

Interim Report

Q3 2015/16

A close-up photograph of an aircraft wing, showing a glowing red light fixture mounted on the leading edge. The wing is made of polished metal with numerous screws visible. The background is a blurred blue sky.

Pilot.
Passion.
Partnership.

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Content

FOREWORD CEO	page 3
SELECTED GROUP KEY PERFORMANCE INDICATORS	page 5
CURRENT BUSINESS SITUATION	page 6
OUTLOOK	page 9
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	page 11
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	page 12
CONSOLIDATED STATEMENT OF CASH FLOWS	page 13
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	page 14
SELECTED COMMENTS ON THE INTERIM REPORT	page 16
INVESTOR RELATIONS	page 21



Foreword CEO

Dear Shareholders!

The first three quarters of our business year 2015/16 were mostly in line with our expectations. The ramp-up of several core programmes first and foremost, those for the Airbus A350, Challenger 350 as well as Legacy 450/500 continue to pose considerable challenges, while at the same time securing FACC AG's future growth. Besides, these programmes also made a significant contribution to the marked increase in product revenues of 12.2% to EUR 385.7 million in the first three quarters of 2015/16.

The improvement in earnings, which continued throughout the third quarter of 2015/16, is – in my opinion and that of the FACC AG management – further proof of our comprehensive expertise: we were not only able to increase revenues significantly in the third quarter of 2015/16 but also to report an increase in earnings of 43.6% to EUR 7.9 million compared to the same period in the previous year. Cumulative earnings after the first three quarters of 2015/16 rose by EUR 23.0 million thanks to our concerted efforts in the implementation of our Operational Excellence Initiatives along with increased production volumes over the last few months.

As I have already mentioned in the interim report for the second quarter 2015/16, I would like to consider the progress made so far in the year under review only as a further step towards a sustainably stable earnings development.

Major operating improvements in terms of implementation and essential negotiations with customers are still underway and will require further concerted efforts in the remaining months of the 2015/16 business year and beyond.

In light of the cyber fraud of which FACC AG has been the victim, occurred after the reporting period, at the current status of investigations a valid outlook for the consolidated results is not possible.



Walter A. Stephan
Chairman and Chief Executive Officer of FACC AG



facc Pilot

Selected Group Key Performance Indicators

in EUR million	1/3/2015 -30/11/2015	1/3/2014 -30/11/2014
Revenue	427.8	381.8
EBITDA	32.7	6.9
EBITDA as percentage of revenue	7.6%	1.8%
EBIT	14.0	-9.0
EBIT as percentage of revenue	3.3%	-2.4%
Net profit after taxes adjusted for the change in the fair values of derivative financial instruments	3.8	-11.8
Net profit after taxes adjusted for the change in the fair values of derivative financial instruments as percentage of revenue	0.9%	-3.1%
Capitalised development costs	18.7	20.8
Research and development costs expensed	14.3	19.7
Total as percentage of revenue	7.7%	10.6%
Cash flow from operations	-34.6	-75.4
Cash flow from investing activities	-37.8	-55.3
Total employees (end of period)	3,032	3,180

in EUR million	Balance as at 30/11/15	Balance as at 28/2/15
Net working capital	210.3	139.9
Net debt	179.4	102.6
Equity	325.6	314.9
Equity ratio	42.8%	43.8%
Total amount of the consolidated statement of financial position	760.7	718.2

Current business situation

ORDER BACKLOG

FACC AG's order backlog consists of firm orders placed directly by customers that commit the Group to delivering products or providing services. The total order backlog at the end of the third quarter totalling almost USD 5.2 billion

is based on firm orders placed by the airlines with FACC AG's customers (firm order backlog). The total order backlog corresponds, arithmetically, to a production workload of roughly six years.

REVENUE AND EARNINGS DEVELOPMENT

in EUR million	Q3 2015/16	Q3 2014/15	Change	Q1 - Q3 2015/16	Q1 - Q3 2014/15	Change
Revenues	157.7	145.9	8.1%	427.8	381.8	12.1%
Earnings before interest, taxes and fair value measurement of derivative financial instruments	7.9	5.5	43.6%	14.0	-9.0	-
Amortisation and depreciation	5.9	5.5	7.2%	18.7	15.9	17.7%
Investments for the period	12.9	20.2	-36.1%	37.8	55.3	-31.7%

At the end of the third quarter of 2015/16, revenues amounted to EUR 427.8 million (comparative period in 2014/15: EUR 381.8 million). This growth in revenues was mainly driven by the increase in product revenues from EUR 343.8 million as of 30 November 2014 to EUR 385.7 million as of 30 November 2015, with revenues related to development services also rising by 11.0% to EUR 42.1 million in the period under review.

The main drivers with regard to product revenues were the Boeing 787, Airbus A321, Airbus A350 XWB, Bombardier Challenger 350 and Embraer Legacy 450/500 programmes. Revenues related to development services were positively affected by the billing of a re-design development service.

The change in costs for materials and other purchased services were affected by higher output rates in the period

under review compared to the same period in the previous year. Due to the early stage of the industrialisation process with regard to some projects in the Interiors segment, material costs in this segment were temporarily higher. Besides, the Engines & Nacelles segment reported high material costs mainly driven by product changes.

Staff costs were below the previous year's level mainly due to a lower headcount combined with simultaneously higher production output.

In the period under review, amortisation and depreciation charges amounted to EUR 18.7 million (comparative period in 2014/15: EUR 15.9 million). This increase developed as planned in line with the investment activities of previous reporting periods.

SEGMENT REPORTING

Aerostructures

in EUR million	Q3 2015/16	Q3 2014/15	Change	Q1 - Q3 2015/16	Q1 - Q3 2014/15	Change
Revenues	72.6	76.8	-5.4%	202.1	201.0	0.6%
Earnings before interest, taxes and fair value measurement of derivative financial instruments	10.7	11.4	-6.0%	25.7	13.9	-
Amortisation and depreciation	3.1	2.4	29.8%	8.4	7.1	19.1%
Investments for the period	8.0	15.0	-46.8%	23.8	32.6	-26.9%

Revenues in the Engines & Nacelles segment amounted to EUR 202.1 million at the end of the third quarter of 2015/16 (comparative period in 2014/15: EUR 201.0 million). Revenues from product deliveries decreased slightly by 2.2% to EUR 175.2 million in the period under review. The slight drop in product revenues compared to the previous period is mainly attributable to lower orders placed for the B737 Split Scimitar Winglets. In contrast, revenues from the Airbus A350 and A321 growth project developed according to plan.

Revenues from development activities amounted to EUR 27.0 million at the end of the third quarter of 2015/16, increasing by EUR 5.0 million compared to same period of 2014/15.

Earnings before interest, taxes and fair-value measurement (EBIT) in the Aerostructures segment stood at EUR 25.7 million in the first three quarters of 2015/16 (comparative period in 2014/15: EUR 13.9 million).

Engines & Nacelles

in EUR million	Q3 2015/16	Q3 2014/15	Change	Q1 - Q3 2015/16	Q1 - Q3 2014/15	Change
Revenues	28.8	24.9	15.5%	83.3	65.0	28.1%
Earnings before interest, taxes and fair value measurement of derivative financial instruments	-0.7	-6.1	-88.4%	-5.6	-18.3	-
Amortisation and depreciation	1.2	1.7	-27.4%	3.9	4.9	-21.0%
Investments for the period	1.4	0.9	51.2%	3.3	1.9	80.5%

Revenues in the Engines & Nacelles segment amounted to EUR 83.3 million at the end of the third quarter of 2015/16 (comparative period in 2014/15: EUR 65.0 million). Revenues from product deliveries rose significantly by 30.6% to EUR 78.3 million. This growth was mainly driven by the Airbus A350 programme as well as by rising revenues in the engine composites area. Revenues from development activities stood at EUR 5.0 million in the period under review (comparative period in 2014/15: EUR 5.1 million).

Earnings before interest, taxes and fair-value measurement (EBIT) in the Engines & Nacelles segment stood at EUR -5.6 million in the first three quarters of 2015/16 (comparative period in 2014/15: EUR -18.3 million). Improvements

in efficiency in connection with the Boeing 787 and Airbus A350 Nacelles programmes led to an increase in earnings compared to the previous year.

However, the B787 TRSL programme continued to have a negative impact on the earnings performance of the division and consequently on overall group results (please also refer to financial reporting for the full-year 2014/15). This is mainly attributable to significant changes in the scope of work and to product modifications, which led to a considerable increase in product costs. Negotiations started in previous quarters on potential price adjustments are currently well on track but have not been concluded yet.

Interiors

in EUR million	Q3 2015/16	Q3 2014/15	Change	Q1 - Q3 2015/16	Q1 - Q3 2014/15	Change
Revenues	56.3	44.2	27.3%	142.4	115.8	23.0%
Earnings before interest, taxes and fair value measurement of derivative financial instruments	-2.1	0.2		-6.2	-4.7	-
Amortisation and depreciation	1.6	1.5	11.1%	6.4	4.0	63.0%
Investments for the period	3.5	4.2	-17.6%	10.6	20.9	-49.3%

Revenues in the Interiors segment amounted to EUR 142.4 million at the end of the third quarter of 2015/16 (comparative period in 2014/15: EUR 115.8 million). Revenues from product deliveries rose significantly by 26.2% to EUR 132.3 million, driven by higher delivery levels for the Airbus A350, Embraer Legacy 450/500 as well as Bombardier Challenger 350 programmes. Revenues from development activities stood at EUR 10.1 million in the period under review (comparative period in 2014/15: EUR 10.9 million).

Earnings before interest, taxes and fair-value measurement (EBIT) in the Interiors segment amounted to EUR -6.2 million in the first three quarters of 2015/16 (comparative period in 2014/15: EUR -4.7 million). The earnings situation of the segment in the period under review continued to be negatively impacted by high production costs in connection with the cabin interiors of the new A350 XWB programme as well as with the Embraer Legacy 450/500 and Bombardier Challenger 350 business jet interior projects. Production costs were negatively affected by a temporary increase in material purchase costs along with FACC's on-site support costs at the customer's premises as a result of assembly operations.

FINANCIAL POSITION

At the end of the first three quarters of 2015/16, total investments including capital expenditures related to development costs amounted to EUR 37.8 million (comparative period in 2014/15: EUR 55.3 million). Capitalised development costs contained in investments amounted to EUR 18.7 million (comparative period in 2014/15: EUR 20.7 million) and were mostly driven by engineering services associated with the development of the Airbus A350 and A320, Embraer Legacy and Embraer E-Jet 190.

ASSETS SITUATION

At the end of the period under review, intangible assets amounted to EUR 163.5 million (28 February 2015: EUR 151.7 million). The change is mainly due to additions from development projects in connection with A350 and A320, Embraer Legacy and Embraer E-Jet 190.

Inventories amounted to EUR 122.2 million at the end of the period under review (28 February 2015: EUR 98.9 million). The change is mainly due to the increase in product revenues.

Receivables from construction contracts amounted to EUR 38.3 million as of the interim reporting date (28 February 2015: EUR 28.9 million). Compared to 28 February 2015, the amount recognised for construction contracts as of 30 November 2015 was higher by EUR 9,379k. The change mainly results from development contracts (based on milestone contracts) in connection with Airbus A350 and Comac C 919.

Receivables from affiliated companies declined by EUR 8.9 million from EUR 35.3 million as of 28 February 2015 to EUR 26.5 million as of the interim reporting date. Basically, incoming payments in connection with the Comac C919 and ARJ 21 development projects were booked.

The promissory note loan in the amount of EUR 45.0 million as of 28 February 2015 was classified as current, as the financial covenant agreed upon was slightly undershot. An agreement had already been reached with the principal creditors of the promissory note loan not to call in the promissory note loan in the reporting period covering the first quarter. Consequently, EUR 42.0 million is reported under non-current promissory note loans on the interim reporting

date. EUR 3.0 million was repaid in July 2015 in accordance with the repayment date rule.

Trade payables in the amount of EUR 77.7 million (28 February 2015: EUR 72.1 million) developed in line with the business performance. The increase is the result of seasonality effects that lead to higher business volumes in the second half of a financial year.

Current other financial liabilities amounted to EUR 52.3 million (28 February 2015: EUR 13.2 million). The change is primarily related to the financing of the change in working

capital.

STAFF

Total headcount declined by 148 FTE compared to the same period of the previous year and amounted to 3,032 employees (FTE) as of 30 November 2015. As of 30 November 2014, total headcount amounted to 3,180 employees (FTE).

Outlook

The solid performance of the commercial aerospace market continued to have a positive effect on the development of Group's revenues. On the basis of the orders currently booked for the remaining quarters, the management of FACC AG assumes that this positive operational development will continue over the year. Due to a number of seasonality effects, a increase in sales of around 10% is expected. As a result of the latest event (see also Subsequent events after the interim reporting period) a guidance regarding the consolidated results is at the moment not possible.

FACC AG is profiting across all segments from the ramp up of production volumes for the Airbus A350 XWB project currently underway. Output rates for this aircraft type will grow from currently 5 aircraft sets per month to 7 sets per month in the course of the year. Product revenues from the A350 XWB will gradually increase over the next two years to reach the planned output rate of 14 aircraft sets per month.

Besides, the company continues to press ahead with the implementation of the FACC Operational Excellence Initiatives with a view to considerably reducing direct production costs along with fixed expenses and costs of materials on hand. Measures adopted in previous quar-

ters are now bearing their first fruits. Further potential cost savings as well as projects aimed at increasing the degree of automation of production processes are currently being implemented.

In the period under review, the outsourcing of defined product families to strategic supply chain partners in growth markets was further pursued. These relocations are mainly aimed at reducing manufacturing costs, decreasing USD exposure, releasing FACC production space at the Austrian sites for the manufacturing of complex components as well as reducing FACC AG's overall investment requirements.

Moving forward, the FACC Group will continue to push ahead with its business activities, ranging from development, manufacturing through to global supply chain management, while further expanding its role as a preferred partner of the aviation industry. This will further support the implementation of the "FACC Vision 2020" strategy, especially when it comes to consolidating and expanding the company's standing as a Tier 1 supplier of customers such as Airbus, Boeing, Bombardier, Embraer and all renowned engine manufacturers.



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Consolidated Statement of Financial Position

	Balance as at 30/11/2015 EUR'000	Balance as at 28/02/2015 EUR'000
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	163,494	151,659
Property, plant and equipment	165,649	158,251
Other non-current financial assets	462	469
Non-current receivables	19,270	24,597
Total non-current assets	348,874	334,976
CURRENT ASSETS		
Inventories	122,234	98,858
Trade receivables	124,264	91,707
Receivables from construction contracts	38,299	28,920
Other receivables and deferred income	24,021	17,507
Receivables from affiliated companies	26,462	35,322
Cash and cash equivalents	76,552	110,955
Total current assets	411,832	383,268
TOTAL ASSETS	760,706	718,244
EQUITY		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	45,790	45,790
Capital reserve	221,624	220,535
Currency translation reserve	-246	-170
Other reserves	-21,979	-24,014
Retained earnings	80,344	72,759
	325,533	314,900
Non-controlling interests	21	8
TOTAL EQUITY	325,554	314,908
LIABILITIES		
NON-CURRENT LIABILITIES		
Promissory note loans	42,000	0
Bonds	89,198	89,067
Other financial liabilities	72,481	66,268
Derivative financial instruments	6,570	10,340
Investment grants	11,529	11,223
Employee benefit obligations	11,539	10,926
Deferred taxes	6,473	4,589
Total non-current liabilities	239,789	192,413
CURRENT LIABILITIES		
Trade payables	77,690	72,087
Other liabilities and deferred income	20,782	25,006
Other financial liabilities	52,275	13,173
Promissory note loans	0	45,000
Derivative financial instruments	38,499	48,199
Other provisions	4,744	6,642
Investment grants	768	768
Income tax liabilities	90	49
Liabilities to affiliated companies	516	0
Total current liabilities	195,363	210,924
TOTAL LIABILITIES	435,152	403,337
TOTAL EQUITY AND LIABILITIES	760,706	718,244

Consolidated Statement of Comprehensive Income

	Q3 15/16	Q3 14/15	Q1-Q3 15/16	Q1-Q3 14/15
	EUR'000	EUR'000	EUR'000	EUR'000
REVENUE	157,738	145,938	427,807	381,798
Changes in inventories	7,375	3,708	10,483	11,738
Own work capitalised	4,413	4,990	14,623	12,077
Cost of materials and purchased services	-102,812	-88,966	-274,937	-247,759
Staff costs	-41,824	-42,407	-118,161	-120,287
Depreciation and amortisation	-5,942	-5,545	-18,725	-15,907
Other operating income and expenses	-11,031	-12,250	-27,140	-30,687
EARNINGS BEFORE INTEREST, TAXES AND FAIR VALUE MEASUREMENT OF DERIVATIVE FINANCIAL INSTRUMENTS	7,917	5,469	13,950	-9,027
Finance costs	-3,250	-2,836	-9,650	-7,967
Interest income from financial instruments	109	256	423	440
Fair value measurement of derivative financial instruments	811	-257	3,770	-920
PROFIT BEFORE TAXES	5,587	2,633	8,493	-17,474
Income taxes	-1,442	-702	-894	4,739
PROFIT AFTER TAXES	4,145	1,931	7,599	-12,735
Currency translation differences from consolidation – reclassifiable	-23	3	-76	28
Fair value measurement of securities (net of tax) – reclassifiable	6	5	-5	25
Cash flow hedges (net of tax) – reclassifiable	-3,434	-6,208	2,022	-8,359
Revaluation effects of pensions and termination benefits (net of tax) – non reclassifiable	6	0	18	0
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-3,446	-6,200	1,958	-8,306
TOTAL COMPREHENSIVE INCOME	699	-4,269	9,557	-21,041
PROFIT AFTER TAXES ATTRIBUTABLE TO				
Equity holders of the parent	4,135	1,910	7,587	-12,755
Non-controlling equity holders	11	20	13	20
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO				
Equity holders of the parent	699	-4,290	9,545	-21,061
Non-controlling equity holders	0	20	13	20
EARNINGS PER SHARE WITH REGARD TO PROFIT AFTER TAXES ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT DURING THE YEAR (IN EUR PER SHARE)	0.12	0.04	0.17	-0.31

Consolidated Statement of Cash Flows

	01.03.2015- 30.11.2015	01.03.2014- 30.11.2014
	EUR'000	EUR'000
OPERATING ACTIVITIES		
Earnings before interest, taxes and fair value measurement of derivative financial instruments	13,950	-9,027
Fair value measurement of derivative financial instruments	3,770	-920
	17,721	-9,947
Plus/minus		
Change in investment grants	332	245
Depreciation and amortisation	18,725	15,907
Losses/(gains) on disposal of non-current assets	0	783
Change in financial instruments	-13,470	23,888
Cash flow Hedge	2,696	-11,445
Change in non-current receivables	5,328	-6,345
Revaluation effects of pensions and termination benefits	24	0
Change in employee benefit obligations, non-current	613	990
Effects from deconsolidation	-2,334	0
Valuation effects from currency translation differences	-2,837	-4,499
	26,796	9,577
Change in net current assets		
Change in inventories	-23,480	-33,858
Change in receivables and deferred items	-40,190	-40,945
Change in trade payables	5,741	-10,146
Change in current provisions	-23	-2,837
Change in other current liabilities	-3,408	2,792
CASH GENERATED FROM OPERATIONS	-34,565	-75,417
Interest received	423	440
Taxes paid	-2	-4,753
NET CASH GENERATED FROM OPERATING ACTIVITIES	-34,145	-79,730
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-18,796	-30,080
Purchase of intangible assets	-298	-4,466
Payment for addition to development costs	-18,676	-20,774
NET CASH GENERATED FROM INVESTING ACTIVITIES	-37,769	-55,320
FINANCING ACTIVITIES		
Proceeds from financial loans and bonds	51,772	22,665
Repayments of financial loans and bonds	-7,439	-2,680
Payments of interest on financial loans and bonds	-9,650	-7,967
Cash proceed from capital contribution	0	138,447
Dividends paid	0	-19,000
NET CASH GENERATED FROM INVESTING ACTIVITIES	34,682	131,465
NET CHANGE IN CASH AND CASH EQUIVALENTS	-37,232	-3,585
Cash and cash equivalents at the beginning of the period	110,955	51,012
Changes from deconsolidation	-8	0
Valuation effects from currency translation differences	2,837	4,499
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	76,552	51,926

Consolidated Statement of Changes in Equity

	OTHER RESERVES					
	Share capital	Capital reserve	Currency translation reserve	Available-for-sale securities	Hedging reserve	Reserve IAS 19
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
BALANCE AS AT 1 MARCH 2015	45,790	220,535	-170	-14	-19,779	-4,221
Profit after taxes	0	0	0	0	0	0
OTHER COMPREHENSIVE INCOME						
Currency translation differences from consolidation	0	0	-76	0	0	0
Fair value measurement of securities (net of tax)	0	0	0	-5	0	0
Revaluation effects of pension and termination benefits (net of tax)	0	0	0	0	0	18
Cash flow hedges (net of tax)	0	0	0	0	2,022	0
TOTAL OTHER COMPREHENSIVE INCOME	0	0	-76	-5	2,022	18
TOTAL COMPREHENSIVE INCOME	0	0	-76	-5	2,022	18
Subsequent changes in IPO costs	0	1,089	0	0	0	0
BALANCE AS AT 30 NOVEMBER 2015	45,790	221,624	-246	-19	-17,757	-4,203

	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000
	BALANCE AS AT 1 MARCH 2015	72,759	314,900	8
Profit after taxes	7,587	7,587	13	7,599
OTHER COMPREHENSIVE INCOME				
Currency translation differences from consolidation	0	-76	0	-76
Fair value measurement of securities (net of tax)	0	-5	0	-5
Revaluation effects of pension and termination benefits (net of tax)	0	18	0	18
Cash flow hedges (net of tax)	0	2,022	0	2,022
TOTAL OTHER COMPREHENSIVE INCOME	0	1,958	0	1,958
TOTAL COMPREHENSIVE INCOME	7,587	9,545	13	9,557
Subsequent changes in IPO costs	0	1,089	0	1,089
BALANCE AS AT 30 NOVEMBER 2015	80,346	325,533	21	325,554

Consolidated Statement of Changes in Equity

	OTHER RESERVES					
	Share capital	Capital reserve	Currency translation reserve	Available-for-sale securities	Hedging reserve	Reserve IAS 19
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
BALANCE AS AT 1 MARCH 2014	35	125,006	-127	-45	0	-1,389
Profit after taxes	0	0	0	0	0	0
OTHER COMPREHENSIVE INCOME						
Currency translation differences from consolidation	0	0	28	0	0	0
Fair value measurement of securities (net of tax)	0	0	0	25	0	0
Revaluation effects of pension and termination benefits (net of tax)	0	0	0	0	0	0
Cash flow hedges (net of tax)	0	0	0	0	-8,359	0
TOTAL OTHER COMPREHENSIVE INCOME	0	0	28	25	-8,359	0
TOTAL COMPREHENSIVE INCOME	0	0	28	25	-8,359	0
Dividend	0	0	0	0	0	0
Share capital increase from capital reserve	29,965	-29,965	0	0	0	0
Share capital increase	15,790	125,547	0	0	0	0
BALANCE AS AT 30 NOVEMBER 2014	45,790	220,588	-99	-20	-8,359	-1,389

	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000
	BALANCE AS AT 1 MARCH 2014	101,353	224,833	-5
Profit after taxes	-12,753	-12,753	20	-12,734
OTHER COMPREHENSIVE INCOME				
Currency translation differences from consolidation	0	28	0	28
Fair value measurement of securities (net of tax)	0	25	0	25
Revaluation effects of pension and termination benefits (net of tax)	0	0	0	0
Cash flow hedges (net of tax)	0	-8,359	0	-8,359
TOTAL OTHER COMPREHENSIVE INCOME	0	-8,306	0	-8,306
TOTAL COMPREHENSIVE INCOME	-12,753	-21,059	20	-21,040
Dividend	-19,000	-19,000	0	-19,000
Share capital increase from capital reserve	0	0	0	0
Share capital increase	0	141,337	0	141,337
BALANCE AS AT 30 NOVEMBER 2014	69,600	326,110	15	326,125

Selected Comments on the Quarterly Financial Report as of 30 November 2015

GENERAL

The FACC Group, headquartered in Ried, is a group incorporated in Austria for the development, production and servicing of aircraft components. The company was founded in 1989. The principal activities of the FACC Group are the manufacture of structural components, such as parts of engine cowlings, wing claddings or control surfaces, as well as interiors for modern commercial aircraft. The components are mainly manufactured from composites. Within the components made of such composites, the Group also integrates metallic components of titanium, high-alloy steel and other metals, and supplies these components to the aircraft final assembly lines ready for fitting.

There have been no changes to the scope of consolidation of FACC AG as of 30 November, 2015 compared to the scope of consolidation of the consolidated financial statements as of 28 February, 2015 with the exception of the deconsolidation of the previously fully-consolidated subsidiary ITS GmbH. Insolvency proceedings concerning the assets of ITS GmbH were opened in the second quarter of 2015, which led to the loss of control and to deconsolidation on 31 August 2015. ITS GmbH was an engineering office headquartered in Steinebach/Germany most recently employing 19 staff. Deconsolidation of ITS GmbH has had no material impact on the Group's assets, liabilities, financial position and profit or loss.

ACCOUNTING AND VALUATION METHODS

These interim financial statements as of 30 November 2015 have been prepared in accordance with the International Accounting Standard 34 (IAS 34). The accounting and valuation methods applied to the consolidated financial statements as of 28 February 2015 have been consistently applied to these interim financial statements. There are no new or amended standards and interpretations effective for these interim financial statements 2015/16 that are expected to have a material impact on the Group. For further information on the accounting and valuation methods, reference is made to the consolidated financial statements as of 28 February 2015, which form the basis of these interim financial statements.

The information disclosed herein is limited to selected material comments. For further details reference is made to the consolidated financial statements as of 28 February 2015, which form the basis of these interim financial statements.

The preparation of the interim financial statements in accordance with generally accepted accounting and valuation methods requires the use of assumptions and estimates, which have an effect on the amount and the presentation of the reported assets and liabilities, as well as on the disclosed contingent assets and liabilities as of the end of the interim reporting period, and have an effect on the reported income and expenses during the reporting period. Although these assumptions are made to the best of our knowledge based on current transactions, the actual values may in the end deviate from these assumptions. The interim financial statements have been prepared in euro thousand (EURk); the information disclosed therein is also presented in euro thousand. Where rounded amounts and percentages are aggregated, rounding differences may occur due to the use of automated calculation aids.

SEASONALITY

Our operating results are subject to fluctuations as revenues vary from quarter to quarter.

The allocation of total revenues for a given financial year to a particular financial quarter is largely correlated to production operations of aviation industry customers. For this reason, the quarters, during which customers normally conduct plant holidays, are lower in revenues than quarters without such effects. Moreover, revenues for a certain quarter may be affected by invoicing for larger tooling and development projects, which is generally the case during the fourth quarter. In addition, our customers typically place their orders, to a large extent, in December, which results in increased revenues recorded in January, i.e., in our fourth quarter. Further, the seasonality effect is also influenced by airlines, as the quantity of their purchase orders for new aircraft depends on seasonal passenger volumes. In the past, our results have varied from quarter to quarter, which had an impact on our working capital and financial results. It is anticipated that these effects will continue to take place moving forward.

SEGMENT REPORTING

Segment reporting is consistent with the internal management and reporting of FACC. Due to the products' different applications, three operating segments were created. The "FACC Aerostructures" segment covers development, manufacture and sales of structural components, the "FACC Interiors" segment handles the development, manufacture and sales of interiors, and the "FACC Engines & Nacelles" segment is responsible for the manufacture and

sales of engine components. All operating segments are led by Vice Presidents. After the conclusion of customer agreements and order processing, the individual orders are manufactured in the four plants. Apart from these three operating segments, the company includes the central services of finances and controlling, personnel, quality management, strategic purchasing and IT (including engineering services). In the form of a matrix organisation, these central services support the operating segments in the completion of their tasks.

	Aerostructures	Engines & Nacelles	Interiors	Total
1/3/2015 - 30/11/2015	EUR'000	EUR'000	EUR'000	EUR'000
INFORMATION ON PROFITABILITY				
Revenue	202,142	83,271	142,394	427,807
Earnings before interest, taxes and fair value measurement of derivative financial instruments	25,718	-5,558	-6,210	13,950
Depreciation and amortisation	8,421	3,857	6,447	18,725
Earnings before interest, taxes and fair value measurement of derivative financial instruments and depreciation and amortisation	34,139	-1,700	236	32,675
INFORMATION ON ASSETS				
Assets	372,114	150,969	237,624	760,707
Capital expenditure in the fiscal year	23,846	3,349	10,574	37,769

	Aerostructures	Engines & Nacelles	Interiors	Total
1/3/2014 - 30/11/2014	EUR'000	EUR'000	EUR'000	EUR'000
INFORMATION ON PROFITABILITY				
Revenue	201,012	65,012	115,774	381,798
Earnings before interest, taxes and fair value measurement of derivative financial instruments	13,920	-18,260	-4,686	-9,027
Depreciation and amortisation	7,069	4,884	3,954	15,907
Earnings before interest, taxes and fair value measurement of derivative financial instruments and depreciation and amortisation	20,988	-13,376	-732	6,880
INFORMATION ON ASSETS				
Assets	350,556	153,975	182,566	687,097
Capital expenditure in the fiscal year	32,614	1,855	20,851	55,320

SHARE CAPITAL

The share capital of the company amounts to EUR 45,790k and is fully paid in. It is divided into 45,790,000 non-par value shares with a value of EUR 1.00 per share.

CAPITAL RESERVE

Capital procurement costs incurred by the company in connection with its IPO in June 2014 in the amount of EUR 11,628k were offset against the capital reserve, while taking into account deferred tax effects in the amount of EUR 2,907k. It was decided on 22 May 2015, by virtue of a resolution, not to pay an incentive fee for investment banks

contained therein, as a result of which the capital procurement costs subsequently decreased. Taking account of deferred taxes, the effect came to EUR 1,089k.

FINANCIAL INSTRUMENTS

The information required pursuant to IAS 34.16 A(j) with regard to the fair value of financial instruments is presented below.

The fair values of derivative financial instruments for foreign currency and interest rate hedging are as follows:

	Volumen USD'000	Volumen EUR'000	Fair-Value EUR'000
BALANCE AS OF 28/2/2015			
Forward foreign exchange contracts - USD	425,000	-	-48,199
Structured currency options - USD	-	-	-
Interest rate swaps	-	20,000	-10,340
BALANCE AS OF 30/11/2015			
Forward foreign exchange contracts - USD	340,000	-	-38,499
Structured currency options - USD	-	-	-
Interest rate swaps	-	20,000	-6,570

The current and non-current financial assets and liabilities can be broken down as follows in accordance with the categories of IAS 39:

	Category IAS 39 ¹⁾	Carrying amount as of 28 February 2015 EUR'000	Fair value as of 28 February 2015 EUR'000	Carrying amount as of 30 November 2015 EUR'000	Fair value as of 30 November 2015 EUR'000
ASSETS					
MEASUREMENT AT (AMORTISED) COST					
Non-current receivables	LaR	24,597	24,597	19,270	19,270
Trade receivables	LaR	91,707	91,707	124,264	124,264
Receivables from construction contracts	LaR	28,920	28,920	38,299	38,299
Receivables from affiliated companies	LaR	35,322	35,322	26,462	26,462
Cash and cash equivalents	LaR	110,955	110,955	76,552	76,552
MEASUREMENT AT FAIR VALUE					
Book-entry securities (not listed)	AfS	44	44	44	44
Securities (listed)	AfS	425	425	418	418
Derivates with positive fair value (interest rate swaps)	AtFVtP&L	–	–	–	–
Derivates with positive fair value (forward foreign exchange contracts)	–	–	–	–	–
Derivates with positive fair value (structured currency options)	AtFVtP&L	–	–	–	–
TOTAL FINANCIAL ASSETS		291,970	291,970	285,309	285,309

	Category IAS 39 ¹⁾	Carrying amount as of 28 February 2015 EUR'000	Fair value as of 28 February 2015 EUR'000	Carrying amount as of 30 November 2015 EUR'000	Fair value as of 30 November 2015 EUR'000
LIABILITIES					
MEASUREMENT AT (AMORTISED) COST					
Promissory note loans	FLAC	45,000	45,000	42,000	42,000
Bonds	FLAC	89,067	97,486	89,198	96,581
Bank borrowings	FLAC	79,441	79,441	124,755	124,755
Trade payables	FLAC	72,087	72,087	77,690	77,690
MEASUREMENT AT FAIR VALUE					
Derivates with negative fair value (interest rate swaps)	AtFVtP&L	10,340	10,340	6,570	6,570
Derivates with negative fair value (forward foreign exchange contracts)	–	48,199	48,199	38,499	38,499
Derivates with negative fair value (structured currency options)	AtFVtP&L	–	–	–	–
TOTAL FINANCIAL LIABILITIES		344,134	352,553	378,712	386,095

¹ LaR Loans and Receivables
AfS Available for Sale
AtFVtP&L At Fair-Value through Profit and Loss
FLAC Financial Liabilities at Amortised Cost

RELATED-PARTY TRANSACTIONS OUTSIDE THE SCOPE OF CONSOLIDATION FOR THE PERIOD 1 MARCH 2015 TO 30 NOVEMBER 2015

With the related company Shanghai Aircraft Manufacturing Co., Ltd., revenues were generated in the amount of EUR 657k (comparative period in the previous year: EUR 2,083k).

With the related company Fesher Aviation Component (Zhenjiang) Co., Ltd., revenues were generated in the amount of EUR 1,136k (comparative period in the previous year: EUR 2,439k).

Costs totalling EUR -424k originally offset against the related company FACC International Co., Ltd. were credited, since the underlying cost base was reduced in the same period (comparative period in the previous year: EUR 1,811k).

SUBSEQUENT EVENTS AFTER THE INTERIM REPORTING PERIOD

On January 19, 2016 FACC AG announced that it became a victim of fraudulent activities involving communication- and information technologies. To the current state of the forensic and criminal investigations, the financial accounting department of FACC Operations GmbH was the target of cyber fraud. FACC's IT infrastructure, data

security, IP rights as well as the operational business of the group are not affected by the criminal activities.

The damage is an outflow of approx. EUR 50 million of liquid funds. The management board has taken immediate structural measures and is evaluating damages and insurance claims.

All production- and engineering units operate in an unaffected and normal way. An economic threat to the company concerning liquidity does not exist. The management board will decide on further actions after the outcome of the forensic investigations is available.

WAIVER OF REVIEW/AUDIT

This interim financial report for Q3 2015/16 was neither audited nor reviewed.

STATEMENT OF ALL LEGAL REPRESENTATIVES PURSUANT TO SEC. 87 PARA. 1 Z 3 OF THE AUSTRIAN STOCK EXCHANGE ACT

We confirm to the best of our knowledge that the condensed interim consolidated financial statements, which were prepared in accordance with the prevailing accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

Ried im Innkreis, 21 January 2016



Walter A. Stephan
Chairman of the
Management Board



Minfen Gu
Member of the
Management Board



Robert Machtlinger
Member of the
Management Board

Investor Relations

THE FACC SHARE



Basic information about the FACC share

(ISIN)	AT00000FACC2
Currency	EUR
Stock Exchange	Vienna (XETRA)
Market segment	Prime Market (official trading)
First day of trading	25 June, 2014
Issue price	9.5 EUR
Paying agent	ERSTE GROUP
Indices	ATX GP, ATX IGS, ATX Prime, WBI
Share class	ordinary shares
Ticker symbol	FACC
Reuters symbol	FACC.VI
Bloomberg symbol	FACC AV
Number of shares issued	45,790,000

Key share data

		Q3 2015/16
Trading volume	shares	23,751,512
Average daily trading volume	shares	103,718
Monetary turnover	EUR million	173.4
Highest closing price over the year	EUR	8.66
Lowest closing price over the year	EUR	6.20
Closing price	EUR	7.48
Performance year-to-date	in %	1.6%
Market capitalisation as of February 27	EUR million	342.4

SHAREHOLDER STRUCTURE AND SHARE CAPITAL

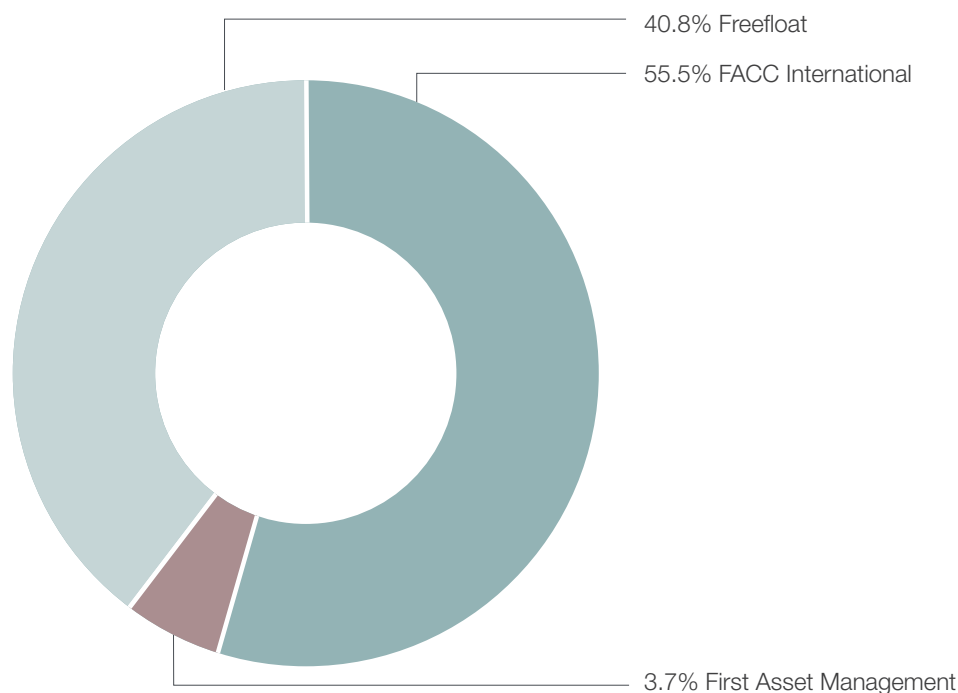
FACC AG's share capital amounts to EUR 45,790,000 and is divided into 45,790,000 shares. The Aviation Industry Corporation of China (AVIC) holds 55.5% of voting rights in FACC AG via FACC International. 3.7% of voting rights are held by Erste Asset Management. The remaining 40.8% of shares represent free float and are held by both international and Austrian investors. FACC AG did not hold any treasury shares as of the end of the interim reporting period.

On 21 July 2015, FACC AG was notified by Erste Asset Management GmbH pursuant to Sec. 91 of the Austrian Stock Exchange Act that it had fallen below the voting rights

threshold of 5% and it only held 4.9% of voting rights via the following companies: ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H (0.2%) and RINGTUM Kapitalanlagegesellschaft m.b.H (4.7%).

On 17 December 2015, FACC AG was notified by Erste Asset Management GmbH pursuant to Sec. 91 of the Austrian Stock Exchange Act that it had fallen below the voting rights threshold of 4% and it only held 3.7% of voting rights via the following companies: ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H (0.2%) and RINGTUM Kapitalanlagegesellschaft m.b.H (3.5%).

Shareholder structure



CONTACT DETAILS:

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FINANCIAL CALENDAR 2015/16

21 January 2016 – Quarterly financial report Q3 15/16
25 May 2016 – Annual financial report 15/16
13 July 2016 – Quarterly financial report Q1 16/17
15 July 2016 – Annual General Meeting
20 October 2016 – Semi-annual financial report 16/17

