Boeing Awarded Additional US Navy Communications Network Design Services Contract

HUNTINGTON BEACH, Calif., July 6, 2009 -- The Boeing Company [NYSE: BA] has been awarded a U.S. Navy contract valued at $42.9 million including options to continue providing communications network design and technical engineering services on guided missile destroyers.

The sole-source contract supports the AN/USQ-82 (V) Gigabit Ethernet and Fiber Optic Data Multiplex System (GEDMS / FODMS) program and is a five-year cost-plus, fixed-fee term contract. It is part of the Navy's effort to build, operate and modernize the DDG-51 class guided missile destroyers. GEDMS also is included in the Aegis weapon system package for various foreign navies.

"Boeing has worked with its Navy customer for more than 35 years to upgrade and enhance mission-critical information-transfer systems, ensuring major shipboard systems can communicate with each other," said Jay Nieto, Boeing GEDMS program manager. "This flexible, cost-effective network provides optimal shipboard control and provides the Navy with a system architecture that allows ships to introduce network-centric control systems gracefully and with minimal risk, because the migration does not necessitate wholesale replacement of equipment."

Under the contract, Boeing will continue to enhance data multiplex system (DMS) networks, manage engineering changes, update technical documentation, and develop interface design documents for new and refurbished ships. Boeing also will provide installation support, system configuration management, and land-based test sites and facilities for support operations.

Boeing has developed a complete information-transfer system that enhances reliability, maintainability and survivability by managing data from the ship's navigation, steering-control, damage-control, machinery-control, combat and internal communications systems. The DMS network design replaces the miles of point-to-point cables, signal converters, junction boxes and switchboards associated with conventional cabling on a guided missile destroyer.

The Naval Surface Warfare Center, Dahlgren Division in Dahlgren, Va., will manage the contract. Boeing's C3 Networks division will perform the work in Huntington Beach.

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 billion business with 70,000 employees worldwide.

# # #

Contact:

Paula Shawa
The Boeing Company
714-290-3975
paula.r.shawa@boeing.com

Cheryl Sampson
The Boeing Company
714-934-9373
cheryl.a.sampson@boeing.com