

## Southwest Airlines Demonstrates Commitment To Enhancing Inflight Experience Across Satellite-Based WiFiEquipped Fleet

Carrier continues work to increase WiFi bandwidth and introduce new onboard entertainment offerings for Customers in 2017

DALLAS, Dec. 13, 2016 /PRNewswire/ -- Southwest Airlines Co. (NYSE: LUV) is committed to enhancing the inflight Customer experience and improving connectivity on Southwest® flights across the U.S. and near international destinations. This commitment is demonstrated with the carrier's announcement today that it has entered into connectivity agreements with Panasonic Avionics Corporation (Panasonic) and Global Eagle Entertainment (GEE). The agreement with Panasonic provides for their Global Communications Services, which include WiFi and live television, to be offered on a portion of the carrier's fleet, with the first Panasonic equipped aircraft scheduled to enter service in late 2017. The agreement with GEE extends the carrier's use of the company's Airconnect connectivity system and services. Both of the agreements support Southwest's focus on yielding greater WiFi bandwidth available to Customers on WiFi-equipped aircraft.

Southwest's agreements with Panasonic and GEE align with next year's planned retirement of the carrier's non-WiFi-equipped 737-300 Classic aircraft and the introduction of the new Boeing 737-8 (MAX). By the end of 2017, Southwest Airlines is targeting to operate a 100 percent WiFi-equipped fleet of more than 700 aircraft.

"As the largest domestic airline in terms of originating domestic passengers boarded, carrying more than 100 million Customers a year, we are committed to providing an enhanced inflight experience for our Customers," said Ryan Green, Vice President Marketing for Southwest Airlines. "We've led the way in Customer experience, being the first U.S. carrier to offer gate-to-gate connectivity to our Customers while having the foresight that Customers prefer to use their own devices to stay connected. Going forward, our Customers will have the capability to stay connected on Southwest Airlines flights with even more bandwidth at their disposal."

The Customer experience with connectivity remains a top priority for Southwest. Southwest's agreements with GEE and Panasonic demonstrate the Company's focus to keep Customers connected to what matters most in their lives, especially onboard their Southwest flights. In mid-2017, Customers will be able to browse the Internet at increased speeds as a result of an expected bandwidth increase of at least three times more than what they currently experience, with an additional expected bandwidth increase in mid-2018. Connectivity speeds are expected to increase, and Southwest plans to develop relationships with content providers to bring even more exclusive content to its Customers while on flights.

"We are pleased to extend and grow our relationship, including continuing to install GEE's Airconnect system, WiFi and television services on Southwest Airlines aircraft," commented Dave Davis, CEO of Global Eagle. "We're committed to continuously improving the inflight connectivity experience for Southwest's passengers with our next-generation high performance network, our live television portfolio, and our new passenger experience platform. Global Eagle's new agreement and contract extension with Southwest Airlines highlights our long-term commitment to enhancing inflight entertainment and connectivity."

Paul Margis, President and Chief Executive Officer for Panasonic Avionics said, "We are both honored and excited to partner with Southwest on a program of this size and magnitude. Over the past year, we've been rolling out industry-leading high throughput satellite services, and we're already evaluating new technologies such as XTS<sup>TM</sup> (Extreme Satellite) services, new modem designs and cutting-edge antenna technology that will ensure the best possible WiFi and entertainment experience for our customers and their passengers. We look forward to being a valued partner for both WiFi and entertainment services with Southwest for many years to come."

"Panasonic has a longstanding reputation within the inflight entertainment and connectivity space and we are excited for them to join our inflight experience. Global Eagle Entertainment has been the inflight connectivity provider for Southwest over the past six years and has continued to grow with our business, extending connectivity to millions of our Customers annually," Green said. "We are pleased to have both partners helping to provide an improved inflight experience over the next 18 months as we continue to see an increase in demand for inflight WiFi connectivity."

Customers will continue to enjoy the current onboard entertainment offerings they experience with Southwest today, such as free live TV and \$8 per device per day for WiFi connectivity across all WiFi-equipped planes.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This news 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 (i) the Company's fleet plans and expectations, including its goals and expectations with respect to WiFi service on its aircraft and expected WiFi capabilities; (ii) the Company's financial expectations with respect to its WiFi service, including expectations with respect to consumer demand; and (iii) the Company's expectations with respect to its other service offerings. These forward-looking statements are based on the Company's current intent, expectations, and projections and are not guarantees of future performance. These 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 Company's dependence on third parties, in particular with respect to its fleet and WiFi service plans and expectations; (ii) changes in demand for the Company's services and other changes in consumer behavior; (iii) the impact of economic conditions, fuel prices, actions of competitors, and other factors beyond the Company's control on the Company's business decisions, plans, and strategies; (iv) the impact of governmental regulations and other governmental actions related to the Company's operations; (v) the Company's ability to timely and effectively implement, transition, and maintain the necessary information technology systems and infrastructure to support its operations and initiatives; and (vi) 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, 2015.

## ABOUT SOUTHWEST AIRLINES CO.

In its 46th year of service, Dallas-based <u>Southwest Airlines</u> (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 100 destinations in the United States and eight additional countries with additional Cuba service to Santa Clara beginning Dec. 15, 2016.

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. Southwest created <a href="Transfarency@">Transfarency@</a>, 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 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 <u>Southwest.com</u> or by phone at 800-I-FLY-SWA.

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