Future Combat Systems Team Successfully Completes Milestone Review; Moves Forward with Design, Build and Test Activities

The Boeing Company [NYSE: BA] and partner Science Applications International Corporation (SAIC), functioning as the Lead Systems Integrator for the U.S. Army's Future Combat Systems (FCS) program, today announced the successful completion of the Initial Preliminary Design Review (IPDR). The IPDR is the FCS program's most important technical milestone to date and the largest review of the year.

During the week-long event held in St. Louis, nearly 1,000 industry and government representatives engaged in a multi-disciplined review of the technical progress of the FCS program, at the system-of-systems and system levels, over the last 12 months. Participants, many of whom joined virtually from more than 30 locations across the country, included representatives from the Army's Training and Doctrine Command, the Office of the Secretary of Defense and the Government Accountability Office.

The purpose of the review was three-fold: to review FCS program progress in requirements, design, build, integration and test -- confirming the functional baseline for the program; to assess individual systems' readiness to proceed to preliminary design; and to provide a two-year "roadmap" for the next major milestone, the System-of-Systems Preliminary Design Review in 2008. Leading up to IPDR, the program had met 100 percent of associated cost, schedule and performance criteria, demonstrating continued successful execution.

"IPDR represents the transition from requirements to design, build, integrate and test," said Maj. Gen. Charles Cartwright, program manager, FCS Brigade Combat Team. "Successful completion means the days of PowerPoint slides are over. Within a year, FCS capabilities will be integrated into the current force through our Evaluation Brigade Combat Team (EBCT). The EBCT will deliver to our soldiers new capabilities that are specifically designed to address 21st century threats. Our Army and our troops require these new FCS capabilities sooner rather than later."

"Successful completion of IPDR is a tremendous testament to the combined efforts of the FCS One Team members who have worked diligently to keep FCS on cost and on schedule, and is evidence of the continuing progress of the program," said Dennis Muilenburg, Boeing vice president-general manager, Combat Systems, and FCS program manager. "With IPDR complete, our focus for the remainder of the year will be on meeting experimentation objectives, delivering software and proceeding with platform-level Preliminary Design Reviews as we prepare for the first spin out of FCS technologies into the current force in 2008."

"The IPDR is indicative of what happens when you bring together the best of industry," said Dan Zanini, SAIC senior vice president and FCS deputy program manager. "But it's more than that; it's also a measurement of our technical success, and it therefore represents an important step forward. We've passed a milestone as we enter the next critical phase of the program, which paves the way for early soldier testing and fielding of key technologies."

The next near-term program milestone, Experiment 1.1, is under way and runs through early 2007. This three-phased risk mitigation effort will test operational capabilities of the systems slated for early fielding in 2008 as part of the first spin out.

SAIC is the largest employee-owned research and engineering company in the United States, with more than 43,000 employees in over 150 cities worldwide. For the fiscal year ended Jan. 31, 2006, the company reported annual revenues of $7.8 billion. SAIC engineers and scientists solve complex technical problems in national security, homeland security, energy, the environment, space, telecommunications, health care, and logistics. SAIC: FROM SCIENCE TO SOLUTIONS™
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