Boeing Delivers 1000th Combat Survival System Radio Unit to the Joint Services; System Represents Dramatic Leap Forward in Search and Rescue Technology

Boeing [NYSE: BA] announced today that it has delivered the 1000thCombat Survivor Evader Locator (CSEL) handheld radio unit. Operated by the joint services, and now one step closer to operational readiness, CSEL is a revolutionary combat survival system to enable the safe, efficient and timely recovery of downed pilots.

The 1000th radio delivery marks a significant achievement for CSEL as the program eventually transitions from the Low-Rate Initial Production (LRIP) phase into full-rate production pending a favorable go-ahead decision by the U.S. government in March 2004.

"Completion of factory acceptance testing and delivery of the 1000th CSEL radio represents one in a series of recent program accomplishments demonstrating the effectiveness of this revolutionary system," said Boeing CSEL Program Manager Mike Bates. "This accomplishment enables Boeing -- in partnership with our U.S. Air Force customer -- to put this crucial life-saving technology in the hands of warfighters quickly."

Approximately 4,000 LRIP radios will be produced under contract and delivered to the joint services by the end of 2004. Full-rate production quantities are expected to exceed 40,000 radios to help meet a crucial joint service requirement for secure data communications capability in support of combat search and rescue operations.

CSEL is the first military search and rescue system providing multi-satellite, over-the-horizon communications and the latest generation military Global Positioning System (GPS) module in a small, rugged, lightweight handheld radio. Historically, combat search and rescue missions have experienced low success rates due to limited situational awareness and precise positioning information. CSEL minimizes the search aspect of a rescue mission by providing recovery forces with precise geopositioning information and secure, over-the-horizon, two-way data communications capability that enables joint search and rescue centers and recovery forces to locate, authenticate and communicate with isolated personnel in near real-time, anywhere in the world.

The CSEL system recently completed Multi-service Operational Test & Evaluation (MOT&E), the last in a series of tests that are part of a spiral development process aimed at identifying technical issues, implementing fixes and incorporating new capabilities before the system is fully fielded. Although final MOT&E results are pending, preliminary test findings have been positive and program officials remain optimistic CSEL will be fielded on schedule.

Battle Management/Command, Control, Communications (BMC3) and Strategic Systems of Anaheim, Calif., a business area within Boeing Integrated Defense Systems (IDS), was awarded the contract by the Air Force's Space and Missile Systems Center, Los Angeles Air Force Base.

A unit of The Boeing Company, 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.

###

For further information:
Mary McAdam
IDS External Communications
(703) 647-1469
mary.m.mcadam@boeing.com
Mike Fanelli
Air Force Systems
(714) 762-2867
michael.a.fanelli@boeing.com