



# **SPIRIT AEROSYSTEMS HOLDINGS, INC FOURTH QUARTER AND FULL-YEAR 2006 PERFORMANCE REVIEW**

**Jeff Turner**

President and Chief Executive Officer

**Rick Schmidt**

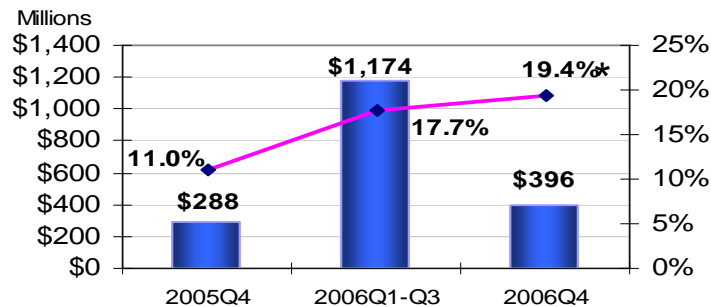
Chief Financial Officer

February 08, 2007

- ***Strong operational performance*** across segments... ***Supported customers*** with increased unit deliveries
- ***Expanded our customer base...*** ***Won new business*** from existing customers and gained new customers
- Began ***establishing ourselves in new markets segments...***  
Established ***international operations*** in Europe
- Continued to ***invest in next generation technologies***, while ***improving our low cost structure***
- ***Successful Initial Public Offering***

***Executing our strategy... Strong performance***

**Revenues & Adjusted Segment Margins**

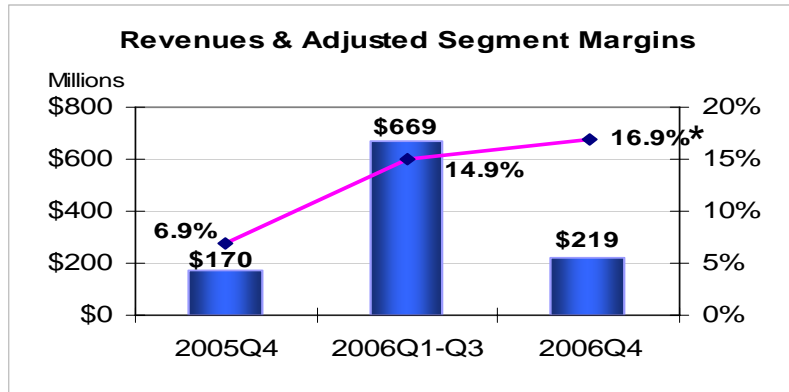


**737 Production**

- **Delivered 1<sup>st</sup> 737-900ER (extended range) fuselage**
- **Delivered 2000<sup>th</sup> 737 Next Generation Fuselage**
- **Delivered 600<sup>th</sup> 777 Forward Fuselage**
- **Built and shipped 5 Wedge Tail Peace Eagle units**
- **Successfully managed rate increases on 737 and 777... Increased margins**

***Exceptional performance while meeting customers increased demand***

\*Adjusted segment margin is a non-GAAP measure. Definitions, reconciliations and further disclosures regarding non-GAAP measures are provided in the company's earnings press release dated February 8, 2007.

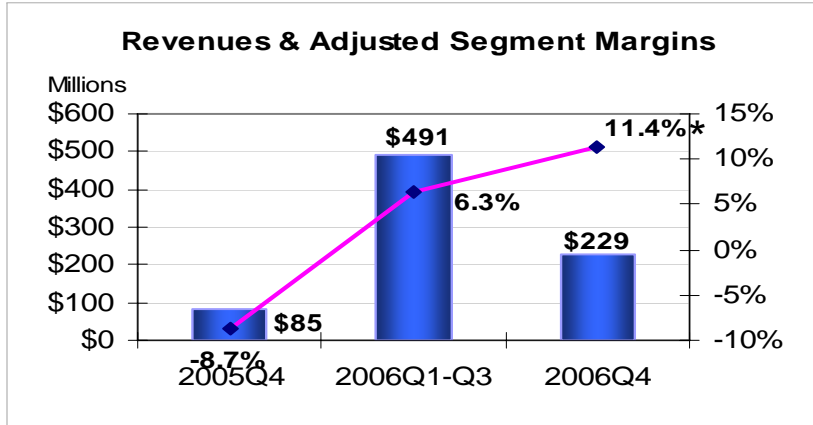


777 Thrust Reverser

- Delivered the 1<sup>st</sup> 787 Rolls Royce Pylons
- Delivered the 1<sup>st</sup> 787 GE Pylon
- Awarded new customer nacelle program and engine build-Up
- Awarded 747-8 Pylon and Nacelle... Additional work statement
- Delivered 2000th Unit of 737 Strut and Thrust Reverser
- Increased production rates and margins

**World class propulsion technology... Expanding into new market segments**

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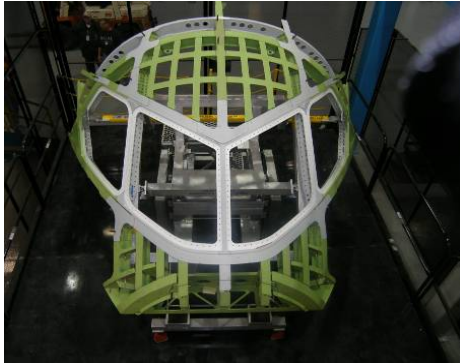


Spirit Europe

- **Acquired Spirit Europe... Successful integration to-date**
- **Delivered 3000<sup>th</sup> A320 components and increased production rates**
- **Delivered the 1<sup>st</sup> 787 Wing Fixed Leading Edge**
- **Added new customer programs**
- **Increased production rates and margins**

***Growing the business... Expansion into Airbus products***

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Cockpit Structure



Cockpit Structure Installed



Wing Leading Edge  
Integration



Engine Pylon

- Excellent progress...
  - Completed three contoured fuselage test barrels
  - Delivered four engine pylons
  - Delivered the first wing fixed leading edge
  - Delivering on or before customer need dates
- Production concepts and processes being tested and refined
- Units for initial flight test aircraft are in production
- Working closely with customer to achieve program requirements

***A Leader in composite technology... Customer focused execution plan***



# FINANCIAL UPDATE

**Rick Schmidt**  
Chief Financial Officer

February 08, 2007



# 2006 Financial Summary

- **Strong top-line performance**
  - Reported Q4 revenues \$852M, up 53% over Q4 2005
- **Solid operating margins across the business**
  - Q4 Adjusted Pre-tax margins\* 10.4% and full-year adjusted Pre-tax margins\* 8.2%
- **Excellent operating cash flow**
  - Reported cash flow from operations \$272M, includes \$191M cash outflow related to IPO
- **Healthy balance sheet**
  - \$184M cash balance
  - \$100M debt reduction... Improved debt to total capital ratio from 69% to 42%
  - Expanded revolver capacity to \$400 million
  - Upgraded by S&P and Moody's
- **Forecasting 25% revenue growth and increasing operating margins in 2007**

*Financially strong*

\*Adjusted pre-tax margins are non-GAAP measures. Definitions, reconciliations and further disclosures regarding these non-GAAP measures are provided in the company's earnings press release dated February 8, 2007.





# 2006 Financial Results

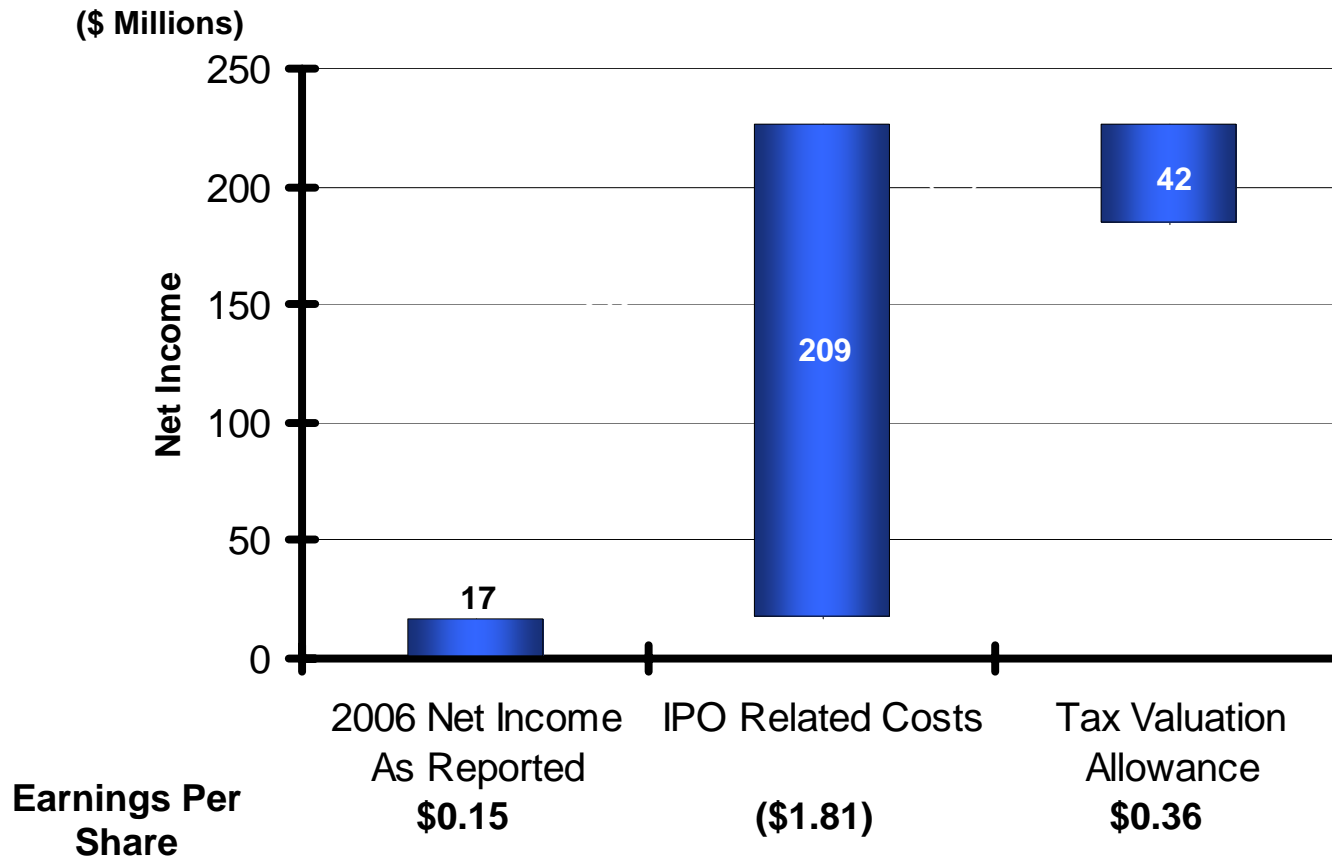
(Millions)	<u>2006Q3</u>	<u>2006Q4</u>	<u>Full Year 2006</u>
<b>Revenues</b>	<b>\$830</b>	<b>\$852</b>	<b>\$3,208</b>
<b>Pre-tax Income</b>	<b>73</b>	<b>(245)</b>	<b>(72)</b>
<b>Pre-tax Margins</b>	<b>8.8%</b>	<b>-28.8%</b>	<b>-2.2%</b>
<b>Initial Public Offering Expense</b>	<b>-</b>	<b>(\$334)</b>	<b>(\$334)</b>
<b>Adjusted Pre-tax Earnings*</b>	<b>\$73</b>	<b>\$89</b>	<b>\$262</b>
<b>Adjusted Pre-tax Margins*</b>	<b>8.8%</b>	<b>10.4%</b>	<b>8.2%</b>

***Top-line growth... Increased profitability***

\*Adjusted pre-tax margins and earnings are non-GAAP measures. Definitions, reconciliations and further disclosures regarding these non-GAAP measures are provided in the company's earnings press release dated February 8, 2007.



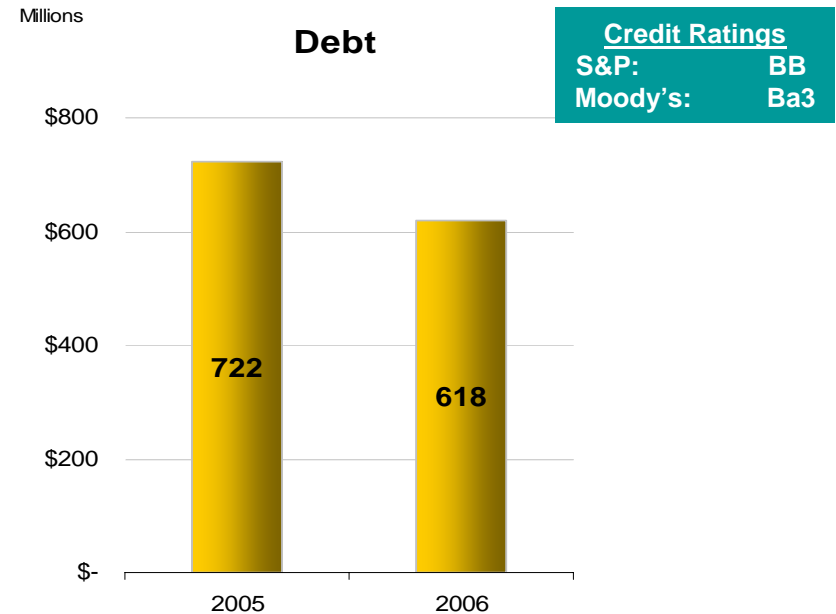
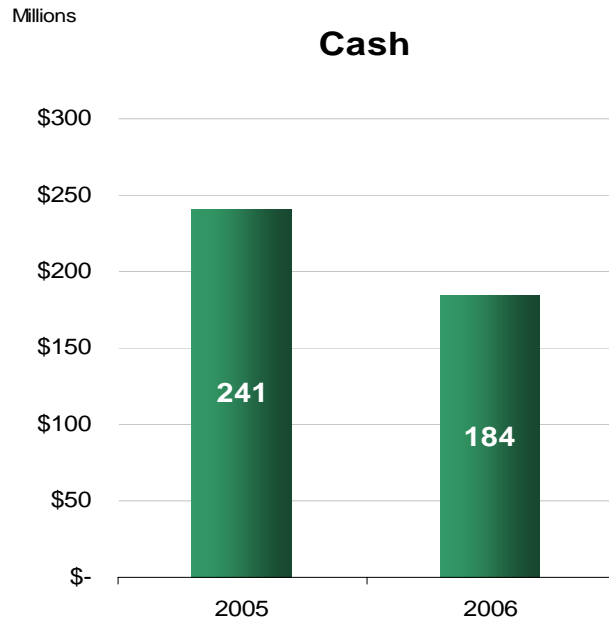
# 2006 Full-Year Net Income



*Non-recurring items in 4Q2006 impacted full-year results*



# Year-End Cash and Debt Balances



- Cash from Operations \$272M including \$191M cash outflow related to IPO
- IPO net cash outflow \$42M
- Acquisition of Spirit Europe \$145M
- Cap Ex of \$343M primarily for 787

- Debt reduction \$104M
- Restructured debt agreements... Lowered interest rate, reduced covenants
- Increased credit facility to \$400M
- Upgraded by rating agencies

***Healthy balance sheet... Strong liquidity***



# Full-Year Cash Flow

\$ Millions	2005 <sup>1</sup>	2006
Net Earnings	\$ (90)	\$ 17
Depreciation and Amortization	\$ 32	\$ 63
Other non-cash items	\$ 25	\$ 161
Working Capital (Increase)/Decrease	\$ 44	\$ (205)
Customer Advances	\$ 200	\$ 400
IPO Cash Outflow	\$ -	\$ (191)
Other	\$ 13	\$ 27
<b>Operating Cash Flow</b>	<b>\$ 224</b>	<b>\$ 272</b>
Capital Expenditures	\$ (145)	\$ (343)

<sup>1</sup> Spirit's 2005 full-year was from June 17, 2005 through December 29, 2005

## 2005

- Divested from Boeing
- 787 advance payments

## 2006

- BAE Prestwick acquisition
- Successful IPO
  - Debt reduction
  - Union Equity Participation disbursements
- 787 advance payments

**Healthy cash flow from operations... Investing to grow!**



## 2007 Financial Guidance

<b>Revenues</b>	\$4.0B - \$4.1B
<b>Operating Earnings</b>	\$400M - \$420M
<b>% of Revenues</b>	9.8% - 10.5%
<b>Depreciation and Amortization</b>	\$120M - \$125M
<b>Earnings Per Share (Fully Diluted)</b>	\$1.80 - \$1.90
<b>Effective Tax Rate</b>	~34%
<b>Cash Flow from Operations</b>	+ / - \$280M
<b>Capital Expenditures</b>	+ / - \$300M
<b>Customer Advances</b>	+ / - \$45M

***25% revenue growth in 2007... Growing EPS***

## ***Executing our strategy...***

- ***Delivering on our commitments...*** Customer focused
- ***Growing the business profitably***
- Continuous focus on ***productivity***
- ***Expanding our customer base***
- ***Investing*** in next generation technologies
- Building ***financial strength***

***Executing our strategy for Long-Term Value Creation***



## Forward-Looking Information

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

This presentation includes forward-looking statements that reflect the plans and expectations of Spirit AeroSystems Holdings, Inc. To the extent that statements in this press release do not relate to historical or current facts, they constitute forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “project,” “continue,” or other similar words. These statements reflect Spirit AeroSystems Holdings, Inc.’s current view with respect to future events and are subject to risks and uncertainties, both known and unknown. Such risks and uncertainties may cause the actual results of Spirit AeroSystems Holdings, Inc. to vary materially from those anticipated in forward-looking statements, and therefore we caution investors not to place undue reliance on them. Potential risks and uncertainties include, but are not limited to: our customers’ aircraft build rates; the ability to enter into supply arrangements with additional customers and satisfy performance requirements under existing contracts; any adverse impact on our customers’ production of aircraft; the success and timely progression of our customers’ new programs including, but not limited to The Boeing Company’s 787 aircraft program; future levels of business in the aerospace and commercial transport industries; competition from original equipment manufacturers and other aerostructures suppliers; the effect of governmental laws; the effect of new commercial and business aircraft development programs; the cost and availability of raw materials; the ability to recruit and retain highly skilled employees and relationships with unions; spending by the United States and other governments on defense; the continuing ability to operate successfully as a stand alone company; the outcome of ongoing or future litigation and regulatory actions; and exposure to potential product liability claims. Additional information as to factors that may cause actual results to differ materially from our forward-looking statements can be found in Spirit AeroSystems Holdings, Inc.’s filings with the United States Securities and Exchange Commission. Spirit AeroSystems Holdings, Inc. undertakes no obligation and does not intend to update publicly any forward-looking statements after the date of this presentation, except as required by law.



# APPENDIX

- Income Statement
- SG&A and R&D

February 08, 2007





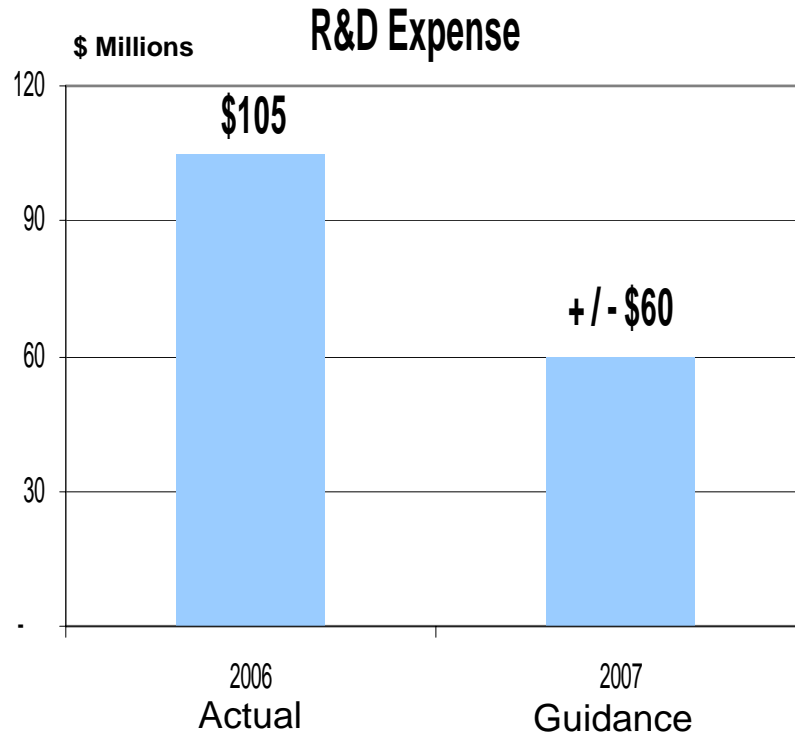
# 2006 Financial Results

Included in As Reported Numbers

(Millions)	Full Year 2006 As Reported	IPO Expense	Tax Valuation Allowance
Revenues	3,208		
Cost of Sales	2,934	(322)	
SG&A Expense	225	(8)	
R&D Expense	105		
Operating Income (Loss)	(56)	(330)	-
Interest expense and financing fee amortization	(50)	(4)	
Interest Income	29		
Other income, net	6		
Pre-tax Income (Loss)	(72)	(334)	-
Income tax provision	88	(125)	42
Net Income (Loss)	17	(209)	42
Weighted Average Basic Shares	115.6	115.6	115.6
Earnings Per Share	0.15	(1.81)	0.36

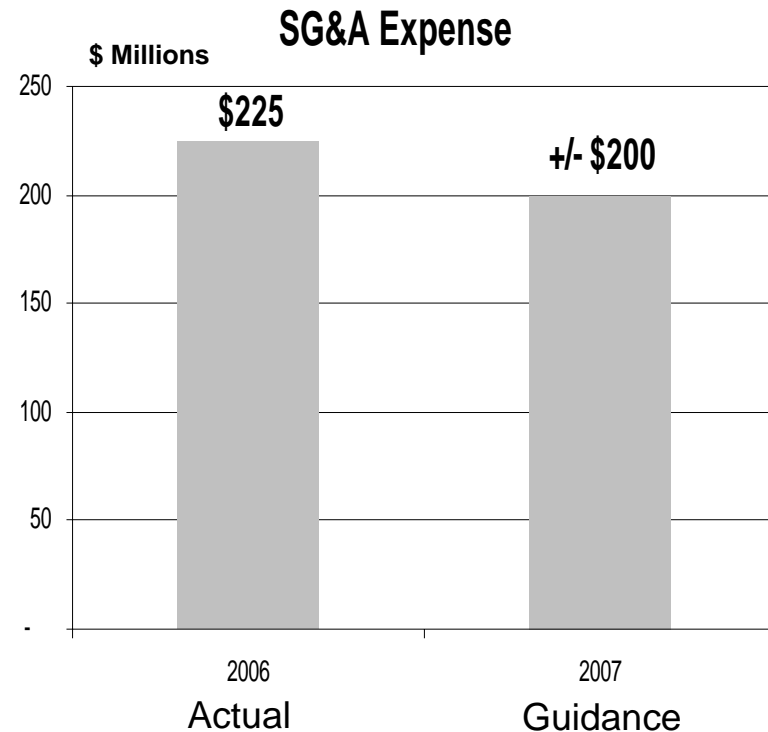


# 2007 R&D and SG&A Expense



## 2007

- 787 R&D \$76M in 2006, zero in 2007
- 2007 includes new programs won to-date



## 2007

- Lower stock compensation expense
- Lower transition expense
- No IPO related expense (\$8M in 2006)