Boeing, Malaysia Airlines Announce Order for up to 50 737 MAX Airplanes

Order for 25 737 MAX 8s, purchase rights for additional 737 MAX 8s and MAX 9s -- Newest Boeing model to drive national carrier's fleet, growth plan

KUALA LUMPUR, Malaysia, July 27, 2016 – Boeing [NYSE: BA] and Malaysia Airlines Berhad (Malaysia Airlines) announced today an order for 25 737 MAX 8 airplanes, valued at \$2.75 billion dollars at current list prices. The order, previously attributed to an unidentified customer on the <u>Boeing Orders & Deliveries website</u>, also includes purchase rights for additional 737 MAX 8 and 737 MAX 9 airplanes.

"This deal is a game-changer for Malaysia Airlines with much lower costs and greater efficiency which we will pass on to our loyal customers with lower fares," said Malaysia Airlines Chief Executive Officer Peter Bellew. "With the 737 MAX's longer range capabilities, we will be able to connect our passengers to more destinations, in greater comfort and with superior economics."

The Malaysian national carrier has operated almost every derivative of the 737 airplane family and took delivery of its 10th 737 in December 2014. Malaysia Airlines currently operates 56 737-800s.

"The 737 MAX will continue the superior operating economics and reliability of the 737 that Malaysia Airlines has depended on for more than 40 years," said Dinesh Keskar, senior vice president, Asia Pacific & India Sales, Boeing Commercial Airplanes. "We are honored to continue our long partnership with Malaysia Airlines and welcome them to the growing 737 MAX family."

"Malaysia Airlines is now on a path to growth across the Asean region," said Bellew. "This new aircraft order will set the stage for our continued recovery and success into the next decade."

The 737 MAX will deliver 20 percent lower fuel use than the first Next-Generation 737s and the lowest operating costs in its class – 8 percent per seat less than its nearest competitor. The new single-aisle airplane incorporates the latest technology CFM International LEAP-1B engines, Advanced Technology winglets and other improvements to deliver the highest efficiency, reliability and passenger comfort in the single-aisle market.

About Malaysia Airlines

<u>Malaysia Airlines</u> is the national carrier of Malaysia, offering the best way to fly to, from and around Malaysia. Among the few airlines to have won both a Skytrax five-star rating and World's Best Cabin Crew award, Malaysia Airlines takes our 40,000 guests daily on memorable journeys inspired by Malaysia's diverse richness.

Malaysia Airlines embodies the incredible diversity of Malaysia, capturing its rich traditions, cultures, cuisines and warm hospitality on board, while opening up more of Malaysia's destinations than any other airline.

Since September 2015, the airline has been owned and operated by Malaysia Airlines Berhad. As a member of oneworld®, Malaysia Airlines and its partners in the global alliance offer a superior, seamless travel experience to more than 1,000 destinations in 150 plus countries, with special privileges and rewards for frequent flyers, including access to more than 650 airport lounges worldwide. Up to 90 destinations will be serviced across Asia, Africa, the Americas and the Middle East via a new codeshare partnership with Emirates, signed in early 2016.

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