Boeing Awarded $72 Million JDAM Production Contract

ST. LOUIS, Nov. 9, 2009 -- The Boeing Company [NYSE: BA] has been awarded a $72 million U.S. Air Force contract for more than 2,900 Joint Direct Attack Munition (JDAM) tail kits.

Boeing will deliver the kits in 2011 and 2012. The Lot 14 production order is the second one-year option of a six-year contract Boeing received in January 2008. The agreement has a potential total value of $590 million with deliveries extending through 2015, if all options are exercised.

"JDAM provides warfighters an effective, accurate and battle-tested weapon," said Dan Jaspering, Boeing director of Direct Attack Programs. "The Lot 14 contract and its additional options assure the long-term availability of this cost-effective weapon."

The Air Force and Navy have used JDAM weapons extensively in Afghanistan and Iraq. JDAM is a low-cost guidance kit that converts existing 500-, 1,000- and 2,000-pound unguided free-fall bombs into accurately guided "smart" weapons. Its modular design allows customers to easily upgrade the weapon in the field to provide additional capability, such as laser guidance and extended range. Boeing has produced more than 210,000 JDAM tail kits since 1998.

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.

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