The leading partner for major aerospace manufacturers

PRESS RELEASE

Figeac, 19 November 2024

H1 2024/25 REVENUE: €200.4M, +10.6%

Growth fuelled by a strong second quarter (+21.1%) and the Aero activities
On track to meet full-year targets

FIGEAC AÉRO (FR0011665280 – FGA:FP), a leading partner for major aerospace manufacturers, has today released its revenue figures for the second quarter and first half of its financial year 2024/25 ended 30 September 2024.

€m - IFRS Unaudited figures	Q2 2024/25	Q2 2023/24	Chg.	Org. chg.	Cumul. 2024/25	Cumul. 2023/24	Chg.	Org. chg.
Aerostructures & Aeroengines	**99.5**	81.4	+22.2%	+24.8%	**185.1**	163.7	+13.0%	+14.9%
Diversification Activities	**6.8**	6.4	+6.6%	+6.6%	**15.3**	17.5	-12.6%	-12.6%
Total revenue	**106.4**	**87.8**	**+21.1%**	**+23.4%**	**200.4**	**181.2**	**+10.6%**	**+12.3%**

Thomas Girard, Deputy CEO of the FIGEAC AÉRO Group, made the following statement: "FIGEAC AÉRO continued to make encouraging progress during the first half of the year and is on track to meet its full-year targets despite some short-term headwinds. Beyond this solid first-half performance, we remain focused on the future with much greater confidence: all our markets are particularly buoyant and we continue to roll out each of the pillars of our PILOT 28 plan, notably in business development, on which substantial strides have already been made. ″

A FIRST HALF IN LINE WITH THE GROUP'S DEVELOPMENT PLAN

FIGEAC AÉRO's revenue reached €106.4 million in the second quarter of 2024/25 (running from 1 July to 30 September 2024), with organic growth coming out strong at 23.4% (+21.1% reported growth) year-on-year.

This performance was driven primarily by a solid showing from the Aerostructures & Aeroengines activities, which delivered 24.8% organic growth over the quarter (+22.2% reported growth) to €99.5 million. Activity in this division is being buoyed up especially by a widespread increase in build rates on single-aisle commercial aircraft programmes and, to a lesser extent, on widebodies; it is also benefiting from the impact of measures taken to offset inflation and rebalance inventories, as well as from the relative stability of the LEAP programme, with the LEAP-1A engine largely offsetting volumes lost on the LEAP-1B engine on account of the Boeing 737 MAX. The Diversification Activities, meanwhile, posted 6.6% growth in revenue over the quarter to €6.8 million.

FIGEAC AÉRO's revenue reached €200.4 million in the first half of 2024/25 (running from 1 April to 30 September 2024), with organic growth coming out at 12.3% (+10.6% reported growth) year-on-year. This is in line with the Group's development plan for the current year.

AIR TRAFFIC: GROWTH STILL IN THE DOUBLE DIGITS

The airline industry is still being driven by air traffic which has been rising steadily since 2021. At 30 September 2024, both passenger traffic and freight traffic showed double-digit increases year-to-date[1]:

- Passenger traffic has risen by 11.3% since 1 January 2024, buoyed up especially by growth in international traffic (+14.7%);
- Freight traffic has increased by 12.6% during this same period.

At 31 October 2024, Airbus and Boeing had around 14,900 aircraft in their backlogs, 16% of which were widebodies[2]. For the record, the world's two biggest aircraft manufacturers expect demand for new commercial aircraft (passenger and freight) to exceed 42,000 units over the next 20 years, 20% of which will be widebodies.

COMMERCIAL MOMENTUM AS STRONG AS EVER

Although the sector is experiencing various temporary headwinds, demand remains particularly robust for the medium and long term. In such circumstances, FIGEAC AÉRO is capitalising fully on its position as a strategic partner boasting surplus production capacity and solid industrial performances.

The Group's backlog thus continues to offer an unprecedented degree of visibility. It amounted to €4.7 billion at 30 September 2024 (versus €4.2 billion at 30 June 2024), mostly buoyed up by rising build rates in the medium term on the whole range of commercial aircraft (especially the A350), new business on the A320 and the impact of higher prices.

The challenges facing Boeing are primarily short-term and limited to the LEAP-1B program. The strike that began on September 13, 2024, which temporarily disrupted production lines for the B737 and B777, is having a peripheral impact on FIGEAC AÉRO through its LEAP-1B engine business. Once the industrial action concludes, Boeing's production rates should rapidly return to their previous levels. Consequently, the impact of this strike on the Group should remain contained both in terms of revenue and duration.

Following the signing of numerous new business in addition to the larger-scale contracts it had already announced, FIGEAC AÉRO can confirm that it is making rapid progress on the business development pillar of its PILOT 28 plan. To date, it has already secured 35% of its target (i.e. annual revenues of between €80 and €100 million in the financial year ending March 2028) just ten months after launching the plan.

Lastly, the Group business project portfolio is remarkably well-stocked in both the civil and defence segments, with discussions already at advanced stages that should continue to fuel its business development over the coming months and years.

[1] IATA, at 30 September 2024
[2] Airbus and Boeing, excluding military aircraft, at 31 October 2024

OUTLOOK

FIGEAC AÉRO continues its development, with the first half of the year having broadly met its expectations as regards its commercial and financial performances. This positive momentum is expected to carry into the second half, reaffirming that the Group is well placed to achieve all the targets it has set for the current year, i.e. revenue between €420 million and €440 million[3], current EBITDA between €67 million and €73 million, and free cash-flow between €20 million and €28 million.

The end of this year and the upcoming year are expected to get a boost towards from several favourable factors: the gradual normalization of Boeing production rates following the resolution of recent disruptions, and the ongoing build rates on Airbus' programmes.

Last of all, bolstered by hugely favourable market fundamentals, a record backlog and strong new business flows, the Group is more confident than ever in its outlook. The ambitious targets set out in its PILOT 28 plan remain firmly on track, i.e. revenue between €550 million and €600 million[4] and a significantly lower debt level with financial leverage at between 2x and 2.5x.

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Upcoming events (after trading)

- 11 December 2024: results for the 1st half of FY 2024/25
- 5 February 2024: revenue for the 3rd quarter of FY 2024/25

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 €397.2 million in the year to 31 March 2024.

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[3] Based on a EUR/USD exchange rate of 1.13
[4] Based on a EUR/USD exchange rate of 1.12

GLOSSARY

Term / indicator	Definition
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
Debt leverage	Ratio of net debt excluding non-interest-bearing debt to current EBITDA
Capex	Investments in fixed assets
ORNANE	Bonds redeemable into cash and/or new and/or existing shares
Free cash-flow	Net cash-flow from operating activities before cost of financial debt and taxes, minus net cash-flow from investing activities
Net free cash-flow	Net cash-flow from operating activities after cost of financial debt and taxes, minus net cash-flow from investing activities