Boeing, KAL-ASD Broadening Defense Collaboration for Miltary Aircraft

Memorandum of Understanding covers fixed- and rotary-wing aircraft, UAV, maintenance and support opportunities

SEOUL, South Korea, Oct. 9, 2012 -- Boeing [NYSE: BA] and Korean Air Aerospace Division (KAL-ASD) will broaden their cooperative relationship to include rotorcraft, fixed-wing aircraft, unmanned aerial vehicles, and military aircraft maintenance and support through a memorandum of understanding (MOU) signed on Oct. 4.

The two companies have a longstanding relationship. KAL-ASD is a supplier for many of Boeing's innovative commercial airplane programs, including the 787 Dreamliner and 747-8. This MOU expands their defense collaboration in the Republic of Korea and other military aircraft markets worldwide.

"We see potential for new collaboration by bringing together KAL's leading-edge capabilities and Boeing's history of innovation to address expanding global defense and security requirements," said Mark Kronenberg, vice president of International Business Development for Boeing Defense, Space & Security.

"Strengthening our partnership with a global aerospace and defense company like Boeing supports Korean Air's goal to become Asia's largest aerospace company," said June Chul Choi, senior vice president and head of Korean Air Aerospace Division. "This win-win collaboration will help Korean Air play a leading role in aerospace development, modification and upgrade programs and open doors to expanded defense business opportunities globally."

A division of Korean Air, Korean Air Aerospace Division (KAL-ASD) provides design, manufacturing, marketing and maintenance products and services for aircraft, satellites and launch vehicles. KAL-ASD manufactures parts across the Boeing Commercial Airplanes family of aircraft, and is a joint development partner on the 787 program. As part of the Boeing Commercial Aviation Services worldwide network, the division provides spare parts for fleet maintenance around the globe. KAL-ASD also provides spares and related parts handling services for the Republic of Korea Air Force's E737 Airborne Early Warning & Control Peace Eye aircraft.

Boeing's history of cooperation with the Republic of Korea spans a half century. 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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