A New Era Begins: Lufthansa Passengers First To Experience Connexion By Boeing Inflight Internet Connectivity

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Pioneering Broadband Service Available to Passengers Between Frankfurt and Washington, D.C.

A new era in inflight communications began today as commercial airline passengers experienced inflight broadband Internet access for the first time.

Passengers aboard a Lufthansa German Airlines Boeing 747-400 were able to use their personal laptops and ones provided by the airline to gain high-speed connections to the Internet, including full access to their personal or business email accounts and files. They were able to attach files to their outgoing emails or open attachments from incoming emails, get the latest news, look up information about their destination or shop online. The service, which Lufthansa has branded as FlyNet, is powered by the revolutionary Connexion by Boeing SM system developed by The Boeing Company (NYSE: BA).

During the three-month demonstration, Lufthansa will make the service available free-of-charge to passengers throughout the airplane, which flies daily between Frankfurt and Washington-Dulles International Airport as flights LH 418 (westbound) and LH 419 (eastbound).

"With broadband connectivity, the Connexion by Boeing service gives travelers new and unprecedented choices for managing their time in flight and on the ground," said Connexion by Boeing President Scott Carson. "Lufthansa is widely recognized and respected as a leader in innovation, in communication and in customer service, and is demonstrating to its passengers today what the world of tomorrow will be like. Our collaboration with Lufthansa has resulted in the shared vision that has made this historical service available today." "The very idea of FlyNet was exciting, but what really inspired me was the enthusiasm, the professionalism and the stamina of our team during its implementation. Innovation with the customer in mind has resulted in today's world premiere," says Wolfgang Mayrhuber, Deputy Chairman of Deutsche Lufthansa AG.

Lufthansa, the inaugural commercial airline customer for Connexion by Boeing, intends to equip approximately 80 long-range Boeing 747-400 and Airbus A330 / A340 jetliners with the Connexion by Boeing service capability beginning in mid-2004.

Connexion by Boeing is a mobile information services provider that is bringing high-speed Internet, data and entertainment connectivity to aircraft in flight. The service currently is available to the executive services market in the U.S., which includes operators of private and government aircraft. The three-month service demonstration with Lufthansa begins in January 2003, followed one month later by a three-month service demonstration with British Airways, scheduled to begin in mid-February. Japan Airlines and Scandinavian Airlines System (SAS) also have announced plans to equip longer-range jetliners in their fleets beginning in 2004. For additional information, visit the Connexion by Boeing web site.

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this release contain "forward-looking" information that involves risk and uncertainty, including projections for new business and new business opportunities, compliance with delivery schedules, current and future markets for the Company's products, and decisions regarding production of Company products. This forward-looking information is based upon a number of assumptions including assumptions regarding current and future demand for the Company's products and services; internal performance; product performance; customer financing; customer, supplier and subcontractor performance; favorable outcomes of certain pending sales campaigns; supplier contract negotiations; government policies and actions; and regulatory approvals. Actual future results and trends may differ materially depending on a variety of factors, including the Company¹s successful execution of internal performance plans, including continued research and development, production rate increases and decreases, timing of product deliveries and launches, supplier contract negotiations, acceptance of new products and services, product performance risks, the cyclical nature of some of the Company¹s businesses; volatility of the market for certain products and services, actions by regulatory agencies, other regulatory uncertainties, 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 and economic conditions; the outcome of political and legal processes, including uncertainty regarding government funding of certain programs; termination of government contracts due to unilateral government action or failure to perform; 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 Company's SEC filings, including, without limitation, the Company's Annual Report on Form 10K for the year ended 2001 and the Company's Quarterly Report on Form 10Q for the guarter ended September 30, 2002.

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