Babcock

19 NOVEMBER 2026

HY27 HALF YEAR RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

Creating a safe and secure world **together**

HY27 summary

01 **Strong first half performance**

- FY27 expectations unchanged

02 **Medium-term guidance reconfirmed**

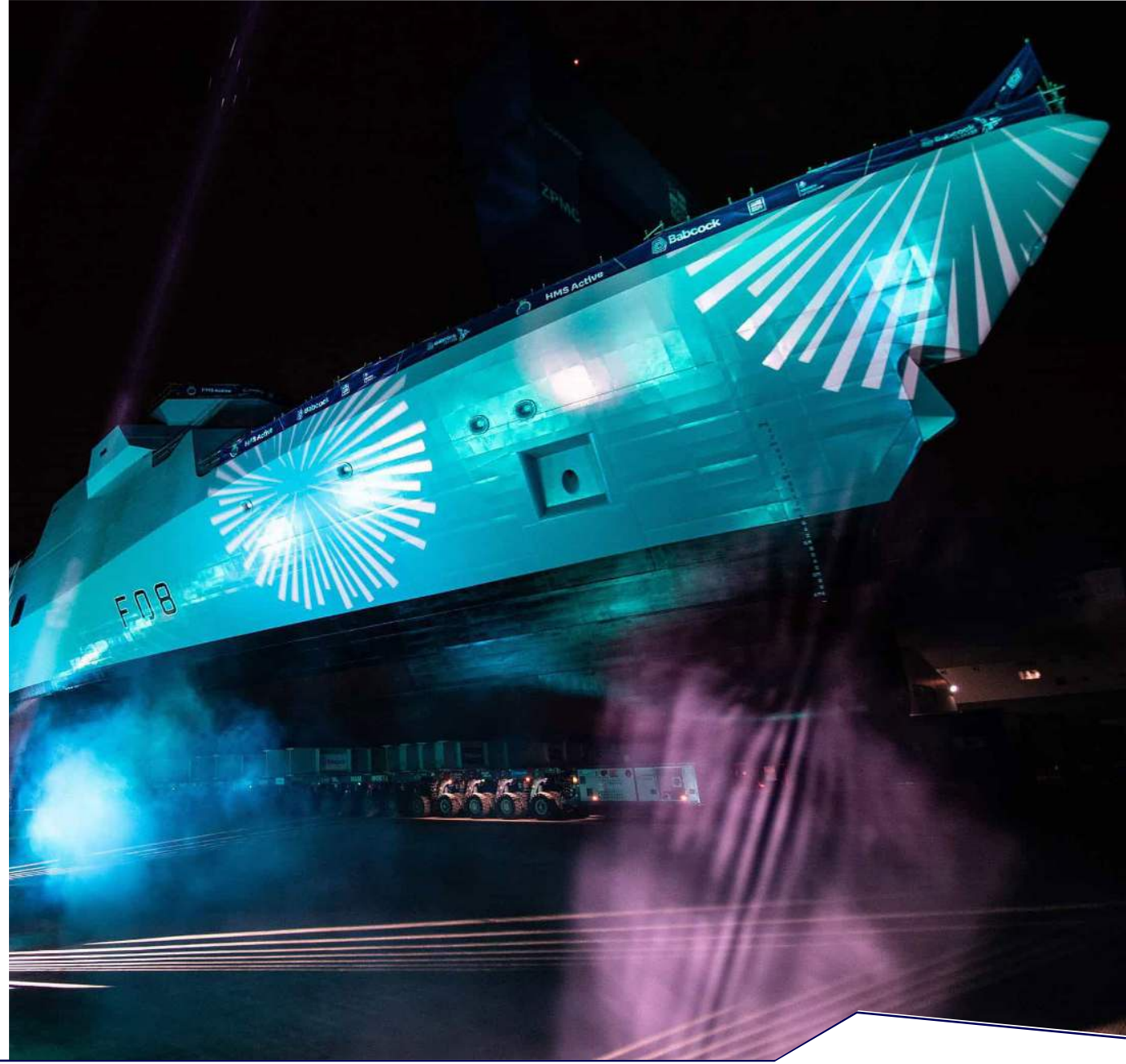
- Consistent execution across the Group

03 **Evolving our strategy**

- Leveraging our unique positioning

04 **Supportive dynamics and strong visibility**

- Significant opportunities ahead



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Our right to win in the current environment



Trusted UK sovereign partner

Embedded in critical defence and nuclear enterprises, delivering for our customers, people and communities

Leader in sustainment and readiness

Proven through-life support across critical assets including nuclear, technology, submarines, ships, aircraft and land fleets

Unique infrastructure and regulatory barriers

Own and manage critical national nuclear-licensed sites, high security clearances, skills, expertise and operational know-how

Mission critical capabilities

Integration of engineering, training, communications, logistics and operations into mission-ready solutions

Effective delivery at scale

Deep track-record across defence and nuclear due to significant supply base and manufacturing footprint

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Early actions to capture future potential

Actions	Increased focus
New Growth organisation	Improved operational performance
New Transformation office	Upweighted talent and team
New Technology organisation	Greater strategic clarity
Re-organised portfolio to better align capabilities and customer	
Three new strategic pillars	

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Consistent delivery

H1 highlights

+5%
organic revenue growth
to £2.7bn

+50bps
margin improvement
to 8.4%

+13%
profit growth
to £227m

93%
cash conversion
+FCF £186m

Continued strategic momentum

Future submarine support successor contract
Advanced negotiations for multi-year submarine and naval base support successor contract – 'the Gateway Agreement'

Canadian submarine support
6-year extension of our largest contract in Canada – CAD $1.2bn

French Armed Forces operational training
8-year contract – first combat training contract for Babcock

UK SMR rollout
Mobilising GBE-N Owner's Engineer contract for UK's first SMR

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FINANCIAL REVIEW

DAVID MELLORS

HY27 HALF YEAR RESULTS

HY27 underlying financial highlights

+5%
organic revenue growth
to £2.7bn

+50bps
margin improvement
to 8.4%

+13%
profit growth
to £227m

+15%
EPS growth
to 32.7p

93%
cash conversion

£186m
free cash flow

c.£80m
£200m share buyback
as at 18 November

+12%
interim dividend
to 2.8p

All figures underlying - see slide 37 for commentary

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Strong organic growth in defence and civil nuclear

+5%
Organic revenue growth*

DEFENCE
75%
OF GROUP

+8%*
- Nuclear
- Land
- Aviation

CIVIL NUCLEAR
6%
OF GROUP

+13%*
- Clean energy
- Fuels

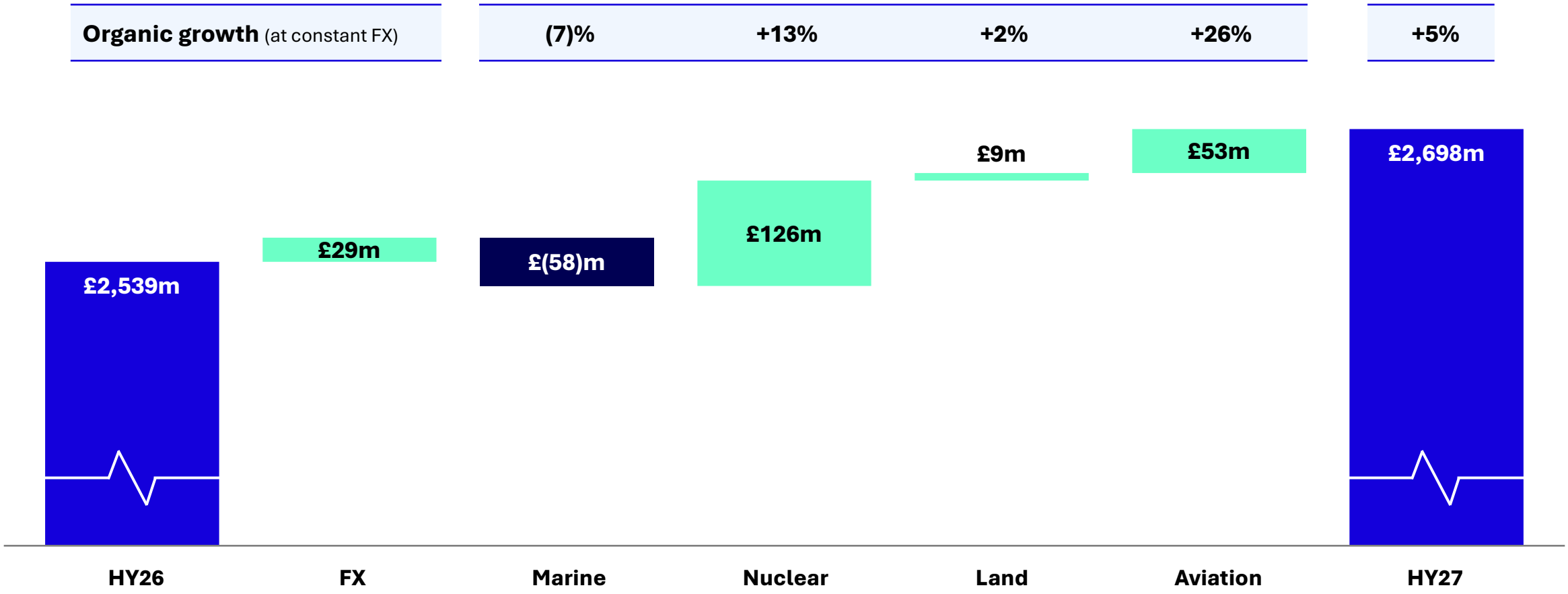
OTHER CIVIL
19%
OF GROUP

(7)%*
- LGE

*At constant currency

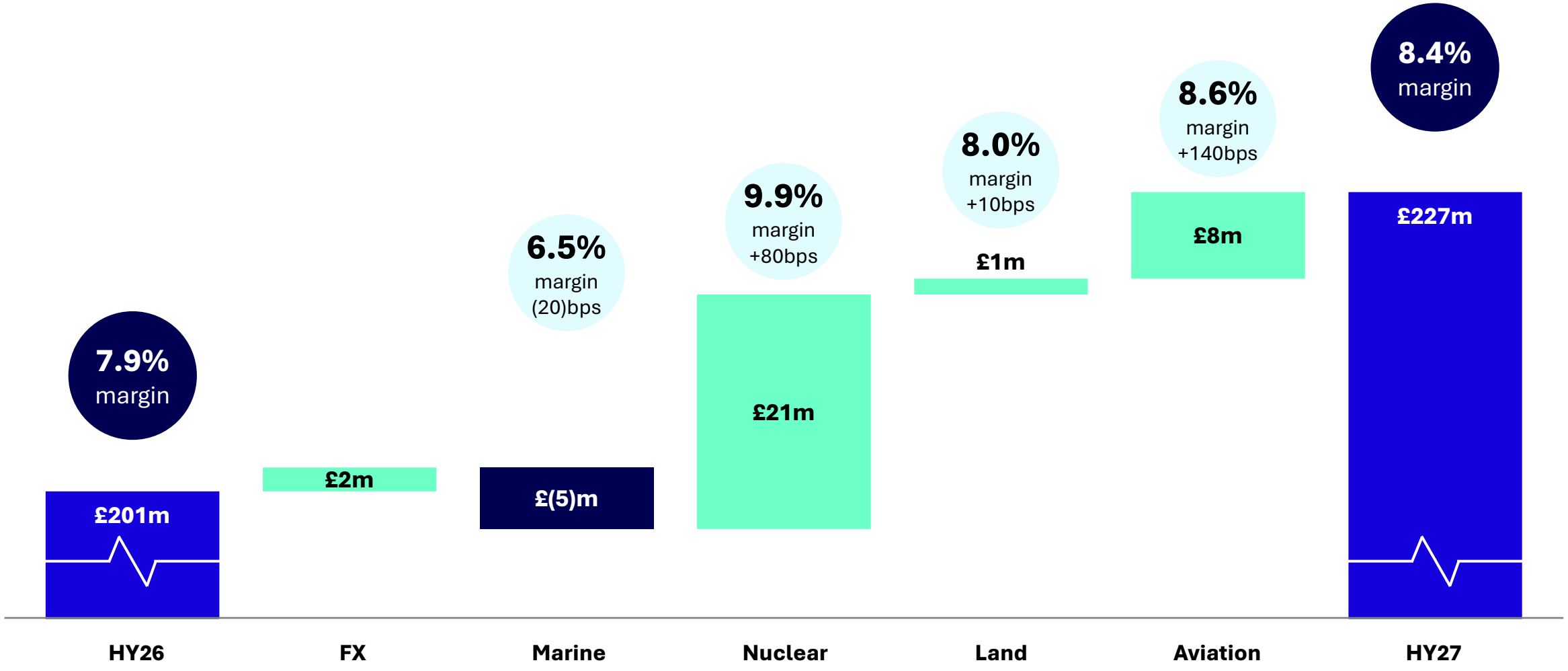
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Organic revenue bridge



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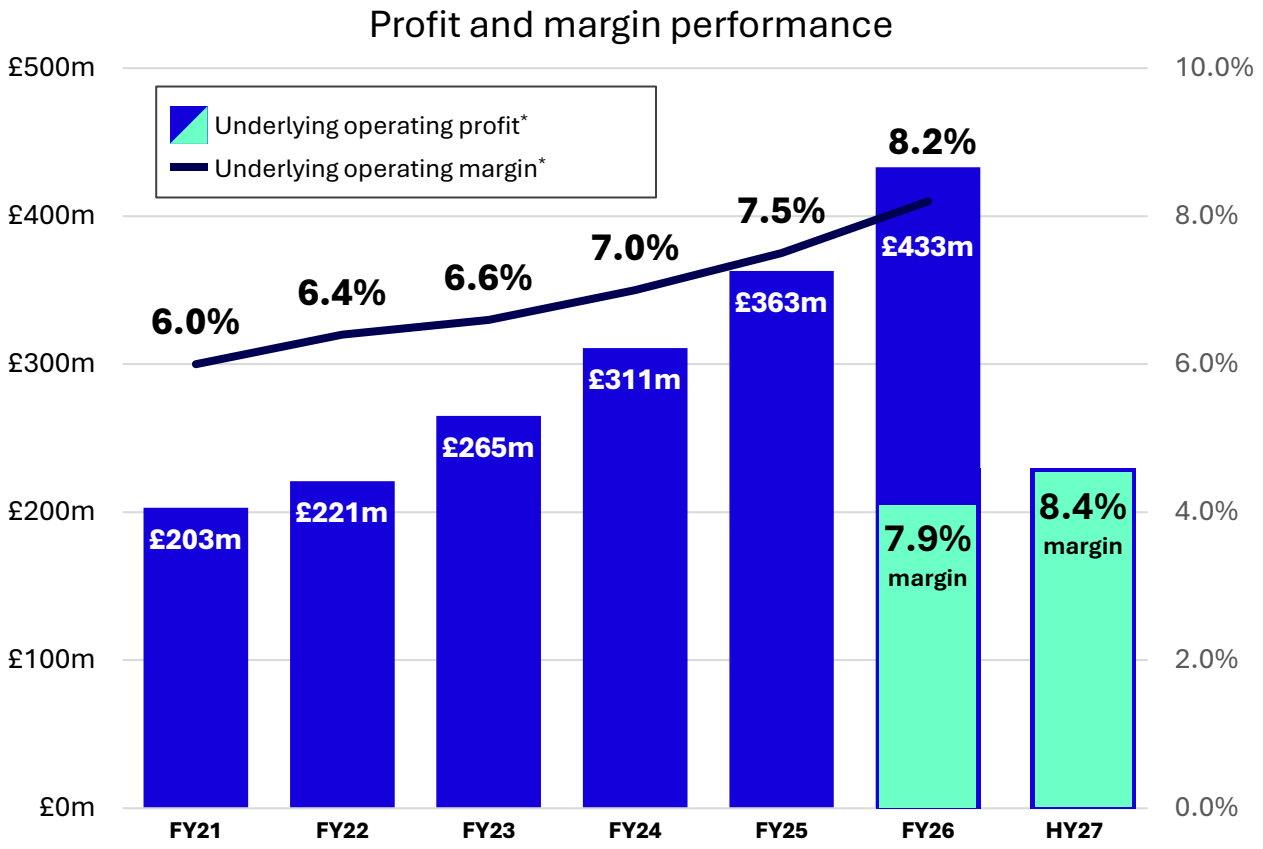
Underlying operating profit bridge



All figures rounded

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Margin progress towards 9%+



Guidance

- Further progress towards our margin target
- Reconfirm our medium-term margin guidance of 9%+

Drivers of margin improvement continue

- Growth of quality business
- Productivity gains
- Process optimisation and simplification
- Systems upgrades
- Overhead rationalisation

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All figures underlying

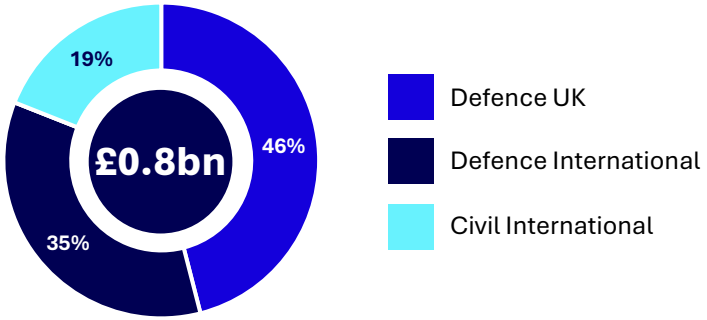
*Ongoing businesses (on a like for like basis): rebased for disposals, acquisitions and one-offs, see slide 43

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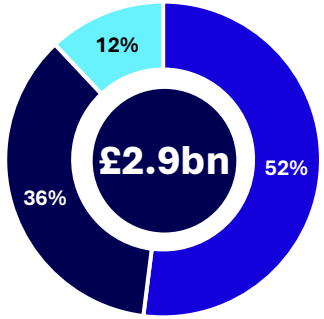
Marine

	HY27	HY26
Contract backlog	**£2,889m**	£2,820m
Revenue	**£769m**	£823m
Underlying operating profit	**£50m**	£55m
Underlying operating margin	**6.5%**	6.7%

HY27 revenue



HY27 backlog



Contract backlog

+ Canadian submarine support extension, Australian ship support awards, and UK Skynet scope increases
− Offset by revenue traded on long-term programmes

Revenue down 7%*

Civil revenue down 17%*

− LGE volumes down as expected (post record order intake in FY25)

Defence revenue down 4%*

− Phasing of Type 31 programme
+ Slightly offset by higher volumes across UK and international support, and increased activity on Missile Tube Assemblies

Underlying operating profit down 9%

− LGE result - following record prior period

Underlying operating margin down slightly to 6.5%

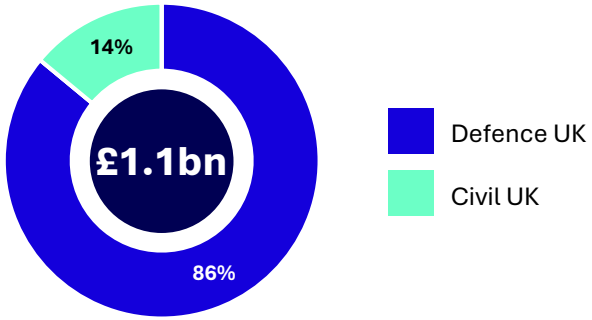
*At constant currency

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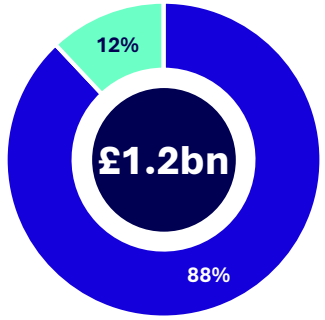
Nuclear

	HY27	HY26
Contract backlog	**£1,242m**	£1,762m
Revenue	**£1,115m**	£989m
Underlying operating profit	**£110m**	£90m
Underlying operating margin	**9.9%**	9.1%

HY27 revenue



HY27 backlog



Contract backlog

− Revenue traded on long-term submarine support and MIP contracts

\+ Significant H2 intake expected with signing of Gateway Agreement

Revenue up 13%*

Defence revenue up 13%*

\+ Increased submarine and naval base support activity

\+ Progress in MIP: 10 Dock and Rosyth CDF advancing

- Growth in MIP: HY27: £237m (HY26: £215m)

Civil revenue up 13%*

\+ Driven by Clean energy and Fuels

Underlying operating profit up 23%

\+ Revenue growth and final period of FMSP

Underlying operating margin up 80 basis points to 9.9%

*At constant currency

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Land

	HY27	HY26
Contract backlog	**£2,946m**	£3,321m
Revenue	**£557m**	£526m
Underlying operating profit	**£45m**	£42m
Underlying operating margin	**8.0%**	7.9%

HY27 revenue



HY27 backlog

Contract backlog

+ H1 awards: defence (vehicles, support and training) and South Africa
− Trading on long term contracts, including DSG (£1bn order in March 2025)

Revenue up 2%*

Defence revenue up 6%*

+ British Army and Ukraine vehicle support volumes increased
+ Initial UK defence vehicles delivered

Civil revenue down 3%*

− South Africa and UK emergency services

Underlying operating profit up 7% (up 3% at constant FX)

Underlying operating margin up 10 basis points to 8.0%

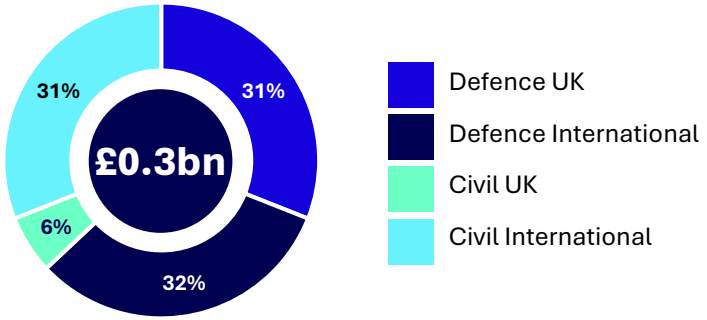
*At constant currency

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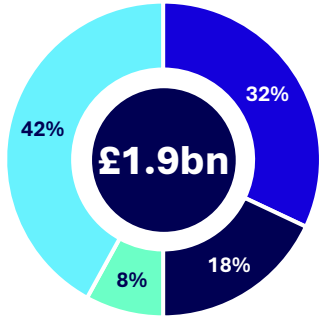
Aviation

	HY27	HY26
Contract backlog	**£1,879m**	£2,015m
Revenue	**£257m**	£201m
Underlying operating profit	**£22m**	£15m
Underlying operating margin	**8.6%**	7.2%

HY27 revenue



HY27 backlog



Contract backlog

+ H1 scope increases and awards across UK and French defence,
– Offset by revenue traded on long-term programmes

Revenue up 26%*

Defence revenue up 50%*

+ Mobilisation of Mentor 2 - military pilot training in France
+ UK defence contracts volumes up

Civil revenue down 1%*

– Increased UK activity offset by international emergency services

Underlying operating profit up 53%

+ Including £2m profit on disposal of aircraft

Underlying operating margin up 140 basis points to 8.6%

*At constant currency

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Cash flow

£m	HY27	HY26
Underlying operating profit	227	201
Depreciation & amortisation (capex and leases)	69	64
Net capital expenditure	(61)	(46)
Lease principal payments	(28)	(23)
Working capital, provision and other movements	5	(30)
Underlying operating cash flow	**213**	**166**
Cash conversion (%)	**93%**	**83%**
Pension contributions in excess of income statement	(7)	(7)
Interest paid (net)	(11)	(13)
Tax paid	(15)	(12)
Dividends from joint ventures	7	7
Underlying free cash flow	**186**	**141**

Figures rounded

Operating cash flow: up 28%

- Net capex remaining ahead of depreciation, continued investment, particularly Devonport and Rosyth
- Short-term working capital benefit (c.£20m) at period end, will reverse in H2

Cash conversion: 93%

Free cash flow: up 32%

- Higher operating cash flow
- Pension, interest and tax weighted to H2

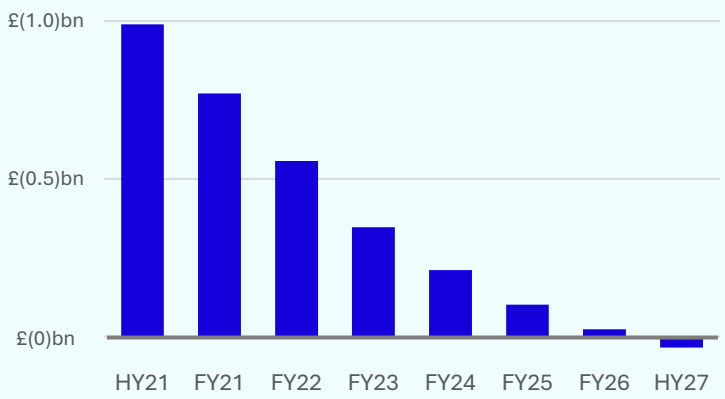
FY27 guidance:

- Net capex £120m-£150m
- Pension deficit repair c.£20m
- Interest c.£30m
- Tax c.£70m

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Balance sheet

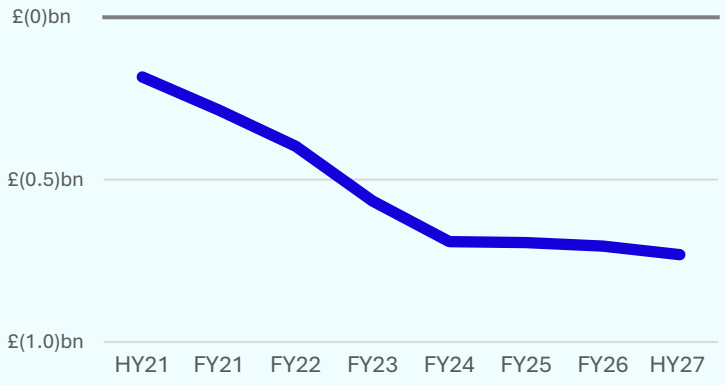
Net debt (excluding leases)



Net debt and borrowings:

- Leverage 0.1x
- Liquidity headroom £1.7bn at 30 Sep 2026
- New GBP bond £250m matures Jul 2031
- GBP bond £300m repaid Oct 2026
- Euro bond €550m matures Sep 2027

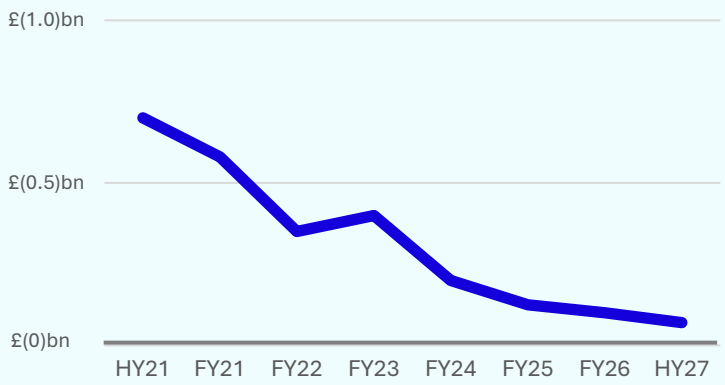
Net working capital



Net working capital:

- Some short-term timing (c.£20m) will reverse in H2
- Programme balances (contract assets/liabilities) c.£400m

Pension deficit (technical provisions)



Technical pensions deficit:

- Deficit repair contribution: £20m p.a.
- Expect BIG scheme to move towards buy-in in next 12-18 months

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Disciplined capital allocation delivering shareholder value

Priorities

1

Organic investment
Investment to support business operations and enhance growth potential

Disciplined allocation aligned with growth strategy and opportunities

2

Financial strength
Maintain strong balance sheet and investment grade rating

Net debt £267m
Retained BBB+ Dec 2025

3

Ordinary dividend
Pay an ordinary dividend

Interim dividend up 12% to 2.8 pence

Further capital options

M&A
Bolt on opportunities

Continue to explore and evaluate the pipeline

Pensions
Acceleration of our pension scheme obligations

Evaluating scheme buy-out opportunities

Shareholder returns
Further returns of surplus capital to our shareholders

FY27 £200m buyback started in July
Around 40% complete (c.£80m)

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Summary

Strong first half performance

- Good organic growth, margin progression and cash conversion

Good progress towards FY27

- Around 90% contracted at H1, Gateway expected H2

Medium-term guidance reconfirmed

Shareholder returns

- FY27 £200m buyback started in July, c.40% complete



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CEO REVIEW

HARRY HOLT

HY27 HALF YEAR RESULTS

The global context

Global pressures

- **Climate**
- **Societal**
- **Technological**
- **Geopolitical**

Structural changes

- Higher defence spending
- War fighting readiness
- Rapid capability modernisation
- Sovereign energy capability
- National strategic resilience

Alignment with Babcock

Defence availability, capability and readiness

Mission-critical technology, engineering, manufacture, integration and support

Nuclear power, critical national infrastructure and sovereign capability

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Babcock's unique defence positioning

Current environment

- Winning through superior platforms
- Expeditionary operations abroad
- Crewed platforms at the centre of conflict
- Defence spend only funds armed forces

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We sit at the intersection - strengthening warfighting readiness and national resilience

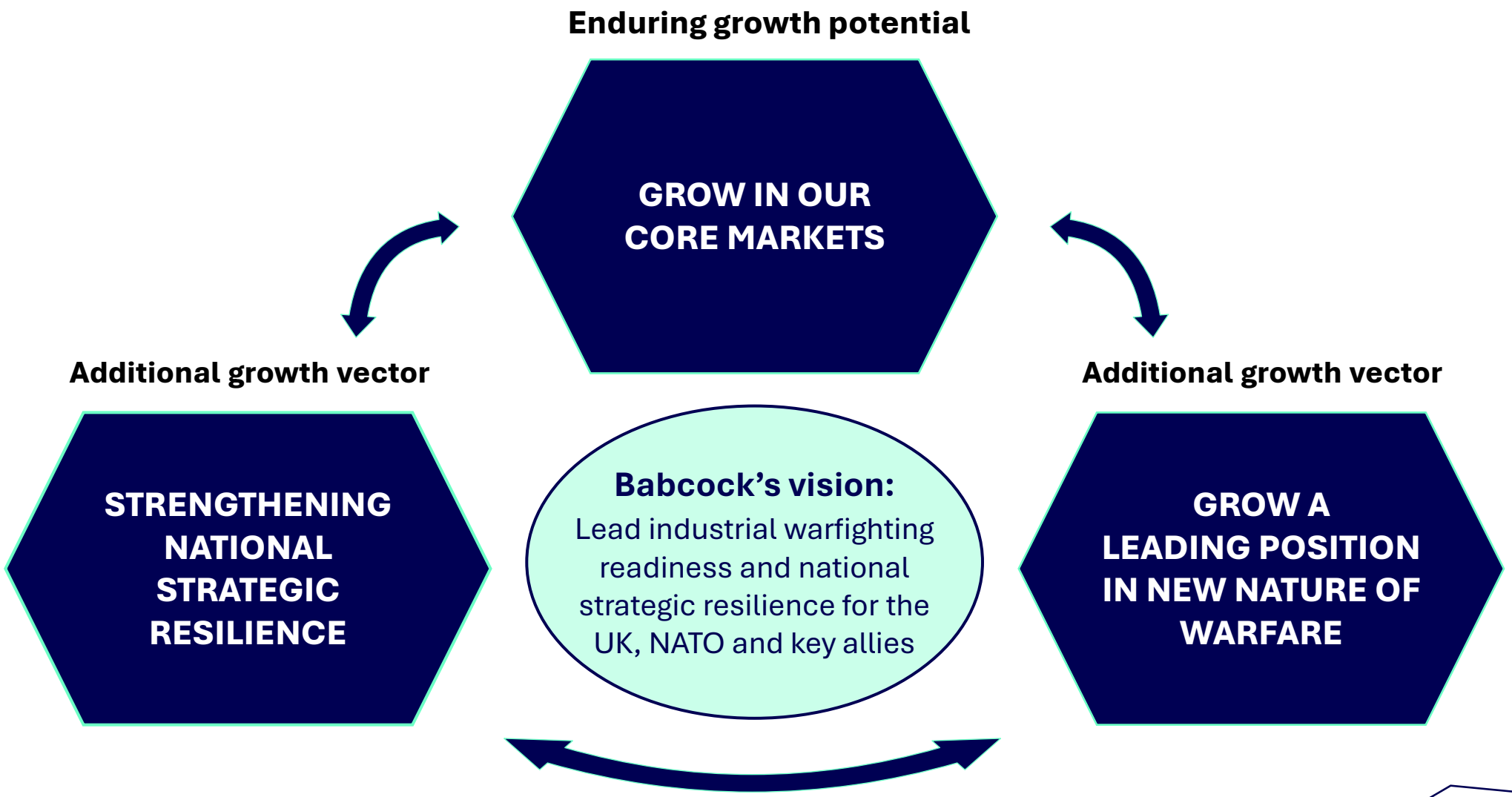
Evolving environment

- Winning through superior readiness, mass, and resilience
- A contested home front: infrastructure, energy, cyber and undersea networks, both a strategic military asset and threat
- Integrated multi-domain crewed and uncrewed operations, enhanced by AI
- Broadening definition of Defence to now include national security and resilience

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Evolved strategic pillars



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Aligned to areas of funded growth in the UK defence plan

Grow in our core markets

Defence nuclear	Naval infrastructure	Sovereign warhead	Autonomous systems	Hybrid navy	MOD efficiencies
Direct uplift	Expanded scope	Newly specified	Broader funding	Newly specified	Total commitment
£64bn	£26bn	£15bn	>£5bn	£1.5bn	£(11)bn
>£20bn increase[1]	10-year programme[2]	Funded programme[3]	>£1bn increase[4]	Funded programme[5]	4-year savings target[6]
• All submarine and naval base support • Nuclear deterrent	• Own or manage Rosyth, Devonport and Clyde • Major Infrastructure	• Engineering at AWE • Nuclear fuels expertise	• Systems integration • Through-life support • Strategic partnerships	• Type 31 • ARMOR Force • Build and integration	• Limited exposure to discretionary spending

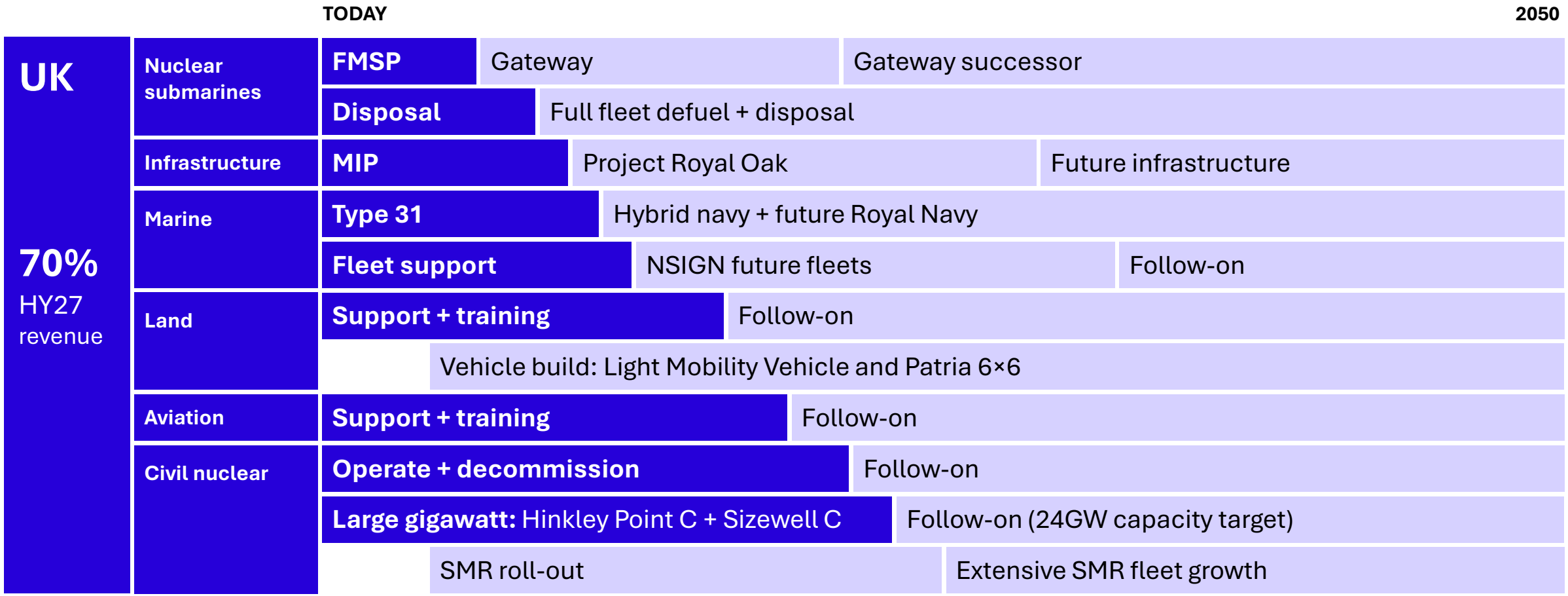
UK Defence Investment Plan (DIP):
1. Defence Nuclear Enterprise investment FY27–FY30 vs. preceding four years
2. Project Royal Oak: £26bn ten-year programme (includes £15bn HMNB Clyde and £7bn HMNB Devonport and dockyard) – initial four years included in the £64bn Defence Nuclear Enterprise funding
3. Commitment to warhead and nuclear fuels within the £64bn Defence Nuclear Enterprise funding
4. Broader funding in the DIP vs. UK SDR 2025, with specific allocations
5. Explicit FY27–FY30 allocation within the >£5bn Autonomous systems funding
6. £11bn of departmental savings to reach DIP defence spend of £298bn

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Long-term growth from defence and nuclear

Grow in our core markets



Indicative timing - unspecified transitions and gaps are illustrative

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Platform for further international growth

Grow in our core markets



30%

HY27 revenue

Core capabilities and allied international footprint provide defence and nuclear opportunities

Canada
Submarine support
Aircraft operations and support

Australia
Naval support
Defence programmes
Secure comms
›› **AUKUS**

France
Military pilot training
Aircraft support
Combat air training
Defence vehicle support

Indonesia
Arrowhead 140
Maritime Partnership Programme

United States
Missile tube assembly
Virginia Class supply chain
›› **Frigate programme**
›› **Civil nuclear decommissioning**

Denmark
Arctic patrol
›› **Arrowhead 140**
›› **Hybrid navy**

Poland
Arrowhead 140
Engineering support

Ukraine
Vehicle and naval support
Technology integration
Training

New Zealand
Naval support
Infrastructure
Secure comms
›› **Arrowhead 140**

Japan
Civil nuclear services
Decommissioning

South Korea
Submarine systems
Liquid Gas Equipment

South America
Naval support
›› **Supporting second owners**
›› **Arrowhead 140**

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Existing capabilities
›› **Future opportunities**

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The new nature of hybrid warfare

Grow a leading position in new nature of warfare

New nature of hybrid warfare: crewed and uncrewed platforms, fighting in a highly integrated manner, delivering er lethality

- Crewed platform
- Uncrewed platforms
- Comms, data and cyber
- EW and CEMA



- Effectors
- Mission orchestration
- Training and simulation
- Through-life support

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ARMOR Force: our role in the hybrid navy

Grow a leading position in new nature of warfare

Our position: integrating crewed and uncrewed capability to maximise readiness, resilience and lethality

Crewed platform	• Arrowhead platform • CCV ready
Uncrewed platforms	• Modular build and integration • Romulus USVs
Comms, data and cyber	• Secure comms • Data integration
EW and CEMA	• MEWSIC • NOMAD



• Launchers • Counter UAS	**Effectors**
• Autonomy and mission management • Cobalt and Odyssey	**Mission orchestration**
• Hybrid operations • Synthetic environments	**Training and simulation**
• Digitally enabled • Pelorus and Metis	**Through-life support**

Hybrid advantage through our integrated ARMOR Force offering

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Strengthening national strategic resilience

	Critical national infrastructure	Energy security	Supply chain and industrial capacity
Babcock's capabilities	• UK nuclear dockyards - own and operate • Major Nuclear Capital Programmes • Support to emergency services • Secure communications • Operational base support services	• Nuclear generation support • New nuclear infrastructure • Nuclear decommissioning	• Supply-chain management and assurance • Supplier and SME integration • Industrial footprint and advanced manufacturing • Skills Leadership
Unlocking future growth	• UK naval base regeneration • Civil and military infrastructure protection • Counter-UAS	• Advanced nuclear reactor (AMR and SMR) manufacture and site integration • Nuclear fuels • Deployed power	• Strategic partnerships and frameworks • Access to critical technology • Critical components and materials • Surge production

Delivery today and future growth is underpinned by our sovereign capability

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Disciplined capital allocation delivering shareholder value

Priorities

1

Organic investment
Investment to support business operations and enhance growth potential

Disciplined allocation aligned with growth strategy and opportunities

2

Financial strength
Maintain strong balance sheet and investment grade rating

Net debt £267m
Retained BBB+ Dec 2025

3

Ordinary dividend
Pay an ordinary dividend

Interim dividend up 12% to 2.8 pence

Further capital options

M&A
Bolt on opportunities

Continue to explore and evaluate the pipeline

Pensions
Acceleration of our pension scheme obligations

Evaluating scheme buy-out opportunities

Shareholder returns
Further returns of surplus capital to our shareholders

FY27 £200m buyback started in July
Around 40% complete (c.£80m)

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Evolving our offering – why we will continue to win

Our enduring right to win, combined with capabilities aligned for future growth

- Trusted UK sovereign partner
- Leader in sustainment and readiness
- Unique infrastructure and regulatory barriers
- Mission critical capabilities
- Effective delivery at scale

+

- Integrator of multi-domain capability
- Integrator of technology enabled readiness
- Enabler of national strategic resilience

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HY27 summary

Strong first half performance

- FY27 expectations unchanged

Medium-term guidance reconfirmed

- Average mid-single digit organic revenue growth
- Underlying operating margin of at least 9%
- Average underlying operating cash conversion of at least 80%

Evolving our strategy

- Grow in our core markets
- Grow a leading position in new nature of warfare
- Strengthening national strategic resilience

Supportive dynamics and strong visibility

- Significant opportunities ahead

Babcock is uniquely placed to lead industrial warfighting readiness and national strategic resilience for the UK, NATO and key allies

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Q & A

HY27 HALF YEAR RESULTS

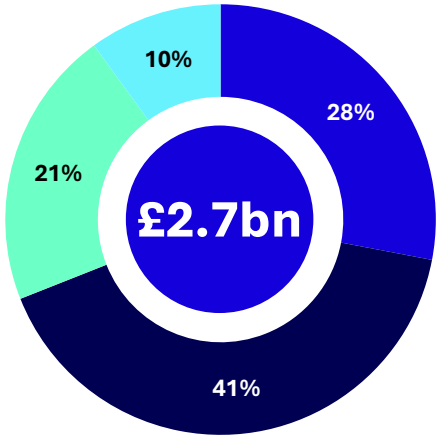
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APPENDIX

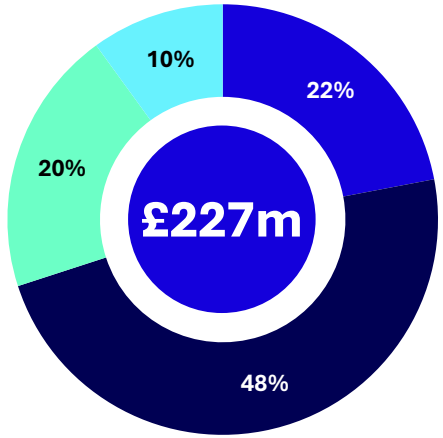
HY27 HALF YEAR RESULTS

HY27 results split by sector

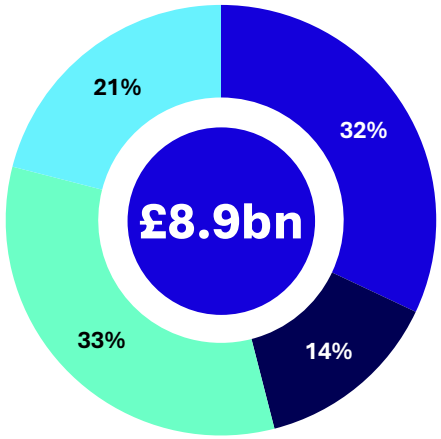
Revenue



Underlying operating profit



Contract backlog

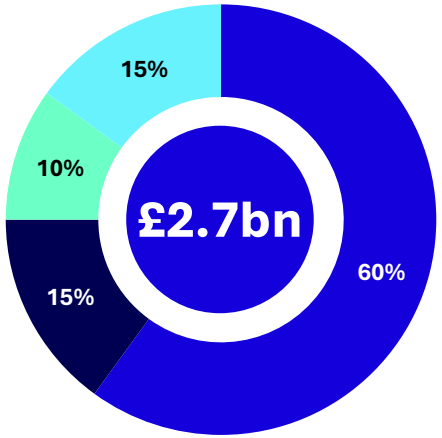


Marine Nuclear Land Aviation

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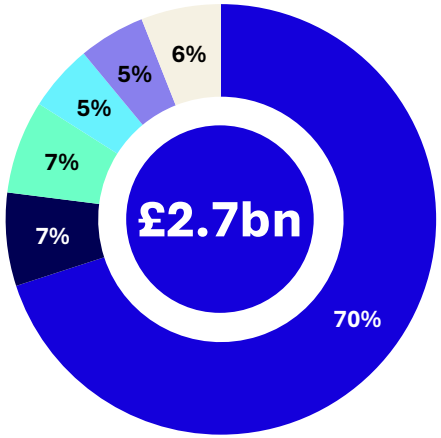
HY27 Group splits

Revenue profile



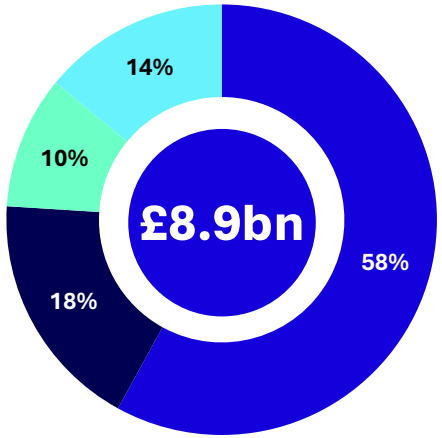
- Defence UK
- Defence International
- Civil UK
- Civil International

Geographical revenue



- UK
- Aus & NZ
- S. Africa
- N. America
- Europe
- ROW

Contract backlog



- Defence UK
- Defence International
- Civil UK
- Civil International

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Underlying financial results overview

	HY27	HY26
Backlog	**£8,956m**	£9,918m
Revenue	**£2,698m**	£2,539m
Underlying operating profit	**£227m**	£201m
Underlying operating margin	**8.4%**	7.9%
Underlying basic EPS	**32.7p**	28.5p
Underlying free cash flow	**£186m**	£141m
Net funds/(debt) (excluding leases)	**£35m**	£(56)m
Dividend	**2.8p**	2.5p

Backlog down 10% driven by execution of long-term contracts
- Significant H2 intake expected

Organic **revenue growth 5%** (at constant FX)
- Growth driven by Nuclear and Aviation

Underlying operating **profit up 13%**
- Strong performance in Nuclear, Aviation and Land

Underlying **margin up 50bps to 8.4%**

Underlying **EPS up 15% to 32.7p**

Underlying **free cash flow up £45m, cash conversion 93%**

Net debt (excluding leases) **reduced by £91m,** net surplus of £35m

Shareholder returns:
- Dividend increased 12% to 2.8 pence
- FY26 buyback completed in April
- Around £80m of £200m FY27 buyback repurchased since July, as at 18 November

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Statutory to underlying reconciliation

(£m)	HY27 Underlying	HY27 Specific Adjusting Items	HY27 Statutory	HY26 Underlying	HY26 Specific Adjusting Items	HY26 Statutory
Revenue	**2,697.7**	**–**	**2,697.7**	**2,538.6**	**-**	**2,538.6**
Operating profit / (loss)	**227.3**	**(6.6)**	**220.7**	**201.1**	**33.2**	**234.3**
Operating margin	8.4%		8.2%	7.9%		9.2%
Share of results of joint ventures and associates	5.7	–	5.7	4.2	-	4.2
Net finance costs	(14.5)	4.3	(10.2)	(13.5)	1.3	(12.2)
Profit / (loss) before tax	**218.5**	**(2.3)**	**216.2**	**191.8**	**34.5**	**226.3**
Income tax benefit / (expense)	(56.6)	0.9	(55.7)	(49.3)	(8.5)	(57.8)
Profit / (loss) after tax for the year	**161.9**	**(1.4)**	**160.5**	**142.5**	**26.0**	**168.5**
Non-controlling interest	0.7	–	0.7	(0.8)	-	(0.8)
Profit attributable to the owners of the parent	**161.2**	**(1.4)**	**159.8**	**143.3**	**26.0**	**169.3**
Basic EPS	**32.7p**	**(0.3)p**	**32.4p**	**28.5p**	**5.2p**	**33.7p**
Diluted EPS	**32.1p**	**(0.3)p**	**31.8p**	**28.0p**	**5.0p**	**33.0p**

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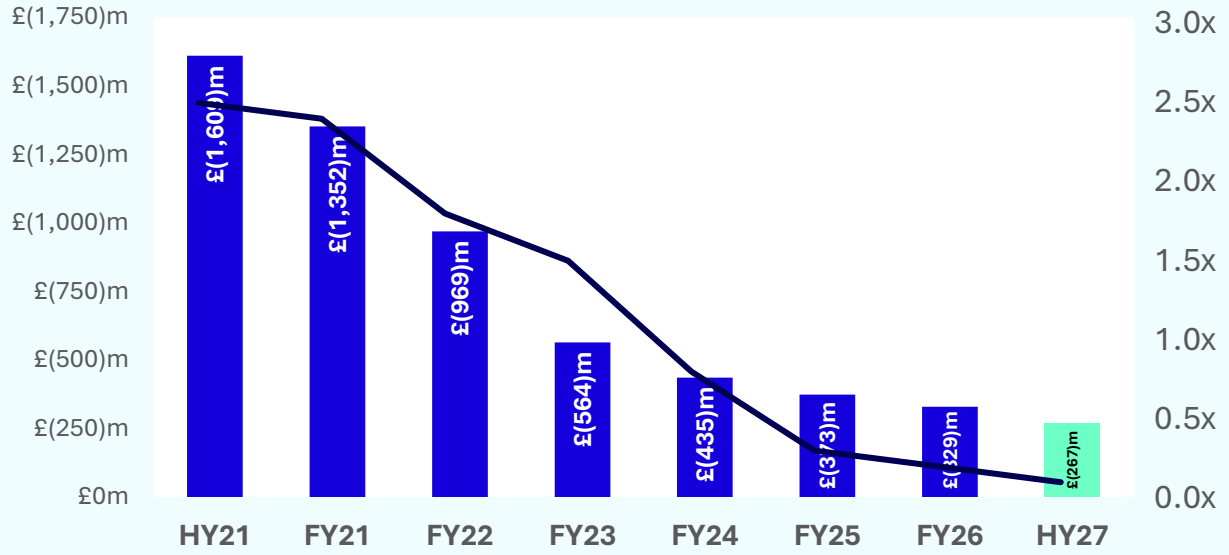
Net debt / EBITDA (covenant basis)

(£m)	HY27 (Rolling 12 months)	HY26 (Rolling 12 months)
Underlying operating profit	**319.4**	**395.3**
Depreciation and amortisation	**89.8**	82.8
Other covenant adjustments	**(6.3)**	0.6
EBITDA	**402.9**	**478.7**
JV and associate dividends	**10.6**	7.6
EBITDA + JV and associate dividends	**413.5**	**486.3**
Net debt	**34.7**	**(55.8)**
Covenant adjustments (adding back finance lease receivables, loans to JVs, avg FX)	**(66.1)**	(42.9)
Net debt (covenant basis)	**(31.4)**	**(98.7)**
Net debt / EBITDA	**0.1x**	**0.2x**

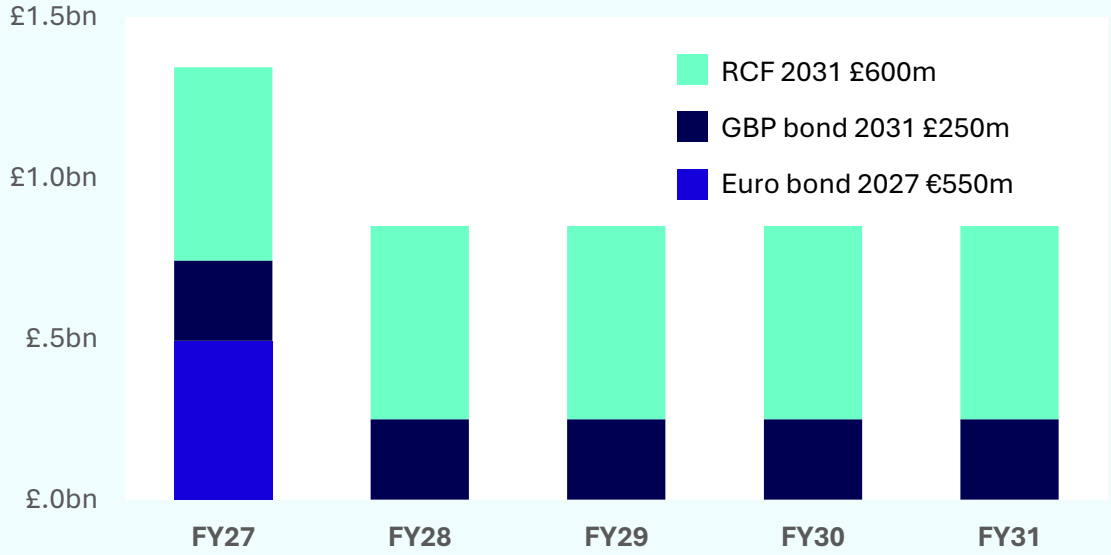
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Balance sheet strength and debt maturity

Net debt and gearing ratio



Debt maturity profile

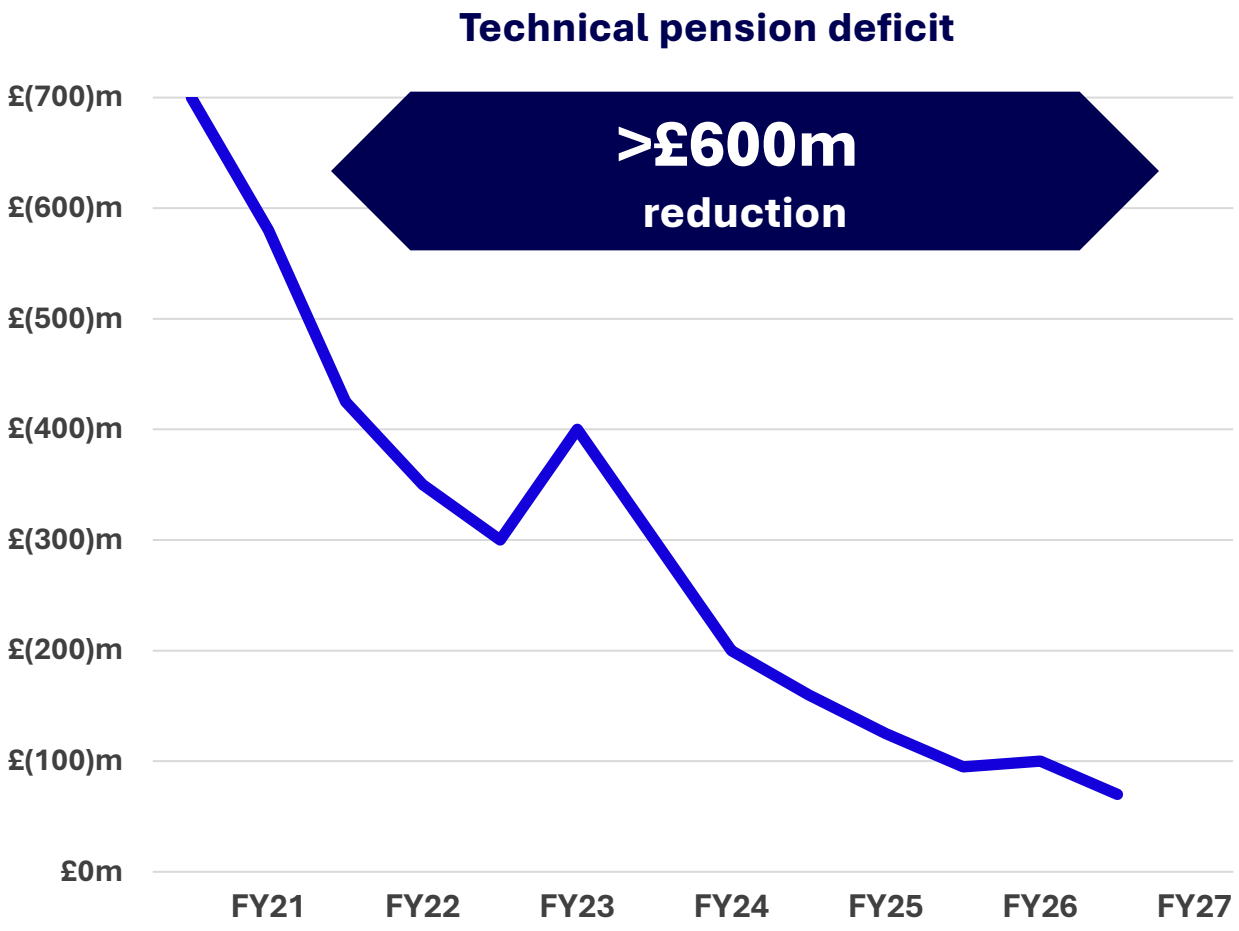


- BBB+ rating retained (S&P)
- Facility headroom over £1.7bn

- Refinanced the RCF in August 2025
- New GBP bond £250m in July 2026
- Repaid GBP £300m bond in October 2026

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Balance sheet strength – progress on pension derisking



Technical provision deficit – actuarial deficit (aggregated)*

- Around £70m aggregated technical provision deficit

Funding agreements

- Long-term funding agreements reached with all three main scheme trustees
- BIGPS and DRDPS closed to future accruals

Future contributions

- BIGPS reached self-sufficiency, future company contributions not expected
- Total deficit repair cash contributions now **c.£20m per annum for around four years**

Reducing and de-risking the deficit

* Estimate of the aggregate actuarial deficits of the Group's defined benefit pension schemes, including all longevity swap funding gaps, calculated using each scheme's respective technical provisions basis.

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HY sector detail - reported

Revenue

(£m)	HY27	HY26	HY25	HY24	HY23
Marine	**769**	823	790	750	666
Nuclear	**1,115**	989	866	711	558
Land	**557**	526	591	546	478
Aviation	**257**	201	162	171	441
Group	**2,698**	2,539	2,409	2,177	2,144

Underlying operating profit

(£m)	HY27	HY26	HY25	HY24	HY23
Marine	**50.2**	55.3	40.0	63.0	47.3
Nuclear	**110.2**	89.7	75.7	45.2	30.1
Land	**44.7**	41.6	45.4	37.5	38.0
Aviation	**22.2**	14.5	7.7	8.7	6.3
Group	**227.3**	201.1	168.8	154.4	121.7

Underlying margin

(£m)	HY27	HY26	HY25	HY24	HY23
Marine	**6.5%**	6.7%	5.1%	8.4%	7.1%
Nuclear	**9.9%**	9.1%	8.7%	6.4%	5.4%
Land	**8.0%**	7.9%	7.7%	6.9%	7.9%
Aviation	**8.6%**	7.2%	4.8%	5.1%	1.4%
Group	**8.4%**	7.9%	7.0%	7.1%	5.7%

Contract backlog

(£m)	HY27	HY26	HY25	HY24	HY23
Marine	**2,889**	2,820	2,991	2,929	2,426
Nuclear	**1,242**	1,762	2,461	2,400	2,547
Land	**2,946**	3,321	2,410	2,734	2,429
Aviation	**1,879**	2,015	1,655	1,573	2,450
Group	**8,956**	9,918	9,517	9,636	9,852

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FY sector detail – organic, ongoing businesses

Revenue

(£m)	FY26	FY25	FY24	FY23	FY22	FY21
Marine[1]	**1,687**	1,576	1,495	1,482	1,209	1,277
Nuclear	**2,070**	1,816	1,521	1,179	1,010	978
Land[2]	**1,084**	1,117	1,099	970	913	845
Aviation[3]	**431**	322	342	416	337	307
Group	**5,273**	**4,831**	**4,456**	**4,048**	**3,469**	**3,407**

Underlying operating profit

	FY26	FY25	FY24	FY23	FY22	FY21
Marine[1]	**110**	97	103	113	90	82
Nuclear	**197**	160	109	64	62	87
Land[2]	**95**	86	79	72	54	44
Aviation[3]	**31**	20	19	17	14	(10)
Group	**433**	**363**	**311**	**265**	**221**	**203**

Underlying margin

	FY26	FY25	FY24	FY23	FY22	FY21
Marine[1]	**6.5%**	6.1%	6.9%	7.6%	7.5%	6.4%
Nuclear	**9.5%**	8.8%	7.2%	5.4%	6.2%	8.9%
Land[2]	**8.8%**	7.7%	7.2%	7.4%	5.9%	5.1%
Aviation[3]	**7.1%**	6.2%	5.6%	4.1%	4.1%	(3.1)%
Group	**8.2%**	**7.2%**	**7.0%**	**6.6%**	**6.4%**	**6.0%**

Contract backlog

	FY26	FY25	FY24	FY23	FY22	FY21
Marine[1]	**2,807**	3,027	2,993	2,581	2,492	2,437
Nuclear	**1,792**	1,984	3,105	2,454	2,789	358
Land[2]	**3,087**	3,466	2,594	2,809	2,309	2,319
Aviation[3]	**2,069**	1,940	1,641	1,633	1,318	1,181
Group	**9,755**	**10,416**	**10,333**	**9,477**	**8,908**	**6,295**

1. Excluding Type 31 (FY26: charge £(140)m (including revenue reversal £96m), FY24: profit loss: £(90)m (including revenue reversal £66m), FY23: profit loss £(100)m including revenue reversal £42.6m) and divested businesses (FY22: Frazer Nash)
2. Excluding FY24 one-off profit on property disposal (£17m), FY23 one-off accounting credit (£12m revenue and profit) and divested businesses (FY23: civil training, FY22: UK Power)
3. Excluding divested businesses (FY23: European AES, FY22: O&G)

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FY sector detail - reported

(£m)	Revenue					Underlying operating profit					Underlying margin					Contract backlog				
	FY26	FY25	FY24	FY23	FY22	FY26	FY25	FY24	FY23	FY22	FY26	FY25	FY24	FY23	FY22	FY26	FY25	FY24	FY23	FY22
Marine	**1,592**	1,576	1,429	1,440	1,259	**(30)**	97	13	13	98	**(1.9)%**	6.1%	0.9%	0.9%	7.8%	**2,807**	3,027	2,993	2,581	2,492
Nuclear	**2,070**	1,816	1,521	1,179	1,010	**197**	160	109	64	62	**8.8%**	8.8%	7.2%	5.4%	6.2%	**1,792**	1,984	3,105	2,454	2,789
Land	**1,084**	1,117	1,099	1,017	1,016	**95**	86	96	86	59	**7.7%**	7.7%	8.8%	8.4%	5.8%	**3,087**	3,466	2,594	2,809	2,309
Aviation	**431**	322	342	803	817	**31**	20	19	16	19	**6.2%**	6.2%	5.6%	2.0%	2.3%	**2,069**	1,940	1,641	1,633	2,294
Group	**5,178**	**4,831**	**4,390**	**4,439**	**4,102**	**293**	**363**	**238**	**178**	**238**	**5.7%**	**7.5%**	**5.4%**	**4.0%**	**5.8%**	**9,755**	**10,416**	**10,333**	**9,477**	**9,883**

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Marine – key contracts

Contract	Customer	Start	End	Country	Notes
Type 31 + Capability Insertion Programme	UK MOD	2019	2029	UK	Design, build and assembly of five general purpose frigates for the Royal Navy.
Future Maritime Support Programme (FMSP)	UK MOD	2021	2028	UK	Through-life ship engineering management and support delivery for the Royal Navy.
Victoria In Service Support Contract	RCN	2008	2032	Canada	Victoria In Service Support Contract (VISSC) to sustain Royal Canadian Navy's submarines.
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 Dynamics	2014	2030+	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.
Regional Maintenance Provider West	RAN	2023	2028	Australia	RMP West: sustainment of Royal Australian Navy vessels in Western Australia.
Skynet 6 Service Delivery Wrap	UK MOD	2023	2029	UK	Management and operation of Skynet, the UK MOD's military satellite communications system.

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Nuclear – key contracts

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	2030	UK	Project delivery for the upgrade works to Devonport Dockyard 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	2031	UK	Framework agreement providing fuel route, technical support and other services to advanced gas cooled reactors until defuel.
Hinkley Point C MEH Alliance	EDF	2019	2030	UK	Alliance to deliver Mechanical, Electrical, Heating (MEH) at Hinkley Point C.
Process Plant & Equipment (PP&E)	AWE	2022	2032	UK	Process, plant and equipment role for significant facilities as part of AWE's infrastructure modernisation programme.
Design Service Alliance (DSA)	Sellafield	2012	2028	UK	Framework for design and professional engineering services to Sellafield.
Owner's Engineer	GBE-N	2026	2040	UK	Independent assurance and expert technical advice to support GBE-N's roll out of the SMR programme at Wylfa.
Decommissioning & Nuclear Waste Partners	Sellafield	2025	2040	UK	Framework for design and engineering services to Sellafield supporting high hazard waste retrievals.

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Land – key contracts

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	UK MOD	2015	2030	UK	Maintenance, repair and overhaul to over 35,000 vehicles of the British Army's A and B vehicle fleets. DSG follow-on contract signed in March 2025 for five years.
Phoenix – White fleet	UK MOD	2016	2031	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 6and7	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.

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Aviation – key contracts

Contract	Customer	Start	End	Country	Notes
FOMEDEC	FASF	2017	2028	France	Provision of aircraft, training support and maintenance to the French Air and Space Force.
Mentor 1	FASF	2021	2027	France	Aircraft, training support and maintenance to the French Air and Space Force.
Mentor 2	FASF	2025	2042	France	Aircraft, training support and maintenance to the French Air and Space Force and Navy.
Red Air	FAF	2026	2034	France	Support operational training of French Armed Forces combat units in partnership with SDTS and Top Aces France.
MCO (grouped)	French MOD	2020s	2030s	France	In-service-support of 114 military helicopters.
Hades air base support	UK MOD	2018	2027	UK	Provision of engineering services and technical aviation support to 17 air stations across the UK, with two single year extension options.
Hawk T1 and 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 search and rescue	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	2030	UK	Provision of 91 aircraft, instructors and services to deliver RAF air squadrons up to 35,000 flying training hours across 14 sites. Option years up to 2030.
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.
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 refuelling and air-transport operations.
British Columbia Helicopter Emergency Medical Services	BC Gov	2023	2033	Canada	Rotary-wing aircraft, maintenance, support and infrastructure for air ambulance services.
Ambulance Victoria	Victoria Gov	2016	2031	AUS	Delivering pilots, crews, aircraft, equipment and maintenance from four bases across Victoria.

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