Boeing 737 Production Rate to Increase to Meet Customer Demand

SEATTLE, May 17 /PRNewswire-FirstCall/ -- Boeing (NYSE: BA) today announced that it will increase production rates on the Next-Generation 737 program to 34 airplanes per month in early 2012. The planned rate increase is aimed at satisfying continued strong demand for the Next-Generation 737. In addition, the company continues to study further potential 737 rate increases, given continued customer demand.

"With over 5,200 sold to date, the Next-Generation 737 is the workhorse in our customers' fleets around the world," said Boeing Commercial Airplanes President and CEO Jim Albaugh. "Even through the global economic downturn, our diverse 737 backlog has remained very strong. Increasing the 737 production rate is the right thing to do to meet the growth and fleet replacement needs of our customers."

The current production rate on the 737 program is 31.5 airplanes per month. Suppliers for the 737 program are prepared to support the rate increase. The production rate decision is not expected to have a material impact on 2010 financial results.

"The global economy continues to recover this year and we believe that airlines will return to profitability in 2011," said Randy Tinseth, vice president of Marketing for Boeing Commercial Airplanes. "We believe that there will be an increased demand for airplanes – especially in the market served by the Next-Generation 737 – in 2012 and beyond."

With more than 2,000 unfilled orders from more than 80 customers around the world, the Next-Generation 737 is the newest and most technologically advanced airplane in its class. *Airfinance Journal's* investors' and operators' poll consistently ranks the Next-Generation 737 as the most preferred airplane in its class due to its wide market base, superior efficiency and lowest operating costs.

Forward-Looking Information is Subject to Risk and Uncertainty

Certain statements in this report may be "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "intends," "plans," "projects," "believes," "estimates," "targets," "anticipates," and similar expressions are used to identify these forward-looking statements. Forward-looking statements are based upon assumptions about future events that may not prove to be accurate. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed or forecasted in these forward-looking statements. As a result, these statements speak to events only as of the date they are made and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by federal securities laws. Specific factors that could cause actual results to differ materially from forward-looking statements include, but are not limited to, statements we make regarding our guidance relating to future financial and operating performance, the effect of economic conditions in the United States and globally, and general industry conditions as they may impact us or our customers, as well as the other important factors disclosed previously and from time to time in our other filings with the Securities and Exchange Commission.

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