Boeing Extends Best and Final Offer to SPEEA-WEU Represented Employees

WICHITA, Kan., Jan. 14, 2009 -- The Boeing Company [NYSE: BA] today delivered its best and final offer (BAFO) to 700 Society of Professional Engineering Employees in Aerospace-Wichita Engineering Unit (SPEEA-WEU) engineers at the company's Integrated Defense Systems (IDS) facility in Wichita. The proposed three-year contract provides salary adjustments each year and maintains comprehensive medical, dental and vision insurance at affordable costs to employees.

Highlights of the BAFO include:

- Three-year contract duration
- The same annual salary adjustment as Boeing-IDS Wichita's non-SPEEA salaried employees, or 3 percent, whichever is greater
- Additional 5 percent promotion fund each year
- Retirement benefits continue to grow with salary increases: Basic pension benefit increases April 1, 2009, to $81 per month for each year of service
- Two comprehensive health care plans requiring no employee monthly contribution
- Improved preventive care and prescription drug coverage
- Continued participation in the Employee Incentive Plan that has already delivered 27 days of additional pay during the 2005-2008 agreement
- Enhanced overtime, vacation and sick leave benefits
- Voluntary layoff with benefits.

"Our offer rewards employees for their contributions and will also allow us to remain competitive in the aircraft modification business," said Scott Strode, vice president of Boeing-IDS Wichita. "Even during a global economic crisis, and while aerospace companies and Wichita businesses are facing significant challenges, we still want to reward our employees with a very competitive compensation and benefits package -- and we believe we have done that here. This offer will keep the pay and benefits package for SPEEA-represented employees competitive within the Wichita market for the next three years."

The SPEEA-WEU contract expired Dec. 5, 2008, but an extension in place allows employees to work under the current agreement. Boeing and the union have been in negotiations since November 2008.

"We have listened to the union on several issues, including duration of the contract," said Strode. "We agreed to the union's three-year proposal and made significant progress on compensation and other benefits. I encourage employees to study and vote to ratify this very competitive offer, given our business climate in Wichita."

The union is expected to vote on the contract within 10 days. A simple majority of dues-paying members is needed to ratify the contract.

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.
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