News

15 September 2009

BAE SYSTEMS ANNOUNCES POTENTIAL JOB LOSSES AND A SITE CLOSURE IN ITS UK MILITARY AIR SOLUTIONS BUSINESS

Farnborough, United Kingdom - Following a detailed review of its current and future business levels, BAE Systems has announced it has started consultation regarding the potential closure of one of its UK sites and job cuts at another three, with the loss of 1116 jobs.

Under this programme:

- The Woodford site in Cheshire will close at the end of 2012, on completion of the Nimrod MRA4 production contract and with the loss of 630 jobs
- 205 jobs will be lost at Samlesbury in Lancashire
- 170 jobs will be lost at Warton in Lancashire
- 111 jobs will be lost at Farnborough in Hampshire

It has been clear since 2003 that the Woodford site had little future beyond the end of Nimrod MRA4 production, and the workforce has been kept informed since that time. Despite strenuous efforts to achieve further Nimrod production work there has been none forthcoming. It is intended that there will be a phased run-down of the site in line with the production programme.

At Samlesbury the potential job losses are in the manufacturing function and are

associated with the end of Airbus work currently undertaken by BAE Systems for Spirit

AeroSystems.

At Warton the potential job losses are in the Manufacturing and Operations areas as work

on the Nimrod, Tornado and Hawk programmes decreases.

At Farnborough the potential job losses are in the Harrier business. The job losses are as

a result of a downturn in Harrier upgrade work over the next few years.

Kevin Taylor, Managing Director of Military Air Solutions commented: "Whilst we regret

having to make this announcement we have to ensure we are the right size and shape to

remain competitive and meet our customer's requirements in the future. We will work with

our employees and their representatives to explore ways of mitigating these potential job

losses and we will do everything necessary to deal with the potential job losses and

closure of Woodford in a professional way and support our people throughout this

process."

About BAE Systems

BAE Systems is the premier global defence, security and aerospace company delivering a

full range of products and services for air, land and naval forces, as well as advanced

electronics, security, information technology solutions and customer support services. With

approximately 105,000 employees worldwide, BAE Systems' sales exceeded £18.5 billion

(US \$34.4 billion) in 2008.

For further information, please contact:

Lindsay Walls, BAE Systems

Tel: + 44 (0) 1252 383074 Mob: + 44 (0)7793 427582

Email: lindsay.walls@baesystems.com

2/3

Andy Bunce, BAE Systems

Tel: + 44 (0)1772 852070 Mobile: + 44 (0) 7801 716448

Email: andy.bunce@baesystems.com

Jon Bonnick, BAE Systems

Tel: + 44 (0)1772 852689 Mobile: + 44 (0) 7801 714753

Email: jon.bonnick2@baesystems.com

Issued by:

BAE Systems, Farnborough, Hampshire GU14 6YU, UK

Tel: +44 (0) 1252 384719 Fax: +44 (0) 1252 383947

www.baesystems.com

Ref XXX/2009