

Boeing Projects Strong 20-Year Freighter Demand

Boeing Projects Strong 20-Year Freighter Demand

The world freighter airplane fleet will nearly double during the next 20 years, from 1,766 to 3,456 airplanes, The Boeing Company says in its latest market forecast.

According to the Current Market Outlook 2004, produced annually by Boeing Commercial Airplanes and recently released at the Farnborough Air Show, 2,950 freighters will enter the fleet by 2023 and 1,260 cargo airplanes will be retired, for a net gain of 1,690 airplanes. Freighters as a percentage of the total world airplane fleet will decrease from 11 percent to 10 percent, due to an increase in size of the average freighter.

"This forecast is in line with most of our previous projections," said Jim Edgar, cargo marketing director for Boeing Commercial Airplanes. "The industry appears to have moved past many of the challenges of the past few years."

The world share of widebody freighters is expected to increase to 60 percent of the fleet, compared to 44 percent currently. More than half of the freighters that will be added to the fleet will be widebody airplanes.

By 2023, 724 new production freighters will enter the fleet, with the remainder -- approximately 75 percent of the total growth -- being conversions of existing passenger and combi airplanes. Nearly half of the converted airplanes will be in the large freighter category (greater than 65 tons).

The value of the new production freighters entering the market over the 20-year period is US\$139 billion.

"Economic globalization and growth are keys to the industry's long-term growth," said Edgar. "In the short-term, exogenous events are of prime importance and the industry must learn to mitigate their effects."

Boeing has reduced the number of size categories, recognizing a lesser need to differentiate standard-body sizes. This year's forecast divides the world fleet into three segments, based on cross-section width and payload capability.

- Standard-body -- less than 50 tons (757, 737, 727, 707, MD-80/-90, DC-8, DC-9, A320 series, BAe-146)
- Medium widebody -- 40-65 tons (767, DC-10, A330, A310, A300, L-1011)
- Large -- more than 65 tons (747, MD-11, DC-10-30/-40, 777, A340, A380)

Boeing provides more than 90 percent of the world's freighter capacity. This percentage is expected to remain stable for some time. The Boeing 747-400 Freighter family continues to sell steadily, with 12 added to the Boeing order book thus far in 2004, and two 767-300 Freighters have been ordered by an unidentified customer. Boeing offers a full range of production freighter airplanes, from 20 to 120 ton capacity, including cargo versions of the 747, 767, and 737.

In addition, the vast majority of conversions will be larger Boeing airplanes, including the 747-400 Special Freighter conversion, launched earlier this year. Boeing offers conversions of 747, MD-11, DC-10, 767, 757 and 737 jetliners.

The Current Market Outlook is available on the company's Web site.

Boeing releases a detailed forecast in even-numbered years and is scheduled to issue World Air Cargo Forecast 2004-2005 at the 2004 International Air Cargo Forum and Exposition in Bilbao, Spain, in Sept. 2004.

###

The following charts are available:

- Widebody Freighters Dominate the Future Fleet
- North America Will Account for More Than Half of 2004-2023 Freighter Deliveries

For further information:

Bob Saling

office: (206) 766-2914

mobile: (206) 852-3327

bob.saling@boeing.com
