



A n n u a l   G e n e r a l

# Meeting

# AGENDA



- 1 Acceptance and approval of the Report of the Board of Directors
- 2 Adoption of the accounts for the financial year 2001
- 3 Approval of the result allocation, distribution and payment date of dividends
- 4 Release from liability of the members of the Board of Directors
- 5 Renewal of the appointment of the auditors for the financial year 2002
- 6 Authorisation for the Board of Directors to repurchase shares of the Company



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**Meeting**

Amsterdam - May 17<sup>th</sup>, 2002

Philippe Camus CEO - Rainer Hertrich CEO



# 1. 2001 achievements

## 2. Financials

## 3. Roadmap for the future

# Key events 2001



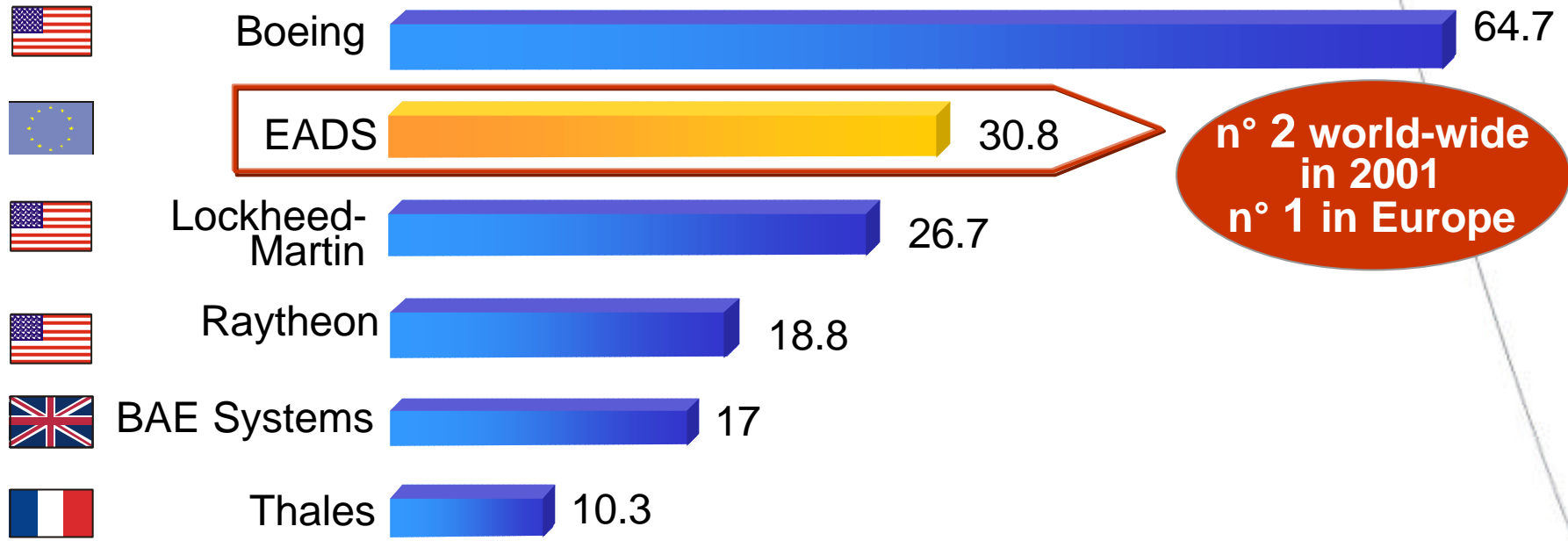
- **Airbus integrated company** formed
- **MBDA** created: 2nd largest missile company world-wide
- **A380 success**: 97 firm orders and commitments, including 37 post Sept 11th events
- **A400M**: largest order in EADS history
- Export successes for **Eurocopter's NH90 and TIGER**

**Strong business development**

# A world leader



## Revenues 2001 - consolidation in €bn\*



n° 2 world-wide  
in 2001  
n° 1 in Europe

\* 1 € = 0.88 \$  
1 £ = 1.64 €

# 2001: Exceeding on our promises



## 2001 Financial targets

- Book-to-bill > 1
- Revenues +20 %
- EBIT\* +15%
- Synergies: € 60 m
- Free Cash Flow ~ 0

## 2001 Achievements

- **Book-to-bill = 2**, excluding A400M
- **Revenues +27%**, despite civil aviation downturn
- **EBIT\* +21%**, in spite of difficult situation at DCS and at Space
- **Synergies exceeding €100 m**
- **Free Cash Flow = € 774m**
- **Year-end net cash position > € 1.5 bn**

\* pre-goodwill and exceptional

**Outperformed all financial targets**

# 2001 Financial Highlights



<b>2001 Actual</b> (Airbus 100% consolidated)		<b>change from 2000</b> pro-forma**    organic	
<b>Revenues</b>	<b>€30.8 bn</b>	<b>+ 27%</b>	<b>+ 10%</b>
<b>EBIT *</b>	<b>€1.7 bn</b>	<b>+ 21%</b>	<b>+ 5%</b>
<b>Net cash position</b>	<b>€1.5 bn</b>	€2.1 bn in 2000**	
<i>EPS</i>	€ 1.70	<i>(€ 2.34) in 2000</i>	
<b>EPS *</b>	<b>€1.16</b>	<i>(€ 0.06) in 2000</i>	
Order intake	€ 60.2 bn	+ 23%	+ 4%
Order book	€ 183.3 bn	+ 39%	+ 16%

\* pre-goodwill and exceptional

\*\* EADS pro-forma, excluding Airbus UK in 2000

**Strong improvement of financial performance**

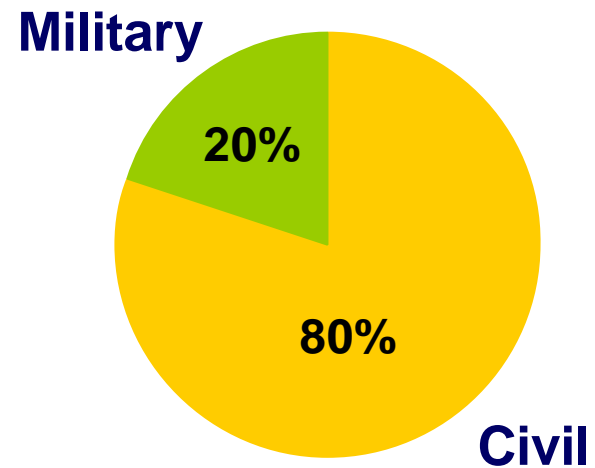
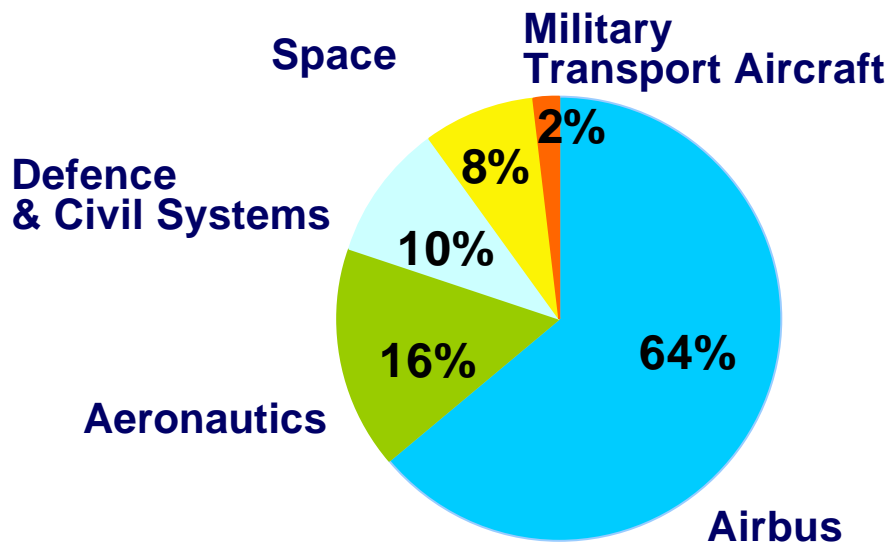


# EADS Revenues Breakdown



**2001 revenues by division**

**2001 revenues military/civil**



**A strong business base**

# Airbus 2001 performance and key drivers



€ m	pro-forma** 2000	Actual 2001
<i>Deliveries (in units)</i>	311	325
Revenues	14,856	20,549
R&D self-financed <i>in % of revenues</i>	920 6.2%	1,630 7.9%
EBIT* <i>in % of revenues</i>	1,412 9.5%	1,655 8.1%
Order book <i>in units</i>	104,387 1626	156,075 1575
<i>in yrs of prod ***</i>	5.4	5.3

\* pre- goodwill and exceptional

\*\* excluding Airbus UK in 2000

\*\*\* at expected 2002 production level (300)

- **2001 backlog =1575 ac**, net of distressed airlines orders
- **Feedback from customers =>** 300 deliveries in 02
- **A380 on track:** commercial success, R&D increase in line with budget
- **Production Flexibility**
- **Customer financing exposure** carefully managed

**Efficiently manage the current downturn**

# MTA 2001 performance and key drivers



€ m	pro-forma 2000	Actual 2001
Revenues	316	547
R&D self-financed <i>in % of revenues</i>	59 18.7%	53 9.7%
EBIT* <i>in % of revenues</i>	-63 -19.9%	1 0.2%
Order book <i>Times Revenues</i>	873 2.8	1,320 2.4

- **Positive EBIT** in 2001
- **Ramp up of C-295 deliveries**
- **C-295 selected** by Poland and Abu Dhabi
- **CN-235 platform** selected by bidders for Deep Water contract
- **€18 bn A400M contract** signed, to be booked in 2002

\* pre- goodwill and exceptional

**Growing profile of revenues and EBIT**

# Aeronautics 2001 performance and key drivers



€ m	pro-forma 2000	Actual 2001
Revenues	4,704	5,065
R&D self-financed <i>in % of revenues</i>	128 2.7%	132 2.6%
EBIT* <i>in % of revenues</i>	296 6.3%	308 6.1%
Order book <i>Times Revenues</i>	13,067 2.8	13,722 2.7

\* pre- goodwill and exceptional

- **Civil helicopters:** world-wide market share up to 57%; security forces new needs
- **Military helicopters:** successes on export markets worth €1.6bn in total
- **Eurofighter:** deliveries to start in 2002
- **Regional aircraft:** ATR integrated company created; positive EBIT

**Upbeat future driven by military contracts**

# Space 2001 performance and key drivers



€ m	pro-forma 2000	Actual 2001
Revenues	2,535	2,439
R&D self-financed <i>in % of revenues</i>	61 2.4%	60 2.5%
EBIT* <i>in % of revenues</i>	67 2.6%	(222) -9.1%
Order book <i>Times Revenues</i>	4,826 1.9	3,796 1.6

\* pre- goodwill and exceptional, but including non-recurring expenses

## Restructuring on track:

- **New management** put in place
- **3 integrated businesses**  
Launchers, satellites, services
- **Accelerating cost** cutting and improved efficiencies
- **2001 EBIT loss** includes restructuring costs and asset write-down
- **Astrium selected** for the £ 2 bn Skynet 5 project

**Secure future earnings through current restructuring and new projects**

# Defence and Civil Systems

## 2001 performance and key drivers



€ m	pro-forma 2000	Actual 2001
Revenues	2,909	3,345
R&D self-financed <i>in % of revenues</i>	161 5.5%	173 5.2%
EBIT* <i>in % of revenues</i>	(110) -3.8%	(79) -2.4%
Order book <i>Times Revenues</i>	9,722 3.3	9,094 2.7

\* pre- goodwill and exceptional, but including non-recurring expenses

- **EBIT positive in H2 2001**; on track with target
- On-going **restructuring**
- **MBDA creation effective**
- **Main missiles** programs: end of development, start of production
- **Defence electronics** growth from Eurofighter delivery ramp up
- **EDSN** business strengthened by Cogent acquisition

**Growth of EBIT driven by on-going restructuring and programs entering delivery**



**1. 2001 achievements**

**2. Financials**

**3. Roadmap for the future**

# Profit & loss highlights



	Pro forma 2000** in % of €million revenues		Actual 2001 in % of €million revenues	
<b>Revenues</b>	<b>24,208</b>		<b>30,798</b>	
Self-financed R&D	1,339	5.5%	2,046	6.6%
<b>EBIT *</b>	<b>1,399</b>	<b>5.8%</b>	<b>1,694</b>	<b>5.5%</b>
Operating income after goodwill/exceptional	200	0.8%	2,514	8.2%
Financial result	(1,315)	(5.4%)	(513)	(1.7%)
<b>Net income</b>	<b>(909)</b>	<b>(3.8%)</b>	<b>1,372</b>	<b>4.5%</b>
<b>Net income *</b>	<b>(45)</b>	<b>(0.2%)</b>	<b>936</b>	<b>3.0%</b>

\* pre-goodwill and exceptional    \*\* excluding Airbus UK in 2000

**Strong improvement of Net Profit before exceptional & goodwill despite restructuring expenses**



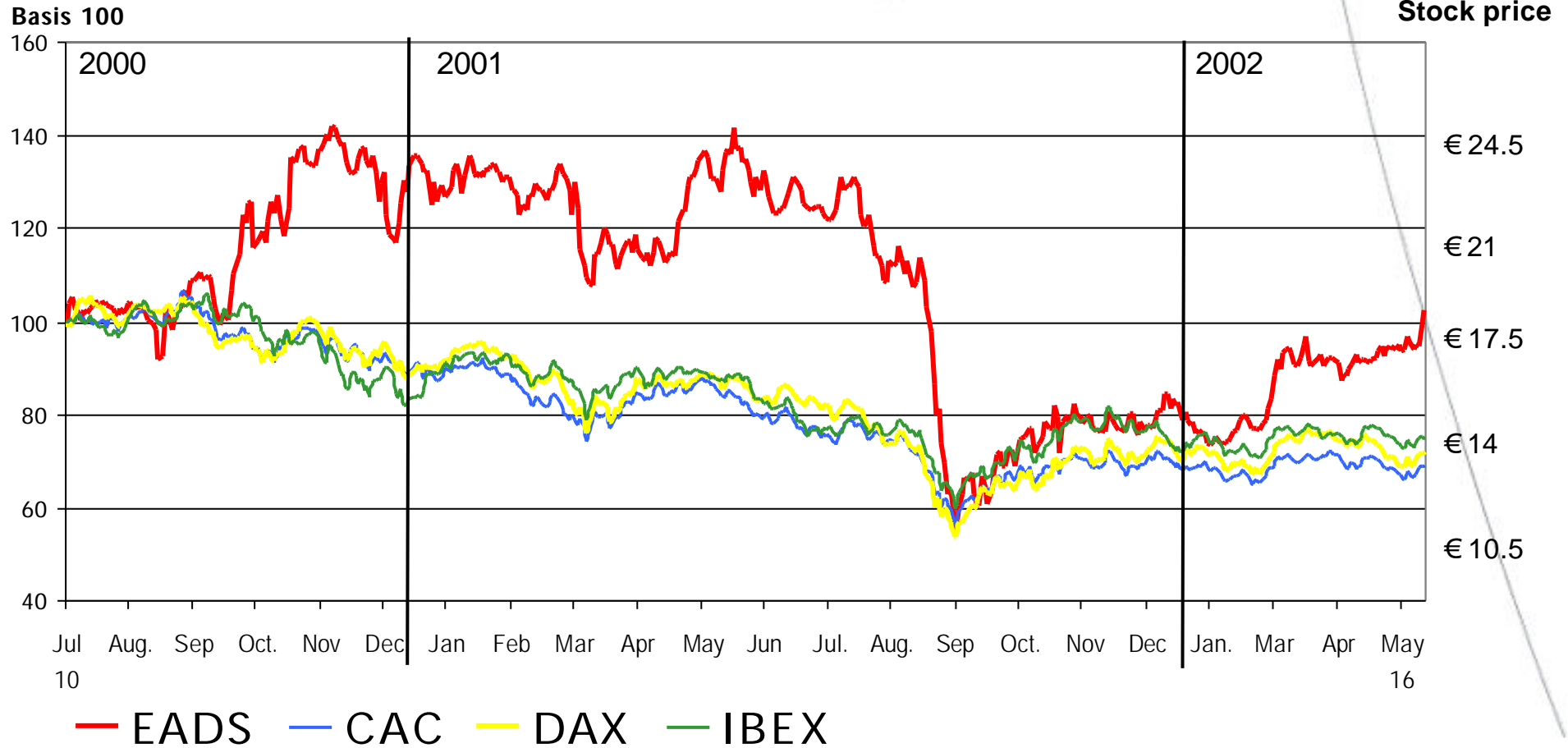
# Balance sheet



€ million	Dec. 2001*	Dec. 2000
<b>Fixed Assets</b>	<b>25,364</b>	<b>20,894</b>
of which intangible assets/ goodwill	10,588	8,165
of which property, plant & equipment	10,050	8,120
of which financial assets	4,726	4,609
<b>Current Assets</b>	<b>18,318</b>	<b>16,745</b>
of which cash & equivalents, securities	8,033	7,922
of which working capital assets	10,285	8,823
<b>Deferred Tax Assets</b>	<b>4,288</b>	<b>3,151</b>
<b>Pre-paid Expenses</b>	<b>745</b>	<b>654</b>
<b>Total Assets</b>	<b>48,715</b>	<b>41,444</b>
<b>Shareholders' Equity</b>	<b>9,877</b>	<b>10,250</b>
<b>Minority interest</b>	<b>559</b>	<b>221</b>
<b>Total provisions</b>	<b>11,918</b>	<b>8,684</b>
of which other accruals	8,742	5,698
of which pensions	3,176	2,986
<b>Deferred Tax Liabilities &amp; Income</b>	<b>3,764</b>	<b>4,042</b>
<b>Total Liabilities</b>	<b>22,597</b>	<b>18,247</b>
of which trade liabilities	5,466	4,268
of which financial debt	6,500	5,779
of which other liabilities	10,631	8,200
<b>Total Shareholders' Equity &amp; Liabilities</b>	<b>48,715</b>	<b>41,444</b>
<b>Net cash position</b>	<b>1,533</b>	<b>2,143</b>

\* Airbus 100% consolidated from January 1st 2001 MBDA 50% consolidated in 2001 year-end balance sheet

# EADS stock price development since IPO



**Despite civil aviation downturn,  
EADS outperforms market indexes**

# Q1 2002 Financial Highlights



€m	Q1 2002	Q1 2001	Change
Order Intake	3,807	18,864	(80%)
Revenues	6,408	6,276	+2%
EBIT *	315	310	+2%
EPS * in €	0.17	0.14	+21%
Free Cash Flow	94	232	(59%)

€m	Q1 2002	31. Dec 2001	Change
Net cash position	1,643	1,533	+7%
Total backlog	179,544	183,256	(2%)

\* pre-goodwill amortisation and exceptional

**Continuing improvement of financial performance**



- 1. 2001 achievements**
- 2. Financials**
- 3. Roadmap for the future**

# Roadmap for the future



- **Manage the civil aviation market changes** through immediate actions and outstanding resistance: strong order book, production organization flexibility, market share gains
- **Defence business growth** will create value: large programmes in order book, entering production phase, on-going restructuring
- **Continue synergy plans**

# 2002 Financial targets



- **Book-to bill** ratio > 1
- **Order book** expected to grow > € 190 bn
- **Revenues forecast to hold solidity at about the current level** (-2% from 2001 using constant US\$) **despite difficult aviation business environment**
- **EBIT\* margin pre-R&D** maintained at around the same level as in 2001

By including higher R&D, low deliveries, risk assessment and further reactivity, **2002 EBIT\* is targeted at ~ €1.2 bn**

- **Free Cash Flow** positive before customer financing cash impact, itself strictly limited below € 1.8 bn

\* pre-goodwill & exceptional

**Top priority: preserving profitability**

# EADS strong and resilient



- **Actively protecting profitability and cash**
- **Value creation and recurring savings on track**
- **Future growth secured by unparalleled backlog**
- **Strong Defence business growth to enhance future profitability**