Boeing and Iraq Announce Airplane Order, Discuss Support for Aviation Modernization

BAGHDAD, Iraq, May 05, 2008 -- Boeing [NYSE: BA] and the Government of Iraq today announced an order for 30 Boeing 737-800 commercial airplanes, the first step in re-establishing that country's scheduled commercial aviation operations. Iraq has also contracted options for 10 additional 737s.

Valued at $2.2 billion at current list prices, the order was previously accounted for on Boeing's Orders & Deliveries Web site attributed to an unidentified customer.

In addition, Iraq and Boeing are finalizing an agreement for 10 Boeing 787 Dreamliners, which will allow an Iraqi national airline to provide longer-range commercial service. The 787s will be added to Boeing's order book when the contract is completed.

"Today marks a new beginning for Iraq," Minister of Finance Bager M. Jabor Al Zubaidy said during a signing ceremony that was also attended by Prime Minister Nouri al-Maliki and Boeing Commercial Airplanes President and Chief Executive Officer Scott Carson. "We are very comfortable with our selection of Boeing airplanes as the basis of our fleet renewal and pleased to count Boeing as a trusted partner in supporting our reconstructive efforts."

In recent months Boeing and Iraqi officials have discussed how Boeing can assist with the reconstruction of Iraq's aviation infrastructure and preparation for delivery and operation of new airplanes. Boeing will offer advice and expertise in areas such as the planning and development of airport infrastructure throughout Iraq; helping train aviation sector personnel; aiding in the selection and acquisition of airline support equipment; and arranging for cost-effective maintenance and service solutions for used aircraft obtained prior to new airplane deliveries.

"Today is truly a milestone event for Boeing and for Iraq," Carson said. "The operational characteristics of the Boeing Next-Generation 737 and 787 Dreamliner are unbeatable and, as we work together in support of Iraq's plan to build a national carrier, we envision the day when a modern and efficient fleet of airplanes will directly support Iraq's economic development and growth."

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