Boeing, Air France Industries KLM Engineering & Maintenance Extend, Expand 737 Component Services Partnership

Program reduces up-front costs, offers quick, reliable parts for airlines

SEATTLE, Dec. 18, 2015 —Boeing [NYSE: BA] and Air France Industries KLM Engineering & Maintenance (AFI KLM E&M) today announced an extension of their joint 737 Component Services Program, which will be expanded to include the future Boeing 737 MAX.

"We are delighted to continue to grow this successful 737 program and expand our partnership through the addition of the 737 MAX," said Stan Deal, Boeing senior vice president - Commercial Aviation Services. "This proven program has demonstrated its reliability and excellent technical quality, providing a significant competitive advantage for 737 customers."

The parts-provisioning program — a partnership between AFI KLM E&M and Boeing that began in the early 2000s — significantly reduces airlines' up-front investment in spare parts, provides competitive and predictable repair costs and offers a rapid and reliable supply of critical parts from a pool shared by participating operators. Based on a large-scale pooling arrangement that generates substantial economies of scale, the 737 Component Services Program offers customers top-flight service quality and pricing.

The unique program combines AFI KLM E&M's component repair experience with Boeing's unique capabilities and knowledge as the aircraft OEM to provide customers with a world-class service offering.

"This partnership with Boeing is part of a fruitful commercial and technical relationship," said Franck Terner, executive vice president, Air France KLM Engineering & Maintenance. "The extension of our joint 737 component support program to the Boeing 737 MAX also highlights Boeing's trust in the quality of the MRO services delivered by AFI KLM E&M."

The first deliveries of the 737 MAX are scheduled to begin in the third quarter of 2017. Large numbers of airlines all around the world have already opted for the 737 Component Services Program, making AFI KLM E&M and Boeing leading component support providers for the global 737 fleet.

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