

Management Presentation

December 2015



Forward looking statements

This presentation as well as oral statements made by officers or directors of Allegiant Travel Company, its advisors and affiliates (collectively or separately, the "Company") will contain forward-looking statements that are only predictions and involve risks and uncertainties. Forward-looking statements may include, among others, references to future performance and any comments about our strategic plans. There are many risk factors that could prevent us from achieving our goals and cause the underlying assumptions of these forward-looking statements, and our actual results, to differ materially from those expressed in, or implied by, our forward-looking statements. These risk factors and others are more fully discussed in our filings with the Securities and Exchange Commission. Any forward-looking statements are based on information available to us today and we undertake no obligation to update publicly any forward-looking statements, whether as a result of future events, new information or otherwise. The Company cautions users of this presentation not to place undue reliance on forward looking statements, which may be based on assumptions and anticipated events that do not materialize.

Unique business model and results

- Highly resilient and profitable
 - Profitable last 51 quarters ⁽¹⁾
 - LTM 3Q15 Adjusted EBITDA \$434.6mm ⁽²⁾
 - LTM 3Q15 Return on Capital 21.4%⁽²⁾
- Strong balance sheet
 - Rated BB and Ba3⁽³⁾
 - Debt/adjusted EBITDAR 1.5x⁽²⁾
 - \$121mm in share repurchases through 9/30/2015
 - \$62 mm in share repurchase authority as of 9/30/15
 - Recurring quarterly cash dividend of \$0.30 per share
- Management owns >20%

(1) Excluding non-cash mark to market hedge adjustments prior to 2008 and 4Q06 one time tax adjustment

(2) See GAAP reconciliation and other calculations in Appendix

(3) Corporate rating of Ba3 by Moody's and BB by Standard & Poor's

Advantages over the typical carrier

- Leisure customer
 - Will travel in all economic conditions
 - Vacations are valued – price dependent
- Small/medium cities
 - Filling a large void
 - Increasing opportunity - industry restructuring
 - Diversity of network - minimizes competition
- Flexibility
 - Adjust rapidly to changing macro (fuel/economy)
 - Changes in capacity - immediate impact on price
 - Minimize threat of irrational behavior from others
- Low cost fleet
 - Match capacity to demand, highly variable
 - Low capital needs, higher free cash flow
 - Can grow and return cash to shareholders

Built to be different

Leisure customer

Underserved markets

Little competition

Low cost aircraft

Low frequency/variable capacity

Unbundled pricing

Closed distribution

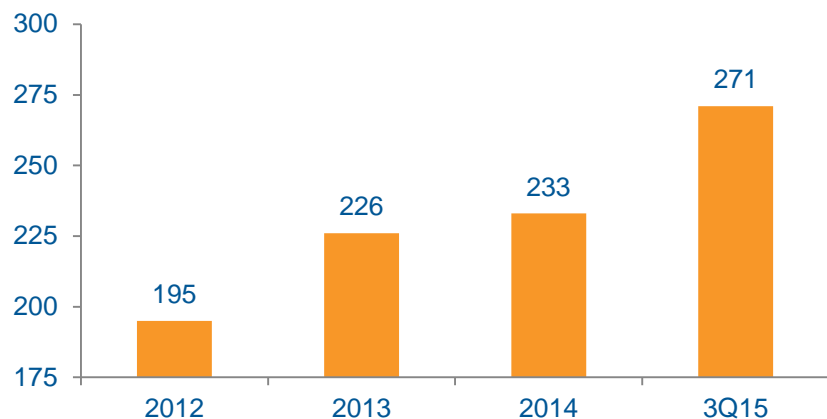
Bundled packages

Highly profitable

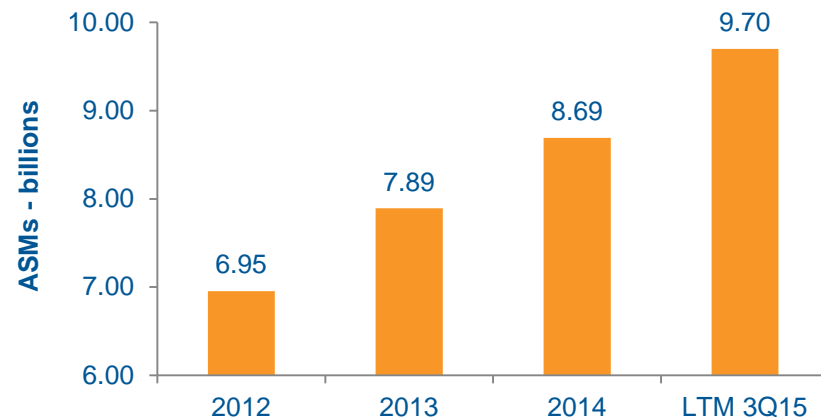


Measured, profitable growth

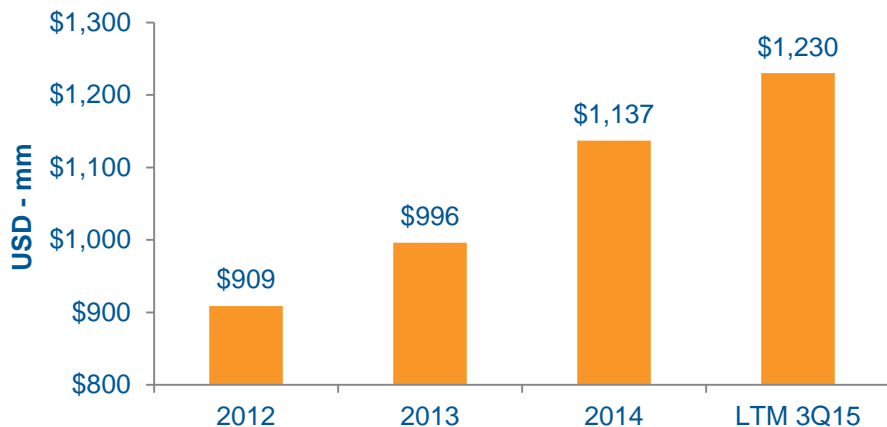
Routes



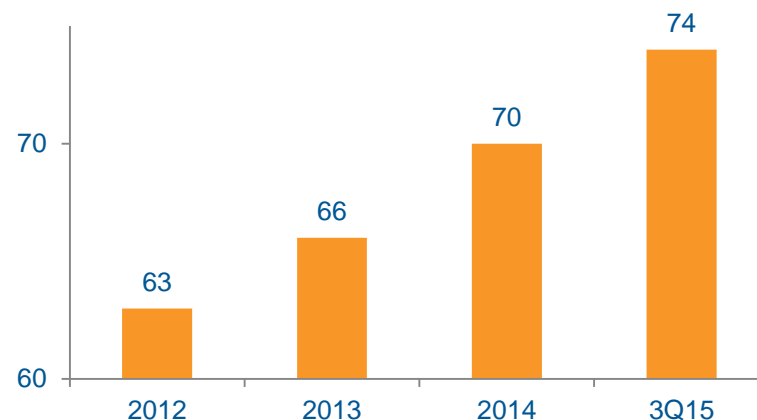
Scheduled ASMs



Total revenue



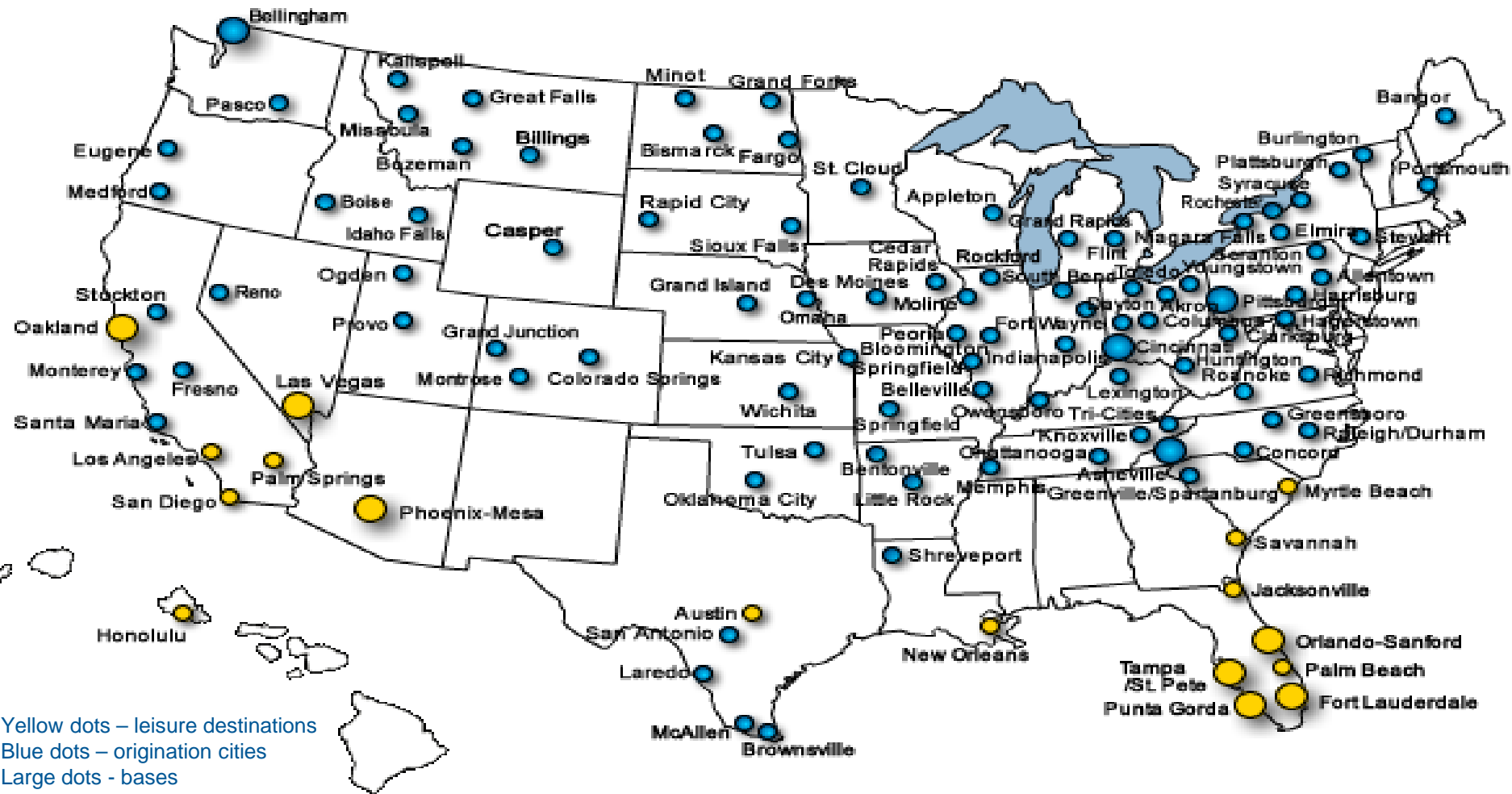
Aircraft in service



Aircraft number and routes are end of period



A very large niche



Based on current published schedule through August 16, 2016

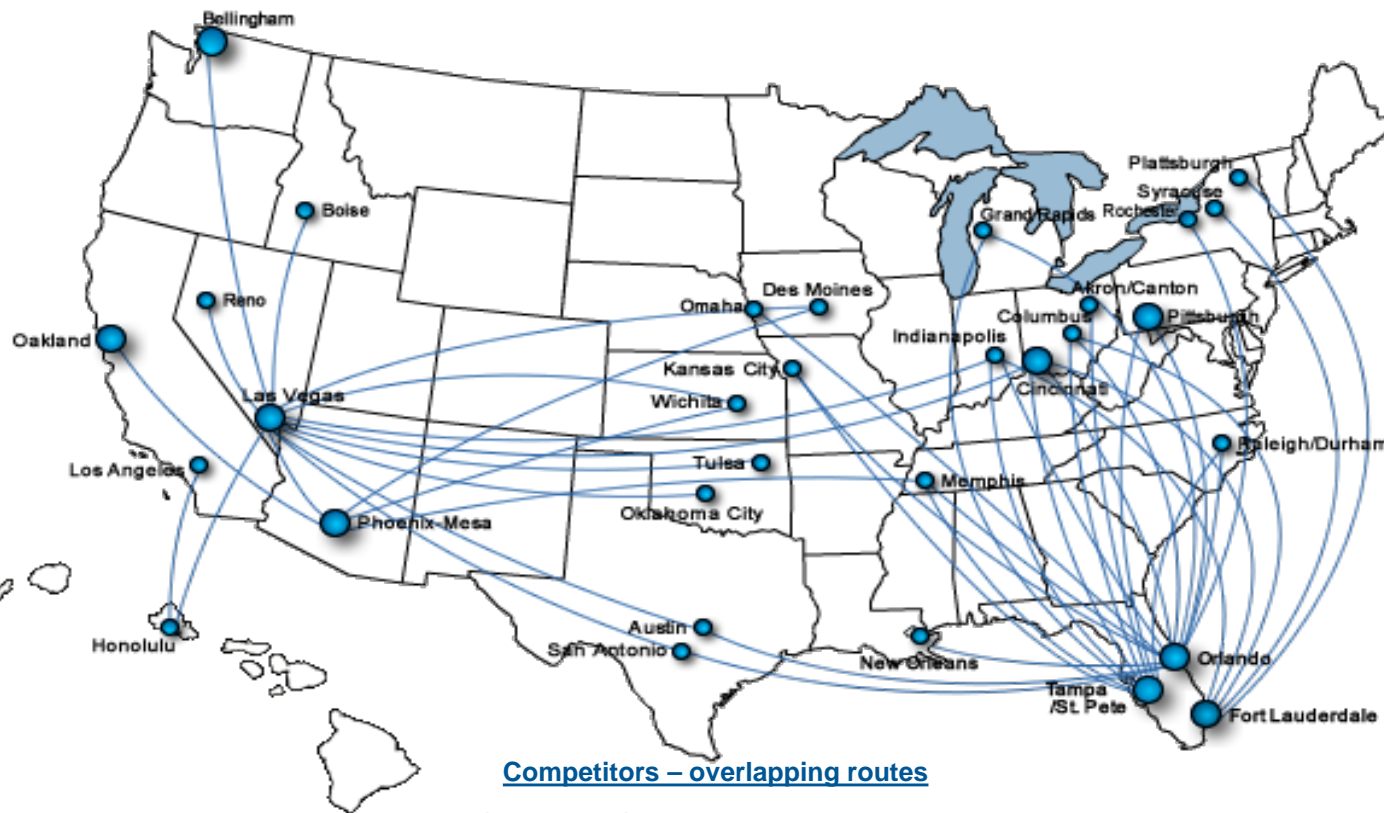
305 routes, 83 operating aircraft

92 small/medium cities, 17 leisure destinations



Little competition

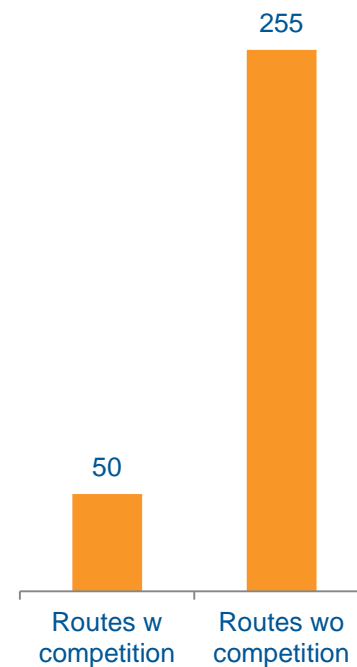
Uniquely built to profitably operate in underserved markets



Competitors – overlapping routes

Legacy carriers	50
Brand / lower cost carriers	5
ULCC carriers	9

Current competitive landscape



Based on current published schedule through August 16, 2016, announcements and cancellations as of November 17, 2015

Legacy carriers – American, Delta, Southwest, United. Brand / lower cost carriers – Alaska, Hawaiian, JetBlue

ULCC carriers – Frontier, Spirit

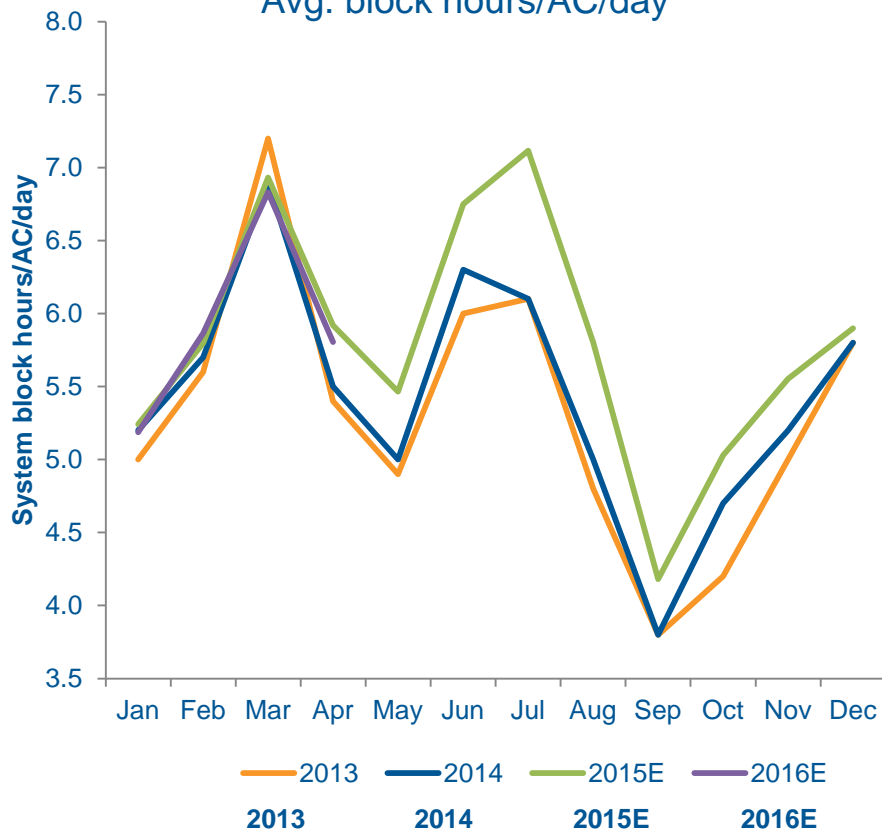
Competitive routes are those that have non-stop flights between similar markets



Low frequency model

Leisure = seasonality

Avg. block hours/AC/day



Sched AC ²

2013 2014 2015E 2016E

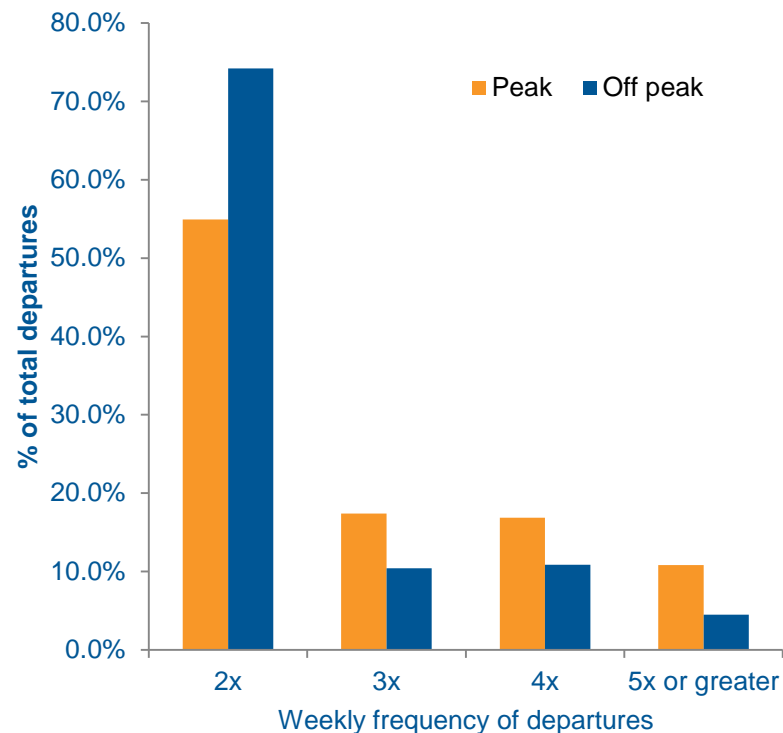
65 70 81 86

1 - Peak = peak is defined as 11/23 – 12/1, 12/21 – 1/3, 2/18 – 4/14, 6/3 – 8/18. Remaining is off peak

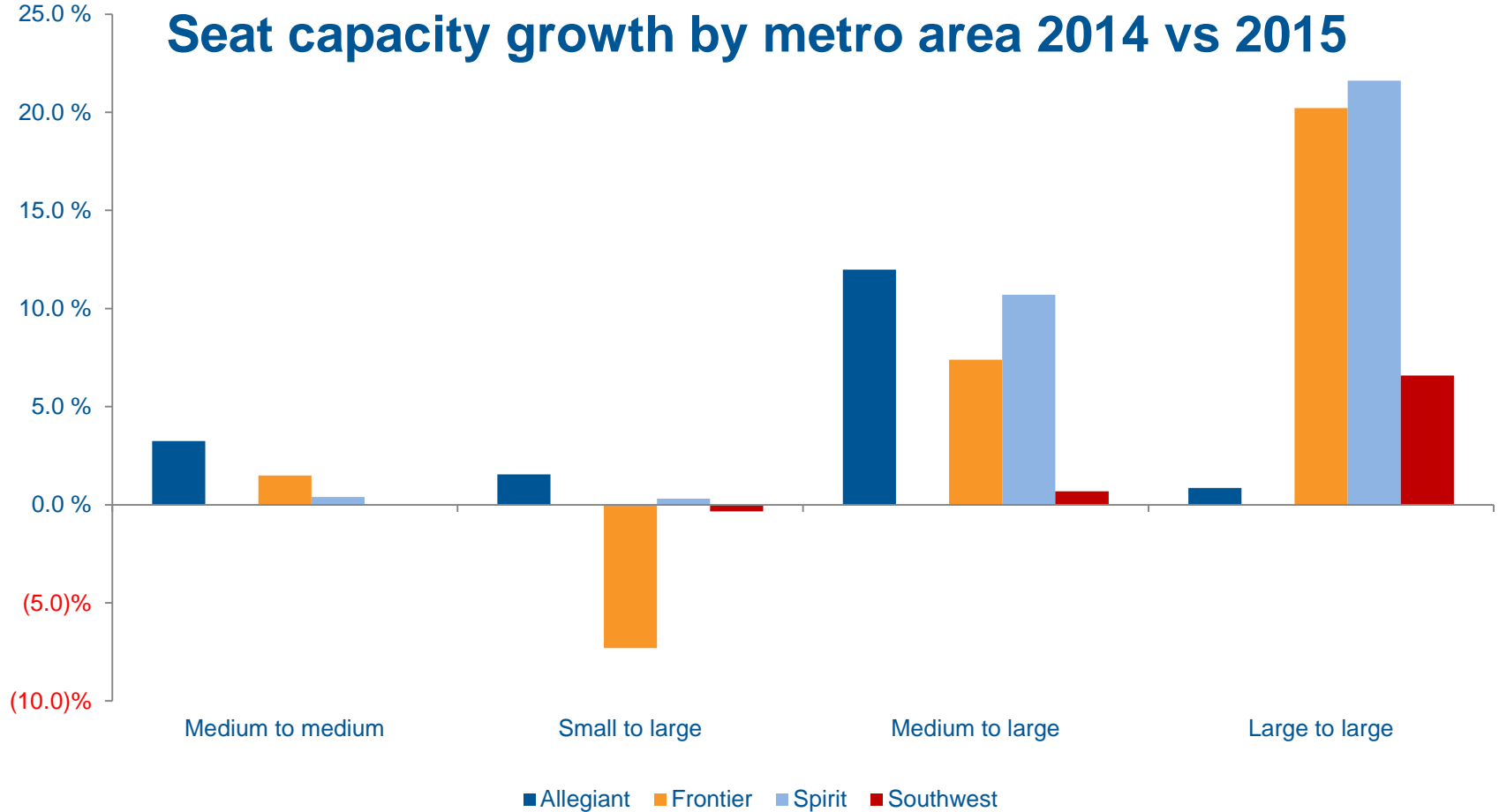
2 - Scheduled aircraft are end of year

Small cities = low frequency⁽¹⁾

Weekly market frequency



Medium and small markets still underserved



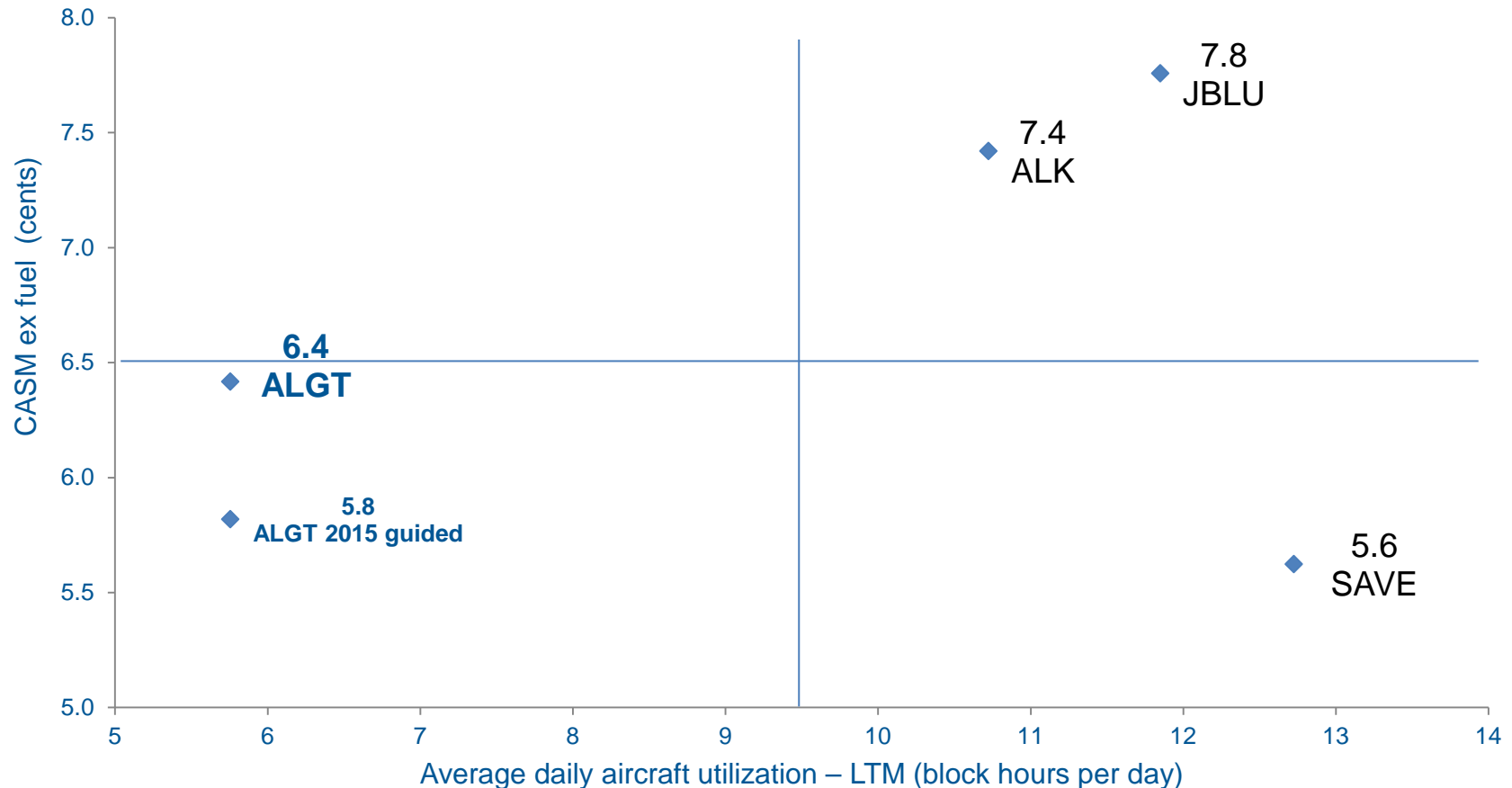
Categories (sorted by passengers per day each way and adjusted for alternate airports):

- Large – Top 25 metro areas
- Medium – 26 to 60 top metro areas
- Small – all other metro areas



Low costs even with low utilization

CASM ex fuel vs daily aircraft utilization



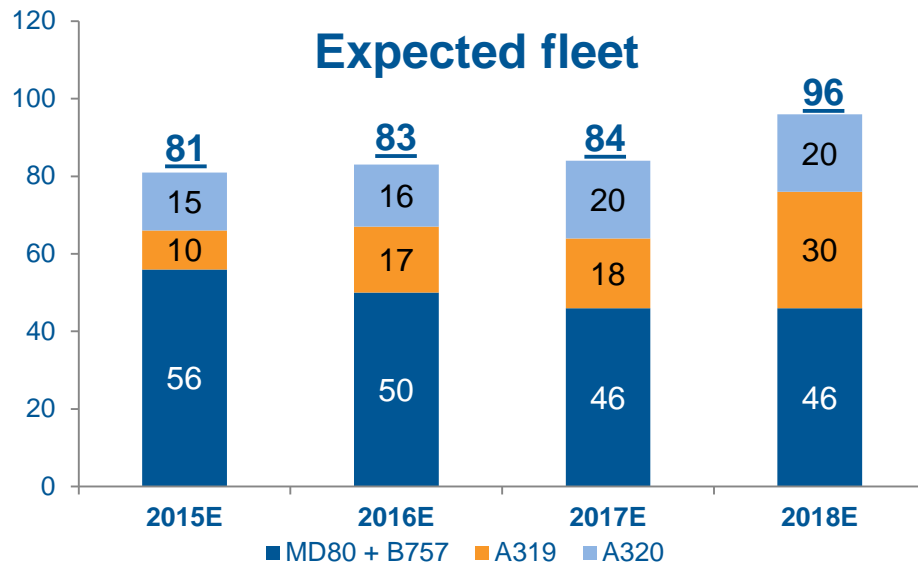
As of LTM 3Q15, ALGT – Allegiant, JBLU – JetBlue, ALK – Alaska mainline, SAVE – Spirit
ALGT 2015 – midpoint of 2015 guided range for CASM ex fuel of (13) to (11)%
ALGT LTM 3Q15 includes \$43m Boeing 757 write down that occurred in 4Q14



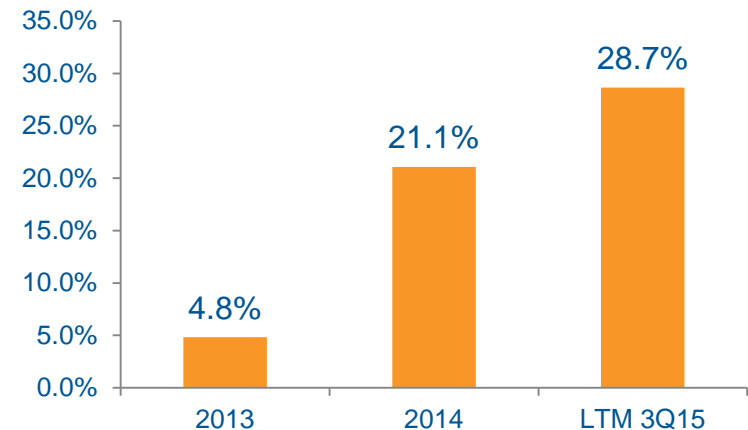
Airbus

- Continuously evaluate potential aircraft transactions and seek to acquire additional aircraft opportunistically
- MD-80s can be retired at our pace
 - 5 expected to retire in 2016

Expected fleet



Airbus % of scheduled service ASMs



Actual and projected fleet count of in service aircraft (based on signed contracts only) – end of period

Total fleet includes A320, A319, MD-80 and Boeing 757

Total fleet count reflects assumptions of current market expectations, demand for Allegiant service, aircraft retirements, and is subject to change



2016 estimated cost highlights

- 2016 CASM ex fuel is expected to grow between 0% and 4% versus 2015
- 2016 maintenance expense is expected to be between \$115 and \$125 thousand per aircraft per month
 - Expect 19 more maintenance events than expected in 2015
- Total ownership expense is expected to be between \$100 and \$110 thousand per aircraft per month
- Maintenance expense is higher due to a greater number of engine maintenance visits versus 2015
- Guidance does not assume an agreement with the pilots or flight attendants

Guidance subject to change

Total ownership includes both depreciation expense and aircraft lease rental expense

Maintenance events include both airframe and engine events



2016 estimated capacity highlights

- 2016 scheduled ASMs are expected to grow between 12% and 16% versus 2015
- Approximately 50% of ASMs will be flown by Airbus aircraft
- Expect 12% of ASMs to be in markets that have been in operation for less than one year
- Expect off peak ASMs to grow to 24% of 2016 scheduled ASMs

Guidance subject to change
Off peak days consist of Tuesday, Wednesday, or Saturday



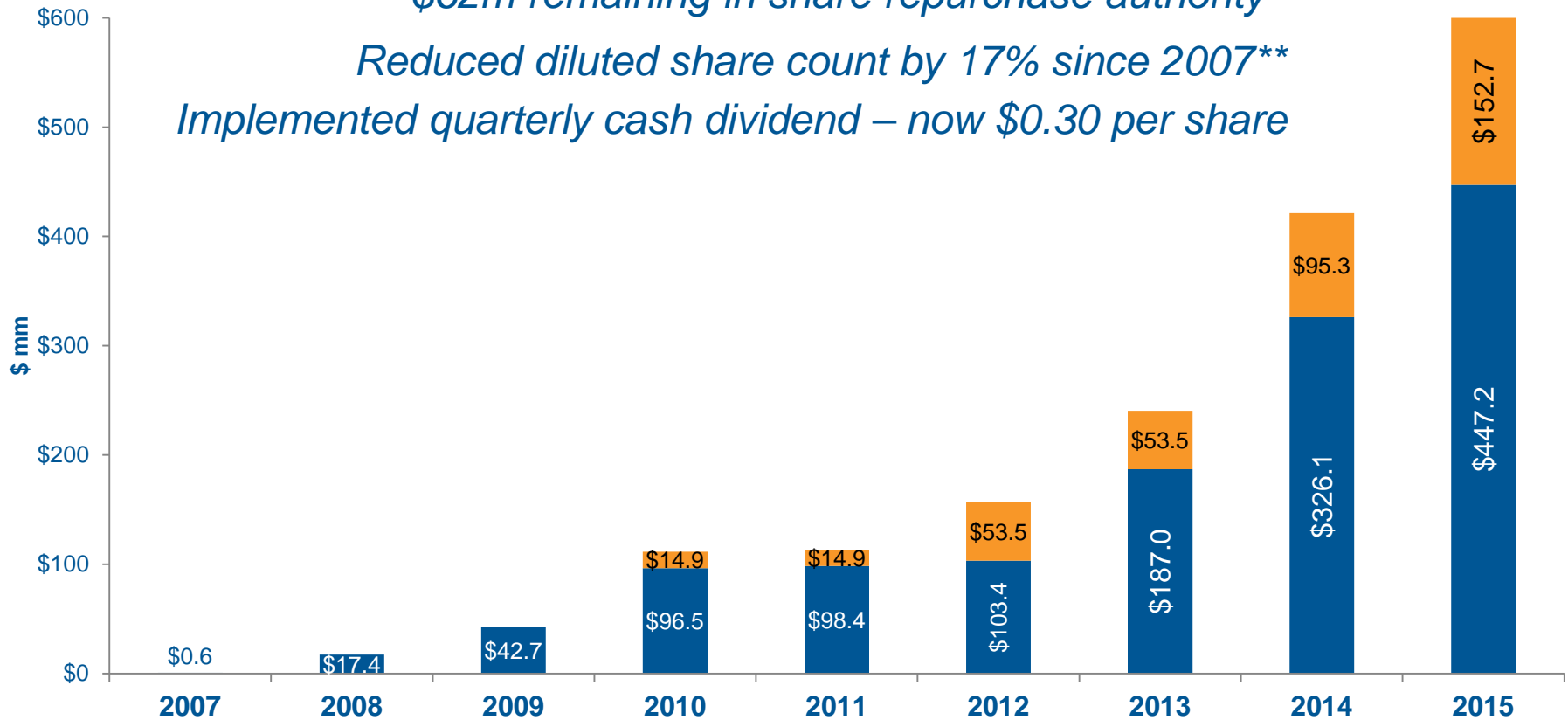
Cumulative return to shareholders

\$599m returned to shareholders since 2007

\$62m remaining in share repurchase authority*

Reduced diluted share count by 17% since 2007**

Implemented quarterly cash dividend – now \$0.30 per share



* - As per announcement on October 21, 2015

** - Diluted share count in 2007 20.5m, share count for 9 months ended September 2015 – 17.0m

2015 includes \$44m returned through a special dividend declared in 2014 and paid in January 2015, in addition to regular dividend payments through 3Q15

2014 includes \$42m returned through a special dividend declared in 2013 and paid in January 2014

■ Share repurchases ■ Dividends



Existing guidance

- 4Q15 TRASM (11) to (10)%
- 4Q15 CASM ex fuel (33) to (31)%
- FY16 CASM ex fuel 0 to 4%
- 4Q15 Fixed fee + other revenue \$13mm to \$15mm
- FY15 CAPEX ~\$275mm

	4th Quarter 2015	1st Quarter 2016	Full year 2016
System departures	24 to 26%	14 to 18%	
System ASMs	24 to 26%	15 to 19%	12 to 16%
Scheduled departures	24 to 26%	14 to 18%	
Scheduled ASMs	24 to 26%	15 to 19%	12 to 16%

Guidance subject to change



Appendix

GAAP reconciliation

Adjustment for special item

\$mm – except per share amounts	LTM 3Q15	2014
Net income as reported	168.5	86.7
+ Add provision for income taxes, as reported	<u>97.8</u>	<u>50.8</u>
Income before income taxes as reported	266.3	137.1
+ Other expense	<u>26.6</u>	<u>20.2</u>
Operating income	292.9	157.3
+ Boeing 757 fleet write down	<u>43.3</u>	<u>43.3</u>
Adjusted operating income	336.2	200.6
- Other expense	<u>26.6</u>	<u>20.2</u>
Adjusted pre-tax income	309.6	180.4
- Provision for income tax	<u>113.7</u>	<u>66.8</u>
Adjusted net income	195.9	113.6
+ Net loss attributable to noncontrolling interest	<u>(0.1)</u>	<u>(0.4)</u>
Adjusted net income attributable to Allegiant Travel Co	195.8	113.2
Diluted shares (millions)	<u>17.1</u>	<u>17.8</u>
Earnings per share as adjusted for special item	\$11.45	\$6.37
Total revenue	1,230.3	1,137.0
Adjusted operating margin	27.3%	17.6%
Adjusted EBITDA margin	35.3%	25.2%



GAAP reconciliation

EBITDA calculations				
\$mm	LTM 3Q15	2014	2013	2012
Net Income	168.5	86.7	92.3	78.6
+Total comprehensive income (loss)	1.7	2.3	.6	(.4)
+Provision for Income Taxes	97.8	50.8	54.9	46.2
+Other Expenses ¹	26.6	20.2	8.1	7.7
+Depreciation and Amortization	96.7	83.4	69.3	57.5
=EBITDA	391.3	243.4	225.2	189.6
+ Write down of Boeing 757 fleet	43.3	43.3		
=Adjusted EBITDA	434.6	286.7		
+ Aircraft lease rental	5.1	15.9	9.2	0
=Adjusted EBITDAR	439.7	302.6	234.4	189.6
Total debt	635.8	593.1	234.3	150.9
+7 x annual aircraft lease rent	<u>35.7</u>	<u>111.3</u>	<u>64.6</u>	<u>0</u>
Adjusted total debt	671.5	704.4	298.9	150.9
=Adjusted Debt to Adjusted EBITDAR	1.5x	2.3x	1.3x	0.8x
Average # of in service aircraft in period	73	69	63	60
=Adjusted EBITDA per aircraft	6.0	4.2	3.6	3.2
Interest expense	27.9	21.2	9.5	8.7
= Adjusted interest coverage	15.6x	13.5x	23.7x	21.8x

1- Ex unconsolidated affiliate earnings



GAAP reconciliation

Return on equity

\$mm	LTM 3Q15	2014	2013	2012	2011
Adjusted net Income	195.8	113.2	92.3	78.6	49.4

	Sep 2015	Sep 2014	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Total shareholders equity	334.1	341.2	294.1	377.3	401.7	351.5
Return on equity	58%		34%	24%	21%	15%

ROE = Net income / Avg shareholders equity

Adjusted net income calculation found on Adjustment for special item GAAP reconciliation table



GAAP reconciliation

Return on capital employed calculation

\$mm	LTM 3Q15	2014	2013	2012	2011
+ Adjusted net income	195.8	113.2	92.3	78.6	49.4
+ Income tax	113.7	66.8	54.9	46.2	30.1
+ Interest expense	27.9	21.2	9.5	8.7	7.2
- Interest income	1.2	0.8	1.0	1.0	1.2
	336.2	200.4	155.7	132.5	85.5
+ Interest income	1.2	0.8	1.0	1.0	1.2
Tax rate	36.7%	37.1%	37.4%	37.1%	37.9%
Numerator	213.6	126.6	98.1	84.0	53.9
Total assets prior year	1,269.9	926.9	798.2	706.7	501.3
- Current liabilities prior year	326.0	287.5	210.7	177.6	166.6
+ ST debt of prior year	51.9	20.2	11.7	8.0	16.5
Denominator	995.8	659.6	599.4	537.1	351.2
= Return on capital employed	21.4%	19.2%	16.4%	15.6%	15.3%

Adjusted net income calculation found on Adjustment for special item GAAP reconciliation table



GAAP reconciliation

Free cash flow calculations

\$mm	LTM 3Q15	2014	2013	2012	2011
Cash from operations	343.1	271.7	196.9	176.8	129.9
- Cash CAPEX	265.2	279.4	177.5	105.1	86.6
= Free cash flow	77.9	(7.7)	19.4	71.7	43.3

2014 CAPEX is cash CAPEX and does not include \$142m in assumed debt included in the \$236.1m SPC Aircraft Acquisitions closed in June 2014



GAAP reconciliation

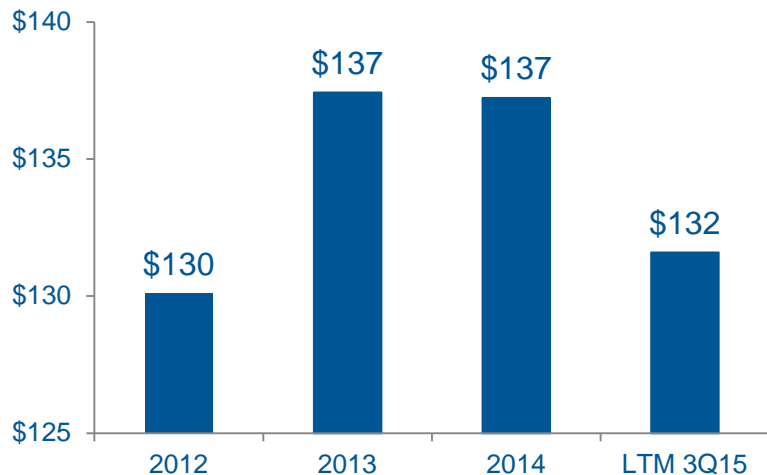
Net debt					
\$mm	Sep 2015	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Current maturities of long term debt	69.6	53.8	20.2	11.7	7.9
Long term debt, net of current maturities	566.2	539.3	214.1	139.2	138.1
Total debt	635.8	593.1	234.3	150.9	146.0
Cash and cash equivalents	78.5	89.6	97.7	89.6	150.7
Short term investments	247.0	269.8	253.4	239.1	154.8
Long term investments	60.1	57.4	36.0	24.0	14.0
Total cash	385.6	416.8	387.1	352.7	319.5
= Net debt	\$250.2	\$176.3	(\$152.8)	(\$201.8)	(\$173.5)

End of period

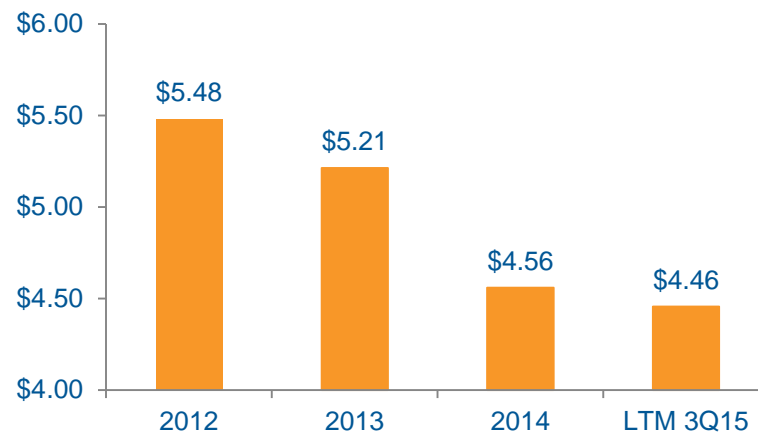


Revenue components

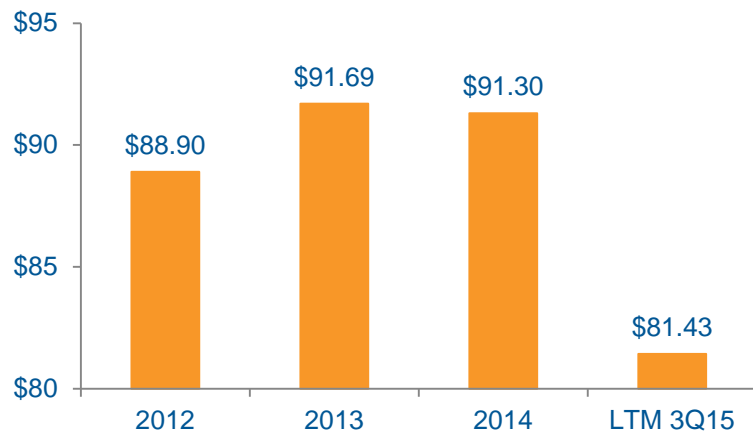
Average fare - total



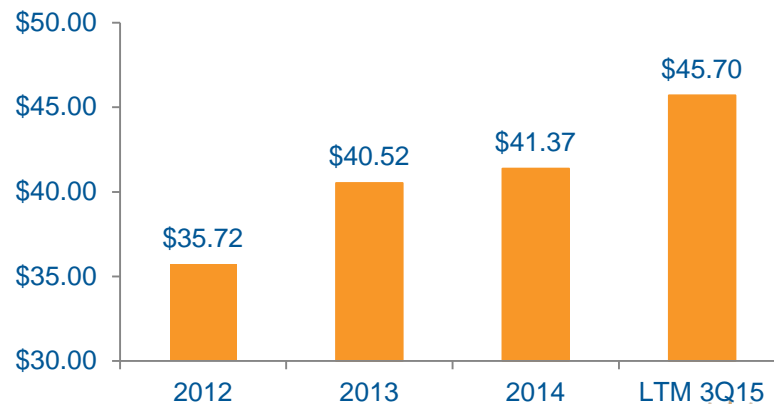
Average fare - ancillary third party products



Average fare - scheduled service



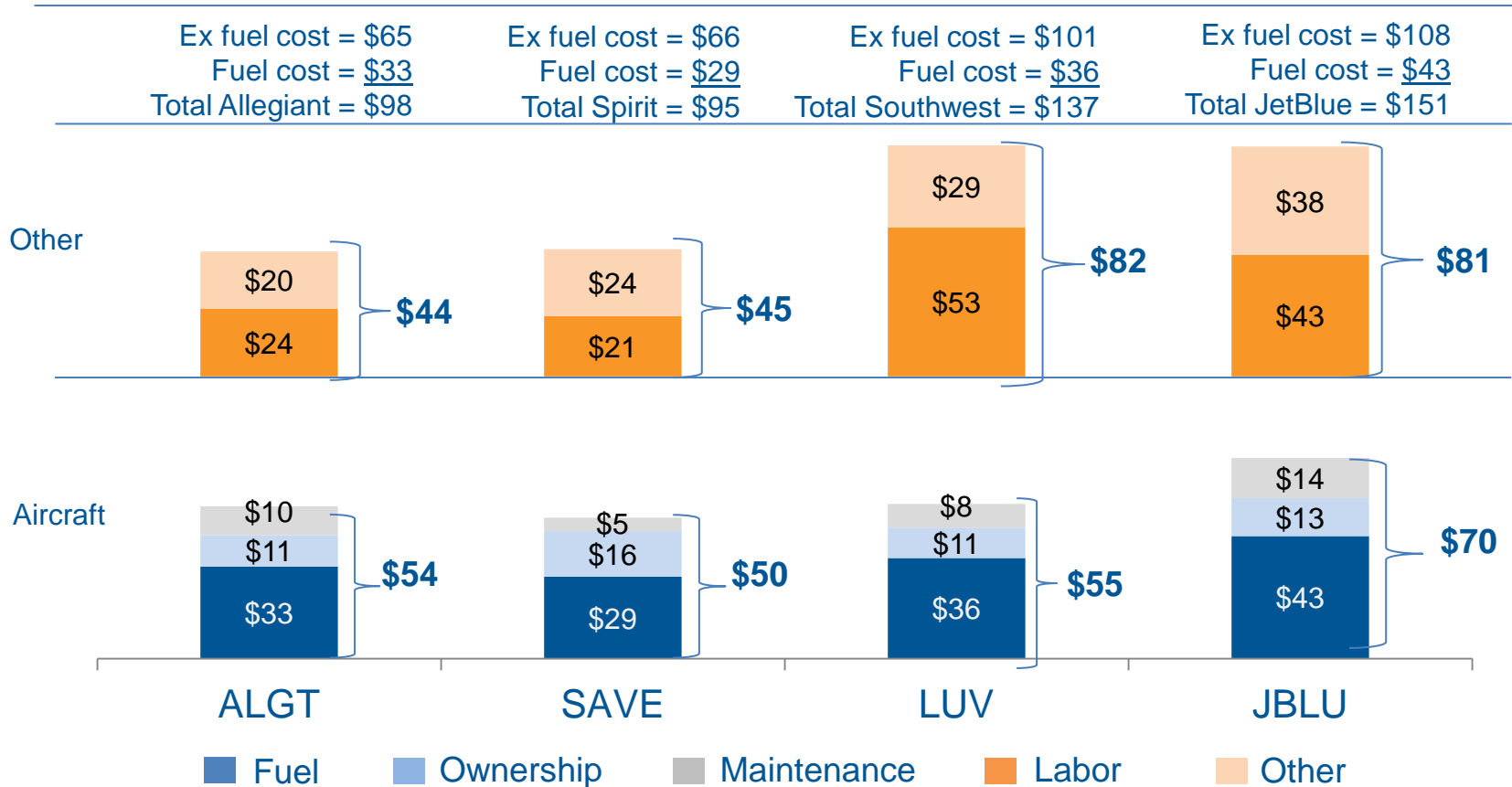
Average fare - ancillary air-related charges



All revenue is revenue per scheduled passenger

Low cost drivers

LTM 3Q15 cost per passenger

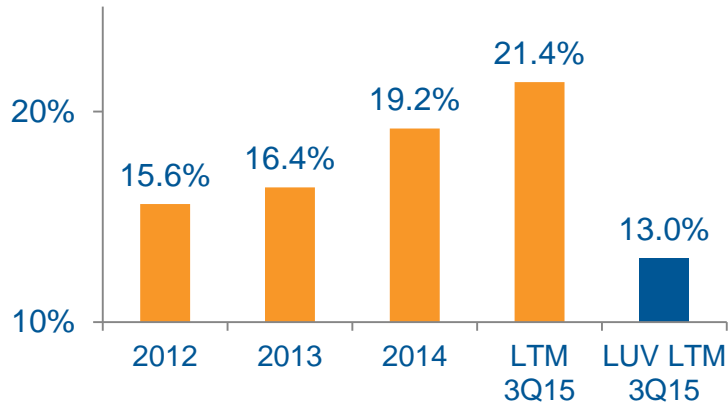


Source: Company filings
 Ownership includes depreciation & amortization + aircraft rent
 Other excludes special items and one-time charges for other carriers
 ALGT other excludes \$43m Boeing 757 fleet write down

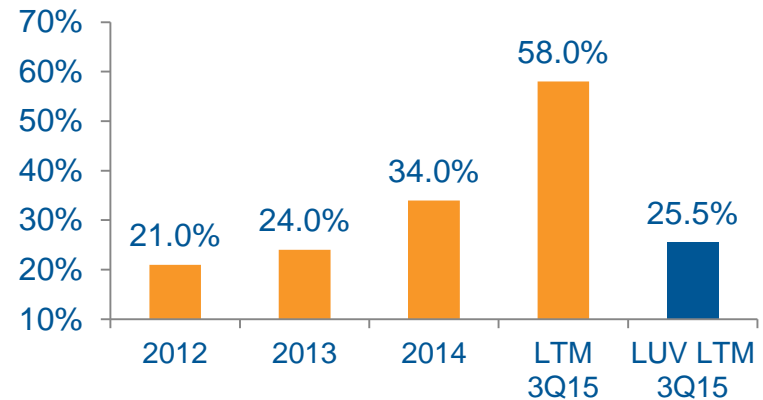


Credit metrics

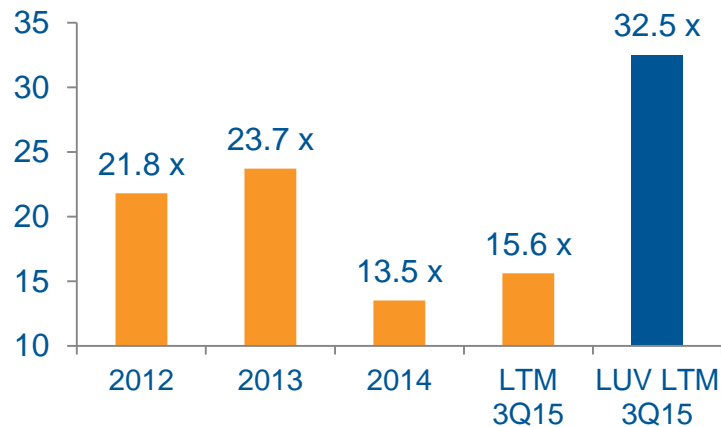
Return on capital employed



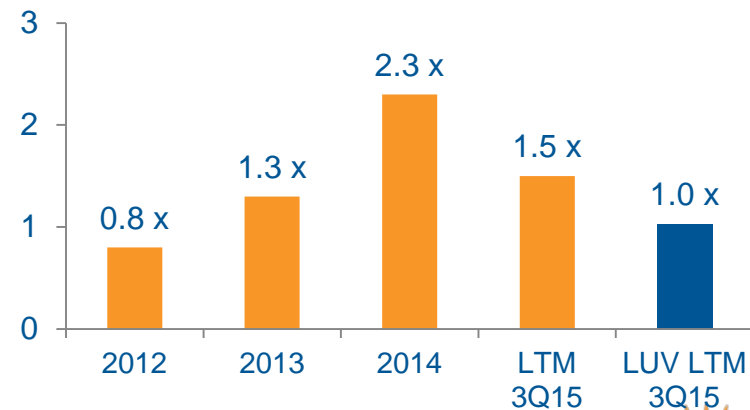
Return on equity



Interest coverage



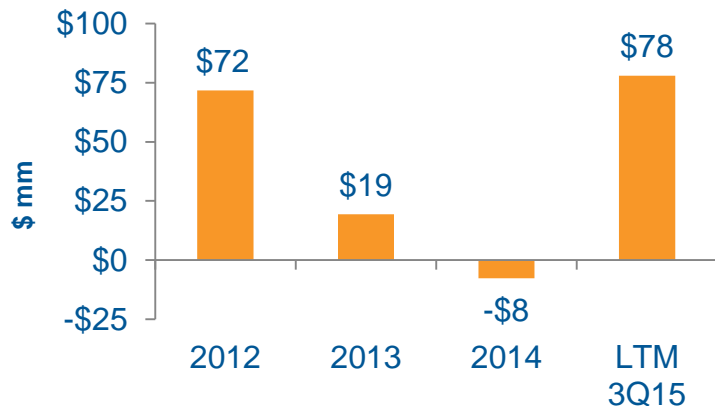
Debt / Adjusted EBITDAR



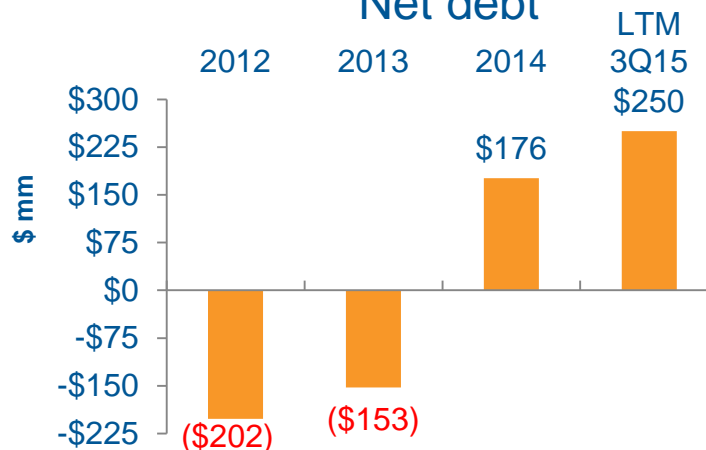
LUV = Southwest Airlines, based on published information
Please see GAAP reconciliation table in appendix for calculation

Strong cash generation

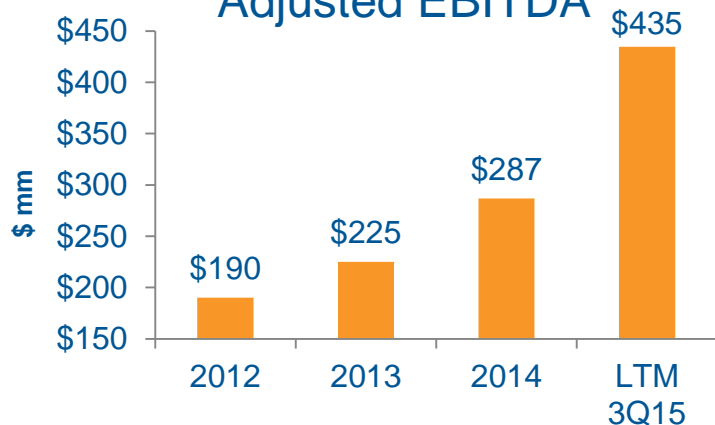
Free cash flow



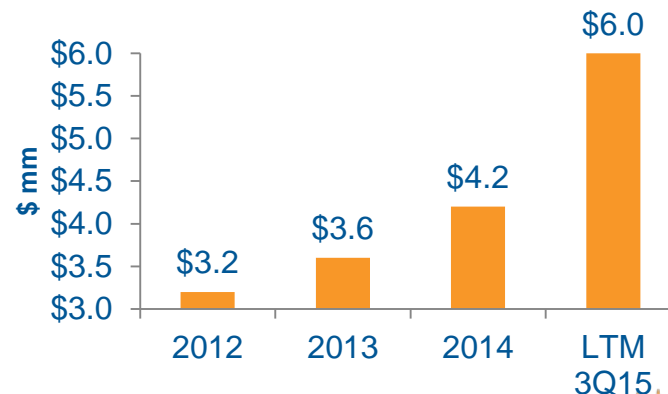
Net debt



Adjusted EBITDA



Adj EBITDA per AC



See reconciliation tables

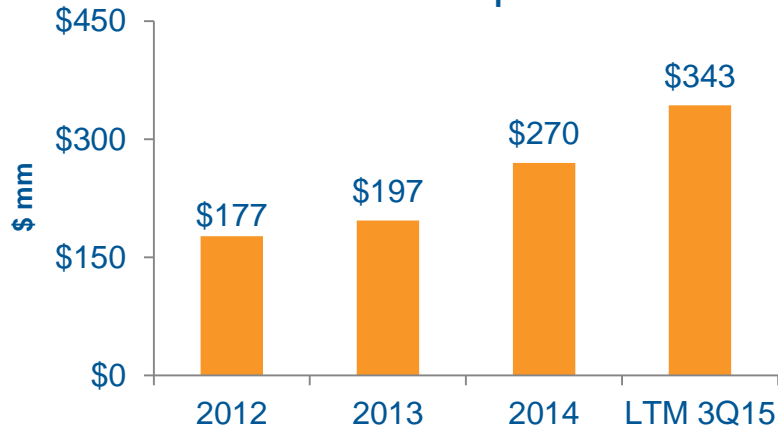
Net debt is end of period

EBITDA per AC is referring to average number of aircraft in service

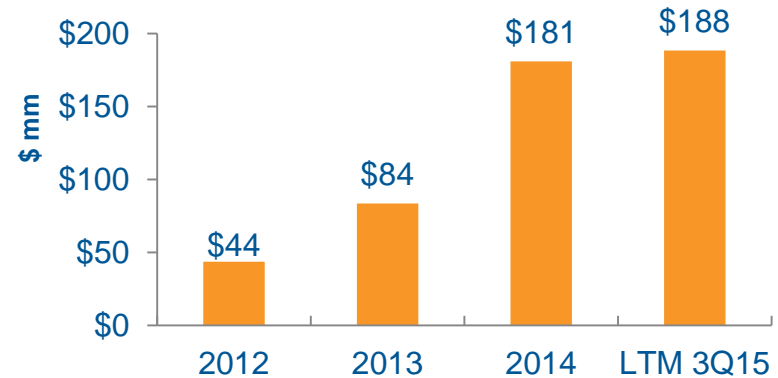


Sources/uses of cash

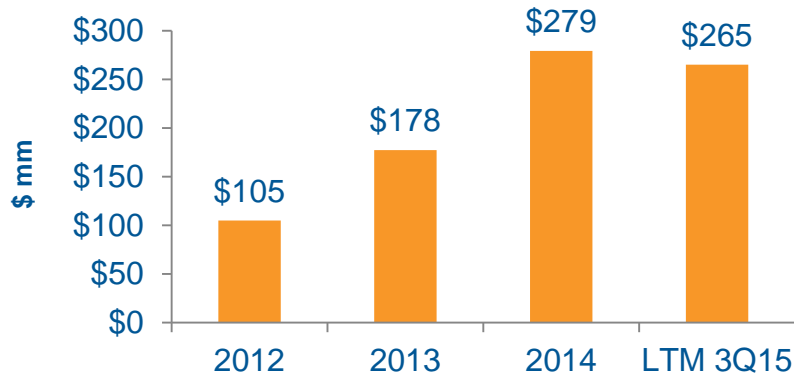
Cash from operations



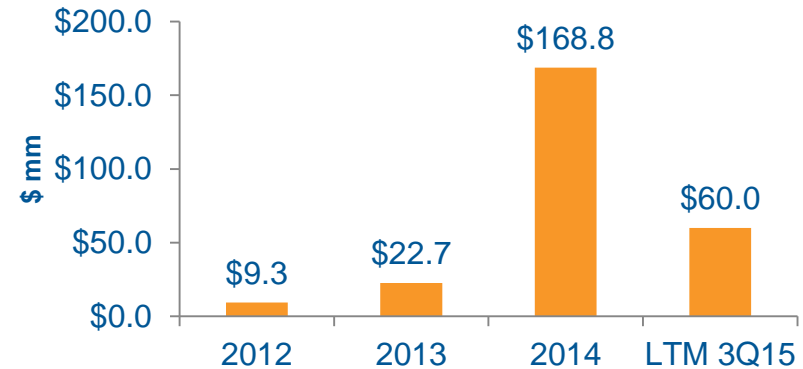
Returning cash to shareholders



CAPEX



Debt payments



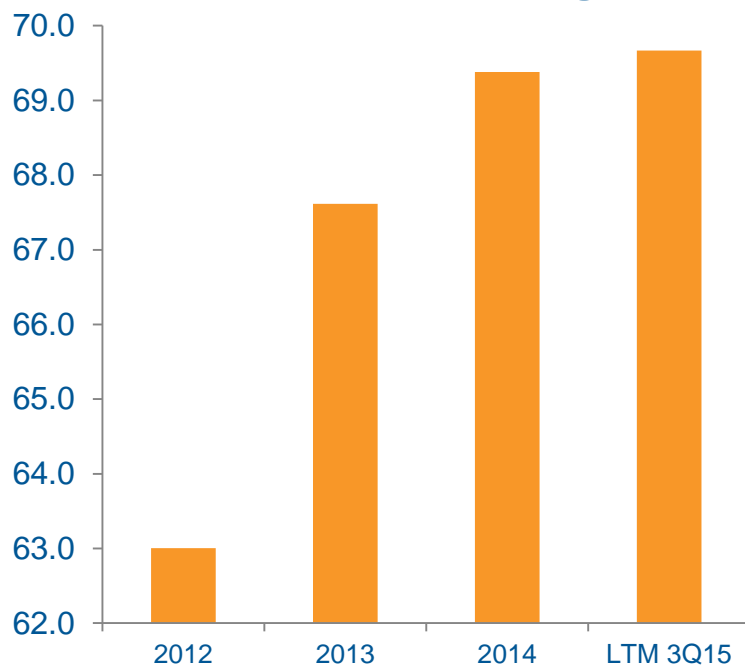
2014 CAPEX is cash CAPEX and does not include \$142m in assumed debt included in the \$236.1m SPC Aircraft Acquisition closed in June 2014

Airbus growth will help improve fuel burn

■ Fuel has greatest leverage to earnings

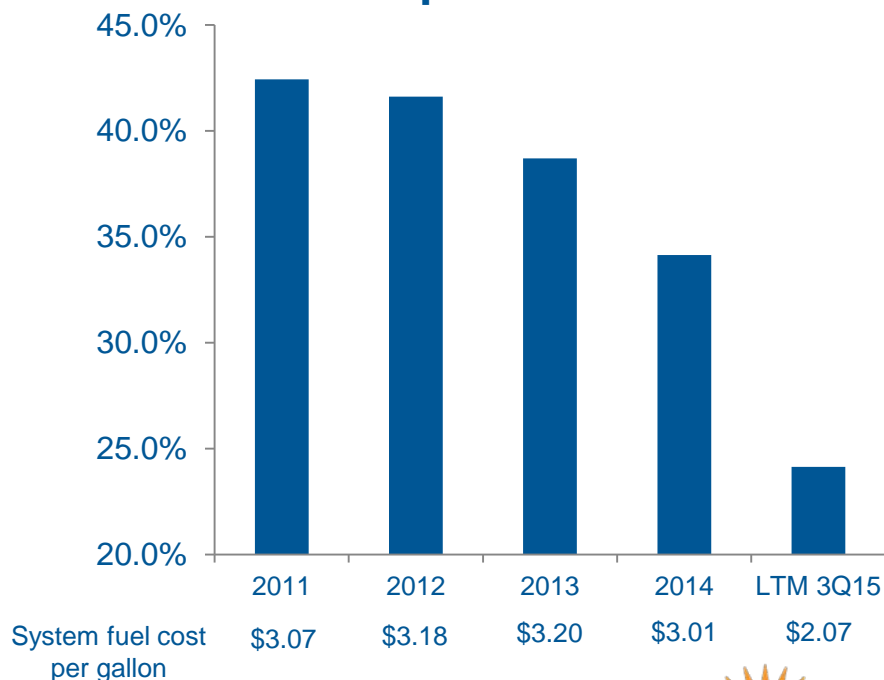
- Fuel ~ 32% of total operating expense⁽¹⁾
- Airbus aircraft flew 29% of LTM 3Q15 scheduled block hours

Historical ASMs/gallon



1 - As of LTM 3Q15

Fuel expense/total revenue



Aircraft utilization

- Airbus aircraft allows previously marginal flying to be profitable
 - Longer routes (Bismarck, ND to Orlando)
 - Off-peak day flying (Columbus, OH to St. Pete Wed/Sat 2x weekly)
 - Off-peak season flying (Syracuse, NY to St. Pete in September)
 - Previously canceled markets (Ft. Wayne, IN to Phoenix)

LTM 3Q15 Utilization by A/C type

	Peak day	Off-Peak day	Average
Airbus	11.6	7.0	9.6
Non-Airbus	7.2	2.0	5.0
All Aircraft	7.9	2.8	5.7

Utilization is block hours per aircraft per day
Peak days are Sunday, Monday, Thursday, and Friday



Capitalization structure

	Actual 9/30/15 (MM USD)	Debt to LTM Adj EBITDAR	Rate	Maturity
Unrestricted cash	325.5			
LTM Adjusted EBITDAR	439.7			
Secured by AC	28.9		L + 2.95%	Apr 2018
Secured by AC	117.4		L + 3.08%	May 2018
Secured by AC	27.9		L + 2.95%	May 2018
Secured by AC	29.8		3.99%	Oct 2018
Secured by real estate	9.5		2.86%	Oct 2018
Secured by AC	36.4		L + 2.46%	Nov 2019
Secured by real estate	7.4		2.86%	Mar 2020
Secured by AC	27.0		L + 1.70%	Mar 2020
Secured by AC	25.1		L + 1.70%	Jun 2020
Secured by AC	<u>28.8</u>		L + 1.75%	Sep 2020
Total secured debt	338.2	0.8x		
Senior notes	<u>297.7</u>		5.5%	Jul 2019
Total debt	635.9	1.4x		
7x LTM aircraft rent	<u>35.7</u>			
Adjusted debt	671.6	1.5x		

