

Boeing Selects Leaders for New Commercial Airplane Development Program

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New aviation services leader and chief financial officer also named

The Boeing Company [NYSE: BA] today named four executives to key leadership assignments on its new super-efficient, mid-sized commercial airplane program, designated for development as the Boeing 7E7.

Michael B. Bair, 46, is appointed senior vice president of the Boeing 7E7 program. Bair will lead all aspects of the development effort and report directly to Boeing Commercial Airplanes President and Chief Executive Officer Alan Mulally. Bair is a 24-year Boeing veteran who most recently led the company's Commercial Aviation Services business. He also played a key role in development of the Boeing 777 and has served in a variety of senior marketing and sales positions.

"Mike is one of our most experienced and effective leaders," Mulally said. "He understands our customers' needs and has a strong engineering and business background. He's absolutely the right choice to lead our new airplane program."

The following senior executives will report to Bair:

- Walter B. Gillette, 61, will be responsible for full development of the airplane, including engineering, manufacturing and partner alignment. Gillette led the company's development work on the enabling technologies of the Sonic Cruiser, which form the foundation of the new super-efficient airplane. In his 37 years with the company, Gillette has worked on every new Boeing commercial jet.
- John N. Feren, 47, will lead sales, marketing and in-service support. Feren brings 25 years of commercial airplane sales, marketing and program management experience to his new position. He most recently served as vice president of sales for airlines of the Americas and leasing companies worldwide.
- Craig A. Saddler, 43, will lead finance and business operations. A 22-year company veteran, Saddler has an extensive background in financial operations, most recently serving as chief financial officer of the company's Shared Services Group, president of Boeing Travel Management Co., and interim president of Boeing Realty Corp.

"We are assembling the strongest leadership team possible to continue our development work and bring this exciting new product to market," Mulally said. "Each of the leaders we've selected has the depth of experience and skills to work together effectively with our customers and global technology team to create the next great advance in commercial aviation."

Additional appointments

Michael J. Cave, 42, will replace Bair as senior vice president of Commercial Aviation Services, reporting to Mulally. Cave previously was chief financial officer for Boeing Commercial Airplanes. During his 20 years with the company, he has held a variety of senior financial management assignments, including vice president of finance for the business he will now lead.

"Mike has done an outstanding job as CFO and has a tremendous understanding of the commercial aviation business," Mulally said. "He has all the right skills and experience to lead our services business to long-term, profitable growth through a focus on adding value to our customers' operations."

Robert J. Pasterick, 47, is promoted to chief financial officer for Commercial Airplanes, replacing Cave. Pasterick has 24 years of broad-based Boeing experience and most recently served as Commercial Airplanes'

vice president of finance and controller. He will report to Mulally with responsibility for overall financial management, contracts, finance and business strategies, and information systems.

"Rob is a solid leader and expert in his field. He'll make a great addition to our leadership team," Mulally said.

The Boeing 7E7 is being developed as a 200- to 250-seat airplane that will fly between 7,000 and 8,000 nautical miles at speeds similar to today's fastest twin-aisle commercial airplanes -- the 777 and 747. It will be the most advanced and efficient commercial airplane in its class and will set new standards for environmental responsibility and passenger comfort.

The airplane will be based on the enabling technologies developed with a global industry team during the company's examination of the Sonic Cruiser concept. In December 2002, Boeing announced that based on customer input and market analysis, it would focus these new technologies on a super-efficient, mid-sized airplane. The market potential for a new airplane of this size is forecasted at up to 3,000 units over the next 20 years. The company expects to formally offer the new airplane to customers in early 2004, with entry into service targeted for 2008.

Additional assignments to the Boeing 7E7 program team will be forthcoming.

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