

Press Release

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MBDA INCORPORATED PURCHASES NORTHROP GRUMMAN'S VIPER STRIKE MUNITIONS BUSINESS IN HUNTSVILLE, ALABAMA

International guided weapons leader MBDA expands its footprint in the United States.

ARLINGTON, Virginia: MBDA Inc., the wholly owned U.S. subsidiary of missile manufacturer MBDA, has purchased Northrop Grumman Corporation's (NYSE: NOC) Viper Strike munitions business, located in Huntsville, AL. Terms of the agreement are not being disclosed.

The Viper Strike purchase is MBDA Inc.'s first acquisition in the U.S. and is part of the company's growth strategy. That strategy is based on a combination of acquisitions, organic growth, and partnerships with other U.S. prime contractors. The move will help position MBDA as a leading precision munitions firm in the U.S. and gives the company a stronger capability in the growing market to create and produce new weapons for unmanned aerial systems (UASs).

The Viper Strike Business Unit facilities, located in the City of Huntsville and on the US Army's Redstone Arsenal, will allow MBDA to design, build, and assemble complete precision-guided weapons in one location, as well as bring in new business to the MBDA Huntsville facilities.

Senator Richard Shelby of Alabama said, "I am pleased that MBDA will be joining the robust and growing Huntsville defense community. Viper Strike weapons have been a key asset for our troops in Iraq and Afghanistan and I am proud that they will continue to be produced in Alabama. MBDA's plan to grow the business going forward represents a strong vote of confidence in the Alabama workforce and is great news for the local economy."

Jerry Agee, CEO of MBDA Inc. said, "Acquiring the combat proven Viper Strike weapon system and facility allows us to take an important step in our strategy to research, design and produce the world's finest weapons that meet the current and future needs of U.S. armed forces. The Viper Strike line is a perfect addition to our portfolio and allows us entrée into the fast growing armed UAS business segment."

MBDA Inc. now owns two design, development, and manufacturing locations: the Huntsville, AL Viper Strike operating unit, and its original Westlake Village, CA operating unit.

Viper Strike is a low-collateral damage, precision guided weapon designed for both manned and unmanned aircraft. This 44-pound, covert glide weapon allows U.S. Army, U.S. Air Force, Special Forces, and U.S. Marine Corps aircraft to precisely engage targets in urban and complex terrain environments. It combines a GPS Inertial Navigation System and a Semi-Active Laser seeker to provide maximum operational flexibility.

MBDA's CEO, Antoine Bouvier stated, "This acquisition is a demonstration of our commitment to continue to grow in the US. We are excited by the opportunity this production facility provides us to continue to design, build and deliver first-class missiles to US armed forces. We now have over 60 missile systems fielded, in production, or in development and equip over 90 armed forces around the world. We can leverage the economies of scale of this wide customer base and product line to provide excellent missile systems, like Viper Strike, to the US warfighter."

This transaction has received all necessary US government regulatory approvals.

Notes to editors

With industrial facilities in four European countries and the US, in 2010 MBDA achieved a turnover of \$4 billion with an order book of \$15.5 billion. With more than 90 armed

forces customers in the world, MBDA is a world leader in missiles and missile systems. MBDA is the only group capable of designing and producing missiles and missile systems that correspond to the full range of current and future operational needs of land, sea, and air forces. In total, the group offers a range of 45 missile systems and countermeasures products already in operational service and more than 15 others currently in development. MBDA is jointly held by BAE SYSTEMS (37.5%), EADS (37.5%) and FINMECCANICA (25%).

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