

## 2009/2010 9 months and Quarter 3 revenue figures

- **Business volumes in line with expectations, showing another improvement in the quarterly organic growth rate**
- **FY 2009/2010 guidance confirmed**
- **Strengthening of the Group's financial resources following the refinancing**
- **Resumption of external growth**
- **Encouraging signs of a recovery in the aircraft industry, in a more favorable exchange rate environment**

*Plaisir, June 15 2010* – The Zodiac Aerospace Group generated revenues of €1,549.1 million in the first nine months of the 2009/2010 fiscal year, a fall of 7.6% compared with the same period in the previous fiscal year, and a fall of 4.1% on a like-for-like basis, given a 3.5% negative exchange rate impact.

(€ million)	9 months 2009/2010	9 months 2008/2009	Δ	Exchange rate impact	Organic growth
<b>AeroSafety &amp; Technology</b>	<b>363.0</b>	366.3	-0.9%	-1.7%	+0.8%
<b>Aircraft Systems</b>	<b>346.6</b>	442.9	-21.7%	-3.7%	-18.0%
<b>Cabin Interiors</b>	<b>839.5</b>	866.9	-3.2%	-4.1%	+0.9%
<b>Group Total</b>	<b>1,549.1</b>	1,676.1	-7.6%	-3.5%	-4.1%
€/\$	<b>1.40</b>	1.33			

### BUSINESS LEVELS IN LINE WITH EXPECTATIONS

Third quarter business volumes continued to suffer from the impact of the late-cycle effect that has affected the entire aircraft equipment manufacturing industry since mid-2009. In line with the assumptions for the 2009/2010 fiscal year, third quarter revenues showed a sequential improvement compared with previous quarters, recording organic growth of 3.1%, against a 5.7% contraction in organic revenues in the second quarter and a 9.7% contraction in the first quarter.

- **AeroSafety & Technology**

The performance of the AeroSafety and Technology segment followed the same sequential improvement trend. The segment reported organic revenue growth of 3.1% in Quarter 3, due in particular to the strength of the emergency evacuation systems businesses.

- **Aircraft Systems**

The Aircraft Systems segment posted a 12.3% fall in organic revenues in the third quarter, which was the result of lower volumes in the business and regional aviation segments, although its performance improved compared with the previous quarters.

- **Cabin Interiors**

The Cabin Interiors segment reported a strong 10.9% organic increase in business volumes in the third quarter, compared with a 1.3% increase in Quarter 2 and a 9% decrease in Quarter 1. The segment was boosted by a recovery in the seats market, and also reported an improvement in the cabin interiors and equipment businesses.

## SIGNIFICANT EVENTS IN THE THIRD QUARTER

### ***Reorganization of the Group's financing***

The Group negotiated a new financing package last May, in the form of a "Club deal" for an amount of €1 billion, which will replace the existing €929 million credit facility, of which €238 million was due to mature on June 11 2010 and €691 million on June 14 2011. The final paperwork will be signed before the end of June.

This financing is subject to meeting a single ratio target, namely "net financial debt/EBITDA", which must be below or equal to 3.5 at the closing date of each fiscal year until August 31 2011, then below or equal 3.25 as at 31 August 2012 and 3.00 as at August 31 2013.

This new four-year revolving credit facility, which will mature in its entirety in June 2014, gives the Group the means to pursue its external growth strategy.

Early repayment of the previous syndicated credit facility resulted in the recording of non-recurrent financial expenses of €1.4 million, representing the balance of the credit facility arrangement fees, which were amortized over the initial life of the facility.

### ***Zodiac Aerospace resumes its external growth***

IN-FLEX, a Zodiac Aerospace Group subsidiary, purchased Quinson, which manufactures hydraulic equipment for fuel circuits. This company, which employs 16 people, will strengthen the product range offered by Zodiac Aerospace's Hydraulic Equipment & Components division (Aircraft Systems segment).

### ***Foreign exchange management***

In order to clarify its financial performance at a time when exchange rates were extremely volatile, Zodiac Aerospace had already hedged 50% of its transaction exposure for the second half of the 2009/2010 fiscal year at a €/€ rate of 1.36 and has hedged 35% of its estimated 2010/2011 transaction exposure at an average €/€ rate of €1.26.

### ***New programs***

- **Bombardier CSeries:** The Group was chosen to supply the evacuation chutes for the Bombardier CSeries regional aircraft during the third quarter of the 2009/2010 fiscal year. The Group had already been chosen to supply the complete cabin interior for the new plane.
- **Boeing 787:** The Boeing 787 program is continuing its in-flight testing with a view to being certified during the fourth quarter of 2010. Zodiac Aerospace companies are ramping up industrial production for this program, and some of them have begun equipment deliveries.

### ***Zodiac Aerospace moves to Plaisir***

Zodiac Aerospace moved to its new premises in Plaisir on May 17 2010. The change in registered offices will be submitted to a vote by shareholders at the next Annual General Meeting, in accordance with the Group's articles of association. The move also involves Group companies that were based at Issy-les-Moulineaux, particularly Aératur and Sicma.

The new address is: 61 rue Pierre Curie – PO Box 1 – 78373 PLAISIR Cedex

## OUTLOOK

### ***2009/2010: targets are confirmed***

As expected, the mechanical effect of the cycle that impacted the sector in mid-2009 will result in a slight fall in the group's organic business volumes for the 2009/2010 fiscal year. In this environment, Zodiac Aerospace is confirming its target of achieving an operating margin of 8% based on an average euro/dollar exchange rate of 1.50 and with a sensitivity of around one Current Operating Income point for every 10 cent fluctuation in the euro/dollar exchange rate. This means that the average dollar exchange rate, which is currently more favorable and is underpinned by partial currency hedges in the second half of the year, will feed through to an operating margin of over 8%. The Group ought to report net income in line with the Current Operating Income trend.

### ***Encouraging prospects for 2010/2011***

The economic situation within the industry is expected to improve significantly during the 2010/2011 fiscal year. This view would appear to be confirmed by the first signs of recovery seen in air traffic and the delivery schedules of leading aircraft manufacturers. At that point, Zodiac Aerospace is likely to be able to reap the full benefit of the way it has positioned itself as a supplier to all the new aircraft programs, and especially from the ramp-up in production volumes for the Boeing 787. It should also benefit from an improved organizational structure for Zodiac Services' after-sales businesses and from an optimized manufacturing base.

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#### Next meetings

#### Annual revenues

September 20 2010\*

\* after the Stock Market close

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# Appendices

(€ million)	Quarter 1 2009/2010	Quarter 2 2009/2010	Quarter 3 2009/2010	9 Months 2009/2010
<b>AeroSafety &amp; Technology</b>	107.8	118.4	136.9	<b>363.0</b>
<b>Aircraft Systems</b>	111.0	108.3	127.3	<b>346.6</b>
<b>Cabin Interiors</b>	252.7	267.7	319.0	<b>839.5</b>
<b>Group Total</b>	471.5	494.3	583.3	<b>1,549.1</b>
€/\$	1.48	1.42	1.32	<b>1.40</b>

(€ million)	Quarter 1 2008/2009	Quarter 2 2008/2009	Quarter 3 2008/2009	9 Months 2008/2009
<b>AeroSafety &amp; Technology</b>	114.7	119.8	131.7	<b>366.3</b>
<b>Aircraft Systems</b>	141.5	154.1	147.3	<b>442.9</b>
<b>Cabin Interiors</b>	297.7	279.6	289.7	<b>866.9</b>
<b>Group Total</b>	553.9	553.5	568.7	<b>1676.1</b>
€/\$	1.35	1.32	1.33	<b>1.33</b>

## CHANGE

(Fiscal year 2009/2010 compared with 2008/09)

Reported	Q1	Q2	Q3	9 months
<b>AeroSafety &amp; Technology</b>	-6.1%	-1.2%	+3.9%	<b>-0.9%</b>
<b>Aircraft Systems</b>	-21.5%	-29.8%	-13.5%	<b>-21.7%</b>
<b>Cabin Interiors</b>	-15.1%	-4.2%	+10.1%	<b>-3.2%</b>
<b>Group Total</b>	-14.9%	-10.7%	+2.6%	<b>-7.6%</b>

Organic growth	Q1	Q2	Q3	9 months
<b>AeroSafety &amp; Technology</b>	-3.0%	+2.0%	+3.1%	<b>+0.8%</b>
<b>Aircraft Systems</b>	-16.6%	-24.9%	-12.3%	<b>-18.0%</b>
<b>Cabin Interiors</b>	-9.0%	+1.3%	+10.9%	<b>+0.9%</b>
<b>Group Total</b>	-9.7%	-5.7%	+3.1%	<b>-4.1%</b>