

Boeing, Cathay Pacific Airways Finalize Agreement for 777-300ERs

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The Boeing Company [NYSE: BA] and Cathay Pacific Airways yesterday signed a definitive agreement for the purchase of 12 Boeing 777-300ER (Extended Range) jetliners and purchase rights for 20 additional 777-300ERs.

Cathay Pacific announced its intention to order the 12 aircraft, valued at approximately US\$2.85 billion at list prices, earlier this month in Hong Kong.

Cathay Pacific plans to take delivery of the new 777-300ERs between September 2007 and July 2010. The 777-300ERs will be powered by the General Electric GE 90-115BL2 engine, the world's largest and most powerful commercial jet engine. Separately, Cathay Pacific plans to lease four more 777-300ERs from International Lease Finance Corporation.

"This is one of the world's best airlines choosing one of the world's best airplanes," said Alan Mulally, president and CEO, Boeing Commercial Airplanes. "Cathay Pacific's reputation for exceptional passenger service and effective and profitable operations makes its selection of the 777-300ER especially rewarding."

An initial launch customer of the Boeing 777-200 and later of the 777-300, Cathay Pacific has played a critical role in the program's success and especially in shaping the performance capabilities and comfort standards of the 777 twinjet family. The 777 fuselage cross-section finally adopted by Boeing during the aircraft's design phase was originally proposed by Cathay Pacific. The airline currently operates 16 777-200s and -300s for regional operations, and with this order the carrier has endorsed the 777 family as the standard of its ultra-long-haul service for the future.

"These aircraft orders mark an exciting and significant milestone in the development of our airline," said Philip Chen, chief executive officer, Cathay Pacific Airways. "These aircraft will enhance our strength as a carrier and Hong Kong's position as a global hub and gateway to the Chinese Mainland."

The 777 family of airplanes is popular with passengers and airlines alike due to its fuel-efficient twin-engine design, high reliability, low operating costs, and comfortable and spacious interior. The 777-300ER carries 365 passengers up to 7,880 nautical miles (14,594 kilometers).

Recently, Boeing made enhancements to the 777-300ER that improve the airplane's overall fuel efficiency by 1.4 percent. This amount is in addition to the 2 percent fuel-burn improvement already proven in revenue service by airlines that currently operate the 777-300ER. The 1.4 percent improvement in fuel efficiency equates to an annual savings of approximately 200,000 gallons (757,000 liters) per aircraft.

With today's signing, Boeing has secured 127 orders for the 777 in 2005. Over the life of the 777 program, 43 airlines worldwide have placed 800 firm orders for 777s.

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