Lufthansa and Connexion by Boeing Declare Internet Service Demo a Success with Passengers

Consumer Response Demonstrates Value of In-flight Connectivity

Following its conclusion, Lufthansa and Connexion by Boeing SM, a business unit of The Boeing Company (NYSE: BA), have announced that based on passenger usage and response, the three-month in-flight Internet connectivity service demonstration has been a resounding success.

During the pioneering demonstration that began January 15 on the Frankfurt-to-Washington-Dulles route, airline passengers have used the latest satellite-based broadband communication technologies -- including wireless fidelity (WiFi) access onboard -- to send and receive e-mails, access the World Wide Web or their firewall-protected corporate intranets, entertain themselves and to stay in touch with friends and colleagues.

"We've been absolutely delighted with the level of passenger acceptance and the pioneering enthusiasm demonstrated by the entire Lufthansa team in its efforts to generate in-market awareness of the service capabilities," said Connexion by Boeing President Scott Carson. "The passenger feedback we've received from both the Lufthansa and British Airways demos has been extremely valuable and overwhelmingly positive and, together, we are working to bring a robust and revolutionary new communication service to their passengers, and to airline passengers worldwide."

Through a system capability provided by Connexion by Boeing, passengers have been able to access Lufthansa FlyNet -- the working title of the Lufthansa portal service -- to send and receive e-mails, access the World Wide Web and corporate intranets and to check news and airline information. Unlike other in-flight communication services that are based on narrowband technologies, the Connexion by Boeing service provides a robust, satellite-based broadband connection to aircraft that allows for simultaneous, multifaceted applications for both crew and passengers.

Working together, Lufthansa and Connexion by Boeing have used the three-month demonstration to gain as much information as possible about passenger preferences regarding service pricing, content, ease-of-use and overall functionality. Lufthansa and Connexion by Boeing released some of the preliminary data gathered during the demo:

- More than 140 Lufthansa flights have flown with broadband connectivity onboard
- An average of 50-80 simultaneous users per flight accessed the service
- 95 percent of respondents to post-flight surveys reported being very or extremely satisfied with the service
- The service bandwidth capability was the most acclaimed service aspect
- · Passengers described the speed-of-service as somewhere between ISDN and DSL-quality
- 150 passengers logged onto the service during the inaugural January 15 flight

The service demonstration concluded on April 18 when LH flight 419 from Washington Dulles landed at Frankfurt. Lufthansa will factor the data gathered during the demo into its decision on equipping its long-haul fleet of aircraft with the Connexion by Boeing service, which would commence in 2004.

In the months ahead, Lufthansa and Connexion by Boeing will complete a thorough analysis of data gathered during the service demo and incorporate those results into the ongoing service refinement of the Connexion by Boeing service as well as the Lufthansa FlyNet portal. In addition, the Connexion by Boeing team will continue to work the global regulatory process, complete and certify the next-generation antenna and further refine the satellite and ground-based networks that will help broaden the availability of broadband connectivity in flight.

Connexion by Boeing is a mobile information services provider that brings the fastest available high-speed Internet, data and entertainment connectivity to mobile travelers. The service is currently available to the executive services market in the U.S., including operators of private and government aircraft. In addition to service demonstrations with Lufthansa and British Airways, both Japan Airlines and Scandinavian Airlines System (SAS) have announced their intent to install the revolutionary service on their long-range aircraft. For additional information, please visit the Connexion by Boeing web site.

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