

## Zodiac Aerospace reports another fiscal year of sales growth

**Sales revenue for fiscal year 2013/2014 up 7.6% in terms of organic growth**

- Sales revenue was up again in 2013/2014 by 7.2% at €4,172.6 million. The organic growth rate was 7.6%, despite a strong negative impact of exchange rates offset by contributions from acquisitions.
- Sales were strong over the period for Aircraft Systems and AeroSafety Systems segments.
- Galleys & Equipment and Seats segments continued to resolve the backlog from production delays during the first half of the year.
- Excluding the dollar impact, Current Operating Income should slightly increase, but the higher than anticipated cost of the backlog should impact the margin by just under 1 percentage point.
- The 2014/2015 fiscal year is expected to post growth due to increased deliveries and the non-recurrence of additional production costs incurred in 2013/2014.
- At the opening of this year's APEX Expo, Airbus and Zodiac Aerospace announced an agreement to develop SpaceFlex2, a Galley-Lavatory module for the A320 linefit and retrofit.

Plaisir, September 16, 2014 – Zodiac Aerospace posted sales revenue of €4,172.6 million during the 2013/2014 fiscal year (September to August). The 2.7 percentage point impact of changes in consolidation scope partially offset the negative impact of foreign exchange rates (-3.1 percentage points). Excluding these effects, organic growth was up 7.6%.

### Revenue growth

In millions of euros	Fiscal year 2013/2014	Fiscal year 2012/2013	% change	Exchange rate	Consolidation scope	Organic growth
<b>Zodiac AeroSafety</b>	<b>574.8</b>	564.0	+1.9%	-3.3%	+0.0%	+5.2%
<b>Zodiac Aircraft Systems</b>	<b>1293.0</b>	1101.9	+17.3%	-3.1%	+6.5%	+13.9%
<b>Aircraft Interiors</b>	<b>2304.8</b>	2225.7	+3.6%	-3.0%	+1.4%	+5.2%
<b>Zodiac Seats</b>	<b>1112.5</b>	1062.1	+4.7%	-2.2%	+0.0%	+6.9%
<b>Zodiac Cabin &amp; Structures</b>	<b>695.2</b>	678.0	+2.5%	-4.1%	+4.4%	+2.2%
<b>Zodiac Galleys &amp; Equipment</b>	<b>497.1</b>	485.6	+2.4%	-3.1%	+0.0%	+5.5%
<b>Group total</b>	<b>4172.6</b>	3891.6	+7.2%	-3.1%	+2.7%	+7.6%
€/\$( conversion)	<b>1.36</b>	1.31				

The **AeroSafety segment (13.8% of total sales revenue)** delivered sales revenue of €574.8 million, representing an increase of 1.9%. This was due to 5.2% organic growth and a negative exchange rate impact of -3.3%. As in previous quarters, the segment's sales revenue was driven by the Evacuation Systems (slides) and Arresting Systems divisions. In contrast, the Parachute & Protection division saw its sales revenue decline in a sluggish market.

The **Aircraft Systems segment (31.0% of total sales revenue)** performed well in fiscal 2013/2014, with sales revenue up 17.3% at €1,293.0 million. Acquired companies contributed 6.5 percentage points to the segment's growth, an impact that was partially reduced by the effect of exchange rates, which took 3.1 percentage points off annual growth. Organic growth was up 13.9% thanks to the various divisions' solid performance.

Aircraft Interiors activities delivered sales revenue of €2,304.8 million, up 3.6% based on reported figures and up 5.2% before the impact of the dollar (-3.0 percentage points) and of consolidation scope (+1.4 percentage points).

- The **Seats segment (26.7% of total sales revenue)**, recorded sales revenue of €1,112.5 million, up 4.7% based on reported figures and 6.9% in terms of organic growth. Exchange rates reduced annual growth by 2.2 percentage points. Catching up with the delivery backlog continued in the fourth quarter. The organic growth rate of sales revenue was 15.2% versus 9.0% in the third quarter, 4.2% in the second quarter and -0.9% in the first quarter.
- Sales revenue for the **Cabin & Structures segment (16.7% of total sales revenue)** amounted to €695.2 million, up 2.5% based on reported figures and 2.2% in terms of organic growth. Changes in consolidation scope (following the acquisition of NAT) had a 4.4 percentage point impact and offset the negative impact of exchange rates (-4.1 percentage points). The acquisition of Greenpoint, consolidated for the first time at August 31, had no impact on annual sales revenue.
- The **Galleys & Equipment segment (11.9% of total sales revenue)** posted sales revenue of €497.1 million, up 2.4% based on reported figures and 5.5% in terms of organic growth. This takes into account a negative foreign exchange impact on growth of -3.1 percentage points. The segment, which was significantly impacted in the first half by production difficulties in its galleys business, continued its efforts to get delivery schedules back on track.

#### **Fourth quarter highlights**

**Zodiac Aerospace and Airbus launch “SpaceFlex v2”.** Designed for the A320 family, the integrated Galley and Lavatory module offers airlines increased galley<sup>1</sup> capacity and up to two extra rows of seating. The system also provides a lavatory accessible to persons with reduced mobility. Airbus and Zodiac Aerospace will work together to develop this offer, which will incorporate feedback received on Airbus’s “SpaceFlex v1” solution and Zodiac Aerospace’s “Innovative Space Interior System”. Its entry into service is planned for the first half of 2016.

#### **First deliveries and commercial success for Zodiac Seats**

Zodiac Seats had a brisk fourth quarter, both in terms of version deliveries and orders.

- In terms of deliveries, Zodiac Seats delivered its first seats to Air France-KLM for their “Best & Beyond” program. The Cirrus and Z300 seats have been in service since June on Air France’s 777-200 aircraft operating between Paris-CDG and New York-JFK. For its part, Air New Zealand, the launch customer of the Boeing 787-9, had its first 787-9 aircraft equipped entirely with Zodiac Seats (Economy, Premium Economy, and Business Class).
- The lightweight “DragonFly” seat and its evolution, the Z85, continue to do well. For example, Indian airline IndiGo received its 50<sup>th</sup> shipset for its A320 aircraft. This seat was also chosen by Japan Airlines (JAL).
- In terms of orders, Zodiac Aerospace is developing seats (Cirrus and Z300) for the Air France-KLM Group’s future Boeing 787. Ryanair has selected the Z100 for its new B737s. Zodiac Seats also prepares the entry into service of the Airbus A350XWB, in particular Finnair (Cirrus), Air Caraïbes (Z300), Vietnam Airlines (Cirrus).
- At the Farnborough International Airshow in July, Embraer selected Zodiac Seats for its E2, the latest version of its regional aircraft.

#### **A busy year in terms of acquisitions**

Following the acquisition of Triagnosys in September 2013 and PPP in February 2014, Zodiac Aerospace completed the acquisition of Greenpoint Technologies at the beginning of June 2014. The company was consolidated in the accounts for the year ending August 31. Greenpoint Technologies is a world leader in VIP Cabin Interiors for widebody aircraft and a BBJ (Boeing Business Jets) completion center. The company employs 450 people and has annual revenues of around \$150 million. Greenpoint Technologies will further enhance Zodiac Aerospace’s competencies in Cabin Interiors in the domain of VIP and VVIP Cabin Interiors, while Zodiac Aerospace, the world leader in Cabin Interiors, will support Greenpoint’s

<sup>1</sup> The “galley” is an aircraft’s kitchen area, designed to accommodate electrical equipment (“inserts”) and storage items such as containers and trolleys.

development and bring its skills in cabin certification and its know-how in design and manufacturing of interiors elements (monuments, galleys, seats, lighting, etc.).

## Outlook

Zodiac Aerospace will publish its annual results for FY 2013/2014 on November 24.

Growth in Current Operating Income will initially be affected by the extra costs for resolution of production delays encountered by the Galleys & Equipment and Seats segments.

Owing to the Group's diversified business portfolio and, in particular, the strong results from the Aircraft Systems and AeroSafety segments, the Group's Current Operating Income should slightly increase organically. However, the margin should be impacted by just under one percentage point, excluding exchange rate impact, as a result of the cost of industrial measures to reduce production delays.

The Group will comment on its outlook for 2014/2015 when it publishes its annual results. Its business should benefit from continued growth in deliveries and the non-recurrence of the extra costs of production recorded in 2013/2014.

It should also enjoy a more favorable dollar context. Zodiac Aerospace took advantage of the appreciation of the dollar against the euro, setting up hedges covering 35% of its net €/€ exposure in transactions budgeted for fiscal 2014/2015 at a rate of 1.295, versus an average rate of 1.36 in 2013/2014.

## **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](http://www.zodiacaerospace.com)

Future dates:	FY2013/14 Annual results	November 24, 2014 (before stock exchange opening)
	FY2014/15 Q1 sales revenue	December 11, 2014 (after stock exchange closing)
	Shareholders' Meeting	January 15, 2015
	FY2014/15 Q2 sales revenue	March 19, 2015 (after stock exchange closing)
	FY2014/15 Half-year results	April 22, 2015 (before stock exchange opening)
	FY2014/15 Q3 sales revenue	June 11, 2015 (after stock exchange closing)
	FY2014/15 Q4 sales revenue	September 14, 2015 (after stock exchange closing)

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**Consolidated sales revenue by quarter**

In millions of euros	1st quarter 2013/2014	2nd quarter 2013/2014	3rd quarter 2013/2014	4th quarter 2013/2014
<b>Zodiac AeroSafety</b>	134.6	134.1	144.4	<b>161.7</b>
<b>Zodiac Aircraft Systems</b>	305.7	317.4	320.6	<b>349.3</b>
<b>Aircraft Interiors</b>	542.2	563.9	580.8	<b>618.0</b>
<i>Zodiac Seats</i>	248.2	274.1	293.5	<b>296.7</b>
<i>Zodiac Cabin &amp; Structures</i>	169.3	168.3	168.2	<b>188.4</b>
<i>Zodiac Galleys &amp; Equipment</i>	124.7	121.5	119.0	<b>131.9</b>
<b>Group total</b>	982.5	1015.4	1045.7	<b>1129.0</b>
€//\$ conversion	1.35	1.37	1.38	<b>1.35</b>

In millions of euros	1st quarter 2012/2013	2nd quarter 2012/2013	3rd quarter 2012/2013	4th quarter 2012/2013
<b>Zodiac AeroSafety</b>	133.4	122.2	141.6	166.8
<b>Zodiac Aircraft Systems</b>	251.7	257.2	289.2	303.8
<b>Aircraft Interiors</b>	525.9	538.9	576.8	584.1
<i>Zodiac Seats</i>	258.7	268.1	277.5	257.8
<i>Zodiac Cabin &amp; Structures</i>	156.2	155.5	181.7	184.7
<i>Zodiac Galleys &amp; Equipment</i>	111.0	115.3	117.6	141.6
<b>Group total</b>	911.0	918.3	1007.6	1054.7
€//\$ conversion	1.29	1.33	1.30	1.32

**CHANGE**

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

Based on reported data	Q1	Q2	Q3	Q4
<b>Zodiac AeroSafety</b>	+0.9%	+9.7%	+2.0%	<b>-3.1%</b>
<b>Zodiac Aircraft Systems</b>	+21.5%	+23.4%	+10.8%	<b>+15.0%</b>
<b>Aircraft Interiors</b>	+3.1%	+4.6%	+0.7%	<b>+5.8%</b>
<i>Zodiac Seats</i>	-4.1%	+2.1%	+5.8%	<b>+15.1%</b>
<i>Zodiac Cabin &amp; Structures</i>	+8.4%	+8.2%	-7.5%	<b>+2.5%</b>
<i>Zodiac Galleys &amp; Equipment</i>	+12.4%	+5.4%	+1.2%	<b>-6.9%</b>
<b>Group total</b>	<b>+7.9%</b>	<b>+10.6%</b>	<b>+3.8%</b>	<b>+7.0%</b>
<b>Aerospace activities*</b>	<b>+7.5%</b>	<b>+10.8%</b>	<b>+2.8%</b>	<b>+6.9%</b>

Based on organic revenue	Q1	Q2	Q3	Q4
<b>Zodiac AeroSafety</b>	+4.6%	+12.4%	+6.7%	<b>-1.0%</b>
<b>Zodiac Aircraft Systems</b>	+10.9%	+19.6%	+11.3%	<b>+13.9%</b>
<b>Aircraft Interiors</b>	+3.8%	+4.4%	+5.0%	<b>+7.4%</b>
<i>Zodiac Seats</i>	-0.9%	+4.2%	+9.0%	<b>+15.2%</b>
<i>Zodiac Cabin &amp; Structures</i>	+2.9%	+2.4%	-1.5%	<b>+5.2%</b>
<i>Zodiac Galleys &amp; Equipment</i>	+15.9%	+7.7%	+5.3%	<b>-4.3%</b>
<b>Group total</b>	<b>+5.9%</b>	<b>+9.7%</b>	<b>+7.0%</b>	<b>+7.9%</b>
<b>Aerospace activities*</b>	<b>+5.4%</b>	<b>+9.9%</b>	<b>+6.1%</b>	<b>+7.8%</b>

**Organic changes 2012/2013**

Based on organic revenue	Q1	Q2	Q3	Q4
<b>Zodiac AeroSafety</b>	+10.1%	+4.8%	+5.3%	+11.8%
<b>Zodiac Aircraft Systems</b>	+10.5%	+3.9%	+2.8%	+6.1%
<b>Aircraft Interiors</b>	+2.7%	+13.2%	+7.9%	+7.9%
<i>Zodiac Seats</i>	+6.0%	+18.9%	+9.5%	+0.9%
<i>Zodiac Cabin &amp; Structures</i>	-4.3%	+2.5%	+4.8%	+5.0%
<i>Zodiac Galleys &amp; Equipment</i>	+7.0%	+19.3%	+8.8%	+28.6%
<b>Group total</b>	<b>+6.0%</b>	<b>+9.2%</b>	<b>+6.1%</b>	<b>+8.0%</b>
<b>Aerospace activities*</b>	<b>+6.2%</b>	<b>+8.4%</b>	<b>+7.0%</b>	<b>+8.3%</b>

\*Excluding Trains and Airbags

**Cumulative consolidated sales revenue**

In millions of euros	1st quarter 2013/2014	1st half 2013/2014	9 months 2013/2014	Fiscal year 2013/2014
<b>Zodiac AeroSafety</b>	134.6	268.7	413.1	<b>574.8</b>
<b>Zodiac Aircraft Systems</b>	305.7	623.1	943.7	<b>1293.0</b>
<b>Aircraft Interiors</b>	542.2	1106.1	1686.9	<b>2304.8</b>
<i>Zodiac Seats</i>	248.2	522.3	815.8	<b>1112.5</b>
<i>Zodiac Cabin &amp; Structures</i>	169.3	337.6	505.8	<b>695.2</b>
<i>Zodiac Galleys &amp; Equipment</i>	124.7	246.2	365.3	<b>497.1</b>
<b>Group total</b>	<b>982.5</b>	<b>1997.9</b>	<b>3043.7</b>	<b>4171.6</b>
€/ \$ conversion	1.35	1.36	1.36	<b>1.36</b>
€/ \$ transaction	1.35	1.36	1.36	<b>1.36</b>

In millions of euros	1st quarter 2012/2013	1st half 2012/2013	9 months 2012/2013	Fiscal year 2012/2013
<b>Zodiac AeroSafety</b>	133.4	255.6	397.2	564.0
<b>Zodiac Aircraft Systems</b>	251.7	508.9	798.1	1101.9
<b>Aircraft Interiors</b>	525.9	1064.8	1641.6	2225.7
<i>Zodiac Seats</i>	258.7	526.8	804.3	1062.1
<i>Zodiac Cabin &amp; Structures</i>	156.2	311.7	493.3	678.0
<i>Zodiac Galleys &amp; Equipment</i>	111.0	226.3	344.0	485.6
<b>Group total</b>	<b>911.0</b>	<b>1829.3</b>	<b>2836.9</b>	<b>3891.6</b>
€/ \$ conversion	1.29	1.31	1.30	1.31
€/ \$ transaction	1.28	1.29	1.29	1.29

**CHANGE 2013/2014**

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

Based on reported data	1st quarter	1st half	9 months	Fiscal year
<b>Zodiac AeroSafety</b>	+0.9%	+5.1%	+4.0%	<b>+1.9%</b>
<b>Zodiac Aircraft Systems</b>	+21.5%	+22.4%	+18.2%	<b>+17.3%</b>
<b>Aircraft Interiors</b>	+3.1%	+3.9%	+2.8%	<b>+3.6%</b>
<i>Zodiac Seats</i>	-4.1%	-0.9%	+1.4%	<b>+4.7%</b>
<i>Zodiac Cabin &amp; Structures</i>	+8.4%	+8.3%	+2.5%	<b>+2.5%</b>
<i>Zodiac Galleys &amp; Equipment</i>	+12.4%	+8.8%	+6.2%	<b>+2.4%</b>
<b>Group total</b>	<b>+7.9%</b>	<b>+9.2%</b>	<b>+7.3%</b>	<b>+7.2%</b>
<b>Aerospace activities*</b>	<b>+7.5%</b>	<b>+9.1%</b>	<b>+6.9%</b>	<b>+6.9%</b>

Based on organic revenue	1st quarter	1st half	9 months	Fiscal year
<b>Zodiac AeroSafety</b>	+4.6%	+8.4%	+7.8%	<b>+5.2%</b>
<b>Zodiac Aircraft Systems</b>	+10.9%	+15.3%	+13.9%	<b>+13.9%</b>
<b>Aircraft Interiors</b>	+3.8%	+4.1%	+4.4%	<b>+5.2%</b>
<i>Zodiac Seats</i>	-0.9%	+1.7%	+4.2%	<b>+6.9%</b>
<i>Zodiac Cabin &amp; Structures</i>	+2.9%	+2.6%	+1.1%	<b>+2.2%</b>
<i>Zodiac Galleys &amp; Equipment</i>	+15.9%	+11.7%	+9.5%	<b>+5.5%</b>
<b>Group total</b>	<b>+5.9%</b>	<b>+7.8%</b>	<b>+7.5%</b>	<b>+7.6%</b>
<b>Aerospace activities*</b>	<b>+5.4%</b>	<b>+7.7%</b>	<b>+7.1%</b>	<b>+7.3%</b>

\*Excluding Trains and Airbags