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Spirit AeroSystems Holdings, Inc. (SPR)

Sanford C. Bernstein & Co. Bernstein Strategic Decisions Conference

CORPORATE PARTICIPANTS

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

OTHER PARTICIPANTS

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

MANAGEMENT DISCUSSION SECTION

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Okay. I think we're going to get started even though I think a lot of people are out eating ice cream right now. The – I'm Doug Harned, Bernstein's Aerospace and Defense analyst, and I'm very happy to have with us today, Tom Gentile, the CEO of Spirit AeroSystems. As you have questions, we're doing a fireside chat format again, please, you can use the cards and pass them over. I think Tom is going to say a few words first, and then we'll go into fireside chat. Yeah, that's right.

Thomas C. Gentile

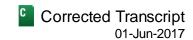
President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

So, thank you very much, Doug. Before we get started, I just have a Safe Harbor statement that I wanted to read. So, before we begin, I need to remind you that any projections or goals we may include in our discussions here are likely to involve risks, which are detailed in our news releases and in our SEC filings. So, thank you very much for that.

And as Doug said, my name is Tom Gentile, I'm the CEO of Spirit AeroSystems, and recently celebrated my first year anniversary at Spirit. So, very thrilled to be here and in this role. And really, I'm more optimistic than ever about the aviation industry. If you look at it, the single, I think, most important measure is looking at air traffic growth. And that's been consistently growing on passengers, and now even cargo, at 5% to 7%. And it looks like it's going to continue well into the future.

And that's driving a huge demand for aircraft. You hear projections like fewer than 10% of the people who, in the population of the world today, have taken their first flight. 100 million new people a year in Asia are taking their first flight. So, that traffic growth is big, and it's driving demand for aircraft. And Boeing and Airbus have both projected almost 40,000 aircraft, large aircraft will be delivered in the next 20 years. And that's driven huge amounts of orders, and it's resulted in really, an unprecedented backlog of more than 12,600 aircraft for Boeing and Airbus.

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And the unique thing about Spirit AeroSystems is we are on every single one of those airplanes. We have work packages on all of them. And we make structures: fuselages, wing components, propulsion, including the nacelle and thrust reversers and pylons. So, that's what we do.

And I always actually have to remind people that we are Spirit AeroSystems, not Spirit Airlines. And even my nine-year-old son was quite disappointed after about eight months, he found out I didn't actually work for an airline.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Have you flown Spirit Airlines?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Spirit Airlines.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Have you flown on that?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

I have, yeah, yeah. But we don't charge for baggage either through our systems. So – but we split off from Boeing back in 2005, and we went public in 2006. So, we've only been an independent company for about 10 years. We celebrated our 10th year on the New York Stock Exchange last year. And, as I said, we have these work packages on all the major programs for Boeing and Airbus, including the ones that are all going up in rates.

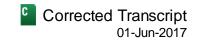
So, 737, for example, we make the entire fuselage. For the wing, we make the flaps and slats, and some of the leading edge and trailing edge components, the pylon, the thrust reversers. So, about 70% of the structure for the 737 is what we build.

And for all the Boeing products, we make generally the front fuselage portion, they call it the Section 41. We make all the pylons, many of the wing components.

And then, for Airbus, we do the leading and trailing edge for the A320. We make the fixed leading edge for the A350, and we also make the Section 15 for the Airbus A350, which is the center part of the fuselage, the big barrel, which includes the wing box. So, we have these large programs for all the major aircraft.

In terms of some of the business stats, we do some work for Bombardier. We make the pylon for the C-Series. We also make the pylon for the MRJ21, and we make the nacelle for the Gulfstream G650. And then we've recently started to expand into defense. We always made the military derivatives for the Boeing commercial aircraft like the Tanker, the KC-46; the P8 as a derivative of the 737, and the Tanker as a derivative of the 767. So, we make large components for those.

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But we've recently expanded into some other military work. We're doing the forward fuselage for the CH-53K, which is the military heavy-lift helicopter. We're also one of the seven suppliers named on the B-21. So, we're very excited about that.

But in my first year, really, the focus that I've had is in four areas. The first is execution and delivery. I mean, it's very important for us as a Tier 1 structures provider to make sure we are meeting the cost quality and delivery requirements of our customers. And we work every day on that. We take great pride in the fact that we have solid relationships with Boeing and Airbus and all of our customers, and have a reputation for being able to deliver.

The other thing that's been very important is to make sure we stabilize the relationship with our biggest customers. Last year, we did a global settlement with Airbus on the A350. We took out a lot of uncertainty. We stabilized that relationship, and it's really starting to pay dividends. We've developed a much stronger relationship. We're working with them on a lot of technical exchanges. We are also getting on some new work with Airbus, and we look forward to continue to grow that relationship.

Boeing is obviously our largest customer. Operationally, things are very strong. We work very hard at the operational level to deliver on all the different programs. We do have some open commercial issues. And I mentioned that – our last earnings call that it's taken longer to resolve those than we expected. We still have some gaps. But even as Dennis Muilenburg mentioned earlier this morning, when you were interviewing him, Doug, both sides remain interested in getting to a deal. It's important for both organizations. They're our biggest customer, by far. We're one of their biggest suppliers. But we want to do a fair and equitable deal. We're going to take our time to do that. We have interim arrangements in place, and we do ring fence the commercial relationship from the operational to make sure that we are going to continue to be a trusted partner and deliver for Boeing.

But the other thing that we're looking at as second big priority is growth and innovation. We do invest some money in R&D to develop the ideas for the next generation structures so that we can win our way on to those programs, whether it's Boeing or Airbus or the defense OEMs. We are also looking at expanding our defense business. And one of the things that we've really focused on recently is our third-party fabrication business.

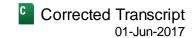
We're already one of the largest component makers in the world. We make 38,000 different parts, machining and sheet metal, skin fabrication processing. Right now, all of that is for internal consumption. In the future, we're going to look to expand that to third parties. We think there's a significant amount of growth in defense, as well as with Boeing and Airbus and even other Tier 1s. So, we see a lot of opportunity for that.

Another area in terms of execution is in our supply chain. Two-thirds of our cost is in indirect and direct materials. And so, we've worked hard to get the right pricing on that. And we can talk more about that later, but we look at clean sheets and reverse engineering our products to figure out what's the right cost, and then we work with our supplier to achieve that.

The other big focus for us recently has been our financial commitments, and making sure that we deliver on those. Several years ago, we weren't generating much cash, but we've significantly improved performance. We've cut cost, improved margins. We're generating a fair amount of cash now.

This year, our guidance was \$450 million to \$500 million of cash flow. We've set a long-term goal of being able to deliver 68% cash flow conversion in terms of revenue, and we've been meeting that at the low end of the range. And our goal now is to become consistent at that. The other thing with cash is we want to return some of that to our shareholders, and in the last couple of years, we've done about \$1 billion of share repurchases. End of last

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year, we initiated our first dividend, and our goal would be to continue to grow that gradually over time, and continue to secure repurchases. We have an authorization of about \$600 million in place today that's open. We did about \$80 million in the first quarter. So, we still have quite a bit left to go on that. And we think we're undervalued in the current market. And so, one of the best returns we can get is to buy our own shares. And so, we intend to continue to do that.

Our growth is going to be organic. We're making a lot of investments in capital to make sure we can go up and raise to meet the new program requirements. We do about \$250 million to \$300 million in capital a year, and that is also a consumer of cash.

In addition to the organic growth, we'll look at inorganic, but it would have to meet our strategic criteria, have to be expanded Airbus content or defense content, or give us better cost for our supply chain. And it have to meet our return thresholds, because right now, as I said, being undervalued, buying our own shares is a very good investment for us.

The fourth area that we've been focusing a lot on is really our people and making sure we're a good contributor to our communities. We have about 15,000 employees globally, and one of the big initiatives we took this past year, my first year as CEO, was to really refresh our values and some of the things that we aspire to be as an organization. And we came up with three new values that we set our aspiration that we want to get better at to get to the next level. It was transparency, collaboration and inspiration. And they sound soft, but all through those, because if we can do them well, it will enable us to continue to innovate and drive down cost and be more productive, and deliver and execute for our customers. And that will make Spirit a better company and ultimately, a better investment as well for our shareholders.

So, with that, Doug, maybe we can start the questions.

QUESTION AND ANSWER SECTION

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Well, I want to start with the topic that is on everyone's mind all the time these days, which is the Boeing-Spirit agreement. And as you say, they're your largest customer, you're their largest supplier. You've got life of program agreements with them on content, yet you've been working on an interim agreement since the contract lapsed. I think it's about three years now.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.



Right. It was a 10-year agreement after the split, and that expired, and then we went into an interim arrangement.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



So, can you give us a little more color on where you are right now, how you frame the issues here? I know you can't go into details about the negotiation itself, but just so we have a better understanding of what you're negotiating in a sense.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.



Right. Well, when the split happened, we were on all the Boeing aircraft at that time. We made significant work packages in terms of different structures, and they set it up originally as all the contracts for life of program, which is great. But the initial pricing period was 10 years. When that expired, we negotiated interim arrangements. And so today, we produce things, we ship them to Boeing, they pay us.

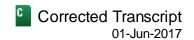
So, operationally, things are continuing. The issue is that we never have agreed on the permit for at least the next tranche of commercial arrangements. And that has created a lot of uncertainty. And it's not healthy really for either organization. So, we've been putting a lot of effort into it.

Really, it gets down to what's the price that Boeing should pay for what we make and deliver to them. And the issues have really centered on the MAX and the 787-9 and -10, because they're derivatives. The original programs, those were set, but the derivatives are particularly challenging to figure out what's the right price to set in the type of relationship we have. And I'll give you an example. On the MAX, for example, it's a bigger engine. The fan is – it got a bigger diameter for better fuel efficiency. I think it's 14% or 15% better.

And the diameter went up from 69 inches to 79 inches, in that range. And so the nacelle and the thrust reverser, therefore, have more material. It's more expensive. And so, there is a lot of technical exchange of data to establish what that additional cost is, the cost.

And then, of course, we have to negotiate what the price should be. And then there's things like taking into account escalation, and then, of course, what's the productivity, the ongoing productivity improvement, which Boeing expects and, of course, we would expect from ourselves.

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So, a lot of detail, a lot of exchange going back and forth. And so, that's what's been going on. The discussions have been constructive. But as I said at the last earnings call, they've taken longer than we expected, and we still have a gap and it's a significant gap. And so, we wanted to be transparent about that, that's why we mentioned it at the last earnings call.

But even since then, we've continued to engage with them. We've made some progress, but the gap still remains and we still have work to do to get to a final agreement.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

And is there any timetable for resolution here? Should we be looking – could this go on for a year or two years in the same state you're in today...

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Right

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

...which sounds like it's - you could continue to work this way and it would be fine and you meet your goals.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Right. We have the interim arrangements in place and they're satisfactory, and they are consistent with the targets that we set for 68% cash conversion. The problem is, is there's an uncertainty. And that uncertainty is certainly an overhang for Spirit. I think it's probably a distraction for Boeing as well. So we want to get it resolved sooner rather than later. There isn't a specific time table, and maybe that's a problem that there isn't a deadline. I mean, often when there's a deadline, you get something done. Here, there isn't a natural forcing mechanism. Other than that, both sides, I think, sincerely want to get to a deal and are working constructively toward that end.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

You mentioned the 6% to 8% cash as a percent of revenue, is free cash flow as a percent of revenues. Would you foresee ending up in a deal that if we went out three years from now, that you'd no longer be able to do that? Or is that an important part of your negotiating position?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

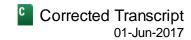
Right. Well, what we've said is we want a fair and equitable deal, and we want a deal that's consistent with our targets and our framework of the 6% to 8%. So, we would seek to negotiate a deal that would preserve our ability to deliver the 6% to 8% cash flow conversion.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Now, if I put that aside for the moment and you think about margins, you've talked about productivity improvements, and if you look at – so the legacy programs, the 737 and also the MAX, and you look at the 777

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going to the 777X, how do you see the margin story from here? Are there opportunities for margin expansion, putting aside anything that might happen with the Boeing contract? How do you look at that?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

A

Right. Well, the first thing is our industry is incredibly competitive right now and there's lots of pressures. And so, our first goal is to offset those pressures and make sure we, at least, keep margins stable. And those pressures include things like escalation on material and on labor. And 0also the supplier pricing pressures that are inevitably there.

I mean, you've heard of Partnership for Success that Boeing has, Airbus has SCOPE+, and we're very familiar with those programs, and they're demanding. And so, all those things put pressure on margins. So, the first thing is to develop enough productivity to offset those pressures, and then to start to expand the margins. And we've been working a lot on digitizing our shop floor. We've been working on our supply chain initiatives. We've been working on innovation and manufacturing process techniques in order to driver those productivities, as well as just pure tightening our belts in our G&A, in our overhead areas.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Now, can those moves also offset any loss of operating leverage as the 777 rate comes down?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.



Right. Well, that's an important thing because the 777 rate was at eight, then it went to seven, and Boeing recently dropped it to five. And it was a mature program, so it's obviously an important revenue and profit generator for Spirit, and that definitely put pressure on us. We're seeing effectively, the full year of that drop this year. And so, that gives us a lot of headwinds. And so, we have to offset that. And that means we have to accelerate our cost reduction programs.

One of the things that we did was we consolidated, for example, the administrative structure of the program architecture, if you will, for all of our wide-body programs on the Boeing program. And that enabled us to get synergies across 747, 777, 767, the Tanker, and into lower cost. And by combining those programs from an overhead structure standpoint, we were able to streamline a lot of the support. So, the quality inspectors, the engineers, mechanical engineers, industrial engineers. So, that was a way to lower cost, because we have to offset that. We've got now fewer units to absorb the fixed cost. And so, that puts pressure on margins if we don't offset it.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

And here, from a Spirit standpoint, you're looking at a five-a-month rate, whereas Boeing will be delivering at a three-and-a-half-month rate, but you're being – you'll get paid for the 777X fuselages that you deliver.

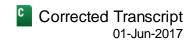
Thomas C. Gentile

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President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Right. Right. And so, our rate is going to be five right through this bridge period. Even though Boeing will be – some of the fuselages we ship to them will be 777X fuselages...

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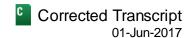


| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
|---|---|
| Yeah. | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A |
| And they will use those for their testing program, and they won't deliver those to curpaid for that five or eight per month. | stomer. But, for us, we will get |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
| And then you also – as you undergo the transition to the MAX, is that something als with respect to margin for you? | so that causes some headwind |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A |
| No. I mean the – well, first of all, the rate is going to go up. | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
| Rate's going to go up, yeah. | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A |
| We're only going to see about half a year of benefit this year from the increase of rajust getting to the 47 right now. We're pretty much there. And this is one of the issue Boeing. There is an incremental work package with the MAX, and we have interimental to finalize that. And so, the baseline is that the margins would stay constant. There targets that we have to achieve, and so we have to continue working to keep that goal is to keep them flat. | es that we're negotiating with pricing arrangements, we need s going to be productivity |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
| But in principle, if things go the way you would expect or hope, you should at least going forward, it sounds like. | see pretty stable margins here |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | А |
| Yes, yes. | - |
| Douglas Stuart Harned | |

Analyst, Sanford C. Bernstein & Co. LLC

Yeah.

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President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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That's certainly the target, and as I said, we'd always like to do better than that, but we have to at least offset the pressures that we have.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Q

Yeah. On the 737 that you – as you go up in rate, so you're at 47, you're headed up to 57. So far, do you have the investments in place that you need to do to go up to that rate?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

A

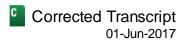
We do. So, it's a couple things. First of all, we don't really need any more bricks and mortar. We have all that. When we first split off from Boeing, for example, we were doing – in our major plant in Wichita, we were doing 21 737s a month. Today, we're doing 47 in the same plant. And we're also doing a lot of wide-body work in there as well. Some of that work, we're shifting to another building on our campus to make room for new equipment to get the rate up on the 737. So, all the buildings are in place. And now, it's a question of getting the capital and installing it, and reconfiguring the lines so that we can run all of the MAXs through and still do all the wide body production. What we have said in terms of guidance is that our capital expenditures are in the \$250 million to \$300 million range. We expect that level to continue for the next few years, and that will encompass all of the investments required to meet the rate requirements.

| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
|---|---|
| Okay. | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A |
| And also to build up on the defense work as well. | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
| And also, on the Boeing 777X, which | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A |
| Correct. | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q |
| that transition as well. | |
| Thomas C. Gentile | Δ |

The same exact thing.

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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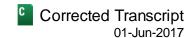


| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q | |
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| Yeah. And just, I'm curious. This morning, Dennis said that Q2 might be a little weaker. One of the issues I know that exists at Boeing is that the MAX, they're just bringing the MAX in now. So that can slow deliveries of 737 to early part of the year. From a Spirit standpoint, your delivery rates on the 737, what does that look like? | | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A | |
| Well, we're at 47 now. And so | | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q | |
| So, you're producing | | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A | |
| We're producing and shipping, and | | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q | |
| Yeah. | | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A | |
| They're probably – as you know, they're not delivering every unit right away to ta slowdown in their deliveries, but not in ours. | he customers. So, there's probably | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q | |
| Not in yours. Yeah. | | |
| Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. | A | |
| So, we're shipping out at the same rate everyday to [indiscernible] (21:09). | | |
| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | Q | |
| Okay. Okay. So, on the 787, this is when you were headed into more pricing stematter, of course, I think even without a new contract in place. | ep-downs on the 787 just as a | |
| Thomas C. Gentile | Λ | |

Yeah. For the -8, that's correct.

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

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Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC

Q

For the -8. Now, what does that mean for your cash flow outlook on the 787?

Thomas C. Gentile

Δ

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Well, when we look at the 787, this is one of the areas where there's still open issues with Boeing, particularly on the -9 and the -10.

As we look forward, the backlog on the 787 right now is about 700 units. And most of those will be -9s and -10s. There are very few -8s left. So, that's going to be the issue, is we got to resolve what the final pricing is on the -9 and the -10. And that will impact – that will obviously have implications for cash flow.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

How different is the work you do on the -9 and the -10 compared to the -8? I would think fairly similar.

Thomas C. Gentile

Δ

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Somewhat similar. Yeah. I mean, different gauges and different sizes and so on.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Q

Yeah.

Thomas C. Gentile

Δ

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

And that's work we have to go through, and the context are a little bit different though between the 787 and the 737.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Okay. And one of the other things that's been – that we've seen with Boeing is they've had an effort to take excess inventory out of the supply chain overall, in other words, duplicate. You may have inventory of fasteners, say, and Boeing may have it and KLX may have it...

Thomas C. Gentile

A

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

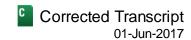
Correct.

Douglas Stuart Harned
Analyst, Sanford C. Bernstein & Co. LLC



...and to try and consolidate that to some extent. Is this something that is positive for you or negative for you?

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Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Α

Those kinds of initiatives would be very positive for us because what we look at – Boeing focuses a lot on flow days. And they look at work in process across the whole system. So, how much work in process do we have in Spirit, how much is in transit, how much is in the Boeing plants.

And they really look at it holistically. They have a lot of programs in place to work with us to consolidate opportunities, to purchase things. They have a TMX program for material. So, they do a lot of work on that.

The other thing is, I think Dennis mentioned his Partnering for Success program. What they have done a lot is reach out to their suppliers to help them think about flow day reductions. They have a Boeing production system. They've hired a lot of people from the auto industry, from Toyota, and they focused on some initiatives to really drive time out of the system, drive inventory out of the system, reduce working capital in the system through a whole bunch of different ways. There's a lot of lean technology, a lot of Six Sigma, but the focus is on how can you achieve the champion time on every task, in every module, in every aircraft. And by doing that, you take flow days out, and by taking flow days out, you take working capital out and you drive down inventory. So, that's one of the real positives from the Partnering for Success program, is that they have been helping us with those kinds of initiatives.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Now, if you go to the Airbus side and you look at Wing Systems and your UK facility in Prestwick, that has tended to have lower margins than your U.S. activity. Can you talk about why that's the case, and what potential there is to improve margins at Prestwick?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.



Well, that's a business that we acquired several years ago from BAE Aerospace Systems (sic) [BAE Systems] (24:33) in Britain. And the margins are lower, and that was just historical when we acquired the business, but what I would say is the team there has done, really, a very good job. We recently did a retroactive since the acquisition to look at how the actual performance on revenue and margins compared to the pro forma when we did the deal. And in both cases, revenues and margins, we have far exceeded the pro forma.

Part of it was that the rate on the A320 went up a lot. So, I think at the time, there was a thought that maybe the A320 would be phased out for a new aircraft, but it didn't happen. The NEO came with a [ph] re-engine (25:11).

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



Yeah

Thomas C. Gentile

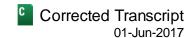
President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

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So, that certainly helped.

But the other thing is the team streamlined costs. They closed a couple of facilities, they shifted work to the best cost countries in terms of competitive supply chain. And they were able to make significant margin improvement.

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So, still not at the level of some of the Wichita programs, but it is markedly improved from when we did the acquisition.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Staying with the Airbus, the A350, can you talk about where you stand now on the A350? They're obviously – early on, there were a lot of challenges with it...

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Right.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

...but it seems like you've made huge progress there.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Right. Well, that was a greenfield facility in two cases. We built a new facility in North Carolina, and we also built a new facility in Saint-Nazaire, France to build the center fuselage and then the fixed leading edge for the wing. And we struggled. Learning a new system, Airbus is a very different company than Boeing; lots of different systems, quality systems, production systems, delivery systems. And so, that took a little bit of time, and we dug ourselves into a hole. And we had a deferred balance of about – deferred inventory of about \$700 million.

And over time, there were two forward losses and about \$250 million that we announced, including when we announced the global settlement. But that stabilized things, and what we've been doing now is working to get down the learning curve on the cost and the hours per unit. So, that at this time, we're positive now. So, we're actually – the cost is below the price that we get.

And now, some of the [ph] course (26:50) is a little choppy because there were some FX in there, but we're basically on the plan to recover now, that \$450 million that was in the deferred inventory. So, it'll be cash flow positive as we go forward.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

So, on the A350, we should expect – over the next few years, we should expect rising cash contributions coming from the A350?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

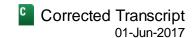
Yes. Yes. Because we'll recover that \$450 million. And it's – we're coming down the learning curve and there's lots of execution challenges, but we're on track with that and we are positive now on that program.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Now, Airbus has had a number of issues in final assembly in Toulouse, [ph] a line-up really to interiors (27:26)...

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Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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Right.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

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...that slowed deliveries a little bit. Has that slowdown in Toulouse had any effect back on you?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.



No. No. I mean, again, that's something that they've managed at the back end of their line. As we think about feeding the front end of their line, the rates have not come down. So, we were at eight. Now, we're at nine. We're moving to 10. Ultimately, they've talked about 13 for the A350, but we're at about nine, about a little bit less than 9.5 right now.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



Okay. And I'm interested, you mentioned the differences in working with Boeing and with Airbus. Maybe you could tell us a little bit about how – what the contrast is between the two, how easy it is to get up to speed with the other player?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.



Well, they're just very different companies, and they have different processes and different tools and measurements, and so you just need to learn to work with both of them. The product development process is different. Now, with Boeing, because we were historically part of them, we did a lot of the design engineering, we tend to have more engineering authority to make – for concessions and things like that on the [ph] fly (28:43).

With Airbus, we haven't achieved that level of authority yet. And so, it takes a little bit longer to manage through quality issues. The other thing I'd say, they measure quality very differently. Both are extremely rigorous, but they're just a different set of metrics. And so, we had to adapt to that.

Both organizations like to help, and so – but they have different ways of doing that. The teams work in different ways. There's different reporting mechanisms. But the thing about both organizations is they are deeply involved with their suppliers because it's vital. And so, we have very good relationships with the senior levels of both organizations because what we do is important, and they want to make sure that they're on top of it. They – even the senior executives of both organizations frequently visit our facilities, and are in there working with our line operators to ensure that we are meeting the quality and delivery requirements that they have.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



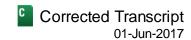
Yeah. I mean, it's an interesting shift since Spirit grew out of Boeing, so that was really the natural place that Spirit would know how to operate.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

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Right. Right. And so, when we went to Airbus and we did some work for other OEMs, there was a natural learning curve, and we made some mistakes. And we've recovered those. But it's made us a better organization. And I would say though that growing out of Boeing and being on some of the Boeing programs has been very helpful, and one example would be the 787. Now, it's been a difficult program economically and operationally, but the learning that we did to build a composite fuselage – and we build the front-end section, which is a complicated geometry – was enormously helpful to us. It's no doubt helped us get the work on the A350 Section 15. It helped us get the forward fuselage for the CH-53K. It helped us in the bidding for the B-21. So, those things are all vitally important to the development and growth of the organization.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

You mentioned this, and some people at Airbus have mentioned as well, the potential for more content coming from Airbus to Spirit. Can you talk about the timeframe that might happen and give us some sense of the kinds of things it could be?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Right. Well, there's no new programs immediately on the work.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Yeah.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

So, that's not an option. So, what the option is, is Airbus looks at dual sourcing some of its activities, it has [indiscernible] (31:06) rates, and to mitigate risk. They look at – or for economic reasons, they look at dual sourcing. And so, they've come to us on several occasions in the past where we bid on work packages.

We haven't won those yet, but we are still in the process of doing that. And we've strengthened the relationship a lot. There've been a lot of technical exchanges, a lot of executive exchanges, and so we're confident that in the future, we will win additional work packages with Airbus on an organic basis. And then, we'll also look, as we think about inorganic opportunities, look for companies that already have work content with Airbus. That would be very attractive.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

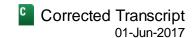
So, you've now got some – your feet into the defense world. When you think about defense right now and we look five years out from today, how large do you think defense could be for Spirit as a percent of revenues?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Now, we like to think about 10% to 15% would be an initial [indiscernible] (32:05). But we don't have a specific target...

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Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Yeah.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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...but we think it'd be of that magnitude. And the reason is because if you think about the CH-53K, the Marines just did the Milestone C, so they've authorized the LRIP, the low rate initial production. But the goal ultimately, they've been talking about 200 aircraft. And it's a \$25 billion program. Each unit is about \$89 million. So, actually, the CH-53K is about comparable to an F-35 in price, which you don't think of it...

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

It's amazing.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.



But that's a big program. And that's going to kick in to gear in the early 2020s, mid 2020s, and will be a great program for Spirit. We have whole forward fuselage for it.

And then, there's also some foreign military sales that they're talking about for that. The B-21, again, we're in the early stages of development on that, but that's a program when – public records, it's about \$550 million a unit. The Air Force is talking about 100 units. That'll be a very significant program. And, again, it will kick in to gear in the early to mid-2020s in terms of getting up to rate.

In addition, we're looking at bidding on some other military projects. So with Bell, we're working on the V-280, which is the future vertical lift aircraft that they have. And we're very optimistic and excited about that opportunity. And so, we've been talking to all the defense OEMs about, could we do more prototype work or advanced research work, and thinking about getting content on their existing programs and the new programs.

And this is where the third-party fab business strategy really comes into play. It's because we may not be immediately in a position to win structures work, but there could be an opportunity to win component work on some of these military programs.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Now, on the CH-53K, during the development part of that program, it was a difficult one for Spirit.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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It was. Yes.

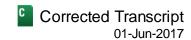
Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



When you look at going into production now, is that something that you see as pretty low risk, in other words, are those risks pretty much behind you as you get started on...

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Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Well, we're confident that we have that program stabilized and that it will be a very solid program financially for Spirit as we go forward.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Okay. So, it's not the worries that existed.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

No. Those – we've gotten through those, and we think of it as a very good program. In fact, we'd like to expand our work package on that.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

And then if you look more broadly on defense, you've got scale that gives you a pretty low-cost structure. Is this something that you're spending much time on in terms of thinking about where could you play a bigger role in defense?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Well, yes. I personally have started to just get more involved in the defense world. I mean, there's a number of industry associates, AIA is a industries association. They do a lot of work with defense. That gives me a lot of exposure. I've attended several forums. I've attended the supplier conferences for several of the big OEMs in defense, including Sikorsky and Northrop.

And so, there's an educational process in developing relationships, and then just looking for opportunities of where we can play. I mean, there's no doubt, with our commercial expertise and capabilities, that we can play a bigger role in defense.

And whenever we bring the defense companies to our plants, whether it's in Wichita or Kinston or Prestwick, they're always amazed by what we can do in terms of the complexity and the scale of the structures that we can build, both metallic and composite.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

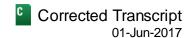
Yeah. So, does that mean there's potentially upside to that sort of 10% to 15% of revenues in five years or is this something – additional defense opportunities would probably be beyond that five-year time horizon?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Well, we were very confident with defense, especially since it seems like the cycle right now is good with budgets increasing for defense. And so, [indiscernible] (35:55) the civilian cycle, people talk about it, yeah, I don't think it's going to go down, but perhaps, it's plateaued for a while. The defense budget seemed to be going up, and so it seems to be a good time to grow in defense.

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Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

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So, – and you made a comment on the vertical integration, and can you talk a little bit about – and doing fabrication and that there might be some leverage in defense or elsewhere. Can you talk a little bit about why you believe that vertical integration could be a good opportunity for Spirit? And then, a little bit about how you would go about getting into that, a more upstream part of the business.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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Right. Well, vertical integration, when you look at our current situation, we have this huge backlog of \$46 billion, which is seven years of revenue. And the question is, at the end of the day, how much is it going to cost to deliver that backlog. Is it \$43 billion or \$42 billion? And so, what we're looking for is what's the best way to do work when we get the most globally competitive prices for all of the parts that we deliver.

And when we do these clean sheets and we see significant reduction opportunities, we work with the suppliers to get there. Sometimes they can't achieve those targets for whatever reason. They don't have the scale or the expertise or the capital to be able to do it. And we sometimes do. And so, by in-sourcing it, that gives us opportunities, or by making acquisitions of companies that are in places that have the capabilities and the cost structure to be able to deliver on that. And I'll give you an example. We were looking recently at buying a lot of three- and four-axis machine parts. And we wanted to get it at the lowest possible cost. And we looked in Asia, we looked in Mexico. We actually found a company in Mexico that was very attractive, but they weren't for sale. They didn't want to do a joint venture, but, in fact, they would sell us the parts or the machines.

So, we bought about 20 three- and four-axis machines from this Mexican company, and we took them to Oklahoma, and we installed them in our plant in McAlester, Oklahoma. That's represented by the UAW. The UAW agreed to change some work rules so that instead of having one operator per machine, we're going to have one operator for four or five machines. So, labor became really a very small part of it, and we've now created a globally competitive three- and four-axis Center-of-Excellence in the McAlester. And that enables us to lower cost where we have suppliers, we're now able to achieve our clean sheets, we can move it into McAlester, and that helps us drive down our supply chain cost. It helps us become very competitive. It drives productivity, and it ultimately will help us with our margins.

| Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC | C |
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| Because right now, other than your sales to Boeing, Airbus and, lesser extent, Bor | mbardier or others in the sense |

you don't sell much into Tier 1s. I mean, you...

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

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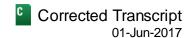
Douglas Stuart Harned

Right.

Analyst, Sanford C. Bernstein & Co. LLC

That's correct, right?

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Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

That's right. So, this gives us another revenue stream opportunity. And by the way, that revenue stream opportunity isn't with just defense or other Tier 1s, it's also with Boeing and Airbus. As they think about their strategies, they buy a lot of Tier-2 parts, and so that's an area where we would like to play more.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



And is the motivation here more for improving the cost structure of your existing programs or is it more to create an additional source of revenue?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.



It's both. It's both. I mean, it can definitely help us with our cost structure and supply chain, but a lot of the Tier 2 businesses, if you look at some of the aggregate numbers, have always enjoyed very high margins. And so that's an opportunity for us to develop some high margin revenue streams that we didn't have before.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



I mean, in terms of working with your cost structure, are there still opportunities with Boeing, whether it's things like TMX and different things that they can do or you can do jointly, to take down costs?

Thomas C. Gentile

different projects.



President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Yes, there are. And we have mechanisms to do that, really, on all the programs, 787, 737. So, we're always actively working to see where there's opportunities to either look at jointly buying things or working on

engineering, process changes, logistics consolidation. So, we are very creative and there's a whole range of

I mean, literally, dozens and dozens of projects that we jointly commissioned between ourselves to drive down

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



And typically, when you think of the benefits of those, what's the typical arrangement in terms of sharing the benefits of a project like that [ph] if it's a joint one (40:31)?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

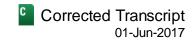
It varies by program. But it's often - we split the benefits and it's a little bit dependent on who puts in the investment as to who gets the – what share of the benefits.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



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Okay. If we kind of look at the whole picture for Spirit, you've talked about the 6% to 8% free cash flow as a percentage of revenues. What are the things that could alter that, either more positively or could put that at risk when you look over the next five years?

Thomas C. Gentile

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President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Right. Well, the positives are rates are going to continue to grow on several of the big programs where we have significant work packages, and so that's positive. The defense work will start to kick in. That's certainly going to be positive as it comes to bear.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

Will those help as a percent of free cash flow or is it more of a top line?

Thomas C. Gentile

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President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

It's – well, that will help grow the top line and the total amount of cash flow. I mean, our goal again is to be consistently delivering 6% to 8% cash flow per revenue, which means that to grow the cash flow, we need to grow the top line.

Douglas Stuart Harned



Analyst, Sanford C. Bernstein & Co. LLC

Okay. And all I was asking is if there's something that could cause that to go to 9% or what risk could take it to 5%.

Thomas C. Gentile



President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Yeah. The other big thing is because two-thirds of our cost is in supply chain and direct and indirect materials, the more effective we are in managing those costs and achieving the best cost solutions, the better off we will be in terms of the cash flow delivery.

And the downsides are disruptions that we could get, unexpected events either in Spirit or in our supply chain. The one thing that's good and bad about the current environment is with rates going up, many of our facilities, many of our suppliers are flat out 24/7.

And so there's not a lot of surge capacity. And so when there is a disruption, a weather-related incident or a machine goes down, it can create a lot of chain effects throughout the system and takes some time to recover. So, that's one of the big potential risks that's out there.

Douglas Stuart Harned



Analyst, Sanford C. Bernstein & Co. LLC

Yeah. Now, in terms of cash deployment, you're on your second \$600 million share repurchase authorization.

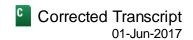
Thomas C. Gentile

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President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.

Right.

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Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC

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You've got a dividend. Can you give us a sense of how you expect to be deploying that free cash flow over time? You've started, I think, in a way that we found very attractive. The first \$600 million, you completed very quickly...

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

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A little early, yes.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



...within a year. How should we think of the next \$600 million playing it out and what your policy in general will be in returning that 6% to 8% cash?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit Aero Systems Holdings, Inc.



Right. So, we didn't put a timeframe on the \$600-million program, but the idea was to focus on total shareholder return, and be systematic and consistent in the repurchasing. So that's what our goal is. And we haven't identified an amount that we want to do this year.

But the thing is, is we're undervalued and we take that into account, and we think it's – our stock is a good investment. So we have been buying. End of the first quarter, we bought about \$82 million, 1.4 million shares. And our expectation is that we'll continue to buy consistently.

The other thing we want to do is look at the dividend. We initiated a dividend last year at a modest level, and our goal would be to gradually increase that over time as we continue to develop confidence in the business and our ability to generate cash flow.

The other thing in terms of cash deployment is we do have our capital expenditures for the organic initiatives that we have and the rate increases. And that's the \$250 million to \$300 million a year. We want to keep some cash available for new program investments, organic growth, R&D. And then, we have a pretty conservative balance sheet right now. So we had a lot of firepower if we wanted to do anything in terms of either borrowing money for other types of cash deployment or for inorganic growth.

But the inorganic growth, we're going to be very thoughtful about that. It would have to meet our strategic criteria, things like Airbus content or defense content, or low cost country, best cost country footprint. And it would have to meet our return thresholds, because otherwise, we would be really better served by just buying our own shares back.

Douglas Stuart Harned

Analyst, Sanford C. Bernstein & Co. LLC



There's not something that – not an area where you're really actively looking, we need this capability and we would have to acquire it?

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.



Spirit AeroSystems Holdings, Inc. (SPR) Corrected Transcript Sanford C. Bernstein & Co. Bernstein Strategic Decisions Conference 01-Jun-2017 No. No, I mean... Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC Getting things like the fabrication and... Thomas C. Gentile President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc. Right. No, no, I mean, we're being very opportunistic. Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC Okay. Thomas C. Gentile

So, it's not something that we have to do. We have plenty of existing capacity in fabrication that we can fill. So, we're quite focused on that.

Douglas Stuart Harned Analyst, Sanford C. Bernstein & Co. LLC

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Well, I guess to wrap up here, maybe you could just summarize and tell us if you think of the one or two biggest opportunities out there, and the one or two biggest challenges you have, what would those be over the next few years?

Thomas C. Gentile

Well, biggest opportunity, clearly, for us is to deliver on the rate increases. I mean, we're very fortunate to be on

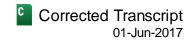
the best programs for Boeing and Airbus and some of our other customers in defense. And so, we just have to make sure that we execute on all of that, meet the cost, quality, and delivery commitments, we meet the rate requirements, we meet our development milestones.

And so if we do that, we have a lot of embedded growth that we can realize. The other big, I think, important strategic priority for us is to make sure we execute on our supply chain initiatives. It's a big chunk of our cost. Our suppliers are very important strategic partners. We have to get that part of it right to be successful and to be able to deliver to our customers.

On the other side, I mean, clearly, we need to finalize and stabilize our relationship with Boeing on the commercial arrangements. We're going to always be a trusted partner. We're going to deliver, we're going to meet requirements for them on cost, quality and delivery, we're going to meet the rate requirements, but it's important also that we take that uncertainty out of the equation and finalize the commercial arrangements.

But it's going to be a fair and equitable deal, and we're going to be very thoughtful about it. And we want to preserve our 6% to 8% cash flow over time. We want to be able to consistently deliver that, as well as meet our other financial commitments. So, all of those things, we think Spirit is very well positioned right now in the current environment and for the future. And so, we're very excited about what that future can bring for Spirit.

Sanford C. Bernstein & Co. Bernstein Strategic Decisions Conference



Douglas Stuart Harned

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Okay. Well, thanks, Tom. It's great to have you here.

Thomas C. Gentile

President, Chief Executive Officer and Director, Spirit AeroSystems Holdings, Inc.

Thank you, Doug. Appreciate it.

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