Boeing Presents Contract Offer to Machinists Union in St. Louis

ST. LOUIS, June 10, 2010 -- The Boeing Company [NYSE: BA] today announced that it has presented a new four-and-a-half-year contract to the International Association of Machinists and Aerospace Workers District 837 in St. Louis. The contract will provide approximately $44,400 in additional compensation over the term of the agreement once it is approved by employees.

The contract's pay and benefits package provides an average of 3.6 percent in annual wage increases, significant improvements in retirement benefits, and a comprehensive and affordable health-care program.

"We have presented a contract agreement that addresses the current challenging defense budget environment and will help us continue to build a competitive business in St. Louis," said Steve Jacques, Boeing Defense, Space & Security vice president of Manufacturing and St. Louis lead for the negotiations. "This is a quality contract that offers outstanding wages as well as competitive retirement, health care and other benefits. We encourage our employees to study the contract offer with their families as they prepare to vote on June 13."

Key features of the contract offer to approximately 2,500 represented St. Louis-area employees include:

- $5,000 lump sum payment in year 1 of the agreement
- 3 percent general wage increases in years 2, 3, and 4, and an additional 3 percent in the remaining seven months of the contract
- Basic retirement benefit increased to $81/month per year of benefit service effective Sept. 1, 2010; a $11 (15.7 percent) improvement from $70 today
- Excellent health care benefits at a moderate cost to employees
- Current health care coverage and employee contributions continue through Dec. 31, 2013
- Continued company savings plan match of 50 percent of the first 6 percent contributed (increases match for employees hired after Dec. 31, 2004, from 50 percent of first $70/week to 50 percent of first 8 percent). Employees hired on or after Jan. 1, 2012, will also receive a 4 percent automatic company contribution to their Voluntary Investment Plan, vested immediately, in lieu of participation in the Employee Retirement Income Plan – Hourly East.
- For more details, visit www.boeing.com/bds/negot/stl/index.html.

A unit of The Boeing Company, Boeing Defense, Space & Security is one of the world's largest defense, space and security 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 Defense, Space & Security is a $34 billion business with 68,000 employees worldwide.

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