



AIRBUS

9m 2017

Roadshow Presentation

DZ Bank Equity Conference
November 20th, 2017



SAFE HARBOUR STATEMENT

DISCLAIMER

This presentation includes forward-looking statements. Words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may” and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements made about strategy, ramp-up and delivery schedules, introduction of new products and services and market expectations, as well as statements regarding future performance and outlook.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

THESE FACTORS INCLUDE BUT ARE NOT LIMITED TO:

- Changes in general economic, political or market conditions, including the cyclical nature of some of Airbus’ businesses;
- Significant disruptions in air travel (including as a result of 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’ 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 the Airbus “Registration Document” dated 4 April 2017, including the Risk Factors section.

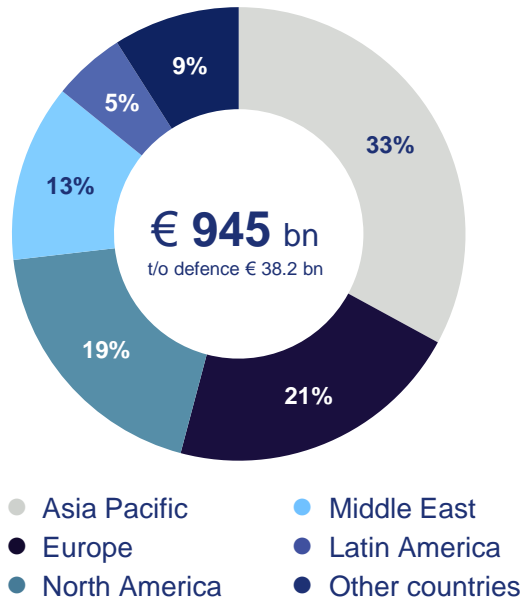
Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding disclaimer:

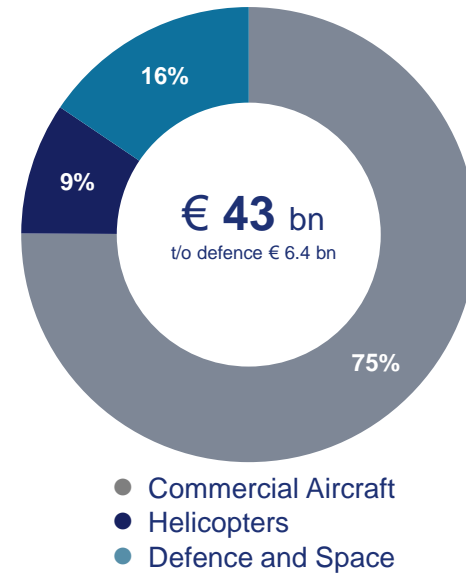
Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

- Healthy commercial aircraft market; robust backlog supports ramp-up plans
- Engine delays impacting 9m results
- Focus on Q4 deliveries and ramp-up
- 2017 Guidance confirmed

Airbus Order Book* by Region (by value)



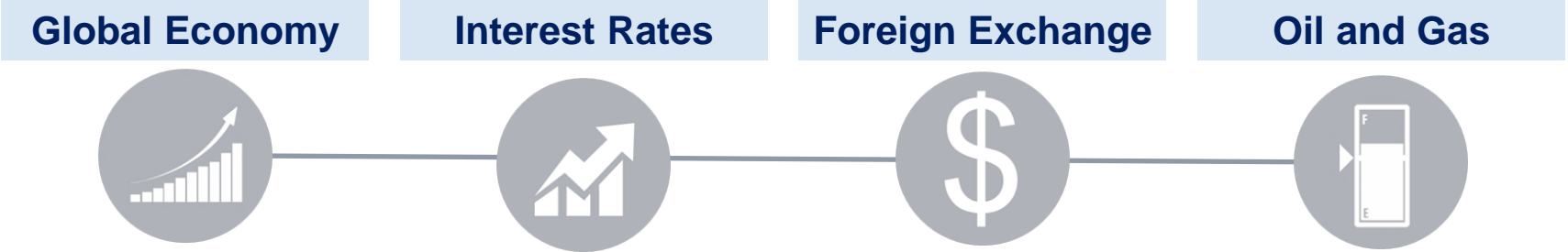
Airbus External Revenue Split by Division



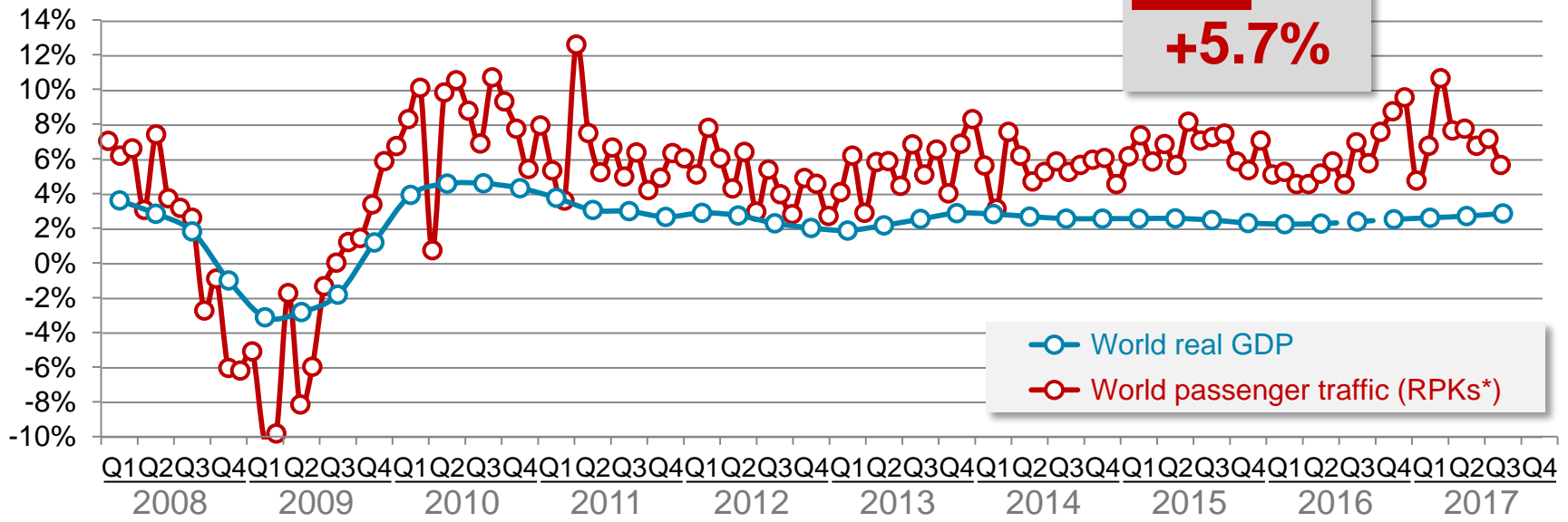
- **COMMERCIAL AIRCRAFT:** 319 gross orders, 271 net. Backlog: 6,691 a/c
- **HELICOPTERS:** 210 net orders, including 14 H175 in Q3
- **DEFENCE AND SPACE:** Order book impacted by the perimeter change (€1.9bn). 5 A330 MRTT tankers booked in Military Aircraft

* Commercial Order Intake and Order Book based on list prices

MARKET ENVIRONMENT



World real GDP and passenger traffic
% (year-over-year)



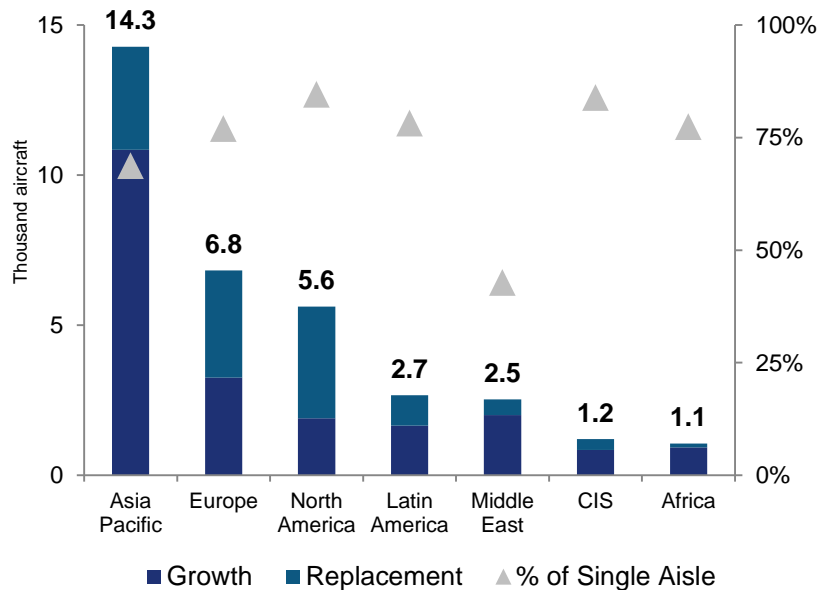
September 2017
Passenger Traffic
+5.7%

—○— World real GDP
—○— World passenger traffic (RPKs*)

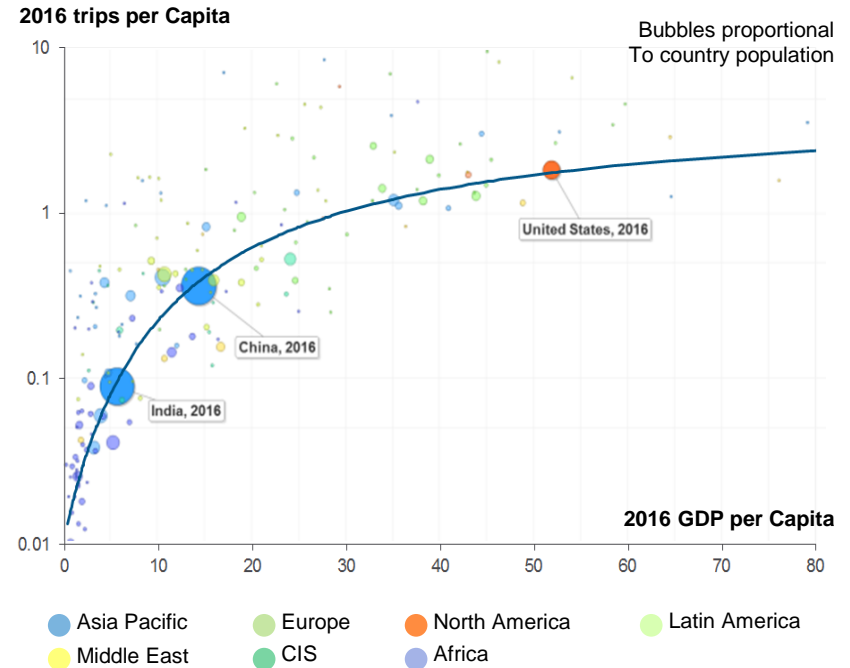
Air Traffic continues to run ahead of GDP

* Based on IATA monthly traffic report which covers ~50% of world passenger traffic
Source: IATA, IHS Economics, OAG, Airbus

2017-2036 demand for 34,900 aircraft



Propensity to travel

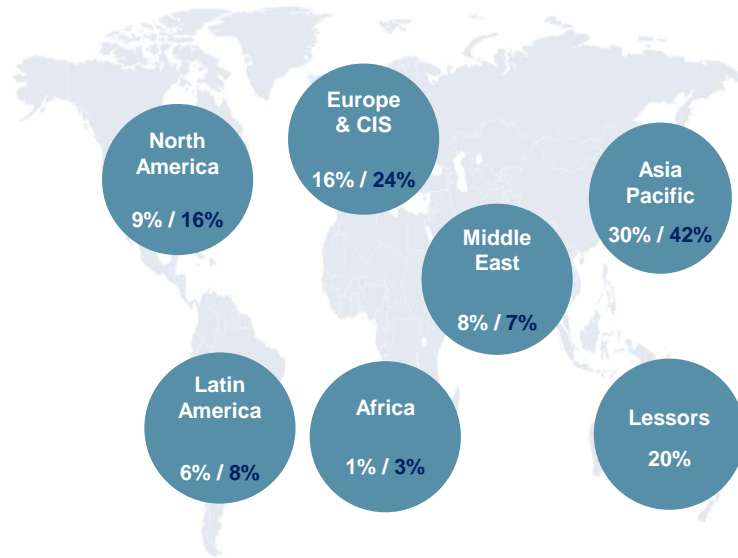


- **Asia-Pacific** will be a **key driver** for growth in the next 20 years (40% of demand)
- **>60%** of future demand to come from **growth, with strong SA potential in most regions**
- Propensity to travel in **Emerging regions will progressively catch up with Developed markets**
- **Market size** among the regions **will converge** towards the **demographic share**

Emerging markets will drive long-term growth as their propensity to travel will catch up with developed economies

COMMERCIAL AIRCRAFT BACKLOG AND DELIVERIES

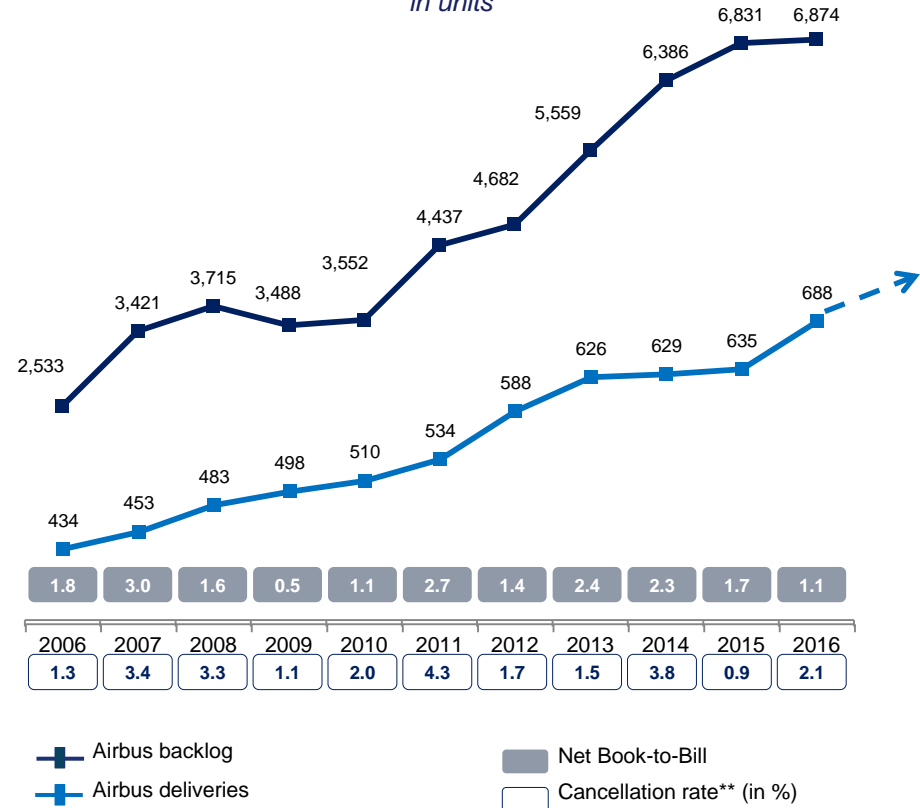
Airbus backlog* well aligned with regional needs and demand forecast



% Backlog as of end of October 2017
 % Share of 2017-2036 PAX deliveries (GMF 2017)

Europe, North America and Lessors to take highest share of our deliveries in the short term

Over 10 years production in backlog
in units



Our backlog supports our ramp-up

Strong and well diversified backlog, aligned with demand, supports our ramp-up

*12% of undisclosed customers; ** Cancellations (excluding Ceo-Neo conversions) / backlog

COMPREHENSIVE COMMERCIAL AIRCRAFT PRODUCT LINE FOR ANY MARKET



- **A380:** 317 orders from 18 customers
- Capacity to capture traffic growth



- **A350XWB:** 858 orders from 45 customers
- Long-range and ultra-long haul routes



- **A330 Family:** 1,694 orders from 115 customers
- Flying from 30 minutes to over 15 hours



- **A320 Family:** 13,308 orders including 5,209 neo
- Up to 240 passengers, flying up to 10 hours
- LR: new market opportunities to long range markets

A comprehensive and versatile aircraft family



A320

- SA remains very healthy: we are sold out until 2022, including protection
- Deliveries end October: 399 A320 family delivered, t/o 112 A320/A321neo
- Neo ramp-up impacted by engine availability. Delivery profile Q4 loaded
- At the beginning of the year, we targeted around 200 A320neo deliveries for FY17. Due to engine availability issues and allocation between OEM and spare pools, we will not be far but slightly below that target



A350

- 58 a/c delivered. Progress on industrial ramp-up and cost convergence
- Well underway for our ramp-up to rate 10 by end 2018
- -1000 Flight Test campaign on track with 3 aircraft flying with good performance – First delivery target remains end of 2017



A400M

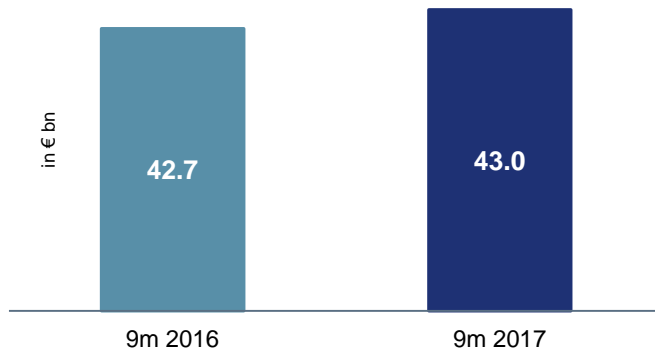
- 14 a/c delivered in 9m
- Provision updated for production adjustment
- Challenges remain; discussions ongoing with customers
- Very capable aircraft; confident to bring it to higher capability level, acceptable for customers



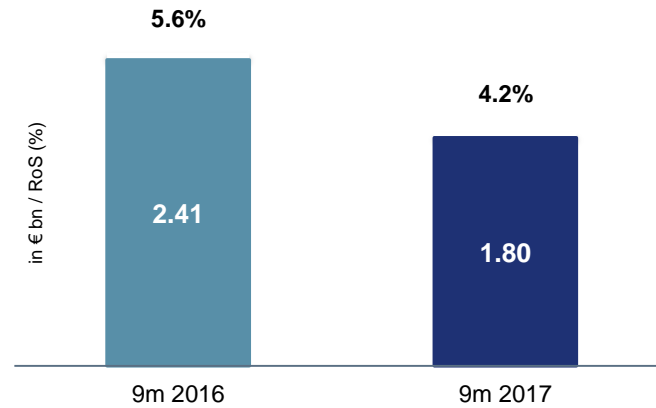
H225

- Current Civil & Parapublic market environment remains unchanged
- We continue to work with our customers on bringing the civil H225 fleet back in operations

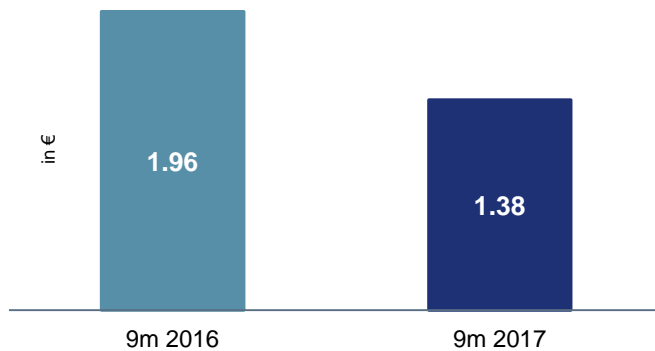
Revenues



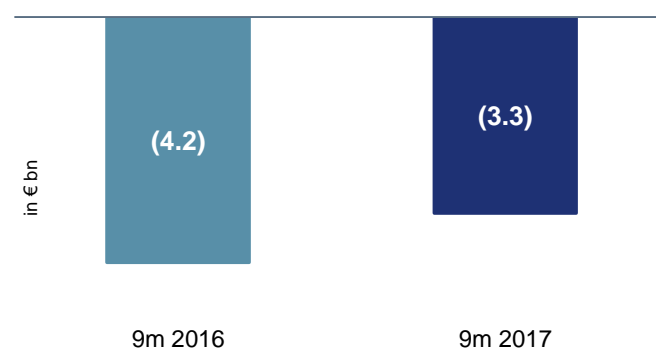
EBIT Adjusted



EPS⁽¹⁾ Adjusted

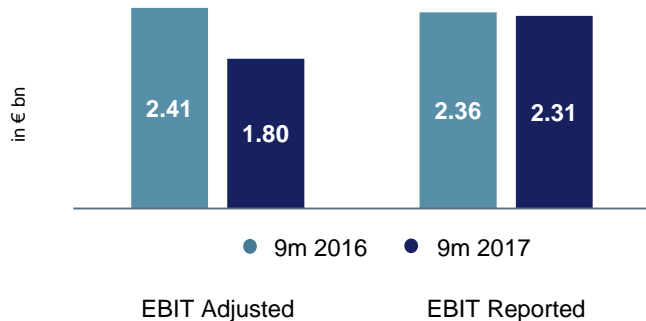


FCF before M&A and Customer Financing



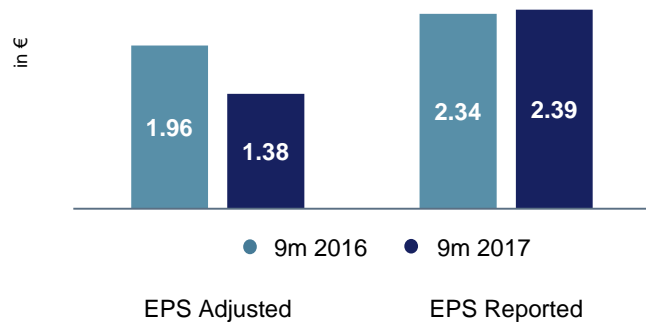
(1) 9m 2017 Average number of shares: 773,574,878 compared to 774,211,224 in 9m 2016.
Capitalised R&D: € 203 m in 9m 2017 and € 178 m in 9m 2016.

EBIT Performance



- 9m 2017 EBIT reported of € 2.3 bn
- 9m 2017 Adjustments resulting from:
 - € - 150 m A400M LMC
 - € + 43 m \$ PDP mismatch / BS Revaluation
 - € + 19 m Other AD Portfolio
 - € + 604 m Defence Electronics net capital gain
- **€ + 516 m Net Adjustments**

EPS Performance



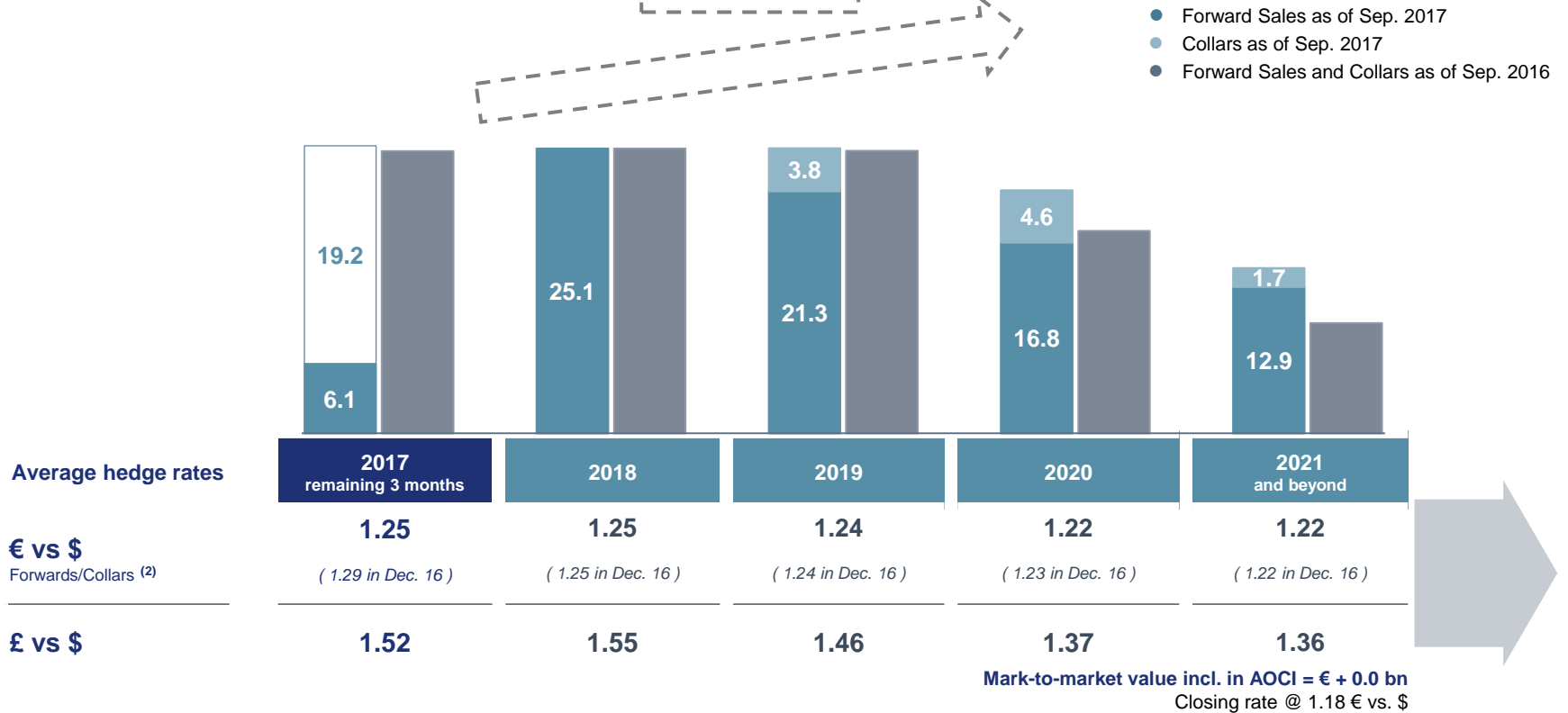
- 9m 2017 Net Income of € 1.9 bn
- 9m 2017 Net Income Adjusted of € 1.07 bn
- 9m 2017 tax rate on core business is 28 %

Average number of shares: 9m 2017= 773,574,878; 9m 2016= 774,211,224

CURRENCY HEDGE POLICY

IN \$ BILLION

Net Exposure

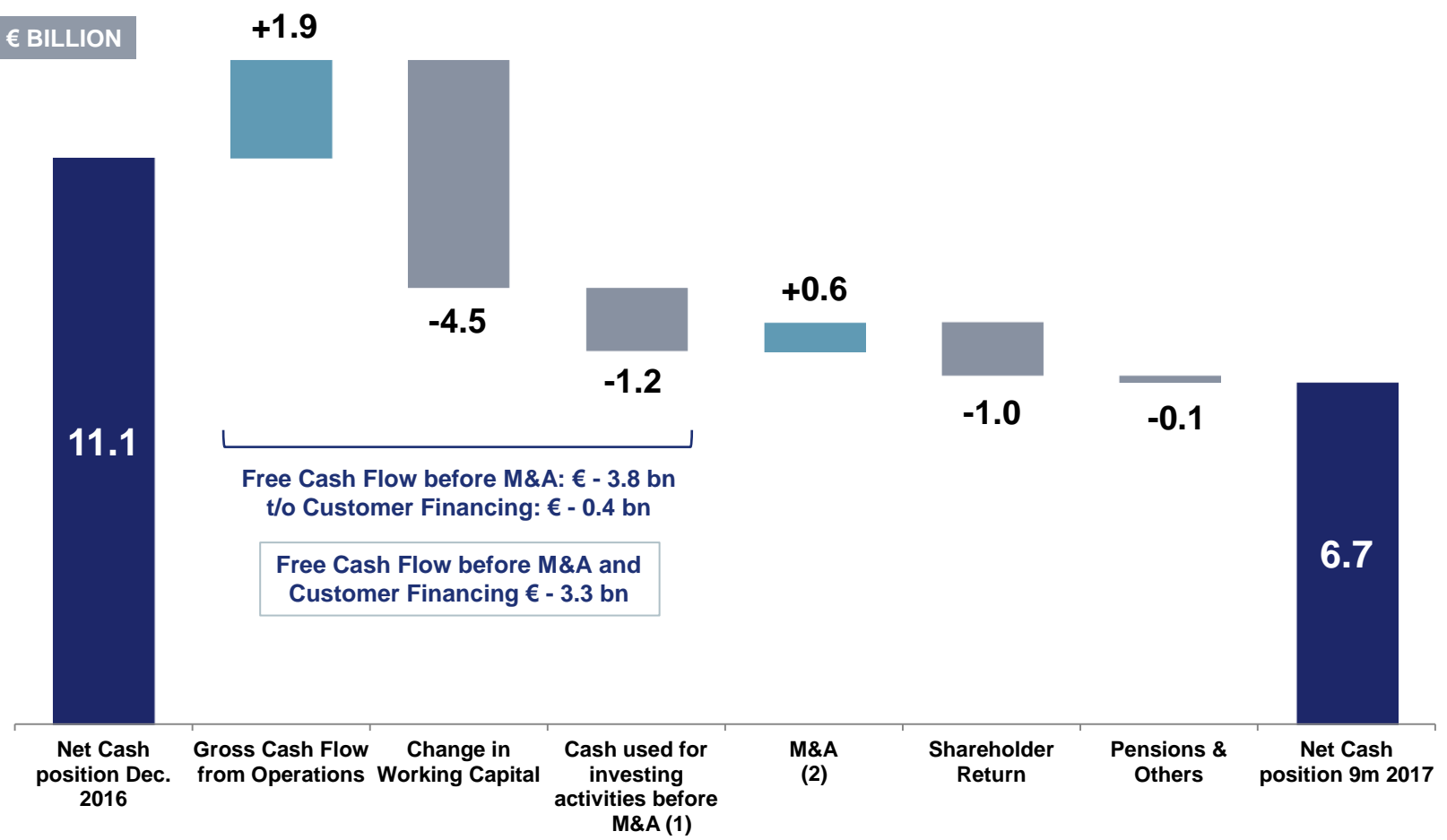


- In 9m 2017, new hedge contracts of \$ 9.1 bn were added at an average rate of € 1 = \$ 1.20 ⁽¹⁾ of which \$ 8.5 bn Forwards at € 1 = \$ 1.19 and \$ 0.6 bn Zero-cost Collars
- \$ 19.2 bn of hedges matured at an average rate of € 1 = \$ 1.30
- Hedge portfolio ⁽¹⁾ 30 September 2017 at \$ 92.3 bn (vs. \$ 102.4 bn in Dec. 2016), at an average rate of \$ 1.23 ⁽²⁾

Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales and Collars, net exposure trend for illustrative purposes
(1) Total hedge amount contains \$/€ and \$/£ designated hedges; (2) Blended Forwards and Collars rate includes Collars at least favourable rate

9M 2017 CASH EVOLUTION

IN € BILLION



(1) Thereof Capex of € - 1.7 bn; (2) M&A transactions include acquisitions and disposals of subsidiaries and businesses

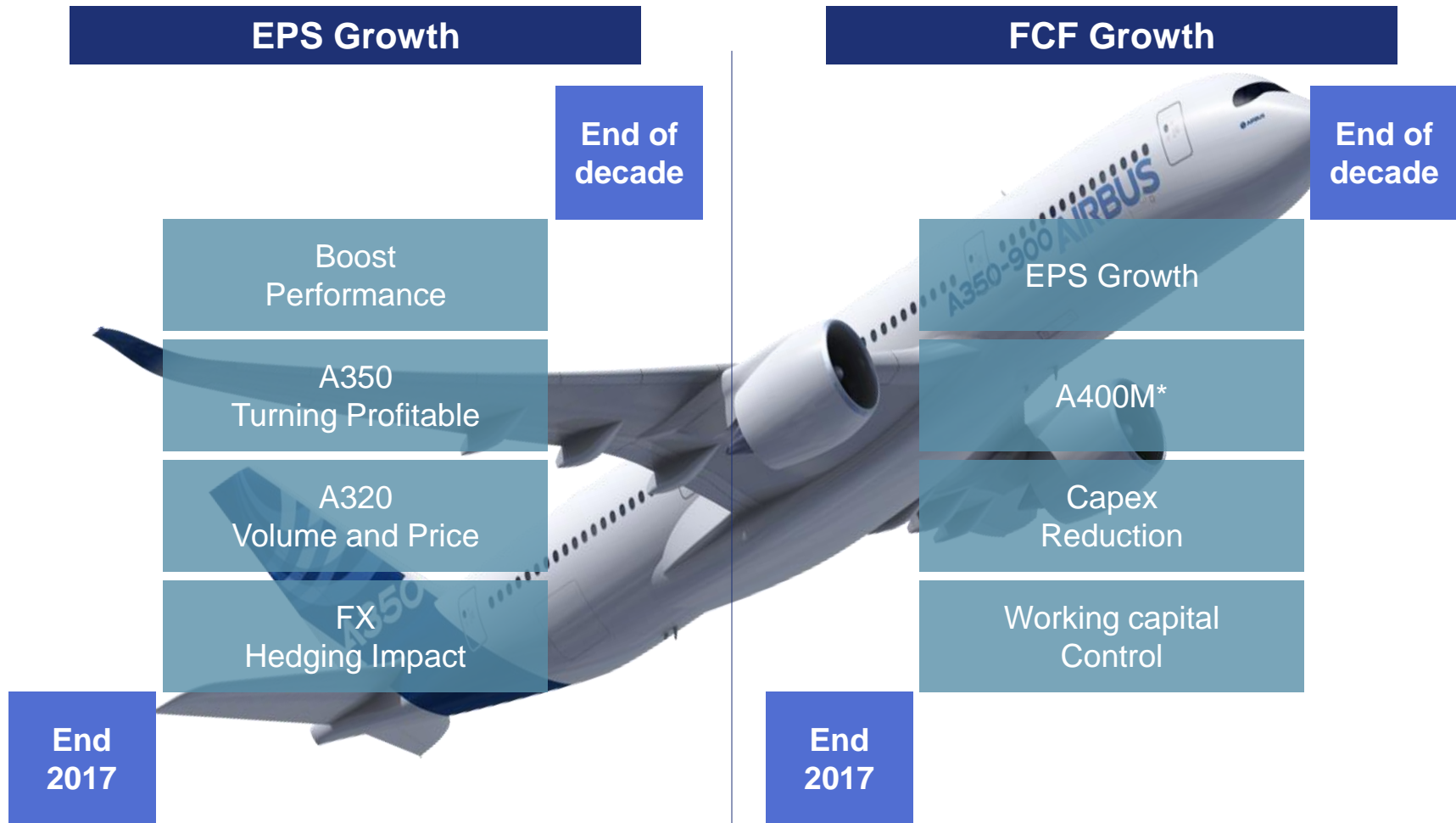
As the basis for its 2017 guidance, Airbus expects the world economy and air traffic to grow in line with prevailing independent forecasts, which assume no major disruptions

Airbus 2017 earnings and FCF guidance is based on a constant perimeter

- Airbus expects to deliver more than 700 commercial aircraft which depends on engine manufacturers meeting commitments
- Before M&A, Airbus expects mid-single-digit % growth in EBIT Adjusted and EPS Adjusted compared to 2016
- Free Cash Flow is expected to be similar to 2016 before M&A and Customer Financing

The perimeter change in Defence and Space is expected to reduce EBIT Adjusted and Free Cash Flow before M&A and Customer Financing by around € 150 million and EPS Adjusted by around 14 cents

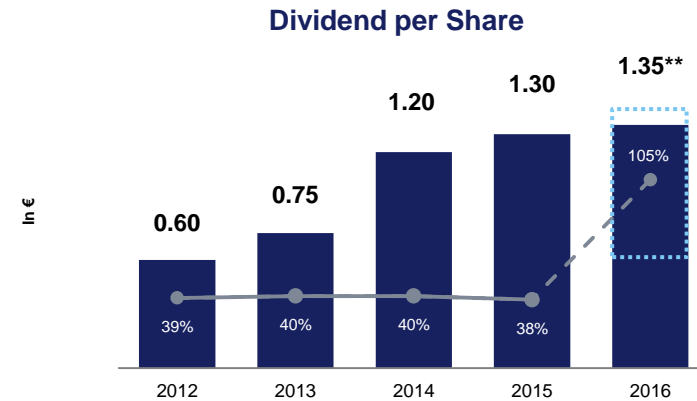
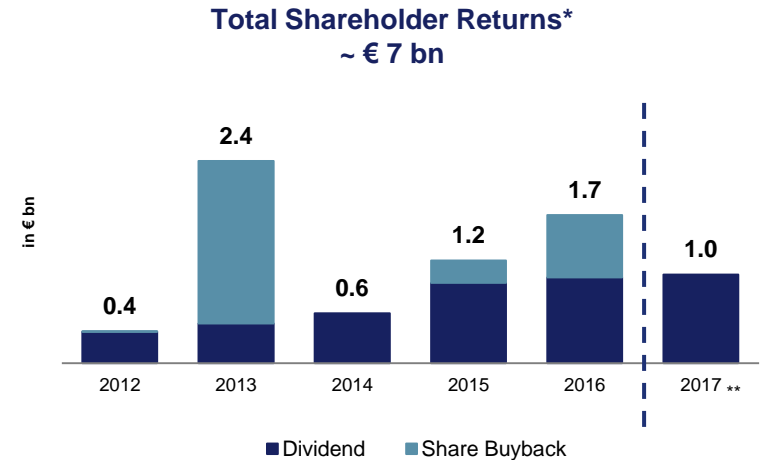
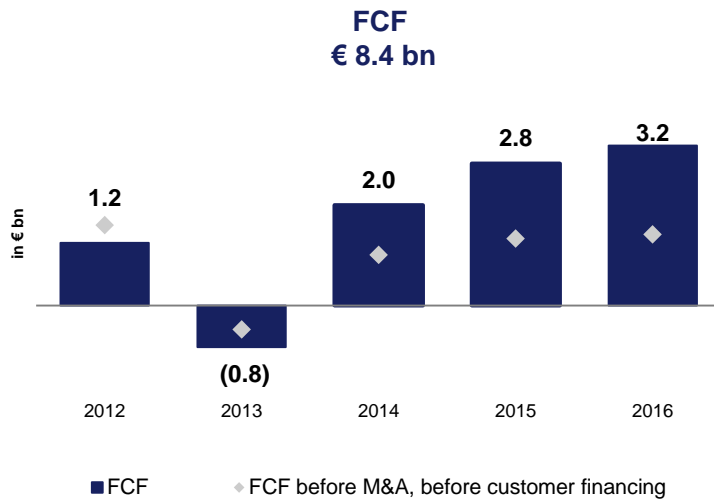
- 9m performance on track, affected by engine issues
- Ramp-up prepared and committed by engine manufacturers for Q4
- Guidance Confirmed
- Shaping the future
- Focused on EPS / FCF growth



* A400M will continue to weigh significantly in 2017 & 2018 in particular

FCF Conversion of 1 including A400M by end of decade

INCREASING SHAREHOLDER RETURNS



Dividend policy since 2013, Total Shareholder Returns 2012-2017 ~ € 7 bn

* Actual cash out each year
 ** 2016 Dividend paid: April 2017