

Zodiac Aerospace: Revenue up 19.2% in the first 9 months of 2014/2015

- Revenue in the first nine months of 2014/2015 was up by 19.2% at €3,628.0 million
- The Group has increased its foreign \$/€ exchange hedging portfolio for 2015/2016
- The top Group priority remains the burn down of seats delivery backlog by the end of the fiscal year. This target is maintained
- On the financial side, costs engaged for recovery remain high ; the previous target of a current operating income close to that of the previous year will probably not be met.

Plaisir, June 11, 2015 – In the first nine months of its 2014/2015 fiscal year, Zodiac Aerospace generated sales revenues of €3,628.0 million, an increase of 19.2%. At like-for-like consolidation scope and exchange rates, this represents a 4.3% increase. The consolidation of PPP in the Aircraft Systems Segment and Greenpoint Technologies in the Cabin & Structures segment contributed a positive 3.8 percentage points. The US dollar's appreciation against the euro led to a positive foreign exchange impact on the Group's growth of 11.1 percentage points.

Sales revenue in the first nine months of the 2014/2015 fiscal year

In millions of euros	Fiscal year 2014/2015	Fiscal year 2013/2014	% change	Exchange rate	Consolidation scope	Organic growth
Zodiac AeroSafety	464.1	413.1	+12.4%	+11.3%	+0.0%	+1.1%
Zodiac Aircraft Systems	1,072.9	943.7	+13.7%	+9.0%	+1.7%	+3.0%
Aircraft Interiors activities	2,091.0	1,686.9	+24.0%	+12.2%	+6.0%	+5.8%
Zodiac Seats	1,002.8	815.8	+22.9%	+11.6%	+0.0%	+11.3%
Zodiac Cabin & Structures	670.5	505.8	+32.6%	+15.0%	+19.8%	-2.2%
Zodiac Galleys & Equipment	417.7	365.3	+14.4%	+9.4%	+0.0%	+5.0%
Group total	3,628.0	3,043.7	+19.2%	+11.1%	+3.8%	+4.3%
€/\$(conversion)	1.18	1.36				

Revenue for the **AeroSafety Segment (12.8% of total revenue)** amounted to €464.1 million, up +12.4% based on reported figures and +1.1% in terms of organic growth. Foreign exchange rates contributed a strong 11.3 percentage points during the period. The first nine months of the year saw growth in "Evacuation Systems", "Elastomers" and "Interconnect". The "Arresting Systems" division dipped slightly, as expected from its development plan. The "Parachute & Protection" division declined, as it had done in the first half.

Revenues from the **Aircraft Systems Segment (29.6% of revenues)** were 13.7% higher at €1,072.9 million. In organic terms, growth was up 3.0%, including a positive 1.7 percentage points from the consolidation of PPP–Pacific Precision Products, and a positive 9.0 points from the foreign exchange impact. The Electrical Systems division saw strong organic growth over the nine months. Apart from the Data Systems division, where sales are often generated in the fourth quarter, all the other companies posted organic growth.

Aircraft Interiors activities posted a substantial increase in revenue, up 24.0% at €2,091.0 million. This rate of growth was composed of foreign exchange accounting for 12.2 percentage points and consolidation for 6.0 percentage points on top of organic growth of 5.8%.

- The **Seats Segment (27.6% of sales revenue)** continued to make inroads into its delivery backlog, in line with the plan. Its revenue was up 22.9% at €1,002.8 million. Excluding the 11.6 percentage point foreign exchange impact, the segment recorded organic growth of 11.3%.
- The **Cabin & Structures Segment (18.5% of sales revenue)** posted strong increase in revenues up 32.6% at €670.5m. This increase was due to the consolidation of Greenpoint Technologies, which added 19.8 percentage points to the growth rate to a positive foreign exchange impact of 15.0 percentage points. At like-for-like consolidation scope and exchange rates, the revenue was down by 2.2%. This was mainly due to the “deconsolidation” of revenues of the business now conducted by EZ Air, a joint venture with Embraer and to some disruption in deliveries related to the adaptation of the production system to the new production rates.
- The **Galleys & Equipment Segment (11.5% of sales revenue)** posted revenue of €417.7 million, up 14.4% in reported figures and 5.0% excluding the foreign exchange impact (for a total increase of 9.4 percentage points).

OTHER HIGHLIGHTS IN THE QUARTER

The “Focus” transformation plan and restructuring

The significant glitches identified in the Seats Segment have led Zodiac Aerospace to set about restructuring: in particular, strengthening the Operations function and launching Focus, a Group-wide transformation plan.

- **In terms of restructuring, the post of Chief Operating Officer (COO) for the Zodiac Aerospace Group has been created. François Feugier**, who joined the Group in October 2014 as Chief Operating Officer for the Seats Segment has been appointed to this post. He reports to the Group CEO and is a member of the Executive Committee. **Within the Zodiac Seats Segment, Jean-Michel Billig has been appointed CEO**, succeeding Maurice Pinault who performed this role in the interim five-month period but is now back full-time to his post of Deputy CEO, Business Development. **Finally, Yannick Assouad has been appointed to head up a new Business Group called “Cabin & Galleys”**, combining the two Cabin & Structures and Galleys & Equipment Segments. Gilles Debray takes over from her at the helm of the Aircraft Systems Segment. John O’Donnell becomes CEO of the AeroSafety Segment.
- **The “Focus” transformation plan is designed to draw lessons, for the whole Group, from the difficulties encountered in the Seats Segment.** It consists of several key areas: densification of the operational reporting, “back to basics” for the production, focus on supply chain and inventory management processes and Sales & Operations (S&OP) process. The Group COO is responsible for the overall management of this plan.

FSP acquires stake in Zodiac Aerospace.

On June 1, 2015, Fonds Stratégique de Participations (FSP) announced it had taken a stake in the capital of Zodiac Aerospace. This €350 million investment represents FSP’s third- long-term investment. FSP has indicated that, as a long-term investor, it intends to support the development of Zodiac Aerospace and participate in its governance.

Divestment of Zodiac Elastomers US

Beginning of June, Zodiac Aerospace signed and closed the selling of its Zodiac Elastomers US subsidiary (ex Amfuel) to a US investor. This business was not strategic for the Group. The investor’s recovery plan should ensure the future development of the company. It should exit the scope of the Group consolidation from the Q4 2014/2015.

OUTLOOK

In 2014/2015, Zodiac Aerospace will deliver further revenue growth and benefit from a positive foreign exchange impact, especially between the dollar and euro. The Group has completed its foreign exchange hedging portfolio. The 2014/2015 fiscal year is 94.5% hedged at \$/€1.262. For 2015/2016, 67% of net forecast currency exposure is hedged at \$/€1.11.

The recovery plans in place at the various entities of the Seats Segment are designed to rapidly re-establish on-time deliveries and deal with the backlog by the end of the fiscal year. This is the Group's top priority and this target is maintained.

On the financial side, costs engaged for the recovery remain high. The previous target of a current operating income target close to that of the previous year will probably not be met.

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. Zodiac Aerospace has approximately 30,000 employees worldwide and realized revenue of €4.2 billion in 2013/2014 through its five business segments: Zodiac AeroSafety, Zodiac Aircraft Systems, and three segments related to cabin interiors: Zodiac Cabin & Structures, Zodiac Galleys & Equipment and Zodiac Seats. www.zodiacaerospace.com

Future dates:	Q4 2014/15 sales revenue Annual results	September 15, 2015 (after stock exchange closing) November 24, 2015 (before stock exchange opening)
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Consolidated sales revenue by quarter

In millions of euros	1st quarter 2014/2015	2nd quarter 2014/2015	3rd quarter 2014/2015	4th quarter 2014/2015
Zodiac AeroSafety	144.4	151.6	168.1	
Zodiac Aircraft Systems	346.3	357.2	369.4	
Aircraft Interiors	646.7	677.9	766.4	
<i>Zodiac Seats</i>	290.8	331.4	380.6	
<i>Zodiac Cabin & Structures</i>	216.4	213.5	240.6	
<i>Zodiac Galleys & Equipment</i>	139.5	133.0	145.2	
Group total	1,137.4	1,186.7	1,303.9	
€/ \$ conversion	1.27	1.18	1.09	

In millions of euros	1st quarter 2013/2014	2nd quarter 2013/2014	3rd quarter 2013/2014	4th quarter 2013/2014
Zodiac AeroSafety	134.6	134.1	144.4	161.7
Zodiac Aircraft Systems	305.7	317.4	320.6	353.7
Aircraft Interiors	542.2	563.7	581.0	615.5
<i>Zodiac Seats</i>	248.2	273.9	293.7	295.4
<i>Zodiac Cabin & Structures</i>	169.3	167.6	168.9	187.1
<i>Zodiac Galleys & Equipment</i>	124.7	122.2	118.4	133.0
Group total	982.5	1,015.2	1,046.0	1,130.9
€/ \$ conversion	1.35	1.37	1.38	1.35

CHANGE

(Quarter compared with the same quarter of the previous year)

Based on reported data	Q1	Q2	Q3	Q4
Zodiac AeroSafety	+7.3%	+13.1%	+16.5%	
Zodiac Aircraft Systems	+13.3%	+12.5%	+15.2%	
Aircraft Interiors	+19.3%	+20.3%	+31.9%	
<i>Zodiac Seats</i>	+17.2%	+21.0%	+29.6%	
<i>Zodiac Cabin & Structures</i>	+27.8%	+27.4%	+42.4%	
<i>Zodiac Galleys & Equipment</i>	+11.8%	+8.8%	+22.7%	
Group total	+15.8%	+16.9%	+24.7%	
Aerospace activities*	+16.6%	+17.7%	+26.4%	

Based on organic revenue	Q1	Q2	Q3	Q4
Zodiac AeroSafety	+2.9%	+1.4%	-0.9%	
Zodiac Aircraft Systems	+8.6%	+1.4%	-0.7%	
Aircraft Interiors	+8.8%	+2.3%	+6.5%	
<i>Zodiac Seats</i>	+12.3%	+9.9%	+11.7%	
<i>Zodiac Cabin & Structures</i>	+4.2%	-8.2%	-2.7%	
<i>Zodiac Galleys & Equipment</i>	+8.1%	0.1%	+6.9%	
Group total	+7.9%	+1.9%	+3.2%	
Aerospace activities*	+8.5%	+2.3%	+4.2%	

Organic changes 2013/2014

Based on organic revenue	Q1	Q2	Q3	Q4
Zodiac AeroSafety	+4.6%	+12.4%	+6.7%	-1.0%
Zodiac Aircraft Systems	+10.9%	+19.6%	+11.3%	+15.4%
Aircraft Interiors	+3.8%	+4.4%	+5.0%	+7.0%
<i>Zodiac Seats</i>	-0.9%	+4.2%	+9.0%	+14.7%
<i>Zodiac Cabin & Structures</i>	+2.9%	+2.4%	-1.5%	+4.1%
<i>Zodiac Galleys & Equipment</i>	+15.9%	+7.7%	+5.3%	-3.5%
Group total	+5.9%	+9.7%	+7.0%	+8.1%
Aerospace activities*	+5.4%	+9.9%	+6.1%	+8.0%

*Excluding Trains and Airbags

Cumulative consolidated sales revenue

In millions of euros	1st quarter 2014/2015	1st half 2014/2015	9 months 2014/2015	Full year 2014/2015
Zodiac AeroSafety	144.4	296.0	464.1	
Zodiac Aircraft Systems	346.3	703.5	1,072.9	
Aircraft Interiors	646.7	1,324.6	2,091.0	
<i>Zodiac Seats</i>	290.8	622.2	1,002.8	
<i>Zodiac Cabin & Structures</i>	216.4	429.9	670.5	
<i>Zodiac Galleys & Equipment</i>	139.5	272.5	417.7	
Group total	1,137.4	2,324.1	3,628.0	
€/ \$ conversion	1.27	1.22	1.18	
€/ \$ transaction	1.28	1.25	1.22	

In millions of euros	1st quarter 2013/2014	1st half 2013/2014	9 months 2013/2014	Full year 2013/2014
Zodiac AeroSafety	134.6	268.7	413.1	574.8
Zodiac Aircraft Systems	305.7	623.1	943.7	1,297.4
Aircraft Interiors	542.2	1,105.9	1,686.9	2,302.3
<i>Zodiac Seats</i>	248.2	522.1	815.8	1,111.2
<i>Zodiac Cabin & Structures</i>	169.3	336.9	505.8	692.9
<i>Zodiac Galleys & Equipment</i>	124.7	246.9	365.3	498.2
Group total	982.5	1,997.7	3,043.7	4,174.5
€/ \$ conversion	1.35	1.36	1.36	1.36
€/ \$ transaction	1.35	1.36	1.36	1.36

CHANGES 2014/2015

(Aggregate at end of period compared with the same period of previous year)

Based on reported data	1st quarter	1st half	9 months	Full year
Zodiac AeroSafety	+7.3%	+10.2%	+12.4%	
Zodiac Aircraft Systems	+13.3%	+12.9%	+13.7%	
Aircraft Interiors	+19.3%	+19.8%	+24.0%	
<i>Zodiac Seats</i>	+17.2%	+19.2%	+22.9%	
<i>Zodiac Cabin & Structures</i>	+27.8%	+27.6%	+32.6%	
<i>Zodiac Galleys & Equipment</i>	+11.8%	+10.3%	+14.4%	
Group total	+15.8%	+16.3%	+19.2%	
Aerospace activities*	+16.6%	+17.2%	+20.3%	

Based on organic revenue	1st quarter	1st half	9 months	Full year
Zodiac AeroSafety	+2.9%	+2.2%	+1.1%	
Zodiac Aircraft Systems	+8.6%	+4.9%	+3.0%	
Aircraft Interiors	+8.8%	+5.5%	+5.8%	
<i>Zodiac Seats</i>	+12.3%	+11.1%	+11.3%	
<i>Zodiac Cabin & Structures</i>	+4.2%	-2.0%	-2.2%	
<i>Zodiac Galleys & Equipment</i>	+8.1%	+4.1%	+5.0%	
Group total	+7.9%	+4.9%	+4.3%	
Aerospace activities*	+8.5%	+5.3%	+5.0%	

*Excluding Trains and Airbags