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**The leading partner for
major aerospace
manufacturers**

FIGEAC AERO

Full-year results 2023/24
June 2024

Flight plan

GROUP PROFILE

1. HIGHLIGHTS
2. FINANCIAL PERFORMANCE
3. MARKET DYNAMICS
4. PILOT 28 ADVANCES
5. OUTLOOK





01



Highlights

Strategic & financial highlights



All 3 annual targets achieved or surpassed for 3rd consecutive year

PILOT 28 advances

€397.2m

revenue
(+19.3% org. growth)

(vs guid. €375-390m)

€52.2m

current EBITDA
(13.2% margin, +140bp)

(vs revised guid. €50-53m)

€24.1m

Free Cash Flow
(vs €5.4m)

(vs revised guid. €20-24m)

Progress

on all fronts

Business development & operational highlights

Backlog

€3.9bn¹

Backlog

(vs €3.7bn as at
31 Dec 2023)

Customer satisfaction

- Improvements in OTD
- Stable performance in terms of quality

Recruitment

750

Gross hires

Supply chain

- Persisting tensions but better adaptation
- Aluminium mostly good
- Titanium under control with inventories & derisking
- Situation with steel still very complicated
- Processing under control but still a bottleneck



¹ As at 30 April 2024, including projected increase in A350 rates

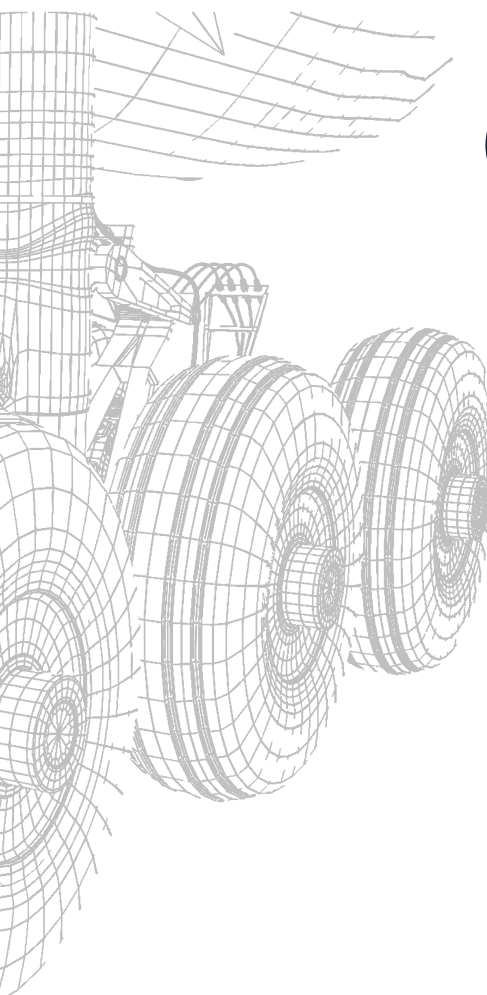


02



Financial performance

P&L – Key points

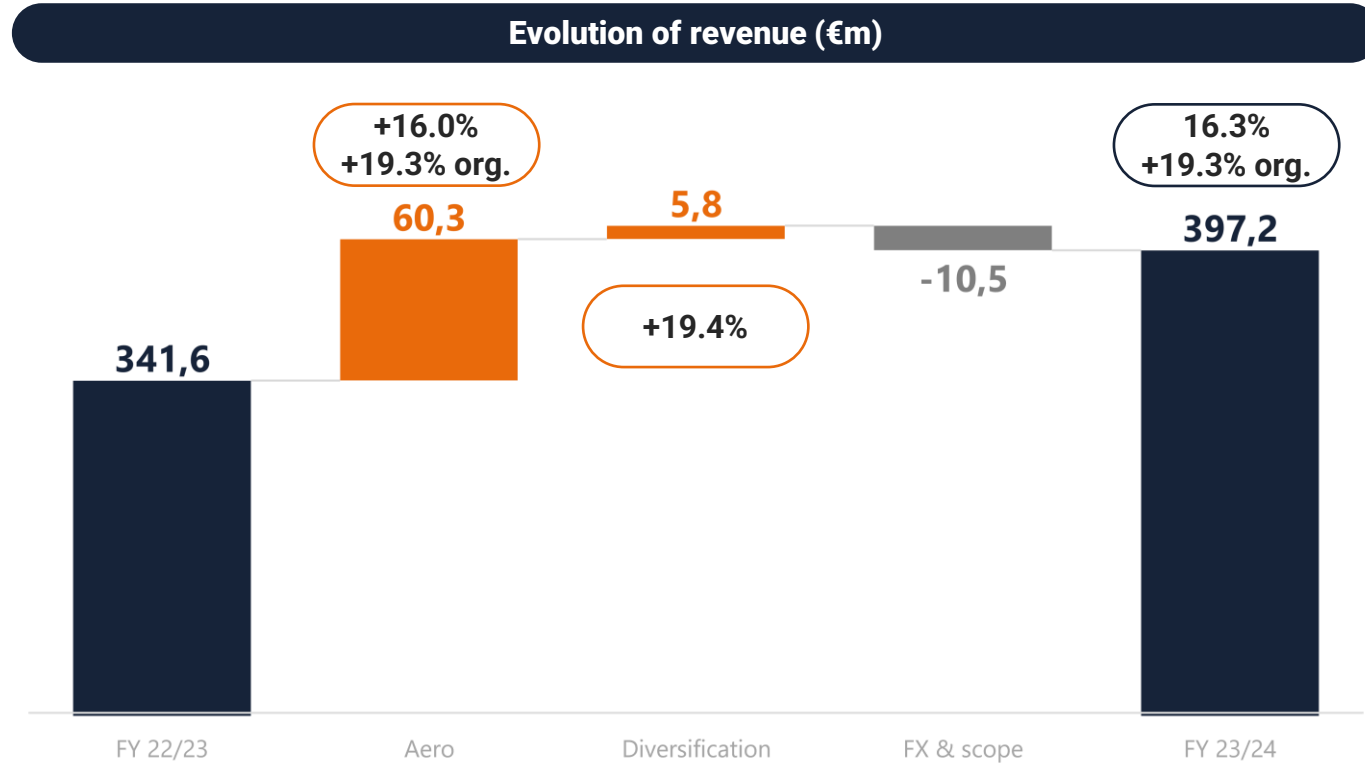


IFRS, €m (audit in the final stages)	FY 23/24	FY 22/23	Chg.	Org. chg.
Revenue	397.2	341.6	+16.3%	+19.3%
Current EBITDA	52.2	40.3	+29.6%	
Current EBITDA margin	13.2%	11.8%	+140bp	
Current operating income (loss)	4.7	(2.6)	ns	
Operating income (loss)	2.8	(0.6)	ns	
Financial income (loss)	(24.0)	(16.2)	(48.3)%	
Net income (loss), Group share	(12.2)	(18.1)	+32.3%	

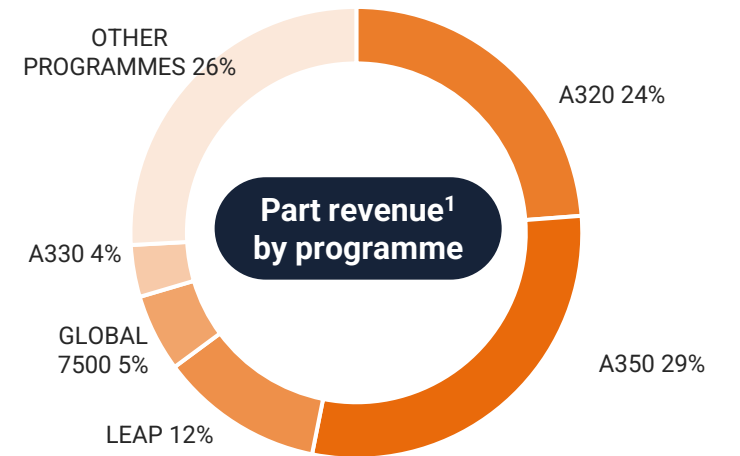
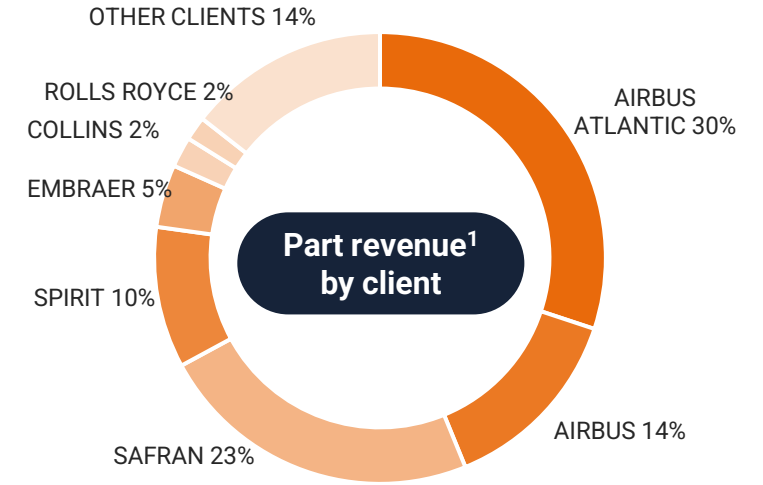
- ▶ +19.3% organic revenue growth
- ▶ EBITDA margin up 140bp
- ▶ Current operating income & operating income now positive
- ▶ Financial income:
 - €(4.8)m in interest expense
 - €(5.3)m decrease in non-cash unrealised gains on derivative instruments

Note: a P&L table is available in the appendices to this document

Full-year revenue objective surpassed

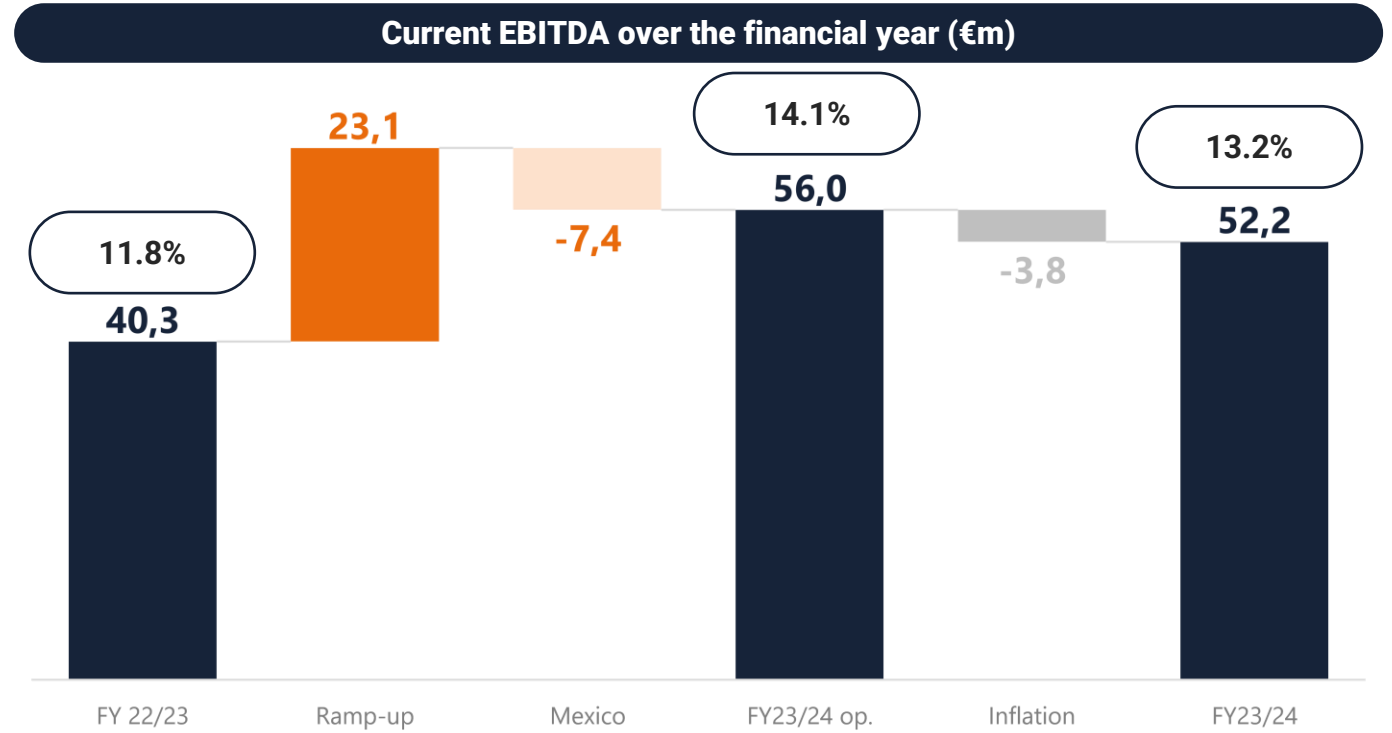


€397.2m revenue, 19.3% organic growth



Profitability target achieved

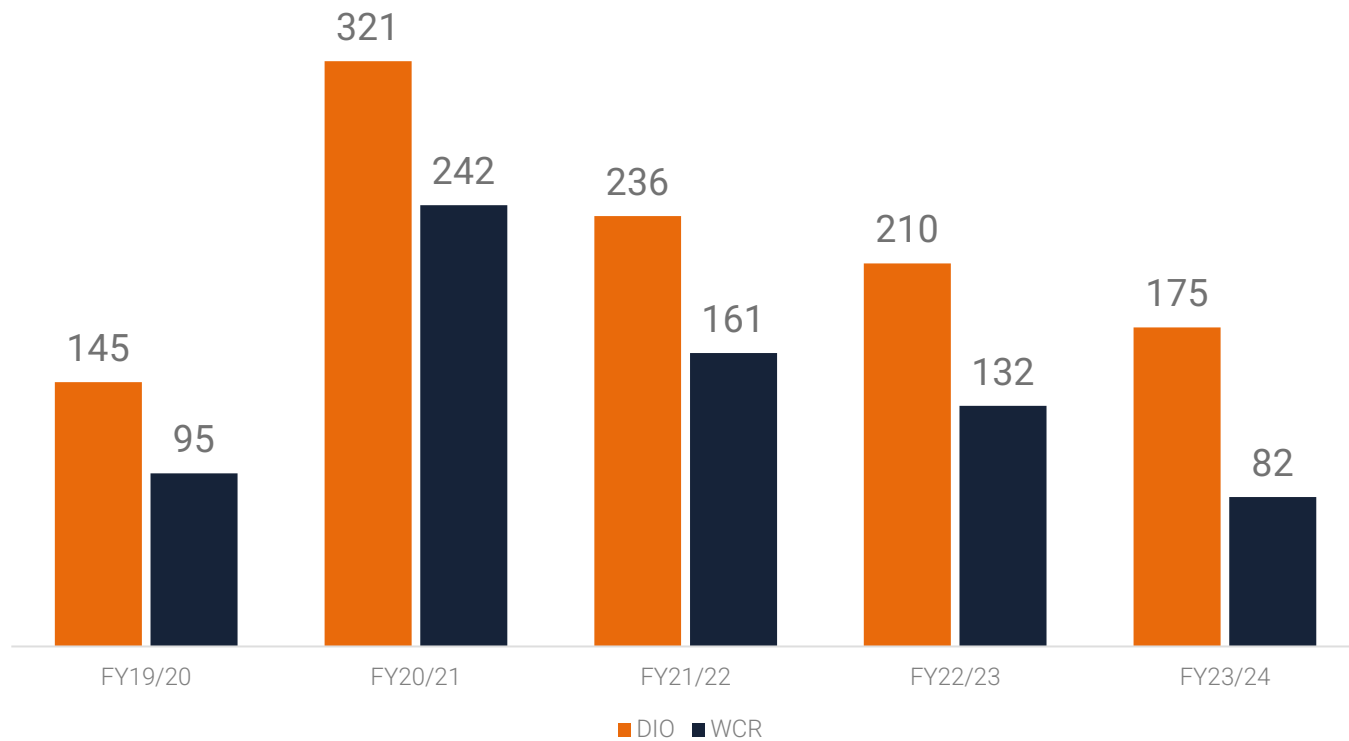
- ▶ Current EBITDA €52.2m, +29.6%
- ▶ Current EBITDA margin 13.2%, +140bp
- ▶ Strong contribution from H2, as expected: €32.3m, 15% margin



€52.2m current EBITDA, at upper end of guidance range (€50-53m)
 Further margin gains despite challenging conditions

WCR update

WCR and DIO over the financial year (in number of days of revenue)



- ▶ 51-day reduction in WCR
 - DIO -35 days
 - DSO -15 days
 - DPO -7 days
- ▶ Very good performance towards FY2027/28 DIO target returning to pre-crisis levels (140 days)

Cash generation target surpassed

IFRS, €m (audit in the final stages)	FY 23/24	FY 22/23	Chg.
Cash-flow¹	42.1	22.8	+84.8%
Change in WCR	28.1	8.3	
Cash-flow from operating activities	70.2	31.1	+125.7%
Cash-flow from investing activities	(46.1)	(25.7)	+79.3%
Free cash-flow	24.1	5.4	ns
Cash-flow from financing activities	(41.5)	56.2	
o/w interest expense	(13.2)	(8.1)	
o/w debt amortization	(27.9)	(64.0)	
o/w debt restructuring fees	-	(5.7)	
o/w capital increase	-	53.5	

- ▶ Cash-flow +84.8%
- ▶ Very positive impact from WCR due to improved inventories and receivables
- ▶ FCF almost multiplied by 5

€24.1m Free Cash Flow, slightly above the upper end of revised guidance (€20-24m)

¹ Before cost of financial debt and taxes
Note: a cash-flow statement is available in the appendices to this document

Financial situation



Cash
€88.7m



Net debt
€288,4m¹

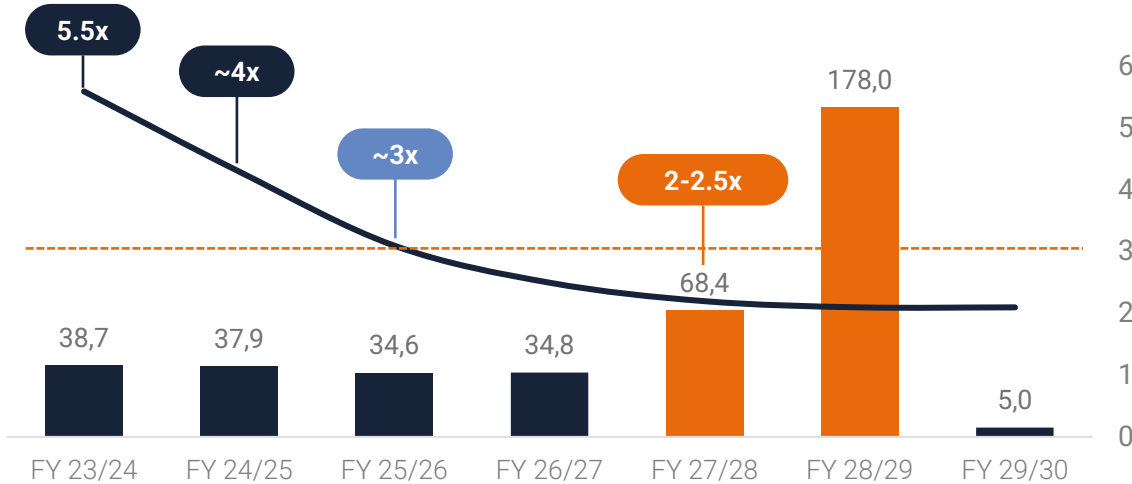


Fixed rate debt
~ 79%



Average cost
5.2%¹

Debt amortization schedule & projected leverage³



- ▶ Net debt stabilized & leverage reduced
- ▶ Next debt milestones:
 - Positive net FCFs from FY2023/24 onwards
 - Focus on potential refinancing when leverage at or below 3 around FY2025/26e
 - Target net debt FY2027/28e: ~€200m

Further deleveraging expected with positive net FCFs² and higher EBITDA

¹ excluding non-interest bearing debt
² FCFs after cost of financial debt and taxes
³ Leverage is calculated by dividing net debt excluding non-interest bearing debt by current EBITDA
 Note : the balance sheet and debt structure are available in the appendices to this document



03

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Market dynamics

Commercial aerospace in 2024: still going strong, despite Boeing uncertainties

		2023	2024 YTD ³	Outlook	
Passenger traffic	RPK ¹ , yoy chge	+36.9%	+15.5% ²	c. 3.7% per annum over next 20 years	
	RPK ¹ , % of 2019 level	94.1%	> 100% ²		
Available capacity	ASK ¹ , yoy chge	+31.0%	+13.5% ²		
Load factor	Average (yoy chge)	82.3% (+3.6 pt)	81.3% (+1.4 pt) ²		
<hr/>					
AIRBUS	Deliveries	Commercial aircraft (yoy chge)	735 (+11%)	256 (+5%)	770 (2024)
	Net orders		2,094 (+155%)	237 (+65%)	
	Backlog	Commercial aircraft	8,598	8,579	
	A350	Average deliveries / mo (yoy chge)	5.3 (+3%)	3.4 (+21%)	12 (2028)
	A320 (family)		48 (+11%)	41.6 (+5%)	75 (2027)
	<hr/>				
BOEING	Deliveries	Commercial aircraft (yoy chge)	505 (+9%)	126 (-38%)	
	Net orders		1,576 (+104%)	142 (-32%)	
	Backlog	Commercial aircraft	6,216	6,188	
	B737 MAX	Average deliveries / mo (yoy chge)	32.3 (=)	20.2 (-38%)	50 (2025/26)



¹ RPK : revenue-passenger kilometers, ASK : available-seat kilometers

² data as at 30 April 2024

³ data as at 31 May 2024, unless specified otherwise, military aircraft non included

Source: IATA, Airbus, Boeing

A350 widebody upswing : an important growth reserve for FIGEAC AÉRO

	2023			2024 YTD		
	Net orders	Deliveries	Backlog	Net orders	Deliveries	Backlog
A350-900 	148	52	400	20	13	407
A350-1000 	118	12	171	47	4	214
A350F	15		50	5		55
Total	281	64	621	72	17	676

Rate objective increased from 10 / mo in 2026 to 12 / mo in 2028
Full-year, full rate increase impact would be up to €34m

Update on the Boeing 737 MAX



- ▶ Burned \$444m in Q1, but received \$425m cash advance from Boeing
- ▶ Talks of takeover by Boeing confirmed, expected by end of year
- ▶ Airbus likely to acquire sites in Belfast (A220 wings and mid-fuselage section) and Kinston, NC (A350 central section)
- **No discernible impact to be anticipated for us, but likely upside in terms of quality and public trust**



- ▶ Monthly rate constrained to 38, current rate much below
- ▶ Expected return to 38 / month by end of year
- ▶ Plan to reach 50 / month by 2025 / 2026 still in effect
- **Depending on FAA decisions, impact likely to be mainly on 2024, before recovery in 2025**



- ▶ GE & Safran announced downward revision of LEAP delivery growth to 10-15% (v. 20-25%) for 2024
- ▶ Potential risk from large LEAP inventories at Boeing
- **c. €4m FY24/25 expected revenue impact for FIGEAC AÉRO**

Source: Boeing, Spirit Aerosystems, Safran, various press outlets



04



PILOT 28 advances

PILOT 28: a new strategic horizon on March 2028



Performance
of sales

New business
€80 – 100m



Innovation



Lower impact

Set of new extra-
financial objectives
unveiled in 2024/25



Optimisation of financial
performance

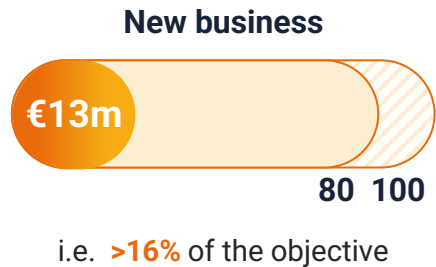
FCF generation
c. €50m



Transformation
of model

Profitable growth with revenue €550-600m and current EBITDA margin >16%
Accelerated deleveraging with leverage 2-2,5x

Performance on the commercial front



Commercial aerospace

- Significant wins already secured in single-aisle
 - 3 new contracts in North America for business jets, A220 & A320
 - New part numbers, extension and market share increase in Europe for A220 & B737 MAX
- Several ongoing late-stage discussions for Airbus airframes

Annual revenue ~€12m

Defence

- New business gained in the non-aero defence segment with KNDS
- Further development underway

Annual revenue ~€1m

Industrialisation services

- Major new advances in structural turnkey solution agreement in APAC

**Good result only 6 months after plan launch
FY2027/28 objective confirmed: €80-100m**

Note: all PILOT 28 objectives are set as at 31 March 2028, unless specified otherwise

Lower impact

Environmental certification



(as a % of total workforce)

Carbon accounting



(currently under deployment)



Environment

- ISO 14001 certification of all sites by FY2027/28
- Deployment of a Group-wide carbon accounting system
- Collaborative project initiated with major customers to step up metal reuse



Employees

- Attraction / retention:
 - Regular employee satisfaction surveys
 - Improved career management
 - Integration of CSR into Group values
- Feminization rate: 20%

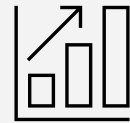


Society

- Suppliers: update of supplier code of conduct & administration of CSR questionnaire
- Governance: upcoming reinforcement of internal control & nomination of a Board Director in charge of CSR
- Preparations for deployment of CSRD

Note: all PILOT 28 objectives are set as at 31 March 2028, unless specified otherwise

Optimization of financial performance



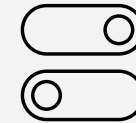
Contract margin optimization

- 2/3 of inflation covered
- Ongoing discussions to set up mechanisms to deal with future inflation
- Favorable impact of mix, strategic exits & price increases



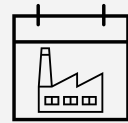
Industrial setup optimization

- Transfers of work to best cost sites
- Setup of dedicated production lines



Efficiency initiatives

- WCR reduced to 82d (from 132 in FY2022/23) DIO to 175 (from 210 in FY2022/23)
- Strong support from customers



Limited CAPEX

- Net CAPEX €46.1m, consistent with budget
- New business driving minimal CAPEX requirements

FY2027/28 FCF objective confirmed: €50m

Note: all PILOT 28 objectives are set as at 31 March 2028, unless specified otherwise



05



Outlook

Short-term & medium-term guidance



	FY24/25e	FY27/28e
1 REVENUE	€420-440m	€550-600m
2 CURRENT EBITDA	€67-73m	>16% of revenue
3 FREE CASH FLOWS	€20-28m	~€50m
4 LEVERAGE	~4	2-2.5

Investment case

ATTRACTIVE EXPOSURE TO AEROSPACE

- Aerospace pure player
- Critical position within supply chain
- Rebalancing of relations with OEMs
- Strong market momentum

STRONG EXECUTION & TRACK RECORD

- Delivered for 3rd consecutive year
- On track for 2025 pre-COVID recovery
- Credible 2028 ambitions for revenue development and accelerated deleveraging

SIGNIFICANT UPSIDE POTENTIAL

- Stock rerating with lower indebtedness
- Positive impacts from lower inflation, interest rate and supply chain challenges
- Favorable capital ownership structure



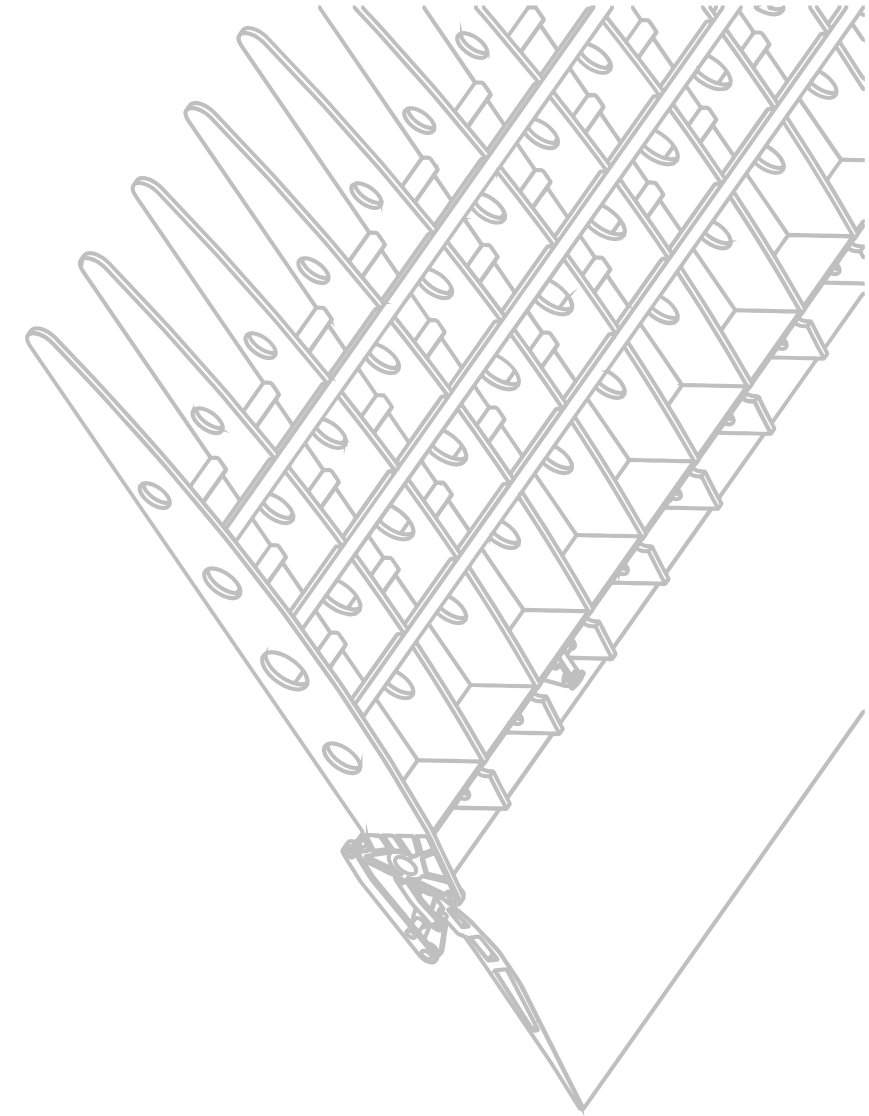
Q&A



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Appendices

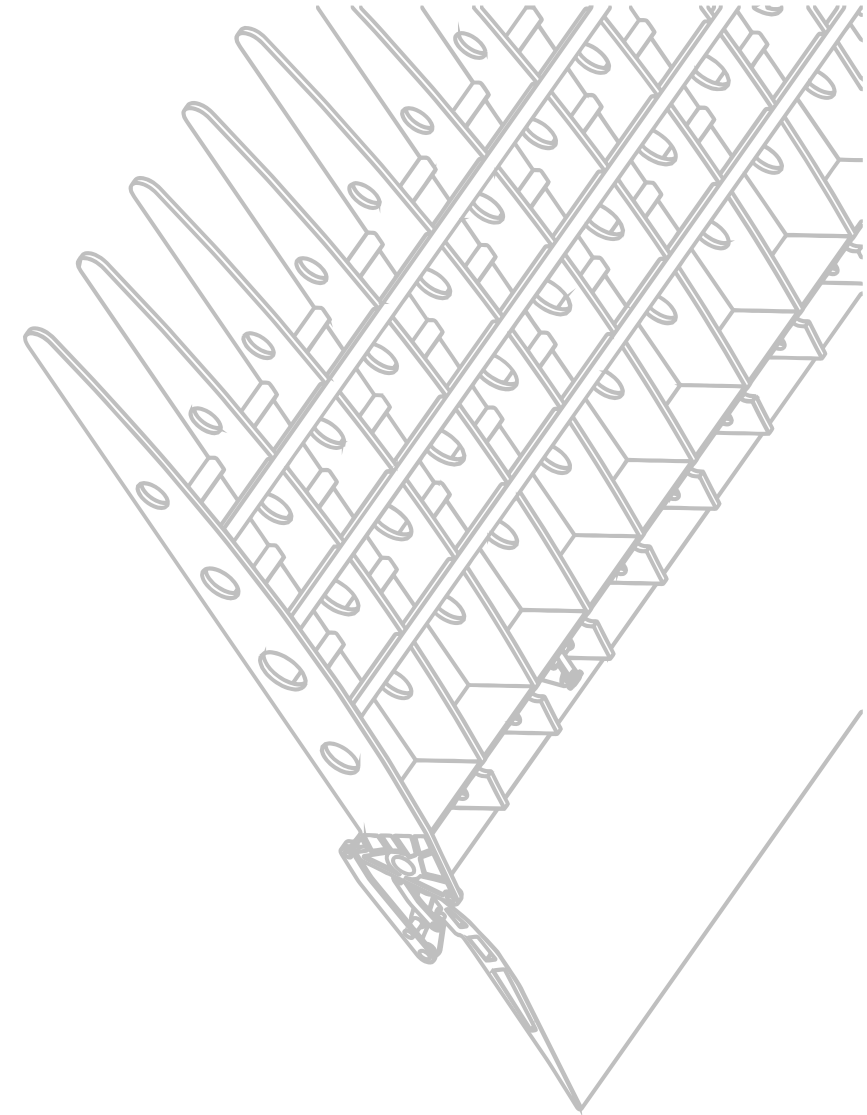
Consolidated P&L



IFRS, €m (audit in the final stages)	FY 23/24	FY22/23	Chg.
Revenue	397.2	341.6	+16.3%
Other finished products and WIP	2.2	14.7	(85.2)%
Cost of bought-in goods and services and external expenses	(250.5)	(224.9)	+11.3%
Personnel expenses	(93.6)	(88.6)	+5.7%
Taxes and duties	(4.1)	(3.7)	+11.3%
Net depreciation, amortisation and provisions	(46.4)	(41.7)	+11.3%
Current operating income (loss)	4.7	(2.6)	ns
Other non-recurring operating income & expenses	(2.6)	4.6	ns
Share of net income (loss) of joint ventures	0.6	(2.6)	ns
Operating income (loss)	2.8	(0.6)	ns
Cost of net financial debt	(18.3)	(13.2)	(38,8)%
Foreign exchange gains and losses	(6.7)	(8.9)	+24.6%
Unrealised gains and losses on derivative instruments	1,6	6.9	(76,9)%
Other financial income and expenses	(0.5)	(1.0)	+45,9%
Financial income (loss)	(24,0)	(16,2)	(48,3)%
Profit before tax	(21,2)	(16,8)	(26,1)%
Tax income (expense)	9,0	(1.3)	ns
Consolidated net income (loss)	(12,2)	(18,1)	+32,4%
Net income (loss), Group share	(12,2)	(18,1)	+32,3%
Non-controlling interests	(0.0)	(0.0)	ns

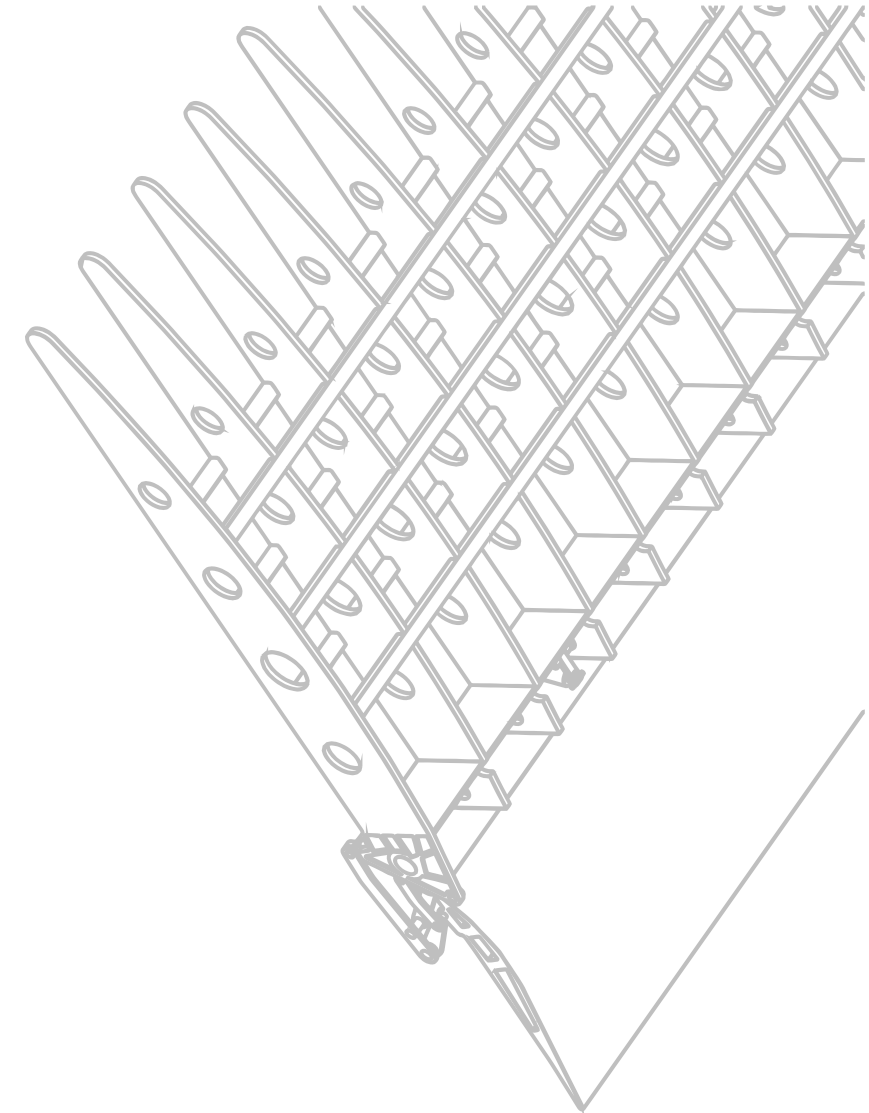
Consolidated balance sheet (simplified)

IFRS, €m (audit in the final stages)	31/03/24	30/09/23	31/03/23
Fixed assets	269.6	265.3	265.9
Other non-current assets	18.5	8.3	5.5
Inventory	190.6	202.8	196.2
Contract assets	37.2	28.2	24.4
Trade receivables	49.6	35.8	59.9
Current tax assets	7.1	7.5	7.9
Other current assets	20.4	24.1	26.7
Cash & cash equivalents	88.7	91.7	115.5
TOTAL ASSETS	681.5	663.6	702.0
Shareholders' equity	57.7	60.7	70.0
Non-current financial liabilities	337.9	336.8	355.5
Non-current liabilities	23.7	25.5	30.7
Current portion of financial liabilities	46.3	50.6	54.4
Trade payables and related accounts	88.7	86.0	83.2
Contract liabilities	42.2	31.0	14.3
Other current liabilities	84.9	73.0	93.8
TOTAL LIABILITIES	681.5	663.6	702.0



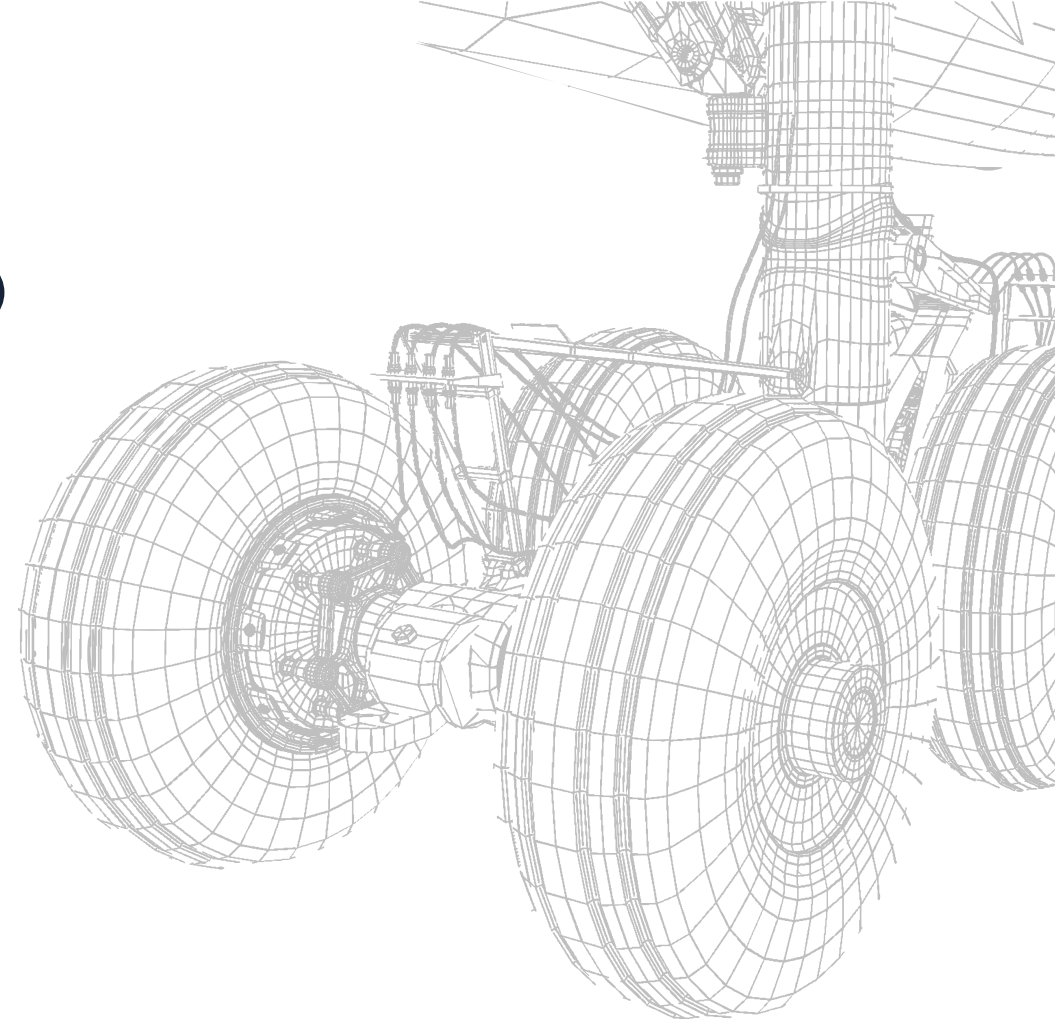
Consolidated cash flow statement (simplified)

IFRS, €m (audit in the final stages)	FY 23/24	FY 22/23
Net profit	(12.2)	(18.1)
Depreciation, amortization and provisions	47.0	45.7
Other non-cash adjustments	(7.1)	(13.9)
Tax expense	1.3	0.9
Cost of debt	13.2	8.1
Cash-flow before cost of debt and taxes	42.1	22.8
Change in working capital requirement	28.1	8.3
Cash-flow from operating activities	70.2	31.1
Cash-flow from investing activities	(46.1)	(25.7)
Free cash-flow	24.1	5.4
Disposals (acquisitions) of treasury shares	0.5	(0.1)
Change in borrowings and repayable advances	(17.6)	(37.2)
Repayment of lease liabilities	(11.2)	(16.0)
Interest paid	(13.2)	(8.1)
Debt restructuring fees	-	(5.7)
Capital increase	-	53.5
Inventory carrying transaction with Aerotrade	-	(4.5)
Cash-flow from financing activities	(41.5)	56.2
Change in cash position	(17.4)	61.6
Cash position - opening date	94.4	33.0
Change in translation adjustment	0.1	(0.2)
Cash position - closing date	77.1	94.4



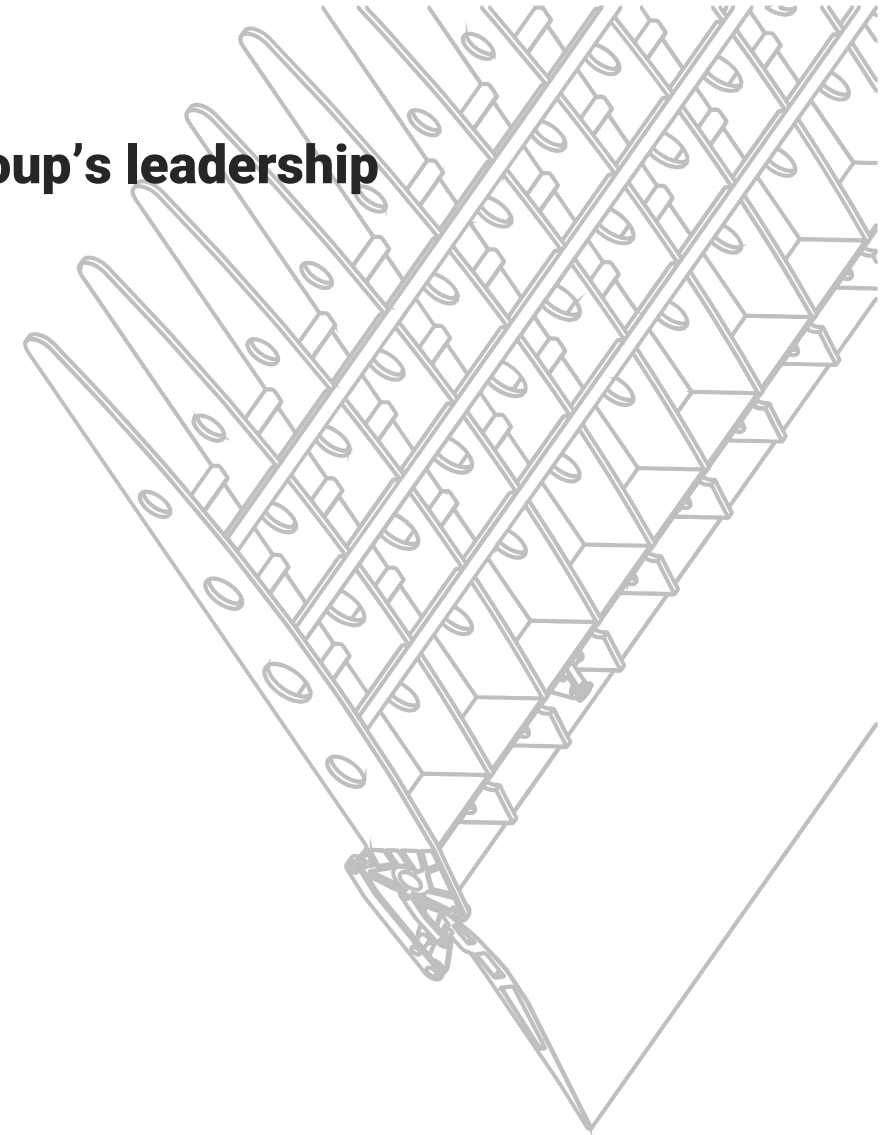
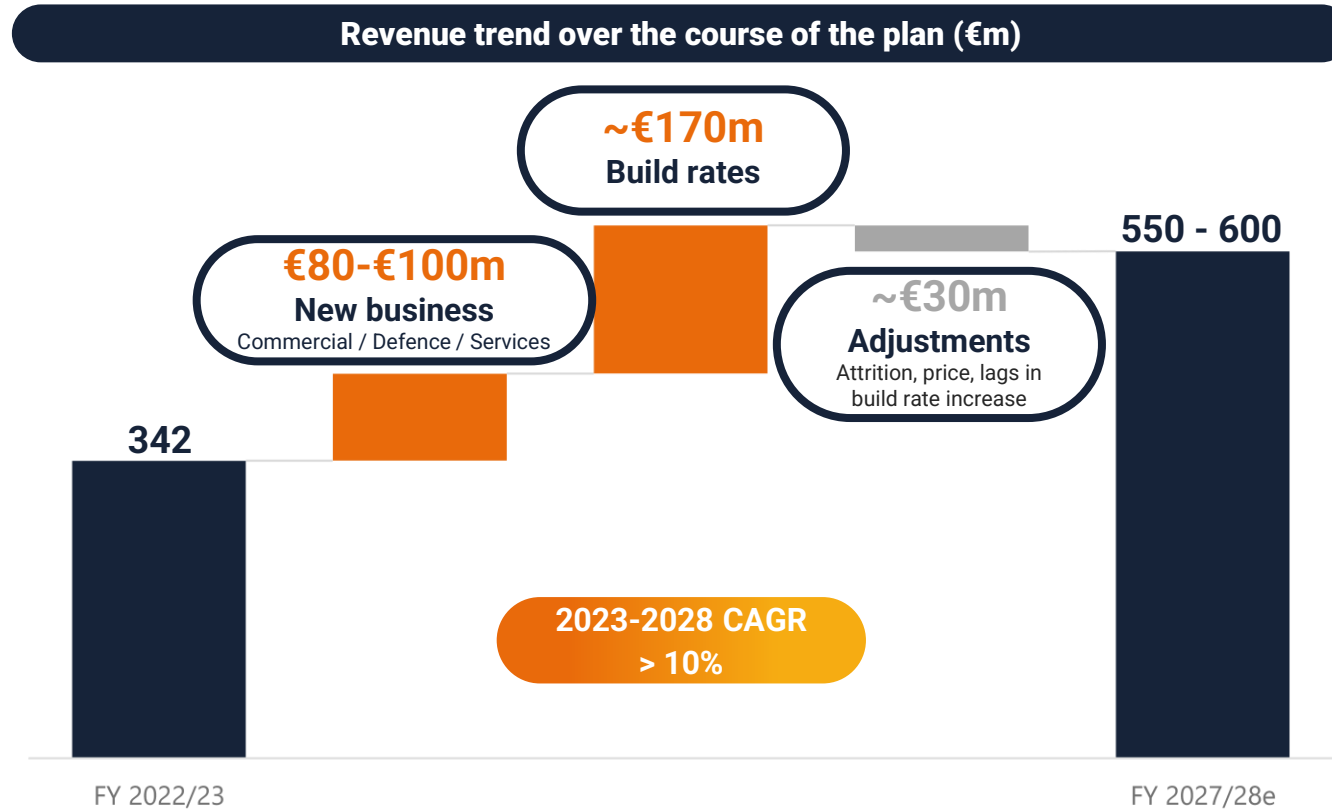
Financial debt structure

Debt	Amount	Type ¹	Rate
State-guaranteed loan (PGE)	130.5	A	Fixed
Bonds	78.6	B	Fixed
Bonds	16.5	B	Variable
Bank debt	55.9	A	Fixed
Bank debt	53.0	A	Variable
Leases	19.8	A	Fixed
Others	11.3	A	
Factoring	11.5	ns	Variable
Gross debt²	377,2	~80% amort.	79% fixed
Average cost			5.2% ²
Net debt²	288,4		



² A : amortizinge, B : bullet
² excluding non-interest-bearing debt

PILOT 28's trajectory: consolidation and development of the Group's leadership



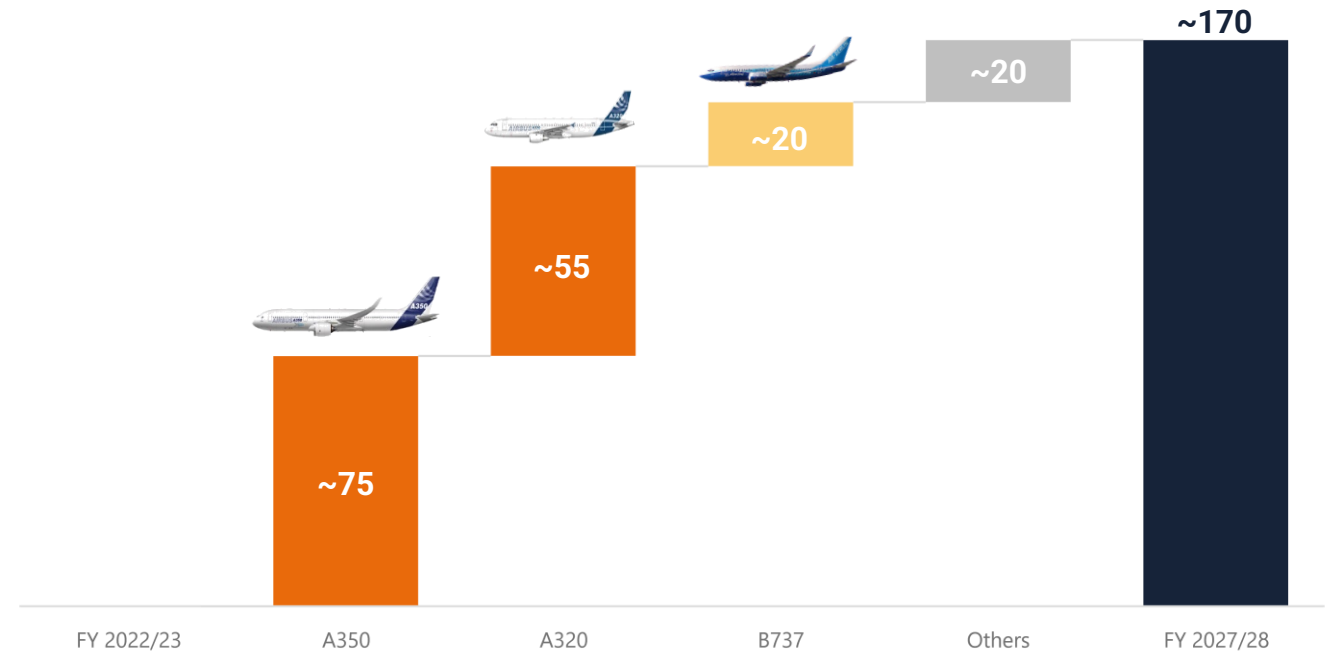
FY 2027/28: approaching the €600m mark

Note: financial targets presented here are based on the following assumptions: realisation of build rates projected by aircraft manufacturers, a EUR/USD exchange rate of 1.13 for 2023/24, 1.11 for 2024/25, 1.10 for 2025/26, 1.11 for 2026/27, and 1.12 for 2027/28, and no deterioration in the economic climate, notably in terms of sourcing, inflation, hiring and client financial support

PILOT 28's trajectory : mechanic impact of the production rate of the main aerospace programmes



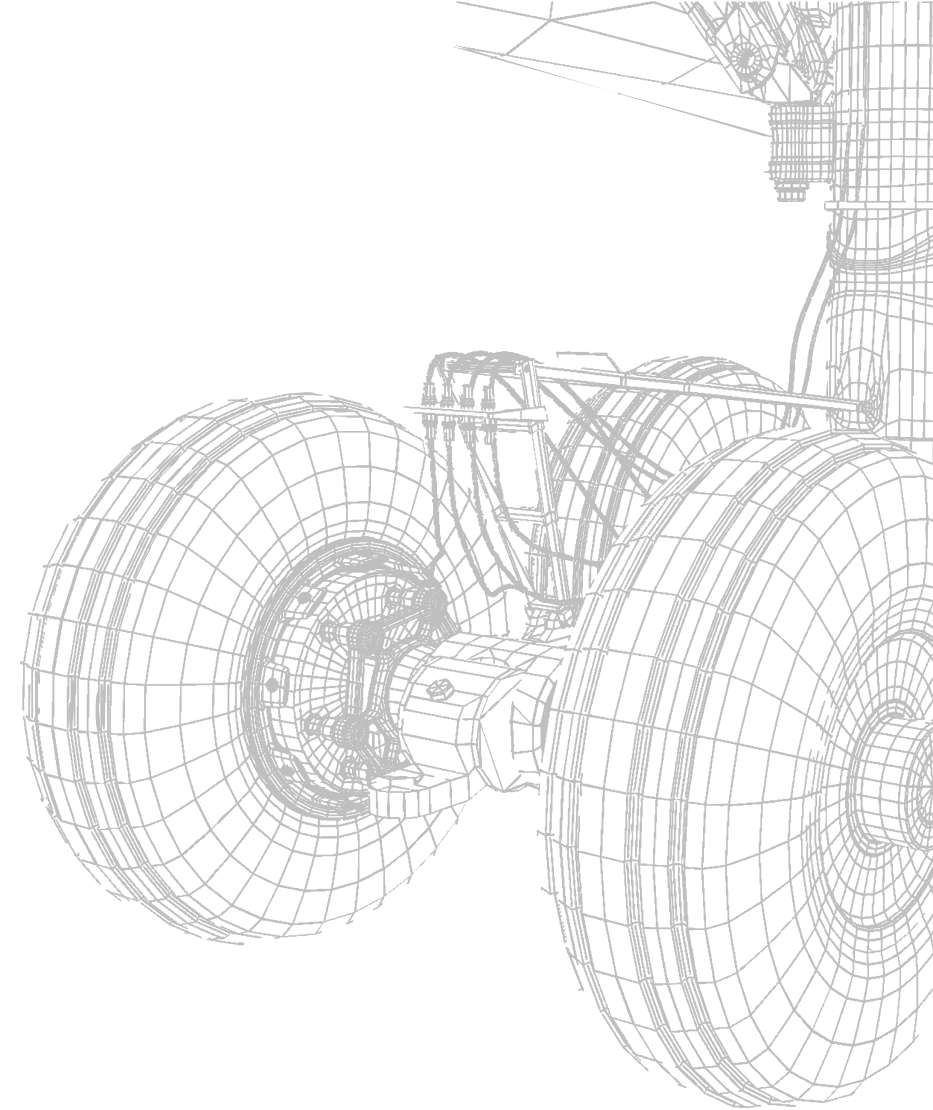
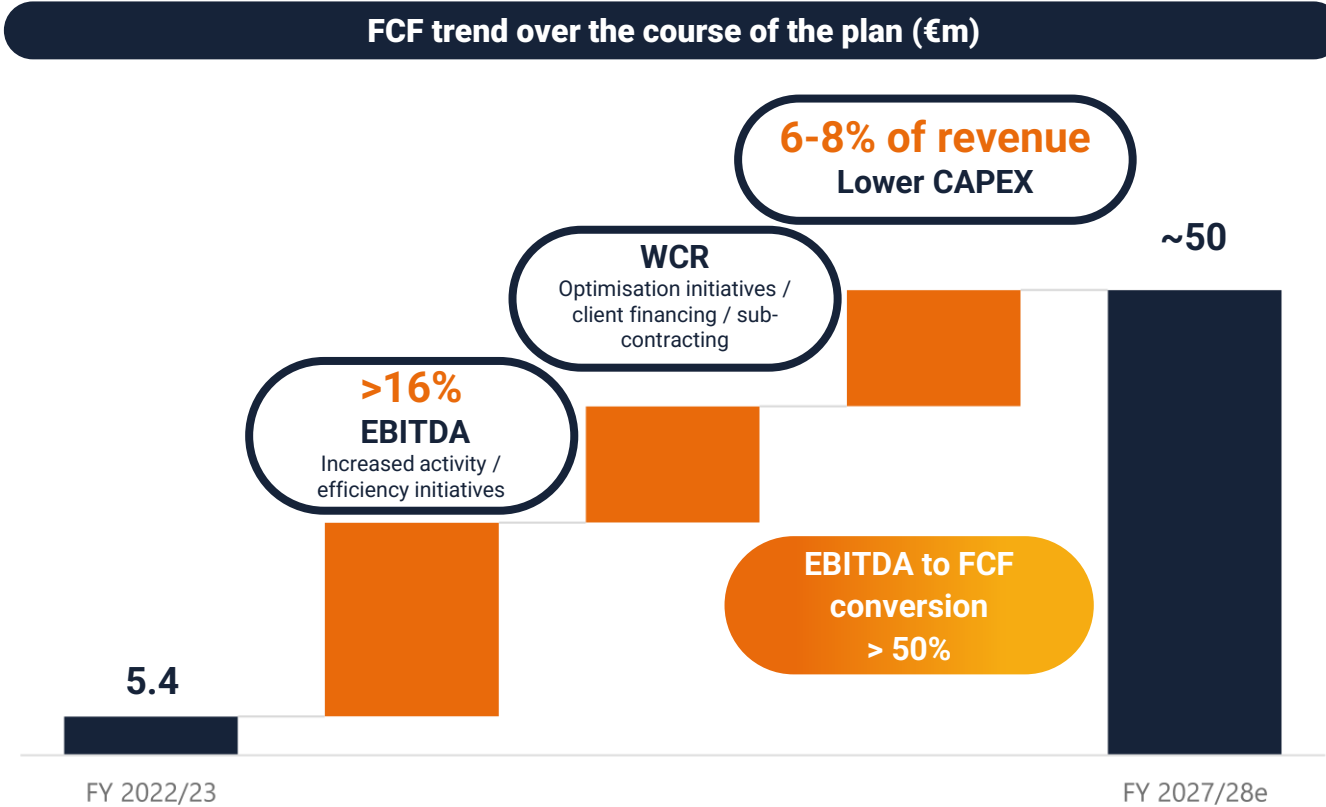
Revenue impact of the production rate increases over the course of the plan (€m)



An increase in revenue largely secured by the Group's order backlog

Note: figures presented here include revenue arising from engine parts on the corresponding programme

PILOT 28's trajectory: acceleration of deleveraging (1/2)

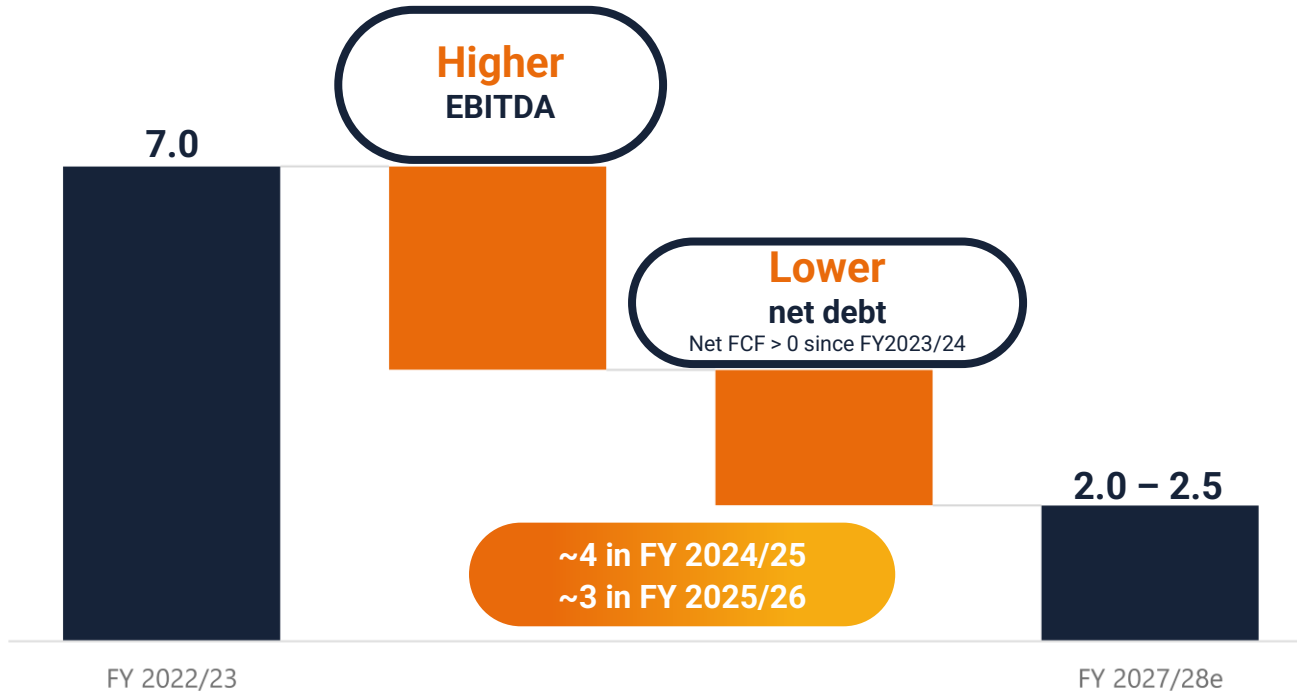


FY 2027/28: cash generation scaled up to ~€50m

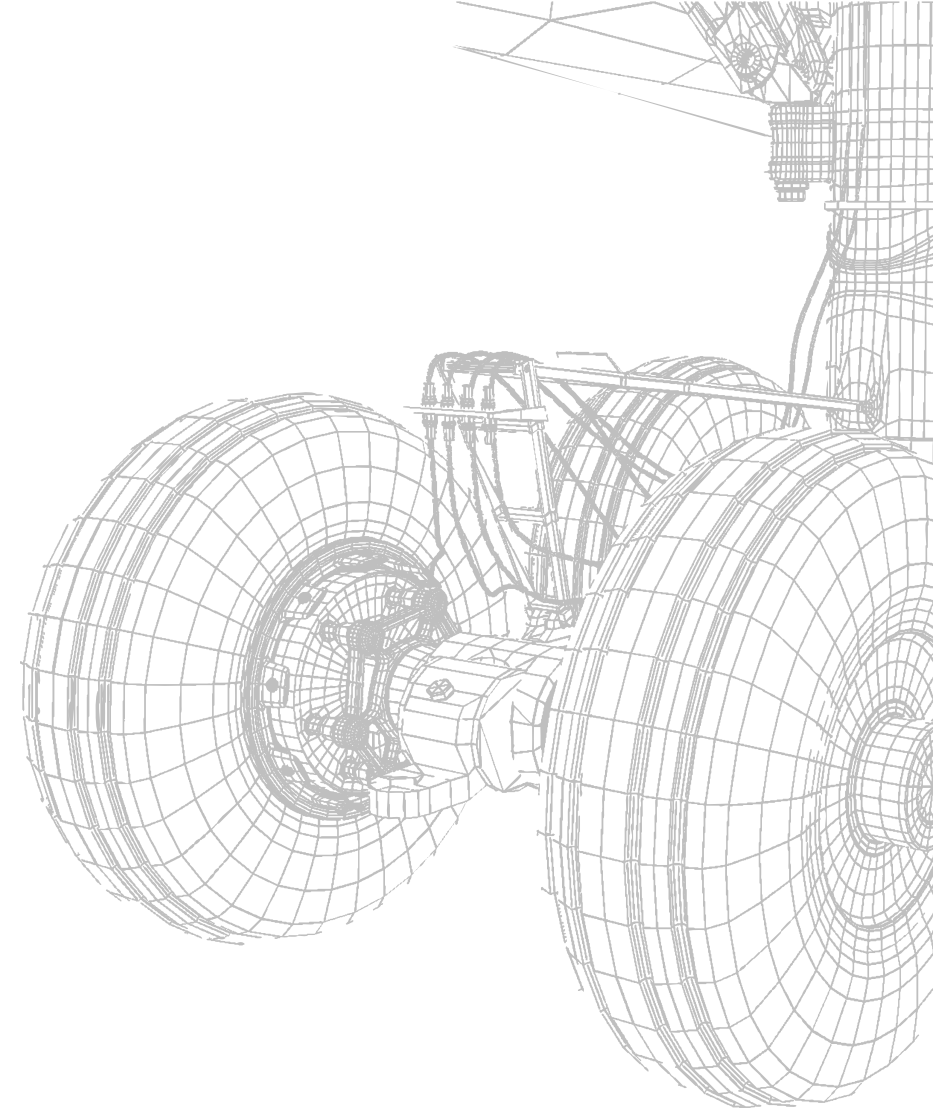
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PILOT 28's trajectory: acceleration of deleveraging (2/2)

Financial leverage trend over the course of the plan (net debt / EBITDAc)



FY2027/28: a deleveraged financial structure with a low leverage ratio of between 2.0x and 2.5x



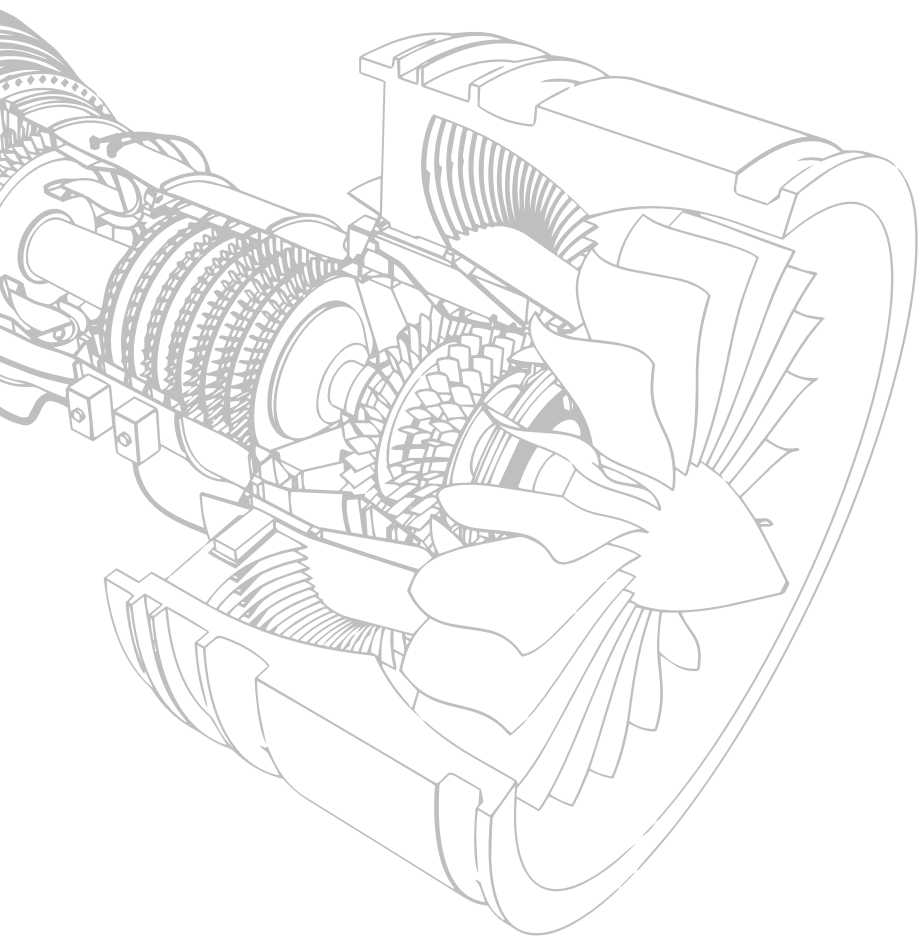
Note: financial targets presented here are based on the following assumptions: realisation of build rates projected by aircraft manufacturers, a EUR/USD exchange rate of 1.13 for 2023/24, 1.11 for 2024/25, 1.10 for 2025/26, 1.11 for 2026/27, and 1.12 for 2027/28, and no deterioration in the economic climate, notably in terms of sourcing, inflation, hiring and client financial support

Our strategic positions on the main aircraft programmes

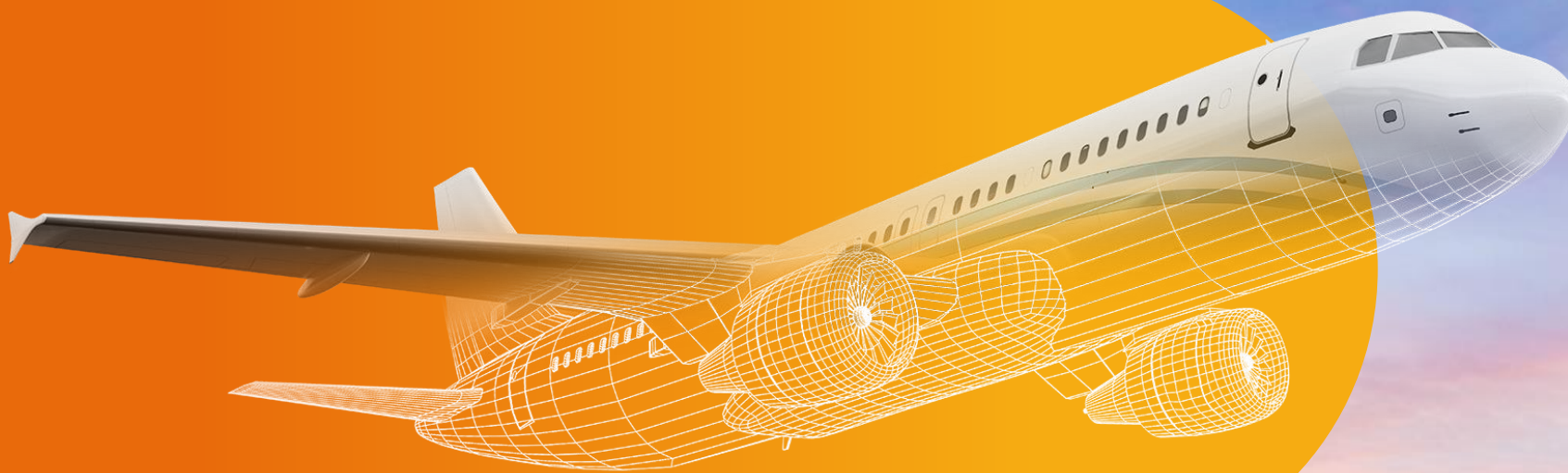


¹ Includes revenue generated from the engines equipping this programme

Glossary



Term / indicator	Definition
▶ OEM (Original Equipment Manufacturer)	Aircraft manufacturers, engine manufacturers and other airframers
▶ Build-to-Print	The manufacture of parts and sub-assemblies by a sub-contractor based on plans and specifications provided by the client
▶ OTD (On-Time Delivery)	Percentage of line items in a purchase order delivered to the client on time
▶ Current EBITDA / EBITDAc	Current EBITDA = Current operating income (loss) adjusted for net depreciation, amortisation and provisions before the breakdown of R&D expenses capitalised by the Group by type
▶ Backlog	Sum of orders received and to be received extrapolated over a 10-year period for each contract and request for proposals won, based on build rates announced and then projected and a EUR/USD exchange rate of 1.12
▶ Organic	At constant scope and exchange rates
▶ DIO (Days of Inventory Outstanding)	Average number of days of revenue for which an item of inventory is held
▶ Net debt	Debt, net of cash, excluding non-interest bearing debt
▶ Leverage	Ratio of net debt to current EBITDA
▶ Capex	Investments in fixed assets
▶ ORNANE	Bonds redeemable into cash and/or new and/or existing shares
▶ EBITDA-to-FCF	Free Cash Flows divided by current EBITDA
▶ ROCE	(Return On Capital Employed) Net operating income after taxes (NOPAT) divided by the economic assets (fixed assets and working capital)
▶ Free cash-flow / net	Net cash-flow from operating activities before cost of financial debt and taxes, minus net cash-flow from investing activities / after cost of financial debt and taxes



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