Boeing Completes Initial Tests for Army Brigade Combat Team Modernization Increment 1

ST. LOUIS, July 12, 2010 -- The Boeing Company [NYSE: BA] announced today that Increment 1 of the Brigade Combat Team Modernization (BCTM) program has completed its Technical Tests, the first key milestone in the 2010 testing cycle.

"While this is just the first step in the 2010 test and evaluation process, we are encouraged by the performance of the Increment 1 capabilities," said Derek McLuckey, BCTM Increment 1 program manager for Boeing. "As we enter the next phase of testing, we will continue to show increased system reliability and performance for all Increment 1 capabilities."

The tests evaluated aspects of Increment 1's capabilities and performance. Data and soldier feedback from these tests will lead to additional improvements in Increment 1 capabilities as the program prepares for the Force Development Test and Evaluation and the Limited User Test in September.

The monthlong tests, which ended July 1, involved Army engineers, Boeing, industry partners, and soldiers from the Army Evaluation Task Force at White Sands Missile Range, N.M. The tests were conducted in an operationally relevant environment designed to mimic conditions found in Afghanistan, and involved both day and night operations across a variety of terrain.

The Increment 1 capabilities that were evaluated included the Network Integration Kit, the Small Unmanned Ground Vehicle, the Class 1 Unmanned Air Vehicle, and Unattended Ground Sensors. Together, these capabilities will provide soldiers with increased intelligence, surveillance, and reconnaissance capabilities.

In addition to supporting the BCTM 2010 testing cycle, a team led by Boeing with support from Science Applications International Corp. (SAIC) [NYSE: SAI] is executing its initial production contract for the first set of BCTM Increment 1 capabilities, which will be delivered to the 3rd Brigade Combat Team of the 1st Armored Division for initial operational testing and evaluation in 2011.

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