Airbus - Investor Guide

FY 2019

AIRBUS

A Global Leader

- A global leader in aeronautics, space and related services
- **86% civil** revenues, **14% defence**
- Three reportable segments: Airbus, Helicopters, Defence and Space
- Robust and diverse backlog
- Global footprint with European industrial roots

2019 Consolidated Airbus
External Revenue by Division

Airbus	77%
Helicopters	8%
Defence and Space	15%

2019 Consolidated Airbus
Order Book in value by Region

Asia Pacific	31%	Middle East	9%
Europe	28%	Latin America	6%
North America	18%	Other	8%

Key Financials

	2018	2019
Revenues (€ bn)	63.7	70.5
EBIT adjusted (€ bn)	5.8	6.9
RoS based on EBIT adjusted	9.2%	9.9%
EBIT reported (€ bn)	5.0	1.3
Net Income/ loss (€ bn)	3.1	-1.4
EPS reported (€)	3.94	-1.75
Dividend (€)	1.65	1.80*
Net Cash Position (€ bn)	13.3	12.5
FCF before M&A and Customer Financing (€ bn)	2.9	3.5

Click here for guidance. * Board proposal to be submitted to the AGM 2020, subject to AGM approval.

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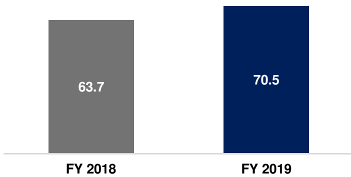
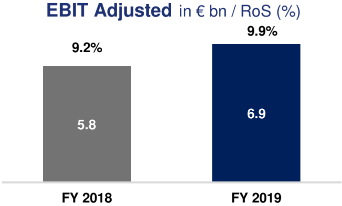
Further information on https://www.airbus.com/investors.html

Financial Performance

Revenues in € bn

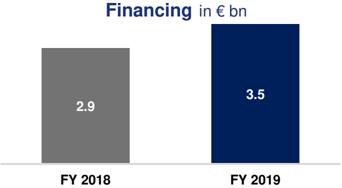


EBIT Adjusted in € bn / RoS (%)



- Record commercial aircraft deliveries
- Strong underlying financial performance, FY 2019 Guidance achieved
- 2020 Guidance to set the path for sustainable growth

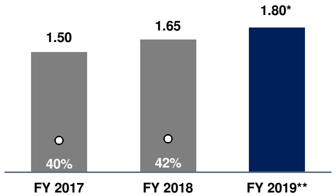
FCF before M&A and Customer Financing in € bn



Focus on Shareholder Return

- 2019 dividend proposal of € 1.80 per share, +9% vs. FY 2018

Dividend per Share in € / **Pay-out Ratio**



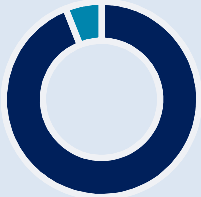
* Board proposal to be submitted to the AGM 2020, subject to AGM approval.
** Payout ratio not applicable

Airbus

Key Financials

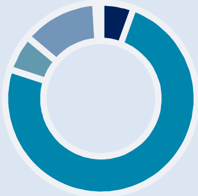
	2018	2019
Order Intake net (€ m)	41,519	65,769
Order Book (€ m)	411,659	424,082
Revenues (€ m)	47,970	54,775
R&D Expenses (€ m)	2,214	2,405
EBIT adjusted (€ m)	4,808	6,358
RoS (based on EBIT adj.)	10.0%	11.6%

2019 External Revenue Split



Platforms	94%
Services	6%

2019 Deliveries by Programme (units)



A220	6%
A320	74%
A330	6%
A350	13%
A380	1%

2019 Orders & Deliveries

- Net Aircraft **Orders: 768**
- Aircraft **Deliveries: 863**
- **Operators** worldwide: **425**
- **Aircraft in fleet: 11,473**

Click here for Commercial Aircraft Orders & Deliveries.

Airbus Helicopters

Key Financials

	2018	2019
Order Intake net (€ m)	6,339	7,179
Order Book (€ m)	14,943	16,627
Revenues (€ m)	5,934	6,007
R&D Expenses (€ m)	315	291
EBIT adjusted (€ m)	380	422
RoS (based on EBIT adj.)	6.4%	7.0%

2019 External Revenue Split

Platforms	57%
Services	43%

Civil	45%
Defence	55%

2019 Orders & Deliveries

- Net Helicopter **Orders: 310**
- Helicopter **Deliveries: 332**
- **Operators** worldwide: **3 100**
- **Global fleet** of approx. **12,000** in-service rotorcraft to support

Airbus Defence and Space

Key Financials

	2018	2019
Order Intake net (€ m)	8,441	8,520
Order Book (€ m)	35,316	32,263
Revenues (€ m)	11,063	10,907
R&D Expenses (€ m)	328	302
EBIT adjusted (€ m)	935	565
RoS (based on EBIT adj.)	8.5%	5.2%

2019 External Revenue Split

Platforms	68%
Services	32%

Military Aircraft	51%
Space Systems	26%
CI* & Other	23%

2019 Orders & Deliveries

- Major orders include 6 C-295 & 5 Telecom Satellites
- Major deliveries include 14 A400M, 7 A330 MRTT, 7 EF Typhoon, 8 C295 & 2 Telecom Satellites

* Connected Intelligence

Stock exchange symbol AIR; ISIN NL0000235190; Shares listed on Paris, Frankfurt and Spanish stock exchange

Last update: 13.02.2020

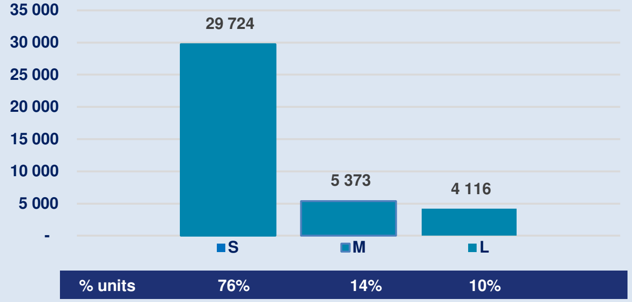
2018 figures incl. A220, consolidated into Airbus as of 1st July 2018

Airbus

Market Outlook

- **4.3%** average **traffic growth** p.a. over the next 20 years.
- Demand for **39,210 passenger and freight aircraft** over the **next 20 years**

20 Years New Deliveries of Passenger and Freighter Aircraft (units)



Source: Airbus Global Market Forecast 2019 Passenger aircraft (≥ 100 seats) | Jet freight aircraft (>10 tonnes)

Portfolio Highlights

A **world leading** manufacturer of aircraft in the category of 100 seats and more

- **A220 – The response to a worldwide market demand** for smaller single-aisle jetliners. Backlog*: 495 aircraft.
- **A320 Family – The undisputed leader in the single-aisle category** with A321XLR variant launched in 2019. Backlog*: 6,068 aircraft.
- **A330 Family – The most popular widebody aircraft** with first neo version delivered in 2018. Backlog*: 331 aircraft.
- **A350 XWB – New generation** designed to reduce operating costs, fuel burn and CO2 emissions. Backlog*: 579 aircraft.
- **A380 – the world´s largest commercial aircraft:** in service with 15 operators. Backlog: 9 aircraft.

** December 2019*

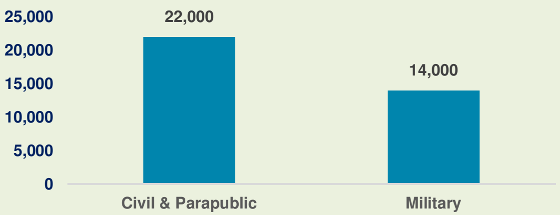
Investment Case

- **Strong aircraft demand** over the next 20 years.
- **Market leading** products (A220, A320neo, A330neo, A350 XWB).
- **Partnership** with Bombardier since 1st July 2018. The A220 extends our product offering into a fast growing market sector.
- **Continuous innovation:** in 2019 breakthrough of the year.
- **Robust Backlog** supporting ramp-up plans.
- **Production rate increase** on **A320** family aircraft to 63 per month by 2021 and further increase of the monthly rate by 1 or 2 for the 2 years after 2021. **A350 XWB** rate between rate 9 and 10.

Airbus Helicopters

- **Civil & Parapublic demand is 40% driven by replacements** essentially coming from North America & Europe **and 60% driven by growth**, essentially from Emerging Markets (~80%).
- **Military demand is mainly driven by budgetary and strategic considerations**, as well as the **need to replace ageing fleets**.

20 years Global Helicopter Delivery Forecast (units)



Source: Airbus Helicopters

A **global leader** in the civil and military helicopter market

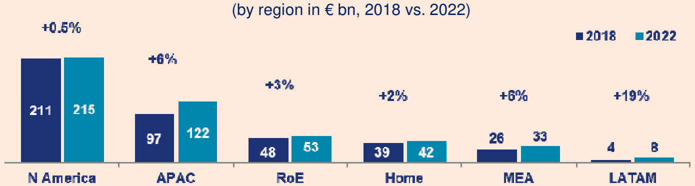
- **Light and light twin engine:** H130, H135, H125 and H145 multi-purpose helicopter
- **Medium-lift:** H175, a new standard for offshore, VIP and public service transport and the all-new H160
- **Medium-heavy:** Super Puma (H225/H215) full multi-purpose helicopter for military and civil missions
- **Multi-mission NH90:** Multi-role military helicopter for both tactical transport and naval applications
- **Tiger combat helicopter:** Air-to-air and fire support helicopter
- **Airbus Corporate Helicopters** (ACH): Dedicated Private and Business Aviation Helicopter Brand

- **Leading civil and parapublic market share** with 60% in unit in 2019
- **Military market share**: 13% in unit in 2019
- **Services visibility:** large in-service fleet of approx. 12,000 helicopters worldwide
- **Customer proximity:** covering over 150 countries worldwide
- **New product introduction:** First serial H160 performed its first flight in Dec'18 ahead of certification. H160 certification planned in 2020.
- Investigating **future unmanned Vertical Take-Off and Landing systems** (VSR700) and **Urban Air Mobility** (CityAirbus, RACER)

Airbus Defence and Space

- **Intensity/complexity** of security threats driving defence markets + budgets. Budgets in Asia Pacific, Middle East/Africa and Latin America to show strong growth. Budgets in Western Europe increasing after period of moderate growth
- **Cumulative procurement budget** until 2023 is ca. € 2,270 bn
- **Annual defence procurement** ca. € 410 bn in 2019, CAGR 2% to 2023
- **Annual space procurement** (governmental) ca. € 33 bn in 2019, CAGR 2% until 2023

Defence & Space procurement & RDTE budgets*
(by region in € bn, 2018 vs. 2022)



Source: Airbus DS Global Market Forecast 2019
* excluding Personnel, Operations and Maintenance some of which may be addressable

Europe's #1 defence and space company

- **Military Aircraft -** Designs, develops, delivers and supports a large family of aircraft including combat, mission, transport and tanker aircraft worldwide. Key products: Eurofighter Typhoon, A400M, A330 MRTT, C295.
- **Space Systems -** Satellites, orbital systems, space equipment; deep-space exploration and space transportation capabilities (via ArianeGroup).
- **Connected Intelligence -** Satellite and secure land communications, large system integration projects, satellite-based intelligence, cyber security,digital applications.
- **UAS** – Solutions for military & commercial applications: Zephyr, Eurodrone and Operational Services.

- Comprehensive portfolio with **leading position** in European home markets — and **strong export potential**.
- Clear **growth strategy** based on strengthening core products and expanding services business with a focus on digitalization ("smarter products – more services – more digital").
- **Growth opportunities** driven by increasing defence spending and dynamic shift of the space market ('New Space').
- **Favourable political context** with increasing Franco-German cooperation and new European programme opportunities including Future Combat Air System (FCAS) and Eurodrone.