

# Airbus SE

## Unaudited Condensed Interim IFRS Consolidated Financial Information for the three-month period ended 31 March 2023

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# 1

## Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements

### Unaudited Condensed Interim IFRS Consolidated Income Statement

<i>(In € million)</i>	Note	1 January - 31 March 2023	1 January - 31 March 2022
<b>Revenue</b>	<b>9</b>	<b>11,763</b>	<b>12,000</b>
Cost of sales		(10,103)	(9,460)
<b>Gross margin</b>	<b>9</b>	<b>1,660</b>	<b>2,540</b>
Selling expenses		(205)	(181)
Administrative expenses		(382)	(330)
Research and development expenses	10	(683)	(586)
Other income	11	24	22
Other expenses	11	(36)	(19)
Share of profit (loss) from investments accounted for under the equity method	12	9	(21)
Other income from investments	12	3	4
<b>Profit before financial result and income taxes</b>		<b>390</b>	<b>1,429</b>
Interest income		133	2
Interest expense		(166)	(78)
Other financial result		182	242
Total financial result	13	149	166
Income taxes	14	(101)	(402)
<b>Profit for the period</b>		<b>438</b>	<b>1,193</b>
Attributable to			
Equity owners of the parent (Net income)		466	1,219
Non-controlling interests		(28)	(26)
<b>Earnings per share</b>		<b>€</b>	<b>€</b>
Basic	15	0.59	1.55
Diluted	15	0.59	1.55

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

## Unaudited Condensed Interim IFRS Consolidated Statement of Comprehensive Income

<i>(In € million)</i>	Note	1 January - 31 March 2023	1 January - 31 March 2022
<b>Profit for the period</b>		<b>438</b>	<b>1,193</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Re-measurement of the defined benefit pension plans		40	987
Income tax relating to re-measurement of the defined benefit pension plans		(1)	(226)
Change in fair value of financial assets		188	(191)
Income tax relating to change in fair value of financial assets		(24)	24
Share of change from investments accounted for under the equity method		11	2
<i>Items that may be reclassified to profit or loss:</i>			
Foreign currency translation differences for foreign operations		(54)	60
Change in fair value of cash flow hedges		953	(560)
Income tax relating to change in fair value of cash flow hedges		(260)	154
Change in fair value of financial assets		82	(247)
Income tax relating to change in fair value of financial assets		1	2
Share of change from investments accounted for under the equity method		7	7
<b>Other comprehensive income, net of tax</b>		<b>943</b>	<b>12</b>
<b>Total comprehensive income for the period</b>		<b>1,381</b>	<b>1,205</b>
Attributable to:			
Equity owners of the parent		1,399	1,221
Non-controlling interests		(18)	(16)

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

## Unaudited Condensed Interim IFRS Consolidated Statement of Financial Position

<i>(In € million)</i>	Note	<b>31 March 2023</b>	31 December 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	16	16,818	16,768
Property, plant and equipment	16	16,345	16,505
Investment property		37	37
Investments accounted for under the equity method	17	2,063	2,067
Other investments and other long-term financial assets	18	4,713	4,190
Non-current contract assets		30	26
Non-current other financial assets	21	691	781
Non-current other assets	22	1,923	1,872
Deferred tax assets		4,358	4,683
Non-current securities	24	6,236	6,013
<b>Total non-current assets</b>		<b>53,214</b>	<b>52,942</b>
<b>Current assets</b>			
Inventories	19	35,165	32,202
Trade receivables		4,509	4,953
Current portion of other long-term financial assets	18	745	665
Current contract assets		1,616	1,501
Current other financial assets	21	2,320	2,542
Current other assets	22	3,524	2,850
Current tax assets		728	704
Current securities	24	1,670	1,762
Cash and cash equivalents	24	14,512	15,823
<b>Total current assets</b>		<b>64,789</b>	<b>63,002</b>
Assets and disposal group of assets classified as held for sale	6	57	0
<b>Total assets</b>		<b>118,060</b>	<b>115,944</b>

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for the three-month period ended 31 March 2023

<i>(In € million)</i>	Note	31 March 2023	31 December 2022
<b>Equity and liabilities</b>			
<b>Equity attributable to equity owners of the parent</b>			
Capital stock		791	789
Share premium		3,991	3,837
Retained earnings		14,034	13,408
Accumulated other comprehensive income		(4,132)	(5,016)
Treasury shares		(151)	(68)
<b>Total equity attributable to equity owners of the parent</b>		<b>14,533</b>	<b>12,950</b>
Non-controlling interests		35	32
<b>Total equity</b>	23	<b>14,568</b>	<b>12,982</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Non-current provisions	20	6,716	6,896
Long-term financing liabilities	24	10,650	10,631
Non-current contract liabilities		21,274	22,044
Non-current other financial liabilities	21	9,113	10,117
Non-current other liabilities	22	446	498
Deferred tax liabilities		205	164
Non-current deferred income		25	17
<b>Total non-current liabilities</b>		<b>48,429</b>	<b>50,367</b>
<b>Current liabilities</b>			
Current provisions	20	4,008	4,127
Short-term financing liabilities	24	2,102	2,142
Trade liabilities		13,800	13,261
Current contract liabilities		25,873	23,869
Current other financial liabilities	21	3,451	4,073
Current other liabilities	22	4,457	3,803
Current tax liabilities		734	817
Current deferred income		550	503
<b>Total current liabilities</b>		<b>54,975</b>	<b>52,595</b>
Disposal group of liabilities classified as held for sale	6	88	0
<b>Total liabilities</b>		<b>103,492</b>	<b>102,962</b>
<b>Total equity and liabilities</b>		<b>118,060</b>	<b>115,944</b>

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

## Unaudited Condensed Interim IFRS Consolidated Statement of Cash Flows

<i>(In € million)</i>	Note	1 January - 31 March 2023	1 January - 31 March 2022
<b>Operating activities</b>			
Profit for the period attributable to equity owners of the parent (Net income)		466	1,219
Loss for the period attributable to non-controlling interests		(28)	(26)
<i>Adjustments to reconcile profit for the period to cash provided by operating activities:</i>			
Depreciation and amortisation		495	585
Valuation adjustments		(389)	(384)
Deferred tax expense (income)		70	58
Change in income tax assets, income tax liabilities and provisions for income tax		(108)	279
Results on disposals of non-current assets		8	0
Results of investments accounted for under the equity method		(9)	21
Change in current and non-current provisions		(177)	(532)
Contribution to plan assets		(70)	(70)
<b>Change in other operating assets and liabilities</b>		<b>(737)</b>	<b>(662)</b>
<b>Cash provided by (used for) operating activities</b>		<b>(479)</b>	<b>488</b>
<b>Investing activities</b>			
Purchases of intangible assets, property, plant and equipment and investment property		(497)	(337)
Proceeds from disposals of intangible assets, property, plant and equipment and investment property		6	25
Acquisitions of subsidiaries, joint ventures, businesses and non-controlling interests (net of cash)		0	(6)
Payments for investments accounted for under the equity method, other investments and other long-term financial assets		(218)	(231)
Proceeds from disposals of investments accounted for under the equity method, other investments and other long-term financial assets		86	96
Change in securities		(88)	92
<b>Cash (used for) investing activities</b>		<b>(711)</b>	<b>(361)</b>
<b>Financing activities</b>			
Change in financing liabilities		(153)	28
Change in liability for puttable instruments		138	134
Change in capital and non-controlling interests		140	139
Change in treasury shares		(83)	(36)
<b>Cash provided by financing activities</b>		<b>42</b>	<b>265</b>
Effect of foreign exchange rate changes on cash and cash equivalents		(155)	81
<b>Net increase (decrease) in cash and cash equivalents</b>	24	<b>(1,303)</b>	<b>473</b>
<b>Cash and cash equivalents at beginning of period</b>	24	<b>15,823</b>	<b>14,572</b>
<b>Cash and cash equivalents at end of period</b>	24	<b>14,520</b>	<b>15,045</b>
<i>thereof presented as cash and cash equivalents</i>	24	14,512	15,045
<i>thereof presented as part of disposal groups classified as held for sale</i>	6	8	0

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

## Unaudited Condensed Interim IFRS Consolidated Statement of Changes in Equity

<i>(In € million)</i>	Equity attributable to equity owners of the parent	Non-controlling interests	Total Equity
<b>Balance at 1 January 2022</b>	<b>9,466</b>	<b>20</b>	<b>9,486</b>
Profit for the period	1,219	(26)	1,193
Other comprehensive income	2	10	12
Total comprehensive income for the period	1,221	(16)	1,205
Capital increase	136	0	136
Share-based payment	83	0	83
Equity transaction	0	21	21
Change in treasury shares	(36)	0	(36)
<b>Balance at 31 March 2022</b>	<b>10,870</b>	<b>25</b>	<b>10,895</b>
<b>Balance at 1 January 2023</b>	<b>12,950</b>	<b>32</b>	<b>12,982</b>
Profit for the period	466	(28)	438
Other comprehensive income	933	10	943
Total comprehensive income for the period	1,399	(18)	1,381
Capital increase	156	0	156
Share-based payment	131	0	131
Equity transaction	(20)	21	1
Change in treasury shares	(83)	0	(83)
<b>Balance at 31 March 2023</b>	<b>14,533</b>	<b>35</b>	<b>14,568</b>

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

# 2

## Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements

### 1. The Company

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The accompanying Unaudited Condensed Interim IFRS Consolidated Financial Statements present the financial position and the results of operations of **Airbus SE** together with its subsidiaries referred to as “the Company”, a European public limited-liability company (*Societas Europaea*) with its seat (*statutaire zetel*) in Amsterdam, The Netherlands, its registered address at Mendelweg 30, 2333 CS Leiden, The Netherlands, and registered with the Dutch Commercial Register (Handelsregister) under number 24288945. The Company’s reportable segments are Airbus, Airbus Helicopters and Airbus Defence and Space (see “– Note 8: Segment Information”). The Company is listed on the European stock exchanges in Paris, Frankfurt am Main, Madrid, Barcelona, Valencia and Bilbao. The Unaudited Condensed Interim IFRS Consolidated Financial Statements were authorised for issue by the Company’s Board of Directors on 3 May 2023.

### 2. Ukraine Crisis

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Russia’s invasion of Ukraine on 24 February 2022 and the resulting export control restrictions and international sanctions against Russia, Belarus and certain Russian entities and individuals have resulted in disruption to the Company’s business, its operations, data management and supply chain.

Following the imposition of export control restrictions and sanctions by the EU, the UK, the US and other countries that are relevant to the Company’s business, the Company announced in March 2022 it has suspended the delivery of aircraft and support services to Russian customers, as well as the supply of spare parts, equipment and software to Russia. The Company is complying with all applicable regulations and sanctions to its facilities and operations in Russia.

The crisis has increased the Company’s exposure to supply chain disruption risk. Part of the titanium used by the Company is sourced from Russia, both directly and indirectly through the Company’s suppliers. While geopolitical risks are integrated into the Company’s titanium sourcing policies, the impact of Russia’s invasion of Ukraine on the Company’s ability to source materials and components and any future expansion of sanctions is continuously being reviewed.

The Company is also indirectly exposed through its partnership into the joint venture ArianeGroup. Arianespace paid and received pre-payments for the Soyuz program for which Roscosmos decided to suspend the rocket launches operated by Arianespace. Agreements have been reached on pre-payments received with two of these clients. Negotiations are well advanced with the remaining customers.

In 2022 and in the first three months 2023, there was no material impact.

### 3. Macroeconomic Environment

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In 2022, the Company has been operating in an adverse macroeconomic environment in light of high inflation, energy crisis, increasing interest rates, but also remaining effects of the COVID-19 pandemic.

During 2022, the Company experienced increases in its labour rates, due to wage increases but also through the distribution of exceptional premiums granted to employees to help them face inflation and the energy crisis. Furthermore, it also faced increases in raw material and energy costs. The main impacts of inflation on the Company’s Consolidated Financial Statements have been assessed (see “– Note 9: Revenue and Gross Margin”). In particular, the Company concluded that the main material effect on the margin of its overtime contracts or on the provision for loss at completion of the onerous contracts recognised as of 31 December 2022 was related to its A400M contract.

In 2022, the strengthened US dollar versus the euro had a negative impact on the mark to market valuation of the hedge portfolio, while higher interest rates led to a decrease in the bonds portfolio (for more details, see “– Note 21: Other Financial Assets and Other Financial Liabilities”). The increase in interest rates also resulted in a decrease of the defined benefit obligations of the pension plans, only partly offset by a decline in pension plan assets (see “– Note 20: Provisions”). Associated increases in discount rates did not result in any further long-term assets impairment charges.



This environment has further increased the Company's exposure to supply chain disruption, already impacted by the consequences of Russia's invasion of Ukraine (see "– Note 2: Ukraine Crisis"). This supply chain disruption caused shortage or delay of materials and parts, hampering the Company's production ramp-up. On the A320 Family programme, the ramp-up trajectory has been adapted with suppliers. The Company is progressing towards a monthly production rate of 65 aircraft by the end of 2024 and 75 in 2026. The A330 monthly production rate increased to around 3 at the end of 2022 as planned and the Company targets to reach rate 4 in 2024. The A350 monthly rate is around 6 aircraft. In order to meet growing demand for widebody aircraft as international air travel recovers, and following a feasibility study with the supply chain, the Company is targeting a monthly production rate of 9 A350s at the end of 2025.

There has been no material change in the first three months 2023.

The Company has not been materially impacted by the recent banking crisis in relation to the collapse of Silicon Valley Bank and Credit Suisse during the first quarter of 2023.

## 4. Accounting Policies

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The Unaudited Condensed Interim IFRS Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") as endorsed by the European Union ("EU"). They are prepared and reported in euro ("€") and all values are rounded to the nearest million appropriately. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

These Unaudited Condensed Interim IFRS Consolidated Financial Statements are prepared in compliance with IAS 34 and should be read in conjunction with the IFRS Consolidated Financial Statements as of 31 December 2022. The Company's accounting policies and methods are unchanged compared to 31 December 2022. The implementation of new or amended standards has no material impact on the Unaudited Condensed Interim IFRS Consolidated Financial Statements as of 31 March 2023.

### Use of Estimates and Judgements

In preparing the Unaudited Condensed Interim IFRS Consolidated Financial Statements, management makes assumptions and estimates. These estimates are revised if the underlying circumstances have evolved or in light of new information. The underlying assumptions used for the main estimates are similar to those described in the Company's IFRS Consolidated Financial Statements as of 31 December 2022.

## 5. Climate Impacts

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Climate change may have a major impact on both the Company's industrial operations and its upstream and downstream value chains, including aircraft direct operations and the wider air transport ecosystem. Accordingly, climate-related risks can potentially affect the Company's business and competitiveness, its customers and other actors in the aviation industry.

As of 31 March 2023, to the best of the Company's judgment, there is no material impact on the Company's assets and liabilities. The Company considered the assumptions related to the life cycle of its programmes and the related impacts on long-lived assets and concluded that there is no need for impairment.

Similarly, the Company did not identify any need for revision to the useful lives of the property, plant and equipment and intangible assets.

This is supported by the current demand for the Company's products as demonstrated by its order backlog. As it relates to commercial aircraft, the Company's current portfolio already delivers significant CO<sub>2</sub> reduction when compared to the previous generation aircraft. Around 75% of the global commercial aircraft fleet is made up of older generation aircraft, therefore, renewing the fleet represents an immediate potential for aviation decarbonisation. Furthermore, the Company expects its commitment to certify all current aircraft and helicopter programmes to be capable of flying on 100% Sustainable Aviation Fuels (SAF) by 2030 will play an important role in the sector's decarbonisation journey.

The Company has received approval from the Science Based Targets initiative (SBTi) for its greenhouse gas emission reduction near-term targets. These targets, in line with the Paris agreement's objectives, are based on climate science and cover the full set of the Company's emissions. Airbus intends to reduce its Scope 1 and Scope 2 industrial emissions by up to 63% by 2030, in line with a 1.5°C pathway. The Company also committed to reducing by 46% the greenhouse gas emissions intensity generated by its commercial aircraft in service (Scope 3 - Use of Sold Product) by 2035.

In support of the overall sector ambition, the Company is investing in and accelerating its efforts on complementary strategic pathways to reduce its environmental footprint. Overall, a major portion of the Company capital expenditures, research & technology, and research & development expenses is linked to its commercial aircraft activities and the realisation of five decarbonisation pathways. In the first three months 2023, the total research & development expenses amounted to € 0.7 billion (first three months 2022: € 0.6 billion).

## 6. Acquisitions and Disposals

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### Acquisitions

On 20 June 2022, a Share Purchase Agreement was signed by the Company, Safran and Tikehau Capital for the acquisition of Aubert & Duval from Eramet. On 28 April 2023, the acquisition was finalised following the satisfaction of all conditions precedent including required regulatory approvals (see “– Note 28: Events after the Reporting Date”).

On 20 July 2022, Satair USA, Inc. signed a Membership Interest Purchase Agreement under which it acquired 100% of the shares of VAS Aero Services, LLC. VAS Aero Services provides aviation logistics and aftermarket services including end-of-life support. A preliminary goodwill of € 67 million was recognised as of 31 December 2022 and the one year window period for the completion of the purchase price allocation will end in June 2023.

On 31 December 2022, Airbus Helicopters Deutschland GmbH acquired 100% of the shares of ZF Luftfahrttechnik GmbH. ZF Luftfahrttechnik was subsequently renamed Airbus Helicopters Technik GmbH. The company is a manufacturer of dynamic components for light and medium helicopters and a maintenance, repair, and overhaul service partner for helicopter fleet. A preliminary goodwill of € 60 million was recognised as of 31 December 2022 and the one year window period for the completion of the purchase price allocation will end in December 2023.

### Assets and Disposal Groups Classified as Held for Sale

As of 31 March 2023, the Company intends to divest one of its subsidiary. The assets and liabilities relating to this disposal have been reclassified to assets classified as held for sale for a net amount of € -31 million. The transaction is expected to be closed within the next twelve months.

## 7. Related Party Transactions

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The Company has entered into various transactions with related entities; carried out in the normal course of business.

## 8. Segment Information

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The Company operates in three reportable segments which reflect the internal organisational and management structure according to the nature of the products and services provided.

- **Airbus** — Development, manufacturing, marketing and sale of commercial jet passenger aircraft of more than 100 seats, freighter aircraft and regional turboprop aircraft and aircraft components; aircraft conversion and related services. It also includes the holding function of the Company and its bank activities.
- **Airbus Helicopters** — Development, manufacturing, marketing and sale of civil and military helicopters; provision of helicopter related services.
- **Airbus Defence and Space** — Military Air Systems design, development, delivery and support of manned and unmanned military air systems and their associated services. Space Systems design, development, delivery, and support of a broad range of civil and defence space systems for telecommunications, earth observations, navigation, science and orbital systems. Connected Intelligence provision of services around data processing from platforms, secure communication and cyber security. In addition, the main joint ventures design, develop, deliver, and support missile systems and space launcher systems.

The following tables present information with respect to the Company's business segments. As a rule, inter-segment transfers are carried out on an arm's length basis. Inter-segment sales predominantly take place between Airbus and Airbus Defence and Space and between Airbus Helicopters and Airbus. Consolidation effects are reported in the column "Eliminations".

The Company uses EBIT as a key indicator of its economic performance.

Airbus SE  
Unaudited Condensed Interim IFRS Consolidated Financial Information  
for the three-month period ended 31 March 2023

Business segment information for the three-month period ended 31 March 2023 is as follows:

<i>(In € million)</i>	Airbus	Airbus Helicopters	Airbus Defence and Space	Eliminations	<b>Consolidated Airbus</b>
Total revenue	8,110	1,598	2,299	0	12,007
Internal revenue	(167)	(69)	(8)	0	(244)
<b>Revenue</b>	<b>7,943</b>	<b>1,529</b>	<b>2,291</b>	<b>0</b>	<b>11,763</b>
<i>thereof</i>					
<i>sales of goods at a point in time</i>	6,984	617	657	0	8,258
<i>sales of goods over time</i>	0	164	869	0	1,033
<i>services, including sales of spare parts</i>	959	748	765	0	2,472
<b>Profit before financial result and income taxes (EBIT)</b>	<b>197</b>	<b>156</b>	<b>36</b>	<b>1</b>	<b>390</b>
<i>thereof research and development expenses</i>	(569)	(66)	(45)	(3)	(683)
Interest result					(33)
Other financial result					182
Income taxes					(101)
<b>Profit for the period</b>					<b>438</b>

Business segment information for the three-month period ended 31 March 2022 is as follows:

<i>(In € million)</i>	Airbus	Airbus Helicopters	Airbus Defence and Space	Eliminations	<b>Consolidated Airbus</b>
Total revenue	8,541	1,265	2,453	0	12,259
Internal revenue	(184)	(65)	(10)	0	(259)
<b>Revenue</b>	<b>8,357</b>	<b>1,200</b>	<b>2,443</b>	<b>0</b>	<b>12,000</b>
<i>thereof</i>					
<i>sales of goods at a point in time</i>	7,634	479	709	0	8,822
<i>sales of goods over time</i>	0	49	985	0	1,034
<i>services, including sales of spare parts</i>	723	672	749	0	2,144
<b>Profit before financial result and income taxes (EBIT)</b>	<b>1,242</b>	<b>90</b>	<b>95</b>	<b>2</b>	<b>1,429</b>
<i>thereof research and development expenses</i>	(477)	(56)	(53)	0	(586)
Interest result					(76)
Other financial result					242
Income taxes					(402)
<b>Profit for the period</b>					<b>1,193</b>

## 9. Revenue and Gross Margin

**Revenue** decreased by €-237 million to €11,763 million (first three months 2022: €12,000 million). The decrease is mainly driven by Airbus (€-414 million) reflecting lower volume in aircraft deliveries and Airbus Defence and Space (€-152 million) partly offset by Airbus Helicopters (€+329 million) mainly reflecting higher deliveries.

Revenue by geographical areas based on the location of the customer is as follows:

<i>(In € million)</i>	<b>1 January - 31 March 2023</b>	1 January - 31 March 2022
Europe	5,045	5,180
Asia-Pacific	2,740	3,084
North America	2,754	2,650
Middle East	467	507
Latin America	269	291
Other countries	488	288
<b>Total</b>	<b>11,763</b>	<b>12,000</b>

The **gross margin** decreased by €-880 million to €1,660 million compared to €2,540 million in the first three months 2022. It is mainly driven by lower aircraft deliveries and negative foreign exchange impacts. In the first three months 2022, the gross margin included a non-recurring positive impact related to the re-measurement of past service cost in the retirement obligations of €0.4 billion. The gross margin rate decreased from 21.2% to 14.1%.

In 2022, the Company performed an assessment of the impacts of inflation which mainly relate to the overtime contracts within Airbus Defence and Space, in particular the A400M programme for €0.2 billion. The year-end assessment remains unchanged as of 31 March 2023.

In the first three months 2023, the Company has delivered 1 A400M aircraft.

The Company has continued with development activities toward achieving the revised capability roadmap. Retrofit activities are progressing in close alignment with the customer.

In 2022, an update of the contract EAC was performed and an additional charge of € 477 million recorded, mainly reflecting updated assumptions, including inflation and risks related to the remaining SOC3 contractual development milestones to be achieved. The year-end assessment remains unchanged as of 31 March 2023.

Risks remain on the qualification of technical capabilities and associated costs, on aircraft operational reliability, on cost reductions and on securing overall volume as per the revised baseline.

In a notice of termination dated 9 June 2022, the Norwegian Defence Material Agency notified NHIndustries SAS ("NHI") of the Norwegian Ministry of Defence's decision to terminate its contract for the supply of 14 NH90 helicopters. In a press release dated 10 June 2022, NHI noted it "is extremely disappointed by the decision taken by the Norwegian Ministry of Defence and refutes the allegations being made against the NH90 as well as against [NHI]." NHI considers the termination to be legally groundless and reserves its right to take any necessary legal action to challenge it. The parties are engaging in discussions with a view to resolve this matter.

## 10. Research and Development Expenses

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**Research and development expenses** increased by € 97 million to € 683 million compared to € 586 million in the first three months 2022.

## 11. Other Income and Other Expenses

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**Other income** increased by € +2 million to € 24 million compared to € 22 million in the first three months 2022.

**Other expenses** increased by € 17 million to € -36 million compared to € -19 million in the first three months 2022.

## 12. Share of Profit from Investments Accounted for under the Equity Method and Other Income from Investments

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**Share of profit from investments under the equity method** and **other income from investments** increased by € +29 million to € 12 million compared to € -17 million in the first three months 2022.

## 13. Total Financial Result

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**Total financial result** deteriorated by € -17 million to € 149 million compared to € 166 million in the first three months 2022. This is driven by the revaluation of certain equity investments partly offset by the positive impact from the revaluation of financial instruments and a higher net interest result.

## 14. Income Taxes

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The **income tax** expense amounts to € -101 million (first three months 2022: € -402 million) and corresponds to an effective income tax rate of 18.7%. This includes impacts on the tax-free revaluation of certain equity investments under IFRS 9, tax risk updates and deferred tax asset impairments.

## 15. Earnings per Share

	1 January - 31 March 2023	1 January - 31 March 2022
Profit for the period attributable to equity owners of the parent (Net income)	€ 466 million	€ 1,219 million
Weighted average number of ordinary shares	787,791,767	785,841,075
<b>Basic earnings per share</b>	<b>€ 0.59</b>	<b>€ 1.55</b>

**Diluted earnings per share** – The Company's dilutive potential ordinary shares are equity-settled Performance Shares relating to **Long-Term Incentive Plans ("LTIP")**. For the shares meeting the performance conditions at the closing date, the dilutive effect is determined in accordance with the treasury share method specified by IAS 33 – Earnings per share.

In the first three months 2023, a total of 964,114 equity-settled Performance Shares was considered in the calculation of diluted earnings per share.

	1 January - 31 March 2023	1 January - 31 March 2022
Profit for the period attributable to equity owners of the parent (Net income), adjusted for diluted calculation	€ 466 million	€ 1,219 million
Weighted average number of ordinary shares (diluted)	788,755,881	786,392,417
<b>Diluted earnings per share</b>	<b>€ 0.59</b>	<b>€ 1.55</b>

## 16. Intangible Assets and Property, Plant and Equipment

**Intangible assets** increased by € +50 million to € 16,818 million (prior year-end: € 16,768 million). Intangible assets mainly relate to goodwill of € 13,158 million (prior year-end: € 13,165 million). Based on management's best estimate, there is no impact on the useful life of capitalised development costs resulting from the Company's journey towards sustainable aerospace (see "– Note 5: Climate Impacts").

**Property, plant and equipment** decreased by € -160 million to € 16,345 million (prior year-end: € 16,505 million). Property, plant and equipment include right-of-use assets for an amount of € 1,682 million as of 31 March 2023 (prior year-end: € 1,746 million). Based on management's best estimate, there is no impact on the useful life of Property, plant and equipment, considering the Company's journey towards sustainable aerospace, climate risks and current amortisation schemes over asset life (see "– Note 5: Climate Impacts").

## 17. Investments Accounted for under the Equity Method

**Investments accounted for under the equity method** decreased by € -4 million to € 2,063 million (prior year-end: € 2,067 million). They mainly include the equity investments in ArianeGroup, MBDA and ATR GIE.

## 18. Other Investments and Other Long-Term Financial Assets

<i>(In € million)</i>	31 March 2023	31 December 2022
Other investments	3,046	2,641
Other long-term financial assets	1,667	1,549
<b>Total non-current other investments and other long-term financial assets</b>	<b>4,713</b>	<b>4,190</b>
<b>Current portion of other long-term financial assets</b>	<b>745</b>	<b>665</b>
<b>Total</b>	<b>5,458</b>	<b>4,855</b>

**Other investments** mainly comprise the Company's participations and include the remaining investment in Dassault Aviation (9.90%, prior year-end: 9.90%) amounting to € 1,511 million at 31 March 2023 (prior year-end: € 1,309 million).

**Other long-term financial assets** and the **current portion of other long-term financial assets** include other loans in the amount of € 2,341 million as of 31 March 2023 (prior year-end: € 2,129 million), and the sales financing activities in the form of finance lease receivables and loans from aircraft financing.

## 19. Inventories

**Inventories** of € 35,165 million (prior year-end: € 32,202 million) increased by € +2,963 million. This is driven by Airbus (€ +2,315 million), mainly linked to an increase in the work in progress, reflecting the inventory build up to support the ramp up across all programmes.

## 20. Provisions

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Provisions for pensions	3,358	3,509
Other provisions	7,366	7,514
<b>Total</b>	<b>10,724</b>	<b>11,023</b>
<i>thereof non-current portion</i>	6,716	6,896
<i>thereof current portion</i>	4,008	4,127

As of 31 March 2023, provisions for pensions amount to € 3.4 billion (prior year-end: € 3.5 billion).

As of 31 March 2023, a non-current asset of € 0.6 billion (prior year-end: € 0.6 billion) is accounted for to reflect the surplus in two pension funds in the UK, the Airbus Section of the participation in BAE Systems Pension Scheme and the Company UK Pension Scheme (see “– Note 22: Other Assets and Other Liabilities”).

## 21. Other Financial Assets and Other Financial Liabilities

### Other Financial Assets

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Positive fair values of derivative financial instruments	661	753
Others	30	28
<b>Total non-current other financial assets</b>	<b>691</b>	<b>781</b>
Receivables from related companies	1,019	1,104
Positive fair values of derivative financial instruments	927	1,141
Others	374	297
<b>Total current other financial assets</b>	<b>2,320</b>	<b>2,542</b>
<b>Total</b>	<b>3,011</b>	<b>3,323</b>

### Other Financial Liabilities

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Liabilities for derivative financial instruments	5,065	6,163
European Governments' refundable advances	3,709	3,717
Others	339	237
<b>Total non-current other financial liabilities</b>	<b>9,113</b>	<b>10,117</b>
Liabilities for derivative financial instruments	2,799	3,450
European Governments' refundable advances	130	140
Liabilities to related companies	201	186
Others	321	297
<b>Total current other financial liabilities</b>	<b>3,451</b>	<b>4,073</b>
<b>Total</b>	<b>12,564</b>	<b>14,190</b>

The total net fair value of derivative financial instruments improved by € +1,443 million to € -6,276 million (prior year-end: € -7,719 million) as a result of the weakened US dollar versus the euro associated with the mark to market valuation of the hedge portfolio.

In the first three months 2023, the European Governments' refundable advances decreased by € -18 million to € 3,839 million (prior year-end: € 3,857 million).

The allocation of European Governments' refundable advances between non-current and current presented in the Unaudited Condensed Interim IFRS Consolidated Financial Statements ended 31 March 2023 is based on the applicable contractual repayment dates.

## 22. Other Assets and Other Liabilities

### Other Assets

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Cost to fulfil a contract	368	337
Prepaid expenses	199	149
Others	1,356	1,386
<b>Total non-current other assets</b>	<b>1,923</b>	<b>1,872</b>
Value added tax claims	1,943	1,732
Cost to fulfil a contract	461	448
Prepaid expenses	370	161
Others	750	509
<b>Total current other assets</b>	<b>3,524</b>	<b>2,850</b>
<b>Total</b>	<b>5,447</b>	<b>4,722</b>

As of 31 March 2023, non-current other assets include € 702 million of payments to be made to Airbus by suppliers after aircraft delivery (prior year-end: € 673 million). They are recorded as a reduction of cost of goods sold at the time of aircraft delivery. These future payments are discounted to reflect specific contractual terms and repayment profile.

As of 31 March 2023, a non-current asset of € 0.6 billion (prior year-end: € 0.6 billion) is accounted for to reflect the surplus in two pension funds in the UK (see “– Note 20: Provisions”).

### Other Liabilities

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Others	446	498
<b>Total non-current other liabilities</b>	<b>446</b>	<b>498</b>
Tax liabilities (excluding income tax)	1,172	1,082
Others	3,285	2,721
<b>Total current other liabilities</b>	<b>4,457</b>	<b>3,803</b>
<b>Total</b>	<b>4,903</b>	<b>4,301</b>

As of 31 March 2023, current other liabilities mainly comprise tax (excluding income tax) and personnel liabilities.

## 23. Total Equity

The Company's shares are exclusively ordinary shares with a par value of € 1.00. The following table shows the development of the number of shares issued and fully paid:

<i>(In number of shares)</i>	<b>31 March 2023</b>	31 December 2022
<b>Issued at 1 January</b>	<b>788,205,008</b>	<b>786,083,690</b>
Issued for ESOP	2,190,603	2,121,318
<b>Issued at end of period</b>	<b>790,395,611</b>	<b>788,205,008</b>
Treasury shares	(1,332,444)	(647,500)
<b>Outstanding at end of period</b>	<b>789,063,167</b>	<b>787,557,508</b>

Holders of ordinary shares are entitled to dividends and to one vote per share at general meetings of the Company.

**Equity attributable to equity owners of the parent** (including purchased treasury shares) amounts to € 14,533 million (prior year-end: € 12,950 million) representing an increase of € +1,583 million mainly explained by the net income for the period of € +466 million and an increase in the other comprehensive income, principally related to the mark to market revaluation of the hedge portfolio of € +674 million and the change in fair value of financial assets of € +247 million.

The **non-controlling interests (“NCI”)** from non-wholly owned subsidiaries increased to € 35 million as of 31 March 2023 (prior year-end: € 32 million). These NCI do not have a material interest in the Company's activities and cash flows.

## 24. Net Cash

The net cash position provides financial flexibility to fund the Company's operations, to react to business needs and risk profile and to return capital to the shareholders.

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Cash and cash equivalents	14,512	15,823
Current securities	1,670	1,762
Non-current securities	6,236	6,013
<b>Gross cash position</b>	<b>22,418</b>	<b>23,598</b>
Short-term financing liabilities	(2,102)	(2,142)
Long-term financing liabilities	(10,650)	(10,631)
Interest rate contracts	(1,307)	(1,394)
<b>Total</b>	<b>8,359</b>	<b>9,431</b>

The net cash position on 31 March 2023 amounted to € 8,359 million (prior year-end: € 9,431 million), with a gross cash position of € 22,418 million (prior year-end: € 23,598 million).

### Cash and Cash Equivalents

Cash and cash equivalents are composed of the following elements:

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Bank account and petty cash	5,676	3,687
Short-term securities (at fair value through profit or loss)	7,930	11,135
Short-term securities (at fair value through OCI)	906	1,001
<b>Total cash and cash equivalents</b>	<b>14,512</b>	<b>15,823</b>

Only securities with a maturity of three months or less from the date of the acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, are recognised in cash equivalents.

Cash and cash equivalents have decreased by € -1.3 billion from € 15.8 billion at 31 December 2022 to € 14.5 billion at 31 March 2023 and they include payments received in advance from certain customers.

The main variations are as follows:

Cash used for operating activities amounted to € -0.5 billion in the first three months 2023, driven by a negative impact from working capital which mainly reflects the increase in inventory partly compensated by a positive impact from contract assets and contract liabilities, and trade liabilities relating to a phasing impact from payments made to suppliers in anticipation.

Cash used for investing activities amounted to € -0.7 billion, mainly reflecting capital expenditures.

Cash provided by financing activities amounted to € +42 million.

Similar to previous years, the Company has supported its suppliers concerning supply chain financing arrangements. As of 31 March 2023, these arrangements have no impact on the Company's Unaudited Condensed Interim IFRS Consolidated Financial Statements. The Company evaluates such suppliers' early payment arrangements against a number of indicators to assess whether the payable continues to hold the characteristics of a trade payable or should be classified as borrowings; these indicators include whether the payment terms exceed customary payment terms in the industry. As at 31 March 2023, the payables subject to supplier financing arrangements do not meet the criteria to be reclassified as borrowings.



## Financing Liabilities

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Bonds and commercial papers	8,725	8,681
Liabilities to financial institutions	331	383
Loans	168	75
Lease liabilities	1,426	1,492
<b>Total long term financing liabilities</b>	<b>10,650</b>	<b>10,631</b>
Bonds and commercial papers	0	0
Liabilities to financial institutions	27	27
Loans	78	83
Lease liabilities	232	242
Others <sup>(1)</sup>	1,765	1,790
<b>Total short term financing liabilities</b>	<b>2,102</b>	<b>2,142</b>
<b>Total</b>	<b>12,752</b>	<b>12,773</b>

(1) Included in "others" are financing liabilities to joint ventures.

**Long-term financing liabilities**, mainly comprising of bonds and lease liabilities, increased by € +19 million to € 10,650 million (prior year-end: € 10,631 million).

**Short-term financing liabilities** decreased by € -40 million to € 2,102 million (prior year-end: € 2,142 million).

On 31 January 2023, the Company signed a lease agreement with Mobile Airport Authority for a new Final Assembly Line in Mobile, Alabama. As of 31 March 2023, and based on IFRS 16, this lease has not commenced and therefore no lease liabilities have been recognised in the financial statements. The future discounted cash outflows amount to US\$ 1 billion to be fully guaranteed by the Company out of which an amount of US\$ 0.8 billion has been issued on 31 January 2023 and US\$ 0.2 billion is scheduled to be issued by year end.

## 25. Financial Instruments

The following table presents the composition of derivative financial instruments:

<i>(In € million)</i>	<b>31 March 2023</b>	31 December 2022
Non-current positive fair values	661	753
Current positive fair values	927	1,141
<b>Total positive fair values of derivative financial instruments</b>	<b>1,588</b>	<b>1,894</b>
Non-current negative fair values	(5,065)	(6,163)
Current negative fair values	(2,799)	(3,450)
<b>Total negative fair values of derivative financial instruments</b>	<b>(7,864)</b>	<b>(9,613)</b>
<b>Total net fair values of derivative financial instruments</b>	<b>(6,276)</b>	<b>(7,719)</b>

The total net fair value of derivative financial instruments improved by € +1,443 million to € -6,276 million (prior year-end: € -7,719 million) as a result of the weakened US dollar versus the euro associated with the mark to market valuation of the hedge portfolio.

As of 31 March 2023, the total hedge portfolio with maturities up to 2029 amounts to US\$ 75.5 billion (prior year-end: US\$ 76.4 billion) and covers a major portion of the foreign exchange exposure expected over the hedging horizon. The US dollar spot rate was 1.09 US\$/€ and 1.07 US\$/€ at 31 March 2023 and at 31 December 2022, respectively. The average US\$/€ hedge rate of the US\$/€ hedge portfolio until 2029 remains at 1.24 US\$/€ (prior year-end: 1.24 US\$/€).

### Carrying Amounts and Fair Values of Financial Instruments

Fair values of financial instruments have been determined with reference to available market information at the end of the reporting period and the valuation methodologies as described in detail in Note 38.2 to the 2022 IFRS Consolidated Financial Statements. For the first three months 2023, the Company has applied the same methodologies for the fair value measurement of financial instruments.

Carrying amount is a reasonable approximation of fair value for all classes of financial instruments listed in the first table of Note 38.2 to the 2022 IFRS Consolidated Financial Statements, with the exception of:

<i>(In € million)</i>	<b>31 March 2023</b>		31 December 2022	
	Book Value	Fair Value	Book Value	Fair Value
<b>Financing liabilities</b>				
Bonds and commercial papers	(8,725)	(8,984)	(8,681)	(9,071)
Liabilities to financial institutions and others	(2,369)	(2,369)	(2,358)	(2,358)

## Fair Value Hierarchy

Depending on the extent the inputs used to measure fair values rely on observable market data, fair value measurements may be hierarchized according to the following levels of input:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices that are observable for the asset or liability – fair values measured based on Level 2 input typically rely on observable market data such as interest rates, foreign exchange rates, credit spreads or volatilities;
- Level 3: inputs for the asset or liability that are not based on observable market data – fair values measured based on Level 3 input rely to a significant extent on estimates derived from the Company's own data and may require the use of assumptions that are inherently judgemental and involve various limitations.

The fair values disclosed for financial instruments accounted for at amortised cost reflect Level 2 input. Otherwise, the Company determines mostly fair values based on Level 1 and Level 2 inputs and to a lesser extent on Level 3 input.

The following table presents the carrying amounts of the financial instruments held at fair value across the three levels of the **fair value hierarchy**:

(In € million)	31 March 2023				31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Equity instruments	2,284	0	762	3,046	1,896	0	744	2,640
Derivative instruments	0	1,588	0	1,588	0	1,894	0	1,894
Securities	7,906	0	0	7,906	7,775	0	0	7,775
Customer financing	0	0	72	72	0	0	86	86
Cash equivalents	7,930	906	0	8,836	11,135	1,001	0	12,136
<b>Total</b>	<b>18,120</b>	<b>2,494</b>	<b>834</b>	<b>21,448</b>	<b>20,806</b>	<b>2,895</b>	<b>830</b>	<b>24,531</b>
<b>Financial liabilities measured at fair value</b>								
Derivative instruments	0	(7,795)	(69)	(7,864)	0	(9,529)	(84)	(9,613)
Other financial liabilities	0	0	(204)	(204)	0	0	(83)	(83)
<b>Total</b>	<b>0</b>	<b>(7,795)</b>	<b>(273)</b>	<b>(8,068)</b>	<b>0</b>	<b>(9,529)</b>	<b>(167)</b>	<b>(9,696)</b>

As at 31 March 2023, the fair value of the written put options on non-controlling interests ("NCI puts") relating to ACLP amounts to € 204 million (prior year-end: € 83 million) linked to the funding of ACLP by IQ.

The fair value of these NCI puts are derived from a discounted cash flow analysis using the latest operating plan and a projection over the lifetime of the A220 programme. In addition, a post-tax WACC of 9.74% is used to discount the forecasted cash flows, taking into account the specificities of the programme (prior year-end: 9.74%).

## 26. Litigation and Claims

The Company is involved from time to time in various governmental, legal and arbitration proceedings in the ordinary course of its business, the most significant of which are described below. Other than as described below, there are no material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have or have had in the recent past significant effects on Airbus SE's or the Company's Financial Position or profitability.

If the Company concludes that the disclosures relative to contingent liabilities can be expected to prejudice seriously its position in a dispute with other parties, the Company limits its disclosures to the nature of the dispute.

### Investigation by the UK SFO, France's PNF, US Departments of State and Justice and Related Commercial Litigation

The Company reached final agreements ("the agreements") with the French Parquet National Financier ("PNF"), the UK Serious Fraud Office ("SFO"), and the US Department of Justice ("DoJ") resolving the authorities' investigations into allegations of bribery and corruption, as well as with the US Department of State ("DoS") and the DoJ to resolve their investigations into inaccurate and misleading filings made with the DoS pursuant to the US International Traffic in Arms Regulations ("ITAR"). The agreements were approved and made public on 31 January 2020.

Under the terms of the agreements, the Company agreed to pay penalties of € 3,597,766,766 plus interest and costs to the French, UK and US authorities. This was recognised in the Company's 2019 accounts. The settlements with each authority were as follows: PNF € 2,083,137,455, the SFO € 983,974,311, the DoJ € 526,150,496 and the DoS € 9,009,008 of which € 4,504,504 may be used for approved remedial compliance measures. All penalties have been paid.

Under the terms of the *Convention judiciaire d'intérêt public* ("CJIP") with the PNF, the Company had an obligation to submit its compliance programme to targeted audits carried out by the Agence Française Anticorruption ("AFA") over a period of three years.

Under the terms of the Deferred Prosecution Agreement ("DPA") with the SFO, no independent compliance monitor was imposed on the Company in light of the continuing monitorship conducted by the AFA.

Under the terms of the DPA with the DoJ, no independent compliance monitor was imposed on Airbus under the agreement with the DoJ, but the Company periodically reported on its continuing compliance enhancement progress during the three year term of the DPA and carried out further reviews as required by the DoJ.

The agreements resulted in the suspension of prosecution for a duration of three years. This deferral period ended on 31 January 2023. On 13 February 2023, the SFO gave notice to the Company discontinuing the prosecution. On 17 March 2023, the PNF gave notice of the same with receipt of the *Constat de l'extinction de l'action publique*. The Company awaits the formal determination by the DoJ that it has complied with the terms of the DPA with the DoJ.

Under the terms of the Consent Agreement with the DoS, the DoS agreed to settle all civil violations of the ITAR outlined in the Company's voluntary disclosures identified in the Consent Agreement, and the Company agreed to retain an independent export control compliance officer to monitor the effectiveness of the Company's export control systems and its compliance with the ITAR.

As a result of the Company's decision to redirect export control compliance resources to ensure compliance with export control restrictions and international sanctions announced against Russia, Belarus and certain Russian entities and individuals following Russia's invasion of Ukraine on 24 February 2022, the Company asked the DoS to extend the Consent Agreement by nine months. The DoS has granted the extension.

In addition to any pending investigation in other jurisdictions, the factual disclosures made in the course of reaching the agreements may result in the commencement of additional investigations in other jurisdictions. Such investigations could also result in (i) civil claims or claims by shareholders against the Company, (ii) adverse consequences on the Company's ability to obtain or continue financing for current or future projects, (iii) limitations on the eligibility of group companies for certain public sector contracts, and/or (iv) damage to the Company's business or reputation via negative publicity adversely affecting the Company's prospects in the commercial market place.

Airbus will continue to cooperate with the authorities in the future and to enhance its strong Ethics & Compliance programme and culture within the Company.

Several consultants and other third parties have initiated commercial litigation and arbitration against the Company seeking relief. The agreements reached with authorities may lead to additional commercial litigation and arbitration against the Company and tax liability in the future, which could have a material impact on the Financial Statements, business and operations of the Company.

## Securities Litigation

In August 2020, a putative class action lawsuit was filed in US federal court in the state of New Jersey against Airbus SE and members of its current and former management. The Company was served with the complaint in the fourth quarter of 2021. The lawsuit was brought on behalf of alleged shareholders that purchased or otherwise acquired Airbus SE securities in the US between 24 February 2016 and 30 July 2020, and asserted violations of US securities laws. The complaint alleged that defendants made false and misleading statements or omissions concerning, among other things, the Company's agreements approved on 31 January 2020 with the French PNF, the UK SFO, the US DoJ and the US DoS as well as the Company's historic practices regarding the use of third party business partners and anti-corruption compliance. The matter was fully and finally settled on 30 September 2022 in exchange for a payment in the amount of \$5,000,000 USD without any acknowledgement of liability.

In addition, the Company received notification in August 2021 of two separate claims and in March 2022 of a third claim, all alleging similar facts as the US class action. Three claims have been filed in the Netherlands purportedly on behalf of Airbus investors.

The first Dutch claim was filed in August 2021 by a special purpose vehicle incorporated under the laws of Guernsey, an assignee purportedly representing numerous private shareholders and institutional investors, seeking a declaratory judgment with damages to be assessed in follow on proceedings. This claim is now pending before the Amsterdam District Court.

The second Dutch claim was filed in December 2021 following a demand letter sent by a foundation incorporated under the laws of the Netherlands, a purported representative of unnamed institutional and retail investors worldwide, starting a class action against the Company before the Dutch courts. This second Dutch claim targets the Company, certain of the Company's current and former directors and officers, and the Company's current and former auditors.

The third Dutch claim was a class action filed in April 2022 against the Company by a foundation incorporated under the laws of the Netherlands. In accordance with Dutch procedural law, the two Dutch class action claims are treated jointly as one case.

The Dutch claims allege that the Company violated its reporting obligations by failing to adequately inform investors and providing false or misleading information about its use of intermediaries and alleged corrupt practices, its related financial exposure, internal investigations and subsequent measures taken by the Company, and related criminal investigations, which allegedly impacted the Company's share price.

The Company cannot exclude the possibility that additional claims are filed related to this subject matter attempting different theories of recovery in the same or different jurisdictions.

The Company believes it has solid grounds to defend itself against the allegations. The consequences of such litigation and the outcome of the proceedings cannot be fully assessed at this stage, but any judgment or decision unfavourable to the Company could have a material adverse impact on the Financial Statements, business and operations of the Company.

## Air France Flight 447 Trial

On 1 June 2009, an A330 operated by Air France flight AF447 from Rio de Janeiro to Paris disappeared over the Atlantic Ocean with 228 persons onboard. The wreckage was located in April 2011 after several search campaigns organised by the Bureau d'Enquêtes et d'Analyses (BEA), which published its final investigation report in July 2012. In the wake of the accident, the prosecutor in Paris opened an investigation for involuntary manslaughter and Airbus SAS was charged in March 2011. In September 2019, the investigating magistrates closed the investigation and dismissed all criminal charges after a thorough analysis of the technical and legal elements of the case. However, the Paris Court of Appeal overturned the magistrates' decision and ordered trial for involuntary manslaughter. The Company's appeal to the French Supreme Court was dismissed. Following a trial in the fourth quarter of 2022, the Paris Criminal Court announced on 17 April 2023 that all criminal charges against the Company were dismissed but sustained certain civil liability claims. On 26 April 2023, the Paris General Prosecutor filed an appeal of the dismissal of criminal charges against Airbus and Air France. As a consequence, Airbus will appeal the judgement on civil liability.

## Grand Canyon Helicopter Accident

On 10 February 2018, a fatal accident occurred in the Grand Canyon at a site called Quartermaster in Arizona involving an EC130 B4 helicopter operated by Papillon Helicopters impacting the canyon floor and catching fire, leading to five fatalities and two severely injured persons. Following the accident, product liability claims were filed in Nevada state court in the US, including claims by the estate and parents of a deceased passenger and by the injured pilot of the helicopter. The Company intends to vigorously defend itself against the claims, but such claims may generate negative publicity and reputational harm. The trial is scheduled to take place in the first quarter of 2024. Any judgment or decision unfavourable to the Company could have a material adverse impact on the Financial Statements, business and operations of the Company as well as on its reputation.

## Other Investigations

In 2019, the Company self-reported to German authorities potentially improper advance receipt and communication of confidential customer information by employees of Airbus Defence and Space GmbH. The information concerned relates to future German government procurement projects. The self-disclosure by the Company followed an internal review with the support of an external law firm. Both the German Ministry of Defence and the Munich public prosecutor opened an investigation into the matter. The investigation could have an impact on Airbus Defence and Space GmbH's and Airbus Secure Land Communications GmbH's ability to participate in future public procurement projects in Germany. In 2021 the Munich prosecution issued a penalty notice against Airbus Defence and Space GmbH for € 10 million for negligent violation of supervisory duties in connection with this matter. The Company continues to fully cooperate with relevant authorities.

## 27. Number of Employees

	Airbus	Airbus Helicopters	Airbus Defence and Space	<b>Consolidated Airbus</b>
<b>31 March 2023</b>	81,439	21,502	34,774	<b>137,715</b>
31 December 2022	79,134	20,803	34,330	134,267

## 28. Events after the Reporting Date

Following a trial in the fourth quarter of 2022 regarding Air France flight AF447, the Paris Criminal Court announced on 17 April 2023 that all criminal charges against the Company were dismissed but sustained certain civil liability claims. On 26 April 2023, the Paris General Prosecutor filed an appeal of the dismissal of criminal charges against Airbus and Air France. As a consequence, Airbus will appeal the judgement on civil liability (see "– Note 26: Litigation and Claims").

On 28 April 2023, the Company, Safran and Tikehau Capital finalised the acquisition of Aubert & Duval from Eramet, following the satisfaction of all conditions precedent including required regulatory approvals (see "– Note 6: Acquisitions and Disposals").