

15 November 2016

Meggitt PLC

Trading Update: Continued growth, strategic initiatives accelerating

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 issues a scheduled trading update.

Trading since the half year has been in line with expectations. Third quarter revenue growth of 6% on an organic basis (excluding effects of M&A and foreign exchange) was consistent with the previously announced expectation of a greater second half weighting of organic revenue and earnings than in 2015. On a reported basis, revenue grew by 28%, including the effects of M&A and foreign exchange.

Civil aerospace revenue grew 9% organically, within which aftermarket revenue growth was 8%. Military grew 6% whilst the continued end-market challenges in energy resulted in an organic revenue decline of 8% for the period. Results in the third quarter benefited from five more trading days than the same period during the prior year; the fourth quarter conversely will be five trading days shorter than in 2015.

The Group expects to achieve low single digit organic revenue growth for the year, consistent with previous guidance and even after taking into account recently announced delays to key civil platforms.

Further to the two site closures announced earlier this year, additional rationalisation of our footprint is underway with the consolidation of our Louisville, USA and Kassel, Germany MRO facilities into existing regional hubs.

Meggitt is also announcing the appointment of Tony Wood as Chief Operating Officer with effect from 1 December 2016. Mr Wood, who was most recently President, Aerospace at Rolls-Royce is being appointed to the Board as an executive director. He will report to Stephen Young, Chief Executive with specific focus on accelerating the operational performance of the Group.

Chief Executive, Stephen Young commented:

"Current trading is in line with our expectations and, having increased shipset content on key growth platforms, we are confident that we are well positioned to deliver organic revenue growth ahead of our end markets over the medium term.

We continue to make positive progress on our key strategic initiatives, most notably the Meggitt Production System and the new Customer Support & Services organisation, which is now fully operational.

I am delighted to welcome Tony Wood to Meggitt. His extensive industry experience and track record of successfully managing complex operations, including aftermarket businesses, will be invaluable as we focus on accelerating our strategic initiatives and delivering further operational efficiencies to drive long term shareholder returns."

Further detail on the progress of our key initiatives along with an update on our longer term objectives will be provided at the full year results in February 2017.

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