Boeing and Aviation Capital Group Finalize Order for 14 Next-Generation 737s

Acquires six more 737s in Aeromexico transaction

The Boeing Company [NYSE: BA] and Aviation Capital Group (ACG), a wholly-owned subsidiary of Pacific LifeCorp, today announced that the lessor has placed an order for 14 Boeing Next-Generation 737-800s worth approximately $987 million at list prices. Subject to market demand, ACG has the right at a future date to substitute 737-700s for the 737-800s announced today.

The aircraft announced today were included on the Boeing Commercial Airplanes Orders and Deliveries Web site earlier this year, attributed to an unidentified customer.

ACG also announced today that it has acquired three 737-700s and three 737-800s from Aeromexico that it will lease back to that carrier. ACG will begin taking delivery of these aircraft, originally ordered by Aeromexico, later this year.

"We have been very successful in placing 737s with airline customers and we look forward to building on our past performance this success with these new 737s," said Stephen Hannahs, group managing director, CEO and co-founder of ACG. "The Next-Generation 737s support our strategy of adding the latest technology, fuel-efficient and cost-effective aircraft to our portfolio."

ACG acts as the owner/lessor and portfolio manager of commercial jet aircraft leased to the world's leading airlines. One of the top five aircraft leasing enterprises in the world, ACG's aircraft portfolio includes 209 commercial jet aircraft leased to 89 airlines in 41 countries. ACG is headquartered in Newport Beach, Calif., and has offices in Seattle, Stamford, Conn., London and Santiago, Chile.

"ACG has a very successful history with the 737 family and we look forward to delivering high-quality airplanes that will continue that history," said John Feren, vice president, Leasing and Asset Management, Boeing Commercial Airplanes. "The 737 family's high reliability, low operating costs and superior profitability are key attributes in the airplanes' value to airlines around the world."

The value of the Next-Generation 737 family, which is underscored by its popularity, is driven by its efficient design and performance in terms of fuel economy, reliability, operating costs and its strong value in the leasing market.

The Next-Generation 737 has up to an 11.4 percent residual value advantage over competing aircraft. One reason for this advantage is continuous product improvements such as Blended Winglets, avionics and short-field performance.

Customers have ordered more than 3,300 Next-Generation 737s, and more than 1,900 have been delivered. In addition, the 737 family has garnered more than 6,000 orders, with more than 5,000 deliveries.

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