Boeing to Acquire Tapestry Solutions to Enhance Its Growing Global Services & Support Business

ST. LOUIS, Sept. 26 /PRNewswire-FirstCall/ -- The Boeing Company (NYSE: BA) today announced an agreement to acquire Tapestry Solutions, a San Diego-based company specializing in services and software systems that improve the tracking and distribution of equipment, spare parts and personnel for the U.S. Department of Defense and other government and non-government agencies.

Tapestry Solutions' tools, such as the Joint Distribution Logistics Model and Battle Command Support Sustainment System, are U.S. Army standards that increase asset visibility, optimize distribution and enable dynamic logistics planning.

Boeing Integrated Defense Systems (IDS) President and CEO Jim Albaugh said the acquisition should accelerate the growth of the company's service and support business.

"Boeing has a great opportunity to address an expanding market where we can bring together our proven large-scale integration capabilities with Tapestry Solutions' unique logistics management, decision support systems, and cutting-edge modeling and simulation technologies," Albaugh said. "It's all about meeting our customers' enduring needs for heightened readiness and supply-chain situational awareness."

Dennis Muilenburg, president of IDS Global Services & Support, added, "Combining Tapestry Solutions' capabilities with Boeing's expertise in supply chain management and integration, we are positioned to help our customer solve real-world problems and drive a transformation in distribution processes. Tapestry Solutions' data fusion, logistics and knowledge management products and services will enhance our global logistics support network. From point of origin, inter-modally into theater, to point of use, we'll be able to offer services with better ability to pinpoint the location of assets wherever they are in the supply chain, improve predictability on arrival times, streamline logistics command and control, and reduce operating costs."

Once acquired, Tapestry Solutions will operate within IDS Global Services & Support. Terms of the cash transaction were not disclosed. This transaction, anticipated to close by the end of October following regulatory approvals, does not affect Boeing's financial guidance.

"Tapestry Solutions is thrilled to be working with Boeing. Boeing has a vision for the future of logistics command and control that is right in line with our experience supporting customers worldwide," said Galen Aswegan, president and CEO of Tapestry Solutions. "Tapestry Solutions' products and expertise in real-time monitoring, training and support of world-wide distribution channels will benefit from Boeing's large-scale commercial and military operations and product offerings."

Tapestry Solutions has approximately 350 employees with the majority located in San Diego where the company has its headquarters. Approximately 150 employees are embedded with customers in Iraq and at other operational locations throughout the world.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses specializing in innovative and capabilities-driven customer solutions, and the world's largest and most versatile manufacturer of military aircraft. Headquartered in St. Louis, Boeing Integrated Defense Systems is a $32.1 billion business with 71,000 employees worldwide.

Forward-Looking Information Is Subject to Risk and Uncertainty

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 2008 and 2009 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, 2007 and our Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2008.

SOURCE: Boeing Company

CONTACT: Fernando Vivanco, +1-562-797-4582, fernando.vivanco@boeing.com,
or Chris Haddox, +1-314-234-6447, chris.d.haddox@boeing.com, both of Boeing
Communications

Web site: http://www.boeing.com/