

2015 Investor Conference

Company Overview

December 8, 2015

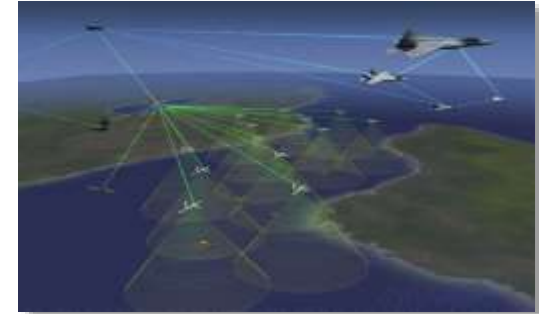
Michael T. Strianese
Chairman and
Chief Executive Officer

This presentation consists of L-3 Communications Corporation general capabilities and administrative information that does not contain controlled technical data as defined within the International Traffic in Arms (ITAR) Part 120.10 or Export Administration Regulations (EAR) Part 734.7-11.



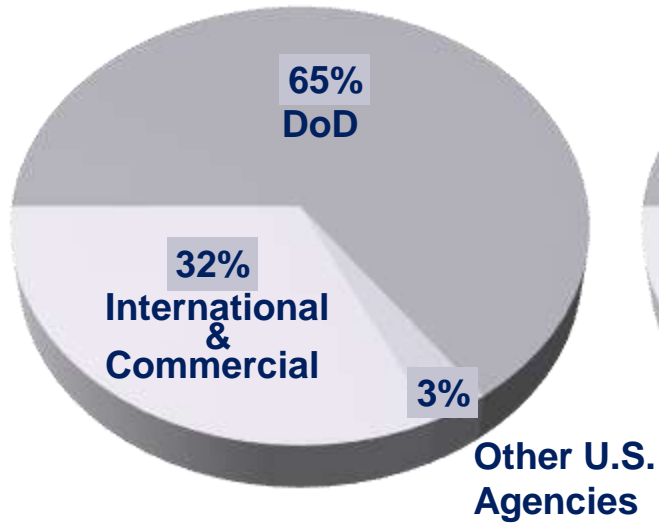
L-3 at a Glance

- Leading positions in select aerospace and defense markets
- Prime contractor: ISR systems, aircraft sustainment, training & simulation, night vision
- Supplier: electronic and communication systems
- Strengths:
 - broad/diverse technologies, contracts
 - efficient capital structure
 - high earnings-to-cash flow conversion
- Strategic objectives:
 - strengthen portfolio
 - expand operating margins
 - return top-line to growth

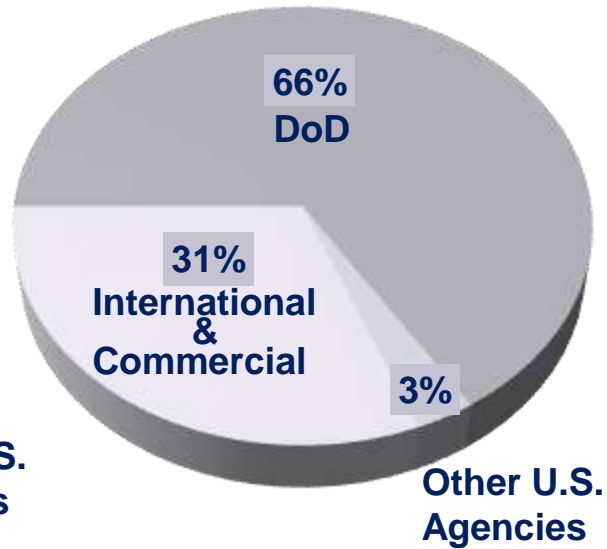


End Customer Sales Trends

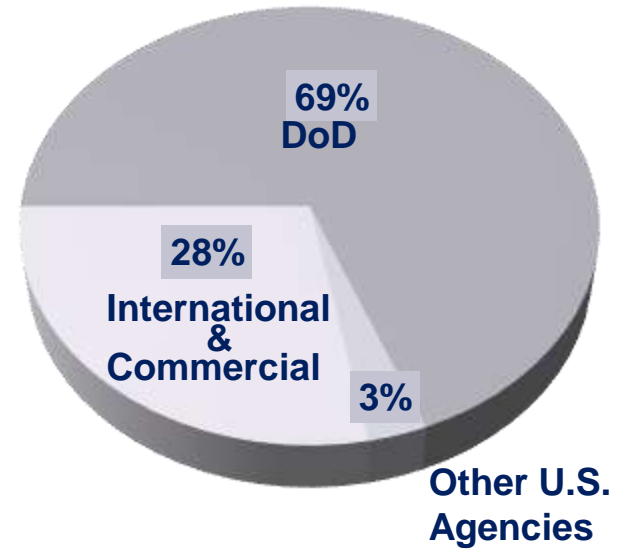
2014



2015 Estimate



2016 Estimate



Favorable Outlook in U.S. Government Markets

- Geopolitical threats escalating
- Fiscal deficit improving
- DoD budget growth resumes in FY16
 - BBA 2.0 reduces sequester cuts, sets budgets for FY16-17, raises OCO funding
 - Budget constraints and BBP remain
- View that defense has been underfunded, thus impacting readiness and overall U.S. technology advantages - - impact of years of neglect seem apparent, political views seem to be changing
- Market share opportunities... especially in USG classified



Select DoD Awards

- **Classified**
 - **Communication System for multiple agencies - - \$260 million**
- **Gray Eagle**
 - **UAV communication systems - - \$90 million**
- **Manned UnManned Teaming eXpanded (MUMT-X)**
 - **Upgrade communication data link between Apache and UAVs: Initial award \$11 million with \$400 million follow-on potential**
- **EMARSS - Geospatial (G)**
 - **Enhanced sensors for Constant Hawk and TACOP aircraft - - \$48 million**
- **EMARSS - Multi-Int (M)**
 - **Prototype development contract for ISR aircraft - - \$32 million**
- **U.S. Coast Guard C-130J**
 - **Missionization of two C-130J aircraft - - \$93 million**



Attractive International & Commercial Opportunities

- **International - - large addressable market**
 - **Increased marketing & selling efforts**
 - **Key growth areas:**
 - **ISR systems, simulators, communication systems, night vision, sensors**
 - **Business lumpiness in expected long-term growth areas**
- **Commercial - - favorable fundamentals**
 - **Key growth product areas:**
 - **Aviation products, security screening, and training & simulation**

Select International & Commercial Wins

- **Australian Very Small Aperture Terminals (VSATs)**
 - Production of 1.2 & 2.0 meter Manpacks - - \$90 million
- **Japanese Coast Guard Surveillance Aircraft**
 - Installation of Mission Systems - - \$60 million
- **Hainan Airlines Trainers**
 - Full Flight Simulators (FFS) for B787 and A320 - - \$40 million
- **Singapore Airport Security**
 - Baggage screening systems for Changi Airport Group - - \$30 million
- **Canadian Navy Arctic Offshore Patrol Cutter**
 - On-board communication systems - - \$30 million

Disciplined Capital Allocation

Internal investment in organic growth, IRAD & CapX

Return to shareholders

Reduce debt to maintain investment grade rating

M&A to build out portfolio

Select R&D Investments



Mission Based Modeling & Simulation



Steerable Arrays



Low Observables



Conformal Arrays

Advanced Apertures



Small Unmanned Systems



EW System of Systems
ELECTRONIC WARFARE



Intelligent Radar Systems



Distributed ISR

C4ISR



LASER Communications

AUTONOMY



Small Sats



Ground Stations

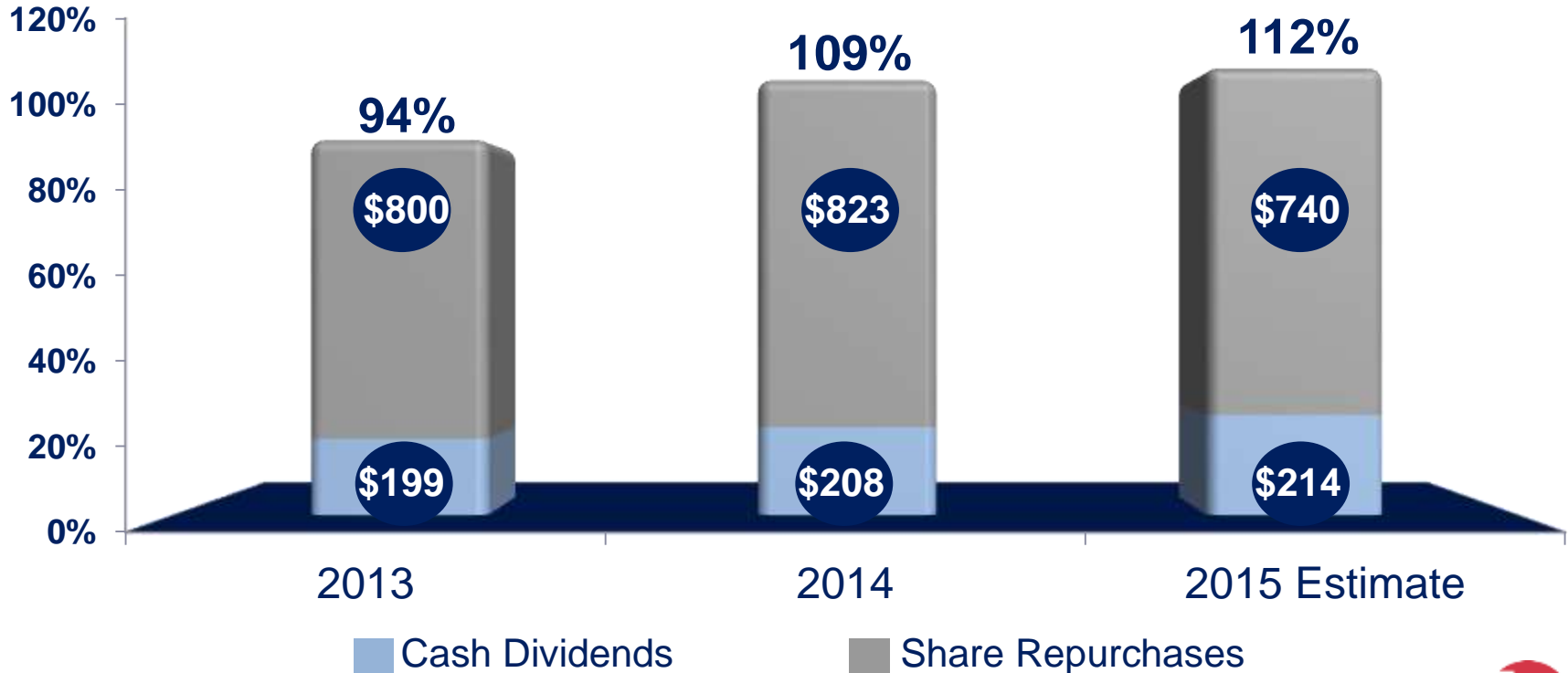


Advanced Sensors

SPACE

Cash Flow Returned to Shareholders

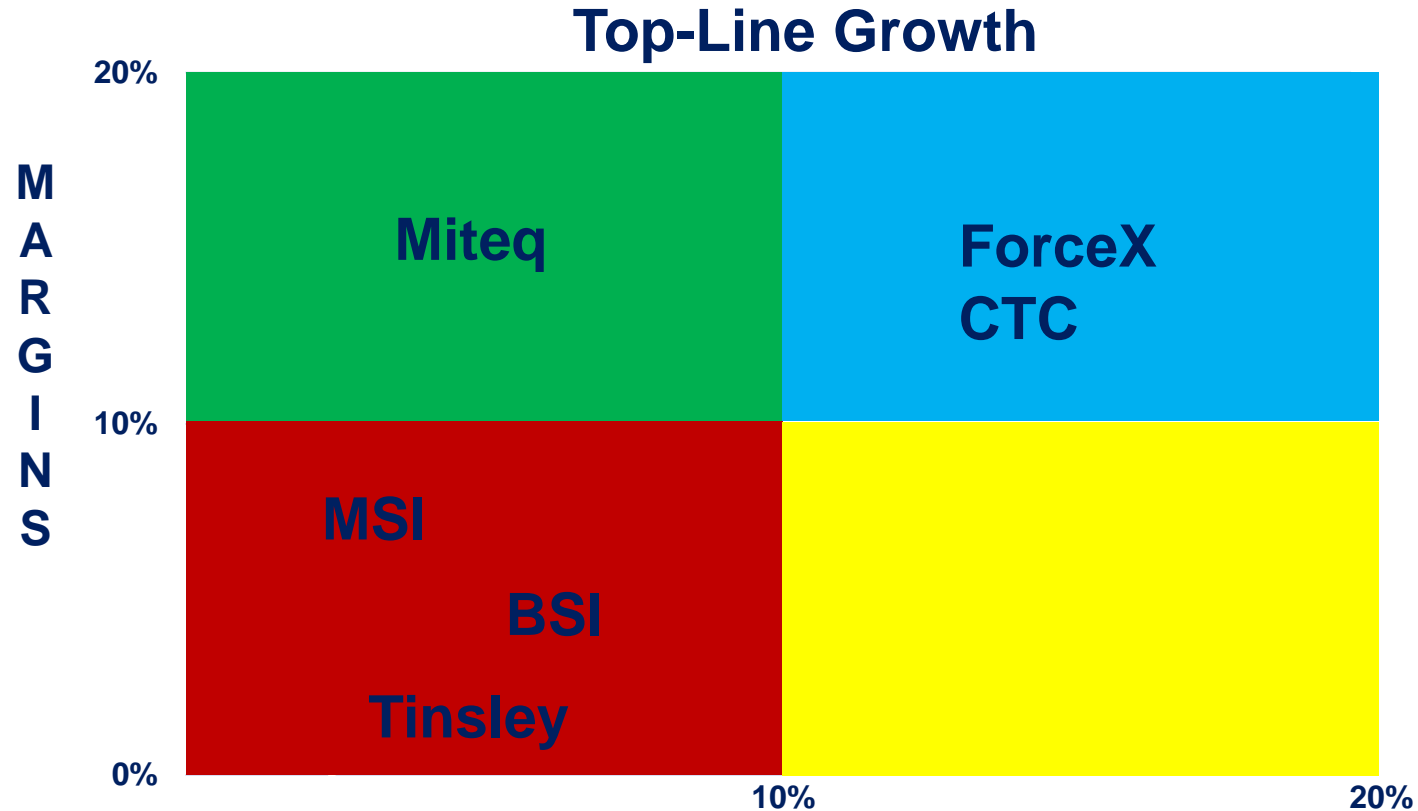
(\$ in Millions)



Portfolio Shaping

- **Focusing on Electronic Systems, ISR Systems, Communication Systems**
- **Repositioning capital**
 - **Divestitures: MSI, BSI and NSS (low margin/low growth)**
 - **Acquisitions: CTC, ForceX and Miteq (high margin/high growth)**
- **Improving top-line growth and margin expansion profile**

Portfolio Shaping Objectives



L-3 Positioned for Growth

- **Focusing on margin expansion, top-line growth and re-positioning portfolio**
- **R&D well-aligned with DoD priority areas**
- **Portfolio focus on areas where L-3 has significant leadership positions - - Electronics, Communication Systems, ISR**
- **Solid free cash flow + disciplined capital allocation**



