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## MEDIA RELEASE

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### AIRTANKER ANNOUNCED AS PREFERRED BIDDER FOR AIR REFUELLING CONTRACT

AirTanker and its shareholders (Cobham, EADS, Rolls-Royce, Thales UK and VT Group) welcome today's announcement by the Secretary of State for Defence, Geoff Hoon MP that the consortium is now the Preferred Bidder for the FSTA Programme. This means our solution has been formally accepted as meeting the Government's demanding requirements as a flagship PFI programme. The AirTanker FSTA service will transform the RAF's air refuelling capability and result in a major enhancement to the global reach of UK armed forces. At the same time it will deliver real and measurable value for money to the taxpayer under what will be the world's largest ever defence PFI programme.

The MoD and AirTanker have, by working closely together, significantly de-risked both the FSTA programme and the process of moving from Preferred Bidder to Financial Close. We have demonstrated that it is possible to structure a PFI deal for a key MoD capability. By using a PFI approach, the RAF will, for the first time, be provided with new aircraft built specifically for the tanker role. Not only does the A330-200 have twice the fuel offload of the VC-10, one of the two types of aircraft it is replacing, but AirTanker will also provide an unrivalled level of reliability that will establish a new benchmark for military aircraft.

AirTanker Chief Executive Officer **Robin Southwell** said:

*"Whilst clearly there is a lot of detailed work still to be done, this is a great occasion for the RAF, a significant achievement for the DPA and a marvellous opportunity for the UK Defence Industry to demonstrate its ability to deliver."*

**Mark Tami MP** (Alyn & Deeside) whose constituents at the Airbus site at Broughton in North Wales will manufacture the wings for the A330-200 said:

*"I applaud the efforts of EADS and AirTanker as this represents a major step forward for British defence industry workers. It demonstrates that the UK Government recognises the cost effectiveness and quality of the UK's aerospace and defence industry"*

**John Wall**, National Officer for Defence, Aerospace and Shipbuilding Sector, Amicus, said

*"We welcome this further opportunity for British defence industry workers at AirTanker and its shareholders' and suppliers' sites across the UK to once again exhibit their world class skills. This will allow them to prove the strength and productivity of British manufacturing and engineering expertise."*

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**Jack Dromey**, Deputy General Secretary, TGWU said

*“Today’s announcement is a very welcome recognition of the global strength and competitiveness of the UK’s manufacturing workforce. The recent success of the UK aerospace industry demonstrates once again that manufacturing matters. Thanks to a world-class workforce, the UK is now a world leader in aerospace. Our Government is right to back British manufacturing.”*

## **ENDS**

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### **Notes for Editors:**

- 1 The Future Strategic Tanker Aircraft (FSTA) programme is a 27-year MoD PFI contract to provide air refuelling and air transport services to the RAF. The programme will replace the RAF’s current fleet of 19 VC 10s and 9 TriStar aircraft. The aircraft will be owned and supported by AirTanker while the service will be staffed by service personnel and under the operational control of the RAF.
- 2 AirTanker has five shareholders – EADS, Cobham, Rolls-Royce, Thales UK and VT Group plc.
- 3 AirTanker will provide a fleet of Airbus A330 -200 aircraft, each powered by two Rolls-Royce Trent 700 engines, to meet the UK FSTA requirement. 50% of the basic aircraft and 100% of its conversion work will be carried out in the UK. AirTanker will create and sustain high-value high-quality UK jobs. It will directly sustain up to 3000 jobs and indirectly sustain up to a further 4500 jobs. Principal work locations are Brize Norton (construction of facilities and service delivery), Airbus UK at Broughton and Filton (wing manufacture), Cobham at Wimborne (refuelling equipment) and Bournemouth (aircraft conversion), Rolls-Royce at Derby (engine assembly) and Bristol (project management) and Thales UK at Crawley (mission simulators, defensive aids) , Raynes Park (avionics) and Wells(mission planning systems)
- 4 Pictures and other graphics can be downloaded from the AirTanker Media Centre section of our website at [www.airtanker.co.uk](http://www.airtanker.co.uk). In addition, CD’s with relevant graphics can be provided by contacting either Josh Arnold-Forster or Lisa Poole