



LE PARTENAIRE
**DES GRANDS INDUSTRIELS
DE L'AÉRONAUTIQUE**

2016/2017 Annual results



Disclaimer

Before reading this presentation slides (the "Presentation"), you acknowledge that you are fully informed of the limitations and qualifications below: :

This document was prepared by Figeac Aéro (the "Company") exclusively for information purposes.

The information and opinions contained in the document could be updated, complemented, revised, reviewed and amended, and this information could be substantially modified. The Company is not subject to any obligation to update the information contained in this document, and any opinions expressed therein can be amended without prior notice.

The information contained in this document was not submitted for an independent review. No declaration, guarantee or commitment, express or implied, has been made and cannot be used as the basis of a claim pertaining to the exactitude, exhaustiveness or adequate nature of the information or opinions contained in this document. The Company, its council or its representatives accept no responsibility for the use of this document or its content, or in relation to this document in any way.

This document contains information regarding the Company's markets, as well as its competitive positions, notably the size of its markets. The information it contains is drawn from a number of sources or from estimates made by the Company itself. Investors cannot base their investment decisions on this information.

Some of the information contained in this document includes forward-looking statements. These statements are not guarantees as regards the future performance of the Company. This forward-looking information relates to the Company's future outlook, to its evolution and to its commercial strategy, and is based on the analysis of forecasts of future results and estimations of amounts which cannot yet be determined.

By its nature, forward-looking information entails risks and uncertainties because it relates to events and depends on circumstances which might or might not occur in the future. The Company draws your

attention to the fact that the forward-looking statements do not constitute under any circumstance a guarantee of its future performances and that its actual financial position, results and cash flows, as well as changes in the sector in which the Company operates, might differ significantly from those proposed or suggested in the forward-looking statements contained in this document. Moreover, even if the Company's financial position, results and cash flows or the changes in the sector in which the Company operates were consistent with the forward-looking information contained in this document, said results or said changes might not be reliable indications of the Company's future results or changes. The Company does not commit in any way to updating or meeting the expectations or estimates of analysts, or to making public any correction or any forward-looking information in order to reflect an event or occurrence taking place after the date on which this document was published.

This presentation does not represent an offer of sale or subscription, or a request for a purchase or subscription order for securities in France, the United States or any other country. The Company's shares, or any other marketable security, cannot be offered or sold in the United States other than after registration pursuant to the U.S. Securities Act of 1933, as amended, or in the framework of an exemption from this registration requirement. No public offering of financial securities will be made in France or abroad prior to the issuance of a prospectus visa by the French Financial Markets Authority pursuant to the provisions of Directive 2003/71/EC, as amended. The Company does not intend to make any kind of share offering in France or in another country.



FIGEAC AÉRO Group

A player at the heart of the value chain

ENGINE EQUIPMENT MANUFACTURERS



MANUFACTURERS



AIRBUS



SUB-CONTRACTING

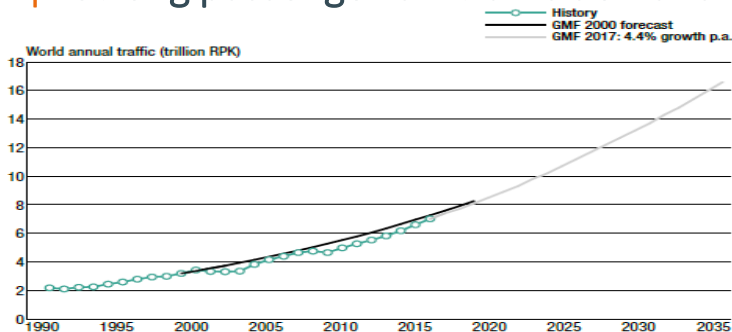


SUB-ASSEMBLERS

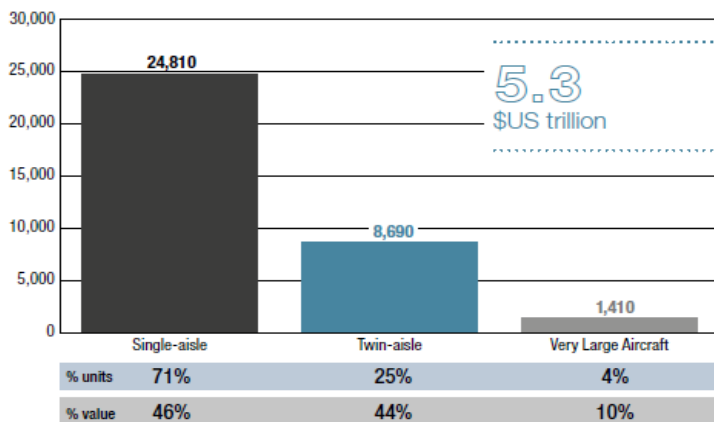


In an expanding market

Strong passenger-air-traffic demand



AIRBUS GMF PREDICTING LONG TERM DEMAND
Source: ICAO, Airbus GMF 2017



20-YEAR NEW DELIVERIES OF PASSENGER AND FREIGHTER AIRCRAFT: 34,900 UNITS

Source: Airbus GMF 2017
Rounded figures to the nearest 10



Figec Aero is a pure aeronautics player, No. 2 in Europe

Production

#1 in France¹

#2 in Europe¹

Located in 5 countries

> 3,000 employees

3 main players in Europe¹

#1



#2



#3



(1) Source : company, based on 2014 turnover figures (Asco: €412 million, Mecachrome: €335 million – Aeronautics + Automotive)

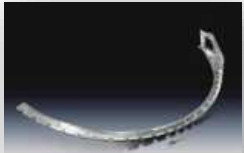
34,900 aircraft (>100 seats) to be delivered over 20 years

1 in France / # 2 in Europe

Structural parts

Aluminium

Hard metals



26 mm



26 m



Parts

Motors

Precision



Sheet metal parts



Assembly





2016/17 Highlights

A good commercial dynamic



| A contract valued at **US\$16M**

Production of titanium structural engine parts

Delivery

- | 2017: first parts
- | 2022: full capacity

TIER 1 SUPPLIERS



| 1 "Long-term agreement" contract

Complete production of aerospace parts > more than 10 metres long



BOEING 777X

Record contract for the Group



Production

Programmes

Production sites

Sub-assemblies

Airbus A350 XWB

France

Boeing B737, B747-8, B767 and
B777

Morocco

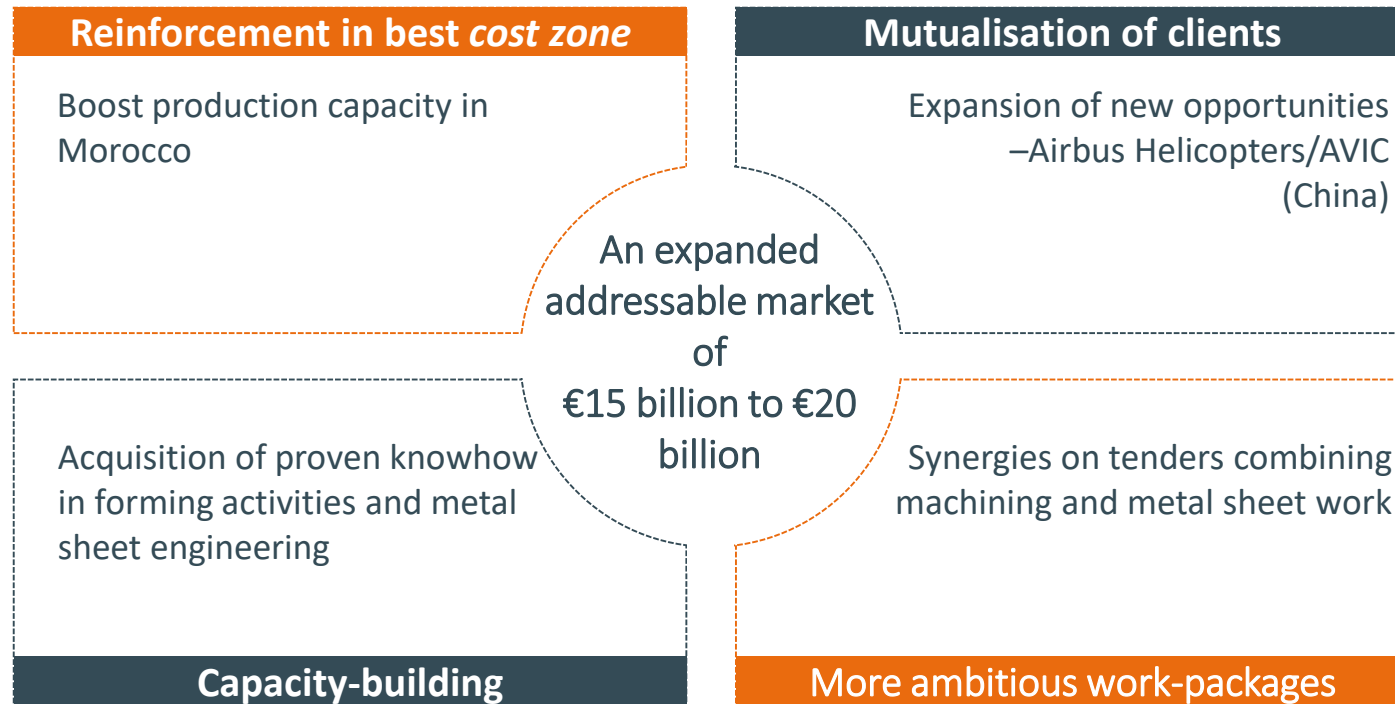
Small, medium and large
aluminium and titanium
parts

Tunisia

Wichita

FULL CONTRIBUTION TO REVENUE IN 2019/2020

Acquisition of Auvergne Aéro Group



CURRENTLY BECOMING THE EUROPEAN LEADER IN AEROSPACE SUB-CONTRACTING

The keys to growth



New top management
and 97% of employees taken on



Reorganisation of production, with synergies
between certain business units



Streamlining of purchases and production costs



Support for a Best Cost site already under operation and
profitable with integrated surface treatment



Investment of €5M for the next 3 years



Auvergne Aéro benefits from the Group's commercial dynamic



Provisional 2016/17 results

*The financial statements for the year ended 31 March 2017 are currently being audited.
The Audit Committee met on 4 July 2017 and the Board of Directors will approve the
financial statements on 28 July 2017.*

2016/17 Highlights

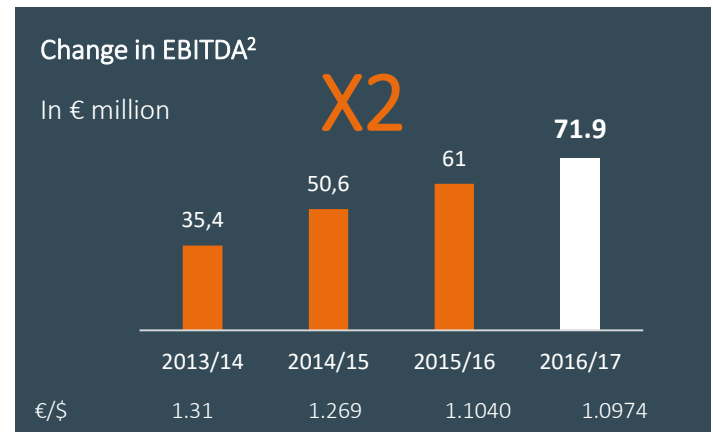
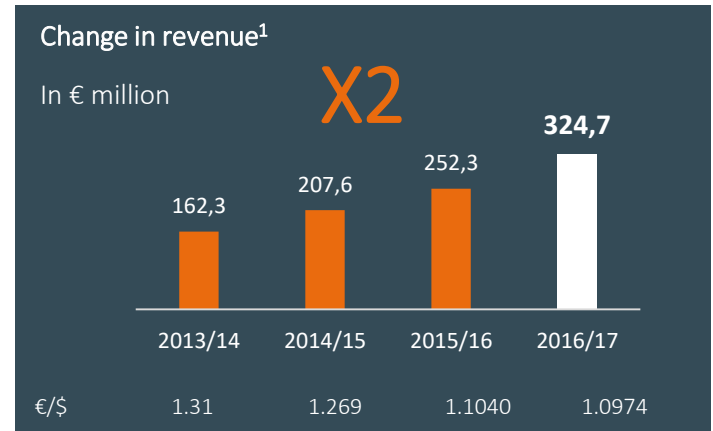
Record business growth

- Consolidated revenue totalled €324.7 million, up 29% (+22.5% at constant scope and exchange rates)
- Growth driven by Aerostructures (+32.9%, +25.2% at constant exchange rate) and on-site assembly activity up 65%
- Auvergne Aéro delivered revenue of €14.8 million, beating targets
- An unequaled level of business despite slower production on some programmes (A380, F7X, Embraer Legacy, Gulfstream G280 and G650), and slower-than-expected ramp-ups for new programmes

Profitability remains high for the 6th consecutive year

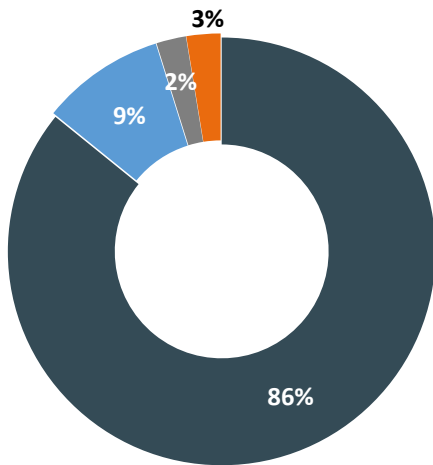
- Corrected EBITDA² of €71.9 million, or 22.1% of revenue
- Recurring operating income: €43 million, up 12.7%

¹ 2016/17 revenue is calculated using the average monthly EUR/USD rate of 1.1230 for the period, and 2015/16 revenue is calculated using the average monthly EUR/USD rate of 1.109 for the period. ¹: EBITDA = recurring operating income + depreciation and amortisation + net provisions - before the breakdown of R&D expenses capitalised by the Group by type



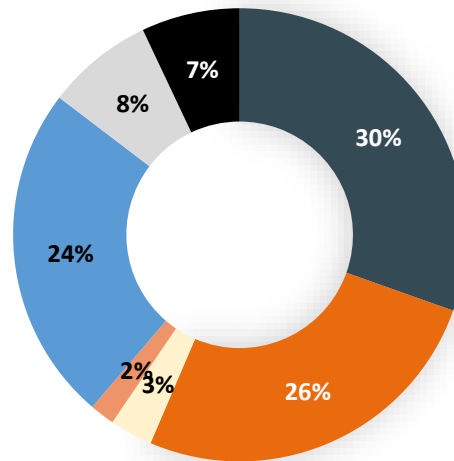
2016/17: revenue of €324.7 million

Revenue by business line



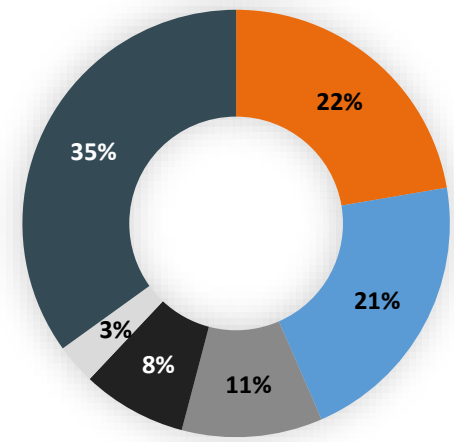
- Aerostructures
- Machining and surface treatment
- General engineering and forming activities
- Assembly on site

Revenue by program



- A350
- Other Airbus programs
- Boeing programmes
- LEAP
- Other aerostructure programs
- Other engine programmes
- Other

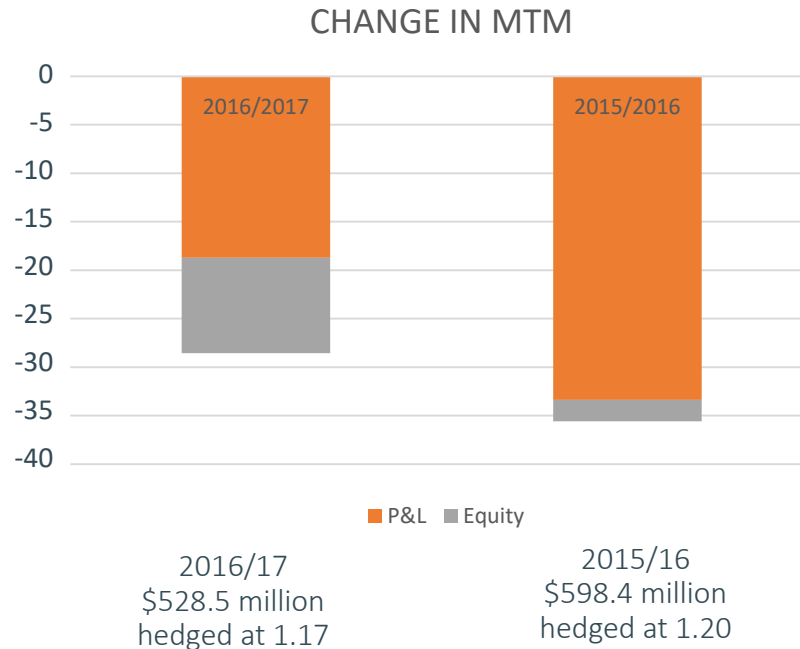
Revenue by customer



- STELIA
- AIRBUS
- Safran group
- Spirit France
- TRIUMPH Aerostructures
- Other customers

2016/17: change in marked-to-market

Mark To Market (MTM) generated by the Group's currency hedging positions was -€28.6 million at 31 March 2017 vs. -€35.6 million in March 2016.



2016/17: ambitious investments to prepare for future growth

Robust capex policy maintained in the amount of **€106.3 million**

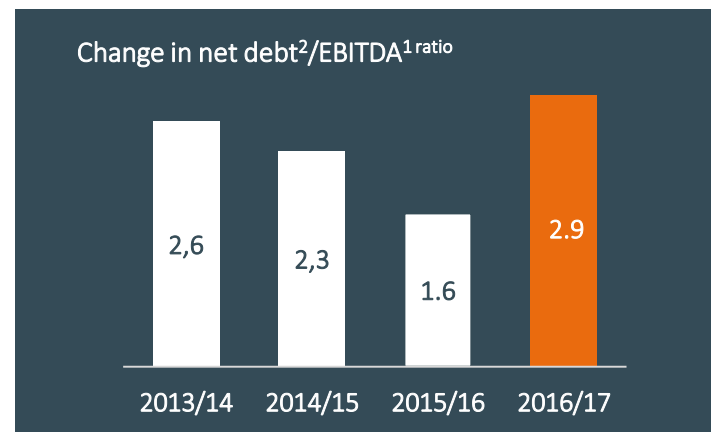
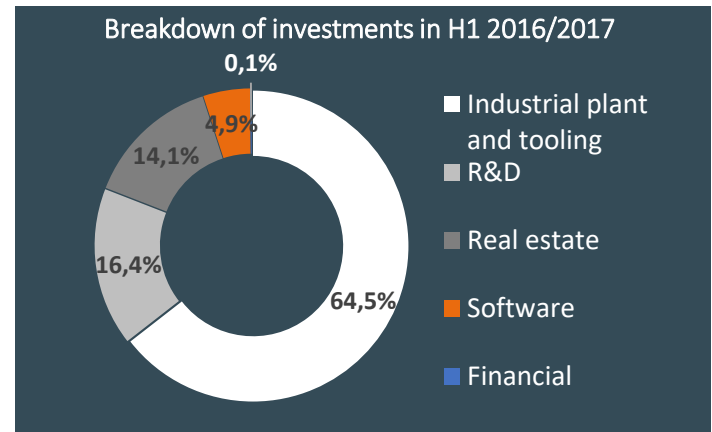
- New machining process (aerostructure and engines)
- Software purchases
 - ✓ Implementation of new ERP software
- Construction of 6 buildings covering 23,000 m²:
 - 3 covering an area of 16,000 m² at FIGEAC
 - Purchase of one 1,500 m² building from MTI
 - Construction of 1 machining building in Wichita (USA)
 - Construction of FGA Mexico
- 36 new machines (machining and turning/milling)

Although increased to reflect capital expenditure and growth, net debt remains under control

Net debt²/EBITDA¹ ratio:
2.9x vs 1.6x as at 31/03/16

¹ EBITDA = recurring operating income + depreciation and amortisation + net provisions - before the breakdown of R&D expenses capitalised by the Group by type

²: net debt, see slide 18



2016/17

Simplified income statement

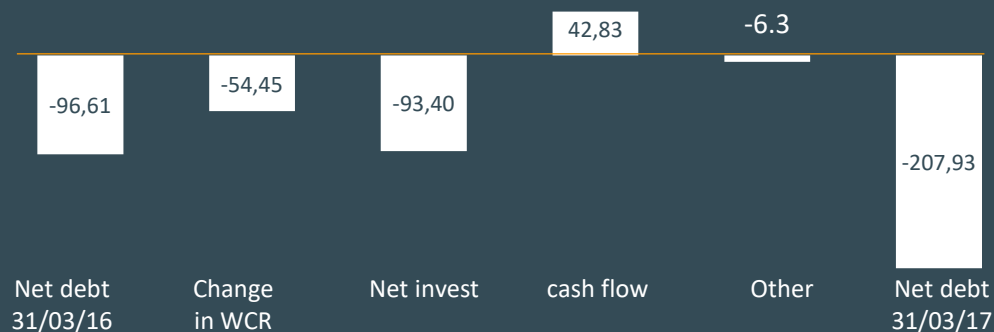
€ thousands, IFRS	31/03/2016	31/03/2017	
Revenue ¹	252,344	324,732	
Corrected EBITDA ²	61,004	71,926	EBITDA includes a negative adjustment of €1.9 million related to the revision of the completion margin of certain contracts
<i>EBITDA²/Revenue</i>	24.2%	22.1%	
EBITDA	58,829	69,088	Consolidation of Auvergne Aéro
<i>EBITDA/Revenue</i>	23.3%	21.3%	
Recurring operating income	38,168	43,025	Recurring operating income corrected for provisions for non-recurring losses (€2.68 million) amounted to €45.7 million, or 14.1% of revenue
<i>COI/revenue</i>	15.1%	13.2%	
Other operating income	62	13,506	
Other operating expenses	(1,607)	(2,221)	
Operating income	36,623	54,310	Impact of Auvergne Aéro negative goodwill €11.8 million
Cost of net financial debt	(3,008)	(4,192)	
Foreign exchange gains and losses	(16,163)	(22,802)	
Unrealised gains and losses on financial instruments	32,860	14,649	
Other financial income and expenses	(54)	(23)	The impact of foreign exchange transactions on net profit was a negative €8.1 million, compared with a positive impact of €16.7 million in 2015/16
Income tax expense	(17,023)	(10,067)	
Net income (Group share)	33,260	31,870	

¹ revenue is calculated using the average monthly EUR/USD rate of 1,0974 for the period, and 2016/17 revenue is calculated using the average monthly EUR/USD rate of 1,104 for the period.

²: EBITDA = recurring operating income + depreciation and amortisation + net provisions - before the breakdown of R&D expenses capitalised by the Group by type

Financial structure

Change in net debt in € million



Change in WCR

- Strong business growth
- WCR calculated in days of sales: 261.5 days in March 17, vs 258 days in March 16
- Increase in finished and semi-finished products: supply chain and customer deliveries secured

In € thousands

	March-15	March-16	March-17
Shareholders' equity	61,067	184,011	210,635
Net financial liabilities	113,788	96,608	207,932
Gearing ¹	1.86	0.53	0.99
Net debt/EBITDA ²	2.30	1.59	2.89

¹ Gearing: net financial debt/equity

² EBITDA = recurring operating income + depreciation and amortisation + net provisions - before the breakdown of R&D expenses capitalised by the Group by type

2016/17

Simplified cash flow statement

€ thousands, IFRS	31/03/16	31/03/17
Cash flow before borrowing costs and taxes	39,564	42,829
Change in working capital requirements	(38,695)	(54,447)
Net cash flow from operating activities	869	(11,618)
Net cash flow related to investing activities	(52,912)	(74,253)
Capital increases and subsidies received	85,079	131
Change in loans and repayable advances	23,537	1,825
Net cash flow from financing activities	108,616	1,956
Change in cash flows	56,573	(83,915)
Net cash position	60,838	(23,068)

| Improvement in cash flow before borrowings costs and taxes: +8%

| Increase in working capital requirement related to higher production rates

| Significant volume of investments in production tools

Ambitious capex and WCR
to deliver the 2020 revenue target

Simplified balance sheet

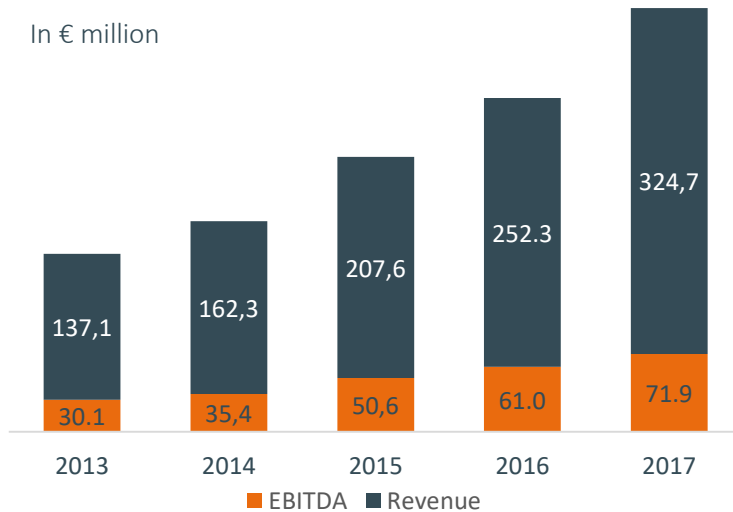
€ thousands - IFRS	31/03/16	31/03/17
Fixed assets	152,280	238,090
Other non-current assets (1)	6,024	10,308
Inventories	180,592	237,106
Trade receivables	60,431	88,090
Tax receivables	5,163	12,319
Other current assets	10,138	16,228
Cash and cash equivalents	101,834	30,543
TOTAL ASSETS	516,461	632,684
Shareholders' equity	184,011	210,635
Non-current financial liabilities	134,486	161,900
Non-current liabilities (2)	60,140	67,360
Short term borrowings	40,995	53,611
Current portion of financial liabilities	20,852	20,856
Trade payables and related accounts	50,253	79,415
Current liabilities (3)	25,725	38,906
TOTAL EQUITY AND LIABILITIES	516,461	632,684

- (1) *Equity investments + Deferred taxes + Financial instruments + Other financial assets + Other non-current assets.*
- (2) *Other provisions + Deferred taxes + Provision for retirement + Financial instruments + Other non-current liabilities + Non-current portion of deferred income.*
- (3) *Fiscal liabilities + Tax liabilities + Financial instruments + Other current liabilities + Derivative income.*



Outlook and strategy

Value-creating development



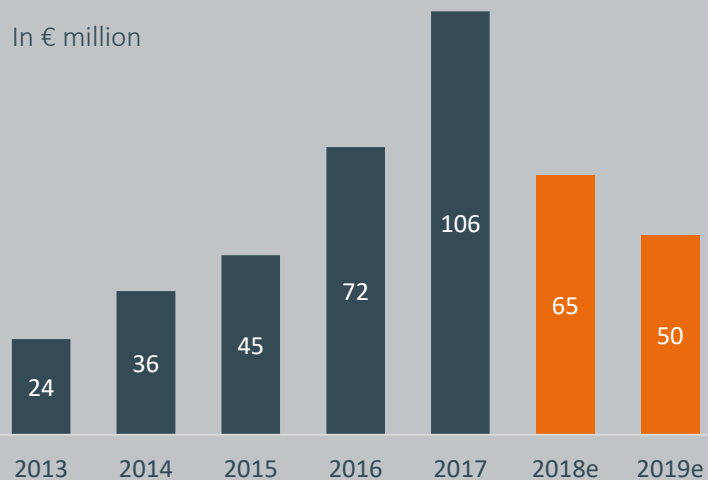
Contract gains announced over the last four years

Amount

SAFRAN: LEAP, CFM	\$540 million
LATECOERE: 787	
Embraer: E-Jet E2	\$230 million
SAFRAN: landing gear	€16 million
STELIA: A320/A350/Bombardier G7000/8000	\$400 million
ROLLS-ROYCE – engine	\$16 million
IAI – B777X	
SPIRIT AERO – A350, B737, B747-8, B767, B777	> \$600 million

Investments aimed at securing industrial excellence

In € million



Saint Nazaire

Wichita

Factory of the Future + Figeac extension

Morocco

Mexico

Auvergne Aéro



2020 targets: robust growth with EBITDA¹ margin maintained at current levels

Change in revenue growth

2013/2017 CAGR²
+24%



Now secured in the proportion of more than 90%³

1: EBITDA = recurring operating income + depreciation and amortisation + net provisions - before the breakdown of R&D expenses capitalised by the Group by type

2: Average annual growth rate

3: Based on a euro/dollar exchange rate of 1.18

Target of positive free cash flow in 2019

Maintenance of the EBITDA margin

Reduction in capex

2018e: ± €65 million

2019e: < €50 million

Gain of 60 days on WCR

from construction contract inventories

from inventories of raw materials through a better expression of needs

from inventories of finished goods through the in-sourcing of surface treatment

2019: Positive FCF

Strong leverage

A close-up photograph of an industrial machine, likely a lathe or mill, with a large amount of coolant spray being directed at the workpiece. The scene is dimly lit, with the coolant creating a misty atmosphere. The machine's components are metallic and show signs of use.

#1: Industrial excellence

#2: Proximity to customers

#3: Competitiveness



LE PARTENAIRE
DES GRANDS INDUSTRIELS
DE L'AERONAUTIQUE



Aiguille industrial park
46100 FIGEAC
FRANCE

Telephone: +33 (0)5 65 34 52 52
Fax: +33 (0)5 65 34 70 26

WWW.FIGEAC-AERO.COM