Results for the 2010/2011 fiscal year

Zodiac Aerospace reports an excellent fiscal year

Substantially stronger annual results for the 2010/2011 fiscal year, exceeding initial forecasts

- Revenue **+27.9%** to €2,750 million (+17.3% organic growth)
- Current operating margin: **14%**
- Net income **+60.5%** to €238.3 million

Improvement in the Net Financial Debt/EBITDA ratio, which is down from 1.7 to 1.3 as a result of higher income and effective control of the Working Capital Requirement. Net financial debt is now €584 million.

Continued application of the Group's range expansion strategy through targeted external growth, with the 2010/2011 acquisition of Heath Tecna in a deal finalized at the start of the 2011/2012 fiscal year.

Long-term growth prospects remain substantial. On the basis of the opening months of the fiscal year, Zodiac Aerospace expects another year of growth.

Plaisir, November 22, 2011 - The Zodiac Aerospace Supervisory Board has approved the Group financial statements for the 2010/2011 fiscal year.

Executive Board Chairman Olivier Zarrouati made the following comments: *"In publishing these excellent results for its 2010/2011 fiscal year, Zodiac Aerospace has once again illustrated the relevance of its strategy. Our Group has the solid fundamentals required to benefit fully from the growth in air travel. We have built positions of global leadership that give us a strong presence in all aircraft programs, and the ability to benefit on the one hand from increased delivery rates and production volumes in new programs, and on the other hand, from the growth seen in the after-sales market driven by expansion of the in-service fleet. Combined with our initiatives targeting operational excellence, this growth will enable us to go even further in improving both our competitiveness and our profitability. Given the opening months of the new fiscal year and our excellent results in 2010/2011, I feel confident in our industry and in the continued growth of Zodiac Aerospace."*

SUBSTANTIALLY STRONGER RESULTS FOR 2010/2011, EXCEEDING INITIAL FORECASTS

(€ MILLION)	2010/2011	2009/2010	*Δ*
SALES REVENUE	**2,749.5**	**2,150.3**	***+27.9%***
COI BEFORE IFRS 3	387.4	240.4	*+61.1%*
COI	**385.7**	**240.4**	***+60.4%***
COI/REV	***14.0%***	***11.2%***	
NET INCOME AFTER MINORITY INTERESTS AND BEFORE IFRS 3	245.6	150.9	*+62.7%*
NET INCOME AFTER MINORITY INTERESTS	**238.3**	**148.5**	***+60.5%***
EPS BEFORE IFRS 3	4.58	2.84	*+61.3%*
EPS	**4.45**	**2.80**	***+58.9%***
NET DEBT	584.0	514.4	*+13.5%*
€/$ TRANSACTION	1.35	1.37	

The recovery that began at the end of the 2009/2010 fiscal year continued and improved further during the 2010/2011 fiscal year. Zodiac Aerospace had an excellent year in 2010/2011, exceeding all the targets set by the company at the beginning of the period.

Revenue in the 2010/2011 fiscal year grew strongly by 27.9% in terms of published data, and by 17.3% on the basis of like-for-like consolidation scope and exchange rate. The Group benefited from substantial internal impetus driven by the increase in air traffic, higher production rates from aircraft manufacturers and growth in after-sales activities. The acquisitions initiated at the end of the 2009/2010 fiscal year (Sell, Cantwell Cullen and Quinson[1]) contributed 11.1% of revenue growth. Excluding exchange rate effects, but including the Sell, Cantwell and Quinson acquisitions, the Group had forecast growth of around 15% at the beginning of the fiscal year. Calculated on the same basis, the actual growth in revenue was 28.4%.

Group Current Operating Income (COI) grew strongly by 60.4% to end the year at €385.7 million. At 14%, the current operating margin exceeded the target rate of between 12% and 13% announced at the beginning of the fiscal year.

At like-for-like consolidation scope and exchange rate, Current Operating Income rose by 41.2%. Acquisitions contributed €36.5 million during the fiscal year. The overall impact imposed by exchange rates was positive at €11.3 million. This figure can be broken down into a negative translation impact of €1.4 million (euro/dollar exchange rate of 1.39, compared with 1.37) and a positive transaction impact of €12.7 million as a result of hedges put in place at the start of the fiscal year (average dollar transaction rate of 1.35, compared with 1.37). The capitalization of R&D expenses contributed €5.8 million to organic growth for the period (at like-for-like rate), whilst the application of IFRS 3 had a negative impact on COI of €1.7 million.

COI growth driven by the Cabin Interiors and Aircraft Systems segments

- ***Cabin interiors: substantially higher COI as a result of organic growth and acquisition***

Revenue from the cabin interiors business (the Cabin Interiors segment) grew strongly by 39.2% to end the year at €1,615 million. On a like-for-like basis in terms of consolidation scope and exchange rate, segment revenue grew by 23.6% as a result of the continued recovery seen in the Galleys, Cabin Equipment and Cabin Systems divisions, and the strong end to the fiscal year seen in the Seats division. External growth contributed 16.6 points to overall revenue growth: Sell, the specialist in galleys for long haul airliners and galley equipment, was purchased at the end of September 2010 and consolidated over 11 months of the 2010/2011 fiscal year.

Current Operating Income for the Cabin Interiors segment grew by €143.9 million to end the year 75.8% higher at €252.9 million. At like-for-like consolidation scope and exchange rate, COI ended the year up 58.8%. Changes in consolidation scope contributed €31.6 million to COI growth, whilst exchange rate effects imposed a negative impact of €5.4 million.

- ***Aircraft Systems: recovery confirmed***

The Aircraft Systems segment had a very successful fiscal year, reporting revenue growth of 17.1% in terms of published data, and 15.3% at like-for-like consolidation scope and exchange rate. The segment benefited from the recovery in deliveries to executive aircraft manufacturers, increasing production rates for commercial airliner programs and the full-year consolidation of Quinson (consolidated for only 3 months of 2009/2010).

[1] Sell was consolidated for 11 months of 2010/2011, and Cantwell Cullen for 12 months in terms of the income statement (consolidated since August 31, 2010). Quinson has been consolidated since June 1, 2010.

Combined with a more favorable exchange rate (contributing a positive impact of €14.5 million) and the change in consolidation scope (contributing a positive impact of €2.4 million), this recovery had the effect of doubling Current Operating Income from €36.7 million to €75.25 million. At like-for-like consolidation scope and exchange rate, COI for this segment rose by 58.9%.

- ***AeroSafety & Technology: continued growth***

The Aerosafety & Technology segment reported revenue growth of 12.3% in terms of published data, and 4.5% at like-for-like consolidation scope and exchange rate. Excluding the Airbags division, revenue growth was 15.3% (6.9% at like-for-like consolidation scope and exchange rate), driven by growth in Emergency Evacuation Systems, Electrical Interconnect Systems and Emergency Arresting/Deceleration Systems. On the other hand, Telemetry received fewer military orders, whilst Elastomers suffered delivery delays which impacted negatively on Current Operating Income growth in this segment. This measure rose by 6% to €67.1 million, to which a positive dollar exchange rate effect contributed €1.7 million and changes in consolidation scope, €2.4 million.

Strong growth in net earnings and EPS

Group net income after minority interests grew strongly by 60.5% to end the year at €238.3 million. This equates to €4.45 per share, compared with €2.80 in 2009/2010; an increase of 58.9%. Restated to reflect the impact of acquisition expenses (IFRS 3), Group net income after minority interests equates €245.6m and net earnings per share rose by 61.3% to €4.58, compared with €2.84.

Net financial income ended the year at -€34.5 million, compared with -€25.9 million. This expense includes an extraordinary item of €5.2 million relating to the remaining amortization outstanding on the total amount of setup fees for the €1 billion 'club deal' of June 2010. Excluding extraordinary items, the increase in financial expenses relates to the Sell acquisition finalized at the end of September 2010.

Extraordinary items for the fiscal year totaled €17.2 million, compared with €9.1 million in 2009/2010. The major elements of this total are €5.7 million in amortization of intangible items, €3.1 million in acquisition expenses incurred in external growth, and €5.8 million in restructuring and reorganization expenses.

The income tax charge for the year is €96.2 million, compared with €57.1 million for the previous fiscal year, representing an effective rate of 28.8%, compared with 27.8% for 2009/2010.

Further improvement in WCR and debt ratios

The Net Financial Debt/EBITDA and WCR/Revenue ratios improved significantly during the 2010/2011 fiscal year, relative to the position at the end of the 2009/2010 fiscal year, in contrast to the Group's start-of-year forecast of stability for both ratios.

The ratio of operational Working Capital Requirement (WCR) to revenue fell from 32.7% of revenue at the end of August 2010 to 29.3% at the end of August 2011. Combined with the increase in income, this good performance enables Group net financial debt to be limited to €584.0 million (an increase of 13.5%), despite the €213 million paid at the beginning of the fiscal year for the acquisition of Sell.

The Net Financial Debt/EBITDA[2] ratio at the end of August 2011 is significantly better than that reported at the end of the 2009/2010 fiscal year: 1.3, compared with 1.7 at the end of August 2010. This ratio is much lower than that required under the 'Club Deal' covenant, which sets a maximum ratio of 3.5 for August 31, 2011.

A 20% increase in dividend

At the general meeting of shareholders called for January 10, 2012, the Supervisory Board will propose the distribution of a dividend equivalent to €1.20 per share, compared with €1 per share in respect of the 2009/2010 fiscal year.

ZODIAC AEROSPACE CONTINUES ITS EXTERNAL GROWTH STRATEGY

Acquisition of Heath Techna: Following Cantwell Cullen and Quinson in 2009/2010 and Sell (Galleys and Inserts) at the beginning of the 2010/11 fiscal year, this acquisition is yet another illustration of the Group's external growth strategy. Heath Tecna will complement Zodiac Aerospace expertise in airliner cabin interiors, and allow the Group to offer its customers a broader palette of services, with particular emphasis on cabin retrofit; a market in which this company is a leading global player. The acquisition was finalized on September 1, 2011 at a cost of approximately $110 million, and the company will be consolidated in the 2011/2012 fiscal year. Based at Bellingham in Washington State, USA, Heath Tecna employs 600 people and reported revenue of $78 million in 2010.

Business portfolio management: after the 2010/2011 fiscal year-end, the Group sold the non-strategic Driessen repair business for a total of €6.8 million[3] as part of its business portfolio management.

On October 21, the Group also signed an agreement to sell its Issy les Moulineaux building. The transaction should be concluded by December 31, 2011.

Funding of future acquisitions: Zodiac Aerospace has renegotiated the terms of the June 2010 'Club Deal' loan agreement with its bankers, achieving an outcome which gives the Group the resources required to press ahead with its policy of external growth. Effective from August 29, 2011, this rider makes substantial changes to the terms of this loan, increasing the total drawdown facility from €1 billion to €1.3 billion, extending the due date for total repayment of the loan from June 29, 2014 to June 29, 2015, and reducing the conditions applying to margins and commissions. The total unamortized amount of setup fees for this loan incurred in June 2010 (€5.2 million at August 29, 2011) was recognized as exceptional financial charges at August 31, 2011 (non-cash element).

OUTLOOK

Zodiac Aerospace operates in an aircraft industry environment which remains buoyant. The Group is ideally placed to benefit from the growth of this market. Zodiac Aerospace has a presence in all new programs, with shipset values significantly higher than those of previous programs.

Over the coming years, Zodiac Aerospace will benefit both from the increasing production rate of new programs, especially that of the Boeing 787 Dreamliner, which entered service on September 25 with the fleet of All Nippon Airlines (to which Zodiac Aerospace also supplies seats), and from higher production volumes for the current Airbus and Boeing programs, which the Group is well-prepared to meet.

[2] EBITDA: Current Operating Income before Depreciation, Amortization and Provisions
[3] This business reported revenue of approximately €15 million in 2010/2011

ZODIAC AEROSPACE

The 2011/2012 fiscal year has begun as the 2010/2011 fiscal year ended, as a result of which the Group expects organic business growth of around 20% for Quarter 1, 2011/2012. Driven by this dynamic start to the year, its strong positioning in the aircraft market and its excellent results for the 2010/2011 fiscal year, Zodiac Aerospace forecasts another year of growth in 2011/12, and believes that its 3-year growth target[4] is likely to be exceeded.

Lastly, the Group has hedged approximately 60% of its net exposure to the transaction dollar exchange rate budgeted for 2011/2012 at a rate of 1.345.

Next meetings:	**Quarter 1 Revenue**	*December 14, 2011*
	Annual General Meeting of Shareholders	*January 10, 2012*
	Q2 and H1 Revenue	
	H1 Results	

CONTACT ZODIAC AEROSPACE
Pierre-Antony VASTRA
Tel: +33 (0)1 61 34 25 68
PierreAntony.Vastra@zodiacaerospace.com

61, rue Pierre Curie – BP1
78373 PLAISIR CEDEX

CONTACTS MEDIA - IMAGE 7
Grégoire LUCAS
Tel: +33(0) 1 53 70 74 94 / glucas@image7.fr
Priscille RENEAUME
Tel: +33 (0) 1 53 70 74 61 / preneaume@image7.fr

CONTACT POINT FOR ANALYSTS - KEIMA COMMUNICATION
Emmanuel DOVERGNE
Tel: 01 56 43 44 63 / emmanuel.dovergne@keima.fr

[4] 40% higher revenue, including Sell, Quinson and Cantwell Cullen, and excluding the impact of exchange rate fluctuations

ZODIAC AEROSPACE

Appendices

Consolidated sales revenue per quarter

(€ million)	Quarter 1 2010/2011	Quarter 2 2010/2011	Quarter 3 2010/2011	Quarter 4 2010/2011
AeroSafety & Technology	134.9	134.8	139.9	**162.0**
Aircraft Systems	131.5	132.6	152.2	**146.9**
Cabin Interiors	377.1	398.6	422.6	**416.3**
Group Total	643.6	665.9	714.8	**725.3**
€/$ conversion	1.35	1.34	1.43	**1.43**

(€ million)	Quarter 1 2009/2010	Quarter 2 2009/2010	Quarter 3 2009/2010	**Quarter 4 2009/2010**
AeroSafety & Technology	107.8	118.4	136.9	**146.1**
Aircraft Systems	111.0	108.3	127.3	**134.5**
Cabin Interiors	252.7	267.7	319.0	**320.7**
Group Total	471.5	494.3	583.3	**601.2**
€/$ conversion	1.48	1.42	1.32	**1.26**

VARIANCES

(Period-end total versus the same period of the previous year)

On the basis of published data	Quarter 1 2010/2011	Quarter 2 2010/2011	Quarter 3 2010/2011	**Quarter 4 2010/2011**
AeroSafety & Technology	+25.2%	**+13.9%**	+2.2%	**+10.8%**
Aircraft Systems	+18.4%	**+22.5%**	+19.6%	**+9.3%**
Cabin Interiors	+49.2%	**+48.9%**	+32.5%	**+29.9%**
Group Total	+36.5%	**+34.7%**	+22.6%	**+20.6%**

Organic growth	Quarter 1 2010/2011	Quarter 2 2010/2011	Quarter 3 2010/2011	**Quarter 4 2010/2011**
AeroSafety & Technology	+10.4%	**+1.6%**	-3.3%	**+9.8%**
Aircraft Systems	+9.3%	**+15.3%**	+21.8%	**+15.2%**
Cabin Interiors	+25.5%	**+23.7%**	+19.8%	**+25.7%**
Group Total	+18.3%	**+16.6%**	+14.8%	**+19.5%**

Rappel Variations organique 2009/2010

Organic growth	Quarter 1 2009/2010	Quarter 2 2009/2010	Quarter 3 2009/2010	Quarter 4 2009/2010
AeroSafety & Technology	*-3.0%*	*+2.0%*	*+3.1%*	*0.0%* *
Aircraft Systems	*-16.6%*	*-24.9%*	*-12.3%*	*+7.0%*
Cabin Interiors	*-9.0%*	*+1.3%*	*+10.9%*	*+10.8%*
Group Total	*-9.7%*	*-5.7%*	*+3.1%*	*+7.1%*

** Segment organic growth was +3.4% excluding Airbags*

Cumulative Consolidated Sales Revenue

(€ million)	Quarter 1 2010/2011	Half year 1 2010/2011	9 months 2010/2011	**Fiscal year 2010/2011**
AeroSafety & Technology	134.9	**269.7**	409.6	**571.7**
Aircraft Systems	131.5	**264.1**	416.3	**563.2**
Cabin Interiors	377.1	**775.7**	1,198.3	**1,614.6**
Group Total	643.6	**1,309.5**	2,024.3	**2,749.5**
€/$ conversion	1.35	**1.35**	1.37	**1.39**
€/$ transaction	1.31	**1.32**	1.37	**1.35**

(€ million)	Quarter 1 2009/2010	Half year 1 2009/2010	9 months 2009/2010	**Fiscal year 2009/2010**
AeroSafety & Technology	107.8	**226.1**	363.0	**509.2**
Aircraft Systems	111.0	**219.3**	346.6	**481.1**
Cabin Interiors	252.7	**520.5**	839.5	**1,160.1**
Group Total	471.5	**965.8**	1549.1	**2,150.3**
€/$ conversion	1.48	**1.45**	1.40	**1.37**
€/$ transaction	1.48	**1.44**	1.42	**1.37**

VARIANCES

(Period-end total versus the same period of the previous year)

On the basis of published data	Quarter 1 2010/2011	Half year 1 2010/2011	9 months 2010/2011	**Fiscal year 2010/2011**
AeroSafety & Technology	+25.2%	**+19.3%**	+12.9%	**+12.3%**
Aircraft Systems	+18.4%	**+20.4%**	+20.1%	**+17.1%**
Cabin Interiors	+49.2%	**+49.0%**	+42.7%	**+39.2%**
Group Total	+36.5%	**+35.6%**	+30.7%	**+27.9%**

Organic growth	Quarter 1 2010/2011	Half year 1 2010/2011	9 months 2010/2011	**Fiscal year 2010/2011**
AeroSafety & Technology	+10.4%	**+5.8%**	+2.5%	**+4.5%**
Aircraft Systems	+9.3%	**+12.2%**	+15.6%	**+15.3%**
Cabin Interiors	+25.5%	**+24.6%**	+22.8%	**+23.6%**
Group Total	+18.3%	**+17.5%**	+16.5%	**+17.3%**

Current Operating Income			
(€ million)	**Fiscal year 2010/2011**	**Fiscal year 2009/2010**	**% change**
Aerosafety & Technology segment	*67.1*	*63.3*	+6.0%
Aircraft Systems segment	*75.2*	*36.7*	+105.2%
Cabin Interiors segment	*252.9*	*143.9*	+75.8%
Holding company	***-9.6***	***-3.5***	
Group Total	**385.7**	**240.4**	**+60.4%**

Icome Statement [5]	2010/2011	2009/2010
Revenue	2734.8	2137.0
Depreciation and amortization	61.6	58.1
Charges to provisions	14.3	10.5
Current operating income	384.8	240.7
Non-current operating items	-17.2	-9.1
Operating Income	**367.6**	**231.6**
Net interest expense	**-32.4**	**-24.6**
Other financial income and expenses	**-2.0**	**-1.1**
Income tax charge	**95.9**	**57.1**
Net income from ongoing operations	**237.3**	**148.7**
Net income from operations in the course of disposal	0.6	-0.4
Net income from ongoing operations and those in the course of disposal	237.9	148.3
Net Earnings – Minority interests	-0.4	-0.2
Net Earnings – After minority interests	238.3	148.5

Balance sheet (simplified) [5]					
(€ million)	**31/8/11**	**31/8/10**		**31/8/11**	**31/8/10**
Non-current assets	1,756.9	1,597.1	Net position	1,591.6	1,548.4
Total current assets	1,142.0	1,023.7	Prov. & deferred taxes	219.0	151.9
Cash and cash equivalents	224.7	164.7	Financial debt	810.1	679.2
			Current liabilities	519.8	418.9
Held-for-sale assets	18.7	12.9	Held-for-sale liabilities	1.8	
	3,142.3	**2,798.4**		**3,142.3**	**2,798.4**

[5] Restated from Driessen Services activities as Held for sale business

Cash flow statement (simplified) [6]		
(€ million)	**2010/2011**	**2009/2010**
OPERATING ACTIVITIES		
Cash flow	346.4	234.7
Change in WCR	-20.2	93.3
Cash generated from ongoing operations	326.2	328.0
Cash generated from held-for-sale operations	0.1	0.1
INVESTING ACTIVITIES		
Acquisition of non-current assets	-50.5	-35.1
Acquisition of property, plant and equipment	-58.5	-53.1
Changes to the scope of consolidation	-210.4	-64.9
Cash generated from investments in ongoing operations	-319.4	-153.1
Cash generated from investments in held-for-sale operations	-0.1	-0.2
FINANCING TRANSACTIONS		
Change in long-term debt	134.0	-88.2
Treasury stock	-1.6	-3.5
Other	11.3	12.4
Dividends	-53.4	-53.0
Cash generated from financing ongoing operations	90.3	-132.2
Cash generated from financing held-for-sale operations	0	0
Currency translation adjustments, beginning of period	-30.4	15.4
Change in cash	**66.7**	**58.0**

The audit procedures for the consolidated financial statements are currently being finalized. The audit report will be issued following the auditors' review of the notes to the consolidated financial statements.

[6] Restated from Driessen Services activities as Held for sale business