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The Boeing Company [NYSE: BA] today announced that it has reached an agreement to sell its plant in Spokane, Wash., to Triumph Group Incorporated [NYSE: TGI].

Boeing in March 2002 announced its intention to sell the plant, which produces a variety of composite and thermoplastic aircraft parts. Boeing and Triumph reached agreement Nov. 22, 2002, and made the formal announcement at a news conference today at the Spokane facility.

The transaction is subject to successful negotiation and ratification of collective bargaining agreements. Financial terms of the agreement were not disclosed. Transfer of ownership is expected to occur by Dec. 31, 2002.

As part of the transaction, Boeing and Triumph will enter into an eight-year single-source agreement to continue supplying the parts fabricated by the Spokane plant.

"We are pleased to announce a solution that enables the Spokane facility to continue to operate in Eastern Washington," said Mary Armstrong, vice president and general manager of Boeing Commercial Airplanes Aircraft Systems & Interiors. "Triumph is a valued supplier with a long, positive history with Boeing. We are confident that Triumph will be a good employer and a strong leader in the Spokane community."

"Our decision was guided by four principal criteria, which Triumph has met," Armstrong added. "They have agreed to continue operating the facility in Spokane; they have the resources, desire and ability to grow the business; they have good relationships with employees and unions; and they have a proven track record of good corporate citizenship."

Richard C. Ill, president and CEO of Triumph, said "Triumph is pleased to be the successful bidder in this transaction. The Spokane operation meshes extremely well with our strategy to increase the value-added product and services provided to our customers. Spokane's experience in providing fully kitted assemblies directly to the factory floor at Boeing will be very helpful as we expand this service to other products produced by Triumph and delivered to Boeing and other customers.

"Spokane is a world class manufacturing operation with a culture that embraces lean systems," Ill added. We plan to establish Spokane as Triumph's lean systems learning center, which should benefit all Triumph operations."

Commenting on the agreement, Sen. Patty Murray, a long-time supporter of the Spokane facility, said:

"After 18 months of hard work and serious discussions among Boeing workers, Spokane leaders and Boeing management, we've achieved an agreement that will keep the doors open and keep 400 good jobs here in Spokane. I congratulate Boeing, the Spokane team and Triumph on creating a situation in which everyone, including the community, gains. This is a very positive step toward a bright future. "

She added, "I am proud to have played a constructive role in this process, and continue to believe that by working together, we can accomplish great things for Spokane and for Washington state."

About 400 employees currently work at the Spokane plant, which was established in 1990. The 394,000-square-foot factory is located on 51 acres in the West Plains area of Spokane County. Primary products include floor panels, air control system ducts and non-structural composite flight deck components. These products are shipped from Spokane to Boeing airplane assembly plants in the Puget Sound area.

Triumph Group, Inc., headquartered in Wayne, Pa., designs, engineers, manufactures, repairs and overhauls aircraft components and industrial gas turbine components and accessories. The company serves a broad, worldwide spectrum of the aviation industry, including commercial airlines and air cargo carriers, as well as original equipment manufacturers of aircraft and aircraft components and power generation equipment. The company also distributes, processes and fabricates metal products. More information about Triumph visit their web site.

The Boeing Company was advised by Quarterdeck Investment Partners, LLC., during the transaction.

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