



Backgrounder

Boeing in Malaysia

Boeing's relationship with Malaysia dates back to 1947 when the then-named Malayan Airways Limited acquired its first DC-3. Today, Boeing has a corporate office in Kuala Lumpur and a Commercial Airplanes Field Services office at Subang Airport.

Ralph L. "Skip" Boyce has been president of Boeing Southeast Asia since February 2008. He is responsible for strengthening the company's presence across the region and supporting Boeing growth and productivity opportunities.

Boeing Commercial Airplanes

In 1968, Boeing delivered three 707 jetliners to the national carrier Malaysia-Singapore Airlines (formerly Malayan Airways Limited). In 1969, Malaysia Airlines became the first 737-100 Southeast Asian customer when it purchased five of these aircraft to replace the Comet 4. Malaysia Airlines was also one of Boeing's first 777 customers in Southeast Asia. The airline's first 777 — the Super Ranger — set world records for speed and distance in April 1997, flying around the world in 41 hours, 59 minutes, covering more than 23,000 miles (37,030 kilometers).

Over the years, Malaysia Airlines Bhd. (previously Malaysia Airlines) has taken delivery of more than 140 Boeing airplanes, including 100 737s. In July 2016, it announced an order for up to 50 737 MAX airplanes.

In September 2017, the airline signed a Memorandum of Understanding for 16 airplanes. The announcement, in the presence of the Honorable Dato' Sri Muhammad Najib Bin Tun Abdul Razak, prime minister of Malaysia, included eight 787-9 Dreamliners and eight additional purchase rights of 737 MAX 8s.

Malindo Air, a joint venture between the National Aerospace and Defence Industries of Malaysia and Lion Air of Indonesia, operates Next-Generation 737-800s and 737-900ERs (Extended Range) as well as the 737 MAX 8. Malindo took delivery of the first 737 MAX 8 in May 2017 and conducted the very first commercial flight with a 737 MAX 8 on May 22, 2017, with a flight from Kuala Lumpur to Singapore.

Boeing Global Services

Boeing Global Services is a dedicated services business focused on providing global defense, space and commercial customers with uncompromising service capabilities. It is focused on bringing innovative service solutions to market quickly within four capability focus areas: Supply Chain; Engineering, Modifications and Maintenance; Digital Aviation and Analytics; and Training and Professional Services.

In September of this year, Malaysia Airlines announced that Boeing's Global Fleet Care service will maintain the national carrier's current and future Boeing airplanes.

Boeing Defense, Space & Security

In 1993, Malaysia ordered eight F/A-18D Hornets from Boeing to strengthen the airpower capability of the Royal Malaysian Air Force (RMAF). As part of Boeing's industrial participation commitment stemming from the F/A-18D purchase, Boeing completed a planned 10-year, \$271 million offset program within seven years.

In 2012, Insitu Pacific signed a contract with Composites Technology Research Malaysia (CTRM) for the provision of ScanEagle hardware and services to the RMAF. The unmanned aircraft systems were to be operated by CTRM subsidiary Unmanned Systems Technology (UTS). In February 2013, Malaysian defense supplier DEFTECH acquired CTRM, and UTS continues to operate the ScanEagle.

Key Relationships: Boeing–Malaysia Partnerships

Aerospace Composites Malaysia (ACM)

Aerospace Composites Malaysia Sdn. Bhd., a world leader in supplying composite products and subassemblies to the global aerospace industry, is a strategic alliance between U.S. joint venture partners Hexcel and Boeing. Boeing has a 50 percent stake in ACM. Established in 1998, the joint venture is based in Bukit Kayu Hitam, Kedah, Malaysia.

The \$32 million ACM plant was officially opened by former Malaysian Prime Minister Dr. Mahathir Mohamad in September 2002.

In 2005, ACM became the world's sole producer of aileron composites for the Next-Generation 737 commercial jetliner. Before producing ailerons, ACM was the sole producer and distributor of the fixed trailing-edge composite and fixed leading-edge composite for the Boeing 737, 747, 757, 767 and 777 commercial airplane models. In 2008, Boeing selected ACM to provide the elevator and rudder machined honeycomb core for the 777.

In November 2013, ACM celebrated a 40 percent expansion to support increased production by Boeing Commercial Airplanes. The \$17 million investment allows ACM to continue expanding production of composite flight surfaces for all Boeing airplane programs, including the 787 Dreamliner.

Boeing Global Engagement

As part of Global Engagement in Malaysia, Boeing has contributed to:

- Kanser Network Association, in support of developing programs and volunteer network resources for breast cancer education in Malaysia.

- National Kidney Foundation, in support of the Malaysia Children’s Dialysis Project, which provides affordable treatment to children.
- Malaysian Red Crescent Society, for the purchase of transport vehicles to serve the rural northern Malaysian communities, the State of Kedah (after the 2004 tsunami) and the State of Johor (after severe floods in 2006).
- Yayasan Sultanah Bahiyah, for the purchase of dialysis equipment for district hospitals in the State of Kedah.
- Yayasan Inovasi Malaysia, to support the Lifelong Learning initiative to better the lives of local communities.

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