

Debt Issuance Programme Prospectus dated
2 August 2013



EUROPEAN AERONAUTIC DEFENCE AND SPACE COMPANY EADS N.V.

(incorporated with limited liability in The Netherlands)

and

EADS FINANCE B.V.

(incorporated with limited liability in The Netherlands)

Euro 3,000,000,000

Euro Medium Term Note Programme

due from one month to 30 years from the date of original issue

Guaranteed (in the case of Notes issued by EADS Finance B.V.) by

EUROPEAN AERONAUTIC DEFENCE AND SPACE COMPANY EADS N.V.

Under the Euro Medium Term Note Programme described in this Debt Issuance Programme Prospectus (the "**Programme**"), each of European Aeronautic Defence and Space Company EADS N.V. ("**EADS**") and EADS Finance B.V. ("**EADS B.V.**") (each an "**Issuer**" or a "**Relevant Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**") denominated in any currency agreed between the Issuer and the Relevant Dealers (as defined herein). Payments of all amounts due in respect of Notes issued by EADS B.V. (the "**Guaranteed Notes**") will be guaranteed by EADS (in such capacity, the "**Guarantor**"). The aggregate nominal amount of Notes outstanding will not at any time exceed €3,000,000,000 (or the equivalent in other currencies).

Notice of the aggregate nominal amount of the Notes, interest (if any) payable in respect of the Notes, the issue price of the Notes and any final terms not contained herein and which are applicable to such Notes will be set out in the Final Terms relating to such Notes (each, "**Final Terms**").

This Debt Issuance Programme Prospectus (hereinafter referred to as "**Debt Issuance Programme Prospectus**", "**Base Prospectus**" or "**Prospectus**"), constitutes two base prospectuses for the purpose of Article 5(4) of Directive 2003/71/EC (as amended by Directive 2010/73/EU (except as otherwise specified herein) (the "**2010 PD Amending Directive**")) (the "**Prospectus Directive**"): (i) a base prospectus for Notes issued under the Programme by EADS and (ii) a base prospectus for Notes issued under the Programme by EADS B.V.

This Prospectus supersedes and replaces the base prospectus dated 6 August 2012 prepared in relation to the Programme.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (the "**Luxembourg Prospectus Act**"), for the approval of this Prospectus as a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Regulated Market (as defined below) of the Luxembourg Stock Exchange. References in this Document to the "Luxembourg Stock Exchange" (and all related references) shall mean the Regulated Market. In addition, references in this Debt Issuance Programme Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been, or are intended to be, admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange or, as the case may be, a MiFID Regulated Market (as defined below). The Luxembourg Stock Exchange's Regulated Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on Markets in financial instruments (the "**Investment Services Directive**") and, after its implementation into Luxembourg law, for the purposes of the Markets in Financial Instrument Directive (Directive 2004/39/EC) (each such regulated market being a "**MiFID Regulated Market**"). This Debt Issuance Programme Prospectus may be used to list Notes on the regulated market "Bourse de Luxembourg" (the "**Regulated Market**") of the Luxembourg Stock Exchange, pursuant to the Programme. The Programme provides that Notes may be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s). The Issuer may also issue unlisted Notes.

Pursuant to Article 7(7) of the Luxembourg Prospectus Act, by approving this Debt Issuance Programme Prospectus, the CSSF gives no undertakings as to the economic and financial characteristics of the Notes to be issued hereunder or the quality or solvency of the Issuer. Furthermore, pursuant to the Luxembourg Prospectus Act, the CSSF is not competent to approve prospectuses for the offering to the public or for the admission to trading on regulated markets of money market instruments having a maturity at issue of less than 12 months.

Tranches of Notes (as defined in "General Description of the Programme") will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 on credit rating agencies (the "**CRA Regulation**") will be disclosed in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Each Series (as defined on page 10) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "**temporary Global Note**" and a "**Global Note**") or a permanent global note in bearer form (each a "**permanent Global Note**" and a "**Global Note**"). Each Series of Notes in registered form will be represented on issue by a registered global certificate ("**Global Certificate**"). If the Global Notes are stated in the applicable Final Terms to be issued in new global note ("**NGN**") form or the Global Certificate is held under the New Safekeeping Structure (the "**NSS**"), the Global Notes or, as applicable, the Global Certificate will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Global notes which are not issued in NGN form ("**Classic Global Notes**" or "**CGNs**") and Global Certificates which are not held under the NSS will be deposited on the issue date with a common depositary on behalf of Euroclear and Clearstream, Luxembourg (the "**Common Depositary**").

The price and the amount of the relevant Notes to be issued under the Programme will be determined by the Issuer and the Relevant Dealer based on prevailing market conditions at the time of issue of such Notes and will be set out in the relevant Final Terms.

In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes). The minimum denomination of Notes issued by EADS shall be €100,000. Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Debt Issuance Programme Prospectus.

Arranger for the Programme

Barclays

Dealers

Banco Bilbao Vizcaya Argentaria, S.A.

Commerzbank

HSBC

Mitsubishi UFJ Securities

Société Générale Corporate & Investment Banking

Barclays

Deutsche Bank

J.P. Morgan

Natixis

The Royal Bank of Scotland

This Debt Issuance Programme Prospectus (together with any Supplements hereto (each a “Supplement” and together the “Supplements”)) comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to EADS and EADS’ subsidiaries (as defined in the Notes) taken as a whole (the “Group”) and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of EADS and the Group.

This Debt Issuance Programme Prospectus (together with any Supplements hereto) comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to EADS B.V., EADS and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of EADS B.V. and EADS.

No person has been authorised to give any information or to make any representation other than those contained in this Debt Issuance Programme Prospectus in connection with the Programme and the issue or sale of the Notes thereunder and, if given or made, such information or representation must not be relied upon as having been authorised by EADS, EADS B.V., the Trustee (as defined herein) or any of the Dealers or the Arranger (as defined in “General Description of the Programme”). Neither the delivery of this Debt Issuance Programme Prospectus nor any offering, sale or delivery of Notes made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of EADS, EADS B.V., or the Group since the date hereof or the date upon which this Debt Issuance Programme Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of EADS, EADS B.V., or the Group since the date hereof or the date upon which this Debt Issuance Programme Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Debt Issuance Programme Prospectus and any Final Terms and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Debt Issuance Programme Prospectus comes are required by EADS, EADS B.V., the Dealers and the Arranger to inform themselves about and to observe any such restriction. Neither the Notes nor the Guarantee (as defined below) has been or will be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any State or other jurisdiction of the United States and the Programme includes Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of bearer notes, delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act in the case of Notes in registered form and in the U.S. Internal Revenue Code in the case of Notes in bearer form. For a description of certain restrictions on offers and sales of Notes and on distribution of this Debt Issuance Programme Prospectus, see “Subscription and Sale”.

This Debt Issuance Programme Prospectus does not constitute an offer of, or an invitation by or on behalf of EADS, EADS B.V. or the Dealers to subscribe for, or purchase, any Notes.

The Debt Issuance Programme Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference - see “Documents Incorporated by Reference”. This Debt Issuance Programme Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of this Debt Issuance Programme Prospectus. Each potential

purchaser of Notes should inform themselves of the contents of the Debt Issuance Programme Prospectus and the documents incorporated by reference therein when deciding to purchase Notes.

The Arranger and the Dealers have not independently verified the information contained in this Debt Issuance Programme Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Debt Issuance Programme Prospectus. Neither this Debt Issuance Programme Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of EADS, EADS B.V., the Arranger or the Dealers that any recipient of this Debt Issuance Programme Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Debt Issuance Programme Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of EADS, EADS B.V. or the Group during the life of the arrangements contemplated by this Debt Issuance Programme Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the Stabilising Manager(s) will act as a stabilising agent (the “Stabilising Manager(s)”). The identity of the Stabilising Manager(s) will be disclosed in the relevant Final Terms. References in the next paragraph to “the issue of any Tranche” are to each Tranche in relation to which a Stabilising Manager is appointed.

In connection with the issue of any Tranche of Notes, the Stabilising Manager(s) or any person duly appointed acting for the Stabilising Manager(s) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) or persons acting on behalf of a Stabilising Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or person(s) acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.

In this Debt Issuance Programme Prospectus, unless otherwise specified or the context otherwise requires, references to “€”, “EUR” or “euro” are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union, pursuant to the Treaty Establishing the European Community as amended. References to “£”, “sterling” and “GBP” are to the lawful currency of the United Kingdom. References to “U.S. Dollars”, “USD” and “U.S.\$” are to the lawful currency of the United States of America and references to “yen” are to the lawful currency of Japan.

RESPONSIBILITY STATEMENTS

EADS

EADS accepts responsibility for the information contained in this Debt Issuance Programme Prospectus (including, for the avoidance of doubt, any information contained in the Final Terms relating to an issue of Notes where EADS is acting as Issuer of such Notes). To the best of the knowledge of EADS, the information contained in this Debt Issuance Programme Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The registered office of EADS is located at Mendelweg 30, 2333 CS Leiden, The Netherlands.

EADS B.V.

EADS B.V. accepts responsibility for the information contained in this Debt Issuance Programme Prospectus (including, for the avoidance of doubt, any information contained in the Final Terms relating to an issue of Notes where EADS B.V. is acting as Issuer of such Notes). To the best of the knowledge of EADS B.V., the information contained in this Debt Issuance Programme Prospectus in relation to it is in accordance with the facts and does not omit anything likely to affect the import of such information. The registered office of EADS B.V. is located at Mendelweg 30, 2333 CS Leiden, The Netherlands.

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RISK FACTORS

Risk Factors relating to EADS

EADS is subject to many risks and uncertainties that may affect its financial performance. The business, financial condition or results of operation of EADS could be materially adversely affected by the risks described in the 2012 Registration Document (as defined herein) and in the EADS Interims (as defined herein) which are incorporated by reference in this Debt Issuance Programme Prospectus (Section “Risk Factors”).

Risk Factors relating to EADS B.V.

Payment of principal and interest on notes issued by EADS B.V. are guaranteed by EADS. Therefore, the risks in respect of EADS B.V. substantially correspond to those of EADS.

Risk factors relating to the Notes

Potential Conflicts of Interest

Potential conflicts of interest may arise between the calculation agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgements that such calculation agent may make pursuant to the Terms and Conditions that may influence the amount receivable upon redemption of the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Luxembourg and Austria may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent.. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. On 10 April 2013, Luxembourg officially announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payment of interest (or similar income) as from this date. A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a

result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

FATCA Withholding

Whilst the Notes are in global form and held within Euroclear Bank SA/NV and Clearstream Banking, société anonyme (together, the “*ICSDs*”), in all but the most remote circumstances, it is not expected that FATCA (as defined in “*Taxation – FATCA Withholding*”) will affect the amount of any payment received by the ICSDs (see “*Taxation – FATCA Withholding*”). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer’s obligations under the Notes are discharged once it has paid the common depositary or common safekeeper for the ICSDs (as bearer or registered holder of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the ICSDs and custodians or intermediaries. Please see “*Taxation – FATCA Withholding*” for more information on this legislation.

Change of Law

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Debt Issuance Programme Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in English law or the official application or interpretation of English law after the date of this Debt Issuance Programme Prospectus.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Market Value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of the reference assets, including, but not limited to, the volatility of the reference assets, market interest and yield rates and the time remaining to the maturity date.

The value of the Notes or the reference assets depends on a number of interrelated factors, including economic, financial and political events in France, Germany, Spain or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes or the reference assets are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets should not be taken as an indication of the reference assets’ future performance during the term of any Note.

The trading market for the Notes may be volatile and may be adversely impacted by many events.

The market for the Notes is influenced by economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Germany, Spain, the rest of Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

An active trading market for the Notes may not develop.

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. The Issuer and any of its subsidiaries are entitled to buy the Notes and the Issuer may issue further Notes, as described in Condition 15. Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

Any early redemption at the option of the Issuer (including a Make-Whole Redemption by the Issuer as described in Condition 6(e)), if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated.

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer (including a Make-Whole Redemption by the Issuer as described in Condition 6(e)). Such right of termination is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of termination increases. As a consequence, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes.

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Zero Coupon Notes are subject to higher price fluctuations than non-discounted Notes.

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

Foreign currency Notes expose investors to foreign-exchange risk as well as to issuer risk.

As purchasers of foreign currency Notes, investors are exposed to the risk of changing foreign exchange rates. This risk is in addition to any performance risk that relates to the Issuers or the type of Note being issued.

DOCUMENTS INCORPORATED BY REFERENCE

This Debt Issuance Programme Prospectus should be read and construed in conjunction with the following documents, which have been previously published or are published simultaneously with this Debt Issuance Programme Prospectus and filed with the CSSF and which shall be deemed to be incorporated in, and to form part of, this Debt Issuance Programme Prospectus:

- (i) the registration document of EADS dated 3 April 2013 (the “**2012 Registration Document**”);
- (ii) the registration document of EADS dated 12 April 2012 (the “**2011 Registration Document**”);
- (iii) the audited consolidated financial statements of EADS for the financial year ended 31 December 2012 and the independent auditors’ report thereon (the “**2012 Financial Statements**”);
- (iv) the audited consolidated financial statements of EADS for the financial year ended 31 December 2011 and the independent auditors’ report thereon (the “**2011 Financial Statements**”);
- (v) the audited financial statements of EADS B.V. for the financial year ended 31 December 2012 and the independent auditors’ report thereon (the “**2012 EADS B.V. Audited Annual Financial Statements**”);
- (vi) the audited financial statements of EADS B.V. for the financial year ended 31 December 2011 and the independent auditors’ report thereon (the “**2011 EADS B.V. Audited Annual Financial Statements**”);
- (vii) the first half-year 2013 financial report of EADS, including the unaudited condensed IFRS consolidated financial information of EADS for the six-month period ended 30 June 2013 and the review report thereon (the “**EADS Interims**”);
- (viii) the unaudited semi-annual financial statements of EADS B.V. for the six-month period ended 30 June 2013 (the “**EADS B.V. Interims**”);
- (ix) the press release published by EADS on 2 April 2013 announcing the new Chairman of the Board of Directors of EADS and committee members and the launch of the share buyback programme;
- (x) the press release published by EADS on 31 July 2013 commenting on the half-year financial statements and recent developments; and
- (xi) the Offering Circular dated 13 January 2003 and the Debt Issuance Programme Prospectus dated 31 July 2009 each relating to the Programme,

save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Debt Issuance Programme Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Debt Issuance Programme Prospectus.

The 2012 and 2011 financial statements of EADS and EADS B.V. were prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and as endorsed by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

The Issuers will provide, free of charge, at the specified offices of the Paying Agents, upon oral or written request, a copy of this Debt Issuance Programme Prospectus (and any document incorporated by reference herein). Written or oral requests for such documents should be directed to the specified office of any Paying Agent or the Listing Agent in Luxembourg.

The documents incorporated by reference in this Debt Issuance Programme Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

**CROSS-REFERENCE LIST IN RESPECT OF INFORMATION
INCORPORATED BY REFERENCE REGARDING EADS**

Prospectus Regulation – Annex IX in respect of EADS		2012	2011
Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	Auditors' reports for the latest two financial years	Pages 108-109 of the 2012 Financial Statements	Pages 104 – 105 of the 2011 Financial Statements
	Own or consolidated financial statements (if both are prepared, at least the consolidated financial statements) for the latest two financial years	Pages 6 – 105 of the 2012 Financial Statements	Pages 6 – 101 of the 2011 Financial Statements
	Consolidated statements of financial position	Page 8 of the 2012 Financial Statements	Page 8 of the 2011 Financial Statements
	Consolidated income statements	Page 6 of the 2012 Financial Statements	Page 6 of the 2011 Financial Statements
	Consolidated statements of comprehensive income	Page 7 of the 2012 Financial Statements	Page 7 of the 2011 Financial Statements
	Consolidated statements of cash-flows	Page 9 of the 2012 Financial Statements	Page 9 of the 2011 Financial Statements
	Consolidated statements of changes in equity	Page 10 of the 2012 Financial Statements	Page 10 of the 2011 Financial Statements
	Notes to the consolidated financial statements for the latest two financial years	Pages 13 – 105 of the 2012 Financial Statements	Pages 13 – 101 of the 2011 Financial Statements
Administrative, Management, and Supervisory bodies	Absence of conflicts of interest	Paragraph 4.2.3 on Page 142 of the 2012 Registration Document	
	Relationships with Principal Shareholders	Paragraph 3.3.2 on Pages 102 - 106 of the 2012 Registration Document	
Management Structure		Paragraph 4.1.1 on Pages 118 – 128 of the 2012 Registration Document	
	Persons responsible for the information given in the Registration Document	Paragraph 5.1 and 5.2 on Page 152 of the 2012 Registration Document	
Business Overview and Material	Information on EADS' activities	Paragraph 1.1 on Pages 21 – 57 of the 2012	

Contracts		Registration Document	
Litigation	Risk Factors – Litigation	Page 18 of the 2012 Registration Document	
	Legal and Arbitration Proceedings	Paragraph 1.1.9 on Pages 49-50 of the 2012 Registration Document Pages 25-27 of the EADS Interims	
Risk Factors		Pages 7 – 18 of the 2012 Registration Document	

Recent developments	<p>Pages 1 to 28 of the EADS Interims</p> <ul style="list-style-type: none"> - 2013 semi-annual report of the board of directors, pages 2 to 3 - Unaudited condensed IFRS consolidated financial information of EADS NV for the six-month period ended 30 June 2013, pages 4 to 27 - Review report of the independent auditors, page 28 - Pages 1 to 10 of the Press Release published by EADS on 31 July 2013 - EADS Reports solid half-year (H1) results, reaffirms 2013 guidance, pages 1 to 2 - Strategy review update, pages 2 to 3 - Outlook, page 3 - EADS divisions: strong momentum continues at Airbus Commercial, pages 4 to 6 - EADS – Half year (H1) results 2013, pages 7 to 8 - EADS – Second quarter results (Q2) 2013, pages 9 to 10
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**CROSS-REFERENCE LIST IN RESPECT OF INFORMATION
INCORPORATED BY REFERENCE REGARDING EADS B.V.**

Prospectus Regulation – Annex IX in respect of EADS B.V.		2012 Financial Statements	2011 Financial Statements
Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	Auditor's reports for the latest two financial years	Pages 23-24	Pages 23 - 24
	Own or consolidated financial statements (if both are prepared, at least the consolidated financial statements) for the latest two financial years	Pages 4-22	Pages 4 - 22
	Statement of financial position	Page 4	Page 4
	Income statement	Page 5	Page 5
	Statement of comprehensive income	Page 5	Page 5

Prospectus Regulation – Annex IX in respect of EADS B.V.		2012 Financial Statements	2011 Financial Statements
	Statement of cash-flows	Page 6	Page 6
	Statement of Changes in Equity	Page 7	Page 7
	Notes to the financial statements for the latest two financial years	Pages 8-21	Pages 8 - 22
Business Overview and Material Contracts	Report of the Board of Managing Directors	Pages 2-3	

Recent developments	Pages 1 to 17 of the EADS B.V. Interims <ul style="list-style-type: none"> - Interim report of the board of managing directors, pages 2 to 3 - Condensed interim financial statements, pages 4 to 17
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**CROSS-REFERENCE LIST IN RESPECT OF THE TERMS AND CONDITIONS
INCORPORATED BY REFERENCE**

Prospectus Regulation – Annex XIII	Offering Circular dated 13 January 2003	Base Prospectus dated 31 July 2009
Terms and Conditions	Pages 12 to 37 (the “ 2003 Conditions ”)	Pages 35 to 69 (the “ 2009 Conditions ”)

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Regulation (EC) No 809/2004, as amended (the “**Prospectus Regulation**”).

SUPPLEMENT TO DEBT ISSUANCE PROGRAMME PROSPECTUS

Each of EADS and EADS B.V. has given (or, in connection with the listing of any Notes issued by it, is required to give) an undertaking to the Dealers and the Luxembourg Stock Exchange that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Debt Issuance Programme Prospectus which is capable of affecting the assessment of the Notes, it shall prepare a supplement to this Debt Issuance Programme Prospectus or publish a replacement Debt Issuance Programme Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer and the Luxembourg Stock Exchange such number of copies of such supplement hereto as such Dealer and the Luxembourg Stock Exchange may reasonably request.

In relation to each issue of Notes, this Debt Issuance Programme Prospectus shall be deemed to be completed by the applicable Final Terms.

GENERAL DESCRIPTION OF THE PROGRAMME

The following description of the Programme does not purport to be complete and is qualified by the remainder of this Debt Issuance Programme Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the Terms and Conditions set out herein and the applicable Final Terms. Words and expressions defined under “Terms and Conditions of the Notes” shall have the same meanings in this section.

Description of the Issuers:	European Aeronautic Defence and Space Company EADS N.V. (“EADS”) or EADS Finance B.V. (“EADS B.V.”)
Guarantor:	EADS in the case of Notes issued by EADS B.V.
Description:	Euro Medium Term Note Programme
Size:	Up to €3,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time. The Issuers may increase the size of the Programme in accordance with the Dealer Agreement.
Arranger:	Barclays Bank PLC
Dealers under the Programme:	Banco Bilbao Vizcaya Argentaria, S.A. Barclays Bank PLC Commerzbank Aktiengesellschaft Deutsche Bank AG, London Branch HSBC Bank plc J.P. Morgan Securities plc Mitsubishi UFJ Securities International plc Natixis Société Générale The Royal Bank of Scotland plc
	The Issuers may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Debt Issuance Programme Prospectus to “ Permanent Dealers ” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “ Dealers ” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Trustee:	BNY Mellon Corporate Trustee Services Limited
Issuing and Paying Agent:	The Bank of New York Mellon
Luxembourg Listing Agent:	The Bank of New York Mellon (Luxembourg) S.A.
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ Series ”) having one or more issue dates and on terms otherwise identical (or on terms identical other than in respect of the first payment

of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates.

Issue Price:

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Form of Notes:

The Notes may be issued in bearer form only (“**Bearer Notes**”), in bearer form exchangeable for Registered Notes (“**Exchangeable Bearer Notes**”) or in registered form only (“**Registered Notes**”). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “General Description of the Programme - Selling Restrictions”), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “**Global Certificates**”.

Clearing Systems:

Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer.

Initial Delivery of Notes:

On or before the issue date for each Tranche, if the Global Note is a NGN or the Global Certificate is held under NSS, the Global Note or Global Certificate, as applicable, will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the Global Note is a CGN or the Global Certificate is not held under NSS, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may (or, in the case of Notes listed on the Luxembourg Stock Exchange, shall) be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity between one month and 30 years.
Denomination:	Definitive Notes will be issued in such denominations as may be specified in the relevant Final Terms, save that (i) Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be issued with a minimum denomination of €100,000; and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year from the date of their issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies). Subject to compliance with the foregoing, Notes issued by EADS will have a minimum denomination of €100,000.
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes:	Floating Rate Notes will bear interest determined separately for each Series as follows: <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or (ii) by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period.
Redemption:	Subject to any purchase and cancellation or early redemption,

Notes will be redeemed at their Final Redemption Amount. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) having a maturity of less than one year from the date of their issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Optional Redemption:

The Final Terms issued in respect of each issue of Notes will state whether or not such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders.

Make-Whole Redemption by the Issuer:

Unless otherwise specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date at the Optional Redemption Amount.

Redemption by Instalments:

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Early Redemption:

Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons or, if applicable, in instalments. See “Terms and Conditions of the Notes - Redemption, Purchase and Options”.

Status of Notes and Guarantee:

The Notes will constitute unsubordinated and unsecured obligations of the Relevant Issuer and, in the case of Guaranteed Notes, the guarantee in respect of them will constitute an unsubordinated and unsecured obligation of the Guarantor all as described in “Terms and Conditions of the Notes - Guarantee and Status”.

Negative Pledge:

See “Terms and Conditions of the Notes - Negative Pledge”.

Cross Acceleration:

See “Terms and Conditions of the Notes - Events of Default - Cross Acceleration”.

Substitution:

The Issuer may substitute another entity for itself as principal debtor under the Notes as described in “Terms and Conditions of the Notes - Meetings of Noteholders, Modification, Waiver and Substitution - Substitution”.

Withholding Tax:

All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the jurisdiction of the country of incorporation of the Relevant Issuer and, in the case of Guaranteed Notes, of the Guarantor, as the case may be, subject to customary exceptions (including

the ICMA Standard Exceptions), all as described in “Terms and Conditions of the Notes - Taxation”.

Governing Law:

The Notes and any non-contractual obligations arising out of or in connection with them will be governed by and construed in accordance with English law.

Listing and admission to trading:

Notes issued under the Programme may be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange’s regulated market, or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted.

Selling Restrictions:

There are restrictions on the offer, sale or transfer of the Notes in the United States, the United Kingdom, The Netherlands, France, Japan and such other restrictions as may be required in connection with a particular Tranche of Notes. See “Subscription and Sale”.

EADS and EADS B.V. are Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended, unless otherwise provided in the relevant Final Terms.

The Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Final Terms states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions (the “Conditions”) that, subject to completion in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. The full text of these Conditions together with the relevant provisions of Part A of the Final Terms shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are constituted by an Amended and Restated Trust Deed (as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) dated 2 August 2013 between European Aeronautic Defence and Space Company EADS N.V. (“**EADS**” or, in its capacity as issuer of any Notes, an “**Issuer**” or, in its capacity as guarantor of Notes issued by EADS Finance B.V, the “**Guarantor**”), EADS Finance B.V. (“**EADS B.V.**” or, in its capacity as issuer of any Notes, an “**Issuer**”), and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). EADS and EADS B.V. are referred to below, in their capacity as issuers of Notes, as a “**Relevant Issuer**” as such Issuer shall be so specified in the relevant Final Terms. These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 2 August 2013 has been entered into in relation to the Notes between EADS, EADS B.V., the Trustee, The Bank of New York Mellon as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**”. Copies of the Trust Deed and the Agency Agreement are, or, by the Issue Date, will be available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL) and at the specified offices of the Paying Agents and the Transfer Agents. If the Notes are to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

1 Form, Denomination and Title

The Notes are issued in serially numbered bearer form (“**Bearer Notes**”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“**Registered Notes**”) or in serially numbered bearer form exchangeable for Registered Notes (“**Exchangeable Bearer Notes**”) in each case in the Specified Denomination(s) shown hereon.

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or an Instalment Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Relevant Issuer and (where applicable) the Guarantor shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of

transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Relevant Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Relevant Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of the Relevant Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(f)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) Exchange Free of Charge

Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Relevant Issuer, (where applicable) the Guarantor, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days

ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3 Guarantee and Status

(a) Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by EADS B.V under the Trust Deed, the Notes, Receipts and Coupons. Its obligations in that respect (the “**Guarantee**”) are contained in the Trust Deed.

(b) Status of Notes and Guarantee

The Notes and the Receipts and Coupons constitute (subject to Condition 4) unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Relevant Issuer under the Notes and the Receipts and Coupons and (where applicable) of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Relevant Issuer and the Guarantor, respectively, present and future.

4 Negative Pledge

(a) Restriction

So long as any of the Notes, Receipts or Coupons remains outstanding (as defined in the Trust Deed):

- (i) neither the Issuer nor (in the case of Notes issued by EADS B.V.) the Guarantor shall, and the Guarantor will procure that none of the Material Subsidiaries shall, create or permit to subsist any mortgage, charge, pledge or other form of encumbrance or security interest (other than an encumbrance arising by operation of law) (“**Security**”) upon the whole or any part of its undertaking, assets or revenues present or future to secure (A) any Relevant Debt or (B) any guarantee of, or indemnity in respect of, any Relevant Debt; and
- (ii) unless, at the same time or prior thereto, the Issuer’s obligations under the Notes, Receipts, Coupons and the Trust Deed or, as the case may be, the Guarantor’s obligation under the Guarantee (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, in each case to the satisfaction of the Trustee or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

This Condition 4 shall not apply to or be applicable in respect of any of the following:

- (i) any Security or any guarantee or indemnity in respect of or in connection with any Project Finance Indebtedness or

- (ii) any Security or any guarantee or indemnity in respect of or in connection with any Securitisation Indebtedness or
- (iii) any Security or any guarantee or indemnity in respect of or in connection with any Acquisition Indebtedness or
- (iv) any Security or any guarantee or indemnity securing Public Indebtedness or granted in favour of a wholly owned member of the Group, a special purpose vehicle, a trust, a fiduciary or agent for the purpose of, directly or indirectly, raising Public Indebtedness or
- (v) Existing Security.

(b) Definitions

For the purposes of these Terms and Conditions:

- (i) “**Acquisition Indebtedness**” means any Relevant Debt incurred for the sole purpose of financing all or part of the cost of the acquisition, construction, development or improvement of any assets (including, without limitation, shares or stock) acquired or owned directly or indirectly by any member of the Group (including without limitation any buildings or production facilities (and any equipment located therein), provided that any Security or any guarantee or indemnity granted in favour of such creditors in respect of such Relevant Debt shall be to secure a principal, capital or nominal amount not exceeding 100 per cent. of the cost of that acquisition, construction, development or improvement, as the case may be.
- (ii) “**Aircraft**” means any aircraft, including (i) any related engines, spare engines or spare parts, (ii) maintenance and other reserves in respect of the obligations of any member of the Group as lessee or operator of such aircraft, and (iii) any insurance policies relating to the operation of such aircraft, which are owned by EADS or any Material Subsidiary.
- (iii) “**Existing Security**” means any Existing Security on Assets or Existing Security on Subsidiaries.
- (iv) “**Existing Security on Assets**” means any Security over any asset or any guarantee or indemnity in respect of any Relevant Debt incurred in connection with any asset acquired after 2 August 2013 (provided that such Security or guarantee or indemnity is existing on or prior to the date of the acquisition of the asset and was not created in contemplation of that acquisition) and any substitute Security or guarantee or indemnity created on that asset or indebtedness in connection with the refinancing of the Relevant Debt so secured or guaranteed (but the principal, nominal or capital amount guaranteed or secured and outstanding at the time of acquisition may not be increased without the prior written consent of the Trustee).
- (v) “**Existing Security on Subsidiaries**” means any Security granted by any Person over its undertakings, assets or revenues or any guarantee or indemnity given by any Person and which is existing at the time any such Person becomes, whether by the acquisition of share capital or otherwise, a Subsidiary or a Material Subsidiary after 2 August 2013 (other than any Security or guarantee or indemnity created in contemplation of or in connection with such Person becoming a Subsidiary or a Material Subsidiary), but, except with the prior written consent of the Trustee in respect of a Material Subsidiary only, the principal, nominal or capital amount secured by any such Security or guaranteed by any such guarantee or indemnity and outstanding when the relevant Person becomes a Subsidiary or a Material Subsidiary may not be substituted or increased except by reason of any fluctuation in the amount outstanding under, and within the limits and in accordance with the terms of, facilities which exist and are secured

by the relevant Security or guaranteed by the relevant guarantee or indemnity when it becomes a Subsidiary or a Material Subsidiary (or any renewal or extension of any such facility for the same or a smaller amount).

- (vi) “**Material Subsidiary**” means, at any time, each Subsidiary or Subsidiaries of EADS nominated and designated as such by EADS (whether by addition, substitution or otherwise) in its sole discretion in the most recent certificate for such purpose signed by a member of the board of directors of EADS or other authorised officer of EADS and delivered to the Trustee pursuant to the Trust Deed, the aggregate total assets of which (together with the total assets of EADS) represents at least 60 per cent. of the consolidated total assets of EADS and its Subsidiaries (the “**Group**”). For this purpose, the total assets of a member of the Group shall be determined from the latest financial reporting package of such member of the Group from which the consolidated financial statements of the Group are derived, unconsolidated if such entity has Subsidiaries and the consolidated total assets of the Group will be determined from the latest financial statements, in each case adjusted (where appropriate) to reflect the total assets of any company or business subsequently acquired or disposed of.
- (vii) “**Person**” includes an individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case, whether or not having a separate legal personality).
- (viii) “**Project Finance Indebtedness**” means any Relevant Debt incurred in connection with the financing, ownership, creation, construction, design, development or operation of a project or a product (including without limitation an Aircraft) in which a member of the Group or an affiliate is directly or indirectly participating (a “**Project**”) where (1) the recourse of the creditor(s) is fully or substantially limited to the assets and/or revenues comprised in, and/or generated by, the Project or (2) pursuant to the terms of financing or other project agreements, the creditors involved agree that the assets or revenues of, or to be generated from or derived by, the relevant Project shall be the principal source for financing the payment of any sum relating to, and the repayment of, such Relevant Debt, but that until such repayment the creditors are entitled (according to the terms of the particular contractual arrangements) to the benefit, in whole or in part, of such Security and/or such guarantees or indemnities as may be provided by the Issuer, the Guarantor or any Material Subsidiary, as the case may be, in connection with the financing, the completion or performance of the relevant Project or the payment of equity, debt or other participations or obligations with respect to the relevant Project, including without limitation any public-private partnerships or private finance initiatives.
- (ix) “**Public Indebtedness**” means any Relevant Debt incurred in connection with a financing or refinancing from a State, a public body, a supranational body (including, without limitation, the European Central Bank) or a financial institution or a bank acting upon the request, with the guarantee, the subsidy or support of a State or a public body or a supranational body.
- (x) “**Relevant Debt**” means any present or future indebtedness for borrowed money in the form of, or represented by, bonds, notes, debentures, loan stock or other negotiable securities that are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, automated trading system, over-the-counter or other securities market.
- (xi) “**Securitisation Indebtedness**” means any Relevant Debt (including, without limitation, any secured lending, leasing (whether tax driven or otherwise), asset-based securitisation, asset repacking or any combination thereof) which is incurred in connection with the purchase or sale

of any assets or revenues where the repayment of principal and interest in respect of the Relevant Debt is primarily financed by such assets or revenues.

- (xii) “**Subsidiary**” means, in respect of any Person at any particular time, an entity in respect of which such Person has direct or indirect control or owns directly or indirectly more than 50 per cent. of such entity’s voting capital or similar right of ownership and “**control**” for this purpose means the power to direct management and determine the policies of the entity whether through the ownership of voting capital, by contract or otherwise.

5 Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f).

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined according to the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (I) the offered quotation; or
- (II) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (y) if the Relevant Screen Page is not available, or if sub-paragraph (x)(I) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the

Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(c) Zero Coupon Notes

No amount of interest will accrue or become payable on a Note where the Interest Basis of a Note is specified to be Zero Coupon (a “**Zero Coupon Note**”), provided that, as from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue or in the case of Zero Coupon Notes, shall accrue (in each case, both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(e) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding**

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country/ies of such currency.
- (iv) “**Redemption Amounts**” means Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount, as applicable.

(f) **Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

The Calculation Agent shall as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Relevant Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes

that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(i) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET System is operating (a “TARGET Business Day”) and/or
- (iii) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a

leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)

- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30

- (vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30

- (vii) if “Actual/Actual-ICMA” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“**Interest Amount**” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified hereon.

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified hereon.

“**ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.,.

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“**Reference Banks**” means in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“**Reference Rate**” means the rate specified as such hereon.

“**Relevant Screen Page**” means such page, section, caption, column, or other part of a particular information service as may be specified hereon.

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

(j) Calculation Agent

The Relevant Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Relevant Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption:

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant instalment date (being one of the dates so specified hereon) (an “**Instalment Date**”) is extended pursuant to any Relevant Issuer’s or Noteholder’s option in accordance with Condition 6(d) or 6(e), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Relevant Issuer’s or Noteholder’s option in accordance with Condition 6(d) or 6(e), each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption

- (i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note.
- (B) Subject to the provisions of sub-paragraph (C) below, the “**Amortised Face Amount**” of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted back to the due date for payment at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the reference therein to the “due date for payment” was replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).
- (D) Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or 6(h) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount.

(c) **Redemption for Taxation Reasons**

The Notes may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Relevant Issuer (or, if the Guarantee in the case of Guaranteed Notes were called, the Guarantor) satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the country of incorporation of the Relevant Issuer (or, in the case of payments under the Guarantee, of the Guarantor) or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Relevant Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Relevant Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a

payment in respect of the Notes (or Guarantee, as the case may be) then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by a Director of the Relevant Issuer (or the Guarantor, as the case may be) stating that the obligation referred to in (i) above cannot be avoided by the Relevant Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it and an opinion or opinions of independent legal advisers of recognised standing to the effect that the Relevant Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept such certificate and opinion(s) as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) Redemption at the Option of the Relevant Issuer and Exercise of Relevant Issuer's Options

If Call Option is specified hereon, the Relevant Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified hereon and no greater than the maximum nominal amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed, or the Relevant Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of a Relevant Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. So long as the Notes are listed on the Luxembourg Stock Exchange or any other stock exchange and the rules of the relevant stock exchange so require, the Relevant Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg or as specified by such other stock exchange, a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(e) Make-Whole Redemption by the Issuer

Unless otherwise specified hereon, in respect of any issue of Notes, the Relevant Issuer will, subject to compliance by the Relevant Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 days' (or such other period as may be specified in the relevant Final Terms) irrevocable notice in accordance with Condition 16 to the Noteholders, have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date (the "**Optional Redemption Date**"). As used in these Conditions, the "**Optional Redemption Amount**" will be the greater of (x) 100 per cent. of the nominal amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis at the Redemption Rate plus a Redemption Margin, plus in each case (x) or (y) above, any interest accrued

on the Notes to, but excluding, the Optional Redemption Date. The Optional Redemption Amount will be calculated by the Calculation Agent.

In the case of a partial redemption, the redemption will be effected by reducing the nominal amount of all Notes in a Series in proportion to the aggregate nominal amount redeemed, subject to compliance with any other applicable laws and requirements of the Regulated Market on which the Notes are listed and admitted to trading. In no event, the outstanding nominal amount of each Notes following such reduction shall be below any amount which would prevent the Issuer from choosing its home Member State (as such term is defined in the Prospectus Directive).

(f) Redemption at the Option of Noteholders and Exercise of Noteholders' Options

If Put Option is specified hereon, the Relevant Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Relevant Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) Purchases

The Relevant Issuer, (where applicable) the Guarantor and any of their respective subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(h) Cancellation

All Notes purchased by or on behalf of the Relevant Issuer, (where applicable) the Guarantor or any of their respective subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Relevant Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Relevant Issuer and (where applicable) the Guarantor in respect of any such Notes shall be discharged.

(i) Illegality

If for any reason it is or will become unlawful for a Relevant Issuer or (where applicable) the Guarantor to perform or comply with any one or more of its obligations under any of the Notes, or (as the case may be) the Trust Deed, (provided that, in the opinion of the Trustee, such illegality is materially prejudicial to the interests of the Noteholders), the Relevant Issuer will, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be

irrevocable), in accordance with Condition 16, redeem all, but not some only, of the Notes at the Early Redemption Amount together with any interest accrued to the date set for redemption.

7 Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) Registered Notes:

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Relevant Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Relevant Issuer.

(d) Payments subject to Laws

All payments are subject in all cases to (i) any applicable laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8 and (ii) any withholding or

deduction required pursuant to any agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulation or agreement thereunder, any fiscal interpretation thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Relevant Issuer and, in the case of Guaranteed Notes, the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Relevant Issuer and, as the case may be, the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Relevant Issuer and, in the case of Guaranteed Notes, the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Relevant Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes which, so long as the Notes are listed on the Luxembourg Stock Exchange, shall have a specified office in Luxembourg, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities (including Luxembourg) so long as the Notes are listed on the Luxembourg Stock Exchange, (vi) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed in each case as approved by the Trustee and (vii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Relevant Issuer and (in the case of payments under the Guarantee) the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) Unmatured Coupons and Receipts and unexchanged Talons

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) Non-Business Days

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

8 Taxation

All payments of principal and interest by or on behalf of the Relevant Issuer or (where applicable) the Guarantor in respect of the Notes, the Receipts and the Coupons or (as the case may be) under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the jurisdiction of the country of incorporation of the Relevant Issuer or, as the case may be, of the Guarantor or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) Other connection

to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the jurisdiction of the country of incorporation of the Relevant Issuer or, in the case of payments by the Guarantor, of the Guarantor other than the mere holding of the Note, Receipt or Coupon or

(b) Lawful avoidance of withholding

to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), Receipt or Coupon is presented for payment or

(c) Presentation more than 30 days after the Relevant Date

presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day or

(d) Payment to individuals

where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or

(e) Payment by another Paying Agent

(except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such

payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

9 Prescription

Claims against the Relevant Issuer and/or (where applicable) the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (“**Events of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together with accrued interest:

(a) Non-Payment

default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes or

(b) Breach of Other Obligations

the Issuer or (where applicable) the Guarantor does not perform or comply with any one or more of its other obligations under the Notes or (as the case may be) the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer or the Guarantor as the case may be by the Trustee or

(c) Cross-Acceleration

(A) any other present or future indebtedness of the Issuer or (where applicable) the Guarantor or any of the Material Subsidiaries for or in respect of moneys borrowed (“**Indebtedness**”) becomes due and payable prior to its stated maturity by reason of any event of default (howsoever described), or (B) any amount of principal under any Indebtedness is not paid at the stated final maturity date thereof or, as the case may be, within any applicable grace period, or (C) the Issuer or (where applicable) the Guarantor or any of their respective Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any such Indebtedness unless in each case where (i) the aggregate amount of the relevant Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred is less than €150,000,000 or its equivalent (as reasonably determined by the Trustee (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates), (ii) any such Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) is owed to a shareholder of a Material Subsidiary which Material Subsidiary is not directly or indirectly wholly-

owned by EADS or (iii) the Issuer, the Guarantor or such Material Subsidiary, as the case may be, is disputing in good faith before a competent court or by other appropriate proceedings that any such Indebtedness is due and payable or that such guarantee or indemnity is due and callable, in which case such event shall not constitute an event of default hereunder so long as the dispute shall not have been irrevocably adjudicated or

(d) Insolvency

any of the Issuer or (where applicable) the Guarantor or any of their respective Material Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, or suspends payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer, the Guarantor or any of their respective Material Subsidiaries or

(e) Winding-up

an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or (where applicable) the Guarantor or any of their respective Material Subsidiaries, or the Issuer or (where applicable) the Guarantor or any of their respective Material Subsidiaries cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or (where applicable) the Guarantor (as the case may be) or another of their respective Subsidiaries or, if in the case of any transfer or disposal to a third party, such transfer or disposal is carried out on an arms' length basis for fair value or

(f) Ownership

the Issuer (other than EADS) ceases to be directly or indirectly wholly-owned and controlled by the Guarantor or

(g) Analogous Events

any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs or

(h) Guarantee

the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect,

provided that in the case of paragraphs (b), (c) and (e) to (g) the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

11 Meetings of Noteholders, Modification, Waiver and Substitution

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the

Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (ix) to substitute any other person for the Guarantor, or (x) to modify or cancel the Guarantee, in which case the necessary quorum (the “**Special Quorum**”) shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that (i) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (a “**Written Resolution**”) or (ii) where the Notes are held by or on behalf of a clearing system or clearing systems, approval of a resolution proposed by the Issuer, Guarantor or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes then outstanding (“**Electronic Consent**”) shall, in each case for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied) be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. A Written Resolution may be contained in one document or several documents in like form, each signed by or on behalf of one or more Noteholders. A Written Resolution and/or Electronic Consent will be binding on all Noteholders whether or not they participated in such Written Resolution or Electronic Consent, as the case may be.

(b) Modification of the Trust Deed

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and

the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

(c) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Relevant Issuer's successor in business or any subsidiary of the Relevant Issuer or its successor in business or (where applicable) of the Guarantor or its successor in business or any subsidiary of the Guarantor or its successor in business in place of the Relevant Issuer or Guarantor, or of any previous substituted company, as principal debtor or Guarantor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

(d) Entitlement of the Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or (where applicable) the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Relevant Issuer and/or (where applicable) the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in nominal amount of the Notes outstanding, and (b) it shall have been indemnified to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or (where applicable) the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Relevant Issuer, (where applicable) the Guarantor and any entity related to the Relevant Issuer or the Guarantor without accounting for any profit.

14 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent in Luxembourg (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Relevant Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and

costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Relevant Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Relevant Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Further Issues

The Relevant Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Relevant Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Such notices, so long as the Registered Notes are listed on the Luxembourg Stock Exchange, shall also be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the web site of the Luxembourg Stock Exchange (www.bourse.lu). Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the Financial Times) and so long as the Notes are listed on the Luxembourg Stock Exchange, in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*), or on the website of the Luxembourg Stock Exchange (www.bourse.lu). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

18 Governing Law and Jurisdiction

(a) Governing Law

The Trust Deed, the Notes, the Receipts, the Coupons, the Talons and the Guarantee and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee (“**Proceedings**”) may be brought in such courts. Each of EADS and EADS B.V. has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) Service of Process

Each of EADS and EADS B.V. has irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes or Global Certificates are stated in the applicable Final Terms to be issued in NGN form or the Global Certificate to be held under NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “**Common Safekeeper**”). Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates which are not held under NSS may be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”).

If the Global Note is a CGN, upon the initial deposit of a Global Note with a Common Depositary or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other permitted clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or such clearing system (as the case may be) for his share of each payment made by the Relevant Issuer (or, in the case of Guaranteed Notes, the Guarantor) to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such clearing system (as the case may be). Such persons shall have no claim directly against the Relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Relevant Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Final Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “General Description of the Programme - Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes”, in part for Definitive Notes or, in the case of 2(i) below, Registered Notes:

- (i) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Issuing and Paying Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and
- (ii) otherwise, if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so.

3 Permanent Global Certificates

If the Final Terms states that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Relevant Issuer

provided that, in the case of the first transfer of part of a holding pursuant to 3(i) or 3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes.

Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Relevant Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange, (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or (iii) if the Global Note is a NGN, procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Debt Issuance Programme Prospectus, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Legends

The following legend will appear on all bearer Global Notes, Definitive Notes, Coupons, Receipts and Talons:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to provide that a United States person who holds a Note, Coupon, Receipt or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon, Receipt or Talon and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, Coupons, Receipts or Talons.

Transfers

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Debt Issuance Programme Prospectus. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any temporary Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 7(e)(vii) and Condition 8(e) will apply to the Definitive Notes only. If the Global Note is a NGN or, if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and, in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 7(h) (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment (the "**Record Date**"), where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

Prescription

Claims against the Relevant Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

Purchase

Notes represented by a permanent Global Note may only be purchased by the Relevant Issuer, (in the case of Guaranteed Notes, the Guarantor) or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

Issuer's Option

Any option of the Relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Relevant Issuer giving notice to the Trustee and Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Paying Agent for notation. Where the Global Note is a NGN or where the Global Certificate is held under the NSS, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

NGN nominal amount

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, shall be entered in the records of the relevant clearing systems and upon any such entry being made, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note, except that so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Electronic Consent and Written Resolution

While any Global Note is held on behalf of any nominee for a clearing system, then:

- (a) the Issuer, the Guarantor and the Trustee shall be entitled to rely upon approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an “**Electronic Consent**” as defined in the Trust Deed); and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer, the Guarantor and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Guarantor and/or the Trustee, as the case may be, by accountholders in the clearing system with entitlements to such Global Note or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer, the Guarantor and the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting or implementation of such consent or instruction. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “commercially

reasonable evidence” includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. None of the Issuer, the Guarantor and the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

INDEPENDENT AUDITORS

INDEPENDENT AUDITORS FOR EADS

KPMG Accountants N.V., represented by A.A. van Eimeren
Laan van Langerhuize 1
1186 DS AMSTELVEEN
The Netherlands

Ernst & Young Accountants LLP, represented by C. T. Reckers
Boompjes 258
3011 XZ Rotterdam
The Netherlands

INDEPENDENT AUDITOR FOR EADS B.V.

Ernst & Young Accountants LLP, represented by C. T. Reckers
Boompjes 258
3011 XZ Rotterdam
The Netherlands

DESCRIPTION OF EADS

HISTORY AND DEVELOPMENT OF EADS

Corporate Name, Seat and Registered Office

European Aeronautic Defence and Space Company EADS N.V. (“EADS”), Mendelweg 30, 2333 CS Leiden, The Netherlands. Its telephone number is +31-71 524 56 00.

Seat (*statutaire zetel*): Amsterdam

Legal Form and Registration

EADS is a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of The Netherlands. EADS is registered with the Registry of the Chamber of Commerce of The Hague (*Handelsregister van de Kamer van Koophandel voor Den Haag*) under number 24288945.

Governing Law - Dutch and other Regulations

EADS is governed by the laws of The Netherlands, in particular by Book 2 of the Dutch Civil Code, and by its articles of association (the “**Articles of Association**”). EADS is subject to various legal provisions of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) (the “**WFT**”).

The shares of EADS are not listed on any stock exchange in The Netherlands but are listed on the *Marché Eurolist* of Euronext Paris S.A. (the “**Paris Stock Exchange**”), in *amtlicher Markt* on the *Frankfurter Wertpapierbörse* (the “**Frankfurt Stock Exchange**”) and on the Madrid, Bilbao, Barcelona and Valencia Stock Exchanges (the “**Spanish Stock Exchanges**”), and therefore EADS is subject to laws and regulation in these three jurisdictions.

Date of Incorporation and Duration of EADS

EADS was incorporated on 29 December 1998 for an unlimited duration.

Objects of EADS

Pursuant to Article 2 of the Articles of Association, the objects of EADS are to hold, co-ordinate and manage participations or other interests in and to finance and assume liabilities, provide for security and/or guarantee debts of legal entities, partnerships, business associations and undertakings that are involved in: (a) the aeronautic, defence, space and/or communication industry; or (b) activities that are complementary, supportive or ancillary thereto.

Financial Year

The financial year of EADS starts on 1 January and ends on 31 December of each year.

Authorised and Issued Share Capital

As of 31 December 2012, EADS’ issued share capital amounted to €827,367,945 consisting of 827,367,945 fully paid-up shares of a nominal value of €1.00 each, and authorised share capital amounted to €3 billion consisting of 3,000,000,000 shares of a nominal value of €1.00 each.

MAJOR SHAREHOLDERS

Shareholders of EADS

As of 31 December 2012, the shareholding of EADS was as follows (before the exercise of stock options which remain exercisable as of the date of this Debt Issuance Programme Prospectus):

Shareholders	Number of shares	Percentage of share capital	Percentage of voting rights
SOGEADE	183,337,704	22,16	22,30
DASA	122,225,136	14,78	14,88
SEPI	44,690,871	5,40	5,44
KfW	22,725,182	2,75	2,76
Sub-total Contractual Partnership	372,978,893	45,08	45,37
French State	502,746	0,06	0,06
Public*	448,659,771	54,23	54,57
Own share buy-back**	5,226,535	0,63	-
Total	827,367,945	100,00	100,00

Note:

- (1) (*) Including EADS employees. As of 31 December 2012, EADS employees held approximately 1.7 per cent. of the share capital (and voting rights)
- (2) (**) The shares owned by EADS itself do not carry voting rights

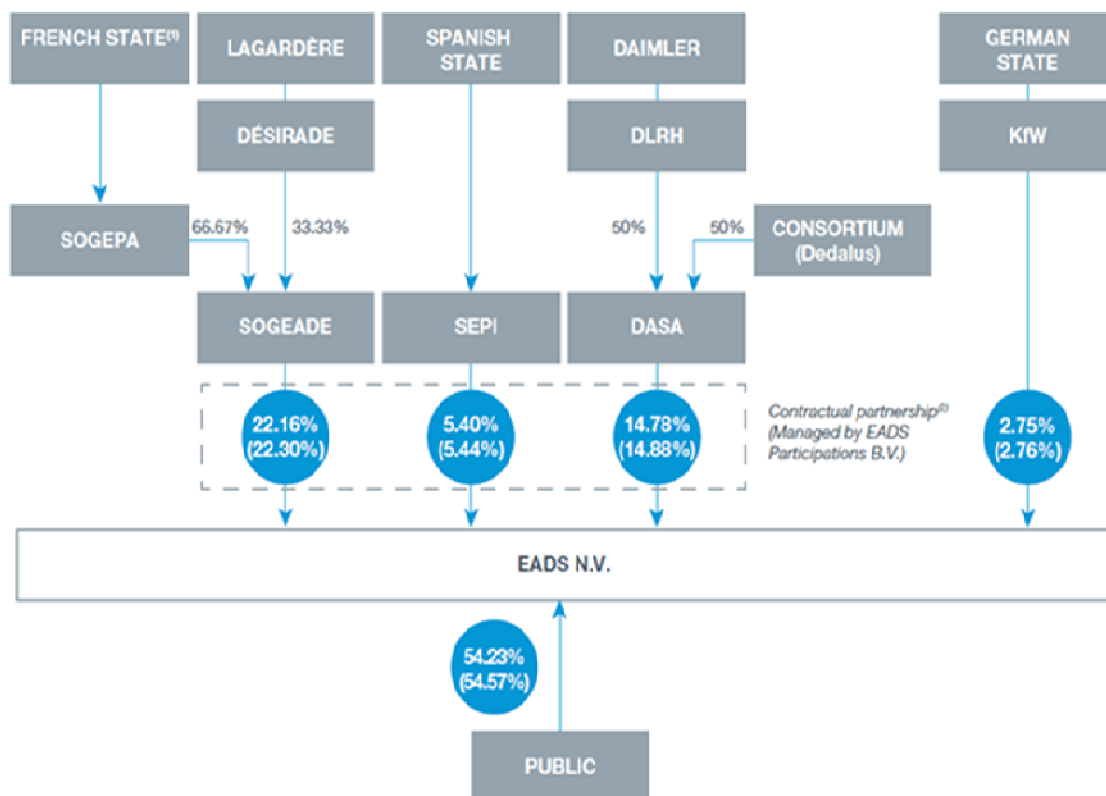
Shareholding Structure

EADS combined the activities of Aerospatiale Matra (“**Aerospatiale Matra**” or “**ASM**”), Daimler Aerospace AG (“**DASA**”) (with the exception of certain assets and liabilities) and Construcciones Aeronauticas SA (“**CASA**”) pursuant to a series of transactions completed in July 2000.

As of 31 December 2012, 14.78 per cent. of EADS’ share capital was held by DASA, whose share capital was held 50 per cent. by Daimler Luft- und Raumfahrt Holding AG (“**DLRH**”), a wholly owned subsidiary of Daimler AG (“**Daimler**”). The remaining 50 per cent. of DASA is held by a consortium of private and public-sector investors (“**Dedalus**”), with Daimler controlling the voting rights of all of the EADS shares held by DASA. Société de Gestion de l’Aéronautique, de la Défense et de l’Espace (“**SOGEADE**”), a French partnership limited by shares (*société en commandite par actions*) whose share capital, as of 31 December 2012, was held 66.67 per cent. by Sogepa (a French state holding company) and 33.33 per cent. by Désirade (a French *société par actions simplifiée* wholly owned by Lagardère), held 22.16 per cent. of EADS’ share capital. Thus, 36.94 per cent. of EADS’ share capital was held by Daimler AG (“**DASA**”) and SOGEADE who jointly control EADS through a Dutch law contractual partnership managed by EADS Participations B.V. (the “**Contractual Partnership**”). *Sociedad Estatal de Participaciones Industriales* SEPI, a Spanish state holding company, which is a party to the Contractual Partnership, held 5.40 per cent. of EADS’ share capital. Kreditanstalt für Wiederaufbau (“**KfW**”), a public law institution serving domestic and international policy objectives of the Federal Government of the Federal Republic of Germany, held 2.76 per

cent. of EADS' share capital. As of 31 December 2012, KfW had also agreed to acquire 65 per cent. of Dedalus. This acquisition was completed on 2 January 2013. The public (including EADS employees) and EADS held, respectively, 54.23 per cent. and 0.63 per cent. of EADS' share capital. The *République française* (the “**French State**”) directly held 0.06 per cent. of EADS' share capital, such shareholding being subject to certain specific provisions.

As of 31 December 2012, EADS' shareholders, before the exercise of outstanding stock options granted for the subscription of EADS shares which remain exercisable as of the date of this document, were as follows:



- (1) The French State owned an additional 0.06 per cent. of the share capital directly.
- (2) EADS Participations B.V. exercised the voting rights attached to these EADS shares pledged by Sogead, DASA and SEPI who retain title to their respective shares.
- (3) As of 31 December 2012, EADS held, directly or indirectly through another company in which EADS held directly or indirectly more than 50 per cent. of the share capital, 5,226,535 of its own shares. The treasury shares owned by EADS do not carry voting rights.

Relationships with Principal Shareholders

Please refer to paragraph 3.3.2 of the 2012 Registration Document, which is incorporated by reference in this Debt Issuance Programme Prospectus.

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND BOARD PRACTICES

Management Structure

Please refer to paragraph 4.1.1 of the 2012 Registration Document which is incorporated by reference in this Debt Issuance Programme Prospectus.

Members of the Board of Directors

The following persons are the current members of the EADS Board of Directors as of the date hereof:

Denis Ranque

Principal Function in the Group: Chairman of the Board of Directors of EADS

Principal Role outside the Group: Former CEO and Chairman of Thales Group

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Thomas Enders

Principal Function in the Group: Chief Executive Officer of EADS

Principal Role outside the Group: -

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Manfred Bischoff

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Chairman of the Supervisory Board of Daimler AG

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Ralph D. Crosby

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Former Member of the Management Boards of EADS NV and Northrop Grumman Corp.

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Hermann-Josef Lamberti

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Former Member of the Executive Committee of Deutsche Bank AG

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Anne Lauvergeon

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Partner of Efficiency Capital, Chairman and CEO of A.L.P. S.A.

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Lakshmi N. Mittal

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Chairman and Chief Executive Officer (CEO) of ArcelorMittal SA

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Sir John Parker

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Chairman of Anglo American PLC

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Michel Pébereau

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Honorary President of BNP Paribas SA, Chairman of BNP Paribas Foundation

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Josep Piqué i Camps

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Chairman of Pangea XXI Consultora Internacional

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Hans-Peter Keitel

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Vice-President of the Federation of Germany Industry (BDI)

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Jean-Claude Trichet

Principal Function in the Group: Member of the Board of Directors of EADS

Principal Role outside the Group: Honorary Governor of Banque de France, Former President of the European Central Bank

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Absence of conflict of interests

Please refer to paragraph 4.2.3 of the 2012 Registration Document which is incorporated by reference in this Debt Issuance Programme Prospectus.

BUSINESS OVERVIEW AND MATERIAL CONTRACTS

With consolidated revenues of €56,5 billion in 2012, EADS is Europe's premier aerospace and defence company and one of the largest aerospace and defence companies in the world. In terms of market share, EADS is among the top two manufacturers of commercial aircraft, civil helicopters, commercial space launch vehicles and missiles, and a leading supplier of military aircraft, satellites and defence electronics. In 2012, it generated approximately 79 per cent. of its total revenues in the civil sector (compared to 76 per cent. in 2011) and 21 per cent. in the defence sector (compared to 24 per cent. in 2011).

EADS organises its businesses into the following four operating divisions: (1) Airbus (comprising Airbus Commercial and Airbus Military), (2) Eurocopter, (3) Astrium and (4) Cassidian.

Airbus

Airbus is one of the world's leading aircraft suppliers, with a mission to provide aircraft best suited to the market's needs and to support these aircraft with the highest quality of service. The Airbus commercial product line comprises aircraft that range in size from the 107-seat single-aisle A318 aircraft to the 525-seat

A380 widebody aircraft. Airbus also continues to broaden its scope and product range by applying its expertise to the military market, as well as extending its portfolio of freighter aircraft.

In 2012, Airbus Commercial and Airbus Military recorded total revenues of €38,6 billion for 2012 (including total revenues of €2.1 billion at Airbus Military).

Airbus Commercial

Since it was founded in 1970 and up to the end of 2012, Airbus has received orders for 12,312 commercial aircraft from approximately 348 customers around the world. In 2012, Airbus delivered 588 aircraft (compared to 534 deliveries in 2011) and received 914 gross orders (compared to 1,608 gross orders in 2011) equating to 41 per cent. of the gross worldwide market share (in value terms) of aircraft with more than 100 seats. After accounting for cancellations, net order intake for 2012 was 833 (compared to 1,419 aircraft in 2011). As of 31 December 2012, Airbus' backlog of commercial orders was 4,682 aircraft (compared to 4,437 aircraft in 2011).

Airbus Military

Airbus Military produces and sells special mission aircraft, which are derived from existing aircraft platforms and are dedicated to specialised military and security tasks such as in-flight refuelling capabilities, maritime surveillance and antisubmarine warfare. Airbus Military also manufactures and sells light and medium military transport aircraft and is responsible for the European heavy military transport A400M project.

Eurocopter

Eurocopter is a global leader in the civil and military helicopter market, offering one of the most complete and modern ranges of helicopters and related services. This product range currently includes light single-engine, light twin-engine, medium and medium-heavy helicopters which are adaptable to all kinds of mission types based on customer needs.

Eurocopter delivered 475 helicopters in 2012 (503 in 2011). Eurocopter received 492 gross orders in 2012 (compared to 472 gross orders in 2011). After accounting for cancellations, net order intake for 2012 was 469 helicopters (compared to 457 helicopters in 2011). Civil contracts accounted for 69 per cent. of this order volume, with military sales representing the remaining 31 per cent. As of 31 December 2012, Eurocopter's backlog of helicopter orders was 1,070 aircraft (compared to 1,076 aircraft in 2011). In 2012, Eurocopter recorded total revenues of €6.3 billion, representing 11.1 per cent. of EADS' total revenues.

Astrium

Astrium designs, develops and manufactures satellites, orbital infrastructures and launcher systems and provides satellite telecommunication and geo-information services on behalf of commercial and government customers. Astrium has three main business units: Astrium Satellites, Astrium Space Transportation and Astrium Services. These business units include the provision of launch services through Astrium's shareholdings in Arianespace (Ariane 5 launcher), Starsem (Soyuz launcher) and Eurokot (Rockot launcher). In 2012, Astrium recorded total revenues of €5.8 billion, representing 10.3 per cent. of EADS' revenues.

Cassidian

Cassidian is a worldwide leader in global security solutions and systems, providing lead systems integration and value-added products and services to civil and military customers around the globe: air systems (combat aircraft, military transport, mission aircraft and unmanned aerial systems), land, naval and joint systems, intelligence and surveillance, cyber security, secure communications, test systems, missiles, services and support solutions. As a lead systems integrator, Cassidian combines the know-how to design, develop and

implement overall system solutions by integrating across platforms, equipment and services. In 2012, Cassidian recorded total revenues of €5.7billion, representing 10.2 per cent. of EADS' total revenues.

Other Businesses

Other Businesses include turboprop manufacturer ATR, acrostructure and aircraft seat business Sogerma, US operating unit EADS North America and 30 per cent. (consolidated at equity) of Daher-Socata. Other Businesses do not form part of EADS' four divisions. In 2012, the recorded total revenues of Other Businesses amounted to €1.5 billion.

For further information, please refer to paragraph 1.1 of the 2012 Registration Document which is incorporated by reference in this Debt Issuance Programme Prospectus.

Litigation

Except as disclosed in paragraph 3, page 18 and paragraph 1.1.9 of the 2012 Registration Document and pages 18 - 19 of the EADS Interims which are incorporated by reference in this Debt Issuance Programme Prospectus, there are no governmental, legal or arbitration proceedings which may have or have had in the last 12 months, significant adverse effects on EADS' and the EADS Group's financial position and profitability.

**SELECTED AUDITED CONSOLIDATED FINANCIAL INFORMATION OF EADS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2012, 2011 AND 2010**

The following selected financial information has been derived from, and should be read in conjunction with, the audited consolidated financial statements of EADS for the financial years ended 31 December 2012, 2011 and 2010, which have been incorporated by reference herein. These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and as endorsed by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

EADS N.V. — Consolidated Income Statements (IFRS) for the years ended 31 December 2012, 2011 and 2010

(in € million)	2012	2011	2010
Revenues	56,480	49,128	45,752
Cost of sales	(48,545)	(42,285)	(39,528)
Gross margin	7,935	6,843	6,224
Selling expenses	(1,192)	(981)	(1,024)
Administrative expenses	(1,672)	(1,427)	(1,288)
Research and development expenses	(3,142)	(3,152)	(2,939)
Other income	184	359	171
Other expenses	(229)	(221)	(102)
Share of profit from associates accounted for under the equity method	241	164	127
Other income from investments	6	28	18
Profit before finance costs and income taxes	2,131	1,613	1,187
Interest income	237	377	316
Interest expense	(522)	(364)	(415)
Other financial result	(168)	(233)	(272)
Total finance costs	(453)	(220)	(371)
Income taxes	(449)	(356)	(244)
Profit for the period	1,229	1,037	572
Attributable to:			
Equity owners of the parent (Net income)	1,228	1,033	553
Non-controlling interests	1	4	19
Basic	1.50	1.27	0.68
Diluted	1.50	1.27	0.68

EADS N.V. — Consolidated Statements of Financial Position (IFRS) at 31 December 2012 and 2011

(in € million)	2012	2011
Assets		
Non-current assets		
Intangible assets	13,422	12,786(1)
Property, plant and equipment	15,196	14,146(1)
Investment property	72	74
Investments in associates accounted for under the equity method	2,662	2,677
Other investments and other long-term financial assets	2,115	2,352(1)

Non-current other financial assets	1,386	631
Non-current other assets	1,415	1,253
Deferred tax assets	4,518	4,318 ⁽¹⁾
Non-current securities	5,987	7,229
	46,773	45,466
Current assets		
Inventories	23,216	22,563
Trade receivables	6,790	6,394 ⁽¹⁾
Current portion of other long-term financial assets	287	172
Current other financial assets	1,448	1,739
Current other assets	2,046	2,253
Current tax assets	458	339
Current securities	2,328	4,272
Cash and cash equivalents	8,756	5,284
	45,329	43,016
Total assets	92,102	88,482
Equity and liabilities		
Equity attributable to equity owners of the parent		
Capital stock	827	820
Share premium	7,253	7,519
Retained earnings	900	471
Accumulated other comprehensive income	1,513	153
Treasury shares	(84)	(113)
	10,409	8,850
Non-controlling interests	25	15 ⁽¹⁾
Total equity	10,434	8,865
Non-current liabilities		
Non-current provisions	9,816	9,144 ⁽¹⁾
Long-term financing liabilities	3,506	3,628
Non-current other financial liabilities	7,458	8,193
Non-current other liabilities	10,524	9,817 ⁽¹⁾
Deferred tax liabilities	1,504	1,043 ⁽¹⁾
Non-current deferred income	212	290
	33,020	32,115
Current liabilities		
Current provisions	6,045	5,856 ⁽¹⁾
Short-term financing liabilities	1,273	1,476
Trade liabilities	9,917	9,630
Current other financial liabilities	1,715	1,687
Current other liabilities	28,183	27,670
Current tax liabilities	458	308
Current deferred income	1,057	875
	48,648	47,502
Total liabilities	81,668	79,617
Total equity and liabilities	92,102	88,482

(1) Please refer to Note 4 “Acquisitions and disposals”. Comparative information is adjusted retrospectively in accordance with IFRS 3.45. Main changes comprise: Intangible assets by € +41 million, property, plant and equipment by € -13 million, other investments and long -term financial assets by € -26 million, non- controlling interests by € -5 million and non-current provisions by € +19 million.

EADS N.V. — Consolidated Statements of Cash Flows (IFRS) for the years ended 31 December 2012, 2011 and 2010

(in € million)	2012	2011	2010
Profit for the period attributable to equity owners of the parent (Net income)	1,228	1,033	553
Profit for the period attributable to non-controlling interests	1	4	19
Adjustments to reconcile profit for the period to cash provided by operating activities			
Interest income	(237)	(377)	(316)
Interest expense	522	364	415
Interest received	198	417	332
Interest paid	(351)	(307)	(278)
Income tax expense	449	356	244
Income taxes paid	(219)	(100)	(140)
Depreciation and amortisation	2,053	1,884	1,582
Valuation adjustments	318	(408)	(366)
Results on disposals of non-current assets	(21)	(29)	(75)
Results of companies accounted for by the equity method	(241)	(164)	(127)
Change in current and non-current provisions	216	230	(219)
Change in other operating assets and liabilities:	(76)	1,386	2,819
Inventories	(1,526)	(1,640)	705
Trade receivables	(260)	447	(345)
Trade liabilities	754	806	(40)
Advance payments received	1,243	1,965	1,698
Other assets and liabilities	(141)	(327)	738
Customer financing assets	30	246	169
Customer financing liabilities	(176)	(111)	(106)
Cash provided by operating activities	3,840	4,289	4,443
Investments:			
Purchases of intangible assets, Property, plant and equipment	(3,270)	(2,197)	(2,250)
Proceeds from disposals of intangible assets, Property, plant and equipment	73	79	45
Acquisitions of subsidiaries, joint ventures, businesses and non-controlling interests (net of cash)	(201)	(1,535)	(38)
Proceeds from disposals of subsidiaries (net of cash)	0	18	12
Payments for investments in associates, other investments and other long-term financial assets	(328)	(312)	(190)
Proceeds from disposals of associates, other investments and other long-term financial assets	232	77	91
Dividends paid by companies valued at equity	46	50	41
Payments for investments in securities	(3,237)	(11,091)	(10,751)
Proceeds from disposals of securities	6,659	10,713	7,604
Cash (used for) investing activities	(26)	(4,198)	(5,436)
Increase in financing liabilities	380	813	99
Repayment of financing liabilities	(505)	(399)	(1,160)
Cash distribution to EADS N.V. shareholders	(369)	(178)	0
Dividends paid to non-controlling interests	(10)	(5)	(7)
Changes in capital and non-controlling interests	144	(65)	(48)
Change in treasury shares	(5)	(1)	(3)
Cash (used for) provided by financing activities	(365)	165	(1,119)
Effect of foreign exchange rate changes and other valuation adjustments on cash and cash equivalents	23	(2)	104
Net increase (decrease) in cash and cash equivalents	3,472	254	(2,008)

Cash and cash equivalents at beginning of period	5,284	5,030	7,038
Cash and cash equivalents at end of period	8,756	5,284	5,030

**SELECTED UNAUDITED CONSOLIDATED FINANCIAL INFORMATION OF EADS
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2013 AND 2012**

The following selected financial information has been derived from, and should be read in conjunction with, the unaudited condensed IFRS consolidated financial information of EADS for the six-month period ended 30 June 2013, which has been incorporated by reference herein. This unaudited consolidated financial information has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the European Union.

	For the six months ended 30 June 2013	For the six months ended 30 June 2012
<i>(in €m, except per share data)</i>		
<u>Consolidated Income Statement Data</u>		
- Revenues	26,332	24,934
- Gross Margin	4,163	3,712
- Profit before finance result and income taxes*	1,464	1,038
- Profit for the period*	760	578
Attributable to:		
Equity owners of the parent (Net income)*	759	579
Non-controlling interests	1	-1
- Earnings per share		
Basic (€)*	0.94	0.71
Diluted (€)*	0.94	0.71
	As at 30 June 2013	As at 31 December 2012*
<u>Consolidated Statement of Financial Position Data</u>		
- Non-current assets	45,552	46,778
- Total assets	91,662	92,107
- Non-current liabilities	34,590	33,031
- Total liabilities	83,334	81,679
- Equity attributable to equity owners of the parent	8,281	10,403
- Non-controlling interests	47	25
- Total equity and liabilities	91,662	92,107

* Previous year's figures are adjusted due to revised IAS 19

<u>Consolidated Statement of Cash-Flows Data</u>	For the six months ended 30 June 2013	For the six months ended 30 June 2012
- Cash (used for) provided by operating activities [†]	(2,670)	(999)
- Cash provided by (used for) investing activities	(739)	889
- Cash provided by (used for) financing activities	(164)	13
- Cash and cash equivalents at end of period	5,148	5,244

[†] In the first six months of 2012 and 2011, "contribution to plan assets for pensions" is shown in "change in current and non-current provisions" within cash (used for) provided by operating activities. Previously, "contribution to plan assets for pensions" was disclosed in "cash provided by (used for) investing activities". It amounts in the first six months of 2012 to €m-320 (first six months 2011: €m-300). Prior half-year figures have been adjusted accordingly.

DESCRIPTION OF EADS B.V.

HISTORY AND DEVELOPMENT OF EADS B.V.

Corporate Name, Seat and Registered Office

EADS Finance B.V. (“EADS B.V.”), Mendelweg 30, 2333 CS Leiden, The Netherlands. Its telephone number is +31 71 524 56 00.

Seat (*statutaire zetel*): Amsterdam

Legal Form and Registration

EADS B.V. is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands. EADS B.V. is registered with the Registry of the Chamber of Commerce of The Hague (*Handelsregister van de Kamer van Koophandel voor Den Haag*) under number 34182495.

Governing Law — Dutch and other Regulations

EADS B.V. is governed by the laws of The Netherlands, in particular by Book 2 of the Dutch Civil Code and by its articles of association (the “EADS B.V. Articles of Association”).

EADS B.V. is subject to various legal provisions of the Netherlands Financial Markets Supervision Act (*Wet op het financieel toezicht*) (the “WFT”).

Date of Incorporation and Duration

EADS B.V. was incorporated on 2 December 2002 for an unlimited duration.

Objects of EADS B.V.

Pursuant to Article 2 of the EADS B.V. Articles of Association, the objects of EADS B.V. are, *inter alia*, to raise funds, to invest and lend funds, to finance companies and other enterprises and to participate in all types of financial transactions.

Financial Year

The financial year of EADS B.V. starts on 1 January and ends on 31 December of each year.

Issued Share Capital

At the date of this Debt Issuance Programme Prospectus, EADS B.V.’s issued ordinary share capital is €300,000 comprising 300,000 fully-paid shares of a nominal value of €1.00 each.

MAJOR SHAREHOLDERS

As of the date of this Debt Issuance Programme Prospectus, the shareholding of EADS B.V. is as follows:

Shareholder	Number of shares	Percentage of share capital	Percentage of voting rights
EADS	300,000	100	100

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND BOARD OF DIRECTORS

Members of the Board of Directors

Jean-Baptiste Pons

Principal function in the Issuer: CEO

Principal function outside the Issuer: Senior Vice President, Head of Corporate Finance & Treasury at EADS

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Andreas Drabert

Principal function in the Issuer: Member of the Board of Directors

Principal function outside the Issuer: Vice President, Head of Treasury Controlling at EADS

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Christian Masson

Principal function in the Issuer: Member of the Board of Directors

Principal function outside the Issuer: Vice President, Head of Corporate Financing and Front-Office at EADS

Address: Mendelweg 30, 2333 CS Leiden, The Netherlands

Absence of conflicts of interests

There are no conflicts of interests between any duties of the members of the Board of Directors of EADS B.V. and their private interests or other duties.

BUSINESS OVERVIEW AND MATERIAL CONTRACTS

Please refer to page 2 of the 2012 audited non-consolidated financial statements of EADS B.V. (report of the board of managing directors), which are incorporated by reference in this Debt Issuance Programme Prospectus.

**SELECTED AUDITED FINANCIAL INFORMATION OF EADS B.V.
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2012 AND 2011**

The following selected financial information has been derived from, and should be read in conjunction with, the audited financial statements of EADS B.V. for the financial years ended 31 December 2012 and 2011, which have been incorporated by reference herein. These financial statements have been prepared in accordance with IFRS as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

STATEMENT OF FINANCIAL POSITION

(After appropriation of the result of the year)

	31 December 2012	31 December 2011
	EUR	EUR

Assets

Non-Current Assets

Long-term Loans Receivable	1,494,396,982	1,493,040,685
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Current Assets

Short-term Loans Receivable	164,993,126	
Accrued Interest Receivable	25,407,286	25,337,377
Cash and Cash Equivalents	2,529,751	2,129,332
Positive Fair Value Derivative Instruments	174,817,925	111,540,603

	367,748,070	139,007,312
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Total Assets

	1,862,145,052	1,632,047,997
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Equity and Liabilities

Equity attributable to Equity Holders of the Parent

Issued Capital	300,000	300,000
Other Reserves	(1,551)	(1,551)
Cash-Flow Hedge Reserve	60,947,608	38,291,974
Retained Earnings	2,208,766	1,793,059

	63,454,823	40,383,482
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Non-Current Liabilities

Interest Bearing Liabilities	1,588,004,520	1,553,593,147
Deferred Tax Payable	20,315,870	12,763,991

	1,608,320,390	1,566,357,138
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Current Liabilities

Short-term Loans Payable	164,993,126	
Accrued Interest Payable	25,376,713	25,307,377
	190,369,839	25,307,377

Total Equity and Liabilities	1,862,145,052	1,632,047,997
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INCOME STATEMENT

	1 January – 31 December 2012	1 January – 31 December 2011
	EUR	EUR
Financial Result		
<i>Income</i>		
Interest	76,339,785	75,438,811
<i>Expenses</i>		
Interest	(75,911,542)	(75,018,563)
	428,243	420,248
General Administrative Expenses	(12,536)	(3,540)
Profit for the Year attributable to Equity Holders of the Parent	415,707	416,708

STATEMENT OF CASH-FLOWS

	1 January – 31 December 2012	1 January – 31 December 2011
	EUR	EUR
Profit of the Year	415,707	416,708
(Increase) Decrease Accrued Interest Receivable	(69,891)	69,891
Increase (Decrease) Accrued Interest Payable	69,336	(69,335)
Amortization Recharged Bond Issue Costs	(1,356,297)	(1,352,591)
Amortization Bond Issue Costs / Interest Disagio	1,341,564	1,337,898
Increase Short-term Loans Receivables	(164,993,126)	
Cash provided by (used in) operating activities	(164,592,707)	402,571
Increase Short-term Loans Payable	164,993,126	
Cash provided by financing activities	164,993,126	-
Net Increase in Cash and Cash Equivalents	400,419	402,571
Cash and Cash Equivalents at beginning of Year	2,129,332	1,726,761
Cash and Cash Equivalents at end of Year	2,529,751	2,129,332

The following represents supplemental information with respect to cash-flows from operating activities:

	1 January – 31 December 2012	1 January – 31 December 2011
	EUR	EUR
Interest received	74,899,392	74,156,111
Interest paid	(74,486,436)	(73,750,000)

**SELECTED UNAUDITED FINANCIAL INFORMATION OF EADS B.V.
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2013 AND 2012**

The following selected financial information has been derived from, and should be read in conjunction with, the unaudited semi-annual financial statements of EADS B.V. for the six-month period ended 30 June 2013, which has been incorporated by reference herein. This unaudited financial information has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the European Union.

	<i>For the six months ended 30 June 2013</i>	<i>For the six months ended 30 June 2012</i>
	<i>(in €)</i>	
Income Statement Data		
- Financial result	242,095	214,756
- Profit for the period attributable to equity holders of the parent	233,747	211,857
Statement of Financial Position Data		
	<i>At 30 June 2013</i>	<i>At 31 December 2012</i>
- Non-current assets	2,391,310,451	1,669,214,907
- Total assets	3,516,455,683	1,862,145,052
- Non-current liabilities	2,343,091,038	1,608,320,390
- Equity attributable to equity holders of the parent	51,006,181	63,454,823
- Total equity and liabilities	3,516,455,683	1,862,145,052
Statement of Cash-Flows Data		
- Cash (used for) provided by operating activities	195,031	204,532
- Cash used for investing activities	(1,650,451,902)	(470,947,895)
- Cash provided by financing activities	1,650,462,449	470,947,895
- Cash and cash equivalents at end of period	2,735,329	2,333,864

RECENT DEVELOPMENTS

In relation to EADS, please refer to the EADS Interims and to the press release published on 31 July 2013 commenting on the half year unaudited results of EADS, all incorporated by reference in this Debt Issuance Programme Prospectus.

In relation to EADS B. V., please refer to the EADS B. V. Interims incorporated by reference in this Debt Issuance Programme Prospectus.

On 17 April 2013, EADS confirmed the conclusion of a share purchase agreement with the French State for the acquisition off-market of a stake of 1.56 per cent. in EADS for €482.7 million.

In addition and also in the frame of the buyback programme, EADS confirmed it participated in the placement by Daimler AG as published on 16 April 2013.

EADS acquired 1.95 per cent. of its own shares for an amount of €600 million.

EADS also announced that it entered into an agreement for the independent management of its 18-month share buyback programme with a broker under the "safe harbour" regulations of the French Autorité des marchés financiers.

Under this mandate, EADS instructed the broker to purchase on EADS' behalf a number of EADS shares not exceeding 43 million from 17 April 2013 to 31 July 2013.

Going forward and subject to market conditions, EADS intends to implement similar mandates as applicable until the end of the share buyback programme decided by the EADS Board of Directors on 2 April 2013.

On 9 April 2013, EADS acquired 1.61 percent of its own shares for an amount of €500 million in the placement made by Lagardère of its full stake in EADS as published on 8 April 2013. This repurchase by EADS took place in accordance with and within its 18-month share buyback programme.

Between 30 June 2013 and 31 July 2013, commercial paper issuances of EADS B.V. and repo financing activity of EADS have generated an increase of EADS Group short term financing liabilities of €443,5 million.

This increase of short term financing liabilities was used to manage short term liquidity needs in the normal course of its business.

TAXATION

THE NETHERLANDS

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Debt Issuance Programme Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of a Note, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

Save as otherwise indicated, this summary only addresses the position of investors who for tax purposes do not have any connection with The Netherlands other than the holding of a Note.

For the purpose of this summary it is assumed that no individual or non-resident entity holding a Note has or will have a substantial interest, or - in the case of a holder of a Note being an entity - a deemed substantial interest, in the Issuer and that no connected person (verbonden persoon) to the holder of a Note has or will have a substantial interest in the Issuer.

Generally speaking, an individual has a substantial interest in a company if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of such company, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of such company

Generally speaking, a non-resident entity has a substantial interest in a company if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of the company, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of such company. An entity holding a Note has a deemed substantial interest in a company if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note or otherwise being regarded as owning a Note for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settler, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

Where this summary refers to "The Netherlands" or "Dutch" it refers only to the European part of the Kingdom of The Netherlands.

Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of a Note.

Withholding Tax

All payments made by the Issuer of interest and principal under the Notes can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on Income and Capital Gains

A holder of a Note which is not, is not deemed to be, and - in case the holder is an individual - has not elected to be treated as, resident in The Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from a Note unless:

- (i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands and the holder of a Note derives profits from such enterprise (other than by way of securities); or
- (ii) the holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

Gift, Estate or Inheritance Taxes

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

- (i) the holder of a Note is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

Value Added Tax

The issuance or transfer of a Note, and payments of interest and principal under a Note, will not be subject to value added tax in The Netherlands.

Other Taxes and Duties

The subscription, issue, placement, allotment, delivery or transfer of a Note will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

Residence

A holder of a Note will not be, or deemed to be, resident in The Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Note or the execution, performance, delivery and/or enforcement of a Note.

EU Savings Directive

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, The Netherlands will provide to the tax authorities of another EU member state (and certain non-EU countries and associated

territories specified in said directive) details of payments of interest or other similar income paid by a person within The Netherlands to, or collected by such a person for, an individual resident in such other state.

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. On 10 April 2013, Luxembourg officially announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payment of interest (or similar income) as from this date.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

LUXEMBOURG

The comments below are intended as a basic summary of certain tax consequences in relation to the purchase, ownership and disposition of the Notes under Luxembourg law and do not purport to be complete or exhaustive. Persons who are in any doubt as to their tax position should consult a professional tax adviser. This description is not intended to constitute tax or legal advice by the Issuer.

Withholding tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Noteholders or Noteholders that are Residual Entities (as defined below), there is no withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of interest paid to individual Noteholders or Noteholders that are Residual Entities (as defined below), upon repayment of the principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

Luxembourg non-resident individuals

Under the Luxembourg laws dated 21 June 2005 (the “**Laws**”) implementing the Savings Directive (as defined above) and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (“**EU**”), a Luxembourg based paying agent (within the meaning of the Laws) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or certain residual entities in the sense of article 4.2. of the Savings Directive (“**Residual Entities**”) (i.e. an entity

without legal personality (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose) and whose profits are not taxed under the general arrangements for the business taxation and that is not and has not opted to be treated as a UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by the Council Directive 2009/65/EC, or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands), established in another Member State of the EU unless the beneficiary of the interest payments opts for the procedure of the exchange of information or, in case of an individual beneficiary, for the tax certificate procedure. The same regime applies to payments to individuals or Residual Entities resident or established in certain EU dependent or associated territories

The withholding tax rate is 35 per cent. since 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

Luxembourg resident individuals

A 10 per cent. withholding tax is levied on interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain Residual Entities that secure interest payments on behalf of such individuals (unless such entity has opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by the Council Directive 2009/65/EC, or for the exchange of information regime). Income from current accounts, provided that the interest rate is not higher than 0.75 per cent., are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed €250 per person and per paying agent is exempt from the withholding tax. This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers receiving the payment in the course of their private wealth.

The Proposed Financial Transactions Tax

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of the Notes should, however, be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FATCA WITHHOLDING

Pursuant to the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 (“**FATCA**”), non-U.S. financial institutions that enter into agreements with the IRS (“**IRS**

Agreements) or become subject to provisions of local law intended to implement an intergovernmental agreement (“**IGA legislation**”) entered into pursuant to FATCA, may be required to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. In order (a) to obtain an exemption from FATCA withholding on payments it receives and/or (b) to comply with any applicable laws in its jurisdiction, a financial institution that enters into an IRS Agreement or is subject to IGA legislation may be required to (i) report certain information on its U.S. account holders to the government of the United States or another relevant jurisdiction and (ii) withhold 30 per cent. from all, or a portion of, certain payments made to persons that fail to provide the financial institution information and forms or other documentation that may be necessary for such financial institution to determine whether such person is compliant with FATCA or otherwise exempt from FATCA withholding.

Under FATCA, withholding is required with respect to payments to persons that are not compliant with FATCA or that do not provide the necessary information or documentation made on or after (i) 1 July 2014 in respect of certain US source payments, (ii) 1 January 2017, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce US source interest or dividends and (iii) 1 January 2017 (at the earliest) in respect of “foreign passthru payments” and then only on “obligations” that are not treated as equity for U.S. federal income tax purposes and that are issued or materially modified on or after (a) 1 July 2014, and (b) if later, in the case of an obligation that pays only foreign passthru payments, the date that is six months after the date on which the final regulations applicable to “foreign passthru payments” are filed in the Federal Register.

Whilst the Notes are in global form and held within Euroclear Bank SA/NV or Clearstream Banking, société anonyme (together, the “**ICSDs**”), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the Common Depositary or Common Safekeeper, given that each of the entities in the payment chain between the Issuer and ending with the ICSDs (and including the ICSDs) is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an intergovernmental agreement will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to withholding. However, definitive Notes will only be printed in remote circumstances.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an Amended and Restated Dealer Agreement dated 2 August 2013 (the “**Dealer Agreement**”) between EADS, EADS B.V., the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuers to the Permanent Dealers. However, each Relevant Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Relevant Issuer through the Dealers, acting as agents of the Relevant Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Relevant Issuer, failing which the Guarantor (in the case of Guaranteed Notes), will pay each Relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. EADS has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Relevant Issuer, failing which the Guarantor (in the case of Guaranteed Notes) and, in the case of Guaranteed Notes, the Guarantor have agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Relevant Issuer.

Selling Restrictions

United States

Neither the Notes nor the Guarantee has been or will be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Accordingly, the Notes will be offered and sold only outside of the United States to non-U.S. persons in reliance on Regulation S under the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder.

Each Dealer has agreed and each Further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Relevant Issuer, by the Issuing and Paying Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager of all Notes of the Tranche of which such Notes form a part, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Relevant Issuer or, in the case of Guaranteed Notes, the Guarantor;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Relevant Issuer or (in the case of Guaranteed Notes) the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Netherlands

- (i) Each Dealer has represented and agreed that Notes issued by EADS shall upon the relevant Issue Date have a minimum denomination of at least €100,000 (or its foreign currency equivalent);
- (ii) In addition and without prejudice to the restriction set out under (i) above, Zero Coupon Notes (as defined below) in definitive form issued by EADS or by EADS B.V. may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the relevant Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter. As used herein “**Zero Coupon Notes**” are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever;

- (iii) Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:
- (a) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or
 - (b) standard exemption wording is disclosed as required by article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "FMSA"); or
 - (c) such offer is otherwise made in circumstances in which article 5:20(5) of the FMSA is not applicable,

provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression (i) an “**offer of Notes to the public**” in relation to any Notes in the Netherlands means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in the Netherlands by any measure implementing the Prospectus Directive in The Netherlands and the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in The Netherlands), and includes any relevant implementing measure in the Netherlands and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

Republic of France

Private placement in France:

Each of the Dealers and the Issuer has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements

of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

General

These selling restrictions may be modified by the agreement of the Relevant Issuer, (in the case of Guaranteed Notes) the Guarantor and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Debt Issuance Programme Prospectus.

No representation is made that any action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Debt Issuance Programme Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Debt Issuance Programme Prospectus, any other offering material or any Final Terms and neither the Relevant Issuer, (in the case of Guaranteed Notes) the Guarantor nor any other Dealer shall have responsibility therefore.

2	Specified Currency or Currencies:	[]
3	Aggregate Nominal Amount of Notes admitted to trading:	[]
	[(i)] Series:	[]
	[(ii)] Tranche:	[]
	[(iii)] Date on which the Notes will be consolidated and form a single Series:	[Not Applicable/The Notes shall be consolidated, form a single Series and be interchangeable for trading purposes with the <i>[insert amount, interest rate, maturity date and issue date of the Series]</i> on <i>[insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 below [which is expected to occur on or about [insert date]]]</i> .]
4	Issue Price of Tranche:	[] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i>]
5	(i) Specified Denominations:	[]
	(ii) Calculation Amount:	[]
6	[(i)] Issue Date [and Interest Commencement Date]:	[]
7	[(ii)] Interest Commencement Date (if different from the Issue Date):	[]
8	Maturity Date:	[Fixed Rate/Zero Coupon - <i>specify date/Floating Rate: Specified Interest Payment Date falling in or nearest to [specify month]</i>]
9	Interest Basis:	[•] per cent. Fixed Rate] [[LIBOR/ EURIBOR] +/- [•] per cent. Floating Rate] [Zero Coupon](Further particulars specified in paragraph [13]/[14]/[15])
10	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11	Change of Interest Basis:	[Specify details of any provisions for the change of Notes into another Interest Basis: <i>[Fixed Rate Note to Floating Rate Note/Floating Rate Note to Fixed Rate Note/ Fixed Rate Note to Zero Coupon Note/Floating Rate Note to Zero Coupon Note/Zero Coupon Note to Fixed Rate Note/Zero Coupon Note to Floating Rate Note]</i> . Cross refer to paragraphs 14 to 16 as applicable][Not Applicable]
12	Put/Call Options:	[Investor Put] [Make-Whole Redemption by the Issuer] [Issuer Call] [Not Applicable] [(further particulars specified in paragraph [16]/[17]/[18] below)]

- 13 [(i)] Status of the Notes: [Senior/[Dated/Perpetual]]
- [(ii)] Status of the Guarantee: [Senior/[Dated/Perpetual]]
- [(iii)] [Date [Board] approval for issuance of Notes obtained: [] [and [], respectively]]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [] in each year
- (iii) Fixed Coupon Amount[(s)]: [] per Calculation Amount
- (iv) Broken Amount(s): [] per Calculation Amount payable on the Interest Payment Date falling [in/on] [] [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate*]
- (v) Day Count Fraction: [Actual/Actual]
 [Actual/Actual – ISDA]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360], [360/360] or [Bond Basis]
 [30E/360] or [Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
 [Not applicable]
- (vi) Determination Dates: [[] in each year][Not Applicable] *(Only applicable where Day Count Fraction is Actual/Actual (ICMA). In such case insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.*
- 15 Floating Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Interest Period(s): []
- (ii) Specified Interest Payment Dates: [[] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- (iii) First Interest Payment Date: []
- (iv) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (v) Business Centre(s): []

- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Interest Period Date(s): [Not applicable / *specify dates*]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): []
- (ix) Screen Rate Determination:
- Reference Rate: []
 - Interest Determination Date(s): [Applicable/Not Applicable]
[] month [LIBOR/ EURIBOR]
 - Relevant Screen Page: []
- (x) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: []
 - Designated Maturity: []
 - [ISDA Definitions: [2000/2006]]
- (xi) Margin(s): [+/-] [] per cent. per annum
- (xii) Minimum Rate of Interest: [] per cent. per annum/[Not Applicable]
- (xiii) Maximum Rate of Interest: [] per cent. per annum/[Not Applicable]
- (xiv) Day Count Fraction: [Actual/Actual]
[Actual/Actual – ISDA]
[Actual/365 (Fixed)]
[Actual/360]
[30/360], [360/360] or [Bond Basis]
[30E/360] or [Eurobond Basis]
[30E/360 (ISDA)]
[Actual/Actual-ICMA]
[Not applicable]
- 16 Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [] per cent. per annum

PROVISIONS RELATING TO REDEMPTION

- 17 Call Option [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []

- (ii) Optional Redemption Amount(s) of each Note: per Calculation Amount]
- (iii) If redeemable in part:
- (a) Minimum nominal amount to be redeemed: per Calculation Amount/[Not Applicable]
- (b) Maximum nominal amount to be redeemed: per Calculation Amount/[Not Applicable]
- (iv) Notice period:
- 18 Make-Whole Redemption by the Issuer (Condition 6(e)) [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):
- (ii) Notice period:
- (iii) Redemption Rate
- (iv) Redemption Margin:
- 19 Put Option [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s):
- (ii) Optional Redemption Amount(s) of each Note : per Calculation Amount
- (iii) Notice period:
- 20 Final Redemption Amount of each Note per Calculation Amount
- 21 Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption: [[Par] per Calculation Amount]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 22 (i) Form of Notes: **[Bearer Notes / Exchangeable Bearer Notes]:**
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

Registered Notes:

[Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

- (ii) New Global Note [Yes] [No]
- 23 Financial Centre(s): [Not Applicable/include financial centre] *Note that this item relates to the date and place of payment, and not interest period end dates, to which item [14 (v)] relates*
- 24 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [No/Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]
- 25 Details relating to Instalment Notes:
 - (i) Instalment Amount: []
 - (ii) Instalment Date(s): []
 - (iii) Minimum Instalment Amount: []
 - (iv) Maximum Instalment Amount []

THIRD PARTY INFORMATION

[[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

[Signed on behalf of the Guarantor:

By:

Duly authorised]

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on *[relevant regulated market]* with effect from [].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on *[relevant regulated market]* with effect from [].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: []

2 RATINGS

Ratings: [[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]]:

[S & P: []] [Not Applicable]

[Moody's: []] [Not Applicable]

[[Other]: []] [Not Applicable]

[and endorsed by *[insert details]*]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue as been specifically rated, that rating.)

(Include appropriate Credit Rating Agency Regulation (1060/2009) disclosure)

Insert one (or more) of the following options, as applicable:

[[*Insert credit rating agency/ies*] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[*Insert credit rating agency/ies*] [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009.]

[[*Insert credit rating agency/ies*] [is/are] not established in the European Union and [has/have] not applied for registration under Regulation (EC) No 1060/2009.]]

3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Not Applicable]

(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below):

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer." (*Amend as appropriate if there are other interests*)

4 [Fixed Rate Notes only – YIELD

Indication of yield: [] per cent. per annum [Not Applicable]

5 HISTORIC INTEREST RATES (Floating Rate Notes only)

Details of historic [LIBOR or EURIBOR] rates can be obtained from [Reuters].

6 OPERATIONAL INFORMATION

ISIN: []

Common Code: []

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Societe Anonyme, the relevant address and the identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery [] Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) if any: []

Intended to be held in a manner which would allow Eurosystem eligibility: [No][Yes]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the relevant Clearing Systems as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.][Include this text if “yes” selected in which case the Notes must be issued in NGN form]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible

collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7 DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) Date of [Subscription] Agreement: []
- (iii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iv) Stabilising Manager(s) (if any): [Not Applicable/*give names*]
- (v) If non-syndicated, name of Dealer: [Not Applicable/*give names*]
- (vi) US Selling Restrictions (Categories of potential investors to which the Notes are offered): [Reg. S Compliance Category [1/2/3]; TEFRA C/TEFRA D/ TEFRA not applicable]

GENERAL INFORMATION

1 Each of EADS and EADS B.V. has obtained all necessary consents, approvals and authorisations in connection with the establishment and update of the Programme and the guarantee relating to Guaranteed Notes issued by EADS B.V. under the Programme. The establishment of the Programme by EADS and the giving of the guarantee relating to Guaranteed Notes issued by EADS B.V. and under the Programme by the Guarantor were authorised by resolutions of the board of directors of EADS passed on 5 December 2002. The establishment and update of the Programme by EADS B.V. were authorised by a resolution of the board of directors of EADS B.V. effective as of 10 December 2002 and 6 July 2012, respectively.

2 There has been no significant change in the financial or trading position of EADS or of the Group since 30 June 2013 and no material adverse change in the prospects of EADS since 31 December 2012.

There has been no significant change in the financial or trading position of EADS B.V. on a consolidated basis since 30 June 2013 and no material adverse change in the prospects of EADS B.V. on a consolidated basis since 31 December 2012.

3 Except as disclosed on page 57 of this Debt Issuance Programme Prospectus, neither EADS nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings which may have or have had, during the 12 months preceding the date of this Debt Issuance Programme Prospectus, significant effects on the financial position or profitability of EADS or any of its subsidiaries nor so far as EADS is aware is any such governmental, legal or arbitration proceeding pending or threatened.

EADS B.V. is not and has not been involved in any governmental, legal or arbitration proceedings which may have or have had, during the 12 months preceding the date of this Debt Issuance Programme Prospectus, significant effects on the financial position or profitability of EADS B.V. nor so far as EADS B.V. is aware is any such governmental, legal or arbitration proceeding pending or threatened.

4 Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

5 Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

6 The address of Euroclear is 1, boulevard du Roi Albert II, 1210 Bruxelles, Belgium, the address of Clearstream, Luxembourg is 42, avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg and the address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France.

7 For so long as Notes may be issued pursuant to this Debt Issuance Programme Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of EADS, EADS B.V., and at the specified office of the Issuing and Paying Agent, the Registrar, the Luxembourg Listing Agent and each of the Paying Agents:

- (i) the Trust Deed (which includes the Guarantee and the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);
- (ii) the Agency Agreement;
- (iii) the constitutive documents of each of EADS and EADS B.V.;

- (iv) the published annual report and audited financial statements of each of EADS and EADS B.V. (and any published interim financial information, if applicable) for the two financial years most recently ended; including the audited consolidated financial statements for the two financial years ended 31 December 2012 and 2011 and the published unaudited interim financial information for the six month period ended 30 June 2013;
 - (v) each Final Terms for Notes that are listed on the Luxembourg Stock Exchange or any other stock exchange, which will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu);
 - (vi) a copy of this Debt Issuance Programme Prospectus together with any Supplement to this Debt Issuance Programme Prospectus or further Debt Issuance Programme Prospectus which will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu); and
 - (viii) all reports, letters and other documents, statements of financial position, valuations and statements by any expert any part of which is extracted or referred to in this Debt Issuance Programme Prospectus.
- 8** EADS does not publish non-consolidated interim accounts. EADS B.V., since it does not have any subsidiaries, does not produce consolidated accounts.
- 9** KPMG Accountants N.V. and Ernst & Young Accountants LLP have audited the consolidated financial statements of EADS for the two financial years ended 31 December 2012 and 2011, and Ernst & Young Accountants LLP has audited the financial statements of EADS B.V. for the two financial years ended 31 December 2012 and 2011. The audit reports in respect of such financial statements are incorporated by reference in this Debt Issuance Programme Prospectus. The professional body of which KPMG Accountants N.V. and Ernst & Young Accountants LLP are members is the *NBA (Nederlandse Beroepsorganisatie van Accountants)*.
- 10** The yield of any Fixed Rate Notes will be included in the applicable Final Terms. The yield will be calculated at the relevant Issue Date on the basis of the relevant Issue Price. It will not be an indication of future yield.

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Registered Office of EADS B.V.

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Dealers

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United Kingdom

Issuing and Paying Agent, Transfer Agent and Calculation Agent

THE BANK OF NEW YORK MELLON

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Paying Agent, Transfer Agent and Registrar

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Vertigo Building – Polaris
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L-2453 Luxembourg

Luxembourg Listing Agent

THE BANK OF NEW YORK MELLON (LUXEMBOURG) S.A.

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Auditors

To EADS N.V.

KPMG Accountants N.V.

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1186 DS AMSTELVEEN
The Netherlands

Ernst & Young Accountants LLP

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3011 XZ Rotterdam
The Netherlands

To EADS Finance B.V.

Ernst & Young Accountants LLP

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3011 XZ Rotterdam
The Netherlands

Legal Advisers

To EADS and EADS B.V.

in respect of English law

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Exchange House
Primrose Street
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United Kingdom

in respect of Dutch law

Clifford Chance LLP

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To the Dealers

in respect of English law

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75008 Paris
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