Boeing KC-767 Tanker Determined More Survivable in U.S. Air Force **Evaluation**

ST. LOUIS, April 11, 2008 -- Boeing [NYSE: BA] today said the U.S. Air Force's decision to award a contract for the next aerial refueling airplane to the team of Northrop Grumman and the European Aeronautic Defence and Space Company (EADS) is at odds with the fact that the Northrop/EADS team's KC-30 is less survivable and more vulnerable to attack than the Boeing KC-767 Advanced Tanker.

The Air Force evaluation cited the Boeing offering to be more advantageous in the critical area of survivability. The evaluators found the KC-767 tanker had almost five times as many survivability discriminators as its competitor.

Speaking this week at the Aerial Refueling Systems Advisory Group (ARSAG) Conference in Orlando, Fla., former U.S. Air Force Chief of Staff and retired Gen. Ronald Fogleman stressed that survivability greatly enhances the operational utility of a tanker.

"When I saw the Air Force's assessment of both candidate aircraft in the survivability area, I was struck by the fact that they clearly saw the KC-767 as a more survivable tanker," Fogleman told the ARSAG audience in his role as a consultant to Boeing's tanker effort. "To be survivable, tanker aircraft must contain systems to identify and defeat threats, provide improved situational awareness to the aircrew to avoid threat areas, and protect the crew in the event of attack. The KC-767 has a superior survivability rating and will have greater operational utility to the joint commander and provide better protection to aircrews that must face real-world threats."

On Feb. 29, the Air Force selected Northrop/EADS' Airbus A330 derivative over Boeing's 767 derivative. Boeing subsequently asked the Government Accountability Office to review the decision, citing numerous irregularities and a flawed process that included deviations from the evaluation and award criteria established by the service for the competition.

During the Air Force debrief, the Boeing team discovered the KC-767 outranked the KC-30 in the critical survivability category. The KC-767 achieved a total score of 24 positive discriminators -- including 11 described as major -- while the KC-30 scored five, none of which were major.

Major survivability discriminators for the Boeing KC-767 included:

- More robust surface-to-air missile defense systems
- Cockpit displays that improve situational awareness to enable flight crews to better see and assess the threat environment
- Better Electro-Magnetic Pulse (EMP) hardening -- the KC-767 is better able to operate in an EMP environment compared with the KC-30
- Automatic route planning/rerouting and steering cues to the flight crew to avoid threats once they are detected
- Better armor-protection features for the flight crew and critical aircraft systems
- · Better fuel-tank-explosion protection features.

Boeing's KC-767 Advanced Tanker will be equipped with the latest and most reliable integrated defensive equipment to protect the aircraft and crew by avoiding, defeating or surviving threats, resulting in unprecedented tanker survivability -- far superior to all current Air Force tankers as well as the Northrop/EADS KC-30. The Boeing KC-767 also includes a comprehensive set of capabilities that enables unrestricted operations while providing maximum protection for the tanker crew.

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 \$32.1 billion business with 71,000 employees worldwide. ###

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