Boeing Projects $213 Billion Market for New Airplanes in China

The Boeing Company [NYSE: BA] detailed its 2005 Current Market Outlook (CMO) for the People's Republic of China today, forecasting a requirement in China for just over 2,600 new airplanes worth $213 billion over the next 20 years. Over the forecast period, China is and will remain the largest market outside the United States for new commercial airplanes.

With the continued high rate of growth for the China air travel and air cargo markets, China's fleet will nearly quadruple to more than 3,200 airplanes by the end of the forecast period. Single-aisle aircraft, such as the Boeing 737, will be the largest category with total new-airplane deliveries at 1,678 airplanes. Intermediate twin-aisles such as the Boeing 787 and 777s will comprise approximately 568 airplanes, while regional jets will be 293 units and 747 and larger-size airplanes will be 73 units.

"Passengers are the foundation of air travel, and in a competitive market the airlines will continue meeting passengers' demands for more direct nonstop flights to destinations around the world with longer-range, efficient and comfortable airplanes," said Boeing Commercial Airplanes Vice President, Marketing, Randy Baseler. "This requirement will be met by airplanes in the 200-to-400-seat capacity category, with only a few very large ones being needed."

Boeing projects air travel growth will outpace China's Gross Domestic Product increase during the forecast period. Air travel for China's carriers will expand significantly, led by the domestic market's average annual growth of 8.8 percent. This incredible growth will nearly quadruple China's airplane fleet over the next 20 years. Air travel for all markets to, from and within China is forecasted to grow 7.3 percent per year.

"The high demand for single-aisle airplanes will be driven by an increasing affluence among the Chinese people and an increased desire to travel within China and to neighboring countries," adds Baseler. "Continued development of the country's aviation infrastructure and the opening of new airports throughout the country will also enable China's rapid domestic air travel growth."

Worldwide, Boeing projects that operators will invest $2.1 trillion for approximately 25,700 new commercial airplanes during the next 20 years. The full forecast is available at www.boeing.com/commercial/cmo/.

###

For further information:
George Liu
(Beijing)
office: +86 (10) 6539 2299 ext. 1061
mobile: +86 1391-150-2839
george.liu@boeing.com
Linda Lee
(Seattle)
office: +1 (206) 766-2905
mobile: +1 (206) 331-8298
linda.a.lee@boeing.com