

Airbus reports Nine-Month (9m) 2022 results

- 437⁽¹⁾ commercial aircraft delivered in 9m 2022
- Revenues € 38.1 billion; EBIT Adjusted € 3.5 billion
- EBIT (reported) € 3.6 billion; EPS (reported) € 3.26
- Free cash flow before M&A and customer financing € 2.9 billion
- 2022 guidance updated for FCF before M&A and customer financing

Amsterdam, 28 October 2022 – Airbus SE (stock exchange symbol: AIR) reported consolidated financial results for the nine months ended 30 September 2022.

“Airbus delivered a solid nine-month 2022 financial performance in a complex operating environment,” said Guillaume Faury, Airbus Chief Executive Officer. “The supply chain remains fragile resulting from the cumulative impact of COVID, the war in Ukraine, energy supply issues and constrained labour markets. Our strong focus on cash flow and the favourable dollar/euro environment have enabled us to raise our free cash flow guidance for 2022. The commercial aircraft delivery and earnings targets are maintained. Our teams are focused on our key priorities and in particular, delivering the commercial aircraft ramp-up over the coming months and years.”

Gross commercial aircraft orders increased to 856 (9m 2021: 270 aircraft) with net orders of 647 aircraft after cancellations (9m 2021: 133 aircraft). The order backlog amounted to 7,294 commercial aircraft at the end of September 2022. Airbus Helicopters registered 246 net orders (9m 2021: 185 units), with bookings well spread across programmes. Airbus Defence and Space’s order intake by value was € 8.0 billion (9m 2021: € 10.1 billion), corresponding to a book-to-bill ratio slightly above 1. Third quarter 2022 order intake mainly related to services across the Division’s portfolio.

Consolidated **revenues** increased to € 38.1 billion (9m 2021: € 35.2 billion). A total of 437⁽¹⁾ commercial aircraft were delivered (9m 2021: 424⁽²⁾ aircraft), comprising 34 A220s, 340 A320 Family, 21 A330s and 42 A350s⁽²⁾. Revenues generated by Airbus’ commercial aircraft activities increased 8 percent year-on-year, mainly reflecting the higher number of deliveries including a favourable mix and the strengthening of the US dollar. Airbus Helicopters delivered 193 units (9m 2021: 194 units), with revenues rising by 9 percent mainly reflecting growth in services and a favourable mix in programmes. Revenues at Airbus Defence and Space increased 10 percent, mainly driven by the Military Aircraft business and the Eurodrone contract signature. Seven A400M airlifters were delivered in 9m 2022.

Consolidated **EBIT Adjusted** – an alternative performance measure and 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

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as well as capital gains/losses from the disposal and acquisition of businesses – increased slightly to € 3,481 million (9m 2021: € 3,369 million).

EBIT Adjusted related to Airbus' commercial aircraft activities increased to € 2,875 million (9m 2021: € 2,739 million). It included the non-recurring positive impact from retirement obligations recorded in Q1, partly offset by the impact from international sanctions against Russia. It also reflects a less favourable hedge rate compared to 9m 2021.

On the A320 Family programme, production is progressing towards a monthly rate of 65 aircraft in early 2024 and 75 in 2025. The groundwork continues throughout all sites to secure rate 75 and adapt to the higher proportion of A321s in the backlog, ensuring all A320 Family Final Assembly Lines become A321 capable. Preparation for the upgrade of the second A320 FAL in Toulouse is underway. All three test A321XLRs have now flown, with the aircraft's entry-into-service expected to take place in Q2 2024. On widebody aircraft, the Company is exploring, together with its supply chain, the feasibility of further rate increases to meet growing market demand as international air travel recovers.

Airbus Helicopters' EBIT Adjusted increased to € 380 million (9m 2021: € 314 million), partly driven by the growth in services and a favourable mix in programmes. It also reflects non-recurring elements booked in Q1, including the positive impact related to retirement obligations.

EBIT Adjusted at Airbus Defence and Space totalled € 231 million (9m 2021: € 284 million). This decrease mainly reflects the impairment related to the Ariane 6 launcher delay, the impact of rising inflation in some long-term contracts across the Division's portfolio and the consequences of international sanctions, partly offset by the positive impact related to retirement obligations booked in Q1 and Eurodrone.

On the A400M programme, development activities continue towards achieving the revised capability roadmap. Retrofit activities are progressing in close alignment with the customer. Risks remain on the qualification of technical capabilities and associated costs, on aircraft operational reliability, on cost reductions and on securing export orders in time as per the revised baseline.

Consolidated **self-financed R&D expenses** totalled € 1,965 million (9m 2021: € 1,919 million).

Consolidated **EBIT (reported)** amounted to € 3,552 million (9m 2021: € 3,437 million), including net Adjustments of € +71 million.

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These Adjustments comprised:

- € +349 million related to the dollar pre-delivery payment mismatch and balance sheet revaluation, of which € +123 million were in Q3;
- € +33 million related to the A380 programme, of which € +40 million were in Q3;
- € -219 million related to the A400M programme, of which € -1 million were in Q3;
- € -48 million related to the Aerostructures transformation in France and Germany, of which € -15 million were in Q3;
- € -44 million of other costs including compliance, of which € -10 million were in Q3.

The financial result was € -306 million (9m 2021: € -172 million). It mainly reflects the net interest result of € -166 million as well as a negative impact from the revaluation of financial instruments, partly offset by the evolution of the US dollar and the revaluation of certain equity investments. Consolidated **net income**⁽³⁾ was € 2,568 million (9m 2021: € 2,635 million) with consolidated reported **earnings per share** of € 3.26 (9m 2021: € 3.36).

Consolidated **free cash flow before M&A and customer financing** was € 2,899 million (9m 2021: € 2,260 million), reflecting the profit translated into cash and supported by a favourable foreign exchange environment. Consolidated **free cash flow** was € 2,502 million (9m 2021: € 2,308 million). The 2021 dividend of € 1.50 per share, or € 1.2 billion, was paid in Q2 2022 while pension contributions totalled € 0.5 billion in 9m 2022. On 30 September 2022, the **gross cash position** stood at € 22.5 billion (year-end 2021: € 22.7 billion) with a consolidated **net cash position**⁽⁴⁾ of € 8.0 billion (year-end 2021: € 7.7 billion).

Outlook

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 maintains its targets to achieve around 700 commercial aircraft deliveries and around € 5.5 billion of EBIT Adjusted in 2022.
- The Company now targets around € 4.5 billion of Free Cash Flow before M&A and Customer Financing in 2022.

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Note to editors: Live Webcast of the Analyst Conference Call

At **08:00 CEST** on **28 October 2022**, you can listen to the **9m 2022 Results Analyst Conference Call** with **Chief Executive Officer Guillaume Faury** and **Chief Financial Officer Dominik Asam** via the Airbus website <https://www.airbus.com>. The analyst call presentation can also be found on the website. A recording will be made available in due course. For a reconciliation of Airbus' KPIs to "reported IFRS" please refer to the analyst presentation.



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Consolidated Airbus – Nine-Month (9m) 2022 Results

(Amounts in Euro)

| Consolidated Airbus | 9m 2022 | 9m 2021 | Change |
|---|----------------|----------------|---------------|
| Revenues , in millions | 38,119 | 35,155 | +8% |
| thereof defence, in millions | 7,541 | 6,577 | +15% |
| EBIT Adjusted , in millions | 3,481 | 3,369 | +3% |
| EBIT (reported) , in millions | 3,552 | 3,437 | +3% |
| Research & Development expenses , in millions | 1,965 | 1,919 | +2% |
| Net Income⁽³⁾ , in millions | 2,568 | 2,635 | -3% |
| Earnings Per Share | 3.26 | 3.36 | -3% |
| Free Cash Flow (FCF) , in millions | 2,502 | 2,308 | +8% |
| Free Cash Flow before M&A , in millions | 2,609 | 2,322 | +12% |
| Free Cash Flow before M&A and Customer Financing , in millions | 2,899 | 2,260 | +28% |

| Consolidated Airbus | 30 Sept 2022 | 31 Dec 2021 | Change |
|--|---------------------|--------------------|---------------|
| Net Cash position⁽⁴⁾ , in millions of Euro | 7,972 | 7,740 | +3% |
| Number of employees | 131,615 | 126,495 | +4% |

For footnotes please refer to page 10.

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| By Business Segment | Revenues | | | EBIT (reported) | | |
|-------------------------------|---------------|---------|--------|-----------------|---------|--------|
| (Amounts in millions of Euro) | 9m 2022 | 9m 2021 | Change | 9m 2022 | 9m 2021 | Change |
| Airbus | 26,654 | 24,618 | +8% | 3,241 | 2,889 | +12% |
| Airbus Helicopters | 4,515 | 4,137 | +9% | 380 | 312 | +22% |
| Airbus Defence and Space | 7,593 | 6,881 | +10% | -64 | 204 | - |
| Eliminations | -643 | -481 | - | -5 | 32 | - |
| Total | 38,119 | 35,155 | +8% | 3,552 | 3,437 | +3% |

| By Business Segment | EBIT Adjusted | | |
|-------------------------------|---------------|---------|--------|
| (Amounts in millions of Euro) | 9m 2022 | 9m 2021 | Change |
| Airbus | 2,875 | 2,739 | +5% |
| Airbus Helicopters | 380 | 314 | +21% |
| Airbus Defence and Space | 231 | 284 | -19% |
| Eliminations | -5 | 32 | - |
| Total | 3,481 | 3,369 | +3% |

| By Business Segment | Order Intake (net) | | | Order Book | | |
|---|--------------------|---------|--------|--------------|--------------|--------|
| | 9m 2022 | 9m 2021 | Change | 30 Sept 2022 | 30 Sept 2021 | Change |
| Airbus, in units | 647 | 133 | +386% | 7,294 | 6,894 | +6% |
| Airbus Helicopters, in units | 246 | 185 | +33% | 792 | 654 | +21% |
| Airbus Defence and Space, in millions of Euro | 7,991 | 10,134 | -21% | N/A | N/A | N/A |

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Consolidated Airbus – Third Quarter (Q3) 2022 Results

(Amounts in Euro)

| Consolidated Airbus | Q3 2022 | Q3 2021 | Change |
|---|---------|---------|--------|
| Revenues, in millions | 13,309 | 10,518 | +27% |
| EBIT Adjusted, in millions | 836 | 666 | +26% |
| EBIT (reported), in millions | 973 | 710 | +37% |
| Net Income ⁽³⁾ , in millions | 667 | 404 | +65% |
| Earnings Per Share | 0.85 | 0.51 | +67% |

| By Business Segment (Amounts in millions of Euro) | Revenues | | | EBIT (reported) | | |
|--|---------------|---------------|-------------|-----------------|------------|-------------|
| | Q3 2022 | Q3 2021 | Change | Q3 2022 | Q3 2021 | Change |
| Airbus | 9,121 | 6,805 | +34% | 763 | 502 | +52% |
| Airbus Helicopters | 1,771 | 1,543 | +15% | 165 | 129 | +28% |
| Airbus Defence and Space | 2,537 | 2,343 | +8% | 49 | 47 | +4% |
| Eliminations | -120 | -173 | - | -4 | 32 | - |
| Total | 13,309 | 10,518 | +27% | 973 | 710 | +37% |

| By Business Segment (Amounts in millions of Euro) | EBIT Adjusted | | |
|--|---------------|------------|-------------|
| | Q3 2022 | Q3 2021 | Change |
| Airbus | 599 | 448 | +34% |
| Airbus Helicopters | 165 | 131 | +26% |
| Airbus Defence and Space | 76 | 55 | +38% |
| Eliminations | -4 | 32 | - |
| Total | 836 | 666 | +26% |

For footnotes please refer to page 10.

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Q3 2022 revenues increased by 27 percent to € 13,309 million, mainly reflecting higher commercial aircraft deliveries, including a favourable mix, higher contributions from Airbus Defence and Space and Airbus Helicopters, and the appreciation of the US dollar.

Q3 2022 EBIT Adjusted increased by 26 percent to € 836 million, mainly reflecting the increased commercial aircraft deliveries and the higher performance at Airbus Defence and Space and Airbus Helicopters.

Q3 2022 EBIT (reported) of € 973 million included net Adjustments of € +137 million. Net Adjustments in the third quarter of 2021 amounted to € +44 million.

Q3 2022 Net Income⁽³⁾ of € 667 million reflects the EBIT (reported), € -413 million from the financial result and € +74 million from income tax.

EBIT (reported) / EBIT Adjusted Reconciliation

The table below reconciles EBIT (reported) with EBIT Adjusted.

| Consolidated Airbus (Amounts in millions of Euro) | 9m 2022 |
|---|----------------|
| EBIT (reported) | 3,552 |
| thereof: | |
| \$ PDP mismatch/balance sheet revaluation | +349 |
| A380 programme | +33 |
| A400M charge | -219 |
| Aerostructures transformation | -48 |
| Others | -44 |
| EBIT Adjusted | 3,481 |

Glossary

| KPI | DEFINITION |
|--|--|
| EBIT | The Company 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 | Adjustment, an alternative performance measure , is a term used by the Company 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 | The Company 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 | EPS Adjusted is an alternative performance measure of basic earnings per share as reported whereby the net income as the numerator does include Adjustments. For reconciliation, see the Analyst presentation. |
| Gross cash position | The Company 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 | The Company defines its consolidated net cash position as the sum of (i) cash and cash equivalents and (ii) securities, minus (iii) financing liabilities, plus or minus (iiii) interest rate contracts related to fair value hedges (all as recorded in the Consolidated Statement of Financial Position). |
| FCF | For the definition of the alternative performance measure free cash flow, see the 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 | Free cash flow before mergers and acquisitions 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 key indicator that reflects free cash flow excluding those cash flows resulting from acquisitions and disposals of businesses. |
| FCF before M&A and customer financing | Free cash flow 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. |

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Footnotes:

- 1) Before a reduction of two aircraft previously recorded as sold in December 2021 for which a transfer was not possible due to international sanctions against Russia.
- 2) Two A350s delivered on operating lease in 9m 2022 and one A330 delivered on operating lease in 9m 2021 without revenue recognition at delivery.
- 3) Airbus SE continues to use the term Net Income/Loss. It is identical to Profit/Loss for the period attributable to equity owners of the parent as defined by IFRS Rules.
- 4) The Company has decided to refine the net cash definition to include interest rate contracts related to fair value hedges, which is also reflected in the 9m 2022 balance.

Safe Harbour Statement:

This press release 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;
- Aggravation of adverse geopolitical events, including Russia’s invasion of Ukraine and the resulting imposition of export control restrictions and international sanctions, and rising military tensions around the world.

As a result, Airbus SE’s 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 Russia’s invasion of Ukraine, see Note 2 “Ukraine Crisis” of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the nine-month period ended 30 September 2022. For more information about the impact of the COVID-19 pandemic, see Note 3 “Impact of the COVID-19 Pandemic” of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the nine-month period ended 30 September 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 2021 Universal Registration Document filed on 6 April 2022 and the most recent Risk Factors. Any forward-looking statement contained in this press release speaks as of the date of this press release. Airbus SE undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding

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

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