

Boeing And Aerosud Sign Firm Contract To Build Airplane Parts

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Taking another step in meeting its commitment to the Republic of South Africa and achieving its goal of globalization, Boeing announced today that it has signed a definitive agreement with Aerosud (PTY) Ltd. to manufacture parts for use across a wide range of Boeing airplane models.

The two companies made the announcement during a groundbreaking ceremony for Aerosud's new manufacturing facility adjacent to the Waterkloof Air Force Base in Pretoria. The new facility could begin operations in the middle part of 2002.

"Boeing has taken the lead in working with Aerosud by providing employment opportunities to previously disadvantaged individuals," said Paul Potgieter, managing director of Aerosud. "Working together with Boeing will help develop one of the country's most technologically advanced manufacturing operations in the Republic of South Africa."

The new manufacturing facility is scheduled for completion by the end of April 2002, after which Aerosud will relocate its business operations, which are currently based in Midrand.

The facility expansion constitutes a major capital investment for both Boeing and Aerosud. Boeing will supply specialized capital equipment and tooling, transfer the necessary production technology to Aerosud and be responsible for training of the Aerosud staff and general assistance during recommissioning of the production plant. Aerosud also will finance the build-up to full production, which is expected to commence by the middle of 2002.

Earlier this year, Boeing and the Department of Trade and Industry (DTI) entered a strategic partnership agreement to develop and assist in the continued growth of the South African economy and support the development of the local South African aviation industry.

"This strategic partnership allows Boeing to offer contracts that are focused on creating employment opportunities, providing technical assistance and supplying capital equipment," said Walt Braithwaite, president of Boeing Africa. "Working with local suppliers in countries around the world is a very important and growing area of our business. We want to provide more business solutions and support in Africa and specifically in the Republic of South Africa. "

Aerosud has more than 10 years of experience providing aeronautical engineering solutions to the aviation industry.

The Boeing Company is the largest aerospace company in the world, the world's largest manufacturer of commercial jetliners and military aircraft, the nations largest NASA contractor, and the largest U.S. exporter.

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