

Q1 Results 2022

# AIRBUS



04 May 2022

<b>Guillaume FAURY</b>		Chief Executive Officer
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# 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;
- Changes in societal expectations and regulatory requirements about climate change;
- The full impact of the COVID-19 pandemic and the resulting health and economic crisis;
- 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, see note 2 "Ukraine Crisis" of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the three-month period ended 31 March 2022. For more information about the impact of the COVID-19 pandemic, see note 3 "Impact of the COVID-19 Pandemic" of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the three-month period ended 31 March 2022. 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 2021 Universal Registration Document filed on 6 April 2022 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 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 Q1 Results 2022

**Company Highlights**

Divisional Highlights

Guidance Highlights

Appendix



**AIRBUS**

- Evolving and complex geopolitical and economic environment
- 142<sup>(1)</sup> commercial aircraft delivered in Q1 2022
- A320 family: Monthly production rates to increase to 75 in 2025 to meet customer demand
- Q1 2022 financials:
  - EBIT Adjusted of € 1.3 bn; EBIT reported of € 1.4 bn
  - FCF before M&A and Customer Financing of € 0.2 bn
- Guidance unchanged; more challenging risk profile for the remainder of 2022

(1) Before a reduction of 2 a/c previously recorded as sold in December 2021 for which a transfer was not possible due to international sanctions against Russia

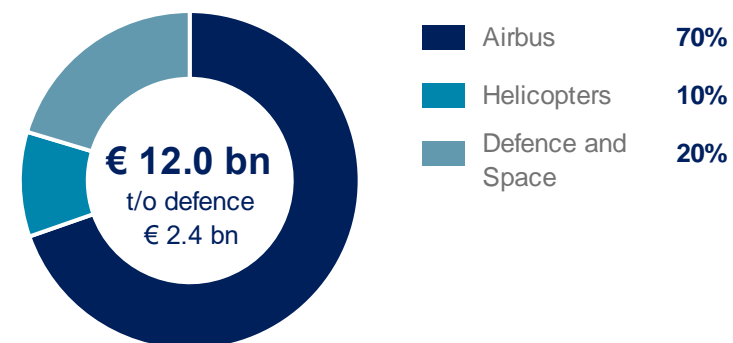
## Consolidated Airbus Order Book

by Division

		Q1 2022	Q1 2021	Change
Airbus (in units)	Order Intake (net)	83	(61)	N/A
	Order Book	7,023	6,998	0.4%
Helicopters (in units)	Order Intake (net)	56	40	40.0%
	Order Book	756	664	13.9%
Defence and Space (in € m)	Order Intake (net)	3,211	1,962	63.6%

## Consolidated Airbus

External Revenue by Division



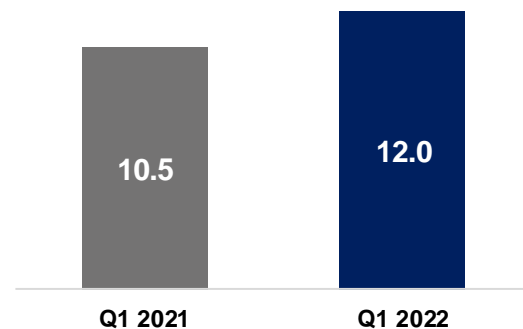
- **AIRBUS:** Gross orders: 253 a/c; Net orders: 83 a/c; Backlog: 7,023 a/c
- **HELICOPTERS:** 56 net orders and the Tiger MKIII upgrade programme
- **DEFENCE AND SPACE:** Order intake € 3.2 bn, including Eurodrone global contract

# Q1 2022 Financial Performance

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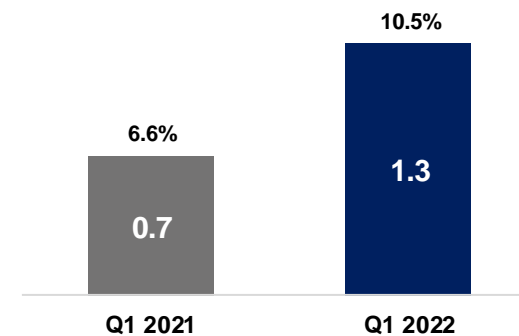
## Revenues

in € bn



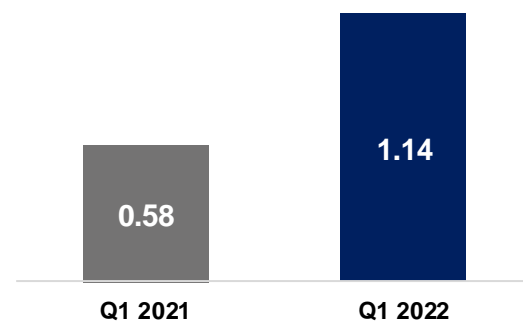
## EBIT Adjusted

in € bn / RoS (%)



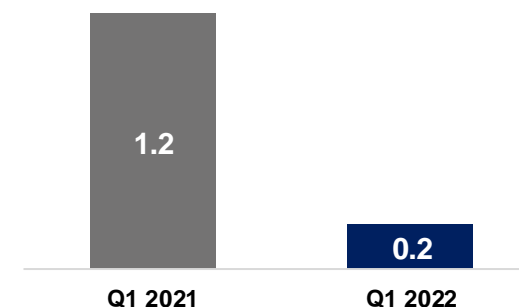
## EPS<sup>(1)</sup> Adjusted

in €



## FCF before M&A and Customer Financing

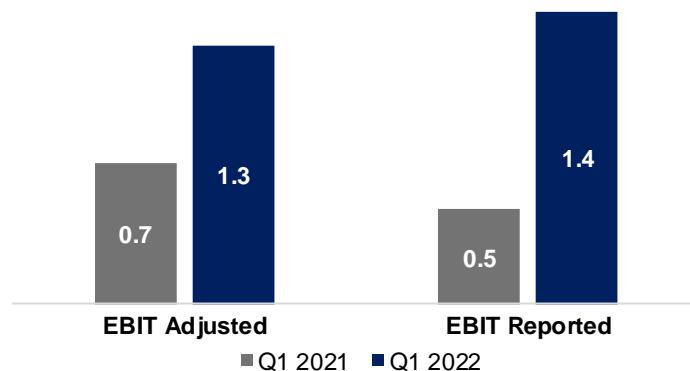
in € bn



(1) Q1 2022 Average number of shares: 785,841,075 compared to 783,986,683 in Q1 2021  
Capitalised R&D: € 42 m in Q1 2022 and € 16 m in Q1 2021

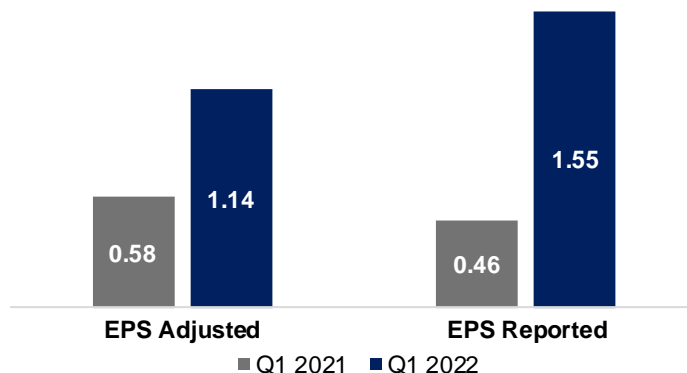
## EBIT Performance

in € bn



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

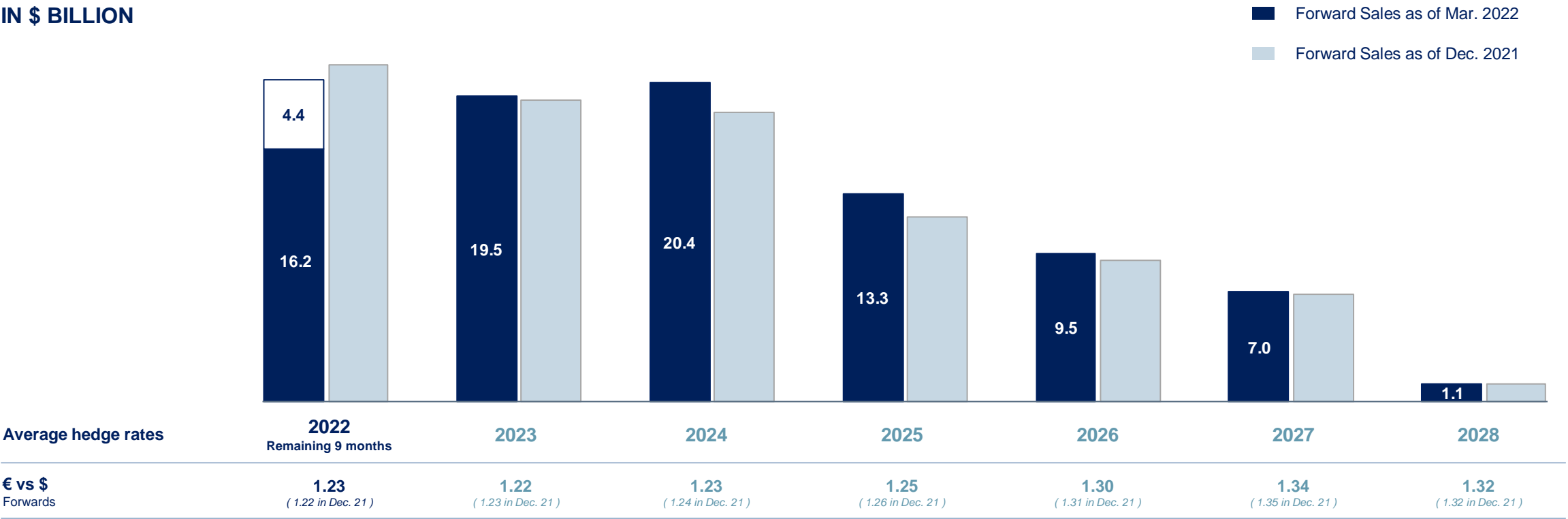
in €



- Q1 2022 **EBIT Reported** of € 1,429 m
- Q1 2022 EBIT Adjustments resulting from:
  - € + 190 m PDP mismatch / BS revaluation
  - € - 11 m A380 programme
  - € - 13 m Others
- Q1 2022 **Net Adjustments** of € + 166 m
- Q1 2022 **Net Income** of € 1,219 m
- Q1 2022 **Net Income Adjusted** of € 892 m

(1) Q1 2022 Average number of shares: 785,841,075 compared to 783,986,683 in Q1 2021  
Capitalised R&D: € 42 m in Q1 2022 and € 16 m in Q1 2021

IN \$ BILLION



Mark-to-market value incl. in AOCI = € - 5.3 bn  
Closing rate @ 1.11 € vs. \$

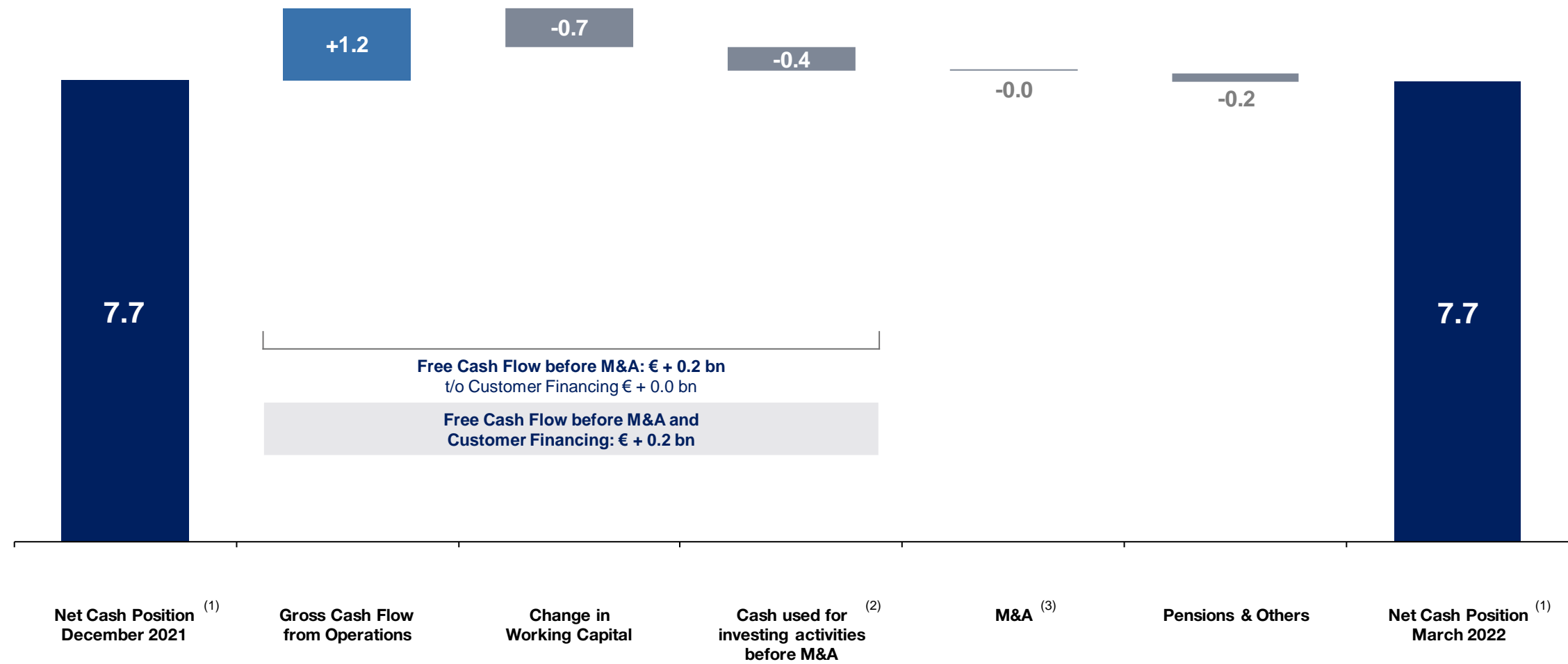
- In Q1 2022 \$ 4.4 bn<sup>(1)</sup> of hedges matured at an average rate of € 1 = \$ 1.21
- \$ 3.5 bn<sup>(1)</sup> of new Forwards were added at € 1 = \$ 1.18
- Hedge portfolio<sup>(1)</sup> as of 31 March 2022 at \$ 87.1 bn (vs. \$ 88.3 bn in December 2021), at an average rate of \$ 1.25

Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales  
Hedge rates reflect EBIT impact of the US\$ hedge portfolio  
(1) Total hedge amount contains €/£ and £/\$ designated hedges.



# Q1 2022 Cash Evolution

IN € BILLION



(1) The Company has decided to refine the net cash definition to include interest rate contracts related to fair value hedges which is also reflected in the Q1 2022 balance

(2) Thereof CapEx of € - 0.3 bn

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

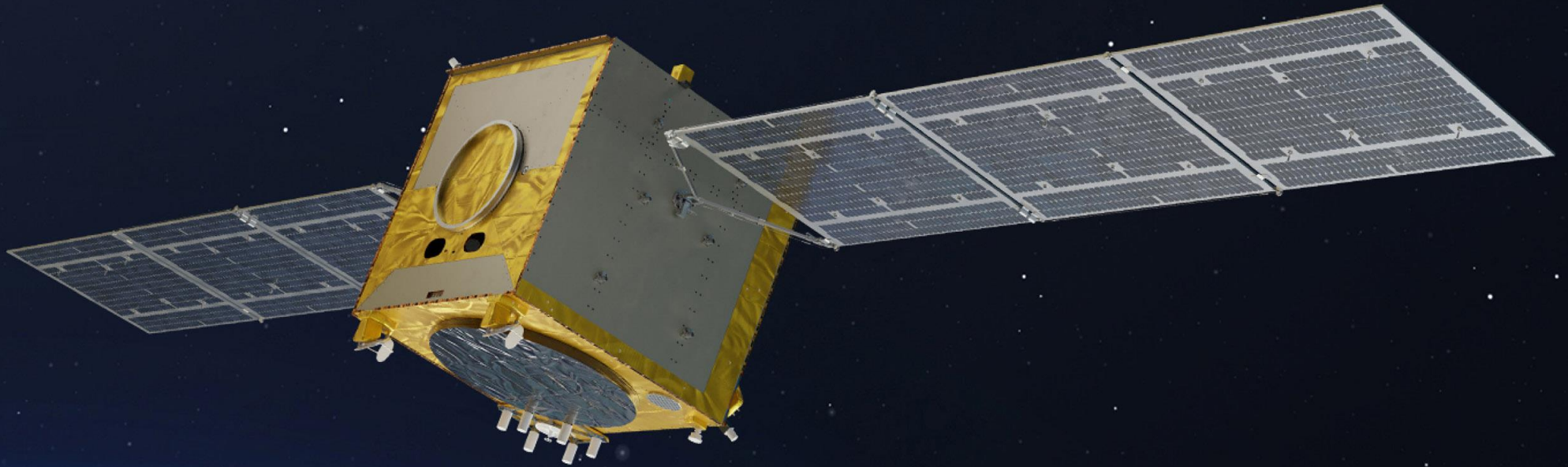
# AIRBUS Q1 Results 2022

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[Divisional Highlights](#)

[Guidance Highlights](#)

[Appendix](#)

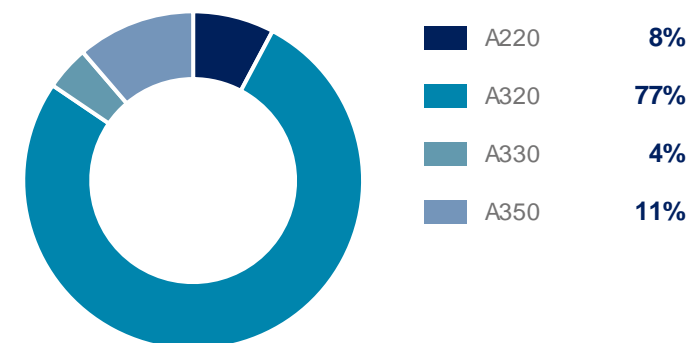


**AIRBUS**

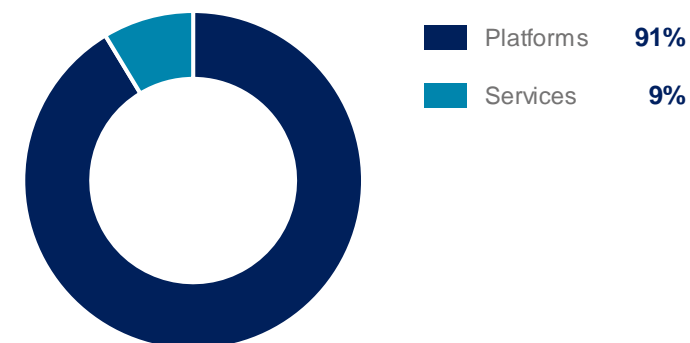
IN € MILLION		Q1 2022	Q1 2021	Change
Order Intake (net)		83	(61)	N/A
Order Book	Units	7,023	6,998	0.4%
Deliveries	Units	142 <sup>(1)</sup>	125	13.6%
Revenues		8,541	7,272	17.5%
R&D Expenses		477	520	-8.3%
<i>in % of Revenues</i>		5.6%	7.2%	
EBIT Adjusted		1,065	533	99.8%
<i>in % of Revenues</i>		12.5%	7.3%	
EBIT		1,242	343	262.1%
<i>in % of Revenues</i>		14.5%	4.7%	

- Deliveries: 142 <sup>(1)</sup> aircraft comprising 11 A220, 109 A320 Family, 6 A330 and 16 A350
- Revenues mainly reflect higher deliveries as well as a favourable mix
- EBIT Adjusted also reflects efforts on competitiveness, costs containment, impact from retirement obligations, partly offset by consequences of international sanctions

## Deliveries by Programme (Units)



## External Revenue Split

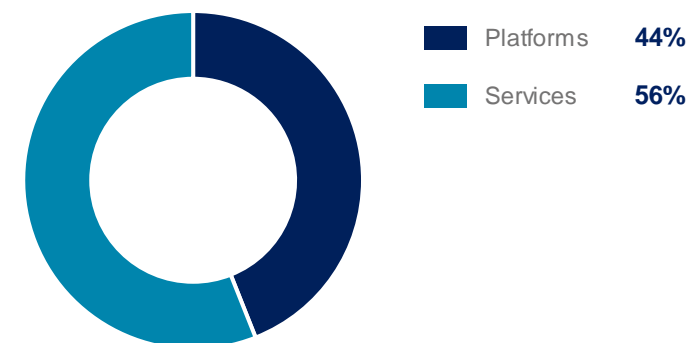
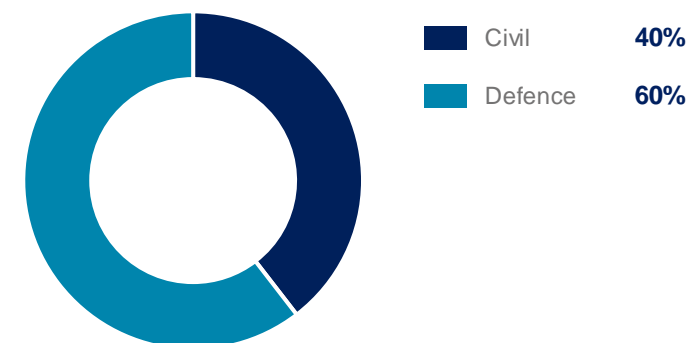


(1) Before a reduction of 2 a/c previously recorded as sold in December 2021 for which a transfer was not possible due to international sanctions against Russia  
Capitalised R&D: € 16 m in Q1 2022 and € 1 m in Q1 2021

IN € MILLION		Q1 2022	Q1 2021	Change
Order Intake (net)	Units	56	40	40.0%
Order Book		756	664	13.9%
Deliveries	Units	39	39	0.0%
Revenues		1,265	1,177	7.5%
R&D Expenses		56	55	1.8%
<i>in % of Revenues</i>		4.4%	4.7%	
EBIT Adjusted		90	62	45.2%
<i>in % of Revenues</i>		7.1%	5.3%	
EBIT		90	62	45.2%
<i>in % of Revenues</i>		7.1%	5.3%	

- Revenues reflect growth in services and favourable mix in programmes
- EBIT Adjusted also reflects non-recurring elements, including impact from retirement obligations

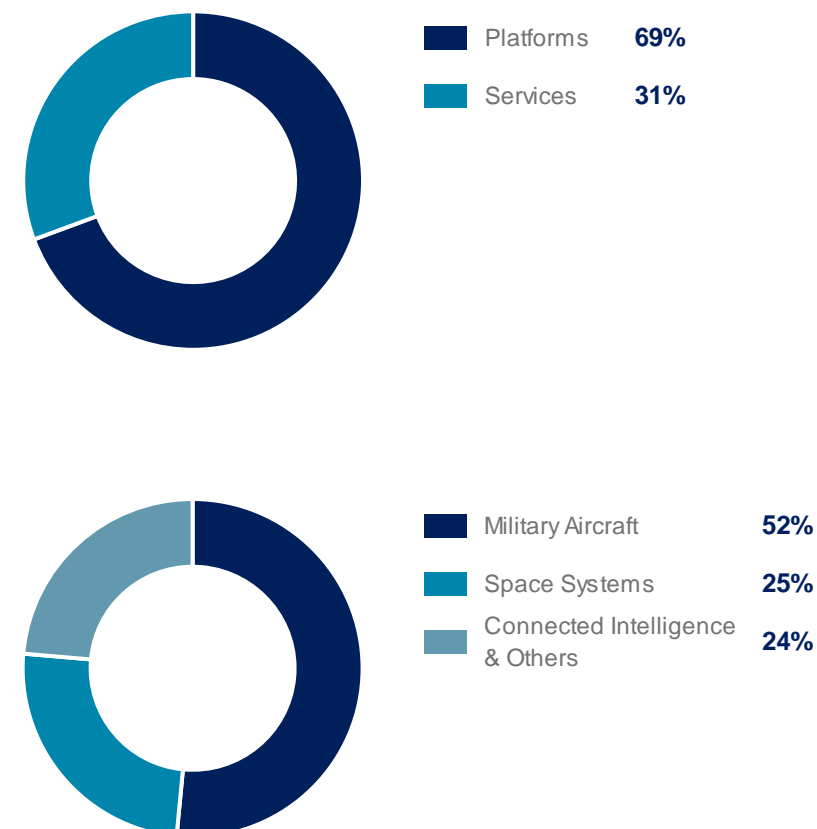
External Revenue Split



IN € MILLION	Q1 2022	Q1 2021	Change
Order Intake (net)	3,211	1,962	63.6%
Revenues	2,453	2,115	16.0%
R&D Expenses	53	47	12.8%
<i>in % of Revenues</i>	2.2%	2.2%	
EBIT Adjusted	106	59	79.7%
<i>in % of Revenues</i>	4.3%	2.8%	
EBIT	95	17	458.8%
<i>in % of Revenues</i>	3.9%	0.8%	

- Revenues mainly reflect higher volume on Military Aircraft and Eurodrone contract signature
- EBIT Adjusted also reflects impact from retirement obligations, offset by consequences of international sanctions
- A400M: 1 a/c delivered in Q1 2022

External Revenue Split





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**AIRBUS**



The guidance issued in February 2022 remains unchanged.

*As the basis for its 2022 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 2022 guidance is before M&A.*

On that basis, the Company targets to achieve in 2022 around:

- 720 commercial aircraft deliveries;
- EBIT Adjusted of € 5.5 billion;
- Free Cash Flow before M&A and Customer Financing of € 3.5 billion

- Deliver on our Guidance
- Further strengthen the backlog across businesses
- Deliver on our commercial aircraft ramp-up
- Continue the transformation of the Company
- Lead the development of sustainable aerospace
- Focus on earnings and cash growth trajectory beyond 2022



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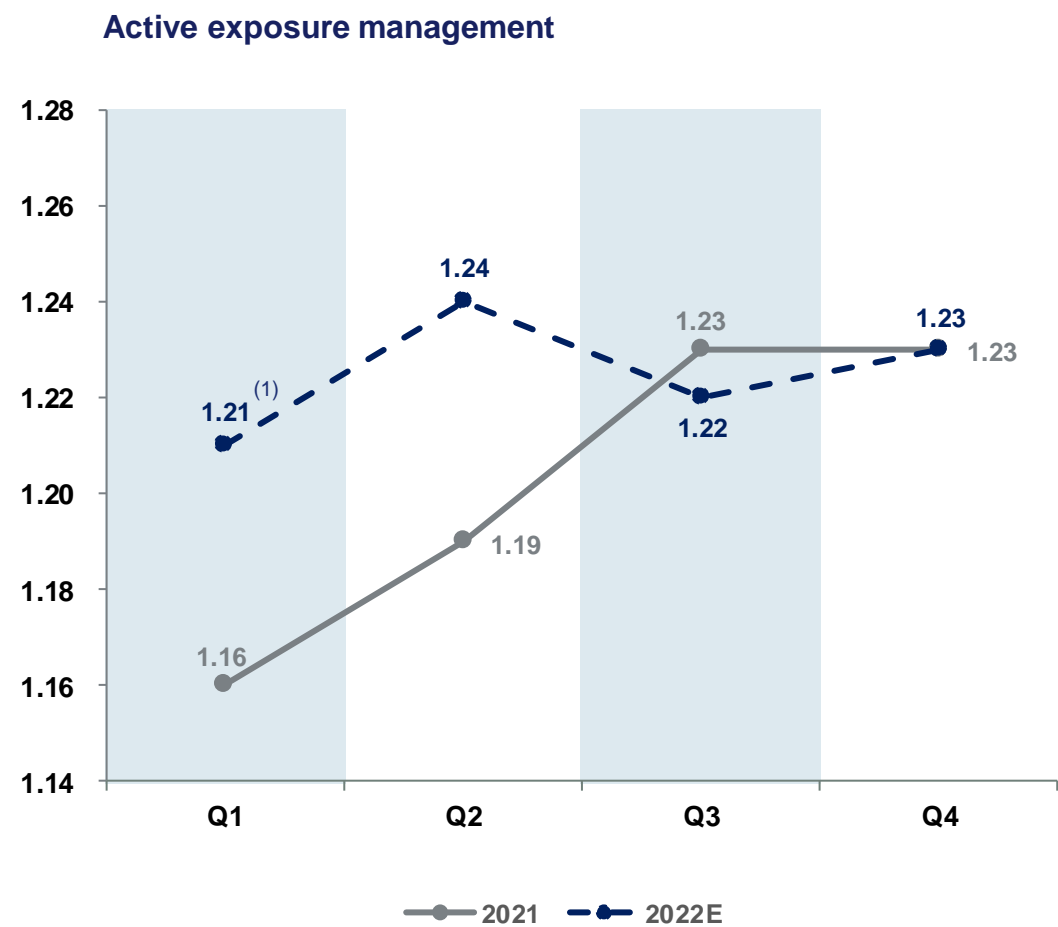
[Guidance Highlights](#)

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**AIRBUS**

# Expected Average Hedge Rates € vs. \$



	Average Hedge Rates
FY 2021	1.20
FY 2022E	1.22

Hedge rates reflect EBIT impact of the US\$ hedge portfolio  
(1) Q1 actual



# Q1 2022 Detailed Income Statement and Adjustments

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IN € MILLION	Q1 2022 Reported	thereof Adjustments				Q1 2022 Adjusted
		Impact on EBIT			Financial Result	
		Operational		FX		
		Airbus	Defence and Space <sup>(1)</sup>	Helicopters	Airbus + Defence and Space <sup>(2)</sup>	
EBIT	1,429	(23)	(1)	0	190	1,263
<i>in % of Revenues</i>	11.9%					10.5%
Interest income	2					2
Interest expense	(78)					(78)
Other Financial Result	242					(1)
Financial Result	166					243
Income before taxes	1,595	(23)	(1)	0	190	1,186
Non-controlling interests	26					26
Net Income	1,219					892
Number of shares	785,841,075					785,841,075
EPS <i>(in €)</i>	1.55					1.14

## Net Income 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 25%.

(1) Thereof € - 1 m A400M programme update  
(2) Thereof € + 200 m Airbus, € - 10 m Defence and Space

# Q1 2021 Detailed Income Statement and Adjustments

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IN € MILLION	Q1 2021 Reported	thereof Adjustments				Financial Result	Q1 2021 Adjusted
		Impact on EBIT			FX		
		Operational					
		Airbus	Defence and Space	Helicopters	Airbus + Defence and Space <sup>(1)</sup>		
EBIT	462	(53)	(2)	0	(177)		694
<i>in % of Revenues</i>	4.4%						6.6%
Interest income	14						14
Interest expense	(96)						(96)
Other Financial Result	141					148	(7)
Financial Result	59					148	(89)
Income before taxes	521	(53)	(2)	0	(177)	148	605
Non-controlling interests	16						16
Net Income	362						458
Number of shares	783,986,683						783,986,683
EPS <i>(in €)</i>	0.46						0.58

## Net Income 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 34%.

(1) Thereof € - 137 m Airbus, € - 40 m Defence and Space





## RSCF:

- Signed October 2020 with maturity of 3 years + 2 extension options of 1 year. First extension option exercised extending the maturity to October 2024; undrawn
- Fully committed by 33 banks
- No financial covenants, no MAC clause

## Financing Liabilities:

### **of which long-term: € 12.5 bn**

- Includes € 9.0 bn EMTN and \$ 2.3 bn 144A/RegS & USPP (nominal amounts)

## Credit Ratings:

### **Short-term rating:**

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

### **Long-term rating:**

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

(1) The Q1 2022 Gross Debt includes financing liabilities for € 14.6 bn and interest rate contracts related to fair value hedges for € 0.5 bn

(2) The Company has decided to refine the net cash definition to include interest rate contracts related to fair value hedges which is also reflected in the Q1 2022 balance

# Q1 2022 Key Figures

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IN € MILLION	Q1 2022	Q1 2021
Revenues	12,000	10,460
EBIT Adjusted	1,263	694
EBIT	1,429	462
Net Income	1,219	362
FCF before M&A	167	1,171
FCF before M&A and Customer Financing	213	1,202

IN € MILLION	Q1 2022	Q1 2021	Q1 2022	Q1 2021	Q1 2022	Q1 2021
	Revenues		EBIT Adjusted		EBIT	
Airbus	8,541	7,272	1,065	533	1,242	343
Helicopters	1,265	1,177	90	62	90	62
Defence and Space	2,453	2,115	106	59	95	17
Eliminations	(259)	(104)	2	40	2	40
<b>Consolidated Airbus</b>	<b>12,000</b>	<b>10,460</b>	<b>1,263</b>	<b>694</b>	<b>1,429</b>	<b>462</b>

# Detailed Free Cash Flow

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IN € MILLION	Q1 2022	Q1 2021
Net Cash position at the beginning of the period <sup>(1)</sup>	7,740	4,724
Gross Cash Flow from Operations <sup>(2)</sup>	1,214	585
Change in working capital <sup>(3)</sup>	(662)	1,022
Cash used for investing activities <sup>(4)</sup>	(391)	(443)
of which Industrial CapEx (additions) <sup>(5)</sup>	(337)	(460)
Free Cash Flow <sup>(6)</sup>	161	1,164
of which M&A	(6)	(7)
Free Cash Flow before M&A	167	1,171
of which Customer Financing	(46)	(31)
Free Cash Flow before M&A and Customer Financing	213	1,202
Change in capital and non-controlling interests	139	133
Change in treasury shares / share buyback	(36)	0
Change in liability for puttable instruments	134	0
Contribution to plan assets of pension schemes	(70)	(175)
Cash distribution to shareholders / non-controlling interests	0	0
Others	(357)	30
Net Cash position at the end of the period <sup>(1)</sup>	7,711	5,876

(1) The Company has decided to refine the net cash definition to include interest rate contracts related to fair value hedges which is also reflected in the Q1 2022 balance

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

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

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

(5) Excluding leased and financial assets

(6) 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

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IN € MILLION	Mar. 2022	Dec. 2021
<b>Gross Cash</b>	<b>22,816</b>	<b>22,683</b>
<b>Financing Liabilities</b>	<b>(14,572)</b>	<b>(15,040)</b>
Short-term Financing Liabilities	(2,045)	(1,946)
Long-term Financing Liabilities	(12,527)	(13,094)
<b>Interest rate contracts</b>	<b>(533)</b>	<b>97</b>
<b>Reported Net Cash <sup>(1)</sup></b>	<b>7,711</b>	<b>7,740</b>

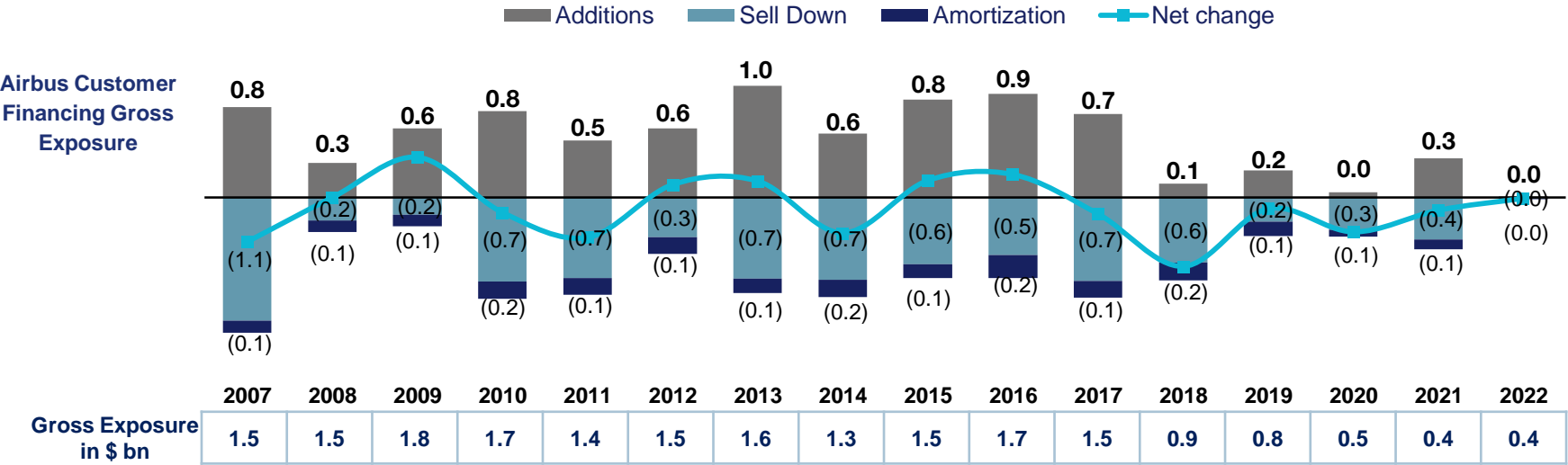
(1) The Company has decided to refine the net cash definition to include interest rate contracts related to fair value hedges which is also reflected in the Q1 2022 balance

# Customer Financing Exposure

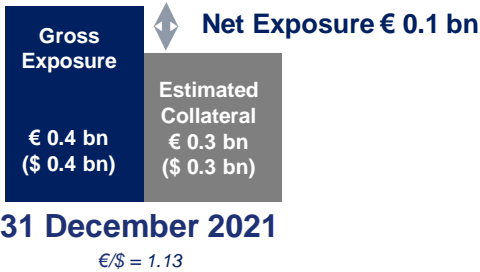
25

IN € MILLION	Mar. 2022	Dec. 2021	Mar. 2022	Dec. 2021
	Airbus		Helicopters	
Closing rate € 1 =	\$ 1.11	\$ 1.13	\$ 1.11	\$ 1.13
<b>Total Gross Exposure</b>	<b>366</b>	<b>364</b>	<b>33</b>	<b>58</b>
of which off-balance sheet	41	41	1	26
<b>Estimated value of collateral</b>	<b>(292)</b>	<b>(282)</b>	<b>(33)</b>	<b>(58)</b>
<b>Net Exposure</b>	<b>74</b>	<b>82</b>	<b>0</b>	<b>0</b>
<b>Provision and asset impairment</b>	<b>(74)</b>	<b>(82)</b>	<b>0</b>	<b>0</b>
<b>Net Exposure after provision</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

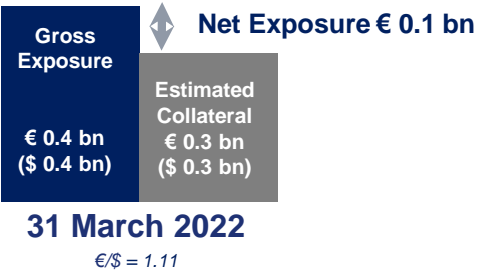
IN € BILLION



Net Exposure fully provisioned



Net Exposure fully provisioned





# Balance Sheet Highlights: Assets

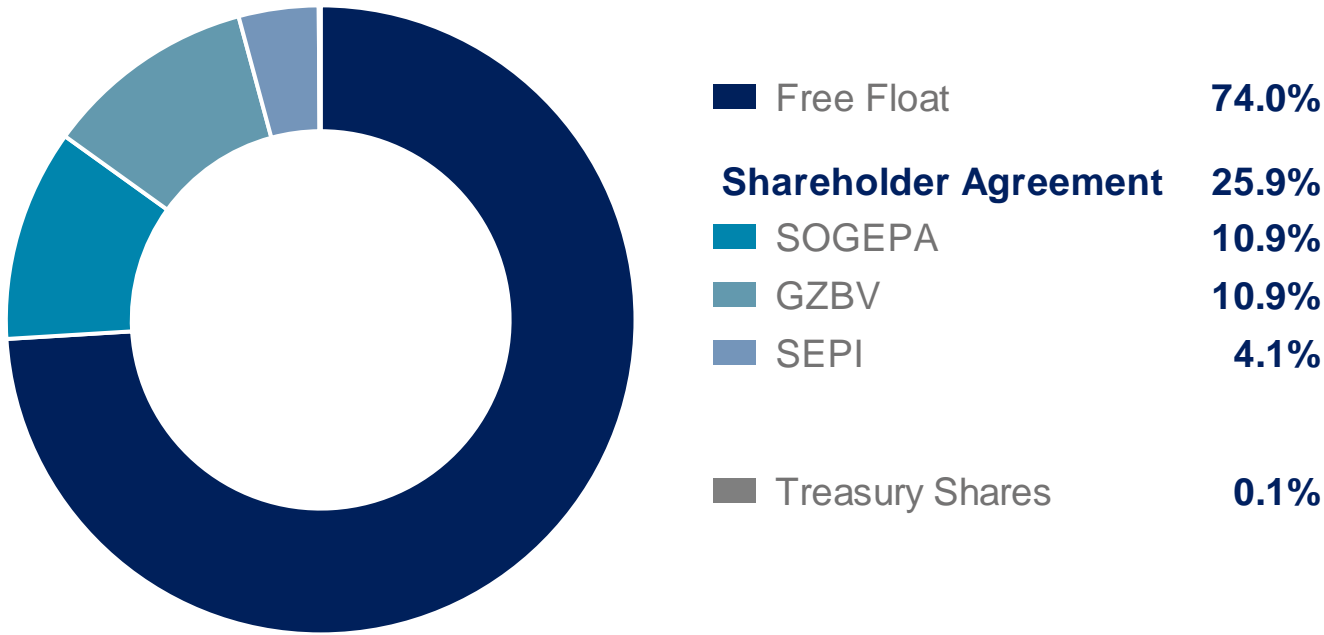
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IN € MILLION	Mar. 2022	Dec. 2021
<b>Non-current Assets</b>	<b>51,019</b>	<b>51,247</b>
of which Intangible & Goodwill	16,399	16,367
of which Property, plant & equipment	16,336	16,536
of which Investments & other long-term financial assets	5,928	5,673
of which Contract assets	25	27
of which Positive hedge mark-to-market	542	664
of which Non-current securities	6,648	6,794
<b>Current Assets</b>	<b>59,138</b>	<b>55,800</b>
of which Inventory	30,211	28,538
of which Contract assets	1,633	1,377
of which Cash and cash equivalents	15,045	14,572
of which Current securities	1,123	1,317
of which Positive hedge mark-to-market	444	341
<b>Assets of disposal groups classified as held for sale</b>	<b>0</b>	<b>0</b>
<b>Total Assets</b>	<b>110,157</b>	<b>107,047</b>
Closing rate € vs. \$	1.11	1.13

# Balance Sheet Highlights: Liabilities

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IN € MILLION	Mar. 2022	Dec. 2021
<b>Total Equity</b>	<b>10,895</b>	<b>9,486</b>
of which AOCI (Accumulated Other Comprehensive Income)	(2,567)	(1,822)
of which Non-controlling interests	25	20
<b>Total Non-current liabilities</b>	<b>48,837</b>	<b>49,754</b>
of which Pensions	5,261	6,659
of which Other provisions	4,071	4,112
of which Financing liabilities	12,527	13,094
of which European Governments' refundable advances	3,742	3,730
of which Contract liabilities	19,123	18,620
of which Negative hedge mark-to-market	3,152	2,640
<b>Total Current liabilities</b>	<b>50,425</b>	<b>47,807</b>
of which Pensions	400	413
of which Other provisions	4,047	4,097
of which Financing liabilities	2,045	1,946
of which European Governments' refundable advances	131	131
of which Contract liabilities	24,594	23,906
of which Trade liabilities	10,296	9,693
of which Negative hedge mark-to-market	2,364	1,923
<b>Liabilities of disposal groups classified as held for sale</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Equity</b>	<b>110,157</b>	<b>107,047</b>



▪ 788,136,199 shares issued at 31 March 2022

# Quarterly Revenues Breakdown (Cumulative)

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IN € MILLION

	Q1		H1		9m		FY	
	2022	2021	2022	2021	2022	2021	2022	2021
Airbus	8,541	7,272		17,813		24,618		36,164
Helicopters	1,265	1,177		2,594		4,137		6,509
Defence and Space	2,453	2,115		4,538		6,881		10,186
Eliminations	(259)	(104)		(308)		(481)		(710)
<b>Consolidated Airbus</b>	<b>12,000</b>	<b>10,460</b>		<b>24,637</b>		<b>35,155</b>		<b>52,149</b>

# Quarterly **EBIT Adjusted** Breakdown (Cumulative)

31

IN € MILLION

	Q1		H1		9m		FY	
	2022	2021	2022	2021	2022	2021	2022	2021
Airbus	1,065	533		2,291		2,739		3,570
Helicopters	90	62		183		314		535
Defence and Space	106	59		229		284		696
Eliminations	2	40		0		32		64
<b>Consolidated Airbus</b>	<b>1,263</b>	<b>694</b>		<b>2,703</b>		<b>3,369</b>		<b>4,865</b>

# Quarterly **EBIT** Breakdown (Cumulative)

32

IN € MILLION

	Q1		H1		9m		FY	
	2022	2021	2022	2021	2022	2021	2022	2021
Airbus	1,242	343		2,387		2,889		4,175
Helicopters	90	62		183		312		535
Defence and Space	95	17		157		204		568
Eliminations	2	40		0		32		64
<b>Consolidated Airbus</b>	<b>1,429</b>	<b>462</b>		<b>2,727</b>		<b>3,437</b>		<b>5,342</b>



# Q1 2022 IFRS vs. APM Cash Flow Reconciliation

33

IN € BILLION	Mar. 2022
<b>Cash provided by (used for) operating activities</b>	<b>0.5</b>
t/o Reimbursement from / contribution to plan assets	(0.1)
t/o Treasury swaps	0.0
t/o Change in other operating assets and liabilities	(0.7)
<b>Gross Cash Flow from Operations</b>	<b>1.2</b>

IN € BILLION	Mar. 2022
<b>Cash provided by (used for) operating activities</b>	<b>0.5</b>
Cash provided by (used for) investing activities	(0.4)
t/o Net proceeds (payment)	0.1
Others	0.1
<b>Free Cash Flow</b>	<b>0.2</b>
t/o M&A transactions	(0.0)
<b>Free Cash Flow before M&amp;A</b>	<b>0.2</b>
t/o Customer Financing	(0.0)
<b>FCF before M&amp;A and Customer Financing</b>	<b>0.2</b>

# Glossary on Alternative Performance Measures (APM)

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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:** 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 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 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.