

Boeing Delivers First Upgraded Phase II CF-18 Hornet to Canadian Defense Forces

The Boeing Company [NYSE: BA] and industry partner L-3 Communications MAS, Inc., delivered Monday the first modernized Phase II CF-18 fighter to the Canadian Department of Defense.

Phase II of the CF-18 modernization program adds a data link system, a helmet-mounted sight system, new color cockpit displays and a new chaff- and flare-dispensing electronic warfare system to 79 CF-18 Hornets. The program is expected to be completed in March 2010. Phase I, completed in August 2006, upgraded the Canadian Hornet fleet's avionics, radio and weapons capabilities.

The new data link will increase interoperability between Canadian and allied forces. The Canadian fighters also will have improved survivability with the upgraded chaff- and flare-dispensing system, increased weapons effectiveness with the helmet-mounted sight system and enhanced situational awareness with the upgraded displays. Phase II of the modernization project is valued at USD \$150 million.

Boeing previously completed two prototype aircraft, while L-3 provided installation services for the program's remaining 77 aircraft. The Phase II work is done at the L-3 facility in Mirabel (Montreal), Quebec.

"This modernization program is essential to keeping Canadian forces interoperable with American and allied nations today and in the future," said Paul Niewald, Boeing CF-18 program manager. "The increased capabilities of the CF-18s will keep the fleet an integral part of Canadian defenses for years to come."

Boeing has been a major contributor and vital partner to the Canadian economy for nearly 90 years. Boeing recognizes the breadth and depth of the Canadian aerospace industry, consistently placing substantial amounts of work generated by its Canadian facilities in Winnipeg, Richmond and Montreal. More than 200 Boeing partners across Canada benefit from the company's commercial and defense contracts, earning an average of USD \$600 million every year. As a result, Canada is Boeing's third largest supplier network worldwide. Today, Boeing operations and supplier partnerships continue to generate approximately CND \$1 billion annually.

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:

Steve Little

Boeing Media Relations

office: (314) 233-5952

stephen.l.little@boeing.com

Brad Mudd

Boeing Media Relations

office: (314) 233-1220

bradley.h.mudd@boeing.com
