
AIRBUS

H1 Results

2019

31 July 2019

Guillaume Faury | Chief Executive Officer

Dominik Asam | Chief Financial Officer



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SAFE HARBOUR STATEMENT

DISCLAIMER

This presentation 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 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.

As a result, Airbus’ actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

For a discussion of factors that could cause future results to differ from such forward-looking statements, see the 2018 Airbus SE Registration Document dated 29 July 2019, including the Risk Factors section.

Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding disclaimer:

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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H1 Results

2019

**Company
Highlights**

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H1 2019 HIGHLIGHTS

- Robust commercial aircraft environment
- H1 2019 financials mainly reflect A320 ramp-up and neo transition
- Focus on securing FY deliveries, which remains challenging
- On that basis, 2019 Guidance maintained

H1 2019 COMMERCIAL POSITIONING

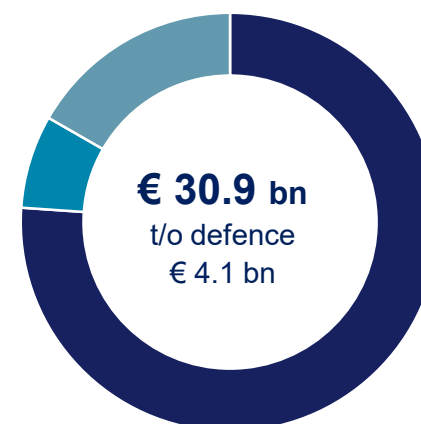
Consolidated Airbus Order Book

by Division

		H1 2019
Airbus (in units)	Order Intake (net)	88
	Order Book	7,276
Helicopters (in units)	Order Intake (net)	123
	Order Book	697
Defence and Space (in € m)	Order Intake (net)	4,220

Consolidated Airbus External Revenue

by Division

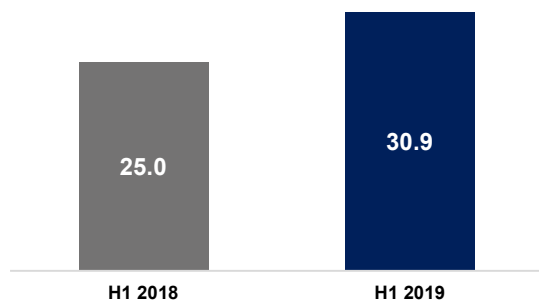


● Airbus	77%
● Helicopters	7%
● Defence and Space	16%

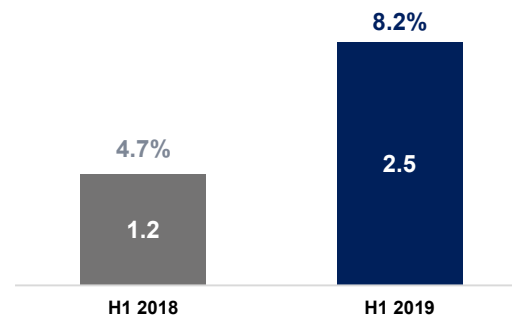
- **AIRBUS:** 213 gross orders, incl. 151 new orders at Le Bourget. 88 net orders. Backlog: 7,276 a/c
- **HELICOPTERS:** 123 net orders incl. 23 NH90 and 11 H145 in Q2
- **DEFENCE AND SPACE:** Order intake € 4.2 bn, incl. A400M DIRCM for German Air Force and Global Support Step 2. Key contract win in Space

H1 2019 FINANCIAL PERFORMANCE

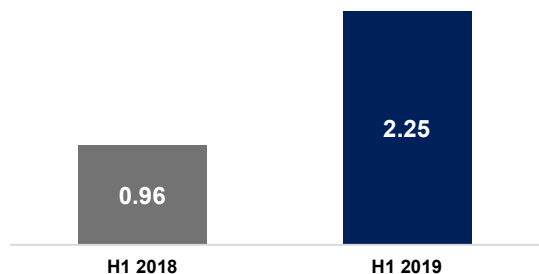
Revenues
in € bn



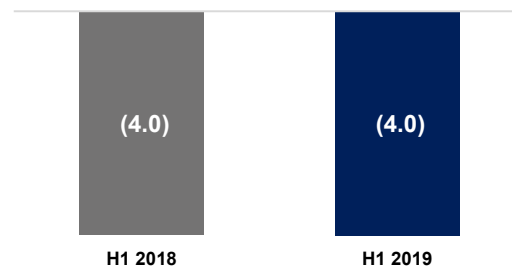
EBIT Adjusted
in € bn / RoS (%)



EPS⁽¹⁾ Adjusted
in €



FCF before M&A and Customer Financing
in € bn

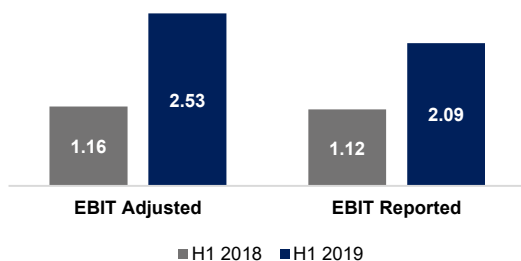


(1) H1 2019 Average number of shares: 776,291,117 compared to 774,129,413 in H1 2018
Capitalised R&D: € 45 m in H1 2019 and € 40 m in H1 2018
H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

H1 2019 PROFITABILITY

EBIT Performance

in € bn

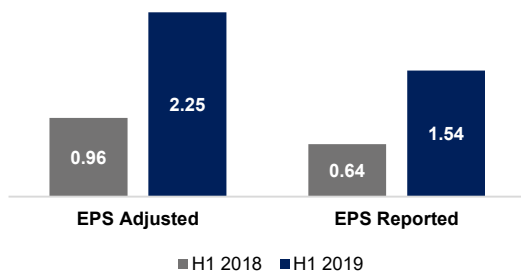


- H1 2019 **EBIT Reported** of € 2.1 bn
- H1 2019 EBIT Adjustments resulting from:
 - € – 208 m Defence export ban
 - € – 136 m A380 programme cost
 - € – 90 m Others
 - € – 2 m PDP mismatch / BS revaluation

- H1 2019 **Net Adjustments** of € – 436 m

EPS⁽¹⁾ Performance

in €

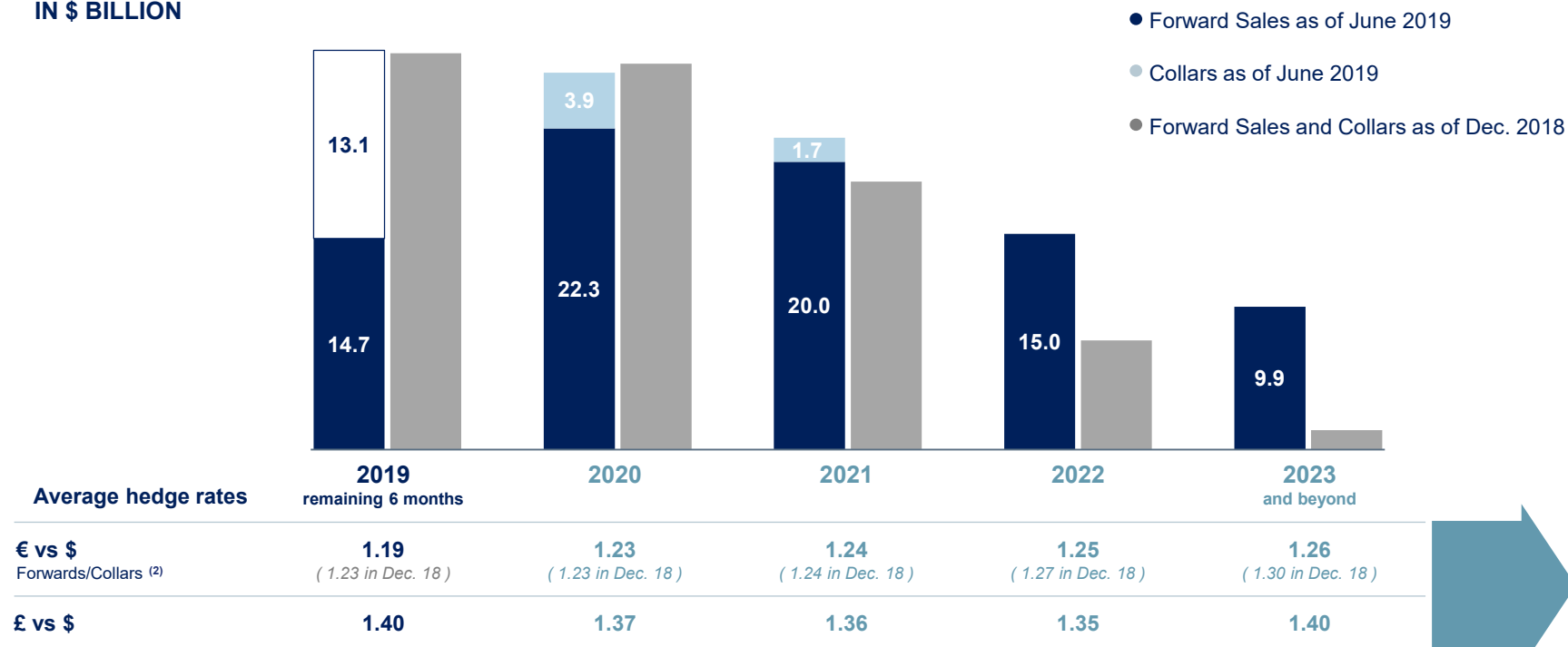


- H1 2019 **Net Income** of € 1,197 m
- H1 2019 **Net Income Adjusted** of € 1,750 m
- H1 2019 tax rate on core business is 27%

(1) H1 2019 Average number of shares: 776,291,117 compared to 774,129,413 in H1 2018
 Capitalised R&D: € 45 m in H1 2019 and € 40 m in H1 2018
 H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

CURRENCY HEDGE POLICY

IN \$ BILLION



Mark-to-market value incl. in AOCI = € - 1.9 bn
Closing rate @ 1.14 € vs. \$

- In H1 2019, \$ 19.6 bn⁽¹⁾ of new Forwards were added at an average rate of € 1 = \$ 1.22
- \$ 13.1 bn⁽¹⁾ of hedges matured at an average rate of € 1 = \$ 1.27
- Hedge portfolio⁽¹⁾ 30 June 2019 at \$ 87.4 bn (vs. \$ 81.9 bn in Dec. 2018), at an average rate of \$ 1.23⁽²⁾
- In H1, \$ 4.1 bn of hedges rolled-over intra-year to align with backloaded delivery profile

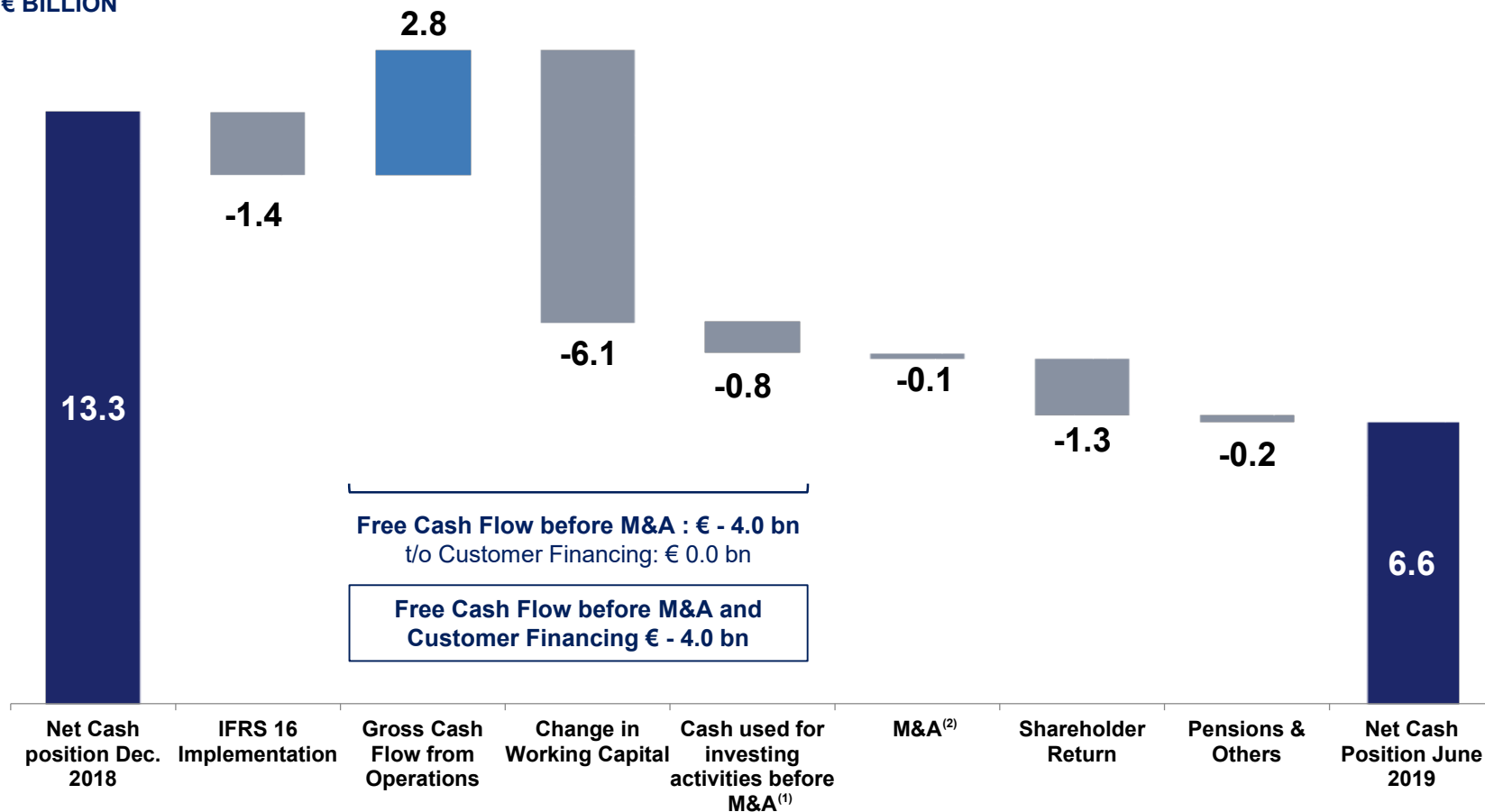
Approximately 60% of Airbus US\$ revenues are naturally hedged by US\$ procurement. Graph shows US\$ Forward Sales and Collars
Hedge rates reflect EBIT impact of the US\$ hedge portfolio

(1) Total hedge amount contains \$/€ and \$/£ designated hedges; (2) Blended Forwards and Collars rate includes Collars at least favourable rate

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H1 2019 CASH EVOLUTION

IN € BILLION



■ IFRS 16 implemented January 1st, 2019

(1) Thereof Capex of € - 0.9 bn

(2) M&A transactions include acquisitions and disposals of subsidiaries and businesses

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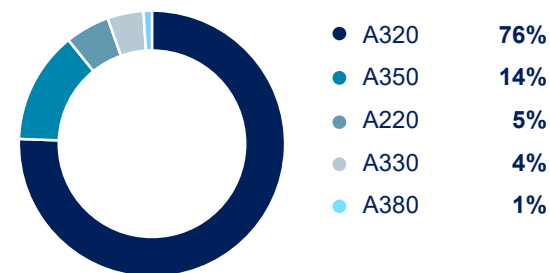


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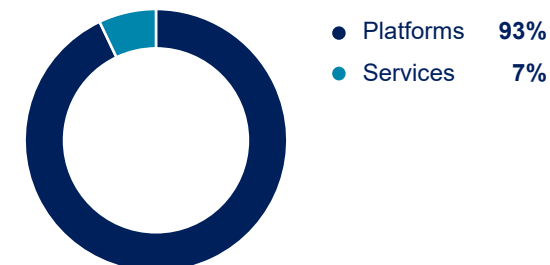
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IN € MILLION		H1 2019	H1 2018	Change
Order Intake (net)	Units	88	206	-57.3%
Order Book		7,276	7,168	1.5%
Deliveries (units)		389	303	28.4%
Revenues		24,043	18,546	29.6%
R&D Expenses		1,008	975	3.4%
<i>in % of Revenues</i>		4.2%	5.3%	
EBIT Adjusted		2,338	867	169.7%
<i>in % of Revenues</i>		9.7%	4.7%	
EBIT		2,151	773	178.3%
<i>in % of Revenues</i>		8.9%	4.2%	

Deliveries by Programme (units)



External Revenue Split

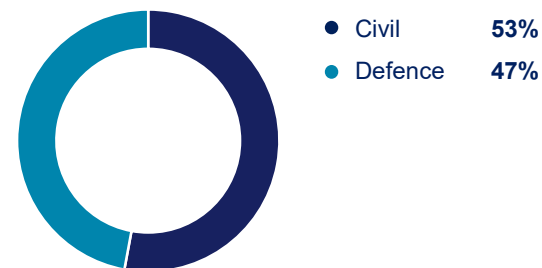


- Revenues mainly reflect higher A320neo and A350 deliveries and favourable FX
- EBIT Adjusted mainly reflects A320neo ramp-up, A350 operational performance, and FX

AIRBUS HELICOPTERS

IN € MILLION		H1 2019	H1 2018	Change
Order Intake (net)	Units	123	143	-14.0%
Order Book		697	694	0.4%
Deliveries (units)		143	141	1.4%
Revenues		2,371	2,388	-0.7%
R&D Expenses		143	147	-2.6%
<i>in % of Revenues</i>		6.0%	6.2%	
EBIT Adjusted		125	135	-7.4%
<i>in % of Revenues</i>		5.3%	5.7%	
EBIT		124	114	8.8%
<i>in % of Revenues</i>		5.2%	4.8%	

External Revenue Split



- Stable Revenues driven by programme phasing compensated by growth in services
- EBIT Adjusted reflects less favourable delivery mix partially compensated by increased contribution from services

AIRBUS DEFENCE AND SPACE

IN € MILLION		H1 2019	H1 2018	Change
Order Intake (net)	Value	4,220	3,184	32.5%
Revenues		5,015	4,652	7.8%
R&D Expenses		138	136	1.5%
<i>in % of Revenues</i>		<i>2.8%</i>	<i>2.9%</i>	
EBIT Adjusted		233	309	-24.6%
<i>in % of Revenues</i>		<i>4.6%</i>	<i>6.6%</i>	
EBIT		(15)	382	N/A
<i>in % of Revenues</i>		<i>-0.3%</i>	<i>8.2%</i>	

External Revenue Split



- Revenues increase supported by Military Aircraft
- EBIT Adjusted mainly reflects efforts to support on-going campaigns
- A400M: 7 a/c delivered in H1 2019; Contract Amendment signed
- German defence export ban: EBIT impact of € – 208 m booked in H1 2019, t/o € – 18 m in Q2
- 2018 EBIT included Capital Gain from disposal of Airbus DS Communications, Inc. business

(1) Communications, Intelligence & Security
Capitalised R&D: € 17 m in H1 2019 and € 6 m in H1 2018

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2019 GUIDANCE

As the basis for its 2019 guidance, Airbus expects the world economy and air traffic to grow in line with prevailing independent forecasts, which assume no major disruptions

Airbus 2019 Earnings and FCF guidance is before M&A

- Airbus targets 880 to 890 commercial aircraft deliveries in 2019
- On that basis:
Airbus expects to deliver an increase in EBIT Adjusted of approximately +15% compared to 2018 and FCF before M&A and Customer Financing of approximately € 4 bn

KEY PRIORITIES

- Deliver on 2019 commitments
- Ramp-up A320
- Improve A350 margins
- Improve programme execution across businesses
- Services, Digital and Innovation



Deliver Earnings and FCF growth potential

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Appendix



EXPECTED AIRBUS AVERAGE HEDGE RATES € VS. \$

Active exposure management



FY 2018

FY 2019E

Average
Hedge Rates

1.24

1.23

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(1) Q2 actual

H1 2019 DETAILED INCOME STATEMENT AND ADJUSTMENTS

IN € MILLION

	H1 2019	thereof Adjustments				Financial Result	H1 2019 Adjusted
		Impact on EBIT					
		Operational	FX				
	Airbus	Helicopters	Defence and Space ⁽¹⁾	Airbus + Defence and Space ⁽²⁾			
EBIT	2,093	(205)	(1)	(228)	(2)		2,529
<i>in % of Revenues</i>	6.8%						8.2%
Interest income	91						91
Interest expenses	(191)						(191)
Other Financial Result	(115)					(89)	(26)
Financial Result	(215)					(89)	(126)
Income before taxes	1,878	(205)	(1)	(228)	(2)	(89)	2,403
Non-controlling interest	(4)						(4)
Net Income reported	1,197						1,750
Number of shares	776,291,117						776,291,117
EPS reported (in €)	1.54						2.25

Net Income Adjusted excludes the following items:

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discount on provisions

The tax effect on Adjusted Income before taxes is calculated at 27%. The effective tax rate on Income before taxes is 36%

(1) Thereof € - 17 m A400M provision update

(2) Thereof € +18 m Airbus, € - 20 m ADS

H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

H1 2018 DETAILED INCOME STATEMENT AND ADJUSTMENTS

IN € MILLION

	H1 2018	thereof Adjustments				Financial Result	H1 2018 Adjusted
		Impact on EBIT					
		Operational	FX				
	Airbus	Helicopters	Defence and Space ⁽¹⁾	Airbus + Defence and Space ⁽²⁾			
EBIT	1,120	(40)	(21)	59	(40)		1,162
<i>in % of Revenues</i>	4.5%						4.7%
Interest income	87						87
Interest expenses	(199)						(199)
Other Financial Result	(191)					(165)	(26)
Financial Result	(303)					(165)	(138)
Income before taxes	817	(40)	(21)	59	(40)	(165)	1,024
Non-controlling interest	3						3
Net Income reported	496						740
Number of shares	774,129,413						774,129,413
EPS reported (in €)	0.64						0.96

Net Income Adjusted excludes the following items:

- Adjustments impacting the EBIT line (as reported in the EBIT Adjusted)
- The Other Financial Result, except for the unwinding of discount on provisions

The tax effect on Adjusted Income before taxes is calculated at 28%. The effective tax rate on Income before taxes is 40%

(1) Thereof € - 98 m A400M provision update mainly for escalation, € + 157 m net capital gains from disposals

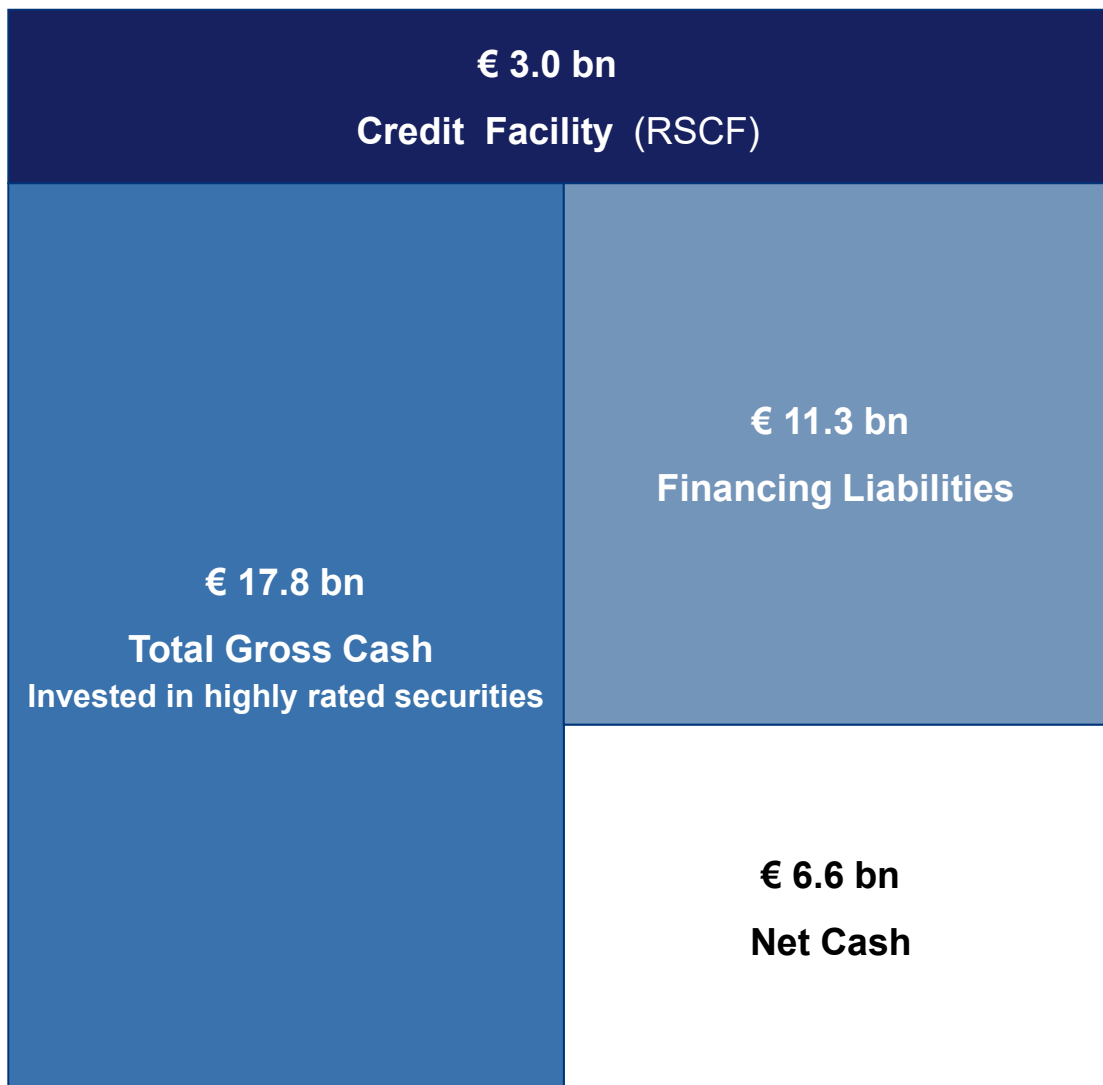
(2) Thereof € - 54 m Airbus, € + 14 m ADS

Q2 2019 KEY FIGURES

IN € MILLION	Q2 2019	Q2 2018
Revenues	18,317	14,851
EBIT Adjusted	1,980	1,148
EBIT	1,912	921
Net Income	1,157	213
FCF before M&A	395	(223)
FCF before M&A and Customer Financing	360	(129)

IN € MILLION	Q2 2019	Q2 2018	Q2 2019	Q2 2018	Q2 2019	Q2 2018
	Revenues		EBIT Adjusted		EBIT	
Airbus	14,346	11,324	1,802	908	1,759	775
Helicopters	1,364	1,427	110	138	115	124
Defence and Space	2,903	2,435	132	197	102	117
Transversal & Elim.	(296)	(335)	(64)	(95)	(64)	(95)
Consolidated Airbus	18,317	14,851	1,980	1,148	1,912	921

AIRBUS: STRONG LIQUIDITY POSITION AS OF 30 JUNE 2019



Credit Facility:

- Maturity 2021, undrawn
- Fully committed by 40 banks
- No financial covenants, no MAC clause

Financing Liabilities:

of which long-term : € 8.6 bn

- Includes € 3.0 bn EMTN, € 0.5 bn Convertible Bond, € 1.1 bn exchangeable bond and \$ 2.5 bn USD 144A/RegS

Credit Ratings:

Short-term rating:

- S & P: A-1+
- Moody's: P-1

Long-term rating:

- S & P: A+ stable
- Moody's: A2 stable

DETAILED FREE CASH FLOW

IN € MILLION

	H1 2019	H1 2018
Net Cash position at the beginning of the period	13,281	13,391
First time impact of IFRS 16	(1,352)	-
Gross Cash Flow from Operations ⁽¹⁾	2,781	1,185
Change in working capital ⁽²⁾	(6,088)	(4,501)
Cash used for investing activities ⁽³⁾	(809)	(481)
of which Industrial Capex (additions) ⁽⁴⁾	(914)	(916)
Free Cash Flow ^{(5) (6)}	(4,116)	(3,797)
of which M&A	(118)	272
Free Cash Flow before M&A	(3,998)	(4,069)
of which Customer Financing	(17)	(101)
Free Cash Flow before M&A and customer financing	(3,981)	(3,968)
Change in capital and non-controlling interests	133	112
Change in treasury shares / share buyback	4	(52)
Contribution to plan assets of pension schemes	(77)	(126)
Cash distribution to shareholders / non-controlling interests	(1,280)	(1,161)
Others ⁽⁷⁾	(207)	(299)
Net Cash position at the end of the period	6,565	8,068

(1) Excluding working capital change, contribution to plan assets of pension schemes and realised FX results on Treasury swaps

(2) Including net customer financing

(3) Excluding change in securities and change in cash from changes in consolidation and excluding bank activities; (4) Excluding leased and financial assets;

(5) Excluding change in securities, change in cash from changes in consolidation, contribution to plan assets, realised FX results on Treasury swaps and bank activities

(6) Including A220 integration; (7) Including Airbus Canada Ltd. Partnership funding agreement

H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

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NET CASH POSITION

IN € MILLION

	June 2019	Dec. 2018
Gross Cash	17,849	22,207
Financing Debts	(11,284)	(8,926)
Short-term Financing Debts	(2,649)	(1,463)
Long-term Financing Debts	(8,635)	(7,463)
Reported Net Cash	6,565	13,281
Airbus non-recourse debt	23	28
Net Cash excl. non-recourse	6,588	13,309

CUSTOMER FINANCING EXPOSURE

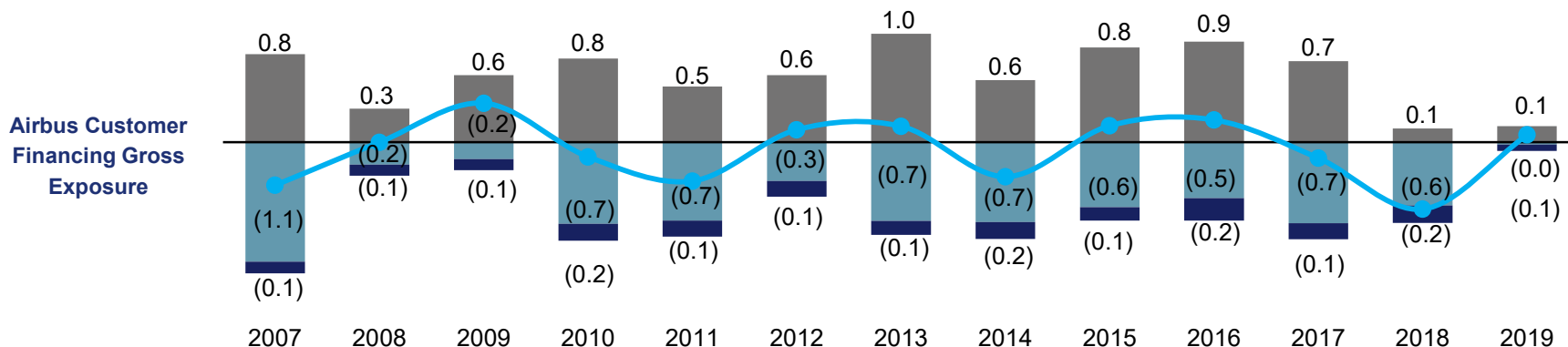
IN € MILLION

	June 2019	Dec. 2018	June 2019	Dec. 2018
	Airbus		Helicopters	
Closing rate € 1 =	\$ 1.14	\$ 1.15	\$ 1.14	\$ 1.15
Total Gross Exposure	866	802	111	109
of which off-balance sheet	104	28	10	10
Estimated value of collateral	(613)	(562)	(37)	(35)
Net Exposure	253	240	74	74
Provision and asset impairment	(253)	(240)	(74)	(74)
Net Exposure after provision	0	0	0	0

AIRBUS CUSTOMER FINANCING

IN € BILLION

■ Additions ■ Sell Down ■ Amortization ● Net change

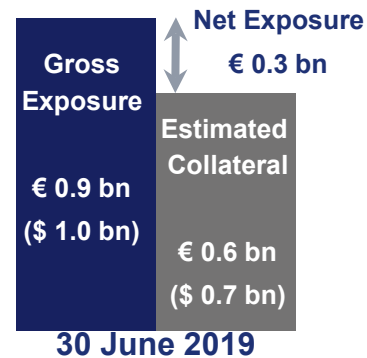
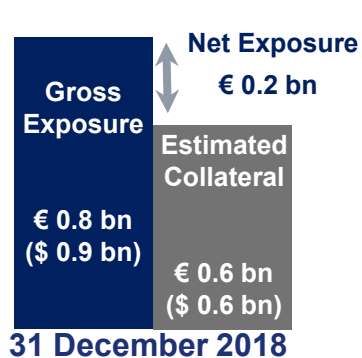


Gross Exposure in \$ bn

1.5	1.5	1.8	1.7	1.4	1.5	1.6	1.3	1.5	1.7	1.5	0.9	1.0
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Net Exposure fully provisioned

Net Exposure fully provisioned



BALANCE SHEET HIGHLIGHTS: ASSETS

IN € MILLION

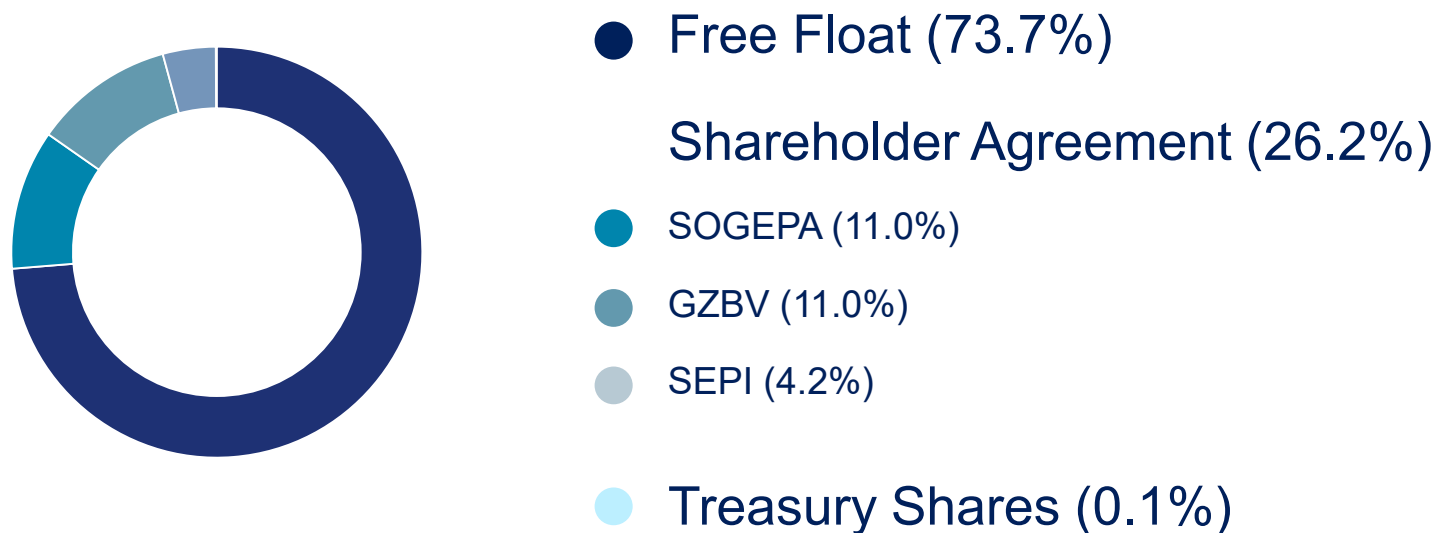
	June 2019	Dec. 2018
Non-current Assets	56,896	56,564
of which Intangible & Goodwill	16,607	16,726
of which Property, plant & equipment	17,274	16,773
of which Investments & Financial assets	5,696	5,504
of which Contract assets	71	65
of which positive hedge mark-to-market	884	1,031
of which Non-current securities	10,720	10,662
Current Assets	55,230	58,300
of which Inventory	34,776	31,891
of which Cash	5,218	9,413
of which Contract assets	752	789
of which positive hedge mark-to-market	160	286
of which Current securities	1,911	2,132
Assets of disposal groups classified as held for sale	330	334
Total Assets	112,456	115,198
Closing rate € vs. \$	1.14	1.15

BALANCE SHEET HIGHLIGHTS: LIABILITIES

IN € MILLION

	June 2019	Dec. 2018
Total Equity	7,432	9,719
of which OCI (Other Comprehensive Income)	253	134
of which Non-controlling interests	(2)	(5)
Total Non-current liabilities	48,532	44,693
of which Pensions	9,776	6,690
of which Other provisions	4,689	4,881
of which Financing debts	8,635	7,463
of which European governments' refundable advances	3,658	4,233
of which Contract liabilities	15,551	15,832
of which negative hedge mark-to-market	1,729	1,132
Total Current liabilities	56,179	60,354
of which Pensions	299	382
of which Other provisions	5,699	6,935
of which Financing debts	2,649	1,463
of which European governments' refundable advances	886	344
of which Contract liabilities	26,141	26,229
of which Trade liabilities	13,069	16,237
of which negative hedge mark-to-market	769	1,623
Liabilities of disposal groups classified as held for sale	313	432
Total Liabilities and Equity	112,456	115,198

SHAREHOLDING STRUCTURE AS AT 30 JUNE 2019



■ 778,096,721 shares issued as at 30 June 2019

QUARTERLY REVENUES BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2019	2018	2019	2018	2019	2018	2019	2018
Airbus	9,697	7,222	24,043	18,546		30,478		47,970
Helicopters	1,007	961	2,371	2,388		3,755		5,934
Defence and Space	2,112	2,217	5,015	4,652		7,051		11,063
Transversal & Elim.	(267)	(281)	(563)	(616)		(863)		(1,260)
Consolidated Airbus	12,549	10,119	30,866	24,970		40,421		63,707

H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

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QUARTERLY EBIT ADJUSTED BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2019	2018	2019	2018	2019	2018	2019	2018
Airbus	536	(41)	2,338	867		2,340		4,808
Helicopters	15	(3)	125	135		202		380
Defence and Space	101	112	233	309		409		935
Transversal & Elim.	(103)	(54)	(167)	(149)		(213)		(289)
Consolidated Airbus	549	14	2,529	1,162		2,738		5,834

H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

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QUARTERLY EBIT BREAKDOWN (CUMULATIVE)

IN € MILLION

	Q1		H1		9m		FY	
	2019	2018	2019	2018	2019	2018	2019	2018
Airbus	392	(2)	2,151	773		2,238		4,295
Helicopters	9	(10)	124	114		179		366
Defence and Space	(117)	265	(15)	382		479		676
Transversal & Elim.	(103)	(54)	(167)	(149)		(213)		(289)
Consolidated Airbus	181	199	2,093	1,120		2,683		5,048

H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018

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H1 2019 IFRS VS. APM CASH FLOW RECONCILIATION

IN € BILLION

	H1 2019
Cash provided by (used for) operating activities	(3.4)
t/o Reimbursement from / contribution to plan assets	(0.1)
t/o Treasury swaps	(0.0)
t/o Change in working capital	(6.1)
Gross Cash Flow from Operations	2.8

IN € BILLION

	H1 2019
Cash provided by (used for) operating activities	(3.4)
Cash provided by (used for) investing activities	(0.5)
t/o Net change in securities	0.4
Others	0.2
Free Cash Flow	(4.1)
t/o M&A transactions	(0.1)
Free Cash Flow before M&A	(4.0)
t/o Customer Financing	(0.0)
FCF before M&A and Customer Financing	(4.0)

GLOSSARY ON ALTERNATIVE PERFORMANCE MEASURES (APM)

The following Presentation also contains certain “non-GAAP financial measures”, *i.e.* financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measure calculated and presented in accordance with IFRS. For example, Airbus makes use of the non-GAAP measures “EBIT Adjusted”, “EPS Adjusted” and “Free Cash Flow”.

Airbus uses these non-GAAP financial measures to assess its consolidated financial and operating performance and believes they are helpful in identifying trends in its performance. These measures enhance management’s ability to make decisions with respect to resource allocation and whether Airbus is meeting established financial goals.

Non-GAAP financial measures have certain limitations as analytical tools, and should not be considered in isolation or as substitutes for analysis of Airbus’ results as reported under IFRS. Because of these limitations, they should not be considered substitutes for the relevant IFRS measures.

- **EBIT:** Airbus continues to use the term EBIT (Earnings before interest and taxes). It is identical to Profit before financial result and income taxes as defined by IFRS rules.
- **Adjustment** is an alternative performance measure used by Airbus 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:** Airbus 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, restructurings or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.
- **EPS Adjusted** is an alternative performance measure of a basic EPS as reported whereby the net income as the numerator does include Adjustments. For reconciliation see slide 19.
- **Gross Cash position:** Airbus defines its consolidated gross cash position as the sum of (i) cash and cash equivalents and (ii) securities (all as recorded in the consolidated statements of financial position).
- **Net cash position:** Airbus defines its consolidated net cash position as the sum of (i) cash and cash equivalents and (ii) securities, minus (iii) financing liabilities (all as recorded in the consolidated statement of financial position) as defined in Registration Document, MD&A section 2.1.6
- **Gross cash flow from operations:** Gross cash flow from operations is an alternative performance measure and an indicator used by Airbus to measure its operating cash performance before changes in working capital. It is defined in Registration Document, MD&A section 2.1.6.1 as cash provided by operating activities, excluding (i) changes in other operating assets and liabilities (working capital), (ii) contribution to plan assets of pension schemes and (iii) realised foreign exchange results on Treasury swaps.
- **Change in working capital:** it is identical to changes in other operating assets and liabilities as defined by IFRS rules. It is comprised of inventories, trade receivables, contract assets and contract liabilities (including customer advances), trade liabilities, and other assets and other liabilities.
- **FCF:** For the definition of the alternative performance measure free cash flow, see 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** refers to FCF as defined in the 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** 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 from time to time by the Company in its financial guidance, especially when there is higher uncertainty around customer financing activities.