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Chairman and Chief Executive Officer

Forward-Looking Statements

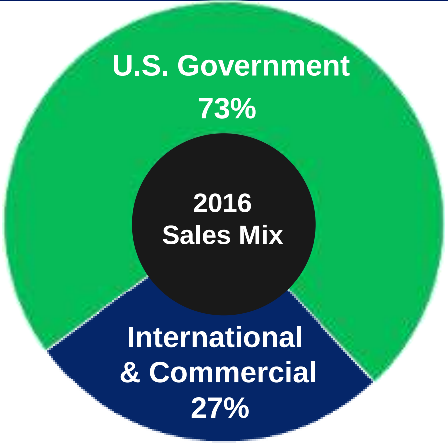
Certain of the matters discussed in these slides, including information regarding the company's 2016 financial guidance and 2017 preliminary outlook are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than historical facts, may be forward-looking statements, such as "may," "will," "should," "likely," "projects," "financial guidance," ''expects,'' ''anticipates,'' ''intends,'' ''plans,'' ''believes,'' ''estimates,'' and similar expressions are used to identify forward-looking statements. The Company cautions investors that these statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond the Company's control that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Some of the factors that could cause actual results to differ include, but are not limited to, the following: our dependence on the defense industry; backlog processing and program slips resulting from delayed awards and/or funding from the Department of Defense (DoD) and other major customers; the U.S. Government fiscal situation; changes in DoD budget levels and spending priorities; U.S. Government failure to raise the debt ceiling; our reliance on contracts with a limited number of customers and the possibility of termination of government contracts by unilateral government action or for failure to perform; the extensive legal and regulatory requirements surrounding many of our contracts; our ability to retain our existing business and related contracts; our ability to successfully compete for and win new business, or, identify, acquire and integrate additional businesses; our ability to maintain and improve our operating margin; the availability of government funding and changes in customer requirements for our products and services; the outcome of litigation matters (see Notes to our annual report on Form 10-K and quarterly reports on Form 10-Q); results of audits by U.S. Government agencies and of ongoing governmental investigations, including the Aerospace Systems segment; our significant amount of debt and the restrictions contained in our debt agreements and actions taken by rating agencies that could result in a downgrade of our debt; our ability to continue to recruit, retain and train our employees; actual future interest rates, volatility and other assumptions used in the determination of pension benefits and equity based compensation, as well as the market performance of benefit plan assets; our collective bargaining agreements; our ability to successfully negotiate contracts with labor unions and our ability to favorably resolve labor disputes should they arise; the business, economic and political conditions in the markets in which we operate; global economic uncertainty; the DoD's Better Buying Power and other efficiency initiatives; events beyond our control such as acts of terrorism; our ability to perform contracts on schedule; our international operations including currency risks and compliance with foreign laws; our extensive use of fixed-price type revenue arrangements; the rapid change of technology and high level of competition in which our businesses participate; risks relating to technology and data security; our introduction of new products into commercial markets or our investments in civil and commercial products or companies; our ability to predict the level of participation in and the related costs of our voluntary return program for certain EoTech holographic weapons sight products, and our ability to change and terminate the voluntary return program at our discretion; the impact on our business of improper conduct by our employees, agents or business partners; goodwill impairments and the fair values of our assets; and ultimate resolution of contingent matters, claims and investigations relating to acquired businesses, and the impact on the final purchase price allocations.

Our forward-looking statements speak only as of the date of these slides or as of the date they were made, and we undertake no obligation to update forward-looking statements. For a more detailed discussion of these factors, also see the information under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our annual report on Form 10-K for the year ended December 31, 2015, and our quarterly report on Form 10-Q for the period ended September 23, 2016, and any material updates to these factors contained in any of our future filings.

As for the forward-looking statements that relate to future financial results and other projections, actual results will be different due to the inherent uncertainties of estimates, forecasts and projections and may be better or worse than projected and such differences could be material. Given these uncertainties, you should not place any reliance on these forward-looking statements.

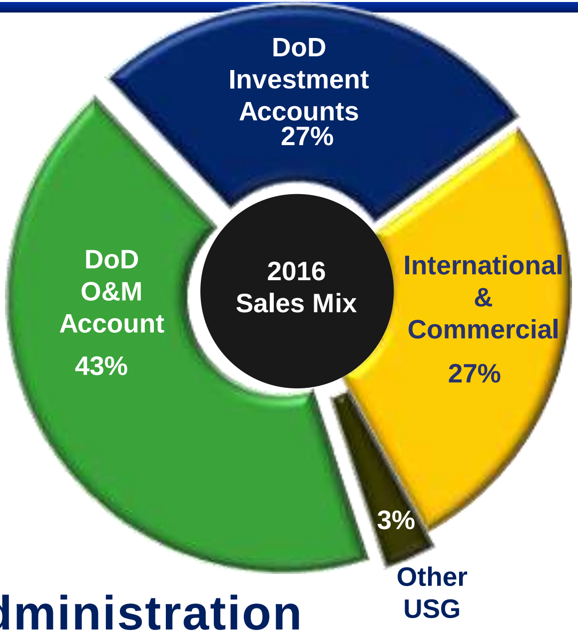
L-3 at a Glance

- **Leading A&D contractor… non-platform prime and supplier positions**
- **Sharpened portfolio with increasing investments in IRAD and acquisitions**
- **Attributes:**
  - **broad/diverse positions in U.S. defense market supporting organic growth**
  - **high earnings-to-cash flow conversion**
  - **efficient capital structure… IG credit**
  - **experienced management team**
- **Objectives: satisfy customers… growth + margin expansion + disciplined capital allocation**



U.S. Government Markets

- Geopolitical conditions support increased military spending
- DoD budget upcycle beginning FY16
  - anticipate upcycle 2 to 3% growth, more sequester trimming and OCO relief
  - classified budgets expanding and growing
- Higher defense spending expected under Trump Administration
- Select L-3 capabilities: secure communications, ISR systems, sensors, NVI², naval power systems, readiness support, SOF

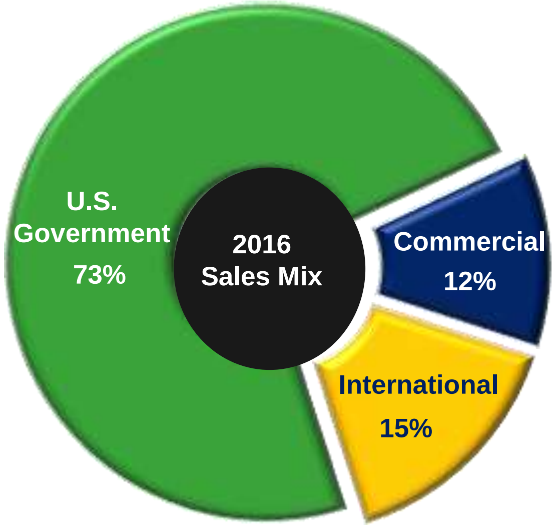


International & Commercial

- **Markets affected by global economic and security conditions**

- **International - - large addressable market**
  - **foreign governments and FMS**
  - **ISR systems, simulators, communication systems, night vision, sensors**
  - **near-term softness**

- **Commercial - - favorable long-term fundamentals**
  - **avionics, security screening, simulation & training, RF microwave & power**



Cash Deployment - - 2016

- IRAD - - ~2.5% of sales
- Capital Expenditures, net - - $205 million
- Debt Repayments - - $298 million
- Dividends $220 million… 12th annual increase
- Share repurchases - - $373 million
- Acquisitions - - $387 million

MacDonald Humfrey (Automation) Ltd Acquisition

- Acquired on November 22, 2016 for ~$280 million (~£224 million)

- Overview:
  - Process & automation controls and systems integrator
  - 350 employees based in Luton, UK
  - Aviation security and other markets
  - Networked airport security systems via efficiency-based software solutions
  - Pull-through opportunities for L-3 security screening equipment

- Financials:
  - Purchase price multiple = ~10x estimated 2017 EBITDA
  - Contingent purchase price (earnout) of up to ~$37.5 million based on 2017 to 2019 sales performance, payable in 2020
  - Projected 2017 sales of ~$135 million
  - EPS neutral to L-3's 2017 Preliminary Outlook after reduced share repurchases to fund the acquisition

2016 Consolidated Financial Guidance (October 27, 2016)

(in Millions, except per share amounts)

		vs. 2015
Net Sales	$10,250 to $10,350	-2%
Organic Growth (Decline)	-0.3%	+210 bps
Segment Operating Margin	9.6%	+110 bps
Segment Operating Income	$989	11%
Diluted EPS	$7.85 to $7.95	14%
Free Cash Flow	$825	-6%

Notes: (1) Diluted EPS growth is calculated based on a comparison to 2015 adjusted diluted EPS.
(2) See Reconciliation of GAAP to Non-GAAP Measurements.

2017 Consolidated Preliminary Outlook (October 27, 2016)

(in Millions, except per share amounts)

Net sales growth	1% to 2%
Organic Growth	1% to 2%
Operating margin	10.0% (10.3%*)
Diluted EPS	$8.25
Free cash flow	$850 million

Note: 2017 preliminary outlook includes an estimated increase in net pension expense of $29 million compared to 2016. The preliminary outlook also assumes share repurchases for 2017 of $600 million. However, the amount of 2017 share repurchases could be reduced to pay for potential future business acquisitions.

* Represents operating margin before expected increases in net pension expense vs. 2016.

Summary

- DoD budget upcycle beginning
- Affordable solutions & technologies aligned with customer priorities
- Focused on satisfying customers… growing sales, margin and EPS
- Generating robust cash flow… deploying cash for disciplined growth

Questions?

Glossary of Acronyms

Acronym	Definition
A&D	Aerospace & Defense
BBP	Better Buying Power
bps	basis points
CAS	Cost Accounting Standards
DoD	U.S. Department of Defense
EPS	Earnings Per Share
FAS	Financial Accounting Standards
FMS	Foreign Military Sales
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
HWS	Holographic Weapons Sights

Acronym	Definition
IG	Investment Grade
IRAD	Independent Research and Development
ISR	Intelligence, Surveillance and Reconnaissance
LTM	Last Twelve Months
NVI^2	Night Vision and Image Intensification
OCO	Overseas Contingency Operations
RF	Radio Frequency
SLEP	Service Life Extension Program
SOF	Special Operations Forces
UAS	Unmanned Aircraft Systems
USG	United States Government
YTD	Year to Date

Supplemental Financial Data

2016 Consolidated Financial Guidance

(in Millions, except per share amounts)

USG/DoD	+3%
International	-12%
Commercial	-1%

USG/DoD	+1%
International	-13%
Commercial	+3%

	Guidance (Oct. 27, 2016)	vs. 2015	Prior Guidance (July 28, 2016)
Net Sales	$10,250 to $10,350	-2%	$10,150 to $10,250
Organic Growth (Decline)	-0.3%	+210 bps	-1.2%
Segment Operating Margin	9.6%	+110 bps	9.8%
Segment Operating Income	$989	11%	$1,000
Interest Expense and Other	$157	3%	$157
Effective Tax Rate	23.5%	+230 bps	26.4%
Minority Interest Expense	$14	$(1)	$13
Diluted Shares	78.8	-4%	78.2
Diluted EPS	$7.85 to $7.95	14%	$7.65 to $7.85
Free Cash Flow	$825	-6%	$825

Notes: (1) The revisions to our Current Guidance compared to our Prior Guidance primarily include:

- An increase in estimated sales for Aerospace Systems primarily related to higher pass-through volume in the Vertex Aerospace sector.
- A decrease in Electronic Systems operating margin primarily due to a charge in Warrior Systems for a settlement in principle of the EoTech HWS class action litigation, subject to court approval, partially offset by an improvement in contract performance across several business areas.
- A reduction in the effective tax rate from 26.4% to 23.5%, primarily due to the tax benefits recorded in the 2016 third quarter.
- An increase in diluted share count from 78.2 to 78.8 million shares primarily as a result of a $377 million reduction in our share repurchases estimate from $750 million to $373 million.

(2) Diluted EPS growth is calculated based on a comparison to 2015 adjusted diluted EPS.
(3) Interest Expense and Other is comprised of: (i) interest expense of $168 million, (ii) interest and other income, net, and (iii) a debt retirement charge of $5 million.
(4) Minority Interest Expense represents net income from continuing operations attributable to noncontrolling interests.
(5) Reconciliation of GAAP to Non-GAAP Measurements.

2016 Segment Guidance (October 27, 2016)

(in Millions)

Segment	Net Sales	Midpoint Sales vs. 2015	Segment Operating Margin	Midpoint Margin vs. 2015 (bps)
Electronic Systems	$4,125 to $4,175	-3%	12.0% to 12.1%	+55
Aerospace Systems	$4,150 to $4,200	0%	7.0% to 7.1%	+215
Comm Systems	$1,950 to $2,000	-3%	10.0% to 10.1%	+45
Total Segments	**$10,250 to $10,350**	**-2%**	**9.6%**	**+110**

Note: Estimated net pension expense (FAS, net of CAS) for 2016 vs. 2015 is expected to decrease $45 million, increasing estimated 2016 operating margin by 40 basis points (bps) ($15 million or 40 bps for Electronic Systems, $17 million or 40 bps for Aerospace Systems and $13 million or 70 bps for Communication Systems).

2017 Consolidated Preliminary Outlook (October 27, 2016)

(in Millions, except per share amounts)

Net sales growth	1% to 2%*
Operating margin	10.0% (10.3%**)
Interest Expense and Other	$154 million
Effective Tax rate	27.5%
Minority Interest Expense	$14 million
Diluted EPS	$8.25
Free cash flow	$850 million

Note: The 2017 consolidated preliminary outlook for operating income includes an increase in net pension expense (net FAS/CAS) of approximately $29 million for 2017 compared to 2016. The 2017 preliminary pension expense estimate assumes a weighted average discount rate of 3.91%, compared to 4.66% for 2016 and a weighted average asset return of approximately 8% in 2016, consistent with our planned weighted average asset return in 2016. The preliminary outlook also assumes share repurchases for 2017 of $600 million. However, the amount of 2017 share repurchases could be reduced to pay for potential future business acquisitions.

* Net sales growth represents the estimated organic sales growth rate for 2017.

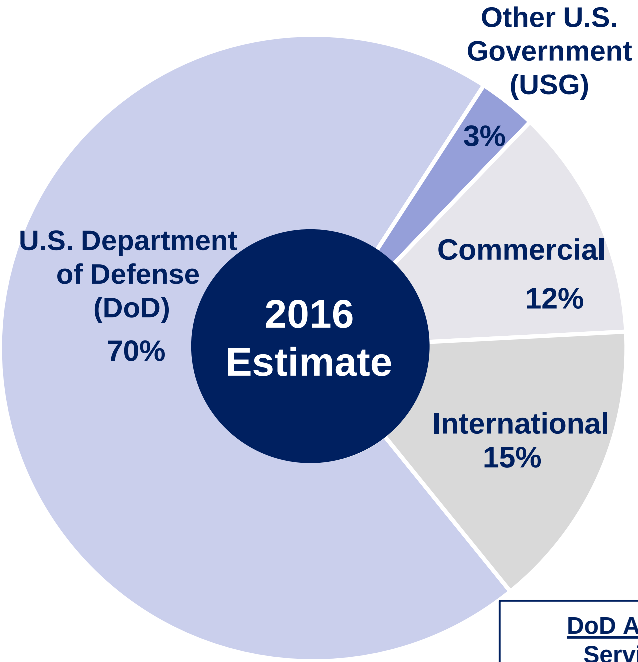
** Represents operating margin before expected increases in pension expense.

2017 Segment Preliminary Outlook (October 27, 2016)

Segment	Net Sales vs. 2016	Operating Margin
Electronic Systems	3% to 4%	~12.8% (13.0%*)
Aerospace Systems	-1% to -2%	~6.8% (7.1%*)
Communication Systems	4% to 5%	~10.3% (10.7%*)

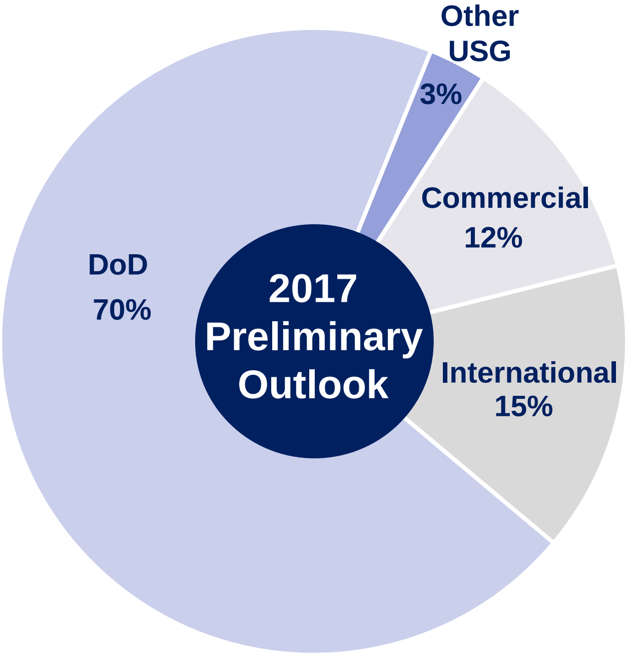
* Represents estimated operating margin before an expected increase in net pension expense compared to 2016 estimates of $9 million for Electronic Systems, $11 for Aerospace Systems and $9 for Communication Systems.

End Customer Sales Mix



DoD Armed Services

Air Force	29%
Army	17%
Navy	16%
Other	8%
Total	70%



Cash Flow

(in Millions)

	3Q16 Actual	9M16 Actual	2016 Guidance	2015 Actual
Net income from continuing operations*	$ 151	$ 469	$ 635	$ 297 **
Impairment/divestiture charges	-	-	-	415
Depreciation & amortization	51	153	210	210
Deferred income taxes	19	48	65	(66)
401K common stock match	34	92	109	110
Stock-based employee compensation	15	34	45	46
Amortization of pension and OPEB net losses	12	37	50	67
Working capital/other items	(72)	(254)	(84)	(9)
Capital expenditures, net	(47)	(111)	(205)	(194)
Free cash flow	$ 163	$ 468	$ 825	$ 876

Note: 2016 Guidance as of October 27, 2016.

* Before deduction for net income attributable to noncontrolling interests.

** Includes after-tax charges of $20 million for 2015 related to business divestitures, and after-tax charges related to goodwill impairments of $264 million for 2015.

Cash Sources and Uses

(in Millions)

	3Q16 Actual	9M16 Actual	2016 Estimate	2015 Actual
Beginning cash	$ 352	$ 207	$ 207	$ 442
Free cash flow from continuing operations	163	468	825	876
Free cash flow from discontinued operations	-	(56)	(56)	49
Divestitures	(14)	561	556	318
Debt Repayments	-	(298)	(298)	(296)
Dividends	(54)	(166)	(220)	(214)
Acquisitions	-	(27)	(387)	(320)
Share repurchases	(50)	(326)	(373)	(740)
Other, net	14	48	31	92
Ending cash	$ 411	$ 411	$ 285	$ 207

Notes: (1) 2016 Estimate updated for the acquisition of MacDonald Humfrey completed on November 22, 2016.
(2) Reconciliation of GAAP to Non-GAAP Measurements.

Capitalization and Leverage

(in Millions)

	9/23/16 Actual	12/31/15 Actual	12/31/14 Actual
Cash	$ 411	$ 207	$ 442
Debt	$ 3,331	$ 3,624	$ 3,912
Shareholders' Equity	4,640	4,429	5,360
Invested Capital	$ 7,971	$ 8,053	$ 9,272
Debt/Invested Capital	41.8%	45.0%	42.2%
Debt/LTM EBITDA	2.83x	3.29x	3.19x
Available Revolver	$ 1,000	$ 1,000	$ 1,000

Notes: (1) Debt/LTM EBITDA excludes discontinued operations.
(2) Reconciliation of GAAP to Non-GAAP Measurements.

Supplemental Cash Flow Data

(in Millions)	2015 Actual	2016 Guidance	2017 Preliminary Outlook
Cash interest payments	$ 182	$ 162	$ 155
Income tax payments, net (1)	122	120	200
FAS pension expense (2)(3)	139	97	133
CAS pension cost (4)	108	111	118
Pension contributions	97	100	100

(1) Excludes income tax payment attributable to discontinued operations.
(2) FAS pension expense represents pension expense determined using U.S. GAAP, and assumes a discount rate of 4.14% for 2015, 4.66% for 2016 and 3.91% estimated for 2017. 2016 also assumes a weighted average pension asset return of 8%
(3) Estimated 2017 Pension Expense Sensitivity: A 25 bps increase/decrease in 12/31/16 discount rate estimate of 3.91% would decrease/increase 2017 pension expense by ~$16 million and decrease/increase the 12/31/16 unfunded obligation by ~$150 million. A 100 bps increase/decrease in the 2016 expected asset return would decrease/increase 2017 pension expense by ~$5 million and decrease/increase the 12/31/16 unfunded obligation by ~$26 million.
(4) CAS pension cost represents estimated allowable and reimbursable pension cost under U.S. Government procurement regulations (determined using Cost Accounting Standards or CAS) on L-3's U.S. Government contracts.

Reconciliation of GAAP to Non-GAAP Measurements (1 of 2)

(in Millions)

	2017 Outlook	2016 Guidance	2015 Actual
Net cash from operating activities from continuing operations	$1,060	$1,030	$1,068
Less Capital expenditures	(215)	(220)	(197)
Add: Dispositions of property, plant and equipment	5	15	3
Income tax payments attributable to discontinued operations	-	-	2
Free cash flow from continuing operations	$ 850	$ 825	$ 876

	2016 Guidance	2015 Actual
Net cash from operating activities from discontinued Operations	$ (56)	$ 56
Less Capital expenditures	-	(5)
Income tax payments attributable to discontinued operations	-	(2)
Free cash flow from discontinued operations	$ (56)	$ 49

Reconciliation of GAAP to Non-GAAP Measurements (2 of 2)

(in Millions)

Cash Flow to EBITDA Reconciliation	3Q16 LTM	4Q15 LTM	4Q14 LTM
Net cash from operating activities from continuing operations	$ 1,050	$ 1,068	$ 1,088
Income tax payments, net of refunds	99	124	120
Interest payments, net of interest income	149	145	138
Stock-based employee compensation	(160)	(156)	(169)
Amortization of pension and post retirement benefit plans net loss	(54)	(67)	(15)
Other non-cash items	(10)	3	-
Changes in operating assets and liabilities	103	(17)	64
LTM EBITDA from continuing operations	$ 1,177	$ 1,100	$ 1,226
Debt	$ 3,331	$ 3,624	$ 3,912
Debt/EBITDA	2.83x	3.29x	3.19x

Note: EBITDA is defined as consolidated operating income (excluding impairment losses incurred on goodwill and identifiable intangible assets and losses related to business divestiture transactions), plus consolidated depreciation and amortization. The Debt to EBITDA ratio is presented because we believe it to be a useful indicator of our debt capacity and our ability to service our debt. EBITDA is not a substitute for net cash from operating activities as determined in accordance with generally accepted accounting principles in the United States of America. EBITDA is not a complete net cash flow measure because EBITDA is a financial measure that does not include reductions for cash payments for our obligation to service our debt, fund our working capital and capital expenditures and pay our income taxes. Rather, EBITDA is one potential indicator of our ability to fund these cash requirements. We believe that the most directly comparable GAAP financial measure to EBITDA is net cash from operating activities. The table above presents a reconciliation of net cash from operating activities to EBITDA.

L3