

KEY FIGURES OF DASSAULT AVIATION GROUP

	H1 2024	H1 2023
Order intake <i>(new aircraft in units)</i>	€5,134 million 18 Export Rafale 11 Falcon	€1,682 million 12 Falcon
<u>Adjusted net sales</u> (*) <i>(new aircraft in units)</i>	€2,538 million 6 Rafale France 12 Falcon	€2,295 million 2 Rafale Export 2 Rafale France 9 Falcon
	as of June 30, 2024	as of December 31, 2023
Backlog <i>(new aircraft in units)</i>	€41,157 million 223 Rafale <i>Including 159 Export and 64 France</i> 83 Falcon	€38,508 million 211 Rafale <i>Including 141 Export and 70 France</i> 84 Falcon
	H1 2024	H1 2023
<u>Adjusted net operating income</u> (*) <u>Adjusted operating margin</u>	€170 million 6.7% of net sales	€151 million 6.6% of net sales
Research & Development	€200 million	€247 million
<u>Adjusted net income</u> (*) <u>Adjusted net margin</u>	€442 million 17.4% of net sales	€405 million 17.6% of net sales
	as of June 30, 2024	as of December 31, 2023
Available cash	€8,786 million	€7,294 million

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

Main aggregates under IFRS (see tables of reconciliation in appendix)

(*) Consolidated net sales	€2,538 million	€2,297 million
(*) Consolidated net operating income	€169 million	€152 million
(*) Consolidated net income	€476 million	€362 million

Saint-Cloud, July 23rd, 2024 - The Board of Directors, which met today, under the chairmanship of Mr. Éric Trappier, approved the 2024 half year financial statement. The Statutory Auditors have performed a limited review of these consolidated financial statements and have expressed an unqualified opinion.

At the end of the Board meeting, Éric Trappier said:

“The global context in this first half-year remains marked by the war in Ukraine and the state of war in the Middle East. In France, the President of the Republic, as head of the armed forces, wrote to defense manufacturers urging them to step up their efforts in the context of a war economy. In response to this call, I instructed Dassault Aviation employees to prioritize Rafale production, for both France and for Export.

The first half of 2024 saw:

- **the entry into force of the third batch (18 Rafale) of the Indonesia contract in January. As a result, the Group’s backlog broke a new record, reaching EUR 41.2 billion on June 30, 2024 (306 aircraft – 159 Rafale Export, 64 Rafale France and 83 Falcon),**
- **the first Falcon 6X customer deliveries, after its entry into service in November 2023,**
- **the delivery of 6 Rafale to France and 12 Falcon as the Group continues to suffer from supply chain problems,**
- **adjusted net sales amounted to EUR 2,538 million for the half-year, leading to adjusted net operating income of EUR 170 million and Group adjusted net income of EUR 442 million, i.e. a net margin of 17.4%.**

With 495 aircraft ordered since its launch, including 18 for Indonesia this half-year, the Rafale has confirmed its success. Users of our fighter aircraft appreciate its operational qualities as well as its continuous evolution in line with new standards currently under development and those to be introduced in the future. We are preparing for the future of the Rafale with the F5 standard accompanied by a combat drone, and remain committed to developing the F4 standard. The Group has reaffirmed its crucial role as an architect of complex systems.

In the military sector, during the first half of the year, we:

- recorded order intake for the third batch (18 Rafale) of the Indonesia contract,
- delivered 6 Rafale to France, supported the French and export fleets and continued work to develop the F4 standard.

In the civilian sector, during the first half of the year, we:

- recorded 11 Falcon orders, compared with 12 in the 1st half of 2023, and delivered 12 Falcon, compared with 9 in the 1st half of 2023,
- delivered the first Falcon 6X to customers and continued the world tour,
- continued the development and manufacture of the first Falcon 10X. First deliveries are scheduled for 2027.

Corporate Social Responsibility remains a major commitment of the Group, particularly for the decarbonization of its products and processes. The SAF (Sustainable Aviation Fuel) plan that we have put in place is ramping up by the intensification of the use of alternative fuels. In 2024, the Group maintained an attractive remuneration policy. The recruitment target is approximately 2,000 new employees (of which more than half has been achieved as of June 30th) with a focus on their integration and training.

Like other major players in the aerospace industry, the Group is suffering from a difficult supply chain. There are many shortages in our production lines due to supplier inefficiencies in some cases, especially in the aerostructure sector. These difficulties have given rise to risks affecting Falcon and Rafale deliveries, and also impact customer support. The Group is taking internal and external measures to mitigate these effects and to anticipate sub-contractor inefficiencies. Moreover, given the links forged with Indian companies as part of the



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“Make in India” initiative and the major business opportunities we have there in the future, India has emerged as an opportunity to expand our supply chain.

In a difficult context due to the supply chain, our 2024 objectives remain unchanged : Increased revenue compared to 2023, EUR 6 Bn range (of which 35 Falcon and 20 Rafale).”

Éric TRAPPIER, Chairman and Chief Executive Officer of Dassault Aviation.

1. ORDER INTAKE

Order intake for the 1st half of 2024 was **EUR 5,134 million**, vs. EUR 1,682 million in the 1st half of 2023. **Export** order intake stood at **96%**.

Order intake was as follows, **in millions of euros**:

	H1 2024	%	H1 2023	%
Defense	4,095	80%	739	44%
<i>Defense Export</i>	3,871		572	
<i>Defense France</i>	224		167	
Falcon	1,039	20%	943	56%
Total order intake	5,134		1,682	
<i>% Export</i>	96%		88%	

The order intake is entirely composed of firm orders.

Defense programs

Defense Export order intake totaled **EUR 3,871 million** in the 1st half of 2024, vs. EUR 572 million in the 1st half of 2023. In particular, the Group recorded an order for an additional 18 Rafale for Indonesia.

Defense France order intake totaled **EUR 224 million** in the 1st half of 2024, vs. EUR 167 million in the 1st half of 2023.

Falcon programs

During the 1st half of 2024, **11 Falcon orders** were recorded, compared with 12 orders in the 1st half of 2023. Falcon order intake amounted to **EUR 1,039 million** in the 1st half of the year compared to EUR 943 million in the 1st half of 2023, up mainly due to a favorable product mix.

2. ADJUSTED NET SALES

Adjusted net sales for the 1st half of 2024 totaled **EUR 2,538 million**, compared with EUR 2,295 million for the 1st half of 2023. **Export** net sales stood at **59%** in the 1st half of 2024.

Consolidated sales were as follows, in **millions of euros**:

	H1 2024	%	H1 2023	%
Defense	1,558	61%	1,468	64%
<i>Defense Export</i>	552		851	
<i>Defense France</i>	1,006		617	
Falcon	980	39%	827	36%
Total adjusted net sales	2,538		2,295	
<i>% Export</i>	59%		71%	

Defense programs

Defense Export net sales totaled **EUR 552 million** in the 1st half of 2024, vs. EUR 851 million in the 1st half of 2023.

Defense France net sales totaled **EUR 1,006 million** in the 1st half of 2024, vs. EUR 617 million in the 1st half of 2023.

6 Rafale were delivered to France during the 1st half of 2024, compared with 4 Rafale (2 France and 2 Export) for the 1st half of 2023.

Falcon programs

12 Falcon were delivered in the 1st half of 2024, compared with 9 in the 1st half of 2023.

Falcon net sales for the 1st half of 2024 amounted to **EUR 980 million**, vs. EUR 827 million for the 1st half of 2023.

The “book-to-bill ratio” (order intake/net sales) is **2.02** for the 1st half of 2024.

3. BACKLOG

The consolidated backlog (determined in accordance with IFRS 15) was **EUR 41,157 million** as of June 30, 2024, compared with EUR 38,508 million as of December 31, 2023. The backlog trend is as follows:

	06/30/2024	%	12/31/2023	%
Defense	36,399	88%	33,862	88%
<i>Defense Export</i>	27,305		23,986	
<i>Defense France</i>	9,094		9,876	
Falcon	4,758	12%	4,646	12%
Total backlog	41,157		38,508	
% Export	75%		71%	

The **Defense Export backlog** stood at **EUR 27,305 million** as of June 30, 2024 vs. EUR 23,986 million as of December 31, 2023. This figure notably includes **159 new Rafale** compared with 141 new Rafale as of December 31, 2023.

The **Defense France backlog** stood at **EUR 9,094 million** as of June 30, 2024, vs. EUR 9,876 million as of December 31, 2023. This figure includes **64 Rafale**, the support contracts for the Rafale (Ravel), Mirage 2000 (Balzac) and ATL2 (OCEAN), AlphaJet (AlphaCare) and the Rafale F4 standard.

The **Falcon backlog** stood at **EUR 4,758 million** as of June 30, 2024, vs. EUR 4,646 million as of December 31, 2023. It includes **83 Falcon**, compared with 84 as of December 31, 2023.

4. ADJUSTED RESULTS

Adjusted net operating income

Adjusted net operating income for the 1st half of 2024 came to **EUR 170 million**, compared with EUR 151 million in the 1st half of 2023.

R&D expenses in the 1st half of 2024, mainly related to the Falcon 10X, totaled EUR 200 million compared with EUR 247 million for the 1st half of 2023.

Operating margin was **6.7%**, compared with 6.6% in the 1st half of 2023.

The hedging rate for the 1st half of 2024 was **USD 1.14/EUR**, vs. USD 1.20/EUR in the 1st half of 2023.

Adjusted net financial income

Adjusted net financial income for the 1st half of 2024 was **EUR 106 million**, vs. EUR 110 million for the same period in the previous year, decreasing due to higher financing component, partially offset by an increase in financial income.

Adjusted net income

Adjusted net income for the 1st half of 2024 was **EUR 442 million**, compared with EUR 405 million in the 1st half of 2023. The contribution of Thales to the Group's net income was EUR 231 million, compared with EUR 206 million during the 1st half of 2023.

Adjusted net margin thus stood at **17.4%** for the 1st half of 2024 vs. 17.6% for the 1st half of 2023.

Adjusted net income per share for the 1st half of 2024 was **EUR 5.62** vs. EUR 4.92 for the 1st half of 2023.

5. 1ST HALF 2024 CONSOLIDATED RESULTS UNDER IFRS

Consolidated net operating income (IFRS)

Consolidated net operating income for the 1st half of 2024 came to **EUR 169 million**, compared with EUR 152 million in the 1st half of 2023.

R&D expenses in the 1st half of 2024, mainly related to the Falcon 10X, totaled EUR 200 million compared with EUR 247 million for the 1st half of 2023.

Consolidated operating margin stood at **6.7%**, vs. 6.6% for the 1st half of 2023.

The hedging rate for the 1st half of 2024 was **USD 1.14/EUR**, vs. USD 1.20/EUR in the 1st half of 2023.

Consolidated net financial income (IFRS)

Consolidated net financial income for the 1st half of 2024 came to **EUR 102 million** vs. EUR 111 million in the 1st half of 2023, decreasing due to higher financing component, partially offset by an increase in financial income.

Consolidated net income (IFRS)

Consolidated net income for the 1st half of 2024 was **EUR 476 million**, compared with EUR 362 million in the 1st half of 2023. The contribution of Thales to the Group's net income was EUR 269 million, compared with EUR 161 million during the 1st half of 2023.

Consolidated net margin thus stood at **18.8%** for the 1st half of 2024, vs. 15.7% for the 1st half of 2023.

Consolidated net income per share for the 1st half of 2024 was **EUR 6.06** vs. EUR 4.40 for the 1st half of 2023.

6. AVAILABLE CASH

The Group uses a specific indicator called “Available cash,” which reflects the amount of total liquidities available to the Group, net of financial debts. It includes the following balance sheet items: cash and cash equivalents, current financial assets (at market value) and financial debt, excluding lease liabilities. The calculation of this indicator is detailed in the consolidated financial statements (Note 7 of the condensed interim consolidated financial statements).

The Group’s available cash stands at **EUR 8,786 million** as of June 30, 2024 vs. EUR 7,294 million as of December 31, 2023. This increase is mainly due to the advances received on orders.

7. BALANCE SHEET (IFRS)

Total equity stood at **EUR 5,915 million** as of June 30, 2024 vs. EUR 5,742 million as of December 31, 2023.

Borrowings and financial debt amounted to EUR 236 million as of June 30, 2024, compared with EUR 262 million as of December 31, 2023. They are composed of locked-in employee profit-sharing funds for EUR 53 million and lease liabilities recognized for EUR 183 million.

Inventories and work-in-progress increased by EUR 929 million to stand at EUR 6,187 million as of June 30, 2024.

Advance payments received on orders net of advance payments to suppliers were up EUR 2,580 million to stand at EUR 11,650 million.

The derivative financial instruments market value stood at EUR -40 million as of June 30, 2024, vs. EUR 29 million as of December 31, 2023.

This Financial Press Release 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 Half-year financial report.

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APPENDIX

FINANCIAL REPORTING

IFRS 8 “Operating Segments” requires the presentation of information per segment according to internal management criteria.

The entire activity of the Dassault Aviation Group relates to the aerospace sector. The internal reporting made to the Chairman and Chief Executive Officer, and to the Chief Operating Officer, as used for the strategy and decision-making, includes no performance analysis, under the terms of IFRS 8, at a lower level to this domain.

DEFINITION OF ALTERNATIVE PERFORMANCE INDICATORS

To reflect the Group’s actual economic performance, and for monitoring and comparability reasons, the Group presented an adjusted income statement of:

- foreign exchange gains/losses resulting from the exercise of hedging instruments which do not qualify for hedge accounting under IFRS standards. This income, presented as net financial income in the consolidated financial statements, is reclassified as net sales and thus as net operating income in the adjusted income statement;
- the value of foreign exchange derivatives which do not qualify for hedge accounting, by neutralizing the change in fair value of these instruments (the Group considering that gains or losses on hedging should only impact net income as commercial flows occur), with the exception of derivatives allocated to hedge balance-sheet positions whose change in fair value is presented as net operating income;
- amortization of assets valued as part of the purchase price allocation (business combinations), known as “PPA”;
- adjustments made by Thales in its financial reporting.

The Group also presents the “available cash” indicator which reflects the amount of the Group’s total liquidities, net of financial debt. It covers the following balance sheet items:

- cash and cash equivalents;
- other current financial assets (mainly time deposits);
- financial debt, excluding lease liabilities.

The calculation of this indicator is detailed in the condensed interim consolidated financial statements (see Note 7).

Only consolidated financial statements are audited by statutory auditors. Adjusted financial data are subject to the verification procedures applicable to all information provided in the half-yearly report.

IMPACT OF ADJUSTMENTS

The impact of the adjustments of income statement aggregates for the 1st half of 2024 is set out below:

<i>(in EUR thousands)</i>	Consolidate d income statement H1 2024	Foreign exchange derivatives		PPA	Adjustments applied by Thales	Adjusted income statement H1 2024
		Foreign exchange gain/loss	Change in fair value			
Net sales	2,538,156					2,538,156
Net operating income	168,190			1,059		170,039
Net financial income	101,942		4,418			106,360
Share in net income of equity associates	274,719			1,977	-40,417	236,279
Income tax	-69,444		-1,141	-187		-70,772
Net income	476,197		3,277	2,849	-40,417	441,906
<i>Group share of net income</i>	476,197		3,277	2,849	-40,417	441,906
Group share of net income per equity <i>(in euros)</i>	6.06					5.62

The impact of the adjustments of income statement aggregates for the 1st half of 2023 is set out below:

<i>(in EUR thousands)</i>	Consolidated income statement H1 2023	Foreign exchange derivatives		PPA	Adjustments applied by Thales	Adjusted income statement H1 2023
		Foreign exchange gain/loss	Change in fair value			
Net sales	2,297,181	-1,941				2,295,240
Net operating income	151,593	-1,941		1,465		151,117
Net financial income	110,957	1,941	-3,397			109,501
Share in net income of equity associates	165,514			1,489	42,720	209,723
Income tax	-66,360		877	-288		-65,771
Net income	361,704	0	-2,520	2,666	42,720	404,570
<i>Group share of net income</i>	361,704		-2,520	2,666	42,720	404,570
Group share of net income per equity <i>(in euros)</i>	4.40					4.92