

## Press Release

**Sales reach over 480 million euros for the first time ever**

### **A successful business year: Recaro Aircraft Seating increases production by 15 percent**

**SCHWAEBISCH HALL, Germany – With annual sales of 487 million euros, Recaro Aircraft Seating increased its sales last year once again. The German company produced 120,000 seats, increasing its volume by close to 15 percent compared to the previous year. Overall, the world leader in economy class seats is highly successful, with revenue growing at an average annual rate of more than ten percent over the last fifteen years – compared to the average market growth of five percent. The order books are well-filled for the next three years.**

Recaro, as one of the largest aircraft seat manufacturers worldwide, supplied 41 airlines and aircraft manufacturers with high-quality seats last year – and its eight new customers are especially worthy of mention. In 2018, orders for 20 existing and four new customers are firm. Dr. Mark Hiller, Chief Executive Officer and Shareholder of Recaro Aircraft Seating, is delighted with the company's development: "We will be adjusting our growth rate upwards for the next few years. Our order books are looking good through 2020 and beyond."

But not only sales and order volumes bear witness to the company's successful 2017 financial year. Investments and increases in efficiency are also part of the picture. Airlines worldwide, including eight out of ten five-star airlines, choose Recaro because of its industry-leading delivery reliability, outstanding quality and innovative products. "Over the last few years, we have set a benchmark of nearly 100 percent on-time delivery in the industry. Our new fully automated logistics center represents an investment in additional capacity at our headquarters," confirmed Dr. Mark Hiller. In fact, Recaro received top ratings from aircraft manufacturers and airlines.

### **Re-entry into the business class**

Recaro aircraft seats stand for comfort, quality and lightweight design. This also applies to Recaro's strategically decisive re-entry into the business class seat segment. Its portfolio includes short, medium and long-haul business class seats. In 2017, Recaro delivered the CL6710 business class seat on B787 for long-haul applications – which can be adapted to meet specific requirements – to international customers. Dr. Mark Hiller highlighted: "The business class will be an important strategic focus in the future. We are gaining momentum within this segment, having successfully acquired more customers for this premium seat this year and next year. The CL6710 is one of the lightest business class seats on the market."

In 2017, Recaro was also very successful in further developing its processes in production and in service. The Recaro site in Poland was honored with the CEE Manufacturing Excellence Awards in four categories. Dr. Mark Hiller commented: "We doubled our production from 10,000 to 20,000 seats at our Chinese facility in Qingdao." Additionally, as a comprehensive

solution provider, Recaro offers cost-effective full service for modification projects and retrofit programs including approvals.

As winner of the Top Employer Award, Recaro is also enjoying success as an attractive employer. And this is one of the reasons why Recaro is successful at finding highly qualified employees. The number of Recaro employees worldwide increased to 2,300 in 2017, including a total of 164 new hires for newly created jobs.

The success story is continuing for the current year as well. At the industry's most important trade fair worldwide in Hamburg, the new BL3710 economy class seat for short and medium-haul routes was successfully launched in April 2018 and has already been delivered to a large low-cost carrier. With its PL3530 seat, Recaro is also successful in the emerging premium economy sector.



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Dr. Mark Hiller, Chief Executive Officer and Shareholder of Recaro Aircraft Seating. In 2017, Recaro Aircraft Seating produced 120,000 seats. This represents a volume increase of close to 15 percent over 2016.



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At the end of 2017, the fully automated 6,000 square meter logistics center at corporate headquarters in Schwaebisch Hall was opened.



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The new BL3710 economy class seat from Recaro Aircraft Seating stands out with an ideal balance between lightweight design and comfort.

*Recaro Aircraft Seating is a global supplier of premium aircraft seats for the leading airlines worldwide. The company has over 2,300 employees, including more than 1,000 working in Germany. It operates plants in Germany, Poland, South Africa, the U.S. and China, as well as service centers in Europe, the Americas, the Middle East, Asia, and Australia. Based in Schwaebisch Hall, Germany, Recaro Aircraft Seating generated sales of 487 million euros in 2017. The company ranks among the world's top three aircraft seat manufacturers.*

*Recaro Aircraft Seating is part of the Recaro Group, which includes Recaro Holding based in Stuttgart, as well as the independently operating Recaro Child Safety division (child car seats) in Marktleugast, Germany.*

*The automotive seating business is operated by the licensee Recaro Automotive Seating.*

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