Content

1. Group Overview
2. Operating Performance by Division
3. Financials
**FY2003 Financial Highlights**

<table>
<thead>
<tr>
<th></th>
<th>FY 2003</th>
<th>FY 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>30.1 € bn</td>
<td>29.9 € bn</td>
</tr>
<tr>
<td>* of which Defence</td>
<td>7.1 € bn</td>
<td>6.0 € bn</td>
</tr>
<tr>
<td>EBIT*</td>
<td>1.5 € bn</td>
<td>1.4 € bn</td>
</tr>
<tr>
<td>Net Income*</td>
<td>0.2 € bn</td>
<td>(0.3 € bn)</td>
</tr>
<tr>
<td>FCF before cust. financing**</td>
<td>2.1 € bn</td>
<td>0.6 € bn</td>
</tr>
<tr>
<td>New orders</td>
<td>61.2 € bn</td>
<td>31.0 € bn</td>
</tr>
<tr>
<td>* of which Defence</td>
<td>30.8 € bn</td>
<td>7.1 € bn</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Net Cash position***</td>
<td>3.1 € bn</td>
<td>2.4 € bn</td>
</tr>
<tr>
<td>Total Order book</td>
<td>179.3 € bn</td>
<td>168.3 € bn</td>
</tr>
<tr>
<td>* of which Defence</td>
<td>45.7 € bn</td>
<td>22.0 € bn</td>
</tr>
</tbody>
</table>

* pre goodwill and exceptional
** excl. change in medium term securities and consolidation changes; before commercial aviation customer financing net additions
*** after netting debt with the related ( defeasance) security deposit

---

**Exceeding Promises... Again**

**2003 Guidance**
- Book-to-bill over 1
- EBIT* ~ stable from 2002
- Revenues ~ stable from 2002
- FCF pre-customer financing >0

**2003 Achievements**
- ✔ 2.0
- ✔ € 1.5 bn (+8.2%)
- ✔ € 30.1 bn (+0.8%)
- ✔ € 2.1 bn

- All Divisions' EBIT growing or stable … … except Space, due to €288m restructuring charges
- Order-book, Revenues and EBIT* rebalancing towards Defence

**Foundations Laid for Profitable Growth**

* pre goodwill and exceptionals
Portfolio Balance and EBIT Growth

**EBIT** CONTRIBUTION in € millions over 2001-2003

- **Space**
- **MTA**
- **Aeronautics**
- **DS HQ**
- **Airbus**

<table>
<thead>
<tr>
<th>Year</th>
<th>Space</th>
<th>MTA=1</th>
<th>MTA=30</th>
<th>Aeronautics</th>
<th>DS HQ</th>
<th>Airbus</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>(400)</td>
<td>217</td>
<td>171</td>
<td>172**</td>
<td></td>
<td>1353</td>
</tr>
<tr>
<td>2002</td>
<td>(268)</td>
<td>180</td>
<td>122</td>
<td>111</td>
<td></td>
<td>1361</td>
</tr>
<tr>
<td>2001</td>
<td>(222)</td>
<td>184</td>
<td>45</td>
<td>31</td>
<td></td>
<td>1655</td>
</tr>
</tbody>
</table>

* Of which restructuring charge (288) in 2003; (105) in 2002 and (91) in 2001
** Including Dassault non-recurring accounting impact €77m

No. 1 in Commercial Aviation: Leadership and Profitability….

- 305 deliveries in face of war and SARS
- Recent & innovative family of products achieves overall leadership
- Route 06 cost saving plan for long-term economic performance

… while preserving focus on A380

- 34 new orders
- R&D at € 1.1 bn
- Capex at € 1.2 bn
- Major subassemblies complete

* pre goodwill and exceptionals
Space: Poised for Profitability

Reach Breakeven in 2004:
- Capacity adaptation, centers of competences ...
- Reduction of 1100 jobs already achieved
- Ariane V prime contractorship awarded and € 3bn launcher commitment from Arianespace
- European Guaranteed Access to Space (EGAS) decision to fund launch infrastructure
- Go-ahead for Galileo: Test satellite contract awarded, EADS short listed for operation
- Paradigm UK (Skynet5) : £2.5bn contract
- Commercial success in civil Telecom satellites

Be Europe’s Focal Point for Space:

Space EBIT*

Reach Breakeven in 2004:

2001 2002 2003 2004 2005
€ (222) m € (268) m € (400) m € (268) m € (400) m

Profit

Restructuring charge

* pre goodwill and exceptional

Defence Momentum

Major Programs secured,…
- Eurofighter 1st export order from Austria
- MBDA Aster order from OCCAR (MBDA 100% share: €2.3bn)
- Eurocopter Spain 3rd partner in Tiger, NH90 order from Greece
- MTA € 20 bn A400M order

… overall expertise proved,
- Systems: GBAD demonstrator, NATO AGS down selection
- Services/PFI: £ 2.5 bn Skynet 5 order, FSTA & Australia down selection

… will generate real growth

Defence revenues €6 bn 2002
+18% €7 bn 2003

Defence order-book €22 bn 2002
+109% €46 bn 2003

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Be Europe’s Focal Point
**Reaching-out Globally**

**United States:**
- EADS North America making imprint
- Eurocopter facility, Columbus/MS
- Globalhawk/Northrop Grumman
- Airbus design center

**Japan/China:**
- 5% investment in Avichina and strategic agreement,
- Airbus subcontracting in Japan and China

**Russia:**
- Technology and Airbus design centers
- Setting-up of EADS Russia
- Be200/Irkurt

**UK**
- GBAD
- FSTA
- Paradigm

---

**Establishing a global industrial strategy**

<table>
<thead>
<tr>
<th></th>
<th>North America</th>
<th>Europe</th>
<th>Asia/ RoW</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>8.1</td>
<td>14.0</td>
<td>8.1</td>
</tr>
<tr>
<td><strong>Backlog</strong></td>
<td>52.5</td>
<td>79.7</td>
<td>47.1</td>
</tr>
<tr>
<td><strong>Sourcing</strong></td>
<td>6.5</td>
<td>18.5</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Employees total</strong></td>
<td>2,150</td>
<td>106,000</td>
<td>900</td>
</tr>
</tbody>
</table>

EADS is *Global* in terms of Sales and Backlog ....

....but mostly *European* in Industrial Assets, Sourcing and Employees!
1. Group Overview

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---

**Airbus**

<table>
<thead>
<tr>
<th></th>
<th>FY 2003</th>
<th>FY 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries</td>
<td>305</td>
<td>303</td>
</tr>
<tr>
<td>Revenues</td>
<td>19,048</td>
<td>19,512</td>
</tr>
<tr>
<td>R&amp;D self-financed</td>
<td>1,819</td>
<td>1,682</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>9.5%</td>
<td>8.6%</td>
</tr>
<tr>
<td>EBIT*</td>
<td>1,353</td>
<td>1,361</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>7.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Order book in units (commercial)</td>
<td>141,836 **</td>
<td>140,996</td>
</tr>
<tr>
<td></td>
<td>1,454</td>
<td>1,505</td>
</tr>
</tbody>
</table>

* pre goodwill and exceptionals
** including work-share on A400M

- **Revenues** increased 5% with constant €-$ rate due to better mix and prices
- **EBIT** margin pre-R&D reaches 16.7% up from 15.6%
- "**Route 06**" cost saving plan implementation
- **A380** enters final assembly in April, first flight in Q1 2005 as planned
- **Order book** increased 14 % with constant €-$:
  - A400M work-share of €14bn
  - Commercial success (254 net orders) and higher value aircraft ➔ 65% market share value wise
Airbus Customer Financing Controlled

<table>
<thead>
<tr>
<th>in €m</th>
<th>Dec. 2003</th>
<th>Dec. 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Gross exposure</strong></td>
<td>3,822 € m</td>
<td>3,581 € m</td>
</tr>
<tr>
<td>of which off-balance sheet</td>
<td>724 € m</td>
<td>891 € m</td>
</tr>
<tr>
<td><strong>Estimated collateral value</strong></td>
<td>(2,229 € m)</td>
<td>(2,061 € m)</td>
</tr>
<tr>
<td><strong>Net exposure before provision</strong></td>
<td>1,593 € m</td>
<td>1,520 € m</td>
</tr>
<tr>
<td>Provision</td>
<td>(1,593 € m)</td>
<td>(1,520 € m)</td>
</tr>
<tr>
<td><strong>Residual Airbus net exposure</strong></td>
<td>0 €m</td>
<td>0 €m</td>
</tr>
<tr>
<td>closing rate $/€</td>
<td>1.26</td>
<td>1.05</td>
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MTA

<table>
<thead>
<tr>
<th>€ m</th>
<th>FY 2003</th>
<th>FY 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong> (+78%)</td>
<td>934</td>
<td>524</td>
</tr>
<tr>
<td>R&amp;D self-financed</td>
<td>23</td>
<td>40</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>2.5%</td>
<td>7.6%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>30 (80) **</td>
<td></td>
</tr>
<tr>
<td>in % of revenues</td>
<td>3.2%</td>
<td></td>
</tr>
<tr>
<td><strong>Order book</strong></td>
<td>20,007</td>
<td>633</td>
</tr>
</tbody>
</table>

** 2002 had included € 54 m charge due to Fairchild Dornier insolvency

- **Revenues (+78%)** include first A400M billing milestone (€296m) and military derivatives growth
- **EBIT** turnaround reflects sounder operations following 2002 write-down.
- **Order intake:**
  - A400M € 20 bn
  - US Coast Guards Deepwater
    1st tranche € 63 m (2 CASA CN-235 and mission systems)
- Down-selected for **Royal Air Force’s future strategic tanker aircraft (FSTA) ; and Australia**
- Other MRTT opportunities: France, US, …
Aeronautics

<table>
<thead>
<tr>
<th>€ m</th>
<th>FY 2003</th>
<th>FY 2002 Pro-forma**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>3,803</td>
<td>3,834</td>
</tr>
<tr>
<td>R&amp;D self-financed</td>
<td>62</td>
<td>90</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>1.6%</td>
<td>2.3%</td>
</tr>
<tr>
<td>EBIT*</td>
<td>217</td>
<td>180</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>5.7%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Order book</td>
<td>9,818</td>
<td>10,162</td>
</tr>
</tbody>
</table>

* pre goodwill and exceptional
** excl. military aircraft unit

- Revenues: Eurocopter growth offset by regional aircraft market depression
- EBIT margin improved thanks to military helicopter business
- Export successes
  - NH90 Greece (€0.7bn booked in 2003)
  - Tiger Spain
- Global Market share of Eurocopter civil / parapublic and military amounts to 45% in units
- Enhanced international footprint in Asia, US, Finland and Spain

Space

(Astrium 100% consolidated from 2003 and 75% in 2002)

<table>
<thead>
<tr>
<th>€ m</th>
<th>FY 2003</th>
<th>FY 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>2,424</td>
<td>2,216</td>
</tr>
<tr>
<td>R&amp;D self-financed</td>
<td>62</td>
<td>59</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>2.6%</td>
<td>2.7%</td>
</tr>
<tr>
<td>EBIT*</td>
<td>(400)</td>
<td>(268)</td>
</tr>
<tr>
<td>in % of revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Order book</td>
<td>7,888</td>
<td>3,895</td>
</tr>
</tbody>
</table>

* pre goodwill and exceptional

- Revenues increase due to first-time Astrium 100% consolidation
- EBIT includes:
  - Restructuring charge €288m (2002: €105m)
  - Astrium first-time 100% consolidation impact (€81m)
- Restructuring: 2004 Breakeven EBIT target confirmed
- Order-book +74% excluding impact from change of consolidation
  - Paradigm order £2.5bn
  - 4 civil satcoms = 21% market share
  - Pleïades
- Expected orders in 2004:
  30 Ariane 5 Launchers, Galileo full contract for development phase…. 
Defence and Security Systems

<table>
<thead>
<tr>
<th>€ m</th>
<th>FY 2003</th>
<th>FY 2002 Pro-forma**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>5,165</td>
<td>4,770</td>
</tr>
<tr>
<td>R&amp;D self-financed</td>
<td>223</td>
<td>227</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>4.3%</td>
<td>4.8%</td>
</tr>
<tr>
<td>EBIT*</td>
<td>171</td>
<td>122</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>3.3%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Order book</td>
<td>14,283</td>
<td>13,406</td>
</tr>
</tbody>
</table>

* pre goodwill and exceptional
** incl. military aircraft unit

- Revenues +8% and EBIT margin improvement thanks to missiles and Eurofighter deliveries
- New organisation effective:
  - Defence focus
  - Eurofighter integration
- Systems of system competence: pre-selected for GBAD in UK, AGS with NATO
- Order-book increase with missile business contracts (Aster Phase 3, MICA, Exocet,…), Eurofighter Austria.
- 2004 challenges:
  - Adapt LFK capacity to German Budget constraints
  - Improve efficiency of Defence and Communication Systems business

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<th>FY 2002</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ m</td>
<td>in % of Revenues</td>
<td>€ m</td>
<td>in % of Revenues</td>
</tr>
<tr>
<td>Revenues</td>
<td>30,133</td>
<td></td>
<td>29,901</td>
<td></td>
</tr>
<tr>
<td>self-financed R&amp;D</td>
<td>2,189</td>
<td>7.3%</td>
<td>2,096</td>
<td>7.0%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,137</td>
<td>10.4%</td>
<td>3,031</td>
<td>10.1%</td>
</tr>
<tr>
<td>EBIT*</td>
<td>1,543</td>
<td>5.1%</td>
<td>1,426</td>
<td>4.8%</td>
</tr>
<tr>
<td>Interest and other financial result</td>
<td>(55)</td>
<td>(0.2%)</td>
<td>(60)</td>
<td>(0.2%)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(474)</td>
<td>(1.6%)</td>
<td>(453)</td>
<td>(1.5%)</td>
</tr>
<tr>
<td>Net income</td>
<td>152</td>
<td>0.5%</td>
<td>(299)</td>
<td>(1.0%)</td>
</tr>
<tr>
<td>Net Income*</td>
<td>769</td>
<td>2.6%</td>
<td>696</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

* pre goodwill and exceptionals

## Development of Net Cash

<table>
<thead>
<tr>
<th></th>
<th>FY 2003</th>
<th></th>
<th>FY 2002</th>
<th></th>
</tr>
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<tbody>
<tr>
<td></td>
<td>in € m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash at the beginning of the period</td>
<td>2,370</td>
<td></td>
<td>2,679</td>
<td></td>
</tr>
<tr>
<td>Gross Cash Flow from Operations*</td>
<td>2,690</td>
<td></td>
<td>1,862</td>
<td></td>
</tr>
<tr>
<td>Change in working capital</td>
<td>2,019</td>
<td></td>
<td>804</td>
<td></td>
</tr>
<tr>
<td>Cash used for investing activities**</td>
<td>(3,659)</td>
<td></td>
<td>(2,953)</td>
<td></td>
</tr>
<tr>
<td>of which Industrial Capex (additions)***</td>
<td>(2,672)</td>
<td></td>
<td>(2,213)</td>
<td></td>
</tr>
<tr>
<td>of which Customer Financing net additions</td>
<td>(1,093)</td>
<td></td>
<td>(865)</td>
<td></td>
</tr>
<tr>
<td>of which Others</td>
<td>106</td>
<td></td>
<td>125</td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow**</td>
<td>1,050</td>
<td></td>
<td>(287)</td>
<td></td>
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<tr>
<td>Free Cash Flow before customer financing</td>
<td>2,143</td>
<td></td>
<td>578</td>
<td></td>
</tr>
<tr>
<td>Dividend paid</td>
<td>(240)</td>
<td></td>
<td>(403)</td>
<td></td>
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<tr>
<td>Capital increase</td>
<td>21</td>
<td></td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Astrium first time 100% consolidation impact</td>
<td>(74)</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>(22)</td>
<td></td>
<td>365</td>
<td></td>
</tr>
<tr>
<td>Net cash at the end of the period</td>
<td>3,105</td>
<td></td>
<td>2,370</td>
<td></td>
</tr>
</tbody>
</table>

* gross cash flow from operations, excl. working capital change
** excl. change in securities and consolidation changes
*** excl. leased/financial assets and financial assets concerning commercial aviation customer financing
Continuing Hedge Policy

Approx. 50% of EADS US$ revenues are naturally hedged by US$ procurement
→ at around 300 a/c a year, annual net exposure is $9bn - $10bn

EADS hedge portfolio (US$ 42.7 bn) on Dec. 31, 2003
Q4 2003: US$ 1.3 bn gross additions to hedges

Marked-to-market value = €8 bn

Stock performance

Determination, focus and openness establish credibility
Confidence in Future Performance

- Outstanding performance in 2003
- Expected commercial aviation upturn and A380 contribution
- Successful development of the Defence order book, long term profitability growth
- Restructured Space business positive outlook

Dividend proposal to the 2004 AGM
€ 0.40 per share (+33% over 2003)

Shareholders Information

For questions or further information please call:

France: 0 800 01 2001  
Germany: 00 800 00 02 2002  
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E-mail: ir@eads.net

To receive “Aero - Notes”, the letter to our shareholders, and other documents, visit our website at www.eads.net and go to Financial Information.