

Boeing To Acquire Flightsafety International's Interest In Its Aviation Training Joint Venture

Boeing Training International to be set up as Boeing subsidiary

The Boeing Company [NYSE:BA] and FlightSafety International (FSI) today announced that they have signed an agreement that will allow Boeing to acquire all of FSI's interests in FlightSafety Boeing Training International (FSBTI), which is their joint venture for aviation training.

The companies did not disclose financial terms, and the transaction is subject to U. S. and German government regulatory approvals.

FSBTI, which Boeing and FSI formed in 1997, became the world's first truly global training company responsible for flight training and maintenance in the 100-seat-and-above range of aircraft. Today, it has 800 employees in 21 locations worldwide, 70 full-flight simulators, plus numerous fixed-base and maintenance training simulators.

"We appreciate the contribution FSI has made in building this world leader in training services, and we look forward to continuing our working relationship with FSI," said Mike Bair, Boeing executive vice president of Commercial Aviation Services. "With this transaction, we can continue to support our customers and have broader flexibility in offering training alone or as part of a larger solutions package. Boeing is focused on building an integrated services portfolio that will allow us to provide our customers with a complete range of global air transport solutions. This action fits precisely into that strategy."

Boeing plans on calling its new subsidiary "Boeing Training International," and the headquarters will remain in Seattle. Boeing will keep the current management team in place, with Pat Gaines continuing as president. The organization will continue to report to Commercial Aviation Services, which offers the industry's broadest selection of aviation support products and services. Commercial Aviation Services is a unit of Boeing Commercial Airplanes.

"We anticipate that we will continue to work together on many levels to maintain the steady growth of this new Boeing subsidiary," said Al Ueltschi, FlightSafety's President and CEO. "FlightSafety International will continue to offer flight simulators, training devices, facilities, support services and personnel."

For more information on FlightSafety Boeing Training International, visit the Web site.

The Boeing Company, with headquarters in Chicago, is the largest aerospace company in the world and the United States' leading exporter. It is the world's largest manufacturer of commercial jetliners and military aircraft, and the largest NASA contractor. The company's capabilities in aerospace also include rotorcraft, electronic and defense systems, launch vehicles and advanced information and communication systems. The company has an extensive global reach with customers in 145 countries and manufacturing operations throughout the United States, Canada and Australia. Boeing and its subsidiaries employ approximately 173,000 people. Total company revenues for 2001 were \$58 billion.

FlightSafety International is the world's largest aviation training organization. The company provides services to over 75,000 flight crewmembers and aviation support personnel annually. FlightSafety's headquarters are located at New York's La Guardia Airport.

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