Boeing Receives 1st 10 New Fuselages Designed for AH-64D Apache Block III

Korea Aerospace Industries produces enhanced assembly for combat helicopter

MESA, Ariz., July 12, 2012 -- The Boeing Company [NYSE: BA] has received the first 10 new fuselages designed specifically for the AH-64D Apache Block III attack helicopter from long-time supplier Korea Aerospace Industries (KAI). This milestone paves the way for delivery of the first Apache Block III aircraft with new fuselages next year.

"KAI has been a key part of our ongoing effort to keep the Apache relevant and ahead of the competition," said Bill Elder, Boeing regional manager, Northeast Asia, Attack Helicopters Business Development. "The Apache's role has dramatically changed over the years, and it is vital for Boeing to give its customers the capabilities they need in a package that will perform for many years to come."

The new fuselage incorporates a variety of small but important modifications to accommodate Block III configuration changes, such as enhancements to the extended forward avionics bays and slots for new electronics.

Boeing will produce approximately 50 AH-64D Apache Block III helicopters for the U.S. Army under Low Rate Initial Production. The Army's acquisition objective stands at 690 Apache Block III aircraft. In addition, a growing number of defense forces worldwide have contracted for or are considering upgrading to or adding the Apache Block III to their rotorcraft fleets.

"KAI began producing fuselages for the world's most advanced combat helicopter nearly a decade ago at its facility in Sacheon," said Pat Gaines, president of Boeing Korea. "Today more than 1,000 AH-64D Apaches are in service, in production or under contract with 12 customers worldwide. This is just one example of the mutual benefits created by expanding the global reach of opportunities available to Korean industry."

KAI supports a number of other Boeing military and commercial aircraft programs. The company manufactures F-15 forward fuselages and wings, and is a key supplier on the A-10 Wing Replacement Program. Additionally, the company is performing the extensive modifications necessary for the 737-based Peace Eye Airborne Early Warning & Control aircraft, and is a major supplier of Boeing Commercial Airplanes assemblies. KAI's high-quality, on-time deliveries earned it a 2010 Boeing Supplier of the Year award.

Boeing has worked throughout the program with its customers to plan continual Apache upgrades. Most of the original AH-64A Apaches have been upgraded to the Apache Block II configuration. The Apache Block III incorporates 26 new technologies designed to enhance the aircraft's power and performance, such as an improved drive system and new main rotor blade.

Boeing has a strong history of cooperation with the Republic of Korea, going back a half century. Boeing shares productive partnerships with Korea in the commercial and defense aerospace markets and is committed to fostering long-term industrial growth for Korea through high-technology solutions that create jobs. The company employs nearly 190 highly skilled workers in Seoul, Busan, Gimpo, Sacheon, Seosan and Daegu. Today, Boeing works with nearly 20 Korean companies and spent more than $250 million with them in 2011, maintaining Korea's position in the top quartile of nations with which Boeing does business.

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