

## SCHEDULE 10

## NOTIFICATION OF MAJOR INTERESTS IN SHARES

1. Name of company

BAE SYSTEMS plc

2. Name of shareholder having a major interest

FMR Corp and its direct and indirect subsidiaries, and Fidelity International Limited and its direct and indirect subsidiaries

3. Please state whether notification indicates that it is in respect of holding of the shareholder named in 2 above or in respect of a non-beneficial interest or in the case of an individual holder if it is a holding of that person's spouse or children under the age of 18

Shareholder named in 2 above

4. Name of the registered holder(s) and, if more than one holder, the number of shares held by each of them

State Street Hong Kong - 67,300  
 Bank of New York Europe Ldn - 6,682,600  
 Master Trust Bank of Japan - 520,500  
 Nomura Trust and Banking - 90,800  
 Trust & Cust Svcs Bk Ltd, Toko - 81,800  
 Bank of New York Brussels - 252,300  
 Brown Bros Harrimn Ltd Lux - 1,442,835  
 Chase Manhtrn Bk AG Frankfrt - 834,000  
 Citibank NA, Hong Kong BR - 54,700  
 Ing Luxembourg - 66,905  
 JP Morgan Bournemouth - 2,568,620  
 National Astl Bk Melbourne - 1,930,100  
 Northern Trust London - 719,400  
 RBC Global Services - 695,000  
 State Str Bk and Tr Co Lndon - 742,156  
 State Street Bank Australia - 935,500  
 State Street Bank T&B Co Ltd Tokyo - 97,100  
 Bermuda Trust Far East HK - 725,147  
 JP Morgan Bournemouth - 16,190,434  
 Brown Brothers Harriman and Co - 839,846  
 JP Morgan Chase Bank - 24,881,108  
 Northern Trust Co - 2,147,700  
 Northern Trust Co London - 572,700  
 State Street Bank and Tr Co - 6,169,680  
 Bank of New York - 1,078,800  
 Brown Bros Harriman & Co - 4,660,700  
 CIBC Mellon Trust - 603,110



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JP Morgan Chase Bank - 2,004,500  
Mellon Bank N.A. - 2,288,200  
Morgan Stanley and Co Inc - 11,700  
Northern Trust Co - 4,353,758  
Royal Trust - Toronto - 71,600  
State Street Bank and Tr Co - 10,948,406  
Bank of New York Brussels - 3,874,803  
Bankers Trust London - 579,800  
Chase Manhattan London - 56,900  
Chase Manhatn Bk AG Frankfrt - 411,200  
Citibank London - 540,600  
Clydesdale Bank plc - 271,000  
Dexia Privatbank - 48,000  
HSBC Bank plc - 1,058,930  
JP Morgan Bournemouth - 5,566,600  
Mellon Bank - 1,609,300  
Midland Securities Services - 291,300  
Nordea Bank AB - 130,300  
Northern Trust London - 6,760,540  
Societe Generale - 109,700  
State Str Bk and Tr Co Lndn - 6,224,390  
State Street Munich - 63,200

5. Number of shares / amount of stock acquired

N/A

6. Percentage of issued class

N/A

7. Number of shares / amount of stock disposed

N/A

8. Percentage of issued class

N/A

9. Class of security

Ordinary shares of 2.5 pence each

10. Date of transaction

Not disclosed. Figures given as at 16 December 2004

11. Date company informed

17 December 2004

12. Total holding following this notification

122,925,568 shares

13. Total percentage holding of issued class following this notification

4.05%

14. Any additional information

Notification received under s198 CA85

15. Name and contact details of authorised company official responsible for making this notification

Ann-Louise Holding, Assistant Company Secretary (tel: 01252 373232)

16. Date of notification

20 December 2004

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