We are a leading provider of critical, complex engineering services across defence, emergency services and civil nuclear markets in the UK and increasingly internationally.

We apply our core strengths:
- Technology and expertise
- Owned infrastructure
- Successful operating model

To solve customer challenges:
- Maintain national security and save lives
- Sustain critical and complex assets
- Deliver critical services

Across three focus markets:
- Defence
- Emergency services
- Civil nuclear

Supported by our focus strategy:
1. Deliver operational excellence for our customer
2. Grow our international businesses in our focus markets
3. Grow market share and expand offering in the UK
4. Develop our people
5. Use technology to strengthen our offering
6. Focus on value creation

Delivered through our four sectors: Marine, Nuclear, Land, Aviation

Medium term targets
- Marine Revenue CAGR c.4%
- Nuclear Revenue CAGR c.4%
- Land Revenue CAGR c.3%
- Aviation Revenue CAGR c.5%

3% - 4% earnings CAGR for the Group
Given the uncertain impact of COVID-19, these medium term targets will not be achieved in the current financial year. The drivers of our strategy remain unchanged and the long term characteristics of our business remain strong. We will continually assess our medium term targets as we emerge from the pandemic and they are aiming points for us to return to.

Capital allocation priorities
- Organically invest in the business
- Ensure group liquidity
- Fund pension schemes / safeguard credit rating
- Sustainable ordinary dividend to shareholders
- Highly selective bolt on acquisitive growth
- Capital return to shareholders

Given the current challenging environment from the impact of COVID-19, our immediate focus is ensuring the group has sufficient capital and liquidity to cope with COVID-19 and other risks. If these are met then the capital allocation policy we set out in November 2019 still applies.
Our sectors

Marine
- UK and international warship through-life support
- International submarine through-life support
- UK and international weapons handling and launch systems
- Naval engineering, design, build and assembly
- Energy and Marine equipment and support

Nuclear
- Support all UK nuclear submarines and infrastructure
- Own or manage nuclear licensed dockyards and naval bases
- Nuclear submarine dismantling
- Support UK decommissioning projects
- Civil Nuclear services, projects and new build support

Land
- Vehicle support for over 34,000 British Army vehicles
- Technical training for over 20,000 military personnel
- Emergency Services technical training and fleet management
- South Africa power support and equipment businesses
- Adjacent businesses in Rail, Power, Airports and Training

Aviation
- UK and French pilot training
- Defence aircraft availability and airbase support
- Defence and Emergency Services maintenance and overhaul
- Air ambulance, search and rescue and firefighting services
- Oil and Gas crew change services

International revenue
- £4.9bn
- 31% International
- 69% UK
- Increasing to over 40% over the medium term

Order book
- £17.6bn
- 26% Marine
- 21% Nuclear
- 23% Land
- 30% Aviation

Bid pipeline
- £17bn
- 41% Marine
- 31% Nuclear
- 18% Land
- 10% Aviation

FY20 highlights
- Performance metrics FY20
  - Underlying revenue (£bn): 4.9
  - Underlying operating profit (£m): 524
  - Margin (%): 10.8
  - Free cash flow (£m): 192
  - Net debt (£m): 922

- Results in line with expectations apart from COVID-19 impact in final two months of the year
- No financial guidance given uncertainty of COVID-19
- Deferred the decision on our final dividend
- Remain confident in the medium term given our strong liquidity position, robust business model, record order book and pipeline, and focus on critical, non discretionary services

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