# 2010/2011 first quarter turnover

## The cyclical recovery strengthens

- **Organic revenue was up by 18.3% in Quarter 1 largely as a result of a favorable base effect and the recovery seen in the market**
- **The Group is also benefiting from the consolidation of Sell, Cantwell Cullen and Quinson, as well as a favorable exchange rate effect**
- **Zodiac Aerospace confirms its targets for the 2010/2011 fiscal year**

*Plaisir, December 15, 2010* - Zodiac Aerospace Group revenue grew by 36.5% to end Quarter 1 (September-November) of its 2010/2011 fiscal year at €643.6 million. On the one hand, 10.5 points of this good performance are attributable to consolidation of acquisitions (Cantwell Cullen and Quinson over the three-month period, and Sell over a two-month period), and 7.6 points to favorable exchange rate effects. On the other hand, the Group reports organic growth of 18.3%, a figure consistent with Quarter 4 of 2009/2010, and the combined result of healthier aerospace industry conditions and the underlying base effect of comparison with Quarter 1 of 2009/2010, during which organic growth fell by 9.7%.

| (€ million) | **Quarter 1 2010/2011** | Quarter 1 2009/2010 | *Δ* | *Exchange rate impact* | *Scope* | *Organic growth* |
|---|---|---|---|---|---|---|
| ***AeroSafety & Technology*** | **134.9** | 107.8 | *+25.2%* | *+4.9%* | *+9.9%* | *+10.4%* |
| ***Aircraft Systems*** | **131.5** | 111.0 | *+18.4%* | *+8.1%* | *+1.1%* | *+9.3%* |
| ***Cabin Interiors*** | **377.1** | 252.7 | *+49.2%* | *+8.8%* | *+14.9%* | *+25.5%* |
| ***Group Total*** | **643.6** | 471.5 | *+36.5%* | *+7.6%* | *+10.5%* | *+18.3%* |
| €/$ | **1.35** | 1.48 | | | | |

- ***AeroSafety & Technology***

In line with the figures for the second half of 2009/2010, the AeroSafety & Technology segment reported revenue growth of 10.4%, excluding exchange rate effects and acquisitions. The integration of Cantwell Cullen, the Canadian market leader in wiring protection, had a positive impact of 9.9 points on growth in this segment. Emergency Arresting Systems also grew strongly after a quiet period in Q4 2009/2010, whilst Evacuation Systems generated good revenue from after-sales activities.

- ***Aircraft Systems***

The process of making up lost ground which began in Quarter 4 of 2009/2010 continues. The Aircraft Systems segment reported organic growth of 9.3%. In the previous fiscal year, the first three business quarters were heavily impacted by the weakness seen in some market segments, with particular emphasis on business aviation.

- ***Cabin Interiors***

The Cabin Interiors segment benefited from the first two months' integration of Sell, which joined the scope of consolidation on October 1. On a like-for-like basis in terms of consolidation scope and exchange rates, revenue for this segment grew by 25.5% as a result of very sustained business levels in Galleys and galley equipment, as well as in Cabin systems. This achievement compares with a weak performance in Quarter 1 of 2009/2010. Seats also reported single digit revenue growth.

## Other significant events during the quarter

On September 30, 2010, Zodiac Aerospace finalized its acquisition of the German company Sell, one of the world's leading designers and manufacturers of aircraft galleys and electrical galley equipments. This company will be consolidated over an 11-month period in the financial statements for 2010/2011, during which time it is expected to generate revenue of approximately €155 million.

It should be noted that, following the purchase of Sell, Zodiac Aerospace hedged three-quarters of its transaction-related exposure to the €/$ exchange rate (including Sell) at an average rate of €1 = $1.28 for the forthcoming year.

## Sound prospects for growth

Following a promising start to this fiscal year, which has been due not only to the impact of acquisitions, exchange rates and the favorable base effect of comparison with the previous year, but also to the recovery in the aerospace industry cycle, Zodiac Aerospace can confirm its targets for the 2010/2011 fiscal year.

The Group has set a revenue growth target of approximately 15% for 2010/2011, excluding new acquisitions. On the basis of a €/$ transaction exchange rate of €1 - $1.30 and sensitivity of 1.2 margin points per 10-cent rate variation, the Group forecasts a current operating margin of between 12% and 13% for the fiscal year. Excluding new acquisitions, the ratio of net financial debt to EBITDA should be similar to that reported for 2009/2010, illustrating the capacity of the Group to make further acquisitions.

| | | |
|---|---|---|
| **Next meetings:** | **Annual General Meeting of Shareholders** | ***January 10 2011*** |
| | **Q2 and H1 Revenue** | ***March 16 2011*** |
| | **H1 results** | ***April 21 2011*** |

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## Appendices

### Consolidated sales revenue

| (€ million) | Q1 2009/2010 | Q2 2009/2010 | Q3 2009/2010 | Q4 2009/2010 | **Quarter 1 2010/2011** |
|---|---|---|---|---|---|
| ***AeroSafety & Technology*** | 107.8 | 118.4 | 136.9 | 146.1 | **134.9** |
| ***Aircraft Systems*** | 111.0 | 108.3 | 127.3 | 134.5 | **131.5** |
| ***Cabin Interiors*** | 252.7 | 267.7 | 319.0 | 320.7 | **377.1** |
| ***Group Total*** | 471.5 | 494.3 | 583.3 | 601.2 | **643.6** |
| €/$ | 1.48 | 1.42 | 1.32 | 1.26 | **1.35** |

**VARIANCES**

*(Quarter versus the same quarter of the previous year)*

| On the basis of published data | Q1 2009/2010 | Q2 2009/2010 | **Q3** 2009/2010 | **Q4** 2009/2010 | **Q1 2010/2011** |
|---|---|---|---|---|---|
| ***AeroSafety & Technology*** | *-6.1%* | -1.2% | +3.9% | +4.4% | **+25.2%** |
| ***Aircraft Systems*** | *-21.5%* | -29.8% | -13.5% | +11.0% | **+18.4%** |
| ***Cabin Interiors*** | *-15.1%* | -4.2% | +10.1% | +19.4% | **+49.2%** |
| ***Group Total*** | *-14.9%* | -10.7% | +2.6% | +13.5% | **+36.5%** |

| Organic growth | Q1 2009/2010 | Q2 2009/2010 | **Q3** 2009/2010 | **Q4** 2009/2010 | **Q1 2010/2011** |
|---|---|---|---|---|---|
| ***AeroSafety & Technology*** | *-3.0%* | +2.0% | +3.1% | 0.0% (1) | **+10.4%** |
| ***Aircraft Systems*** | *-16.6%* | -24.9% | -12.3% | +7.0% | **+9.3%** |
| ***Cabin Interiors*** | *-9.0%* | +1.3% | +10.9% | +10.8% | **+25.5%** |
| ***Group Total*** | *-9.7%* | -5.7% | +3.1% | +7.1% | **+18.3%** |

*(1) Segment organic growth was +3.4% excluding Airbags*