Boeing Awarded US Army Contract for 14 Additional CH-47F Chinook Helicopters

Contract supports Army's Foreign Military Sales efforts

RIDLEY TOWNSHIP, Pa., Jan. 11, 2012 -- The Boeing Company [NYSE: BA] has received a U.S. Army contract valued at approximately $370 million for 14 CH-47F Chinook helicopters to support Foreign Military Sales efforts. The aircraft will be delivered to the U.S. Army beginning in 2014; all but one are intended for Australia and the United Arab Emirates.

"This new aircraft sale brings our Chinook backlog to more than 200 aircraft for both domestic and international customers worldwide," said Leanne Caret, H-47 Programs vice president. "Boeing's recent $130 million investment to create a world-class Chinook manufacturing facility near Philadelphia means we are well positioned to respond to this demand."

Seven of the new Chinooks will be delivered to the Australian Defence Force and six aircraft will be delivered to the United Arab Emirates under the terms of a previously announced Foreign Military Sales agreement between the U.S. government and the two countries. One additional aircraft is to be delivered to the U.S. Army to fulfill its own requirements.

"This sale is indicative of the tremendous interest from customers around the world who need best-in-class, multirole heavy-lift capabilities for military and humanitarian missions," Caret added.

The H-47 program is at the midpoint of executing a multiyear contract for 191 CH-47F Chinook aircraft that was awarded in August 2008 and originally valued at $4.3 billion. In November, Boeing submitted a proposal to the U.S. government for a second multiyear contract for 155 Chinooks for the U.S. Army. This second five-year, firm fixed-price proposal would provide the Army with close to the full complement of 464 Chinooks outlined in the Department of Defense program of record and would yield double-digit percentage savings over a single-year procurement strategy. A decision is expected early next year.

Since completing the first CH-47F production aircraft in August 2006, Boeing has trained and equipped eight U.S. Army units and is in the process of equipping the ninth. Six units have completed deployments in Iraq and Afghanistan, where the helicopter has logged nearly 70,000 flight hours and maintained an operational readiness rate of more than 85 percent conducting air assault, transport, medical evacuation and support operations.

There are more than 450 Chinooks in operation with military forces in 17 countries around the world. International operators include Japan, United Kingdom, Italy, Netherlands, Australia, Canada, Thailand, Taiwan, Greece, Korea and Spain.

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