

Boeing to Submit Proposal for Global Positioning System III

The Boeing Company [NYSE: BA] is preparing a response to a U.S. Air Force Request for Proposals for the development and production of an enhanced constellation of Global Positioning System satellites known as GPS III.

The proposal is due Aug. 27, and the potential \$1.8 billion contract award for the first eight Block A GPS III satellites along with an option for four more, is anticipated by the end of 2007 to meet a projected 2013 launch.

"GPS III will further evolve navigation and positioning capabilities," said Howard Chambers, vice president and general manager of Boeing Space and Intelligence Systems. "Boeing's GPS III solution delivers accelerated warfighter capability on time with a low-risk, high-confidence program. Our solution, which combines signal and power improvements, is the best value for the nation and will provide a more capable GPS service for both civilian and military users."

Boeing is building on its successful experience of producing 43 GPS satellites to date for Block I, II, IIA and the current IIF series. That heritage ensures GPS III will be compatible with existing civil and military user equipment. Boeing's mature, flexible and scalable GPS III design allows for future capability upgrades while minimizing life cycle costs.

GPS III is set to take navigation timing and accuracy to the next level. Its more powerful broadcast signals will incorporate a new civil signal making it interoperable with Europe's upcoming Galileo system, advanced anti-jamming capabilities and the military signal known as the M-code, which provides more secure operations for the warfighter.

Boeing's current production of 12 GPS Block IIF satellites will begin launching in 2008, and the Architecture Evolution Plan for the GPS ground station will be fully operational in September.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses specializing in innovative and capabilities-driven customer solutions. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$32.4 billion business with 72,000 employees worldwide.

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