Investor Information

March 2010

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 Overview

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

- **2009 sales of $15.6B (~70% prime)**
- **Non-platform centric prime contractor, plus diverse supplier/subcontractor**
- **~76% of sales to U.S. Department of Defense (DoD)**
- **~67,000 employees**

2009 Major Highlights

- **Achieved 2009 Plan and financial objectives**
- **DoD ISR surge main driver of sales growth**
- **Project Liberty - - all aircraft deliveries to date on or ahead of schedule**
- **SOCOM EUAS - - 1st significant UAV platform win as prime**
- **Strong, disciplined financial performance**

2009 Actual Results

($ in Millions, except per share amounts)	2009 Actual	vs. 2008 Actual	vs. 2008 Adjusted
Sales	$15,615	5%	5%
Operating Margin	10.6%	-70 bpts	n.c.
Operating Income	$1,656	-2%	5%
Diluted EPS from Continuing Operations	$7.61	2%	11%
Net Cash from Continuing Operations	$1,407	1%	1%
Free Cash Flow	$1,225	3%	3%

Notes:
(1) 2008 Adjusted excludes 2Q08 Items comprised of: (i) a litigation gain of $133M ($81M after income taxes or $0.66 per diluted share) comprised of a reversal of a $126M liability and $7M of related accrued interest, (ii) a product line divestiture gain of $12M ($7M after income taxes or $0.06 per diluted share), and (iii) an impairment charge of $28M ($17M after income taxes or $0.14 per diluted share). See Reconciliation of GAAP to Non-GAAP Measurements.
(2) Higher pension expense for 2009 compared to 2008 reduced operating income by $79M ($48M after income taxes), operating margin by 50 bpts and diluted EPS by $0.41.
(3) See Reconciliation of GAAP to Non-GAAP Measurements.

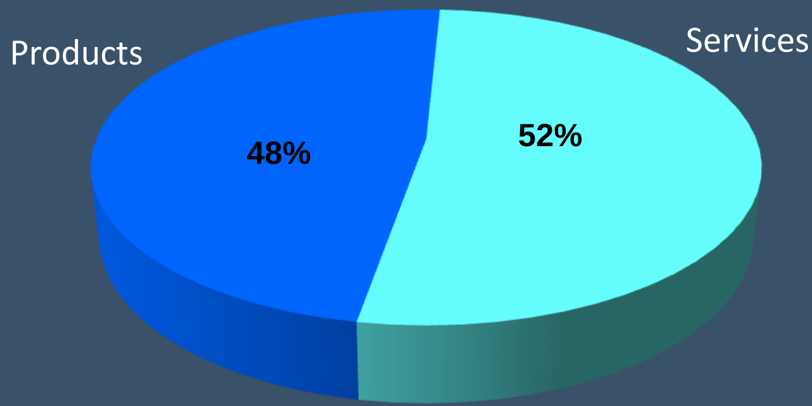
2009 Sales by End Customer

($ in Millions)

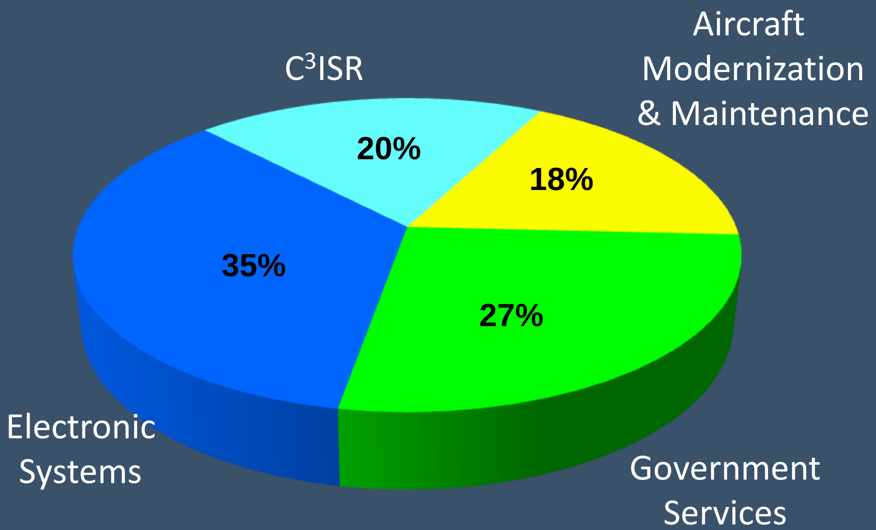
Army	$ 4,107	26%
Air Force	3,721	24%
Navy/Marines	2,544	16%
Other Defense	1,560	10%
U.S. Military (DoD)	$ 11,932	76%
Other U.S. Government	$ 1,127	7%
Foreign Governments	1,082	7%
Commercial - Foreign	867	6%
Commercial - Domestic	607	4%
Total	$ 15,615	100%

Sales Mix

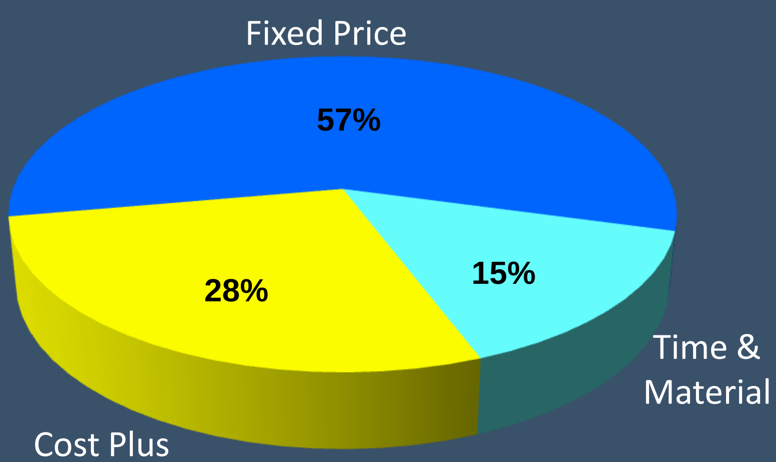
Products / Services



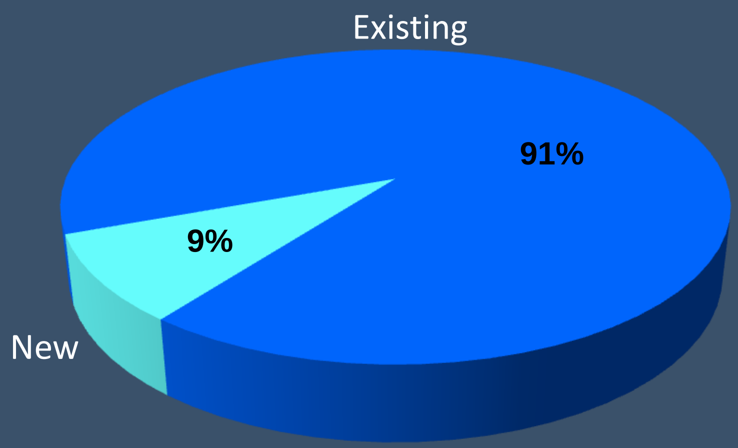
Segments



Contract Type



Business Type

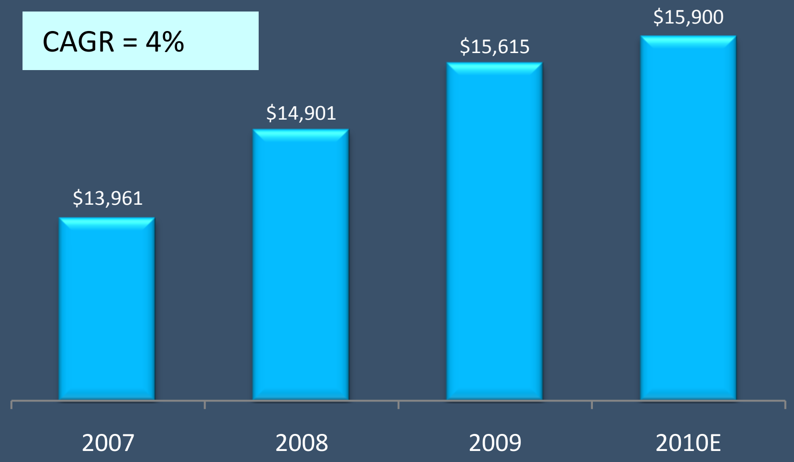


2009 Actual Sales $15.6B

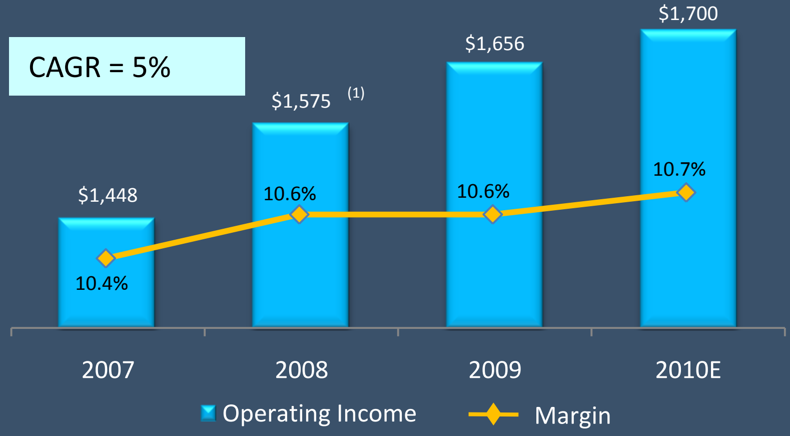
Summary Financial Performance

($ in Millions)

Sales

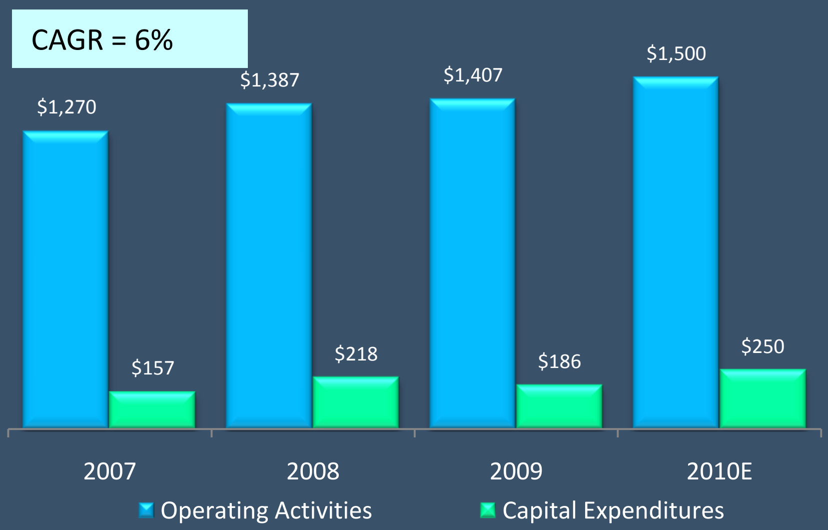


Operating Income

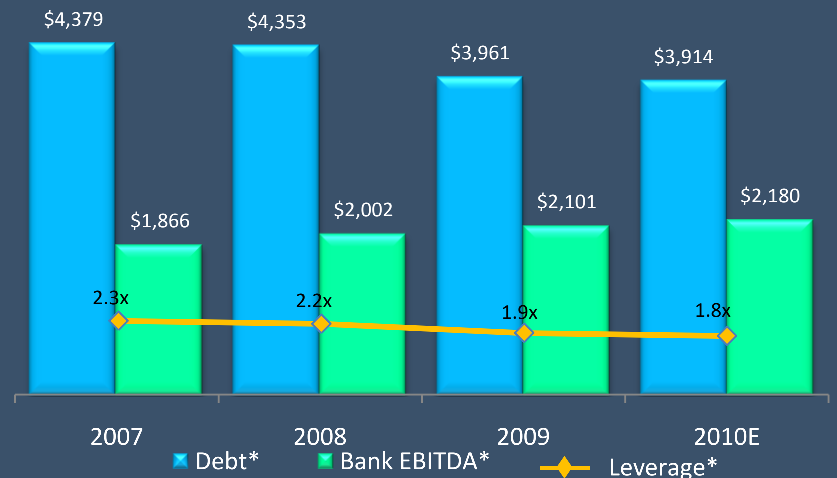


(1) 2008 excludes 2Q08 items.

Cash Flow



Debt and Leverage



* As defined in L-3's revolving credit facility at the end of each period.

Notes: (1) 2010 Estimates are based on midpoints of 2010 financial guidance.
(2) See Reconciliation of GAAP to Non-GAAP Measurements.

Insight Technology Acquisition

Transaction/Financials

- Agreement on February 18, expect closing in 2Q10
- Purchase price not disclosed
- Tax structure: 338(h)(10) election
- EBITDA multiple: ~9x 2010 (before NPV tax benefits)
- 2010E sales $290M, high margins
- Immediately EPS accretive and attractive ROI

Business Summary

- Night Vision (NV) and Electro-Optical (EO) warfighter systems - - handheld, helmet-mounted, weapon-mounted
- Londonderry, NH; 1,100 employees
- Major customers: Army, SOF, USMC, LEA
- Capabilities: Laser, optics, illuminators, electronics, packaging
- Product mix: Aiming & Illumination 40%, Imaging 40%, Precision Strike 20%

Products/Technology

- Laser aiming lights and target pointers
- Tactical Illuminators
- Laser rangefinder systems
- NV devices - goggles, monoculars
- Thermal imaging systems
- Sensor fusion systems
- Laser markers & designators
- Target location systems

Rationale/Synergies

- Excellent customer relationships and diversified products
- Establish $650M L-3 Warrior Systems sector (Insight + EOS + IRP + EoTech)
- Pull-through for NV tubes (EOS), thermal imagers (IRP)
- Facilities, equipment and marketing efficiencies

Aiming   Sensing   Locating   Illuminating

L-3 Summary

- Non-platform centric prime contractor and diverse subcontractor positions
- Good positioning in slower growth DoD environment
  - Less exposure to program cancellations/cuts
  - Solutions to sustain/enhance existing platforms
  - Quick reaction capabilities
  - Aligned with irregular warfare priorities
- Growing sales, earnings and cash flow
- Adaptability, agility and collaboration to continue growing
- Disciplined capital allocation
- M&A provides upside to organic growth

Geopolitical and DoD Update

Geopolitical Summary

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… continued progress amid human turmoil

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

Overall - - More Complex

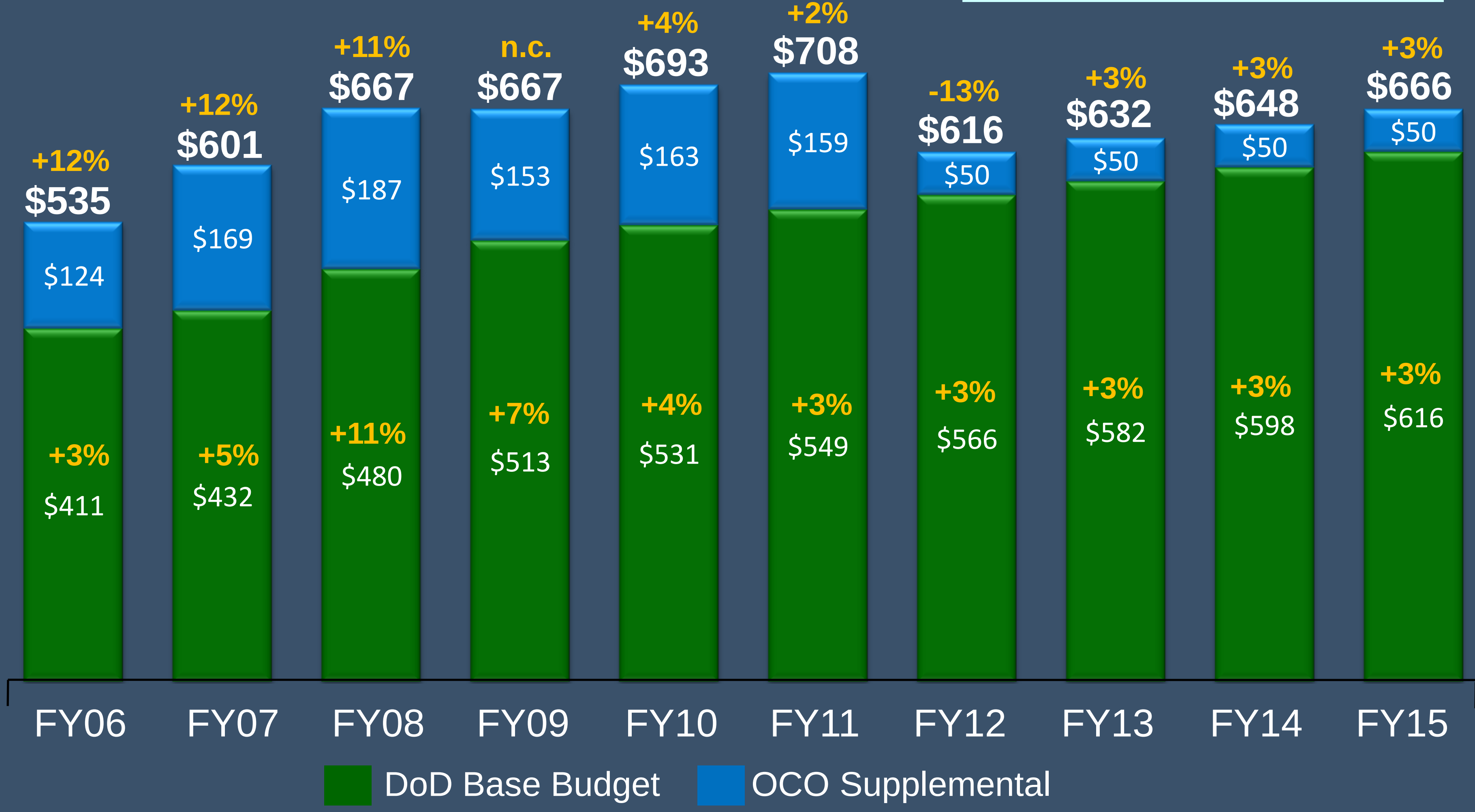
U.S. Department of Defense (DoD)

- Modest base budget growth, plus large OCO supplementals
- Iraq and Afghanistan continue near term resource focus
- Take care of all volunteer force… support deployed troops
- Rebalancing for today's wars… accept 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

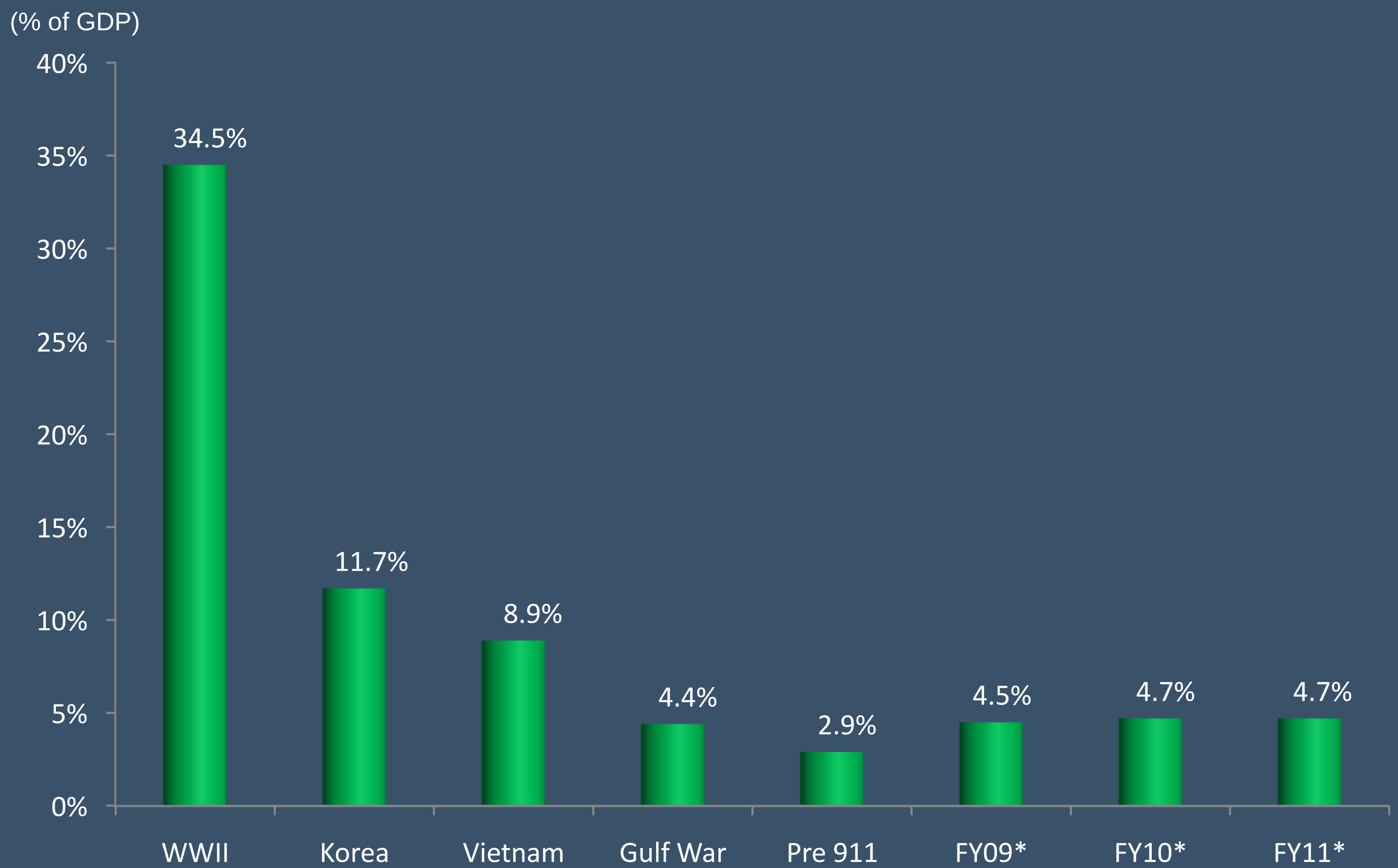
($ in Billions)

Base FY09 to FY15 CAGR = 3%
Total FY09 to FY15 CAGR = 0%



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

U.S. Defense Spending as a Percent of GDP



* Assumes GDP projections reflected in the President's FY 2011 Budget Request, February 2010)

Source: http://comptroller.defense.gov/budget.html (Feb 2010)

2010 Financial Guidance

2010 Financial Guidance

		Midpoint Growth vs. 2009
Sales	$15.8B to $16.0B	2%
Operating Margin	10.7%	+10 bpts
Diluted EPS	$8.00 to $8.20	6%
Net Cash from Operating Activities	$1.5B	7%
Free Cash Flow	$1.25B	2%

Notes: (1) Includes sales from SOFSA contract through approximately May 31, 2010.
(2) Excludes potential future business acquisitions, as well as Insight Technology, expected to close in 2Q10.
(3) See Reconciliation of GAAP to Non-GAAP Measurements.

Growth Areas for 2010

- C^{3}ISR - Unmanned, Manned, Sensors, Manpacks, Logistics
- Services - Afghanistan Training, Intelligence Support
- AMM - Helo maintenance and training support, JCA, Aerostructures fabrication and subassemblies
- Electronic Systems - EO/IR, Microwave, Security & Detection

Strategic Goals and Business Strategy

Strategic Goals

- **Grow business base and increase market share**
- **Strengthen market positions and customer relationships**
- **Supply superior quality products/services**

- **Exceed average investment returns in defense sector**
- **Achieve financial growth objectives**

Financial Growth Objectives

- **Double-digit EPS growth**
- **Increase Free Cash Flow per Share**

- **Average sales growth 2%-3% > DoD budget**
- **Modest margin expansion**
- **Disciplined cash deployment - - dividends, share repurchases, M&A**

- **Preserve credit ratings**

Business Strategy

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

Acquisition Objectives and Strategy

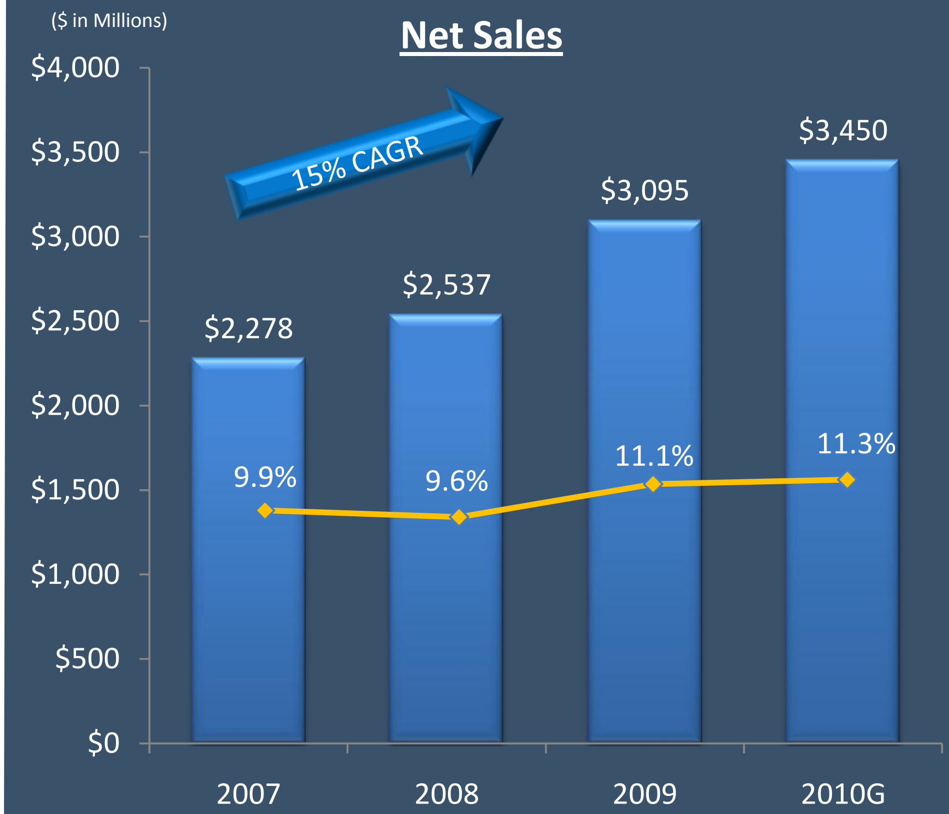
- Enhance capabilities and augment growth prospects
- Add important technologies, products and services
- Access select customers, programs and contracts
- Attractive returns on investment
- Prefer hardware vs services
- Likely small/medium vs larger transactions



Business Segments Overview

C^3ISR Segment

- **Products and services for the global ISR market, specializing in signals intelligence & Communications intelligence systems**
  - **Provide warfighters the ability to collect and analyze unknown electronic signals in real-time**
- **Networked communications systems and secure communications products and support services for ISR applications**
- **20% of 2009 consolidated net sales**
- **Top 5 programs = 32% of 2009 Sales**



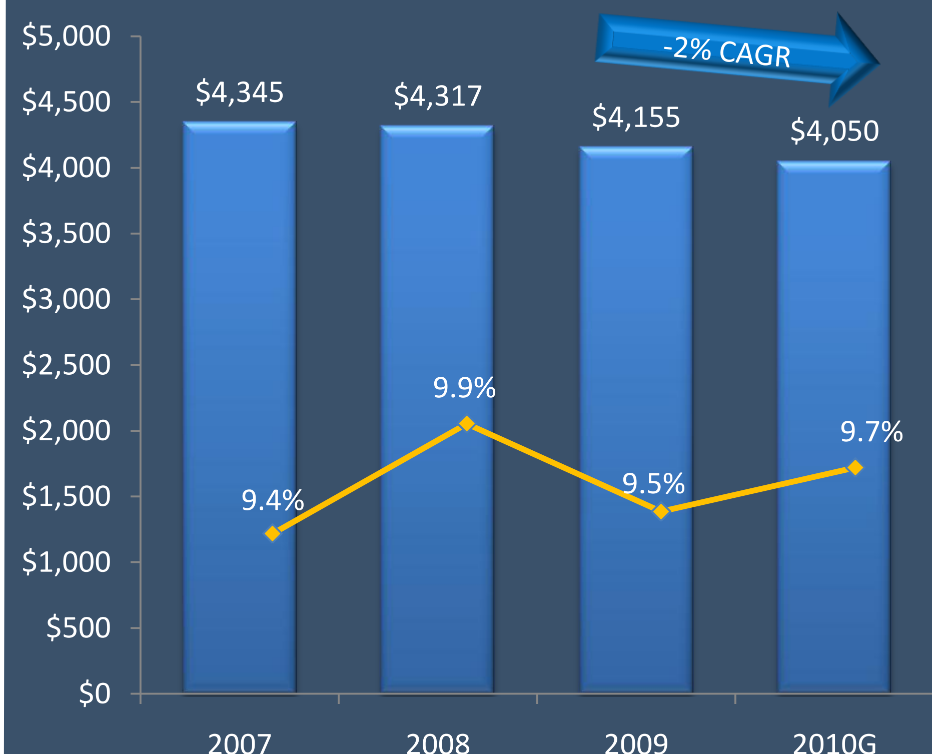
Strong demand for persistent surveillance, platform missionization, secure comms and sensors

Government Services Segment

- **Full range of engineering, technical, analytical, information technology, advisory, training, logistics and support services to the DoD, DoS, DoJ, U.S. Government intelligence agencies and allied foreign governments**
- **Services include:**
  - **Communications Software**
  - **Information Technology**
  - **Logistics**
  - **Acquisition & Integration**
  - **Engineering & Information Systems**
  - **Training**
  - **Human Intelligence**
  - **Intelligence Analysis**
  - **Technical & Management Services**
- **27% of 2009 consolidated net sales**
- **Top 5 programs = 23% of 2009 Sales**

($ in Millions)

Net Sales



Declining Iraq sales partially offset by Afghan increase; changing contract vehicles restraining growth; increasingly competitive space

AM&M Segment

- **Modernization, upgrades and sustainment, maintenance and logistics support services for military and various government aircraft and other platforms to the DoD, and allied foreign governments**
- **Engineering, modification, maintenance, logistics and upgrades for aircraft; turnkey aviation life cycle management for fixed and rotary wing aircraft; and aerospace and technical services related to large fleet support**
- **18% of 2009 consolidated net sales**
- **Top 5 programs = 54% of 2009 Sales**

Net Sales

SOFSA re-competition; aging aircraft fleets present opportunities; HELO maintenance and aviator training growing

Electronic Systems Segment

- Broad range of systems, subsystems, products and components, plus related services to military and commercial customers in several markets

Business Area	% of 2009 Segment Sales
Power & Control Systems	17%
Electro-Optical/Infrared (EO/IR)	16
Microwave	15
Avionics & Displays	10
Simulation & Training	10
Precision Engagement	9
Security & Detection	5
Propulsion Systems	5
Telemetry & Advanced Technology	5
Undersea Warfare	5
Marine Services	3
Total Segment	100%

- 35% of 2009 consolidated net sales
- Top 5 programs = 8% of 2009 Sales

Net Sales

* Operating Margin excludes Unusual Items

Growth in diverse product portfolio driven by EO/IR, Microwave, Undersea Warfare and Security & Detection Systems, offset by declining commercial and propulsion systems (Bradley Fighting Vehicle)

Supplemental Financial Data

2009 Segment Results

($ in Millions)

Segment	2009 Sales	Sales Growth vs 2008	2009 Operating Margin	Margin Change vs 2008 Actual (bpts)	Margin Change vs 2008 Adjusted (bpts)
C^3ISR	$ 3,095	22%	11.1%	+150	+150
Gov't Services	4,155	-4%	9.5%	-40	-40
AM&M	2,827	6%	8.6%	-50	-50
Electronic Sys.	5,538	3%	12.1%	+10	-20
Consolidated	**$15,615**	**5%**	**10.6%**	**-70**	**n.c.**

Notes:
(1) Margin Change vs 2008 Adjusted excludes 2Q08 Items (a litigation gain of $126M, a product line divestiture gain of $12M and an impairment charge of $28M). See Reconciliation of GAAP to Non-GAAP Measurements.
(2) Higher pension expense for 2009 compared to 2008 reduced operating income by $32M or 100 bpts for C^3ISR and $42M or 80 bpts for Electronic Systems. Operating Margin Change vs 2008 Adjusted excluding the higher pension expense would have been +250 bpts for C^3ISR, +60 bpts for Electronic Systems, and +50 bpts on a consolidated basis.

2010 Segment Guidance (Jan. 28, 2010)

($ in Billions)

Segment	Sales	Midpoint Sales Growth vs. 2009	Operating Margin	Midpoint Margin Change vs. 2009 (bpts)
C^3ISR	\$3.4 to \$3.5	11%	11.2% to 11.4%	+20
Gov't Services	\$4.0 to \$4.1	-3%	9.6% to 9.8%	+20
AM&M	\$2.7 to \$2.8	-3%	8.8% to 9.0%	+30
Electronic Systems	\$5.6 to \$5.7	2%	11.7% to 11.9%	-30
Consolidated	**\$15.8 to \$16.0**	**2%**	**10.7%**	**+10**

Note: AM&M segment includes sales from SOFSA contract through approximately May 31, 2010.

Free Cash Flow

($ in Millions)

	2010 Guidance	2009 Actual
Net income	$ 950	$ 911
Depreciation & amortization	227	218
Deferred taxes	95	74
Stock-based compensation	228	213
CODES non-cash interest	22	21
Amortization of pension and post-retirement net losses	39	52
Working capital/other	(61)	(82)
Cash flow from operating activities	$ 1,500	$ 1,407
Capital expenditures, net	(250)	(182)
Free cash flow	**$ 1,250**	**$ 1,225**
Supplemental Data:		
Cash interest payments	$ 236	$ 237
Income tax payments, net	425	378
Pension expense	148	173
Pension contributions	140	67

Capitalization and Leverage

($ in Millions)

	12/31/10 Guidance	12/31/09 Actual	12/31/08 Actual
Cash	$1,665	$1,016	$867
Debt	$4,136	$4,112	$4,493
Equity	7,295	6,660	5,941
Invested Capital	$11,431	$10,772	$10,434
Debt/Invested Capital	36.2%	38.2%	43.1%
Bank Leverage Ratio	1.8x	1.9x	2.2x
Available Revolver	$970	$968	$940

Notes: (1) Equity includes non-controlling interests (minority interests) of $95M as of December 31, 2010, $93M as of December 31, 2009 and $83M as of December 31, 2008.
(2) 12/31/10 Guidance excludes potential future business acquisitions, as well as Insight Technology, expected to close 2Q10.

Cash Sources and Uses

($ in Millions)

	2010 Guidance	2009 Actual	2008 Actual
Sources:			
Beginning Cash	$ 1,016	$ 867	$ 780
Free Cash Flow	1,250	1,225	1,184
Stock Options, ESP, Other	91	110	64
Subtotal	$ 2,357	$ 2,202	$ 2,028
Uses:			
Acquisitions/Divestitures	$ (7)	$ (90)	$ (220)
Dividends	(185)	(165)	(147)
Share Repurchases	(500)	(505)	(794)
Debt Repayments, Net	-	(426)	-
Subtotal	$ (692)	$ (1,186)	$ (1,161)
Ending Cash	$ 1,665	$ 1,016	$ 867

Notes: (1) Includes sales from SOFSA contract through approximately May 31, 2010.
(2) 2010 Guidance Excludes potential future business acquisitions, as well as Insight Technology, expected to close in 2Q10.
(3) See GAAP to Non-GAAP Reconciliation.

Debt

($ in Millions)

	12/31/09 Actual	Type	Maturity Date	Next Redemption Date	Next Redemption Premium
Senior:					
Revolver	$ -	L+300 bpts	10/12	n.a.	
5.2% Senior Notes	1,000	fixed	10/19	n.a.	
Subordinated:					
3% CODES	$ 700	fixed	8/35	2/11	0%
6-1/8% Notes	400	fixed	7/13	7/09	2.042%
6-1/8% Notes	400	fixed	1/14	1/10	2.042%
5-7/8% Notes	650	fixed	1/15	1/10	2.938%
6-3/8% Notes	1,000	fixed	10/15	10/10	3.188%
Unamortized Discounts	(38)				
Total	$ 4,112				

Note: The contingent convertible notes (CODES) contain "puts" that holders can exercise on Feb 1, 2011, and every 5-year anniversary thereafter at a price of 100%.

Forward Looking Statements

Certain of the matters discussed in these slides, including information regarding the Company's 2010 financial outlook 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 constitute forward-looking statements. Although we believe that these statements are based upon reasonable assumptions, including projections of total sales growth, sales growth from business acquisitions, organic sales growth, consolidated operating margins, total segment operating margins, interest expense, earnings, cash flow, research and development costs, working capital, capital expenditures and other projections, they are subject to several risks and uncertainties that are difficult to predict, and therefore, we can give no assurance that these statements will be achieved. Such statements will also be influenced by factors which include, among other things: our dependence on the defense industry and the business risks peculiar to that industry; our reliance on contracts with a limited number of agencies of, or contractors to, the U.S. Government and the possibility of termination of government contracts by unilateral government action or for failure to perform; the extensive legal and regulatory requirements surrounding our contracts with the U.S. or foreign governments and the results of any investigation of our contracts undertaken by the U.S. or foreign governments; our ability to retain our existing business and related contracts (revenue arrangements); our ability to successfully compete for and win new business and related contracts (revenue arrangements) and to win re-competitions of our existing contracts; our ability to identify and acquire additional businesses in the future with terms that are attractive to L-3 and to integrate acquired business operations; our ability to maintain and improve our consolidated operating margin and total segment operating margin in future periods; our ability to obtain future government contracts (revenue arrangements) on a timely basis; the availability of government funding or cost-cutting initiatives and changes in customer requirements for our products and services; our significant amount of debt and the restrictions contained in our debt agreements; our ability to continue to retain and train our existing employees and to recruit and hire new qualified and skilled employees as well as our ability to retain and hire employees with U.S. Government Security clearances; actual future interest rates, volatility and other assumptions used in the determination of pension benefits and equity based compensation, as well as the market performance of benefit plan assets; our collective bargaining agreements, our ability to successfully negotiate contracts with labor unions and our ability to favorably resolve labor disputes should they arise; the business, economic and political conditions in the markets in which we operate, including those for the commercial aviation, shipbuilding and communications market; global economic uncertainty; the DoD's contractor support services in-sourcing initiative; our ability to perform contracts on schedule; events beyond our control such as acts of terrorism; our international operations; our extensive use of fixed-price type contracts as compared to cost-reimbursable type and time-and-material type contracts; the rapid change of technology and high level of competition in the defense industry and the commercial industries in which our businesses participate; our introduction of new products into commercial markets or our investments in civil and commercial products or companies; the outcome of litigation matters; results of audits by U.S. Government agencies; anticipated cost savings from business acquisitions not fully realized or realized within the expected time frame; outcome of matters relating to the Foreign Corrupt Practice Act; ultimate resolution of contingent matters, claims and investigations relating to acquired businesses, and the impact on the final purchase price allocations; competitive pressure among companies in our industry; and the fair values of our assets, which can be impaired or reduced by other factors, some of which are discussed above.

For a discussion of other risks and uncertainties that could impair our results of operations or financial condition, see ''Part I — Item 1A — Risk Factors'' and Note 18 to our audited consolidated financial statements, included in our Annual Report on Form 10-K for the year ended Dec. 31, 2008 as well as any material updates to these factors in our future filings.

Our forward-looking statements are not guarantees of future performance and the actual results or developments may differ materially from the expectations expressed in the forward-looking statements. As for the forward-looking statements that relate to future financial results and other projections, actual results will be different due to the inherent uncertainties of estimates, forecasts and projections and may be better or worse than projected and such differences could be material. Given these uncertainties, you should not place any reliance on these forward-looking statements. These forward-looking statements also represent our estimates and assumptions only as of the date that they were made. We expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them, after the date of these slides to reflect events or changes in circumstances or changes in expectations or the occurrence of anticipated events.

Reconciliation of GAAP to Non-GAAP Measurements

($ in Millions)

	2008 Actual
Consolidated Operating Margin	11.3%
Add: Impairment Charge	0.2%
Less: Litigation Gain	-0.8%
Product Line Divestiture Gain	-0.1%
Consolidated Operating Margin, Excluding 2Q08 Items	10.6%
Consolidated Operating Income	$ 1,685
Add: Impairment Charge	28
Less: Litigation Gain	(126)
Product Line Divestiture Gain	(12)
Consolidated Operating Income, Excluding 2Q08 Items	$ 1,575
Net Interest Expense and Other Income	$ 262
Add: Litigation Gain	7
Net Interest Expense and Other Income, Excluding 2Q08 Items	$ 269
Tax Rate	34.7%
Add: Impairment Charge	0.1%
Less: Litigation Gain	-0.5%
Tax Rate, Excluding 2Q08 Items	34.3%

Reconciliation of GAAP to Non-GAAP Measurements (Cont'd)

($ in Millions, except for per share amounts)

	2010 Guidance	2009 Actual	2008 Actual	2007 Actual
Diluted EPS from Continuing Operations			$ 7.43	
Add: Impairment Charge			0.14	
Less: Litigation Gain			(0.66)	
Product Line Divestiture Gain			(0.06)	
Diluted EPS from Continuing Operations, Excluding 2008 Items			$ 6.85	
Electronic Systems Operating Margin			12.0%	
Add: Impairment Charge			0.5%	
Less: Product Line Divestiture Gain			-0.2%	
Electronic Systems Operating Margin, Excluding 2Q08 Items			12.3%	
Debt per Balance Sheet	$ 4,136	$ 4,112	$ 4,493	$ 4,472
Add: Unamortized discounts/fair value of swaps	14	38	57	78
Deferred purchase price liability	4	4	-	10
Division debt/capitalized leases/guarantees	10	57	53	69
Less: Designated cash balances	(250)	(250)	(250)	(250)
Debt per revolving credit facility	$ 3,914	$ 3,961	$ 4,353	$ 4,379

Reconciliation of GAAP to Non-GAAP Measurements (Cont'd)

($ in Millions, except for per share amounts)

	2010 Guidance	2009 Actual	2008 Actual	2007 Actual
Net Income attributable to L-3	$ 935	$ 901	$ 938	$ 745
Plus: Interest expense	273	279	290	314
Income taxes	525	475	494	411
Depreciation and amortization	227	218	206	207
Non-cash stock based compensation	228	213	205	178
OSI litigation charge/(gain)	-	-	(126)	-
Other adjustments	(8)	15	(5)	11
Bank EBITDA	$ 2,180	$ 2,101	$ 2,002	$ 1,866
Net cash from operating activities	$ 1,500	$ 1,407	$ 1,387	
Less: Capital expenditures	(250)	(186)	(218)	
Add: Dispositions of property, plant and equipment	-	4	15	
Free cash flow	$ 1,250	$ 1,225	$ 1,184	


L3