

# **AIRBUS GROUP**

## 2016 CAPITAL MARKETS UPDATE

LONDON, 24 FEBRUARY 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 16 April 2015.**

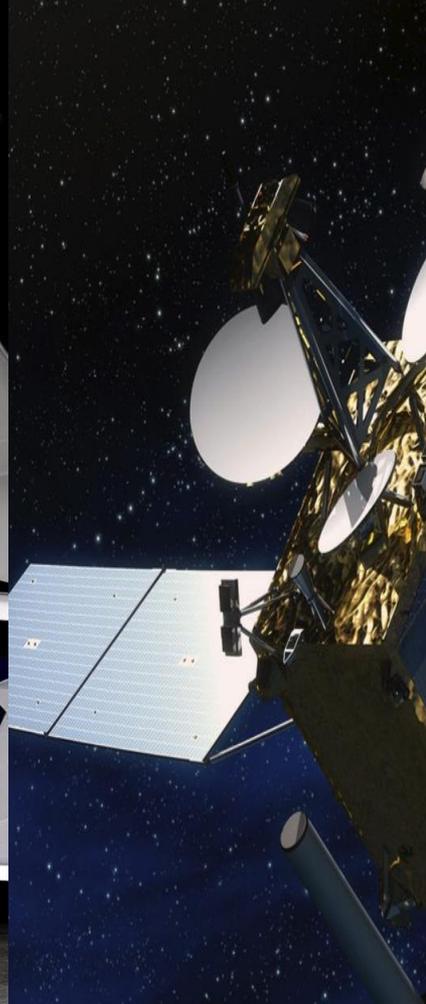
**Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus Group undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.**

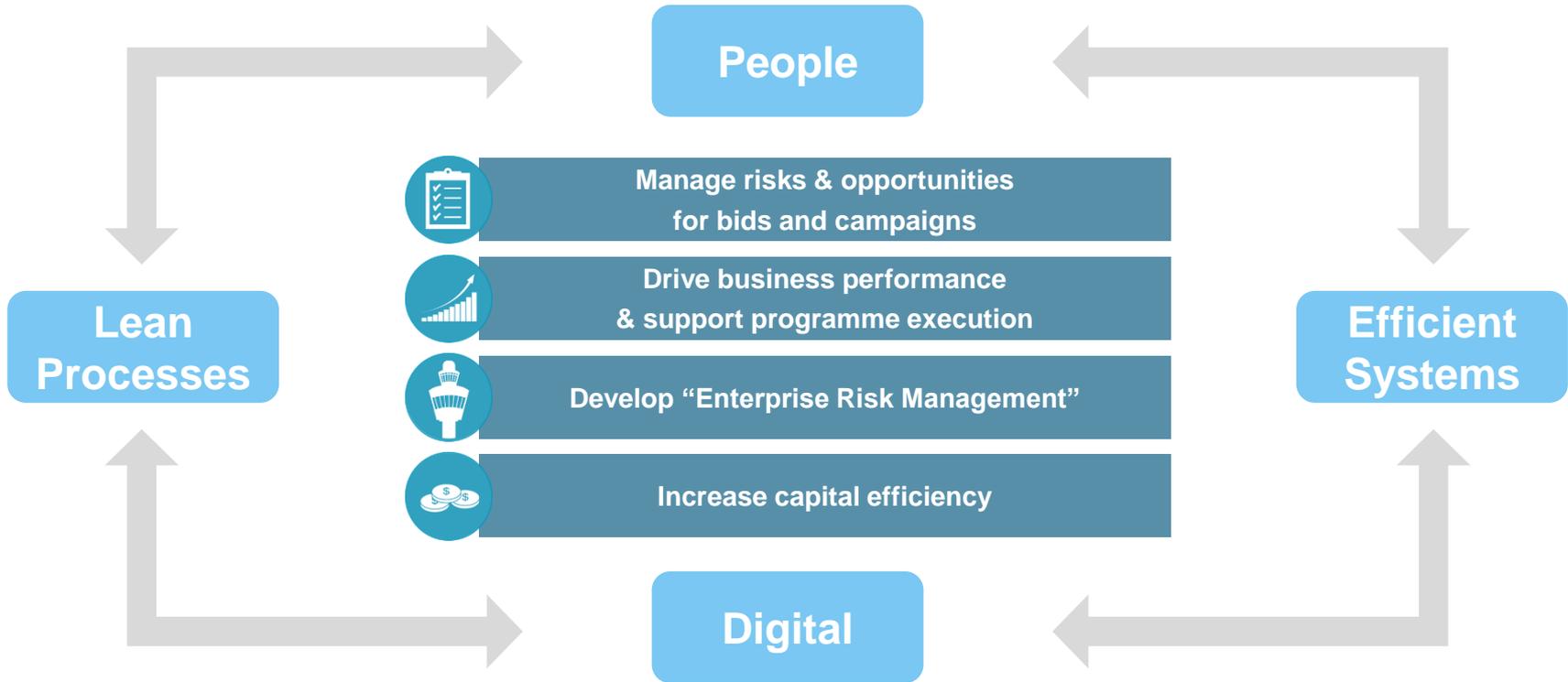
**AIRBUS GROUP**  
**2016 CAPITAL MARKETS UPDATE**

**CFO AGENDA**

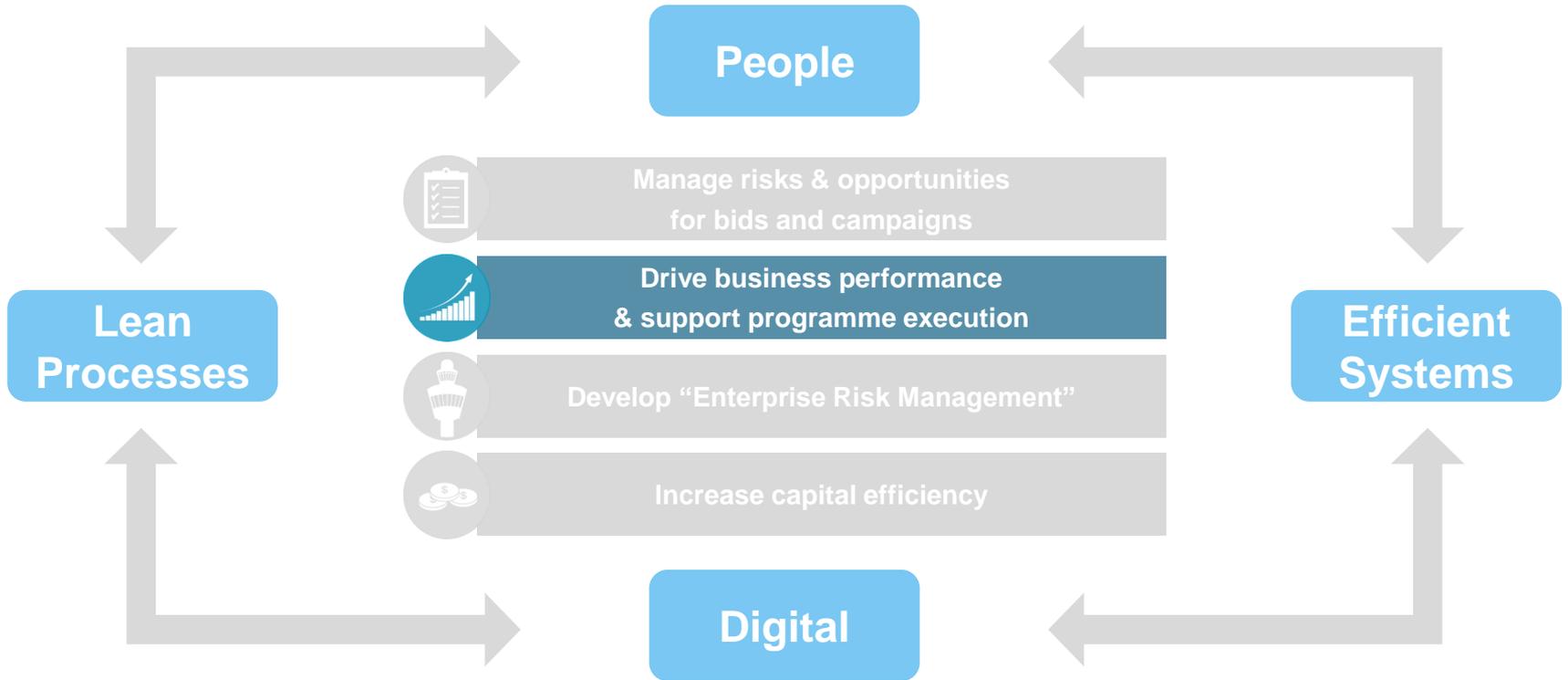
**MARKET  
ENVIRONMENT**

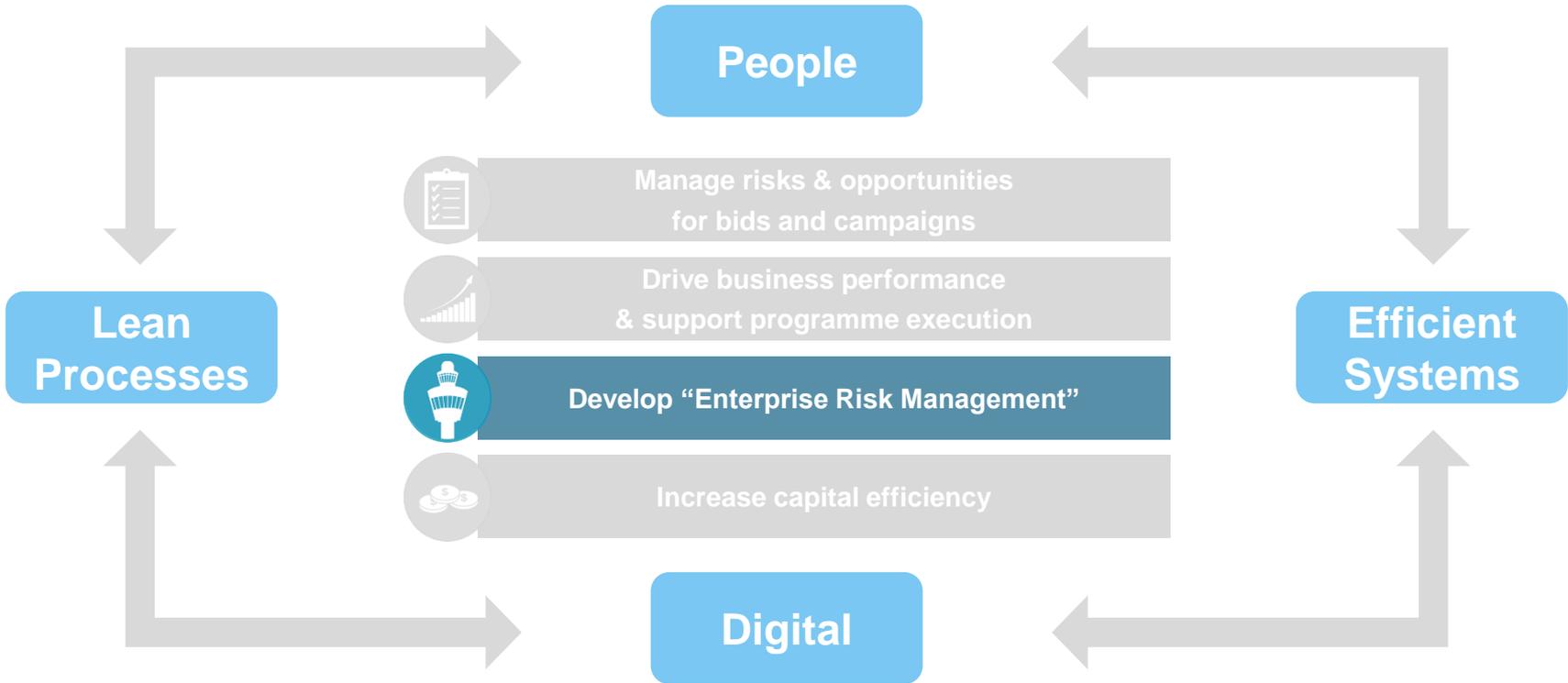
**PERFORMANCE  
ROADMAP**

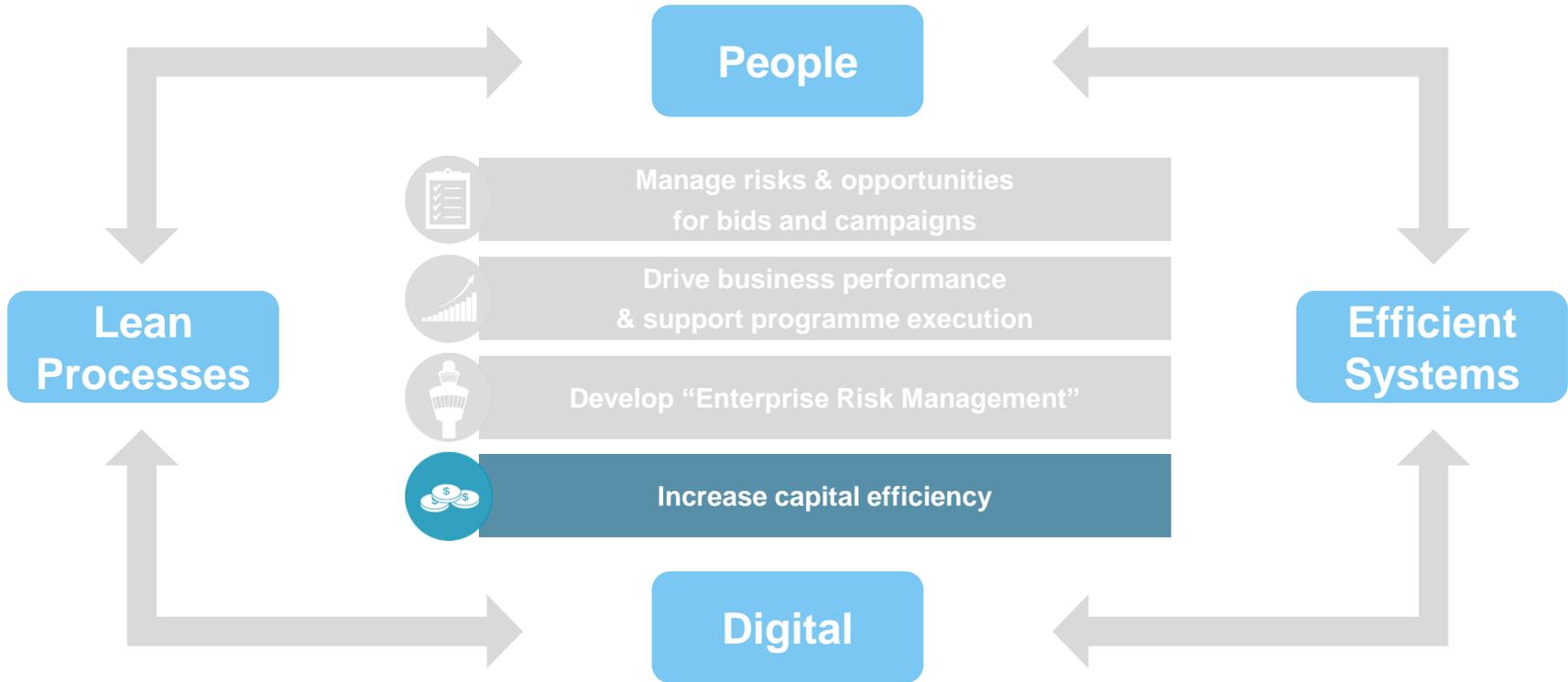




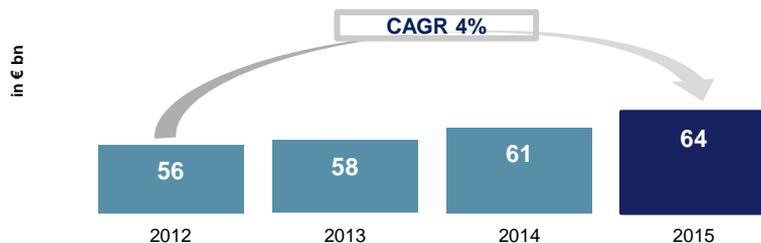




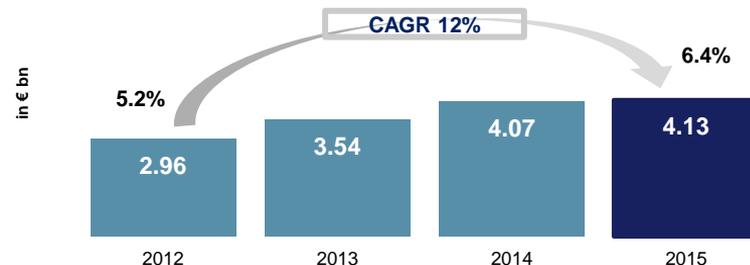




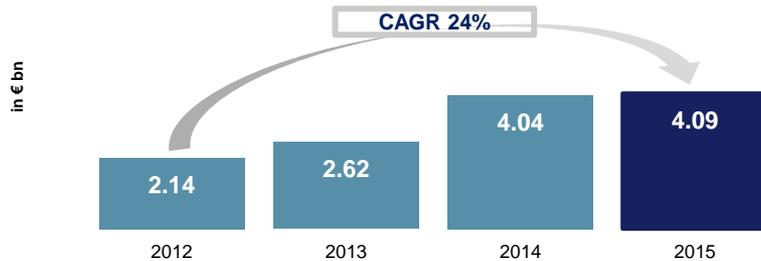
## Revenues



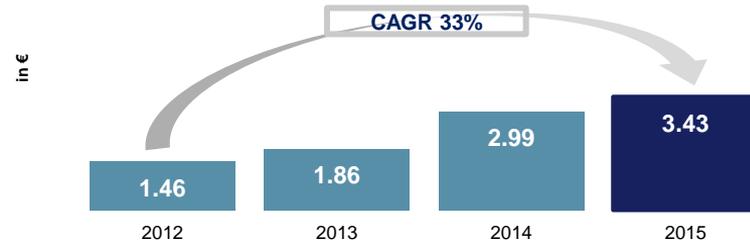
## EBIT\* before one-off and RoS



## EBIT\* reported



## EPS reported



Nb shares  
M

819

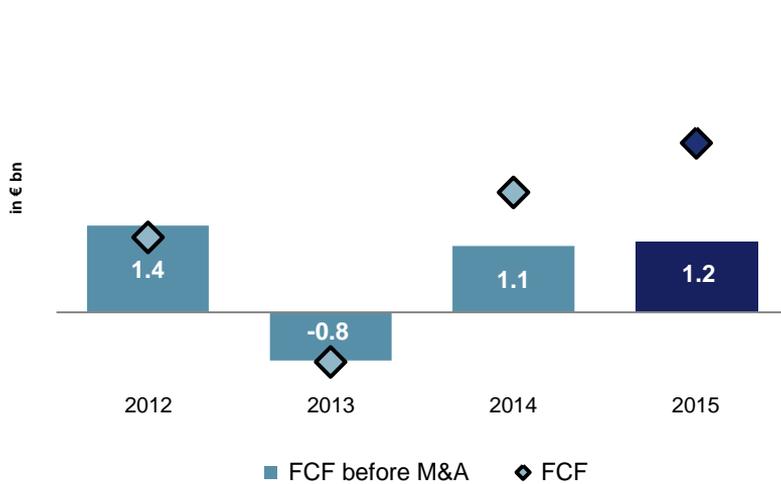
792

783

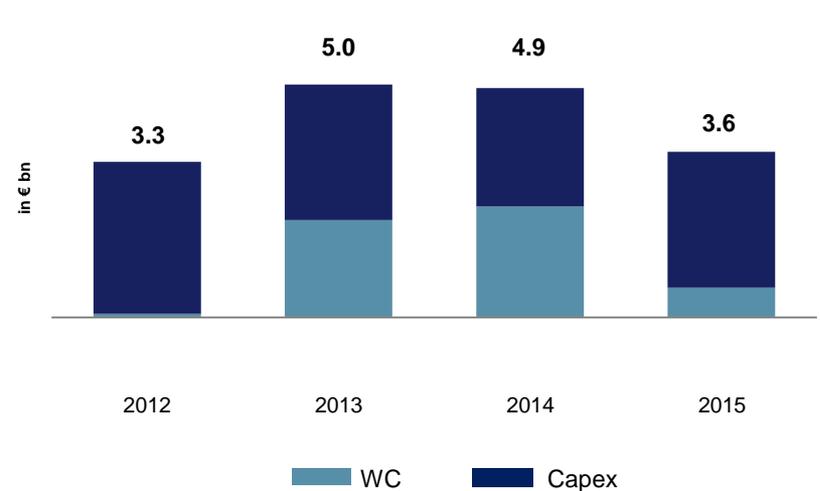
786

*Continuous improvement of financial performance between 2012-2015*

**FCF before M&A Evolution**  
~ € 3 bn

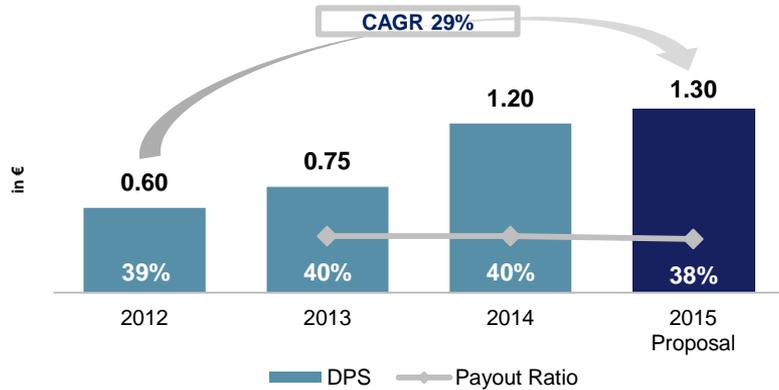


**Total Investments**  
~ € 17 bn

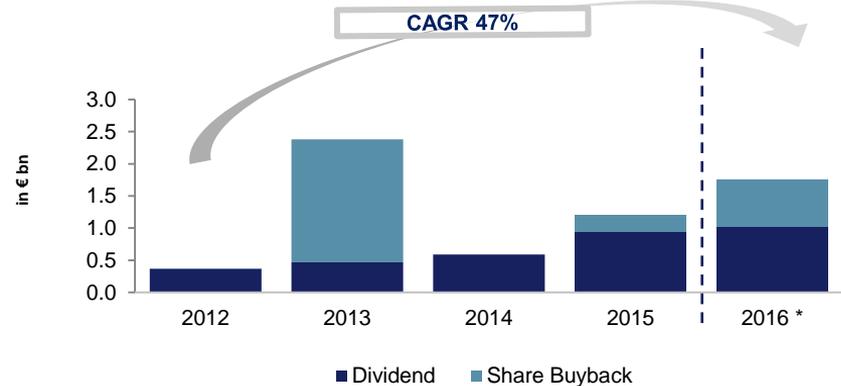


***Significant investment, controlled inventory build for future growth  
Emphasis on other working capital***

## Dividend

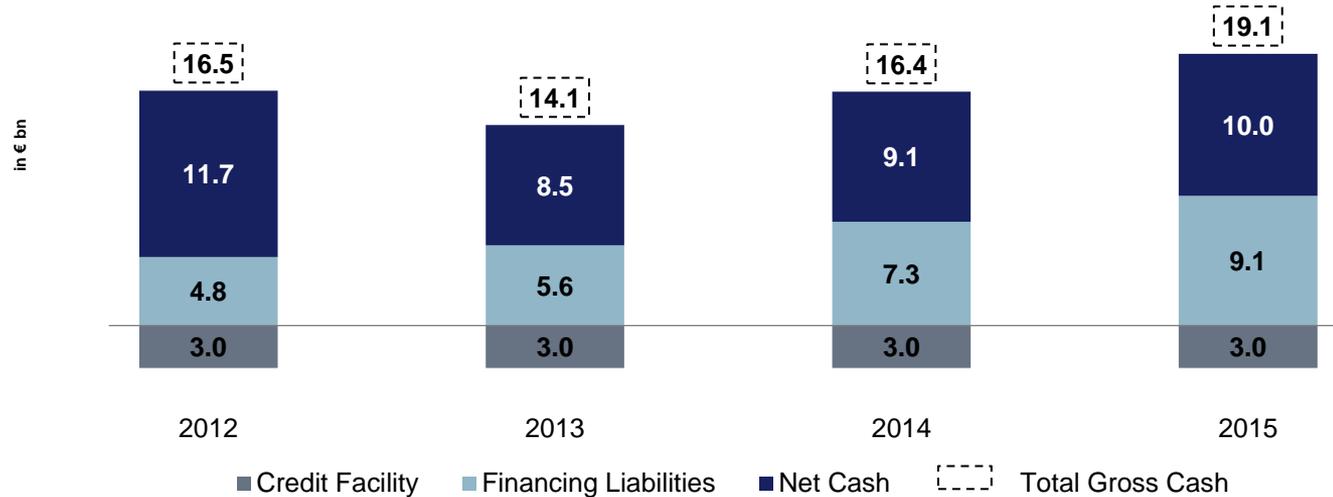


## Total Shareholder Returns



**Dividend policy since 2013, total shareholder returns 2012-2016 ~ € 6 bn**

\* Based on 2015 Dividend proposal and completion of €1bn SBB



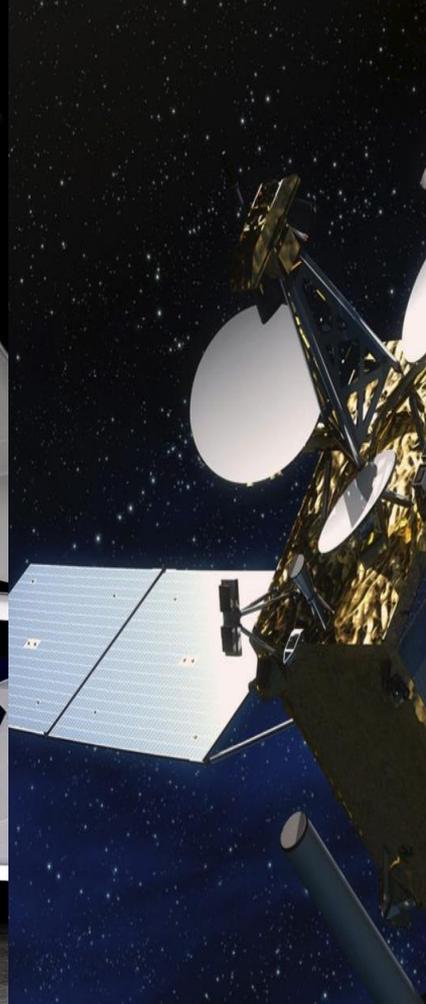
***Maximise and diversify access to liquidity,  
maintain financial flexibility and secure “A” credit rating***

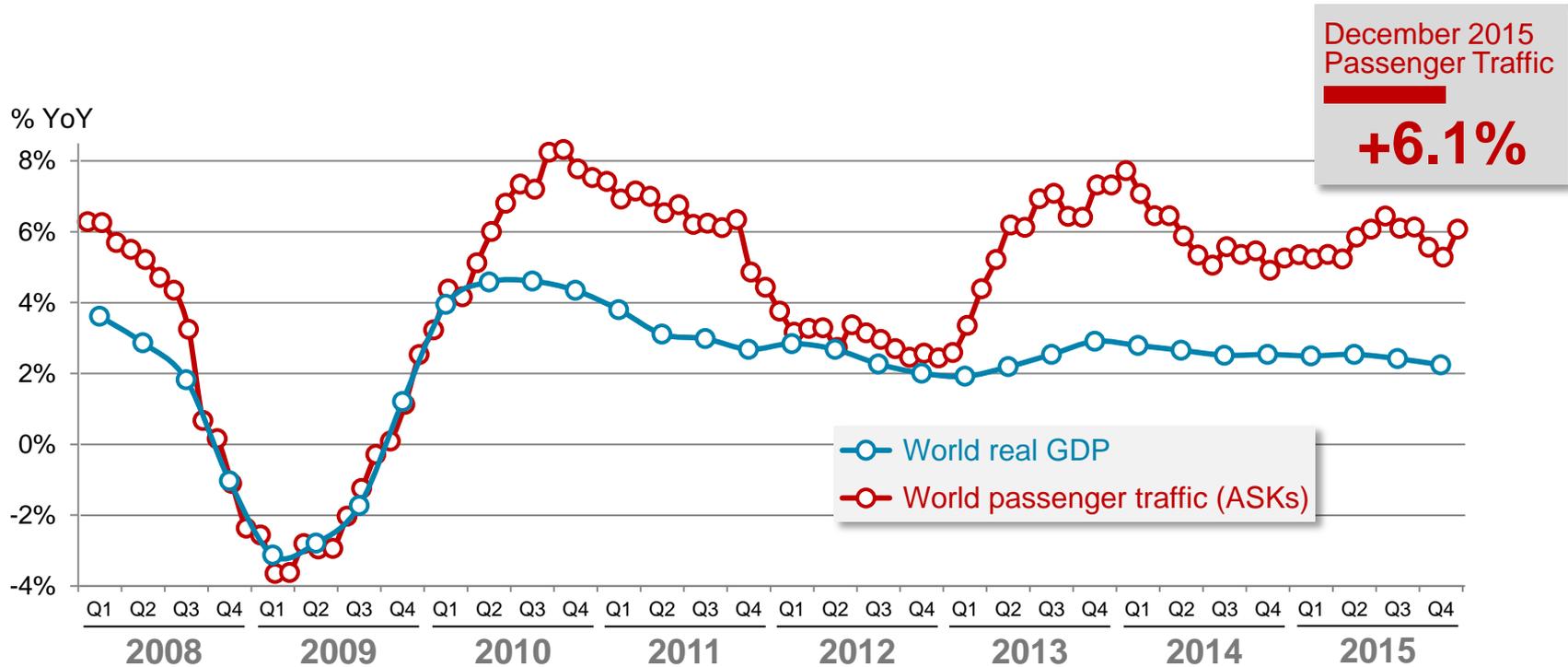
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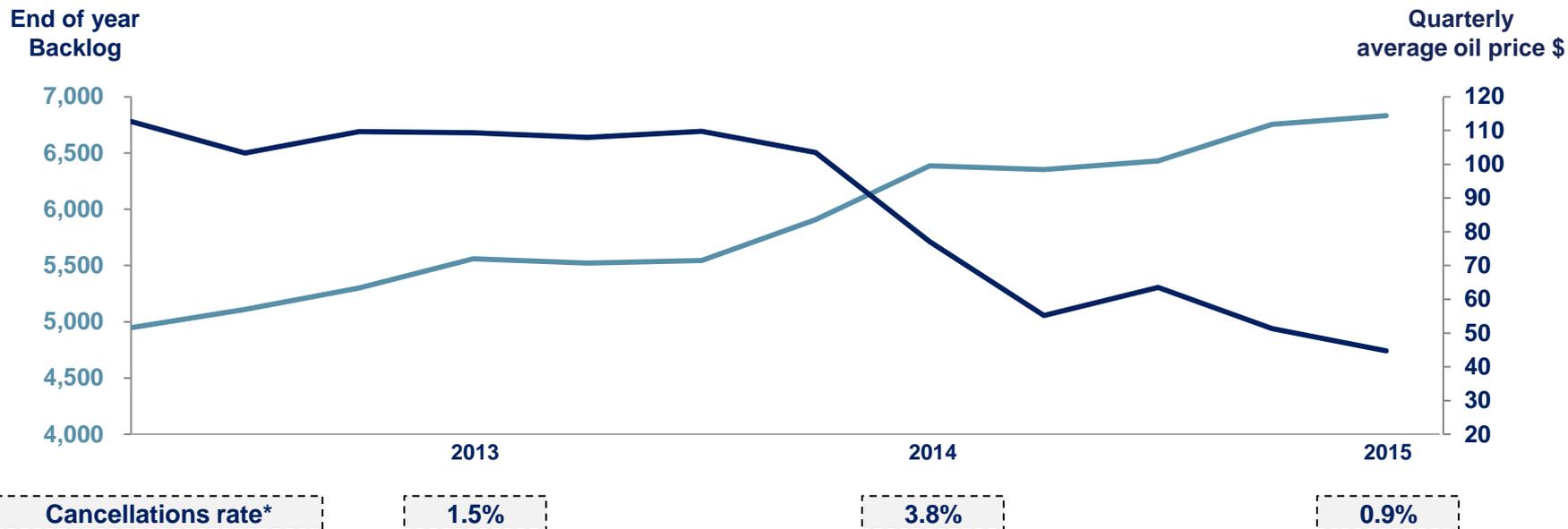
MARKET  
ENVIRONMENT

PERFORMANCE  
ROADMAP



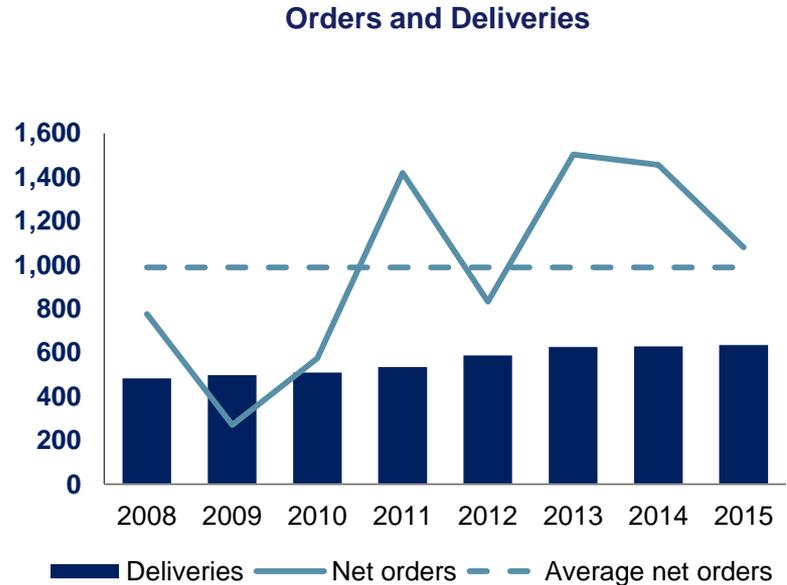
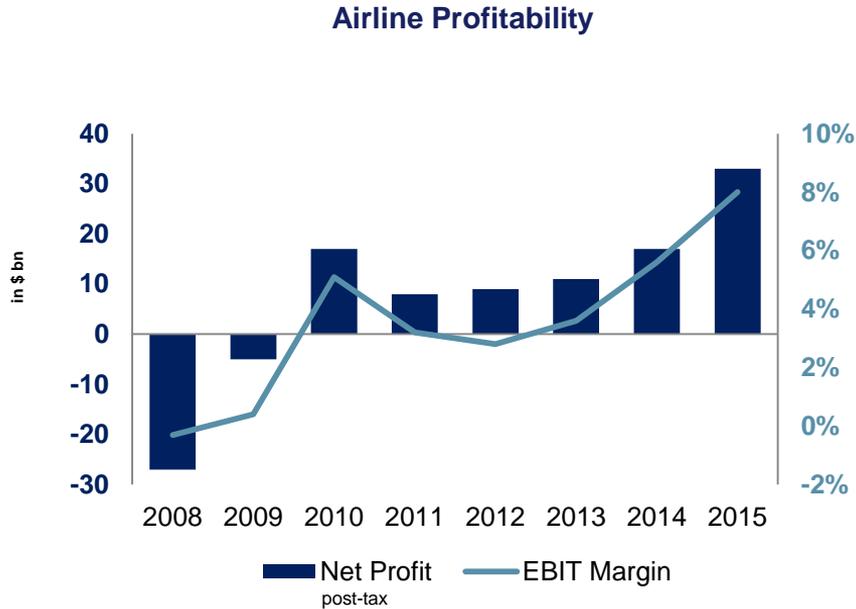


*Air traffic continues to run ahead of GDP*



***Oil price drops, commercial momentum continues  
Cancellations below historical levels***

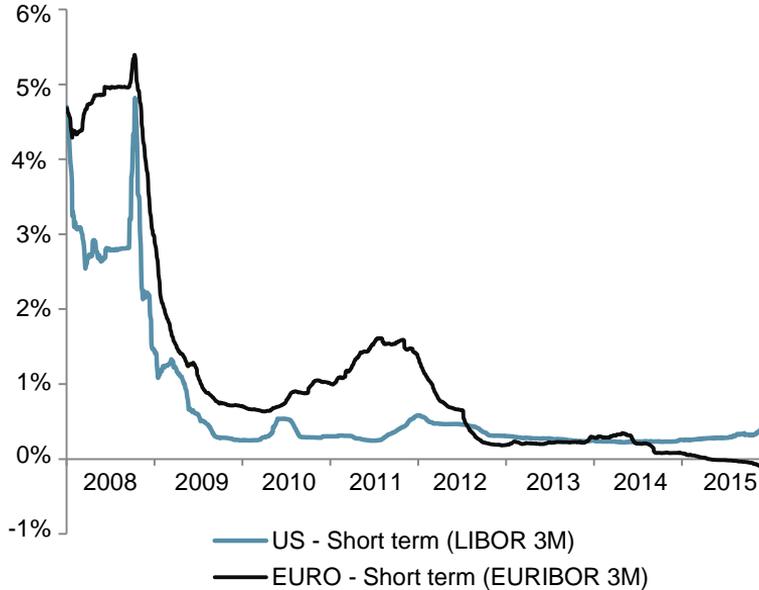
\* Yearly cancellations – excluding Ceo-Neo conversions / backlog



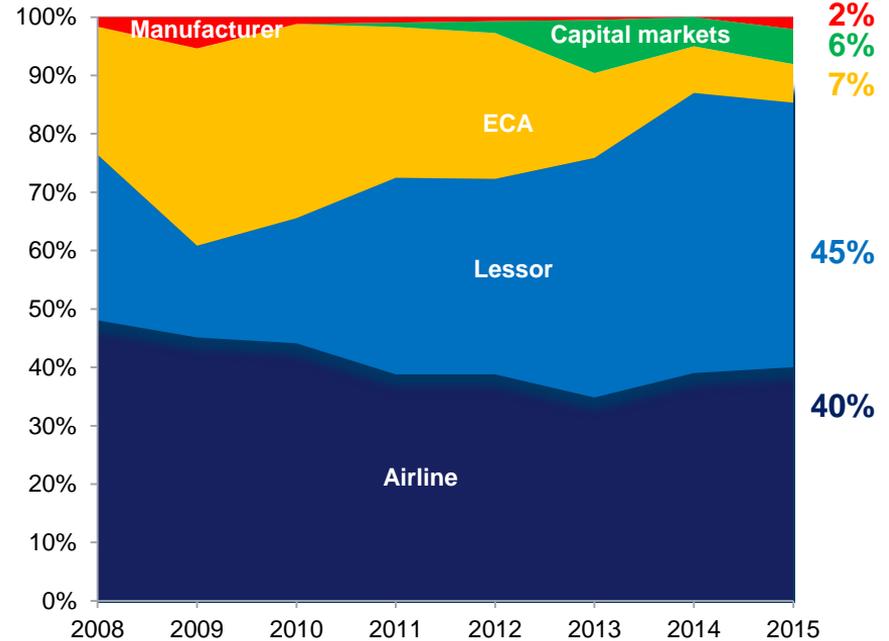
Source: ICAO, IATA Economics

***Financial health of airlines allows investment into efficient products***

**Interest Rates**  
(in %)

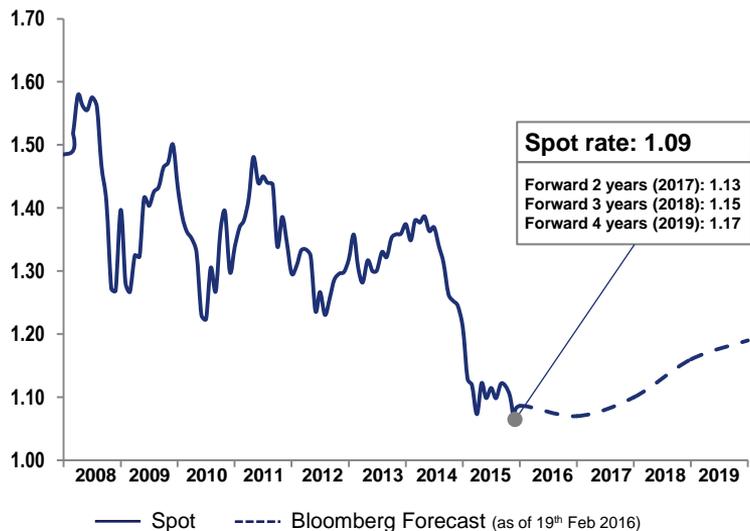


**Financing Sources for Airbus Deliveries**  
2015: 635 A/C



***Historically low cost of money facilitates customers' access to financing and limits Airbus Group's financing exposure***

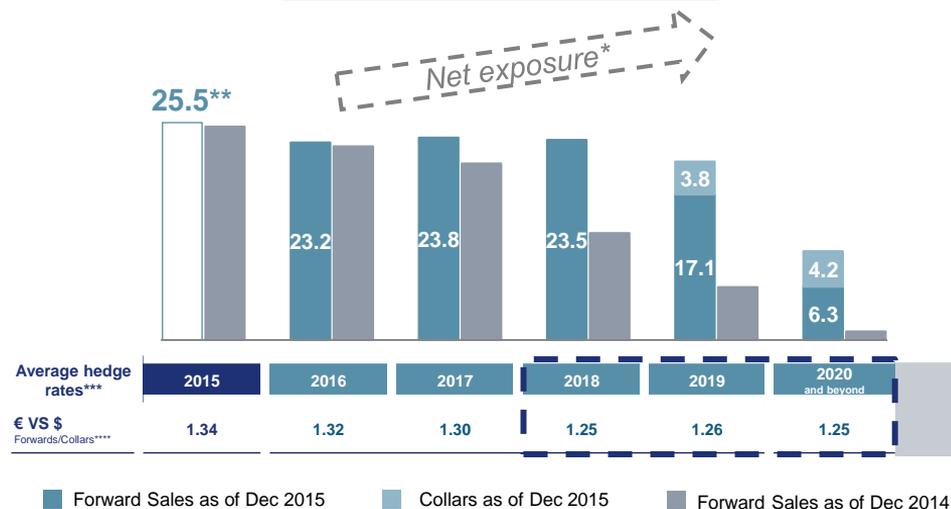
## EUR / USD Exchange Rates



Source: Bloomberg

## Hedging Portfolio

2015: \$ 102 bn at \$ 1.28  
 2014: \$ 88 bn at \$ 1.33



\* Net exposure trend for illustrative purposes only

## Leveraging FX environment & increasing credit capacity

Approximately 60% of Airbus Group's US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales and Collars

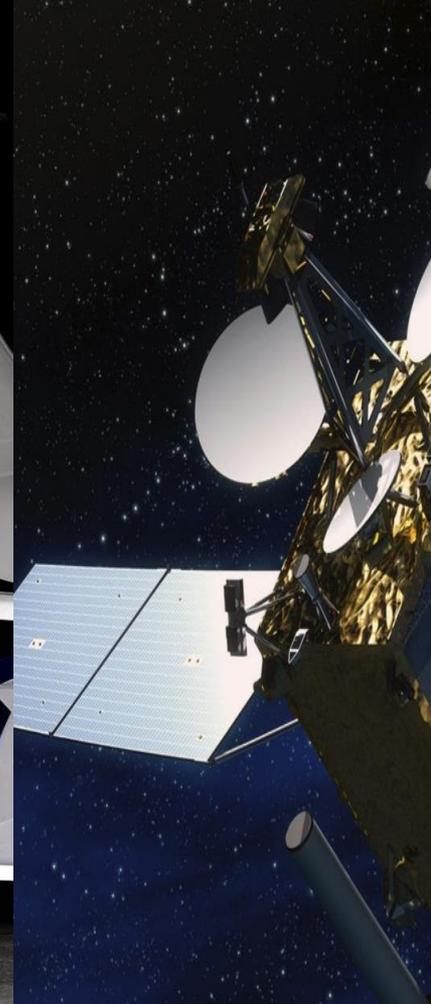
\*\* Total hedges maturing in 2015; \*\*\* Total hedge amount contains \$/€ and \$/£ designated hedges; \*\*\*\* Blended Forwards and Collars rate includes Collars at least favourable rate

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End of decade

Boost Performance

R&D Reduction

A350 Turning Profitable

A320 Volume and Price

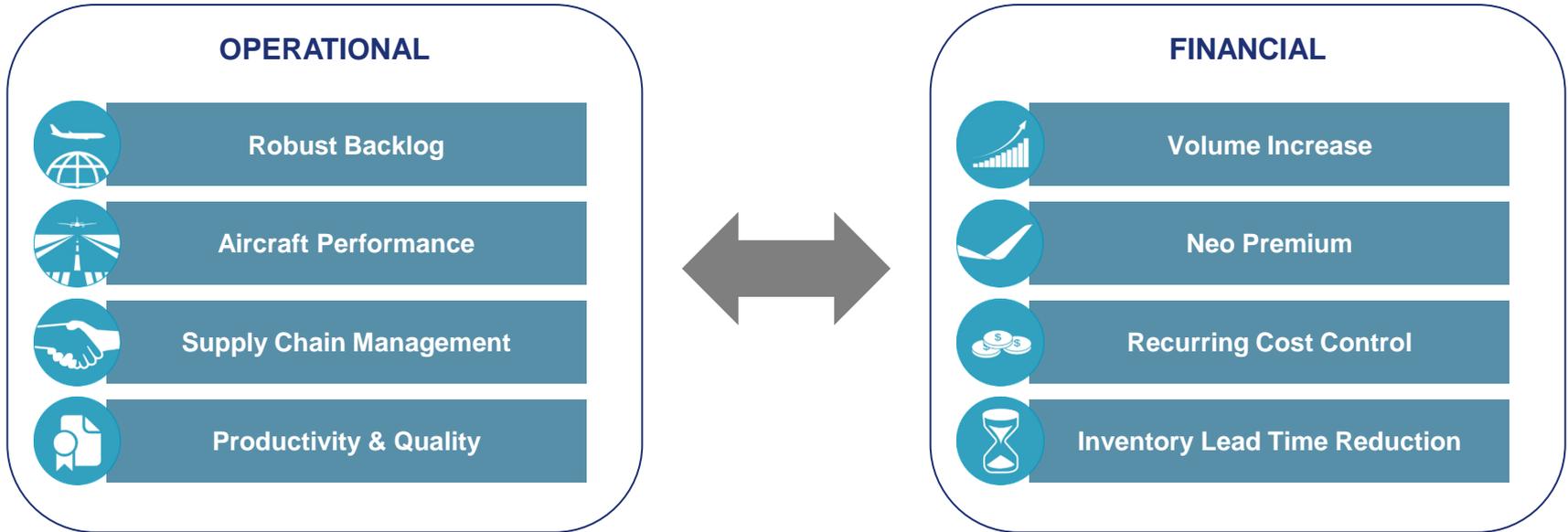
FX Impact

A330 Rate Reduction &  
Disposals in Defence & Space

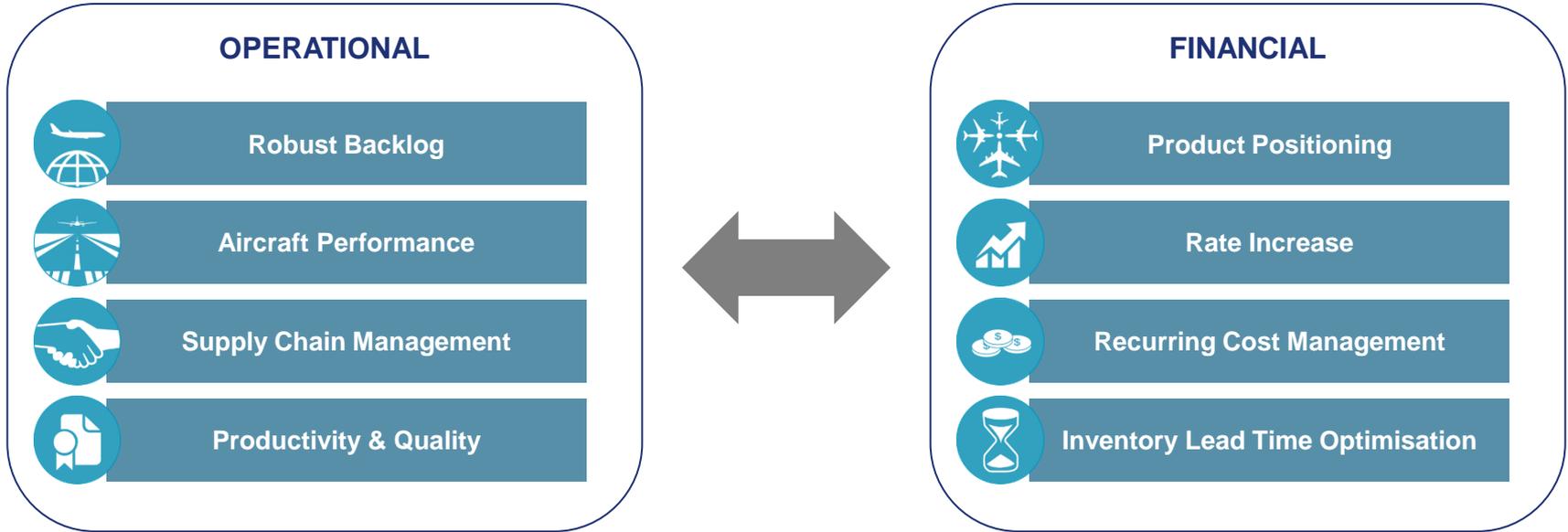
€ 3.43  
EPS 2015

***Significant EPS growth potential***

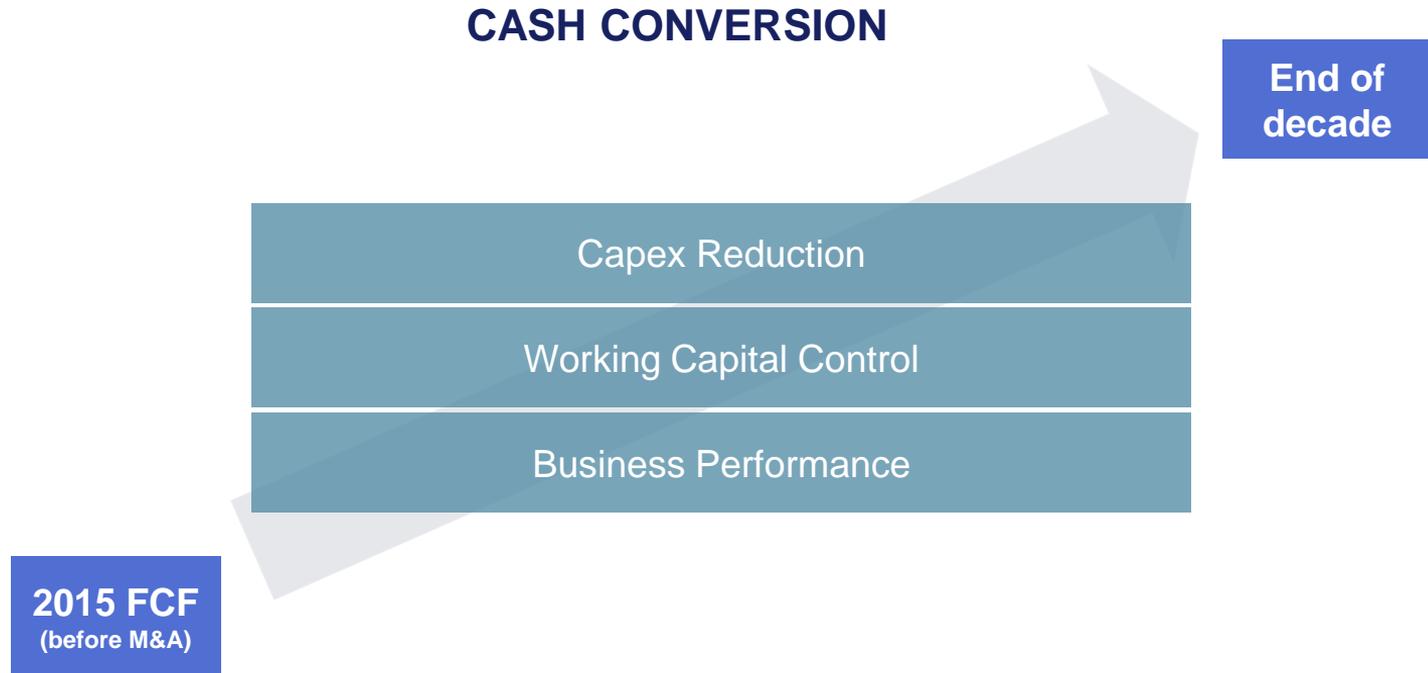
\* Box sizes for illustration purpose only



*Additional EBIT and FCF contribution from A320*



*Secure A350 ramp-up on the way to profitability*



*FCF generation & increasing cash conversion by end of decade*

- Delivering on commitments
- Driving programme execution and competitiveness
- Innovation and digital driving future value
- Substantial EPS and FCF growth
- Sustainable shareholder returns

*Enhancing shareholder value and securing the future*