Second Quarter 2019 Earnings Review

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WHERE FLIGHT BEGINS™

737 MAX Fuselage Storage

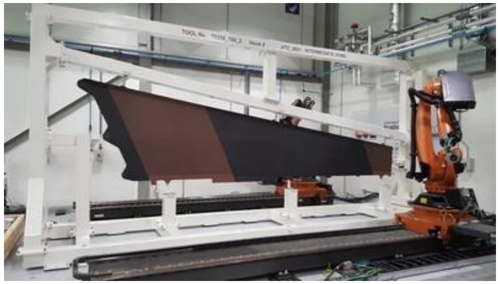
Industrialized unique 3-layer wrapping process

Storage
on Flight Line

Loading
for Transport

SPIRIT AEROSYSTEMS

Recent Highlights



- 737 MAX cost reduction plans underway:
  - Reduced overtime and contractors
  - Voluntary retirement plan
  - Shortened work weeks
  - Hiring freeze
  - Deferred capital spend
  - Working capital improvements
- Collaboration on Airbus Wing of Tomorrow program
- Developed new production method for carbon fiber composite material to enable lower costs and higher production volumes

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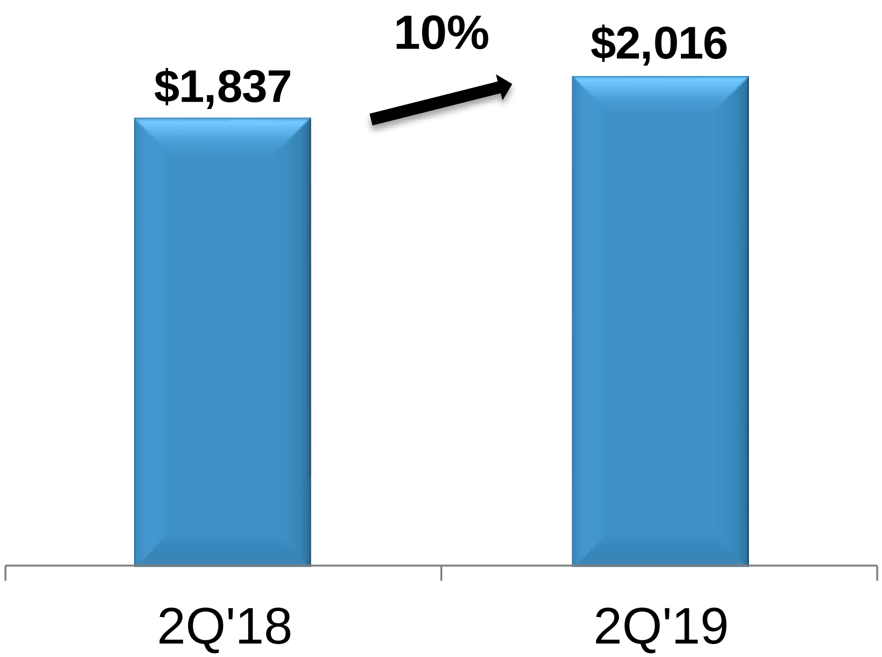
Revenue
$ millions



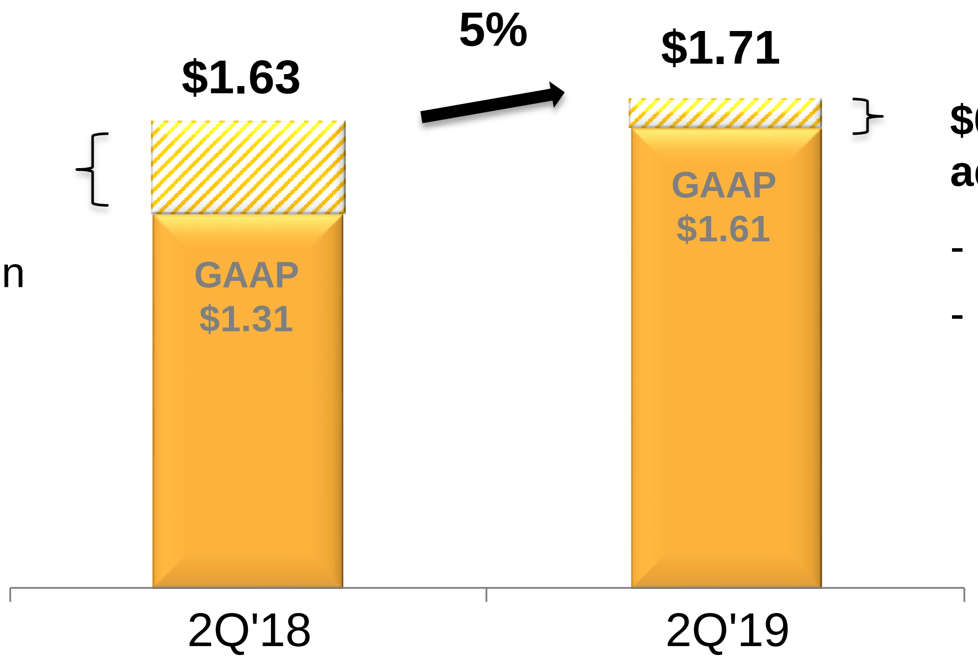
- Higher production volume on 777 & 787 programs
- Favorable model mix on 737 program
- Higher revenue on 787 program
- Backlog at $46 billion

Adjusted EPS (fully diluted)*

$ per share

$0.32 per share adjustment:

- Asco acquisition
- Debt financing



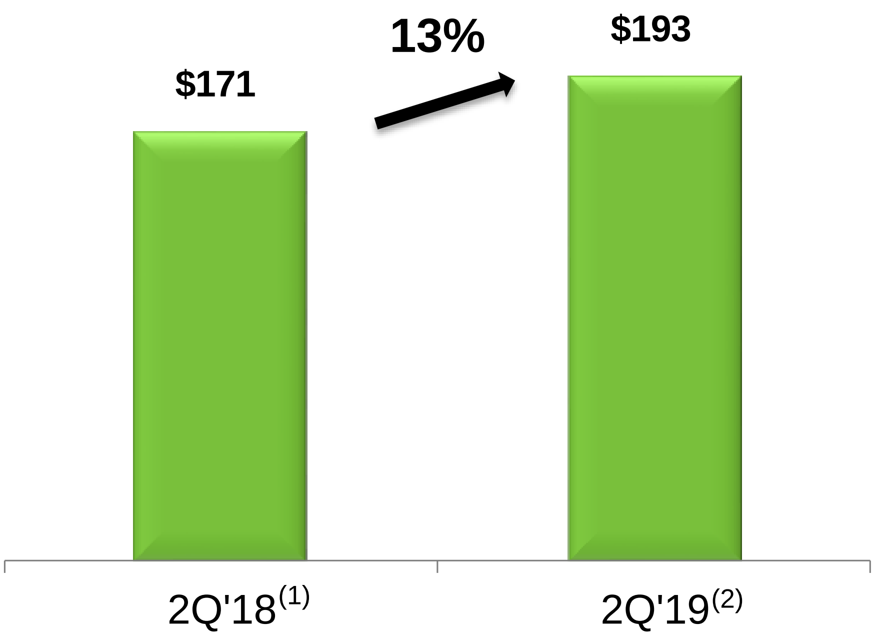
$0.10 per share adjustment:

- Asco acquisition
- Voluntary retirement program expenses

*Non-GAAP measure. Definitions, reconciliations, and further disclosures regarding this non-GAAP measure are appended to this document.

Adjusted free cash flow*

$ millions



- Continued focus on working capital improvements
- Lower cash taxes
- Lower capital spend
- Lower cash receipts on 737 and 787 programs

(1) Adjusted to remove the impact of the Asco acquisition of $2 million
(2) Adjusted to remove the impact of the Asco acquisition of $1 million

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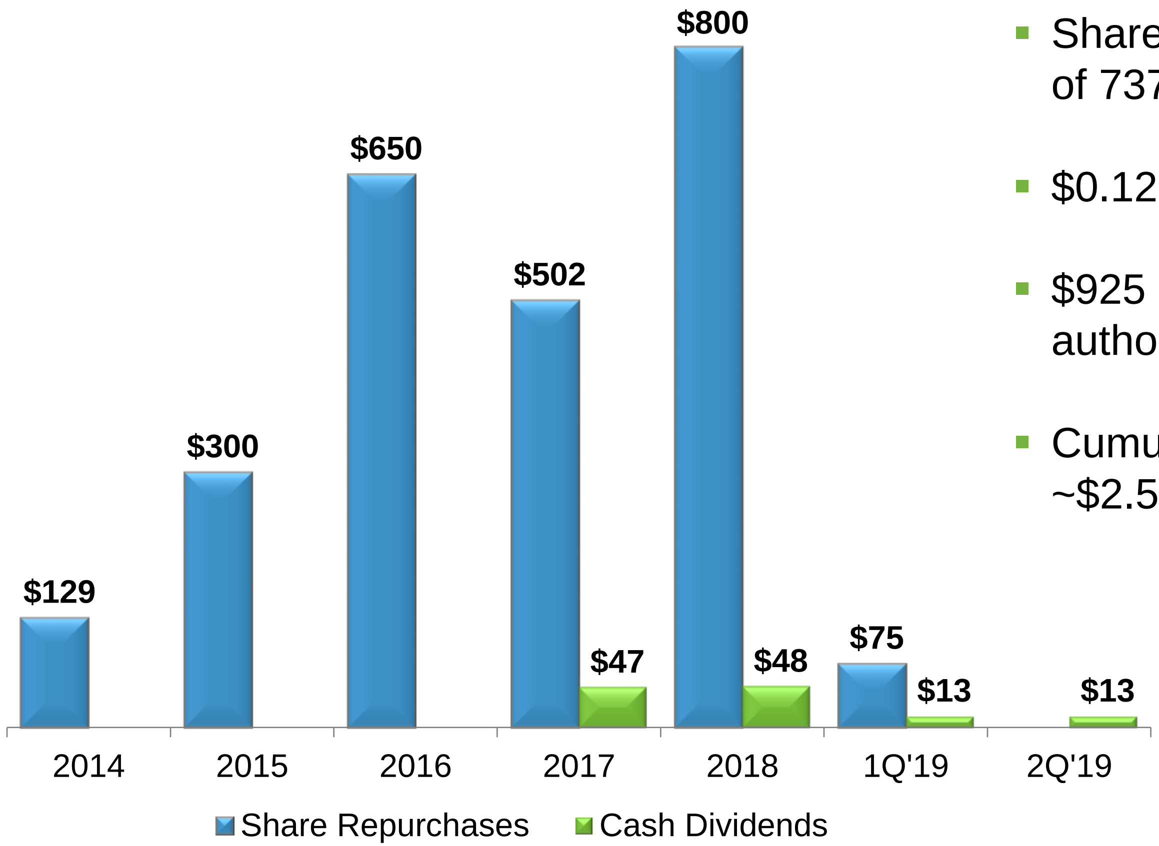
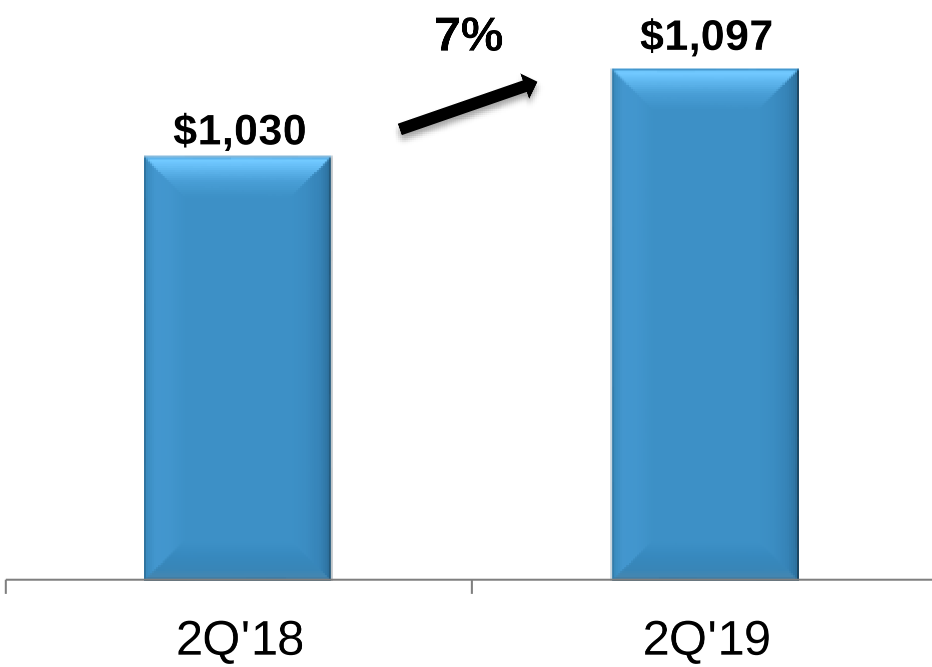
Capital deployment
$ millions



- Share repurchases paused since time of 737 MAX grounding
- $0.12 per share quarterly dividend
- $925 million share repurchase authorization remaining
- Cumulative shares repurchased of ~$2.5 billion

Fuselage segment
$ millions

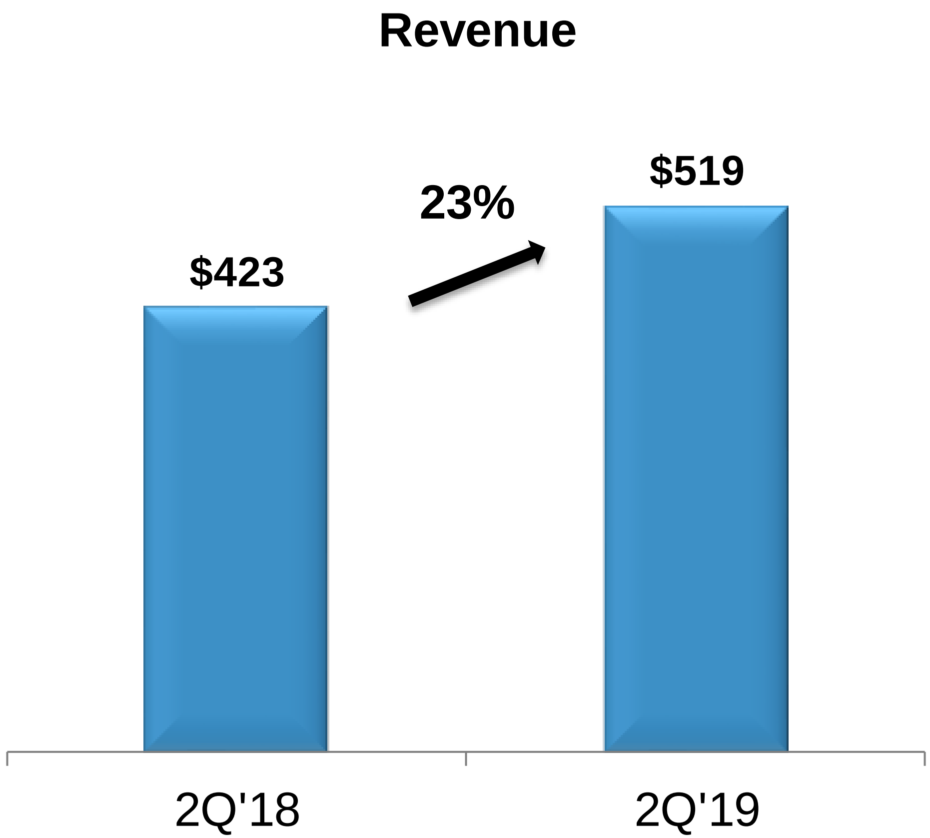
Revenue



	2Q'18	2Q'19
Operating Margin	**15.8%**	**12.4%**

- Higher production volumes on 787 & A350 programs
- Higher revenue on 787 program

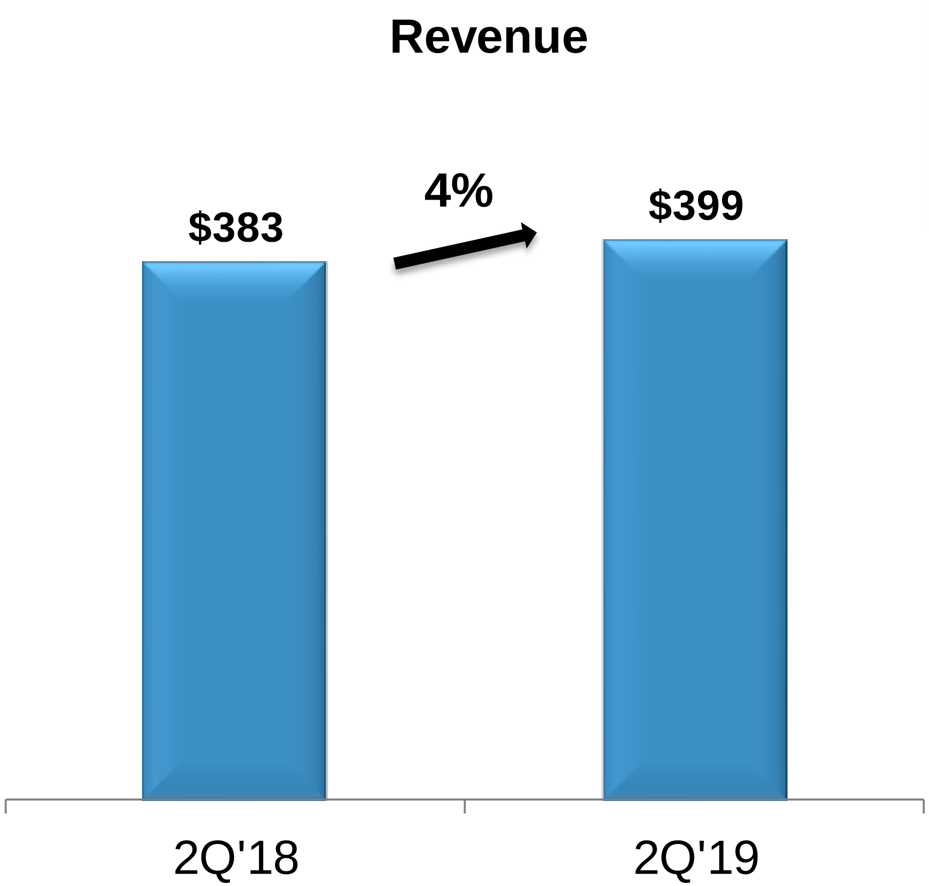
Propulsion segment
$ millions



	2Q'18	2Q'19
Operating Margin	**17.7%**	**18.8%**

- Higher production volume on 777 program
- Favorable model mix on 737 program
- Higher revenue on 787 program

Wing segment
$ millions



Operating Margin **14.8%** **14.4%**

- Higher production volumes on 777 & 787 programs
- Increased non-recurring activity on A350

Forward-Looking Information

<u>Cautionary Statement Regarding Forward-Looking Statements</u>:

This presentation includes “forward-looking statements” that may involve many risks and uncertainties. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “aim,” “anticipate,” “believe,” “could,” “continue,” “estimate,” “expect,” “goal,” “forecast,” “intend,” “may,” “might,” “objective,” “outlook,” “plan,” “predict,” “project,” “should,” “target,” “will,” “would,” and other similar words, or phrases, 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: 1) our ability to continue to grow our business and execute our growth strategy, including the timing, execution, and profitability of new and maturing programs; 2) our ability to perform our obligations under our new and maturing commercial, business aircraft, and military development programs, and the related recurring production, including our ability to meet contractually required production rate increases; 3) our ability to accurately estimate and manage performance, cost, and revenue under our contracts, including our ability to achieve certain cost reductions with respect to the B787 program and other programs; 4) margin pressures and the potential for additional forward losses on new and maturing programs; 5) our ability and our suppliers’ ability to accommodate, and the cost of accommodating, announced increases in the build rates of certain aircraft and expanding model mixes; 6) the effect on aircraft demand and build rates of changing customer preferences for business aircraft, including the effect of global economic conditions on the business aircraft market and expanding conflicts or political unrest; 7) customer cancellations or deferrals as a result of global economic uncertainty or otherwise; 8) the effect of economic conditions in the industries and markets in which we operate in the U.S. and globally and any changes therein, including fluctuations in foreign currency exchange rates; 9) the success and timely execution of key milestones such as the receipt of necessary regulatory approvals, including our ability to obtain in a timely fashion any required regulatory or other third party approvals for the consummation of our announced acquisition of Asco, and customer adherence to their announced schedules; 10) our ability to successfully negotiate, or re-negotiate, future pricing under our supply agreements with Boeing and our other customers; 11) our ability to enter into profitable supply arrangements with additional customers; 12) the ability of all parties to satisfy their performance requirements, including our ability to timely deliver quality products, under existing supply contracts with our two major customers, Boeing and Airbus, and other customers, and the risk of non-payment by such customers; 13) 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, domestic or international hostilities, acts of terrorism, or government action such as mandatory aircraft fleet grounding; 14) any adverse impact on the demand for air travel or our operations from the outbreak of diseases or epidemic or pandemic outbreaks; 15) our ability to avoid or recover from cyber-based or other security attacks, information technology failures, or other disruptions; 16) returns on pension plan assets and the impact of future discount rate changes on pension obligations; 17) our ability to borrow additional funds or refinance debt; 18) competition from or in-sourcing by commercial aerospace original equipment manufacturers and competition from other aerostructures suppliers; 19) the effect of governmental laws, such as U.S. export control laws and U.S. and foreign anti-bribery laws such as the Foreign Corrupt Practices Act and the United Kingdom Bribery Act, and environmental laws and agency regulations, both in the U.S. and abroad; 20) the effect of changes in tax law, such as the effect of The Tax Cuts and Jobs Act that was enacted on December 22, 2017, and changes to the interpretations of or guidance related thereto, and the Company’s ability to accurately calculate and estimate the effect of such changes; 21) any reduction in our credit ratings; 22) our dependence on our suppliers, as well as the cost and availability of raw materials and purchased components; 23) our ability to recruit and retain a critical mass of highly skilled employees and our relationships with the unions representing many of our employees, including our ability to avoid labor disputes and work stoppages with respect to our union employees; 24) spending by the U.S. and other governments on defense; 25) the possibility that our cash flows and our credit facility may not be adequate for our additional capital needs or for payment of interest on, and principal of, our indebtedness; 26) our exposure under our revolving credit facility to higher interest payments should interest rates increase substantially; 27) the effectiveness of any interest rate hedging programs; 28) the effectiveness of our internal control over financial reporting; 29) the outcome or impact of ongoing or future litigation, claims, and regulatory actions; 30) our exposure to potential product liability and warranty claims; 31) our ability to effectively assess, manage and integrate acquisitions that we pursue, including our ability to successfully integrate the Asco business and generate synergies and other cost savings; 32) the consummation of our announced acquisition of Asco while avoiding any unexpected costs, charges, expenses, and adverse changes to business relationships and other business disruptions for ourselves and Asco as a result of the acquisition; 33) our ability to continue selling certain receivables through our supplier financing programs; 34) the risks of doing business internationally, including fluctuations in foreign currency exchange rates, impositions of tariffs or embargoes, trade restrictions, compliance with foreign laws, and domestic and foreign government policies; 35) prolonged periods of inflation where we do not have adequate inflation protection in our customer contracts, among other things; and 36) the timing and conditions surrounding the return to service of the 737 MAX fleet and related impacts on our production rate. 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. Additional information concerning these and other factors can be found in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

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Non-GAAP Measure Disclosure

Management believes the non-GAAP (Generally Accepted Accounting Principles) measures used in this report provide investors with important perspectives into the company's ongoing business performance. The company does not intend for the information to be considered in isolation or as a substitute for the related GAAP measure. Other companies may define and calculate the measures differently than we do, limiting the usefulness of the measures for comparison with other companies.

Adjusted EPS

	2nd Quarter				Six Months			
	2019		2018		2019		2018	
GAAP Diluted Earnings Per Share	$1.61		$1.31		$3.16		$2.40	
Impact of Asco Acquisition and Debt Financing	(0.02)	***a***	0.32	***b***	0.11	***c***	0.32	***b***
Voluntary Retirement Program	0.12	***d***	-		0.12	***d***	-	
Adjusted Diluted Earnings Per Share	$1.71		$1.63		$3.39		$2.72	
Diluted Shares (in millions)	104.5		111.0		104.8		112.6	

a Represents the three months ended Q2 2019 Asco acquisition impact of $(0.02) per share, which includes:

- Loss related to foreign currency forward contract of $0.01 (included in Other income)
- Gain related to foreign currency fluctuation on Euro account of $(0.05) (included in Other income)
- Transaction costs of $0.02 (included in SG&A)

b Represents the three and six months ended Q2 2018 net EPS impact of $0.32 comprised of the following:

(i) Asco acquisition impact of $0.25 per share, which includes:
- Loss related to foreign currency forward contract of $0.15 (included in Other income)
- Transaction costs of $0.09 (included in SG&A)
- Interest expense on new debt related to Asco of $0.01 (included in Interest expense)

(ii) Debt financing costs of $0.07 per share (included in Interest expense)

c Represents the six months ended Q2 2019 Asco acquisition impact of $0.11 per share, which includes:

- Loss related to foreign currency forward contract of $0.12 (included in Other income)
- Gain related to foreign currency fluctuation on Euro account of $(0.05) (included in Other income)
- Transaction costs of $0.04 (included in SG&A)

d Represents the three and six months ended Q2 2019 retirement incentive expenses resulting from the VRP offered during the second quarter of 2019 (included in Other income)

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Free Cash Flow
($ in millions)

	2nd Quarter				Six Months			
	2019		2018		2019		2018	
Cash from Operations	$230		$231		$472		$397	
Capital Expenditures	(37)		(61)		(78)		(109)	
Free Cash Flow	$192		$169		$394		$288	
Costs related to acquisition of Asco	1	*a*	2	*b*	9	*c*	2	*b*
Adjusted Free Cash Flow	$193		$171		$403		$290	

a Represents the three months ended Q2 2019 Asco acquisition impact of $1 million comprised of:
- Cash paid on foreign currency forward contract of $5 million
- Cash gained from foreign currency fluctuation in Euro account of $(7) million
- Transaction payments of $3 million

b Represents the three and six months ended Q2 2018 Asco acquisition impact of $2 million of transaction payments

c Represents the six months ended Q2 2019 Asco acquisition impact of $9 million comprised of:
- Cash paid on foreign currency forward contract of $11 million
- Cash gained from foreign currency fluctuation in Euro account of $(7) million
- Transaction payments of $5 million

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Normalized Segment Margins
($ in millions)

	For the Three Months Ended June 27, 2019	As Percentage of Revenue
Fuselage systems		
Operating earnings	$135.8	12.4%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(8.3)	
Forward loss, net	1.3	
Total adjustments	($7.0)	
Normalized fuselage operating earnings	$142.8	13.0%
Propulsion systems		
Operating earnings	$97.7	18.8%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(6.6)	
Forward loss, net	0.4	
Total adjustments	($6.2)	
Normalized propulsion operating earnings	$103.9	20.0%
Wing systems		
Operating earnings	$57.4	14.4%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	1.7	
Forward loss, net	0.6	
Total adjustments	$2.3	
Normalized wing operating earnings	$55.1	13.8%
Total segment (Fuselage, Propulsion, Wing, Other)		
Operating earnings	$290.9	14.4%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(13.2)	
Forward loss, net	2.3	
Total adjustments	($10.9)	
Normalized total segment operating earnings	$301.8	15.0%

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Normalized Segment Margins
($ in millions)

	For the Three Months Ended March 28, 2019	As Percentage of Revenue
Fuselage systems		
Operating earnings	$138.9	13.0%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(1.2)	
Forward loss, net	3.7	
Total adjustments	$2.5	
Normalized fuselage operating earnings	$136.4	12.8%
Propulsion systems		
Operating earnings	$95.5	19.7%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(2.8)	
Forward loss, net	0.5	
Total adjustments	($2.3)	
Normalized propulsion operating earnings	$97.8	20.1%
Wing systems		
Operating earnings	$65.8	16.1%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(0.2)	
Forward loss, net	0.5	
Total adjustments	$0.3	
Normalized wing operating earnings	$65.5	16.1%
Total segment (Fuselage, Propulsion, Wing, Other)		
Operating earnings	$301.4	15.3%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(4.2)	
Forward loss, net	4.7	
Total adjustments	$0.5	
Normalized total segment operating earnings	$300.9	15.3%

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Normalized Segment Margins
($ in millions)

	For the Three Months Ended June 28, 2018	As Percentage of Revenue
Fuselage systems		
Operating earnings	$163.2	15.8%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	5.7	
Forward loss, net	10.1	
Total adjustments	$15.8	
Normalized fuselage operating earnings	$147.4	14.3%
Propulsion systems		
Operating earnings	$74.8	17.7%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	3.4	
Forward loss, net	4.3	
Total adjustments	$7.7	
Normalized propulsion operating earnings	$67.1	15.9%
Wing systems		
Operating earnings	$56.7	14.8%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	(1.6)	
Forward loss, net	3.0	
Total adjustments	$1.4	
Normalized wing operating earnings	$55.3	14.4%
Total segment (Fuselage, Propulsion, Wing, Other)		
Operating earnings	$294.7	16.0%
Adjustments to normalize earnings:		
Cumulative catch-up adjustment, net	7.5	
Forward loss, net	17.4	
Total adjustments	$24.9	
Normalized total segment operating earnings	$269.8	14.7%

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