

# Financial Benchmark

Prepared for:  
**Airbus Group SE**

**Industry Class** Aerospace & Defense

**Benchmarking Method** Aerospace & Defense

**Companies in BM Group** 19

# Introduction

- To help assess the business benefits of a supply chain transformation, E2open has researched your and your competitors' financials relevant to supply chain excellence
- The data is from the most recent financials (in most cases, FY2015-FY2016)
- There are two types of comparisons:
  1. You vs. your direct industry competitors
  2. You vs. a larger peer group from different industries with similar supply chain characteristics, based on E2open analysis
- We are able to provide a third comparison, using other organizations you aspire to compare to (where we have data)

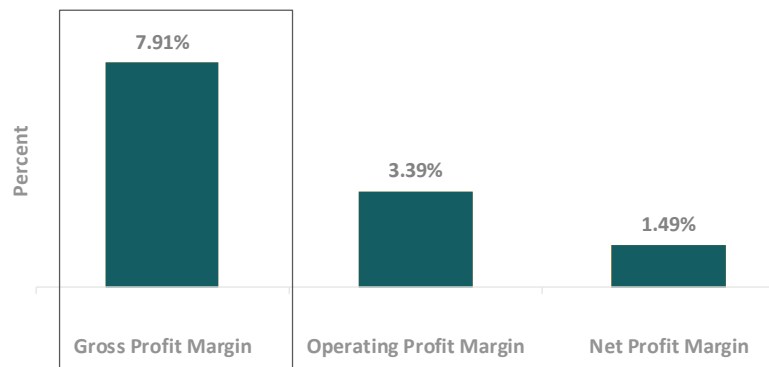
# Executive Summary: Airbus Group SE

## Recommended KPIs to Explore:

Gross Profit Margin, Operating Profit Margin, Net Profit Margin, Return on Capital Employed (ROCE), Return on Assets (ROA), Days Inventory Outstanding (DIO), Cash Conversion Cycle (CCC), Net Income Per Employee

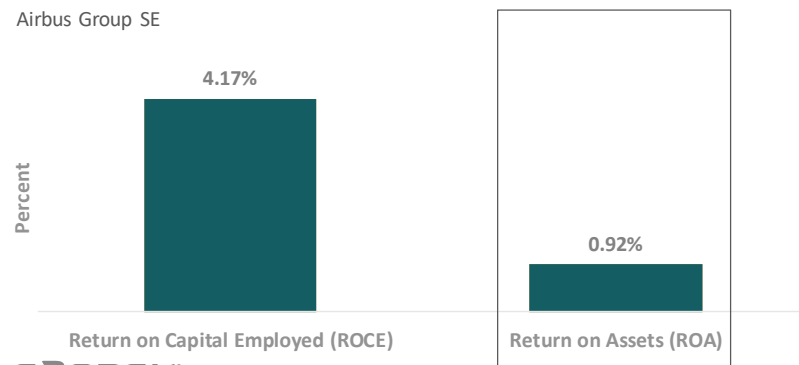
### PROFITABILITY

Airbus Group SE



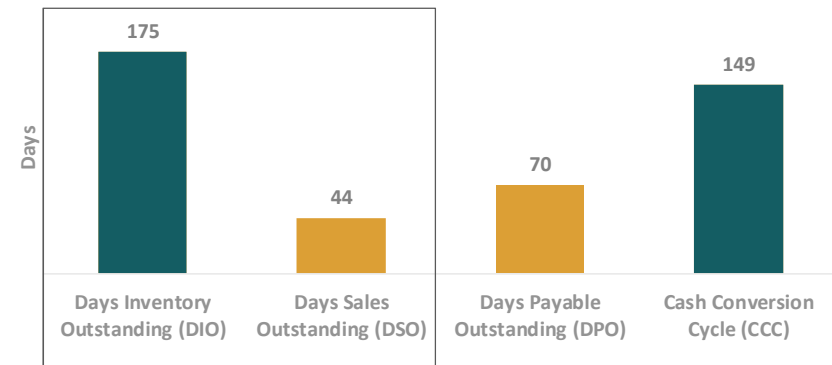
### ASSET EFFICIENCY

Airbus Group SE



### CASH CONVERSION CYCLE

Airbus Group SE



# Methodology (the fine print)

- Data Source: 10k from [www.sec.gov](http://www.sec.gov), FY 2016
- All metrics are normalized to provide an apples-to-apples comparison
  - Example: Rather than inventory dollars, we use Inventory turns, as large companies may exhibit large inventory in terms of dollars, vs. Inventory Turnover, which can be a better measure of supply chain efficiency
  - The cash conversion cycle is in days: DWC, DPO, DIO, DSO
  - Effectiveness metrics are in %: ROCE, ROA, Net Margin, etc.
- We took raw data from your annual report and applied the same formula to determine the value, based on GAAP principles.
- We have not taken specifics of your business model into account
  - Channel vs. direct sales model, where channel may show higher inventory

# Format

## ❖ All organizations: weighted equally

- Eg: Net Margin counts equal: \$100B Co / \$1M Co

## ❖ For some KPIs ...

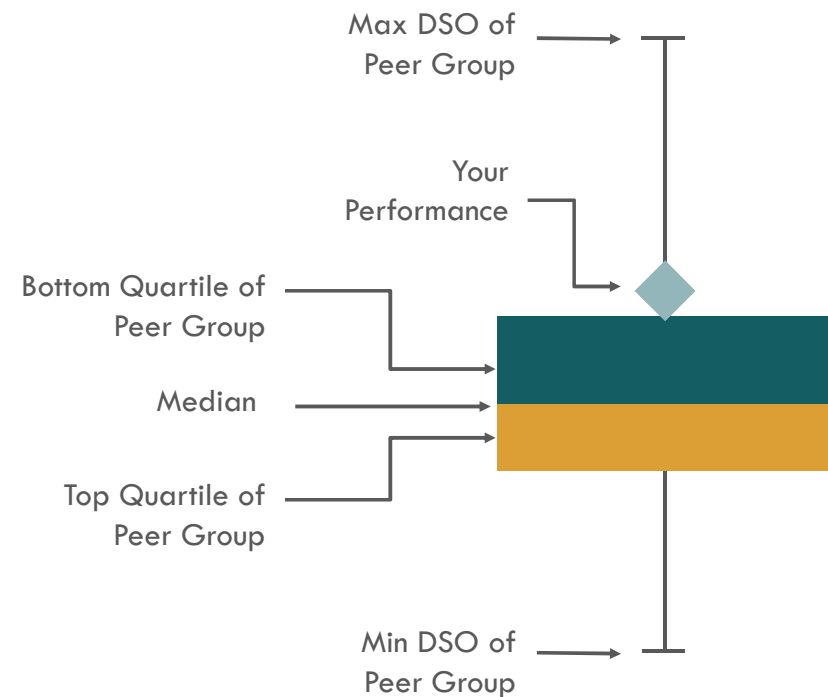
- A high number is better: Inventory turns, ROCE
- A low number is better: DSO, DIO

## ❖ Diamond in yellow box:

- Organization's performance is better than 50% of the companies in the peer group

## ❖ Diamond in blue box

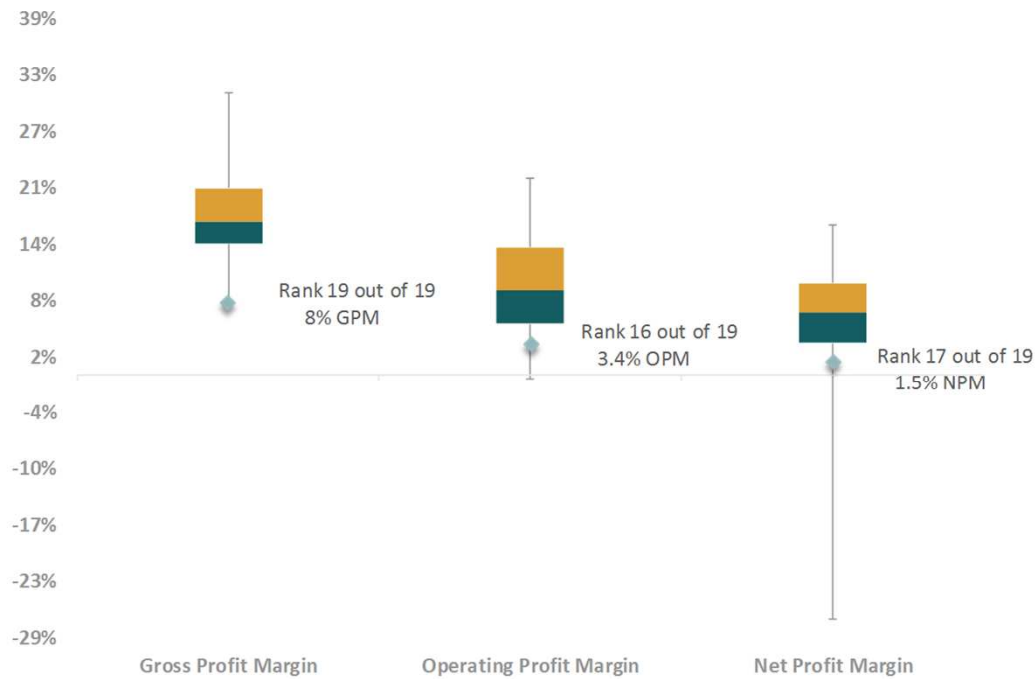
- Organization's performance is lower than 50% of the companies in the peer group



# Drilling Down: Financial Performance

## PROFITABILITY PERFORMANCE

Airbus Group SE



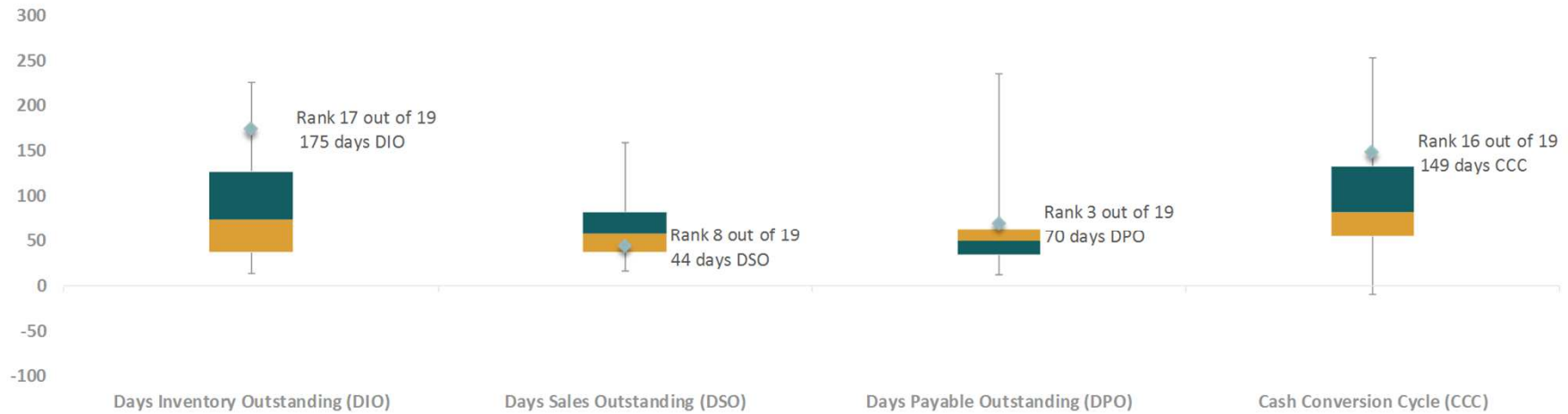
Above Median

Below Median

# Drilling Down: Cash Conversion Cycle

## CASH CONVERSION CYCLE

Airbus Group SE



# Drilling Down: Asset Efficiency

## ASSET EFFICIENCY

Airbus Group SE





# Rule of One: Airbus Group SE

COGS ↓ 1%

↑ **Gross Profit: \$645.21M**

DSO ↓ 1 Day

↑ **Operating Cashflow:  
\$191.95M**

DIO ↓ 1 Day

↑ **Operating Cashflow:  
\$176.77M**

COGS: Cost of Goods Sold  
DIO: Days of Inventory Outstanding  
DSO: Days of Sales Outstanding

**THANK YOU**