Boeing to Sell Its Contract Labor Subsidiary

The Boeing Company has signed a Letter of Intent to sell its McDonnell Douglas Technical Services (MDTSC) subsidiary to the MDTSC management team and CIVC Partners, an affiliate of Bank of America.

MDTSC, a wholly-owned subsidiary formed in 1989, provides professional contract engineering, technical and information technology services to companies throughout the United States, including Boeing. The MDTSC management team is led by MDTSC President Ellen Roy, Mark Masterson and Dennis Bashuk.

The sale, which is part of the Boeing effort to concentrate on its core businesses, is expected to be completed by the end of the first quarter of 1999. Terms of the agreement were not disclosed.

Under the agreement, the management of MDTSC and CIVC Partners will assume ownership of the subsidiary. "We expect a smooth transfer of ownership," Roy said. "Our MDTSC customers will not experience any disruption in service."

Headquartered in Long Beach, Calif., MDTSC has a full-time staff of 150 people at its locations throughout the United States. MDTSC will continue to provide contract labor services to Boeing under a five-year supply agreement.

CIVC Partners is a $500 million private equity fund whose sole limited partner is Bank of America. CIVC Partners, with 30 years' experience in private equity investing, provides growth capital to middle market companies with a focus on business services, financial services, communications and niche manufacturing.

For more information on CIVC, see www.civc.com

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For further information:
Barbara Anderson
Boeing
314-234-4187
Ellen Roy
MDTSC
(562) 989-8500
Christopher J. Perry
CIVC Partners
(312) 828-5319