

Boeing and General Electric Launch New Longer-Range 777s

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Fueled by strong market interest and customer commitments, The Boeing Company (NYSE: BA) and General Electric (NYSE: GE) today launched two new longer-range models of the successful 777 commercial airplane. The announcement was made in a joint news conference by Boeing Chairman and CEO Phil Condit, and General Electric Chairman and CEO Jack Welch. The announcement followed a decision yesterday by the Boeing board of directors to authorize full production go-ahead of the newest members of the 777 airplane family.

This announcement moves the longer-range Boeing 777-200 and -300 airplanes into production, with first deliveries beginning in September 2003. Both airplanes will be powered by higher-thrust derivatives of the GE90 engine, which has accumulated more than one million flight hours since entering service in November 1995.

"Working together, the airlines, Boeing and GE are creating two great new airplanes," said Phil Condit, Boeing chairman and chief executive officer. "The superior value of the growing 777 family continues to differentiate it from the competition."

GE Aircraft Engines has been working for two years to develop its low-risk, growth-derivative GE90-115B engines which will power the new 777s.

"This is the perfect technological match of engine and aircraft that will change the way we fly," Welch said. "Together, the Boeing 777 airplanes and the GE 90 engine will provide unsurpassed passenger comfort and superior reliability and performance well into the 21st century."

The new 777s will address much of the market demand for airlines to offer more point-to-point services, opening up new routes. This phenomenon, called fragmentation, is increasing rapidly, especially over the Pacific.

The longer-range 777-200 will be the world's longest-range commercial airplane, capable of flying more than 10,100 miles, for example from New York to Kuala Lumpur. The longer-range 777-300 serves as the ideal replacement for early 747s, providing comparable capacity but efficient, twin-engine economics on such routes as Paris to Los Angeles.

The new airplanes are a planned extension of the 777 family, building on the features and capabilities that have made the three existing Boeing 777s the market-leading airplanes in the "intermediate, twin-aisle" category. The new 777 models will continue to offer the leading speed capability and lowest overall noise and emissions in their market category. They also include the same interior features that have made the 777 preferred by three out of four passengers who have flown both 777s and competing Airbus A330/340s. New innovations include overhead space options for crew rest areas and other storage requirements.

The 777 family has captured nearly 70 percent of the market since the airplane's October 1990 launch. Through January, airlines and leasing companies have ordered 452 Boeing 777s and taken delivery of 266 of the popular widebodies.

With the addition of the two new 777 models, Boeing Commercial Airplanes Group now offers an unsurpassed 25 models, serving regional, business, commercial airline and cargo requirements. The Boeing family of airplanes ranges in size from the 100-seat 717 to the almost 600 seats of the 747-400 Domestic model. In addition to the new 777s, Boeing and GE are partners in the Boeing Business Jet, a special high-performance derivative of the Next-Generation 737-700.

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