

Q3 2015/2016 Sales Presentation

ZODIAC AEROSPACE

Tuesday 14th June 2016

Safe Harbour statement

Certain statements contained in this document are forward-looking statements. These statements includes, without limitation, statements that are predictions of or indicate future events, trends, plans, expectations or objectives. Examples of forward-looking statements include statements relating to business strategy, objectives, delivery schedules or future performance. Words such as “anticipates”, “believes”, “estimates”, “seeks”, “intends”, “may” and similar expressions are used to identify these forward-looking statements.

Such statements are, by their nature, subject to known and unknown risks and uncertainties. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements as these are dependent on risk factors such as the variation of the exchange rates, program delays, industrial risks relating to safety, the evolution of regulations and the general economic and financial conditions and other matters of national, regional and global scale, including those of a political, economic, competitive and regulatory nature. Please refer to the section “Risks management” in page 29 of Zodiac Aerospace’s Annual Report for the year ended August 31, 2015, for a description of certain important factors, risks and uncertainties that may affect Zodiac Aerospace’s business.

Zodiac Aerospace makes no commitment to update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.



Q3 2015/2016 sales highlights

Sum up

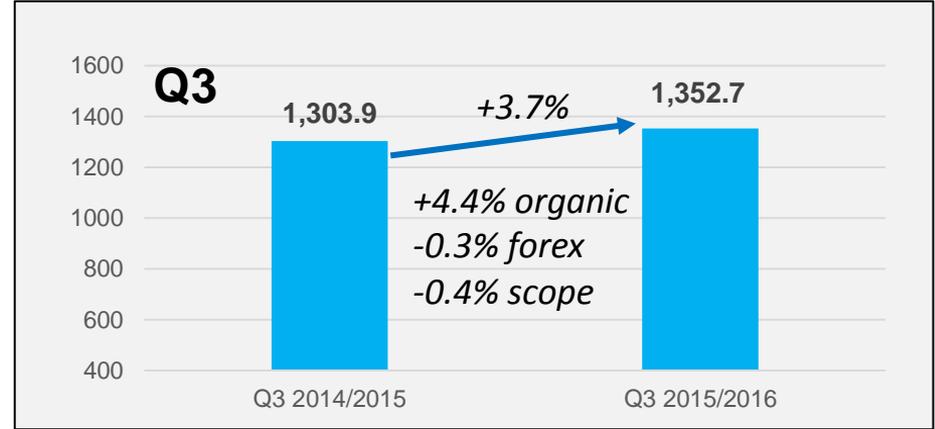
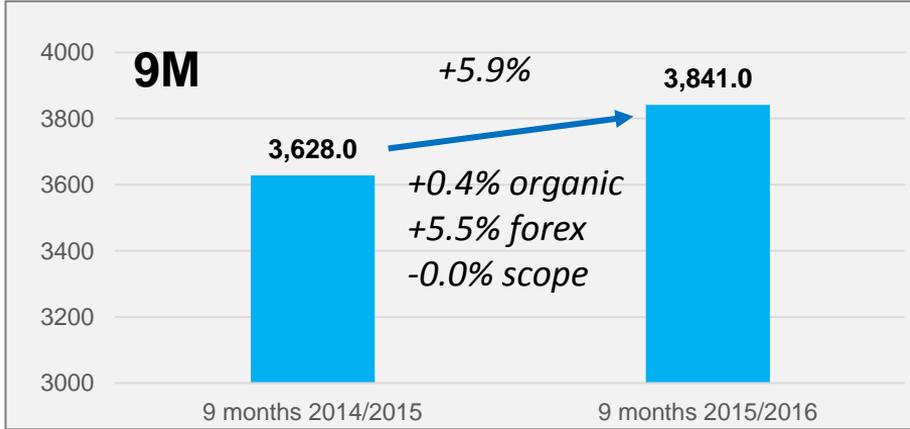
■ Increase in sales in 9M and Q3

- Seats branch in line with its 20% sequential H2/H1 sales increase
- Dynamic growth in Cabin branch
- Systems activities benefit from an increase in commercial aviation businesses, while helicopters and business jets businesses, and non civilian aerospace are decreasing
- Good performance of the aftermarket activities in Q3, growing above air traffic

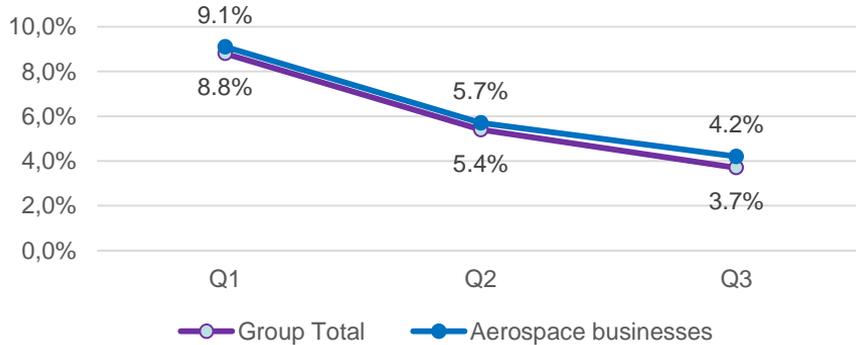
■ Full Year 2015/2016 guidance maintained

- Overall currently in line with internal target:
 - Systems slightly above forecast, Cabin slightly below, Seats in line
- Current Operating Income should be close to the one of FY 2014/15
 - Strong activity expected in August 2016 (end of Q4 2015/2016)

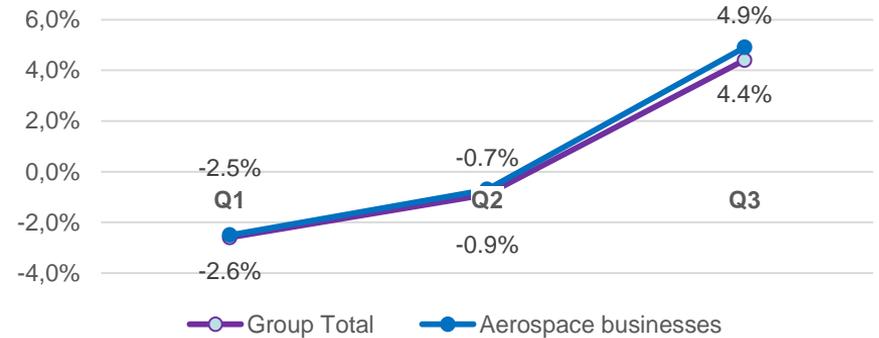
Group sales



Quarterly reported sales variation



Quarterly organic sales variation



9M and Q3 sales

9Months

In € m	9 months	9 months	% change	Forex	Perimeter	Organic variation
	2015/2016	2014/2015				
System Activities	1,485.2	1,424.5	+4.3%	+5.9%	-0.1%	-1.5%
Zodiac Aerosafety	443.0	464.2	-4.6%	+4.8%	-3.0%	-6.4%
Zodiac Aircraft Systems	1,042.2	960.3	+8.5%	+6.4%	+1.4%	+0.7%
Aircraft Interiors Activities	2,355.8	2,203.5	+6.9%	+5.4%	+0.0%	+1.5%
Zodiac Seats	1,027.3	1,002.8	+2.4%	+3.9%	+0.0%	-1.5%
Zodiac Cabin	1,328.5	1,200.8	+10.6%	+6.5%	+0.0%	+4.1%
Group Total	3,841.0	3,628.0	+5.9%	+5.6%	-0.0%	+0.3%
€/€ (conversion)	1.11	1.27				

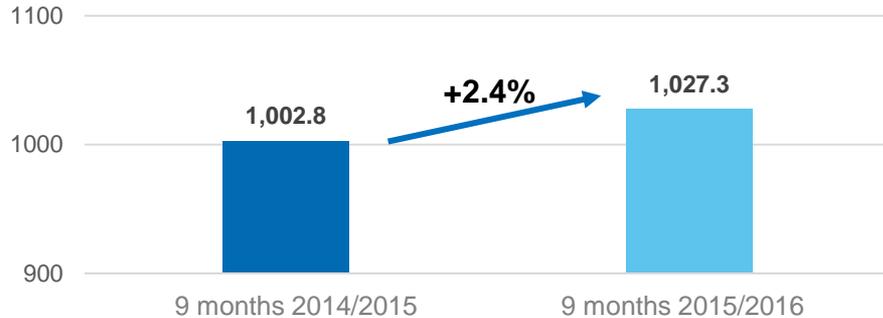
Q3

In € m	Q3	Q3	% change	Forex	Perimeter	Organic variation
	2015/2016	2014/2015				
System Activities	515.1	508.7	+1.3%	+1.5%	-1.1%	+0.9%
Zodiac Aerosafety	149.2	168.1	-11.2%	-0.6%	-2.9%	-7.7%
Zodiac Aircraft Systems	365.9	340.6	+7.4%	+2.5%	+0.0%	+4.9%
Aircraft Interiors Activities	837.6	795.2	+5.3%	-1.3%	+0.0%	+6.6%
Zodiac Seats	385.7	380.6	+1.3%	-1.9%	+0.0%	+3.2%
Zodiac Cabin	451.9	414.6	+9.0%	-0.9%	+0.0%	+9.9%
Group Total	1,352.7	1,303.9	+3.7%	-0.3%	-0.4%	+4.4%
€/€ (conversion)	1.13	1.09				

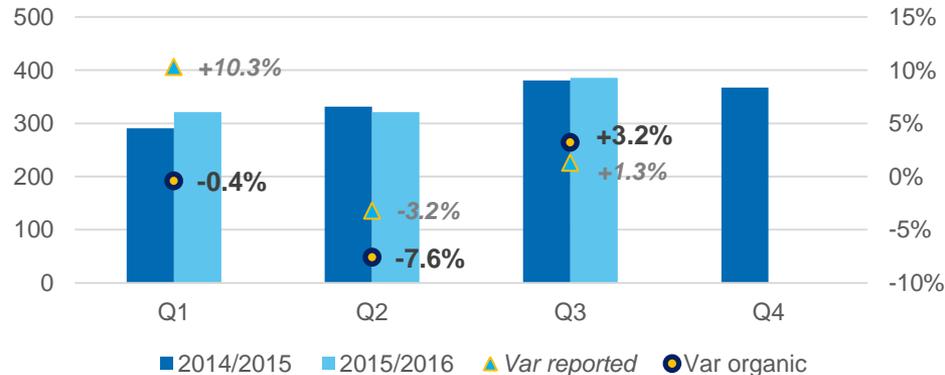
Zodiac Seats

Zodiac Seats

Zodiac Seats – 9M sales



Zodiac Seats – quarterly sales



■ Improving organic growth

- +1.3% reported growth in Q3
 - +2.4% for 9M
- Negative forex impact in Q3 (-1.9%)
 - vs positive impact for 9M (+3.9%)
- +3.2% organic growth in Q3
 - vs. -7.6% in Q2 and -0.4% in Q1
 - and -1.5% in YTD

Zodiac Seats recovery going on (1/2)

- **Progress made on critical situation on the recovery plan**
 - Certification completed on one complex B/C program
 - New platform, new technology, dynamic shell
 - 1st shipset delivered allowing to resume deliveries
 - 2 shipset delivered ; 3rd delivery currently in process
 - Significant progress in redesign of shells
 - Addressing industrialization issues at Zodiac Seat Shells in Santa Maria
 - redesign plan addressing 4 B/C programs.
 - 75% of drawings redesign is completed
 - Strong improvement of supply chain in Zodiac Seat Shells
 - Implementation of MRP process completed vs. manual management

Zodiac Seats recovery going on (2/2)

- **Improvement of supply chain**
 - Decrease of supplies irregularities
- **Re-sizing of industrial footprint in progress**
 - Better equilibrium
 - 3 alternative sources of seat shells qualified



Zodiac Seats Transformation

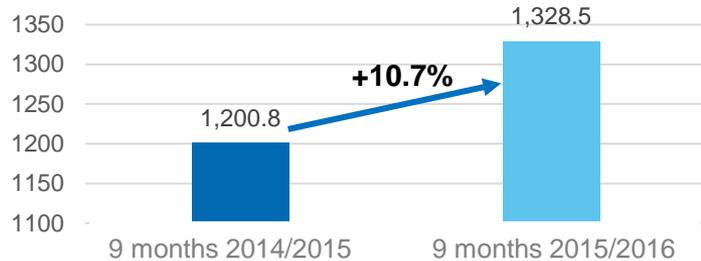
- **Business process roll out progressing per plan**
 - New management routines in place
 - Staffing plan almost completed
 - Commercial performance is resuming
 - New commercial wins: e.g. Air France A330, United Airlines new Polaris B/C
- **Confirm Confidence in H2 forecast sales and results**
 - Sales expected to grow by 20% in H2 compared to H1
- **On track to get back to nominal operational performance in 18 months (from March 16)**



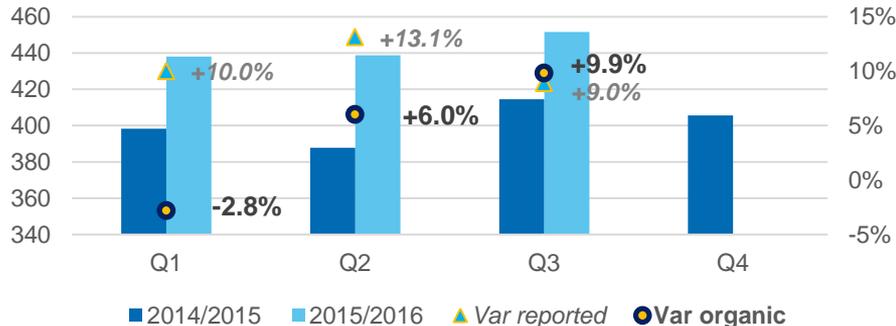
Zodiac Cabin

Zodiac Cabin

Zodiac Cabin - 9M sales



Zodiac Cabin – quarterly sales



- **Dynamic growth: +10.7% year over year for**
 - Positive forex impact: +6.6% for 9 M vs -0.9% in Q3
- **Good organic growth in all aviation segments outside Business Aircraft, leading to**
 - +4.1% year over year for 9M
 - + 9.8% in Q3 FY16 versus Q3 FY15

Zodiac Cabin: Operational performance of the branch continues to be affected by A350XWB Lavatory program

■ Increase in A350XWB lavatories deliveries

- MSN*49 shipset delivered and accepted
- MSN50 delivery in process

■ Issues to address

- Quality issues in our California site is hampering A350XWB Lavatories ramp up
- Second line in Montreal is ramping up, although more slowly than expected, due to supply chain past due deliveries

■ Our ramp up must further increase

- To reach rate 10 shipset per month temporarily...
- ... to catch up with Airbus FY16 objective



Zodiac Cabin: Operational Improvements on other critical programs in ramp up phase

- **Effective ramp up of Airline retrofit programs**
- **Effective ramp up of linefit Spaceflex v2 program**
 - Combined galley and lavatory linefit option for the Airbus A320 family
 - Achieve rate of 20 shipset / month, increasing to 24 in June, aligned with Airbus needs
- **First Bombardier C Series interiors delivered in Q3**
- **Confidence to retrieve operational performance across our production sites within 15 months**



Zodiac Cabin: Successful EBACE

- **GreenPoint Technologies is part of Zodiac Aerospace Group since June 2014**
 - GreenPoint is a premier Boeing Business Jet (BBJ) Completion Center creating superior aircraft products and VIP completions
- **GreenPoint Technologies displayed the world's first full VVIP 787-8 Boeing Business Jet (BBJ) interior completion on static display at EBACE**
 - Business aviation show in Geneva, last May
 - The remarkable completion is the product of Greenpoint's collaboration with Boeing, the aircraft manufacturer, Pierrejean Design Studios, the interior designer and Kestrel Aviation Management as the completion management company



Zodiac Cabin: Opportunities in Retrofit materializing

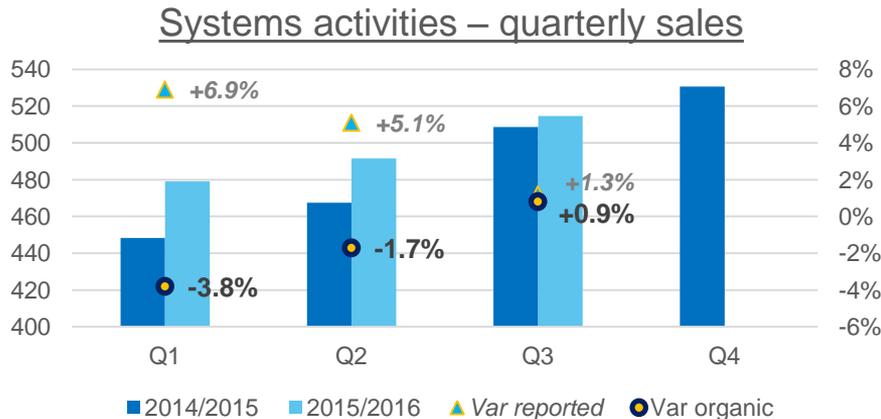
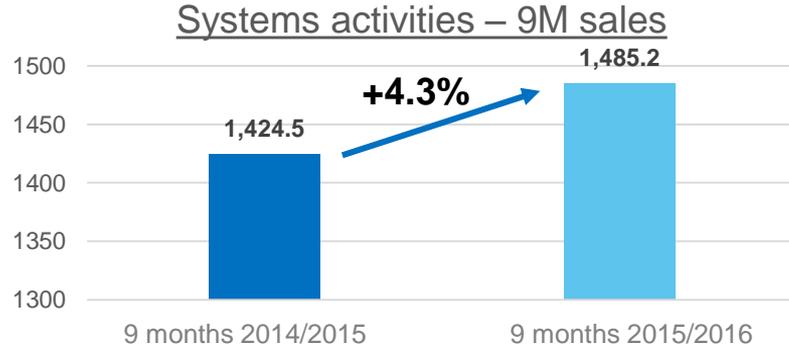
- Airlines want to offer their passengers a modern IFE
 - Selection of RAVE by Air France to retrofit their A330 fleet
 - Selection of RAVE by an undisclosed airline to equip 75 B737max.
- Airlines want to ease the baggage management burden, having pax taking care of their own luggage, through bigger bins... Improving turnaround time
 - Following AIX, good progress of discussions with several airlines



Aerosystems

Aerosafety
Aircraft Systems

Systems activities



- **Systems reports a +4.3% increase in 9M**
 - Safety -4.6%
 - Aircraft systems +8.6%
 - Positive Forex impact (+5.9%)
 - Organic growth -1.5% in 9M

- **+0.9% organic growth rate in Q3**
 - +1.3% reported
 - positive forex impact in Q3 +1.5%
 - change in scope Q3 -1.1%

Systems activities

- **Businesses mainly exposed to commercial aviation growing in line or above air traffic**
 - Evacuation Systems, Oxygen Systems, Electrical Power systems, water and waste systems
 - Despite ramp up impacts
- **Businesses exposed to helicopter and business jets markets are facing a conjonctural downturn**
 - Elastomers, floats and rafts exposed to twin-engines helicopters depressed market
 - Cockpit and AeroDucts businesses facing lower bizjet activities
- **A significant drop in our non-civilian aerospace businesses**
 - Strong decrease in arresting systems. Better Q4 expected
 - Decrease in Parachutes

Our Environment

Commercial highlights of Q3

■ Regional aircraft

- First flight of Embraer E2 (E190-E2)
- Roll-out of Irkut MC21

■ Business jets

- The first B787 VVIP, completed by Zodiac Greenpoint, is presented at Ebace show, Geneva
- Delay in the Falcon 5X program

■ United Airlines launches its new Polaris Business Class with Zodiac Seats UK



Outlook

Outlook

■ 2015/2016 guidance confirmed

- Overall currently in line with target
 - Systems slightly above forecast, Cabin slightly below, Seats in line
- Full year Current Operating Income should be close to the one of FY 2014/15
 - Strong activity expected in August (end of Q4)
- Banking covenant* should be respected

■ Medium term

- Back to operational performance in Seats and Cabin in 18 months, starting from announcement in March 2016

■ Financial hedging in place

- H2 2015/16: 92.6% of H2 budgeted transaction exposure hedged at 1.10 \$/€
- FY2016/17: 65% of estimated \$/€ exposure at 1,129\$/€ ; 70% of US\$ against CAD, GBP, and 50% against MXN

About Zodiac Aerospace

Zodiac Aerospace is a world leader in aerospace equipment and systems for commercial, regional and business aircrafts and for helicopters and spacecrafts. It develops and manufactures state-of-the-art solutions to improve comfort and facilities on board aircrafts and high-technology systems to increase aircraft performance and flight safety. Zodiac Aerospace has 35,000 employees worldwide and generated revenue of €4.9 billion in 2014/2015.

www.zodiacaerospace.com

Next financial publications:

Q4 2015/16 revenue
FY 2015/16 results

September 14, 2016 (after closing)
November 22, 2016 (before opening)

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