

Southwest Airlines Begins Boeing 737 MAX 8 Service

Southwest is First Carrier in North America to Offer Service with the Boeing 737 MAX 8

DALLAS, Oct. 1, 2017 /PRNewswire/ -- <u>Southwest Airlines Co.</u> (NYSE: LUV) achieved an aviation milestone today by becoming the first airline in North America to offer scheduled service utilizing the Boeing 737 MAX 8 aircraft. In a nod to Southwest's history, the inaugural MAX 8 flight departed Dallas' Love Field and flew to Houston, one of the carrier's original markets first flown in 1971.

"Today, we begin a new chapter in Southwest's history by introducing the Boeing 737 MAX 8 to our Customers and Employees," Chairman & CEO <u>Gary Kelly</u> said from aboard the inaugural scheduled flight. "The MAX 8 is the future of the Southwest fleet, and we look forward to connecting Customers to the important moments in their lives through our legendary service delivered with this more fuel efficient* aircraft designed to produce less noise in the communities we serve**."

Southwest launched nine Boeing 737 MAX 8 into service today and expects to end 2017 with 14 of the aircraft. Based upon the delivery schedule, as of July 25, 2017, the airline has 200 firm orders for a combination of MAX 7 and MAX 8.

Southwest's MAX 8 aircraft feature a single-class cabin with 175 seats that offer industry-leading personal space with 32 inches of seat pitch. The new aircraft is further enhanced by the Boeing Sky Interior which offers an LED lighting sequence for each phase of flight and a music-infused cabin experience featuring playlists for boarding and deplaning. Additionally, the MAX 8 is powered by CFM International's all-new LEAP-1B engines, which are designed to be more fuel efficient* and produce less noise**.

Southwest served as the world's launch customer for the Boeing 737 MAX 8 when it announced an order for the new jet in December 2011 and continues a legacy of being the launch customer for the Boeing 737 aircraft series. Southwest has been the world's launch customer for the Boeing 737-300, -500, -700, and MAX series of the world's best-selling, narrowbody airplane.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Specific forward-looking statements include, without limitation, statements related to (i) the Company's fleet plans and expectations and (ii) the Company's projected results of operations, including the Company's expectations with respect to fuel efficiency. These statements involve risks, uncertainties, assumptions, and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors include, among others, (i) the impact of economic

conditions, consumer behavior, fuel prices, actions of competitors (including without limitation pricing, scheduling, capacity, and network decisions and consolidation and alliance activities), governmental actions, and other factors beyond the Company's control, on the Company's business decisions, plans, and strategies; (ii) the Company's dependence on third parties; (iii) the Company's ability to timely and effectively implement, transition, and maintain the necessary information technology systems and infrastructure to support its operations and initiatives; and (iv) other factors, as described in the Company's filings with the Securities and Exchange Commission, including the detailed factors discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2016.

Disclaimer: * Based on the amount of fuel used over different flight distances of a Boeing 737 MAX 8 compared to a blended winglet 737-800W configuration. **For equal payloads on a common mission, the 737 Max 8 produces lower community noise levels than the 737-800 aircraft, based upon departure noise analysis.

ABOUT SOUTHWEST AIRLINES CO.

In its 47th year of service, Dallas-based <u>Southwest Airlines</u> (NYSE: LUV) differentiates itself above all other air carriers with exemplary Customer Service delivered by more than 55,000 Employees to more than 115 million Customers annually. Southwest became the nation's largest domestic air carrier in 2003 and maintains that ranking based on the U.S. Department of Transportation's most recent reporting of domestic originating passengers boarded. Southwest operates more than 4,000 departures a day during peak travel periods among a network of 99 destinations in the United States and nine additional countries. Service to Turks and Caicos is scheduled to begin Nov. 5, 2017.

Southwest coined <u>Transfarency®</u> to describe its purposed philosophy of treating Customers honestly and fairly, empowering them to expect a reliably low and uniquely flexible fare from purchase through journey. 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), and Southwest never charges change fees, though fare differences might apply.

As launch customer of the Boeing 737 MAX 8, the Company operates the largest fleet in the world of Boeing aircraft, all of which are now equipped with satellite-based WiFi. That connectivity enables Customers to use personal devices to view video on-demand movies and television shows, as well as nearly 20 channels of free, live TV. In 2014, the airline proudly unveiled a bold new look: *Heart*. A new logo, aircraft livery, interior design featuring a new seat and Flight Attendant galley, Employee-designed uniforms, and an updated airport experience all showcase the dedication of Southwest Employees who connect Customers with what's important in their lives.

From its first flights on June 18, 1971, Southwest Airlines launched an era of unprecedented affordability in air travel described by the U.S. Department of Transportation as "The Southwest Effect," a lowering of fares and increase in passenger traffic whenever the carrier enters new markets. With 44 consecutive years of profitability, 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. The 2016 Southwest Airlines One Report™ can be found at SouthwestOneReport.com.

Book Southwest Airlines' low fares online at Southwest.com or by phone at 800-I-FLY-SWA.

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