

Exhibit P-40, Budget Item Justification Sheet

<div style="display: flex; justify-content: space-between;"> <div> Appropriation / Budget Activity / Serial No: Procurement of W&TCV, Army / 2 / Weapons and other combat vehicles </div> <div> Date: February 2006 </div> </div>										
P-1 Item Nomenclature HOWITZER LT WT 155MM (T) (G01700)										
Program Elements for Code B Items: 0604854A		Code: B	Other Related Program Elements:							
	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Prog
Proc Qty		16	19	85	126				40	286
Gross Cost	9.0	37.0	47.5	187.5	267.6	7.0			92.0	647.7
Less PY Adv Proc										
Plus CY Adv Proc										
Net Proc P1	9.0	37.0	47.5	187.5	267.6	7.0			92.0	647.7
Initial Spares										
Total Proc Cost	9.0	37.0	47.5	187.5	267.6	7.0			92.0	647.7
Flyaway U/C										
Weapon System Proc U/C		2.3	2.5	2.2	2.1				2.3	2.3

Description:
 The Lightweight 155mm Towed Howitzer (LW155) is a Joint USMC/Army Program. A 40% reduction in weight compared to the current system allows for greater strategic and tactical mobility while improving range, weapon stability, accuracy, and durability. Significantly improved battlefield mobility creates a weapon that is more survivable and lethal. The LW155 has a digital fire control system but retains conventional fire control as a backup. The digital fire control enables the LW155 Howitzer to emplace faster and without survey, aiming posts or an aiming circle. Digital communications and an on-board antenna eliminate the need for wire to the Fire Direction Center and increases dispersion and survivability on the battlefield. Modifications to the existing prime mover enable the howitzer unit to navigate, recharge the system and receive fire missions, all while moving to the next firing position.

The PM is working closely with PM Excalibur to incorporate Excalibur precision Global Positioning System/Inertial Navigation Unit (GPS/INU) guided 155mm projectile compatibility by 4QFY06. Excalibur will provide precision strike capability (10 meter accuracy) out to ranges of 40 kilometers.

FY05-08 Full Rate Production contract is a joint multiyear procurement with the USMC.

Justification:
 FY 2007 procures 85 Lightweight 155mm Towed Howitzers (LW155). This quantity and the Army's overall procurement of LW155s are a joint multi-year procurement with the United States Marine Corps for FY05-FY08. LW155 replaces the M198 Towed Howitzer for the U.S. Army and USMC. The LW155 must be procured in FY07 to continue replacing the aging, heavier M198 howitzer. The LW155 is the cannon fire support for the Army's Stryker Brigade Combat Teams (SBCT). The United Kingdom and Italy participated in the development of the LW155 under an MOU and the UK has signed a production MOU with the US.

Exhibit P-5, Weapon WTCV Cost Analysis		Appropriation/Budget Activity/Serial No: Procurement of W&TCV, Army/ 2/ Weapons and other combat vehicles		P-1 Line Item Nomenclature: HOWITZER LT WT 155MM (T) (G01700)			Weapon System Type:		Date: February 2006	
WTCV Cost Elements		ID	FY 05		FY 06		FY 07			
		CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Unit Cost
			\$000	Units	\$000	\$000	Units	\$000	\$000	\$000
WVA Cannon Long Lead			874	19	46	3910	85	46	5796	126
BAE Lightweight 155mm Howitzer			26816	16	1676	32300	19	1700	144500	85
Watervliet Arsenal Cannon			3280	16	205	3895	19	205	17425	85
Primer Feed Mechanism			288	16	18	342	19	18	1530	85
Optical Fire Control			640	16	40	760	19	40	3400	85
Basic Initial Issue			200			228			2150	
Watervliet Arsenal Facilitization										
System Engineering / Program Management			4239			4966			8288	
Test			200			500			2100	
Fielding			500			600			2300	
Total			37037			47501			187489	

Exhibit P-5a, Budget Procurement History and Planning												
Appropriation/Budget Activity/Serial No: Procurement of W&TCV, Army/ 2/ Weapons and other combat vehicles				Weapon System Type:			P-1 Line Item Nomenclature: HOWITZER LT WT 155MM (T) (G01700)					
WBS Cost Elements:		Contractor and Location		Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost \$	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
WVA Cannon Long Lead												
FY 2005		Watervliet Arsenal Watervliet, NY 12189		MIPR		Mar 05	Mar 06	19	46			
FY 2006		Watervliet Arsenal Watervliet, NY 12189		MIPR		Mar 06	Mar 07	85	46			
FY 2007		Watervliet Arsenal Watervliet, NY 12189		MIPR		Mar 07	Mar 08	126	46			
BAE Lightweight 155mm Howitzer												
FY 2005		BAE SYSTEMS Barrow-in-Furness, UK		MYP/FFP	Picatinny Arsenal, NJ	Mar 05	Apr 06	16	1676			
FY 2006		BAE SYSTEMS Barrow-in-Furness, UK						19	1700			
FY 2007		BAE SYSTEMS Barrow-in-Furness, UK						85	1700			
Watervliet Arsenal Cannon												
FY 2005		Watervliet Arsenal Watervliet, NY 12189		MIPR		Mar 05	Mar 06	16	205			
FY 2006		Watervliet Arsenal Watervliet, NY 12189		MIPR		Mar 06	Mar 07	19	205			
FY 2007		Watervliet Arsenal Watervliet, NY 12189		MIPR		Mar 07	Mar 08	85	205			
Primer Feed Mechanism												
FY 2005		HTD Hartford, CT		MYP/FFP	Picatinny Arsenal, NJ	Mar 05	Mar 06	16	18			
FY 2006		HTD Hartford, CT						19	18			
FY 2007		HTD Hartford, CT						85	18			
Optical Fire Control												
FY 2005		Seiler St. Louis, MO		MYP/FFP	Picatinny Arsenal, NJ	Nov '05	Mar '06	16	40			
FY 2006		Seiler St. Louis, MO						19	40			
FY 2007		Seiler St. Louis, MO						85	40			

Exhibit P-5a, Budget Procurement History and Planning										Date: February 2006						
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WBS Cost Elements:			Contractor and Location		Contract Method and Type		Location of PCO		Award Date	Date of First Delivery	QTY Units	Unit Cost \$	Specs Avail Now?	Date Revsn Avail	RFP Issue Date	
REMARKS:																

FY 08 / 09 BUDGET PRODUCTION SCHEDULE										P-1 ITEM NOMENCLATURE HOWITZER LT WT 155MM (T) (G01700)										Date: February 2006																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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FY 10 / 11 BUDGET PRODUCTION SCHEDULE										P-1 ITEM NOMENCLATURE HOWITZER LT WT 155MM (T) (G01700)										Date: February 2006																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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