Boeing to Acquire EnCore Group, an Aerospace Interiors Supplier

Boeing set to acquire airplane seat and galley manufacturer to build internal capabilities and broaden offerings to customers

CHICAGO, June 14, 2019— Boeing [NYSE: BA] has entered into an agreement to acquire California-based EnCore Group, an aerospace interiors company that designs, certifies and produces airplane galleys and seats for airlines and also supplies products and components to Boeing.

Boeing's acquisition of EnCore Group will strengthen internal capabilities and increase innovation within its cabin vertical in order to provide greater end-to-end value to airline customers—from increased options and better products to improved capacity and availability. The acquisition includes the entire company including EnCore Interiors, EnCore International and LIFT by EnCore. Boeing previously partnered with LIFT by EnCore on the launch of its Tourist Class Seating, designed specifically to complement the Boeing 737 Sky Interior.

"With this acquisition, we aim to deliver quality and high-value interior offerings that our customers expect and passengers prefer," said Sheila Remes, cabin vertical leader and vice president of Strategy at Boeing. "Boeing and EnCore have a history of partnering on products, and we are excited for EnCore and its employees to join the Boeing family."

The acquisition of EnCore Group is an example of Boeing's strategy to complement organic growth with strategic acquisitions. Boeing's cabin vertical is one of a series of targeted vertical integration efforts to provide more options and value to customers by developing and building in-house capabilities in key areas, including those that strengthen Boeing's support of the customer, even beyond the airplane through Boeing Global Services. The completion of the transaction is subject to customary conditions and is expected to close by the end of the second quarter of 2019.

With approximately 700 employees, EnCore Group is headquartered in Huntington Beach, Calif., with facilities located in California and Mexico. EnCore Group has been a supplier to Boeing since its formation in 2011 and was previously recognized as a Boeing Supplier of the Year.

Boeing is the world's largest aerospace company and leading provider of commercial airplanes, defense, space and security systems, and global services. As the top U.S. exporter, the company supports commercial and government customers in more than 150 countries. Boeing employs more than 150,000 people worldwide and leverages the talents of a global supplier base. Building on a legacy of aerospace leadership, Boeing continues to lead in technology and innovation, deliver for its customers and invest in its people and future growth.

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this release may be "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the expected timetable for completing the transaction, future business prospects, and benefits and synergies of the transaction, as well as any other statement that does not directly relate to any historical or current fact. Forward-looking statements are based on current assumptions about future events that may not prove to be accurate. These statements are not guarantees and are subject to risks, uncertainties and changes in circumstances that are difficult to predict. Many factors could cause actual results to differ materially from these forward-looking statements. As a result, these statements speak only as of the date they are made and we undertake no obligation to update or revise any forward-looking statement, except as required by law. Specific factors that could cause actual results to differ materially from these forward-looking statements include the effect of global economic conditions, the ability of the parties to consummate the transaction, our ability to successfully integrate EnCore's business and realize anticipated synergies, and other important factors disclosed previously and from time to time in reports filed by Boeing and EnCore with the Securities and Exchange Commission.

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