

Management Presentation

March 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 48 quarters ⁽¹⁾
 - 2014 Adjusted EBITDA \$285mm ⁽²⁾
 - 2014 Return on Capital 19.2%⁽²⁾

- Strong balance sheet
 - Rated BB- and Ba3⁽³⁾
 - Debt/adjusted EBITDAR 2.3x⁽²⁾
 - \$139mm in share repurchases 2014
 - \$86 mm in remaining share repurchase authority as of 1/28/15
 - 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

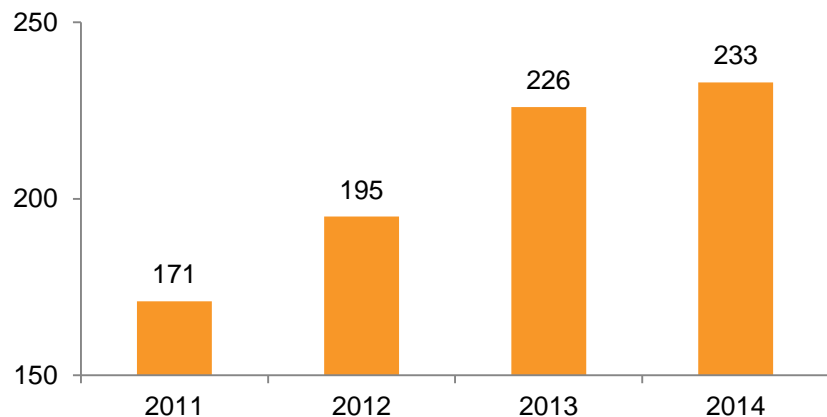
Advantages over the typical carrier

- 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

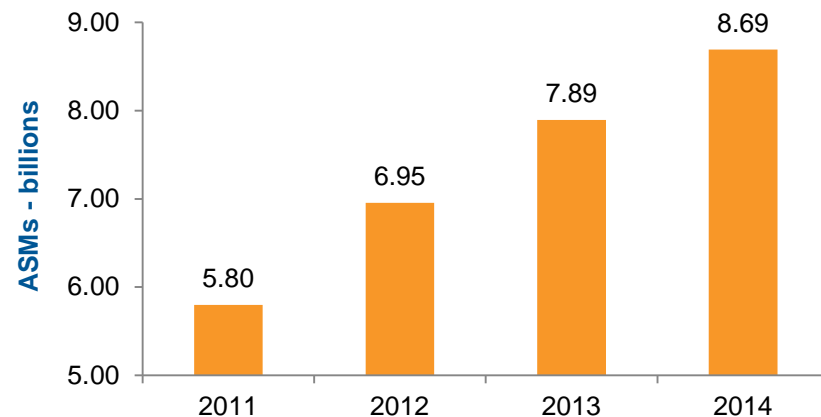
Built to be different
Leisure customer
Underserved markets
Little competition
Low cost aircraft
Low frequency/variable capacity
Unbundled pricing
Closed distribution
Bundled packages
Highly profitable

Measured, profitable growth

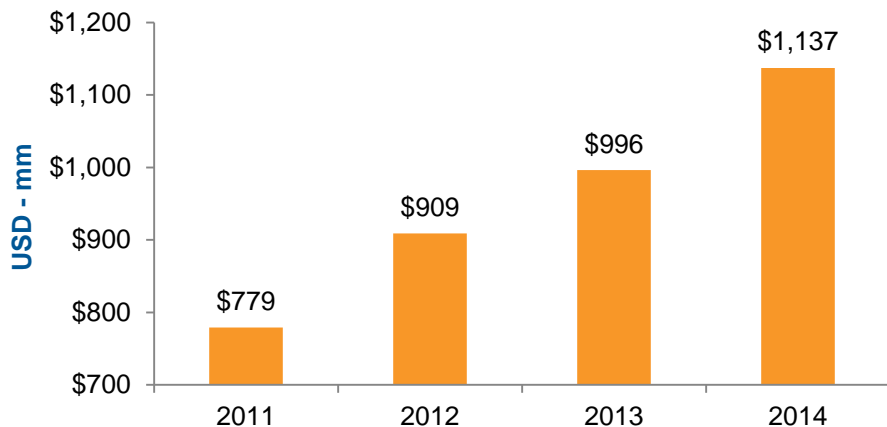
Routes



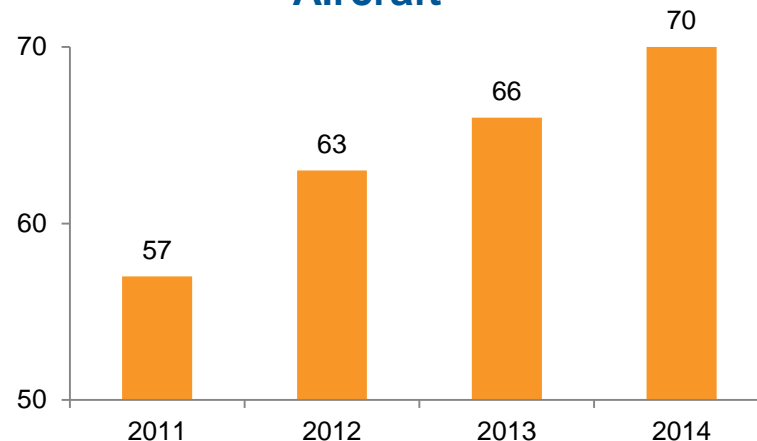
Scheduled ASMs



Total revenue



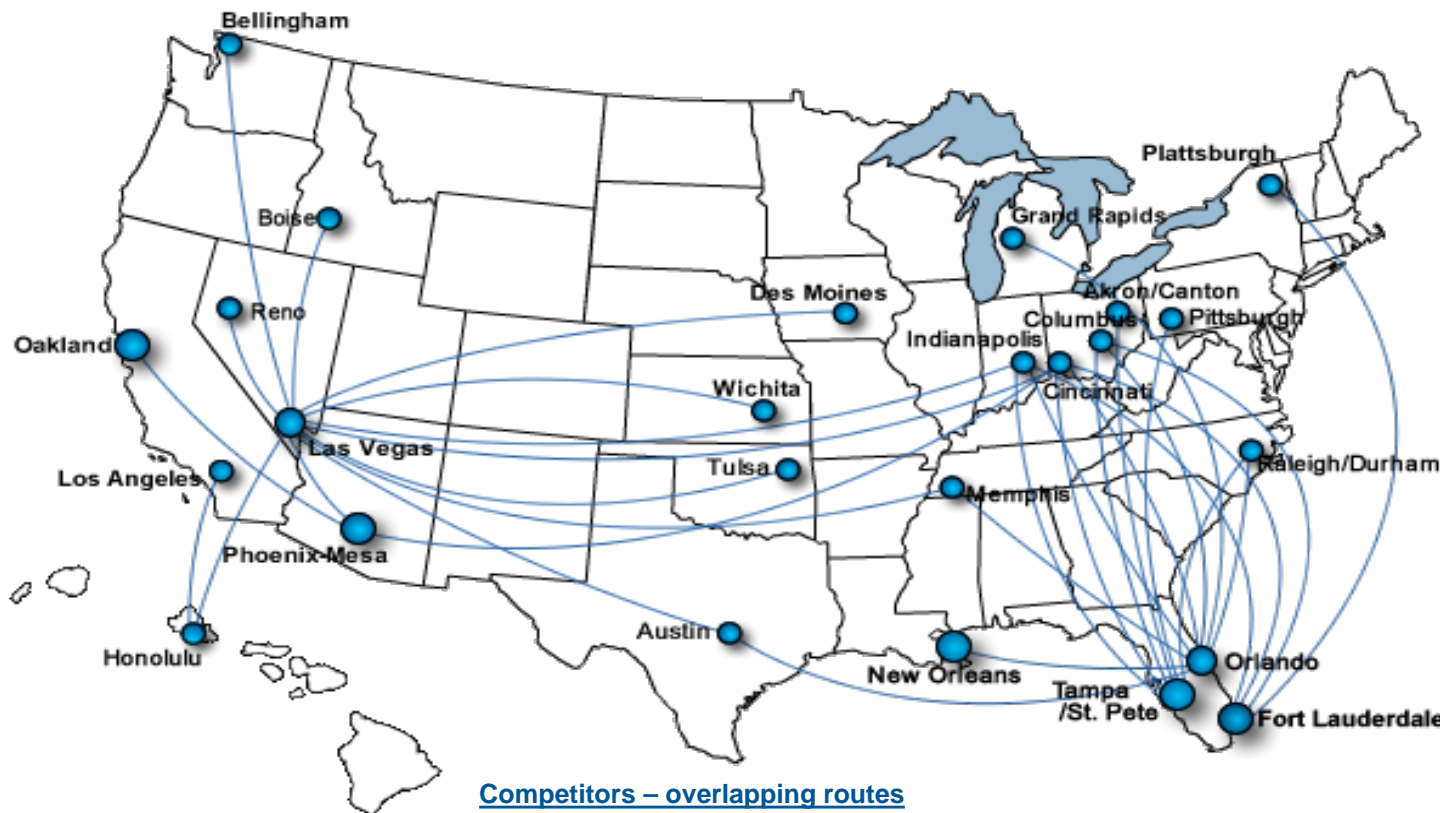
Aircraft



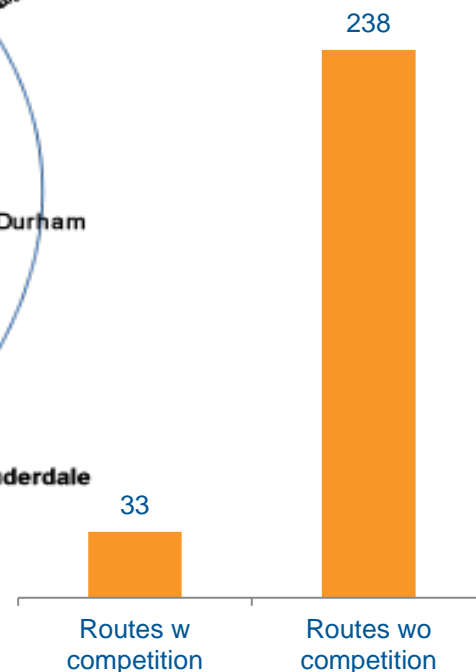
Aircraft number and routes are as of year end

Little competition

Uniquely built to profitably serve small city markets



Current competitive landscape



Competitors – overlapping routes

Frontier – 7	Spirit – 1	United – 1
Southwest – 19	US Airways - 2	Delta – 7
Hawaiian – 2	Alaska – 1	JetBlue - 1
	American - 1	

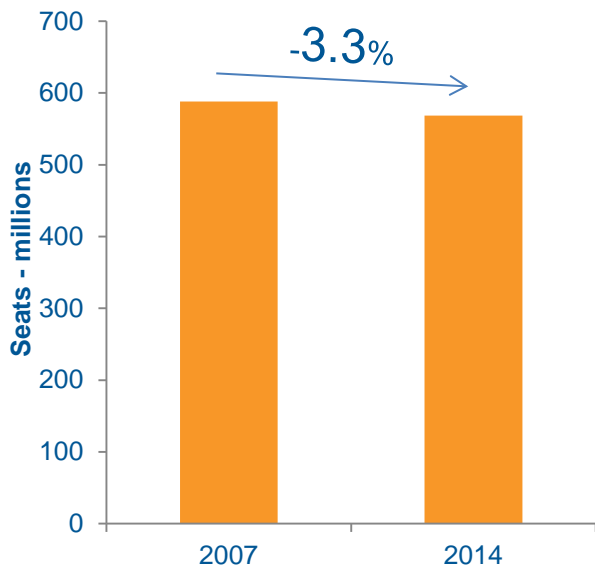
Based on current published schedule through Nov 3, 2015
Announcements and cancellations as of Feb 20, 2015



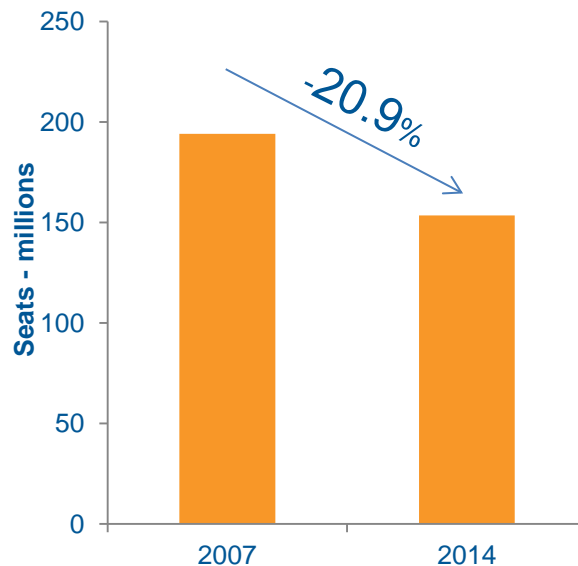
Consolidation a catalyst

US domestic seats 2007 vs 2014 by airport size

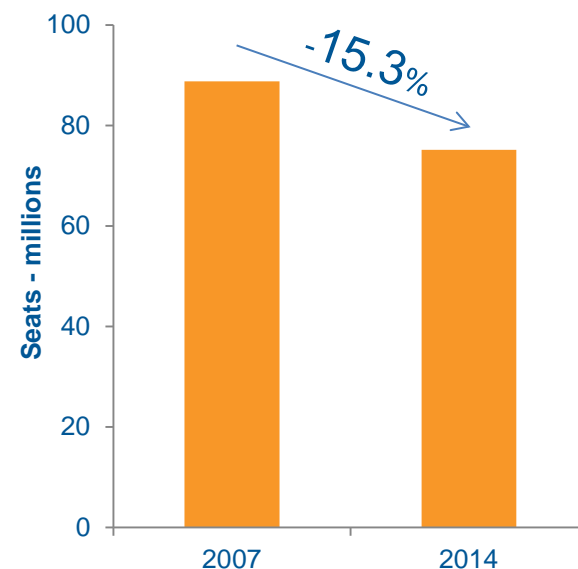
Large hubs



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)

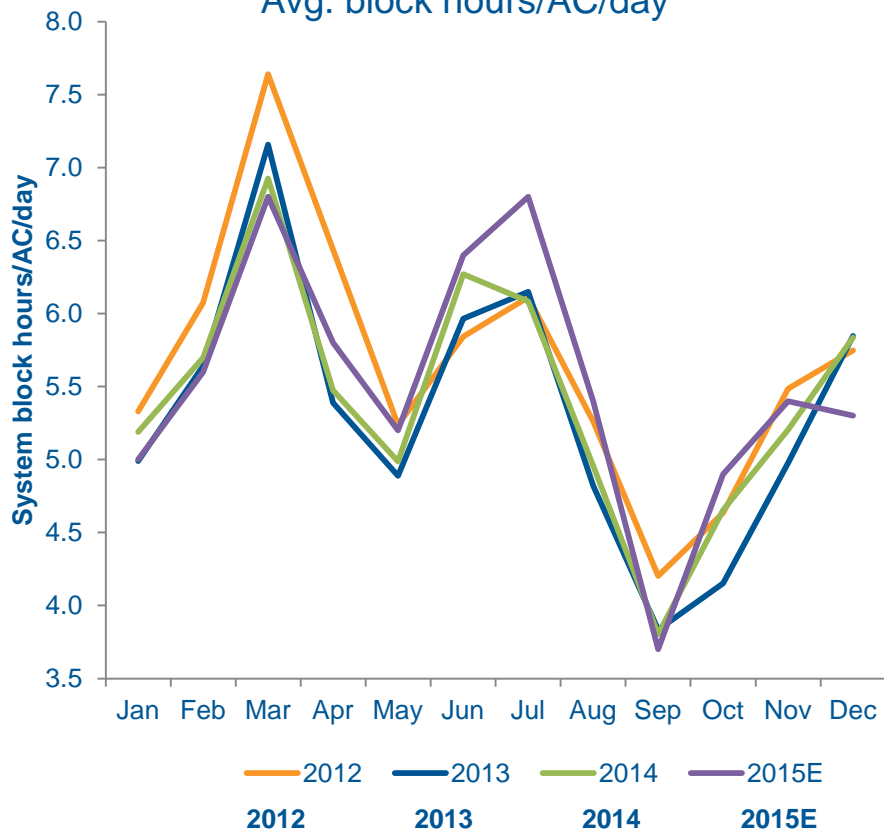
2014 seats - Dio Scheduled Level of Ops Report- 1/1/14-12/31/14



Low frequency model

Leisure = seasonality

Avg. block hours/AC/day



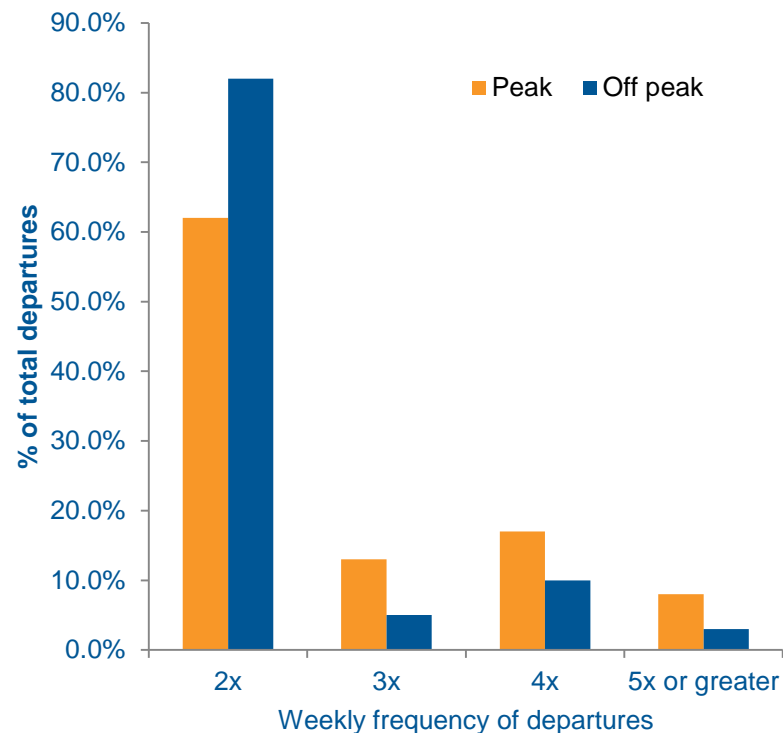
— 2012 — 2013 — 2014 — 2015E
2012 **2013** **2014** **2015E**

Sched AC

58 65 70 78

Small cities = low frequency⁽¹⁾

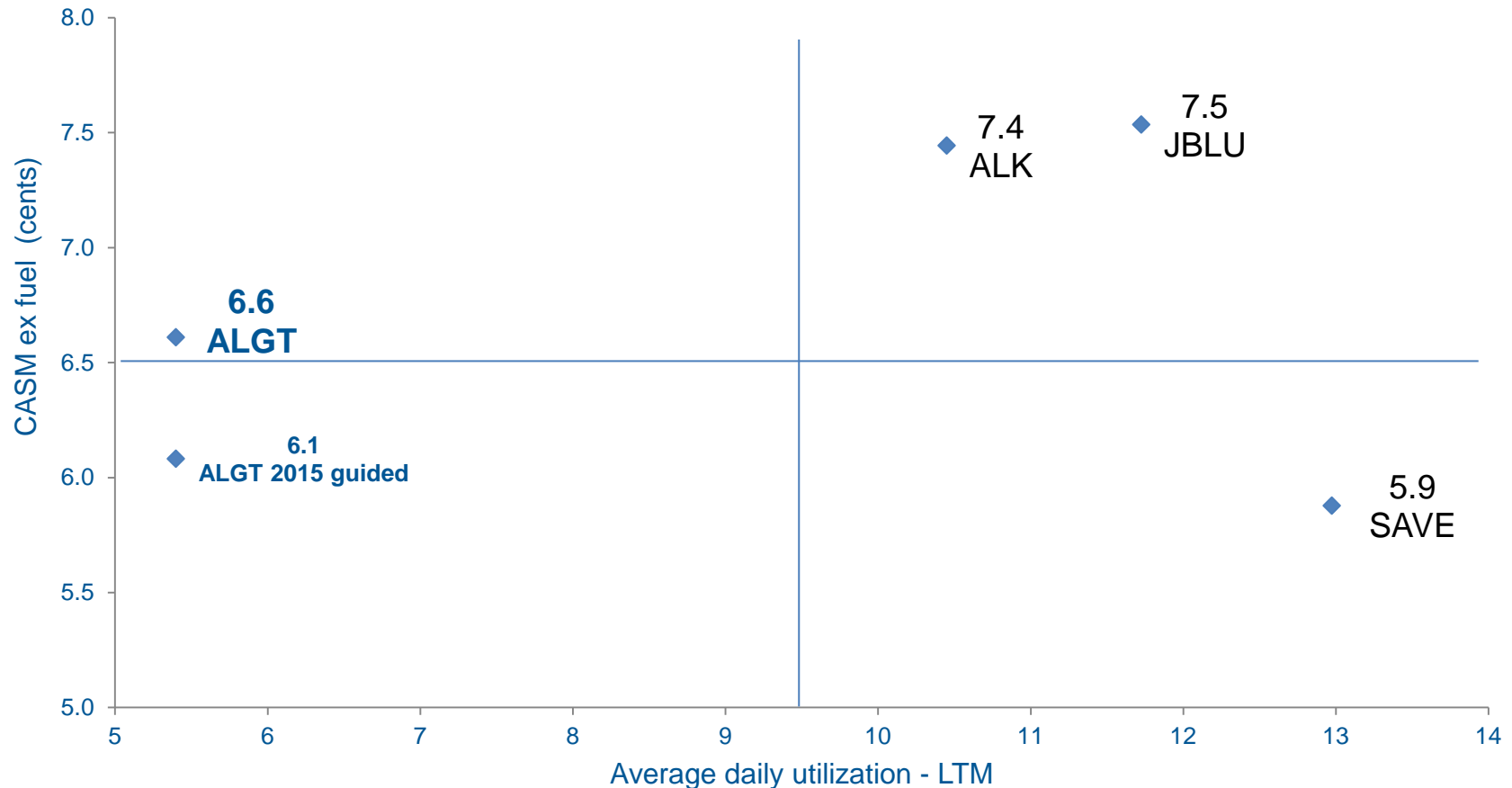
Weekly market frequency



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

Low costs even with low utilization

CASM ex fuel vs daily utilization



As of 2014 ALGT – Allegiant, JBLU – JetBlue, ALK – Alaska mainline, SAVE – Spirit
ALGT 2015 – midpoint of 2015 guided range of (10) to (6)%

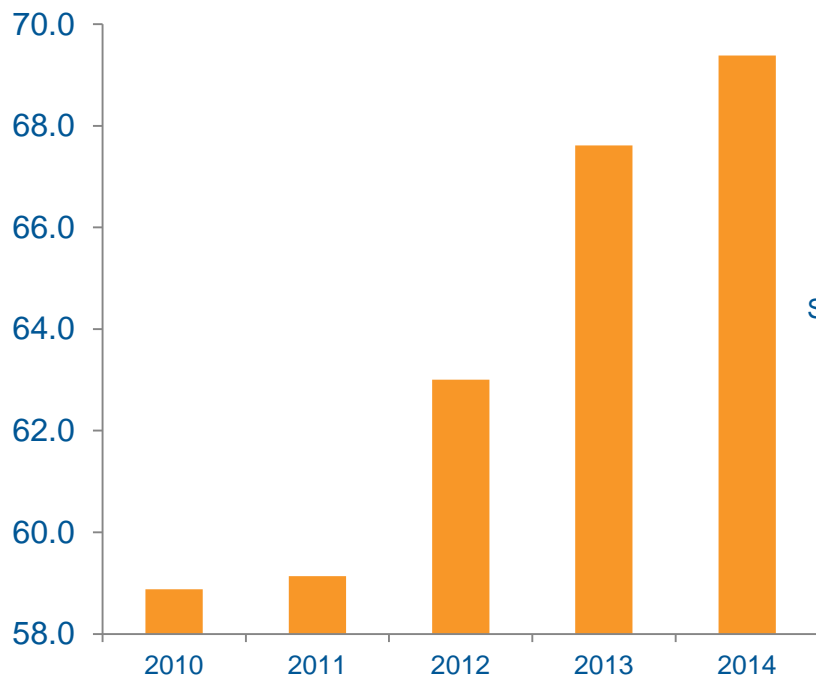


Airbus growth will help improve fuel burn

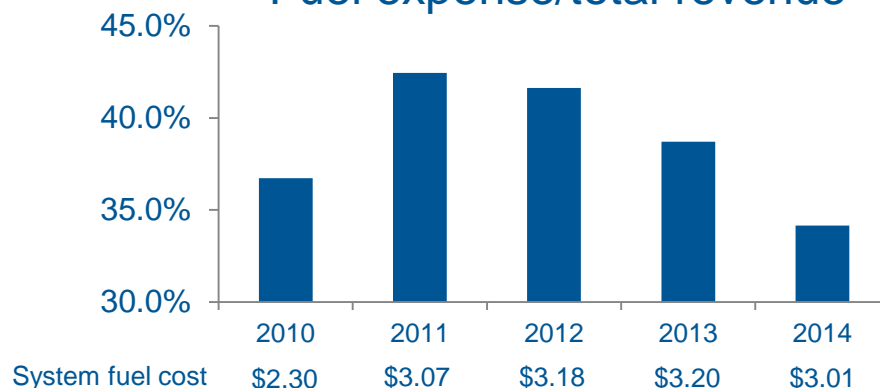
■ Fuel has greatest leverage to earnings

- Fuel ~ 40% of total operating expense⁽¹⁾
- Airbus aircraft flew 21% of 2014 block hours

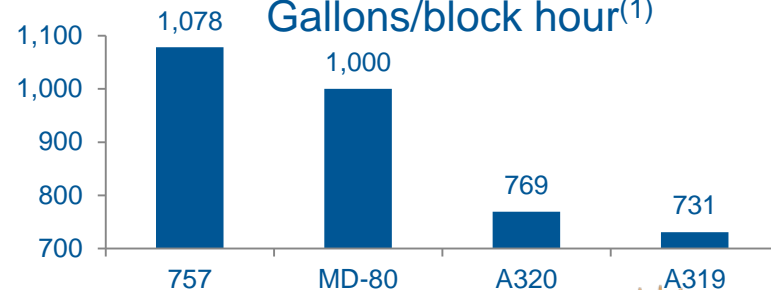
Historical ASMs/gallon



Fuel expense/total revenue



Gallons/block hour⁽¹⁾



1 - As of 2014

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)

2014 Utilization by A/C type

	Peak	Off-Peak	Average
Airbus	9.9	5.3	7.9
Non-Airbus	7.1	1.9	4.9
All Aircraft	7.5	2.4	5.3

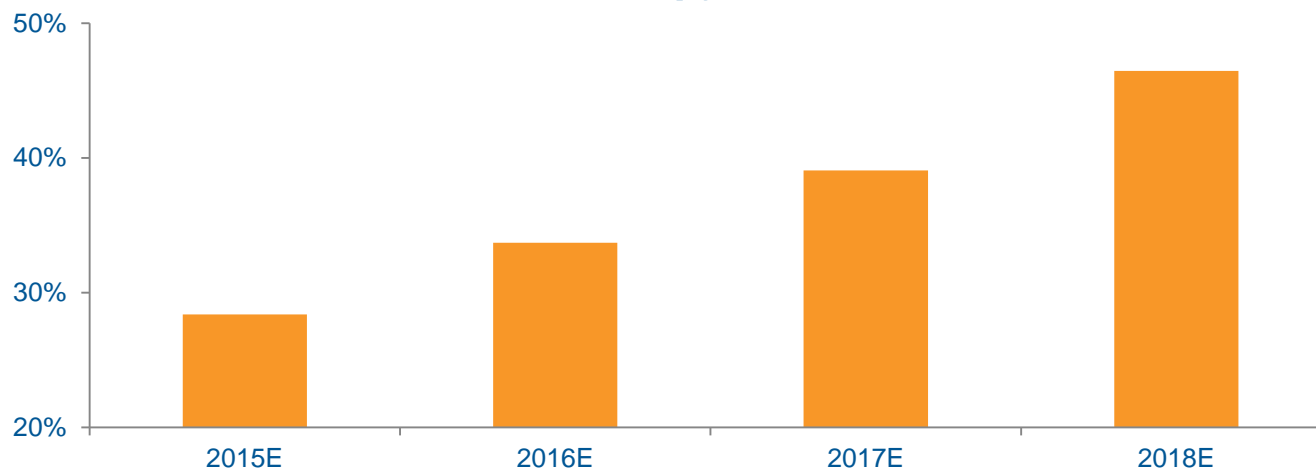
Utilization is block hours per aircraft per day



Airbus fleet growth

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

Airbus as a % of total fleet



A320	12	12	16	16
A319	11	17	18	30
Total fleet	81	86	87	99

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

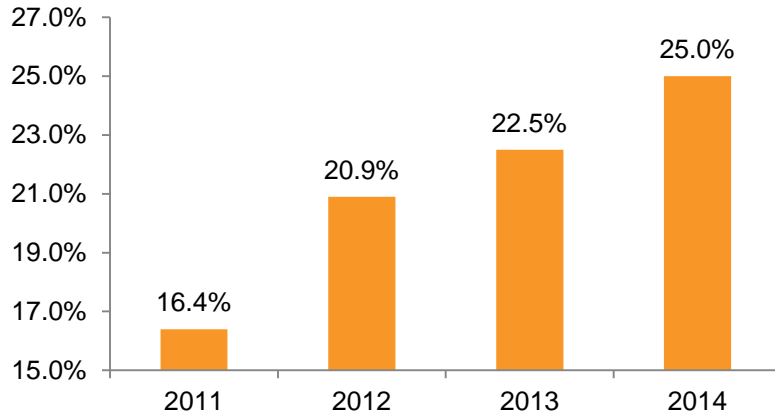
Total fleet includes A320, A319, MD-80 and Boeing 757

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

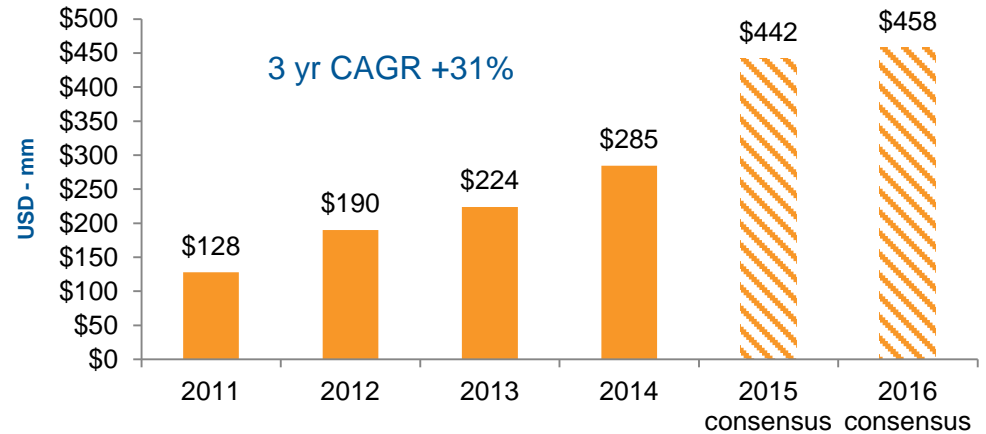


Financial growth without sacrificing margin

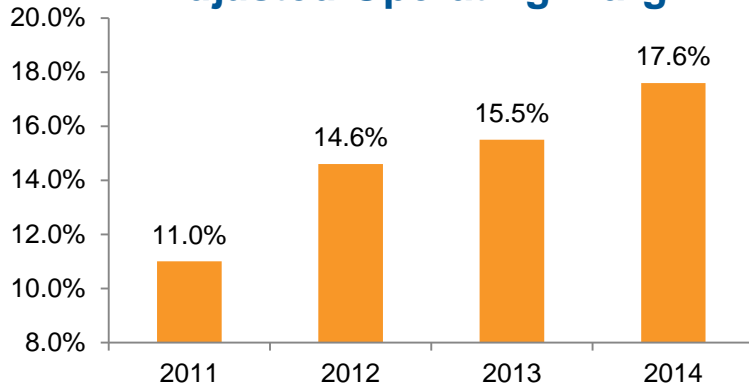
Adjusted EBITDA margin



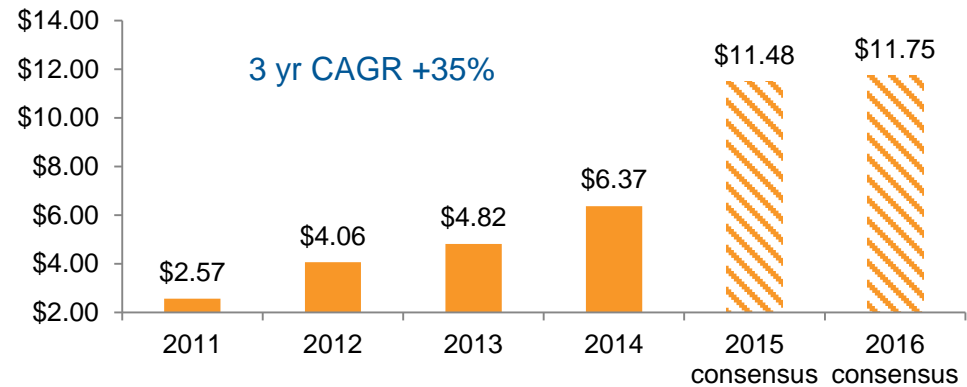
Adjusted EBITDA



Adjusted Operating margin



Adjusted EPS



Consensus - as of 2/25/15, First Call. EPS consensus reflects 14 analysts, EBITDA consensus reflects 11 analysts
Adjusted amounts - see GAAP reconciliation and other calculations in Appendix

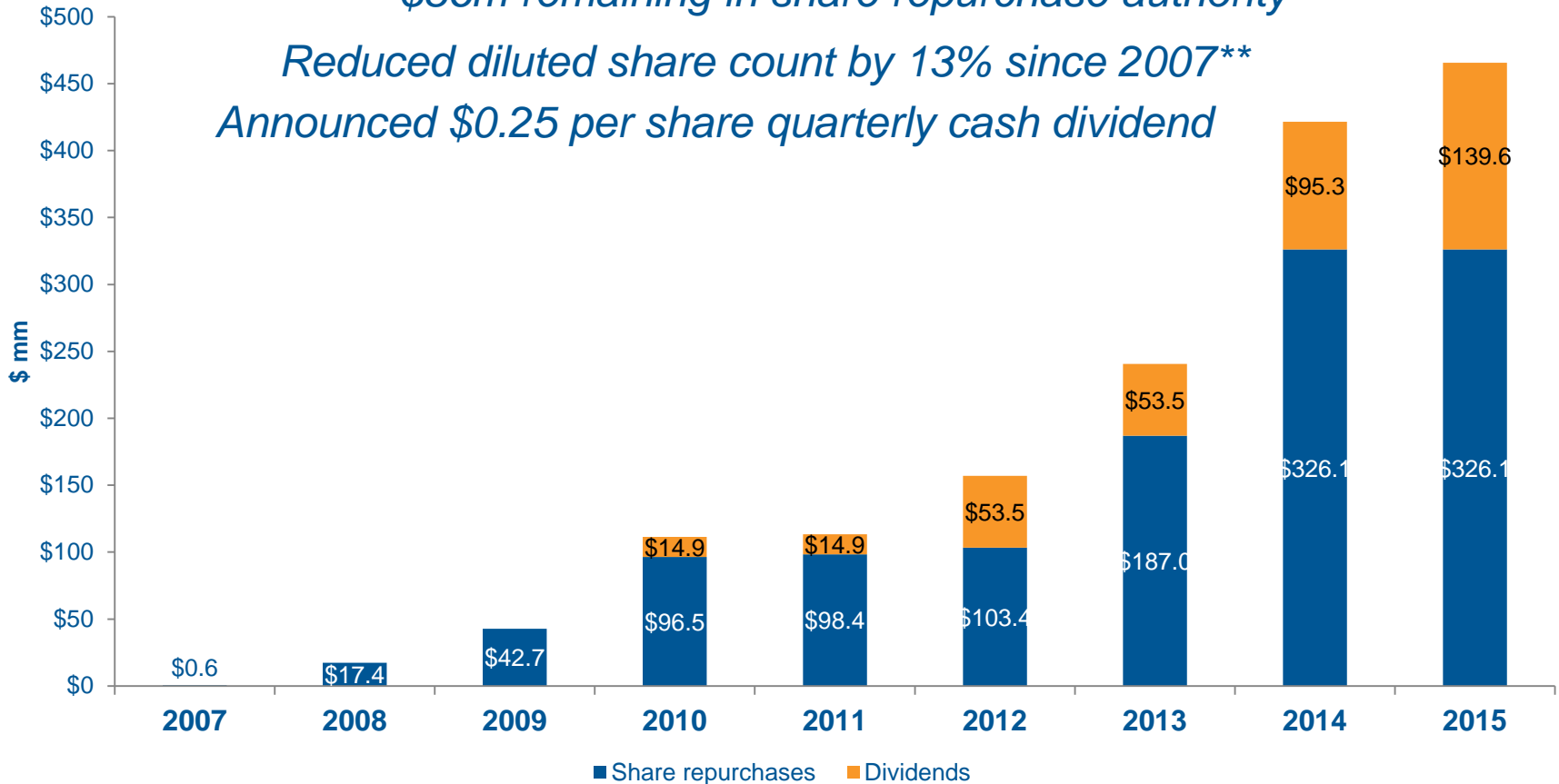


Cumulative return to shareholders

\$466m returned to shareholders since 2007

\$86m 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 January 28, 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



Existing guidance

- 1Q15 PRASM (7) to (5)%
- 1Q15 TRASM (2) to 0%
- 1Q15 CASM ex fuel +6 to 8%
- FY15 CASM ex fuel (10) to (6)%
- 1Q15 Fixed fee + other revenue \$9mm to \$11mm
- FY15 CAPEX ~\$230mm

	1st Quarter 2015	2nd Quarter 2015	Full year 2015
System departures	6 to 10%	12 to 16%	
System ASMs	2 to 6%	13 to 17%	9 to 13%
Scheduled departures	6 to 10%	12 to 16%	
Scheduled ASMs	2 to 6%	13 to 17%	9 to 13%

Guidance subject to change



Appendix

GAAP reconciliation

Adjustment for special item

<u>\$mm</u>	<u>2014</u>
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 income	<u>20.2</u>
Operating income	157.3
+ Boeing 757 fleet write down	<u>43.3</u>
Adjusted operating income	200.6
- Other income	<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	<u>17.8</u>
Earnings per share as adjusted for special item	\$6.37
Total revenue	1,137.0
Adjusted operating margin	17.6%
Adjusted EBITDA margin	25.0%



GAAP reconciliation

	EBITDA calculations			
\$mm	2014	2013	2012	2011
Net Income	86.7	92.3	78.6	49.4
+Provision for Income Taxes	50.8	54.9	46.2	30.1
+Other Expenses	20.4	8.5	7.8	5.9
+Depreciation and Amortization	83.4	69.3	57.5	42.0
=EBITDA	241.3	225.0	190.1	127.4
+ Write down of Boeing 757 fleet	43.3			
=Adjusted EBITDA	284.6			
+ Aircraft lease rental	15.9	9.2	0	1.1
=Adjusted EBITDAR	300.5	234.2	190.1	128.5
Total debt	593.1	234.3	150.9	146.0
+7 x annual rent	<u>111.3</u>	<u>64.6</u>	<u>0</u>	<u>7.7</u>
Adjusted total debt	704.4	298.9	150.9	153.7
=Adjusted Debt to Adjusted EBITDAR	2.3x	1.3x	0.8x	1.2x
Average # of in service aircraft in period	69	63	60	52
=Adjusted EBITDA per aircraft	4.1	3.6	3.2	2.4
Interest expense	21.2	9.5	8.7	7.2
= Adjusted interest coverage	13.4x	23.7x	21.9x	17.7x



GAAP reconciliation

Return on equity

\$mm	2014	2013	2012	2011	2010
Adjusted net Income (\$mm)	113.2	92.3	78.6	49.4	65.7

	Dec 2014	Dec 2013	Dec 2012	Dec 2011	Dec 2010	Dec 2009
Total shareholders equity (\$mm)	294.1	377.3	401.7	351.5	297.7	292.0
Return on equity	34%	24%	21%	15%	22%	

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	2014	2013	2012	2011	2010
+ Adjusted net income	113.2	92.3	78.6	49.4	65.7
+ Income tax	66.8	54.9	46.2	30.1	37.6
+ Interest expense	21.2	9.5	8.7	7.2	2.5
- Interest income	0.8	1.0	1.0	1.2	1.2
	200.4	155.7	132.5	85.5	104.6
+ Interest income	0.8	1.0	1.0	1.2	1.2
Tax rate	37.1%	37.4%	37.1%	37.9%	36.4%
Numerator	126.6	98.1	84.0	53.9	67.3
Total assets prior year	930.2	798.2	706.7	501.3	499.6
- Current liabilities prior year	290.7	210.7	177.6	166.6	158.6
+ ST debt of prior year	20.2	11.6	8.0	16.5	21.3
Denominator	659.7	599.3	537.1	351.2	362.3
= Return on capital employed	19.2%	16.4%	15.6%	15.3%	18.6%

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



GAAP reconciliation

Free cash flow calculations

\$mm	2014	2013	2012	2011
Cash from operations	269.8	196.9	176.8	129.9
- Cash CAPEX	279.4	177.5	105.1	88.0
= Free cash flow	(9.6)	19.4	71.7	41.9

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

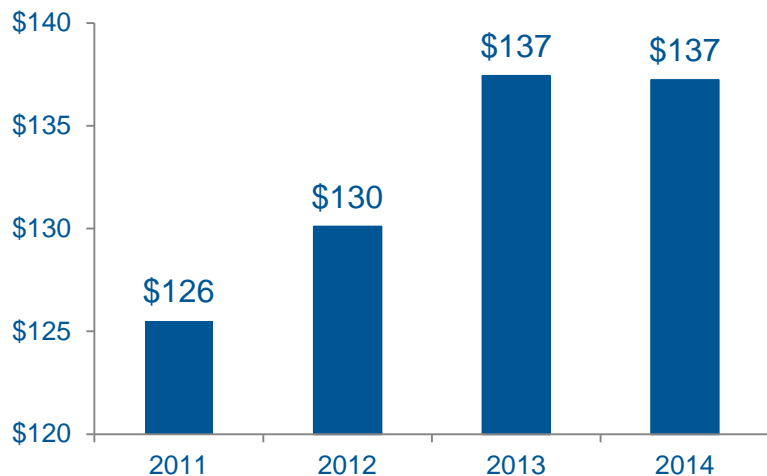
Net debt

\$mm

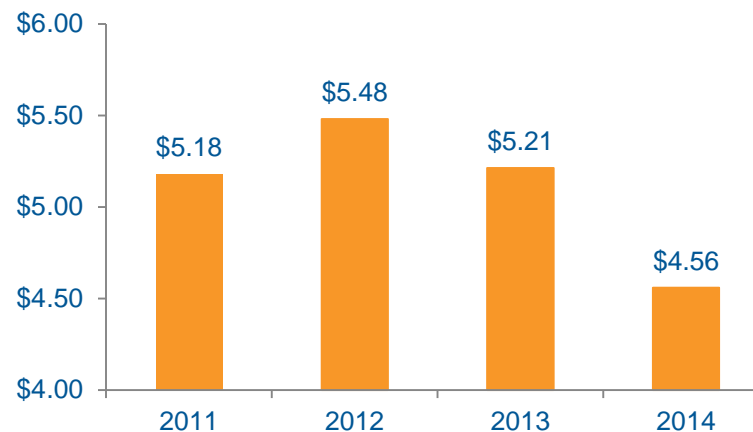
	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Current maturities of long term debt	53.8	20.2	11.6	7.9
Long term debt, net of current maturities	539.3	214.1	139.2	138.2
Total debt	593.1	234.3	150.8	146.1
Cash and cash equivalents	89.6	97.7	89.6	150.7
Short term investments	269.8	253.4	239.1	154.8
Long term investments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

Revenue components

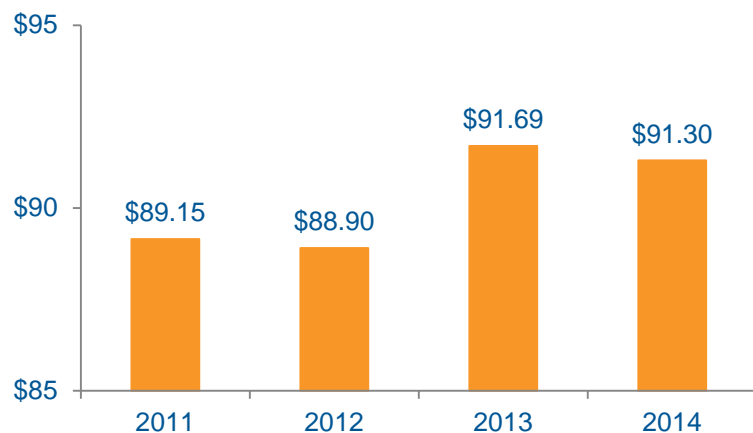
Average fare - total



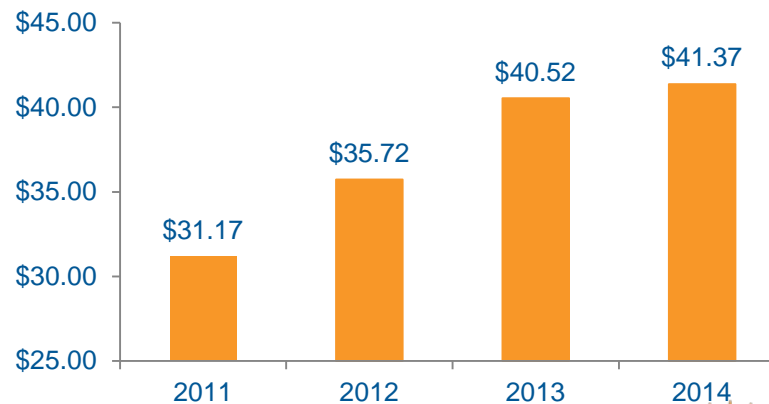
Average fare - ancillary third party products



Average fare - scheduled service



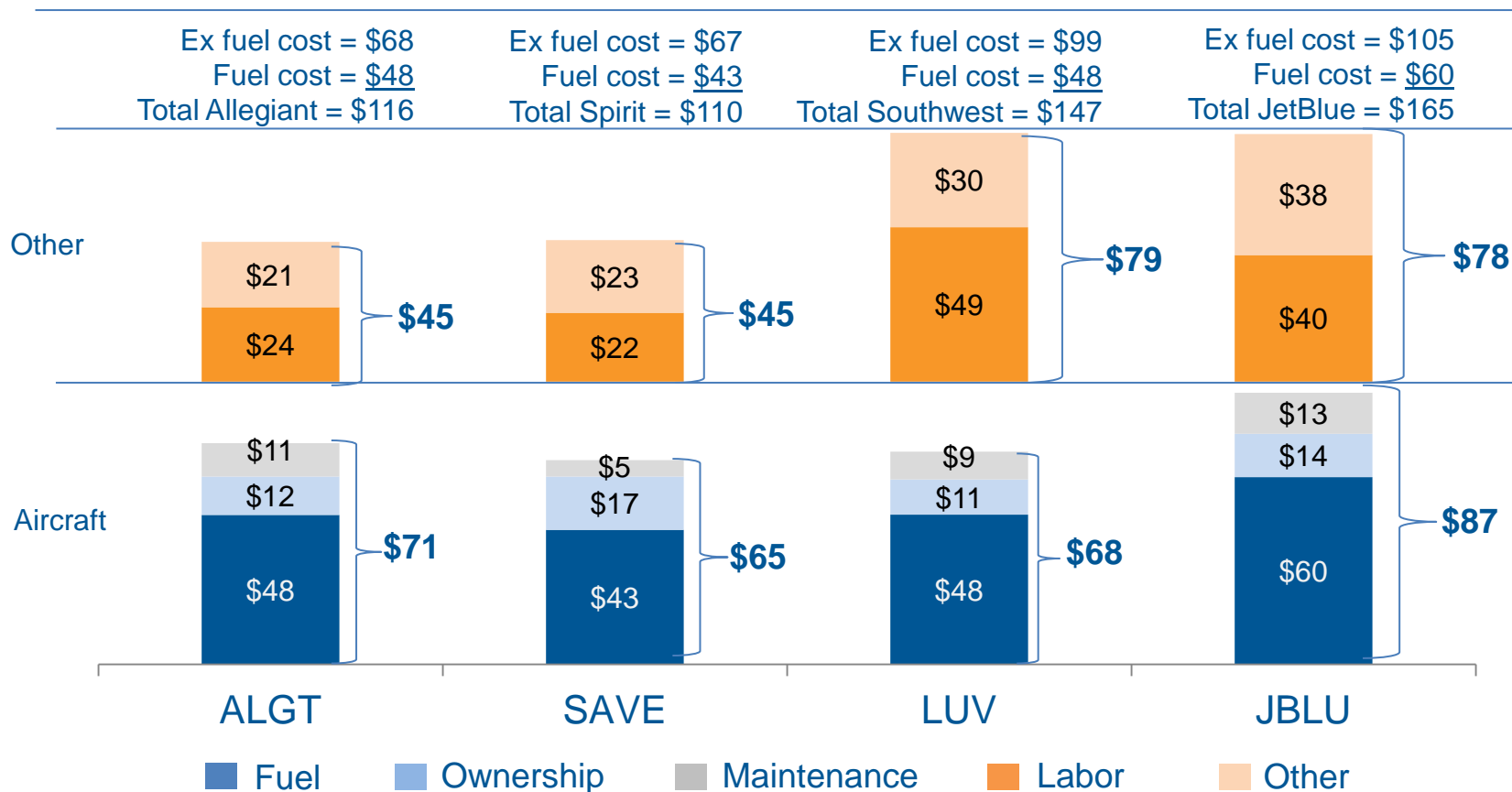
Average fare - ancillary air-related charges



All revenue is revenue per scheduled passenger

Low cost drivers

2014 cost per passenger

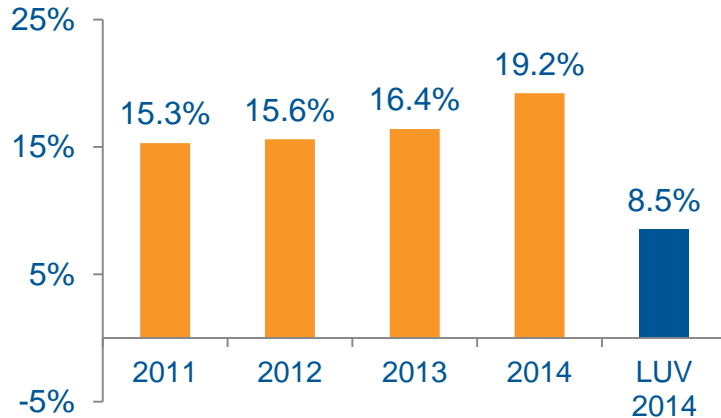


Source: Company filings
 Ownership includes depreciation & amortization + aircraft rent
 Other excludes special items and one-time charges for other carriers
 ALGT other excludes \$43m Boeing 757 fleet write down

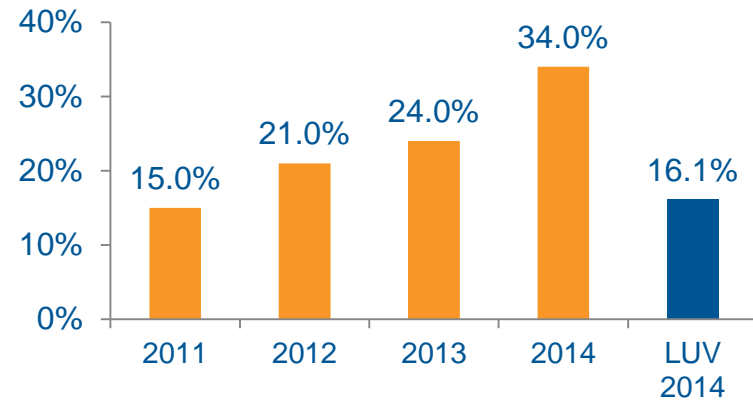


Credit metrics

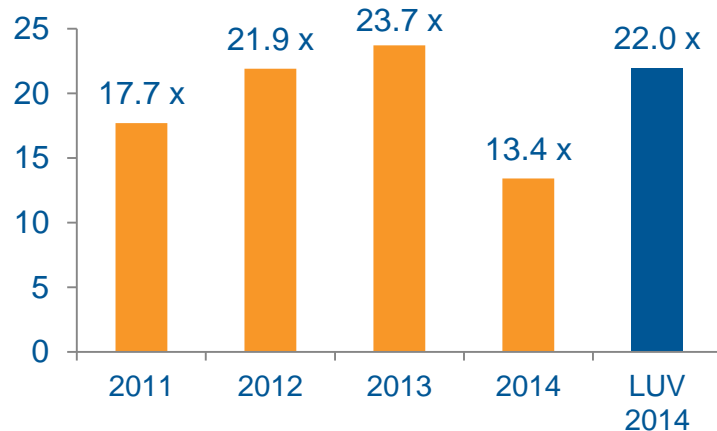
Return on capital employed



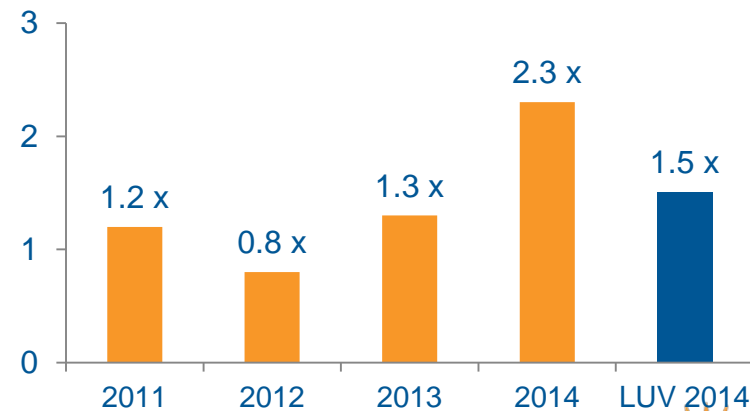
Return on equity



Interest coverage



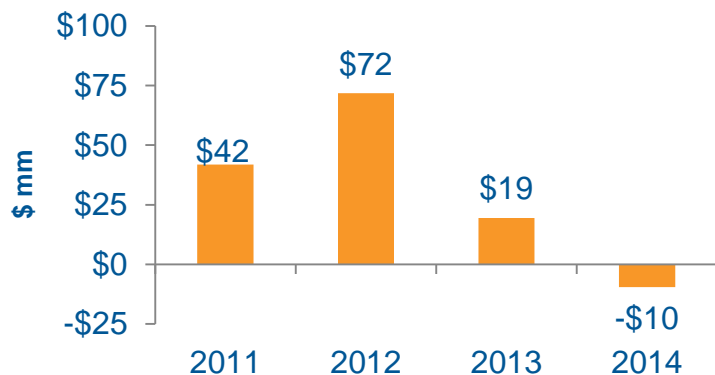
Debt / Adjusted EBITDAR



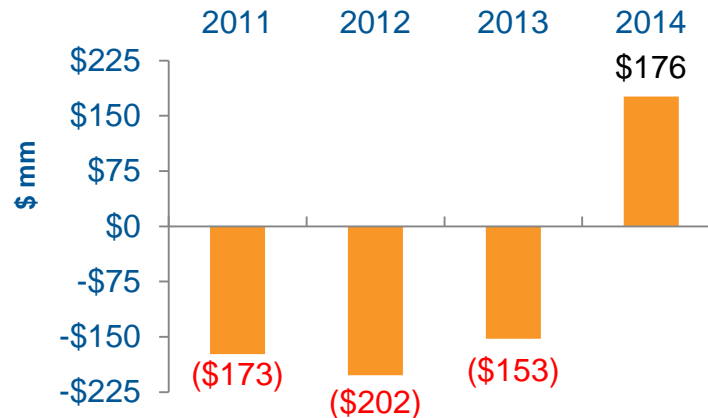
LUV = Southwest Airlines, based on published information
Please see GAAP reconciliation table in appendix for calculation

Strong cash generation

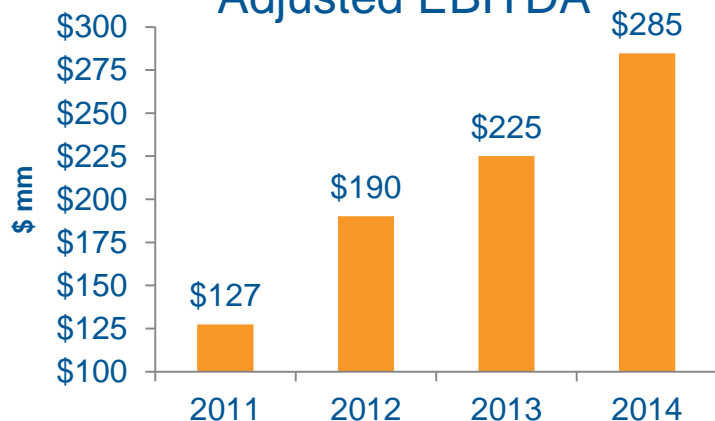
Free cash flow



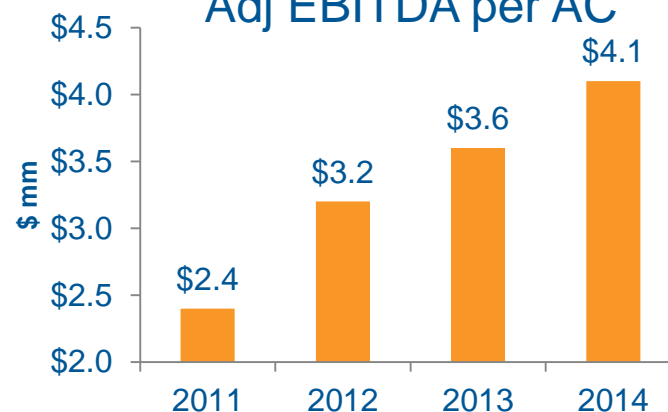
Net debt



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

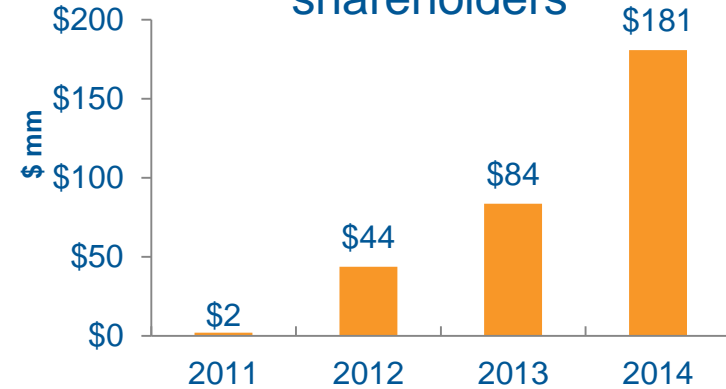


Sources/uses of cash

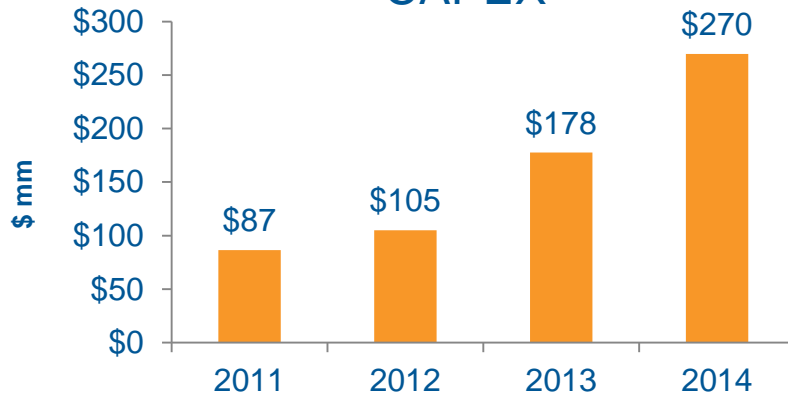
Cash from operations



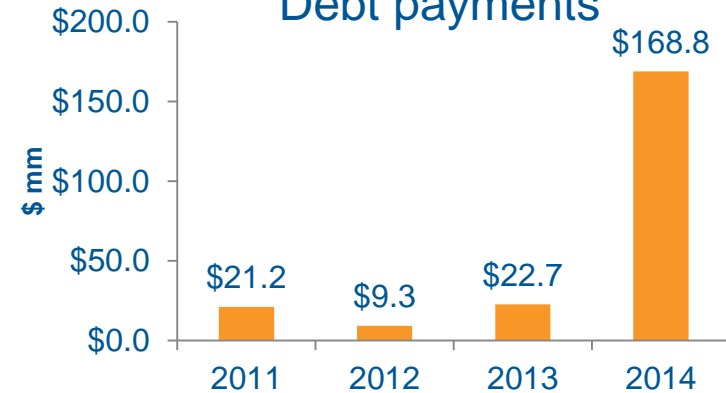
Returning cash to shareholders



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 12/31/14 (MM USD)	Debt to LTM Adj EBITDAR	Rate	Maturity
Unrestricted cash	416.8			
LTM Adjusted EBITDAR	300.5			
Secured by AC	38.5		L + 2.95%	Apr 2018
Secured by AC	131.5		L + 3.08%	Nov 2018
Secured by AC	34.9		L + 2.95%	May 2018
Secured by AC	36.8		L + 3.99%	Oct 2018
Secured by real estate	9.7		2.86%	Oct 2018
Secured by AC	<u>41.7</u>		L + 2.46%	Nov 2019
Total secured debt	293.1	1.0x		
Senior notes	<u>300</u>		5.5%	Jul 2019
Total debt	593.1	2.0x		
7x LTM aircraft rent	<u>111.3</u>			
Adjusted debt	704.4	2.3x		

