

Southwest Airlines Adds 100 Firm Orders For The Boeing 737 MAX 7

[Southwest Airlines Co.](#) (NYSE: LUV) announced today the completion of its previously disclosed discussions with The Boeing Company (Boeing) regarding the restructuring of its delivery schedule for MAX aircraft. The Company has completed the multi-year evaluation of the successor aircraft to its Boeing 737-700 model, with the selection of the Boeing 737 MAX 7 aircraft. Southwest Airlines[®] and Boeing reached agreement on 100 firm orders for MAX 7 aircraft, with the first 30 scheduled to be delivered in 2022. This agreement underscores Southwest's commitment to continued modernization of its fleet with more fuel-efficient and climate-friendly aircraft. It also positions Southwest to capitalize on growth opportunities, when they arise.

As part of the agreement, the Company also converted 70 MAX 8 firm orders to MAX 7 firm orders and added 155 MAX options for MAX 7 or MAX 8 aircraft for years 2022 through 2029. These order book additions and revisions result in a new total of 349 MAX firm orders (200 MAX 7 and 149 MAX 8) and 270 MAX options for MAX 7 or MAX 8 aircraft for years 2021 through 2031. The Company's previous order book consisted of 249 MAX firm orders (30 MAX 7 and 219 MAX 8) and 115 MAX options for MAX 7 or MAX 8 aircraft for years 2021 through 2026. The Company continues to expect delivery of 28 MAX 8 aircraft in total this year (19 from Boeing and 9 from third-party lessors), as well as 17 737-700 retirements, ending 2021 with 69 MAX 8 aircraft and 729 total aircraft.

Today's announcement reinforces the Company's confidence in the 737 MAX as the future of the Southwest fleet. This cost-effective order book with Boeing allows the Company to maintain the operational efficiencies of an all-Boeing 737 fleet to support its low-cost, point-to-point route network. The Company was the launch Customer of the MAX 8 and is scheduled to be the launch Customer of the MAX 7 after also launching prior 737 generations, including the -300, -500, and -700 series.

" Southwest Airlines has been operating the Boeing 737 series for nearly 50 years, and the aircraft has made significant contributions to our unparalleled success. Today's commitment to the 737 MAX solidifies our continued appreciation for the aircraft and confirms our plans to offer the Boeing 737 series of aircraft to our Employees and Customers for years to come," said Gary Kelly, Southwest's Chairman and Chief Executive Officer. "We are proud to continue our tradition of being the world's largest operator of an all-Boeing fleet."

"The MAX aircraft, with CFM International's LEAP-1B engines, enable exceptional operational efficiencies such as a 14 percent lower rate of fuel burn¹ that reduces carbon emissions, quieter engines which benefit the communities we serve, and excellent dispatch reliability to support our on-time operations," said Mike Van de Ven, Southwest's Chief Operating Officer. "In addition to supporting our efforts to operate sustainably and efficiently, the 737 MAX offers Employees and Customers travel comforts such as a quieter cabin, larger overhead bin spaces, seating with adjustable headrests, and more galley space for onboard service."

The Company expects more than half of the 737 MAX aircraft in its firm order book will replace a significant amount of its 462 737-700 aircraft over the next 10 to 15 years to support the modernization of its fleet, a key component of its environmental sustainability efforts. Southwest is proud of its fuel efficiency improvement of nearly 50 percent since 2000², and the billions of dollars in capital expenditures committed to the 737 MAX order book reinforces the airline's commitment to further improve fuel efficiency and reduce carbon emissions.

"We remain diligent in managing costs and capital spending, in particular in this environment. Our refreshed order book with Boeing allows Southwest to preserve the low-cost advantages of a single fleet type, and the balance of firm orders and options—along with flexibility with 737-700 retirement plans—allows the opportunity to manage our fleet needs over the next decade," said Tammy Romo, Executive Vice President and Chief Financial Officer. "We now estimate contractual aircraft capital spending for all years 2021 through 2026, which consists of 169 MAX firm orders with Boeing (135 MAX 7 and 34 MAX 8 aircraft), to be approximately \$5.1 billion. Our estimated contractual aircraft capital spending remains immaterial in 2021, and is expected to be approximately \$700 million in 2022³. We continue to estimate 2021 capital expenditures to be no more than \$500 million, driven primarily by technology, facilities, and operational investments."

The Company's flight schedules are currently published and available for sale through August 16, 2021. The Company remains cautious in this uncertain environment where travel demand remains depressed due to the negative financial effects of the COVID-19 pandemic; as such, available seat mile (ASMs, or capacity) plans have not been refined beyond May 2021. The Company will continue to plan for multiple fleet and capacity scenarios; however, the refreshed 737 MAX order book and predominantly owned 737-700 fleet is intended to provide a high degree of flexibility for the Company to manage fleet retirements, growth opportunities, and capital spending in a variety of economic environments. Additional information regarding the Company's delivery schedule is included in the accompanying table.

1. 737 MAX 8 compared with the 737-800. MAX 7 is expected to produce comparable fuel efficiency improvement compared with the 737-700.

2. Measured as revenue ton miles per gallon from 2000 through 2019. A revenue ton mile is one ton of revenue traffic (passenger and cargo) transported one mile. See 2019 Southwest Airlines One Report for more information.

3. Net of progress payments made on undelivered MAX aircraft and previously agreed upon delivery credits provided by Boeing to the Company due to the settlement of 2020 estimated damages relating to the Federal Aviation Administration (FAA) grounding of the 737 MAX aircraft.

NEW 737 DELIVERY SCHEDULE

	The Boeing Company				
	MAX 7	MAX 8	MAX 7 or 8	Additional	
	Firm Orders	Firm Orders	Options	MAX 8s	Total
2021	-	19	-	9	28
2022	30	-	42	-	72
2023	30	-	38	-	68
2024	30	-	40	-	70
2025	30	-	40	-	70
2026	15	15	40	-	70
2027	15	15	30	-	60
2028	15	15	30	-	60

2029	20	30	10	-	60
2030	15	45	-	-	60
2031	-	10	-	-	10
	200	149	270	9	628

New 737 Delivery Schedule footnotes:

1. The Company has flexibility to designate firm orders or options as MAX 7 or MAX 8, upon written advance notification as stated in the contract.
2. The 9 additional MAX 8 aircraft shown above are leases to be acquired from various third parties. The Company also received 7 leased MAX 8 aircraft in fourth quarter 2020, for a total of 16 MAX 8 operating leased aircraft from third parties in 2020 and 2021, combined.

PREVIOUS 737 DELIVERY SCHEDULE

	The Boeing Company				
	MAX 7	MAX 8	MAX 8	Additional	
	Firm Orders	Firm Orders	Options	MAX 8s	Total
2021	7	100	-	9	116
2022	-	27	14	-	41
2023	12	22	23	-	57

2024	11	30	23	-	64
2025	-	40	36	-	76
2026	-	-	19	-	19
	30	219	115	9	373

Previous 737 Delivery Schedule footnote:

1. The 'Previous 737 Delivery Schedule' shown above is for reference and comparative purposes only. It should no longer be relied upon. See 'New 737 Delivery Schedule' for the Company's current aircraft order book.

ABOUT SOUTHWEST AIRLINES CO.

In its 50th year of service, Dallas-based [Southwest Airlines Co.](#) continues to differentiate itself from other air carriers with exemplary Customer Service delivered by more than 56,000 Employees to a Customer base that topped 130 million Passengers in 2019. Southwest has a robust network of point-to-point service with a strong presence across top leisure and business markets. In peak travel seasons during 2019, Southwest operated more than 4,000 weekday departures among a network of 101 destinations in the United States and 10 additional countries. In 2020, the carrier added service to Hilo, Hawaii; Cozumel, Mexico; Miami; Palm Springs, Calif.; Steamboat Springs; and Montrose (Telluride), Colo. Thus far in 2021, Southwest has initiated service to Chicago (O'Hare) and Sarasota/ Bradenton both on Feb. 14; as well as Savannah/ Hilton Head and Colorado Springs both on March 11; and will begin service to Houston (Bush) and Santa Barbara, Calif. both on April 12; Fresno, Calif. on April 25; Destin/Ft. Walton Beach on May 6; Myrtle Beach, S.C. on May 23; Bozeman, Mont. on May 27; and Jackson, Miss. on June 6. The Company has also announced an intention to initiate new service to Eugene, Ore. and Bellingham, Wash., later this year.

The carrier issued its [Southwest@Promise](#) in May 2020 to highlight new and round-the-clock efforts to support its Customers and Employees well-being and comfort. Among the changes are enhanced cleaning efforts at airports and onboard aircraft, along with a federal mandate requiring

every person to wear a mask at all times throughout each flight. Additional details about the Southwest Promise are available at [Southwest.com/Promise](https://www.southwest.com/Promise).

Southwest coined [Transparency](#)[®] to describe its purposed philosophy of treating Customers honestly and fairly, and low fares actually staying low. Southwest is the only major U.S. airline to offer bags fly free[®] to everyone (first and second checked pieces of luggage, size and weight limits apply, some carriers offer free checked bags on select routes or in qualified circumstances). Southwest does not charge change fees, though fare differences might apply.

Southwest is one of the most honored airlines in the world, known for a triple bottom line approach that contributes to the carrier's performance and productivity, the importance of its People and the communities they serve, and an overall commitment to efficiency and the planet. Learn more about how the carrier gives back to communities across the world by visiting [Southwest.com/citizenship](https://www.southwest.com/citizenship).

Book Southwest Airlines' low fares online at [Southwest.com](https://www.southwest.com) or by phone at 800-I-FLY-SWA.

ABOUT SOUTHWEST AIRLINES CO.

[Southwest Airlines Co.](https://www.southwest.com) operates one of the world's most admired and awarded airlines, offering its one-of-a-kind value and Hospitality at 119 airports across 12 countries. Southwest took flight in 1971 to democratize the sky through friendly, reliable, and low-cost air travel and now carries more air travelers flying nonstop within the United States than any other airline (fn. 1). By empowering its more than 73,000 (fn. 2) People to deliver unparalleled Hospitality, the maverick airline cherishes a passionate loyalty among more than 134 million Customers carried in 2025. Southwest leverages a unique legacy and mission to serve communities around the world including harnessing the power of its People and Purpose to put communities at the Heart of its success. Learn more by visiting [Southwest.com/citizenship](https://www.southwest.com/citizenship).

1. Based on U.S. Dept. of Transportation quarterly Airline Origin & Destination Survey as of Q4 2025
2. Fulltime-equivalent active Employees as of March 31, 2026

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