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WICHITA, Kan., June 24, 2010 -- The Boeing Company [NYSE: BA] today announced that it has received a five-year, \$80.9 million C-40A Contractor Logistics Support (CLS) contract from the U.S. Navy.

"As the original equipment manufacturer of the C-40A, we are uniquely positioned to support these aircraft for our Navy customer," said Steve Wade, general manager of Boeing Global Transport & Executive Systems (GTES). "We are excited about the opportunity to help the Navy ensure the fleet is ready to perform critical missions worldwide."

The C-40A is a military version of the Boeing 737-700C that is designed to be a workhorse to support Navy operations worldwide. The aircraft has three configurations: an all-passenger configuration that can carry 121 passengers, an all-cargo configuration that holds eight cargo pallets, and a combi configuration that carries three cargo pallets and 70 passengers. All three configurations are certified by the U.S. Federal Aviation Administration.

The C-40A CLS contract supports the Navy's fleet of nine aircraft currently in service. Boeing is on contract to deliver three more C-40As, which are scheduled to enter service in 2010 and 2011. The aircraft are stationed at the Naval Air Station (NAS)/Joint Reserve Base in Fort Worth, Texas, and at the Naval Air Station Jacksonville, Fla., and North Island, Calif.

This effort is in addition to the current support Boeing provides to the C-40A, including sustaining engineering, winglet modifications, and other emergent needs.

"Because the C-40A is a commercial derivative aircraft, we will be able to draw on the multifaceted resources of the entire Boeing Company to deliver this support to the Navy," said Wade.

GTES supports all Boeing aircraft in the U.S. Air Force's executive fleet, including the C-40B, C-40C, and C-32A. It also supports the Navy's E-6B and the National Command Authority's E-4B. GTES is headquartered in Wichita, with major operations in Seattle and Oklahoma City.

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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