

American, Delta and United Airlines Join with Connexion by Boeing to Pursue Broadband Inflight Connectivity Venture

Innovative Technology Will Conveniently Keep Airline Passengers Connected to Internet While In Flight

American (NYSE:AMR), Delta (NYSE:DAL) and United (NYSE:UAL) airlines today announced a new partnership with Boeing (NYSE:BA) aimed at providing millions of worldwide airline passengers each year with two-way broadband connectivity to e-mail, the Internet, corporate intranets, live television and entertainment, and other services while in flight.

In a joint news conference, three of the world's leading airlines and Connexion by Boeing announced they have signed a Letter of Intent to pursue forming a new global business venture to provide broadband communications and data services to commercial aircraft. The proposed venture would be jointly owned by Boeing and the three airlines, with Boeing serving as the major shareholder with overall management responsibility.

"It will take this kind of collaboration to bring a high-quality service to the airline passenger and the entire marketplace," said Scott Carson, president, Connexion by Boeing. "Each of the airlines and Boeing bring together a critical mass to help ensure success for this service with airline passengers and the global airline industry."

Upon signing definitive agreements, Boeing and the airlines each will contribute funding, certain intellectual property, and other assets necessary to carry on the business of the proposed venture. As part of the definitive agreements, the three airlines will equip a total of 1,500 aircraft with the venture's innovative, high-speed broadband Internet connectivity service, which will retain the Connexion by BoeingSM name. The timing of the first installation will be in the second half of 2002.

"This is an exciting new frontier for each of the founding airlines," said James A. Beer, vice president, corporate development and treasurer for American Airlines. "Our goal is to bring a high-quality service to the market - one that will materially enhance the productivity of passengers while in flight. This joint effort between the four companies is essential to ensuring we create a service that will be valued by customers."

The next steps will involve the three airlines and Boeing working together to further develop the venture's service offering and business plan, and complete the definitive agreements required to launch the new service.

"The three airlines and Boeing bring exceptional familiarity with aircraft and leading-edge space and aviation technology," said Ray Valeika, senior vice president - Technical Operations, Delta Air Lines. "This provides the expertise necessary to develop a quality product that is attractive to the industry as a whole."

"There currently is no service comparable to this in the market," said Larry DeShon, senior vice president - Marketing for United Airlines. "Each of the airlines brings an unprecedented level of knowledge about the in-flight connectivity needs of passengers. In the end, it is passengers who will truly benefit from this service."

Current long-term forecasts show the worldwide commercial airplane fleet of about 14,500 jetliners growing at a rate of 4.8 percent a year. In the next 24 hours alone, 4.7 million people will board 41,500 flights around the world.

"The scope of the installations will allow the venture's system and service to be designed and developed for reasonable costs," said Boeing's Carson. "That's good news for both the airlines and their passengers."

Connexion by Boeing, the first truly broadband communication service for people on the move, is the market-leading initiative working to bring today's high-speed, cable-quality Internet and company intranet data services to the airborne environment. Airline passengers will soon be able to choose from a multitude of personalized real-time services including Internet and corporate intranet access, e-commerce, live television and entertainment, transmission and receipt of data, shopping, travel and destination information. Airline operators also will benefit from in-flight access to airline and crew data not available through traditional communication channels.

American Airlines, a subsidiary of AMR Corp. (NYSE: AMR), is celebrating its 75th anniversary in 2001. With a fleet of 719 aircraft, American is one of the largest scheduled passenger airlines in the world and employs more than 117,000 people around the globe. Together with its regional affiliate, American Eagle, American serves 238 cities in 51 countries with more than 4,100 daily flights. American is the only airline to offer "More Room Throughout Coach."

Delta Air Lines' goal is to become the No. 1 airline in the eyes of its customers, flying passengers and cargo from anywhere to everywhere. People choose to fly Delta more often than any other airline in the world on 5,234 flights each day to 367 cities in 64 countries on Delta, Delta Express, Delta Shuttle, Delta Connection carriers and Delta's Worldwide Partners. Delta is a founding member of SkyTeam, a global airline alliance that gives customers extensive worldwide destinations, flights and services.

United Airlines offers nearly 2,300 flights a day on a network that spans the globe. United NewVentures is a wholly owned

subsidiary of UAL Corp. that was created to focus the airline's Internet initiatives and investments into one company. United.com, the official Web site for United Airlines, allows passengers to research flight, schedule and fare information and purchase travel on over 500 airlines worldwide.

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this presentation as they apply to Boeing and/or the proposed venture contain "forward-looking" information that involves risk and uncertainty, including projections for new business and business opportunities; technology development; domestic, foreign and international regulatory and coordination success; total shareholder returns; market potential and revenue opportunities; wireless communication market behavior; revenue model, growth strategy, and other trend projections. This forward-looking information is based upon a number of assumptions including the Participants' ability to reach agreement on the detailed venture structure; technological feasibility; government policies and actions, including domestic, foreign and international regulatory authorizations; access to spectrum and successful coordination with other users of spectrum; reliability of professional service providers and software; global economic, passenger and freight growth; current and future markets and demand for the Participants' products and services; performance of internal plans; product performance; customer financing; customer, supplier and subcontractor performance; favorable outcomes of certain pending sales campaigns; government policies and actions; and successful negotiation of contracts with the Participants' labor unions.

Actual future results and trends may differ materially depending on a variety of factors, including successful execution of the plans to develop and implement the services, technical difficulties and uncertainties associated with the Internet and with mobile communications platforms, timing of delivery to market of the proposed services, changes in the market for the proposed services, successful execution of internal performance plans, including continued research and development; the actual outcomes of certain pending sales campaigns; acceptance of new products and services; product performance risks; the cyclical nature of some of the Participants' businesses; volatility of the market for certain products and services; domestic and international competition in communication; uncertainties associated with regulatory certifications of the Participants' products by the U.S. Government and foreign governments; other domestic and foreign regulatory uncertainties, including access to spectrum and successful coordination with other users of spectrum; 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; domestic and international economic conditions; the outcome of political and legal processes; legal, financial and governmental risks related to international transactions; legal proceedings; and other economic, political and technological risks and uncertainties. Additional information regarding these factors is contained in the Boeing's SEC filings, including, without limitation, the Boeing Annual Report on Form 10-K for the year ended 2000 and the Companies Form 10-Q for the quarter ended March 31, 2001.

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