Boeing Retains Market Leading Position in 1996

Fueled by continuing demand for its popular 737 airplane, the Boeing Commercial Airplane Group, demonstrated its industry leadership in 1996 with a 64 percent share of the market for new commercial jet airliners with more than 100 seats.

Boeing, the world's largest producer of commercial airplanes, concluded the year with 717 announced orders, about two-thirds of which were for the 737, the best-selling airplane in history. The announced value of the orders represents $53 billion.

To arrive at its market share calculation, Boeing, accounted for the number of order cancellations and conversions to other airplane models it received from customers in 1996. Based on preliminary data, the net order total is 559 airplanes, with a dollar value of $42.8 billion.

"Our customers put us on top again in 1996 because of the superior value of our complete family of airplanes," said Ron Woodard, president of the Commercial Airplane Group. "Industry leadership is earned by listening to customers and responding to their needs. This year's results clearly show we have done that. Our goal is to remain No. 1 by doing everything we can to ensure customers keep buying Boeing airplanes."

Market response to the next-generation 737, which rolled out of the factory last December, was especially strong. The newest 737 series received unprecedented acceptance from airlines, capturing an aviation industry record for airplane sales before rollout with 501 orders since 1993, when the newest derivatives of the world's most popular jetliner became available. Cumulative orders for the Next-Generation 737 series now stand at 517, with orders for all 737s at 3,604.

The largest order of the year came from American Airlines for 103 Boeing jetliners, valued at $6.6 billion, with purchase rights for 527 more Boeing jets over the next 20 years.

Other significant orders in 1996 included a $4.3 billion order from Continental Airlines for 78 Next-Generation 737s; a $4 billion order from Malaysia Airlines for 25 wide-body Boeing jetliners; a multi-year order from GE Capital Aviation Services (GECAS) for five Boeing 777s and 102 Boeing 737s; an order by International Lease Finance Corporation, (ILFC), for 18 777 jetliners valued at approximately $2.8 billion; and an order for 12 757s from German holiday airline, Condor Flugdienst, which launched the 757-300.

On Monday, Boeing announced that its Board of Directors has authorized the Commercial Airplane Group to offer a proposed 767-400ERX for sale to the world's airlines. The 767-400ERX is planned as a derivative of the 767, and would be an important new member of the Boeing family of airplanes sized between the 767-300 and the 777-200.

Boeing's 1996 market share, based on dollar value and the industry's net new orders, is in line with the company's historic market average of about 60 percent. Market share varies from year-to-year, but over time, Boeing has consistently been the preferred supplier of new commercial jetliners.

Woodard said although Boeing is very pleased with its 1996 market position, the aerospace giant is further encouraged by the fact that after back-to-back good years the company's three year average is at about 61 percent.

In 1996, competitors Airbus Industrie and McDonnell Douglas accounted for 32.3 percent and 3.3 percent respectively. Other manufacturers of airplanes with over 100 seats accounted for 0.4 percent.

Boeing's announced orders for 1996 were:

Model	U.S.	Non-U.S.	Total Units	Announced Value Total (in billions)
737	354	95	449	$19.5
747	22	53	75	$12.6
757	43	16	59	$3.8
767	23	21	44	$4.4
777	37	53	90	$12.7
Total	**479**	**238**	**717**	**$53.0**