

Lockheed Martin Awarded \$172 Million Arrowhead Production Contract

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The U.S. Army has awarded Lockheed Martin a \$172 million follow-on production contract for Arrowhead(R), the combat-proven, modernized electro-optical system for AH-64 Apache attack helicopter flight crews.

The Lot 5 agreement authorizes production of 126 Arrowhead kits and/or equivalent unit spares, foreign military sales kits and ground support equipment. With options, this will bring the total number of Arrowhead kits and/or systems to 785.

"The Lot 5 award extends our partnership with U.S. Army Aviation to expand the capabilities of Apache aviators with next-generation FLIR target acquisition, designation and night pilotage," said Bob Gunning, Apache Fire Control program director at Lockheed Martin Missiles and Fire Control.

The Arrowhead kit modernizes the U.S. Army's Target Acquisition Designation Sight/Pilot Night Vision Sensor (TADS/PNVS) -- known as the "eyes of the Apache" -- for the 21st century by upgrading the infrared sensors and associated electronics.

"Arrowhead has proven itself in combat in Iraq and Afghanistan to significantly enhance flight safety and enable our Apache aviators to employ its improved targeting capability with significant target standoff," Gunning said. "Soldiers currently serving in and returning from the field have said it saved countless lives in the Global War on Terror."

The base contract for Lot 6 follow-on production options was also negotiated. The contract would be awarded in fiscal year 2009. Lot 6 covers production of 55 units for the U.S., with the potential to include two additional foreign military sales customers. Lot 6 will carry Arrowhead kit production through early 2011 in Orlando and Ocala, FL.

Lockheed Martin signed the original TADS/PNVS production contract on April 30, 1982, and the first TADS/PNVS system was fielded in 1983. The first Arrowhead production contract was awarded on November 11, 2003. Lockheed Martin rolled out the first Arrowhead system to the U.S. Army in May 2005, and completed integration on the first Apache helicopters in June 2005. Lot 5 represents the 25th anniversary of the product line's continuous service to the U.S. Army.

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. The Corporation reported 2007 sales of \$41.9 billion.

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