

16 October 2018

## Meggitt PLC

This announcement contains inside information. The person responsible for arranging the release of this announcement on behalf of Meggitt is Marina Thomas, Company Secretary.

### Q3 trading update and upgrade to 2018 revenue guidance

Meggitt PLC (“Meggitt” or “the Group”), a leading international company specialising in high performance components and sub-systems for the aerospace, defence and energy markets, today announces its third quarter trading update and an upgrade to its revenue guidance for the year to 31 December 2018.

Trading in the third quarter has been stronger than previously anticipated, with overall organic revenue growth of 6% driven by continued strong performance across the Group’s Civil Aerospace and Defence market segments. As a result of the improving end market conditions, the Group now expects total organic revenue growth in 2018 of 7 to 8% (up from 4 to 6%).

In Civil Aerospace, Original Equipment (‘OE’) revenues grew by 5% in the third quarter, as a result of growing demand for business jets and the new large jets where we have excellent content across engines and airframes. The Group now anticipates full year organic revenue growth of 6 to 8% in Civil OE (up from previous guidance of 2 to 4%), reflecting expectations of continued growth in deliveries of new aircraft.

Civil Aftermarket revenues grew by 9% in the third quarter as a result of further growth in air traffic and low levels of aircraft retirements which have increased demand for our spare parts. The Group now anticipates full year organic revenue growth of 7 to 9% in civil aftermarket (up from previous guidance of 4 to 6%).

In Defence, strong growth on new platforms together with continued demand for retrofit fuel tanks contributed to growth of 8% in the third quarter. As a result of the continued positive outlook for defence spending in the US, following the agreement of the FY19 Defense Budget in September, the Group now anticipates full year organic revenue growth of 7 to 9% (up from previous guidance of 6 to 8%).

In Energy, organic revenue declined by 9% in the third quarter, with declining revenue in power generation OE and declining revenue at Heatric compared to a relatively strong prior year period. This was partially offset by further growth serving end-users of industrial gas turbines. The Group continues to anticipate full year organic revenue growth in excess of 5% in its energy markets.

Guidance for operating margins remains unchanged and is expected to be towards the lower end of the range of 17.7% to 18.0%.

2018 organic revenue growth	Q1	Q2	Q3	YTD
Civil OE	(2%)	9%	5%	4%
Civil aftermarket	8%	14%	9%	10%
Defence	1%	14%	8%	8%
Energy	39%	24%	(9%)	17%
<b>Group</b>	<b>5%</b>	<b>13%</b>	<b>6%</b>	<b>8%</b>

A conference call for analysts and investors will be held at 8.30am this morning. The dial in details are as follows:

Dial-in number: 08003589473

Access code: 96870131#

URL for international dial-in numbers:

[http://events.arkadin.com/ev/docs/NE\\_W2\\_TF\\_Events\\_International\\_Access\\_List.pdf](http://events.arkadin.com/ev/docs/NE_W2_TF_Events_International_Access_List.pdf)

## **Enquiries**

### **Meggitt PLC**

Doug Webb, Chief Financial Officer  
Adrian Bunn, Vice President Strategy and Investor Relations

+44 (0)1202 597 597

### **FTI Consulting**

Deborah Scott, Senior Managing Director  
Nick Hasell, Managing Director

+44 (0)20 3727 1000

## **Cautionary statement**

This trading update, including information included or incorporated by reference in this trading update, may contain forward-looking statements concerning Meggitt PLC or its group. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward-looking statements. Such forward-looking statements involve risks, uncertainties and other important factors which could cause the actual results, performance or achievements of the Meggitt group or the market and economies in which the Meggitt group operates to be materially different from those expressed or implied by such forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the ability of Meggitt PLC or its directors to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements, which speak only as at the date of this trading update. Neither Meggitt PLC, nor any of its group undertakings, nor the directors of any of them, assumes any obligations to, and do not intend to, update these forward-looking statements, except as required pursuant to applicable law.