

Northrop Grumman, BAE Systems Team Wins Army Vehicle Intercom System Contract

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BALTIMORE, March 1, 2001 -- A team composed of Northrop Grumman Corporation's (NYSE:NOC) Electronic Sensors and Systems Sector (ES3) and BAE SYSTEMS has been awarded a \$4.5 million contract from the U.S. Army's Communications and Electronics Command (CECOM) to outfit the Army's new Brigade Combat Team with a digital vehicle intercom system (VIS).

This initial contract award for more than 350 VIS systems will be used to support the first brigade of the Brigade Combat Team. Further awards are anticipated to support the planned fielding of additional brigades.

Northrop Grumman's ES3, headquartered in Baltimore, and BAE SYSTEMS' Avionics Communications and Defence Infrastructure Division, based in Blackburn, U.K., have jointly supplied in excess of 14,000 VIS systems since they were originally adopted by the U.S. Army in 1993. This includes exports of the VIS systems to 14 other countries.

The digital AN/VIC-3 vehicle intercom system provides clear, noise-free communications between crew members inside combat vehicles and externally over as many as six combat net radios. Its comprehensive features include the capability to distribute digital data, voice-operated switching for hands-free operation, a redundant architecture to mitigate battle damage, active noise reduction and a built-in test capability.

"Selection of the AN/VIC-3 system for the Army's Brigade Combat Team confirms the need for a modern, all-digital intercom for our armed forces with all of the benefits, in terms of reliability and performance, that are the proven pedigree of our vehicle intercom system," said David Watson, program manager-Vehicular Intercommunications Systems at Northrop Grumman. "Together with our team partner, BAE SYSTEMS, we are committed to continually improving and updating the AN/VIC-3, while maintaining compatibility with the VIS systems we have already supplied to our customers."

Added BAE SYSTEMS Business Manager Nick Heyes, "This year, we will further expand the capability of the current VIS system with several enhancements in the areas of digital data and ethernet connectivity. These enhancements, coupled with our new command vehicle variant, which provides access to more users, will form the basis for a multivehicle command village capability, while still utilizing the existing VIS cabling and 'real estate' within the vehicle."

Northrop Grumman's Electronic Sensors and Systems Sector is a world leader in the design, development and manufacture of defense electronics and systems, precision weapons, airspace management systems, space systems, marine systems, logistics systems and automation and information systems.

BAE SYSTEMS is a truly global systems, defense and aerospace company. BAE SYSTEMS employs more than 100,000 people, in nine home markets around the world and has annual sales of \$19 billion. The company offers an unrivaled global capability in air, sea, land and space with a world-class prime contracting ability supported by a range of key skills. BAE SYSTEMS designs and manufactures civil and military aircraft, surface ships, submarines, space systems, radar, avionics, communications, electronics, guided weapon systems and a range of other defense products.

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