Boeing, Japanese Partners Reach Agreement on 777X Supplier Work

Suppliers to provide major 777X airplane structure components

Agreement builds on nearly 50 years of partnership with Japan

EVERETT, Wash., June 12, 2014 <u>PRNewswire</u>/ -- Boeing (NYSE: BA) announced today it has reached an agreement with five key Japanese partners for significant work on the new 777X airplane.

Japan Aircraft Industries (JAI) and Japan Aircraft Development Corporation (JADC) have signed a Memorandum of Agreement (MOA) to provide approximately 21 percent of the major airplane structure components for the 777X, including fuselage sections; center wing sections; pressure bulkheads; main landing gear wells; passenger, cargo and main landing gear doors; wing components and wing-body fairings.

JAI is a consortium of Mitsubishi Heavy Industries (MHI), Kawasaki Heavy Industries (KHI), Fuji Heavy Industries (FHI), ShinMaywa Industries (SMIC) and NIPPI Corporation (NIPPI). JADC is a non-profit foundation established to enhance the competitiveness of the Japanese aircraft industry.

"The companies that make up the JAI are consistently high performers, deliver superior quality and have worked with us to meet affordability goals for the 777X," said Boeing Commercial Airplanes President & CEO Ray Conner. "They model the kind of partnership we need from our global suppliers to best serve our customers and meet the changing demands in the marketplace."

Boeing has partnered with Japanese aerospace companies for nearly five decades to develop and manufacture the Next-Generation 737, 737 MAX, 747, 767, 777, 787 Dreamliner, and now the 777X. In 2013, Boeing spent more than \$4 billion on goods and services in Japan, supporting tens of thousands of aerospace jobs.

"This agreement with our Japanese partners extends our important and strategic relationship for decades to come," said George Maffeo, president of Boeing Japan. "As the 777X is larger than the current 777, the value of the structural components procured from Japan will be proportionately higher, generating more value for our partners as well for Boeing. Together, we are changing and shaping the future of commercial aviation."

"Participating as a partner in the next generation 777X program is another significant step for Japan Aircraft Industries, following the success of today's best-selling 777," said Hideaki Omiya, Chairman of JADC and Chairman of MHI. "I expect all JAI companies can contribute to setting a new level of competitiveness for the 777X program with their advanced design and manufacturing capabilities. Adding this new commercial transport program to our history, JAI and Boeing will further strengthen their mutually beneficial relationship."

The 777X builds on the passenger-preferred and market-leading 777 family of airplanes. The 777X family includes the 777-8X and the 777-9X – both designed to respond to market needs and customer preferences. Design of the 777X is under way. Production is set to begin in 2017, with first delivery targeted for 2020.

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