

News

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BAE SYSTEMS RECEIVES \$143.1 MILLION CONTRACT MODIFICATION TO REMANUFACTURE AND UPGRADE HERCULES VEHICLES

YORK, Pa. -- BAE Systems has been awarded a contract modification worth \$143.1 million from the U.S. Army Tank-Automotive and Armaments Command (TACOM) to remanufacture and upgrade 59 M88A2 HERCULES Improved Recovery vehicles, and provide system technical support and spares.

Under the contract modification, BAE Systems will remanufacture and upgrade 53 Vehicles for the Army and six vehicles for the U.S. Marine Corps.

"HERCULES is the most cost-effective system in the world designed for safely recovering 70-ton main battle tanks. The improved power, winch capability, steering and braking make the recovery mission safer and easier for soldiers and Marines," said John G. Tile, BAE Systems' program director for Recovery Systems.

HERCULES provides unparalleled capability for recovering today's 70-ton combat vehicles and answers the need for cost-effective, self-supporting heavy recovery performance. Key upgrades from the M88A1 include improved power-assisted braking, improved steering, improved electrical system and increased engine horsepower, providing soldiers and Marines with 25 percent more towing muscle, 40 percent more lifting strength and 55 percent more winching power in meeting any mission requirement.

Under the contract, BAE Systems will deliver vehicles to the Army and Marine Corps beginning in August 2006 and continuing through November 2007. The vehicles will be remanufactured from existing M88A1 vehicles selected for upgrade. Following vehicle teardown at the Anniston Army Depot in Anniston, Ala., BAE Systems will remanufacture, assemble and test vehicles at the company's facility in York, Pa., with support from its Aiken, S.C. plant.

With headquarters in Arlington, Va., BAE Systems Land & Armaments is a transatlantic weapons systems manufacturer and systems integrator and a global leader in the design, development, production and service support of armored combat vehicles, major and minor caliber naval guns and missile launchers, canisters, artillery systems and intelligent munitions. BAE Systems Land & Armaments employs 11,000 people at more than 30 locations in the U.S., U.K., Sweden and South Africa.

About BAE Systems:

BAE Systems is an international company engaged in the development, delivery, and support of advanced defense and aerospace systems in the air, on land, at sea, and in space. The company designs, manufactures, and supports military aircraft, combat vehicles, surface ships, submarines, radar, avionics, communications, electronics, and guided weapon systems. It is a pioneer in technology with a heritage stretching back hundreds of years and is at the forefront of innovation, working to develop the next generation of intelligent defense systems. BAE Systems has major operations across five continents and customers in some 130 countries. The company employs nearly 100,000 people and generates annual sales of approximately \$25 billion through its wholly owned and joint-venture operations.

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