Boeing, AeroMexico Announce Order for Boeing 737-700s

Boeing and AeroMexico today formally announced contracts that will provide Mexico's largest airline 15 Boeing 737-700s with winglets. The transactions will help significantly reduce the carrier's operating costs.

"One of the principle reasons for this order is to add airplanes with the latest-generation technology to our fleet," said Arturo Barahona, chief operating officer of AeroMexico. "These new airplanes will make our operations more flexible and improve our route coverage."

By replacing its fleet of 15 DC-9s with 737-700s, Aeromexico will reduce the average age of its fleet from 15.9 years to 10.7 years. The operational efficiencies and reduced maintenance needs of the Boeing 737 will help lower operational costs and improve profitability. The 737 has the highest reliability of any airplane in its class, which means fewer delays and greater satisfaction for passengers.

In one of the contracts, a sale-leaseback arrangement with Boeing, AeroMexico will lease six of the jets from Lombard Aviation Capital and the other five from International Lease Finance Corporation (ILFC). This arrangement will enable AeroMexico to operate the new airplanes at a lower annual cost. The contract is accounted for on Boeing's orders Web site for 2002 and was previously attributed to an unidentified customer. The value of the 11 737-700s at list prices is approximately $500 million.

In the other contract, AeroMexico will take four additional 737-700s directly from ILFC for a total of 15 737-700s.

Lombard Aviation Capital will deliver the first airplane in October, with remaining deliveries continuing through 2004.

All 15 737-700s will be equipped with winglets -- 8-foot-high wingtip extensions -- that reduce fuel consumption up to 3.5 percent, increase range up to 450 nautical miles from hot, high-altitude airports such as Mexico City, and reduce engine maintenance costs. The winglets also help operators such as AeroMexico meet stringent low-noise regulations by reducing takeoff noise.

"We're gratified AeroMexico has decided to remain an all Boeing-operator," said John Wojick, Boeing Commercial Airplanes vice president of Sales for Latin America and the Caribbean. "The new 737 is the most modern and technologically advanced airplane in its class. Its new fleet will help AeroMexico remain an industry leader."

The Next-Generation 737 family consists of one airplane in four sizes (737-600/-700/-800/-900) that spans the 100- to 200-seat market, as well as a convertible model that offers the flexibility to change to an all-passenger or all-cargo configuration.

The 737 -- a short-to-medium-range airplane -- is based on a key Boeing philosophy of delivering added value to airlines with reliability, simplicity and reduced operating and maintenance costs. Built in Renton, Wash., it is the newest, most technologically advanced airplane in its size category. It features an all-new modern flight deck using the latest liquid-crystal display technology, new fuel-efficient engines and all-new advanced wings.

The Boeing 737 is the best selling single-aisle airplane in the world. To learn more about the 737, visit our Web site.

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