

Dear Sir, Dear Madam, Dear Shareholders,
We are pleased to invite you to our



ANNUAL GENERAL MEETING

on Tuesday, May 6, 2003 at 11 a.m.

at Sheraton Amsterdam Airport Hotel
Schiphol Boulevard 101,
1118 BG Amsterdam, The Netherlands.

INFORMATION NOTICE

Ways of participating in the Meeting

In order to participate in the meeting, please choose one of the following options, detailed below:

- I. to grant a power of attorney to the Chairmen;
- II. to provide voting instructions;
- III. to grant a power of attorney to a specified person;
- IV. to attend and to vote at the Annual General Meeting.

I. To grant a power of attorney to the Chairmen

If you wish to grant to the Chairmen a power of attorney to vote each resolution and amendments or new resolutions, if any, presented at this meeting, you must shade box ① on the voting form / attendance card request (the "Form") attached.

II. To provide voting instructions

In order to provide voting instructions to Euroclear France S.A., in the name of which your shares are registered in the shareholders' register of EADS, you must shade and fill out box ② on the Form attached.

To express your choice, proceed as follows:

- If you wish to vote **FOR** a resolution and amendment or new resolution, if any, presented at this meeting, do not shade the corresponding box.
- If you wish to vote **AGAINST** a resolution and amendment or new resolution, if any, shade the corresponding box.

Summary

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Shareholders Information (free call)

France: 0800 01 2001
Germany: 00 800 00 02 2002
Spain: 00 800 00 02 2002

mailbox: ir@eads.net



III. To grant a power of attorney to a specified person

If you wish to grant a power of attorney to a specified person to vote each resolution, and amendments or new resolutions, if any, presented at this meeting, you must shade and fill out box ③ on the Form attached.

In this case, the specified person will be admitted to the meeting only upon presentation of an admission card and a valid proof of identity.

IV. To attend and to vote at the Annual General Meeting

If you wish to attend and to vote at the meeting, you must shade box ④ on the Form attached in order to receive an admission card.

This card is provided upon request:

- either by your financial broker,
- or by EADS Securities Department, 6 rue Laurent Pichat, 75216 Paris cedex 16, France.

In this case, you will be admitted to the meeting only upon presentation of this admission card and a valid proof of identity.

Whichever your choice is, whether I, II, III or IV, just shade and fill out the appropriate items on the Form as indicated above. Then date and sign before returning it, following the case, to your financial broker or to EADS Securities Department.

Your Form must be received:

* by your financial broker **no later than April 25, 2003,**

* or by EADS Securities Department **no later than April 28, 2003.**

Any Form received beyond that date will be disregarded.

In any case, if you wish to participate in the meeting, your financial broker or EADS Securities Department, shall justify on your behalf your status as a holder of EADS shares.

The Annual General Meeting Documentation (i.e. agenda and text of draft resolutions, Board report, 2002 audited annual financial statements and auditors' report) is available at the EADS headquarters in The Netherlands and at the EADS head offices at the following addresses:

- **in France,** 37, boulevard de Montmorency, 75781 Paris cedex 16,
- **in Germany,** 81663 Munich,
- **in Spain,** Avenida de Aragón 404, 28022 Madrid,

as well as at: **Logival, EADS Securities Department,** 6 rue Laurent Pichat, 75216 Paris cedex 16, France.

This documentation can also be sent upon request using the "Additional Documentation Request Form" attached at the end of the present document and is also available on our web-site www.eads.net (financial information).

AGENDA

1. Appointment of Mr. Arnaud Lagardère as a member of the Board of Directors;
2. Acceptance and approval of the Report of the Board of Directors;
3. Adoption of the audited accounts for the financial year 2002;
4. Approval of the result allocation, distribution and payment date;
5. Release from liability of the members of the Board of Directors;
6. Appointment of the auditors for the financial year 2003;
7. Appointment of Mr. Hans Peter Ring as a member of the Board of Directors;
8. Delegation to the Board of Directors of powers to issue shares and to set aside preferential subscription rights of existing shareholders;
9. Renewal of the authorization for the Board of Directors to repurchase shares of the Company;
10. Amendment of the Company's Articles of Association.

TEXT OF THE RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

FIRST RESOLUTION

Appointment of Mr. Arnaud Lagardère as a member of the Board of Directors

RESOLVED THAT Mr. Arnaud Lagardère be appointed as a member of the Board of Directors with immediate effect to succeed Mr. Jean-Luc Lagardère.

SECOND RESOLUTION

Report of the Board of Directors

RESOLVED THAT the Report of the Board of Directors as submitted to the Annual General Meeting be and hereby is accepted and approved.

THIRD RESOLUTION

Adoption of the audited accounts for the financial year 2002

RESOLVED THAT the audited annual accounts for the accounting period from January 1, 2002 to December 31, 2002, as submitted to the Annual General Meeting by the Board of Directors, be and hereby are adopted.

FOURTH RESOLUTION

Approval of the result allocation, distribution and payment date proposed by the Board of Directors

RESOLVED THAT the net loss of € 299 millions, as shown in the audited profit and loss statement for the financial year 2002, is deducted from reserves and that a payment of a gross amount of € 0.30 per share shall be made from distributable reserves on June 12, 2003.

FIFTH RESOLUTION

Release from liability of the members of the Board of Directors for their activity during the financial year 2002

RESOLVED THAT the members of the Board of Directors be and hereby are granted a release from liability for the performance of their duties during and with respect to the financial year 2002, to the extent that their activity has been reflected in the audited annual accounts for the financial year 2002 or in the Report of the Board of Directors.

SIXTH RESOLUTION

Appointment of the auditors for the financial year 2003

RESOLVED THAT the Company's auditors for the accounting period being the financial year 2003 shall be Ernst & Young Accountants whose registered office is at Drentestraat 20, 1083 HK Amsterdam, The Netherlands, and KPMG Accountants N.V., whose registered office is at Churchillplein 6, 2517 JW The Hague, The Netherlands.

SEVENTH RESOLUTION

Appointment of Mr. Hans Peter Ring as a member of the Board of Directors

RESOLVED THAT effective at the end of this Annual General Meeting Mr. Hans Peter Ring be appointed as a member of the Board of Directors to replace Mr. Axel Arendt who resigned from the Board of Directors with effect from November 1, 2002.

EIGHTH RESOLUTION

Delegation to the Board of Directors of powers to issue shares and to set aside preferential subscription rights of existing shareholders

RESOLVED THAT in accordance with the Articles of Association, the Board of Directors be and hereby is designated, subject to revocation by the General Meeting, to have powers to issue shares of the Company which are part of the Company's authorized share capital provided that such powers shall be limited to 1% of the Company's authorized capital from time to time and to have powers to limit or to exclude preferential subscription rights, in both cases for a period expiring at the Annual General Meeting to be held in 2005. Such powers include the approval of stock option plans and employee share ownership plans which may include the granting of rights to subscribe for shares which can be exercised at such time as may be specified in or pursuant to such plans.

NINTH RESOLUTION

Authorization for the Board of Directors to repurchase shares of the Company

RESOLVED THAT the Board of Directors be and hereby is authorized, for a period of 18 months from the date of this Annual General Meeting, to repurchase shares of the Company, on any stock exchange or otherwise, within the limit of 5 % of the Company's issued share capital and at a price not less than the nominal value and not more than 110 % of the price at which the Company's shares were quoted at close of business on any stock exchange on the trading day before such repurchase. This authorization supersedes and replaces the authorization given by the Annual General Meeting of May 17, 2002 in its sixth resolution.

TENTH RESOLUTION

Amendment of the Company's Articles of Association

RESOLVED THAT Article 29, paragraph 3 of the Company's Articles of Association which now reads "Unless expressly decided otherwise, the adoption of the annual accounts by the general meeting of shareholders without reservation shall discharge the members of the Board of Directors for their actions in the preceding financial year, without prejudice to the provisions of Section 2:138 of the Civil Code." shall be deleted to reflect a change of Dutch law.

EXECUTIVE SUMMARY

1. GENERAL OVERVIEW

With a workforce of 103,967 employees (at year-end) and revenues of € 29.9 billion in 2002, EADS is Europe's premier aerospace and defence company and the second largest such grouping in the world.

In terms of market share, the Company is among the top two manufacturers of commercial aircraft, civil helicopters, space commercial launch vehicles and missiles, and a leading supplier of military aircraft, satellites and defence system electronics.

In 2002, EADS generated 80% of its sales in the civil sector and 20% in the military sector.

2. MAIN EVENTS FOR 2002

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In 2002, for the second year in a row, EADS achieved or exceeded all its financial objectives, demonstrating its ability to deliver despite a very uncertain environment, characterised in particular by continuing weakness in the airline industry and a severe downturn in the space market.

The Company remains a key player in all its businesses, maintaining competitive positions in world markets and successfully pursuing growth in its defence activities. Major developments in 2002 included the preparation for deliveries of the NH90 and Tiger military helicopters, the ramp up of serial production of Eurofighter and the signing of contracts for the Meteor and Taurus missiles.

EADS has also made progress in expanding its global presence. The appointment of Ralph Crosby as CEO of EADS North America and as an EADS Executive Committee member is a strong signal of the Company's commitment to the US market. EADS has been selected to participate in the US Coast Guard's Deepwater Capability Replacement programme, which constitutes a major success in accessing the US homeland security market and validates the Group's approach to cooperative agreements with US partners.

In addition, despite a very difficult year for air passenger traffic, Airbus managed to slightly exceed its forecasts and to deliver 303 aircraft, including the first A340-600 to Virgin Atlantic. Airbus has continued to win new clients including easyJet (who ordered 120 A319s) and Air New Zealand and, by the end of the year, had orders for 1,505 aircraft - the world's largest forward order book.

Meanwhile, manufacture of the first A380 prototype has begun, and the building of new facilities in Hamburg, in Toulouse and other locations is on track. Fedex, the US express courier operation, has ordered 10 A380s, bringing the total number of firm orders for the aircraft to 95.

Restructuring in the Defence and Civil Systems Division, which started in 2001, returned the division to profit in 2002.

In the Space business, Paradigm, an EADS company, was selected as preferred bidder for the provision of telecommunication services to the UK MoD using the Skynet 5 satellite. However, 2002 was a year of heavy losses for the Space Division, reflecting the depressed market. As a result, EADS is launching a comprehensive restructuring plan to achieve profitability in 2004.

3. CONSOLIDATED FINANCIAL HIGHLIGHTS

EADS prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), with the exception that all development costs are expensed as incurred. The consolidated financial statements include all material subsidiaries under the control of EADS. Significant investments in which EADS has (i) a 20% to 50% ownership or (ii) any other ability to exercise significant influence generally accounted for using the equity method. For investments in material joint ventures, EADS uses the proportionate method of consolidation. Other investments are accounted for at fair value.

3.1 Revenues

In 2002, EADS revenues reached € 29.9 billion.

Table 1 – Revenues by Division

(in millions of €)	2002	2001	Change
Airbus	19,512	20,549	(1,037)
Military Transport Aircraft	524	547	(23)
Aeronautics	5,304	5,065	239
Defence & Civil Systems	3,306	3,345	(39)
Space	2,216	2,439	(223)
HQ/Consolidation	(961)	(1,147)	186
Total EADS Group	29,901	30,798	(897)

Revenues at the **Airbus** Division decreased by 5%. Airbus delivered 303 aircraft in 2002, slightly ahead of its 300 target, after 325 in the previous year. Revenues were also impacted by a lower US Dollar exchange rate compared to Euro.

Revenues at the **MTA** Division decreased by 4%, mainly reflecting the loss of contract with Fairchild Dornier.

The **Aeronautics** Division recorded a solid revenue increase of 5%, mainly due to an increase in revenues from Eurocopter.

Revenues at the **Defence and Civil Systems** Division slightly decreased by 1%.

Revenues at the **Space** Division decreased by 9% , mainly due to the end of the Ariane 4 programme and the negative market impact in civil telecommunications satellites.

3.2 EBIT pre-goodwill amortization and exceptionals

EADS uses EBIT (Earnings Before Interest and Taxes) pre-goodwill amortization and exceptionals as a key indicator of its economic performance. The term "exceptionals" refers to income or expenses of a non-recurring nature, such as amortization expenses of fair value adjustments relating to the EADS merger, the Airbus Combination and the formation of MBDA.

Table 2 – EBIT* by Division

(in millions of €)	2002	2001	Change
Airbus	1,361	1,655	(294)
Military Transport Aircraft	(80)	1	(81)
Aeronautics	261	308	(47)
Defence & Civil Systems	40	(79)	119
Space	(268)	(222)	(46)
HQ/Consolidation	112	31	81
Total EADS Group	1,426	1,694	(268)

In 2002, EADS achieved an EBIT* of € 1,426 million (2001: € 1,694 million), slightly above its target. Before Research and Development (R&D) costs, EADS slightly improved its EBIT* margin from 11.5% to 11.8%, despite lower Airbus deliveries. R&D costs increased, as anticipated, to € 2.1 billion (2001: € 1.8 billion), particularly due to the A380 programme.

The EBIT* of the **Airbus** Division reached € 1,361 million, compared to € 1,655 million in 2001. R&D cost increased by € 257 million to reach € 1,682 million, mainly due to the A380 programme. Therefore, the EBIT margin pre-R&D increased from 15% to 15.6% despite lower deliveries.

The **Military Transport Aircraft** Division recorded an EBIT* loss of € -80 million (2001: € 1 million). The Division's result was impacted by a one time charge from its investment as a subcontractor of the Dornier 728 programme of insolvent Fairchild Dornier of € -54 million, by the lost margin for this project and also by the delay of the € 17.7 billion A400M order.

The **Aeronautics** Division EBIT* amounted to € 261 million (2001: € 308 million). Eurocopter and Military Aircraft were the main profit contributors. However, the civil aviation downturn impacted the maintenance and aerostructure businesses of the Division. Major defence programmes are now entering the delivery phase and will contribute to future profitable growth.

The **Defence and Civil Systems** Division realized a strong turnaround thanks to first effects of past restructuring and achieved an EBIT* of € 40 million (2001: € -79 million). Further strong EBIT* growth is expected as a result of continued restructuring and missile programmes entering the delivery phase.

The **Space Division** recorded a negative EBIT* of € -268 million (2001: € -222 million), due to high provisions made in the context of further deterioration of the space markets, mainly for restructuring and investments depreciation, a satellite contract cancellation and losses on some programmes. The implementation of further restructuring at Space Division is now being facilitated by the full control of Astrium by EADS. The target is to achieve EBIT* breakeven by 2004.

**pre-goodwill amortization and exceptionals.*

3.3 Net Cash

As of December 31, 2002, the net cash position for EADS was € 1.2 billion, better than anticipated. The € 300 million decrease from the year 2001 reflects namely investment ramp up for the A380. Active cash management and prudent sales financing contributed to limit cash outflows in 2002.

Cash flows provided by operating activities of € 2,666 million remained stable from 2001 despite lower EBIT*, thanks to successful cash management and including the receipt of European government refundable advances.

In 2002, EADS invested a net € 2.1 billion capital expenditure on plant, property, and equipment of which approximately € 900 million on the A380 programme. Additionally, sales financing needs were limited to € 865 million in 2002, thanks to active sell-downs to third parties of existing and new financing exposure to airlines.

Cash flows used for financing activities of € 1,447 million were principally related to dividend payments (€ 403 million), and repayments of financial liabilities.

3.4 Order Intake and Order Book

EADS order intake reached € 31 billion in 2002, a decrease of € 29.2 billion in comparison to 2001 (€ 60.2 billion), but still exceeding 2002 revenues and thus further contributing to the overall order book.

Table 3 – Order Intake and Order Book by Division

(in millions of €)	Order Intake		Order Book	
	2002	2001	2002	2001
Airbus	19,712	50,279	140,996	156,075
Military Transport Aircraft	403	993	633	1,320
Aeronautics	5,099	5,315	13,458	13,722
Defence & Civil Systems	4,410	3,081	10,110	9,094
Space	2,145	1,333	3,895	3,796
HQ /Consolidation	(760)	(793)	(753)	(751)
Total EADS Group	31,009	60,208	168,339	183,256

The **Space & DCS** Divisions increased their order intake by 61% and 43% respectively with namely orders from the French Navy for military launchers and order for Meteor and Taurus missiles.

Airbus order intake was, as anticipated, significantly reduced reflecting the slowdown of new orders (2002: 233 net orders after 67 cancellations ; 2001: 274 net orders after 101 cancellations). It should also be noted that the value of the order intake in 2001 was further enhanced by the record of orders for 85 units of the A380.

MTA and **Aeronautics** Divisions order intakes decreased in comparison to 2001, as a result of the discontinuation of the Dornier 728 programme and a decline in military aircraft business (Aerostructures and Tornado maintenance).

The EADS **order book** remained strong at nearly € 170 billion, which represents more than five years of business and is still unparalleled in the global aerospace and defence industry. Its decrease, however, is mainly attributable to the revaluation of the order book based on a weaker exchange rate of 1€ = 1.05 \$ at year-end, amounting to an adjustment of about € 14 billion.

*pre-goodwill amortization and exceptionals.

FINANCIAL STATEMENTS - SUMMARY

1. CONSOLIDATED ACCOUNTS

1.1 CONSOLIDATED INCOME STATEMENTS

(in millions of €)	2002	2001
Revenues	29,901	30,798
Cost of sales	(24,465)	(25,440)
Gross margin	5,436	5,358
Selling, administrative and other expenses	(2,492)	(2,561)
Research and development expenses	(2,096)	(1,841)
Other income	248	3,024
Amortization of goodwill and related impairment losses	(936)	(1,466)
Income before financial result, income taxes and minority interests	160	2,514
Financial result, net	27	(513)
Profit (loss) before income taxes and minority interests	187	2,001
Income taxes	(453)	(646)
Minority interests	(33)	17
Net income (loss)	(299)	1,372

1.2 CONSOLIDATED BALANCE SHEETS

(in millions of €)	At December 31	
	2002	2001
Assets		
Intangible assets	9,789	10,588
Property, plant and equipment	10,509	10,050
Investments in associates	1,333	1,252
Other investments and long-term financial assets	3,542	3,474
Fixed assets	25,173	25,364
Inventories	2,700	2,469
Trade receivables	4,114	5,183
Other receivables and other assets	5,256	2,633
Securities	4,497	5,341
Cash and cash equivalents	1,703	2,692
Non-fixed assets	18,270	18,318
Deferred taxes	2,992	4,288
Prepaid expenses	965	745
Total Assets	47,400	48,715
Liabilities and shareholders' equity		
Capital stock	811	809
Reserves	9,658	10,346
Accumulated other comprehensive income	2,452	(1,278)
Purchase of treasury shares	(156)	0
Shareholders' equity	12,765	9,877
Minority interests	1,361	559
Provisions	8,248	11,918
Financial liabilities	4,976	6,500
Trade liabilities	5,070	5,466
Other liabilities	10,246	10,631
Liabilities	20,292	22,597
Deferred taxes	2,014	806
Deferred income	2,720	2,958
Total Liabilities and Equity	47,400	48,715

1.3 CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of €)	2002	2001
Net income (loss)	(299)	1,372
Income applicable to minority interests	33	(17)
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization of fixed assets	2,768	3,560
Valuation adjustments	177	493
Dilution gain Airbus/MBDA	0	(2,817)
Change in deferred taxes	255	109
Results on disposal of fixed assets/businesses and result of associates (equity method)	(227)	(93)
Change in provisions	(845)	47
Change in other operating assets and liabilities:	804	2
Inventories, net	274	(655)
Trade receivables	895	(894)
Trade liabilities	(139)	766
Other assets and liabilities	(226)	785
Cash provided by operating activities	2,666	2,656
Investments:		
- Purchases of fixed assets and increase in equipment of leased assets	(2,314)	(2,196)
- Payments for investments in financial assets and acquisitions of subsidiaries	(1,134)	(1,096)
- Proceeds from disposal of fixed assets and decrease in equipment of leased assets	240	402
- Proceeds from disposal of financial assets and subsidiaries	849	850
- Change in finance lease receivables	(599)	138
Change in securities	(264)	(390)
Cash from changes in consolidation	5	20
Cash used for investing activities	(3,217)	(2,272)
Change in financial liabilities	(774)	(465)
Cash contribution by minority interests	0	253
Dividends paid	(403)	(404)
Repayments/ dividends to minorities	(127)	(52)
Capital increase	16	21
Purchase of treasury shares	(156)	0
Others	(3)	(30)
Cash used for (provided by) financing activities	(1,447)	(677)
Effect of foreign exchange rate changes on cash and cash equivalents	(82)	14
Net increase (decrease) in cash and cash equivalents	(2,080)	(279)
Cash and cash equivalents		
Cash at beginning of period	7,481	7,760
Cash at end of period	5,401	7,481
Additional securities medium-term	799	552
Cash and securities as stated in Balance Sheet	6,200	8,033

2. EADS N.V. STATUTORY ACCOUNTS

2.1 BALANCE SHEETS

(in millions of €)	At December 31	
	2002	2001
Assets		
Goodwill	4,618	5,068
Financial assets	5,479	2,232
Fixed assets	10,097	7,300
Receivables and other assets	5,335	2,825
Securities	4,355	5,047
Cash and cash equivalents	95	828
Non-fixed assets	9,785	8,700
Deferred taxes	8	22
Total Assets	19,890	16,022
Liabilities and Stockholders'equity		
Capital stock	811	809
General reserves	11,954	9,068
Stockholders'equity	12,765	9,877
Other Liabilities	7,125	6,145
Liabilities	7,125	6,145
Total Liabilities and Stockholders'equity	19,890	16,022

2.2 STATUTORY INCOME STATEMENTS

(in millions of €)	2002	2001
Income from investments	118	1,807
Other results	(417)	(435)
Net result	(299)	1,372



How to get to the Sheraton Amsterdam Airport Hotel

- A4: from the Hague / Rotterdam & Amsterdam.
- From the A4 Motorway take Exit: Schiphol and follow the signs WCT Kantoren / Sheraton until the Sheraton Parking.
- Within the parking, take the elevator to the second floor.
- On the second floor (you are now in the Traverse walkway) go to the right in the direction of Schiphol Airport Arrival & Departure.
- After 50 meters, you will find the entrance of the Sheraton Amsterdam Airport Hotel on your right hand.

Shareholders Information

(free call)

France: 0800 01 2001

Germany: 00 800 00 02 2002

Spain: 00 800 00 02 2002

mailbox: ir@eads.net



European Aeronautic Defence and Space Company EADS N.V.

Limited liability company (naamloze vennootschap)

Le Carré, Beechavenue 130-132, 1119 PR Schiphol-Rijk, The Netherlands

Registered at the Chamber of Commerce in Amsterdam under number 24288945



ANNUAL GENERAL MEETING

on May 6, 2003

ADDITIONAL DOCUMENTATION REQUEST FORM

Please send:

- in France : to Logival, EADS Securities Department, 6 rue Laurent Pichat, 75216 Paris Cedex 16.

Or to EADS head offices:

- in Germany : 81663 Munich,
- in Spain : Avenida de Aragón 404, 28022 Madrid.

Account Number ¹:

I, the undersigned ²

Last Name and First Name:

Residence (complete address): N° Street:

Postcode City:

Country:

e-mail:

acting in my capacity as person holding EADS shares through Euroclear France S.A., having already received the documents concerning the Annual General Meeting (agenda and text of draft resolutions), request EADS to send me, at its expense, before the said meeting, the following documents: Board report, 2002 audited annual financial statements and auditors' report.

These documents are also available on EADS web-site www.eads.net.

Signed at, on.....2003

Signature:

¹ If any.

² For legal entities: indicate the exact corporate name.

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