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NAVAIR signs 1st major production contract for Laser JDAM

US Air Force orders more than 4,000 Lot 15 JDAMs

ST. LOUIS, May 2, 2011 -- The Boeing Company [NYSE: BA] today announced that it has received contracts totaling \$100 million for two types of Joint Direct Attack Munition (JDAM) kits.

Naval Air Systems Command (NAVAIR) on March 17 awarded the company an \$8 million contract that represents the first major production order for Laser JDAM kits. The contract is for low-rate initial production of 700 laser sensor kits for the Navy's direct-attack moving target capability weapons requirement.

The U.S. Air Force announced a \$92 million contract for more than 4,000 Lot 15 JDAM kits on March 14. This follows an \$88 million contract awarded Jan. 14 for the first 3,500 tail kits in the same lot.

"JDAM has been the warfighter's weapon of choice for more than a decade," said Debbie Rub, vice president and general manager for Boeing's Missiles and Unmanned Airborne Systems division. "Boeing innovation has allowed us to consistently and affordably meet our customers' ever-evolving needs with unprecedented accuracy."

After the Laser JDAM was identified as an urgent operational need by warfighters in early 2007, Boeing completed the weapon's development and testing cycle in less than 17 months. The company delivered the first production Laser JDAM kits to the Air Force in May 2008. Laser JDAM was successfully employed by the Air Force in combat in Iraq in August 2008.

"Adding the laser sensor to the conventional JDAM kit allows warfighters to attack mobile land and maritime targets with precision and reliability," said Dan Jaspering, Boeing director for Direct Attack Weapons. "Laser JDAM is an affordable option that's easy for ordnance crews to install, and very straightforward for conventional JDAM users to adopt."

The Navy's first Laser JDAMs were delivered in October 2008. In March 2010, the Navy selected Laser JDAM to satisfy its direct attack moving target capability mission requirement.

The Air Force continues to use Laser JDAM in theater and it remains the highest-priority weapon sought by Air Forces Central Command. On Feb. 23 -- 27 days after receipt of a contract -- Boeing delivered the first 189 of 550 Air Force low-rate initial production Laser JDAMs to warfighters in theater, in response to an urgent operational need for replenishment assets.

JDAM is a low-cost guidance kit that converts existing unguided free-fall bombs into near precision-guided weapons. In addition to conventional JDAM and Laser JDAM applications, the JDAM Extended Range configuration -- currently in demonstration with an international customer -- is designed to increase the stand-off range to approximately 40 miles. Since JDAM production started in 1998, Boeing has built more than 225,000 JDAM tail kits in its St. Charles, Mo., facility.

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 \$32 billion business with 66,000 employees worldwide. Follow us on Twitter: <u>@BoeingDefense</u>.

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