

Aerospace & Defense Manufacturers Poised for Growth



The background of the slide features a silhouette of several military helicopters on a tarmac. The scene is set against a bright sunset or sunrise, with the sun low on the horizon, creating a strong lens flare effect. The helicopters are dark against the lighter sky. The overall mood is professional and industrial.

Because you are different

A comprehensive solution to position you for success with program owners

Aerospace and defense manufacturers are different. Nobody knows that better than IFS, the recognized leader in Aerospace & Defense enterprise asset management. Everything you do dovetails closely with programs run by your customers, placing unique demands on your ability to manage complex projects and collaborate on new product development and the rest of the asset lifecycle.

IFS gives you the tools to exceed your customers' expectations, helping you win more work and grow relationships with tier 1 suppliers, OEMS, systems integrators, airlines and government agencies.

At IFS, we understand how complicated aerospace and defense manufacturing really is. It requires software with powerful engineer-to-order (ETO), program and project management capabilities. IFS caters to all of these while satisfying other industry-specific requirements in a commercial-off-the-shelf (COTS) software product.



Market trends

Are you ready for change and disruption?



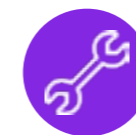
Industry 4.0



Security Requirements



Markets and forces are pushing towards through-life support



In-service support costs six times initial systems cost (U.S. DoD)

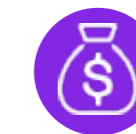


Performance based logistics (PBL) contracts have saved U.S. DoD more than \$32 billion per year



The US military budget may grow by \$54 billion, and other NATO member budgets are also increasing their budgets¹

¹ <http://ifs.biz/t74x>



Capital spending on the global passenger air fleet will increase by 30% by 2021, and maintenance, repair and overhaul (MRO) budgets are set to increase 30% by 2029



Threats may emerge anywhere in the world—volatility, uncertainty, complexity and ambiguity (VUCA) ... that's the new normal



DoD and other customers are pushing supply chain security requirements onto vendors through programs like the Cybersecurity Maturity Model Certification

Looking ahead

Transformational technologies built in to prepare you for the future

IFS business software has proven core capabilities for manufacturers in a program-centric aerospace and defense contracting environment. We have built in or are adding the disruptive technologies you will need to transform your operations and challenge larger competitors for major programs.

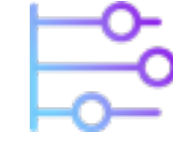
We are recognized for ERP for complex engineer-to-order manufacturing as well as asset lifecycle management and service management. This gives you what you need to satisfy new product development program requirements. Maintenance repair and overhaul (MRO), and component repair and overhaul are embedded deep in the application to support prescriptive maintenance and aftermarket service contracts. This makes for accurate performance-based logistics (PBL) pricing and administration.



Integrate into the global landscape

IFS IoT Business Connector for efficient management of connected systems and devices on an enterprise scale

Open architecture that can be exposed as APIs throughout the application



Flexible, changeable deployments

Evergreen architecture preserves company-specific customizations during upgrades

Easy to configure around new processes, routings, and individual customer requirements

Back office CRM to manage pursuit and execution of programs by customer requirements

Earned Value Management (EVM) capabilities customizable for customer requirements



Cyber and information assurance

Full traceability for ITAR control and quality management

Embedded document management to control access to sensitive information with **Full detective and preventive controls**



Intelligent, responsive business

AI scheduling
AI user engagement through the IFS Aurena Bot

Streamlined integration of data from the IoT through the **IFS IoT Business Connector**

A firm roadmap for AI across all business processes enterprise-wide



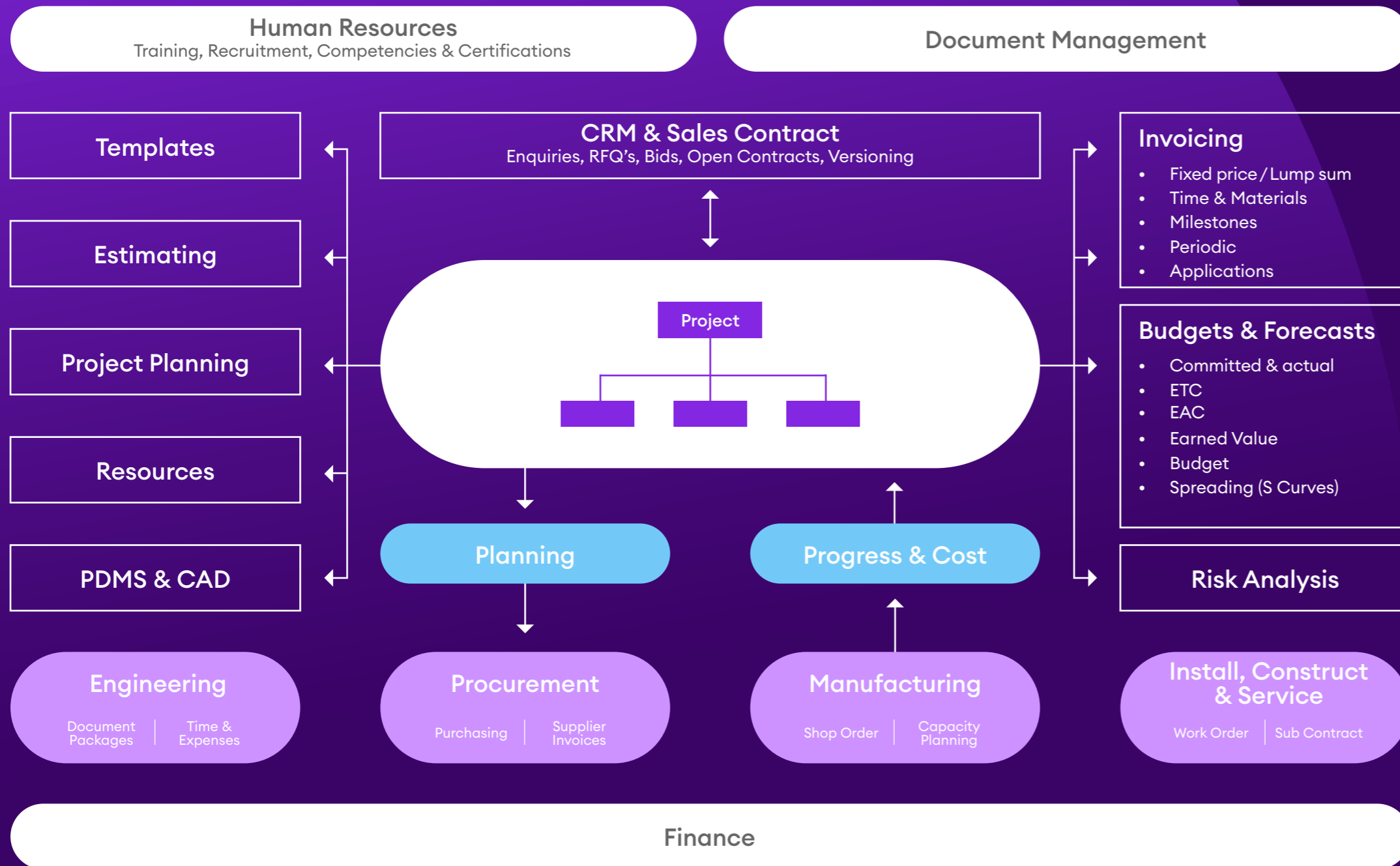
Project-Based Solution (PBS)

Why you need PBS in Aerospace & Defense Manufacturing

Many aerospace and defense manufacturers use project management software that is either integrated to their ERP system or completely separate. IFS offers these demanding companies manufacturing ERP software with deeply embedded project functionality—a true project-based solution (PBS).

Not only can you track discrete projects with sufficient detail to meet earned value management (EVM) requirements, but you can also:

- Assign any activities, documents, expenses, revenue streams or other transactions to a project
- Turn what had been overhead expenses like research and development, new product development and engineering time into expenses allocated to a specific program
- More efficiently manage business development efforts for large programs
- Run your entire business or an asset lifecycle as a single years-long project





Defense Contract Management

Enhanced cloud services support for US defense manufacturing excellence

Government manufacturing contracts require supplier classification tracking, reporting standards and compliance.

External forces have always affected the Aerospace and Defense industry, be it regulatory changes, shifting business priorities, or new technology opportunities. Aerospace & Defense manufacturing, in particular is subject to fast-changing geopolitical and market climates, ever-moving security requirements, and the need to modernize business processes to offer competitive solutions. Failure to react can quickly shift a leader to a laggard.

IFS recognizes the significance of the global aerospace defense market and the unique challenges manufacturers worldwide are facing, and Defense Contract Management—formerly part of a custom extension—is now available in the core IFS A&D Manufacturing solution via IFS Cloud.

IFS solution for Defense Contract Management

The IFS Defense Contract Management offering is made up of two features specific to manufacturers and contractors doing business with the U.S. government—Defense Contract Reporting and Defense Supplier Classification.

By introducing a module specifically designed for Defense Contract Reporting and Defense Supplier Classification, the Defense Contract Management solution enables:

1. Seamless integration into the iRAPT system,
2. Organizations to classify suppliers throughout the procurement process,
3. Government contractors to calculate and set expenditure goals; and
4. Automated reporting within the government electronic subcontracting reporting system (eSRS).

IFS A&D manufacturing value drivers

Lean management

Seeking out and eliminating waste while boosting productivity with streamlined workflows and a “just in time” mindset.

Smart systems

Leveraging new and emerging trends in AI, machine learning, and fully connected and integrated data collection to bring better insights faster.

Compliance

Providing safeguards to ensure government compliance in the rapidly evolving and heavily regulated us government contracting domain.

Transparency

Including rich and robust collaboration tools for internal and external visibility into every step of the manufacturing value chain.



Reliability

World class aerospace and defense enterprise asset management (EAM)

For more than 10 years, IFS has been rated as the number one vendor of Enterprise Asset Management (EAM) software, by market share¹, for the global aerospace and defense sector. Whether you are maintaining your own assets or providing in-service support or maintenance repair and overhaul (MRO) services to your customers, IFS gives you the planned, predictive and break-fix maintenance functionality you need.

¹ARC Advisory Group, find press release here: ifs.biz/arc

Choice is good

In the Cloud, On Premise, License or Subscription

IFS gives you choice. Regardless of how you want to pay for IFS software and where you want to run it, we have a standard offering for you.

You can buy IFS software:

- Through subscription pricing that lowers your CAPEX
- Through a perpetual license with support

You can provision IFS software:

- On your own hardware
- On a partner's hardware as a hosted solution
- Through managed services with IFS
- As part of a software-as-service (SaaS) solution

IFS Managed Cloud is available with optional enhanced service controls, to support maintaining compliance to meet your International Traffic in Arms Regulations (ITAR) obligations. And of course if you feel the need to keep your instance of IFS software on your own servers for security and privacy purposes, we support your choice.

Turn on a dime

Operational Intelligence lets your business make rapid course corrections

License IFS's operational intelligence software to get better situational awareness so your business can respond to opportunities and threats in near real-time. This functionality lets you compare organization-wide process execution against key strategic objectives. The software can connect to multiple sources of data for rapid decision support.

- Make intelligent business process decisions
- Easily and quickly operationalize those decisions in your ERP and other execution-level systems
- Outflank your competitors by making course corrections faster than they can



Data security

Simple, Comprehensive and rock solid approach to role-based security

IFS software takes a comprehensive approach to both preventive and detective control over who sees and interacts with which data. Whether you are handling classified information or just confidential unclassified information (CUI), your software and the hardware on which it is provisioned must be secure to comply with:

- Federal Risk and Authorization Management Program (FedRAMP)
- Federal Information Security Management Act (FISMA)
- Defense Federal Acquisition Regulation Supplement (DFARS)
- International Traffic in Arms Regulations (ITAR)
- EU cooperation on security and defense
- IFS employees have been with us an average of 8.7 years—among the longest in the software industry—so you get experienced, proven help

IFS software is secure and can be provisioned with Azure.gov as a FEDRAMP-certifiable solution.



A trusted partner

Because life after Go Live is what matters

From our products to the type of people we employ, IFS is focused on ensuring we are actually helping our customers realize their goals.

- The first of these goals is successful go-live on a stated scope of work, so IFS software is designed for predictable implementation, upgrade, configuration and reconfiguration
- IFS treats its proposals as actionable documents rather than sales tools. We want to propose a scope of service that will meet the identified needs without hidden surprises
- IFS employees have been with us an average of 8.7 years—among the longest in the software industry—so you get experienced, proven help

All of this has helped IFS achieve customer satisfaction ratings in the high 90th percentile.

Why IFS for A&D Manufacturing?



The world leader in A&D

Named leading provider of EAM solutions for over 10 years by ARC

Delivering best practice

Unrivalled understanding of market issues. Optimize the asset throughout its lifecycle

Trusted through life partner

Senior executives experienced in A&D with industry backgrounds

Future-proof

Business agility through flexible, open, modular solutions. IFS solutions can adapt and grow as required

Big enough to deliver, agile enough to respond.

About IFS

IFS develops and delivers enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations.

Within our single platform, our industry specific products are innately connected to a single data model and use embedded digital innovation so that our customers can be their best when it really matters to their customers—at the Moment of Service.

The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector.

Our team of 4,000 employees every day live our values of agility, trustworthiness and collaboration in how we support our 10,000+ customers. Learn more about how our enterprise software solutions can help your business today at [ifs.com](https://www.ifs.com).

#MomentOfService

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