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The Boeing Company [NYSE: BA] today identified Virgin Blue Airlines as the carrier that last month exercised purchase rights for nine Next-Generation 737-800 airplanes.

The order was previously included on Boeing's Orders and Deliveries Web site, attributed to an unidentified customer.

Deliveries of these airplanes to the Brisbane, Queensland, Australia-based low-cost carrier begin in 2008. The order is valued at \$634.5 million at average list prices. Virgin Blue operates an all-Boeing fleet of 52 Next-Generation 737s and will use the new aircraft to replace leased planes in its fleet.

"The Next-Generation 737 is a reliable and cost-efficient aircraft, which is essential in our competitive low-cost market," said Brett Godfrey, Virgin Blue's CEO. "Combined with its passenger comfort and appeal, the Next-Generation 737 is the right choice for Virgin Blue. The Next-Generation 737 is an integral part of our growth strategy."

The airline's fleet is a mix of 737-700s and 737-800s, running a route network stretching from Darwin in northern Australia to Perth in the West and Hobart in the South, and includes high-frequency East Coast services between Melbourne, Sydney and Brisbane.

"The 737 continues to be the airplane of choice for successful, established low-cost carriers like Virgin Blue," said Larry Dickenson, vice president, Sales -- Boeing Commercial Airplanes. "As Virgin Blue continues to grow, the Next-Generation 737s will continue to contribute to the airline's bottom line with reliable, efficient and economical service."

The Next-Generation 737s fly higher, faster, farther and more quietly than comparable airplanes, while offering greater fuel efficiency. Overall, the 737 airplane family is the world's best-selling commercial jet airplane, with more than 6,300 ordered by 233 customers. As of May 31, 2006, 97 customers have placed orders for more than 3,200 Next-Generation 737s, and the program has more than 1,250 unfilled orders with a value of about \$85 billion at current list prices.

In May 2005 Virgin Blue was named OAG Best Low Cost Airline of the Year for the second year in a row. The award represents the views of frequent passengers, based on the airline's overall performance during the award period.

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