

# THE SIPRI TOP 100 ARMS-PRODUCING AND MILITARY SERVICES COMPANIES, 2014

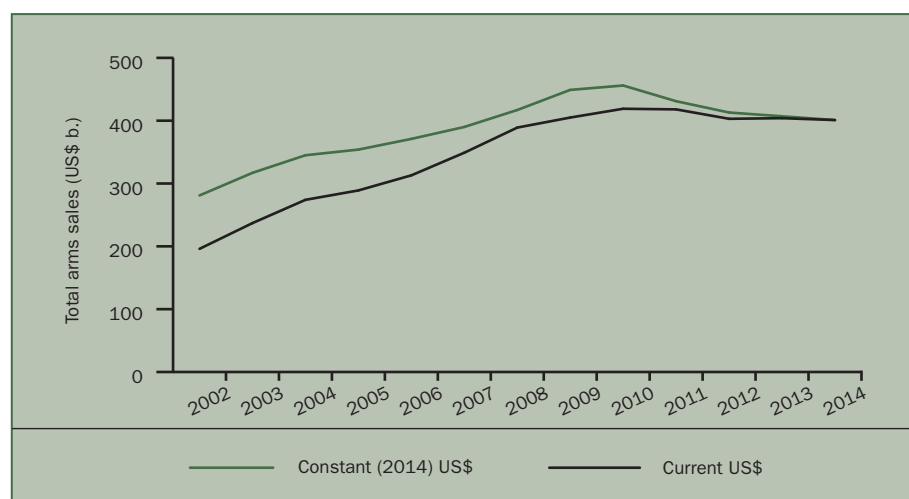
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The sales of arms and military services by the SIPRI Top 100—the world’s 100 largest arms-producing and military services companies (excluding China, see box 1), ranked by their arms sales—totalled \$401 billion in 2014. This represents a decrease of 1.5 per cent compared to Top 100 revenues in 2013.<sup>1</sup> However, despite four consecutive years of decreasing sales, total arms revenues for the Top 100 companies in 2014 remained 43 per cent higher than for the Top 100 in 2002 (see figure 1).

## DEVELOPMENTS IN THE TOP 100

Companies headquartered in the United States and Western Europe continue to dominate the global arms industry, with a share of 80.3 per cent of the

<sup>1</sup> All changes are in real terms unless otherwise specified. Figures do not always add up to totals because of the conventions of rounding.

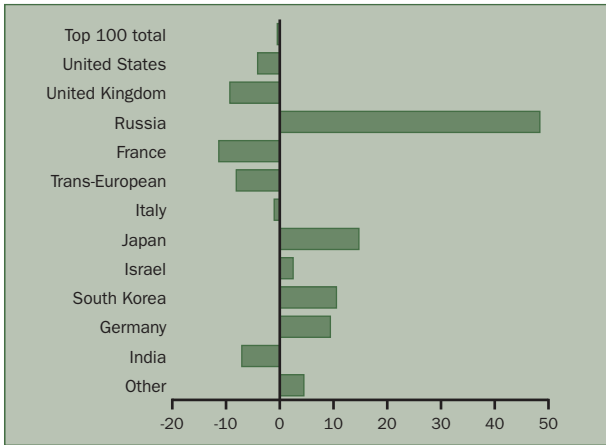


**Figure 1.** Total arms sales of companies in the SIPRI Top 100, 2002–14

*Notes:* The data in this graph refers to the companies in the SIPRI Top 100 in each year, which means that it refers to a different set of companies each year, as ranked from a consistent set of data. ‘Arms sales’ refers to sales of military equipment and services to armed forces and ministries of defence worldwide. For a full definition see <<http://www.sipri.org/research/armaments/production/Top100>> or *SIPRI Yearbook 2015*.

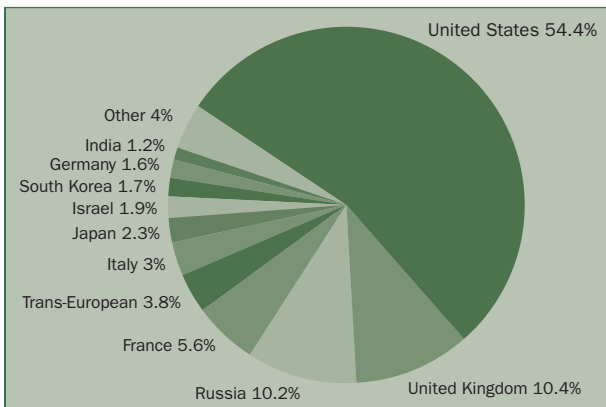
## KEY FACTS

- The arms sales of the SIPRI Top 100 arms-producing and military services companies (excluding China) totalled \$401 billion in 2014. This is the fourth consecutive year of decline in Top 100 arms sales.
- The global slowdown in arms sales between 2013 and 2014 is mostly attributed to a decline of 5.2 per cent in revenues of companies based in the United States and Western Europe.
- The number one arms producer, Lockheed Martin, has bucked the regional trend with a 3.9 per cent growth in real terms in its arms sales in 2014.
- The general fall in US and Western European companies’ revenues is partially offset by a 25.1 per cent growth in revenues for 36 companies in the Top 100 based in other parts of the world, including Russia.
- Russian companies have been a key driver of the arms sales growth outside of the USA and Western Europe, with an increase of 48.4 per cent in their total revenues. This is the result of three new entrants to the Top 100 in 2014 as well as higher arms sales figures from the companies that were ranked in 2013.
- With a 9.5 per cent growth in arms sales between 2013 and 2014, the two ranked Turkish companies have contributed to the increase in arms sales observable outside the USA and Western Europe. ASELSAN’s sales have trebled in real terms during the period 2005–14, while Turkish Aerospace Industries’ sales have risen over elevenfold.



**Figure 2.** Percentage change in arms sales of companies in the SIPRI Top 100, by country, 2013–14

*Notes:* The change refers to the companies in the Top 100 for 2014. The figures are based on arms sales in constant (2014) US\$. The category ‘Other’ consists of countries whose companies’ arms sales comprise less than 1% of the total: Australia, Brazil, Finland, Norway, Poland, Singapore, Sweden, Switzerland, Turkey and Ukraine.



**Figure 3.** Share of arms sales of companies in the SIPRI Top 100 for 2014, by country

*Notes:* The Top 100 classifies companies according to the country in which they are headquartered, so sales by an overseas subsidiary will be counted towards the total for the parent company’s country. The Top 100 does not include the entire arms industry in each country covered, only the largest companies. The category ‘Other’ consists of countries whose companies’ arms sales comprise less than 1% of the total: Australia, Brazil, Finland, Norway, Poland, Singapore, Sweden, Switzerland, Turkey and Ukraine.

Top 100 total arms revenues for 2014. This represents a fall of 3.2 percentage points compared to 2013. Fewer companies for the USA and Western Europe are ranked in the Top 100 for 2014: 64 compared to 67 in 2013. With a 7.4 per cent decrease in combined arms sales, the most significant falls in revenue are observable in Western European companies (26 per cent of the Top 100 revenues) reflecting the economic difficulties in the region. Of the nine Western European countries with companies ranked in the Top 100 in 2014, only two showed increases in their arms sales: Germany (9.4 per cent) and Switzerland (11.2 per cent) (see figure 2). For 2014, North America’s presence in the Top 100 comes exclusively from the 38 ranked US companies, which account for 54.4 per cent of total revenues (see figure 3).

Despite deteriorating national economic conditions, Russian companies’ share of the Top 100 total revenues increased to 10.2 per cent of the Top 100, up from 7.6 per cent in 2013. Eleven Russian companies are now ranked in the SIPRI Top 100 compared to nine in 2013, with three companies entering the Top 100 in 2014 and one company—Sozvezdie—no longer featuring, following a merger to form United Instrument Manufacturing Corporation (UIMC). Other established arms-producing countries present in the Top 100, such as Australia, Israel, Japan, Poland, Singapore and Ukraine, make up 6 per cent of total revenues of the Top 100. Of these six, only Ukraine has shown a significant fall (–37.4 per cent) in real terms compared to 2013 revenues.

Among the emerging producers (Brazil, India, South Korea and Turkey), 12 companies appear in the Top 100, accounting for 3.7 per cent of total arms revenues.

**THE 10 LARGEST COMPANIES**

All companies ranked in the Top 10 are based in the USA and Western Europe. Their combined turnover is 49.6 per cent of the total sales of the Top 100 in 2014, a slight fall from the 50.0 per cent share in 2013. US and Western European companies’ domination of the Top 100 will likely remain a characteristic of the global arms industry for the foreseeable future. However, regional trends since the 2008 economic crisis point to a modest but continuous weakening of this predominance, as companies based in other countries, such as Russia, benefit from substantial domestic spending.

**NATIONAL DEVELOPMENTS**

**France, Germany and the United Kingdom**

Germany is one of the two Western European countries that have bucked the regional downward trend in arms sales, with a 9.4 per cent increase in 2014

**Table 1.** The SIPRI Top 100 arms-producing and military services companies in the world excluding China, 2014<sup>a</sup>

Figures for arms sales, total sales and profit are in millions of US\$. Dots (.) indicate that data is not available.

Rank <sup>b</sup>		Company <sup>c</sup>	Country	Arms sales (US\$ m.)		Total sales, 2014 (US\$ m.)	Arms sales as a % of total sales, 2014	Total profit, 2014 (US\$ m.)	Total employment, 2014
2014	2013			2014	2013				
1	1	Lockheed Martin	USA	37 470	35 490	45 600	82	3 614	112 000
2	2	Boeing	USA	28 300	30 700	90 762	31	5 446	165 500
3	3	BAE Systems	UK	25 730	26 830	27 395	94	1 238	83 400
4	4	Raytheon	USA	21 370	21 950	22 826	94	2 258	61 000
5	5	Northrop Grumman	USA	19 660	20 200	23 979	82	2 069	11 000
6	6	General Dynamics	USA	18 600	18 660	30 852	60	2 819	99 500
7	7	Airbus Group <sup>d</sup>	Trans-European <sup>p</sup>	14 490	15 740	80 521	18	3 117	138 620
8	8	United Technologies Corp.	USA	13 020	11 900	65 100	20	6 220	211 000
9	9	Finmeccanica	Italy	10 540	10 560	19 455	54	27	54 380
10	11	L-3 Communications	USA	9 810	10 340	12 124	81	..	45 000
11	12	Almaz-Antey	Russia	8 840	8 040	9 208	96	..	98 100
12	10	Thales	France	8 600	10 370	17 207	50	745	61 710
S	S	BAE Systems Inc. (BAE Systems UK)	USA	8 360	10 300	9 325	90	..	34 500
13	13	Huntington Ingalls Industries	USA	6 680	6 550	6 957	96	338	38 000
14	15	United Aircraft Corp. <sup>e</sup>	Russia	6 110	5 530	7 674	80	219	..
15	17	United Shipbuilding Corp. <sup>e</sup>	Russia	5 980	5 110	7 329	82	305	287 000
16	14	Rolls-Royce	UK	5 430	5 550	24 021	23	2 025	54 100
17	16	SAFRAN	France	5 130	5 420	20 365	25	..	68 950
18	18	Honeywell International	USA	4 750	4 870	40 306	12	4 329	127 000
19	20	Textron	USA	4 700	4 380	13 878	34	..	34 000
S	S	Pratt & Whitney (United Technologies Corp.)	USA	3 920	4 800	14 508	27	..	..
20	19	DCNS	France	3 920	4 460	4 066	96	-446	13 130
21	28	Mitsubishi Heavy Industries	Japan	3 920	3 240	37 663	10	1 042	81 850
22	21	Booz Allen Hamilton	USA	3 900	4 100	5 275	74	233	22 500
23	26	Russian Helicopters	Russia	3 890	3 500	4 300	90	539	42 000
S	S	Sikorsky Aircraft Corp. (United Technologies Corp.)	USA	3 880	3 630	7 451	52	219	..
24	-	United Instrument Manufacturing Corp. <sup>f</sup>	Russia	3 640	..	4 019	91	..	40 000
25	27	Babcock International Group	UK	3 560	3 270	7 415	48	438	10 840
S	S	AgustaWestland (Finmeccanica)	Italy	3 510	3 180	5 806	60	368	12 850
26	23	Leidos <sup>g</sup>	USA	3 390	3 930	5 063	67	..	19 000
27	24	General Electric	USA	3 210	3 850	148 589	2	15 233	305 000
S	S	MBDA (BAE Systems UK/EADS W. Eur./Finmeccanica Italy)	Trans-European <sup>p</sup>	3 180	3 720	3 183	100	..	10 900
28	22	Science Applications International Corp. <sup>g</sup>	USA	3 170	3 930	4 121	77	113	13 000
29	33	Harris	USA	3 110	2 850	5 083	61	334	22 300
30	110	AECOM Technology Corp. <sup>h</sup>	USA	3 080	680	19 500	16	..	..

Rank <sup>b</sup>		Company <sup>c</sup>	Country	Arms sales (US\$ m.)		Total sales, 2014 (US\$ m.)	Arms sales as a % of total sales, 2014	Total profit, 2014 (US\$ m.)	Total employment, 2014
2014	2013			2014	2013				
31	32	Rheinmetall	Germany	2 970	2 860	6 220	48	..	20 170
32	38	Israel Aerospace Industries	Israel	2 880	2 660	3 947	73	..	..
33	35	Elbit Systems	Israel	2 810	2 780	2 958	95	..	11 850
34	46	Tactical Missiles Corp.	Russia	2 810	2 230	2 960	95	..	..
35	34	Bechtel <sup>i</sup>	USA	2 760	2 800	3 720	74	..	..
36	30	CACI International	USA	2 730	3 030	3 313	82	126	16 600
37	31	Saab	Sweden	2 710	2 950	3 429	79	170	14 720
38	36	United Engine Corp.	Russia	2 600	2 720	4 261	61	2 081	..
39	–	High Precision Systems <sup>f</sup>	Russia	2 350	..	2 351	100	289	45 000
40	57	Alliant Techsystems <sup>j</sup>	USA	2 340	1 820	4 229	55	202	12 300
41	42	Hindustan Aeronautics	India	2 330	2 390	2 536	92	256	..
42	59	ThyssenKrupp	Germany	2 310	1 770	54 802	4	..	160 740
43	37	Hewlett-Packard <sup>k</sup>	USA	2 300	2 700	111 454	2	5 013	302 000
44	45	CEA	France	2 290	2 270	5 780	40	61	15 770
S	S	Sukhoi (United Aircraft Corp.)	Russia	2 240	2 320	2 243	100	41	..
45	54	KRET	Russia	2 240	1 850	2 731	82	221	54 000
46	41	Rockwell Collins	USA	2 230	2 400	4 979	45	604	20 000
47	40	Computer Sciences Corp.	USA	2 230	2 400	12 173	18	36	70 000
48	25	Exelis	USA	2 230	3 560	3 277	68	249	10 000
49	39	Serco	UK	2 180	2 560	6 512	33	–2 218	118 620
S	S	Selex ES SpA (Finmeccanica)	Italy	2 120	1 930	2 708	78	–157	19 160
50	49	Kawasaki Heavy Industries	Japan	2 080	2 030	14 021	15	487	35 400
51	50	ST Engineering	Singapore	2 010	2 010	5 161	39	420	22 670
52	52	Rafael	Israel	2 000	1 960	2 047	98	..	..
S	43	URS Corp. (AECOM)	USA	1 960	2 310	8 357	24	403	43 300
S	S	Alenia Aermacchi (Finmeccanica)	Italy	1 960	1 790	4 170	47	312	10 930
53	56	Cobham	UK	1 860	1 820	3 050	61	338	12 710
54	29	Oshkosh Corp.	USA	1 730	3 050	6 808	25	..	12 000
55	47	ManTech International	USA	1 690	2 210	1 774	95	47	..
56	61	Korea Aerospace Industries	South Korea	1 660	1 400	2 198	76	105	3 230
57	44	General Atomics <sup>i</sup>	USA	1 630	2 280	..	..	..	..
58	55	Indian Ordnance Factories	India	1 560	1 820	1 638	95	..	..
59	51	Fluor <sup>i</sup>	USA	1 500	1 970	21 532	7	511	37 510
60	63	Embraer	Brazil	1 470	1 210	6 388	23	340	19 170
61	80	Uralvagonzavod <sup>e</sup>	Russia	1 450	940	3 317	44	–138	..
62	60	Fincantieri	Italy	1 410	1 500	5 837	24	73	21 690
63	67	LIG Nex1	South Korea	1 330	1 100	1 330	100	491	..
64	75	Nexter	France	1 320	990	1 390	95	156	3 320
65	53	Dassault Aviation Groupe	France	1 320	1 860	4 881	27	528	11 750
S	85	Sozvezdie (UIMC) <sup>f</sup>	Russia	1 270	910	1 428	89	..	..
66	48	DynCorp International	USA	1 270	2 120	2 252	56	–268	13 700
67	–	Polish Armaments Group <sup>l</sup>	Poland	1 270	650	1 270	100	..	17 500
S	S	Irkut (UAC)	Russia	1 240	1 370	1 706	73	1 880	..
68	72	Austal	Australia	1 240	1 030	1 270	97	48	..
69	65	GenCorp	USA	1 180	1 120	1 597	74	–53	5 070
70	62	IHI	Japan	1 180	1 340	13 735	9	86	..



Rank <sup>b</sup>		Company <sup>c</sup>	Country	Arms sales (US\$ m.)		Total sales, 2014 (US\$ m.)	Arms sales as a % of total sales, 2014	Total profit, 2014 (US\$ m.)	Total employment, 2014
2014	2013			2014	2013				
S	S	UMPO (United Engine Corp.)	Russia	1 170	1 100	1 272	92	9	..
71	83	Jacobs Engineering Group <sup>e</sup>	USA	1 140	920	12 695	9	328	66 300
72	64	QinetiQ	UK	1 140	1 190	1 258	91	193	6 250
S	S	Austal USA (Austal Australia)	USA	1 120	900	1 120	100	..	..
73	66	ASELSAN	Turkey	1 110	1 110	1 141	97	160	5 340
74	84	Hyundai WIA Corp.	South Korea	1 040	910	7 213	14	417	3 360
S	S	Sevmash (USC)	Russia	1 040	1 030	1 339	78	86	..
75	69	Mitsubishi Electric Corp.	Japan	1 040	1 070	40 785	3	2 214	129 250
S	S	MiG (United Aircraft Corp.)	Russia	1 020	950	1 019	100	..	..
76	70	Triumph Group	USA	1 010	1 050	3 889	26	292	15 150
77	94	NEC	Japan	1 010	820	27 695	4	541	98 880
78	71	Precision Castparts	USA	1 000	1 050	10 005	10	1 533	30 110
79	78	GKN	UK	990	950	12 277	8	..	51 400
S	S	Zvezdochka (USC)	Russia	990	..	985	100	..	..
80	104	Pilatus Aircraft	Switzerland	960	770	1 281	75	218	1 880
81	87	Bharat Electronics	India	950	890	1 199	79	191	..
82	81	Hanwha Corp.	South Korea	950	930	35 568	3	-155	..
S	S	Thales UK (Thales France)	UK	950	1 080	1 895	50	..	6 420
83	73	Krauss-Maffei Wegmann	Germany	940	1 010	991	95	..	2 770
84	88	ASC	Australia	930	890	927	100	20	2 600
85	68	Kongsberg Gruppen	Norway	920	1 080	2 635	35	140	7 730
86	77	Samsung Techwin	South Korea	920	960	2 556	36	-112	..
S	S	Admiralty Shipyards (USC)	Russia	900	860	946	95	67	..
87	76	Meggitt	UK	890	960	2 559	35	291	10 820
88	89	Moog	USA	860	860	2 648	33	158	11 030
89	103	Turkish Aerospace Industries	Turkey	850	780	1 001	85	..	6 030
90	58	UkrOboronProm	Ukraine	840	1 780	881	95	13	122 000
91	101	RTI	Russia	840	780	1 844	45	..	..
92	91	RUAG	Switzerland	840	830	1 944	43	111	8 110
93	93	CNH Industrial <sup>m</sup>	Trans-European <sup>p</sup>	820	820	32 958	2	915	69 210
94	95	MIT <sup>n</sup>	USA	800	810	3 124	26	..	11 840
95	90	Cubic Corporation	USA	800	840	1 398	57	..	7 900
96	74	Patria Industries <sup>o</sup>	Finland	800	1 000	907	88	64	2 450
97	102	The Aerospace Corp. <sup>e</sup>	USA	790	780	882	90	..	3 500
98	99	Alion Science & Technology	USA	770	800	805	96	-44	2 820
99	-	Hyundai Rotem	South Korea	770	430	3 030	25	..	..
100	106	Mitre	USA	760	760	..	..	..	..

<sup>a</sup> Although several Chinese arms-producing companies are large enough to rank among the SIPRI Top 100, it has not been possible to include them because of lack of comparable and sufficiently accurate data.

<sup>b</sup> Companies are ranked according to the value of their arms sales in 2014. An S denotes a subsidiary company. A dash (-) indicates that the company did not rank among the SIPRI Top 100 for 2013. Company names and structures are listed as they were on 31 Dec. 2014. Information about subsequent changes is provided in these notes. The 2013 ranks may differ from those published in *SIPRI Yearbook 2015* and elsewhere owing to continual revision of data, most often because of changes reported by the company itself and sometimes because of improved estimations. Major revisions are explained in these notes.

<sup>c</sup> When the names of subsidiaries and operational companies owned by a holding or investment company appear, the name of the parent company is given in parentheses along with its country, where it differs.





<sup>d</sup> As of Jan. 2014, the company previously known as EADS started operating as Airbus Group. Airbus Group's main production facilities are based in France and Germany.

<sup>e</sup> Arms sales figures for these companies are estimates and are subject to a high degree of uncertainty.

<sup>f</sup> United Instrument Manufacturing Corporation (UIMC) and High Precision Systems are included for the first time. UIMC and High Precision Systems are the result of mergers as part of the consolidation process of the Russian arms industry into large, state-controlled, sector-based conglomerates. High Precision Systems has existed for several years but data only became available in 2014 and therefore no ranking for 2013 can be given. It is likely that the arms sales of this company in 2013 would have been sufficient to allow for its inclusion in the 2013 list. From 2014, UIMC included Sozvezdie, which ranked 85th in 2013. Arms sales figures for these companies are estimates and are subject to a high degree of uncertainty.

<sup>g</sup> In September 2013, Science Applications International Corporation spun off its technical, engineering and IT services business. The spun-off business retained the original Science Applications International Corporation company name. The parent company was renamed Leidos Holdings.

<sup>h</sup> The significant increase in AECOM's arms sales in 2014 compared to 2013 is the result of its acquisition of URS Corporation in 2014.

<sup>i</sup> Sales figures for these companies are based on data on US prime contract awards from USAspending.gov. They may be underestimated because awards from classified US contracts and certain exports are not included in this data.

<sup>j</sup> Alliant Techsystems underwent a significant restructuring in late 2014 and early 2015. It acquired the activities of Orbital, a space and missile specialist, and spun off its sporting ammunition business. This explains the significant increase in the share of arms sales for this company.

<sup>k</sup> Arms sales figures for Hewlett-Packard are based on data on US prime contract awards from USAspending.gov plus sales to the British Ministry of Defence from UK Defence Statistics. They may be underestimated because awards from classified contracts are not included in the US data.

<sup>l</sup> The major increase in arms sales for Polish Armaments Group (PGZ) was largely due to the consolidation by the Polish Government of the large majority of its arms production, maintenance and repair facilities into a single company. PGZ is treated as the successor to Polski Holding Obronny.

<sup>m</sup> CNH Industrial was formed from the merger in 2013 of Fiat Industrial SpA (which was separated from Fiat SpA) and CNH Global NV. The arms sales of CNH Industrial for 2013 are those of IVECO, which is based in Italy, but the company has production facilities in several countries, is registered in the Netherlands, and has its headquarters in the UK. It is treated as a Trans-European company for statistical purposes.

<sup>n</sup> The Massachusetts Institute of Technology (MIT) runs federally funded research and development (R&D) centres, including the Lincoln Laboratory, which conducts R&D projects funded by the US Federal Government, including the Department of Defense (DOD). The arms sales of MIT refer to R&D activities funded by the DOD.

<sup>o</sup> Sales for Patria for 2014 include its 50% participation in Finnish–Norwegian ammunition maker Nammo.

<sup>p</sup> Trans-European refers to companies whose ownership and control structure are based in more than one European country.

compared to 2013. This is largely due to a rise of 29.5 per cent in 2014 in the arms sales of ship and submarine manufacturer ThyssenKrupp. In contrast, French companies' arms sales decreased by 11.3 per cent in 2014, driven by the falling sales of combat aircraft manufacturer Dassault Aviation Groupe (–29.3 per cent) and Thales (–17.4 per cent). In 2014, the combined arms sales of the eight ranked companies based in the United Kingdom declined by 9.3 per cent compared to 2013 sales. The decrease can be clearly linked to reductions in military spending in the UK and the USA, the latter being an important market for almost all the ranked UK companies.

## Russia

Eleven Russian companies are listed in the Top 100, of which eight were ranked in 2013. With a combined growth of 48.4 per cent, Russian companies substantially increased their arms sales between 2013 and 2014. Significant gains made by Russian arms companies can be attributed to high levels of Russian military spending and success in the export market. Three Russian companies—High Precision Systems, RTI and UIMC, are included in the Top 100 for the first time. However, as sales figures for High Precision

**Box 1. Chinese arms-producing companies**

Chinese companies are not covered by the SIPRI Top 100 due to the lack of data on which to make a reasonable estimate of arms sales for most companies. Nonetheless, some information is available on the 10 major state-owned conglomerates under which most of the Chinese arms industry is organized.

Based on the overall industry picture and on limited information on individual companies, at least 9 of these 10 companies would almost certainly be in the Top 100 if figures for arms sales were available. Of these, 4 to 6 would probably be in the Top 20, and two—the aircraft producer AVIC and the land systems producer Norinco—may be in the Top 10.

China's military spending increased more than fivefold in real terms between 2000 and 2014 and the country has engaged in major efforts to develop its domestic industry. In addition, China's arms exports have grown substantially in the past decade.

Systems were made available only in 2014, it is likely that this company would have been ranked in previous years.

**The United States**

US arms companies continue to account for the majority of arms sales of the Top 100, with 38 companies ranked—the same as in 2013—seven of which are in the Top 10. The US companies' revenues represent 54.4 per cent of Top 100 total arms sales, down from a 55.5 per cent share in 2013. US companies' arms sales decreased by 4.1 per cent between 2013 and 2014, a similar rate of decline as the one observed between 2012 and 2013. This decrease comes despite an easing of the limits imposed on federal spending in 2014 (a policy that continued in 2015) following an agreement in the US Congress. As was the case in 2013, the companies most affected by falling sales in 2014 were military services companies, such as Exelis (–38.4 per cent), and logistics and light armoured vehicles manufacturers, such as Oshkosh Corporation (–44.2 per cent). Lockheed Martin, which has occupied the first position of the Top 100 ranking since 2009, has increased its lead over its competitors with arms sales close to \$37.5 billion, \$27.7 billion more than the company ranked 10th (L-3 Communications). Lockheed Martin's acquisition of helicopter manufacturer Sikorsky Aircraft in 2015 will likely bring the company's turnover to over \$40 billion, bolstering its position at the top.

**ESTABLISHED AND EMERGING PRODUCERS****Poland and Ukraine**

The major increase in arms sales for Poland is attributable to Polish Armaments Group, the country's only ranking company in the Top 100. Polish Armaments Group has entered the Top 100 in 2014 due to a government-led process of consolidation of the majority of its arms production, maintenance and repair facilities into a single company. Polish Armaments Group is also benefiting from the increase in Polish military spending, which accelerated in 2015.

UkrOboronProm, a state-owned company that incorporates most of the Ukrainian arms industry, is the only Ukrainian company in the Top 100. It has fallen from 58th position in 2013 to 90th position in 2014, reflecting a decrease in sales of 50.2 per cent compared to 2013. A second Ukrainian company, Motor Sich, has dropped out of the Top 100 altogether. This can

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largely be explained by conflict-related factors in the country during 2014: a significant decrease in the local currency, which reduces the dollar value of the arms sales; direct disruption of production due to the conflict; the end of Russian–Ukrainian arms trade in mid-2014; and export problems.

## Brazil, India, South Korea and Turkey

Collectively, countries included in the emerging producers category—Brazil, India, South Korea and Turkey—represent a small part of total Top 100 revenues. However, growth in their arms sales, as well as the long-term governmental goals of building national arms-production capabilities and increasing their presence in the export market, call for better tracking of their trajectory in the ranks of top arms producers. In 2014, 12 companies from emerging producers were ranked in the Top 100, accounting for 3.7 per cent of total arms revenues.

Six South Korean companies are included in the 2014 Top 100 and their total arms sales increased 10.5 per cent in 2014 compared to 2013. Five were present in the 2013 Top 100. Hyundai Rotem entered the list in 2014 at rank 99. The rising sales are largely due to the continued growth in South Korea's military spending, the pursuit of major procurement programmes and increases in exports. The growth in activity of South Korean companies in the 2014 Top 100 largely outpaced that of Indian companies, which were the dominant players in this category for 2013, but whose sales have been declining in 2014.

There are now two Turkish companies among the 100 largest arms producers for the first time. From 2005 to 2014, ASELSAN's arms sales trebled (215 per cent) in real terms and Turkish Aerospace Industries' arms sales increased over elevenfold (1074 per cent). The Turkish arms industry benefits from high domestic demand for weapons as well as from strong support from the Turkish Government, which is seeking greater self-sufficiency in terms of arms supplies. Higher levels of arms exports have added to the growth in arms sales by Turkish companies.

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