

# Q3 2016/2017 Sales Presentation

**ZODIAC AEROSPACE**

Wednesday 14<sup>th</sup> June 2017

# Safe Harbour statement

*Certain statements contained in this document are forward-looking statements. These statements includes, without limitation, statements that are predictions of or indicate future events, trends, plans, expectations or objectives. Examples of forward-looking statements include statements relating to business strategy, objectives, delivery schedules or future performance. Words such as “anticipates”, “believes”, “estimates”, “seeks”, “intends”, “may” and similar expressions are used to identify these forward-looking statements.*

*Such statements are, by their nature, subject to known and unknown risks and uncertainties. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements as these are dependent on risk factors such as the variation of the exchange rates, program delays, industrial risks relating to safety, the evolution of regulations and the general economic and financial conditions and other matters of national, regional and global scale, including those of a political, economic, competitive and regulatory nature. Please refer to the section “Risks management” of the latest Zodiac Aerospace’s Annual Report, for a description of certain important factors, risks and uncertainties that may affect Zodiac Aerospace’s business.*

*Zodiac Aerospace makes no commitment to update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.*

# Agenda

**Q3 2016/2017 sales highlights**

**Divisional performance**

**Conclusion**

# Q3 2016/2017 sales highlights

# 9M & Q3 sales

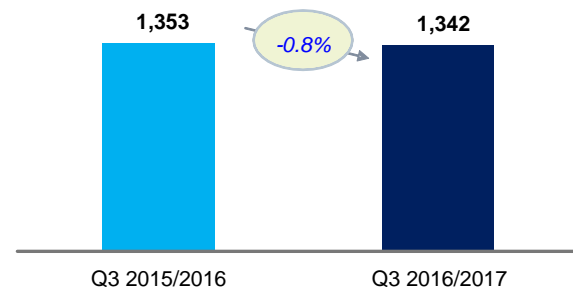
- **Q3 sales -0.8% to €1.3bn**

- -3.2% organic growth
- +2.4% exchange rate impact

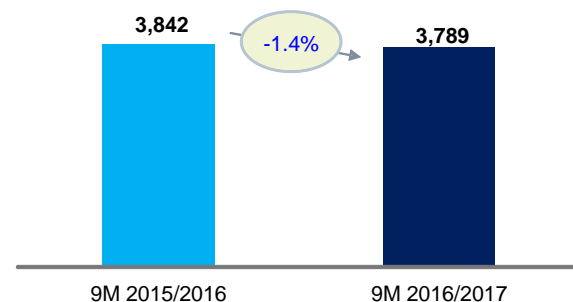
- **9M sales -1.4% to €3.8bn**

- -2.8% organic growth
- +1.4% exchange rate impact

## Q3'17 sales



## 9M'17 sales

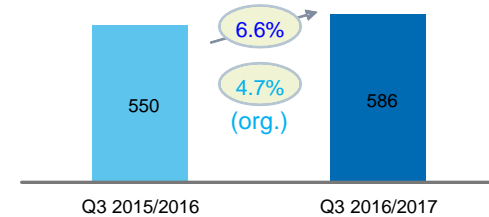


# Divisional performance

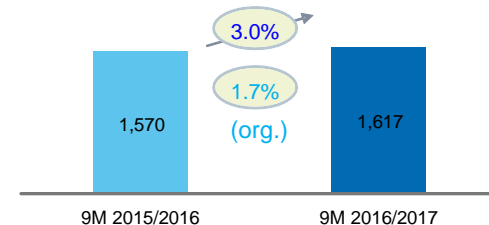
# Aerosystems – 9M & Q3 review

- **Q3 sales amounted to €586m (+6.6%)**
  - +4.7% organic growth
  - +1.9% exchange rate impact
- **9M sales amounted to €1,617m (+3.0%)**
  - +1.7% organic growth
  - +1.3% exchange rate impact
- **Robust growth in Q3 as expected**
  - Strong dissymmetry between H1 and H2

## Q3'17 sales



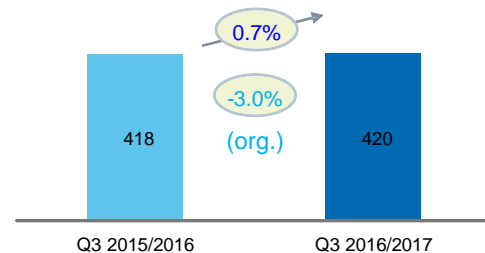
## 9M'17 sales



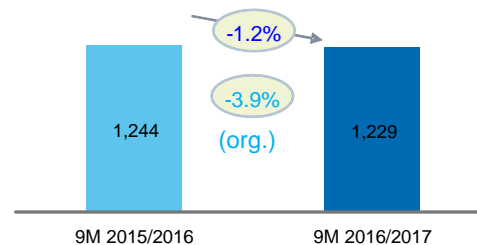
# Cabin – 9M & Q3 review

- **Q3 sales amounted to €420m (+0.7%)**
  - -3.0% organic growth
  - +3.6% exchange rate impact
- **9M sales amounted to €1,229m (-1.2%)**
  - -3.9% organic growth
  - +2.7% exchange rate impact
- **A350XWB Lavatories deliveries in line with milestones presented in H1**

## Q3'17 sales



## 9M'17 sales

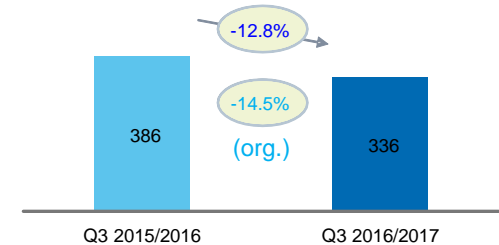




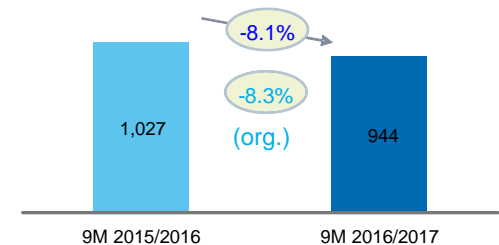
# Seats – 9M & Q3 review

- **Q3 sales amounted to €336m (-12.8%)**
  - -14.5% organic growth
  - +1.7% exchange rate impact
- **9M sales amounted to €944m (-8.1%)**
  - -8.3% organic growth
  - +0.2% exchange rate impact
- **Issues resolution in the UK (Cwmbran) moving forward according to plan**

## Q3'17 sales



## 9M'17 sales



# Commercial success for Optima

- New B/C seat for better use of space
- Currently deployed with United Airlines fleet : Polaris
- Selected by Air France for its new A350XWB and for some B777
- Air France also selected Z300 Economy class seats which equip its entire “BEST” fleet as well as the RAVE IFE system developed by Zodiac Inflight Innovation



# Governance evolution

- **Yann Delabrière appointed by the Supervisory Board as Chairman of the Executive Board of Zodiac Aerospace, effective on June 16, 2017, succeeding to Olivier Zarrouati**
- **Didier Fontaine named to the Executive Board by the Supervisory Board, effective since June 6, 2017**
  - Replacing Benoît Ribadeau-Dumas, called to serve as chief-of-staff for the French Prime Minister
  - Remaining Administration and Finance Director of Zodiac Aerospace
- **TK Kallenbach appointed as Zodiac Aerosystems CEO replacing Benoît Ribadeau-Dumas**
  - TK Kallenbach was CEO of the Entertainment and Seat Technology Division

# Outlook

# In line with guidance

- **The Group's progress regarding on time and on quality deliveries is in line with planned milestones**
  - As announced on April 28, 2017
- **Zodiac Aerospace confirms its guidance for FY 2016/2017 and its long term outlook**
- **The contemplated combination with Safran is progressing as per the new agenda announced on May 23**

# Appendix

# 9M and Q3 2016/2017 sales

<b>Cumulative consolidated revenue</b>				
In millions of euros	1st quarter 2016/2017	1st half 2016/2017	9 months 2016/2017	Full year 2016/2017
<b>Aerosystems Activities</b>	477.3	1,030.9	<b>1,616.8</b>	
<b>Aircraft Interiors Activities</b>	724.6	1,416.1	<b>2,172.5</b>	
<i>Zodiac Seats</i>	306.5	607.4	<b>943.6</b>	
<i>Zodiac Cabin</i>	418.1	808.7	<b>1,228.9</b>	
<b>Group Total</b>	1,201.9	2,447.0	<b>3,789.3</b>	
€/ \$ conversion	1.10	1.08	<b>1.08</b>	
€/ \$ transaction	1.11	1.10	<b>1.10</b>	

<b>Consolidated revenue by quarter</b>				
In millions of euros	1st quarter 2016/2017	2nd quarter 2016/2017	3rd quarter 2016/2017	4th quarter 2016/2017
<b>Aerosystems Activities</b>	477.3	553.6	<b>585.9</b>	
<b>Aircraft Interiors Activities</b>	724.6	691.5	<b>756.4</b>	
<i>Zodiac Seats</i>	306.5	300.9	<b>336.2</b>	
<i>Zodiac Cabin</i>	418.1	390.6	<b>420.2</b>	
<b>Group Total</b>	1,201.9	1,245.1	<b>1,342.3</b>	
€/ \$ conversion	1.10	1.06	<b>1.08</b>	

# Changes

(Compared with the same quarter of the previous year)

Based on reported data	Q1	Q2	Q3	Q4
<b>Aerosystems Activities</b>	-5.7%	+7.6%	<b>+6.6%</b>	
<b>Aircraft Interiors Activities</b>	-1.0%	-6.1%	<b>-5.8%</b>	
<i>Zodiac Seats</i>	-4.4%	-6.2%	<b>-12.8%</b>	
<i>Zodiac Cabin</i>	+1.7%	-6.0%	<b>+0.7%</b>	
<b>Group Total</b>	-2.9%	-0.5%	<b>-0.8%</b>	
<b>Aerospace activities *</b>	-2.3%	+0.0%	<b>-0.8%</b>	

Based on organic revenue	Q1	Q2	Q3	Q4
<b>Aerosystems Activities</b>	-6.0%	+6.1%	<b>+4.7%</b>	
<b>Aircraft Interiors Activities</b>	-0.5%	-8.3%	<b>-8.6%</b>	
<i>Zodiac Seats</i>	-1.9%	-7.2%	<b>-14.5%</b>	
<i>Zodiac Cabin</i>	+0.6%	-9.2%	<b>-3.0%</b>	
<b>Group Total</b>	-2.8%	-2.4%	<b>-3.2%</b>	
<b>Aerospace activities *</b>	-2.1%	-1.8%	<b>-3.3%</b>	



# Changes

(Compared with the same period of the previous year)

Based on reported data	1st quarter	1st half	9 months	Full year
<b><i>Aerosystems Activities</i></b>	-5.7%	+1.0%	<b>+3.0%</b>	
<b><i>Aircraft Interiors Activities</i></b>	-1.0%	-3.6%	<b>-4.4%</b>	
<b><i>Zodiac Seats</i></b>	-4.4%	-5.3%	<b>-8.1%</b>	
<b><i>Zodiac Cabin</i></b>	+1.7%	-2.2%	<b>-1.2%</b>	
<b><i>Group Total</i></b>	-2.9%	-1.7%	<b>-1.4%</b>	
<b>Aerospace activities *</b>	-2.3%	-1.2%	<b>-1.0%</b>	

Based on organic revenue	1st quarter	1st half	9 months	Full year
<b><i>Aerosystems Activities</i></b>	-6.0%	+0.1%	<b>+1.7%</b>	
<b><i>Aircraft Interiors Activities</i></b>	-0.5%	-4.4%	<b>-5.9%</b>	
<b><i>Zodiac Seats</i></b>	-1.9%	-4.6%	<b>-8.3%</b>	
<b><i>Zodiac Cabin</i></b>	+0.6%	-4.3%	<b>-3.9%</b>	
<b><i>Group Total</i></b>	-2.8%	-2.6%	<b>-2.8%</b>	
<b>Aerospace activities *</b>	-2.1%	-2.0%	<b>-2.4%</b>	

# Hedging policy

- **2016/2017:**
  - Zodiac Aerospace has hedged 95% of estimated EUR/USD exposure at 1.1157\$/€ (spot rate)
  - 100% of USD/CAD, 100% of USD/GBP, 95% of USD/MXN and 80% of USD/THB exposure
- **For 2017/2018, Zodiac Aerospace has hedged 69% of its estimated EUR/USD exposure at 1.0703 (spot rate)**

## About Zodiac Aerospace

Zodiac Aerospace is a world leader in aerospace equipment and systems for commercial, regional and business aircraft and for helicopters and spacecraft. It develops and manufactures state-of-the-art solutions to improve comfort and facilities on board aircraft and high-technology systems to increase aircraft performance and flight safety. Zodiac Aerospace has 35,000 employees worldwide and generated revenue of €5.2 billion in 2015/2016.

[www.zodiacaerospace.com](http://www.zodiacaerospace.com)

Next meetings: Q4 2016/17 sales  
FY 2016/17 results

September 13, 2017 (after stock exchange closing)  
October 31, 2017 (before stock exchange opening)

### ZODIAC AEROSPACE CONTACTS

Pierre-Antony VASTRA  
Tel: +33 (0)1 61 34 25 68  
Florent DEFRETIN  
Tel: +33 (0) 1 61 34 03 34  
Isabelle DELHOM (Investor meetings)  
Tel : +33 (0)1 61 34 19 86  
[investisseurs@zodiacaerospace.com](mailto:investisseurs@zodiacaerospace.com)  
61, rue Pierre Curie – CS20001 - 78373 PLAISIR CEDEX

### MEDIA/PRESS CONTACTS- IMAGE 7

Priscille RENEAUME  
Tel: +33 (0) 1 53 70 74 61 / [preneaume@image7.fr](mailto:preneaume@image7.fr)  
Grégoire LUCAS  
Tel: +33 (0) 1 53 70 74 61 / [glucas@image7.fr](mailto:glucas@image7.fr)