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The Boeing Company [NYSE: BA] has been awarded a \$49.2 million contract, including options, to upgrade communications aboard Saudi Arabia's fleet of five E-3 Airborne Warning and Control System (AWACS) aircraft.

The U.S. Air Force Electronic Systems Center, Hanscom Air Force Base, Mass., awarded the contract under a foreign military sales agreement.

The enhancement, known as Link 16, is a secure, jam-resistant, digital data link that allows military aircraft, ships and ground units to exchange their tactical pictures in near real time. Link 16 also supports the exchange of text messages and imagery data and provides additional channels for digital voice.

"This secure data and voice link allows direct communication between AWACS and forward positioned fighter aircraft," said Mark Mills, Boeing Saudi AWACS programs manager. "The Link 16 AWACS upgrade is the first in a series of anticipated upgrades to the Saudi AWACS fleet."

Installation and checkout of Link 16 on the first Saudi AWACS aircraft is scheduled to begin in December at Boeing facilities in Seattle, Wash., immediately followed by an interoperability demonstration with a Link 16-modified F-15 fighter. Alsalam Aircraft Co. will upgrade the remaining four aircraft in Riyadh, Saudi Arabia. The fleet upgrade is scheduled to be completed in December 2009.

Saudi Arabia's AWACS fleet is part of the Peace Sentinel program that began in 1981. In addition to the five E-3 AWACS aircraft, the program includes eight KE-3 refueling tankers, along with spare parts, trainers and support equipment. Boeing delivered the first Saudi E-3 in June 1986, with deliveries of the remaining E-3s and tankers completed by September 1987.

AWACS is the world's standard for airborne early warning and control systems. Currently carried on board militarized 707 and 767 aircraft, it fills the need for both airborne surveillance and command and control functions for tactical and air defense forces.

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For further information: Dave Sloan

The Boeing Company office: (253) 657-8008 david.a.sloan@boeing.com