



PRESS CONFERENCE

JULY 20, 2022



HIGHLIGHTS

**A RECORD BREAKING ORDER INTAKE FOR ONE SEMESTER:
€16.3 BN - 86 RAFALE AND 41 FALCON**

SUPPLY CHAIN DIFFICULTIES AND WORKFORCE SHORTAGE



Context

CONTEXT 1/3

- Conflict between Russia and Ukraine
- Continuing global health crisis
- Presidential and legislative elections in France
- High inflation and concerns about growth
- Supply chain pressures
- Environmental and social challenges

CONTEXT 2/3: DASSAULT AVIATION FACING THE UKRAINIAN CRISIS

The Russia-Ukraine conflict has heightened tensions over raw materials, energy and the supply chain

- The sanctions adopted by the European Union and the United States are strictly enforced by the Company, which has set up a dedicated crisis unit
 - ban on commercial transactions, restriction on financial transactions with sanctioned persons or entities: the sanctions have had a particular impact on the service center business in Europe, including TMS.
- Our locations in Russia, our Moscow office and the DFS maintenance subsidiary have stopped doing business
- Russian counter-sanctions at a time of severe pressure on our supply chain

CONTEXT 3/3: SUPPLY CHAIN RISKS

- The health crisis in 2020 had already weakened our suppliers when demand surged in 2021
- In 2022, the Russia - Ukraine crisis, on top of the Covid-19 pandemic, is adding to the pressure on supplies (electronic components, materials), logistics chains and prices
 - there is a potential risk for electronic components due to tensions between China and Taiwan
 - the rising cost of energy risks shutting down production lines, thus increasing the shortage of materials not directly linked to Russian and Ukrainian sources
- Although the outlook is favorable for the Company with the increase in production rate, 2022 is unfolding against a backdrop of severe pressure on the supply chain, forcing us to consider alternative sources

Programs

RAFALE EXPORT

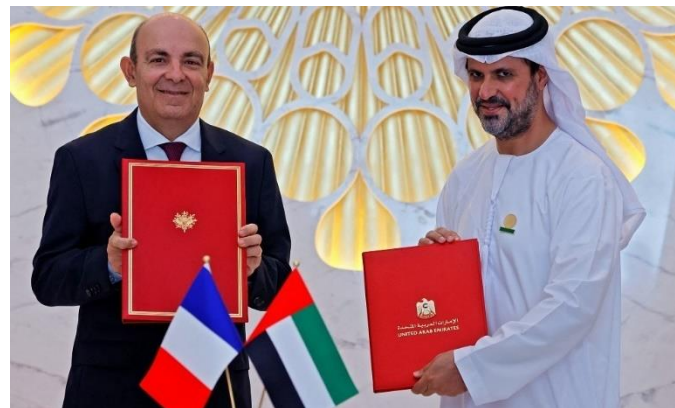
Confirmation of the Rafale's success

- United Arab Emirates: T₀ in April 2022 for the contract for 80 Rafale
- Greece: signing and entry into force in March 2022 of a contract for an additional 6 Rafale
- Indonesia: 42 Rafale, (6+36) contracts signed pending T₀

Performance of contracts in progress

- Delivery of 7 Rafale Export

Continued development of the Export markets



RAFALE FRANCE

Continuation of development work on the F4 standard

Batch 5:

- Launch of productibility works
- Deliveries planned under the Military Planning Law from 2027
- Order expected (in 2023?) for 42 aircraft: 30 planned initially + 12 to replace aircraft sold to Croatia



MILITARY SUPPORT

Certification by the French Defense Procurement Agency (DGA) of the mid-life upgrade of the Mirage 2000D

- Improvement of Air/Air and Air/Ground capabilities
- Addition of decision support tools

“Vertically integrated” support contracts for French fleets

- **Ravel** (Rafale) and **Ocean** (ATL 2) support contracts performance in line with availability targets
- Implementation of the **Balzac** contract (Mirage 2000 support contract) awarded in late 2021

Export: support for Rafale fleets and other platforms in service

- Support for Egyptian, Qatari, Indian and Greek Rafale
- Training at the Mérignac Conversion Training Center for pilots and mechanics from the Hellenic Air Force



FUTURE COMBAT AIR SYSTEM (FCAS)

- Launched in February 2020, work on phase 1A of the FCAS demonstrators—including the New Generation Fighter—was completed in the first quarter of 2022 and is currently being delivered. This is also the case with the Joint Concept Study (JCS).
- The next phase of the work, phase 1B, was not awarded in the absence of an agreement with Airbus Defence and Space.

Dassault Aviation is prime contractor for pillar 1. The prime contractor/main partner relationship is still to be clarified. Dassault Aviation is seeking a clear statement of acceptance of its role as prime contractor by Airbus Defence and Space for the NGF (in symmetry with Eurodrone).



EURODRONE

Contract for 20 systems and five-year support, signed on February 24, 2022

- Airbus Defence and Space GmbH is the industrial prime contractor
- Dassault Aviation is responsible in particular for flight control systems and mission communications (with Thales), as a subcontractor of Airbus



MISSION AIRCRAFT

Falcon mission aircraft

- **Order for 4 Falcon 2000LXS** for the Republic of South Korea
- **Albatros:** development, production and support of a maritime surveillance and response aircraft (AVSIMAR) on a Falcon 2000LXS platform (backlog of 7 aircraft, with a further 5 under option, request for tender for a 13th received in March 2022)
- **Archange:** strategic intelligence program based on a Falcon 8X platform (2 aircraft in backlog, with 1 under option).

Maritime Patrol Aircraft (PATMAR)

- **ATL2 modernization:** 5th aircraft delivered to the DGA out of the 7 aircraft to be modified by Dassault Aviation
- **Future maritime patrol aircraft (PATMAR):** architectural design proposal based on a Falcon 10X platform, currently being prepared at the request of the DGA

FALCON

H1 2022: 14 deliveries and 41 orders placed (net of cancelled Russian Aircraft)
(vs. 6 deliveries and 25 orders placed in the 1st half of 2021)

Buoyant market, especially in the United States and Europe

- Traffic in the high end business jet segment has exceeded 2019 levels (base year)
- Pre-owned business jet market buoyant

Developing the Falcon family

- Preparation for the entry into service in mid-2023 of the Falcon 6X and development of the Falcon 10X
- Continuous improvement of aircraft in service

Constant effort to reduce the carbon impact of business aviation

- SAF: Falcon family compatible with 50% SAF
- Sustainable approach over the aircraft's life cycle

FALCON



! **Falcon 10X** | 7,500 nm



! **Falcon 6X** | 5,500 nm



! **Falcon 8X** | 6,450 nm



! **Falcon 7X** | 5,950 nm



! **Falcon 900LX** | 4,750 nm



! **Falcon 2000LXS** | 4,000 nm

FALCON 6X

Entry into service scheduled mid-2023

Testing under way with 3 development aircraft

- More than 900 flight hours as of June 30, 2022, excellent flight behavior and performance in line with expectations
- Cold weather and high-altitude terrain tests completed

“World Tour”: 4 weeks, 50 stops, 150 flight hours

- Performance and availability in line with expectations
- Cabin comfort highly appreciated

Increase in industrial output

- Static presentation of aircraft #4 with its cabin fitted out at EBACE
- First series aircraft currently in the completion phase in Little Rock

Multi-award-winning cabin design



FALCON 10X

Entry into service scheduled for late 2025 : tight schedule because of difficulties related to Covid and its consequences on supply chain and collaborative works

- Ultra-long range aircraft
- Next generation cockpit
- Advanced technology and innovations, some inherited from our military business

The most spacious and comfortable cabin on the market

- Award-winning cabin design (Red Dot Award)

Status of the program

- Wind tunnel tests completed
- Production of the first primary parts
- Pearl10X engine: +1,000 test hours



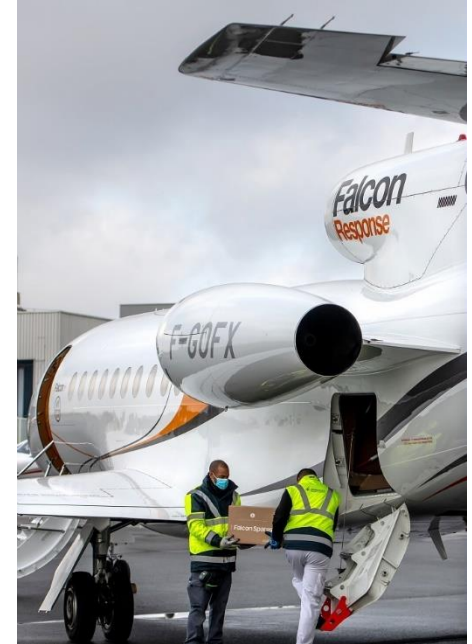
FALCON AFTERSALE

Falcon support

- In-person seminars resumed all around the world
- New maintenance FalconCare contracts, extended to preowned Aircraft
- Implementation of a SAP-based solution for the management of our Falcon spare parts – its worldwide deployment is ongoing and operational capability is being implemented

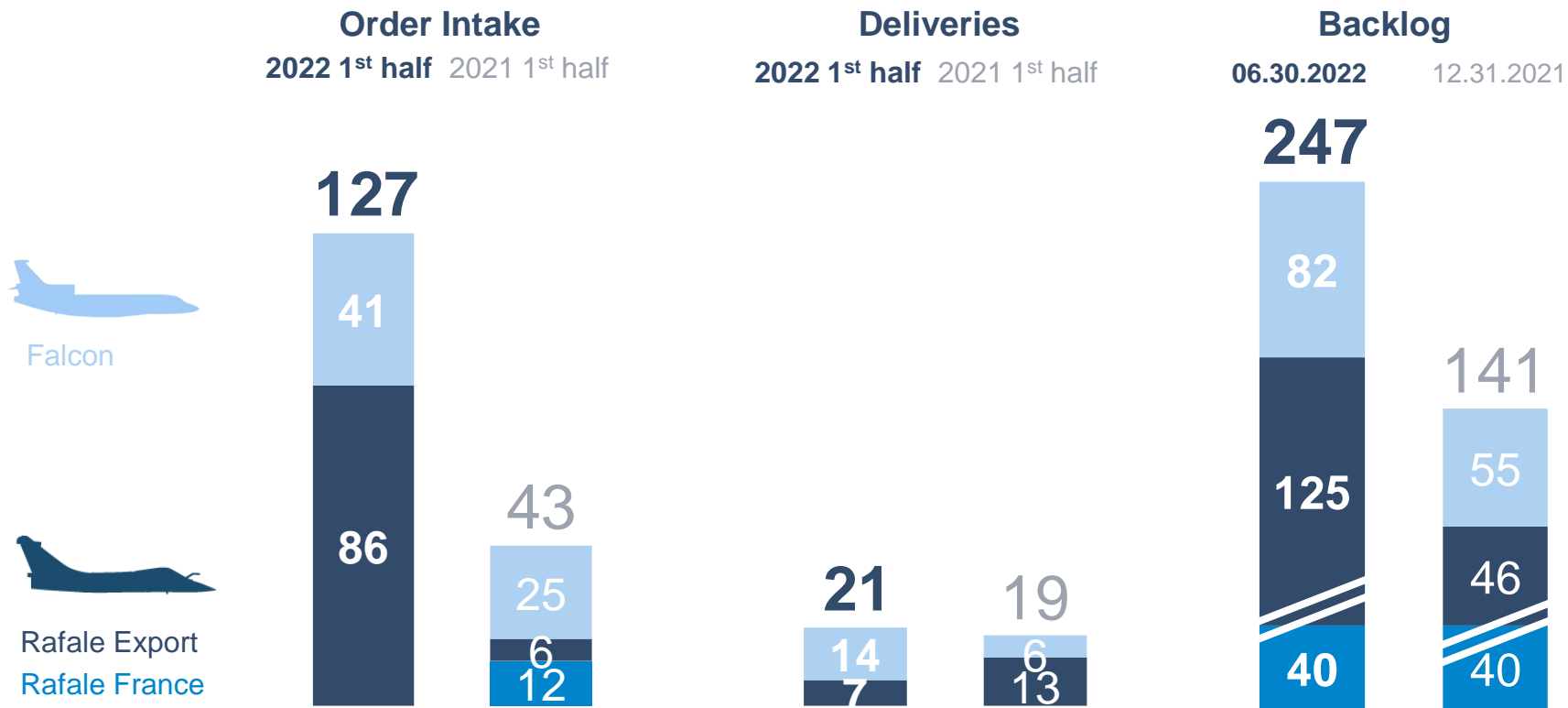
Service Center network

- First C-checks performed by ExecuJet in Middle-East, in Australia, in Malaysia and by TMS in the UK
- Sanctions against Russia particularly impacted the service center business in Europe, especially Tag Maintenance Services



1st Half 2022 Results

ORDER INTAKES, DELIVERIES AND BACKLOG IN UNITS – NEW AIRCRAFT



2022 FALCON GUIDANCE : 35
2022 RAFALE GUIDANCE : 13

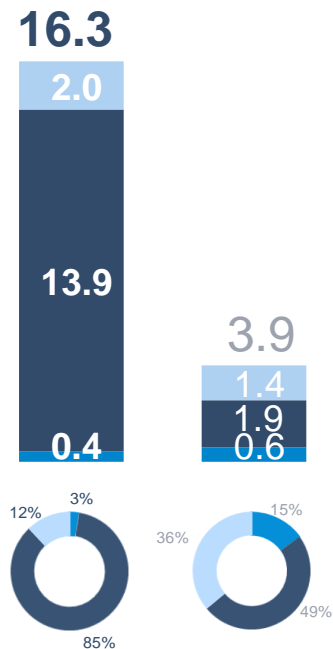
ORDER INTAKES, NET SALES AND BACKLOG IN € BILLION

■ Falcon ■ Defense Export ■ Defense France

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

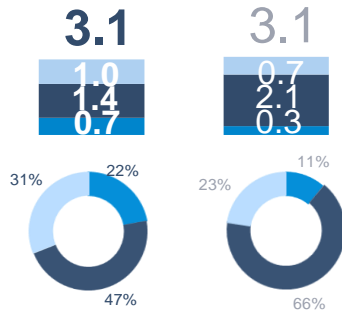
Order Intake

2022 1st half 2021 1st half



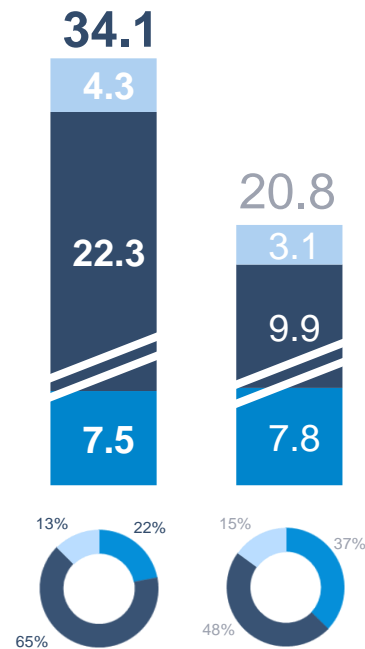
Net Sales

2022 1st half 2021 1st half

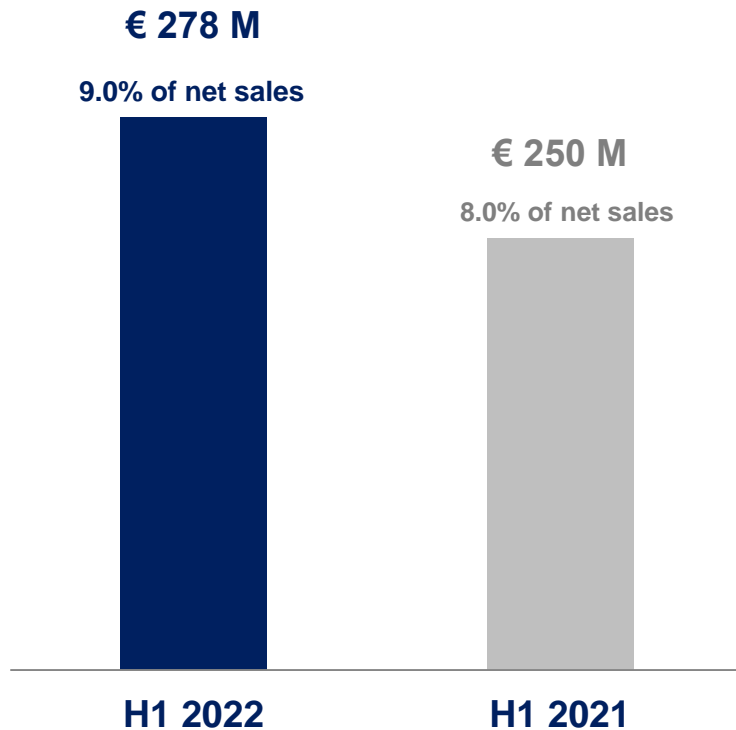


Backlog

06.30.2022 12.31.2021



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



THALES

Dassault Aviation has been a shareholder of Thales since 2009 and as leading industrial shareholder Dassault Aviation has entered into a shareholders' agreement with the French state.

Shareholders agreement has been extended for another 5 years on January 1st, 2022

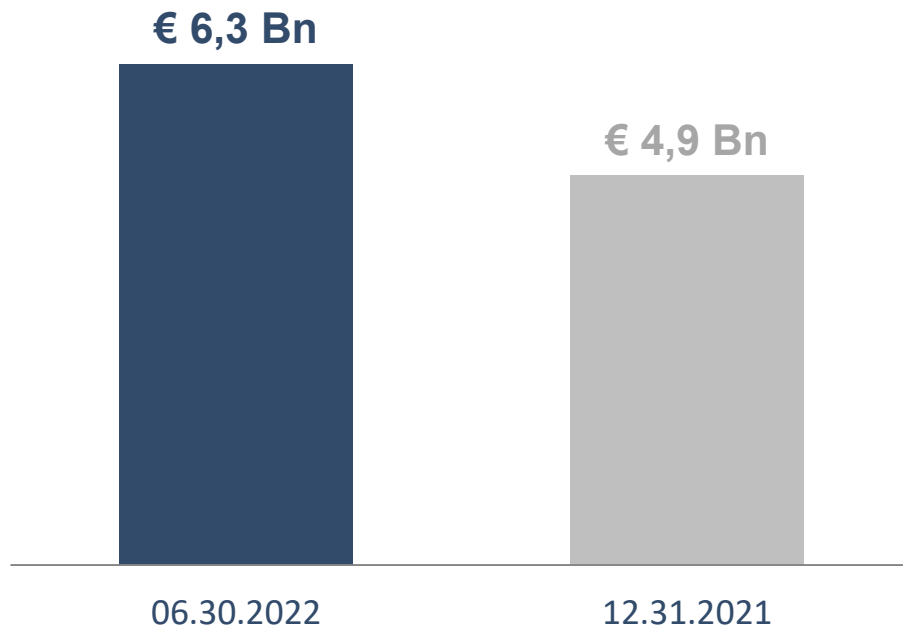
Thales key figures (adjusted) - 1st half 2022:

- Net sales: € 8.3 Bn, +7.7% vs. 1st half 2021
- EBIT: € 891 M i.e. 10.8% of net sales vs 9.4% in the 1st half 2021
- Self-financed R&D: € 486 M i.e. -5.9% of net sales vs -6.1% in the 1st half 2021
- Net result: € 726 M i.e. 8.8% of net sales vs. 7.7% in the 1st half 2021

ADJUSTED CONSOLIDATED INCOME STATEMENT

<i>in € million</i>	1 st half	
	2022	2021
NET SALES	3,098	3,107
OPERATING INCOME	200	175
<i>Operating margin</i>	6.5%	5.6%
FINANCIAL INCOME	-13	-11
THALES and other equity affiliates	183	149
TAXES	-52	-48
NET INCOME	318	265
<i>Net margin</i>	10.3%	8.5%

CONSOLIDATED AVAILABLE CASH



2022 TARGETS

2022 guidance unchanged:

- **Delivery of 13 Rafale and 35 Falcon**
- **Decreasing net sales**

DISCLAIMER

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.

*Photos :
Dassault Aviation - Airborne Films;
Dassault Aviation - V. Almansa;
AFP - T. SAMSON
Dassault Aviation - A. Daste;
Dassault Aviation - A. Bonfort;
Défense/Armée de l'air/J.Fechter;
Airbus ;
Dassault Aviation - C. Cosmao;
Dassault Aviation - M. Douhaire*

PRESS CONFERENCE

JULY 20, 2022



 **DASSAULT
AVIATION**