

# PRESS CONFERENCE

2021 1<sup>st</sup> half results

July 22<sup>nd</sup> 2021



# **ACTIVITIES & PROGRAMS**

# HIGHLIGHTS



**Rafale : Export and France orders**



**Falcon**

- **Falcon 6X maiden flight**
- **Orders rebound**
- **Falcon 10X launch and 1<sup>st</sup> sales**

# CONTEXT

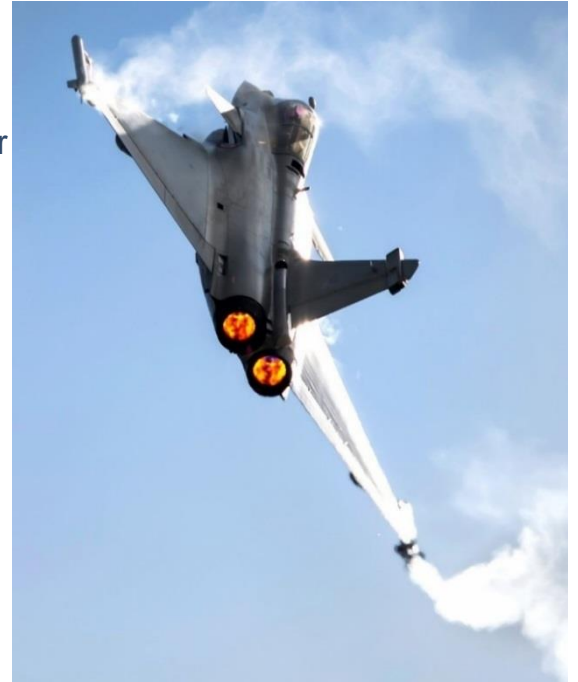
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- Ongoing worldwide sanitary crisis
- Economic recovery plans
- Highly restrictive travel restrictions
- Raw material and electronics parts pressures
- Inflationary surges
- Aerospace industry strongly affected but rebound being announced
- Environmental issues rising up and in particular « sustainable climate » law

# RAFALE EXPORT

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- **Greece: sale of 18 Rafale**
  - 6 new and 12 pre-owned
  - 1<sup>st</sup> Rafale Export European customer and 4<sup>th</sup> Rafale Export customer
  - 1<sup>st</sup> pre-owned aircraft deliveries 2<sup>nd</sup> half 2021
- **Egypt: 30 additional Rafale ordered**
  - brings up to 54 Rafale in service in the Egyptian Air force
  - waiting for the coming into force
- **Croatia: Rafale choice** (12 pre-owned sold by France)
- **Deliveries: 13 Rafale Export** (India and Qatar)
- **Other countries:** ongoing prospections and negotiations



# RAFALE FRANCE

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- **12 additional Rafale ordered by the French Air and Space Forces** to replace the 12 aircraft sold to Greece, **bringing the total Rafale ordered by France up to 192**
- **Next deliveries to France from 2022** (40 still to be delivered)
- **Ongoing development works on the F4 Standard**
- **5<sup>th</sup> batch:**
  - productivity order to be obtain
  - deliveries scheduled from 2027 by the French procurement law (order expected in 2023?)



# MILITARY SUPPORT

## France

- **RAVEL** (Rafale support)
  - Rafale availability rate achieved
  - Big Data 3DExpérience™ (Dassault Systèmes / Dassault Aviation) platform used
- **OCEAN** (ATL2 support)
  - Contract implemented upon a platform same as RAVEL's



## Export

- Indian and Greek pilots and technicians trained at our formations au « Conversion Training Center »
- Implementation of staff and resources for the Indian second base set-up
- Ongoing Egyptian, Qatari and Indian Rafale fleet support
- Set-up of the Greek support contract

# FUTURE COMBAT AIR SYSTEM (FCAS)

- JCS works (technical and operational studies) launched in January 2019 are to be finalized
- Launched in February 2020, the phase 1A of the demonstrator - including the New Generation Fighter - is ongoing, especially on aerodynamic shape with first wind tunnel testing scheduled in September 2021
- Phase 1B to be signed (in discussion), including cooperation works between France, Germany and Spain until 2024 (NGF demonstrator studies of which Dassault Aviation is prime contractor)
- Intellectual Property : final discussions with the French DGA





# EURODRONE

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- Contract between the Organization for Joint Armament Cooperation (OCCAR) and Airbus Defence & Space GmbH (prime contractor) negotiated
- Contracts between Airbus Defence & Space and its main partners, Leonardo and Dassault Aviation, in negotiation
- Dassault Aviation will be responsible in particular for flight controls and mission communications
- Notification expected 2<sup>nd</sup> half 2021



# MULTI-MISSION AIRCRAFT

## Multi-mission Falcon

- Albatros : ongoing development of the « AVSIMAR » maritime surveillance aircraft program based on a Falcon 2000LXS platform (7 aircraft in backlog, 5 in option)
- Archange : strategic intelligence aircraft program based on a Falcon 8X platform under development (2 aircraft in backlog, 1 in option)

## Maritime Patrol

- Atlantique 2 : out of works of the 4<sup>th</sup> upgraded ATL2 out of the 7 to be executed by Dassault Aviation
- After the MAWS (Maritime Airborne Warfare System) failure, proposal to be made for a maritime patrol aircraft based on a Falcon 10X platform



# FALCON CONTEXT

- **Falcon family expansion**
  - Falcon 6X : maiden flight
  - Falcon 10X : official unveiling
- Market improvement, especially in the US
- Ongoing price pressures
- Active pre-owned aircraft market
- Business jet traffic recovery
- 1<sup>st</sup> half 2021 : 6 deliveries and 25 orders  
(vs 16 deliveries and 5 orders in 1<sup>st</sup> half 2020)



# FALCON 6X

**Maiden flight on March 10<sup>th</sup>**  
**Entry into service scheduled end of 2022**



- 3 development aircraft
- ~ 40 flights
- ~ 130 flight hours

Excellent in-flight behavior and flight performances in line with expectations

## FALCON 10X (1/2)

### Worldwide unveil on May 6<sup>th</sup> 2021

- Range : 7,500 nm (New York - Shanghai, Los Angeles - Sydney, Paris - Santiago)
- Max speed : Mach 0.925
- 2 Rolls Royce Pearl 10X engines (100% *Sustainable Aviation Fuels compliant*)
- Short field landing capabilities (London City)
- Major advance in flight deck technology
- Aircraft equipped with the latest military innovations and technologies as :
  - single smart throttle (connecting both engines to the digital flight control system)
  - recovery mode
  - carbon fiber composite wings



**Largest cabin on the market**

Entry into service scheduled late 2025

## FALCON 10X (2/2)

### Most spacious and comfortable cabin on the market

- Bringing cabin modularity to unprecedented heights
- An unrivalled passenger experience over long-duration flights:
  - Acoustic (at least as quiet as Falcon 8X)
  - Cabin pressurization (flying at 41,000 ft : 3,000 ft cabin pressure)
  - 100% pure air
  - Ka Band Satcom connectivity
  - In-flight comfort (turbulences absorption thanks to the advanced digital flight control system)



6-ft, 8-in. (2.03 m) tall - 9 ft, 1 in. (2.77 m) wide

# FALCON FAMILY

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**10X** (7,500 NM)



**8X** (6,450 NM)



**7X** (5,950 NM)



**6X** (5,500 NM)



**900LX** (4,750 NM)



**2000LXS** (4,000 NM)



**2000S** (3,350 NM)

## MODERNIZATION OF OUR PRODUCTION FACILITIES (1/2)

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- **Argonay:** extension of the building for 100% REACH-compliant surface treatments (late 2021 delivery); delivery of a second aluminum additive manufacturing machine (summer 2021)
- **Biarritz:** reconfiguration of the Falcon 6X and Falcon 10X hangar (August 2022 delivery)
- **Cergy:** building permit granted, claim waived. Works shall begin targeting delivery of the building in 1<sup>st</sup> half 2023
- **Martignas:** construction of a new Falcon 10X wing assembly building (summer 2022 delivery) and new paint shop
- **Mérignac:** works under way on the new air system laboratory (late 2021 delivery); start of works to adapt a building to the Falcon 10X
- **Seclin:** production lines operational for metal parts, coatings, and curved and formed sheet metal



## MODERNIZATION OF OUR PRODUCTION FACILITIES (2/2)

Our R&D centers adopt new methodologies and enhanced open-plan workspaces.

- **Istres:** extension of the Falcon 10X system test bed facility (September 2021 delivery); extension work due to start on the 7X building to accommodate the Falcon 10X
- **Mérignac:** delivery of the new office building, which has started to welcome its new occupants
- **Saint-Cloud:** opening of a new company restaurant; works due to start in the 1<sup>st</sup> quarter of 2022 (2023 delivery). Palissy building is scheduled for refurbishment



# DIGITALIZATION

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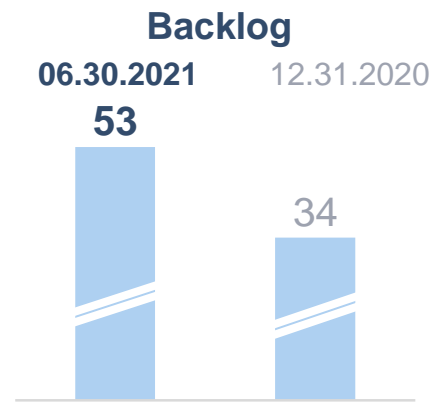
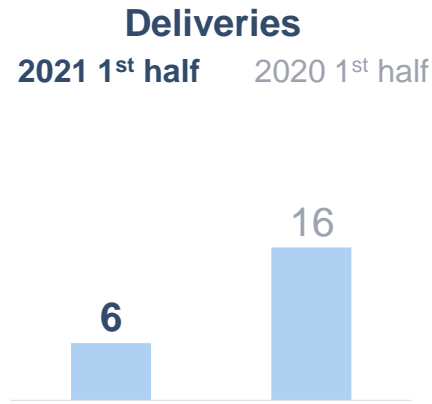
- The implementation of 3DEXperience™ will start with the Falcon 10X and NGF programs, before being extended to the Rafale and Falcon 6X programs
- Cloud: NGF sovereign defense project based on a Dassault Systèmes “3DEXperience™ Dedicated Cloud” solution
- Continuing implementation of SAP in production, with Martignas and Poitiers in January (Mérignac and Argonay are scheduled for the end of the year). By 2022, all sites will be using SAP

# **1<sup>ST</sup> HALF 2021 RESULTS**

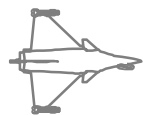
# ORDER INTAKES, DELIVERIES AND BACKLOG IN UNITS – NEW AIRCRAFT



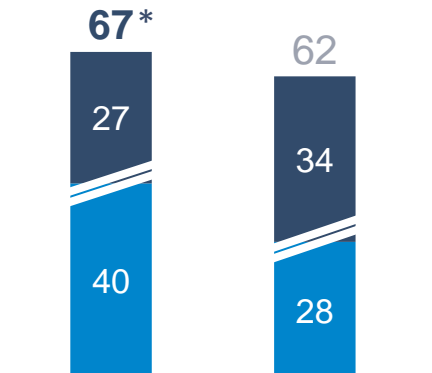
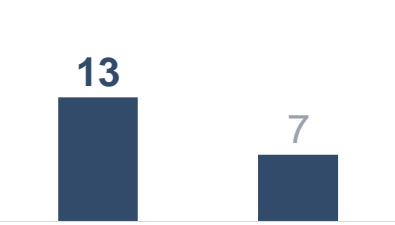
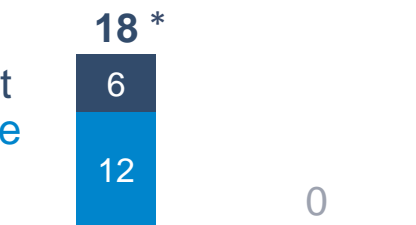
Falcon



2021 Guidance: 25



Rafale Export  
Rafale France

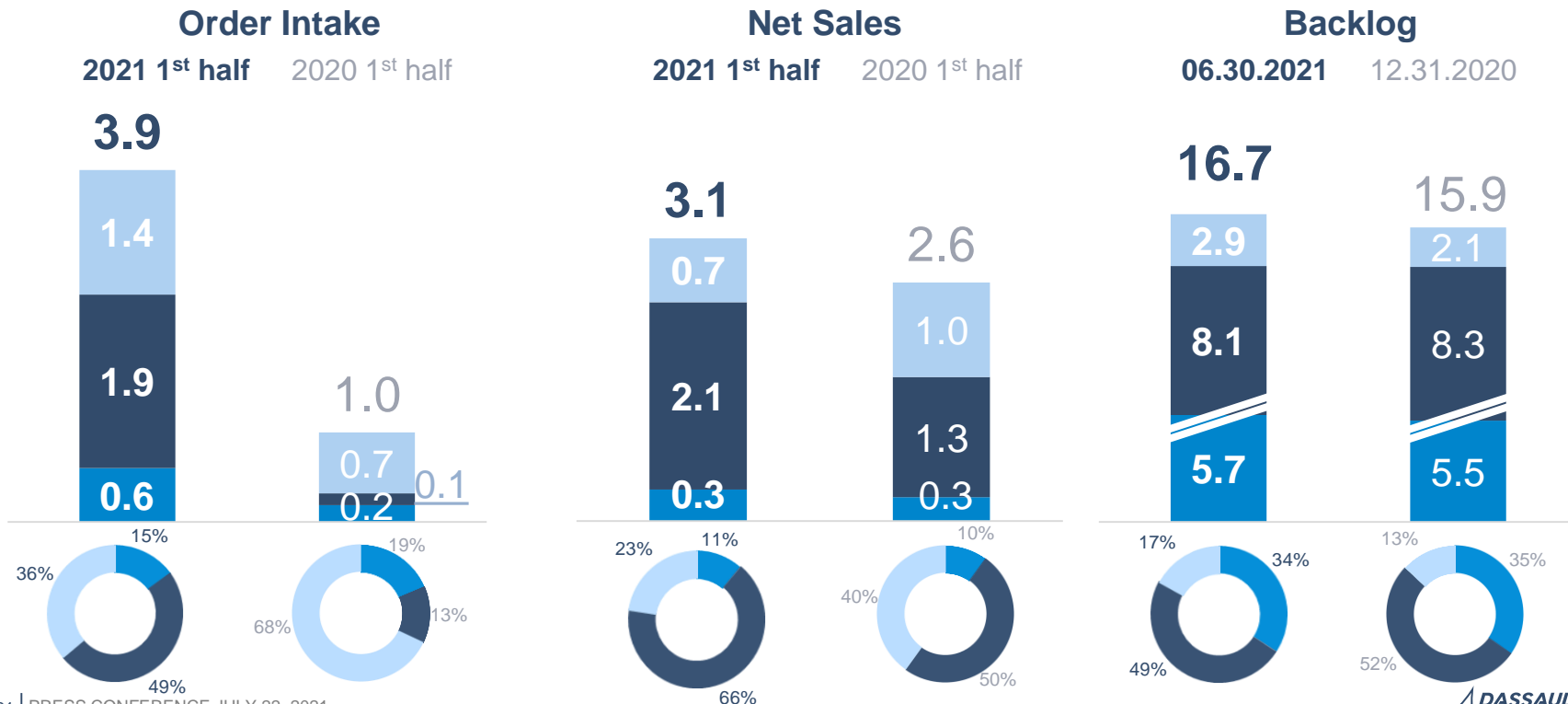


2021 Guidance: 25

# ORDER INTAKE, NET SALES AND BACKLOG IN € BILLION

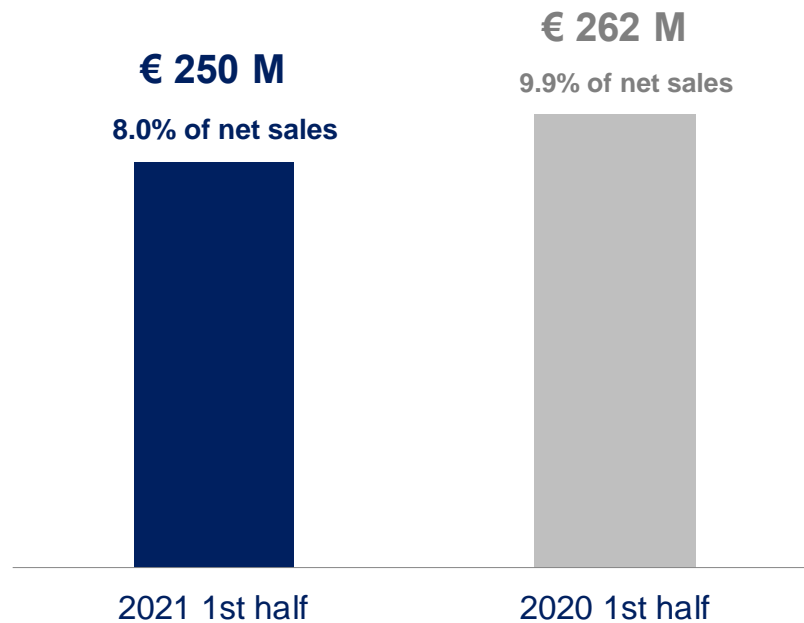
p.m. : Dassault Aviation recognizes the Rafale Export contracts in their entirety (with the Thales and Safran parts)

■ Falcon ■ Defense Export ■ Defense France



## CONSOLIDATED SELF-FUNDED R&D IN € MILLION AND IN % OF NET SALES

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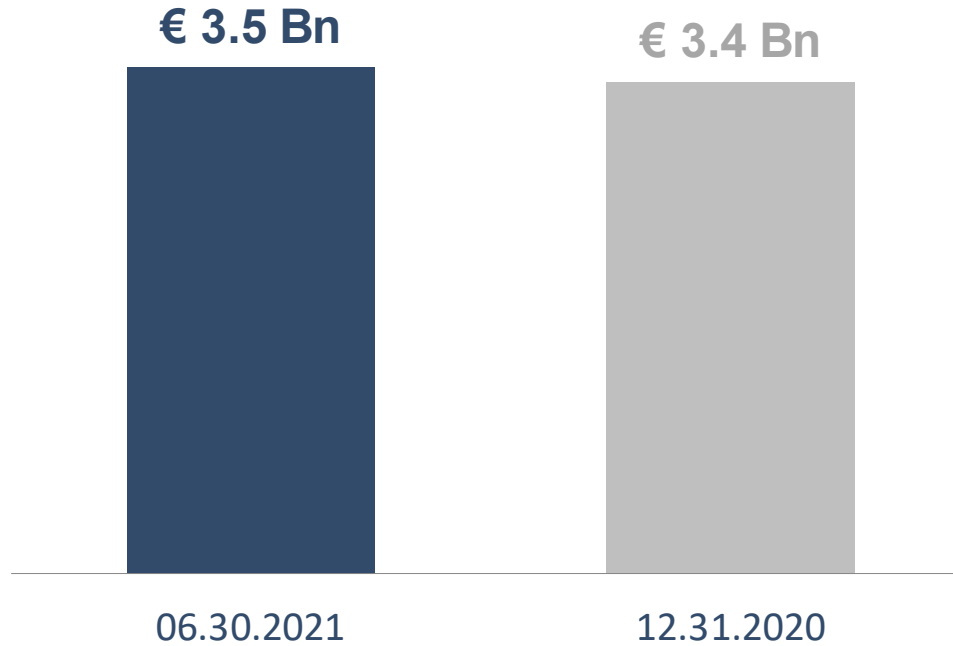


## ADJUSTED CONSOLIDATED INCOME STATEMENT

<i>in € million</i>	1 <sup>st</sup> half	
	2021	2020
<b>NET SALES</b>	<b>3,107</b>	2,641
<b>OPERATING INCOME</b>	<b>175</b>	55
<i>Operating margin</i>	<b>5.6%</b>	2.1%
FINANCIAL INCOME	-11	-19
THALES and other equity affiliates	<b>149</b>	60
TAXES	<b>-48</b>	-9
<b>NET INCOME</b>	<b>265</b>	87
<b><i>Net margin</i></b>	<b>8.5%</b>	3.3%

## CONSOLIDATED AVAILABLE CASH

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## 2021 Guidance

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- Unchanged 2021 guidance :**
- **Delivery of 25 new Rafale and 25 new Falcon**
  - **Net sales increase**

# DASSAULT AVIATION STOCK SPLIT

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- Following the decision of the Annual General Meeting of May 11<sup>th</sup>, 2021, **the par value of Dassault Aviation equities will be divided by 10**
- The new shares will be delivered on **October 1<sup>st</sup>, 2021**
- On that date, in exchange for each of their current shares with a par value of EUR 8 per share, shareholders will receive 10 new shares with a par value of EUR 0.80 per share

## DISCLAIMER

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*This press conference may contain forward-looking statements which represent objectives and cannot be construed as forecasts regarding the Company's results or any other performance indicator. The actual results may differ significantly from the forward-looking statements due to various risks and uncertainties, as described in the Business report.*