
AIRBUS

9m Results

2019

30 October 2019

Guillaume Faury | Chief Executive Officer

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SAFE HARBOUR STATEMENT

DISCLAIMER

This presentation includes forward-looking statements. Words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may” and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements made about strategy, ramp-up and delivery schedules, introduction of new products and services and market expectations, as well as statements regarding future performance and outlook. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

These factors include but are not limited to:

- Changes in general economic, political or market conditions, including the cyclical nature of some of Airbus’ businesses;
- Significant disruptions in air travel (including as a result of terrorist attacks);
- Currency exchange rate fluctuations, in particular between the Euro and the U.S. dollar;
- The successful execution of internal performance plans, including cost reduction and productivity efforts;
- Product performance risks, as well as programme development and management risks;
- Customer, supplier and subcontractor performance or contract negotiations, including financing issues;
- Competition and consolidation in the aerospace and defence industry;
- Significant collective bargaining labour disputes;
- The outcome of political and legal processes, including the availability of government financing for certain programmes and the size of defence and space procurement budgets;
- Research and development costs in connection with new products;
- Legal, financial and governmental risks related to international transactions;
- Legal and investigatory proceedings and other economic, political and technological risks and uncertainties.

As a result, Airbus’ actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

For a discussion of factors that could cause future results to differ from such forward-looking statements, see the 2018 Airbus SE Registration Document dated 29 July 2019, including the Risk Factors section.

Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding disclaimer:

Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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9m Results

2019

**Company
Highlights**

Business
Highlights

Guidance
Highlights



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9M 2019 HIGHLIGHTS

- Solid commercial aircraft environment
- 9m financials mainly reflect A320neo ramp-up and progress on A350
- Focus on ACF ramp-up and a more efficient delivery flow in 2019 and beyond
- 2019 Guidance updated to reflect latest delivery and FCF outlook; EBIT Adjusted guidance maintained

9M 2019 COMMERCIAL POSITIONING

Consolidated Airbus Order Book

by Division

		9m 2019
Airbus (in units)	Order Intake (net)	127
	Order Book	7,133
Helicopters (in units)	Order Intake (net)	173
	Order Book	681
Defence and Space (in € m)	Order Intake (net)	6,064

Consolidated Airbus External Revenue

by Division

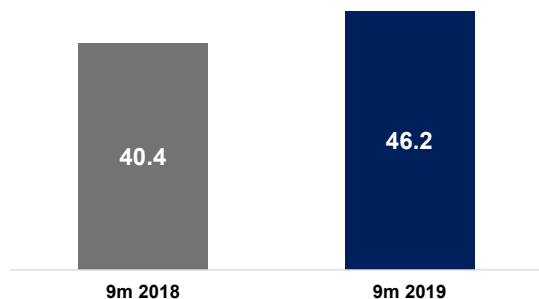


● Airbus	76%
● Helicopters	7%
● Defence and Space	17%

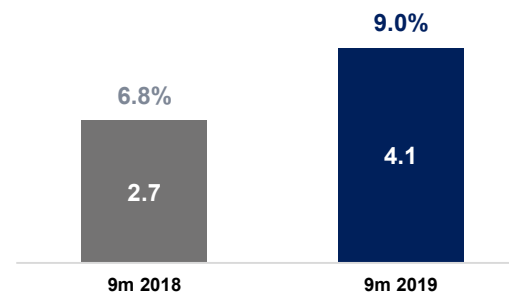
- **AIRBUS:** 303 gross orders, incl. 90 in Q3. 127 net orders in 9m. Backlog: 7,133 a/c
- **HELICOPTERS:** 173 net orders, incl. 12 H135 in Q3
- **DEFENCE AND SPACE:** Order intake € 6.1 bn, incl. key contract wins in Space

9M 2019 FINANCIAL PERFORMANCE

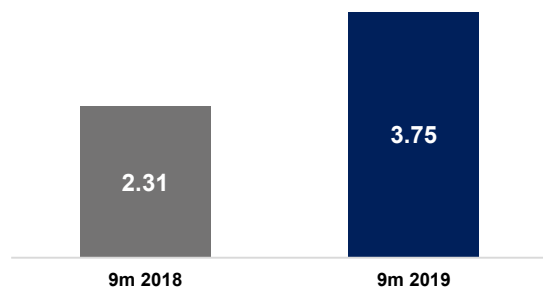
Revenues
in € bn



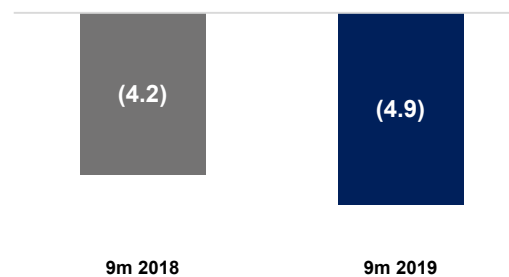
EBIT Adjusted
in € bn / RoS (%)



EPS⁽¹⁾ Adjusted
in €



FCF before M&A and Customer Financing
in € bn

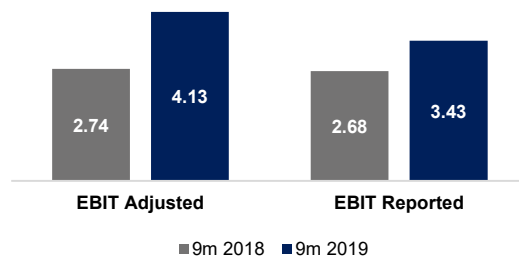


(1) 9m 2019 weighted average number of shares: 776,697,534 compared to 774,762,268 in 9m 2018
Capitalised R&D: € 78 m in 9m 2019 and € 61 m in 9m 2018
2018 figures include A220, consolidated into Airbus as of 1 July 2018

9M 2019 PROFITABILITY

EBIT Performance

in € bn



■ 9m 2019 **EBIT Reported** of € 3.4 bn

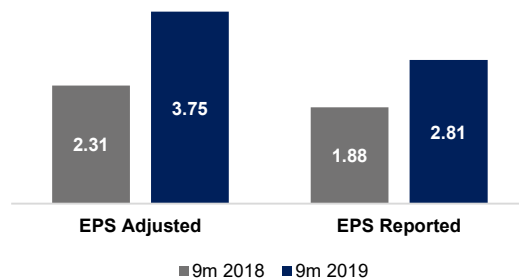
■ 9m 2019 EBIT Adjustments resulting from:

- € – 253 m PDP mismatch / BS revaluation
- € – 221 m Defence export ban
- € – 158 m A380 programme cost
- € – 70 m Others

■ 9m 2019 **Net Adjustments** of € – 702 m

EPS⁽¹⁾ Performance

in €



■ 9m 2019 **Net Income** of € 2,186 m

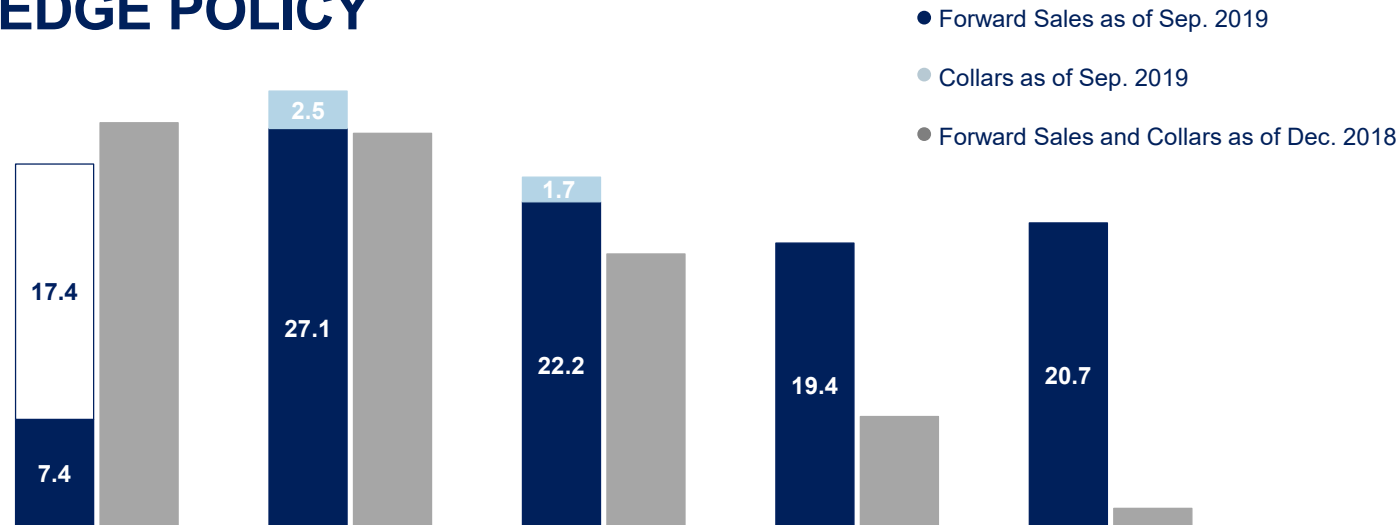
■ 9m 2019 **Net Income Adjusted** of € 2,912 m

■ 9m 2019 tax rate on core business is 27%

(1) 9m 2019 weighted average number of shares: 776,697,534 compared to 774,762,268 in 9m 2018
Capitalised R&D: € 78 m in 9m 2019 and € 61 m in 9m 2018
2018 figures include A220, consolidated into Airbus as of 1 July 2018

CURRENCY HEDGE POLICY

IN \$ BILLION



Average hedge rates	2019 remaining 3 months	2020 FY	2021 FY	2022 FY	2023 and beyond
€ vs \$ Forwards/Collars ⁽²⁾	1.20 ⁽¹⁾ (1.23 for FY19 in Dec. 18)	1.21 (1.23 in Dec. 18)	1.23 (1.24 in Dec. 18)	1.23 (1.27 in Dec. 18)	1.24 (1.30 in Dec. 18)
£ vs \$	1.30	1.37	1.36	1.35	1.40

■ In 9m 2019, \$ 37.5 bn⁽²⁾ of new Forwards were added at an average rate of € 1 = \$ 1.21

■ \$ 17.4 bn⁽²⁾ of hedges matured at an average rate of € 1 = \$ 1.26

■ Hedge portfolio⁽²⁾ 30 September 2019 at \$ 101.0 bn (vs. \$ 81.9 bn in Dec. 2018), at an average rate of \$ 1.22⁽³⁾

■ In 9m, \$ 5.1 bn of hedges rolled over intra-year to align with backloaded delivery profile

■ In addition, \$ 3.4 bn of hedges rolled over from 2019 into 2020

Mark-to-market value incl. in AOCI = € - 5.5 bn
Closing rate @ 1.09 € vs. \$

Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales and Collars
Hedge rates reflect EBIT impact of the US\$ hedge portfolio

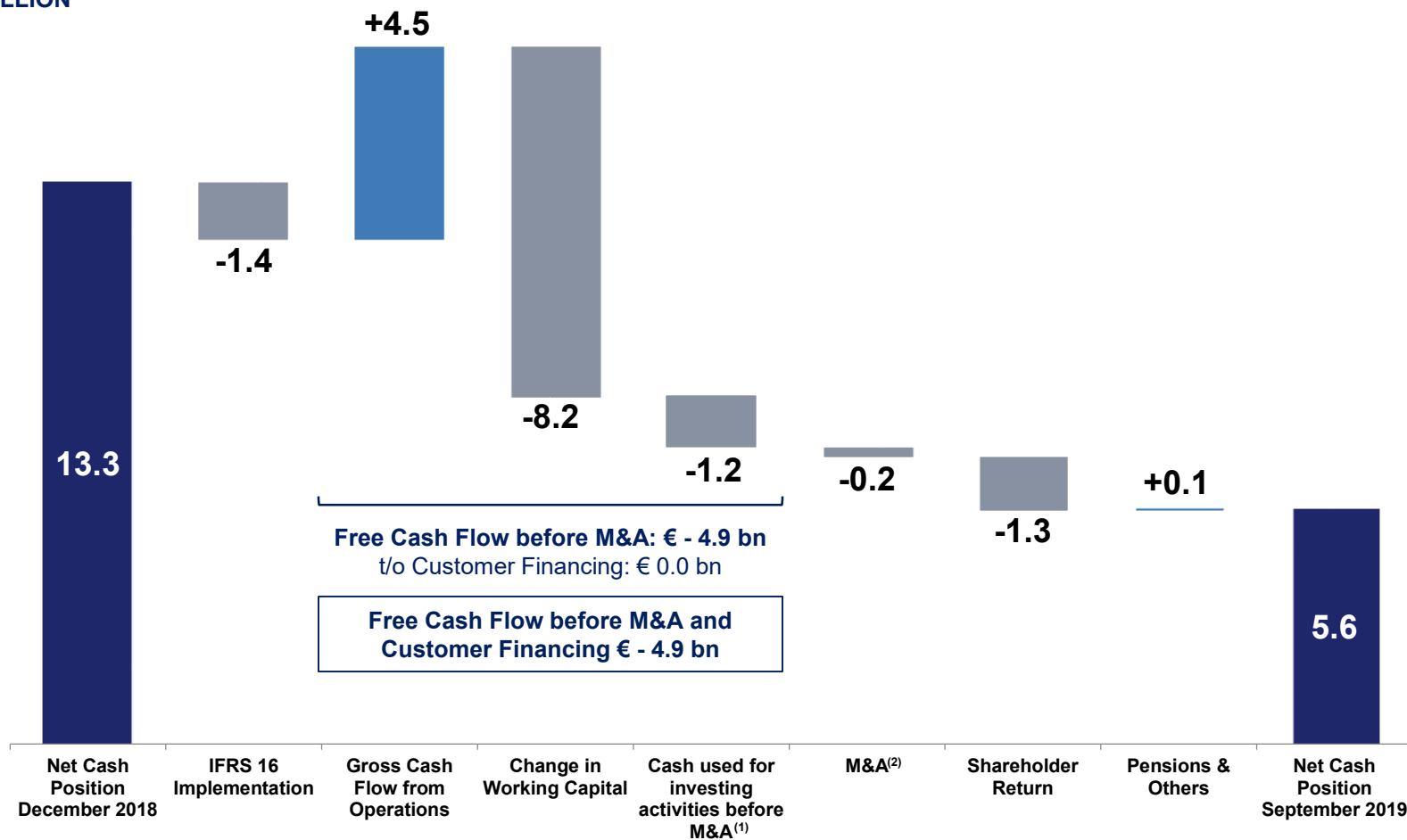
(1) Full year 2019 hedge rate expected at an average rate of € 1 = \$ 1.24 as of 30 September 2019;

(2) Total hedge amount contains \$/€ and \$/£ designated hedges; (3) Blended Forwards and Collars rate includes Collars at least favourable rate

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9M 2019 CASH EVOLUTION

IN € BILLION



■ IFRS 16 implemented 1 January 2019

(1) Thereof Capex of € - 1.5 bn

(2) M&A transactions include acquisitions and disposals of subsidiaries and businesses

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Company
Highlights

**Business
Highlights**

Guidance
Highlights

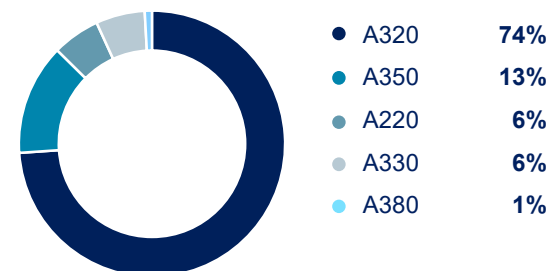


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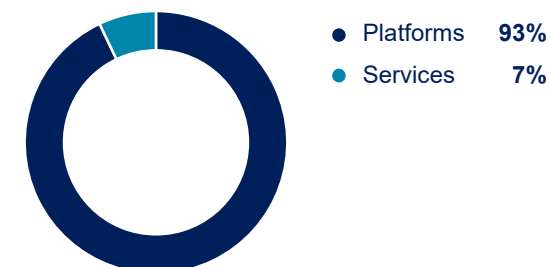
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IN € MILLION		9m 2019	9m 2018	Change
Order Intake (net)	Units	127	256	-50.4%
Order Book	Units	7,133	7,383	-3.4%
Deliveries	Units	571	503	13.5%
Revenues		35,572	30,478	16.7%
R&D Expenses		1,495	1,456	2.7%
<i>in % of Revenues</i>		4.2%	4.8%	
EBIT Adjusted		3,833	2,340	63.8%
<i>in % of Revenues</i>		10.8%	7.7%	
EBIT		3,405	2,238	52.1%
<i>in % of Revenues</i>		9.6%	7.3%	

Deliveries by Programme (units)



External Revenue Split

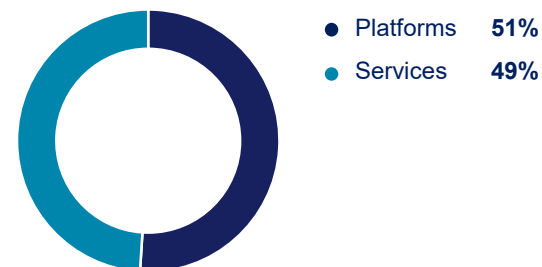
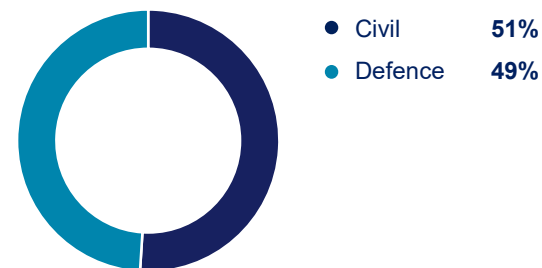


- Revenues and EBIT Adjusted reflect the backloaded delivery profile
- A320neo: 338 a/c delivered in 9m, ACF ramp-up remains challenging
- EBIT Adjusted mainly reflects A320neo ramp-up, A350 operational performance, and FX

AIRBUS HELICOPTERS

IN € MILLION		9m 2019	9m 2018	Change
Order Intake (net)	Units	173	230	-24.8%
Order Book		681	704	-3.3%
Deliveries	Units	209	218	-4.1%
Revenues		3,712	3,755	-1.1%
R&D Expenses		216	214	0.9%
<i>in % of Revenues</i>		5.8%	5.7%	
EBIT Adjusted		205	202	1.5%
<i>in % of Revenues</i>		5.5%	5.4%	
EBIT		203	179	13.4%
<i>in % of Revenues</i>		5.5%	4.8%	

External Revenue Split

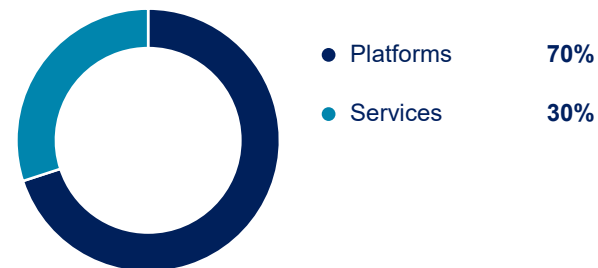


- Stable Revenues supported by growth in services, reduced by programme phasing
- EBIT Adjusted reflects increased contribution from services, reduced by less favourable delivery mix

AIRBUS DEFENCE AND SPACE

IN € MILLION		9m 2019	9m 2018	Change
Order Intake (net)	Value	6,064	4,988	21.6%
Revenues		7,706	7,051	9.3%
R&D Expenses		216	219	-1.4%
<i>in % of Revenues</i>		<i>2.8%</i>	<i>3.1%</i>	
EBIT Adjusted		355	409	-13.2%
<i>in % of Revenues</i>		<i>4.6%</i>	<i>5.8%</i>	
EBIT		83	479	-82.7%
<i>in % of Revenues</i>		<i>1.1%</i>	<i>6.8%</i>	

External Revenue Split



- Revenue increase mainly driven by Military Aircraft
- EBIT Adjusted mainly reflects efforts to support on-going and future campaigns
- A400M: 10 a/c delivered in 9m 2019; key milestones towards full capability achieved
- German defence export ban: EBIT impact of € – 221 m booked in 9m 2019, of which € – 13 m in Q3
- 2018 EBIT included Capital Gain from disposal of Airbus DS Communications, Inc. business

(1) Communications, Intelligence & Security
Capitalised R&D: € 24 m in 9m 2019 and € 9 m in 9m 2018

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2019

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Highlights

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Highlights

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2019 GUIDANCE

As the basis for its 2019 guidance, Airbus expects the world economy and air traffic to grow in line with prevailing independent forecasts, which assume no major disruptions

Airbus 2019 Earnings and FCF guidance is before M&A

- Airbus now targets around 860 commercial aircraft deliveries in 2019, which reflects the updated delivery schedule

- On that basis:
 - Airbus maintains its expected increase in EBIT Adjusted of approximately +15% compared to 2018

 - Airbus now expects FCF before M&A and Customer Financing of approximately € 3 bn

KEY PRIORITIES

- Focus on deliveries in 2019 and beyond
- Ramp-up A320neo, including ACF
- Improve A350 margins
- Improve programme execution across businesses
- Services, Digital and Innovation



Deliver Earnings and FCF growth potential

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Appendix



EXPECTED AIRBUS AVERAGE HEDGE RATES € VS. \$

Active exposure management



FY 2018

Average
Hedge Rates

1.24

FY 2019E

1.24

(1) Q3 actual

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9M 2019 DETAILED INCOME STATEMENT AND ADJUSTMENTS

IN € MILLION

	9m 2019 Reported	thereof Adjustments				Financial Result	9m 2019 Adjusted
		Impact on EBIT					
		Operational	FX				
	Airbus	Helicopters	Defence and Space ⁽¹⁾	Airbus + Defence and Space ⁽²⁾			
EBIT	3,431	(225)	(2)	(222)	(253)		4,133
<i>in % of Revenues</i>	7.4%						9.0%
Interest income	143						143
Interest expenses	(266)						(266)
Other Financial Result	(110)					(72)	(38)
Financial Result	(233)					(72)	(161)
Income before taxes	3,198	(225)	(2)	(222)	(253)	(72)	3,972
Non-controlling interest	12						12
Net Income reported	2,186						2,912
Number of shares	776,697,534						776,697,534
EPS reported (in €)	2.81						3.75

Net Income Adjusted excludes the following items:

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discount on provisions

The tax effect on Adjusted Income before taxes is calculated at 27%. The effective tax rate on Income before taxes is 32%

(1) Thereof € - 22 m A400M provision update

(2) Thereof € - 203 m Airbus, € - 50 m ADS

9M 2018 DETAILED INCOME STATEMENT AND ADJUSTMENTS

IN € MILLION

	9m 2018 Reported	thereof Adjustments				9m 2018 Adjusted
		Impact on EBIT				
		Operational	FX	Financial Result		
	Airbus	Helicopters	Defence and Space ⁽¹⁾	Airbus + Defence and Space ⁽²⁾		
EBIT	2,683	(109)	(23)	51	26	2,738
<i>in % of Revenues</i>	6.6%					6.8%
Interest income	144					144
Interest expenses	(367)					(367)
Other Financial Result	(190)				(154)	(36)
Financial Result	(413)				(154)	(259)
Income before taxes	2,270	(109)	(23)	51	26	2,479
Non-controlling interest	7					7
Net Income reported	1,453					1,792
Number of shares	774,762,268					774,762,268
EPS reported (in €)	1.88					2.31

Net Income Adjusted excludes the following items:

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discount on provisions

The tax effect on Adjusted Income before taxes is calculated at 28%. The effective tax rate on Income before taxes is 36%

2018 figures include A220, consolidated into Airbus as of 1 July 2018

(1) Thereof € - 105 m A400M provision update mainly for escalation, € + 156 m net capital gains from disposals

(2) Thereof € + 7 m Airbus, € + 19 m ADS

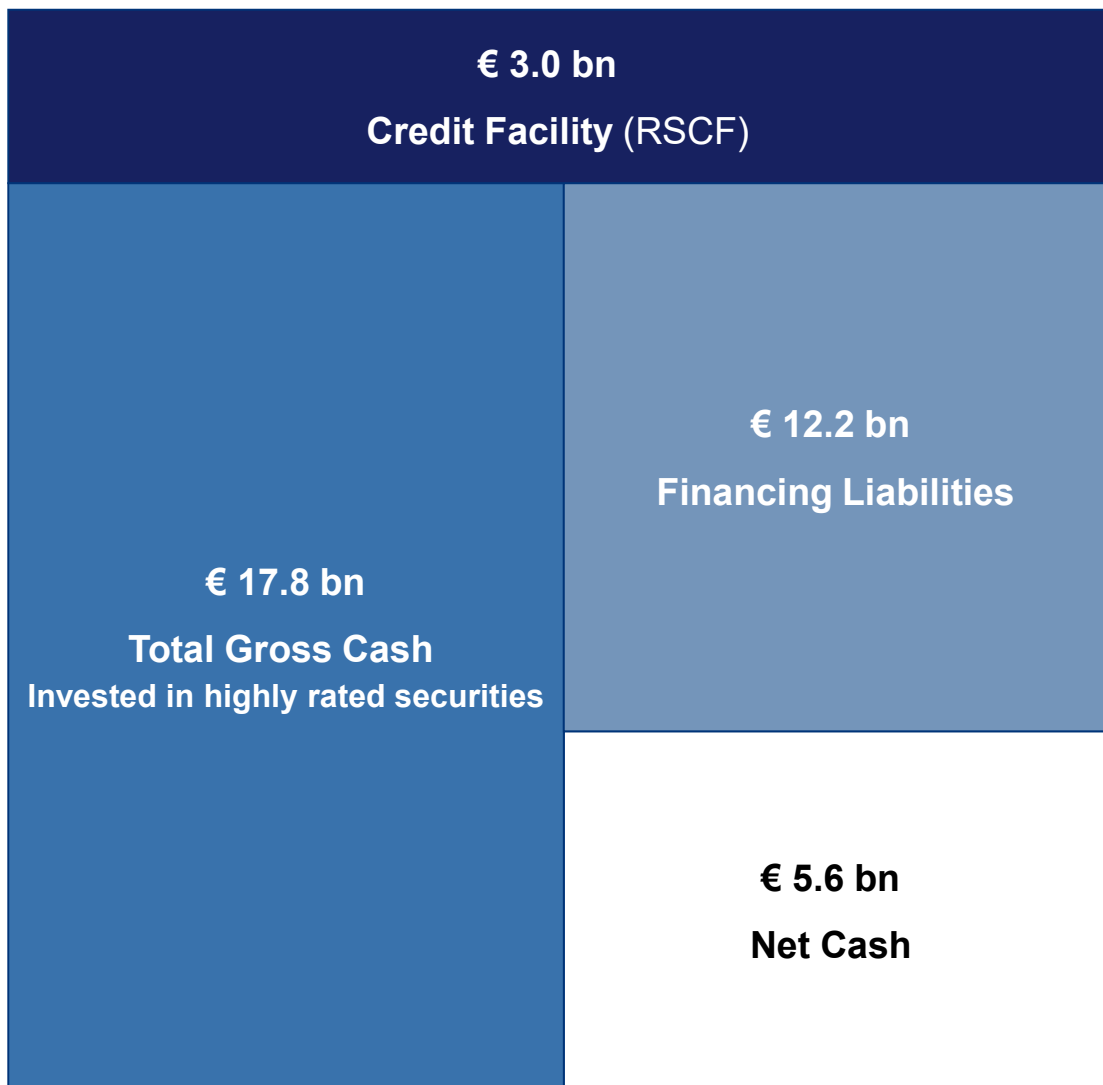
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Q3 2019 KEY FIGURES

IN € MILLION	Q3 2019	Q3 2018
Revenues	15,302	15,451
EBIT Adjusted	1,604	1,576
EBIT	1,338	1,563
Net Income	989	957
FCF before M&A	(904)	(273)
FCF before M&A and Customer Financing	(956)	(201)

IN € MILLION	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018
	Revenues		EBIT Adjusted		EBIT	
Airbus	11,529	11,932	1,495	1,473	1,254	1,465
Helicopters	1,341	1,367	80	67	79	65
Defence and Space	2,691	2,399	122	100	98	97
Transversal & Elim.	(259)	(247)	(93)	(64)	(93)	(64)
Consolidated Airbus	15,302	15,451	1,604	1,576	1,338	1,563

AIRBUS: STRONG LIQUIDITY POSITION AS OF 30 SEPTEMBER 2019



Credit Facility:

- Maturity 2021, undrawn
- Fully committed by 40 banks
- No financial covenants, no MAC clause

Financing Liabilities:

of which long-term: € 8.8 bn

- Includes € 3.0 bn EMTN, € 0.5 bn Convertible Bond, € 1.1 bn exchangeable bond and \$ 2.5 bn USD 144A/RegS

Credit Ratings:

Short-term rating:

- S & P: A-1+
- Moody's: P-1

Long-term rating:

- S & P: A+ stable
- Moody's: A2 stable

DETAILED FREE CASH FLOW

IN € MILLION

	9m 2019	9m 2018
Net Cash position at the beginning of the period	13,281	13,390
First time impact of IFRS 16	(1,352)	-
Gross Cash Flow from Operations ⁽¹⁾	4,538	2,517
Change in working capital ⁽²⁾	(8,244)	(5,687)
Cash used for investing activities ⁽³⁾	(1,421)	(758)
of which Industrial Capex (additions) ⁽⁴⁾	(1,457)	(1,378)
Free Cash Flow ^{(5) (6)}	(5,127)	(3,928)
of which M&A	(225)	414
Free Cash Flow before M&A	(4,902)	(4,342)
of which Customer Financing	35	(173)
Free Cash Flow before M&A and customer financing	(4,937)	(4,169)
Change in capital and non-controlling interests	133	112
Change in treasury shares / share buyback	4	(52)
Change in liability for puttable instruments	243	-
Contribution to plan assets of pension schemes	(113)	(1,152)
Cash distribution to shareholders / non-controlling interests	(1,280)	(1,161)
Others ⁽⁷⁾	(213)	(21)
Net Cash position at the end of the period	5,576	7,188

(1) Excluding working capital change, contribution to plan assets of pension schemes and realised FX results on treasury swaps;

(2) Including net customer financing and excluding some perimeter change impacts from changes in consolidation;

(3) Excluding change in securities, change in cash from changes in consolidation and bank activities; (4) Excluding leased and financial assets;

(5) Excluding change in securities, change in cash from changes in consolidation, contribution to plan assets, realised FX results on treasury swaps and bank activities;

(6) Including A220 integration; (7) Including Airbus Canada Ltd. Partnership funding agreement.

2018 figures include A220, consolidated into Airbus as of 1 July 2018

NET CASH POSITION

IN € MILLION

	Sep. 2019	Dec. 2018
Gross Cash	17,775	22,207
Financing Debts	(12,199)	(8,926)
Long-term Financing Debts	(8,783)	(7,463)
Short-term Financing Debts	(3,416)	(1,463)
Reported Net Cash	5,576	13,281
Airbus non-recourse debt	27	28
Net Cash excl. non-recourse	5,599	13,309

CUSTOMER FINANCING EXPOSURE

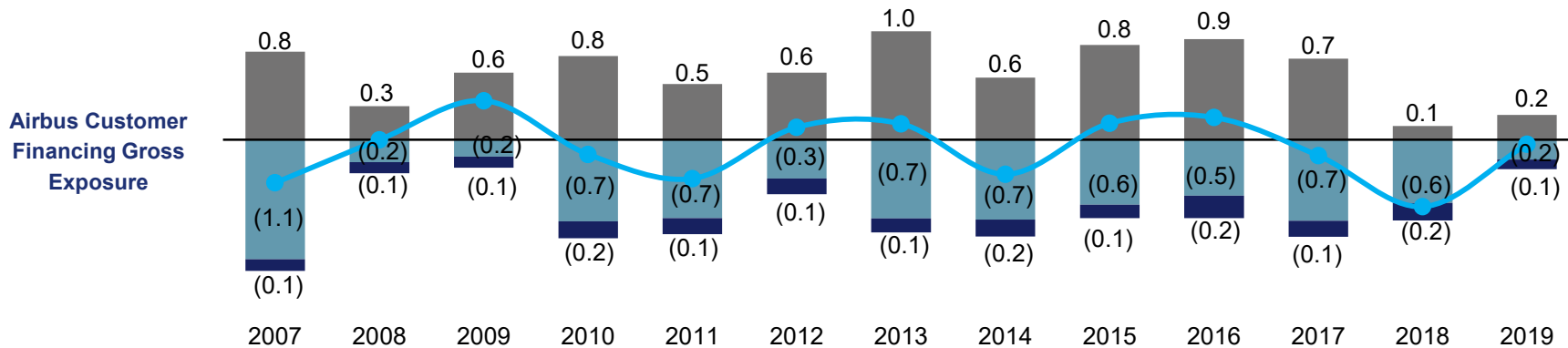
IN € MILLION

	Sep. 2019	Dec. 2018	Sep. 2019	Dec. 2018
	Airbus		Helicopters	
Closing rate € 1 =	\$ 1.09	\$ 1.15	\$ 1.09	\$ 1.15
Total Gross Exposure	808	802	66	109
of which off-balance sheet	105	28	10	10
Estimated value of collateral	(616)	(562)	(46)	(35)
Net Exposure	192	240	20	74
Provision and asset impairment	(192)	(240)	(20)	(74)
Net Exposure after provision	0	0	0	0

AIRBUS CUSTOMER FINANCING

IN € BILLION

■ Additions ■ Sell Down ■ Amortization ● Net change



Gross Exposure in \$ bn

1.5	1.5	1.8	1.7	1.4	1.5	1.6	1.3	1.5	1.7	1.5	0.9	0.9
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Net Exposure fully provisioned

Net Exposure fully provisioned



BALANCE SHEET HIGHLIGHTS: ASSETS

IN € MILLION

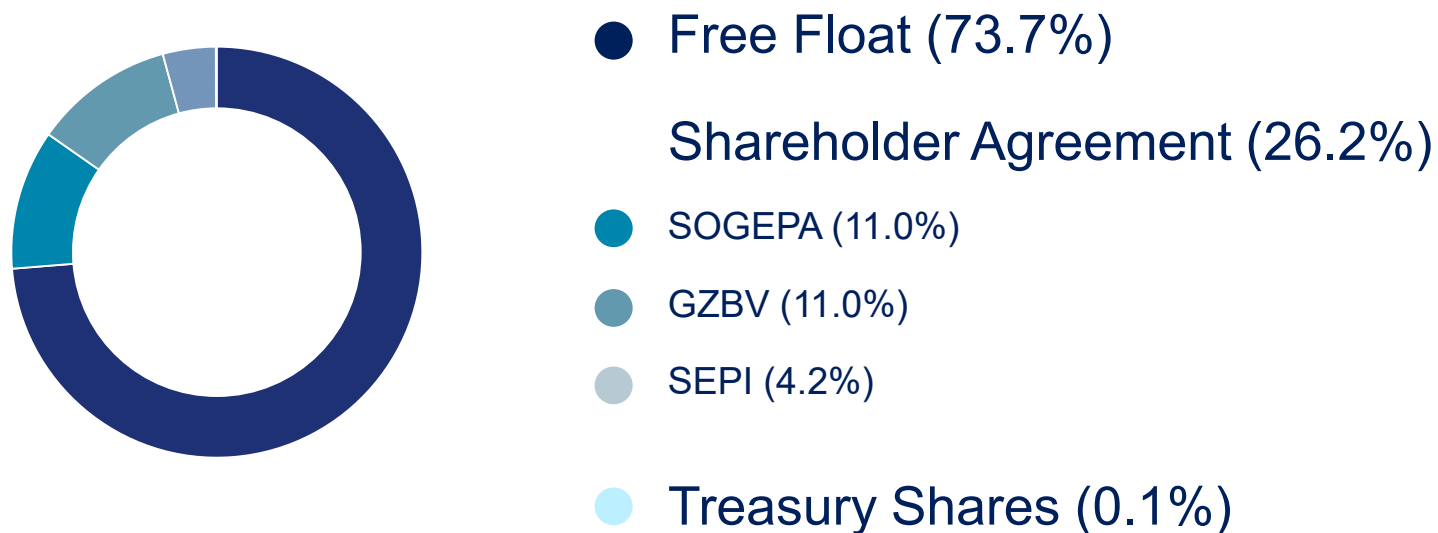
	Sept. 2019	Dec. 2018
Non-current Assets	58,560	56,564
of which Intangible & Goodwill	16,583	16,726
of which Property, plant & equipment	17,143	16,773
of which Investments & long-term financial assets	5,858	5,504
of which Contract assets	79	65
of which Positive hedge mark-to-market	1,010	1,031
of which Non-current securities	10,937	10,662
Current Assets	55,350	58,300
of which Inventory	35,604	31,891
of which Contract assets	724	789
of which Trade receivables	5,036	6,078
of which Positive hedge mark-to-market	444	286
of which Current securities	2,225	2,132
of which Cash	4,613	9,413
Assets of disposal groups classified as held for sale	391	334
Total Assets	114,301	115,198
Closing rate € vs. \$	1.09	1.15

BALANCE SHEET HIGHLIGHTS: LIABILITIES

IN € MILLION

	Sept. 2019	Dec. 2018
Total Equity	4,739	9,719
of which OCI (Other Comprehensive Income)	(2,339)	134
of which Non-controlling interests	12	(5)
Total Non-current liabilities	53,182	44,693
of which Pensions	11,092	6,690
of which Other provisions	4,591	4,881
of which Financing debts	8,783	7,463
of which European governments' refundable advances	3,816	4,233
of which Contract liabilities	15,729	15,832
of which Negative hedge mark-to-market	4,226	1,132
Total Current liabilities	56,078	60,354
of which Pensions	263	382
of which Other provisions	5,451	6,935
of which Financing debts	3,416	1,463
of which European governments' refundable advances	577	344
of which Contract liabilities	24,742	26,229
of which Trade liabilities	13,066	16,237
of which Negative hedge mark-to-market	2,242	1,623
Liabilities of disposal groups classified as held for sale	302	432
Total Liabilities and Equity	114,301	115,198

SHAREHOLDING STRUCTURE AS AT 30 SEPTEMBER 2019



■ 778,096,721 shares issued as at 30 September 2019

QUARTERLY REVENUES BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2019	2018	2019	2018	2019	2018	2019	2018
Airbus	9,697	7,222	24,043	18,546	35,572	30,478		47,970
Helicopters	1,007	961	2,371	2,388	3,712	3,755		5,934
Defence and Space	2,112	2,217	5,015	4,652	7,706	7,051		11,063
Transversal & Elim.	(267)	(281)	(563)	(616)	(822)	(863)		(1,260)
Consolidated Airbus	12,549	10,119	30,866	24,970	46,168	40,421		63,707

2018 figures include A220, consolidated into Airbus as of 1 July 2018

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QUARTERLY EBIT ADJUSTED BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2019	2018	2019	2018	2019	2018	2019	2018
Airbus	536	(41)	2,338	867	3,833	2,340		4,808
Helicopters	15	(3)	125	135	205	202		380
Defence and Space	101	112	233	309	355	409		935
Transversal & Elim.	(103)	(54)	(167)	(149)	(260)	(213)		(289)
Consolidated Airbus	549	14	2,529	1,162	4,133	2,738		5,834

2018 figures include A220, consolidated into Airbus as of 1 July 2018

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QUARTERLY EBIT BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2019	2018	2019	2018	2019	2018	2019	2018
Airbus	392	(2)	2,151	773	3,405	2,238		4,295
Helicopters	9	(10)	124	114	203	179		366
Defence and Space	(117)	265	(15)	382	83	479		676
Transversal & Elim.	(103)	(54)	(167)	(149)	(260)	(213)		(289)
Consolidated Airbus	181	199	2,093	1,120	3,431	2,683		5,048

2018 figures include A220, consolidated into Airbus as of 1 July 2018

AIRBUS

9M 2019 IFRS VS. APM CASH FLOW RECONCILIATION

IN € BILLION

	9m 2019
Cash provided by (used for) operating activities	(3.9)
t/o Reimbursement from / contribution to plan assets	(0.1)
t/o Treasury swaps	(0.1)
t/o Change in working capital	(8.2)
Gross Cash Flow from Operations	4.5

IN € BILLION

	9m 2019
Cash provided by (used for) operating activities	(3.9)
Cash provided by (used for) investing activities	(1.6)
t/o Net change in securities	0.0
Others	0.4
Free Cash Flow	(5.1)
t/o M&A transactions	(0.2)
Free Cash Flow before M&A	(4.9)
t/o Customer Financing	0.0
FCF before M&A and Customer Financing	(4.9)

GLOSSARY ON ALTERNATIVE PERFORMANCE MEASURES (APM)

This presentation also contains certain “non-GAAP financial measures”, *i.e.* financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measure calculated and presented in accordance with IFRS. For example, Airbus makes use of the non-GAAP measures “EBIT Adjusted”, “EPS Adjusted” and “Free Cash Flow”.

Airbus uses these non-GAAP financial measures to assess its consolidated financial and operating performance and believes they are helpful in identifying trends in its performance. These measures enhance management’s ability to make decisions with respect to resource allocation and whether Airbus is meeting established financial goals.

Non-GAAP financial measures have certain limitations as analytical tools, and should not be considered in isolation or as substitutes for analysis of Airbus’ results as reported under IFRS. Because of these limitations, they should not be considered substitutes for the relevant IFRS measures.

- **EBIT:** Airbus continues to use the term EBIT (Earnings before interest and taxes). It is identical to Profit before financial result and income taxes as defined by IFRS rules.
- **Adjustment** is an alternative performance measure used by Airbus which includes material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EBIT Adjusted:** Airbus uses an alternative performance measure, EBIT Adjusted, as a key indicator capturing the underlying business margin by excluding material charges or profits caused by movements in provisions related to programmes, restructurings or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EPS Adjusted** is an alternative performance measure of a basic EPS as reported whereby the net income as the numerator does include Adjustments. For reconciliation see slide 19.
- **Gross Cash position:** Airbus defines its consolidated gross cash position as the sum of (i) cash and cash equivalents and (ii) securities (all as recorded in the consolidated statements of financial position).
- **Net cash position:** Airbus defines its consolidated net cash position as the sum of (i) cash and cash equivalents and (ii) securities, minus (iii) financing liabilities (all as recorded in the consolidated statement of financial position) as defined in Registration Document, MD&A section 2.1.6
- **Gross cash flow from operations:** Gross cash flow from operations is an alternative performance measure and an indicator used by Airbus to measure its operating cash performance before changes in working capital. It is defined in Registration Document, MD&A section 2.1.6.1 as cash provided by operating activities, excluding (i) changes in other operating assets and liabilities (working capital), (ii) contribution to plan assets of pension schemes and (iii) realised foreign exchange results on treasury swaps.
- **Change in working capital** is defined as changes in other operating assets and liabilities, as per IFRS rules, excluding some perimeter change impacts from changes in consolidation. It is comprised of inventories, trade receivables, contract assets and contract liabilities (including customer advances), trade liabilities, and other assets and other liabilities.
- **FCF:** For the definition of the alternative performance measure Free Cash Flow, see Registration Document, MD&A section 2.1.6.1. It is a key indicator which allows Airbus to measure the amount of cash flow generated from operations after cash used in investing activities.
- **FCF before M&A** refers to FCF as defined in the Registration Document, MD&A section 2.1.6.1. adjusted for net proceeds from disposals and acquisitions. It is an alternative performance measure and key indicator that reflects Free Cash Flow excluding those cash flows resulting from acquisitions and disposals of businesses.
- **FCF before M&A and Customer Financing** refers to Free Cash Flow before mergers and acquisitions adjusted for cash flow related to aircraft financing activities. It is an alternative performance measure and indicator that may be used from time to time by Airbus in its financial guidance, especially when there is higher uncertainty around customer financing activities.