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BEIJING, Dec. 7, 2021—Boeing and Taikoo (Shandong) Aircraft Engineering Co. Ltd. (STAECO) today announced plans to create additional capacity for the market-leading 737-800 Boeing Converted Freighter (BCF) to help meet continued strong market demand.

In 2022, Boeing will add two 737-800BCF conversion lines at STAECO's facility in Jinan, China. The first new line will open in the first quarter of the year, with the second line expected to begin conversions by midyear. Once the two new lines are operational, STAECO will have seven conversion lines dedicated to the 737-800BCF.

"Boeing is pleased to continue growing our strong and mutually beneficial relationship with STAECO by creating additional conversion capacity to meet growing global demand," said Peter Gao, vice president, Boeing Commercial Sales and Marketing for China. "STAECO has exhibited the expertise and track record of delivering quality freighter conversions and will play a critical role in helping Boeing meet our customer commitments today and in the future."

Boeing forecasts 1,720 freighter conversions will be needed over the next 20 years. Of those, 1,200 will be standard body conversions with Asia carriers accounting for 40 percent of that demand.

"The successful implementation of the 737-800BCF program at STAECO has become a model of cooperation between manufacturer and MRO on passenger-to-freighter conversions," said Wang Chao, president, STAECO. "We are honored by Boeing's ongoing trust and partnership in expanding our capacity through a sixth and seventh conversion line, and we look forward to continuing to fulfill our commitments in support of our mutual customers."

This year, Boeing announced it would create additional 737-800BCF conversion capacity at several sites, including with existing supplier Guangzhou Aircraft Maintenance Engineering Company Limited (GAMECO), and with new suppliers Cooperativa Autogestionaria de Servicios Aeroindustriales (COOPESA) in Costa Rica, KF Aerospace in Canada, and Boeing's London Gatwick MRO facility in the United Kingdom.

The 737-800BCF is the standard body freighter market leader with more than 200 orders and commitments from 19 customers. The 737-800BCF offers higher reliability, lower fuel consumption, and lower operating costs per trip compared to other standard-body freighters.

Boeing has more than 40 years of successful experience in passenger-to-freighter conversions, relying on original design data and a deep understanding of the needs of the air cargo industry to deliver a superior, integrated product, including fully integrated manuals and world-class in-service technical support. Boeing Converted Freighters also come with the advantage of being associated with the industry's largest portfolio of services, support and solutions. Learn more about the 737-800BCF and the complete Boeing freighter family here.

About STAECO Taikoo (Shandong) Aircraft Engineering Co. Ltd.

STAECO offers a full range of airframe maintenance, parts manufacturing and other engineering services from its hangars at the Jinan Yaoqiang International Airport, which can simultaneously accommodate 12 narrowbody aircraft. It also offers line maintenance services in Jinan, as well as business jet services in Beijing.

About Boeing

As a leading global aerospace company, Boeing develops, manufactures and services commercial airplanes, defense products and space systems for customers in more than 150 countries. As a top U.S. exporter, the company leverages the talents of a global supplier base to advance economic opportunity, sustainability and community impact. Boeing's diverse team is committed to innovating for the future and living the company's core values of safety, quality and integrity. Learn more at <u>www.boeing.com</u>.

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