Boeing Announces Agreement With Advent International Corp. and Equinox KFT on Development Capital Fund in Hungary

Boeing has signed an agreement with established fund managers Advent International Corp. and Equinox Kft to assist in the formation of a new venture capital fund in Hungary.

The fund, which is expected to be formed in late 1997 or early 1998, has the potential to bring up to $150 million in new capital investment to the Republic of Hungary. The fund will be a $30-$50 million private equity fund managed by Equinox Kft, a subsidiary of Creditanstalt Securities Limited of Hungary, in cooperation with Advent International. In addition to the Equinox capital, Advent and its international co-investors are set up to be able to invest an additional $50-$100 million of new capital to private business ventures in Hungary.

"We are extremely excited about this fund and the resources it will bring to the Republic of Hungary," said Mike Tkach, Boeing vice president of International Operations for the McDonnell Aircraft and Missile Systems unit. "Equinox and Advent have successful records in venture investing. Advent is a world leader in the field. We are pleased to be working with these companies and are confident that their efforts will make an excellent contribution to continued economic growth in Hungary."

Advent's managing director for Central and Eastern Europe, Nick Callinan, said he strongly welcomed Boeing's participation in the Hungarian funds because it adds international credibility to the Hungarian market and helps attract further investments to the country.

Boeing intends to support the funds in their development and look for opportunities to work with the companies in which the funds invest. This should enhance the overall return to international investors and help attract them to Hungary. The Boeing involvement is under the sponsorship of the Hungarian Minister of Industry, Trade and Tourism, under the offset protocol agreement for the F/A-18 team aircraft program.

Boeing is the prime contractor on the F/A-18 team aircraft program, working with principal subcontractor Northrop Grumman and subcontractors General Electric and Hughes.

Advent International Corporation, based in Boston (USA), is the leader in international private equity funds management. Equinox Kft is a subsidiary of Creditanstalt Securities Limited, whose parent corporation is Creditanstalt Bankverein of Austria.

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