Lockheed Martin Awarded \$260 Million For Aegis Weapon Systems For Australian And Spanish Ship Programs

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The U.S. Navy awarded Lockheed Martin\$260 million for Aegis Weapon Systems to equip three Australian Air Warfare Destroyers (AWD) and one Spanish F-100-class frigate.

The four will be next-generation Aegis Weapon Systems -- among the first to include 100 percent commercial offthe-shelf hardware and a fully open architecture computing environment. Lockheed Martin will synchronize production of the systems for Australia and Spain with the U.S. Navy's Aegis modernization program, which calls for delivery of the first fully open architecture Aegis Weapon System to the USS Bunker Hill in 2008.

The latest contract is a modification to a June 2006 award of \$85 million for Australia's AWD long lead material items. The modification covers the production phase for Aegis Weapon Systems for the three Australian destroyers and for Spain's fifth Aegis-equipped ship.

"Aegis Open Architecture will provide many advantages, including the opportunity to more easily integrate indigenous systems into the combat system and to reduce acquisition and certification risks and costs," said Orlando Carvalho, vice president and general manager of Lockheed Martin's Surface/Sea- Based Missile Defense Systems business in Moorestown. "Aegis Open Architecture is already driving commonality across the United States' surface fleet, as we are directly leveraging and reusing it in combat system development associated with the Littoral Combat Ship and the Coast Guard's Deepwater programs."

The contract is the latest milestone for the AWD program. Currently, the Australian government is in the process of selecting the AWD ship design in support of final program approval. The Aegis Weapon Systems Lockheed Martin will produce through this contract will support equally both of the ship designs under evaluation. Earlier this month, the U.S. Navy also contracted Lockheed Martin to produce the MK 41 Vertical Launching System (VLS) for the AWD in an identical manner, again supporting both ship designs.

"Aegis has earned an international reputation for itself based on high quality and superior performance at sea," said Rep. Jim Saxton (NJ-3rd). "The fact that other allied nations with strong naval histories like Japan, Norway and South Korea are also purchasing the system shows Aegis has a good future. Locally, this contract will provide work for existing Lockheed Martin employees in Moorestown who design and build the Aegis equipment."

The Aegis Weapon System is the world's premier naval surface defense system and is the foundation for Aegis Ballistic Missile Defense, the primary component of the sea-based element of the U.S. Ballistic Missile Defense System. The Aegis Weapon System includes the SPY-1 radar, the Navy's most advanced computer-controlled radar system. When paired with the MK-41 VLS, it is capable of delivering missiles for every mission and threat environment in naval warfare.

The Aegis Weapon System is currently deployed on 81 ships around the globe, with more than 25 additional ships planned. In addition to the United States, Spain and Australia, Aegis is the maritime weapon system of choice for Japan, South Korea and Norway.

Headquartered in Bethesda, MD, Lockheed Martin employs about 140,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services.

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