

September 16, 2002
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General Dynamics Awarded \$3.2 Billion Contract to Construct Six New DDG 51-Class Destroyers

BATH, Maine – The U.S. Navy, Friday, September 13, 2002, awarded a \$3.2 billion contract modification to Bath Iron Works, a unit of General Dynamics (NYSE: GD), for the construction of six new DDG 51-Class AEGIS Destroyers. Bath Iron Works is the lead designer and builder of the DDG 51-Class Destroyers.

The six ships complete the seven-ship DDG multiyear contract for BIW over the 2002-2005 timeframe. The six ships are DDG 104, DDG 106, DDG 108, DDG 109, DDG 111 and DDG 112. The last ship of the award, DDG 112, is scheduled for delivery to the U.S. Navy in December 2010. This award brings Bath Iron Works' total backlog to 14 DDG 51-Class Destroyers.

The contract award is related to an exchange of DDGs and LPDs between Bath Iron Works and Ingalls Shipbuilding announced by the U.S. Navy on June 17, 2002 to increase program efficiencies in both programs and promote shipyard stability.

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GENERAL DYNAMICS

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.