

EANS-News: FACC AG continues to drive growth forward in first half of 2014/15

Corporate news transmitted by euro adhoc. The issuer/originator is solely responsible for the content of this announcement.

6-month report

- Revenue rose by 3.4% to new record level of EUR 235.9 million
- Strong increase of product revenue and high degree of capacity utilisation in all divisions
- Financial results below last year resulting from the simultaneous ramp-up to serial production of several new projects
- Positive effect on second half earnings expected from higher volumes and increased efficiencies
- Market demand for new and efficient aircraft remains at a high level
- Management reiterates full year guidance

Ried / FACC AG continued its growth course in the first half of 2014/15 and recorded stable business performance over the reporting period: In the first half of the fiscal year 2014/15, the FACC Group generated revenue of EUR 235.9 million. This means an increase of EUR 7.8 million or 3.4% compared to the year-on-year amount of EUR 228.1 million. Revenue growth was driven by increased product revenue of EUR 29.3 million or 15.9%, while revenue related to development services dropped by EUR -21.5 million or -48.9% at the same time. Product revenue recorded increases in the Aerostructures and Interiors division, while the Engine & Nacelles division was in line with last year. Product revenues picked up largely with respect to the Airbus A321, Airbus A350 XWB, Boeing 787 and Boeing 737 programmes.

For the first half of the fiscal year 2014/15, earnings before interest, taxes and fair value measurement of derivative financial instruments (EBIT) amounted to EUR -14.5 million (first half 2013/14 EUR 7.7 million). As in the first quarter 2014/15, the change in earnings position is also materially attributable to the higher amount invoiced for development services in the first half of 2013/14. In the first half of 2014/15, it was not planned to invoice a similar amount and, as a result, earnings are down relative to the first half 2013/14. Over the course of the current fiscal year, most notably in Q4, FACC is expected to invoice for development services in line with the internal planning. In addition, FACC also started up a number of new projects. This also impacted the results of the first half of the fiscal year 2014/15. Measures aimed at raising efficiency and reducing the production costs – such as learning curve effects, the promotion of synchronised production, and a reduction in quality and material costs – are being implemented.

"From an operational perspective, the first half year posed a number of challenges as result of the combination of ramping up serial production for new products and the commensurate increase in production capacity and employees," said Walter A. Stephan, CEO of FACC AG. "To support our goals, we have given highest priority to the continued implementation of various optimisation programmes across the company. Against this background, we believe that we are in an excellent position to meet the operational and financial goals for the current fiscal year."

In the first half of 2014/15, investments were made in accordance with the investment budget and amounted to EUR 35.1 million (first half of 2013/14 EUR 24.7 million). Capitalised development costs contained in investments amounted to EUR 12.3 million (first half of 2013/14 EUR 7.1 million), mostly driven by engineering services associated with the development of the Airbus A350, Embraer Legacy 450/500 and Embraer E-Jet 190. The expansion of production capacity in the Interiors division was completed and put into operation.

As at the interim reporting date 31 August 2014, the FACC Group employed a total of 3,169 staff. In comparison to the previous year's reporting date, staff numbers increased by 628.

Outlook

The global commercial aerospace industry continued to show sustained steady growth. Demand from airlines for modern and weight-optimised aircraft with increased efficiency remains at a high level. From a current perspective, and on the basis of the orders currently booked for the remaining two quarters of the fiscal year, FACC expects a single digit revenue increase in fiscal year 2014/15, with revenues from product deliveries projected to grow at a double-digit rate in the fiscal year 2014/15.

The order backlog of the FACC Group continues to show positive developments. New orders for major aircraft programs such as A320 family and Boeing 787-10, received during the reporting period, strengthen the company's role as a technology leader and preferred supplier partner in the commercial aerospace industry. "The high order backlog and our long-standing customer partnerships further support our strategy 'FACC Vision 2020' when it comes to strengthening and expanding our position as a Tier 1 supplier of customers such as Airbus, Boeing, Bombardier, Embraer and all major engine manufacturers."

The interim report for the first half year 2014/15 is available for download at www.facc.com.

About FACC

FACC AG is one of the world's leading companies in the design, development and production of advanced fibre reinforced composite components and systems for the aviation industry. Their range of products reaches from structural components for the fuselage and wings to engine components to complete passenger cabins for commercial aircraft, business jets and helicopters. FACC is a supplier to all large aircraft manufacturers such as Airbus, Boeing, Bombardier, Embraer, Sukhoi, and COMAC as well as for engine manufacturers and sub-suppliers of manufacturers.

In the business year of 2013/14, FACC achieved a turnover of 547.4 million Euros. The company currently employs more than 3,100 employees. Further information can be found under www.facc.com.

FACC AG - First Half Year Results in FY 2014/15

Amounts in millions of	HY1 2014/15	HY1 2013/14
Euro	3-8/2014	3-8/2013
Overall Revenue	235.9	228.1
Revenue per division		
Aerostructures	12.3	120.8
Engines & Nacelles	40.1	40.6
Interiors	71.5	66.7
Earnings before interest, taxes and fair value		
measurement of derivative	-14.5	7.7
financial instruments		
(EBIT)		
Net profit after taxes		
adjusted for the change		
in the fair values of	-14.0	2.7
derivative financial		
instruments		
Total employees (end of period)	3,169	2,541
Research and development costs	12.3	7.1

Capitalized development		
costs	14.6	23.4
Research and development	11.4 %	13.4 %
costs expensed		
As_percentage_of_revenue_ ----- -----		

Cautionary Statements

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. You can identify forward looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might," or, in each case, the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with our industry, as well as many other risks specifically related to the Company and its operations.

Further inquiry note:

Presse:

Andrea Schachinger

Corporate Communication

Tel: 059/616-1194

E-Mail: a.schachinger@facc.com

Investor Relations:

Andreas Schoberleitner

Vice President Finance & IR

Tel: 059/616-1322

E-Mail: a.schoberleitner@facc.com

end of announcement

euro adhoc

company: FACC AG

Fischerstraße 9

A-4910 Ried im Innkreis

phone: +43/59/616-0

FAX: +43/59/616-81000

mail: office@facc.com

WWW: www.facc.com

sector: Industrial Components

ISIN: AT00000FACC2

indexes:

stockmarkets: Regulated free trade: Wien

language: English

Original content of: FACC AG, transmitted by news aktuell

Diese Meldung kann unter <https://www.presseportal.de/en/pm/76112/2855853> abgerufen werden.