Boeing to Transfer Aegis Ballistic Missile Defense Production to Alabama

Boeing [NYSE: BA] today announced that it will transfer production supporting the Aegis Ballistic Missile Defense (BMD) program from Anaheim, Calif., to its facility in Huntsville, Ala. The move expands production capability and co-locates Aegis BMD production with similar missile defense activities.

About 30 positions will transfer as the work transitions to Huntsville in segments over a period of several months and should be complete in 2008. Boeing anticipates that most of those jobs will be filled by current Boeing employees.

"This move allows us to increase our capacity supporting the Standard Missile-3 (SM-3) kinetic warhead (KW) production and reap the benefits of co-locating our missile defense production in Huntsville," said Debra Rub-Zenko, vice president of Boeing Integrated Missile Defense. "Shared facilities will allow Boeing to provide our missile defense customers with a best value solution. The availability of Huntsville's skilled and experienced workforce will ensure our Aegis BMD work retains its high quality, reliability and mission success."

Boeing decided to relocate the SM-3 KW production work to Huntsville following an evaluation of projected future production requirements and a review of plans to consolidate Boeing Southern California facilities that will result in closure of the Anaheim facility. The company selected Huntsville because of its legacy of outstanding performance on complex missile defense programs, such as the Patriot Advanced Capability-3 (PAC-3) Missile seeker, the Arrow interceptor co-production and the Ground-based Midcourse Defense system.

Boeing has partnered with Raytheon on the Aegis BMD Standard Missile-3 development since 1996 and is under subcontract to integrate and test the KW avionics, guidance and control hardware and software, as well as the ejection subsystem.

In addition to its work on the Aegis BMD program, Boeing holds key roles in several other elements of the U.S. Ballistic Missile Defense System architecture. Boeing is prime contractor for the Ground-based Midcourse Defense system and the Airborne Laser. It also develops and produces the seeker for the PAC-3 Missile.

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.
###

For further information:
Linda James
Missile Defense Systems
mobile: 256-426-4014
linda.s.james@boeing.com
Marc Selinger
Missile Defense Systems
mobile: 703-624-3607
marc.selinger@boeing.com