

# 2016

STATE OF THE  
BUSINESS

MITCH SNYDER  
President and CEO



**Bell** Helicopter®  
A Textron Company

## FORWARD-LOOKING INFORMATION

Certain statements in today's discussion will be forward-looking statements, including those that discuss strategies, goals, outlook or other non-historical matters; or project revenues, income, returns or other financial measures. These forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements.

These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in the statements, including the risks and uncertainties set forth under our full disclosure located at the end of this presentation and included in our SEC filings.

# TEXTRON: LEADING BRANDED BUSINESSES

## Bell Helicopter



Bell Helicopter

## Textron Systems



- Weapon and Sensor Systems
- Unmanned Systems
- Marine and Land Systems
- TRU Simulations + Training

## Textron Aviation



- Cessna Aircraft
- Beechcraft
- Hawker

## Industrial



- Specialized Vehicles
- Tools and Test
- Jacobsen
- Kautex

## Finance



Textron Financial

2015 Revenue \$13.4 Billion



# STRATEGIC PRIORITIES

Grow our balanced business

Differentiate our products and services

Become more responsive and cost competitive - globally

Exhibit execution excellence

# EXECUTIVE LEADERSHIP TEAM



**MITCH SNYDER**  
President and CEO



**LISA ATHERTON**  
EVP Military Business



**MATTHEW HASIK**  
EVP Commercial Business



**FELIPE GUMUCIO**  
EVP Business Ventures  
& CLO



**ROBERT HASTINGS**  
EVP Communications &  
Chief of Staff



**GLENN ISBELL**  
EVP Customer Support  
and Service



**ALLISON MULLIS**  
EVP Human Resources



**CATHERINE KILMAIN**  
EVP Engineering



**GUNNAR KLEVELAND**  
EVP Integrated Operations



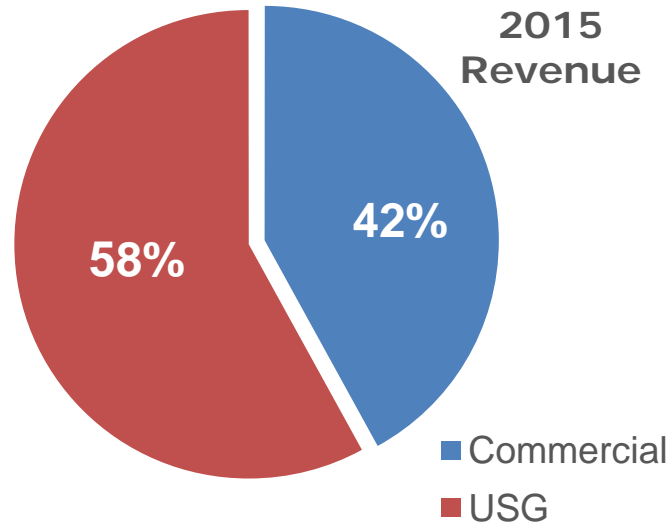
**AL VETERE**  
EVP and CFO



# 2015 PERFORMANCE OVERVIEW

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Revenue	\$3.5 billion
NOP	\$400 million
Margin	11.6 percent



# DRIVING COST COMPETITIVENESS

	2013	2014	2015
Revenue	\$4,511	\$4,245	\$3,454
NOP (\$)	\$573	\$529	\$400
Headcount (YE)	10,988	9,192	7,454
Revenue / Employee (\$K)	\$411	\$462	\$463
NOP / Employee (\$K)	\$52	\$58	\$54

# INDUSTRY OVERVIEW

## Recessed Order Volume

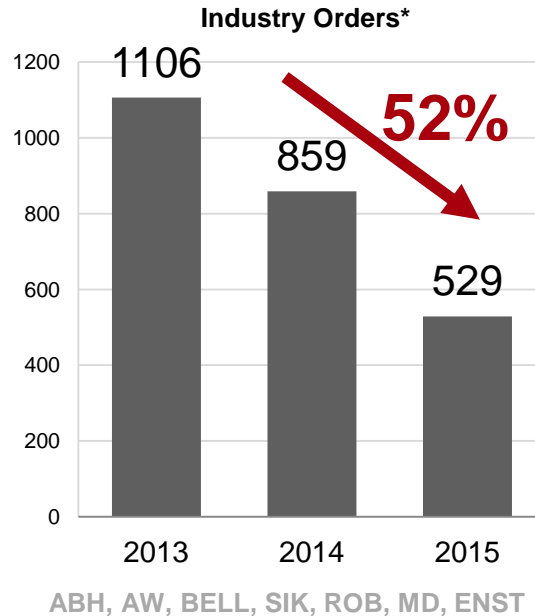
Helicopter industry orders down 50% in 2015 versus 2013

## Energy Industry Collapse

Low oil prices have negatively impacted OGP operations

## Currency Fluctuations

US Dollar making international sales more challenging



## Attractive Industry

Rotorcraft remains an attractive industry with long term growth

## Aging Aircraft Driving Demand

Aircraft retirements and fleet retirements driving demand in both near and long term

## Customers Value Differentiation

Bell Helicopter is well positioned for growth with three new game-changing production programs in development

**MARKET REALITIES DRIVING CHANGE REQUIREMENTS**



# MILITARY AIRCRAFT



# MILITARY BUSINESS OVERVIEW

## SECURED FIRST FOREIGN MILITARY SALES

**AH-1Z** 3 of 12  
Pakistan



5 of planned 17  
V-22 to JAPAN

**Began  
assembly  
on first  
V-280  
prototype**



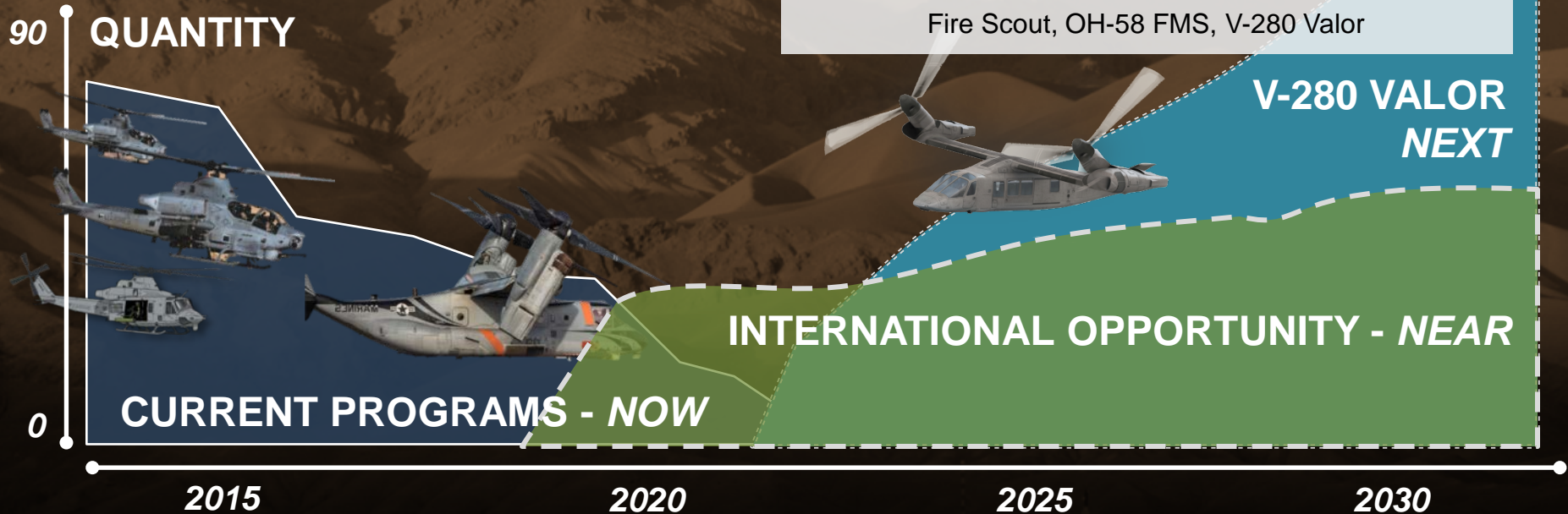
V-22  
Surpassed  
300,000  
Flight  
Hours



**44 x V-22**

Planned for  
Navy Carrier Onboard  
Delivery (COD) Mission

# MILITARY BUSINESS DEVELOPMENT



## V-22 OPPORTUNITIES

USG: US NAVY; AFSOC; International: Europe and Asia

## H-1 OPPORTUNITIES

Focused in Middle East, Asia Pacific and Eastern Europe

## ADDITIONAL OPPORTUNITIES

Fire Scout, OH-58 FMS, V-280 Valor

# BELL V280 VALOR

## **TRANSFORMATIONAL**

Low speed helicopter agility  
combined with fixed wing  
high speed performance

## **SELECTED FOR JMR-TD**

Assembly underway with first  
flight anticipated in 2017

## **TEAM OF INDUSTRY LEADERS**

11 teammates investing  
more than \$161M including  
Lockheed Martin, MOOG, GE,  
Spirit Aerosystems and TRU  
Simulation



# COMMERCIAL AIRCRAFT



Bell 206 L4



Bell 407 GXP



Bell 429 WLG



Bell 412 EPI



Bell 505



Bell 525

# 2015 COMMERCIAL PERFORMANCE

**INCREASED  
ORDER SHARE**



**80**  
525 LOIs

**BELL 525  
FIRST FLIGHT**



**AIRCRAFT  
DELIVERED 175**

**Global Expansion  
NEW REGIONAL OFFICES**

**407XP  
Launch**



**200**

**407s**

**Air Methods**



**350**  
BELL 505  
LOIs



**412** **WNS** 150x JAPAN UH-X  
Canadian Coast Guard

# BELL 525 RELENTLESS

## **UNPRECEDENTED SAFETY**

Industry-leading safety capability with unbeatable payload, range and speed

## **NEW MARKET DEMAND**

Exceptional growth in the corporate / VIP segment

Signed letter of intent for 10 Bell 525 Relentless to China

## **EXPECTATIONS EXCEEDED**

First two test vehicles amassed more than 140 flight hours

Performance exceeding expectations – 200 kts



# BELL 505 JET RANGER X

## **VALUE LEADER**

Ideally suited for multiple mission requirements with the best combined performance and features

## **ASTOUNDING RESPONSE**

More than 350 letters of intent

## **INCREDIBLE PROGRESS**

Amassed more than 575 flight hours

Opened Lafayette Assembly Center in August 2015  
2016 entry into service





# CUSTOMER SUPPORT AND SERVICE

## **CUSTOMER ADVANTAGE**

Two decades of industry leading service

Largest service network in the industry

Customer Advantage Plans offer customizable service solutions through a fixed cost per flight hour

## **TRAINING**

World-class, global training solutions, first international training center in Valencia

## **REPAIR AND OVERHAUL**

Evolving service to enhance maintenance, repair and overhaul (MRO) capabilities



# SUMMARY



## 2015

- Increased position in marketplace
- Delivered strong military performance
- Introduced successful product upgrades
- Made significant advancements on all three new programs

## 2016

- Continue investing in existing products and developing new technologies
- Execute on UH-1Y, AH-1Z and V-22 programs and pursue international opportunities
- Provide lifetime aircraft support and expanded service and training offerings

## LONG-TERM OUTLOOK

- Attractive commercial growth driven by new product development
- Strong interest in foreign military programs
- Well positioned for the future



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