EgyptAir to Integrate Boeing 737-800s into Fleet

Boeing [NYSE:BA] and EgyptAir today confirmed they formally concluded contract negotiations on August 1, resulting in an order for up to 12 737-800s. The firm order is for six airplanes with purchase options for an additional six.

The complete airplane deal is valued at $850 million at list prices, marking another significant investment in EgyptAir's fleet renewal. The airline currently operates one of the industry's youngest airplane fleets.

"EgyptAir bought their first Boeing in 1968; a B-707," said Lee Monson, Boeing Commercial Airplane's vice president of the Middle East and Africa. "Since that time, we have greatly valued our relationship with the airline and we've worked hard to ensure our long-term collaboration remains on track. We're proud that the Next-Generation 737-800 will soon be flying in EgyptAir livery and we will continue to work closely with the airline to find Boeing fleet solutions for this excellent carrier."

EgyptAir currently has four Boeing 737-500s, five 777-200s and two 747-300s as part of their mixed fleet of airplanes. The airline will take delivery of its first 737-800 in September 2006, with the remaining airplanes joining its fleet out through December 2009.

"Egypt is a land of history and so, too, we respect the history we've shared with Boeing during EgyptAir's growth and development," said Engineer Atef Abd El-Hamid, chairman and CEO of EgyptAir Holding Company. "These new 737-800s, with their high degree of reliability and ruggedness, offer us the opportunity to maximize our operating efficiency and provide excellent service to our passengers."

Designed ten years later than its main competitor and boasting one of the highest daily utilization rates in the industry, the Next-Generation 737 is the unmatched leader in the single-aisle commercial airplane market. To date, 88 airlines have placed orders for more than 2,700 Next-Generation 737s. Overall, the 737 is the world's best-selling commercial jet airplane family, with more than 5,900 ordered by 225 customers.

EgyptAir operates 400 weekly flights from Cairo and several Egyptian cities providing route connectivity to more than 66 destinations across Asia, Europe, Africa and North America.

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