

Document 0958

[20958001]

PWA Corp. said it plans to sell by spring 1992 all 15 passenger planes it acquired earlier this year in its 248 million Canadian dollar ( US\$ 211.6 million ) purchase of Wardair Inc .

[20958002]

PWA , which recently merged Wardair 's operations with those of PWA-owned Canadian Airlines International Ltd. , Canada 's second-biggest airline , said the proposed sale is part of a revised five-year plan aimed at streamlining its fleet and shedding debt .

[20958003]

PWA would n't estimate the value of Wardair 's aircraft , which include 12 Airbus A310-300s and three Boeing 747-100s .

[20958004]

But James Ireland , a Miami-based technical analyst with Avmark Inc. , an aircraft evaluation firm , estimated the total " half-life " value of the 15 planes at about \$ 650 million or more .

[20958005]

Mr. Ireland said 11 DC10-30 aircraft that PWA also said it plans to sell , beginning in 1992 , have a current half-life value of about \$ 34 million each , or a total \$ 374 million , raising aggregate potential proceeds from the aircraft sale to about \$ 1.02 billion .

[20958006]

Mr. Ireland said current demand for used aircraft is strong , partly because surging orders for new aircraft have lengthened waiting lists .

[20958007]

He predicted that PWA would have little difficulty attracting prospective buyers .

[20958008]

Under its revised fleet plan , PWA said it will also increase its existing fleet of eight Boeing 767-300ER aircraft to 18 by 1994 , and add four more Boeing 747-400s by 1994 to the two units that it previously planned to add by next year .

[20958009]

PWA said two of the Boeing 767-300ER aircraft scheduled for delivery in 1990 would be leased out for two to five years .

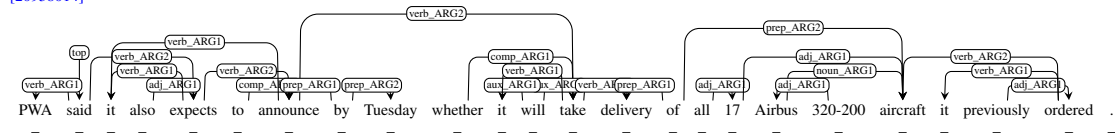
[20958011]

" I do n't see this as a debt reduction exercise .

[20958012]

It 's focused on streamlining " PWA 's fleet in a bid to cut training and aircraft servicing costs , the analyst said .

[20958014]



[20958015]

