Virgin Australia today announced an agreement with Boeing to order 23 Boeing 737 MAX 8 aircraft, the first in Australia.

The fuel-efficient aircraft will join Virgin Australia’s fleet between 2019 and 2021. The agreement includes four additional delivery options, ensuring flexibility to respond to market conditions.

To align with its current capacity plan for the next three years, Virgin Australia has delayed the delivery of some of its Boeing 737NG aircraft to after 2016, leaving 31 scheduled deliveries of Boeing 737-800 aircraft between 2013 and 2016. This gives the airline flexibility to develop the appropriate mix of narrow-body and wide-body aircraft.

Virgin Australia expects that by the end of 2013, all of its Boeing 737-700 aircraft will have exited the fleet.

Virgin Australia CEO John Borghetti said: “Virgin Australia is committed to maintaining a young and flexible fleet of modern aircraft. In the past year alone, we have reduced our average fleet age from 4.9 to 4.2 years.

“The Boeing 737 has formed a critical part of the Virgin Australia fleet over the past decade thanks to its reliability, comfort and fuel efficiency. The Boeing 737 MAX will build on this, enabling us to achieve strong on time performance and maintain our low cost base.

“One of the key advantages of the Boeing 737 MAX is that it should reduce fuel burn and CO2 emissions by 13 per cent over today’s most fuel-efficient single-aisle aircraft. The aircraft will also feature the light and spacious Boeing Sky Interior and incorporate the latest quiet engine technology, reducing its noise footprint significantly.

“Virgin Australia will continue to review its fleet strategy to ensure we align fit-for-purpose aircraft to markets and maintain maximum flexibility in capacity management”, Mr Borghetti said.

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About the Boeing 737 MAX Aircraft

The 737 MAX is the new-engined variant of the world’s best-selling airplane and builds on the strengths of today’s Next-Generation 737. The 737 MAX will deliver the big savings in fuel that airlines want. Powered by the CFM International LEAP-1B engines, it reduces fuel use by an additional 13 per cent over today's most fuel-efficient single-aisle airplanes. The 737 MAX's more efficient structural design, less engine thrust and less required maintenance also add up to substantial cost advantages for customers. The 737 MAX 8 will have the lowest operating costs in the single-aisle segment, with an 8 percent per-seat advantage over its competitor.