

AIRBUS

7 April 2020

New Segment Reporting 2019 Quarterly Restatements



AIRBUS

Safe Harbour Statement

DISCLAIMER

This presentation includes forward-looking statements. Words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may” and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements made about strategy, ramp-up and delivery schedules, introduction of new products and services and market expectations, as well as statements regarding future performance and outlook. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

These factors include but are not limited to:

- Changes in general economic, political or market conditions, including the cyclical nature of some of Airbus' businesses;
- Significant disruptions in air travel (including as a result of the spread of disease or terrorist attacks);
- Currency exchange rate fluctuations, in particular between the Euro and the U.S. dollar;
- The successful execution of internal performance plans, including cost reduction and productivity efforts;
- Product performance risks, as well as programme development and management risks;
- Customer, supplier and subcontractor performance or contract negotiations, including financing issues;
- Competition and consolidation in the aerospace and defence industry;
- Significant collective bargaining labour disputes;
- The outcome of political and legal processes, including the availability of government financing for certain programmes and the size of defence and space procurement budgets;
- Research and development costs in connection with new products;
- Legal, financial and governmental risks related to international transactions;
- Legal and investigatory proceedings and other economic, political and technological risks and uncertainties;
- The full impact of the outbreak of the COVID-19 disease.

As a result, Airbus' actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

For a discussion of factors that could cause future results to differ from such forward-looking statements, see Airbus SE's 2019 Universal Registration Document dated 23 March 2020, including the Risk Factors section.

Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding disclaimer:

Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

- According to IFRS standards, the reportable operating segments should mirror the way the Company's top management reviews the performance of the business
- In April 2019, Airbus introduced its new management and governance structure
- The activities related to innovation and digital transformation which were formerly reported in “Transversal” are now included in the business segment “Airbus” under the new segment structure. “Eliminations” will continue to be reported separately. The internal financial reporting has been modified accordingly since 1 January 2020
- Starting with Q1 2020, financials will be presented under the new segment structure
- This document provides comparative information for 2019 figures:
 - There is no impact on revenues per segment
 - The impact on EBIT and EBIT Adjusted per segment can be seen on the following pages
- These restatements do not change any 2019 figures at Consolidated Airbus level

Quarterly Revenues Breakdown (Cumulative)

IN € MILLION

Q1 2019

	As reported	Impact from New Segment	Restated New Segment	
Airbus	9,697	0	9,697	Airbus
Helicopters	1,007	0	1,007	Helicopters
Defence and Space	2,112	0	2,112	Defence and Space
Transversal / Elim.	(267)	0	(267)	Eliminations
Consolidated Airbus	12,549	0	12,549	Consolidated Airbus

9m 2019

	As reported	Impact from New Segment	Restated New Segment	
Airbus	35,572	0	35,572	Airbus
Helicopters	3,712	0	3,712	Helicopters
Defence and Space	7,706	0	7,706	Defence and Space
Transversal / Elim.	(822)	0	(822)	Eliminations
Consolidated Airbus	46,168	0	46,168	Consolidated Airbus

H1 2019

	As reported	Impact from New Segment	Restated New Segment	
Airbus	24,043	0	24,043	Airbus
Helicopters	2,371	0	2,371	Helicopters
Defence and Space	5,015	0	5,015	Defence and Space
Transversal / Elim.	(563)	0	(563)	Eliminations
Consolidated Airbus	30,866	0	30,866	Consolidated Airbus

FY 2019

	As reported	Impact from New Segment	Restated New Segment	
Airbus	54,775	0	54,775	Airbus
Helicopters	6,007	0	6,007	Helicopters
Defence and Space	10,907	0	10,907	Defence and Space
Transversal / Elim.	(1,211)	0	(1,211)	Eliminations
Consolidated Airbus	70,478	0	70,478	Consolidated Airbus

The restatements resulting from the change in reporting segments do not change the 2019 figures at Consolidated Airbus level

Quarterly EBIT Adjusted Breakdown (Cumulative)

IN € MILLION

Q1 2019				
	As reported	Impact from New Segment	Restated New Segment	
Airbus	536	(73)	463	Airbus
Helicopters	15	0	15	Helicopters
Defence and Space	101	0	101	Defence and Space
Transversal / Elim.	(103)	73	(30)	Eliminations
Consolidated Airbus	549	0	549	Consolidated Airbus

H1 2019				
	As reported	Impact from New Segment	Restated New Segment	
Airbus	2,338	(145)	2,193	Airbus
Helicopters	125	0	125	Helicopters
Defence and Space	233	0	233	Defence and Space
Transversal / Elim.	(167)	145	(22)	Eliminations
Consolidated Airbus	2,529	0	2,529	Consolidated Airbus

9m 2019				
	As reported	Impact from New Segment	Restated New Segment	
Airbus	3,833	(240)	3,593	Airbus
Helicopters	205	0	205	Helicopters
Defence and Space	355	0	355	Defence and Space
Transversal / Elim.	(260)	240	(20)	Eliminations
Consolidated Airbus	4,133	0	4,133	Consolidated Airbus

FY 2019				
	As reported	Impact from New Segment	Restated New Segment	
Airbus	6,358	(411)	5,947	Airbus
Helicopters	422	0	422	Helicopters
Defence and Space	565	0	565	Defence and Space
Transversal / Elim.	(399)	411	12	Eliminations
Consolidated Airbus	6,946	0	6,946	Consolidated Airbus

The restatements resulting from the change in reporting segments do not change the 2019 figures at Consolidated Airbus level

Quarterly EBIT Breakdown (Cumulative)

IN € MILLION

	Q1 2019			
	As reported	Impact from New Segment	Restated New Segment	
Airbus	392	(73)	319	Airbus
Helicopters	9	0	9	Helicopters
Defence and Space	(117)	0	(117)	Defence and Space
Transversal / Elim.	(103)	73	(30)	Eliminations
Consolidated Airbus	181	0	181	Consolidated Airbus

	9m 2019			
	As reported	Impact from New Segment	Restated New Segment	
Airbus	3,405	(240)	3,165	Airbus
Helicopters	203	0	203	Helicopters
Defence and Space	83	0	83	Defence and Space
Transversal / Elim.	(260)	240	(20)	Eliminations
Consolidated Airbus	3,431	0	3,431	Consolidated Airbus

	H1 2019			
	As reported	Impact from New Segment	Restated New Segment	
Airbus	2,151	(145)	2,006	Airbus
Helicopters	124	0	124	Helicopters
Defence and Space	(15)	0	(15)	Defence and Space
Transversal / Elim.	(167)	145	(22)	Eliminations
Consolidated Airbus	2,093	0	2,093	Consolidated Airbus

	FY 2019			
	As reported	Impact from New Segment	Restated New Segment	
Airbus	2,205	(411)	1,794	Airbus
Helicopters	414	0	414	Helicopters
Defence and Space	(881)	0	(881)	Defence and Space
Transversal / Elim.	(399)	411	12	Eliminations
Consolidated Airbus	1,339	0	1,339	Consolidated Airbus

The restatements resulting from the change in reporting segments do not change the 2019 figures at Consolidated Airbus level

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Glossary on Alternative Performance Measures (APM)

This presentation also contains certain “non-GAAP financial measures”, i.e. financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measure calculated and presented in accordance with IFRS. For example, Airbus makes use of the non-GAAP measures “EBIT Adjusted”, “EPS Adjusted” and “Free Cash Flow”.

Airbus uses these non-GAAP financial measures to assess its consolidated financial and operating performance and believes they are helpful in identifying trends in its performance. These measures enhance management’s ability to make decisions with respect to resource allocation and whether Airbus is meeting established financial goals.

Non-GAAP financial measures have certain limitations as analytical tools, and should not be considered in isolation or as substitutes for analysis of Airbus’ results as reported under IFRS. Because of these limitations, they should not be considered substitutes for the relevant IFRS measures.

- **EBIT:** Airbus continues to use the term EBIT (Earnings before interest and taxes). It is identical to Profit before finance cost and income taxes as defined by IFRS Rules.
- **Adjustment** is an alternative performance measure used by Airbus which includes material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EBIT Adjusted:** Airbus uses an alternative performance measure, EBIT Adjusted as a key indicator capturing the underlying business margin by excluding material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EPS Adjusted** is an alternative performance measure of a basic EPS as reported whereby the net income as the numerator does include Adjustments. For reconciliation see slide “Detailed Income Statement and Adjustments”.
- **Gross cash position:** Airbus defines its consolidated gross cash position as the sum of (i) cash and cash equivalents and (ii) securities (all as recorded in the consolidated statement of financial position).
- **Net cash position:** Airbus defines its consolidated net cash position as the sum of (i) cash and cash equivalents and (ii) securities, minus (iii) financing liabilities (all as recorded in the consolidated statement of financial position) as defined in the Universal Registration Document, MD&A section 2.1.6.
- **Gross cash flow from operations:** Gross cash flow from operations is an alternative performance measure and an indicator used by Airbus to measure its operating cash performance before changes in other operating assets and liabilities (working capital). It is defined in the Universal Registration Document, MD&A section 2.1.6 as cash provided by operating activities, excluding (i) changes in other operating assets and liabilities (working capital), (ii) contribution to plan assets of pension schemes and (iii) realised foreign exchange results on treasury swaps.
- **Changes in working capital:** it is identical to changes in other operating assets and liabilities as defined by IFRS Rules. It is comprised of inventories, trade receivables, other assets and prepaid expenses netted against trade liabilities, other liabilities (including customer advances), deferred income and customer financing.
- **FCF:** For the definition of the alternative performance measure free cash flow, see Universal Registration Document, MD&A section 2.1.6.1. It is a key indicator which allows the Company to measure the amount of cash flow generated from operations after cash used in investing activities.
- **FCF before M&A** refers to FCF as defined in the Universal Registration Document, MD&A section 2.1.6.1. adjusted for net proceeds from disposals and acquisitions. It is an alternative performance measure and indicator that is important in order to measure FCF excluding those cash flows from the disposal and acquisition of businesses.
- **FCF before M&A and Customer Financing** refers to free cash flow before mergers and acquisitions adjusted for cash flow related to aircraft financing activities. It is an alternative performance measure and indicator that may be used occasionally by the Company in its financial guidance, especially when there is higher uncertainty around customer financing activities.