



Defense Security Cooperation Agency
NEWS RELEASE

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Japan - SM-2 Block IIIB Standard Missiles

WASHINGTON, Jul 19, 2016 - The State Department has made a determination approving a possible Foreign Military Sale to Japan for SM-2 Block IIIB Standard missiles, equipment, and support. The estimated cost is \$821 million. The Defense Security Cooperation Agency delivered the required certification notifying Congress of this possible sale on July 15, 2016.

The Government of Japan has requested a possible sale of up to two hundred forty-six (246) Standard Missile (SM-2), Block IIIB Vertical Launching Tactical All-Up Rounds, RIM-66M-09. This request also includes MK 13 MOD 0 Vertical Launching System Canisters, operator manuals and technical documentation, U.S. Government and contractor engineering, technical and logistics support services. The total estimated value of Major Defense Equipment (MDE) is \$685 million. The total overall estimated value is \$821 million.

Japan is one of the major political and economic powers in East Asia and the Western Pacific, a key democratic partner of the United States in ensuring regional peace and stability, a close coalition ally in regional contingency operations, and a close cooperative and international exchange agreement partner. It is vital to U.S. national interests that Japan develops and maintains a strong and ready self-defense capability. This transaction is consistent with U.S. foreign policy and national security objectives and the 1960 Treaty of Mutual Cooperation and Security.

These SM-2 Block IIIB missiles will be used for anti-air warfare at sea. Japan currently fields four Kongo-class and two Atago-class destroyers, all of which are equipped with the Aegis Combat system and SM-2 Block IIIA/IIIB missiles. Japan is also building two new Aegis-equipped destroyers based on a modified Atago-class hull. The SM-2 Block IIIB missiles proposed in this sale will be used on these two future destroyers as well as supplementing Japan's missile inventory. Combined with the Aegis combat system, the SM-2 Block IIIB provides significantly enhanced area defense capabilities over critical East Asian and Western Pacific air- and sea-lines of communication. Japan has two Intermediate-Level Maintenance Facilities capable of maintaining the SM-2 Block IIIB and will have no difficulty absorbing these new missiles into its armed forces.

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

The principal contractors will be Raytheon Missile Systems Company, Tucson, Arizona; Raytheon Company, Camden, Arkansas; and BAE of Minneapolis and Aberdeen, South Dakota. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this sale will not require the assignment of any U.S. 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 and does not mean the sale has been concluded.

All questions regarding this proposed Foreign Military Sale should be directed to the State Department's Bureau of Political Military Affairs, Office of Congressional and Public Affairs, pm-cpa@state.gov.