

L 3 COMMUNICATIONS HOLDINGS INC
Form 11-K
June 29, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 11-K

(Mark one)

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the period ended December 31, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-14141

AVIATION COMMUNICATIONS &
SURVEILLANCE SYSTEMS 401(K) PLAN

(Full title of the plan and the address of the plan,
if different from that of the issuer named below)

L-3 COMMUNICATIONS HOLDINGS, INC.

600 Third Ave
New York, NY 10016

(Name of issuer of the securities held pursuant to the plan and
the address of its principal executive office)

AVIATION COMMUNICATIONS & SURVEILLANCE SYSTEMS 401(K) PLAN
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* Refers to item number in Form 5500 (“Annual Return/Report of Employee Benefit Plan”) filed with the Department of Labor for the plan year ended December 31, 2005.

Other schedules required by 29 CFR 2520.103-10 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted as the conditions under which they are required are not present.

Report of Independent Registered Public Accounting Firm

To the Participants and Plan Administrator of
 Aviation Communications & Surveillance Systems 401(k) Plan:

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Aviation Communications & Surveillance Systems 401(k) Plan (the “Plan”) at December 31, 2005 and 2004, and the changes in net assets available for benefits for the year ended December 31, 2005 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan’s management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly

stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

New York, New York

June 29, 2006

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AVIATION COMMUNICATIONS & SURVEILLANCE SYSTEMS 401(K) PLAN
 STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
 DECEMBER 31, 2005
 (in thousands)

	Participant Directed	Non- Participant Directed	Total
Assets:			
Investment in Master Trust	\$ 8,656	\$ 1,475	\$ 10,131
Net assets available for benefits	\$ 8,656	\$ 1,475	\$ 10,131

See Notes to Financial Statements

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AVIATION COMMUNICATIONS & SURVEILLANCE SYSTEMS 401(K) PLAN
 STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
 DECEMBER 31, 2004
 (in thousands)

	Participant Directed	Non- Participant Directed	Total
Assets:			
Investment in Master Trust	\$ 6,077	\$ 1,682	\$ 7,759
Net assets available for benefits	\$ 6,077	\$ 1,682	\$ 7,759

See Notes to Financial Statements

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AVIATION COMMUNICATIONS & SURVEILLANCE SYSTEMS 401(K) PLAN
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (in thousands)

	Participant Directed	Non- Participant Directed	Total
Additions:			
Contributions:			
Participant	\$ 1,260	\$ —	\$ 1,260
Employer	—	774	774
Rollover	197	—	197
Total contributions	1,457	774	2,231
Investment income:			
Net appreciation (depreciation) in the fair value of investment in Master Trust	362	(183)	179
Interest and dividend income	220	14	234
Interest (participant loans)	11	—	11
Total investment income (loss)	593	(169)	424
Total additions	2,050	605	2,655
Deductions:			
Benefit payments and other deductions	225	58	283
Transfers from non-participant directed funds to participant directed funds	754	(754)	—
Net increase (decrease)	2,579	(207)	2,372
Net assets available for benefits, Beginning of period	6,077	1,682	7,759