THALES

5 April 2011

First production contract for Thales's Lightweight Multi-role Missile announced

Thales UK and the UK Ministry of Defence (MoD) have today announced an innovative approach to contracting under the principles of Team Complex Weapons (TCW). The two parties have agreed to 're-role' previously contracted budgets to facilitate the full-scale development, series production and introduction of the Lightweight Multi-role Missile (LMM) into service for UK Armed Forces.

Specific activities covered under this contract amendment include:-

- design, development and qualification of the laser beam rider version of LMM
- production of an initial delivery quantity of 1,000 LMM
- precision-guidance system that will deliver a highly accurate performance against static and mobile targets and with low-collateral damage

The multi-role aspects of LMM mean that the UK will have the ability to use a single family of weapons to take on a variety of roles, including:

-maritime role – LMM will be integrated as the Future Anti-Surface Guided Weapon Light FASGW(L) missile on the new Wildcat Lynx helicopter platform under a parallel programme with the UK MoD.

-ground-to-ground role – the dual-effect warhead of LMM (blast fragmention and shaped charge) make is suitable for a wide range of ground targets including light/medium armour;

-air-launched role – the modular design of the missile permits the future development and introduction of alternative warheads, seekers including a semi-active laser (SAL) version for precision strike surface attack roles;

Speaking at the announcement, David Beatty, Managing Director of Thales UK's Belfast facility, where LMM will be manufactured, said: *"This is a clear demonstration of MoD and industry working in partnership to ensure that we deliver the products that our Armed Forces require in a timely and affordable manner. "*

"This contract also helps broaden our UK design, development and manufacturing capabilities that specialise in lightweight and short-range missiles, such as our Starstreak and VT1 air defence products and the NLAW anti-armour weapon."

"LMM is unique in that it's the first lightweight weapon family to be specially designed to have a wide range of operational roles. We firmly believe that this is what Armed Forces require now and in the future as it not only can provide adaptability in the battlefield but also major benefits in whole life costs by having one weapon family with a highly cost-effective associated logistic support. "

"We have already conducted preliminary marketing of LMM and I can confirm that there is a very high level of interest in this new family of missiles. The main interest is coming from land, sea and air platform suppliers who are keen to have the lightweight, low cost and operational versatility that LMM can deliver. This contract shows Thales delivering the innovation intended by Team CW. "

Alan Nicholl, Director Weapons at the MoD's Defence Equipment and Support organisation, said: *"This is an excellent example of the objectives of Team CW at work. Such an innovative approach taken by Thales and the MoD to lightweight modular weapons will enhance the UK complex weapons industrial capability with a family of products designed to meet the requirements of both the UK and this dynamic export market sector. It is an excellent example of the UK's export led industrial policy in action."*

- Ends -

Notes to editors:

About Team CW

The Team CW initiative is being taken forward by the Ministry of Defence in co-operation with MBDA (UK) Ltd, Thales UK, Roxel (UK Rocket Motors) Ltd and QinetiQ. The phrase "Team CW" embraces both this new approach towards Complex Weapons delivery and the participants involved.

The Team CW approach is an innovative method that the MoD, together with its industry partners, is taking to deliver the UK's Complex Weapons. The approach will ensure our Armed Forces are provided with battle winning capabilities both now and in the future. Team CW provides the MoD with an affordable programme and industry with a sustainable future and the confidence to invest in the continued development of cutting-edge capabilities.

The formation of the Team CW industrial grouping was first announced in July 2006 at the Farnborough Air Show by the then Minister for Defence Procurement, Lord Drayson.

About Thales and Thales UK

Thales is a global technology leader for the defence & security and the aerospace & transport markets. In 2010 the company generated revenues of £11.2 billion (€13.1 billion), with 68,000 employees in 50 countries. With its 22,500 engineers and researchers, Thales has a unique capability to design, develop and deploy equipment, systems and services that meet the most complex security requirements. Thales has an exceptional international footprint, with operations around the world working with customers as local partners.

Thales UK employs 8,000 staff based at 40 locations. In 2010 Thales UK's revenues were around £1.5 billion.

Press contacts:
Thales UK
Kathryn Bell
Mob: +44 7813 903274
Email: kathryn.bell@thalesgroup.com

Denise Clarke
Mob: + 44 7711 428434
Email: denise.clarke@uk.thalesgroup.com

www.thalesgroup.com/uk