Dragonair Bolsters Cargo Market Presence with Two Boeing 747-300 Special Freighters

Dragonair today signed a contract with Singapore Airlines to purchase two 747-300 Combi airplanes. Both airplanes will be converted to full freighters at Taikoo (Xiamen) Aircraft Engineering Co., Ltd. (TAECO) in Xiamen, China, with parts kits supplied by Boeing Airplane Services.

While Dragonair currently operates one wet-leased 747-200F, these 747-300 Special Freighters will be the first freighters the airline will own.

"Cargo operations is a major focus for Dragonair and adding these airplanes to our fleet is an important step for us," said Dragonair CEO Stanley Hui. "We have already carried 55,000 tons of cargo during the first eight months of 2000, compared with 66,000 tons for all of 1999."

This modification also represents a "first" for TAECO -- their first 747-300 conversion. Currently TAECO is modifying a 747-200 for Japan Airlines. TAECO will begin modifying Dragonair's first 747-300 Combi airplane in May 2001 and expects to re-deliver it in July 2001. The second airplane will be inducted in July 2001 and redelivered in September 2001. TAECO is a member of Boeing Airplane Services' international network of modification and engineering facilities.

The converted 747-300s will be capable of carrying the same volume as 747-200 modified freighters (approximately 235,000 pounds). Additionally, the airplane will have 26,600 cubic feet of cargo-carrying space, 20,550 cubic feet of which will be on the main deck. The airplane's range will be approximately 4,200 nautical miles with a full payload.

"Boeing working together with TAECO to support Dragonair truly demonstrates Boeing's goal to add value to the whole industry," said Joseph Gullion, president of Boeing Airplane Services. "We are thrilled to be a part of Dragonair's further expansion into the cargo market."

Boeing Airplane Services Wichita Modification center supplies the parts kits and technical assistance to TAECO. The kit includes engineering and modification instructions, as well as parts such as floor beams, floor panels, system provisions for the cargo handling system, and the smoke detection system. Boeing technical experts will be on site to assist with installation of the kit and certification. Boeing owns the FAA Supplemental Type Certificate (STC) and therefore is responsible for certification.

Taikoo (Xiamen) Aircraft Engineering Co., Ltd. (TAECO), located in Xiamen, China, provides major maintenance on 747, 737, 757, 767, A330, A340 airplanes and also structural modifications, avionics upgrades, and interior refurbishment, and complete strip and repaint certified by no less than eight airworthiness regulatory agencies worldwide.

Boeing Airplane Services provides customer-focused service solutions designed to meet an airline's individual requirements. Offerings include engineering retrofit packages, avionics upgrades, in-flight entertainment systems integration, cabin management solutions, passenger-to-freighter conversions, recovery and repair services, and airplane performance improvements for Boeing commercial airplanes. In addition, Boeing Airplane Services has the most comprehensive spare parts distribution system in the industry, with a worldwide network of distribution and service centers. It also provides technical consulting and general contracting support for passenger and cargo airlines.

Boeing Airplane Services is a unit of the Boeing Commercial Aviation Services organization, which offers the aviation industry's broadest array of support resources. As part of The Boeing Company, Boeing Airplane Services has access to all the experience and technical capabilities of the world's largest aerospace company. More than 11,000 Boeing airplanes are in operation today around the world.

###

For further information:
Laura Crampton
Manager, Corporate Communication
(852) 31932872
Mark Hooper
Zhuhai Air Show
852-9187-3525
Anne DeAngelis
Seattle
(206) 851-7982
May Kulthol
Seattle
(206) 853-5824