

Boeing Pension Fund Allocates \$1 Billion Targeted at Emerging Firms

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The Boeing Company [NYSE: BA] today announced its decision to allocate \$1 billion in its pension fund to emerging investment managers. Titled to reflect the theme of early-stage, high-quality investments, the Boeing Prime Opportunities Fund will complement existing pension fund investments by increasing exposure to smaller investment managers, including minority- and women-owned firms, that have demonstrated an ability to add value.

"Studies and experience have shown that emerging investment firms' entrepreneurial nature and agility in making investment shifts can generate value-added performance," said Mark A. Schmid, Vice President and Chief Investment Officer. "The Boeing pension fund expects to capitalize on these advantages by enhancing the breadth and diversity of its pension managers."

The Boeing Prime Opportunities Fund will be structured as a manager-of-managers investment program, using organizations experienced in the emerging manager universe. Boeing plans to launch the initiative with two manager-of-managers firms and to phase in the \$1 billion allocation over the next 12 months.

"Planning for the Boeing Prime Opportunities Fund has been underway since last year," Schmid said. "We believe in the opportunity for success for Boeing's pension fund through value-added performance and we look forward to working with these emerging firms."

With a heritage that mirrors the first 100 years of flight, The Boeing Company provides products and services to customers in 145 countries. Boeing has been the premier manufacturer of commercial jetliners for more than 40 years, and is a global market leader in military aircraft, satellites, missile defense, human space flight, and launch systems and services. Total company revenues for 2003 were \$50.5 billion.

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