

**17th June 2009
Le Bourget**



**90 years of aeronautical experience
and the reactions of a young Start-Up !**

90 years ago, historical pioneers - Potez at Méaulte, Dewoitine at Toulouse and Latécoère at Saint Nazaire – launched their aeronautical adventure and took part in their first Air Show.

On these same sites, previously under the colours of Aerospatiale and Airbus, it is now the AEROLIA teams who are continuing the aeronautical saga.

Now a 100% subsidiary of EADS but with the attitude of a start-up, Aerolia is pursuing its strategy of development and market conquest.



Dear all

You may not be aware of it, but we have already met ...

Every day, at every airport in the world, millions of passengers are received, like you, by AEROLIA.

We are in fact the designers and manufacturers of all Airbus nose fuselages, from the A318 to the A380 and from the A400M to the A350 XWB.

Our status as an EADS subsidiary enables us to propose our skills to all military and civil aircraft manufacturers throughout the world.

You, the representatives of the international press, have followed us since our creation in January 2009.

Now, at the centenary of the Paris Air Show at Le Bourget, I am pleased to welcome you to our stand E 64 in Hall 2 and on behalf of all the Aerolia teams to present you our first 6 months, during which we have confirmed the commitments announced.

In this file you will also find three major announcements, made at our Press Conference held on 17 June 2009 at Le Bourget and a reminder of our "Better Faster Greener" competitive strategy.

Aerolia,
Welcome Aboard!!

Christian Cornille
CEO AEROLIA

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**Signature of an agreement between
Aerolia and AVIC International**

**on the creation
of a Work Package Centre
at Méaulte**

With more than 10 million Euros in procurement, AEROLIA is one of the tier 1 aerostructures suppliers with a significant Chinese supply chain.

In the frame of these industrial and business relations, Aerolia has just announced at the Paris Air Show the signature of an agreement with AVIC International concerning the creation of a Work Packages Centre in Picardy.

This work completion and warehousing centre will be placed under the direct responsibility of AVIC, which will receive parts manufactured in China for storage and completion before delivery to its customer, AEROLIA.

In the Supply Chain domain, this process is totally innovating and Aerolia is the first aeronautical company in the world to implement it.

"Our discussion was really constructive and fruitful and this signature with Aerolia illustrates the importance of this agreement in setting new standards of excellence for the Chinese Aerostructures Supply Chain of Aerolia" noted Mr. YANG Chunsheng, deputy GM of AVIC division on behalf of Mr Yu (VP AVIC International in charge of Aeronautic business).

The establishment by our Chinese supplier of an advanced warehouse at Méaulte will not affect the Aerolia workload schedules in France as these parts, such as the Nose Landing Gear, have already been produced for a long time by AVIC in its Chengdu, Xian and Shanghai plants in China.

Logistics and quality control activities, together with outstanding work and warehousing will be necessary for AVIC's missions and could be performed by local suppliers.

For Aerolia, "this creation expresses the loyalty of our Chinese supplier, as well as its full understanding of our development strategy; with this Work Package Centre, we eliminate the risks involved in 2 months of transport between China and France" noted Christian Cornille, Chief Executive of Aerolia.

"And this Centre, located at the very doors of our assembly lines, will ensure on time & in the quality standards delivery of our subassemblies, which will be completed by suppliers that we know" added Raphaël Duflos, Chief Procurement Officer Aerolia.

Better, Faster, Greener

Aerolia,

A Start-Up at the service of its Customers



Aerolia selects

**Figeac Aéro, Mécahers,
Mécanvois et Corse Composites**

**as partners for its
aeronautical park in Tunisia**

Announced at the beginning of the year, the project to create a factory south of Tunis is taking shape and the legal entity, called Aerolia Tunisia, was created on 28th April 2009.

A total of €30 million will be invested during the next five years on this 10,000 m² site.

Within the framework of this project, Aerolia will federate a network of partners and industrial subcontractors to produce tools and metal and composite detail mechanical parts and to perform surface treatment and logistics operations.

Located close to Aerolia in the M'Ghira aeronautical zone, this partner network will reduce supply chain flows, enhancing the industrial site's economic performance.

AEROLIA has just selected its first four partners: Figeac Aéro for the mechanical parts, Mécahers for sheet metal part, Mécanyvois for jigs production and maintenance and Corse Composites for the production of composites parts.

These two companies have been chosen because of their competencies and because of the professional relations that have existed with the AEROLIA teams for many years.

Aerolia will continue this partner selection over the coming months, to be ready to produce the first parts in Janvier 2010.

Better, Faster, Greener
AEROLIA invests in France and abroad



**Aerolia receives its
POA**
Production Organisation Approval

On 17 June 2009 during the Paris Air Show, Mr Marcoux of the DSAC presented the Aerolia POA to Christian Cornille, its Chief Executive.

This approval is important for Aerolia as it is the recognition by the Civil Aviation Authority of its capability to produce products in the respect of the quality best standards and of its full responsibility as an aircraft manufacturer.

On the basis of an analysis of all the processes and guarantees given in terms of safety on all the parts and components produced, this audit has received the on-going support of the top management.

In all, around 10% of the Aerolia personnel has been involved in these audits, in the Design Office, Procurement, Programmes, Operations and Quality.

Around twenty audits were conducted between January and the end of April 2009 by 5 supervisors, instructors and auditors from the GSAC, who examined with great professionalism all the processes and organisation structures put in place to guarantee production conformity.

Thanks to the mobilisation of the Aerolia and GSAC teams, this audit was conducted in excellent time and the POA was obtained with no major findings.

"Required by our Airbus customer, as for all its aerostructures suppliers, this audit was not considered as a constraint but rather as an opportunity at this stage in Aerolia's creation" noted Christian Cornille.

"The recognition that this POA represents is important as when we meet new potential customers, it is the proof of our maturity in terms of quality in all domains" he concluded.

Better, Faster, Greener...

Environmentally friendly, Aerolia is certified ISO 14001,

Meeting the expectations of its Customers, Aerolia is certified EN 9100,

With the POA, Aerolia now has a new industrial and commercial asset to capture new markets.



AEROLIA

A competitive strategy

Since January 1st, the date of its official creation, Aerolia has implemented a development strategy based on its products, the skills of its teams and their capacity to go on the offensive.

Essential to its development and indispensable for Customer satisfaction, AEROLIA are active on three fronts:

- a commercial strategy
- an industrial strategy
- an employment strategy

This vision of the future is resumed in AEROLIA's "Better Faster Greener" slogan.

So, French leader in aerostructures and world No. 2 for nose fuselage assemblies, Aerolia is meeting the expectations of its customers, preparing for the future and establishing a reasoned development policy despite an unsettled international context in order to be ready when the world economy takes off again.

1. A Commercial Strategy

Aerolia wins a new market

Since its creation, Aerolia has shown its determination to conquer sales markets throughout the world and with all manufacturers.

Contacts with the majors of aeronautics, business, civil and military aviation and helicopters, have been established to inform them of Aerolia's skills and expertise.

With a wide range of products and services, the Aerolia teams can respond to calls for tender as a "build to print" production partner or with global "design & build" solutions.

It is in the framework of this industrial and business strategy that on April 28th Aerolia won the contract for hydraulic and cabin systems tubes and pipes to equip the whole Airbus A350 XWB fuselage.

In competition with 10 other major aeronautical equipment manufacturers, the know-how and competitiveness of its teams made the difference and are the reason why Aerolia is present on this highly competitive and coveted market.

Once Airbus has expressed its choice concerning the future of its Pipes unit at Saint-Nazaire, Aerolia will declare its interest in the acquisition of the installations and the integration of the personnel specialised in the design and production of these parts.

Less than 6 months after its creation, Aerolia will have in its catalogue an additional product range beside Aerostructures and nose fuselage work packages.

2. An industrial strategy

Aerolia acquires the latest Composites technologies

In compliance with its core competency, AEROLIA is responsible for the design and manufacture of all the nose fuselage parts for the Airbus A350 XWB.

Designed by the Toulouse Design Office, these components will be manufactured on the Saint Nazaire and Méaulte sites and then assembled in the new Composites Unit. Located at Méaulte in Picardy this unit, dedicated to the A350XWB represents an investment of more than €226 million and will cover an area of 18,000 m², housing 3 zones specific to composites:

- a clean room for lay-up
- a curing zone equipped with an autoclave
- and finally a zone for ultrasonic non-destructive testing and panel equipping.

Among the most important investments, a fibre placement machine will perform delicate carbon tape laying operations and an autoclave 14 m long and with a

diameter of 7 m will be used to cure the composite panels, which will then be cut out and equipped with frames and stringers to stiffen them.

Innovating technologies and world firsts at Aerolia

AEROLIA is innovating and has equipped its Saint-Nazaire Panel Line with technological firsts:

- one of the largest stretch forming benches in the world. With a power of 800 tonnes, this longitudinal bench can form large-scale panels with complex shapes.
- the mechanical milling of 3D aeronautical panels: a world first in terms of technology and also an alternative to chemical milling. This technology gives AEROLIA a lead over its competitors in terms of eco-efficiency, quality and production cycle times.

This ultra-modern Panel Line, which is totally compatible with Aluminium-Lithium materials, enables AEROLIA to propose to its customers very large size 3D panels (up to 10.5m long, 3.3m wide and with a 1.2m curve) and offers design possibilities that did not exist before.

Aerolia creates a subsidiary in Tunisia

Located in a 20 hectare industrial zone south of Tunis, this new production unit will specialise in the assembly of subassemblies.

€30 million will be invested over the next 5 years to build this 15,000 m² industrial unit which will eventually employ 750 persons.

Aerolia will federate a network of partners and industrial subcontractors (also see pages 6 and 7) to produce detail parts, sheet metal works, tools and composite parts and perform surface treatment and logistics operations.

Located close to Aerolia, this partner network will optimise supply chain flows, thereby enhancing the industrial site's economic performance.

The creation of this plant in Tunisia is part of Aerolia's international development strategy.

3. An employment strategy

Aerolia creates jobs in France

Since 1st January 2009, Aerolia has created 100 jobs on its sites of Méaulte, Saint Nazaire and Toulouse.

More than 750 students and experienced professionals sent in job applications and after 300 interviews corresponding to the skills we were looking for, Aerolia took on 100 new employees in 100 days and, at the end of May 140 since January 1st 2009.

Increasing the total number of employees at the end of May 2009 to 2056, these new jobs concern Design Office skills for 55 %, production skills for 25% and Services skills for 20%.

With an average age of 33 – from 22 years old, the age of our youngest recruit to 56 years old – and with 22 % of women, these figures show the increasing importance of design activities in AEROLIA, closely followed by production and customer services.

A competent and reactive Aerolia Design Office

Since January, Aerolia has its own Design Office. An essential part of Aerolia's Better Faster Greener strategy, this Design Office, composed essentially of personnel from Airbus, is a major player in the design of metallic and composite aerostructures.

Its current expertise concerns the nose fuselage work packages and metal and composite complex detail parts.

In charge of all Airbus series and development nose fuselages, the Aerolia Design Office is therefore responsible for the development of the different aerostructures work packages for the A350 XWB nose fuselage: section 11, section 12, belly fairing, nose fairing and nose landing gear doors.

In collaboration with the Programmes and Sales Directorates, the Design Office proposes adapted "design & build" and "design to cost" solutions to future AEROLIA customers.

Approaching 2010, the Aerolia Design Office's target is to obtain Design Organisational Approval.

Teams to satisfy our Customers

Aerolia is organised in four operational directorates and four support directorates. Privileging a relationship of proximity with its customers and its in-house teams, these directorates - Finance, Human Resources, Quality, Procurement, Operations, Engineering, Programmes & Sales and Strategy & Communications are geographically located on the Company's three sites of Méaulte, St Nazaire and Toulouse.

Aerolia's Head Office, based in Toulouse houses the teams of the different Directorates, such as Finance, Human Resources, Quality, Procurement, Programmes and Sales. The **AEROLIA Design Office**, based on the same site, groups the skills of 260 engineers and collaborators coming for the most part from the Airbus Design Offices. These teams, plus a local office on the Méaulte site, are responsible for the design of aircraft products, delivery of stress dossiers and drawing sets, together with Research and Development Programmes. To complement the know-how of its highly qualified personnel, the AEROLIA Design Office will integrate new skills in 2009 for the development and production of the Airbus A350 nose fuselage.

At AEROLIA Saint-Nazaire, on a 7-hectare site, 500 persons work on the production of more than 3 million detail parts and panels, delivered 24/7 to the Customers.

Saint-Nazaire also delivers the parts and equipment required by the AEROLIA plant in Méaulte to produce the nose fuselage subassemblies.

At AEROLIA Méaulte, 1,300 employees produce nose fuselages on this 41-hectare site using technologies developed to meet the requirements relating to the aerodynamic profile of the aircraft nose fuselage.

Work has just started on a new Composites unit which will complement the plant's current expertise in metals when production of the Airbus A350 is launched.

At AEROLIA TUNISIA, work will be pursued over the coming months for production of the first parts at the start of 2010.

AEROLIA
shares its Customers' passion
and realises their ambitions