Boeing Signs Army Contract for First Lot of Modernized Chinooks

Boeing [NYSE: BA] and the U.S. Army Aviation and Missile Command have signed the first Low Rate Initial Production contract valued at about $140 million including options for remanufacturing seven CH-47 Chinooks to the new CH-47F and MH-47G Special Operations configurations.

The contract covers the first production lot of a modernization program that will include at least 300 Chinooks over the next 13 years.

Boeing Integrated Defense Systems will manage the program at the Rotorcraft Enterprise Capability Center in suburban Philadelphia.

Work on the first aircraft begins this month, with the first CH-47F delivery scheduled for Sept. 2004. The remaining six aircraft in the first lot will be converted to MH-47G Special Operations Chinooks and delivered in 2004 and 2005.

Modernization involves teardown of CH-47D Chinooks, removal of existing cockpit sections for replacement by newly manufactured subassemblies, full inspection of all structural elements and replacement of components as required, and installation of new or recapitalized components and systems that will enhance Chinook operational capabilities and reduce sustainment costs.

Both CH-47F and MH-47G Chinooks will incorporate "tuned" fuselages to reduce the effects of vibration on aircrews, structures and avionic systems. Both aircraft also will incorporate advanced cockpit management systems. The CH-47F cockpit contains a digital mission management suite with a moving map display and digital modem. The MH-47G will utilize the U.S. Army's advanced Common Avionics Architecture applicable to all Special Operations rotorcraft. In addition, the modernization includes installation of more powerful and fuel-efficient Honeywell T55-GA-714A engines with Full Authority Digital Engine Control.

Chinooks are the world's most efficient and reliable heavy transport helicopters. They have been the U.S. Army's prime movers for forty years, and will remain in the Army's inventory at least until 2035. In addition, 15 international customers operate Chinooks in military and humanitarian service on six continents, in every climate and condition.

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 $25 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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For further information:
Jack Satterfield
(610) 591-8399
john.r.satterfield@boeing.com