



Boeing and Lockheed Martin Complete United Launch Alliance Transaction

December 1, 2006

CHICAGO and BETHESDA, Md., Dec. 1 /PRNewswire-FirstCall/ -- The Boeing Company (NYSE: BA) and Lockheed Martin Corporation (NYSE: LMT) today announced that they have completed the transaction combining their expendable launch vehicle businesses, forming the joint venture called United Launch Alliance, LLC (ULA). ULA will combine the production, engineering, test and launch operations associated with U.S. government launches of Boeing Delta and Lockheed Martin Atlas rockets. The proposed joint venture was first announced in May 2005.

"With this merger we have combined the launch capabilities of Boeing and Lockheed Martin to create a very capable family of rockets that will support our country's space needs for the 21st century," said Boeing Chairman, President and CEO Jim McNerney. "I am grateful to all of the employees who have remained focused on mission success and continued to deliver to our customer despite the distractions of the merger process."

"On behalf of all Lockheed Martin employees and shareholders, I would like to thank the many government agencies that were involved in reviewing this very complex and important transaction," said Bob Stevens, Lockheed Martin Chairman, President and CEO. "Formation of ULA is essential if our country is to meet its requirements for assured access to space in the 21st century. I have the fullest confidence that ULA and its employees will meet our country's launch needs in a cost effective and reliable manner. This is clearly an important day for our nation."

Michael C. Gass has been named ULA president and chief executive officer and Daniel J. Collins has been named chief operating officer. ULA will be headquartered in Denver where most engineering and administrative activities will be consolidated. Major assembly and integration operations will be located primarily at Delta's manufacturing and assembly facility in Decatur, Ala.

Boeing is the world's largest combined manufacturer of commercial jetliners and military aircraft with additional capabilities in rotorcraft, electronic and defense systems, missiles, satellites, launch vehicles, and advanced information and communication systems. Headquartered in Chicago, Boeing employs more than 156,000 employees in 48 U.S. states and 67 countries. Total company revenues for 2005 were \$54.8 billion.

Headquartered in Bethesda, Md., Lockheed Martin employs about 140,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The corporation reported 2005 sales of \$37.2 billion.

Forward-Looking Information is Subject to Risk and Uncertainty

Certain statements contained in this press release are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and it is the intent of The Boeing Company that such statements be protected by the safe harbor created thereby. Words such as "expects," "believes," "will" and similar expressions are used to identify forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. 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. Potential risks and uncertainties include, but are not limited to the risk that the cost savings arising out of the transaction may be less than anticipated and other risks and uncertainties detailed from time to time in the company's filings with the Securities and Exchange Commission.

SOURCE The Boeing Company; Lockheed Martin Corporation

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