

Boeing Completes Canadian Industrial and Regional Benefits Program for CF-18 Modernization

OTTAWA, Jan. 22, 2009 -- The Boeing Company [NYSE: BA] has successfully completed its Industrial and Regional Benefits program for Phase 1 of the CF-18 Fighter Avionics Modernization Program for the Canadian Forces. This achievement, reached one year ahead of schedule, demonstrates the company's continued success in meeting its industrial participation (IP) commitments. Boeing has successfully implemented IP programs totaling more than US\$29 billion in more than 35 countries over the past 30 years.

"The completion of the CF-18 Phase 1 Industrial and Regional Benefits program continues our long-standing commitment to investing in the regions where we do business," Gwen Kopsie, director of Industrial Participation for Boeing Integrated Defense Systems, said Jan. 21 in Ottawa. "This accomplishment further reinforces our focus on developing partnerships and issuing contracts that will result in long-term, high-value jobs for Canadians while further establishing Boeing as an enduring partner to Canadian industry."

With the completion of the CF-18 Phase 1 Industrial and Regional Benefits program, valued at nearly US\$378 million, Boeing now has three active IP programs in Canada, each coordinated by Industry Canada. The IP program for Phase 2 of CF-18 Fighter Avionics Modernization, valued at nearly US\$138 million, is on track for completion in May 2011. The company also has two IP programs tied to the Canadian government's 2007 order for four C-17 Globemaster III transport aircraft, which have delivered and are already supporting Canadian Forces' military and humanitarian missions. As part of the C-17 acquisition and in-service support contracts, Boeing agreed to match the purchase price of the four aircraft and a 20-year maintenance and support contract with dollar-for-dollar investments, valued at US\$1.5 billion, back into the Canadian economy.

Boeing has been a major contributor to the Canadian economy since 1919, generating approximately US\$1 billion in business annually. The company employs highly skilled workers in Winnipeg, Richmond (British Columbia), Montreal, and Ottawa in support of both its commercial and its defense/space business units. Canada also is home to Boeing's third-largest international supplier base, including more than 200 suppliers in every region of the country.

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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Contact Info:

Marcia Costley

Boeing Integrated Defense Systems

562-797-7281

marcia.b.costley@boeing.com

Amy Horton

Boeing Integrated Defense Systems

314-233-4368

amy.e.horton@boeing.com

Martin Sampson

Fleishman-Hillard Canada

613-238-2090, x351

martin.sampson@fleishman.ca
