

Defense Security Cooperation Agency NEWS RELEASE

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Saudi Arabia – Remanufacture and Upgrade of AH-64A to AH-64D Apache Helicopters

Washington, July 28, 2006 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Saudi Arabia of the remanufacture and upgrade of AH-64A to AH-64D Apache helicopters as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$400 million.

The Government of Saudi Arabia has requested a possible sale of the remanufacture and upgrade of 12 AH-64A APACHE attack helicopters to AH-64D configuration, 10 spare T-700-GE-701A engines converted to T-700-GE-701D models, Modernized Targeting Acquisition and Designation Systems, spare and repair parts, communications equipment, support equipment, simulators, quality assurance teams, chemical masks, tools and test sets, chaff dispensers, Integrated Helmet and Display Sight Systems, electronic equipment, test facility spares, publications, Quality Assurance Teams service, personnel training and training equipment, U.S. Government and contractor technical support and other related elements of logistics support. The estimated cost is \$400 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been and continues to be an important force for political stability and economic progress in the Middle East.

Saudi Arabia will use the AH-64D in the same manner as they are currently using their AH-64A models. Their focus is on national security, protecting their borders and oil infrastructure. The resulting effect will be more advanced targeting and engagement capabilities. The proposed sale will upgrade the Saudi antiarmor day/night missile capability, provide for the defense of vital installations, and provide close air support for the military ground forces. Saudi Arabia will have no difficulty absorbing these helicopters into its armed forces.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be:

Boeing Corporation of Mesa, Arizona General Electric Company of Fairfield, Connecticut Lockheed Martin Corporation of Palmdale, California

There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of up to 10 U.S. Government and contractor representatives required in-country to support the fielding and maintenance of the aircraft.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

This notice of a potential sale is required by law; it does not mean that the sale has been concluded.