Airbus Helicopters

Presentation to Bank of America

16 June 2014 – Marignane – France

Agenda

1. Introduction	L. Honold
2. Airbus Helicopters Market Presentation	E. Le Déroff
3. Airbus Helicopters Support & Services	R. Magnac
4. Product Range Presentation (separate presentation)	R. Magnac

Introduction

Linda Honold

Airbus Helicopters at a glance

A unique global presence

23,374 employees

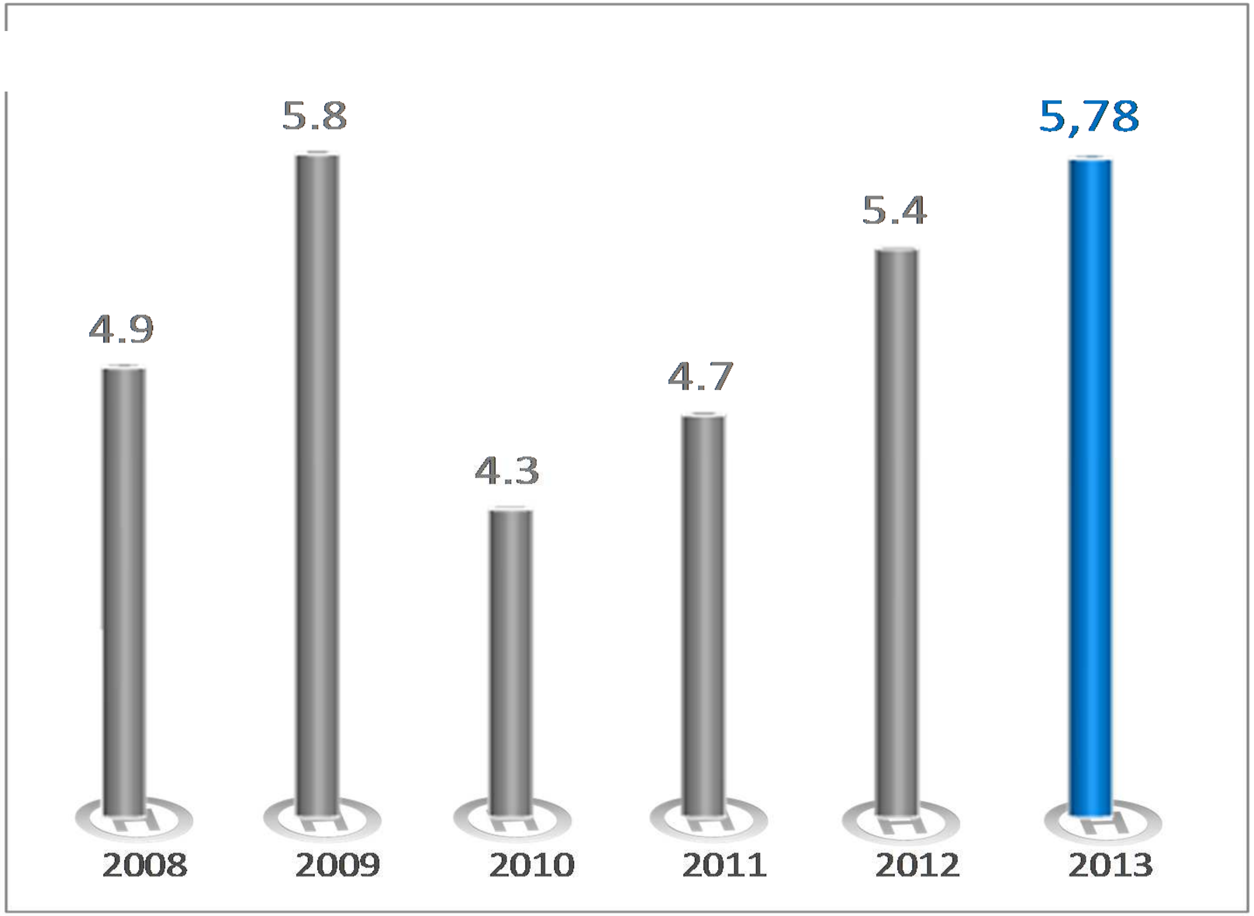
to serve about 3,016 operators

in 149 countries

6.3 bn€ turnover in 2013

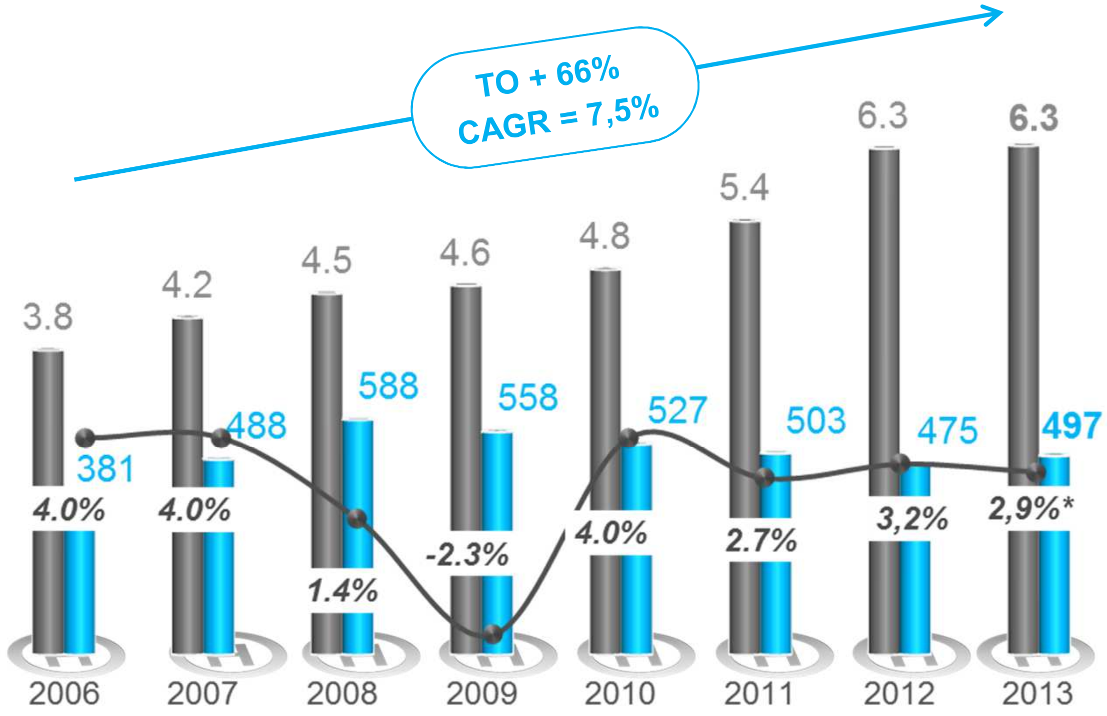
29 local entities

2013 Order Intake
Consolidated order intake in value (Bn€)



Booking: 422 h/c
(469 h/c in 2012)

2013 Turnover and deliveries



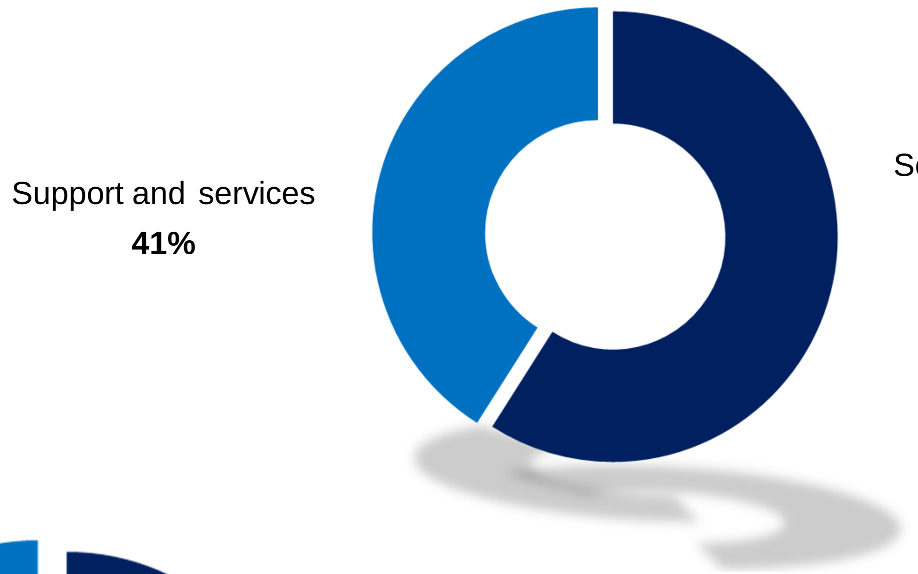
Turnover (in billions of euros)

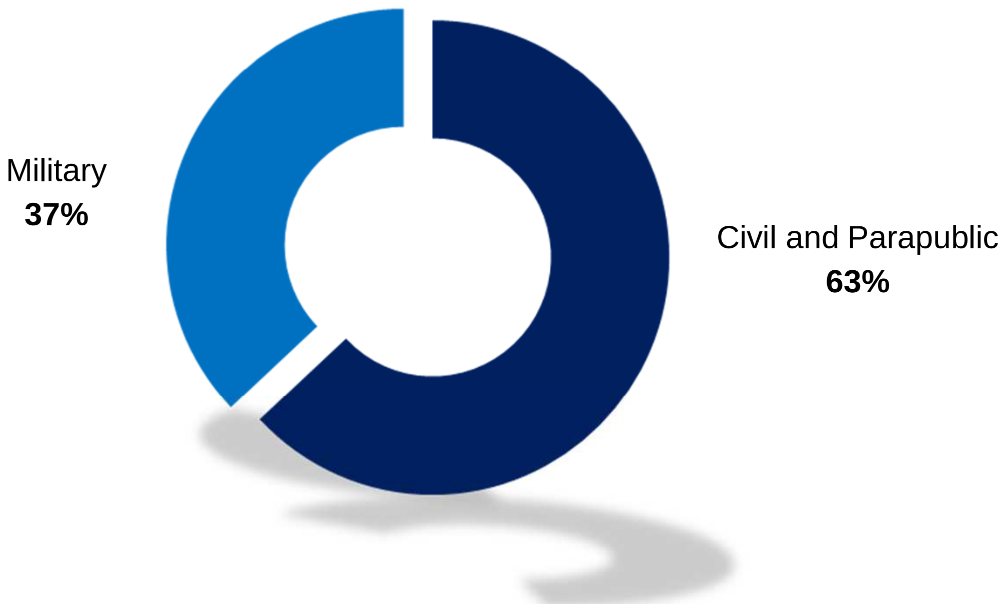
Deliveries (quantity)

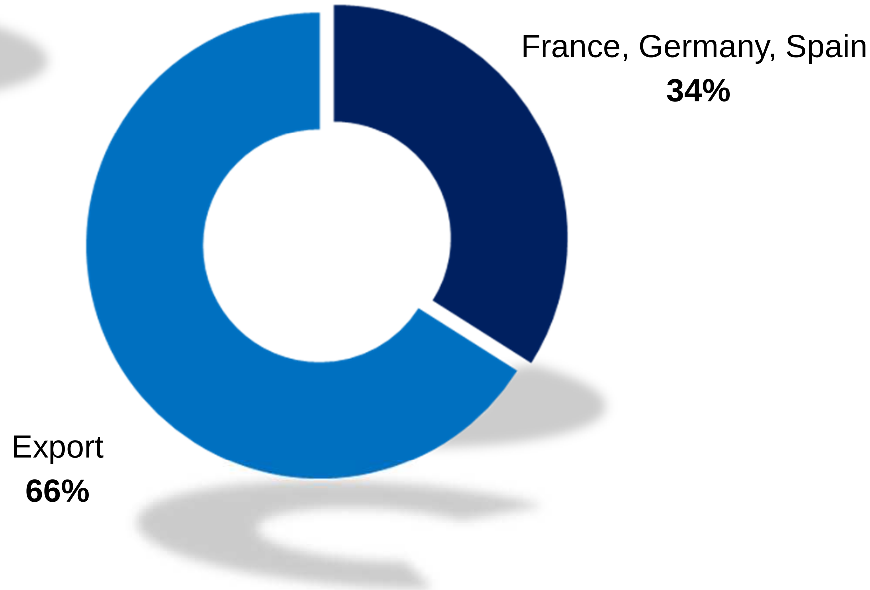
World GDP

**GDP 2013: preliminary estimation*

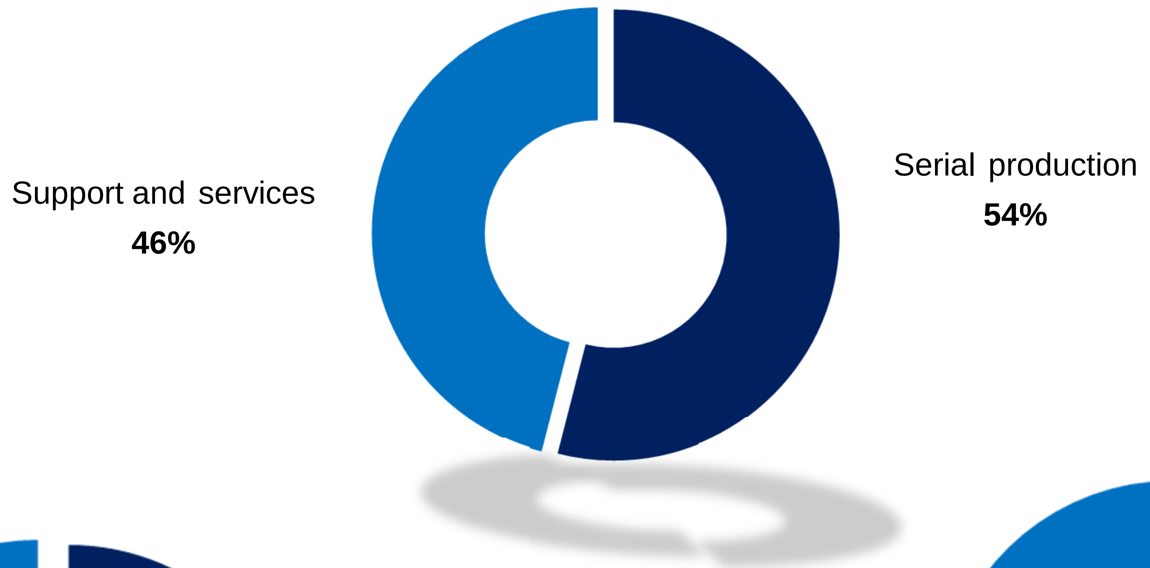
Balanced Portfolio: 2013 Booking profile: 5,8bn€

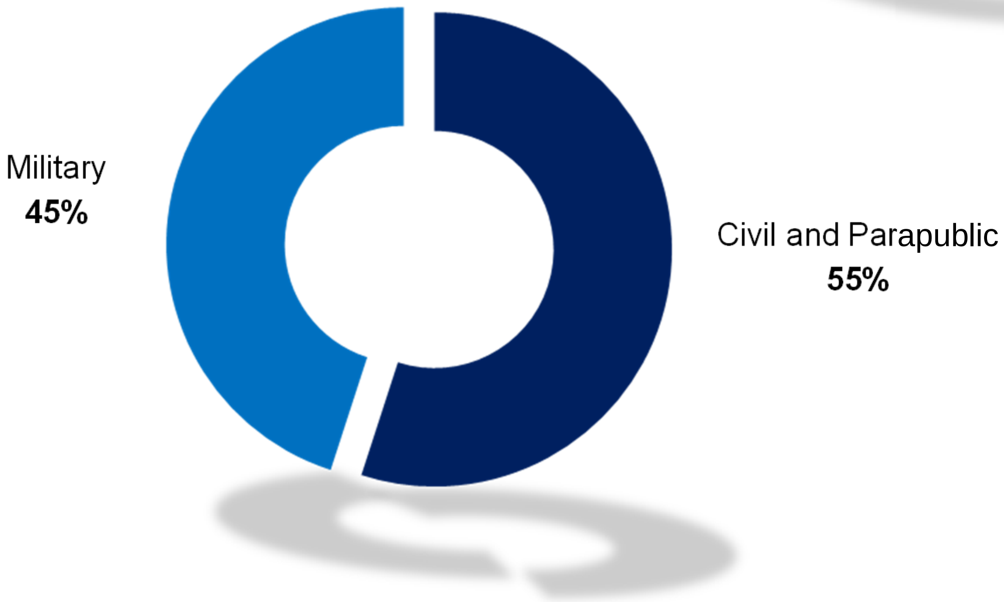


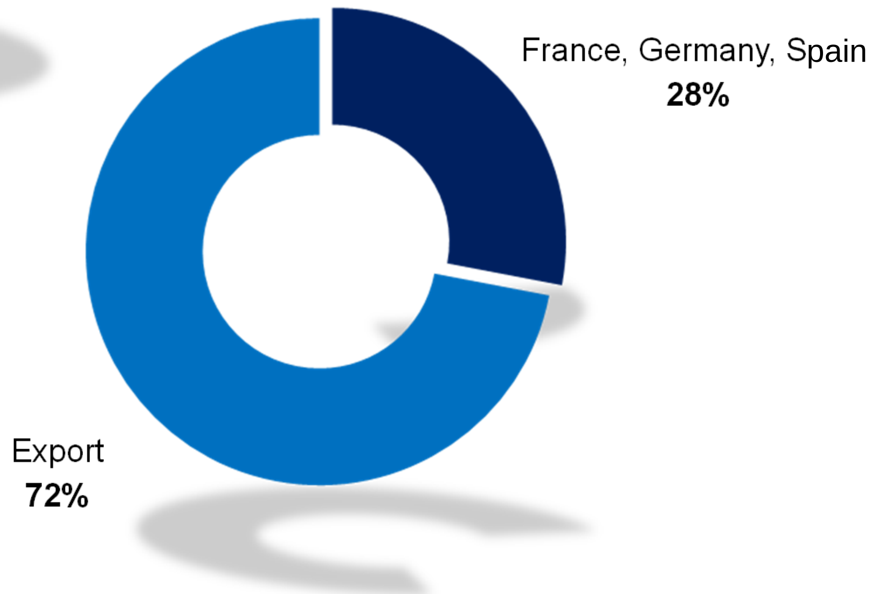




Balanced Portfolio: 2013 turnover profile: 6,3bn€

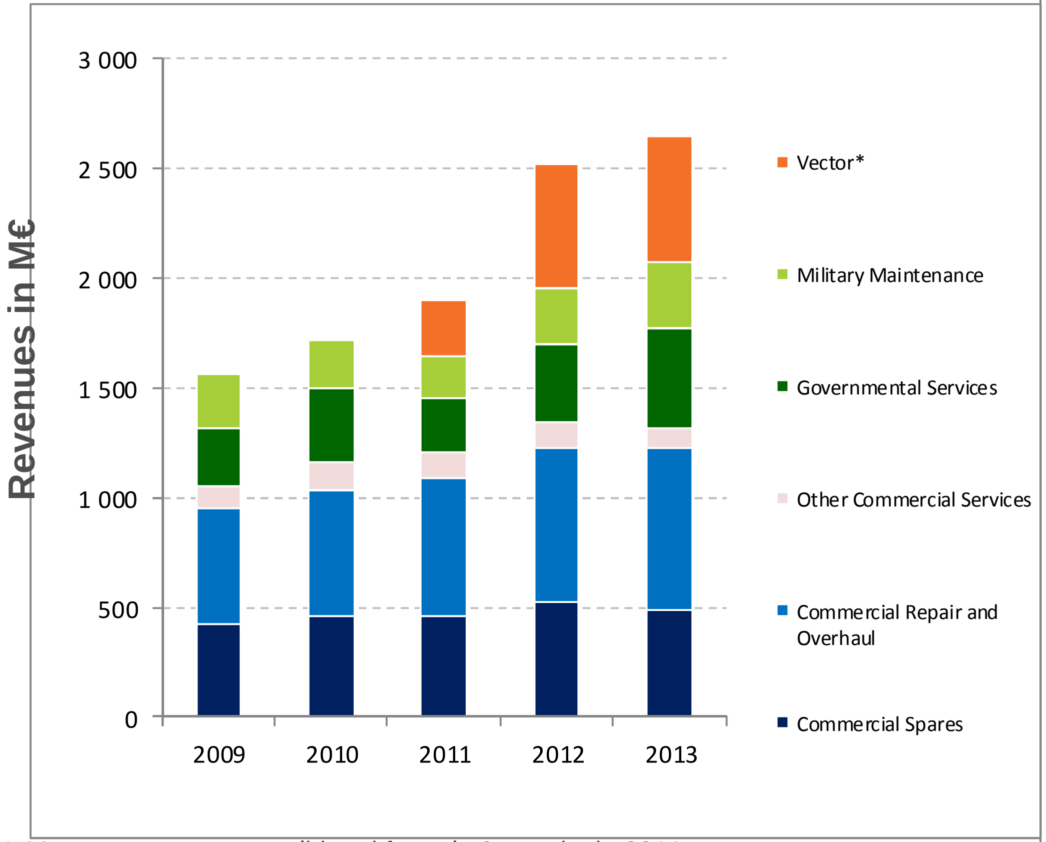






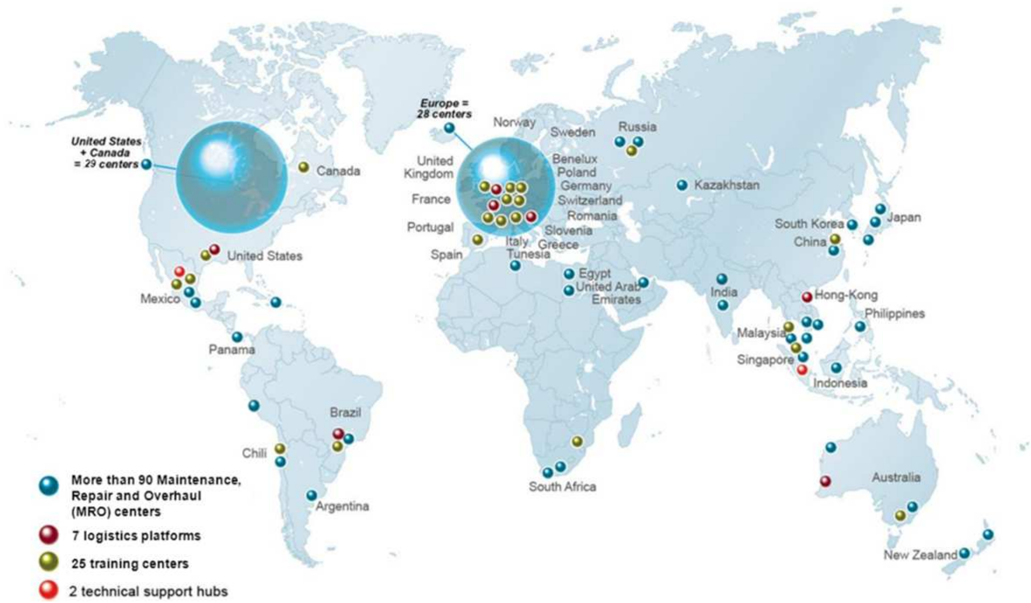
Support and Services in Airbus Helicopters

Airbus Helicopters S&S activity profile



*: Vector revenues consolidated for only 6 months in 2011

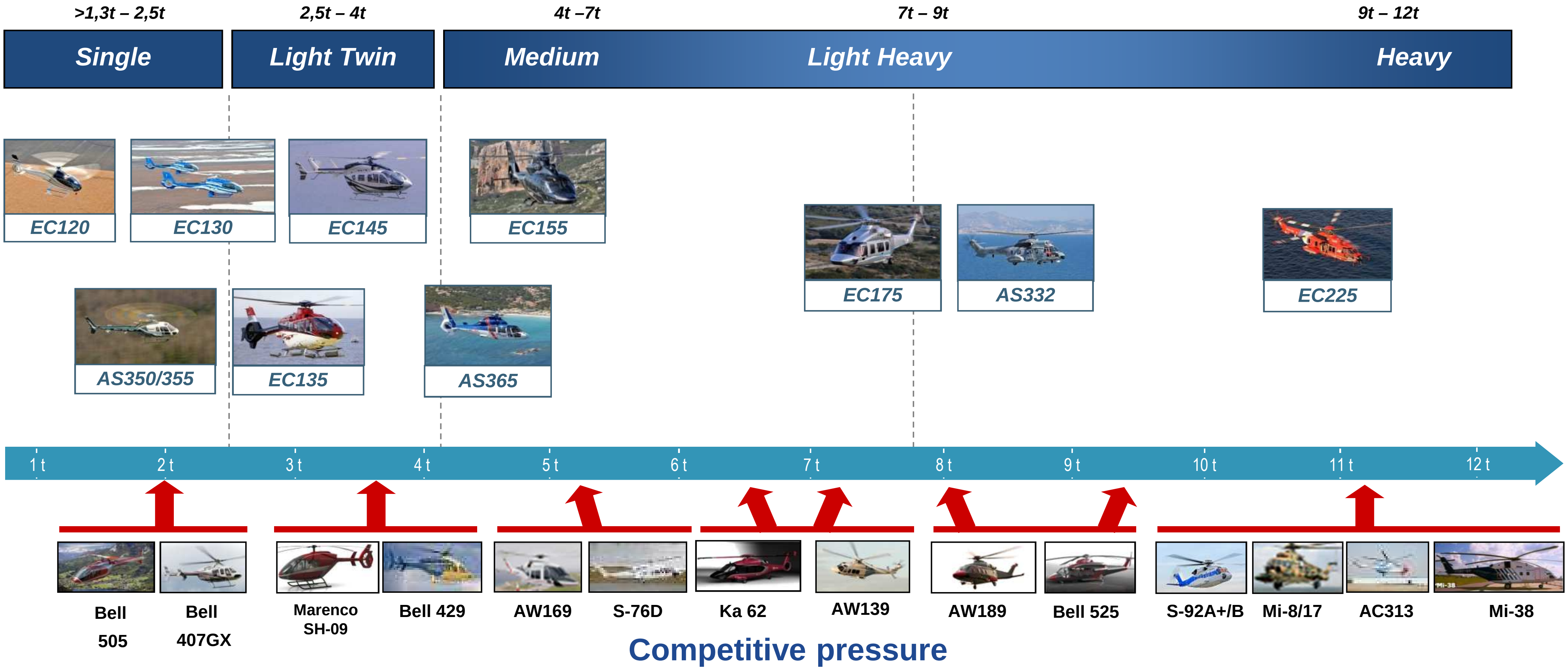
Airbus Helicopters S&S Global Footprint



Commercial Spares and R&O represent the main contributors to AH S&S activity.

An established Global Footprint capturing growing markets

Competition and Innovation
Main Airbus Helicopters civil products vs. Competition



Airbus Helicopters is facing tough competition on the medium and heavy segments and is in addition threatened by new products introduced in the super medium segment (AW189, Bell 525)

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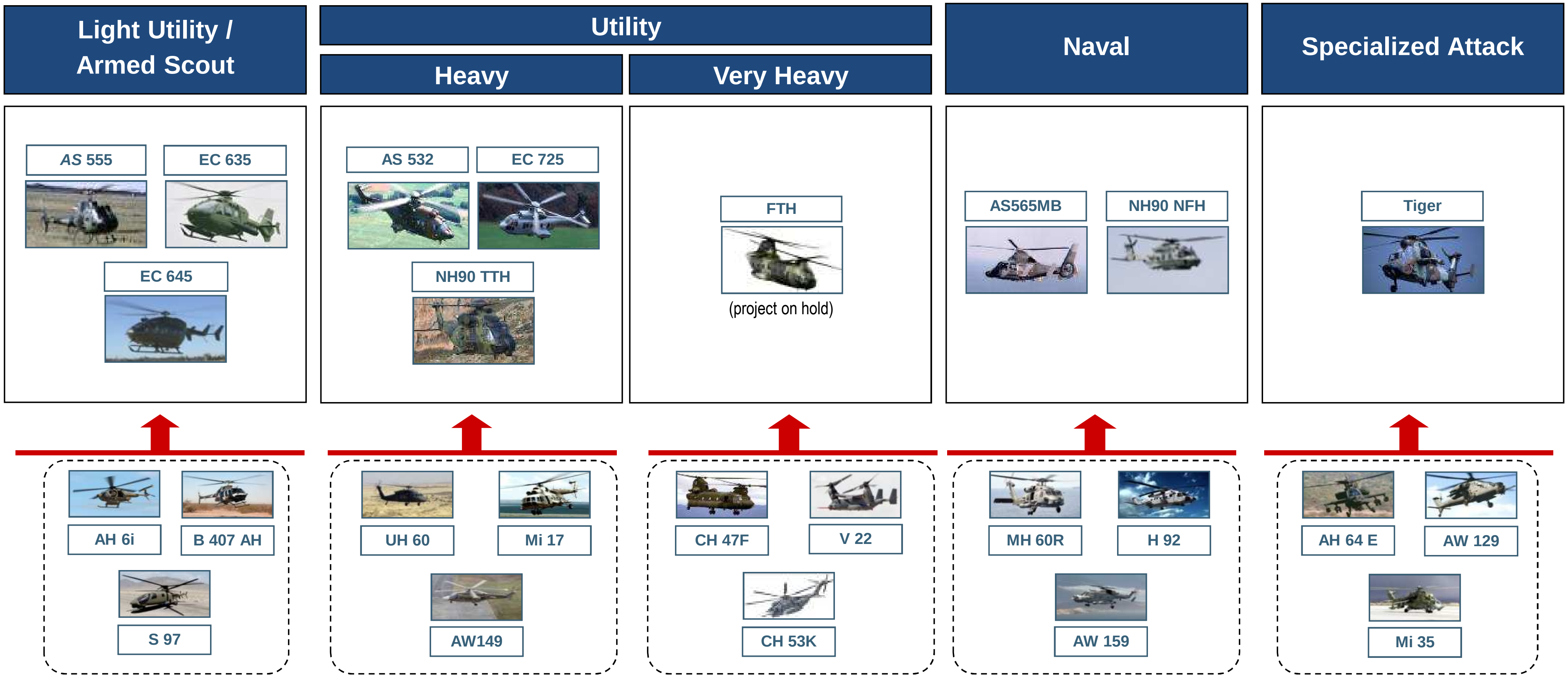
Competition and Innovation
Main Airbus Helicopters Military products vs. Competition



The military market is highly competitive and dominated by US manufacturers benefiting from large US DoD orders and associated economies of scale while Russian Helicopters offers low cost and robust products

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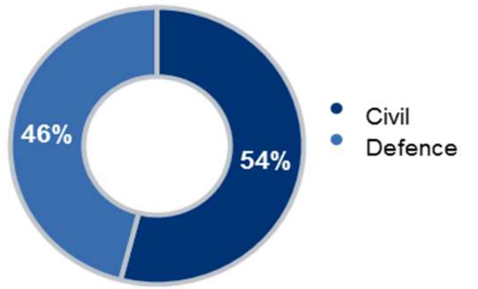
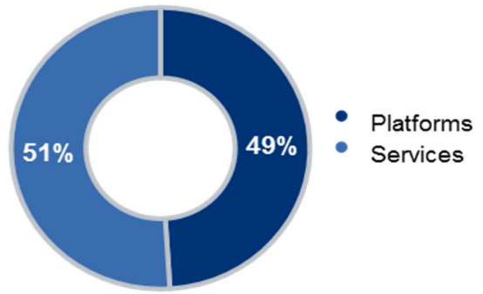
Q1 2014 Financial Performance - Airbus Helicopters

in € m		Q1 2014	Q1 2013	*Change*
Order Intake (net)	in units	**78**	51	*+52.9%*
Order Book	in units	**999**	1,063	*-6.0%*
Order Intake (net)	in value	**1,202**	804	*+49.5%*
Order Book	in value	**12,439**	*12,708*	*-2.1%*
Deliveries (units)		**74**	58	*+27.6%*
Revenues		**1,182**	1,038	*+13.9%*
R&D expenses ** *in % of revenues*		**73** *6.2%*	66 *6.4%*	*+10.6%*
EBIT* before one-off *in % of revenues*		**58** *4.9%*	20 *1.9%*	*+190%*
EBIT* *In % of revenues*		**58** *4.9%*	20 *1.9%*	*+190%*

External Revenue Split





- Revenues reflect higher volume and favourable revenue mix including NH90 ramp-up
- EBIT improvement mainly driven by volume including recovery in Super Puma activity
- Progress on development programmes (EC 175, EC 145 T2…)

* Pre-goodwill impairment and exceptionals

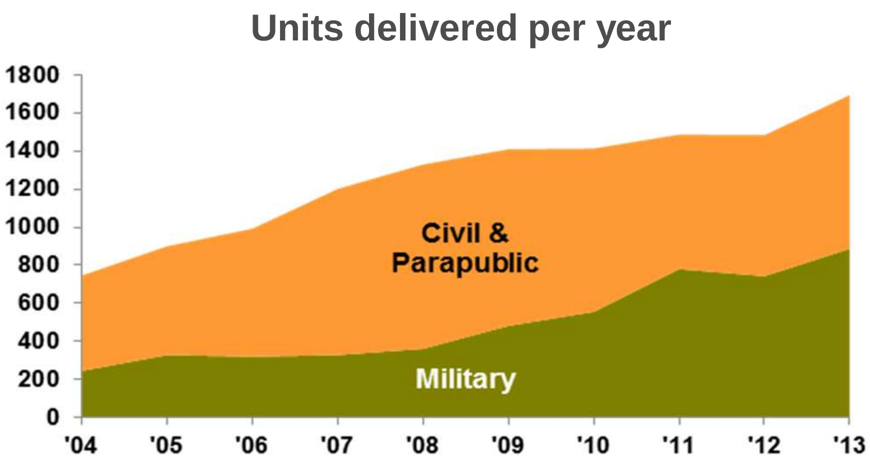
** Capitalised R&D: € 11 m in Q1 2014 and € 11 m in Q1 2013

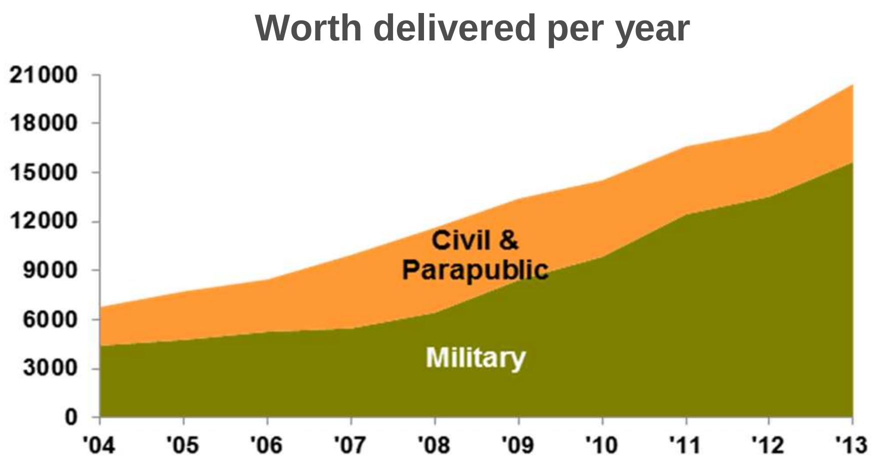
2. Airbus Helicopters Market Presentation

Erwann Le Déroff

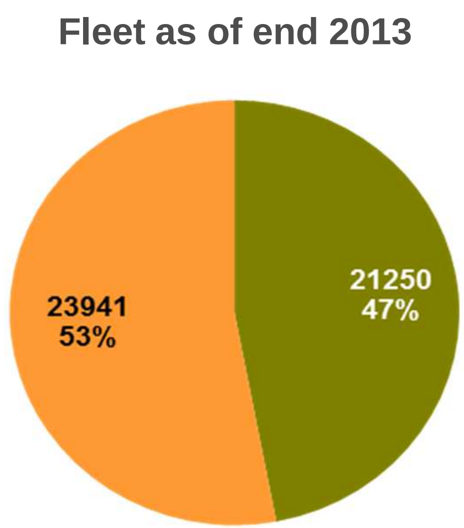
>1.3t MAUW Helicopter Market
Balance between Civil & Parapublic and Military

Deliveries





Fleet



- In units delivered, Civil & Parapublic and Military markets has tended to account for the same amount since 2011
- In value however, Military has constantly dominated the market, especially since the recent economic crisis
- The current fleet is well balanced between Civil & Parapublic and Military

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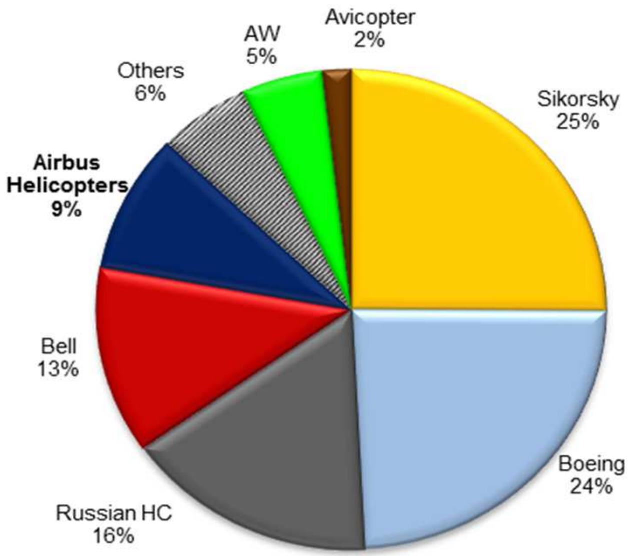
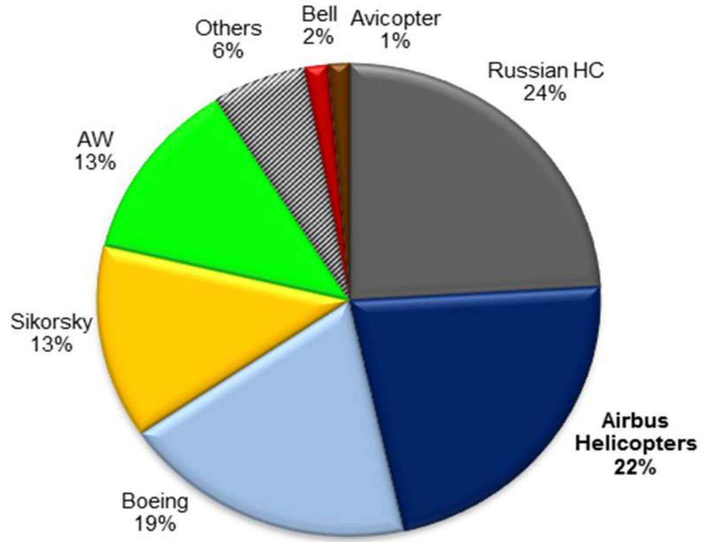
Military Turbine Helicopter Market
2009-2013 Bookings by O.E.M. – market worth

Worldwide 2009-2013 Bookings
market worth
TOTAL MARKET



Airbus Helicopters: # 5
1:Sikorsky
2 : Boeing

Worldwide 2009-2013 Bookings
market worth
ADDRESSABLE MARKET * = 1/3rd

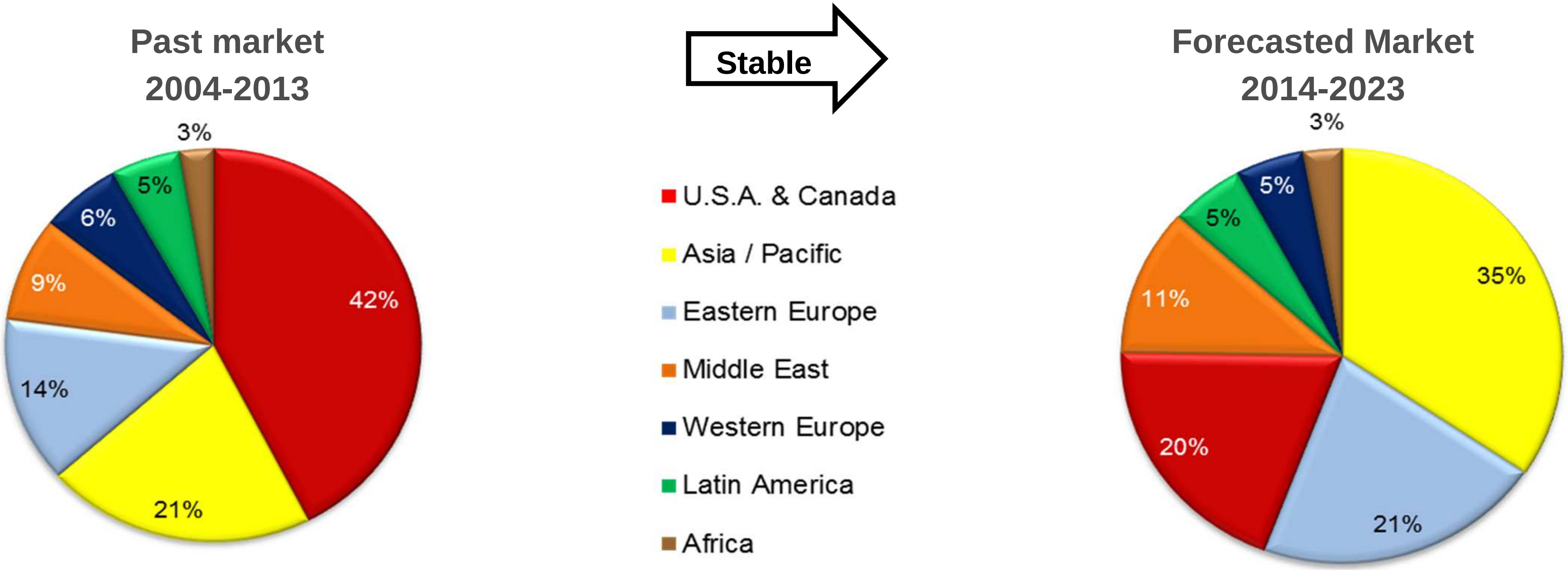


Airbus Helicopters: # 2
1: Russian Helicopters
3: Boeing

* The addressable market does not comprehend:
- Countries under embargo
- Captive tenders
- Very Heavy Class

Considering the addressable market* only, Airbus Helicopters belongs to the Top 3 O.E.M.s thanks to its dynamics on the export markets

Military Turbine Helicopter Market
2004-2023 Bookings by Region – market worth



Overall, the size of the military market will remain stable.

However Asia will overtake U.S.A. / Canada as the dominant market.

Military Turbine Helicopter
Airbus Helicopters Current Fleet & Opportunities by Region

AH fleet in U.S.A. / Canada: 400 h/c

- More than 300 Lakota (EC145) delivered to the US Army
- Main campaigns: training for the US Army and Navy

AH fleet in Western Europe: 1,100 h/c

- On-going NH90 & Tiger deliveries (480 NH90 & 180 Tiger booked)
- Main NH90 campaigns in Germany & Norway

AH fleet in Eastern Europe: 100 h/c

- Main campaigns in Central Europe and Caspian sea countries

AH fleet in Middle East: 400 h/c

- Main campaigns in Qatar, Kuwait, KSA, UAE

AH fleet in Latin America: 350 h/c

- Main campaigns in Brazil, Chile, Mexico, Ecuador, Peru

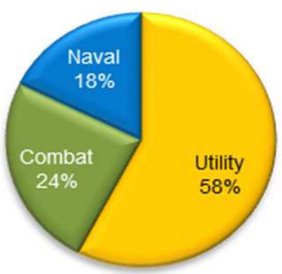
AH fleet in Asia / Pacific: 350 h/c

- Main campaigns in India, Indonesia, Malaysia, Thailand, South Korea

AH fleet in Africa: 200 h/c

- Main campaigns in East Africa

AH fleet by segment



With 2,800 military helicopters in flight, Airbus Helicopters has a worldwide presence.

Thanks to its military range, Airbus Helicopters can address the 3 military segments

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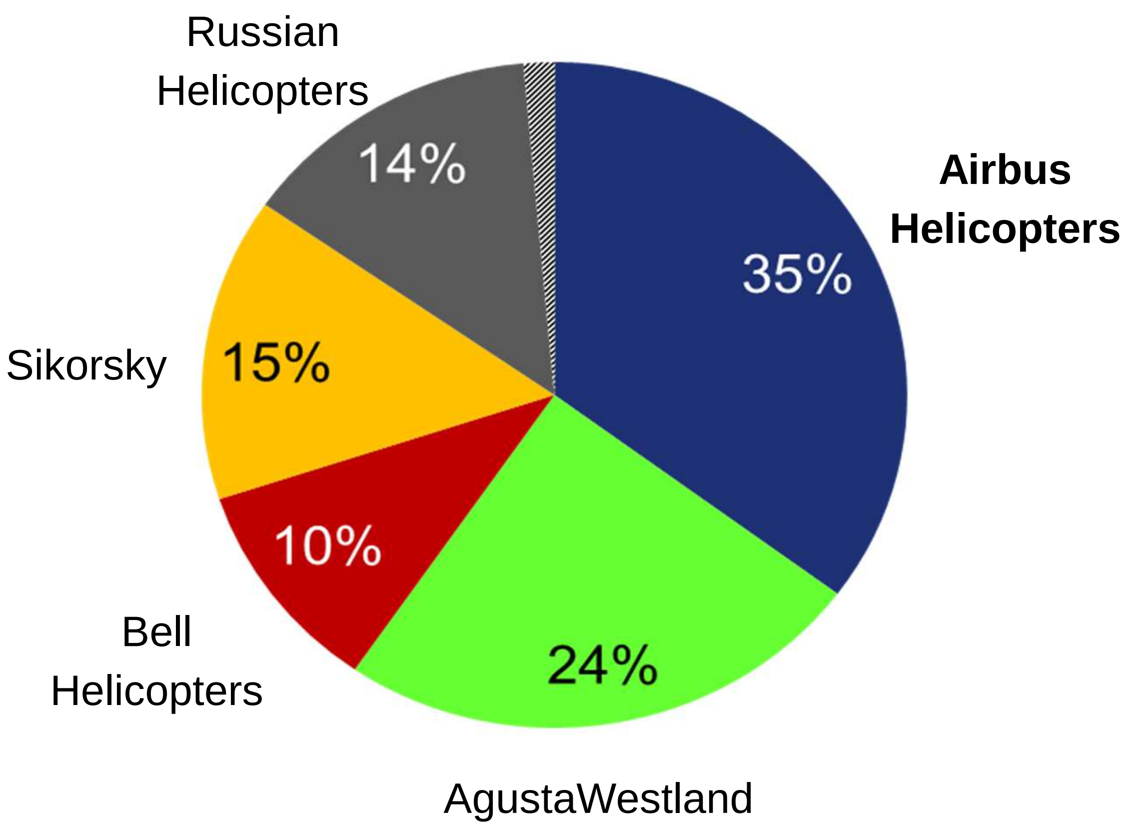
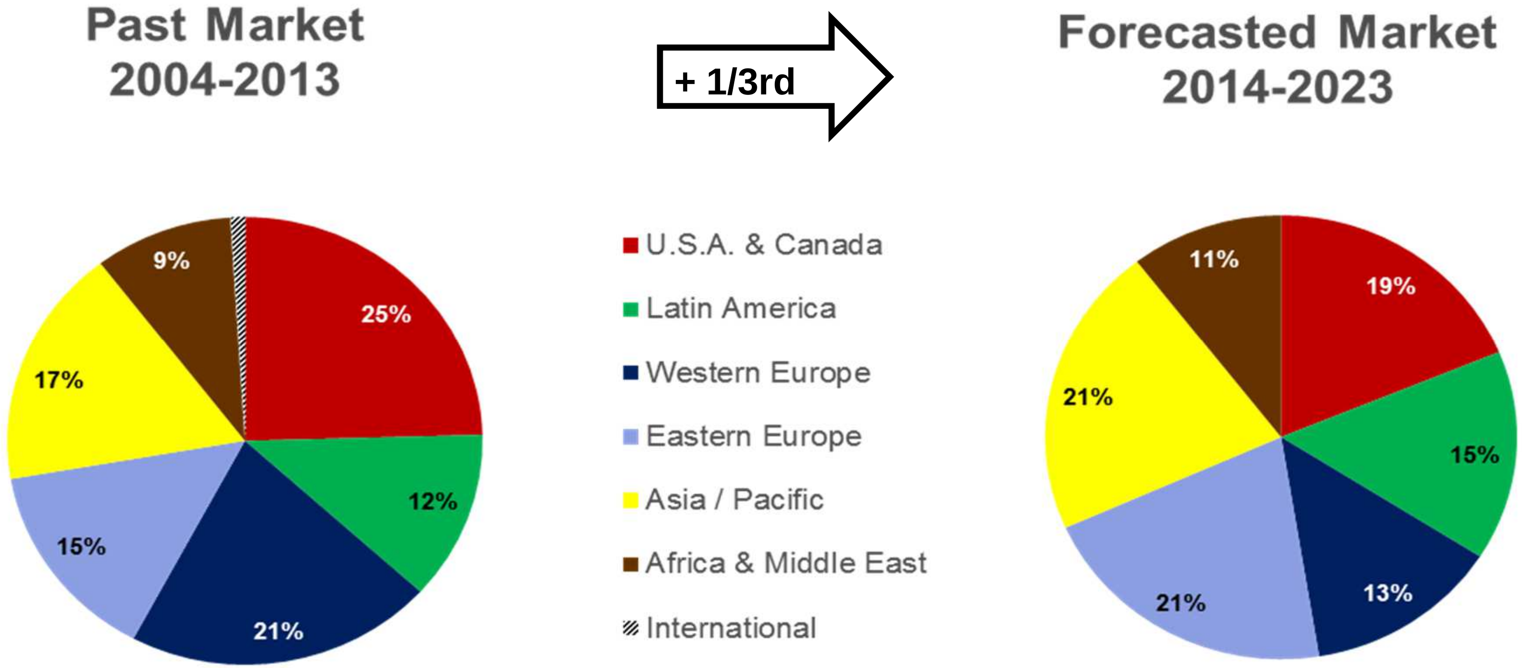
Civil & Parapublic >1.3t MAUW Turbine Helicopter Market 2009-2013 Deliveries by O.E.M. – market worth

2009-2013 Deliveries – market worth



- Airbus Helicopters: #1, robust leader of the civil & parapublic turbine helicopter market over the past five years
- AH has the largest range when compared to other O.E.M.s
- AH has been the O.E.M. which has most benefitted from regional diversification of the market for the past decade

Civil & Parapublic >1.3t MAUW Turbine Helicopter Market 2004-2023 Deliveries by Region – market worth



- Compared to the past decade, the global market is expected to increase significantly in every region (but Western Europe until 2017-2018)

- Strengthening shift from formerly leading 'Western World' (U.S.A., Canada, Australia & Western Europe) towards emerging regions: Asia, Eastern Europe, Latin America, Africa & Middle East

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Civil & Parapublic >1.3t MAUW Turbine Helicopter Airbus Helicopters Current Fleet & Opportunities by Region

AH fleet in U.S.A. / Canada: 2,500 h/c

- AH leader with 37% market share since 2009
- Massive fleet renewal in every mission segment

AH fleet in Western Europe = 2,300 h/c

- AH leader with 54% market share since 2009
- Massive fleet renewal in every mission segment, at a slower pace for Public Services though
- Fleet expansion in new niches such as offshore windfarms

AH fleet in Eastern Europe = 430 h/c

- AH leading Western O.E.M.s with 16% market share since 2009 (Russian Helicopters 63%)
- Fleet renewal in Public Services and Oil & Gas
- Fleet expansion in every mission segment

AH fleet in Latin America = 1,100 h/c

- AH leader with 39% market share since 2009
- Fleet renewal in Public Services, Oil & Gas and Business / Private
- Fleet expansion in every mission segment but E.M.S.

AH fleet in Africa / Middle East = 500 h/c

- AH amongst leaders with 15% market share since 2009
- Fleet expansion in Oil & Gas and Public Services

AH fleet in Asia / Pacific = 1,300 h/c

- AH leader with 42% market share since 2009
- Fleet renewal in Public Services, Oil & Gas
- Fleet expansion in every mission segment

AH has been the leader in every significant region so far and is the best positioned O.E.M. in booming regions for the future

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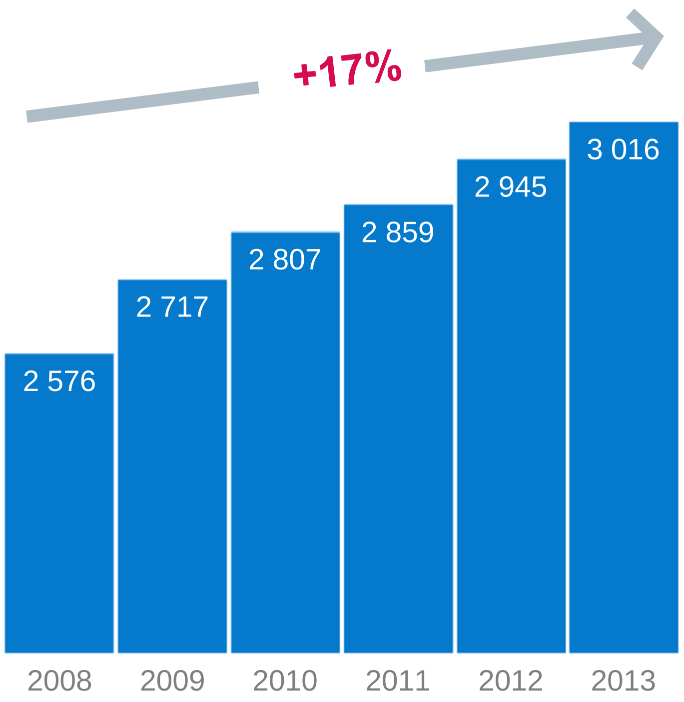
3. Airbus Helicopters Support & Services

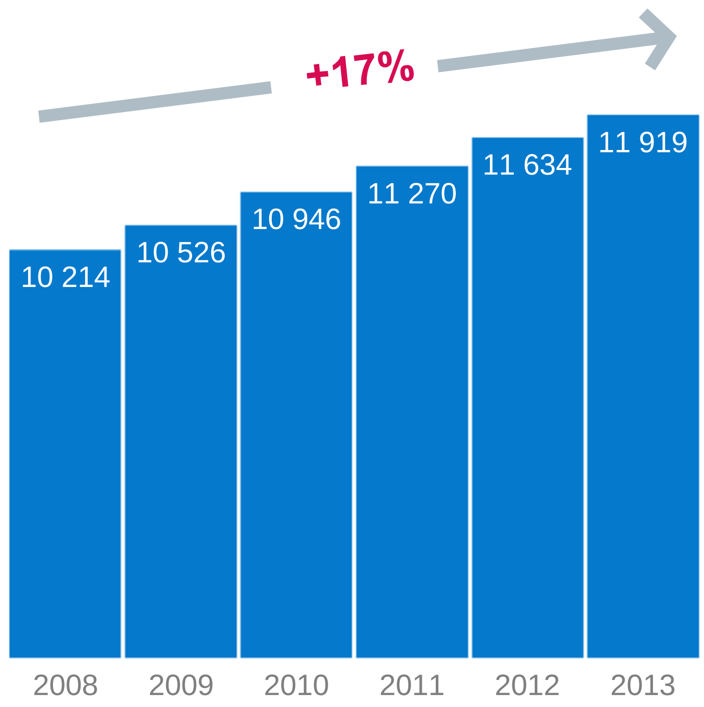
Regis Magnac

Our customer base and fleet are growing thus increasing potential Support and Services business

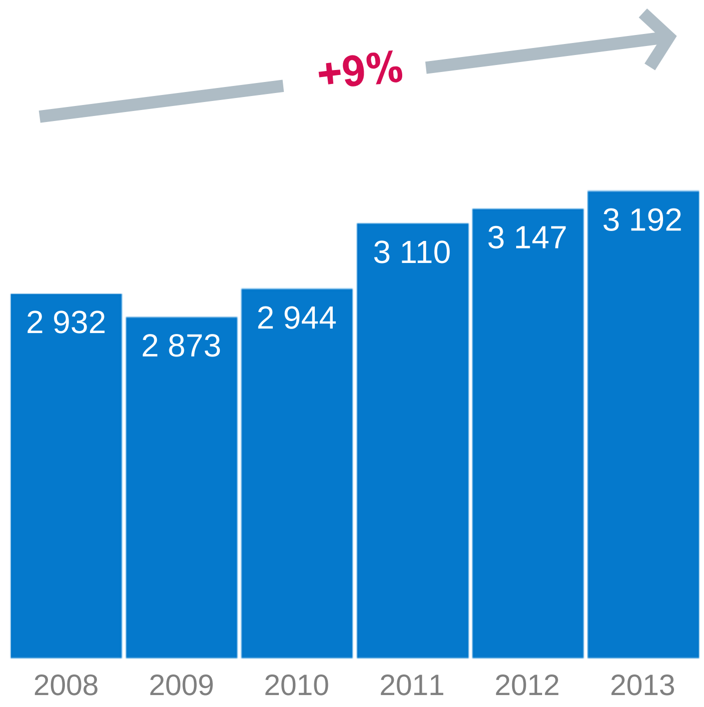
Number of operators



Helicopters in service



Annual flight hours (million)

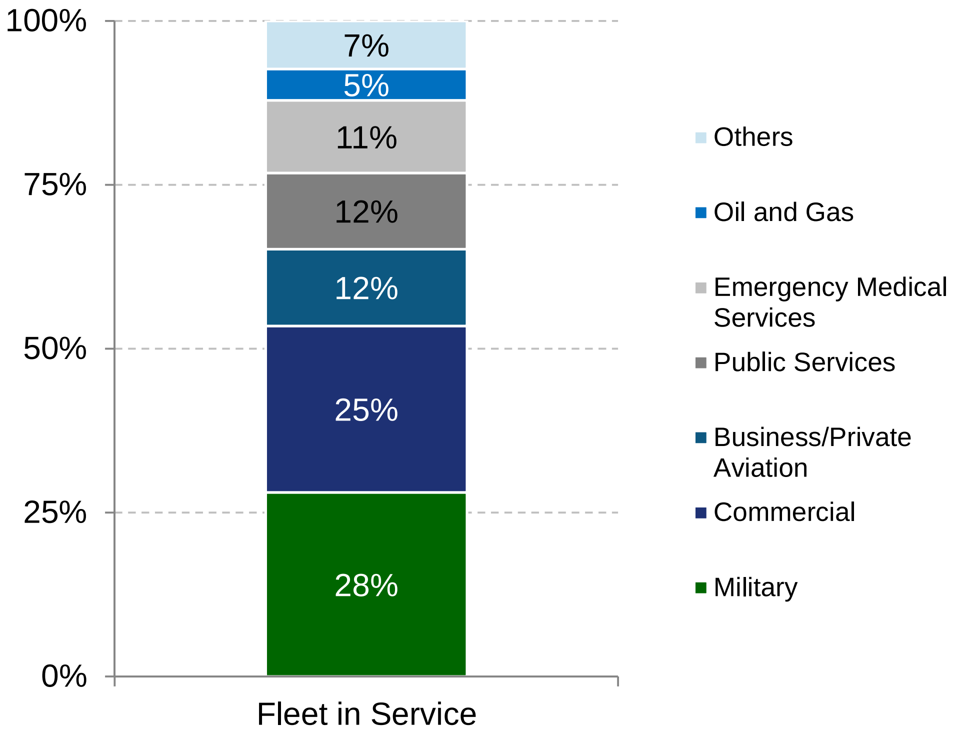


Airbus Helicopters support and services revenues growth rely on a solid and enlarging customer base

A diverse and scattered customer base with different needs

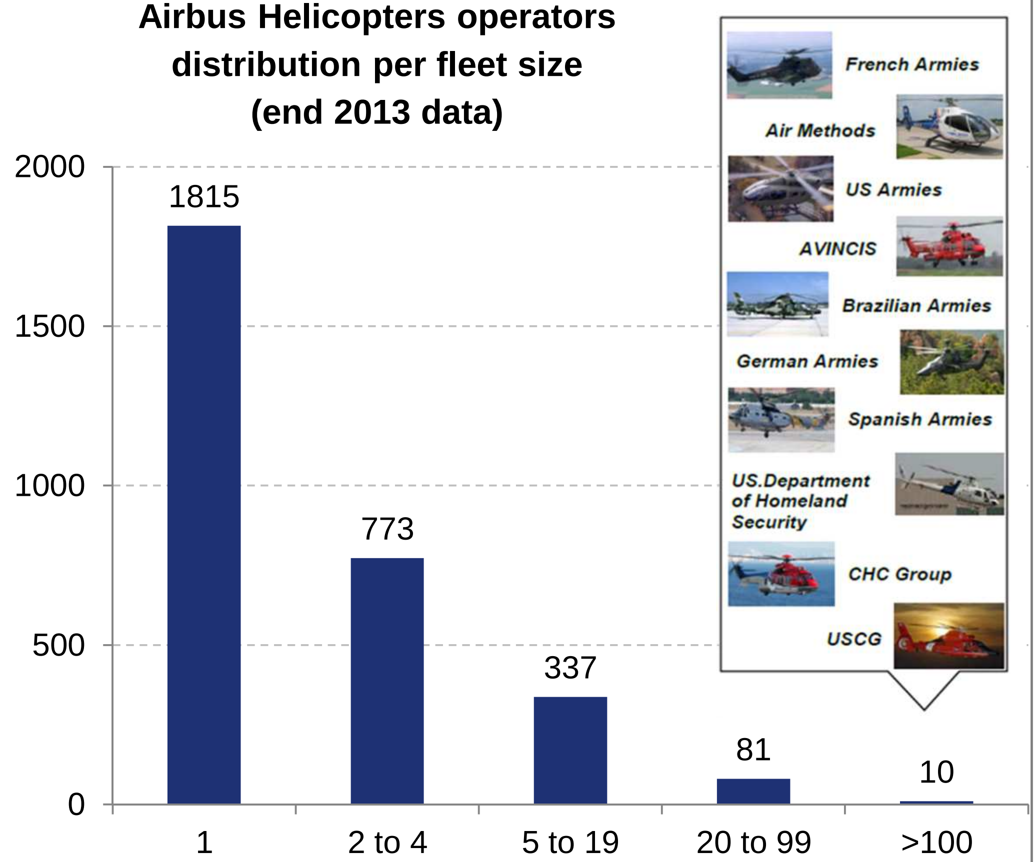
A diversified customer base in terms of missions

Airbus Helicopters fleet distribution by mission (end 2013 data)



A scattered customer base

Airbus Helicopters operators distribution per fleet size (end 2013 data)



Airbus Helicopters customer base is very different from Airbus' as it is mainly composed of small customers performing a wide variety of missions