**MARKET ENVIRONMENT**

**Global Economy** | **Interest Rates** | **Foreign Exchange** | **Oil and Gas**

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

- **World real GDP**
- **World passenger traffic (RPKs*)**

* Based on IATA monthly traffic report which covers ~50% of world passenger traffic

Source: IATA, IHS Economics, OAG, Airbus

**Air Traffic continues to run ahead of GDP**
LONG TERM DEMAND FOR AIRCRAFT

2016-2035 demand for 33,070 aircraft

- 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

- 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

Source: Airbus GMF 2016
Q1 2017 COMMERCIAL POSITIONING

**Airbus Order Book**
- **Asia Pacific**: 10%
- **Europe**: 21%
- **North America**: 18%
- **Middle East**: 13%
- **Latin America**: 5%
- **Other countries**: 75%

**Total Order Book**: €1,030 bn

**Airbus External Revenue Split by Division**
- **Commercial Aircraft**: 16%
- **Helicopters**: 9%
- **Defence and Space**: 75%

**Total**: €13 bn

- **COMMERCIAL AIRCRAFT**: 26 gross, 6 net orders. Backlog: 6,744 a/c
- **HELICOPTERS**: 60 net orders (incl. 10 Super Puma, 3 H175 and 14 H145)
- **DEFENCE AND SPACE**: Successful repositioning through portfolio reshaping

* Commercial Order Intake and Order Book based on list prices
**BACKLOG AND DELIVERIES**

Airbus backlog* well aligned with regional needs and demand forecast

Airbus deliveries

Over 10 years production in backlog

*Airbus backlog* well aligned with regional needs and demand forecast

- **North America:** 9% / 18%
- **Europe & CIS:** 16% / 24%
- **Middle East:** 8% / 7%
- **Africa:** 1% / 3%
- **Asia Pacific:** 29% / 41%
- **Latin America:** 6% / 8%
- **Lessors:** 19%

% Backlog as of end of March 2017

% Share of 2016-2035 deliveries (GMF 2016)

Over 10 years production in backlog

- **North America:** 9% / 18%
- **Latin America:** 6% / 8%
- **Europe & CIS:** 16% / 24%
- **Middle East:** 8% / 7%
- **Africa:** 1% / 3%
- **Asia Pacific:** 29% / 41%
- **Lessors:** 19%

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

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

**Strong and well diversified backlog supports production rate increases**

*12% of undisclosed customers; ** Cancellations (excluding CEO-Neo conversions) / backlog
INTEREST RATES / AIRLINE FINANCING

Interest rates
(in %)

Financing Sources for Airbus Deliveries

- US - Short term (LIBOR 3M)
- EURO - Short term (EURIBOR 3M)

High level of available liquidity supporting Airbus deliveries despite suspension of ECA support
Product portfolio positioned to capture growth

**A320**: Significant backlog supporting ramp-up plans to rate 60 in 2019;

**A320neo**: Exceeding expectations but in-service issues to be resolved (GTF)

**A330**: Production well covered by backlog for the next couple of years

**A350**: Ramp-up to rate 10 end 2018, supported by backlog. Focus on recurring cost convergence

**A380**: 12 deliveries in 2018, further effort on fixed cost reduction to minimise impact on breakeven

Product renewal to be well positioned on future growth segments

**Super Puma**: Continue to work with the investigation authorities and customers to resume flights and services in all regions

**Transformation**: Good progress on ADAPT with social partners. Timing of implementation will only benefit our cost base later

Competitive product portfolio in Defence and Space

**Repositioning of business** largely completed in line with 2014 strategy. Defence Electronics divestment to KKR

**A400M**: 4 a/c delivered Q1 2017

Customer discussions started

Challenges remain on contractual capabilities, export orders, cost reduction and commercial exposure.
FY 2016 FINANCIAL PERFORMANCE

Revenues

<table>
<thead>
<tr>
<th></th>
<th>FY'14</th>
<th>FY'15</th>
<th>FY'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ bn</td>
<td>61</td>
<td>64</td>
<td>67</td>
</tr>
</tbody>
</table>

EBIT Adjusted

<table>
<thead>
<tr>
<th></th>
<th>FY'14</th>
<th>FY'15</th>
<th>FY'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ bn</td>
<td>6,6%</td>
<td>6,4%</td>
<td>5,9%</td>
</tr>
<tr>
<td>RoS (%)</td>
<td>4,02</td>
<td>4,11</td>
<td>3,96</td>
</tr>
</tbody>
</table>

EPS(1) Adjusted

<table>
<thead>
<tr>
<th></th>
<th>FY'14</th>
<th>FY'15</th>
<th>FY'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>€</td>
<td>3,32</td>
<td>3,39</td>
<td>3,31</td>
</tr>
</tbody>
</table>

FCF before M&A and Customer Financing

<table>
<thead>
<tr>
<th></th>
<th>FY'14</th>
<th>FY'15</th>
<th>FY'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ bn</td>
<td>1,0</td>
<td>1,3</td>
<td>1,4</td>
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</table>

FY 2017 GUIDANCE

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.
- Free Cash Flow is expected to be similar to 2016 before M&A and Customer Financing.

The perimeter change in Defence and Space is expected to reduce EBIT Adjusted and Free Cash Flow before M&A and Customer Financing by around € 150 million and EPS Adjusted by around 14 cents.

(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.
### AIRBUS STRONG LIQUIDITY POSITION AS AT 31 DECEMBER 2016

<table>
<thead>
<tr>
<th>€ 3 bn Credit Facility (RSCF)</th>
<th>€ 10.5 bn Financing Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 21.6 bn Total Gross Cash</td>
<td></td>
</tr>
<tr>
<td>Invested in highly rated securities</td>
<td>€ 11.1 bn Net Cash</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Credit Facility:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Maturity 2021, undrawn</td>
</tr>
<tr>
<td>• Fully committed by 40 banks</td>
</tr>
<tr>
<td>• No financial covenants, no MAC clause</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Liabilities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term: € 1.7 bn</td>
</tr>
<tr>
<td>Long-term: € 8.8 bn</td>
</tr>
<tr>
<td>• Includes € 3.5 bn EMTN, € 0.5 bn Convertible Bond, € 1.1 bn Exchangeable Bond, $ 1 bn USD 144A/RegS and $1.9 bn loans with EIB</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Credit Ratings:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term rating:</td>
</tr>
<tr>
<td>• S &amp; P: A-1 +</td>
</tr>
<tr>
<td>• Moody’s: P-1</td>
</tr>
<tr>
<td>Long-term rating:</td>
</tr>
<tr>
<td>• S &amp; P: A+ stable</td>
</tr>
<tr>
<td>• Moody’s: A2 stable</td>
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</tbody>
</table>
DRIVING EARNINGS AND CASH PERFORMANCE

EPS Growth
- Boost Performance
- A350 Turning profitable
- A320 Volume & Price
- FX Hedging impact

FCF Growth
- Capex Reduction
- Working Capital Control
- Business Performance
- A400M*

End of decade

2017 EPS

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

2017 FCF before M&A

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

- Deliver commercial aircraft ramp-up and transition
- De-risk A400M and strengthen programme execution
- Implement new organisation
- Invest in our future for improved efficiency and competitiveness

► Deliver EPS / FCF growth
Q1 2017 FINANCIAL PERFORMANCE

Revenues

<table>
<thead>
<tr>
<th></th>
<th>Q1 2016</th>
<th>Q1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (in € bn)</td>
<td>12.2</td>
<td>13.0</td>
</tr>
</tbody>
</table>

Capitalised R&D: € 61 m in Q1 2017 and € 51 m in Q1 2016.

Adjusted EPS (in €) and RoS (%)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2016</th>
<th>Q1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT Adjusted (in € bn)</td>
<td>0.50</td>
<td>1.8%</td>
</tr>
<tr>
<td>FCF before M&amp;A and Customer Financing (in € bn)</td>
<td>0.12</td>
<td>(1.3)</td>
</tr>
</tbody>
</table>

(1) Q1 2017 Average number of shares: 772,728,699 compared to 776,552,505 in Q1 2016.
Q1 2017 PROFITABILITY

Q1 2017 EBIT reported of € 0.9 bn

Q1 2017 Adjustments resulting from:

- € + 560 m Defence Electronics net capital gain
- € + 55 m $ PDP mismatch / BS Revaluation
- € - 3 m Other AD Portfolio
- € + 612 m Net Adjustments

Q1 2017 Net Income of € 0.6 bn

Q1 2017 Net Income Adjusted of € 0.1 bn

Q1 2017 tax rate on core business is 28%

Average number of shares: Q1 2017 = 772,728,699, Q1 2016 = 776,552,505
CURRENCY HEDGE POLICY

In Q1 2017, new hedge contracts of $3.8 bn (1) were added at an average rate of €1 = $1.18 (2) of which $3.2 bn Forwards at €1 = $1.16 and $0.6 bn Zero-cost Collars

$6.3 bn of hedges matured at an average rate of €1 = $1.33

Hedge portfolio (1) 31 March 2016 at $99.9 bn (vs. $102.4 bn in Dec. 2016), at an average rate of $1.24 (2)

Average hedge rates

€ vs $  
Forwards/Collars (2)  
2017 remaining 9 months 1.27  
(1.29 in Dec. 16)  
2018 1.25  
(1.25 in Dec. 16)  
2019 1.24  
(1.24 in Dec. 16)  
2020 1.22  
(1.23 in Dec. 16)  
2021 and beyond 1.21  
(1.22 in Dec. 16)

£ vs $  
1.55  
1.55  
1.46  
1.38  
1.35

Mark-to-market value incl. in AOCI = € -7.8 bn
Closing rate @ 1.07 € vs. $
Q1 2017 CASH EVOLUTION

IN € BILLION

Net Cash position Dec. 2016: 11.1
Gross Cash Flow from Operations (1): -1.0
Change in Working Capital (2): -0.3
Cash used for investing activities before M&A (3): -0.3
Customer Financing: -0.3
M&A (4): 0.5
Pensions & Others: -0.2
Net Cash position Mar. 2017: 9.8

Free Cash Flow before M&A and customer financing: -1.3

Controlled growth in Inventory, healthy PDP inflows and emphasis on other working capital

(1) Excluding net customer financing (2) Excluding net customer financing (3) Thereof Capex of € - 0.5 bn (4) M&A transactions include acquisitions and disposals of subsidiaries and businesses