

Boeing and ALAFCO Sign Deal for 787s and Next-Generation 737s

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ALAFCO opts for 12 Dreamliners and 6 737-800s valued at \$2.26 Billion.

Kuwait airplane leasing company is the first Middle East customer for Boeing's fast-selling, twin-aisle Dreamliner.

Boeing [NYSE: BA] and ALAFCO Aviation Lease and Finance Company today held a formal signing ceremony for the direct purchase of 12 787-8 airplanes and six Next-Generation 737-800s. The total value of the deal is \$2.26 billion at list prices. Six of the 787s on order from ALAFCO were booked as unidentified on Boeing's Orders & Deliveries Web site in September 2006. The additional airplanes will be posted to the Web site in March. The Sharia-based leasing and finance company is the first Middle East customer to finalize its order for Boeing's much sought after 787 Dreamliner.

The signing ceremony was hosted by ALAFCO's Chairman and CEO Mr. Ahmad Alzabin and Lee Monson, Boeing's vice president of sales for the Middle East & Africa.

"We're proud to be the first Middle Eastern company to purchase the 787-8 and our confidence to place this innovative airplane with airlines is further bolstered by the unprecedented demand for Boeing's Dreamliner," said Mr. Alzabin. "The advanced technologies used to build this airplane will result in great operating efficiencies and substantial cost savings for our airline customers. Both the 787-8 and the very popular Next-Generation 737-800 are strategic investments for ALAFCO, and this order will move the company closer to the realization of our ambitious growth plan."

ALAFCO recently became a publicly traded company in October 2006. It currently has airplanes on lease with nine carriers worldwide.

"This is a proud day for Boeing in the Middle East," said Lee Monson. "ALAFCO's demonstrated faith in Boeing airplanes has further strengthened our working relationship and we're proud to be included as part of what we know is a very sound strategy for growth and continuing success. The Boeing sales teams working around the world will do their utmost to coordinate with ALAFCO on lease content and availability where appropriate."

Since having reorganized its sales regions in 2005, and deploying a new team dedicated to the Middle East, Boeing has experienced a dramatic turnaround in its market share of commercial airplanes sold in the region.

Since launch in April 2004, the Boeing 787 Dreamliner has logged orders from 37 customers for 470 airplanes, making it the most successful launch of a commercial airplane in Boeing's history. Rollout and first flight of the 787 is scheduled later this year, followed entry into service in 2008.

The Boeing 737-800, which can seat 162 to 189 passengers, is the best-selling version of the successful Next-Generation 737 family. The Next-Generation 737 family logged a record 729 net orders in 2006.

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