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China Southern Airlines (NYSE: ZNH)(HKSE: 1055), the largest airline in The People's Republic of China, today took delivery of its first Boeing (NYSE: BA) 737-800. China Southern's newest airplane is the first of 20 new 737-800s that were ordered by the airline in October 2001.

"We are bullish on Boeing," said Yang Guanghua, vice president, China Southern Airlines and head of the airline's official delivery delegation to Seattle. "The 737-800 is a wonderful aircraft, and we are confident that our passengers will enjoy and feel confident in flying on this brand-new airplane."

The 20 new jetliners will replace the same number of earlier generation 737s currently operated by China Southern Airlines and will significantly lower the average age of the China Southern Airlines' fleet -- already one of the youngest in China.

"Boeing and China Southern Airlines have been working to bring people together for nearly 20 years," said Larry Dickenson, senior vice president, Sales, Boeing Commercial Airplanes. "China has a bright aviation future as it continues to develop its domestic network and the Boeing 737 family is the ideal airplane to provide that service."

The 737-800 will fly approximately 3,300 nautical miles (5,926 km), an increase of up to 900 nautical miles over earlier 737 models. China Southern's new 737-800 will offer 167 seats in a two-class configuration -- eight first-class and 159 economy class seats.

With this new 737 and the June 2002 delivery of its new 747-400 freighter, China Southern Airlines is making major steps to modernize its fleet, which is already one of the most modern in the world.

The largest airline in The People's Republic of China for the past 23 years, China Southern Airlines connects more than 80 cities around the globe. Major business and vacation destinations served in China include Beijing, Chengdu, Guangzhou, Guilin, Hong Kong, Kunming, Shanghai, Shenzhen and Wuhan International service includes Amsterdam, Bangkok, Fukuoka, Hanoi, Ho Chi Minh City, Kuala Lumpur, Jakarta, Los Angeles, Manila, Melbourne, Osaka, Penang, Phnom Penh, Seoul, Singapore, Sydney and Tokyo.

Over the next 20 years, Boeing projects that China will be the world's second largest market for commercial jetliners, trailing only the United States. Domestic passenger traffic growth in China is expected to increase an average of 9.0 percent annually during the 20-year period.

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