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General Dynamics Awarded \$464M Contract to Build New DDG 51-Class Destroyer

BATH, Maine – The U.S. Navy today awarded a \$464 million contract to Bath Iron Works, a unit of General Dynamics (NYSE: GD), to build DDG 102, an Arleigh Burke (DDG 51) Class destroyer. Bath Iron Works is the lead designer and builder of the DDG 51-class destroyers.

DDG 102 had previously been awarded to Northrop Grumman Ingalls Shipbuilding, but has now been awarded to Bath Iron Works as part of a new seven-ship DDG multiyear contract for Bath Iron Works over the 2002-2005 timeframe. The contract award is part of an exchange of DDGs and LPD amphibious ships between the two shipyards announced by the U.S. Navy on June 17, 2002, to focus efficiencies in both programs and promote shipyard stability with the addition of ships at both yards. Prior to the award, Bath Iron Works had a backlog of seven DDG 51-class destroyers.

Bath Iron Works of Bath, Maine, a leader in surface combatant design and construction, employs 6,700 people. It is a subsidiary of General Dynamics, headquartered in Falls Church, Virginia. General Dynamics employs approximately 54,000 people worldwide and anticipates 2002 revenues of approximately \$14 billion. The company has leading market positions in land and amphibious combat systems, mission-critical information systems and technologies, shipbuilding and marine systems, and business aviation. More information about General Dynamics can be found on the worldwide web at www.generaldynamics.com.

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