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Malaysia Airlines signs up with AFI KLM E&M for Boeing Next-Generation 737 component support

Subang, Paris, Amstelveen, 10 November, 2010 – AFI KLM E&M and Malaysia Airlines E&M have signed a 10-year component support contract for the carrier's fleet of Boeing Next-Generation 737-800s, today comprising 35 aircraft with an option for a further 20. The 737 Component Services Program is operated in partnership with Boeing.

Fast-track component access. The contract also provides for AFI KLM E&M to create a component spares pool in Malaysia Airlines' E&M facility to exclusively support the airline's 737-800. Simultaneously, a regional component pool will be set up in Kuala Lumpur to provide services to Malaysia Airlines and other customers. These two pools will have access to AFI KLM E&M's main component pool in Amsterdam, offering fast track procurement of essential spares while reducing inventory and repair costs.

AFI KLM E&M adaptability decisive. Malaysia Airlines E&M's Executive Vice President, En Mohd Roslan Ismail said: "This is a win-win partnership with AFI KLM E&M as they provide a perfect match for our requirements, both in terms of quality repairs and in building up our own maintenance capabilities. While the home-based pool provides us immediate access to parts for our daily operations, the regional pool will give us the advantage of having over USD 15 million-worth of parts on our doorstep. In addition, AFI KLM E&M, with its vast experience in maintaining the 737-800 will help us build up our own 737-800 component overhaul capabilities. This will enable us to gain new business".

Southeast Asia anchor. KLM Engineering & Maintenance Executive Vice President, Mr. Peter de Swert stresses, "We are especially delighted by Malaysia Airlines' confidence in us. The creation of a regional spares pool represents a formidable development opportunity in this region. It enables us to put down strong roots in a market where the Next-Generation 737 offers attractive growth prospects." The regional pool commences with servicing 35 737-800s from customer airlines in Asia-Pacific. The component pool will grow in tandem with the increase of 737-800 in the region. In the next 10 years, more than 200 737-800 aircraft will be in service.

AFI KLM E&M is Boeing's exclusive partner for 737-800 support worldwide. The Franco-Dutch Group is also the main operator for the 737-800 in Europe and maintains an extensive fleet of over 200 such aircraft on its own behalf and that of its customer airlines.

About Malaysia Airlines

Malaysia Airlines is the national airline of Malaysia. It operates domestic and international flights to six continents from its hubs at Kuala Lumpur and Kota Kinabalu international airports. Having won over 100 awards in the past decade, it is widely seen as one of the world's best airlines. It is also embarking on a fleet modernization program, having ordered up to 55 Boeing 737-800s, 25 A330-300s and 6 A380s.

About AFI KLM E&M

Air France Industries and KLM Engineering & Maintenance, which joined forces following the Air France KLM merger, are world-leading multi-product MRO (Maintenance, Repair, Overhaul) providers with a joint workforce of over 14,000, offering comprehensive technical support for airlines, ranging from engineering and line maintenance to Engine overhaul and the management, repair and supply of aircraft components, structured around a powerful logistics network. AFI KLM E&M supports more than 1,230 aircraft operated by 150 major international airlines.

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