Commercial update

John Leahy
Chief Operating Officer – Customers

London,
December 11th, 2014

Safe Harbour Statement

Disclaimer

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

These factors include but are not limited to:

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

As a result, Airbus Group’s actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements. For a discussion of factors that could cause future results to differ from such forward-looking statements, see Airbus Group “Registration Document” dated 4 April 2014.
Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus Group undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

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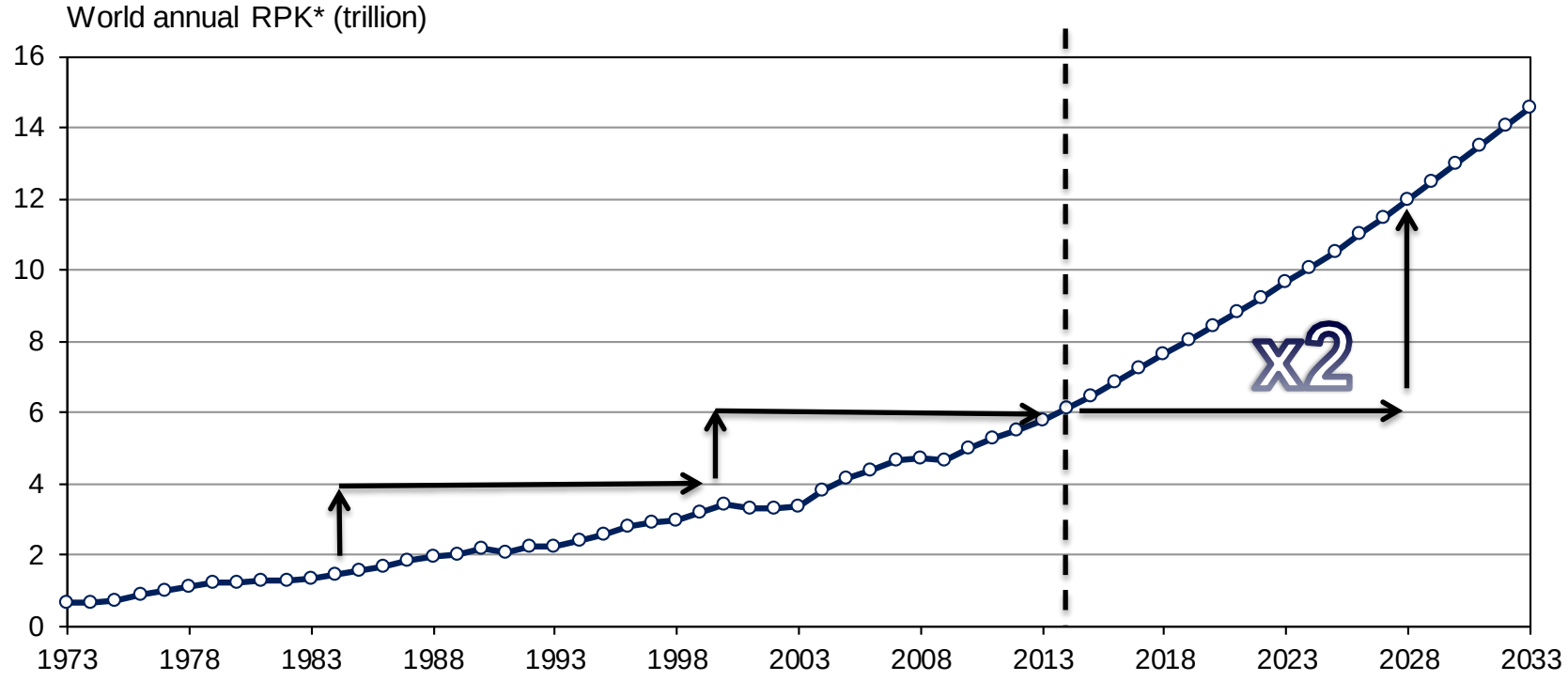
Global Market Forecast 2014: Highlights

GMF 2014 key numbers and 20-year change

World Fleet Forecast	2013	2033	% change 2013-2033
RPK (trillion)	5.8	**14.6**	151%
Passenger Aircraft Fleet	16,855	**34,818**	107%
New passenger aircraft deliveries		**30,555**	
Dedicated Freighters	1,605	**2,645**	65%
New freighter aircraft deliveries		**803**	
Total New Aircraft Deliveries		**31,358**	

Passenger aircraft (≥ 100 seats)
Jet freight aircraft (>10 tons)
Source: Airbus GMF 2014

Air traffic doubles every 15 years



Source: ICAO, Airbus GMF 2014

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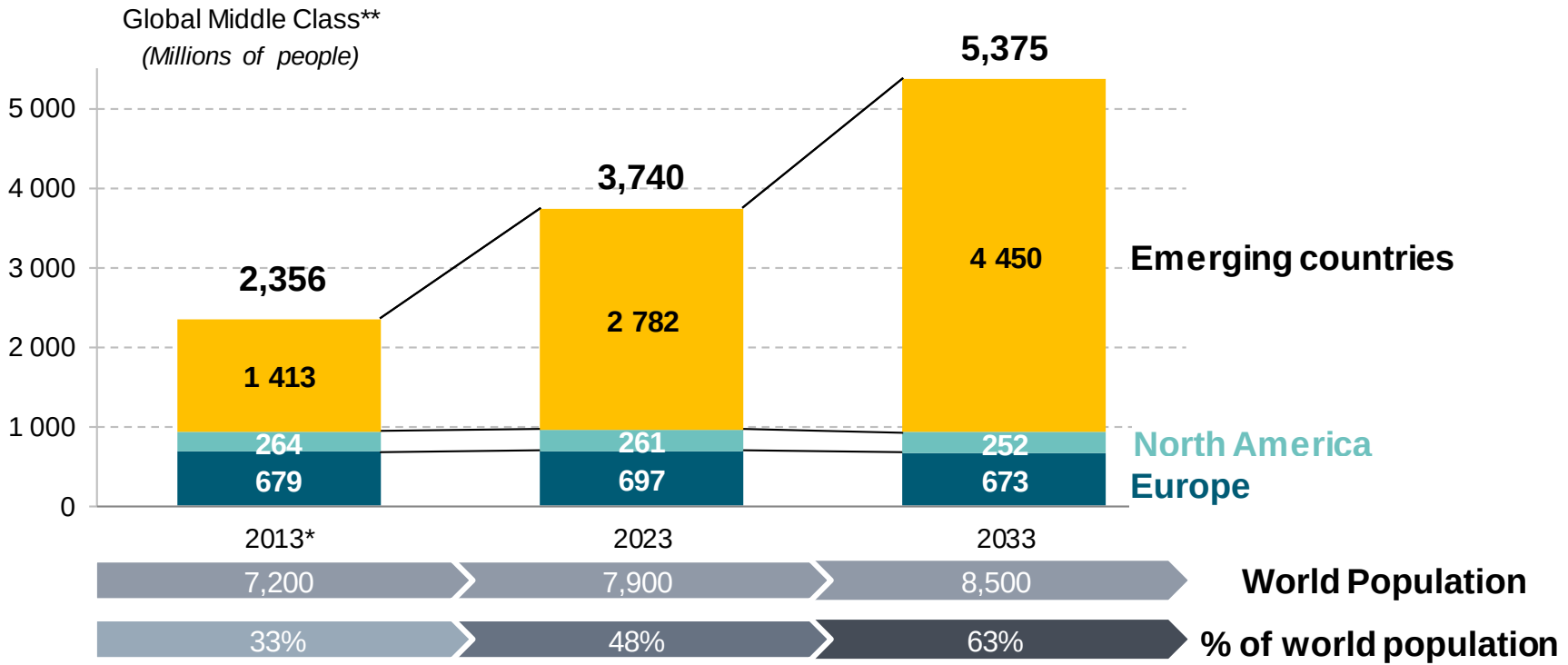
Global Middle Class to more than double



Source: Kharas and Gertz, Airbus
EOY 2013
** Households with daily expenditures between $10 and $100 per person (at PPP)

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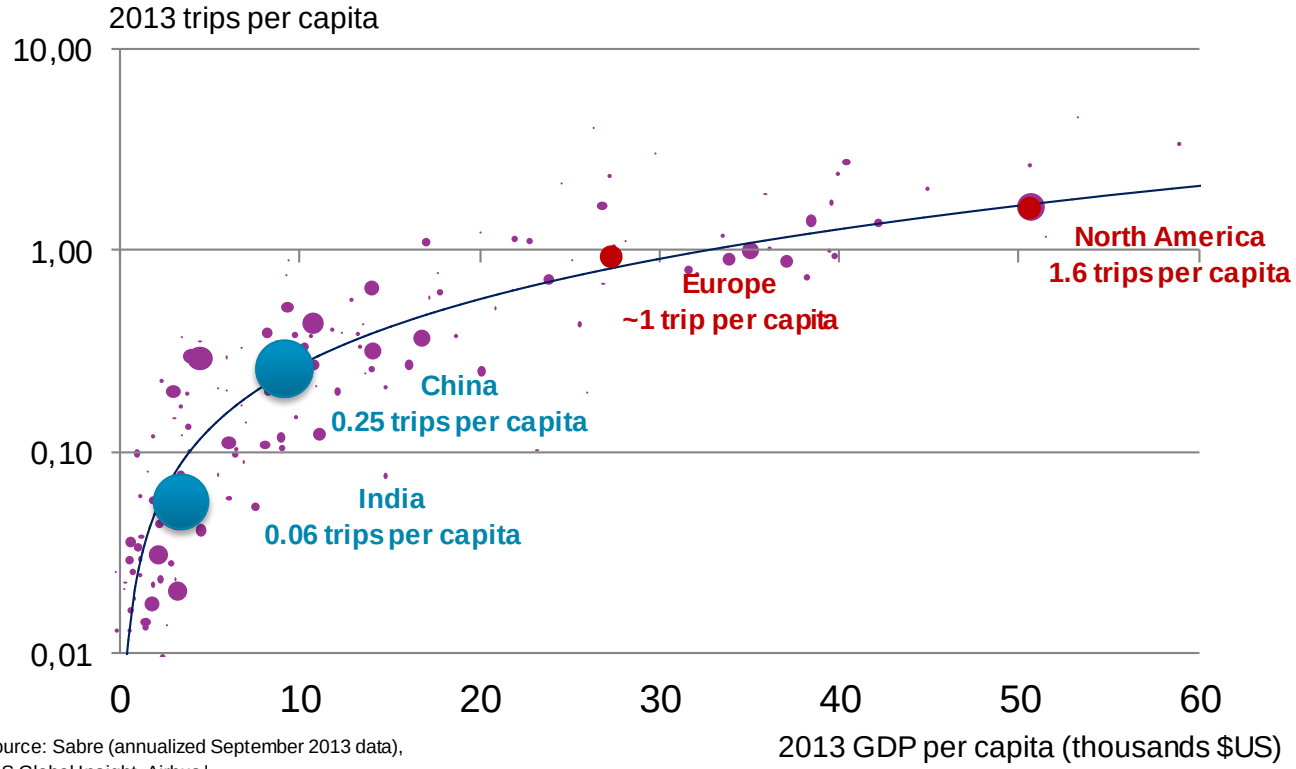
22% of the population of the emerging countries took a trip a year in 2013



Source: Sabre (annualized September 2013 data), IHS Global Insight, Airbus |
*Passengers originating from respective country
Bubble size proportional to population

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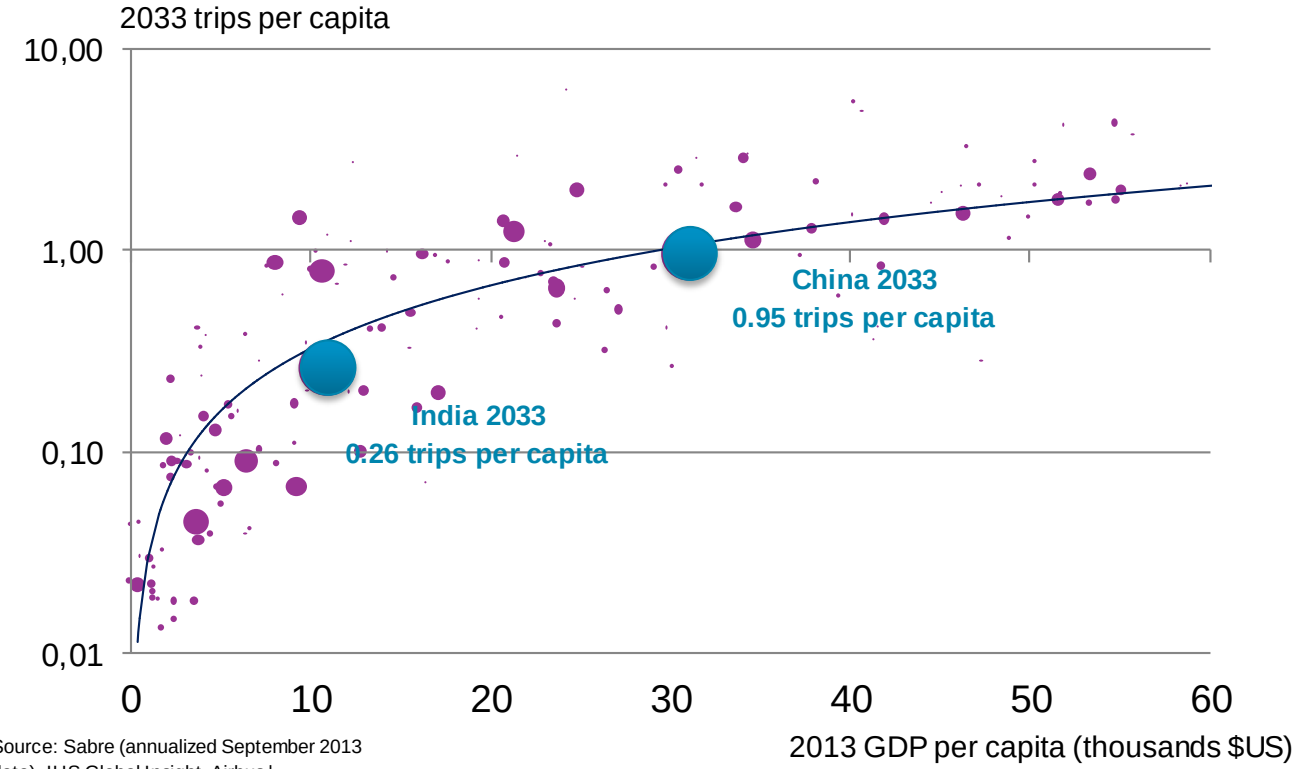
…but by 2033, 66% of the population of the emerging countries will take a trip a year



Source: Sabre (annualized September 2013 data), IHS Global Insight, Airbus |
*Passengers originating from respective country
Bubble size proportional to population

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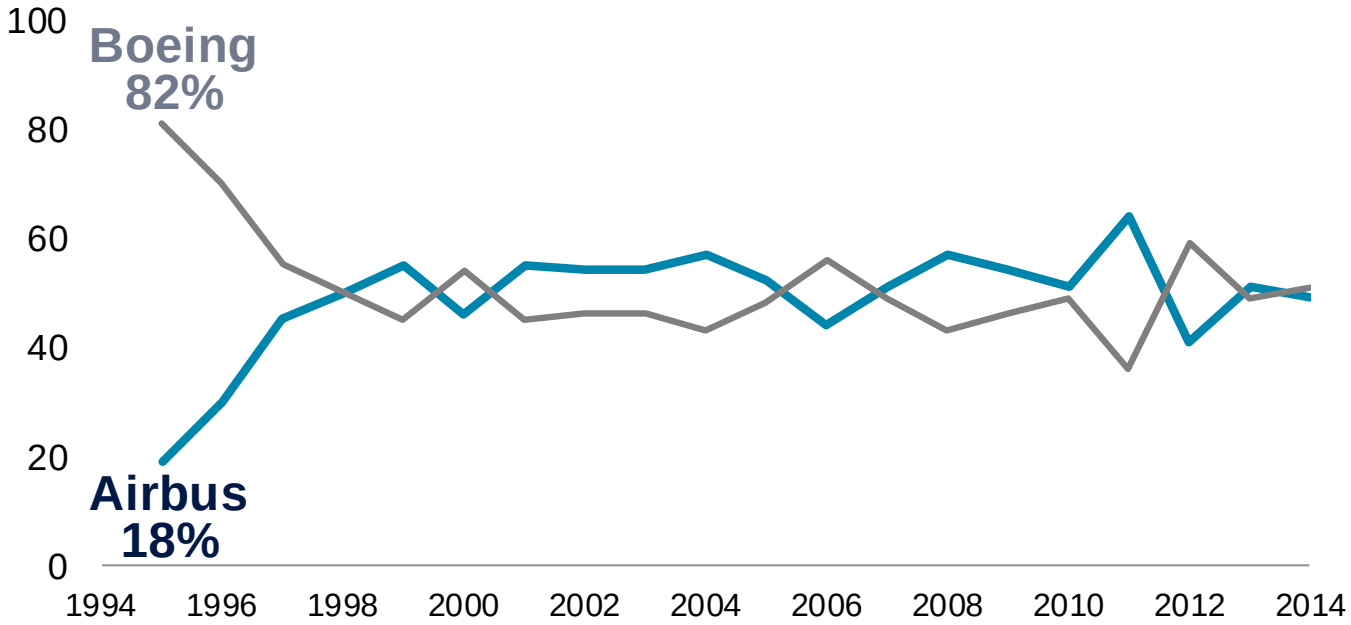
Airbus and Boeing world market share

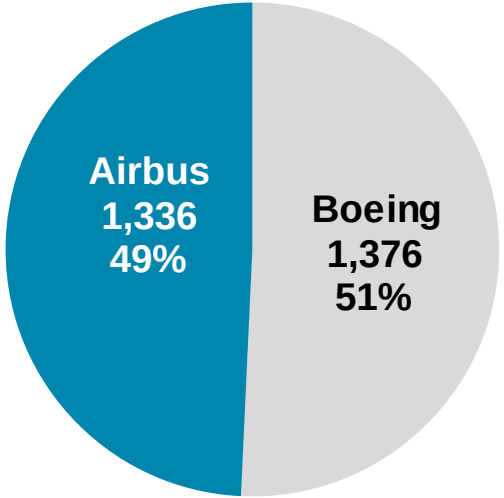
Gross order share since 1995



To end November 2014

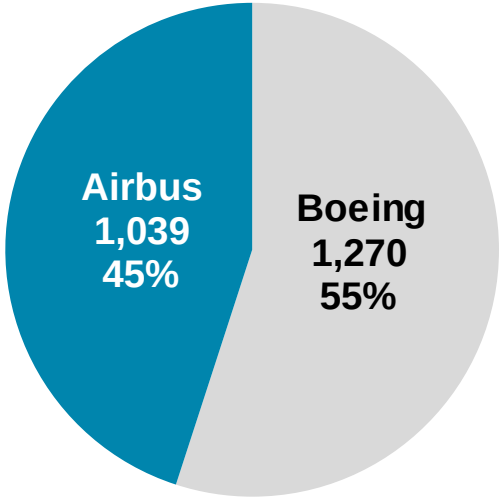
2014 market share

Gross



2,712 industry orders

Net

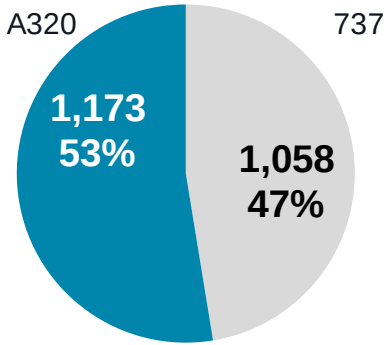


2,309 industry orders

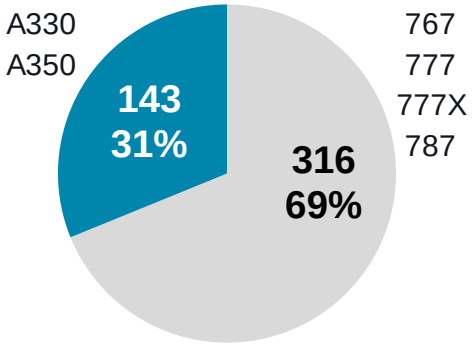
Data to December 5th 2014

2014 market share by category - gross

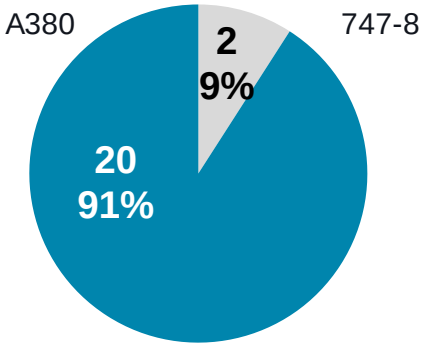
Single aisle
2,231 orders



Widebody
459 orders



VLA
22 orders



A350	57	53%
787	49	47%

Data to December 5th 2014

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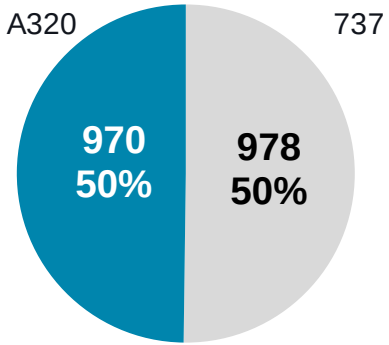
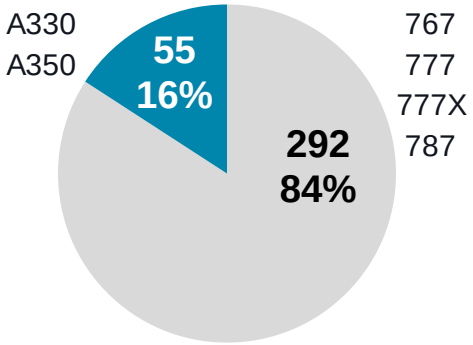
2014 market share by category - net

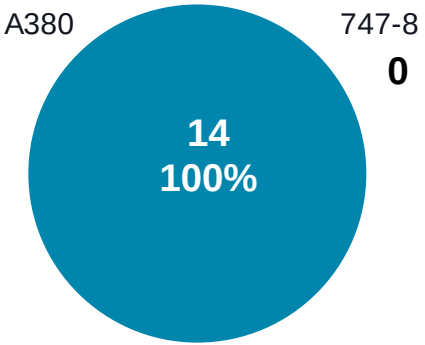
Single aisle
1,948 orders



Widebody
347 orders



VLA
14 orders



A350	-26	
787	25	100%

Data to December 5th 2014

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Combined industry backlog of over 11,500 aircraft

Airbus		Boeing	
A320ceo	1,470	737NG	1,665
A320neo	3,362	737 MAX	2,553
A330	215	767/787	893
A330neo	40	777	232
A350 XWB	786	777X	286
		777F	35
		747-8	26
A380	171	747-8F	13
	6,044		**5,703**

New Industry record

Data to December 5th 2014

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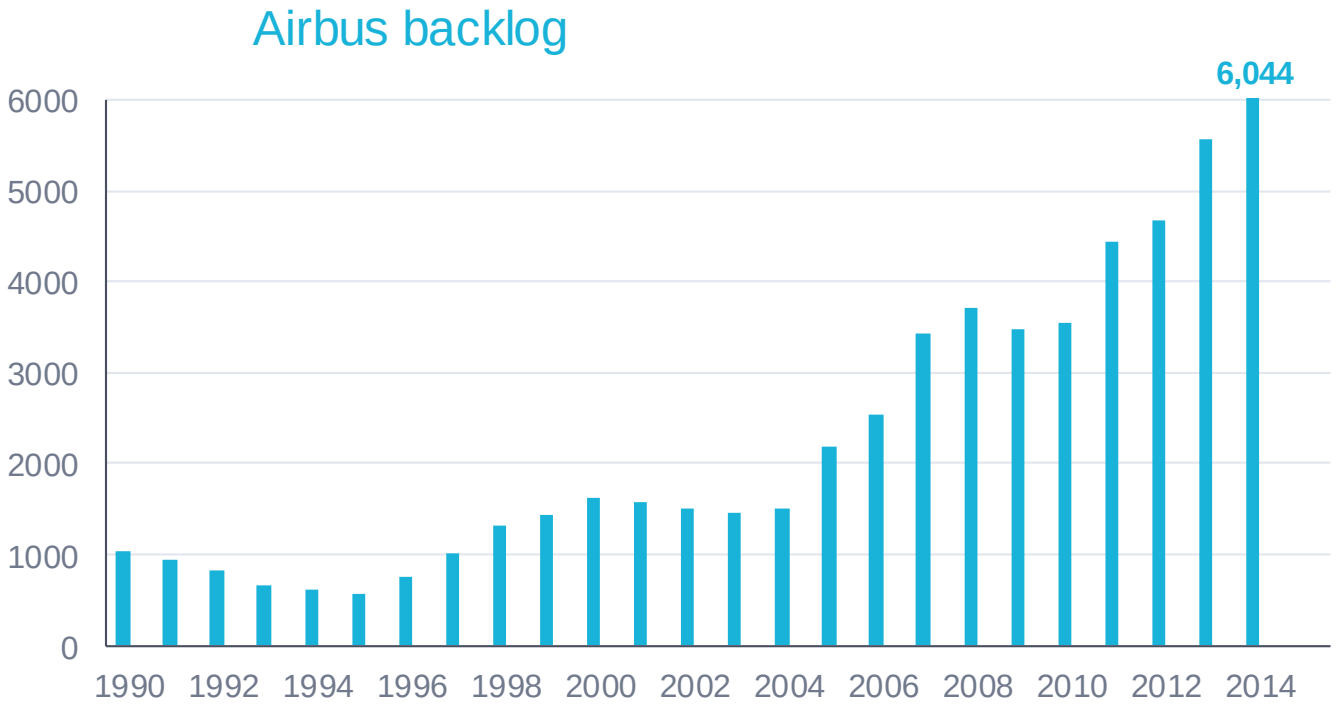
Airbus delivery and backlog comparison



To December 5th 2014

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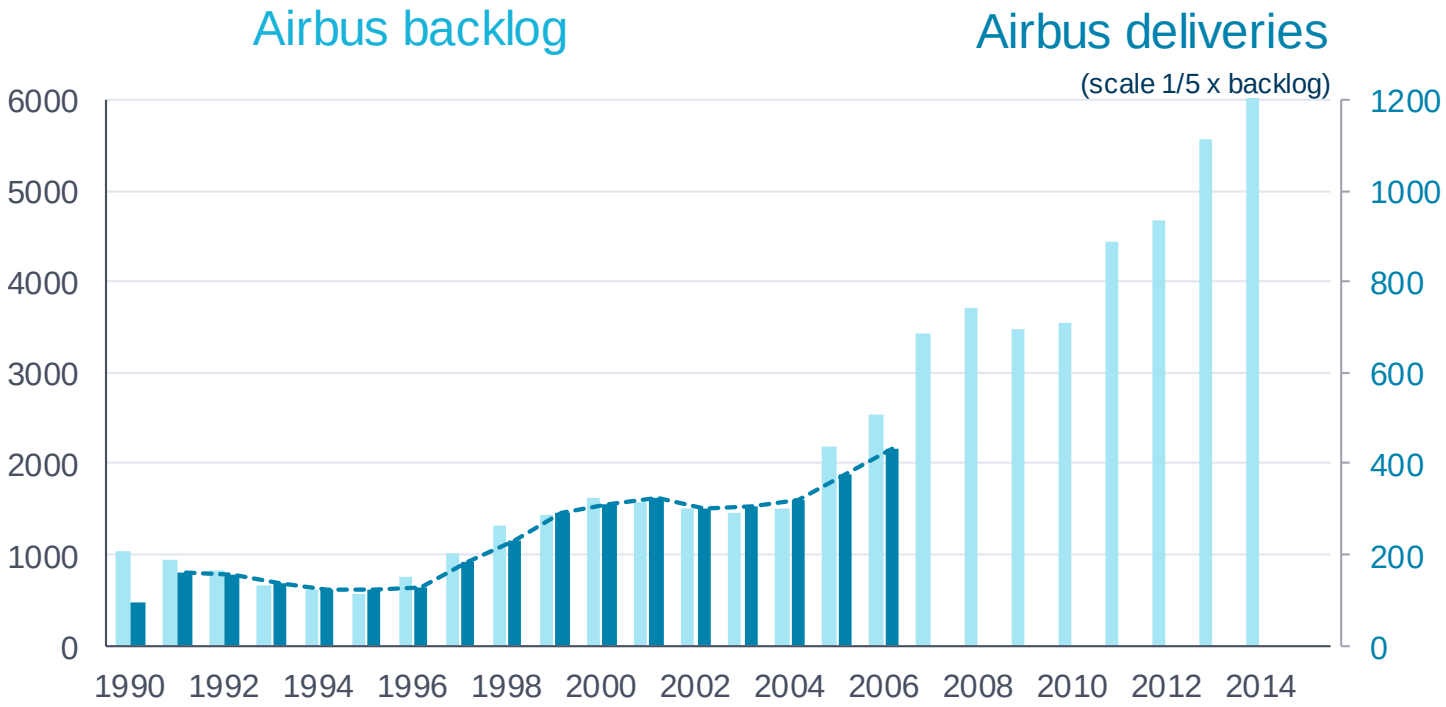
Airbus delivery and backlog in-synch at 5:1 1990-2006



To December 5th 2014

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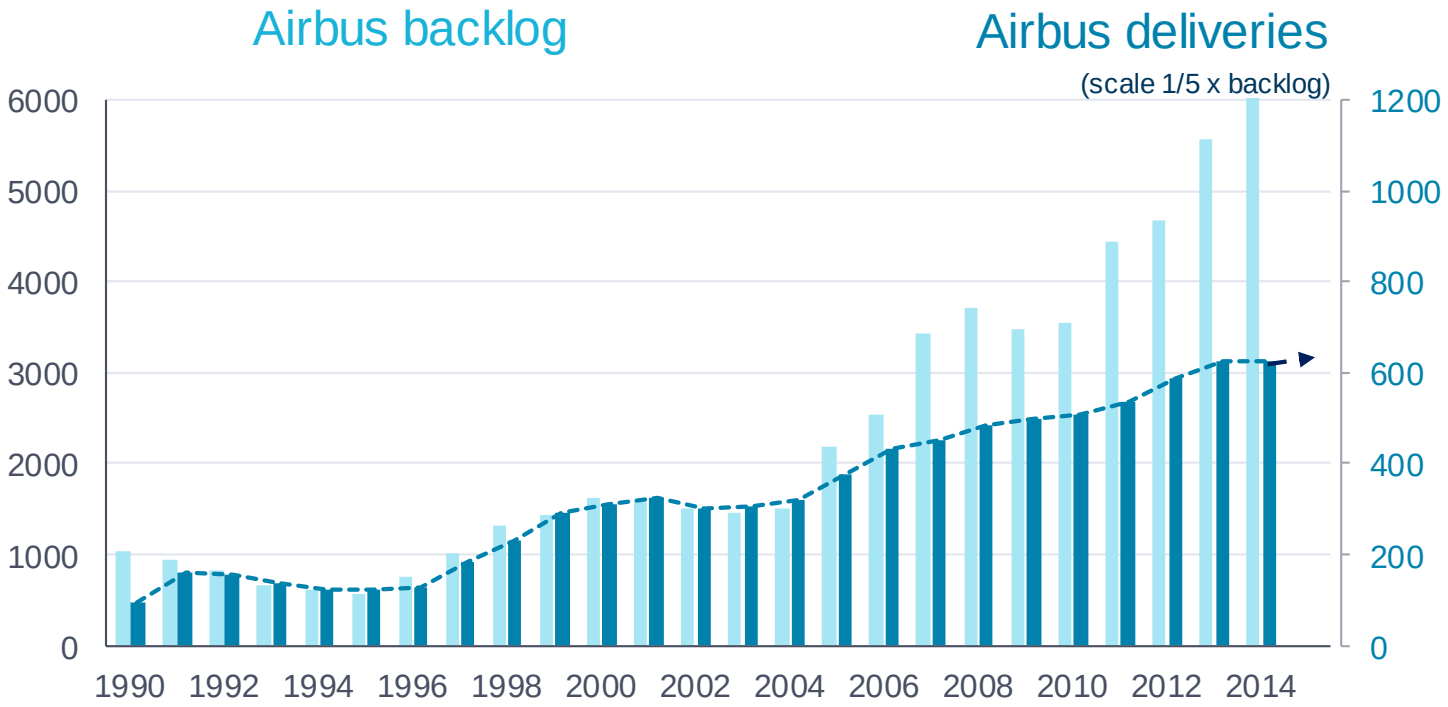
Airbus delivery and backlog at 9:1 in 2014 with conservative delivery ramp-up



To December 5th 2014

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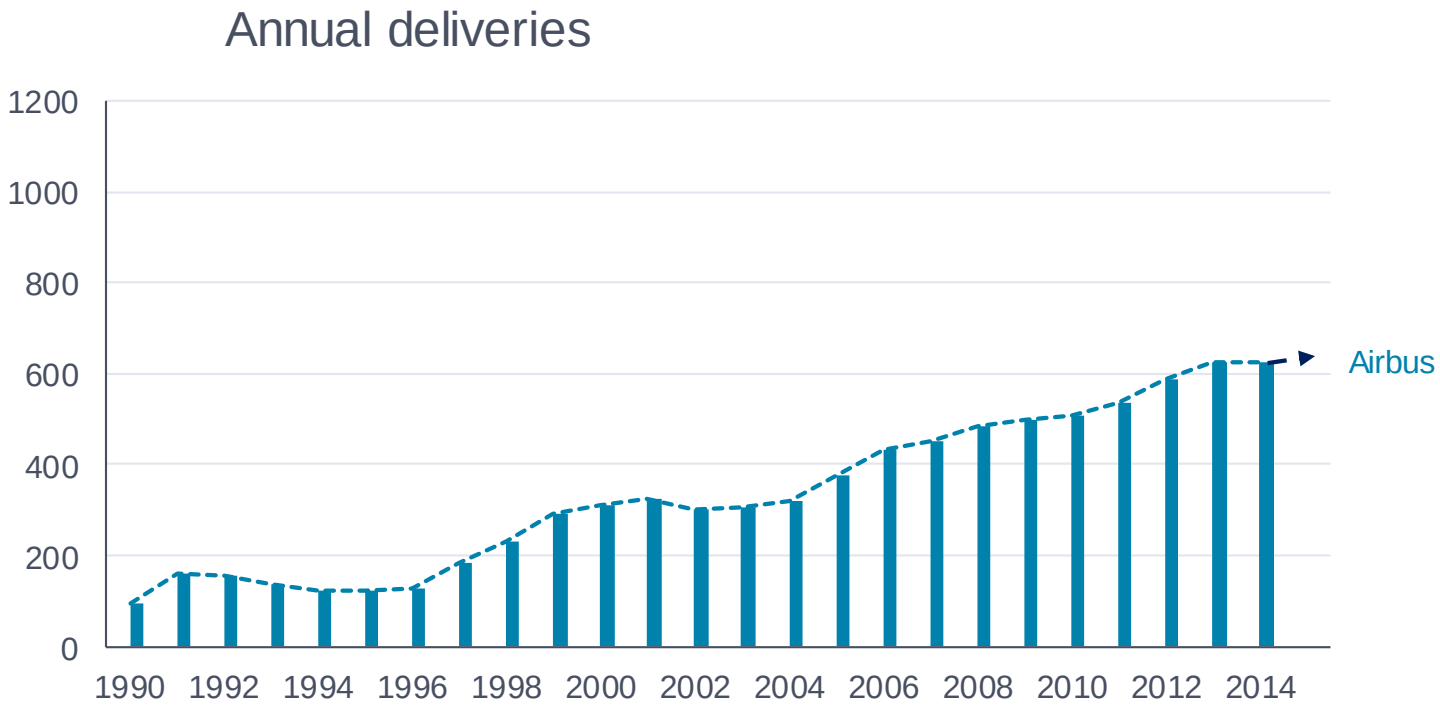
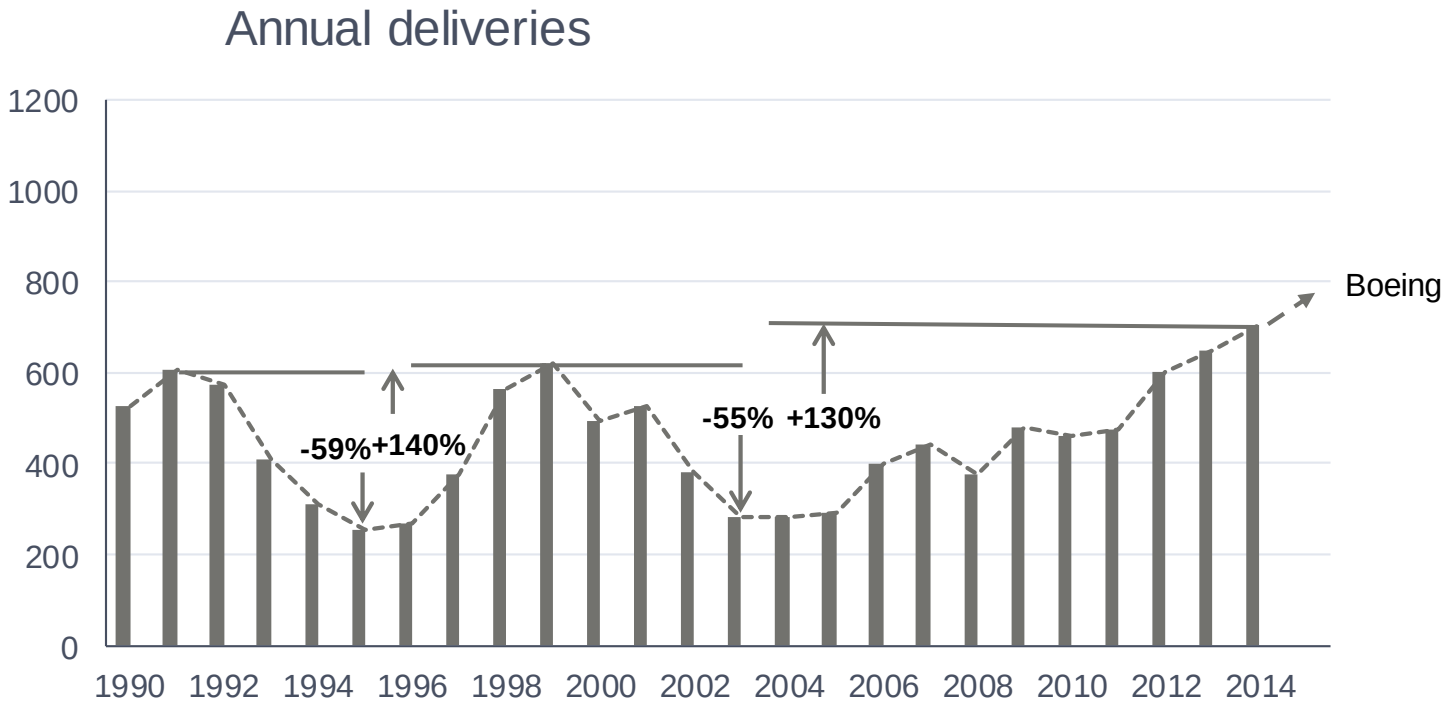
Production policy results in smooth ramp-up. No troughs and peaks



To end November 2014

Delivery comparison



Airbus product line

747-8

777/777X

787 Family

737 Family

Seat capacity

500 seats

400 seats

350 seats

300 seats

250 seats

200 seats

150 seats

100 seats

A380

A350 Family

A330 Family

A320 Family

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Over 11,000 A320 Family sales

Data to December 5th 2014

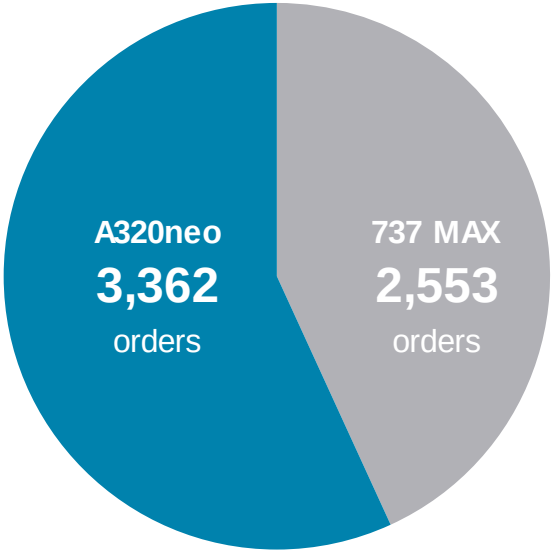
NEO leads the MAX in orders and customers

63

Customers

Including
6 customers converting
102 A320ceo

(3% conversions)



46

Customers

Including
12 customers converting
243 737NG

(9% conversions)

Data to December 5th 2014
Source: Airbus Orders & Deliveries, Boeing.com

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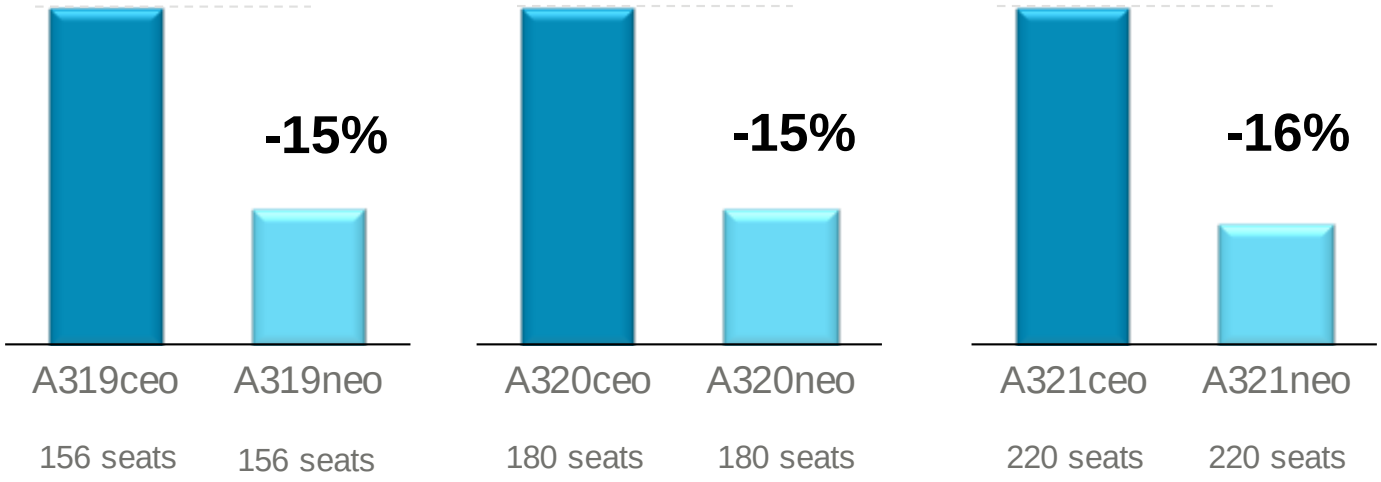
At launch, A320neo lowered fuel burn per seat by 15%

At launch



800 nm sector
High density configuration

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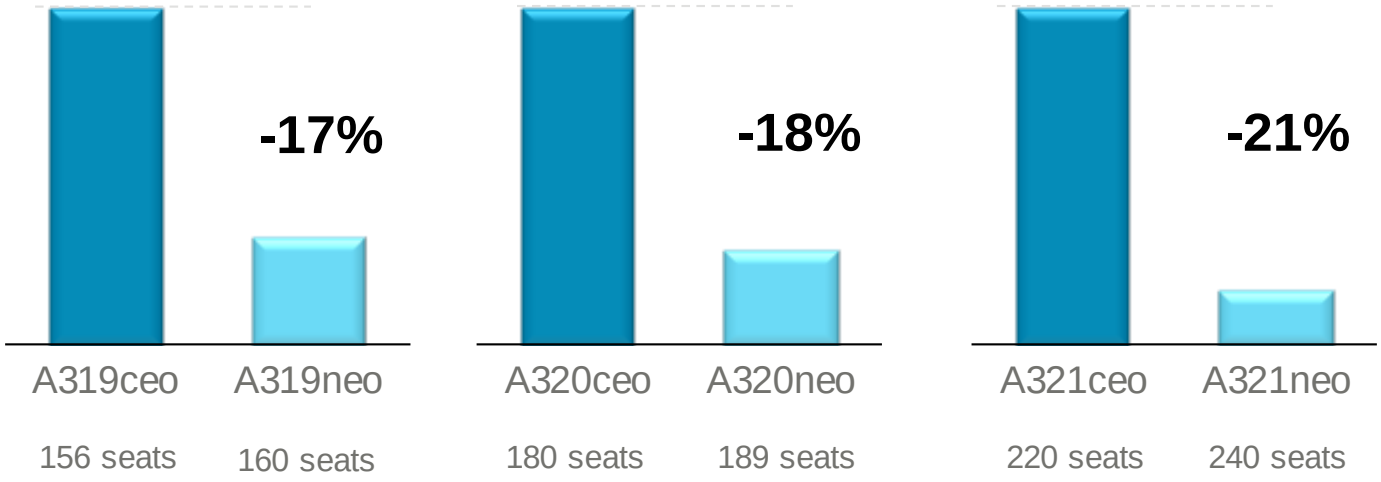
With increased exit limits, A320neo lowers fuel burn per seat by 20%

Exit limit increase



800 nm sector
High density configuration
Airbus Cabin Flex (ACF) is an optional feature

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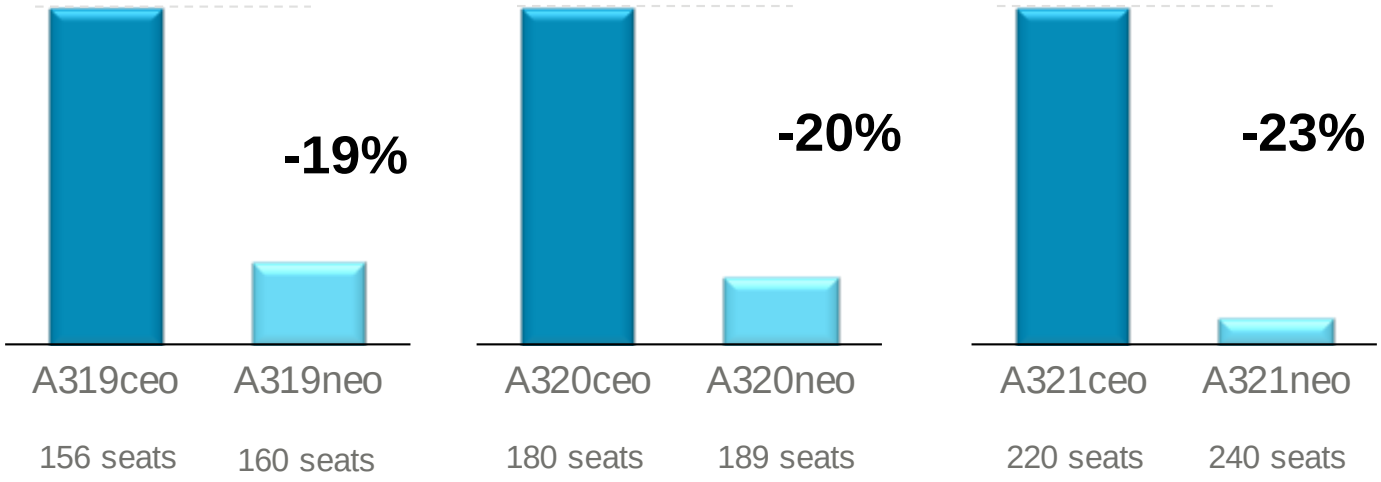
In 2020 A320neo Family fuel burn per seat will be up to 23% lower

Exit limit increase plus PW 2% PIP from 2019



800 nm sector
High density configuration
Airbus Cabin Flex (ACF) is an optional feature

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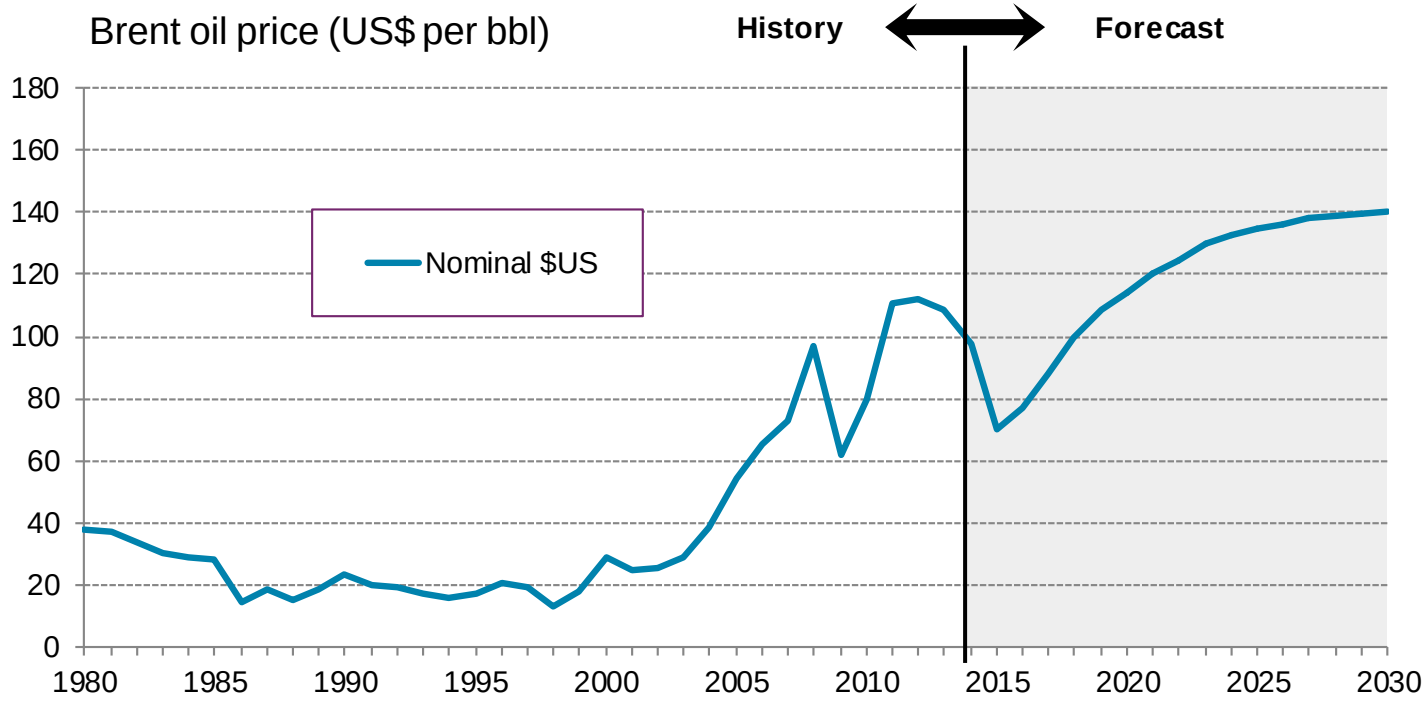
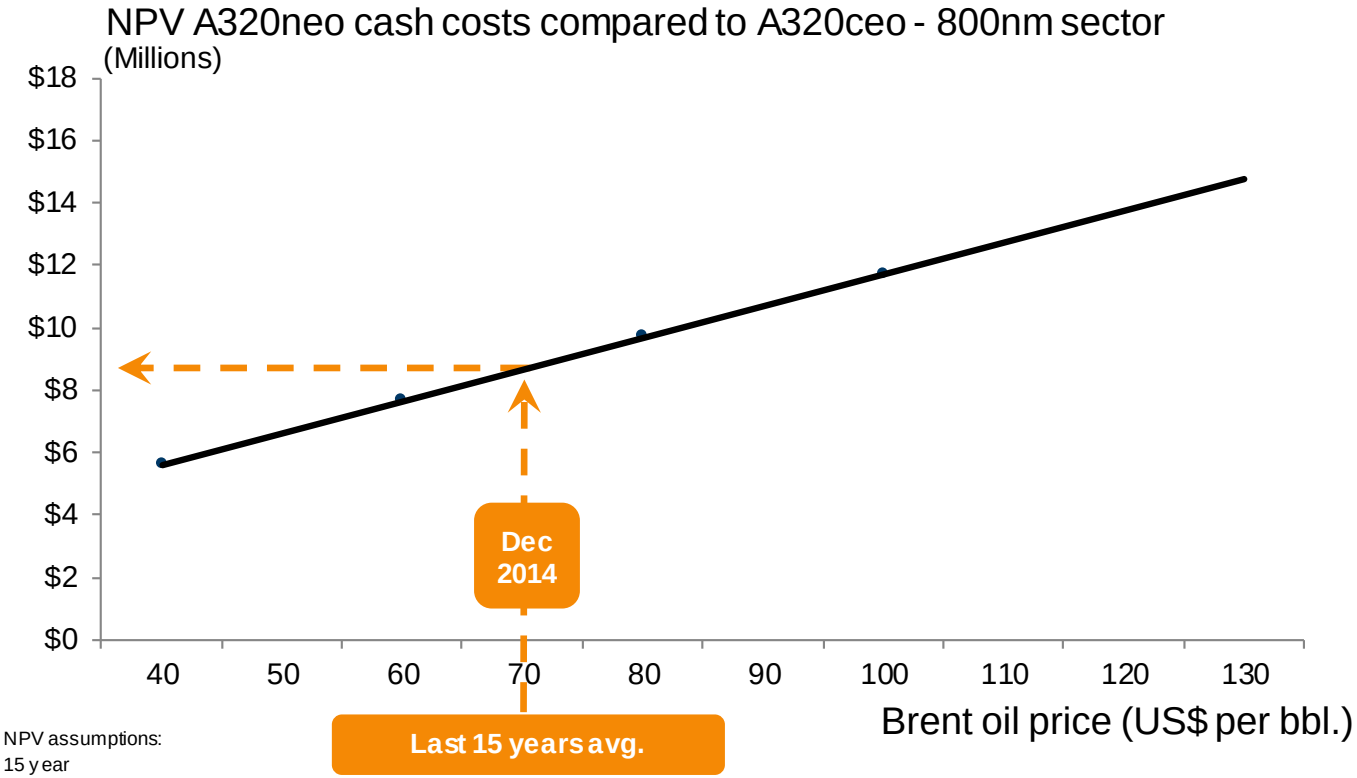
High oil prices here for the long-term



Source: IHS Energy, Airbus

Value of A320neo cash operating cost savings



NPV assumptions:
15 year
10% discount rate
800nm average sector

A321neo with more range than a 757-200 for longer range markets

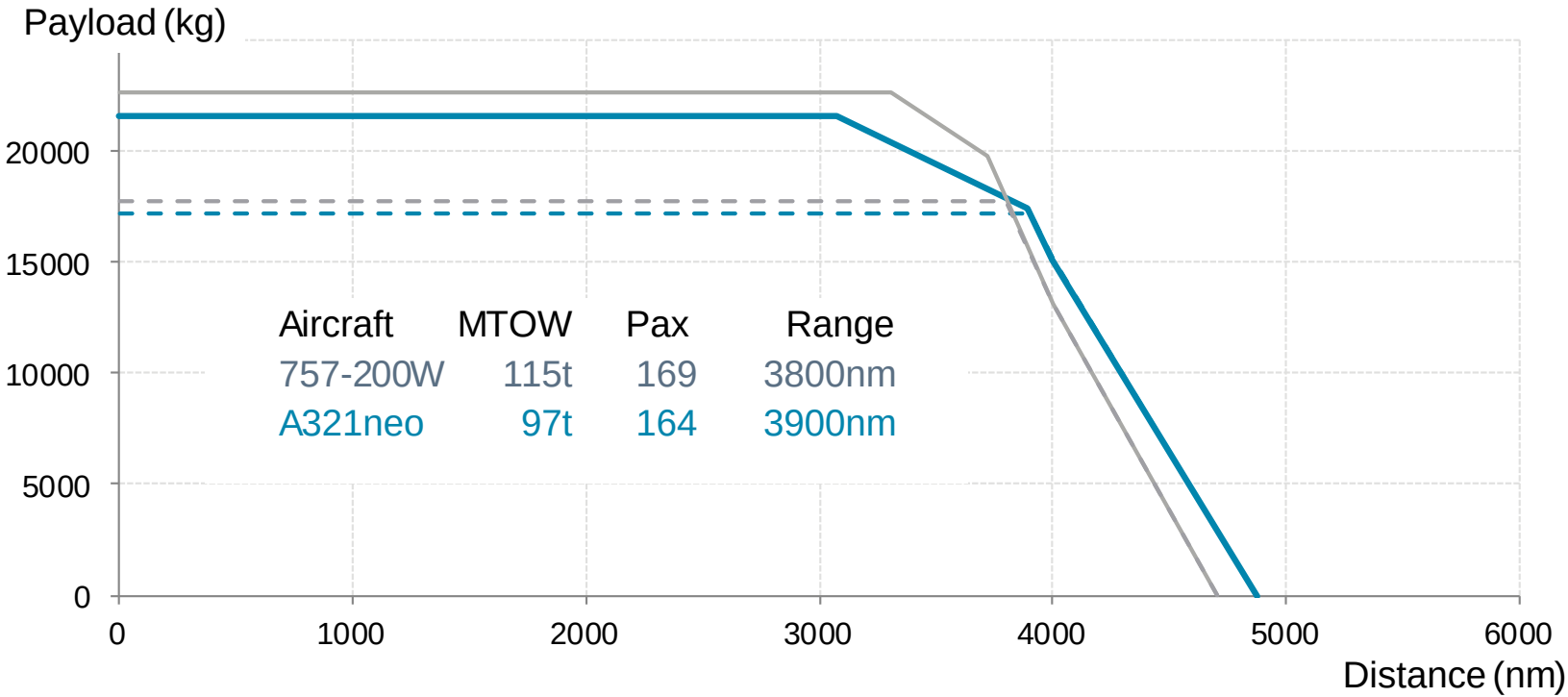
A321neo Airbus Cabin-Flex configuration
for business class layout flexibility

MTOW 97t

ACT #2-3

Product Development Study

A321neo with 97t MTOW flies farther than a 757-200W



97t A321 with 3 ACTs
Product Development Study

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97t A321neo extends market reach

469 Boeing 757 aircraft in passenger service

ASCEND data

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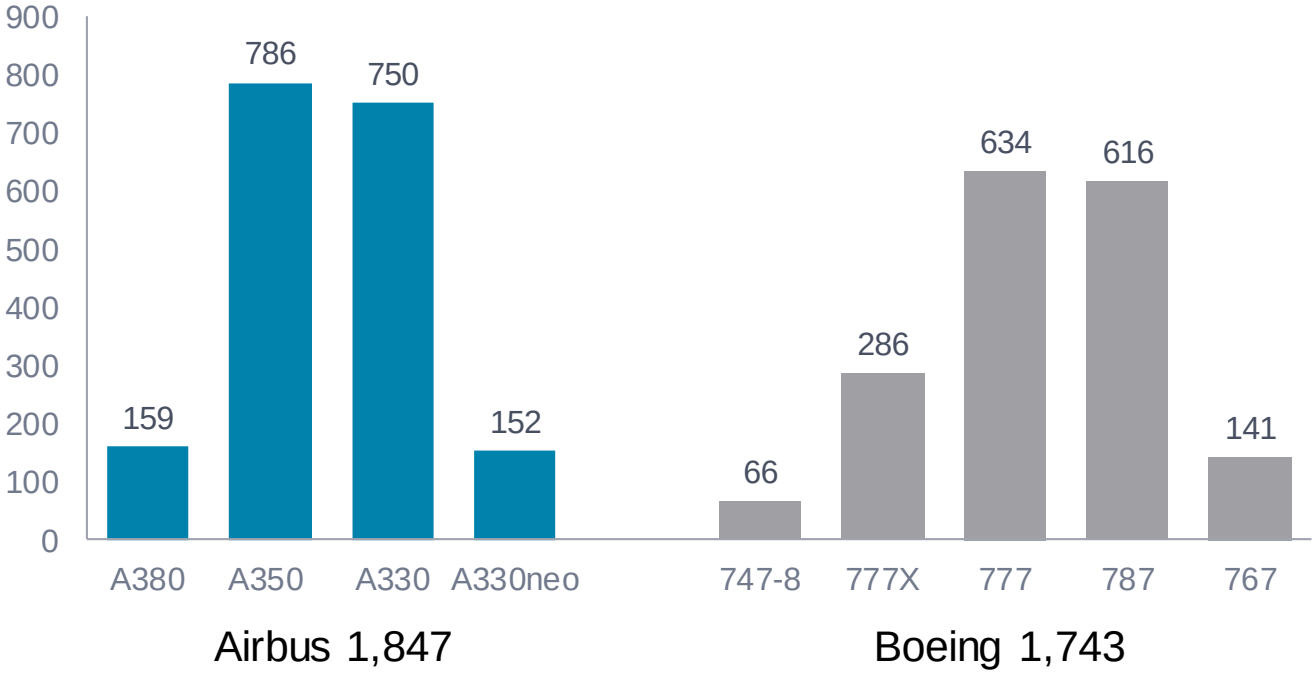
Airbus Widebody Family: matching market demand

Airbus leads in Passenger and freighter widebody orders since A350 XWB launch

Net widebody passenger and freighter orders

since A350 XWB launch in December 2006



Airbus 1,847

Boeing 1,743

Net orders + A330neo commitments
December 2006 to December 5th 2014

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~1,500 A330 sales and commitments

At end November 2014.
Sales/backlog include 40 firm A330neo

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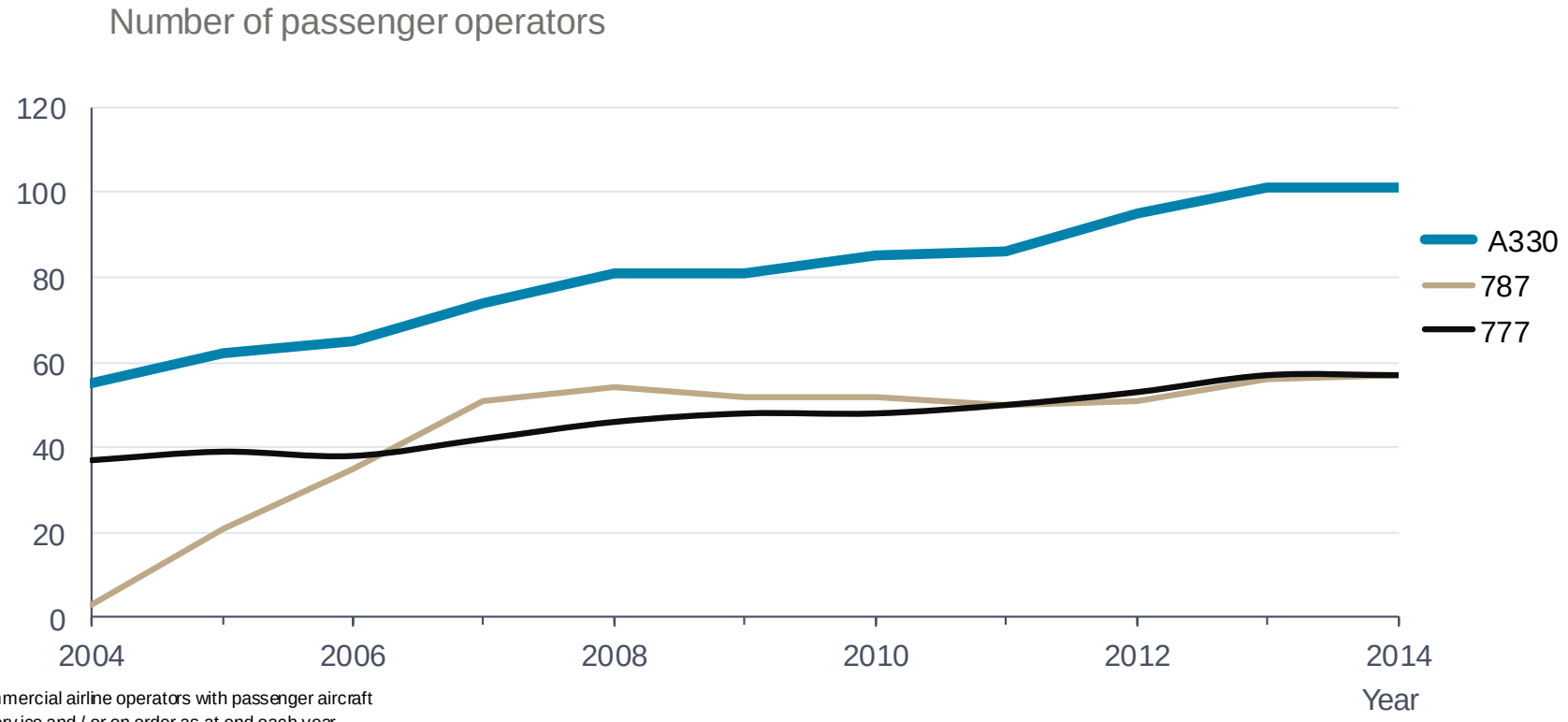
A330 Family has the largest operator base of any widebody



Commercial airline operators with passenger aircraft in-service and / or on order as at end each year.
Unidentified operators excluded.
Source: ASCEND

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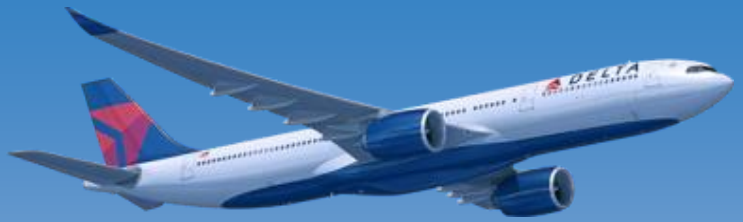
242t A330ceo EIS in May 2015

Delta orders 25 A350-900 and 25 A330-900neo

A350-900
350 seats
7,500nm range

- 10% larger than 787-9
  - more revenue on growing Pacific routes



A330-900neo
310 seats
6,000nm range

- 14% lower fuel/seat than A330ceo
  - Delta's most profitable aircraft

An optimized solution for trans-Atlantic and trans-Pacific Markets

A330neo 18in economy seating

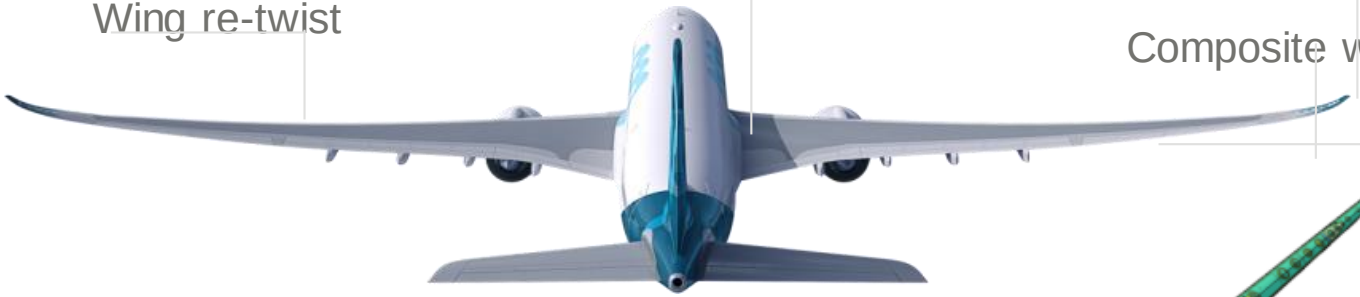
A330neo Aerodynamic improvement

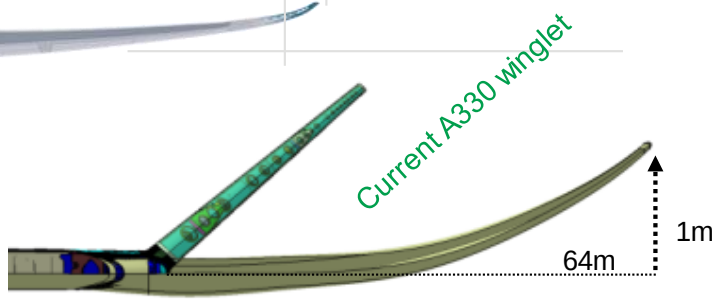
Increased wing span to **64m**
(+3.7m)

Modified upper belly fairing

Wing re-twist

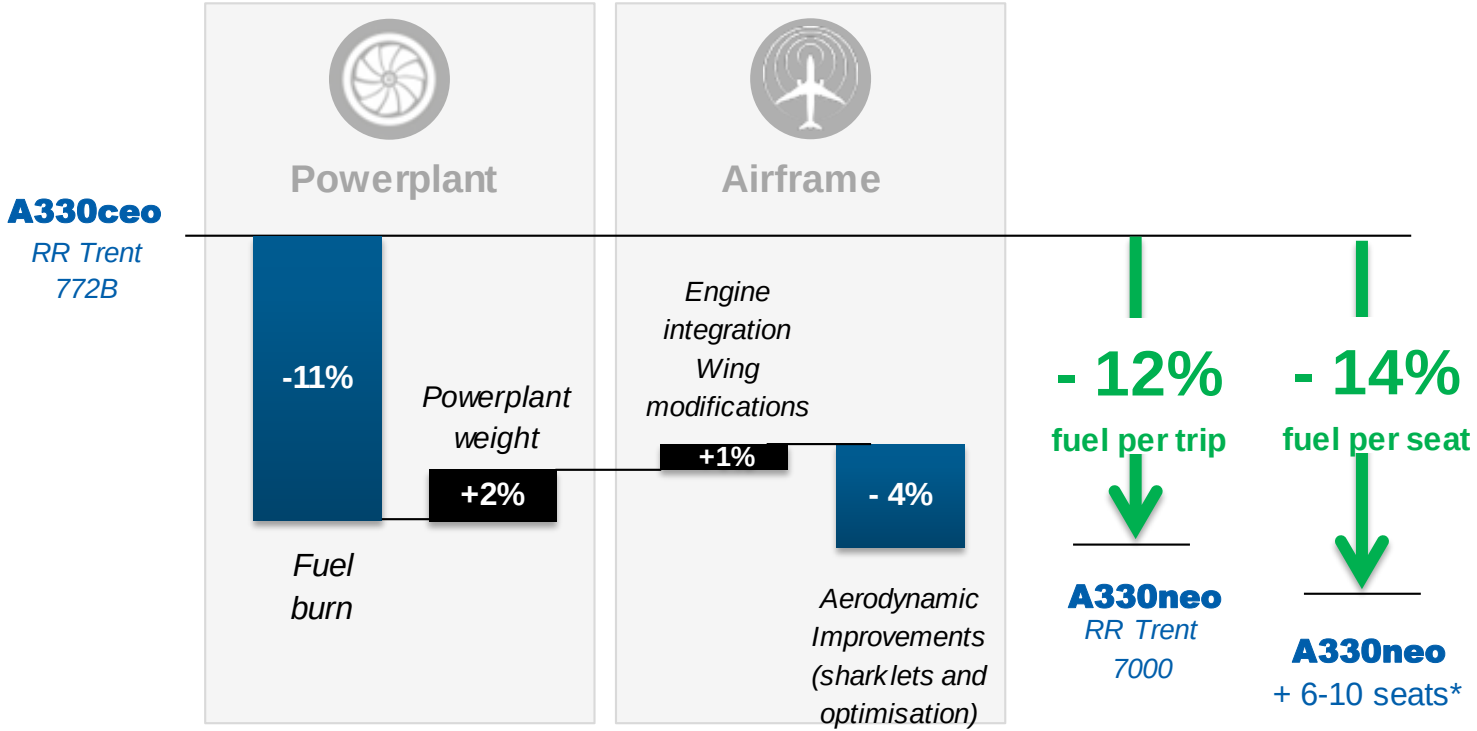
Composite winglet extension





Wingspan stays within Code E category

A330neo 14% lower fuel burn per seat



*ICE : increased Cabin Efficiency
A330 RR Trent 772B – 2014 deliveries
Max passenger Payload – 4,00nm mission

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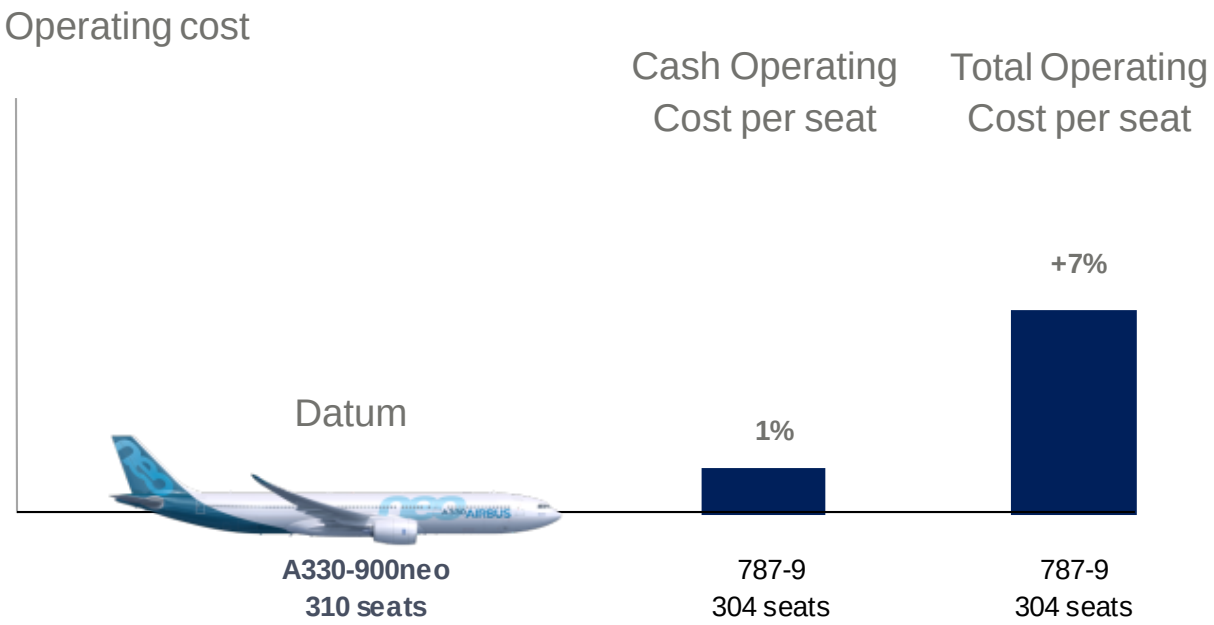
A330-900neo cost efficiency



Airbus standard economic rules
787 (253t) with GE engines,,
4000nm route, JAR 3%, 200nm diversion,
fuel price 3 US$/Usg

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A330neo deliveries start in December 2017

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A350 XWB: 786 aircraft to deliver to 41 customers

Orders and deliveries to December 5th 2014

A350 XWB: designed to reduce cash operating costs by 25%

Weight

Lightweight material airframe

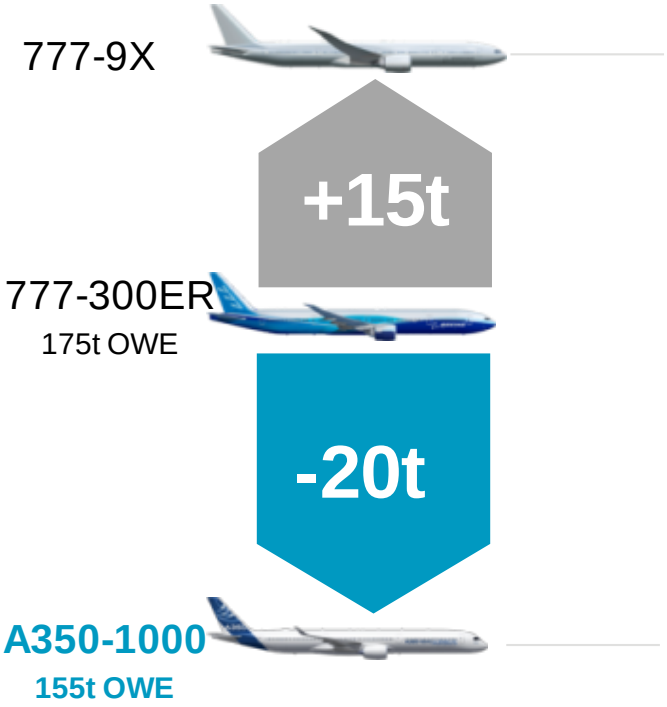
Aerodynamics

Highly tapered planform
Variable camber / Differential flap setting
Optimum fuselage cross-section

Engines

Latest generation Trent XWB offers up to 10% lower SFC than the GE-90

A350-1000: 35 tonnes lighter than the stretched 777-9X



777-300ER ➡ 777-9X

5th derivative

- 4-frame stretch
- Frame sculpting
- Bigger wing with folding wings
- Engine upsize

Clean sheet design

A380 takes off or lands every 4 minutes

318
Orders

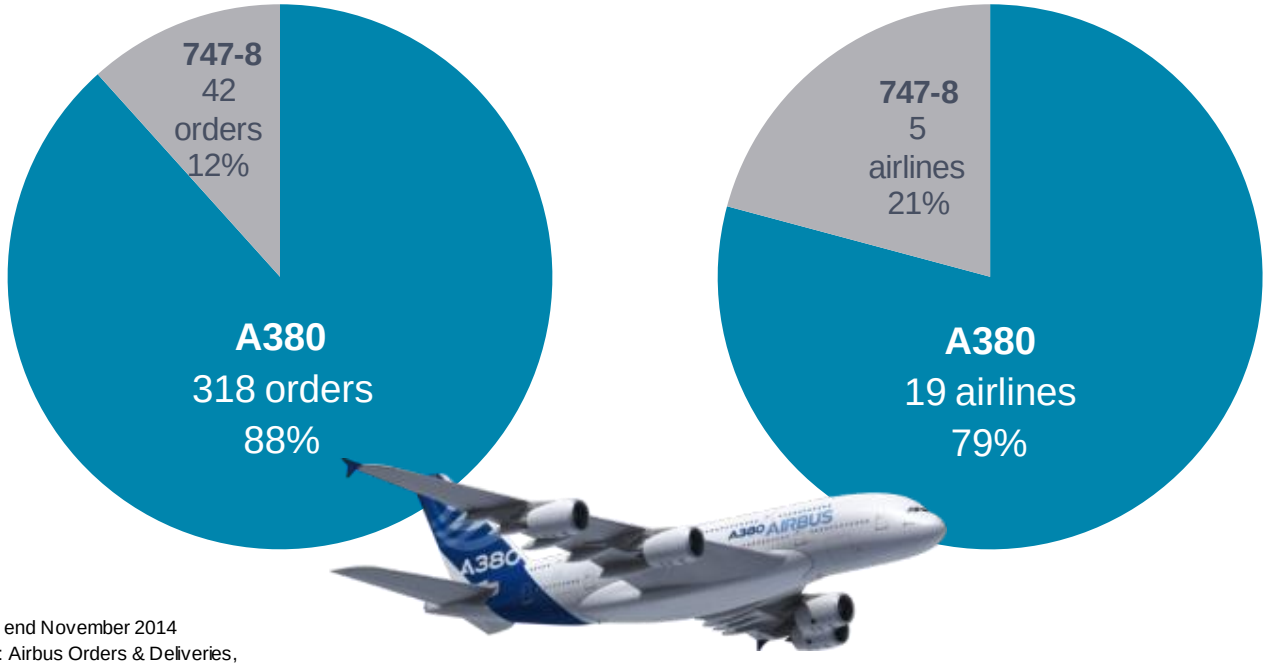
147
Deliveries

171
Backlog

Orders and deliveries to end November 2014

A380 dominates the very large aircraft market with almost 90% market share

Net orders and airlines customers for passenger aircraft



Data to end November 2014
Source: Airbus Orders & Deliveries, Boeing.com
VIP not included

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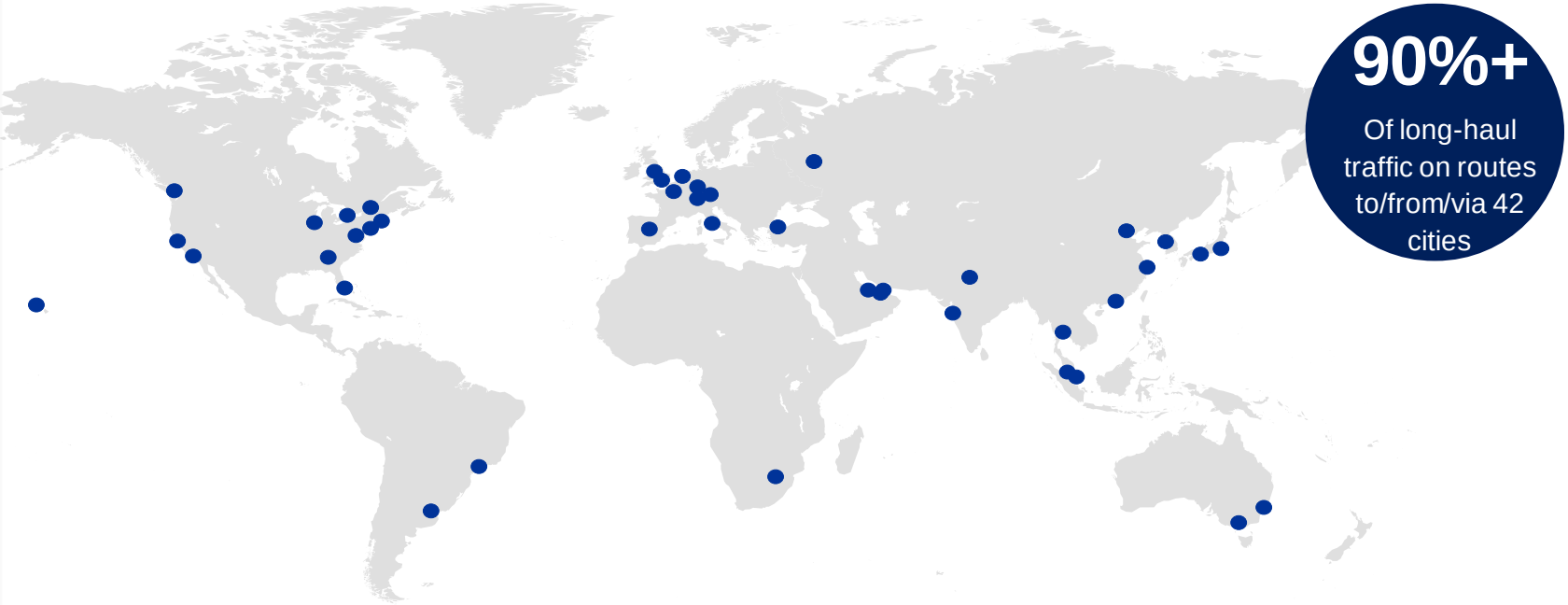
42 Mega-Cities worldwide

Handling more than 10,000 long haul passengers per day



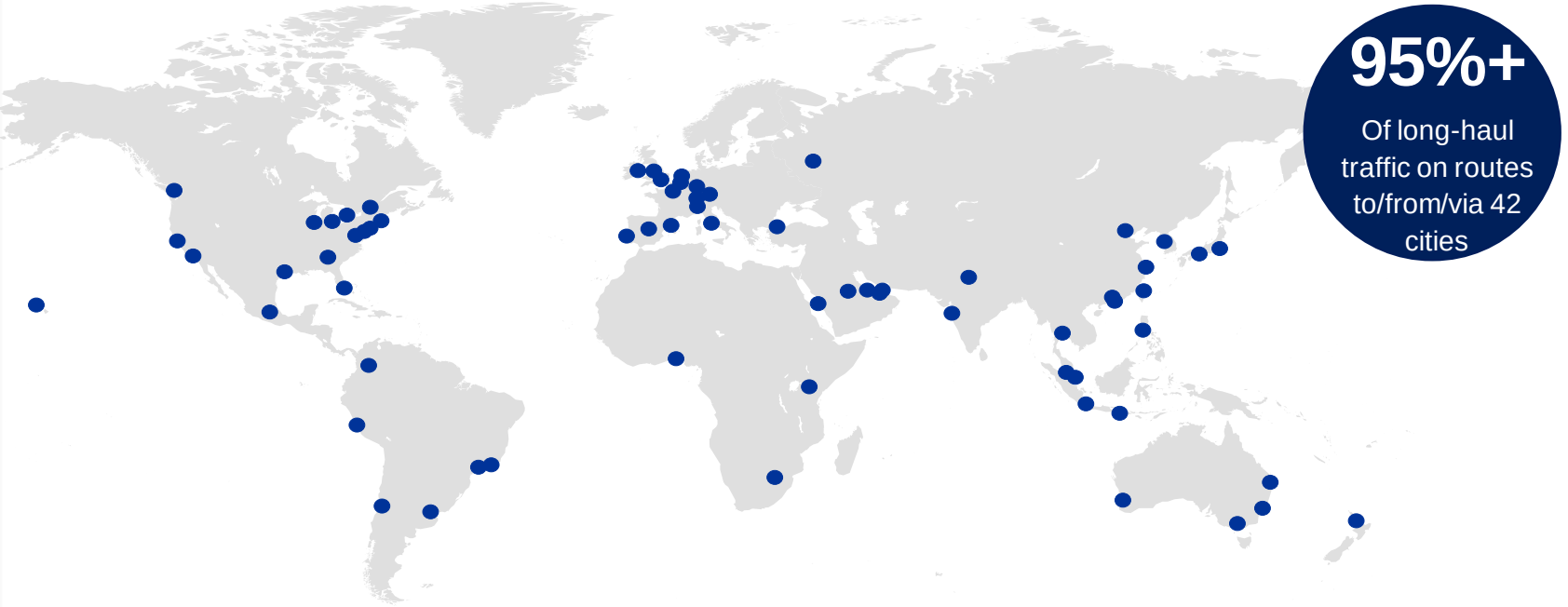
90%+

Of long-haul traffic on routes to/from/via 42 cities

Source: GMF 2013; Cities with more than 10,000 daily passengers, Long haul traffic: flight distance >2,000nm, excl. domestic traffic

71 Mega-Cities worldwide by 2023

Handling more than 10,000 long haul passengers per day



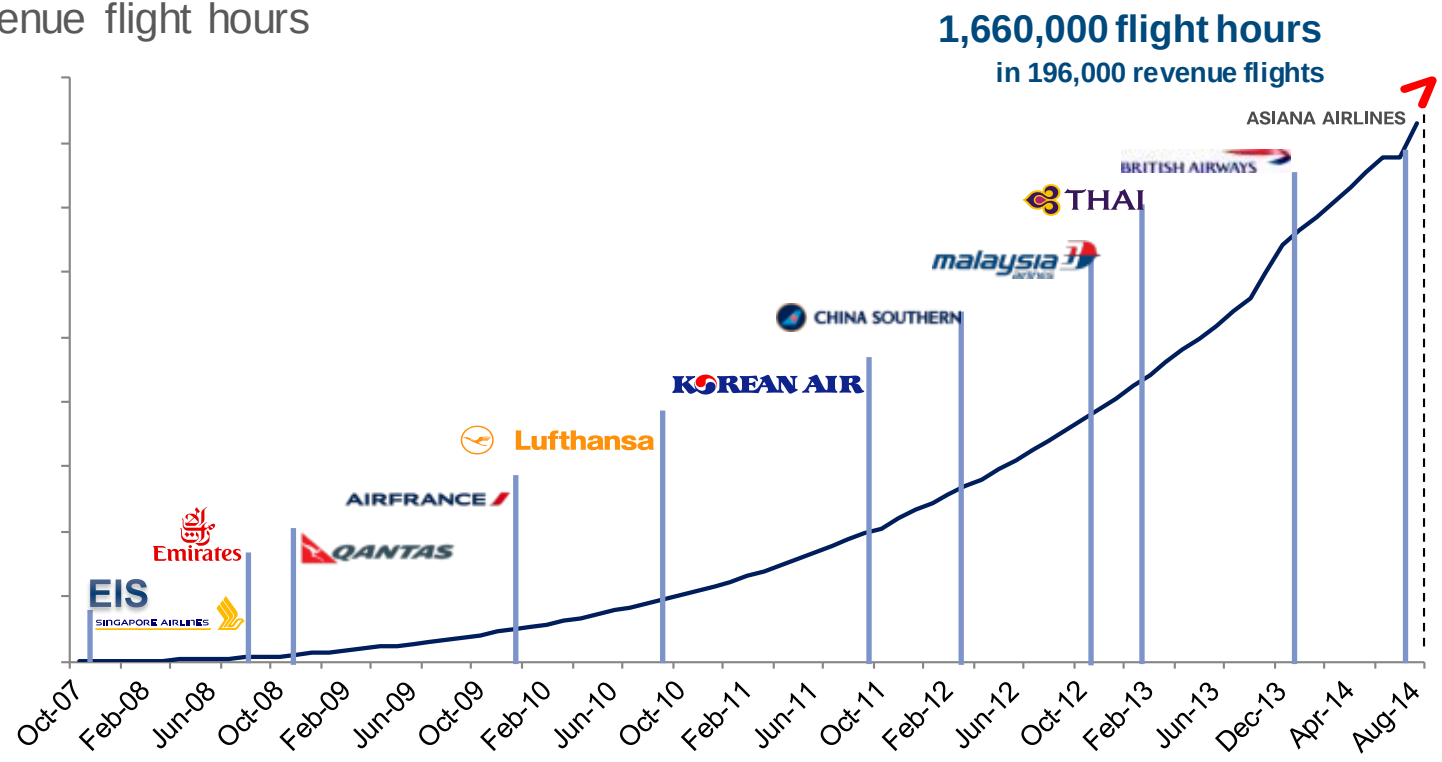
95%+

Of long-haul traffic on routes to/from/via 42 cities

Source: GMF 2013; Cities with more than 10,000 daily passengers, Long haul traffic: flight distance >2,000nm, excl. domestic traffic

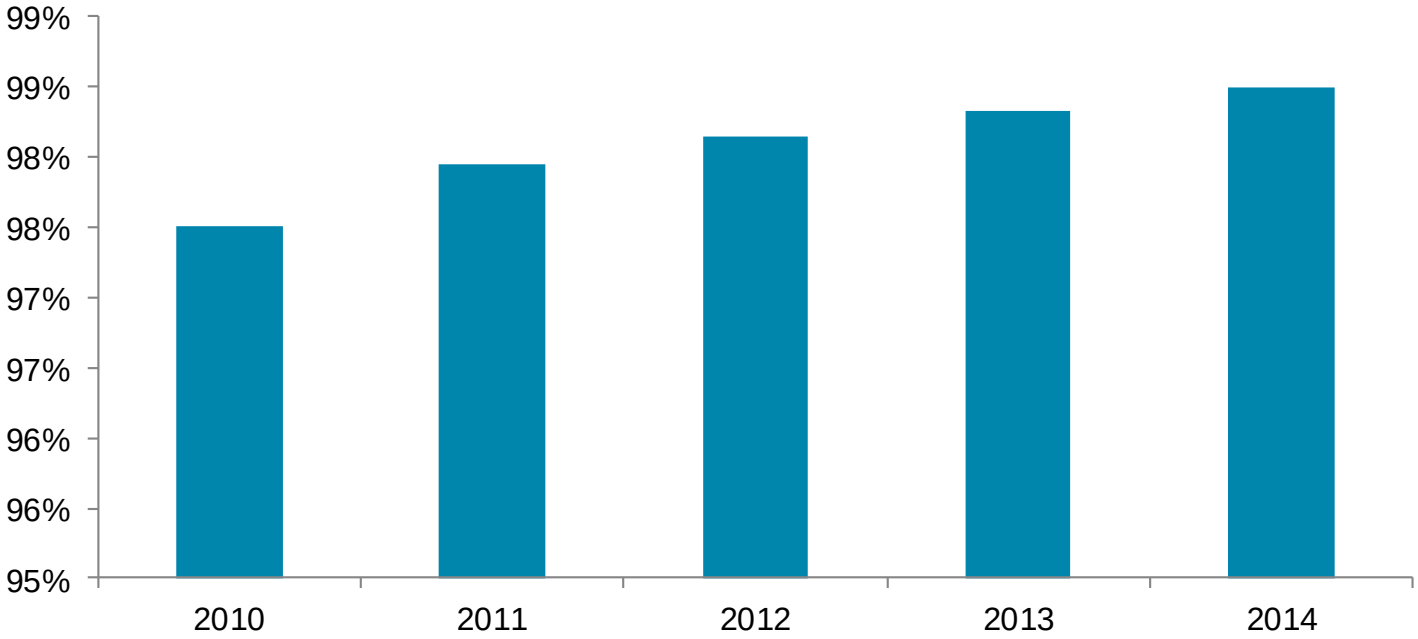
Over 70 million passengers have now enjoyed the A380 experience

Revenue flight hours



Data to end August 2014

A380 dispatch reliability



15 minute delay criteria

2014 year to end September

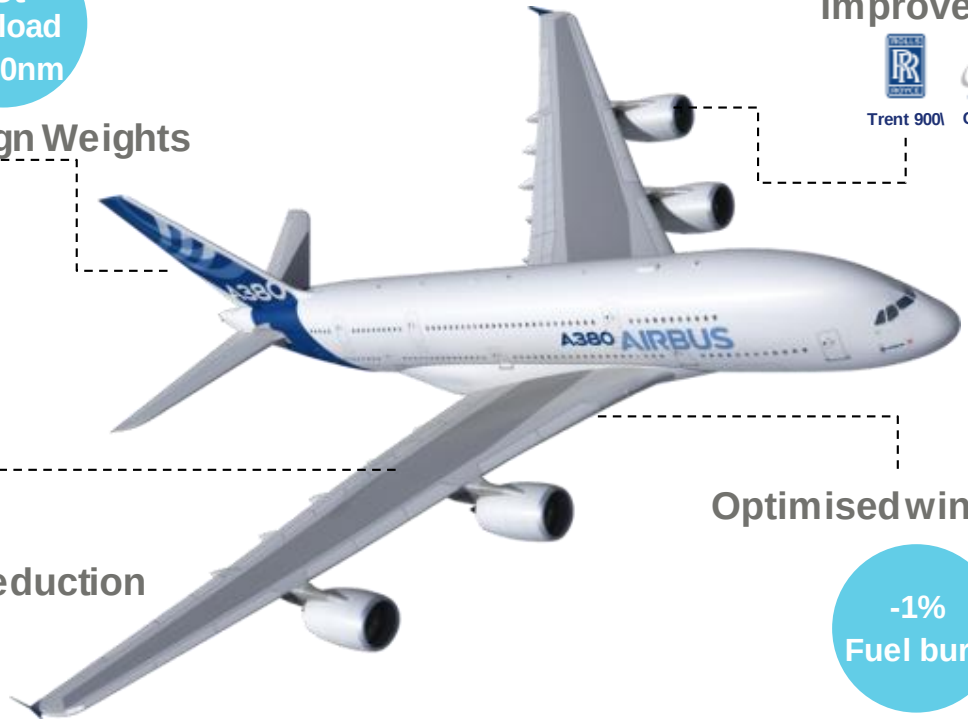
A380 developments have increased market reach

+8t payload +500nm

New Design Weights

Improved SFC

Trent 900\ GP 7000

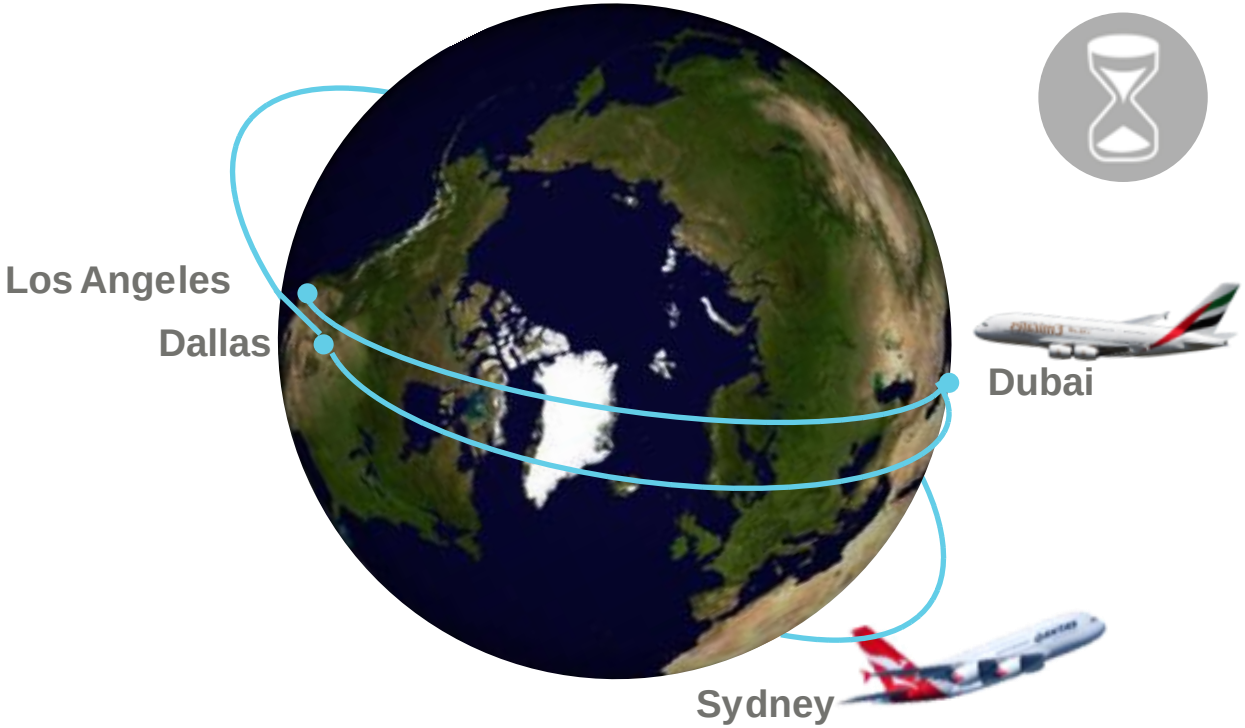


Aircraft weight reduction

Optimised wing twist

-1% Fuel burn

The world's longest routes are operated with A380



The longest A380 flights

> 16 hours

4 new A380 operators in 2014-2015

Premium A380 cabin experience

AIRBUS GROUP

A380 cabin: 19” wide,10-abreast, seating

A380 cabin: Revenue maximisation with 18” wide,11-abreast, seating

Undisputed

industry

Flagship

The winning combination

Strong market recognition

of complementary roles

Single aisle

leader