



News Release



EADS Financial Guidance for 2005: Revenues and EBIT* to further grow



- Revenues 2005: € 33 billion
- EBIT* 2005: better than € 2.4 billion
- 350-360 Airbus aircraft deliveries expected
- Defence revenues to further increase to € 8.5 billion
- Self-financed Airbus R&D on the 2004 level
- Earnings per share of € 1.20, post minority and exceptional items



Amsterdam, December 10, 2004 – EADS (stock exchange symbol: EAD), a global leader in aerospace, defence and related services, expects its 2005 revenues to grow to around € 33 billion and EBIT* to more than € 2.4 billion. For 2004, EADS had forecasted revenues of € 32 billion and EBIT* of € 2.2 billion. On that basis, the 2005 guidance represents three percent revenue growth and more than nine percent EBIT* increase.



The EADS revenue guidance is calculated on a 2005 exchange rate assumption of US\$ 1.30 to the Euro compared to € 1 = US\$ 1.23 in 2004.



EADS expects Airbus to deliver 350-360 aircraft in 2005, entirely out of the existing order book. Revenues from its defence business should continue to grow and reach around € 8.5 billion in 2005, or approximately 26 percent of total group revenues. The defence business will be mainly driven by progress with the A400M and Paradigm programmes, higher missile deliveries and the ramping up of NH90 and Tiger helicopter deliveries.



Airbus EBIT* growth will be driven by increased volumes. At the same time, Airbus' self-funded R&D expenses will remain on the 2004 level, mostly accounted for by A380 development expenses and the launch of the A350 programme. While the Military Transport Aircraft and Space divisions are expected to contribute to the 2005 overall EBIT* improvement, the Defence

and Security Systems and Aeronautics divisions are expected to achieve stable results in 2005.

EADS expects 2005 earnings per share (EPS) of € 1.20, based on anticipated Net income of about € 1 billion, post minorities and exceptional items and computed on an average number of shares estimated to be around 807 millions of shares in 2005.

EADS will continue to invest in the Skynet 5 military satellite communications system expected to be operational with the British forces in 2007. Excluding this particular investment, EADS intends to maintain a positive free cash-flow pre customer financing. Customer financing net additions are expected to be limited.

EADS foresees order intake in 2005 to match revenues. The order book should remain strong and well in excess of € 170 billion based on € 1 for US\$ 1.30.

EADS is a global leader in aerospace, defence and related services. In 2003, EADS generated revenues of € 30.1 billion. 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.