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News Release

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Raytheon Aerospace Acquires Virginia Based Company

Newport News, Va., based Flight International specializes in military mission flight testing

MADISON, Miss. (December 17, 2002)—Raytheon Aerospace has acquired Flight International, Inc. and affiliated companies. With the acquisition, Flight International (Flight) becomes Flight International Aviation LLC, a wholly-owned subsidiary of Raytheon Aerospace LLC.

Flight International is an aviation services company, focused on special mission flight-testing, threat-simulation and training operations. Although Raytheon Aerospace and Flight share the same primary customer, the U.S. Department of Defense, the two companies do not compete in the same service areas. Flight has 281 employees, including 75 pilots.

“Flight International favorably complements our core business base and strategic goals,” says Dan Grafton, Raytheon Aerospace President and CEO. “Both companies owe our successes and market position to a stable, loyal and competent workforce,” he says.

Flight will remain based in Virginia and retain its current management, led by President David Sandlin. “David Sandlin leads a great team at Flight International – the company is healthy, well-managed and well-positioned. Our goal is for Flight to retain much of its identity and autonomy,” Grafton says, adding, “However, we look forward to many synergies and cooperative ventures that will stem from this acquisition.” Sandlin will report directly to Grafton.

Sandlin states, “We at Flight International are pleased to join the Raytheon Aerospace team. We feel we have accomplished a great deal in the past few years, but we very much look forward to expanding our expectations and horizons under Raytheon Aerospace leadership.”

Flight was founded in 1976 as an airline training school. Its current core business includes threat simulation, shipboard electronic warfare training, air warfare equipment calibration, air-to-air and surface-to-air gunnery practice, airborne test platforms, aerial refueling operations, airborne parachute training, a variety of aircraft component overhaul and repair services, depot

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services, and general aviation charter services. Flight is a FAA Part 135 Air Carrier operating 46 aircraft -- including Learjets, turbo-props and light aircraft. Flight supports U.S. and other government agencies worldwide, as well as commercial general aviation operators.

Raytheon Aerospace LLC oversees and manages more than 1,800 aircraft and other equipment at 319 sites worldwide, providing contract maintenance and training support for military, government and commercial customers. With the Flight International acquisition, Raytheon Aerospace now has a total of 5,780 employees, with 475 in its Madison, Mississippi home office. Raytheon Aerospace LLC is a portfolio company of The Veritas Capital Fund, a private equity investment firm based in New York.