



FACC ACHIEVES BEST RESULT IN THE COMPANY'S HISTORY

News / Finance, Manufacturer



Sales increase of 6.4 % to EUR 750.7 million

Significant increase in EBIT to EUR 63.8 million

Extensive investment program implemented

New orders amounting to EUR 750 million

Order backlog increased to USD 5.9 billion

Proposed dividend payment of EUR 0.11

Further growth forecast for the 2018/19 FY

FACC AG was able to confirm its long-term growth trend in the 2017/18 financial year and achieved the best results in the company's history spanning nearly 30 years: As announced "ad hoc" on 4 April 2018, FACC's Group sales increased by EUR 45.0 million or 6.4 % compared to the previous year to EUR 750.7 million. Thanks to a sustained increase

in earnings, the company achieved record values for all key financial figures.

"We have accomplished our primary goal of successfully shaping operational growth. Our dynamism has not only enabled us to further increase our sales, but above all to significantly increase our earnings and our cash flow," says Robert Machtlinger, CEO of FACC AG.

Revenues from product deliveries increased by 6.9 % to EUR 691.0 million. The main drivers of product sales in the 2017/18 financial year were the programs for the Airbus A320 Family, Airbus A350 XWB, Boeing 787 as well as the Bombardier and Embraer Business Jets. All other programs, including all components for the equipment of Rolls-Royce and Pratt & Whitney engines, developed in line with FACC management plans and contributed to the Group's growth.

In the past financial year, earnings before interest and taxes (EBIT) amounted to EUR 63.8 million (previous year: EUR 24.9 million). One-time effects in the amount of EUR 15.5 million were largely due to the conclusion of customer negotiations. As a consequence of the amendments to IAS 8, the relevant receivables were value-adjusted or provisions were established in previous periods.

On 28 February 2018, net debt amounted to EUR 181.9 million (previous year: EUR 197.0 million). On the balance sheet date, the Group's cash and cash equivalents amounted to EUR 63.5 million (previous year: EUR 48.3 million).

The FACC Group's equity amounted to EUR 323.1 million at the end of the reporting period. This corresponds to an equity ratio of 45.9 % as of 28 February 2018 (previous year 39.4 %).

As of 28 February 2018, the total headcount of the FACC Group stood at 3,402 full-time equivalents (FTE) (previous year: 3,393 FTE).

For the 2017/18 financial year, the Management Board proposes to the Supervisory Board payment of dividends of EUR 0.11 per share.

Outlook

The growth trend in the civil aviation industry is expected to remain strong in the future. Current market forecasts of OEMs confirm the constant annual increase in passenger volumes of around 4.5 %. Over the next two decades, the global aircraft fleet, which currently amounts to 21,000 large commercial aircraft (source: Airbus' Global Market Forecast), will more than double to roughly 42,500 aircraft by 2036. 12,800 aircraft from the existing fleet will reach the end of their service life and be replaced by modern aircraft models. Based on these estimates, a total of 34,900 new aircraft with more than 100 seats will be required by 2036. A significant shift towards the new growth markets China and India is also expected to occur.

Thanks to stable long-term demand, FACC will continue to pursue the sales target of EUR 1 billion by the end of the 2020/21 financial year in line with the company's "Vision 2020" strategy. In the coming years, the company expects to gradually increase the production rates of its most important programs. Thanks to FACC's balanced and modern product and customer portfolio, the company is able to profit from the general growth trend currently underway in almost all aircraft families.

FACC is particularly focused on processing the new orders signed last year, which are worth around EUR 750 million. It is expected that the first revenues from these new orders will be generated in the first half of the 2019/20 financial year.

Based on current market assessments and the Group's existing product mix, FACC expects revenue growth in the single-digit percentage range in the 2018/19 financial year. The initiatives to increase the level of automation and productivity and to outsource the production of simple composite parts to the supply chain will continue. This will lead to a substantial improvement in earnings.

"We will continue to do everything in our power to push forward our business activities, ranging from development and production to global supply chain management, whilst sustainably expanding our role as a technology partner of the aerospace industry," explains Robert Machtlinger. "Implementing the Group's 'Vision 2020' strategy with a view to strengthening and expanding our position as a Tier 1 partner to all major aircraft and engine manufacturers, being on board all modern aircraft with FACC technology and exploring additional business areas has top priority for us."

The FACC Annual Report 2017/18 is offered for download on the [FACC website](#).

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