Israel Aircraft Industries and Boeing Sign an Agreement to Establish Production Infrastructure to Manufacture Arrow Missile Components in the United State

Israel Aircraft Industries and Boeing Sign an Agreement to Establish Production Infrastructure to Manufacture Arrow Missile Components in the United State

Israel Aircraft Industries (IAI) and The Boeing Company signed last week an agreement to establish the production infrastructure to manufacture components of the IAI-developed Arrow missile in the United States. The Arrow missile is part of the full Arrow anti-ballistic missile system, the world's only operational anti-ballistic missile system.

Mr. Itzhak Nissan, IAI's Corp VP& General Manager Missile Systems & Space Group, and Mr. James Evatt, Senior Vice President & General Manager of Boeing Missile Defense Systems, signed the agreement at IAI/MLM Division facility at Beer Yaakov, Israel.

Mr. Evatt said "Israel and the United States have been friends and allies for many years. It is our privilege to work with IAI on the Arrow program. This agreement is important because it marks the beginning of our work together and our commitment to the success to the Arrow project, it also opens the way for future missile defense efforts between Boeing and IAI."

Mr. Moshe Keret, President & CEO of Israel Aircraft Industries, said, "signing this agreement demonstrates IAI's technological and quality capabilities. The agreement is a significant step between the two companies towards cooperation in many areas."

The co-production agreement follows a strategic teaming agreement signed in January 2002 between the two companies.

Following successful implementation of this contract, Boeing will be responsible for production of approximately 50 per cent of the Arrow missile components in the United States. IAI, the prime contractor of the Arrow system, will be responsible for integration and final assembly of the Arrow missile in Israel.

With the signing of this agreement, Boeing will establish the capability to produce the various Arrow missile components and coordinate the production of existing Arrow missile components already being manufactured in more than 150 American firms located in over 25 States.

###

Contacts:

For further information:

Doron Suslik

Deputy Corp. VP Communications Israel Aircraft Industries

972 (3) 935-8509 Fax: 972 (3) 935-8512

hpaz@iai.co.il Marta Newhart

Director International Communications Boeing Integrated Defense Systems

1(562)547 9345 Fax: 1(562)797 5947

marta.e.newhart@boeing.com