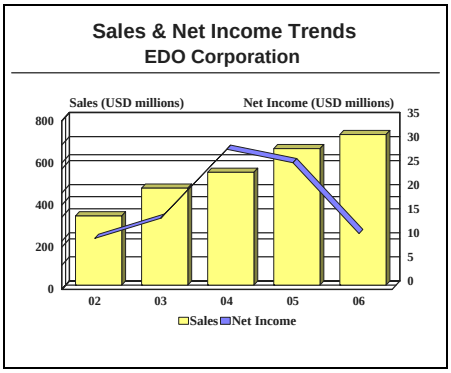
EDO Corporation – Archived 3/2009

Outlook

- ITT Corporation has agreed to acquire EDO in a deal valued at $1.7 billion
- EDO's positions in defense electronics will complement ITT's sensing and surveillance offerings
- The transaction gives ITT key spots on major programs, such as the F-22, the F-35, the LCS, and counter-IED systems



Headquarters

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EDO is named after its founder, Earl Dodge Osborn (1893-1988), an aviation pioneer, visionary, and activist for peace. A New York-registered corporation incorporated in 1925, EDO began manufacturing all-metal flying boats and seaplane floats.

Since 1998, acquisitions have been the company's primary growth driver. During this period the company completed 10 acquisitions, which have bolstered its capabilities in aircraft electronic warfare systems; professional, engineering and information technology services; reconnaissance and surveillance systems; communications and countermeasures systems; defense communications and related services; and aircraft armament systems.

Today, EDO produces a diverse range of products for defense, intelligence, and commercial markets, and provides related engineering and professional services. Major product groups include: defense electronics, communications, aircraft-armament systems, undersea warfare, and integrated composite structures.

In late 2007, ITT Corporation agreed to acquire EDO for $1.7 billion in cash and acquired debt. The deal was expected to close in early 2008.

EDO employs an estimated 4,000 people.

Structure and Personnel

Corporate Officers

James M. Smith
Chairman, President and Chief Executive Officer
Jon A. Anderson
Senior Vice President, Washington Operations
Frederic Bassett
Vice President, Finance and CFO
Patricia Comiskey
Vice President, Human Resources
Greg Kudla
Corporate Controller
Gayle Lombardi
Vice President, Corporate Tax
Frank W. Otto
Senior Vice President, Strategic Development
Lisa M. Palumbo
Senior Vice President, General Counsel and Secretary
Effie Pavlou
Directory of Treasury
William A. Walkowiak

EDO Corporation

Vice President, Investor and Shareholder Relations, and Corporate Communications

Product Area

EDO's reporting segments reflect the two primary categories of products in which it operates: Electronic Systems and Communications; and Engineered Systems and Services. These two segments are managed using the following organizational alignment:

EDO Corporation

1. Electronics Systems and Communications
1.1 Electronic Warfare
1.1.1 Communications and Countermeasures Systems
1.1.2 Defense Systems – EW
1.1.3 Reconnaissance and Surveillance Systems
1.2 Command, Control, Communications and Computers (C^4)
1.2.1 Antenna Products and Technologies
1.2.2 Communications & Networking Systems
1.3 Intelligence and Information Warfare
1.3.1 EDO-EVI
1.3.2 EDO-IST
1.3.3 EDO NexGen
2. Engineered Systems and Services
2.1 Integrated Systems and Structures
2.1.1 Defense Systems – ISS
2.1.2 EDO (UK) Ltd
2.1.3 Fiber Innovations
2.1.4 Fiber Science
2.1.5 MTech and Artisan
2.1.6 Specialty Plastics
2.2 Undersea Warfare
2.2.1 Electro-Ceramic Products
2.2.2 Naval Command & Sonar Systems (NCSS)
2.3 Professional and Engineering Systems
2.3.1 Acquisition and Logistics Management Operations (ALMO)
2.3.2 EDO-CAS
2.3.3 Technical Services Operations

Electronic Systems and Communications. This segment produces electronic force protection equipment, interference cancellation technology, airborne electronic warfare systems, reconnaissance and surveillance systems, other specialized electronic systems, C4 products and services, and antenna products.

Engineered Systems and Services. This segment addresses Integrated Systems and Structures, Undersea Warfare, and Professional Services markets. Primary products include aircraft armament systems, integrated composite structures, mine countermeasure systems, sonar systems, and flight-line products. Professional engineering services are also part of this segment's portfolio.

Facilities

The company operations listed here generate the bulk of this firm's aerospace and defense sales. Their functions and capabilities are broken down into the following major geographical areas:

Eastern Region

EDO Defense Systems, 1500 New Horizons Blvd, North Amityville, NY 11701-1130. Telephone: + 1 (631) 630-4000. This is the headquarters for EDO's defense operations.

EDO Naval Command & Sonar Systems, 1801-E Sara Dr, Chesapeake, VA 23320. Telephone: + 1 (757) 424-1004. This division manufactures command, control, and communications systems, and undersea warfare systems.

Web site: http://www.edocombat.com

EDO MTech Inc, 165 Veterans Way, Suite 100 Warminster, PA 18974. Telephone: + 1 (267) 960-2500. EDO MTech produces the BRU-57 Smart Rack multiple weapons carriage systems for fighter aircraft.

Web site: http://www.edomtech.com

Washington Office, 1745 Jefferson Davis Hwy, Suite 601, Arlington, VA 22202. Telephone: + 1 (703) 416-6900. This is the company's liaison office for government business.

Western Region

EDO Electro-Ceramic Products, 2645 South 300 W, Salt Lake City, UT 84115-2968. Telephone: + 1 (801) 486-7481. This unit manufactures piezoceramic components for defense applications, and focuses on commercial applications of ceramic technology.

Web site: http://www.edoceramic.com

EDO Reconnaissance and Surveillance Systems, 18705 Madrone Pkwy, Morgan Hill, CA 95037. Telephone: + 1 (408) 201-8000. Manufactures integrated systems, antennas, receivers, digitizers, signal processors, and signal analysis software packages for ELINT, ESM, ECM, and SIGINT applications.

EDO Communications and Countermeasures Systems, 3500 Willow Lane, Thousand Oaks, CA. Telephone: + 1 (805) 373-3200. Produces electronic protection systems, secure voice communication systems, and datalink validation systems. Unit also develops interference cancellation (INCAN) technology.

EDO Fiber Science, 506 North Billy Mitchell Rd, Salt Lake City, UT 84116-5227. Telephone: + 1 (801) 537-1800. This division manufactures lightweight advanced fiber-reinforced composite products.

Corporate Overview

EDO seems to be well positioned with its major customers, which include the U.S. Navy, most major U.S. aircraft prime contractors, and a growing list of international clients. The company's product and business development programs appear to be aimed at the following: niche military detection and counter-measure needs, composite structures for the aircraft industry, and various instruments for aerospace, marine, commercial, and space requirements.

New Products and Services

LAU-142 Order. In November 2007, EDO was awarded a $54.4 million contract from Lockheed Martin for continued production of its LAU-142/A AMRAAM Vertical Ejection Launcher, or AVEL, for the F-22 Raptor. This latest order covers production lots 7, 8, and 9, plus spares and associated engineering. These production lots will bring the total number of F-22 aircraft to 191, all of which are equipped with the AVEL.

CH-53K Components. In May 2007, EDO was selected by Sikorsky to design and fabricate composite airframe assemblies for the U.S. Marine Corps CH-53K helicopter program. The contract includes design and development of the tail-rotor pylon and sponsons and will continue through 2012. The design and final assembly will be centered in North Amityville, New York. The composite fabrication will be conducted predominantly in Salt Lake City, Utah, with select resin transfer molded (RTM) parts fabricated in Walpole, Massachusetts.

CREW 2.1. In April 2007, EDO was selected to provide the DoD with 1,100 CREW 2.1 systems under an initial $88 million contract. The CREW 2.1 (Counter RCIED [Radio-Controlled Improvised Explosive Device] Electronic Warfare) systems are vehicle-mounted electronic jamming devices designed to counter radio-controlled IEDs (improvised explosive devices). The systems are part of the DoD's Joint Improvised Explosive Device Defeat Organization (JIEDDO). Additional CREW 2.1 contracts were awarded in late April for $57 million, in July for $210 million, in September for $172 million, and in October for $95 million. Total units to be produced under these awards include 7,600 of the CVRJ (CREW Vehicle Receiver/Jammer) system and 1,100 MMBJ (Mobile Multi-Band Jammer) units.

Unmanned Surface Vehicle. In March 2007, EDO received a two-year contract from the U.S. Navy's Surface Warfare Center to support unmanned surface vehicle systems for Littoral Combat Ship (LCS) mine-warfare missions. The contract has a value of $11 million and includes an option to extend it through 2011 for an additional $12 million. EDO will develop new unmanned surface vehicle (USV) test models and system prototypes for mine-warfare missions. EDO will also fabricate these models and then analyze their integration into LCS mission modules.

Very-Shallow-Water Mine-Neutralizer. In October 2006, EDO was awarded a contract from the U.S. Navy to develop and demonstrate a Very-Shallow-Water (VSW) Mine-Neutralizer concept. The contract has a ceiling of $9.6 million over a five-year period. In addition to providing the engineering and technical support needed to develop the VSW concept, EDO will test the system's effectiveness in very shallow water and assist in evaluating test results. This includes demonstrating expendable mine-disposal systems such as the ASQ-232 Sea Fox produced by Atlas Elektronik GmbH. The Navy will then select a common expendable neutralizer for EDO to integrate into the final VSW system.

Transition Switch Module. In June 2005, EDO was awarded a contract for a new generation of Marine Corps battlefield-communications equipment known as the Transition Switch Module. The indefinite delivery/ indefinite quantity contract has a maximum value of $240 million for the procurement of up to 476 units. The contract was originally awarded to EDO in June 2004. However, a protest of the award was filed by a competitor, causing the Marine Corps to re-compete the contract. EDO was successful in the re-competition.

The Transition Switch Module will provide digital voice, data, and video communications to deployed Marine units. It will dynamically allocate bandwidth to handle the demanding needs of net-centric warfare. Work is expected to be completed by May 2010.

Another key element of this transition is the Joint Enhanced Core Communication System, or JECCS, which EDO is also producing for the Marine Corps. JECCS provides a mobile telecommunications "central office," mounted on a HMMWV, and connects with Transition Switch Modules to give individual Marines full access to the communications network.

SABRE. In June 2005, EDO launched a family of store carriage-and-release systems specifically developed for UAV platforms. Known as SABRE, this family of systems consists of a new generation of ultra-lightweight, non-pyrotechnic, modular carriers. The SABRE twin station weighs 30 pounds (13.5 kg) and the triple station, 40 pounds (18.7 kg), but each is capable of carrying up to 1,300 pounds of stores. This station facilitates 500-pound-class and below weapons such as Paveway IV, JDAM, Viper Strike, HELLFIRE, and other lightweight stores including dispensers, ground sensors, miniature UAVs, etc. It has optional onboard Mil-Std-1760 Class 2 electronics with miniature munitions compliancy, providing individual targeting and release of each weapon.

JCM Launcher. In October 2004, EDO was selected to design and develop fixed-wing dual missile launchers for the Joint Common Missile (JCM) on F/A-18E/F aircraft. EDO received a letter contract, valued at $1.9 million, authorizing start-up work under Phase 1 of the project. Phase 1 includes delivery of two developmental rail launchers. The potential value to EDO over the anticipated life of the JCM program is expected to be more than $100 million.

Pneumatic Twin-Store Carriage System. In July 2004, EDO introduced a new "smart" pneumatic, twin-store carriage system. The aircraft-armament carriage system is designed to increase the weapons payload on high-performance tactical aircraft, including the F-16 Falcon and F-35 Joint Strike Fighter. This system is the next generation of EDO's "smart-rack" bomb release units, the BRU-57 and BRU-55, which incorporate the latest in military-grade electronics and pneumatics. The new unit's pneumatic-ejection system offers a number of advantages over pyrotechnic-cartridge ejection technology, including reduced maintenance expenses. The twin-store unit also provides substantial cost savings and improves operational capabilities by doubling the smart-weapon payload.

JECCS. In April 2004, EDO was awarded a contract by the Marine Corps Systems Command valued at $19.3 million for eight mobile, first-in units known as the Joint Enhanced Core Communication System (JECCS). Work on these units continued through 2005. The JECCS is a tightly integrated and multifunctional communication system mounted on a HMMWV. Designated the TSQ-231, the system provides voice and data telecommunication services, local-area-network and network-management services, messaging services, and satellite capabilities for a Marine Expeditionary Unit.

Plant Expansion/Organization Update

New Facility in Charlestown. In October 2006, EDO opened a new facility to manufacture battlefield communications systems in Charlestown, South Carolina. The operation employs 50 people, with a projected growth to 70 in 2007. The new facility is responsible for supporting the Transition Switch Module (TSM) program, a key component of the Marine Corps network-centric battlefield communications strategy. In 2005, EDO was awarded a contract with a maximum value of $240 million for the procurement of multiple configurations of TSMs. Another key product of this business unit is the JECCS, which EDO is also producing for the Marine Corps. The production needs of these contracts, as well as other expanding work at this business unit, necessitated the move from a smaller facility in nearby Wando, South Carolina.

Warminster Facility Opened. In June 2006, EDO opened a new facility in Warminster, Pennsylvania, that will support the U.S. Air Force and Navy. The new facility specializes in "smart" systems. Specifically, it designs, develops, produces, and supports electronic control systems for extreme military environments. Production by this facility includes the BRU-55 bomb release unit for the Navy F-18 fighter, the BRU-57 for the Air Force F-16, and an array of similar subsystems.

Deer Park Facility Sold. In July 2003, EDO Corporation signed an agreement to sell its manufacturing facility in Deer Park, New York, to Deer Park Enterprise LLC for cash consideration of $29 million. The transaction resulted in a pre-tax loss of $9.2 million, which was recorded in the second quarter ended June 28, 2003. The property included 726,000 square feet of buildings and 81 acres of land. EDO obtained the property as a result of the acquisition of AIL Technologies Inc in April 2000. Production at the Deer Park plant included aircraft defensive-system upgrades and the manufacture of high-performance antenna products. These have since been relocated.

Mergers/Acquisitions/Divestitures

ITT to Acquire EDO. In September 2007, ITT Corporation agreed to acquire EDO Corporation in a transaction valued at $1.7 billion. The transaction, which is subject customary closing and regulatory conditions, was expected to close in early 2008.

"This combination is all about growth and demonstrates our disciplined approach to creating value for our shareholders by expanding from our strong core businesses and entering attractive adjacent markets," said Steve Loranger, chairman, president and chief executive officer of ITT. "ITT's continued strong overall performance this year gives us the capability to make this key acquisition, which will be a powerful addition to our existing business. EDO's extremely talented people, complementary technologies, and customer relationships, when joined with ITT's strong defense team, will enable us to reach new heights in meeting the changing needs of our military and civil customers."

IST Acquired. In September 2006, EDO completed the $126 million acquisition of Impact Science & Technology Inc (IST), a privately held company that provides Signals Intelligence (SIGINT) systems and analysis support to the intelligence community, and advanced countermeasures and electronic-attack systems. IST has approximately 200 employees and is based in Nashua, New Hampshire, with additional operations in Maryland and Colorado. Revenue for the 12 months ended March 31, 2006 was $63 million.

CAS Acquired. In September 2006, EDO completed the acquisition of CAS Inc, a privately held company that provides engineering services, logistics support, and weapons-systems analysis to the Department of Defense. The purchase price was $175.6 million. CAS is based in Huntsville, Alabama, and has approximately 1,000 employees operating in 13 states, as well as on military bases worldwide. Revenue for the 12 months ended March 31, 2006 was $184.3 million.

NexGen Acquired. In December 2005, EDO acquired NexGen Communications LLC, a privately held company specializing in the design and production of communications systems for a diverse set of U.S. government organizations. NexGen is based in Northern Virginia and employs about 20 people. Terms of the deal were not disclosed.

Fiber Innovations Acquired. In September 2005, EDO acquired Fiber Innovations for $12.4 million. Fiber Innovations manufactures composite structures for aerospace, defense, and commercial customers. The company employs 80 people and has been added to EDO's Engineered Materials segment.

EVI Technology Acquired. In May 2005, EDO completed the acquisition of EVI Technology LLC, a privately held company specializing in the design and production of communications systems for intelligence and law enforcement applications. Terms were not disclosed. This acquisition was expected to add approximately $15 million to EDO's revenues for the remainder of 2005, and $23 million on an annualized basis. EVI employs approximately 140 people, performing customer-directed research and development, product design, and manufacturing. Virtually all of EVI's business is classified.

EDO Acquires Emblem Group. In June 2003, EDO acquired 100 percent of the outstanding stock of the Emblem Group Ltd, a privately held company based in Brighton, U.K. The deal was valued at $25.6 million. Emblem had revenues in 2002 of $25.2 million. Emblem is a supplier of niche aerospace and defense products and services, primarily through its MBM Technology unit in the U.K., and Artisan Technologies in the U.S. The company has a core competency in aircraft weapons-carriage and -interfacing systems that was expected to reinforce EDO's position in aircraft armament-release systems.

Darlington Acquired. In March 2003, EDO acquired all of the stock of Darlington Inc, a privately held defense communications company based in Alexandria, Virginia, that designs, manufactures, and supports military communications equipment and information networking systems. The $28.5 million cash acquisition was expected to enhance the company's positions on long-range platforms and programs across the U.S. military services, and in particular, the U.S. Marine Corps. For the year ended December 31, 2002, Darlington had revenue of approximately $39 million.

AERA Acquired. In February 2003, EDO acquired all of the stock of Advanced Engineering & Research Associates Inc (AERA), a privately held company located in Alexandria, Virginia, that provides professional and information technology services primarily to the U.S. Department of Defense and other government agencies. The acquisition was expected to strengthen and expand the range of such services the company offers. The preliminary purchase price was $38 million and was subject to adjustment based on changes in AERA's balance sheet as of the closing date. AERA is a first-tier subcontractor to Electronic Data Systems for the multiyear Navy Marine Corps Intranet Total Enterprise Solution. In addition, it has long-term prime contracts with NAVSEA's Seaport program, the Marine Corps' Commercial Enterprise Omnibus Support Services program, and the Coast Guard's Deepwater program. For the fiscal year ended December 31, 2002, AERA had revenues of approximately $50 million; the acquisition was to be accretive to 2003 earnings. AERA is part of EDO's Professional Services.

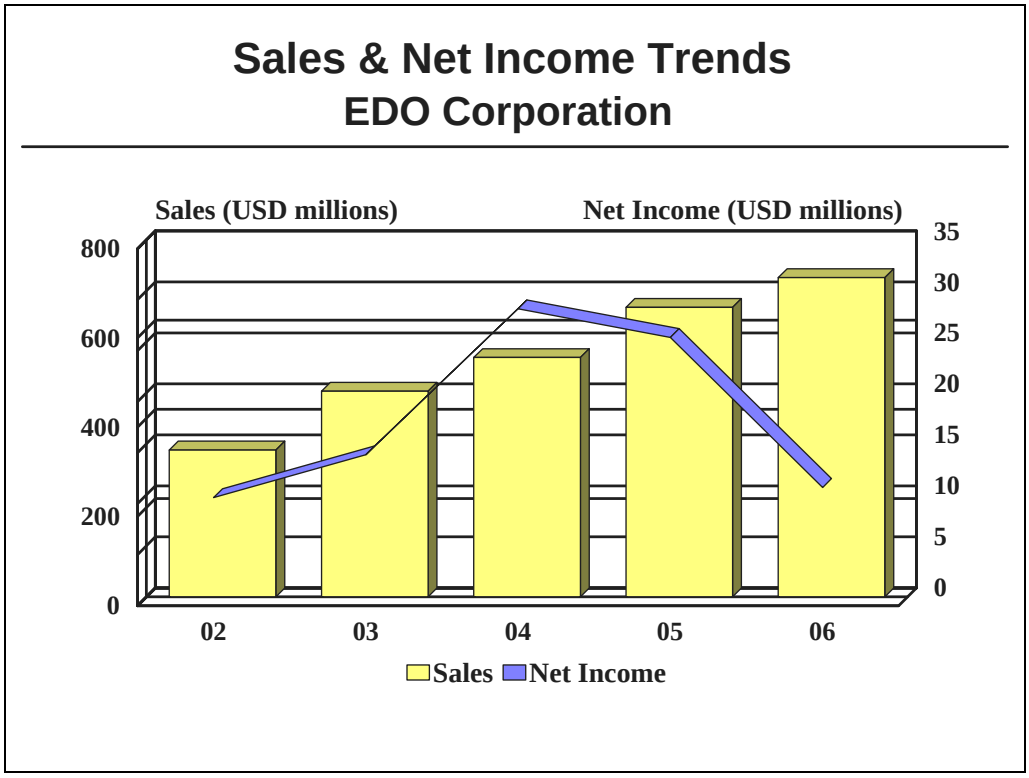
Teaming/Competition/Joint Ventures

Atlas. In May 2004, EDO and Atlas Elektronik GmbH, a wholly owned subsidiary of BAE Systems, reached an agreement to cooperate in the field of maritime mine countermeasures (MCM). The two companies joined forces in marketing their combined MCM solutions.

Financial Results/Corporate Statistics

EDO Corporation sales for 2006 increased 10 percent to $715.2 million. The company posted net income of $11.6 million for 2006, compared with net income of $26.3 million in 2005. EDO officials attributed the lower earnings to certain facilities that were operating below full capacity, the most significant being related to revenue declines in electronic-force-protection products. While difficult to quantify, the reduction in earnings related to lower electronic-force-protection sales is estimated to be $22 million. Further affecting the bottom line in 2006 were charges for legal matters of $5.0 million, the write-off of intangible assets of $1.5 million, and approximately $12 million in higher-than expected development costs on certain sonar and aircraft-armament projects. The company's full-year statistics are provided below.

Y/E December 31	2001	2002	2003	2004	2005	2006
(USD million)						
Net Sales	259.9	328.9	460.7	536.2	648.5	715.2
Percent Gov't	69.0	75.0	76.0	79.0	82.0	81.0
Net Income	14.9	10.6	14.8	29.1	26.3	11.6
R&D Expenditures	8.7	8.5	8.6	11.6	17.1	14.0
Backlog	294.8	375.0	462.3	474.6	558.7	804.4
Debt/Equity Ratio	-	.81	.72	.65	.86	1.47

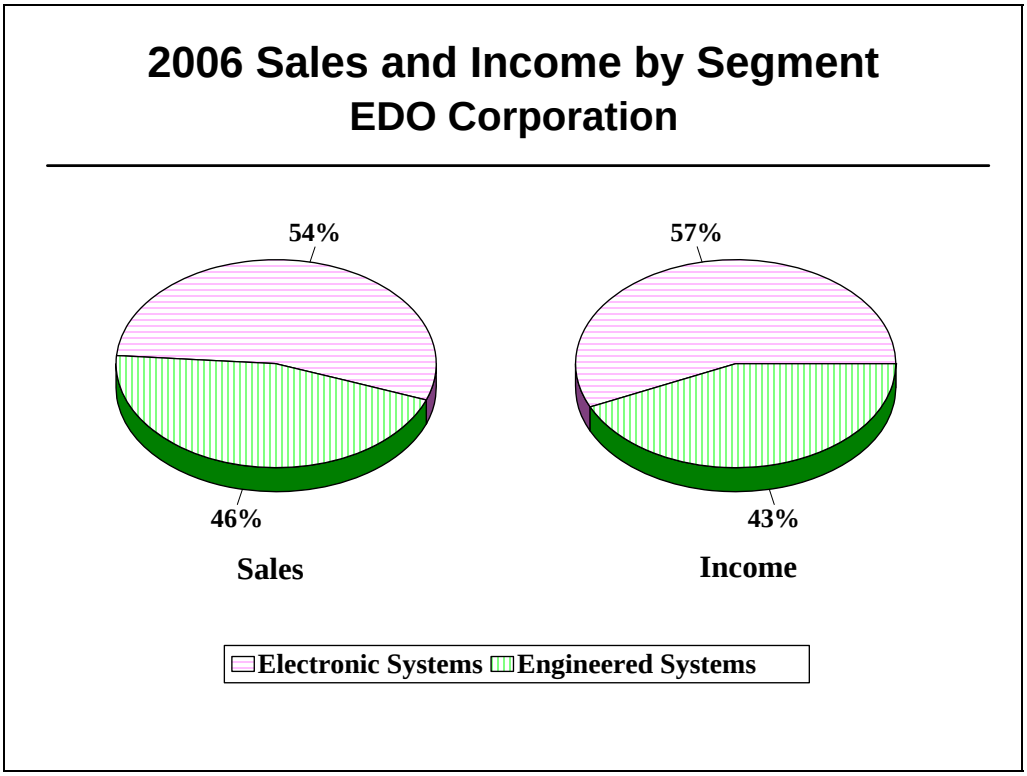


Industry Segments

A breakdown of some of the company's sales and operating income by major business segment for the past four years is provided below.

SALES	2003	2004	2005	2006
(USD million)				
Electronic Systems and Communications	221.5	273.3	408.2	388.7
Engineered Systems and Services	239.1	262.9	240.3	326.5

OPERATING INCOME	2003	2004	2005	2006
(USD million)				
Electronic Systems and Communications	18.5	24.5	42.1	11.8
Engineered Systems and Services	22.5	26.3	12.7	9.0



Strategic Outlook

As speculated upon in previous outlooks, EDO has indeed become an acquisition target. ITT Corporation is the suitor and has agreed to acquire EDO for $1.7 billion in a deal expected to close in early 2008.

Over the past five years, EDO has more than doubled its revenue base thanks in large part to the numerous niche acquisitions it has made. The purchases have bolstered the firm's product and services portfolio, making it an attractive candidate. Further, EDO's counter-IED system, CREW 2.1, is expected to have a long, profitable production run.

EDO's positions in defense electronics will complement ITT's sensing and surveillance offerings. In tactical communications, ITT's position in battlefield communications will be enhanced by EDO's expertise in mobile networking and integration, interference cancellation, and antenna production. In addition, ITT's current engineering and professional services will be broadened with the inclusion of EDO's own services units.

By leveraging the diversified portfolios of both companies, the transaction positions ITT to play an important role on some of the U.S. military's major

programs, such as the F-22, the F-35 Joint Strike Fighter, the Navy's Littoral Combat Ship, counter- IED programs, and the Coast Guard Deepwater program.

ITT defense currently produces air traffic control systems, jamming devices that guard military planes against radar-guided weapons, digital combat radios, night vision devices, and satellite instruments. With EDO added to the fold, the company will expand into counter-IED, ASW and mine countermeasures systems; weapons control systems; tactical networking communications systems; information management; antennas; and composites.

"We're bringing together two successful defense organizations into one team with one mission: To meet the needs of our customers in support of our nation and its allies," said Steve Gaffney, president of ITT's defense business. "This transaction combines ITT's and EDO's technology prowess, customer relationships, and proven operational capabilities to scale mission-critical military programs and create new markets for our technologies."

With such a complementary company added to it its ranks, the newly enlarged ITT Corporation should emerge as a much stronger defense player when the deal is completed in 2008.

Prime Award Summary

Department of Defense Top 100 Companies and Their Subsidiaries

The following charts and tables show the rank of EDO Corp relative to the 100 companies receiving the largest dollar volume of prime contract awards for 2002 through 2006, along with supporting data. Also shown is the value of DoD contracts received by the company from 2001 through 2005. For more information, please refer to Appendix I, "100 Companies Receiving the Largest Dollar Volume of Prime Contract Awards." EDO Corp did not place in the top 100 for 2002 through 2004 and 2006.

EDO Corp	**2002**	**2003**	**2004**	**2005**	**2006**
(USD millions)					
Rank	-	-	-	85	-
Total DoD Awards	-	-	-	**307.0**	-

Fiscal Year 2005 - Prime Contract Awards

This table gives the total net value of awards for both the parent company and its subsidiaries for FY05. In some cases, the parent company receives no awards itself, but appears on the list because of its subsidiaries. The table also shows what percentage of the total DoD awards each company's awards represent.

EDO Corp - Prime Contracts - Rank 85	**USD Subtotal**	
EDO Corporation	34,934,851	
AIL Technologies Inc	22,947,665	
Darlington Inc	30,724,574	
EDO Acquisition II Inc	24,996,740	
EDO Artisan Inc	1,155,776	
EDO Communications and Countermeasures	137,343,244	
EDO M Tech	11,997,879	
EDO Professional Services Inc	9,792,562	
EDO Reconnaissance and Surveillance	7,385,296	
EDO Western Corporation	8,168,850	
EDOCORP - TSO	17,545,077	
TOTAL /% of total	**306,992,514**	**/.11%**

Source: http://siadapp.dior.whs.mil/procurement/historical_reports/statistics/p01/fy2005/P01FY05-Top100-table2.pdf

Program Activity

Some important aerospace and government programs currently under way at EDO are listed below. The briefs are intended to provide a listing of programs that are of major importance to the company. For detailed information on or analysis of specific aerospace and defense programs or equipment, please refer to the appropriate Forecast International binder (for example,

Aircraft, Military Vehicles, Warships, Missiles, Electronic Systems, and *Gas Turbines*).

The following are the company's business interests:

- Defense Electronics
- ASW
- C4I Systems
- Sensors
- Space Systems
- Systems Integration

Electronic Programs

(ASW)

BQN-17(V) Secure Depth Sounder

The BQN-17(V) Secure Depth Sounder is a fathometer (sonar) used by U.S. submarines to determine water depth below the keel. EDO was the prime contractor for the BQN-17A Modernization program. Approximately 100 BQN-17(V) units were believed to have been produced for the U.S. Navy. The last modernization involved the production of 31 upgrade kits/systems (one for testing and 30 for active Los Angeles class submarines). Modernization of U.S. Navy Los Angeles class submarines and all other upgrades were completed by the end of 2002.

SQQ-89(V) Surface ASW Combat System

This is an integrated surface combatant sonar/fire control system. The SQQ-89 Surface ASW Combat System provides the U.S. Navy's newest surface combatants (cruisers, destroyers, and frigates) with the means to deal with the rapidly changing tactical ASW environment. It is designed to detect, classify, and correlate inputs from all of a ship's ASW sensors. The data are then sent to the ship's combat information center, where operators, or the system, can decide what weapons should be used. Lockheed Martin is the prime contractor. EDO produces acoustic transducer subassemblies under this program.

SQS-53(V)

The SQS-53(V) is a bow-mounted sonar for surface vessels, designed for long-range passive and active submarine detection. EDO produces the SQS-53C sonar array.

SSQ-62 (V) DICASS

The SSQ-62(V) is an air- or surface-ship-deployed Directional Command Active Sonobuoy System (DICASS) used to detect hostile submarines in anti-submarine warfare operations. EDO produces active piezoelectric ceramic components for these systems.

UQN-4(V) Sonar Sounding Set

The UQN-4(V) Sonar Sounding Set (also known as Model 9057) is a digital depth sounder for ships. The set is standard equipment on virtually every U.S. Navy, Coast Guard, and Coastal Geodetic Service vessel, as well as on other world navy and research vessels. Full-rate production of the UQN-4(V) Sonar Sounding Set appears to have ended with the Spanish Navy order. No new procurement orders have been identified. The UQN-4 spares and maintenance market is expected to remain solid for several years.

(Electronic Warfare)

ACaP

The Advanced Capability POD, or ACaP, is a pod-based electronic warfare system for self-protection designed for fighter aircraft. According to EDO, its small dimensions, light weight and modern design characteristics provide the warfighter considerable flexibility in weapons, fuel, and EW POD loading.

ALQ-99(V)

This is an airborne tactical jammer used on the EA-6B Prowler flown by the U.S. Navy and Marine Corps. It is now the only support/escort jammer available to joint operations commanders. EDO (formerly AIL Systems) designed, developed, and produced the ALQ-99. The new EA-18G Growler will also carry the ALQ-99.

EA-6B ICAP III Program

The EA-6B Prowler is an electronic-countermeasures aircraft based on the A-6 Intruder airframe. ICAP III is a down-scoped enhancement of the EA-6B electronic combat aircraft and replaces the Advanced Capability upgrade terminated by the Navy due to funding constraints. ICAP III will upgrade the Block 89A Prowler by improving the ALQ-99(V) jamming system, upgrading the tactical display system, improving the reliability and maintainability of onboard systems, and integrating the USQ-113(V)2. EDO (formerly AIL Systems) manufactured the original ALQ-99(V) and is responsible for the Universal Exciter Upgrade.

SHORTSTOP/Warlock VLQ-11(V), PLQ-7(V), GLQ-16(V)

This is a mobile electronic countermeasures system to protect ground forces from indirect fire and fuzed artillery. The SHORTSTOP Electronic Protection System (SEPS) is an autonomous, lightweight, fully integrated radio frequency countermeasure system designed to provide protection for personnel and high-value assets against proximity-fuzed indirect munitions – specifically, artillery, mortar, and rocket-type munitions. Once activated, SEPS detects the weak RF

signal generated by proximity fuzes, without operator intervention. This reflected signal fools the fuze by telling the round that it is about 10 meters above the ground (the height that maximizes shrapnel effect), which causes detonation.

Warlock is a modified version of SEPS modified to operate in a classified frequency band and developed to counter the IEDs that have become the bane of U.S. forces in Iraq. Terrorist-planted explosives are being detonated by cell phones or pagers. *Warlock Red* will counter certain low-cost, readily available threats. It will operate off a 12-volt vehicle power system, and can hook up to a cigarette lighter plug. *Warlock Green* will operate off the 24-volt power of military vehicles.

(Radar)

SPS-67(V)

The SPS-67(V) is the primary U.S. surface search radar on Navy ships. EDO produces the OE-374A/SPS-67(V) IFF/C-band antenna group for the system. As the Navy's primary surface search and navigation radar, the SPS-67(V) is carried by a wide range of surface ships. According to EDO, the system's simplicity and solid-state technology make it reliable and easy to maintain.

Warships Programs

Mine Countermeasures, Mining and Special Warfare Technology

This program develops technologies for U.S. naval mines, mine countermeasures (MCM), special warfare, and explosive ordnance disposal. The Navy's mine-neutralization program is aimed at combating enemy minefields from airborne and seaborne platforms. Airborne mine neutralization is conducted mainly from MH-53 helicopters and is targeted primarily at shallow-water mines where surface MCM ships are especially vulnerable. Seaborne mine neutralization is conducted mainly from special minesweeper/ocean (MSO) and MCM and MSH (minesweeper/hunter) minesweepers. The MCM and MSO classes are intended for employment against deep-moored mines, while the minehunter/coastal (MHC) class is intended for coastal mines.

EDO's ALQ-220 Organic Airborne and Surface Influence Sweep (OASIS) minesweeping system is currently under development for the U.S. Navy. The system is being configured for installation on MH-60S helicopters.

EDO has also developed the Shallow Water Influence Minesweep System (SWIMS) for the U.S. Navy. SWIMS is a small, high-speed, dual-influence minesweeping system for all operating environments, including riverine and brackish water. The system is compatible with both helicopter and surface-tow operations.

U.S. Contract Awards

Below is a listing of major contracts awarded to EDO from the United States government. Most of the company's business is as a subcontractor to government program primes.

Date	Award (USD millions)	Contract #	Description
2004			
3/24/04	6.3	F08635-00-C-0026	34 production-phase bomb rack units for F-16 BRU-57.
3/31/04	6.7	W15P7T-04-C-L001	132 Warlock Green electronic countermeasure devices.
5/20/04	5.5	N66604-04-D-0480	200 TR-302 submarine depth sounder transducers for use on attack and guided missile submarines.
6/15/04	240.0	M67854-04-D-7057	Procurement of up to 476 transition switch modules.
9/13/04	51.2	N00014-04-D-0540	Indefinite-quantity contracts in service areas.
11/30/04	7.9	W15P7T-04-C-L001	100 Warlock Green and 500 Warlock Red electronic countermeasure devices.
12/20/04	5.8	N00024-02-C-6329	Two TR-343 sonar array assemblies.
2005			
1/18/05	56.1	W15P7T-04-C-L001	720 Warlock green & red electronic countermeasure devices.
5/16/05	10.9	N00019-05-C-0026	135 BRU-55 smart racks (bomb release units).
5/25/05	240.0	M67854-05-D-7043	Procurement & support of the Transition Switch Module.
6/23/05	33.9	W15P7T-04-C-L001	Warlock green & red electronic countermeasure devices.

Date	Award (USD millions)	Contract #	Description
6/30/05	24.5	N00421-05-D-0061	Services in support of the Naval Air Systems Command Propulsion Systems Division's test facility & environment laboratory.
8/9/05	11.6	W15P7T-O5-C-D602	Six CS-3000 shelters for Egypt, along with spare parts & training.
9/26/05	9.8	N00178-05-D-1020	Technical support services for electronic warfare systems & equipment.
9/30/05	5.8	N66604-05-D-2148	Refurbished transducers.
10/28/05	9.9	N66001-06-0-034	273 signal-intelligence-gathering shipboard acquisition antennas.
2006			
2/13/06	10.2	FA8523-06-C-0003	ALQ-161A "tail warning function receiver" processor upgrade services.
5/16/06	25.2	N61331-06-D-0019	Depot-level repair & maintenance of airborne mine counter-measures systems.
8/18/06	18.7	FA8523-06-C-0035	267 PLM-4 radar signal simulators.
9/19/06	6.1	N68335-06-G-0016	Manufacture & delivery of 31 R-4100 chassis RF tuners.
9/27/06	10.2	FA8523-06-D-0009	Repair of six different LRUs in support of the ALQ-161A system.
9/29/06	9.5	N61331-06-D-0056	Development of a VSW-MN capability.
9/29/06	9.8	FA9200-06-D-0067	Sustaining engineering support for B-1.
11/3/06	13.3	N00019-05-C-0026	175 BRU-55/A aircraft bomb ejector racks.
12/22/06	248.0	SPM7MX-07-D-7006	Antennas for the U.S. Army, Air Force, Navy and Marines.
2007			
3/9/07	12.3	FA8523-07-C-0006	Digital RF memory upgrade for the ALQ-161A system.
3/15/07	10.7	N00019-05-C-0026	Procurement of 130 BRU-55/A aircraft bomb ejector racks.
4/6/07	88.0	N00024-07-C-6311	Production & support of up to 10,000 vehicle-mounted Counter RCIED Electronic Warfare (CREW) systems.
7/5/07	6.9	N68335-06-G-0016	Development, installation, upgrade & testing of the ALR-95 (V)X, for the P-3 aircraft Block Mod Upgrade Plus.
7/16/07	209.9	N00024-07-C-6311	Production & support of up to 3,000 vehicle-mounted Counter RCIED Electronic Warfare (CREW) systems.
8/3/07	43.9	FA8540-07-D-0004	Purchase of 491 PLM-4S radar signal simulators used to generate pulse- and scan-modulated RF signals on approxi-mately 25 aircraft platforms.
9/14/07	171.8	N00024-07-C-6311	Production & support of 2,250 Counter RCIED Electronic Warfare (CREW) systems.
9/17/07	10.0	N68335-D0-0-30	Procurement of six handheld aircraft wire testers & associated data.
10/19/07	95.2	N00024-07-C-6311	Production & support of 1,250 Counter RCIED Electronic Warfare (CREW) systems.

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