

Future Combat Systems Program Selects Logistics Data Management Service Provider

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The Boeing Company [NYSE: BA] and partner Science Applications International Corporation (SAIC) [NYSE: SAI], acting as the Lead Systems Integrator for the U.S. Army's Future Combat Systems (FCS) program, today announced the selection of IBM Corporation's Global Business Systems division of Bethesda, Md., as the provider of Logistics Data Management Service (LDMS) for FCS. LDMS is the FCS sustainment and supportability data management service that will be tightly integrated with the Army's Logistics Enterprise.

"LDMS will provide a network-enabled, performance-based logistics solution for the U.S. Army that will reduce the logistics footprint, increase operational availability and significantly lower life-cycle costs for FCS Brigade Combat Teams," said Dennis Muilenburg, vice president-general manager of Boeing Combat Systems and FCS program manager. "IBM has demonstrated that it is uniquely qualified to provide these capabilities for our nation's soldiers and will be a tremendous addition to the FCS best-of-industry One Team."

The LDMS will provide unprecedented access to complete life-cycle data for FCS logistics support, as well as configuration management, data analysis, and forecasting and planning. It will enable the collection, reporting and collaboration of logistics data on customer demands received from the U.S. Department of Defense (DoD), Standard Army Management Information Systems and Enterprise Resource Planning Systems. LDMS also will provide the status and location of national-level assets of FCS spares and repair parts from DoD, Army and partner systems.

IBM Corporation was selected as the LDMS provider based on technical merit, schedule integration, cost, management approach and past performance after a best-value evaluation process by the Lead Systems Integrator team and its government partners. The potential value of the LDMS Systems Development and Demonstration contract, which will be finalized this month and will run through 2014, is in excess of \$65 million. Fielding is scheduled to begin in 2010.

SAIC is a leading provider of scientific, engineering, systems integration and technical services and solutions to all branches of the U.S. military, agencies of the Department of Defense, the intelligence community, the U.S. Department of Homeland Security and other U.S. Government civil agencies, as well as to customers in selected commercial markets. With more than 43,000 employees in over 150 cities worldwide, SAIC engineers and scientists solve complex technical challenges requiring innovative solutions for customers' mission-critical functions. SAIC had annual revenues of \$7.8 billion for its fiscal year ended January 31, 2006. SAIC: FROM SCIENCE TO SOLUTIONS™

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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