Boeing Receives Contract to Upgrade US Air Force KC-10 Cockpits

ST. LOUIS, June 23, 2010 -- Boeing [NYSE: BA] today announced that it has received a $216 million contract from the U.S. Air Force to upgrade the service's 59-jet KC-10 tanker fleet with a new communication, navigation, surveillance and air traffic management (CNS/ATM) system.

The KC-10 upgrade will enable the fleet to comply with the forecasted 2015 CNS/ATM Federal Aviation Administration/International Civil Aviation Organization standards, which allow shared access within both civil and military airspace, enabling tanker refueling operations worldwide.

"As air traffic continues to increase, modern CNS/ATM systems become essential for communicating precise flight data and obtaining the most direct routing," said Mike Harris, Boeing vice president of Weapon Systems Modernization. "This upgrade is critical to the Air Force for pilots' safety, mission effectiveness and lower operational costs."

The five-year contract draws on design and development work performed by Boeing Defense, Space & Security and Boeing Commercial Airplanes. The contract will be managed at the Boeing Long Beach, Calif., facility. The first airplane will be modified and flight-tested in 2012 at the company's San Antonio facility. Boeing will complete and deliver the final KC-10 modification in 2015.

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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