

Rome, 4th August 2015

Finmeccanica – Selex ES awarded contract worth in excess of €27M for MoD just-in-time spares service

Innovative service arrangement means spare parts will be delivered when needed

- Follows Selex ES's award of the first contract of its type in 2014 which proved the concept
- The UK Ministry of Defence will save significantly on costs over the life of the contract.

Finmeccanica – Selex ES has been awarded a contract worth in excess of €27M (£20M) from the UK Ministry of Defence's Air Commodities Team to provide a spares availability service, helping the MoD save significantly on costs associated with maintaining a pool of spares, such as warehousing. The contract has significant opportunity to grow in scope as more spare parts are brought into the bounds of the project. The spares service will cover 15 air platform types stationed at over 45 operating bases.

The backbone of the service is Selex ES's suite of proprietary data analysis software and real-time inventory management processes. Essentially, the company is able to predict, using computer modelling, precisely when and where spares will be needed. The company ensures that spares are available to the MoD Air Commodities Team exactly as needed, whilst minimising stock levels. The service is provided in partnership with Astute Electronics Ltd.

The contract follows the successful execution of a spares service based on the same principles which Selex ES won a contract for in 2014. The service is a success, meeting 95% availability targets. This additional contract demonstrates the confidence that the customer places in Selex ES to deliver on its commitments.