Boeing and Embraer Sign Agreement to Collaborate on KC-390 Program

SÃO PAULO, Brazil, June 26, 2012 -- The Boeing Company [NYSE: BA] and Embraer [NYSE: ERJ; BOVESPA: EMBR3] today announced an agreement to collaborate on the KC-390 aircraft program. Under this agreement, Boeing and Embraer will share some specific technical knowledge and evaluate markets where they may join their sales efforts for medium-lift military transport opportunities.

"Boeing has extensive experience in military transport and air refueling aircraft, as well as deep knowledge of potential markets for the KC-390, especially those which were not considered in our original marketing plan," said Luiz Carlos Aguiar, president and CEO of Embraer Defesa e Segurança. "This agreement will strengthen the KC-390's prominent position in the global military transport market."

The KC-390 collaboration is part of a broader agreement that Boeing and Embraer signed in April. The companies previously announced that they are exploring ways to cooperate in commercial airplane efficiency and safety, research and technology, and sustainable aviation biofuels. Boeing and Embraer will conduct a joint market assessment for the medium-lift military transport market and analyze business collaboration models. The market assessment includes potential customers that had not been considered in the initial market prospects for the KC-390.

"Embraer is a leading global innovator and we both understand the value of working in partnership to provide high-quality, affordable customer solutions," said Dennis Muilenburg, president and CEO of Boeing Defense, Space & Security. "This collaboration matches Boeing's proven excellence in military transport with Embraer's KC-390 accomplishments to further advance this highly capable and efficient medium-lift aircraft."

The KC-390 is a Brazilian Air Force project for which Embraer signed the development contract in April 2009. It is the biggest aircraft to be manufactured by the Brazilian aerospace industry and will set new standards in the medium-lift market in terms of performance, cargo capacity, flexibility, and life cycle costs.

Boeing has had a strong and enduring partnership with Brazil for 80 years, delivering the first F4B-4 fighters to the Brazilian government in 1932 and providing commercial airplanes to Brazilian airlines since 1960. Boeing opened its office in São Paulo in October.

Embraer S.A. (NYSE: ERJ; BM&FBOVESPA: EMBR3) is the world’s largest manufacturer of commercial jets up to 120 seats, and one of Brazil's leading exporters. Embraer’s headquarters are located in São José dos Campos, São Paulo, and it has offices, industrial operations and customer service facilities in Brazil, China, France, Portugal, Singapore, and the U.S. Founded in 1969, the Company designs, develops, manufactures and sells aircraft and systems for the commercial aviation, executive aviation, and defense and security segments. It also provides after-sales support and services to customers worldwide. On March 31, 2012, Embraer had a workforce of 17,629 employees -- not counting the employees of its partially owned subsidiaries -- and its firm order backlog totaled USD$14.7 billion. Follow us on Twitter: @EmbraerSA.

Headquartered in Chicago, Illinois, USA, Boeing is the world's largest aerospace company and leading manufacturer of commercial jetliners and military aircraft combined. Additionally, Boeing designs and manufactures rotorcraft, electronic and defense systems, missiles, satellites, launch vehicles and advanced information and communication systems. Boeing Research & Technology collaborates with customers, suppliers, universities and research-and-development agencies throughout the world to provide a broad base of innovative and affordable technologies for Boeing's business units. For more information, please visit www.boeing.com.

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