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Southwest Airlines Announces Increase In Dividend And Share Repurchase Authorization

DALLAS, May 16, 2012 /PRNewswire/ -- Southwest Airlines' (NYSE: LUV) Board of Directors, at its meeting held today, declared an increase in the quarterly dividend and increased the Company's share repurchase authorization to \$1 billion.

At the Company's Annual Meeting of Shareholders today, Gary C. Kelly, Chairman of the Board, President, and CEO, stated: "I am pleased to announce the Board's decision today to increase the quarterly dividend to \$.01 per share from \$.0045 per share. The Board also increased the Company's previous \$500 million share repurchase authorization to \$1 billion. Both actions reflect the Board's confidence in Southwest Airlines and its ongoing commitment to enhance Shareholder value."

The increase in the quarterly dividend will begin with the 143rd dividend declared today to Shareholders of record at the close of business on June 6, 2012 on all shares then issued and outstanding to be paid on June 20, 2012.

Repurchases will be made in accordance with applicable securities laws from time to time in open market or private transactions, depending on market conditions, and may be discontinued at any time.

In August 2011, the Board of Directors authorized the repurchase of up to \$500 million of the Company's common stock. Through May 15, 2012, the Company repurchased approximately 39 million shares for a total of \$325 million as part of this program. The Board's decision to increase the share repurchase authorization to \$1 billion allows the Company to repurchase an additional \$675 million of common stock. Since January 2006, the Company has repurchased approximately 159 million shares for a total of \$2.2 billion.

Southwest has approximately 768 million shares of common stock outstanding.

SOURCE Southwest Airlines