

EADS Overtakes Boeing as No. 1 A&D Company

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Thursday, 21 May 2009 13:48

The global aerospace and defense industry is worth more than \$595 billion per year. The 10 largest aerospace and defense firms, in terms of revenue, in 2008 were:

1. EADS
2. Boeing
3. Lockheed Martin
4. Northrop Grumman
5. BAE Systems
6. General Dynamics
7. Raytheon
8. United Technologies
9. Finmeccanica
10. GE Aviation

EADS revenue last year was \$62.3 billion compared with Boeing's \$60.9 billion.

From the report:

EADS, the multi-country European aerospace company with an initial public offering and formation in 2000, edged out Boeing as the world's largest A&D company in sales revenue.

EADS recorded sales revenue of \$62.3 billion in 2008, up 10.6% over 2007. EADS' strong 2008 revenue performance is attributable to higher deliveries of commercial aircraft, helicopters, higher sales of commercial satellites, and revenue growth in its defense programs.

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Boeing's sales revenue declined by 8.3% in 2008 to \$60.9 billion. The decline in Boeing revenue was primarily due to lower revenues at Boeing Commercial Airplanes (BCA), resulting from fewer deliveries following a work stoppage. The International Association of Machinists and Aerospace Workers (IAM) went on labor strike following the expiration of their collective bargaining agreement in 2008. Boeing delivered 104 fewer than expected airplanes due to this IAM labor strike. Overall, Boeing experienced a sales revenue decline of \$5.5 billion in 2008. Had this decline not occurred, the industry would have experienced 8.9% sales revenue growth, a 12% increase over the 7.9% industry growth cited earlier.

Deloitte also compared stock performance among companies and evaluated the commercial aircraft and defense industries. ([Read the full report.](#))