Boeing Launches 737 New Engine Family with Commitments for 496 Airplanes from Five Airlines

- Will deliver improved fuel efficiency and lowest operating costs in single-aisle market

- Customers expressing overwhelming acceptance for new airplane

- Feldmann to lead new program; Teal named chief project engineer

SEATTLE, Aug. 30, 2011 /PRNewswire/ -- The Boeing (NYSE: BA) Company's board of directors has approved the launch of the new engine variant of the market-leading 737, based on order commitments for 496 airplanes from five airlines and a strong business case.

"The re-engined 737 will allow Boeing to continue to deliver the most fuel efficient, most capable airplane with the lowest operating costs in the single-aisle market," said Boeing Commercial Airplanes President and CEO Jim Albaugh. "This, coupled with industry leading reliability and maintainability, is what customers have told us they want. As a result, we are seeing overwhelming demand for this new and improved version of the 737. We are working with our customers to finalize these and other agreements in the weeks and months ahead."

The new 737 family will be powered by CFM International LEAP-1B engines optimized for the 737. It will have the lowest operating costs in the single-aisle segment with a 7 percent advantage over the competition. Deliveries are scheduled to begin in 2017.

"Customers tell us they want to improve profitability and fuel efficiency while reducing their environmental footprint," said Albaugh. "This solution meets all three of those needs."

When compared to a fleet of 100 of today's most fuel-efficient airplanes, this new model will emit 277,000 fewer tons of CO2 and save nearly 175 million pounds of fuel per year, which translates into $85 million in cost savings. The airplane's fuel burn is expected to be 16 percent lower than our competitor's current offering and 4 percent lower than their future offering.

Boeing has named Bob Feldmann vice president and general manager of the new engine 737 family. With 35 years of aerospace experience, Feldmann most recently led the Surveillance and Engagement division within Boeing Military Aircraft, a unit of Boeing Defense, Space & Security that includes several commercial derivative programs based on the 737 platform. He has been instrumental in leading the successful development of complex programs such as the EA-18G Growler and the P-8A Poseidon.

Michael Teal has been named vice president, chief project engineer and deputy program manager. Teal's most recent role was vice president and chief project engineer on the 747-8 program, where he was instrumental in managing the airplane's configuration and integration, performance, safety, test and certification.

The Boeing 737 is the world's most popular and reliable commercial jet transport. The 737 family has won orders for more than 9,000 airplanes.

The Next-Generation 737 program has continuously improved the products, features and services that provide increasing value to customers. Today's Next-Generation 737s are up to 7 percent more fuel-efficient than the first airplanes delivered in 1998. Boeing forecasts global demand for more than 23,000 airplanes in the 737's market segment over the next 20 years at a value of nearly $2 trillion.

Certain statements in this release may be "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "will," "expects," "intends," "plans," "projects," "believes," "estimates," "targets," "anticipates," and similar expressions are used to identify these forward-looking statements. Forward-looking statements are based on our current expectations and assumptions, which may not prove to be accurate. These statements are not guarantees and are subject to risks, uncertainties, and changes in circumstances 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 update or revise any forward-looking statement, 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, 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 filings with the Securities and Exchange Commission.

Contact:

Karen Crabtree
Product Strategy Communications
Boeing Commercial Airplanes

+1-206-766-2930
karen.r.crabtree@boeing.com

Marc Birtel
Media Relations
Boeing Commercial Airplanes
+1-425-266-5822
marc.r.birtel@boeing.com

SOURCE Boeing

Additional assets available online: Photos (1)