Boeing Teams with Alcatel to Deploy Innovative Satellite Communication Subsystems

Boeing [NYSE: BA] announced today the formation of a teaming partnership with Paris communications company Alcatel [NYSE: ALA] to provide satellite communication subsystems for Boeing Satellite Systems (BSS). The agreement builds on a strategy aimed at supplying satellite customers with unsurpassed quality and value.

"Alcatel shares in our commitment to build the highest quality satellite systems at competitive prices, and deliver those systems on time," said Dave Ryan, vice president and general manager of Boeing Satellite Systems. "The reward for high-performing partners who share this vision will be longer-term partnerships that will provide our customers cost-effective satellite solutions from best-of-industry suppliers."

The alliance incorporates collaboration on several key satellite projects that include the development of spacecraft that will provide digital audio radio. Pascale Sourisse, Chairman and CEO of Alcatel Space said, "The partnership between Boeing and Alcatel, two world leaders in satellite manufacturing, builds upon a six year relationship and will provide Boeing customers unrivaled access to the expertise of both companies."

The Alcatel agreement emphasizes Boeing's collaborative, strategic partnerships with suppliers that are aimed at early engagement in the manufacturing and design process, cost savings initiatives, and a shared vision of the satellite communications future. BSS has implemented a strategy to purchase products at higher levels of the assembly process that will enable it to focus on its core competencies. As a lead systems integrator, BSS will capitalize on the expertise of Alcatel to provide complex communications subsystems that will be integrated into satellites.

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 $27 billion business. It provides network-centric system solutions to its global military, government, and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance systems; 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 and Department of Homeland Security; NASA's largest contractor; and a global leader in launch services.

###

For further information:
Marta Newhart
(562) 797-2718
marta.e.newhart@boeing.com
Eric Warren
(310) 335-6314
eric.c.warren@boeing.com