft model ramp ups
- > Step by step introduction of new business into serial production
- > Growing MRO business

Profitability improvements through

- > Automation
- > Vertical Integration & Insourcing
- > Volume Effects
- > Learning Curves & Lean Methods

Growing market share

- > Flow Down of OEM Rates & Orders
- > Entry into high-quality product families (primary structures, ...) through innovation

THREE DIVISIONS FOCUSED ON A DEFINED PRODUCT PORTFOLIO

<p>AEROSTRUCTURES</p>				<p>THE FUTURE IS BUILT ON LIGHTNESS WE SUPPLY IT</p>
<p>CABIN INTERIORS</p>				<p>THE FUTURE IS IN DESIGN WE CREATE IT</p>
<p>ENGINES & NACELLES</p>				<p>THE FUTURE DEMANDS EFFICIENCY WE REALIZE IT</p>





Step 2 Station 2

Station 2



Montagelinie OHSC Airbusfamilie A320

	7725	7723	7729
SOLL			
IST			
TREND			
Plant	93	1	
Schicht 1	30	24	
Schicht 2	30	16	

Welcome

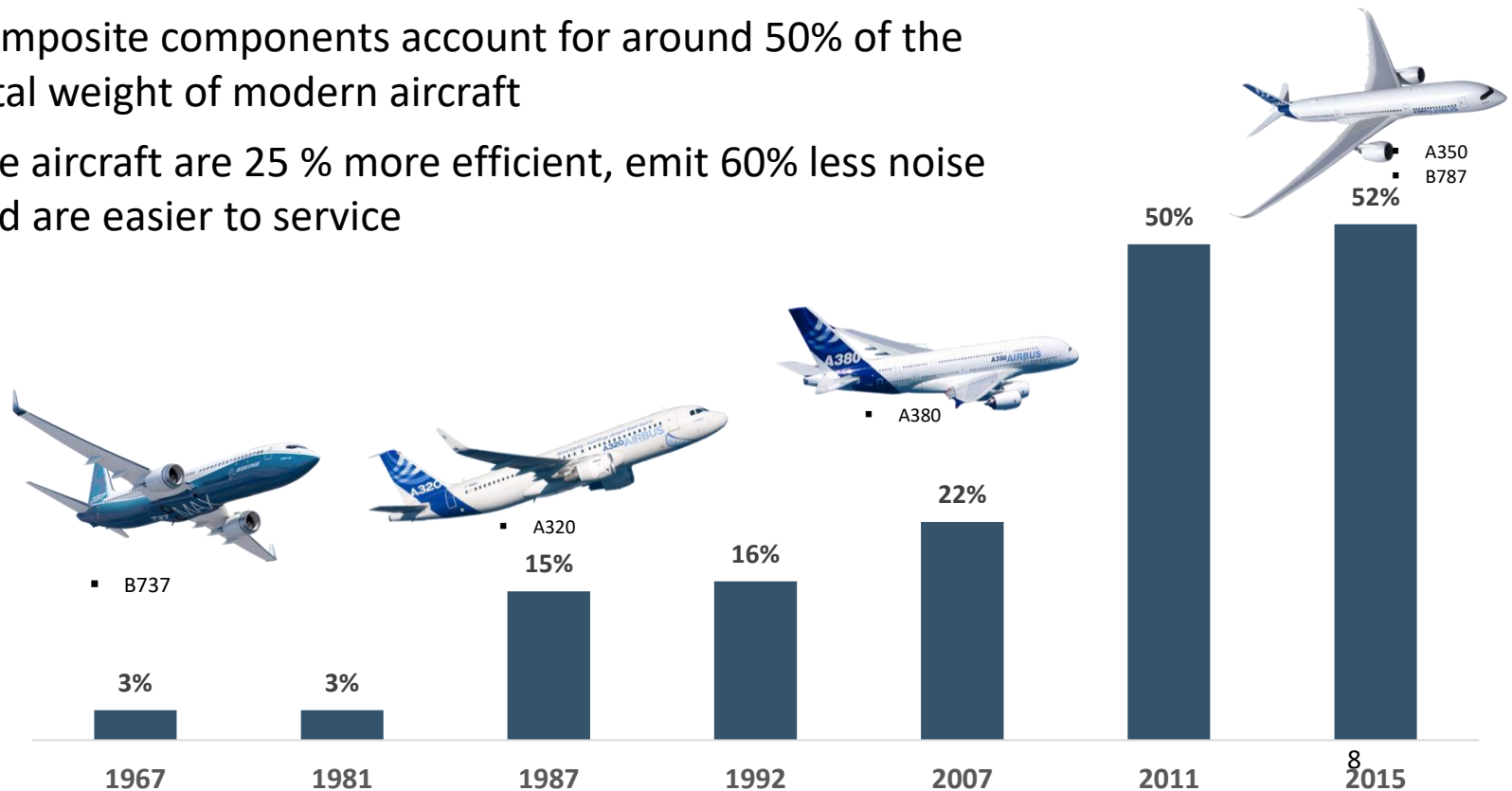
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320

EFFICIENCY THROUGH LIGHTWEIGHT

Increasing share of composite applications

- Lightweight components increase the efficiency of modern aircraft
- Composite components account for around 50% of the total weight of modern aircraft
- The aircraft are 25 % more efficient, emit 60% less noise and are easier to service



COLLINS AEROSPACE PARTNERSHIP CONTINUE

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

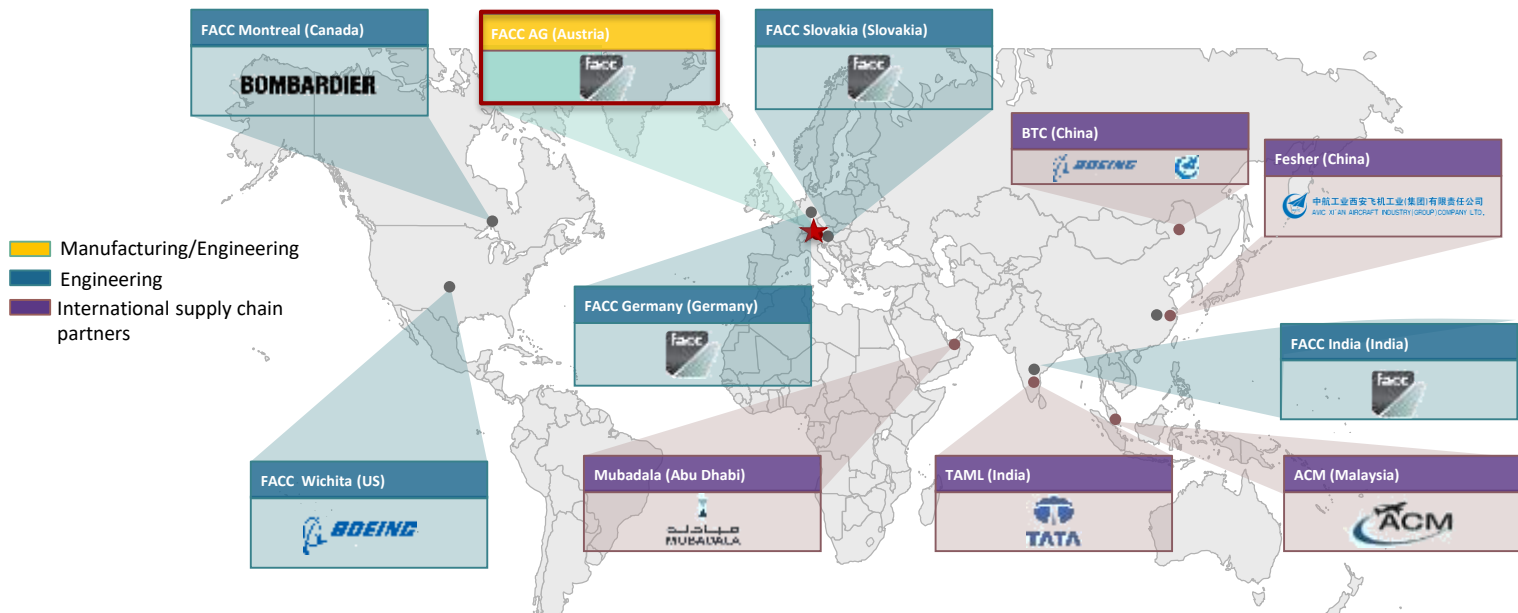


Bombardier Challenger

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

GLOBAL FOOTPRINT TO MEET CUSTOMER DEMANDS



WTO JUSTIFIES TARIFFS AGAINST AIRBUS

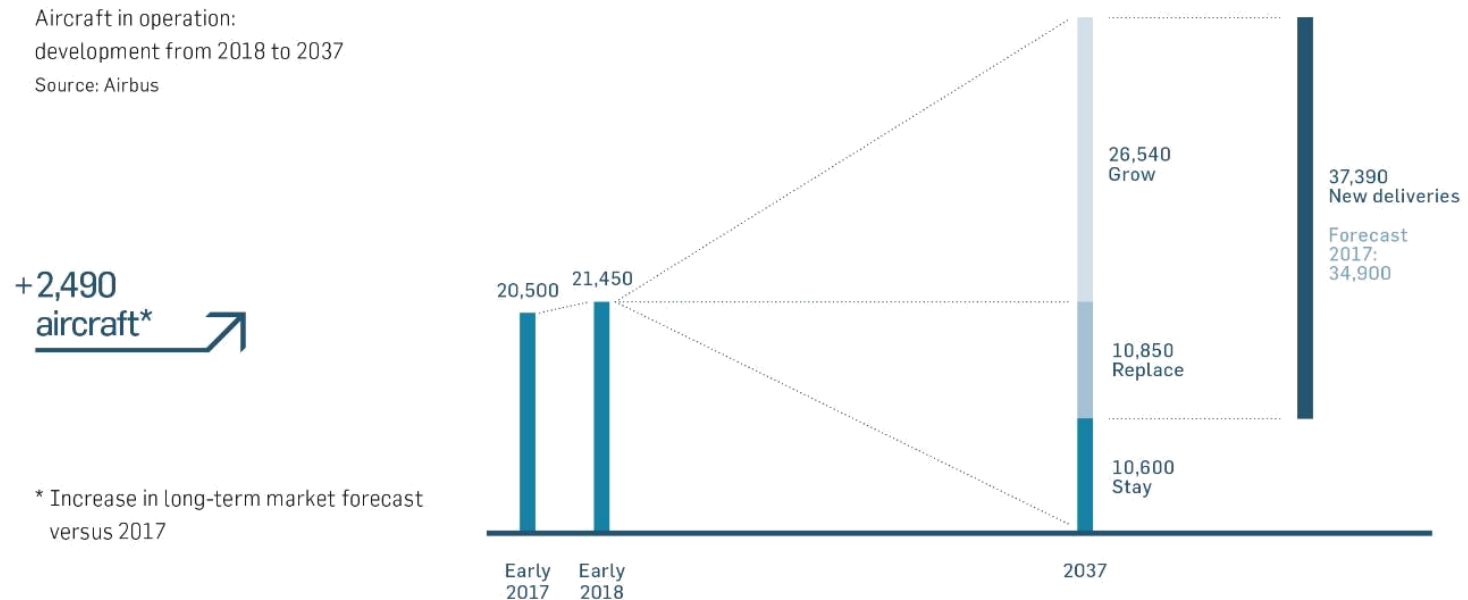
... but FACC products not affected

- 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

Source: Credit Suisse, JP Morgan, Airbus

GLOBAL MARKET FORECAST

Economic environment of the sector - OEM's confirmed long-term outlook

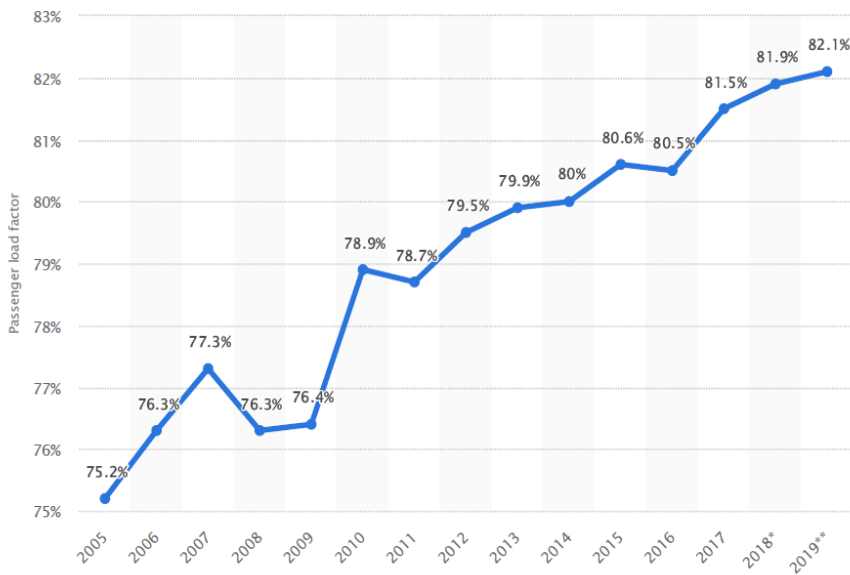


- Annual growth of revenue passenger kilometer (RPK) at 5%
- Demand for more than 35,000 aircraft (new and replacements)
- Growth shifts to Asia Pacific
- “Point to Point” instead of “Hub-System”
- Efficiency, Cost & Performance remain top line requirements
- Single Aisle market dominating market rates and market value

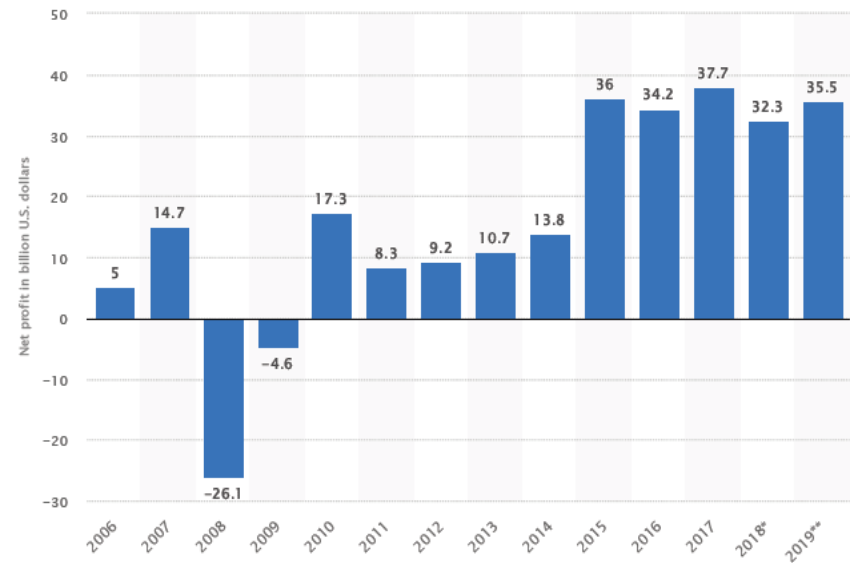
AEROSPACE MARKET

.... Airline KPI's still positive but first indicators of cool-down

Airline Passenger Load Factor Development



Airline Net Profit Development



© Statista 2019

© Statista 2019

FACC CROATIA – BEST IN CLASS FACILITY

EUR 33 million investment for leading edge technology, automated and digitized production

- Set up High Tech Composite Manufacturing environment as a 100% subsidiary of FACC Operations GmbH
- Investment of approx. EUR 33 mill. funded by 30% cash and 70% loans and local incentives

▪ **Milestones:**

- 05/2019 Plot acquisition
- 10/2019 Start construction
- 02/2021 Facility opening
- 04/2021 Production ramp-up

12.000 m² for 600 Employees

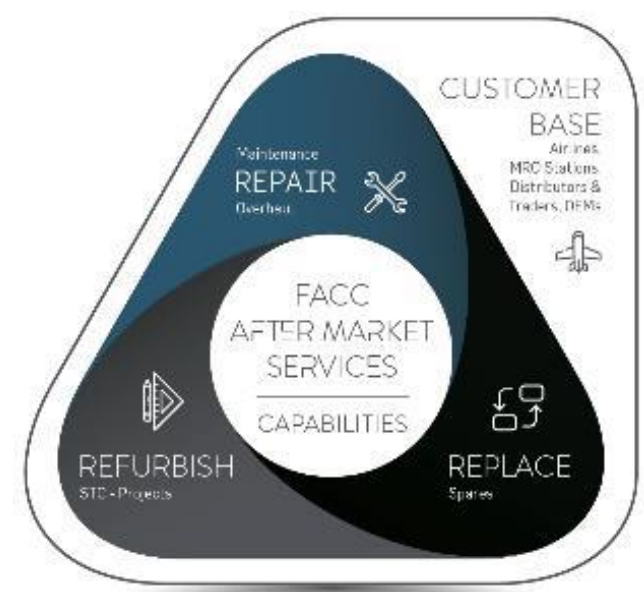
- Well trained and dedicated people
- Favorable logistics to support EU customers
- Proximity to FACC Headquarter
- Additional Production Capacity



FACC AFTERMARKET SERVICES

MRO business development on track

- FACC „Aftermarket Services“ sites established in Europe, US and Asia
- FACC Wichita production site doubled as results of increasing demand for repairs
- EASA Design Organisation Approval (DOA) for Major Repairs
- EASA STC for A320 cabin retrofit granted
- Launch customer *Austrian* for bigger doors
- Increasing demand for composite repairs supporting FACC’s „Aftermarket Services“ initiatives



EHANG - STRATEGIC PARTNERSHIP

Joint Development

FACC engineering, certification and technology leadership in light weight composite systems supports industrialization of product.

Step by Step penetration of market

Cargo vehicle delivery for oil platform support and other mission considered first. Certification for further use to follow with market readiness in 3-5 years.

Market penetration

Step by step increase of units built from 300 in 2021 up to > 1.000 p.a. before 2025

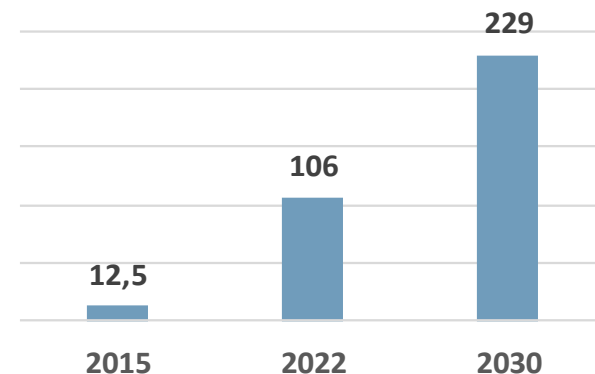


CHINA'S AEROSPACE PROGRAM

Substantial growth potential for early FACC engagement

- > **ARJ 21** Program ramp up with 100% rate increases
- > **C919** Flight test program and entry into service (EIS) forecasted for 2021
- > **C929** Possible FACC technology engagement
- > China production: Successful work transfer to China facility accomplished.
- > Revenue Potential: Current China program rate forecast will provide sustainable revenue potential for FACC starting 2021 and beyond.

*possible
revenue development
mln USD*



A low-angle, upward-looking photograph of several modern skyscrapers with glass facades against a blue sky with scattered white clouds. A white commercial airplane is flying in the upper center of the frame. A large black curved shape is on the left side of the image.

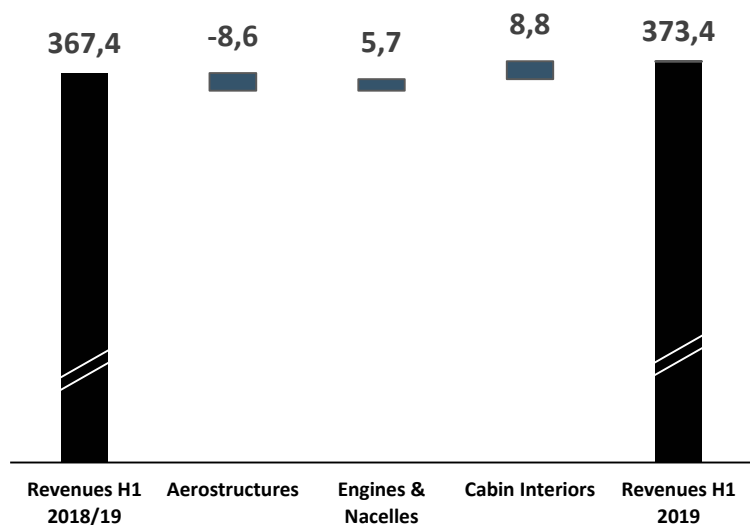
FINANCIALS H1 2019

FACC GROUP

Solid growth in the Engines & Nacelles and Cabin Interiors segments

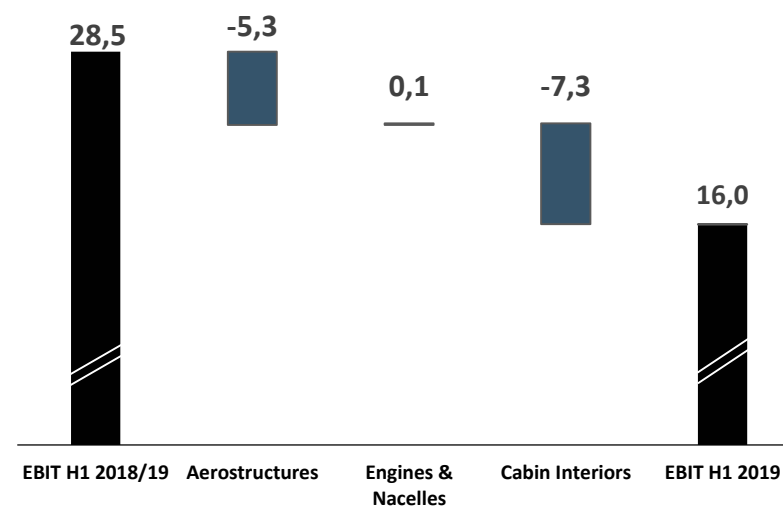
Revenues

in EUR mill.



Earnings before Interest and Taxes

in EUR mill.

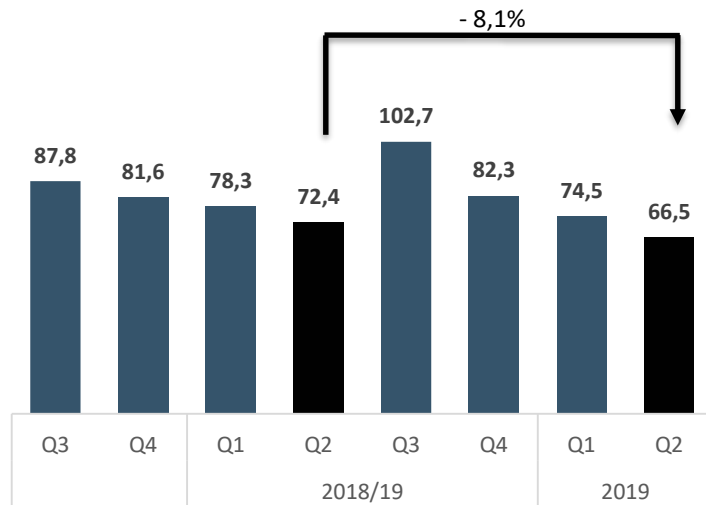


AEROSTRUCTURES

Results impacted by phase out of Boeing 737NG winglet program

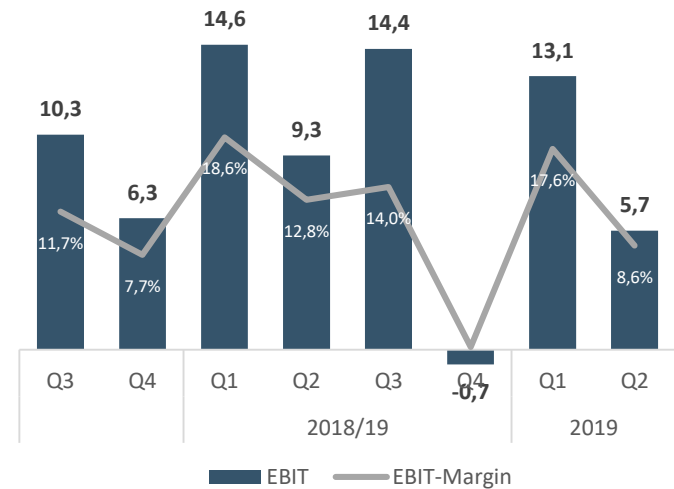
Revenue

in EUR mill.



EBIT and EBIT-Margin

in EUR mill.

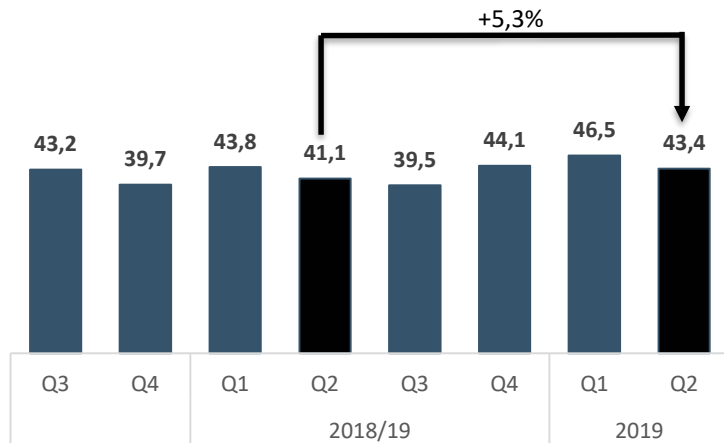


ENGINES & NACELLES

Revenue and EBIT remains on constant levels

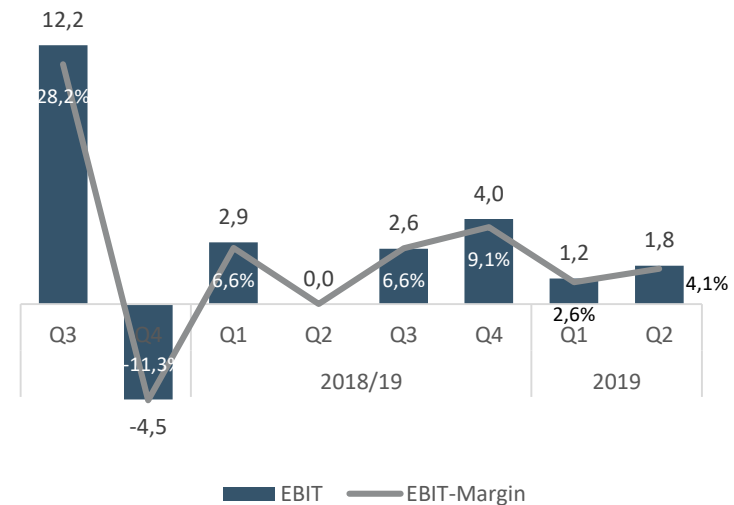
Revenue

in EUR mill.



EBIT and EBIT-Margin

in EUR mill.

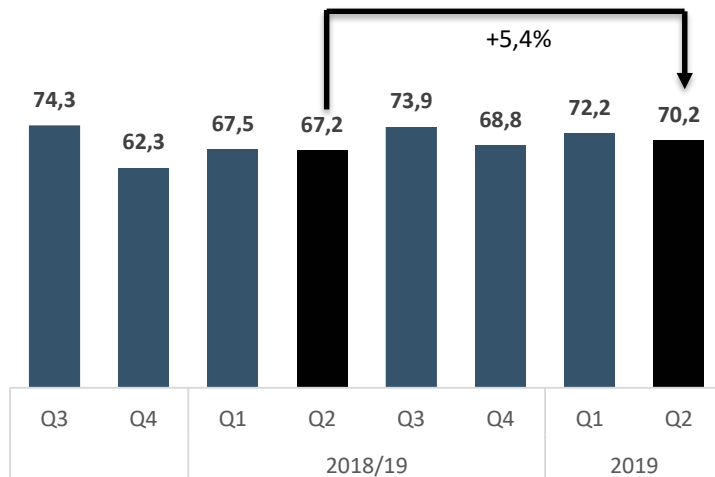


CABIN INTERIORS

Revenue slightly increasing while margin still under pressure

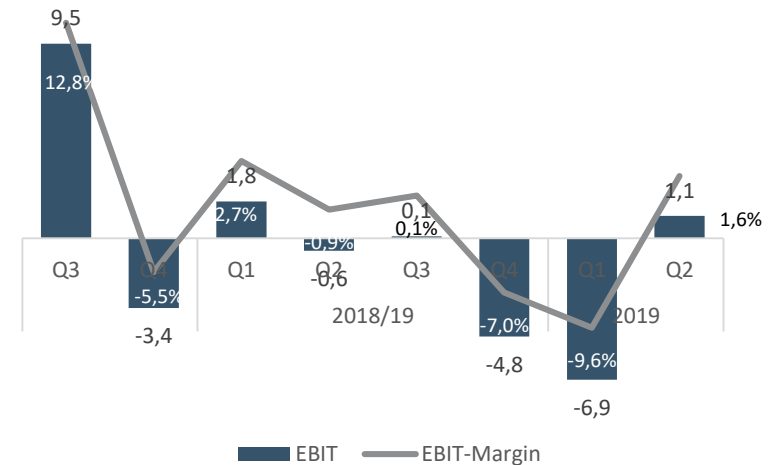
Revenue

in EUR mill.



EBIT and EBIT-Margin

in EUR mill.

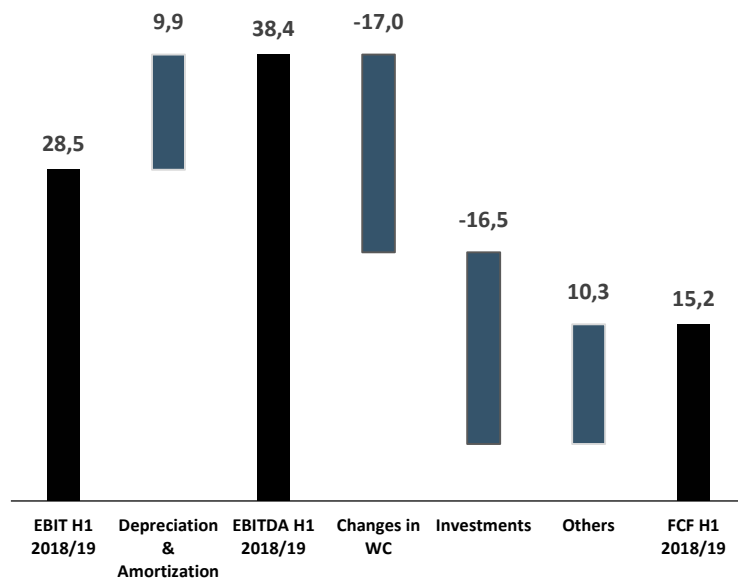


FREE CASHFLOW

Reduced investment demand and concentrated cash management in focus

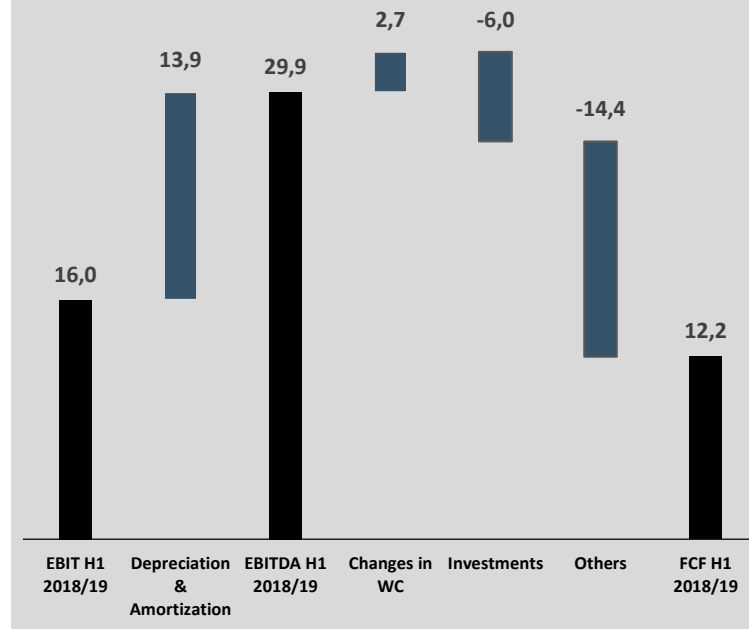
Free cashflow – H1 2018/19

in EUR mill.



Free cashflow – H1 2019

in EUR mill.

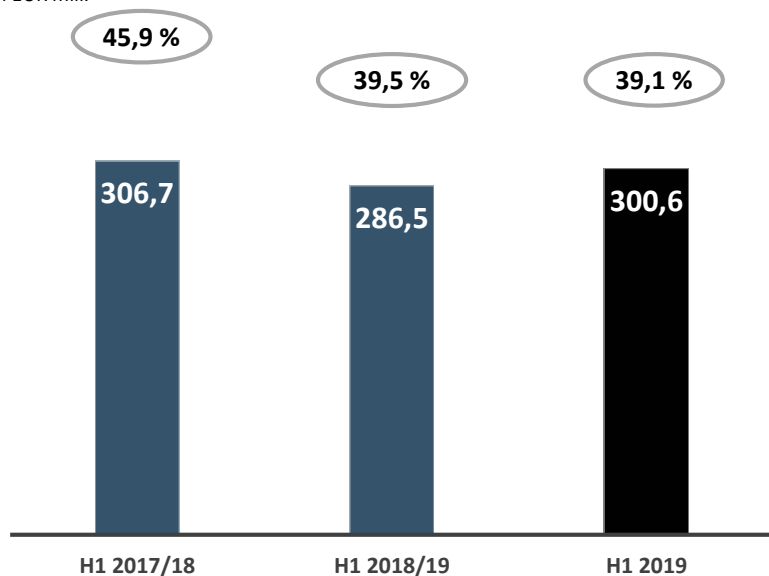


BALANCE SHEET INDICATORS

Stable equity ratio and net debt impacted by IFRS16 reclassification

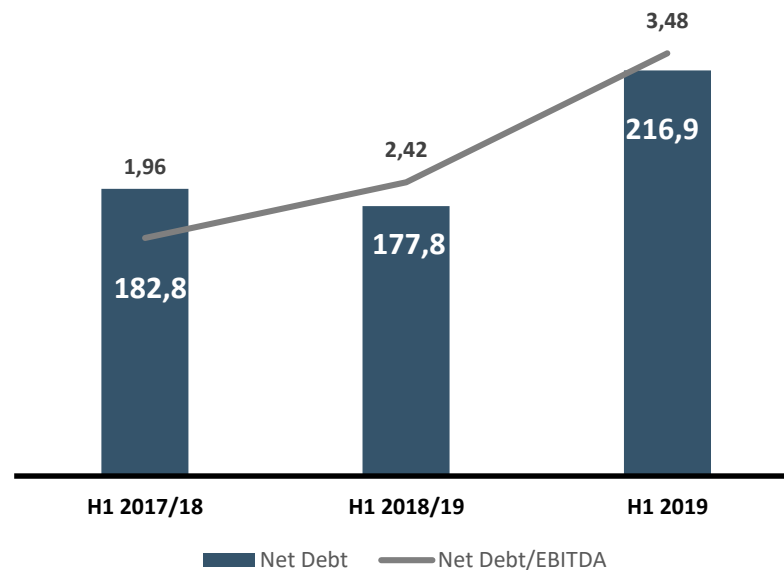
Equity

in EUR mill.



Net debt and net debt / EBITDA ratio

in EUR mill.

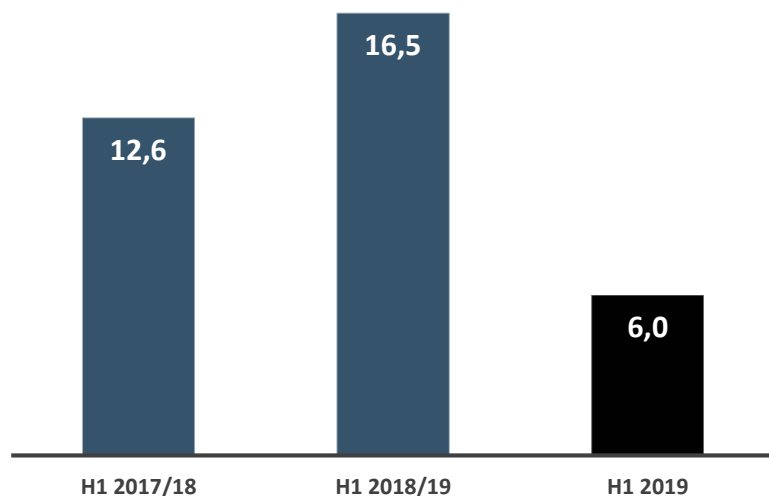


CASHFLOW DRIVERS

Low investments and stable working capital due to constant production rates

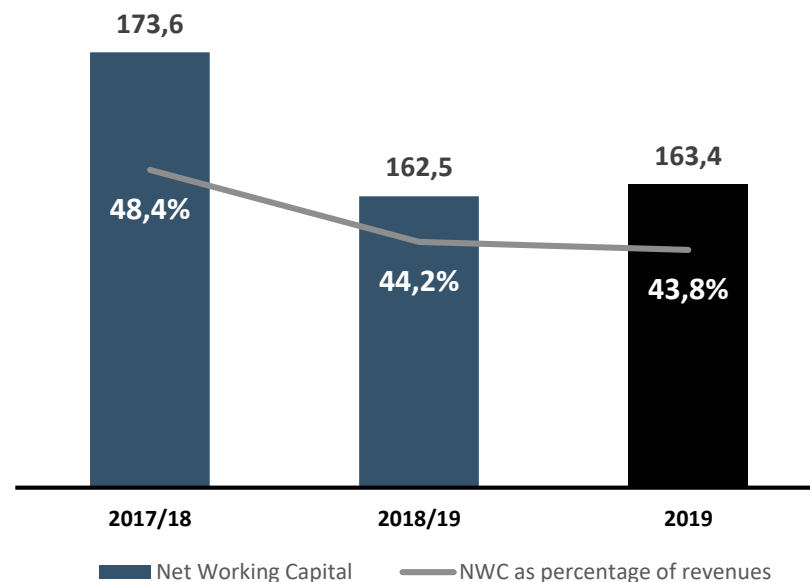
Investments

in EUR mill.



Working capital

in EUR mill.





OUTLOOK

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
CAGR > 5 %

- Outperformance of the market
- strong program portfolio constant high order backlog of **USD 6,5 bn**

SUSTAINABLE EARNINGS
8 - 10 %

- Sustainable efficiency gains favourable product mix
- Expected rate increases

SOUND CAPITAL STRUCTURE
~ 2.5x

- Strict cost control
- Focus on a stable capital structure
- Impact of new IFRS standards

DIVIDEND POLICY
20 -30 %

- Dividend policy established in course of the IPO
- 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 glowing blue horizon of a planet against a black background. The horizon is a bright, curved line of light that fades into the dark background. The text "BEYOND HORIZONS" is centered below the horizon.

BEYOND HORIZONS