DOME. STRATEGY

30 OCTOBER 2026

DOME MONITOR | OCTOBER 2026 EXTRACT

European defence in October: orders become contracts, capital finds new routes

Developments from 1 to 30 October 2026 | EU27, UK, Switzerland, Norway

KEY HIGHLIGHTS

- **Orders and approvals keep coming.** Germany's parliament approved four more MEKO A-200 frigates, taking the planned programme to eight ships. Saab's third-quarter order intake more than tripled to SEK65.8bn, and Airbus Defence and Space orders rose 70% to €11.5bn over nine months.
- **A European defence listing found strong demand.** Counter-drone company Sensofusion priced its IPO on Nasdaq Helsinki at €16.41 per share in an offering several times oversubscribed, for a market value of c.€1.6bn.
- **Ownership keeps changing hands.** AURELIUS completed its carve-out of Marshall Aerospace, Blackstone and Tinicum took Senior private, Rheinmetall and MSC won the Mangalia shipyard out of insolvency, and Lockheed Martin closed its acquisition of Ultra Maritime from Advent.
- **Supply chain resilience depends on capital and control.** Forges de Tarbes, a major French producer of 155mm artillery shell bodies, entered judicial restructuring on 26 October. Financing for smaller suppliers is starting to respond: the EIB and Santander set up a guarantee intended to mobilise c.€300m for defence SMEs and mid-caps. More broadly, the origin and control of critical components are becoming a condition of access to European defence funding, as the origin rules for SAFE-financed procurement show.
- **EU tools move towards equity and sovereignty.** The Council approved the Defence Readiness Omnibus (Omnibus V), aimed at simplifying defence procurement and reducing administrative barriers. The first EIC equity call for defence companies was 1.75 times oversubscribed, EU leaders backed five joint defence projects, and four large European telecom operators began exploring a joint bid for EU satellite spectrum.
- **Markets diverged.** European defence stocks fell 4.0% in October, while US defence rose 1.2% and the broader European market 1.9%.

SECTION 1

State funding and policy

NATIONAL BUDGETS AND APPROVALS

- **Germany.** On 8 October the Bundestag budget committee approved the option for four further MEKO A-200 frigates from TKMS, taking the programme to eight ships (Federal Ministry of Defence). On 14 October it approved net-launching counter-drone systems and Patriot units to replace those given to Ukraine. The final vote on the 2027 federal budget is scheduled for 27 November.
- **United Kingdom.** In the Budget of 28 October the Chancellor said the Defence Investment Plan is fully funded, with the remaining £4.7bn coming from two sources: £3bn from a further 1% cut to departmental capital budgets from 2027-28 to 2029-30, and £1.7bn from unallocated contingency in the capital reserve of HM Treasury (Budget 2026). It also set 2030 as the target date for defence spending of 3% of GDP (Reuters).
- **France.** The 2027 finance bill is under debate in the National Assembly, with the vote on the whole bill scheduled for 17 November. The updated military programming law programmes €63.3bn of payment appropriations for the Defence mission in 2027.

EU INSTRUMENTS

- **Defence Readiness Omnibus (Omnibus V).** On 9 October the Council of the EU gave final approval to measures simplifying defence procurement and intra-EU transfers, accelerating project permitting and facilitating investment across the European defence industry (Council of the EU, 9 October).

- **European Defence Fund.** The 2026 calls received a record 612 proposals for an envelope of c.€1bn (European Commission, 2 October).
- **European Council.** At their 15 and 16 October summit, EU leaders welcomed the five European Defence Projects of Common Interest, identified by the Council on 28 September, and set an end-2026 target for an agreement on military mobility.
- **EU equity for defence.** The first EIC STEP Scale Up Defence call closed on 28 October with 9 applications from 7 countries, requesting €175m of equity against a €100m budget for 2026. These are applications, not approved investments. Tickets range from €10m to €30m per company, through the EIC Fund. Interviews are expected in January 2027 and results in February 2027 (EIC, 29 October).
- **Finance for smaller suppliers.** On 8 October the EIB and Santander agreed a guarantee intended to mobilise c.€300m of financing for defence and security SMEs and mid-caps (Santander).
- **Satellite spectrum.** On 19 October Deutsche Telekom, Orange, Telefónica and Vodafone signed a letter of intent to explore a joint bid for EU mobile satellite spectrum in the 2 GHz band. Under a Commission proposal of May 2026, one third of that band would be reserved for governmental use, including security and defence. No bid or spectrum award has been announced.

SECTION 2

M&A and capital markets

MARKETS IN OCTOBER

- **Index performance.** In October the STOXX Europe Total Market Aerospace & Defense index fell 4.0%, while the STOXX Europe 600 rose 1.9%. In the US, the Dow Jones U.S. Select Aerospace & Defense index rose 1.2% in dollars and the S&P 500 fell 0.9% (STOXX, S&P Dow Jones Indices).

SELECTED CORPORATE M&A

- **Rheinmetall and MSC / Mangalia shipyard (Romania), c.€138m.** The partners won the insolvency auction on 9 October. The yard is to build the four vessels in Romania's SAFE-funded naval package (Rheinmetall).
- **Lockheed Martin / Ultra Maritime (UK, undersea detection), US$3.45bn announced transaction value.** The acquisition from Advent, agreed on 6 July, was reported completed on 26 October.
- **Europlasma (France), defence division.** Exclusive talks to sell the division had not resulted in a definitive agreement by 16 October. On 22 October its subsidiary Forges de Tarbes, which makes 155mm shell bodies, asked the commercial court to open judicial restructuring proceedings, which the court opened on 26 October (company announcements).

SELECTED FINANCIAL SPONSOR TRANSACTIONS

- **AURELIUS / Marshall Aerospace (UK, military aircraft maintenance and engineering).** Carve-out from Marshall Group completed on 8 October.
- **Blackstone and Tinicum / Senior (UK, aerospace and defence components), £1.40bn enterprise value.** The take-private, agreed in April at 300p per share (297.85p in cash plus a 2.15p dividend), became effective on 8 October and Senior left the London market.
- **EQT / Exolaunch (Germany, satellite deployment).** EQT's first space investment, agreed in June, completed on 7 October.

SELECTED EQUITY CAPITAL MARKETS TRANSACTIONS

- **Sensofusion (Finland, counter-drone systems), IPO.** Priced at €16.41 per share on 8 October in an offering several times oversubscribed, raising c.€259m in new shares (c.€300m with the over-allotment option) for a market value of c.€1.6bn. Trading began on the Nasdaq Helsinki pre-list on 9 October and on the regulated market on 13 October.
- **KNDS, IPO on hold.** The chief executive said on 19 October that the IPO remains central to the group's strategy and will go ahead as soon as market conditions allow (Reuters). No launch date has been announced.

SECTION 3

Corporate activity: results and contracts

RESULTS

- **Thales (nine months, 22 October).** Order intake of €19.1bn (+15% organic) and sales of €16.4bn (+8.1% organic), with defence sales up 13.0% organically. Organic growth is now expected at the upper end of the 6% to 7% range.
- **Saab (third quarter, 23 October).** Order bookings of SEK65.8bn against SEK20.9bn a year earlier, led by Gripen E for Ukraine (SEK24.6bn), GlobalEye (SEK10.1bn) and systems for German frigates (SEK8.7bn). Organic sales growth of 30.6%.
- **Safran (third quarter, 23 October).** Adjusted revenue of €9.0bn (+13.4% organic), with Equipment and Defence up 15.7% organically. Targets confirmed.
- **Airbus (nine months, 28 October).** Revenue of €50.6bn (+7%) and guidance unchanged. Defence and Space revenue rose 5% to €9.3bn, and its order intake 70% to €11.5bn.
- **Kongsberg (third quarter, 29 October).** Revenue of NOK11.3bn (+50%) and EBIT of NOK1.9bn (+66%). Order intake of NOK23.3bn against NOK9.5bn a year earlier, taking the order backlog to a record NOK174.2bn.

CONTRACTS

- **Kongsberg (22 October).** Order from Hyundai Rotem for remote weapon stations for K2 vehicles for Poland, worth c.NOK700m.

SECTION 4

Private capital

- **Venture funding at a record.** European defence start-ups raised US$7.4bn by 20 September, against US$2.6bn in all of 2025, and Dealroom forecasts a record US$10.5bn for 2026 (Dealroom, 5 October).

SECTION 5

What to watch in November

Table 1. Selected forthcoming events

Date	Event	Why it matters
3 to 4 Nov 2026	Berlin Security Conference	German procurement and industrial policy
3 to 6 Nov 2026	Euronaval, Paris	Naval orders after the F126, FDI and A26 decisions
5 Nov 2026	Rheinmetall, Hensoldt and Renk Q3, Leonardo nine-month results	Delivery against guidance and order intake
10 Nov 2026	Hensoldt Capital Markets Day	Medium-term targets
12 Nov 2026	Bundestag budget committee final session	Final shape of the €109bn core defence budget
17 Nov 2026	EU Foreign Affairs Council (Defence) and French Assembly vote on the 2027 finance bill	SAFE and EDIP follow-up, €63.3bn programmed for the Defence mission
26 to 27 Nov 2026	Rheinmetall Capital Markets Day, Hamburg	Strategy after F126, naval and space plans
27 Nov 2026	Bundestag final vote on the 2027 budget	Legal basis for German 2027 procurement

Source: company, organiser and institutional calendars. Dates may change.

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