Boeing, Guggenheim Aviation Finalize 747-400 Special Freighter Deal

Boeing [NYSE: BA] and Guggenheim Aviation Partners recently signed an agreement to purchase four Boeing 747-400 Special Freighters. Guggenheim, the U.S-based aviation investment firm, will make the Special Freighters available to cargo operators starting in 2007.

The Special Freighter program converts passenger 747-400s to cargo carriers. Guggenheim is acquiring the four airplanes through Boeing Aircraft Trading. A Boeing-approved modification facility will convert the airplanes between 2006 and 2009, a process that Boeing's Commercial Aviation Services unit will manage.

"This is an excellent example of Boeing's many strengths coming together for a strategic customer," said Dinesh Keskar, senior vice president of sales and president of Boeing Aircraft Trading. "As the newest 747-400 Special Freighter customer, Guggenheim can offer the world's premier freighter to the world's air cargo operators."

Boeing and Guggenheim announced the agreement during Cargo Facts 2004, an annual symposium for the review and analysis of current aviation market trends.

For the conversion, the 747-400 passenger airplane receives a side cargo door, a strengthened main-cabin floor, a full main-deck lining and provisions for a new cargo handling system with an upgraded flight deck. The 747-400 Special Freighter has positions for 30 cargo pallets on the main deck -- comparable volume to that of a new 747-400 Freighter. It is also capable of seating up to 19 people, an option found on no other converted freighter.

"Guggenheim Aviation Partners is capitalizing on the growing demand for Boeing 747-400 freighters, and establishing an early-mover advantage by securing a passenger to freighter conversion option," said Guggenheim's Stephen Rimmer.

The Guggenheim team has undertaken several passenger-to-freighter conversions, and recently Guggenheim leased an MD-11 to Martinair in the Netherlands .

The Guggenheim family has been involved in aviation for 79 years. They gave American aviation crucial support during its formative years when individuals could still impact the direction of an entire industry. The Guggenheim's supported a wide range of scientific, educational, and social programs relating to aeronautics.

Boeing Aircraft Trading sells and leases Boeing-owned airplanes acquired through trades, lease returns and other mechanisms, as well as airplanes from the secondary market that meet Boeing's high standards. The organization also provides contractual and operations support for trade-in and inventory aircraft.

Boeing Commercial Aviation Services offers customers reliable conversion-based engineering and certification expertise. Customers may choose and incorporate support packages during freighter conversions, including avionics and flight-deck upgrades, customized maintenance programs and integration of technical manuals.

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For further information:
Vicki Ray
Boeing Commercial Airplanes
mobile: (206) 852-3319
vicki.l.ray@boeing.com
Lewis Brinson
Boeing International & Sales Communications
mobile: (206) 898-9521
lewis.b.brinson@boeing.com
May Kulthol
Boeing Aircraft Trading
mobile: (206) 853-5824
thanaporn.m.kulthol@boeing.com
Steve Rimmer
Guggenheim Aviation Partners (U.S.)
office: (425) 427 5240
Paul Newrick
Guggenheim Aviation Partners (Europe)
0207 590 3145