

## **Boeing Reaches Agreement on Hawaiian Airlines Leases and Bankruptcy Claim**

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Boeing Capital Corporation has reached an agreement with Hawaiian Airlines on the restructuring of its long-term leases for 11 Boeing 717-200s and three Boeing 767-300ERs, and on the amount of Boeing's unsecured claim resulting from Hawaiian's bankruptcy.

Boeing Capital has also reached an agreement to sell its unsecured claim to RC Aviation LLC. Ranch Capital LLC created RC Aviation, which is a significant investor in Hawaiian's parent company, Hawaiian Holdings Inc.

Boeing's agreements with Hawaiian are subject to review and approval by the U.S. Bankruptcy Court in Honolulu overseeing the airline's bankruptcy. Court approval will be requested before the end of September.

These agreements with Hawaiian and RC Aviation are separate from the reorganization plan jointly proposed by RC Aviation, Hawaiian Holdings, Hawaiian's trustee, Joshua Gotbaum, and The Official Committee of Unsecured Creditors.

"We reviewed a number of plans to reorganize Hawaiian Airlines and found the plan proposed by RC Aviation and the trustee to be a comprehensive financial solution that strikes a good balance among the interests of Hawaiian Airlines, Boeing Capital and all other stakeholders," said Scott Scherer, Boeing Capital's vice president and general manager -- Aircraft Financial Services. "We look forward to Hawaiian's prompt emergence from bankruptcy and to continuing our long and valued relationship with the airline."

Hawaiian Airlines filed for Chapter 11 bankruptcy protection in March 2003. Earlier this year, Boeing Capital and Corporate Recovery Group (CRG) filed a plan of reorganization for Hawaiian. Recently, CRG and Boeing concluded their arrangement, deciding not to pursue their own reorganization plan.

"CRG was one of the first organizations to realize the value in Hawaiian Airlines," said Scherer. "We thank CRG for energizing the bidding process and contributing to a better overall recovery for all of Hawaiian's creditors."

The bankruptcy court is expected to review and approve a final reorganization plan later this year. Boeing Capital does not expect that its transactions with Hawaiian Airlines will have a material adverse effect on its earnings, cash flows and/or financial position.

Boeing Capital Corporation is the financing subsidiary of The Boeing Company. With a \$10 billion portfolio, primarily consisting of Boeing commercial aircraft, Boeing Capital arranges, structures and provides financial solutions to support the sale of Boeing products and services.

## **Forward Looking Information Is Subject to Risk and Uncertainty**

Certain statements in this press release may contain projections or "forward looking" information (as defined in the Private Securities Litigation Reform Act of 1995) that involve risk and uncertainty. The words "aim", "plan", "likely", "believe", "expect", "anticipate", "intend", "estimate", "will", "should", "could", "may", and other expressions that indicate future events and trends identify forward looking statements. These statements are not guaranties of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what we express or forecast in these forward-looking statements. As a result, these statements speak only as of the date they were made and we

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