Order intake and sales
Q1 2015

6 May 2015
Highlights

- **Order of 24 Rafale by Egypt**
- **A350 first commercial flight**
- **Supervision and signalling systems for Hong Kong metro**
- **Thales within the top 3 of preferred employers by French engineers**
### Key figures

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>change</th>
<th>total</th>
<th>organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,823</td>
<td>2,074</td>
<td>+36%</td>
<td>+30%</td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td></td>
<td>2,576</td>
<td>2,467</td>
<td>4%</td>
<td>-2%</td>
<td></td>
</tr>
<tr>
<td>Book-to-bill ratio</td>
<td></td>
<td>1.10</td>
<td>0.84</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Strong order intake growth (Egyptian Rafale)**
- **Stable sales**
Main orders

Orders > €100m
- Rafale (Egypt)
- Hong Kong metro signalling systems
- CERES (France)

Orders > €10m < Unit value < €100m
- MMCM (France)

Other orders
- Galileo (ESA)
- Air defence systems (Korea)
- MMCM (France)
Strong order intake increase in emerging markets

Emerging markets
€618m
30%

Q1 2014

France 24%
UK 7%
Middle East 10%
Asia 10%
Australia/NZ 8%
Other European countries 27%
RoW 10%

Q1 2015

EM order intake doubled vs. Q1 2014

Emerging markets
€1,287m
46%

France 20%
UK 5%
Middle East 29%
Asia 15%
Australia/NZ 5%
North America 10%
Other European countries 15%
RoW 1%
### Aerospace: Q1 2015 key figures

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>change</th>
<th>total</th>
<th>organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>782</td>
<td>777</td>
<td>+1%</td>
<td>-7%</td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>1,081</td>
<td>955</td>
<td>+13%</td>
<td>+3%</td>
<td></td>
</tr>
</tbody>
</table>

Lower military avionics orders
Higher sales led by commercial avionics
## Transport: Q1 2015 key figures

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>change total</th>
<th>change organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>462</td>
<td>257</td>
<td>+80%</td>
<td>+75%</td>
</tr>
<tr>
<td>Sales</td>
<td>234</td>
<td>229</td>
<td>+2%</td>
<td>-3%</td>
</tr>
</tbody>
</table>

**Strong increase in order intake (Hong Kong)**

**Globally stable sales**
Defence & Security: Q1 2015 key figures

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>total</td>
<td>total</td>
<td>organic</td>
</tr>
<tr>
<td>Order intake</td>
<td>1,566</td>
<td>1,024</td>
<td>+53%</td>
</tr>
<tr>
<td>Sales</td>
<td>1,244</td>
<td>1,266</td>
<td>-2%</td>
</tr>
</tbody>
</table>

Very strong order intake growth (Rafale in Egypt)
Slightly lower sales
2015 objectives

Order intake
Growing – beyond the high level reached in 2014
Higher emerging markets contribution

Sales
Low single digit growth

EBIT\(^{(a)}\)
€1,130-1,150 m \(^{(b)}\)

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\(^{(a)}\) Non-GAAP measure: see definition in appendix
\(^{(b)}\) Based on foreign exchange rates as of February 2015
Appendix
Upcoming events

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual General Meeting</td>
<td>13 May 2015</td>
</tr>
<tr>
<td>Dividend payment(^{(a)})</td>
<td>29 May 2015</td>
</tr>
<tr>
<td>Paris Air Show</td>
<td>14-21 June 2015</td>
</tr>
<tr>
<td>H1 2015 results</td>
<td>23 July 2015 (after market)</td>
</tr>
<tr>
<td>Q3 and 9m 2015 sales</td>
<td>21 October 2015</td>
</tr>
</tbody>
</table>

\(^{(a)}\) Subject to the Annual General Meeting approval on 13 May 2015, ex-dividend date 27 May 2015
## Sales by destination

### Table: Sales by destination in €m

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>Change</th>
<th>Organic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>713</td>
<td>753</td>
<td>-5%</td>
<td>-4%</td>
</tr>
<tr>
<td>UK</td>
<td>286</td>
<td>285</td>
<td>+0%</td>
<td>-10%</td>
</tr>
<tr>
<td>Other European countries</td>
<td>483</td>
<td>485</td>
<td>-0%</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td>1,482</td>
<td>1,523</td>
<td>+3%</td>
<td>-5%</td>
</tr>
<tr>
<td>North America</td>
<td>325</td>
<td>261</td>
<td>+25%</td>
<td>-3%</td>
</tr>
<tr>
<td>Australia/NZ</td>
<td>131</td>
<td>143</td>
<td>-9%</td>
<td>-14%</td>
</tr>
<tr>
<td>Asia</td>
<td>337</td>
<td>313</td>
<td>+8%</td>
<td>+2%</td>
</tr>
<tr>
<td>Middle East</td>
<td>201</td>
<td>150</td>
<td>+34%</td>
<td>+24%</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>100</td>
<td>77</td>
<td>+29%</td>
<td>+24%</td>
</tr>
<tr>
<td>Emerging markets</td>
<td>638</td>
<td>540</td>
<td>+18%</td>
<td>+11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,576</td>
<td>2,467</td>
<td>+4%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

### Pie Chart: Sales by destination

- **France**: 28%
- **UK**: 11%
- **Other European countries**: 19%
- **North America**: 12%
- **Australia/NZ**: 5%
- **Middle East**: 8%
- **Rest of the World**: 4%
- **Emerging markets**: 13%

**Total**: 100%
French State shares are held directly and indirectly through TSA, a 100% state-owned holding company.
Definition of non-GAAP measures

This presentation contains non-Generally Accepted Accounting Principles (GAAP) financial measures. Thales regards such non-GAAP financial measures as relevant operating and financial performance indicators for the Group, as they allow non-operating and non-recurring items to be excluded. Thales definitions for such measures may differ from similarly titled measures used by other companies or analysts.

- **Organic**: at constant scope and exchange rates.
- **Book-to-Bill ratio**: ratio of orders received to sales.
- **EBIT**: income from operations; plus the share of net income or loss of equity affiliates; less: amortisation of intangible assets acquired (PPA)
- **Emerging Markets**: All countries in Middle East, Asia, Latin America and Africa
- **Adjusted net income**: net income, less the following elements, net of the corresponding tax effects: (i) amortisation of intangible assets acquired, (ii) disposal of assets, change in scope of consolidation and other, (iii) change in fair value of derivative foreign exchange instruments (recorded in "other financial results" in the consolidated accounts), (iv) actuarial gains or losses on long-term benefits (accounted within the "finance costs on pensions and employee benefits" in the consolidated accounts).
- **Adjusted EPS**: ratio of adjusted net income (as defined above) to average number of shares outstanding.
- **Free Operating Cash Flow**: net cash flow from operating activities, less: capital expenditures, less: deficit payments on pensions in the United Kingdom.
This presentation may contain forward-looking statements. Such forward-looking statements are trends or objectives, as the case may be, and shall not be construed as constituting forecasts regarding the Company’s results or any other performance indicator. These statements are by nature subject to risks and uncertainties as described in the Company’s registration document (“Document de référence”) filed with Autorité des Marchés Financiers. These statements do not therefore reflect future performance of the Company, which may be materially different.