

## **Initial earnings guidance for 2014 and strategy for 2015**

(Unaudited figures)

**2014 full-year growth target achieved  
thanks to the strong development of the drone business**

**Group will be close to breaking even with income from ordinary operations**

**Strengthening of the resources required for drone developments**

**Strategic review launched in the Automotive business**

**Parrot is forecasting around 244 million euros in consolidated revenues, enabling it to report 4% growth for 2014, whereas a 17% contraction was still expected at June 30th, 2014. The outstanding business performance over the second half of the year (+30%), driven by drone sales, also paved the way for income from ordinary operations to be close to breaking even in 2014, whereas the company had posted a loss for the first half of the year.**

### **Strong acceleration for Drone business development**

With the Drone business achieving growth of over 97% in 2014, thanks to the extended retail ranges rolled out and the doubling of the commercial drone business, Parrot is now a major player on the civil drone market. In 2014, drones generated more than 34% of Parrot's revenues, with around 83 million euros, while they represented close to half of the Group's revenues during the second half of the year.

In the retail drone sector, Parrot has a comprehensive range of products targeting multiple customer segments, meeting a range of needs, from fun entertainment to the most advanced demands. Consumer purchases have clearly demonstrated the strong level of interest in the brand's products: over 700,000 retail drones were sold worldwide in 2014. In addition, demand for the most advanced retail drone product, the Parrot Bebop, with the first units released at the very end of the year, significantly exceeded the level of supply available.

In the commercial drone sector, Parrot is effectively deploying its business on the three main target markets (agriculture, mapping and surveillance) with a range of equipment, software and data solutions.

With a dedicated R&D Department and over 150 engineers, which will be further strengthened this year, as well as its outstanding global visibility and sales force, Parrot is taking on board its success in the civil drone sector. The Group wants to give itself the means to support the strong growth of a sector that is now developing very rapidly.

## Strategic Automotive review

Parrot, a pioneer and now a world leader for in-car wireless telephony systems using Bluetooth technology, is also pioneering the development of in-car infotainment technologies.

After focusing its investments since 2009 on implementing the necessary transition for its automotive activities, moving towards the connected car and in-car infotainment, the Group is today able to offer a comprehensive range of retail solutions (Parrot Asteroid) harnessing exclusive leading-edge technologies, and it is recognized as having one of the most accomplished high-end infotainment offers on the global market, as shown by the recent success of its products at the 2015 CES event in Las Vegas.

Nevertheless, and despite having signed nine contracts, including with leading international manufacturers (McLaren, Volvo etc.), the Group has not achieved the commercial development it was expecting on this segment. The automotive business generated 136 million euros in revenues, down 17% from 2013, primarily due to the dates being put back for the new contracts to enter into production, with the dedicated Infotainment business representing 15 million euros.

Faced with these circumstances, Parrot has decided to launch a strategic review in order to identify the best conditions for ensuring the development of its product and client portfolio in the Automotive sector.

## Next financial dates

- **March 2nd, 2015:** 2014 full-year and fourth-quarter earnings
- **May 14th, 2015:** 2015 first-quarter earnings

## ABOUT PARROT

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Founded in 1994 by Henri Seydoux, Parrot creates, develops and markets advanced technology wireless products for consumers and professionals.

The company builds on a common technological expertise to innovate and develop in three primary markets:

- Automotive: With the most extensive range of hands-free communication and infotainment systems for vehicles on the market.
- Civil drones: With leisure quadricopters and solutions for professional use.
- Connected objects: With a focus in audio and gardening.

Headquartered in Paris, Parrot currently employs more than 850 people worldwide and generates the majority of its sales overseas. Parrot has been listed on Euronext Paris since 2006. (FR0004038263 – PARRO). For more information, please visit [www.parrot.com](http://www.parrot.com)

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