2010 Annual Meeting of Shareholders

April 27, 2010

Michael T. Strianese

Chairman, President and Chief Executive Officer

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Except For Historical Information Contained Herein, The Matters Set Forth In This Presentation Are Forward-Looking Statements. Statements That Are Predictive In Nature, That Depend Upon Or Refer To Events Or Conditions Or That Include Words Such As Expects, Anticipates, Intends, Plans, Believes, Estimates And Similar Expressions Are Forward-Looking Statements. The Forward-Looking Statements Set Forth Above Involve A Number Of Risks And Uncertainties That Could Cause Actual Results To Differ Materially From Any Such Statement, Including The Risks And Uncertainties Discussed In The Company's Safe Harbor Compliance Statement For Forward-Looking Statements Included At the End Of This Presentation and In The Company's Recent Filings, Including Forms 10-K And 10-Q, With The Securities And Exchange Commission. The Forward-Looking Statements Speak Only As Of The Date Made, And The Company Undertakes No Obligation To Update These Forward-Looking Statements.

L-3 Vision

" To deliver state-of-the-art solutions to our customers while expanding our leading market positions to deliver value to all of our stakeholders"

L-3 Overview

- **Large-cap aerospace & defense company**

- **2009 sales of $15.6B (~70% prime)**
- **Diverse prime contractor and subcontractor/supplier**
- **~67,000 employees**

- **U.S. Department of Defense ~76% of sales**

2009 Sales by End Customer

($ in Millions)

Army	$ 4,107	26%
Air Force	3,721	24%
Navy/Marines	2,544	16%
Other Defense	1,560	10%
U.S. Military (DoD)	$ 11,932	76%
Commercial	$ 1,474	10%
U.S. Government (Non-DoD)	1,127	7%
Foreign Governments	1,082	7%
Total	$ 15,615	100%

2009 Major Highlights

- Achieved 2009 Plan… grew sales, earnings and cash flow
- 20% Total Shareholder Return, exceeding defense peers average
- L-3 Unmanned Systems - - 1st significant UAV platform win as prime
- Advanced Imaging Technology systems growth potential
- Project Liberty (MC-12) - - aircraft deliveries on or ahead of schedule
- Debt/capital structure - - first investment grade debt offering

L-3 Unmanned Systems

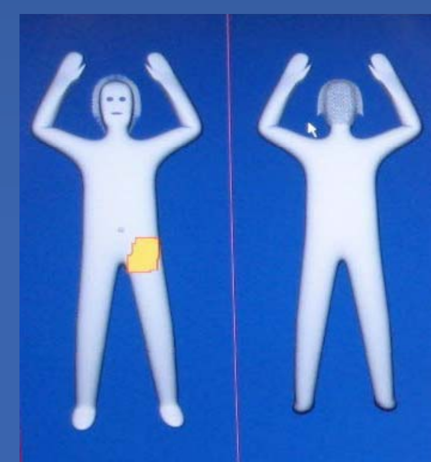
- New business unit launched in 2009
- Won Expeditionary Unmanned Aircraft System (EUAS) program as prime
- Mobius - - optionally manned aircraft in test now
- Small cutlass (expendable) system in development
- All a result of our focus on internal R&D and collaboration

EUAS

Mobius

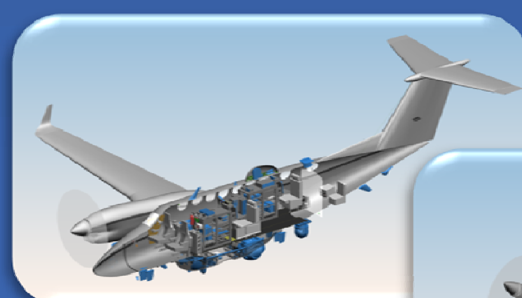
Advanced Imaging Technologies

- **Millimeter Wave**
  - **Radar based technology**
  - **Bounces radio waves off body surface**
  - **Non-ionizing, safe**
  - **Detects anomalies on the body**
  - **All material types… metallic, non-metallic**
  - **First major TSA order received April 22, 2010**



Project Liberty (MC-12)

- **Contract to combat in eight months**
- **Fastest delivery of a weapon system since Mustang in WWII**
- **Five divisions participated**
- **State-of-the-art sensors and comms**
- **Saves lives everyday**



L-3 Upgraded to Investment Grade

- **Important milestone for L-3**
- **Lowers borrowing costs and greatly improves access to capital markets**
- **Accomplished in difficult 2009 credit markets**
- **Validates confidence of rating agencies in L-3's management and strong cash flow**

Cash Returned to Shareholders

($ in Millions)

	2009 Actual*	2008 Actual
Cash Dividends	$ 165	$ 147
Share Repurchases	505	794
Total Cash Returned	$ 670	$ 941
Free Cash Flow	$ 1,225	$ 1,184
% Returned	55%	79%

Note: See Reconciliation of GAAP to Non-GAAP Measurements.

* Also reduced debt by ~$400M.

Business Outlook
2010 and Beyond

Geopolitical Considerations

Iraq -- Withdrawal of US Forces in progress

Afghanistan -- Major Allied Operation in HELMAND Province…U.S. Troop surge Continues

Pakistan -- Key ingredient in Afghanistan strategy

Yemen -- Failing state… another Al-Qaida planning and operational base

Iran -- Nuclear ambitions continue… diplomacy not working

Middle East -- Simmering… key issue tension between Israel and Iran

North Korea -- Unstable, manageable, "new" Asia policy

Russia -- Reasserting its relevance… What next?

China -- Economic vitality; human rights; global outreach expectation

Latin America -- Anti-Americanism… several restive issues… Cuba, Venezuela, Ecuador, Columbia, Honduras and others

Overall - - More Complex

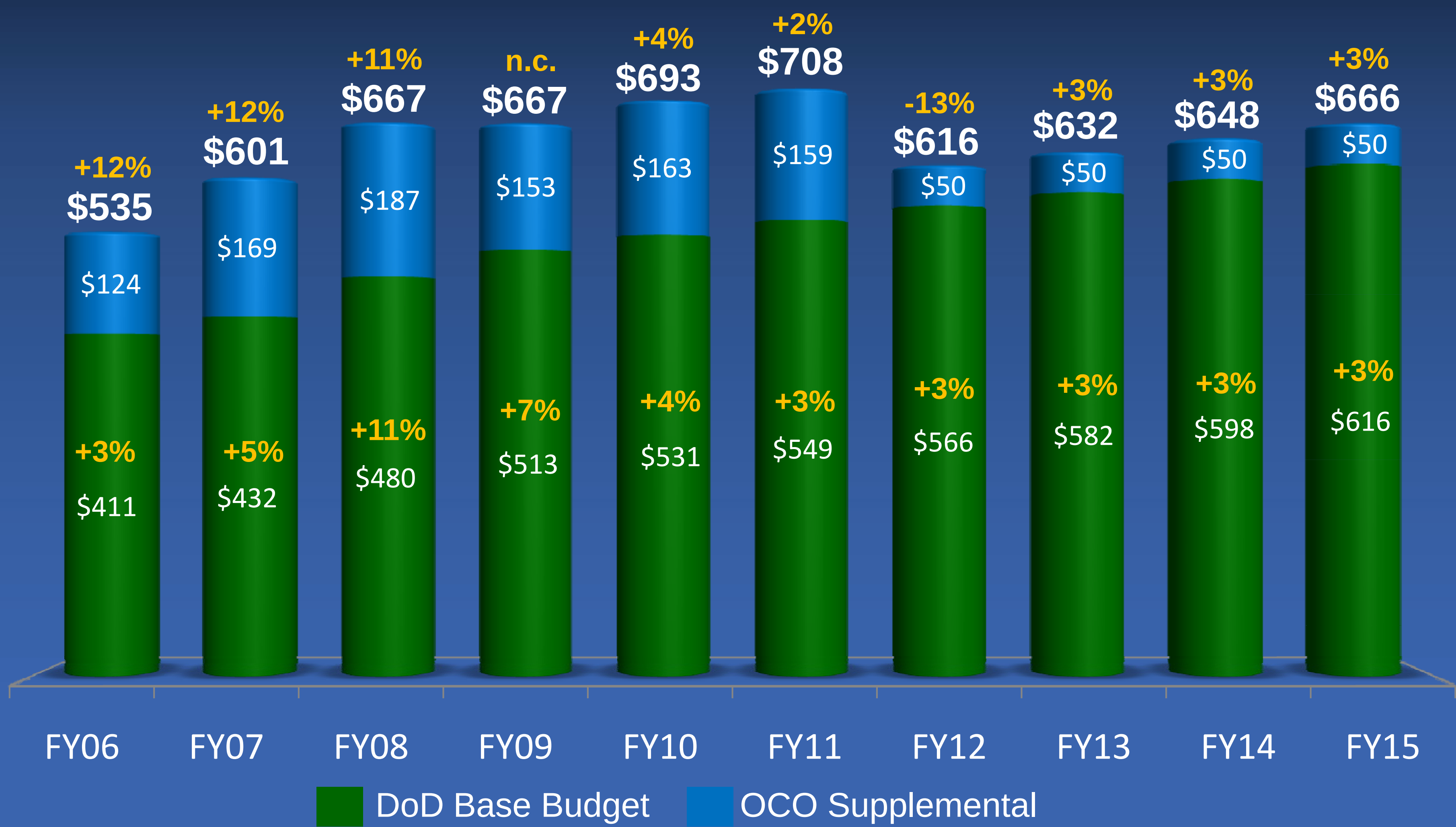
U.S. Department of Defense (DoD)

- Modest base budget growth, plus large OCO supplementals
- Iraq and Afghanistan continue near term resource focus
- Rebalancing for today's wars… accepting more conventional risk
- Rapid fielding… solutions that work… end unneeded, poorly performing programs
- Budget constraints… few new starts… rationing and re-programming continue

DoD Topline Budget FY06 - FY15

($ in Billions)

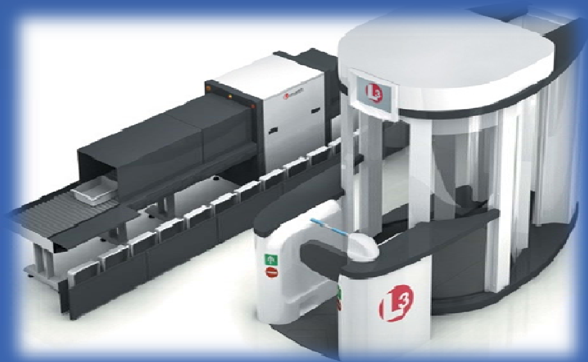
Base FY09 to FY15 CAGR = 3%



Source: Department of Defense Appropriation Acts FY2006 - FY2010, FY11 President's Budget document. http://comptroller.defense.gov/budget.html (Feb 2010)

L-3's Commercial/International Markets

- 16% of 2009 sales
- Foreign Military Sales (FMS) - - fiscal pressures constraining growth, stretching procurements
- Commercial maritime products market - - currently declining, possible rebound in 2011/2012
- Commercial aviation market - - showing early signs of recovery
- Homeland security market - - growth opportunity emerging for advanced checkpoint imaging systems



L-3's Strategy

- Entrepreneurial, accountable, results-driven culture, committed to integrity and highest standards of ethical conduct
- Outstanding program performance
- Expand prime contractor/supplier positions
- Align R&D with customer priorities
- Collaborate to increase growth opportunities
- Continuously improve costs and processes
- Organic growth, plus select acquisitions

L-3's Acquisition Objectives

- Enhance capabilities and augment growth prospects
- Add important technologies, products and services
- Access select customers, programs and contracts
- Attractive returns on investment
- Likely small/medium vs. larger transactions

Insight Technology Acquisition

Value to L-3

- **Enhances L-3 competitive position in night vision**
- **L-3 better positioned to compete in warfighter systems business area**
- **Key strategic growth areas for EO/IR**
- **Excellent customer relationships and strong business portfolio**


Aiming


Sensing


Illuminating


Locating

Acquisition completed on April 14, 2010

2010 Outlook and Guidance

2010 Financial Guidance (April 22, 2010)

		Midpoint Growth vs. 2009
Sales	$16.2B to $16.3B	4%
Operating Margin	10.8%	+20 bpts
Diluted EPS	$8.13 to $8.33	8%
Net Cash from Operating Activities	$1.51B	7%

L-3 Summary

- Diverse prime contractor and diverse subcontractor/supplier
- Good positioning in slower growth DoD environment
  - Aligned with asymmetrical warfare priorities
  - Less exposure to program cancellations/cuts
  - Quick reaction capabilities
  - Solutions to sustain/enhance existing platforms
- Growing sales, earnings and cash flow
- Disciplined capital allocation… improving leverage metrics
- Talented and dedicated workforce is our key discriminator

Questions?

Reconciliation of GAAP to Non-GAAP Measurements

($ in Millions)

	2010 Guidance	1Q10 Actual	2009 Actual	1Q09 Actual	2008 Actual
Net cash from operating activities	$ 1,510	$ 271	$ 1,407	$ 152	$1,387
Less: Capital expenditures	(250)	(26)	(186)	(41)	(218)
Add: Dispositions of property, plant and equipment	-	-	4	1	15
Free cash flow	$ 1,260	$ 245	$ 1,225	$ 112	$1,184


L3