KPMG
cutting through complexity

Global Aerospace and Defense Outlook

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Foreword

With the mature defense markets of the US and Europe continuing to stagnate, aerospace and defense (A&D) organizations are highly focused on two overriding priorities: driving growth and managing costs.

Growth will not come easily. New markets will need to be penetrated, new innovations will need to be commercialized and new business models will need to be established. Already, investment into research and development (R&D) is on the rise as organizations focus on driving incremental innovation as a way to gain a competitive edge and adapt their existing products to adjacent markets. At the same time, A&D organizations are under growing pressure to make good on their promises to deliver growth in new and emerging markets.

As this year's *Global Aerospace and Defense Outlook* clearly illustrates, A&D organizations are not willing to grow at any cost. Competition is running high and prices are coming under increasing pressure. As a result, A&D organizations are looking for any opportunity to sustainably reduce costs – through more efficient R&D, through more responsive supply chains and through targeted divestments and portfolio adjustments – without impacting their future growth potential.

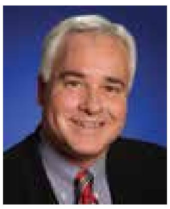
We believe the next year will be pivotal for the sector as both commercial and defense organizations start to make the changes necessary to compete in a rapidly transforming environment. The risks will be enormous but so, too, will be the rewards.

Ultimately, the focus for defense contractors over the next year will remain firmly on rightsizing the product and business portfolio in order to prepare their organizations to take advantage of future growth opportunities, wherever they may emerge.

For their part, the commercial aerospace organizations, led by Boeing and Airbus, continue to enjoy strong books of business and long product backlogs. Even so, the sector continues to compete on innovation, particularly in the area of all-composite bodies and the development of increasingly efficient components and parts.

In this era of continuous change and transformation, A&D organizations would be well-advised to sharpen their focus on exploiting a handful of clear opportunities rather than chasing growth for growth's sake. This will require A&D organizations to first understand where their best opportunities for growth lie and then focus on ensuring they have the right portfolio, business model and supply chain to achieve those goals.

To discuss these or any other issues currently facing your A&D organization, I encourage you to contact your local KPMG member firm or one of the contacts listed at the back of this publication.



Doug Gates
KPMG Global Head of
Aerospace and Defense

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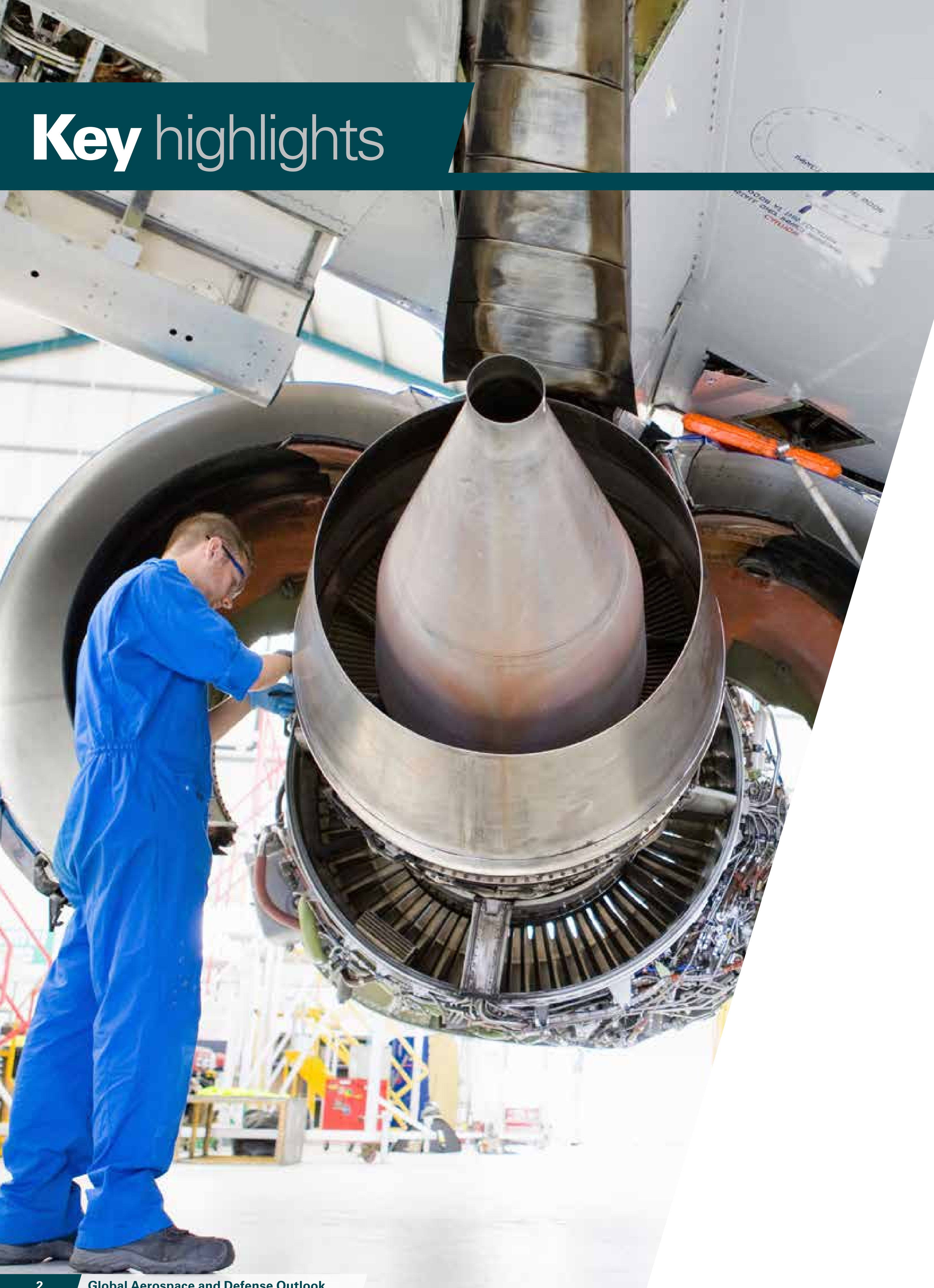
Key highlights



Key highlights of this year's 2015 A&D report include:

- **A&D manufacturers are focused on two key priorities: sales growth and cost management.** Fifty-three percent of respondents say sales growth is their top priority, while 47 percent cite reducing their cost structure. Thirty-eight percent said their greatest challenge is in keeping their business model competitive.

- **Overseas expansion and portfolio shaping will create new growth opportunities.** More than a quarter of respondents say they will enter into new geographic markets to drive growth and 13 percent say they will rebalance their global footprint as a top priority.

- **Investment into R&D will increase as A&D organizations look to advanced technologies for growth.** The proportion of A&D organizations that say they will spend in excess of 6 percent of revenues on R&D over the next year will increase by 13 percentage points to 41 percent. Half of all respondents say they expect new manufacturing technologies to drive future growth and innovation.

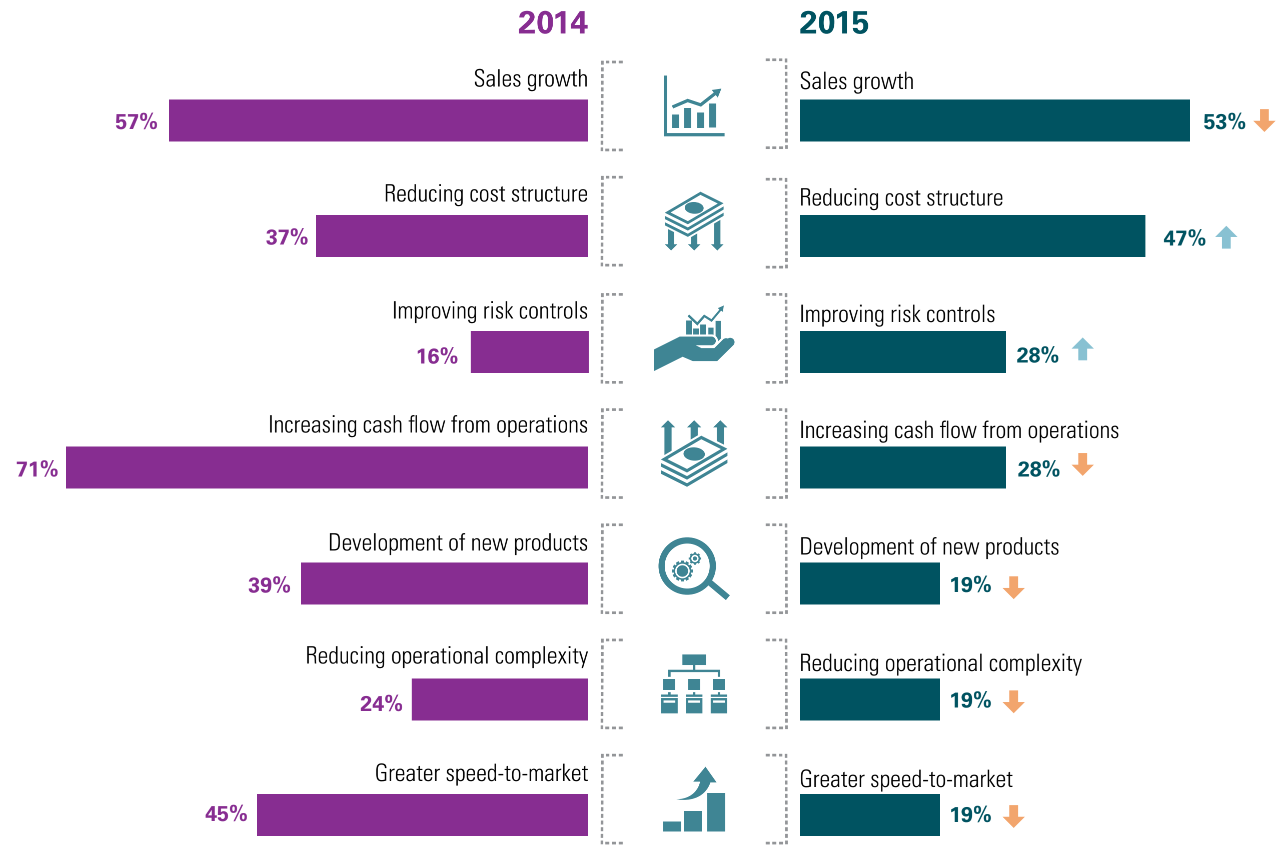
- **A&D organizations are reorganizing their supply chains to drive future growth and reduce working capital.** A third of all A&D respondents say that restructuring the supply chain to support growth is a top priority this year. More than half say they are focused on lowering costs and working capital levels across the supply chain.

- **Supplier capacity and risk are high on the A&D agenda, but visibility remains low.** Concerns related to supplier performance and capacity were cited as the second and third greatest supply chain challenges. However, just 10 percent of A&D respondents said they had 'complete' visibility and 40 percent admitted they only had 'limited' visibility.

Preparing for growth, managing costs

Facing tightening margins and slow growth in their traditional markets, it is not surprising that the majority of A&D manufacturers and suppliers responding to our survey say they are keenly focused on uncovering new opportunities to drive growth.

Top priorities for A&D organizations over the next 2 years



Note: Respondents selected top three options.
Source: Forbes survey, January 2015.

Both top-line growth and bottom-line improvements are on the agenda. According to the survey data, sales growth ranks as a top priority for 53 percent of A&D organizations this year, while 28 percent say they are focused on increasing cash flow from operations and 10 percent say they will focus on growing after-market sales and service offerings as a top priority this year.

"With growth remaining slow and prices under continued pressure, A&D organizations are looking ahead for untapped growth opportunities and then working to prepare the groundwork for future campaigns and opportunities," says Doug Gates, KPMG's Global Head of Aerospace and Defense. "But with investors and shareholders becoming increasingly impatient for results, A&D organizations will need to move quickly to deliver on their promises."

Many are looking to foreign markets for the next round of growth. Indeed, more than a quarter of respondents say that they will enter into new geographic markets to drive growth and 13 percent of all A&D respondents say they will rebalance their global footprint as a top priority. And while just seven percent say they will exit unprofitable business lines as a top priority, recent actions demonstrate that divestitures and consolidation will be much more prevalent than the data suggests.

"The recent spate of divestitures and carve-outs in both the defense and the commercial aerospace sectors suggests that organizations are focused on right-sizing their portfolios to focus on higher-growth and higher-margin businesses," adds Adil Khan, Advisory Principal, with KPMG in the US. "We expect to see further consolidation and divestitures over the coming year, particularly in the US defense sector, as organizations find their optimal footprint for growth."

While cost cutting is clearly not a long-term strategy for growth, our data suggests that A&D organizations are continuing to strive for greater efficiency and cost management. Almost half (47 percent) of A&D respondents say reducing the cost structure is a top priority for the coming year and 38 percent say their greatest challenge will be to keep their business model competitive.

Having already worked hard to implement the structural discipline necessary to eliminate costs across the enterprise, our experience suggests that A&D organizations will need to ensure that their renewed focus on growth works in concert with the gains they have already achieved.

"It will be important for A&D organizations to apply more rigorous integrated business planning techniques so that revenue, investment, cost and profit are tightly coupled from both a financial and operational perspective as opportunities will emerge and vary both in timing and scale from expectation," added James Scalise, a partner with KPMG in the US. "This more integrated approach will help ensure that A&D companies will be able to fuel their growth effectively without creating the excessive cost structures that often occur when business planning is not integrated."

KPMG perspective

Portfolio shaping in the new defense environment

Adil Khan
Advisory Principal
KPMG in the US

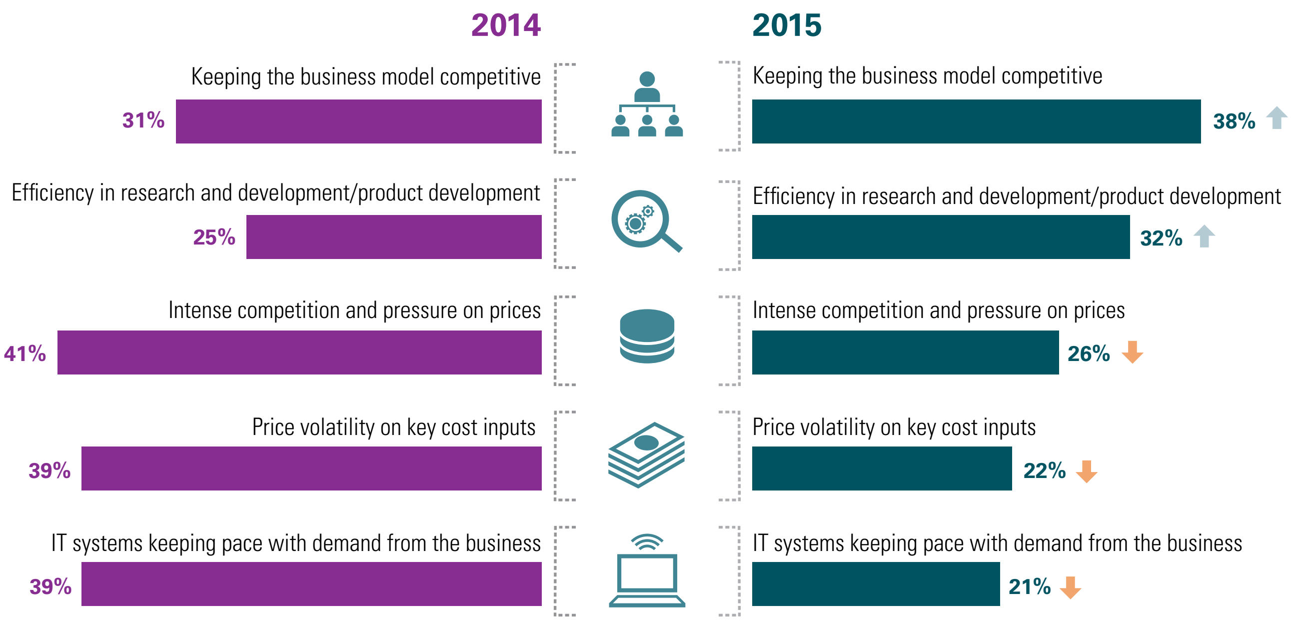
Facing further reductions in defense budgets in the mature markets and limited returns from their ongoing cost containment efforts, A&D manufacturers are now starting to focus on shaping their portfolios to drive future growth.

In some cases, organizations are focusing on adapting existing product and service lines to meet the requirements of new and adjacent markets or industries. Others are entering into foreign markets, either through acquisitions or, more frequently, joint ventures and alliances, in order to refocus their portfolios onto high growth markets.

Over the coming year, we expect to see significant consolidation in the sector. In part, this trend will be driven by necessity, particularly for any small-to-medium sized organizations and suppliers that are not able to win major contracts. But it will also be driven by organizations looking to reshape their portfolios with new products, services and technologies aimed at driving new market growth.

Our experience suggests that as A&D organizations start to actively reshape their portfolios and enter into new markets, they will need to focus on truly understanding the markets, partners and targets with whom they wish to work. This means going beyond traditional assessments, such as financial and tax due diligence, to also focus on areas such as culture, business behaviors, governance structures and shared objectives.

Top 5 challenges facing A&D organizations



Note: Respondents selected top three options.
Source: Forbes survey, January 2015.

Case study

Improving the business model to reduce costs

As this year's *Global Aerospace and Defense Outlook* clearly shows, A&D organizations are keenly focused on reducing their cost structures. In many cases, A&D companies are looking for ways to not only cut costs, but also to improve business flexibility and performance.

For one Tier 1 A&D components manufacturer, the need to transform their operating model was quickly becoming clear. With operations spread across almost 50 separate business units and clear opportunities for cost savings through consolidation, combined procurement and improved operations, the organization recognized that its current operating model was impacting its ability to grow.

"While the executive team valued the decentralized and entrepreneurial business model they had created, they had begun to question whether, as a corporation, they were creating enough value over and above the sum of the individual operating units," notes Tom Mayor, Principal, Strategy practice, Industrial Manufacturing, KPMG in the US.

Working closely with KPMG, the organization elected to take a 'strategy-to-results' approach that would provide quick wins and incremental improvements in phases, while ultimately driving toward a larger transformation of business models and processes.

Organizational engagement and preparation was key and required the project team to create individual team charters, communications plans and processes to support a bottom-up detailing of the opportunities. At the same time, the team focused on helping the manufacturer's leadership understand the opportunities and challenges involved in transformation in order to secure high-level support and buy-in.

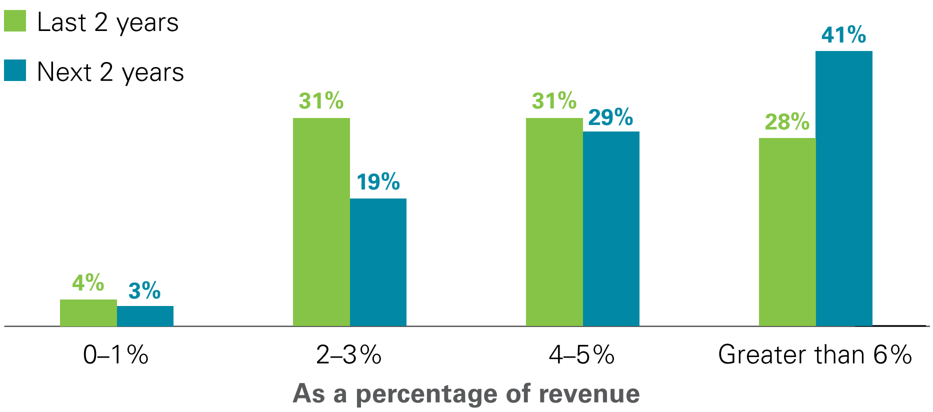
While the transformation journey is still in progress, the organization is already reaping significant benefits. More than US$400 million worth of potential cost-saving opportunities were identified in the initial phase alone, with the potential for much greater ongoing savings as the business model transforms.

"Today, the organization uses our objective-driven change approach to build bottom-up detail, define actionable plans and realize those benefits," said Mayor.

The drive for efficient innovation

According to our data, A&D organizations expect to significantly increase investment into R&D to drive new growth and innovation. Indeed, in comparison to last year's survey, the proportion of A&D organizations that say they will spend in excess of 6 percent of revenues on R&D over the next year will increase by 13 percentage points to 41 percent. Almost half of all respondents say they believe increased R&D spend will drive new growth and innovation.

R&D investment expected to rise



Note: Percentages may not add up to 100 percent due to rounding.
Source: Forbes survey, January 2015.

“A&D organizations know they need to innovate in order to remain competitive in the long term,” says Gates. “Given the significant reduction in government funding for R&D over the past years, many organizations are recognizing that they need to exponentially increase their investment levels in order to maintain the pace of their innovation cycle.”

Interestingly, exactly half of all A&D respondents identified their primary innovation strategy as being focused on discovering new breakthroughs, indicating that most hope that their investments will deliver a first-to-market advantage.

“In the A&D sector, ‘breakthrough’ innovation is more about adding a revolutionary component or radically improving efficiency rather than inventing the next big thing,” says Ryan Donley, Director, Advisory Services, KPMG in the US. “This type of innovation will require A&D organizations to work ever-more closely with their suppliers to identify, develop and commercialize good ideas.”

Reflecting this reality, approximately three quarters of all A&D respondents said they were already adopting more collaborative business models with their suppliers and customers. Seventy-two percent said that they expect partnerships, rather than in-house efforts, to characterize the future of innovation for their organizations.

“A&D organizations are increasingly looking to collaborate with suppliers and partners in order to increase their speed to market on new innovations,” says Marc von Grondelle, Global Leader of KPMG’s Joint Venture Advisory Practice. “Those hoping to enter into new geographic markets or to adapt their existing products into adjacent markets will want to work closely with both traditional and new partners to take advantage of their local or functional expertise.”

KPMG perspective

Disruption or opportunity? New technologies and services emerge

Doug Gates
KPMG Global Head of Aerospace and Defense

Tom Mayor
Principal, Strategy practice
Industrial Manufacturing
KPMG in the US

In today’s disruptive and fast-changing A&D environment, new threats and competitors are emerging every day. Yet, for the A&D industry in general, the challenge has less to do with spotting new threats and more to do with how individual organizations react and respond to them.

Take, for example, the commercial Unmanned Aerial Vehicle (UAV) market which, in just a few short years, has already started to disrupt the business models and revenue streams of many of the world’s biggest aerospace players. Or the cyber security market, which seems set to be disrupted by new players boasting impressive credentials gained from protecting banking, financial and health information. Or the various private Low Earth Orbit programs that have entirely supplanted the previous agency-led and funded programs.

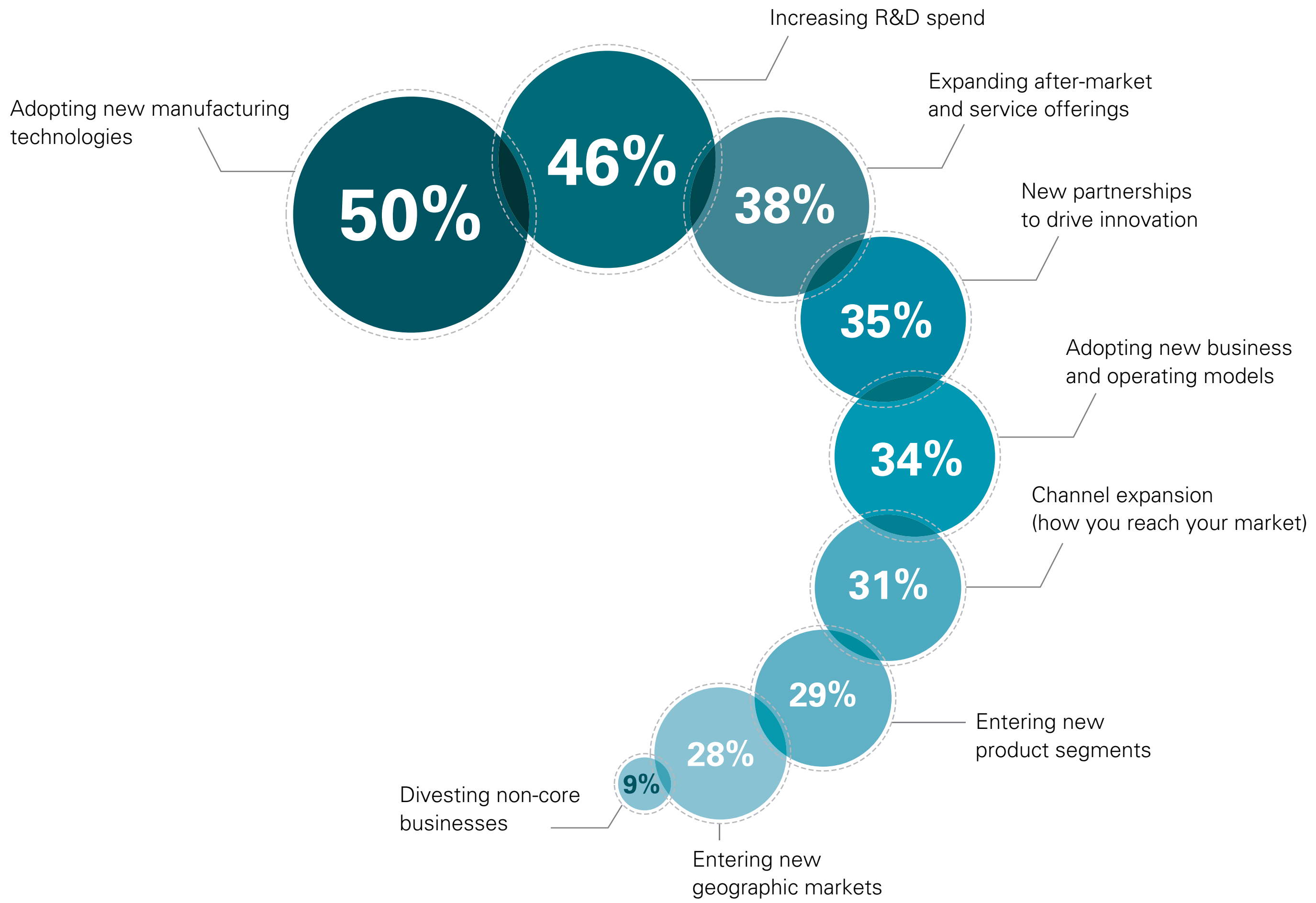
The point is that none of these technologies or business models appeared overnight. A&D organizations have long been aware of their potential impact and implications. Yet few, if any, have adequately responded to the threat by reinventing their own business models and approaches to product development in a way that defends the market while capitalizing on their existing strengths.

We believe that A&D organizations will need to think carefully about how they respond to new threats that emerge in the future or risk being undermined and overtaken by new and more responsive competitors.

For many, ongoing advances in material science are helping change the dynamics of innovation in the sector. The introduction of all-composite commercial aircraft, dramatic improvements in engine designs and increased product reliability, for example, are already starting to deliver the cost and fuel efficiencies demanded by their customers.

The adoption of new manufacturing technologies is also expected to reduce operational and product development costs for A&D manufacturers and suppliers. Half of all respondents say they expect new manufacturing technologies to drive future growth and innovation and almost two thirds say they are experimenting with advances such as nanotechnology within their manufacturing process.

How will you drive new growth and innovation?



Note: Respondents selected top three options.
Source: Forbes survey, January 2015

KPMG perspective

Driving growth through advanced manufacturing technologies

Tom Mayor
Principal, Strategy practice Industrial Manufacturing
KPMG in the US

As aerostructures continue to transform from metallic to composite, manufacturers continue to focus on enhancing their productivity and reducing their cost structures through the adoption of advanced manufacturing technologies.

For instance, on the manufacturing floor, A&D organizations are driving productivity by developing next-generation carbon-fiber laydown technologies which, in turn, are driving significant cost savings and efficiencies with each new composite aircraft program.

At the same time, the increasing maturity of 3D printing is driving dramatic change within the sector, particularly for those components that call for low production rates but high quality and metallurgical requirements. By using only the exact amount of material required for the finished component (versus starting with 10 times as much and 'machining' the piece) manufacturers are also enjoying significant cost savings.

While these technological improvements will certainly drive cost savings today, the real challenge for manufacturers is how and where they invest in order to drive the next generation of growth, either by creating new features for existing products or by uncovering new ways to drive down costs through material science or new manufacturing techniques.

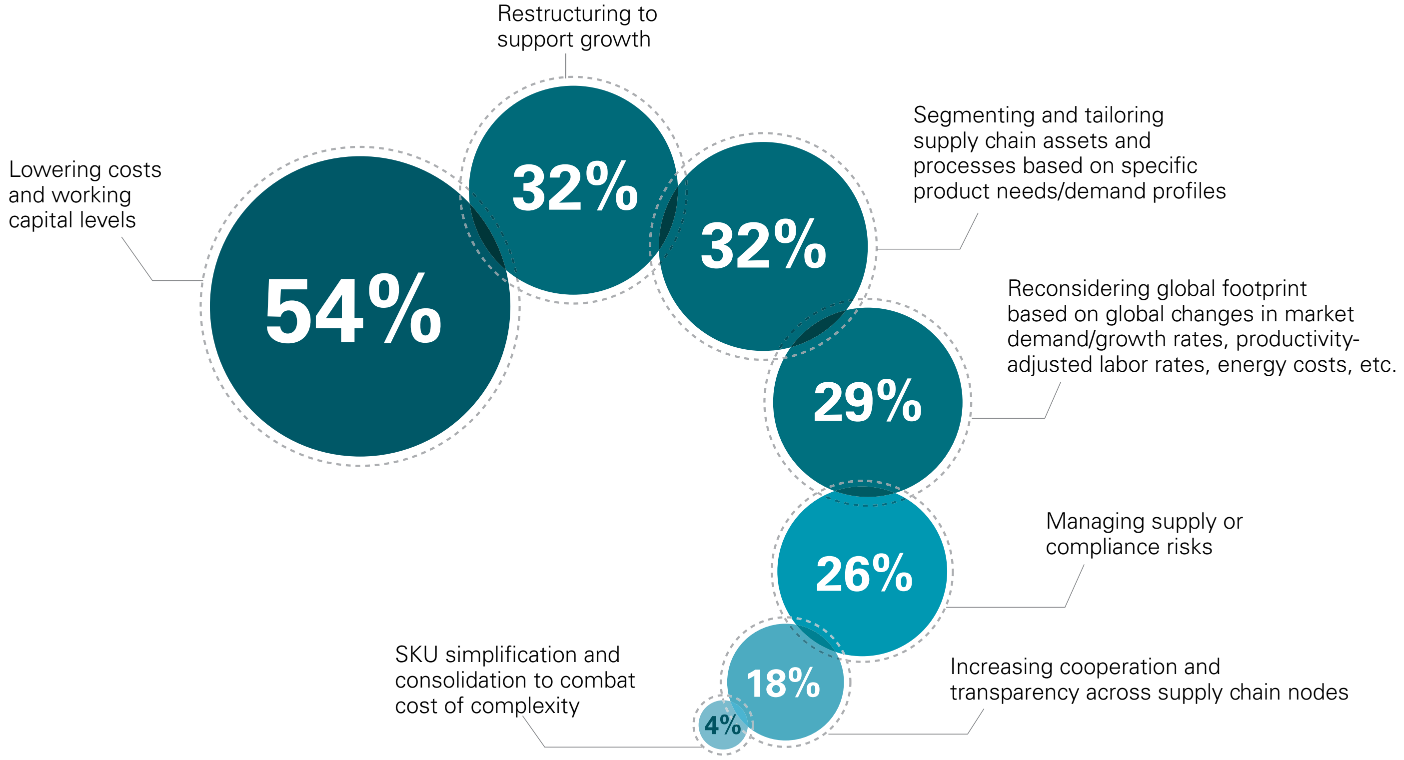
Over the next 10 years, A&D manufacturers should expect to compete on technology every bit as much as they compete on sales and products.

Preparing the supply chain

With profitable growth and managing costs high on the A&D agenda, our respondents suggest that they will be tweaking and adjusting their supply chain models and processes to respond to the emerging needs of the business.

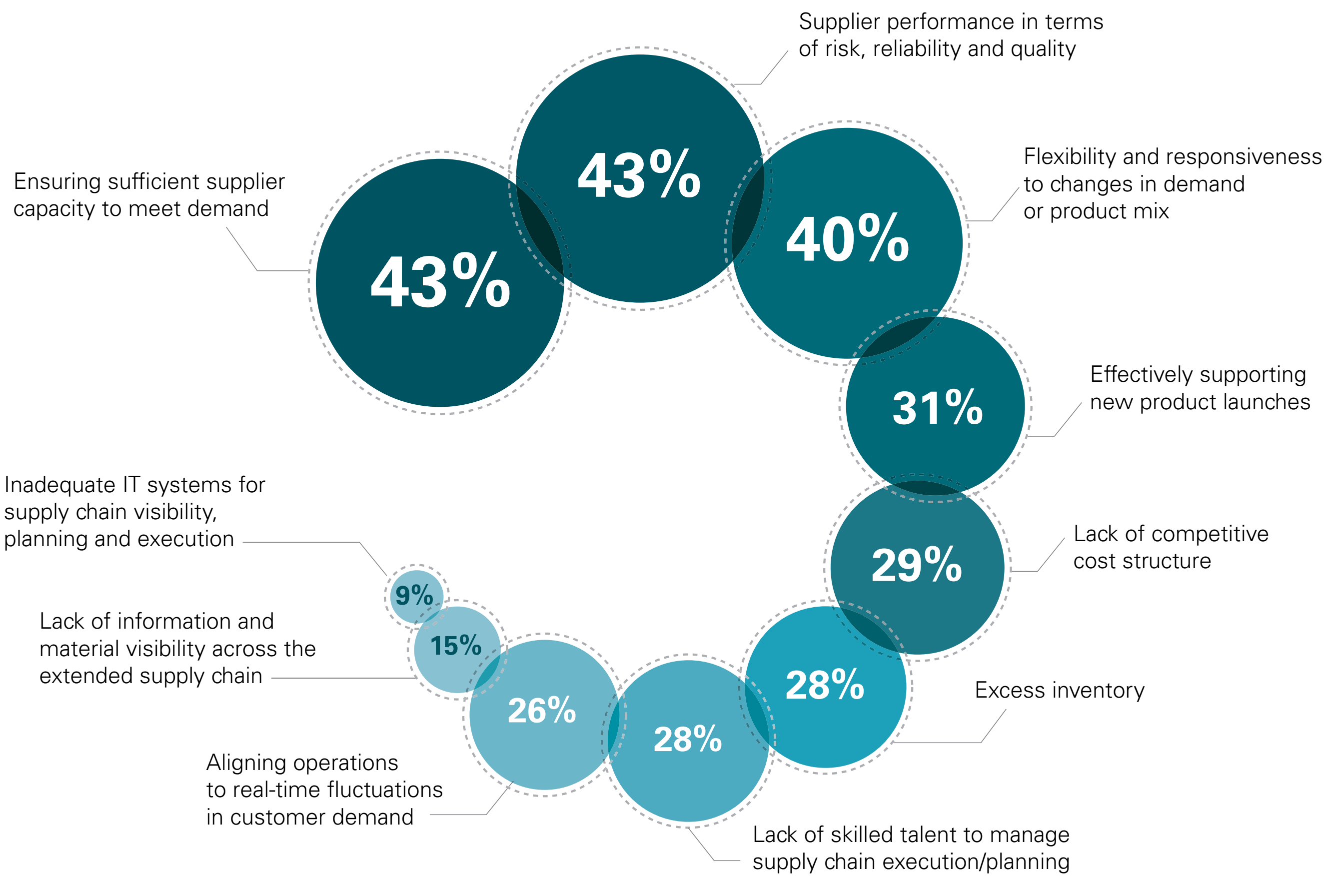
In fact, according to our survey, a third of all A&D respondents say that restructuring the supply chain to support growth is a top priority this year. An equal number said they would be segmenting and tailoring their supply chain assets and processes to respond to specific product needs and demand profiles. In particular, 31 percent said their supply chain is challenged to effectively support new product launches.

Top supply chain priorities for A&D companies



Note: Respondents selected top two options.
Source: Forbes survey, January 2015.

Top supply chain challenges for A&D organizations



Note: Respondents selected top three options.
Source: Forbes survey, January 2015.

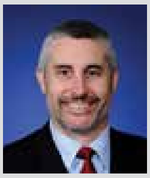
"A&D organizations are increasingly focused on preparing for growth through enhanced capacity and improved demand signal alignment initiatives," says Erich L. Gampenrieder, Head of KPMG's Global Supply Chain Center of Excellence. "The reality is that growth and new product launches tend to turn supply chains into increasingly complex operations and that can often become a drag on agility and competitiveness."

Not surprisingly, the majority of A&D respondents also say that they are focused on lowering costs and working capital levels across the supply chain and 29 percent suggest that their supply chain cost structure may be impacting their competitiveness. As a result, we expect to see A&D organizations continue their focus on improving supply chain flexibility and responsiveness.

"We are seeing an increased focus on consolidating the buy capability and rationalizing spend in order to manage inventory at a more centralized level," says Fred Hensel, Advisory Managing Director, KPMG in the US. "But this type of supply chain reorganization cannot happen in a vacuum, it will require A&D organizations to rethink their business structures and adjust their supply chain processes and operations."

KPMG perspective

Partnering for success



Ryan Donley
Director, Advisory Services
KPMG in the US

Marc van Grondelle
Global Leader of KPMG's Joint Venture Advisory Practice
KPMG in the UK

Creating mutually beneficial partnerships is not easy. Whether it's with existing suppliers to drive innovation, with previous competitors to gain scale or with foreign players as a market entry strategy, A&D organizations will increasingly need to enter into partnerships, including joint ventures and strategic alliances, if they hope to achieve their growth, innovation and expansion objectives.

To date, however, A&D organizations have had a mixed history of success in partnering. In part, this is because most tend to focus on the commercial and strategic aspects of deal-making and often place too little attention on designing the right structure for sustainable success. In addition, too few possess the internal experience required to properly assess, validate and execute foreign market entry strategies.

Likely, the greatest challenges will stem from partnering with overseas suppliers, customers and manufacturers to establish new operations in foreign markets, which are often characterized by less developed economic environment and regular political interference.

While not nearly as complicated, partnering with non-traditional players and suppliers to drive innovation also creates some new considerations for A&D organizations, particularly regarding the ownership of intellectual property (IP) and technology transfer.

Our experience suggests that the ability to identify the right partners is a critical determinant of success. However, to get there, A&D organizations will need some smart validation, business-savvy local insight and a clear understanding of the relevant rules, regulations and legal systems within the target markets.

Whether outsourced or hired in, the bottom line is that A&D organizations will need to significantly improve their approach to partnering if they hope to achieve their growth strategies.

A&D organizations will need to assess a broad basket of considerations when integrating new markets into their global supply chain. "Attention to trade and customs regulations will be key as A&D organizations expand their operations and their supply chains into new markets," said Amie Ahanchian, Managing Director, Tax, KPMG in the US. "Trade and customs considerations can impact risk, operations and costs and therefore should be integrated into the overall planning and strategy process at the start of any new growth initiative."

With agility, flexibility and responsiveness high on the agenda, A&D organizations suggest they are becoming increasingly concerned about supplier performance and capacity. Indeed, the two most often-cited supply chain challenges this year were concerns related to supplier performance (in terms of risk, reliably and quality) and ensuring sufficient supplier capacity to meet demand. The second-most-cited challenge relates to a lack of flexibility and responsiveness to changes in demand.

"With many Tier 2 and Tier 3 suppliers now feeling downward pressure, we are seeing a broader trend toward A&D suppliers coming together to form larger entities, similar to the evolution that already occurred in the automotive sector," said Donley. "By coming together, these suppliers are hoping to positively impact their financial strength and viability within the supply chain."

Interestingly, our survey suggests that few in the sector enjoy the level of supplier visibility they need in order to improve transparency and manage risk. Just one in 10 A&D respondents said they had 'complete' visibility down into their second and third tier suppliers, while 40 percent admitted they only had 'limited' visibility into their Tier 1 suppliers and no visibility beyond.

"Visibility continues to be a significant challenge for A&D organizations, made even more acute by the rapid pace of change within the sector," said Gates. "Indeed, we see this lack of visibility as one of the greatest risks facing A&D organizations today from a delivery standpoint and a clear limitation on their ability to drive true and sustainable cost savings from the supply chain."

KPMG perspective

Protecting data in an era of international expansion

Donna Meshaka
Advisory Managing Director
KPMG in the US

Over the past decade or so, A&D organizations operating in the US have become fairly adept at developing 'technical control plans' that demonstrate to regulators and stakeholders that they know what information is sensitive and that it is being properly stored and adequately protected.

But as A&D organizations start to expand into new markets, many are quickly finding that foreign regulators often have different requirements for their defense contractors and manufacturers. Key issues start to emerge: where should sensitive data reside and who should have access? What IT infrastructure will be needed to operationalize those controls? What impact will regulation have on existing Global Business Services and IT Service groups?

While the specific requirements will clearly change depending on the jurisdiction, our experience suggests that in order to execute a successful market entry strategy, A&D organizations will first need to think strategically about how they can create the right standards and flexibility in their IT operating model and then understand how they may need to adapt that model to suit local requirements.

Creating and adapting the IT operating model will not be easy. Ensuring that the right controls and reporting functions are in place will require collaboration across multiple departments such as IT, legal, compliance and export control. It will also require IT to think more proactively about how the operating model can be improved to enable cost-effective growth.

Our experience suggests those that focus on improving their technical control planning and mapping processes at the outset will face fewer barriers as they start to bid for new work in foreign markets.

Case study

Sounding out the market entry strategy

Selecting the right partners and business model for market entry is critical to success. And, as one US-based prime defense contractor quickly recognized, conducting a proper and robust assessment can often require on-the-ground support.

Having already worked with KPMG's network of A&D professionals to develop a strategic plan for the European market, this prime contractor was now looking to further refine its strategy by selecting the best markets and the right partners to support its growth objectives.

With a clear focus on achieving wider collaboration around its key European business development initiatives, the prime contractor once again engaged a KPMG firm to help assess the opportunity. In particular, the organization wanted to identify all of the potential defense suppliers in the region and the most advantageous ways of engaging with them on new business opportunities.

"The net needed to be cast widely enough to capture all of the potential opportunities and all of the key players, including their capabilities, relationships and market relevance, to ensure that the organization fully understood all of its options," said Robert Browne, Leader of KPMG in the UK's Strategy Practice. "Each of the options then had to be mapped against the organization's unique capabilities and strategic priorities to find the right fit for each situation."

Leveraging KPMG's wide network across Europe and the organization's proprietary data on defense programs and participants, the defense contractor engaged in a series of decision-driven workshops with KPMG aimed at continuously refining and prioritizing the organization's long list of initiatives to identify both the markets and the partners that would provide the best opportunities for the organization.

Based on this insight and data, the defense contractor is now focused on operationalizing its targeted European strategy by building new alliances and partnerships with their selected partners in Europe and is now well-placed to win new contracts in key overseas markets.

Five key take-aways
for Aerospace and Defense manufacturers

1	A&D organizations are highly focused on two overriding priorities: driving growth and managing costs. Growth will not come easily. New markets will need to be penetrated, new innovations will need to be commercialized, and new business models will need to be established.
2	R&D spend is on the rise as organizations focus on driving incremental innovation as a way to gain a competitive edge and adapt their existing products to adjacent markets.
3	To achieve growth objectives, companies have recognized that partnering will continue to increase in importance as they work to innovate products and services, execute on market entry strategies and adapt and develop new business models.
4	A&D organizations are continuing to look for opportunities to sustainably reduce costs. This includes rightsizing the product and business portfolio in order to prepare their organizations to take advantage of future growth opportunities.
5	Supply chain reorganization is high on the agenda as A&D organizations look to drive future growth and reduce working capital. Particular importance should be placed on improved supply chain visibility, more reliable delivery performance and available capacity to meet current and emerging demands globally.

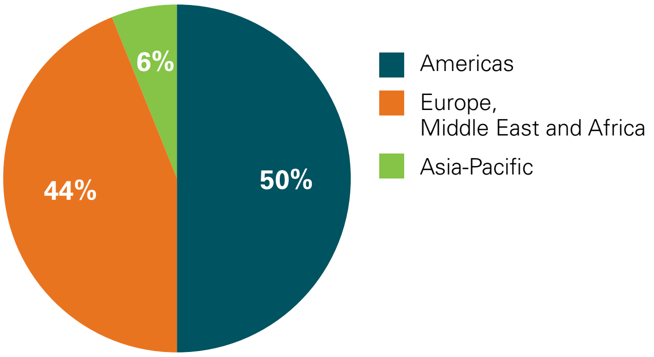
About the survey

This *Global Aerospace and Defense Outlook* is part of KPMG's 2015 Global Manufacturing Survey. Data was collected by Forbes on behalf of KPMG in early 2015 and the accompanying analysis was provided by senior KPMG Aerospace and Defense leaders from across the organization's global network of Aerospace and Defense practices.

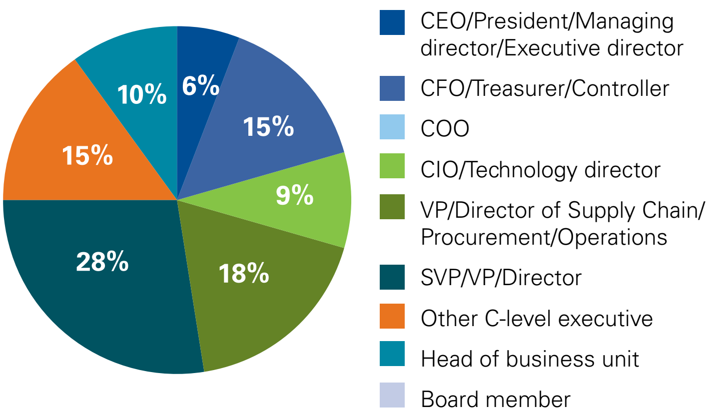
A total of 386 senior manufacturing executives (director level or above) participated in the survey, of which 18 percent came from the A&D sector. Almost a quarter of the A&D respondents in this Global Aerospace and Defense Outlook represent organizations with revenues of more than US$25 billion and a third represent organizations with revenues of between US$10 billion and US$25 billion. The remainder represent medium-sized organizations and suppliers, defined as companies with revenues of between US$1 billion and US$10 billion.

Half of all A&D respondents identify themselves as being based in the Americas, while 44 percent are based in Europe and 6 percent are located in Asia-Pacific.

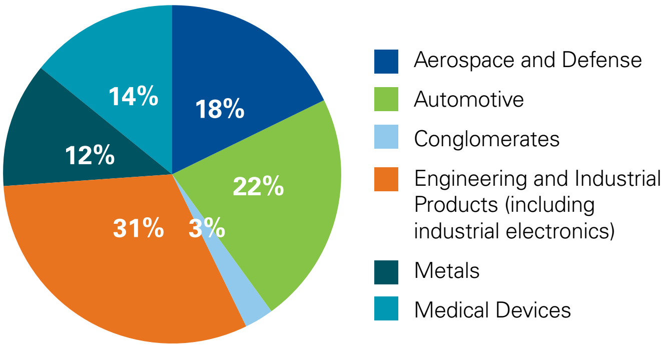
Where are you personally located?



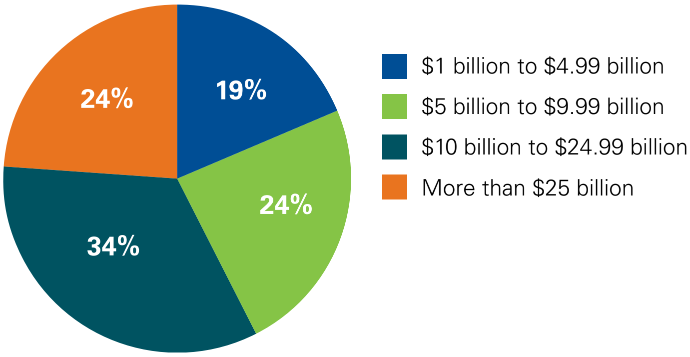
Which of the following best describes your title?



What is your primary sector within the manufacturing industry?



What are your organization's global annual revenues in US dollars?



Note: Percentages may not add up to 100 percent due to rounding.
Source: Forbes survey, January 2015.

How KPMG
Aerospace and Defense can help

KPMG's dedicated Global Aerospace and Defense network of professionals, based in member firms around the world, work with some of the largest and most successful Aerospace and Defense companies.

Our global reach of over 1,800 professionals with Aerospace and Defense functional experience and process capabilities bring together KPMG's Audit, Tax and Advisory practices to deliver broad-ranging approaches to clients' activities within the industry.

With our global industry knowledge and involvement in key industry events, we believe we are among the advisors of choice to the Aerospace and Defense industry.

Our services focus on helping member firms' clients address major issues and market priorities facing the Aerospace and Defense industry, including:

- Business model transformation
- High-growth market strategies
- Market entry and expansion
- M&A and transaction services
- Corporate finance and valuations
- Private equity investment

The growth agenda

- Supply chain and distribution solutions
- Procurement transformation
- Improving operational efficiencies
- Finance transformation
- Internal improvement and sourcing advisory
- R&D management strategies

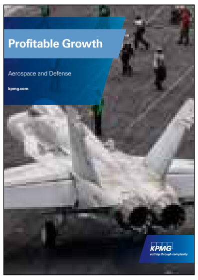
Cost and competitiveness

- Enterprise risk management
- IT advisory solutions
- Governance, reporting and regulatory services
- Debt advice and securitization
- Global tax and transfer pricing services
- Sustainability and the environment

Risk, governance and regulatory matters

KPMG's Global Aerospace and Defense teams offer proactive, forward-thinking services to member firm clients, helping them take advantage of the sector's growth potential and overcome the main issues and challenges within the sector.

Global Industrial Manufacturing
thought leadership

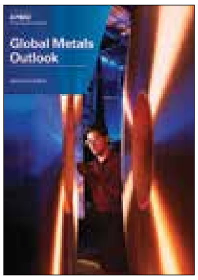


Profitable Growth (2015)

This white paper provides insights on the market shift and changes in competitive landscape within the A&D sector, resulting in companies exploring options overseas to drive new revenue opportunities. A&D organizations are establishing a stronger presence in new markets, adapting product and service lines to adjacent industry sectors, as well as evolving business models and transforming the way they look at the revenue generation machine.

Global Manufacturing Outlook (2015)

The Global Manufacturer Outlook report provides a comprehensive overview of the global manufacturing sector, along with observations and insights from KPMG member firm partners and industry experts and leaders based on 386 industry-wide executive survey and executive interviews. The report reveals that manufacturers are focused on understanding their product cost and profitability, exploring new collaborative business models to create competitive advantage, and integrating the supply chain to improve visibility. It also includes case studies and opinions from our global Industrial Manufacturing team, providing practical insight for our clients and industry practitioners.



Global Metals Outlook (2015)

This publication examines how metals organizations are focusing on improving their understanding of their cost and profit levers, entering into partnerships and driving innovation in order to create a platform for profitable growth. Based on a recent industry-wide survey of 83 metals company executives, this report will stand out as a critical resource for metals executives and decision makers around the world.

Industrial Manufacturing Mega Trends (2015)

This report analyses 10 key trends in industrial manufacturing and provides added value with KPMG perspectives, approaches, solutions and KPMG Services.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WITHIN 3 INCHES OF CANOPY FRAME

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Publication number: 132457-G. Publication date: June 2015