

July 28, 2020



Southwest Airlines Announces Pricing of Notes

DALLAS, July 28, 2020 /PRNewswire/ -- [Southwest Airlines Co.](#) (NYSE: LUV) (the "Company") today announced that it has priced an underwritten public offering of \$1,000,000,000 aggregate principal amount of its senior notes, consisting of \$300,000,000 aggregate principal amount of 5.250% Notes due 2025 (the "2025 Notes") and \$700,000,000 aggregate principal amount of 5.125% Notes due 2027 (the "2027 Notes," and, collectively with the 2025 Notes, the "Notes"). The 2025 Notes will be issued at 106.768% of par and the 2027 Notes will be issued at 105.170% of par, plus accrued interest, to yield 3.661% and 4.231% respectively.

The 2025 Notes are being offered as an additional issuance of the Company's 5.250% Notes due 2025, of which the Company issued \$1.25 billion aggregate principal amount on May 4, 2020, and have identical terms, other than the issue date and issue price, as the initial notes of that series. The 2027 Notes are being offered as an additional issuance of the Company's 5.125% Notes due 2027, of which the Company issued \$1.3 billion aggregate principal amount on June 8, 2020, and have identical terms, other than the issue date and issue price, as the initial notes of that series.

The Company expects to use the net proceeds from the offering for general corporate purposes, which may include, but are not limited to, repayment or redemption of unsecured indebtedness maturing in the next 12 months or other corporate obligations. The offering is expected to close on or about July 31, 2020, subject to customary closing conditions.

Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC are acting as joint lead book-running managers for the offering. Comerica Securities, Inc., Cowen and Company, LLC and Penserra Securities LLC are acting as co-managers for the offering. A shelf registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission ("SEC") and has become effective. The offering may be made only by means of a prospectus supplement and an accompanying base prospectus. The preliminary prospectus supplement and accompanying base prospectus relating to the offering have been filed, and a final prospectus supplement will be filed, with the SEC and will be available on the SEC's website at www.sec.gov. Copies of the preliminary prospectus supplement and accompanying base prospectus relating to the offering may be obtained from (1) Goldman Sachs & Co. LLC, 200 West Street, New York, NY 10282, Attention: Prospectus Department, by telephone: 1-866-471-2526, by facsimile: 212-902-9316 or by email: prospectus-ny@ny.email.gs.com and (2) Wells Fargo Securities, LLC, 608 2nd Avenue South, Suite 1000 Minneapolis, MN 55402, Attention: WFS Customer Service, by telephone: 1-800-645-3751 or by email: wfscustomerservice@wellsfargo.com.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the Notes or any other securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to the registration and qualification under the securities laws of such state or jurisdiction.

About Southwest Airlines Co.

In its 50th year of service, Dallas-based Southwest Airlines Co. continues to differentiate itself from other air carriers with exemplary Customer Service delivered by more than 60,000 Employees to a Customer base topping 130 million passengers in 2019. Southwest became the nation's largest domestic air carrier in 2003 and maintains that ranking based on the U.S. Department of Transportation's most recent reporting of domestic originating passengers boarded. In peak travel seasons during 2019, Southwest operated more than 4,000 weekday departures among a network of 101 destinations in the United States and 10 additional countries. In early 2020, the carrier added service to Hilo, Hawaii, and Cozumel, Mexico for a total of 103 airports served.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Specific forward-looking statements include, without limitation, statements related to the proposed terms of the offering described herein, the completion, timing, and size of the proposed offering, and the anticipated use of proceeds from the offering. Forward-looking statements involve risks, uncertainties, assumptions, and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors include, among others, (i) the extent of the COVID-19 pandemic, including the duration, spread, severity, and any recurrence of the COVID-19 pandemic; the duration and scope of related government orders and restrictions; the duration and scope of the Company's related self-imposed restrictions to address customer and employee health concerns; the extent of the impact of the COVID-19 pandemic on overall demand for air travel and the Company's related business plans and decisions; and any negative impact of the COVID-19 pandemic on the Company's access to capital; (ii) the impact of economic conditions, governmental actions, extreme or severe weather and natural disasters, fears of terrorism or war, actions of competitors, fuel prices, consumer perception, and other factors beyond the Company's control, on consumer behavior and the Company's results of operations and business decisions, plans, strategies, and results; and (iii) other factors, as described in the Company's filings with the Securities and Exchange Commission, including the detailed factors discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as supplemented in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2020. Caution should be taken not to place undue reliance on the Company's forward-looking statements, which represent the Company's views only as of the date this report is filed. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Forward-looking statements should not be relied upon as a prediction of actual results. Subject to any continuing obligations under applicable law or any relevant stock exchange rules, the Company expressly disclaims any obligation to disseminate, after the date of this press release, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

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