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Bath Iron Works Awarded \$21 Million Contract for Lead Yard Services on the DDG 51 class AEGIS Destroyer Program

BATH, Maine – The U.S. Navy has awarded Bath Iron Works, a subsidiary of General Dynamics (NYSE: GD), a \$20.7 million contract to provide ongoing Lead Yard Services for the DDG 51 Arleigh Burke class AEGIS destroyer program. This option-year exercise modifies a contract initially awarded in November, 2005 and extends the period of performance through June 30, 2009.

BIW has provided program management, engineering and design support for DDG 51 Arleigh Burke class ships under the Lead Yard Services program since 1987, supplying technical assistance in the interpretation and application of the detailed design developed by BIW, the lead shipyard for the class. Work associated with the DDG Modernization program, which will reduce operating costs by reducing the crew size on a DDG through system automation, will also continue under this contract modification.

Bath Iron Works, a leader in surface combatant design and construction, employs approximately 5,900 people. Since 1991, BIW has manufactured and delivered 29 Arleigh Burke class destroyers, the most technologically advanced surface combatant in the world, to the U.S. Navy. Five additional ships are currently under construction for delivery by 2011.

General Dynamics, headquartered in Falls Church, Va., employs approximately 84,000 people worldwide and reported 2007 revenues of \$27.2 billion. The company has leading market positions in mission critical information systems and technologies, land and amphibious combat systems, shipbuilding and marine systems, and business aviation. More information about the company is available on the Internet at www.generaldynamics.com.

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