



Defense Security Cooperation Agency  
**NEWS RELEASE**

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## **Australia – AEGIS Combat System Components for Air Warfare Destroyer Program**

WASHINGTON, July 11, 2008 – On July 9, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to the Government of Australia of the AEGIS Combat System and associated equipment and services. The total value, if all options are exercised, could be as high as \$700 million.

The Government of Australia has requested a possible sale of the AEGIS Combat System and select combat system and communication components consisting of 1 MK 41 Vertical Launch System, 1 AN/SPQ-9B Horizon Search Radar, 1 Cooperative Engagement Capability System, 1 Naval Fire Control System, 1 Multi-Functional Information Distribution System, AN/SLQ-25A Nixie Countermeasure Suite, MK160 Gun Computer System with MK 20 Electro-Optical Sight, AIMS MK XII Identification Friend or Foe (IFF) for the Air Warfare Destroyer platform, communication and information distribution systems, U.S. Government and contractor engineering and logistics personnel services, personnel training and training equipment, support and test equipment, spare and repair parts, publications and technical documentation, and other related elements of logistics support. The estimated cost is \$700 million.

Australia is one of our most important allies in the Western Pacific. The strategic location of this political and economic power contributes significantly to ensuring peace and economic stability in the region. Australia's efforts in peacekeeping and humanitarian operations in Iraq and in Afghanistan have had a significant impact on regional political and economic stability and have served U.S. national security interests. This proposed sale is consistent with those objectives and facilitates burden-sharing with our allies.

The proposed sale of the AEGIS Combat System and components to Australia will contribute to U.S. security objectives by providing a coalition partner with significantly improved Air Warfare capability. This will improve the Royal Australian Navy's ability to participate in coalition operations, will enhance the lethality of its Air Warfare Destroyer platform, and will provide common logistical support with the U.S. Navy. The Royal Australian Navy can easily integrate the capabilities of the AEGIS Combat System into its concept of operations. Australia will have no difficulty absorbing these systems into its armed forces.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be:

Lockheed Martin Maritime Systems and Sensors (three locations)	Moorestown, New Jersey Eagan, Minnesota Baltimore, Maryland
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Raytheon Systems Company (two locations)	St. Petersburg, Florida Sudbury, Massachusetts
Northrop Grumman Corporation	Melville, New York

There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of three contractor representatives in Australia for approximately six months during the equipment installations, test and checkout of the AEGIS Combat System.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.