News Release

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Hexcel Provides Financial Guidance for a Record Year in 2017 and Updates Outlook through 2020

- **2017 diluted EPS of $2.64 - $2.76 on sales of $2.05 - $2.15 billion**
- **2017 free cash flow > $100 million**
- **Targets through 2020:**
  - **Sales growth of 6% - 9% CAGR**
  - **Double digit EPS growth**
  - **$1 billion of free cash flow from 2016 to 2020**

STAMFORD, CT. December 13, 2016 – Hexcel Corporation (NYSE: HXL), today provided guidance for 2017 and updated its outlook through 2020.

2017 Guidance

Chairman, CEO and President Nick Stanage commented on the Company's outlook for 2017, "We expect another record year of sales and earnings, strong operating income margin, and generation of free cash flow. Our focus remains on innovation and operational excellence as we drive manufacturing throughput, capacity expansion and superior execution to meet our customers' growth. We are fully aligned to meet the increasing demand for innovative advanced composite products and solutions to support our customers' needs."

Hexcel's 2017 revenue guidance is in the range of $2.05 billion to $2.15 billion with Commercial Aerospace again leading the Company's sales growth. The Company expects 2017 diluted earnings per share to be $2.64 to $2.76.

Markets

In 2017, the Company expects mid-single digit sales growth as Commercial Aerospace, which currently comprises 71% of Company sales, transitions several legacy aircraft to new derivatives with higher composite content. For Hexcel, our 2017 growth will come primarily from the A350 XWB program and the ramp-up of the new narrowbody programs (A320neo and B737 MAX). Regional and business aircraft – which account for about 11% of Commercial Aerospace sales – are expected to be consistent with 2016.

Hexcel expects Space & Defense sales (currently comprising 16% of Company sales) to be stable over 2016 with rotorcraft sales also expected to remain at just more than 50% of Space & Defense sales.

For Industrial sales (currently comprising 13% of Company sales), the Company expects the market to remain stable, as lower wind energy sales are expected to be offset by increases in other Industrial submarkets. Wind energy sales in 2018 are expected to exceed 2016 levels, once the transition from certain blade models with lower composite content to longer blades with higher content in 2018 is completed.

Cash and Other

Capital expenditures for 2017 are expected to be $270-$290 million and we expect a $16 million increase in depreciation expense as it reflects recent capacity expansion to support future growth.

Hexcel's 2017 effective tax rate is estimated at 30%. The Company expects an approximate $30 million increase in cash taxes due to higher income, the reduced availability of tax carryforwards and payment of previously deferred amounts. Hexcel expects free cash flow to be greater than $100 million for the year, with the typical seasonal use of cash in the first quarter of the year.

Hexcel's leverage ratio (debt/LTM EBITDA) at September 30, 2016 was approximately 1.5x. The Company expects to increase its debt and available borrowing capacity in 2017. As the Company expects to fund its operations from its free cash flow, the additional debt will be available to increase the Company's unused borrowing capacity, finance potential acquisition activities and fund the repurchase of common stock. The Company expects to repurchase sufficient shares to offset the impact of higher interest expense on its earnings per share. For the fourth quarter to date, the Company has repurchased $26 million of its shares.

Outlook Through 2020

Mr. Stanage said, "From 2015 through 2020, we expect average annual growth rates of 6-9% for the total company. This includes 6%-10% annual average growth rates in Commercial Aerospace, led by the ramp up of the A350 XWB, A320neo and B737 MAX." He added, "While the Space & Defense markets are forecasted to be stable in 2017, we expect to average 3-5% annual growth rates over the period, led by military aircraft and rotorcraft. Also, we expect Industrial markets to have average annual growth rates of 8-12% as we continue our efforts to focus on selected markets where we can use our innovative technology to develop a long-term sustainable competitive advantage."

The Company expects double-digit adjusted diluted EPS growth over the period. This reflects the benefits from the Company's ongoing focus on Operational Excellence and expected leverage on sales growth.

Supporting the sales outlook, the Company expects 2016 to be its peak year for capital expenditures and targets capital expenditures over the next three years (2017 to 2019) of about $600 million to meet forecasted customer requirements based on announced build rates. "We continue to do an excellent job of managing our expansions and funding them from operations. We also have an enviable track record of being on time and on budget while continuously improving productivity and quality," Mr. Stanage added. Based on the forecasted capital expenditures, Hexcel expects to generate $1 billion of free cash flow over the five year period from 2016 to 2020.

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Hexcel Corporation is a leading advanced composites company. It develops, manufactures and markets lightweight, high-performance structural materials, including carbon fibers, reinforcements, prepregs, honeycomb, matrix systems, adhesives and composite structures, used in commercial aerospace, space and defense and industrial applications such as wind turbine blades.

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Disclaimer on Forward Looking Statements

This press release contains statements that are forward looking, including statements relating to anticipated trends in constant currency for the markets we serve (including changes in commercial aerospace revenues, the estimates and expectations based on aircraft production rates provided or publicly available by Airbus, Boeing and others, the revenues we may generate from an aircraft model or program, the impact of delays in the startup or ramp-ups of new aircraft programs, the outlook for space & defense revenues and the trend in wind energy and other industrial applications, including whether certain programs might be curtailed or discontinued or customers' inventory levels reduced); our ability to maintain and improve margins in light of the current economic environment; the success of particular applications as well as the general overall economy; our ability to manage cash from operating activities and capital spending in relation to future sales levels such that the Company funds its capital spending plans from cash flows from operating activities, but, if necessary, maintains adequate borrowings under its credit facilities to cover any shortfalls; and the impact of the above factors on our expectations of all financial results for 2016, 2017 and beyond. The loss of, or significant reduction in purchases by Airbus, Boeing, Vestas, or any of our other significant customers could materially impair our business, operating results, prospects and financial condition. Actual results may differ materially from the results anticipated in the forward looking statements due to a variety of factors, including but not limited to changes in currency exchange rates, changing market conditions, increased competition, inability to install, staff and qualify necessary capacity or achievement of planned manufacturing improvements, conditions in the financial markets, product mix, achieving expected pricing and manufacturing costs, availability and cost of raw materials, supply chain disruptions, work stoppages or other labor disruptions, uncertainty regarding the likely exit of the U.K. from the European Union, unforeseen vulnerability of our network and systems to interruptions or failures and changes in or unexpected issues related to environmental regulations, legal matters, interest rates and tax codes. Additional risk factors are described in our filings with the SEC. We do not undertake an obligation to update our forward-looking statements to reflect future events.

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