

Focus 20-21
Next step



2019

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Le Groupe Sonaca a connu une année 2019 en progrès significatif vis-à-vis de l'année 2018. En dépit de volumes inférieurs au budget pour le Boeing 737 Max, mais aussi pour les principaux autres clients, en particulier au second semestre, la plupart des entités du Groupe (Belgique, USA, Roumanie, Chine) ont affiché une performance en ligne avec les attentes. LMI Aerospace, notre filiale américaine, a réalisé un redressement spectaculaire, réalisant un cash flow d'exploitation positif supérieur à 40 millions de US\$. C'est un résultat remarquable, en comparaison avec la situation d'EBITDA négatif rencontrée en 2018. Montréal et le Brésil n'ont pas atteint leurs objectifs financiers, suite à des difficultés opérationnelles temporaires (retards suite au lancement de nouveaux programmes au Canada et nouveaux programmes et mise en œuvre de SAP au Brésil).



Au niveau du groupe Sonaca, les ventes et prestations se sont ainsi établies à 782 M € en progrès de 3,6 % et le cash flow d'exploitation a bondi à 85 M €, en hausse de 37 % vis-à-vis de 2018. Le résultat net opérationnel est positif et s'élève à 9,9 M€, se transformant en une perte de 10,3 M€ après prise en compte de l'amortissement de l'écart de consolidation.

Deux événements récents incontournables vont affecter l'activité du Groupe Sonaca en 2020, dans une mesure encore difficile à évaluer avec précision.

- 1) Boeing a annoncé le 16/12/2019 l'interruption de la production du 737 Max (et les livraisons par ses fournisseurs) pour une durée indéterminée, en l'attente d'une recertification de l'appareil par les autorités compétentes. Cette étape est attendue pour l'été 2020. Ce programme représente environ 40% de l'activité de LMI.
- 2) La propagation mondiale de l'épidémie du Covid-19 a contraint quasi tous les sites de Sonaca à interrompre leur production pour des durées différentes d'un site à l'autre. Le redémarrage de la supply chain aéronautique sera très progressif et l'impact durable de l'épidémie sur les compagnies aériennes aura des conséquences importantes sur les volumes de production des OEMs et de leurs fournisseurs, dont Sonaca fait partie, dans les 2 années à venir.

Dans ce contexte très difficile, le Groupe a immédiatement mis tout en œuvre pour protéger son personnel, sans compromis, via une adaptation des conditions de travail. Il a aussi entamé dans toutes ses activités une revue systématique de ses dépenses, en vue de les adapter au niveau réduit de revenus.

Enfin, le Groupe a pu sécuriser auprès de ses actionnaires et créanciers un montant complémentaire qui lui permettra de financer ses activités pendant la période troublée.

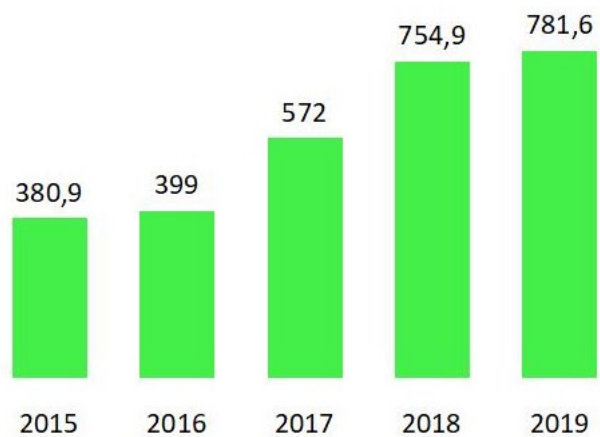
Tous les stakeholders du groupe et, en particulier, ses 4500 collaborateurs sont solidaires dans l'adversité. Le Groupe dispose de tous les atouts pour émerger renforcé de cette crise. Plus que jamais, Sonaca se profile comme un acteur stable et incontournable de l'aviation commerciale.

SONACA GROUP OVERVIEW

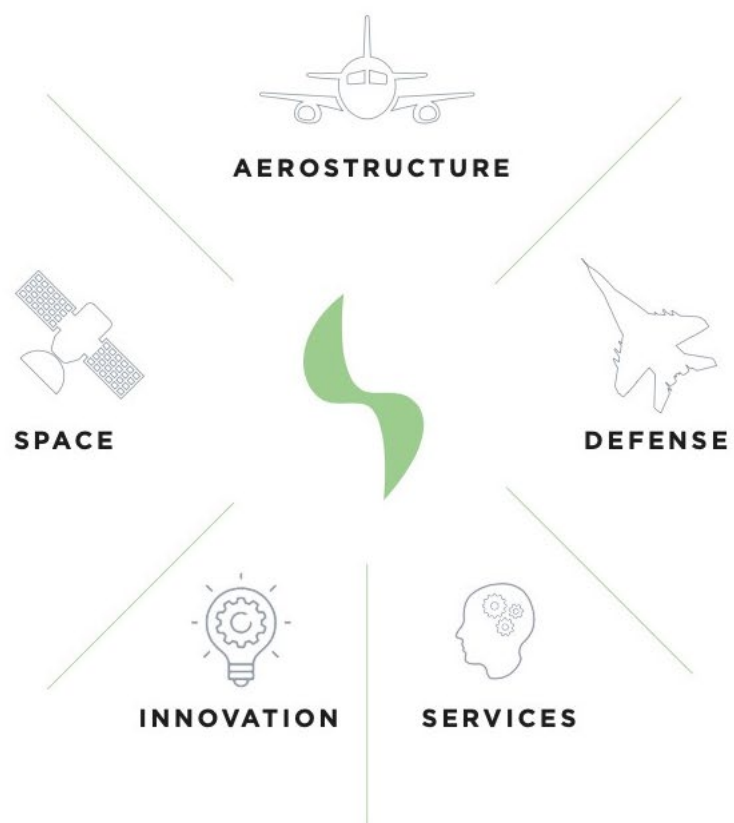
TOP 10
aerostructure player

4698
employees

Revenues
in millions of euros



SONACA GROUP: ACTIVE IN FIVE BUSINESS LINES!



LASTING RELATIONSHIPS WITH OUR CUSTOMERS...

of years of continued customer relationship



BROAD CUSTOMER PORTFOLIO...



PRESENT ON ALL GROWTH PLATFORMS IN COMMERCIAL AVIATION!



A350



E2



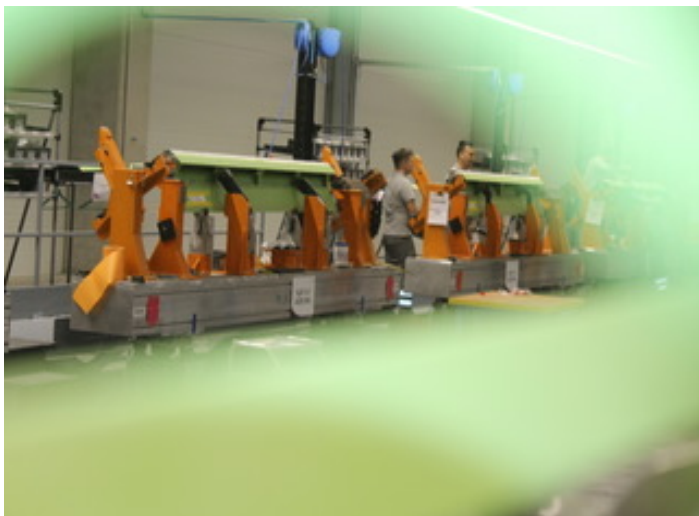
B737



A220

RELIABLE AND COMPETITIVE OPERATIONS

Romania, Turda: low cost assembly and composite hand lay-up



Producing A320 slats up to 250 aircraft a year



First level assembly of Sonaca 200



Hand lay-up of composite parts

SONACA BRASIL AS A LOW-COST SOLUTION FOR BELGIUM AND LMI AEROSPACE SUPPLY



Honda Jet assembly in Brazil (transfer from LMI Aerospace)



APIX machine for drilling E2 composite flaps (transfer from Sonaca Gosselies)



Complex assembly of rear fuselage in Sonaca Brasil



New high speed machining equipment for aluminum parts (customer GE – UK)

CONTINUOUS IMPROVEMENT AT LMI AEROSPACE



Skins of the bonded panels for our customer Gulfstream, made in Tulsa



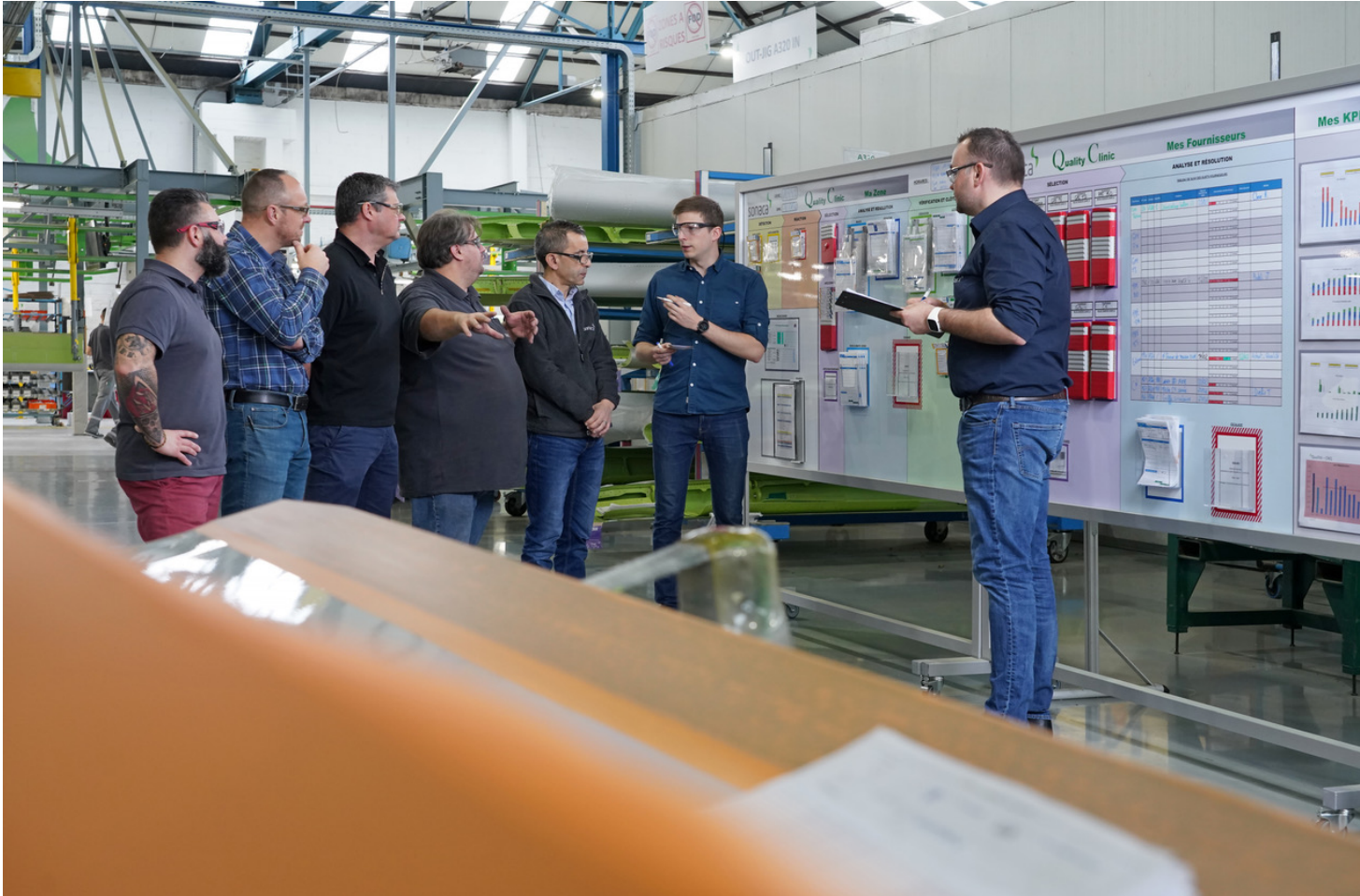
Typical parts of Mexicali next to the heat treatment equipment

Another opportunity to share our expertise:

In 2019, LMI Aerospace improved its on-time delivery performance, among other things, thanks to the better planning and capacity analysis.

In Tulsa, the chemical milling process was stabilized, key process controls put into place and quality significantly improved. A collaborative effort with Sonaca Group has also strengthened the metal bonding process at LMI's bonding supplier through extensive engineering and quality workshops.

ON TIME/QUALITY DELIVERY!



Sonaca Group has set up “quality clinics” on the shop floor. Through a direct involvement of our workers, immediate action of our engineers and good communication, Sonaca Group has decreased significantly its cost of non-quality.



Driven to remain a best-in-class partner

THE BEST WAY TO PREDICT THE FUTURE IS TO INVENT IT!

Engineering

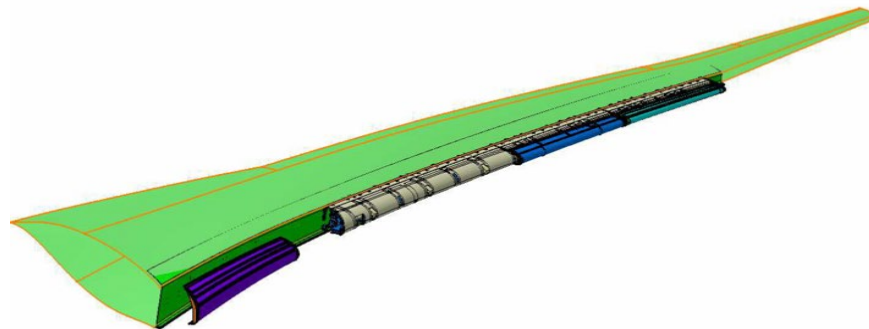


The new Embraer 175-E2 has succeeded in its first flight, equipped with major wing components designed and built by Sonaca: slats, slat mechanisms, flaps, flap mechanisms, flap track fairings and wing tips



Collaboration ongoing with AERION on its AS2 Supersonic Jet. The AERION AS2 is the first supersonic business jet cruising at Mach 1.4, with a first flight target in 2024

Innovative products (R&D)



Sonaca collaborates with Airbus in the 'Wing of Tomorrow' program; the main objective is to develop innovative slats for high production rates (100 aircraft/month)



Sonaca develops an integrated RTM slat, benefiting from innovative RTM materials

SONACA ENGINEERING SERVICES CONTINUES TO GROW AND TO COLLECT NEW PROJECTS & SUCCESSES



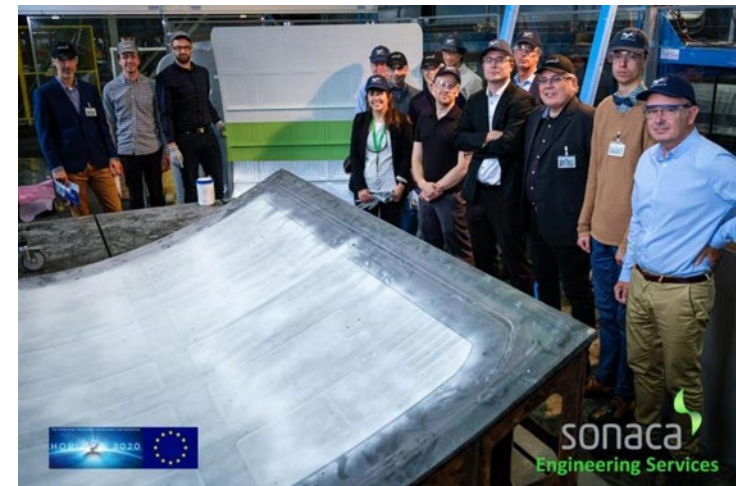
© by Mitsubishi Aircraft Corporation
Conceptual studies and weight optimization of slats and flaps of Mitac Spacejet



*Prototype manufacturing for CleanSky I3PS project:
 Integration of Innovative Ice Protection Systems*



*Advanced methodology of complex project management
 Engie – Electrabel through Skyline team*



*Prototype manufacturing for CleanSky MISSP project, investigating new
 manufacturing routes for metallic doors*

SONACA GROUP: ACTIVELY INVOLVED IN SPACE APPLICATIONS FOR THREE DECADES!



The first MWI (Multi Wave Imager) structure was successfully delivered to our customer Airbus Defence & Space

BE ONE SONACA



Together, 4400 people equal 1 Sonaca Group

Across disciplines and around the
world, we are better together.

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Better together, we, the members of the Sonaca Group:

Strive for customer satisfaction

Operate with excellence

Normalize global business processes

Act as engaged and empowered contributors

Continuously improve

Adhere to regulatory and industry standards

sonaca
GROUP

FOCUS 20-21... NEXT STEP

Design and Build: focus on core capabilities!



Sonaca Gosselies: outboard flap Embraer 190, highly complex composite/metallic assembly



*Sonaca Gosselies: A350 complex slat assembly
Over one hundred slats (all programs) leave the Sonaca plants
every month*



Sonaca Brasil: Legacy 500 rear fuselage complex assembly

Build-to-print: metallic and composite parts



A new OKUMA 5-axis machining at LMI Aerospace in Washington (MO)



ATL (Automatic Tape Layer): Sonaca Gosselies composite department



An LMI Aerospace employee in Washington (MO) performs blending on R3/R4 fitting

Large sheet metal and machined parts



Sonaca Gosselies: stretching machine, 2500 tons – capable of stretching large wing leading edge parts and fuselage panels



Sonaca Montreal: Global 5500 wing stringer being loaded into a high-speed extrusion mill made by MODIG

Complex assemblies

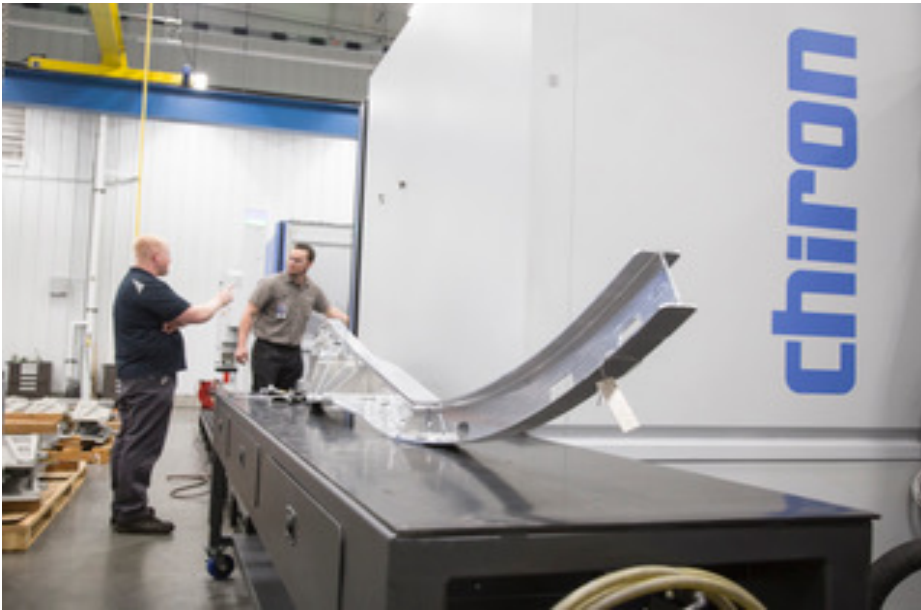


Sonaca Brasil: assembly of the Honda Jet pylon



*LMI Cottonwood Falls (KS),
Boeing assemblies*

Advanced machining



LMI's Washington, Missouri site is providing machined completed replacement "Pickle Fork" (wing to body, load transmission) assemblies to Spirit/Boeing for 737NG aircraft. Production will continue at full machine rate throughout 2020.

YOU FLY, WE CARE!

(Components Airframe Repairs Engineering)



Aircraft components may be damaged in service (bird strikes, hail, collisions with airport maintenance vehicles,...): on call 24/7, Sonaca Aviation Services supply chain and customer support engineering provide troubleshooting solutions and spare parts. Its repair station, certified EASA Part 145 / FAA 14 CFR Part 145, and its team can receive damaged components from operators and perform repair works, for a safe, reliable and timely return to service.

PROVIDING COST EFFECTIVE AND INNOVATIVE SOLUTIONS IN DESIGN, MANUFACTURING, TRAINING AND SUSTAINMENT TO DEFENSE OEM AND AIRFORCES...

...through



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...through



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SONACA 200 FLYING IN EUROPE AND BEYOND



On 20 September 2019, Sonaca Aircraft unveiled its new facilities located at the Namur aerodrome in Belgium. The infrastructure includes a 2000 m² assembly hall, offices as well as a showroom. Sonaca Aircraft started the production with one assembly line and opened a second line in February 2020. The company can simultaneously assemble 8 aircraft and plan to produce around 30 aircraft in 2020. 15 Sonaca 200 have already been delivered to customers (Flight Training Schools, Aeroclubs, Private Pilots) in Europe and beyond.

**Through LMI Aerospace, Sonaca Group is a longstanding partner of Boeing and Spirit;
Sonaca Group will continue to support 737MAX program through current difficult times.**



LMI provides key 737MAX structural assemblies such as: cabin crew floors, leading edge slats and wheel well assemblies. Other key items include hard metal machined pylon fittings and the structural transition between wing and fuselage “pickle forks”. As an example of customer support, our LMI Washington team stood up and quickly supported fabrication of replacement pickle forks for 737NG when replacements (from a previous supplier) were needed. Effort continues in 2020.



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