



ALASKA AIRLINES SIGNS \$500 MILLION SUPPORT AGREEMENT

- Supports CFM56-7B / Next-Generation 737 fleet
- Includes spare engines

WEST CHESTER, Ohio — 1 November 2017 — Alaska Airlines and CFM International have signed a nine-year Rate Per Flight Hour (RPFH) maintenance agreement to support 128 CFM56-7B engines that power the airline's fleet of Boeing Next-Generation 737-800 aircraft. The agreement, which includes spare engines, is valued at nearly \$500 million U.S. at list price.

Rate per Flight Hour agreements are part of CFM's portfolio of flexible aftermarket support offerings. After an extensive market Request for Proposal (RFP), CFM was selected to be Alaska's CFM56-7B maintenance provider. The companies worked tirelessly to negotiate a unique contract that, throughout the term of which CFM will provide complete engine maintenance and support, including providing lease engines, transportation, and material services.

Alaska Airlines is a long-time CFM customer and was the launch customer for the CFM56-7B powerplant for the Boeing Next-Generation 737-900 aircraft. Today, the airline operates a CFM-powered fleet of nearly 220 Boeing 737 and Airbus A320 aircraft.

"We are pleased to continue our long-term relationship with Alaska Airlines," said Gaël Méheust, president and CEO of CFM

International. “We appreciate the high level of confidence this agreement shows in CFM and in our ability to continue to support their fleet over the long term.”

About Alaska Airlines

Alaska Airlines, together with Virgin America and its regional partners, flies 40 million guests a year to 118 destinations with an average of 1,200 daily flights across the United States and to Mexico, Canada, Cuba, and Costa Rica. With Alaska and Alaska Global Partners, guests can earn and redeem miles on flights to more than 900 destinations worldwide. Alaska Airlines ranked “highest in Customer Satisfaction Among Traditional Carriers in North America” in the J.D. Power North America Satisfaction Study for 10 consecutive years from 2008 to 2017. Learn more about Alaska’s award-winning service at newsroom.alaskaair.com and blog.alaskaair.com. Alaska Airlines, Virgin America and Horizon Air are subsidiaries of Alaska Air Group (NYSE: ALK).

About CFM International

CFM56-7B engines are a product of CFM International, a 50/50 joint company between GE and Safran Aircraft Engines and the world’s leading manufacturer of commercial aircraft engines. For more information concerning CFM, visit us on the Web at www.cfmaeroengines.com or follow us on Twitter @CFM_engines.

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