

Southwest Airlines Announces Intention To Serve Hawaii

Carrier intends to sell tickets to Hawaii in 2018; Begins application process with regulators for Extended Operations (ETOPS) Authorization

DALLAS, Oct. 11, 2017 /PRNewswire/ -- <u>Southwest Airlines Co.</u> (NYSE: LUV) today shared plans to begin selling tickets in 2018 for service to Hawaii and also announced its intention to launch an application process for Federal Aviation Administration authorization for Extended Operations (ETOPS). Service details are to be announced at a later date.

"A day long-awaited by our Customers, fans, and more than 55,000 of the world's most-loved airline Employees is finally within sight—a day that will showcase your Hospitality, about as far Southwest as you can go in the U.S.," Chairman & CEO <u>Gary Kelly</u> told thousands of Southwest Employees at a Company gathering in Southern California. "Hawaii is an important place for Southwest Airlines because so many people count on us to take them everywhere they want to go reliably and affordably. We're ready and excited to address a request we've heard for years."

At the beginning of this month, Southwest became the <u>first airline in North America to launch scheduled service utilizing Boeing 737 MAX 8</u> aircraft across its existing network, bringing increased levels of efficiency and range over Next Generation Boeing 737 models. The carrier announced it will embark on a process to obtain approval from the Federal Aviation Administration for Extended Operations (ETOPS), a regulatory requirement to operate between the mainland and the Hawaiian islands.

"The launch of our ETOPS work begins the next chapter of Southwest Airlines. We're thrilled to bring Hawaii next year as an option to more than 115 million Customers who already fly with us, annually," said Mike Van de Ven, Chief Operating Officer.

Southwest President <u>Tom Nealon</u> joined the announcement via satellite from Honolulu's famed Waikiki Beach and introduced the Governor of Hawaii, the <u>Hon. David Ige</u>, who shared his welcome with Southwest Employees. "The unmatched combination of our People and low fares with nothing to hide will be a game-changer in the U.S. to Hawaii market," Nealon said in accepting the Governor's invitation.

The Company's aircraft and available seat miles plans for 2018 are unchanged with today's announcement.

<u>Cautionary Statement Regarding Forward-Looking Statements</u>

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 network plans, strategies, opportunities, and expectations; (ii) the Company's fleet plans and expectations; and (iii) the Company's

capacity plans and expectations. 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 impact of economic conditions, consumer behavior, fuel prices, actions of competitors (including without limitation pricing, scheduling, capacity, and network decisions and consolidation and alliance activities), and other factors beyond the Company's control, on the Company's business decisions, plans, and strategies; (ii) the impact of governmental regulations and other governmental actions related to the Company's operations; (iii) 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; (iv) the Company's dependence on third parties; and (v) 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 Dec. 31,

ABOUT SOUTHWEST AIRLINES CO.

In its 47th year of service, Dallas-based <u>Southwest Airlines</u> (NYSE: LUV) differentiates itself above all other air carriers with exemplary Customer Service delivered by more than 55,000 Employees to more than 115 million Customers annually. 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. Southwest operates more than 4,000 departures a day during peak travel periods among a network of 99 destinations in the United States and nine additional countries. Service to Turks and Caicos is scheduled to begin Nov. 5, 2017.

Southwest coined <u>Transfarency®</u> to describe its purposed philosophy of treating Customers honestly and fairly, empowering them to expect a reliably low and uniquely flexible fare from purchase through journey. 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 carriers offer free checked bags on select routes or in qualified circumstances), and Southwest never charges change fees, though fare differences might apply.

As launch customer of the Boeing 737 MAX 8, the Company operates the largest fleet in the world of Boeing aircraft, all of which are to be equipped with satellite-based WiFi enabling gate-to-gate connectivity as of Oct. 1, 2017. That connectivity enables Customers to use personal devices to view video on-demand movies and television shows, as well as nearly 20 channels of free, live TV. In 2014, 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 44 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 2016 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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