

Boeing Announces New Share Repurchase Program; Increases Quarterly Dividend

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Boeing Chairman and Chief Executive officer Phil Condit announced that the company's Board of Directors today authorized a new share repurchase program and raised the company's quarterly dividend. The authorization is for the repurchase of up to 85 million shares, or approximately 10 percent of the company's outstanding shares of common stock. Condit also announced that the company declared a fourth quarter dividend of 17 cents a share, a 21 percent increase over the previous quarterly amount of 14 cents a share.

"Our overall goal is to enhance shareholder value. Our solid performance, strong backlog and robust cash flow create these two excellent opportunities to return value to all our shareholders while investing to grow profitably in the future," Condit said.

Boeing is currently completing a 146 million share repurchase program that began in August 1998. The Company's share repurchases will be made on the open market or in privately negotiated transactions. The number of shares to be purchased and the timing of the purchases will be based on the level of cash balances, general business conditions and other factors, including alternative investment opportunities.

The share repurchases will be used for general corporate purposes, including the Company's share based plans and other employee stock benefit plans.

Boeing's new raised dividend is payable March 2, 2001, to shareholders of record on February 9, 2001.

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this release contain "forward-looking" information that involves risk and uncertainty, including projections for share repurchase, dividends and other trend projections. This forward-looking information is based upon a number of assumptions including assumptions regarding demand, internal performance, and supplier and subcontractor performance. Actual future results and trends may differ materially depending on a variety of factors, including the Company's successful execution of internal performance plans; the cyclical nature of the Company's business, volatility of the market for certain products, regulatory uncertainties; collective bargaining labor disputes; performance issues with key suppliers, subcontractors and customers; governmental export and import policies; factors that result in significant and prolonged disruption to air travel worldwide; global trade policies; worldwide political stability and economic conditions; price escalation trends; changing priorities or reductions in the U.S. Government defense and space budgets; termination of government contracts due to unilateral government action or failure to perform; and legal proceedings. Additional information regarding these factors is contained in the Company's Annual Report on Form 10-K for the year ended 1999 and Form 10-Q for the quarterly period ended September 30, 2000.

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