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News

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For Immediate Release

L-3 Integrated Optical Systems Attains Milestone on Improved Phalanx Target Engagement System

PITTSBURGH, February 25, 2013 – L-3 Integrated Optical Systems (IOS) announced today that it achieved a major milestone in shipping the 500th tracking pedestal for the U.S. Navy's Phalanx Close-In Weapon System (CIWS) Surface Mode Upgrade. L-3 IOS, under contract to Raytheon, provides the two-axis, gyro-stabilized, electro-optical system that significantly extends the capability of the CIWS to identify, track and address threats in a full naval environment.

As a stand-alone solution, Phalanx carries out functions usually performed by multiple systems, including search, detection, threat evaluation, engagement and kill assessment. The system is currently installed on the majority of U.S. combatants and on those of 24 allied nations.

"Our team collaborates closely with the Raytheon program office in fostering a highly productive working environment," said Dave Wessing, vice president and general manager of L-3 IOS. "It is thanks to the outstanding efforts and dedication of our manufacturing staff that the program continues to supply units that successfully protect the warfighter."

The Phalanx pedestal integrates passive thermal tracking capability into the system's existing Anti-Air Warfare (AAW) software, boosting Phalanx performance against Anti-Ship Missile (ASM) threats. It also allows Phalanx to be used in a unique AAW role against littoral warfare threats, such as helicopters, high-speed surface vessels and aircraft. Featuring a new surface mode configuration, the Phalanx Block 1B upgrade augments the system's AAW capability with the addition of a forward-looking infrared (FLIR) sensor that enables operators to visually track and identify targets before engagement.

Recognized for world-class optical technologies, L-3 IOS designs and produces complex electro-optical and electro-mechanical systems and instrumentation for the defense, aerospace and commercial markets. The expertise of three heritage optics companies combine to provide products, technologies and capabilities that support a wide range of customers and applications, including remote weapons stations, small arms fire control systems, HEL-DE laser beam

directors, telescope systems, optical components, stabilized tracking systems, fast-steering mirrors, and test range instrumentation.

Headquartered in New York City, L-3 employs approximately 51,000 people worldwide and is a prime contractor in C³ISR (Command, Control, Communications, Intelligence, Surveillance and Reconnaissance) systems, aircraft modernization and maintenance, and national security solutions. L-3 is also a leading provider of a broad range of electronic systems used on military and commercial platforms. The company reported 2012 sales of \$13.1 billion. To learn more about L-3, please visit the company's website at www.L-3com.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

Except for historical information contained herein, the matters set forth in this news release 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," "will," "could" 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 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.

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