

2024 Guidance Update

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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 lingering effects of the COVID-19 pandemic; and
- 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 and the impact of the Macroeconomic Environment, see note 2 “Geopolitical and Macroeconomic Environment” of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the three-month period ended 31 March 2024 published 25 April 2024 (the “Financial Statements”). For more information about factors that could cause future results to differ from such forward-looking statements, please refer to Airbus SE’s most recent annual reports, including the Report of the Board of Directors, the Financial Statements and the Notes thereto, the 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 SE undertakes no obligation to publicly revise or update any forward-looking statement 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.

Operating environment and 2024 Guidance update

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- Around € 0.9 bn charges on space programmes to be recorded in Q2
- Degraded operating environment, with specific supply chain challenges
- Around 770 commercial aircraft deliveries now expected in 2024
- A320 Family ramp-up trajectory adjusted; Rate 75 maintained and now expected in 2027
- 2024 guidance updated

Space Systems

Context & Triggers

- High-tech business with complex and sophisticated products, entailing development risks
- Strong competitive environment
- New management team onboard with subject matter expertise (Head of Space Systems & Finance)
- Extensive technical reviews of programmes
- Revised assumptions on schedules, workload, supply chain, make or buy implication, risks and costs

Implications

- Mainly affecting telecommunications, navigation & observation programmes
- Around € 0.9 bn financial charges to be recorded in Q2'24 (mainly related to update of Estimates at Completion)
- Only partial cash impact in 2024

Management Actions

- Schedule rebaselining, programmes restructuring and process optimisation
- Highly selective bid/no-bid strategy and an increased technology maturity threshold
- In Space, evaluate all strategic options such as potential restructuring, cooperation models, portfolio review and M&A options

Commercial Aircraft

Context & Triggers

- Specific supply chain issues:
 - High level of missing parts
 - Recent engines' shortfalls
 - Cabin and equipment disruptions
 - Spirit AeroSystems
- Aerostructures and detail parts
- On-boarding and qualification of skilled workforce

Implications

- Reduced delivery target in 2024
- Adjustment of the A320 Family ramp up trajectory towards the monthly production rate of 75 aircraft, now expected in 2027
- Temporary over-staffing

Management Actions

- Up and running Task Forces and Joint Improvement Plans to secure operational recovery
- Increased focus on efficiency, without compromising Safety and Quality
- Cost base management

2024 Guidance

As the basis for its 2024 guidance, the Company assumes no additional disruptions to the world economy, air traffic, the supply chain, the Company's internal operations, and its ability to deliver products and services.

The Company's 2024 guidance is before M&A (consequently before potential outcomes of the ongoing discussions with Spirit AeroSystems).

Initial Guidance (February 15, 2024)

Around 800

commercial aircraft deliveries

Between € 6.5 bn and € 7.0 bn

EBIT Adjusted

Around € 4.0 bn

Free Cash Flow before Customer Financing

Updated Guidance (June 24, 2024)

Around 770

commercial aircraft deliveries

Around € 5.5 bn

EBIT Adjusted

Around € 3.5 bn

Free Cash Flow before Customer Financing

Glossary on Alternative Performance Measures (APM)

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, plus or minus (iiii) interest rate contracts related to fair value hedges (all as recorded in the Consolidated Statement of Financial Position).
- **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:** It is an alternative performance measure and key indicator which allows the Company to measure the amount of cash flow generated by its operations. The Company defines Free Cash Flow as the sum of (i) cash provided by operating activities and (ii) Investments in intangible and fixed assets (net) & Dividends paid by companies valued at equity, minus (iii) contribution to plan assets of pension schemes, (iv) realised foreign exchange results on treasury swaps and (v) change in cash from changes in consolidation.
- **FCF before Customer Financing** refers to Free Cash Flow adjusted for cash flow related to aircraft financing activities. It is an alternative performance measure and indicator used by the Company in its financial guidance.