

EXHIBIT 3

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HEADLINE: AIRBUS WON'T HAVE PLANES LEFT OVER WITHOUT BUYERS

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BODY:

PLANEMAKER Airbus does not expect to end the year with completed planes still awaiting a buyer, the company's chief executive said yesterday.

The September 11 airliner hijack attacks, which turned a slowdown in the airline sector into a slump, raised fears that Airbus and rival Boeing would be left to deal with a costly backlog of unwanted aircraft.

However, Airbus chief Noel Forgeard said: "We will not finish this year with any 'white tails', that is to say, unallocated planes."

Airbus, employer of almost 5,000 people at Broughton, has agreed to delay the delivery of 44 planes for United Airlines next year, while medium-range planes due to be acquired by Sabena would be taken by leasing company GATX, Mr Forgeard added.

The Frenchman also criticised European authorities for not aiding Airbus in the same way that the American government had helped Boeing.

Meanwhile, aerospace giant GKN is to cut up to 650 jobs because of the downturn in the civil aerospace market, the company announced yesterday.

The jobs will go at the firm's site at Cowes on the Isle of Wight and will be phased over the next year. Sir Ken Jackson, general secretary of the Amalgamated Engineering and Electrical Union, said the cuts would be a "horrendous blow" to the workforce and the local community.

Workers at the Cowes site were told the news in a series of meetings.

Mr Bryson said he was aware of GKN's importance to the island and pledged to help people find new jobs.

Some of GKN's operations, including machining, will end at Cowes and work will be consolidated onto two sites.

Sir Ken said AEEU officials would be holding urgent meetings with the company to try to mitigate the effect of the cutback.

"The aerospace industry is suffering because of the September 11 outrage but it also has fundamental weaknesses.

"The Government and the industry need to address issues including skills and research and development."

GRAPHIC: SOARING: Airbus has plenty of buyers for their range of aircraft

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