

Zodiac Aerospace recovery continues

Revenue up 8.8% in the first quarter of 2015/2016

Plaisir, December 15, 2015 – In the first quarter of its fiscal year 2015/2016, Zodiac Aerospace generated revenue of €1,237.9m, up 8.8%. This increase is primarily due to a positive foreign exchange impact, contributing 11.1 percentage points to the quarter's growth rate. Changes in consolidation scope¹ contributed a positive 0.3 percentage points. At like-for-like consolidation scope and exchange rates, revenue was down 2.6%, in line with the fourth quarter of fiscal year 2014/2015.

Revenue

In millions of euros	Fiscal year 2015/2016	Fiscal year 2014/2015	% change	Exchange rate	Consolidation scope	Organic growth
Systems activities	479.1	448.3	+6.9%	+9.9%	+0.8%	-3.8%
Zodiac AeroSafety	144.5	144.4	+0.1%	+11.1%	-3.1%	-7.9%
Zodiac Aircraft Systems	334.6	303.9	+10.1%	+9.2%	+2.8%	-1.9%
Aircraft Interiors activities	758.9	689.1	+10.1%	+11.9%	+0.0%	-1.8%
Zodiac Seats	320.8	290.8	+10.3%	+10.7%	+0.0%	-0.4%
Zodiac Cabin	438.1	398.3	+10.0%	+12.8%	+0.0%	-2.8%
Group total	1,237.9	1,137.4	+8.8%	+11.1%	+0.3%	-2.6%
€/\$(conversion)	1.11	1.27				

Systems activities revenue (38.7% of total revenue) was up 6.9% at €479.1m, comprising a positive foreign exchange impact of 9.9 percentage points and a loss of 3.8% in organic terms. This change breaks down as follows:

- Stable revenue for the AeroSafety segment of €144.5m in reported data. The exchange rate impact was a positive 11.1 percentage points while the consolidation impact, due to the sale of Zodiac Elastomer US (formerly Amfuel) at end May 2015, was a negative 3.1 percentage points. The segment's organic revenue was down 7.9%, mainly due to the Parachute, Elastomer and Interconnect activities. The Emergency Arresting Systems activity increased slightly.
- A 10.1% increase in Aircraft Systems revenue to €334.6m, thanks to a positive exchange rate impact contributing 9.2 percentage points and consolidation scope effects contributing 2.8 percentage points. At like-for-like consolidation scope and exchange rates, the segment's revenue was down by 1.9%.

Systems activities continue to be affected by a lower level of activity in the regional and business aviation segments, and are also suffering from a downturn on the helicopter market.

Aircraft Interiors activities (61.3% of total revenue) generated revenue of €758.9m, up 10.1% in reported data, comprising a positive foreign exchange impact of 11.9 percentage points and a 1.8% decline in organic terms.

- Zodiac Seats (25.9% of total revenue) is pursuing its recovery; it posted a 10.3% increase in revenue at €320.8m, and a negative 0.4% at like-for-like consolidation scope and exchange rates, and a positive 0.3% excluding Airbags activities.
- Zodiac Cabin (35.4% of total revenue) posted a 10.0% increase in revenue at €438.1m. Revenues were down 2.8% at like-for-like consolidation scope and exchange rates. Foreign exchange rates had a positive impact of 12.8 percentage point on the quarter's growth. The decrease is mainly due to a decline in deliveries by one of our business aviation customers and to a comparison base effect resulting from a major IFE systems contract coming to an end, the last delivery having been made at the end of the previous fiscal year. In contrast, narrowbody galleys and inserts activities grew.

¹ Changes in consolidation scope: Amfuel sold May 31, 2015, Enviro Systems acquired December 23, 2014

GENERAL MEETING OF SHAREHOLDERS

The Group's General Meeting of Shareholders will be held on Thursday, January 14, 2016. The preparatory documents for this Meeting will be available on the Group's website.

At the General Meeting of Shareholders on January 14, 2016, the Supervisory Board will propose shareholders to vote on the payment of a dividend of €0.32 per share, stable compared to the previous year.

OUTLOOK

Zodiac Aerospace is continuing to implement its transformation plan, Focus, which will help improve operational and financial performance. This plan is designed to enable the Group to draw lessons from the crisis that affected the Group's Aircraft Interiors activities in 2014/2015.

Alongside this, in the short term, the priority remains protecting our customers and implying additional resources in place to minimize the effects of the production difficulties on our customers. The recovery plan we have put in place at Zodiac Seats will help reduce the length of time and extent of the delays. At December 15, the backlog consisted of 300 pax, compared to around 500 when the 2014/2015 annual results were presented on November 23, 2015.

At that time, the Group stated that its fiscal year 2015/2016 would be one of transition, marked by progressively absorbing excess production costs. The Group seeks to achieve a slight growth in revenue with a positive dollar impact and current operating income margin of around 10%, based on a USD/EUR exchange rate of 1.10.

For fiscal year 2015/2016, the Group has implemented foreign exchange hedges to cover 93% of the forecast net USD/EUR transaction exposure at a rate of \$/€1.104.

In fiscal year 2016/2017, the current operating margin is expected to improve by two percentage points compared to fiscal 2015/2016.

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 wellbeing 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 €4.9bn in 2014/2015. www.zodiacaerospace.com

Future dates:	General Meeting of Shareholders	January 14, 2016
	Q2 2015/2016 revenue	March 15, 2016 (after stock exchange closing)
	Half-year results 2015/2016	April 20, 2016 (before stock exchange opening)
	Q3 2015/2016 revenue	June 14, 2016 (after stock exchange closing)
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Consolidated revenue by quarter

In millions of euros	1st quarter 2015/2016	2 nd quarter 2015/2016	3 rd quarter 2015/2016	4 th quarter 2015/2016
Systems	479.1			
<i>Zodiac AeroSafety</i>	144.5			
<i>Zodiac Aircraft Systems</i>	334.6			
Aircraft Interiors	758.9			
<i>Zodiac Seats</i>	320.8			
<i>Zodiac Cabin</i>	438.1			
Group total	1,237.9			
€/ \$ conversion	1.11			

In millions of euros	1st quarter 2014/2015	2 nd quarter 2014/2015	3 rd quarter 2014/2015	4 th quarter 2014/2015
Systems	448.3	467.5	508.7	530.7
<i>Zodiac AeroSafety</i>	144.4	151.6	168.1	170.4
<i>Zodiac Aircraft Systems</i>	303.9	315.9	340.6	360.3
Aircraft Interiors	689.1	719.2	795.2	773.1
<i>Zodiac Seats</i>	290.8	331.4	380.6	367.4
<i>Zodiac Cabin</i>	398.3	387.8	414.6	405.7
Group total	1,137.4	1,186.7	1,303.9	1,303.8
€/ \$ conversion	1.27	1.18	1.09	1.11

CHANGES

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

Based on reported data	Q1	Q2	Q3	Q4
Systems	+6.9%			
<i>Zodiac AeroSafety</i>	+0.1%			
<i>Zodiac Aircraft Systems</i>	+10.1%			
Aircraft Interiors	+10.1%			
<i>Zodiac Seats</i>	+10.3%			
<i>Zodiac Cabin</i>	+10.0%			
Group total	+8.8%			
Aerospace activities*	+9.1%			

Based on organic revenue	Q1	Q2	Q3	Q4
Systems	-3.8%			
<i>Zodiac AeroSafety</i>	-7.9%			
<i>Zodiac Aircraft Systems</i>	-1.9%			
Aircraft Interiors	-1.8%			
<i>Zodiac Seats</i>	-0.4%			
<i>Zodiac Cabin</i>	-2.8%			
Group total	-2.6%			
Aerospace activities*	-2.5%			

Organic changes 2014/2015	Q1	Q2	Q3	Q4
Based on organic revenue	Q1	Q2	Q3	Q4
Systems	+5.5%	+0.6%	+1.3%	-2.6%
<i>Zodiac AeroSafety</i>	+2.9%	+1.4%	-0.9%	-6.3%
<i>Zodiac Aircraft Systems</i>	+6.8%	+0.2%	+2.5%	-0.8%
Aircraft Interiors	+9.6%	+2.8%	+4.6%	-1.6%
<i>Zodiac Seats</i>	+12.3%	+9.9%	+11.7%	+9.4%
<i>Zodiac Cabin</i>	+7.6%	-3.2%	-1.8%	-10.6%
Group total	+7.9%	+1.9%	+3.2%	-2.1%
Aerospace activities*	+8.5%	+2.3%	+4.2%	-1.4%

*Excluding Trains and Airbags

Cumulative consolidated revenue

In millions of euros	1st quarter 2015/2016	1st half 2015/2016	9 months 2015/2016	Full year 2015/2016
Systems	479.1			
<i>Zodiac AeroSafety</i>	144.5			
<i>Zodiac Aircraft Systems</i>	334.6			
Aircraft Interiors	758.9			
<i>Zodiac Seats</i>	320.8			
<i>Zodiac Cabin</i>	438.1			
Group total	1,237.9			
€/ \$ conversion	1.11			
€/ \$ transaction	1.12			

In millions of euros	1st quarter 2014/2015	1st half 2014/2015	9 months 2014/2015	Full year 2014/2015
Systems	448.3	915.8	1,424.4	1,955.2
<i>Zodiac AeroSafety</i>	144.4	296.0	464.1	634.5
<i>Zodiac Aircraft Systems</i>	303.9	619.8	960.3	1,320.7
Aircraft Interiors	689.1	1,408.3	2,203.6	2,976.6
<i>Zodiac Seats</i>	290.8	622.2	1,002.8	1,370.2
<i>Zodiac Cabin</i>	398.3	786.1	1,200.8	1,606.4
Group total	1,137.4	2,324.1	3,628.0	4,931.8
€/ \$ conversion	1.27	1.22	1.18	1.16
€/ \$ transaction	1.28	1.25	1.22	1.21

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
Systems	+6.9%			
<i>Zodiac AeroSafety</i>	+0.1%			
<i>Zodiac Aircraft Systems</i>	+10.1%			
Aircraft Interiors	+10.1%			
<i>Zodiac Seats</i>	+10.3%			
<i>Zodiac Cabin</i>	+10.0%			
Group total	+8.8%			
Aerospace activities*	+9.1%			

Based on organic revenue	1st quarter	1st half	9 months	Full year
Systems	-3.8%			
<i>Zodiac AeroSafety</i>	-7.9%			
<i>Zodiac Aircraft Systems</i>	-1.9%			
Aircraft Interiors	-1.8%			
<i>Zodiac Seats</i>	-0.4%			
<i>Zodiac Cabin</i>	-2.8%			
Group total	-2.6%			
Aerospace activities*	-2.5%			

*Excluding Trains and Airbags