Connexion by Boeing Receives World's First FAA Certification for Onboard Broadband Information System

Milestone Achievement Paves the Way for Commercial Service Introduction

Connexion by Boeing has successfully met Federal Aviation Administration (FAA) requirements and been granted certification of the airborne communication network that will bring mobile information services to airlines and their passengers. This type of certification grant is the first of its kind for a broadband service linking satellite-based resources and ground networks to commercial aircraft during flight.

Using a Boeing 737, the Boeing team completed extensive testing and data analysis of critical on-board hardware, software, systems and procedures that will be available to airline passengers, allowing them real-time, high-speed Internet and intranet access, television, entertainment and e-mail.

"Working closely with FAA officials, our flight test team has completed highly rigorous testing of the components necessary to bring high-speed broadband connectivity to the airlines and their passengers," said Ed Laase, director of System Development for Connexion by Boeing. "One of the key messages we've heard from airlines around the world is 'you have to have a system that works right the first time - don't use us as the guinea pigs'. We've listened closely and this is why we're certifying and continuing testing on our 737 aircraft to ensure service readiness on day one."

The three-month certification process was conducted onboard Connexion One, a 737-400 model used for research, testing and demonstrations, to verify there was neither any impact to the structural integrity of the aircraft or interference with onboard systems or handling characteristics. The certification criteria also included a thorough review and analysis of all test data and processes for installing and operating the service equipment. The 737-400 was the first of the Boeing family of aircraft chosen, to allow for ongoing testing and global demonstration of the Connexion by Boeing service.

In an industry first, the final test summary paperwork necessary for certification was e-mailed to FAA officials in Los Angeles via the satellite communication link from the Connexion One airplane, while flying 35,000 feet above New Mexico. The document and supporting material, totaling 800 kilobytes, were transmitted to FAA officials in real-time in less than 30 seconds, representing a quantum leap over what passengers currently can accomplish using communication links currently offered by other service providers.

"We are extremely proud of the way the service has performed and how groups across Boeing have pulled together to make this certification process a company-wide success," said Timothy Lemaster, certification program manager for Connexion by Boeing. "This accomplishment underscores that there is no company better qualified to pioneer a leading-edge service that blends technology, aerospace and broad knowledge of airline requirements."

The Boeing team has conducted rigorous operational service testing by performing multiple simultaneous, high-bandwidth tasks ranging from two-way data transfer, pinging and full-featured e-mail to streaming video and global web site access in flight. Connexion by Boeing will continue testing throughout the year and cycling typical service users onboard to ensure a robust and service ready offering. These activities will continue over U.S. territories and waters under experimental licenses granted by the Federal Communications Commission (FCC), while proving non-interference with in-flight aircraft and satellite-related assets and operators.

About Connexion by Boeing The Connexion by Boeing service is currently available to the executive services market in the U.S., which includes operators of private and government aircraft. The FCC granted full authority for services over US territory on December 21, 2001. Connexion by Boeing also remains on track with leading European carrier Lufthansa to begin service trial in late 2002. For additional information, visit the Connexion by Boeing web site at www.connexionbyboeing.com.

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this presentation 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 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; 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 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 proposed 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 the aerospace, internet and communications businesses; volatility of the market for certain products and services; domestic and international competition in communication; uncertainties associated with regulatory certifications 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 Boeing's SEC filings, including, without limitation, Boeing's Annual Report on Form 10K for the year ended 2000 and its Form 10-Q for the quarter ended September 30, 2001.

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For further information:
Terrance Scott
206-655-9350