

AIRBUS GROUP Q1 RESULTS 2016

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 5 April 2016.

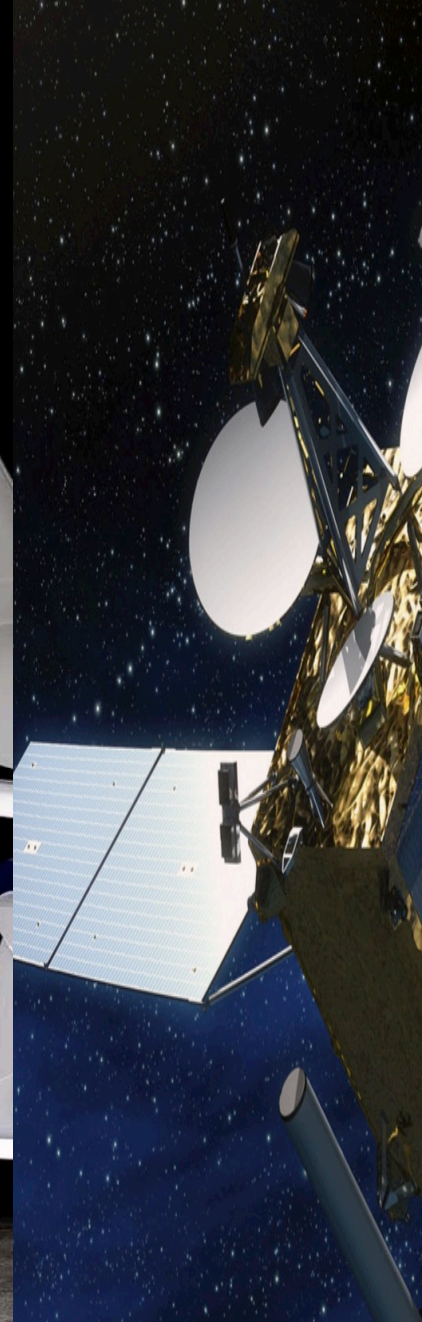
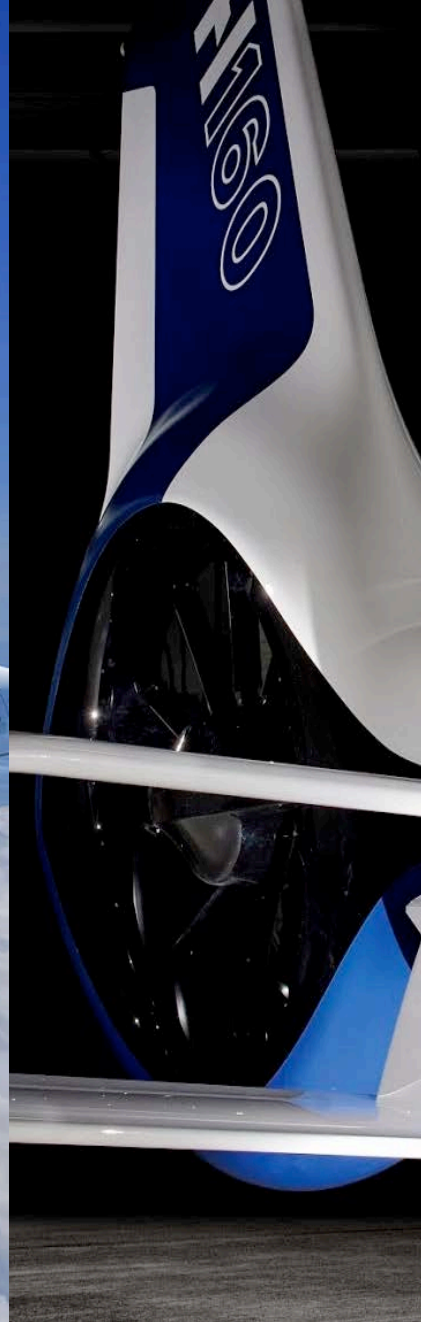
Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus Group undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Q1 RESULTS 2016

**GROUP
HIGHLIGHTS**

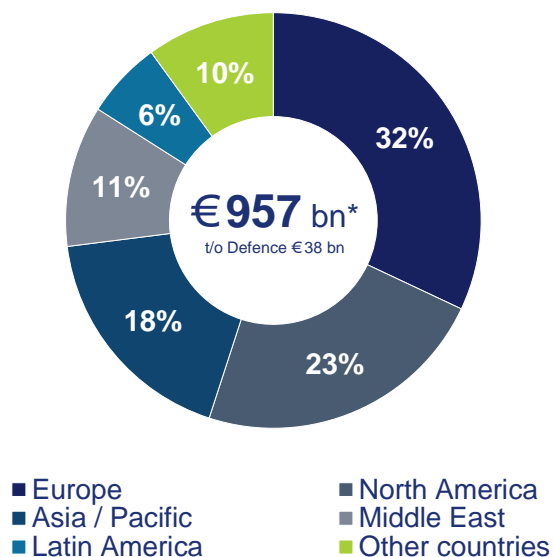
**DIVISIONAL
HIGHLIGHTS**

**GUIDANCE 2016
& KEY TAKEAWAYS**

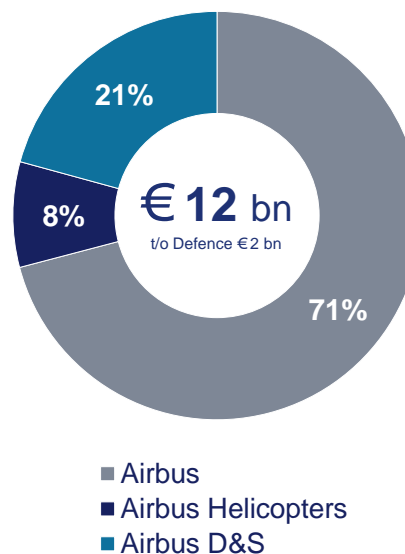


- Robust commercial backlog of 6,716 aircraft, supporting production plans
- Q1 financials driven by back-loaded delivery schedule
- Continued focus on ramp-up and transition
- Progress on disposals
- 2016 guidance maintained

Airbus Group Order Book* by Region (by value)



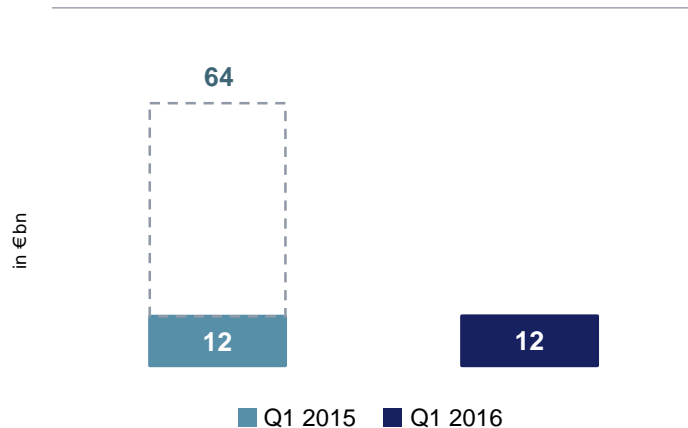
Airbus Group External Revenue Split by Division



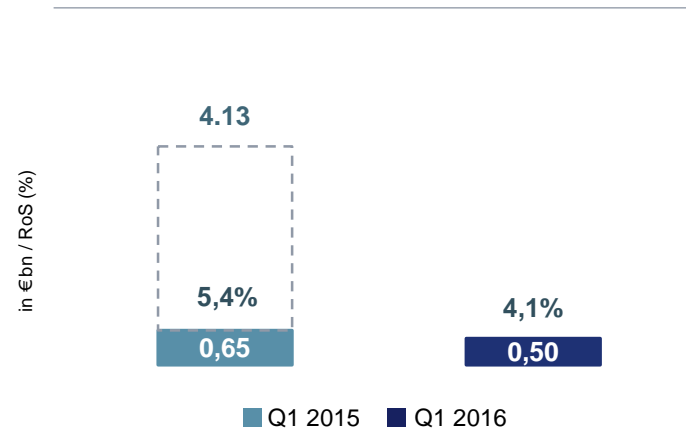
- **AIRBUS:** 32 gross orders including 2 A380 and 14 A330neo. 10 net orders after 14 CEO to NEO conversions. Backlog: 6,716 a/c
- **AIRBUS HELICOPTERS:** 51 net orders including 38 Ecureuil
- **AIRBUS DEFENCE & SPACE:** Orders +5% vs. Q1 2015 driven mainly by Space with Earth Observation Satellites and Defence

* Commercial Order Book based on list prices

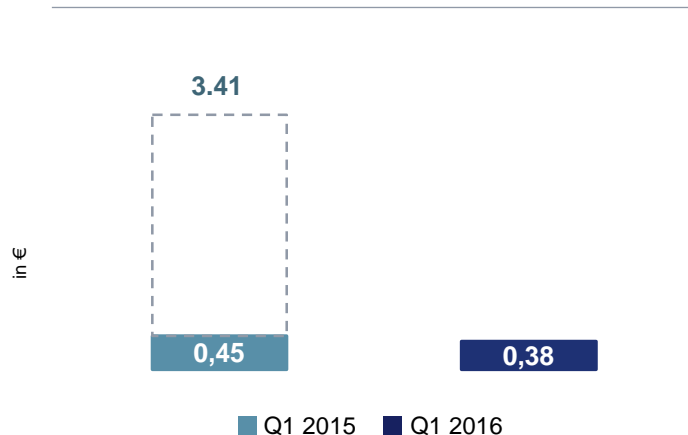
Revenues



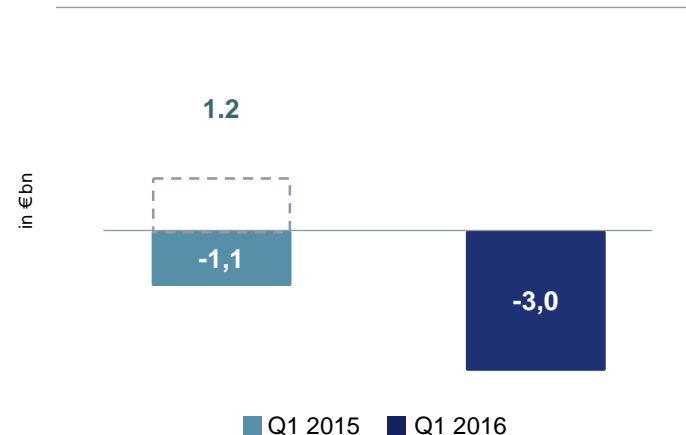
EBIT* before one-off



EPS** before one-off



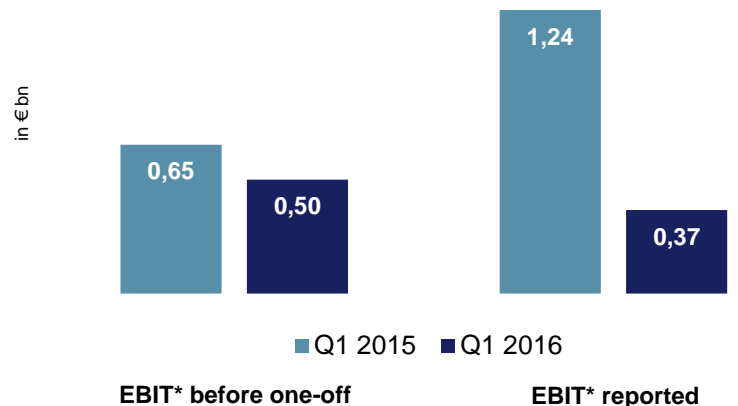
FCF before M&A



▭ FY Results

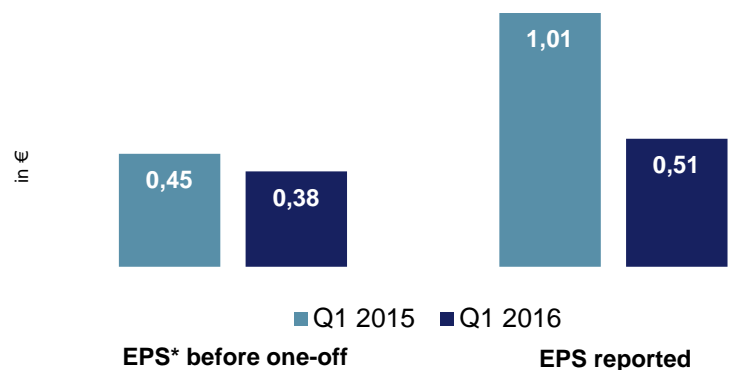
* Pre-goodwill impairment and exceptionals; ** Q1 2016 Average number of shares: 776,552,505 compared to 784,653,992 in Q1 2015; Capitalised R&D: €51 m in Q1 2016 and €38 m in Q1 2015

EBIT* Performance



- Q1 2016 EBIT* reported of €0.4 bn
Q1 2015 EBIT* reported included €+ 0.7 bn from Dassault capital gain
- Q1 2016 one-offs resulting from:
 - €- 136 m \$ PDP mismatch / BS Revaluation
 - € 0 m Portfolio (€19 m at Airbus offset by €-19 m at Airbus DS)
- **€- 136 m Net one-offs**

EPS Performance

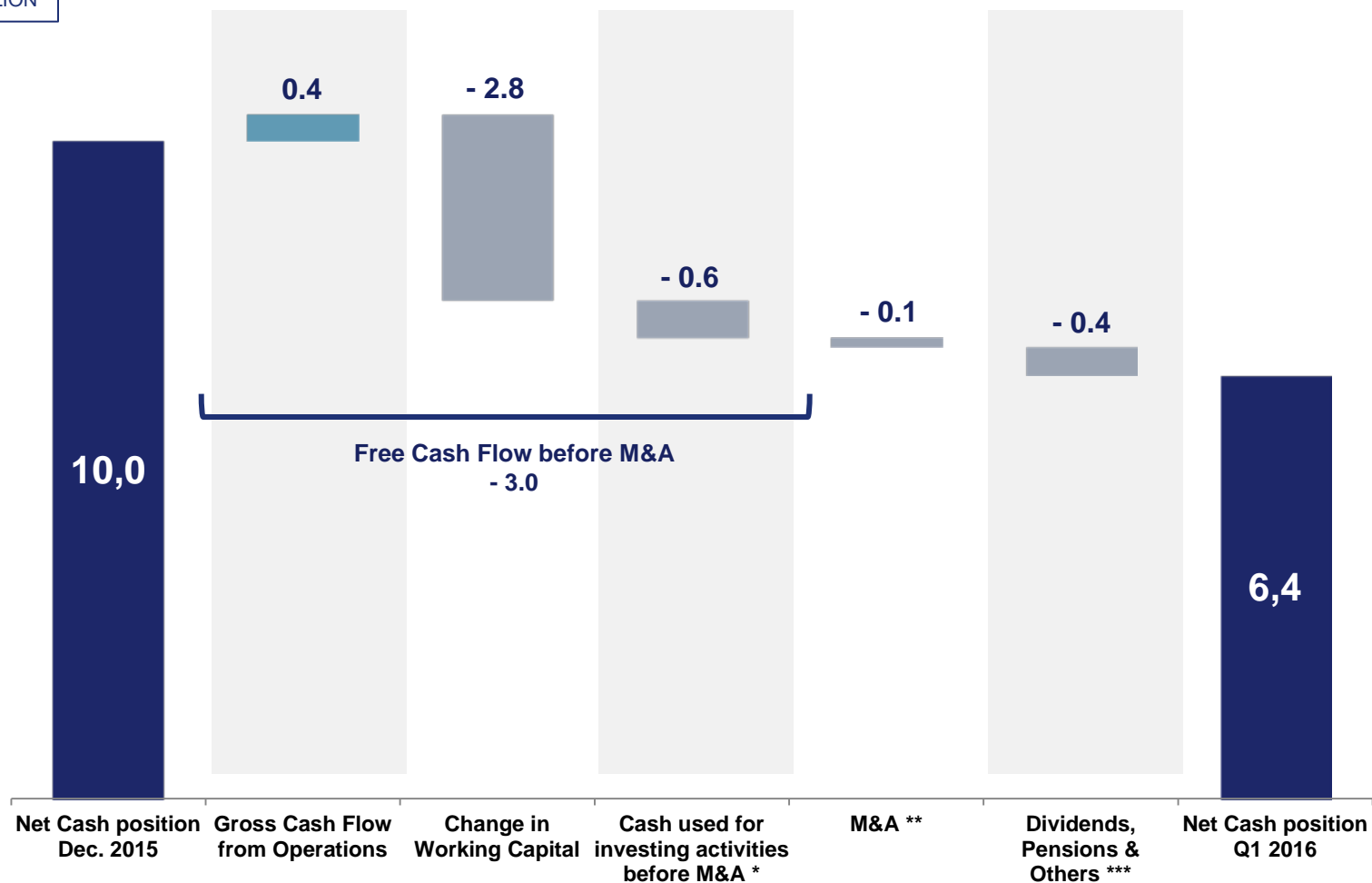


- Q1 2016 Net Income of €0.4 bn
- Q1 2016 EPS of €0.51
- Q1 2016 Financial one-offs €+ 0.3 bn reflect positive foreign exchange revaluation of financial items
- Q1 2016 tax rate 28%

Average number of shares: Q1 2016 = 776,552,505 – Q1 2015 = 784,653,992

* Pre-goodwill impairment and exceptionals

IN € BILLION



- Continued focus on ramp-up and transition
- Temporary unavailability of European Export Credit Financing as a result of heightened compliance programme

* Thereof Capex of € - 0.6 bn; ** M&A transactions include acquisitions and disposals of subsidiaries and businesses; *** thereof share buyback / change in treasury shares of € - 0.4 bn

Q1 RESULTS 2016

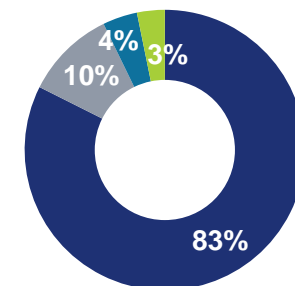
**GROUP
HIGHLIGHTS**

**DIVISIONAL
HIGHLIGHTS**

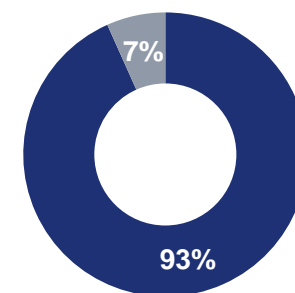
**GUIDANCE 2016
& KEY TAKEAWAYS**



IN € MILLION		Q1 2016	Q1 2015	Change
Order Intake (net)	(Units)	10	101	-90.1%
Order Book		6,716	6,353	5.7%
Order Intake (net)	(Value)	4,311	17,217	-75.0%
Order Book		904,589	901,565	0.3%
Deliveries	(Units)	125	134	-6.7%
Revenues		8,668	8,565	1.2%
R&D expenses**		380	548	-30.7%
in % of revenues		4.4%	6.4%	
EBIT* before one off		407	569	-28.5%
in % of revenues		4.7%	6.6%	
EBIT*		290	419	-30.8%
in % of revenues		3.3%	4.9%	

Deliveries by programme
(Units)


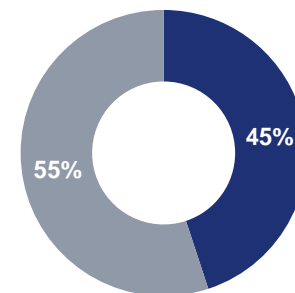
■ Single Aisle ■ A330
■ A380 ■ A350

External Revenue split


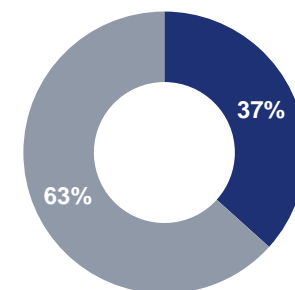
■ Platforms ■ Services

- Deliveries reflect lower A330 rate and back-loaded profile of deliveries
- Revenues reflect favourable foreign exchange impact
- EBIT* before one-off driven mainly by back-loaded profile of deliveries and A330 rate adjustment

IN € MILLION		Q1 2016	Q1 2015	Change
Order Intake (net)	(Units)	51	86	-40.7%
Order Book		826	917	-9.9%
Order Intake (net)	(Value)	1,004	1,428	-29.7%
Order Book		11,615	12,371	-6.1%
Deliveries	(Units)	56	62	-9.7%
Revenues		1,158	1,285	-9.9%
R&D expenses**		63	70	-10.0%
in % of revenues		5.4%	5.4%	
EBIT* before one off		33	52	-36.5%
in % of revenues		2.8%	4.0%	
EBIT*		33	52	-36.5%
in % of revenues		2.8%	4.0%	

External revenue split


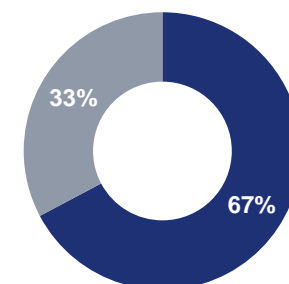
■ Civil ■ Defence



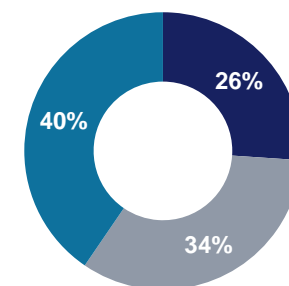
■ Platforms ■ Services

- Revenues and EBIT* before one-off reflect mainly lower volumes and unfavourable mix

IN € MILLION	Q1 2016	Q1 2015	Change
Order Intake (net)	2,515	2,390	5.2%
Order Book	42,596	41,854	1.8%
Revenues	2,534	2,603	-2.7%
R&D expenses**	66	66	0.0%
in % of revenues	2.6%	2.5%	
EBIT* before one off	109	90	21.1%
in % of revenues	4.3%	3.5%	
EBIT*	90	133	-32.3%
in % of revenues	3.6%	5.1%	

External revenue split


■ Platforms ■ Services



■ CIS⁽¹⁾ & Others ■ Space Systems⁽²⁾
■ Military Aircraft

- EBIT* before one-off supported by programme execution, portfolio re-focus and efficiency measures
- Divestment of Defence Electronics signed
- A400M: 2 aircraft delivered
Latest engine issue under analysis, impact on aircraft in service, delivery schedule, cost and customer discussions under assessment

Q1 RESULTS 2016

GROUP
HIGHLIGHTS

DIVISIONAL
HIGHLIGHTS

**GUIDANCE 2016
& KEY TAKEAWAYS**



As the basis for its 2016 guidance, Airbus Group expects the world economy and air traffic to grow in line with prevailing independent forecasts and assumes no major disruptions
2016 earnings and FCF guidance is based on a constant perimeter

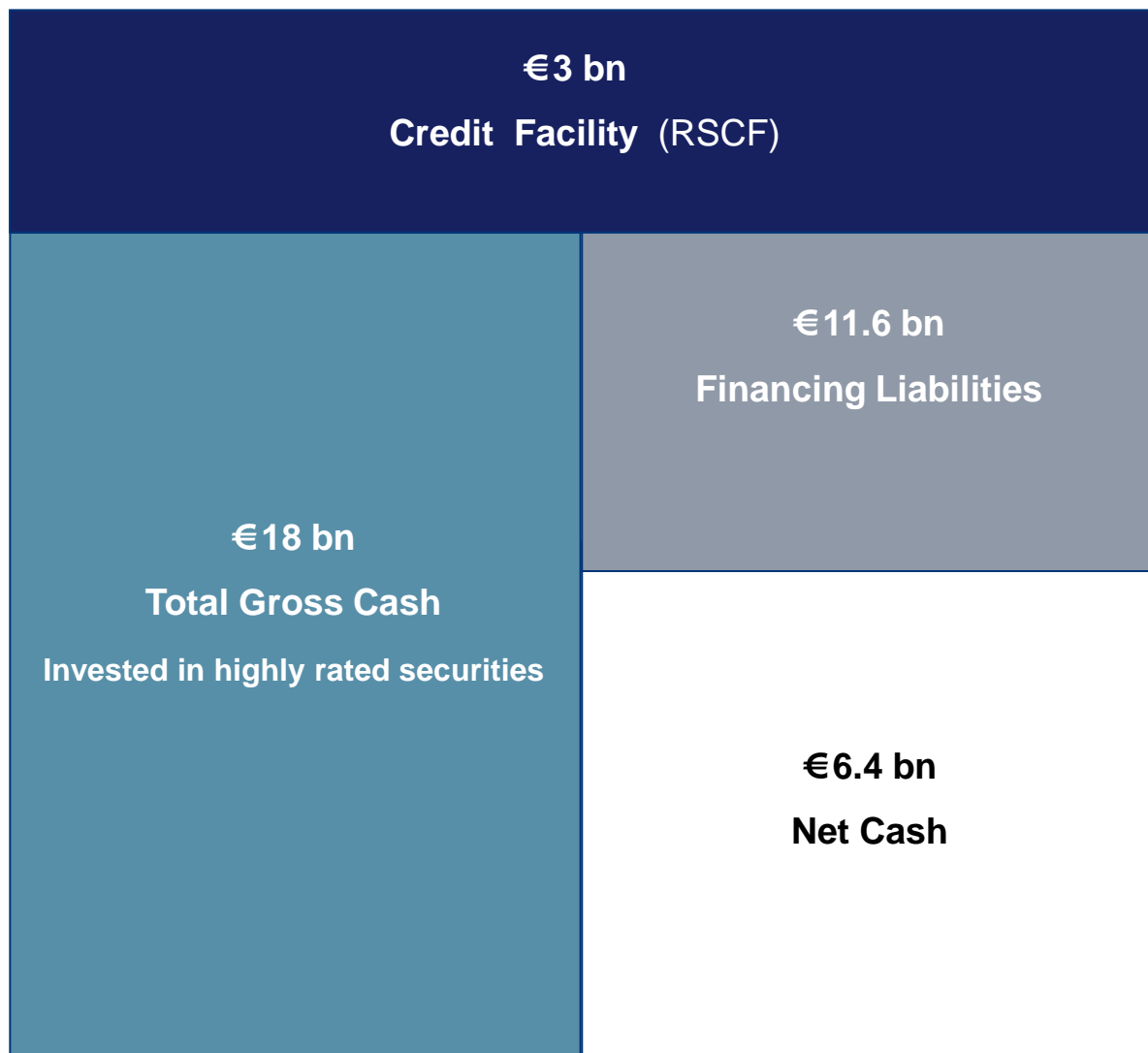
- In 2016, Airbus expects to deliver more than 650 aircraft, the commercial order book is expected to grow
- In 2016, before M&A, Airbus Group expects to deliver stable EBIT* before one-off and EPS* before one-off compared to 2015
- In 2016, before M&A, Airbus Group expects to deliver stable FCF compared to 2015

- 2016 Guidance maintained
- Robust and diversified backlog, supporting production plans
- Continued focus on ramp-up and transition
- EPS / FCF growth story confirmed, supported by divestments

Q1 RESULTS 2016

APPENDIX





▪ **Credit Facility:**

- Maturity 2020, undrawn
- Fully committed by 40 banks
- No financial covenants, no MAC clause

▪ **Financing Liabilities:**

Short-term: €5.3 bn

- Includes €2.7 bn Commercial Paper & Repo and €1 bn EMTN maturing in August 2016

Long-term: €6.3 bn

- Includes €2 bn EMTN, €0.5 bn Convertible Bond, \$1 bn USD 144A/RegS

▪ **Credit Ratings:**

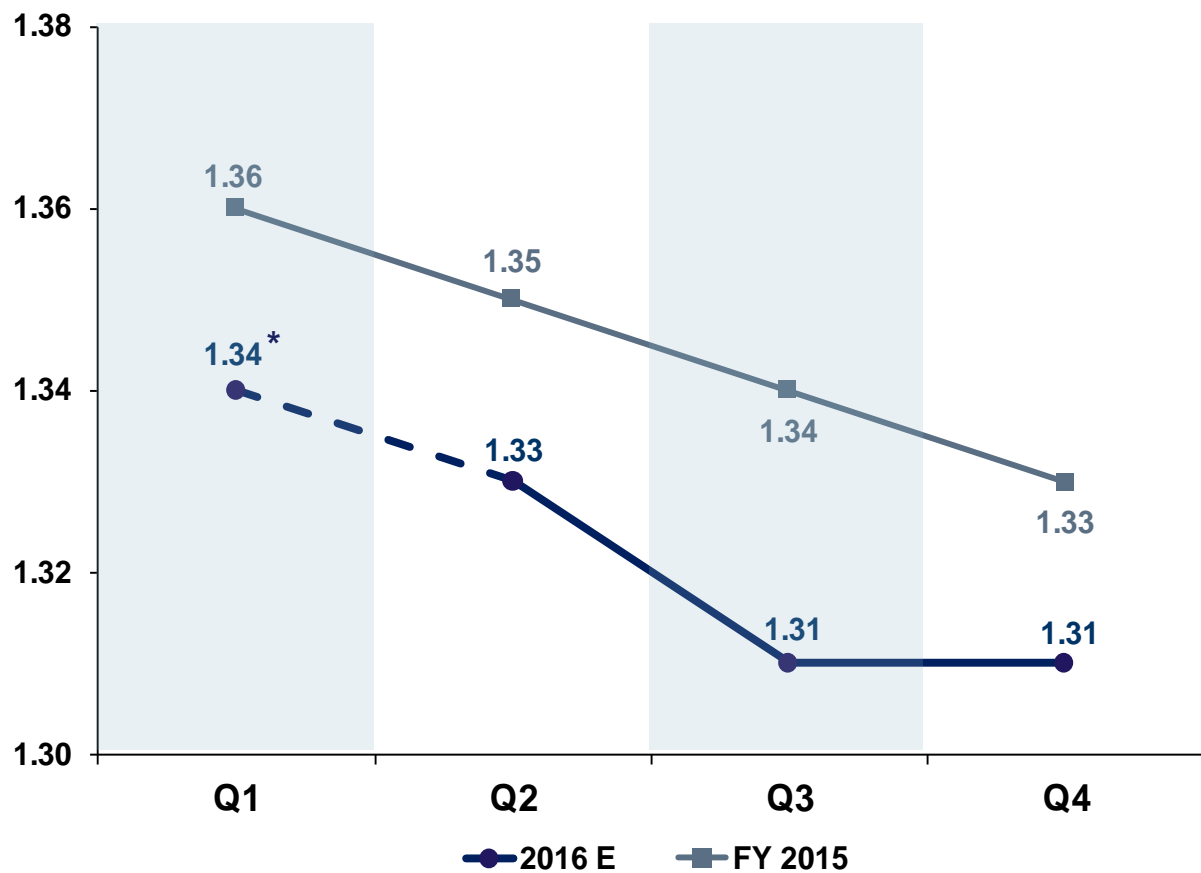
Short-term rating:

- S & P: A-1
- Moody's: P-1

Long-term rating:

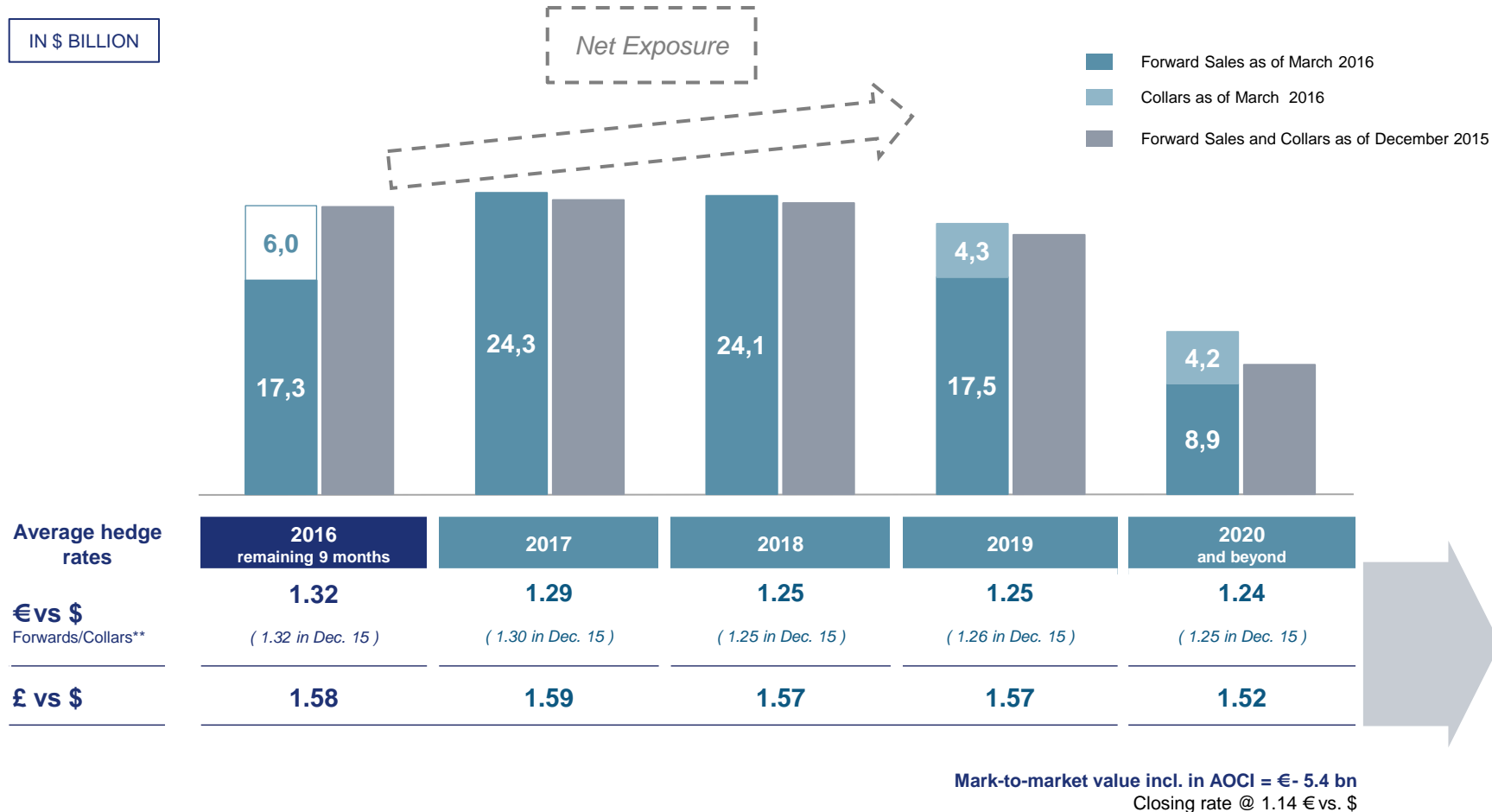
- S & P: A positive
- Moody's: A2 stable

Active exposure management



	Average Hedge Rates
FY 2015	1.34
FY 2016E	1.32

* Q1 2016 Actual



- In Q1 2016, new hedge contracts of \$ 4.7 bn* were added at an average rate of € 1 = \$ 1.17** of which \$ 4.3 bn Forwards at € 1 = \$ 1.16 and \$ 0.4 bn Zero-cost Collars
- Hedge portfolio** 31 March 2016 at \$ 100.6 bn (vs. \$ 101.9 bn in Dec. 2015) at an average rate of \$ 1.27**

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

IN € BILLION

	Bridge
Hedge rates (from €/\$ 1.36 to €/\$ 1.34)	0.05
Other one-off forex effect including PDP reversal	0.01
Compared to Q1 2015	0.06

Q1 2016 DETAILED INCOME STATEMENT AND ADJUSTMENTS

21

IN € MILLION

	Q1 2016	thereof	Q1 2016 *	thereof one-offs			Q1 2016 * before one-off
		Goodwill Impair. & FV dep.		Impact on EBIT*			
				Operational	FX	Financial Result	
				Airbus	AD&S	Airbus	
EBIT	362	(3)	365	19	(19)	(136)	501
in % of revenues	3.0%		3.0%				4.1%
Interest income	75		75				75
Interest expenses	(143)		(143)				(143)
Other Financial Result	261		261				284
Finance Result	193	0	193				284
Income before taxes	555	(3)	558	19	(19)	(136)	284
Income taxes	(157)	1	(158)	0	5	41	(85)
Non-controlling interest	1		1				1
Net Income reported	399	(2)	401	19	(14)	(95)	199
Number of shares	776,552,505		776,552,505				776,552,505
EPS reported	0.51		0.52				0.38

▪ **Net Income* before one-off excludes the following items:**

- One-offs impacting the EBIT* line (as reported in EBIT* before one-off)
- Other Financial Result, except for the unwinding of discount on provisions

* Pre-goodwill impairment and exceptionals

Q1 2015 DETAILED INCOME STATEMENT AND ADJUSTMENTS

22

IN € MILLION

	Q1 2015	thereof	Q1 2015 *	thereof one-offs				Q1 2015 * before one-off
		Goodwill Impair. & FV dep.		Impact on EBIT*				
				Operational	HQ	FX	Financial Result	
				AD&S	Dassault			
EBIT	1,232		1,241					651
in % of revenues	10.2%	(9)	10.3%	43	697	(150)		5.4%
Interest income	40		40					40
Interest expenses	(146)		(146)					(146)
Other Financial Result	(260)		(260)				(229)	(31)
Finance Result	(366)		(366)				(229)	(137)
Income before taxes	866	(9)	875	43	697	(150)	(229)	514
Income taxes	(71)	3	(74)	(4)	(24)	45	69	(160)
Non-controlling interest	(3)		(3)					(3)
Net Income reported	792	(6)	798	39	673	(105)	(160)	351
Number of shares	784,653,992		784,653,992					784,653,992
EPS reported	1.01		1.02					0.45

▪ **Net Income* before one-off excludes the following items:**

- One-offs impacting the EBIT* line (as reported in EBIT* before one-off)
- Other Financial Result, except for the unwinding of discount on provisions

* Pre-goodwill impairment and exceptionals

DETAILED FREE CASH FLOW

IN € MILLION

	Q1 2016	Q1 2015
Net Cash position at the beginning of the period	10,003	9,092
Gross Cash Flow from Operations*	396	610
Change in working capital**	(2,814)	(1,227)
of which Customer Financing	(255)	(31)
Cash used for investing activities***	(713)	1,069
of which Industrial Capex (additions)****	(563)	(505)
Free Cash Flow*****	(3,131)	452
of which M&A	(145)	1,588
Free Cash Flow before M&A	(2,986)	(1,136)
Free Cash Flow before customer financing	(2,876)	483
Change in capital and non-controlling interests	2	37
Change in treasury shares / share buyback	(378)	0
Contribution to plan assets of pension schemes	(57)	(14)
Others	(1)	(107)
Net cash position at the end of the period	6,438	9,460

* Gross Cash Flow from Operations, excluding working capital change, contribution to plan assets of pension schemes and realised FX results on Treasury swaps

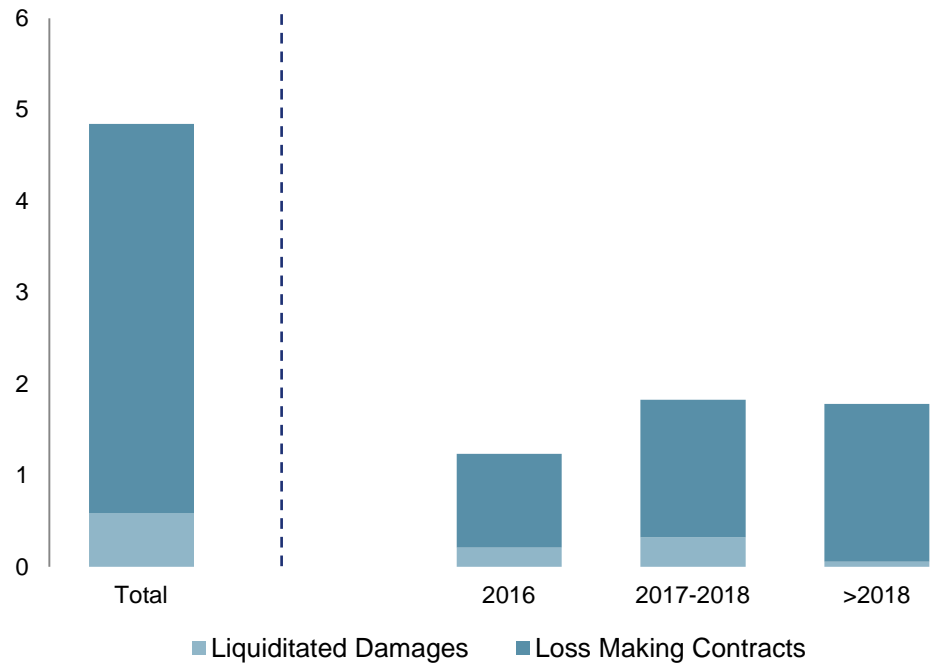
** Including customer financing; *** Excluding change of securities and change in cash from changes in consolidation and excluding bank activities; **** Excluding leased and financial assets

***** Excluding change in securities, change in cash from changes in consolidation, contribution to plan assets and realised FX results on Treasury swaps and bank activities

NET CASH POSITION

IN € MILLION	Mar. 2016	Dec. 2015
Gross Cash	17,989	19,128
Financing Debts		
Short-term Financing Debts	(5,241)	(2,790)
Long-term Financing Debts	(6,310)	(6,335)
Reported Net Cash	6,438	10,003
Airbus non-recourse debt	104	94
Net Cash excl. non-recourse	6,542	10,097

IN €BILLION

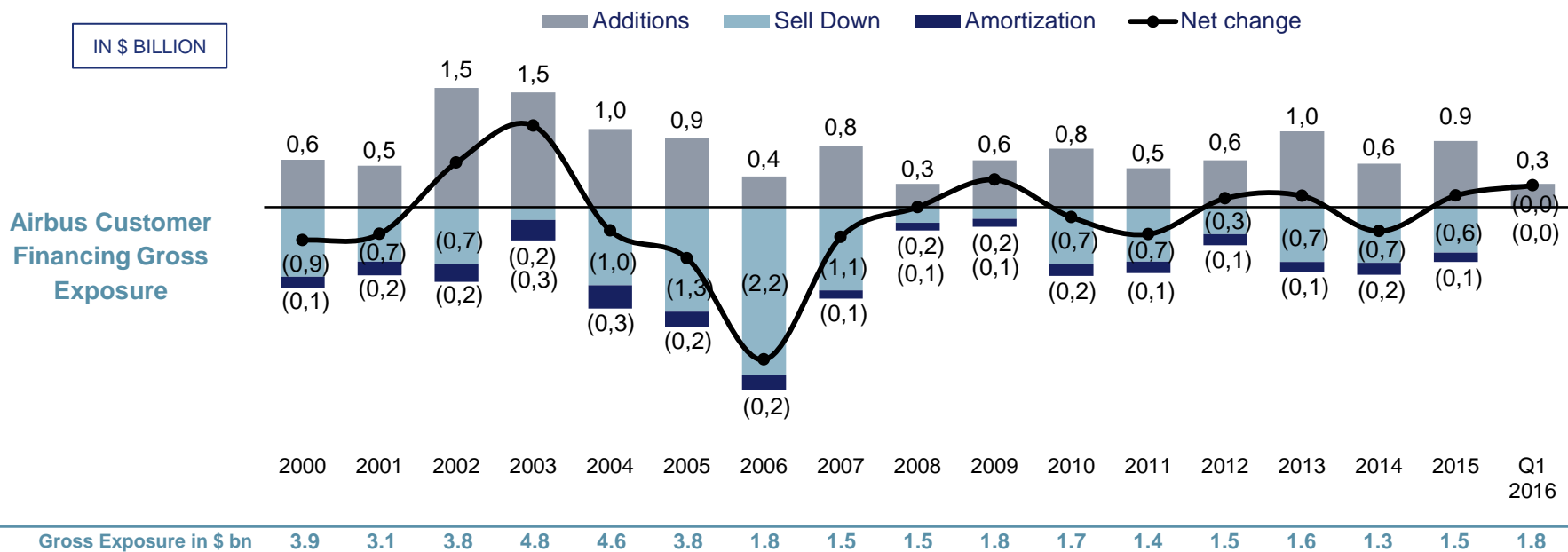


* Including A380 Liquidated Damages

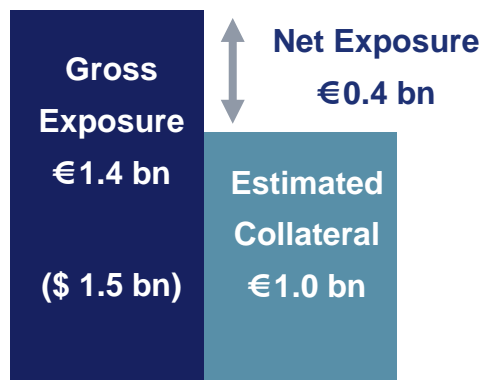
IN € MILLION

	Airbus		Airbus Helicopters	
	Mar. 2016	Dec. 2015	Mar. 2016	Dec. 2015
Closing rate € 1 =	\$ 1.14	\$ 1.09	\$ 1.14	\$ 1.09
Total Gross Exposure	1,567	1,366	63	69
of which off-balance sheet	56	60	8	8
Estimated value of collateral	(1,158)	(922)	(15)	(20)
Net Exposure	409	444	48	49
Provision and asset impairment	(409)	(444)	(48)	(49)
Net Exposure after provision	0	0	0	0

IN \$ BILLION



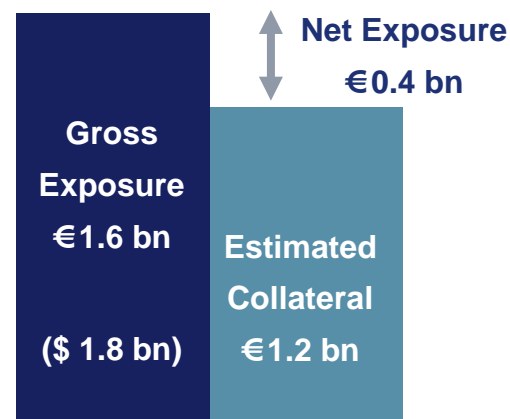
Net Exposure fully provisioned



31 December 2015

€/ \$ = 1.09

Net Exposure fully provisioned



31 March 2016

€/ \$ = 1.14

BALANCE SHEET HIGHLIGHTS: ASSETS

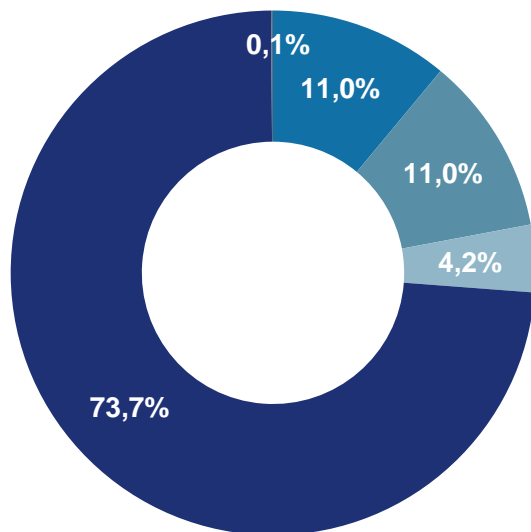
IN € MILLION

	Mar. 2016	Dec. 2015
Non-current Assets	53,045	53,438
of which Intangible & Goodwill	12,358	12,555
of which Property, plant & equipment	16,839	17,127
of which Investments & Financial assets	3,932	3,818
of which positive hedge mark-to-market	1,425	931
of which Non-current securities	9,621	9,851
Current Assets	53,610	51,464
of which Inventory	32,295	29,051
of which Cash	6,711	7,489
of which Current securities	1,657	1,788
of which positive hedge mark-to-market	296	349
Assets of disposal groups classified as held for sale	2,735	1,779
Total Assets	109,390	106,681
Closing rate € vs. \$	1.14	1.09

BALANCE SHEET HIGHLIGHTS: LIABILITIES

IN € MILLION

	Mar. 2016	Dec. 2015
Total Equity	7,863	5,973
of which OCI (Other Comprehensive Income)	(2,014)	(4,316)
of which Non-controlling interests	(16)	7
Total Non-current liabilities	44,526	46,700
of which pensions	7,662	7,172
of which other provisions	2,255	2,699
of which financing debts	6,310	6,335
of which European governments refundable advances	6,573	6,716
of which Customer advances	14,376	14,472
of which negative hedge mark-to-market	4,161	6,703
Total Current liabilities	55,845	53,777
of which pensions	361	443
of which other provisions	4,393	4,766
of which financing debts	5,241	2,790
of which European governments refundable advances	615	570
of which Customer advances	24,342	23,612
of which negative hedge mark-to-market	2,958	3,884
Liabilities of disposal groups classified as held for sale	1,156	231
Total Liabilities and Equity	109,390	106,681



Free Float

● Institutional Investors & Retail **73.7%**

Shareholder Agreement

● SOGEPa
● GZBV
● SEPI

} **26.2%**

Treasury shares

● Treasury shares (without economic or voting rights) **0.1%**

■ **778,198,822** shares issued as at 31 March 2016

QUARTERLY ORDER INTAKE BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2016	2015	2016	2015	2016	2015	2016	2015
Airbus	4,311	17,217		46,334		100,061		139,062
Airbus Helicopters	1,004	1,428		2,726		4,013		6,168
Airbus Defence & Space	2,515	2,390		5,371		8,483		14,440
HQ / Elim.	(585)	(41)		(512)		(634)		(703)
Airbus Group	7,245	20,994		53,919		111,923		158,967

QUARTERLY ORDER BOOK BREAKDOWN (CUMULATIVE)

32

IN € MILLION

	Q1		H1		9m		FY	
	2016	2015	2016	2015	2016	2015	2016	2015
Airbus	904,589	901,565		875,018		914,692		952,450
Airbus Helicopters	11,615	12,371		12,004		11,818		11,769
Airbus Defence & Space	42,596	41,854		41,683		41,657		42,861
HQ / Elim.	(1,820)	(1,226)		(1,727)		(1,297)		(1,216)
Airbus Group	956,980	954,564		926,978		966,870		1,005,864

QUARTERLY REVENUES BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2016	2015	2016	2015	2016	2015	2016	2015
Airbus	8,668	8,565	21,081	21,081	31,119	31,119	45,854	45,854
Airbus Helicopters	1,158	1,285	2,950	2,950	4,423	4,423	6,786	6,786
Airbus Defence & Space	2,534	2,603	5,531	5,531	8,383	8,383	13,080	13,080
HQ / Elim.	(177)	(375)	(669)	(669)	(960)	(960)	(1,270)	(1,270)
Airbus Group	12,183	12,078	28,893	28,893	42,965	42,965	64,450	64,450

QUARTERLY EBIT* BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2016	2015	2016	2015	2016	2015	2016	2015
Airbus	290	419	1,424	1,902	2,301			
Airbus Helicopters	33	52	162	241	427			
Airbus Defence & Space	90	133	(26)	149	745			
HQ / Elim.	(48)	637	669	654	613			
Airbus Group	365	1,241	2,229	2,946	4,086			

* Pre-goodwill impairment and exceptionals

QUARTERLY EBIT* BEFORE ONE-OFF BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2016	2015	2016	2015	2016	2015	2016	2015
Airbus	407	569	1,533	2,226	2,780			
Airbus Helicopters	33	52	162	241	427			
Airbus Defence & Space	109	90	267	431	1,060			
HQ / Elim.	(48)	(60)	(79)	(94)	(135)			
Airbus Group	501	651	1,883	2,804	4,132			

* Pre-goodwill impairment and exceptionals