



Press Release

EADS Reports Improved First Quarter (Q1) Results 2013

- Revenues increase 9 percent to € 12.4 billion
- EBIT* before one-off rises 56 percent to € 741 million
- Net Income rises 91 percent to € 241 million
- Full Year 2013 Guidance Reaffirmed

Amsterdam, 14 May 2013 – EADS (stock exchange symbol: EAD) achieved a solid start to 2013, with first quarter revenues and profitability driven by commercial aircraft deliveries. Despite the overall market environment, defence revenues remained stable thanks to the Group's mix of series and development programmes and long-term contracts.

Order intake⁽⁵⁾ rose sharply to € 49.9 billion while the order book had reached € 614.3 billion at the end of the first quarter. The reported EBIT* amounted to € 596 million with a Net Cash position of € 9.2 billion at the end of March 2013.

“The quarter was an eventful one for EADS, with shareholders approving the new governance structure while the share buyback programme is progressing and the free-float has risen significantly,” said EADS CEO Tom Enders. “On the operational side, we had a rather good start into 2013 with improved revenues and profitability. Management continues to focus on improving the bottom line performance in 2013 and beyond.”

During the quarter, EADS' **revenues** increased 9 percent to € 12.4 billion (Q1 2012: € 11.4 billion), mainly reflecting the higher aircraft deliveries at Airbus Commercial. Revenues at Astrium and Cassidian were broadly stable compared to a year earlier. The Group's defence revenues totalled € 2.3 billion.

EBIT* before one-off – an indicator capturing the underlying business margin by excluding material non-recurring charges or profits caused by movements in provisions related to programmes and restructurings or foreign exchange impacts – increased to € 741 million (Q1 2012: € 475 million^a) for EADS and to € 601 million for Airbus (Q1 2012: € 314 million^a). This was driven by the strong underlying performance at Airbus Commercial. The Group EBIT* before one-off margin improved to 6.0 percent.

EADS' **reported EBIT*** increased to € 596 million (Q1 2012: € 333 million^a) and included total one-off charges of € 145 million at Airbus. As anticipated, € 14 million of this were booked for the A380 wing rib feet repair. In addition, a negative dollar mismatch and balance sheet revaluation of € 131 million is reflected in the Q1 2013 one-off charges.

The finance result amounted to € -251 million (Q1 2012: € -143 million). The deviation compared to Q1 2012 mainly reflects a negative foreign exchange revaluation. Net Income increased significantly to € 241 million (Q1 2012: € 126 million^a), or earnings per share of € 0.29 (earnings per share Q1 2012: € 0.15^a).

Due to favourable phasing at Airbus Commercial, including IAS 38 capitalisation on the A350 XWB, Self-financed Research & Development (R&D) expenses declined to € 624 million (Q1 2012: € 726 million).

Free Cash Flow before acquisitions amounted to € -3,195 million (Q1 2012: € -1,233 million). This trend reflects the ramp-up in working capital at Airbus and Eurocopter and the seasonality of the Group's governmental business. Capital expenditure increased to € 670 million to support development programmes. EADS finished the quarter with a **Net Cash position** of € 9.2 billion (year-end 2012: € 12.3 billion).

EADS' **order intake**⁽⁵⁾ rose sharply to € 49.9 billion (Q1 2012: € 12.0 billion), driven by significant orders for Airbus Commercial. Despite the challenging market environment, the Group continued to book orders from defence and public customers, although at a lower level than last year. By the end of March 2013, the **order book**⁽⁵⁾ had risen to € 614.3 billion (year-end 2012: € 566.5 billion), supporting the Group's future growth. The defence order book amounted to € 49.9 billion (year-end 2012: € 49.6 billion).

As of 31 March 2013, EADS had 142,142 employees (year-end 2012: 140,405).

Outlook

Based on the Q1 results, EADS reaffirms its guidance for the full year 2013.

As the basis for its 2013 guidance, EADS expects the world economy and air traffic to grow in line with prevailing independent forecasts and assumes no major disruption due to the current sovereign debt crisis.

In 2013, gross commercial aircraft orders should be above the number of deliveries, in the range of 700 aircraft. Airbus deliveries should continue to grow to between 600 and 610 commercial aircraft.

Due to lower A380 deliveries and assuming an exchange rate of € 1 = \$ 1.35, EADS revenues should see moderate growth in 2013.

By stretching the 2012 underlying margin improvement, in 2013 EADS targets an EBIT* before one-off of € 3.5 billion and an EPS* before one-off of around € 2.50 (FY 2012: € 2.24), prior to the on-going share buyback.

Excluding the known wing rib feet A380 impact in 2013 of around € 85 million based on 25 deliveries, going forward, from today's point-of-view, the "one-offs" should be limited to potential charges on the A350 XWB programme and foreign exchange effects linked to PDP mismatch and balance sheet revaluation.

The A350 XWB programme remains challenging. Any schedule change could lead to an increasingly higher impact on provisions.

EADS aims to be Free Cash Flow breakeven after customer financing and before acquisitions in 2013.

EADS Divisions: Strong Underlying Improvement At Airbus

Airbus' consolidated revenues increased to € 9,181 million (Q1 2012: € 8,019 million^a), driven by the ramp-up in deliveries in line with projections. The Airbus consolidated EBIT* more than doubled to € 456 million (Q1 2012: € 172 million^a) with order intake rising to € 47.3 billion (Q1 2012: € 7.9 billion^a).

Airbus Commercial's revenues rose to € 8,822 million (Q1 2012: € 7,609 million^a), reflecting the increase in Airbus aircraft deliveries to 144 aircraft (Q1 2012: 131 aircraft). Airbus Commercial's reported EBIT* amounted to € 463 million (Q1 2012: € 135 million^a) with the EBIT* before one-off at € 608 million (Q1 2012: € 277 million^a). The Airbus Commercial EBIT* before one-off reflects the improved operational performance including favourable volume and pricing on aircraft deliveries as well as favourable R&D phasing, including IAS 38.

Revenues at Airbus Military increased sharply to € 615 million (Q1 2012: € 425 million), due to higher invoicing on tanker aircraft and the A400M. The EBIT* of € 15 million (Q1 2012: € 11 million) reflected the revenue mix.

In the quarter, Airbus Commercial recorded 410 net aircraft orders (Q1 2012: 90 net orders). Airbus Commercial saw strong demand for its A320 Family with Lion Air ordering 234 aircraft while Air Lease Corp. ordered 20 A350-900s and five A350-1000s. Airbus continues to make progress on the A350 XWB programme with the engine installation completed on the first flying aircraft, MSN1. Preparations for the first flight are ongoing with a steep ramp-up ahead for the subsequent flight test aircraft. The programme remains challenging.

Airbus Military received eight net orders (Q1 2012: five net orders) and delivered three aircraft (Q1 2012: four aircraft). It continued to make progress on the A400M programme with the full civil type certification received and the first delivery to France targeted in the second quarter of 2013. The initial operating clearance will qualify the aircraft for initial configuration once agreed by the customer. Enhancement of military capability will follow with subsequent upgrades as agreed by customers.

At the end of March, Airbus' consolidated order book was valued at € 574.5 billion (year-end 2012: € 525.5 billion^a). The Airbus Commercial backlog amounted to € 554.2 billion (year-end 2012: € 505.3 billion^a), which comprises 4,948 Airbus aircraft excluding ATR orders (year-end 2012: 4,682 units). Airbus Military's order book was worth € 21.1 billion (year-end 2012: € 21.1 billion).

Revenues at Eurocopter fell by 13 percent to € 1,038 million (Q1 2012: € 1,199 million) with deliveries of 58 helicopters (Q1 2012: 72 helicopters). The Division's EBIT* declined by 69 percent to € 20 million (Q1 2012: € 64 million^a). Eurocopter has faced some revenue and EBIT* pressure arising from the technical problems with the Super Puma fleet. Flight restrictions have impacted both the delivery schedule and the service revenues generated by helicopter operations. A recovery is expected later in 2013 as Eurocopter has now identified the root cause for the technical issues and validation with the regulators is ongoing.

Sales and EBIT* one year earlier, in Q1 2012, benefited from a strong delivery performance, in particular for the Super Puma.

As anticipated, Eurocopter signed a Memorandum of Understanding with the German government reducing the overall number of helicopters to be delivered but with some rebalancing between types on the NH90 from TTH to naval NFH versions. Other discussions with key customers are ongoing.

In the first three months of 2013, Eurocopter booked 51 net orders (Q1 2012: 93 net orders). At the end of March 2013, the Division's order book was worth € 12.7 billion (year-end 2012: € 12.9 billion), comprising 1,063 helicopters (year-end 2012: 1,070 helicopters).

Astrium's revenues in the first quarter rose 3 percent to € 1,369 million (Q1 2012: € 1,325 million), with increases in Ariane 5 production sales and telecommunication satellites partially offset by a reduction in services. EBIT* was flat at € 66 million (Q1 2012: € 65 million) due to a slightly unfavourable sales mix.

Order intake in the first quarter stood at € 817 million (Q1 2012: € 1.2 billion). Aside from contracts from the European Space Agency related to Ariane 5 ME (Midlife Evolution) and Ariane 6, Astrium received a long-term contract to deliver France's first military ultra-fast broadband satellite communications network.

Astrium completed the 54th consecutive successful Ariane 5 launch while the SPOT 6 satellite and Pléiades 1B satellites received in-orbit qualification. In April, the Astrium Services-operated Skynet 5D military satellite became fully operational. At the end of March 2013, the order book of Astrium was worth € 12.1 billion (year-end 2012: € 12.7 billion).

Cassidian's revenues increased slightly to € 941 million (Q1 2012: € 925 million) with the EBIT* rising to € 7 million from € 5 million^a. As expected, the operational performance was in line with the first quarter of 2012. The new organisation of Cassidian is now fully operational with the implementation of the restructuring plan underway. Border security projects remain challenging in commercial and programme delivery.

Despite flat European defence budgets, Cassidian achieved a book-to-bill ratio of more than 1, including export orders booked for Eurofighter, missiles and the sensor business. Orders in Q1 2012 were exceptionally high and included a Eurofighter sustainment contract and Mica missile contract in India. Net order intake fell to € 1.1 billion (Q1 2012: € 1.8 billion). At the end of March, Cassidian's order book was worth € 15.5 billion (year-end 2012: € 15.6 billion).

Confirming its progress in the Unmanned Aerial Systems (UAS) field, Cassidian achieved the successful maiden flight of the Atlante UAS and the first full system test flight of the Euro Hawk UAS during the quarter.

* EADS uses **EBIT pre-goodwill impairment and exceptionals** as a key indicator of its economic performance. The term "exceptionals" refers to such items as depreciation expenses of fair value adjustments relating to the EADS merger, the Airbus Combination and the formation of MBDA, as well as impairment charges thereon.

- a. Certain first quarter 2012 and year-end 2012 figures have been restated to reflect the change to pension accounting under IAS 19 while Airbus' figures also reflect the inclusion of ATR and Sogerma within Airbus Commercial. ATR and Sogerma were formerly included in Other Businesses.

EADS is a global leader in aerospace, defence and related services. In 2012, the Group – comprising Airbus, Astrium, Cassidian and Eurocopter – generated revenues of € 56.5 billion and employed a workforce of over 140,000.

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Note to editors: Live-Transmission of the EADS Analyst Conference Call on the Internet

You can listen to the **Q1 Analyst Conference Call** today at 10:30 a.m. CET with Chief Financial Officer Harald Wilhelm on the EADS website: www.eads.com. Please click on the front page banner. A recording of the call will be available in due course.

EADS – First Quarter (Q1) Results 2013

(Amounts in euro)

EADS Group	Q1 2013	Q1 2012	Change
Revenues , in millions	12,387	11,404	+9%
thereof defence, in millions	2,315	2,293	+1%
EBITDA ⁽¹⁾ , in millions	1,029	766 ^a	+34%
EBIT ⁽²⁾ , in millions	596	333 ^a	+79%
Research & Development expenses , in millions	624	726	-14%
Net Income ⁽³⁾ , in millions	241	126 ^a	+91%
Earnings Per Share (EPS) ⁽³⁾	0.29	0.15 ^a	+0.14 €
Free Cash Flow (FCF) , in millions	- 3,195	- 1,238	-
Free Cash Flow before Acquisitions , in millions	- 3,195	- 1,233	-
Free Cash Flow before Customer Financing , in millions	- 3,122	- 1,303	-
Order Intake ⁽⁵⁾ , in millions	49,904	12,004	+316%

EADS Group	31 Mar 2013	31 Dec 2012	Change
Order Book ⁽⁵⁾ , in millions	614,291	566,493	+8%
thereof defence, in millions	49,902	49,570	+1%
Net Cash position , in millions	9,213	12,292	-25%
Employees	142,142	140,405	+1%

For footnotes please refer to page 8.

by Division	Revenues			EBIT ⁽²⁾		
(Amounts in millions of Euro)	Q1 2013	Q1 2012	<i>Change</i>	Q1 2013	Q1 2012	<i>Change</i>
Airbus Division ⁽⁶⁾	9,181	8,019 ^a	+14%	456	172 ^a	+165%
Airbus Commercial	8,822	7,609 ^a	+16%	463	135 ^a	+243%
Airbus Military	615	425	+45%	15	11	+36%
Eurocopter	1,038	1,199	-13%	20	64 ^a	-69%
Astrium	1,369	1,325	+3%	66	65	+2%
Cassidian	941	925	+2%	7	5 ^a	+40%
Headquarters / Consolidation	- 220	- 261 ^a	-	51	29 ^a	-
Other Businesses	78	197 ^a	-60%	- 4	- 2 ^a	-
Total	12,387	11,404	+9%	596	333 ^a	+79%

by Division	Order Intake ⁽⁵⁾			Order Book ⁽⁵⁾		
(Amounts in millions of Euro)	Q1 2013	Q1 2012	<i>Change</i>	31 Mar 2013	31 Dec 2012	<i>Change</i>
Airbus Division ⁽⁶⁾	47,337	7,938 ^a	+496%	574,527	525,482 ^a	+9%
Airbus Commercial	46,826	7,591 ^a	+517%	554,221	505,333 ^a	+10%
Airbus Military	540	372	+45%	21,130	21,139	-0%
Eurocopter	804	1,248	-36%	12,708	12,942	-2%
Astrium	817	1,163	-30%	12,061	12,734	-5%
Cassidian	1,066	1,806	-41%	15,532	15,611	-1%
Headquarters / Consolidation	- 195	- 202 ^a	-	- 1,043	- 770 ^a	-
Other Businesses	75	51 ^a	+47%	506	494 ^a	+2%
Total	49,904	12,004	+316%	614,291	566,493	+8%

For footnotes please refer to page 8.

Footnotes:

- 1) Earnings before interest, taxes, depreciation, amortisation and exceptionals.
- 2) Earnings before interest and taxes, pre goodwill impairment and exceptionals.
- 3) EADS continues to use the term Net Income. It is identical with Profit for the period attributable to equity owners of the parent as defined by IFRS Rules.
- 4) Net Income before one-off is the Net Income stripped of the EBIT* one-offs. It excludes other financial result (except the unwinding of discount on provisions) and all tax effects on the mentioned items. Net Income* before one-off is the Net Income before one-off pre-goodwill and exceptionals net of tax. Accordingly, EPS* before one-off is EPS based on Net Income* before one-off.
- 5) Contributions from commercial aircraft activities to EADS Order Intake and Order Book based on list prices.
- 6) The reportable Segments Airbus Commercial and Airbus Military form the Airbus Division. Eliminations are treated at the Division level.

Safe Harbour Statement:

Certain statements contained in this press release are not historical facts but rather are statements of future expectations and other forward-looking statements that are based on management's beliefs. These statements reflect the EADS' views and assumptions as of the date of the statements and involve known and unknown risk and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

When used in this press release, words such as "anticipate", "believe", "estimate", "expect", "may", "intend", "plan to" and "project" are intended to identify forward-looking statements.

This forward looking information is based upon a number of assumptions including without limitation: assumption regarding demand, current and future markets for EADS' products and services, internal performance, customer financing, customer, supplier and subcontractor performance or contracts negotiations, favourable outcomes of certain pending sales campaigns.

Forward looking statements are subject to uncertainty and actual future results and trends may differ materially depending on variety of factors including without limitation: general economic and labour conditions, including in particular economic conditions in Europe, North America and Asia, legal, financial and governmental risk related to international transactions, the cyclical nature of some of EADS' businesses, volatility of the market for certain products and services, product performance risks, collective bargaining labour disputes, factors that result in significant and prolonged disruption to air travel worldwide, the outcome of political and legal processes, including uncertainty regarding government funding of certain programs, consolidation among competitors in the aerospace industry, the cost of developing, and the commercial success of new products, exchange rate and interest rate spread fluctuations between the euro and the U.S. dollar and other currencies, legal proceeding and other economic, political and technological risk and uncertainties. Additional information regarding these factors is contained in the Company's "registration document" dated 3 April 2013. For more information, please refer to www.eads.com.