

Defense Security Cooperation Agency NEWS RELEASE

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Brazil – Integrated Combat System

WASHINGTON, August 3, 2007 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Brazil of Integrated Combat Systems for submarines as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$58 million.

The Government of Brazil has requested a possible sale of Integrated Combat Systems for five (5) submarines and one (1) shore-based training facility. The Integrated Combat System is the Lockheed Martin Corporation's integrated submarine sensor, which includes fire control weapons control suites. Also requested are software and systems integration to interface the Integrated Combat System with the MK-48 AT torpedoes, weapon system software, support equipment, spare and repair parts, publications and technical data, training, contractor engineering and technical support services, and other related elements of logistics support. The estimated cost is \$58 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 South America.

The proposed sale will further build the capacity of the Brazilian Armed Forces by improving the capabilities of its TUPI and TIKUNA class submarines as well as the shore-based training facility. The proposed sale of this equipment and support will not affect the basic military balance in the region.

The principal contractor will be: Lockheed Martin of Manassas, Virginia. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale does not require the assignment of contractor/U.S. Government representatives to Brazil.

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.

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