

Boeing Support Systems to Keep UK Chinook Helicopters Flying

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The Boeing Company [NYSE: BA] today assumed logistics support responsibility for the United Kingdom's Royal Air Force CH-47 Chinook helicopter fleet. The Through Life Customer Support (TLCS) program, worth approximately \$360 million for the first five years, is a 34-year performance-based logistics initiative expected to generate nearly \$295 million in savings for the UK Ministry of Defence (MoD).

The Support Systems unit of Boeing Integrated Defense Systems will perform the majority of maintenance activities on the 40-helicopter MK2/MK2a fleet. Military personnel will continue to perform first-line, in-field maintenance, but Boeing will oversee all other, more intensive work. The contract currently does not include engine and UK common avionics maintenance or training.

"This is a key new program for Support Systems and our UK customer," said Pat Finneran, president, Boeing Support Systems. "This is a long-term partnership that further establishes Boeing in the end-to-end logistics support market for the Chinook helicopter."

The program also increases Boeing's presence in the UK while conforming to the Defence Industrial Strategy (DIS) in preserving and enhancing on-shore skills. Civilian personnel at the Defence Aviation Repair Agency (DARA) Fleetlands facility near Portsmouth, England and the DARA Almondbank facility near Perth, Scotland will perform much of the maintenance work. The TLCS program will provide employment opportunities in various disciplines, as additional UK citizens join Boeing in the company's expanding presence in the UK. The program will see substantial participation from British industry under long-term partnerships that will introduce new supply chain management, distribution, safety, business and program management processes. In addition, the TLCS program is structured to allow growth to include engines, avionics and potentially additional Chinook aircraft, providing additional savings to the MoD.

Boeing also will employ a comprehensive approach to design, development and implementation of aircraft capability upgrades. In accordance with the DIS, Boeing will work with UK suppliers to define requirements, streamline business processes and plan modifications to enhance the Chinook's life cycle.

Boeing will use an advanced, integrated support process, exploiting field data to ensure correct parts are delivered and available at the correct location, significantly improving Chinook maintainer efficiency. With responsibility for providing maintenance, spare parts, consumables and technical support, Boeing will act as the design authority and primary logistics support integrator, leveraging experience derived from its worldwide Chinook helicopter fleet.

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 \$30.8 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; a foremost developer of advanced concepts and technologies; a leading provider of space-based communications; the lead systems integrator for the US Army's Future Combat Systems program; NASA's largest contractor; and a global leader in sustainment solutions and launch services.

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