

Boeing and U.S. Army Sign Block III Apache Longbow System Development and Demonstration Contract

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Boeing [NYSE: BA] and the U.S. Army have ensured the continued modernization of the world's most capable multi-role combat helicopter by signing the system development and demonstration (SDD) phase contract for the Block III AH-64D Apache Longbow program.

Boeing and U.S. Army officials signed the \$619.3 million contract during a virtual signing ceremony July 14 in Washington, D.C., Huntsville, Ala., and Mesa, Ariz. The contract provides funding for the development, test and qualification of Block III technologies and capabilities. Previously signed and executed contracts for risk reduction engineering work were valued collectively at \$66.1 million.

The delivery of the first production Block III Apache is scheduled for 2011, following the completion of current Apache production work that has been ongoing in Mesa since the program's inception in the early 1980s.

"This new contract supports the long-term modernization of the U.S. Army's Apache helicopters," said Scott Rudy, Boeing Apache Block III program manager. "Boeing and our industry partners will continue to work together with the Army to apply the lessons learned and shared by battlefield commanders, aviators and soldiers to provide the right technologies to effectively support the men and women in uniform."

The Block III Apache Longbow provides network-centric warfare capabilities for the Army's current and future force. Incorporating open systems architecture, wideband network communications, extended range sensing, missiles and fire control radar, level IV unmanned aerial vehicle control and data fusion to merge off- and on-board sensor imagery, the Block III multi-role combat helicopter enables battlespace dominance. Other key benefits to the U.S. Army include a reduced logistics footprint and improved readiness and deployability.

The contract will ensure that Army warfighters and joint operations forces commanders are equipped with a modernized helicopter that can deploy and interface effectively with joint forces, coordinating information and weapons capabilities in battle.

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 primary systems integrator for U.S. missile defense; NASA's largest contractor; and a global leader in sustainment solutions and launch services.

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