Boeing and Northrop Grumman GMD Team Receives Contract from US Missile Defense Agency

Heritage Ground-based Midcourse Defense team to continue unprecedented system support

Unmatched experience and know-how to ensure innovation and operational readiness

HUNTSVILLE, Ala., Dec. 30, 2011 -- The Boeing Company [NYSE: BA] and industry partner Northrop Grumman Corporation [NYSE: NOC] have received the development and sustainment contract (DSC) from the U.S. Missile Defense Agency for future work on the Ground-based Midcourse Defense (GMD) element of the United States' ballistic missile defense system.

"Today's award is the culmination of a two-year proposal process that brought together a broad industry group committed to delivering innovative solutions and a cost-effective approach to program management and execution," said Dennis Muilenburg, president and CEO of Boeing Defense, Space & Security. "We are privileged to have been partners with the Missile Defense Agency through development and deployment of the GMD system, and now with Northrop Grumman, we are honored to continue that partnership in this next phase of the program."

Under the DSC, Boeing will continue to lead the industry team for GMD development, integration, testing, operations and sustainment activities, building on the company's experience of supporting the Missile Defense Agency as prime contractor for the program since 2001. As strategic partner, Northrop Grumman will oversee the ground system elements, as well as provide key support in operations and sustainment, system engineering and system test.

"The DSC ushers in a new era for the GMD program, and our partnership with Boeing brings together the very best minds in the industry for this national security capability," said Wes Bush, chairman, CEO and president, Northrop Grumman. "By combining Northrop Grumman's 50-year experience and success on the nation's Minuteman ICBM program with Boeing's heritage GMD leadership, we provide the optimum mix of integrated development and sustainment capabilities for a system that demands nothing less."

The Boeing-led team currently operates and sustains the deployed GMD weapon system while developing and testing new technologies to provide increased reliability and to meet evolving customer needs and requirements. Northrop Grumman has been part of the team since 1998, responsible for designing and deploying the command-and-control systems that form the backbone of the GMD ground system.

"In selecting the Boeing and Northrop Grumman GMD team, the Missile Defense Agency retains the knowledge, skill and expertise of the world-class men and women who developed this one-of-a-kind system -- the only industry team capable of affordable innovation for GMD's future," said Norm Tew, Boeing vice president and program director of GMD. "We believe the government conducted a fair and open competition, making the right decision for the future of the program."

An integral element of the Global Ballistic Missile Defense System, GMD uses radars, other sensors, command-and-control facilities, communications terminals and a 20,000-mile fiber optic communications network. There are more than 20 operational interceptors at Vandenberg Air Force Base, Calif., and Fort Greely, Alaska, to defend the United States against long-range ballistic missile threats.

Northrop Grumman is a leading global security company providing innovative systems, products and solutions in aerospace, electronics, information systems, and technical services to government and commercial customers worldwide. Please visit www.northropgrumman.com for more information.

Boeing is the largest aerospace company in Alabama and one of the state's largest employers. Current company operations in Huntsville include the Ground-based Midcourse Defense program and other missile defense work, including the Standard Missile-3 Block IIB program, the Arrow system and the Patriot Advanced Capability-3 seeker, as well as support of Space Exploration Launch Systems, the International Space Station, Army Integrated Logistics, and engineering support for commercial and commercial-derivative airplanes.

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 63,000 employees worldwide. Follow us on Twitter: <u>@BoeingDefense</u>.

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