

Results in brief, highlights and outlook

Results in brief

Results from continuing operations

£15,710m

Sales¹

2006: £13,765m

£1,477m

EBITA²

2006: £1,207m

£1,177m

Operating profit

2006: £1,054m

31.0p

Underlying earnings³
per share

2006: 23.8p

26.0p

Basic earnings per share⁴

2006: 19.9p

£38.6bn

Order book⁵

2006: £31.7bn

Other results including discontinued operations

12.8p

Dividend per share

2006: 11.3p

£2,162m

Cash inflow from operating
activities

2006: £778m

£700m

Net cash as defined
by the Group

2006: £435m

Highlights

- Good financial performance
- Continued growth from US businesses
- Leadership position established in global land systems sector
- Underlying earnings³ per share up 30% to 31.0p
- Dividend increased 13.3% to 12.8p per share for the year

Outlook

We have excellent forward visibility and a further year of good growth is anticipated in 2008, including a full year contribution from the former Armor Holdings business. In addition, part-year contributions are expected following the anticipated completion in 2008 of the proposed acquisitions of MTC Technologies and Tenix Defence.

1 including share of equity accounted investments

2 earnings before amortisation and impairment of intangible assets, finance costs and taxation expense

3 earnings excluding amortisation and impairment of intangible assets, non-cash finance movements on pensions and financial derivatives, and uplift on acquired inventories (see note 10 to the Group accounts)

4 basic earnings per share in accordance with International Accounting Standard 33

5 including share of equity accounted investments' order books and after the elimination of intra-group orders of £1.4bn (2006 £1.0bn)