



AEROSPACE & DEFENSE

INDUSTRY ANALYSIS

JESUS **CEDENO**. TENA **LE**. NATALLIA **SHYLA**. CHASE **WILHELM**. PHANIDA **ZIPAY**

CURRENT STATUS & OVERVIEW

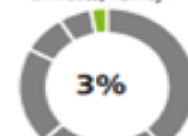
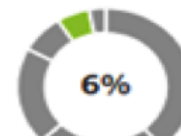
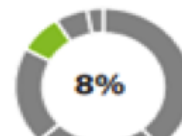
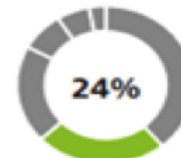
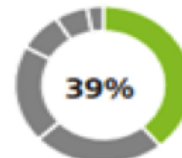
AEROSPACE

- Production
- Sale
- Service of Commercial Aircraft

DEFENSE

- Military Weapons
- Land, Air & Sea

CURRENT STATUS & OVERVIEW



MAJOR FIRMS

Market Share of Top 4 Companies in Aerospace & Defense

The Boeing Company	12.64%
Airbus Group	11.55
Lockheed Martin Corporation	6.65
United Technologies Corporation	5.00
GenCorp	>1.0



THE BOEING CO

Revenue	\$90.76B	Sales Growth	2.5%
Net Income	\$5.44B	Employees	165,500

Boeing Company is an Aerospace Company.

MANUFACTURES: Jetliners, Defense Systems, Space and Security Systems.

PRODUCTS / SERVICES: Commercial and Military Aircraft, Satellites, Weapons, Electronic and Defense Systems, Launch Systems, Advanced Information and Communication Systems, and Performance-Based Logistics and Training.

The background of the slide features a blue gradient with a yellow diagonal stripe. In the top left corner, there is a photograph of a dark-colored military aircraft, possibly a fighter jet, with its landing gear deployed. The text 'AIRBUS GROUP' is written in large, bold, yellow capital letters on the right side of the slide.

AIRBUS GROUP

Revenue	\$60.71B	Sales Growth	2.5%
Net Income	\$2.34B	Employees	138,622

Airbus Group is an Aerospace Company.

Manufactures: Commercial and Military Aircraft, Civil and Military Helicopters, Commercial Space Launch Vehicles, Missiles, Satellites, Defense Systems, and Electronics.

A Lockheed Martin F-35 fighter jet is shown in flight against a blue sky with light clouds. The aircraft is dark grey with red accents on the landing gear doors. The background of the slide is a dark blue gradient with a yellow and white diagonal stripe.

LOCKHEED MARTIN CORPORATION

Revenue	\$45.60B	Sales Growth	0.5%
Net Income	\$3.61B	Employees	112,000

Lockheed Martin Corp is a Global Defense and Aerospace Company.

Main Focuses:

- Defense
- Space
- Intelligence
- Homeland Security
- Information Technology
- Cyber Security



UNITED TECHNOLOGIES CORPORATION

Revenue	\$65.2B	Sales Growth	4.1%
Net Income	\$6.22B	Employees	211,000

UTC Provides Products and Services in Systems and Aerospace.

Business Segments:

- Otis
- UTC Climate
- Controls and Security
- Pratt and Whitney
- UTC Aerospace Systems
- Sikorsky



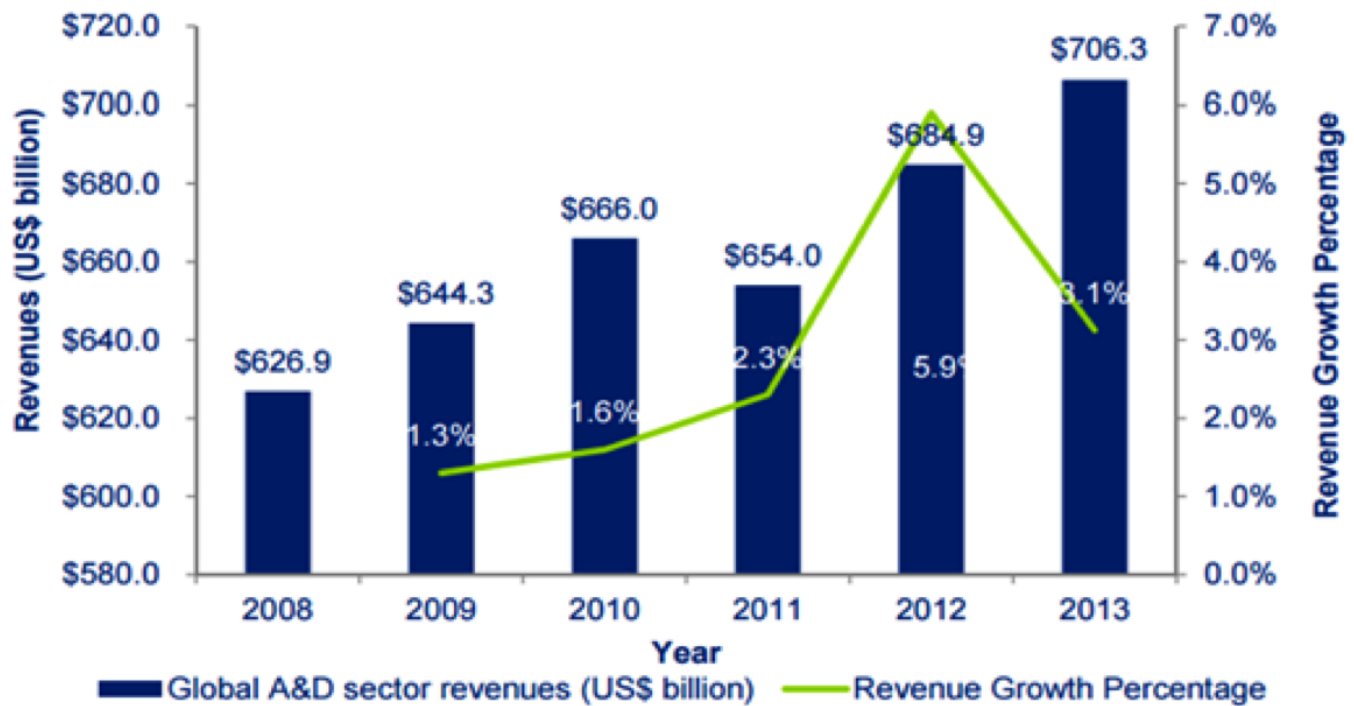
GENCORP, INC.

Revenue	\$1.6B	Sales Growth	15.5%
Net Income	(\$52.30B)	Employees	5,071

Manufactures: Aerospace and Defense Products and Systems.

AEROJET ROCKETDYNE: Technology-based designer, developer, and manufacturer of aerospace and defense products and systems for the U.S. government, including DoD, NASA, major aerospace and defense contractors, as well as portions of the commercial sector.

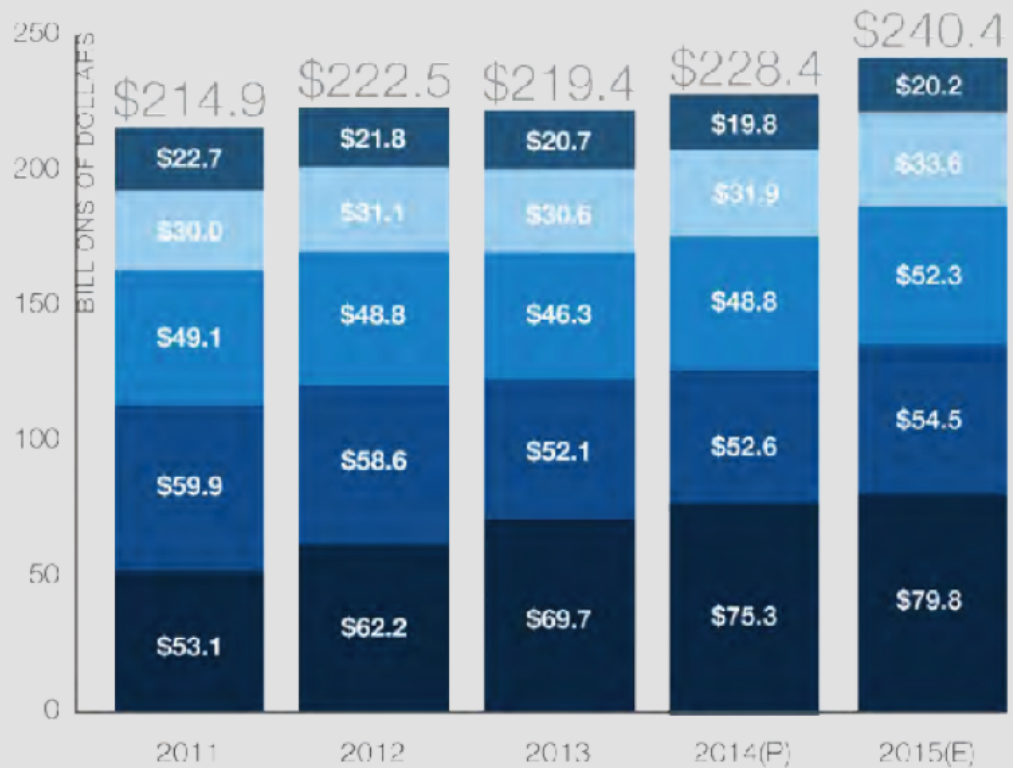
FINANCIAL OVERVIEW



FINANCIAL OVERVIEW

KEY

- Missiles
- Related Products & Services
- Space
- Military Aircraft
- Civil Aircraft



FINANCIAL OVERVIEW

Profitability	<u>Boeing Co</u>	<u>Airbus Group</u>	<u>Lockheed Marin Corp</u>	<u>United Tech Corp</u>	<u>GenCorp. Inc</u>
Revenue	\$92.45B	\$80.65B	\$45.06B	\$64.90B	\$1.58B
Gross Margin	15.44%	14.81%	13.52%	27.50%	41.24%
Return on Equity	46.22%	25.93%	86.90%	19.72%	--



ISSUES & CONCERNS

Constant Need for Top Notch Technology

- Government Contracts
- Competition



ISSUES & CONCERNS

Constantly Research Technologies:

- Fuel Efficiency
- Aerodynamic Improvement
- More Precise GPS
- Environmentally Friendly Alternatives and Processes.



ISSUES & CONCERNS

- Development of innovative solutions to establish and maintain a competitive advantage.
- Managing large scale projects with too few resources.
- Reduced government spending in times of economic instability.
- Identification of low risk products and technologies with the highest return on investment.
- Maintaining a productive pool of human resources.



FUTURE IN AEROSPACE & DEFENSE INDUSTRY

Surveyed Aerospace and Defense Executives:

- 80% - believe that the competitive landscape will increase outside of their home markets in the next year.
- 6% - believe that their company is well prepared for the global competitive market.



SUMMARY

- Commercial Sector & Civil Aircraft
- International Marketplace



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