

IN 1999, THE AEROSPACE INDUSTRY REPORTED NET PROFITS of \$10 billion, a substantial gain over 1998, reflecting record sales. Expressed as a percentage of sales, the industry's profit amounted to 6.5%. This was higher than the 6.2% average for all U.S. manufacturing industries. It also marked a rise from 1998's aerospace profit-to-sales ratio of 5.0%. As a percentage of assets, the 1999 aerospace figure was 6.2%, up from 4.8% in the previous year. As a percentage of equity, aerospace earnings were 21.8%, a significant increase from 18.0% in 1998.

The aerospace balance sheet for 1999 showed net working capital of \$11.7 billion, up slightly from \$11.5 billion in 1998. Stockholders' equity jumped 17% to \$50 billion in 1999, while total assets climbed \$10 billion to \$170 billion.

Lockheed Martin Corporation again topped the list of DoD's prime contractors in FY 1999 with contracts totaling \$12.7 billion. In second place was The Boeing Company with \$11.6 billion. The Raytheon Company, at \$6.4 billion, ranked third. Rounding out the top 10 were: General Dynamics Corporation (\$4.6 billion), Northrop Grumman Corporation (\$3.2 billion), United Technologies Corporation (\$2.4 billion), Litton Industries, Inc. (\$2.1 billion), General Electric Company (\$1.7 billion), TRW Incorporated (\$1.4 billion), and Textron, Inc. (\$1.4 billion).

Geographically, for the third year the South Atlantic region topped the list of DoD prime con-

tract awards for aircraft production, ahead of both the Pacific and the West North Central regions. The South Atlantic region received contracts worth \$5.8 billion, or 22.7% of the total. The Pacific region was second with \$5.2 billion (20.4%), and the West North Central region was third with \$4.3 billion (16.7%).

In DoD missile/space contract awards, the Pacific region showed a slight decrease but remained far out in front with \$4.2 billion (37.3%). In second place was the Mountain region with \$2.7 billion (24.1%), and in third was the South Atlantic region with \$1.2 billion (11.1%).

The South Atlantic region also led in DoD awards for electronics and communications equipment with \$4.7 billion (36.2%); the Pacific region was second with \$2 billion (15.2%); and the Middle Atlantic was third with \$1.7 billion (13.4%).

For the first time, United Space Alliance topped the list of NASA

contractors, with contracts in FY 1999 worth \$1.5 billion. The rest of the top 10 included: The Boeing Company (\$1.2 billion), Lockheed Martin Corporation (\$906 million), McDonnell Douglas Corporation (\$416 million), Thiokol Corporation (\$395 million), Lockheed Mar-

tin Space Operations Company (\$296 million), Boeing North America (\$272 million), Lockheed Martin Engineering and Science (\$231 million), Space Gateway Support (\$221 million), and TRW Inc. (\$184 million).

