

Appendix 5A. The SIPRI Top 100 arms-producing companies, 2009

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I. Introduction

The SIPRI Top 100 lists the world's 100 largest arms-producing companies (excluding those based in China), ranked by their arms sales. It is a unique data set that allows analysis of developments in worldwide arms production in terms of major arms-producing companies and their adjustments to political and economic contexts and the resulting industrial structures.

Section II of this appendix discusses the main trends revealed by the Top 100 for 2009. Section III presents the Top 100 itself, including information on each company's arms sales in 2008 and 2009, and total sales, profit and employment in 2009 alongside details of the sources and methods used in its compilation.

II. Trends in the SIPRI Top 100

Despite the ongoing global economic recession, the total arms sales of the SIPRI Top 100 arms-producing companies in 2009 increased by \$14.8 billion to reach \$400.7 billion, a real increase of 8 per cent over 2008. The total arms sales of the Top 100 have increased by a total of 58 per cent in real terms since 2002 (see table 5A.1).

A year after its onset, the 2008 financial crisis had a mixed impact on individual companies but did not dampen arms sales overall in 2009.¹ In general, the arms sales of companies in the Top 100 remained high, contributing to increases in total national arms sales in 2009 (see table 5A.2). Some countries' arms industries continued to grow while their overall economic growth faltered in 2009. For example, Turkey's arms sales continued to grow—sales by all arms companies, large and small, grew slightly to \$2.3 billion—even as its economy contracted by 4.7 per cent in 2009.² United States companies dominate the Top 100, and the US market remains the target for many companies since US

¹ On the arms industry's response to the financial crisis see Jackson, S. T., 'Arms production', *SIPRI Yearbook 2010*, pp. 265–70.

² Turkish Defence Industry Manufacturers Association (SASAD), 'Turkish defence industry survey', [n.d.], <<http://www.sasad.org.tr/en/aday-uyeler/>>; 'Turkish defense industry grows despite crisis', *Today's Zaman*, 10 July 2010; and Invest in Turkey, 'Economic outlook', <<http://www.invest.gov.tr/en-US/turkey/factsandfigures/Pages/Economy.aspx>>.

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Table 5A.1. Trends in arms sales of companies in the SIPRI Top 100 arms-producing companies, 2002–2009

	2002	2003	2004	2005	2006	2007	2008	2009	2002–2009
<i>Arms sales at current prices and exchange rates</i>									
Total (\$ b.)	196	235	274	289	312	347	387	401	
Change (%)		20	17	5	8	11	12	4	105
<i>Arms sales at constant (2009) prices and exchange rates</i>									
Total (\$ b.)	254	286	313	320	335	350	373	401	
Change (%)		13	9	2	5	4	7	8	58

Note: The figures in this table refer to the companies in the SIPRI Top 100 in each year, which means that they refer to a different set of companies each year, as ranked from a consistent set of data. In particular, the figures shown above for 2008 differ from those in table 5A.2.

Source: Table 5A.4; and the SIPRI Arms Industry Database.

arms procurement is expected to remain stable while procurement funding is expected to rise in the next few years.

In some cases arms producers reduced their workforces in 2009. For example, Boeing laid off 5100 employees following a restructuring in its Future Combat Systems and Ground-based Midcourse Defense programmes and a slowdown in sales of civilian aircraft.³ Workforce reductions by other arms-producers were primarily due to drops in civil sales. For instance, Textron decreased its workforce by 25 per cent in 2009 because of a drop in demand for civilian aircraft.⁴ Employment cutbacks were by no means universal as many arms-producing companies in a variety of sectors and regions increased employment in 2009. Figures for 2010 may reveal further employment cutbacks by companies in countries that have altered their procurement priorities because of proposed reductions in military spending.⁵ For example, in June 2010 Lockheed Martin laid off 1200 employees to rebalance the company's mix of skills in part in response to changing customer (i.e. US Government) requirements.⁶ Lockheed Martin's total employee count had already fallen by 4.1 per cent in 2009. However, in some cases spending on certain arms projects has increased, and so the layoffs are unlikely to be industry-wide.

³ Employment figures are for total company employee counts, not just for those employees engaged in arms production. The latter often comprises a small share of total employment in companies, such as General Electric, with large civilian sectors. Total employment figures in 2009 appear in table 5A.4. Figures on employment trends are based on data in the SIPRI Arms Industry Database for parent companies for which figures are available.

⁴ Textron Financial Corporation, *Form 10-K Annual Report under Section 13 or 15(d) of the Securities and Exchange Act of 1934 for the Fiscal Year Ended January 2, 2010* (US Securities and Exchange Commission: Washington, DC, 25 Feb. 2010).

⁵ See chapter 4, section II, in this volume.

⁶ Hedgpeth, D., 'Lockheed Martin to cut 1,200 jobs as Pentagon work slows', *Washington Post*, 7 Jan. 2010.

Table 5A.2. Regional and national shares of arms sales for the SIPRI Top 100 arms-producing companies, 2009 compared to 2008

Arms sales figures are in US\$ b., at current prices and exchange rates. Figures do not always add up to totals because of the conventions of rounding. Chinese companies are not included due to a lack of comparable and sufficiently accurate data.

Number of companies	Region/ country ^a	Arms sales (\$ b.)		Change in arms sales, 2008–09 (%)		Share of total Top 100 arms sales, 2009 (%)
		2009	2008 ^b	Nominal ^c	Real ^d	
46	North America	247.2	230.8	7	8	61.7
45	United States	246.5	230.2	7	7	61.5
1	Canada	0.7	0.7	4	12	0.2
33	Western Europe	120.3	121.3	-1	10	30.0
11	United Kingdom	50.3	49.7	1	20	12.5
6	France	23.0	22.4	3	8	5.7
1	Trans-European ^e	15.9	17.9	-11	-6	4.0
4	Italy	15.5	15.2	2	6	3.9
5	Germany	7.6	8.0	-5	0	1.9
2	Spain	2.9	2.9	1	7	0.7
1	Sweden	2.6	3.0	-12	2	0.7
1	Norway	1.1	0.7	47	61	0.3
1	Switzerland	0.7	0.8	-4	-3	0.2
1	Finland	0.7	0.7	-1	4	0.2
6	Eastern Europe	9.2	10.3	-11	2	2.3
6	Russia ^f	9.2	10.3	-11	2	2.3
10	Other OECD	15.5	15.5	0	0	3.9
4	Japan ^g	6.6	7.0	-5	-13	1.7
3	Israel	6.3	6.3	0	6	1.6
2	South Korea	1.9	1.8	8	22	0.5
1	Turkey	0.6	0.5	31	46	0.2
5	Other non-OECD	8.5	8.0	5	7	2.1
3	India ^h	4.5	4.2	8	8	1.1
1	Kuwait	2.5	2.6	-3	0	0.6
1	Singapore	1.5	1.3	13	16	0.4
100	Total	400.7	385.9	4	8	100

OECD = Organisation for Economic Co-operation and Development.

^a Figures for a country or region refer to the arms sales of the Top 100 companies headquartered in that country or region, including those in its foreign subsidiaries. They do not reflect the sales of arms actually produced in that country or region.

^b Arms sales figures from 2008 refer to companies in the SIPRI Top 100 for 2009 and not to the companies in the Top 100 from 2008.

^c This column gives the change in arms sales 2008–2009 in current US dollars.

^d This column gives the change in arms sales 2008–2009 in constant (2009) US dollars.

^e The company classified as trans-European is EADS.

^f Russian arms sales include the 2008 arms sales for UAC subsidiaries reported for 2009.

^g Figures for Japanese companies are based on contracts with the Ministry of Defence.

^h Figures for India include a rough estimate for Ordnance Factories.

Source: Table 5A.4.

In 2009 for the first time a Kuwaiti company—the military services company Agility—entered the Top 100 list, at rank 34.⁷ Also notable was the drop in the arms sales of some of the largest Russian arms producers even as the Russian Government continued to invest in the industry. A closer analysis on trends in military services companies and the Russian companies in the Top 100 for 2009 follows in the next subsections.

Military services companies

The Top 100 for 2009 includes 20 companies with arms sales predominantly or entirely in the military services sector. These services include a wide variety of support activities such as after-sales maintenance (MRO), customized high-tech software, intelligence services and training, armed security and logistics.⁸ Overall, these companies increased their arms sales in 2009, reflecting a continuing trend for governments to outsource roles traditionally delivered by military personnel. An exception was KBR, whose sales fell as a result of the drawdown of US troops in Iraq.⁹

The arms sales of Agility also fell slightly in 2009, to \$2.5 billion. Known as Public Warehousing Corporation until 2006, Agility provides military services to the US military in Iraq, Jordan and Kuwait.¹⁰ However, its relationship with the USA is not untroubled. In November 2009 the US Department of Justice issued an indictment accusing Agility of defrauding the US Army over a period of 41 months in which the company charged \$8.5 billion for goods and services.¹¹ The company had been in negotiations with the US Government to settle the criminal case out of court, although negotiations stalled. In January 2011 US prosecutors filed a parallel civil suit against the company, alleging that Agility had presented false claims for payment of \$9.8 billion in goods and services.¹² Agility denied the allegations but has been suspended from bidding for new US Government contracts.¹³

Other companies in the Top 100 also provided services in 2009 as part of their wider portfolios, and many of these increased arms sales as a result of increased sales of military services. For example, General Electric increased

⁷ If data had been available, Agility would have appeared at rank 30 in the Top 100 for 2008 as published in *SIPRI Yearbook 2010*. SIPRI data on arms-producing companies is revised on an ongoing basis when improved data becomes available. See section III below.

⁸ Perlo-Freeman, S. and Sköns, E., 'The private military services industry', *SIPRI Insights on Peace and Security* no. 2008/1, Sep. 2008, <http://books.sipri.org/product_info?c_product_id=361>; and Jackson (note 1).

⁹ KBR, *Form 10-K Annual Report under Section 13 or 15(d) of the Securities and Exchange Act of 1934 for the Fiscal Year Ended December 31, 2009* (US Securities and Exchange Commission: Washington, DC, 25 Feb. 2010), p. 31.

¹⁰ Chatterjee, P., *Halliburton's Army: How a Well-Connected Texas Oil Company Revolutionized the Way America Makes War* (Nation Books: New York, 2009).

¹¹ Bigg, M., 'US slaps new fraud indictment on Kuwait's Agility', Reuters, 12 Apr. 2010.

¹² Bigg, M., 'US files fresh fraud suit against Kuwait's Agility', Reuters, 7 Jan. 2011.

¹³ Agility, 'PWC public statement in response to DoJ filing on challenge-of-service', Press release, 21 June 2010, <<http://www.agilitylogistics.com/PressReleases/Pages/PWCStatementonDOJFiling.aspx>>.

sales in military engines and related services.¹⁴ Jacobs Engineering's increase in arms sales were due to sales of research and development test engineering and other technical services to the US Government.¹⁵ Part of Safran's 57 per cent increase in arms sales came from services, while Kongsberg had more after-sales business.¹⁶ Northrop Grumman had higher sales in its Information Systems and Technical Services segment, as did Boeing in its Training System and Services division.¹⁷

Russian companies

Six companies in the Top 100 for 2009 are Russian. Following the recent restructuring in the Russian arms industry, companies that were previously reported as independent entities are now reported as subsidiaries of a parent company. Results for Irkut, MiG and Sukhoi are now grouped under the United Aircraft Corporation (UAC), which ranked 29th in 2009. The United Engine Corporation, another new Russian parent company, entered the Top 100 for 2009 at rank 90.

In 2009 the Russian Government continued to spend on local procurement as a means of reinvigorating its domestic arms industry: it reported spending approximately 970 billion roubles (\$33 billion) on the arms industry as well as providing other support such as credit guarantees.¹⁸ Over the three years 2011–13, the Russian Government plans to spend 329.3 billion roubles (\$10.4 billion) on development of its domestic arms industry.¹⁹ Yet in 2009 the largest Russian companies and subsidiaries reported a decrease in arms sales. Almaz-Antei alone decreased its arms sales by over \$1 billion between 2008 and 2009 and fell from 18th to 23rd place in the SIPRI Top 100.

SIPRI presents arms sales figures in US dollars and calculates nominal year-to-year changes using these dollar-denominated figures (see table 5A.2), which allows cross-country comparisons of company arms sales.²⁰ However, exchange rate variance can exaggerate changes in dollar terms, and so the real

¹⁴ General Electric (GE), *2009 Annual Report: Reset, Reimagine, Reinvest, Rethink, Research, Relationships, Responsibility, Renew* (GE: Fairfield, CT, 2010), p. 35.

¹⁵ Jacobs Engineering Group, *Form 10-K Annual Report under Section 13 or 15(d) of the Securities and Exchange Act of 1934 for the Fiscal Year Ended October 2, 2009* (US Securities and Exchange Commission: Washington, DC, 20 Nov. 2009), p. 38.

¹⁶ Kongsberg Gruppen, *Kongsberg Annual Report 2009* (Kongsberg: Kongsberg, 2010), p. 5; and Safran, 'Safran reports solid full-year results for 2009 with a recurring operating margin of 6.7% of revenue', Press release, 25 Feb. 2010, <<http://safran-group.com/site-safran-en/press-media/press-releases/2010-698/article/safran-reports-solid-full-year?10315>>.

¹⁷ Northrop Grumman, *Form 10-K Annual Report under Section 13 or 15(d) of the Securities and Exchange Act of 1934 for the Fiscal Year Ended December 31, 2009* (US Securities and Exchange Commission: Washington, DC, 9 Feb. 2010), p. 36; Boeing Company, *Form 10-K Annual Report under Section 13 or 15(d) of the Securities and Exchange Act of 1934 for the Fiscal Year Ended December 31, 2009* (US Securities and Exchange Commission: Washington, DC, 8 Feb. 2010), p. 34.

¹⁸ Jackson (note 1), pp. 268–69; and 'Some 33bn dollars allocated for Russian defence industry in 2009—Putin', Interfax, 18 Nov. 2009.

¹⁹ [The development of the federal target programme on the development of the military-industrial complex in the next three years will allocate 329.3 billion roubles], *Gazeta.ru*, 20 Aug. 2010, <http://www.gazeta.ru/news/business/2010/08/20/n_1536520.shtml>.

²⁰ On these calculations and other methods see section III below.

Table 5A.3. Change in arms sales of Russian companies in the SIPRI Top 100, measured in dollars and roubles, 2008–2009

Figures in US\$ m. are at current prices and exchange rates. Companies are Russian companies that appeared among the SIPRI Top 100 arms-producing companies in both 2008 and 2009.

Rank, 2009	Company	Arms sales (\$ m.)		Arms sales (m. roubles)		Change, 2008–2009 (%)	
		2009	2008	2009	2008	Nominal dollar terms	Real rouble terms
23	Almaz-Antei	3 260	4 340	103 370	107 900	-25.0	-14.2
S	Sukhoi	1 440	2 040	45 660	50 760	-29.6	-19.4
S	Irkut	1 060	1 150	33 680	28 630	-7.8	5.4
66	TRV Corp.	910	1 170	28 860	28 980	-22.0	-10.8
73	Vertolety Rossii	810	850	25 780	21 040	-4.7	9.8
76	Uralvagonzavod	800	640	25 390	16 000	24.3	42.1

Source: SIPRI Arms Industry Database.

terms change calculated in local currency can give a more accurate picture of developments in a national arms industry, especially when domestic sales outweigh exports.

When the year-to-year changes in the arms sales of Russian companies are calculated in real terms in roubles, the decreases are smaller and the increases larger (see table 5A.3). In two cases, companies that had decreased their arms sales in nominal dollar terms in 2009 had increased arms sales in real-terms in roubles. As domestic procurement in Russia increases, the real terms change in roubles will give a more accurate reflection of trends in the domestic arms industry.²¹

III. The SIPRI Top 100 arms-producing companies, 2009

Table 5A.4 lists the world's 100 largest arms-producing companies (excluding Chinese companies), ranked by their arms sales in 2009—the SIPRI Top 100 for 2009. The companies in the SIPRI Top 100 account for the majority of the global financial value of military goods and services—in particular, high-technology systems and services. Because of a lack of comparable financial data, the SIPRI Top 100 does not cover all arms-producing countries. However, with a few exceptions, the volume of arms production in omitted countries is believed to be relatively small. Chinese companies would almost certainly appear in the Top 100 (and probably in the top 50) if satisfactory data were available. Apart from the omission of China, analysis of the companies in the Top 100 is sufficient to capture the major trends in the global arms industry.

²¹ See chapter 6, section II, in this volume.

Selection criteria and sources of data

The SIPRI Top 100 includes public and private companies but excludes manufacturing or maintenance units of the armed services. Only companies with operational activities in the field of military goods and services are listed, not holding or investment companies. Companies from other countries might also have been included at the lower end of the list had sufficient data been available.

Publicly available information on arms sales and other financial and employment data on the arms industry worldwide are limited. The sources of data for table 5A.4 include company annual reports and websites, a SIPRI questionnaire, and news published in the business sections of newspapers, in military journals and by Internet news services specializing in military matters. Press releases, marketing reports, government publications of contract awards and country surveys are also consulted. Where no data is available from these sources, estimates have been made by SIPRI. The scope of the data and the geographical coverage are largely determined by the availability of information.

SIPRI data on arms-producing companies is revised on an on-going basis when improved data is available. For this reason, it is not possible to make a strict comparison among editions of the SIPRI Yearbook. In addition, coverage may differ because of problems with obtaining data to make satisfactory estimates for all companies every year. As a result, the data used here on the SIPRI Top 100 for 2008 may differ from that published in *SIPRI Yearbook 2010*, even though the data set used for each edition of the Yearbook is consistent as far as is possible across countries and over time.

Definitions

Arms sales are defined by SIPRI as sales of military goods and services to military customers, including both sales for domestic procurement and sales for export. Military goods and services are those which are designed specifically for military purposes and the technologies related to such goods and services. Military goods are military-specific equipment and do not include general purpose goods, such as oil, electricity, office computers, uniforms and boots. Military services are also military-specific. They include technical services, such as information technology, maintenance, repair and overhaul, and operational support; services related to the operation of the armed forces, such as intelligence, training, logistics and facilities management; and armed security in conflict zones. They do not include the peacetime provision of purely civilian services, such as health care, cleaning, catering and transportation, but supply services to operationally deployed forces are included.²²

This definition of arms sales serves as a guideline; in practice it is difficult to apply. Nor is there any good alternative, since no generally agreed standard definition exists. The data on arms sales in table 5A.4 often reflects only what

²² For a more detailed list of the types of activities classified as 'military services' see Perlo-Freeman and Sköns (note 8).

each company considers to be the defence share of its total sales. The comparability of the company arms sales figures given in table 5A.4 is therefore limited.

Data on total sales, profit and employment is for entire companies, not for arms-producing divisions alone. All data is for consolidated sales, including those of national and foreign subsidiaries. The data on profit represents profit after taxes. Employment data is year-end figures except for those companies that publish only a yearly average. All data is presented on the financial year basis reported by the company in its annual report.

Calculations

Arms sales are sometimes estimated by SIPRI. In some cases SIPRI uses the figure for the total sales of a 'defence' division, although the division may also have some unspecified civil sales. When the company does not report a sales figure for a defence division or similar entity, estimates can sometimes be made based on data on contract awards, information on the company's current arms production programmes and figures provided by company officials in media or other reports.

The data for arms sales is used as an approximation of the annual value of arms production. For most companies this is realistic. The main exception is shipbuilding companies. For these companies there is a significant discrepancy between the value of annual production and annual sales because of the long lead (production) time of ships and the low production run (number). Some shipbuilding companies provide estimates of the value of their annual production. This data is then used by SIPRI for those companies.

All data is collected in local currency and at current prices. For conversion from local currencies to US dollars, SIPRI uses the International Monetary Fund (IMF) annual average of market exchange rates (as provided in *International Financial Statistics*). The data in table 5A.4 is provided in current dollars. Changes between years in this data are difficult to interpret because the change in dollar values is made up of several components: the change in arms sales, the rate of inflation and, for sales conducted in local currency, fluctuations in the exchange rate. Sales on the international arms market are often conducted in dollars. Fluctuations in exchange rates thus do not have an impact on the dollar values but affect instead the value in local currency. If the value of the dollar declines, then the company's revenue in local currency falls, and if its production inputs are paid for in local currency—which most often is the case—this has a negative impact on the company's profit margins. Calculations in constant dollar terms are difficult to interpret for the same reasons. Without knowing the relative shares of arms sales derived from domestic procurement and from arms exports, it is impossible to interpret the exact meaning and implications of the arms sales data. This data should therefore be used with caution. This is particularly true for countries with strongly fluctuating exchange rates.

Table 5A.4. The SIPRI Top 100 arms-producing companies in the world excluding China, 2009^a

Figures for arms sales, total sales and profit are in US\$ m. Dots (.) indicate that data is not available. Sector abbreviations are explained below.

Rank ^b	2009	2008	Company ^c	Country	Sector	Arms sales		Total sales, 2009	Arms sales, as % of total sales, 2009	Total profit, 2009	Total employment, 2009
						2009	2008				
1	2		Lockheed Martin	USA	Ac E Mi Sp	33 430	29 880	45 189	74	3 024	140 000
2	1		BAE Systems	UK	A Ac E MV Mi SA/A Sh	33 250	32 420	34 914	95	-70	98 000
3	3		Boeing	USA	Ac E Mi Sp	32 300	29 200	68 281	47	1 312	157 100
4	4		Northrop Grumman	USA	Ac E Mi Ser Sh Sp	27 000	26 090	33 755	80	1 686	120 700
5	5		General Dynamics	USA	A E MV SA/A Sh	25 590	22 780	31 981	80	2 394	91 700
6	6		Raytheon	USA	E Mi	23 080	21 030	24 881	93	1 976	75 000
S	S		BAE Systems Inc. (BAE Systems, UK)	USA	A E MV SA/A	19 280	19 970	19 276	100	1 836	48 020
7	7		EADS	Trans-Eur.	Ac E Mi Sp	15 930	17 900	59 475	27	-1 060	119 510
8	8		Finmeccanica	Italy	A Ac E MV Mi SA/A	13 280	13 240	25 244	53	997	73 060
9	9		L-3 Communications	USA	E Ser	13 010	12 160	15 615	83	901	67 000
10	11		United Technologies	USA	Ac E Eng	11 110	9 980	52 920	21	4 179	206 700
11	10		Thales	France	A E MV Mi SA/A Sh	10 200	10 760	17 890	57	178	64 290
12	12		SAIC	USA	Ser Comp(MV)	8 030	7 350	10 846	74	497	46 200
13	14		Computer Sciences Corp.	USA	Ser	6 050	5 710	16 128	37	834	94 000
14	15		Honeywell	USA	E	5 380	5 310	30 908	17	2 153	122 000
15	13		KBR ^d	USA	Ser	4 990	5 730	12 105	41	290	51 000
16	25		Safran	France	E	4 740	3 020	14 511	33	522	54 870
17	16		ITT Corp.	USA	E	4 730	5 170	10 905	43	637	40 200
18	22		General Electric	USA	Eng E	4 700	3 650	156 783	3	19 339	300 000
19	17		Rolls-Royce	UK	Eng	4 140	4 720	15 745	26	3 453	38 500
S	S		Sikorsky (United Technologies)	USA	Ac	3 980	3 060	6 318	63
S	S		Pratt & Whitney (United Technologies)	USA	Eng	3 940	3 550	12 577	31	..	36 000

Rank ^b	2009	2008	Company ^c	Country	Sector	Arms sales		Total sales, 2009	Arms sales as % of total sales, 2009	Total profit, 2009	Total employment, 2009
						2009	2008				
20	19	S	AM General ^e	USA	MV	3 720	4 040
		S	MBDA (BAE Systems, UK/EADS, trans-European/Finmeccanica, Italy)	Trans-Eur.	Mi	3 610	3 950	3 611	100	330	9 750
21	23		Textron	USA	Ac E Eng	3 570	3 420	10 500	34	-31	32 000
22	21		DCNS	France	Sh	3 340	3 660	3 342	100	179	12 200
23	18		Almaz-Anteif	Russia	Mi	3 260	4 340	3 659	89	..	90 410
S	S		Eurocopter (EADS, trans-Eur.)	France	Ac	3 050	3 610	6 347	48
S	S		CASA (EADS, trans-Eur.)	Spain	Ac	2 900	2 510	3 152	92	-268	6 350
24	28		Alliant Techsystems	USA	SA/A	2 810	2 680	4 808	59	279	18 000
25	24		Mitsubishi Heavy Industries ^g	Japan	Ac MV Mi Sh	2 810	3 040	31 430	9	151	67 670
26	20		Navistar	USA	MV	2 800	3 900	11 569	24	320	17 900
S	S		AgustaWestland (Finmeccanica)	Italy	Ac	2 800	2 370	4 833	58	285	10 340
27	27		URS Corp.	USA	El	2 770	2 680	9 249	30	269	45 000
28	37		Oshkosh Corp.	USA	MV	2 770	2 070	5 295	52	-1 099	12 300
29	-		United Aircraft Corp. ^f	Russia	Ac	2 710	..	3 592	75	-656	97 500
30	32		Elbit Systems	Israel	El	2 700	2 520	2 832	95	215	11 240
31	26		Saab	Sweden	Ac E Mi	2 640	3 000	3 220	82	91	13 160
32	29		Rheinmetall	Germany	A E MV SA/A	2 640	2 660	4 750	55	-72	19 770
33	33		Rockwell Collins	USA	El	2 580	2 370	4 470	58	594	19 300
34	30		Agility	Kuwait	Ser	2 480	2 560	5 922	42	543	32 000
S	S		EADS Astrium (EADS, trans-Eur.)	France	Sp	2 400	2 200	6 665	36	..	15 000
35	47		DynCorp International ^h	USA	Ser	2 300	1 860	3 585	64	111	22 300
36	44		Cobham	UK	Comp(Ac E)	2 260	1 910	2 929	77	290	11 540
37	40		CEA	France	Oth	2 160	2 010	5 515	39	350	15 720
38	42		Serco	UK	Ser	2 110	1 950	6 184	34	203	70 000
39	48		CACI International	USA	Ser	2 080	1 810	2 730	76	95	12 400
40	34		Israel Aerospace Industries	Israel	Ac E Mi	2 030	2 230	2 900	70	61	17 000

41	S	Babcock International Group	UK	Ser Sh Oth	2 010	2 020	2 952	68	169	16 640
42	49	Goodrich	USA	Comp(Ac)	2 010	1 770	6 686	30	597	24 000
43	46	Navantia	Spain	Sh	1 980	1 880	2 197	90	-115	5 520
44	53	Mitsubishi Electric ^g	Japan	El Mi	1 950	1 510	35 837	5	1 008	109 570
45	45	Hindustan Aeronautics	India	Ac Mi	1 950	1 910	2 169	90	359	34 100
46	51	ManTech International Corp.	USA	Ser	1 920	1 760	2 020	95	112	8 000
47	41	Harris	USA	El	1 900	1 980	5 005	38	38	15 400
S	S	Alenia Aeronautica (Finmeccanica)	Italy	Ac	1 810	1 820	2 713	67	161	8 970
48	35	QinetiQ	UK	Ser	1 770	2 170	2 532	70	-99	13 080
S	S	MBDA France (MBDA, trans-Eur.)	France	Mi	1 740	2 130	1 740	100	117	4 330
49	55	Indian Ordnance Factories ⁱ	India	A SA/A	1 700	1 380	2 124	80	..	101 450
50	43	Krauss-Maffei Wegmann ^j	Germany	MV	1 630	1 950	1 715	95	211	3 150
51	31	Hewlett-Packard	USA	Ser	1 580	2 540	114 552	1	7 660	304 000
52	52	Rafael	Israel	Ac Mi SA/A Oth	1 570	1 530	1 600	98	112	6 000
53	50	ThyssenKrupp	Germany	Sh	1 550	1 760	56 338	3	-2 601	187 500
54	57	ST Engineering (Temasek)	Singapore	Ac El MV SA/A Sh	1 450	1 280	3 813	38	305	21 010
S	S	Sukhoi (United Aircraft Corp.) ^j	Russia	Ac	1 440	2 040	1 547	93	8	28 000
55	36	Groupe Dassault	France	Ac	1 360	2 100	4 751	67	438	11 650
56	58	VT Group	UK	Ser Sh	1 240	1 210	1 950	64	328	..
57	69	Nexter	France	A MV SA/A	1 230	850	1 232	100	196	2 690
S	S	Thales Air Defence (Thales, France)	UK	Mi	1 210	1 200	1 212	100	115	..
58	62	Samsung	S. Korea	A El MV Sh	1 170	1 010	172 382	1	13 833	275 000
59	54	Kawasaki Heavy Industries ^g	Japan	Ac Eng Mi Sh	1 110	1 480	12 541	9	-14	32 300
60	61	GKN	UK	Comp(Ac)	1 110	1 070	6 578	17	-53	38 200
61	73	Shaw Group ^k	USA	Ser	1 100	800	7 230	15	15	28 000
S	S	BAE Systems Australia (BAE Systems, UK)	Australia	Ac Comp(El) Sh	1 090	1 090	1 092	100	..	6 100
62	77	Kongsberg Gruppen	Norway	El Mi SA/A	1 090	740	2 197	50	132	5 420
63	65	Diehl	Germany	Mi SA/A	1 070	940	3 063	35	30	12 210
S	S	Irkut Corp. (United Aircraft Corp.) ^j	Russia	Ac	1 060	1 150	1 160	91	52	12 780
64	56	Force Protection	USA	MV	980	1 330	980	100	29	1 170
65	63	Indra	Spain	El	940	1 000	3 490	27	272	26 180

Rank ^b	2009	2008	Company ^c	Country	Sector	Arms sales		Total sales, 2009	Arms sales as % of total sales, 2009	Total profit, 2009	Total employment, 2009
						2009	2008				
S	66	80	Samsung Techwin (Samsung)	S. Korea	A El Eng MV	930	750	2 070	45	221	6 070
	67	59	Moog	USA	Comp(EI Mi)	920	720	1 849	50	85	10 010
	68	85	TRV Corp. ^f	Russia	Mi	910	1 170	988	92	65	23 320
	69	68	Jacobs Engineering Group ^l	USA	Ser	880	670	11 467	8	400	53 200
	70	67	Precision Castparts Corp.	USA	Comp(Ac)	880	890	5 487	16	923	18 100
	71	87	Thales Nederland (Thales, France)	Netherl.	El	880	770	880	100	56	..
	72	72	Bharat Electronics	India	El	870	900	961	90	154	11 770
	73	70	Fincantieri	Italy	Sh	860	670	4 540	19	-89	10 530
	74	78	VSE Corp.	USA	Ser	840	830	1 015	83	24	2 530
	75	90	Vertolety Rossii (OPK Oboronprom) ^f	Russia	Ac	810	850	1 817	45	173	37 930
	76	88	Selex Communications (Fimmechanica)	Italy	Comp(EI Oth)	810	900	1 015	80	9	4 280
	77	64	Ultra Electronics	UK	El	810	730	1 014	80	122	4 160
	78	76	Meggitt	UK	Comp(Ac)	810	830	1 793	45	217	7 200
	79	88	Uralvagonzavod ^f	Russia	MV	800	640	1 143	70	-226	30 490
	80	93	MiG (United Aircraft Corp.) ^f	Russia	Ac	780	..	783	99	-332	11 590
	81	74	Selex Galileo (Fimmechanica) ^m	Italy	El	770	730	886	87	40	2 770
	82	79	NECS	Japan	El	770	950	38 294	2	122	142 360
	83	91	SRA International	USA	El	760	750	1 541	50	58	6 980
	84	75	Curtiss-Wright Corp.	USA	Comp(Ac Sh)	760	660	1 810	42	95	7 600
	85	82	Chemring Group	UK	SA/A	750	620	785	96	109	3 350
	86	95	LIG Nex1	S. Korea	El	750	770	757	99	32	2 490
	87	83	MTU Aero Engines	Germany	Eng	740	730	3 626	20	196	7 670
	88	72	Alion Science and Technology	USA	Ser	740	640	802	92	-17	3 380
	89	85	RUAG	Switzerl.	A Ac Eng SA/A	730	760	1 558	47	-98	7 530
	90	71	Teledyne Technologies	USA	El	730	680	1 765	41	113	8 100
	91	86	Cubic Corp.	USA	Ser	710	610	1 017	70	56	7 300
	92	83	CAE	Canada	El	710	680	1 335	53	126	7 000

88	-	Fluor ⁿ	USA	Ser	710	430	21 990	3	684	36 150
89	89	MITRE ^o	USA	Ser	700	650	1 263	56	..	7 180
90	-	UEC ^f	Russia	Eng	680	..	2 279	30	-250	73 730
91	92	Avio (Cinven, UK)	Italy	Eng	670	630	2 364	28	54	5 230
92	86	Patria	Finland	Ac MV SA/A	660	670	749	88	24	3 410
93	84	Fiat ^p	Italy	MV	650	680	69 586	1	-1 178	190 010
S	S	Iveco (Fiat)	Italy	MV	650	680	9 976	7	-125	24 920
94	-	Aselsan	Turkey	El	640	490	670	96	119	3 730
95	97	Vought Aircraft Industries (Carlyle Group)	USA	Ac	640	610	1 900	34	..	5 900
96	81	ARINC (Carlyle Group) ^q	USA	Ser	640	700	1 000	64	..	3 200
97	98	Esterline Technologies	USA	Comp(Ac SA/A Sh)	640	590	1 425	45	120	8 900
98	100	Chugach Alaska Corp. ^r	USA	Ser	630	570	1 000	63	..	6 600
S	S	Thales Australia (Thales, France)	Australia	A El MV Mi SA/A Sh	630	630	826	76	..	3 410
S	S	MBDA Italia (MBDA, trans-Eur.)	Italy	Mi	610	540	612	100	14	1 250
99	99	Aerospace Corp.	USA	Ser	610	590	840	70	..	4 000
100	-	AAR Corp	USA	Comp(Ac) Ser	610	510	1 424	43	79	5 930

A = artillery; Ac = aircraft; El = electronics; Eng = engines; Mi = missiles; MV = military vehicles; SA/A = small arms/ammunition; Ser = services; Sh = ships; Sp = space; Oth = other; Comp() = components, services or anything else less than final systems in the sectors within the parentheses—used only for companies that do not produce final systems.

^a Although several Chinese arms-producing enterprises are large enough to rank among the SIPRI Top 100, it has not been possible to include them because of lack of comparable and sufficiently accurate data. In addition, there are companies in other countries, such as Kazakhstan and Ukraine, that could also be large enough to appear in the SIPRI Top 100 list if data were available, but this is less certain.

^b Companies are ranked according to the value of their arms sales in 2009. An S denotes a subsidiary company. A dash (-) indicates that the company did not rank among the SIPRI Top 100 for 2008. Company names and structures are listed as they were on 31 Dec. 2009. Information about subsequent changes is provided in these notes. The 2008 ranks may differ from those published in *SIPRI Yearbook 2010* owing to continual revision of data, most often because of changes reported by the company itself and sometimes because of improved estimations. Major revisions are explained in these notes.

^c For subsidiaries and operational companies owned by a holding or investment company, the name of the parent company is given in parentheses along with its country, where it differs.

^d The arms sales figures for KBR are an estimate based on LOGCAP III payments and payments by the British Ministry of Defence.

^e Limited financial data is available for AM General. The SIPRI estimate of arms sales is based on a 2-year average of US Department of Defense (DOD) prime contract awards.

^f This is the 8th year in which Russian companies have been covered by the SIPRI Top 100. There may be other Russian companies that should be in the list but for which insufficient data is available. Figures for Russian companies are from the Centre for Analysis of Strategies and Technologies (CAST), Moscow.

This is the first year in which United Aircraft Corporation (UAC) and United Engine Corporation (UEC)—the two new main Russian state-owned conglomerates—reported parent company figures and subsidiary figures. In previous years, these figures were reported separately for each subsidiary or not reported at all. This year figures for Irkut, MiG and Sukhoi are reported as subsidiaries of UAC. UEC also reported overall arms sales figures. Although reported as a parent company here, Vertolety Rossii is a subsidiary of OPK Oboronprom. For more detail on Russian arms-producing industry consolidation, see Jackson, S., 'Arms production', *SIPRI Yearbook 2010*, pp. 261–62; and Perlo-Freeman, S. et al., 'The SIPRI Top 100 arms-producing companies, 2007', *SIPRI Yearbook 2009*, pp. 286–87.

^g Arms sales figures for Japanese companies represent new military contracts rather than arms sales.

^h The arms sales figure for DynCorp is revenues from the US DOD. This is probably an underestimate as some security contracts with the US State Department should probably be classified as military business and are thus 'arms sales' according to the SIPRI definition. Veritas Capital sold its shares in DynCorp to Cerberus Capital Management in 2010.

ⁱ All figures for Indian Ordnance Factories are estimates.

^j The arms sales figures for Krauss-Maffei Wegmann are based on a small estimate of the company's non-military sales.

^k The arms sales figures for Shaw Group are based on a 2-year average of US DOD prime contract awards.

^l The arms sales figures for Jacobs Engineering Group are based on a 3-year average of US DOD prime contract awards.

^m Selex Galileo was formerly known as Galileo Avionica.

ⁿ The arms sales figures for Fluor are based on US DOD LOGCAP IV contracts.

^o The arms sales figures for MITRE are based on a 5-year average of US DOD prime contract awards.

^p The arms sales of Fiat are those of its Iveco trucks and commercial vehicles division, which sells some military vehicles.

^q The arms sales figures for ARINC are based on a 3-year average of US DOD prime contract awards.

^r The arms sales figures for Chugach Alaska Corporation are based on a 2-year average of US DOD prime contract awards.