



News Release

2004 EADS estimated financial performance: maintaining the track record

- 2004 estimated EBIT* and Cash position surpass earlier targets
- Defence business strongly supported EADS revenues and order-book
- On track for further improvement across all divisions

Amsterdam, 13 January 2005 – EADS will again deliver on its performance promises when it announces its 2004 results on March 9th. EADS CEO Philippe Camus hosted a New Year's press conference in Paris on Thursday. He reported that EADS' set of estimated figures for 2004 financial performance exceeds the latest targets released by the company on 4 November 2004.

"Preliminary estimates show that the company has exceeded financial targets for the fifth closing in a row", a statement by EADS CEOs Philippe Camus and Rainer Hertrich said.

2004 EBIT* is estimated to be in excess of € 2.3 bn, compared to the earlier target of € 2.2 bn, putting the 2004 EBIT* margin at over 7 percent, well above the 5.1 percent achieved in 2003 and on the right path to the 10 percent operating margin goal. The difference from earlier forecasts mainly reflects the higher number of Airbus deliveries (320 units, previous target based on 315 units) and the good performance of the Defence and Security Systems Division.

EADS' 2004 estimated revenues are around € 32 bn, based on an average currency exchange market rate € 1 = US\$ 1.24. Revenue growth was supported by the defence businesses which had revenues estimated at close to € 8 bn in 2004 (€ 7.1 bn in 2003). Further growth towards EADS' € 10 bn defence revenue goal is supported by a very solid military order-book which is now close to € 50 bn, reflecting the outstanding competitiveness of many EADS products such as A400M, Eurofighter, NH90, Tiger, MRTT, Skynet 5, Aster and others.

Cash generation has surpassed expectations again in 2004. Year-end net cash position is estimated to be significantly in excess of the year-end 2003 level (€ 3.1 bn). Cash generation was better than expected in the Defence and Security Systems, Airbus and Space divisions. The very solid cash position provides EADS with all the required flexibility to contemplate value creative investment opportunities and to share the fruit of its successes with its shareholders.

Camus reiterated that EADS expects the 2005 EBIT* to exceed € 2.4 bn.

The above mentioned estimates have not been reviewed by EADS' independent auditors, nor have they been presented yet to the Board of Directors or to its Audit Committee.

EADS is a global leader in aerospace, defence and related services. In 2003, EADS generated revenues of € 30.1 billion and employed a workforce of about 109,000. The EADS Group includes the aircraft manufacturer Airbus, the world's largest helicopter supplier Eurocopter and the joint venture MBDA, the second largest missile producer in the global market. EADS is the major partner in the Eurofighter consortium, is the prime contractor for the Ariane launcher, develops the A400M military transport aircraft and is the largest industrial partner for the European satellite navigation system Galileo.

* EADS uses **EBIT pre goodwill amortization and exceptionals** as a key indicator to measure the economic performance of the Group and its Segments. The term "exceptionals" refers to income or expenses of a non-recurring nature, such as amortization expenses of fair value adjustments relating to the EADS merger, the Airbus combination and the formation of MBDA, as well as impairment charges.

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Safe Harbour Statement:

Certain of the 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 world wide, the outcome of political and legal processes, including uncertainty regarding government funding of certain programmes, 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 "document de référence" dated April 1, 2004.