

First half-year 2023 Financial Report

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Appendix: Review report of the independent auditor

2023 Semi-annual report of the Board of Directors

1. Semi-annual report on activities

Main events in the first half-year of 2023

For an overview of the main events that occurred during the first half of 2023 and their impact on the Unaudited Condensed Interim IFRS Consolidated Financial Information of the Company for the six-month period ended 30 June 2023 (the “Semi-Annual Financial Statements”), please refer to the press release, which was approved by the Board of Directors and issued on 26 July 2023, available on Airbus’ website www.airbus.com.

For further information and detail regarding the Company’s activities, finances, financing, risk factors and corporate governance, please refer to the Company’s website www.airbus.com and the documents posted thereon.

Related party transactions

Please refer to the notes to the Semi-Annual Financial Statements attached hereto (see “– Note 7: Related Party Transactions”).

2. Risk factors

By systematically integrating Enterprise Risk Management (“ERM”) across the company, the Company is mitigating risk and increasing opportunity, to support risk taking for value creation and competitiveness. Consequently, the Company has made ERM a key management process, carefully followed by the Board of Directors.

The ERM system plays a key role to:

- make the business more robust and predictable,
- support operational decision making,
- improve the business results,
- reduce the exposure level to risks,
- ensure Airbus ERM compliance regarding the Dutch Corporate Governance Code.

For a description of the Enterprise Risk Management system, the main risks and uncertainties please refer to the:

- a. Airbus SE Report of the Board of Directors 2022 (sections 4.5 and 4.6)
(<https://www.airbus.com/sites/g/files/jlcbta136/files/2023-02/Report%20of%20the%20Board%20of%20Directors%202022.pdf>), and
- b. Airbus SE Universal Registration Document 2022 (section “Risk Factors”)
(https://www.airbus.com/sites/g/files/jlcbta136/files/2023-04/Airbus%20Universal%20Registration%20Document%202022_0.pdf)

3. Semi-Annual Financial Statements

The Semi-Annual Financial Statements, including the review report by Ernst & Young Accountants LLP, are attached hereto.

4. Statement of the Board of Directors

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

the Semi-Annual Financial Statements for the period ended 30 June 2023 give a true and fair view of the assets, liabilities, financial position and profits or losses of Airbus and undertakings included in the consolidation taken as a whole; and

this Semi-Annual Board Report (including the press release, which was approved by the Board of Directors and issued on 26 July 2023) gives a true and fair view of the position as per the balance sheet date, and of the development and performance during the first half of the 2023 financial year and expected course of events of Airbus and undertakings included in the consolidation taken as a whole. This Semi-Annual Board Report has paid special attention to investments and circumstances upon which the development of revenues and profitability is dependent, as these have been described herein.

26 July 2023,

The Board of Directors

René Obermann, Chairman

Guillaume Faury, Chief Executive Officer

Victor Chu, Director

Jean-Pierre Clamadieu, Director

Ralph D. Crosby Jr., Director

Mark Dunkerley, Director

Stephan Gemkow, Director

Catherine Guillouard, Director

Amparo Moraleda, Director

Claudia Nemat, Director

Irene Rummelhoff, Director

Antony Wood, Director

Airbus SE

Unaudited Condensed Interim IFRS Consolidated Financial Information for the six-month period ended 30 June 2023

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Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements

Unaudited Condensed Interim IFRS Consolidated Income Statement

| <i>(In € million)</i> | Note | 1 January - 30 June 2023 | 1 January - 30 June 2022 | 1 April - 30 June 2023 | 1 April - 30 June 2022 |
|--|----------|-----------------------------|-----------------------------|---------------------------|---------------------------|
| Revenue | 9 | 27,663 | 24,810 | 15,900 | 12,810 |
| Cost of sales | | (23,146) | (19,891) | (13,043) | (10,431) |
| Gross margin | 9 | 4,517 | 4,919 | 2,857 | 2,379 |
| Selling expenses | | (424) | (383) | (219) | (202) |
| Administrative expenses | | (826) | (706) | (444) | (376) |
| Research and development expenses | 10 | (1,431) | (1,256) | (748) | (670) |
| Other income | 11 | 34 | 55 | 10 | 33 |
| Other expenses | 11 | (73) | (62) | (37) | (43) |
| Share of profit from investments accounted for under the equity method | 12 | 80 | (17) | 71 | 4 |
| Other income from investments | 12 | 10 | 29 | 7 | 25 |
| Profit before financial result and income taxes | | 1,887 | 2,579 | 1,497 | 1,150 |
| Interest income | | 278 | 30 | 145 | 28 |
| Interest expense | | (336) | (166) | (170) | (88) |
| Other financial result | | 160 | 243 | (22) | 1 |
| Total financial result | 13 | 102 | 107 | (47) | (59) |
| Income taxes | 14 | (537) | (842) | (436) | (440) |
| Profit for the period | | 1,452 | 1,844 | 1,014 | 651 |
| Attributable to: | | | | | |
| Equity owners of the parent (Net income) | | 1,526 | 1,901 | 1,060 | 682 |
| Non-controlling interests | | (74) | (57) | (46) | (31) |
| Earnings per share | | € | € | € | € |
| Basic | 15 | 1.94 | 2.42 | 1.34 | 0.87 |
| Diluted | 15 | 1.93 | 2.42 | 1.34 | 0.87 |

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

Unaudited Condensed Interim IFRS Consolidated Statement of Comprehensive Income

| <i>(In € million)</i> | 1 January - 30 June 2023 | 1 January - 30 June 2022 | 1 April - 30 June 2023 | 1 April - 30 June 2022 |
|--|-----------------------------|-----------------------------|---------------------------|---------------------------|
| Profit for the period | 1,452 | 1,844 | 1,014 | 651 |
| Other comprehensive income | | | | |
| <i>Items that will not be reclassified to profit or loss:</i> | | | | |
| Re-measurement of the defined benefit pension plans | 396 | 3,602 | 356 | 2,615 |
| Income tax relating to re-measurement of the defined benefit pension plans | (17) | (707) | (16) | (481) |
| Change in fair value of financial assets | 170 | (430) | (18) | (239) |
| Income tax relating to change in fair value of financial assets | (21) | 54 | 3 | 30 |
| Share of change from investments accounted for under the equity method | 7 | 3 | (4) | 1 |
| <i>Items that may be reclassified to profit or loss:</i> | | | | |
| Foreign currency translation differences for foreign operations | 30 | 205 | 84 | 145 |
| Change in fair value of cash flow hedges | 1,663 | (5,294) | 710 | (4,734) |
| Income tax relating to change in fair value of cash flow hedges | (450) | 1,440 | (190) | 1,286 |
| Change in fair value of financial assets | 58 | (492) | (24) | (245) |
| Income tax relating to change in fair value of financial assets | 0 | 5 | (1) | 3 |
| Share of change from investments accounted for under the equity method | 37 | (9) | 30 | (16) |
| Other comprehensive income, net of tax | 1,873 | (1,623) | 930 | (1,635) |
| Total comprehensive income for the period | 3,325 | 221 | 1,944 | (984) |
| Attributable to: | | | | |
| Equity owners of the parent | 3,392 | 284 | 1,993 | (937) |
| Non-controlling interests | (67) | (63) | (49) | (47) |

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

Unaudited Condensed Interim IFRS Consolidated Statement of Financial Position

| <i>(In € million)</i> | Note | 30 June 2023 | 31 December 2022 |
|---|------|---------------------|------------------|
| Assets | | | |
| Non-current assets | | | |
| Intangible assets | 16 | 16,893 | 16,768 |
| Property, plant and equipment | 16 | 16,501 | 16,505 |
| Investment property | | 36 | 37 |
| Investments accounted for under the equity method | 17 | 2,095 | 2,067 |
| Other investments and other long-term financial assets | 18 | 4,780 | 4,190 |
| Non-current contract assets | | 29 | 26 |
| Non-current other financial assets | 21 | 697 | 781 |
| Non-current other assets | 22 | 2,028 | 1,872 |
| Deferred tax assets | | 3,731 | 4,683 |
| Non-current securities | 24 | 6,850 | 6,013 |
| Total non-current assets | | 53,640 | 52,942 |
| Current assets | | | |
| Inventories | 19 | 35,466 | 32,202 |
| Trade receivables | | 5,026 | 4,953 |
| Current portion of other long-term financial assets | 18 | 766 | 665 |
| Current contract assets | | 1,684 | 1,501 |
| Current other financial assets | 21 | 1,819 | 2,542 |
| Current other assets | 22 | 3,873 | 2,850 |
| Current tax assets | | 692 | 704 |
| Current securities | 24 | 1,536 | 1,762 |
| Cash and cash equivalents | 24 | 14,533 | 15,823 |
| Total current assets | | 65,395 | 63,002 |
| Assets and disposal group of assets classified as held for sale | 6 | 54 | 0 |
| Total assets | | 119,089 | 115,944 |

Airbus SE
Unaudited Condensed Interim IFRS Consolidated Financial Information
for the six-month period ended 30 June 2023

| <i>(In € million)</i> | Note | 30 June 2023 | 31 December 2022 |
|---|------|----------------|------------------|
| Equity and liabilities | | | |
| Equity attributable to equity owners of the parent | | | |
| Capital stock | | 791 | 789 |
| Share premium | | 3,979 | 3,837 |
| Retained earnings | | 14,025 | 13,408 |
| Accumulated other comprehensive income | | (3,537) | (5,016) |
| Treasury shares | | (139) | (68) |
| Total equity attributable to equity owners of the parent | | 15,119 | 12,950 |
| Non-controlling interests | | 37 | 32 |
| Total equity | 23 | 15,156 | 12,982 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Non-current provisions | 20 | 6,212 | 6,896 |
| Long-term financing liabilities | 24 | 10,363 | 10,631 |
| Non-current contract liabilities | | 23,816 | 22,044 |
| Non-current other financial liabilities | 21 | 8,332 | 10,117 |
| Non-current other liabilities | 22 | 473 | 498 |
| Deferred tax liabilities | | 185 | 164 |
| Non-current deferred income | | 23 | 17 |
| Total non-current liabilities | | 49,404 | 50,367 |
| Current liabilities | | | |
| Current provisions | 20 | 3,713 | 4,127 |
| Short-term financing liabilities | 24 | 2,186 | 2,142 |
| Trade liabilities | | 13,924 | 13,261 |
| Current contract liabilities | | 25,725 | 23,869 |
| Current other financial liabilities | 21 | 2,801 | 4,073 |
| Current other liabilities | 22 | 4,622 | 3,803 |
| Current tax liabilities | | 925 | 817 |
| Current deferred income | | 547 | 503 |
| Total current liabilities | | 54,443 | 52,595 |
| Disposal group of liabilities classified as held for sale | 6 | 86 | 0 |
| Total liabilities | | 103,933 | 102,962 |
| Total equity and liabilities | | 119,089 | 115,944 |

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

Unaudited Condensed Interim IFRS Consolidated Statement of Cash Flows

| <i>(In € million)</i> | Note | 1 January - 30 June 2023 | 1 January - 30 June 2022 |
|--|-----------|-----------------------------|-----------------------------|
| Operating activities | | | |
| Profit for the period attributable to equity owners of the parent (Net income) | | 1,526 | 1,901 |
| Loss for the period attributable to non-controlling interests | | (74) | (57) |
| <i>Adjustments to reconcile profit for the period to cash provided by operating activities:</i> | | | |
| Depreciation and amortisation | | 1,042 | 1,156 |
| Valuation adjustments | | (699) | (587) |
| Deferred tax expense (income) | | 470 | 119 |
| Change in income tax assets, income tax liabilities and provisions for income tax | | 127 | 664 |
| Results on disposals of non-current assets | | 29 | 7 |
| Results of investments accounted for under the equity method | | (79) | 18 |
| Change in current and non-current provisions | | (483) | (1,214) |
| Contribution to plan assets | | (201) | (387) |
| Change in other operating assets and liabilities | | 648 | 323 |
| Cash provided by operating activities | | 2,306 | 1,943 |
| Investing activities | | | |
| Purchases of intangible assets, property, plant and equipment and investment property | | (1,090) | (749) |
| Proceeds from disposals of intangible assets, property, plant and equipment and investment property | | 27 | 39 |
| Acquisitions of subsidiaries, joint ventures, businesses and non-controlling interests (net of cash) | | 0 | (7) |
| Payments for investments accounted for under the equity method, other investments and other long-term financial assets | | (578) | (468) |
| Proceeds from disposals of investments accounted for under the equity method, other investments and other long-term financial assets | | 219 | 188 |
| Dividends paid by companies valued at equity | | 150 | 97 |
| Change in securities | | (582) | 296 |
| Cash (used for) investing activities | | (1,854) | (604) |
| Financing activities | | | |
| Change in financing liabilities | | (348) | (1,240) |
| Cash distribution to Airbus SE shareholders | 23 | (1,421) | (1,181) |
| Change in liability for puttable instruments | | 138 | 135 |
| Change in capital and non-controlling interests | | 140 | 140 |
| Change in treasury shares | | (83) | (36) |
| Cash (used for) financing activities | | (1,574) | (2,182) |
| Effect of foreign exchange rate changes on cash and cash equivalents | | (160) | 416 |
| Net (decrease) in cash and cash equivalents | 24 | (1,282) | (427) |
| Cash and cash equivalents at beginning of period | 24 | 15,823 | 14,572 |
| Cash and cash equivalents at end of period | 24 | 14,541 | 14,145 |
| <i>thereof presented as cash and cash equivalents</i> | <i>24</i> | <i>14,533</i> | <i>14,145</i> |
| <i>thereof presented as part of disposal groups classified as held for sale</i> | <i>6</i> | <i>8</i> | <i>0</i> |

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

Unaudited Condensed Interim IFRS Consolidated Statement of Changes in Equity

| <i>(In € million)</i> | Equity attributable to equity owners of the parent | Non-controlling interests | Total Equity |
|---|--|------------------------------|---------------|
| Balance at 1 January 2022 | 9,466 | 20 | 9,486 |
| Profit for the period | 1,901 | (57) | 1,844 |
| Other comprehensive income | (1,617) | (6) | (1,623) |
| Total comprehensive income for the period | 284 | (63) | 221 |
| Capital increase | 123 | 0 | 123 |
| Share-based payment | 92 | 0 | 92 |
| Cash distribution to shareholders / dividends to non-controlling interests | (1,181) | 0 | (1,181) |
| Equity transaction | (82) | 70 | (12) |
| Change in treasury shares | (23) | 0 | (23) |
| Balance at 30 June 2022 | 8,679 | 27 | 8,706 |
| Balance at 1 January 2023 | 12,950 | 32 | 12,982 |
| Profit for the period | 1,526 | (74) | 1,452 |
| Other comprehensive income | 1,866 | 7 | 1,873 |
| Total comprehensive income for the period | 3,392 | (67) | 3,325 |
| Capital increase | 144 | 0 | 144 |
| Share-based payment | 137 | 0 | 137 |
| Cash distribution to shareholders / dividends to non-controlling interests | (1,421) | 0 | (1,421) |
| Equity transaction | (12) | 72 | 60 |
| Change in treasury shares | (71) | 0 | (71) |
| Balance at 30 June 2023 | 15,119 | 37 | 15,156 |

The accompanying notes are an integral part of these Unaudited Condensed Interim IFRS Consolidated Financial Statements.

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Notes to the Airbus SE Unaudited Condensed Interim IFRS Consolidated Financial Statements

1. The Company

The accompanying Unaudited Condensed Interim IFRS Consolidated Financial Statements present the financial position and the results of operations of **Airbus SE** together with its subsidiaries referred to as “the Company”, a European public limited-liability company (*Societas Europaea*) with its seat (*statutaire zetel*) in Amsterdam, The Netherlands, its registered address at Mendelweg 30, 2333 CS Leiden, The Netherlands, and registered with the Dutch Commercial Register (Handelsregister) under number 24288945. The Company's reportable segments are Airbus, Airbus Helicopters and Airbus Defence and Space (see “– Note 8: Segment Information”). The Company is listed on the European stock exchanges in Paris, Frankfurt am Main, Madrid, Barcelona, Valencia and Bilbao. The Unaudited Condensed Interim IFRS Consolidated Financial Statements were authorised for issue by the Company's Board of Directors on 26 July 2023.

2. Ukraine Crisis

Russia's invasion of Ukraine on 24 February 2022 and the resulting export control restrictions and international sanctions against Russia, Belarus and certain Russian entities and individuals have resulted in disruption to the Company's business, its operations, data management and supply chain.

Following the imposition of export control restrictions and sanctions by the EU, the UK, the US and other countries that are relevant to the Company's business, the Company announced in March 2022 it has suspended the delivery of aircraft and support services to Russian customers, as well as the supply of spare parts, equipment and software to Russia. The Company is complying with all applicable regulations and sanctions to its facilities and operations in Russia.

The crisis has increased the Company's exposure to supply chain disruption risk. Part of the titanium used by the Company is sourced from Russia, both directly and indirectly through the Company's suppliers. While geopolitical risks are integrated into the Company's titanium sourcing policies, the impact of Russia's invasion of Ukraine on the Company's ability to source materials and components and any future expansion of sanctions is continuously being reviewed.

The Company is also indirectly exposed through its partnership into the joint venture ArianeGroup. Arianespace paid and received pre-payments for the Soyuz program for which Roscosmos decided to suspend the rocket launches operated by Arianespace. Agreements have been reached on pre-payments received with three of these clients. Negotiations continue with the remaining clients.

In 2022 and in the first half-year 2023, there was no material impact.

3. Macroeconomic Environment

In 2022, the Company has been operating in an adverse macroeconomic environment in light of high inflation, energy crisis, increasing interest rates, but also remaining effects of the COVID-19 pandemic. For more details on the impacts in 2022, please refer to the Company's IFRS Consolidated Financial Statements as of 31 December 2022.

The main impacts of inflation on the Company's Consolidated Financial Statements continue to be assessed regularly. No further significant impacts have been recorded during the first half-year 2023.

In the first half-year 2023, the US dollar has weakened versus the Euro resulting in a positive impact on the mark to market valuation of the hedge portfolio (see “– Note 25: Financial Instruments”). Interest rates have continued to rise, leading to a decrease in the defined benefit obligations of certain pension plans (see “– Note 20: Provisions”).

This environment paired with the consequences of Russia's invasion of Ukraine (see "– Note 2: Ukraine Crisis") has further increased the Company's exposure to supply chain. While the Company is operating in a complex environment and continues to be affected by delays of materials and parts in the first half-year 2023, it maintains its production ramp-up trajectory. On the A320 family, the Company is progressing well towards a monthly production rate of 75 in 2026. Tactical adjustments to production planning will continue to be made as required to meet this target rate, which is now the key reference point for the Company and the supply chain. The Company targets to reach rate 4 in 2024 for the A330 monthly production rate and rate 9 at the end of 2025 for the A350 monthly production rate.

4. Accounting Policies

The Unaudited Condensed Interim IFRS Consolidated 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"). They are prepared and reported in euro ("€") and all values are rounded to the nearest million appropriately. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

These Unaudited Condensed Interim IFRS Consolidated Financial Statements are prepared in compliance with IAS 34 and should be read in conjunction with the IFRS Consolidated Financial Statements as of 31 December 2022. The Company's accounting policies and methods are unchanged compared to 31 December 2022. The implementation of new or amended standards has no material impact on the Unaudited Condensed Interim IFRS Consolidated Financial Statements as of 30 June 2023.

Use of Estimates and Judgements

In preparing the Unaudited Condensed Interim IFRS Consolidated Financial Statements, management makes assumptions and estimates. These estimates are revised if the underlying circumstances have evolved or in light of new information. The underlying assumptions used for the main estimates are similar to those described in the Company's IFRS Consolidated Financial Statements as of 31 December 2022.

5. Climate Impacts

Climate change may have a major impact on both the Company's industrial operations and its upstream and downstream value chains, including aircraft direct operations and the wider air transport ecosystem. Accordingly, climate-related risks can potentially affect the Company's business and competitiveness, its customers and other actors in the aviation industry.

As of 30 June 2023, to the best of the Company's judgement, there is no material impact on the Company's assets and liabilities. The Company considered the assumptions related to the life cycle of its programmes and the related impacts on long-lived assets and concluded that there is no need for impairment.

Similarly, the Company did not identify any need for revision to the useful lives of the property, plant and equipment and intangible assets.

This is supported by the current demand for the Company's products as demonstrated by its order backlog. As it relates to commercial aircraft, the Company's current portfolio already delivers significant CO₂ reduction when compared to the previous generations aircraft. Around 75% of the global commercial aircraft fleet is made up of older generation aircraft, therefore, renewing the fleet represents an immediate potential for aviation decarbonisation. Furthermore, the Company expects its commitment to certify all current aircraft and helicopter programmes to be capable of flying on 100% Sustainable Aviation Fuels (SAF) by 2030 will play an important role in the sector's decarbonisation journey.

The Company has received approval from the Science Based Targets initiative (SBTi) for its greenhouse gas emission reduction near-term targets. These targets, in line with the Paris agreement's objectives, are based on climate science and cover the full set of the Company's emissions. Airbus intends to reduce its Scope 1 and Scope 2 industrial emissions by up to 63% by 2030, in line with a 1.5°C pathway. The Company also committed to reducing by 46% the greenhouse gas emissions intensity generated by its commercial aircraft in service (Scope 3 - Use of Sold Product) by 2035. Both targets are based on the 2015 year as a baseline.

In support of the overall sector ambition, the Company is investing in and accelerating its efforts on complementary strategic pathways to reduce its environmental footprint. Overall, a major portion of the Company capital expenditures, research & technology, and research & development expenses is linked to its commercial aircraft activities and the realisation of five decarbonisation pathways. In the first half-year 2023, the total research & development expenses amounted to € 1.4 billion (first half-year 2022: € 1.3 billion).

6. Acquisitions and Disposals

Acquisitions

On 20 June 2022, a Share Purchase Agreement was signed by the Company, Safran and Tikehau Capital for the acquisition of Aubert & Duval from Eramet. On 28 April 2023, the acquisition was finalised following the satisfaction of all conditions precedent including required regulatory approvals. Aubert & Duval is a strategic supplier providing high-performance steel, superalloy, aluminium or titanium parts to high-precision customers in aerospace and other industries. Aubert & Duval investment is owned equally by Airbus, Safran and Tikehau Capital and is accounted for under the equity method.

On 20 July 2022, Satair USA, Inc. signed a Membership Interest Purchase Agreement under which it acquired 100% of the shares of VAS Aero Services, LLC. VAS Aero Services provides aviation logistics and aftermarket services including end-of-life support. A preliminary goodwill of € 67 million was recognised as of 31 December 2022. The one year window period for the completion of the purchase price allocation ended in June 2023 which confirmed the preliminary goodwill assessment.

On 31 December 2022, Airbus Helicopters Deutschland GmbH acquired 100% of the shares of ZF Luftfahrttechnik GmbH. ZF Luftfahrttechnik was subsequently renamed Airbus Helicopters Technik GmbH. The company is a manufacturer of dynamic components for light and medium helicopters and a maintenance, repair, and overhaul service partner for helicopter fleet. A preliminary goodwill of € 60 million was recognised as of 31 December 2022 and the one year window period for the completion of the purchase price allocation will end in December 2023.

Assets and Disposal Groups Classified as Held for Sale

As of 30 June 2023, the Company intends to divest one of its subsidiaries. The assets and liabilities relating to this disposal have been reclassified to assets classified as held for sale for a net amount of € -32 million. The transaction is expected to be closed by year-end 2023.

7. Related Party Transactions

The Company has entered into various transactions with related entities; carried out in the normal course of business.

8. Segment Information

The Company operates in three reportable segments which reflect the internal organisational and management structure according to the nature of the products and services provided.

- **Airbus** — Development, manufacturing, marketing and sale of commercial jet passenger aircraft of more than 100 seats, freighter aircraft and regional turboprop aircraft and aircraft components; aircraft conversion and related services. It also includes the holding function of the Company and its bank activities.
- **Airbus Helicopters** — Development, manufacturing, marketing and sale of civil and military helicopters; provision of helicopter related services.
- **Airbus Defence and Space** — Military Air Systems design, development, delivery and support of manned and unmanned military air systems and their associated services. Space Systems design, development, delivery, and support of a broad range of civil and defence space systems for telecommunications, earth observations, navigation, science and orbital systems. Connected Intelligence provision of services around data processing from platforms, secure communication and cyber security. In addition, the main joint ventures design, develop, deliver, and support missile systems and space launcher systems.

The following tables present information with respect to the Company's business segments. As a rule, inter-segment transfers are carried out on an arm's length basis. Inter-segment sales predominantly take place between Airbus and Airbus Defence and Space and between Airbus Helicopters and Airbus. Consolidation effects are reported in the column "Eliminations".

The Company uses EBIT as a key indicator of its economic performance.

Airbus SE
Unaudited Condensed Interim IFRS Consolidated Financial Information
for the six-month period ended 30 June 2023

Business segment information for the six-month period ended 30 June 2023 is as follows:

| <i>(In € million)</i> | Airbus | Airbus Helicopters | Airbus Defence and Space | Eliminations | Consolidated Airbus |
|---|---------------|-----------------------|--------------------------------|--------------|--------------------------------|
| Total revenue | 20,349 | 3,194 | 4,653 | 0 | 28,196 |
| Internal revenue | (367) | (139) | (27) | 0 | (533) |
| Revenue | 19,982 | 3,055 | 4,626 | 0 | 27,663 |
| <i>thereof</i> | | | | | |
| <i>sales of goods at a point in time</i> | 18,007 | 1,299 | 1,439 | 0 | 20,745 |
| <i>sales of goods over time</i> | 0 | 201 | 1,536 | 0 | 1,737 |
| <i>services, including sales of spare parts</i> | 1,975 | 1,555 | 1,651 | 0 | 5,181 |
| Profit before financial result and income taxes (EBIT) | 1,523 | 267 | 87 | 10 | 1,887 |
| <i>thereof research and development expenses</i> | (1,196) | (145) | (96) | 6 | (1,431) |
| Interest result | | | | | (58) |
| Other financial result | | | | | 160 |
| Income taxes | | | | | (537) |
| Profit for the period | | | | | 1,452 |

Business segment information for the six-month period ended 30 June 2022 is as follows:

| <i>(In € million)</i> | Airbus | Airbus Helicopters | Airbus Defence and Space | Eliminations | Consolidated Airbus |
|---|---------------|-----------------------|--------------------------------|--------------|--------------------------------|
| Total revenue | 17,533 | 2,744 | 5,056 | 0 | 25,333 |
| Internal revenue | (368) | (131) | (24) | 0 | (523) |
| Revenue | 17,165 | 2,613 | 5,032 | 0 | 24,810 |
| <i>thereof</i> | | | | | |
| <i>sales of goods at a point in time</i> | 15,776 | 1,109 | 1,500 | 0 | 18,385 |
| <i>sales of goods over time</i> | 0 | 128 | 1,915 | 0 | 2,043 |
| <i>services, including sales of spare parts</i> | 1,389 | 1,376 | 1,617 | 0 | 4,382 |
| Profit before financial result and income taxes (EBIT) | 2,478 | 215 | (113) | (1) | 2,579 |
| <i>thereof research and development expenses</i> | (1,020) | (120) | (117) | 1 | (1,256) |
| Interest result | | | | | (136) |
| Other financial result | | | | | 243 |
| Income taxes | | | | | (842) |
| Profit for the period | | | | | 1,844 |

9. Revenue and Gross Margin

Revenue increased by € +2,853 million to € 27,663 million (first half-year 2022: € 24,810 million). The increase is mainly driven by Airbus (€ +2,817 million) and Airbus Helicopters (€ +442 million), both reflecting higher aircraft and helicopter deliveries. It is partly offset by Airbus Defence and Space (€ -406 million).

Revenue by geographical areas based on the location of the customer is as follows:

| <i>(In € million)</i> | 1 January - 30 June 2023 | 1 January - 30 June 2022 |
|-----------------------|-------------------------------------|-----------------------------|
| Europe | 10,423 | 10,642 |
| Asia-Pacific | 7,621 | 6,341 |
| North America | 6,200 | 5,267 |
| Middle East | 1,657 | 1,195 |
| Latin America | 601 | 1,106 |
| Other countries | 1,161 | 259 |
| Total | 27,663 | 24,810 |

The **gross margin** decreased by € -402 million to € 4,517 million compared to € 4,919 million in the first half-year 2022. It is mainly driven by negative foreign exchange impacts, partly offset by higher deliveries and the release of compliance-related provisions of € 0.1 billion. In the first half-year 2022, the gross margin included a non-recurring positive impact related to the re-measurement of past service cost in the retirement obligations of € 0.4 billion. The gross margin rate decreased from 19.8% to 16.3%.

In the first half-year 2023, the Company has delivered three A400M aircraft.

The Company has continued with development activities toward achieving the revised capability roadmap. Retrofit activities are progressing in close alignment with the customer.

In 2022, an update of the contract EAC was performed and an additional charge of € 477 million recorded, mainly reflecting updated assumptions, including inflation and risks related to the remaining SOC3 contractual development milestones to be achieved. No further net material impact was recognised as of 30 June 2023.

Risks remain on the qualification of technical capabilities and associated costs, on aircraft operational reliability, on cost reductions and on securing overall volume as per the revised baseline.

In addition, updates of contract EACs related to other Airbus Defence and Space long-term contracts led to a further charge of € -0.1 billion as of 30 June 2023. This includes an updated assessment of assumptions and estimates related to the remaining costs to completion and the progress of the contracts together with the underlying programmes status (see “– Note 5: Key Estimates and Judgements” in the Company’s IFRS Consolidated Financial Statements as of 31 December 2022).

In a notice of termination dated 9 June 2022, the Norwegian Defence Material Agency notified NHIndustries SAS (“NHI”) of the Norwegian Ministry of Defence’s decision to terminate its contract for the supply of 14 NH90 helicopters. In a press release dated 10 June 2022, NHI noted it “is extremely disappointed by the decision taken by the Norwegian Ministry of Defence and refutes the allegations being made against the NH90 as well as against [NHI].” NHI considers the termination to be legally groundless and reserves its right to take any necessary legal action to challenge it. The parties are working toward resolving this matter, with a mediation process having been initiated during the second quarter of 2023.

10. Research and Development Expenses

Research and development expenses increased by € 175 million to € 1,431 million compared to € 1,256 million in the first half-year 2022.

11. Other Income and Other Expenses

Other income decreased by € -21 million to € 34 million compared to € 55 million in the first half-year 2022.

Other expenses increased by € 11 million to € -73 million compared to € -62 million in the first half-year 2022.

12. Share of Profit from Investments Accounted for under the Equity Method and Other Income from Investments

Share of profit from investments under the equity method and **other income from investments** increased by € +78 million to € 90 million compared to € 12 million in the first half-year 2022 mainly driven by negative impacts in ArianeGroup in the first half-year 2022.

13. Total Financial Result

Total financial result amounts to € 102 million (first half-year 2022: 107 million). It mainly reflects a positive impact from the revaluation of certain equity investments partly offset by a net interest result and negative impacts from the revaluation of financial instruments.

14. Income Taxes

The **income tax** expense amounts to € -537 million (first half-year 2022: € -842 million) and corresponds to an effective income tax rate of 27%. This includes impacts on the tax-free revaluation of certain equity investments under IFRS 9 and tax risk updates offset by deferred tax asset impairments.

15. Earnings per Share

| | 1 January - 30 June 2023 | 1 January - 30 June 2022 |
|--|-----------------------------|-----------------------------|
| Profit for the period attributable to equity owners of the parent (Net income) | € 1,526 million | € 1,901 million |
| Weighted average number of ordinary shares | 788,453,538 | 786,638,226 |
| Basic earnings per share | € 1.94 | € 2.42 |

Diluted earnings per share – The Company's dilutive potential ordinary shares are equity-settled Performance Shares relating to **Long-Term Incentive Plans ("LTIP")**. For the shares meeting the performance conditions at the closing date, the dilutive effect is determined in accordance with the treasury share method specified by IAS 33 – Earnings per share.

In the first half-year 2023, a total of 937,189 equity-settled Performance Shares was considered in the calculation of diluted earnings per share.

| | 1 January - 30 June 2023 | 1 January - 30 June 2022 |
|---|-----------------------------|-----------------------------|
| Profit for the period attributable to equity owners of the parent (Net income), adjusted for diluted calculation | € 1,526 million | € 1,901 million |
| Weighted average number of ordinary shares (diluted) | 789,390,727 | 787,113,697 |
| Diluted earnings per share | € 1.93 | € 2.42 |

16. Intangible Assets and Property, Plant and Equipment

Intangible assets increased by €+125 million to € 16,893 million (prior year-end: € 16,768 million). Intangible assets mainly relate to goodwill of € 13,158 million (prior year-end: € 13,165 million). Based on management's best estimate, there is no impact on the useful life of capitalised development costs resulting from the Company's journey towards sustainable aerospace (see "– Note 5: Climate Impacts").

Property, plant and equipment decreased by €-4 million to € 16,501 million (prior year-end: € 16,505 million). Property, plant and equipment include right-of-use assets for an amount of € 1,665 million as of 30 June 2023 (prior year-end: € 1,746 million). Based on management's best estimate, there is no impact on the useful life of Property, plant and equipment, considering the Company's journey towards sustainable aerospace, climate risks and current amortisation schemes over asset life (see "– Note 5: Climate Impacts").

17. Investments Accounted for under the Equity Method

Investments accounted for under the equity method increased by €+28 million to € 2,095 million (prior year-end: € 2,067 million). They mainly include the equity investments in ArianeGroup, MBDA and ATR GIE.

18. Other Investments and Other Long-Term Financial Assets

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|---|--------------|------------------|
| Other investments | 2,965 | 2,641 |
| Other long-term financial assets | 1,815 | 1,549 |
| Total non-current other investments and other long-term financial assets | 4,780 | 4,190 |
| Current portion of other long-term financial assets | 766 | 665 |
| Total | 5,546 | 4,855 |

Other investments mainly comprise the Company's participations and include the remaining investment in Dassault Aviation (9.90%, prior year-end: 9.90%) amounting to € 1,518 million at 30 June 2023 (prior year-end: € 1,309 million).

Other long-term financial assets and the **current portion of other long-term financial assets** include other loans in the amount of € 2,496 million as of 30 June 2023 (prior year-end: € 2,129 million), and the sales financing activities in the form of finance lease receivables and loans from aircraft financing.

19. Inventories

Inventories of € 35,466 million (prior year-end: € 32,202 million) increased by €+3,264 million across all divisions and is mainly linked to an increase in work in progress, driven by the inventory build-up to support the ramp-up across all Airbus programmes.

20. Provisions

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|------------------------------------|---------------------|------------------|
| Provisions for pensions | 3,006 | 3,509 |
| Other provisions | 6,919 | 7,514 |
| Total | 9,925 | 11,023 |
| <i>thereof non-current portion</i> | 6,212 | 6,896 |
| <i>thereof current portion</i> | 3,713 | 4,127 |

As of 30 June 2023, **provisions for pensions** amount to € 3 billion (prior year-end: € 3.5 billion) mainly related to the change in actuarial assumptions related to inflation and discount rates in Germany recognised in other comprehensive income.

As of 30 June 2023, a non-current asset of € 0.8 billion (prior year-end: € 0.6 billion) is accounted for to reflect the surplus in two pension funds in the UK, the Airbus Section of the participation in BAE Systems Pension Scheme and the Company UK Pension Scheme (see “– Note 22: Other Assets and Other Liabilities”).

The French pension reform signed into law in April 2023 and accounted for as a plan amendment did not have any material impact on the Company’s Consolidated Financial Statements.

Other provisions decreased mainly due to the utilisation of provisions for onerous contracts and the release of compliance-related provisions.

21. Other Financial Assets and Other Financial Liabilities

Other Financial Assets

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|--|---------------------|------------------|
| Positive fair values of derivative financial instruments | 670 | 753 |
| Others | 27 | 28 |
| Total non-current other financial assets | 697 | 781 |
| Receivables from related companies | 1,052 | 1,104 |
| Positive fair values of derivative financial instruments | 450 | 1,141 |
| Others | 317 | 297 |
| Total current other financial assets | 1,819 | 2,542 |
| Total | 2,516 | 3,323 |

Other Financial Liabilities

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|--|---------------------|------------------|
| Liabilities for derivative financial instruments | 4,334 | 6,163 |
| European Governments’ refundable advances | 3,719 | 3,717 |
| Others | 279 | 237 |
| Total non-current other financial liabilities | 8,332 | 10,117 |
| Liabilities for derivative financial instruments | 2,205 | 3,450 |
| European Governments’ refundable advances | 143 | 140 |
| Liabilities to related companies | 154 | 186 |
| Others | 299 | 297 |
| Total current other financial liabilities | 2,801 | 4,073 |
| Total | 11,133 | 14,190 |

The total net fair value of derivative financial instruments improved by € +2,300 million to € -5,419 million (prior year-end: € -7,719 million) as a result of the weakened US dollar versus the Euro associated with the mark to market valuation of the hedge portfolio and a reduction of the volume of instruments.

In the first half-year 2023, the European Governments’ refundable advances increased by € +5 million to € 3,862 million (prior year-end: € 3,857 million).

The allocation of European Governments’ refundable advances between non-current and current presented in the Unaudited Condensed Interim IFRS Consolidated Financial Statements ended 30 June 2023 is based on the applicable contractual repayment dates.

22. Other Assets and Other Liabilities

Other Assets

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|---------------------------------------|---------------------|------------------|
| Cost to fulfil a contract | 389 | 337 |
| Prepaid expenses | 184 | 149 |
| Others | 1,455 | 1,386 |
| Total non-current other assets | 2,028 | 1,872 |
| Value added tax claims | 2,335 | 1,732 |
| Cost to fulfil a contract | 469 | 448 |
| Prepaid expenses | 457 | 161 |
| Others | 612 | 509 |
| Total current other assets | 3,873 | 2,850 |
| Total | 5,901 | 4,722 |

As of 30 June 2023, other assets include € 746 million of payments to be made to Airbus by suppliers after aircraft delivery (prior year-end: € 673 million). They are recorded as a reduction of cost of goods sold at the time of aircraft delivery. These future payments are discounted to reflect specific contractual terms and repayment profile.

As of 30 June 2023, a non-current asset of € 0.8 billion (prior year-end: € 0.6 billion) is accounted for to reflect the surplus in two pension funds in the UK (see “– Note 20: Provisions”).

Other Liabilities

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|--|---------------------|------------------|
| Others | 473 | 498 |
| Total non-current other liabilities | 473 | 498 |
| Tax liabilities (excluding income tax) | 1,526 | 1,082 |
| Others | 3,096 | 2,721 |
| Total current other liabilities | 4,622 | 3,803 |
| Total | 5,095 | 4,301 |

As of 30 June 2023, current other liabilities mainly comprise tax (excluding income tax) and personnel liabilities.

23. Total Equity

The Company's shares are exclusively ordinary shares with a par value of € 1.00. The following table shows the development of the number of shares issued and fully paid:

| <i>(In number of shares)</i> | 30 June 2023 | 31 December 2022 |
|-------------------------------------|---------------------|--------------------|
| Issued at 1 January | 788,205,008 | 786,083,690 |
| Issued for ESOP | 2,190,603 | 2,121,318 |
| Issued at end of period | 790,395,611 | 788,205,008 |
| Treasury shares | (1,219,076) | (647,500) |
| Outstanding at end of period | 789,176,535 | 787,557,508 |

Holders of ordinary shares are entitled to dividends and to one vote per share at general meetings of the Company.

Equity attributable to equity owners of the parent (including purchased treasury shares) amounts to € 15,119 million (prior year-end: € 12,950 million) representing an increase of € +2,169 million mainly due to the net income for the period of € +1,526 million and an increase in the other comprehensive income, principally related to the mark to market revaluation of the hedge portfolio of € +1,242 million and the change in actuarial gains and losses of € +387 million partly offset by dividend payments of € -1,421 million (€ 1.80 per share).

The **non-controlling interests (“NCI”)** from non-wholly owned subsidiaries increased to € 37 million as of 30 June 2023 (prior year-end: € 32 million). These NCI do not have a material interest in the Company's activities and cash flows.

24. Net Cash

The net cash position provides financial flexibility to fund the Company's operations, to react to business needs and risk profile and to return capital to the shareholders.

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|----------------------------------|---------------------|------------------|
| Cash and cash equivalents | 14,533 | 15,823 |
| Current securities | 1,536 | 1,762 |
| Non-current securities | 6,850 | 6,013 |
| Gross cash position | 22,919 | 23,598 |
| Short-term financing liabilities | (2,186) | (2,142) |
| Long-term financing liabilities | (10,363) | (10,631) |
| Interest rate contracts | (1,306) | (1,394) |
| Total | 9,064 | 9,431 |

The net cash position on 30 June 2023 amounted to € 9,064 million (prior year-end: € 9,431 million), with a gross cash position of € 22,919 million (prior year-end: € 23,598 million).

Cash and Cash Equivalents

Cash and cash equivalents are composed of the following elements:

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|--|---------------------|------------------|
| Bank account and petty cash | 5,990 | 3,687 |
| Short-term securities (at fair value through profit or loss) | 7,321 | 11,135 |
| Short-term securities (at fair value through OCI) | 1,223 | 1,001 |
| Total cash and cash equivalents | 14,533 | 15,823 |

Only securities with a maturity of three months or less from the date of the acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, are recognised in cash equivalents.

Cash and cash equivalents have decreased by € -1.3 billion from € 15.8 billion at 31 December 2022 to € 14.5 billion at 30 June 2023 and they include payments received in advance from certain customers and payments made to suppliers in anticipation.

The main variations are as follows:

Cash used for operating activities amounted to € +2.3 billion in the first half-year 2023, mainly driven by a profit translated into cash paired with a positive change in working capital. The latter is driven by increased contract liabilities reflecting higher advance payments including significant anticipated predelivery payments from certain customers, and a positive impact from net payments made to suppliers in anticipation. It is partly offset by the increase in inventory.

Cash used for investing activities amounted to € -1.9 billion, mainly reflecting capital expenditures and investments in securities.

Cash provided by financing activities amounted to € -1.6 million. It mainly includes the cash distribution to Airbus SE shareholders of € -1.4 billion.

Similar to previous years, the Company has supported its suppliers concerning supply chain financing arrangements. As of 30 June 2023, these arrangements have no impact on the Company's Unaudited Condensed Interim IFRS Consolidated Financial Statements. The Company evaluates such suppliers' early payment arrangements against a number of indicators to assess whether the payable continues to hold the characteristics of a trade payable or should be classified as borrowings; these indicators include whether the payment terms exceed customary payment terms in the industry. As at 30 June 2023, the payables subject to supplier financing arrangements do not meet the criteria to be reclassified as borrowings.

Financing Liabilities

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|---|---------------------|------------------|
| Bonds and commercial papers | 8,732 | 8,681 |
| Liabilities to financial institutions | 49 | 383 |
| Loans | 163 | 75 |
| Lease liabilities | 1,419 | 1,492 |
| Total long term financing liabilities | 10,363 | 10,631 |
| Bonds and commercial papers | 0 | 0 |
| Liabilities to financial institutions | 1 | 27 |
| Loans | 82 | 83 |
| Lease liabilities | 226 | 242 |
| Others ⁽¹⁾ | 1,877 | 1,790 |
| Total short term financing liabilities | 2,186 | 2,142 |
| Total | 12,549 | 12,773 |

(1) Included in "others" are financing liabilities to joint ventures.

Long-term financing liabilities, mainly comprising of bonds and lease liabilities, decreased by € -268 million to € 10,363 million (prior year-end: € 10,631 million).

Short-term financing liabilities increased by € +44 million to € 2,186 million (prior year-end: € 2,142 million).

On 31 January 2023, the Company signed a lease agreement with Mobile Airport Authority for a new Final Assembly Line in Mobile, Alabama. As of 30 June 2023, and based on IFRS 16, this lease has not commenced and therefore no lease liabilities have been recognised in the financial statements. The future discounted cash outflows amount to US\$ 1 billion to be fully guaranteed by the Company out of which an amount of US\$ 0.8 billion has been issued on 31 January 2023 and US\$ 0.2 billion is scheduled to be issued by year end.

25. Financial Instruments

The following table presents the composition of derivative financial instruments:

| <i>(In € million)</i> | 30 June 2023 | 31 December 2022 |
|---|---------------------|------------------|
| Non-current positive fair values | 670 | 753 |
| Current positive fair values | 450 | 1,141 |
| Total positive fair values of derivative financial instruments | 1,120 | 1,894 |
| Non-current negative fair values | (4,334) | (6,163) |
| Current negative fair values | (2,205) | (3,450) |
| Total negative fair values of derivative financial instruments | (6,539) | (9,613) |
| Total net fair values of derivative financial instruments | (5,419) | (7,719) |

The total net fair value of derivative financial instruments improved by € +2,300 million to € -5,419 million (prior year-end: € -7,719 million) as a result of the weakened US dollar versus the Euro associated with the mark to market valuation of the hedge portfolio and a reduction of the volume of instruments.

As of 30 June 2023, the total hedge portfolio with maturities up to 2029 amounts to US\$ 72.3 billion (prior year-end: US\$ 76.4 billion) and covers a major portion of the foreign exchange exposure expected over the hedging horizon. The US dollar spot rate was 1.09 US\$/€ and 1.07 US\$/€ at 30 June 2023 and at 31 December 2022, respectively. The average US\$/€ hedge rate of the US\$/€ hedge portfolio until 2029 remains at 1.24 US\$/€ (prior year-end: 1.24 US\$/€).

Carrying Amounts and Fair Values of Financial Instruments

Fair values of financial instruments have been determined with reference to available market information at the end of the reporting period and the valuation methodologies as described in detail in Note 38.2 to the 2022 IFRS Consolidated Financial Statements. For the first half-year 2023, the Company has applied the same methodologies for the fair value measurement of financial instruments.

Carrying amount is a reasonable approximation of fair value for all classes of financial instruments listed in the first table of Note 38.2 to the 2022 IFRS Consolidated Financial Statements, with the exception of:

| <i>(In € million)</i> | 30 June 2023 | | 31 December 2022 | |
|--|---------------------|------------|------------------|------------|
| | Book Value | Fair Value | Book Value | Fair Value |
| Financing liabilities | | | | |
| Bonds and commercial papers | (8,732) | (9,137) | (8,681) | (9,071) |
| Liabilities to financial institutions and others | (2,172) | (2,172) | (2,358) | (2,358) |

Fair Value Hierarchy

Depending on the extent the inputs used to measure fair values rely on observable market data, fair value measurements may be hierarchized according to the following levels of input:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices that are observable for the asset or liability – fair values measured based on Level 2 input typically rely on observable market data such as interest rates, foreign exchange rates, credit spreads or volatilities;
- Level 3: inputs for the asset or liability that are not based on observable market data – fair values measured based on Level 3 input rely to a significant extent on estimates derived from the Company's own data and may require the use of assumptions that are inherently judgemental and involve various limitations.

The fair values disclosed for financial instruments accounted for at amortised cost reflect Level 2 input. Otherwise, the Company determines mostly fair values based on Level 1 and Level 2 inputs and to a lesser extent on Level 3 input.

The following table presents the carrying amounts of the financial instruments held at fair value across the three levels of the **fair value hierarchy**:

| (In € million) | 30 June 2023 | | | | 31 December 2022 | | | |
|---|---------------|----------------|--------------|----------------|------------------|----------------|--------------|----------------|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | |
| Equity instruments | 2,254 | 0 | 711 | 2,965 | 1,896 | 0 | 744 | 2,640 |
| Derivative instruments | 0 | 1,120 | 0 | 1,120 | 0 | 1,894 | 0 | 1,894 |
| Securities | 8,386 | 0 | 0 | 8,386 | 7,775 | 0 | 0 | 7,775 |
| Customer financing | 0 | 0 | 85 | 85 | 0 | 0 | 86 | 86 |
| Cash equivalents | 7,321 | 1,223 | 0 | 8,544 | 11,135 | 1,001 | 0 | 12,136 |
| Total | 17,961 | 2,343 | 796 | 21,100 | 20,806 | 2,895 | 830 | 24,531 |
| Financial liabilities measured at fair value | | | | | | | | |
| Derivative instruments | 0 | (6,510) | (29) | (6,539) | 0 | (9,529) | (84) | (9,613) |
| Other financial liabilities | 0 | 0 | (158) | (158) | 0 | 0 | (83) | (83) |
| Total | 0 | (6,510) | (187) | (6,697) | 0 | (9,529) | (167) | (9,696) |

As at 30 June 2023, the fair value of the written put options on non-controlling interests ("NCI puts") relating to ACLP amounts to € 158 million (prior year-end: € 83 million) and includes an additional funding of ACLP by IQ in 2023.

The fair value of these NCI puts are derived from a discounted cash flow analysis using the latest operating plan and a projection over the lifetime of the A220 programme. In addition, a post-tax WACC of 9.74% is used to discount the forecasted cash flows, taking into account the specificities of the programme (prior year-end: 9.74%).

26. Litigation and Claims

The Company is involved from time to time in various governmental, legal and arbitration proceedings in the ordinary course of its business, the most significant of which are described below. Other than as described below, there are no material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have or have had in the recent past significant effects on Airbus SE's or the Company's Financial Position or profitability.

If the Company concludes that the disclosures relative to contingent liabilities can be expected to prejudice seriously its position in a dispute with other parties, the Company limits its disclosures to the nature of the dispute.

Investigation by the UK SFO, France's PNF, US Departments of State and Justice and Related Commercial Litigation

The Company reached final agreements ("the agreements") with the French Parquet National Financier ("PNF"), the UK Serious Fraud Office ("SFO"), and the US Department of Justice ("DoJ") resolving the authorities' investigations into allegations of bribery and corruption, as well as with the US Department of State ("DoS") and the DoJ to resolve their investigations into inaccurate and misleading filings made with the DoS pursuant to the US International Traffic in Arms Regulations ("ITAR"). The agreements were approved and made public on 31 January 2020.

Under the terms of the agreements, the Company agreed to pay penalties of € 3,597,766,766 plus interest and costs to the French, UK and US authorities. This was recognised in the Company's 2019 accounts. The settlements with each authority were as follows: PNF € 2,083,137,455, the SFO € 983,974,311, the DoJ € 526,150,496 and the DoS € 9,009,008 of which € 4,504,504 may be used for approved remedial compliance measures. All penalties have been paid.

Under the terms of the *Convention judiciaire d'intérêt public* ("CJIP") with the PNF, the Company had an obligation to submit its compliance programme to targeted audits carried out by the Agence Française Anticorruption ("AFA") over a period of three years.

Under the terms of the Deferred Prosecution Agreement ("DPA") with the SFO, no independent compliance monitor was imposed on the Company in light of the continuing monitorship conducted by the AFA.

Under the terms of the DPA with the DoJ, no independent compliance monitor was imposed on Airbus under the agreement with the DoJ, but the Company periodically reported on its continuing compliance enhancement progress during the three year term of the DPA and carried out further reviews as required by the DoJ.

The agreements resulted in the suspension of prosecution for a duration of three years. This deferral period ended on 31 January 2023. On 13 February 2023, the SFO gave notice to the Company discontinuing the prosecution. On 17 March 2023, the PNF gave notice of the same with receipt of the Constat de l'extinction de l'action publique. The Company awaits the formal determination by the DoJ that it has complied with the terms of the DPA with the DoJ.

Under the terms of the Consent Agreement with the DoS, the DoS agreed to settle all civil violations of the ITAR outlined in the Company's voluntary disclosures identified in the Consent Agreement, and the Company agreed to retain an independent export control compliance officer to monitor the effectiveness of the Company's export control systems and its compliance with the ITAR.

As a result of the Company's decision to redirect export control compliance resources to ensure compliance with export control restrictions and international sanctions announced against Russia, Belarus and certain Russian entities and individuals following Russia's invasion of Ukraine on 24 February 2022, the Company asked the DoS to extend the Consent Agreement an additional nine months from its original expiration date, and the DoS granted this extension.

In addition to any pending investigation in other jurisdictions, the factual disclosures made in the course of reaching the agreements may result in the commencement of additional investigations in other jurisdictions. Such investigations could also result in (i) civil claims or claims by shareholders against the Company, (ii) adverse consequences on the Company's ability to obtain or continue financing for current or future projects, (iii) limitations on the eligibility of group companies for certain public sector contracts, and/or (iv) damage to the Company's business or reputation via negative publicity adversely affecting the Company's prospects in the commercial marketplace.

Airbus will continue to cooperate with the authorities in the future and to enhance its strong Ethics & Compliance programme and culture within the Company.

Several consultants and other third parties have initiated commercial litigation and arbitration against the Company seeking relief. The agreements reached with authorities may lead to additional commercial litigation and arbitration against the Company and tax liability in the future, which could have a material impact on the Financial Statements, business and operations of the Company.

Securities Litigation

In August 2021 the Company received notification of two separate claims and in March 2022 of a third claim, each filed in the Netherlands purportedly on behalf of Airbus investors. These claims (the "Dutch claims") assert that the Company violated its reporting obligations, allegedly leading to an impact on the Company's share price, by failing to adequately inform investors and providing false or misleading information about its use of intermediaries and alleged corrupt practices, its related financial exposure, internal investigations and subsequent measures taken by the Company, and the related criminal investigations leading to the Company's agreements approved on 31 January 2020 with the French PNF, the UK SFO, the US DoJ and the US DoS.

The first Dutch claim was filed in August 2021 by a special purpose vehicle incorporated under the laws of Guernsey, an assignee purportedly representing numerous private shareholders and institutional investors, seeking a declaratory judgment with damages to be assessed in follow on proceedings. This claim is now pending before the Amsterdam District Court.

The second Dutch claim was filed in December 2021 following a demand letter sent by a foundation incorporated under the laws of the Netherlands, a purported representative of unnamed institutional and retail investors worldwide, starting a class action against the Company before the Dutch courts. This second Dutch claim targets the Company, certain of the Company's current and former directors and officers, and the Company's current and former auditors.

The third Dutch claim was a class action filed in April 2022 against the Company by a foundation incorporated under the laws of the Netherlands. In accordance with Dutch procedural law, the two Dutch class action claims are treated jointly as one case.

The Dutch claims followed the filing in 2020 of a putative class action lawsuit in US federal court in the state of New Jersey, against Airbus SE and members of its current and former management. The US complaint asserted violations of US securities laws, alleging false and misleading statements or omissions concerning, among other things, the Company's agreements approved on 31 January 2020 with the French PNF, the UK SFO, the US DoJ and the US DoS as well as the Company's historic practices regarding the use of third party business partners and anti-corruption compliance. The matter was fully and finally settled on 30 September 2022 in exchange for a payment in the amount of \$5,000,000 USD without any acknowledgement of liability.

The Company cannot exclude the possibility that additional claims are filed related to this subject matter attempting different theories of recovery in the same or different jurisdictions.

The Company believes it has solid grounds to defend itself against the allegations. The consequences of such litigation and the outcome of the proceedings cannot be fully assessed at this stage, but any judgment or decision unfavourable to the Company could have a material adverse impact on the Financial Statements, business and operations of the Company.

Air France Flight 447 Trial

On 1 June 2009, an A330 operated by Air France flight AF447 from Rio de Janeiro to Paris disappeared over the Atlantic Ocean with 228 persons onboard. The wreckage was located in April 2011 after several search campaigns organised by the Bureau d'Enquêtes et d'Analyses (BEA), which published its final investigation report in July 2012. In the wake of the accident, the prosecutor in Paris opened an investigation for involuntary manslaughter and Airbus SAS was charged in March 2011. In September 2019, the investigating magistrates closed the investigation and dismissed all criminal charges after a thorough analysis of the technical and legal elements of the case. However, the Paris Court of Appeal overturned the magistrates' decision and ordered trial for involuntary manslaughter. The Company's appeal to the French Supreme Court was dismissed. Following a trial in the fourth quarter of 2022, the Paris Criminal Court announced on 17 April 2023 that all criminal charges against the Company were dismissed but sustained certain civil liability claims. On 26 April 2023, the Paris General Prosecutor filed an appeal of the dismissal of criminal charges against Airbus and Air France. As a consequence, Airbus will appeal the judgement on civil liability.

Grand Canyon Helicopter Accident

On 10 February 2018, a fatal accident occurred in the Grand Canyon at a site called Quartermaster in Arizona involving an EC130 B4 helicopter operated by Papillon Helicopters impacting the canyon floor and catching fire, leading to five fatalities and two severely injured persons. Following the accident, product liability claims were filed in Nevada state court in the US, including claims by the estate and parents of a deceased passenger and by the injured pilot of the helicopter. On 6 May 2023 the claim of the pilot was settled, with no admission of liability on behalf of the Company. The Company intends to vigorously defend itself against the remaining claims, but such claims may generate negative publicity and reputational harm. The trial on the remaining claims is scheduled to take place in the first quarter of 2024. Any judgment or decision unfavourable to the Company could have a material adverse impact on the Financial Statements, business and operations of the Company as well as on its reputation.

Other Investigations

In 2019, the Company self-reported to German authorities potentially improper advance receipt and communication of confidential customer information by employees of Airbus Defence and Space GmbH. The information concerned relates to future German government procurement projects. The self-disclosure by the Company followed an internal review with the support of an external law firm. Both the German Ministry of Defence and the Munich public prosecutor opened an investigation into the matter. The investigation could have an impact on Airbus Defence and Space GmbH's and Airbus Secure Land Communications GmbH's ability to participate in future public procurement projects in Germany. In 2021 the Munich prosecution issued a penalty notice against Airbus Defence and Space GmbH for € 10 million for negligent violation of supervisory duties in connection with this matter. The Company continues to fully cooperate with relevant authorities.

27. Number of Employees

| | Airbus | Airbus Helicopters | Airbus Defence and Space | Consolidated Airbus |
|---------------------|--------|-----------------------|-----------------------------|--------------------------------|
| 30 June 2023 | 84,981 | 21,684 | 35,134 | 141,799 |
| 31 December 2022 | 79,134 | 20,803 | 34,330 | 134,267 |

28. Events after the Reporting Date

On 19 July 2023, the Company finalised the transfer of the Centro Bahía de Cádiz plant in Spain from Airbus Defence and Space SAU to Airbus Operations SL, both entities being wholly-owned Airbus subsidiaries. The plant delivers metallic parts and aerostructures for both military and civil platforms. This has no material impact on the Unaudited Condensed Interim IFRS Consolidated Financial Statements as of 30 June 2023.

Independent auditor's review report

To: the shareholders and the board of directors of Airbus SE

Our conclusion

We have reviewed the condensed interim IFRS consolidated financial information included in the accompanying first half-year 2023 financial report of Airbus SE, Amsterdam for the period 1 January 2023 to 30 June 2023.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim IFRS consolidated financial information of Airbus SE for the period from 1 January 2023 to 30 June 2023, is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed interim IFRS consolidated financial information comprises:

- The condensed Interim IFRS consolidated statement of financial position as of 30 June 2023
- The following condensed interim IFRS consolidated statements for the period from 1 January 2023 to 30 June 2023: the income statement, the statements of comprehensive income, cash flows and changes in equity
- The notes comprising of a summary of the significant accounting policies and selected explanatory information

Basis for our conclusion

We conducted our review in accordance with Dutch law including, Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement.

Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed interim IFRS consolidated financial information section of our report.

We are independent of Airbus SE in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the board of directors for the condensed interim IFRS consolidated financial information

The board of directors is responsible for the preparation and presentation of the condensed interim IFRS consolidated financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Furthermore, the board of directors is responsible for such internal control as it determines is necessary to enable the preparation of the condensed interim IFRS consolidated financial information that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of the condensed interim IFRS consolidated financial information
Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410. Our review included among others:

- Updating our understanding of the company and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed interim IFRS consolidated financial information where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of interim financial information
- Making inquiries of management and others within the company
- Applying analytical procedures with respect to information included in the condensed interim IFRS consolidated financial information
- Obtaining assurance evidence that the condensed interim IFRS consolidated financial information agrees with, or reconciles to, the company's underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether management has identified all events that may require adjustment to or disclosure in the condensed interim IFRS consolidated financial information
- Considering whether the condensed interim IFRS consolidated financial information has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement

Amsterdam, 26 July 2023

Ernst & Young Accountants LLP

signed by N.M. Pul