

Boeing and Tata Industries Announce India Joint Venture

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Agreement will strengthen Boeing-India partnership

CHICAGO, Feb. 14, 2008 -- The Boeing Company [NYSE: BA] and Tata Industries Limited of India have agreed on a plan to form a joint-venture company that will initially include more than US\$500 million of defense-related aerospace component work in India for export to Boeing and its international customers.

Under the memorandum of agreement signed by Boeing and Tata, it is contemplated that the joint-venture company will be established by June 2008, and shortly thereafter will begin work building Boeing aerospace components.

"I am very excited to announce this agreement," said Jim Albaugh, president and CEO of Boeing Integrated Defense Systems. "It represents another step in our commitment to India, in this case by linking the capabilities and heritages of these two companies, in order to bring real and lasting value to India's aerospace industry, while making Boeing products more globally competitive."

It is the intent of Boeing and Tata not only to utilize existing Tata manufacturing capability, but also to develop new supply sources throughout the Indian manufacturing and engineering communities for both commercial and defense applications.

"This joint venture between Tata and Boeing is an important part of our strategy to build capabilities in defense and aerospace," said Ratan Tata, chairman of the Tata Group. "I look forward to the joint venture becoming a world-class facility in India."

Manufacturing capabilities established within the joint-venture company would in later phases be leveraged across multiple Boeing programs, including the Medium Multi-Role Combat Aircraft (MMRCA) competition.

In the first phase of the agreement, Boeing would potentially issue contracts for work packages to the joint-venture company involving defense-related component manufacturing on Boeing's F/A-18 Super Hornet for the U.S. Navy and Royal Australian Air Force, CH-47 Chinook and/or P-8 Maritime Patrol Aircraft. A research and development center for advanced manufacturing technologies is also contemplated.

"Boeing is strengthening and deepening its partnerships with Indian industry through a wide range of new teaming opportunities," said Ian Thomas, president of Boeing India. "Our joint venture with Tata marks a significant milestone in our ongoing journey to build world-class aerospace and defense manufacturing capability in India."

Boeing's history in India reaches back more than 60 years, marked by success in working with airline customers, parts suppliers, research institutes and others to provide products and services. In December 2003, Boeing established a wholly owned subsidiary, Boeing International Corporation India Private Limited (BICIPL), to support the growing demands of India's aviation, aerospace and defense industries.

The Tata Group is one of India's largest and most respected business conglomerates, with revenues in 2006-07 of \$28.8 billion (Rs129,994 crore), the equivalent of about 3.2 percent of the country's GDP, and a market capitalization of \$72.8 billion as of January 10, 2008. Tata companies together employ over 300,000 people. Boeing is the world's leading aerospace company and the largest manufacturer of commercial jetliners and military aircraft combined. Headquartered in Chicago, The Boeing Company is a \$66.4 billion business with 159,000 employees worldwide.

Certain statements in this report may constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "intends," "plans," "projects," "believes," "estimates," and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements in this press release include, among others, statements regarding future results as a result of our growth and productivity initiatives, our 2007 and 2008 financial outlook and the benefits of the IDS structure. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecasted in these forward-looking statements. As a result, these statements speak only as of the date they were made and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Our actual results and future trends may differ materially depending on a variety of factors, including the continued operation, viability and growth of major airline customers and non-airline customers (such as the U.S. Government); adverse developments in the value of collateral securing customer and other financings; the occurrence of any significant collective bargaining labor dispute; our successful execution of internal performance plans including our company-wide growth and productivity initiatives, production rate increases and decreases (including any reduction in or termination of an aircraft product), availability of raw materials, acquisition and divestiture plans, and other

cost-reduction and productivity efforts; charges from any future SFAS No. 142 review; ability to meet development, production and certification schedules for the 787 program and the ability to meet scheduled deliveries of the 787 airplane; technical or quality issues in development programs (affecting schedule and cost estimates) or in the satellite industry; an adverse development in rating agency credit ratings or assessments; the actual outcomes of certain pending sales campaigns and U.S. and foreign government procurement activities, including the uncertainty associated with the procurement of tankers by the U.S. Department of Defense (DoD) and funding of the C-17 program; the cyclical nature of some of our businesses; unanticipated financial market changes which may impact pension plan assumptions; domestic and international competition in the defense, space and commercial areas; continued integration of acquired businesses; performance issues with key suppliers, subcontractors and customers; significant disruption to air travel worldwide (including future terrorist attacks); global trade policies; worldwide political stability; domestic and international economic conditions; price escalation; the outcome of political and legal processes, changing priorities or reductions in the U.S. Government or foreign government defense and space budgets; termination of government or commercial contracts due to unilateral government or customer action or failure to perform; legal, financial and governmental risks related to international transactions; legal and investigatory proceedings; tax settlements with the IRS and various states; U.S. Air Force review of previously awarded contracts; costs associated with the exit of the Connexion by Boeing business; and other economic, political and technological risks and uncertainties. Additional information regarding these factors is contained in our SEC filings, including, without limitation, our Annual Report on Form 10-K for the year ended December 31, 2006 and our Quarterly Report on Form 10-Q for the quarters ended March 31, 2007, June 30, 2007 and September 30, 2007.

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Contact Info:

Brian Nelson

Boeing IDS Communications

+1-321-258-6189

brian.j.nelson@boeing.com

Doug Kennett

Boeing IDS Communications

703-465-3532 (US)

douglas.j.kennett@boeing.com
