INFORMATION NOTICE

ANNUAL GENERAL MEETING

Wednesday 27 May 2015 at 2 p.m.

at Hotel Okura Amsterdam
Ferdinand Bolstraat 333,
1072 LH Amsterdam,
The Netherlands

AIRBUS GROUP

Agenda

1. Opening and general introductory statements

2. Presentation by the Chairman and the Chief Executive Officer, including report by the Board of Directors in respect of the:

1. Corporate governance statement
2. Report on the business and financial results of 2014
3. Application of the remuneration policy in 2014
4. Policy on dividend

3. Discussion of all Agenda items

4. Vote on the resolutions in respect of the:

1. Adoption of the audited accounts for the financial year of 2014
2. Approval of the result allocation and distribution
3. Release from liability of the non-Executive Members of the Board of Directors
4. Release from liability of the Executive Member of the Board of Directors
5. Appointment of KPMG Accountants N.V. as auditor for the financial year 2015
6. Adoption of the amendments to the compensation and remuneration policy of the Board of Directors
7. Conversion of the Company into a European Company (*Societas Europaea* - SE) and amendments to the Company's Articles of Association
8. Appointment of Ms. María Amparo Moraleda Martínez as a non-Executive Member of the Board of Directors replacing Mr. Josep Piqué i Camps who resigns
9. Delegation to the Board of Directors of powers to issue shares, to grant rights to subscribe for shares and to limit or exclude preferential subscription rights of existing shareholders for the purpose of employee share ownership plans
10. Delegation to the Board of Directors of powers to issue shares, to grant rights to subscribe for shares and to limit or exclude preferential subscription rights of existing shareholders for the purpose of funding the Company and its Group companies
11. Renewal of the authorisation for the Board of Directors to repurchase up to 10% of the Company's issued share capital
12. Authorisation for the Board of Directors to repurchase up to 10% of the Company's issued share capital for an exceptional share buyback programme
13. Cancellation of shares repurchased by the Company

5. Closing of the Meeting

Ways of participating in the Meeting

How to qualify for participation in the Meeting?

According to current Dutch law, your financial intermediary or Airbus Group Securities Department will attest on your behalf your status as a holder of Airbus Group shares as of **Wednesday 29 April 2015** (Registration Date) at close of markets, to qualify for participation in the Annual General Meeting. The shares will not be blocked from the Registration Date until the Meeting.

How to participate?

You can choose one of the following options:

1. **To grant a power of attorney to the Chairman**
2. **To provide voting instructions**
3. **To grant a power of attorney to a specified person**
4. **To attend and to vote at the Annual General Meeting**

You can express your choice:

A. by using the voting form/attendance card request (the "**Form**") attached in printed version

B. or by Internet

A. In paper Form

1. To grant a power of attorney to the Chairman

If you wish to grant to the Chairman a power of attorney to vote each resolution and amendments or new resolutions, if any, presented during this Meeting, you must shade box **1** on the Form.

2. 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 the Company, you must shade and fill out box **2** on the Form.

For each resolution, and amendment or new resolution, if any, presented during this Meeting, **you can express your choice as follows:**

- if you wish to vote **FOR**, shade the box **FOR**;
- if you wish to vote **AGAINST**, shade the box **AGAINST**;
- if you wish to vote **ABSTAIN**, shade the box **ABSTAIN**.

3. 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 during this Meeting, you must shade box **3** on the Form.

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

4. 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 in order to receive an attendance card from Airbus Group Securities Department.

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

Whichever your choice is, whether **1**, **2**, **3**, or **4**, just shade and fill out the appropriate items on the Form as indicated above. Then **date and sign** before returning it, as applicable, to your financial intermediary or to Airbus Group Securities Department.

Your Form must be received:

- if you hold bearer shares: no later than **Friday 15 May 2015** by your financial intermediary which has to transmit it by the latest **Monday 18 May 2015** to Airbus Group Securities Department;
- if you hold registered shares: no later than **Monday 18 May 2015** by Airbus Group Securities Department.

Any Form received beyond the relevant date will be disregarded.

B. By Internet

You will be offered the same four options as proposed in the paper Form if you choose to express your choice through the secure website Gisproxy, which is available until **Monday 18 May 2015**.

The Internet procedure depends on the type of account in which you hold your Airbus Group shares (pure registered, administrated registered or bearer shares) as of **Wednesday 29 April 2015** (Registration Date) at close of markets:

■ I hold pure registered shares

The login and password required to connect to the voting platform Gisproxy are the same as those that let you check your registered account on the website *Planetshares – Myshares.* If you have these two items, you can connect to the voting platform Gisproxy.

If you forgot your login and/or your password, the login procedure will be identical to that provided for "I hold administrated registered shares", presented below.

■ I hold administrated registered shares

- **If you choose to receive by post the information from Airbus Group Securities Department:** you will find your login on the paper Form in the box at the top right. With this login, you can connect to the website Gisproxy and request a password. You will then receive by post from Airbus Group Securities Department your password without delay. With these two items, you can connect to the voting platform Gisproxy.
- **If you choose to receive by email the information from Airbus Group Securities Department:** you will find your login on the "e-information" sent by Airbus Group Securities Department on Wednesday 15 April 2015. With this login, you can connect to the website Gisproxy and request a password. You will then receive by email from Airbus Group Securities Department your password without delay. With these two items, you can connect to the voting platform Gisproxy.

■ I hold bearer shares

Your financial intermediary should complete, on your behalf, a Shareholding Declaration* and send it to Airbus Group Securities Department. As soon as the document is received and provided that it corresponds to the requirements, you will receive by email your login from Airbus Group Securities Department. With this login and the number of shares mentioned on the Form or on the Shareholding Declaration* you can connect to the website Gisproxy and request a password. The password will appear on the screen. With the login and the password, you can connect to the voting platform Gisproxy.

If the Shareholding Declaration* is completed before **Wednesday 29 April 2015** (Registration Date) at close of markets, your financial intermediary must further confirm your status as a holder of Airbus Group shares on this date.

The validity of the Shareholding Declaration* relies solely on your financial intermediary, which shall be the entity exclusively responsible for the management of this operation in due time and in accordance with your request.

* *The Shareholding Declaration should be produced by a financial intermediary affiliated to Euroclear France S.A. and includes the first name, surname, mailing address and email address of the shareholder as well as the number of shares held on* ***Wednesday 29 April 2015*** *(Registration Date) at close of markets, on a headed paper of the financial intermediary. A special form is available on our website* ***www.airbusgroup.com*** *(Investors & Shareholders > General Meetings).*

The voting platform Gisproxy is available at the following address: https://gisproxy.bnpparibas.com/airbusgroup.pg
For any question related to the Internet voting, please contact +33 1 57 43 35 00 or send an email to airbus-register@bnpparibas.com

Annual General Meeting documentation

The Annual General Meeting documentation *(i.e.* agenda, text and presentation of the proposed resolutions, Board report, 2014 audited financial statements and Auditor's report) as well as the documents relating to the proposed conversion of the Company into an SE (*i.e.* the draft terms of conversion and thereto relating report of the Board, Auditor's report, proposed new Articles of Association and explanatory table for the proposed amendments to the Articles of Association) are available at the following addresses:

- in **The Netherlands**, Mendelweg 30, 2333 CS, Leiden;
- in **Germany**, Willy-Messerschmitt-Str. – Tor 1, 85521 Ottobrunn;
- in **France**, 4, rue du Groupe d'Or, bâtiment AURIGA, 31700 Blagnac; and, 5, quai Marcel Dassault, 92150 Suresnes;
- in **Spain**, Avenida de Aragón 404, 28022 Madrid.

Airbus Group Securities Department:

BNP PARIBAS Securities Services
CTS Assemblées
9, rue du Débarcadère
93761 Pantin Cedex, France
Tel.: +33 1 57 43 35 00
Fax: +33 1 55 77 95 01

The Annual General Meeting documents are also available on our website **www.airbusgroup.com** (Investors & Shareholders > General Meetings). For information purposes, translations of this document into French, German and Spanish will be available on our website.

Text of the Resolutions proposed by the Board of Directors

FIRST RESOLUTION

Adoption of the audited accounts for the financial year 2014

RESOLVED THAT the audited accounts for the accounting period from 1 January 2014 to 31 December 2014, as submitted to the Annual General Meeting by the Board of Directors, be and hereby are adopted.

SECOND RESOLUTION

Approval of the result allocation and distribution

RESOLVED THAT the net profit of €2,343 million, as shown in the income statement included in the audited accounts for the financial year 2014, shall be added to retained earnings and that a payment of a gross amount of €1.20 per share shall be made to the shareholders from distributable reserves.

THIRD RESOLUTION

Release from liability of the non-Executive Members of the Board of Directors

RESOLVED THAT the non-Executive 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 2014, to the extent that their activity has been reflected in the audited annual accounts for the financial year 2014 or in the Report of the Board of Directors or was otherwise properly disclosed to the General Meeting.

FOURTH RESOLUTION

Release from liability of the Executive Member of the Board of Directors

RESOLVED THAT the Executive Member of the Board of Directors be and hereby is granted a release from liability for the performance of his duties during and with respect to the financial year 2014, to the extent that his activity has been reflected in the audited annual accounts for the financial year 2014 or in the Report of the Board of Directors or was otherwise properly disclosed to the General Meeting.

FIFTH RESOLUTION

Appointment of KPMG Accountants N.V. as auditor for the financial year 2015

RESOLVED THAT the Company's auditor for the accounting period being the financial year 2015 shall be KPMG Accountants N.V., whose registered office is at Laan van Langerhuize 1, 1186 DS Amstelveen, The Netherlands.

SIXTH RESOLUTION

Adoption of the amendments to the compensation and remuneration policy of the Board of Directors

RESOLVED THAT the proposed amendments to the compensation and remuneration policy of the Board of Directors, including the rights to subscribe for shares, as described in the Report of the Board of Directors, be and hereby are accepted and adopted.

SEVENTH RESOLUTION

Conversion of the Company into a European Company (Societas Europaea - SE) and amendments to the Company's Articles of Association

RESOLVED THAT the draft terms of conversion of the Company into an SE are approved, the Company shall be converted into an SE and the Company's Articles of Association are approved and shall be amended, all in accordance with the draft terms of conversion and draft Articles of Association dated as of the date of the convening notice of this General Meeting and as both made available for inspection by shareholders and holders of depository receipts at the Company's offices and on the Company's website, and that the Board of Directors, the Chief Executive Officer and the Company be and hereby are authorised, with powers of substitution, to implement this resolution.

EIGHTH RESOLUTION

Appointment of Ms. María Amparo Moraleda Martínez as a non-Executive Member of the Board of Directors replacing Mr. Josep Piqué i Camps who resigns

RESOLVED THAT Ms. María Amparo Moraleda Martínez be appointed as a non-Executive Member of the Board of Directors for a term of three years, ending at the close of the Annual General Meeting which shall be held in the year 2018, in replacement of Mr. Josep Piqué i Camps who resigns as of the close of this Annual General Meeting.

NINTH RESOLUTION

Delegation to the Board of Directors of powers to issue shares, to grant rights to subscribe for shares and to limit or exclude preferential subscription rights of existing shareholders for the purpose of Employee Share Ownership Plans

RESOLVED THAT in accordance with the Company's 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 and to grant rights to subscribe for shares in the Company's share capital for the purpose of employee share ownership plans, provided that such powers shall be limited to an aggregate of 0.1% of the Company's authorised share capital from time to time and to limit or exclude preferential subscription rights, in both cases for a period expiring at the Annual General Meeting to be held in 2016.

Such powers 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 and the issue of shares to be paid up from freely distributable reserves. However, such powers shall not extend to issuing shares or granting rights to subscribe for shares (i) if there is no preferential subscription right (by virtue of Dutch law, or because it has been excluded by means of a resolution of the competent corporate body) and (ii) for an aggregate issue price in excess of €500 million per share issuance.

TENTH RESOLUTION

Delegation to the Board of Directors of powers to issue shares, to grant rights to subscribe for shares and to limit or exclude preferential subscription rights of existing shareholders for the purpose of funding the Company and its Group companies

RESOLVED THAT in accordance with the Company's 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 and to grant rights to subscribe for shares in the Company's share capital for the purpose of funding the Company and its Group companies, provided that such powers shall be limited to an aggregate of 0.3% of the Company's authorised share capital from time to time and to limit or exclude preferential subscription rights, in both cases for a period expiring at the Annual General Meeting to be held in 2016.

Such powers include the issue of financial instruments, including but not limited to convertible bonds, which instruments may grant the holders thereof rights to acquire shares in the capital of the Company, exercisable at such time as may be determined by the financial instrument, and the issue of shares to be paid up from freely distributable reserves. However, such powers shall not extend to issuing shares or granting rights to subscribe for shares (i) if there is no preferential subscription right (by virtue of Dutch law, or because it has been excluded by means of a resolution of the competent corporate body) and (ii) for an aggregate issue price in excess of €500 million per share issuance.

ELEVENTH RESOLUTION

Renewal of the authorisation for the Board of Directors to repurchase up to 10% of the Company's issued share capital

RESOLVED THAT the Board of Directors be and hereby is authorised, for a new period of 18 months from the date of this Annual General Meeting, to repurchase shares of the Company, by any means, including derivative products, on any stock exchange or otherwise, as long as, upon such repurchase, the Company will not hold more than 10% of the Company's issued share capital, and at a price per share not less than the nominal value and not more than the higher of the price of the last independent trade and the highest current independent bid on the trading venues of the regulated market of the country in which the purchase is carried out. This authorisation supersedes and replaces the authorisation given by the Annual General Meeting of 27 May 2014 in its tenth resolution.

TWELFTH RESOLUTION

Authorisation for the Board of Directors to repurchase up to 10% of the Company's issued share capital for an exceptional share buyback programme

RESOLVED THAT the Board of Directors be and hereby is authorised, for an 18-month period from the date of this Annual General Meeting, to repurchase up to 10% of the Company's issued share capital as of the date of this Annual General Meeting, by any means, including derivative products, on any stock exchange, in a private purchase, by way of a public purchase offer or otherwise, at a price not less than the nominal value and at most 85 euros per share.

This authorisation is in addition, and without prejudice, to the authorisation pursuant to the eleventh resolution.

THIRTEENTH RESOLUTION

Cancellation of shares repurchased by the Company

RESOLVED THAT any or all of the shares held or repurchased by the Company pursuant to the eleventh and/or twelfth resolutions be cancelled (whether or not in tranches) and both the Board of Directors and the Chief Executive Officer be and hereby are authorised, with powers of substitution, to implement this resolution (including the authorisation to establish the exact number of the relevant shares to be cancelled) in accordance with Dutch law.

Presentation of the Resolutions proposed by the Board of Directors

FIRST RESOLUTION

Adoption of the audited accounts for the financial year 2014

We recommend that this Annual General Meeting ("**AGM**") approves the audited accounts for 2014.

For more information on the audited accounts for 2014, see Sections 5.1 to 5.3 of the Report of the Board of Directors.

SECOND RESOLUTION

Approval of the result allocation and distribution

We recommend that this AGM resolves that the net profit of € 2,343 million, as shown in the income statement included in the audited accounts for the financial year 2014, shall be added to retained earnings and that a payment of a gross amount of € 1.20 per share shall be made to the shareholders from distributable reserves.

Pursuant to a decision by the Board of Directors, such dividend payment shall be made on 3 June 2015.

As from 1 June 2015, the Company's shares will be traded ex-dividend on the Frankfurt, Paris and Spanish Stock Exchanges. The dividend payment will be made on 3 June 2015 to holders of the Company's shares on 2 June 2015.

For more information on dividend policy, see "— Section 3.5 Dividend policy" of the Report of the Board of Directors.

THIRD AND FOURTH RESOLUTIONS

Release from liability of the current Members of the Board of Directors

We recommend that this AGM releases the current Members of the Board of Directors from liability for the performance of their duties during and with respect to the financial year 2014, to the extent that their activity has been reflected in the audited annual accounts for the financial year 2014 or in the Report of the Board of Directors or was otherwise properly disclosed to the General Meeting.

FIFTH RESOLUTION

Appointment of the auditor for the financial year 2015

We recommend that the Company's auditor for the financial year 2015 should be KPMG Accountants N.V. whose registered office is at Laan van Langerhuize 1, 1186 DS Amstelveen, The Netherlands, based on its qualifications performance and independence as concluded by the Board of Directors and the Audit Committee.

SIXTH RESOLUTION

Adoption of the amendments to the compensation and remuneration policy of the Board of Directors

We recommend that this AGM adopts the amendments to the compensation and remuneration policy of the Board of Directors, as described in the Report of the Board of Directors. The amendments would be effective as of 1 January 2015 (please see "— Section 4.3.3 Proposed Amendments of the Remuneration Policy" of the Report of the Board of Directors).

For any further information on the remuneration policy, please refer to Section 4.3 "Remuneration Report" of the Report of the Board of Directors.

For a report on the remuneration of the Members of the Board of Directors during the year 2014, please see "— Section 4.3.4 Implementation of the Remuneration Policy in 2014: CEO" and "— Section 4.3.5 Implementation of the Remuneration Policy in 2014: Non Executive Fees" of the Report of the Board of Directors.

SEVENTH RESOLUTION

Conversion of the Company into a European Company (*Societas Europaea* - SE) and amendments to the Company's Articles of Association

We recommend that this AGM approves the conversion of Airbus Group N.V. to a European Company to be named Airbus Group SE, and certain amendments to the Articles of Association of the Company mostly relating to such conversion. Airbus Group SE will continue to have its corporate seat in Amsterdam and its head office in The Netherlands. The Airbus Group shares will remain listed on the stock exchanges of Paris, Frankfurt and Spain without any change.

The main purpose of the conversion of the Company into an SE is to structurally reflect the diversified operational presence (in particular in terms of sites and employees) of the Group in the different European countries. Together with the rebranding of the Airbus Group, having a European Company as the holding company of the Group improves the unified corporate identity, employee and other stakeholders identification, and enhances the supra national nature and image of the Group, while preserving at the same time its multi-domestic face. The Conversion would entail a technical change of the legal form of the Company and will not materially affect the current rights of its shareholders. Furthermore, the governance, operations and organisation as well as the shareholding structure of the Airbus Group will remain as they currently are following the Conversion.

The current European Works Council will be replaced by the SE Works Council as agreed with the special negotiation body (SNB) composed of employee representatives from the relevant Member States of the European Economic Area and set up for the purpose of the conversion. The scope and terms of required employee information and consultation rights of the SE Works Council will not be fundamentally different from (and will even be simplified compared to those under) the current European Works Council Agreement.

The draft terms of conversion, the proposed new Articles of Association relating to the conversion, as well as an explanatory table also containing the relevant sections of the current Articles of Association and an explanation of each proposed amendment, can be found on the Company's website at **www.airbusgroup.com** (Investors & Shareholders > General Meetings) and are available at the Company's offices.

The conversion and the amendments to the Articles of Association will become effective, following the execution of a notarial deed of conversion and amendment, upon the registration of the Company as a European Company and the filing of its new Articles of Association with the Dutch Trade Registry, to be effected shortly after this AGM.

EIGHTH RESOLUTION

Appointment of Ms. María Amparo Moraleda Martínez as non-Executive Member of the Board of Directors replacing Mr. Josep Piqué i Camps who resigns

We recommend that this AGM appoints Ms. María Amparo Moraleda Martínez as non-Executive Member of the Board of Directors for a term of three years, ending at the close of the Annual General Meeting which shall be held in the year 2018. Ms. Moraleda will be one of ten independent non-Executive directors of the Board of Directors; she is appointed in replacement of Mr. Josep Piqué i Camps who resigns as of the close of this Annual General Meeting on 27 May 2015 given that his other professional duties can no longer be combined with his position as a non-Executive Member of the Board of Directors.

The appointment of Ms. Moraleda is the first step to a more optimal turnover of the Board of Directors, the principle of which is embodied in the staggering mechanism of the Internal Rules of the Board of Directors. To avoid large bloc replacements of Directors in one single episode, with the corresponding loss of experience, induction and integration challenges, the Board of Directors envisages a smoother, yearly staggering; besides, the Board of Directors has adopted criteria limiting the appointment of a Director to a maximum of three consecutive terms of three years (with possible exceptions), and setting an age limit of seventy five years at the time of appointment. Further steps to implement the staggered board will be taken at the AGM to be held in 2016 to create a schedule of staggered retirements and inductions consistent with the Dutch Corporate Governance Code and with the present Internal Rules of the Board of Directors.

Ms. María Amparo Moraleda Martínez

Ms. María Amparo Moraleda Martínez graduated as an industrial engineer from the ICAI (Escuela Técnica Superior de Ingenieria Industrial) Madrid and holds a PDG from IESE Business School in Madrid. Between January 2009 and February 2012, she was Chief Operating Officer of Iberdrola SA's International Division with responsibility for the United Kingdom and the United States. She also headed Iberdrola Engineering and Construction from January 2009 to January 2011. Previously, she served as General Manager of IBM Spain and Portugal (2001-2009). In 2005 her area of responsibility was extended to encompass Greece, Israel and Turkey as well. Between 2000 and 2001, she was executive assistant to the chairman and CEO of IBM Corporation. From 1998 to 2000, Ms. Moraleda was General Manager of INSA (a subsidiary of IBM Global Services). From 1995 to 1997, she was HR Director for EMEA at IBM Global Services and from 1988 to 1995 held various professional and management positions at IBM España. Ms. Moraleda is also a member of various boards of different institutions, trusts and bodies, including the Academy of Social Sciences and the Environment of Andalusia, the Board of Trustees of the MD Anderson Cancer Center in Madrid and the International Advisory Board of the Instituto de Empresa Business School and member of the Madrid Advisory Board of IESE.

Ms. Moraleda is part of a committee that KPMG Spain consults to assess its image, market positioning and operations in Spain; having insured that this so-called advisory board is not a governance body of KPMG Spain, that it does not deal in auditing matters and policy, that she has no link with Airbus Group's statutory auditors KPMG Accountants N.V., the Board is satisfied that Ms. Moraleda qualifies as an independent director under the provisions of the Dutch Corporate Governance Code and the Internal Rules of the Board of Directors.

Further information on the above-mentioned candidate is published on the Company's website at **www.airbusgroup.com** (Group & Vision > Governance > Board of Directors) and is also available at the Company's offices.

NINTH RESOLUTION

Delegation to the Board of Directors of powers to issue shares, to grant rights to subscribe for shares and to limit or exclude preferential subscription rights of existing shareholders for the purpose of Employee Share Ownership Plans

We recommend that this AGM delegates to the Board of Directors the authorisation to issue shares and to grant rights to subscribe for shares of the Company up to an aggregate of 0.1% of the authorised share capital, *i.e.* 3 million shares equivalent to 0.38% of the Company's issued share capital as at the date of convening the AGM, and to limit or exclude preferential subscription rights, for a period expiring at the AGM to be held in 2016, for the purpose of employee share ownership plans ("**ESOP**"), since the previous authorisation expires at the end of this AGM.

TENTH RESOLUTION

Delegation to the Board of Directors of powers to Issue shares, to grant rights to subscribe for shares and to limit or exclude preferential subscription rights of existing shareholders for the purpose of funding the Company and its Group companies

In addition to the authorisation provided for in the abovementioned Ninth Resolution, we recommend that this AGM delegates the authorisation to the Board of Directors to issue shares and to grant rights to subscribe for shares of the Company up to an aggregate of 0.3% of the authorised share capital, i.e. 9 million shares equivalent to 1.15% of the Company's issued share capital as at the date of convening the AGM for the purpose of funding the Company and its Group companies, and to limit or exclude preferential subscription rights, for a period expiring at the AGM to be held in 2016. This in order to benefit from possible financial market opportunities and to provide flexibility to issue financial instruments, including but not limited to convertible bonds, which instruments may grant the holders thereof rights to acquire shares in the capital of the Company. This may involve one or more issues, each within the €500 million threshold per share issuance.

ELEVENTH RESOLUTION

Renewal of the authorisation for the Board of Directors to repurchase up to 10% of the Company's issued share capital

We recommend that this AGM approves the renewal of the authorisation to the Board of Directors to repurchase up to 10% of the Company's issued share capital, for a new 18-month period by any means, including derivative products, on any stock exchange or otherwise.

The purposes of the share buyback programme to be implemented by the Company will be determined on a case-by-case basis by the Board of Directors based on need.

This authorisation will supersede and replace the authorisation granted by the AGM on 27 May 2014.

TWELFTH RESOLUTION

Authorisation for the Board of Directors to repurchase up to 10% of the Company's issued share capital for an exceptional share buyback programme

We recommend that this AGM approves, for an 18-month period from the date of this AGM, the authorisation to the Board of Directors to repurchase up to 10% of the Company's issued share capital as of the date of this AGM, by any means, including derivative products, on any stock exchange, in a private purchase, by way of a public purchase offer or otherwise, at a price not less than the nominal value and at most 85 euros per share. The Board of Directors would be free to decide if and how the acquisition of shares takes place, within the framework of applicable law, and shall ensure that general principles of equal treatment of shareholders shall be complied with. The authorised repurchase price range between the nominal value and at most 85 euros per share is intended to avoid giving any realistic indication at this stage on the repurchase price level if this exceptional share buyback programme were implemented.

The purpose of such share buyback programme would be to return to shareholders a portion of extraordinary proceeds from divestments. It is important to note that the Board of Directors will only decide whether or not to proceed with such a buyback and determine its timetable, amount, method and pricing based on the market conditions at such time, and on other capital allocation considerations in the context of the reshaping of the Group business portfolio. The shares acquired in this specific context would be promptly cancelled.

This authorisation is in addition, and without prejudice, to the authorisation pursuant to the eleventh resolution. It being understood, that the Company does not intend to hold more than 10% of its issued share capital following parallel repurchases pursuant to the eleventh and twelfth resolutions.

For additional information on the Company's share buyback programmes including their purposes, characteristics and status, the reader should refer to the Company's website at **www.airbusgroup.com** (Investors & Shareholders > Share Information).

THIRTEENTH RESOLUTION

Cancellation of shares repurchased by the Company

We recommend that this AGM approves the cancellation (whether or not in tranches) of any or all the shares held or repurchased by the Company, pursuant to the eleventh and/or twelfth resolutions and that both the Board of Directors and the Chief Executive Officer be authorised, with powers of substitution, to implement the cancellation (including the authorisation to establish the exact number of the relevant shares thus repurchased to be cancelled) in accordance with Dutch law.

Executive Summary

1. General Overview

With consolidated revenues of € 60,713 million in 2014, the Group is Europe's premier aerospace and defence company and one of the largest aerospace and defence companies in the world. In terms of market share, the Group is among the top two manufacturers of commercial aircraft, civil helicopters, commercial space launch vehicles and missiles, and a leading supplier of military aircraft, satellites and defence electronics. In 2014, it generated approximately 82% of its total revenues in the civil sector and 18% in the defence sector. As of 31 December 2014, the Group's active headcount was 138,622 employees.

Airbus Group organises its businesses into the following three operating Divisions: (i) Airbus, (ii) Airbus Defence and Space and (iii) Airbus Helicopters.

2. Summary 2014

2014 was a successful and challenging year for **Airbus Group**. An improved operational performance drove revenues and profitability higher. The Group achieved a series of key milestones in major programmes, renewed and upgraded its product portfolio and took important decisions to adapt and streamline its business portfolio.

Airbus Division delivered more aircraft than ever before, at 629 for the year, while commercial appetite for new aircraft continued unabated. New orders at 1,796 gross (1,456 net) were more than twice the level of deliveries. Thanks to these orders, the backlog climbed to a new industry record of 6,386 aircraft (2013: 5,559).

As planned, the first customer handover of an A350 XWB aircraft took place before the end of the year. Also on schedule, the A320neo took off on its maiden flight in September 2014. In a further illustration of Airbus' commitment to incremental innovation, the year saw the launch of the A330neo, offering a 14% improvement in fuel efficiency per seat compared to the existing aircraft. Within six months of its launch, the aircraft had already registered 120 firm orders.

In a challenging commercial environment, **Airbus Helicopters** revenues increased, driven by a significant ramp-up in NH90s, while profitability was stable. The year saw major progress in Airbus Helicopters' product renewal. The new EC175 and upgraded EC145 T2 and EC135 P3/T3 helicopters were handed over to customers for the first time. Meanwhile, the in-development X4 medium-weight helicopter passed its "power on" milestone, poised for first flight in 2015.

The newly established **Airbus Defence and Space** Division became operational in 2014 and made significant progress in its restructuring drive. Headcount was reduced by around 1,900 positions and eight sites were closed. In a further step, the Division announced plans to refocus on its core businesses: Space (including launchers and satellites), Military Aircraft, Missiles and related Systems and Services. Non-core activities such as commercial and parapublic communications businesses and certain participations are to be divested.

In order to adapt to increased competition, Airbus Group and Safran agreed to form a joint venture in the launcher segment. Airbus Safran Launchers will produce the Ariane 5, as well as developing and producing the next generation Ariane 6 launcher.

The Airbus Defence and Space Division had a highly successful year for satellite orders, including two key contracts for innovative telecom satellites using electric propulsion for initial orbit raising. In a further demonstration of technological prowess, the Rosetta spacecraft, built under the industrial leadership of Airbus Defence and Space, succeeded in touching down its lander onto a comet, the first time such an operation has ever been carried out.

Germany, Turkey and the UK took delivery of their first A400M aircraft. However, some delays were incurred in the development of the aircraft's military capabilities. The programme remains a key challenge for the year ahead.

When the Group started the year 2014 it set itself the following **Group Priorities for 2014**, which were shared with all employees:

1. Shape our Future, Stay Innovative;
2. Internationalisation;
3. Make Airbus Group ("Team Airbus") a Success;
4. People;
5. Strive for further Improvement of Customer Satisfaction;
6. Drive our Performance;
7. Ethics and Compliance;
8. Cyber Security and Protection of our Assets.

In 2014 the Group achieved a significant improvement in profitability and cash generation thanks to a record order book and strong operational performance in most areas. The Group's order intake was € 166.4 billion (FY 2013: € 216.4 billion), with the order book worth a record of € 857.5 billion at year-end (year-end 2013: € 680.6 billion). Airbus received 1,456 net commercial aircraft orders (FY 2013: 1,503), with a net book-to-bill ratio above 2 and a backlog of 6,386 aircraft at year-end. Net order intake at Airbus Helicopters was 369 units (FY 2013: 422), including a backlog adjustment of 33 NH90s. Airbus Defence and Space's order intake by value rose 4%, driven by continuing strong momentum in space systems and good order flow in light and medium military aircraft.

The Group's revenues increased 5% to a record € 60.7 billion (FY 2013: € 57.6 billion). The EBIT* before one-off, an indicator capturing the underlying business margin by excluding material non-recurring charges or profits caused by movements in provisions related to programmes and restructurings or foreign exchange impacts, improved to € 4,066 million (FY 2013: € 3,537 million).

3. Corporate Governance

3.1 Management and Control

Board of Directors Meetings

The Board of Directors met 7 times during 2014, and was regularly informed of developments through business reports from the Chief Executive Officer, including progress on the strategic and operational plans. The average attendance rate at these meetings was at 88%.

Throughout 2014, the Board of Directors received reports on the technical and commercial progress of significant programmes, such as A350 XWB, A400M, A380, and Super Puma. During two off-site meetings, one in Marignane at Airbus Helicopters, and the other in Toulouse at Airbus, the Board seized the opportunity to meet with local management and with the operative workforce, visited the Super Puma final assembly line, was introduced to the X6-helicopter concept, and experienced a flight on the A350 XWB on the day of its certification.

In terms of making new decisions, the Board launched a new engine option (neo) of the A330, conducted a detailed and comprehensive product portfolio assessment in line with the Group's strategy review initiated in 2013, approved and monitored Airbus Group's joint venture with Safran, and decided on the divestment of a part of the Company's stake in Dassault Aviation.

Moreover, the Board of Directors focused on the Group's financial results and forecasts, asset management, supply chain challenges, the services business, compliance in key business processes and in major programmes, as well as efficiency and innovation initiatives. It reviewed Enterprise Risk Management results, the internal audit plan, compliance programme, litigation and legal risks, investor relations, financial communication and dividend policy.

In order to avoid large bloc replacements of Directors in one single episode, with the corresponding loss of experience, induction and integration challenges, the Board of Directors discussed and envisaged a smoother, yearly replacement schedule; besides, the Board of Directors has adopted criteria limiting the appointment of a Director to a maximum of three consecutive terms of three years each (with possible exceptions) and setting an age limit of seventy five years at the time of appointment. The Board perceives this to be the first step to a more optimal turnover of the Board of Directors, the principle of which is embodied in the provisions of the Internal Rules of the Board of Directors. Further steps to implement the staggered Board will be proposed at the AGM of 2016 to create a schedule of staggered retirements and inductions consistent with the Dutch Corporate Governance Code and with the present Internal Rules of the Board of Directors.

Board Attendance

Directors	Attendance
Number of meetings in 2014	**7**
Denis Ranque (Chairman)	**7**/7
Thomas Enders (CEO)	**7**/7
Manfred Bischoff	**5**/7
Ralph D. Crosby	**7**/7
Hans-Peter Keitel	**6**/7
Hermann-Josef Lamberti	**7**/7
Anne Lauvergeon	**6**/7
Lakshmi N. Mittal	**6**/7
Sir John Parker	**7**/7
Michel Pébereau	**6**/7
Josep Piqué i Camps	**3**/7
Jean-Claude Trichet	**7**/7

* Unless otherwise indicated, EBIT* figures presented in this report are Earning before Interest and Taxes, pre-goodwill impairment and exceptionals.

Board Evaluation 2014

The evaluation of the Board of Directors was conducted through December 2014 and January 2015 by Spencer Stuart, through individual interviews of all Board Members.

The interviews covered Directors' expectations, governance fit, Board effectiveness, Board composition, committees as viewed from the Board and as viewed by their Members, Board areas of expertise and working processes, Chairmanship, interaction with executive management, shareholders and stakeholders. The subsequent discussion of the report by the whole Board was action-oriented.

Board Members were unanimous in finding that the Board meets the highest standards internationally and to point out the steady progress made by the Board, especially since the implementation of the new governance, which is considered balanced and effective. Board dynamics and performance are rated high. The Board's decision-making process fits both Director's and Management's expectations, and the contribution of Board Committees is high. Mutual trust between the Board and Management is strong.

Several improvement suggestions emerged from the interviews.

- **Support documentation and form:**
  - make minutes of previous meetings and Board files of upcoming meetings available earlier;
  - enrich the flow of information sent between Board meetings;
  - make presentations shorter and more analytical.
- **Speakers and guests, restricted sessions as best-practice:**
  - increase opportunities for the Board to meet the management of Business Units, for instance in the context of meetings held at industrial sites;
  - institutionalise such practices as routinely scheduled Board-only or non-Executive Directors' time-slots.
- **Content:**
  - better involve Board Members in the preparation of the strategic session of the Board;
  - improve ability to react to unforeseen events;
  - revisit and analyse past key decisions and their implementation.

One upcoming focus of the Board will be the preparation of Director turnover and replacement, as senior members progressively hand over to new Directors. Gender and geographical diversity, as well as specific industry specific skills will be key criteria to satisfy as the Remuneration and Nomination Committee organises its search of candidates.

3.2 Dutch Corporate Governance Code

In accordance with Dutch law and with the provisions of the Dutch Code, which includes a number of non-mandatory recommendations, the Company either applies the provisions of the Dutch Code or, if applicable, explains and gives sound reasons for their non-application. While the Company, in its continuous efforts to adhere to the highest standards, applies most of the current recommendations of the Dutch Code, it must, in accordance with the "apply or explain" principle, provide the explanations included in Section 4.2 of the Board Report.

For the full text of the Dutch Code, please refer to: **www.commissiecorporategovernance.nl**.

3.3 Ethics and Compliance Organisation

CEO Tom Enders described the importance of the Company's dedication towards Ethics and Compliance ("**E&C**") in the following way: "Within the Airbus Group, it's not just our results that matter – it's the way we achieve them". The Airbus Group Ethics and Compliance Programme ("**the Airbus Group E&C Programme**") seeks to ensure that the Group's business practices conform to applicable laws and regulations as well as to ethical business principles and thus establish a culture of integrity. The Company is convinced that such a culture helps to sustain the Group's global competitiveness.

There are two foundation documents in the Airbus Group E&C Programme: the "Standards of Business Conduct", which was revised in 2013, and "Our Integrity Principles", a leaflet summarising the Group's 6 key Ethics and Compliance commitments, rolled out group-wide to each individual employee in 2013 by his / her manager.

The Group's Ethics and Compliance Officer ("**ECO**"), who is appointed by the Board of Directors, reports both to the Group's Chief Executive Officer and the Audit Committee of the Company's Board of Directors, while the Divisions' E&C Officers report both to their Division CEO and the Group ECO. Each Division E&C Officer runs a Divisional E&C Organisation that is embedded in the business through a network of E&C representatives. In 2014, the Company enlarged the footprint of E&C representatives and they are now present in all functions and locations of our business. They are the voice and the face of the E&C Programme to help us build an E&C culture. In 2014, the Company extended the breadth of the Airbus Group E&C Programme by appointing an E&C Manager covering Airbus Group's locations in China. This nomination complements a network of four E&C Managers located in Brazil, Russia, India and in the Middle East. These E&C Managers report to the ECO.

In 2014, the Company was awarded an Anti-Corruption Compliance System certificate delivered by an external verification company called ETHIC Intelligence.

Last but not least, Airbus Group joined the United Nations Global Compact 10th Principle "Call to Action", which is an appeal by the private sector to Governments to promote anti-corruption measures and to implement policies that will establish systems of good governance. In addition, the Group is also a member of the "International Forum for Business Ethical Conduct", a sectorial association that develops global E&C standards in the Aerospace and Defence industry, which has been chaired by the Company since 2013.

3.4 Remuneration Report

3.4.1 Introduction

The Board of Directors and the Remuneration and Nomination Committee ("**RNC**") are pleased to present the 2014 Remuneration Report.

The Report comprises the following sections:

- **3.4.2** presents the Company's Remuneration Policy (incorporating certain amendments, separately listed in Section 3.4.3, to be adopted by the 2015 AGM);
- **3.4.3** sets out the changes to the Remuneration Policy that will be proposed for adoption by the 2015 AGM;
- **3.4.4** illustrates how the Remuneration Policy was applied in 2014 in respect of the CEO, the only Executive Member of the Board of Directors. (The cumulated remuneration of all Group Executive Committee Members is presented in the "Notes to the Consolidated Financial Statements (IFRS) – Note 36: Related Party Transactions");
- **3.4.5** illustrates how the Remuneration Policy was applied in 2014 in respect of the non-Executive Members of the Board of Directors;
- **3.4.6** outlines the Employee Share Ownership Plan ("**ESOP**");
- **3.4.7** miscellaneous.

3.4.2 Remuneration Policy

The Remuneration Policy covers all members of the Board of Directors: the CEO (who is the only Executive Director) and the other members of the Board (which is comprised of non-Executive Directors).

It should be noted that although the Policy relating to executive remuneration only refers to the CEO, these principles are also applied to the other members of the Group Executive Committee, who do not serve on the Board of Directors, and to a large extent to all executives across the Group. Upon proposal by the CEO, the RNC analyses and recommends, and the Board of Directors decides the remuneration of the Members of the Group Executive Committee.

3.4.2.1 Executive Remuneration – Applicable to the CEO

a) Remuneration Philosophy

The Company's Remuneration Philosophy has the objective of providing remuneration that will attract, retain and motivate high calibre executives, whose contribution will ensure that the Company achieves its strategic and operational objectives, thereby providing long-term sustainable returns for all shareholders.

The Board of Directors and the RNC are committed to making sure that the executive remuneration structure is transparent and comprehensible for both executives and investors, and to ensure that executive rewards are consistent and aligned with the interests of long-term shareholders.

Before setting the targets to be proposed for adoption to the Board of Directors, the RNC considers the financial outcome scenarios of meeting performance targets, as well as of maximum performance achievements, and how these may affect the level and structure of the executive remuneration.

b) Total Direct Compensation and Peer Group

The Total Direct Compensation for the CEO, comprises a Base Salary, an Annual Variable remuneration ("**VR**") and a Long-Term Incentive Plan ("**LTIP**"). The three elements of the Total Direct Compensation are each intended to comprise 1/3 of the total, assuming the achievement of performance conditions is 100% of target.

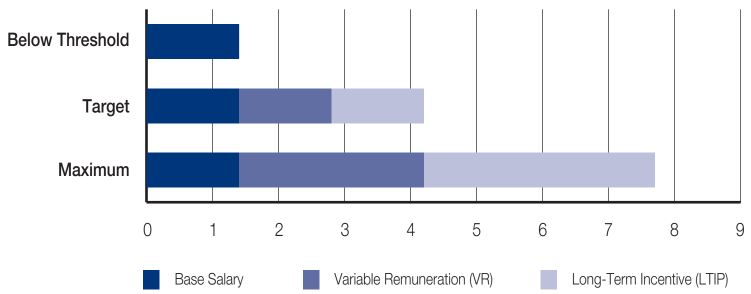
The level of Total Direct Compensation for the CEO is set at the median of an extensive peer group. The benchmark is regularly reviewed by the RNC and is based on a peer group which comprises:

- global companies in Airbus Group's main markets (France, Germany, UK and US); and
- companies operating in the same industries as Airbus Group worldwide.

The elements of the Total Direct Compensation are described below:

Remuneration Element	Main drivers	Performance Measures	Target and Maximum
Base Salary	Reflects market value of position.	Not applicable	1/3 of Total Direct Compensation (when performance achievement is 100% of target)
Annual Variable Remuneration (VR)	Rewards annual performance based on achievement of company performance measures and individual objectives.	Collective (50% of VR): divided between EBIT* (45%); FCF (45%) and RoCE (10%). Individual (50% of VR): Achievement of annual individual objectives, divided between Outcomes and Behaviour.	The VR is targeted at 100% of Base Salary for the CEO and, depending on the performance assessment, ranges from 0% to 200% of target. The VR is capped at 200% of Base Salary.
Long-Term Incentive Plan (LTIP)	Rewards long term commitment and company performance, and engagement on financial targets, over a 5 year period.	Vesting ranges from 0% to 150% of initial grant, subject to cumulative performance over a three-year period. In principle, no vesting if cumulative negative EBIT*. If EBIT* is positive, vesting from 50% to 150% of grant based on EPS (75%) and Free Cash Flow (25%)	The original allocation to the CEO is capped at 100% of Base Salary at the time of grant. Since 2012, the overall pay-out is capped at a maximum 250% of the original value at the date of grant. The value that could result from share price increases is capped at 200% of the reference share price at the date of grant.

SCENARIOS CEO TOTAL DIRECT COMPENSATION



Indications are in million euros.

"Below Threshold" includes annual base Salary; Annual Variable Remuneration at 0%; LTIP not vesting.

"Target" includes Base Salary, Annual Variable Remuneration at target and LTIP grant face value.

"Maximum" includes Base Salary; maximum Annual Variable Remuneration value (200%); LTIP grant projected at vesting date (250%).

c) Base Salary

The Base Salary of the CEO is determined by the Board of Directors, taking into account the peer group analysis mentioned above.

d) Annual Variable Remuneration

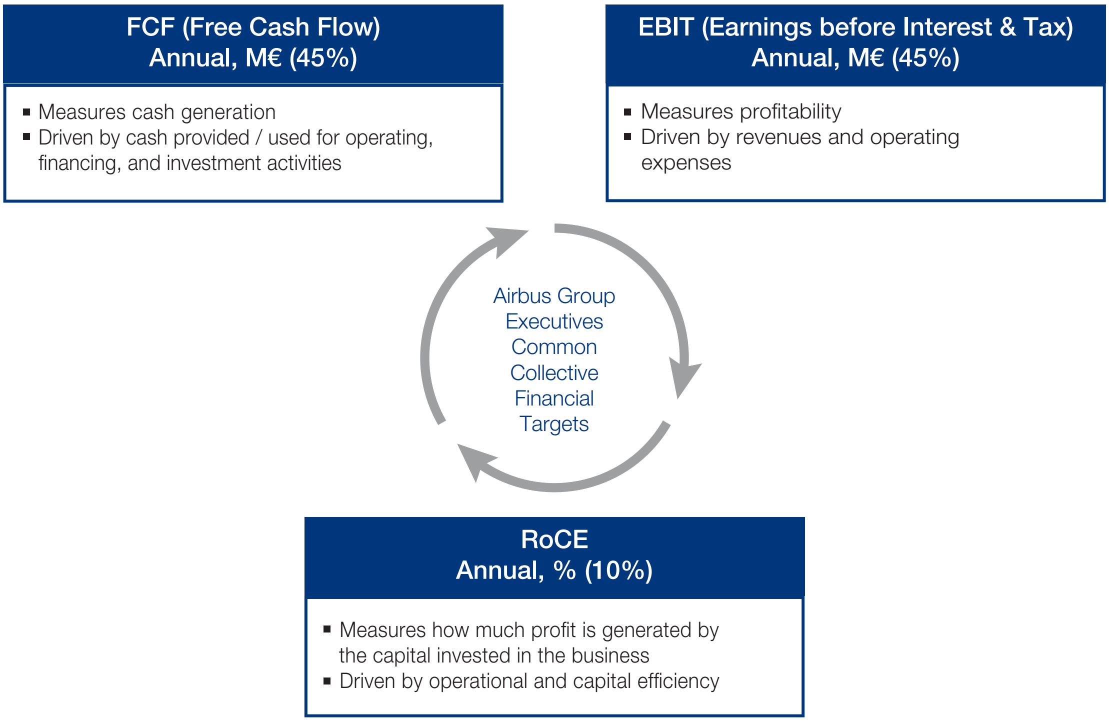
The VR is a cash payment that is paid each year, depending on the achievement of specific and challenging performance targets. The level of VR for the CEO is targeted at 100% of Base Salary; it is capped at a maximum level of 200% of Base Salary. The entire VR is at-risk, and therefore if performance targets are not achieved sufficiently, no VR is paid.

The performance measures that are considered when awarding the VR to the CEO are split equally between Common Collective performance measures and Individual performance measures.

Common Collective Component

The Common Collective component is based on EBIT* (45%), Free Cash Flow (45%) and RoCE (10%) objectives. Each year, the Airbus Group Board of Directors sets the goals for these key value drivers at Group and Division levels. The Common Collective financial targets relate closely to internal planning and to guidance given to the capital market (although there may be variations therefrom).

To calculate the Common Collective annual achievement levels, actual EBIT*, Free Cash Flow and RoCE performance are compared against the targets that were set for the year. This comparison forms the basis to compute achievement levels, noting that the actual EBIT*, Free Cash Flow, and RoCE levels are occasionally adjusted for a limited number of factors which are outside management control (such as certain foreign exchange impacts or unplanned Merger and Acquisition activities). The RNC's intention is to ensure ambitious financial targets and to incentivise the CEO's commitment to meeting these targets.



Individual

The Individual element focuses on **Outcomes** and **Behaviour**. Individual Performance is assessed in these two important dimensions:

- **Outcomes** encompass various aspects of what the CEO can do to contribute to the success of the business: specific business results he helps achieve, projects he drives and processes he helps improve. The individual targets of the CEO are comprehensive and shared with all employees via the Company Top Priorities;
- **Behaviour** refers to the way results have been achieved, which is also critical for long term success: how the CEO and the Board of Directors work as a team, how the CEO leads the Group Executive Committee, quality of communication, encouragement of innovation, etc. A specific part of the Behaviour assessment relates to ethics, compliance and quality issues.

e) Long-Term Incentive Plan

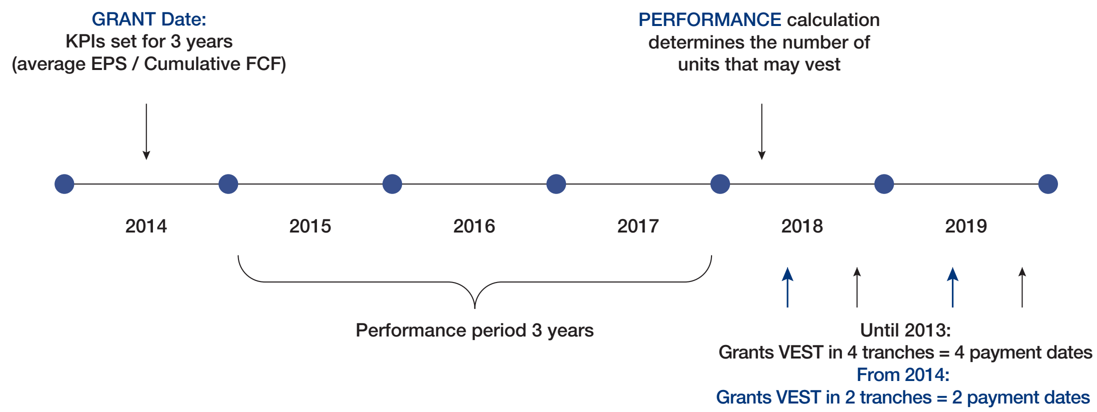
For the CEO, the Company's current LTIP is comprised only of Performance Units. One Unit is equal in value to one Airbus Group share.

The Board of Directors has the discretion, subject to shareholder approval at the AGM, to replace all or part of future LTIP allocations with substantially similar instruments, such as performance shares or other equity-related allocations. As with the Performance Units, the value of the CEO's LTIP allocation would continue to be capped as a percentage of Base Salary at the date of grant and be subject to comparable performance conditions.

Performance Units

Performance Units are the long-term equity-related incentive awards that are currently granted to the CEO. LTIP awards are granted each year. Each grant is subject to a three-year cumulative performance objective. At the end of the three-year period, the grant is subjected to a performance calculation to determine whether and to what extent it should vest. Depending on continued employment, grants attributed until 2013 will vest in four tranches, the payment of which takes place approximately 6, 12, 18 and 24 months following the end of the performance period. Depending on continuous employment, grants attributed from 2014 would vest in two tranches, the payment of which would take place approximately 6 and 18 months following the end of the performance period.

LTIP-SCHEME



At the date of grant, the CEO must decide what portion of the allocation (subject to the performance calculation) will be released as cash payments and what portion will be converted into shares. At least 25% (and up to 75%) of the award must be deferred into shares, and will only be released on the last vesting date.

For each payment in cash, one Unit is equal to the value of one Airbus Group share at the time of vesting. The Airbus Group's share value is the average of the opening share price, on the Paris Stock Exchange, during the twenty trading days preceding and including the respective vesting dates. For the conversion into shares, one Unit corresponds to one Airbus Group share.

For the CEO, the value of the Performance Unit allocation is capped, at the time of grant, at 100% of Base Salary. The number of Units that vest can vary between 0% and 150% of the Units granted. The level of vesting is subject to the following performance measures:

- 0-50% of the allocation: This element of the Performance Unit award will vest unless Airbus Group reports negative cumulated **EBIT*** results. In this case the Board of Directors has the discretion to review the vesting of this portion of the Performance Unit award;
- 50-150% of the allocation: This element of the Performance Unit award vests based on one performance criteria: average **Earnings Per Share**. Starting with the 2013 plan, the Company proposes that this element be based on two performance criteria: average **Earnings Per Share** (75%) and cumulative **Free Cash Flow** (25%).

The vesting of Performance Units is subject to the following maximum caps:

- the maximum level of vesting is 150% of the number of Units granted;
- the value that could result from share price increases is capped at 200% of the reference share price at the date of grant;
- the overall pay-out is capped at 250% of the value at the date of grant.

f) Share Ownership Guideline

The Board of Directors has established a share ownership guideline pursuant to which the CEO is expected to acquire Airbus Group shares with a value equal to 200% of Base Salary and to hold them throughout his tenure.

g) Benefits

The benefits offered to the CEO comprise a company car and accident insurance. Travel cost reimbursements are based on the Company travel policy as applicable to all employees.

h) Retirement

The CEO is entitled to a retirement benefit. The Company's policy is to provide a pension at retirement age that equals 50% of Base Salary, once the CEO has served on the Group Executive Committee for five years. This pension can increase gradually to 60% of Base Salary, for executives who have served on the Group Executive Committee for over ten years, and have been Airbus Group employees for at least 12 years.

i) Contracts and Severance

In the case of contract termination, the CEO is entitled to an indemnity equal to 1.5 times the Total Annual Target Income (defined as Base Salary and target Annual Variable Remuneration) with respect to applicable local legal requirements if any. This will not apply if the CEO mandate is terminated for cause, in case of dismissal, if he resigns or, if the CEO has reached retirement age.

The CEO's contract includes a non-compete clause which applies for a minimum of one year, and can be extended at the Company's initiative for a further year. The Board of Directors has the discretion to invoke the extension of the non-compete clause. The compensation for each year that the non-compete clause applies is equal to 50% of the last Total Annual Income (defined as Base Salary and Annual Variable Remuneration most recently paid) with respect to applicable local legal requirements if any.

Past LTIP awards may be maintained, in such cases as in the case of retirement or if a mandate is not renewed by the Company without cause. The vesting of past LTIP awards follows the plans' rules and regulations and is not accelerated in any case. LTIP awards are forfeited for executives who leave the Company of their own initiative, but this is subject to review by the Board of Directors.

j) Clawback

Recent changes to Dutch law introduced the possibility for the Company to deduct or claw back part of the CEO's variable cash remuneration (i.e. VR) or equity-related remuneration (excluding the LTIP element settled in cash) served by the Company if certain circumstances arise.

Any revision, claw back, or amounts deducted from the CEO's remuneration will be reported in the financial notes of the relevant Annual Report.

k) Loans

Airbus Group does not provide loans or advances to the CEO.

3.4.2.2 Non-Executive Remuneration – Applicable to Non-Executive Members of the Board

The Company's Remuneration Policy with regard to non-Executive Members of the Board of Directors is aimed at ensuring fair compensation and protecting the independence of the Board's members.

Fees and Entitlements

Non-Executive Members of the Board are entitled to the following:

- a base fee for membership or chair of the Board;
- a committee fee for membership or chair on each of the Board's Committees;
- an attendance fees for the attendance of Board meetings.

Each of these fees is a fixed amount. Non-Executive Members of the Board do not receive any performance or equity-related compensation, and do not accrue pension rights with the Company in the frame of their mandate, except what they would receive in the frame of a current or past executive mandate. These measures are designed to ensure the independence of Board Members and strengthen the overall effectiveness of the Company's corporate governance.

The Company does not encourage non-Executive Directors to purchase Company shares.

Under the current policy, members of the Board are entitled to the following fees:

Fixed fee for membership of the Board EUR / year

- Chairman of the Board: 180,000
- Member of the Board: 80,000

Fixed fee for membership of a Committee EUR / year

- Chairman of a Committee: 30,000
- Member of a Committee: 20,000

Attendance fees EUR / Board meeting

- Chairman: 10,000
- Member: 5,000

Committee chairmanship and Committee Membership fees are cumulative if the concerned Non-Executive Director belongs to two different Committees. Fees are paid twice a year at the end of each semester (as close as possible to the Board meeting dates).

3.4.3 Proposed Amendments of the Remuneration Policy

At the 2015 AGM, the Board of Directors is proposing that shareholders adopt a number of amendments to the Airbus Group Remuneration Policy.

The following changes are being proposed:

- the first proposed change affects eligibility to the LTIP plan, which is not automatically granted and no-Grant policy for leavers is instituted;
- the second proposed change is to reduce the number of LTIP vesting dates to 2, spread across the fourth and the fifth year of the plan, whereas they currently stand at 4;
- the third proposed change is to bring down to 5 shares the minimal acquisition, allowing broader access and to cap the level of matching shares.

3.4.4 Implementation of the Remuneration Policy in 2014: CEO

a) Benchmarking

The Remuneration Committee regularly benchmarks the CEO's Total Direct Compensation (Base Salary, Annual Variable Remuneration and LTIP) against an extensive peer group.

The last review took place in October 2014, and was completed with the assistance of an independent consultant: Towers Watson. The relevant peer groups that were considered were proposed by Towers Watson, and comprised 31 companies[1] having comparable economic indicators such as revenue, number of employees, and market capitalisation. Financial institutions were excluded from the peer group.

(1) France: Air Liquide, Danone, Michelin, Renault, Sanofi, Schneider Electric, GDF Suez, Vinci.
Germany: BASF, Bayer, BMW, Daimler, Lufthansa, Deutsche Post World Net, Deutsche Telekom, E.ON, Henkel, RWE, SAP, Siemens, ThyssenKrupp.
UK: Anglo American, BP, GlaxoSmithKline, Glencore, Imperial Tobacco, Rio Tinto, Rolls-Royce, Royal Dutch Shell, Unilever.
US: AT&T, Boeing, Caterpillar, Cisco Systems, Coca-Cola, General Electric, IBM, Intel, Johnson & Johnson, Microsoft, Pfizer, Procter and Gamble, United Technologies, Verizon.

Based on this review the RNC concluded again this year, that the CEO's Total Direct Compensation was slightly below the median level of the peer group.

b) Base Salary

For 2014, the Base Salary was set by the Board of Directors at € 1,400,004 (unchanged compared to the annualised salary paid in the previous year). The CEO's Base Salary level was set in July 2012, shortly after his appointment. The intention of the Board of Directors is not to review this Base Salary level in 2015. Any review of the CEO's Base Salary will also take into consideration salary increases of employees across the Group.

c) Annual Variable Remuneration

As stipulated in the Company's Remuneration Policy, the CEO's Annual Variable remuneration is targeted at 100% of Base Salary and capped at 200% of Base Salary. It is subject to the fulfilment of Collective and Individual performance targets.

For 2014, the Annual Variable Remuneration amounted to an aggregate € 1,939,000 composed of € 959,000 for the Common Collective Component, and € 980,000 for the Individual part.

The **Common Collective Component** results from a composite 137% achievement of EBIT*, Free Cash Flow and RoCE objectives.

This achievement mainly reflects a significant **Free Cash Flow** over-performance against the budgeted target and against the initial guidance given to the market; the main drivers of that success were the larger than expected pre delivery payments received at Airbus, and the improved management of working capital at Airbus Helicopters.

EBIT*, compared to the budgeted target and the guidance, was globally good, but weighed-down by unplanned A400M provisions.

RoCE bore a limited influence.

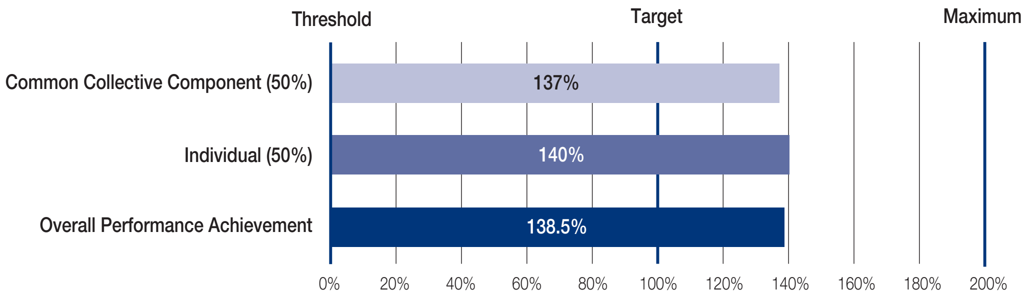
Normalisation adjustments of EBIT* and Free Cash Flow were made to exclude currency exchange differences against the budget rate, or those arising from phasing mismatches. Importantly, the windfall results of the Dassault shares sale were excluded from EBIT* and Free Cash Flow to determine the achievement level. On the other hand, the A400M charges were apportioned equally between the consolidated Group performance, Airbus and Airbus Defence and Space, so that the corresponding shortage be shared among the parties bearing responsibility.

The Individual part results from a composite achievement of 140%, assessed by the RNC and approved by the Board on the basis of the CEO's performance and behaviour, mostly with respect to the 8 Group priorities agreed at the start of the year (see "Chapter 2 — Summary 2014"). For each of these, outcomes, leadership, personal performance and contributions were examined.

The **main factors** determining the high assessment were: demonstrated results on driving short-term and sustainable performance improvements, including the actual restructuring of the Airbus Defence and Space organisation, and good progress of an initiative for leaner and effective headquarters called the Corporate Function Reshaping project; in defining and executing strategy: the sweeping review of the Airbus Defence and Space division product portfolio, the subsequent shedding of non-core assets and the initiative to ensure the future of the space launcher business in a different ownership and industrial setup; actions to ensure that product lines at Airbus (A330neo) and Airbus Helicopters remain current and competitive; numerous encounters with key stakeholders in key markets; in the field of innovation: group-wide initiatives (such as eFan), and the development of a coherent Research and Technology blueprint, with particular focus on efficient manufacturing technologies, hybrid and electric concepts, advanced on-board energy and autonomy; in the management of people, beyond significant social mitigation measures to soften the impact of restructuring, dedication to in-depth succession planning and to the selection of top leadership talents; with regards to quality: improvement of customer satisfaction, deployment of an all-encompassing Quality policy, and progress on the Cyber Security protection of the Group. With regard to the above realisations, the RNC and the Board considered that the CEO's role had been decisive.

Conversely, **certain areas** were considered as work-in-progress, and contributed to **lowering the achievement assessment,** such as the operational disappointments leading to sudden charges on the A400M programme; besides, certain on-going objectives are repeated into 2015 priorities, such as those relating to continuing to set a commanding tone from the top regarding the updating of processes supporting Ethics and Compliance; the completion of a group vision on responsibility and eco-efficiency, and the introduction of an updated group-wide environmental policy; the implementation of the "one-roof" management of our activities in key countries. The RNC and the Board noted that the CEO's performance assessment is also consistent with the average outcome of the Executive Committee Members' assessments.

PERFORMANCE AGAINST TARGET



d) Long-Term Incentive Plan

As stipulated in the Company's Remuneration Policy, the CEO is eligible for a Performance Unit award under the Company's LTIP. The value of the Performance Unit award is capped at 100% of Base Salary at the date of grant. During 2014 the CEO was granted 29,500 Performance Units.

The table below gives an overview of the Performance Units granted to the Chief Executive Officer in 2014 pursuant to the LTIP*:

	Unit plan: number of Performance Units	
	Granted in 2014	Vesting dates
Thomas Enders	29,500	Vesting schedule is made up of 2 tranches over 2 years: (i) 50% expected in June 2018; (ii) 50% expected in June 2019.

* There is no obligation under the Dutch Financial Supervision Act to notify the cash units under the LTIP to the AFM. The CEO's cash units are therefore no longer reflected in the AFM register.

In 2014, the CEO received both cash payments and vested shares in connection with the vesting of 2009 and 2010 LTIP awards:

- **Cash:** The total cash payment to the CEO amounted to €2,374,997.
- **Shares:** In connection with the 2009 LTIP award, the CEO had elected that 25% of his grant should be deferred into shares. Therefore, the CEO received 14,145 vested shares on the fourth vesting date for the 2009 LTIP (19 November 2014).

In connection with the 2010 LTIP award, the CEO had elected that 25% of his grant should be deferred into shares. Therefore, the vesting of 9,248 Performance Units was delayed and these will be released in the form of shares on the fourth vesting date for the 2010 LTIP (which will take place in 2015).

In connection with the 2011 LTIP award, the CEO had elected that 25% of his grant should be deferred into shares. Therefore, the vesting of 16,448 Performance Units will be delayed and these will be released in the form of shares on the fourth vesting date for the 2011 LTIP (which will take place in 2016).

Date of grants	Number	Share price at grant date	Value at grant date	(Un)conditional	Performance achievement	Units with performance achievement	Dates of vesting	2014 Share value at vesting dates
2009	46,000	€14.50	€667,000	Conditional	123%	56,580	4 vestings in 2013 - 2014	3rd vesting – 28 May 2014 : €50.37 4th vesting – 19 November 2014 : €46.72
2010	54,400	€18.40	€1,000,960	Conditional	136%	73,984	4 vestings in 2014 - 2015	1st vesting – 16 May 2014 : €50.24 2nd vesting – 19 November 2014 : €46.72
2011*	51,400	€21.41	€1,100,474	Conditional	128%*	65,792	4 vestings in 2015 - 2016	Not yet known
2012	50,300	€27.83	€1,399,849	Conditional	Not yet known	Not yet known	4 vestings in 2016 - 2017	Not yet known
2013	30,300	€46.17	€1,398,951	Conditional	Not yet known	Not yet known	4 vestings in 2017 - 2018	Not yet known
2014	29,500	€47.45	€1,399,775	Conditional	Not yet known	Not yet known	2 vestings in 2018 - 2019	Not yet known

Calculations may involve rounding to the nearest unit.
* The LTIP 2011 performance achievement stands at 128%. The three year average EPS, corrected for impacts of IAS 11 accounting and of foreign currency exchange was € 2.10, more than 35% over the comparable objective set at the time of initial grant.

e) Stock Options

The Company's Stock Option Plan has been discontinued and no awards have been made under the plan since 2006.

Following a recommendation of the RNC and in compliance with the relevant AMF best practice recommendations, the Board of Directors recommended setting up a Blind Trust to which certain executives signed up after the Group's AGM in late May 2013. The independence of the trust protects the integrity of the relevant executive and guarantees compliance with all applicable market regulations.

The CEO has entrusted the exercise of his options (granted between 2003 and 2006) to the Blind Trust, and thereby relinquished any control over the trading decisions. Under this scheme, the criteria for trading decisions are set in advance by the trust, and are implemented by the relevant bank following a substantial time buffer (of approximately three months) without any prior knowledge or influence of the signatory.

Any exercise or sale that occurred in 2014 was executed under the Blind Trust framework and related to the Stock Option awards mentioned above. It appears along with the CEO's outstanding Stock Option awards in: "— Notes to the Company Financial Statements — Note 11: Remuneration".

f) Benefits

As stipulated in the Company's Remuneration Policy the CEO's benefits comprise a Company car and accident insurance. The monetary value of these benefits for 2014 amounted to € 68,415.

g) Retirement

As of 31 December 2014, the present value of the CEO's pension defined benefit obligation amounted to € 18,584,426 vs. 12,921,270 a year ago. While the plan benefits remain identical, the present value of the pension obligation was calculated applying a 3,6% discount rate in 2013 compared to a 1,9% discount rate in 2014, which mainly explains the change in value. For the fiscal year 2014, the current service and interest costs related to the CEO's pension promise represented an expense of € 1,043,679. This obligation has been accrued in the Consolidated Financial Statements.

The defined benefit obligation for the CEO's Company pension results from the Company's pension policy as described above and takes into account (1) the seniority of the CEO in the Company and on its Group Executive Committee and (2) the significantly lower public pension promise deriving from the German social security pension system, compared to a pension resulting from membership in the French pension system.

h) Clawback

The Board has not applied any claw back in 2014.

3.4.5 Implementation of the Remuneration Policy in 2014: Non-Executive Fees

The RNC recommended and the Board of Directors decided not to increase non-executive fees in 2014, and therefore the non-executive fees remain unchanged from the level set in October 2007. The CEO is the only Member of the Board of Directors who is not entitled to any Board membership fee.

Summary table of the 2014 and 2013 fees of all non-Executive Members of the Board (current and former):

	Directors' remuneration related to 2014*			Directors' remuneration related to 2013*		
	Fixum *(in €)*	**Attendance Fees** *(in €)*	**Total** *(in €)*	Fixum *(in €)*	Attendance Fees *(in €)*	Total *(in €)*
Current Non Executive Board Members*						
Denis Ranque(1)	180,000	70,000	250,000	135,000	60,000	195,000
Manfred Bischoff(2)	80,000	25,000	105,000	60,000	45,000	105,000
Ralph D Crosby Jr(3)	80,000	35,000	115,000	60,000	45,000	105,000
Hans-Peter Keitel(4)	100,000	30,000	130,000	75,000	45,000	120,000
Hermann-Josef Lamberti(5)	110,000	35,000	145,000	115,000	60,000	175,000
Anne Lauvergeon(6)	100,000	30,000	130,000	75,000	45,000	120,000
Lakshmi N. Mittal(7)	100,000	30,000	130,000	95,000	35,000	130,000
Sir John Parker(8)	110,000	35,000	145,000	115,000	50,000	165,000
Michel Pébereau(9)	100,000	30,000	130,000	95,000	55,000	150,000
Josep Piqué i Camps(10)	100,000	15,000	115,000	95,000	50,000	145,000
Jean-Claude Trichet(11)	100,000	35,000	135,000	95,000	60,000	155,000
Former Non Executive Board Members						
Dominique D'Hinnin(12)	N/A	N/A	N/A	30,000	10,000	40,000
Arnaud Lagardère(13)	N/A	N/A	N/A	45,000	20,000	65,000
Wilfried Porth(14)	N/A	N/A	N/A	25,000	10,000	35,000
Bodo Uebber(15)	N/A	N/A	N/A	25,000	5,000	30,000
TOTAL	**1,160,000**	**370,000**	**1,530,000**	**1,140,00**	**595,000**	**1,735,000**

* The Fixum related to 2013 was paid in 2014; the Fixum related to 2014 will be paid in 2015.
(1) New Chairman of the Company's Board of Directors as of 01/04/2013 (Only attendance fees until 01/09/2013, application of fixed fee pro rata after 01/09/2013).
(2) New Member of the Company Board of Directors as of 01/04/2013.
(3) New Member of the Company Board of Directors as of 01/04/2013.
(4) New Member of the Company Board of Directors and RNC as of 01/04/2013.
(5) Member of the Company Board of Directors and Chairman of the Audit Committee for the entire year 2013 , Member of the RNC until 31/03/2013.
(6) New Member of the Company Board of Directors and Audit Committee as of 01/04/2013.
(7) Member of the Company Board of Directors for the entire year 2013, new Member of the RNC as of 01/04/2013.
(8) Member of the Company Board of Directors and Chairman of the RNC for the entire year 2013, Member of the Audit Committee until 31/03/2013.
(9) Member of the Company Board of Directors for the entire year 2013, new Member of the Audit Committee as of 01/04/2013.
(10) Member of the Company Board of Directors for the entire year 2013, new Member of the Audit Committee as of 01/04/2013.
(11) Member of the Company Board of Directors for the entire year 2013, new Member of the RNC as of 01/04/2013.
(12) Member of the Company Board of Directors, Audit Committee and RNC until 31/03/2013.
(13) Chairman of the Company Board of Directors until 31/03/2013.
(14) Member of the Company Board of Directors and RNC until 31/03/2013.
(15) Member of the Company Board of Directors and Audit Committee until 31/03/2013.

3.4.6 Employee Share Ownership Plan

Airbus Group supports a strong employee shareholder culture. Since its creation, the Company has regularly offered qualifying employees the opportunity to purchase shares on favourable terms through the Employee Share Ownership Plan or awarded shares under a Free Share Plan.

In July 2014, the Board of Directors decided to cancel the ESOP scheme for 2014 due to the volatility of the share price and the financial situation.

Future ESOP

The Company intends to implement an ESOP in 2015 with a modified design, subject to approval by the Board of Directors. The 2015 ESOP is expected to be a share matching plan whereby the Company would match a certain number of directly acquired shares with a grant of matching shares. The total offering would be up to approximately 2 million shares of the Company, i.e. up to 0.45% of its issued share capital, open to all qualifying employees (including the CEO). Under the umbrella of the ESOP 2015, a dedicated UK tax saving plan (Share Incentive Plan – SIP) would also be deployed in March 2015.

Non-Executive Members of the Board are not eligible to participate in the ESOP.

3.4.7 Miscellaneous

Policy for Loans and Guarantees Granted

The Company's general policy is not to grant any loan to the Members of the Board of Directors. Unless the law provides otherwise, the Members of the Board of Directors shall be reimbursed by the Company for various costs and expenses, like reasonable costs of defending claims. Under certain circumstances, such as an act or failure to act by a Member of the Board of Directors that can be characterised as intentional, intentionally reckless, or seriously culpable, there will be no entitlement to this reimbursement. The Company has also taken out liability insurance ("**D&O**" – Directors & Officers) for the persons concerned.

4. Financial and Other Highlights

The Group's Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

4.1 Revenues

Group revenues increased 5% to a record € 60.7 billion (FY 2013 adjusted: € 57.6 billion). Commercial Aircraft revenues rose 7%, driven by the overall increase in deliveries to a record 629 aircraft (FY 2013: 626 deliveries) and a more favourable delivery mix including 30 A380s compared to 25 in 2013. In the fourth quarter, the first A350 XWB was delivered to Qatar Airways as planned and IAS 11 accounting standards were implemented for limited launch customer contracts. Revenues at Helicopters rose 4%, mainly driven by government programmes including the ramp-up in NH90 activity. Helicopter deliveries totalled 471 units (FY 2013: 497 units), including the successful entry-into-service (EIS) of the EC175 in the fourth quarter following the EIS of the EC145 T2 and EC135 T3 earlier in the year. Defence and Space's revenues were broadly stable, with 8 A400M deliveries in total to 4 nations and 6 Ariane 5 launches during the year.

4.2 EBIT* and Financial Result

Airbus Group uses EBIT pre-goodwill impairment and exceptionals as a key indicator of its economic performance. The term "exceptionals" refers to such items as depreciation expenses of fair value adjustments relating to the former EADS merger, the Airbus combination, as well as impairment charges thereon. In the following, EBIT pre-goodwill impairment and exceptionals is earmarked as EBIT*.

Reported EBIT* increased 54% to € 4,040 million (FY 2013 adjusted: € 2,624 million) with a low level of net one-offs amounting to € -26 million in total, composed of:

- a fourth quarter net charge of € 551 million due to delays on the A400M programme as outlined in the nine month 2014 results. The sequence of progressive military enhancements and associated deliveries are under negotiation with customers to reflect the revised programme baseline and delivery schedule. In the last quarter of 2014, management reviewed the programme evolution mostly driven by military functionality challenges and industrial ramp-up together with associated mitigation actions. Significant management actions have been launched to secure future deliveries and the programme continues to be closely monitored;
- a positive € 142 million contribution from the dollar pre-delivery payment mismatch and balance sheet revaluation;
- a total of € 383 million in capital gains linked to the divestment of 8% of the Company's Dassault Aviation participation and the sale of the stake in Patria.

Group EBIT* before one-off – an indicator capturing the underlying business margin by excluding material non-recurring charges or profits caused by movements in provisions related to programmes and restructurings or foreign exchange impacts – improved to € 4,066 million (FY 2013 adjusted: € 3,537 million). Commercial Aircraft EBIT* before one-off increased to € 2,529 million (FY 2013 adjusted: € 2,214 million), reflecting a solid underlying performance. Helicopters' EBIT* before one-off rose slightly to € 413 million (FY 2013: € 397 million), despite higher research and development (R&D) expenses and a less favourable revenue mix. Defence and Space's EBIT* before one-off was stable at € 920 million (FY 2013 adjusted: € 911 million).

Group EBIT* before one-off return on sales improved to 6.7% (FY 2013 adjusted: 6.1%).

Net income rose to € 2,343 million (FY 2013 adjusted: € 1,473 million), while earnings per share (EPS) increased to € 2.99 (FY 2013 adjusted: € 1.86). Net income and EPS increased strongly despite the finance result of € -778 million (FY 2013 adjusted: € -610 million), which included a negative foreign exchange valuation of € 341 million linked to the weakening of the euro in the fourth quarter.

TABLE 1 – EBIT* AND REVENUES BY DIVISION

By Division	EBIT*			Revenues		
(Amounts in € million)	**FY 2014**	FY 2013[1]	Change	**FY 2014**	FY 2013[1]	Change
Commercial Aircraft	2,671	1,593	+68%	42,280	39,494	+7%
Helicopters	413	397	+4%	6,524	6,297	+4%
Defence and Space	409	659	-38%	13,025	13,121	-1%
Headquarters / Eliminations / Others	547	(25)	-	(1,116)	(1,345)	-
Total	**4,040**	**2,624**	**+54%**	**60,713**	**57,567**	**+5%**

* Earnings before interest and taxes, pre-goodwill impairment and exceptionals.
(1) Previous year's figures are adjusted due to the application of IFRS 10 and IFRS 11. Divisional figures are also restated to reflect the new Group structure as of 1 January 2014.

4.3 Net Cash

The net cash position at the end of 2014 was € 9.1 billion (year-end 2013 adjusted: € 8.5 billion) after the 2013 dividend payment of € 587 million and € 462 million pension plan contribution. The gross cash position on December 31, 2014 was € 16.4 billion.

Gross Cash comprises "Non-current securities", "Current securities" and "Cash and cash equivalents". For the Net Cash calculation "Long-term financing liabilities" and "Short-term financing liabilities" are deducted from the gross cash.

Free cash flow before mergers and acquisitions improved significantly to € 1,109 million (FY 2013 adjusted: € -811 million), reflecting a strong fourth quarter performance and efforts to improve cash flow across the Group during the year and proceeds from divestments further boosted free cash flow to € 2,002 million (FY 2013 adjusted: € -827 million).

During 2014, the Airbus Group invested around € 2.5 billion in capital expenditure to support its development programmes. It includes around € 200 million of capitalised R&D across the Group.

4.4 Order Intake and Order Book

Group order intake in 2014 was € 166.4 billion (FY 2013 adjusted: € 216.4 billion), with the order book worth a record € 857.5 billion at year-end (year-end 2013 adjusted: € 680.6 billion). Airbus received 1,456 net commercial aircraft orders (FY 2013: 1,503 net orders), with a net book-to-bill ratio above 2 and an order book of 6,386 aircraft at year-end. Net order intake at Airbus Helicopters was 369 units (FY 2013: 422 units), including a backlog adjustment of 33 NH90s. Airbus Defence and Space's order intake by value rose 4%, driven by continuing strong momentum in space systems and good order flow in Light and Medium (L&M) Military aircraft.

TABLE 2 – ORDER INTAKE AND ORDER BOOK BY DIVISION

By Division	Order Intake[2]			Order Book[2]		
(Amounts in € million)	**FY 2014**	FY 2013[1]	Change	**31 December 2014**	31 December 2013[1]	Change
Commercial Aircraft	150,085	199,261	-25%	803,633	625,595	+28%
Helicopters	5,469	5,775	-5%	12,227	12,420	-2%
Defence and Space	12,225	11,808	+4%	43,075	43,208	0%
Headquarters / Eliminations / Others	(1,349)	(426)	-	(1,416)	(663)	-
Total	**166,430**	**216,418**	**-23%**	**857,519**	**680,560**	**+26%**

(1) Previous year's figures are adjusted due to the application of IFRS 10 and IFRS 11. Divisional figures are also restated to reflect the new Group structure as of 1 January 2014.
(2) Contributions from commercial aircraft activities to the Airbus Group Order Intake and Order Book are based on list prices.

4.5 Workforce information

In 2014, 5,211 employees worldwide (thereof 2,243 in the core-division perimeter, i.e. Airbus, Airbus Defence and Space, Airbus Helicopters and Airbus Group Corporate Functions), were welcomed into the Group (8,823 in 2013), while 4,478 employees left the Group including partial retirements leading to 2014 year-end Group workforce of 138,622. (These statistics take into account consolidation effects and perimeter changes at year-end 2013: 138,404 restated in February 2014 according to application of IFRS 10 and 11).

In terms of nationalities, 38.0% of the Company's employees are from France, 33.9% from Germany, 9.5% from the UK and 8.8% are from Spain. US nationals account for 1.6% of employees. The remaining 8.4% are employees coming from a total of 135 other countries.

4.6 Dividend Policy

In December 2013, the Group formalised a dividend policy demonstrating a strong commitment to shareholders' returns. This policy targets a sustainable growth in the dividend within a payout ratio of 30%-40%.

Therefore, based on earnings per share (EPS) of € 2.99, the Board of Directors will propose to the Annual General Meeting the payment to shareholders of a dividend of € 1.20 per share on 3 June 2015 (FY 2013: € 0.75).

The record date should be 2 June 2015. This proposed dividend represents a pay-out ratio of 40% and a year-on-year dividend per share growth of 60%.

Financial Statements – Summary

The Financial Statements 2014 are available on Airbus Group website **www.airbusgroup.com** (Investors & Shareholders).

1. Airbus Group N.V. — Consolidated Financial Statements (IFRS)

Airbus Group N.V. — IFRS Consolidated Income Statements for the years ended 31 December 2014 and 2013

(In € million)	**2014**	2013[1]
Revenues	**60,713**	**57,567**
Cost of sales	(51,776)	(49,613)
Gross margin	**8,937**	**7,954**
Selling expenses	(1,063)	(1,140)
Administrative expenses	(1,538)	(1,622)
Research and development expenses	(3,391)	(3,118)
Other income	330	272
Other expenses	(179)	(259)
Share of profit from investments accounted for under the equity method	840	434
Other income from investments	55	49
Profit before finance costs and income taxes	**3,991**	**2,570**
Interest income	142	161
Interest expense	(462)	(493)
Other financial result	(458)	(278)
Total finance costs	(778)	(610)
Income taxes	(863)	(477)
Profit for the period	**2,350**	**1,483**
Attributable to:		
Equity owners of the parent **(Net income)**	2,343	1,473
Non-controlling interests	7	10

Earnings per share	**€**	**€**
Basic	2.99	1.86
Diluted	2.99	1.85

(1) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

Airbus Group N.V. — IFRS Consolidated Statements of Financial Position at 31 December 2014 and 2013

(In € million)	**2014**	2013[1]
Assets		
Non-current assets		
Intangible assets	12,758	12,500
Property, plant and equipment	16,321	15,585
Investment property	67	69
Investments accounted for under the equity method	3,391	3,858
Other investments and other long-term financial assets	1,769	1,756
Non-current other financial assets	586	2,076
Non-current other assets	1,822	1,651
Deferred tax assets	5,717	3,733
Non-current securities	5,989	4,298
	48,420	**45,526**
Current assets		
Inventories	25,355	24,023
Trade receivables	6,798	6,628
Current portion of other long-term financial assets	167	132
Current other financial assets	1,164	1,591
Current other assets	2,389	1,960
Current tax assets	605	628
Current securities	3,183	2,585
Cash and cash equivalents	7,271	7,201
	46,932	**44,748**
Assets of disposal groups classified as held for sale	750	0
Total assets	**96,102**	**90,274**

(1) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

(In € million)	**2014**	2013[1]
Equity and liabilities		
Equity attributable to equity owners of the parent		
Capital stock	785	783
Share premium	4,500	5,049
Retained earnings	2,989	2,167
Accumulated other comprehensive income	(1,205)	2,915
Treasury shares	(8)	(50)
	7,061	**10,864**
Non-controlling interests	18	42
Total equity	**7,079**	**10,906**
Non-current liabilities		
Non-current provisions	10,400	9,604
Long-term financing liabilities	6,278	3,804
Non-current other financial liabilities	9,922	7,154
Non-current other liabilities	12,849	10,764
Deferred tax liabilities	1,130	1,454
Non-current deferred income	267	237
	40,846	**33,017**
Current liabilities		
Current provisions	5,712	5,222
Short-term financing liabilities	1,073	1,826
Trade liabilities	10,183	9,668
Current other financial liabilities	3,480	1,465
Current other liabilities	25,222	26,570
Current tax liabilities	738	616
Current deferred income	1,089	984
	47,497	**46,351**
Liabilities of disposal groups classified as held for sale	680	0
Total liabilities	**89,023**	**79,368**
Total equity and liabilities	**96,102**	**90,274**

(1) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

Airbus Group N.V. — IFRS Consolidated Statements of Cash Flows for the years ended 31 December 2014 and 2013

(In € million)	**2014**	2013[1]
Profit for the period attributable to equity owners of the parent (Net income)	**2,343**	**1,473**
Profit for the period attributable to non-controlling interests	7	10
Adjustments to reconcile profit for the period to cash provided by operating activities:		
Interest income	(142)	(161)
Interest expense	462	493
Interest received	99	99
Interest paid	(303)	(304)
Income tax expense	863	477
Income taxes paid	(115)	(243)
Depreciation and amortisation	2,150	1,927
Valuation adjustments	562	48
Results on disposals of non-current assets	(93)	(58)
Results of investments accounted for by the equity method	(840)	(434)
Change in current and non-current provisions	415	816
Reimbursement from / contribution to plan assets	(462)	(223)
Change in other operating assets and liabilities:	**(2,386)**	**(2,091)**
▪ Inventories	(3,252)	(3,102)
▪ Trade receivables	(700)	(83)
▪ Trade liabilities	130	522
▪ Advance payments received	1,715	580
▪ Other assets and liabilities	(387)	311
▪ Customer financing assets	124	(327)
▪ Customer financing liabilities	(16)	8
Cash provided by operating activities	**2,560**	**1,829**
Investments:		
▪ Purchases of intangible assets, property, plant and equipment, investment property	(2,548)	(2,918)
▪ Proceeds from disposals of intangible assets, property, plant and equipment, investment property	232	48
▪ Acquisitions of subsidiaries, joint ventures, businesses and non-controlling interests (net of cash)	(47)	(16)
▪ Proceeds from disposals of subsidiaries (net of cash)	(34)	0
▪ Payments for investments in associates, joint ventures, other investments and other long-term financial assets	(36)	(293)
▪ Proceeds from disposals of associates, joint ventures, other investments and other long-term financial assets	1,083	154
▪ Dividends paid by companies valued at equity	143	146
Payments for investments in securities	(5,526)	(1,398)
Proceeds from disposals of securities	3,510	2,665
Cash (used for) investing activities	**(3,223)**	**(1,612)**
Increase in financing liabilities	2,038	1,667
Repayment of financing liabilities	(1,108)	(534)
Cash distribution to Airbus Group N.V. shareholders	(587)	(467)
Dividends paid to non-controlling interests	(2)	(2)
Changes in capital and non-controlling interests	52	171
Change in treasury shares	102	(1,915)
Cash provided by (used for) financing activities	**495**	**(1,080)**
Effect of foreign exchange rate changes and other valuation adjustments and other valuation adjustments on cash and cash equivalents	256	(107)
Net increase (decrease) in cash and cash equivalents	**88**	**(970)**
Cash and cash equivalents at beginning of period	**7,201**	**8,171**
Cash and cash equivalents at end of period	**7,289**	**7,201**
Thereof presented as cash and cash equivalents	7,271	7,201
Thereof presented as part of disposal groups classified as held for sale	18	0

(1) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

Airbus Group N.V. — IFRS Consolidated Statements of Comprehensive Income for the years ended 31 December 2014 and 2013

(In € million)	**2014**	2013[1]
Profit for the period	**2,350**	**1,483**
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of the defined benefit liability (asset)	(2,034)	(67)
Remeasurement of the defined benefit liability (asset) from investments using the equity method	(131)	(1)
Related tax on items that will not be reclassified to profit or loss	577	20
Items that will be reclassified to profit or loss:		
Foreign currency translation differences for foreign operations	244	(138)
Effective portion of changes in fair value of cash flow hedges	(6,748)	1,841
Net change in fair value of cash flow hedges transferred to profit or loss	358	425
Net change in fair value of available-for-sale financial assets	90	12
Net change in fair value of available-for-sale financial assets transferred to profit or loss	(19)	(30)
Changes in other comprehensive income from investments accounted for using the equity method	(22)	(12)
Related tax on income and expense recognised directly in equity	1,961	(702)
Other comprehensive income, net of tax	**(5,724)**	**1,348**
Total comprehensive income of the period	**(3,374)**	**2,831**
Attributable to:		
Equity owners of the parent	(3,362)	2,829
Non-controlling interests	(12)	2

(1) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

2. Company Financial Statements

Balance Sheet

(In € million)	At 31 December 2014	2013
Assets		
Fixed assets[2]		
Goodwill	4,354	4,354
Financial assets[2]	9,587	13,960
Non-current securities	5,809	4,179
	19,750	**22,493**
Current assets		
Receivables and other assets	9,526	10,073
Current securities	3,077	2,430
Cash and cash equivalents	6,200	6,126
	18,803	**18,629**
Total assets[2]	**38,553**	**41,122**
Liabilities and stockholders' equity		
Stockholders' equity[1],[2]		
Issued and paid up capital	785	783
Share premium	4,500	5,049
Revaluation reserves[2]	(2,640)	1,726
Legal reserves[2]	3,809	4,440
Treasury shares	(8)	(50)
Retained earnings[2]	(1,728)	(2,557)
Result of the year[2]	2,343	1,473
	7,061	**10,864**
Non current liabilities		
Non current financing liabilities	5,551	3,514
	5,551	**3,514**
Current liabilities		
Current financing liabilities	-	914
Other current liabilities	25,941	25,830
	25,941	**26,744**
Total liabilities and stockholders' equity[2]	**38,553**	**41,122**

(1) The balance sheet is prepared before appropriation of the net result.
(2) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

Income Statement

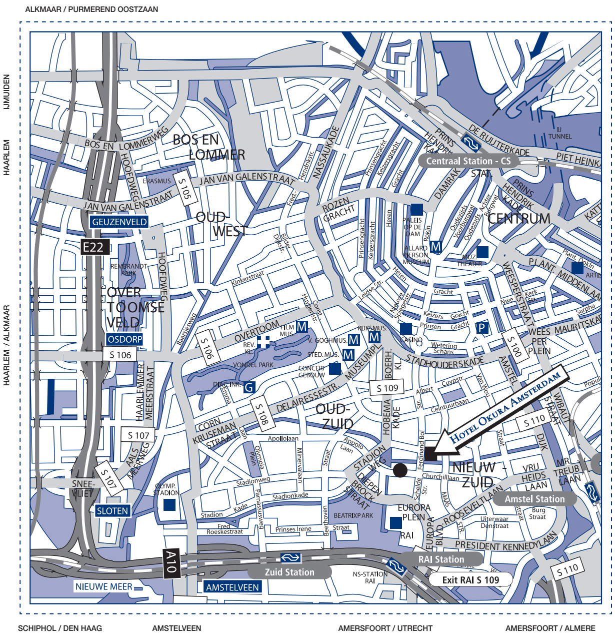
(In € million)	2014	2013
Income from investments[1]	2,412	1,474
Other results	(69)	(1)
Net result[1]	**2,343**	**1,473**

(1) Previous year figures are adjusted due to the application of IFRS 10 and IFRS 11.

Useful Information

How to attend the Meeting

Hotel Okura Amsterdam,
Ferdinand Bolstraat 333,
1072 LH Amsterdam, The Netherlands
Tel.: +31 (0)20 678 71 11



By car

Hotel Okura is located at about 30 minutes from Amsterdam-Schiphol international airport, right next to the RAI Congress Center.

From all directions, follow Ring Amsterdam (A10). Exit RAI (S109) and turn right at the traffic lights, direction RAI / Centrum (S109).

Follow direction Zuid (S109). After passing the roundabout, take the second street on your right (Scheldestraat). After 500 metres, Hotel Okura appears on your right hand side.

Parking at the Hotel Okura Amsterdam.

By public transport

From Schiphol Airport

- **First itinerary:** Take the train (direct rail link of 15 minutes) to Centraal Station – in the main arrival plaza – and then see the hereafter indications.
- **Second itinerary:** Take a stop train, direction Lelystad Centrum, Hilversum or Utrecht Centraal to the first stop (Zuid Station), and then, follow the hereafter indications.
- **Third itinerary:** Take a stop train, direction Hilversum or Almere Oostvaarders to the RAI station, and then, follow the hereafter indications.

From Centraal Station – CS

Take the metro line 51, 53, or 54 to the fifth stop (Amstel Station) and then see the hereafter indications.

From RAI Station

Walk in the direction of Europa Boulevard. Go straight away to Europaplein and then to Scheldestraat. After 500 metres, Hotel Okura appears on your right hand side, just after the bridge. Walking time: 10 minutes.

From Amstel Station

Take the tram number 12, direction Station Sloterdijk, to the fifth stop (Scheldestraat, see the map ●), or bus number 15, direction Station Zuid, to the seventh stop (Scheldestraat, see the map ●). Walk in Churchilllaan for 100 metres, and then turn left in Ferdinand Bolstraat. After 100 metres, just after the bridge, Hotel Okura appears on your right hand side. Walking time: 3 minutes.

From Zuid Station

Take the bus number 65, direction KNSM Eiland, to the fourth stop (Scheldestraat, see the map ●). Walk in Churchilllaan for 100 metres, and then turn left in Ferdinand Bolstraat. After 100 metres, Hotel Okura appears on your right hand side, just after the bridge. Walking time: 3 minutes.

www.airbusgroup.com

Shareholders Information

Toll-free number from:

France:	0 800 01 2001
Germany:	00 800 00 02 2002
Spain:	00 800 00 02 2002

Phone:	+33 800 01 2001
E-mail box:	ir@airbus.com

Airbus Group N.V.

Limited liability company (naamloze vennootschap)
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