

Australian future submarines: Thales confirms all its financial targets

Thales takes note of the decision by the Australian authorities to acquire a fleet of nuclear-powered submarines in the framework of a new strategic security partnership with the United States and the United Kingdom. As described by the Australian government, this decision is motivated by accelerating changes to regional security that make conventional submarines unsuited to Australia's future operational needs. It is leading Australia to no longer proceed with the AFS (Australian Future Submarine) program to build new generation conventional submarines.

From a financial point of view, Thales is exposed to this program at 2 levels: as a supplier of subsystems to Lockheed Martin, and as a 35% shareholder of Naval Group.

At 30 June 2021, the corresponding order book with Lockheed Martin is not material at the scale of Thales, since it amounts to less than €30 million, ie less than 0.1% of the total order book of €34.6 billion.

In addition, Thales does not expect any material impact of this announcement on the Group's 2021 EBIT through Naval Group's contribution (2019: €65m, ie 3% of Group EBIT, 2020: €22m, ie 2% of Group EBIT).

In consequence, Thales confirms all its 2021 financial targets, as announced on 4 August 2021:

- As in 2019 and 2020, a book-to-bill ratio above 1;
- Sales in the range of €15.8 billion to €16.3 billion;
- An EBIT margin in the range of 9.8% to 10.3%, up 180 to 230 basis points from 2020.

Thales confirms as well its medium-term outlook for the Defense & Security segment (annual organic sales growth between 4 and 6%, EBIT margin between 12 and 13%) as well as for the entire Group, targeting a 12% EBIT margin in the medium-term.

About Thales

Thales (Euronext Paris: HO) is a global leader in advanced technologies, investing in digital and “deep tech” innovations – connectivity, big data, artificial intelligence, cybersecurity and quantum computing – to build a confident future crucial for the development of our societies. The Group provides its customers – businesses, organisations and governments – in the defense, aeronautics, space, transport, and digital identity and security domains with solutions, services and products that help them fulfil their critical role, consideration for the individual being the driving force behind all decisions.

Thales has 81,000 employees in 68 countries. In 2020 the Group generated sales of €17 billion.

CONTACTS

Thales, Media Relations

Cédric Leurquin
+33 (0)1 57 77 90 93
cedric.leurquin@thalesgroup.com

Thales, Analysts/Investors

Bertrand Delcaire
+33 1 57 77 89 02
ir@thalesgroup.com

PLEASE VISIT

[Thales Group](#)
[Download HD photos](#)

