



POSITION REPORT

Interim Report
Q3 2019



Selected Group Key Performance Indicators

			01.03.2018 - 30.11.2018 in EUR mill.	01.03.2019 - 30.11.2019 in EUR mill.
Revenues			585.3	596.1
thereof Aerostructures			254.0	214.0
thereof Engines & Nacelles			122.6	136.3
thereof Interiors			208.8	245.7
Earnings before interest, taxes, depreciation and amortisation (EBITDA) ²⁾			64.3	49.5
Earnings before interest and taxes (EBIT)			48.6	28.6
thereof Aerostructures			39.8	26.5
thereof Engines & Nacelles			6.2	6.0
thereof Interiors			2.7	-3.8
EBIT margin			8.3%	4.8%
Earnings after taxes			33.1	16.3
Earnings per share (in EUR)			0.72	0.35
			30.11.2018 in EUR mill.	30.11.2019 in EUR mill.
Cash flow from operating activities			44.5	10.6
Cash flow from investing activities			-24.7	-15.2
			30.11.2018 in EUR mill.	30.11.2019 in EUR mill.
Net Working Capital			159.5	168.3
Net financial debt			186.8	239.2
Equity ratio			42.2%	40.8%
Balance sheet total			697.2	753.6
			FTE	FTE
Headcount (at the balance sheet date)			3,491	3,386
	01.09.2018 - 30.11.2018	01.09.2019 - 30.11.2019	01.03.2018 - 30.11.2018	01.03.2019 - 30.11.2019
Trading volume	15,860,896	8,140,294	51,370,175	31,905,120
Average daily trading volume	247,827	123,338	273,246	166,173
Höchstkurs der Periode	21.9	12.4	24.3	15.1
Tiefstkurs der Periode	14.3	10.0	14.3	9.4
Closing price	15.4	12.28	15.4	12.28
Periodenperformance	-29.4%	21.2%	-25.2%	-10.5%
Market capitalization	705.2	562.3	705.2	562.3

¹⁾ Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Annual Report 2018/19, Note 3 - Correction of errors).

²⁾ The EBITDA is calculated as the sum of the EBIT plus depreciation and impairment and amortization of the contract performance costs.

Revenues and earnings development

	Q3 2018/19	Q3 2019	Change	9m 2018/19	9m 2019	Change
Revenues	218.0	222.7	2.2%	585.3	596.1	1.8%
Earnings before interest and taxes (EBIT)	20.2	12.6	-37.4%	48.6	28.6	-41.1%
EBIT margin	9.3%	5.7%	-38.7%	8.3%	4.8%	-42.2%
Assets	697.2	753.6	8.1%	697.2	753.6	8.1%
Investments of the period	12.4	11.0	-10.8%	24.7	15.3	-38.3%

Sales in the first nine months of 2019 amounted to EUR 596.1 million (comparative period 2018/19: EUR 585.3 million). This corresponds to growth of 1.8% compared to the 2018/19 financial year.

The cost of sales in relation to sales (gross profit on sales) was 89.9% (comparative period 2018/19: 87.2%).

The higher cost of sales compared to the previous year is mainly due to the temporary increase in manufacturing costs in the Cabin Interiors segment. These start-up costs are based on the new orders that are essential for the future development of the division.

Reported earnings before interest and taxes (EBIT) amounted to EUR 28.6 million in the first nine months of 2019 (comparative period 2018/19: EUR 48.6 million)

SEGMENT REPORTING

Aerostructures

in EUR mill.	Q3 2018/19	Q3 2019	Change	9m 2018/19	9m 2019	Change
Revenues	103.4	73.0	-29.4%	254.0	214.0	-15.7%
Earnings before interest and taxes (EBIT)	15.7	7.7	-50.9%	39.8	26.5	-33.4%
EBIT margin	15.2%	10.6%	-30.4%	15.7%	12.4%	-21.0%
Assets	305.2	321.1	5.2%	305.2	321.1	5.2%
Investments of the period	3.5	6.5	84.8%	4.4	6.9	59.1%

Revenues in the Aerostructures segment amounted to EUR 214.0 million in the first nine months of 2019 (comparative period 2018/19: EUR 254.0 million). This corresponds to a revenue reduction of 15.7%

The Airbus A220, A32F, A350 and Boeing B787 programs generate significant revenues in the Aerostructures segment. The volume of these programs was unable to fully compensate for the already announced expiry of the Boeing B737NG winglet and the Airbus A380 structural components.

Earnings before interest and taxes (EBIT) amounted to EUR 26.5 million in the first nine months of 2019 (comparative period 2018/19: EUR 39.8 million).

Engines & Nacelles

in EUR mill.	Q3 2018/19	Q3 2019	Change	9m 2018/19	9m 2019	Change
Revenues	39.9	46.4	16.3%	122.5	136.3	11.3%
Earnings before interest and taxes (EBIT)	3.3	3.0	-9.6%	6.2	6.0	-3.3%
EBIT margin	8.2%	6.4%	-22.3%	5.0%	4.4%	-13.1%
Assets	143.7	157.6	9.6%	143.7	157.6	9.6%
Investments of the period	0.0	1.5	-	2.6	2.2	-13.3%

Revenues in the Engines & Nacelles segment increased by 11.3% and amounted to EUR 136.3 million in the first nine months of 2019 (comparative period 2018/19: EUR 122.5 million). This increase is based on a sustained rate increase of all programs of importance for the segment as well as the start of series production of new programs in the area of engine parts.

Earnings before interest and taxes (EBIT) in the Engines & Nacelles segment amounted to EUR 6.0 million in the first nine months of 2019 (comparative period 2018/19: EUR 6.2 million).

Cabin Interiors

in EUR mill.	Q3 2018/19	Q3 2019	Change	9m 2018/19	9m 2019	Change
Revenues	74.6	103.3	38.5%	208.8	245.7	17.7%
Earnings before interest and taxes (EBIT)	1.2	2.0	64.3%	2.7	-3.8	-
EBIT margin	1.6%	1.9%	18.6%	1.3%	-1.5%	-
Assets	248.3	274.9	10.7%	248.3	274.9	10.7%
Investments of the period	8.8	3.0	-65.9%	17.8	6.1	-65.8%

Revenues in the Cabin Interiors segment increased for the second time in a row in the low double-digit percentage range (17.7%) and amounted to EUR 245.7 million in the first nine months of 2019 (comparative period 2018/19: EUR 208.8 million). This is primarily due to the ramp up of the new orders acquired in 2017 and 2018 as well as the stable rates for the existing products for the Airbus A32F, A350 programs and continued stable demand for business jet equipment. Revenues from the COMAC ARJ 21 and C919 projects increased again in a row and make a significant contribution to the increase in revenues.

Earnings before interest and taxes (EBIT) in the Cabin Interiors segment amounted to EUR -3.8 million in the first nine months of 2019 (comparative period 2018/19: EUR 2.7 million). The start-up costs for recently launched projects have a negative impact on the segment's earnings situation.



Consolidated Profit and Loss Statement¹⁾

for the period from 1 March 2019 to 30 November 2019 (Short Financial Year)

	01.09.2018 – 30.11.2018 ¹⁾ EUR'000	01.09.2019 – 30.11.2019 EUR'000	01.03.2018 – 30.11.2018 ¹⁾ EUR'000	01.03.2019 – 30.11.2019 EUR'000
Revenues	217,951	222,708	585,334	596,074
COGS - Cost of goods sold	-184,219	-197,602	-510,606	-535,987
Gross profit	33,733	25,106	74,729	60,087
Research and development expenses	-513	-173	-1,494	-811
Selling expenses	-2,088	-1,786	-5,901	-5,894
Administration expenses	-12,302	-10,697	-24,567	-31,183
Other operating income	1,998	433	6,596	7,638
Other operating expenses	-655	-244	-728	-1,190
Earnings before interest and taxes (EBIT)	20,173	12,638	48,635	28,646
Financing expenses	-2,156	-2,934	-7,163	-9,422
Other financial result	756	686	2,262	2,226
Financial result	-1,399	-2,248	-4,901	-7,196
Earnings before taxes (EBT)	18,774	10,390	43,733	21,450
Income taxes	-4,568	-2,514	-10,635	-5,191
Earnings after taxes	14,206	7,876	33,098	16,259
of which attributable to non-controlling interests	-5	1	11	8
of which attributable to shareholders of the parent company	14,211	7,875	33,087	16,251
Diluted (=undiluted) earnings per share (in EUR)	0.31	0.17	0.72	0.35
Issued shares (in shares)	45,790,000	45,790,000	45,790,000	45,790,000

¹⁾ Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Annual Report 2018/19, Note 3 - Correction of errors).

Consolidated Statement of Comprehensive Income

for the period from 1 March 2019 to 30 November 2019 (Short Financial Year)

	01.09.2018 – 30.11.2018 ¹⁾ EUR'000	01.09.2019 – 30.11.2019 EUR'000	01.03.2018 – 30.11.2018 ¹⁾ EUR'000	01.03.2019 – 30.11.2019 EUR'000
Earnings after taxes	14,206	7,876	33,098	16,259
Currency translation differences from consolidation	78	19	147	99
Cash flow hedges	-3,402	-1,871	-18,512	-1,722
Tax effect	851	468	4,628	431
Items subsequently reclassified to profit and loss	-2,473	-1,384	-13,737	-1,193
Revaluation effects of termination benefits	-14	-33	-42	-98
Fair value measurement of securities (fair value through other comprehensive income)	-6	-0	-3	22
Tax effect	5	8	11	19
Items not subsequently reclassified to profit and loss	-15	-25	-34	-58
Other comprehensive income after taxes	-2,488	-1,409	-13,771	-1,250
Total comprehensive income	11,718	6,467	19,327	15,009
of which attributable to non-controlling interests	-5	1	11	8
of which attributable to shareholders of the parent company	11,723	6,466	19,316	15,001

¹⁾ Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Annual Report 2018/19, Note 3 - Correction of errors).

Consolidated Statement of Financial Position

as of 30 November 2019 (Short Financial Year)

ASSETS	As of 28.02.2019 EUR'000	As of 30.11.2019 EUR'000
Intangible assets	21,309	21,927
Property, plant and equipment	139,084	179,125
Receivables from customer-related engineering	86,053	96,732
Contract assets	15,099	21,159
Contract costs	39,976	41,363
Other financial assets	457	479
Receivables from related companies	6,156	6,807
Other receivables	8,657	8,744
Deferred taxes	8,101	4,184
Non-current assets	324,892	380,520
Inventories	123,781	126,815
Customer-related engineering	28,851	18,015
Trade receivables	95,998	98,646
Receivables from related companies	24,218	28,430
Current tax income receivables	38	166
Other receivables and deferred items	37,949	32,478
Cash and cash equivalents	90,062	68,548
Current assets	400,898	373,098
Balance sheet total	725,790	753,618

Consolidated Statement of Financial Position

as of 30 November 2019 (Short Financial Year)

EQUITY AND LIABILITIES		
	As of 28.02.2019 EUR'000	As of 30.11.2019 EUR'000
Share capital	45,790	45,790
Capital reserve	221,459	221,459
Currency translation reserve	-665	-566
Other reserves	-7,321	-8,671
Retained earnings	39,674	49,057
Equity attributable to shareholders of the parent company	298,937	307,070
Non-controlling interests	34	42
Equity	298,971	307,112
Promissory note loans	0	70,000
Bonds	89,769	0
Lease liabilities	19,420	52,954
Other financial liabilities	57,917	49,594
Derivative financial instruments	64	1,586
Investment grants	7,379	8,143
Employee benefit obligations	9,860	10,748
Other provisions	12	0
Other liabilities	22	20
Deferred tax liabilities	450	502
Non-current liabilities	184,892	193,547
Promissory note loans	34,000	0
Bonds	0	89,901
Lease liabilities	792	4,633
Other financial liabilities	69,021	40,621
Derivative financial instruments	10,532	7,888
Contract liabilities from customer-related engineering	17,312	9,552
Trade payables	74,819	73,351
Liabilities from related companies	4,623	7,646
Investment grants	510	510
Income tax liabilities	2,279	827
Other provisions	6,621	1,049
Other liabilities and deferred items	21,417	16,980
Current liabilities	241,927	252,960
Balance sheet total	725,790	753,618

Consolidated Statement of Changes in Equity

for the period from 1 March 2019 to 30 November 2019 (Short Financial Year)

	Attributable to shareholders of the parent company		
	Share capital	Capital reserve	Currency translation reserve
	EUR'000	EUR'000	EUR'000
As of 1 March 2018 (previous) ^{1) 2)}	45,790	221,459	-797
First application of IFRS 15	0	0	0
First application of IFRS 9	0	0	0
As of 1 March 2018 (adjusted)	45,790	221,459	-797
Earnings after taxes	0	0	0
Other comprehensive income after taxes	0	0	147
Dividend payment	0	0	0
Total comprehensive income	0	0	147
As of 30th November 2018	45,790	221,459	-650
As of 1 March 2019	45,790	221,459	-665
Earnings after taxes	0	0	0
Other comprehensive income after taxes	0	0	99
Dividend payment	0	0	0
Total comprehensive income	0	0	99
As of 30th November 2019	45,790	221,459	-566

Attributable to shareholders of the parent company							
Other reserves							
Securities - fair value through other comprehen- sive income EUR'000	Cash flow hedges EUR'000	Reserves IAS 19 EUR'000	Retained earnings EUR'000	Total EUR'000	Non- controlling interests EUR'000	Total equity EUR'000	
-1	6,470	-3,615	53,772	323,077	17	323,094	
0	0	0	-39,137	-39,137	0	-39,137	
0	0	0	-246	-246	0	-246	
-1	6,470	-3,615	14,389	283,694	17	283,711	
0	0	0	33,087	33,087	11	33,098	
-2	-13,884	-32	0	-13,882	0	-13,882	
0	0	0	-5,037	-5,037	0	-5,037	
-2	-13,884	-32	28,050	14,169	11	14,180	
-4	-7,414	-3,647	42,440	297,864	28	297,892	
-2	-3,991	-3,328	39,674	298,937	34	298,971	
0	0	0	16,251	16,251	8	16,259	
16	-1,292	-74	0	-1,250	0	-1,250	
0	0	0	-6,869	-6,869	0	-6,869	
16	-1,292	-74	9,383	8,132	8	8,140	
14	-5,283	-3,402	49,057	307,070	42	307,112	

¹⁾ Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Annual Report 2018/19, Note 3 - Correction of errors).

²⁾ The FACC Group uses the modified retrospective method for the first-time application of IFRS 15 and the first-time application of IFRS 9 (see Annual Report 2018/19, Note 4 - Effects of the first-time application of IFRS 15 and IFRS 9).

Consolidated Statement of Cash Flows

as of 30 November 2019 (Short Financial Year)

	As of 30.11.2018 ¹⁾ EUR'000	As of 30.11.2019 EUR'000
Earnings before taxes (EBT)	43,733	21,450
Plus financial result	4,901	7,196
Earnings before interest and taxes (EBIT)	48,635	28,646
Plus/minus		
Depreciation, amortisation and impairment	11,676	16,627
Amortisation contract costs	3,962	4,235
Income from the reversal of investment grants	-433	-189
Change in other non-current provisions	-4,197	-12
Change in employee benefit obligations	526	790
Other non-cash expenses/income	-1,191	-17,412
	58,979	32,686
Change in working capital		
Change in inventory and customer-related engineering	6,668	6,572
Change in trade receivables and other receivables, receivables from customer-related engineering and contract assets	17,916	-7,247
Change in trade payables and other liabilities	-35,133	-14,435
Change in current provisions	-4,505	-5,572
Cash flow from ongoing activities	43,924	12,005
Interest received	328	442
Income taxes paid	282	-1,863
Cash flow from operating activities	44,534	10,584
Payments for the acquisition of non-current assets	-24,728	-15,261
Proceeds from the disposal of non-current assets	59	40
Cash flow from investing activities	-24,669	-15,222
Proceeds from promissory note loans	0	70,000
Proceeds from non-current interest-bearing liabilities	17,562	0
Repayments of promissory note loans	0	-34,000
Repayments of non-current interest-bearing liabilities	-13,648	-14,312
Change in current interest-bearing liabilities	-6,908	-23,767
Outflows from leasing agreements	-584	-2,979
Dividend payment	-5,037	-6,869
Interest paid	-7,863	-9,326
Cash flow from financing activities	-16,479	-21,251
Net changes in cash and cash equivalents	3,387	-25,889
Cash and cash equivalents at the beginning of the period	63,488	90,062
Effects from foreign exchange rates	-1,529	4,375
Cash and cash equivalents at the end of the period	65,346	68,548

¹⁾ Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Annual Report 2018/19, Note 3 - Correction of errors).



Selected Notes

To the Consolidated Financial Statements for the 3 quarter 2019 (Short Financial Year)

NOTE

The condensed Consolidated Interim Financial Statement as of 30 November 2019 have been prepared in accordance with the rules and regulations of "Prime market - Section Interim Reports" of the Vienna Stock Exchange.

The reporting currency is Euro (EUR). All figures presented in the condensed Consolidated Interim Financial Statement are quoted in thousands of euros (EUR'000), unless otherwise stated.

Rounding errors may occur when adding rounded amounts and percentages due to the use of automated invoicing aids.

At the 5th Annual General Meeting held on 9 July 2019, a resolution was passed to change the financial year to the calendar year. 2019 is therefore a short financial year ending on 31 December 2019 (1 March 2019 - 31 December 2019). The financial year of the FACC Group has thus been adjusted to the reporting date of the Aviation Industry Corporation of China. The figures for the short fiscal year can only be compared with the previous year to a limited extent.

WAIVER OF AUDIT REVIEW

The present consolidated interim financial statement has neither been audited nor reviewed.

Ried im Innkreis, 26 February 2020

Robert Machtlinger
Chairman of the Management
Board

Andreas Ockel
Member of the Management
Board

Aleš Stárek
Member of the Management
Board

Yongsheng Wang
Member of the Management
Board

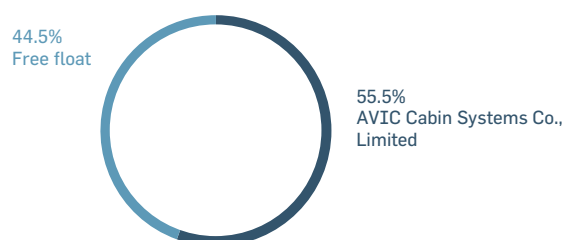
Investor Relations

BASIC INFORMATION ABOUT THE FACC SHARE

International Securities Identification Number (ISIN)	AT00000FACC2
Currency	EUR
Stock market	Vienna (XETRA)
Market segment	Prime market (official trading)
Initial listing	25.06.2014
Issue price	9,5 EUR
Paying agent	ERSTE GROUP
Indices	ATX, ATX GP, ATX IGS, ATX Prime, WBI
Share class	Ordinary shares
Ticker symbol	FACC
Reuters symbol	FACC.VI
Bloombergs symbol	FACC AV
Shares outstanding	45,790,000 shares

SHAREHOLDER STRUCTURE AND SHARE CAPITAL

FACC AG's share capital amounts to EUR 45,790,000 and is divided into 45,790,000 no-par value shares. The Aviation Industry Corporation of China holds 55.5% of voting rights of FACC AG via AVIC Cabin System Co., Ltd (previously FACC International). The remaining 44.5% of shares represent free float and are held by both international and Austrian investors. FACC AG did not hold any treasury shares at the end of the reporting period.



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