

Northrop Grumman Statement on the RQ-4 Global Hawk Program June 18, 2010

Northrop Grumman informed the Air Force of overall cost reductions on Global Hawk's block 20, 30 and 40 systems and the associated payloads, including the enhanced integrated sensor suite (EISS), advanced signals intelligence payload (ASIP) and the Multi-Platform Radar Technology Insertion Program (MP-RTIP) radar. While there have been cost spikes within production lots due to the quantity procured within each lot, overall cost of the air vehicle and the sensors is trending down, as the company predicted and expected. Additional cost reductions have been identified by the company and will be evaluated for suitability.

Northrop Grumman and its industry teammates have committed to a 60-day turnaround from receipt of RFP to submittal of proposal. We are committed to streamlining the contracting process to expedite Global Hawk deliveries to the warfighter. We are achieving these goals by collaborating closely with the contracting agency at Aeronautical Systems Center and with the strong support of our industry team.

Northrop Grumman has addressed with the Air Force the Global Hawk block 10 LRU repair turnaround time. Several initiatives have been implemented to improve repair turnaround time. The sensor supplier has increased work shifts to expedite repairs and recently Northrop Grumman received a contract to develop and implement a dedicated interim repair line to expedite field repairs. In addition, government and contractor personnel are making repairs in theater when appropriate in order to return the system to full operational use as quickly as possible. The increased number repairs is directly attributable to increased use of Global Hawk in theater. Four aircraft—three Air Force and one Navy—are collecting much needed ISR information 7/24. This increased performance exceeds original planned flight profiles for the Air Force program. Northrop Grumman remains committed to providing this support for the warfighter's urgent operational needs.

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