



BAE SYSTEMS
 BAE SYSTEMS plc
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Employment: 90,000

Officers:

Chairman Sir Richard Evans; **Chief Executive Officer** Mike Turner; **Chief Operating Officers** Steve Mogford, Chris Geoghegan and Mark Ronald; **Group Finance Director** George Rose; **Vice Chairman** Sir Charles Masfield

Aerospace Organization/Products:

BAE SYSTEMS Air Systems Group (Preston, Lancashire, UK):

Eurofighter Typhoon (Preston, Lancashire, UK) with Alenia Aeronautica (Italy), EADS-CASA (Spain) and EADS Aeronautics Division (Germany) working as Jagflugzeug GmbH. First production aircraft delivered in 2002; 620 aircraft on order across the four partner nations. Builds advanced training and light combat Hawk aircraft (800 in operational service). Working with Lockheed Martin and Northrop Grumman on the F-35 Joint Strike Fighter (JSF). Approximately 3,000 JSF aircraft are planned for the US Air Force, US Navy, US Marine Corps and the Royal Navy and Royal Air Force. The first JSF should be operational in 2010; the first UK Squadron should enter service in 2012. Remanufacturing 18 Nimrod MRA4 aircraft from existing Nimrod airframes for the Royal Air Force's new maritime, reconnaissance and attack aircraft.

BAE SYSTEMS Australia (Adelaide, Australia):

Furnishes support services, electronics and software. Company is structured into Customer Solutions and Support, Defence Systems and Hawk Lead-In Fighter.

BAE SYSTEMS Avionics (Basildon, UK):

Supplies electronic systems for civil and military platforms in the air, at sea and on land. The Avionics Group in the UK is organized into four divisions with various locations in the United Kingdom: Avionic Systems, Electronic Warfare, Inertial Systems and Sensor Systems.

BAE SYSTEMS Customer Solutions & Support Land & Sea (CS&S) (Farnborough, Hampshire, UK):

Provides tailored through-life support and service solutions for current and future defense systems. CS&S is made up of Naval Support Services, International Programmes (including Al Yamamah), Land & Sea, Military Air Solutions, Operational Services and Training Solutions.

BAE SYSTEMS North America (Rockville, MD, USA):

Designs, develops, integrates, manufactures and supports advanced aerospace products and intelligent electronic systems for government and commercial customers. Products and services are divided into four business sectors. **Information & Electronic Systems Integration** (Nashua, NH): Hardware systems and subsystems, and systems integration for aerospace commercial use and defense. **Information**

Systems (San Diego, CA): Software systems for imagery, mission planning and information technology. **Platform Solutions** (Johnson City, NY): Control electronics and hardware subsystems for aerospace and ground transportation. **Technologies Solutions** (Rockville, MD): Systems engineering, technical services and base operations support for US Defense Dept., FAA and NASA.

BAE SYSTEMS Regional Aircraft (Prestwick, UK):

Provides aircraft support activities, engineering, customer engineering that incorporates customer information and customer support that includes training.

BAE SYSTEMS RO Defence (Chorley, Lancashire, UK):

Produces ammunition in Europe for exports, artillery systems, electronic systems integration, explosives and propellants, medium caliber cannons, mortars, naval guns, naval sub-systems, naval weapon launchers, small arms, solid rocket motors, tank guns and warheads.

BAE SYSTEMS Naval Ships (Filton, Bristol; Scotstoun, Glasgow, all UK):

Responsible for the delivery of surface ship capability to the Royal Navy and export customers and the Type 45 Destroyer programme.

BAE SYSTEMS Submarines (Barrow-in-Furness, Cumbria UK):

Comprising a submarine center with the Astute team and Swiftsure/Trafalgar class update teams and the Astute and Swiftsure/Trafalgar integration facilities. Designs, builds and supports the Astute Class Submarine.

BAE SYSTEMS Underwater Weapons (Waterlooville, Hampshire, UK):

Submarine weapons torpedoes and countermeasures; anti-submarine weapons; mine warfare systems. Responsible for weapons system prime contract management, applied research, engineering development and production, product test and evaluation, and operational in-service support.

Joint Ventures/Partnerships:

Airbus, partner: EADS (The Netherlands). **AMS**, partner: Finmeccanica (Italy). **Astrium**, partner: EADS (The Netherlands). **Gripen International**, partner: SAAB (Sweden). **MBDA**, partners: EADS (The Netherlands) and Finmeccanica (Italy).

FINANCIALS (\$ MILLIONS)*:

	2001	2002	% Change
Operating Revenues	13,123	12,957	(1%)
Operating Expenses	12,509	13,583	9%
Net Profits**	(186)	(1,101)	(492%)
Debt to Equity Ratio	—	—	—

*AW&ST conversion based on exchange rates available on 12/31/01 and 12/31/02.

**Net profits comprise profit/(loss) on ordinary activities after taxation. All figures are taken directly from year-end financial statements.