Icelandair Orders Four Boeing 757s

Icelandair has ordered four Boeing 757 twinjets, Boeing Commercial Airplane Group confirmed today. The order includes two 757-300s -- a stretched version of the popular 757-200 -- and two 757-200s. The airline announced its intention to order the 757s at the Paris Air Show in June.

Boeing will deliver Icelandair's first 757 in the first quarter of 1998, with the second following a year later. The two 757-300s are scheduled to be delivered in 2001 and 2002. Estimated value of the four airplanes is $272 million.

The new twinjets will enable Iceland's flag carrier to grow its trans-Atlantic route network via its mid-Atlantic hub in Iceland. Icelandair has six gateways in North America to 18 destinations in Europe, including two new year-round gateways in Minneapolis and Helsinki.

Icelandair President and Chief Executive Officer Sigurdur Helgason says the company's plans for growth are ambitious. "We have seen a healthy double-digit growth for five years in a row. Last year we added new gateways, stepped up frequency to others, and we're planning for further additions," he said. "We have been operating the 757-200 with great success, and we're certain that the additional 757s are ideal for our market expansion."

The 757-300 will have about 10 percent lower seat-mile operating costs than the 757-200, which already has the lowest seat-mile operating costs in its class. Seat mile costs are the measure airlines use to calculate the cost of transporting a passenger one mile.

Icelandair will operate the 757-200s in a 189-seat configuration. The 757-300s will have a 228-seat configuration. Both models will be fitted with comfortable four-abreast seating in the airline's Saga Business Class.

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