Boeing Uses Flight-Proven Satellite Technology for TSAT Review

EL SEGUNDO, Calif., Sept. 29, 2008-- Boeing [NYSE: BA] today announced that it has used an operational, commercial communications satellite to demonstrate the maturity of its Internet-like, space-based packet-switching technology during a program review of the company's proposed Transformational Satellite Communications System (TSAT) for the U.S. Department of Defense (DOD).

The Boeing-built SPACEWAY™ 3 satellite was used for the review, which took place earlier this month at three locations across the United States with participants interacting through a videoconference and collaboration software. SPACEWAY 3, which is owned and operated by Hughes Network Systems, LLC (HUGHES), is the only satellite of its type in orbit. Its unique packet-switching technology is directly applicable to Boeing's proposed TSAT system.

"The SPACEWAY 3 satellite system provides an operational, commercial broadband service that brings unique capabilities beyond that of any other space-based network," said Craig Cooning, vice president and general manager of Boeing Space and Intelligence Systems. "These capabilities are commercial versions of many of the capabilities TSAT will provide to the U.S. military. SPACEWAY 3 shows that implementing TSAT is the next logical step from what Boeing and Hughes developed and have operational today."

Conventional satellites use circuit-switching technology that sets up a limited number of exclusive-use, defined-capacity connections between points to communicate. SPACEWAY 3 uses packet-switching technology that connects users in an adaptable network that dynamically forwards information to each person as needed, increasing flexibility by allowing communication with any other user. Packet switching provides for much more efficient use of available capacity. The most common use of packet switching is the Internet.

Once launched, the TSAT system will provide survivable, protected, high-capacity Internet-like connections for the DOD. TSAT will be the communications backbone and a large part of the DOD's secure, global communications network.

Boeing's TEAM TSAT consists of Cisco, Hughes, IBM, Harris Corp., Ball Aerospace & Technologies Corp., LGS Innovations, Raytheon, General Dynamics C4 Systems, L-3 Communications, BBN Technologies, EMS Technologies, Science Applications International Corp. (SAIC) and Innovative Communications Engineering (ICE).

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, and the world's largest and most versatile manufacturer of military aircraft. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$32.1 billion business with 71,000 employees worldwide.

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