

Management Presentation

February 2016



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 52 quarters ⁽¹⁾
 - 2015 EBITDA \$469.6mm ⁽²⁾
 - 2015 Return on Capital 25.6%⁽²⁾

- Strong balance sheet
 - Rated BB and Ba3⁽³⁾
 - Adjusted debt/ EBITDAR 1.4x⁽²⁾
 - \$190mm returned to shareholders in 2015
 - \$54 mm in share repurchase authority as of 1/27/16
 - 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

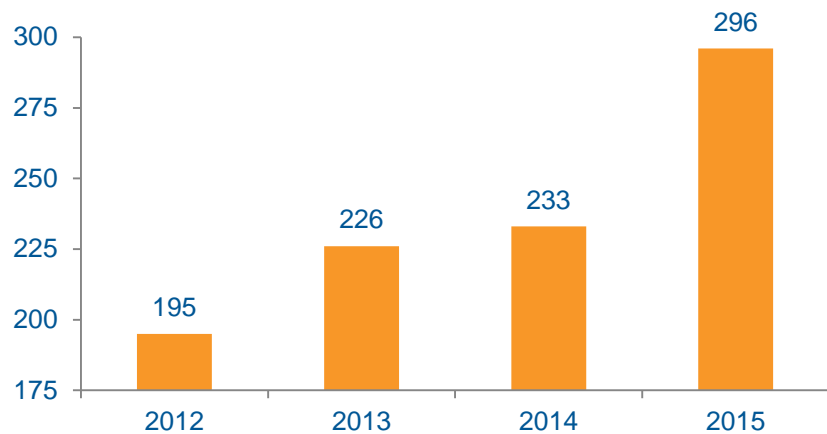
Bundled packages

Highly profitable

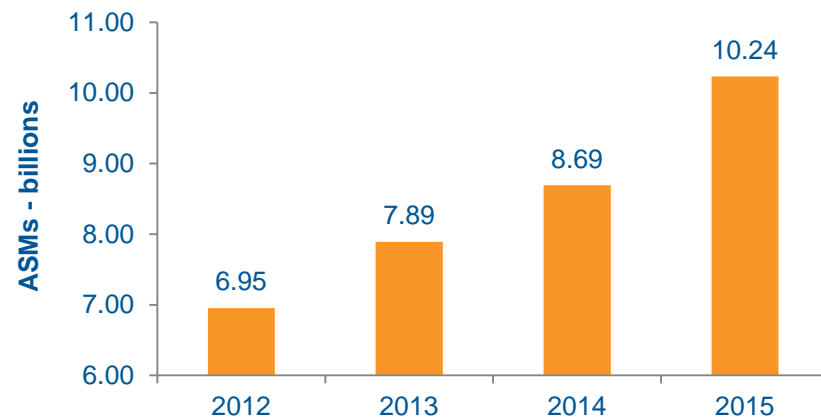


Measured, profitable growth

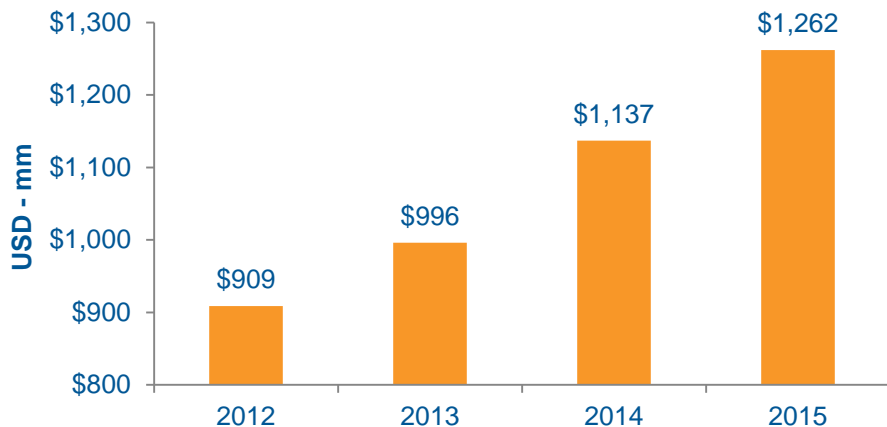
Routes



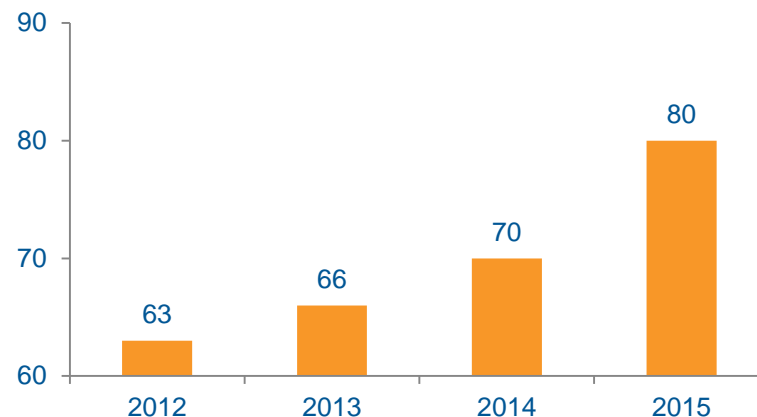
Scheduled ASMs



Total revenue



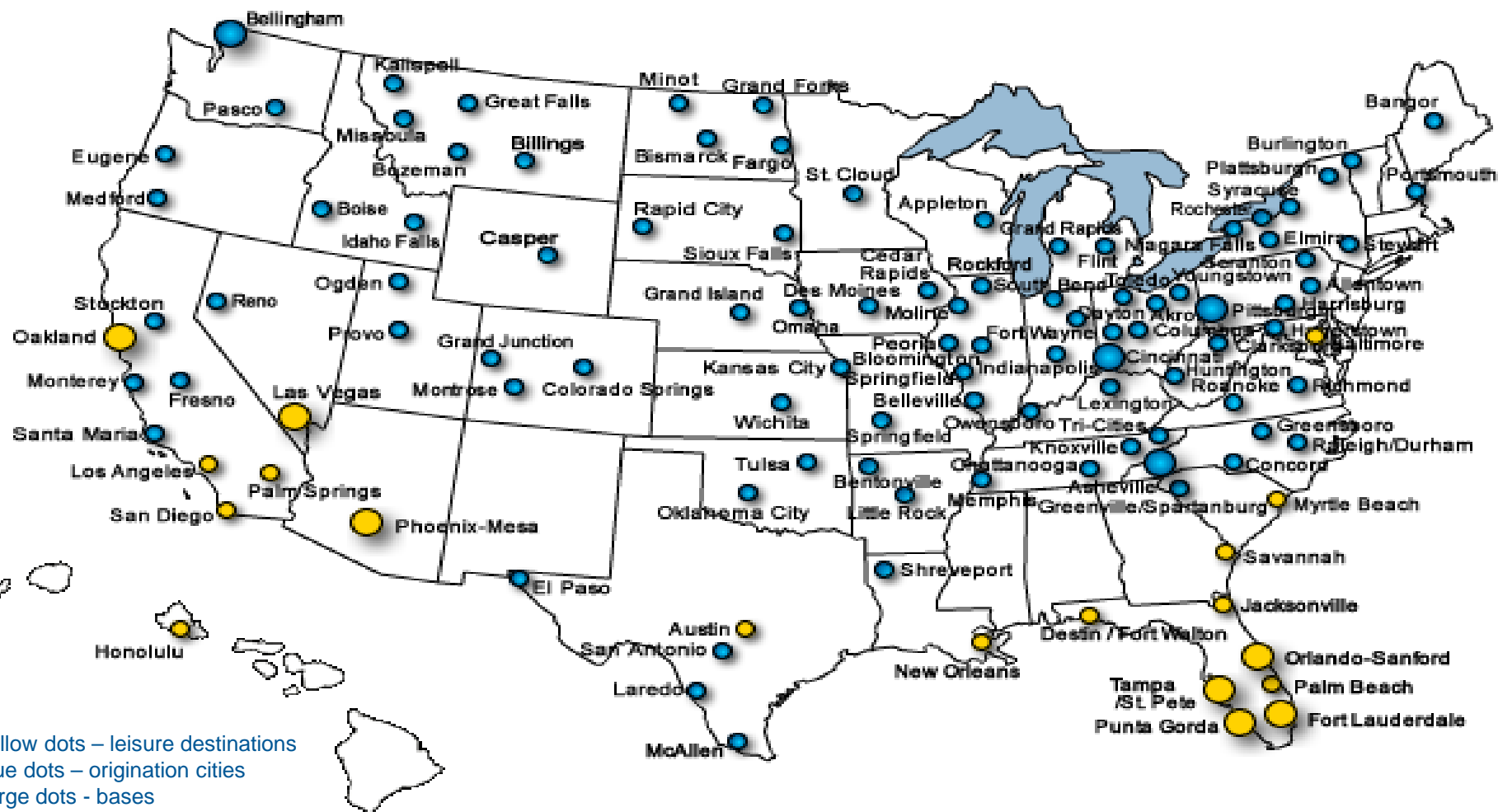
Aircraft in service



Aircraft number and routes are end of period



A very large niche



Based on current published schedule through August 16, 2016

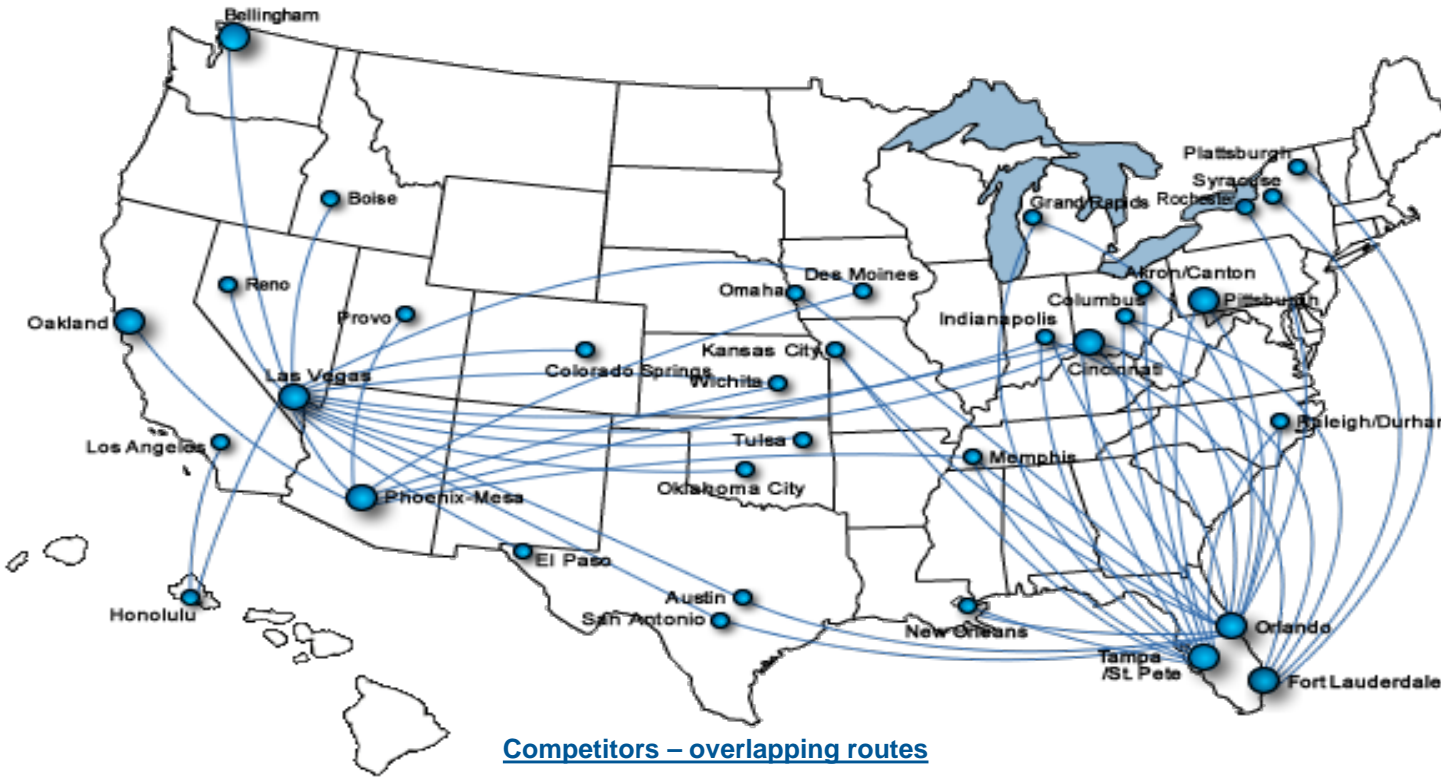
322 routes, 83 operating aircraft

92 small/medium cities, 19 leisure destinations

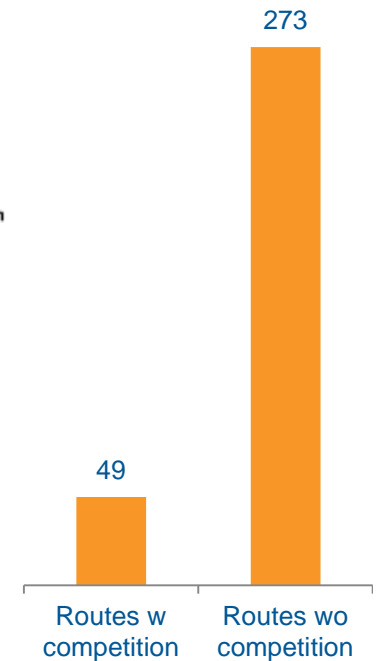


Little competition

Uniquely built to profitably operate in underserved markets



Current competitive landscape



Competitors – overlapping routes

| | |
|-----------------------------|----|
| Legacy carriers | 48 |
| Brand / lower cost carriers | 6 |
| ULCC carriers | 14 |

Based on current published schedule through August 16, 2016, announcements and cancellations as of January 12, 2016

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

ULCC carriers – Frontier, Spirit

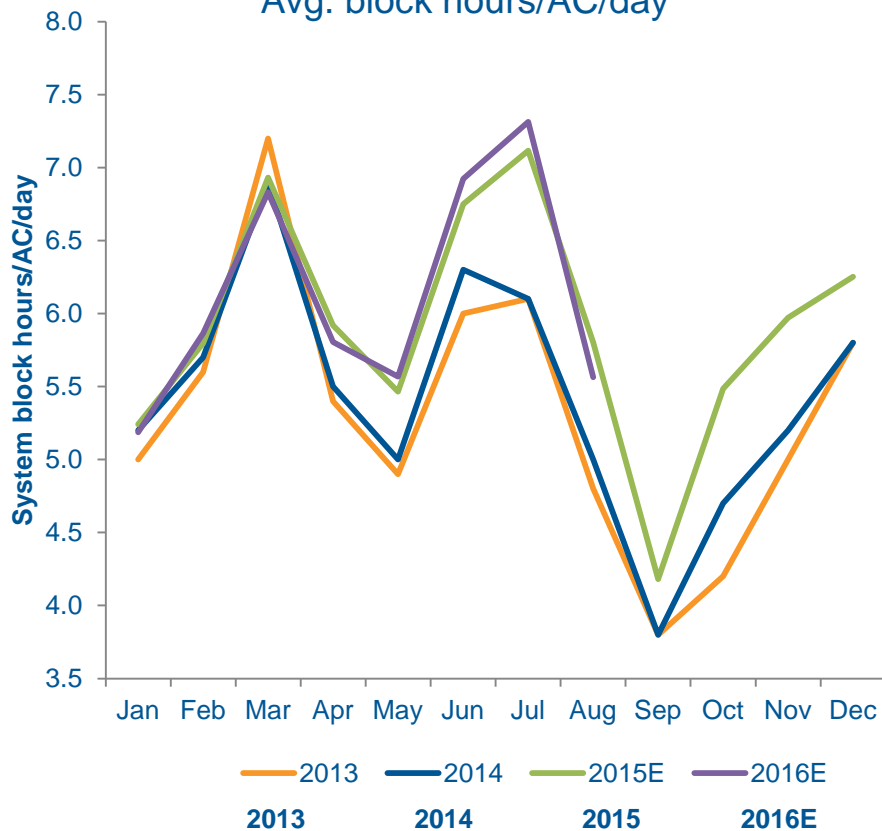
Competitive routes are those that have non-stop flights between similar markets



Low frequency model

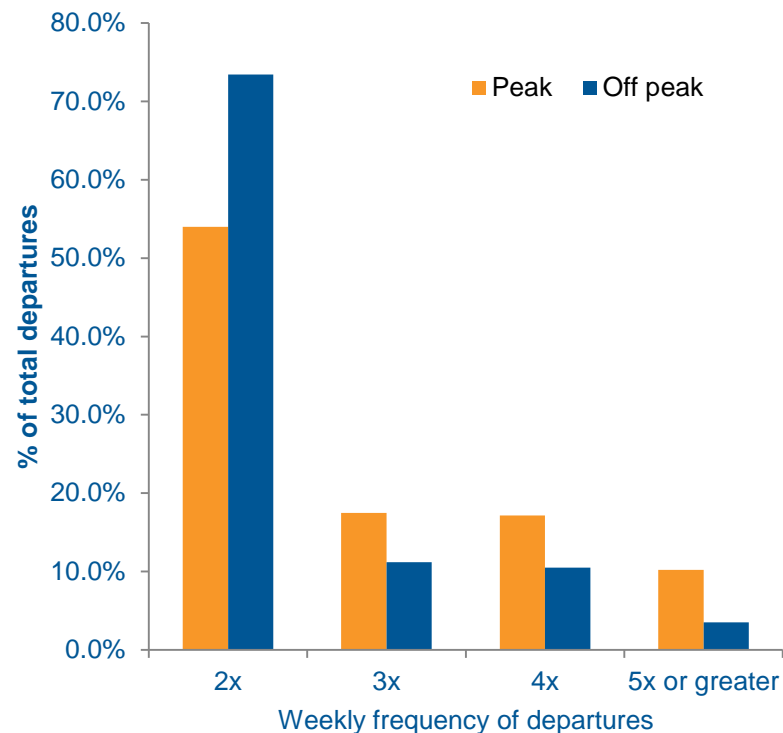
Leisure = seasonality

Avg. block hours/AC/day



Small cities = low frequency⁽¹⁾

Weekly market frequency



Aircraft - ²

2013 2014 2015 2016E

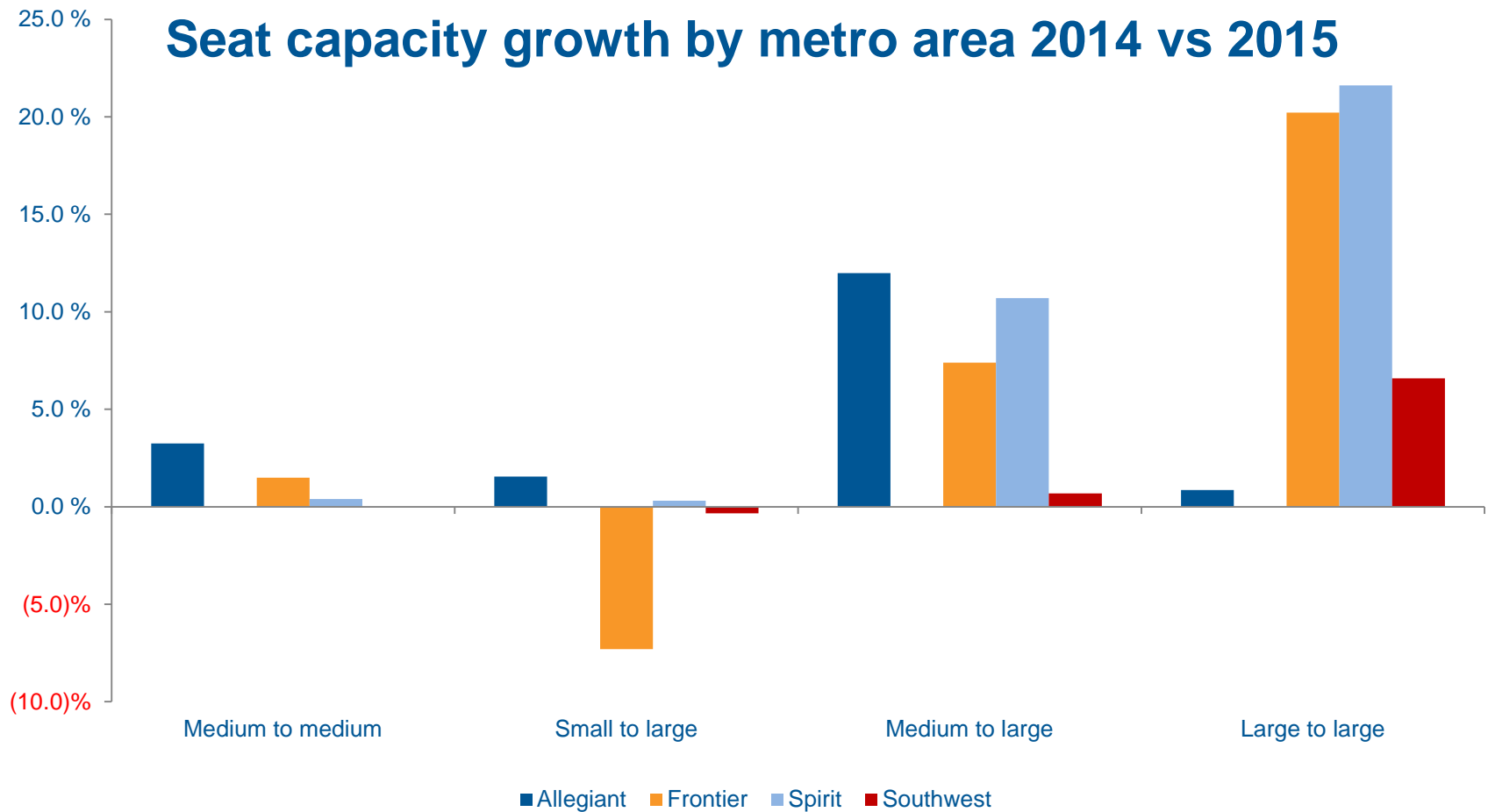
66 70 80 84

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 – Aircraft are end of year



Medium and small markets still underserved



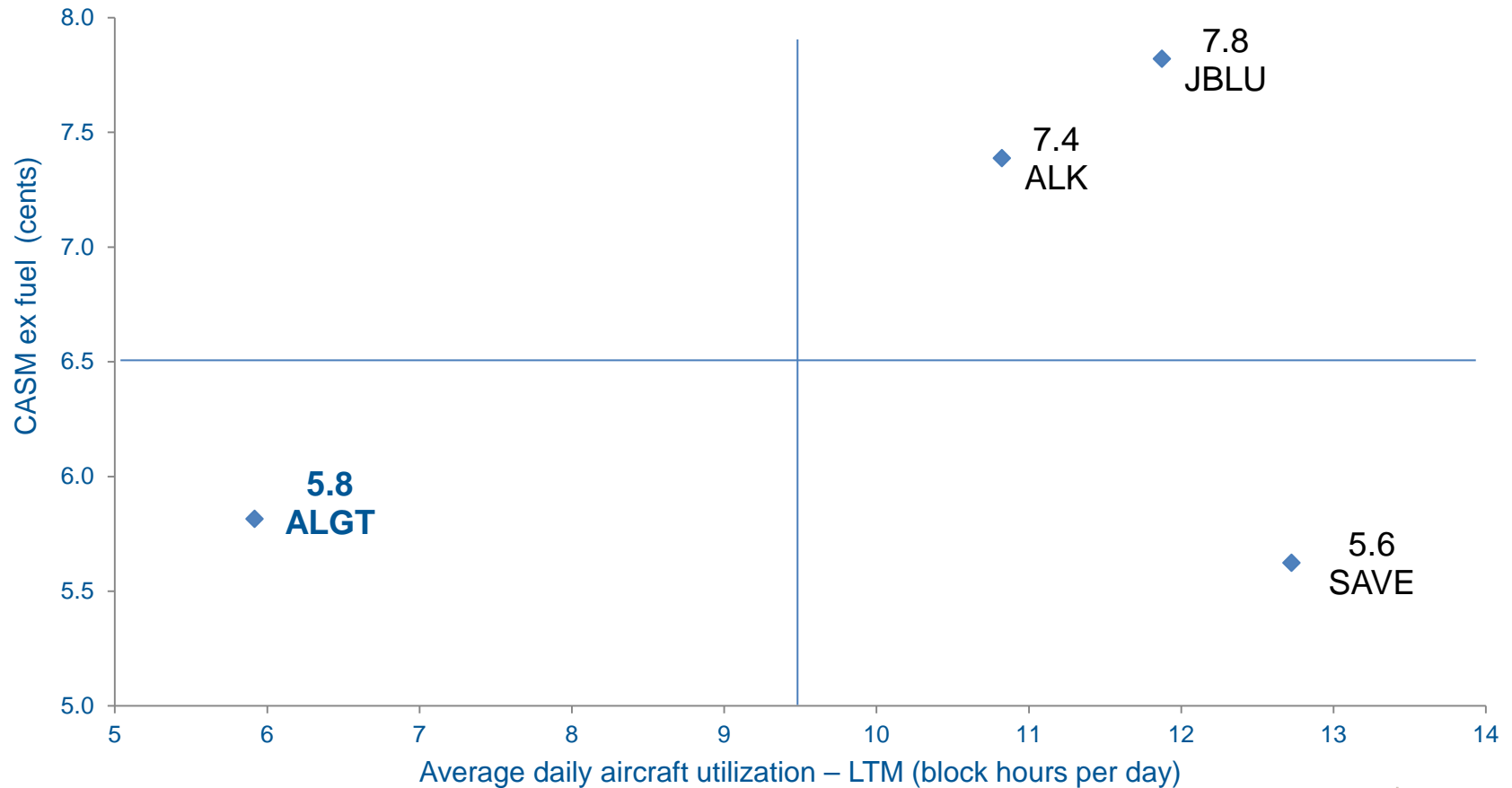
Categories (sorted by passengers per day each way and adjusted for alternate airports):

- 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



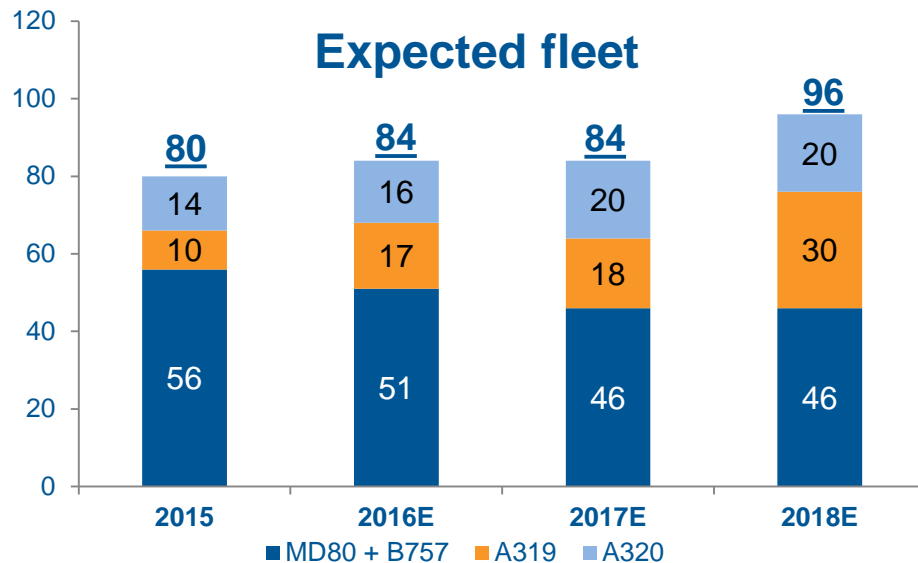
As of 2015, ALGT – Allegiant, JBLU – JetBlue, ALK – Alaska mainline.
As of LTM Q315 SAVE – Spirit



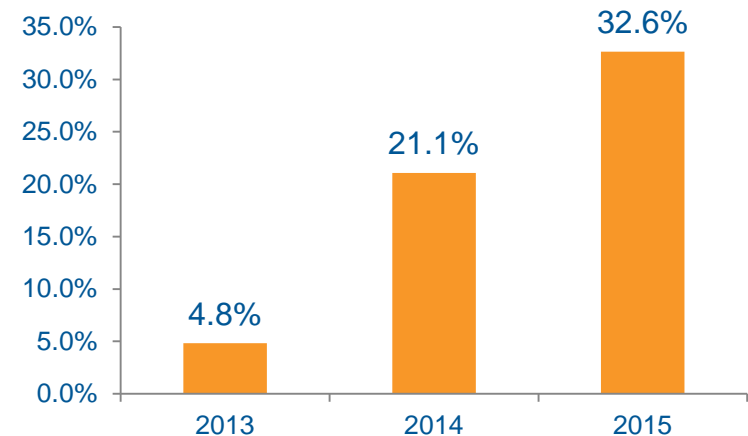
Airbus

- 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 maintenance expense is expected to be between \$115 and \$125 thousand per aircraft per month
 - Expect 19 more maintenance events than completed 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 subject to change

Total ownership includes both depreciation expense and aircraft lease rental expense

Maintenance events include both airframe and engine events



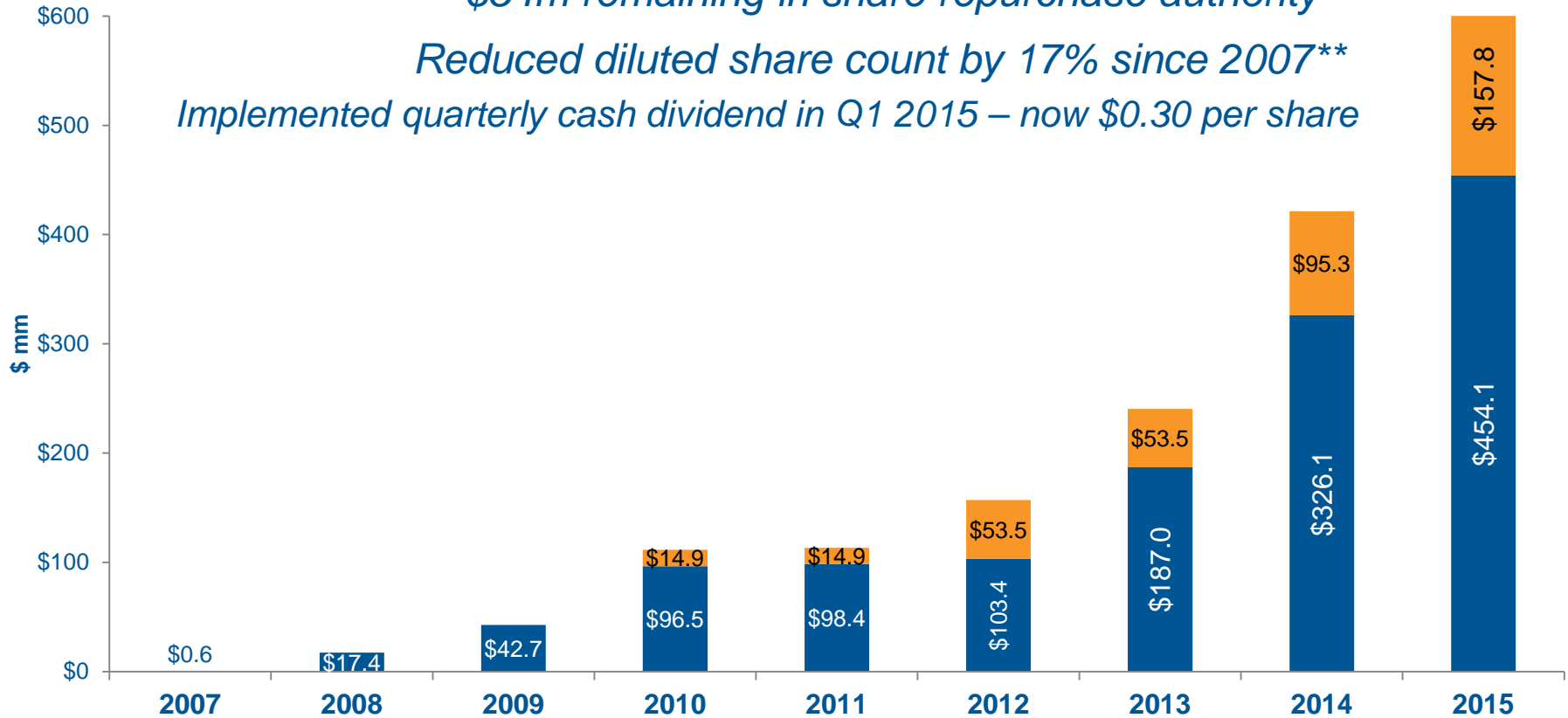
Cumulative return to shareholders

\$612m returned to shareholders since 2007

\$54m remaining in share repurchase authority*

Reduced diluted share count by 17% since 2007**

Implemented quarterly cash dividend in Q1 2015 – now \$0.30 per share



* - As per announcement on January 27, 2016

** - Diluted share count in 2007 was 20.5m, share count for 2015 was 17.0m

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

Does not include \$28m special dividend declared in 2015 and paid in January 2016

■ Share repurchases ■ Dividends



Existing guidance

- 1Q16 TRASM (13) to (11)% vs 1Q15
- 1Q16 CASM ex fuel (4) to (2)% vs 1Q15
- FY16 CASM ex fuel 0 to 4% vs 1Q15
- 1Q16 Fixed fee + other revenue \$11mm to \$13mm
- FY16 CAPEX \$188mm

| | 1st Quarter 2016 | 2nd Quarter 2016 | Full year 2016 |
|----------------------|------------------------------------|------------------------------------|-----------------------|
| System departures | 14 to 18% | 13 to 17% | |
| System ASMs | 15 to 19% | 12 to 16% | 12 to 16% |
| Scheduled departures | 14 to 18% | 13 to 17% | |
| Scheduled ASMs | 15 to 19% | 12 to 16% | 12 to 16% |

Guidance subject to change



Appendix

GAAP reconciliation

Adjustment for special item

| \$mm – except per share amounts | 2014 |
|---|---------------|
| Net income as reported | 86.3 |
| + Add provision for income taxes, as reported | <u>50.8</u> |
| Income before income taxes as reported | 137.1 |
| + Other expense | <u>20.2</u> |
| Operating income | 157.3 |
| + Boeing 757 fleet write down | <u>43.3</u> |
| Adjusted operating income | 200.6 |
| - Other expense | <u>20.2</u> |
| Adjusted pre-tax income | 180.4 |
| - Provision for income tax | <u>66.8</u> |
| Adjusted net income | 113.6 |
| + Net loss attributable to noncontrolling interest | <u>(0.4)</u> |
| Adjusted net income attributable to Allegiant Travel Co | 113.2 |
| Diluted shares (millions) | <u>17.8</u> |
| Earnings per share as adjusted for special item | \$6.36 |
| Total revenue | 1,137.0 |
| Adjusted operating margin | 17.6% |
| Adjusted EBITDA margin | 25.2% |



GAAP reconciliation

| EBITDA calculations | | | | |
|---|--------------------|--------------|--------------|--------------|
| \$mm | 2015 | 2014 | 2013 | 2012 |
| Net Income attributable to Allegiant Travel Co. | 220.4 | 86.7 | 92.3 | 78.6 |
| +Total comprehensive income (loss) | (.4) | 1.2 | .1 | 0 |
| +Provision for Income Taxes | 126.4 | 50.8 | 54.9 | 46.2 |
| +Other Expenses ¹ | 25.1 | 20.4 | 8.5 | 7.7 |
| +Depreciation and Amortization | 98.1 | 83.4 | 69.3 | 57.5 |
| =EBITDA | 469.6 | 242.5 | 225.1 | 190.0 |
| + Write down of Boeing 757 fleet | | 43.3 | | |
| =Adjusted EBITDA | | 285.8 | | |
| + Aircraft lease rental | 2.3 | 15.9 | 9.2 | 0 |
| =EBITDAR | 471.9 | 301.7 | 234.3 | 190.0 |
| Total debt | 641.7 ² | 593.1 | 234.3 | 150.9 |
| +7 x annual aircraft lease rent | <u>16.1</u> | <u>111.3</u> | <u>64.4</u> | <u>0</u> |
| Adjusted total debt | 657.8 | 704.4 | 298.7 | 150.9 |
| =Adjusted Debt to EBITDAR | 1.4x | 2.3x | 1.3x | 0.8x |
| Average # of in service aircraft in period | 74 | 69 | 63 | 60 |
| =EBITDA per aircraft | 6.3 | 4.1 | 3.6 | 3.2 |
| Interest expense | 26.5 | 21.2 | 9.5 | 8.7 |
| = Interest coverage | 17.7x | 13.5x | 23.7x | 21.8x |

1- Ex unconsolidated affiliate earnings

2 - Prior to 2015, total debt does not include debt issuance costs reclassification per GAAP guidance update
2014 EBITDA and subsequent calculations are adjusted to exclude a one time write-down of \$43.3m



GAAP reconciliation

Return on equity

| \$mm | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|-------|-------|------|------|------|
| Net Income attributable to Allegiant Travel Co. | 220.4 | 113.2 | 92.3 | 78.6 | 49.4 |

| | Dec 2015 | Dec 2014 | Dec 2013 | Dec 2012 | Dec 2011 |
|---------------------------|------------|------------|------------|------------|------------|
| Total shareholders equity | 350.0 | 294.1 | 377.3 | 401.7 | 351.5 |
| Return on equity | 68% | 34% | 24% | 21% | 15% |

ROE = Net income / Avg shareholders equity

2014 net income calculation found on Adjustment for special item GAAP reconciliation table



GAAP reconciliation

Return on capital employed calculation

| \$mm | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|----------------------|--------------|--------------|--------------|--------------|
| + Net income attributable to Allegiant Travel Co. | 220.4 | 113.2 | 92.3 | 78.6 | 49.4 |
| + Income tax | 126.4 | 66.8 | 54.9 | 46.2 | 30.1 |
| + Interest expense | 26.5 | 21.2 | 9.5 | 8.7 | 7.2 |
| - Interest income | 1.4 | 0.8 | 1.0 | 1.0 | 1.2 |
| | 371.9 | 200.4 | 155.7 | 132.5 | 85.5 |
| + Interest income | 1.4 | 0.8 | 1.0 | 1.0 | 1.2 |
| Tax rate | 36.5% | 37.1% | 37.4% | 37.1% | 37.9% |
| Numerator | 237.0 | 126.6 | 98.1 | 84.0 | 53.9 |
| Total assets prior year | 1,235.1 ¹ | 930.2 | 798.2 | 706.7 | 501.3 |
| - Current liabilities prior year | 362.0 ¹ | 290.7 | 210.5 | 177.5 | 166.6 |
| + ST debt of prior year | 52.6 ¹ | 20.2 | 11.6 | 7.9 | 16.5 |
| Denominator | 925.7 | 659.7 | 599.3 | 537.1 | 351.2 |
| = Return on capital employed | 25.6% | 19.2% | 16.4% | 15.6% | 15.3% |

¹ - Prior to 2015, total debt does not include debt issuance costs reclassification per GAAP guidance update
2014 net income calculation found on Adjustment for special item GAAP reconciliation table



GAAP reconciliation

Free cash flow calculations

| \$mm | 2015 | 2014 | 2013 | 2012 | 2011 |
|-------------------------|--------------|--------------|-------------|-------------|-------------|
| Cash from operations | 365.4 | 269.8 | 196.9 | 176.8 | 129.9 |
| - Cash CAPEX | 252.7 | 279.4 | 177.5 | 105.1 | 86.6 |
| = Free cash flow | 112.7 | (9.6) | 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 | Dec 2015 | Dec 2014 | Dec 2013 | Dec 2012 | Dec 2011 |
| Current maturities of long term debt | 74.1 | 53.8 | 20.2 | 11.7 | 7.9 |
| Long term debt, net of current maturities | 567.6 | 539.3 | 214.1 | 139.2 | 138.1 |
| Total debt ¹ | 641.7 | 593.1 | 234.3 | 150.9 | 146.0 |
| Cash and cash equivalents | 87.1 | 89.6 | 97.7 | 89.6 | 150.7 |
| Short term investments | 245.6 | 269.8 | 253.4 | 239.1 | 154.8 |
| Long term investments | 64.8 | 57.4 | 36.0 | 24.0 | 14.0 |
| Total cash | 397.5 | 416.8 | 387.1 | 352.7 | 319.5 |
| = Net debt | \$244.2 | \$176.3 | (\$152.8) | (\$201.8) | (\$173.5) |

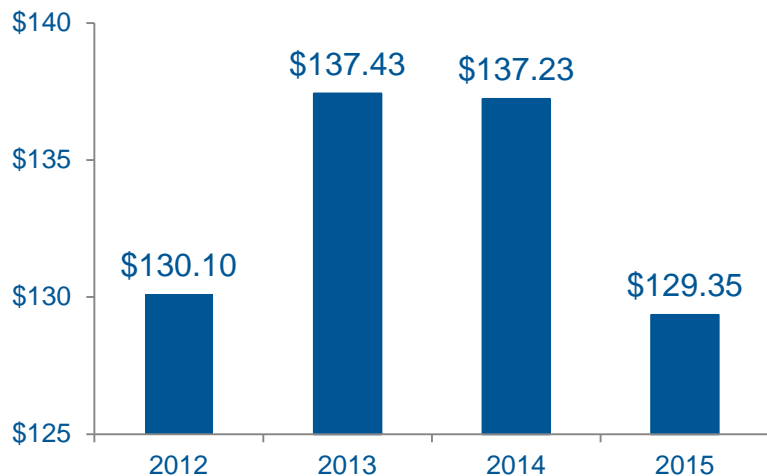
End of period

1 - Prior to 2015, total debt does not include debt issuance costs reclassification per GAAP guidance update

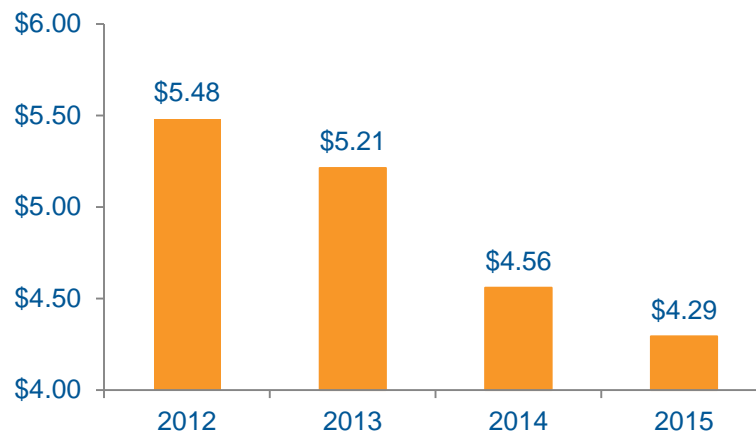


Revenue components

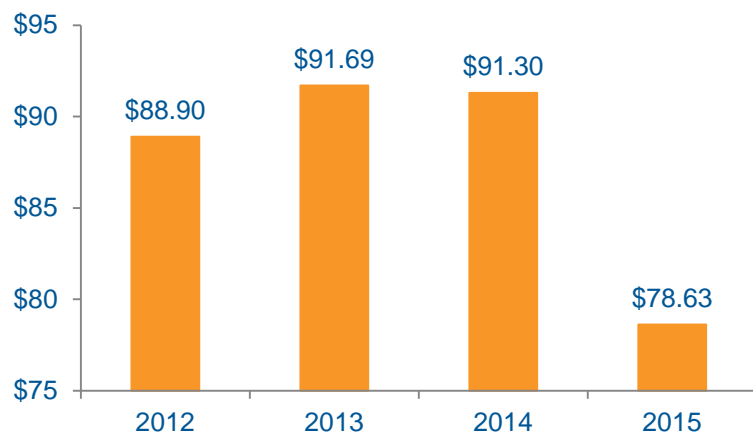
Average fare - total



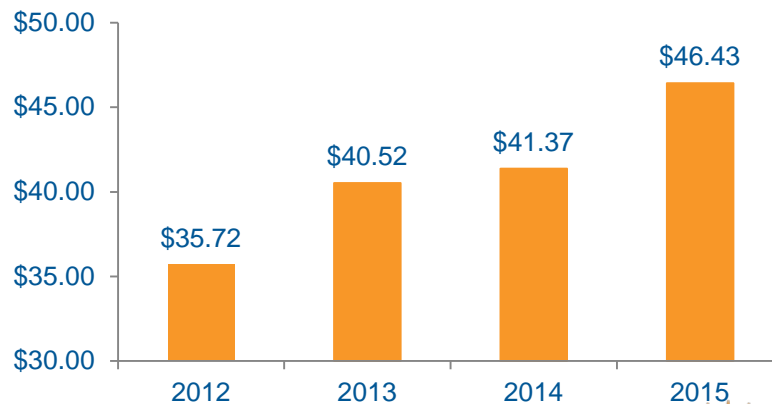
Average fare - ancillary third party products



Average fare - scheduled service



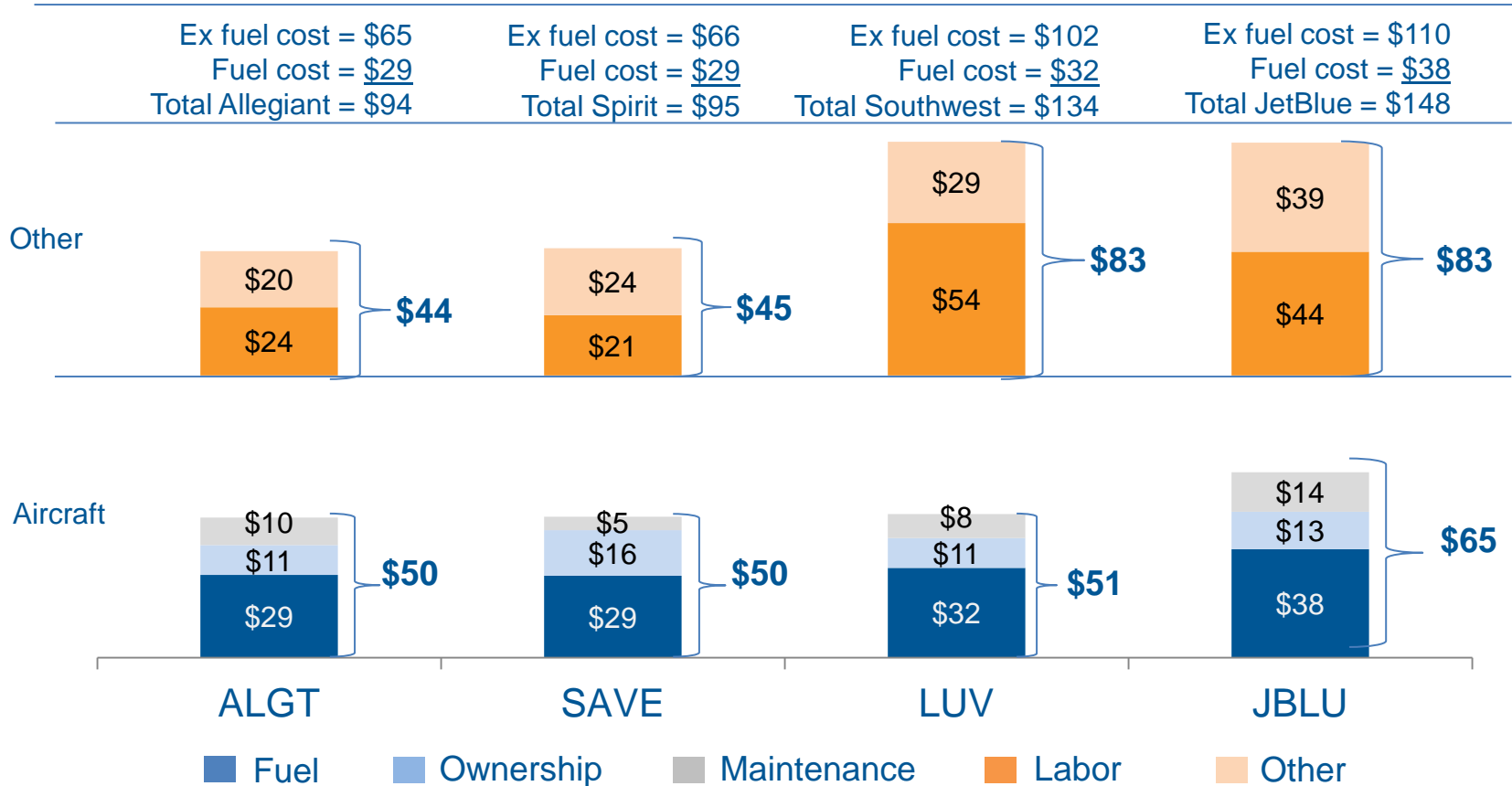
Average fare - ancillary air-related charges



All revenue is revenue per scheduled passenger

Low cost drivers

2015 cost per passenger

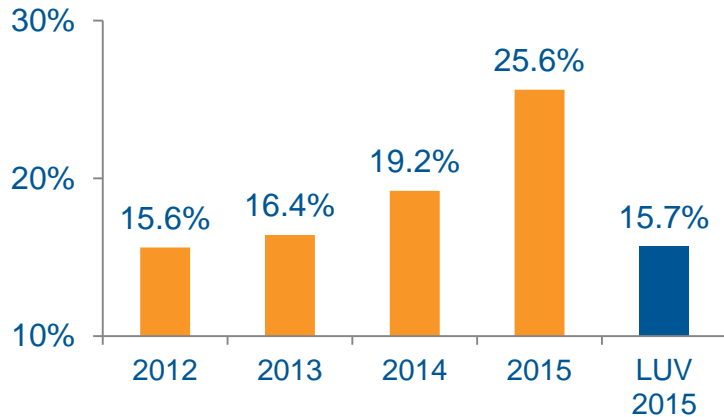


Source: Company filings
 Ownership includes depreciation & amortization + aircraft rent
 Other excludes special items and one-time charges for other carriers
 SAVE – as of LTM 3Q15

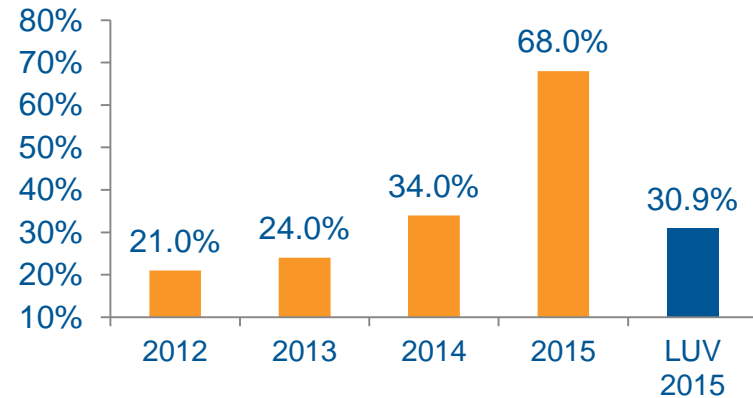


Credit metrics

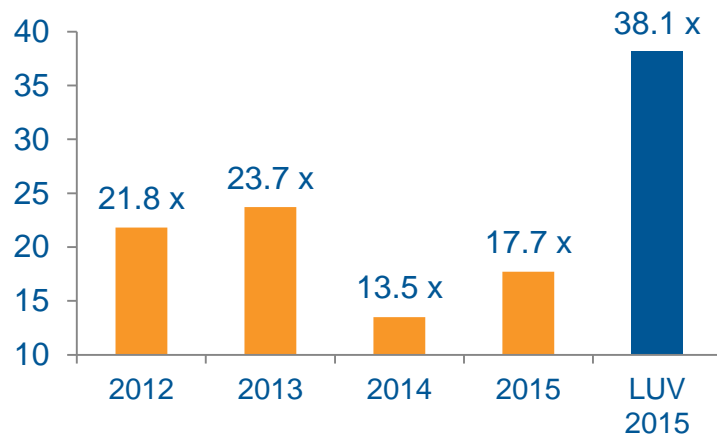
Return on capital employed



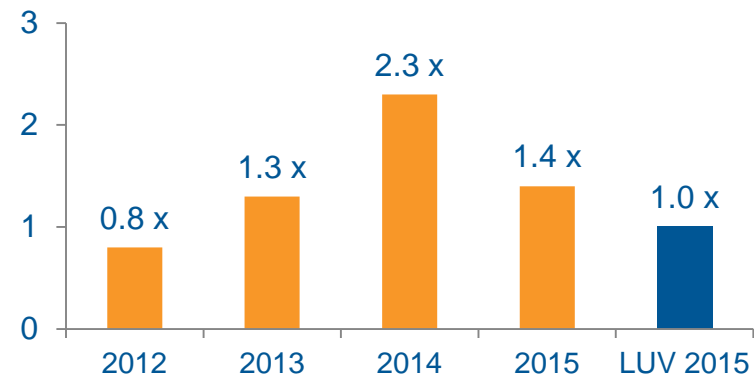
Return on equity



Interest coverage



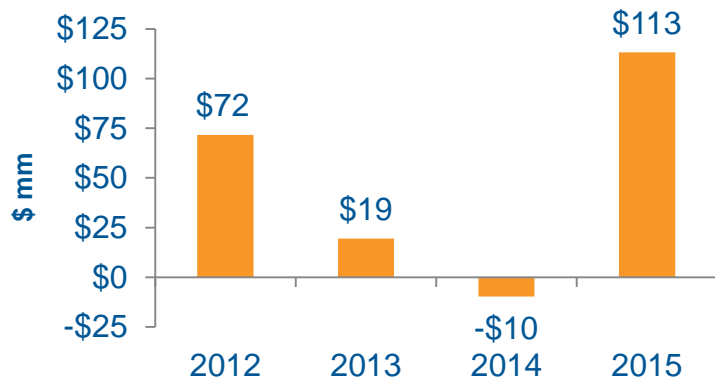
Adjusted Debt / EBITDAR



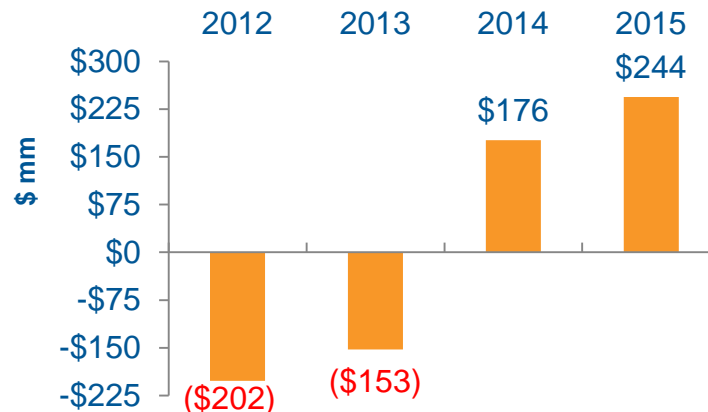
LUV = Southwest Airlines, based on published information
Please see GAAP reconciliation table in appendix for calculation
2014 EBITDAR refers to an adjusted amount found in EBITDA tables in appendix

Strong cash generation

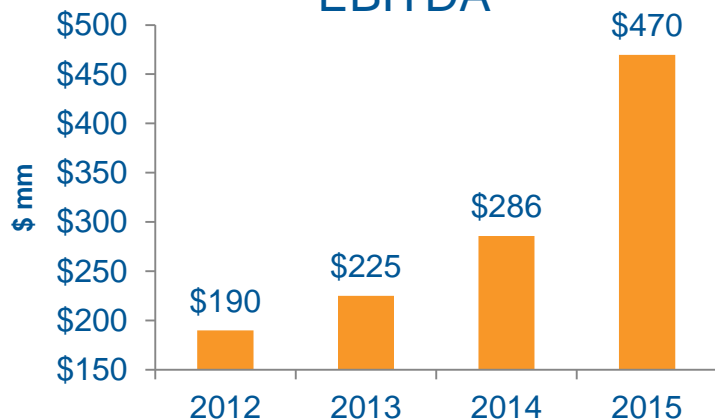
Free cash flow



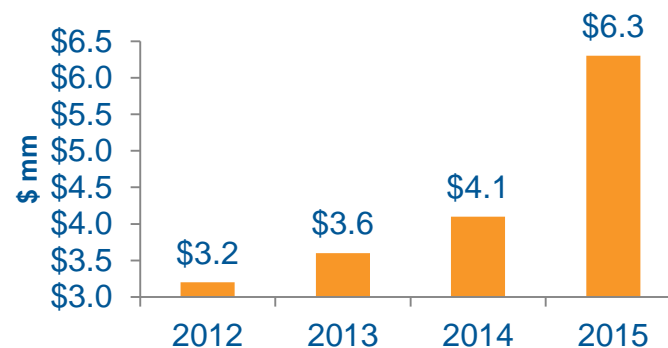
Net debt



EBITDA



EBITDA per AC



2014 EBITDA is adjusted for 757 write-down. See reconciliation tables for calculation

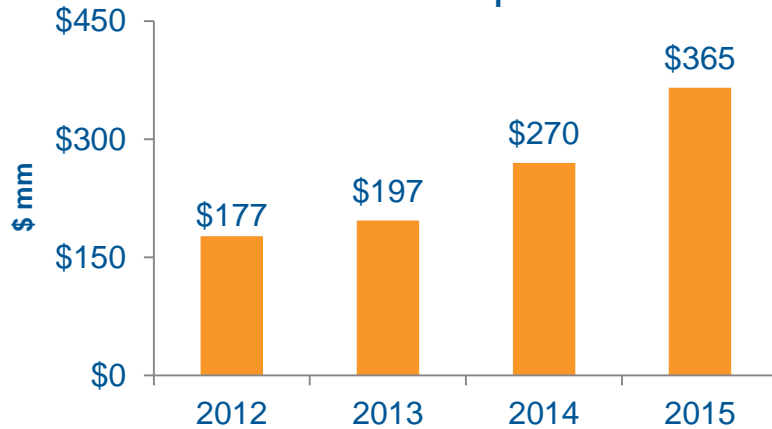
Net debt is end of period

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

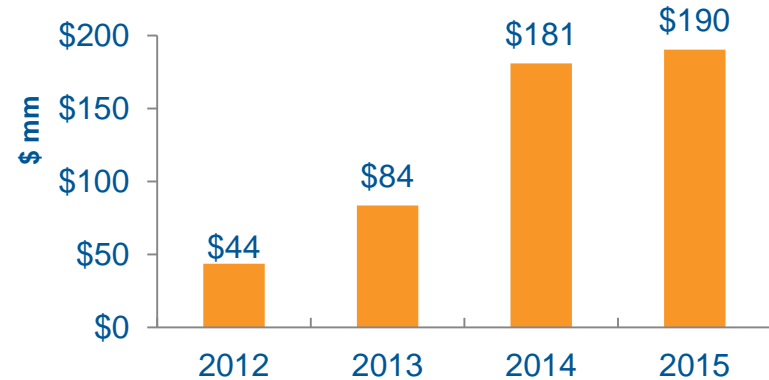


Sources/uses of cash

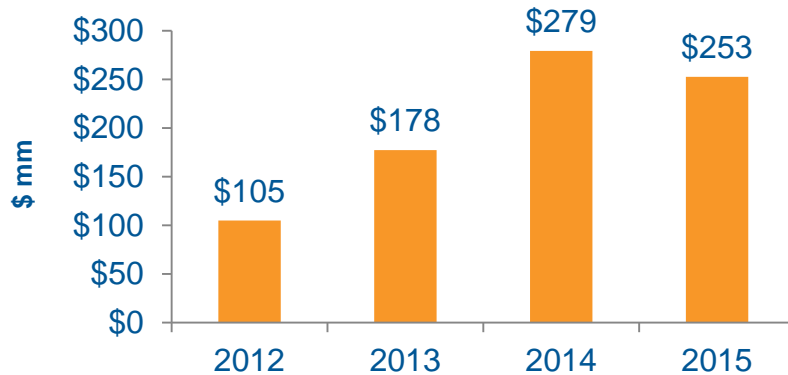
Cash from operations



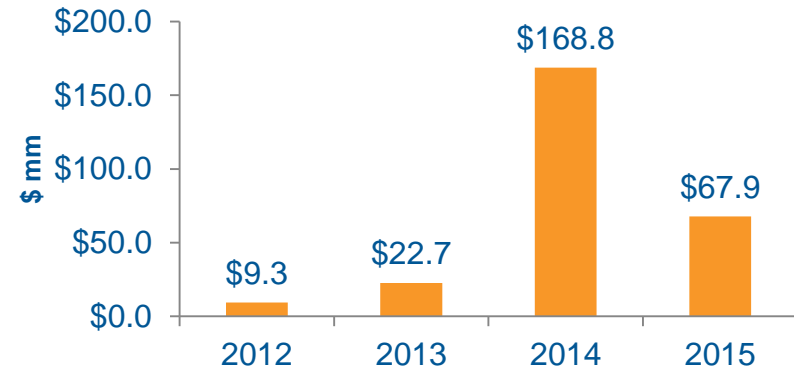
Returning cash to shareholders



CAPEX



Debt payments



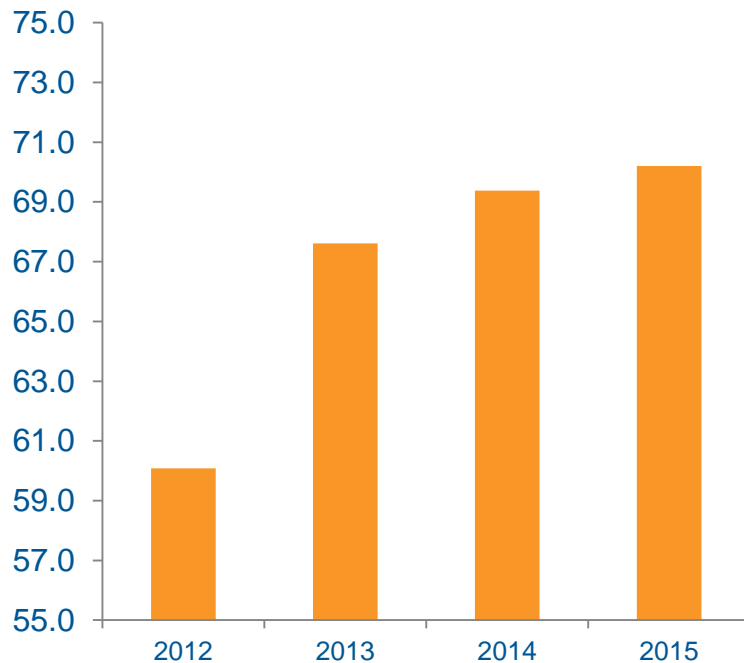
2014 CAPEX is cash CAPEX and does not include \$142m in assumed debt included in the \$236.1m SPC Aircraft Acquisition closed in June 2014

Airbus growth will help improve fuel burn

■ Fuel has greatest leverage to earnings

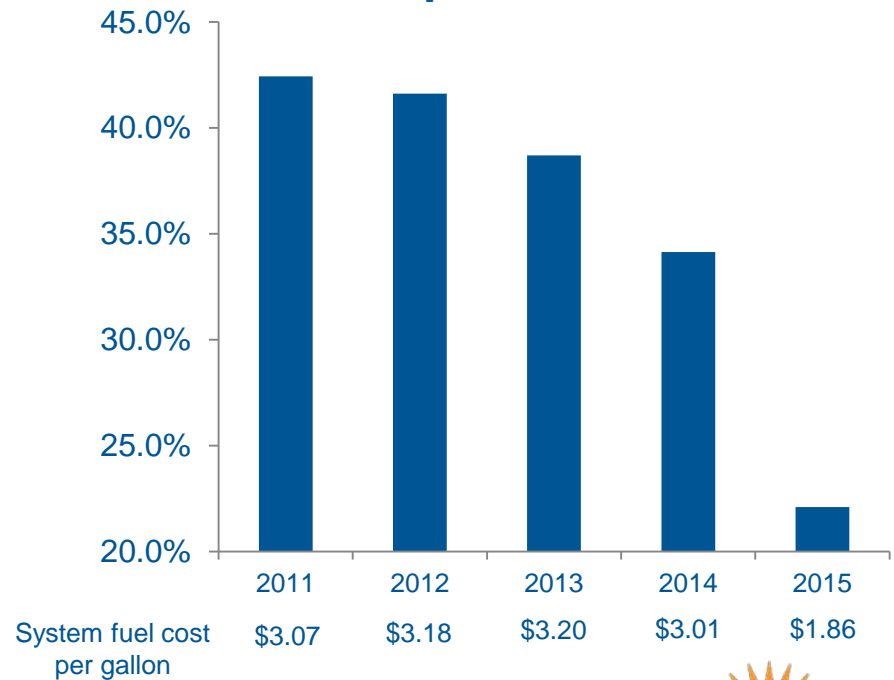
- Fuel ~ 31% of total operating expense⁽¹⁾
- Airbus aircraft flew 33% of 2015 scheduled block hours

Historical ASMs/gallon



1 - As of 2015

Fuel expense/total revenue



Capitalization structure

| | Actual 12/31/15 (MM USD) | Debt to LTM EBITDAR | Rate | Maturity |
|---------------------------|-----------------------------|------------------------|-----------|----------|
| Unrestricted cash | 397.5 | | | |
| LTM EBITDAR | 471.9 | | | |
| Secured by AC | 26.5 | | L + 2.95% | Apr 2018 |
| Secured by AC | 112.7 | | L + 3.08% | May 2018 |
| Secured by AC | 21.5 | | L + 2.95% | May 2018 |
| Secured by AC | 27.4 | | 3.99% | Oct 2018 |
| Secured by real estate | 9.4 | | 2.86% | Oct 2018 |
| Secured by AC | 34.7 | | L + 2.46% | Nov 2019 |
| Secured by real estate | 7.3 | | 2.86% | Mar 2020 |
| Secured by AC | 25.6 | | L + 1.70% | Mar 2020 |
| Secured by AC | 23.8 | | L + 1.70% | Jun 2020 |
| Secured by AC | 27.4 | | L + 1.75% | Sep 2020 |
| Secured by AC | <u>27.8</u> | | L + 1.70% | Dec 2020 |
| Total secured debt | 344.1 | 0.7x | | |
| Senior notes | <u>297.9</u> | | 5.5% | Jul 2019 |
| Total debt | 642.0 | 1.4x | | |
| 7x LTM aircraft rent | <u>16.1</u> | | | |
| Adjusted debt | 658.1 | 1.4x | | |

