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The Boeing Company [NYSE: BA] and Avion Group, based in Iceland, have signed a contract for the purchase of four 777 Freighters. The airplanes are in addition to an order for four 777 Freighters that Avion Group placed with Boeing last September. The four new orders were previously posted as unidentified on Boeing's Orders & Deliveries website.

The new cargo planes will be operated by Avion Group's subsidiary, wet-lease operator Air Atlanta Icelandic.

"Our customers are very enthusiastic about the 777 Freighter," said Hafthor Hafsteinsson, CEO of Air Atlanta Icelandic. "It became clear after our initial order that demand for the 777 Freighter would exceed our expectations. This freighter's size and economics make it an excellent choice for our comprehensive fleet renewal program. The 777 Freighter is a great complement to the 747 Freighters that we currently operate and will continue to operate on behalf of our customers."

Air Atlanta Icelandic is the world's largest ACMI (aircraft, crew, maintenance and insurance) service provider, offering tailor-made solutions to other carriers, both in the passenger and cargo industry.

Avion Group's eight 777 Freighters will provide additional capacity for a number of the world's top carriers. The first 777 Freighter for Air Atlanta Icelandic is scheduled for delivery in February 2009.

The 777 Freighter, based on the technologically advanced 777-200LR (Longer Range) passenger airplane, will be capable of flying 4,965 nautical miles (9,195 kilometers) with a full payload and market-preferred cargo load density. The 777 Freighter will fly farther than any other freighter and provides more capacity than any other twin-engine freighter. With a maximum takeoff weight of 766,000 pounds (347,450 kilograms), the 777 Freighter will have a revenue payload capability of 229,000 pounds (103 metric tons).

The 777 Freighter will deliver value to the world's cargo operators, featuring the lowest trip cost of any large freighter and excellent tonne-kilometer economics. The 777 family has proven itself to be the leader in delivering twin-engine efficiency to the marketplace with lower fuel consumption, maintenance costs and operating costs. In addition, the 777 Freighter will be designed to integrate smoothly with existing cargo operations and facilitate interlining with 747 freighter fleets, which comprise about half of the world's freighter capacity.

The 777 Freighter will be powered exclusively by the world's most powerful commercial jet engine, General Electric's GE90-110B1, and will meet QC2 noise standards for maximum accessibility to noise-sensitive airports.

Boeing freighters of all models comprise more than 90 percent of the total worldwide freighter lift. Boeing forecasts that large widebody freighters (65 metric tons and above in capacity) will comprise 31 percent of the market by 2023.

Since the program's launch in May 2005, four operators have joined the 777 Freighter launch team - Air France, the Avion Group, Emirates and Air Canada. The first delivery of the 777 Freighter is scheduled for the fourth quarter of 2008 to Air France.

About Avion Group:

Avion Group is a global transportation solutions group founded on Jan. 1, 2005. The company is organized into three business divisions -- Aviation Services, Charter & Leisure and Shipping & Logistics. Aviation Services consists of ACMI (Aircraft, Crew, Maintenance, Insurance) provider Air Atlanta Icelandic, maintenance provider Avia Technical Services and airport handling provider Southair.

Charter & Leisure is represented by leisure service travel provider Excel Airways Group and TravelCity Direct. The Shipping and Logistics division is represented by Eimskip, the prime maritime transportation company in Iceland, with its fleet of 30 ships. In addition to the 30 vessels, there are currently 60 Boeing and Airbus aircraft in the fleet. Avion Group employs close to 4,500 people at 85 operational bases worldwide.

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