

Corporate Facts

Southwest Airlines Co. (NYSE: LUV)

October 26, 2016

LEADERSHIP: [Gary Kelly](#), Chairman of the Board & Chief Executive Officer

HEADQUARTERS: P.O. Box 36611
2702 Love Field Drive
Dallas, TX 75235

ABOUT THE COMPANY:

In its 46th year of service, Dallas-based **Southwest Airlines** (NYSE: LUV) continues to differentiate itself from other air carriers with exemplary Customer Service delivered by more than 53,000 Employees to more than 100 million Customers annually. Southwest operates more than 3,900 departures a day during peak travel season across a network of 98 destinations in the United States and seven additional countries with service to Varadero, Cuba beginning Nov. 13, 2016, and to Havana, Cuba, beginning Dec. 12, 2016, both routes subject to governmental approvals.

Based on the U.S. Department of Transportation's most recent data, Southwest Airlines is the nation's largest carrier in terms of originating domestic passengers boarded. The Company operates the largest fleet of Boeing aircraft in the world, the majority of which are equipped with satellite-based WiFi providing gate-to-gate connectivity. That connectivity enables Customers to use their personal devices to view video on-demand movies and television shows, as well as nearly 20 channels of free, live TV compliments of our valued Partners. Southwest created **Transfarency**™, a philosophy which treats Customers honestly and fairly, and in which low fares actually stay low. Southwest is the only major U.S. airline to offer bags fly free® to everyone (first and second checked pieces of luggage, size and weight limits apply, some airlines may allow free checked bags on select routes or for qualified circumstances), and there are no change fees, though fare differences might apply. The airline proudly unveiled a bold

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new look: Heart. A new logo, aircraft livery, interior design featuring a new seat and Flight Attendant galley, Employee-designed uniforms, and an updated airport experience all showcase the dedication of Southwest Employees who connect Customers with what's important in their lives.

From its first flights on June 18, 1971, Southwest Airlines launched an era of unprecedented affordability in air travel described by the U.S. Department of Transportation as "The Southwest Effect," a lowering of fares and increase in passenger traffic whenever the carrier enters new markets. With 43 consecutive years of profitability, Southwest is one of the most honored airlines in the world, known for a triple bottom line approach that contributes to the carrier's performance and productivity, the importance of its People and the communities they serve, and an overall commitment to efficiency and the planet. The 2015 Southwest Airlines One Report™ can be found at **SouthwestOneReport.com**.

Book Southwest Airlines' low fares online at [Southwest.com](https://www.southwest.com) or by phone at 800-I-FLY-SWA.

HISTORY:

Southwest Airlines was incorporated in Texas and commenced Customer Service on June 18, 1971, with three Boeing 737 aircraft serving three Texas cities—Houston, Dallas, and San Antonio—and grew to become a major airline in 1989 when it exceeded the billion-dollar revenue mark. In 1994, Southwest became the first major airline to offer ticketless travel. In 1996, Southwest became the first major airline to post a website with the launch of our "Home Gate." Southwest topped the monthly domestic originating passenger rankings for the first time in May 2003. In 2013, Southwest started its Southwest service to a destination outside the 48 contiguous states with service to Puerto Rico. In July 2014, Southwest became an international airline with its first flights to Nassau, Bahamas; Montego Bay, Jamaica; and Aruba. In 2016, international service will expand to a total of eight countries beyond the United States.

Read more about [Southwest's Company History](#).

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DAILY DEPARTURES:

Southwest Airlines operates more than 3,900 flights a day.

EMPLOYEES:

More than 53,000 People work to deliver exemplary Customer Service throughout the Southwest system.

STOCK:

Common stock is traded under the symbol “LUV” on the NYSE. Southwest paid its first quarterly dividend in fourth quarter 1976. In third quarter 2016, the Company returned \$312 million to Shareholders through repurchases of \$250 million of common stock and distribution of \$62 million in dividends.

THIRD QUARTER 2016 FINANCIAL STATISTICS:

- Record third quarter net income: \$388 million
- Record third quarter net income, excluding special items: \$582 million
- Record third quarter total operating revenues: \$4.8 billion

FLEET:

As of September 30, 2016, Southwest operated 714 Boeing 737 aircraft:

<u>Type</u>	<u>Number</u>	<u>Seats</u>
737-300	111	137/143
737-500	8	122
737-700	484	143
737-800	111	175

- On April 11, 2012, Southwest’s first 737-800 began scheduled service.
- In April 2012, the AirTran 737-700 fleet began transitioning to Southwest. As of March 31, 2015, all 52 AirTran 737-700s have been converted to the Southwest livery with *Evolve* configuration.
- The Company’s fleet has an average age of approximately 12 years.
- The Company’s average aircraft trip length is 757 miles with an average duration of two hours and two minutes.
- Southwest aircraft fly an average of nearly six flights or about 11 hours per day.

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- Southwest was the launch customer for the Boeing 737-700 in 1997. Southwest also was a launch customer for the Boeing 737-500 and 737-300 series aircraft. And, in December 2011, Southwest announced it would be the launch customer for the Boeing 737 MAX.
- Southwest's 737-800 aircraft also feature Boeing's Sky Interior. The Boeing Sky Interior offers a quieter, more comfortable environment for Customers, with taller ceilings and more overhead bin space, improved operational security features, and ambient LED reading and ceiling lighting, which is more effective as well as energy efficient and adaptable to the mood onboard the aircraft.
- All of Southwest's Boeing 737-700s, as well as a majority of its 737-300s, are equipped with Blended Winglets. All of Southwest's 737-800s are equipped with Boeing Split Scimitar Winglets. The Split Scimitar Winglet adds new strengthened spars, aerodynamic scimitar tips, and a large ventral strake to the existing Blended Winglet while also providing additional incremental fuel savings beyond the approximate 3.5 percent per aircraft from Blended Winglets. In total, the Company's winglet program saved nearly 68 million gallons of fuel in 2015.
- In 2013, Southwest became the first and only carrier to offer gate-to-gate connectivity. Customers may use small portable electronic devices (PEDs) in "airplane mode" from gate to gate. This means Southwest Customers may use the airline's onboard WiFi, which is available on the majority of the airline's fleet, and can stay connected from the time they step onboard a Southwest plane to the time they exit.
- By the end of first quarter 2013, all Southwest 737-700 and 737-800 aircraft were equipped to provide satellite-based broadband internet from WiFi provider, Global Eagle Entertainment. Customers are able to enjoy free live and on-demand TV compliments of the Company's valued Partners as well as \$5 movies throughout their flights, without interruption if on a mobile device or tablet due to our gate-to-gate connectivity. Customers do not need to purchase WiFi in order to access other entertainment selections within the Portal. Also, Customers can purchase Messaging service for \$2 and have access to iMessage, WhatsApp, and Viber.

CITIES SERVED: Southwest serves 98 destinations across the United States and seven additional countries.

*Download the current [System Map](#).
Download [City Fact Sheets](#).*

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SOUTHWEST TOP TEN AIRPORTS BY DEPARTURES:

Reflects October 2016 Schedule

Cities	Daily Departures	Number of Gates	Nonstop Cities Served	Year Established	
				WN	FL
Chicago (Midway)	239	34	66	1985	1994
Las Vegas	217	24	59	1982	2003
Baltimore	209	29	62	1993	2001
Denver	186	22	58	2006	2003
Phoenix	182	24	49	1982	2007
Dallas (Love Field)	180	18	52	1971	-
Houston (Hobby)	159	19	52	1971	1997
Orlando	133	16	46	1996	1998
Atlanta	125	18	38	2012	1998
Los Angeles	125	15	26	1982	2003

CUSTOMER SUPPORT AND SERVICES CENTERS:

- Southwest currently operates seven Customer Support and Services Centers: Albuquerque, Atlanta, Chicago, Houston, Oklahoma City, Phoenix, and San Antonio.
- Southwest Airlines Customer Representatives book, on average, 54,557 reservations daily; 382,948 reservations weekly; and 1.7 million reservations monthly. Approximately 19.9 million reservations have been booked by Southwest Airlines Customer Representatives in the last 12 months.

FACTS:

- Enplaned approximately 145 million Customers during 2015, which is an average of more than 12 million onboard Customers per month.
- Received 371,202 resumes and hired 6,370 new Employees in 2015.
- Served more than 106 million peanuts and more than 45 million pretzels in 2015.
- In 2015, moved 217 million pounds of cargo.

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- The shortest daily Southwest flight is between Austin (AUS) and Houston Hobby (HOU) (148 miles). The longest daily Southwest flight is between Los Angeles (LAX) and Liberia, Costa Rica (LIR) (2,627 miles).

Southwest.com:

- During 2015, 76.5 percent of passenger revenues were booked via **Southwest.com** and **Swabiz.com**.
- More than 20 million people subscribe to Southwest's weekly Click 'N Save emails.
- During 2015, approximately 85 percent of Southwest Customers checked in online or at a kiosk.
- 61 percent of Fortune 1,000 Companies are enrolled in SWABIZ.
- Southwest was the first airline to establish a home page on the Internet. Initially, five Employees comprised Southwest's web site development team, and the site took about nine months to create.
- The "Southwest Shortcut" feature on **Southwest.com** is the first online tool that helps Customers find the lowest fare based on availability across an entire month.
- In addition to flights, Customers are able to make car, hotel, and complete vacation package reservations on **Southwest.com**.
- Southwest first launched an iPhone app in December 2009 and an Android app in 2011. New versions of both the mobile site and the apps were launched in 2013. In 2014, Southwest launched the capability for Customers to use a mobile boarding pass when traveling on Southwest flights.

DISTINCTIONS:

- 43 consecutive years of annual profitability, a record unmatched in the U.S. airline industry.
- In 2015, average passenger airfare was \$154.85 one way, and the average passenger trip length was approximately 994 miles.
- Filed fares in more than 4,492 city-pair markets and offered nonstop service in more than 672 roundtrip markets in 2015.
- Flight completion record was 98.9 percent in 2015.
- Consistently received the lowest ratio of complaints per passengers boarded of all major U.S. carriers that have been reporting statistics to the Department of Transportation (DOT) since September 1987, when the DOT began tracking Customer Satisfaction statistics and publishing its Air Travel Consumer Report.

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- Adopted the first profitsharing plan in the U.S. airline industry in 1973.
- Approximately 83 percent of the Company's Employees were represented for collective bargaining purposes by labor unions in 2015.
- Member of the FORTUNE 500.
- In 2015, Southwest Employees volunteered more than 130,000 hours to national and local nonprofit organizations.
- In 2014, announced a multi-year commitment to placemaking, a process that puts people first in the process of designing and improving public spaces. Through the Southwest Airlines Heart of the Community program, Southwest will work with pioneering nonprofit Project for Public Spaces and collaborate with local community partners in cities across the country to revitalize and bring new life to public spaces.
- In 2014, the Company launched LUV Seat: Repurpose with Purpose, a global sustainability initiative that upcycles the used leather seat coverings from cabin retrofits into new products that support local communities. Through the initiative's pilot program, the products benefit communities in Kenya and the United States by providing access to employment, skills training, and livelihoods. To learn more about LUV Seat, visit www.swamedia.com/luvseat.

RECOGNITIONS:

- Named to FORTUNE Magazine's World's Most Admired Companies list for 22 consecutive years. Southwest was ranked as the No. 7 Most Admired Company, and is the only commercial airline to make the Top Ten.
- Named one of the Top 20 America's Best Employers of 2016 by *Forbes*.
- Named among the top 10 on Chief Executive Magazine's Best Companies for Leaders 2016.
- Recognized with an *InsideFlyer* Freddie Award for 2016 Airline Program of the Year.
- Among the Environmental Protection Agency's List of Fortune 500 Partners.
- Named a 2017 Military Friendly Employer by Victory Media.
- Recognized as one of the 2016 Best Companies for Leaders by Chief Executive Group.
- Named Domestic Airline of the Year by Express Delivery and Logistics Association for the 15th year in a row.
- Named Domestic Carrier of the year for Cargo by the Airforwarders Association.
- Recognized by *Newsweek* as one of America's Greenest Companies 2015.
- Selected as the Travelers' Choice "Favorite Airline" by TripAdvisor.

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- Named the best low cost carrier in North America for the third consecutive year by Premier Traveler.
- Air Cargo Excellence “ACE” Diamond Award winner in the “up to 399,999 tonnes” category by *Air Cargo World* Magazine.
- Received *Logistics Management* Magazine’s 2015 Quest for Quality Award.
- Received CIO 100 Award from *CIO* Magazine.
- Ranked #9 on the *Dallas Business Journal*’s Top Public Companies List.
- Designated a 2015 Most Valuable Employer (MVE) for military by CivilianJobs.com.
- Named one of the Best Corporate Citizens 2015 by *Corporate Responsibility* Magazine.
- Named a 2015 STEM Jobs Approved Employer.
- Named the #2 Low Cost Carrier in the J.D. Power 2015 Airline Loyalty/Rewards Program Satisfaction Report.
- Ranked as a Top 100 Company by BetterInvesting.
- Received a 2015 Texas Excellence Award from the U.S. Commerce & Trade Research Institute.
- Ranked among the Top Companies for HR on the Workforce 100.
- Recognized among the Top Domestic Airlines on *Travel + Leisure*’s World’s Best List.
- Ranked #27 of Top 50 Employers by Workforce Diversity for *Engineering & IT Professionals* Magazine.
- Named one of Best Companies for Work-Life Balance by *Forbes*.
- Ranked among Best Airline Rewards Programs by *U.S. News & World*.
- *Outsmart* Magazine’s Best Airline.
- Recognized as one of the Best Places to Work in PR by PRWeek.
- Best Domestic Airline in Recommend Magazine’s 19th Annual Readers’ Choice Awards.
- Named Best Airline (Domestic) and Best Loyalty Airline Card in MONEY Magazine’s Best in Travel Awards.

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