

Boeing to Consolidate Delta Launch Vehicle Manufacturing and Assembly

Boeing [NYSE: BA] officials announced today that the company is consolidating all Delta launch vehicle manufacturing and assembly in Decatur, Ala.

Beginning this summer, Delta launch vehicle assembly now done at its Pueblo, Colo., facility will transfer to the company's Decatur facility where Delta IV production and testing is done. The consolidation should be completed in mid-2004.

"Bringing together Delta assembly work allows us greater operating efficiencies and enhances our ability to provide affordable, high-quality launch services," said Will Trafton, vice president and general manager of Expendable Launch Systems for Boeing Integrated Defense Systems. "Our facility in Decatur is the world's newest and most state-of-the-art rocket plant. Consolidating production and assembly operations will give us the flexibility to respond to any further changes in our market.

"This decision in no way reflects on the Pueblo team or the community," Trafton noted. "Our Pueblo team does outstanding work, and we plan to help employees displaced by this consolidation to search for other jobs both within and outside of Boeing."

About 250 people currently work at the Boeing-Pueblo facility. Approximately 160 of the jobs there will transfer to Decatur. Where appropriate, the people who currently hold those jobs will be offered the opportunity to transfer with them. A small workforce will remain in Pueblo through 2007 to support storage of Delta II launch vehicles for the U.S. Air Force.

As part of Boeing's commitment to assisting people affected by this announcement, an outplacement service is being established to provide resume writing, career counseling, and interviewing assistance. Boeing also will work with local and regional businesses to set up job fairs.

"The Pueblo community has been very supportive, and we have been privileged to have such capable and dedicated employees on our team," Trafton said. "As we move through this transition, we intend to meet our customer commitments and keep our Pueblo team, Colorado state and Pueblo community leaders, and our customers informed of our activities."

More than 2,100 Boeing employees work in Colorado on a variety of defense and commercial aerospace technologies.

A unit of The Boeing Company, Boeing Integrated Defense Systems, is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$25 billion business. It provides systems solutions to its global military, government and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense; NASA's largest contractor; and a global leader in launch services.

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For further information:

Larry Salazar
Boeing IDS
(714) 372-4734
larry.p.salazar@boeing.com

Madonna Walsh
Colorado
(714) 272-1019
madonna.a.walsh@boeing.com

Linda James
Alabama
(256) 461-3101
linda.s.james@boeing.com
