Boeing Signs AU$44M Contract Expansion for Australian Army Rotary Wing Support

OAKEY, Queensland, Feb. 26, 2010 -- Boeing [NYSE: BA] has signed an AU$44 million change proposal with the Commonwealth of Australia to increase the scope of the Army Aviation Training and Training Support (AATTS) contract.

Awarded the contract in 2007, Boeing subsidiary Boeing Defence Australia has been supporting the Australian Army's Black Hawk and Kiowa helicopters with pilot, aircrew and technician training, operational fleet maintenance, and support services at the Army Aviation Training Centre in Oakey.

Following detailed operational reviews, the Commonwealth and Boeing Defence Australia changed the scope of the AATTS contract to reflect the Army's current and future aircrew training requirements. Under the updated contract, Boeing Defence Australia is additionally responsible for delivering:

- The Initial Army Pilot Helicopter Qualification Course, using the B-206 Kiowa
- 85 percent of S-70A-9 Black Hawk pilot training
- CH-47 Chinook helicopter instructor and technician training.

The $44 million agreement also includes the Commonwealth's first one-year extension of AATTS, continuing the contract until September 2013. The original AATTS contract includes five one-year extension options.

"The Commonwealth's decision to both increase the scope of AATTS and extend the contract until 2013 reinforces Boeing Defence Australia's position as the preeminent ab-initio ['from the beginning'] training provider to the Australian Defence Force," said Mark Brownsey, Boeing Defence Australia senior manager for Global Services & Support -- Training Operations.

"To date, Boeing Defence Australia has exceeded all Australian Army training and maintenance requirements, including standing up the entire program on time, completing 100 percent of training courses on schedule, supporting close to 7,000 training sorties annually, and providing maintenance support to the Australian Defence Force Kiowa fleet, which recently achieved more than 50,000 flight hours," said Matthew Sibree, Boeing Defence Australia AATTS project manager. "To ensure AATTS continues on time and on budget, 20 additional employees will be hired on to the 160-strong team to ensure we meet our customer's expectations."

The updated AATTS contract will further strengthen Boeing Defence Australia's training capability while ensuring the Australian Army maintains a constant supply of qualified helicopter pilots, aircrew and technicians to conduct complex helicopter missions in support of domestic and global operations.

Boeing Defence Australia, a wholly owned subsidiary of The Boeing Company and a business unit of Boeing Defense, Space & Security, is a leading Australian aerospace enterprise. With a world-class team of nearly 2,000 employees at 13 locations throughout Australia and two international sites, Boeing Defence Australia supports some of the largest and most complex defense projects in Australia.

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 $34 billion business with 68,000 employees worldwide.

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