1.3 Recent Developments

On 31 January 2020, the Company reached final agreements with the French PNF, the UK SFO, the US DoS and DoJ. See *— Information on the Company’s Activities — 1.1.7 Legal and Arbitration Proceedings — Investigation by the UK SFO, France’s PNF, US Departments of State and Justice and Related Commercial Litigation*.

The UK formally exited the EU on 31 January 2020. From 1st February, both parties enter the “transition period” during which the EU and UK will negotiate additional relationship arrangements. The transition period runs until 31 December 2020. See *— Management’s Discussion and Analysis of Financial Condition and Results of Operations — 2.1.1.3 Significant Programme Developments, Restructuring and Related Financial Consequences in 2017, 2018 and 2019 — Brexit*.

On 12 February 2020, the Company and IQ have agreed to acquire Bombardier’s remaining stake in Airbus Canada Limited Partnership. This brings their holdings to 75% and 25% respectively. As part of this transaction, Airbus SE, via its wholly owned subsidiary Stelia Aerospace, has also acquired the A220 and A330 work package production capabilities from Bombardier in Ville Saint-Laurent, Quebec. Airbus SE will pay a total consideration of $ 0.6 bn, of which $ 0.5 bn would be paid on closing. With this transaction Bombardier is released of its future funding capital requirement to ACLP. The Company is assessing the impacts of the transaction on its 2020 Financial Statements.

On 12 February 2020, the governments of France and Germany have awarded Dassault Aviation, Airbus, together with their partners MTU Aero Engines, Safran MBDA and Thales, the initial framework contract (Phase 1A), which launches the demonstrator phase for the FCAS.

Across its youth programs, the Foundation has engaged over 14,100 young people across the globe since 2012, and leveraged the support of more than 2,000 passionate employee volunteers. The Flying Challenge programme operates on 25 sites in 10 countries inspiring young people to pursue their studies, promoting social inclusion and access to training and employment.

Through its STEM programmes, Airbus Little Engineer and Discovery Space, thousands of students from 15 countries have participated in hands-on robotics workshops. The Discovery Space digital platform encourages space exploration, to support children’s discovery of 3D design software, tutorials and design competitions in collaboration with ESA.

Successfully bringing together employees, products and services across all divisions, the Foundation remains at the “heart” of the business, generating pride by employees; achieving long-lasting impact for its partners and beneficiaries; and supporting the wider responsible image of aerospace.

On 13 February 2020, the A330-800 received joint Type Certification from the EASA and the FAA.

On 22 March 2020, Airbus SE announced that it expects production and assembly work to partially resume in France and Spain on Monday, 23 March 2020 following health and safety checks after the implementation of stringent measures. In addition, the Company is supporting efforts globally to tackle the COVID-19 crisis.

Airbus has carried out extensive work in coordination with its social partners to ensure the health and safety of its employees, while securing business continuity. The implementation of these measures required a temporary pause in production and assembly activities at the French and Spanish sites for a period of four days. Work stations will only re-open if they comply with the new health and safety measures in terms of hygiene, cleaning and self-distancing while improving the efficiency of operations under new working conditions.

The same measures are being deployed across all other sites without full interruption.

For other non-production activities globally, Airbus continues to support home-working where possible. Some employees will be asked to return to support business continuity following the implementation of these new measures. In February, the Airbus Final Assembly Line in Tianjin, China, reopened following a temporary production stoppage related to the coronavirus outbreak and is now operating efficiently.

Airbus is supporting those in the health, emergency and public services that rely on its aircraft, helicopters, satellites and services to accomplish their critical missions. In addition, in the past days, the Company has donated thousands of face masks to hospitals and public services around Europe and has started...
to use its test aircraft to obtain larger quantities from suppliers in
China. A first flight with a test A330-800 aircraft has this weekend
transported approximately 2 million masks from Tianjin back
to Europe, of which the large majority will be donated to the
Spanish and French authorities. Additional flights are planned
to take place in the coming days.

“Health and safety is our number one priority at Airbus so
the work stations at our sites in France and Spain will only
re-open if they meet the required standards. I’d like to salute
the strong commitment from our employees to ensure business
continuity in close cooperation with our social partners and
other stakeholders. At the same time we are doing all we can
to support those on the frontline to fight the coronavirus and
limit its spread. We try to live up to our values, humbled by the
complexity of the situation, and contribute as much as we can to
society in these very difficult times,” said Airbus Chief Executive
Offi cer Guillaume Faury.

Airbus is committed to ensuring the health and safety of its
people while maintaining delivery capability for its products and
services to its customers.

On 23 March 2020, Airbus SE announced measures to bolster
its liquidity and balance sheet in response to the COVID-19
pandemic as it continues to assess the ongoing situation and
the impact on its business, customers, suppliers and the industry
as a whole.

“Our fi rst priority is protecting people while supporting efforts
globally to curb the spread of the coronavirus. We are also
safeguarding our business to protect the future of Airbus and
to ensure we can return to effi cient operations once the situation
recovers. We have withdrawn our 2020 guidance due to the
volatility of the situation. At the same time, we are committed
to securing the liquidity of the Company at all times through a
prudent balance sheet policy. I am convinced that Airbus and
the broader aerospace sector will overcome this critical period,”
said Airbus Chief Executive Offi cer Guillaume Faury.

Reflecting the Company’s prudent balance sheet policy and to
ensure fi nancial fl exibility, Airbus’ management has received
approval from the Board of Directors to: secure a new credit
facility amounting to €15 billion in addition to the existing
€3 billion revolving credit facility; withdraw the 2019 dividend
proposal of €1.80 per share with an overall cash value of
approximately €1.4 billion; and suspend the voluntary top up in
pension funding. Given the limited visibility due to the evolving
COVID-19 situation, the 2020 guidance is withdrawn. Operational
scenarios, including measures to minimise cash requirements,
have been identifi ed and will be activated depending on the
further development of the pandemic.

With these decisions, the Company has signifi cant liquidity
available to cope with additional cash requirements related
to the coronavirus. Liquidity resources previously standing at
approximately €20 billion, comprising around €12 billion in
fi nancial assets at hand and around €8 billion in undrawn credit
lines, were further bolstered by converting an existing €5 billion
credit line into a new facility amounting to €15 billion. Available
liquidity now amounts to approximately €30 billion.

By maintaining production, managing its resilient backlog,
supporting its customers and securing fi nancial fl exibility for
its operations, Airbus intends to secure business continuity for
itself even in a protracted crisis. Safe and effi cient air travel is
a key backbone of global economic development and cultural
exchange. Airbus therefore highly welcomes governmental
efforts around the globe to stabilise this industry by supporting
the fi nancial health of its airline customers and its suppliers.
Airbus continues to monitor the overall health of the industry.

Airbus has convened its 2020 Annual General Meeting in
Amsterdam on 16 April 2020. Due to the global outbreak of
COVID-19, Airbus discourages physical attendance and strongly
encourages shareholders to vote by proxy in line with public
health and safety measures.

For more information, see “— Risk Factors – Business-Related
Risks – COVID-19 Risks"