

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 1000th Combat 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
