Paradigm Secure Communications Limited

Annual report and financial statements

Registered number 4562657

For the year ended 31 December 2013

Contents

Strategic report

The directors present their annual report and the audited financial statements for the year ended 31 December 2013.

Principal activities and business review

The Company was created specifically to service military, defence and government organisations with specialised military satellite communications. The principal activity of the company is the delivery of the Skynet 5 Programme to the MoD.

In October 2003, the company signed the Skynet 5 Private Finance Initiative (PFI) contract with the UK Ministry of Defence (the MoD) making it the world's first commercial provider of military satellite services. An extension to the contract was granted in February 2010, to August 2022, this involved the building and launch of a fourth satellite.

The company is 100% owned by Astrium Services UK Ltd, which in turn is 100% owned by Airbus Defence and Space Ltd (formerly Astrium Ltd). The shareholding in Astrium Services UK Ltd was transferred to Airbus Defence and Space Ltd (formerly Astrium Ltd) from Airbus DS Holdings BV (formerly Astrium BV) during the year.

The Company's key financial and other performance indicators during the year were as follows:

	2013	2012	**Change**
	£000	£000	**%**
Turnover	**381,148**	360,146	**+6**
Operating profit	**72,111**	87,022	**-17**

	2013	2012	**Change %**
Interest cover	**1.2**	1.7	**-41**

Company turnover has increased by 6% during the year. This increase reflects an increase in core MoD Skynet communication service requirements in 2013.

Operating profits have reduced by 17% when compared to the previous year due to the successful launch and transfer into service of Skynet 5D, this has led to higher depreciation being charged in the year leading to a reduction in operating profit.

Interest cover has decreased to 1.2 (2012: 1.7) as an impact of the investment required in relation to Skynet 5D.

The company has modelled the anticipated financial outcome of the Programme across its full term. The company monitors actual financial performance against anticipated performance. In respect of the year ended 31 December 2013, the company's performance against this measure was satisfactory.

The company's business plan contains assumptions for significant levels of third party revenues with high margins, therefore contributing to earlier debt repayment. However, the company's third party aspirations are subject to approval from the MoD. The company's performance against these objectives was satisfactory.

The performance of Paradigm Services Ltd, a related entity, as outlined in the services contract between the company and Paradigm Services Ltd, is a key indicator of satisfactory performance. In respect of the year ended 31 December 2013, the company's performance against this measure was satisfactory.

Strategic report *(continued)*

Principal risks and uncertainties

1. Skynet 5 project delivery

Skynet 5D was successfully launched, earlier than contracted, and bought into operational service in 2013. The company has put in place insurance to mitigate future revenue losses in the event of a failure of Skynet 5D.

2. Financial performance and revenue growth

The company runs the risk of a shortfall in third party revenues. Opportunities are monitored on a regular basis against the annual plan. The future trend for this risk is stable due to current world market conditions. The new Skynet 5 generation of satellites have increased the bandwidth capacity immediately available to meet future market demands.

The MoD has been given an assured capacity for which they will pay the company regardless of it being utilised. Assumptions were made prior to the contract on the extent of service utilisation above the agreed assured capacity threshold. There is a risk that these assumptions prove to be optimistic and the revenue is not generated. The company regularly monitors actual performance against anticipated performance and this measure was satisfactory.

The underlying causes are changes in the MoD satellite communication strategy and Treasury budgets, increased use in commercial bearers or alternate technologies becoming available. During 2013, the company continued to implement its service extension strategy, offering technical solutions to perceived operational problems and operating strategic arrangements with commercial providers allowing the company to offer itself as a "one-stop shop" for satellite communication services.

The company continues to deliver a quality service that represents value for money and although this risk continues in 2013 and beyond, the trend in service take up for the foreseeable future is one of improvement.

3. Organisational change

As the company continues to deliver operational capability it is likely that organisational change will occur with consequential risks to service delivery and dilution of skill sets that will require additional investment. The company is committed to managing any organisational change programme in a sensitive and proactive manner that maintains its high reputation for looking after its staff and customers in equal measure.

4. Regulatory risks

The company continues to mature as a business. Regulatory compliance is an area that poses significant risk. The company is taking a structured approach to ensuring it meets legal and regulatory compliance.

5. Financial instruments risks

The company uses forward currency contracts provided by Airbus Group NV (formerly Astrium NV) to reduce exposure to the variability of foreign exchange rates by fixing the rates of material receipts in a foreign currency. The company also uses interest rate SWAPS on the loan securitisation which formed part of the original financing agreement.

By order of the board

Caroline Masters
Director

Directors' report

Directors

The directors who held office during the year were as follows:

E Beranger (resigned 30.05.2013)
Caroline Masters
H H Jordan
J Beazley (appointed 06.06.2013)
E Dudok (appointed 06.06.2013)

None of the directors who held office at the end of the financial year had any disclosable interests in the shares of the company.

Political contributions

The company made no political contributions during the year (2012: £nil).

Proposed dividend

The directors do not recommend the payment of a dividend (2012: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Persuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

Caroline Masters
Director

21 Holborn Viaduct,
London, EC1A 2DY
25th September 2014

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's opinion to the members of Paradigm Secure Communications Limited

We have audited the financial statements of Paradigm Secure Communications Limited for the year ended 31 December 2013 set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's opinion to the members of Paradigm Secure Communications Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Amanda Moses (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

29 September 2014

KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

Profit and loss account
for the year ended 31 December 2013

	Note	**2013** **£000**	2012 £000
Turnover	*2*	**381,148**	360,146
Cost of sales		**(293,265)**	(258,028)
Gross profit		**87,883**	102,118
Administrative expenses		**(15,772)**	(15,096)
Operating profit		**72,111**	87,022
Interest receivable and similar income	*6*	**122**	286
Interest payable and similar charges	*7*	**(61,238)**	(51,261)
Profit on ordinary activities before taxation	*3*	**10,995**	36,047
Tax on profit on ordinary activities	*8*	**3,624**	(5,056)
Profit for the financial year	*15*	**14,619**	30,991

The results above are all derived from continuing operations and are expressed on a historical cost basis.

There are no recognised gains and losses for the year and the prior year other than those recorded in the profit and loss account.

The notes on page 10 to 19 form part of these financial statements.

Balance sheet
at 31 December 2013

	Note	**2013**	**2013**	2012	2012
		£000	**£000**	£000	£000
Fixed assets					
Tangible assets	*9*		**1,225,587**		1,325,810
Current assets					
Debtors (including due after one year £5,825,000; 2012: £7,617,000)	*10*	**74,521**		74,838	
Cash at bank and in hand		**111,529**		91,732	
		186,050		166,570	
Creditors: amounts falling due within one year	*11*	**(264,870)**		(247,418)	
Net current liabilities			**(78,820)**		(80,848)
Total assets less current liabilities			**1,146,767**		1,244,962
Creditors: amounts falling due after more than one year	*12*		**(1,025,792)**		(1,138,606)
Net assets			**120,975**		106,356
Capital and reserves					
Called up share capital	*14*		**1**		1
Profit and loss account	*15*		**120,974**		106,355
Shareholders' funds			**120,975**		106,356

The notes on page 10 to 19 form part of these financial statements.

These financial statements were approved by the board of directors on 25th September 2014 and were signed on its behalf by:

Caroline Masters
Director
Company Registration: 4562657

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2013

	2013 £000	2012 £000
Profit for the financial year	**14,619**	30,991
Net addition in shareholders' funds	**14,619**	30,991
Opening shareholders' funds	**106,356**	75,365
Closing shareholders' funds	**120,975**	106,356

Notes

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In order to satisfy themselves that the company has adequate resources the Directors have reviewed assumptions about future trading performance contained within the company's current five year plan. They have also considered the funding of the company, which included a review of the repayment of the external loan. The repayment schedule is defined in the contract with the investors and this is also incorporated into the five year plan. The internal loans are not due for repayment until the end of 2021 and 2058 and the company holds the right to repay early if it so wishes without any redemption clauses. Despite the fact that the company is in a net liability position, the directors are happy that the company has sufficient cash and working capital to meet its current liabilities. This review has given the Directors sufficient confidence to continue to adopt the going concern basis in preparing the accounts. For this reason, these financial statements have been prepared under the going concern basis.

Under Financial Reporting Standard (FRS) 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Airbus Group NV (formerly Astrium NV), the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Airbus Group NV (formerly EADS NV), within which this company is included, can be obtained from the address given in note 18.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes *(continued)*

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery	over the period of the concession
Fixtures, fittings, tools, and equipment	3 to 10 years

Tangible fixed assets comprise satellite and ground infrastructure assets and assets in the course of construction relating to the PFI project covered by the concession agreement between the company and the Defence Procurement Agency. Tangible fixed assets are stated at original cost less accumulated depreciation. In the case of assets constructed by the company, related works and administrative overheads, commissioning costs, launch costs, associated insurance costs and borrowing costs as per FRS 15 are included in cost. Assets in the course of construction are included in tangible fixed assets on the basis of expenditure incurred at the balance sheet date. Depreciation on such assets commences when the assets are commissioned.

Cost includes directly attributable finance costs.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Provision is made within the accounts for deferred taxation arising from timing differences between profits or losses as computed for taxation purposes and profits or losses as stated in the accounts, to the extent it is payable or recoverable in the foreseeable future.

Turnover

The company holds long term contracts for the continuous supply of services to customers and revenue is therefore recognised when earned.

Post-retirement benefits

The company is a participating member of the Airbus Group UK Pension Scheme (formerly EADS Astrium Pension Scheme) which provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement Benefits', accounts for the scheme as if it was a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Notes *(continued)*

2 Analysis of turnover

All turnover is derived from the company's principal activities.

Analysis of turnover by geographical market:

	2013 £000	2012 £000
United Kingdom	**356,854**	329,599
Europe	**11,572**	9,367
Asia Pacific	**-**	925
USA and Canada	**12,722**	20,255
	381,148	360,146

3 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2013 £000	2012 £000
Auditor's remuneration:		
Audit of these financial statements	**21**	21
Depreciation and other amounts written off tangible fixed assets	**133,041**	96,871
Net foreign exchange losses	**350**	185

4 Remuneration of directors

	2013 £000	2012 £000
Directors' emoluments	**191**	367
Amounts receivable under long term incentive schemes	**-**	10
Compensation for loss of office	**-**	101
Pension contributions	**27**	31
	218	509

The emoluments of the highest paid director were £112,466 (2012: £204,884). Company pension contributions of £8,332 (2012: £2,987) were made to the group defined benefit scheme during the year in relation to the highest paid director. H H Jordan and E Dudok received no remuneration for their services as directors of Paradigm Secure Communications Limited.

All employees (including directors) were transferred under TUPE (Transfer of Undertakings Protection of Employment) on 1st October 2013 from Paradigm Secure Communications Ltd to Airbus Defence & Space Ltd (formerly Astrium Ltd). As such all directors remuneration ceased from this date.

Retirement benefits are accruing to three directors under the defined benefit scheme.

Notes *(continued)*

5 Staff numbers and costs

The average number of persons employed by the company (including directors, but excluding contractors) during the year, to the point of transfer under TUPE on 1st October 2013, analysed by category, was as follows:

	Number of employees 2013	Number of employees 2012
Project management	**9**	10
Marketing and business development	**18**	23
General and administrative	**54**	53
	81	86

The aggregate payroll costs of these persons were as follows:

	2013 £000	2012 £000
Wages and salaries	**3,586**	5,200
Social security costs	**484**	613
Other pension costs	**389**	601
	4,459	6,414

The company is a member of the Airbus Group UK Pension Scheme (formerly EADS Astrium Pension Scheme) providing benefits based on final pensionable pay. Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by the multi-employer exemptions in FRS 17 'Retirement Benefits' the scheme has been accounted for, in these financial statements as if the scheme was a defined contribution scheme.

Airbus Defence and Space Ltd (formerly Astrium Ltd) account for the scheme in accordance with FRS 17. This information, updated by Watson Wyatt LLP to take account of FRS 17 in order to assess the liabilities of the scheme at 31 December 2013 showed a net pension liability of £28.3 million (2012: £42.6 million).

All employees (including directors) were transferred under TUPE (Transfer of Undertakings Protection of Employment) on 1st October 2013. As such all payroll costs ceased from this date.

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

6 Interest receivable and similar income

	2013 £000	2012 £000
Bank interest receivable	**122**	286

Notes *(continued)*

7 Interest payable and similar charges

	2013 £000	2012 £000
On bank loans and overdrafts	**48,406**	48,504
Interest payable on parent company loan (note 12)	**17,559**	14,358
Finance costs written off on refinancing	**1,511**	1,668
	67,476	64,530
Less: finance costs capitalised	**(6,238)**	(13,269)
	61,238	51,261

8 Taxation

a) Analysis of tax charge for the year

	2013 £000	2012 £000
UK corporation tax		
Current tax on profit for the year	**-**	-
Total current tax	**-**	-
Deferred tax (note 13)		
Effect of change in tax rates	**(5,858)**	8,274
Current year charge / (credit)	**2,165**	(3,218)
Adjustment in respect of prior years	**69**	-
Tax on profit on ordinary activities	**(3,624)**	5,056

Notes *(continued)*

8 Taxation (continued)

b) Factors affecting the tax charge for the year

The current tax charge for the year is lower than the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below.

	2013	2012
	£000	£000
Profit on ordinary activities before tax	**10,995**	36,047
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK 23.25% (2012: 24.5%)	**2,556**	8,832
Effects of:		
Capitalised interest	**(1,102)**	(3,715)
Capital allowances for year in excess of depreciation	**(1,461)**	(5,142)
Permanent differences	**7**	25
Total current tax charge (see above)	**-**	-

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Notes (continued)

9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings, tools and equipment	Payments on account and assets in course of construction	Total
	£000	£000	£000	£000
Cost				
At beginning of year	1,484,701	6,385	377,723	1,868,809
Additions	27,400	3	5,415	32,818
Transfers	365,642	9,670	(375,312)	-
At end of year	**1,877,743**	**16,058**	**7,826**	**1,901,627**
Depreciation				
At beginning of year	(538,763)	(4,236)	-	(542,999)
Charge for year	(128,766)	(4,275)	-	(133,041)
At end of year	**(667,529)**	**(8,511)**	-	**(676,040)**
Net book value				
At 31 December 2013	**1,210,214**	**7,547**	**7,826**	**1,225,587**
At 31 December 2012	945,938	2,149	377,723	1,325,810

Included in the cost of tangible fixed assets is £220,089,297 (2012: £216,367,454) in respect of capitalised Finance costs.

10 Debtors

	2013	2012
	£000	£000
Trade debtors	54,269	49,832
Amounts owed by group undertakings	12,149	10,734
Prepayments and accrued income	8,103	14,272
	74,521	74,838

Included in amounts owed by group undertakings is £5,825,000 (2012: £7,617,000) in respect of debtors due after more than one year.

Notes *(continued)*

11 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	**458**	83
Amounts owed to group undertakings	**146,983**	128,553
Other creditors	**7,208**	14,598
Accruals	**657**	892
Deferred income	**109,564**	103,292
	264,870	247,418

12 Creditors: amounts falling due after more than one year

	2013 £000	2012 £000
Amounts owed to group undertakings	**194,319**	205,167
Deferred taxation (note 13)	**41,221**	44,914
Deferred income	**794,340**	893,990
	1,029,880	1,144,071
Less: unamortised debt issue costs	**(4,088)**	(5,465)
	1,025,792	1,138,606

Included within amounts owed to group undertakings are the following amounts:

£113,740,000 (2012: £113,813,000) is in respect of Class A secured loan notes 2018 issued to EADS NV. Interest accrues on the loan notes at 12% per annum. Accrued interest will be paid as soon as it is permitted under the company's agreements. Except in the case of an event of default the loan notes shall be repayable in 2018. Interest accrued at the year end is £4,121,000 (2012: £14,358,000). Interest charged in the year was £15,308,000 (2012: £14,358,000) (note 7) and has been added to the principal. Interest totalling £25,545,000 was paid during the year (2012: £nil).

£76,802,000 (2012: £76,802,000) is in respect of Class B unsecured loan notes 2058 issued to EADS NV. To the extent that the company has profits and the cash to pay such interest and is permitted to do so under its other agreements, interest will accrue on the loan notes at 12% per annum. Except in the case of an event of default the loan notes shall be repayable in 2058. Interest accrued at the year end is £2,323,000 (2012: £nil). Interest charged in the year was £2,323,000 (2012: £nil) (note 7) and has been added to the principal. Interest totalling £nil was paid during the year (2012: £nil).

Amortisation of debt issue costs:

The cost is amortised on the basis of the percentage of the outstanding loan balance, compared to the sum of the total forecast monthly outstanding loan balances.

Notes *(continued)*

13 Deferred taxation

	Deferred taxation £000
At beginning of year	**(44,914)**
Effect of change in tax rates	**5,858**
Adjustment in respect of prior year	**(2,165)**
At end of year	**(41,221)**

The elements of deferred taxation are as follows:

	2013 £000	2012 £000
Difference between accumulated depreciation and amortisation and capital allowances	**(41,228)**	(66,914)
Other timing differences	**7**	25
Trading losses carried forward	**-**	21,975
	(41,221)	(44,914)

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

14 Called up share capital

	2013 £000	2012 £000
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	**1**	1

Notes *(continued)*

15 Reserves

	Profit and loss account £000
At beginning of year	**106,355**
Profit for the year	**14,619**
At end of year	**120,974**

16 Capital commitments

	2013 £000	2012 £000
Capital expenditure that has been contracted for but has not been provided for in the financial statements.	-	22,818

17 Related party disclosures

As the company is a wholly owned subsidiary of Airbus Group NV (formerly EADS NV), it has taken advantage of the exemption in FRS 8 and has therefore not disclosed transactions or balances with entities, which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of EADS NV are available from The Secretary, Airbus Group NV, Mendelweg 30, 2333 CS Leiden, The Netherlands.

18 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company's immediate parent undertaking is Astrium Services UK Limited. The smallest and largest group in which the results of the company are consolidated is Airbus Group NV (formerly EADS NV), registered in The Netherlands, its ultimate parent undertaking. The financial statements of Airbus Group NV (formerly EADS NV) can be obtained from The Secretary, Airbus Group NV, Mendelweg 30, 2333 CS Leiden, The Netherlands.