Boeing Receives 10th WGS Satellite Order from US Air Force

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Satellite to include enhanced Wideband Digital Channelizer

EL SEGUNDO, Calif., July 30, 2012 -- Boeing [NYSE: BA] has received a \$338.7 million contract modification from the U.S. Air Force to produce and launch a tenth Wideband Global SATCOM (WGS) satellite. The authorization includes production, launch site activities, initial orbital operations and checkout.

Boeing is working with the Air Force on potential cost-effective upgrades that would further increase the WGS satellites' capacity and operational flexibility. In June, Boeing was contracted to implement an enhanced Wideband Digital Channelizer upgrade that provides a 90 percent improvement in satellite bandwidth -- with no additional cost to the government. The new channelizer will be included on satellites WGS-8 and beyond.

"We are continuously looking for ways to realize cost savings on the WGS program, whether through product upgrades or improvements in the acquisition process," said Craig Cooning, vice president and general manager of Boeing Space & Intelligence Systems. "Unlike previous annual authorizations of single satellites, the Air Force recently acquired three satellites -- WGS-8, -9 and -10 -- within a six-month window. This enabled us to generate significant savings by combining procurements for materials and by maintaining an active production line across the vehicles."

The WGS payload architecture can accept the Wideband Digital Channelizer upgrade with minimal impact. Boeing will continue to work with the Air Force to develop WGS enhancements that can unlock additional bandwidth and capacity.

The contract announcement comes six months after Congress provided funding for the Air Force in fiscal year 2012 to purchase WGS-10. This additional order is part of the WGS Block II follow-on contract, under which Boeing had previously been authorized for production and launch of WGS-7 through WGS-9.

The state-of-the-art WGS satellites are built on the proven Boeing 702 platform that leverages decades of industry-leading, space-proven technologies. All three Block I satellites have been delivered and are in operation.

"The Block I satellites, which are meeting or exceeding all mission requirements, provide unique capabilities such as on-station reconfigurable X-band coverage and X/Ka cross-banding, which enable communication in contested theaters around the globe," said Cooning.

The Block II program also is proceeding well. WGS-4, the first in the Block II series, was launched on Jan. 19 and handed over to the Air Force on April 11. The launches of WGS-5 and WGS-6 are scheduled for 2013.

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 61,000 employees worldwide. Follow us on Twitter: <u>@BoeingDefense</u>.

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