Boeing Confirms Primaris Airlines' Selection of the 7E7 Dreamliner

Emerging low-cost carrier also selects 737-800s

7E7 called "catalyst" for new business models

The Boeing Company [NYSE: BA] today confirmed Primaris Airlines, Inc. has chosen the Boeing 7E7-8 Dreamliner and the 737-800 for the airlines' future fleet development.

The airline announced plans to purchase 20 737-800s and 20 7E7-8s, with options for an additional 25 737-800s and 15 7E7-8s. The firm purchases would be worth approximately $3.8 billion at list prices. Contract negotiations are expected to conclude later this year. Deliveries of the 737-800s will begin in 2007 and the 7E7-8s in 2010.

"Primaris is the first low-cost carrier to select the 7E7 Dreamliner. Its decision validates the 7E7 Dreamliner as a catalyst for new business models," said Mike Bair, Boeing vice president and general manager of the 7E7 program. "The 7E7 will be the airplane of choice for many types of carriers, including network carriers, low-cost carriers, and charter and leisure carriers. It's an incredibly versatile machine."

Primaris joins a growing team of 7E7 launch customers including ANA (All Nippon Airways), a regional and international carrier; Air New Zealand, a long-haul airline; and Europe's Blue Panorama and First Choice, both leisure and scheduled-service carriers. Negotiations continue with additional launch team customers worldwide.

"We welcome Primaris to the team. With the 737s and 7E7s in its fleet, the airline will capitalize on the superior economics, fast turnaround times and low maintenance of Boeing airplanes. Both airplanes fit perfectly into the operational cost structure that is proven with successful low-cost carriers," said Bair.

Primaris is an emerging commercial airline offering distinctive value for business travelers. Primaris plans to equip the Next-Generation 737s with 94 seats in an all business class, while the 7E7s will seat approximately 150 passengers in an all business class. The U.S. domestic carrier intends to build a route structure serving domestic and international business travelers starting in 2005.

The Boeing 7E7 Dreamliner is being designed with airlines, passengers, investors and the environment in mind. The technologically advanced airplane will use 20 percent less fuel than today's airplanes of comparable size, provide customers with up to 45 percent more cargo revenue capacity, and present passengers with innovations including a new interior environment with higher humidity, wider seats and aisles, larger windows, and other conveniences.

Additional 7E7 Information
The 7E7 is a family of airplanes in the 200- to 300-seat class that will carry passengers on routes between 3,500 and 8,500 nautical miles (6,500 to 16,000 kilometers). The 7E7 will allow airlines to offer passengers more of what they want: affordable, comfortable, non-stop, point-to-point travel to more destinations around the world. In addition to bringing big-jet ranges to mid-size airplanes, the 7E7 will fly at Mach 0.85, as fast as today's fastest commercial airplanes, while using much less fuel. Also, for the first time in commercial jet history, the 7E7 family will offer a standard engine interface for the two types of engines to be offered on the airplane, the General Electric GENX (GE Next Generation) or Rolls Royce's Trent 1000, allowing the 7E7 to be fitted with either manufacturer's engines at any point in time. Production of the Dreamliner will begin in 2006. First flight is expected in 2007, with certification, delivery and entry into service in 2008.

Additional 737 Information
The Next-Generation 737 -- a short-to-medium-range airplane -- is the best selling commercial jet family in aviation history. Its durable and efficient design is based on a key Boeing philosophy of delivering added value to airlines with reliability, simplicity and reduced operating and maintenance costs. The 737-800 can seat 162 to 189 passengers. Along with the other models of the Next-Generation 737 family (737-600, 737-700 and 737-900), the 737-800 offers a modern flight deck using the latest large flat-panel-display technology. Known for its reliability, fuel efficiency and economical performance, the 737-800 can fly 260 nautical miles farther, 1,100 feet higher and climb to 35,000 feet 3.2 minutes faster while carrying 12 more passengers than the competing A320.

Forward-Looking Information Is Subject to Risk and Uncertainty
Certain statements in this release may constitute "forward-looking" statements within the meaning of the Private Litigation Reform Act of 1995. Words such as "expects," "intends," "plans," "projects," "believes," "estimates," and similar expressions are used to identify these forward-looking statements. Forward-looking statements in this release include, but are not limited to, our expectations regarding the market, orders and completion of development and manufacture of the 7E7. These statements are not guarantees 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 is expressed or forecasted in these forward-looking statements. As a result, these statements speak only as of the date they were made and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Our actual results and future trends may

differ materially depending on a variety of factors including our successful execution of development and manufacturing plans, the actual outcomes of certain pending sales campaigns, U.S. and foreign government procurement activities; unanticipated financial market changes, international competition in the commercial areas; performance issues with key suppliers, subcontractors and customers; factors that could result in significant and prolonged disruption to air travel worldwide (including future terrorist attacks); worldwide political stability; domestic and international economic conditions; legal, financial and governmental risks related to international transactions; legal proceedings; and other economic, political and technological risks and uncertainties. Additional information regarding risk factors is contained in our SEC filings, including, without limitation, our Annual Report on Form 10-K for the year ended December 31, 2003.

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For further information:
Nicolaas Groeneveld-Meijer
office: 206-766-2229
Yvonne Leach
7E7 Dreamliner
mobile: 206-854-5027
Sandy Angers
737
office: 425-965-9380
Larry Walsh
Primaris
212-453-2371
lwalsh@oow.com