

## **Boeing Passes GPS III Milestone and Receives Follow-on Funding**

Boeing [NYSE: BA] has successfully completed a critical U.S. Air Force review of its Global Positioning System (GPS) Space Segment III program and has been awarded a \$50 million contract for additional system design activities.

The Delta System Requirements Review, completed in November, featured an incremental capability insertion approach designed to ensure low development and delivery risks. The review is part of a \$10 million follow-on order to the Phase A Concept Development Contract awarded in 2004. The U.S. Air Force is expected to award the multi-billion dollar GPS III contract in 2007.

The \$50 million cost-plus-fixed fee contract supports a System Design Review in March 2007 and key program decision points in June 2007. The modification adds detailed system engineering and design, and continues risk reduction efforts as the Air Force moves toward initial launch in 2013.

"GPS III sets a new standard for space-based navigation, and the Boeing team is well positioned to provide this next-generation system to ensure U.S. global leadership in space-based navigation," said Boeing GPS Program Director John Duddy. "GPS III will provide transformational capabilities, such as anti-jamming, to our customer and our warfighters, along with better accuracy and interoperability with Europe's Galileo system for our civil and commercial users."

Boeing is working closely with the U.S. Air Force to deliver new, advanced GPS capabilities to the military, civil government and the general public as early as possible. This includes Boeing's current production of 12 GPS Block IIF satellites under a contract from the Navstar GPS Wing at the U.S. Air Force Space and Missile Systems Center in Los Angeles. Boeing will deliver the first GPS IIF satellite in 2007.

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For further information:

Dave Garlick

The Boeing Company

(310) 364-8286

[dave.garlick@boeing.com](mailto:dave.garlick@boeing.com)

Diana Ball

The Boeing Company

(562) 797-4303

[diana.ball@boeing.com](mailto:diana.ball@boeing.com)

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