Financial Statements

Airbus Group Finance B.V.

(Until June 1, 2014: EADS Finance B.V.)

Leiden, The Netherlands

Year ended December 31, 2014

INDEX

REPORT OF THE BOARD OF MANAGING DIRECTORS

The board of Managing Directors herewith submits the Financial Statements of Airbus Group Finance B.V. ("**Company**") for the year ended on December 31, 2014.

ACTIVITIES

The Company's main activity is to finance companies and other entities by raising funds through, inter alia, borrowing by way of loan agreements, issuance of bonds, promissory notes and any other evidences of indebtedness, to invest and lend funds raised by the Company, to borrow and to participate in all types of financial transactions, including financial derivatives such as interest- and/or currency exchange contracts.

EMTN Programme:

The EMTN Programme is a contractual framework which allows Airbus Group to raise debt from the capital markets through dealers by successive issues of notes governed by the same terms. Each issue, however, may bear a different maturity (due one month to thirty years).

Activities of the Company have commenced in February 2003, when the first tranche of 1 EUR billion, of a 3 EUR billion EMTN Programme, was raised for the Airbus Group (formerly: EADS Group). In September 2003, the Company has issued its second Eurobond transaction for 500 EUR million under its EMTN Programme, maturing in September 2018. In August 2009, the Company has issued another, third, Eurobond transaction for 1 EUR billion under this Programme, maturing in August 2016. During the year 2014, a fourth Eurobond transaction, for 1 EUR billion, maturing April 2024 and a fifth Eurobond transaction, for 500 EUR million, maturing October 2029 were additionally issued by the Company.

In October 2014, the Company increased the size of its EMTN Programme from 3 EUR billion to 5 EUR billion.

Commercial Paper Programme:

In addition to the EMTN Programme, the Company launched a 2 EUR billion Commercial Paper Programme in late February 2004. In August 2013, the size of the Commercial Paper Programme was increased from 2 EUR billion to 3 EUR billion. During the year 2014, the total volume of commercial paper issuance for this program was 4.833 EUR million. At the end of the year 2014, no amounts were outstanding for the Commercial Paper Programme.

US-Bond:

On April 17, 2013, the Company has issued a bond in the U.S. institutional market for an amount of 1 USD billion, corresponding to EUR 756 million on issue date, with a ten year maturity.

For a description of the main risks facing the Company and the measures taken to mitigate these risks we refer to Note 14 of the Financial Statements.

For details on the Company’s policies and position with respect to financial instruments we refer to Note 14 of the Financial Statements.

Consequences of the Act of on Management and Supervision (about diversity) in the report of the Board of Directors

As of 1 January 2013 the Act on Management and Supervision (‘Wet Bestuur en Toezicht’) came into effect. With this Act, statutory provisions were introduced to ensure a balanced representation of men and women in management boards and supervisory boards of companies governed by this Act. Balanced representation of men and women is deemed to exist if at least 30% of the seats are filled by men and at least 30% are filled by women. Airbus Group Finance B.V. has currently no seats taken by women.

FUTURE OUTLOOK

The Board of Management expects no major changes in the nature and size of the business of the Company for the Year 2015.

RESULT FOR THE YEAR

The Company's result for the year ended on December 31, 2014 amounts to a profit of EUR 712.843.

STATEMENT

The Board of Managing Directors hereby declares that, to the best of its knowledge:

- the financial statements for the year ended December 31, 2014 give a true and fair view of the assets, liabilities, financial position and profits or losses of the Company; and
- the report of the Board of Managing Directors gives a true and fair view of the position as per the reporting date, and of the development and performance during the 2014 financial year of the Company, and the principal risks facing the Company have been described herein.

BOARD OF MANAGING DIRECTORS

Mr. J.B. Pons, Director ___signed by J.B. Pons________

Mr. A. Drabert, Director ____ signed by A. Drabert _____________

Mr. C. Masson, Director ____ signed by C. Masson __________

Leiden, April 30, 2015

STATEMENT OF FINANCIAL POSITION

(Before appropriation of the result of the year)	***Note***	**31/12/2014** EUR	**31/12/2013** EUR
Assets			
Non-Current Assets			
Long-term Loans Receivable	*3*	3.805.560.188	2.215.892.415
Positive Fair Value Derivative Instruments	*4*	111.862.276	123.930.274
		3.917.422.464	**2.339.822.689**
Current Assets			
Accrued Interest Receivable	*5*	49.870.758	29.461.442
Cash and Cash Equivalents	*6*	3.558.897	2.996.103
		53.429.655	**32.457.545**
Total Assets		**3.970.852.119**	**2.372.280.234**
Equity and Liabilities			
Equity attributable to equity holders of the parent			
Issued Capital	*7*	300.000	300.000
Other Reserves	*7*	(1.551)	(1.551)
Cash Flow Hedge Reserve	*8*	49.057.675	45.161.567
Retained Earnings		2.712.469	2.208.766
Result for the year		712.843	503.703
		52.781.436	**48.172.485**
Non-Current Liabilities			
Non-Current Interest Bearing Liabilities	*9*	3.852.078.344	2.279.652.817
Deferred Taxes Payable	*10*	16.352.558	15.053.856
		3.868.430.902	**2.294.706.673**
Current Liabilities			
Accrued Interest Payable	*11*	49.639.781	29.401.076
		49.639.781	**29.401.076**
Total Equity and Liabilities		**3.970.852.119**	**2.372.280.234**

INCOME STATEMENT

	Note	January 1 - December 31, 2014 EUR	January 1 - December 31, 2013 EUR
Financial Result			
Income			
Interest	*12*	118.211.324	91.022.900
Expenses			
Interest	*13*	(117.500.191)	(90.496.244)
		711.133	526.656
Foreign Exchange Result		24.308	-
		735.441	**526.656**
General Administrative Expenses		(22.598)	(22.953)
Profit for the Year attributable to Equity Holders of the Parent		**712.843**	**503.703**

STATEMENT OF COMPREHENSIVE INCOME

	January 1 - December 31, 2014 EUR	January 1 - December 31, 2013 EUR
Profit for the Year	**712.843**	**503.703**
Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		
Gains (Losses) from Cash-Flow Hedges	5.194.810	(21.048.055)
Deferred Tax Expenses (Income)	(1.298.702)	5.262.014
	3.896.108	**(15.786.041)**
Total Comprehensive Income for the Year attributable to Equity Holders of the Parent	**4.608.951**	**(15.282.338)**

STATEMENT OF CASH-FLOWS

	Note	January 1 - December 31, 2014 EUR	January 1 - December 31, 2013 EUR
Profit for the Year		712.843	503.703
Add back interest income		(118.211.324)	(91.022.900)
Add back interest expense		117.500.191	90.496.244
Amortization Recharged Bond Issue Costs		(2.287.970)	(1.731.796)
Amortization Bond Issue Costs/ Interest Discount		2.308.532	1.724.255
		22.272	(30.494)
Interest received		97.802.008	86.968.727
Interest paid		(97.261.486)	(86.471.881)
Cash flow from operating activities		**562.794**	**466.352**
Funding Long-term Loans Receivable		(1.488.835.000)	(756.325.691)
Repayments Short-term Loans Receivable		-	164.993.126
Cash flow from investing activities		**(1.488.835.000)**	**(591.332.565)**
Issuance Non-Current Interest Bearing Liabilities		1.488.835.000	756.325.691
Repayments Short-term Loans Payable		-	(164.993.126)
Cash flow from financing activities		**1.488.835.000**	**591.332.565**
Net Increase in Cash and Cash Equivalents		**562.794**	**466.352**
Cash and Cash Equivalents at beginning of Year		2.996.103	2.529.751
Cash and Cash Equivalents at end of Year	*6*	**3.558.897**	**2.996.103**

STATEMENT OF CHANGES IN EQUITY

EUR	Issued Capital	Other Reserves	Cash Flow Hedge Reserve	Retained Earnings	Total
Balance at December 31, 2012	**300.000**	**(1.551)**	**60.947.608**	**2.208.766**	**63.454.823**
Movement effective portion of Interest Rate SWAPS Airbus Group N.V. (Total other comprehensive income for the year)			(15.786.041)		(15.786.041)
Profit for the Year				503.703	503.703
Total comprehensive income for the Year			**(15.786.041)**	**503.703**	**(15.282.338)**
Balance at December 31, 2013	**300.000**	**(1.551)**	**45.161.567**	**2.712.469**	**48.172.485**
Movement effective portion of Interest Rate SWAPS Airbus Group N.V. (Total other comprehensive income for the year)			3.896.108		3.896.108
Profit for the Year				712.843	712.843
Total comprehensive income for the Year			**3.896.108**	**712.843**	**4.608.951**
Balance at December 31, 2014	**300.000**	**(1.551)**	**49.057.675**	**3.425.312**	**52.781.436**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. GENERAL

Airbus Group Finance B.V. ("**Company**"), incorporated on December 2, 2002 and legally seated (*statutaire zetel*) in Amsterdam (registered office at Mendelweg 30, 2333 CS, Leiden, The Netherlands), is 100% owned by Airbus Group N.V. (formerly: European Aeronautic Defence and Space Company EADS N.V.).

In the Annual General Meeting of June 2, 2014 the Company's Shareholder approved a resolution for amendment of article 2, paragraph 1 of the Company's Articles of Association, to change the name of the Company from EADS Finance B.V. into Airbus Group Finance B.V.

The Company's main activity is to finance companies and other entities by raising funds through, inter alia, borrowing by way of loan agreements, issuance of bonds, promissory notes and other evidences of indebtedness, to invest and lend funds raised by the Company, to borrow and to participate in all types of financial transactions, including financial derivatives such as interest- and/or currency exchange contracts.

The Company's Financial Statements were authorized for issue by the Board of Managing Directors on April 30, 2015.

2. ACCOUNTING PRINCIPLES

Basis of preparation

The Company's Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") as endorsed by the European Union ("EU") and in compliance with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code as far as applicable. The Company's Financial Statements have been prepared on a historical cost basis, except for certain items for which other measurement models are used in accordance with the applicable Standards' requirements as well as prepared and reported in Euros ("EUR"). The measurement models used when the historical cost model does not apply (mainly in the area of fair value measurement of derivative financial instruments) are further described below.

New, revised or amended IFRS Standards

The IFRS rules applied by the Company for preparing 2014 year-end Financial Statements are the same as for the previous financial year, except for the application of new or amended Standards as detailed below.

The application of the following amendments to IFRS is mandatory for the Company for the fiscal year starting January 1, 2014. Their application did not have a material impact on the Company's Financial Statements.

Amendments to IAS 32 "Financial Instruments: Presentation" clarifying the IASB's requirements for offsetting financial instruments.

Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" provide an exception to the requirement for the discontinuation of hedge accounting in IAS 39 and IFRS 9 in circumstances when a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations.

New, revised or amended IFRS Standards and Interpretations issued but not yet applied

A number of new or revised standards, amendments and improvements to standards as well as interpretations are not yet effective for the year ended December 31, 2014 and have not been applied in preparing these Financial Statements and early adoption is not planned. The potential impacts from the application of those newly issued standards and amendments are currently under investigation. If not otherwise stated, these new, revised or amended IFRS are not expected to have a material impact on the Company's Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

IFRS 9 - "Financial instruments"
IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.
Assessment of materiality of IFRS 9 impact on the Company's Financial Statements is currently being performed.

Amendments to IAS 1- Disclosure initiative
These amendments to IAS 1 Presentation of Financial Statements address some of the concerns expressed about existing presentation and disclosure requirements and ensure that entities are able to use judgement when applying IAS 1.

Changes in presentation
Within the Statement of Cash flows, the interest received and paid during the year is separately presented under Cash flow from operating activities. Prior year's amounts have been adjusted accordingly.

Judgements and estimation uncertainty
The preparation of the Financial Statements in conformity with the Company's accounting policies requires the use of judgement and estimates. Actual results could differ from those estimates. Changes in such estimates and assumptions may affect amounts reported in future periods. The key area requiring application of judgement and estimation is the determination of the fair value of derivatives (interest rate swaps). Since those instruments are not traded in an active market, the Company uses valuation techniques to determine their fair values.
The Company uses its judgment to select the appropriate valuation technique, like option pricing model or discounted cash flow model, and to make assumptions that are mainly based on market conditions existing at each reporting date.

Foreign Currency Translation
Transactions in foreign currencies are translated into Euro at the foreign exchange rate prevailing at transaction date. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated into Euro at the exchange rate in effect at that date. These foreign exchange gains and losses arising from translation are recognised in the income statement on a net basis, except when deferred in equity as qualifying cash flow hedges

Financial Assets
Financial assets within the scope of IAS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, and available for sale financial assets, as appropriate. When financial assets are recognized initially, they are measured at fair value. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire or the financial asset has been transferred and the transfer qualifies for derecognition under IAS 39.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Long-term and short-term loans receivable and accrued interest receivable are classified as loans and receivables, which are initially recognized on the settlement date at cost, being the fair value of the consideration given and including acquisition charges. Subsequently they are carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated and recognized in the income statement taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the income statement when the loans and receivables are derecognized or impaired, as well as through the amortisation process.

The Company assesses at each reporting date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss shall be recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash in bank and cash in the Intercompany Accounts with Airbus Group N.V. (cash pooling), which is available on a daily basis.

Financial Liabilities

Non-current interest bearing liabilities, short-term loans payable and accrued interest payable are initially recognized at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method with any difference between proceeds (net of transaction costs) and redemption amount being recognized in the Income Statement over the period to maturity. Gains and losses are recognized in the Income Statement when the liabilities are derecognized as well as through the amortisation process.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Income Statement.

Derivative Financial Instruments

The Company uses derivative financial instruments such as interest rate swaps to hedge its risk associated with interest rate fluctuations. Such derivative financial instruments are initially recognized and are subsequently measured at fair value in the Statement of Financial Position with changes in fair values recognized either directly in Other Comprehensive Income or in the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Deferred Taxes

Deferred tax assets and liabilities reflect lower or higher future tax consequences that result in certain assets and liabilities from temporary valuation differences between the financial statement carrying amounts and their respective tax bases as well as from net operating losses and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates by the reporting date of 25% to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the new rates are enacted or substantively enacted.

As deferred tax assets anticipate potential future tax benefits, they are recorded in the financial statements of the Company only when the likelihood that the tax benefits will be realized is probable. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Interest income

Revenue is recognized as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Hedge Accounting

For the purposes of hedge accounting, hedges are classified as either fair value hedges where they hedge the exposure to changes in the fair value of a recognized asset or liability; or cash flow hedges where they hedge exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a forecasted transaction.

For derivative financial instruments designated as fair value hedges, changes in the fair value of the hedging instrument and changes in the fair value of the hedged asset or liability attributable to the hedged risk are simultaneously recognized in the Income Statement.

In relation to cash flow hedges which meet the conditions for hedge accounting, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly as other comprehensive income within a separate component of the Shareholders' Equity ("Cash Flow Hedge Reserve"), net of applicable deferred taxes and the ineffective portion is recognized in the Income Statement. When the cash flows that the derivative is hedging materialize, resulting in income or expense, then the associated gain or loss on the hedging derivative recognized as other comprehensive income is simultaneously transferred to the corresponding income or expense line item.

The fair value of interest rate swap contracts is determined by discounting expected future cash flows using current market interest rates and yield curve over the remaining term of the swap. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for special hedge accounting.

Cash flow statement

The Company presents its cash flow statement using the indirect method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

3. LONG-TERM LOANS RECEIVABLE	**31/12/2014**	**31/12/2013**
	EUR	EUR
Long-term Loans to Airbus Group N.V.	**3.805.560.188**	**2.215.892.415**

On September 11, 2003, the Company entered into a loan agreement with effect of September 25, 2003, with Airbus Group N.V., to make a loan available for the principal amount of 500 EUR million, reduced by a discount of 5,06 EUR million. This loan originally bore interest at a rate of 5,54% per annum, payable yearly in arrears each September 25. On February 2, 2006, the Company has changed the interest terms of the loan agreement with effect of December 27, 2005. The amended loan shall bear interest at the rate of EURIBOR three (3) months with a spread of 1,85% per annum from December 27, 2005 onwards. Interest shall be payable quarterly in arrears each March 25, June 25, September 25 and December 25 commencing March 25, 2006 until and including September 25, 2018.
This loan to Airbus Group N.V. is repayable on September 25, 2018. The fair market value approximates to the fair market value of the "5,50% Eurobond 500 EUR million" (note 9) reduced by the positive carrying amount of the interest rate swap being valued at fair market value (note 4).

On August 7, 2009, the Company entered into a loan agreement with effect of August 12, 2009, with Airbus Group N.V., to make a loan available for the principal amount of 1 EUR billion, reduced by a discount of 7,01 EUR million. This loan originally bore interest at a rate of 4,645% per annum, payable yearly in arrears each August 12. On September 29, 2009, the Company has changed the interest terms of the loan agreement with effect of September 18, 2009. For an interim period commencing September 18, 2009 up to November 12, 2009 the interest rate was amended to 2,169% per annum. From November 12, 2009 onwards the loan shall bear interest at the rate of EURIBOR three (3) months with a spread of 1,585% per annum. Interest shall be payable quarterly in arrears each February 12, May 12, August 12 and November 12 commencing November 12, 2009 until and including August 12, 2016.
This loan to Airbus Group N.V. is repayable on August 12, 2016. The fair market value approximates to the fair market value of the "4,625% Eurobond 1 EUR billion" (note 9) reduced by the positive carrying amount of the interest rate swap being valued at fair market value (note 4).

On April 17, 2013, the Company entered into a loan agreement with effect of April 17, 2013, with Airbus Group N.V., to make a loan available for the principal amount of 1 USD billion, reduced by a discount of 7,02 USD million. The loan shall bear interest at a rate of 2,72% per annum, payable semi-annually in arrears on each April 17 and October 17.
This loan to Airbus Group N.V. is repayable on April 17, 2023. The fair market value approximates to the fair market value of the "U.S. institutional market bond 1 USD billion" (note 9).

On April 2, 2014, the Company entered into a loan agreement with effect of April 2, 2014, with Airbus Group N.V., to make a loan available for the principal amount of 1 EUR billion, reduced by a discount of 4,92 EUR million. The loan shall bear interest at a rate of 2,395% per annum, payable annually in arrears on each April 2.
This loan to Airbus Group N.V. is repayable on April 2, 2024. The fair market value approximates to the fair market value of the "2,375% Eurobond 1 EUR billion" (note 9).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

On October 29, 2014, the Company entered into a loan agreement with effect of October 29, 2014, with Airbus Group N.V., to make a loan available for the principal amount of 500 EUR million, reduced by a discount of 6,245 EUR million. The loan shall bear interest at a rate of 2,145% per annum, payable annually in arrears on each October 29.
This loan to Airbus Group N.V. is repayable on October 29, 2029. The fair market value approximates to the fair market value of the "2,125% Eurobond 500 EUR million" (note 9).

4. POSITIVE FAIR-VALUE DERIVATIVE INSTRUMENTS

	31/12/2014 EUR	**31/12/2013** EUR
Interest Rate SWAP Airbus Group N.V., 500 EUR million, 5,5% (maturing 25/09/2018)	65.410.233	60.215.423
Interest Rate SWAP Airbus Group N.V., 1 EUR billion, 4,625% (maturing 12/08/2016)	46.452.043	63.714.851
	111.862.276	**123.930.274**

These amounts represent the fair market value, less accrued interest, at December 31, 2014 of:

- the Interest Rate Swap for which the Company has entered into with Airbus Group N.V. with effect of December 27, 2005. The notional amount of the swap is 500 EUR million, which expires on September 25th, 2018. The Interest Rate Swap is designated as a cash flow hedge and its purpose is to swap the variable interest in connection with the 500 EUR million loan to Airbus Group N.V. (see note 3), into a fixed interest rate of 5,50% per annum.

- the Interest Rate Swap for which the Company has entered into with Airbus Group N.V. with effect of September 18, 2009. The notional amount of the swap is 1 EUR billion, which expires on August 12, 2016. The Interest Rate Swap is designated as a fair value hedge and its purpose is to swap the fixed interest of 4,625% per annum in connection with the 1 EUR billion Eurobond (see note 9), into a variable interest rate of EURIBOR three (3) months with a spread of 1,565% per annum.

The fair value of the Interest Rate Swaps was determined by discounting expected future cash flows using current market interest rates and yield curve over the remaining term of the swap.

The effective portion of the movement of the fair value of the 500 EUR million interest rate swap, for a positive amount of 3,9 EUR million (2013: negative 15,8 EUR million) was completely recognized in Other Comprehensive Income, net of deferred taxes.

The effective portion of the movement of the fair value of the 1 EUR billion interest rate swap, for a negative amount of 17,3 EUR million (2013: negative 29,8 EUR million), as well as the offsetting portion of the movement of the 1 EUR billion loan, for a positive amount of 17,3 EUR million (2013: positive 29,8 EUR million), were completely recognized in the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

5. ACCRUED INTEREST RECEIVABLE	**31/12/2014** EUR	**31/12/2013** EUR
Interest Rate SWAPS Airbus Group N.V.	23.012.630	22.754.959
Long-term Loans to Airbus Group N.V.	26.858.128	6.706.483
	49.870.758	**29.461.442**

6. CASH AND CASH EQUIVALENTS	**31/12/2014** EUR	**31/12/2013** EUR
Intercompany Accounts Airbus Group N.V.	3.554.987	2.996.103
Deutsche Bank, Amsterdam	3.910	-
	3.558.897	**2.996.103**

7. EQUITY

The Company has an authorised share capital of 1.500.000 shares of EUR 1 each. As of December 31, 2014, the issued and paid-up share capital of the Company consists of 300.000 ordinary shares with a par value of EUR 1 each. The Other Reserves include capital tax paid in relation to a capital increase.
The Company complies with the capital requirements under applicable law and its articles of association. The main activity of the Company is to refinance Airbus Group entities. The Company manages its capital with the interest rate spread applied on the loans provided to Airbus Group N.V. The interest rates are based on market conditions.

8. CASH FLOW HEDGE RESERVE

This amount represents the change in fair value in the reporting year of the Interest Rate Swaps (see note 4), for the effective part of the cash flow hedge, net of deferred taxes.

9. INTEREST BEARING LIABILITIES	**31/12/2014** EUR	**31/12/2013** EUR
- 5,5% Eurobond Airbus Group Finance B.V., 25/09/2018 fair value EUR 594.480.000 (prior year: EUR 590.760.000)	498.740.612	498.403.358
- 4,625% Eurobond Airbus Group Finance B.V., 12/08/2016 fair value EUR 1.066.170.000 (prior year: EUR 1.096.490.000)	1.044.879.707	1.061.106.616
- 2,7% U.S.-bond Airbus Group Finance B.V., 17/04/2023 fair value EUR 807.347.000 (prior year: EUR 656.500.616)	819.222.047	720.142.843
- 2,375% Eurobond Airbus Group Finance B.V., 02/04/2024 fair value EUR 1.111.850.000	995.408.030	-
- 2,125% Eurobond Airbus Group Finance B.V., 29/10/2029 fair value EUR 534.600.000	493.827.948	-
	3.852.078. 344	**2.279.652.817**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

The Company has issued a Eurobond benchmark transaction under the EMTN Programme of 500 EUR million with value date September 25, 2003. The bond has an original maturity of fifteen years and carries a yearly coupon of 5,5%. The bond matures on September 25, 2018.

The Company has issued a Eurobond benchmark transaction under the EMTN Programme of 1 EUR billion with value date August 12, 2009. The bond has an original maturity of seven years and carries a yearly coupon of 4,625%. The bond matures on August 12, 2016. Changes in the fair value of the liability attributable to the hedged interest rate risk in the amount of 17,3 EUR million negative (2013: 29,8 EUR million negative) are recognized in the Income Statement (see Note 4).

The Company has issued an inaugural bond transaction in the U.S. institutional market of 1 USD billion with value date April 17, 2013. The bond has an original maturity of ten years and carries a yearly coupon of 2,7%. The bond matures on April 17, 2023.

The Company has issued a Eurobond benchmark transaction under the EMTN Programme of 1 EUR billion with value date April 2, 2014. The bond has an original maturity of ten years and carries a yearly coupon of 2,375%. The bond matures on April 2, 2024.

The Company has issued a Eurobond benchmark transaction under the EMTN Programme of 500 EUR million with value date October 29, 2014. The bond has an original maturity of ten years and carries a yearly coupon of 2,125%. The bond matures on October 29, 2029.

The issued bonds are covered by a guarantee from Airbus Group N.V., the parent company. The disclosed fair values of the Eurobonds were determined using market quotations at reporting date.

10. DEFERRED TAXES PAYABLE

The deferred tax liability relates to the temporary difference between the valuation of the derivative financial instruments for financial statements purposes and their respective tax basis. Deferred taxes are recognized as income tax benefit or expense except for changes in fair value of derivative instruments designated as cash flow hedges which are recorded net of tax in the revaluation reserve. In 2014, a negative amount of 1,3 EUR million has been recognized in Other Comprehensive Income (2013: positive 5,3 EUR million).

11. ACCRUED INTEREST PAYABLE

	31/12/2014	**31/12/2013**
	EUR	EUR
5,5% Eurobond Airbus Group Finance B.V., 25/09/2018	7.383.562	7.383.562
4,625% Eurobond Airbus Group Finance B.V., 12/08/2016	17.993.151	17.993.151
2,7% U.S.-bond Airbus Group Finance B.V., 17/04/2023	4.571.287	4.024.363
2,375% Eurobond Airbus Group Finance B.V., 02/04/2024	17.828.767	-
2,125% Eurobond Airbus Group Finance B.V., 29/10/2029	1.863.014	-
	49.639.781	**29.401.076**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

12. INTEREST INCOME	**2014** EUR	**2013** EUR
Long-term Loans to Airbus Group N.V.	69.872.788	42.712.565
Interest Rate SWAPS Airbus Group N.V.	45.115.088	45.451.783
Short-term Loans to Airbus Group N.V.	931.136	1.123.102
Intercompany Accounts Airbus Group N.V.	4.342	3.654
Amortization of Loan Disagio	2.287.970	1.731.796
	118.211.324	**91.022.900**

13. INTEREST EXPENSES	**2014** EUR	**2013** EUR
5,5% Eurobond Airbus Group Finance B.V., 25/09/2018	(27.500.000)	(27.500.000)
4,625% Eurobond Airbus Group Finance B.V., 12/08/2016	(46.250.000)	(46.250.000)
2,7% U.S.-bond Airbus Group Finance B.V., 17/04/2023	(20.818.656)	(13.905.787)
2,375% Eurobond Airbus Group Finance B.V., 02/04/2024	(17.828.767)	-
2,125% Eurobond Airbus Group Finance B.V., 29/10/2029	(1.863.014)	-
Short-term Loans from Commercial Paper Programme	(931.132)	(1.116.202)
Amortization of Bond Issue Costs	(2.308.622)	(1.724.255)
	(117.500.191)	**(90.496.244)**

14. INFORMATION ABOUT FINANCIAL INSTRUMENTS

a) Financial Risk Management

The Company's principal financial instruments, other than derivatives, generally comprise long-term Eurobond liabilities and short-term loans from Commercial Paper Programme. The main purpose of these financial instruments is to raise finance for the Company's operations. The Company generally has various financial assets such as short- and long-term loans receivables and cash, which arise directly from its operations. Airbus Group Finance B.V. also enters into derivative transactions which consist of interest rate swaps only. The purpose is to manage the interest rate risks arising from the Company's operations. It is, and has been throughout the year under review, the Company's policy that no trading in derivatives shall be undertaken.

Interest Rate Risk - Airbus Group Finance B.V. uses an asset and liability management approach with the objective to limit its interest rate risk. The Company undertakes to match the risk profile of its liabilities with a corresponding asset structure. Therefore the Company uses Interest Rate Derivatives for hedging purposes to fully hedge the interest risk on the variable interest-bearing long-term loans to Airbus Group N.V. and to swap the variable interest into fixed interest, as well as to fully hedge the interest risk on one of the fixed interest-bearing bonds and to swap the fixed interest into variable interest.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Sensitivities of Market Risks

The approach used to measure and control market risk exposure within the Company's financial instrument portfolio is amongst other key indicators the value-at-risk ("VaR"). The VaR of a portfolio is the estimated potential loss that will not be exceeded on the portfolio over a specified period of time (holding period) from an adverse market movement with a specified confidence level. The VaR used by the Company is based upon a 95 percent confidence level and assumes a 5-day holding period. The VaR model used is mainly based on the so called "Monte-Carlo-Simulation" method.

Deriving the statistical behaviour of the markets relevant for the portfolio out of market data from the previous two years and observed interdependencies between different markets and prices, the model generates a wide range of potential future scenarios for market price movements.

The Company's VaR computation includes the Company's external financial debt affecting the Company's profit and loss.

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations, including the following:

- A 5-day holding period assumes that it is possible to hedge or dispose of positions within that period. This is considered to be a realistic assumption in almost all cases but may not be the case in situations in which there is severe market illiquidity for a prolonged period.
- A 95 percent confidence level does not reflect losses that may occur beyond this level. Even within the model used there is a five percent statistical probability that losses could exceed the calculated VaR.
- The use of historical data as a basis for estimating the statistical behaviour of the relevant markets and finally determining the possible range of future outcomes out of this statistical behaviour may not always cover all possible scenarios, especially those of an exceptional nature.

The Company uses VaR amongst other key figures in order to determine the riskiness of its financial instrument portfolio and in order to optimize the risk-return ratio of its financial asset portfolio. Further, the Company's investment policy defines for the Income Statement and Cash Flow Hedge Reserve certain limits on total risk for the portfolio of cash, cash equivalents and securities. The total VaR as well as the different risk-factor specific VaR figures of this portfolio are measured and serve amongst other measures as a basis for the decisions of the asset management committee.

A summary of the VaR position of the Company's financial debt portfolio at December 31, 2014 and December 31, 2013 is as follows:

	31/12/2014	**31/12/2013**
	MEUR	MEUR
Interest VaR		
Financial Liabilities	**26**	**11**

As all of the Company's external financial debt included in the VaR computation has been lend to Airbus Group N.V. at nearly identical conditions, the interest rate risk of the total portfolio of financial instruments is nearly balanced.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Liquidity Risk

The Company's policy is to maintain sufficient liquid assets at any time to meet its present and future commitments as they fall due. The liquid assets typically consist of cash and cash equivalents. In addition, the Company maintains a set of other funding sources. Depending on its cash needs and market conditions, the Company may issue bonds, notes and commercial papers.

In MEUR	Carrying amount	Contractual cash flows	< 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years
Dec 31, 2014								
Non derivative financial liabilities	(3.902)	(4.623)	(130)	(1.130)	(84)	(584)	(57)	(2.638)
Total	**(3.902)**	**(4.623)**	**(130)**	**(1.130)**	**(84)**	**(584)**	**(57)**	**(2.638)**
Dec 31, 2013								
Non derivative financial liabilities	(2.309)	(2.742)	(94)	(94)	(1.154)	(47)	(545)	(808)
Total	**(2.309)**	**(2.742)**	**(94)**	**(94)**	**(1.154)**	**(47)**	**(545)**	**(808)**

The above table analyses the Company's financial liabilities by relevant maturity groups based on the period they are remaining on the Company's Statement of Financial Position to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows, comprising all outflows of a liability such as repayments and eventual interest payments. Non-derivative financial liabilities comprise financing liabilities at amortized cost.

***Foreign Currency Risk* -** The Company has entered into USD transactions during 2013 with the issuance of a bond transaction of USD 1 billion and has at the same time entered in to a loan agreement for a principal amount of USD 1 billion with Airbus Group N.V. The company has incurred foreign exchange gains in the year 2014 amounting to EUR 99 million (2013: EUR 36 million), which were fully compensated by foreign exchange losses for the same amount. Therefore, the net effect from foreign exchange difference is nil.

***Credit Risk* -** The Company has only one debtor, which is Airbus Group N.V. The maximum credit risk equals the book value of the respective items on the Statement of Financial Position at reporting date, as shown in the table below. The long-term corporate credit rating of Airbus Group N.V. is A (S&P).

In MEUR	**31/12/2014**	**31/12/2013**
Receivables, neither past due nor impaired	3.855	2.245
Cash and Cash Equivalents	4	3
Derivative financial assets	112	124
	3.971	**2.372**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

b) Carrying amounts and fair values of financial instruments

The fair value of a financial instrument is the price at which one party would assume the rights and/or duties of another party in a current transaction, other than in a forced or liquidation sale. Fair values of financial instruments have been determined with reference to available market information at the reporting date and the valuation methodologies discussed below. Considering the variability of their value-determining factors and the volume of financial instruments, the fair values presented herein may not be indicative of the amounts that the Company could realize in a current market environment. The following tables present the carrying amounts and fair values of financial instruments according to IAS 39 measurement categories as of December 31, 2014 and 2013 respectively:

In MEUR	**Fair Value for Hedge Relations**		**Loans and Receivables and Financial Liabilities at amortised cost**		**Financial Instruments Total**	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Dec 31, 2014						
Financial Assets						
Non-current assets	-	-	3.805	4.002	3.805	4.002
Derivative financial assets	112	112	-	-	112	112
Current assets	-	-	54	54	54	54
	112	**112**	**3.859**	**4.056**	**3.971**	**4.168**
Financial Liabilities						
Non-current/current liabilities	-	-	(3.902)	(4.164)	(3.902)	(4.164)
	-	**-**	**(3.902)**	**(4.164)**	**(3.902)**	**(4.164)**

In MEUR	**Fair Value for Hedge Relations**		**Loans and Receivables and Financial Liabilities at amortised cost**		**Financial Instruments Total**	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Dec 31, 2013						
Financial Assets						
Non-current assets	-	-	2.216	2.220	2.216	2.220
Derivative financial assets	124	124	-	-	124	124
Current assets	-	-	32	32	32	32
	124	**124**	**2.248**	**2.252**	**2.372**	**2.376**
Financial Liabilities						
Non-current and current financial liabilities	-	-	(2.309)	(2.373)	(2.309)	(2.373)
	-	**-**	**(2.309)**	**(2.373)**	**(2.309)**	**(2.373)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Fair value hierarchy **-** The fair value hierarchy consists of the following levels:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides the fair value hierarchy of the Company's assets and liabilities as of December 31, 2014:

In MEUR	Level 1	Level 2	Level 3	Total
Financial assets for which fair values are disclosed				
Long-term Loans Receivable	-	4.056	-	4.056
Financial assets measured at fair value				
Derivative Financial Instruments	-	112	-	112
Total	**-**	**4.168**	**-**	**4.168**
Financial liabilities for which fair values are disclosed				
Non-Current Interest Bearing Liabilities	(4.164)	-	-	(4.164)
Total	**(4.164)**	**-**	**-**	**(4.164)**

The Company determines Level 2 fair values for derivative financial instruments for hedge relations using recognised valuation techniques such as option pricing models and discounted cash flow models. The valuation is based on market data such as currency rates, interest rates and credit spreads as well as price and rate volatilities obtained from recognised vendors of market data.

Financial Assets and Liabilities **-** Generally, fair values are determined by observable market quotations or valuation techniques supported by observable market quotations. By applying a valuation technique, such as present value of future cash flows, fair values are based on estimates. However, methods and assumptions followed to disclose data presented herein are inherently judgmental and involve various limitations like estimates as of December 31, 2014 and 2013, which are not necessarily indicative of the amounts that the Company would record upon further disposal/termination of the financial instruments. With respect to the fair value of financial liabilities, the own non-performance risk was assessed to be insignificant as at December 31, 2014 and 2013. For current financial assets, management assessed that the carrying amounts approximate the fair value due to the short-term maturity of these assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Interest Rate Contracts - The fair value of these instruments is the estimated amount that the Company would receive or pay to settle the related agreements as of December 31, 2014 and 2013 based on present value calculations. The used swap model incorporates various inputs including interest rate curves. As at December 31, 2014 and 2013, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

c) Notional amounts of derivative financial instruments

The contract or notional amounts of derivative financial instruments shown below do not necessarily represent amounts exchanged by the parties and, thus, are not necessarily a measure for the exposure of the Company through its use of derivatives.

The notional amounts of interest rate contracts are as follows, specified by year of expected maturity:

Year ended December 31, 2014	**Remaining period**						
in MEUR	**2015**	**2016**	**2017**	**2018**	**2019**	**2020+**	**Total**
Interest Rate Contracts	-	1,000	-	500	-	-	**1,500**

Year ended December 31, 2013	**Remaining period**						
in MEUR	**2014**	**2015**	**2016**	**2017**	**2018**	**2019+**	**Total**
Interest Rate Contracts	-	-	1,000	-	500	-	**1,500**

d) Derivative financial instruments and hedge accounting disclosure

The following interest rate curves are used in the determination of the fair value in respect of the derivative financial instruments as of December 31, 2014 and 2013:

Interest rate in %	**December 31, 2014 EUR**	**December 31, 2014 USD**	**December 31, 2013 EUR**	**December 31, 2013 USD**
6 months	0.13	0.50	0.34	0.41
1 year	0.37	0.82	0.51	0.58
5 years	0.24	1.77	1.11	1.75
10 years	0.70	2.27	2.03	3.03

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)

Hedging activities - At December 31, 2014, the Company has interest swap agreements in place with notional amounts totaling 1.500 EUR million (as at December 31, 2013: 1.500 EUR million). The swaps are partly used to swap variable interest in connection with 500 EUR million loan to Airbus Group N.V. (see note 3), into a fixed interest similar to the interest rate on the EMTN-Bonds (see note 9), and partly used to swap fixed interest in connection with issue of the third EMTN-Bond amounting to 1.000 EUR million (see note 9) into a variable interest rate. The hedges were assessed highly effective.

15. NUMBER OF EMPLOYEES AND EMPLOYMENT COSTS

The Company employed no personnel in the year ended on December 31, 2014.

16. DIRECTORS

The Company had no director who received remuneration.

17. COMMITMENTS AND CONTINGENT LIABILITIES

The Company is part of a fiscal unity headed by Airbus Group N.V., which also includes Airbus DS Holdings B.V. (formerly: Astrium B.V) and Airbus Defence and Space Netherlands B.V. (formerly: Dutch Space B.V.) and therefore the Company is severally and jointly liable for income tax liabilities of the fiscal unity as a whole

18. RELATED PARTIES

Airbus Group N.V. is a related party, as it holds 100% of the shares of Airbus Group Finance B.V. The transactions and outstanding balances relating to Airbus Group N.V. are detailed in the notes. We refer to the comments to long-term and short-term loan receivables, positive fair value derivative instruments, accrued interest receivables, cash and cash equivalents, equity, accrued interest payables and interest income.

19. AUDIT FEES

Fees related to professional services rendered by the Company’s accountant, KPMG, for the fiscal year 2014 were EUR 9,000.

OTHER INFORMATION

APPROPRIATION OF THE NET RESULT

According to the Company's articles of association, the annual meeting of shareholders determines the appropriation of the Company's net result for the year.

The board of Managing Directors proposes that the net profit for the year ended December 31, 2014, amounting to EUR 712,843 be transferred to the retained earnings.

SUBSEQUENT EVENTS

On the April 14, 2015, Airbus Group Finance B.V. has signed a 2 USD billion US Commercial Paper programme fully guaranteed by Airbus Group N.V. No issuance has taken place.

KPMG

Independent auditor's report

To: the Shareholder and Board of Directors of Airbus Group Finance B.V.

Report on the audit of the financial statements 2014

Our opinion

We have audited the financial statements 2014 of Airbus Group Finance B.V. ("the Company"), Amsterdam.

In our opinion the financial statements give a true and fair view of the financial position of Airbus Group Finance B.V. as at 31 December 2014, and of its result and its cash flows for 2014 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code.

The financial statements comprise:

1 the statement of financial position as at 31 December 2014;

2 the income statement, the statement of comprehensive income, changes in equity and cash flows for the year then ended; and

3 the notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Airbus Group Finance B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 2.5 million. The materiality is determined with reference to the benchmark of the total interest expense (2.1%). We consider interest expense to be an appropriate benchmark given the nature of the Company and its activities. We also take into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Key audit matters

In the key audit matters we describe matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters with the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of loans to Airbus Group N.V.

The Company is a financing entity entering into financing arrangements with Airbus Group N.V. The Company has no substantial assets other than the loans to Airbus Group N.V. The Company is therefore interrelated and dependent on the performance of the Airbus Group for repayment of its debt instruments and meeting its financial obligations. This is highlighted in Note 14 of the financial statements. Given this pervasive impact on the financial statements of the Company, we considered the valuation of these loans a key audit matter.

Our audit procedures included an assessment of the financial robustness of the financial position and liquidity of Airbus Group to assess whether the Group is able to meet its contractual obligations. To this end we have performed, amongst offers, the following procedures with respect to the exposure on Airbus Group:

- Inspect the audited 2014 financial statements of Airbus Group N.V. (of which we are the auditor).
- Consider recent developments in the financial position and cash flows of Airbus Group and whether any conditions existing as at, or subsequent to the reporting date that may lead to the Group's inability to meet its contractual obligations.
- Inspect the recent ratings issued by credit agencies for Airbus Group N.V.

Derivative financial instruments

The Company manages its exposure to interest rate risk by means of derivative financial instruments. The company applies fair value and cash flow hedge accounting to its derivatives to match results on the derivatives and related hedged positions.

The accounting treatment of derivatives is dependent on whether the hedge relationship qualifies for hedge accounting or not. In accordance with IAS 39, hedge effectiveness testing is required to be performed. An overview of the Company's hedging activities is included in Note 14.

Given the inherent complexity we have paid specific attention during our audit to the application of hedge accounting and the valuation of derivatives. We have evaluated the Company's hedge documentation and identification process for new hedge relationships. Our procedures included assessing the calculation method of the defined hedged risk. We evaluated the Company's hedge effectiveness testing and assessed whether the accounting requirements were met for each hedge relationship. Our valuation specialist made its own valuation of the fair value of the derivatives and compared this with the fair value as disclosed by the Company. We also assessed whether the disclosure requirements were met in the financial statements.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the report of the board of managing directors in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Board of Directors is responsible for such internal control as its determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.

For a further description of our responsibilities in respect of an audit of financial statements in general, we refer to the website of the professional body for accountants in the Netherlands (NBA). www.nba.nl/standardtexts-auditorsreport.

Report on other legal and regulatory requirements

Report on the report of the board of managing directors and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Netherlands Civil Code (concerning our obligation to report about the report of the board of managing directors and other information):

- We have no deficiencies to report as a result of our examination whether the report of the board of managing directors, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code, and whether the information as required by Part 9 of Book 2 of the Netherlands Civil Code has been annexed.
- We report that the report of the board of managing directors, to the extent we can assess, is consistent with the financial statements.

Engagement

We have been engaged by the Board of Directors as auditor of Airbus Group Finance B.V. for the audit of the year 2014 on July 14, 2014.

Amstelveen, April 30, 2015

KPMG Accountants N.V.

R.J. Aalberts RA