



# Spirit AeroSystems Holdings, Inc. First Quarter 2011 Performance Review

**Jeff Turner**

President and Chief Executive Officer

**Phil Anderson**

Senior Vice President and Chief Financial Officer

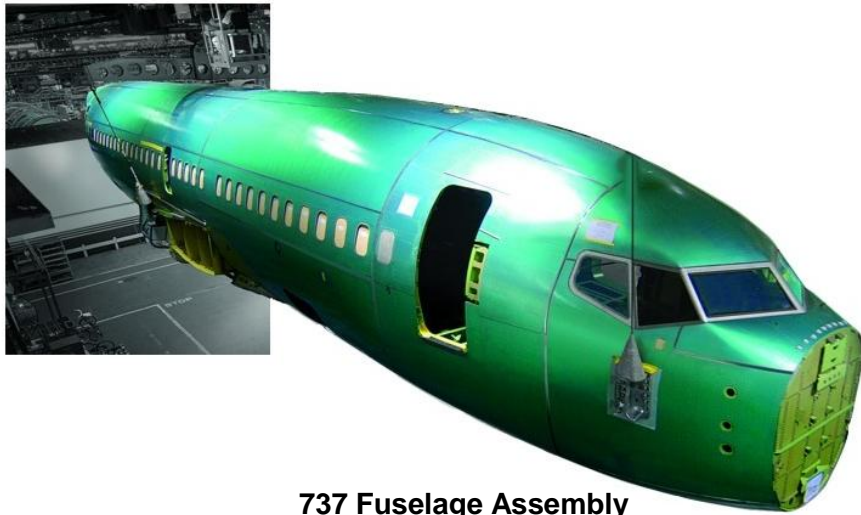
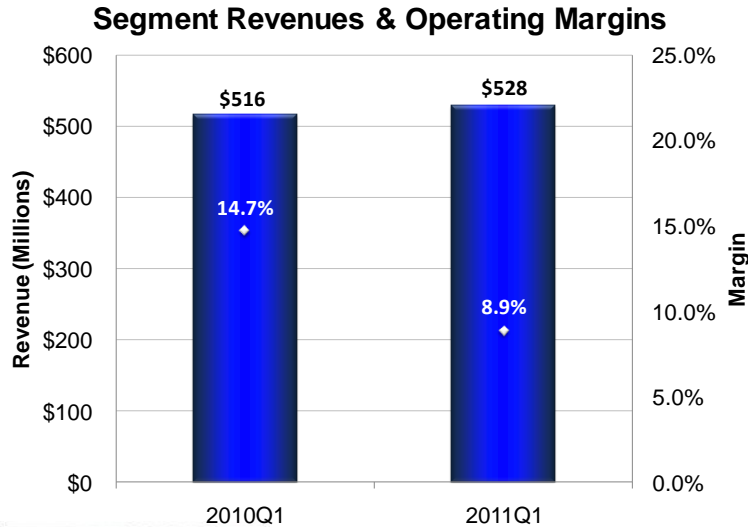
May 5, 2011

# First Quarter 2011 Summary

- **Core business performing well**
- **Executing planned production rate increases**
- **Focused on execution and customer commitments**
- **Healthy large commercial market outlook**
- **Substantial backlog at over \$28 billion**

***Strong Core Business...Developing New Products***

# Fuselage Systems



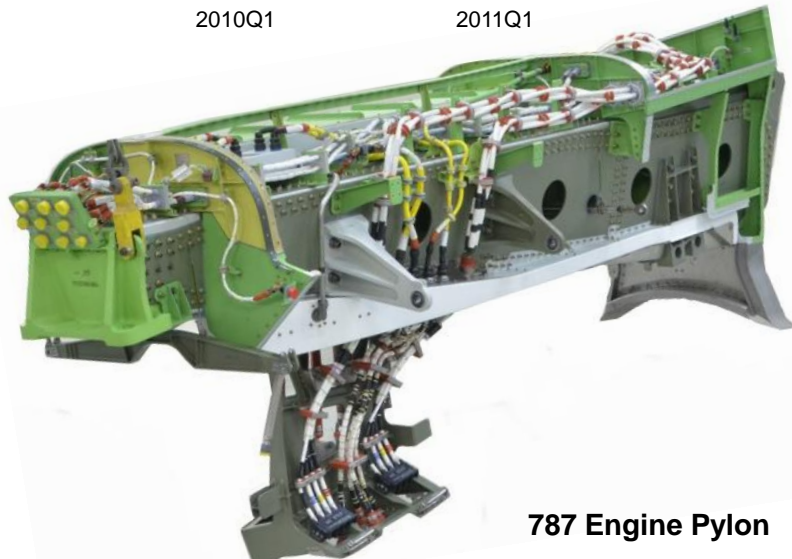
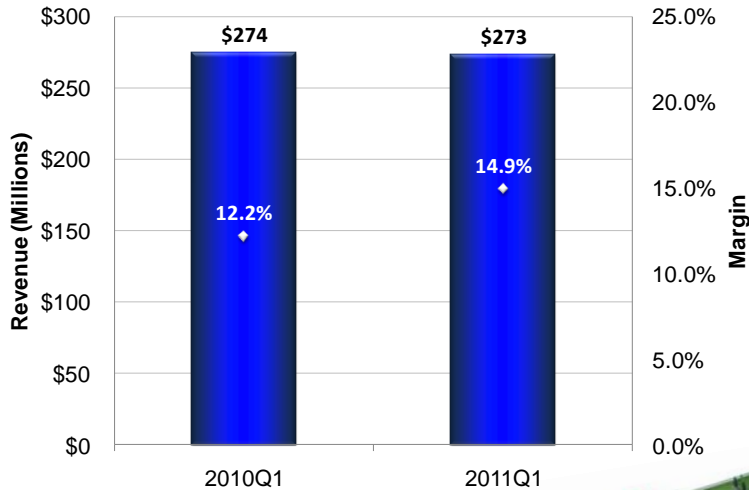
737 Fuselage Assembly

- Executed well on core production volumes...margin impacted by \$28M CH-53K charge
- Delivered unit 3,600 737 Next Generation fuselage
- Delivered 787 forward fuselage number thirty-seven
- Delivered twenty-seventh 747-8 forward fuselage
- Continued progress on development programs

***Focused on Customers, Productivity, & Efficiency***

# Propulsion Systems

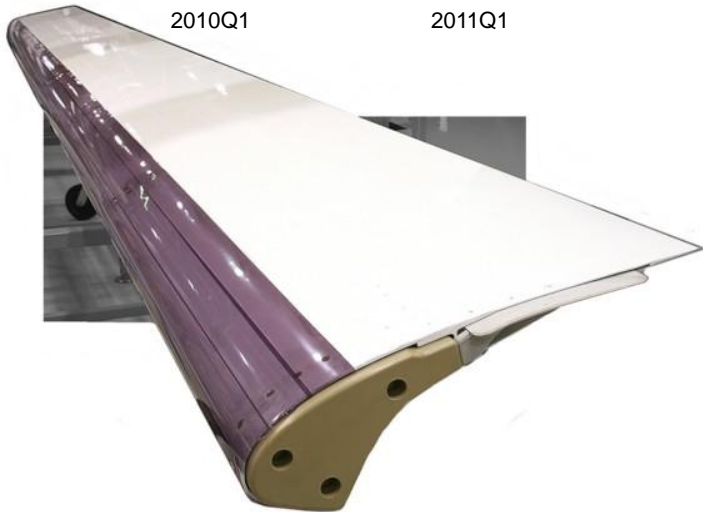
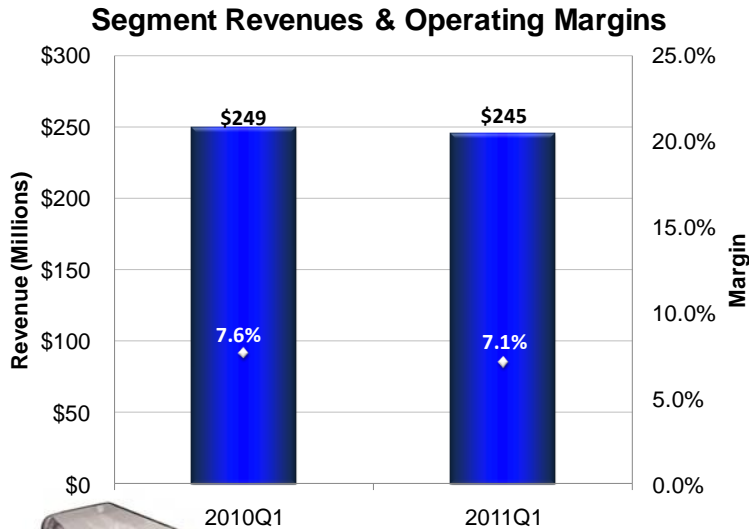
Segment Revenues & Operating Margins



787 Engine Pylon

- Executed well on core production volumes
- Delivered unit 3,600 for 737 Next Generation Pylon and Thrust Reverser
- Shipped thirty-ninth 787 Engine Pylon
- Delivered twenty-third 747-8 Pylon shipset
- Supporting new program development and test phases

***Focused on Customers, Productivity, & Efficiency***



737 Movable Leading Edge Wing Assembly

- Executed well on core production volumes
- Delivered 4,700<sup>th</sup> A320 Wing components
- Delivered unit 3,600 for 737 Next Generation Slats / Flaps
- Shipped twenty-seventh 747-8 Fixed Leading Edge Wing section
- Delivered unit forty 787 slats
- Continued to progress on development programs

***Focused on Customers, Productivity, & Efficiency***



# Spirit AeroSystems Holdings, Inc. First Quarter 2011 Financial Results

**Phil Anderson**

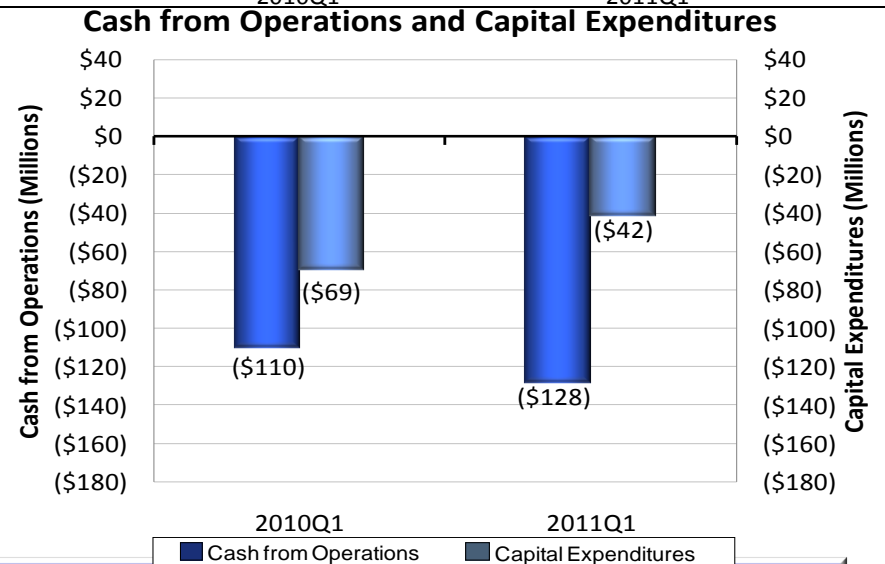
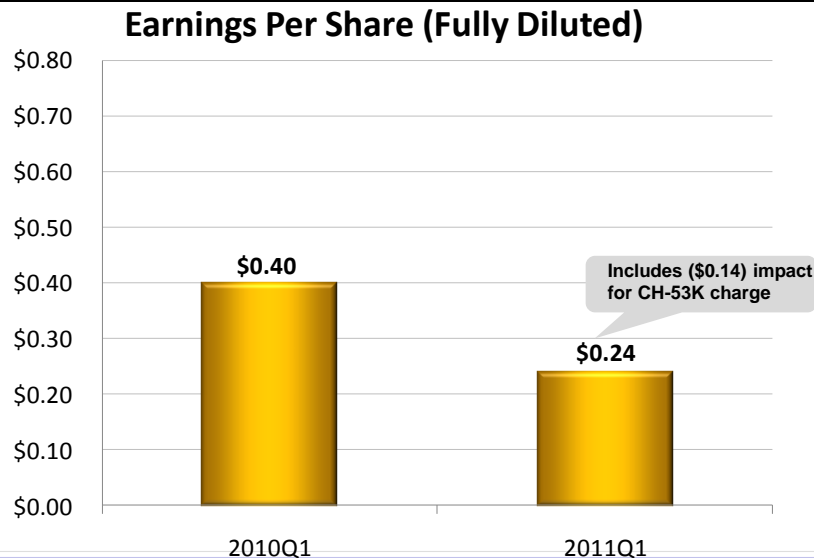
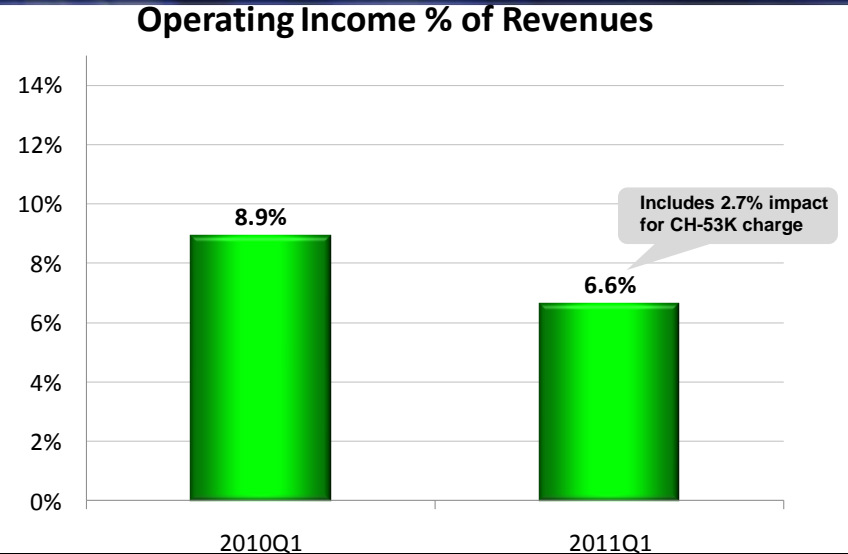
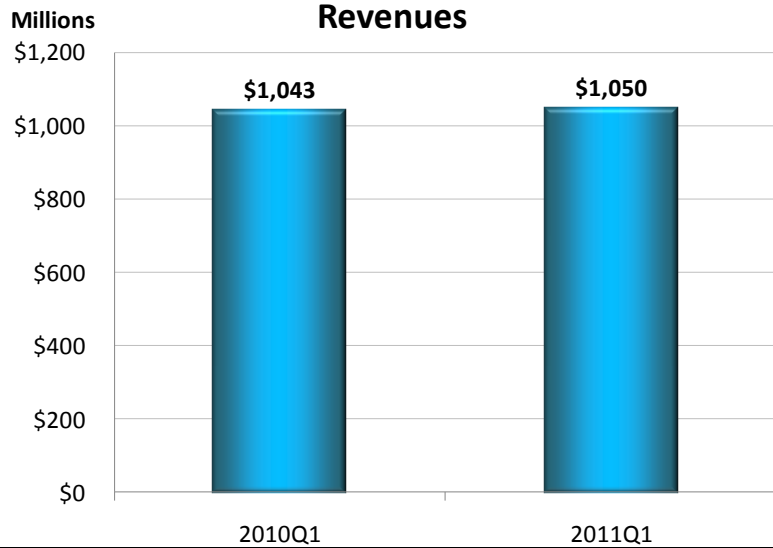
Senior Vice President and Chief Financial Officer

May 5, 2011





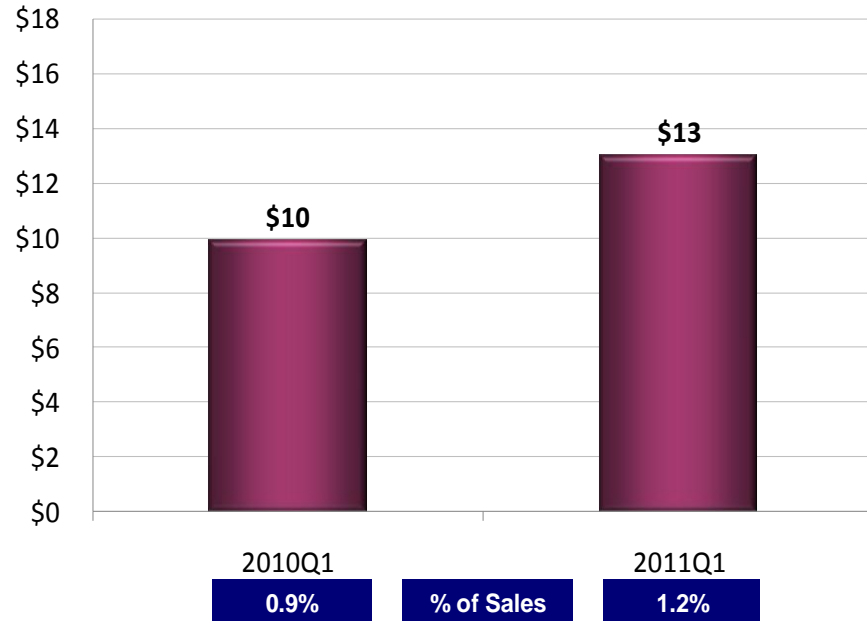
# First Quarter 2011 Financial Highlights



**Continuing to Invest in Our Future**

# First Quarter 2011 Period Expenses

**Research & Development Expense (Millions)**



**S G & A Expense (Millions)**

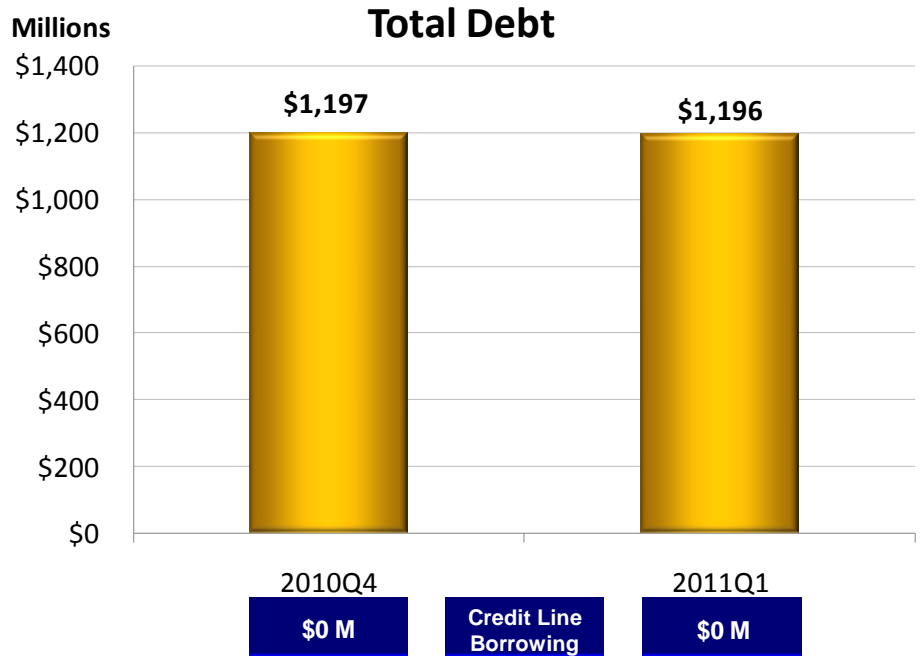
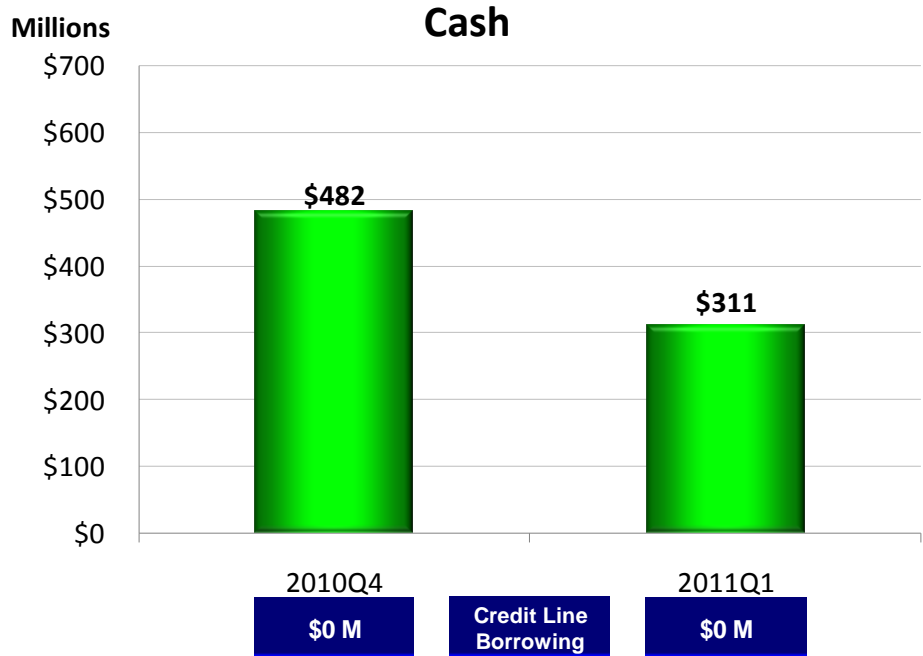


***Disciplined Expense Management***



# Cash and Debt Balances

**Credit Ratings**  
**S&P:** BB  
**Moody's:** Ba2

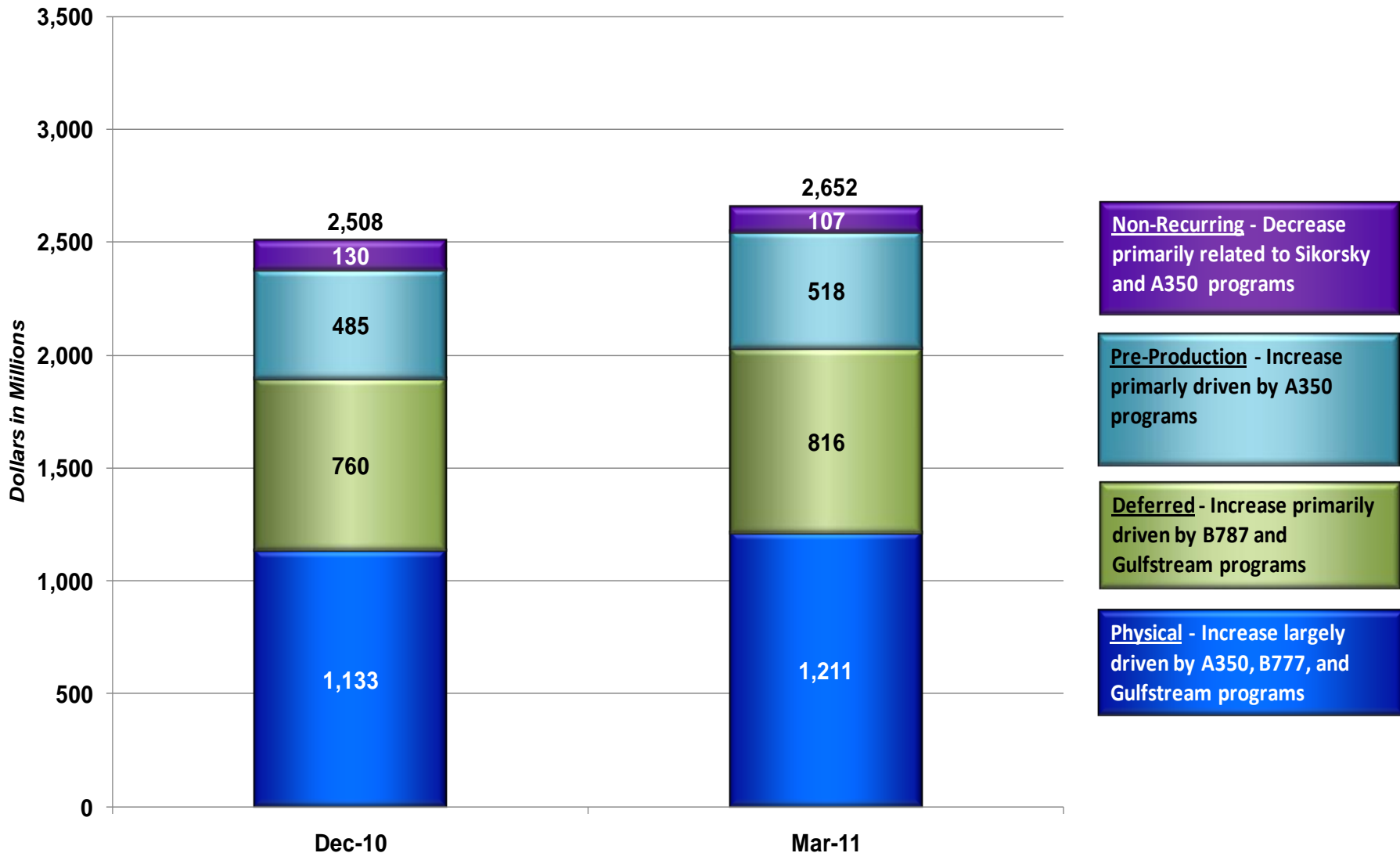


▪ \$650 million undrawn credit-line at 3/31/2011

▪ As of 3/31/2011, Total Debt/Total Capital = 39%

**Strong Liquidity...Proactively Managing Capital Structure**

# Inventory



*Reinvesting for Growth and Diversification*



# 2011 Financial Guidance

*Financial Guidance Issued on May 5, 2011*

|                                    | <u>2010 Actual</u> | <u>2011 Guidance</u>  |
|------------------------------------|--------------------|-----------------------|
| Revenues                           | \$4.2 billion      | \$4.5 - \$4.7 billion |
| Earnings Per Share (Fully Diluted) | \$1.55             | \$1.70 - \$1.90       |
| Effective Tax Rate                 | 26.3%              | 31% - 32%             |
| Cash Flow from Operations          | \$125 million      | ~\$75 million         |
| Capital Expenditures               | \$288 million      | ~\$325 million        |

***2011 Guidance Unchanged***

# Closing Comments

- **Core business remains strong with faster rates ahead**
- **Moving forward on development programs**
- **Focused on execution and customer commitments**
- **Strong demand for core products**
- **Continued to execute our long-term strategy**

# Forward-Looking Information

## **Cautionary Statement Regarding Forward-Looking Statements:**

This presentation contains “forward-looking statements.” Forward-looking statements reflect our current expectations or forecasts of future events. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “intend,” “estimate,” “believe,” “project,” “continue,” “plan,” “forecast,” or other similar words, or the negative thereof, unless the context requires otherwise. These statements reflect management’s current views with respect to future events and are subject to risks and uncertainties, both known and unknown. Our actual results may vary materially from those anticipated in forward-looking statements. We caution investors not to place undue reliance on any forward-looking statements. Important factors that could cause actual results to differ materially from those reflected in such forward-looking statements and that should be considered in evaluating our outlook include, but are not limited to, the following: our ability to continue to grow our business and execute our growth strategy, including the timing and execution of new programs; our ability to perform our obligations and manage costs related to our new commercial and business aircraft development programs and the related recurring production; potential reduction in the build rates of certain Boeing aircraft including, but not limited to, the B737 program, the B747 program, the B767 program and the B777 program, and build rates of the Airbus A320 and A380 programs, which could be negatively impacted by continuing weakness in the global economy and economic challenges facing commercial airlines, and by a lack of business and consumer confidence and the impact of continuing instability in the global financial and credit markets, including, but not limited to, sovereign debt concerns in Europe; the inability to resolve significant claims with Boeing related to non-recurring and recurring costs on the B787 program; declining business jet manufacturing rates and customer cancellations or deferrals as a result of the weakened global economy; the success and timely execution of key milestones such as certification and delivery of Boeing’s new B787 and Airbus’ new A350 XWB aircraft programs, including first flight for the Airbus A350 XWB, receipt of necessary regulatory approvals and customer adherence to their announced schedules; our ability to enter into supply arrangements with additional customers and the ability of all parties to satisfy their performance requirements under existing supply contracts with Boeing and Airbus, our two major customers, and other customers and the risk of nonpayment by such customers; any adverse impact on Boeing’s and Airbus’ production of aircraft resulting from cancellations, deferrals or reduced orders by their customers or from labor disputes or acts of terrorism; any adverse impact on the demand for air travel or our operations from the outbreak of diseases or epidemic or pandemic outbreaks; returns on pension plan assets and impact of future discount rate changes on pension obligations; our ability to borrow additional funds or refinance debt; competition from original equipment manufacturers and other aerostructures suppliers; the effect of governmental laws, such as U.S. export control laws and anti-bribery laws such as the Foreign Corrupt Practices Act, environmental laws and agency regulations, both in the U.S. and abroad; the cost and availability of raw materials and purchased components; our ability to successfully extend or renegotiate our primary collective bargaining contracts with our labor unions; our ability to recruit and retain highly skilled employees and our relationships with the unions representing many of our employees; spending by the U.S. and other governments on defense; the possibility that our cash flows and borrowing facilities may not be adequate for our additional capital needs or for payment of interest on and principal of our indebtedness and the possibility that we may be unable to borrow additional funds or refinance debt; our exposure under our existing senior secured revolving credit facility to higher interest payments should interest rates increase substantially; the effectiveness of our interest rate and foreign currency hedging programs; the outcome or impact of ongoing or future litigation and regulatory actions; and our exposure to potential product liability and warranty claims. These factors are not exhaustive and it is not possible for us to predict all factors that could cause actual results to differ materially from those reflected in our forward-looking statements. These factors speak only as of the date hereof, and new factors may emerge or changes to the foregoing factors may occur that could impact our business. As with any projection or forecast, these statements are inherently susceptible to uncertainty and changes in circumstances. Except to the extent required by law, we undertake no obligation to, and expressly disclaim any obligation to, publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should review carefully the section captioned “Risk Factors” in our 2010 Form 10-K for a more complete discussion of these and other factors that may affect our business.



