

Thales and Boeing Selected for FRES Integration Role

The United Kingdom Ministry of Defence (MoD) today announced that Thales UK in partnership with Boeing [NYSE: BA], through its Boeing Defence UK subsidiary, have been selected as the preferred bidder for the role of System of Systems Integrator (SOSI) for the Future Rapid Effect System (FRES) program.

"This is the most excellent news," said Alex Dorrian, CEO of Thales UK. "Thales and our partner Boeing are absolutely committed to helping the MoD achieve success in FRES, which is the UK Army's highest priority equipment program. We are ready to build upon the rapid decision made by the MoD to drive forward with pace to the successful delivery of the program."

"Our FRES team builds upon the proven track record of both companies in the successful delivery of complex programs, including those at the system of systems level," Dorrian added. "Underpinning expertise includes capability-based acquisition, commercial innovation, the management of complex supply chains and world-class systems integration skills. The team also has excellent domain knowledge of the UK defense acquisition process and of the land environment, including armored fighting vehicles."

Dennis Muilenburg, vice president and general manager, Boeing Combat Systems, said, "Today's announcement is a positive reflection of the world-class capabilities that Boeing and Thales are bringing to bear to successfully execute this important program, and our commitment to fully support the intent of the UK Defence Industrial Strategy. We have developed a strong and collaborative relationship within our integrated team, a characteristic that we will bring to our relationship with the MoD for the System of Systems Integrator for FRES."

About the FRES program

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The FRES program will provide the British Army with a family of medium-weight, network-enabled, air-deployable armored vehicles to meet up to 16 battlespace roles.

About Thales UK and Thales

Thales UK is a major electronics and systems group serving defense, aerospace, security and services markets. Thales employs 9,000 staff in the UK, based at more than 50 locations. In 2006 Thales UK's revenues were over £1 bn.

Thales UK will be building on its experience with CVF, Watchkeeper, FIST and Self-Propelled HVM, as well as the FRES Technology Demonstrator work on Electronic Architectures and Integrated Survivability.

Thales Group is a leading international electronics and systems group, serving defense, aerospace and security markets worldwide, supported by a comprehensive services offering. The group's civil and military businesses develop in parallel to serve a single objective: the security of people, property and nations.

Leveraging a global network of high-level engineers, Thales offers a capability unmatched around the world to develop and deploy mission critical systems. Thales employs 60,000 people in 50 countries and generated revenues of £7 bn in 2006, with a record order book of over £14 bn.

About Boeing

Boeing has a longstanding commitment to the United Kingdom and is the largest overseas commercial customer of the UK's aerospace and defense industries, purchasing on average £1 billion of quality British products and services annually from some 200 companies and sustaining around 30,000 high-tech jobs across the UK. With its partnerships and presence, including an in-country staff of more than 600 professionals in offices throughout the UK, Boeing supports the government's Defence Industrial Strategy through jobs and creation of UK Intellectual Property.

Part of Boeing's Integrated Defense Systems business, Combat Systems is the Lead Systems Integrator for the Future Combat Systems program, which is developing the U.S. Army's networked medium-weight force of the future while spinning out new capabilities to today's warfighters.

Boeing Integrated Defense Systems is one of the world's largest space and defence businesses specialising 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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