

Airbus reports Nine-Month (9m) 2021 results

- 424 commercial aircraft delivered in 9m 2021
- 9m financials reflect deliveries as well as efforts on cost containment and competitiveness
- Revenues € 35.2 billion; EBIT Adjusted € 3.4 billion
- EBIT (reported) € 3.4 billion; EPS (reported) € 3.36
- Free cash flow before M&A and customer financing € 2.3 billion
- 2021 guidance unchanged for commercial aircraft deliveries, updated for EBIT Adjusted and FCF before M&A and customer financing

Amsterdam, 28 October 2021 – Airbus SE (stock exchange symbol: AIR) reported consolidated financial results for the nine months ended 30 September 2021.

“The nine-month results reflect a strong performance across the company as well as our efforts on cost containment and competitiveness. As the global recovery continues, we are closely monitoring potential risks to our industry. We are focused on securing the A320 Family ramp up and striving to ensure the right industrial and supply chain capabilities are in place,” said Airbus Chief Executive Officer Guillaume Faury. “Based on our nine-month performance, we have updated our 2021 earnings and cash guidance. We are strengthening the balance sheet to secure investment for our long-term ambitions.”

Gross commercial aircraft orders totalled 270 (9m 2020: 370 aircraft) with net orders of 133 aircraft after cancellations (9m 2020: 300 aircraft). The order backlog was 6,894 commercial aircraft on 30 September 2021. Airbus Helicopters booked 185 net orders (9m 2020: 143 units), including 10 helicopters of the Super Puma Family. Airbus Defence and Space’s order intake by value was € 10.1 billion (9m 2020: € 8.2 billion) with third quarter orders including 56 C295 aircraft for India, two A400Ms for Kazakhstan and support and spares contract renewals for the German and Spanish Eurofighter fleets.

Consolidated **revenues** increased 17 percent to € 35.2 billion (9m 2020: € 30.2 billion), mainly reflecting the higher number of commercial aircraft deliveries compared to 9m 2020. A total of 424 commercial aircraft were delivered (9m 2020: 341 aircraft), comprising 34 A220s, 341 A320 Family, 11 A330s⁽¹⁾, 36 A350s and 2 A380s. Revenues generated by Airbus’ commercial aircraft activities increased 21 percent, largely reflecting the delivery performance compared to 2020 which was strongly impacted by COVID-19. Airbus Helicopters delivered 194 units (9m 2020: 169 units) with revenues up 14 percent reflecting growth in services as well as the higher deliveries, notably more helicopters from the Super Puma family. Revenues at Airbus Defence and Space were broadly stable year-on-year with four A400M military airlifters delivered in 9m 2021.

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 as well as capital gains/losses from the disposal and acquisition of businesses – was € 3,369 million (9m 2020: € -125 million).

The EBIT Adjusted related to Airbus' commercial aircraft activities totalled € 2,739 million (9m 2020: € -641 million), mainly driven by the operational performance linked to deliveries and efforts on cost containment and competitiveness.

The A220 production rate, which is currently at 5 aircraft a month, is expected to increase to around rate 6 per month in early 2022, with a monthly production rate of 14 envisaged by the middle of the decade. On the A320 Family programme, the Company is working to secure the ramp up and is on trajectory to achieve a monthly rate of 65 aircraft by summer 2023. The recent commercial successes of the A330 programme enable a monthly rate increase from around 2 to almost 3 aircraft at the end of 2022. The A350 programme is expected to increase from around 5 to around 6 aircraft a month in early 2023.

Airbus Helicopters' EBIT Adjusted increased to € 314 million (9m 2020: € 238 million), driven by services, programme execution and lower spending on Research & Development (R&D).

EBIT Adjusted at Airbus Defence and Space increased to € 284 million (9m 2020: € 266 million), mainly reflecting the Division's efforts on cost containment and competitiveness.

Consolidated **self-financed R&D expenses** totalled € 1,919 million (9m 2020: € 2,032 million).

Consolidated **EBIT (reported)** amounted to € 3,437 million (9m 2020: € -2,185 million), including net Adjustments of € +68 million.

These Adjustments comprised:

- € +190 million related to the A380 programme, of which € +45 million were booked in Q3;
- € -165 million related to the dollar pre-delivery payment mismatch and balance sheet revaluation, of which € +5 million were in Q3;
- € +43 million of other Adjustments, including compliance costs, of which € -6 million were in Q3.

The financial result was € -172 million (9m 2020: € -712 million). It mainly reflects the net interest result of € -233 million partly offset by € +63 million related to the revaluation of the Dassault Aviation equity stake. Consolidated **net income**⁽²⁾ was € 2,635 million (9m 2020 net loss: € -2,686 million) with consolidated reported **earnings per share** of € 3.36 (9m 2020 loss per share: € -3.43).

Consolidated **free cash flow before M&A and customer financing** was € 2,260 million (9m 2020: € -11,798 million), reflecting efforts on cash containment and also included a positive phasing impact from working capital. Consolidated **free cash flow** was € 2,308 million (9m 2020: € -12,276 million).

On 30 September 2021, the **gross cash position** stood at € 21.7 billion (year-end 2020: € 21.4 billion) with a consolidated **net cash position** of € 6.7 billion (year-end 2020: € 4.3 billion). The Company's liquidity position remains strong, standing at € 27.7 billion at the end of September 2021. Given the increase in the net cash position and the robust liquidity, a decision

was taken not to renew the undrawn € 6.2 billion Supplemental Liquidity Line which matured in September. In the meantime, the maturity of the € 6 billion Revolving Syndicated Credit Facility has been extended by a year.

Outlook

As the basis for its 2021 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 2021 guidance is before M&A.

On that basis, the Company has updated its 2021 guidance and now targets to achieve in 2021 around:

- 600 commercial aircraft deliveries;
- EBIT Adjusted of € 4.5 billion;
- Free Cash Flow before M&A and Customer Financing of € 2.5 billion.

Note to editors: Live Webcast of the Analyst Conference Call

At **08:15 CEST** on 28 October 2021, you can listen to the **9m 2021 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) 2021 Results

(Amounts in Euro)

Consolidated Airbus	9m 2021	9m 2020	Change
Revenues , in millions	35,155	30,161	+17%
thereof defence, in millions	6,577	6,116	+8%
EBIT Adjusted , in millions	3,369	-125	-
EBIT (reported) , in millions	3,437	-2,185	-
Research & Development expenses , in millions	1,919	2,032	-6%
Net Income/Loss⁽²⁾ , in millions	2,635	-2,686	-
Earnings/Loss Per Share	3.36	-3.43	-
Free Cash Flow (FCF) , in millions	2,308	-12,276	-
Free Cash Flow before M&A , in millions	2,322	-11,756	-
Free Cash Flow before M&A and Customer Financing , in millions	2,260	-11,798	-

Consolidated Airbus	30 Sept 2021	31 Dec 2020	Change
Net Cash position , in millions of Euro	6,733	4,312	+56%
Number of employees	125,888	131,349	-4%

For footnotes please refer to page 10.

By Business Segment	Revenues			EBIT (reported)		
	9m 2021	9m 2020	Change	9m 2021	9m 2020	Change
(Amounts in millions of Euro)						
Airbus	24,618	20,271	+21%	2,889	-2,399	-
Airbus Helicopters	4,137	3,623	+14%	312	238	+31%
Airbus Defence and Space	6,881	6,936	-1%	204	-36	-
Eliminations	-481	-669	-	32	12	+167%
Total	35,155	30,161	+17%	3,437	-2,185	-

By Business Segment	EBIT Adjusted		
	9m 2021	9m 2020	Change
(Amounts in millions of Euro)			
Airbus	2,739	-641	-
Airbus Helicopters	314	238	+32%
Airbus Defence and Space	284	266	+7%
Eliminations	32	12	+167%
Total	3,369	-125	-

By Business Segment	Order Intake (net)			Order Book		
	9m 2021	9m 2020	Change	30 Sept 2021	30 Sept 2020	Change
Airbus, in units	133	300	-56%	6,894	7,441	-7%
Airbus Helicopters, in units	185	143	+29%	654	669	-2%
Airbus Defence and Space, in millions of Euro	10,134	8,214	+23%	N/A	N/A	N/A

Consolidated Airbus – Third Quarter (Q3) 2021 Results

(Amounts in Euro)

Consolidated Airbus	Q3 2021	Q3 2020	Change
Revenues, in millions	10,518	11,213	-6%
EBIT Adjusted, in millions	666	820	-19%
EBIT (reported), in millions	710	-626	-
Net Income/Loss ⁽²⁾ , in millions	404	-767	-
Earnings/Loss Per Share	0.51	-0.98	-

By Business Segment	Revenues			EBIT (reported)		
(Amounts in millions of Euro)	Q3 2021	Q3 2020	Change	Q3 2021	Q3 2020	Change
Airbus	6,805	7,738	-12%	502	-591	-
Airbus Helicopters	1,543	1,290	+20%	129	86	+50%
Airbus Defence and Space	2,343	2,385	-2%	47	-109	-
Eliminations	-173	-200	-	32	-12	-
Total	10,518	11,213	-6%	710	-626	-

By Business Segment	EBIT Adjusted		
(Amounts in millions of Euro)	Q3 2021	Q3 2020	Change
Airbus	448	666	-33%
Airbus Helicopters	131	86	+52%
Airbus Defence and Space	55	80	-31%
Eliminations	32	-12	-
Total	666	820	-19%

For footnotes please refer to page 10.

Q3 2021 revenues decreased 6 percent, mainly driven by lower commercial aircraft deliveries as well as less favourable foreign exchange rates, partially offset by higher revenues at Airbus Helicopters.

Q3 2021 EBIT Adjusted of € 666 million was mainly driven by the delivery performance. It also reflects the progressive resumption of activities.

Q3 2021 EBIT (reported) of € 710 million included net Adjustments of € +44 million. Net Adjustments in the third quarter of 2020 amounted to € -1,446 million.

Q3 2021 Net Income of € 404 million mainly reflects EBIT (reported), € -142 million from the financial result and € -183 million from income taxes.

EBIT (reported) / EBIT Adjusted Reconciliation

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

Consolidated Airbus (Amounts in millions of Euro)	9m 2021
EBIT (reported)	3,437
thereof:	
A380 programme	+190
\$ PDP mismatch/balance sheet revaluation	-165
Others	+43
EBIT Adjusted	3,369

Glossary

KPI	DEFINITION
EBIT	The Company continues to use the term EBIT (Earnings before interest and taxes). It is identical to Profit before finance result 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	For the definition of the alternative performance measure net cash position, see the Universal Registration Document, MD&A section 2.1.6.
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.

Footnotes:

- 1) One A330 delivered on operating lease without revenue recognition at delivery.
- 2) 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.

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;
- The full impact of the COVID-19 pandemic and the resulting health and economic crisis.

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 the COVID-19 pandemic, see Note 2 “Impact of the COVID-19 pandemic” of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Information for the nine-month period ended 30 September 2021. 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 2020 Universal Registration Document 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.