



FIGEAC AÉRO ACHIEVES ITS GROWTH TARGET

FY2022/23 REVENUE: €341.4m

- Revenue growth of 21.1%, driven mainly by the Aerostructures and Aeroengines division and increased production rates
- Strong development in the sales pipeline
- Confirmation of 2023 and 2025 objectives

FIGEAC AÉRO (FR0011665280 - FGA FP), a leading partner for major aerospace manufacturers, today announced its revenue for the financial year 2022/23, ended 31 March 2023, followed by a trading update.

In €m - IFRS	2022/23 12 months	2021/22 ¹ 12 months	Var. (%)	Org var. ² (%)
Aerostructures & Aeroengines	311.6	254.0	+22.7%	+14.8%
Diversification activities	29.8	27.9	+6.7%	+6.7%
Total revenue	341.4	281.9	+21.1%	+14.0%

Jean-Claude Maillard, Chairman and Chief Executive Officer of the FIGEAC AÉRO Group, commented: *“After the harsh years we went through, we were able to adapt and bounce back. All of us with the Group are very proud to reach our revenue target for the second year in a row.*

Challenges remain, but this good performance confirms that the crisis is well and truly behind us. Having emerged from the crisis stronger, we are ideally positioned to benefit from growth opportunities arising from the strong recovery in the aerospace sector.”

FIGEAC AÉRO achieves its annual revenue growth target

For the full year 2022/23 (ended 31 March 2023), FIGEAC AÉRO recorded strong growth in revenue, an increase of 21.1% compared to the previous year, to €341.4m. Over the period, organic revenue growth was 14.0%.

Excluding the one-off disposal of raw material inventories for a total amount of €12.0m (not impacting EBITDA), FIGEAC AÉRO's revenue stood at €329.4m, thus reaching its annual revenue target for the second year in a row.

¹ Revenue breakdown by division for the financial year 2021/22 have been restated as follows: reclassification of various on-site assembly, machining and surface treatment activities in revenue related to the Aerostructures & Aeroengines division, for a total amount of €19.8m

² At constant currency and scope

This performance mainly reflects the increase in OEM production rates, with whom FIGEAC AERO continues to reinforce its partnerships. Revenue was also driven to a lesser extent by currency effects and inflation pass-through initiatives.

Over the period, all Group's activities contributed to the overall growth:

- The Aerostructures and Aeroengines division was the main beneficiary of the current recovery in the civil aerospace sector, with revenue jumping 22.7% (14.8% organically) to €311.6m,
- On the other hand, diversification activities have leveraged growth opportunities in the defense, energy and oil & gas sectors. Their revenue grew by 6.7%.

Confirmation of a new growth cycle for the aerospace sector

The ongoing recovery, from which FIGEAC AÉRO has benefited over the period, is sustainable with all the signs of continuing growth in the foreseeable future:

- (i) The latest air passenger traffic data³ constitute strong evidence. At the global level, traffic was up 52% in March (compared to the same period last year) and has now reached over 88% of its level for the same period in 2019. Both domestic and North American traffic have already returned to their pre-crisis levels (99%). The Asia-Pacific region is still lagging at 78% of its pre-crisis levels, but the lifting of health restrictions in China has led to a catch-up movement with traffic up 156% year-on-year.
- (ii) With the strong recovery in air passenger traffic, airlines need to increase their offer and expand their fleet, as shown by the latest mega-orders from Air India, in February for more than 450 Airbus and Boeing aircraft (including 210 A320 family aircraft and 40 wide-body A350), and Ryanair, in May for 300 single-aisle B737 aircraft.
- (iii) Aircraft manufacturers' backlogs are already quite full with over 7,250 aircraft for Airbus and over 4,500 aircraft for Boeing, i.e. guaranteed production for up to 10 years⁴.
- (iv) In addition, despite challenges, airframers have also confirmed increases in production rates for their main programs over the coming years: for the A320, 65 aircraft per month by the end of 2024, up to 75 per month by the end of 2026 (compared with 43 per month in 2022); for the A350, 9 per month by the end of 2025 (compared with 5 in 2022); and for the B737, 38 per month by the end of 2023, then 50 per month by the end of 2025 or beginning 2026 (compared with 31 in 2022).

Sustained sales activity despite a constrained context

While industrial performance is still affected across the whole value chain by recruitment constraints, strong demand from OEMs is generating a growing volume of consultations.

In this context, FIGEAC AÉRO has a major advantage with an industrial footprint that is already sized for growth. The Group is thus experiencing healthy sales momentum, particularly with system assemblers and engine manufacturers and it remains fully focused on developing its attractiveness and operational excellence, to maintain its full ability to win new business in all its segments.

³ Source: IATA, Air Passenger Market Analysis, March 2023, data in terms of Revenue Passenger Kilometers (RPK)

⁴ Based on Airbus' delivery objective of 720 aircraft for the full year 2023

In total, FIGEAC AÉRO had a solid order backlog of c. €3.4bn as at 31 March 2023⁵, up from €3.0bn at the end of the first half 2022/23, driven in particular by the increase in production rates and new tender awards.

In addition, with the AS9100 certification obtained in July 2022 by its joint venture in Saudi Arabia, and April 2023 by its joint venture in China⁶, the Group now has two fully operational entities, located in regions with very significant potential, expected to experience the strongest growth in air passenger traffic, and the resulting demand for new aircraft.

A very favorable outlook

All the indicators are therefore green for FIGEAC AÉRO for the years to come, both in terms of market fundamentals and sales dynamics, thanks to its strategic positioning on the main aircraft and aeroengine programmes.

Despite the inflationary context and the persistence of tensions on procurement and recruitment, the Group remains fully mobilized to progress towards its objectives:

- The deployment of the Route 25 strategic plan is continuing in line with expectations, enabling the Group to meet the rise in production rates of its customers, with an industrial footprint optimized according to know-how, technology and production costs. Moreover, the Group should now benefit from the increased capacities of its new ERP system, after the resolution of the problems related to its deployment.
- To meet industry challenges, the Group continues to reinforce its partnership with all its customers, in an unprecedented context of increasing awareness of the need for a healthier supply chain, to support them in the long term to meet strong demand.

In this context, with a strengthened financial structure, and strong discipline, focused on the profitability of contracts, and restraint in operational investments (CAPEX) and Working Capital Requirements, FIGEAC AÉRO is thus fully embarked on a solid path of profitable growth.

Consequently, profitability and cash generation targets for 2022/23 are confirmed:

- Current EBITDA between €38m and €42m,
- Positive free cash flows.

And its 2024/25 objectives are further supported:

- Revenue between €400m and €430m,
- Current EBITDA between €67m and €73m,
- Free cash flows between €20m and €28m,
- Net financial debt between €280m and €300m.

Finally, FIGEAC AÉRO will be present at the Paris Air Show, the most important event in the sector, which is returning after a four-year absence due to the health crisis.

Upcoming events

- 19-25 June 2023: International Paris Air Show, Paris-Le Bourget Airport
- 4 July 2023: Full-year results for financial year 2022/23 (after market close)

⁵ Order backlog is calculated by combining orders received and to be received over the remaining duration or a maximum duration of 10 years of each contract and award, on the basis of announced and projected production rates. Based on a EUR/USD exchange rate of 1.12.

⁶ See press release dated 9 May 2023

ABOUT FIGEAC AÉRO

The FIGEAC AÉRO Group, a leading partner for major aerospace manufacturers, specialises in producing light alloy and hard metal structural parts, engine parts, landing gear and sub-assemblies. FIGEAC AÉRO is a global group operating in France, the USA, Morocco, Mexico, Romania and Tunisia. The Group generated annual revenue of €341.4 million in the financial year to 31 March 2023.

FIGEAC AÉRO

Jean-Claude Maillard
Chief Executive Officer
Tel.: +33 (0)5 65 34 52 52

Simon Derbanne
Head of Investor and Institutional Relations
Tel.: +33 (0)5 81 24 63 91 / simon.derbanne@figeac-aero.com

ACTUS Finance & Communication

Corinne Puissant - Analyst/Investor Relations
Tel.: +33 (0)1 53 67 36 77 / cpuissant@actus.fr

Manon Clairet - Press Relations
Tel.: +33 (0)1 53 67 36 73 / mclairet@actus.fr