Continental Airlines, Boeing and GE Aviation Announce Plans for Sustainable Biofuels Flight Demonstration

Industry leader becomes first N. American carrier to pursue alternative fuels strategy

Demonstration in 2009 marks the continued evolution toward low-carbon-lifecycle fuels

HOUSTON, March 13, 2008 -- Continental Airlines [NYSE: CAL], Boeing [NYSE: BA] and GE Aviation [NYSE: GE] today announced plans to conduct a biofuels demonstration flight in the first half of 2009 in an effort to identify sustainable fuel solutions for the aviation industry. Continental is the first major U.S. carrier to announce plans to highlight technological advancements in sustainable biofuels that can help to further reduce carbon emissions.

"Exploring sustainable biofuels is a logical and exciting new step in our environmental commitment. For more than a decade, we have been focused on reducing fuel consumption and carbon emissions, while providing industry-leading service to the places our customers want to go," said Mark Moran, Continental Airlines executive vice president of operations. "Boeing and GE Aviation have been frontrunners in pioneering technology that will benefit the aviation industry, customers, and the environment, and we are pleased to benefit from their expertise in this venture."

"Continental has been aggressively pursuing efforts to reduce carbon emissions for years, and continues to focus attention on providing innovative solutions," said Ray Conner, executive vice president, sales, Boeing Commercial Airplanes. "They clearly recognize the need for environmental improvement across the industry and have embraced that challenge through fleet modernization and the economic and social benefits that sustainable environmental technologies can provide to their operations and to their passengers."

"Continental is taking an important step in advancing the use of sustainable biofuels in aviation," said Scott Donnelly, president and CEO of GE Aviation. "Working with our jet engine team at CFM International, GE has considerable experience in evaluating biofuels in jet engines for aviation and in aeroderivative engines for marine and industrial applications. GE and CFM are eager to get started in supporting Continental's exciting program."

The biofuel flight will use a Boeing Next-Generation 737 equipped with CFM International CFM56-7B engines. CFM is a 50/50 joint company of General Electric Company and Snecma (SAFRAN Group). In the months leading up to the flight, Continental, Boeing and GE will work together and with an undisclosed fuel provider to identify sustainable fuel sources that don't impact food crops, water resources or contribute to deforestation, and which can be produced in sufficient quantities to support a pre-flight test schedule that includes laboratory and ground-based jet engine performance testing to ensure compliance with stringent aviation fuel performance and safety requirements.

As part of a broader industry effort, Boeing and other industry thought leaders, including airlines and engine manufacturers, are helping to guide the aviation sector toward sustainable biofuels produced through advanced biomass conversion technologies and processes that have the potential to reduce greenhouse gases throughout their lifecycle. Sustainable biofuels for aviation incorporate second-generation methodologies relative to fuel source selection and processing, which are uniquely suited for aerospace use. These biofuels can then be blended with kerosene fuel (Jet-A) to reduce dependency on fossil fuels. Additional details, including the flight plan, will be announced closer to the demonstration flight date.

Continental's participation in this project is part of a company-wide commitment to environmental responsibility. The airline has achieved a 35 percent reduction in greenhouse gas emissions and fuel consumption per mainline revenue passenger mile flown over the past 10 years. This is due in large part to the efforts of its employees in streamlining operational procedures and to an investment of more than $12 billion to acquire 270 fuel-efficient aircraft and related equipment. Continental remains committed to investing in a fuel-efficient fleet and is a launch customer for the Boeing 787 Dreamliner, powered by GE engines. In addition to providing passengers with a better flying experience, the 787 Dreamliner also will provide operators with a more environmentally efficient jetliner, including lower carbon emissions and quieter takeoffs and landings.

Continental has also reduced, by 75 percent, nitrogen oxide emissions from ground equipment at the carrier's largest hub, in Houston, through switching to electric ground service equipment and other new technology. This technology is now being tested for use in cold climates.

Through these investments and other projects, including the construction of airport facilities in an environmentally responsible manner, the testing of alternative fuels in ground service equipment, offering a credible carbon offsetting program based on the actual fuel burn of the Continental fleet, and an expansive recycling program, Continental will continue to manage the environmental impact of its business.

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