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## FIVE-YEAR GROWTH AND MBDA NOW FULLY INTEGRATED

**For his fifth presentation as CEO of MBDA, Marwan Lahoud reported another strong performance for an international defence group now fully integrated.**

Speaking in Paris on 12<sup>th</sup> February, Lahoud announced MBDA's fifth year of business success including higher sales of €3.3 billion for 2006 compared with the previous year and further growth in the company's operating performance. The turnover was underpinned by the delivery of over 4,000 missile systems in the year, with the Storm Shadow/SCALP, Mica and Brimstone airborne weapons, Exocet and Seawolf naval systems, and Taurus airborne missile from the newly-acquired MBDA Deutschland, leading production deliveries.

Lahoud also announced another record year for orders with €2.65 billion worth of orders taken in the year, 25% higher than in 2005. Export orders swelled by 140% to €1 billion, representing almost 40% of the total orders for the year : "Now with an order book exceeding €13 billion and representing more than four years of work, we have a secure business base upon which to build the future of the company", said Lahoud.

MBDA's sales have grown from €1.8 billion in 2002 (the company's first full year of operation post merger) to today's level while the annual order intake has remained stable over the five-year period. Lahoud said he expected sales and order intake to remain even over the coming years despite contracting European defence budgets and ever-stronger competition on the export market.

He stressed the importance of continually improving the cost base through closer integration of the company's pan-European engineering base as well as maintaining company investment in R&D and critical technologies to maintain the company's competitive edge.

"Our integration programme has improved our profitability and competitiveness while also safeguarding the company's technological capability and skills," Lahoud said. "A key benefit is also our responsiveness to our customers needs, in particular ensuring they have the critical edge in new defence technology".

Lahoud added: "MBDA has delivered another year of outstanding operational performance. We have enjoyed success on our key development programmes and we are now positioned at the centre of the European defence stage and as the main strategic weapon systems partner for customers around the world."

### Notes to editors

With an annual turnover exceeding €3 billion, a forward order book of over €13 billion and over 70 customers worldwide, MBDA is a world leading, global missile systems company. MBDA currently has 45 missile system and countermeasure programmes in operational service and has proven its ability as prime contractor to head major multi-national projects. MBDA is jointly owned by BAE SYSTEMS (37.5%), EADS (37.5%) and FINMECCANICA (25%).

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