

Management Presentation

May 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 49 quarters ⁽¹⁾
 - LTM 1Q15 Adjusted EBITDA \$347mm ⁽²⁾
 - LTM 1Q15 Return on Capital 25.8%⁽²⁾
- Strong balance sheet
 - Rated BB- and Ba3⁽³⁾
 - Debt/adjusted EBITDAR 1.9x⁽²⁾
 - \$120mm in share repurchases LTM 1Q15
 - \$38 mm in remaining share repurchase authority as of 3/31/15
 - Recurring quarterly cash dividend of \$0.25 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 supply - 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

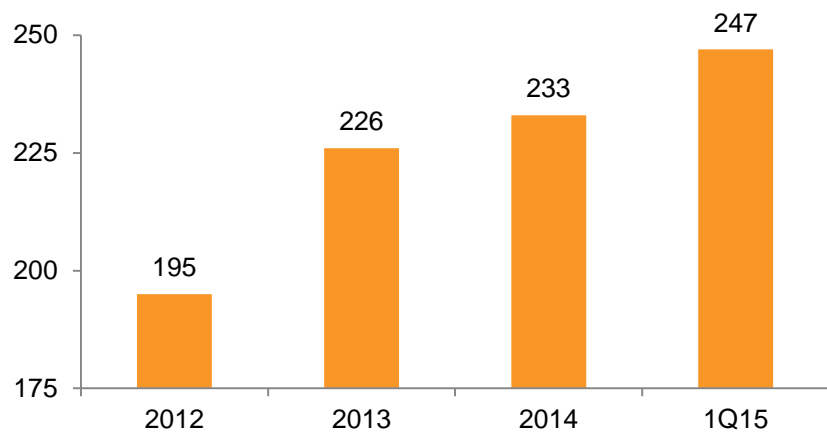
Bundled packages

Highly profitable

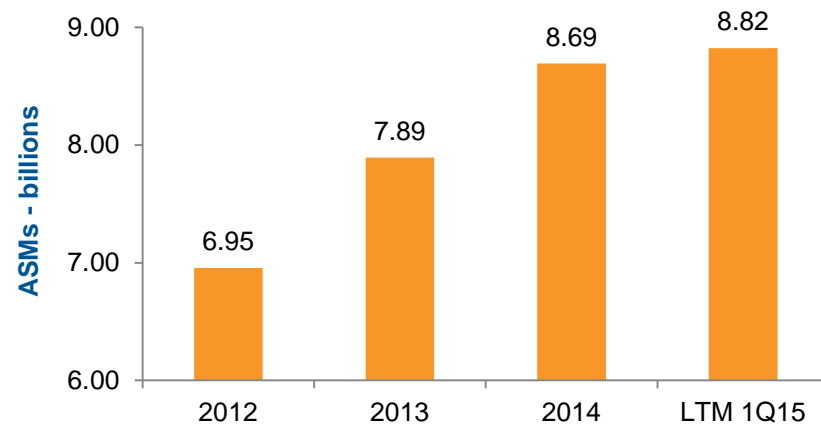


Measured, profitable growth

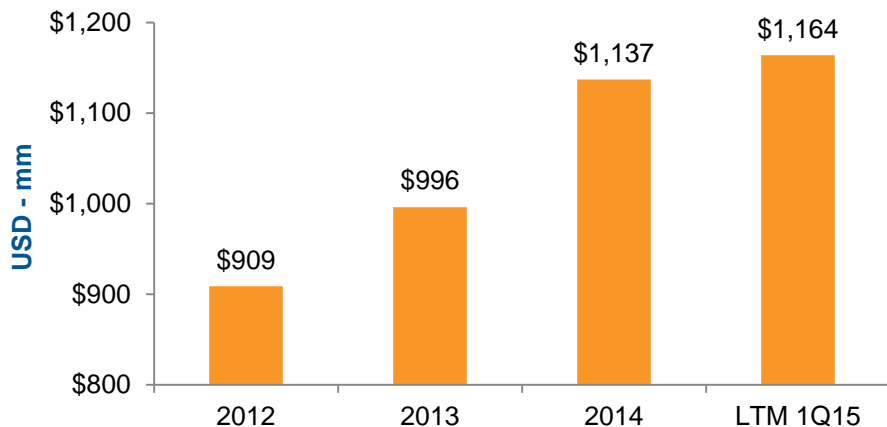
Routes



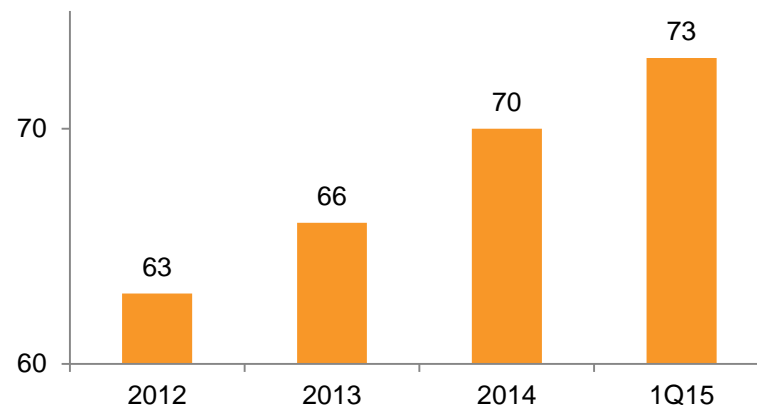
Scheduled ASMs



Total revenue



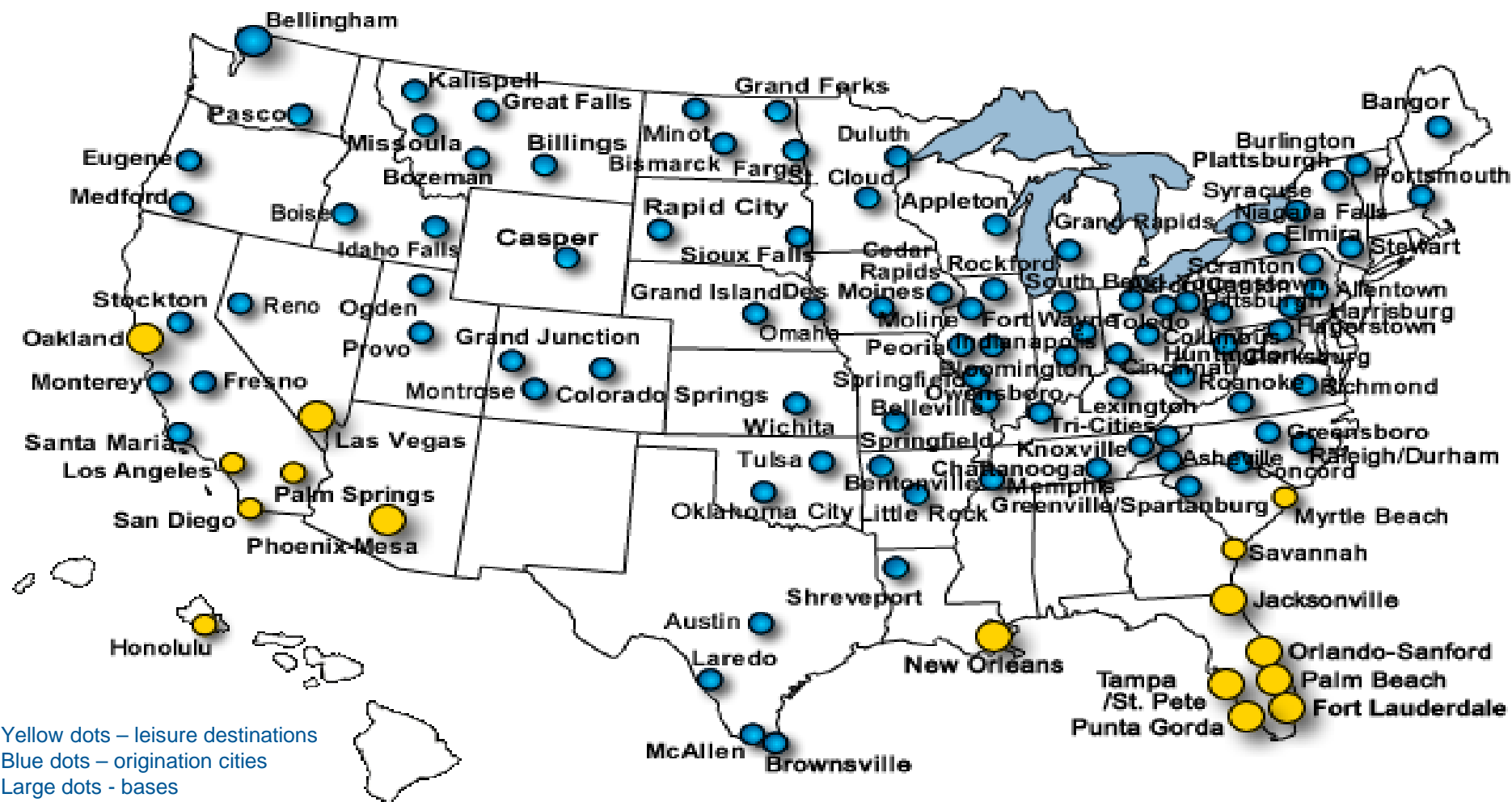
Aircraft



Aircraft number and routes are end of period



A very large niche



Based on current published schedule through November 3, 2015

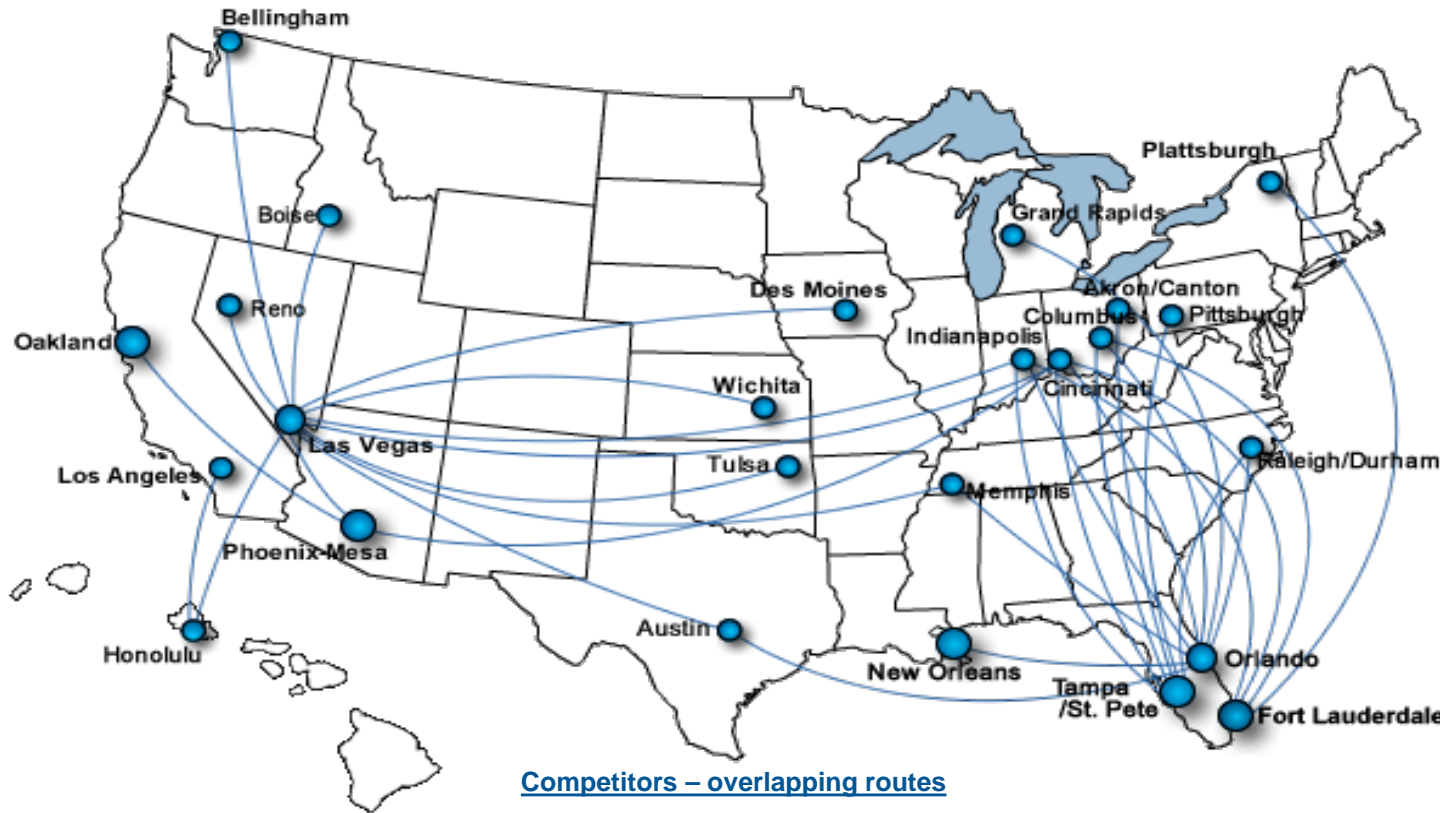
272 routes, 82 operating aircraft

89 small cities, 16 leisure destinations



Little competition

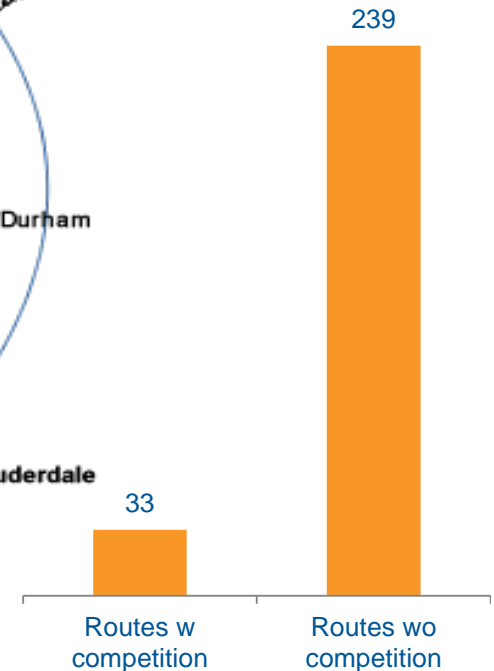
Uniquely built to profitably operate in underserved markets



Competitors – overlapping routes

Legacy carriers	33
Brand / lower cost carriers	4
ULCC carriers	2

Current competitive landscape



Based on current published schedule through Nov 3, 2015, announcements and cancellations as of April 17, 2015

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

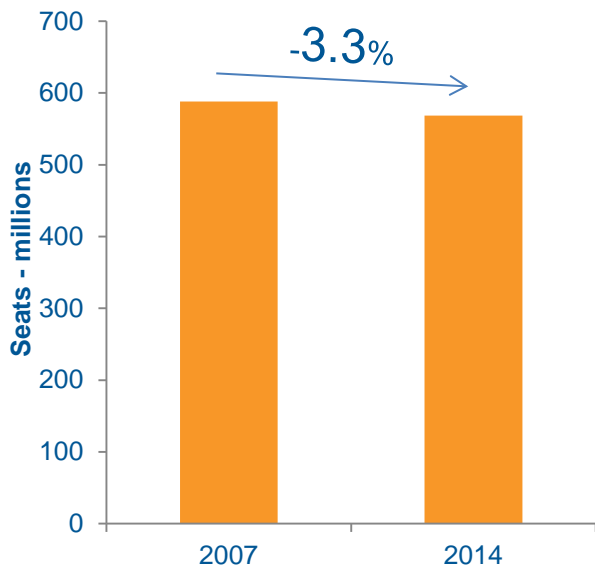
ULCC carriers – Frontier, Spirit



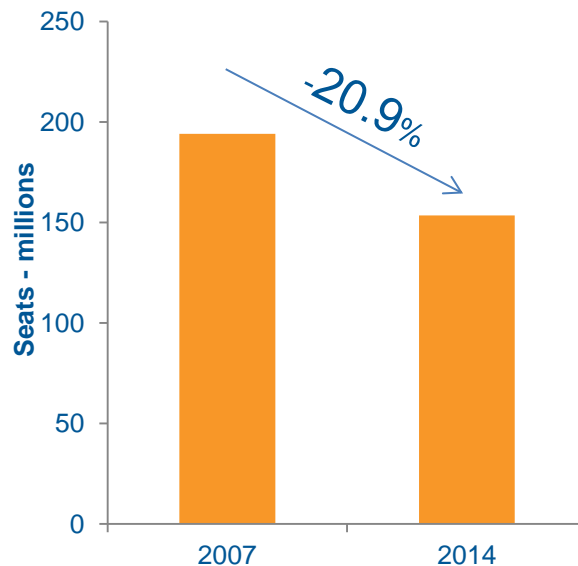
Consolidation a catalyst

US domestic seats 2007 vs 2014 by airport size

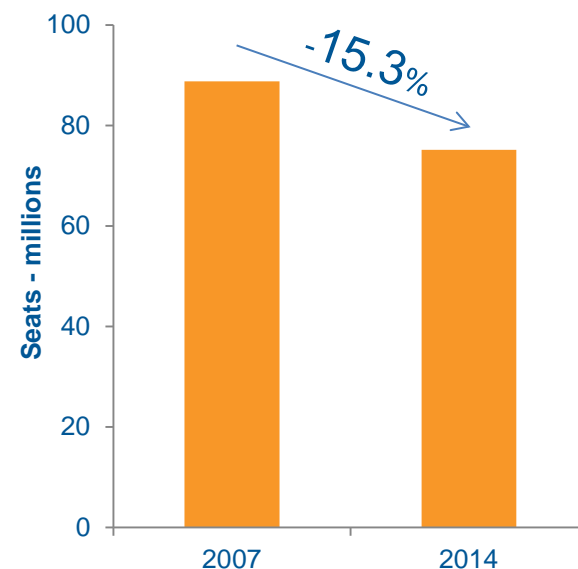
Large hubs



Medium hubs



Small hubs



Hub classification by 2013 enplanements

Large = Over 1.0%

Medium = Between 0.25% and 1.0%

Small = Between 0.05% and 0.25%

2007 seats - DOT T100 data for CY2007 (Dio T100 Summary by Originating Airport)

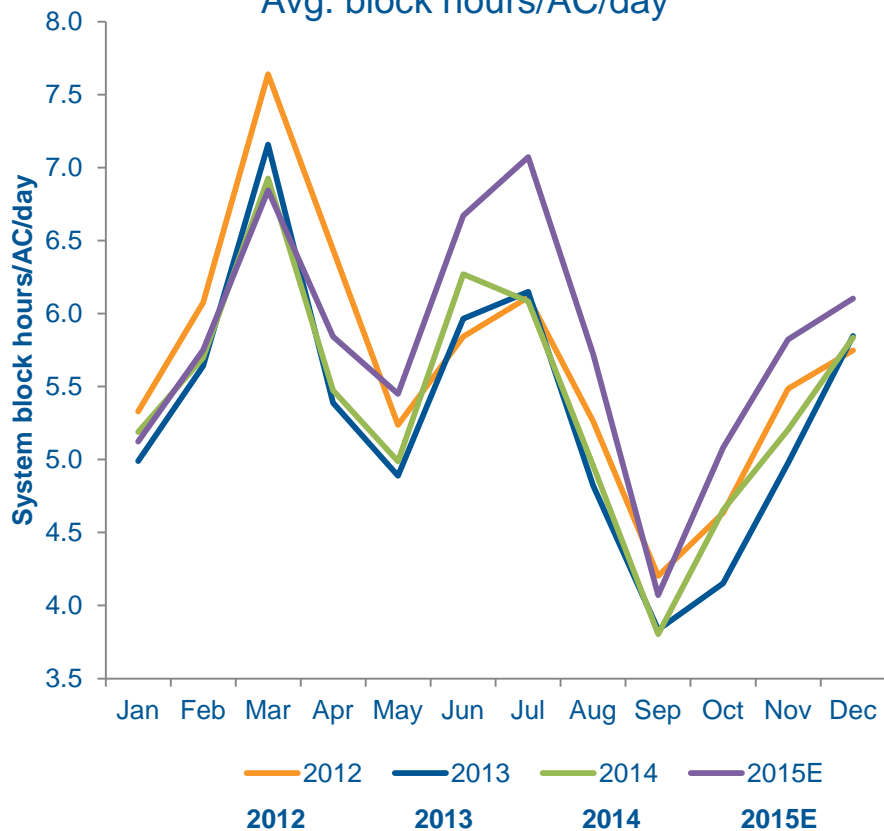
2014 seats - Dio Scheduled Level of Ops Report- 1/1/14-12/31/14



Low frequency model

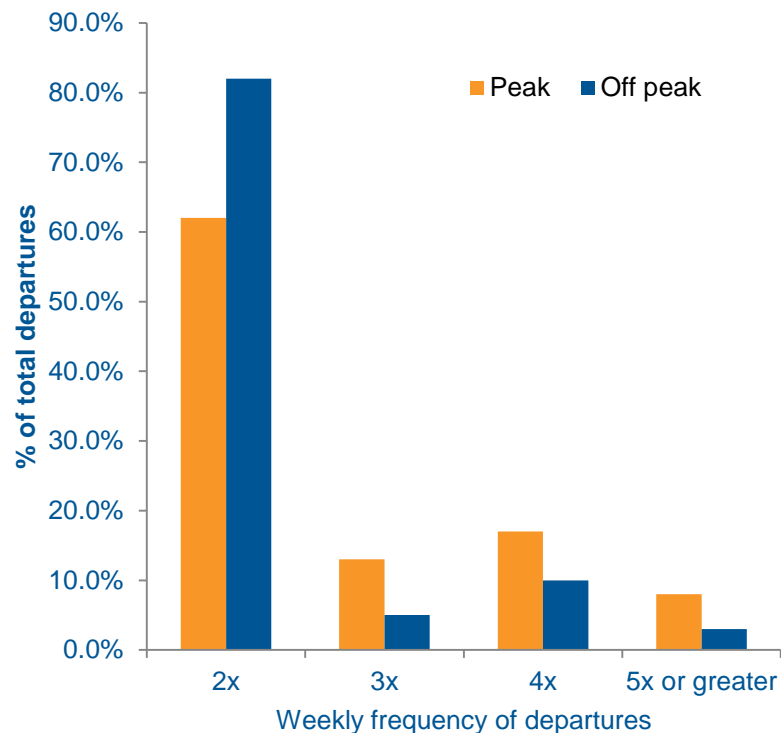
Leisure = seasonality

Avg. block hours/AC/day



Small cities = low frequency⁽¹⁾

Weekly market frequency



Sched AC ²

2012 58 2013 65 2014 70 2015E 82

1 - Peak = peak is defined as 2/13-4/9, 6/5-8/13, 11/20-12/3, 12/18-12/31. Remaining is off peak

2 - Scheduled aircraft are end of year

2Q15 TRASM components

- Guided (10) to (8)%
- Non demand related factors
 - Moving to a credit card surcharge ~(2)%
 - September 11 fee increase ~(1.5)%
- Reaction to low oil prices
 - Increase utilization through off peak flying
 - +40% YoY increase in 2Q15 off peak departures
 - Increase in new flying
 - ~11% of 2Q15 ASMs in markets open less than 6 months

Lower oil playbook

	4Q 2008	1Q 2009	2Q 2009
Fuel cost YoY	(21.5)%	(49.1)%	(52.9)%
TRASM YoY	24.0%	2.0%	(11.8)%
Sched ASMs YoY	(6.1)%	8.5%	30.3%
EPS YoY	285.7%	194.0%	817.8%

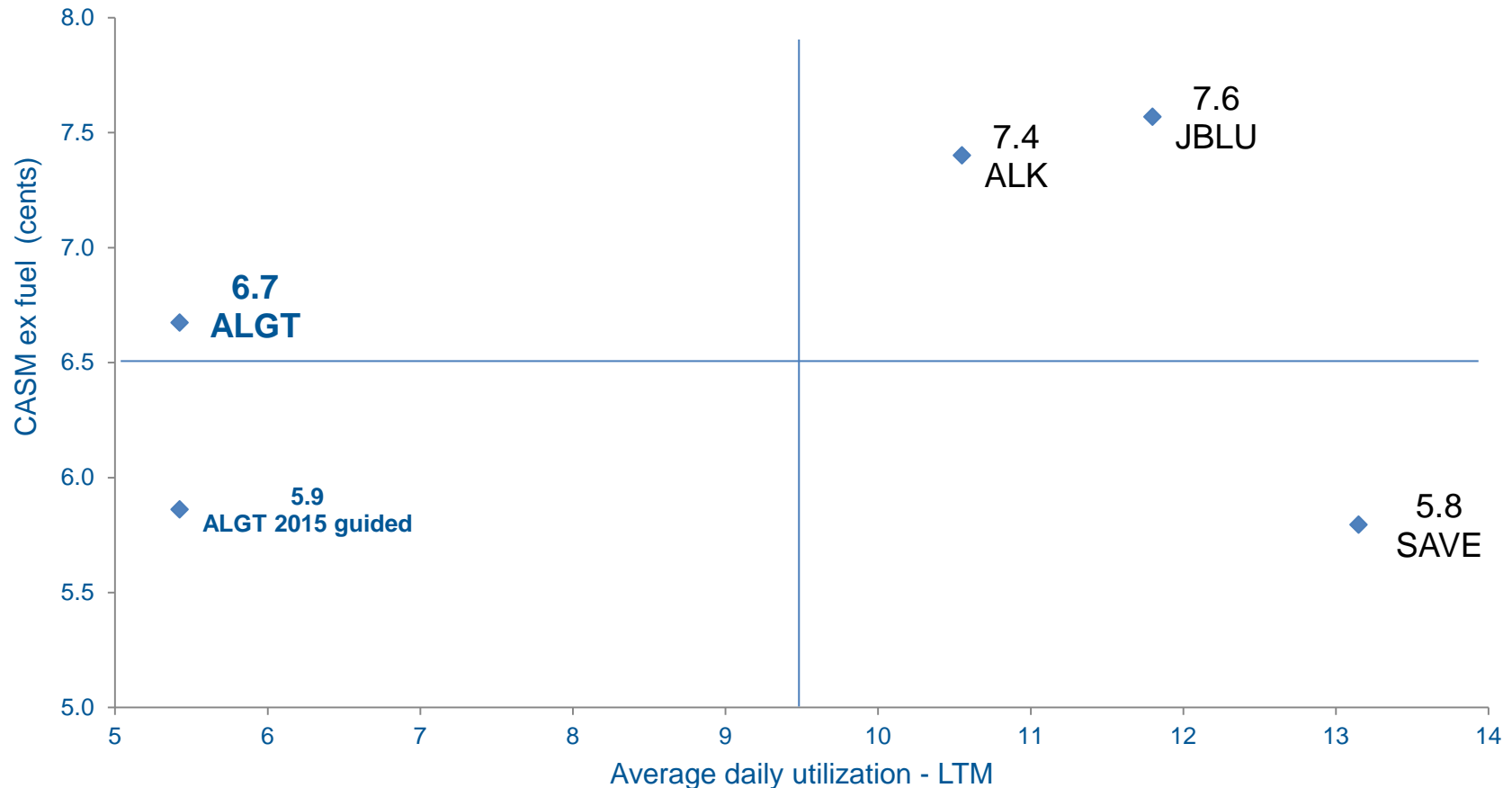
	4Q 2014	1Q 2015	2Q 2015E
Fuel cost YoY	(19.7)%	(39.6)%	
TRASM YoY	2.6%	0.0%	(10) To (8)%
Sched ASMs YoY	10.5%	5.6%	16 to 20%
EPS YoY	94.7%	100.6%	

4Q 2014 EPS excludes \$43m Boeing 757 writedown



Low costs even with low utilization

CASM ex fuel vs daily utilization



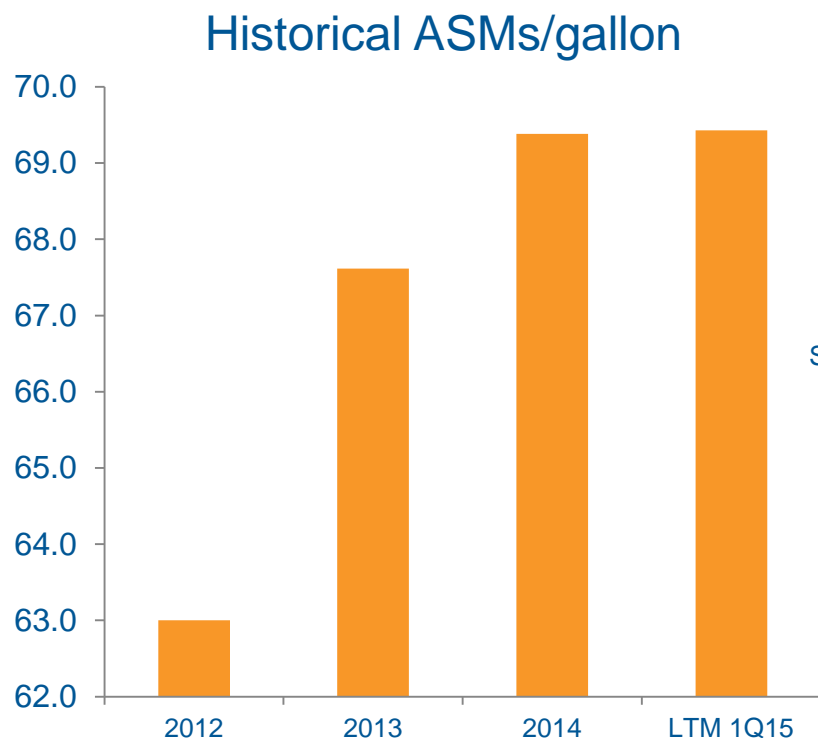
As of LTM 1Q15, ALGT – Allegiant, JBLU – JetBlue, ALK – Alaska mainline, SAVE – Spirit
ALGT 2015 – midpoint of 2015 guided range for CASM ex fuel of (13) to (10)%



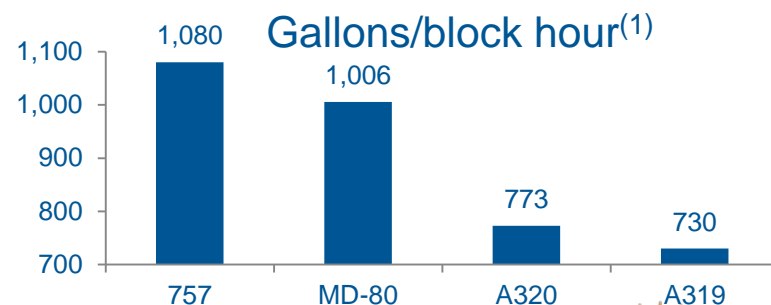
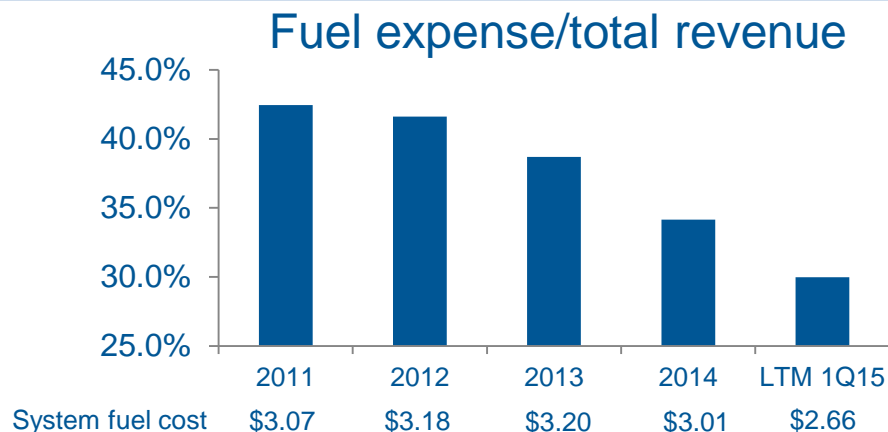
Airbus growth will help improve fuel burn

■ Fuel has greatest leverage to earnings

- Fuel ~ 37% of total operating expense⁽¹⁾
- Airbus aircraft flew 24% of LTM 1Q15 scheduled block hours



1 - As of LTM 1Q15



Airbus 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 1Q15 Utilization by A/C type

	Peak	Off-Peak	Average
Airbus	10.3	5.7	8.3
Non-Airbus	7.1	1.9	4.9
All Aircraft	7.6	2.5	5.4

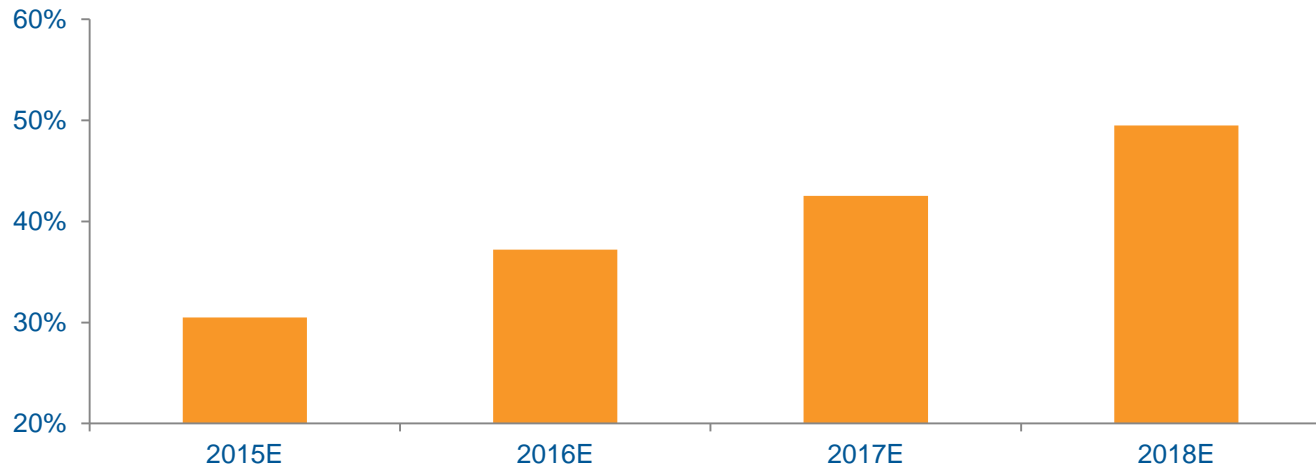
Utilization is block hours per aircraft per day



Airbus fleet growth

- Continuously evaluate potential aircraft transactions and seek to acquire additional aircraft opportunistically

Airbus as a % of total fleet



A320	15	15	19	19
A319	10	17	18	30
Total fleet	82	86	87	99

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

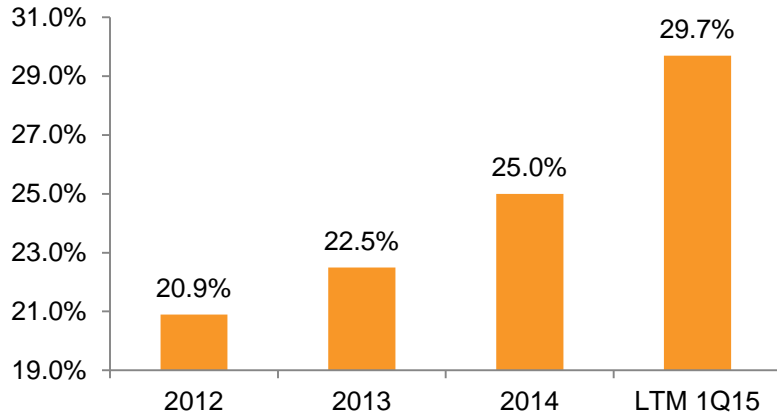
Total fleet includes A320, A319, MD-80 and Boeing 757

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

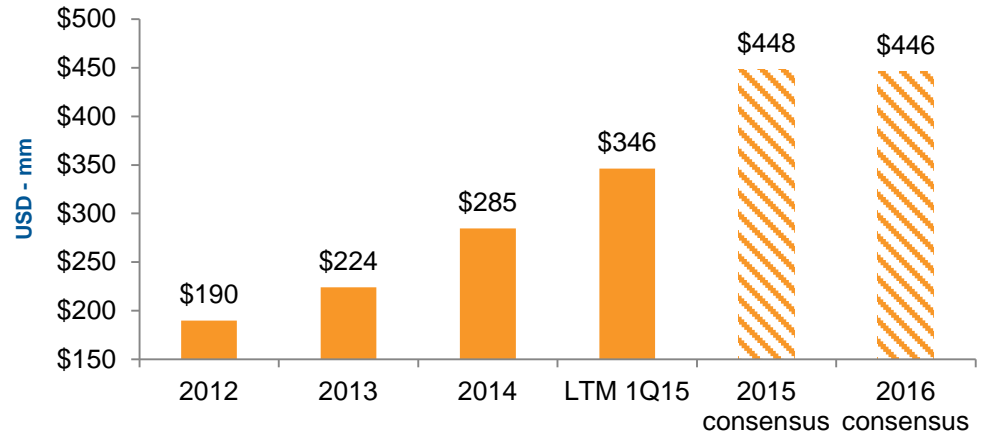


Financial growth without sacrificing margin

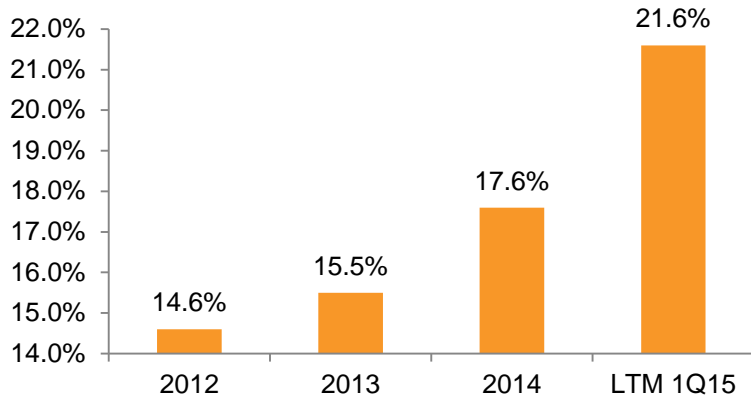
Adjusted EBITDA margin



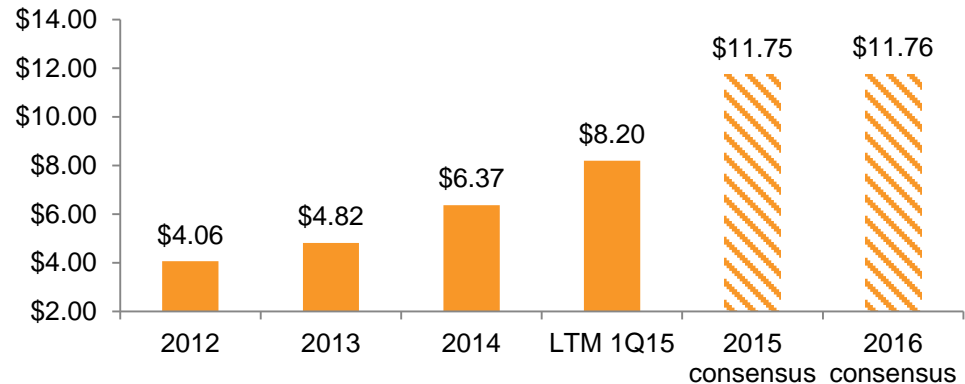
Adjusted EBITDA



Adjusted Operating margin



Adjusted EPS



Consensus - as of 5/5/15, First Call. EPS consensus reflects 13 analysts, EBITDA consensus reflects 10 analysts

Adjusted amounts - see GAAP reconciliation and other calculations in Appendix



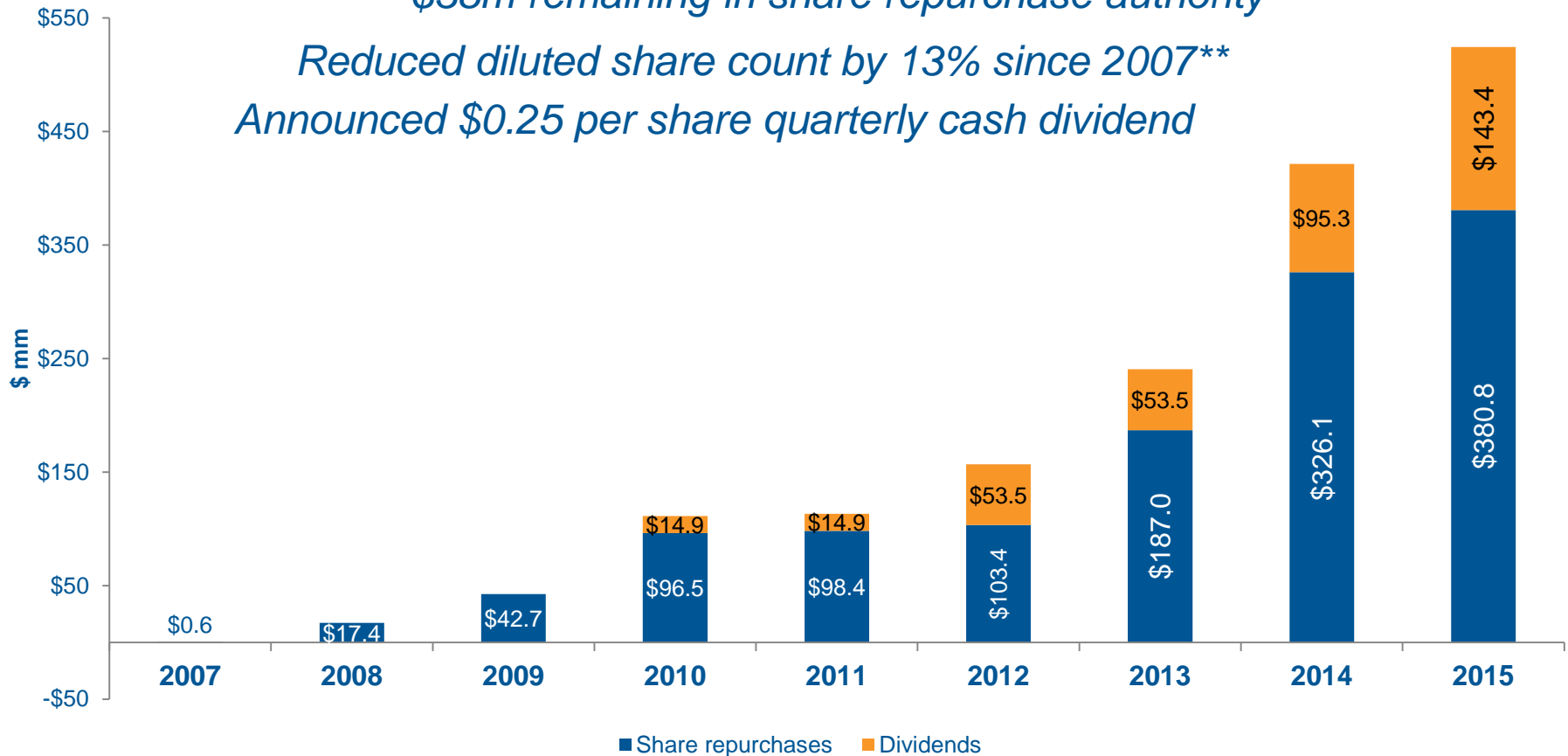
Cumulative return to shareholders

\$524m returned to shareholders since 2007

\$38m remaining in share repurchase authority*

Reduced diluted share count by 13% since 2007**

Announced \$0.25 per share quarterly cash dividend



*- As per announcement on April 22, 2015

**-Diluted share count in 2007 20.5m, share count 2014 17.8 m

2015 includes \$44m returned through a special dividend declared in 2014 and paid in January 2015

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



Existing guidance

- 2Q15 TRASM (10) to (8)%
- 2Q15 CASM ex fuel 0 to 2%
- FY15 CASM ex fuel (13) to (10)%
- 2Q15 Fixed fee + other revenue \$9mm to \$11mm
- FY15 CAPEX ~\$260mm

	2nd Quarter 2015	3rd Quarter 2015	Full year 2015
System departures	16 to 20%	23 to 27%	
System ASMs	16 to 20%	21 to 25%	15 to 18%
Scheduled departures	16 to 20%	23 to 27%	
Scheduled ASMs	16 to 20%	21 to 25%	15 to 18%

Guidance subject to change



Appendix

GAAP reconciliation

Adjustment for special item

\$mm – except per share amounts	LTM 1Q15	2014
Net income as reported	117.3	86.7
+ Add provision for income taxes, as reported	<u>67.1</u>	<u>50.8</u>
Income before income taxes as reported	184.2	137.1
+ Other expense	<u>24.0</u>	<u>20.2</u>
Operating income	208.2	157.3
+ Boeing 757 fleet write down	<u>43.3</u>	<u>43.3</u>
Adjusted operating income	251.5	200.6
- Other expense	<u>24.0</u>	<u>20.2</u>
Adjusted pre-tax income	227.5	180.4
- Provision for income tax	<u>82.8</u>	<u>66.8</u>
Adjusted net income	144.7	113.6
+ Net loss attributable to noncontrolling interest	<u>(0.3)</u>	<u>(0.4)</u>
Adjusted net income attributable to Allegiant Travel Co	144.4	113.2
Diluted shares (millions)	<u>17.6</u>	<u>17.8</u>
Earnings per share as adjusted for special item	\$8.20	\$6.37
Total revenue	1,163.8	1,137.0
Adjusted operating margin	21.6%	17.6%
Adjusted EBITDA margin	29.8%	25.2%



GAAP reconciliation

EBITDA calculations				
\$mm	LTM 1Q15	2014	2013	2012
Net Income	117.3	86.7	92.3	78.6
+Total comprehensive income (loss)	5.3	2.3	.6	(.4)
+Provision for Income Taxes	67.1	50.8	54.9	46.2
+Other Expenses ¹	24.2	20.4	8.5	7.8
+Depreciation and Amortization	89.3	83.4	69.3	57.5
=EBITDA	303.2	243.6	225.6	189.7
+ Write down of Boeing 757 fleet	43.3	43.3		
=Adjusted EBITDA	346.5	286.9		
+ Aircraft lease rental	7.2	15.9	9.2	0
=Adjusted EBITDAR	353.7	302.8	234.8	189.7
Total debt	617.3	593.1	234.3	150.9
+7 x annual rent	<u>50.4</u>	<u>111.3</u>	<u>64.6</u>	<u>0</u>
Adjusted total debt	667.7	704.4	298.9	150.9
=Adjusted Debt to Adjusted EBITDAR	1.9x	2.3x	1.3x	0.8x
Average # of in service aircraft in period	70	69	63	60
=Adjusted EBITDA per aircraft	5.0	4.2	3.6	3.2
Interest expense	24.9	21.2	9.5	8.7
= Adjusted interest coverage	13.9x	14.3x	24.7x	21.8x

1- Ex unconsolidated affiliate earnings



GAAP reconciliation

Return on equity

\$mm	LTM 1Q15	2014	2013	2012	2011	
Adjusted net Income	144.7	113.6	92.3	78.6	49.4	
	Mar 2015	Mar 2014	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Total shareholders equity	303.6	342.9	294.1	377.3	401.7	351.5
Return on equity	45%	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 1Q15	2014	2013	2012	2011
+ Adjusted net income	144.7	113.6	92.3	78.6	49.4
+ Income tax	82.8	66.8	54.9	46.2	30.1
+ Interest expense	24.9	21.2	9.5	8.7	7.2
- Interest income	0.7	0.8	1.0	1.0	1.2
	251.4	200.4	155.7	132.5	85.5
+ Interest income	0.7	0.8	1.0	1.0	1.2
Tax rate	36.4%	37.1%	37.4%	37.1%	37.9%
Numerator	160.3	126.6	98.1	84.0	53.9
Total assets prior year	904.2	926.9	798.2	706.7	501.3
- Current liabilities prior year	303.0	287.5	210.7	177.6	166.6
+ ST debt of prior year	20.4	20.2	11.6	8.0	16.5
Denominator	621.6	659.6	599.3	537.1	351.2
= Return on capital employed	25.8%	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 1Q15	2014	2013	2012	2011
Cash from operations	327.4	271.7	196.9	176.8	129.9
- Cash CAPEX	332.5	279.4	177.5	105.1	88.0
= Free cash flow	(5.1)	(7.7)	19.4	71.7	41.9

LTM 1Q15 and 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

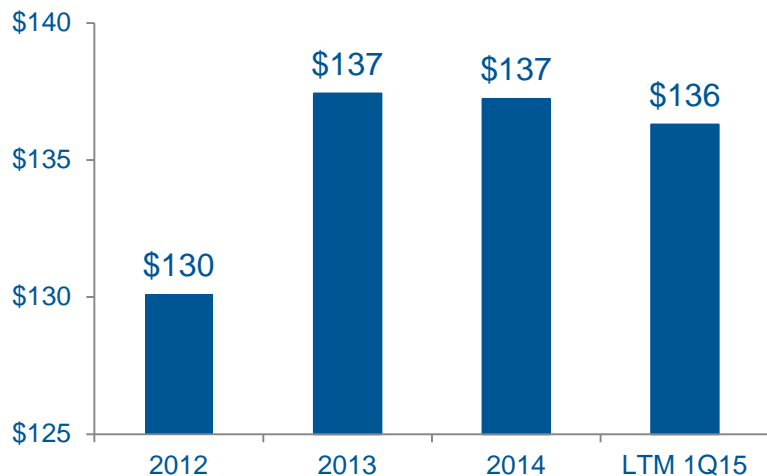
Net debt					
\$mm	Mar 2015	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Current maturities of long term debt	60.8	53.8	20.2	11.6	7.9
Long term debt, net of current maturities	556.5	539.3	214.1	139.2	138.2
Total debt	617.3	593.1	234.3	150.8	146.1
Cash and cash equivalents	107.1	89.6	97.7	89.6	150.7
Short term investments	295.4	269.8	253.4	239.1	154.8
Long term investments	35.5	57.4	36.0	24.0	14.0
Total cash	438.0	416.8	387.1	352.7	319.5
= Net debt	\$179.3	\$176.3	(\$152.8)	(\$201.9)	(\$173.4)

End of period

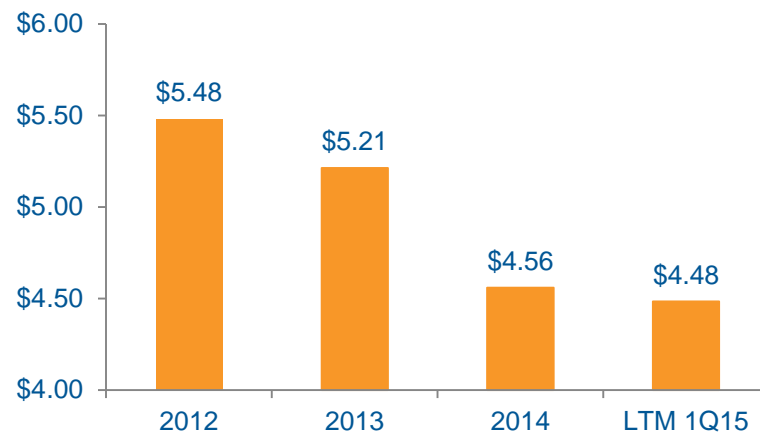


Revenue components

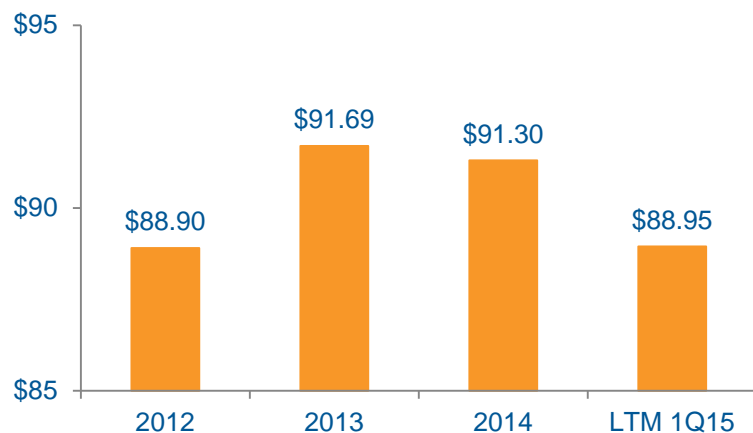
Average fare - total



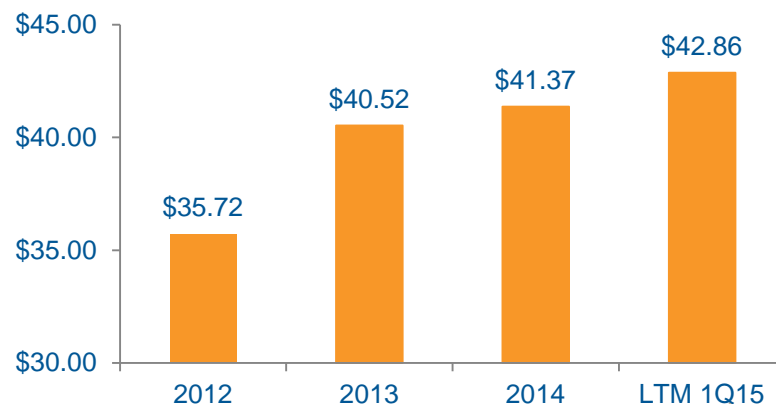
Average fare - ancillary third party products



Average fare - scheduled service



Average fare - ancillary air-related charges

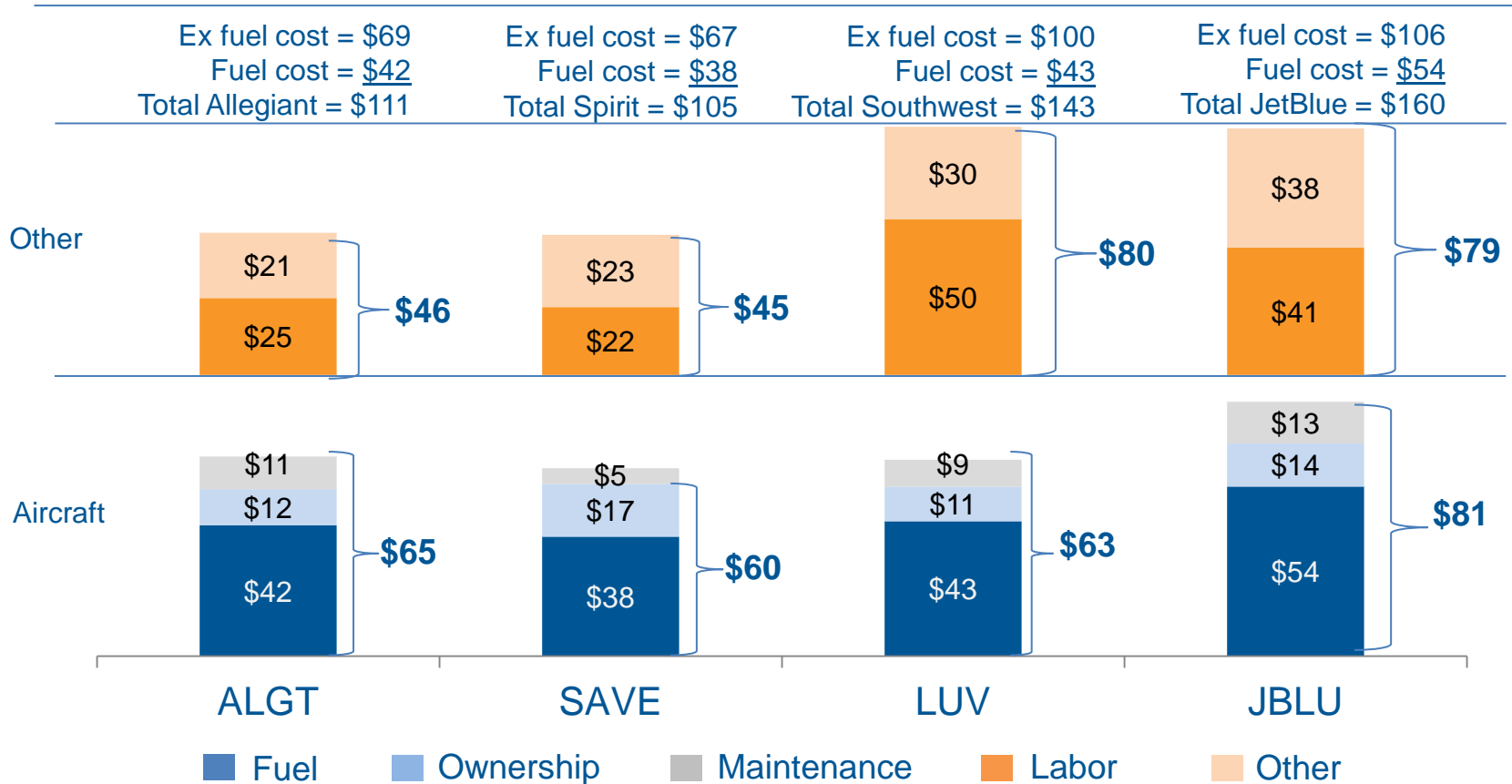


All revenue is revenue per scheduled passenger



Low cost drivers

LTM 1Q15 cost per passenger



Source: Company filings

Ownership includes depreciation & amortization + aircraft rent

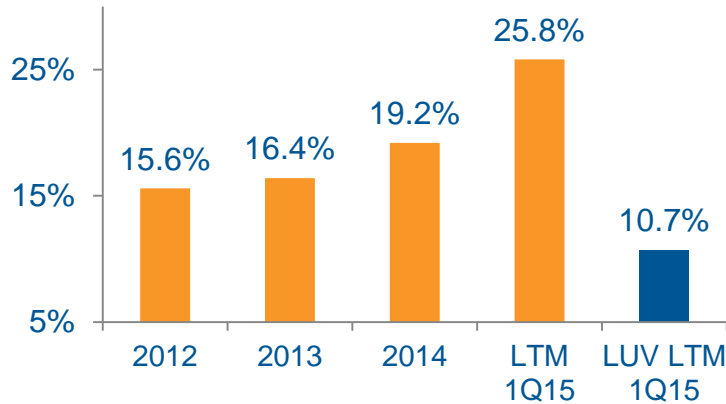
Other excludes special items and one-time charges for other carriers

ALGT other excludes \$43m Boeing 757 fleet write down

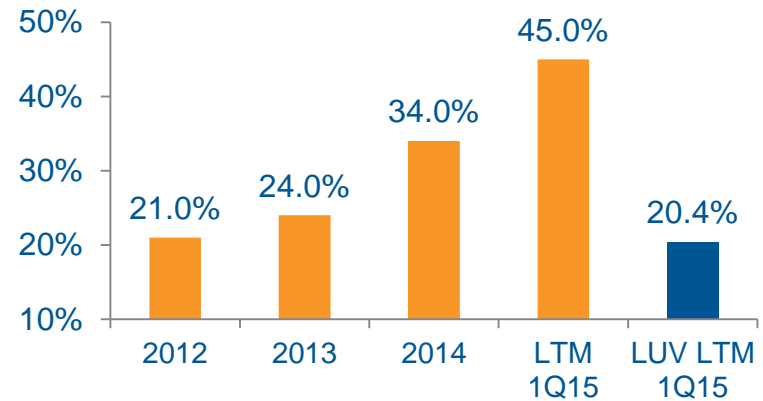


Credit metrics

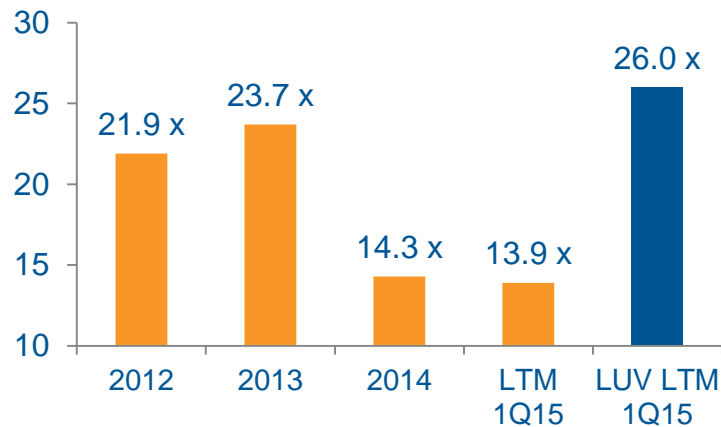
Return on capital employed



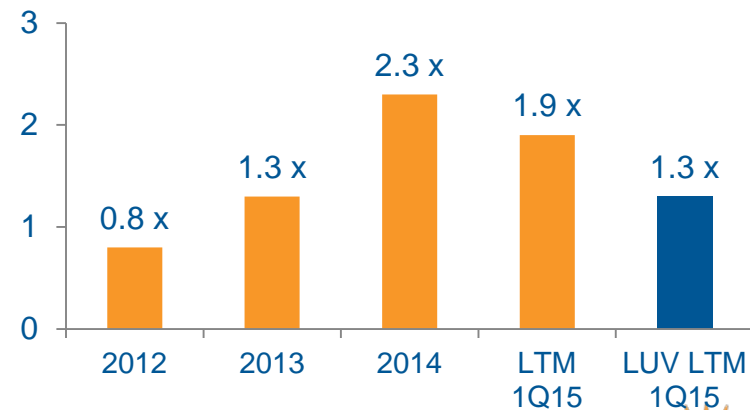
Return on equity



Interest coverage



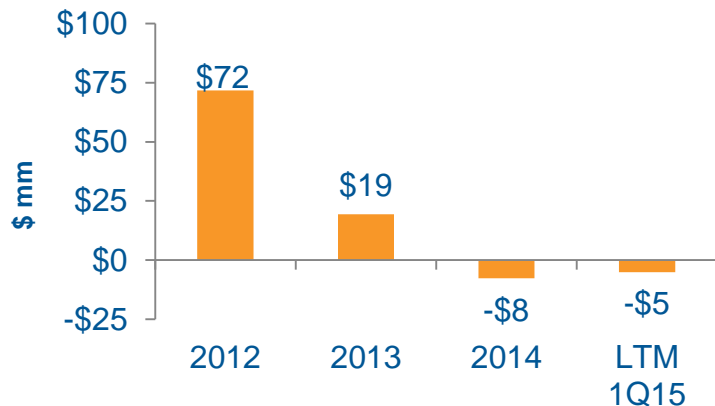
Debt / Adjusted EBITDAR



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

Strong cash generation

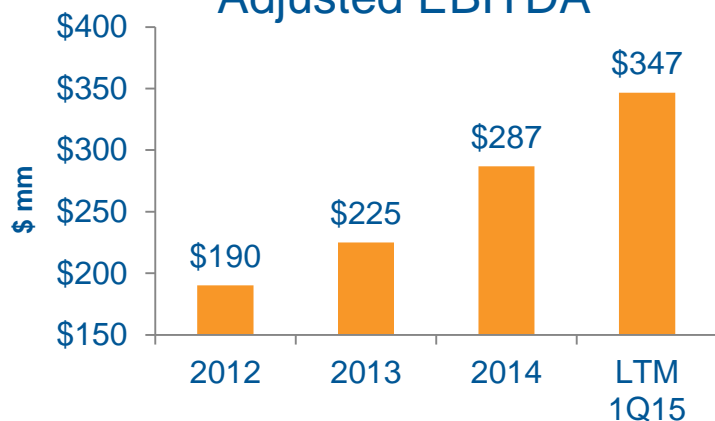
Free cash flow



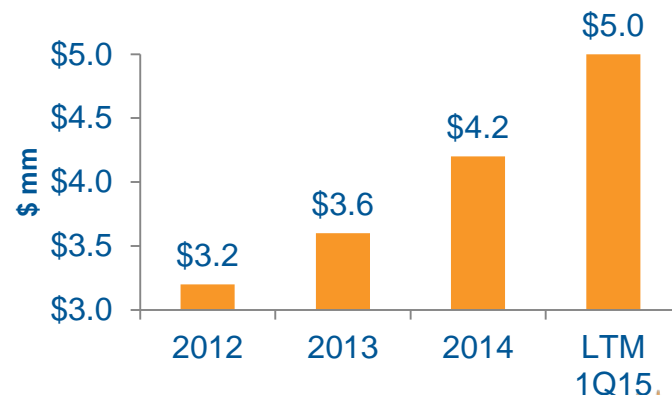
Net debt



Adjusted EBITDA



Adj EBITDA per AC



See reconciliation tables

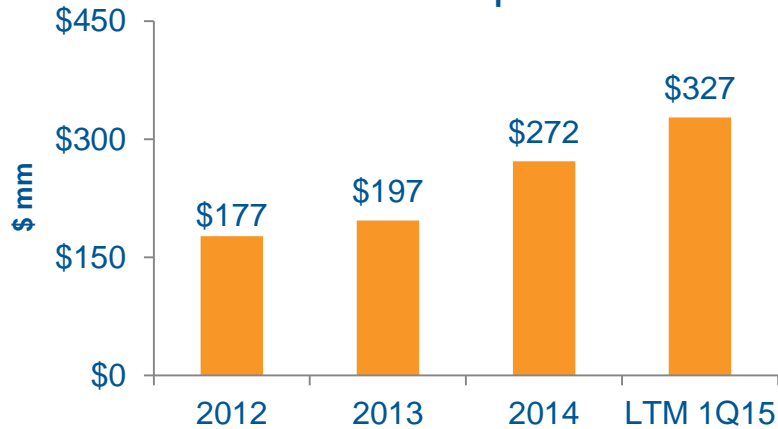
Net debt is end of period

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

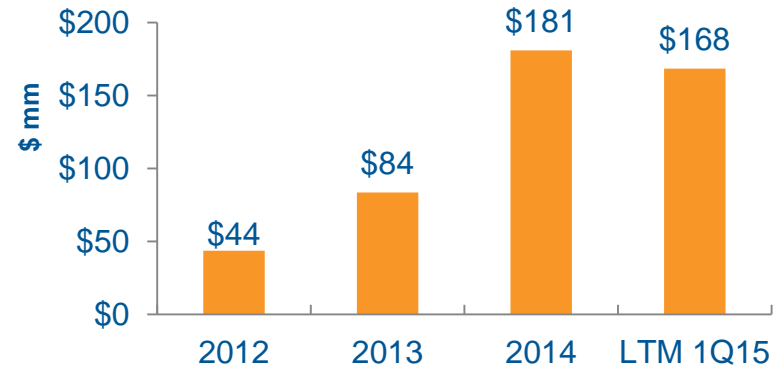


Sources/uses of cash

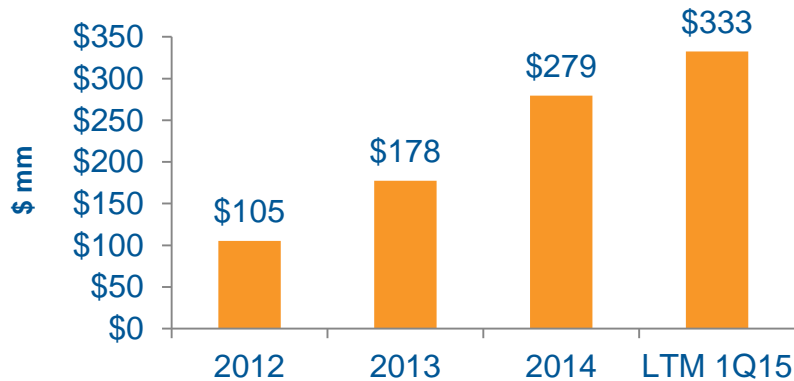
Cash from operations



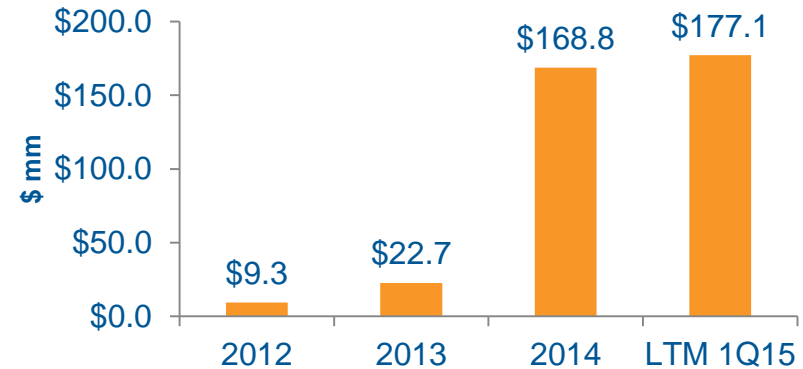
Returning cash to shareholders



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

Capitalization structure

	Actual 3/31/15 (MM USD)	Debt to LTM Adj EBITDAR	Rate	Maturity
Unrestricted cash	438.0			
LTM Adjusted EBITDAR	353.4			
Secured by AC	36.0		L + 2.95%	Apr 2018
Secured by AC	126.9		L + 3.08%	May 2018
Secured by AC	32.7		L + 2.95%	May 2018
Secured by AC	34.6		L + 3.99%	Oct 2018
Secured by real estate	9.6		2.86%	Oct 2018
Secured by AC	40.1		L + 2.46%	Nov 2019
Secured by real estate	7.5		2.86%	Mar 2020
Secured by AC	<u>30.0</u>		L + 1.70%	Mar 2020
Total secured debt	317.4	0.9x		
Senior notes	<u>300</u>		5.5%	Jul 2019
Total debt	617.4	1.7x		
7x LTM aircraft rent	<u>50.6</u>			
Adjusted debt	668.0	1.9x		

