



SKYWEST

INCORPORATED



INVESTOR UPDATE

Q1 2024



SkyWest



Forward Looking Statements



In addition to historical information, this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “forecasts,” “expects,” “intends,” “believes,” “anticipates,” “estimates,” “should,” “likely” and similar expressions identify forward-looking statements. Such statements include, but are not limited to, statements about the continued demand for our product, the effect of economic conditions on SkyWest’s business, financial condition and results of operations, the scheduled aircraft deliveries for SkyWest in upcoming periods and the related execution of SkyWest’s fleet transition strategy and expected timing thereof, expected production levels in future periods and associated staffing challenges, pilot attrition trends, SkyWest’s coordination with major airline partners to optimize the delivery of aircraft under previously announced agreements, the expected terms, timing and benefits related to SkyWest’s leasing and joint venture transactions, SkyWest’s provisioning of assets to Contour Airlines, as well as SkyWest’s future financial and operating results, plans, objectives, expectations, estimates, intentions and outlook, and other statements that are not historical facts. All forward-looking statements included in this presentation are made as of the date hereof and are based on information available to SkyWest as of such date. SkyWest assumes no obligation to update any forward-looking statements unless required by law. Readers should note that many factors could affect the future operating and financial results of SkyWest and could cause actual results to vary materially from those expressed in forward-looking statements set forth in this presentation. These factors include, but are not limited to: the challenges of competing successfully in a highly competitive and rapidly changing industry; developments associated with fluctuations in the economy and the demand for air travel, including related to inflationary pressures, and related decreases in customer demand and spending; uncertainty regarding continued recovery from the COVID-19 pandemic and other potential future outbreaks of infectious diseases or other health concerns, and the consequences of such outbreaks to the travel industry, including travel demand and travel behavior, and our major partners in general and the financial condition and operating results of SkyWest in particular; the prospects of entering into agreements with existing or other carriers to fly new aircraft; ongoing negotiations between SkyWest and its major partners regarding their contractual obligations; uncertainties regarding operation of new aircraft; the ability to attract and retain qualified pilots, including captains, and related staffing challenges; the impact of regulatory issues such as pilot rest rules and qualification requirements; the ability to obtain aircraft financing; the financial stability of SkyWest’s major airline partners and any potential impact of their financial condition on the operations of SkyWest; fluctuations in flight schedules, which are determined by the major airline partners for whom SkyWest conducts flight operations; variations in market and economic conditions; significant aircraft lease and debt commitments; estimated useful life of long-lived assets, residual aircraft values and related impairment charges; labor relations and costs and labor shortages; the impact of global instability; rapidly fluctuating fuel costs and potential fuel shortages; the impact of weather-related, natural disasters and other air safety incidents on air travel and airline costs; aircraft deliveries; uncertainty regarding ongoing hostility between Russia and the Ukraine, as well as Israel and Hamas, and the related impacts on macroeconomic conditions and on the international operations of any of our major airline partners as a result of such conflict; and other unanticipated factors. Risk factors, cautionary statements and other conditions which could cause SkyWest’s actual results to differ materially from management’s current expectations are contained in SkyWest’s filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

ABSOLUTELY NO PART OF THIS PRESENTATION OR ANY OF ITS CONTENTS MAY BE REPRODUCED, COPIED, MODIFIED OR ADAPTED, WITHOUT PERMISSION IN WRITING FROM SKYWEST, INC.

Financial Results

GAAP Pre-tax Income **\$24m**
EPS **\$0.42**

Ended Q4-23 with over **\$835m** in Cash

Fleet Announcement



Contract for **20** partner financed
E175s with **UNITED** 
Deliveries in 2024

Total of **41 E175** future deliveries
scheduled from 2024 through 2026

SkyWest scheduled to operate a total of
278 E175s by end of 2026

Share Repurchase

Repurchased **10.6 million shares** for
\$289m in 2023 at **\$27.30 per share**
or **21%** of SkyWest's outstanding shares



Repurchased **1.0 million shares**
for **\$45m** in Q4 2023





Anticipate repurchase program will continue in 2024,
but at a significantly lower cadence than 2023

Strategic Investment




Equity investment made in Contour Airlines,
a Part 135 carrier, in Q4 2023

Future E175 Deliveries

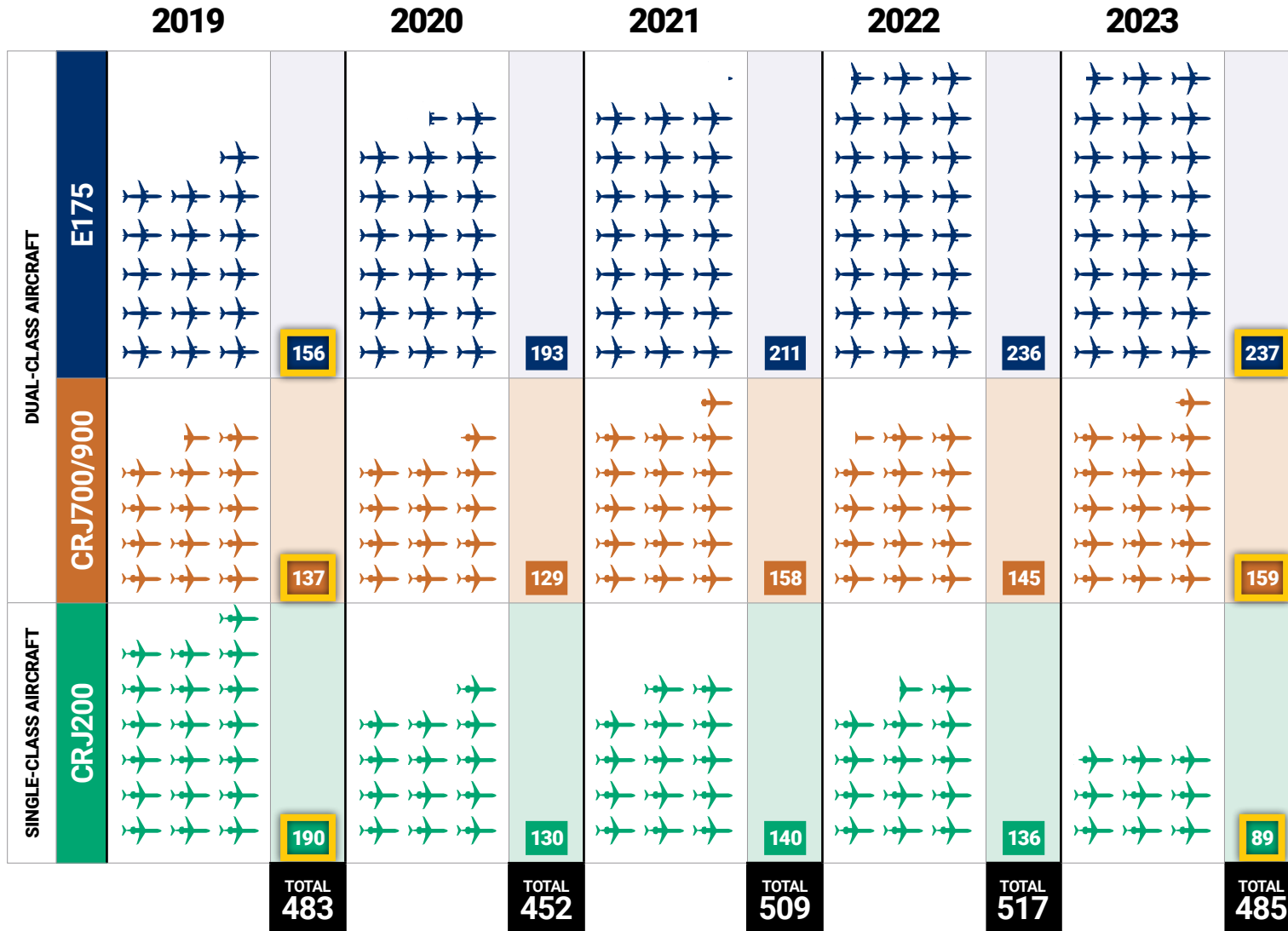
E175 DELIVERIES	2024	2025	2026	TOTAL
 SkyWest Financed	4	7	8	19
 United Financed	20	-	-	20
 SkyWest Financed	1	-	-	1
 SkyWest Financed	-	1	-	1
TOTAL	25	8	8	41

We anticipate having **278 E175s** in service by end of 2026

Fleet Transition

 = Qty. of 10

End of Year



Optimizing our fleet since 2019

- E175s ▲ 52%
- CRJ700/900s ▲ 16%
- CRJ200s ▼ 53%

Well positioned for captain recovery

DUAL-CLASS PRODUCTION

87% of our block hours were dual-class in Q4 2023

Aircraft Under Agreement

December 31, 2023



		UNITED		DELTA		American Airlines		Alaska	
		CONTRACT	PRORATE	CONTRACT	PRORATE	CONTRACT	PRORATE	CONTRACT	PRORATE
E175 • Own (5), debt (202) and partner financed (30) • Average age 6 years	237	90	-	85	-	20	-	42	-

BOMBARDIER

CRJ900 • Own (16), debt (1), and partner financed (24) • Average age 13 years	41	-	-	35	6	-	-	-	-
CRJ700 • Own (98), debt (18), and partner financed (2) • Average age 18 years	118	19	-	5	4	90	-	-	-
CRJ200 • Own (89) • Average age 21 years	89	70	19	-	-	-	-	-	-
Under Flying Agreements	485	179	19	125	10	110	-	42	-

Leased to 3rd Parties

Unassigned



CRJ900	5
CRJ700	35
	40

+

CRJ900	3
CRJ700	14
CRJ200	45
	62

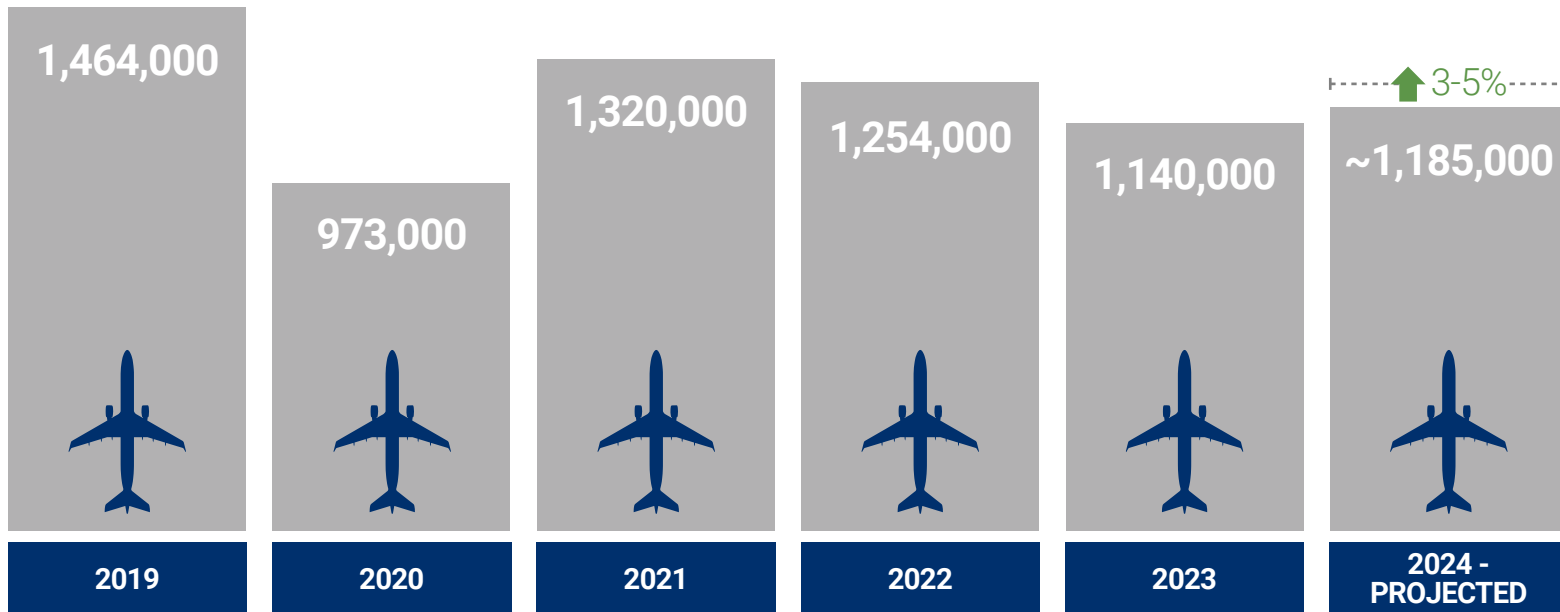
+

CRJ200	16
	16

=

TOTAL FLEET 603

TOTAL BLOCK HOURS



PRODUCTION OPPORTUNITY

Potentially add:

- ~ 14% more E175 block hours
- ~ 35% more CRJ block hours

Within existing fleet when captain constraint is solved

Dual Class Block Hours





Contour Airlines is a domestic **Part 135** carrier

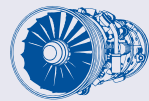
We acquired **9.9%** ownership stake for **\$9.9m** in Q4 2023

Increased our investment to **25%** for a total of **\$25m** in Q1 2024

Our favorable view in the Contour investment includes:



Contour is anchored in serving small communities, where demand is strong



Asset provisioning opportunity to deploy unused SkyWest CRJ200 aircraft, engines and parts



The 30-seat regional jet aircraft is a good fit for many small communities



Expansion of pilot supply with flexibility around mandatory pilot retirement age

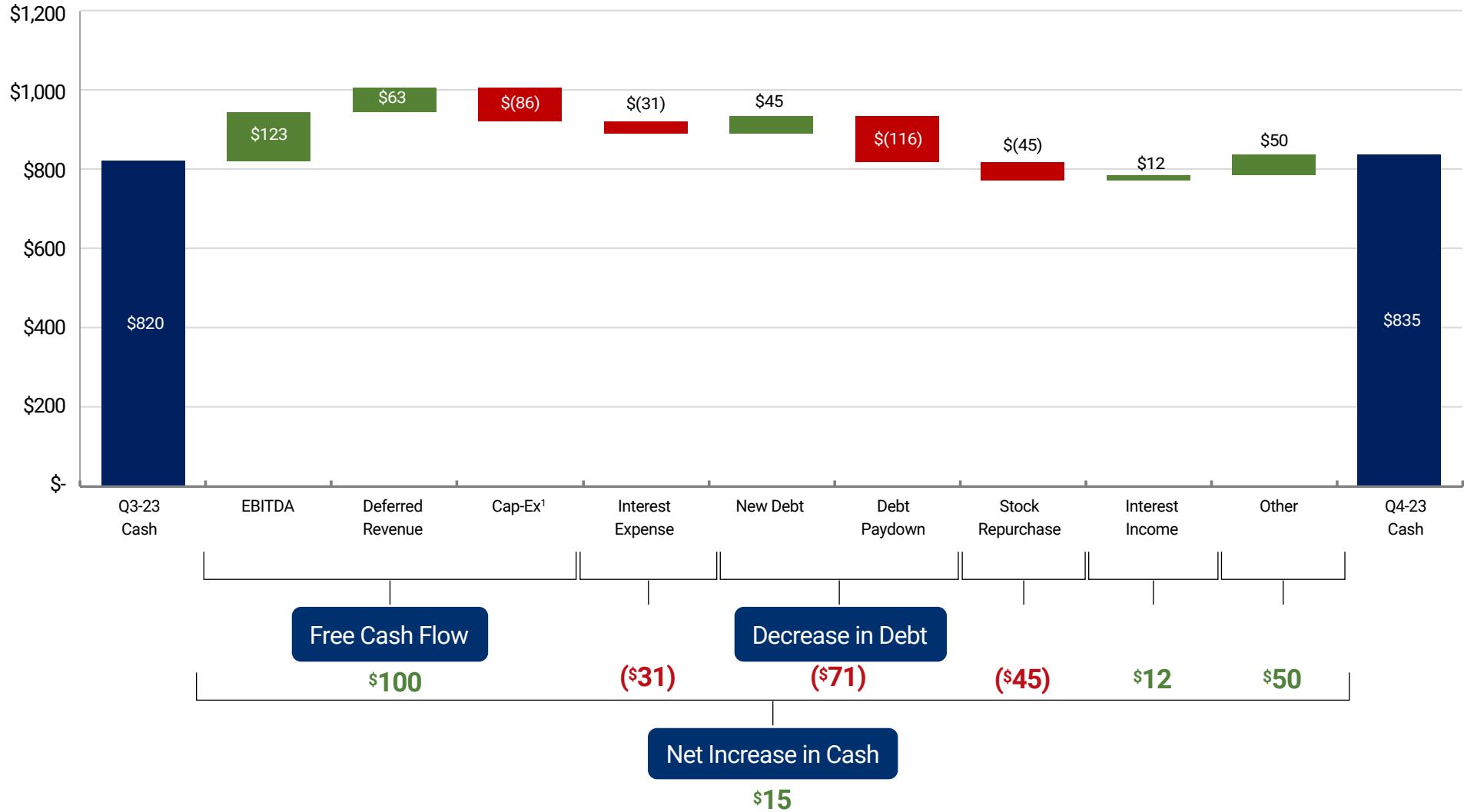


Contour has commuter authority from the DOT and the CRJ200 is on its operating certificate

Cash Waterfall Q4-23

\$ in Millions + Inflow - Outflow

Q3-23 TO Q4-23



(1) Includes 2 E175 aircraft purchased in Q4

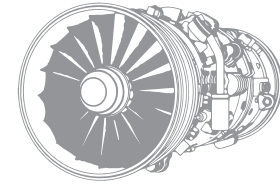
TOTAL DEBT: \$3.0b



\$2.6b aircraft financing



\$0.2b debt from PSP



\$0.2b spare engine financing

1

Scheduled to pay down over
\$400m per year in debt

2

Have over **\$1b** in
unpledged assets

3

E175 debt term largely aligns
with flying contracts

Q4-23 Aircraft Summary by Financing

Debt-financed Aircraft (Total 221)

202 E175s \$2.5b debt balance
19 CRJs \$34.0m debt balance

Aircraft Owned Outright

203 CRJs No debt outstanding
5 E175s

Partner Provided Aircraft

30 E175s No financing obligation
26 CRJs

43%
of fleet

Over **54%**
of fleet we
operate has
no financing

485 December 31, 2023 fleet in scheduled service

SkyWest had no leased aircraft in scheduled service at December 31, 2023.

E175 Cash Flow Characteristics



E175 contract with partner aligns with debt of **12 years**

Each aircraft is expected to have **13+ years** of remaining life after its debt payoff



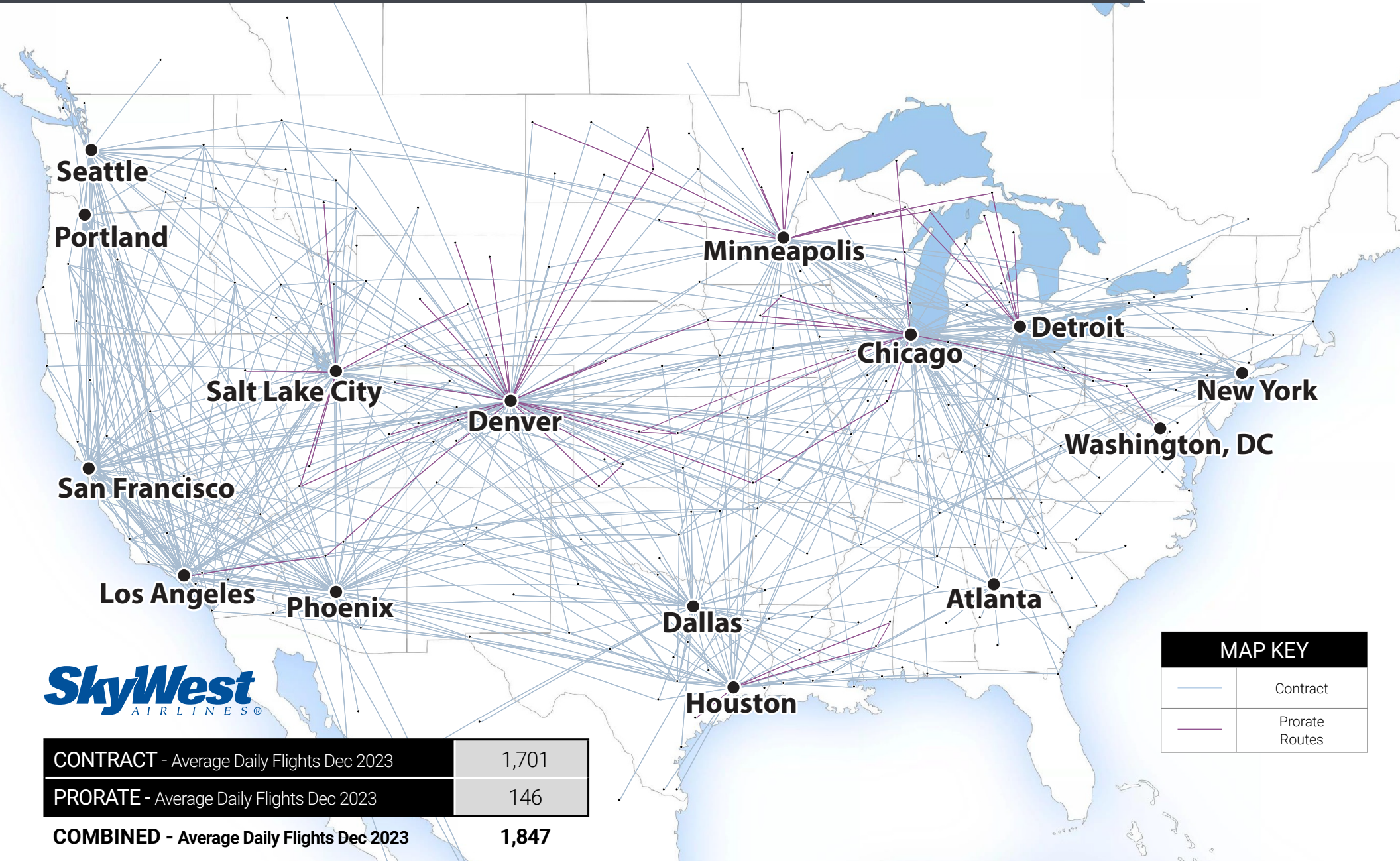
Our first **20 E175s** delivered in 2014 are scheduled for debt payoff in 2026

Over half of our debt financed **E175s** were delivered between 2014-2017

We anticipate the cash flow characteristics of our E175 fleet will significantly improve beginning in 2026

SkyWest Airlines Contract & Prorate

As of December 31, 2023



MAP KEY	
	Contract
	Prorate Routes

CONTRACT - Average Daily Flights Dec 2023	1,701
PRORATE - Average Daily Flights Dec 2023	146
COMBINED - Average Daily Flights Dec 2023	1,847



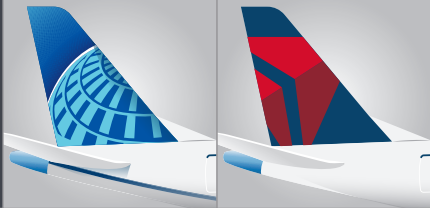
Celebrated 50 years of operations in 2022





INVESTOR UPDATE

Q1 2024



INC.SKYWEST.COM