Press Release

Improving Performance: EADS Reports Nine-Month Results 2011

- Increase of full-year guidance for orders, revenues, EBIT* before one-off and Free Cash Flow
- Order intake up 63 percent to € 93.9 billion in nine-month 2011; order book reaches record level of € 503 billion
- Revenues up 4 percent: € 32.7 billion
- EBIT* before one-off up 29 percent: € 1.1 billion
- Strong Free Cash Flow before acquisition of Vector Aerospace of around € 600 million, slightly lower than last year
- Net Income before one-off up 86 percent: € 565 million
- Charge of € 200 million linked to A350 XWB Entry-into-Service now in H1 2014

Leiden, 10 November 2011 – EADS (stock exchange symbol: EAD) announces better than expected nine-month results. The commercial aircraft momentum remains robust despite recent turbulence in the macro environment, but the defence markets in the Western world are under pressure as anticipated. In the first nine months of 2011, the order intake(5) reached € 93.9 billion. EADS' order book stood at a record level of € 503 billion. Revenues amounted to € 32.7 billion. The EBIT* before one-off of around € 1.1 billion was mainly driven by operational improvement from Eurocopter and Airbus commercial activities as well as some favourable phasing in Airbus and in Headquarters. The reported EBIT* amounted to € 885 million. Cash-flow generation remained strong and led to a Net Cash position of € 11.4 billion after acquisitions.

”Our nine-month results are better than expected thanks to the Group's efforts to improve performance. I am confident the commercial aircraft market combined with our strong backlog will sustain our growth in the years to come. On the basis of existing contracts, EADS is ready to enter into discussions with the governments on the future of defence procurement programmes. The company's services offering was further extended through new acquisitions", said Louis Gallois, CEO of EADS. "Our large programme developments, especially the A350, continue to have our highest management attention."

Maturity of the A350 XWB main components at Final Assembly start remains one of the Group's top priorities. Start of Final Assembly is now scheduled for Q1 2012 and Entry-into-Service is now scheduled for H1 2014.

In the first nine months, EADS' **revenues** increased 4 percent to € 32.7 billion (9m 2010: € 31.6 billion). This growth is driven by Airbus Commercial, Eurocopter and Astrium. Physical deliveries remained at a high level with 374 aircraft at Airbus Commercial, 323 helicopters at Eurocopter and the 46th consecutive successful Ariane 5 launch.

EBIT* before one-off (adjusted EBIT*) – an indicator capturing the underlying business margin by excluding non-recurring charges or profits caused by movements in provisions or foreign exchange impacts – stood at around € 1.1 billion (9m 2010: € 0.8 billion) for EADS and at around € 0.4 billion for Airbus (9m 2010: around € 0.3 billion). The increase compared to last year is mainly driven by operational improvement at Airbus and Eurocopter and some favourable phasing at Airbus and in Headquarters.

EADS' **reported EBIT*** stood at € 885 million (9m 2010: € 784 million). With the A350 XWB Entry-into-Service now in H1 2014, Airbus Commercial booked a charge of € 200 million for this programme in the third quarter. Reported EBIT* includes a positive one-off due to the termination of the A340 programme of € 192 million. The US dollar mismatch and balance sheet revaluation had a negative impact on EADS' EBIT* result of around € 50 million at the end of September. In the first nine months, Eurocopter booked a net charge of around € 120 million, thereof € 60 million in the third quarter. These net charges mainly relate to governmental programmes and SHAPE.

Net Income more than doubled to € 421 million (9m 2010: € 198 million), or earnings per share of € 0.52 (earnings per share 9m 2010: € 0.24). The improvement is driven by the Net Income before one-off[(4)], which increased to € 565 million (9m 2010: € 304 million) thanks to better operational earnings.

The finance result amounts to € -212 million (9m 2010: € -452 million). The interest result of € -9 million (9m 2010: € -176 million) improved thanks to a positive one-off of € 120 million due to the termination of the A340 programme. Furthermore, the 2011 average net cash position is higher than the 2010 level. Meanwhile, the other financial result amounts to € -203 million (9m 2010: € -276 million). This line includes, among others, a negative revaluation of EADS' options for around € 60 million and the unwinding of discounted provisions for a negative amount of around € 110 million.

Self-financed Research & Development (R&D) expenses increased to € 2,151 million (9m 2010: € 2,038 million), driven mainly by development on the A350 XWB programme at Airbus.

Free Cash Flow for the nine months benefited from good operational performance and commercial order intake. Gross cash flow from operations reflects the improvement of the underlying profitability. Free Cash Flow before customer financing amounted to € -27 million (9m 2010: € 882 million). Free Cash Flow after customer financing stood at € 155 million (9m 2010: € 791 million). Before the acquisition of Vector Aerospace, Free Cash Flow is at € 587 million, slightly lower than last year due to the working capital deterioration. The working capital reflects an inventory ramp-up at Airbus due to the re-phasing of some deliveries in the third quarter and the progressive ramp-up to rate 38 per month on the Single Aisle production, which has now been achieved. This negative inventory effect on the cash flow should decrease in the fourth quarter. Meanwhile, the ramp-up in inventories was partially mitigated by higher advance payments at Airbus and Astrium. Customer financing generated cash of around € 180 million in the first nine months as the lessor and banking market appetite continues to be active despite recent concerns. The level of capital expenditure is in line with the 2010 level; however, EADS expects it to increase by year-end.

EADS' **Net Cash position** amounted to a robust € 11.4 billion (year-end 2010: € 11.9 billion). It also reflects a cash contribution to pension assets of € 300 million and a cash purchase of minority shares for Dornier/DADC from Daimler AG.

EADS' **order intake**(5) increased by 63 percent to € 93.9 billion (9m 2010: € 57.7 billion), it benefited from strong ongoing commercial momentum. At the end of September 2011, the Group's **order book**(5) stood at a record level of € 503.0 billion (year-end 2010: € 448.5 billion), underpinning EADS' top line growth into the future. The Airbus Commercial backlog has been reduced by a negative revaluation impact of around € 2.7 billion due to the slight deterioration of the US dollar closing spot rate since year-end 2010. The defence order book decreased to € 54.5 billion (year-end 2010: € 58.3 billion).

At the end of September 2011, EADS' workforce consisted of 128,038 **employees**, including 2,426 employees from the Vector Aerospace acquisition (year-end 2010: 121,691).

Outlook

EADS increases its latest orders, revenues, EBIT* before one-off and Free Cash Flow guidance given in July. In 2011, Airbus should deliver 520 to 530 commercial aircraft and its gross orders should be around 1,500.

EADS 2011 revenues should increase by more than 4 percent compared to € 45.8 billion in 2010.

EADS now expects 2011 EADS EBIT* before one-off to increase compared to the 2010 level, at around € 1.45 billion thanks to better than expected underlying commercial performance.

EADS expects 2011 Earnings per Share (EPS) before one-off to be around € 0.9, above the 2010 level (€ 0.86). Going forward, reported EBIT* and EPS performance of EADS will be dependent on the Group's ability to execute on the A400M, A380 and A350 XWB programmes, in line with the commitments made to its customers. Reported EBIT* and EPS also depend on exchange rate fluctuations. As previously communicated, at € 1 = $ 1.35, the 2011 EPS should be above the 2010 level of € 0.68 and at € 1 = $ 1.45, it may be below.

Free Cash Flow before investment for acquisitions is now expected to be significantly above € 1 billion.

Latest reviews confirm that in 2012, the Group expects a significant improvement in its EBIT* before one-off thanks to higher volume, better pricing and improvement of A380 performance at Airbus.

EADS Divisions: Strong Commercial Demand at Airbus and Eurocopter, Institutional Business Pressured by Government Spending Cuts as Anticipated

Airbus consolidated revenues of € 22,411 million show an increase of 3 percent compared to the same period last year (9m 2010: € 21,740 million). The Airbus consolidated EBIT* stood stable at € 295 million (9m 2010: € 296 million).

Airbus Commercial revenues amounted to € 21,120 million (9m 2010: € 20,446 million). Deliveries reached 376 commercial aircraft for revenue recognition like last year. Compared to one year ago Airbus Commercial revenues benefited from a favourable mix and pricing effects. Two Long-Range operating leases were sold down in the third quarter triggering revenue and margin recognition. Deliveries of some aircraft have been re-phased during the third quarter. However, the annualised expectations on deliveries remain the same. Airbus Commercial reported EBIT* amounted to € 306 million (9m 2010: € 328 million). In comparison to one year ago, the Airbus Commercial EBIT* before one-off of around € 380 million (9m 2010: around € 280 million) benefited from some operational improvement including a favourable pricing effect net of escalation, as well as some favourable phasing. The improvement year-on-year is partially reduced by hedge rate deterioration of around € 220 million and higher R&D expenses, particularly for the A350 XWB programme.

Airbus Military revenues increased 13 percent to € 1,747 million (9m 2010: € 1,540 million), driven by higher revenue recognition for the A400M and Tankers. Airbus Military EBIT* improved to € 5 million (9m 2010: € -35 million). Last year's nine-month results were impacted by some negative A400M costs.

At the end of September, Airbus Commercial registered 1,038 net orders and had delivered 374 commercial aircraft, thereof 16 A380. The third quarter was marked with key commitments from customers worldwide. Air France-KLM signed up for up to 60 A350 XWB and Lufthansa placed aircraft orders and commitments including 30 A320neo and two A380. Qantas and Airbus sealed the biggest order in Australian aviation history in October for 110 A320 Family aircraft. Airbus confirmed its services strategy with the completion of the acquisitions of Denmark-based Satair A/S and US-based Metron Aviation, a provider of advanced Air Traffic Management solutions.

The A350 XWB programme is advancing. Manufacturing and pre-assembly of the A350-900 are progressing across all pre final-assembly sites. The start of the Final Assembly Line is now scheduled for Q1 2012 and Entry-into-Service now scheduled for H1 2014, leading to an EBIT* charge of € 200 million.

In the first nine months, Airbus Military delivered 12 aircraft, including 2 Multi-Role Tanker Transport A330 aircraft to the Royal Australian Air Force. The A400M military transport aircraft has passed further key flight tests as progress continues towards certification. The cause of the engine problems encountered earlier in the year has been identified and substantial progress towards solving these problems has been made. Flight testing continues at maximum capacity for timely achievement of certification. Furthermore, the Future Strategic Transport Aircraft of the Royal Air Force is in the flight test phase towards introduction into service after civil and military certifications have been achieved in the quarter.

As of September 2011, Airbus' consolidated order book was valued at € 456.8 billion (year-end 2010: € 400.4 billion). The Airbus Commercial backlog amounted to € 436.4 billion (year-end 2010: € 378.9 billion) which comprises 4,216 units representing more than seven years of full production (year-end 2010: 3,552 aircraft). It was reduced by a negative revaluation impact of around € 2.7 billion due to the slight deterioration of the US dollar closing spot rate since the year-end 2010. Airbus Military recorded 2 new orders, bringing the order book to 231 aircraft. The order book of Airbus Military stood at € 21.7 billion (year-end 2010: € 22.8 billion).

Revenues at **Eurocopter** increased 12 percent to € 3,458 million (9m 2010: € 3,085 million). Deliveries totalled 323 helicopters (9m 2010: 367 helicopters). The Division's EBIT* increased by 30 percent to € 157 million (9m 2010: € 121 million). The increase in revenues and EBIT* compared to one year ago results from a favourable mix effect in commercial deliveries and support activities as well as better operational performance. Revenues also include € 96 million from the impact of the Vector Aerospace acquisition. A net charge of around € 120 million was booked in the nine-month period, thereof € 60 million in the third quarter. These net charges mainly relate to governmental helicopters and to the SHAPE transformation programme. The 2010 figure included a net charge of € 70 million.

Eurocopter is seeing a civil sector recovery in light and medium helicopters, driven by the US and Eastern Europe. Overall, the net order trend during the first nine months improved compared to the same period last year, led by renewed strength of the oil and gas markets. In total, 67 helicopters were booked in the third quarter, thereof 43 Ecureuil. An important additional order for 20 EC225s from Canada's CHC Helicopter was signed in September 2011 but is not yet reflected in the order book. In the first nine months, Eurocopter recorded net orders of 259 helicopters compared to 230 net orders during the same period one year ago. The Division reached an important new milestone in its innovation roadmap by initiating flight tests of an AS350 hybrid helicopter demonstrator.

The Division's order book decreased to € 13.9 billion (year-end 2010: € 14.6 billion) with 1,058 helicopters (year-end 2010: 1,122 helicopters).

Astrium revenues in the first nine months of 2011 increased 7 percent to € 3,440 million (9m 2010: € 3,226 million), driven by higher activity in launchers and satellites but lower volume in services. Four Astrium Telecom satellites were delivered in the third quarter. EBIT* increased 4 percent to € 165 million (9m 2010: € 158 million), as higher volume and productivity in satellites, defence and launchers was reduced by the decline in services activity.

Order intake reached € 2.3 billion in the first nine months. Third quarter orders included the Eutelsat 3B telecommunication satellite. Also in the third quarter, Ariane 5 recorded its 46th consecutive successful launch, once more underlining the system's strong reliability. The European Space Agency technically accepted the first two Galileo In-Orbit Validation satellites built under Astrium lead. Following a successful launch, both satellites are currently operating nominally. Astrium entered into an agreement to acquire Vizada for $ 960 million to boost its services business. Regulatory approvals are expected to be granted in the coming months.

Astrium continues to work on its transformation programme, AGILE, to increase efficiency and competitiveness. It is already triggering higher R&D costs and should trigger some non-recurring costs in the last quarter. At the end of September 2011, the order book of Astrium amounted to € 14.7 billion (year-end 2010: € 15.8 billion).

Cassidian generated revenues of € 3,419 million (9m 2010: € 3,470 million). EBIT* decreased to € 170 million (9m 2010: € 204 million). As reported previously, the Division is facing an evolving business environment. The outlook remains unchanged since H1 2011. Eurofighter Tranche 3A production is secured until 2017. The new Cassidian organisation has been launched and implementation of the transformation programme has begun. Related non-recurring costs are expected to be booked in the fourth quarter. Revenues and EBIT* at the end of September are in line with expectations, with the usual seasonality pattern which brings a lot of activity in the fourth quarter.

Order intake at the end of September reached € 2.6 billion. Cassidian continues to progress in Unmanned Aerial Systems (UAS): In mid-October, Cassidian acquired SurveyCopter to further address the tactical UAS market segment. The first EuroHawk UAS, a joint programme between Cassidian and Northrop Grumman, conducted its ferry flight to Germany, where the signal intelligence mission system for the country's Air Force will be integrated and flight testing will be performed. Meanwhile, the Eurofighter India and Switzerland campaigns are ongoing.

Headquarters and Other Businesses (not belonging to any Division)

Revenues of Other Businesses increased 3 percent to € 833 million (9m 2010: € 805 million). EADS North America increased thanks to a ramp-up in Light Utility Helicopters (LUH) and US Coast Guard deliveries. At Sogerma, rate increases and higher cabin seat activity offset the perimeter adjustment following the acquisition of Vector Aerospace by Eurocopter. The increases were partially reduced by lower deliveries at ATR which already picked up in the third quarter, as planned. EBIT* of Other Businesses stood at € 20 million (9m 2010: € -6 million), including increases at ATR and Sogerma as well as a gain from the divestiture of Defense Security and Systems Solutions (DS3) in EADS North America that was completed in May.

ATR has achieved a new annual order intake record. At the end of September, it recorded 145 firm aircraft orders (9m 2010: 63 aircraft orders) and an additional 72 options. These firm orders represent over 80 percent of all regional aircraft orders in the range of 50 to 90 seats since the beginning of the year. The backlog stands at 274 aircraft. In the first nine months, ATR delivered 30 aircraft (9m 2010: 35 aircraft). In August, EADS North America passed the halfway mark in deliveries of the US Army's UH-72A Lakota helicopter. More than half of the planned 345 Lakotas have now been handed over to the customer, with perfect on-time and on-budget performance.

Until the end of September 2011, the order book of Other Businesses increased 27 percent to € 3.2 billion (year-end 2010: € 2.5 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.

EADS is a global leader in aerospace, defence and related services. In 2010, the Group – comprising Airbus, Astrium, Cassidian and Eurocopter – generated revenues of € 45.8 billion and employed a workforce of nearly 122,000.

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Note to editors:

Live-Transmission EADS Analysts Conference Call on the Internet

You may listen to the **Analysts Conference Call** today at 11:00 a.m. CET with Chief Financial Officer Hans Peter Ring on the EADS website www.eads.com.

Please click on the front page banner. A recording of the call will be available later on.

EADS – Nine-Month (9m) Results 2011 (reviewed)
(Amounts in euro)

EADS Group	9m 2011	9m 2010	Change
Revenues, in millions	**32,687**	31,554	+4%
thereof defence, in millions	**7,490**	7,884	-5%
EBITDA (1), in millions	**2,025**	1,900	+7%
EBIT (2), in millions	**885**	784	+13%
Research & Development expenses, in millions	**2,151**	2,038	+6%
Net Income (3), in millions	**421**	198	+113%
Earnings Per Share (EPS) (3)	**0.52**	0.24	+0.28 €
Free Cash Flow (FCF), in millions	**155**	791	-80%
Free Cash Flow before Customer Financing, in millions	**-27**	882	-
Order Intake (5), in millions	**93,907**	57,722	+63%

EADS Group	30 Sept 2011	31 Dec 2010	Change
Order Book (5), in millions	**502,971**	448,493	+12%
thereof defence, in millions	**54,529**	58,257	-6%
Net Cash position, in millions	**11,399**	11,918	-4%
Employees	**128,038**	121,691	+5%

For footnotes please refer to page 12.

by Division	Revenues			EBIT [2]		
(Amounts in millions of Euro)	**9m 2011**	9m 2010	Change	**9m 2011**	9m 2010	Change
Airbus Division [6]	**22,411**	21,740	+3%	**295**	296	-0%
Airbus Commercial	**21,120**	20,446	+3%	**306**	328	-7%
Airbus Military	**1,747**	1,540	+13%	**5**	-35	-
Eurocopter	**3,458**	3,085	+12%	**157**	121	+30%
Astrium	**3,440**	3,226	+7%	**165**	158	+4%
Cassidian	**3,419**	3,470	-1%	**170**	204	-17%
Headquarters / Consolidation	**-874**	-772	-	**78**	11	-
Other Businesses	**833**	805	+3%	**20**	-6	-
Total	**32,687**	31,554	+4%	**885**	784	+13%

by Division	Order Intake [5]			Order Book [5]		
(Amounts in millions of Euro)	**9m 2011**	9m 2010	Change	**30 Sept 2011**	31 Dec 2010	Change
Airbus Division [6]	**85,485**	47,949	+78%	**456,788**	400,400	+14%
Airbus Commercial	**85,421**	47,384	+80%	**436,427**	378,907	+15%
Airbus Military	**408**	626	-35%	**21,672**	22,819	-5%
Eurocopter	**2,760**	3,050	-10%	**13,852**	14,550	-5%
Astrium	**2,328**	3,803	-39%	**14,687**	15,760	-7%
Cassidian	**2,604**	2,581	+1%	**16,144**	16,903	-4%
Headquarters / Consolidation	**-893**	-669	-	**-1,696**	-1,639	-
Other Businesses	**1,623**	1,008	+61%	**3,196**	2,519	+27%
Total	**93,907**	57,722	+63%	**502,971**	448,493	+12%

For footnotes please refer to page 12.

EADS – Third Quarter Results (Q3) 2011
(Amounts in euro)

EADS Group	Q3 2011	Q3 2010	*Change*
Revenues, in millions	**10,751**	11,246	-4%
EBIT (2), in millions	**322**	378	-15%
Net Income (3), in millions	**312**	13	+2,300%
Earnings Per Share (EPS) (3)	**0.38**	0.02	+0.36 €

by Division	Revenues			EBIT (2)		
(Amounts in millions of Euro)	**Q3 2011**	Q3 2010	Change	**Q3 2011**	Q3 2010	Change
Airbus Division (6)	**7,099**	7,887	-10%	**93**	192	-52%
Airbus Commercial	**6,656**	7,481	-11%	**83**	87	-5%
Airbus Military	**635**	533	+19%	**2**	126	-98%
Eurocopter	**1,287**	976	+32%	**63**	50	+26%
Astrium	**1,093**	1,116	-2%	**62**	52	+19%
Cassidian	**1,286**	1,287	-0%	**81**	94	-14%
Headquarters / Consolidations	**-323**	-271	-	**15**	-4	-
Other Businesses	**309**	251	+23%	**8**	-6	-
Total	**10,751**	11,246	-4%	**322**	378	-15%

For footnotes please refer to page 12.

Q3 2011 revenues decreased by 4 percent compared to Q3 2010. The Q3 revenues reflect lower aircraft deliveries at Airbus Commercial compared to 2010 but higher activity in Eurocopter, Airbus Military and Other Businesses. Eurocopter revenues benefited from a favourable mix in commercial helicopters and the impact linked to the Vector Aerospace acquisition of € 96 million.

Q3 2011 EBIT* decreased 15 percent to € 322 million. Q3 EBIT* at Airbus Commercial is roughly stable compared to last year, operational improvement including better pricing and favourable phasing compensate lower volume, the hedge deterioration and less positive one-offs. The Q3 2011 EBIT* reflects a favourable mix on Eurocopter commercial helicopters and productivity improvements at Astrium. The Q3 2010 EBIT* at Airbus Military included a positive one-off foreign exchange impact linked to the revaluation of the A400M loss making contract provision.

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 out of the EBIT* one-offs. It excludes other financial result (except the unwinding of discount on provisions), the positive one-off in the interest result linked to the termination of the A340 programme and all tax effects on the mentioned items.
5) Contributions from commercial aircraft activities to EADS Order Intake and Order Book based on list prices.
6) Following integration of former Military Transport Aircraft Division into Airbus Division, Airbus is reporting in two segments: Airbus Commercial and Airbus Military. The Airbus Commercial perimeter includes EFW and aerostructures but excludes the A400M activity. Airbus Military includes the former Military Transport Aircraft Division as well as all A400M activity. Eliminations are treated at the Division level.