Japan Airlines Purchases New Boeing 777 And 767 Jetliners

Total Solutions Deal Will Provide MD-11 Freighters to United Parcel Service

Japan Airlines (JAL) has placed an order to purchase eight Boeing 777-200ERs and three 767-300ERs. The 777s and two of the three 767s will be direct replacements for JAL's fleet of 10 MD-11s. The third 767-300ER will allow JAL to better accommodate the new second runway at Narita Airport, outside of Tokyo, which is scheduled to open during the summer of 2002.

The value of the new airplanes at list prices is estimated at $1.6 billion. Deliveries are scheduled between 2002 and 2004.

The MD-11s will be traded in to Boeing, demonstrating the company's ability to provide total solutions to its customers. Boeing will manage the conversion of the airplanes into cargo configuration, and then deliver them to United Parcel Service as MD-11 Freighters.

"This is a terrific example of Boeing total solutions at work," said Seddik Belyamani, executive vice president, Sales, Boeing Commercial Airplanes Group. "It is an innovative business arrangement that addresses the needs of two very important customers."

According to Japan Airlines, replacing the MD-11s with these new 777s and 767s will improve JAL Group cash flow by approximately $100 million annually.

Japan Airlines operates an all-Boeing fleet that includes 10 777 and 25 767 twinjets. In addition, the carrier is a launch customer for the new Longer-Range 777 models.

"These orders reaffirm the popularity of the 767 family and the 777 family, which is having a banner year," Belyamani said. "Both airplanes feature unmatched economics and their spacious interiors provide passengers with the best in comfort."

Japan Airlines expects that the operating costs of the 777-200ER will be comparable to the MD-11s, while providing greater range and seat capacity. The 767-300ER will provide lower operating costs than the MD-11s and will be used on the airline's medium and short-range international routes.

The 777-200ER is an extended-range model that can fly non-stop from Tokyo to the East Coast of the United States. It is the world's longest-range airplane and seats up to 328 passengers in a three-class configuration. The 777 family is the most technologically advanced airplane in the industry with unmatched economics.

The 767-300ER is capable of flying non-stop from Tokyo to Sydney, Australia. It is the world's most popular-selling widebody airplane and makes use of new-generation technology to provide maximum efficiency, twin-aisle passenger cabin convenience, excellent fuel efficiency and modern airplane systems, including an advanced all-digital flight deck.

The new order will allow JAL to reduce its number of models in service from seven to six, providing greater efficiency in purchasing spare parts, planning maintenance activities and providing ground support equipment. This fleet consolidation will afford Japan Airlines with greater flexibility in flight-crew scheduling while increasing the airline's effectiveness in route planning and addressing changes in demand.

The 777s will be used on a variety of routes, including trans-Pacific routes in accordance with increased Extended-range Twin-engine Operations (ETOPS) approved earlier this year by the U.S. Federal Aviation Administration and Japan Civil Aeronautics Bureau.

In addition to 777 and 767 airplanes, JAL operates Boeing 737-400s and several models of the Boeing 747. The airline also operates several DC-10s, which are being phased out.

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