

General Dynamics Awarded \$18 Billion by U.S. Navy for 10 Virginia-Class Submarines

GROTON, Conn. – The U.S. Navy today underscored its commitment to an advanced and adaptable submarine force by awarding General Dynamics Electric Boat a contract valued at \$17.6 billion for the construction of 10 additional Virginia-class submarines. Electric Boat is a wholly owned subsidiary of General Dynamics (NYSE: GD).

The multi-year Block IV contract enables Electric Boat and its industry teammate, Newport News Shipbuilding, to proceed with the construction of two ships per year over a five-year period. Construction of the first Block IV submarine, SSN-792, will begin May 1. The 10th ship to be procured under this contract is scheduled for delivery in 2023.

Virginia-class submarines are designed from the keel up for the full range of 21st century mission requirements, including anti-submarine and surface ship warfare and special operations support. These submarines excel in littoral and open-ocean environments and collect intelligence critical to irregular warfare efforts with advanced intelligence, surveillance and reconnaissance capabilities. Unobtrusive, non-provocative and connected with land, air, sea and space-based assets, these versatile and powerful vessels are a core component of the Navy fleet and support national security interests.

Ships of the Virginia class exemplify the commitment by the Navy and industry to reduce costs without decreasing capabilities through a multi-year procurement strategy, continuous improvements in construction practices and cost-reduction design changes.

GENERAL DYNAMICS

Electric Boat

“This award has great significance for the U.S. Navy, our company and the entire submarine industrial base,” said Jeffrey S. Geiger, president of Electric Boat. “By continuing to produce two ships per year, the Navy and industry team retains the stability required to achieve increased efficiencies, providing the fleet with the submarines it needs to sustain the nation’s undersea dominance.”

“This is the largest number of boats ordered to date in a single contract block, which is great news – particularly in light of today’s challenging economic and political environments,” said Newport News Shipbuilding President Matt Mulherin. “The Virginia-class program has already proven itself to be one of the best, if not the best, performing shipbuilding programs in the country and we look forward to continuing our important role in building these submarines.”

Electric Boat and Newport News Shipbuilding already have delivered 10 Virginia-class submarines to the Navy: USS Virginia (SSN-774), USS Texas (SSN-775), USS Hawaii (SSN-776), USS North Carolina (SSN-777), USS New Hampshire (SSN-778), USS New Mexico (SSN-779), USS Missouri (SSN-780), USS California (SSN-781), USS Mississippi (SSN-782) and USS Minnesota (SSN-783). Eight additional submarines are under construction.

Virginia-class submarines displace 7,800 tons, with a hull length of 377 feet and a diameter of 34 feet. They are capable of speeds in excess of 25 knots and can dive to a depth greater than 800 feet, while carrying Mark 48 advanced capability torpedoes, Tomahawk land-attack missiles and unmanned underwater vehicles.

General Dynamics Electric Boat has established standards of excellence in the design, construction and lifecycle support of U.S. Navy submarines. In its position as an industry leader, Electric Boat remains committed to advancing its technical strengths, while providing the business expertise to effectively manage the challenges of nuclear-submarine production. The company’s two primary locations are in Groton and Quonset Point, R.I. Its current workforce is approximately 12,000 employees. For more information about Electric Boat, please visit www.gdeb.com.

For more information about General Dynamics, please visit www.generaldynamics.com.

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