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BAe, Marconi merger to take on global projects

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BRITISH Aerospace (BAe) and Marconi Electronic Systems (MES) merged yesterday as BAE Systems, creating a new group that not only is bigger in size but also in capability to take on the most challenging global aerospace and defence projects.

The name change was conducted at a ceremony witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad who had earlier launched the 5th Langkawi International Maritime and Aerospace (LIMA '99) show.

BAE Systems, which is one of the largest exhibitors at the show, is now said to be the second largest defence contractor and joint third aerospace and defence company in the world with the merger successfully undertaken.

"Hopefully one day our local companies will be able to emulate such achievement," Dr Mahathir said at the ceremony.

BAE Systems is expected to sign several agreements today with local companies which would be supplying some components for the company.

The new identity, which carries equity from both companies, is meant to reflect the global reality and depth of the company's system capabilities to embrace the future.

With an annual turnover of STG12.3 billion (RM1 = STG0.17), an order book of STG37.5 billion and a strong net balance sheet, the company has the financial power compatible with future market requirements.

The company has nine home markets worldwide with 115,600, namely in US, Italy, France, Sweden, UK, Canada, Germany and Saudi Arabia.

"This merger combines the strength of two great companies with long histories of success. With BAE Systems, we are opening a new chapter of success and creating a future in which we can all be proud," BAE Systems chief executive Mr John Weston said.

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