



Defense Security Cooperation Agency  
**NEWS RELEASE**

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Date: 29 June 2005

Transmittal No. 05-23

## **Japan - SM-3 Block IA Standard Missiles**

On 29 June 2005, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Japan of nine SM-3 Block IA Standard missiles with MK 21 Mod 2 canisters, as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$387 million.

The Government of Japan has requested a possible sale of nine SM-3 Block IA Standard missiles with MK 21 Mod 2 canisters, Ballistic Missile Defense (BMD) upgrades to one AEGIS Weapon System, AEGIS BMD Vertical Launch System ORDALTs, containers, spare and repair parts, publications, documentation, supply support, U.S. Government and contractor technical assistance and other related elements of logistics support. The estimated cost is \$387 million.

We previously notified transmittal number 04-06 to Congress on 5 May 2004 for the possible sale of nine SM-3 Block IA Standard missiles with MK 21 Mod 2 canisters, Ballistic Missile Defense (BMD) upgrades to one AEGIS Weapon System, AEGIS BMD Vertical Launch System ORDALTs and logistics support for an estimated value of \$725 million.

Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key ally of the United States in ensuring the peace and stability of that region. It is vital to the U.S. national interest to assist Japan to develop and maintain a strong and ready self-defense capability, which will contribute to an acceptable military balance in the area. This proposed sale is consistent with these U.S. objectives and with the 1960 Treaty of Mutual Cooperation and Security.

Japan's agreement to provide fuel/logistics to U.S. and allied ships supporting Operation Enduring Freedom and its deployment of an AEGIS destroyer to the Indian Ocean have focused new obligations on the Japan Self Defense Forces (JSDF). The Japan Maritime Self Defense Forces (JMSDF) has four AEGIS destroyers operating with SM-2 missiles at sea; the fifth and sixth AEGIS destroyers are under construction. Although comparable weapons are not currently deployed in Northeast Asia, the proposed sale of SM-3 missiles and BMD upgrades to the AEGIS Weapon System will not significantly alter the existing military balance in the region as the proposed sale enhances only defensive capabilities. The JMSDF is fully capable of integrating the modified AEGIS Weapon System and SM-3 Block IA into its operational forces and will receive data sufficient to maintain and support the systems.

The AEGIS Weapon System and Standard missiles will be used on JMSDF ships and will provide, in concert with JSDF PAC-3 Patriot missiles, the initial ballistic missile defense for mainland Japan. Japan already has the upgraded AEGIS Weapon System and SM-3 Block IA Standard missiles in its inventory and will have no difficulty absorbing the additional upgraded Weapon System and missiles.

The principal contractors will be:

Lockheed-Martin Maritime System and Sensors  
Raytheon Company, Equipment Division  
United Defense

Moorestown, New Jersey  
Andover, Massachusetts  
Minneapolis, Minnesota

There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any U.S. Government and contractor representatives to Japan.

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.