



Communication Systems-East

News

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For Immediate Release

L-3 Communication Systems-East Selected to Design the Interior and Exterior Communications Subsystems for the Royal Canadian Navy's Arctic/Offshore Patrol Ship Project

CAMDEN, N.J., March 27, 2014 – L-3 Communication Systems-East (L-3 CS-East) announced today that it has been selected by Lockheed Martin Canada to support the design activity of the integrated communications subsystems for the Royal Canadian Navy's (RCN) new class of Arctic/Offshore Patrol Ships (AOPS). Lockheed Martin Canada is one of the Tier 1 suppliers to Irving Shipbuilding, the prime for the AOPS project under the Canadian government's National Shipbuilding Procurement Strategy (NSPS). Under an initial contract, L-3 CS-East will design the interior and exterior communications subsystems for the new vessels.

"We are very pleased to be selected for this very important Royal Canadian Navy project," said Dave Micha, president of L-3 Communication Systems-East. "The RCN and AOPS crews will benefit tremendously from our highly automated and user-friendly interior and exterior communications systems, which have been operationally successful in navies around the globe."

"The interior and exterior communications subsystem is critical to the operation of AOPS, allowing seamless communications from the rugged environment of Canada's far northern waters to the busy coastal regions," said Peter Gartenburg, vice president of L-3 Canada Operations. "This is a wonderful addition to the numerous Canadian programs supported by L-3, which demonstrate our full range of logistics, services, manufacturing and technological expertise. We intend to engage more Canadian suppliers to support this important RCN program."

The design work for this phase of the program will be done at L-3 CS-East located in Camden, N.J., and in Canada at various Canadian subcontractor sites where the design for a number of subsystems will take place.

AOPS is a Government of Canada procurement project for the RCN. The project will equip the Canadian Forces with six to eight naval ice-capable offshore patrol ships able to assert and enforce sovereignty in Canada's waters where and when necessary, including the Arctic. The first Arctic/Offshore Patrol Ship, being built by Irving Shipbuilding, is scheduled to be delivered in 2018.

L-3 CS-East, together with Irving Shipbuilding and Lockheed Martin (LM) Canada, is focused on working with the federal government to continually lower costs and establish the best-value solution for Canada while optimizing benefits across the country under the Industrial and Regional Benefit program. The teams will work together as the design matures and the requirements are finalized to find the most appropriate final solution for the AOPS program.

About NSPS Combatant Fleet Contract

In 2011, with the goal of building Canadian ships in Canada, the federal government established a strategic relationship with two Canadian shipyards, selected through an open and fair national competition, for large ship construction and designated them as sources of supply, one for combat vessels and the other for non-combat vessels. Irving Shipbuilding was selected as Canada's Combatant Shipbuilder under the merit-based National Shipbuilding Procurement Strategy (NSPS) and is in the early stages of a 30-year military shipbuilding program. The company is currently working on Tasks 1, 2, 3 and 7 of the Definition Contract for the first set of vessels, the Arctic/Offshore Patrol Ships (AOPS), signed in March 2013. The combatant portion of the NSPS program is comprised of six to eight ice-capable AOPS, as well as up to 15 Canadian Surface Combatants, to replace the Canadian Navy's current frigates and destroyers. The NSPS program is designed to generate opportunities for shipbuilding trades, technology and systems suppliers, marine professionals and knowledge-building-partners across Canada, returning economic benefits to Canadians.

About L-3 Communication Systems-East

L-3 Communication Systems-East (L-3 CS-East) designs, develops, produces and integrates communications systems and encryption solutions for space, ground, air and maritime operations. To learn more about L-3 CS-East, please visit the division's website at www.L-3com.com/cs-east.

About L-3

Headquartered in New York City, L-3 employs approximately 48,000 people worldwide and is a prime contractor in aerospace systems and national security solutions. L-3 is also a leading provider of a broad range of communication and electronic systems and products used on military and commercial platforms. The company reported 2013 sales of \$12.6 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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