

Airbus reports First Quarter (Q1) 2022 results

- Solid Q1 results in an evolving and complex geopolitical and economic environment
- 142⁽¹⁾ commercial aircraft delivered in Q1 2022
- A320 Family: Monthly production rates to increase to 75 in 2025 to meet customer demand
- Revenues € 12.0 billion; EBIT Adjusted € 1.3 billion
- EBIT (reported) € 1.4 billion; EPS (reported) € 1.55
- Free cash flow before M&A and customer financing € 0.2 billion
- Guidance unchanged; more challenging risk profile for the remainder of 2022

Amsterdam, 04 May 2022 – Airbus SE (stock exchange symbol: AIR) reported consolidated financial results for its First Quarter (Q1) ended 31 March 2022.

“These Q1 results reflect a solid performance across our commercial aircraft, helicopter and defence businesses. Our 2022 guidance is unchanged, even though the risk profile for the rest of the year has become more challenging due to the complex geopolitical and economic environment,” said Guillaume Faury, Airbus Chief Executive Officer. “Looking beyond 2022, we see continuing strong growth in commercial aircraft demand driven by the A320 Family. As a result we are now working with our industry partners to increase A320 Family production rates further to 75 aircraft a month in 2025. This ramp-up will benefit the aerospace industry’s global value chain.”

Gross commercial aircraft orders increased to 253 (Q1 2021: 39 aircraft) with net orders of 83 aircraft after cancellations (Q1 2021: -61 aircraft). The order backlog amounted to 7,023 commercial aircraft on 31 March 2022. Airbus Helicopters booked 56 net orders (Q1 2021: 40 units) and was awarded a contract for the Tiger MkIII attack helicopter upgrade programme. Airbus Defence and Space’s order intake by value increased to € 3.2 billion (Q1 2021: € 2.0 billion), corresponding to a book-to-bill ratio of around 1.3. Included is the Eurodrone global contract signed in February 2022, covering the development and manufacturing of 20 systems and 5 years of initial in-service support for Germany, France, Italy and Spain.

Consolidated **revenues** increased 15 percent to € 12.0 billion (Q1 2021: € 10.5 billion), mainly reflecting the higher number of commercial aircraft deliveries and a favourable mix. A total of 142⁽¹⁾ commercial aircraft were delivered (Q1 2021: 125 aircraft), comprising 11 A220s, 109 A320 Family, 6 A330s and 16 A350s. The financial results reflect 140 commercial aircraft deliveries after the reduction of two aircraft previously recorded as sold in December 2021 for which a transfer was not possible due to international sanctions in place. Revenues generated by Airbus’ commercial aircraft activities increased 17 percent, mainly reflecting the higher deliveries and favourable mix. Airbus Helicopters delivered 39 units (Q1 2021: 39 units), with revenues rising 7 percent mainly reflecting growth in services and a favourable mix in programmes. Revenues at Airbus Defence and Space increased 16 percent, mainly

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driven by the Military Aircraft business and following the Eurodrone contract signature. One A400M transport aircraft was delivered in Q1 2022.

Consolidated **EBIT Adjusted** – an alternative performance measure and key indicator capturing the underlying business margin by excluding material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses – increased to € 1,263 million (Q1 2021: € 694 million). It includes a non-recurring positive element of € 0.4 billion related to the remeasurement of past service cost in the retirement obligations and also reflects efforts on competitiveness and the impact from cost containment. An amount of € -0.2 billion was recorded in Q1 2022 resulting from the impact of international sanctions against Russia.

EBIT Adjusted related to Airbus' commercial aircraft activities increased to € 1,065 million (Q1 2021: € 533 million), mainly reflecting higher deliveries as well as the efforts on competitiveness and the effect from cost containment. It also includes the non-recurring impact from retirement obligations, partly offset by the impact of international sanctions against Russia.

Commercial aircraft production for the A320 Family is progressing towards a monthly rate of 65 aircraft by summer 2023, in a complex environment. Following an analysis of global customer demand as well as an assessment of the industrial ecosystem's readiness, the Company is now working with its suppliers and partners to enable monthly production rates of 75 in 2025. This production increase will benefit the entire global industrial value chain. Airbus will meet the higher production rates by increasing capacity at its existing industrial sites and growing the industrial footprint in Mobile, US, while investing to ensure that all commercial aircraft assembly sites are A321-capable.

On the A321XLR, the Company continues to work towards a first flight by the end of Q2 2022. Initially planned for the end of 2023, the entry-into-service is now expected to take place in early 2024 in order to meet certification requirements.

Airbus Helicopters' EBIT Adjusted increased to € 90 million (Q1 2021: € 62 million), partly driven by growth in services and favourable mix in programmes. It also reflects non-recurring elements, including the impact from retirement obligations.

EBIT Adjusted at Airbus Defence and Space was € 106 million (Q1 2021: € 59 million), mainly driven by Military Aircraft and following the Eurodrone contract signature. It also reflects the non-recurring impact from retirement obligations, partly offset by the consequences for the space business from the international sanctions against Russia.

On the A400M programme, development activities continue toward achieving the revised capability roadmap. Retrofit activities are progressing in close alignment with the customer. Risks remain on the qualification of technical capabilities and associated costs, on aircraft

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operational reliability in particular with regard to powerplant, on cost reductions and on securing export orders in time as per the revised baseline.

Consolidated **self-financed R&D expenses** totalled € 586 million (Q1 2021: € 620 million).

Consolidated **EBIT (reported)** amounted to € 1,429 million (Q1 2021: € 462 million), including net Adjustments of € +166 million.

These Adjustments comprised:

- € +190 million related to the dollar pre-delivery payment mismatch and balance sheet revaluation;
- € -11 million related to the A380 programme;
- € -13 million of other costs including compliance.

The financial result was € 166 million (Q1 2021: € 59 million). It mainly reflects the positive net impact from the revaluation of certain equity investments, partially offset by the revaluation of financial instruments as well as the net interest result of € -76 million. Consolidated **net income**⁽²⁾ was € 1,219 million (Q1 2021: € 362 million) with consolidated reported **earnings per share** of € 1.55 (Q1 2021: € 0.46).

Consolidated **free cash flow before M&A and customer financing** was € 213 million (Q1 2021: € 1,202 million), reflecting the level of deliveries, competitiveness and the impact of cost containment, partly offset by an increase in working capital mainly driven by inventory. Consolidated **free cash flow** was € 161 million (Q1 2021: € 1,164 million).

On 31 March 2022, the **gross cash position** stood at € 22.8 billion (year-end 2021: € 22.7 billion) with a consolidated **net cash position**⁽³⁾ of € 7.7 billion (year-end 2021: € 7.7 billion). The Company's liquidity position remains strong, standing at € 28.8 billion at the end of March 2022.

Outlook

The guidance issued in February 2022 remains unchanged.

As the basis for its 2022 guidance, the Company assumes no further disruptions to the world economy, air traffic, the Company's internal operations, and its ability to deliver products and services.

The Company's 2022 guidance is before M&A.

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On that basis, the Company targets to achieve in 2022 around:

- 720 commercial aircraft deliveries;
- EBIT Adjusted of € 5.5 billion;
- Free Cash Flow before M&A and Customer Financing of € 3.5 billion.

The US Department of State has granted Airbus a nine-month extension of the duration of the Consent Agreement settling civil violations of the International Traffic in Arms Regulations (ITAR). Airbus initiated this request for an extension from the US Department of State because it had to redirect internal Export Control resources to the tracking and implementation of recent export control restrictions and international sanctions against Russia and Belarus. The Company does not expect the Consent Agreement extension to have an impact on the other agreements approved on 31 January 2020 with the UK, French and US authorities.

Note to editors: Live Webcast of the Analyst Conference Call

At **19:15 CEST** on **04 May 2022**, you can listen to the **Q1 2022 Results Analyst Conference Call** with **Chief Executive Officer Guillaume Faury** and **Chief Financial Officer Dominik Asam** via the Airbus website <https://www.airbus.com>. The analyst call presentation can also be found on the website. A recording will be made available in due course. For a reconciliation of Airbus' KPIs to "reported IFRS" please refer to the analyst presentation.



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Consolidated Airbus – First Quarter (Q1) 2022 Results

(Amounts in Euro)

Consolidated Airbus	Q1 2022	Q1 2021	Change
Revenues , in millions	12,000	10,460	+15%
thereof defence, in millions	2,392	2,027	+18%
EBIT Adjusted , in millions	1,263	694	+82%
EBIT (reported) , in millions	1,429	462	+209%
Research & Development expenses , in millions	586	620	-5%
Net Income⁽²⁾ , in millions	1,219	362	+237%
Earnings Per Share	1.55	0.46	+237%
Free Cash Flow (FCF) , in millions	161	1,164	-86%
Free Cash Flow before M&A , in millions	167	1,171	-86%
Free Cash Flow before M&A and Customer Financing , in millions	213	1,202	-82%

Consolidated Airbus	31 March 2022	31 Dec 2021	Change
Net Cash position⁽³⁾ , in millions of Euro	7,711	7,740	0%
Number of employees	127,120	126,495	0%

For footnotes please refer to page 9.

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By Business Segment	Revenues			EBIT (reported)		
(Amounts in millions of Euro)	Q1 2022	Q1 2021	Change	Q1 2022	Q1 2021	Change
Airbus	8,541	7,272	+17%	1,242	343	+262%
Airbus Helicopters	1,265	1,177	+7%	90	62	+45%
Airbus Defence and Space	2,453	2,115	+16%	95	17	+459%
Eliminations	-259	-104	-	2	40	-95%
Total	12,000	10,460	+15%	1,429	462	+209%

By Business Segment	EBIT Adjusted		
(Amounts in millions of Euro)	Q1 2022	Q1 2021	Change
Airbus	1,065	533	+100%
Airbus Helicopters	90	62	+45%
Airbus Defence and Space	106	59	+80%
Eliminations	2	40	-95%
Total	1,263	694	+82%

By Business Segment	Order Intake (net)			Order Book		
	Q1 2022	Q1 2021	Change	31 March 2022	31 March 2021	Change
Airbus, in units	83	-61	-	7,023	6,998	0%
Airbus Helicopters, in units	56	40	+40%	756	664	+14%
Airbus Defence and Space, in millions of Euro	3,211	1,962	+64%	N/A	N/A	N/A

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EBIT (reported) / EBIT Adjusted Reconciliation

The table below reconciles EBIT (reported) with EBIT Adjusted.

Consolidated Airbus (Amounts in millions of Euro)	Q1 2022
EBIT (reported)	1,429
thereof:	
\$ PDP mismatch/balance sheet revaluation	+190
A380 programme	-11
Others	-13
EBIT Adjusted	1,263

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Glossary

KPI	DEFINITION
EBIT	The Company continues to use the term EBIT (Earnings before interest and taxes). It is identical to Profit before finance cost and income taxes as defined by IFRS Rules.
Adjustment	Adjustment, an alternative performance measure , is a term used by the Company which includes material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
EBIT Adjusted	The Company uses an alternative performance measure , EBIT Adjusted, as a key indicator capturing the underlying business margin by excluding material charges or profits caused by movements in provisions related to programmes, restructuring or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
EPS Adjusted	EPS Adjusted is an alternative performance measure of basic earnings per share as reported whereby the net income as the numerator does include Adjustments. For reconciliation, see the Analyst presentation.
Gross cash position	The Company defines its consolidated gross cash position as the sum of (i) cash and cash equivalents and (ii) securities (all as recorded in the consolidated statement of financial position).
Net cash position	The Company defines its consolidated net cash position as the sum of (i) cash and cash equivalents and (ii) securities, minus (iii) financing liabilities, plus or minus (iiii) interest rate contracts related to fair value hedges (all as recorded in the Consolidated Statement of Financial Position).
FCF	For the definition of the alternative performance measure free cash flow, see the Universal Registration Document, MD&A section 2.1.6.1. It is a key indicator which allows the Company to measure the amount of cash flow generated from operations after cash used in investing activities.
FCF before M&A	Free cash flow before mergers and acquisitions refers to free cash flow as defined in the Universal Registration Document, MD&A section 2.1.6.1 adjusted for net proceeds from disposals and acquisitions. It is an alternative performance measure and key indicator that reflects free cash flow excluding those cash flows resulting from acquisitions and disposals of businesses.
FCF before M&A and customer financing	Free cash flow before M&A and customer financing refers to free cash flow before mergers and acquisitions adjusted for cash flow related to aircraft financing activities. It is an alternative performance measure and indicator that may be used occasionally by the Company in its financial guidance, especially when there is higher uncertainty around customer financing activities.

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Footnotes:

- 1) Before a reduction of two aircraft previously recorded as sold in December 2021 for which a transfer was not possible due to international sanctions against Russia.
- 2) Airbus SE continues to use the term Net Income/Loss. It is identical to Profit/Loss for the period attributable to equity owners of the parent as defined by IFRS Rules.
- 3) The Company has decided to refine the net cash definition to include interest rate contracts related to fair value hedges, which is also reflected in the Q1 2022 balance.

Safe Harbour Statement:

This press release includes forward-looking statements. Words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may” and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements made about strategy, ramp-up and delivery schedules, introduction of new products and services and market expectations, as well as statements regarding future performance and outlook. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

These factors include but are not limited to:

- Changes in general economic, political or market conditions, including the cyclical nature of some of Airbus’ businesses;
- Significant disruptions in air travel (including as a result of the spread of disease or terrorist attacks);
- Currency exchange rate fluctuations, in particular between the Euro and the U.S. dollar;
- The successful execution of internal performance plans, including cost reduction and productivity efforts;
- Product performance risks, as well as programme development and management risks;
- Customer, supplier and subcontractor performance or contract negotiations, including financing issues;
- Competition and consolidation in the aerospace and defence industry;
- Significant collective bargaining labour disputes;
- The outcome of political and legal processes, including the availability of government financing for certain programmes and the size of defence and space procurement budgets;
- Research and development costs in connection with new products;
- Legal, financial and governmental risks related to international transactions;
- Legal and investigatory proceedings and other economic, political and technological risks and uncertainties;
- Changes in societal expectations and regulatory requirements about climate change;
- The full impact of the COVID-19 pandemic and the resulting health and economic crisis;
- Aggravation of adverse geopolitical events, including Russia’s invasion of Ukraine and the resulting imposition of export control restrictions and international sanctions, and rising military tensions around the world.

As a result, Airbus SE’s actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements. For more information about the impact of Russia’s invasion of Ukraine, see Note 2 “Ukraine Crisis” of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the three-month period ended 31 March 2022. For more information about the impact of the COVID-19 pandemic, see Note 3 “Impact of the COVID-19 Pandemic” of the Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements for the three-month period ended 31 March 2022. For more information about factors that could cause future results to differ from such forward-looking statements, see Airbus SE’s annual reports, including its 2021 Universal Registration Document filed on 6 April 2022 and the most recent Risk Factors. Any forward-looking statement contained in this press release speaks as of the date of this press release. Airbus SE undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding

Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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