Boeing NewGen Tanker Win Would Bring 1,100 Jobs, \$57 Million to Illinois

Boeing NewGen Tanker Win Would Bring 1,100 Jobs, \$57 Million to Illinois

ST. LOUIS, July 14, 2010 -- The Boeing Company [NYSE: BA] today announced that Illinois will benefit from an estimated 1,100 total jobs and generate an estimated \$57 million in annual economic impact if the Boeing NewGen Tanker is selected as the U.S. Air Force's next aerial refueling aircraft.

Boeing submitted its proposal July 9 to replace 179 of the 400 Eisenhower-era KC-135 aircraft. The Air Force is expected to award a contract in November.

"Boeing's NewGen Tanker would support more than 200 jobs at Hamilton Sundstrand in Rockford and in the surrounding communities, bringing \$11 million in economic impact to the region each year," said U.S. Rep. Don Manzullo. "Boeing is in great position to win this competition and build the Air Force's next-generation refueling tanker, putting more Americans back to work in northern Illinois and throughout the country."

"I have been a strong supporter of Boeing building the new tanker, precisely because it will mean good paying jobs right here in Illinois," said U.S. Rep. Jerry Costello. "This fact is even more important as we continue to deal with the effects of the economic downturn. Boeing has a tremendous economic impact on our state, and I look forward to this process moving toward completion."

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

- Elecsys Division of DCX Chol, Pekin
- · Hamilton Sundstrand, Rockford
- Northrop Grumman, Rolling Meadows
- · Rexnord, Downers Grove
- · Scot. Downers Grove
- SKF Aerospace Sealing Solution, Elgin
- Woodward MPC, Skokie.

Currently, Boeing has more than 600 employees in Illinois and works with nearly 850 suppliers/vendors, delivering a total \$714 million 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 will meet or exceed the 372 mandatory requirements described in the service's final KC-X Request for Proposal released Feb. 24.

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-767As to the Italian Air Force.

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

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.

#

Contact:

William Barksdale Boeing Communications Office: 314-232-0860

Mobile: 314-707-3294 william.a.barksdale@boeing.com