

For information:

Mike Brown

Tel: +44 (0)207 569 5517

mike.brown@raytheon.co.uk

Photographs and background information on ASTOR can be viewed and downloaded from:

http://www.raytheon.co.uk/press_publications/astor/index.htm?menu=astor_event

RAYTHEON OPENS NEW ASTOR FACILITY AT BROUGHTON

BROUGHTON, NORTH WALES, (7th March, 2003) - - - At a ceremony today at Raytheon Systems Limited's Broughton, North Wales site, the Rt. Hon. Lord Jones P.C. will formally open the company's new £3.5 million ASTOR facility. The event, hosted by Bob McIntyre, Managing Director of Raytheon Systems Limited, is being attended by a number of senior Government, Ministry of Defence and Raytheon personnel including Lord Bach, Minister for Defence Procurement, Sir Robert Walmsley, Chief of Defence Procurement, Tom Culligan, Chairman & CEO of Raytheon International, Inc., and Jack Kelble, President of Raytheon Space & Airborne Systems.

Raytheon Systems Limited (RSL), the prime contractor, won the Ministry of Defence's £800 million ASTOR (Airborne Stand Off Radar) programme in 1999. Broughton is to play a key role in the programme and will be undertaking the modification and systems integration of both the aircraft and ground stations.

The work necessary to prepare the Broughton site included modifying a 60,000 sq. ft. hangar and constructing an adjacent project management building, which will be used by both RSL employees and Ministry of Defence personnel working on the ASTOR programme. Broughton will be able to accommodate up to three Global Express aircraft at any one time.

Bob McIntyre said: "This is a tremendously important day for RSL and, in particular, for our Broughton site. ASTOR will provide the UK Armed Forces with a powerful new tool which will provide a key element of the UK's Network Enabled Capability." He added, "A

large number of people have helped make this day possible, not least the Rt. Hon. Lord Jones who has tirelessly supported Broughton's role in the ASTOR programme. I am delighted that he is able to perform the opening ceremony today."

The programme will entail considerable technology transfer from the US to the UK. Five Bombardier Global Express aircraft will be modified to carry the ASTOR mission system. The first is currently undergoing conversion and integration in Greenville, Texas. The remaining four, of which the first has now arrived at Broughton, will be modified in the UK over the next four years.

Raytheon Systems Limited, the UK-based subsidiary of Raytheon Company, employs around 1900 people throughout the country. RSL is a major supplier to the UK Ministry of Defence and apart from ASTOR has won programmes such as SIFF (Successor Identification Friend or Foe). RSL is also involved in bids for other programmes such as the RAF's Precision Guided Bomb. RSL also designs, develops and manufactures ATC radar, identification systems and anti-jam navigation systems. It has a software engineering facility and is a specialist supplier of power and control systems. The company also undertakes aircraft servicing and modification.

Raytheon Company (NYSE: RTN), with 2002 sales of \$16.8 billion, is an industry leader in defence, government and commercial electronics, space, information technology, technical services, and business and special mission aircraft. With headquarters in Lexington, Massachusetts, Raytheon employs more than 76,000 people worldwide.

- E N D -

Notes for editors:

ASTOR will provide the UK with one of the most sophisticated ground surveillance systems of its type in the world. Raytheon was awarded the £800 million contract in December 1999 and the programme draws on the company's extensive capability in advanced surveillance radar and systems integration work.

ASTOR utilises the Bombardier Global Express new-generation business jet as the radar platform to carry an enhanced version of Raytheon's well-proven dual-mode Synthetic Aperture/Moving Target Indication (SAR/MTI) ASARS2 radar. By operating at high altitude, and at considerable stand-off distances, the radar platform is able to remain over safe territory while providing an excellent "look-down" angle of the area of interest.

ASTOR will provide a highly effective 24-hour, all weather surveillance and target acquisition system. The SAR produces high resolution images of the terrain and static targets while the MTI can track moving targets including helicopters in flight. It is able to do this in both 'swath' (wide area) and 'spot' (narrow field of view) modes. The imagery can be exploited both on board the aircraft and on the ground. It is passed by secure data links to ground-based tactical and operational level command and control stations in near real-time for exploitation and dissemination for decision making and execution.

The ASTOR system includes five Global Express aircraft, six Tactical Ground Stations (each consisting of up to four vehicles) and two Operational Level Ground Stations.

An aerodynamically configured development aircraft has been used to validate the design. The first ASTOR aircraft is currently being modified and integrated with the ASTOR system in Greenville, Texas, and will be delivered to RSL Broughton for operational evaluation trials prior to delivery to the customer in 2005. Integration of the remaining four sets will be undertaken at Broughton.

Work on ASTOR's main operating base at RAF Waddington in Lincolnshire, which will house all of the maintenance, support and training facilities, is well underway.

Raytheon Systems Limited is also responsible for 10 years of full Contractor Logistic Support.

ASTOR is due to enter service in 2005 and the complete system will have been delivered by 2007.