



## Press Release

### EADS Reports Improved Nine-Month (9m) Results 2013

- Revenues increase 7 percent to € 40.0 billion
- EBIT\* before one-off rises 22 percent to € 2.3 billion
- Net Income rises 36 percent to € 1.2 billion
- Aircraft order, delivery guidance raised to reflect market demand
- Free Cash Flow 2013 guidance adjusted to € -1.5 billion
- EBIT\* before one-off target reaffirmed at € 3.5 billion for 2013

Amsterdam, 14 November 2013 – EADS (stock exchange symbol: EAD) reported higher revenues and profits for the first nine months of 2013, driven by the strong momentum within its commercial aircraft activities.

Order intake<sup>(4)</sup> more than doubled to € 138.2 billion with the order book value reaching € 642.5 billion at the end of September. The Net Cash position was € 5.2 billion on 30 September, 2013.

“We achieved a good improvement in revenues and profitability over the first nine months thanks largely to our civil aircraft business,” said EADS CEO Tom Enders. “However, we have significant challenges ahead of us, particularly with respect to cash generation and to the A350 XWB programme, which has entered the next critical phase. I am pleased with the progress made in the reorganisation of the Group’s defence and space businesses into the new Airbus Defence and Space Division and we will provide a further update on this before the end of the year.”

Over the first nine months of 2013, EADS’ **revenues** increased 7 percent to € 40.0 billion (9m 2012: € 37.3 billion), reflecting the aircraft delivery pattern at Airbus Commercial and increasing activity at Airbus Military (A400M). Revenues were broadly stable at Eurocopter, Astrium and Cassidian.

**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 € 2.3 billion (9m 2012: € 1.9 billion) for EADS and to € 1.7 billion for Airbus (9m 2012: € 1.2 billion). This improvement reflected the solid operational performance at Airbus Commercial. The Group EBIT\* before one-off margin was 5.8 percent.

EADS’ **reported EBIT\*** increased to € 2.1 billion (9m 2012: € 1.6 billion). One-off charges were limited to the known impact related to the A380 wing rib feet issue and the pre-delivery payment (PDP) dollar mismatch and balance

sheet revaluation at Airbus. The finance result was € -445 million (9m 2012: € -337 million) while **net income**<sup>(3)</sup> increased to € 1,195 million (9m 2012: € 880 million<sup>a</sup>), or earnings per share of € 1.50 (earnings per share 9m 2012: € 1.08<sup>a</sup>). **Self-financed Research & Development** (R&D) expenses increased slightly to € 2,179 million (9m 2012: € 2,145 million).

**Free Cash Flow** before acquisitions amounted to € -4,815 million (9m 2012: € -3,235 million), reflecting the working capital evolution linked to delivery phasing, industrial ramp-up, some customer financing activity and the seasonality of the group's government business. Capital expenditure of € 2.1 billion was mainly driven by progress on A350 XWB development aircraft and includes development costs capitalised under IAS 38 of € 196 million for the A350 XWB. EADS finished the first nine months of 2013 with a **Net Cash position** of € 5.2 billion (year-end 2012: € 12.3 billion) after taking into account the € 1.9 billion used to fund the share buyback programme and the 2012 dividend payment of € 468 million. The gross cash balance on 30 September was € 12.5 billion, providing financial flexibility and security.

EADS' **order intake**<sup>(4)</sup> rose sharply to € 138.2 billion (9m 2012: € 50.4 billion), as the strong commercial momentum continued into the third quarter, particularly at Airbus. Eurocopter saw some recovery in commercial bookings in the third quarter while Astrium reported significant order momentum. By the end of September 2013, the total **order book**<sup>(4)</sup> had risen in value to € 642.5 billion (year-end 2012: € 566.5 billion). The defence order book amounted to € 47.7 billion (year-end 2012: € 49.6 billion).

As of 30 September 2013, EADS had 144,156 employees (year-end 2012: 140,405).

## Outlook

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 disruptions. Based on the nine month results, EADS has made several adjustments to its full year guidance.

In 2013, gross commercial aircraft orders should be above 1,200 aircraft. Airbus deliveries are expected to be up to 620 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 share buyback.

Excluding the wing rib feet A380 impact of around € 85 million in 2013 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, foreign exchange effects linked to the PDP mismatch and balance sheet revaluation.

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

An assessment of the need for potential one-off costs from the creation of Airbus Defence and Space will be conducted in the fourth quarter of 2013.

Free Cash Flow after customer financing and before acquisitions is now expected to be negative at around € -1.5 billion. This reflects the company's investment into production ramp-up and development programmes as well as recent government customer budgetary constraints.

### **EADS Divisions: Continued Strong Performance At Airbus Commercial**

**Airbus'** consolidated revenues increased to € 28,770 million (9m 2012: € 26,051 million<sup>a</sup>), reflecting increased commercial and military aircraft deliveries. The Division's consolidated EBIT\* rose to € 1,502 million (9m 2012: € 844 million<sup>a</sup>) with net order intake increasing sharply to € 127.1 billion (9m 2012: € 40.9 billion<sup>a</sup>). Airbus Commercial's revenues rose to € 27,552 million (9m 2012: € 25,155 million<sup>a</sup>), as Airbus series aircraft deliveries increased to 445 aircraft (9m 2012: 403 aircraft with revenue recognition). Airbus Commercial's reported EBIT\* was € 1,521 million (9m 2012: € 823 million<sup>a</sup>) with the EBIT\* before one-off at € 1,710 million (9m 2012: € 1,157 million<sup>a</sup>). Airbus Commercial's EBIT\* before one-off benefitted from the better operational performance, including favourable volume and some improved pricing. Revenues at Airbus Military rose to € 1,769 million (9m 2012: € 1,194 million) with an EBIT\* of € 8 million (9m 2012: € 8 million).

Over the first nine months of 2013, Airbus Commercial received 1,062 net aircraft orders (9m 2012: 382 net orders) excluding ATR orders. It saw continued demand for the A350 XWB with orders from Lufthansa for 25 A350-900s and from IAG/British Airways for 18 A350-1000s. This momentum continued into the fourth quarter with October's order from new customer Japan Airlines for 31 A350 XWBs, including 13 A350-1000s. Single-aisle activity was also strong in the third quarter with easyJet ordering 135 A320 Family aircraft and IAG/Vueling 62. Airbus also signed a key order in September with Delta Air Lines for 30 single-aisle aircraft and ten A330-300s. A380 campaigns remain a priority.

The A350 XWB programme is progressing well, with the second test aircraft making its first flight in October. Even though there is still a long way to go to achieve the 2,500 hour flight test programme and certification, the programme remains on track for an Entry-Into-Service (EIS) in the second half of 2014. The increasing effort to prepare for the industrial ramp-up and a mature EIS is triggering some higher costs.

Airbus Military received eight net orders (9m 2012: 30 net orders) and delivered 18 aircraft (9m 2012: 11 aircraft). Two A400Ms have now been delivered to the French Air Force and the next deliveries are now being prepared. The industrial ramp-up is well underway. A total of three aircraft are now expected to be delivered this year in agreement with customers. Progressive enhancement of military capability will follow with subsequent upgrades in line with customer discussions.

As of 30 September, Airbus' consolidated order book was valued at € 602.3 billion (year-end 2012: € 525.5 billion<sup>a</sup>).

The Airbus Commercial backlog was worth € 582.7 billion (year-end 2012: € 505.3 billion<sup>a</sup>), which comprised 5,299 Airbus aircraft excluding ATR orders (year-end 2012: 4,682 units). Airbus Military's order book was worth € 20.2 billion (year-end 2012: € 21.1 billion).

Revenues at **Eurocopter** were stable at € 4,132 million (9m 2012: € 4,116 million) with deliveries rising to 312 helicopters (9m 2012: 300 helicopters). The Division's EBIT\* declined by 21 percent to € 217 million (9m 2012: € 275 million<sup>a</sup>), reflecting a weaker revenue mix with reduced Super Puma activity including the associated services and higher R&D expenses.

Eurocopter achieved major steps towards the EC225 recovery as it received approval for full mission operability worldwide, while return-to-flight continued for the global fleet. In new business, Avincis placed an order for three EC225s, while Eurocopter delivered its fourth EC225 to DanCopter for offshore transport duties in the North Sea. Eurocopter also provided the first NH90 NFH (NATO Frigate Helicopter) to the Belgian Armed Forces.

In the first nine months of 2013, Eurocopter booked 276 net orders (9m 2012: 286 net orders). At the end of September 2013, its order book was worth € 13.0 billion (year-end 2012: € 12.9 billion), comprising 1,034 helicopters (year-end 2012: 1,070 helicopters).

**Astrium's** revenues in the first nine months of 2013 were € 4,014 million (9m 2012: € 3,934 million) with an EBIT\* of € 205 million (9m 2012: € 190 million<sup>a</sup>). The EBIT\* improvement reflected a good performance in the launchers and satellites business, as well as lower R&D costs although this progress was partly offset by lower services activity.

During the third quarter, Astrium achieved the 56<sup>th</sup> and 57<sup>th</sup> successful consecutive Ariane 5 launch. It received a € 344 million contract for a reconnaissance radar satellite and signed a frame agreement worth over € 400 million with Arianespace to start the production of 18 additional heavy-lift Ariane 5 ECA launchers. It also received telecommunication satellites contracts from Telesat and DIRECTV. In October, Astrium was awarded three contracts by the European Space Agency worth € 414 million combined for the development of Ariane 5 ME and Ariane 6 launch vehicles. The Division's order intake in the first nine months of 2013 rose significantly to € 4.3 billion (9m 2012: € 2.9 billion). As of 30 September 2013, its order book was worth € 12.9 billion (year-end 2012: € 12.7 billion).

**Cassidian's** revenues were flat at € 3,498 million (9m 2012: € 3,484 million) with an EBIT\* of € 153 million (9m 2012: € 145 million<sup>a</sup>). The operational performance reflected good programme execution, particularly at Eurofighter, which is supporting revenues and profitability.

Given the business seasonality, the impact of the transformation programme launched at the end of 2012 is expected to be visible in the last quarter of 2013. Cassidian has made good progress in de-risking contracts in the communications and security solutions area. However, some contracts remain challenging. As it strives to reduce risk in this business area, Cassidian has entered into discussions with some customers on a way forward. During the third quarter, MBDA received a production contract from the UK for the Sea Ceptor air

defence weapon system. In November, the Medium Extended Air Defense System (MEADS) intercepted and destroyed two simultaneous targets. Net order intake fell to € 3.0 billion (9m 2012: € 3.4 billion). At the end of September 2013, Cassidian's order book was worth € 14.8 billion (year-end 2012: € 15.6 billion).

\* 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 nine-month 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.

### About EADS

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 **Nine-Month Analyst Conference Call** today at 10:30 a.m. CET with Chief Financial Officer Harald Wilhelm on the EADS website: [www.eads.com](http://www.eads.com). Please click on the front page banner. A recording of the call will be made available in due course.

## EADS – Nine-Month (9m) Results 2013

(Amounts in euro)

<b>EADS Group</b>	<b>9m 2013</b>	<b>9m 2012</b>	<b>Change</b>
<b>Revenues</b> , in millions	<b>39,966</b>	37,258	+7%
thereof defence, in millions	<b>7,714</b>	7,355	+5%
<b>EBITDA</b> <sup>(1)</sup> , in millions	<b>3,485</b>	2,906 <sup>a</sup>	+20%
<b>EBIT</b> <sup>(2)</sup> , in millions	<b>2,146</b>	1,583 <sup>a</sup>	+36%
<b>Research &amp; Development expenses</b> , in millions	<b>2,179</b>	2,145	+2%
<b>Net Income</b> <sup>(3)</sup> , in millions	<b>1,195</b>	880 <sup>a</sup>	+36%
<b>Earnings Per Share (EPS)</b> <sup>(3)</sup>	<b>1.50</b>	1.08 <sup>a</sup>	+39%
<b>Free Cash Flow (FCF)</b> , in millions	<b>-4,830</b>	-3,376	-
<b>Free Cash Flow before Acquisitions</b> , in millions	<b>-4,815</b>	-3,235	-
<b>Free Cash Flow before Customer Financing</b> , in millions	<b>-4,412</b>	-3,279	-
<b>Order Intake</b> <sup>(4)</sup> , in millions	<b>138,172</b>	50,409	+174%

<b>EADS Group</b>	<b>30 Sept 2013</b>	<b>31 Dec 2012</b>	<b>Change</b>
<b>Order Book</b> <sup>(4)</sup> , in millions	<b>642,463</b>	566,493	+13%
thereof defence, in millions	<b>47,705</b>	49,570	-4%
<b>Net Cash position</b> , in millions	<b>5,244</b>	12,292	-57%
<b>Employees</b>	<b>144,156</b>	140,405	+3%

For footnotes please refer to page 9.

by Division	Revenues			EBIT <sup>(2)</sup>		
(Amounts in millions of Euro)	9m 2013	9m 2012	Change	9m 2013	9m 2012	Change
Airbus Division <sup>(5)</sup>	<b>28,770</b>	26,051 <sup>a</sup>	+10%	<b>1,502</b>	844 <sup>a</sup>	+78%
Airbus Commercial	<b>27,552</b>	25,155 <sup>a</sup>	+10%	<b>1,521</b>	823 <sup>a</sup>	+85%
Airbus Military	<b>1,769</b>	1,194	+48%	<b>8</b>	8	0%
Eurocopter	<b>4,132</b>	4,116	0%	<b>217</b>	275 <sup>a</sup>	-21%
Astrium	<b>4,014</b>	3,934	+2%	<b>205</b>	190 <sup>a</sup>	+8%
Cassidian	<b>3,498</b>	3,484	0%	<b>153</b>	145 <sup>a</sup>	+6%
Headquarters / Consolidation	<b>-744</b>	-788 <sup>a</sup>	-	<b>73</b>	137 <sup>a</sup>	-47%
Other Businesses	<b>296</b>	461 <sup>a</sup>	-36%	<b>-4</b>	-8 <sup>a</sup>	-
<b>Total</b>	<b>39,966</b>	37,258	+7%	<b>2,146</b>	1,583 <sup>a</sup>	+36%

by Division	Order Intake <sup>(4)</sup>			Order Book <sup>(4)</sup>		
(Amounts in millions of Euro)	9m 2013	9m 2012	Change	30 Sept 2013	31 Dec 2012	Change
Airbus Division <sup>(5)</sup>	<b>127,062</b>	40,909 <sup>a</sup>	+211%	<b>602,284</b>	525,482 <sup>a</sup>	+15%
Airbus Commercial	<b>126,410</b>	39,359 <sup>a</sup>	+221%	<b>582,691</b>	505,333 <sup>a</sup>	+15%
Airbus Military	<b>815</b>	1,691	-52%	<b>20,229</b>	21,139	-4%
Eurocopter	<b>4,177</b>	3,586	+16%	<b>12,986</b>	12,942	0%
Astrium	<b>4,250</b>	2,866	+48%	<b>12,895</b>	12,734	+1%
Cassidian	<b>2,953</b>	3,406	-13%	<b>14,808</b>	15,611	-5%
Headquarters / Consolidation	<b>-466</b>	-618 <sup>a</sup>	-	<b>-893</b>	-770 <sup>a</sup>	-
Other Businesses	<b>196</b>	260 <sup>a</sup>	-25%	<b>383</b>	494 <sup>a</sup>	-22%
<b>Total</b>	<b>138,172</b>	50,409	+174%	<b>642,463</b>	566,493	+13%

For footnotes please refer to page 9.

## EADS – Third Quarter Results (Q3) 2013

<b>EADS Group</b>	<b>Q3 2013</b>	Q3 2012	<i>Change</i>
<b>Revenues</b> , in millions	<b>13,634</b>	12,324	+11%
<b>EBIT</b> <sup>(2)</sup> , in millions	<b>663</b>	526 <sup>a</sup>	+26%
<b>Net Income</b> <sup>(3)</sup> , in millions	<b>436</b>	301 <sup>a</sup>	+45%
<b>Earnings Per Share (EPS)</b> <sup>(3)</sup>	<b>0.55</b>	0.37 <sup>a</sup>	+49%

<b>by Division</b>	<b>Revenues</b>			<b>EBIT</b> <sup>(2)</sup>		
(Amounts in millions of Euro)	<b>Q3 2013</b>	Q3 2012	<i>Change</i>	<b>Q3 2013</b>	Q3 2012	<i>Change</i>
Airbus Division <sup>(5)</sup>	<b>9,846</b>	8,526 <sup>a</sup>	+15%	<b>409</b>	281 <sup>a</sup>	+46%
Airbus Commercial	<b>9,317</b>	8,291 <sup>a</sup>	+12%	<b>429</b>	265 <sup>a</sup>	+62%
Airbus Military	<b>702</b>	351	+100%	<b>-2</b>	6	-133%
Eurocopter	<b>1,548</b>	1,345	+15%	<b>89</b>	77 <sup>a</sup>	+16%
Astrium	<b>1,206</b>	1,273	-5%	<b>82</b>	61	+34%
Cassidian	<b>1,212</b>	1,298	-7%	<b>67</b>	64 <sup>a</sup>	+5%
Headquarters / Consolidation	<b>-269</b>	-248 <sup>a</sup>	-	<b>22</b>	45 <sup>a</sup>	-51%
Other Businesses	<b>91</b>	130 <sup>a</sup>	-30%	<b>-6</b>	-2 <sup>a</sup>	-
<b>Total</b>	<b>13,634</b>	12,324	+11%	<b>663</b>	526 <sup>a</sup>	+26%

**Q3 2013 revenues** increased 11 percent compared to the third quarter of 2012, driven by higher deliveries at Airbus and Eurocopter.

**Q3 EBIT\*** rose by 26 percent, reflecting the continued improvement in operational performance.

For footnotes please refer to page 9.

**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) Contributions from commercial aircraft activities to EADS Order Intake and Order Book based on list prices.
- 5) 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](http://www.eads.com).