



Defense Security Cooperation Agency
NEWS RELEASE

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Japan - SM-2 Block IIIB STANDARD Missiles

Washington, June 5, 2006 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Japan of SM-2 Block IIIB STANDARD Missiles as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$70 million.

The Government of Japan has requested a possible sale for 20 SM-2 Block IIIB Tactical STANDARD missiles with MK 13 MOD 0 canisters; 24 SM-2 Block IIIB Telemetry STANDARD missiles with MK 13 MOD 0 canisters and AN/DKT-71A telemeters; conversion kits; containers; spare and repair parts; supply support; U.S. Government and contractor technical assistance and other related elements of logistics support. The estimated cost is \$70 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 this region. The U.S. Government shares bases and facilities in Japan. It is vital to the U.S. national interest to assist Japan to develop and maintain a strong and ready self-defense capability. This proposed sale is consistent with these U.S. objectives and with the 1960 Treaty of Mutual Cooperation and Security.

The SM-2 missiles will be used on ships of the Japan Maritime Self Defense Force fleet and will provide enhanced capabilities in providing defense of critical sea-lanes of communication. Japan has already integrated the SM-2 Block IIIB into ship combat systems. It maintains two Intermediate-Level Maintenance Depots capable of maintaining and supporting the SM-2 and is upgrading these facilities to maintain and support the newest SM variants. Japan will have no difficulty absorbing these additional missiles.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The principle contractors will be: Raytheon Missile Systems Company in Tucson, Arizona; Raytheon Company of Camden, Arkansas; BAE of Minneapolis, Minnesota; and United Defense, Limited Partnership of Aberdeen, South Dakota. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or 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.