Boeing, Air India Celebrate Order Agreement for 68 Jets; Largest Commercial Airplane Order in India's Civil Aviation History

Order includes 777s, 787s and 737s for fleet renewal and expansion

Boeing commits to investing in maintenance, repair and overhaul base, and training facility in India

At a signing ceremony held today at Air India's headquarters, Boeing [NYSE: BA] Commercial Airplanes President and CEO Alan Mulally and Air India Chairman and Managing Director V. Thulasidas formally announced an order agreement for 68 airplanes. The order, placed with Boeing in December 2005, is valued at more than $11 billion at list prices and deliveries are scheduled to begin in November 2006.

Air India's order consists of 23 777 s, including eight 777-200LR (Longer Range) Worldliners and 15 777-300ERs (Extended Range), and 27 787-8 Dreamliners . Air India Express, a wholly-owned subsidiary of Air India, will receive 18 Next-Generation 737-800 s.

"Boeing's commitment to the Indian aviation industry dates back more than 60 years," Mulally said. "Air India is a valued and long-time partner, and we look forward to working closely with this great airline as it expands its operations with its all-Boeing fleet and brings its unique offerings to the world."

Air India currently operates a fleet of 11 747-400s, two 747-400 Combis, two 747-200s, two 747-300 Combis, three 777-200ERs and 21 Airbus 310-300s. The airline will use this order to support both fleet renewal and expansion plans. The 777s will replace the airline's current fleet of 747-200 airplanes while the 787-8 Dreamliner will replace its aging A310 fleet.

"The positive economics of the 777-200LR, 777-300ER and 787 Dreamliner will offer Air India operational cost savings and the flexibility to serve new, ultra-long-range nonstop routes that our passengers demand, such as Delhi-New York and Mumbai-San Francisco," said Thulasidas. "The combination of the 777 and 787, matched with the reliability and low operating costs of the 737s, will provide a competitive advantage for Air India and Air India Express.

"Air India will ensure that these new aircraft have the latest passenger amenities on board so that, with the induction of these aircraft, Air India can emerge as one of the leading global carriers," Thulasidas added.

Additionally, Boeing has announced that it has committed to investing in a regional maintenance, repair and overhaul (MRO) base, and a pilot training facility in India. Details of this effort are to be finalized over the coming months.

"We are committed to our customers' success," said Dinesh Keskar, vice president of Sales, Boeing Commercial Airplanes. "Our airline partners are looking for solutions, and Boeing has the most efficient airplanes and the broadest range of support products and services to help our customers maximize their fleets' operational efficiency."

Additional 777, 787 and 737 information

The 777-200LR and the 777-300ER are fuel efficient, long-range airplanes that offer airlines additional flexibility to serve nonstop routes that passengers demand. Both jetliners burn approximately 24 percent less fuel per passenger, fly farther and carry more passengers and cargo than competing airplanes. The 777-200LR is the world's longest-range commercial jetliner and is capable of connecting any two cities around the globe. The 777-200LR will enable long-range nonstop flights between India and the United States.
The 787 will burn 20 percent less fuel and have 30 percent lower maintenance costs than similar-sized airplanes. In addition to the economic benefits and better range capabilities than its competitor, the 787 will present passengers with innovations including a new interior environment with higher humidity, wider seats and aisles, larger windows, and other conveniences.
Known for its reliability, fuel efficiency and economical performance, the 737-800 has been selected by leading carriers throughout the world. The 737-800 with Blended Winglets, which is 1,550 pounds lighter, can fly 260 nautical miles farther, 1,900 feet higher and burn 6 to 8 percent less fuel per seat while carrying 12 more passengers than the A320.
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