

Boeing Projects \$90 Billion Commercial Airplanes Market in Russia and CIS

Boeing Projects \$90 Billion Commercial Airplanes Market in Russia and CIS

Strong demand seen for new, more fuel efficient single-aisle airplanes

MOSCOW, Oct. 14, 2010 -- Boeing [NYSE: BA] forecasts that air carriers in Russia and Commonwealth of Independent States (CIS) will take delivery of about 960 new airplanes over the next 20 years at an investment of \$90 billion.

New airplane deliveries in the region will be driven largely by the need to retire older, less fuel-efficient single-aisle airplanes and regional jets, as airlines replace them with new-generation, more fuel-efficient models.

"Demand for airplanes also will be fueled by an increase in the number of people flying to, from and within Russia and CIS," said Randy Tinseth, vice president of Marketing, Boeing Commercial Airplanes, who released Boeing's 2010 CIS market outlook today in Moscow. "We expect passenger traffic for the region to grow at a rate of 4.8 percent on average."

Tinseth said the growing tendency of both business and personal travelers to traverse Russia and CIS will create strong demand for rapid, frequent and reliable coast-to-coast and interregional transportation. Driven by this demand, almost 60 percent of the new deliveries over the next 20 years will be single-aisle airplanes.

Taking retirements of old airplanes into account, the CIS fleet will grow from 1,150 airplanes today to about 1,300 airplanes by 2029.

Boeing forecasts that single-aisle airplanes will grow from 54 percent of the total CIS fleet today to 63 percent of the fleet by 2029. Airlines are increasingly focusing on airplane age as fuel-thirsty, older airplanes weigh increasingly on earnings. Increased attention to aviation's impact on global climate change also will be a factor in selecting airplanes that produce lower carbon emissions.

Newer airplane types such as the Next-Generation 737 offer significant advantages in environmental performance as well as improved capabilities, fuel efficiency and maintenance costs.

Twin-aisle fleets will evolve in the region as airlines continue to expand international point-to-point services to a wider range of airport pairs and frequencies. Small- and mid-sized twin-aisle airplanes will grow to represent 17 percent of the CIS fleet by 2029.

Within the CIS market, Boeing sees a demand for 160 new, efficient twin-aisle airplanes such as the 787 Dreamliner. Twin-aisles will account for 17 percent of total airplane demand in the region over 20 years. Large airplanes (747-size and larger) will not see significant demand in CIS, accounting for only three percent of all deliveries over the next 20 years. Approximately 30 large airplanes, all freighters, are projected for CIS through 2020.

Boeing also forecasts demand for 200 regional jets in the CIS -- more than 10 percent of the projected world demand. This category will account for 21 percent of the total deliveries of new aircraft. These aircraft will be used to accommodate traffic growth to smaller secondary markets within the region and to replace older aircraft.

###

Contact:
Dmitry Krol,
Director Communications,
Boeing Russia and CIS
+ 7 495 7973415
Dmitry.krol@boeing.com

More information on the CIS market forecast can be found at: <http://www.boeing.com/commercial/cmo/cis.html>
