

Company Number 2519499

SELEX SENSORS AND AIRBORNE SYSTEMS INFRARED LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2005



SELEX SENSORS AND AIRBORNE SYSTEMS INFRARED LIMITED

REPORT OF THE DIRECTORS

The Directors present their report for the year ended 31st December 2005.

Activities

The principal activity of the Company is the management on behalf of SELEX Sensors and Airborne Systems Limited of that Company's business in the field of Infra-Red and consequently SELEX Sensors and Airborne Systems Limited receives all the income and pays all the expenditure of that business. The Company has not, therefore traded on its own account during the year.

Directors

The Directors of the Company during the year and at the date of this report were:

N.E. Franks
G.F. Munday
T.G.T. West

None of the Directors are due to retire from the Board under the provisions of the Company's Articles of Association.

As at 31 December 2005, the directors had no beneficial interest in the shares of the Company or of any other company of Finmeccanica SpA, the ultimate parent company.

BY ORDER OF THE BOARD



Kate Jones
Company Secretary

Date: 30th October 2006

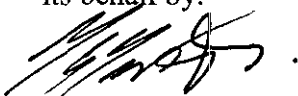
SELEX SENSORS AND AIRBORNE SYSTEMS INFRARED LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2005

	<u>2005</u>	<u>2005</u>
	£	£
Amount owed by parent company (Note 3)	2	2
Financed by:		
Ordinary Share Capital:		
Authorised: 1000 Ordinary Shares of £1 each		
Issued and fully paid:		
2 Ordinary Shares of £1 each	2	2

- (a) For the year ended 31st December 2005 the company was entitled to exemption under section 249AA(1) of the Company Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Company Act 1985.
- (c) The Directors acknowledge their responsibility for:
- (i) ensuring the company keeps accounting records which comply with section 221; and
 - (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These account were approved by the Board of Directors on 30th October 2006 and were signed on its behalf by:



TGT West
Director

The notes on page 4 form part of these accounts.

SELEX SENSORS AND AIRBORNE SYSTEMS INFRARED LIMITED

NOTES TO THE ACCOUNTS

1. Profit and Loss Account

The Company has not traded during the accounting year, has received no income and incurred no expenditure, and consequently has made neither a profit nor a loss. A profit and loss account has therefore not been prepared.

2. Directors' Emoluments

No Director received any emoluments from the Company during the year (2004: £nil).

3. Amount Owed by Parent Company

The amount owed by the parent company is in respect of a loan which bears no interest and is repayable on demand.

4. Ultimate Holding Company

The immediate parent undertaking is SELEX Sensors & Airborne Systems Limited, a company incorporated in Great Britain, and registered in England and Wales.

The ultimate parent company and controlling party is Finmeccanica SpA, which is incorporated in Italy, and is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of their Financial Statements may be obtained from Piazza Montegrappa 4, 00195 Rome, Italy.