2012 Annual Meeting of Shareholders
April 24, 2012

Michael T. Strianese
Chairman, President
and Chief Executive Officer
SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Except For Historical Information Contained Herein, The Matters Set Forth In This Presentation Are Forward-Looking Statements. Statements That Are Predictive In Nature, That Depend Upon Or Refer To Events Or Conditions Or That Include Words Such As Expects, Anticipates, Intends, Plans, Believes, Estimates And Similar Expressions Are Forward-Looking Statements. The Forward-Looking Statements Set Forth Above Involve A Number Of Risks And Uncertainties That Could Cause Actual Results To Differ Materially From Any Such Statement, Including The Risks And Uncertainties Discussed In The Company’s Safe Harbor Compliance Statement For Forward-Looking Statements Included At the End Of This Presentation and In The Company’s Recent Filings, Including Forms 10-K And 10-Q, With The Securities And Exchange Commission. The Forward-Looking Statements Speak Only As Of The Date Made, And The Company Undertakes No Obligation To Update These Forward-Looking Statements.
L-3

- Leader in mission critical products and solutions
- National Assets / enabling technologies - Comms, ISR, Sensors…
- Delivering innovation and program excellence to our customers
- Diverse platform / program base
- Shareholder focused

Leading solutions in critical markets to drive shareholder value
2011 Highlights: Solid Performance

- 2011 Sales of $15.2B
- ISR continued to lead growth
- EPS growth 8% vs. 2010*
- Returned $1.1B of free cash flow to shareholders…7th consecutive annual dividend increase
- Announced planned Engility spin-off to strengthen both companies
- Continued investment in R&D, technology and new products

Disciplined Execution
On-time, On-budget Performance

* Excludes debt retirement charges and 4Q11 Items
Small Manned ISR Aircraft

- **Project Liberty**
- **Constant Hawk**
- **Army ISR**
- **Technology Upgrade Roadmap**

- **Near-Term Growth**
- **Low-cost, export variant with significant international interest**

- **South Africa**
- **Saudi Arabia**
Hawklink and ROVER 6

- Hawklink provides secure high-speed communications for U.S. Navy
- ROVER 6 supports manned and unmanned ISR platforms such as Predator, Raven, Global Hawk
- Transforms sensor-to-shooter networking by increasing collaboration and interoperability
Night Vision Technology & HD EO/IR Sensors

• L-3 is a leader in night vision and EO/IR sensors technologies

• Enhanced Night Vision Goggles (ENVG) - - Army’s premier night vision program

• MX-15D is a turreted electro-optic/infrared imaging and laser rangefinding/designating system

• DoD Priority Areas
U.K. AIRSEEKER & IBS

AIRSEEKER
• Anticipating first delivery December 2013
  – UK version of U.S. Rivet Joint program
• UK crews and support personnel in training

Integrated Broadcast Service (IBS) Program
• L-3 is prime contractor
• High priority U.K. Intelligence Secure Communications System
• L-3 is providing advanced satellite and computer technology

On-budget, ahead of schedule performance
ProVision ATD

• Currently upgrading existing systems to the image-free ATD configuration

• Strong international demand in Europe, Australia, the Middle East and Asia Pacific

• 900 systems in use or on order worldwide
Business Segments: Proven Expertise and Versatility

C³ISR
Products & services for the global ISR market, specializing in signals & communications intelligence systems

Electronic Systems
Broad range of innovative products including components, subsystems, and systems & related services

AM&M
Aircraft and aerostructure modernization, upgrades, sustainment, maintenance & logistics support services

National Security Solutions
High performance computing, cyber, analytics, IT and intelligence services and solutions
C³ISR - Delivering Solid Growth

- Leading prime contractor in DoD priority areas
- Pull-through opportunities for Electronic Systems and AM&M
- Growing adjacent networked communication markets
- Expanding leadership positions with leading-edge technology
- Growing international business for small and large ISR aircraft

National Asset in Secure Communications and Integrating Airborne Sensor Systems
Electronic Systems - Innovative Solutions

- Diverse products and customers with solid growth prospects
- Several #1 or #2 market positions
- 37% of sales from commercial and international customers
- Increasing collaboration among business units
- Building and strengthening business areas…expanding addressable markets
- Leveraging advanced technologies and agility to increase market share

Market-leading positions across product lines
Platform Systems

- Leverage combined design, engineering and manufacturing strengths for unique customer requirements
- Strong collaboration with C³ISR
- Significant reset and life-extension opportunities in current environment

Logistics Support

- Aftermarket capability for ISR platforms
- Maintenance / support for training and other platforms
- Pursue adjacent market - fixed-wing transport, training aircraft, international
• Cyber and Intelligence are attractive growth areas

• Applying L-3 proprietary solutions to build NSS discriminators

• Extending capabilities through collaborative research partnerships with MIT, University of Maryland and Virginia Tech
Clear Plan to Drive Growth

DELIVER OUTSTANDING PERFORMANCE

• Expand strong positions in C³ISR, Electronic Systems and AM&M
  – Gain market share
  – Pursue adjacent market opportunities

SUPPLEMENT GROWTH WITH ACQUISITIONS

• Disciplined approach to:
  – Enhance core businesses
  – Expand addressable markets
  – Extend technology capability

CONTINUE OPERATIONAL EFFICIENCY

• Focus on value added products and proprietary technologies
• Proactively manage costs and right-size businesses

MAINTAIN FINANCIAL DISCIPLINE

• Grow EPS and cash flow per share
• Allocate capital to provide returns for investors
Driving Performance

Program Success

- Innovation & Affordability
- Program Performance
- Agility
- Expertise/Capabilities
- Critical Technologies
- Understanding Customers
Broadening Capabilities Through Strategic Acquisitions

Enhancing Core Businesses
• Kollmorgen Electro-Optical (KEO) 2/6/12 - $205M
  – Capturing national asset in electro-optical / infrared (EO/IR) naval market
  – High-priority DoD budget area

Expanding Addressable Markets
• Thales Civil Simulation - announced on 4/11/12 - $130M
  – Diversify market-leading military business in simulation & training into growing civil market
  – Add full flight simulator capabilities

Extending Technology Capabilities
• Acquired comm. waveform and nuclear detection technologies to enhance existing products

Disciplined Acquisitions Enhance Core Businesses and Grow Commercial / International Markets
Engility: Creating and Unlocking Value

• Anticipating the changing defense environment
• Spin-off of Engility positions both L-3 and Engility to succeed as stand-alone businesses
• Engility will be one of the largest independent Government Services providers
  – Leader in SETA, Training and Operational Support Services
  – Unencumbered by OCI constraints
  – More effectively pursue opportunities with a cost efficient streamlined operating structure
• L-3 will sharpen its focus on building its value added products and solutions businesses

Tax-free Engility Spin-off Will Return Additional Value to Shareholders
Delivering Value to Our Shareholders

Strong Operating Performance
- Operating Margins
  - Solid Margins reflecting Strong Market Positions
- Cash Flow Yield (FCF /NI)
  - High Quality Earnings delivering Strong Cash Flow

Disciplined Approach to Capital Deployment
- Stock Repurchases
  - Repurchased 45 million shares the last 5 years, reducing diluted shares outstanding 16%
- Dividend Growth
  - Increased Dividend 7 Consecutive Years

Strong Operating Performance + Management’s Capital Discipline = Delivering Value to Our Shareholders
L-3 is Strongly Positioned

- Expanding positions to gain market share
  - addressing customer needs
  - leveraging excellent customer relationships
  - pursuing adjacent markets

- Driving growth through well-positioned, value-added products, systems and solutions

- Prudently allocating capital to achieve business objectives and reward shareholders

- Delivering strong free cash flow and record diluted EPS

- Funded backlog of over $10.7B

- Highly experienced and agile team
Questions?