Boeing and SALE Complete Purchase Agreement for 20 Next-Generation 737s

The Boeing Company [NYSE: BA] and Singapore Aircraft Leasing Enterprise (SALE) today completed a sales agreement for 20 Boeing Next-Generation 737s, plus purchase rights for 20 additional airplanes.

The agreement, valued at US$1.1 billion at list prices, represents SALE's first direct order of 737s from Boeing. Deliveries are to begin in late 2006 and extend through late 2009. It also is the largest jetliner purchase announced by a leasing company since the Sept. 11, 2001, events that severely affected the world's aviation industry.

"This is clearly a milestone in our relationship with Singapore Aircraft Leasing Enterprise, a world-class lessor," said Mike Cave, vice president and general manager, Airplane Programs -- Boeing Commercial Airplanes, in Singapore for the contract signing. "The 737 is a favorite among both full-service and low-cost carriers -- an important attribute in the leasing business."

SALE selected the Next-Generation 737 to attract new customers and significantly develop its global business. SALE cited the 737's value, global customer base, technology, flexibility, reliability and economic and environmental performance in placing its order.

The 737-800 is the baseline model SALE has specified. However, the agreement provides for conversions to the 737-700 or the proposed higher-capacity 737-900X. The Next-Generation 737 family is powered by CFM56-7B turbofans from CFM International.

"We are very happy to have finalized our contract with Boeing," said SALE Managing Director and Chief Executive Officer Robert Martin. "The addition of the aircraft to our portfolio will enable SALE to reach a wider range of airline customers and significantly develop our global business."

The Next-Generation 737 provides the best value in its class, with proven profit-making capability, achieved through superior operating economics and passenger appeal.

The Boeing 737 features the newest, technologically advanced design in its class and is the leader in reliability and operating costs. The Next-Generation 737 family has garnered orders for nearly 2,600 airplanes with a backlog of more than 850 airplanes.

Previously, SALE has ordered six Boeing 777s and three Boeing 767s. In addition, the lessor owns a number of Boeing jetliners purchased through other sources.

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