

FY Results 2021

# AIRBUS



17 February 2022

<b>Guillaume FAURY</b>		Chief Executive Officer
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# Safe Harbour Statement

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## 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 the spread of disease or 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;
- Changes in societal expectations and regulatory requirements about climate change;
- The full impact of the COVID-19 pandemic and the resulting health and economic crisis.

As a result, Airbus' actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

For more information about the impact of the COVID-19 pandemic, see note 2 "Impact of the COVID-19 pandemic" of the Notes to the Airbus SE Unaudited Condensed IFRS Consolidated Financial Statements published 17 February 2022. For more information about factors that could cause future results to differ from such forward-looking statements, see Airbus SE's annual reports, including its Universal Registration Document and the most recent Risk Factors.

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.

# AIRBUS FY Results 2021

**Company Highlights**

Divisional Highlights

Guidance Highlights

Appendix



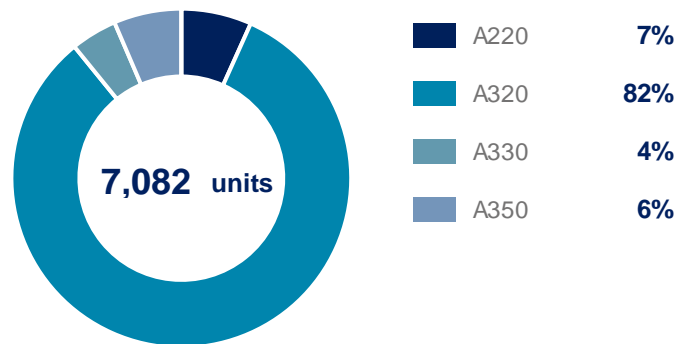
**AIRBUS**



- Strong results in a year of transition
- 611 commercial aircraft delivered in FY 2021
- FY 2021 financials reflect deliveries as well as efforts on cost containment and competitiveness:
  - EBIT Adjusted of € 4.9 bn; EBIT reported of € 5.3 bn
  - Record Net Income of € 4.2 bn; EPS reported of € 5.36
  - FCF before M&A and Customer Financing of € 3.5 bn
  - Net Cash of € 7.6 bn
- Dividend proposal: € 1.50 per share

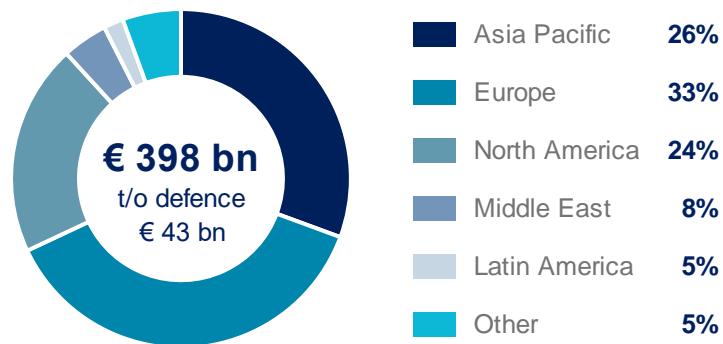
## Airbus Commercial Aircraft

Order Book in units by Programme



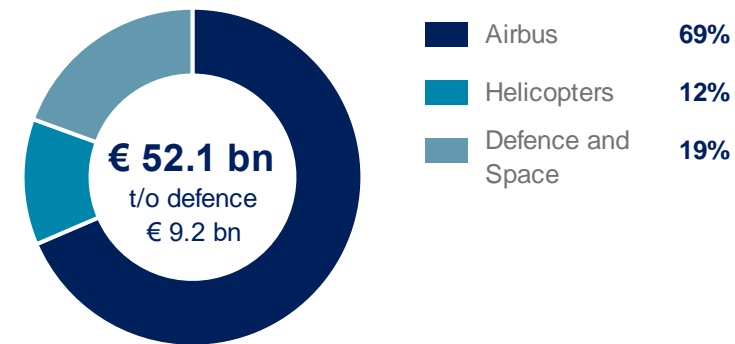
## Consolidated Airbus

Order Book in value by Region



## Consolidated Airbus

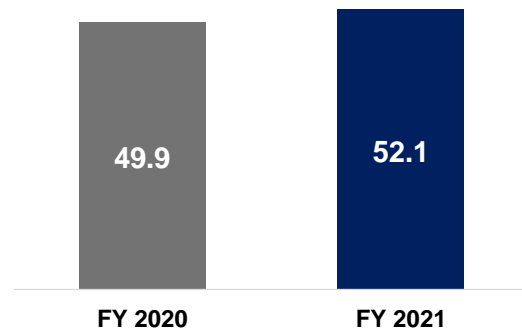
External Revenue by Division



- **AIRBUS:** Gross orders: 771 a/c; net orders: 507 a/c; Backlog: 7,082 a/c
- **HELICOPTERS:** 414 net orders incl. 52 for our H160 dual platform and 10 Super Puma
- **DEFENCE AND SPACE:** Order intake € 13.7 bn; including the in-service support contracts for Germany and Spain Eurofighters as well as 56 C295 aircraft for India

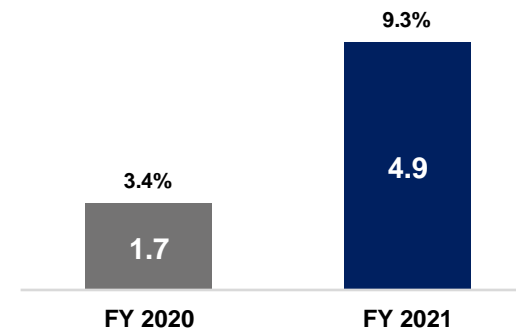
## Revenues

in € bn



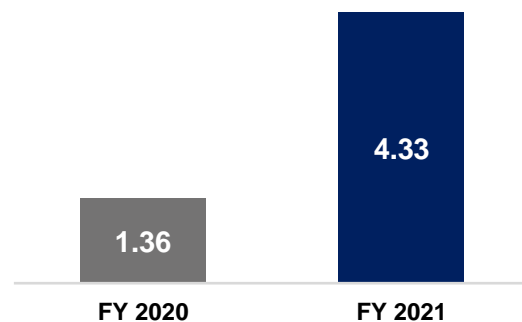
## EBIT Adjusted

in € bn / RoS (%)



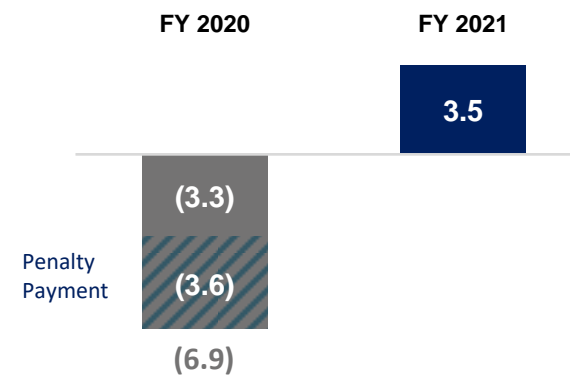
## EPS<sup>(1)</sup> Adjusted

in €



## FCF before M&A and Customer Financing

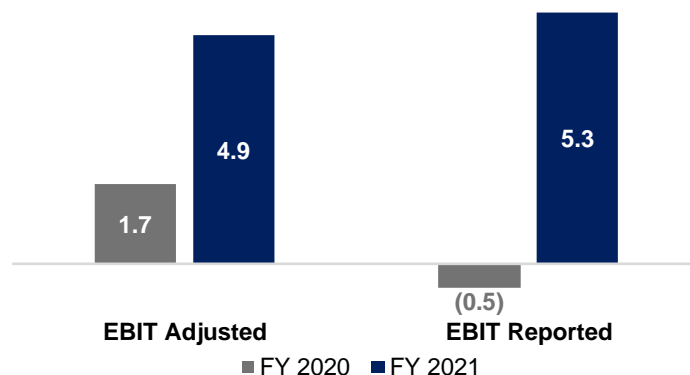
in € bn



(1) FY 2021 Average number of shares: 785,326,074 compared to 783,178,191 in FY 2020  
Capitalised R&D: € 152 m in FY 2021 and € 101 m in FY 2020

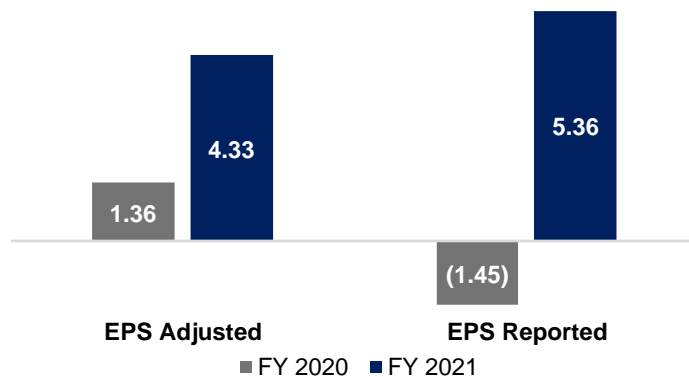
## EBIT Performance

in € bn



## EPS<sup>(1)</sup> Performance

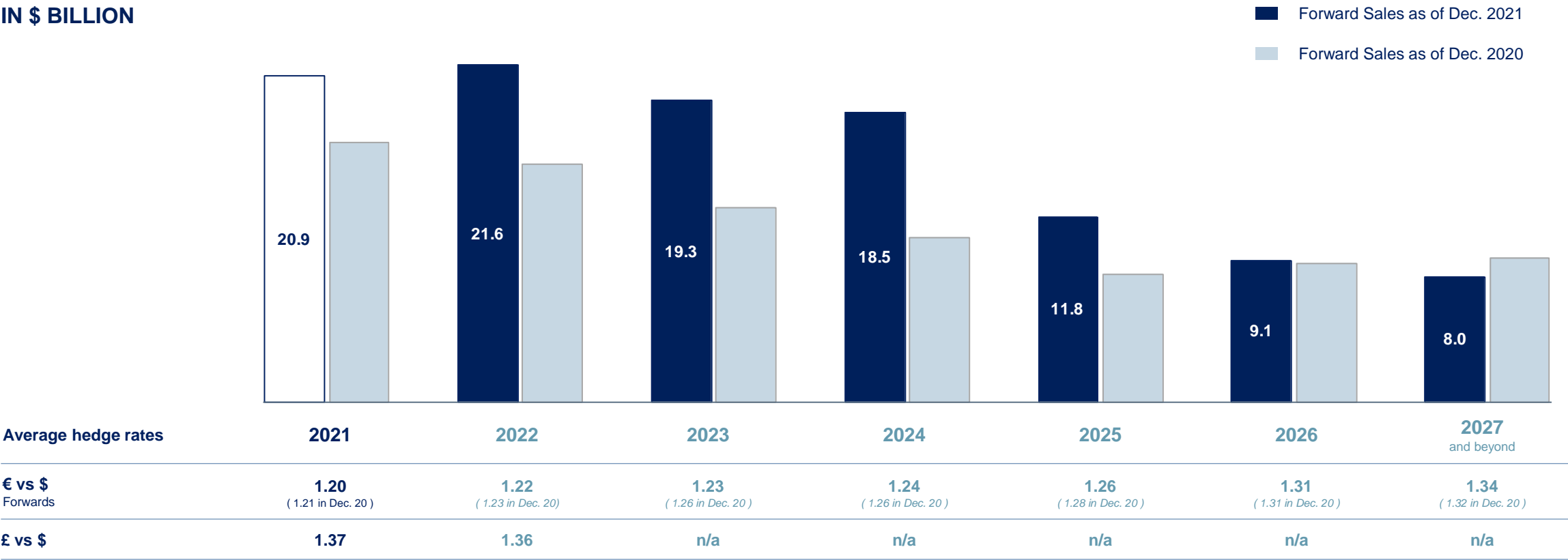
in €



- FY 2021 **EBIT Reported** of € 5,342 m
- FY 2021 EBIT Adjustments resulting from:
  - € + 274 m A380 programme
  - € + 122 m Gain on disposal
  - € - 212 m A400M charge
  - € - 38 m PDP mismatch / BS revaluation
  - € + 331 m Others
- FY 2021 **Net Adjustments** of € + 477 m
- FY 2021 **Net Income** of € 4,213 m
- FY 2021 **Net Income Adjusted** of € 3,397 m

(1) FY 2021 Average number of shares: 785,326,074 compared to 783,178,191 in FY 2020  
Capitalised R&D: € 152 m in FY 2021 and € 101 m in FY 2020

IN \$ BILLION



Mark-to-market value incl. in AOCI = € - 4.7 bn  
Closing rate @ 1.13 € vs. \$

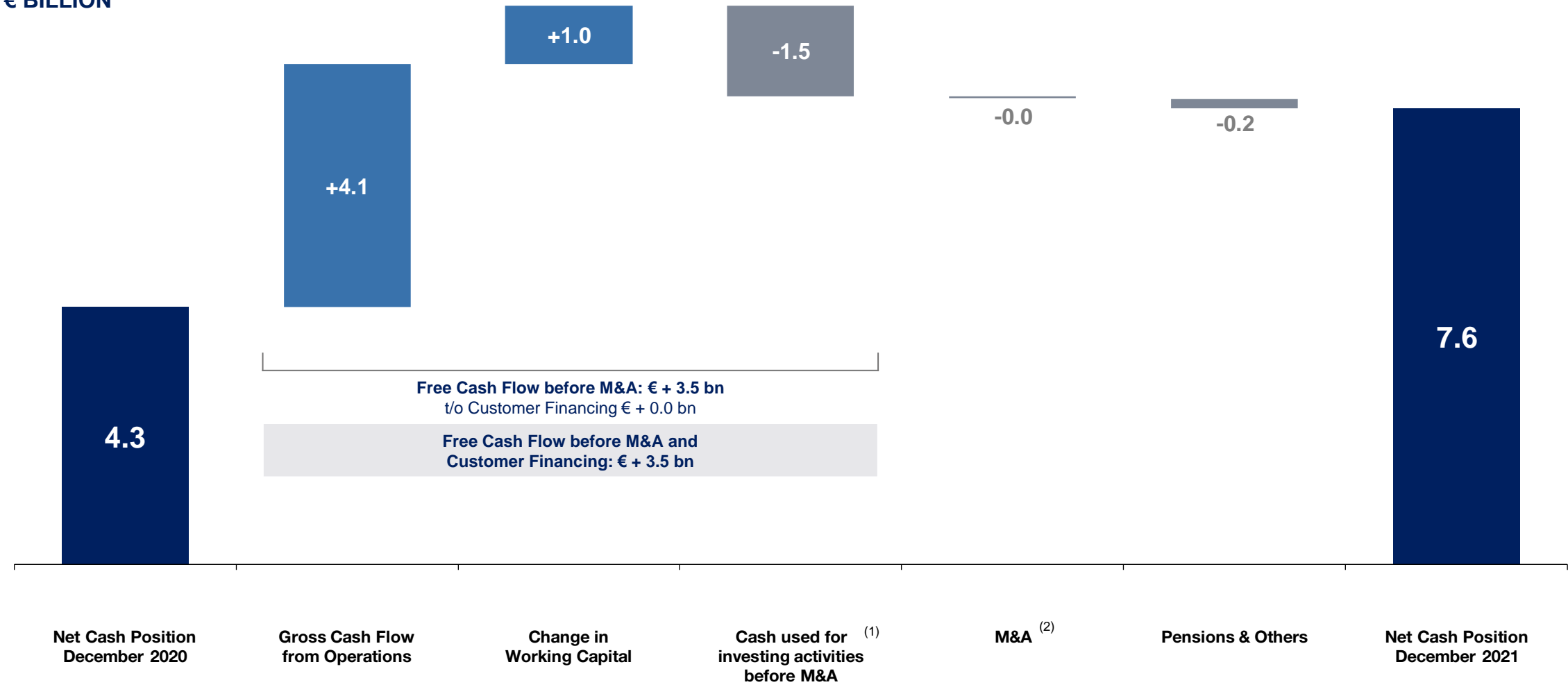
- In FY 2021 \$ 20.9 bn<sup>(1)</sup> of hedges matured at an average rate of € 1 = \$ 1.20
- \$ 29.5 bn<sup>(1)</sup> of new Forwards were added at € 1 = \$ 1.21
- Hedge portfolio<sup>(1) (2)</sup> as of 31 December 2021 at \$ 88.3 bn (vs. \$ 81.0 bn in December 2020), at an average rate of \$ 1.25

Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales  
Hedge rates reflect EBIT impact of the US\$ hedge portfolio  
(1) Total hedge amount contains €/€\$ and £/\$ designated hedges.  
(2) £/\$ designated hedges represent < 1% of the total Hedge portfolio



# FY 2021 Cash Evolution

IN € BILLION



(1) Thereof CapEx of € - 1.9 bn  
(2) M&A transactions include acquisitions and disposals of subsidiaries and businesses

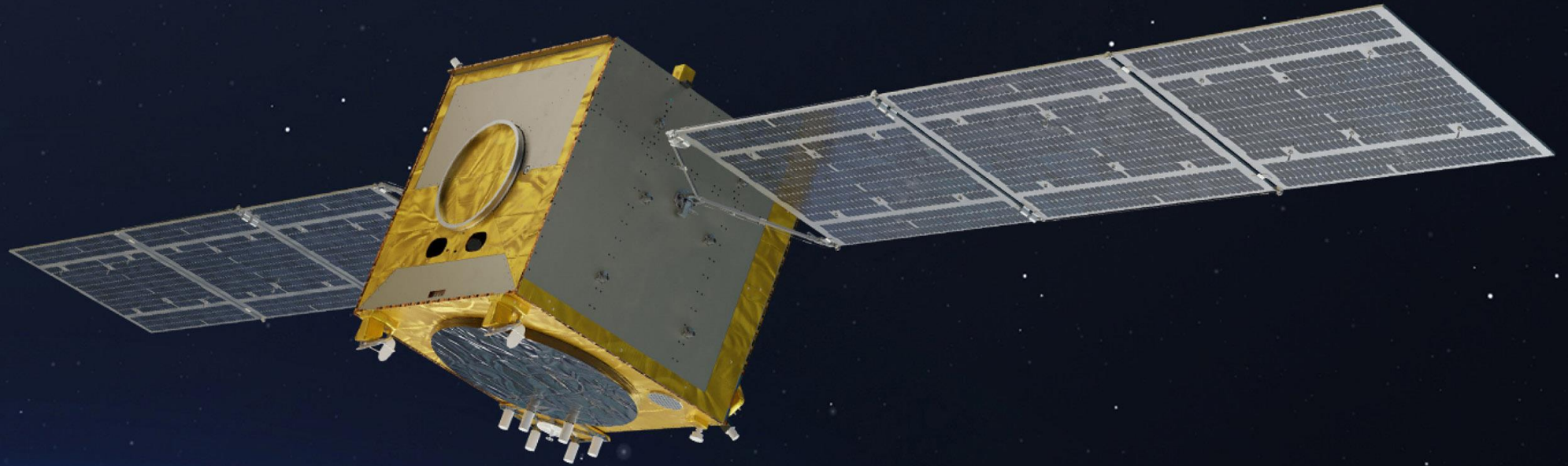
# AIRBUS FY Results 2021

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[Divisional Highlights](#)

[Guidance Highlights](#)

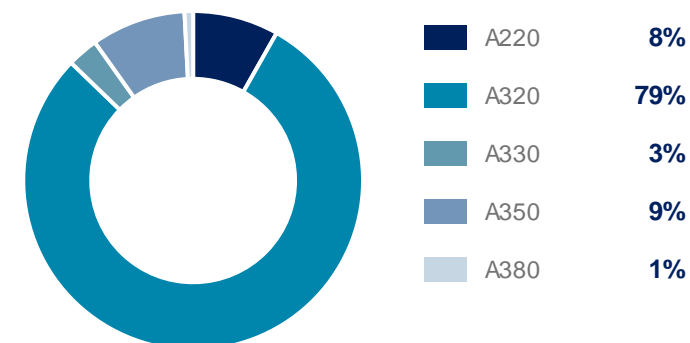
[Appendix](#)



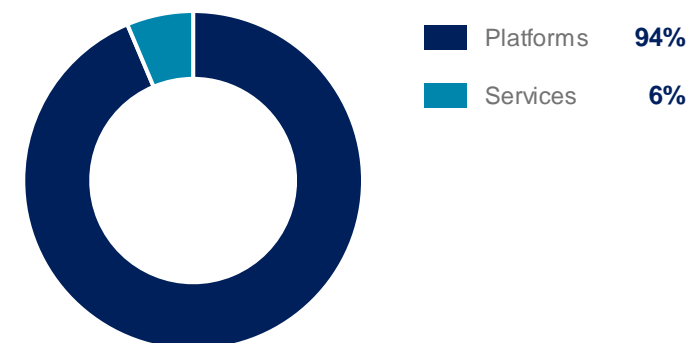
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IN € MILLION		FY 2021	FY 2020	Change
Order Intake (net)	Units	507	268	89.2%
Order Book		7,082	7,184	-1.4%
Order Intake (net)	Value	40,004	16,089	148.6%
Order Book		345,101	324,675	6.3%
Deliveries	Units	611 <sup>(1)</sup>	566	8.0%
Revenues		36,164	34,250	5.6%
R&D Expenses		2,252	2,436	-7.6%
<i>in % of Revenues</i>		6.2%	7.1%	
EBIT Adjusted		3,570	618	477.7%
<i>in % of Revenues</i>		9.9%	1.8%	
EBIT		4,175	(1,330)	N/A
<i>in % of Revenues</i>		11.5%	-3.9%	

## Deliveries by Programme (Units)



## External Revenue Split



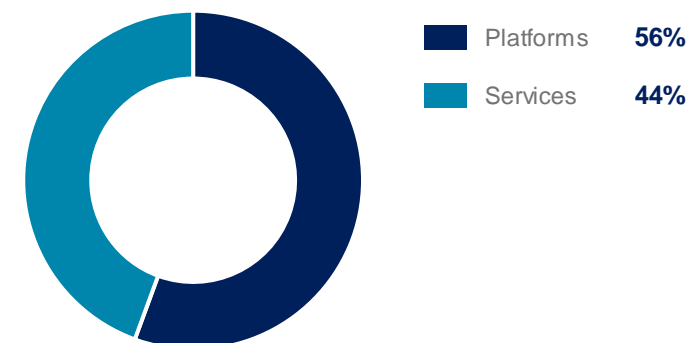
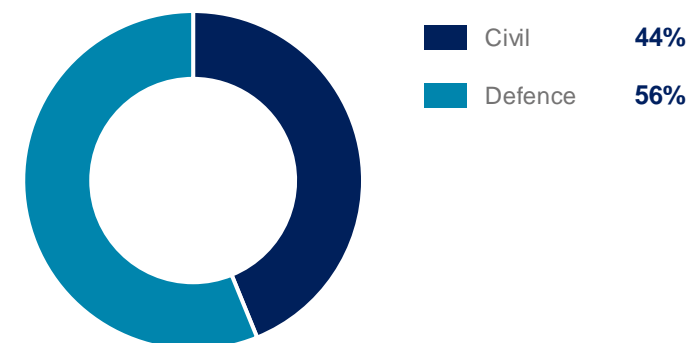
- Deliveries: 611 aircraft comprising 50 A220, 483 A320 Family, 18 A330, 55 A350 and 5 A380
- Revenues mainly reflect higher deliveries
- EBIT Adjusted mainly reflects deliveries, cost containment and competitiveness

(1) Two A330 delivered on operating lease  
Capitalised R&D: € 2 m in FY 2021 and € 23 m in FY 2020

IN € MILLION		FY 2021	FY 2020	Change
Order Intake (net)	Units	414	268	54.5%
Order Book		739	663	11.5%
Order Intake (net)	Value	8,552	5,519	55.0%
Order Book		17,985	15,782	14.0%
Deliveries	Units	338	300	12.7%
Revenues		6,509	6,251	4.1%
R&D Expenses		275	273	0.7%
<i>in % of Revenues</i>		4.2%	4.4%	
EBIT Adjusted		535	471	13.6%
<i>in % of Revenues</i>		8.2%	7.5%	
EBIT		535	455	17.6%
<i>in % of Revenues</i>		8.2%	7.3%	

- Revenues reflect growth in services and higher deliveries
- EBIT Adjusted reflects higher services and programme execution

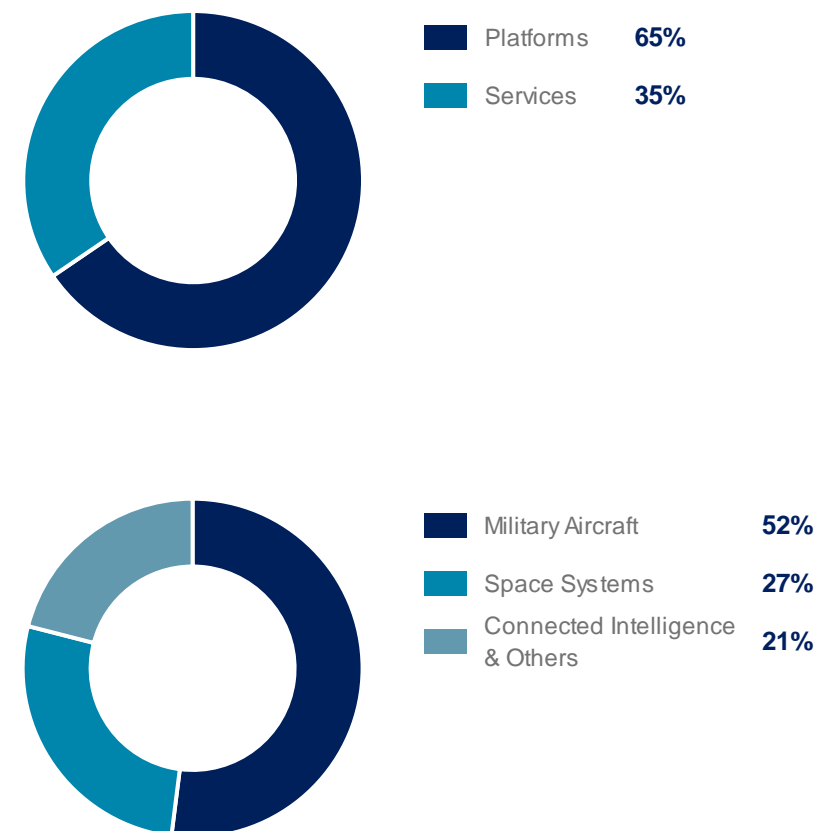
## External Revenue Split



IN € MILLION	FY 2021	FY 2020	Change
Order Intake (net)	13,656	11,862	15.1%
Order Book	36,131	33,505	7.8%
Revenues	10,186	10,446	-2.5%
R&D Expenses	249	225	10.7%
<i>in % of Revenues</i>	2.4%	2.2%	
EBIT Adjusted	696	660	5.5%
<i>in % of Revenues</i>	6.8%	6.3%	
EBIT	568	408	39.2%
<i>in % of Revenues</i>	5.6%	3.9%	

- Revenues mainly reflect lower volume in Military Aircraft, partially offset by Space Systems
- EBIT Adjusted mainly reflects cost containment continuation
- A400M: 8 a/c delivered in FY 2021

## External Revenue Split





# AIRBUS FY Results 2021

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Appendix



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*As the basis for its 2022 guidance, the Company assumes:*

- *no further disruptions to the world economy, air traffic, the Company's internal operations, and its ability to deliver products and services.*

*The Company's 2022 guidance is before M&A.*

On that basis, the Company targets to achieve in 2022 around:

- 720 commercial aircraft deliveries;
- EBIT Adjusted of € 5.5 billion;
- Free Cash Flow before M&A and Customer Financing of € 3.5 billion

- Further strengthen the backlog across businesses
- Deliver on our commercial aircraft ramp-up
- Continue the transformation of the Company
- Lead the development of sustainable aerospace
- Focus on earnings and cash growth trajectory beyond 2022



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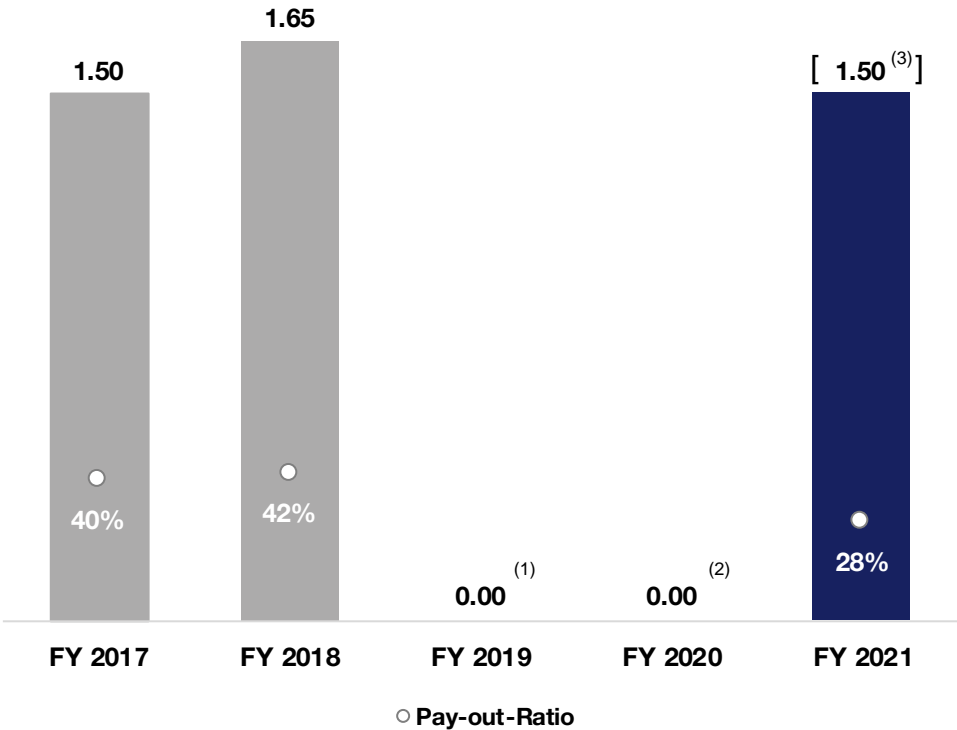
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# Dividend per Share

IN €

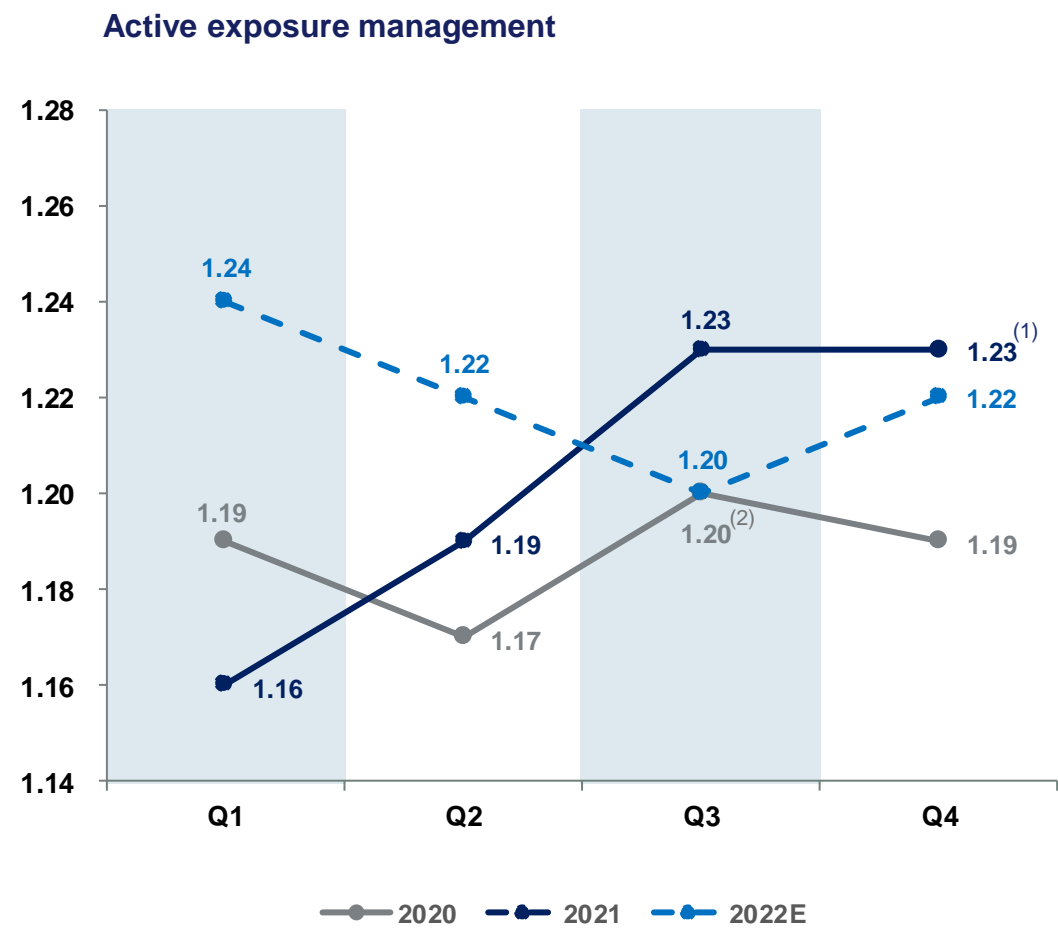


- **Ex-dividend date:** Tuesday 19 April 2022
- **Record date:** Wednesday 20 April 2022
- **Payment date:** Thursday 21 April 2022

(1) FY 2019: dividend proposal of € 1.80 per share revoked following the COVID-19 outbreak  
(2) FY 2020: no dividend proposed for 2020  
(3) Board proposal to be submitted to the AGM 2022. Subject to AGM approval



# Expected Average Hedge Rates € vs. \$



	Average Hedge Rates
FY 2020	1.19
FY 2021	1.20
FY 2022E	1.22

Hedge rates reflect EBIT impact of the US\$ hedge portfolio  
(1) Q4 actual  
(2) Based on \$ 4.1 bn hedges matured with associated EBIT impact

# FY 2021 Detailed Income Statement and Adjustments

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IN € MILLION	FY 2021 Reported	thereof Adjustments				FY 2021 Adjusted
		Impact on EBIT			Financial Result	
		Operational		FX		
		Airbus	Defence and Space <sup>(1)</sup>	Helicopters	Airbus + Defence and Space <sup>(2)</sup>	
EBIT	5,342	609	(94)	0	(38)	4,865
<i>in % of Revenues</i>	10.2%					9.3%
Interest income	88					88
Interest expense	(334)					(334)
Other Financial Result	(69)					(19)
Financial Result	(315)					(265)
Income before taxes	5,027	609	(94)	0	(38)	4,600
Non-controlling interests	39					39
Net Income	4,213					3,397
Number of shares	785,326,074					785,326,074
EPS (in €)	5.36					4.33

## Net Income Adjusted excludes the following items:

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discounted provisions

The tax effect on Adjusted Income before taxes is calculated at 27%. The effective tax rate on Income before taxes is 17%.

(1) Thereof € - 212 m A400M programme update  
(2) Thereof € - 4 m Airbus, € - 34 m Defence and Space



# FY 2020 Detailed Income Statement and Adjustments

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IN € MILLION	FY 2020 Reported	thereof Adjustments					
		Impact on EBIT				Financial Result	FY 2020 Adjusted
		Operational			FX		
		Airbus	Defence and Space <sup>(1)</sup>	Helicopters	Airbus + Defence and Space <sup>(2)</sup>		
EBIT	(510)	(1,436)	(284)	(16)	(480)		1,706
<i>in % of Revenues</i>	-1.0%						3.4%
Interest income	140						140
Interest expense	(411)						(411)
Other Financial Result	(349)					(324)	(25)
Financial Result	(620)					(324)	(296)
Income (Loss) before taxes	(1,130)	(1,436)	(284)	(16)	(480)	(324)	1,410
Non-controlling interests	36						36
Net Income (Loss)	(1,133)						1,065
Number of shares	783,178,191						783,178,191
EPS (in €)	(1.45)						1.36

## Net Income (Loss) Adjusted excludes the following items:

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discounted provisions

The tax effect on Adjusted Loss before taxes is calculated at 27%. The effective tax rate on Loss before taxes is -3%.

(1) Thereof € - 63 m A400M programme update  
(2) Thereof € - 512 m Airbus, € + 32 m Defence and Space



## RSCF:

- Initial maturity October 2023 + 2 extension options of 1 year. First extension option exercised prolonging the maturity to October 2024; undrawn
- Fully committed by 33 banks
- No financial covenants, no MAC clause

## Financing Liabilities:

### **of which long-term : € 13.1 bn**

- Includes € 9.0 bn EMTN and \$ 2.3 bn 144A/RegS & USPP (nominal amounts)

## Credit Ratings:

### **Short-term rating:**

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

### **Long-term rating:**

- S & P: A negative
- Moody's: A2 negative

# Q4 2021 Key Figures

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IN € MILLION	Q4 2021	Q4 2020
Revenues	16,994	19,751
EBIT Adjusted	1,496	1,831
EBIT	1,905	1,675
Net Income	1,578	1,553
FCF before M&A	1,221	4,945
FCF before M&A and Customer Financing	1,255	4,863

IN € MILLION	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020
	Revenues		EBIT Adjusted		EBIT	
Airbus	11,546	13,979	831	1,259	1,286	1,069
Helicopters	2,372	2,628	221	233	223	217
Defence and Space	3,305	3,510	412	394	364	444
Eliminations	(229)	(366)	32	(55)	32	(55)
<b>Consolidated Airbus</b>	<b>16,994</b>	<b>19,751</b>	<b>1,496</b>	<b>1,831</b>	<b>1,905</b>	<b>1,675</b>

# Detailed Free Cash Flow

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IN € MILLION	FY 2021	FY 2020
<b>Net Cash position at the beginning of the period</b>	<b>4,312</b>	<b>12,534</b>
<b>Gross Cash Flow from Operations<sup>(1)</sup></b>	<b>4,078</b>	<b>3,061</b>
<b>Change in working capital<sup>(2)</sup></b>	<b>984</b>	<b>(8,197)</b>
<b>Cash used for investing activities<sup>(3)</sup></b>	<b>(1,551)</b>	<b>(2,226)</b>
of which Industrial CapEx (additions) <sup>(4)</sup>	(1,928)	(1,759)
<b>Free Cash Flow<sup>(5)</sup></b>	<b>3,511</b>	<b>(7,362)</b>
of which M&A	(32)	(551)
<b>Free Cash Flow before M&amp;A</b>	<b>3,543</b>	<b>(6,811)</b>
of which Customer Financing	28	124
<b>Free Cash Flow before M&amp;A and Customer Financing</b>	<b>3,515</b>	<b>(6,935)</b>
Change in capital and non-controlling interests	138	89
Change in treasury shares / share buyback	(22)	(4)
Change in liability for puttable instruments	0	91
Contribution to plan assets of pension schemes <sup>(6)</sup>	(533)	(314)
Cash distribution to shareholders / non-controlling interests	0	0
Others	237	(722)
<b>Net Cash position at the end of the period</b>	<b>7,643</b>	<b>4,312</b>

(1) Excluding working capital change, contribution to plan assets of pension schemes and realised FX results on treasury swaps

(2) Including net customer financing and excluding some perimeter change impacts from changes in consolidation

(3) Excluding change in securities and change in cash from changes in consolidation and excluding bank activities

(4) Excluding leased and financial assets

(5) Excluding change in securities, change in cash from changes in consolidation, contribution to plan assets, realised FX results on treasury swaps and bank activities

(6) In 2020, thereof € 331 million contributions for retirement and deferred compensation plans

# Net Cash Position

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IN € MILLION	Dec. 2021	Dec. 2020
Gross Cash	22,683	21,407
Financing Liabilities	(15,040)	(17,095)
Short-term Financing Liabilities	(1,946)	(3,013)
Long-term Financing Liabilities	(13,094)	(14,082)
Reported Net Cash	7,643	4,312

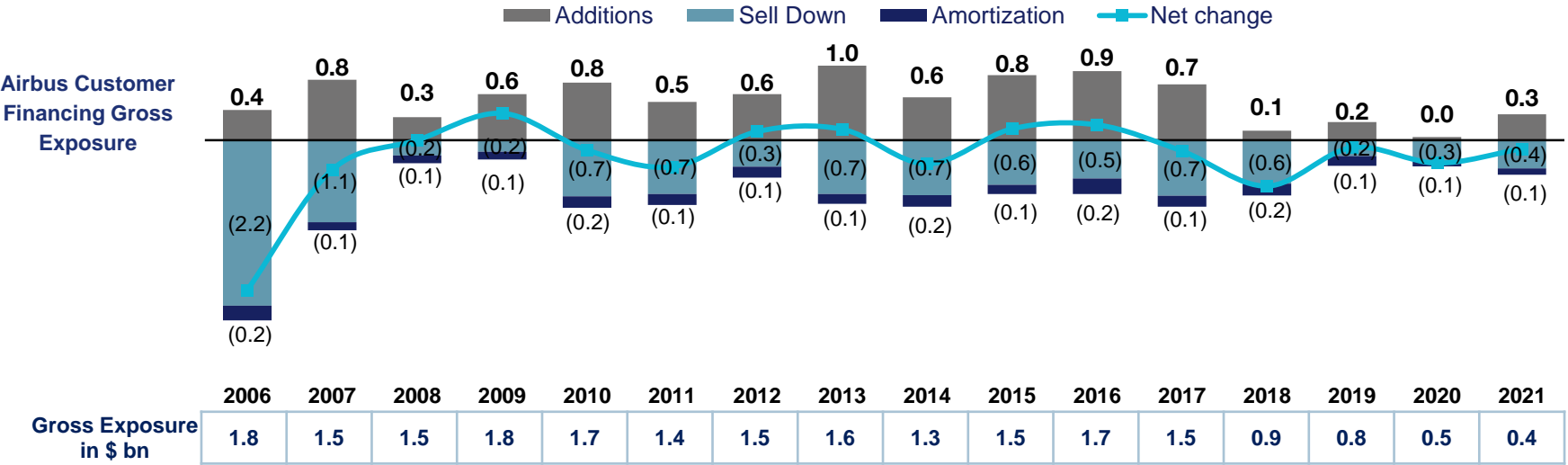
# Customer Financing Exposure

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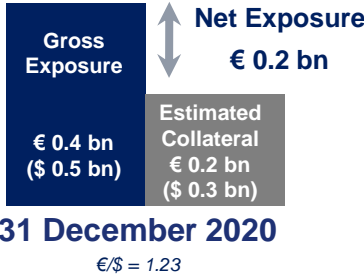
IN € MILLION	Dec. 2021	Dec. 2020	Dec. 2021	Dec. 2020
	Airbus		Helicopters	
Closing rate € 1 =	\$ 1.13	\$ 1.23	\$ 1.13	\$ 1.23
<b>Total Gross Exposure</b>	<b>364</b>	<b>427</b>	<b>58</b>	<b>46</b>
of which off-balance sheet	<b>41</b>	<b>11</b>	<b>26</b>	<b>2</b>
<b>Estimated value of collateral</b>	<b>(282)</b>	<b>(241)</b>	<b>(58)</b>	<b>(38)</b>
<b>Net Exposure</b>	<b>82</b>	<b>186</b>	<b>0</b>	<b>8</b>
<b>Provision and asset impairment</b>	<b>(82)</b>	<b>(186)</b>	<b>0</b>	<b>(8)</b>
<b>Net Exposure after provision</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



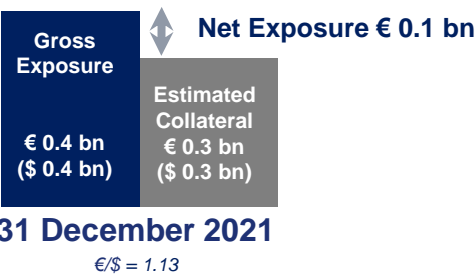
IN € BILLION



Net Exposure fully provisioned



Net Exposure fully provisioned



# Balance Sheet Highlights: Assets

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IN € MILLION	Dec. 2021	Dec. 2020
<b>Non-current Assets</b>	<b>51,247</b>	<b>51,695</b>
of which Intangible & Goodwill	16,367	16,199
of which Property, plant & equipment	16,536	16,674
of which Investments & other long-term financial assets	5,673	5,433
of which Contract assets	27	48
of which Positive hedge mark-to-market	664	3,451
of which Non-current securities	6,794	5,350
<b>Current Assets</b>	<b>55,800</b>	<b>58,400</b>
of which Inventory	28,538	30,401
of which Contract assets	1,377	1,074
of which Cash and cash equivalents	14,572	14,439
of which Current securities	1,317	1,618
of which Positive hedge mark-to-market	341	973
<b>Assets of disposal groups classified as held for sale</b>	<b>0</b>	<b>0</b>
<b>Total Assets</b>	<b>107,047</b>	<b>110,095</b>
Closing rate € vs. \$	1.13	1.23

# Balance Sheet Highlights: Liabilities

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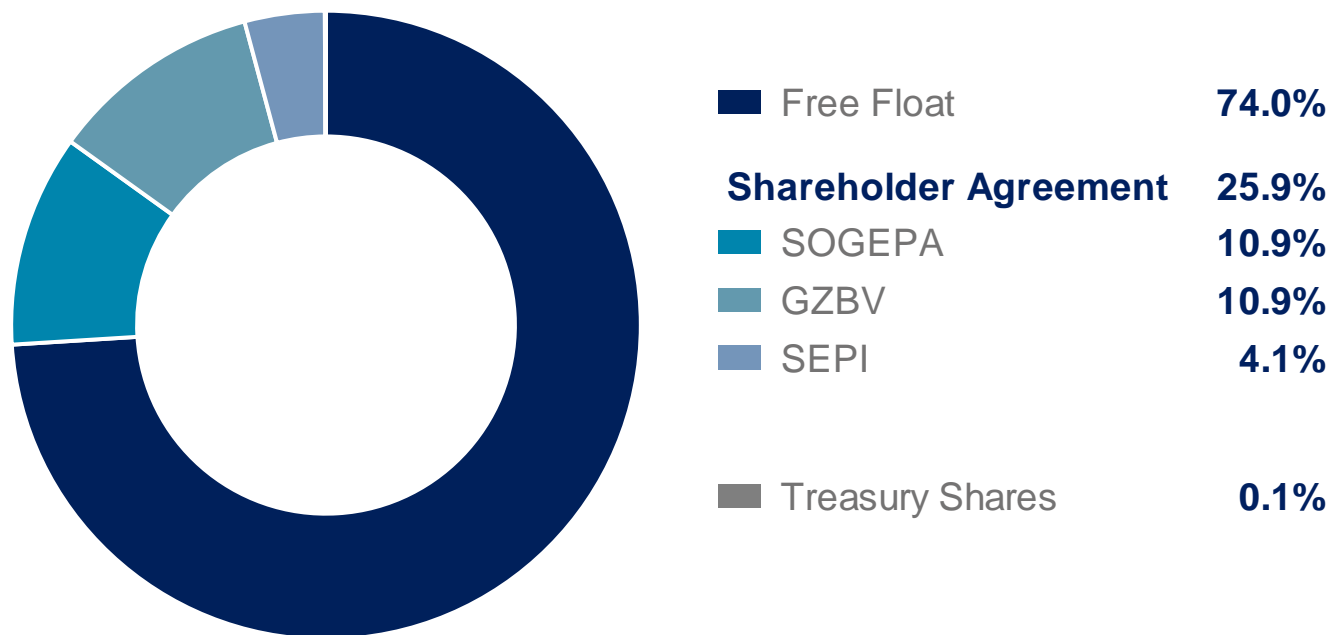
IN € MILLION	Dec. 2021	Dec. 2020
<b>Total Equity</b>	<b>9,486</b>	<b>6,456</b>
of which AOCI (Accumulated Other Comprehensive Income)	(1,822)	1,853
of which Non-controlling interests	20	11
<b>Total Non-current liabilities<sup>(1)</sup></b>	<b>49,754</b>	<b>54,168</b>
of which Pensions	6,659	9,515
of which Other provisions <sup>(1)</sup>	4,112	4,783
of which Financing liabilities	13,094	14,082
of which European Governments' refundable advances	3,730	3,712
of which Contract liabilities	18,620	19,212
of which Negative hedge mark-to-market	2,640	1,834
<b>Total Current liabilities<sup>(1)</sup></b>	<b>47,807</b>	<b>49,471</b>
of which Pensions	413	467
of which Other provisions <sup>(1)</sup>	4,097	5,778
of which Financing liabilities	1,946	3,013
of which European Governments' refundable advances	131	200
of which Contract liabilities	23,906	24,675
of which Trade liabilities	9,693	8,722
of which Negative hedge mark-to-market	1,923	983
<b>Liabilities of disposal groups classified as held for sale</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Equity</b>	<b>107,047</b>	<b>110,095</b>

(1) Previous year allocation between non-current and current provisions has been restated

**AIRBUS**

# Shareholding Structure at 31 December 2021

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▪ 786,083,690 shares issued at 31 December 2021

# Quarterly Revenues Breakdown (Cumulative)

31

IN € MILLION

	Q1		H1		9m		FY	
	2021	2020	2021	2020	2021	2020	2021	2020
Airbus	7,272	7,569	17,813	12,533	24,618	20,271	36,164	34,250
Helicopters	1,177	1,202	2,594	2,333	4,137	3,623	6,509	6,251
Defence and Space	2,115	2,111	4,538	4,551	6,881	6,936	10,186	10,446
Eliminations	(104)	(251)	(308)	(469)	(481)	(669)	(710)	(1,035)
<b>Consolidated Airbus</b>	<b>10,460</b>	<b>10,631</b>	<b>24,637</b>	<b>18,948</b>	<b>35,155</b>	<b>30,161</b>	<b>52,149</b>	<b>49,912</b>

# Quarterly EBIT Adjusted Breakdown (Cumulative)

32

IN € MILLION

	Q1		H1		9m		FY	
	2021	2020	2021	2020	2021	2020	2021	2020
Airbus	533	191	2,291	(1,307)	2,739	(641)	3,570	618
Helicopters	62	53	183	152	314	238	535	471
Defence and Space	59	15	229	186	284	266	696	660
Eliminations	40	22	0	24	32	12	64	(43)
<b>Consolidated Airbus</b>	<b>694</b>	<b>281</b>	<b>2,703</b>	<b>(945)</b>	<b>3,369</b>	<b>(125)</b>	<b>4,865</b>	<b>1,706</b>



# Quarterly **EBIT** Breakdown (Cumulative)

33

IN € MILLION

	Q1		H1		9m		FY	
	2021	2020	2021	2020	2021	2020	2021	2020
Airbus	343	57	2,387	(1,808)	2,889	(2,399)	4,175	(1,330)
Helicopters	62	53	183	152	312	238	535	455
Defence and Space	17	(53)	157	73	204	(36)	568	408
Eliminations	40	22	0	24	32	12	64	(43)
<b>Consolidated Airbus</b>	<b>462</b>	<b>79</b>	<b>2,727</b>	<b>(1,559)</b>	<b>3,437</b>	<b>(2,185)</b>	<b>5,342</b>	<b>(510)</b>

# FY 2021 IFRS vs. APM Cash Flow Reconciliation

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IN € BILLION	Dec. 2021
<b>Cash provided by (used for) operating activities</b>	<b>4.6</b>
t/o Reimbursement from / contribution to plan assets	(0.5)
t/o Treasury swaps	0.0
t/o Change in other operating assets and liabilities	1.1
<b>Gross Cash Flow from Operations</b>	<b>4.1</b>

IN € BILLION	Dec. 2021
<b>Cash provided by (used for) operating activities</b>	<b>4.6</b>
Cash provided by (used for) investing activities	(2.7)
t/o Net proceeds (payment)	(1.2)
Others	0.4
<b>Free Cash Flow</b>	<b>3.5</b>
t/o M&A transactions	(0.0)
<b>Free Cash Flow before M&amp;A</b>	<b>3.5</b>
t/o Customer Financing	0.0
<b>FCF before M&amp;A and Customer Financing</b>	<b>3.5</b>

# Glossary on Alternative Performance Measures (APM)

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This presentation also contains certain “non-GAAP financial measures”, i.e. financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measure calculated and presented in accordance with IFRS. For example, Airbus makes use of the non-GAAP measures “EBIT Adjusted”, “EPS Adjusted” and “Free Cash Flow”.

Airbus uses these non-GAAP financial measures to assess its consolidated financial and operating performance and believes they are helpful in identifying trends in its performance. These measures enhance management’s ability to make decisions with respect to resource allocation and whether Airbus is meeting established financial goals.

Non-GAAP financial measures have certain limitations as analytical tools, and should not be considered in isolation or as substitutes for analysis of Airbus’ results as reported under IFRS. Because of these limitations, they should not be considered substitutes for the relevant IFRS measures.

- **EBIT:** Airbus continues to use the term EBIT (Earnings before interest and taxes). It is identical to Profit before finance cost and income taxes as defined by IFRS Rules.
- **Adjustment** is an alternative performance measure used by Airbus which includes material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EBIT Adjusted:** Airbus uses an alternative performance measure, EBIT Adjusted as a key indicator capturing the underlying business margin by excluding material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EPS Adjusted** is an alternative performance measure of a basic EPS as reported whereby the net income as the numerator does include Adjustments. For reconciliation see slide “Detailed Income Statement and Adjustments”.
- **Gross cash position:** Airbus defines its consolidated gross cash position as the sum of (i) cash and cash equivalents and (ii) securities (all as recorded in the consolidated statement of financial position).
- **Net cash position:** Airbus defines its consolidated net cash position as the sum of (i) cash and cash equivalents and (ii) securities, minus (iii) financing liabilities (all as recorded in the consolidated statement of financial position) as defined in the Universal Registration Document, MD&A section 2.1.6.
- **Gross cash flow from operations:** Gross cash flow from operations is an alternative performance measure and an indicator used by Airbus to measure its operating cash performance before changes in other operating assets and liabilities (working capital). It is defined in the Universal Registration Document, MD&A section 2.1.6.1. as cash provided by operating activities, excluding (i) changes in other operating assets and liabilities (working capital), (ii) contribution to plan assets of pension schemes and (iii) realised foreign exchange results on treasury swaps.
- **Changes in working capital:** it is identical to changes in other operating assets and liabilities as defined by IFRS Rules. It is comprised of inventories, trade receivables, contract assets and contract liabilities (including customer advances), trade liabilities, and other assets and other liabilities.
- **FCF:** For the definition of the alternative performance measure free cash flow, see Universal Registration Document, MD&A section 2.1.6.1. It is a key indicator which allows the Company to measure the amount of cash flow generated from operations after cash used in investing activities.
- **FCF before M&A** refers to free cash flow as defined in the Universal Registration Document, MD&A section 2.1.6.1. adjusted for net proceeds from disposals and acquisitions. It is an alternative performance measure and indicator that is important in order to measure FCF excluding those cash flows from the acquisition and disposal of businesses.
- **FCF before M&A and Customer Financing** refers to free cash flow before mergers and acquisitions adjusted for cash flow related to aircraft financing activities. It is an alternative performance measure and indicator that may be used occasionally by the Company in its financial guidance, especially when there is higher uncertainty around customer financing activities.