



Beyond Network Planning January 2018

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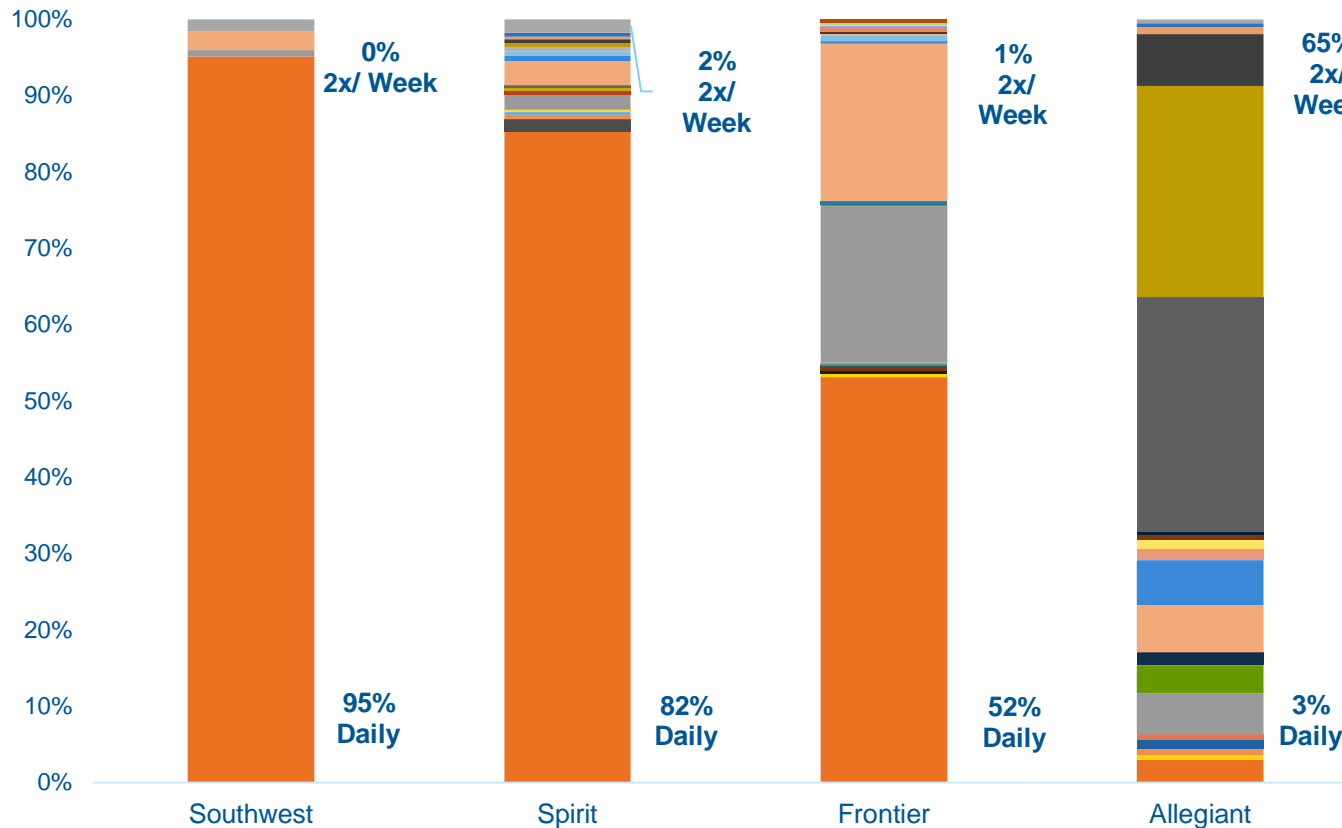
Advantages over the typical carrier

- 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 – used aircraft
 - Match capacity to demand, highly variable
 - Relatively 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

Unique network and schedule

Unique market schedules by carrier



- Complexity in less than daily schedules allows for better matching capacity with demand
- Complex schedules requires lower utilization and systems / work rules / specifically built for the business model

% flights offpeak **42%**

43%

43%

23%

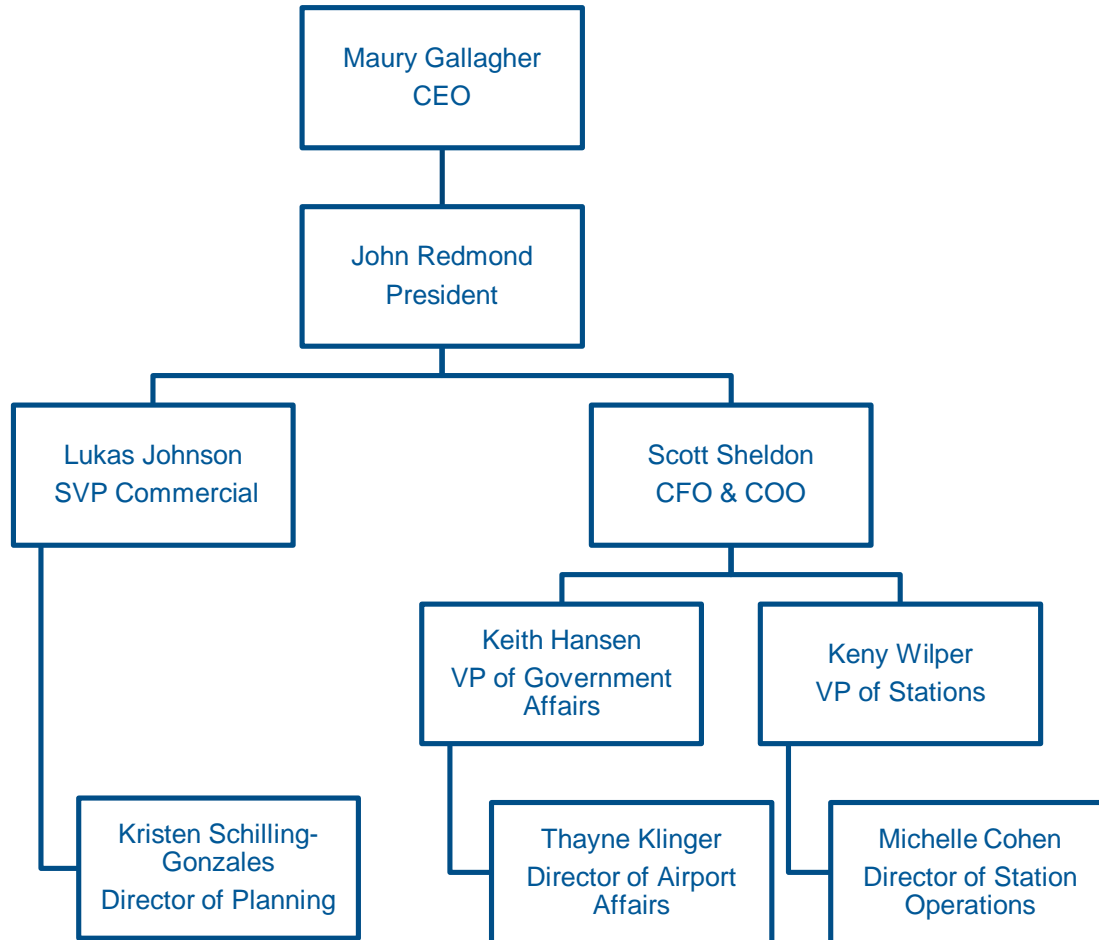
Each color represents a unique weekly market schedule
 Offpeak represents flights on Tuesday, Wednesday, Saturday in non-holiday weeks

A very large niche



Based on current published schedule through August 14, 2018:
396 routes, 90 operating aircraft 100 small/medium cities, 19
leisure destinations

Responsible parties for growth



Acquisition of New Air Service





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