

babcockTM



Full year results
for the year ended 31 March 2023

20 July 2023

Key messages



**Excellent
progress**



**Better
positioned**



**Confidence
in the future**

Transformation delivering results

Cash – Margin – Growth – Guidance – Dividend

Type 31 update

Type 31 frigate programme

- Five ships awarded in 2019
- Contracted to 2028
- HMS Venturer: keel laying in April 2022, assembly and outfitting underway
- HMS Active: steel cut in January 2023
- Cash impact: £100m loss over remaining life of contract

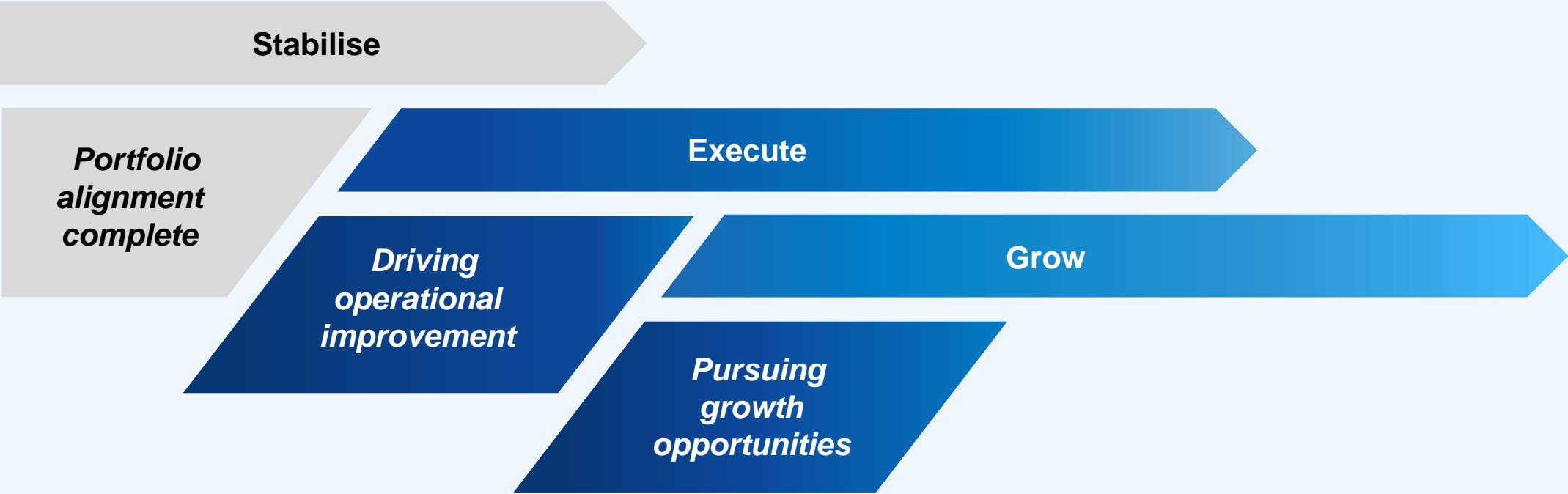
Customer relationship

Controls

- Commercial
- Operational



Excellent progress



Stabilise – complete

Babcock today

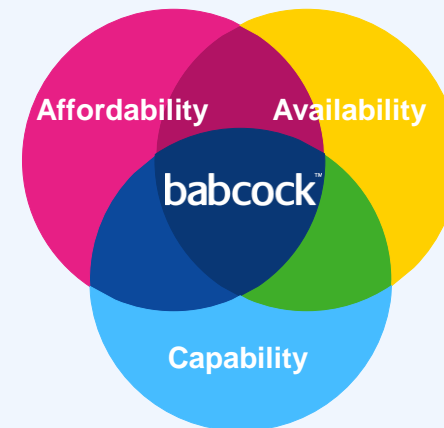
**Strengthened
balance sheet**



**Focused
Portfolio**

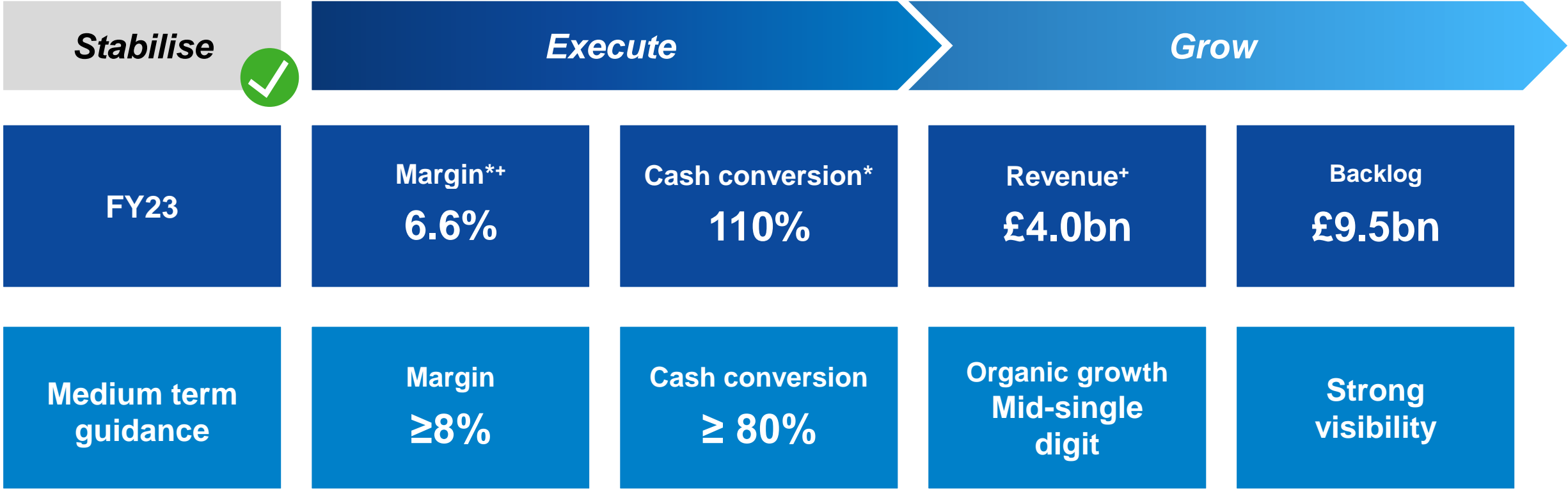


**Capabilities aligned
with customers' needs**



Higher quality, lower-risk, focused and positioned for growth

Medium term guidance underpinned by confidence in future



Improving fundamentals with a positive outlook

6 * Excluding the Type 31 loss (£100m)
+ Pro forma, excluding: divested businesses (£422m revenue, £1m profit) and the £12m one-off accounting credit in Land (revenue and profit)



Financial review

David Mellors
CFO

Key messages

➤ Results in line with expectations, cash flow significantly ahead

➤ Balance sheet stronger

➤ FY24 expectations unchanged

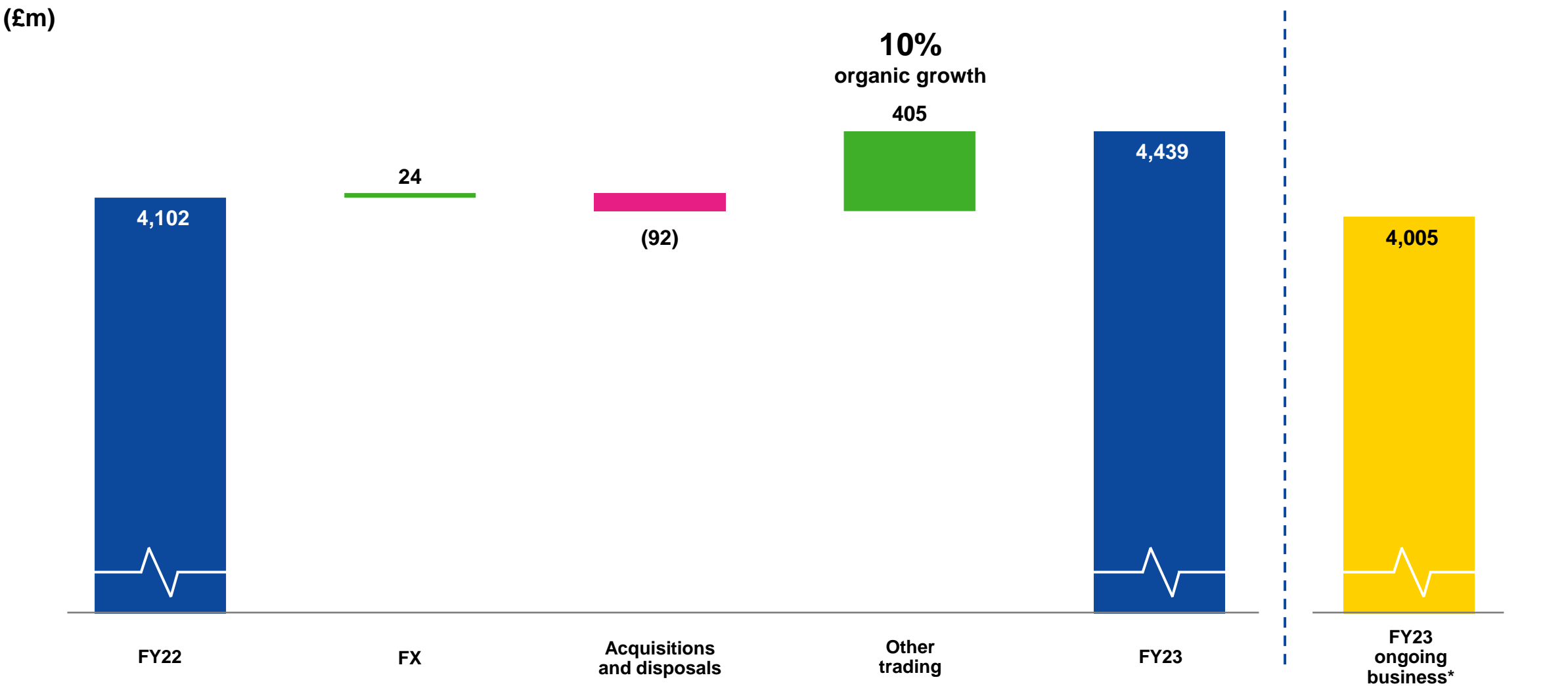
➤ Medium term guidance issued

Underlying financial results overview

	FY23	FY22
Revenue	£4,439m	£4,102m
Underlying operating profit	£177.9m	£237.7m
Type 31 loss	£100.1m	-
Underlying operating profit excluding the Type 31 loss	£278.0m	£237.7m
<i>Underlying margin excluding the Type 31 loss</i>	<i>6.3%</i>	<i>5.8%</i>
<i>Underlying basic EPS excluding the Type 31 loss</i>	<i>33.8p</i>	<i>30.7p</i>
Underlying free cash flow	£75m	£(191)m
Net debt (excluding operating leases)	£(346)m	£(557)m

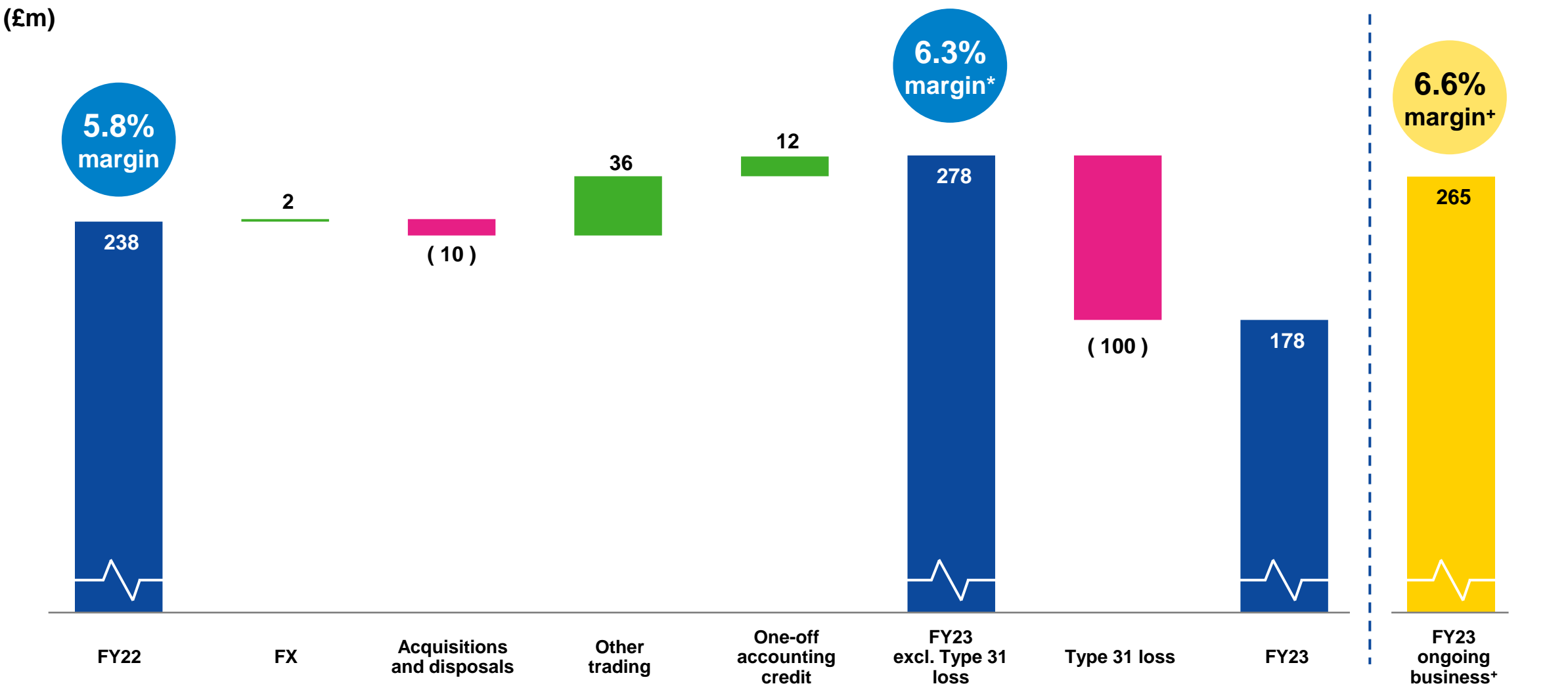
- **Revenue up 10% organically**
 - Organic growth across all sectors
- **Underlying operating profit* up £40m**
 - Strong organic performance in Land (incl. one-off credit of £12m), Marine and Aviation
- **Underlying margin* up 50 bps to 6.3%**
- **Underlying EPS* up 10% to 33.8p**
- **Underlying free cash flow better than expected**
 - Working capital inflow, capex timing
 - Accelerated pension payments of £35m
- **Net debt to EBITDA 1.5x** (FY22: 1.8x) well within target range of 1.0x-2.0x. (Excluding Type 31 loss: 1.1x)
- **Type 31 loss of £100m** includes £43m reversal of revenue, £2m asset impairment, £56m onerous contract provision

Revenue bridge



10 * Ongoing business excludes £422m revenue from divested businesses (AES & Civil training) and the £12m one-off accounting credit in Land (revenue and profit)

Underlying operating profit bridge



* Excluding the Type 31 loss (£100m)

+ Ongoing business excludes the Type 31 loss, £1m profit from divested businesses (AES & Civil training) and the £12m one-off accounting credit in Land (revenue and profit)

Marine

£m	FY22	FX	Acquisitions & disposals	Other trading	FY23
Contract backlog	2,492				2,581
Revenue	1,259	12	72	96	1,440
Underlying operating profit	98	1	(0)	(86)	13
<i>Underlying margin</i>	<i>7.8%</i>				<i>0.9%</i>

Type 31 loss	100
Underlying operating profit excluding Type 31 loss	113
<i>Underlying operating profit margin excluding Type 31 loss</i>	<i>7.8%</i>

Revenue:

- **+8% organic growth** driven by:
 - LGE, ship support and South Korea submarine work
- **+6% acquisitions & disposals:** NSM (acquired Mar 2022) £122m incremental revenue; FNC (sold Aug 2021) £50m
- Low or zero margin programme revenue c.£260m (FY22: c.£230m)

Operating profit:

- Driven by:
 - Type 31 loss
 - Growth in ship support and South Korea submarine work and LGE
 - c.£9m positive contract settlement
 - Increased investment in control environment
- **Underlying operating margin excluding Type 31 loss: 7.8%**

Nuclear

£m	FY22	FX	Acquisitions & disposals	Other trading	FY23
Contract backlog	2,789				2,454
Revenue	1,010	-	-	170	1,179
Underlying operating profit	62	-	-	1	63
<i>Underlying margin</i>	6.2%				5.4%

Revenue:

- **+17% organic growth** driven by:
 - Major Infrastructure Programme (MIP) revenue doubled to £267m (FY22: £134m)
 - Increased submarine support work
 - Civil nuclear growth

Operating profit:

- Driven by:
 - Contribution from MIP revenue growth
 - Increased investment in control environment
 - Future inflation assumptions
 - £16m programme write-off (FY22: £22m) as project nears completion
- **Underlying margin decreased 80 bps to 5.4%**

Land

£m	FY22	FX	Acquisitions & disposals	One-off accounting credit	Other trading	FY23
Contract backlog	2,309					2,810
Revenue	1,016	2	(67)	12	55	1,017
Underlying operating profit	59	-	(3)	12	18	86
<i>Underlying margin</i>	<i>5.8%</i>					<i>8.4%</i>

Revenue:

- **+5% organic growth** driven by:
 - Defence High Frequency Comms (DHFC) in Australia
 - South Africa equipment outperformance offset loss of Eskom
 - Rail and Emergency Services training volumes
- **(7)% disposals:** Civil Training in FY23; UK Power in FY22
- Low or zero margin programme revenue remained flat at c.£150m (FY22: c.£150m)

Operating profit:

- **Increase** driven by:
 - New contracts including Australia DHFC
 - Volume increase in South Africa partially offset by Eskom contract loss
 - Emergency Services training margin
- £12m one-off accounting credit (non-cash)
- **Underlying margin increased 260 bps to 8.4%**
 - 7.4% excluding one-off accounting credit

Aviation

£m	FY22	FX	Acquisitions & disposals	Other trading	FY23
Contract backlog	2,294				1,633
Revenue	817	9	(98)	74	803
Underlying operating profit	19	1	(7)	3	16
<i>Underlying margin</i>	2.3%				2.0%

Retained business

Contract backlog	1,319				1,633
Revenue	337	6		74	417
Underlying operating profit	14	(0)		3	17
<i>Underlying margin</i>	4.1%				4.1%

Retained business:

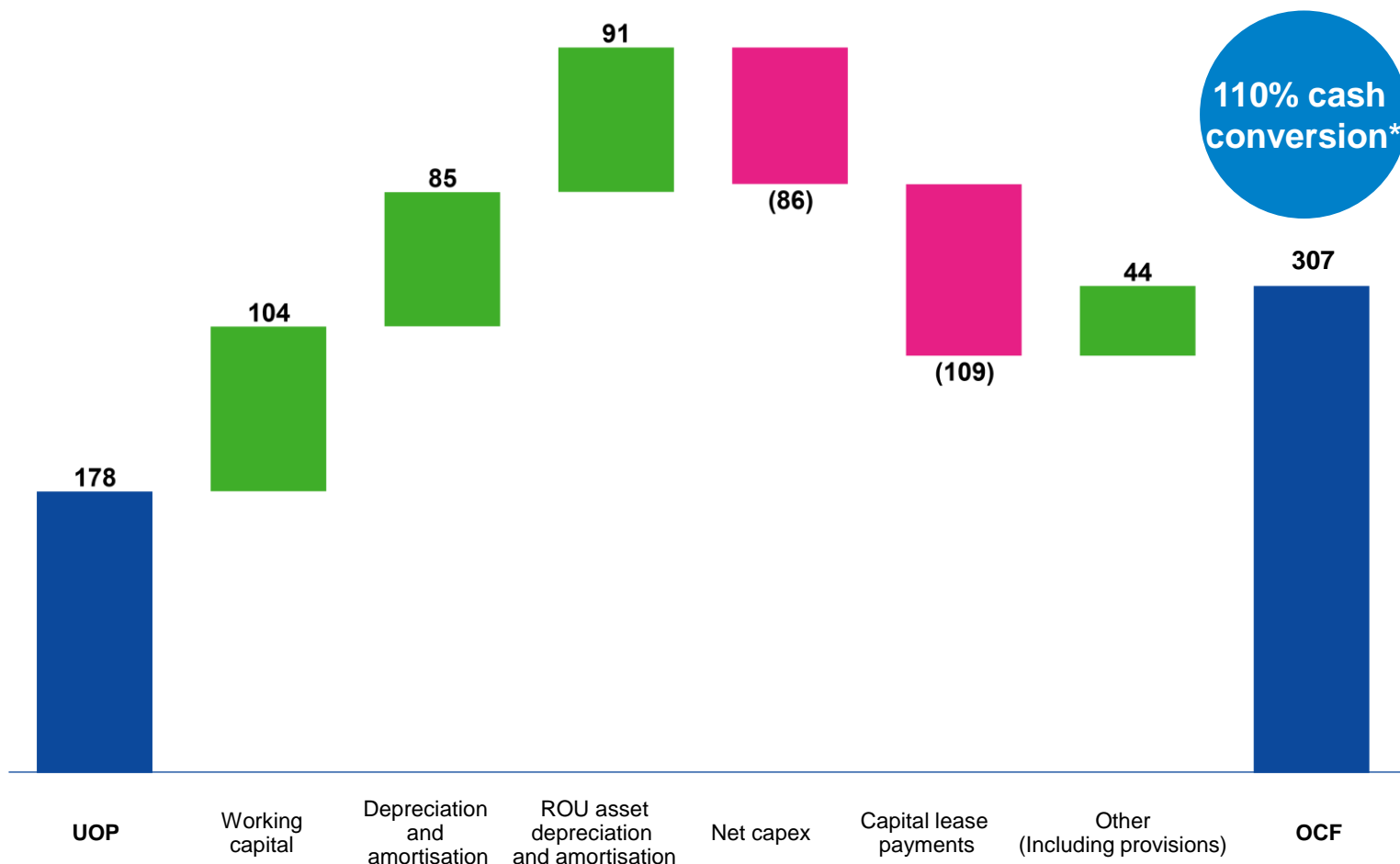
- **Revenue +22% organically** driven by:
 - France defence contracts: Mentor, H160, FOMEDEC
- **Underlying margin flat:**
 - Revenue growth offset by high bid costs on FAcT (now submitted)

Disposals:

- European AES (sold in Feb 2023), Oil & Gas (sold in Sep 2022)
- European AES contributed revenue of £387m (FY22: £405m) and an operating loss of £(1) million (FY22: profit of £3m)
- c. £1bn contract backlog removed with AES disposal

Underlying operating profit to operating cash flow bridge

(£m)



- **OCF / cash conversion commentary:**

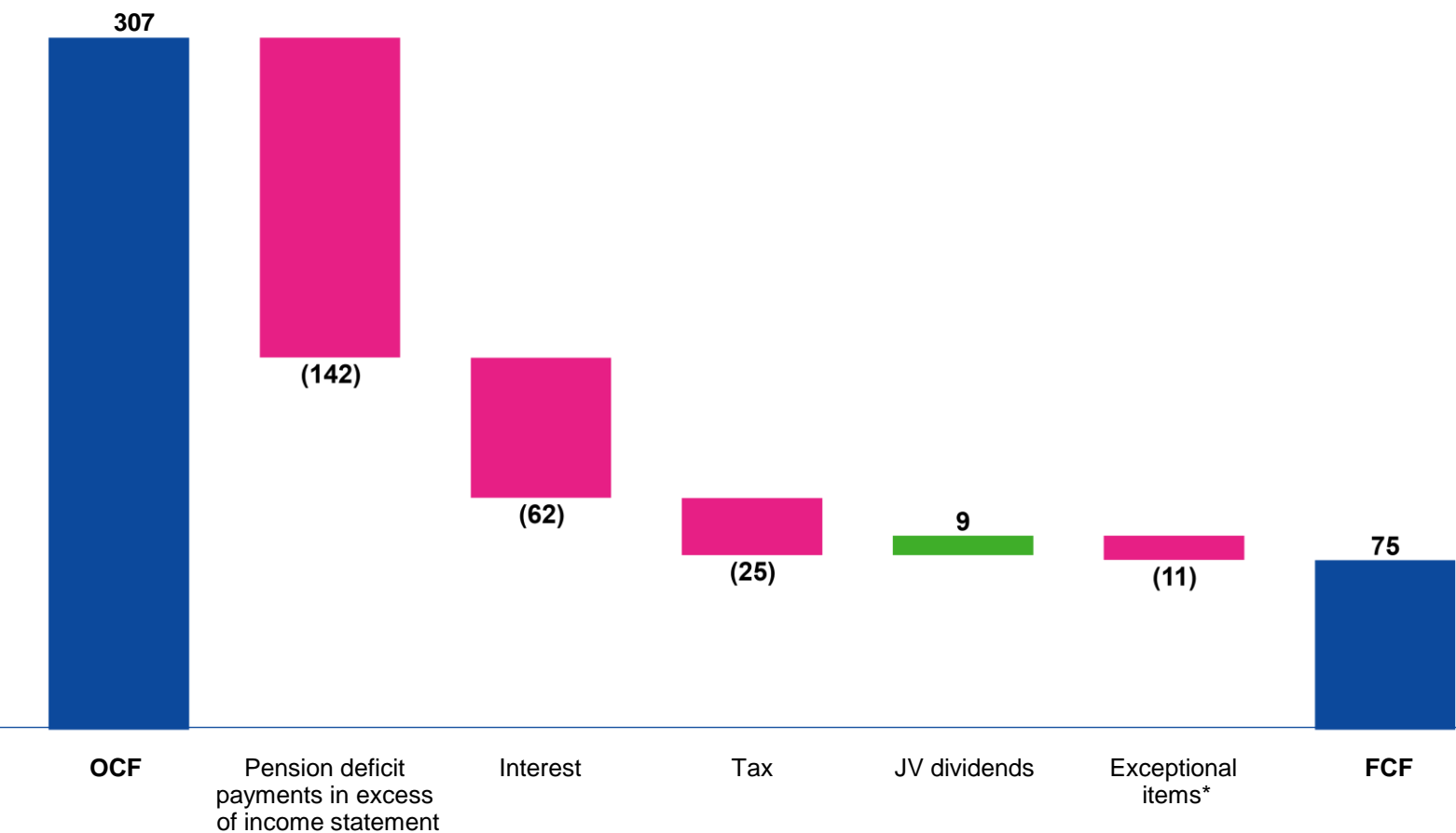
- Working capital inflow (including earlier than expected customer receipts c.£70m)
- Unwind of historic cash flow stretches completed during the year
- €122m of non-recourse contract financing in year to match aircraft receipts and payments
- Net capex lower than FY22 due to project phasing

- **FY24 technical guidance:**

- Gross capex c.£120m-£150m expected

Underlying operating cash flow to free cash flow bridge

(£m)



- **FCF commentary:**
 - £35m pension deficit payments accelerated from FY24-FY26
 - c.£12m non-recourse contract financing included in net interest
- **FY24 technical guidance:**
 - Pensions in excess of income statement c.£65m
 - Interest c.£40m
 - Tax c.£35m
 - Dividends from JVs less than c.£5m

Continuing our balance sheet strengthening

£m	HY21	FY21	HY22	FY22	HY23	FY23
Net debt	(1,609)	(1,353)	(1,347)	(969)	(1,039)	(564)
Net debt to EBITDA (covenant basis)	2.5x	2.4x	2.8x	1.8x	1.9x	1.5x
Unwind of historic cash flow 'stretches'						
Supply chain financing ¹	(77)	(25)	(13)	(12)	-	-
Debt factoring	(137)	(102)	(100)	(62)	(68)	(7)
Creditor deferrals – VAT	(56)	(56)	(28)	-	-	-
– Other	(196)	(164)	(105)	(34)	-	-
	(466)	(347)	(246)	(108)	(68)	(7)
Pension						
IAS19 accounting (deficit)/surplus	(104)	(279)	(79)	192	147	(61)
Actuarial technical provisions basis (deficit) ²	c.(700)	c.(580)	c.(425)	c.(350)	c.(300)	c.(400)

- **Net debt and gearing:**
 - 1.5x within our medium-term target of 1.0x – 2.0x, (1.1x excluding Type 31 loss)
 - European AES and civil training disposals complete:
 - FY23: reduced net debt by more than £400m
- **Upgraded by S&P to BBB (Stable) – Dec 2022**
- **Unwind of historic cash flow stretches complete**
- **Pension deficit:**
 - £142m deficit repair payments³ in FY23 (including £35m acceleration from future years)

Outlook and guidance

FY23 baseline:

- Outlook applies to FY23 excluding disposals, Type 31 loss and one-off credit
- FY23 baseline: c.£4bn revenue, c.£265m profit, 6.6% margin

FY24 outlook – expectations unchanged:

- c.£2.8bn of FY24 revenue under contract
- c.£700m of FY24 revenue expected from framework orders
- Organic revenue growth and further margin expansion
- OCF may be H2 weighted
- Expect to reinstate a dividend in FY24

Medium term guidance - over the next 3-5 years:

- Average underlying operating cash conversion of at least 80%
- Achieve underlying operating margins of at least 8%
- Average annual revenue growth mid-single digits



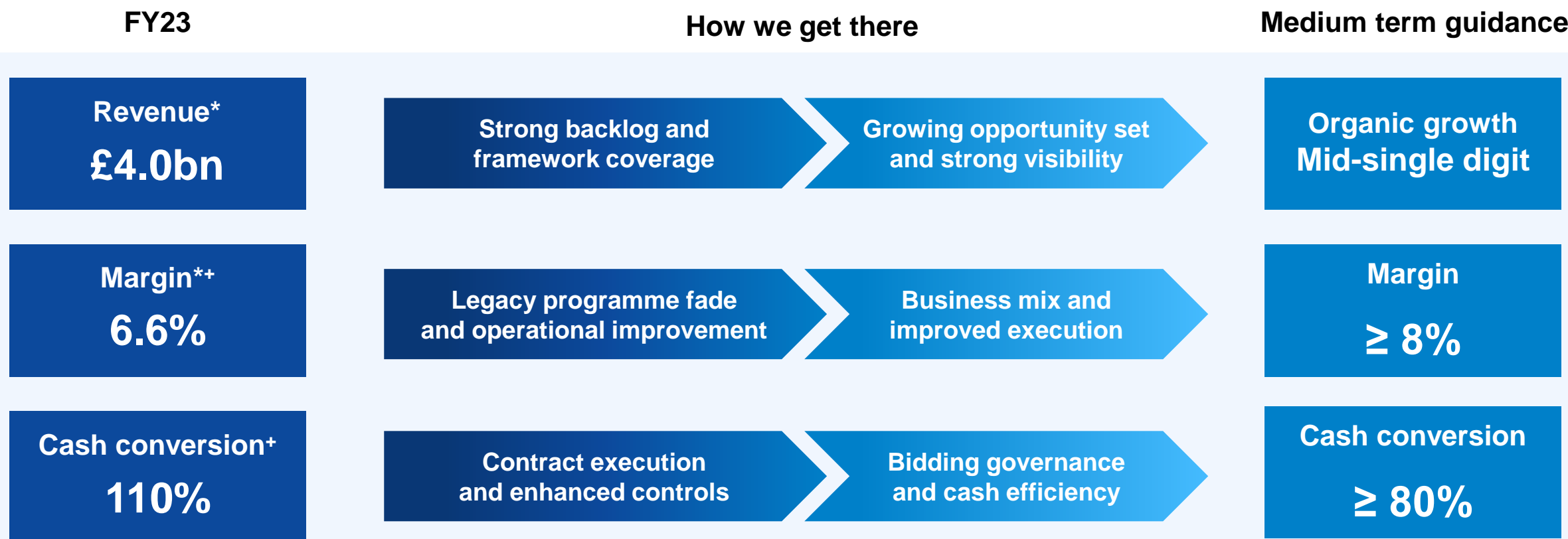
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Building momentum

David Lockwood
CEO

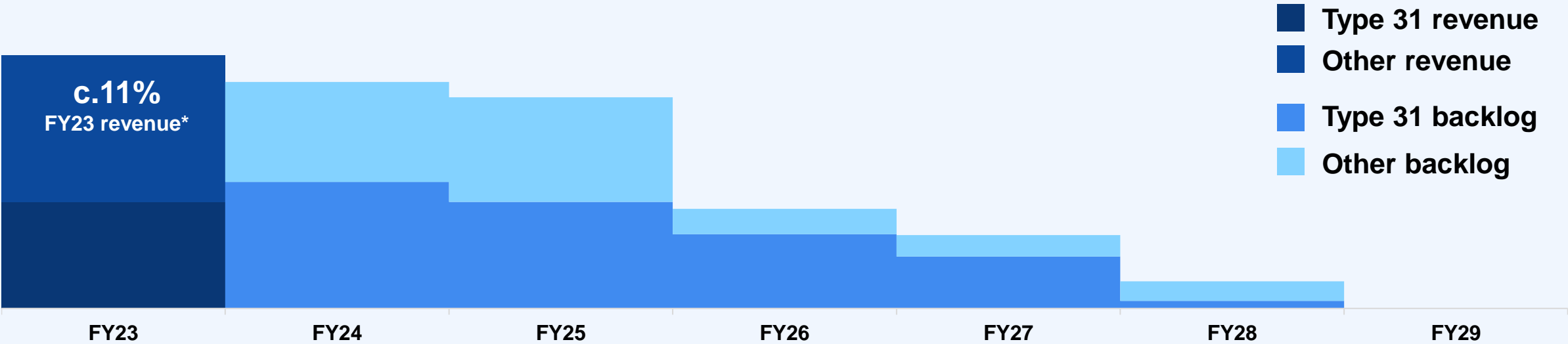
Building momentum to meet medium term guidance



Delivering profitable growth

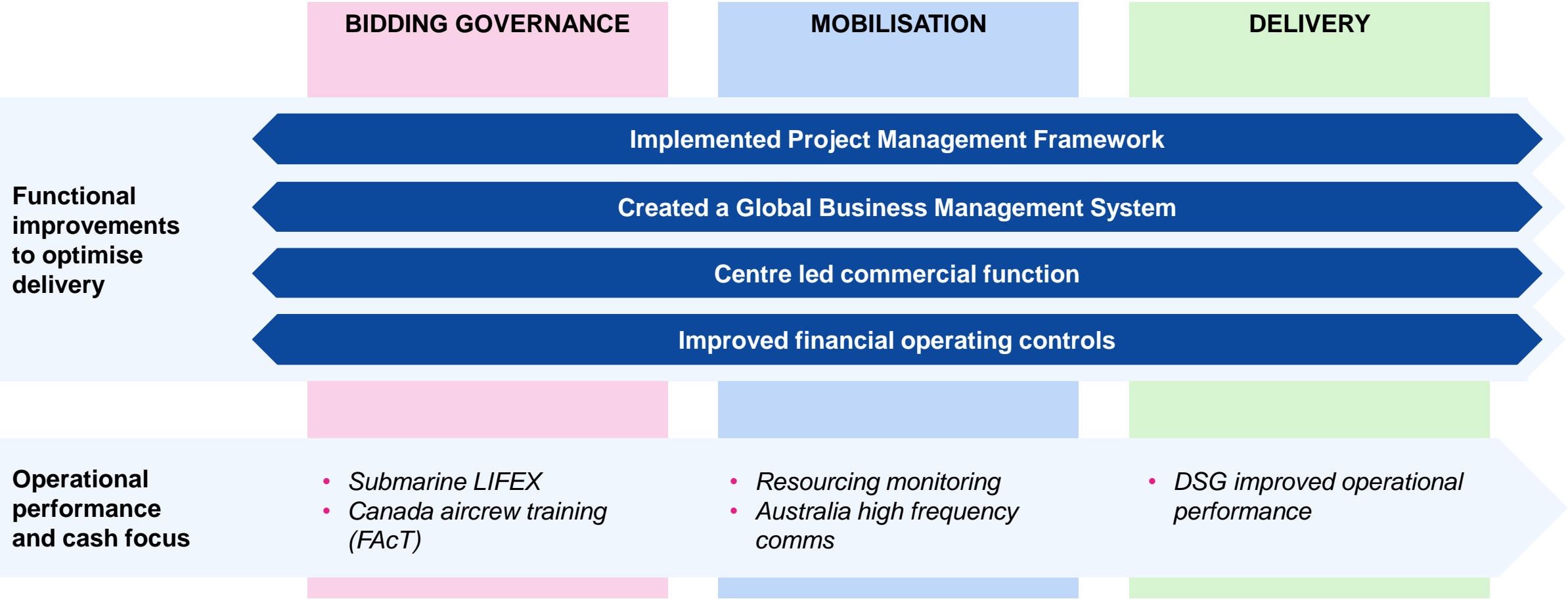
Execute: legacy low to zero margin programme fade

Indicative legacy low to zero-margin programme fade in our top contracts backlog



Supports medium term Group margin expansion

Execute: enhanced controls - operational improvements



Focus on execution and controls for improved efficiency, risk and delivery

Grow: the right capabilities in a supportive market

Macro environment

Geopolitical uncertainty

Defence spending

Defence requirements

People

Customer requirements

Value for money

High utilisation

Modernisation

Flexibility

Our capabilities

Frontline support

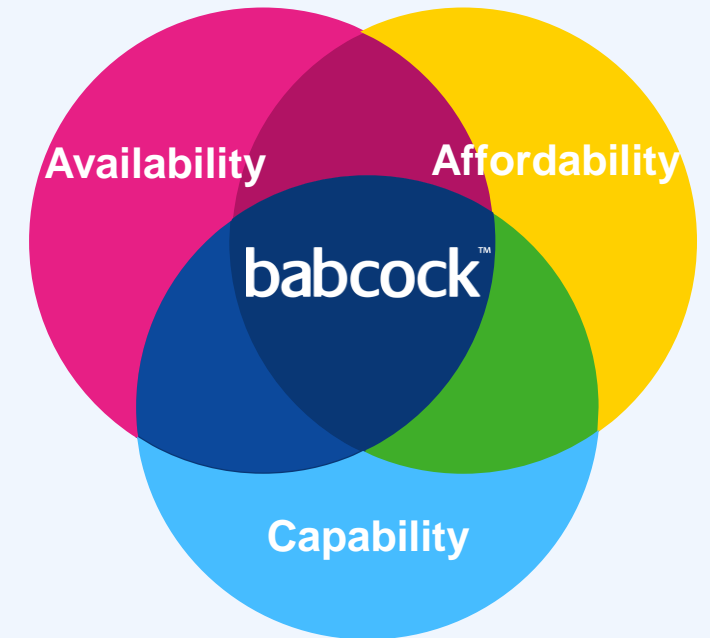
Equipment support

Technical training

Design, develop & manufacture

Technology and systems integration

What we deliver



Grow: capturing opportunities

Support

Frontline support

- Emergency services
- Operational support
- Front line MRO

Equipment support

- Through-life support
- Fleet time support
- Fleet modernisation

Technical training

- Defence and civil
- Linked to new and upgraded equipment

Product

Design, develop, and manufacture

- Affordable solutions
- Specialist equipment
- Liquid gas systems

Technology and systems integration

- Capability insertion
- OEM agnostic
- Digital defence

Availability

- *Ukraine UORs*
- *Focus country HEMS*

Affordability

- *RMP West + QEC*
- *Hawk + Skynet*

Capability

- *French pilot training*
- *Collective training*

- *Arrowhead 140*
- *Jackal + LGE*

- *Australia DHFC*
- *Type 23 comms*

Increasing opportunity set both in the UK and internationally

Grow: ESG progress on our commitments

- **Submitted interim and Net Zero 2040 carbon reduction targets**
 - Accredited by the Carbon Trust's new 'Route to Net Zero' Standard
- **Climate related risk assessment integrated into five-year plan**
- **Launched a volunteer framework**
- **Established a shadow executive committee**
- **Further embedded ESG into our performance framework**
- **Remuneration linked to Net Zero emissions, diversity and inclusion targets**



Capital allocation framework

**Target
gearing ratio
1.0x – 2.0x**

Priority		FY23 progress
1	Organic investment Sustain investment to support business operations and enhance growth potential	<i>Ongoing investment in business improvement and growth</i>
2	Financial strength Maintain strong balance sheet and investment grade rating	<i>Leverage reduced, S&P credit rating upgraded to BBB (Stable)</i>
3	Ordinary dividend Pay an ordinary dividend	<i>Board commitment to reinstate a dividend in FY24</i>

Further capital options

M&A
Bolt on opportunities

Pensions
Acceleration of our pension scheme obligations

Shareholder returns
Further returns of surplus capital to our shareholders

Supports growth and shareholder returns

Summary: building momentum



**Excellent
progress**

**Better
positioned**

**Confidence
in the future**

Transformation delivering results

Cash – Margin – Growth – Guidance – Dividend

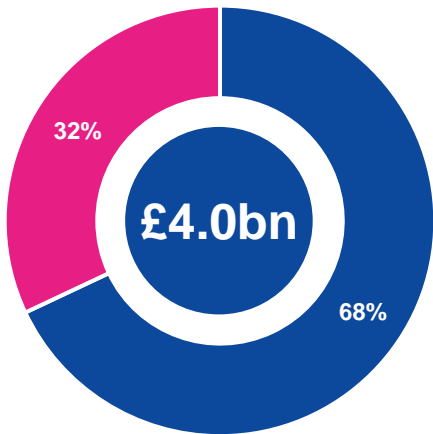
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Appendix

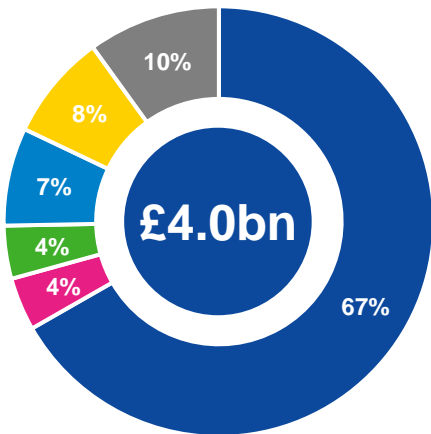
How we look post disposals - FY23 pro forma

Defence revenue



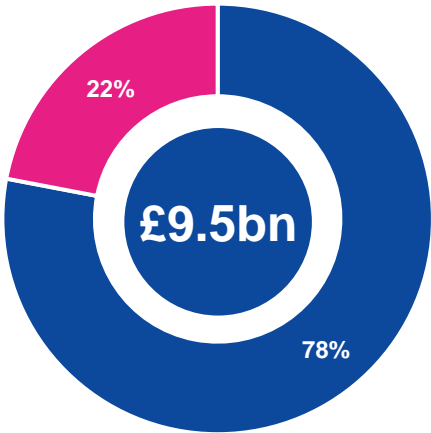
■ Defence
■ Civil

Geographical revenue



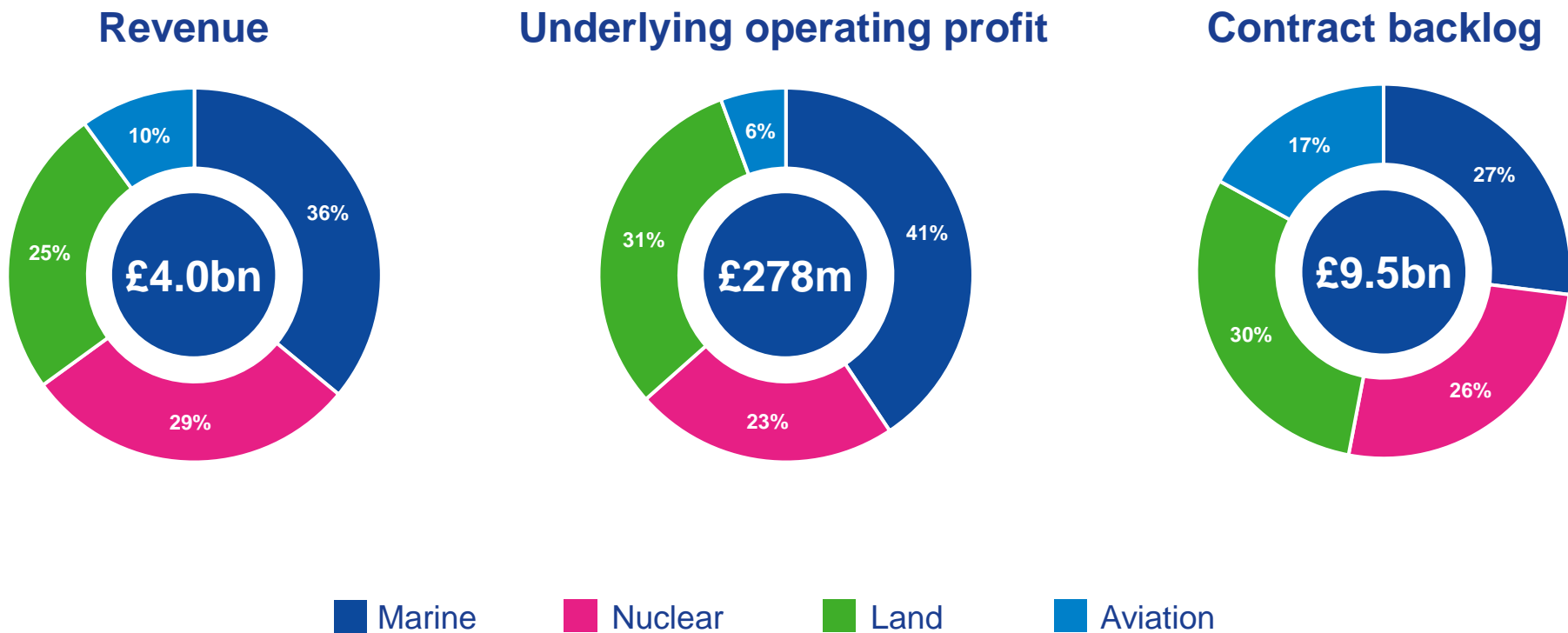
■ UK
■ Canada
■ France
■ South Africa
■ Aus + NZ
■ ROW

Contract backlog

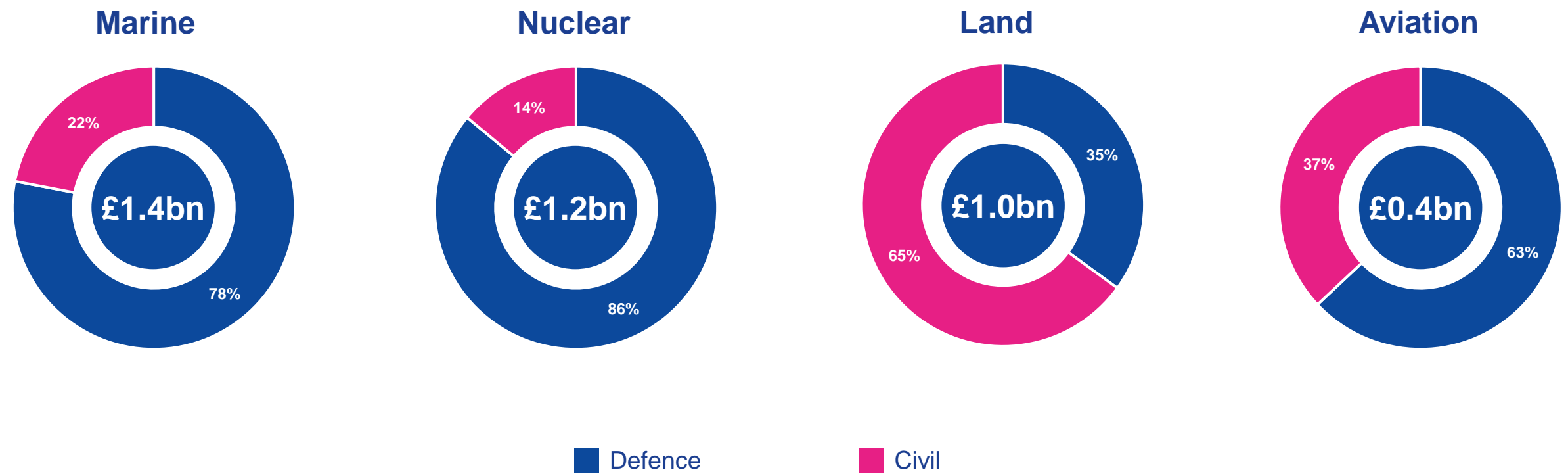


■ Defence
■ Civil

FY23 results split by sector pro forma



FY23 sector revenue splits pro forma



Statutory to underlying reconciliation

(£m)	FY23			FY22		
	Underlying	Specific Adjusting Items	Statutory	Underlying	Specific Adjusting Items	Statutory
Revenue	4,438.6	-	4,438.6	4,101.8	-	4,101.8
Operating profit / (loss)	177.9	(132.4)	45.5	237.7	(10.9)	226.8
Other income	-	-	-	6.2	-	6.2
Share of results of joint ventures and associates	9.3	-	9.3	20.1	-	20.1
Net finance costs	(58.3)	9.7	(48.6)	(61.2)	(9.6)	(70.8)
Profit / (loss) before tax	128.9	(122.7)	6.2	202.8	(20.5)	182.3
Income tax benefit / (expense)	(37.7)	(1.8)	(39.5)	(43.9)	29.5	(14.4)
Profit / (loss) after tax for the year	91.2	(124.5)	(33.3)	158.9	9.0	167.9
Basic EPS	17.7p	-	(6.9)p	30.7p		32.5p
Diluted EPS	17.4p	-	(6.9)p	30.4p		32.1p

Sector detail

	Revenue		Underlying operating profit		Underlying margin		Contract backlog	
	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22
Marine	£1,439.6m	£1,259.3m	£12.7m	£98.0m	0.9%	7.8%	£2,581m	£2,492m
Nuclear	£1,179.2m	£1,009.7m	£63.5m	£62.4m	5.4%	6.2%	£2,454m	£2,789m
Land	£1,017.1m	£1,015.5m	£85.9m	£58.8m	8.4%	5.8%	£2,810m	£2,309m
Aviation	£802.7m	£817.3m	£15.8m	£18.5m	2.0%	2.3%	£1,633m	£2,294m
Group total	£4,438.6m	£4,101.8m	£177.9m	£237.7m	4.0%	5.8%	£9,477m	£9,883m

Sector detail pro forma and ongoing business

	Revenue		Underlying operating profit		Underlying margin		Contract backlog	
	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22
Marine¹	£1,439.6m	£1,209.4m	£112.8m	£90.3m	7.8%	7.5%	£2,581m	£2,492m
Nuclear	£1,179.2m	£1,009.7m	£63.5m	£62.4m	5.4%	6.2%	£2,454m	£2,789m
Land²	£970.4m	£913.4m	£72.1m	£54.1m	7.4%	5.9%	£2,785m	£2,309m
Aviation³	£416.2m	£336.8m	£16.9m	£13.9m	4.1%	4.1%	£1,633m	£1,318m
Group total	£4,005.4m	£3,469.2m	£265.3m	£220.6m	6.6%	6.4%	£9,477m	£9,883m

Net debt / EBITDA (covenant basis)

(£m)	FY23 (Rolling 12 months)	FY22 (Rolling 12 months)
Underlying operating profit	178	238
Depreciation and amortisation	85	74
Other covenant adjustments	(8)	(13)
EBITDA	254	299
JV and associate dividends	9	42
EBITDA + JV and associate dividends	263	341
Net debt	(346)	(557)
Covenant adjustments (adding back finance lease receivables, loans to JVs, avg FX)	(49)	(60)
Net debt (covenant basis)	(395)	(617)
Net debt / EBITDA	1.5x	1.8x

Pensions

IAS 19 position

(£m)	31 Mar 2023	31 Mar 2022
Assets	3,188.0	4,733.1
Obligations	(3,249.4)	(4,541.5)
Net surplus / (deficit)	(61.4)	191.6

Key assumptions	31 Mar 2023	31 Mar 2022
Discount rate	4.8%	2.7%
Inflation (RPI)	3.2%	3.7%

Technical provision for defined benefit schemes (including longevity swaps)

March 2023:	c.£400m deficit
March 2022:	c.£350m deficit

Why is movement different to IAS 19 position:

- Technical provision discount rates linked to gilt yields, whereas IAS 19 position is linked to movements in corporate bond yields
- Slightly different impacts from movements in other market conditions

Why the actuarial deficit has increased in FY23:

- Payment of deficit recovery contributions and net of asset returns and higher discount rates on liabilities valuation

Cash payments:

- Pension contributions in excess of income statement, £142m in FY23
- FY24, around £65m expected

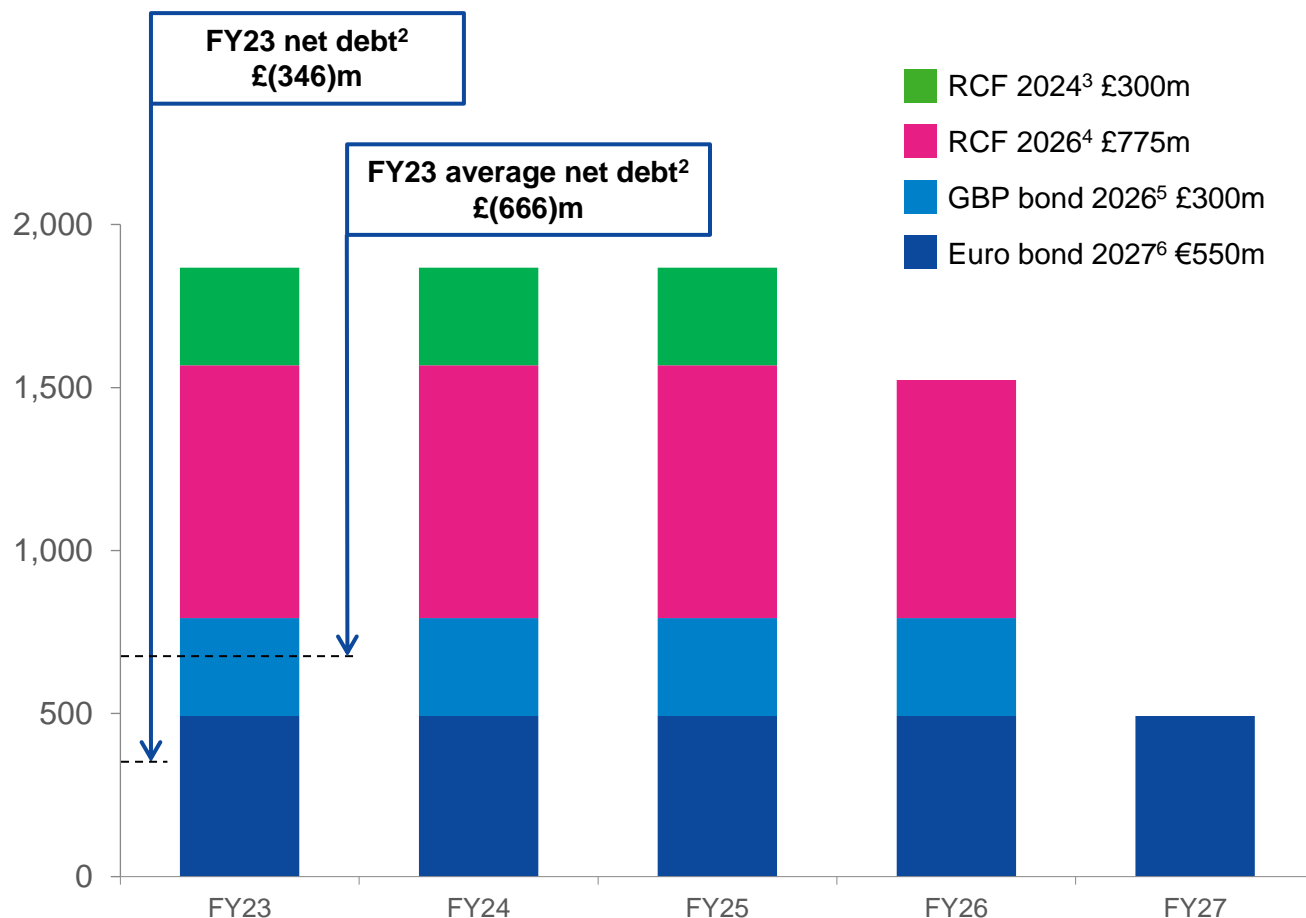
Disposals programme

	Date	Proceeds	Income statement impact
1) Oil and Gas	Sep 2021	£10m (+ £137m leases)	– FY21: £154m revenue, £2m underlying operating profit
2) Frazer Nash	Oct 2021	£292m	– FY21: £101m revenue, £14m underlying operating profit
3) UK Power	Dec 2021	£50m	– FY21: £70m revenue, £7m underlying operating profit
4) AirTanker Holdings	Feb 2022	£96m (+ £31m shareholder loan repayment)	– FY21: Share of associate income after tax £2.8m*
Completed in FY23:			
5) European AES (part)	Feb 2023	c.£180m including closing adjustments (+ c.£200m leases)	– FY22: c.£400m revenue, £13m operating profit contribution – FY23: c.£390m revenue, £(1)m operating profit contribution
6) Civil training	Feb 2023	£5.5m + £10m loan notes over five years	– FY22: c.£40m revenue, £1m operating profit contribution – FY23: c.£35m revenue, £2m operating profit contribution

Total proceeds - c.£640m (+ c.£340m leases transferred)

Liquidity and debt maturity profile

Debt maturity profile¹ (£m)



- Euro bond 2022 €550m (£482m) repaid in October 2022 using cash resources
- Reduced exposure to variable debt (83% is fixed rate). Only £123m drawn debt is variable rate
- c.£1.9bn of total available borrowings and facilities
- Liquidity headroom c.£1.6bn
- No refinancing required until 2026 (assuming the 2024 £300m RCF lapses)

Ample liquidity and covenant headroom to prudently protect downside

Improving delivery

Strengthened bidding governance throughout a five gate bidding process



Improved contract outcomes can be largely linked to early bidding controls

Contract phasing actions	<div>~50% Pre-contract signing</div> <ul style="list-style-type: none">• Risk assessment• Risk allocation• Estimation• Contract terms	<div>~30% Mobilisation</div> <ul style="list-style-type: none">• Contract handover• Resourcing• Risk management• Schedule	<div>~20% Delivery</div> <ul style="list-style-type: none">• Change management• External parties• Progress monitoring• Course correction
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Strong focus on cash-positive and margin-positive structures

Drive to mitigate and monitor risk, only taking on manageable risk

Improving our efficiency, process and our people

New focus will aim to improve margins over medium to long-term

Joint ventures: summary

	Babcock underlying JVs	Share	Country	Sector	Start	End	
Asset JVs	Ascent Aviation JV with Lockheed Martin to deliver UK rotary and fixed-wing flight training and support	50%	UK	Aviation	2016	2033	Asset JVs <ul style="list-style-type: none"> • Typically assets and debt • Dividends follow after paying down JV debt • Typically long-term
Operational JVs	AirTanker Services JV to deliver services and maintenance for air to air refuelling aircraft for the UK RAF	23.5%	UK	Aviation	2008	2035	Operational JVs <ul style="list-style-type: none"> • Capability partnerships • No debt • Dividends follow profits, subject to short-term phasing

Key contracts: Marine

Contract	Customer	Start	End	Country	Notes
Type 31	UK MOD	2019	2028	UK	Design, build and assembly of five general purpose frigates for the Royal Navy
Future Maritime Support Programme (FMSP)	UK MOD	2021	2026	UK	Through-life ship engineering management and support delivery for the Royal Navy
Victoria In Service Support Contract	RCN	2008	2027	Canada	Victoria In Service Support Contract (VISSC) to sustain Royal Canadian Navy's submarines
Marine Systems Support Partner	UK MOD	2017	2024	UK	MSSP: Technical Authority and equipment support package for QEC aircraft carriers and Type 45s
UK Dreadnought Class systems	UK MOD	2006	2031	UK	Design and manufacture weapons handling launch systems and signal ejectors for Dreadnought
Maritime Fleet Sustainment Service	RNZN	2022	2029	NZ	Management of Devonport Dockyard in Auckland and sustainment of Royal New Zealand Navy
UK/US CMC tube assemblies	General Dynamic	2014	2026	UK/US	Manufacturing tube assemblies for the joint UK Dreadnought and US Columbia programme
Defence Strategic Radio Service	UK MOD	2021	2030	UK	DSRS: Provision of worldwide high frequency critical radio services for the UK MOD
Maritime Electronic Warfare Systems Integrator (MEWSIC)	UK MOD	2021	2034	UK	Design, manufacture, delivery and in-service support of maritime electronic warfare capability
Canberra Class support	RAN	2019	2025	Australia	Support contract for the RAN's two largest warships, the Canberra Class Landing Helicopter Docks
Warship Asset Management Agreement (WAMA)	RAN	2018	2024	Australia	Sustainment of the Royal Australian Navy's ANZAC class frigates
Regional Maintenance Provider West	RAN	2023	2028	Australia	RMP West: sustainment of OPVs in Western Australia over the next five years
Skynet 6 Service Delivery Wrap	UK MOD	2023	2029	UK	Management and operation of Skynet, the UK MOD's military satellite communications system

Key contracts: Nuclear

Contract	Customer	Start	End	Country	Notes
Future Maritime Support Programme (FMSP)	UK MOD	2021	2026	UK	Nuclear submarine, infrastructure and license site elements of FMSP for the Royal Navy
Major Infrastructure Programme (MIP)	UK MOD	2019	2025	UK	Project delivery for the upgrade works to Devonport Dockyard's 9, 10 and 15 Docks to enable future maintenance for UK submarines
Future Submarine Design Phase Services Contract	UK MOD	2012	2028	UK	Contract to deliver design support services for the future Dreadnought Class submarine fleet
EDF Energy Lifetime Enterprise Agreement	EDF	2015	2030	UK	Framework agreement providing fuel route and other services to advanced gas cooled reactors until the last of seven reactors is defueled in 2028
Hinkley Point C MEH Alliance	EDF	2019	2028	UK	JV alliance to deliver mechanical, electrical, heating, ventilation and air conditioning (MEH) at Hinkley Point C
Process Plant & Equipment (PP&E)	AWE	2022	2032	UK	Secured Process, Plant and Equipment (PP&E) Partner role for AWE's manufacturing programme
Design Service Alliance (DSA)	Sellafield	2012	2027	UK	Framework for full spectrum design and professional engineering services to Sellafield

Key contracts: Land

Contract	Customer	Start	End	Country	Notes
JP9101 – Enhanced Defence High Frequency Communications	ADF	2023	2033	Australia	Operation, support and technology upgrade programme for the Australian Defence Force
DSG - Defence Support Group	UK MOD	2015	2025	UK	Maintenance, repair and overhaul to over 35,000 vehicles of the British Army's A and B vehicle fleets. Option for five, one-year extensions
Phoenix II – White fleet	UK MOD	2016	2024	UK	Fleet management services for the MOD's c.15,000 vehicle white fleet, including procurement of vehicles and services
RSME - Royal School of Mechanical Engineers	Holdfast	2008	2038	UK	Provision of training and associated support services for the UK MOD
Control Period 6&7	Network Rail	2019	2029	UK	Track and rail systems projects in Scotland through an Alliance with Network Rail
London Metropolitan Police Service (MPS) training	MPS	2020	2028	UK	Policing Education Qualifications Framework (PEQF) providing initial training to police recruits
London Fire Brigade (LFB) fleet management	LFB	2014	2035	UK	Technical fleet management of over 400 LFB vehicles and around 45,000 pieces of firefighting equipment
London Fire Brigade (LFB) training	LFB	2012	2037	UK	Delivering over 200 training programmes to c.5,000 firefighters from two state of the art facilities, 97,000 delegate days of training per annum

Key contracts: Aviation

Contract	Customer	Start	End	Country	Notes
Victoria Air Ambulance	Victoria Gov	2016	2026	Australia	Helicopter Emergency Medical Services (HEMS) contract with six specially configured AW139 aircraft
Hades air base support	UK MOD	2018	2025	UK	Provision of engineering services and technical aviation support to 17 air stations across the UK, with two single year extension options
Hawk T1&T2	BAE Systems	2004	2033	UK	Engine maintenance and technical support for 54 Hawk T1 jets supporting the RAF's advanced jet training programme
H160 French Navy SAR	French DOD	2021	2032	France	Providing six H160 helicopters, technical modifications and through-life support for the French Navy search and rescue operations
Light Aircraft Flying Task II (LAFT)	UK MOD	2009	2026	UK	Provision of 91 aircraft, instructors and services to deliver RAF air squadrons up to 35,000 flying training hours across 14 sites
Manitoba - Firefighting	Manitoba state Government	2018	2028	Canada	Firefighting in Manitoba operated with Babcock surveillance aircraft and customer owned Canadair water bombers. Option to extend by further three years
FOMEDEC	French DOD	2017	2028	France	Provision of aircraft, training support and maintenance to the French Air Force
Mentor	French DOD	2021	2027	France	Provision of aircraft, training support and maintenance to the French Air Force contract includes five one-year options for extension
UK Military Flying Training System (UKMFTS) (Ascent JV)	UK MOD	2008	2033	UK	Ascent 50/50 JV with Lockheed Martin - rotary and fixed-wing flight training
Future Strategic Tanker Aircraft (FSTA) (AirTanker JV)	UK MOD	2008	2035	UK	JV with Thales, Rolls-Royce and Airbus. Infrastructure that supports air-to-air refueling and air-transport operations

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