

United Airlines makes historic order for 200 Boeing aircraft

- A Monitor Desk Report

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United Airlines has announced the largest widebody order by a U.S. carrier in commercial aviation history: 100 Boeing 787 Dreamliners with options to purchase 100 more.

This historic purchase is the next chapter in the ambitious United Next plan and will bolster the airline's leadership role in global travel for years to come.

United expects to take delivery of the new widebody planes between 2024 and 2032 and can choose among the 787-8, 9 or 10 models, providing flexibility to support a wide range of routes.

United also exercised options to purchase 44 Boeing 737 MAX aircraft for delivery between 2024 and 2026 - consistent with the United Next 2026 capacity plan - and ordered 56 more MAX aircraft for delivery between 2027 and 2028.

The airline now expects to take delivery of about 700 new narrow and widebody aircraft by the end of 2032, including an average of more than two every week in 2023 and more than three every week in 2024.

Additionally, United continues its unprecedented effort to upgrade the interiors of its existing fleet. More than 90% of the carrier's international widebodies now feature the United Polaris™ business class seat, as well as United Premium Plus™ seating – upgrades for the remaining aircraft will be completed by the summer of 2023. United also will retrofit 100% of its mainline, narrow-body planes with its signature interior - about 100 aircraft are scheduled to be completed in 2023 with the remaining expected to be completed by the end of 2025.

Approximately 100 planes of the new widebody order are expected to replace older Boeing 767 and Boeing 777 aircraft, with all 767 aircraft removed from the United fleet by 2030, resulting in up to an expected 25% decrease in carbon emissions per seat for the new planes compared to the older planes they are expected to replace.

"United emerged from the pandemic as the world's leading global airline and the flag carrier of the United States," said United CEO Scott Kirby. "This order further solidifies our lead and creates new opportunities for our customers, employees and shareholders by accelerating our plan to connect more people to more places around the globe and deliver the best experience in the sky."

"With this investment in its future fleet, the 737 MAX and 787 will help United accelerate its fleet modernization and global growth strategy," said Stan Deal, president and CEO of Boeing Commercial Airplanes. "The Boeing team is honored by United's trust in our family of airplanes to connect people and transport cargo around the world for decades to come."

Driving Bottom Line Value

The firm order for 787 aircraft addresses United's current widebody aircraft replacement needs through the next decade – their greatly improved maintenance and fuel burn economics will further United's efforts to improve its overall cost profile. In partnership with Boeing, this order also helps United maintain flexibility with the timing of widebody aircraft retirements.

At the same time, the 787 options allow United to continue to grow its global network and would help maintain the airline's industry-leading margins in international flying among U.S. carriers.

"This order solves for our current widebody replacement needs in a more fuel-efficient and cost-efficient way, while also giving our customers a best-in-class experience," said Gerry Laderman, United's EVP and Chief Financial Officer. "And if the future of long-haul flying is as bright as we think it will be, United is able to capitalize on those opportunities by exercising these new widebody options - I look forward to the incremental margin and earnings these aircraft will generate."

The exercised options for MAX aircraft are consistent with the 2026 capacity and two margin targets associated with the United Next plan. United also has started to build the order book for 2027 and beyond with the firm order for 56 additional MAX aircraft.

The Flag Carrier of the United States

With hubs in the nation's largest cities, United provides strategic gateways to

international destinations across the Atlantic, Pacific and Latin America.

In the last two years alone, United added 13 new international destinations, 40 new international routes and extra trips to 10 existing international routes. This expansion includes service to London-Heathrow, where the airline added five new daily flights, for a total of 23 daily flights planned for summer of 2023, including an hourly shuttle there from New York/Newark.

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