

Alaska Airlines 2016 Update



Overview

- Fortune 500 company (joined 2014)
- \$5 billion+ in annual operating revenues
- Roughly 4% of US domestic capacity
- A track record of profitability
- Award winning service
- Industry-leading operational performance
- Founded in 1932 in Alaska



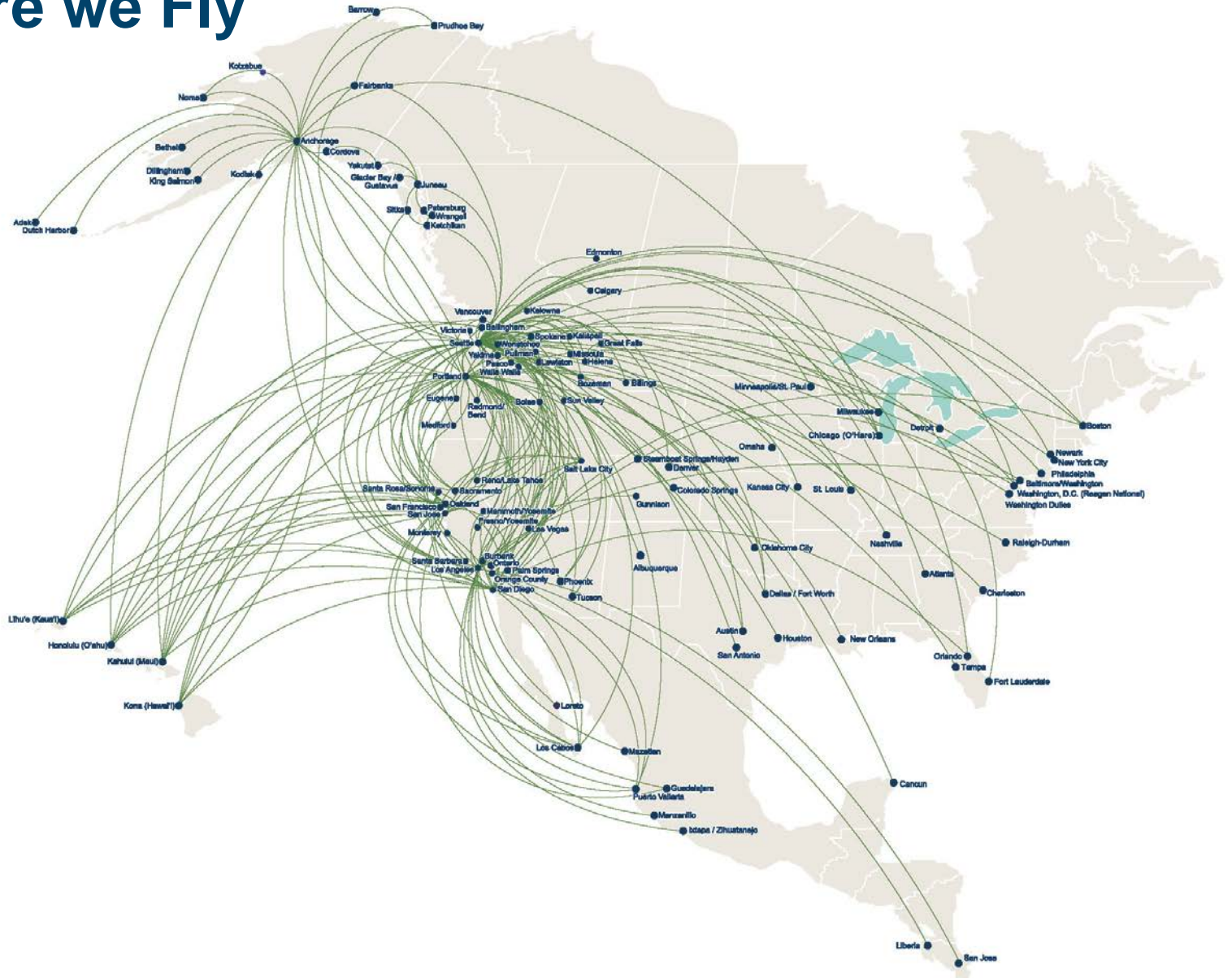


Overview – Alaska Region

- Regional Headquarters
- 1825+ employees
- Serve 19 communities
- Over 547,000 mileage plan members
- Over 362,000 Club 49 members



Where we Fly





Our investment in Alaska's future

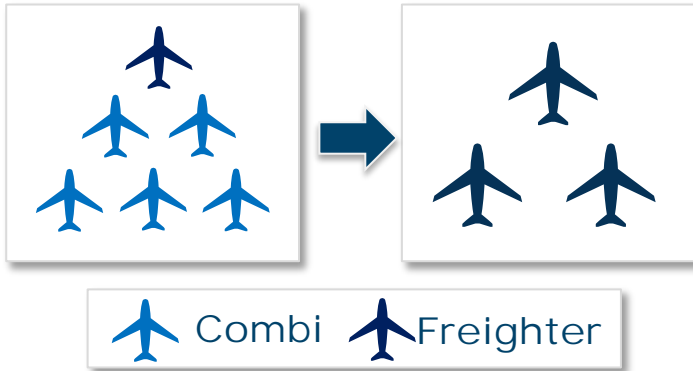
Approaching \$100 million over the next 3 years

- A dedicated freighter fleet – converting three next-generation 737 aircraft to freighters to serve the cargo needs of rural Alaska.
- Planning for investment that will enhance our passenger terminals in rural Alaska
- Beginning construction on a new \$40 million hangar facility in Anchorage



Transition to a freighter fleet strengthens commitment to the state of Alaska.

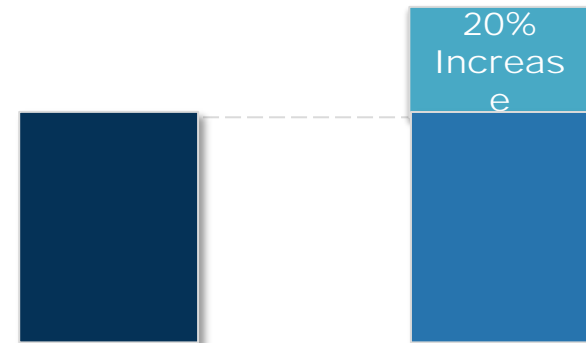
Cargo Fleet Transition



Alaska Airlines will transition to a 3 freighter fleet allowing for a continued commitment to the state of Alaska. This change will enable us to offer consistent & reliable service to our customers throughout the state.

In addition, an all freighter cargo fleet will offer over 20% more capacity to the communities we serve today, with daily freighter lift to many locations.

Increase To Intra AK Cargo Capacity



Current Fleet

New Fleet



State of Alaska - Facilities Reinvestment Program

A multi year initiative to improve the design and function of our 11-owned Alaska facilities.

Our primary goal is to:

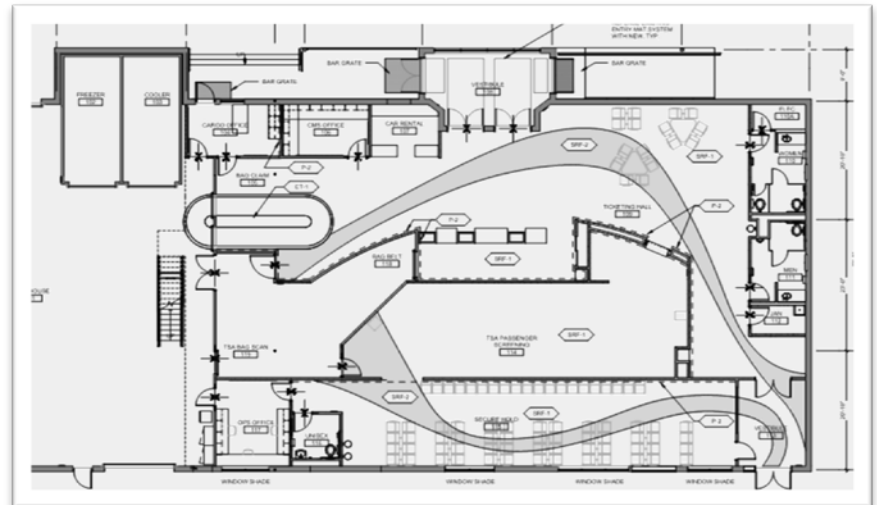
- Elevate our customer experience
- Unify our brand aesthetic
- Update for code and accessibility compliance
- Increase our operational and building efficiency



Concept: Kodiak, AK



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New Hangar in Anchorage to Accommodate Two 737-Max9 Aircraft





Commitment to Alaska

- First two bags free for members
- 30% off last minute travel
- Weekly email fare specials for Club 49 members
- 2015 - \$22.5 million savings to Alaskans



Community Marketing





Community support

How we give back in Alaska



Support for local charities

Matching Gifts

Dollars for Doers

Disaster relief

Community Advisory Board



300 +

Statewide organizations supported



\$4.0M

Donated in 2015

Educational support

Programs we're proud to support in Alaska



Alaska Native Science and
Engineer Program

FIRST Robotics

Alaska School Activities Association

University of Alaska Foundation



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