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**ST. LOUIS, May 21, 2010** -- The Boeing Company [NYSE: BA] today announced that Arizona will benefit from approximately 680 jobs and an estimated \$32 million in annual economic impact if the Boeing NewGen Tanker is selected as the U.S. Air Force's next aerial refueling aircraft.

"The high quality jobs Boeing will bring to Arizona with this exciting project are the kind worth fighting for," said Arizona Chamber of Commerce President and CEO Glenn Hamer. "Jobs like these not only pay better than most manufacturing jobs, but they have a tremendous downstream effect on the economy, spurring growth in numerous sectors. Boeing is a great corporate citizen, and Arizona is fortunate to have such a respected company here in our state."

Arizona manufacturers ready to produce critical components on the NewGen Tanker include:

- Aviation Communication & Surveillance, Phoenix -- Traffic Management Computer (TMC) for superior situation awareness

- American Aerospace Technical Castings, Phoenix -- castings.

Boeing currently has approximately 4,800 employees in Arizona supporting a variety of programs and works with more than 570 suppliers/vendors across the state, resulting in an estimated \$1.1 billion in annual economic impact.

The NewGen Tanker is a widebody, multi-mission aircraft based on the proven Boeing 767 commercial airplane and updated with the latest and most advanced technology. Capable of fulfilling the Air Force's needs for transport of fuel, cargo, passengers and patients, the combat-ready NewGen Tanker is being offered as a replacement for 179 KC-135 aircraft. Boeing is writing a proposal to meet or exceed the 372 mandatory requirements described in the service's final KC-X Request for Proposal released on Feb. 24. The Air Force is expected to award a contract later this year.

The NewGen Tanker will be made with a low-risk approach to manufacturing that relies on existing Boeing facilities in Washington state and Kansas as well as U.S. suppliers throughout the nation, with decades of experience delivering dependable military tanker and derivative aircraft. Nationwide, the NewGen Tanker program will support approximately 50,000 total U.S. jobs with Boeing and more than 800 suppliers in more than 40 states.

The Boeing NewGen Tanker also will be more cost-effective to own and operate than a larger, heavier tanker. It will save American taxpayers more than \$10 billion in fuel costs over its 40-year service life because it burns 24 percent less fuel than the competitor's airplane.

Boeing has been designing, building, modifying and supporting tankers for decades. These include the KC-135 that will be replaced in the KC-X competition, and the KC-10 fleet. The company also has delivered four KC-767Js to the Japan Air Self-Defense Force and is on contract to deliver four KC-767s to the Italian Air Force. Three of the four Italian tankers are in flight test, with the fourth airplane in production.

More information on Boeing's NewGen Tanker, including video clips and an interactive tour of the aircraft, is available at <u>www.UnitedStatesTanker.com</u>. For more information on joining the company's efforts, visit <u>www.RealAmericanTankers.com</u>.

A unit of The Boeing Company, <u>Boeing Defense</u>, <u>Space & Security</u> 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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