# Investor meeting

May 2026

www.thalesgroup.com

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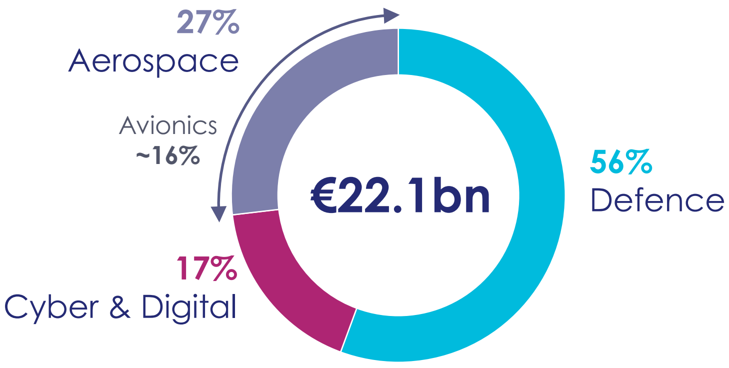
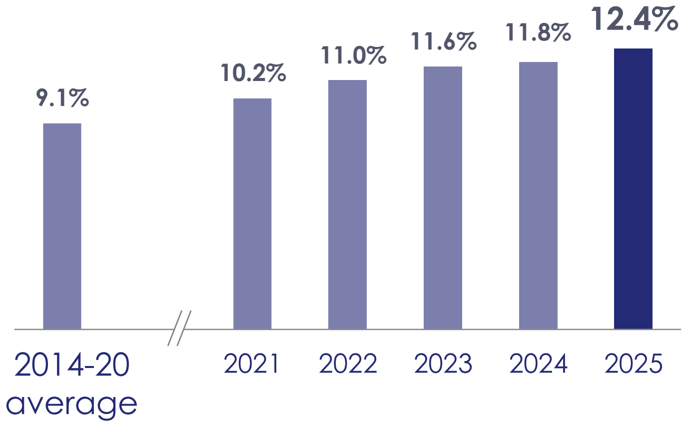
THALES
Building a future we can all trust

# Thales today: a global tech leader in Defence, Aerospace, Cyber & Digital

## Sales by segment




## Adjusted EBIT margin




## R&D total spend


| Flight avionics | Institutional satellites | Defence sensors & mission systems | Air Traffic Management | Data security | Data Identity |
|---|---|---|---|---|---|
| #3 worldwide | #1 in Europe | #1 in Europe | #1 worldwide | #1 in Europe | #1 worldwide |

# Portfolio focused on 3 leading and highly synergistic businesses

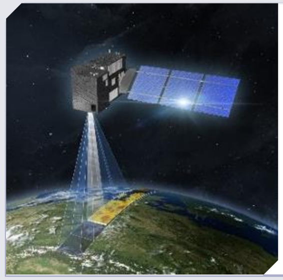
## Critical decision chains

Sensing and data gathering 〉 Data transmission and storage 〉 Data processing and decision making

**Aerospace**

**Defence**

**Cyber & Digital**



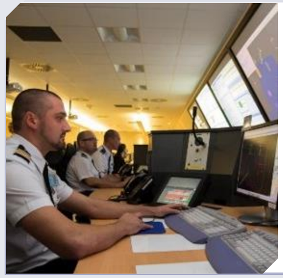
Observation satellites

Military communications

Flight management systems

Advanced sensors

Digital security



Airspace surveillance

# Thales builds on 4 key strengths

Top 100 Global Innovator 2026

Clarivate

nature

## Cutting edge R&D

- ~€4.5bn, ~20% of sales
- ~70% customer-funded
- ~34,000 engineers
- Top 100 global innovator for the 13th year
- Portfolio of more than 22,000 patents

## Deep domain knowledge

- Top 3 globally or #1 in Europe across businesses
- Leverage across end markets with many technological similarities

Connectivity Mobility

Big data analytics

Artificial intelligence

Cyber-security

## Large digital asset base

- Thales portfolio: digital “by nature”
- Significant organic and inorganic initiatives, targeting 4 key digital technologies
- Large integrated network of digital native talents

## Global presence

- Presence in 60+ countries and sales in 100+ countries
- Proven ability to address complex markets and partnerships
- Capitalizing on 40+ year presence

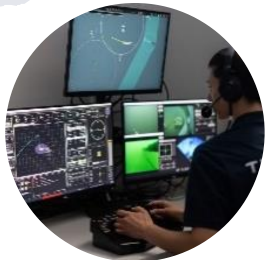
# Focus on R&D: at the heart of Thales' technological leadership – Pioneering AI for Critical Environments


DASSAULT AVIATION

cortAIx Partnership

NAVAL GROUP

TALIOS pod



Maritime Mine Counter Measures

**800+**
AI Experts

**~100**
PhD students

**5 countries**
7 sites

**200 Patents**
Covering full spectrum of AI technologies

**100+ products**
250 use cases

# Thales, a global technological leader in Aerospace, Defence and Cyber & Digital

# Aerospace segment: identity card

## > 2 Global Business Units

Avionics
Space

## > 19,100 employees

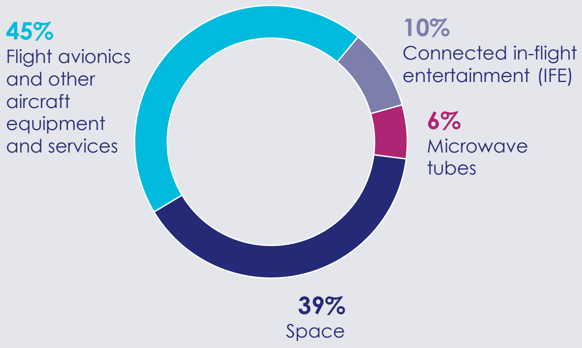
**Main industrial footprint**
France, Italy, Spain, UK, USA, Singapore

**> €5.9bn** 2025 Sales

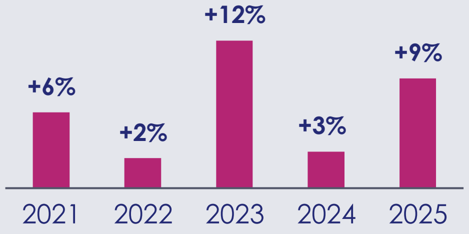
**> 9.5%** 2025 Adjusted EBIT margin

**> 1.8 year** Dec 25 backlog

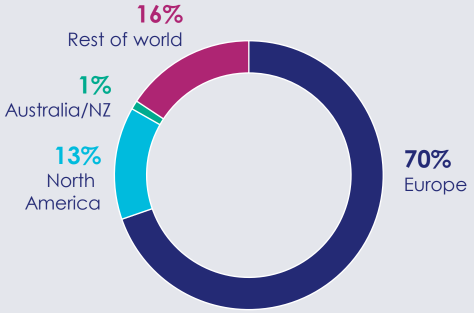
### Sales by solutions



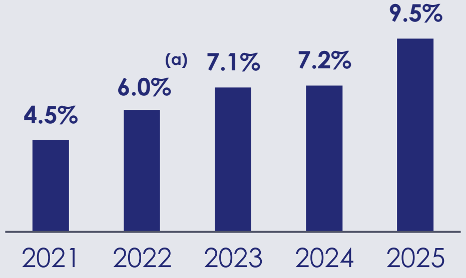

### Organic sales growth




### Sales by region

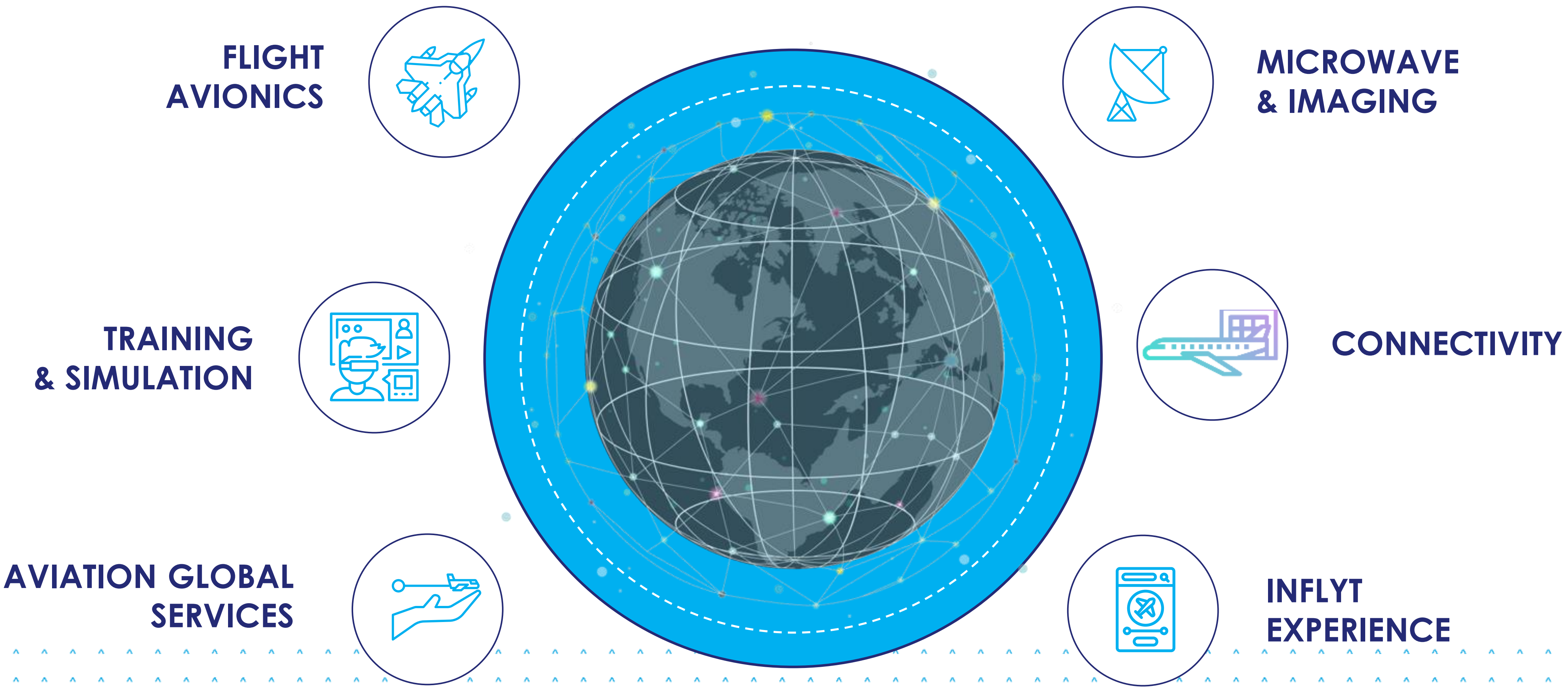



### Adjusted EBIT margin



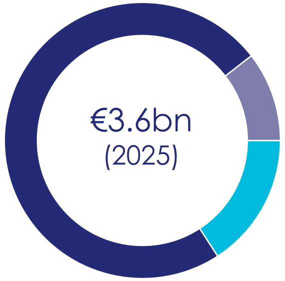

(a) Excluding one-off expense linked to Russia

# A global leader in flight avionics and connected in-flight entertainment

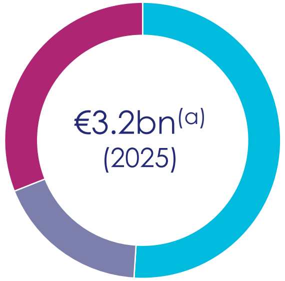


# A global leader in flight avionics and connected in-flight entertainment

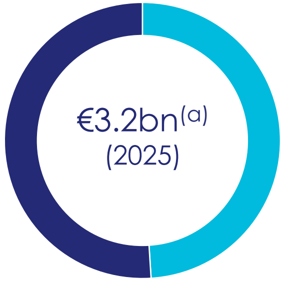
## Sales by solutions




## Sales by end-market




## Sales by activity type




(a) Excluding Microwave tubes

## Main avionics platforms

### Air transport

A320, A330/340, A350, A380, B737, B747, B767, B777, B787, ATR, Dash 8, CRJ

### Business jets

Bombardier, Cessna, Dassault, Embraer, Gulfstream

### Helicopters

Airbus

### Military aircraft

Airbus 400M, Airbus MRTT, Airbus C295, Airbus Guépard, Airbus Tiger, Airbus NH90, Boeing F/A-18, Dassault Rafale, Dassault Mirage 2000, LM F-16, Bell Cobra/Huey

## Connected in-flight entertainment (IFE)

### Main platforms

A330/A340, A350, B787, B777, A320, B737

# Focus on Space

ThalesAlenia Space — a Thales / Leonardo company

INFRASTRUCTURES

**~€2.3Bn**
TAS SALES IN 2025

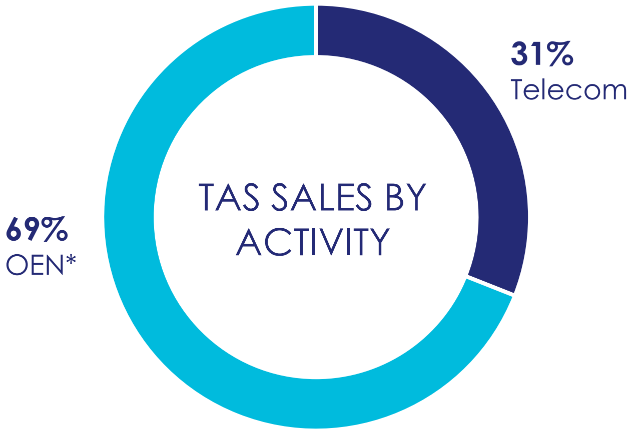
JV STRUCTURE
**67%** Thales / **33%** Leonardo

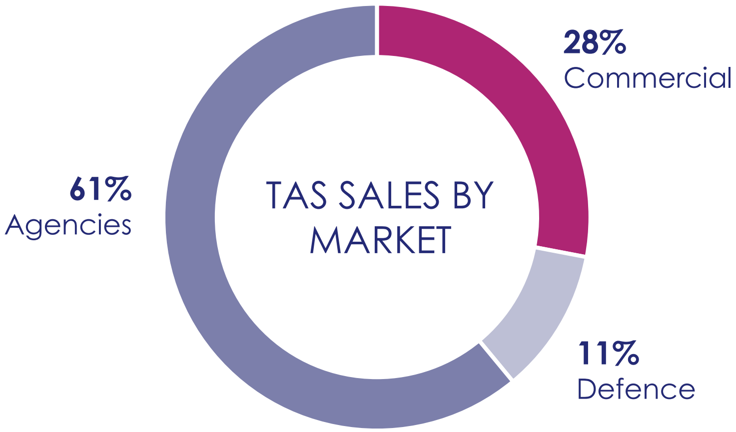
TELESPAZIO — a LEONARDO and THALES company

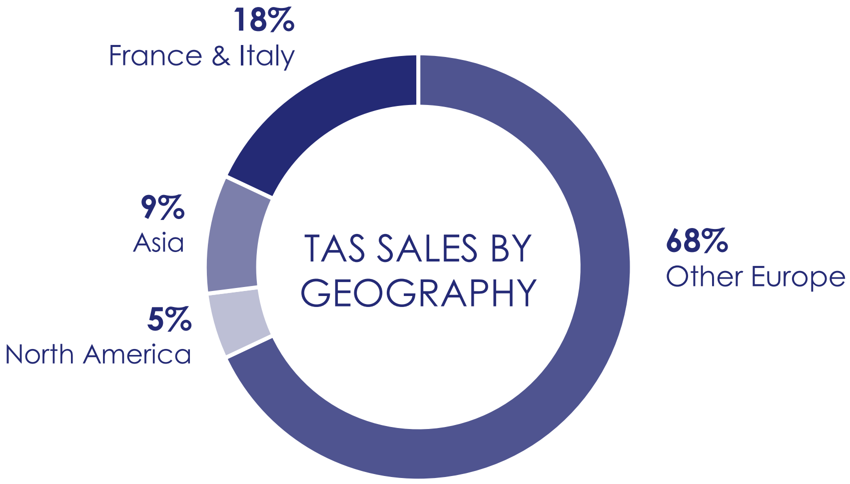
SERVICES

**~€1.0Bn**
TPZ SALES IN 2025

JV STRUCTURE
**67%** Leonardo / **33%** Thales




* Observation, Exploration & Science and Navigation.

# Space: Telecom market moving to a complementary multi-orbit strategy

**END-USER'S SERVICES**

**Broadcast**
- TV (video)

**Broadband**
- Connectivity in unserved areas
- Secured & resilient communications

**Wideband/narrowband**
- Direct to device (5G)
- IoT

**GEO**
36,000 km

**MEO**
5,000 – 12,000 km

**LEO**
600 – 1,200 km

| Average project size | TAS projects |
|---|---|
| **€150-500m** | • Syracuse, KVHTS, Sicral 3, SES-24<br>• Adapted to hotspot<br>• Continental coverage<br>• High latency<br>• Exposure to radiation |
| **€1-2Bn** | • O3b, IRIS²<br>• Low latency<br>• Global coverage<br>• Strong exposure to radiation |
| **€2-10Bn** | • Globalstar, Iridium NEXT, IRIS², Starlink, Kuiper2<br>• Low latency<br>• Global coverage<br>• Limited exposure to radiation on LEO low segment<br>• Huge investment |

Notes:
GEO: Geostationary,
LEO: Low Earth Orbit,
MEO: Medium Earth Orbit.

**RECOGNISED LEADER IN CIVIL & DEFENCE GEO**
**SOLID TRACK RECORD ON CONSTELLATIONS**

# Signature in 2025 of a MoU with Airbus and Leonardo to create a leading European player in Space

- **New European space player** which aims to unite and enhance capabilities by combining the three respective activities to create a player present on the **entire space value chain**, excluding launchers:
  - Constellations
  - Ground segments
  - Space services
- **Target operational launch in 2027**, subject to regulatory approvals and closing conditions
- **Significant value creation potential**
- **Shareholding structure:**

| AIRBUS | THALES | LEONARDO |
|---|---|---|
| 35% | 32.5% | 32.5% |

## New Company

**€6.5 bn revenues** (end of 2024, *pro-forma*)

**25,000 employees**

**Mid-triple digit €m annual synergies** (five years after closing)

# Defence segment: identity card

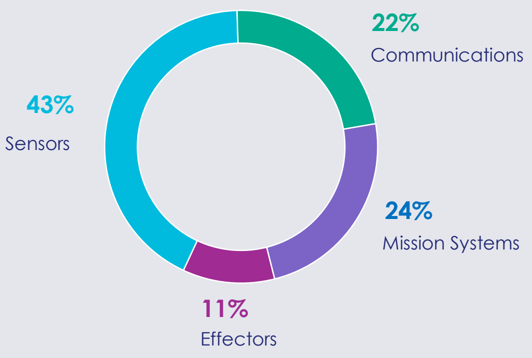
> **~38,000** employees in **36** countries

**Main industrial footprint**
Australia, Canada, France, Netherlands, UK

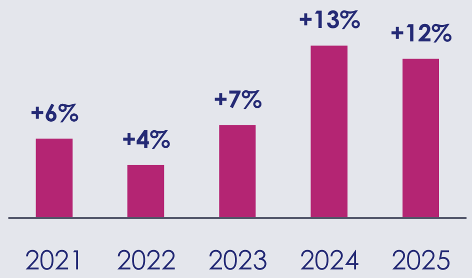
> **€12.2bn** 2025 Sales
> **13.2%** 2025 Adjusted EBIT margin
> **3.4 years** Dec 25 backlog

- ACCELERATING SALES GROWTH
- VISIBILITY ON DEMAND
- DIVERSE AND RESILIENT

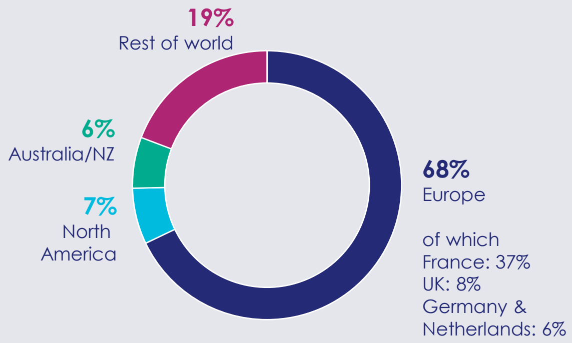
## Sales by solutions



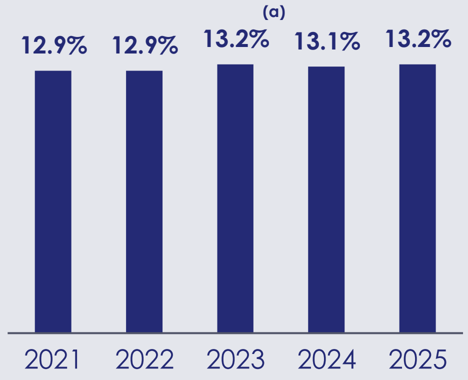

## Organic sales growth




## Sales by region




## Adjusted EBIT margin

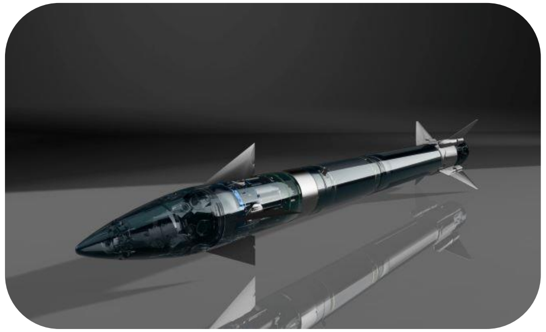



(a) Restated post cyber civil activities transfer to CDI

# Unique position across all the value chain with a balanced and diversified portfolio

SENSORS → COMMUNICATIONS → MISSION SYSTEMS → EFFECTORS

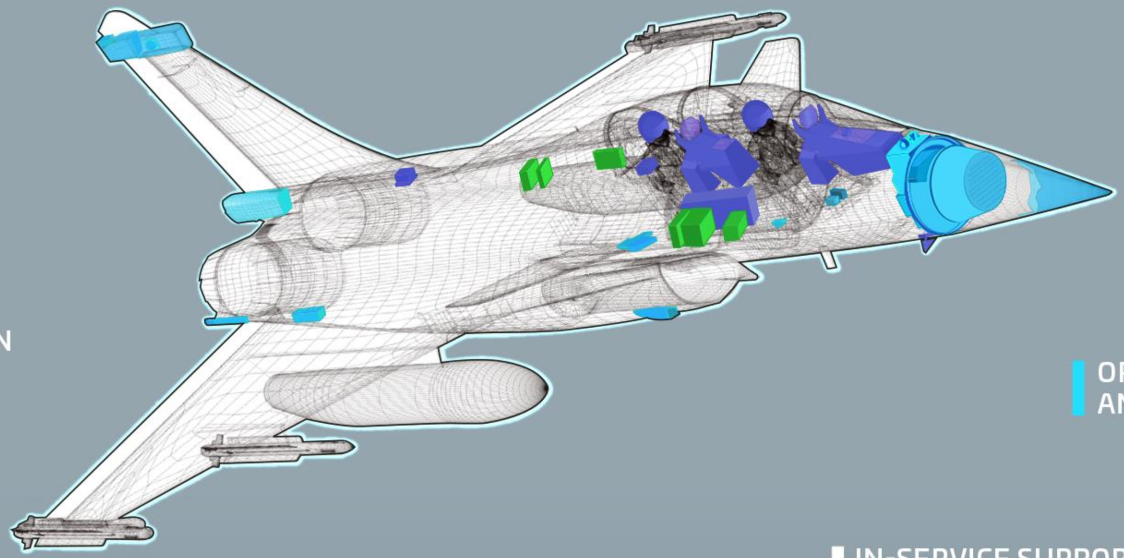
Leveraging enabling technologies: cybersecurity, AI, quantum etc.



Supporting armed forces across all domains
in their decisive moments through a unique combination of solutions

# Thales on board the Rafale

~25%
Share of Thales equipment in Rafale's value

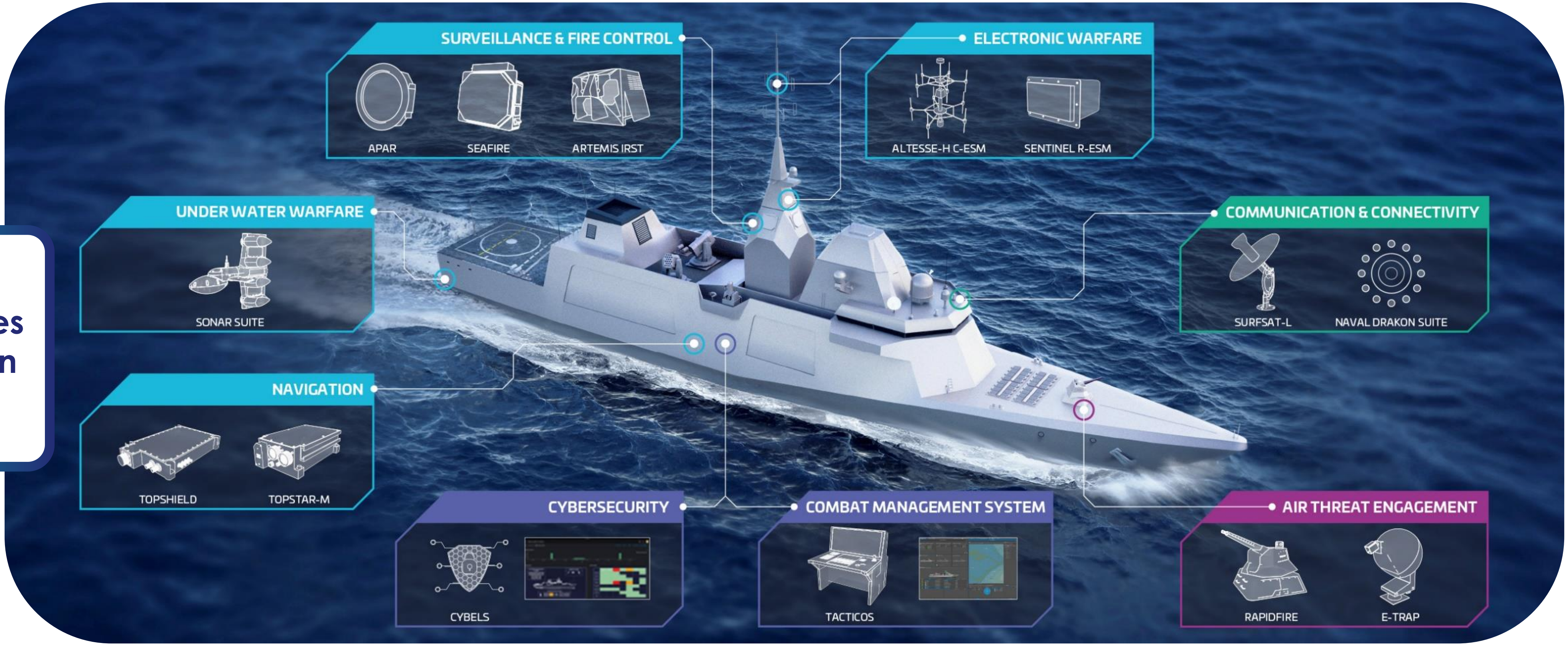



* in partnership with Dassault Aviation

SENSORS → COMMUNICATIONS → MISSION SYSTEMS → EFFECTORS

# Ensuring Naval superiority

~20%
**Share of Thales equipment on naval platforms**




SENSORS → COMMUNICATIONS → MISSION SYSTEMS → EFFECTORS

# Contributing to airspace sovereignty with SAMP/T NG

## World-class air defence system

**that offers state-of-the-art long range air defence with unique detection and tracking capability**

## Air sovereignty & protection

**against all current and future threats:** aircraft, helicopter, UAV, cruise and hypervelocity missiles

## Thales supplies

**>50% of the system:** GroundFire 300 radar, C2 system
**~10% of the missile:** seekers of the Aster 30 B1NT missiles

**360°/90° coverage**

**Extensive interoperability and NATO standards**

**High firepower**
**Low manning**
**Fast encamp decamp**

**24/7 operation**

***First export success in 2025:***
***SAMP/T NG system selected by Danish MoD***

# Cyber & Digital (CDI) segment: identity card

## > A global leader

- > #1 in Data Security in Europe
- > #1 Digital Identity worldwide

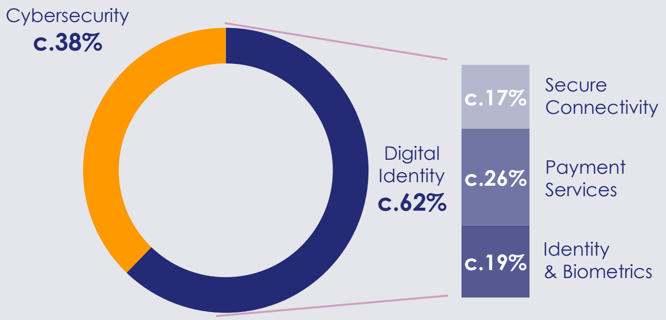
## > ~16,800 employees
in **56** countries

**Main industrial footprint**
France, USA, Singapore, Mexico

**> €3.9bn** 2025 Sales

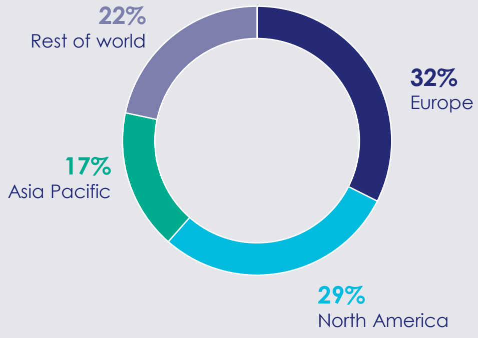
**> 13.7%** 2025 Adjusted EBIT margin

### Sales by solutions

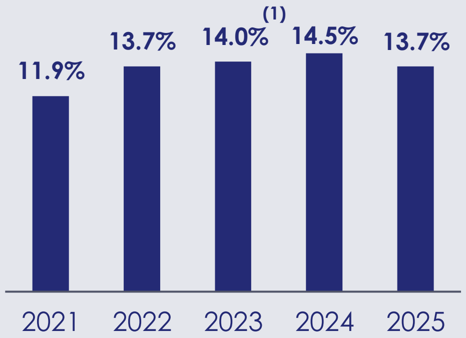



### Organic sales growth


### Sales by region




### Adjusted EBIT margin




(1) Restated post Cyber civil activities transfer

# A global cybersecurity leader in a new league since 2024

- **Solid positions in key products and services markets**
- **5,800+ cybersecurity experts**
- **>10% of Thales employees**

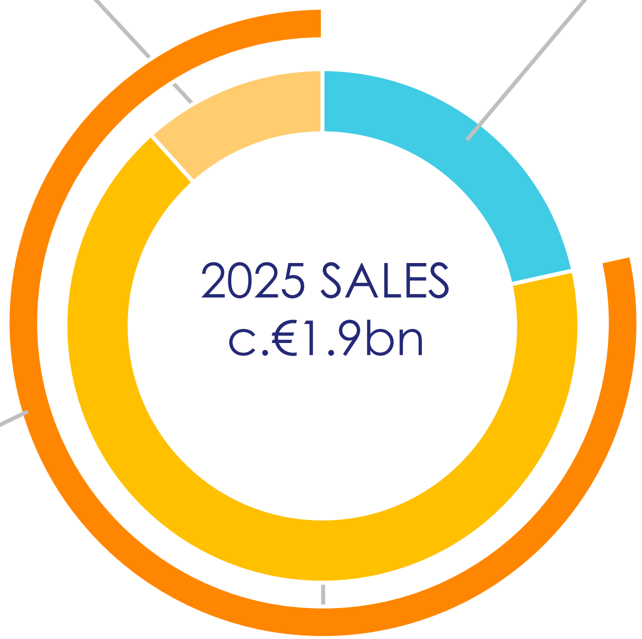
**PREMIUM SERVICES**

- Threat & risk evaluation
- Training & simulation
- Detection & response
- Integration projects
- Double-digit growth
- Single-digit margin

**CYBER DEFENCE** - ***Reported in Defence***

**SOVEREIGN PRODUCTS**

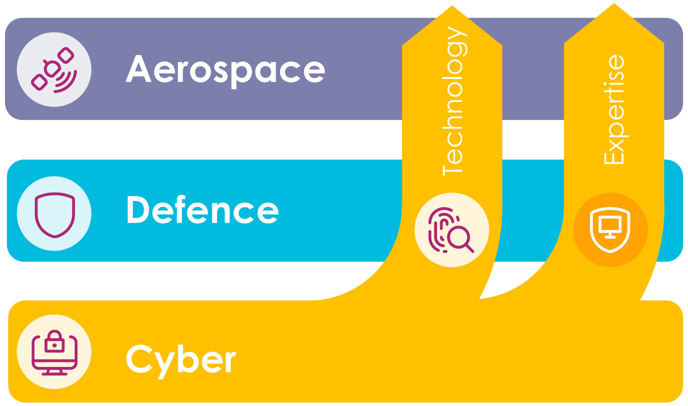
- High assurance products & technologies
- Trusted by key countries and international organisations (NATO, EU)
- Single digit growth
- Double digit margin




**CYBER**
From 2025, is reported separately from DIGITAL

**GLOBAL PRODUCTS***

Rule of "30" =
Low double-digit topline growth
+ high teens Adjusted EBIT




**ENABLER ACROSS ALL THALES BUSINESSES**

* Including Imperva.

# Cybersecurity Global Products: Thales provides a broad range of capabilities to help achieve a stronger data security posture

## IDENTITIES

- Customer Identity & Access Management
- Workforce Identity & Access Management
- Broad Range of Authenticators

## DATA SECURITY PLATFORM

### CONTROL + VISIBILITY

- Encryption
- Tokenization
- Key & Secrets Management
- Hardware Security Modules
- Data Access Monitoring
- Data Discovery & Classification
- Data Governance
- Threat Detection

## APPLICATIONS

- Web App. Firewall
- DDoS Protection
- Advanced Bot Protection
- API Security

Thales (dark blue) | Imperva (light blue)

# In summary, Thales, a global tech leader in Defence, Aerospace, and Cyber & Digital

>€25Bn revenues by 2028

Attractive employer for top talent

€5Bn annual R&D budget by 2028

100% premium and unique portfolio

Active portfolio management & capital allocation

Sustainability leader

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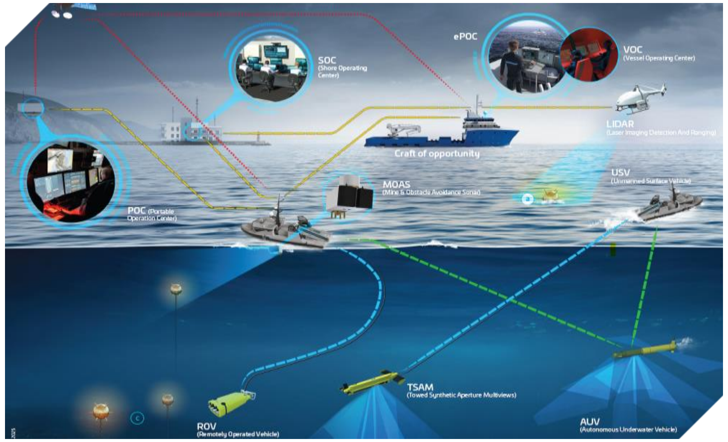
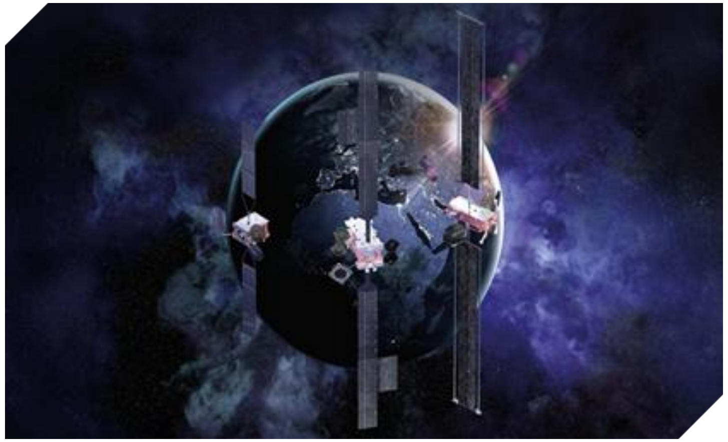
THALES
Building a future we can all trust

# Q1 2026 highlights



## > Strong start to the year with a robust Q1

- > Order intake up sharply driven by continuous high level of demand for Thales' products and solutions
- > HSD sales organic growth, with a strong quarter in Defence

## > Elevating Defence with AI-powered offers

- > **SkyDefender**, a multi-layer and multi-domain air defence system
- > **Expeditionary PathMaster**, a turnkey system to conduct full naval mine countermeasure missions

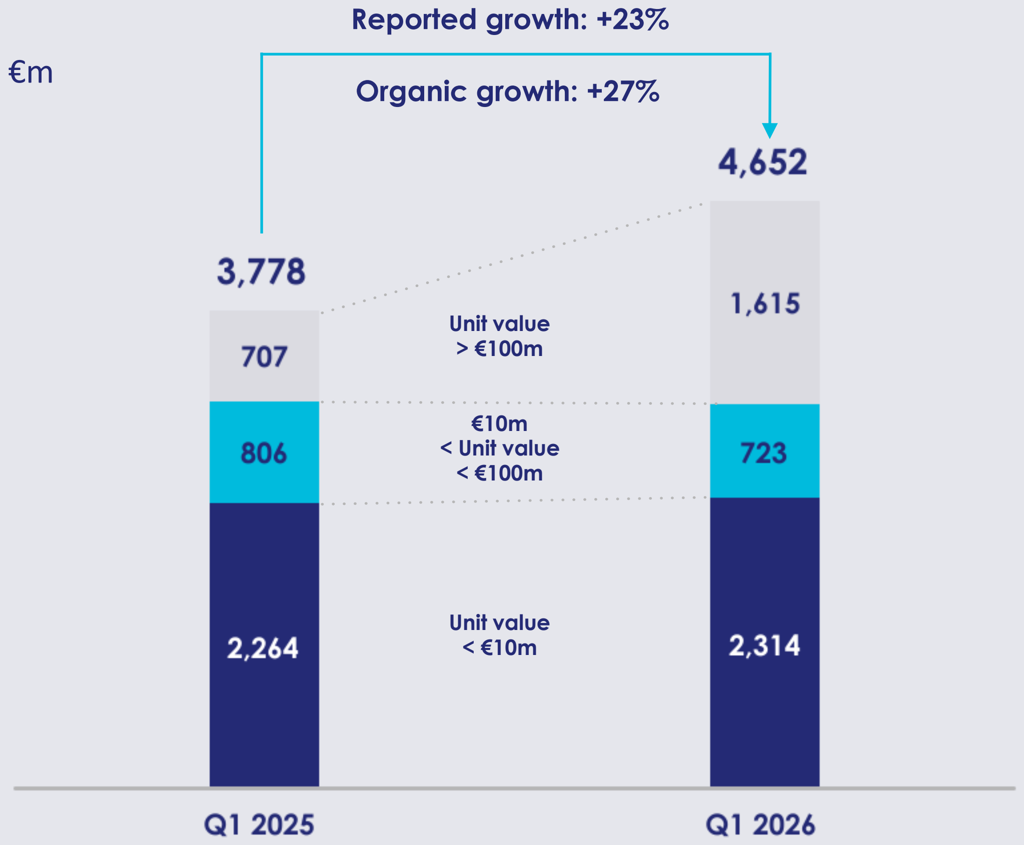
## > Thales, a trusted partner for Space sovereignty

- > Thales Alenia Space will supply a **defence geostationary communications satellite** to Luxembourg

# Q1 2026 order intake

- > **Strong growth in order intake driven by large contracts**
- > **7 large orders[a] booked in Q1 2026 for €1.6bn vs 5 in Q1 2025**
  - > 2 in Space, of which a new defence geostationary communications satellite for Luxembourg
  - > 5 in Defence, including the SAMP/T NG for Denmark and an air surveillance contract for Qatar
- > **High granularity of order intake**
- > **Strong demand across Europe and Middle-East**

## Order intake by contract unit value




a. *With a unit value over €100m*

# Q1 2026 sales growth

## > Robust organic sales growth in Q1, up +9.7%

- > Aerospace: +5.9%
- > Defence: +14.3%
- > Cyber & Digital: +2.0%

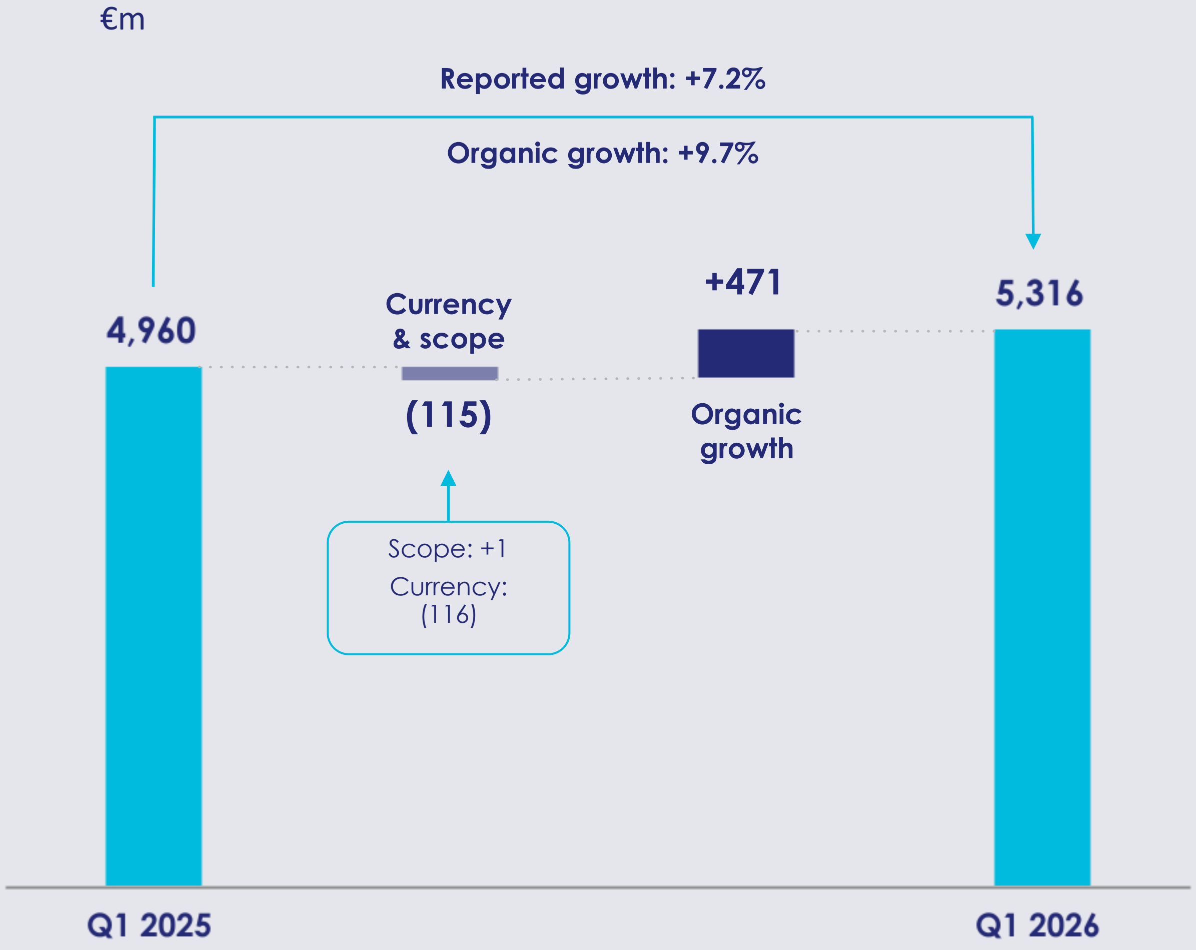
## > Both mature and emerging markets contributing to strong sales growth

- > Europe: +11.8%
- > Australia & New Zealand: +14.3%
- > Middle-East: +29.8%

## > Scope and currency impact

- > Minor scope impact
- > Material currency impact mainly due to EUR/USD evolution year-on-year

## > Q1 sales growth drivers



# Aerospace: Q1 2026 key figures

| €m | Q1 2026 | Q1 2025 | Change Total | Change Organic |
|---|---|---|---|---|
| Order intake | 1,522 | 1,530 | (1)% | +1% |
| Sales | 1,384 | 1,342 | +3.2% | +5.9% |

## > Order intake maintained at a solid level

- > Two large orders booked in Space offsetting the absence of large orders in Avionics in Q1 2026

## > Robust sales organic growth

- > Continued growth in Avionics on a high comparison basis
- > Solid growth in Space, notably driven by orders from 2024 and 2025 contributing to sales

## > Total sales growth impacted by FX

# Defence: Q1 2026 key figures

| €m | Q1 2026 | Q1 2025 | Change Total | Change Organic |
|---|---|---|---|---|
| **Order intake** | **2,240** | **1,306** | +71% | +75% |
| **Sales** | **3,047** | **2,691** | +13.2% | +14.3% |

## > Solid start to the year

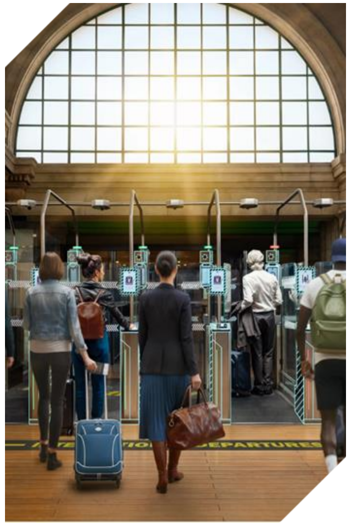
- > 5 large orders booked in Q1 2026 vs. 1 in Q1 2025
- > Continuous commercial momentum across the portfolio
- > Thales' capabilities more relevant than ever in the current context (air defence, mine hunting)

## > Robust sales organic growth

- > Solid growth supported by further deliveries leveraging recent production ramp-up
- > Sustained momentum across most segments

# Cyber & Digital: Q1 2026 key figures

| €m | Q1 2026 | Q1 2025 | Change Total | Change Organic |
|---|---|---|---|---|
| **Sales** | **859** | **897** | (4.2)% | +2.0% |
| o/w Cyber | 323 | 351 | (8.0)% | (1.3)% |
| o/w Digital Identity | 536 | 545 | (1.7)% | +4.1% |



> **LSD[a] growth for Cyber & Digital in Q1**
- Cyber: slow start to the year as anticipated with a gradual recovery expected throughout the year
- Digital Identity: sales up organically driven by Digital solutions

> **Total sales growth impacted by FX**

a. *Low single-digit*

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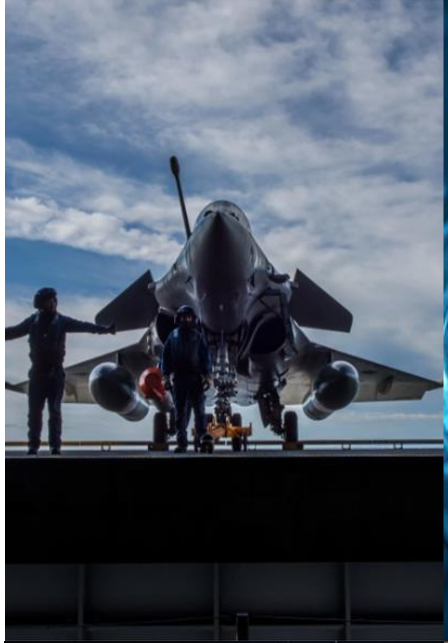
# Full-Year 2025 highlights

## Results

- Another year of strong order intake, supported by continued sustained momentum in all Thales' businesses
- Sales growth accelerated, outpacing guided range
- Robust improvement in profitability vs. last year
- Outstanding Free operating cash-flow generation
- All 2025 financial targets achieved or exceeded

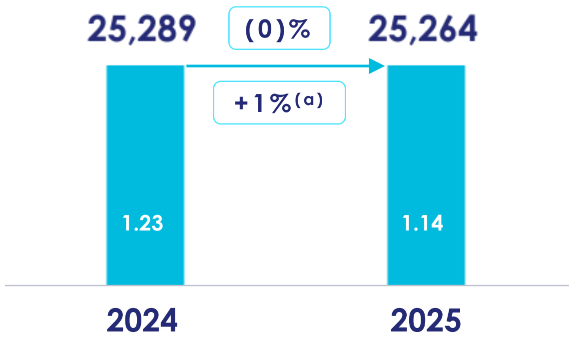
## Key strategic achievements

- Further ramp-up in production capacity to capture increased Defence spending and support our clients' ramp-up
- R&D at the heart of Thales' technological leadership, new achievements in 2025
- Signature of a MoU with Airbus and Leonardo to create a leading European player in Space

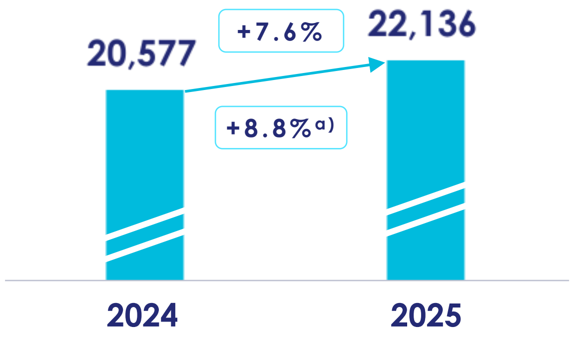



# 2025 key figures

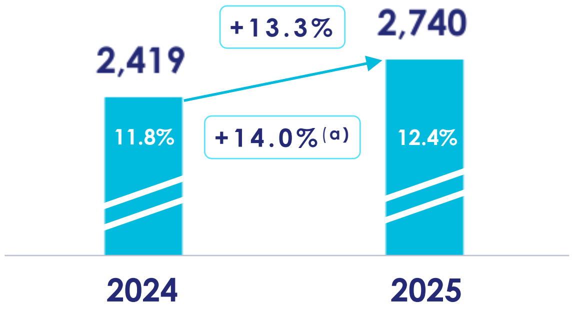
## Order intake and book-to-bill (€m)



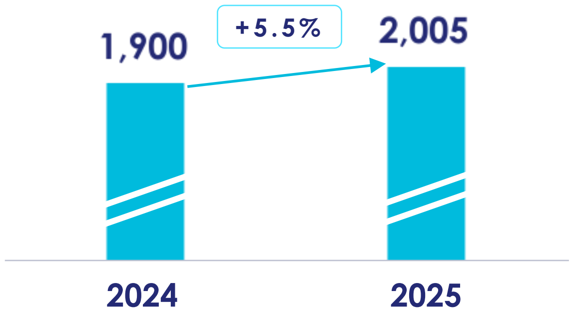

## Sales (€m)



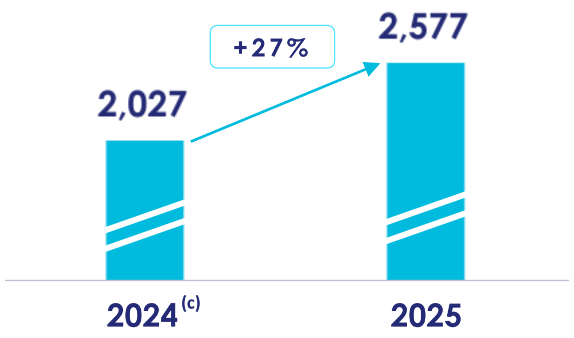

## Adjusted EBIT[b] (€m and %)



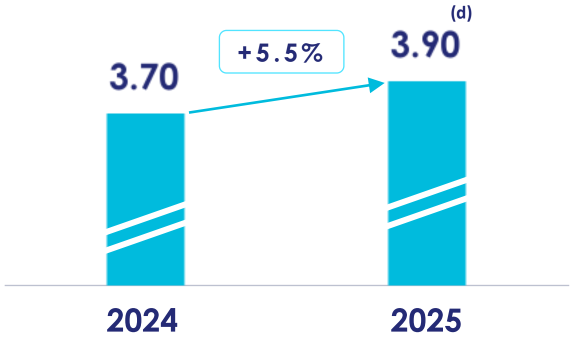

## Adjusted net income, Group share[b] (€m)




## Free operating cash-flow[b] (€m)




## Dividend (€)




a. *Organic: at constant scope and exchange rates.*
b. *The definition of all non-GAAP measures can be found in appendix.*
c. *On the scope of continued activities, Free operating cash-flow amounted to €2,142m in 2024.*
d. *Proposed to the 12th May 2026 Annual General Meeting*

# 2025 order intake

## 2025 order intake maintained at record level

- 14 large[(a)] orders booked in Q4 2025
- 28 large[(a)] orders booked in 2025

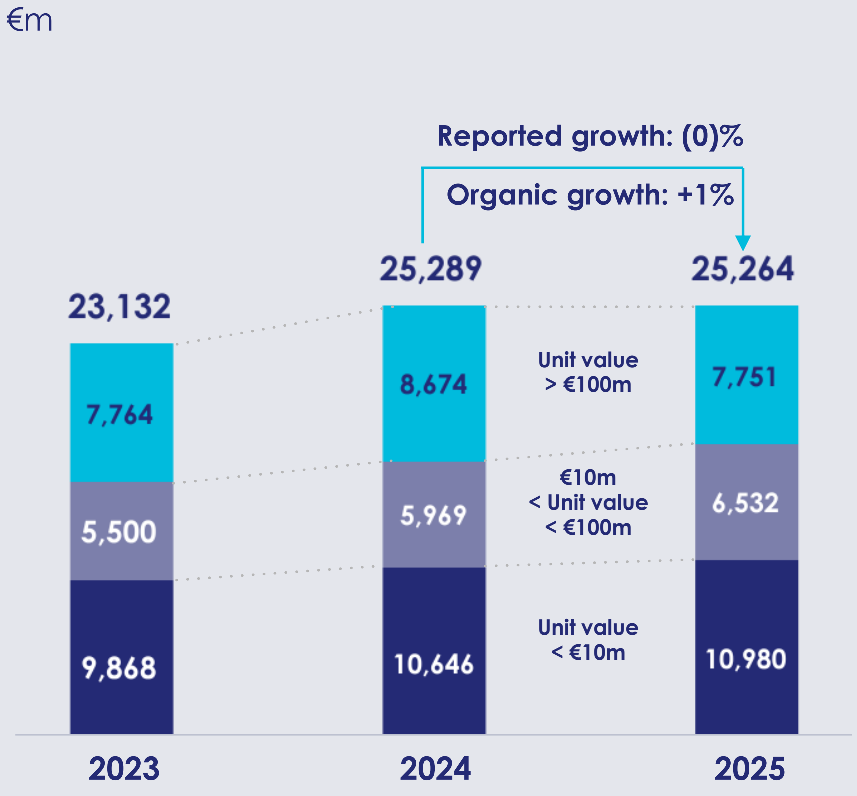
## 2025 book-to-bill of 1.14, and 1.17 excluding Cyber & Digital, whose book-to-bill is structurally equal to 1

## All businesses seeing strong momentum:

- 20 large orders in Defence, with solid traction from Air Defence
- 8 large orders in Aerospace, of which 5 in Space and 3 in Avionics

## Ongoing positive trend for orders between €10m and €100m and orders below €10m

**Order intake by contract unit value**




a. *With a unit value over €100m*

# 2025 sales growth

## Remarkable organic sales growth at +8.8%

- Defence sales up double digit organically
- Aerospace up high-single digit, both Avionics and Space contributing
- Cyber & Digital slightly negative, in line with latest expectations

## Both mature and emerging markets contributing to sales performance

- Emerging markets: +12.9%
- Mature markets: +7.8%

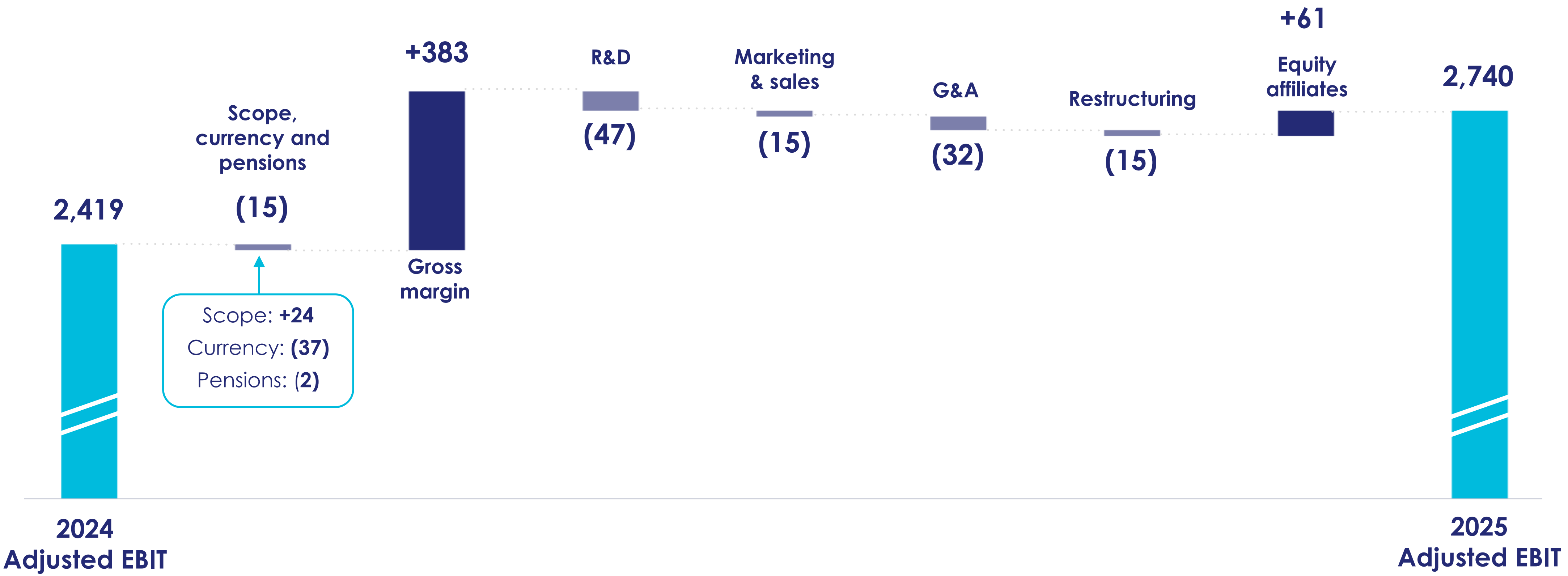
## Scope and currency impact

- Scope impact resulting mainly from Cobham Aerospace Communications acquisition in April 2024
- Significant negative currency impact in Q4, as expected, leading to a ~1.5 pt headwind on 2025 sales reported growth

**Drivers of sales change**

# 2024 to 2025 Adjusted EBIT bridge

€m




*Note: The definition of all non-GAAP measures can be found in appendix.*

# Aerospace: 2025 key figures

| €m | 2025 | 2024 | Change | |
|---|---|---|---|---|
| | | | Total | Organic |
| **Order intake** | **6,122** | **6,434** | *(5)%* | *(5)%* |
| **Sales** | **5,910** | **5,471** | *+8.0%* | *+8.7%* |
| **Adjusted EBIT** | **560** | **391** | *+43.1%* | *+39.0%* |
| *in % of sales* | *9.5%* | *7.2%* | *+2.3 pts* | *+2.0 pts* |

## Solid underlying momentum in both Avionics and Space

- 2025 order intake facially down on the back of high comparison basis
- Continuous momentum in Avionics across most activities
- Space: 5 large[a] orders booked in 2025 (4 in Telco), major wins including an initial phase contract for IRIS²

## High-single digit organic sales growth

- Avionics sales up low double-digit, all activities contributing to growth both in civil and military domains
- Space sales up in 2025, mostly driven by OEN[b] activities

## Adjusted EBIT margin significantly up

- Further improvement in profitability in Avionics
- Space Adjusted EBIT recovered as expected

a. *With a unit value over €100m.* b. *Observation, Exploration & Science and Navigation*

# Defence: 2025 key figures

| €m | 2025 | 2024 | Change Total | Change Organic |
|---|---|---|---|---|
| **Order intake** | **15,128** | **14,723** | *+3%* | *+3%* |
| **Sales** | **12,234** | **10,969** | *+11.5%* | *+12.2%* |
| **Adjusted EBIT** | **1,619** | **1,432** | *+13.1%* | *+14.1%* |
| *in % of sales* | *13.2%* | *13.1%* | *+0.2 pts* | *+0.2 pts* |

## Order intake reaching new highs in 2025

- Book-to-bill standing at 1.24 in 2025, above 1.2 for the seventh year in a row
- Major wins in Air Defence in 2025, supported by stronger European collaboration

## Another year of double-digit sales organic growth

- Further production and deliveries ramp-up driving robust growth across portfolio
- Full year organic growth exceeding expectations after excellent execution throughout the year

## Adjusted EBIT margin maintained at robust level

# Cyber & Digital: 2025 key figures

| €m | 2025 | 2024 | Change | |
|---|---|---|---|---|
| | | | Total | Organic |
| **Sales** | **3,852** | **4,024** | *(4.3)%* | *(0.9)%* |
| o/w Cyber | 1,455 | 1,566 | *(7.1)%* | *(3.8)%* |
| o/w Digital Identity | 2,397 | 2,457 | *(2.5)%* | *+1.0%* |
| **Adjusted EBIT** | **526** | **585** | *(10.1)%* | *(7.2)%* |
| *in % of sales* | *13.7%* | *14.5%* | *(0.9) pts* | *(0.9) pts* |
| o/w Cyber | 225 | 238 | *(5.3)%* | *+0.9%* |
| o/w Digital Identity | 301 | 347 | *(13.3)%* | *(12.4)%* |

**Sales broadly flat organically in 2025**

- Cyber Products back to growth in Q4, paving the way for further growth in 2026 in a vigorous market
- Cyber Services sales down double digit over the year, hampered by soft market in Australia
- Digital Identity sales slightly up in 2025, with digital solutions driving growth

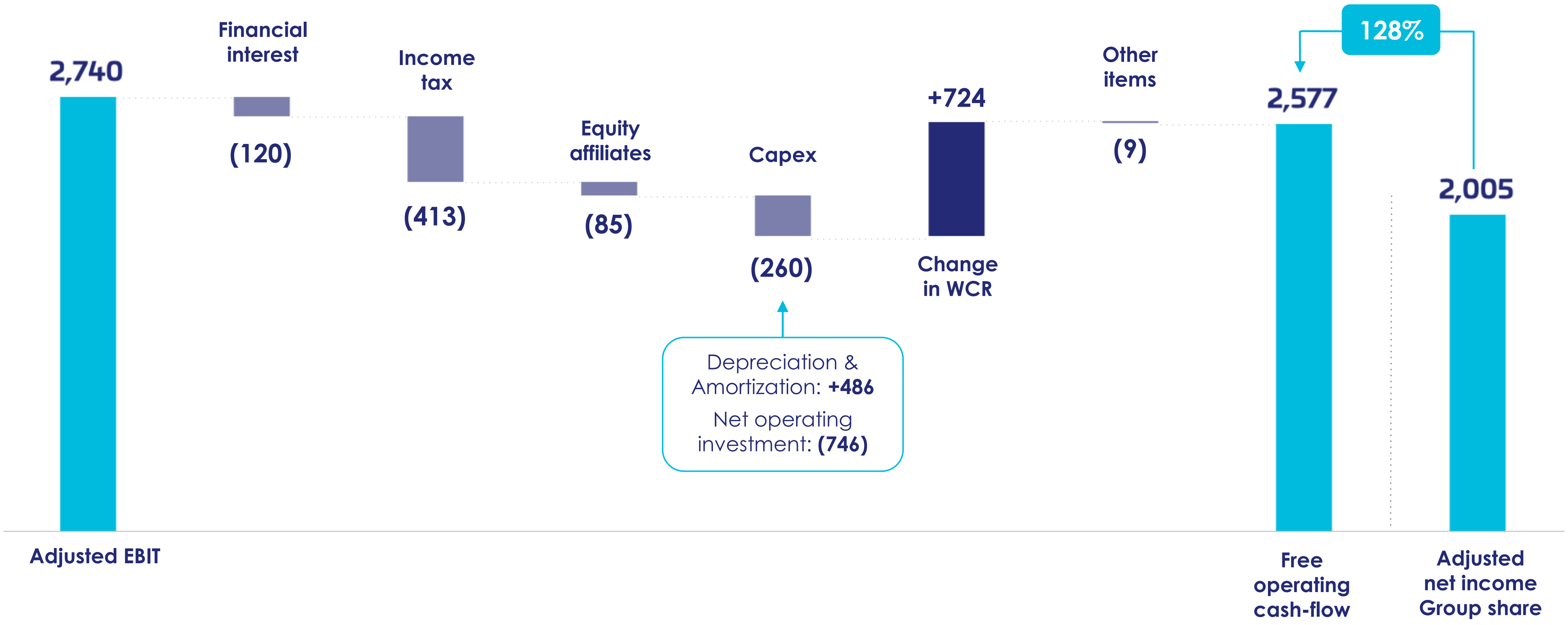
**Adjusted EBIT margin resisted in a context of revenue decrease, thanks to efficient cost management in Cyber and positive one-off items in Digital Identity**

# Summary adjusted P&L: from Adjusted EBIT to Adjusted net income

| *€m* | 2025 | 2024 |
|---|---|---|
| **Adjusted EBIT** | **2,740** | **2,419** |
| Cost of net financial debt and other financial results | (144) | (131) |
| Finance costs on pensions and other employee benefits | (56) | (49) |
| Income tax | (561) | (427) |
| *Effective tax rate* | *24.1%* | *20.4%* |
| Adjusted net income from discontinued operations | N/A | 21 |
| **Adjusted net income** | **1,979** | **1,833** |
| Minorities | 26 | 67 |
| **Adjusted net income, Group share** | **2,005** | **1,900** |
| **Adjusted net income, Group share, per share (in €)** | **9.76** | **9.24** |
| Temporary additional corporate tax in France | (75) | N/A |
| **Adjusted net income, Group share** excluding temporary additional corporate tax in France | **2,080** | **1,900** |

# Cash conversion: from Adjusted EBIT to Free Operating Cash Flow

2025, €m



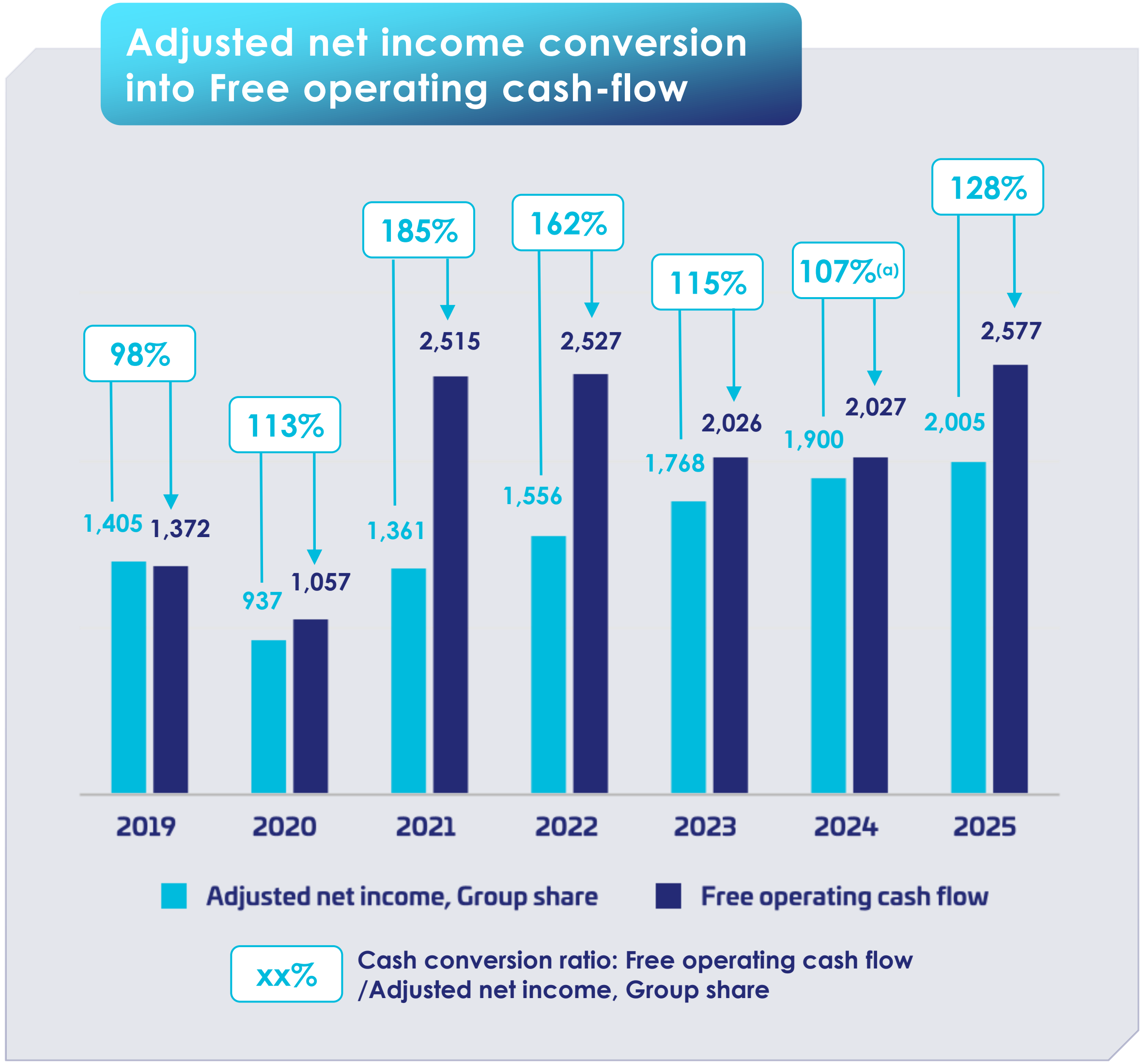

*Note: The definition of all non-GAAP measures can be found in appendix.*

# Remarkable cash conversion in 2025

- **Cash conversion at 128% in 2025, ahead of expectations**
  - Strong momentum of order intake throughout the year
  - Positive outcome of stocks optimization action plan

- **2026 conversion ratio expected at 95%-100%**

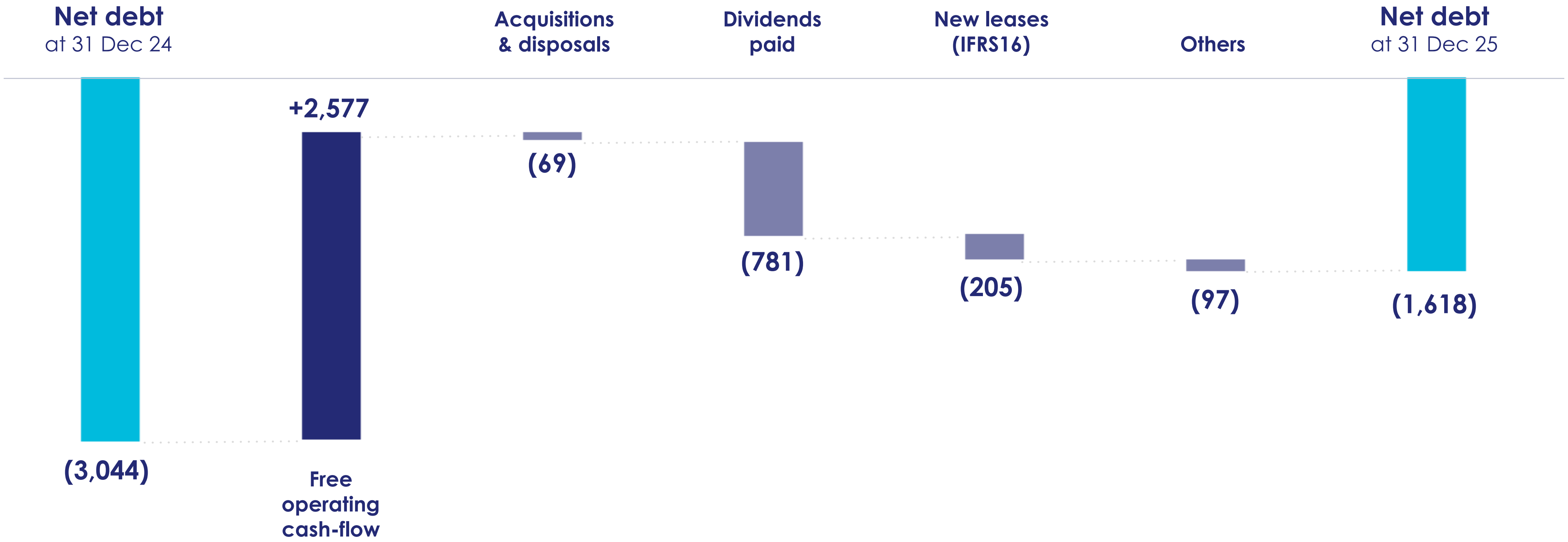
- **Confidence to achieve high-end of guidance range of 95% to 105% on average over 2024-28**




a. *On the scope of continued activites , the cash conversion ratio stood at 114% in 2024.*

# Movement in net debt over 2025

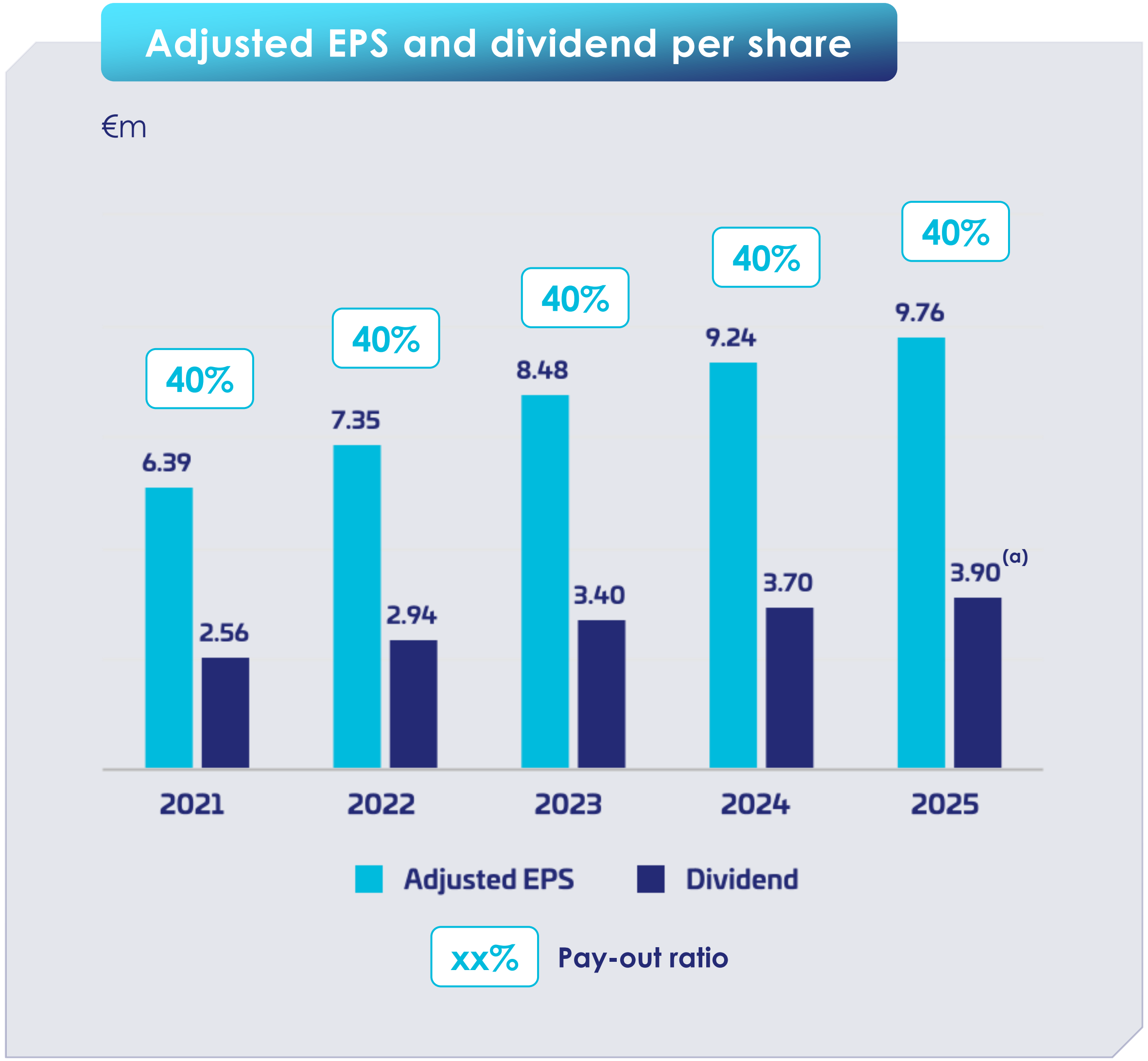
€m



# Adjusted EPS and dividend

- **Steady and continued increase of Adjusted EPS since 2021**

- **Proposed 2025 dividend up +5.5% at €3.90 per share[a]**
  - Pay-out ratio at 40%, in line with capital allocation policy




a. *Subject to approval by the 12th May 2026 Annual General Meeting*

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THALES
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# Thales is a unique player, present in market with strong growth and long term visibility

| |  Defence |  Aerospace |  Cyber & Digital |
|---|---|---|---|
| **GROWTH DRIVERS** | • Global geopolitical instability and multiplication of conflict zones<br>• Defence budgets increases | • Air traffic growth and commercial fleet renewal<br>• Expanding applications and rising government investments in Space | • Mounting cyber threats and digitalization of the economy<br>• Increase in cybersecurity needs and in digital solutions |
| **DIFFERENTIATORS** | • Cutting-edge products and systems, augmented with AI<br>• Uniquely positioned at the heart of European rearmament | • Diversified portfolio ready to address future "*green, digital and connected*" aircraft<br>• Complete Space portfolio, ready for growth | • World-class Cyber products and SaaS shift<br>• Digital activities ideally positioned for Cloud migration |

# Strategic priorities

## 1 LEVERAGE PREMIUM PORTFOLIO TO DELIVER GROWTH

- Maintained leadership on growing markets
- Resilient business model
- Active portfolio management

## 2 REINFORCE PREMIUM POSITIONING

- Combined delivery excellence & innovation
- Value creation for Thales and customers
- Leveraging enabling technologies

## 3 DIFFERENTIATE THROUGH TECHNOLOGY

- Embracing technology disruptions
- Staying ahead of the competition
- Acceleration in AI, sustained investments in quantum

## 4 REINFORCE EMPLOYER ATTRACTIVENESS

- Investment in our human capital
- Recruiting the best talent
- Becoming a *Learning Company*

## 5 STRENGTHEN OUR ESG LEADERSHIP

- Protecting our societies, people, and the planet
- Delivering on our ESG ambition

*Note: slide presented at the 2024 CMD.*

# 2026 Key priorities

## Group Focus

**Ramp-up and competitiveness**

- Scale-up production
- Operational excellence
- AI driving productivity

**Customer intimacy**

- Answer sovereign needs through localization
- At scale, AI-enhanced, combat-proven solutions

**1 CAPTURING PROFITABLE GROWTH**

## Segment Priorities

**2 RETURNING CYBER TO GROWTH**

**3 GEARING THE BROMO PROJECT FOR SUCCESS**

**4 EXPANDING AVIONICS OFFER ABOVE AND BEYOND**

# Outlook

| | 2026 | Mid-term | |
|---|---|---|---|
| | Financial objectives[a] | Targets set at 2024 CMD | Update |
| Order Intake | Book-to-bill above 1 | | |
| Organic sales growth | +6% to +7%<br>corresponding to<br>**€23.3 to €23.6 billion** | +5% to +7%<br>2024-28 CAGR | Confidence to achieve high-end of range |
| Adjusted EBIT margin | 12.6% to 12.8% | 13% to 14%<br>in 2028 | Well on track |
| FOCF conversion ratio | 95% to 100% | 95% to105%<br>average 2024-28 | Confidence to achieve high-end of range |

a. *Based on April 2026 scope and year to date average foreign exchange rates for Q1 2026 and an assumption of average EUR/USD at 1.18 for the remaining nine months of 2026 ; assuming no new major disruptions of macroeconomic and geopolitical context.*
b. *Non-GAAP measure: see definition in appendix.*

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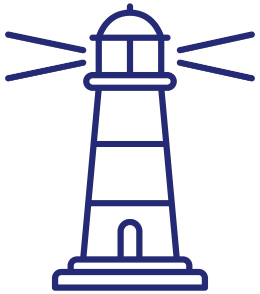
# Sustainability ambitions anchored in our purpose

## Our purpose

*"Building a future we can all trust"*



## Our ambitions

**Address major societal issues through our unique portfolio of solutions**

**Embed strong ESG commitments in all processes**

**Working to make the world safer, greener and more inclusive**

# Ambition to become an ESG leader, with a positive contribution to society and the environment

BUILDING A FUTURE WE CAN ALL TRUST

**Ambition**
Address major societal issues through our unique portfolio of solutions

## Safer

**Keep citizens safe in both physical and digital worlds**

## Greener

**Reduce the environmental impact of our customers**

## More inclusive

**Grant universal and unbiased access to ID and digital services**

**Action plan**
Strong ESG commitments

Safer:
- TrUE Artificial Intelligence
- Human rights policy
- No controversial weapons
- Zero tolerance for corruption
- Digital Ethics Charter

Greener:
- SBTi-validated 2030 carbon trajectory
- Energy efficient operations and sourcing of renewable energy
- Eco-design deployment at scale
- Action plans agreed with suppliers

More inclusive:
- Community engagement on STEM for ALL
- Ambitious gender action plan
- Zero tolerance for discrimination
- Inclusive working conditions
- ~30% of international leaders as part of the top management

# Focus on Defence: one of the most regulated global industries

## What we stand for

**Operating ethically**; selling our products and services responsibly

**Strict compliance with laws** of the countries and regions in which we operate

Core priority to **be proactive** with developing and sharing best practice; striving for continuous improvement

### Strict export controls

Committed and certified to stringent export control regulations

Processes integrated in day-to-day business through training, audit, and focus on continuous improvement

### Zero-tolerance on corruption

Clearly defined policy, shared with all employees and audited regularly

ISO 37001 certification


### Involvement in nuclear and controversial weapons

White phosphorous fully phased out since June 2022

Thales not designing, producing or selling nuclear weapons
French nuclear missile program: < 0.1% of group sales

TrUE² AI

### Making AI trustworthy

Transparent, Understandable, Ethical and environmentally-friendly AI - putting humans at the center

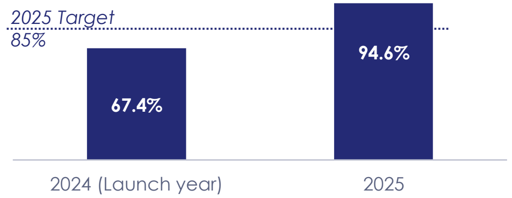
# Continuous progress in CSR performance

*2025 priorities*

**SOCIETY**

## Enhance employees' awareness on climate change

**Thales Climate Passport training***
% of managers having completed the 4-hour training



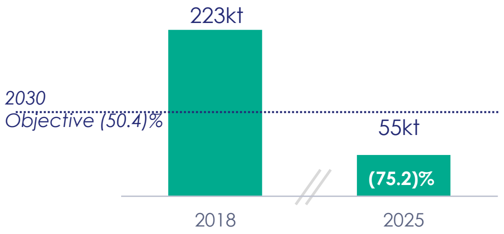

* 50,120/52,984 having completed the training.

**Ahead of plan**

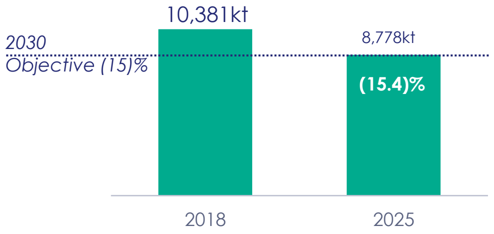
**PLANET**

## Accelerate reduction of carbon emissions

**Absolute Scopes 1 & 2 $CO_2$ emissions**




**Absolute Scope 3 $CO_2$ emissions**

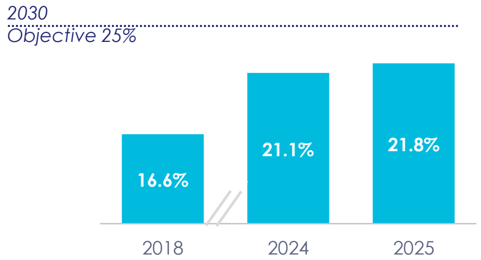



**Ahead of plan**

**PEOPLE**

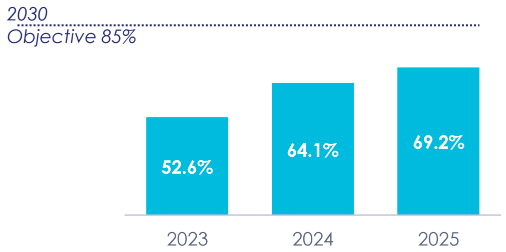
## Improve gender balance across senior management

**Women in Senior Mgt positions****




** Percentage of women in total workforce: 27.6%.

**Mgt Committees with 4+ women**




**On plan**

À jour

# A performance recognised externally with improved ratings

2030 OBJECTIVES

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**Inclusion in CAC SBTI 1.5 index**

CDP DISCLOSURE INSIGHT ACTION A LIST

CLIMATE

**Top ~2% out of 22,700 assessed**

GOLD | Top 5% ecovadis Sustainability Rating AUG 2025

83/100

98th percentile

**Top 2% of 500,000 companies assessed**

CLASSEMENT RSCE CAC 40

Okay Doc OKAYDOC.FR

Maddyness

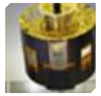
**#1 CAC 40**

EURONEXT

**Inclusion in CAC 40 ESG index**

# Appendix

# A strong set of focused businesses (1/2)

| Segment | Sub-segment | | Civil | Military | 2025 sales (€bn) | Market position |
|---|---|---|---|---|---|---|
| Aerospace<br>*27% of 2025 sales* | **Flight avionics**[a]<br>including cockpit avionics, communications, electrical systems, training and simulation |   | ✓ | ✓ | ~2.6 | #3 worldwide<br>(flight avionics) |
| | **Connected in-flight entertainment (IFE)**[a] |   | ✓ | | ~0.6 | #2 worldwide |
| | **Microwave tubes**<br>for satellite, medical, scientific and military applications |  | ✓ | ✓ | ~0.4 | #1 worldwide |
| | **Space solutions**<br>for telecom, observation, navigation and exploration |   | ✓ | ✓ | ~2.3 | #2 worldwide<br>(civil satellites) |
| Defence<br>*56% of 2025 sales* | **Sensors**<br>including radars, sonars, optronics |   | ✓ | ✓ | ~5.2 | #1 in Europe |
| | **Mission systems**<br>including mission systems for aircraft, ships and submarines |   | ✓ | ✓ | ~2.9 | #1 in Europe |
| | **Communications**<br>including military communications and networks, military command and control systems (C4I), and homeland security solutions |   | ✓ | ✓ | ~2.8 | #2 worldwide<br>(military tactical communications) |
| | **Effectors**<br>including missiles and armored military vehicles |   | | ✓ | ~1.3 | |

(a) Including aftermarket

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# A strong set of focused businesses (2/2)

| Segment | Sub-segment | Civil | Military | 2025 sales (€bn) | Market position |
|---|---|---|---|---|---|
| Cyber & Digital<br>*17% of 2025 sales* | **Cyber**<br>including products (Data Security, Application Security, Identity & Access Management) and services   | ✓ | | ~1.5 | Top 5 player worldwide |
| | **Digital Identity**<br>including secure connectivity, payment services and identity & biometrics   | ✓ | | ~2.4 | #1 in Data Identity |

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# Q1 2026 order intake by operating segment

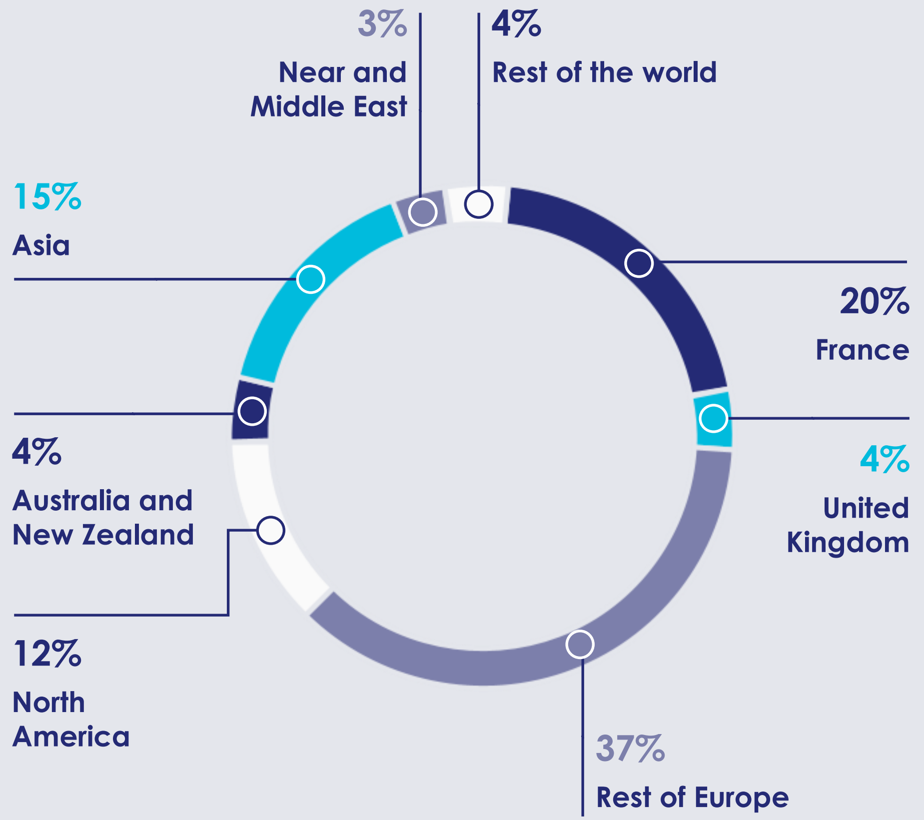
| €m | Q1 2026 | Q1 2025 | Change Total | Change Organic |
|---|---|---|---|---|
| Aerospace | 1,522 | 1,530 | *(1)%* | *+1%* |
| Defence | 2,240 | 1,306 | *+71%* | *+75%* |
| Cyber & Digital | 857 | 918 | *(7)%* | *(1)%* |
| Other | 34 | 24 | | |
| **Total** | **4,652** | **3,778** | ***+23%*** | ***+27%*** |

# Q1 2026 sales by operating segment

| €m | Q1 2026 | Q1 2025 | Change Total | Change Organic |
|---|---|---|---|---|
| Aerospace | 1,384 | 1,342 | +3.2% | +5.9% |
| Defence | 3,047 | 2,691 | +13.2% | +14.3% |
| Cyber & Digital | 859 | 897 | (4.2)% | +2.0% |
| Other | 25 | 31 | | |
| **Total** | **5,316** | **4,960** | **+7.2%** | **+9.7%** |

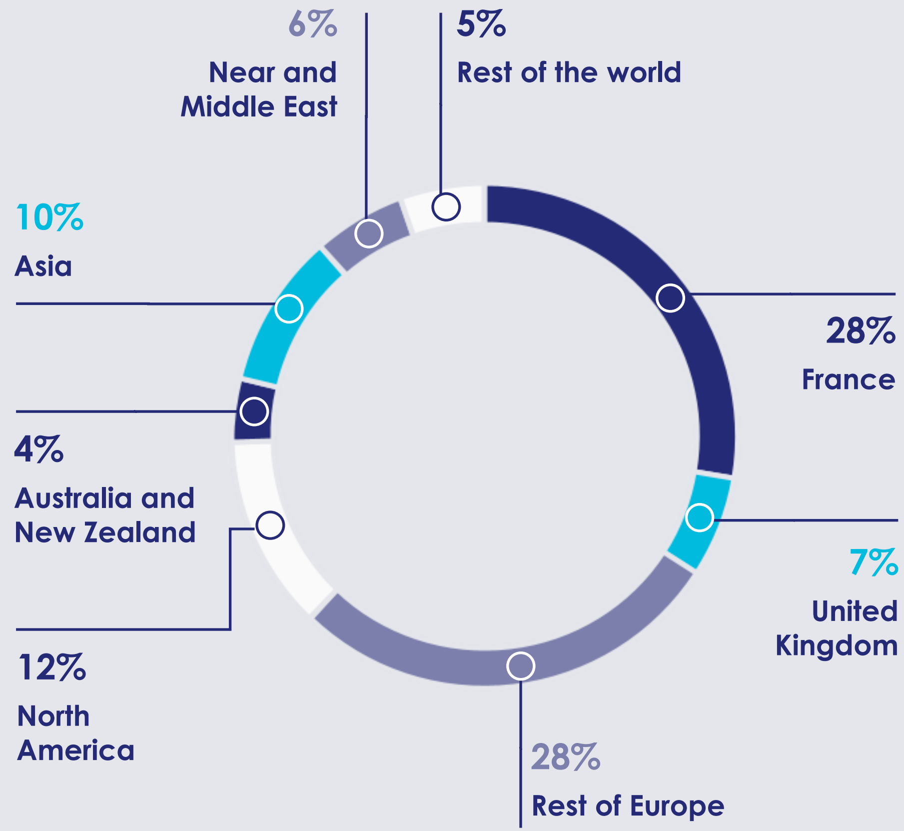
# 2025 order intake by destination

| *In € millions* | FY 2025 | FY 2024 | Change Total | Change Organic |
|---|---|---|---|---|
| France | 5,133 | 6,229 | *(18)%* | *(18)%* |
| United Kingdom | 989 | 1,682 | *(41)%* | *(41)%* |
| Rest of Europe | 9,224 | 7,292 | *+26%* | *+26%* |
| **Europe** | **15,345** | **15,203** | ***+1%*** | ***+1%*** |
| North America | 3,083 | 2,796 | *+10%* | *+13%* |
| Australia / NZ | 1,062 | 1,011 | *+5%* | *+12%* |
| **Mature markets** | **19,490** | **19,010** | ***+3%*** | ***+3%*** |
| Asia | 3,892 | 2,990 | *+30%* | *+32%* |
| Middle East | 851 | 2,263 | *(62)%* | *(62)%* |
| Rest of the world | 1,031 | 1,027 | *+0%* | *+5%* |
| **Emerging markets** | **5,774** | **6,279** | ***(8)%*** | ***(6)%*** |
| **Total** | **25,264** | **25,289** | ***(0)%*** | ***+1%*** |



# 2025 sales by destination

| In € millions | FY 2025 | FY 2024 | Change Total | Change Organic |
|---|---|---|---|---|
| France | 6,125 | 5,932 | +3.3% | +3.0% |
| United Kingdom | 1,434 | 1,355 | +5.8% | +7.1% |
| Rest of Europe | 6,208 | 5,155 | +20.4% | +20.4% |
| **Europe** | **13,767** | **12,442** | **+10.6%** | **+10.7%** |
| North America | 2,750 | 2,921 | (5.8)% | (3.5)% |
| Australia / NZ | 911 | 940 | (3.1)% | +3.3% |
| **Mature markets** | **17,429** | **16,303** | **+6.9%** | **+7.8%** |
| Asia | 2,194 | 1,977 | +11.0% | +13.3% |
| Middle East | 1,310 | 1,210 | +8.2% | +10.4% |
| Rest of the world | 1,203 | 1,086 | +10.8% | +14.7% |
| **Emerging markets** | **4,707** | **4,273** | **+10.2%** | **+12.9%** |
| **Total** | **22,136** | **20,577** | **+7.6%** | **+8.8%** |



# Summary adjusted P&L: from sales to Adjusted EBIT

| | 2025 | | 2024 | | Change | |
|---|---|---|---|---|---|---|
| | *€m* | *% of sales* | €m | % of sales | Total | Organic |
| **Sales** | **22,136** | | **20,577** | | **+7.6%** | **+8.8%** |
| Gross margin | 6,293 | 28.4% | 5,947 | 28.9% | +5.8% | +6.5% |
| Indirect costs | (3,634) | (16.4)% | (3,557) | (17.3)% | (2.2)% | (2.7)% |
| *o/w R&D expenses* | *(1,328)* | *(6.0)%* | *(1,274)* | *(6.2)%* | *(4.2)%* | *(3.7)%* |
| *o/w Marketing & Sales expenses* | *(1,582)* | *(7.1)%* | *(1,590)* | *(7.7)%* | *0.5%* | *(0.9)%* |
| *o/w General & Administrative expenses* | *(725)* | *(3.3)%* | *(693)* | *(3.4)%* | *(4.6)%* | *(4.7)%* |
| Restructuring costs | (132) | | (118) | | (11.7)% | (12.9)% |
| Share in net result of equity-accounted affiliates, excluding Naval Group | 120 | | 54 | | | |
| **Adjusted EBIT, excluding Naval Group** | **2,646** | **12.0%** | **2,326** | **11.3%** | **+13.8%** | **+14.5%** |
| Share in net result of Naval Group | 94 | | 93 | | | |
| **Adjusted EBIT** | **2,740** | **12.4%** | **2,419** | **11.8%** | **+13.3%** | **+14.0%** |

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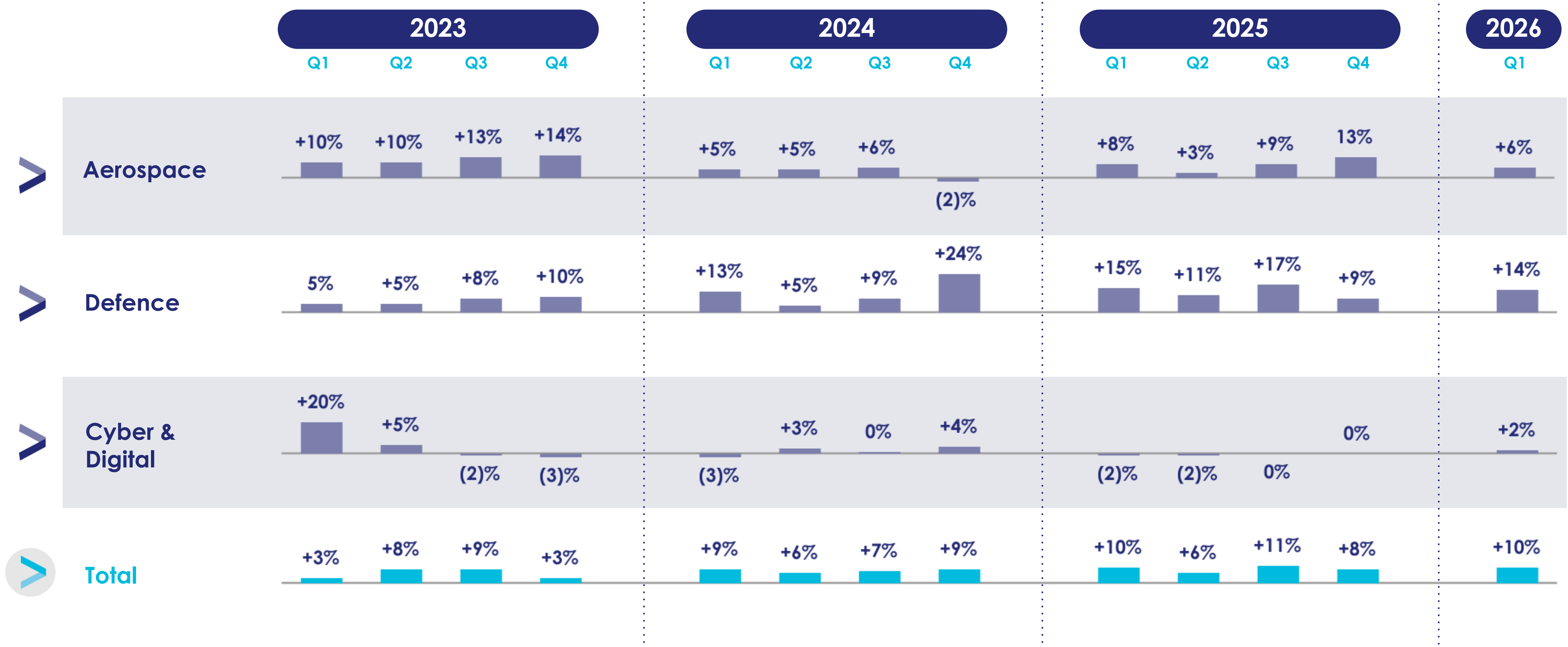
# Adjusted EBIT by operating segment

| €m / % of sales | 2025 | | 2024 | | Change | |
|---|---|---|---|---|---|---|
| | | | | | Total | Organic |
| Aerospace | **560** | **9.5%** | 391 | 7.2% | +43.1% | +39.0% |
| Defence | **1,619** | **13.2%** | 1,432 | 13.1% | +13.1% | +14.1% |
| Cyber & Digital | **526** | **13.7%** | 585 | 14.5% | (10.1)% | (7.2)% |
| **Adjusted EBIT - operating segments** | **2,705** | **12.3%** | **2,408** | **11.8%** | **+12.3%** | **+13.1%** |
| Other | (59) | | (83) | | | |
| **Adjusted EBIT - excluding Naval Group** | **2,646** | **12.0%** | **2,326** | **11.3%** | **+13.8%** | **+14.5%** |
| Naval Group | 94 | | 93 | | | |
| **Adjusted EBIT - total** | **2,740** | **12.4%** | **2,419** | **11.8%** | **+13.3%** | **+14.0%** |

# Organic sales growth per quarter



# Definition of non-GAAP measures and other remarks

## > Rounding of amounts in euros

In the context of this presentation, the amounts expressed in millions of euros are rounded to the nearest million. As a result, the sums of the rounded amounts may differ very slightly from the reported totals. All ratios and variances are calculated based on underlying amounts, which feature in the consolidated financial statements.

## > Definitions

- **Organic**: at constant scope and exchange rates;
- **Book-to-bill ratio**: ratio of orders received to sales;
- **Mature markets**: all countries in Europe excluding Russia and Turkey, North America, Australia and New Zealand;
- **Emerging markets**: all other countries, i.e. Near and Middle East, Asia, Latin America and Africa.

## > Non-GAAP measures

In order to facilitate the monitoring and benchmarking of its financial and operating performance, the Group presents three key non-GAAP indicators, which exclude non-operating and/or non-recurring items. They are determined as follows:

- **Adjusted EBIT:** income from operations; plus the share in net income of equity affiliates, excluding (i) expenses related to business combinations (amortization of assets valued as part of the purchase price allocation, other expenses directly linked business combinations) (ii) the impact of changes in the Thales share price on the expense recognized in the income statement in respect of LTI plans.
- **Adjusted net income:** net income, net income, less the following elements, net of the corresponding tax effects (i) amortization of acquired assets (PPA); (ii) expenses recorded in the income from operations or in "financial results" which are directly related to business combinations, which by their nature are unusual; (iii) disposal of assets, change in scope of consolidation and other; (iv) impairment of non-current assets; (v) changes in the fair value of derivative foreign exchange instruments (recognized under "other financial income and expenses" in the consolidated financial statements); (vi) actuarial gains or losses on long-term benefits (recognized under "Finance costs on pensions and other long term employee benefits" in the consolidated financial statements); (vii) impact of changes in the Thales share price on the expense recognized in the income statement in respect of LTI plans.

The definition of those two indicators has changed as of 30 June 2025 and now excludes the impact of changes in the Thales share price on the expense recognized in the income statement in respect of LTI plans.

- **Free operating cash flow** corresponds to the net cash flow from operating activities before contributions to reduce the pension deficit in the United Kingdom, and after deducting net operating investments.
- **Net cash (debt)** corresponds to the difference between the sum of the "Cash and cash equivalents" and "Other current financial assets" items, and short- and long-term borrowings, including lease liabilities, after deduction of interest rate hedging derivatives.

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This presentation contains certain forward-looking statements. Although Thales believes that its expectations are based on reasonable assumptions, actual results may differ significantly from these forward-looking statements due to various risks and uncertainties, as described in the Company's Universal Registration Document, which has been filed with the French financial markets authority (*Autorité des marchés financiers* – AMF).



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