



J.P Morgan
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Safe Harbor

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Certain of the statements contained in this presentation should be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended (the Securities Act), the Securities Exchange Act of 1934, as amended (the Exchange Act), and the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by words such as “may,” “will,” “expect,” “intend,” “anticipate,” “believe,” “estimate,” “plan,” “project,” “could,” “should,” “would,” “continue,” “seek,” “target,” “guidance,” “outlook,” “if current trends continue,” “optimistic,” “forecast” and other similar words. Such statements include, but are not limited to, statements about our plans, objectives, expectations, intentions, estimates and strategies for the future, and other statements that are not historical facts. These forward-looking statements are based on our current objectives, beliefs and expectations, and they are subject to significant risks and uncertainties that may cause actual results and financial position and timing of certain events to differ materially from the information in the forward-looking statements. These risks and uncertainties include, but are not limited to, those risks and uncertainties set forth from time to time in our filings with the Securities and Exchange Commission. There may be other factors of which we are not currently aware that may affect matters discussed in the forward-looking statements and may also cause actual results to differ materially from those discussed. We do not assume any obligation to publicly update or supplement any forward-looking statement to reflect actual results, changes in assumptions or changes in other factors affecting these forward-looking statements other than as required by law. Any forward-looking statements speak only as of the date of this press release or as of the dates indicated in the statement.

✈️ Preparing for our future

2020 Crisis Priorities

- **Protecting the health and safety** of our employees and guests
- **Ensuring our airline emerges strong**, and in a better competitive position
 - Building liquidity
 - Aggressively managing costs
 - Preserving cash

2021 Recovery Focus

- Rebuilding guest confidence with outreach and **Next-Level Care**
- Focusing on the controllable – driving for low costs and getting back to high productivity
- Positive operating cash flow will lead P&L profitability, which will enable balance sheet repair
- Investing opportunistically in fleet and network for the long-term



Our enduring competitive advantages are as important as ever



Low costs enabled by high productivity

Excellent operations

Award-winning loyalty program

Remarkable service

One-team culture

Safety is the foundation of all that we do



Our results demonstrate our commitment to disciplined financial management

Lowering costs

- We have a simple philosophy – keep overhead low, keep management lean and deliver high productivity.
- Our long track record of unit cost reduction demonstrates our muscle for keeping costs low.
- We've laid out over \$250 million in structural cost removal for 2021.

Preserving our balance sheet

- We've kept our adjusted net debt flat despite the crisis – something no other carrier has replicated without issuing equity.
- With ample liquidity, and positive cash flow from operations on the horizon, we are well positioned for future debt reduction and a return to growth.

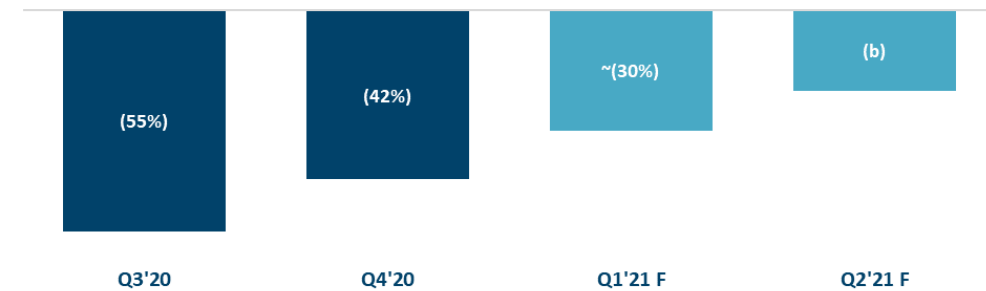
✈️ First quarter update – positive signs

Demand Environment

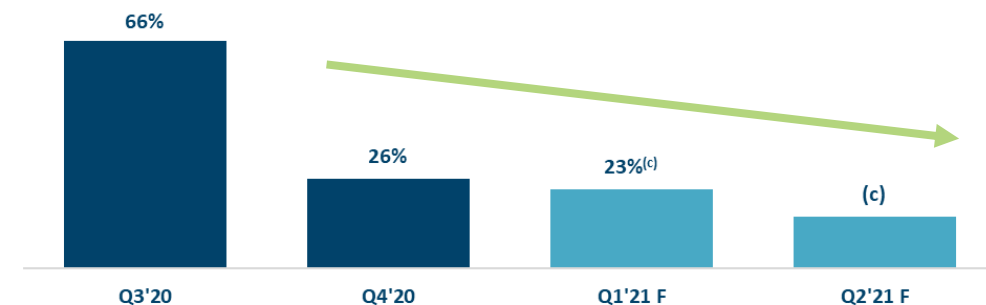
- Slower demand recovery in late 2020 has given way to sustained increases in early 2021
- Vaccine momentum and case count declines have fostered organic improvement
- Strengthening sequential improvement: passenger levels and total revenue are expected to be down ~ 55% to 60% versus 2019.

Operational Outlook^(a)

Capacity vs same quarter 2019



CASMex⁽¹⁾ vs same quarter 2019



(a) Actual results may differ from expectations shown here.

(b) As previously disclosed, we expect to fly approximately 80% of 2019 levels in summer 2021.

(c) Costs per ASM excluding fuel (CASMex) guidance for Q1 is included in our March 15, 2021 8-K. Second quarter guidance has not yet been issued, but is expected to show sequential improvement.

✈️ We remain focused on the long-term

Streamlining our fleet

- By 2023 we'll return to a largely Boeing fleet.
- Retirements of Airbus aircraft will be replaced by the 56 MAX aircraft that we're taking from 2021 - 2023
- Our capital commitments are manageable and flexible.

Investing in our network

- As we return capacity in recovery we're prioritizing our West Coast hubs.
- Our domestic strength in Seattle and the **oneworld** alliance is a powerful combination.

Entering oneworld

- This alliance will increase our ability to sell connections with further reach.
- Global network utility and benefit reciprocity will add value to Mileage Plan.
- Alaska will be more competitively positioned for corporate sales opportunities in recovery.



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