



AIRBUS

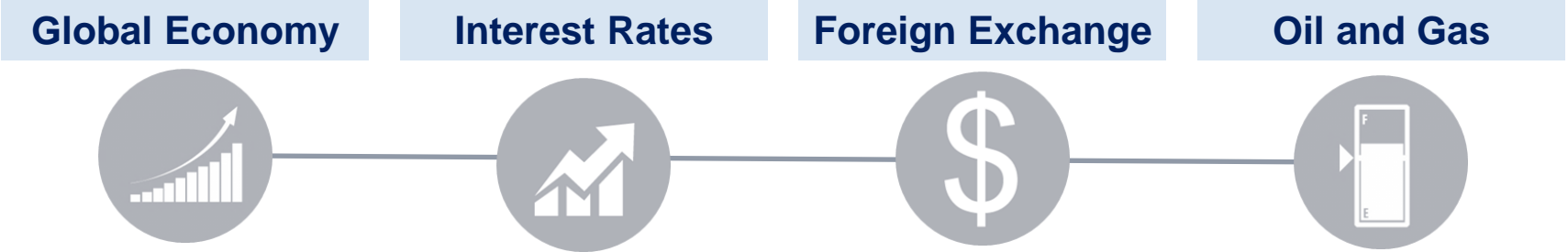
FY 2016

Roadshow Presentation

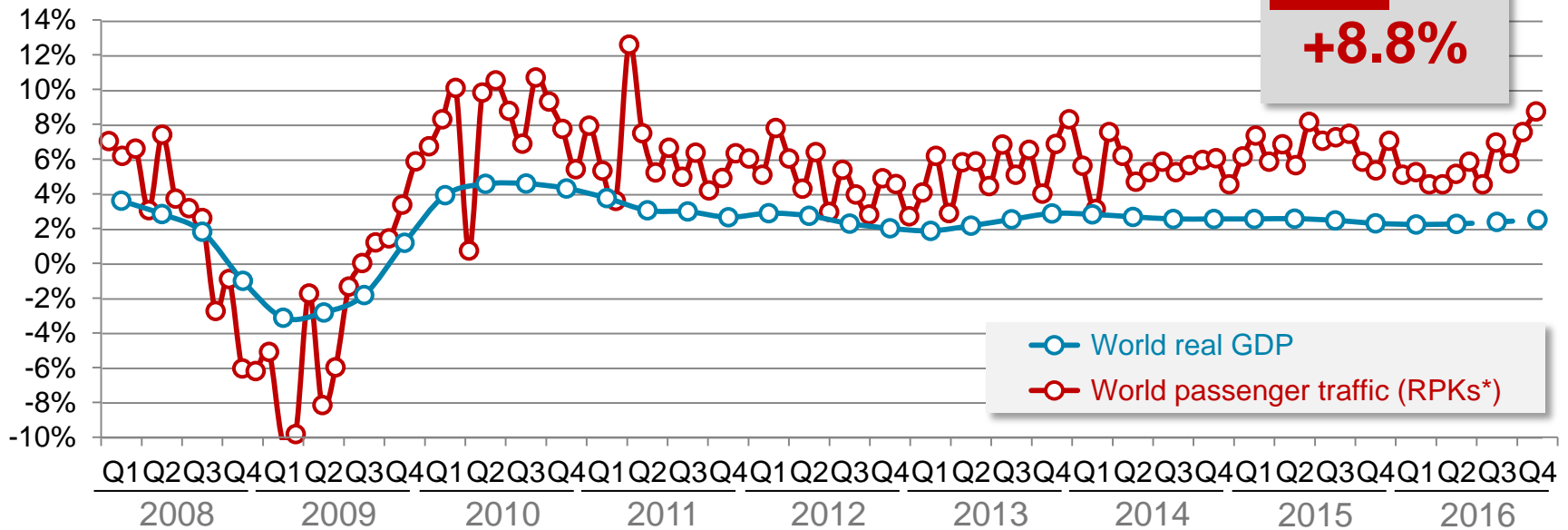


- Delivered all guidance KPIs
- Commercial a/c net BtB>1; record deliveries and backlog supports ramp-up
- Further steps towards efficiency initiated to prepare the future
- Future EPS / FCF growth confirmed
- A400M FY16 € 2.2 bn charge: programme remains an area of concern

MARKET ENVIRONMENT



World real GDP and passenger traffic
% (year-over-year)



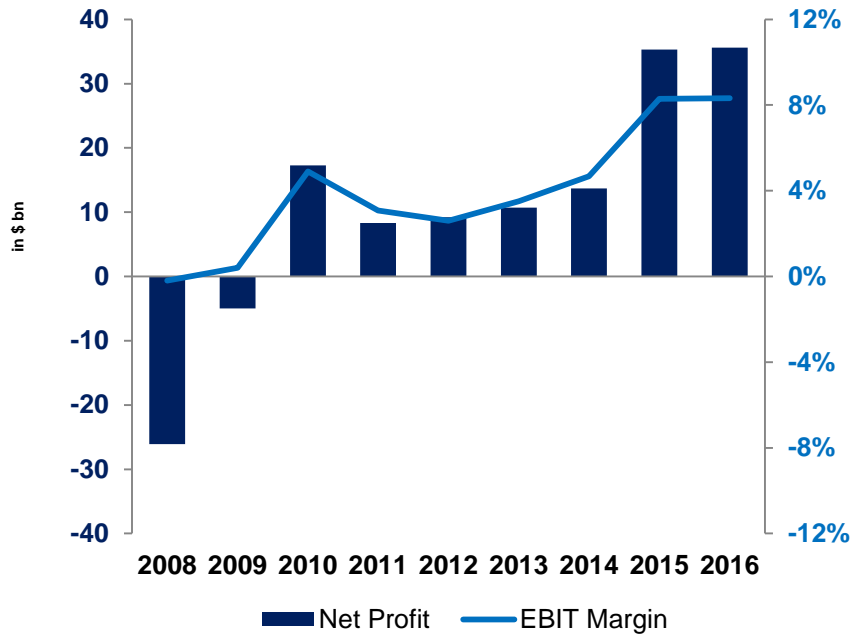
December 2016
Passenger Traffic
+8.8%

World real GDP
World passenger traffic (RPKs*)

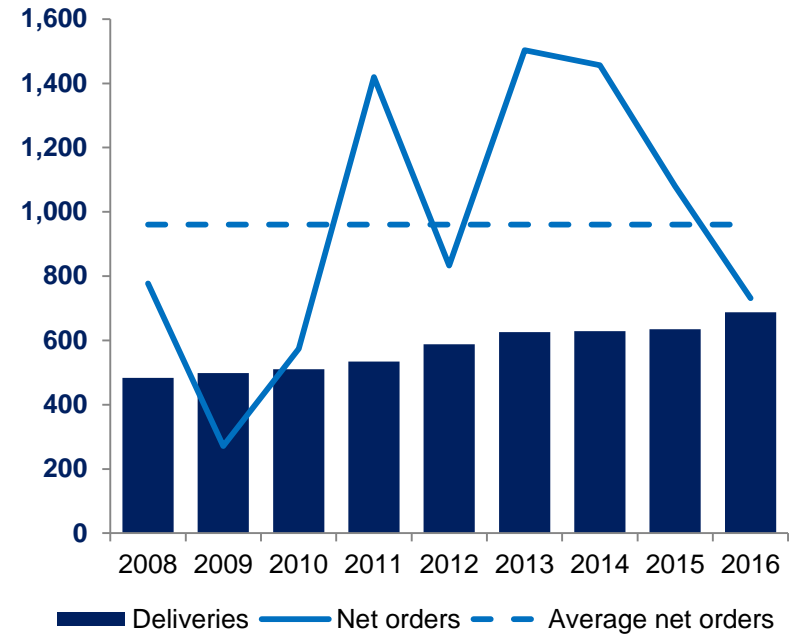
Air Traffic continues to run ahead of GDP

* Based on IATA monthly traffic report which covers ~50% of world passenger traffic
Source: IATA, IHS Economics, OAG, Airbus

Airline Profitability

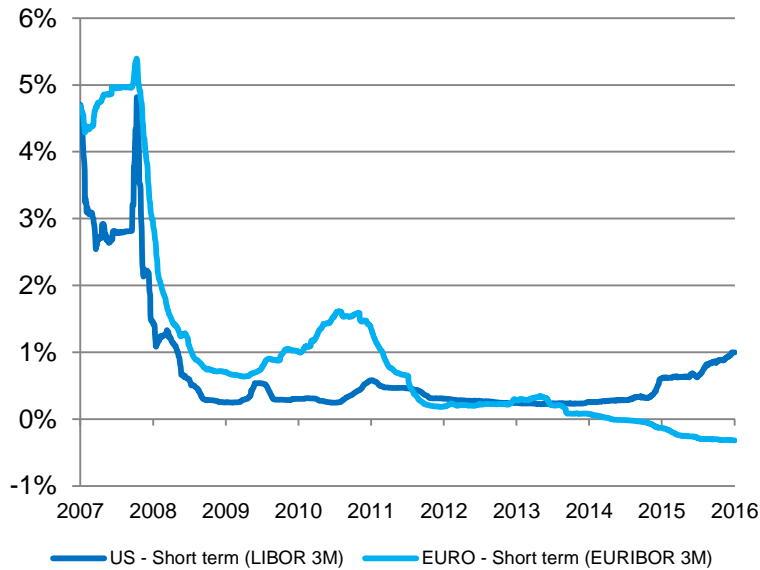


Orders and Deliveries

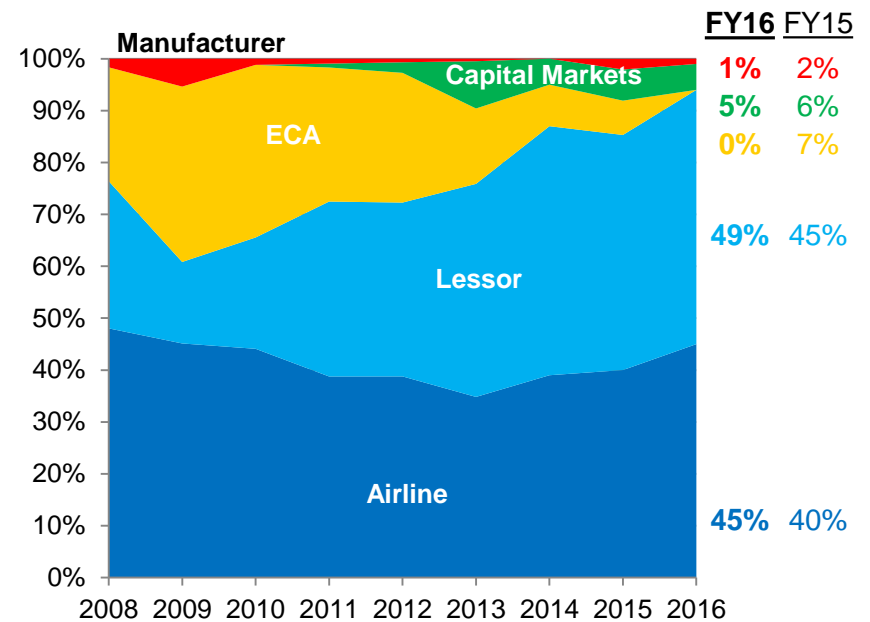


Record profits for airlines support backlog and ramp-up

Interest rates
(in %)

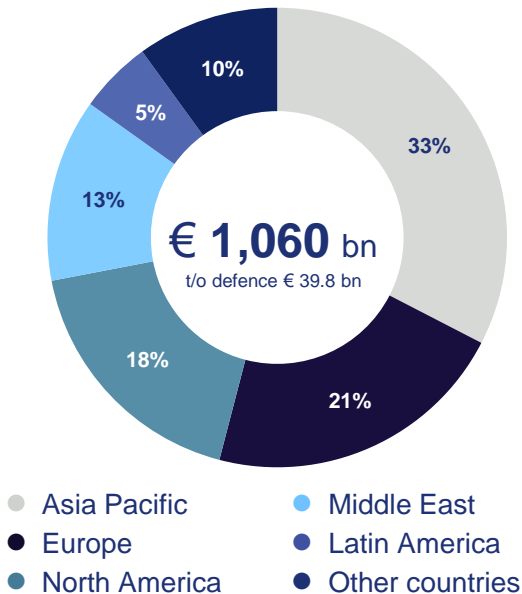


Financing Sources for Airbus Deliveries

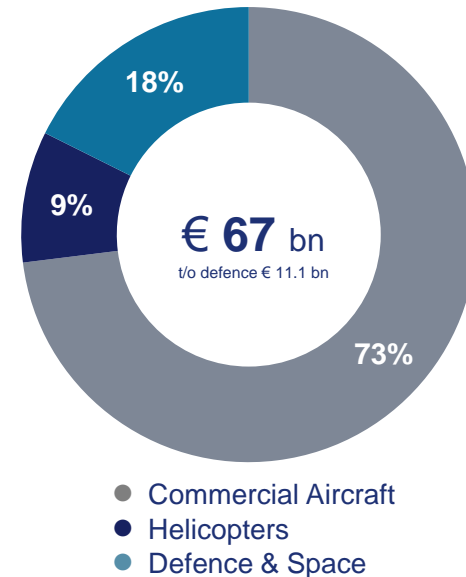


High level of available liquidity supporting Airbus deliveries despite suspension of ECA support

Airbus Order Book* by Region (by value)



Airbus External Revenue Split by Division

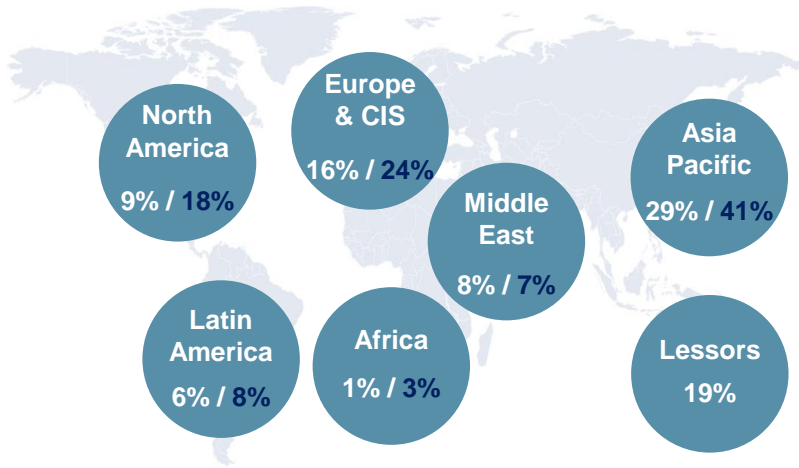


- **COMMERCIAL AIRCRAFT:** Net book-to-bill > 1; 731 net orders (949 gross) incl. 41 A350 and 83 A330. Backlog: 6,874 a/c
- **HELICOPTERS:** 353 net orders (incl. UK MFTS and H225 for Singapore)
- **DEFENCE AND SPACE:** Book to bill > 1; Strong order momentum in Military Aircraft with 16 L&M Canada and EF Sustainment and support contracts as well as in Space mainly with telecom and earth navigation and science

* Commercial Order Intake and Order Book based on list prices

BACKLOG AND DELIVERIES

Airbus backlog* well aligned with regional needs and demand forecast



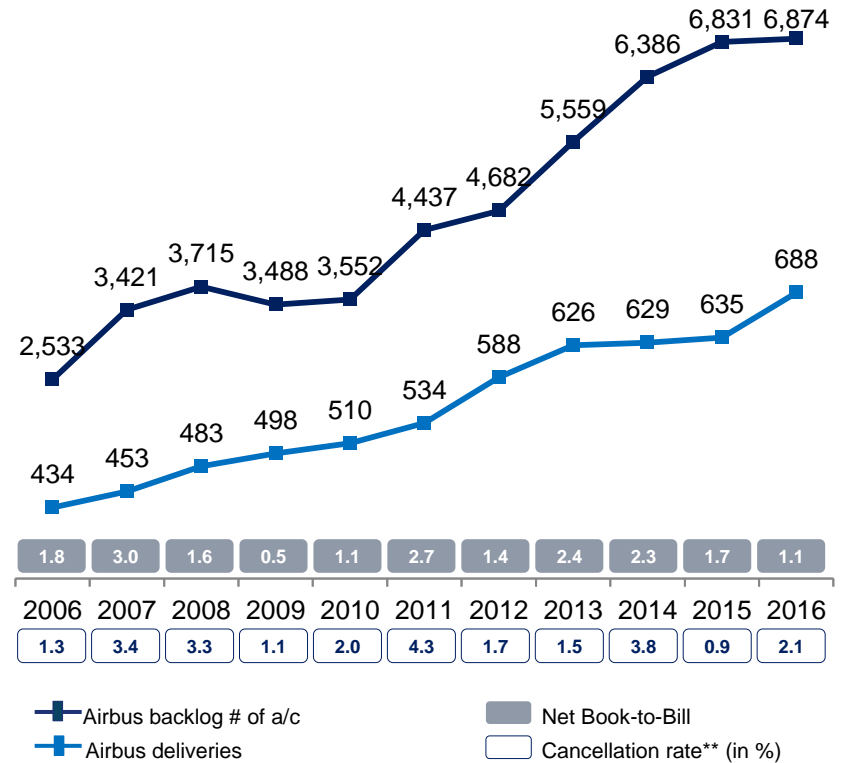
% Backlog as of end 2016
% Share of 2016-2035 deliveries (GMF 2016)

Europe, North America and Lessors to take highest share of our deliveries over the next years

Over 10 years production in backlog

in units

2016 Cancellation rate** of 2.5% (1.3% excluding Kingfisher)

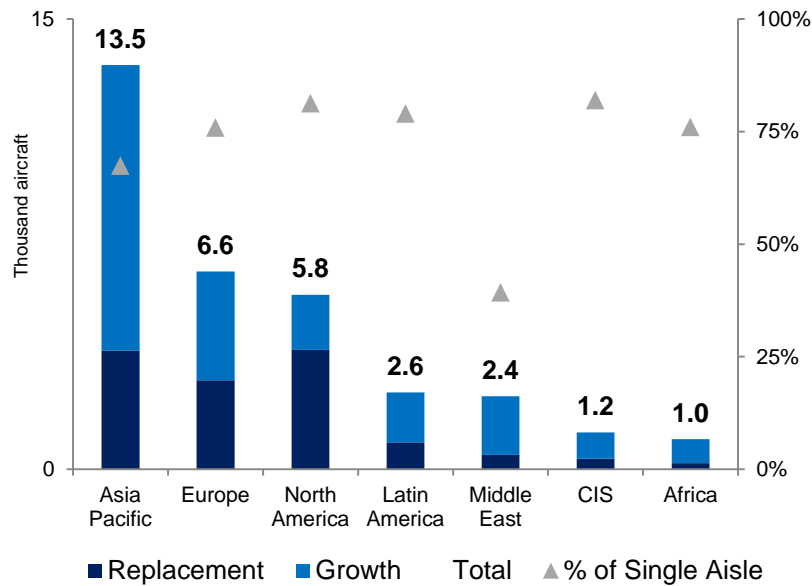


Steady increase of our delivery stream even when order intake slows down

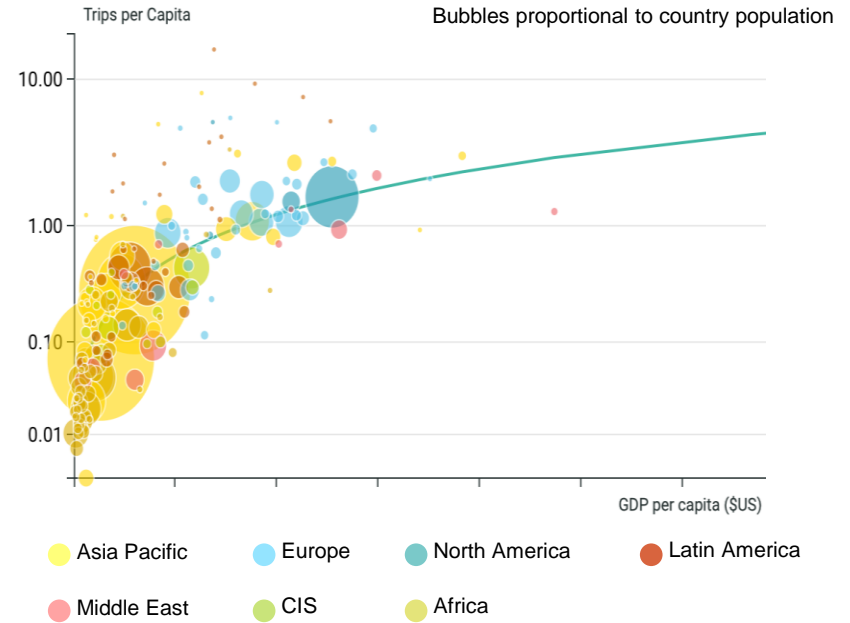
Robust and well diversified backlog supports production rate increases

*12% of undisclosed customers; ** Cancellations (excluding Ceo-Neo conversions) / backlog

2016-2035 demand for 33,070 aircraft



Propensity to travel



- **Asia-Pacific** will be a **key driver** for growth in the next 20 years (40% of demand)
- **59%** of future demand to come from **growth, with strong SA potential in most regions**
- Propensity to travel in **Emerging regions will progressively catch up with Developed markets**
- **Market size** among the regions **will converge** towards the **demographic share**

Emerging markets will drive long-term growth as their propensity to travel will catch up with developed economies

STRONG PRODUCT PORTFOLIO – FOCUS ON RAMP UP AND TRANSITION

9



Product portfolio positioned to capture growth

A320: essentially sold out until 2022; significant overbooking through 2021, which protects our ramp-up plans to rate 60 in 2019

A330: Solid booking level with 83 additional net orders in 2016, supporting production as we transition to A330neo

A350: Ramp-up fully booked at rate 10, continuous focus on RC convergence. A350-1000 flight test begun

A380: breakeven in 2016 at 28 deliveries, we have accelerated our efforts on fixed costs reduction to minimise breakeven at lower deliveries



Product renewal to be well positioned on future growth segments

Transformation and adaptation to enhance competitiveness, quality & safety and customer satisfaction

Helicopters proven resilience with increased market share from 45% to 47% in C&P in terms of units delivered

H225 accident: EASA temporary flight suspension released but fleets in UK and Norway are still grounded. Continue to work with the investigation authorities



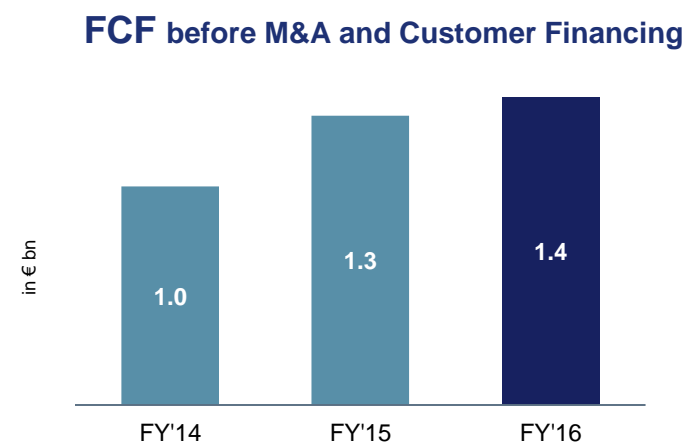
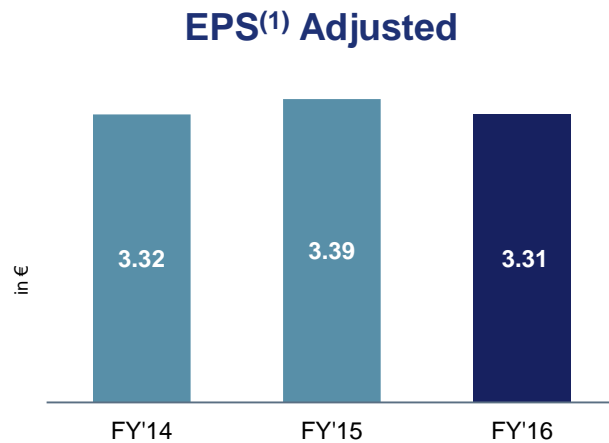
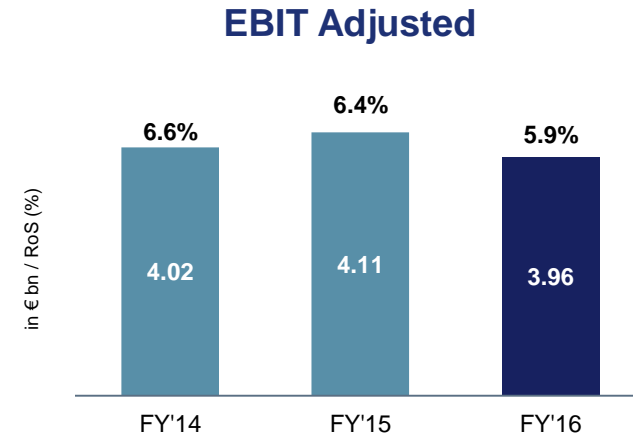
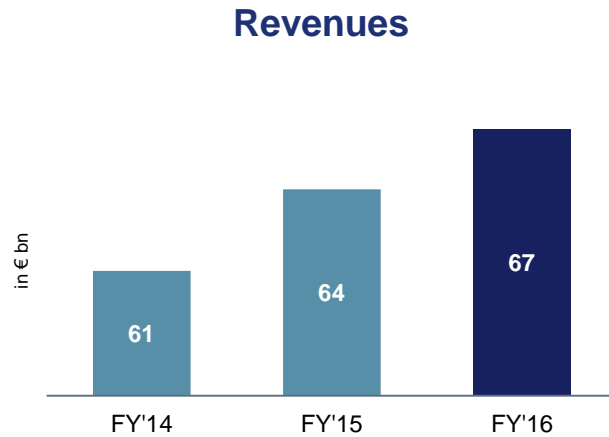
Products are designed to address current and future customer needs and respond to market opportunities

A400M: 17 a/c delivered FY16

Total net charge of € 2.2bn in 2016, € 1.2bn additional provision booked in Q4. Execution and capability enhancement remain areas of concern

Portfolio re-shaping: ASL JV finalised, Business Communications divested, net portfolio gains ~ € 1.2 bn; perimeter change impact on earnings in 2016: ~ €200m

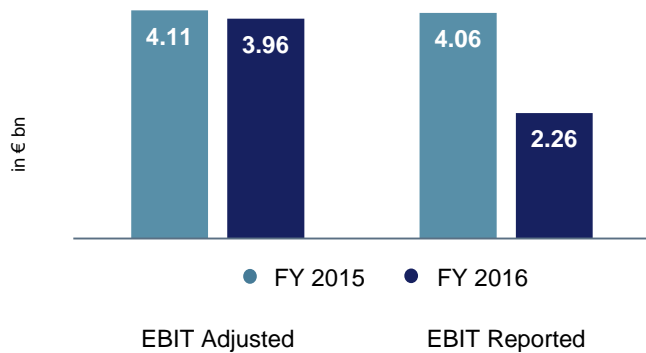
Defence Electronics to close in Q1 2017



- ▶ **Guidance KPIs achieved**
- ▶ **EBIT Adjusted broadly stable despite perimeter change**

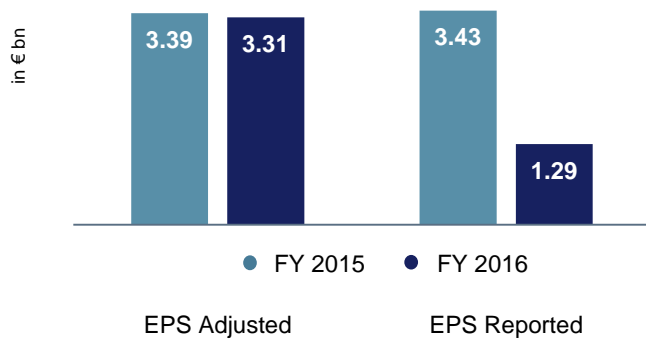
(1) FY 2016 Average number of shares: 773,798,837 compared to 785,621,099 in FY 2015.
Capitalised R&D: € 311 m in FY 2016 and € 154 m in FY 2015.

EBIT Performance



- FY 2016 EBIT reported of € 2.3 bn
- FY 2016 Adjustments resulting from:
 - € - 2,210 m A400M LMC
 - € - 930 m \$ PDP mismatch / BS Revaluation
 - € - 182 m Restructuring/Transformation
 - € - 33 m Portfolio (€ 19 m at Airbus and - € 52 m at Airbus DS)
 - € + 1,175 m ASL creation
 - € - 385 m A350 LMC
 - € + 868 m Dassault disposal Unchanged since 9m 2016
- **€ - 1,697 m Net Adjustments**

EPS Performance



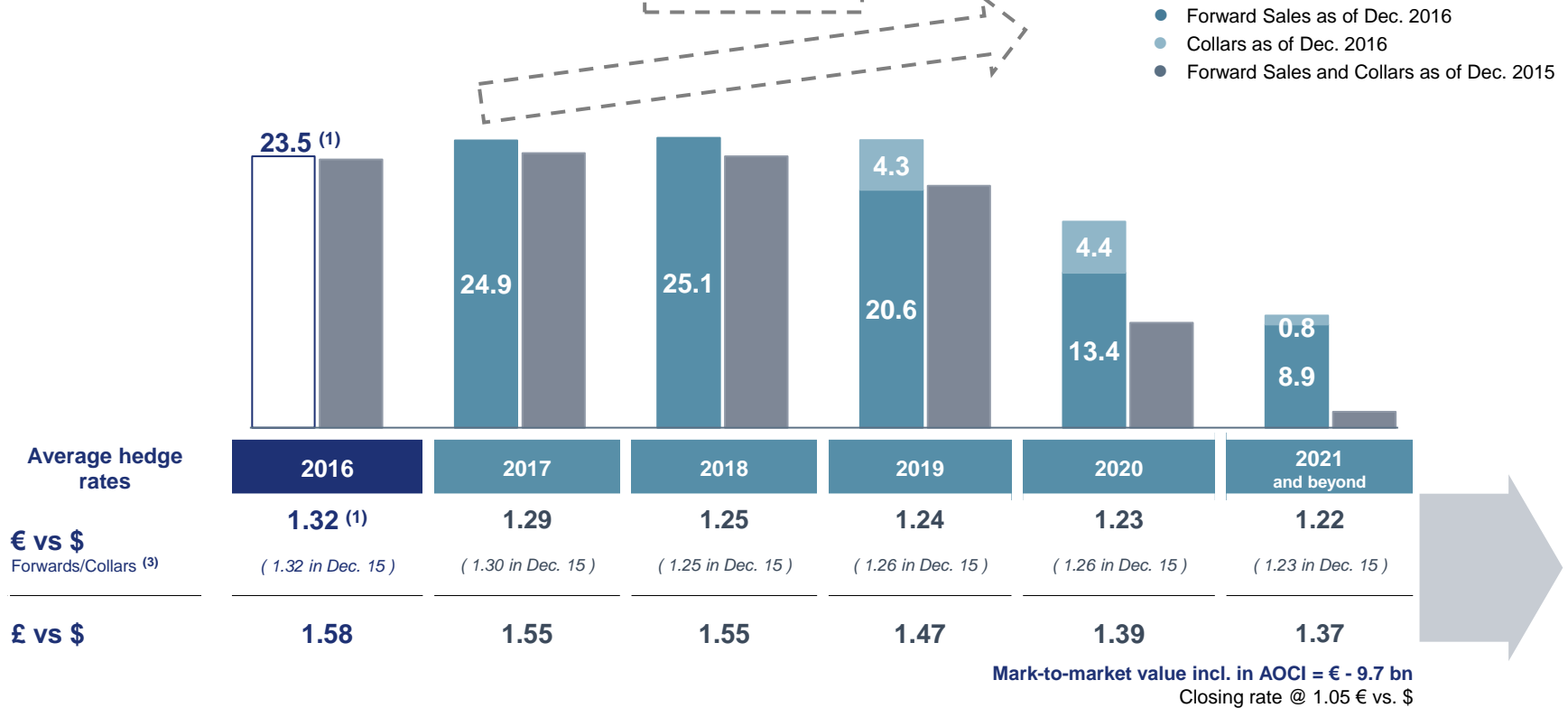
- FY 2016 Net Income of € 1.0 bn
- FY 2016 Net Income adjusted of € 2.6 bn
- FY 2016 tax rate on core business is ~29%

Average number of shares: FY16=773,798,837 , FY15=785,621,099

CURRENCY HEDGE POLICY

IN € BILLION

Net Exposure



- In FY 2016, new hedge contracts of \$ 24.0 bn⁽¹⁾ were added at an average rate of € 1 = \$ 1.19⁽³⁾ of which \$ 22.6 bn Forwards at € 1 = \$ 1.18 and \$ 1.4 bn Zero-cost Collars
- \$ 23.5 bn⁽¹⁾ of hedges matured at an average rate of € 1 = \$ 1.32
- Hedge portfolio⁽²⁾ 30 December 2016 at \$ 102.4 bn (vs. \$ 101.9 bn in Dec. 2015), at an average rate of \$ 1.25⁽³⁾

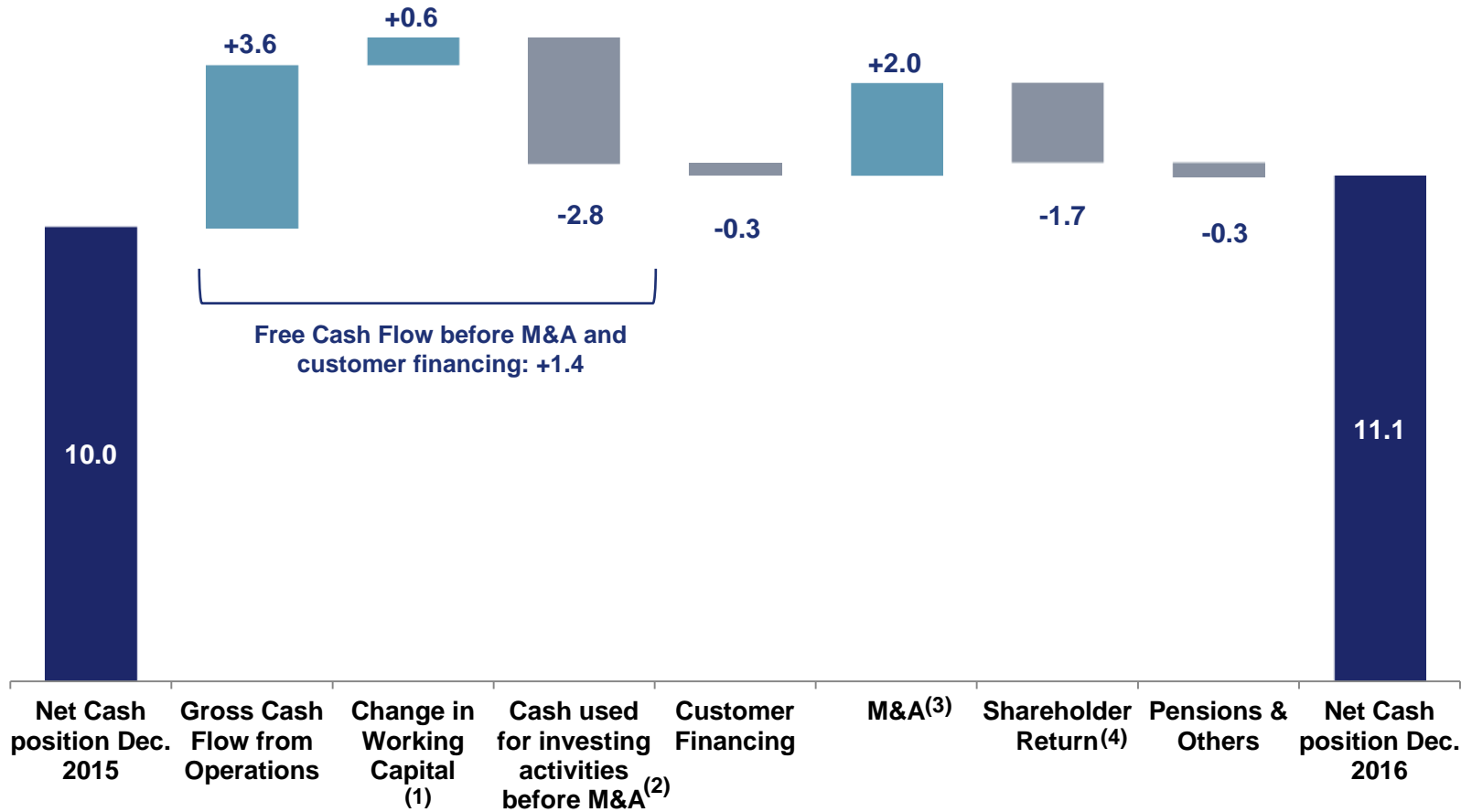
Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales and Collars, net exposure trend for illustrative purposes

(1) Excluding \$ 1.5 bn of new hedges entered into to address intra-year shifts in Net Exposure linked to delivery phasing.

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

FY 2016 CASH EVOLUTION

IN € BILLION



- Adjusted Net Income to FCF conversion of 60%. FCF conversion before customer financing and A400M ~1

(1) Excluding reclassification of certain trade liabilities; (2) Thereof Capex of € - 3.0 bn; (3) M&A transactions include acquisitions and disposals of subsidiaries and businesses; (4) thereof share buy-back / change in treasury shares € -0.7bn

As the basis for its 2017 guidance, Airbus expects the world economy and air traffic to grow in line with prevailing independent forecasts, which assume no major disruptions

Airbus 2017 earnings and FCF guidance is based on a constant perimeter

- Airbus expects to deliver more than 700 commercial aircraft
- Before M&A, Airbus expects mid-single-digit % growth in EBIT Adjusted and EPS Adjusted compared to 2016
- Free Cash Flow is expected to be similar to 2016 before M&A and Customer Financing

2016 Dividend Proposal:

- Airbus proposes a dividend for 2016 of € 1.35 per share, +4% vs. FY'15
- Pay-out ratio proposal increased exceptionally to deliver sustained dividend growth per share

EPS Growth

FCF Growth

End of decade

End of decade

Boost Performance

A350 Turning profitable

A320 Volume & Price

FX Hedging impact

Capex Reduction

Working Capital Control

Business Performance

A400M*

Cash conv. ~ 1

2017
EPS

2017
FCF
before M&A

* A400M will continue to weigh significantly in 2017 & 2018 in particular

FY 2016 Adjusted Net profit to FCF conversion ~ 1x Before A400M

- Deliver commercial aircraft ramp-up and transition
- De-risk A400M and strengthen programme execution
- Implement restructuring
- Investment in our future for improved efficiency

▶ **Deliver EPS / FCF growth**