

DEFENSE MANUFACTURERS



Your First Line of Defense Begins Here

If you're asking yourself how is it possible to streamline your operations and run like a lean manufacturer while staying compliant, IFS Applications™ can provide the answer. With IFS' commercial off-the-shelf (COTS) software solution, companies are able to reduce costs more quickly, take advantage of new business opportunities, deliver products on time and on budget and comply with complex federal regulations.

Take Advantage of New Business Opportunities

Because defense products often span years and even decades, customer retention and finding new business opportunities can be difficult. That's why IFS Applications lifecycle approach extends beyond product lifecycle management to include customers, products, and assets. With this total lifecycle management, customers know more quickly which markets to serve, when to enter them, and which products to develop. IFS' lifecycle management includes as-designed, as-planned, as-built, and as-maintained configuration management.

From the original concept through engineering, manufacturing, service and after-sales support, IFS Applications ensures that product information is available to people who need it, as they need it. And, as a result, companies find that their product costs decrease and development time becomes shorter.

Streamlined Operations and Reduced Costs

A defense manufacturer may often need to handle both project-driven engineer-to-order (ETO) processes and make-to-order business processes, both commercial and project driven.

IFS Applications provides the ways and means to reduce lead time and increase manufacturing efficiency via a unique project-oriented solution

Key value-adding functional aspects of IFS Applications include:

- Complete product lifecycle management
- Mixed-mode manufacturing
- Project pegging
- Corporate performance management
- After sales and customer services
- Component-based

that integrates project planning, PDM data, and actual cost project-based manufacturing and purchasing, including non-MRP based material planning.

Better Supplier Management Means Bigger Profits

Along with to-order functionality, IFS Applications offers better supplier management and traceability with project inventory that includes full project pegging and borrow or payback features specifically developed for the defense manufacturing industry. This includes the ability to plan material requirements for the project and have all the pegging occur as well as the visibility of Project ID and Activity ID at the shop and purchase order levels.

The Flexibility to Match Costing Procedure to Specific Clients

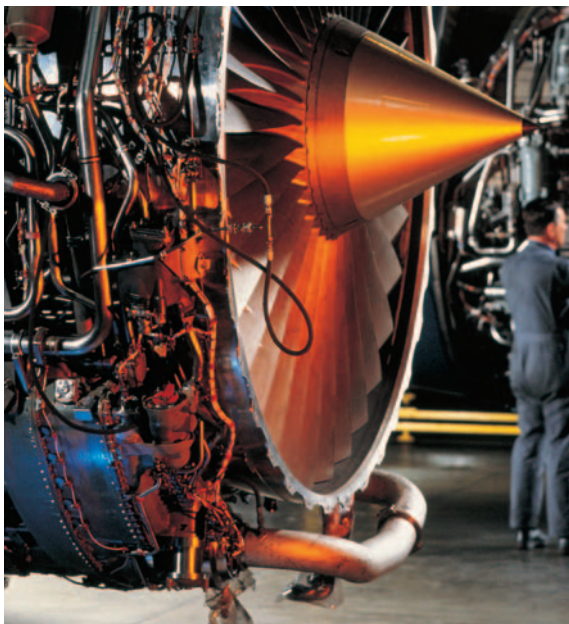
With the option of mixed-mode costing manufacturers can run their entire business on an Actual Cost basis, or they can elect to run their commercial business on a Standard Cost basis, and their Government business on an Actual Cost basis. The ability exists to view details of cost build-ups throughout the system instead of just at the General Ledger. There is also the possibility to adjust overhead costs on a periodic basis so when the real overhead costs are determined, the previously recorded overhead costs can be adjusted to reflect the actually incurred costs. IFS' solution also provides greater financial capabilities which permit a company to not only progress bill their customer, but to also perform periodic revenue recognition on long term projects where periodic billing may not be occurring.

Quality Without Compromise

The importance of quality assurance in the defense industry cannot be overstated. And it is no coincidence that IFS Applications makes quality control a top priority. The fully integrated Material Review Board (MRB) and Quality Control functionality round out IFS' defense manufacturing offering by allowing for a closed loop quality system. This closed loop quality system allows manufacturers to perform periodic inspections and to identify non-conforming material for review as it occurs. The MRB permits disposition and control of all non-conforming material so it is rejected from the system and not used.

Managing Corporate Performance

With IFS' easy-to-use Business Performance portal, defense manufacturers are ideally placed



to enhance quality while increasing profitability. This portal provides an instant overview of critical business areas such as project performance, quality, costs, and delivery times, thereby enabling companies to maximize their performance. It is easy to compare key figures from different business units and identify areas where improvements can be made. In addition, it is possible to analyze key statistics in far greater detail using pre-packaged online analytical processing (OLAP) cubes.

Faster Payback

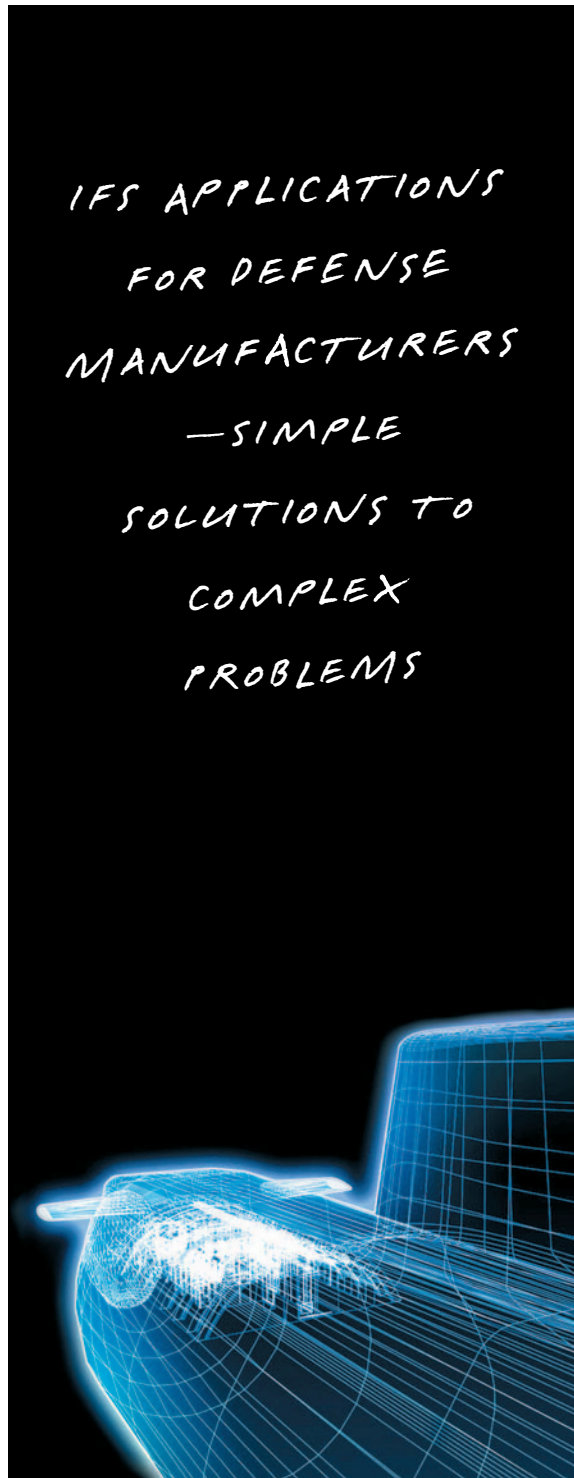
IFS' unique component-based architecture makes deployment fast and cost-effective and minimizes any disruption to the flow of an existing business operation. Companies simply implement the applications they require to meet their immediate needs and then add other applications or capabilities as and when the need arises. In addition to minimizing implementations costs this approach makes for a faster payback on a customers' investment and the elimination of the hidden costs that commonly crop up with non-componentized systems.

Integrated Aftermarket Services Support

As a result of shrinking margins, the aftermarket has become one of the defense industry's largest areas of growth. After a product has been sold it shouldn't be forgotten, instead it should be recognized as a great opportunity to sell spare parts and service.

IFS Applications provides defense manufacturers with solutions specifically tailored for service and repair (including warranties); maintenance, repair, and overhaul (MRO); and spare parts logistics. This totally integrated view offers companies the opportunity to extend their offering to their customers by providing a comprehensive after-sales service.

*IFS APPLICATIONS
FOR DEFENSE
MANUFACTURERS
—SIMPLE
SOLUTIONS TO
COMPLEX
PROBLEMS*





Proven Track Record

IFS Applications is the business solution of choice for a number of Fortune 500 companies and mid-sized organizations. Defense customers worldwide are getting great returns on their investment and quicker payback from their IFS solutions. Component-based and agile, IFS Applications makes your business ready for change and helps your company to increased efficiency and greater profitability.

About IFS and IFS Applications

IFS (OMX STO: IFS), the global enterprise applications company, provides ERP solutions which enable organizations to respond quickly to market changes. The solutions allow resources to be used in a more agile way to achieve better business performance and competitive advantage.

Founded in 1983, IFS has 2,600 employees worldwide. With IFS Applications™, now in its seventh generation, IFS has pioneered component-based ERP software. The component architecture provides solutions that are easier to implement, run and upgrade. IFS Applications is available in 54 countries in 22 languages.

Aerospace & Defense being one of IFS' targeted segments, IFS Applications includes advanced standard functionality that meets the demanding requirements of defense manufacturers. IFS customers in the industry include the British, Norwegian, and South African defense organizations as well as the Eurofighter consortium. Commercial MRO shops and operators include Finnair, Bristow Helicopters, Aero-Dienst GmbH, Hawker Pacific, and Jet Turbine Services. In addition, IFS provides solutions to original equipment manufacturers (OEMs) such as General Dynamics, Lockheed Martin, BAE SYSTEMS, Saab Ericsson Space, and GE Aircraft Engines.

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