



## FACC INCREASES SALES, EARNINGS BELOW PRIOR-YEAR QUARTER

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**FACC AG started 2019 with a slight increase in revenues, but a decline in profits. Compared to the previous year, Group revenues increased moderately by 2.2 % to EUR 193.7 million in the first quarter. However, reported earnings before interest and taxes (EBIT) amounted to EUR 7.4 million and were thus, as expected and already communicated, below the level of the first quarter of the previous year.**

**"FACC developed in line with the market in the first three months of the financial year," said FACC CEO Robert Machtlinger. "After years of strong growth, we see a global flattening of the growth curve, accompanied by a temporary stabilization of production rates".**

Revenues in the first three months of 2019 amounted to EUR 193.7 million (comparative period 2018/19: EUR 189.5 million). This 2.2% increase is attributable to an increase in development revenues to EUR 179.1 million in the first three months of 2019. Key drivers with respect to product sales remained unchanged compared to the previous periods. All major aircraft programs of our main customers Airbus, Boeing, Bombardier and Embraer as well as sales from the

respective engine families continue to contribute to the Group's growth.

Reported earnings before interest and taxes (EBIT) amounted to EUR 7.4 million in the first three months of 2019 (comparative period 2018/19: EUR 19.3 million). The start-up costs for recently launched projects in the Cabin Interiors segment continue to weigh on the earnings. "EBIT in the first quarter was well below the very good level of the previous year. This is mainly due to the ramp-up of series production of new projects and the associated additional costs," says FACC CEO Robert Machtlinger, summing up the current financial year to date.

### **Construction of a production plant in Croatia**

Following approval by the Supervisory Board for the construction of a production plant in Croatia, FACC completed the land acquisition in May of 2019. Construction of phase 1 of the plant will begin in October 2019, with production starting in March 2021. As a wholly owned subsidiary of FACC, the new production facility will manufacture lightweight components for passenger cabins of commercial aircraft and business jets using state-of-the-art fiber composite technology in the first phase. Subsequently and as required, the plant can be modularly expanded in two further phases. "The new FACC location will further expand our already strong global presence. We see the expansion as a strategic investment for our group and are confident that the new production competence center in Croatia will contribute significantly to our quality and cost leadership. With the construction of this high-tech production plant, we are laying the foundation for an increase in profitability in the Cabin Interiors segment and beyond for the entire FACC Group," said Robert Machtlinger.

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