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**RAYTHEON SYSTEMS LIMITED SELECTED TO UNDERTAKE THE UK's
JOINT EFFECTS TACTICAL TARGETING SYSTEM (JETTS)
ASSESSMENT PHASE**

(HARLOW, 29th July, 2004) - - - It was announced today that Raytheon Systems Limited (RSL) has been selected by the UK Ministry of Defence (MoD) to undertake the Assessment Phase of the Army's Joint Effects Tactical Targeting System (JETTS) digitization requirement. The value of the contract is anticipated to be some £10 million and with follow on for the Manufacture Phase of some £300 million.

The JETTS programme is a key part of the UK MoD's Network Enabled Capability (NEC) initiative and the digitization of UK Forces. NEC emphasises the integration of capabilities to allow the rapid and controlled delivery of precise military effect. The aim is to improve the operational capability in the Battlespace by enhancing the combat effects of tempo, simultaneity, surprise, tactical agility, lethality and survivability, all whilst reducing fratricide.

JETTS will provide the electronic toolset for staff at Headquarters, which will allow the management, co-ordination, integration and synchronisation of joint find and indirect fire delivery assets. Thus the effective and accurate delivery of Joint Indirect Effects will be achieved safely with increased efficiency and effectiveness and the Land Component Commander's (LCC) scheme of manoeuvre can be met with war winning improvements

Speaking after the announcement, Jack Cronin, RSL's Managing Director, said, "This is great news for Raytheon and in particular for the JETTS Team who have put so much effort into this bid. By building on both our UK and US digitization capabilities, our JETTS solution will provide the Army with a low risk, long-term and highly effective solution to effects management. As this will be a world leading capability we foresee excellent export

potential from RSL to the global market. This key win enhances the RSL strategy to become a key provider to the MoD's NEC initiative."

Hugh Pyper, manager of C4I at RSL, said: "Our JETTS solution has been developed to meet the requirements of the MoD's NEC programme whilst avoiding the usual risks associated with all-software development. Our JETTS solution has been extensively assessed by the MoD and we will be providing them with a long-term architecture that will give flexibility and growth potential. Our Team's bid brings a low risk solution that will allow incremental and spiral development".

JETTS is a joint programme between RSL in the UK and Raytheon Network Centric Systems (NCS) in the US. NCS will provide elements of the systems and software engineering, whilst RSL will carry out system and software engineering, integration and programme management.

Raytheon's JETTS Team also includes: SciSys in Chippenham, Wilts (software engineering), EDS in Hook, Hants (interfaces), GD(C4S) in the US (software), SCS in Henley, Surrey (Subject Matter Experts) and HFE Solutions in Fife (Human Factors).

It is anticipated that JETTS Capability Milestone One will enter service with the Army in 2007.

RSL, the UK-based subsidiary of Raytheon Company, employs over 1500 people. The company is a prime contractor and major supplier to the UK Ministry of Defence and is involved in numerous, high priority DoD programmes. RSL designs, develops and manufactures a range of high technology defence and commercial electronics.

Raytheon Company (NYSE: RTN), with 2003 sales of \$18.1 billion, is an industry leader in defence and government electronics, space, information technology, technical services, and business and special mission aircraft. With headquarters in Waltham, Massachusetts, Raytheon employs 78,000 people worldwide.

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