Pakistan International Airlines Orders Eight Boeing 777s

U.S. and Pakistani government officials joined executives from Pakistan International Airlines (PIA) and The Boeing Company [NYSE: BA] in a signing ceremony today to formalize a definitive agreement for PIA to purchase eight new Boeing 777 airplanes.

The ceremony, held at the U.S. Department of Commerce in Washington, D.C., was attended by Deputy Secretary Sam Bodman of the Department of Commerce, Pakistan Secretary of Defense and Chairman of Pakistan International Airlines Corporation (PIAC) Lt. Gen. Hamid Nawaz Khan, Mr. Ahmed Saeed, Managing Director, PIA, and senior PIA and Boeing officials.

The airplane order, valued at $1.5 billion, includes three 777-200ER (extended-range), two 777-200LR (longer-range) and three 777-300ER (extended-range) airplanes for use on PIA's long-haul routes. This is the largest airplane order in the history of PIA. Deliveries are scheduled to begin in 2004 and continue through 2008.

"The Boeing Company is a true partner. We have worked together to develop effective solutions and a plan to meet our airline's vision for continued growth and improved profitability," said PIAC Chairman Khan. "This plan includes the newest, high technology airplane on the market -- the 777 family. The 777 is the right airplane for our needs because it will enhance our operational efficiencies and profitability."

Boeing's long-standing relationship with PIA extends nearly 30 years. The carrier currently operates a mixed fleet of 707, 737 and 747 airplanes. With this latest agreement, the United States and Pakistan are developing stronger relationships that benefit both industry and government.

"After a thorough and transparent evaluation of new, used and lease alternatives, we have reached a solution that builds on PIA's market strategy," said Douglas Groseclose, vice president, International Sales, Boeing Commercial Airplanes. "The 777 family provides the flexibility to meet PIA's needs now and into the future. We look forward to expanding our close working relationship."

PIA's 777-200ERs will seat 327 passengers in a two-class configuration. The 777 sets a new level of comfort and spaciousness for air travel because of the new Boeing Signature Interior, which currently is offered on Boeing twin-aisle products. The Boeing 777 is the only jetliner to receive the Industrial Design Excellence Award for its passenger cabin. Recent surveys of thousands of passengers flying long-range routes around the world revealed an overwhelming preference for the 777 -- more than three out of four passengers worldwide.

For improved, more efficient in-flight service, the 777 is equipped with an advanced cabin management system. Linked to a computerized control console, the cabin management system assists cabin crews with many tasks and allows airlines to provide new services for passengers, including a digital sound system comparable to the most state-of-the-art home stereo or disc players.

The 777's advanced wing design enhances the airplane's ability to climb quickly and cruise at higher altitudes and speeds than competing airplanes. It also allows the airplane to carry full passenger payloads out of many high-elevation, high-temperature airfields.

GE90 engines will power the Boeing 777s. General Electric Aircraft Engines is the sole producer of engines for the 777-200LR and 777-300ER airplanes.

More than 400 777s are currently in service with 30 airlines around the world. To date, more than 600 777s have been ordered, including 49 of the longer-range 777s, the 777-200LR and the 777-300ER jetliners.

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