

# AIRBUS

## 9m Results 2020

29 October 2020

**Guillaume FAURY**

| Chief Executive Officer

**Dominik ASAM**

| Chief Financial Officer



# AIRBUS

# Safe Harbour Statement

---

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

As a result, Airbus' actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

For a discussion of factors that could cause future results to differ from such forward-looking statements, see Airbus SE's 2019 Universal Registration Document dated 23 March 2020, including the Risk Factors section. For more information about the impact of the COVID-19 pandemic, see note 2 "Impact of the spread of the COVID-19 pandemic" of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements published 29 October 2020.

Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus undertakes no obligation to publicly revise or update any forward-looking statements 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.



# AIRBUS

## 9m Results 2020

Company  
Highlights

Business  
Highlights

Guidance  
Highlights



**AIRBUS**

- Global air travel recovery slower than anticipated
- Cash containment and business adaptation on track
- 9m 2020 financials:
  - FCF before M&A and Customer Financing € - 11.8 bn; EBIT Adjusted € - 0.1 bn
  - Restructuring provision of € 1.2 bn recognised in EBIT Reported
  - Strong liquidity underpins business resilience and flexibility
- Q3 performance:
  - Convergence of production and deliveries in Q3
  - No further cash consumption; FCF before M&A and CF € + 0.6 bn in the third quarter
- Guidance issued on FCF before M&A and CF for the fourth quarter 2020



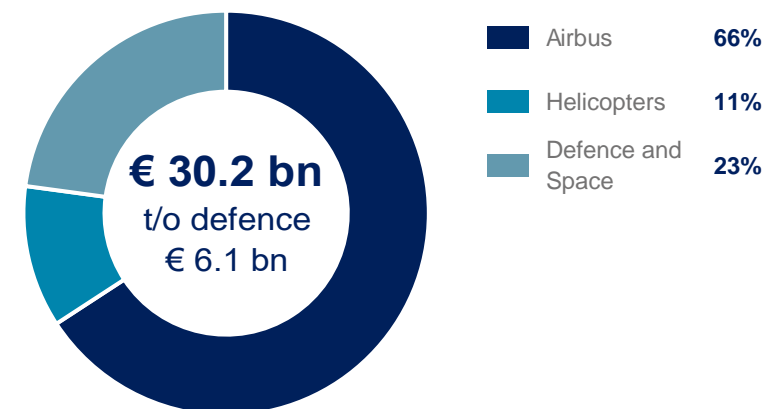
## Consolidated Airbus Order Book

by Division

		9m 2020	9m 2019	Change
Airbus (in units)	Order Intake (net)	300	127	136.2%
	Order Book	7,441	7,133	4.3%
Helicopters (in units)	Order Intake (net)	143	173	-17.3%
	Order Book	669	681	-1.8%
Defence and Space (in € m)	Order Intake (net)	8,214	6,064	35.5%

## Consolidated Airbus

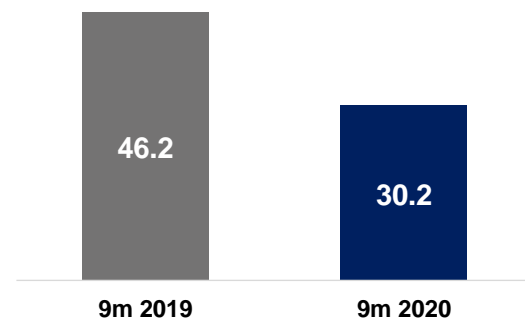
External Revenue by Division



- **AIRBUS:** Gross orders: 370 a/c; net orders: 300 a/c; Backlog: 7,441 a/c
- **HELICOPTERS:** 143 net orders incl. 8 H160 and 1 H215 in Q3
- **DEFENCE AND SPACE:** Order intake € 8.2 bn including an additional A330 MRTT order as well as contract wins in Telecom Satellites in Q3

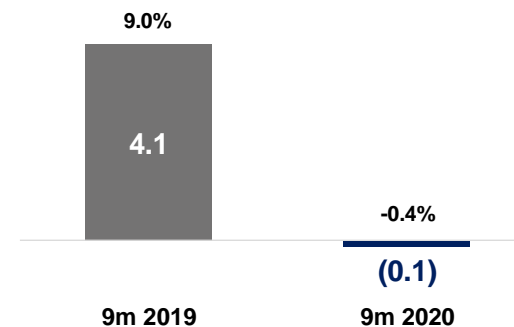
## Revenues

in € bn



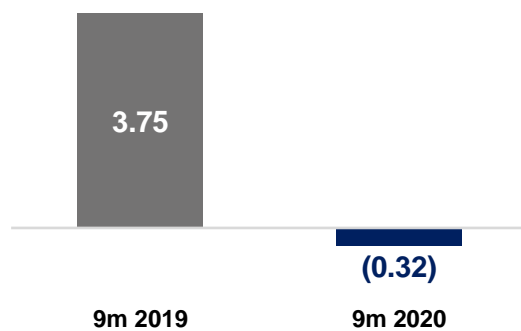
## EBIT Adjusted

in € bn / RoS (%)



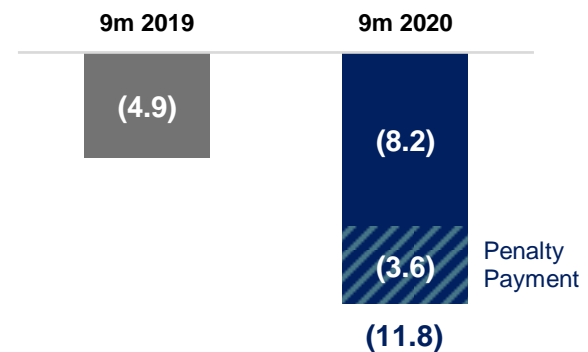
## EPS<sup>(1)</sup> Adjusted

in €



## FCF before M&A and Customer Financing

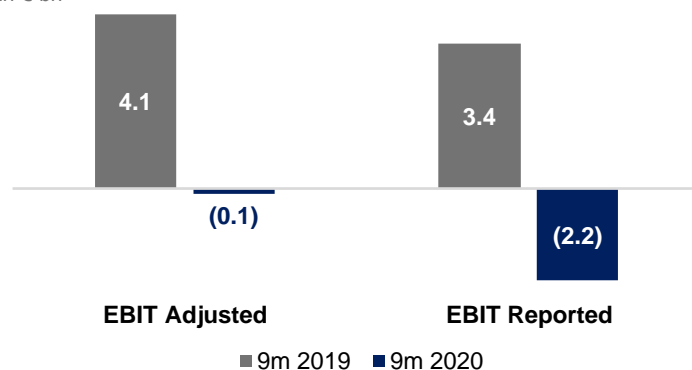
in € bn



(1) 9m 2020 Average number of shares: 783,012,736 compared to 776,697,534 in 9m 2019  
Capitalised R&D: € 68 m in 9m 2020 and € 78 m in 9m 2019

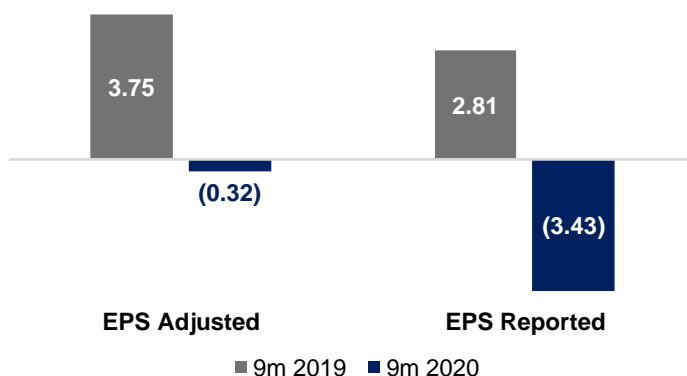
## EBIT Performance

in € bn



## EPS<sup>(1)</sup> Performance

in €

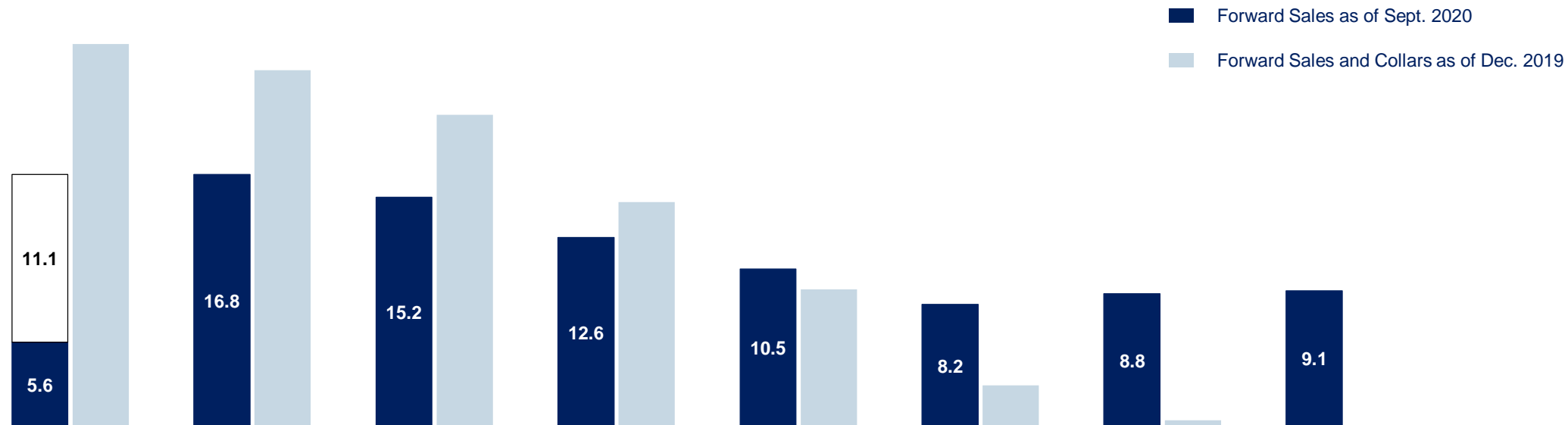


- 9m 2020 **EBIT Reported** of € - 2,185 m
- 9m 2020 EBIT Adjustments resulting from:
  - € - 1,200 m Restructuring provision
  - € - 358 m A380 programme cost
  - € - 374 m PDP mismatch / BS revaluation
  - € - 128 m Others
- 9m 2020 **Net Adjustments** of € - 2,060 m
  
- 9m 2020 **Net Loss** of € - 2,686 m
- 9m 2020 **Net Loss Adjusted** of € - 250 m

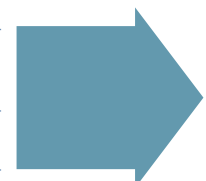
(1) 9m 2020 Average number of shares: 783,012,736 compared to 776,697,534 in 9m 2019  
Capitalised R&D: € 68 m in 9m 2020 and € 78 m in 9m 2019

# Currency Hedge Policy

IN \$ BILLION



Average hedge rates	2020 remaining 3 months	2021	2022	2023	2024	2025	2026	2027
€ vs \$ Forwards/Collars <sup>(2)</sup>	1.27 (1.20 in Dec. 19)	1.21 (1.23 in Dec. 19)	1.24 (1.23 in Dec. 19)	1.23 (1.24 in Dec. 19)	1.26 (1.27 in Dec. 19)	1.27 (1.28 in Dec. 19)	1.29 (1.27 in Dec. 19)	1.30 (n/a in Dec 19)
£ vs \$	1.34	1.37	1.37	1.42	n/a	n/a	n/a	n/a



- Roll-overs implemented in Q3 to adjust portfolio
- In 9m 2020, \$ 3.9bn<sup>(1)</sup> of new Forwards were added
- \$ 11.1 bn<sup>(1)</sup> of hedges matured at an average rate of € 1 = \$ 1.20
- Hedge portfolio<sup>(1)</sup> 30 Sept 2020 at \$ 86.8 bn (vs. \$ 97.1 bn in Dec. 2019), at an average rate of \$ 1.25<sup>(2)</sup> after \$ 3.1 bn of hedges disqualified in 9m 2020

Mark-to-market value incl. in AOCI = € - 3.1 bn  
Closing rate @ 1.17 € vs. \$

Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales and Collars

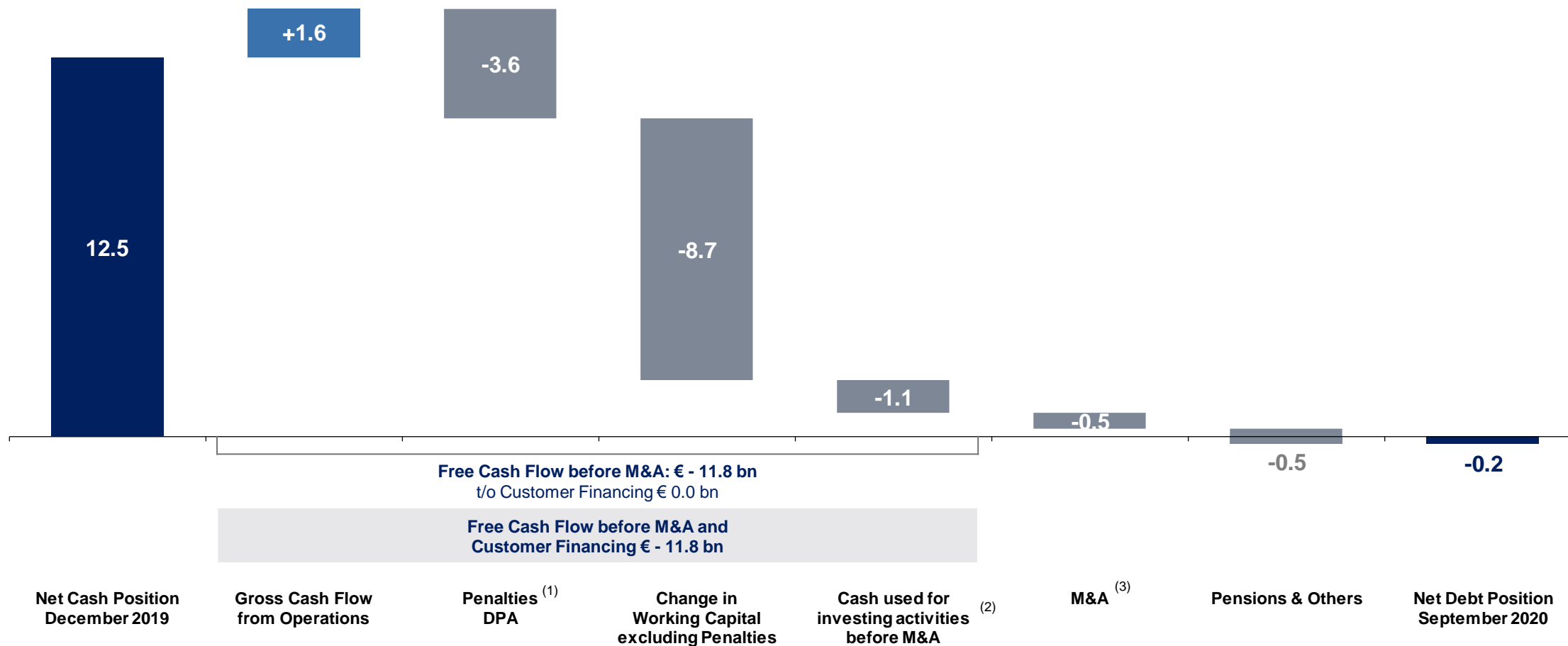
Hedge rates reflect EBIT impact of the US\$ hedge portfolio

(1) Total hedge amount contains \$/€ and \$/£ designated hedges; (2) Blended Forwards and Collars rate includes Collars at least favourable rate, no more Collars as of 31 March 2020 and thereafter



# 9m 2020 Cash Evolution

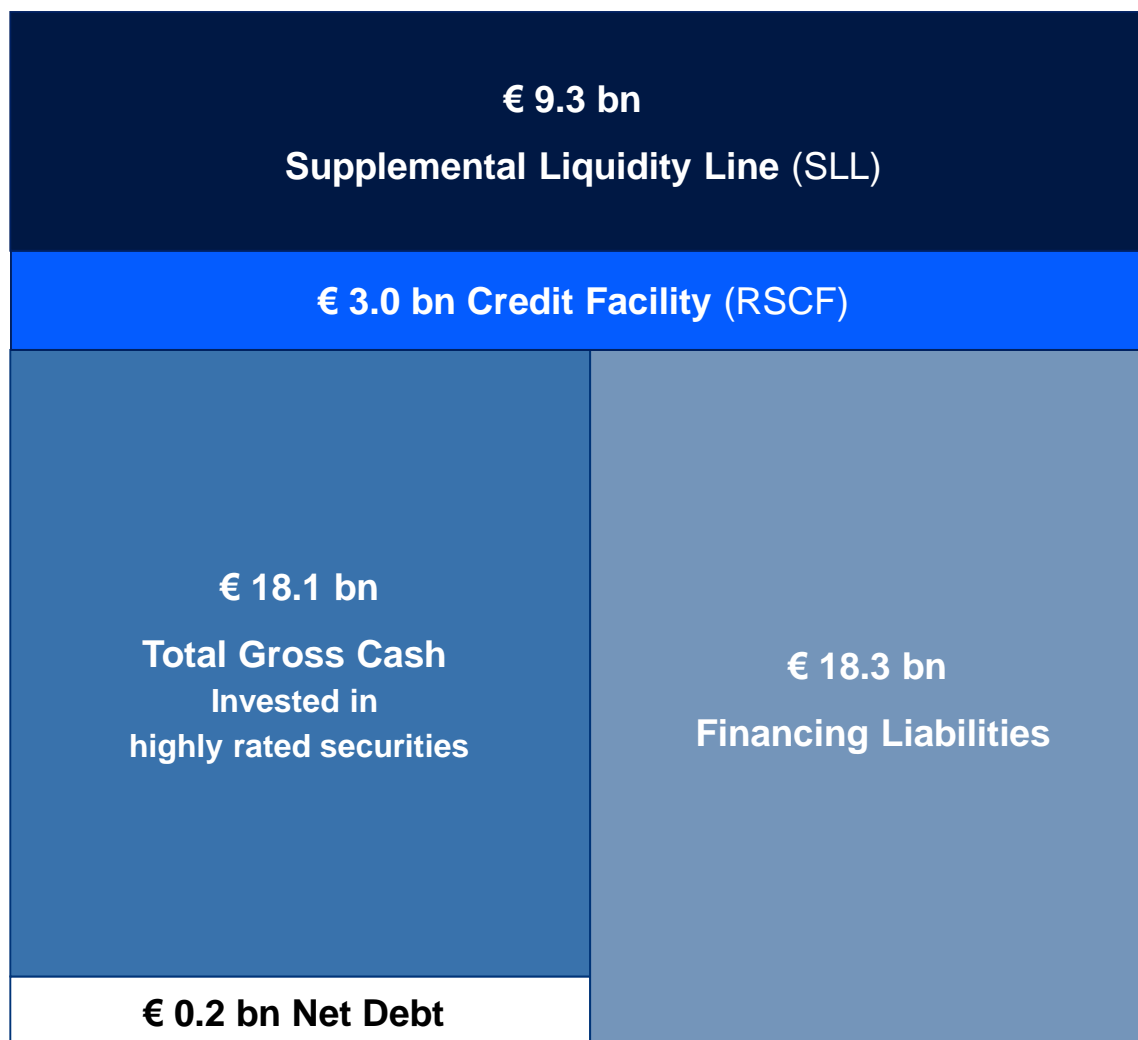
IN € BILLION



(1) DPA: "Deferred Prosecution Agreement"

(2) Thereof CapEx of € - 1.2 bn

(3) M&A transactions include acquisitions and disposals of subsidiaries and businesses



**SLL:**

- Signed March 31<sup>st</sup> with 9 Banks
- Maturity: 12m+6m+6m (from signing day)
- Term-out amounts of €5.5bn from bond issuances and €0.2bn from an USPP issuance

**RSCF:**

- Maturity October 2021, undrawn
- Fully committed by 40 banks
- No financial covenants, no MAC clause

**Financing Liabilities:**

**of which long-term : € 14.0 bn**

- Includes € 9.0 bn EMTN and \$ 3.2 bn USD 144A/RegS (nominal amounts)

**Credit Ratings:**

**Short-term rating:**

- **S & P:** A-1
- **Moody's:** P-1

**Long-term rating:**

- **S & P:** A negative
- **Moody's:** A2 negative

# AIRBUS

## 9m Results 2020

Company  
Highlights

Business  
Highlights

Guidance  
Highlights

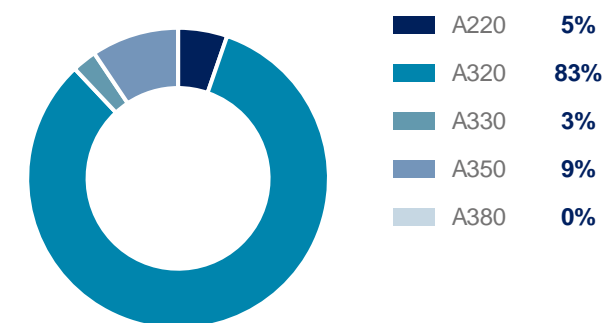


# AIRBUS

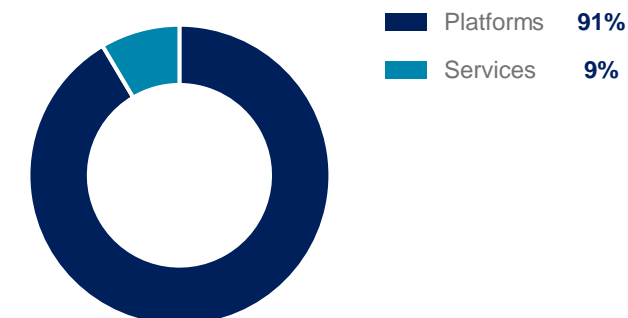


IN € MILLION		9m 2020	9m 2019 Restated <sup>(1)</sup>	Change
<b>Order Intake (net)</b>	<b>Units</b>	<b>300</b>	<b>127</b>	<b>136.2%</b>
<b>Order Book</b>		<b>7,441</b>	<b>7,133</b>	<b>4.3%</b>
<b>Deliveries</b>	<b>Units</b>	<b>341</b>	<b>571</b>	<b>-40.3%</b>
<b>Revenues</b>		<b>20,271</b>	<b>35,572</b>	<b>-43.0%</b>
<b>R&amp;D Expenses</b>		<b>1,674</b>	<b>1,735</b>	<b>-3.5%</b>
<i>in % of Revenues</i>		<i>8.3%</i>	<i>4.9%</i>	
<b>EBIT Adjusted</b>		<b>(641)</b>	<b>3,593</b>	<b>N/A</b>
<i>in % of Revenues</i>		<i>-3.2%</i>	<i>10.1%</i>	
<b>EBIT</b>		<b>(2,399)</b>	<b>3,165</b>	<b>N/A</b>
<i>in % of Revenues</i>		<i>-11.8%</i>	<i>8.9%</i>	

## Deliveries by Programme (Units)



## External Revenue Split



- Deliveries: 341 aircraft incl. 18 A220, 282 A320 Family, 9 A330 and 32 A350
- Revenues mainly reflect lower deliveries
- EBIT Adjusted mainly reflects lower deliveries, lower cost efficiency and COVID-19 related charges

Capitalised R&D: € 8 m in 9m 2020 and € 40 m in 9m 2019

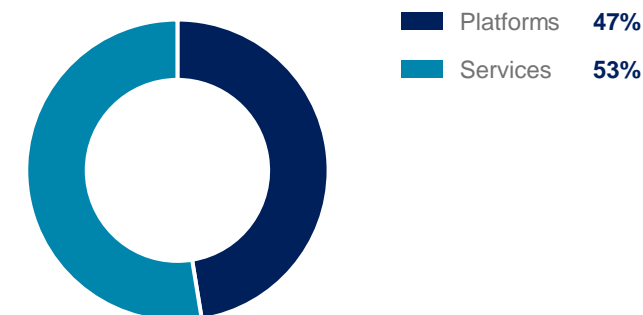
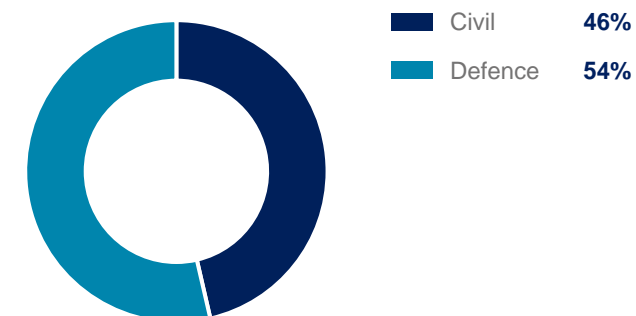
(1) 2019 financial figures restated to reflect the adoption of a new segment reporting structure for "Transversal" activities



IN € MILLION		9m 2020	9m 2019	Change
<b>Order Intake (net)</b>	<b>Units</b>	<b>143</b>	<b>173</b>	<b>-17.3%</b>
<b>Order Book</b>		<b>669</b>	<b>681</b>	<b>-1.8%</b>
<b>Deliveries</b>	<b>Units</b>	<b>169</b>	<b>209</b>	<b>-19.1%</b>
<b>Revenues</b>		<b>3,623</b>	<b>3,712</b>	<b>-2.4%</b>
<b>R&amp;D expenses</b>		<b>196</b>	<b>216</b>	<b>-9.3%</b>
<i>in % of revenues</i>		<i>5.4%</i>	<i>5.8%</i>	
<b>EBIT Adjusted</b>		<b>238</b>	<b>205</b>	<b>16.1%</b>
<i>in % of revenues</i>		<i>6.6%</i>	<i>5.5%</i>	
<b>EBIT</b>		<b>238</b>	<b>203</b>	<b>17.2%</b>
<i>in % of revenues</i>		<i>6.6%</i>	<i>5.5%</i>	

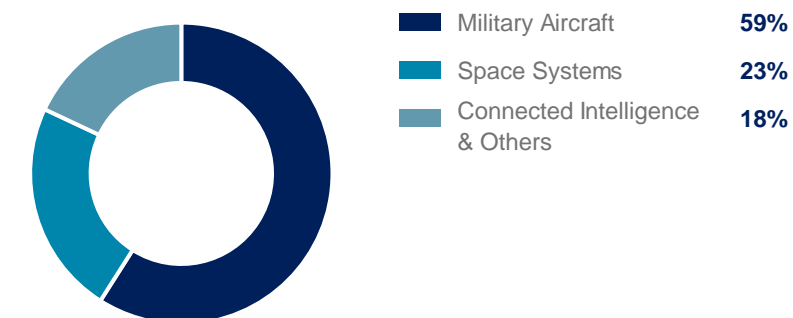
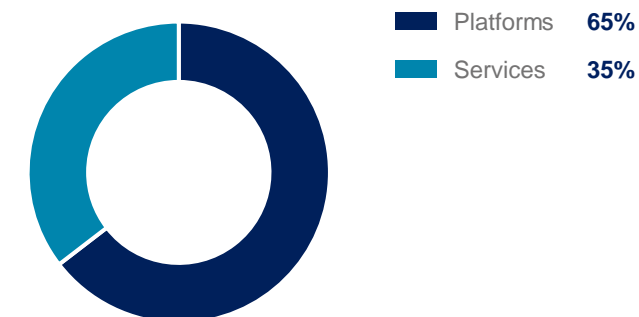
- Revenues broadly stable reflecting lower deliveries partially compensated by higher services
- EBIT Adjusted reflects favourable mix, increase in services, programme execution and lower R&D

External Revenue Split



IN € MILLION	9m 2020	9m 2019	Change
<b>Order Intake (net)</b>	<b>8,214</b>	<b>6,064</b>	<b>35.5%</b>
<b>Revenues</b>	<b>6,936</b>	<b>7,706</b>	<b>-10.0%</b>
<b>R&amp;D Expenses</b>	<b>177</b>	<b>216</b>	<b>-18.1%</b>
<i>in % of Revenues</i>	2.6%	2.8%	
<b>EBIT Adjusted</b>	<b>266</b>	<b>355</b>	<b>-25.1%</b>
<i>in % of Revenues</i>	3.8%	4.6%	
<b>EBIT</b>	<b>(36)</b>	<b>83</b>	<b>N/A</b>
<i>in % of Revenues</i>	-0.5%	1.1%	

External Revenue Split



- Revenues reflect lower volume in Space and A400M as well as the impact of COVID-19 on business phasing
- EBIT Adjusted mainly reflects lower volume in Space and COVID-19 impact, partly offset by cost reduction measures
- A400M: 5 a/c delivered in 9m 2020

# AIRBUS

## 9m Results 2020

Company  
Highlights

Business  
Highlights

Guidance  
Highlights



**AIRBUS**

*The Company's Full-Year 2020 guidance was withdrawn in March. Given the continued impact of COVID-19 on the business and the associated risks, no new guidance is issued on commercial aircraft deliveries or EBIT.*

*As the basis for its Q4 2020 guidance for free cash flow before M&A and customer financing, the Company assumes no further disruptions to the world economy, air traffic, Airbus' internal operations, and to its ability to deliver products and services.*

- On that basis, the Company targets at least breakeven free cash flow before M&A and customer financing in the fourth quarter of 2020.



- Manage deliveries and backlog
- Continued focus on cash
- Further implementation of restructuring plan

# AIRBUS

## 9m Results 2020

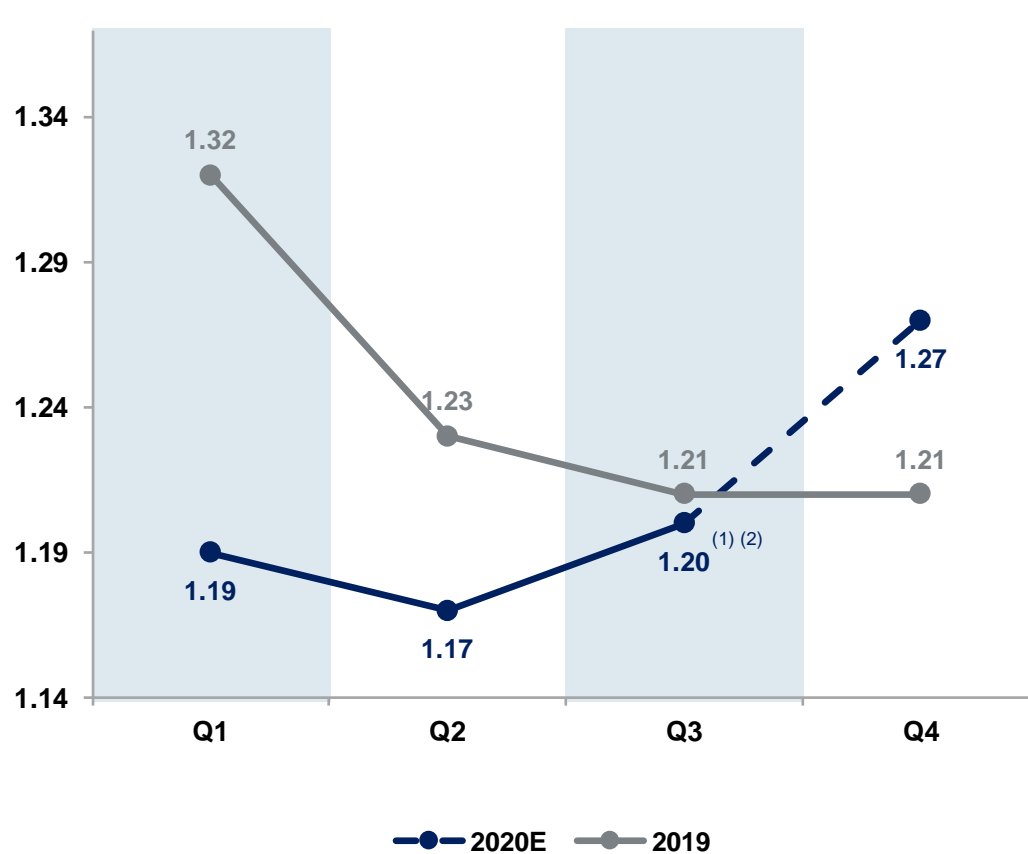
Appendix



**AIRBUS**

# Expected Average Hedge Rates € vs. \$

## Active exposure management



	Average Hedge Rates
FY 2019	1.24
FY 2020E	1.22

(1) Q3 actual  
 (2) Based on \$ 4.1 bn hedges matured with associated EBIT impact

# 9m 2020 Detailed Income Statement and Adjustments

IN € MILLION	9m 2020 Reported	thereof Adjustments				9m 2020 Adjusted
		Impact on EBIT				
		Operational			FX	
	Airbus	Defence and Space <sup>(1)</sup>	Helicopters	Airbus + Defence and Space <sup>(2)</sup>		
<b>EBIT</b>	<b>(2,185)</b>	<b>(1,396)</b>	<b>(290)</b>	<b>0</b>	<b>(374)</b>	<b>(125)</b>
<i>in % of Revenues</i>	<i>-7.2%</i>					<i>-0.4%</i>
Interest income	101					101
Interest expense	(313)					(313)
Other Financial Result	(500)				(476)	(24)
<b>Financial Result</b>	<b>(712)</b>				<b>(476)</b>	<b>(236)</b>
<b>Income (Loss) before taxes</b>	<b>(2,897)</b>	<b>(1,396)</b>	<b>(290)</b>	<b>0</b>	<b>(374)</b>	<b>(361)</b>
Non-controlling interests	14					14
<b>Net Income (Loss)</b>	<b>(2,686)</b>					<b>(250)</b>
Number of shares	783,012,736					783,012,736
<b>EPS (in €)</b>	<b>(3.43)</b>					<b>(0.32)</b>

**Net Income (Loss) Adjusted excludes the following items:**

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discounted provisions

**The tax effect on Adjusted Loss before taxes is calculated at 27%. The effective tax rate on Loss before taxes is 7%.**

(1) Thereof € - 59 m A400M programme update  
(2) Thereof € - 362 m Airbus, € - 12 m Defence and Space



# 9m 2019 Detailed Income Statement and Adjustments

IN € MILLION	9m 2019 Reported	thereof Adjustments				Financial Result	9m 2019 Adjusted
		Impact on EBIT					
		Operational		FX			
	Airbus	Defence and Space <sup>(1)</sup>	Helicopters	Airbus + Defence and Space <sup>(2)</sup>			
<b>EBIT</b>	<b>3,431</b>						<b>4,133</b>
<i>in % of Revenues</i>	7.4%	(225)	(222)	(2)	(253)		9.0%
Interest income	143						143
Interest expense	(266)						(266)
Other Financial Result	(110)					(72)	(38)
<b>Financial Result</b>	<b>(233)</b>					<b>(72)</b>	<b>(161)</b>
<b>Income (Loss) before taxes</b>	<b>3,198</b>	<b>(225)</b>	<b>(222)</b>	<b>(2)</b>	<b>(253)</b>	<b>(72)</b>	<b>3,972</b>
Non-controlling interests	12						12
<b>Net Income (Loss)</b>	<b>2,186</b>						<b>2,912</b>
Number of shares	776,697,534						776,697,534
<b>EPS (in €)</b>	<b>2.81</b>						<b>3.75</b>

**Net Income (Loss) Adjusted excludes the following items:**

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discounted provisions

**The tax effect on Adjusted Income before taxes is calculated at 27%. The effective tax rate on Income before taxes is 32%.**

(1) Thereof € - 22 m A400M programme update  
(2) Thereof € - 203 m Airbus, € - 50 m Defence and Space

# Q3 2020 Key Figures

IN € MILLION	Q3 2020	Q3 2019
Revenues	11,213	15,302
EBIT Adjusted	820	1,604
EBIT	(626)	1,338
Net Income (Loss)	(767)	989
FCF before M&A	617	(904)
FCF before M&A and Customer Financing	642	(956)

IN € MILLION	Q3 2020	Q3 2019 Restated <sup>(1)</sup>	Q3 2020	Q3 2019 Restated <sup>(1)</sup>	Q3 2020	Q3 2019 Restated <sup>(1)</sup>
	Revenues		EBIT Adjusted		EBIT	
Airbus	7,738	11,529	666	1,400	(591)	1,159
Helicopters	1,290	1,341	86	80	86	79
Defence and Space	2,385	2,691	80	122	(109)	98
Eliminations	(200)	(259)	(12)	2	(12)	2
<b>Consolidated Airbus</b>	<b>11,213</b>	<b>15,302</b>	<b>820</b>	<b>1,604</b>	<b>(626)</b>	<b>1,338</b>

(1) 2019 financial figures restated to reflect the adoption of a new segment reporting structure for "Transversal" activities

# Detailed Free Cash Flow

IN € MILLION	9m 2020	9m 2019
Net Cash position at the beginning of the period	12,534	13,281
First time impact of IFRS 16	-	(1,352)
Gross Cash Flow from Operations <sup>(1)</sup>	1,612	4,538
Change in working capital <sup>(2)</sup>	(12,276)	(8,244)
Cash used for investing activities <sup>(3)</sup>	(1,612)	(1,421)
of which Industrial CapEx (additions) <sup>(4)</sup>	(1,191)	(1,457)
Free Cash Flow <sup>(5)</sup>	(12,276)	(5,127)
of which M&A	(520)	(225)
Free Cash Flow before M&A	(11,756)	(4,902)
of which Customer Financing	42	35
Free Cash Flow before M&A and Customer Financing	(11,798)	(4,937)
Change in capital and non-controlling interests	83	133
Change in treasury shares / share buyback	(4)	4
Change in liability for puttable instruments	85	243
Contribution to plan assets of pension schemes	(261)	(113)
Cash distribution to shareholders / non-controlling interests	0	(1,280)
Others	(403)	(213)
Net Cash (Debt) position at the end of the period	(242)	5,576

(1) Excluding working capital change, contribution to plan assets of pension schemes and realised FX results on treasury swaps

(2) Including net customer financing and excluding some perimeter change impacts from changes in consolidation

(3) Excluding change in securities and change in cash from changes in consolidation and excluding bank activities

(4) Excluding leased and financial assets

(5) Excluding change in securities, change in cash from changes in consolidation, contribution to plan assets, realised FX results on treasury swaps and bank activities

# Net Cash Position

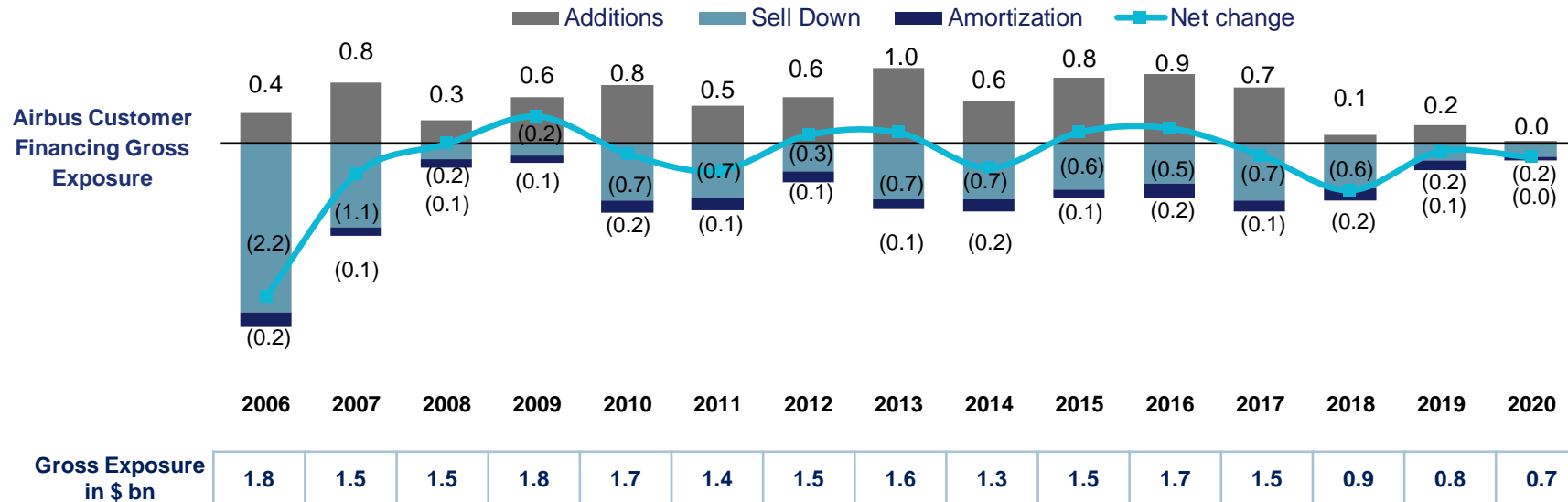
IN € MILLION	Sep. 2020	Dec. 2019
<b>Gross Cash</b>	<b>18,095</b>	<b>22,682</b>
<b>Financing Liabilities</b>	<b>(18,337)</b>	<b>(10,148)</b>
Short-term Financing Liabilities	(4,364)	(1,959)
Long-term Financing Liabilities	(13,973)	(8,189)
<b>Reported Net Cash (Debt)</b>	<b>(242)</b>	<b>12,534</b>
Airbus non-recourse debt	24	24
<b>Net Cash (Debt) excl. non-recourse</b>	<b>(218)</b>	<b>12,558</b>



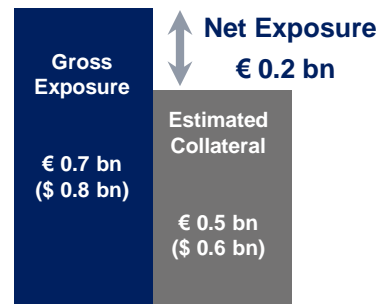
# Customer Financing Exposure

IN € MILLION	Sep. 2020	Dec. 2019	Sep. 2020	Dec. 2019
	Airbus		Helicopters	
Closing rate € 1 =	\$ 1.17	\$ 1.12	\$ 1.17	\$ 1.12
<b>Total Gross Exposure</b>	<b>555</b>	<b>731</b>	<b>46</b>	<b>48</b>
of which off-balance sheet	14	95	2	9
<b>Estimated value of collateral</b>	<b>(310)</b>	<b>(530)</b>	<b>(28)</b>	<b>(30)</b>
<b>Net Exposure</b>	<b>245</b>	<b>202</b>	<b>18</b>	<b>18</b>
<b>Provision and asset impairment</b>	<b>(245)</b>	<b>(202)</b>	<b>(18)</b>	<b>(18)</b>
<b>Net Exposure after provision</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

IN € BILLION



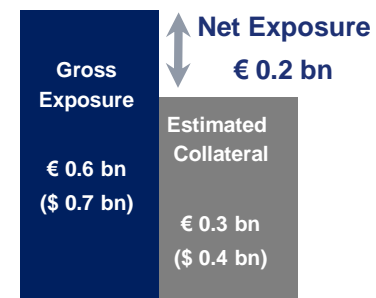
Net Exposure fully provisioned



31 December 2019

€/ \$ = 1.12

Net Exposure fully provisioned



30 September 2020

€/ \$ = 1.17

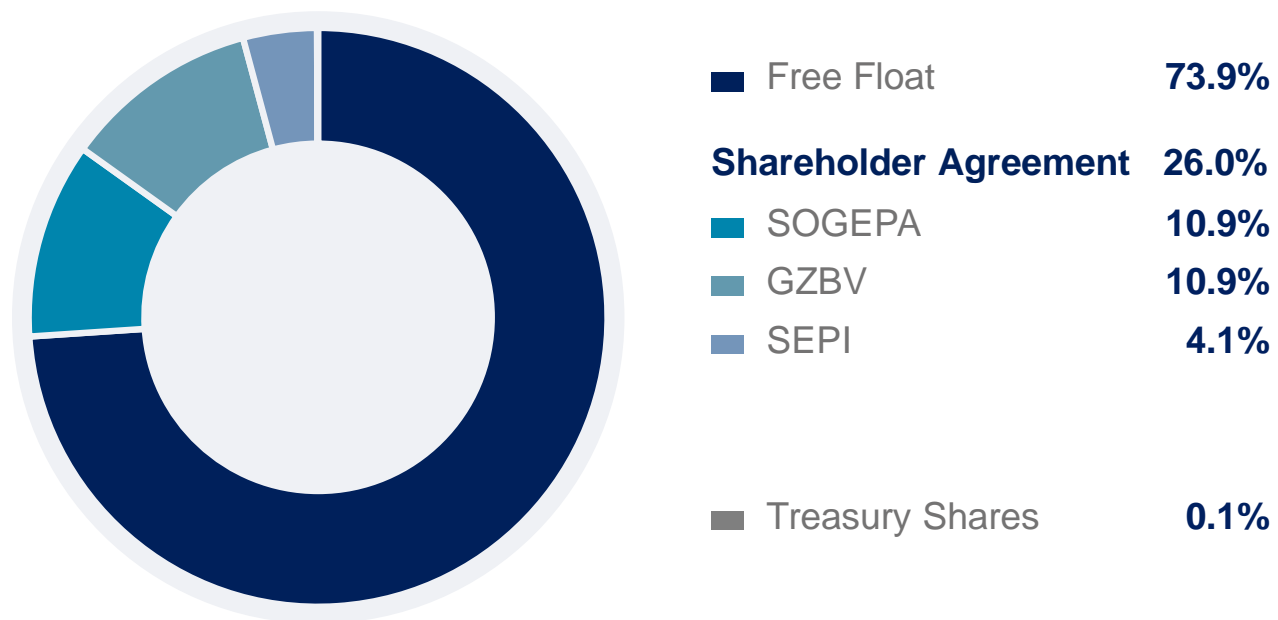
# Balance Sheet Highlights: Assets

IN € MILLION	Sep. 2020	Dec. 2019
<b>Non-current Assets</b>	<b>50,909</b>	<b>57,686</b>
of which Intangible & Goodwill	16,394	16,591
of which Property, plant & equipment	16,666	17,294
of which Investments & other long-term financial assets	4,933	6,079
of which Contract assets	58	91
of which Positive hedge mark-to-market	1,294	996
of which Non-current securities	5,514	11,066
<b>Current Assets</b>	<b>62,397</b>	<b>56,723</b>
of which Inventory	36,655	31,550
of which Contract assets	1,378	1,167
of which Cash and cash equivalents	10,927	9,314
of which Current securities	1,654	2,302
of which Positive hedge mark-to-market	675	444
<b>Assets of disposal groups classified as held for sale</b>	<b>0</b>	<b>0</b>
<b>Total Assets</b>	<b>113,306</b>	<b>114,409</b>
Closing rate € vs. \$	1.17	1.12

# Balance Sheet Highlights: Liabilities

IN € MILLION	Sep. 2020	Dec. 2019
<b>Total Equity</b>	<b>1,924</b>	<b>5,990</b>
of which AOCI (Accumulated Other Comprehensive Income)	(1,171)	(523)
of which Non-controlling interests	10	15
<b>Total Non-current liabilities</b>	<b>54,040</b>	<b>46,045</b>
of which Pensions	9,222	7,932
of which Other provisions	4,538	4,610
of which Financing liabilities	13,973	8,189
of which European Governments' refundable advances	3,779	3,725
of which Contract liabilities	19,256	16,980
of which Negative hedge mark-to-market	2,121	2,434
<b>Total Current liabilities</b>	<b>57,342</b>	<b>62,374</b>
of which Pensions	280	421
of which Other provisions	6,801	5,951
of which Financing liabilities	4,364	1,959
of which European Governments' refundable advances	470	552
of which Contract liabilities	26,542	26,426
of which Trade liabilities	9,526	14,808
of which Negative hedge mark-to-market	2,041	1,560
<b>Liabilities of disposal groups classified as held for sale</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Equity</b>	<b>113,306</b>	<b>114,409</b>

# Shareholding Structure at 30 September 2020



▪ 784,064,748 shares issued at 30 September 2020

# Quarterly Revenues Breakdown (Cumulative)

IN € MILLION	Q1		H1		9m		FY	
	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>
Airbus	7,569	9,697	12,533	24,043	20,271	35,572		54,775
Helicopters	1,202	1,007	2,333	2,371	3,623	3,712		6,007
Defence and Space	2,111	2,112	4,551	5,015	6,936	7,706		10,907
Eliminations	(251)	(267)	(469)	(563)	(669)	(822)		(1,211)
<b>Consolidated Airbus</b>	<b>10,631</b>	<b>12,549</b>	<b>18,948</b>	<b>30,866</b>	<b>30,161</b>	<b>46,168</b>		<b>70,478</b>

(1) 2019 financial figures restated to reflect the adoption of a new segment reporting structure for "Transversal" activities

# Quarterly EBIT Adjusted Breakdown (Cumulative)

IN € MILLION	Q1		H1		9m		FY	
	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>
Airbus	191	463	(1,307)	2,193	(641)	3,593		5,947
Helicopters	53	15	152	125	238	205		422
Defence and Space	15	101	186	233	266	355		565
Eliminations	22	(30)	24	(22)	12	(20)		12
<b>Consolidated Airbus</b>	<b>281</b>	<b>549</b>	<b>(945)</b>	<b>2,529</b>	<b>(125)</b>	<b>4,133</b>		<b>6,946</b>

(1) 2019 financial figures restated to reflect the adoption of a new segment reporting structure for "Transversal" activities



# Quarterly EBIT Breakdown (Cumulative)

IN € MILLION	Q1		H1		9m		FY	
	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>	2020	2019 Restated <sup>(1)</sup>
Airbus	57	319	(1,808)	2,006	(2,399)	3,165		1,794
Helicopters	53	9	152	124	238	203		414
Defence and Space	(53)	(117)	73	(15)	(36)	83		(881)
Eliminations	22	(30)	24	(22)	12	(20)		12
<b>Consolidated Airbus</b>	<b>79</b>	<b>181</b>	<b>(1,559)</b>	<b>2,093</b>	<b>(2,185)</b>	<b>3,431</b>		<b>1,339</b>

(1) 2019 financial figures restated to reflect the adoption of a new segment reporting structure for "Transversal" activities

# 9m 2020 IFRS vs. APM Cash Flow Reconciliation

IN € BILLION	Sep. 2020
<b>Cash provided by (used for) operating activities</b>	<b>(10.9)</b>
t/o Reimbursement from / contribution to plan assets	(0.3)
t/o Treasury swaps	0.1
t/o Change in working capital <sup>(1)</sup>	(12.3)
<b>Gross Cash Flow from Operations</b>	<b>1.6</b>

IN € BILLION	Sep. 2020
<b>Cash provided by (used for) operating activities</b>	<b>(10.9)</b>
Cash provided by (used for) investing activities	4.6
t/o Net proceeds (payment)	6.1
Others	0.2
<b>Free Cash Flow</b>	<b>(12.3)</b>
t/o M&A transactions	(0.5)
<b>Free Cash Flow before M&amp;A</b>	<b>(11.8)</b>
t/o Customer Financing	0.0
<b>FCF before M&amp;A and Customer Financing</b>	<b>(11.8)</b>

(1) Impact from the penalties included. Excluding the penalties, change in working capital amounts to € - 8.7 bn

# 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 (all as recorded in the consolidated statement of financial position) as defined in the Universal Registration Document, MD&A section 2.1.6.
- **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 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, other assets and prepaid expenses netted against trade liabilities, other liabilities (including customer advances), deferred income and customer financing.
- **FCF:** For the definition of the alternative performance measure free cash flow, see 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** refers to FCF 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 indicator that is important in order to measure FCF excluding those cash flows from the acquisition and disposal of businesses.
- **FCF 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.