

Q3 Presentation 2018-10-31



CTT Systems AB

-provides humidity control for the aerospace industry

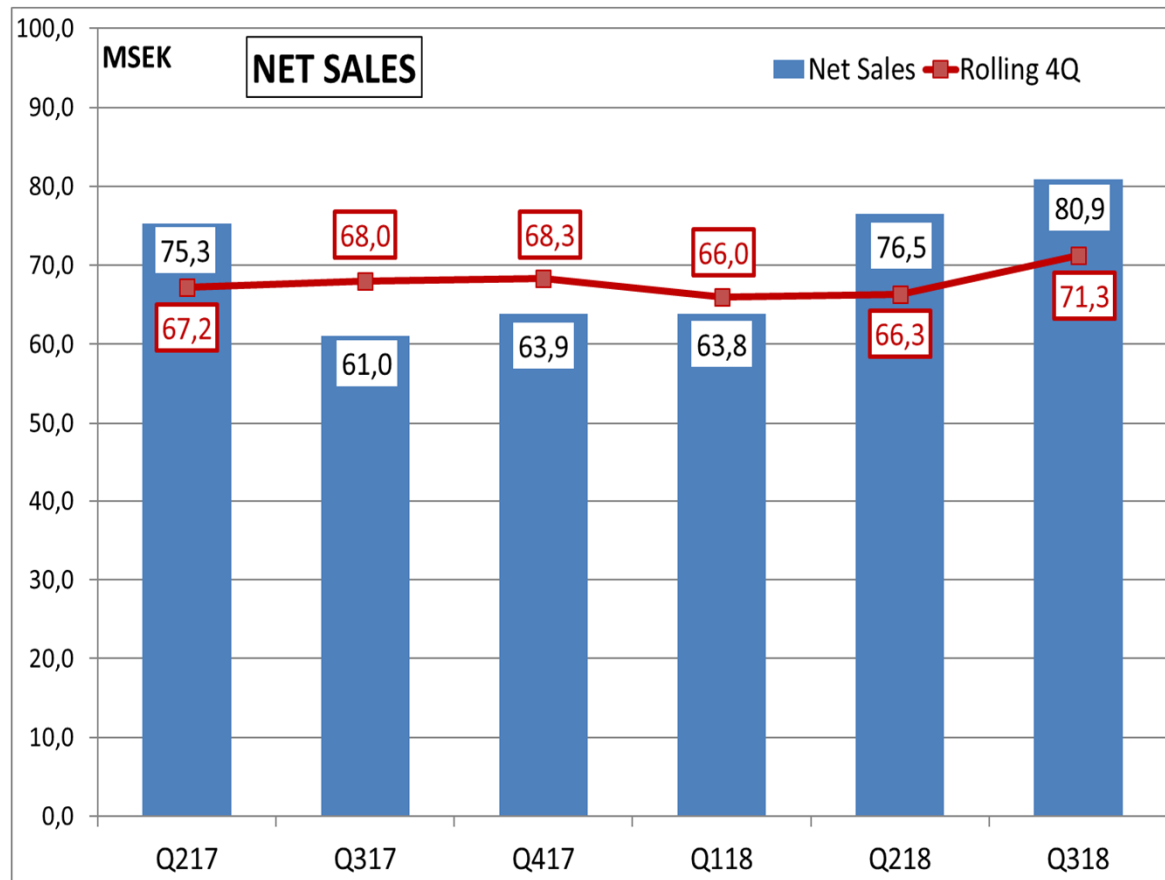
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CTT SYSTEMS AB (PUBL.) 2018 Q3

- Net Sales increased by 33 % to 80,9 MSEK (61,0) – an increase with 24 % when adjusted for currencies
- Operating Profit EBIT amounted to 27,1 MSEK (15,7)
- Operating Margin (EBIT-margin) amounted to 33 % (26)
- Net After-Tax Result amounted to 21,6 MSEK (13,5)
- Earnings per share (EPS) 1,73 SEK (1,07)
- Cash flow from operations amounted to 25,1 MSEK (20,0)

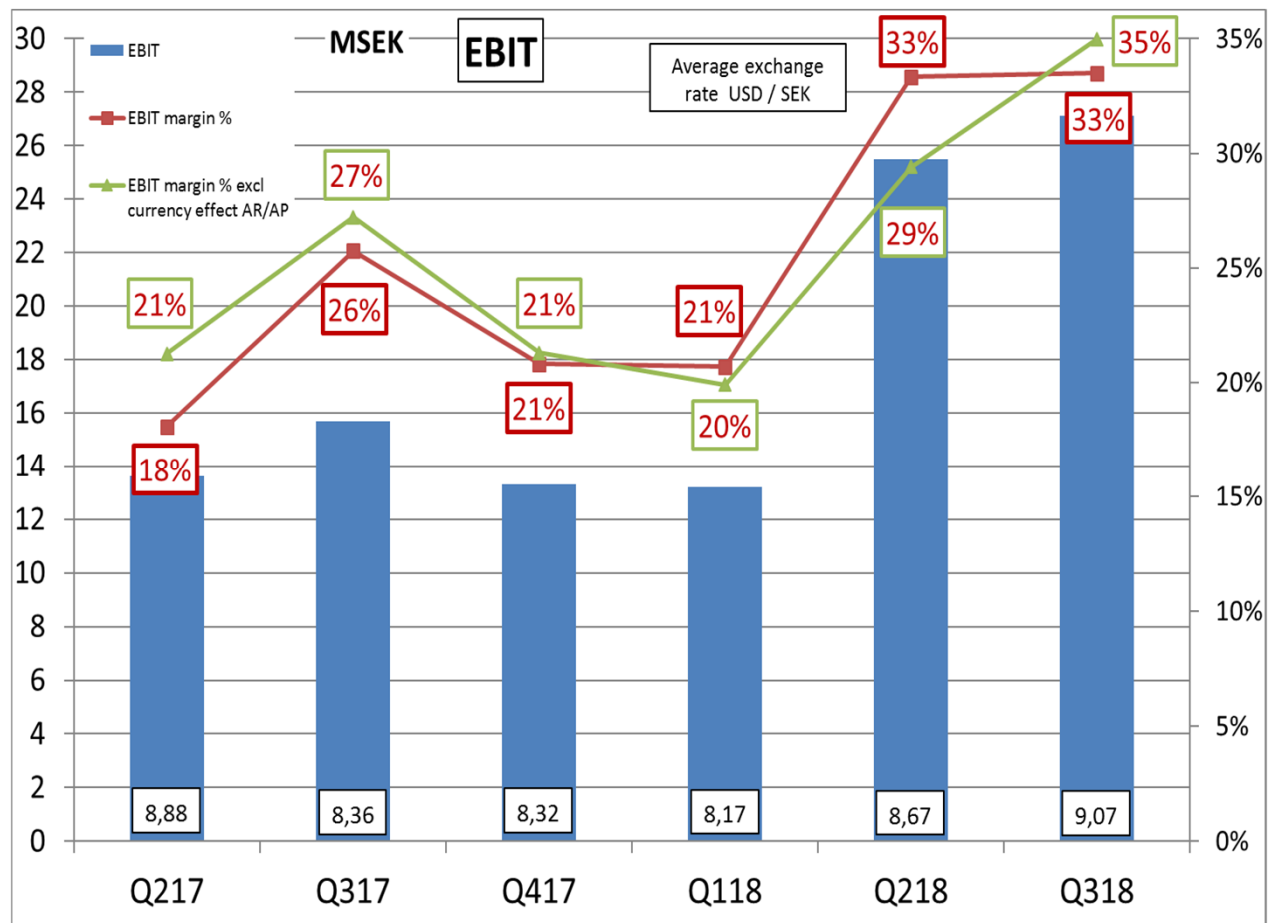
CTT SYSTEMS AB (PUBL.) 2018 Q3



CTT SYSTEMS AB (PUBL.) 2018 Q3

NET SALES (MSEK)	Q217	Q317	Q417	Q118	Q218	Q318
OEM Systems	26,1	26,0	26,4	27,9	32,7	32,9
Retrofit systems	6,6	6,8	9,7	10,3	4,6	6,2
VIP	11,4	0,3	1,4	0,0	0,7	0,6
After market	21,0	18,0	22,9	16,8	27,9	31,1
IP	3,8	3,2	0,7	2,5	7,7	6,8
Sales in addition to Core Business	6,2	6,7	2,8	6,3	2,9	3,3
TOTALT	75,3	61,0	63,9	63,8	76,5	80,9

CTT SYSTEMS AB (PUBL.) 2018 Q3



BOEINGS 787 ZONAL DRYING DECISION

- The Zonal Drying system will be removed as basic equipment on B787.
- This decision will have financial impact on CTT, from end of 2019.
- The last seven quarters this accounted for 15-20% of CTTs Net Sales.
- Boeings opinion is that Wide Body aircrafts with Crown Recirculation system (B787 and B777X) do not need the Zonal Drying system.
- This decision has no impact on CTTs Crew Humidifiers for the B787. The aftermarket sales are much larger for the B787 Humidifiers than for the Zonal Dryers.
- The main market for the Zonal Drying system is A320 and B737 family aircraft.

The Zonal Drying™ System



- Boeings 787 decision is of course negative for CTTs marketing of Zonal Drying systems.
- Jet Fuel Price is now above 95 USD per barrel.
- Focus ahead: Achieve Optional status on A320 neo & B737 MAX.

Crew Humidifiers



- We delivered 112 (94) Crew Humidifiers in Q3, 2018.
- 21 (0) of these Humidifiers were to A350.
- We have received the first orders for FD Humidifiers to B777X.
- The Crew Humidifiers generates strong aftermarket sales.

VIP System



- During 2018 we have received orders for 7 (0) VIP aircraft.
- Sales from VIP will increase during Q4 2018.

The CAIR™ System



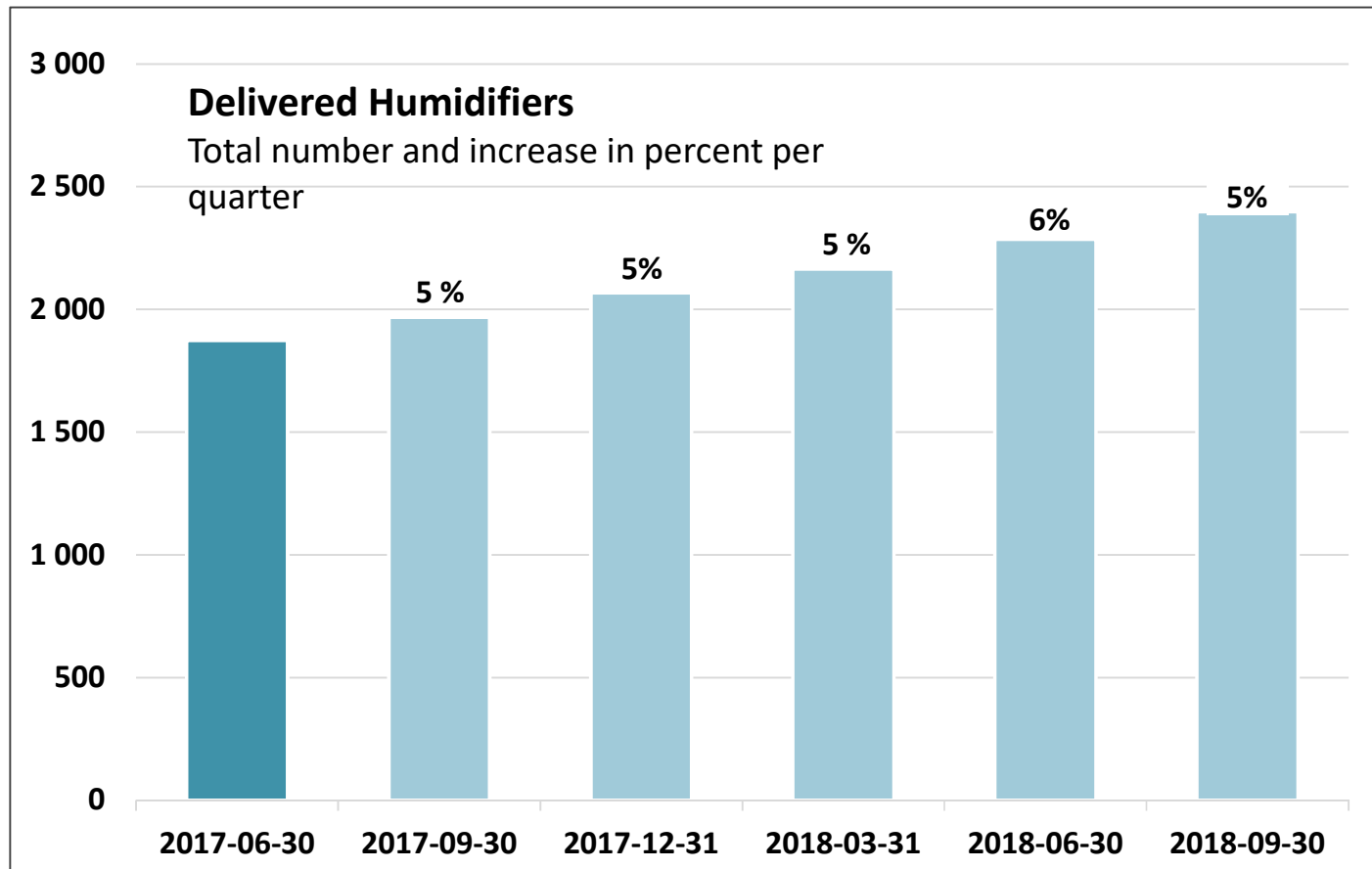
- China Southern has ordered the system to Business Class for A350.
- Emirates has selected the system to First Class for B777X.
- ANA has selected the system to First and Business for B777X.
- One more airline has selected Business Class humidification for A350.
- Totally this means up to 278 Cabin Humidifiers.
- This will broaden the aftermarket sales for Humidifiers.

Aftermarket



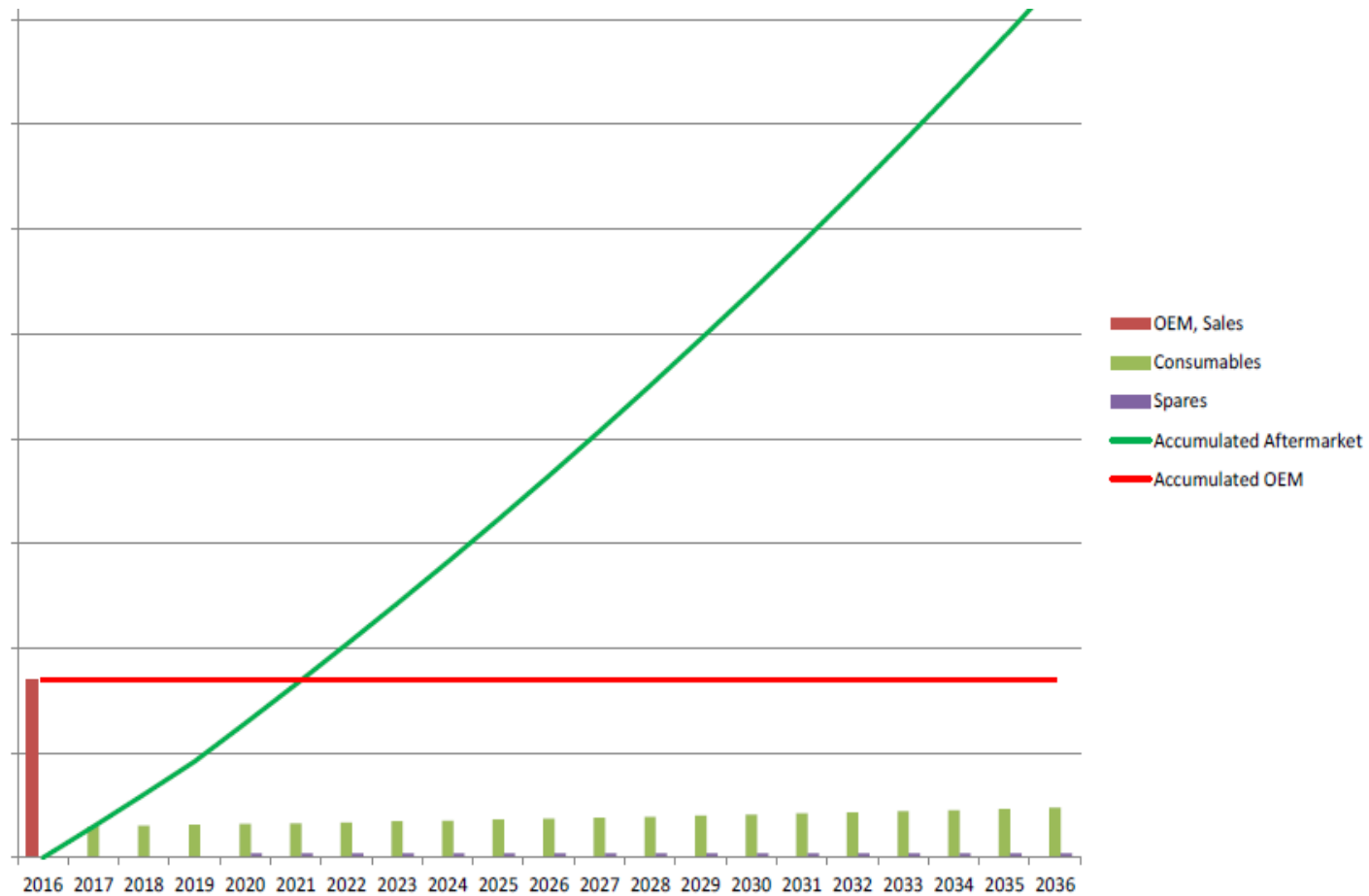
- CTT has delivered 2 600 Zonal Dryers.
- CTT has delivered 2 400 Humidifiers.
- During Q1 – Q3 2018, the aftermarket did grow with 39 % (B787 IP excluded). This growth is mainly generated by our Crew Humidifiers.

AFTERMARKET

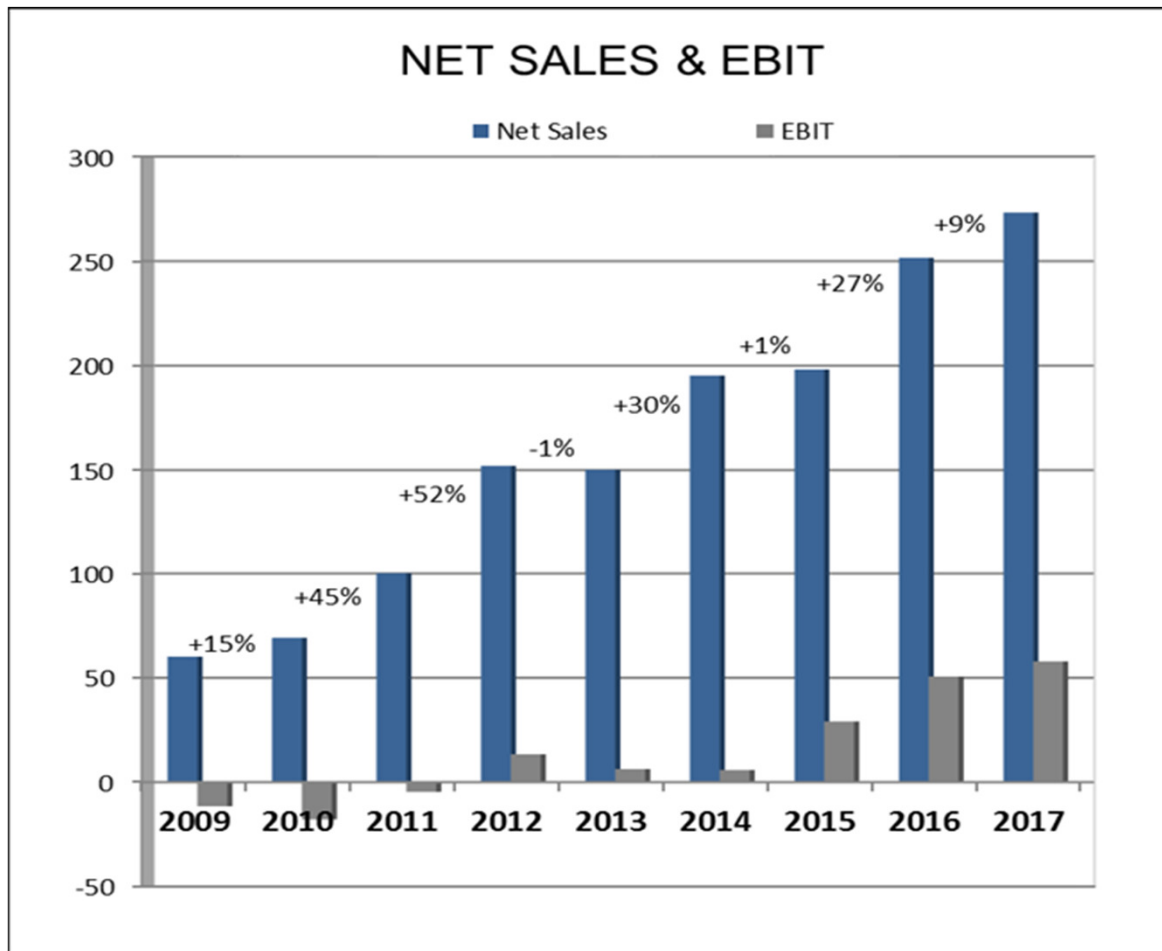


AFTERMARKET

Humidifier Lifetime Revenue



CTT SYSTEMS AB (PUBL.) 2017



GUIDANCE FOR Q4 2018

- The Net Sales is forecasted to be between 90 and 95 MSEK (63,9).
- This would mean Net Sales for 2018 of 311 – 316 MSEK.
- A Year to Year growth of about 15%.

Questions & Answers



Torbjörn Johansson
CEO

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