Air China Selects Connexion by Boeing as its In-Flight Internet Service Provider

Leading Chinese carrier to offer airborne Internet access on long-range flights

Air China, the leading international air carrier in the People's Republic of China (PRC), and Connexion by Boeing, a business unit of The Boeing Company, (NYSE: BA), today announced they have reached a preliminary agreement to provide real-time, high-speed connectivity to air travelers traveling to and from China. The announcement today in Beijing includes as many as 15 firm and optional retrofit installations on Air China's Boeing 747-400 aircraft, and other long-haul aircraft models to be determined at a later date. Financial terms were not disclosed.

Aircraft installations are expected to begin in October 2006 and once completed, the Connexion by Boeing service will provide Air China passengers with in-flight access to the Internet, real-time email, instant messaging (IM), corporate intranet access, including virtual private network capability, and the ability to stay in touch with friends, family and colleagues while enroute to their destination. Additionally, the initial aircraft installations will be completed in time for passengers to use the service in advance of the 2008 Olympics in Beijing. Service availability is expected on key routes between China and North America, Europe, the Middle East and throughout the Asia Pacific region.

"This is a tremendous way for Connexion by Boeing to begin the new year and we are proud to have Air China become our launch customer in mainland China and to be a part of the airline's vision for in-cabin service excellence," said Vice President of Commercial Airline Business Lianne Stein. "In addition to showcasing how Air China aircraft are equipped with the latest in communication technology, our agreement also will help to ensure that visitors to the 2008 Olympics have the ability to truly share their personal travel experience while enroute to and from the region."

In recent months, China has demonstrated significant momentum in its aviation market as airlines in the China market continue to update their fleet of aircraft to support travel on key international routes. Strong growth in the commercial airline sector is anticipated over the next several decades with new airliners needed to meet the anticipated boon in air travel.

"Air China is pleased to work with Connexion by Boeing to bring this leading service to its passengers," said Air China Vice President Ma Kui-liang. "China will be prominently featured on the stage to the world during the upcoming 2008 Olympic Games and this technology will help to enhance Air China's service quality and make the wonders of our country accessible to the world through the provision of airborne Internet service. In addition, Air China will be able to use the bandwidth capabilities to enhance communication between its flight crews and its service and maintenance organizations beginning in the very near future."

About Connexion by Boeing

Connexion by Boeing is, for the third year running, the recipient of the World Travel Award for World's Leading High-Speed Inflight Internet Services Provider. In 2005 IDC wireless services analysts named Connexion by Boeing as one of the wireless companies to watch. Connexion by Boeing also is the recipient of Network Magazine's Innovation Awards 2005 honor for "Product Breakthrough." Through a broadband connection to an equipped airplane, high-speed Internet, data and entertainment connectivity is delivered directly to travelers in flight. The Connexion by Boeing service is available today on flights offered by Lufthansa, SAS, Japan Airlines, ANA, Singapore Airlines, China Airlines, Korean Air, Asiana Airlines and El Al Israel Airlines. In addition, Etihad Airways, which recently received its first Boeing 777 aircraft, and Austrian Airlines have announced their intent to offer the Connexion by Boeing service on their long-range airplanes in the near future. Connexion by Boeing also offers a high-speed connectivity solution for the business aviation market and has announced Teekay Shipping as its launch customer for the maritime market. For more information, please visit http://www.connexionbyboeing.com.

About Air China

Air China Limited (hereinafter "Air China") is the national flag carrier of China and a leading provider of air passenger, air cargo and airline-related services in China. It is primarily based in Beijing with its operational center and extensive route network serving major Chinese cities and international destinations. Air China has the largest share of air transportation business (as measured by total traffic volume) for the Beijing Capital International Airport, and also provides airline-related services, including aircraft maintenance, ground services and in-flight catering services in Beijing, Chengdu, Hong Kong and other locations through its own business units and joint ventures. Air China operates a fleet of 160 aircraft, serving 72 domestic and 36 international and regional destinations and was listed on the Hong Kong Stock Exchange and London Stock Exchange in December 2004. In August 2004, Air China was designated as the sole official airline partner of the Beijing 2008 Olympic Games.

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