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Boeing Integrated Defense Systems, a unit of The Boeing Company [NYSE:BA], has been awarded a U.S. Air Force contract option to build a third satellite in the Wideband Gapfiller Satellite, or WGS, program.

Each WGS satellite provides the U.S. and its allies with increased space-based communications capability that augments current Defense Satellite Communications System, or DSCS, and Global Broadcast Service operations. The WGS is a key military satellite communications, or MILSATCOM, program being weaved into a Boeing integrated battlespace where real-time information is quickly and simultaneously made accessible to platforms, forces and commanders on the ground, at sea and in the air.

"Boeing is honored and very excited to have the opportunity to provide a third WGS satellite for the Air Force," said Randy Brinkley, president of Boeing Satellite Systems, the satellite-manufacturing arm of Boeing Integrated Defense Systems. "The WGS satellites will provide an enormous leap forward in satellite communications capability for the U.S. and allied forces, beginning with the first launch in mid-2004."

Boeing received funding to build the first two satellites in January 2002 for launches scheduled in 2004. The third satellite is scheduled to launch in 2005. The WGS contract includes options for as many as six Boeing 702 satellites and associated spacecraft and payload ground control equipment that is jointly funded with the U.S. Army. With the current option for the WGS F3 satellite, the total value of the contract is now approximately \$660 million.

More than 1,000 people at Boeing's integrated satellite factory in El Segundo, Calif, anchor the Boeing team building the WGS. Additional Boeing resources from around the country and many key suppliers, including Spectrolab in Sylmar, Calif; ITT in Colorado Springs, Colo; Raytheon in Aurora, Colo; Northrop Grumman Information Technology in San Pedro, Calif., and Harris in Palm Bay, Fla., also support the program.

"The Boeing 702-based WGS is an exceptional platform that can evolve, with significant added capabilities, to cost-effectively provide military users with near-term transformational communications capabilities," said Richard H. Johnson, WGS program director at Boeing. "These enhancements would satisfy the rapidly changing needs of the military's communications architectures, including providing additional connectivity for intelligence, surveillance and reconnaissance from unmanned vehicles."

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$23 billion business. It provides systems solutions to its global military, government and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense; NASA's largest contractor; and a global leader in launch services.

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