Boeing Awarded Long-Term Support Contract for Australia's Wedgetail 737 AEW&C Program

SEATTLE, Jan. 19, 2010 -- The Boeing Company [NYSE: BA] today announced that it has been awarded a five-year In-Service Support contract for Project Wedgetail, Australia's 737 Airborne Early Warning and Control (AEW&C) program. The contract from Australia's Defence Materiel Organisation is worth approximately US$600 million.

Under the performance-based logistics (PBL) contract, Boeing will provide acquisition, program management, integration and engineering services. Boeing Defence Australia, a wholly owned subsidiary of The Boeing Company, will support the program with engineering, maintenance and training services and supply chain management for the Royal Australian Air Force's (RAAF) fleet of six Wedgetail AEW&C aircraft and ground segments. Northrop Grumman, as a subcontractor on the Boeing-led program, will support the aircraft's Multirole Electronically Scanned Array radar.

The contract is expected to create more than 100 jobs in Newcastle, Australia, while providing continued and new employment for more than 100 personnel in Queensland, Australia. This PBL agreement offers the RAAF maximum aircraft readiness at the lowest possible cost. Boeing is the industry leader in PBL contract execution.

"Establishing a robust support program for the Wedgetail aircraft will help ensure the long-term success of the AEW&C system," said Maureen Dougherty, AEW&C vice president for Boeing. "We are offering an enterprisewide solution by tapping into the support infrastructure expertise of Boeing Commercial Airplanes and pairing that with Boeing Defense, Space & Security's extensive work with large sustainment defense contracts, technical know-how and experience with airborne surveillance and battle management systems."

Project Wedgetail consists of six 737 AEW&C aircraft and associated ground support segments, such as the Operational Flight Trainer, Operational Mission Simulator and Mission Support System. All of these program elements are located in the AEW&C Support Centre at RAAF Base Williamtown in Newcastle.

Boeing delivered the first two Wedgetail aircraft to the RAAF on Nov. 26, which allowed its flight, mission and maintenance crews to begin familiarization training.

Based on the Boeing Next-Generation 737-700 commercial airplane, the 737 AEW&C aircraft is designed to provide airborne battle-management capability with an advanced multirole electronically scanned radar and 10 state-of-the-art mission crew consoles that are able to track airborne and maritime targets simultaneously. The mission crew can direct offensive and defensive forces while maintaining continuous surveillance of the operational area.

Boeing also has AEW&C systems in production for Turkey and the Republic of Korea.

A unit of The Boeing Company, Boeing Defense, Space & Security is one of the world's largest defense, space and security 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 Defense, Space & Security is a $32 billion business with 70,000 employees worldwide.

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