Boeing to Build 8th C-17 Globemaster III for United Kingdom

Royal Air Force to receive airlifter later this year

LONG BEACH, Calif., March 28, 2012 – Boeing [NYSE: BA] today announced that the UK Ministry of Defence has signed an agreement for the acquisition of one C-17 Globemaster III, bringing the Royal Air Force (RAF) fleet of the world's most advanced airlifters to a total of eight. Boeing is scheduled to deliver the eighth C-17 later this year.

"The tremendous teamwork of Boeing and U.S. Government officials has made it possible to announce this acquisition so quickly after we determined the need for this additional C-17," said UK Ministry of Defence Head of Commercial for Air Support Robin Philip. "This C-17 will be a welcome addition to the RAF fleet."

RAF C-17s had surpassed 50,000 flight hours in December 2009, when the UK announced its intent to purchase a seventh aircraft. By the time the seventh C-17 was delivered in November 2010, the fleet had logged more than 60,000 flight hours. The fleet has now surpassed 74,000 flight hours – a rate 15 percent above planned use.

"We have watched with great pride over the past decade as the RAF, our first international C-17 customer, has supported global peacekeeping missions and responded to the needs of millions affected by natural disasters around the world," said Bob Ciesla, Boeing vice president and C-17 program manager.

"We understand the need to move quickly to bring this contract to completion," said Liz Pace, Boeing C-17 UK program manager. "This additional order is a testament to our strong relationship with the UK as well as to the aircraft's advanced capability, flexibility and reliability."

The RAF C-17s are operated by 99Squadron at RAF Brize Norton. C-17s are used to support Operation Herrick, the transport of large equipment and troops to Afghanistan. RAF C-17s also delivered relief supplies following devastating earthquakes in Haiti and Chile and provided humanitarian relief following floods in Pakistan.

As a member of the worldwide C-17 "virtual fleet," RAF C-17s are supported through the Boeing C-17 Globemaster III Integrated Sustainment Program, a Performance-Based Logistics agreement. The GISP arrangement provides the highest airlift mission capable rate at one of the lowest costs per flying hour.

Boeing has delivered 241 C-17s worldwide, including 216 to the U.S. Air Force active duty, Guard and Reserve units. A total of 25 C-17s have been delivered to Australia, Canada, Qatar, United Arab Emirates, United Kingdom and the 12-member Strategic Airlift Capability initiative of NATO and Partnership for Peace nations. India has 10 C-17s on order for delivery in 2013 and 2014.

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