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ST. LOUIS, Feb. 23, 2014 – Members of the International Association of Machinists and Aerospace Workers District 837 have approved a long-term contract extension intended to better position Boeing [NYSE:BA] to compete for work that's critical to its St. Louis site's future.

The company's contract with the more than 2,300 represented workers now expires in July, 2022. It was to have expired in January, 2015.

"We welcome today's ratification," said Boeing St. Louis site executive Bill Schnettgoecke. "Not only does it better position us to compete, but it also ensures that our highly-skilled IAM-represented employees, those with us today and in the future, are appropriately compensated for their important work. Our collective commitment to providing customers with affordable, innovative solutions should be clear to everyone."

Within 30 days, eligible members will receive an \$8,000 signing bonus. They will also receive general wage increases in 2016, 2018, 2020, and 2022, along with lump-sum payments in 2017, 2019, and 2021.

Also, as of Jan. 1, 2016, members will transition to earning future retirement benefits in the company's 401(k) defined contribution savings plan, while keeping the previously accrued value in their traditional pension plan. More details are available at www.boeing.com/iam-contracttalks and www.iam837.org.

In the St. Louis region Boeing workers build the F/A-18E/F and F-15 fighter jets, the EA-18G electronic attack aircraft, along with weapons and support programs.

In coming months, Boeing will bid for work that could extend some of those or bring in new projects. The contract extension improves its competitive position for those bids.

Boeing expects the changes to the IAM 837 retirement benefit plan to have an immaterial impact to 2014 core (non-GAAP) earnings. The changes are expected to result in non-cash pension curtailment charges of approximately \$80 million to first-quarter GAAP earnings.

That charge is in addition to the \$140 million non-cash charge, also being recorded in the first quarter, which was announced in January as a result of changes to the retirement plan for IAM 751 members, who are primarily in Washington State.

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