

ORGANISATIONAL UPDATE



10 December 2018

Louisa Burdett

CFO effective 1 Jan

- Experience in high-IP, long cycle businesses:



Brambles



- Non-Executive Director and Chair of the Audit Committee of Electrocomponents plc



New organisation

Key design principles

- Increase our alignment with customers
- Ensure continued focus on innovation
- Better leverage benefits of scale
- Minimise transition risk

Compelling industrial logic behind transition
to a customer aligned structure

New divisions

Four customer-aligned businesses



Airframe
Systems



Engine
Systems



Energy &
Equipment



Services &
Support

Airframe Systems

Six product groups



BRAKING SYSTEMS

- #1 in regional, business jet and military brakes
- Growing position in large jets



FIRE PROTECTION & SAFETY SYSTEMS

- #1 in fire suppression and detection systems



POWER & MOTION

- Established positions in power storage and conversion
- Growing actuation capability



FUEL SYSTEMS & COMPOSITES

- #1 in military fuel containment
- Composite radomes, ice protection and complex structures



AVIONICS & SENSORS

- Strong capability in inertial sensing
- Growing share in standby displays



POLYMER SEALS

- Broad range of aerodynamic seals
- Strong manufacturing and materials IP

Airframe Systems

Key platforms and customer relationships



Large Jets
(Single Aisle)

A32X
A220
B737
C919



Large Jets
(Twin Aisle)

A350
A380
B787
B777
B747



Regional Aircraft

CRJ
E170/190
ATR72
ARJ21
SJ100



Business Jets

G650
G-V
Global 7000/8000
Challenger 600
Falcon 7X/8X
Legacy 450/500
Citation



Military
(Fighter Jets)

F-35 Lightning
F-15 Eagle
F-16 Falcon
F/A-18 Hornet
Typhoon
Gripen
Rafale



Military
(Helicopters)

V-22 Osprey
H-60 Black Hawk
CH-47 Chinook
H-64 Apache
NH90
AH-1 Cobra



Military
(Other)

A400M Atlas
Hawk
P-8 Poseidon
B-1B Lancer
KC-135 Stratotanker

AIRBUS

BOMBARDIER

EMBRAER

LOCKHEED MARTIN

MITSUBISHI AIRCRAFT CORPORATION

TEXTRON

BAE SYSTEMS



COMAC



DASSAULT AVIATION

Gulfstream

LEONARDO

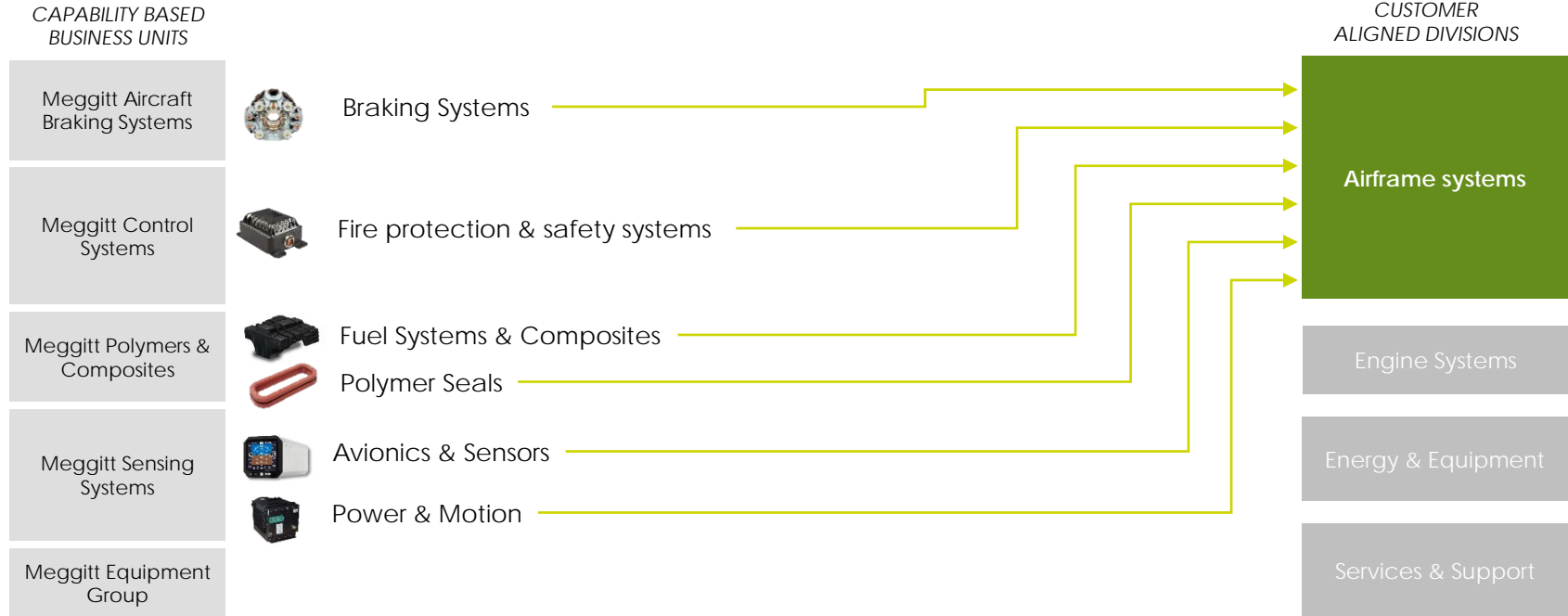


SAAB

UAC UNITED AIRCRAFT CORPORATION

Airframe Systems

Mapping product groups



Engine Systems

Four product groups



ENGINE SENSORS

- #1 position in aerospace sensing and monitoring
- Significant expertise in high temperature vibration monitoring and engine management



FLOW CONTROL

- #2 in engine valves
- Strong positions in bleed air, engine clearance and combustion control applications



THERMAL MANAGEMENT

- #2 in engine thermal management
- Key capability in liquid / liquid heat exchangers (e.g. fuel oil)



ENGINE COMPOSITES

- Leading independent supplier of high temperature engine composites
- Extensive manufacturing and process know-how underpins competitive position

Engine Systems

Key platforms and customer relationships

Commercial (Widebody)

GE9X (GE)
GEnx (GE)
GE90 (GE)
GP7200 (GE / Pratt & Whitney)
Trent XWB (Rolls Royce)
Trent 1000 (Rolls Royce)
Trent 7000 (Rolls Royce)
Trent 900 (Rolls Royce)

Business Jet

BR725 (Rolls Royce)
GE Passport 20 (GE)
HF120 (GE Honda)
HTF7000 (Honeywell)
PW800 (Pratt & Whitney)
PW300 (Pratt & Whitney)
PW600 (Pratt & Whitney)

Commercial (Narrowbody)

PurePower (Pratt & Whitney)
Leap (GE / Safran)
CFM-56 (GE / Safran)
V2500 (Pratt & Whitney)

Military

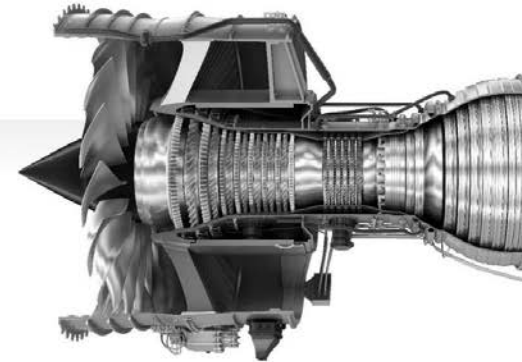
F-135 (Pratt & Whitney)
T700 (GE)
RTM322 (Rolls Royce / Safran)
F414 (GE)
T55 (Honeywell)
M88 (Safran)
GE38 (GE)
AET406 (Rolls Royce)
EJ200 (Rolls Royce, Avio, MTU, ITP)



Honeywell

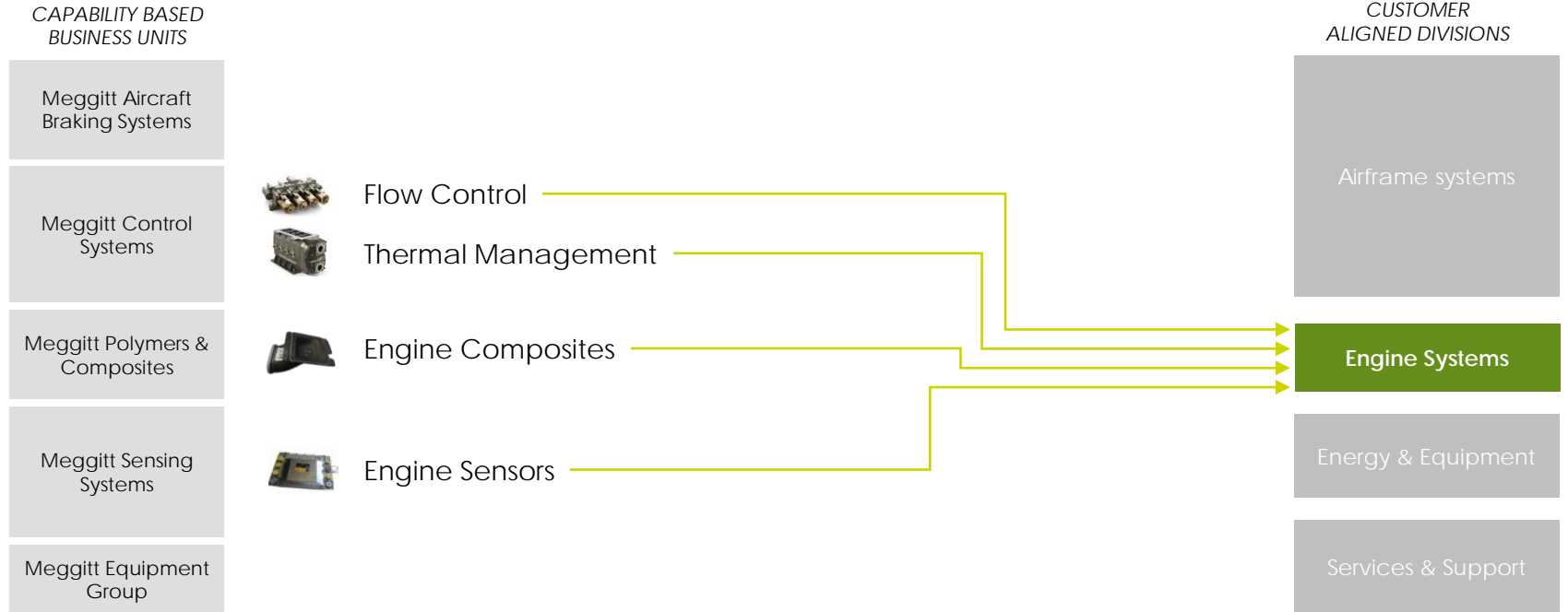


Avio



Engine Systems

Mapping product groups



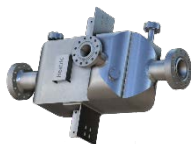
Energy & Equipment Group

Five product groups



ENERGY SENSORS & CONTROLS

- Sensing and condition based monitoring for a broad range of energy infrastructure
- Control valves for industrial gas turbines



HEATRIC

- Printed circuit heat exchangers (PCHEs) which provide significant size and performance improvements over to traditional shell & tube technology



INDUSTRIAL EQUIPMENT

- High performance sensors for test & measurement applications
- Ground fuelling equipment



TRAINING SYSTEMS

- Live fire and simulation weapons training systems for defence forces and law enforcement
- System of record for US Army and Marine Corps



DEFENSE SYSTEMS

- Significant capability in ammunition handling, environmental control systems, scoring and countermeasures

Energy & Equipment

Example customers

Energy



SIEMENS



Solar Turbines

A Caterpillar Company

PETROBRAS



Defence



NORTHROP GRUMMAN



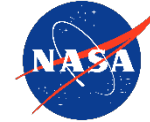
Canada

GENERAL DYNAMICS

Raytheon



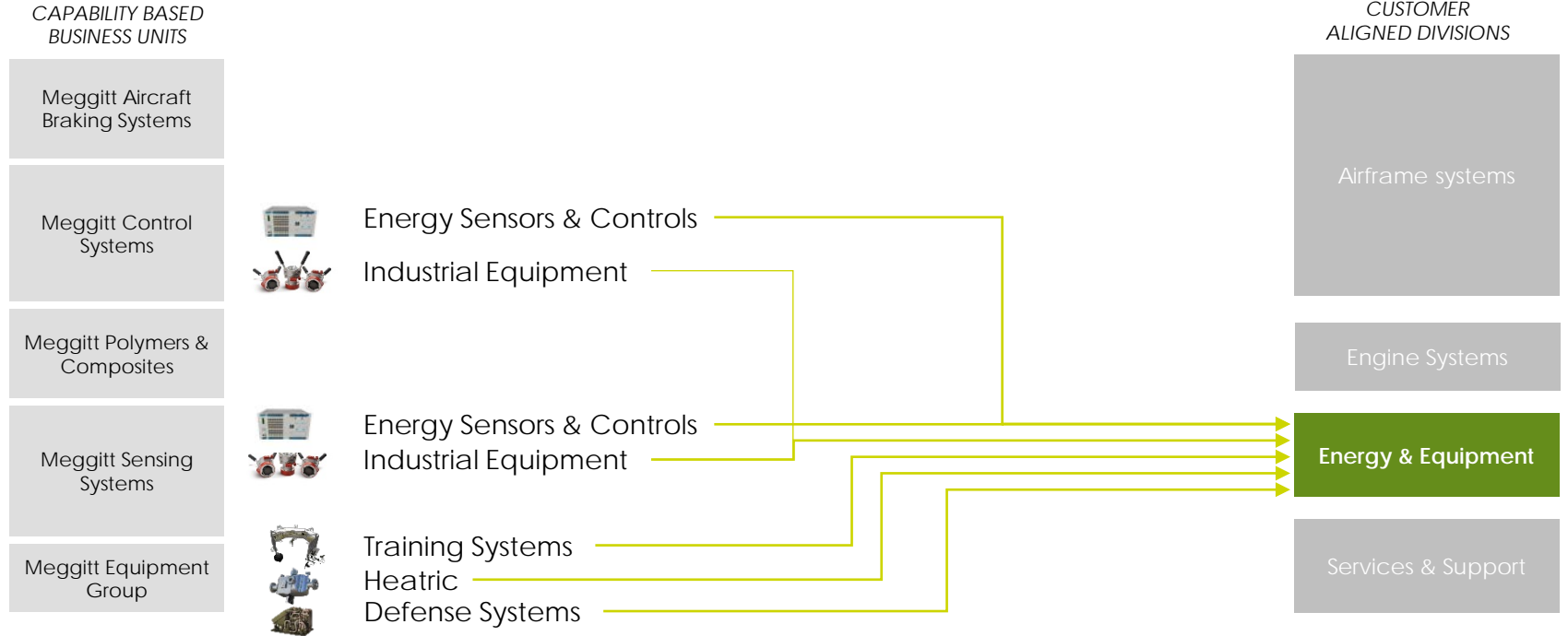
Other



Boston Scientific

Energy & Equipment

Mapping product groups



Services & Support

Full service aftermarket organisation: transaction to partnership

- Installed base of 70k military and civilian aircraft equipped with Meggitt products and technologies
- Global reach through a network of distribution and repair hubs, including authorised repair stations and distribution partners
- 24/7 customer response centre
- Smart Support proposition to create better value for target customers across all Meggitt capabilities



Services & Support

Routes to market and example customers

Airlines



MRO Integrators



Distributors



Services & Support

Global spares distribution and repair network

US Hubs ●

Miami, FL

Ventura County, CA

Europe Hub ●

Coventry / Ansty Park (from 2020)

Asia Pacific Hub ●

Singapore

Authorised Repair Stations ●

Kansas

Montreal

Sao Paulo

Sydney

Tokyo



Revenue modelling

Market matrix



End Market (% of H1 2018 external revenue)	Airframe Systems	Engine Systems	Energy & Equipment	Services & Support	GROUP
Civil OE	25%	39%	3%	-	23%
Civil AM	27%	1%	-	81%	32%
Defense	30%	20%	50%	18%	34%
Energy / Other	3%	10%	40%	-	11%
Intercompany	14%	30%	7%	1%	-

Income statement

H1 2018 restated



£m H1 Restated	Airframe Systems	Engine Systems	Energy & Equipment	Services & Support	GROUP
Revenue	523	201	171	193	1,100 ¹
Intercompany Revenue	(74)	(61)	(11)	(2)	(148)
External Revenue	449	140	160	191	952¹
Operating Profit	97	12	11	31	151
Operating Margin	21.5%	8.2%	6.9%	16.5%	15.8%
Key profit drivers	<i>High margin brakes and fire protection product groups</i>	<i>Current margins suppressed by Composites site</i>	<i>Lower margin energy business and price constrained military business</i>	<i>Margin comparable with pure-play MRO / spares distribution providers</i>	

¹ Includes £12m of disposed revenue

Q&A



Airframe
Systems



Engine
Systems



Energy &
Equipment



Services &
Support

APPENDIX

Airframe Systems

Global footprint

US Sites

Akron, OH
Baltimore, MD
Danville, KY
McMinnville, OR
Portland, OR
Rockmart, GA
Tucson, AZ
Ventura County, CA

Europe Sites

Archamps, France
Avrille, France
Coventry / Ansty Park(from FY20), UK
Fareham, UK
Fribourg, Switzerland
Loughborough, UK
Toulouse, France

RoW Sites

Queretaro, Mexico
Dong Vai, Vietnam
Xiamen, China



Engine Systems

Global footprint

US Sites

Cincinnati, OH
Erlanger, KY
North Hollywood, CA
San Diego, CA
Troy, IN

Europe Sites

Basingstoke, UK Closing 2019
Birmingham, UK Ansty Park(from FY20)
Coventry, UK Ansty Park(from FY20)
Fribourg, Switzerland

RoW Sites

Saltillo, Mexico
Dong Nai, Vietnam



Energy & Equipment

Global footprint

US Sites

Irvine, CA
Orange County, CA
San Diego, CA
Suwanee, GA

Europe Sites

Fribourg, Switzerland
Poole, UK

RoW Sites

Xiamen, China

