



Overview of Mexico's Aerospace Industry

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The FEMIA logo consists of the word "FEMIA" in a bold, blue, sans-serif font, followed by a stylized yellow and orange swoosh that suggests motion or a wing.



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Mexican Federation of Aerospace Industry (FEMIA)



www.femia.com.mx

- Mexican Association of Aerospace Companies
- Private, non-profit organization
- Established in 2007
- 89 member companies
- Member presence in 11 states of Mexico
- Capital origin: Approx. 35% Mexican, 65% Foreign
- The private counterpart of the Mexican Federal Government

AREAS OF INTERVENTION (Commissions)

- Competitiveness/Supply Chain Development
- Institutional Relations & Legal Framework
- Human Talent Development
- Promotion



OUR MEMBERS



Aerospace Industry in Mexico



New Industry in
Mexico with an
outstanding growth
2004 – 2014
(+17% annual avg)

300 Industrial
Facilities

- 79% MFG
- 11% MRO
- 10% D&E

Labor force:

- +43,000 in 18 of the 32 states

Exports: \$6,366
(2014)

- Moved from 10th to 6th position
as supplying country to the US
Aerospace Industry in less than
10 years

Expectation for 2015

- 52,000 jobs
- 320+ industrial facilities
- Exports exceeding 7,500 million
USD
- 30% mexican value added

Competitive
manufacturing
platform in less than
10 years

- Mexico's global ranking in the
Industry is 14th



Mexico's Aerospace Industry Profile

Foreign Direct Investment in Mexico's Aerospace Industry

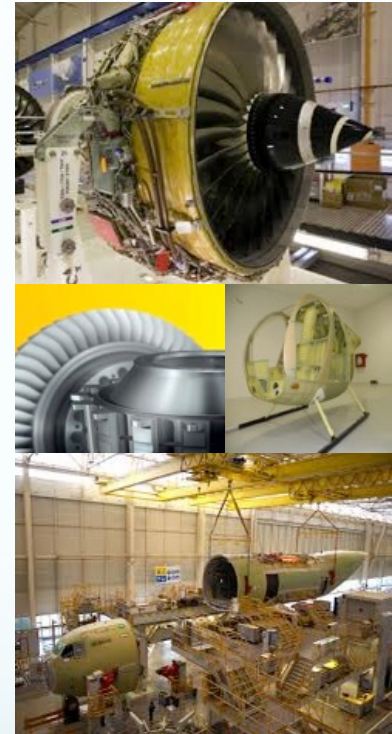
Estimated FDI in Mexico's Aerospace Industry is of around \$33,000 Million USD

FDI Origin
75% from North America
25% from Europe

One of the most important receptors of FDI in the Global Aerospace Industry in the last 5 years

6th most important supplier to the US Aerospace Industry

Mexico has entered BASA & Wassenaar Agreements



Foreign Direct Investment in Mexico's Aerospace Industry

Mexico - NEW Global Manufacturing hub for the Aerospace Industry

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Major companies in Mexico

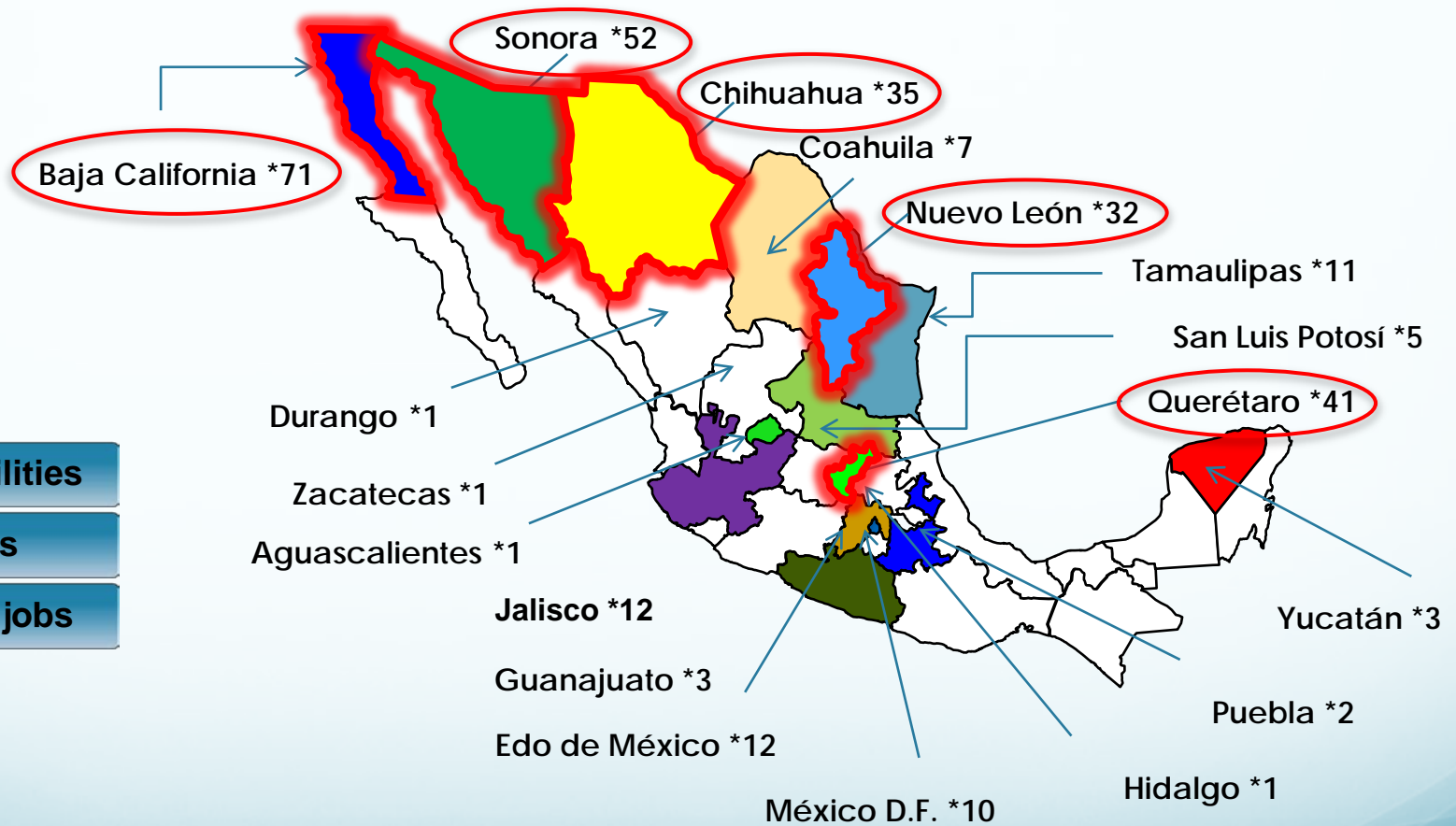
- Aernnova (Spain)
- Airbus Group (Europe)
- Bombardier Aerospace (Canada)
- Daher Aerospace (France)
- Eaton Aerospace (UK)
- Fokker (Holland)
- General Electric (USA)
- GKN Aerospace (UK)
- Gulfstream Aerospace (USA)
- Honeywell Aerospace (USA)
- ITP Group (Spain)
- MD Helicopters (USA)
- Meggitt (UK)
- PCC
- Safran Group (France)
 - Snecma, Messier Buggati Dowty, Sames, Labinal
- Sargent Aerospace (USA)
- Textron – Cessna, Bell Helicopter, Beechcraft (USA)
- United Technologies Aerospace Systems (USA)
- Zodiac Aerospace (France)

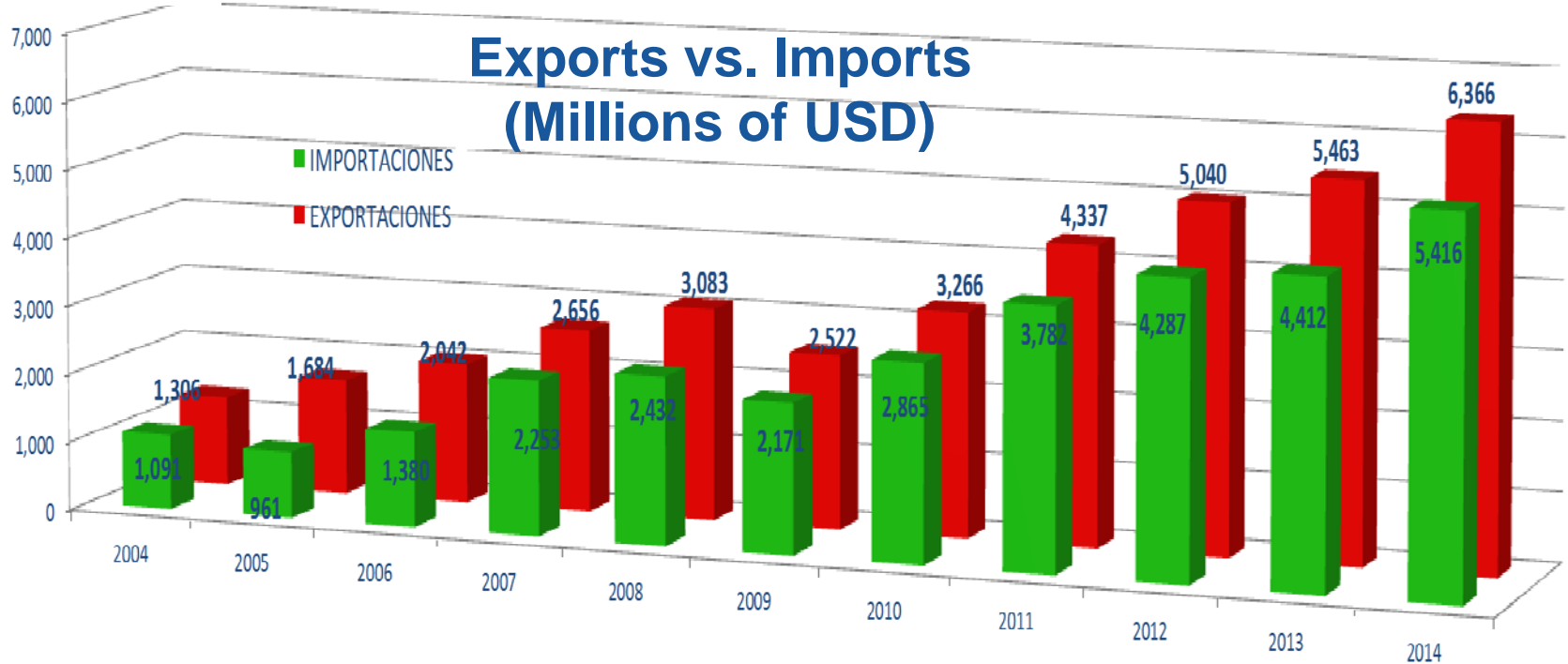
Products & Services in Mexico

- Propulsion system components
- Aerostructures & sheet metal
- Landing system components
- Braking Systems
- Precision machined parts
- Plastic injection molding parts
- Heat and surface treatment
- Electrical & Electronics
- Composite material parts
- Design & engineering services
- MRO services
- Aircraft interiors

Geographic Location

-  **300 Facilities**
-  **18 States**
-  **+43,000 jobs**





Source: Mexico's Secretariat of Economy

Trade Balance of Mexico's Aerospace Industry (Millions of USD)

Year	Imports	Exports	Balance
2004	1,091	1,306	215
2005	961	1,684	723
2006	1,380	2,042	662
2007	2,253	2,656	403
2008	2,432	3,083	651
2009	2,171	2,522	351
2010	2,865	3,266	401
2011	3,782	4,337	555
2012	4,287	5,040	753
2013	4,412	5,463	1,051
2014	5,416	6,366	950

Source: Mexico's - Secretaría de Economía, DGIPAT.

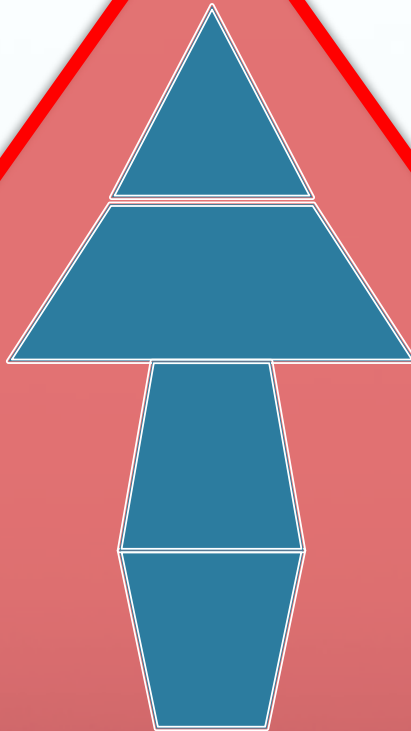
**Annual Avg.
17.16%**

Current Mexico's Supply Chain Structure The Oversized Head Pyramid



Opportunities for
new companies

SUPPLY CHAIN
OF COMPANIES



OEM



TIER 1



TIER 2



TIER 3

Future of the Aerospace Industry in Mexico

GOALS 2020:

1. Mexico ranked 10th among the Aerospace countries in the world
2. Exports of 12,000 million USD
3. 110,000 jobs
4. 50% Mexican value added in Manufacturing

Global Commercial Aircraft Outlook 2013 – 2032

- Airlines will need more than 35,000 NEW airplanes
 - 14,350 – Replacement (41%)
 - 20,930 – Growth (59%)
- Current Global fleet is over 20,000
- Backlog for 2015 is 7 to 9 years
- Expected industry growth around 5% avg - yoy





Thank you!!!

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